

# **DAHLONEGA-LUMPKIN COUNTY CHAMBER OF COMMERCE, INC.**

## **COST ALLOCATION PLAN [2015]**

This Cost Allocation Plan is intended to provide the basis for the fair and equitable allocation of the costs of the Chamber for its administration of the Chamber's two primary activities.

The attached Schedules present the budget for the 12 month period ending December 31, 2015. This Cost Allocation Plan and its Schedules are, by reference, part of the annual service contract between the Chamber and the respective governmental authorities for the 12-month period ending December 31, 2015.

Bed Taxes received by the Chamber will be deposited into a separate bank account. Withdrawals from such separate account will occur only for budgeted direct and indirect costs and only as or after actually incurred.

The Chamber will meet periodically with the governmental authority to review year-to-date status.

Each Chamber employee (other than those devoted 100% to Tourism) will maintain daily timesheets allocating time between Tourism activities versus other Chamber activities.

The "Payroll & Sales Commissions" direct expense allocation in Schedule 1 equals a 48.41% allocation -- this is based on the latest financials of the Chamber for 2014 (through October 31), which took into account such employees' timesheet allocations. Similarly, the "Payroll Taxes", "Payroll Processing Fee", and "Employee Benefits..." allocations are based on the affected employees' timesheets and are based on the financials of the Chamber in 2014 (through October 31).

Adjustments to all such allocations will be made as actual time charged to these activities differs from estimated time.

The "Compliance Audit" direct expense allocation in Schedule 1 is required by the Bed Tax law and is 100% allocated to Tourism.

All other direct expense allocations in Schedule 1 represent allocations based on the latest financials of the Chamber for 2014. Adjustments to such allocations will be made as actual charges differ from estimated charges.

All indirect expense allocations in Schedule 2 represent allocations based on a fair estimate of the square footage of the Chamber building dedicated to Tourism versus Chamber activities. This factor was determined by our auditor in 2003 to be 63% and that percent has been consistent over the years (to be examined in 2015). Annual depreciation is ignored as an expense -- as an alternative, the cost of the capital improvement in the year of acquisition is expensed appropriately.

## Schedule 1 ~ Cost Allocation Plan 2015

### REVENUES/SOURCES

	<u>Tourism</u>	<u>Chamber</u>	<u>Total</u>
Bed Taxes - City of Dahlonega	173,000	0	173,000
Bed Taxes - Lumpkin County	126,000	0	126,000
Membership Dues & Services - net	0	148,425	148,425
Retail & Consignment sales - net	0	7,000	7,000
Welcome Center Donations	1,000	0	1,000
Interest	0	150	150
Non Chamber Event Revenue	0	1,400	1,400
Six Gap Festival - net	0	95,000	95,000
Firecracker 5k/10k	0	3,000	3,000
Movies Under the Stars	0	2,500	2,500
Dahlonega Wine Trail	0	13,000	13,000
Annual Meeting	0	1,000	1,000
Business Expo	0	5,000	5,000
Showcase Rental	0	500	500
Newcomers Guide Advertising Commission	0	7,000	7,000
Healthcare Committee	0	350	350
Interactive Kiosk Ad Sales	0	2,250	2,250
Georgia Fit Kids Expo & Run	0	2,000	2,000
Guide Sales	0	150	150
Website Banner Advertising	0	3,000	3,000
Nuts & Bolts Workshops	0	500	500
Outside Reservation Board	0	5,000	5,000
ATM Service Charge Income	0	600	600
Directional Signs Admin Fees	0	725	725
Travel Package Income	0	2,500	2,500
Student Welcome Event	0	2,000	2,000
<b>TOTAL REVENUES/SOURCES</b>	<b>300,000</b>	<b>303,050</b>	<b>603,050</b>

### DIRECT EXPENSES

	<u>Tourism</u>	<u>Chamber</u>	<u>Total</u>
Payroll & Sales Commissions	163,355	174,086	337,441
Payroll Taxes	12,476	13,295	25,771
Payroll Processing Fee	678	722	1,400
Employee Benefits - Medical & Auto/Cell	9,866	10,514	20,380
Meetings	2,007	2,293	4,300
Utilities [Water & Electric]	10,569	2,431	13,000
Dues & Subscriptions	0	3,000	3,000
Chamber Advertising	0	1,500	1,500
Welcome Center Repairs & Maintenance	1,500	0	1,500
Conference & Seminars	3,500	5,500	9,000
Insurance - Worker's Comp	581	619	1,200
Insurance - D&O	726	1,474	2,200
Gifts	1,311	1,689	3,000
Chamber Printing	0	500	500
GACCE Accreditation	0	250	250
Advertising & Promotion	82,000	0	82,000
Postage	0	1,500	1,500
Compliance Audit	3,500	0	3,500
Buy Local Campaign	0	250	250
City & County Meet & Greet	0	200	200
Merchant Decorating Contest	50	50	100
SCORE Chapter	0	100	100
Small Business Week	0	650	650
Downtown Merchant Coalition	25	25	50
<b>TOTAL DIRECT EXPENSES</b>	<b>292,144</b>	<b>220,648</b>	<b>512,792</b>
<b>TOTAL INDIRECT EXPENSES (See Schedule 2)</b>	<b>57,704</b>	<b>32,554</b>	<b>90,258</b>
<b>TOTAL EXPENSES</b>	<b>349,848</b>	<b>253,202</b>	<b>603,050</b>

## Schedule 2 ~ Cost Allocation Plan 2015

INDIRECT EXPENSES	<u>Tourism</u>	<u>Chamber</u>	<u>Total</u>
Equipment Rental	2,268	1,332	3,600
Software Upgrades & Support	2,835	1,665	4,500
Printing [Savin]	3,780	2,220	6,000
Office Supplies	4,725	2,775	7,500
Bank Charges	4,095	2,405	6,500
Telephone & Internet	5,985	3,515	9,500
Website Services	3,045	455	3,500
Insurance - Hazard & Liability	347	203	550
Accounting, Licenses & Fees	2,511	1,474	3,985
Janitorial Supplies & Labor	16,065	9,435	25,500
Technology	5,363	3,150	8,513
Security System Monitoring	454	266	720
Building Repairs & Maintenance and Pest Control	2,306	1,354	3,660
Landscaping	756	444	1,200
Holiday Decorations / Supplies	315	185	500
Website Hosting	491	289	780
Christmas Party	630	370	1,000
Savings	1,575	925	2,500
Water Service	<u>158</u>	<u>92</u>	<u>250</u>
<b>TOTAL INDIRECT EXPENSES</b>	<b>57,704</b>	<b>32,554</b>	<b>90,258</b>