

KARMA Treasurer's Report — Thursday, January 4th 2007

We had a Finance Committee Meeting on December 19th at John Biggs house.

Among issues discussed were financial statements not arriving in a timely fashion to committee members. The Committee wanted budget information included in the general ledger. All committee members will receive financial statements as soon as they are available. Budget should be in Quickbooks so that information can be transferred to Microsoft Excel easily. Dwight (Bookkeeper) will get the Karma password to access all bank accounts at the start of each month so as not to have to wait for paper to arrive by mail. We are going to get our books and our audit to match. Dwight says all data can be exported to Excel. Dwight, John, Graeme, Anil will work on this in early January via e-mail and report by the next meeting on January 22, 2007.

Graeme will forward content from Karma surveys to the Committee along with a synopsis. We are hoping to have our questions ready by mid-Summer. We feel that July meeting is the place to discuss questions pertaining to finances for the survey. Fee collection notices are to disseminate information prominently so that shoppers will know the fees are going to be collected. John will ask the auditor if "segregated funds and deferred revenue" can be a separate entity. Dwight will open a deferred revenue account and show it as a *current liability*. Brian Iler sent Rolf a 30-page note saying that for amounts greater than **\$200,00.00** we must file an *operating statement* to comply with the law. If our loans exceed **\$70,000.00** along with the current **\$130,000.00** in loans we now have, we have to file an operating statement for "big buck loans."

Rolf and Anil will put a committee together to nail down the budget and draft an operating statement. Charlie and Rolf will work on a "template" and report on it at the next meeting. We have two quotes for building appraisals. Graeme will ask Alterna, and Charlie will ask the development manager at his workplace.

Losses through "shrink" will be tracked over the years for internal management and for the audit. John Biggs will use our internal shrink method and track the numbers in earlier years.

Graeme reported a break-in; we claimed \$3,800 from insurance. There is a \$1,000.00 deductible; so we should get \$2,800. This is shrinkage, but it will decrease our cost of goods sold by \$2,800, and reflect \$1,000.00 as pure shrink due to theft. November's figures will be adjusted.

Produce product loss and shrink will be recorded monthly as well as bread, milk, and dairy. Starting in January ALL groceries must be placed on the counter for cashiers to view. Soap will not be wrapped in plastic – not even glycerine soap. Other stores do not wrap it, and Karma will set an environmental example.

Donald will talk to Carl/Karl at Alterna about a line of credit and get back to Graeme with information. Donald will be the finance committee's representative to the Committee of Committees once every two months on a Thursday night. The first meeting is January 18, 2007, at St. Alban's.

John Biggs elected committee chair; Harry is to continue recording minutes. Next Finance Committee meeting is on Monday, January 22nd 2007, at 7 pm at John Biggs house.