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COMMUNITY ENTERPRISES

Amache Re-location Center

AMACHE, COLORADO

December 31, 1942

QUARTERLY REPORT OF THE AMACHE COMMUNITY ENTERPRISES

In spite of many difficulties in securing both merchandise and the most convenient business locations the community enterprises have made considerable progress this quarter. In addition to the variety store, confectionary store, and clothing store, the community enterprises have expanded during the quarter to include a three-chair barber shop in the north end of the clothing store building, a beauty shop set up in a laundry building, a shoe repair shop in the north end of a recreation hall, and an optometry shop in the hospital. In November a grocery department was established in the north end of the confectionary store, and late in December a watch repair shop was opened in the north end of the variety store.

Beginning December 1, patronage slips were issued from all cash registers in all of the stores and shops in preparation for the distribution of cooperative patronage savings. The gross volume of the stores for the quarter was \$64,674.33. and for the shops, \$3,477.27. In the case of the optometry department the hospital paid the wages of the two optometrists while the community enterprises paid all other costs including equipment. In addition to these regular community enterprises there has been a Montgomery Ward agency operated by our own personnel. This mail order store, which opened on October 14, and was closed on December 8, because of unsatisfactory service, operated on a ten percent commission basis. The community enterprises ^{only} have received \$1237.39, which is ten percent of the price of goods actually sold through November 28.

All merchandise has been passing through the community enterprises warehouse, and the complete purchasing, marking, bookkeeping, and control system is being centered in the general offices in the south end of the clothing and shoe store. Plans have been made to open a hamburger stand soon, and laundry and dry cleaning service is to be secured on a commission plan from Lamar. As a result of sending buyers to both Denver and St. Louis, the community enterprises have been able to finish the year with a rapidly increasing volume of business.

COMMUNITY ENTERPRISES

Amache Re-location Center

AMACHE, COLORADO

Progress has also been made in cooperative education. Three cub co-ops in the elementary, junior, and senior high schools are already functioning, each having approximately three hundred shareholders and something more than one hundred dollars' worth of school supplies on sale in each little store which is operated by the students themselves through their elected board members and their faculty advisors. Supplies are secured from the community enterprises warehouse at wholesale cost plus ten percent to cover freight, handling, and thirty days' credit costs.

Beginning on December 1, the incorporation committee and enterprise committee combined were formed into a study group to study the history, principles, and methods of consumer cooperation and their proper application in this center. Following this brief course lasting one week the WRA attorney began to draw up papers of incorporation for the future Amache Cooperative Enterprises, Inc., while the committee continued to meet daily to draw up ~~very carefully~~ a complete set of bylaws of the cooperative to be offered for adoption by the official organization meeting of members.

After proper conference with WRA officials and the Assembly members, it was decided that all recreation activities in the center should be organized separately as a Belgian type of cooperative, that is, a corporation whose earnings are applied not only to ^{help} cover the cost of present recreation but also to provide ~~any~~ additional recreational facilities and services for the general welfare of the whole community rather than being distributed as cash dividends to individual patrons or members.

As the year closes, the incorporation committee of the temporary community enterprises stands ready to sign incorporation papers. Furthermore, plans are in process to conduct the first membership drive throughout the center to sign up the first three or four hundred members who will be called upon to organize a cooperative association, elect its board of directors, and take over all of the assets and liabilities of the community enterprises.

E. H. Runcorn
By E. H. Runcorn,
Associate Enterprises Superintendent.

COMMUNITY ENTERPRISES

Amache Re-location Center
AMACHE, COLORADO

March 31, 1943

QUARTERLY REPORT ON THE AMACHE
COMMUNITY ENTERPRISES

Considerable progress was made in the business development of the temporary Community Enterprises during this quarter. In the last week of 1942 Kendall Smith succeeded J. L. Rogers as the appointed personnel superintendent of the enterprises. Early in January a balance sheet and operating statement was prepared and published, showing a net gain of \$10,803.15 for business operations in 1942. Business volume continued to increase over the previous high month in December and reached a total of \$119,859.77 for this quarter. Of this sum \$9,169.33 came in from the various shops including the dry cleaning office which receives a commission from a laundry and dry cleaning establishment in Lamar, Colorado.

Early in February the shoe store, considerably streamlined, opened for business only to be closed temporarily preceding the beginning of shoe rationing. During the same month, due to a WRA demand for the space in the laundry room, the beauty shop was closed and has not as yet been reopened.

In March, according to the request of the temporary board of directors an accountant from Consumers Cooperative Association, North Kansas City, Missouri, made an audit of the books as of February 28, 1943, which represents the closing date of the second quarter of the fiscal year of the cooperative being organized to succeed the temporary Community Enterprises. General improvements of the business condition include a reduction of employees by about one-third, increase of the business volume, as compared to the previous quarter, ⁷⁵75 percent, and, as the result of controlled buying during the past two months the accounts payable are being reduced at an average rate of more than five thousand dollars per month. To this date no capital has been put into the business of Community Enterprises; however, the newly organized cooperative, which is prepared to take over the entire business on April first, is ready to pour over \$25,000 of membership capital into the business.

COMMUNITY ENTERPRISES
Amache Re-location Center
AMACHE, COLORADO

Quarterly report, p. 2.

From a cooperative and educational point of view there was also much progress during this quarter. The temporary board of incorporators of the Amache Consumer Enterprises signed articles of incorporation on January 25, 1943; then, after mimeographing and distributing over 3000 copies of the proposed bylaws in both English and Japanese, the ten incorporators, assisted by the 29 block managers, conducted a ten-day charter membership drive during the latter part of February. The result exceeded all expectations for nearly 2400 persons, including fifty of the appointed personnel, paid in over \$25,000 for membership certificates or stock at five dollars each. Two blocks raised over \$2000 each, and several blocks secured over one hundred charter members. Cash prizes totaling \$100 were awarded to eleven blocks which topped the list for either membership or capital.

With this evident and vital interest in the cooperative program for the center, the incorporation committee proceeded to complete their work during the month of March. The bylaws were adopted, two elections were conducted among the 2400 new members to obtain a new board of directors and auditing and membership committees, and two of the key employees were sent to North Kansas City, Missouri, to attend the annual co-op school for employees.

As this quarter closes the board of incorporators have just completed a difficult job, and they have called a meeting of the new board and the employees and made the necessary reports of the completion of their work as incorporators. The new board has organized, named its officers, accepted the audit as of February 28, 1943, and is on the point of naming a general manager to manage the Amache Consumer Enterprises, Inc., beginning April 1, 1943. On that day the use of scrip books will supersede the use of cash register slips which will all be called in for recording by April 15, 1943. Thus, on the signing of proper transfer agreements, the time of the temporary Community Enterprises expires as of this date.

E. H. Runcorn
assoc. Supt.

CONSUMER ENTERPRISES
of Amache, Colorado

BALANCE SHEET
June 1, to June 30, 1943

ASSETS

Current:

Cash on Hand:		
Register Change Fund	485.00	
Office Cash	19.50	
Sales Tax Tokens	<u>20.00</u>	524.50
Cash in Bank		5224.41
Accounts Receivable		138.57
Merchandise Inventory, June 30, 1943		<u>60938.99</u>
		66826.47

Deferred:

Prepaid Insurance		798.12
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Fixed:

Furnitures, Fixtures and Equipments		<u>9584.42</u>
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TOTAL ASSETS \$77209.01

LIABILITIES

Current:

Accounts Payable		12965.63
Accrued Salaries & Clothing Allowance		2096.04
Accrued Rent, W. R. A.		2631.87
Accrued Colorado State Sales & Service Tax		585.10
Accrued Federal Excise Tax		63.07
Scrip Liability		<u>3425.32</u>
		21767.03

Fixed:

Equipment Contract Payable		2460.00
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Net Worth:

Membership Capital		25525.00
Members Equities	28081.61	
Less Cash Advanced to Members	<u>4621.14</u>	23460.47
Net Gain, June 1, to June 30, 1943		<u>3996.51</u>
		52981.98

TOTAL LIABILITIES AND NET WORTH \$77209.01

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CONSUMER ENTERPRISES
of Amache, Colorado

OPERATING STATEMENT
June 1, to June 30, 1943

Income:			
Sales		31647.38	
Less Sales Return and Allowance		<u>61.76</u>	31585.62
Cost of Goods Sold:			
Mise. Inventory, May 31, 1943		59295.65	
Purchases	25963.14		
Add Freight In	<u>400.49</u>	<u>26363.63</u>	
		85659.28	
Less Mise. Inventory, June 30, 1943		<u>60938.99</u>	<u>24720.29</u>
Gross Margin			6865.33
Expenses:			
General:			
Salaries	2112.46		
General Equipment Rental	20.00		
Postage & Office Supplies	51.59		
Depreciation	214.99		
Travel Expense	229.80		
Telephone and Telegram	8.32		
Store Rent	285.00		
Truck Expense	8.25		
Bank Activity Charges	2.80		
Building Supplies	127.68		
New Building Expense	72.91		
Insurance Expense	90.07		
Miscellaneous Expense	<u>83.08</u>	3306.95	
Operating:			
Store Supplies		<u>404.79</u>	<u>3711.74</u>
			3153.59
Miscellaneous Income and Charges:			
Other Income:			
Purchase Discount		318.83	
Service Fee Collected		6.50	
Miscellaneous Income		304.65	
Cash Over		<u>238.93</u>	<u>868.91</u>
			4022.50
Miscellaneous Expense:			
Education Expense		<u>25.99</u>	<u>25.99</u>
Net Gain, June 1, to June 30, 1943			<u><u>\$3996.51</u></u>

AMACHE CONSUMER ENTERPRISES, INC.
Amache, Colorado

BALANCE SHEET
August 31, 1943

ASSETS

Current:

Cash on Hand:		
Register Change Fund	\$515.00	
Office Cash	100.50	
Sales Tax Tokens	<u>25.00</u>	\$640.50
Cash in Bank		9,572.85
Accounts Receivable		84.79
Mdse. Inventory		57,781.20
Whse. Inventory		<u>16,598.96</u>
		\$84,678.30

Deferred:

Prepaid Insurance	544.68	
Store Supplies	<u>1,390.41</u>	1,935.09

Fixed:

Furnitures, Fixtures, and Equipments	11,747.84	
Less Reserve for Depr. for F.F.&E.	<u>1,708.87</u>	10,038.97

TOTAL ASSETS \$96,652.36

LIABILITIES AND NET WORTH

Current:

Accounts Payable	22,792.15	
Accrued Salaries & Clothing Allowance	2,329.06	
Accrued Rent, W. R. A.	3,258.87	
State Sales & Service Tax Payable	708.19	
Federal Excise <i>Tax Payable</i>	78.59	
Scrip Liability	2,700.38	
Accrued Interest on Memb. Cap.	750.00	
Accrued Truck Expense	187.50	
Accrued Payroll Taxes	823.97	
Pledged Donation	<u>1,000.00</u>	34,628.71

Fixed:

Equipment Contract Payable		1,750.00
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Net Worth:

Membership Capital	25,010.00	
Fiscal Net Earnings Available for Distribution	40,075.78	
Allocated General Reserve		4,007.58
Unallocated General Reserve	15,207.91	
Less deficit	<u>1,029.11</u>	14,178.80
Educational Res. Fund	1,603.03	
Less Fiscal Educ. Expense	<u>724.71</u>	878.32
Patronage Savings Declared	21,011.08	
Patronage Savings Paid	<u>4,812.13</u>	
Patronage Savings Deferred	<u>16,198.95</u>	60,273.65

TOTAL LIABILITIES AND NET WORTH \$96,652.36

AMACHE CONSUMER ENTERPRISES, INC.
OPERATING STATEMENT
Period June 1 - August 31, 1943

Income:			
Sales		\$96,011.41	
Less Sales Return & Allow.		<u>133.76</u>	\$95,877.65
Cost of Goods Sold:			
Mdse. Inventory (Beginning)		47,417.66	
Whse. Inventory (Beginning)		11,877.99	
Purchases	\$80,763.25		
Add Whse. Purchases	4,720.97		
Add Freight In	<u>1,622.98</u>	87,107.20	
		<u>146,402.85</u>	
Less Mdse. Inventory (Current)	57,781.20		
Whse. Inventory (Current)	<u>16,598.96</u>	<u>74,380.16</u>	
Cost of Goods Sold			<u>72,022.69</u>
Gross Margin			23,854.96
General & Administrative:			
Salaries		6,962.82	
Equipment Rental		60.00	
Office Supplies		247.95	
Store Supplies		130.31	
Depreciation		477.36	
Traveling Expense		944.26	
Telephone & Telegram		22.21	
Rent		912.00	
Truck Expense		264.04	
Building Supplies		127.68	
New Building Expense		124.59	
Miscellaneous Expense		119.55	
Insurance Expense		343.51	
Payroll Taxes		823.97	
Interest Expense		<u>750.00</u>	<u>12,310.25</u>
			11,544.71
Other Income:			
Purchases Discount		727.46	
Miscellaneous Income		774.58	
Cash Over		<u>343.18</u>	<u>1,845.22</u>
			13,389.93
Other Expense:			
Educational Expense		395.76	
Donation		<u>1,000.00</u>	
			<u>1,395.76</u>
Net Gain June 1 - August 31, 1943			<u><u>\$11,994.17</u></u>

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AMACHE CONSUMER ENTERPRISES, INC.
BALANCE SHEET
December 1 to 31, 1943

ASSETS

Current Assets:		
Register Change Fund	\$ 680.00	
Warehouse Petty Cash	10.00	
Sales Tax Tokens & Stamps	145.00	
Check Exchange Fund	4,000.00	
American State Bank	7,318.49	
Accounts Receivable	330.30	
Deposit at N. Y. Federation Co-op	500.00	
Store Mdse. Inventory	61,221.85	
Warehouse Mdse. Inventory	<u>13,644.13</u>	\$ 87,849.77 3.01%
Fixed Assets:		
Equipments, Furniture, & Fixtures	\$13,678.97	
Less Reserve for Depreciation	<u>2,774.25</u>	10,904.72
Other Assets:		
Deferred Patronage C.C.A. 1943	\$ 1,949.35	
Prepaid Insurance	242.92	
Store Supplies	<u>2,030.92</u>	4,223.19
TOTAL ASSETS		<u>\$102,977.68</u>

LIABILITIES & MEMBERS' EQUITIES

Current Liabilities:		
Accounts Payable	\$20,263.45	
Accruals:		
Scrip Book Sale Liability	4,172.59	
State Sales & Service Tax	901.77	
Federal Excise Tax Payable	135.76	
Rent Payable to W.R.A.	970.13	
Interest on Members' Capital	749.64	
Truck Expense	337.50	
Payroll Taxes	<u>1,315.75</u>	\$ 28,846.59
Fixed Liability:		
Equipment Contract Payable		1,303.52
Members' Equities:		
Membership Capital	\$27,805.00	
Balance to Patronage	15,255.66	
Patronage Savings Declared	\$21,011.08	
Patronage Savings Paid	<u>13,708.08</u>	7,303.00
Allocated General Reserve		4,224.64
Educational Reserve		411.72
Provision for Income Tax		539.14
Undivided Surplus on Recorded Sale 8/31/43		65.13
Earned Surplus	10,745.74	
Net Income 12/1-31/43	<u>6,477.54</u>	17,223.28
		<u>72,827.57 70%</u>
TOTAL LIABILITIES & MEMBERS' EQUITIES		<u>\$102,977.68</u>

AMACHE CONSUMER ENTERPRISES, INC.
INCOME & EXPENSE STATEMENT
December 1 to 31, 1943

INCOME:

Sales		\$53,825.34	100%
Cost of Goods Sold:			
Store Mdse. Inventory (Beginning)	\$72,446.70		
Whse. Mdse. Inventory (Beginning)	16,794.09		
Purchases	\$26,831.41		
Freight In	644.09	27,475.50	
Mdse. Available for Sale		116,716.29	
Less Store Mdse. Inv. (Ending)	61,221.85		
Less Whse. Mdse. Inv. (Ending)	13,644.13	74,865.98	77.75%
GROSS MARGIN		\$41,850.31	22.25%

EXPENSES:

Selling Expenses:			
Salaries	1,731.10		
Payroll Taxes	86.56		
Store Supplies	490.94	2,308.60	
General Expenses:			
Rent	201.40		
Depreciations	156.50		
Store Expenses	130.87		
Rental on Equipment	105.00	593.77	
Administrative Expenses:			
Salaries	449.00		4.97%
Payroll Taxes	22.45		
Rent	7.60		
Office Supplies	439.49		
Misc. Expenses	248.43		
Deprec. on Off. & Beauty Parlor Equip.	190.51		
Telephone & Telegram	10.49		
Federation Fee Expense	60.90		
Insurance Expense	93.04		
Interest Expense on Capital Stock	139.03		
New Building Expenses	530.52		
Truck Expense	74.84		
Freight In	7.26		
Maintenance & Sign Shop	475.96		
Board of Directors' Salaries & Expenses	134.97		
Warehouse Expenses	297.23	3,181.72	11.30%
		6,084.09	

SAVINGS:

Net Operating Income		5,890.94	10.95%
Other Incomes:			
Purchase Discount	255.93		
Misc. Income	311.75		
Cash Overage	18.92	586.60	
NET INCOME		\$ 6,477.54	12.03%

Amache Recreation Association

8 F Recreation Office

Amache, Colorado

Income and Expense Statement
August 1944

INCOME:

Movie Receipt	\$ 877.35	
Misc' Income	<u>109.75</u>	
Total Receipt		\$987.10

EXPENSE:

Movie Expense	\$ 550.86	
Athletic	17.05	
General Entertainment	170.07	
Music, Dance	<u>22.34</u>	
Total Expense		<u>\$760.32</u>
Net Gain		<u>\$226.78</u>

Amache Recreation Association
G F Recreation Office
Amache, Colorado

Income and Expense Statement
For Month of
November, 1944

INCOME:

Movie Receipt	\$783.75	
Basketball Gate Receipt	135.40	
Miscellaneous Income	<u>90.16</u>	
Total Receipt		\$1,009.31

EXPENSE:

Movie Expense	\$575.49	
Athletic Expense	365.29	
General Entertainment	54.93	
Indoor Game Expense	72.28	
Miscellaneous Expense	8.67	
Children's Free Movies	<u>20.20</u>	
Total Expense		<u>\$1,096.86</u>
Net Deficit		\$ 87.55

Amache Recreation Association
8 F Recreation Office
Amache, Colorado

Income and Expense Statement
For Month of
December 1944

INCOME:

Movie Receipt	\$ 728.97	
Basketball Gate Receipt	139.65	
Receipt on Prepaid Equipment	28.29	
Miscellaneous Income	7.85	
Total Receipt		\$ 904.76

EXPENSE:

Movie Expense	509.69	
Athletic Expense	90.60	
General Entertainment	68.97	
Music and Dance	8.47	
Children's Free Movie	27.70	
Office Expense	5.94	
Miscellaneous Expense	128.95	
Total Expense		<u>840.32</u>
Net Gain		\$ <u>64.44</u>

Amache Recreation Association
8 F Recreation Office
Amache, Colorado

Financial Statement
December 31, 1944

ASSETS:

Cash on Hand	15.00	
Cash in Bank	3,183.09	
Co-Op Membership Certificate	100.00	
Total Assets		<u>3,298.09</u>

LIABILITIES:

Accrued Expense	391.65	
Block Show Payable	19.71	
Reserve for Tax	144.79	
Total Liabilities		<u>556.15</u>

UNDISTRIBUTED NET INCOME:

Net worth as of November	2,677.50	
Net Gain December	64.44	
Net Worth December 31		<u>2,741.94</u>
Total Liabilities and Net Worth		<u>3,298.09</u>

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Amache, Colorado
October 13, 1944

Mr. Dillon S. Myer, Director
War Relocation Authority
Barr Building
Washington 25, D. C.

Attention: Mr. Neil MacNeil

Dear Neil:

I received your wire instructing me to proceed to Heart Mountain this weekend. I am pleased with the prospect of working with the Community Enterprise and Mr. Rossman in that center. Since Mr. Foster, the C.C.A. auditor, finished his work here today, I plan to ride with him as far as Denver.

Though the annual audit for Amache Consumer Enterprises, Inc., cannot be entirely completed until the wholesale patronage savings from C.C.A. is known, I am able to state that the ratio of current assets to liabilities will be well over the standard of 3 to 1 even after half of the patronage refunds for the fiscal year have been paid. Also due to continuous investments in Government bonds and C.C.A.'s loan fund, there is an increasingly good cash position here. Though the stock turn-over is far from the 12 to 1 standard, it has been greatly improved by eliminating some \$10,000 of dead stock recently.

The working relations of the business committee block representatives to the Board has improved in recent months also, and the August election in which more than 60% of the members participated, continued the policy of maintaining a strong and capable Board of Directors. Five out of nine were new men, but were well known cooperators in this community. Just this week the assistant manager succeeded the general manager who is relocating, and other leading employees have moved up according to the effective promotion plan which works quite successfully here. I might add that our eighth chief accountant plans to relocate shortly, and in general, the assistant accountant has been promoted each time.

Though the situation is not without its problems, there has been an alert employee association here. If the employees will concentrate upon employee social, recreational, educational, and self improvement activities, I am confident that this association can be beneficial. In the past, however, there apparently was some tendency to influence business policy which is in the field of the Board of Directors.

The only department here in financial difficulty is the beauty shop. Unless the community eliminates private enterprises, there may be difficulty in paying for the rather elaborate amount of equipment on hand. Part of this difficulty which also applies to the barber shop is due, I believe, to reduced charges

for services. This was also the case in the shoe repair shop an year ago. But the shoe repair shop is now a very satisfactory service department.

My chief recommendation here is concerned with a strong emphasis on the recognition of definite lines of authority. The authority of the cooperative is vested in its members and their representatives. The line proceeds from there through the board to the management and from thence to the employees. To keep smooth conditions at all times, neither the employees nor the board must ever circumvent the management and the members and the business committee representatives or the management must never circumvent the board. I feel that this advice has been needed here in the past.

Due to the rapid relocation process, I have found a tendency in other centers for one or a few men to be inclined to revert to private enterprise tactics. But since there are many capable business men in prominent positions in this cooperative, I find little evidence of that situation here. However, to speak figuratively, the top is spinning very well, but as the relocation process proceeds, I feel that the division of labor into administrative, commercial, and fiscal departments under the secretary, general manager, and treasurer respectively, should be more strongly considered. It will be very helpful in emphasizing the point that every single employee is responsible to one definite boss. This is especially important as personnel turn-over increases and the business top spins more slowly.

I find that our audit committee does not function as effectively as it should. At least quarterly this committee should take definite responsibility in spot checking the inventory and in checking the handling of cash and accounts, especially during the quarters when a professional auditor does not audit the books.

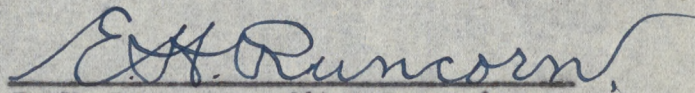
Concerning educational recommendations, I have strongly encouraged the establishment of a definite budget by the educational committee as a basis for the use of the educational reserve. Strong emphasis should be made on employee training by both the managers and the educational director. Provisions should be made for more recreational and social activities of all employees. Expenditures for the executive secretary of the Federation might very well be charged to the educational reserve fund. Looking forward to the post-war period, it seems very advisable to me to use a considerable portion of the educational reserve to send the most positive cooperative leaders to the national and regional conferences of the cooperative movement. Such a policy cannot fail to bring benefit in future years. I have also encouraged deeper consideration and greater use of the Federation of Center Business Enterprises in New York City. The board feels that no hasty action should be taken at this time.

Finally, may I suggest that more emphasis and clarification be placed on W.R.A. forms 233, 234, and 240? In this center, the Community Management Division has rather consistently secured these from the treasurer and secretary by the 20th and 5th of the month respectively. Other centers are not always complying with this instruction. Form 234 in particular is so small that there is a tendency to use some substitute with the result that the comparative statements of the centers are not always comparative. For instance, clarification should be made very definite as to what may be included in the cost-of-goods-sold division of the report.

If the cost of supplies, freight, and wages are included in warehouse and merchandise handling, the figures for gross margin and administrative expense are both greatly reduced. Since reports from here in this respect have never included anything more than freight charges, the administrative expenses have been increased in percentage in the comparative report to that extent. Figures may be deceptive unless all factors are clarified in each report. The use of miscellaneous account should be definitely defined and limited for this reason also.

Trusting that this rather extensive letter may be of use in keeping you informed and in assisting the cooperatives in this center, I go now to Heart Mountain with much gratitude and appreciation for the kindness and friendliness which have been shown me from everyone in Amache.

Very sincerely yours,


E. H. Runcorn, Auditor-Supervisor

EHR:mi

CC:

Mr. Lindley, Project Director
Mr. Johnson, Assistant Project Dir.
Mr. K. Koda, President of Co-op
Mr. T. Tomio, General Manager
Mr. Kawasaki, Fed. of Ctr. Bus. Enter.

COOPERATION IS A WAY OF LIVING

Just what is it you desire of life? Do you want power, or happiness? Do you want comfort and security in your old age? Do you want security for your family, freedom from worry and drudgery?

What do we mean by comfort?

A good home, with plenty of wholesale food and comfortable clothes of the same kind as your neighbors wear. These things give you comfort. They help keep you in good health, they add to your self-respect.

What do we mean by security?

The knowledge that you can provide your family with a home, with food and clothing, with an education, with plenty of healthy recreation, which will keep them happy and out of trouble. The knowledge that you can provide the kind of food which will keep them strong and well, or that if they fall ill you can provide medical care for them. That is security.

Security in age, means that you will not need to fear poverty when you can no longer work. It means freedom from worry and drudgery. If you have comfort and security you will be free from worry.

In an age when machines have been built to do all of the hardest work, all men and women should be free from drudgery, and yet have security and abundance.

How are you to obtain the things we have mentioned?

Through getting higher wages or better prices for your crops?

Are you interested in the amount of money you receive for your products or your labor, or are you interested in what that money will buy for you and yours?

The amount of money does not matter. It is the amount of things it will buy that matters. When we think of the things we need to make us happy, comfortable and secure, we think as Consumers.

Through cooperating with our fellow consumers, and that means all other men, we can obtain goods for the cost of producing and distributing them.

Through the cooperative system of business the producer-consumer owns all the means of producing and distributing goods. The cost of producing goods is the cost of the raw material plus the cost of the labor which makes it into serviceable goods. There is no profit added to the actual cost, which benefits an absentee owner. The owners are the producer-consumer. All "profit" or savings is distributed back to the consumer-owner.

Does this sound as though it couldn't be true? The Cooperative oil companies in the state of North Dakota alone have given their mem-

bers gasoline at actual cost since 1930. The local cooperative oil companies charge the current price for gasoline and return the profit to the consumer at the end of the year. More than \$2,000,000.00 in patronage dividends was returned in a five-year period to farmers in a state devastated by crop failures and drouth.

People free from worry and fear have time for culture, for music, art, literature and games. Men do not commit crimes when they have happiness to lose by crime.

Surrounded by security and comfort, people are kindly, courteous, considerate of others. Jealousy and envy do not flourish with peace and prosperity.

What of the rich, who are not happy, considerate nor kindly?

Remember they do not have security, either. When a world is built on competition, those who have won riches must always struggle to keep them from the poorer ones who will struggle to take them.

In a world where all struggle to reach the top, those at the top are never safe from the ones who are striving from beneath.

The evils fostered by a social system built on competition and selfishness will not exist, where men work together so that each may prosper.

It has been said, "Cooperation is not just a fine theory, it is an economic necessity."

Cooperation is not only a method of doing business. It is a way of living.

"For good or ill; whether we will or no, we are bound up together in this world, and can only achieve our well-being together."
--Prof. G. D. Herron.

NARRATIVE REPORT

During the month of May, Mr. Runcorn, Acting Supervisor, Community Enterprise, was transferred to Tule Lake Center. Mr. Runcorn was with the Project for some eighteen months as an educational man. He did much to spread the general principles of cooperatives and has the members of the Cooperative Consumers Enterprise fairly well alive to problems and possibilities of the general cooperative movement. The audit just received from Mr. Ben H. Foster, Registered Accountant from the state of Colorado, reflects a very commendable progress during the last six months period. This period, being the six months, from September 1, 1943 to February 9, 1944. Briefing Mr. Foster's report to the Board of Directors, we find very significant statements concerning the growth and progress of the Cooperative. Mr. Foster states in brief;

1. The balance sheet shows a firm financial condition as the ratio of current assets of \$85,001.54, the current liabilities, \$19,455.34 is 4.3 to 1. This is over the 3 to 1 ratio as suggested by the W. R. A. as being a desirable ratio.
2. Current liabilities are in fine condition as it appears here almost of a strictly cash basis insofar as payments for merchandise are concerned.
3. The system you are now using in the matter of script is more in line with good accounting controlled. You have made real progress in eliminating what could have been a serious condition.
4. Your membership records are in fine shape.
5. The fine appearance of your new store building and displays of merchandise are very commendable.
6. You now show a paid-up membership of \$29,515.00.

We understand that the local Consumers Cooperative Enterprise has made by far, the largest contribution toward the capital of many enterprises in the various centers. In the absence of instructions from Washington as regard to the scheduling of Cooperative Supervisors to this center, Mr. Johnson will continue to give all supervision necessary to the Board of Directors.

During the month, we were saddened by the death of Mrs. Carstarphen, the wife of our Chief Medical Officer. Doctor Neher came to the Project from Minidoka to carry on during the absence of Doctor Carstarphen. Conditions as the hospital concerning relationship of our medical doctors improved some during the month. The community has shown a great interest in different difficulties arising among the doctors, and it is believed that conditions are now in a fairly satisfactory state. There was a noticable decrease in the number of hospital beds occupied in May over the previous month of April. The report shows that the hospital beds occupied during April as 66, during May as 56. This decline is largely due to the fact that the doctors have reduced the number of elective surgery cases coming to the hospital. Only three deaths occurred during the month at the hospital.

The community activities program and the summer school program will get under way this month. Considerable amount of soft ball and hard ball activities on a regular basis are now in progress. The Granada Christian Church will be greatly

strengthened this summer in two religious educational program. Securing of qualified teachers to fill the existing vacancies is progressing very slowly. The disadvantage that we now suffer in relation to salary schedules is one of the larger reasons why some of our top positions cannot be filled at this time. The graduating class of 150 members was not quite as large as the graduating class of 1943.

The Internal Security Unit has received an increase of two new men during the month. The Educational Unit requested that Mr. Griffith, who formerly served this unit as vocational educational supervisor, be transferred back to the school unit, as Mr. Burgert, who had been working in this section, had been transferred to the Farm Section. The transfer was approved. Thus we have a need of four employees in the Internal Security Unit at this time. The Unit has been kept very busy during the month of May, for the Selective Service Program has required much of its time together with checking baggage and passes under a very heavy seasonal and indefinite leave program. The Escort Guard has been decreased to approximately 17 members. This will mean that the Internal Security Unit will of necessity have a greater police duty than heretofore.

The Welfare and Family Counselling Unit has been very busy during the month. The preparation for the incoming Jeronites has required considerable housing space. Sufficient progress has been made to date to insure necessary housing space for the 487 transferees to this Center. The housing report will show that the crowding-up necessary to obtain the necessary space for the transferees is not particularly bad; however, it is hoped that relocation will soon provide sufficient space that the larger families may spread out again and crowded conditions can be eliminated. Mr. Lewis Fanslan of the Relocation Unit has belonged to the housing section to assist in the transfer of the new residents. Mr. Fanslan is now at Jerome making house assignments to those who are being transferred to this Center. We regret that it was not possible for Jerome to send us a complete list of the families being transferred to this Center. This would have been of great help to us in making arrangements for space. Our Family Counselling Unit has been very busy during the month assisting and working out plans with individuals and families for relocation. During the month of May, the highest number of family to ever relocate in one month, took indefinite leave. This is due particularly to the closing of school term, but in many cases, the Counselling Unit helped to bring about the necessary attitude and understanding to effect this high relocation. The work of the Council and Welfare Unit is changing and will change as the change occurs in the population of the Center. We have relocated from this Center, some 2,500 people. These people came largely from the 16 to 35 year old age classifications. This naturally leaves us with a relatively high degree of young of young and very old with a very marked weakening of the middle aged group. This condition will bring about many problems, particularly the problem and possible conflict between the young English-speaking group and the older Japanese-speaking group. This has been already reflected in the increased demand for programs in Japanese. Other social problems will naturally arise from this condition. We are losing many of our community leaders. We anticipate that some minor problems will arise from this condition. A larger and larger percentage of our people will be those who have various reasons do not care to relocate. Naturally, the problem of relocation will be more difficult. As a greater number of our boys go into the service, the chances of relocating families, decreases, as often

the boy has been the principle worker in the family and without his services, the family will not make an effort to relocate.

Dr. John Rademaker, Community Analyst, has accepted a position in Hawaii and will be leaving the Project in the very near future. This will leave this position open for the time being. This will make the second vacancy created in the Community Management Division within a very short period of time.