

Shuswap School of Woodcarving

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\$100.00 Facility User Fee

Here is an explanation as to why Shuswap School of Woodcarving is charging R & R registrants a \$100.00 Facility User Fee, starting in 2009, when we have not done so in the past.

At our Committee Meeting on Saturday morning, September 27, 2008, which included Barbara Andrews, Executive Director of Sorrento Centre, we were reviewing our invoice from Sorrento Centre item by item and came to realize that R & R registrations were costing us a lot of money - \$600.00 plus or approximately 13% of our income. For the past four years the registered carvers and painters have been subsidizing the R & R registrations.

After discussing this with Barbara as to how other groups at Sorrento Centre handle this situation, we came up with the Facility User Fee. We have also discovered that this type of fee is not particular to Sorrento Centre. Shekinah Retreat and Conference Centre where the group from Saskatoon hold their carving school, charges \$12.50/day for absolutely everyone who uses the facility (\$12.50 x 5 days = \$62.50), not that this matters to us – it is just a comparison.

So we crunched some numbers as to the non-teaching costs (such as Instructors' fees, travel, room and board, classroom space) and came up with the following stats:

Non-instructional costs for each carver or painter

(a) Sorrento Centre Registration Fee	\$52.00
(b) Welcome Barbeque Corkage Fee	\$3.00
(c) Farewell Banquet Corkage Fee	\$3.00
(d) Advertising	\$9.00
(e) Welcome Barbeque	<u>\$15.00</u>
Total	\$82.00

Explanation of Charges

(a) \$52.00 Registration Fee: This covers all the costs Sorrento Centre incurs doing the registration. e.g. Labour, Phone Calls, Computer Costs, etc.

(b) and (c) Sorrento Centre charges corkage fees to cover the cost of supplying glasses, snacks, etc. for the two functions.

(d) Advertising: The cost of the Website, printing and mailing the Prospectus, etc.

(e) Welcome Barbeque: In the past, R & R registrants had to purchase a ticket for the barbeque. Not so in 2009. Like painters and carvers the cost of the barbeque is included in the facility user fee.

Our break-even point cost-wise is:

8 carvers or painters per class x 9 classes = 72 students. When all the smoke clears we make a profit of approximately \$16.00 per student on the first 72 students.

In establishing the facility user fee we asked the question: Why should an R & R registrant be treated differently than a carver or painter with regards to our non-instructional fixed costs. The conclusion was we should not.

How the \$100.00 facility user fee was established:

(a) Sorrento Centre Registration Fee	\$52.00
(b) Welcome Barbeque Corkage Fee	\$3.00
(c) Farewell Banquet Corkage Fee	\$3.00
(d) Advertising	\$9.00
(e) Welcome Barbeque	<u>\$15.00</u>
Sub Total	\$82.00
Profit as per first 72 registrations	<u>\$16.00</u>
Sub Total	\$98.00
Which we rounded up to	\$100.00

We hope this explains and justifies why we applied the \$100.00 registration fee for R & R registrants in 2009. If you have any further questions, do not hesitate to contact us.