

CALL TO ORDER:

The Jacksonville Advertising and Promotion Commission met in the regular meeting place of the Commission on Monday, March 21, 2022. Chairman Roger Sundermeier called the meeting to order at 6:00 p.m. Council Member Reddie Ray delivered the invocation and led a standing audience in the "Pledge of Allegiance".

ROLL CALL:

Commissioners Sandra Patel and Henal Shah, Council Members Reddie Ray and Mike Traylor answered roll call. Chairman Roger Sundermeier also answered roll call and declared a quorum. Present (5), Absent (2), Commissioners William Fagan and Jim Hurley were absent.

Others present for the meeting included: Recording Secretary Nikki Wilmoth, City Attorney Stephanie Friedman, Finance Director Cheryl Erkel, Parks and Recreation Director Kevin House, and Steve Pawloski.

MINUTES:

Council Member Reddie Ray moved, seconded by Council Member Mike Traylor, to approve the minutes from the November 15, 2021 meeting as presented. Motion Carried.

FINANCIALS:

Finance Director Cheryl Erkel presented the financial report for February, reporting assets of \$1,272,751.00, including investments of \$711,612.00, and liabilities of \$19,240.00. She reported revenues of \$39,813.00 and expenditures of \$30,306.00 with an excess of revenues over expenditures in the amount of \$9,506.00. She noted January hotel/motel gross revenues of \$245,337.00, which is a sixteen percent increase regarding the year-to-date comparison and an increase of sixteen percent compared to the same month last year. She reported prepared food gross revenues of \$3,711,216.00, which is a five percent decrease regarding the year-to-date comparison and a five percent decrease compared to the same month last year. She reported overall gross revenues of \$3,956,552.00, which is a four percent decrease regarding the year-to-date comparison and a four percent decrease when compared to the same month last year. She pointed out the bar graphs listed which indicates gross receipts for 2019 to current.

Council Member Ray moved, seconded by Council Member Traylor, to approve the financial report for January as presented. Motion Carried.

OLD BUSINESS:

NEW BUSINESS:

A. Election of officers:

Council Member Ray moved to appoint officers by acclamation.

He then clarified that "acclamation" is the continuation of existing officers serving.

Council Member Traylor seconded the motion. Motion Carried.

2022 Officers are Chairman Roger Sundermeier, Vice-Chairman/Council Member Reddie Ray, and Secretary Jim Hurley.

B. Update \$3,000.00 discretionary expenditure Chamber of Commerce Directory ad

Chairman Sundermeier said the Chamber of Commerce Directory ad was coming due, explaining he visited with Steve Palowski and others, noting the 2021 expenditure was much greater. He stated they opted for a two-page ad profiling the City along with a one-page ad listing the hotels and restaurants in the city regardless of Chamber membership. He related both ads totaled \$3,000.00, explaining he built both ads and approved the expenditure for the Chamber of Commerce Directory.

C. Review/Approval Chamber of Commerce contract

Steve Pawloski stated he has not seen the contract, explaining he is no longer the Chamber Board President. He assumed the new Chamber of Commerce CEO was working on it.

Recording Secretary Nikki Wilmoth noted the contract was emailed to Chairman Sundermeier and Chamber of Commerce CEO Melanie Baden and no feedback was received.

City Attorney Stephanie Friedman recommended not signing the contract until feedback was received from the Chamber of Commerce. She said it is a unilateral agreement at this point without their consent.

In response to a question from Mr. Palowski, City Attorney Friedman replied the professional services were removed and the total amount, adding the changes were minor but material. She expressed her preference that the Chamber CEO Baden sign before it is executed by the Commission.

Mr. Pawloski noted that CEO Baden cannot sign the contract until the Chamber of Commerce Executive Board approves it, saying she is probably unaware. He stated if he could have a copy sent to him, the Chamber Executive Board is meeting tomorrow and it can be presented then.

Council Member Traylor moved, seconded by Commissioner Henal Shah to table the Chamber of Commerce contract review and approval until the next meeting. Motion Carried.

ANNOUNCEMENTS:

Chairman Sundermeier read the list of forthcoming events which included the first annual PAW-Casso, the Easter Egg Hunt at Excell Park, and the Underwater Easter Egg Hunt at the Community Center

ADJORNMENT:

Council Member Traylor moved, seconded by Council Member Ray, to adjourn the meeting at 7:00 p.m. Motion Carried.

CALL TO ORDER:

The Jacksonville Advertising and Promotion Commission met in the regular meeting place of the Commission on Monday, July 25, 2022. Chairman Roger Sundermeier called the meeting to order at 6:00 p.m. Council Member Reddie Ray delivered the invocation and led a standing audience in the "Pledge of Allegiance".

ROLL CALL:

Commissioners Henal Shah and William Fagan, Council Members Reddie Ray and Mike Traylor answered roll call. Chairman Roger Sundermeier also answered roll call and declared a quorum. Present (5), Absent (1), Commissioner Sandra Patel was absent with one open position.

Others present for the meeting included: Recording Secretary Nikki Wilmoth, Finance Director Cheryl Erkel, IT Director Emily Osment, Mayor Robert Johnson, and Warren Dupree.

MINUTES:

Council Member Reddie Ray moved, seconded by Council Member Mike Traylor, to approve the minutes from the March 21, 2022 meeting as presented. Motion Carried.

FINANCIALS:

Finance Director Cheryl Erkel presented the financial report for June, reporting assets of \$1,674,686.00 and liabilities of \$238,509.00. She reported revenues of \$423,157.00 and expenditures of \$259,304.00, with an excess of revenues over expenditures in the amount of \$163,853.00. She noted May hotel/motel gross revenues of \$389,670.00, which is a three percent decrease regarding the year-to-date comparison and an increase of eight percent compared to the same month last year. She reported prepared food gross revenues of \$4,373,085.00, which is even regarding the year-to-date comparison and a five percent decrease compared to the same month last year. She reported overall gross revenues of \$4,762,756.00, which is even regarding the year-to-date comparison and a four percent decrease when compared to the same month last year.

Council Member Ray moved, seconded by Council Member Traylor, to approve the financial report for June as presented. Motion Carried.

OLD BUSINESS:

NEW BUSINESS:

A. Discussion/Motion to move meetings from monthly to quarterly

Following a brief discussion, it was the consensus of those present to continue meeting monthly unless there are no items of business to address.

B. \$39,170.65 funding request for Christmas Decorations

Mayor Robert Johnson related this request is to complete the replacement of existing Christmas decorations that are twenty to thirty years old, noting the Commission funded a request last year to replace forty-eight of the eighty-five decorations. He said the new

decorations will make the city look newer, brighter and cleaner. He noted decorations will have LED lighting, pointing out the twenty percent discount contained in the quote.

In response to a question from Commissioner Fagan, it was noted the previous decorations were purchased for \$24,418.32.

Mayor Johnson stated the price has increased from last year however, the quote includes shipping and tax.

In response to a question from Commissioner Sundermeier, Mayor Johnson replied the plan is to “brighten up” downtown to make it more attractive for people to go and look at Christmas lights. He stated the Parks Department is considering a walk-through on their circle with loops and an imitation ice-skating rink.

Discussion ensued.

Council Member Ray moved, seconded by Commissioner Henal Shah, to approve the expenditure of \$39,171.65 for Christmas decorations. Motion Carried.

C. Discussion: nominations to fill the unexpired term of former Commissioner Jim Hurley

Mayor Johnson offered Andy with Blade & Barrel, Austin with Kum n Go, or the new owner of McDonald’s. He related that Austin does not meet the qualifications to serve on the Commission and offered to contact the others on the Commission’s behalf.

Recording Secretary Nikki Wilmoth read Statute 26-75-605 regarding the make-up of the Commission: “Four members shall be owners or managers of businesses in the tourism industry, and the owner or manager shall reside in the levying municipality or, if the governing body of the municipality provides for by ordinance, the owner or manager may reside outside of the municipality but within the county where the municipality is located. At least three of these members shall be owners or managers of hotels, motels, or restaurants and shall serve for staggered terms of four years”, adding the Statute continues to include two members from the City Council and one “at large” member.

Mayor Johnson suggested the general manager of Roma’s and again offered to do the “leg work” for the Commission.

In response to a question from Chairman Sundermeier, Mayor Johnson replied he normally finds a replacement and brings them to the Commission.

Commissioner Fagan suggested the owner of Chicken Country.

Chairman Sundermeier noted the Commission already has a representative from a franchise restaurant, questioning if the Commission should consider a local representative for balance.

Mayor Johnson expressed the need for someone who is fairly fluent in English, saying he could speak with Tom with New China.

Chairman Sundermeier related the need for a locally owned restaurant owner or manager. He then suggested the owners of Cancun, noting they have been in business for a long time.

Mayor Johnson stated he did not mind speaking with local owners, saying he was looking for direction.

Chairman Sundermeier stated personally, he would like him to begin with the owners of Cancun, which would also provide for some additional diversity and opinions.

It was the consensus of those present to look for a local owner or manager of a restaurant to serve.

Mayor Johnson said, when he located someone willing to serve, he would notify the Commission's recording secretary for the approval of the Commission and City Council.

ANNOUNCEMENTS:

Chairman Sundermeier read the list of forthcoming events which included the Farmers' Market, the Museum's "A Night at the Victory Canteen" event, the Titan's Obstacle Course event, and deadline for 2023 budget requests.

Mr. Warren Dupree announced the Museum's upcoming mural dedication ceremony and the Arkansas Book and Paper Show event.

Mayor Johnson announced the Chamber of Commerce's "Casino Night" event.

ADJORNMENT:

With no further business, the meeting adjourned at 6:35 p.m.

CALL TO ORDER:

The Jacksonville Advertising and Promotion Commission met in special meeting at the regular meeting place of the Commission, on Monday, October 03, 2022. Chairman Roger Sundermeier called the meeting to order at 7:00 p.m. Council Member Reddie Ray delivered the invocation and led a standing audience in the "Pledge of Allegiance".

ROLL CALL:

Commissioners Sandra Patel and William Fagan, Council Members Reddie Ray and Mike Traylor answered roll call. Chairman Roger Sundermeier also answered roll call and declared a quorum. Present (5), Absent (0), with two open positions.

Others present for the meeting included: Recording Secretary Nikki Wilmoth, City Attorney Stephanie Friedman, Finance Director Cheryl Erkel, Parks and Recreation Director Kevin House, Parks and Recreation Assistant Director Marlo Jackson, Parks and Recreation Event and Marketing Manager Megan Tharp, Mark Goodsell, Henal Shah, Jai Patel, and Warren Dupree.

MINUTES:

Council Member Reddie Ray moved, seconded by Council Member Mike Traylor, to approve the minutes from the July 25, 2022 meeting as presented. Motion Carried.

FINANCIALS:

Finance Director Cheryl Erkel presented the financial report for August, reporting assets of \$1,774,345.00. She pointed out an error regarding the liabilities, explaining hotel and prepared food tax amount was not included that is due to the City, noting liabilities of \$302,291.00. She reported an unreserved of \$1,472,054.00 and a total fund balance of \$1,774,345.00, revenues of \$604,844.00 and expenditures of \$365,942.00; with an excess of revenues over expenditures in the amount of \$238,902.00. She noted July hotel/motel gross revenues of \$350,640.00, which is a one percent decrease regarding the year-to-date comparison and a four percent decrease compared to the same month last year. She reported prepared food gross revenues of \$4,414,838.00, which is a one percent decrease regarding the year-to-date comparison and a one percent increase compared to the same month last year and overall gross revenues of \$4,765,278.00, which is a one percent decrease regarding the year-to-date comparison and a one percent increase when compared to the same month last year.

Council Member Ray moved, seconded by Council Member Traylor, to approve the financial report for August as presented. Motion Carried.

OLD BUSINESS:

NEW BUSINESS:

A. Presentation of service award to former Commissioner Henal Shah

Chairman Sundermeier presented a service award to former Commissioner Henal Shah. Council Member Ray expressed his appreciation of service.

B. Presentation Wheelin & Healin' Car Show

Mr. Mark Goodsell said he wanted to say "thank you" for helping each year with the Car Show. He related this year, they had a terrible forecast the week prior to the Car Show, so the numbers were down slightly due to the owner's not wanting to get their cars out if it is going to be pouring down rain. He stated on Saturday morning, the forecast had changed, and they had a ton of spectators. He noted they were down 50-75 show cars however; the crowd had a really good time, they raised funds for charity and adopted some dogs. He reiterated his thanks and appreciation of support received each year.

C. \$5,000.00 funding request Trunk or Treat event

Parks and Recreation Event and Marketing Manager Megan Tharp offered this has quickly become one of their largest events of the year. She related at this time they are looking at candy prices of ten cents per piece of candy, saying they have approximately 25,000 pieces at this time. She offered that it sounds like a lot however, when there are 5,000 kids out there, it would only be five pieces of candy each which is not enough. She said the funds will be used to purchase an additional 50,000 pieces of candy which will be hugely beneficial. She explained they do require the "trunks" to bring candy of their own, saying if they were to run out, and if they have more kids than they normally have, they cannot allow them to leave; as it is a safety issue. She stated they could not have kids show up and not have candy for them. She related the candy purchased from these funds will be the backup for when they do inevitably run out candy. She noted last year they saw approximately 10,000 people, saying it is a really safe place for kids to go on Halloween.

Council Member Traylor moved, seconded by Council Member Ray, to approve the expenditure of \$5,000.00 for the Trunk or Treat event. Motion Carried.

D. Discussion to recommend the appointment of Jai Patel to fill the unexpired term of Henal Shah

Mr. Jai Patel offered he is from India and has been here for ten years. He owns the Quality Inn and has recently purchased the Jacksonville Inn. He would like to become a Commissioner to get involved and learn what is going on in the City.

Chairman Sundermeier commented he noticed them painting, questioning if they were going to replace the sign.

Mr. Patel replied "not at this time", saying he wanted to keep it the same with the possibility of replacement in the future.

Council Member Traylor moved, seconded by Commissioner William Fagan, to recommend the appointment of Mr. Jai Patel to fill the unexpired term of Henal Shah. Motion Carried.

Chairman Sundermeier said locating a restaurant owner to serve has been a challenge, explaining some have not met both requirements of being an owner and living within Pulaski County and others have declined the opportunity to serve. He offered that he was presented with a new prospect, noting the restaurant is still relatively new to the area and he is cautious about putting someone on the Commission who has just gotten here. He would like to have someone with a little tenure and understanding of Jacksonville adding, if anyone has suggestions not previously discussed to let him know.

E. Discussion to amend Ordinance 1264 to include an attendance policy

City Attorney Stephanie Friedman stated there has been an issue with having a quorum for meetings that is an issue if there is business needing to be addressed. She related Arkansas Code Annotated states, by Statute, the members and industry that they come from however, one thing it does not specify is an attendance policy. She stated if there is a member who, for unforeseen reasons cannot make it to meetings, this could be one way to replace that person before their term is complete. Prior to amending the Ordinance, she wanted to bring it before the Commission for input regarding the number of meetings to attend.

Council Member Traylor questioned what the policy was for City Council, saying that would be his recommendation for the Commission.

City Attorney Friedman noted the Parks and Recreation Commission has an attendance policy of three consecutive meetings.

Council Member Traylor moved, seconded by Commissioner Fagan, to amend Ordinance 1264 to include an attendance policy of missing three consecutive meetings. Motion Carried.

F. Discussion Chamber of Commerce contract

City Attorney Friedman noted a contract has not been executed since last year. She expressed her understanding the Chamber of Commerce (Chamber) would like an additional amount from the previously approved \$50,000.00.

Chairman Sundermeier related discussion, saying nothing has been made official, once the Chamber made a hire of someone with economic development and industrial recruitment qualifications, there would be discussion of raising the amount from \$50,000.00 a year to \$75,000.00 a year. He said it would allow them to do more projects and things with the economic development side of the house. He noted there has been difficulty getting to the finish line on the contract because of Ms. Dunn's departure and upheaval with the Chamber and leadership. He said now that Mr. Harvel has come on board as the economic developer and Ms. Perez as Chamber Director, there is a full complement of people help the Chamber go forward. The Commission needs to execute a contract to them so they can begin receiving funds for the year.

City Attorney Friedman questioned if the Chamber expected this to be applied retroactively or for the last two months of the year.

Chairman Sundermeier expressed his understanding, they were of the understanding, they had a working contract in place from January.

City Attorney Friedman said the contract was discussed at the March meeting, where the contract was being changed from professional services to services due to Ms. Dunn's departure and then there was some turnover she found out about on Facebook. While on this topic, maybe we could also discuss the communication between the Commission and the Chamber, saying she did not realize they had hired someone until informed by Recording Secretary Wilmoth. She said changing the contract is not an issue, just being made aware of the changes would be helpful. She continued saying she was unaware of the \$75,000.00 until being informed by Recording Secretary Wilmoth.

Chairman Sundermeier said it was a conversation that was had when they were trying to decide what a salary range would be for a person, noting the meeting was attended by Mayor Johnson, himself, Steve Palowski, Dustin Cole, and some other individuals from the community.

City Attorney Friedman clarified the Commission did not agree to \$75,000.00.

Chairman Sundermeier replied "not officially" adding, it was only discussed within that meeting of what the Commission would need to do with the contract going forward.

City Attorney Friedman stated, with that being said, if they are expecting it to be applied retroactively, then it is up to the Commissioners to decide if the goods and services they provided up to this point could be justified.

In response to a question from Council Member Traylor regarding payment, City Attorney Friedman noted no payments have been made as there is no executed contract. She stated there is an initial contract where the professional services portion was replaced with just services to accommodate Ms. Dunn's departure and the new hire. She said that was fixed and then before they were able to execute it, Mr. Palowski said he wanted the Chamber board to discuss it and offer approval.

Chairman Sundermeier said he believes there was another hire between Ms. Dunn and Mr. Harvel who left within ninety days.

City Attorney Friedman noted the contract never came back before the Commission.

It was noted there were some concerns regarding the viability of the candidate at that time, so it falls back on them.

City Attorney Friedman noted they were sent the contract for their review and approval however, it never came back before the Commission and now they are getting impatient.

It was noted the next meeting will be held on Monday, October 17th.

Recording Secretary Wilmoth said the 2023 budget would be on the agenda and this item of business could be discussed on that agenda.

In response to a question from Chairman Sundermeier, City Attorney Friedman replied if the Chamber is expecting \$75,000.00, that would need to be approved by the Commission before the contract could be amended. She continued saying she did not want to speak out of turn however, the Commissioners need to be able to justify applying \$75,000.00 retroactively.

In response to a question from Chairman Sundermeier, Recording Secretary Wilmoth noted she is in receipt of reports for the first and second quarters.

City Attorney Friedman said if the Commission were wanting to apply this contract retroactively, they would need to see the reports. She continued saying the court gives great deference to Commissioners, if you can justify the amount for the services, that is really what the court is looking for. If the Chamber can present their quarterly reports and the Commission decides they have earned \$75,000.00 for the year, that is fine. If the Commission looks at the report and states they get \$75,000.00 going forward that is fine as well. She said first, they need to present what they have done.

In response to a question from Chairman Sundermeier, Recording Secretary Wilmoth replied the reports were not included within the agenda packet, explaining she did not know what was going on with this item of business other than the City Attorney's request for placement on the agenda.

It was noted the third quarter report is due in October and would have been presented at the October meeting.

Commissioner Fagan questioned if it is an assumption the Chamber would want it retroactively back to the beginning of the year, if that is something they have said.

City Attorney Friedman expressed her understanding they are assuming it is going to be applied retroactively.

Chairman Sundermeier commented because they have been doing work with no reimbursement.

Recording Secretary Wilmoth read from the July 21st Chamber Board minutes "A & P is working on a new contract to increase the amount to \$75,000.00 which was agreed upon if we hired an economic development director". She stated with that being said, the minutes were typed by Mr. Pawloski, that would be their intent.

City Attorney Freidman clarified it was agreed upon in a meeting with Mayor Johnson.

Chairman Sundermeier replied it would be a fair statement.

City Attorney Friedman offered that they may have "put the cart before the horse" on this one because it has not been agreed upon by the Commission unless she has missed something in the minutes, explaining she was out for a meeting this summer. She said it makes her a little nervous that there is kind of these sidebar meetings and side agreements that are kind of getting into some particular issues with non-public meetings.

Chairman Sundermeier said the Commission could look at the fact they have been supplying quarterly reports to the Commission as requested in terms of the original contract before it expired and have not been receiving reimbursements from the Commission for that contract services because the contract was not agreed upon.

City Attorney Friedman stated the Commission is under no equal liability to pay for something, explaining if they just did something out of the kindness of their heart, she is not going to provide free legal services for someone with the assumption that she is going to get paid to do it, she wants a signed contract however; if they have done this stuff to the extent the Commission agrees the services are valuable and to the extent they are asking for, that is the Commission's decision to make. She said there needs to be a little more communication between the Chamber and the Commission.

Chairman Sundermeier offered it could happen now that there is a true head of the Chamber instead of having the Chamber Board President coming in as available. He continued saying having Mr. Havel or Ms. Perez here does provide a little more stability going forward.

In response to a question from Council Member Traylor, Chairman Sundermeier confirmed that Ms. Dunn always gave the Chamber report.

Chairman Sundermeier questioned if the Commission was well within its rights to just take the first two quarterly reports and mull them over for discussion at the October 17th meeting.

City Attorney Friedman answered affirmatively, along with the third quarter report.

It was confirmed a contract was presented to the Chamber in March that has not been returned to the Commission.

Council Member Traylor said if the Chamber is wanting \$75,000.00, they need to bring it before the Commission for 2023. He continued saying the Commission has done what it is supposed to do to get them a contract that has not been returned, adding he does not have a problem with them signing a contract for \$50,000.00 but does not know why it should be raised for this year if it has taken nine months to get a contract returned. He noted it is not the current leadership's fault, the Chamber Board has been there all year to make sure it happened.

Council Member Ray said he wanted the Chamber Board to move on this contract because it is getting late in time and it has to be done, saying the Commission is looking at 2023 funding and does not have time to waste on this.

Chairman Sundermeier said it could be argued the Commission has not had enough meetings to discuss this properly too, if they were going to counterpoint from their perspective.

It was noted the Commission met in July and there was no discussion of the Chamber contract.

In response to a question from City Attorney Friedman, Recording Secretary Wilmoth replied that she received no emails other than one from Mrs. Martin requesting the second quarter payment, explaining she replied back there was no contract in place therefore, she could not release funds. She noted she copied Chairman Sundermeier in the reply.

City Attorney Friedman related the only correspondence she received regarding the contract is a kind of heated one from Mr. Palowski via email and texts questioning where it was. She said she sent him the minutes saying, "this contract was presented to you in March and we are waiting for your approval". She noted she has not heard anything further.

In response to a question from Commissioner Fagan, Recording Secretary Wilmoth replied she has had no further communication other than the one email and reply.

City Attorney Friedman questioned why they were not present. She said if hiring Mr. Harvel was going to improve communication where is he now?

Chairman Sundermeier replied, "good question".

City Attorney Friedman said she did not want this to come back on the Commission again, adding she knows the Commission is easy to blame because it did not have meetings, adding the Commission is here now but they are not.

Council Member Traylor confirmed the Commission did not meeting in August or September and it was not on either agenda.

City Attorney Friedman noted it was on tonight's agenda per her request.

Chairman Sundermeier confirmed the Commission is within its' authority to review the quarterly reports received. He questioned if the Commissioners are good with reviewing the quarterly reports for further discussion at the October 17th meeting. He said someone from the Chamber needs to be present to present it.

ANNOUNCEMENTS:

Chairman Sundermeier read the announcement of the upcoming Trunk or Treat event.

ADJORNMENT:

With no further business, the meeting adjourned at 7:31 p.m.

CALL TO ORDER:

The Jacksonville Advertising and Promotion Commission met in the regular meeting place of the Commission, on Monday, November 21, 2022. Chairman Roger Sundermeier called the meeting to order at 6:00 p.m. Council Member Reedie Ray delivered the invocation and led a standing audience in the "Pledge of Allegiance".

ROLL CALL:

Commissioners Sandra Patel and Jai Patel, Council Members Reedie Ray and Mike Traylor answered roll call. Chairman Roger Sundermeier also answered roll call and declared a quorum. Present (6), Absent (1); Commissioner William Fagan was absent, with one open position.

Others present for the meeting included: Recording Secretary Nikki Wilmoth, City Attorney Stephanie Friedman, Finance Director Cheryl Erkel, Parks and Recreation Director Kevin House, and Chamber of Commerce Vice-President Kathy Perez.

MINUTES:

Council Member Mike Traylor moved, seconded by Council Member Ray, to approve the minutes from the October 17, 2022 meeting as presented. Motion Carried.

FINANCIALS:

Finance Director Cheryl Erkel presented the financial report for October, reporting assets of \$1,876,626.00. She pointed out an error in the calculation, explaining the reported figure of \$1,086.00 is actually what is recorded in the accounts' payable portion of the general ledger however; they failed to include the portion of the hotel/motel and prepared food tax revenue due to the city, which is \$29,832.00 in hotel/motel revenue and \$356,474.00 in prepared food tax revenue resulting in total liabilities of \$387,392.00. She reported revenues of \$775,599.00 and expenditures of \$172,501.00; with an excess of revenues over expenditures in the amount of \$603,098.00. September hotel/motel gross revenues reported were \$298,787.00, which is an increase of one percent regarding the year-to-date comparison and a three percent increase when compared to the same month last year. Prepared food tax gross revenues reported were \$4,182,512.00, which is even regarding the year-to-date comparison and a seven percent increase when compared to the same month last year. Overall gross revenues reported were \$4,481,299.00, which is even regarding the year-to-date comparison and a seven percent increase when compared to the same month last year.

Council Member Ray moved, seconded by Council Member Traylor, to approve the financial report for October as presented. Motion Carried.

OLD BUSINESS:

NEW BUSINESS:

A. \$5,000.00 Funding Request for JPR Christmas in Jacksonville

Parks and Recreation Director Kevin House stated the request is to fund the live nativity scene and bounce houses for the event held downtown in partnership with the Chamber of Commerce.

He stated the tree lighting will be held that day and the parade will begin at 3:00 p.m. along with all of the other events.

It was noted the tree lighting will be held at 5:30 p.m.

Council Member Traylor moved, seconded by Council Member Ray, to approve the expenditure of \$5,000.00 for the Christmas in Jacksonville event. Motion Carried.

ANNOUNCEMENTS:

Chairman Sundermeier read the announcements of the upcoming Christmas Parade and Christmas in Jacksonville events. He noted the Commission will not be meeting in December.

ADJORNMENT:

With no further business, the meeting adjourned at 6:09 p.m.

CALL TO ORDER:

The Jacksonville Advertising and Promotion Commission met in the regular meeting place of the Commission, on Monday, October 17, 2022. Chairman Roger Sundermeier called the meeting to order at 6:00 p.m. Council Member Reedie Ray delivered the invocation and led a standing audience in the "Pledge of Allegiance".

ROLL CALL:

Commissioners Sandra Patel and Jai Patel, Council Members Reedie Ray and Mike Traylor answered roll call. Chairman Roger Sundermeier also answered roll call and declared a quorum. Present (6), Absent (1); Commissioner William Fagan was absent, with one open position.

Others present for the meeting included: Recording Secretary Nikki Wilmoth, City Attorney Stephanie Friedman, Finance Director Cheryl Erkel, Parks and Recreation Director Kevin House, Parks and Recreation Assistant Director Marlo Jackson, Parks and Recreation Event and Marketing Manager Megan Tharp, Parks and Recreation Event and Marketing Coordinator Brylee Lawson, Mayor Robert Johnson, Chamber of Commerce President and Economic Developer Paul Harvel, Chamber of Commerce Vice-President Kathy Perez, Barbara Harvel, Dustin Cole, Larry Wilson, Lauren Martin, and Warren Dupree.

MINUTES:

Council Member Reedie Ray moved, seconded by Council Member Mike Traylor, to approve the minutes from the October 03, 2022 meeting as presented. Motion Carried.

FINANCIALS:

Finance Director Cheryl Erkel presented the financial report for September, reporting assets of \$1,850,866.00, liabilities of \$341,606.00, and a fund balance of \$1,509,260.00. She reported revenues of \$683,356.00 and expenditures of \$446,420.00; with an excess of revenues over expenditures in the amount of \$236,936.00. She noted August hotel/motel gross revenues of \$307,200.00, which is even regarding the year-to-date comparison and a fifteen percent increase compared to the same month last year. She reported prepared food gross revenues of \$4,074,696.00, which is a one percent decrease regarding the year-to-date comparison and a two percent decrease compared to the same month last year. Overall gross revenues reported were \$4,381,896.00, which is a one percent decrease regarding the year-to-date comparison and a one percent decrease when compared to the same month last year.

In response to a question from Chairman Sundermeier, Director Erkel replied revenues received from FestiVille will be reflected within October's financial report; explaining receipts are received a month in arrears.

Council Member Ray moved, seconded by Commissioner Sandra Patel, to approve the financial report for September as presented. Motion Carried.

OLD BUSINESS:

A. Chamber of Commerce Contract

Chairman Sundermeier provided a brief history, explaining there was a contract in place in 2021 and then Ms. Dunn left the Chamber of Commerce (Chamber). He noted Ms. Baden was hired and some amendments were made to the contract and then Ms. Baden took another opportunity elsewhere which left the Chamber contract in a state of limbo. He said honestly, it was probably just never circled back on, saying the Commission has tried to stay engaged with the Chamber regarding the contract and terms. He said the Chamber was submitting quarterly reports and were not being reimbursed for services provided as outlined by the 2021 contract. He continued saying they were of the understanding that a contract was in place when it was not in place, work was being conducted off of that contract, they were not being reimbursed for the work being done and now there needs to be a discussion regarding funding those obligations.

City Attorney Stephanie Friedman noted the contract was presented to the Chamber at the beginning of this year, explaining at the March meeting the Commission indicated no response from the Chamber. She stated that she wanted feedback from the Chamber before the contract was executed, before it was basically a unilateral agreement, and has not heard back from the Chamber since March up until recently.

In response to a question from Mayor Robert Johnson, City Attorney Friedman noted replied the contract is renewed annually.

Chairman Sundermeier questioned whether the Chamber received meeting notifications so they could attend.

City Attorney Friedman stated uncertainty regarding meetings, adding that Mr. Pawloski was present for the March meeting and was sent the contract the next day. She recalled him staying there was a Chamber Board meeting either that week or shortly thereafter. She continued saying the contract was sent to him so they could discuss it and provide feedback. She said she received no feedback and did not know if anyone else did.

Recording Secretary Wilmoth explained somewhere between the March meeting and the last meeting, she removed Ms. Baden from the group email which inadvertently removed the Chamber from receiving notification. She noted it has been corrected and should not be an issue moving forward as the email is no longer listed under an individual's name.

City Attorney Friedman related in March, there was discussion to remove professional services from the contract due to Ms. Dunn's departure. She noted the contract was for general services, questioning if professional services are being added back into the contract.

Chairman Sundermeier replied the Commission would be adding it back to the contract with the hiring of Mr. Harvel and Ms. Perez.

Dustin Cole, Chamber Board President, confirmed.

City Attorney Friedman questioned if Mr. Harvel was an employee of the Chamber and received an affirmative response from the audience.

Chairman Sundermeier stated, bottom line, the discussion is “making good” on the work completed and applying it retroactively from January 2022 to current.

In response to a question from City Attorney Friedman, it was noted the quarterly reports were included within the agenda packet through the third quarter.

Chairman Sundermeier said from the Chamber’s perspective, the work had not changed from the previous year even though there were personnel issues, the work was still being done.

He then received confirmation from the audience.

Mrs. Lauren Martin, Chamber Board Secretary, stated the executive board kind of took on a more active position and met those needs.

City Attorney Freidman stated the budget “as is” is fine to be executed and applied to the entire year. She questioned, regarding the new business \$25,000.00 request, if the Commission wanted to address it now.

Council Member Traylor and Chairman Sundermeier both said they would like to address it separately.

Chairman Sundermeier stated at this time there should either be additional discussion or to entertain a motion to approve the execution of the contract.

Council Member Traylor moved, seconded by Council Member Ray, to approve the Chamber of Commerce contract retroactive to January 2022. Motion Carried.

In response to a question from Mayor Johnson, City Attorney Friedman replied the contract has not been executed. The Chamber has had a contract to sign however, there has not been a follow-up to this point.

NEW BUSINESS:

A. \$25,000.00 Funding Request for Economic Development

Mr. Paul Harvel, Chamber President and Economic Developer, stated that all of this is just starting and is new with what has been put together; explaining that you don’t get anywhere in business or a community without a good public/private partnership. They were going to be working a little bit harder, or a lot harder, on the private partnership and everything that goes with it. He offered there is one major location in Arkansas that is about to be announced on a certified site. There is another one, he is almost positive, that will be announced which is also on a certified site. He noted Jacksonville has never had a certified site.

The first thing they are working on is getting a certified site. He said when he was in Russellville, they were able to get two certified sites, adding that Russellville is the only town in Arkansas with two certified sites. In economic development it all starts with a payroll, with what you have as a payroll before you get anything else. He then presented a publication he developed for Russellville, explaining it is a retail development recruitment piece that is relatively expensive to put together and so forth. He has spent a lot of his time completing it with Mrs. Harvel's assistance. He related the International Council of Shopping Centers has three major conventions a year which is where you go to recruit prospects. He noted they are held in Las Vegas, Dallas, and New York. Without question, the best one to attend is held in Las Vegas for several reasons, it is very inexpensive to go to a convention in Las Vegas because they try to make their money off of other things and is three times larger than the one in New York. It takes three or four days to totally get through the International Council of Shopping Centers' convention. He said he has attended for several years and has received some prospects, noting Russellville attends yearly and he will probably go next year. He stated that is one aspect of economic development however, the main aspect is payrolls. He related in Russellville over the last five years, the total amount of capital received was \$500-25 million dollars. He said that was in expansions and a couple of new ones, saying it is the kind of stuff you work on and hustle because without a payroll you don't have anything. Without a payroll, you do not need retail, which is way payrolls are worked first. He passed out another piece presented to the Russellville City Council explaining what economic development is and how money is spent. He noted it comes from four different areas, workforce development, quality of place, leadership, and a couple of other things as to how you get economic development. He said it is not just going and asking someone to visit the town for location, which is the way it was done twenty-five years ago. Now it is what the community is, you have to sell the whole community and everything you do in the community. He stated what the Commission does is as important to economic development as anything else because it is quality of life and place. He offered there is not much money in this town, saying he is not complaining but the fact is there is not much money here to do economic development. He noted as far as chamber and economic development organizations, Jacksonville ranks fifty-second in Arkansas regarding the financial aspect. As far as size of community, the ranking is twelve or thirteen in size. He offered it is going to take a concentration of public and private funds, programs, and everyone doing this together to really be competitive or make the decision not to be competitive. He noted it will take a while to get there in that particular area, adding he feels it can get there. Staff wise, there are two employees now, when he and Ms. Perez came the Chamber had none, noting Russellville has eight very qualified and talented staff with a population of 27,000 people. He stated for a community to do it, they put revenues together from a lot of different sources, saying they will be going "all out" for private money this year through memberships, sponsorships, and other things of this nature. They are also working on relationships with the AEDC and other people, noting the expression "relationships for success follows". He explained the need to work on relationships with people you have and with the AEDC. He said, at the first Friday breakfast they are going to hold next month, they will have Clint O'Neil speaking, who is second person at the AEDC, and a great economic developer. He said what they look for when attending events is community involvement.

He offered he would not invite anyone to an event unless they can help the community in some way. Mr. O'Neil has the ability to make a lot of decisions for Jacksonville and to see the community. He commented "you don't go and look for much when you have as little income as Jacksonville has". He stated he does some of the travel, as he did for Russellville, saying he worked for them for seven months for nothing because they did not have anything either however, they do today. He offered he has done it however, does not plan on doing it but will be doing things that do not have a cost such as publications. He stated the region that will be marketed is 1.2 million, explaining Jacksonville is sitting in the middle of 1.2 million people, draw a fifty-mile circle, and that is the market people will look at. In retail and everything else, you market 1.2 million dollars. He said they will be pointing out the region, the largest in it, and other assets. He continued saying they will be recruiting existing industry first, which is where new jobs come from. He said they need to work on workforce development, what is in place, what to do with it, and how to work it. They are also working on and have kicked off their leadership program, noting thirty people have signed up. He said people like to know if you have a leadership program, explaining he went to the Little Rock Chamber many years ago and would not have gone unless they let him start a leadership program. He stated it was started and there are close to 2,000 alumni of Leadership Little Rock. He noted starting the Leadership Arkansas program with approximately 1,000 people. He said those are the people who work for you and will be a huge asset to the community two-three years down the road. He said people come and look at things like that, they look at quality of life, leadership, workforce development, and economic equation. He said those things are already in place and he is very pleased, explaining in the leadership program they had nine people step forward to provide scholarships without being asked. He has a goal/objective in a year's time to improve half-way from fifty-second.

City Attorney Friedman pointed out question seventeen on the funding request form states "please provide a detailed copy of the event budget" that is answered "see attachment". She questioned which attachment it referred to.

Discussion ensued with Council Member Traylor noting there is a budget included with the 2023 request.

City Attorney Friedman questioned what the additional \$25,000.00 being requested is for specifically.

Mr. Harvel replied it will pay salaries and help with recruitment, explaining they will need to be here a while before they can be specific about everything, adding they have only been here two months.

City Attorney Friedman stated she is not trying to be difficult and is asking because the Commission is prohibited by Statute from funding general subsidies to the Chamber so they have to kind of be specific regarding funds provided to the Chamber. She said based on some case law, Statutes were changed in 2015 that limited or outlined the usage of funds the Commission collects.

She continued saying funds cannot be used for general subsidy, adding if they could provide specifics for the \$25,000.00 in additional funds, that may help some of the Commissioners.

Chairman Sundermeier said, for example, are the funds going to be used for printed materials.

Mr. Harvel stated if they go to Las Vegas, documents and mail-outs will be printed, explaining the International Council of Shopping Centers is a group of approximately 5,000 people and just to communicate and mail to them costs a whole lot of money. He said he does not have a specific cost for each piece however, it will cost a whole lot of money to do and make it happen. He encouraged everyone to consider, as a community, what are they going to do? If you do not put your money together in some fashion, there are going to be some challenges. He continued saying, there may be a need to sit down as a community to say this is what we want and see if it can work. As a community, there will never be enough money to do economic development, retail, or anything, unless you put your money together, private and so forth. He stated his goal/objective in private funds is to raise \$50,000.00 this fall if possible.

City Attorney Friedman said she believes she speaks for the Commission, that no one is against the Chamber and are wanting to help but it is just an issue of legalities. She does not want them to open themselves up to legal liability which is why she was asking for specifics. She does not think they are trying to find a way to deny the funding request it is just so everything is legal.

Mr. Harvel stated he has never really had to give all that many specifics but thinks he knows what she is talking about. He has never had to in his career but he will do it.

Chairman Sundermeier stated it is safe to say the funds will be used for mails, publications, productions, and all of that to get ready for these shows.

Discussion ensued.

Council Member Traylor noted the contract was just approved for 2022 and no funds have been expensed to the Chamber this year. The Chamber is going to be receiving \$50,000.00 that he assumes has no obligations to it, saying there is not a lot of bills that need to be paid with those funds.

Mr. Harvel pointed out the Chamber went without employees for a long time.

Council Member Taylor agreed, saying he understands funding \$75,000.00 for 2023, there is \$50,000.00 to be expensed that is not allocated.

Chairman Sundermeier said \$50,000.00 will go back and reimburse the Chamber for expenses incurred and services rendered.

Council Member Traylor questioned if there were bills to pay or is the Chamber being reimbursed for bills.

Mr. Cole said they do have some bills however, a lot of it is things that due to not having an extensive payroll for the year, they have been able to get by without that funding. They now have a full payroll there are no extra funds and they are “banking on this” to get where they need to go.

Council Member Traylor questioned whether they were banking on \$50,000.00 or \$75,000.00.

Mr. Cole replied \$50,000.00 originally but again, when they were looking at it, they were going to just hire a director but decided to hire two people. He stated Mr. Harvel has a proven track record in economic development and Ms. Perez to be the actual director. They took on an extra expense knowing what Mr. Harvel is going to want to do and the expense. He said they can certainly itemize travel, printing and other expenses if necessary.

Chairman Sundermeier said \$50,000.00 would continue what has been done in the past and along with hiring a replacement. To now make the decision to up the game of the Chamber, for lack of a better term, to take on the second person to specialize in economic development while the other person is managing day to day city and chamber relations is where the additional amount comes in to provide extra services.

Council Member Ray moved, seconded by Commissioner Jai Patel, to approve the additional expenditure of \$25,000.00 to the Chamber of Commerce for economic development. Motion Carried.

B. Discussion 2023 Budget

Chairman Sundermeier questioned how the Commission wanted to proceed with each request, saying he is looking at the amount due to the Parks and Recreation Department for \$466,000.00 which is half. He questioned for his knowledge, what does the amount goes to support.

Parks and Recreation Director Kevin House replied it supplements the budget, it is not extra funds they see, it is part of their budget. He stated when they submit their budget to Director Erkel, she considers the estimation of their half of the Commission’s funds which keeps that amount from being expensed from the general fund.

Chairman Sundermeier stated, for clarification purposes, the term “supplement” can be used here but cannot be used from a Chamber perspective, questioning the difference.

City Attorney Friedman replied it is allowed under state Statute to supplement Parks and Recreation for tourism and specifically states “taxes shall not be used for general subsidy of any civic group or the chamber of commerce” which is why she was asking for specifics because she has received emails and phone calls from citizens who have been concerned about the Chamber contract. She has had to send the Statute to people along with an AG opinion that is fairly recent, saying she has received a lot of questions about it and wanted to clarify that it is not a general Chamber subsidy. She said it is provided within the Statute that the Commission can use general subsidies for Parks and Recreation.

Council Member Ray noted there are eight items from Parks and Recreation and they are the number one promoter and draw for the City of Jacksonville, questioning if they could all be combined and voted on.

Chairman Sundermeier asked for additional discussion, saying when he adds it up, eight items total \$200,350.00 which is a large elephant to eat. He thinks one thing that has been discussed in the past two years has been FestiVille, saying he is not going to “pound on that horse” but the request is now for \$70,800.00. He questioned whether this could be brought downtown to do something more five points or festival oriented instead.

Director House offered they are working to revamp FestiVille for 2023, saying he does not want to provide all of the details at this time. They are going to totally revamp for 2023, which will be the ten-year anniversary of FestiVille with a location change and a lot of other changes process. He wants to bring it before the Parks Commission for their approval. They have a budget completed for moving however, will need approximately the same amount.

Mayor Johnson offered the Commission will be happy with the changes.

Chairman Sundermeier questioned the solar eclipse request, saying he is aware of what it is.

Director House related they have attended a couple of sessions over the last year, explaining Arkansas Parks and Tourism is going to be spending \$1.2 million on advertising trying to get people into Arkansas. Jacksonville is in the path of totality for over two minutes and they have to get ahead of it instead of falling behind. He said he knows that it is not until 2024 but there is a lot they need to order and pay for ahead of time such as glasses, portable toilets, dumpsters etc. to be sure they have them to be able to take care of everyone.

Chairman Sundermeier questioned if the hoteliers were planning on offering discounts and to “do things” for people who are coming in, and what that would look like. When events are going on in the community, the hotels do not have a lot of things that coincide as far as discounts or deals. He questioned plans to compliment what Parks and Recreation is doing and how to partner for a huge team effort to bring people in and have them choose to stay in Jacksonville.

Commissioner Jai Patel stated directly no one has come to them but if they regularly come to them they already provide a discount. He said he has a sales manager who has tried to reach out to Parks and Recreation but has never received an answer from them.

Director House asked them to contact him.

Chairman Sundermeier stated in his perfect world, he would like to see all of the hotels with marquee signs saying “welcome so and so teams” and really showcase all of the people who are coming and staying in Jacksonville. He said he always wanted us to challenge ourselves to really join hands: innkeepers and restaurants owners to work with Parks and Recreation and really roll out the red carpet which is probably something the Chamber can partner with as well. He stated when Mr. Harvel talks about everyone together that is what this kind of stuff is and it makes it a lot easier to digest when it comes time to discuss budgets and to pass large sums of money, that we know we are all working on the same team. He said now that those individual elephants have been discussed, does the Commission want to lump those items together or address each item individually.

Council Member Ray said he would like them to be all together, explaining he works in the hospitality industry and knows that whatever you can do to draw people here and everything Parks and Recreation has is right here and well attended. He noted they are the number one draw for the city, so let’s go for it.

Council Member Traylor questioned if a 100,000 people would fit into the parks.

Director House replied “not at one time”.

Council Member Traylor noted the eclipse is only two minutes which is pretty quick.

Director House said the problems that have been had is deadlocked traffic for twelve hours on the interstate.

Council Member Traylor said he was looking at the number of glasses to be ordered which is half the cost.

Director House related they were told to take their population and triple it because that is what they have been seeing in other places. He has already starting meeting with the Fire and Police Chiefs along with Public Works so everyone will be on the same page.

Council Member Traylor questioned if the glasses would be provided to the general public.

Parks and Recreation Marketing and Events Manager Megan Tharp related the number of glasses is a high estimate based on their purchase and not reaching out to the state. The state will be purchasing all of these things and assigning an asset cost.

The number looks high and they may not be able to fit 100,000 people in the parks however, if you Google pictures from 2017, they are not just going to be in the parks but will be all along Hwy 67/167 and on the streets and parking lots. They may not be all in the parks however, they will be all over the city and they are going to need these glasses or there will be vision damage.

Director House stated they came up with the number based on what others have done. He said from their estimation, they told them the size of the city, and he was informed to expect 100,000 people in Jacksonville three days prior to the eclipse.

Chairman Sundermeier pointed out Jacksonville is also going to be “knee-deep” in highway construction at that time, offering it will be a big problem.

Council Member Traylor questioned if this would be a reimbursable item.

Director House replied all of their requests are that way through the Commission, they turn in invoices which are paid by the Commission.

Council Member Traylor offered he does not have an issue with putting everything together and voting on it for Parks and Recreation.

Recording Secretary Wilmoth pointed out the budget could be approved with one motion or as amended if the Commissioners would like to amend items.

Mr. Warren Dupree offered as an amateur astronomer, the Commission is not going to believe the response that is going to be received from this, adding there has not been something like this in the United States for some time. He said there are people who pay a lot of money to travel to South America to go see, this is really different when you can drive down the road and see it.

Chairman Sundermeier addressed the Museum of Military History requests, questioning if there is any discussion from anyone’s perspective as presented.

Council Member Ray replied “sounds good”.

Chairman Sundermeier then addressed the Chamber of Commerce’s requests, questioning if there is any discussion regarding their requests.

Mayor Johnson questioned, and it was confirmed, there would be a new contract executed for 2023.

Chairman Sundermeier questioned if the Commissioners had any discussion regarding the Wheelin and Healin’ Car Show.

With no response, he moved forward to the LRAFB Open House item.

Recording Secretary Wilmoth noted it was the Air Show, explaining there is no formal request but historically she has placed a \$4,000.00 place holder within the budget for either the ball or open house/air show.

Chairman Sundermeier called for discussion.

Council Member Ray questioned if there would be VIP seating this year.

He received an affirmative response.

Mayor Johnson noted in 2019, the city passed an Ordinance so receptions for the Blue Angels and the Thunderbirds could be hosted in Jacksonville versus other cities. He said the Commission needs to be prepared to host them and the Knights when they are here. He stated the importance of hosting in Jacksonville and bringing people here.

Chairman Sundermeier reviewed the “due to” Parks and Recreation line items, saying they have been previously discussed and it is what it is. He also covered memberships noting no change from previous years. He then noted the budgeted/undesignated amount has decreased from previous years.

Director Erkel noted the amount is available for requests received throughout the year.

Council Member Ray moved, seconded by Commissioner Sandra Patel, to approve the 2023 budget as presented. Motion Carried.

ANNOUNCEMENTS:

Chairman Sundermeier read the announcements of the upcoming Trunk or Treat and 45th Annual Holiday Craft and Gift sale events.

ADJORNMENT:

With no further business, the meeting adjourned at 6:53 p.m.