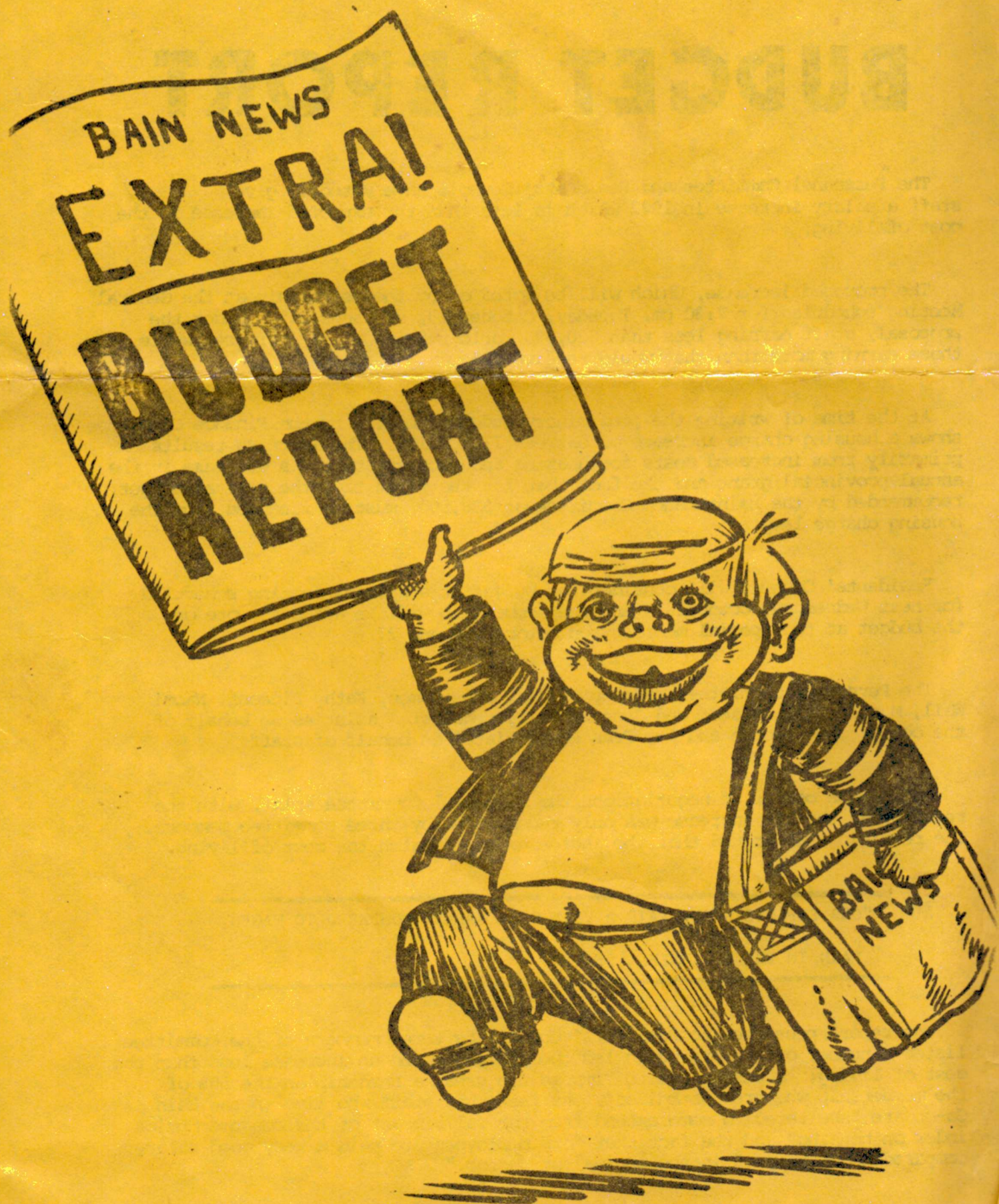


BAIN CO-OP NEWSLETTER

SPECIAL EDITION
OCTOBER



This is the first time that the Bain Newsletter has published a special edition.

The budget is perhaps the most important item which the general membership is asked to consider each year. For that reason we felt it important to provide information on the budget prior to the general meetings scheduled for October 13, 20 and 27.

BUDGET REPORT

The Personnel Committee and Residents' Council have voted to give staff a salary increase in 1982 which is less than the expected increase in the cost of living.

The proposed increase, which will be voted on by the membership at the General Meeting scheduled for 7:30 pm, Tuesday, October 13, averages 11%. Under the proposal, staff earning less than \$20,000 would receive a 13% increase, while those earning more than that would receive 10%.

At the time of writing the preliminary budget prepared by the Finance Committee shows a housing charge increase of between 11 and 15%. The increase results primarily from increased costs for heating and property taxes, a decrease in the annual provincial grant and the fact that for the first time the capital budget, recommended by the Maintenance Committee at \$38,500, must be financed from the housing charge levy.

Residents' Council will consider the budget at a special meeting scheduled for next Wednesday, October 14 and the membership will be asked to vote on the budget at two special meetings on October 20 and 27.

The Personnel Committee, made up of Mary Jane Gomes, Kathy Rideout, Naomi Wall, Martin Mittlestaedt and Jane Maxwell, negotiated salaries on behalf of the co-op. Pat Lebrun and Lou France negotiated on behalf of staff.

During the course of negotiations the Personnel Committee split, with the result that the 11% increase was only recommended by three committee members. The remaining two argued that the increase should match the cost of living.

"OUR EMPLOYEES ARE PAID A VERY GOOD SALARY COMPARED TO WAGES
PAID IN THE EQUIVALENT SECTOR"

The report presented to Residents' Council by three members of the committee listed a number of factors which led them to recommend an increase less than the cost of living: a desire not to "impose too great a hardship on the 50% of the membership who are unsubsidized", the fact that staff who live in the Bain Co-op are "sheltered to some extent from the full impact of the consumer price index on housing" and the fact that "our employees are paid a very good salary compared to wages paid in the equivalent sector."

Martin Mittelstaedt, one of the dissenting members of the Committee, said "in my personal opinion, there is no merit in those arguments. 11% is inadequate." The recommended increase was adopted by Council at its meeting of October 6 by a vote of four to three.

Prior to meeting with the Personnel Committee, Bain Co-op staff met and agreed to press for a 15% increase for those staff members on the lower rungs of the salary scale and a 13% increase for those on the higher end. They also agreed to ask for a pension plan, long term disability plan and a working clothes allowance. The Personnel Committee approved the clothes allowance but rejected the pension and disability requests.

"WE'RE ONLY ASKING FOR COST OF LIVING."

Pat Lebrun, Maintenance Supervisor, told the Bain Newsletter that staff would continue to fight at the upcoming general meeting for their initial proposal. "We're only asking for cost of living" he said. "The difference between what staff requested and what is proposed would reflect a ~~11%~~ ^{10%} increase on the housing charge" he added.

The increase proposed by the Committee and Council is shown on the following table:

<u>Position</u>	<u>1981 salary</u>	<u>1982 salary (proposed)</u>
Property Mgr	\$20,900	\$23,000
Finance Mgr	20,900	23,000
Office Asst.	15,308	17,308
Maintenance Spvrs	23,521	25,921
Maintenance Asst	15,308	19,308
Maintenance Asst	15,308	17,308
Groundskeeper	15,308	17,308
Rent Supplement Cdtr	3,619	4,089
Laundromat workers		4,848

At the October 20 meeting the membership will be asked to consider a capital budget, as well as the operating budget. The capital budget as it now stands, recommended by the Maintenance Committee but subject to change by the Finance Committee and Council, totals \$38,500. \$12,000 has been allocated to complete the replacement of back porch decking and a further \$12,000 is included for brick and concrete repairs. The remainder is made up of other maintenance projects and the ongoing replacement of stoves and refrigerators.

All of this capital budget will be financed through funds raised from housing charges in 1982. In previous years it has been financed either from funds held by the co-op in the credit union or, prior to closing of the mortgage in 1978, by additions to the mortgage.

Preliminary figures supplied by the Finance Committee show the total cost of operating the Bain Co-op in 1982 will be approximately \$1.2 million. Slightly under half of that, \$541,819, will be spent on mortgage payments. Other significant costs include property taxes of \$154,854 (up from \$132,528 in 1981), heating costs of \$140,000 (up from \$132,528 in 1981) and a decrease in the provincial grant of approximately \$22,500.

Wendy Haines, Financial Manager, said "we had two big problems this year. One was the increase in gas costs and the other was that for the first time we had to finance the capital budget out of operating funds."

Richard Sugarman, Chairman of the Finance Committee illustrated the problem which rising energy costs will pose for the co-op. "At the end of the next budget year, that is on February 1, 1983, the price of natural gas will be approximately 48% higher than it is today. By the end of 1986 it will be approximately 300% of what it is today."

A one bedroom unit in the Bain Co-op presently costs \$251 per month. That compares with between \$250 and \$279 for a one bedroom in the David B. Archer co-op. Archer charges between \$489 and \$516 for a three bedroom unit, compared to \$387 at Bain.

1982 (proposed)

1981

Position

250,000
15,000
10,000
20,000
15,000
10,000
15,000
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15,000
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10,000
15,000
10,000
15,000
10,000

Property Mgt
Finance Mgt
Office Assist
Maintenance
Maintenance
Maintenance
Maintenance
Maintenance
Maintenance
Maintenance
Maintenance
Maintenance

As the October 30 meeting the members will be asked to consider a capital budget, as well as the operating budget. The capital budget is to be presented to the Finance Committee for their approval. The operating budget is to be presented to the Finance Committee for their approval. The Finance Committee will be asked to recommend a budget to the members.

All of this capital budget will be financed through funds raised from the sale of bonds. In previous years it has been financed either from the sale of bonds or from the sale of the co-op's assets. The Finance Committee will be asked to recommend a budget to the members.