

Zen Center of Los Angeles, Inc.

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

November 16, 2008

The Board of Directors of Zen Center of Los Angeles, Inc., a California nonprofit corporation, held a meeting at 1:30 p.m. November 16, 2008, at 923 S. Normandie Avenue, Los Angeles, California. The following directors were present: Darla Myoho Fjeld, Patti Muso Giggans (President), Thomas Dharma-Joy Reichert (CFO), Hillary Radiant-Vow Stephenson (Secretary), DeWayne Gojitsu Snodgrass, and Robert Swan, Roshi Wendy Egyoku Nakao (Abbot), and John Plum-Hermit Swanger. Margaret Jifu Gower attended as a witness.

Hillary Radiant-Vow Stephenson served as recording secretary of the meeting.

1. Greetings and Introductions

Muso called the meeting to order and welcomed everyone present. Those present sat zazen, and then participated in a check-in round.

2. Review of Agenda and Priority Setting

Muso led the Board in a review of the agenda, a copy of which is attached, to establish priorities for discussion.

3. Review and Approval of Minutes from September 2008 Meeting

Dharma-Joy led a review and discussion of the draft Board Minutes from the September 2008 Board meeting. The minutes were unanimously approved and executed.

4. Review of Action Commitments from September 2008 Meeting

Dharma-Joy led a review of action commitments from the September 2008 meeting.

- 4.1** Jifu/EC – personnel policy manual. Muso and Gojitsu attended the October 15th meeting w/ Dokai, Koan, Jifu, Mary, and Gemmon. Jifu remarked that the resistance among staff to the policy was not to having the policy in and of itself but to some of the elements in the policy. The decision was made based on discussion at the staff meeting to work with staff and Roshi to surface the issues that exist among the staff in relationship to the policy, and then work collectively with staff to develop a policy through consensus. Gojitsu agreed to pass on a bare-bones personnel policy template to Board to assist in this process. Implementation of the personnel policy is pending a process of discussion and consensus-building on staff. Gojitsu and Patti are coordinating this effort.
- 4.2** Muso/Gojitsu – attend staff meeting re personnel policy manual. This item was completed.
- 4.3** Bob – finalize Center investment policy statement language. In process, but not completed. Carry forward.

- 4.4 Bob – prepare quarterly endowment report. Completed; distributed Nov.15th via email to Board.
- 4.5 Muso/Dharma-Joy – speak to Roshi regarding Mountain Hut Fund; follow-up. Completed. Dharma-Joy has yet to follow up with Sotetsu.
- 4.6 Dharma-Joy/Finance Committee - develop recommendation on long term issues involving financial support for abbots in retirement. Carry forward pending finalizing current Mountain Hut structure.
- 4.7 Jifu/EC/Heart-Mirror – continue disaster preparedness efforts for the Center. Jifu will assemble workbooks for the residents by the end of January latest. Jifu suggested fire drills for residents and for the general sangha be scheduled as part of a program early 2009. Roshi agreed. Carry forward.
- 4.8 Ensho (Myoho as contact to Board) - consult with residents who have special housing fees arrangements for update on situations. There is just one person with whom Ensho and Myoho negotiated a special housing fee. Ensho is taking care of this process.
- 4.9 Finance Committee – address rental housing situation, monastery housing fees. Myoho reports this is in process and it is on the agenda for discussion at today’s meeting.
- 4.10 Finance Committee – prepare and submit 2009 budget draft. Dharma-Joy indicates it is in process and is on the agenda for today’s meeting.
- 4.11 Dharma-Joy/Finance Committee – mortgage refinance. Dharma Joy reports that this is in process and will be addressed later in today’s agenda.
- 4.12 Muso/Gojitsu – speak with people re Board position interest. Muso reports this is completed. Prospects for the Board are not available at this time due to issues of timing and capacity.

In addition, Dharma-Joy reported to the Board on two items that had been raised previously but that were not included on the action items list, as follows:

- 4.13. Reinstating treasury-bill ladders in the Merrill Lynch general and endowment accounts. Dharma-Joy reports this has been completed.
- 4.14. Complete process to establish Jifu as an account representative on the Merrill Lynch accounts: Dharma-Joy reported that this is pending.

5. Reports

5.1 Officer And Board Member Vacancy Discussion

Muso nominates Sensei Daishin Buksbazen as a new Board member. Daishin excused himself from the room, and a discussion ensued among the Board. After discussion, on motion made and duly seconded, the Board unanimously passed the following resolution:

IT IS RESOLVED THAT Sensei John Daishin Buksbazen is appointed as a Director of ZCLA to fill the position that previously had been filled by Gary Koan Janka, and that his term shall run through February 2011.

Muso reminds the board that there are 2 vacant positions to fill. Given the unavailability of current Board prospects (see action item 4.12), Muso suggests Board members send recommendations to Muso in an open, ongoing process as suggested names come up.

5.2 Financial Report

Dharma-Joy handed out a series of financial reports, copies of which are attached hereto as an exhibit. He then gave a brief report on the Center's financial status. We remain approx. 24,000 dollars below our projected fundraising budget. Board members expressed hope that year-end appeal be successful to close this 2008 gap in fundraising revenue.

5.3 Endowment Committee and Investment Policy Reports

Bob Swan gave a quarterly report update, copy of which is attached hereto as an exhibit. Bob suggests we are doing relatively okay given the economic downturn, suggests portfolio will continue to produce income but at a low yield, and recommends no changes

Treasury-bill ladders have been reinstated in the Merrill Lynch accounts.

5.4 Finance Committee Reports

Muso led a discussion of the Finance Committee suggestions resulting from their meeting held November 16th. Dharma-Joy distributed copies of the 2009 projected budget that was distributed at the September 2008 meeting for review. There is a projected 2009 budget deficit of a little over 50,000 dollars. Muso asserts that we cannot rely only on hopes of a successful fundraising year; asserts we will have to look at streamlining ZCLA spending. The Board agrees ZCLA must cut down on expenses while maintaining safety and care of buildings and grounds. Board agrees the goal is to move into 2009 with a balanced budget.

The Finance Committee will discuss recommendations for balancing the budget; Committee will meet and offer suggestions to Board via email so that we do not have to wait until February. Roshi reminds the Board that often the first draft of the projected budget shows a \$50,000 deficit. Roshi asks all Board members, beyond those on Finance Committee, to examine the 2009

projected budget; and to send any feedback to Dharma-Joy. The deadline for review of this budget and feedback to Dharma-Joy is before Dec. 1st, 2008.

Roshi expresses the importance of having the Board involved in conversations about the 2009 budget in addition to the Finance Committee. The Board agrees the goal is to come to the first 2009 Board meeting with a finished budget ready for Board approval.

Conference call will be scheduled in January. Dharma-Joy will set up the conference call meeting in January to accomplish this.

Jifu led a discussion of the mortgage refinancing process.. The ZCLA mortgage refinance application was sent back due to the lending freeze; the earliest Union Bank will review a loan application is January, and this is tentative.

Dharma-Joy reports the only complication is that we paid a fee for an interest rate lock. Union Bank says the application for a rate lock was denied due to not being faxed on time. This issue became moot because of the lending freeze. Jifu and Mary are monitoring this process and keeping Dharma-Joy informed.

5.5 EC Recommendations for Buildings and Grounds

Myoho gave a reports on the current priorities, which include painting the Dharma Hall and Buddha Hall, fixing the fence on the corner of Irolo and San Marino Streets, repairing the Dokusan room, and re-pointing and bolting the foundation of the Pine House.

Finance Committee recommends approval of painting of Dharma Hall and Buddha Hall and fencing on corner of San Marion and Irolo.

Retaining wall project on the corner of San Marino and Normandie is finished; needs planting; then fence will be added in (this is already part of approved estimate).

Roshi recommends garden area on corner of Irolo and San Marino be cleaned up and to watch out for fire hazard from fallen palm leaves.

A discussion is had regarding security for the front windows of the Dharma-Hall. Plum Hermit suggests securing Dharma Hall windows with security screens to protect glass; Jifu is looking into security mesh around the DH windows; an estimate is being sought by EC. Jifu is handling this project and seeking estimates for various options, including security mesh.

Plum Hermit recommends the Board authorize up to 5,000 dollars for security options for 5 windows: 2 front windows of the Dharma Hall; 2 front windows of the Pine House. Muso concurs.

There is a recommendation that the Board approve an 8,300 dollar expenditure for the painting of the Dharma-Hall and Buddha Hall, 5,000 dollars for replacement fencing on the corner of Irolo and San Marino, and up to 5,000 dollars for installation of protective mesh for the Dharma Hall and Pine House windows.

After discussion, on motion made and duly seconded, the Board unanimously passed the following resolution:

IT IS RESOLVED THAT the Board approves the following expenditures: \$8,300. for the painting of the Dharma Hall and Buddha Hall, \$5,000. to replace the fencing on the corner of Irolo and San Marino Streets, and up to \$5,000. for the installation of protective mesh for the 2 large front windows of the Dharma Hall and Pine House. All projects will be overseen by the EC.

Myoho indicates the EC suggests having a budget council with all stewards to explore what we are up against in the 2009 budget.

5.6 Fundraising Committee

Legacy Circle: Muso gives report that the Legacy Circle tea is happening January 31st to appreciate the founders; 23 donors have come on board in 2 years. Muso extends the opportunity to Board members.

Donation Analysis: Muso reports that the 2008 annual appeal brought in \$25,000, so suggests we be hopeful for 2009. Muso indicates the fundraising committee will be making phone calls to members after the annual appeal letter is sent out during first two weeks of December. Gojitsu and Plum-Hermit say they are willing to help make these calls.

Muso indicates there are 209 people total who gave to the annual appeal, 59 who are not ZCLA members.

There is discussion on reporting to the Sangha about ongoing improvement projects to help motivate the Sangha to donate. The Board suggests that the EC make these reports; Roshi suggests small videos on the member website updating members i.e. footage of improvements, etc.

Muso suggests that the fundraising committee take action to describe its purpose that reflects the mission, and core values like other circles. This is created as an action item with Muso taking responsibility for its completion.

Muso recommends the Board agree that we want to have 100 percent giving among board members to the annual fund; everyone agrees this is important.

5.7 Many Hands and Eyes

No updates at this time.

6. Executive Session

The board went into executive session. The following decisions were made during this session: Operations Steward position will be dissolved as of January 1st, 2009. Roshi Egyoku Nakao announced her plans for leave-taking from ZCLA in 2011.

7. Schedule of 2009 Meeting Dates:

This will be done over email once ZCLA master calendar is available.

8. Check-Out Round and Adjournment

The Board had a check-out round, and then adjourned.

Date: February ____, 2009

Hillary Radiant-Vow Stephenson
Recording Secretary

Approved:

Date: February ____, 2009

Darla Myoho Fjeld

Date: February ____, 2009

Patti Muso Giggans

Date: February ____, 2009

DeWayne Gojitsu Snodgrass

Date: February ____, 2009

Sensei Daishin Buksbazen

Date: February ____, 2009

Robert Swan

Date: February ____, 2009

Roshi Wendy Egyoku Nakao

Date: February ____, 2009

John Plum-Hermit Swanger