

Benton Advertising & Promotion Commission

Agenda

May 11, 2022

3:30 pm at the Benton Municipal Complex in Council Chambers

I. Call to Order

II. Roll Call	Present	Absent
Steve Brown	_____	_____
Alison Burch	_____	_____
Brandi Crabtree	_____	_____
Bill Eldridge	_____	_____
Elgin Hamner IV	_____	_____
Steve Lee	_____	_____
Luke Moody	_____	_____

III. Minutes from April Meeting

IV. Financial Reports

- A. Profit and Loss Reports – Jordan Woolbright
- B. Bank Balances and Collections Report – Mandy Spicer

V. Administrative

Delinquency Report – Mandy Spicer

VI. Funding Requests

- A. Saline County Art League – 2nd Reading and Vote
- B. Saline County Comic Expo – 2nd Reading and Vote
- C. Juneteenth – Community Outreach – 1st Reading

VII. Report from Benton Event Center – Nikki Chumley

VIII. Old Business

- A. RFQ for Land for Future Project Development Update – Bill Eldridge
- B. Downtown Light Project Update
- C. Collection of A&P Taxes from Vacation Rentals and Airbnb Listings – Bill Eldridge

IX. New Business

- A. Unused Budgeted Funding Amount

X. Other Business

XI. Adjournment

BENTON ADVERTISING & PROMOTION COMMISSION

Minutes

April 13, 2022

I. CALL TO ORDER

Chairman Bill Eldridge called the regularly scheduled meeting of the Benton Advertising & Promotion Commission to order on April 13, 2022 at 3:34 pm at the Benton Municipal Complex in Council Chambers.

II. ROLL CALL

Commissioners in attendance included: Bill Eldridge, Steve Brown, Luke Moody, Steve Lee and Elgin Hamner IV. Brandi Crabtree and Alison Burch were absent.

III. MINUTES

Steve Brown made a motion to approve the minutes of the March 9, 2022 meeting. Steve Lee seconded. Motion carried.

IV. FINANCIAL REPORTS

Financial reports were presented by Jordan Woolbright. The A&P Commission bank accounts show the following balances as of March 31, 2022:

Bank OZK – Focus Group Project	\$54,669.68
Bank OZK – A&P	\$35,127.98
Bank OZK – Event Center	\$348,888.19
Bank OZK – Savings	<u>\$347,648.81</u>
Total Checking/Savings	\$786,334.66

A&P profit and loss statement: for the month of March 2022 total income of \$13,283.63 and total expenses of \$10,080.71 resulting in net income of \$3,202.92. For the year to date as of March 2022 total income of \$41,118.50, total operating expenses of \$25,758.47 and capital expenditures of \$75,000.00 resulting in a net loss of (\$59,639.97).

Event Center profit and loss statement: for the month of March 2022 total income of \$68,004.61, total operating expenses of \$42,192.99 resulting in net income of \$25,811.62. For the year to date as of March 2022 total income of \$177,230.34, total operating expenses of \$117,334.60 and capital expenditures of \$112,602.37 resulting in a net loss of (\$52,706.63).

Focus Group profit and loss statement: for the month of March 2022 total income of \$13,284.38 and total expenses of \$0 resulting in net income of \$13,284.38. For the year to date as of March 2022 total income of \$41,114.91 and total expenses of \$0 resulting in net income of \$41,114.91.

City of Benton Financial Officer Mandy Spicer presented the bank account report with the following balances as of March 31, 2022:

A&P Collections General	\$614.54
Bond Account	Closed
A&P Large Project Checking	\$1,891,973.89
A&P Small Project Checking	\$74,733.29
A&P General Operating Checking	\$35,127.98
Benton Focus Group Checking	\$54,669.68
Benton Event Center Gen Operating Checking	\$358,626.30
Benton Event Center Savings	<u>\$347,648.81</u>
	\$2,763,394.49

Collections received in the month of March 2022 were \$127,930.49 which is 12% higher than collections in March 2021. Below are the amounts collected in March of this year along with March of the previous three years:

2022 Collections	\$127,930.49
2021 Collections	\$114,271.51
2020 Collections	\$111,444.38
2019 Collections	\$110,355.97

There are currently ten delinquencies and they are expected to bring their accounts current. Most of these are companies who are repeatedly late but pay the penalty and interest each time.

Steve Brown made a motion to accept the financial reports as presented. Steve Lee seconded. Motion carried.

V. FUNDING REQUESTS

Gann Museum of Saline County

A funding application for \$4,185 has been submitted and this is the second reading and vote. Bill Eldridge is the treasurer for the museum and will recuse himself from voting on the request. Bill read a statement from Executive Directory Lindsay Jordan about the funds requested to advertise with MySaline. Lindsay also works for MySaline but stated that she would not receive a percentage of any A&P funds used for advertising on MySaline. Luke Moody made a motion to approve \$4,185 in funding for Gann Museum of Saline County. Steve Lee seconded. Motion carried.

Saline County Art League

A funding application for \$3,060 has been submitted and this is the first reading. Chairman Harold Pelton was recognized and he addressed the commission. He thanked the commission for previous funding and explained that the funding has definitely helped gain interest in the Shoppach House along with increasing membership. The requested funding would be used for advertising costs incurred from four open houses in order to continue to use the building to connect to people and the history of our area. Bill thanked Mr. Pelton and said the commission will vote on the request at its next meeting.

Saline County Comic Expo

A funding application for \$1,550 has been submitted and this is the first reading. Event organizer Michael Tinnel was recognized and he addressed the commission. He explained that the event continues to grow in attendance and vendor participation and is now a two day event. He draws attendees from all over Arkansas as well as surrounding states. The requesting funding would be used to advertise on five billboards. Bill Thanked Mr. Tinnel and said the commission will vote on the request at its next meeting.

VI. REPORT FROM BENTON EVENT CENTER

Director Nikki Chumley reported that 20 events have been held in the building since the last meeting including the Benton Home Show, Empire Cheerleading Day, a sports card and memorabilia show, a four day wedding and reception, an author talk hosted by the local library and a four day event with scrapbookers. There were also corporate meetings and the Arkansas FCCLA conference with over 1,700 high school students from across the state. The current estimated attendance since opening day (October 1, 2013) is 697,281.

VII. OLD BUSINESS

- A. Digital Sign Replacement – Nikki Chumley reported that the new digital sign was installed two weeks ago and is working great. She has been trained on the software and is very pleased with the new board.
- B. RFQ for Land for Future Project Development Update – Bill Eldridge reported that the RFQ resulted in three responses. Two of them did not meet the minimum requirements for space and usage. A meeting will be scheduled with the third respondent to gather more information.
- C. Policy for Funding – Luke Moody reported that the committee comprised of himself, Bill Eldridge and Steve Brown met to review the funding policy and presented the revisions to the commission as indicated in their meeting packet. The major changes include: (1) Once a submitted Funding Request Application is considered and voted on by the commission, the event covered by the application cannot be reconsidered for additional funding during the calendar year. (2) The following items will cause a request to receive added consideration: a successful track record, a family audience target, and an event staged within the city limits of Benton or have a direct economic benefit to the business community of Benton. (3) For events held on or after December 31, all invoices must be submitted to the Commission by February 28 of the following year.

Luke explained that City Attorney Baxter Drennon has reviewed the proposed document and approved the changes. Discussion included the increase of funding amount in the budget from \$25,000 previously to \$40,000 in 2022. Steve Lee made a motion to approve the revisions to the Policy of Application for Funding. Luke Moody seconded. Motion carried.

- D. Downtown Light Project Update – Bill Eldridge directed the commissioners to a letter from John Wilson of Lights by Sparky in their meeting packet. In the letter, John acknowledges that there have been some mistakes made with the installation and some glitches with the lights. He has resolved most of them and will be at the next A&P meeting to answer any questions and to give an update.

IIX. NEW BUSINESS

- A. Collection of A&P Taxes from Vacation Rentals and Airbnb Listings – Bill Eldridge reported that collecting A&P taxes from vacation rentals and Airbnb listings is not currently covered by the ordinance. He explained that the commission will work with City Attorney Baxter Drennon and the Benton City Council to amend this in order to bring equality among the businesses.
- B. Northwest Arkansas Benchmarking Tour – Bill Eldridge reported that in 2021, Mayor Tom Farmer brought to the commission the idea of members of the Benton Focus Group attending a benchmarking tour of Northwest Arkansas hosted by LaneShift. The tour explores how biking trails, nature trails and other outdoor activities directly impact the economic development of an area. Twelve people are attending this tour next week. Bill explained that when Mayor Farmer presented the information to the commission, he included the possibility of the expense being split equally between the City, the A&P and the Benton Area Chamber of Commerce. At that time, the issue was tabled until the next meeting but was never brought up again. Bill directed the commissioners to the page in their meeting packet listing payments to Lane Shift totaling \$11,500 for next week's tour. Mayor Farmer reported that the City will request funding of approximately \$5,000 that is available from MetroPlan.

Luke Moody made a motion that the A&P Commission reimburse the City of Benton and/or the Benton Area Chamber of Commerce up to a total of \$3,800 to pay for one-third of the benchmarking tour of Northwest Arkansas. Steve Brown seconded. Motion carried.

IX. OTHER BUSINESS
None.

X. ADJOURNMENT

Luke Moody made a motion to adjourn the meeting. Steve Brown seconded. Motion carried. The meeting was adjourned at 4:14 pm.



Bill Eldridge, Chairman



Amy McCormick, Recording Secretary

Benton A&P Commission
Statement of Assets, Liabilities & Equity-Modified Cash Basis
Substantially All Disclosures Required by the Modified Cash Basis of Accounting Omitted
As of April 30, 2022

	<u>Apr 30, 22</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank OZK - Focus Group Project	70,377.04
Bank OZK - A&P	39,157.05
Bank OZK - Event Center	358,776.59
Bank OZK - Savings	239,060.78
Total Checking/Savings	<u>707,371.46</u>
Total Current Assets	<u>707,371.46</u>
TOTAL ASSETS	<u><u>707,371.46</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Sales Tax Payable	424.62
Total Other Current Liabilities	<u>424.62</u>
Total Current Liabilities	<u>424.62</u>
Total Liabilities	<u>424.62</u>
Equity	
Retained Earnings	856,449.90
Net Income	(149,503.06)
Total Equity	<u>706,946.84</u>
TOTAL LIABILITIES & EQUITY	<u><u>707,371.46</u></u>

NO ASSURANCE IS PROVIDED ON THESE STATEMENTS.

Benton A&P Commission
Profit & Loss Budget vs. Actual - A&P - Modified Cash Basis
Substantially All Disclosures Required by the Modified Cash Basis of Accounting Omitted
April 2022

	<u>Apr 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Interest	1.14	4.03	(2.89)	28.29%
Sales Tax Revenue	15,705.15	15,600.00	105.15	100.67%
Total Income	<u>15,706.29</u>	<u>15,604.03</u>	<u>102.26</u>	<u>100.66%</u>
Gross Profit	15,706.29	15,604.03	102.26	100.66%
Expense				
Accounting Services	225.00	225.00	0.00	100.0%
Advertising Expense	76.70	45.50	31.20	168.57%
Funding	3,967.19	3,333.33	633.86	119.02%
Legal Counsel	750.00	750.00	0.00	100.0%
Service Agreement	6,658.33	6,658.33	0.00	100.0%
Total Expense	<u>11,677.22</u>	<u>11,012.16</u>	<u>665.06</u>	<u>106.04%</u>
Net Ordinary Income	<u>4,029.07</u>	<u>4,591.87</u>	<u>(562.80)</u>	<u>87.74%</u>
Net Income	<u><u>4,029.07</u></u>	<u><u>4,591.87</u></u>	<u><u>(562.80)</u></u>	<u><u>87.74%</u></u>

NO ASSURANCE IS PROVIDED ON THESE STATEMENTS.

Benton A&P Commission
Profit & Loss Budget vs. Actual - A&P - Modified Cash Basis
Substantially All Disclosures Required by the Modified Cash Basis of Accounting Omitted
January through April 2022

	<u>Jan - Apr 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Interest	7.11	15.06	(7.95)	47.21%
Sales Tax Revenue	56,817.68	52,600.00	4,217.68	108.02%
Total Income	<u>56,824.79</u>	<u>52,615.06</u>	<u>4,209.73</u>	<u>108.0%</u>
Gross Profit	56,824.79	52,615.06	4,209.73	108.0%
Expense				
Accounting Services	1,000.00	900.00	100.00	111.11%
Advertising Expense	403.00	447.10	(44.10)	90.14%
Funding	6,372.03	13,333.33	(6,961.30)	47.79%
Legal Counsel	3,000.00	3,000.00	0.00	100.0%
Office Expense	27.34	0.00	27.34	100.0%
Service Agreement	26,633.32	26,633.32	0.00	100.0%
Total Expense	<u>37,435.69</u>	<u>44,313.75</u>	<u>(6,878.06)</u>	<u>84.48%</u>
Net Ordinary Income	19,389.10	8,301.31	11,087.79	233.57%
Other Income/Expense				
Other Expense				
Capital Expenditures	75,000.00	75,000.00	0.00	100.0%
Total Other Expense	<u>75,000.00</u>	<u>75,000.00</u>	<u>0.00</u>	<u>100.0%</u>
Net Other Income	<u>(75,000.00)</u>	<u>(75,000.00)</u>	<u>0.00</u>	<u>100.0%</u>
Net Income	<u><u>(55,610.90)</u></u>	<u><u>(66,698.69)</u></u>	<u><u>11,087.79</u></u>	<u><u>83.38%</u></u>

NO ASSURANCE IS PROVIDED ON THESE STATEMENTS.

Benton A&P Commission
Profit & Loss Budget vs. Actual - Event Center - Modified Cash Basis
Substantially All Disclosures Required by the Modified Cash Basis of Accounting Omitted
April 2022

	<u>Apr 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Interest	29.18	47.02	(17.84)	62.06%
Sales-Revenue				
Alcohol Sales-Beer/Wine	2,073.12	1,230.63	842.49	168.46%
Alcohol Sales-Mixed Drinks	116.21	138.71	(22.50)	83.78%
Refunds/Returns	(197.00)	0.00	(197.00)	100.0%
Sales-Revenue - Other	28,569.25	19,000.00	9,569.25	150.36%
Total Sales-Revenue	30,561.58	20,369.34	10,192.24	150.04%
Sales Tax Revenue	15,705.15	15,600.00	105.15	100.67%
Total Income	46,295.91	36,016.36	10,279.55	128.54%
Gross Profit	46,295.91	36,016.36	10,279.55	128.54%
Expense				
Bank Service Fees	337.68	253.37	84.31	133.28%
Building Alarm System	0.00	40.00	(40.00)	0.0%
Cable TV	175.70	175.70	0.00	100.0%
Contract Labor	4,525.00	3,529.00	996.00	128.22%
Fire Alarm System	598.21	207.83	390.38	287.84%
Health Insurance	1,005.27	1,005.27	0.00	100.0%
Internet	323.95	410.92	(86.97)	78.84%
Labor Expenses	18,224.13	18,264.82	(40.69)	99.78%
Laundry Expense	1,642.50	400.00	1,242.50	410.63%
Linen & Supplies	164.99	250.00	(85.01)	66.0%
Mileage Reimbursement	115.02	45.00	70.02	255.6%
Office Expense	317.24	0.00	317.24	100.0%
Pest Control Expense	65.63	65.63	0.00	100.0%
Postage	0.00	55.00	(55.00)	0.0%
Repairs & Maintenance	127.92	3,500.00	(3,372.08)	3.66%
Supplies	2,741.55	1,000.00	1,741.55	274.16%
Telephone Expense	218.62	281.00	(62.38)	77.8%
Trash Pickup	286.36	252.00	34.36	113.64%
Utilities	4,771.62	5,300.00	(528.38)	90.03%
Website	59.95	59.95	0.00	100.0%
Total Expense	35,701.34	35,095.49	605.85	101.73%
Net Ordinary Income	10,594.57	920.87	9,673.70	1,150.5%
Other Income/Expense				
Other Expense				
Capital Expenditures	108,602.37	0.00	108,602.37	100.0%
Total Other Expense	108,602.37	0.00	108,602.37	100.0%
Net Other Income	(108,602.37)	0.00	(108,602.37)	100.0%
Net Income	<u>(98,007.80)</u>	<u>920.87</u>	<u>(98,928.67)</u>	<u>(10,642.96%)</u>

NO ASSURANCE IS PROVIDED ON THESE STATEMENTS.

Benton A&P Commission
Profit & Loss Budget vs. Actual - Event Center - Modified Cash Basis
Substantially All Disclosures Required by the Modified Cash Basis of Accounting Omitted
January through April 2022

	<u>Jan - Apr 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Interest	132.04	197.09	(65.05)	67.0%
Sales-Revenue				
Alcohol Sales-Beer/Wine	4,816.81	2,925.35	1,891.46	164.66%
Alcohol Sales-Mixed Drinks	2,200.56	908.53	1,292.03	242.21%
Refunds/Returns	(347.00)	0.00	(347.00)	100.0%
Sales-Revenue - Other	159,906.16	102,000.00	57,906.16	156.77%
Total Sales-Revenue	166,576.53	105,833.88	60,742.65	157.39%
Sales Tax Revenue	56,817.68	52,600.00	4,217.68	108.02%
Total Income	223,526.25	158,630.97	64,895.28	140.91%
Gross Profit	223,526.25	158,630.97	64,895.28	140.91%
Expense				
Advertising Expense	174.20	0.00	174.20	100.0%
Alcohol Expense	2,300.88	2,800.00	(499.12)	82.17%
Bank Service Fees	2,158.48	1,590.08	568.40	135.75%
Building Alarm System	0.00	570.00	(570.00)	0.0%
Cable TV	702.08	702.80	(0.72)	99.9%
Contract Labor	13,471.35	11,763.00	1,708.35	114.52%
Dues & Memberships	325.00	823.62	(498.62)	39.46%
Fire Alarm System	1,235.41	421.13	814.28	293.36%
Health Insurance	4,908.03	4,553.25	354.78	107.79%
Internet	1,295.80	1,643.68	(347.88)	78.84%
Labor Expenses	54,618.50	54,938.46	(319.96)	99.42%
Laundry Expense	5,029.34	2,000.00	3,029.34	251.47%
Linen & Supplies	1,172.14	1,350.00	(177.86)	86.83%
Mileage Reimbursement	303.12	180.00	123.12	168.4%
Office Expense	937.05	106.71	830.34	878.13%
Pest Control Expense	328.15	262.52	65.63	125.0%
Postage	0.00	77.13	(77.13)	0.0%
Repairs & Maintenance	28,916.88	25,497.00	3,419.88	113.41%
Supplies	8,556.65	8,000.00	556.65	106.96%
Telephone Expense	774.62	947.85	(173.23)	81.72%
Trash Pickup	1,076.60	1,106.00	(29.40)	97.34%
Utilities	22,261.86	21,200.00	1,061.86	105.01%
Website	2,489.80	239.80	2,250.00	1,038.28%
Total Expense	153,035.94	140,773.03	12,262.91	108.71%
Net Ordinary Income	70,490.31	17,857.94	52,632.37	394.73%
Other Income/Expense				
Other Expense				
Capital Expenditures	221,204.74	108,602.37	112,602.37	203.68%
Total Other Expense	221,204.74	108,602.37	112,602.37	203.68%
Net Other Income	(221,204.74)	(108,602.37)	(112,602.37)	203.68%
Net Income	(150,714.43)	(90,744.43)	(59,970.00)	166.09%

NO ASSURANCE IS PROVIDED ON THESE STATEMENTS.

Benton A&P Commission
Profit & Loss Budget vs. Actual - Focus Group - Modified Cash Basis
Substantially All Disclosures Required by the Modified Cash Basis of Accounting Omitted
April 2022

	<u>Apr 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Interest	2.21	0.00	0.00	100.0%
Sales Tax Revenue	15,705.15	15,600.00	105.15	100.67%
Total Income	15,707.36	15,600.00	107.36	100.69%
Gross Profit	15,707.36	15,600.00	107.36	100.69%
Net Ordinary Income	15,707.36	15,600.00	107.36	100.69%
Net Income	15,707.36	15,600.00	107.36	100.69%

NO ASSURANCE IS PROVIDED ON THESE STATEMENTS.

Benton A&P Commission
Profit & Loss Budget vs. Actual - Focus Group - Modified Cash Basis
Substantially All Disclosures Required by the Modified Cash Basis of Accounting Omitted
January through April 2022

	<u>Jan - Apr 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Interest	4.59	0.00	0.00	100.0%
Sales Tax Revenue	56,817.68	52,600.00	4,217.68	108.02%
Total Income	56,822.27	52,600.00	4,222.27	108.03%
Gross Profit	56,822.27	52,600.00	4,222.27	108.03%
Net Ordinary Income	56,822.27	52,600.00	4,222.27	108.03%
Net Income	56,822.27	52,600.00	4,222.27	108.03%

NO ASSURANCE IS PROVIDED ON THESE STATEMENTS.

Benton Advertising & Promotion Commission Bank Account Balances
April 30, 2022

Account Name		Acct #	Reconciled Balance	
<u>Cash Accounts:</u>				
A&P Collections General		***1584	2,376.46	+ 1,761 ⁹²
Bond Account		***1592	CLOSED	
A&P Large Project Checking	50%	***0318	1,970,652.52	+ 78,678 ⁶³
A&P Small Project Checking	20%	***0348	106,150.82	+ 31,417 ⁵³
A&P General Op Checking	10%	***3297	40,325.94	+ 5,197 ⁹⁶
Benton Focus Group Checking	10%	***2274	70,377.04	+ 15,707 ³⁶
Benton Event Center General Op Checking	10%	***2640	378,493.41	+ 19,867 ¹¹
Benton Event Center Savings		***9832	239,060.78	(108,588 ⁰³)
TOTAL OPERATING CASH & INVESTMENTS			<u>2,807,436.97</u>	+ 44,042 ⁴⁸

Benton Event Center-Event Report

April 14 to May 11, 2022

October 1, 2013 to April 13, 2022

697,281

	Date(s)	# of Attendees
Benton Chamber Bingo	4/13-4/14/2022	605
Bauxite Prom	4/15/2022	350
Rocky Mountain Elk Foundation	4/16/2022	300
Ingram Baby Shower	4/16/2022	40
AR Basketball Coaches Banquet	4/18/2022	340
Entergy President Meeting	4/20/2022	200
Pentecostal Ladies Conference	4/21-4/23/2022	3,200
AR Connections ACT Aspire Test	4/25-4/29/2022	140
Rental Concepts Meeting	4/25/2022	50
SMH/NP Joint Leadership Meeting	4/26-27/2022	80
U of A Extension Retirement Luncheon	4/28/2022	135
Bryant High School Jr/Sr Prom	4/29-30/2022	1,050
AR DOT Construction Team Meeting	5/3-4/2022	340
Big Press	5/5-5/6/2022	250
Missionary Baptist Seminary Banquet	5/7/2022	160
		7,240

TOTAL: 704,521