

ADVERTISING AND PROMOTION COMMISSION

February 20, 2017

2:00pm

Location: Fayetteville Town Center, Director's Room
15 West Mountain Street, Fayetteville, Arkansas

Commissioners: Matthew Petty, Chairman; Matt Behrend; Adella Gray; Ching Mong;
Robert Rhoads; Hannah Withers

A. Call to Order at 2:00pm

B. Old Business

1. Approval of January 2017 Minutes

C. New Business

1. January HMR report and budget actuals
2. Marketing report, Mike Sells
3. Presentation: Aligning our investment strategy with our core mission
4. *Proposed* brand launch time frame:
 - i. Tuesday April 4 public announcement
 - ii. Wednesday April 5 Spring funding application available
 - iii. Thursday April 6 – Sunday April 9 community programming

D. Agenda Additions

An item may be added to the agenda with a consensus of the majority of the Commission.

Advertising and Promotion Commission

January Meeting

January 23, 2017

Commissioners Present: Matthew Petty, Chairman, Ching Mong, Robert Rhoads, Tim Freeman, Matt Behrend, and Hannah Withers

Commissioners Not Present: Adella Gray

Staff Present: Molly Rawn, Sally Fisher, Sandra Bennett

A. Call to Order

1. Chairman Matthew Petty called the meeting of the Fayetteville Advertising and Promotion Commission to order on January 23, 2017 at 2:00 pm.

B. Old Business

1. Approval of December 2016 minutes. Commissioner Hannah Withers moved to approve minutes, motion seconded by Commissioner Matt Behrend. Motion carried with a vote of 6:0.

C. New Business

1. Vote to extend Sells contract for 1 year, through December 31, 2017. The contract price is the same as 2010 contract. Commission will go out for bids in 2018. Commissioner Ching Mong moved to approve, motion seconded by Commissioner Withers. Motion carried with a vote of 6:0.
2. Discussion regarding Walker Stone House, Executive Director's recommendation. Executive Director, Molly Rawn, reported it is not in the best interest of the commission to move the Convention and Visitors Bureau offices to the Walker-Stone House. The executive director will present options in three months.
3. 2016 year end financials reviewed by Sally Fisher.
4. 2017 budget for commission approval reviewed by Molly Rawn. Commissioner Withers moved to approve, motion seconded by Commissioner Matt Behrend. Motion carried with a vote of 6:0.
5. Executive Director Announcements
 - a. New hire, Director of Community Engagement, Dacre Whitaker.
 - b. Meeting with Just Kids curatorial team regarding art in the public sphere.
 - c. Commissioner Tim Freeman has resigned; review commission terms, openings.
 - d. Hospitality Hero awards banquet Wednesday, January 25.
 - e. Preserve Arkansas awards banquet, Friday January 27.

D. Agenda Additions

1. None.

Chairman Petty adjourned the meeting at 3:05pm.

Respectfully submitted,
Sandra Bennett
Operations Administrator



JANUARY 2017 HMR REPORT

\$256,026.65
Monthly HMR Collected

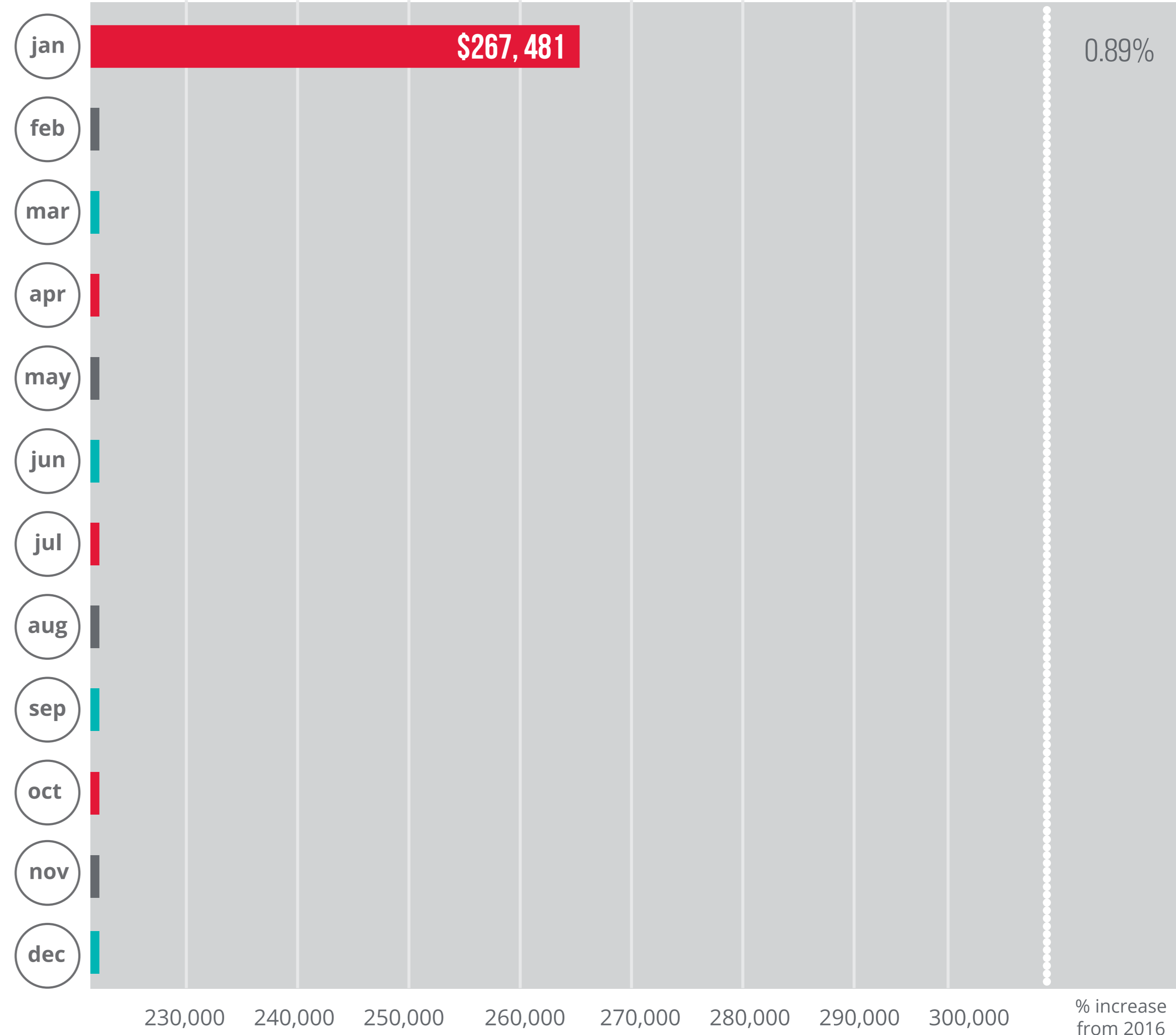
(\$64,292.32)
Total Expenses

\$203,766.64
Total check to A&P

Previous January HMR Tax Collection Totals

2013	2014	2015	2016	2017
\$211,138	\$202,477	\$236,849	\$265,115	\$267,481

Monthly HMR Tax Collections 2017



*28 HMR accounts currently past due

% increase from 2016

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
January 2017

Modified Accrual

	CONSOLIDATED			
	2017 Annual Budget	January 2017 YTD Actual	2017 Remaining Balance of Budget	% of Budget Remaining
REVENUE				
<i>41000 · Hotel, Motel, Restaurant Taxes</i>				
Total 41000 · Hotel, Motel, Restaurant Taxes	3,412,901	267,480.72	3,145,420.28	92.16%
<i>42000 · Rental Income</i>				
Total 42000 · Rental Income	602,000	68,184.84	533,815.16	88.67%
<i>43000 · Event Income</i>				
Total 43000 · Event Income	36,750	300.00	36,450.00	99.18%
<i>44000 · Sales</i>				
Total 44000 · Sales	43,037	447.76	42,589.24	98.96%
<i>45000 · Parking Revenue</i>				
Total 45000 · Parking Revenue	30,800	252.00	30,548.00	99.18%
<i>46000 · Ad Income</i>				
Total 46000 · Ad Income	18,000	0.00	18,000.00	100.00%
<i>47000 · Museum Revenue</i>				
Total 47000 · Museum Revenue	53,000	2,074.77	50,925.23	96.09%
<i>49000 · Interest and Investment Income</i>				
Total 49000 · Interest and Investment Income	14,367	1,095.25	13,271.75	92.38%
TOTAL REVENUE	4,210,855	339,835.34	3,871,019.66	91.93%
EXPENSES				
<i>50000 · Rental and Event Expenses</i>				
<i>51000 · Rental Expenses</i>				
Total 51000 · Rental Expenses	86,000	5,138.34	80,861.66	94.03%
<i>52000 · Event Expenses</i>				
Total 52000 · Event Expenses	73,800	963.67	72,836.33	98.69%
<i>53000 · Store Expenses</i>				
Total 53000 · Store Expenses	28,117	1,505.24	26,611.76	94.65%
<i>54000 · Museum Activities</i>				
Total 54000 · Museum Activities	14,100	3,861.87	10,238.13	72.61%
Total 50000 · Rental and Event Expenses	202,017	11,469.12	190,547.88	94.32%
<i>60000 · Payroll and Related Expenses</i>				
<i>61000 · Wages Expense</i>	775,846	53,534.30	722,311.70	93.10%
<i>62000 · Payroll Tax Expense</i>				
Total 62000 · Payroll Tax Expense	60,774	4,592.63	56,181.37	
<i>63000 · Benefits</i>				
Total 63000 · Benefits	179,219	19,705.32	159,513.68	89.00%
<i>64000 · Contract Labor</i>	6,900	5,881.00	1,019.00	14.77%
Total 60000 · Payroll and Related Expenses	1,022,739	83,713.25	939,025.75	91.81%
<i>70000 · Operating Expenses</i>				
<i>71000 · Marketing</i>				
Total 71000 · Marketing	916,750	46,707.40	870,042.60	94.91%
<i>72000 · Sales and Development</i>				
Total 72000 · Sales and Development	83,425	8,658.75	74,766.25	89.62%

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
January 2017

Modified Accrual

	CONSOLIDATED			
	2017 Annual Budget	January 2017 YTD Actual	2017 Remaining Balance of Budget	% of Budget Remaining
73000 · Office and Administrative Exp				
Total 73000 · Office and Administrative Exp	129,944	7,929.09	122,014.91	93.90%
74000 · Travel				
Total 74000 · Travel	38,500	1,262.81	37,237.19	96.72%
75000 · IT Expenses				
Total 75000 · IT Expenses	51,100	2,120.77	48,979.23	95.85%
76000 · Insurance				
Total 76000 · Insurance	18,318	0.00	18,318.00	100.00%
77000 · Facilities				
77100 · Rent	14,400	1,312.90	13,087.10	90.88%
77200 · Internet/Telephone	26,183	2,114.21	24,068.79	91.93%
77300 · Utilities				
Total 77300 · Utilities	95,150	8,918.60	86,231.40	90.63%
77400 · Repairs and Maintenance	45,000	3,205.85	41,794.15	92.88%
77500 · Janitorial Supplies	20,800	1,867.73	18,932.27	91.02%
77600 · Maintenance Contracts	45,709	7,431.07	38,277.93	83.74%
77800 · Improvements	264,082	29,496.00	234,586.00	88.83%
Total 77000 · Facilities	511,324	54,346.36	456,977.64	89.37%
Total 70000 · Operating Expenses	1,749,361	121,025.18	1,628,335.82	93.08%
80000 · Grants Awarded				
80100 · Current Year Spring	110,000	0.00	110,000.00	100.00%
80200 · Prior Year Fall	104,934	25,570.00	79,364.00	75.63%
Total 80000 · Grants Awarded	214,934	25,570.00	189,364.00	88.10%
EXPENSES (cont.)				
90000 · Other Expenses				
90100 · Bond Payments	707,312	58,942.71	648,369.29	91.67%
90200 · Major Capital Purchases	0	0.00	0.00	
90300 · Future Project Funding				
90310 · Future Capital Improvement	60,000	0.00	60,000.00	100.00%
90320 · Operating Reserves	254,492	0.00	254,492.00	100.00%
Total 90300 · Future Project Funding	314,492	0.00	314,492.00	100.00%
Total 90000 · Other Expenses	1,021,804	58,942.71	962,861.29	94.23%
TOTAL EXPENSES	4,210,855	300,720.26	3,910,134.74	92.86%
EXCESS OF REVENUE OVER/(UNDER) EXPENSES	0	39,115.08		

COMPARISON OF CURRENT YEAR & PRIOR YEAR

	2016	2017	% Change
TOTAL REVENUE	315,888.04	339,835.34	7.05%
TOTAL EXPENSES	199,809.62	300,720.26	33.56%
EXCESS OF REVENUE OVER/(UNDER) EXPENSES	116,078.42	39,115.08	-196.76%

Fayetteville A&P Commission

Balance Sheet

As of January 31, 2017

ASSETS

Current Assets

Cash and Investments

10200 Arvest A&P General #4856	528.50	
10300 1st Security A&P #8714	747,486.04	
10400 1st Security Fayetteville TC	305,629.65	
10500 1st Security Clinton House	8,394.66	
10600 1st Security CVB # 8730	59,482.14	
10700 Arvest Payroll Account #4636	54,558.31	
10110 CVB Cash in Register	100.00	
10120 TC Cash on Hand	300.00	
10130 CHM Cash In Register	100.00	

13000 Investments 674,571.70

13100 Investments: Adjust to Market (5,477.71)

Total Investments 669,093.99

Total Cash and Investments 1,845,673.29

Accounts Receivable

11000 Accounts Receivable	86,715.40	
11001 Accounts Receivable - City	4,198.05	
11200 Due from Vendors	150.00	

Total Accounts Receivable 91,063.45

11400 Due From Other Funds 1,182,749.98

11500 Prepaid Expenses 40,833.85

12100 Inventory Asset - CVB 7,570.64

12150 Inventory Asset - CHM 5,091.14

Total Current Assets 3,172,982.35

Other Assets

14500 Capital Assets

15000 Furniture and Fixtures	34,550.01	
15100 Equipment	262,117.44	
15500 CVB Building	930,569.02	
15510 CVB Land	198,621.00	
15600 Building Additions	567,178.25	
17300 Accumulated Depreciation	<u>(584,990.00)</u>	

Total Other Assets 1,408,045.72

TOTAL ASSETS 4,581,028.07

Fayetteville A&P Commission

Balance Sheet

As of January 31, 2017

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

20000 Accounts Payable	60,737.47
22000 KHT Security Deposit	1,000.00
24102 Colonial Life& Acc Ins. Payable	5.76
25000 Sales Tax Payable	717.00
26202 Unearned Revenue 2017	171,501.50

Total Current Liabilities

233,961.73

Equity

32000 Unrestricted Reserve Fund	477,874.75
33000 Designated Fund - Arts Program	100,000.00
39005 Fund Balance	3,730,076.51
Net Revenue	39,115.08

Total Equity

4,347,066.34

TOTAL LIABILITIES AND EQUITY

4,581,028.07

MARKETING REVIEW

JANUARY 2016 VS JANUARY 2017

Overall Users:

12,931 VS **12,144**: **-6%**

Guide Requests:

1,502 VS **981**: **-35%**

Website Conversions:

1,218 VS **1,263**: **+1%**

Guide Web-Requests:

353 VS **546**: **+55%**

BAR Searches:

865 VS **717**: **-17%**

2017 MARKETING BUDGET ALLOCATION

Total Advertising Budget	\$518,000
Consumer/Leisure	\$433,163
Sports	\$19,729
TC/Meetings & Conventions	\$18,739
Group Travel	\$14,224
CHM.....	\$12,671
Community/Local Events	\$11,298