

Attending: Troika--Johnny Jones, Carolyn Layton and Harriet Tropp
Jack Beam, Kay Nelson, Tish Leroy, Gene Chaikin, Terri
Buford, Rheaviannia Beam
Called in: Tim Swigney

- AGENDA: 1) Tax laws of Guyana --Tish to study
2) Purchases abroad to be scheduled
3) Downriver money--business and procurement
4) Tax Receipts
5) R & P DO-Drop-In
--instructions to Rheaviannia and Patty and
questions for Terri to ask of counsel.
6) Neville Shaw, Guysucro Agronomist-coming in
7) Possible boat lease for Cassava Mill
8) Cudjoe business operation
9) Kay's assistant

Tax Laws of Guyana--Tish to get these from library and study them:
are found under INLAND REVENUE, under LAWS OF GUYANA

PURCHASES ABROAD--to be considered soon. The price of gabardine in Gtn is
\$39 per yard --very high. If we go to Tai Wan and do the pur-
chasing there, will save us much money. Cannot afford this price
for pants and garments we will be making for sale. Kay mentioned
that in the overseas purchasing their price breaks are determine
by the quantities you buy --if only small quantity is more, but
at most is much cheaper than states. Object of course is to get
large as possible orders on as much as we can per trip, crate it
and ship and ensure it before leaving the area.

DOWNRIVER MONEY--Rheaviannia was instructed to turn the cash she makes down
river into Maria and the records into Kay. The procurement money
is also to be sent home weekly with whoever comes home. This is
on orders from Dad.

TAX RECEIPTS--It is vital for them to keep the receipts on all purchases, eve
the fruit since this is COST OF OPERATION of the farm.. and the
receipts may become a very critical part of our tax returns at
one point in the future. The receipts must have excise stamps
on them or are not valid.

The tax man says will see us in court, said Rheaviannia.. but
Harriet says we checked it out in Gtn and he is out of his depth
in this. Harriet says will get his superior on him. Is a legiti-
mate store and can sell anything but liquor. We have hucksters l-
ense until May 1 of this year, from last October.. The taxing
authorities, said Gene Chaikin, will eventually follow around on
this and will expect a tax return.

R & P DO DROP IN.. Store is licensed same as the hucksters license was, to
Rheaviannia and Patty personally. Wait until Terri talks with
attorney to make any change. May want to change it to the name
of Peoples Temple. Rheaviannia told tax man was owned by the
cooperative and he wants our cooperative number. This is a very

specific tax position in Guyana -- and we are a church and NOT A COOPERATIVE BECAUSE WE DID NOT WANT UNDER THE COOPERATIVE TAX LAWS AND SUBSEQUENT "AUDITS" THAT AFFECT THEM.

- 1) Rheaviannia is to get a copy of the license so that we can show the attorney.
- 2) Give basic layout:
 - \$80 mo rent plus \$20 for lights;
 - License valid May 1, 1978 through 12/31/78;
 - Taxes --do not know. The tax man very upset with us...Harriet handling the
 - Selling clothing and used items over and under the counter;
 - Rented in name of R & P;
 - Started with trading, now totally cash transactions;
 - No credit extended; no employees --but they argue we have...
 - Patty and Rheaviannia run store, Chuck and Tommy are guards, Joan and Patricia do procurement outside in the town.
 - Technically we are NOT A COOPERATIVE.

At this time they are not to say anything. We can say we are "part" of the People's Temple, it is a non-profit religious corporation. However do not change status until we consult with attorney.

Need to know gross and net..

- 3) Terri to ask attorney what is the legal position of "thrift shops" in this country? Say we HAVE a pretty popular store, he will find this out anyway. We sell used items and clothes we make, toys, etc. Do not mention any "odd" items we might sell. Told the insurance man who our attorney was. Store is located in Kumaca.

Ask if any way we can put the revenues of the business into the total farm writeoff? Ask about investment vs expenses, which constitute which, under Guyana laws -- is it like traditional bookkeeping methods of the US for profit and loss? What are the major differences?

ALBATROSS--Tell our attorney we are leasing the Albatross; he is to keep this confidential; someone on crew might ask for raise if know we are leasing said Ron Bron... Tim said Charlie wants to unload 2 1/2 hrs a day and Capt will not work more than 8 hours a day.. Said crew knows we are leasing the boat..does not know we own it!

Richard will tell us a lot when he gets here.. JOHNNY TO HAVE A BLACK SPOKESPERSON, HIMSELF OR SOMEONE ELSE, TO TALK WITH THE CAPTAIN WHEN HE GETS HERE --we will try to get him to let us take responsibility for the unloading out of the 8 hours they work..

Tell Eric we are non-profit; does it make any difference?

Rheaviannia is to go to Post Office and buy tax stamps. Get a small book of them.. Terri to check with attorney or rather with the stamp tax booklet and see if there is a violation if we do not give them the stamps. Also, Terri to pick up two information booklets on the stamp tax and how it is operated, the do's and don't's. TELL THE NATIONAL INSURANCE SERVICES MAN that you have contacted our attorney and he will be contacting your agency, or you.. Mother talked to them and said attorney will be sending a letter; just confirm this.

C-12-e-10

NEVILLE SHAW OF GUYSUCRO--Carolyn talked with him and he is an agronomist; Says Guysucro is taking over the Kaituma Cassava Mill in September. Plans to buy from everyone around here and downriver as well. Wants to come and visit us on WEDNESDAY in afternoon; wants to know how much cassava we can supply. They likely want to use CUDJOE.. What will our freight fee be?

We do not make even \$300 per week for many of the weeks said Carolyn.. Cassava costs us 12-13¢ per # to grow; cannot sell to government for 9 or 10¢.. If it is Guysucro ASK AROUND TOWN AND SEE IF THEY PAY TOLLER BILLS. If it is Matakai that is taking it over, is different story. See if Guysucro pays their bills in N. W. District.

They have a cassava planter; would like someone like State Farm to grow it en-masse. MUST DRIVE A HARD BARGAIN WITH THE BOAT.. Considered leasing it but since we do not want to restrict passengers, not such a good idea. Better to charge them freight. Going rate is 25¢ per box or 1¢ per #, whichever is more. We do loading and unloading and charge 20¢ per crate or bag more. We carry 32 tons. They will use 8 ton a day; or at least they can work this much through the mill.

We can make 6800 going down river with freight and passengers --must keep this in mind. Will still have to carry passengers --Tim does not want to do two runs per week.

GENERAL CUDJOE OPERATION:

--Leaves Mondays around 5:00 AM; Charge \$5 per passenger; we are not insured.

--Clifford is starting books; he turns in to someone --is to get paper work in to Kay and money in to Maria.

Once a year must go into Gtm and get a certificate. We just passed inspection for this year.

--Philip is licensed to run the boat; Ujara also licensed.

--Mr. Roman is the harbor master; told Tim Swinnay okay for Tim to operate off of Philip's license, and he will help us all he can.

--Said just get lantern and hang it up if we have to for a deck light. We have electricity problems on the boat. Need an electrician out there next time in.

KAY NELSON--Need to talk with her to see who will be her assistant. Who will she need on her staff?

NEXT MEETING to meet with entertainment committee. Johnny was going to work on that --Patricia and Joan to set up for dance down river, and must get one set up for Ridge. Band says their amplifiers are falling apart.

Robin Tschetter to help Kay by doing record keeping for her.. Ask Maria about this. Will have to clear it with Dad. She has to go to Georgetown with Vincent soon...

MEETING ADJOURNED..

C-12-e-16

BUSINESS AUDIT COMMITTEE
Notes from initial meeting

Bad on Terri

--Notes by Tish Leroy

28 June 78 -- Wednesday 7:30 PM

Attending: Johnny Jones, Gene Chaikin, Tish Leroy, Kay Nelson,
Jack Beam and Terri Buford

- Agenda:
- 1) Patty & Rheaviannia's store
 - 2) Albatross
 - 3) Retail vs Wholesale operation
 - 4) Outside counsel
 - 5) Cudjoe business operation
 - 6) Industry vs Farming
 - 7) Clearing Terms for Provisional land-lease and possible forfeiture with 50 new family neighbors coming in.
 - 8) Entertainment for PR vs Economic considerations
 - 9) Hiring local guyanese as possibility
 - 10) Stateside Presses
 - 11) Future ventures
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1) STORE DOWN RIVER

Problems to be considered-- We do pay taxes and as a church in Guyana we are taxable.. Gene feels farm operating at such a loss that it will be long before we owe taxes. Tish disagrees: when we separate the investment from operating costs and revenues, which is the portion considered for taxation purposes -- this year we may come under a different pattern and should be looking into it.

All agreed council should be visited. Terri and Richard see Clark and Martin, Attorneys. He has a tax man in his office --talk with him on how to proceed. Gene thinks hire Guyanese auditor to set up system; Tish disagrees -- thinks talk with them on tax law and government record keeping requirements. Tish hears from Charlie that they use relatively standard international bookkeeping practices; Tish read this in a manual also; Gene says they have own method -- latter could be told us if the case, cannot be too different said Tish.

Gene said before when message went out to talk to attorney, the tax man was hostile about what he heard of our operation.

VERY CRITICAL what our books reflect; must know what we can and cannot sell -- radios and watches are being swapped for fruit -- is still, said Gene, LIKELY A VIOLATION OF THE LAW. While it may not be an issue now, if the books reflect it -- at a later time it could be an issue.

Rheaviannia keeps many detailed records -- better if she keep her back up records here in Jonestown rather than downriver.

- 2) ALBATROSS -- John Fernandes handling our rice deal charges us 5% as agent fee; the Trinidad agent charges 7% and guarantees to get us a return shipment. Plan is to put Helen on to hold the purse. Ron Bron told Jack and Richard he is not telling the crew that the boat is ours because they would not work for us at same rate as they will for East India or Guyanese. We must keep our confidence about ownership or will get hit by government and others.

With an automatic pilot on boat for \$500 will automatically cut two people off the helm. Must consider keeping crew or hiring our own --it is doubtful that Helen's personality is suitable to boss the crew --not felt they would work for her temperament.

C-12-e-2

Jack feels that maintenance should be done daily on the boat and steadily to prevent deterioration. Ron Bron has meat three times daily for the crew, also. He spends \$10,000 a year for complete refurbish of boat annually, and we cannot insure without this procedure. We make \$25,000 Guyanese per trip of rice, average of \$8-10,000 in profit one way. Return load is guaranteed us. WE SHOULD AVOID HAULING CAUSTICS SUCH AS FERTILIZER, HARD ON BOAT. Payroll is \$3000 mo but Ron Bron says crew will not feel they should work for this money for yangees and will up their fee. TRINIDAD DOLLARS HAVE VALUE OVERSEAS AND GUYANESE DOLLARS DO NOT! - *Time spent in Suriname in fact is an all over profit*

R Radio Richard to bring out with him all paperwork.

Should Albatross be used on regular run from Gtn to Kaituma. Need regular supply vehicle as Cudjoe is too small. There is a paying market here -- but mostly dependent on government for money and they are notoriously hard to collect from.

Gene thinks buy a 180 ton sloop for Gtn run and use this for the Gtn run --then use Albatros for overwater or out of country runs.

Question of buying a fishing boat? Not feasible for the price we pay for fish--better to buy the fish.

Boat is an escape hatch for us --can interrupt run every 6 weeks or so to run up here. Only 3000 storage fuel on albatross.. We can tie up the booze in NW district if want to.. but a lot of headaches involved. Difficult keeping track of the bottles unless we had a beer garden.

RETAIL BUSINESS--Should we concentrate on retailing?

Credit system in Port or Ridge is the problem. Johnny had an idea of dealing direct with payments and voucher system. Johnny says people pop quarters in the machines and DO have \$\$\$ but nothing to buy. \$1.50 for bar of soap..

Guyana so commodity deprived that you can ~~hardly~~ sell anything. Thought should get store in area with beer, pool table and juke box --concessions and food--and maintain them. KAY BROUGHT OUT THE GUYANESE VERY CARELESS WITH PROPERTY AND OUR STUFF WILL GET BUSTED UP..

Gene thinks run wholesale business with more of a partnership business with them.. Jack said if we do that have to buy another boat.

SUMMARY NEEDED: Must each gather questions to put to attorney and accounts on the tax issues..

CUDJOE BUSINESS: What is happening with our books on Cudjoe? we are already in business.

T SHIRT VENTURE..also need books on this as government knows about it..

Cudjoe is unensurable --what is the law with respect to common carrier? Do we have the licenses we need? What is our personal liability in case of passenger injuries and lawsuits? GENE SAYS BASICALLY LAW ON COMMON CARRIER CARRIES FOR HIRE.. We do not have adequate life preservers, training and shields. If not enough to cover passengers, we are probably liable.

Tish asked if the US Tax structure was totally spun off from our Guyanese Corporation sufficiently that we would not have US liability for sales here. Gene assured not --Tish not totally convinced they have checked this out sufficiently relative to the business venture since we are still U. S. Citizens abroad, etc.

Cudjoe liability may be high especially with reference to Amerindians.

C-12-e-2a

This is true, even if they are drunk and fall in, said Gene..

CUDJOE--we are limited without a major overhaul. Need to find out if we can ensure it, and what must be done to ensure it. It is true that in the U. S. you cannot get insurance without many specifics, here the restrictions are not so rigid, probably because the people are not suit-happy as in states

Lloyds requires audio tests for boat ins in states-- no such requirement here they have little simpler way of testing boats.

Gene doubts we would be sued, but if did go to court without adequate safety measures, would be in trouble. Is very expensive down here.. MUST GET THE BOOKS STARTED AND UNDER RESPONSIBLE CONTROL.

TERRI BUFORD POINTED OUT THIS COMMITTEE IS TO FUNCTION AS THE AUDIT COMMITTEE FOR EVERY BUSINESS IN THE CHURCH.

ENTERTAINMENT, BRICK FABRICATION & MACHINE SHOP SHOULD BE CONSIDERED ON FUTURE AGENDAS.

Consider Industry vs the farm..
Must train our young people and avert big disasters.

Must do like the army and sign up for certain period of time as a "HITCH" that you cannot get out of till that time is up. Let people make shifts, but with time limits at each post.

Gene brought out that some years are very wet and allow for little production --that in 1974 they only had two dry months.

SAWMILL, SEWING, ONE RETAIL STORE (Patty's) and CUDJOE are present businesses

Johnny feels great need to pull reins in on Agriculture.. Even our least productive people can be more effective in factory work, and when not in fields, should be brought in and trained in factories.

CLEARING--Another serious issue is clearing for our provisional lease.. We are supposed to clear 300 acres per year under our provisional lease and we have not done this. May be necessary to forfeit some of our land if we do not do this.. and we have not.

Near our front gate is a settlement coming in of 50 families and it may mean will have to forfeit some land..We have to pay lease bill every year about .25 per acre in rent.. 3700 or 3900 acres on provisional lease and up to 27,000 acres on the long term lease. Gene Chaikin feels we should give back some of the land and be done with it --Tish did not agree --others not particularly specific..no conclusion on this, just that we should advise Dad that the issue exists.

Basic
ENTERTAINMENT--Has PR value said Johnny, gives certain integration into the community. Gene felt discontinue it. Others non-committal. Economically, all agreed we lose money unless we cut record or do some other forms of money making from band.

EMPLOYING LOCAL GUYANESE should be considered, all decided. Could do the Cassava mill work, other things they know well.

C-12-e-26

Might consider hiring Guyanese for more farm work and keep our own people largely in the factory production and industrial operations.

Consider having Guyanese run sawmill and our own men to do the logging?

• SHOPPERS-- will have to send out shoppers too --more and more, will be diversifying and it all takes people.

PAYOFF PEOPLE IN STATES WITH TRUST DEEDS WE HAVE HELD BACK was one suggestion -- good if we could convert the TD's to cash or payoffs..

PRESSES --Tish felt strongly they should be brought down.. While there is problem with smearing, this is a moisture problem and usually this is technical and the people who manufacture presses have technicians that could be consulted on the

Said we were probably selling presses--questioned bringing Clancy and others down and putting them straight into Gtn -- but we did Richard and will have to do this on some others very likely. NO RECOMMENDATION of the committee --a wait and see attitude.

CONCENSUS:

We must tie down the single businesses we have going AS WE START THEM and set up procedures that must be followed --the audit committee responsible to check them out and see that details are handled.

LABOR ISSUES--determine who is available and the needs of the business.

EQUIPMENT ON HAND--what investment have we made and what must be purchased in order to operate.

MARKET--we must know our dollar potential on the business before can decide if investment is warranted.

STAFFING--Unless enough expertise and adequate staffing, must think twice before beginning a business.

BOOKKEEPING--initiate standards and require that all of our businesses conform, keeping their books internally and being cost conscious in the operations.

--Meeting adjourned.

C-12c-26