

**Fayetteville Advertising and
Promotion Commission**

August 22, 2022

Location: Fayetteville Town Center, 15 W. Mountain Street

Commissioners: Todd Martin, Chair, Tourism & Hospitality Representative
Katherine Kinney, Tourism & Hospitality Representative
Chrissy Sanderson, Tourism & Hospitality Representative
Elvis Moya, Tourism & Hospitality Representative
Andrew Prysby, Commissioner at-large
Sarah Bunch, City Council Representative
Mark Kinion, City Council Representative

Staff: Molly Rawn, CEO

Agenda

- I. Call to order at 2:00 p.m.
- II. Old Business
 - A. Review and approval of July 2022 minutes.
- III. New Business
 - A. CEO Report, Molly Rawn. An executive overview of the previous month's activity, issues and opportunities facing the organization.
 - B. Financial Report, Molly Rawn, CEO
 - C. Marketing Report:
 - i. Molly Rawn, CEO
 - ii. Mike Sells, Sells Agency
 - D. Vote. Office lease for Fayetteville Town Center staff. *Authorizing the CEO to begin lease negotiations with the Fayetteville Chamber of Commerce for office space. Memo attached.*
 - E. Vote. Parking Gate Equipment for Fayetteville Town Center parking deck. *Staff recommends approving a quote for \$35,459 from IPS Group for equipment, installation and software. Memo attached.*
 - F. Discussion. *Fayetteville Town Center's participation in the city of Fayetteville's Energy Savings Performance Contract with Johnson Controls Inc. More information will be made available when received from city staff.*
 - G. Additions to the agenda may be added upon request from a majority of the commissioners
- IV. Adjourn

Fayetteville Advertising and Promotion Commission

Minutes July 25, 2022

Fayetteville Town Center

Commissioners Present: Todd Martin, Chair, Tourism & Hospitality Representative
Elvis Moya, Tourism & Hospitality Representative
Chrissy Sanderson, Tourism & Hospitality Representative
Andrew Prysby, Commissioner at-large
Sarah Bunch, City Council Representative
Mark Kinion, City Council Representative

Commissioners Absent: Katherine Kinney

Staff: Molly Rawn, CEO; Jennifer Walker, Vice President of Finance;
Hazel Hernandez, Vice President of Marketing and Communications

I. Chair Martin called the meeting to order at 2:02 pm.

II. Old Business

- A. Chair Martin asked commissioners to review the June minutes and asked if there were any additions or revisions. Hearing no additions or revisions, he stated that the minutes stood approved as presented and Commissioner Sanderson moved to approve them with Commissioner Prysby giving a second.

III. New Business

- A. CEO Report. An executive overview of the previous month's activity, issues and opportunities facing the organization. Complete memo attached.

In August, we will be issuing a couple of Request for Proposals, one for our IT provider and one for our Advertising Agency of Record. We will also unveil our process for distributing tourism incentives. We will also in this next quarter, be hearing an update from Theatre Squared.

Rawn highlighted the motorcycling promotional work EF Sales is doing to promote motorcycling in our area with the numerous trails and gravel road rides.

Destinations International conference was in Toronto last week and three team members attended: Molly Rawn, Tina Archer-Cope and Hazel Hernandez.

We are doing some finishing work on Vanny such as wrapping tables and games. Marketing is also attending the Hog Walk Symposium this week to learn more about this option to see if there are potential influencer marketing opportunities for EF.

We are excited for Fayetteville to host another UCI Cyclo-cross World Cup this October and will be partnering with Arkansas Children's Hospital as the charity to benefit.

The June First Thursday was well executed and well received with an attendance of approximately 1,500, even with the high temperatures and the Gulley Park concert. Rawn stated that that we've had a conversation with the city's Parks and Recreation office to discuss future years scheduling to perhaps avoid a Gulley Park concert on the night of a First Thursday event.

Also, Chloe Bell is working on Lights of the Ozarks elements; we'll be hearing more about that soon and we will be hosting Dog Daze, our most popular First Thursday theme, next week.

The Fayetteville Town Center has hosted 10 events since our last meeting. They continue to work closely with FoodLoops on waste diversion goals and will be implementing a new score card for events. By including this practice, it will help highlight the sustainability organizers can achieve when booking their event with the town center. The town center team also reported good results from the Christmas in July promotion of 22% off a holiday party rental.

HMR and Lodging.

Our occupancy rate in June was 75%, which is 13% higher than June of 2021. Year to date we see an occupancy rate of 63%, which is 15% higher than last year. We are also seeing our ADR, Average Daily Rate, increase. We are seeing a 17% increase in lodging collections from last month and a 67% increase in lodging collections compared to last year.

June restaurant collections were down compared to May's, but if you'll recall, May collections are April activities which included the Pro Cup cycling event, Garth Brooks concert and other activities. Year to date, we've had a 19% increase in HMR tax collections over the same period in 2021.

Commissioner Martin asked how we marketed First Thursday. Hernandez responded that we created a Facebook event and several other advertising items, including some bilingual advertising. A discussion of advertising options for First Thursday occurred with ideas such as a text reminder system or a partnership with an organization such as TheaterSquared or the Library where we could have a reminder in their communications.

B. Financial Report. Jennifer Walker, Vice President of Finance

June financial statements are included in the commission packet and they show revenue projections are 50% and we are ahead with 54% in actual revenue and expense projections at 50% and we are currently at 42% actual expenses.

These financial statements reflect the revised budget that the commission approved during June's meeting.

Our net operating income at the end of June was \$545,983. The balance sheet shows cash and investments totals of approximately \$4.6 million and the town center's unearned revenue is \$147,000, reflecting upcoming events at the town center.

C. Marketing Report. Hazel Hernandez, Vice President of Marketing and Communications

We've officially rolled out our new branding campaign, "Authentic Fayetteville," showing a very high energy campaign. Hernandez showed two commercials featuring Coach Nolan Richardson as the voice over talent and bilingual media.

Our social media continues to grow with our page reach on Facebook up 600%, with First Thursday and Pride being the main drivers of that reach.

Hernandez also shared Buxton data on Pride Weekend, showing us peak times for attendance, household characteristics and age demographics.

Mike Sells began his presentation by stating that our DMO marketing team was the most outstanding DMO marketing team in the state. He gave a review of our new campaign launch which has been received very well with two weeks of data.

He also shared Longwoods travel sentiment survey which shared that rising gas prices is the largest factor impacting travel plans. He also pointed out that other factors related to expenses are beginning to factor into trip planning.

Chair Martin asked if we could have the new commercials in a downloadable format so establishments could loop them. Commissioner Prysby also recommended that we include "Voice of Coach Richardson" both as text in the commercial and the YouTube videos.

E. Presentation of the 2021 Audit.

Cynthia Burns with FORVIS, LLP gave an overview of the audit, starting with the management letter which stated that we do our bookkeeping on the regulatory basis of accounting which is allowed by Arkansas state law. The letter has two opinions issued in it. It has an Unmodified Opinion on regulatory basis of accounting which she stated is the best opinion an organization can get and an adverse opinion on GAAP as we do not follow GAAP accounting procedures.

In the management letter she pointed out that it is the A&P's management's responsibility to evaluate if there are any conditions or events that would raise any concerns and that it is the auditor's responsibility to also identify if there are any conditions or events that show a concern and she reported that neither party found any issues.

In discussing the report on Internal Control, the document included at the end of the audit report, she stated that it was also an Unmodified Opinion and there were no material weaknesses or significant deficiencies to report.

The rest of the report is consistent with the prior year's audit report. The only note Burns wanted to point out is Note 7 which is the Paycheck Protection Program, (PPP) Loan which the commission had not had before.

On the second page of the management letter, Burns pointed out there were no audit adjustments to be recommended, no disagreements or difficulties encountered with performing the audit and no significant issues discussed with management.

With no questions, Jennifer Walker stated that she appreciated working with Forvis this year. It was clarified that the audit did not need a vote to be accepted.

- F. With no further agenda items, Chair Martin called for a motion to adjourn the meeting. Commissioner Kinion made the motion with Commissioner Sanderson seconding it and the meeting was adjourned at 3 pm.

Minutes submitted by Amy Stockton, Director of Operations, Experience Fayetteville

July Collection
(June Activity)

\$62,690 + \$359,048

Lodging

Restaurant

\$26,465

Prior Dues Collected

\$385,513

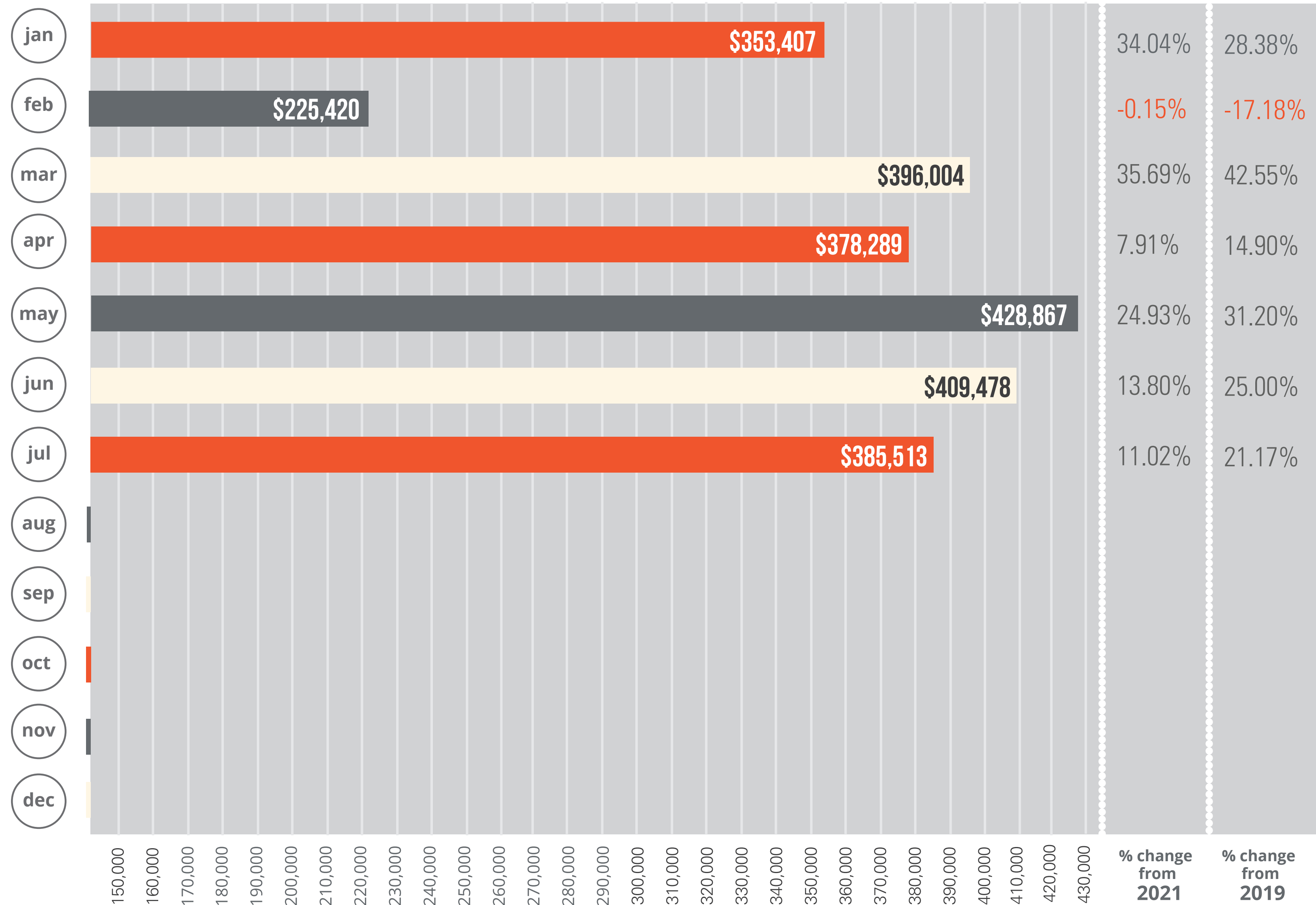
Total HMR Collected

Previous YTD (Jan-July) HMR A&P Tax Collection Totals

2018	2019	2020	2021	2022
\$2,041,191	\$2,127,076	\$1,688,304	\$2,182,175	\$2,576,978
3.97%	4.21%	-20.63%	29.25%	18.09%

% change over previous year

Monthly A&P Tax Collections 2022**



** This represents one half of the total HMR collections. The other half supports the Parks and Recreation department.

Memo



To: Molly Rawn, CEO, Experience Fayetteville
Fayetteville Advertising & Promotion Commissioners

From: Jennifer Walker, VP Finance, Experience Fayetteville

Date: August 10, 2022

Re: Financial Statements – July 2022

This packet contains Experience Fayetteville Financial Statements for the month ended July 31, 2022. The following reports are included in the packet:

- Summary P&L Financials for month ended July 31, 2022
- Balance Sheet for month ended July 31, 2022

Target Budget July – 58%

- Revenue target 58% of budget or higher by the end of July 2022.
Expenditures target 58% or lower at July 2022.

Total Revenue YTD: \$3,031,543 or 63%; We are 5% ahead of target.

Tax Receipts - \$2,576,978 (over budget by 4% ytd)

Town Center - \$211,748 (under budget by 4% ytd)

Other - \$242,817

Total Operating Expenditure YTD: \$2,576,332 or 53%; this is 5% under budget.

EF Main - \$2,144,938

Town Center - \$431,394

HMR tax – YTD July Collections (June activity) were above seasonally adjusted budget expectations by 8%.

Operating Net Income is \$455,211 year to date.

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
Year-to-Date @ July 31, 2022

	CONSOLIDATED			
	Year-to-Date			
	Actual	Budget	Over/(Under) Budget	% of Budget
Revenue				
Hotel, Motel, Restaurant Taxes Revenue	2,576,978	4,154,500	(1,577,522)	62.0%
Rental Revenue	191,373	346,000	(154,627)	55.3%
Event Revenue	22,011	40,700	(18,689)	54.1%
Visitor Center Store Revenue	45,072	51,200	(6,128)	88.0%
Parking Revenue	17,795	33,000	(15,205)	53.9%
Advertising Revenue	1,525	3,000	(1,475)	50.8%
Grant/Other Revenue	171,725	182,255	(10,530)	94.2%
Interest and Investment Revenue	5,064	8,250	(3,186)	61.4%
Total Revenue	3,031,543	4,818,905	(1,787,362)	62.9%
Expenses				
Operating Expenses				
Rental Expenses	24,975	88,500	(63,525)	28.2%
Event Expenses	34,126	79,450	(45,324)	43.0%
Visitor Center & Museum Store	39,059	48,200	(9,141)	81.0%
Downtown Initiative	1,406	100,000	(98,594)	1.4%
Personnel	842,718	1,616,044	(773,326)	52.1%
Sales & Marketing	726,355	1,134,553	(408,198)	64.0%
Office and Administrative	376,471	707,773	(331,302)	53.2%
Bond Payments	409,255	707,000	(297,745)	57.9%
Contribution to Capital Reserves	100,000	100,000	-	100.0%
Other grants	21,968	39,815	(17,847)	55.2%
TheatreSquared Contribution	-	200,000	(200,000)	0.0%
Total Operating Expenses	2,576,332	4,821,335	(2,245,003)	53.4%
Net Operating Income/(Loss)	455,211	(2,430)	457,641	0.0%
Other Income				
Unrealized Gain/(Loss) on Investments	(32,780)			0.0%
Other Expenses				
FFE & Improvements	281,391	595,000	(313,609)	47.3%
Depreciation Expense	77,859			0.0%
Cost of Goods Sold	(5,779)			0.0%
Net Income/(Loss) (without CX Grants)	68,959	(597,430)	699,170	-11.5%

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
Year-to-Date @ July 31, 2022

	Experience Fayetteville			
	Year-to-Date			
	Actual	Budget	Over/(Under) Budget	% of Budget
Revenue				
Hotel, Motel, Restaurant Taxes Revenue	2,576,978	4,154,500	(1,577,522)	62.0%
Rental and Event Revenue	19,512	37,700	(18,188)	51.8%
Visitor Center Store Revenue	45,072	51,200	(6,128)	88.0%
Advertising Revenue	1,525	3,000	(1,475)	50.8%
Grant & Other Revenue	171,725	182,255	(10,530)	94.2%
Interest and Investment Revenue	4,983	8,000	(3,017)	62.3%
Total Revenue	2,819,795	4,436,655	(1,616,860)	63.6%
Expenses				
Operating Expenses				
Event Expenses	24,755	76,450	(51,695)	32.4%
Visitor Center & Museum Store	39,059	48,200	(9,141)	81.0%
Downtown Initiative	1,406	100,000	(98,594)	1.4%
Personnel	602,534	1,134,973	(532,439)	53.1%
Sales & Marketing	722,180	1,118,553	(396,373)	64.6%
Office and Administrative	223,781	402,523	(178,742)	55.6%
Bond Payments	409,255	707,000	(297,745)	57.9%
Contribution to Capital Reserve	100,000	100,000	-	100.0%
Other Grants	21,968	39,815	(17,847)	55.2%
TheatreSquared Contribution	-	200,000	(200,000)	0.0%
Total Operating Expenses	2,144,938	3,927,514	(1,782,576)	54.6%
Net Income/(Loss) Before Other Revenue and Expenses	674,857	509,141	165,716	132.5%
Other Income				
Unrealized Gain/(Loss) on Investments	(32,780)	-	(32,780)	0.0%
Other Expenses				
FFE & Improvements	122,860	90,000	32,860	136.5%
Depreciation Expense	43,944			
Cost of Goods Sold	(5,779)			
Net Income/(Loss)	481,052	419,141	94,692	114.8%

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
Year-to-Date @ July 31, 2022

	Town Center			
	Year-to-Date			
	Actual	Budget	Over/(Under) Budget	% of Budget
Revenue				
Rental Revenue	191,373	346,000	(154,627)	55.3%
Event Revenue	2,499	3,000	(501)	83.3%
Parking Revenue	17,795	33,000	(15,205)	53.9%
Interest and Investment Revenue	82	250	(168)	32.7%
Total Revenue	211,748	382,250	(170,502)	55.4%
Expenses				
Operating Expenses				
Rental Expenses	24,975	88,500	(63,525)	28.2%
Event Expenses	9,371	3,000	6,371	312.4%
Personnel	240,184	481,071	(240,887)	49.9%
Sales & Marketing	4,175	16,000	(11,825)	26.1%
Office and Administrative	152,690	305,250	(152,560)	50.0%
Total Operating Expenses	431,394	893,821	(462,427)	48.3%
Net Income/(Loss) Before Other Revenue and Expenses	(219,646)	(511,571)	291,925	42.9%
Other Expenses				
FFE & Improvements	158,532	505,000	(346,468)	68.6%
Depreciation Expense	33,916			
Net Income/(Loss)	(412,093)	(1,016,571)	604,478	40.5%

Fayetteville A&P Commission

Balance Sheet

As of July 31, 2022

ASSETS

Current Assets

Cash	3,271,803
Investments	1,172,877
Accounts Receivable	418,391
Prepaid Expenses	31,280
Deposits	30,617
Visitors Guide Trade	2,877
Inventory Asset	23,089

Total Current Assets **4,950,933**

Other Assets

Capital Assets

Furniture & Fixtures	96,641
Equipment	641,976
EF/CVB Building	940,410
EF/CVB Land	198,621
Building Additions	971,952
Walker-Stone House	1,167,218
Construction in Progress	27,109
Accumulated Depreciation	(1,444,293)

Total Other Assets **2,599,634**

TOTAL ASSETS **7,550,567**

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	107,253
Unearned Revenue	129,110

Total Liabilities **236,364**

Equity

Unreserved Fund Balance	4,236,564
Operating Reserve	1,000,000
Capital Reserve	2,100,000
Temporarily Restricted Funds	439,895
Net Revenue	
Gain/(Loss) on Investments	(32,780)
Net Revenue without Cyclocross	216,323
Net Revenue for Cyclocross	(645,798)

Total Equity **7,314,203**

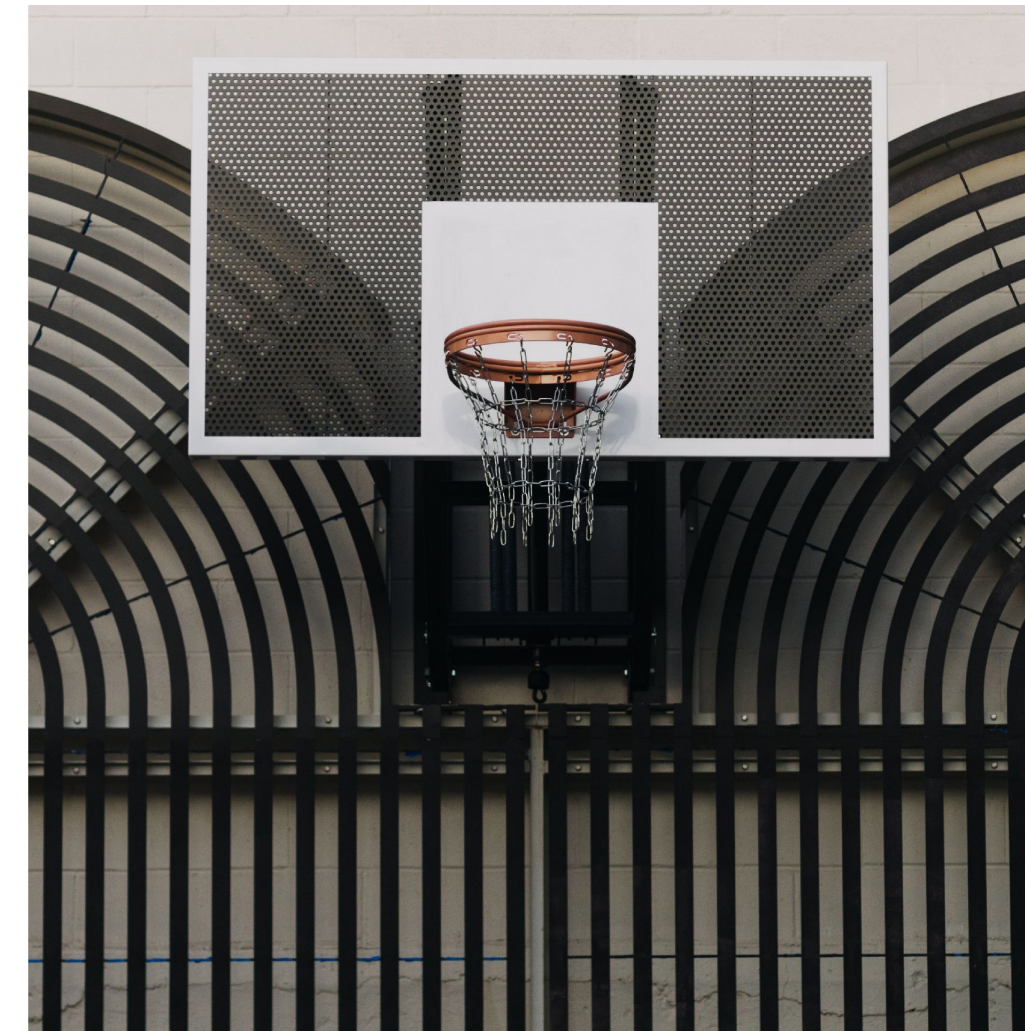
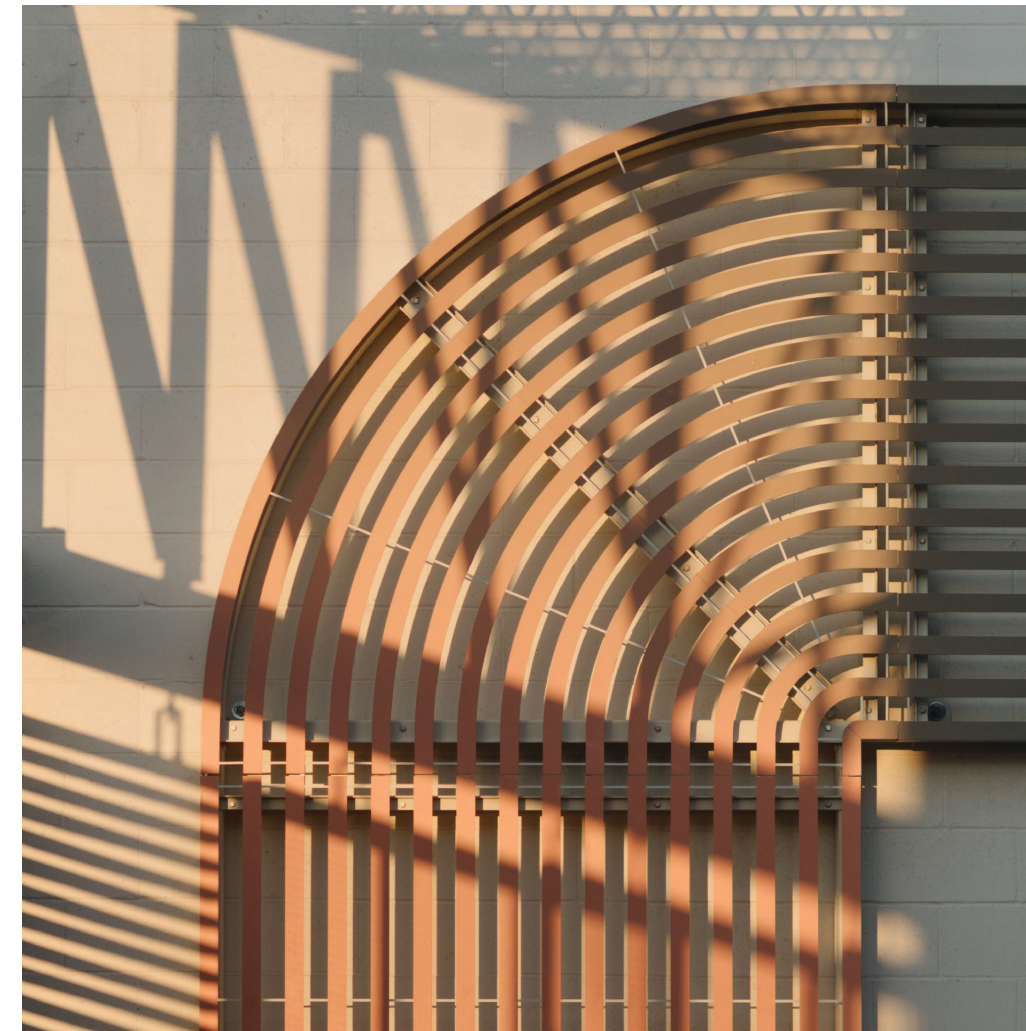
TOTAL LIABILITIES AND EQUITY **7,550,567**

AUGUST 2022 MARKETING REPORT



ARTCOURT OPENING

- Sent out a press release
- Opened August 19
- Social media posts
- Updated the EF website to show the banner



FIRST THURSDAY

- AY ad - AY is a state-wide magazine
- Fayetteville Flyer ads
- Vinyl sticker on EFVC
- First Thursday related posts on Experience Fayetteville, Fayetteville Town Center, and Fayetteville Ale Trail Instagram, Facebook, Twitter
- Facebook event
- Quarterly Tourism Newsletter
- First Thursday reminder email-one week out and day of
- Article on EF website
- Listed on EF event calendar



FIRST THURSDAY
— Fayetteville —

YOUR NEW FAVORITE DAY

See the Fayetteville Historic Downtown Square transform into an outdoor arts and music celebration. From 5:30 - 9pm, this free, family-friendly event includes a diverse lineup of live music, artist demonstrations and installations, food trucks, group bike rides and an arts market featuring more than 30 independent artists who create items in a variety of mediums.

Produced By **EXPERIENCE FAYETTEVILLE**
ExperienceFayetteville.com

DATE	THEME
JUN 02	In Bloom
JUL 07	Ozark Oasis
AUG 04	Dog Daze
SEP 01	A Closer Look
OCT 06	Larger Than Life

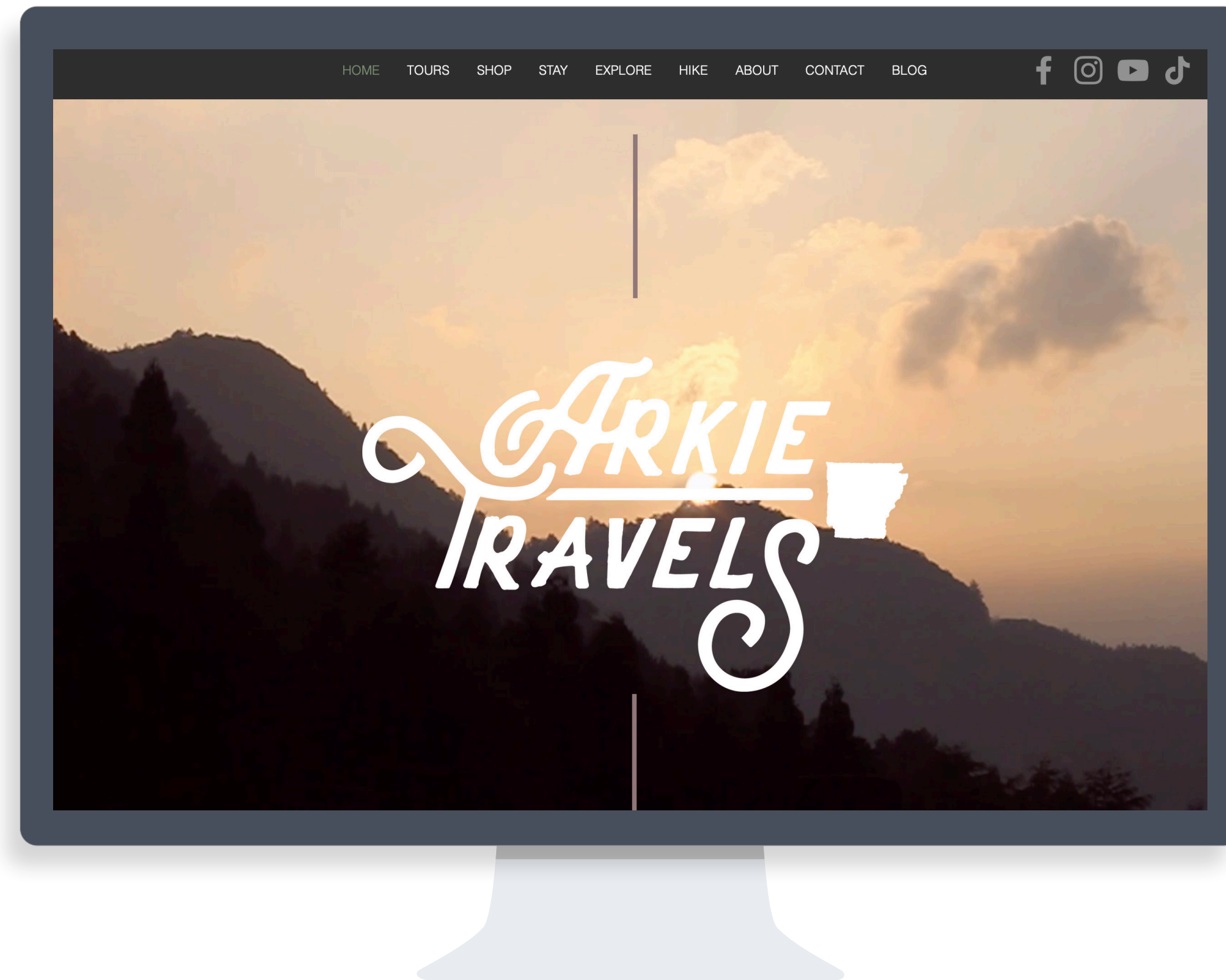
Thank you to our sponsors and community partners

SPONSORS: GEARHEAD SUPPLIES, startup junkie, FirstSecurity, sells, FedEx Ground, RIFFRAFF, CITY SUPPLY, TULA, Cheers, Lewis Automotive Group, artosphere, Best Friends Save Them All, Ramblers Sparkling Water, beardedgoat, STACHE, JOON, FAYETTEVILLE TOWN CENTER, pink House Alchemy

AY FIRST THURSDAY AD

ARKIE TRAVELS

- Itinerary created
- Highlighting the outdoors, food and SOAR NWA
- Arkie Travel Stats:
49,600 Followers



OZCX LAUNCH FROM AN EF PERSPECTIVE

- Social media launch
- Coordinating with Bike Arkansas for story
- Set up media accreditation with applications to go to Ashley Cane
- Hype video:
<https://vimeo.com/734023984>



THE CYCLO-CROSS WORLD RETURNS TO ARKANSAS

JOIN US TO WATCH, RACE, EAT, DRINK, SHOP AND EXPERIENCE. ALL WHILE SUPPORTING A GREAT CAUSE.

OZCX Weekend will be a fantastically fun party for all. It all happens at the World Championship venue, Fayetteville's Centennial Park, **October 14-16**.

The party will include multiple races and events: from one of only 14 **UCI World Cup** races this season to **OZkidsCX** – A family friendly event for kids as young as two. Other events throughout the three days will include:

- Elite/Professional Racing
- OZCX Community Street Sprints
- USA Cycling Amateur CX Races
- Walmart Corporate Team Relays

Ticket sales and registration fees support Arkansas Children's Northwest, the local Children's Miracle Network Hospital.

cyclocrossfayettevillear.com

BIKE AR OZCX AD

ALE TRAIL WEBSITE (fayettevillealetrail.com)

YTD Sessions **+27% YOY**

AR **+6%**

TX **+33%**

IL **+423%**

Channels

Direct **+36%**

Organic Search **-13%**

Paid Search **+64%**

Referrals **+208%**

Social **+49%**



EXPFAY WEBSITE

July Sessions **+52%**

AR	+2%
IL	+1,113%
TX	+24%
OK	+29%
MO	+93%
CA	+154%

Channels

Organic Search	+10%
Social	+466%
Paid Search	+25%
Display	+1,415%
Direct	+3%

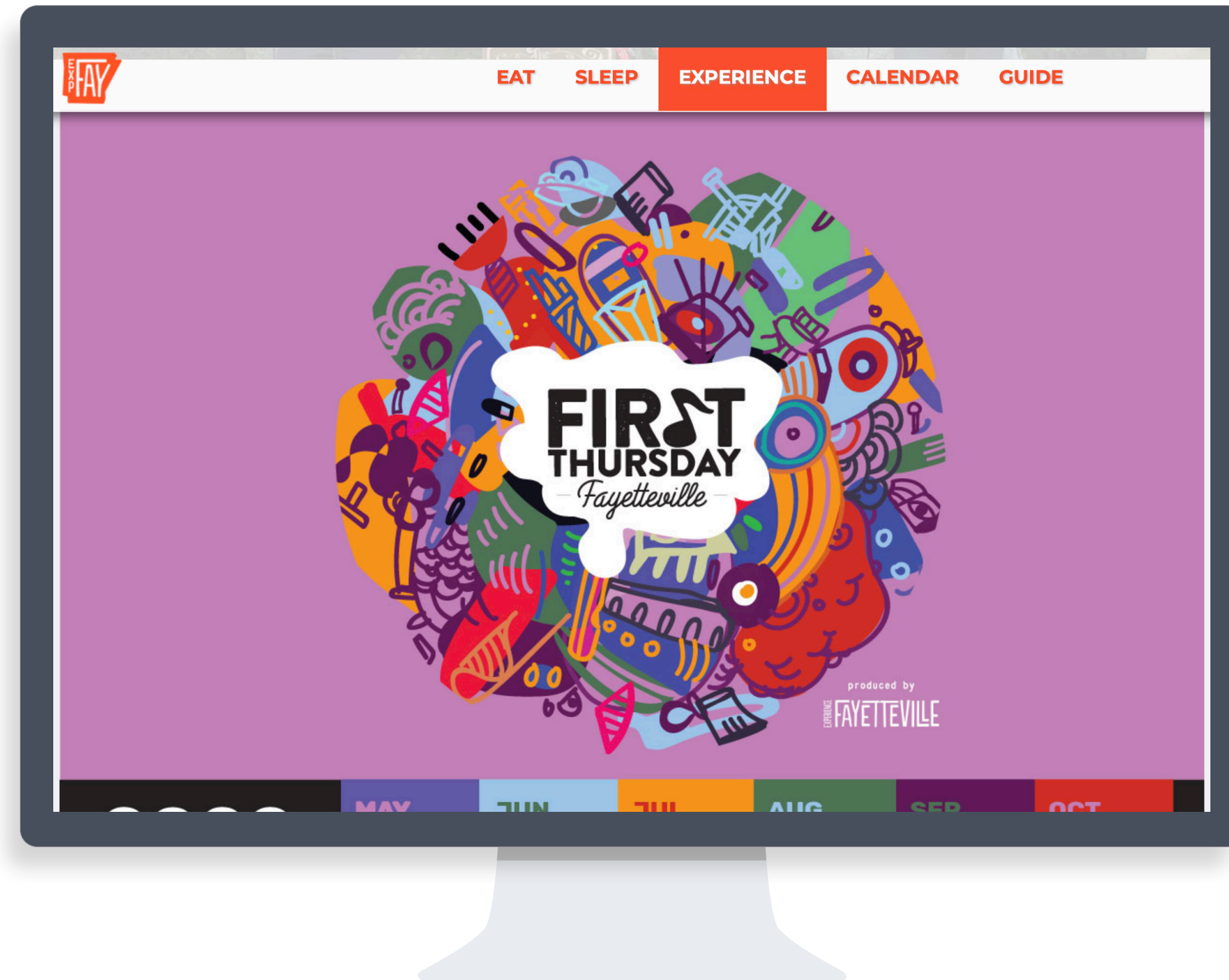
Online Visitors Guide

Flipbook Views	+44%
Download PDF	+41%
Monthly Total	1,471

/FIRST-THURSDAY PAGE

Monday - Thursday Pageviews

- July: **751**
- August: **1,053**
- **40%** increase MOM
 - Fayetteville: **+61%**
 - Springdale: **154%**
 - Bentonville: **+24%**
 - Rogers: **+40%**



**Fayetteville A&P
Commission**

Memo

To: Molly Rawn, CEO, Fayetteville Advertising and Promotion Commission;
Fayetteville Advertising and Promotion Commissioners

From: Tyler Wilson, General Manager, Fayetteville Town Center

Date: August 15, 2022

Re: Fayetteville Town Center Intent to move offices

Background:

The Fayetteville Town Center staff leases office space at 5 West Mountain, outside of the Town Center Venue. The current office lease expires April 30th of 2023. Current rent is \$2,000 per month.

We have an opportunity to terminate the lease early in a way that is mutually beneficial to both the landlord and the A&P Commission. Doing so would require us to have new office space beginning October 1.

Staff considered several options, including moving offices in to the Town Center. The Chamber of Commerce building at 21 W Mountain Street has office space available that would meet our needs.

Recommendation:

Staff recommends the commission authorize the CEO to pursue a lease agreement with the Chamber of Commerce for office space with the lease agreement to be voted on at the September commission meeting.

Fayetteville A&P Commission

Memo

To: Molly Rawn, CEO, Fayetteville Advertising and Promotion Commission;
Fayetteville Advertising and Promotion Commissioners

From: Tyler Wilson, General Manager, Fayetteville Town Center

Date: August 15, 2022

Re: Parking Gate Equipment at Fayetteville Town Center

Background:

Per our lease agreement with the city, the Fayetteville Town Center collects the revenue from the parking deck. The city's parking department maintains the gate equipment and performs regular maintenance, but does not pay for replacement of the equipment.

The Fayetteville Town Center parking gate and payment machine have failed and are beyond repair. We have been without the ability to close the gate or charge for daily parking since July 2022.

City staff is recommending a move to an upgraded, gateless system which would feature license plate recognition for the monthly parking tenants. Additionally, Town Center staff is recommending a rate increase to help offset these costs.

Three price quotes were not solicited for this replacement as the city has already selected a vendor to maintain standard equipment across multiple parking areas.

Recommendation:

Accept the \$35,459 quote from IPS Group for equipment, installation and software for the new gateless parking system and raise daily parking rates in the Town Center deck from \$4 to \$6.



QUOTE FOR:

CITY OF FAYETTEVILLE, AR
8/3/2022

Fixed LPR Hardware

Item #	Item	Qty	Unit Price	Total Price
VSF-016-L5F	L5F Fixed LPR Camera	2	\$6,755.00	\$13,510.00
VS-FX-UNI	Fixed LPR Camera Bracket	2	\$364.00	\$728.00
BCAV1F2-C600-W	Fixed Camera Communications Box – Windows	1	\$3,373.00	\$3,373.00
VS-SHIP-02	Shipping Charges	1	\$150.00	\$150.00
			Sub-Total:	\$17,761.00

Fixed LPR Software & Services

Item #	Item	Qty	Unit Price	Total Price
VSBSCSVC-01	Vigilant LPR Basic Service Package <i>*Priced per camera per year</i>	2	\$559.00	\$1,118.00
VS-VPS-PT-01	Parking Enforcement System Toolkit <i>*Priced per system per year</i>	1	\$1,040.00	\$1,040.00
SSU-SYS-COM	Vigilant System Start-Up & Commissioning of In-Field LPR System	1	\$2,275.00	\$2,275.00
VS-TRVL-01	Vigilant Technician Travel to Client Site	1	\$2,015.00	\$2,015.00
VS-INSTALL	LPR Camera Installation <i>*Final price to be confirmed after site visit and complete Scope of Work.</i>	1	\$6,850.00	\$6,850.00
CDFS-4HWW	Fixed LPR System Extended Warranty. Years 2-5	1	\$4,400.00	\$4,400.00
			Software & Services Sub-Total:	\$17,698.00
			Hardware Sub-Total	\$17,761.00
			Project Total:	\$35,459.00
			Annual Cost:	\$2,158.00/year

***Includes 1 year factory warranty. Extended warranty is available for years 2-5. This purchase must be made with the original procurement or within the year one factory warranty period for all the additional years you wish to cover.*