

KARMA FINANCE COMMITTEE

Apr. 23, 2008

Those Present: Rosemary, Charles, Donald

Staff: Justin, Denise

1. Offering Statement

Package has been sent to the Ministry – no word yet

2. Member Budget

Discussed whether should start with what people can afford or build to what need  
What people can afford

Decided to stay with \$18

Decided that maintenance fee should go back to January request

Expenses – only one response from committee

Bad debt – make a store expense – IOU's – store inventory

Labour Co-ordinator - leave budget as is even if underspent at moment

Audit - change to 20% - not reflect real cost at 50%

Newsletter - assume donated paper – budget same as 2007/8

Event - no info leave as is – get sponsors and use marketing money

AGM - always overspent – use 2007/8 actual

Balance budget by determining how many new members needed

3. Store Budget

Really cannot do without some strong assumptions about cost of labour negotiations

Revenue

Need product survey of competitors to know what flexibility in prices

Suggestions increase mark-up 1%

Increase non-working surcharge

Share in discounts, i.e.

Today if price \$1.00 and we get product for  
90 cents mark-up from 90

Could mark-up from 95 both store and

members winners

2007/8 budget assumed 4% growth – growth actually flat

2008 increase because of – inflation ?

new members (see membership budget)  
increased sales old members ?

### Expenses

Not know what bargaining is going to cost – already spent \$10 k  
Budget at least additional \$10 k in 2008/9  
Union wage settlement ?  
2007/8 special projects budget – delete for 2008/9  
calculate debt service at 5.25% on \$60 k for renovations  
maintenance expense – same as 2007/8 budget  
realty tax should be 1.25% but history says should be more  
depreciation assume all renovation costs depreciable  
marketing – use 2007/8 budget - \$2 k  
utilities            water – 9%  
                         hydro – 2007/8 estimated actual  
                         phone - 2007/8 estimated actual  
staff bonus – delete  
insurance – 5% over 2007/8 actual

### 3 scenarios

no renovations this year  
renovations in summer (mid July - August)  
renovations in fall (Sept – Oct)

### 4. Next Meeting

John Bigg's – 250 Robert St. - May Tuesday May 20 7:00 pm