

**Fayetteville Advertising and
Promotion Commission**

April 24, 2023

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
Sonia Harvey, City Council Representative

Staff: Tyler Wilson, VP of Strategic Initiatives & Executive Director of Fayetteville
Town Center

Agenda

- I. Call to order at 2:00 p.m.
- II. Old Business
 - A. Review and approval of March 27th minutes.
 - B. **Vote. Smithsonian Institute Folklife Festival Sponsorship Contract.** The commission approved a \$20,000 sponsorship at the March meeting, but explicit authority to sign the contract was not voted upon. Memo attached.
- III. New Business
 - A. CEO Report. An executive overview of the previous month. *Provided by Tyler Wilson, Executive Director, Fayetteville Town Center in Molly's Rawn's absence.*
 - B. Financial Report. Jennifer Walker, Vice President of Finance
 - C. Marketing Report. Sarah King, VP of Marketing and Communications
 - D. **Vote. Fayetteville Town Center Window Coverings.** *Staff recommends the commission authorize the CEO to accept a quote from Custom Electronics at a cost of \$96,500 with a 10% price increase contingency for shade replacement, motors, and wiring. Memo and quote attached.*
 - E. Additions to the agenda may be added upon request from a majority of the commissioners.
- IV. Adjourn

Fayetteville Advertising and Promotion Commission

Minutes March 27, 2023

Fayetteville Town Center

Commissioners Present: Chair Todd Martin, Tourism & Hospitality Representative
Andrew Prysby, Commissioner at-large
Sarah Bunch, City Council Representative
Sonia Harvey, City Council Representative *virtual attendance
Katherine Kinney, Tourism & Hospitality Representative *virtual attendance
Elvis Moya, Tourism & Hospitality Representative
Chrissy Sanderson, Tourism & Hospitality Representative

Commissioners Absent: N/A

Staff: Molly Rawn, CEO; Jennifer Walker, VP of Finance; Sarah King, VP of Marketing

I. Chair Martin called the meeting to order at 2:00 pm.

II. Old Business

A. Chair Martin asked commissioners to review the February 27th minutes and asked if there were any additions or revisions. Hearing none, he declared the minutes were approved as presented.

III. New Business

A. CEO Report.

Rawn opened with stating that 57 restaurants participated in Restaurant Week and Sarah King would have more details about this successful project. On the Operations side, we've engaged with Flintlock Lab, a local architect firm, to develop plans on reconfigured bathrooms and office space at Experience Fayetteville. We will be bringing plans and next steps to the commission in the coming months for consideration.

Visitors Center Update: We've seen a 79% increase in attendance from the same period in 2022, with more than half of the visitors coming in on Saturdays. Additionally, 15 Fayetteville Ale Trail Passports were completed and handed in during February.

The town center lease was passed via consent agenda with the city council last week. The town center has held 10 events since we last met and in quarter one, we've recorded \$27,456 in alcohol sales which is tremendous growth in this income category.

Kelly Rich, our Director of Downtown Initiatives, is in Boston presenting at a Placemaking conference this week. The downtown coalition has been gathering input from local stakeholders on their visions for downtown and the next meeting is April 3 at Trailside Yoga.

2023 is the 10th anniversary of the Ale Trail and you'll see more about this anniversary throughout the year.

Rawn gave a cycling event update and outlined several cycling events we'd be seeing in Fayetteville in the next few weeks.

She closed the update by sharing that HMR totals for February, representing January's activity are \$356,842.

B. Financial Report. Jennifer Walker, VP of Finance

Walker stated that February financials are in the commission agenda packets and that as of February, our target for both revenue and expenditures is 17% of the overall budget. Our revenue hit 14% while expenses hit 12%. Our HMR tax receipts YTD are \$738,524 and our YTD operating net income is \$113,984. Walker stated that this was an improvement over January's numbers and she sees no reason that we won't continue to see growth in a positive manner. She said unearned revenue amount is \$139,408. With no questions, she concluded the report.

C. Marketing Report. Sarah King, VP of Marketing and Communications

King began by showing off the new, robust web calendar that allows sorting by type of event and allows you to add to your calendar plus many more features such as "kid friendly, pet friendly." etc. The commissioners were very interested in the features and King thanked Jerrika Longueville, Content Developer, for all her work.

King asked Ashley Cane, Director of Brand Strategy, to talk about the Cities of the SEC "Visit the SEC" Passport which just launched and will be on our website soon. Cane mentioned that one of the stops on the passport is the Visitors Center.

King talked about Fayetteville Restaurant Week which was a pilot with less than a 90 day launch from when King came on board. With 57 restaurants involved, that represented about 8% of F&B businesses in Fayetteville with very favorable feedback coming back from the restaurants such as "it was like having two Friday nights of sales in one week." King ended by showing a picture from Meiji Japanese Cuisine and Sushi's restaurant showing their extra long sales tape for the week.

Mike Sells presented more statistics about Fayetteville Restaurant Week. It was a very successful multi-channel approach. 40% of the web traffic was from NWA but not Fayetteville. 35% of all web traffic from the time Restaurant Week launched was to the Restaurant Week page.

From a public relations standpoint, we had several media outlets feature the event with 27 media events.

Commissioner Moya asked if we wanted to consider a "summer sips" promotion for this summer and CEO Rawn said we'd be passing along that idea to the marketing team.

D. Vote. Commissioner Appointment.

One of the four tourism industry commissioner positions is up for appointment and one eligible application was received.

Commissioner Bunch made a motion that we approve Commissioner Kinney's application and send it to the city council for re-appointment and Commissioner Sanderson seconded it and it was approved unanimously.

E. Vote. 2022 Financial Audit Engagement with BKD, LLP.

In presenting this item, VP of Finance pointed out that BKD, LLP has changed its name to Forvis. The 2022 Financial Audit Engagement letter for Forvis was presented. Commissioner Bunch made a motion to authorize CEO Rawn to execute an engagement letter with Forvis for 2022 audit services estimated at \$25,000 which was seconded by Commissioner Sanderson. With no further discussion, the motion passed unanimously.

F. Vote. Smithsonian Folk Life Festival Sponsorship.

Staff is seeking authority to commit \$20,000 to serve as a sponsor in this year's Smithsonian Folk Life Festival which features the Ozarks.

The Smithsonian Folk Life Festival Sponsorship was presented, with the theme The Ozarks: Faces and Facets of a Region. Rawn is working with Arkansas Tourism and the Smithsonian Folk Life Festival organizers to ensure Arkansas is well represented. This is a large, well-attended festival and we have confirmation that Arkansas State Tourism will serve as a sponsor. Rawn said that she understands that a \$20,000 sponsorship will allow the sponsorship benefits allocated at the \$25,000 level. The commission asked if Vanny could possibly make the drive and Rawn said that was an option to be discussed with the team but that she would not want the vote to be tied to include Vanny traveling in case that was not an option. Commissioner Moya made the motion to make a \$20,000 commitment to sponsor the Smithsonian Folk Life Festival in Washington DC and Commissioner Prsyby seconded it and it passed unanimously.

G. Vote. Production services for First Thursday Festival.

Staff is seeking authority to sign an agreement with FORGE Production for the production services of the First Thursday Festival. The cost of the agreement is \$31,200.

Forge Production has done a good job for us in the past and is the only vendor who was able to reliably include a mobile hydraulic function for the festival to continue to increase the production value of this event. A motion was made by Commissioner Bunch and seconded by Commissioner Harvey to authorize the CEO to sign an agreement with Forge Production for \$31,200. The motion passed unanimously.

With the agenda items complete, CEO Rawn reported back about monument signage and that she had a representative from the city of Fayetteville's planning department who would like to meet with us and asked if Commissioner Moya would also attend this meeting. Commissioner Bunch noted that signage was discussed on a master planning department meeting and that an E Fay Jones inspired sign was discussed at that time.

Commissioner Sanderson asked for an update on TheatreSquared and CEO Rawn gave an update, recapping the email she sent after she and Commissioner Moya attended the TheatreSquared board meeting. She stated that she had suggested to TheatreSquared's board of directors they may want to come back to an A&P Commission meeting in May so the 2023 funding request could be considered as it was currently not in the 2023 budget. Rawn suggested May as sometimes a budget revision is considered in June.

Commissioner Moya asked about how to be a sponsor for First Thursday and Tyler Wilson said he would reach out to Commissioner Moya with the sponsorship packet. It was further discussed that perhaps August's First Thursday could have a tie in with schools, including the U of A's involvement.

With no further items to discuss, Chair Martin requested a motion to adjourn with Commissioner Sanderson making the motion and Commissioner Prysby seconding it. The motion passed unanimously, and the meeting was adjourned at 3 p.m.

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

Memo



To: Fayetteville Advertising & Promotion Commissioners
From: Molly Rawn, CEO, Fayetteville Advertising & Promotion Commission
Date: April 20, 2023
Re: Smithsonian Folk Life Festival Contract

Background:

At the March 27, 2023 meeting of the Advertising and Promotion Commission, the commission voted to allocate \$20,000 to sponsor the Smithsonian Folk Life Festival in Washington, D.C.

Staff was not made aware a contract was required until after the March meeting. The CEO is bringing the item back to explicitly authorize signing of the contract.

CEO Recommendation: A vote to authorize CEO Molly Rawn to sign a \$20,000 sponsorship contract with the Smithsonian Institution.

SPONSORSHIP AGREEMENT
BETWEEN
Experience Fayetteville
AND
Smithsonian Institution

This Sponsorship Agreement (this “Agreement”) is entered into on the date of last signature by and between the Fayetteville Advertising and Promotion Commission, d.b.a. Experience Fayetteville, a governmental agency established by Ordinance No. 2310 of the City of Fayetteville pursuant to Arkansas law (Ark. Code Ann. § 26-75-605) (hereinafter, “Experience Fayetteville”), 21 S Block Ave, Fayetteville, AR 72703 and the Smithsonian Institution, 1000 Jefferson Drive, SW, Washington, DC 20560 (hereinafter, the “Smithsonian”).

WHEREAS, the Smithsonian, by and through its Center for Folklife and Cultural Heritage (hereinafter, “CFCH”) is producing the 2023 Smithsonian Folklife Festival (hereinafter, the “Festival”) to include a program entitled “The Ozarks: Faces and Facets of a Region” (hereinafter, the “Program”), which will take place on the National Mall from June 28-July 4 and July 6 – 9, 2023; and

WHEREAS, Experience Fayetteville is willing to assist with the financial support of the Program;

NOW, THEREFORE, the Smithsonian and Experience Fayetteville (each, a “Party” and together the “Parties”) agree as follows:

1. THE PROGRAM

- 1.1 Over the course of 10 days on the National Mall as part of the 2023 Smithsonian Festival, the Program will highlight the Ozarks, its diverse people, living traditions, and expansive creativity through presentations of performances, demonstrations, workshops, film screenings, and panel discussions, including many that feature artists and artisans from Arkansas (hereinafter, the “Arkansas Presentations”). The Program is free to the public and some activities will be streamed (live and recorded) on selected CFCH social media platforms.
- 1.2 Presentation of the Program must adhere to the guidelines, protocols, and regulations set forth by the National Park Service (hereafter, “NPS”), the Smithsonian, and/or the District of Columbia, available at <https://www.nps.gov/nama/planyourvisit/permit-planning-resources.htm>.
- 1.3 The contents and presentation of any Smithsonian exhibition or program, the management of the Smithsonian’s archives and collections, and the interpretation of the Smithsonian’s mission to increase and diffuse knowledge, remain exclusively within the sole discretion of the Smithsonian.

2. DONATION

- 2.1 Experience Fayetteville will provide \$20,000 in sponsorship support to the Smithsonian for expenses related to the Arkansas Presentations (hereinafter, “sponsorship”). These include, but are not limited to, the movement and support of participants, interpretive build-out, materials, and structures, and marketing and PR efforts. If, after the Arkansas Presentations are fully funded, any funds remain from the Contribution, those funds will be used at the discretion of the CFCH director to support the Festival.
- 2.2 Experience Fayetteville will provide payment within fifteen (15) days following the signing of this Agreement **upon receipt of an invoice from the Smithsonian.**
- 2.3 Experience Fayetteville hereby confirms that it alone will fulfill this pledge and that it will not be fulfilled in whole or in part by a private foundation or donor advised fund.
- 2.4 Nothing in this Agreement will prevent the Smithsonian from seeking additional sources of support for the Program or from providing appropriate recognition of the source of such additional support that is not inconsistent with this Agreement.

3. RECOGNITION AND BENEFITS

To recognize Experience Fayetteville support of the Program, the Smithsonian will provide Experience Fayetteville with the recognition and benefits listed in Attachment A, as well as the Festival Visitor Guide Ad Specs outlined in Attachment B. The placement and format of any recognition line bearing the name and logo of Experience Fayetteville will be reviewed in advance by Experience Fayetteville and must be mutually agreed upon by the Parties. Molly Collier Rawn, CEO, will provide the approval on behalf of Experience Fayetteville. In light of the Smithsonian’s need to accommodate the other funders equitably, Experience Fayetteville agrees not to unreasonably withhold such agreement.

4. ADDITIONAL ACTIVITIES

Smithsonian will offer Experience Fayetteville the first opportunity to make an additional donation to sponsor the opening event for the Program. Smithsonian may seek funding elsewhere if Experience Fayetteville does not choose to sponsor the opening event as proposed by the CFCH.

5. PUBLICITY AND PROMOTION

- 5.1 Any publicity, marketing, and promotional materials related to Experience Fayetteville’s support of the Program will be coordinated by CFCH as part the Festival communications plan. Should Experience Fayetteville wish to engage in additional publicity and marketing related to its support of the Program, it must be approved in advance by CFCH. Such approval will not be unreasonably withheld. Sabrina Lynn Motley, Director, Smithsonian Folklife Festival, will provide that approval on behalf of CFCH.

5.2 The names of the “Smithsonian Institution,” “Center for Folklife and Cultural Heritage,” “Smithsonian Folklife Festival,” the Smithsonian sunburst logo, and certain other Smithsonian names and marks are registered or common law trademarks of the Smithsonian. Except as specifically provided for herein, Experience Fayetteville may not use these names and marks, including in or on Experience Fayetteville’s product or on product packaging or at point of purchase, or in advertising, promotion, publicity, or fund-raising, without the prior written approval of the Smithsonian.

6. FORCE MAJEURE

Neither Party shall have any liability to the other for any failure to perform, or for any cancellation in connection with performance of any obligations hereunder, if such failure or cancellation is due to, or in any manner caused by, the laws, regulations, acts, inactions, demands, orders or interpositions of any government, or by acts of God, strikes, fire, flood, weather, war, terrorism, rebellion, insurrection or any other causes beyond the control of either Party, whether similar or dissimilar to the foregoing.

7. AUTHORIZED REPRESENTATIVES

7.1 Smithsonian Representative. For the purposes of liaison, direction, and coordination of daily operational matters, the Smithsonian shall be represented by:

Sabrina Lynn Motley, Director, Smithsonian Folklife Festival
Center for Folklife and Cultural Heritage
600 Maryland Avenue SW, Suite 2001
Washington, DC 20024
Email: motleys@si.edu
Phone: 202-633-0653

For the purposes of business and administrative matters, the Smithsonian shall be represented by:

Karen Otiji, Director, Office of Sponsored Projects
Smithsonian Institution
P.O. Box 37012, MRC 1205
Washington, DC 20013-7012
Email: ospmail@si.edu
Phone: 202-633-7110

- 7.2 Experience Fayetteville Representative. For the purposes of liaison, direction, and coordination of daily operational matters, Experience Fayetteville shall be represented by:

Molly Collier Rawn, CEO
Experience Fayetteville
21 S Block Ave
Fayetteville, Arkansas 72703
Email: mrawn@experiencefayetteville.com
(479) 521-5776

- 7.3 Substitution of Representative. Smithsonian and Experience Fayetteville shall advise each other in writing of any substitution for said representatives.

8. OTHER PROVISIONS

- 8.1 Recitals. The recitals herein constitute an integral part of this Agreement and are to be considered as such.
- 8.2 Captions. The captions and headings contained in this Agreement have been inserted for reference and convenience only and in no way define, limit, or describe the text of this Agreement or the intent of any provision.
- 8.3 Association. The Parties, by this Agreement, do not intend to create a partnership, principal/agent, master/servant, or joint venture relationship, and nothing in this Agreement shall be construed as creating any such relationship between the Parties.
- 8.4 Confidentiality. In consideration of the public nature of the Smithsonian and in order to protect its public image and the public trust, Experience Fayetteville acknowledges that the Smithsonian will not treat this Agreement or its contents as confidential information. The Agreement and its contents will be released if requested by organizations or individuals who make such a request in a manner consistent with Smithsonian policy or applicable law.
- 8.5 Modification. Neither Party shall be bound by any definition, condition, warranty, representation, modification, consent, or waiver, other than as expressly stated herein, unless set forth in a writing executed by the Party to be bound thereby.
- 8.6 Assignment. This Agreement and the rights granted hereunder may not be assigned by either Party, except with the express written permission of the other Party.
- 8.7 Disputes. This agreement is governed in accordance with applicable federal law and the laws of the District of Columbia.
- 8.8 Entire Agreement. This Agreement constitutes the entire legal agreement between the Parties relating to the subject matter hereof. All prior negotiations, representations, agreements, and understandings are ineffective and are superseded by this Agreement.

**ACCEPTED AND AGREED TO BY THE AUTHORIZED
REPRESENTATIVES OF THE PARTIES**

SMITHSONIAN INSTITUTION

EXPERIENCE FAYETTEVILLE

By: Karen Otiji, Director
Office of Sponsored Projects

By: Molly Collier Rawn, CEO

Date: _____

Date: _____

ATTACHMENT A: Recognition and Benefits

In recognition of Experience Fayetteville's support of the Program, the Smithsonian will:

- Recognize Experience Fayetteville as a Program sponsor with live logo on selected Program pages of the Festival website. Hyperlinks will link to approved Experience Fayetteville webpage(s) and will remain live for up to five years, as long as said pages are active, links are unbroken, and content on referenced pages is in keeping with the Smithsonian's mission and values.
- Include Experience Fayetteville logo in the printed Festival visitor guide. The Smithsonian will print no fewer than 10,000 copies for distribution on the National Mall and at selected local venues.
- Offer Experience Fayetteville one (1) one-thirds page ad space in the Festival visitor guide (see technical specs in Attachment B). All copy must be received and approved by the Smithsonian no later than sixty (60) days prior to the first day of the Festival and may not imply endorsement by the Smithsonian.
- Include Experience Fayetteville by name and/or logo on no fewer than ten (10) on-site Program and informational signs. Placement of said signage will be determined at the sole discretion of the Smithsonian and in accordance with National Park Service regulations.
- Recognize Experience Fayetteville as a Program sponsor by name and/or logo in Smithsonian produced press releases and media placements that reference the Program. The size and placement of said mentions is at the sole discretion of the Smithsonian and will depend upon available resources.
- Recognize Experience Fayetteville as a Program sponsor in printed and digital versions of the Smithsonian and CFCH annual reports.

ATTACHMENT B: Festival Visitor Guide Ad Specs

SMITHSONIAN
FOLKLIFE FESTIVAL

Festival Guide Advertisements

Specifications:

CMYK color only. No spot, RGB, indexed,
ICC-based or calibrated color.
Maximum tonal density: 300%.

NO BLEEDS

PDF/X-1a

Please Note: In order to print the text and
linework elements with optimum sharpness, we
recommend those elements be prepared correctly
in the original application design file with outlines
created and/or supplied printer and screen fonts
embedded. Text and linework elements should be
at 1800 dpi, with pictures and images at 300 dpi.

FULL PAGE
3.75" wide x 9.75" high

TWO THIRDS PAGE
3.75" wide x 6.4375" high

ONE THIRD PAGE
3.75" wide x 3.125" high

SMALL AD
1.785" wide
x 1.475" high

Fayetteville Advertising and Promotion Commission
CEO Updates
April 2023

Executive Summary

- City Council accepted the A&P Commission's recommendation to re-appoint Commissioner Katherine Kinney for another 4-year term.
- Tina Archer-Cope, VP of Sales, was recognized as an "Emerging Tourism Star" at the E-Tourism Summit in Las Vegas
- Tyler Wilson has been promoted to the role of Vice President of Strategic Initiatives with a working title of Executive Director, Fayetteville Town Center
- Amy Stockton is procuring proposals for a different retirement plan which would allow a larger employer contribution to be an option. We currently offer a SIMPLE IRA, this would be a move toward a 457(b)
- We are reviewing design options from Flintlock Lab for Experience Fayetteville offices which include ADA bathroom upgrades and re-configured office space for our growing team
- The repairs on Walker Stone House are almost complete, and the Folk School team is confident that programming can begin in May

Marketing

- The Marketing team is finalizing the 2022 Annual Report. The report will be distributed in early May
- We made the decision to not renew the Buxton contract, and are researching various tools to help us capture visitor data in a more user friendly way
- We have debuted a new photo asset platform which allows us better, more efficient access to our photo library
- New Spring photo shoots have been scheduled and will include photos of the Greenway, First Thursday, Square to Square, and other businesses and attractions
- Sales and Marketing team are hosting a dual sport motorcycling influencer next week

Sales

- Tina & Julie represented Experience Fayetteville at the UA Hospitality Career Fair on March 7th speaking with over 100 attendees about careers in our industry.
- In March Julie attended the select bank travel show in Branson that brought together 200 group planners. Julie was able to add 25 new planners to our email list and CRM and was able to secure 5 new groups for the 2023-2024 season!

- Sales led the Hospitality in a Heartbeat March meeting on the where we had 15 hotel partners present. They spoke to these partners about the sales team's tradeshow plans for the year
- Molly recently attended the Music Cities Tourism Conference, along with Ashley Cane, Director of Brand Strategy.
 - We hope to bring the conference to Fayetteville in 2025

Visitor Center

- *New Spring Hours 9 a.m. – 1 p.m. to accommodate Farmers Market*
- VC saw 1,138 visitors in March 2023
 - 81% increase from the prior month (630)
- VC had \$3,931 in sales in March 2023
 - 39% increase the prior month (\$2,819)
- Visitors from Mexico, South Africa and Scotland.
- High visitor count day, March 18th – 165. ExpFay provided coffee and refreshments for Spring Fling on the Square

Cycling

- Experience Fayetteville participated at the University of Arkansas annual Bike Fest on 4/6,
- Annual US Pro Cup and international mountain bike competition was hosted at Fayetteville's Centennial Park – April 12th – 16th
 - 1,497 individual race starts
 - Event pulled participants from 41 states and 11 countries:
 - Colorado (15%), Arkansas (8%), and Utah (7%) drove U.S. participation while Quebec (6%) Ontario (4%) and Puerto Rico (3%) drove international participation
 - 29% of participants identified as Women
 - 84% of participants were aged 25 or Under
- Experience Fayetteville hosted team from Visit Shawnee and Shawnee, Kansas during US Pro Cup. Their city is developing a complimentary venue to Centennial Park (mountain bike and cyclo-cross) that could encourage future regional competition/series in the Midwest

Fayetteville Town Center

- Since our last meeting, Fayetteville Town Center has successfully hosted 24 events. Notably, April has been our busiest month this year, with only six days not booked
- We were thrilled to host the Arkansas Scholastic Press Association Convention last week, which brought over 600 journalism students to

Fayetteville. It was an exciting opportunity to showcase our city and provide a unique experience for the attendees.

Community Events

- We have received \$23,500 in sponsorship commitments for First Thursday and Lights of the Ozarks and still have plenty of sponsorship opportunities available!
- We are in the process of booking the remaining bands and performers for the season.

Downtown Initiatives

- We are finalizing the brand identity for the Downtown Fayetteville Coalition and plan to launch downtown social media channels by end of April.

Upcoming Events

- **May 4th** First Thursday season opener *May the Fourth*, presented by Walton Arts Center's Artosphere.
- **May 7th - 13th** National Travel and Tourism week
- **May 10th** Downtown History and Bike Tour
- **May 12th and 13th** University of Arkansas graduation weekend
- **May 18-21st** Joe Martin Stage Race
 - May 21st Experience Fayetteville Criterium
 - May 21st - *All Wheels Welcome* Downtown Fayetteville Coalition event at the JMSR

Looking ahead to future commission meetings

- May: Walker Stone House tour, Approval of RFP for Strategic Plan
- June: Audit Presentation, potential budget revision

Memo



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

From: Jennifer Walker, VP Finance, Experience Fayetteville

Date: April 10, 2023

Re: Financial Statements – March 2022

This packet contains Experience Fayetteville Financial Statements for the month ended March 31, 2023. The following reports are included in the packet:

- Summary P&L Financials for month ended March 31, 2023
- Balance Sheet for month ended March 31, 2023

Target Budget March – 25%

Revenue target 25% of budget or higher by the end of March 2023.

Expenditures target 25% or lower at March 2023.

Total Revenue YTD: \$1,257,601 or 22%; We are 3% below target.

Tax Receipts - \$1,152,678 (under budget by 2% ytd)

Town Center - \$ 89,168 (under budget by 8% ytd)

Other - \$15,756

Total Operating Expenditure YTD: \$1,071,631 or 20%; this is 5% under budget.

EF Main - \$862,460

Town Center - \$209,171

HMR tax – YTD March Collections (February activity) are below seasonally adjusted budget expectations by 3%.

Operating Net Income is \$36,685 year to date.

March Collection
(February Activity)

\$47,060 + \$318,930

Lodging

Restaurant

\$48,164

Prior Dues Collected

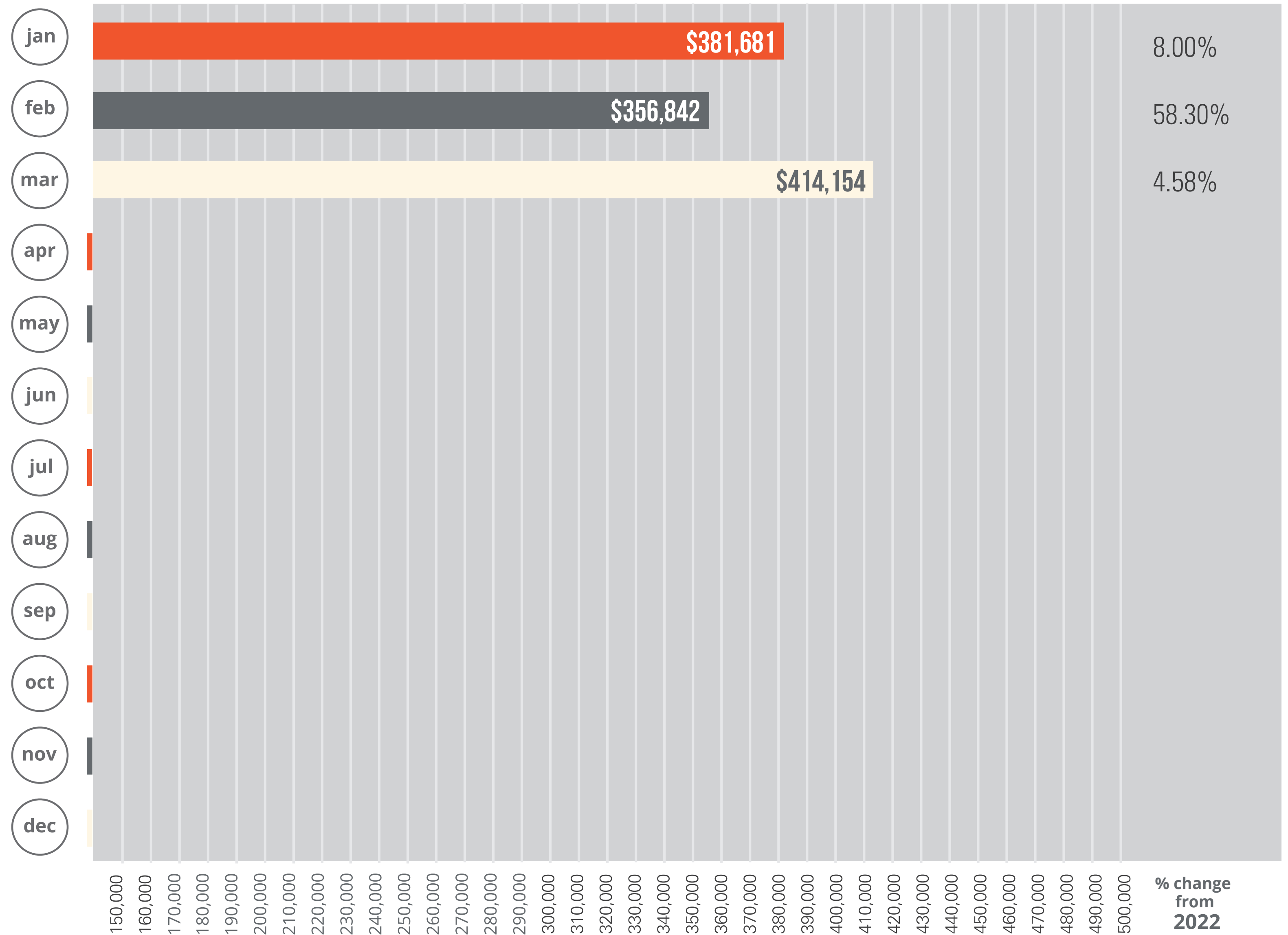
\$414,154

Total HMR Collected

Previous YTD (Mar) HMR A&P Tax Collection Totals

| 2019 | 2020 | 2021 | 2022 | 2023 |
|-----------------------------|-----------|------------|-----------|--------------------|
| \$825,243 | \$837,651 | \$ 781,283 | \$974,831 | \$1,152,677 |
| 1.90% | 1.50% | -6.73% | 24.77% | 18.24% |
| % change over previous year | | | | |

Monthly A&P Tax Collections 2023**



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

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
Year-to-Date @ March 31, 2023

| | CONSOLIDATED | | | |
|--|---------------------|------------------|------------------------|--------------|
| | Year-to-Date | | | |
| | Actual | Budget | Over/(Under) Budget | % of Budget |
| Revenue | | | | |
| Hotel, Motel, Restaurant Taxes Revenue | 1,152,678 | 4,960,000 | (3,807,322) | 23.2% |
| Rental Revenue | 82,293 | 485,500 | (403,207) | 17.0% |
| Event Revenue | 8,344 | 51,472 | (43,128) | 16.2% |
| Visitor Center Store Revenue | 6,260 | 53,700 | (47,440) | 11.7% |
| Parking Revenue | - | 26,000 | (26,000) | 0.0% |
| Advertising Revenue | 500 | 3,500 | (3,000) | 14.3% |
| Grant/Other Revenue | - | 83,000 | (83,000) | 0.0% |
| Interest and Investment Revenue | 7,527 | 7,550 | (23) | 99.7% |
| Total Revenue | 1,257,601 | 5,670,722 | (4,413,121) | 22.2% |
| Expenses | | | | |
| Operating Expenses | | | | |
| Rental Expenses | 13,858 | 208,000 | (194,142) | 6.7% |
| Event Expenses | 26,754 | 135,250 | (108,496) | 19.8% |
| Visitor Center & Museum Store | 2,914 | 41,200 | (38,286) | 7.1% |
| Personnel | 410,142 | 1,933,886 | (1,523,744) | 21.2% |
| Sales & Marketing | 231,529 | 1,363,565 | (1,132,036) | 17.0% |
| Office and Administrative | 169,226 | 785,821 | (616,595) | 21.5% |
| Bond Payments | 174,450 | 700,000 | (525,550) | 24.9% |
| Contribution to Capital Reserves | - | 100,000 | (100,000) | 0.0% |
| Other grants | 42,757 | 203,000 | (160,243) | 21.1% |
| Total Operating Expenses | 1,071,631 | 5,470,722 | (4,399,091) | 19.6% |
| Net Operating Income/(Loss) | 185,971 | 200,000 | (14,029) | 93.0% |
| Other Income | | | | |
| Unrealized Gain/(Loss) on Investments | (20,576) | | | 0.0% |
| Other Expenses | | | | |
| FFE & Improvements | 82,673 | 638,000 | (555,327) | 13.0% |
| Depreciation Expense | 47,552 | | | 0.0% |
| Cost of Goods Sold | (1,515) | | | 0.0% |
| Net Income/(Loss) (without CX Grants) | 36,685 | (438,000) | 495,261 | -8.4% |

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
Year-to-Date @ March 31, 2023

| | Experience Fayetteville | | | |
|--|--------------------------------|------------------|------------------------|--------------|
| | Year-to-Date | | | |
| | Actual | Budget | Over/(Under) Budget | % of Budget |
| Revenue | | | | |
| Hotel, Motel, Restaurant Taxes Revenue | 1,152,678 | 4,960,000 | (3,807,322) | 23.2% |
| Rental and Event Revenue | 1,500 | 43,972 | (42,472) | 3.4% |
| Visitor Center Store Revenue | 6,260 | 53,700 | (47,440) | 11.7% |
| Advertising Revenue | 500 | 3,500 | (3,000) | 14.3% |
| Grant & Other Revenue | - | 83,000 | (83,000) | 0.0% |
| Interest and Investment Revenue | 7,496 | 7,500 | (4) | 99.9% |
| Total Revenue | 1,168,434 | 5,151,672 | (3,983,238) | 22.7% |
| | | | | |
| Expenses | | | | |
| Operating Expenses | | | | |
| Event Expenses | 16,491 | 105,250 | (88,759) | 15.7% |
| Visitor Center & Museum Store | 2,914 | 41,200 | (38,286) | 7.1% |
| Personnel | 302,021 | 1,420,296 | (1,118,275) | 21.3% |
| Sales & Marketing | 228,222 | 1,273,044 | (1,044,822) | 17.9% |
| Office and Administrative | 95,605 | 457,862 | (362,257) | 20.9% |
| Bond Payments | 174,450 | 700,000 | (525,550) | 24.9% |
| Contribution to Capital Reserve | - | 100,000 | (100,000) | 0.0% |
| Other Grants | 42,757 | 203,000 | (160,243) | 21.1% |
| Total Operating Expenses | 862,460 | 4,300,652 | (3,438,192) | 20.1% |
| | | | | |
| Net Income/(Loss) Before Other Revenue and Expenses | 305,974 | 851,020 | (545,046) | 36.0% |
| | | | | |
| Other Income | | | | |
| Unrealized Gain/(Loss) on Investments | (20,576) | - | (20,576) | 0.0% |
| Other Expenses | | | | |
| FFE & Improvements | 3,000 | 262,000 | (259,000) | 1.1% |
| Depreciation Expense | 25,610 | | | |
| Cost of Goods Sold | (1,515) | | | |
| | | | | |
| Net Income/(Loss) | 258,304 | 589,020 | (310,141) | 43.9% |

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
Year-to-Date @ March 31, 2023

| | Town Center | | | |
|--|--------------------|--------------------|------------------------|--------------|
| | Year-to-Date | | | |
| | Actual | Budget | Over/(Under) Budget | % of Budget |
| Revenue | | | | |
| Rental Revenue | 82,293 | 485,500 | (403,207) | 17.0% |
| Event Revenue | 6,844 | 7,500 | (656) | 91.2% |
| Parking Revenue | - | 26,000 | (26,000) | 0.0% |
| Interest and Investment Revenue | 31 | 50 | (19) | 62.1% |
| Total Revenue | 89,168 | 519,050 | (429,882) | 17.2% |
| | | | | |
| Expenses | | | | |
| Operating Expenses | | | | |
| Rental Expenses | 13,858 | 208,000 | (194,142) | 6.7% |
| Event Expenses | 10,263 | 30,000 | (19,737) | 34.2% |
| Personnel | 108,122 | 513,590 | (405,468) | 21.1% |
| Sales & Marketing | 3,307 | 90,521 | (87,214) | 3.7% |
| Office and Administrative | 73,621 | 327,959 | (254,338) | 22.4% |
| Total Operating Expenses | 209,171 | 1,170,070 | (960,899) | 17.9% |
| | | | | |
| Net Income/(Loss) Before Other Revenue and Expenses | (120,003) | (651,020) | 531,017 | 18.4% |
| | | | | |
| Other Expenses | | | | |
| FFE & Improvements | 79,673 | 376,000 | (296,327) | 78.8% |
| Depreciation Expense | 21,943 | | | |
| Net Income/(Loss) | (221,618) | (1,027,020) | 805,402 | 21.6% |

Fayetteville A&P Commission

Balance Sheet

As of March 31, 2023

ASSETS

Current Assets

| | | |
|---------------------|--|-----------|
| Cash | | 3,484,889 |
| Investments | | 1,207,637 |
| Accounts Receivable | | 455,664 |
| Prepaid Expenses | | 34,727 |
| Deposits | | 28,617 |
| Inventory Asset | | 29,375 |

Total Current Assets 5,240,908

Other Assets

Capital Assets

| | |
|--------------------------|--------------------|
| Furniture & Fixtures | 121,169 |
| Equipment | 723,463 |
| EF/CVB Building | 940,410 |
| EF/CVB Land | 198,621 |
| Building Additions | 1,142,641 |
| Walker-Stone House | 1,167,218 |
| Vehicles | 122,860 |
| Construction in Progress | 104,548 |
| Accumulated Depreciation | <u>(1,573,921)</u> |

Total Other Assets 2,947,008

TOTAL ASSETS 8,187,915

LIABILITIES AND EQUITY

Current Liabilities

| | |
|------------------|----------------|
| Accounts Payable | 63,881 |
| Unearned Revenue | <u>187,186</u> |

Total Liabilities 251,067

Equity

| | |
|--------------------------------|-----------------|
| Unreserved Fund Balance | 5,431,416 |
| Operating Reserve | 1,000,000 |
| Capital Reserve | 1,100,000 |
| Temporarily Restricted Funds | 382,431 |
| Net Revenue | |
| Gain/(Loss) on Investments | (20,576) |
| Net Revenue without Cyclocross | 57,261 |
| Net Revenue for Cyclocross | <u>(13,684)</u> |

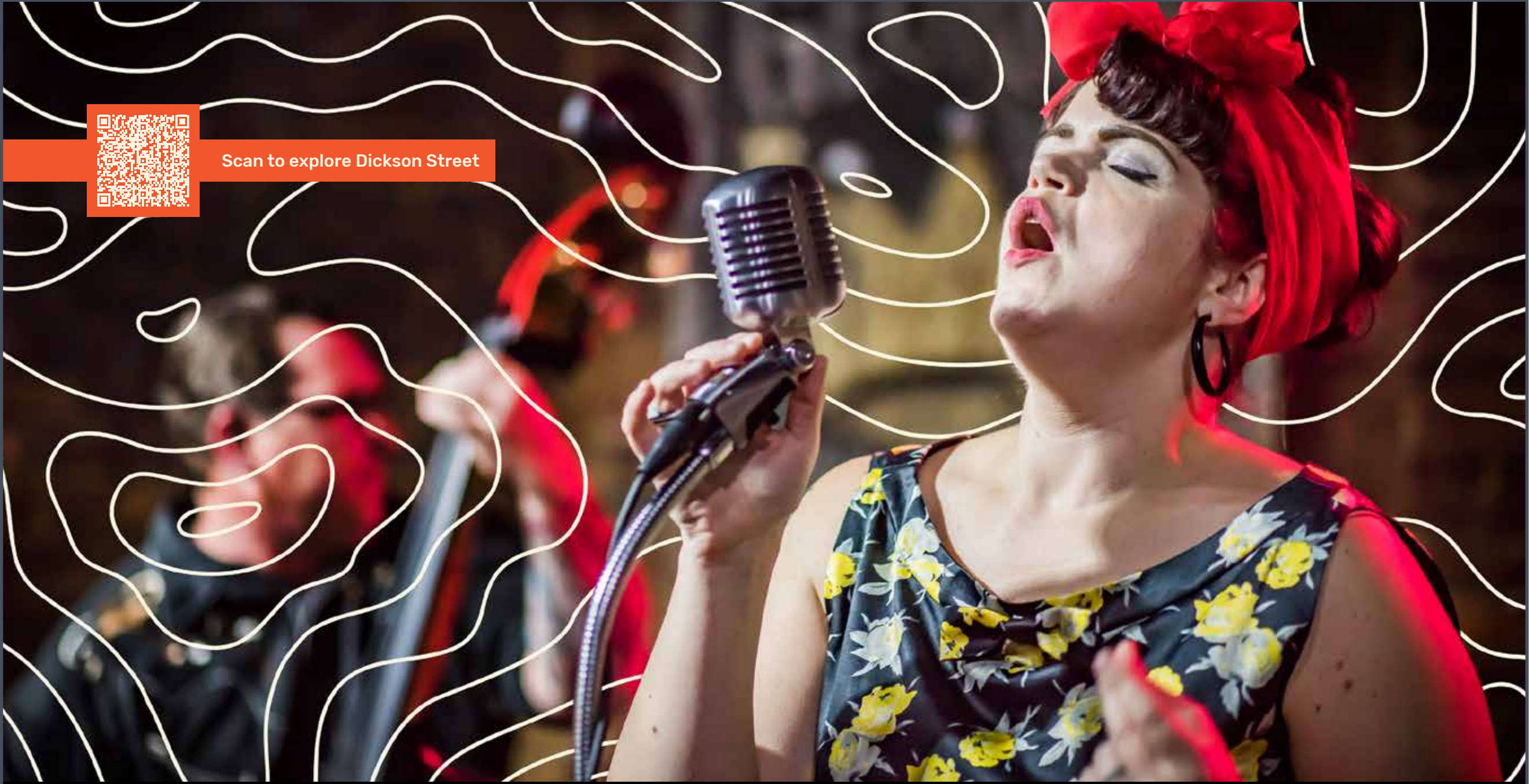
Total Equity 7,936,848

TOTAL LIABILITIES AND EQUITY 8,187,915

APRIL 2023 MARKETING REPORT



Distributed in South Louisiana and Southwest Mississippi. Our ad ran along with an article mentioning Fayetteville as a college football town that warrants a visit outside of football season.



A VIBE ALL OUR OWN

From late-night live music to Broadway musicals, Dickson Street Entertainment District feeds the creative spirit of Fayetteville.

For an **Authentic** Experience in Northwest Arkansas, You Gotta

EXPERIENCE **FAYETTEVILLE**



U OF A CAMPUS VISITORS GUIDE

Beginning in May, the university will be distributing the guide across campus to students and their parents and families, campus visitors, event attendees, faculty and staff, alumni and more. The guide is a full color magazine that is also promoted digitally by the university.



Scan to access our digital guide.

GET TO KNOW FAYETTEVILLE

There's so much to do, see, and eat in Fayetteville, you'll find an authentic experience around every corner. Download our **Fayetteville Visitor's Guide** for the inside scoop on everything from restaurants and shopping to special events and more.

For an **Authentic** Experience in Northwest Arkansas, You Gotta

EXPERIENCE **FAYETTEVILLE**



BIKE ARKANSAS SUMMER 2023

Gravel Riding focus with QR code linking to new gravel webpage.



Ready to Ride? Scan for Routes

**EXPLORE ROADS
LESS TRAVELED.**

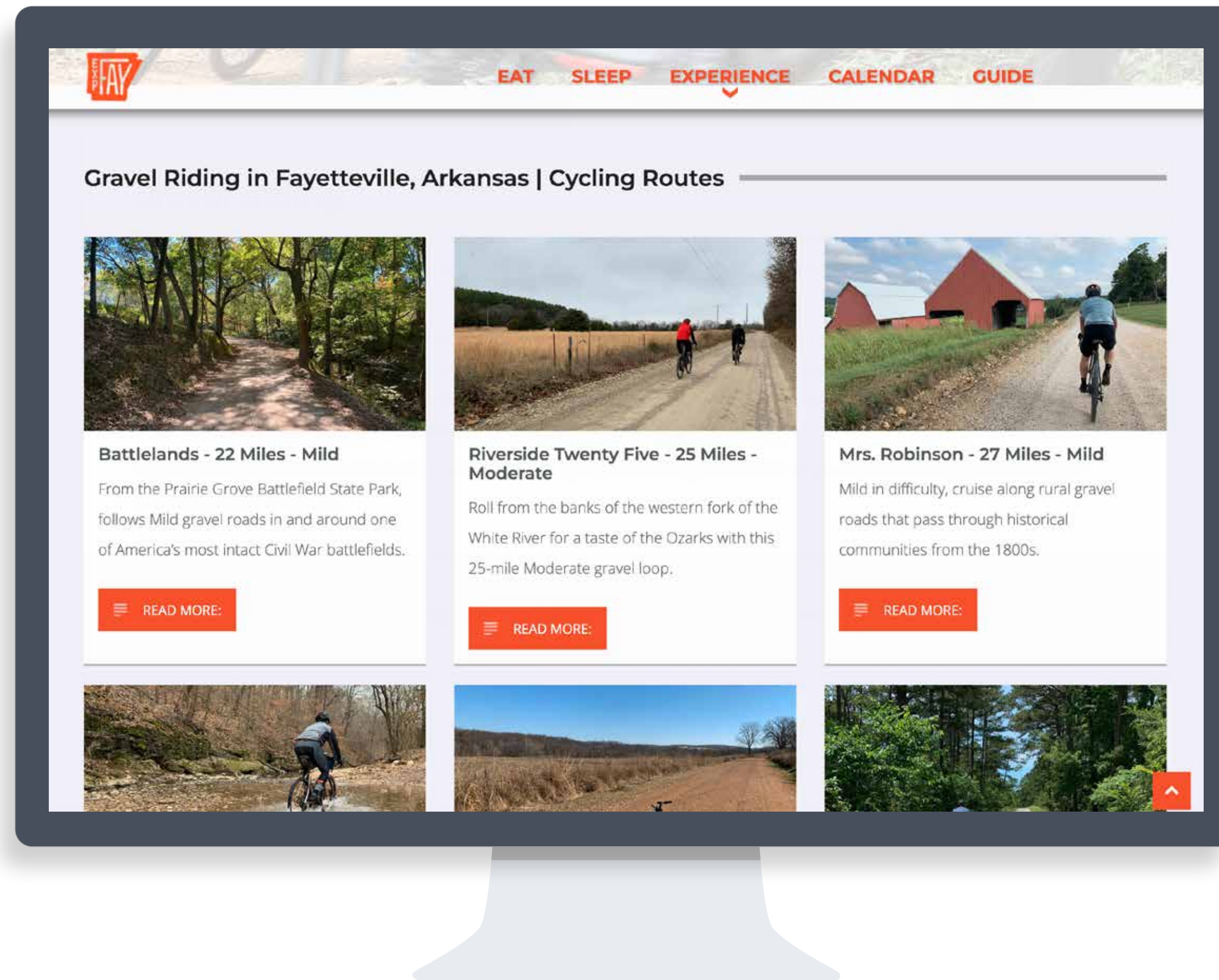
For an **Authentic** Gravel Cycling Experience
in Northwest Arkansas, You Gotta

EXPERIENCE **FAYETTEVILLE**.COM



ENHANCED GRAVEL RIDING WEBPAGE

Showcases a collection of 12 gravel routes including Mild, Moderate and Challenging



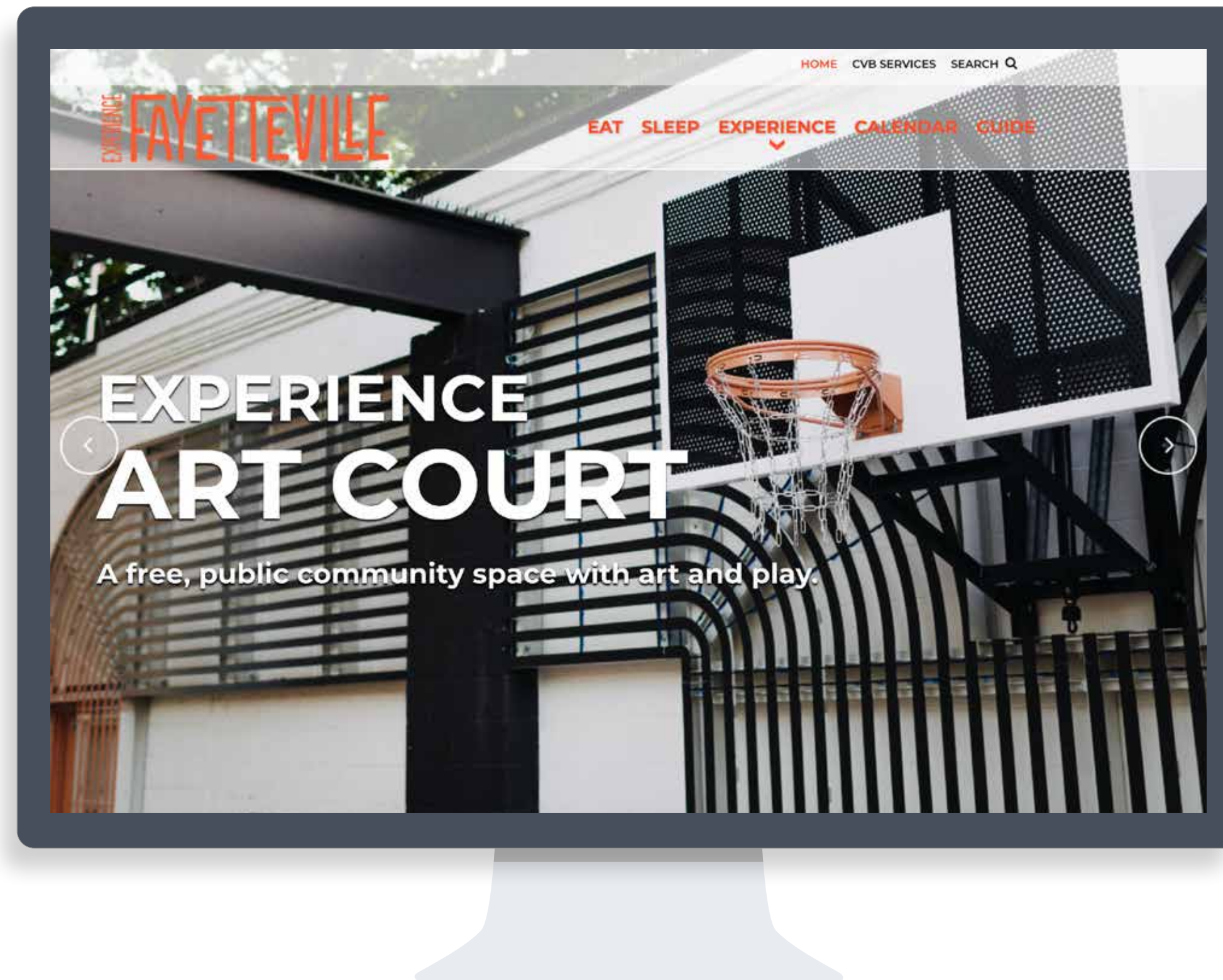
MARCH WEBSITE INSIGHTS

TRAFFIC - YOY

| | |
|----------|-------------|
| Users | +17% |
| Sessions | +14% |

TOP METROS - YOY

| | |
|---------|-------------|
| NWA | -31% |
| DFW | +24% |
| Chicago | +75% |
| LR | -12% |
| OKC | -10% |
| KC | -4% |
| STL | +24% |
| Houston | +57% |
| Denver | -23% |
| SFD | +5% |



MARCH WEBSITE INSIGHTS

CHANNELS

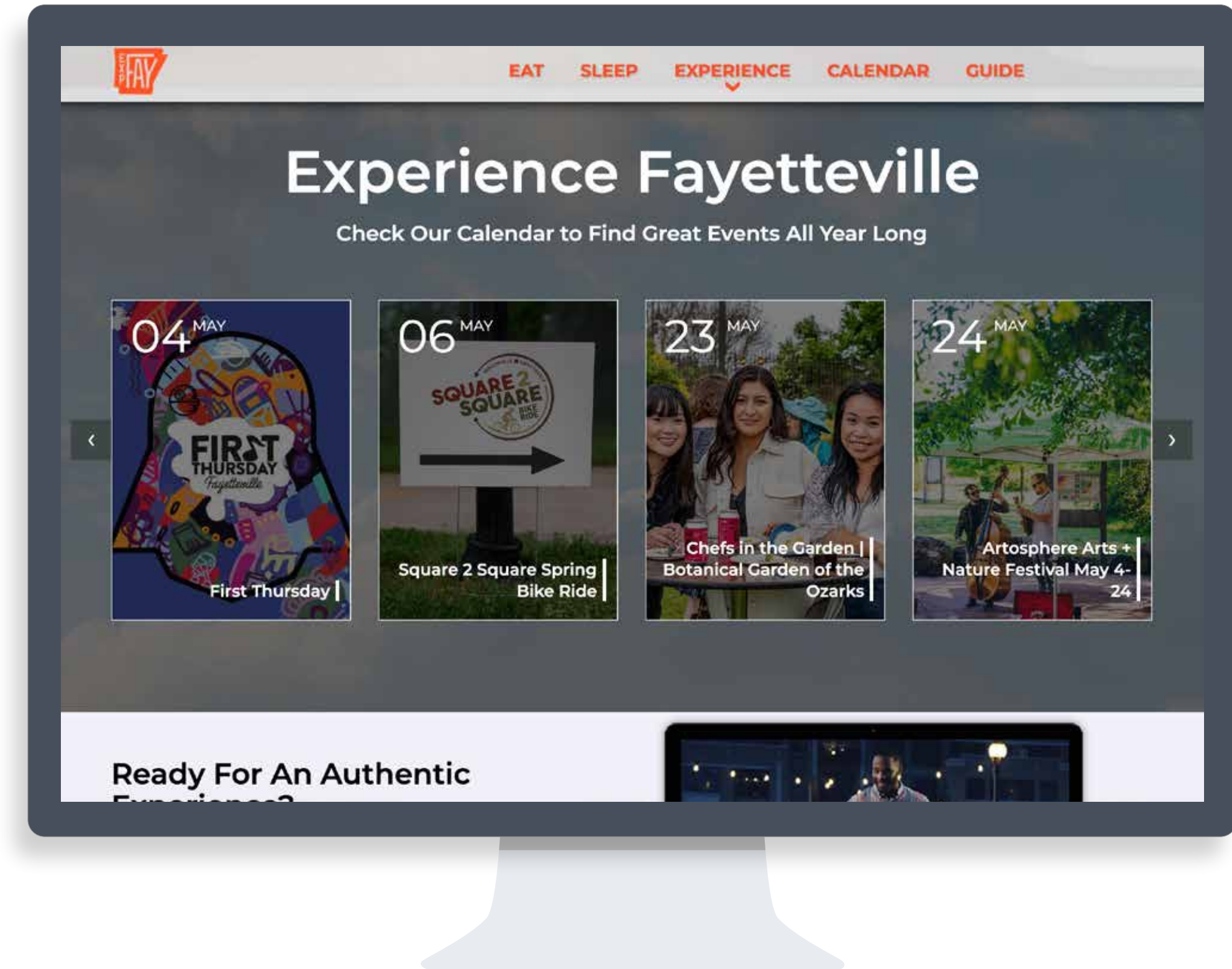
| | |
|---|----------------|
| Organic | +17% |
| SEM | +14% |
| Direct | +2% |
| Referral (68% of referral traffic from Razorback properties (DFW & LR top 2 metros)) | +153% |
| Social | +67% |
| Email | +1,736% |



MARCH WEBSITE INSIGHTS

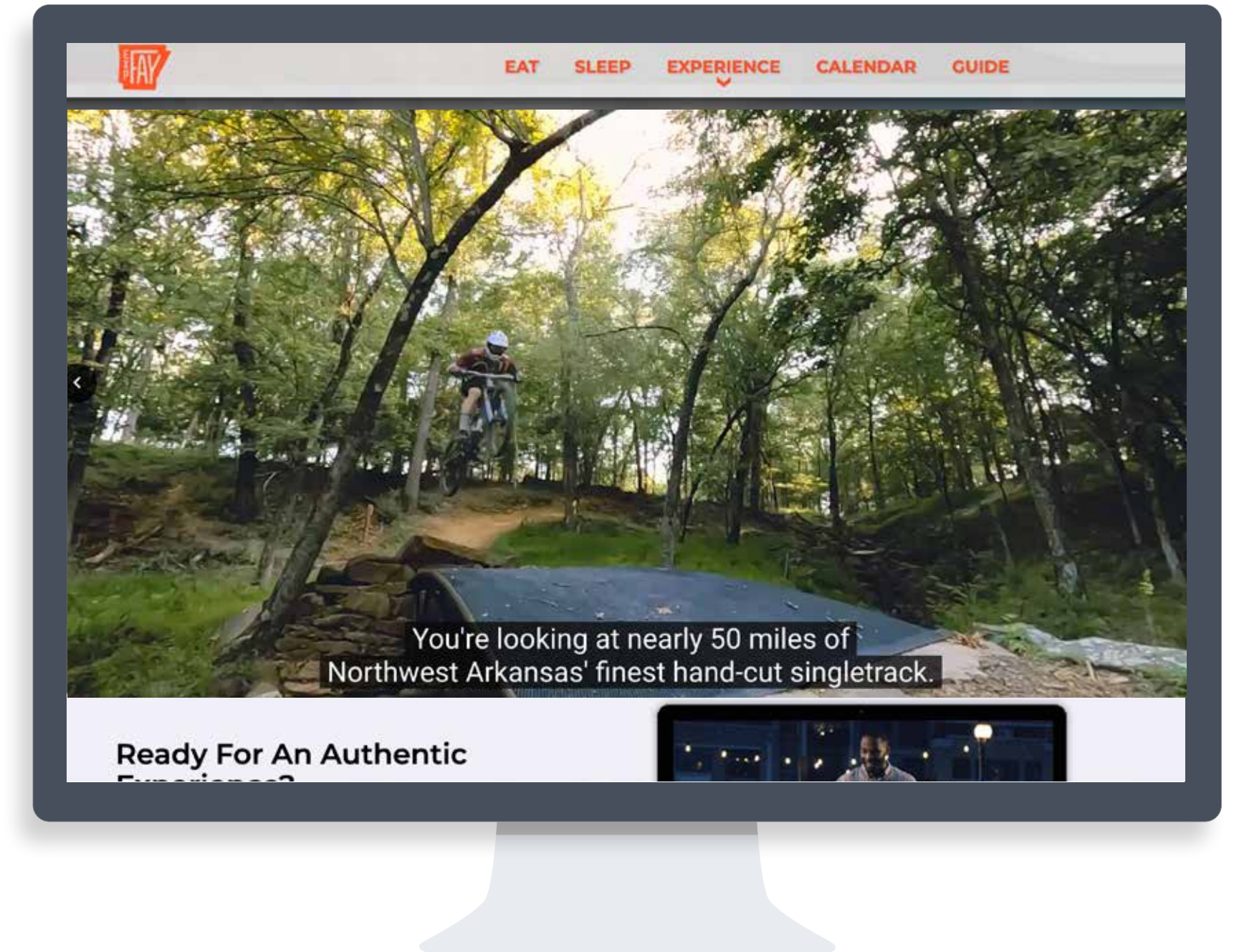
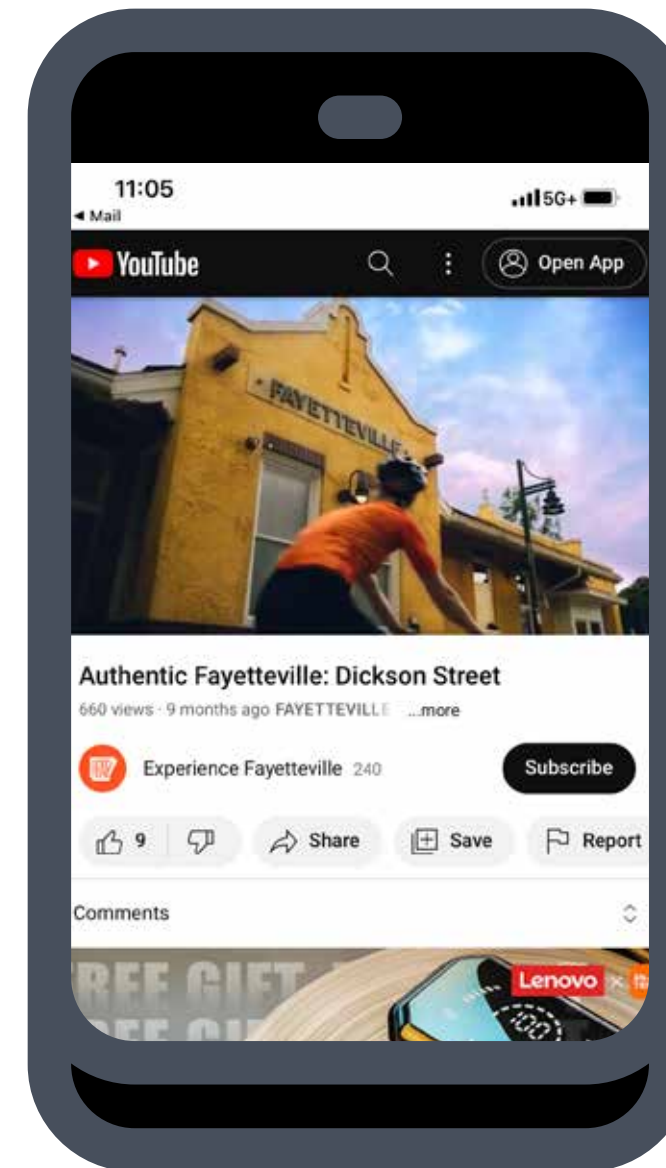
TOP PAGES

| | |
|-------------------------------|---------------------|
| Things to Do in Fayetteville: | 11,796 (20%) |
| Events Calendar: | 6,079 (10%) |
| 11 Best Things To Do: | 3,988 (7%) |
| Visitors Guide: | 2,480 (4%) |
| Restaurants: | 1,702 (3%) |
| Things to Do in NWA: | 1,685 (3%) |
| Cycling in Fayetteville: | 1,502 (3%) |
| Where to Stay: | 1,337 (2%) |



2023 MARKETING INITIATIVES

1. FRW
2. Fayetteville Events
3. Consumer Leisure “Authentic Fayetteville” Campaign (May launch)



Memo

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

From: Tyler Wilson, Executive Director, Fayetteville Town Center

Date: April 14, 2023

Re: Fayetteville Town Center Window Coverings

Background:

In a continued effort to improve the aesthetic of The Fayetteville Town Center event space, it is imperative that we address the deteriorating window coverings in the room. Several of the current shades are damaged and can no longer be repaired. In addition, they are no longer manufactured, making it impossible to replace them with identical ones.

Replacing the window shades would not only address the current damage and need for replacement, but it would also be a part of the overall refreshment of the event space.

The staff has researched various replacement shade options and received three quotes for similar options that would be suitable for the event room. Custom Electronics provided the most cost-effective all-inclusive quote.

Recommendation:

The Fayetteville Town Center Executive Director and the CEO recommend the commission authorize CEO to accept the quote for the replacement of the window shades with Custom Electronics at a cost of \$96,500 with a 10% price increase contingency for shade replacement, motors, and electrical wiring to power the shades.



304 W. APPLE BLOSSOM AVE.
 LOWELL, AR 72745
 479.631.0268
 www.customelectronics.com

Proposal

| | | | |
|-------------------------|------------------------|----------|------------|
| ADDRESS | SHIP TO | PROPOSAL | 25088 |
| Custom Electronics Inc | Fay Town Center | DATE | 03/04/2023 |
| 304 W Apple Blossom Ave | 15 W Mountain St | | |
| Lowell, AR 72745 | Fayetteville, AR 72701 | | |
| United States | | | |

| DESCRIPTION | QTY |
|--|--------------------|
| Furnish and Installation of 19 Shades Including Motors | |
| Hardware and Shades | 1 |
| Shade Installation | 1 |
| Electrical Installation | 1 |
| <hr style="border-top: 1px dashed #ccc;"/> | |
| SUBTOTAL | 91,884.28 |
| TAX | 4,615.72 |
| <hr style="border-top: 1px dashed #ccc;"/> | |
| TOTAL | \$96,500.00 |

Accepted By

 Accepted Date