

The mission of the Long Prairie Area Chamber of Commerce is to promote, educate & support a vital business community while enhancing and nurturing the livability and community connectedness of the area.

AGENDA : Long Prairie Area Chamber of Commerce

Current Executive Board Members: President- Clara Vancura VP Teresa Sorenson, Secretary-Ashley Gray, Treasurer- Denita Wisniewski

Board Members: Todd Ecker, Dave Determan, Andy Otremba, John Howard, Jodi Dixon, Barb Neumann, Tony Roggenbuck

Zoom meeting Wednesday, Feb 24, 2021 04:30 PM - ANNUAL MEETING

Every month on the Fourth Wed, until May 26, 2021, 4 occurrence(s)

<https://zoom.us/j/96227878803?pwd=emkvcWhxdkNiV1hGcnpXT0VTalo5dz09>

Dial by your location +1 312 626 6799 US (Chicago)

Meeting ID: 962 2787 8803. Passcode: 575814

PRE-MEETING: Power Point presentation overview 2020

MEETING

1-Call to Order/Roll Call:

2- Approval of agenda/additions/deletions

3- Approval of Minutes, addition, Financial Report December & January- Budget review

4- Introduction of new Community/Chamber Members: Hensley Inc- Trucking, Hayley & Rae Boutique, Lennes Electric, Les Levin (individual), Thunder Lodge, Twardowski Excavating, Enterprise CP

Possible: Danielle Kreemer-Family counseling HWY 71

5- Presentations: Tourism, EDA, City, County, School etc- Rick Utech

6- Director's Report-

Facebook- December/January people like this 2,484= 13 since last meeting, please ask a friend to like our page

Webpage- Featuring our Own- NEXT: Southwest Industrial Park

7- Old Business

- a. Good Morning Breakfast- February report
 - Chandler Industries & Non-profit TBD – Todd Wadena Electric, River of Life church, Jenkins Iron & Steel...
- b. Buy Local & Greater good campaign - 4300 (CB) + 3440 (GG), matching gifts other suggestions
- c. Chamber – 2020 accomplishments- February- Annual meeting- zoom/in-person
- d. Discussion about 2021 goals & Chamber board members responsibilities – NEXT Wednesday
- e. HOMEWORK- What would you like to contribute to the Chamber? What are your strengths? Where would you like to be engaged?

8- New Business

- a. NEW Project: Craft Show- cost & process
- b. Other

9- Adjourn Our Core Values : Promotion of Chamber Businesses, Leadership Development, Proactive Community Leadership, Information Hub

This year's wish list:

Bargain Barn

Freshwater

Midway Gas

Legend Kutz

Pan de Vida

Prairie View Manor, Reichert Place,

Northern

Lakeland Dental

One of the keys to financial management is understanding your cost. Once you understand the cost to provide service you can evaluate whether or not a project is worth the effort. The Chambers cost to provide services is the administrative cost divided by the hours available. So per the proposed budget the administrative cost are about $\$65,000/1928 \text{ hrs. (available hours)} = \$33.71/\text{hr}$. However not all those hours are available for projects because there is some administrative time involved in meeting, communications, etc., so assume 20% of the time was administrative you would take direct labor cost plus employee taxes, Insurance (WC) and benefits which is about $\$48,500 * 20\% = \$9,700$, then divide that by the hours available, $\$9700/1928 = \5.03 so add this to the $\$33.71/\text{hr}$. and you get $\$38.76$ is your cost per hour in evaluating a project. This is the breakeven cost assuming no variable cost. So you want more than to breakeven with projects because not everything goes as planned and you need to have some money for when things go wrong. Adding a 20% margin would make the cost $\$48.45/\text{hr}$. This is figured by $\text{cost}/(1-\text{margin})$.

The value of something for business purposes is what you are willing to pay for it. Not all projects are easily measured in monetary value, but none the less they have a value. However, if there is excess time (time you are not paying for currently but could add) and you still have the same administrative cost then the least you would expect is amount greater than $48,500/2080\text{hrs. (all hours)} = \$23.32/\text{hr}$.

For example, let us look at a project the chamber had and look at it though this way of evaluating projects. Take adopt a pot with the flowers for the summer. Let say the administrator spent 25 hours selling the project and collecting the money, another 15 hours getting supplies and planting the flowers, and then once a week watering the flowers 3 hours per week times 12 weeks. These are my estimates and not actual time. Total hours would be 76 hrs. * $\$38.76 = \2945.76 labor plus the plants and supplies. Assume the supplies at $\$25$ per planter and 20 planters. The total cost divided by the planters would be $\$172.29$ per planter to breakeven. Then if they were offered at say $\$200.00$ per planter to the sponsors and if the sponsors are members they would get them for cost $\$175.00$. The first question is, would someone pay this much to sponsor flowers? Is it worth it? Assume they are willing to pay, to reduce your cost you could subcontract the watering of plants and pay a subcontractor $\$40.00$ per week. The chambers cost to water the flowers are $3 * \$38.76 = \116.28 , by subcontracting the chamber just made $\$76.28$ with just the cost to write a check once a month. Could you subcontract other parts of this job? By doing this it would free up time for more valued projects. The number of hours and assumptions maybe off but the method to evaluate projects once you know your cost will help evaluate which projects you deem worthy. The question

To use this, the question that needs answering is how much time do you spend in administrative task? Not all meeting or communications are administrative some are part of the projects. For example EDA Board meeting would be part of the EDA program cost where as Chamber board meetings would be administrative cost.

If you think this would be helpful I can send this to officers or the whole board.

Have a good evening,

Phillip Gould, CMA

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