

**CITY OF JACKSONVILLE, ARKANSAS**  
**Advertising and Promotion Commission**



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#1 Municipal Drive  
Jacksonville, Arkansas 72076  
Phone: (501) 982-4502 Fax: (501) 982-4621  
[www.cityofjacksonville.net](http://www.cityofjacksonville.net)

**CALL TO ORDER:**

The Jacksonville A & P Commission met in the council chambers of City Hall on March 19, 2007. Chairman Smith called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners: Andy Patel, Mike Houchen, Jim Hurley, Robert Stroud, and Mayor Tommy Swaim being present. Chairman Smith also answered roll call declaring a quorum.

Commissioner Ray Patel was absent.

Others present included City Attorney Bobby Bamburg, Reporting Secretary Nikki Wilmoth, Finance Director Paul Mushrush, Parks and Recreation Marketing Director Annabelle Davis, Parks and Recreation Director George Biggs, Chamber of Commerce Director Bonita Rownd, Chamber of Commerce Events Director Amy Reichenbach-Mattison, Joan Zumwalt, Jack Danielson, Tommy Dupree, Larry Biernacki, Dana Kay Dugger, Ben and Susan Rice, interested citizens and members of the press.

**PRESENTATION OF MINUTES:**

**Commissioner Stroud moved, seconded by Commissioner Houchen to approve the minutes of the December 18, 2006 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORTS:**

Finance Director Paul Mushrush stated that that the expenditures exceed the current revenues by \$12,000.00. According to the budgetary expenditures and revenues report for 2006, that the projected revenues were met and exceeded by \$2,000.00, which increased the fund balance by \$8,047.77 for 2006.

He commented that the gross revenues chart reflects a sharp decline in revenues at the end of 2006. He advised the need to be frugal in the distribution of funds until more revenues are collected.

In response to a question from Commissioner Stroud, Mr. Mushrush stated that the increase in gas prices might be the reason for the decline in revenues. He continued that in 2005 and 2006, the LRAFB held the Air Show in October which increased revenues. He pointed out that there would not be an Air Show in 2007.

Commissioner A. Patel stated that the main reasons for the decreased revenues are the current gas prices and a decrease in the number of students from the LRAFB.

Chairman Smith pointed out that the Commission has two \$25,000.00 certificates of deposit that automatically renew.

**A. Patel moved, seconded by Commissioner Houchen to approve the financial reports as presented. Motion Carried.**

**OLD BUSINESS:**

**NEW BUSINESS:**

- A) Request for funding for the rental of a new portable mini stage and two sound systems for the Wing Ding festival in the amount of \$3,600.00.

Mr. Larry Biernacki advised the Commission of the need to improve the second stage and sound system for the continued growth of the Wing Ding festival.

In response to a question from Mayor Swaim, Chamber Director Bonita Rownd stated that the Wing Ding festival had a \$7,000.00 profit last year and that the monies were rolled over into the Chamber operating budget to cover personnel costs.

In response to a question from Chairman Smith, Mr. Biernacki stated that the sound systems used in the past have been borrowed from several different sources.

Mr. Biernacki clarified that the mini stage would be rented and not purchased.

In response to a question from Commissioner Hurley, Mr. Biernacki stated that the Wing Ding committee has considered charging an admission for entry. He continued that the Wing Ding festival needed a headline act to draw in visitors.

Commissioner Stroud questioned if the Wing Ding festival could accommodate another 10,000 visitors. He advised that the Festival needed one entry and one exit to accommodate the traffic flow.

Mr. Biernacki stated that the need for two sounds systems was to provide a sound system for each stage at the Festival.

Mr. Biernacki stated that the second stage was unsafe and sound systems were not adequate for a Festival of this size.

Commissioners Stroud and Houchen both agreed that this would be a good idea to continue the growth of the Festival but questioned the expenditure of funds so early in the year.

**Commissioner Houchen moved, seconded by Commissioner Stroud to table the request. Motion Carried.**

- B) Request for reimbursement for Freeway Directional Signs

**Commissioner Stroud moved, seconded by Commissioner Hurley to remove the previously tabled item reimbursement request for Freeway Directional Signs. Motion Carried.**

Chairman Smith read from the previously recorded minutes from June 20, 2005 regarding motions made and approved for the expenditures of \$100.00 for two signs located on Hwy 67/167 and a \$250.00 annual maintenance fee for the two signs for a total of \$350.00.

Mr. Ben Rice stated that the Museum wrote three checks for expenses related to the signs, one \$250.00 check for the annual maintenance of the signs and two payments in the amount of \$483.75 for the start of the sign manufacturing process and completion of the signs for a total of \$1,217.50.

He related that the signs were up on Hwy 67/167 both north and south bound, a directional sign is located by the Texaco station north bound, and two signs are located south bound, one at the intersection of Marshall Road and the access exit and one at Marshall Road and Main Street for a total of five signs. He acknowledged that the City has also placed additional signs.

He advised the Commission that he would like to get the Museum established as part of the National Parks system. He showed the Commission a study that was completed by the National Parks Service out on the Pacific coast that was sent to the Museum by an individual who attended the Ordinance Plant workers' reunion back in 2001. He pointed out a subsection on page 69 stating that "the National Parks Service recommends alternative three to authorize the establishment of Rosie the Riveter/World War II Home Front National Historical Park, and a study of the feasibility and methodology for adding or linking additional sites identified through Richmond's current inventory of historic structures and a nationwide theme study on the Home Front". He related that the recommendation is to expand from Richmond, California to the whole United States. Richmond was chosen because it is where most of the home front production took place in World War II. He continued that Richmond had four shipyards and fifty-five other war industry plants that employed 90,000 people of which 27 percent were women. He stated that the study also discusses five other possible sites that have been developed. He stated his belief that the Museum would be a prime candidate for inclusion and recommends that the A & P Commission endorse the idea and possible funding.

Chairman Smith stated that the details of this study should be covered at another meeting. Mr. Rice suggested that the Commissioners read and study the attached documentation.

In response to a question from Mayor Swaim, Mr. Rice stated that the only reoccurring cost would be the \$250.00 annual maintenance fee.

**Commissioner Stroud moved, seconded by Commissioner A. Patel to approve the one time expenditure of \$1,217.50 for reimbursement for the freeway signs.**

Further discussion ensued regarding the \$250.00 reoccurring maintenance fee. Mr. Rice stated that the Museum would be able to remit the \$250.00 reoccurring maintenance fee.

**Motion Carried with Commissioner Houchen abstaining from the vote.**

- C) Discussion of a Food Preparation Tax in conjunction with Phase 2 of the Tourism Action Plan.

Chairman Smith related that Curt Cottle recommended in Phase 2 of the Tourism Action Plan that different entities in the City such as AP&L, Chamber, and the City take a lead along with a timeline, budget impact, and expected benefits. In Mr. Cottle's prepared budget,

which was \$400,000 he included a \$300,000 prepared tax, which is seventy-five percent of the budget.

Mr. Mike Wilson, Chairman of the Chamber Tourism Committee, related that the Chamber Tourism Committee came to the consensus to recommend to the A& P Commission and City Council, the enactment of a two percent food preparation tax. He continued that after several discussions, the Tourism Committee voted to unanimously support the recommendation of this tax, however the Chamber Board received the final recommendations Friday afternoon and has not had time to discuss recommendations received from the Chamber Tourism Committee. He made the Commissioners aware of a handout showing the cities and the different percentages and amounts collected by each city. He also pointed out the proposal of expenditures worksheet with a suggested two percent food preparation tax. The Committee allocated a large percentage to the A&P Commission as a discretionary fund. A large percentage would be used to enhance Reed's Bridge battlefield, enhancements to the Museum, the Keep Jacksonville Beautiful, and the Parks and Recreation Department. He pointed out the percentage set aside for advertising, promotions and marketing focusing on billboards, television, and print advertisements etc.

Mr. Wilson stated that the Tourism Committee assures the Commission that it strongly endorses the concept of accountability regarding the use of these funds. He related that the Tourism Committee did not specify what each department should do with the A & P funds received. He expressed the Tourism Committees' expectation to continue to work with the A & P Commission as the Commission suggests.

Commissioner Stroud stated that he had some issues with the percentages listed and expressed his wishes to improve the quality of life for the citizens of Jacksonville, however he questioned how he could convince the citizens to support this tax.

Mr. Wilson stated that it would be difficult and suggested that the Tourism Committee meet to work on specifics regarding the possible revenues received from this tax.

Mr. Wilson invited everyone to attend the Chamber Tourism Committee meetings and encouraged constructive suggestions or criticisms to the Committee.

**Adjournment:**

Chairman Smith without objection adjourned the meeting at 7:29 p.m.

Next Meeting: April 16, 2007 at 6:30 p.m.

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Nikki Wilmoth, Reporting Secretary

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Date Approved

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**CALL TO ORDER:**

The Jacksonville A & P Commission met in the council chambers of City Hall on April 16, 2007. Chairman Smith called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners: Mike Houchen, Jim Hurley, and Mayor Tommy Swaim being present, Chairman Smith also answered roll call declaring a quorum.

Commissioners Ray Patel and Robert Stroud were absent.

Others present included City Attorney Bobby Bamburg, Reporting Secretary Nikki Wilmoth, Finance Director Paul Mushrush, Parks and Recreation Director George Biggs, Chamber of Commerce Director Bonita Rownd, Chamber of Commerce Events Director Amy Reichenbach-Mattison, Joan Zumwalt, Jack Danielson, Tommy Dupree, Ben and Susan Rice, interested citizens, and members of the press.

**PRESENTATION OF MINUTES:**

**Commissioner Houchen moved, seconded by Commissioner Hurley to approve the minutes of the March 19, 2007 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORTS:**

Finance Director Paul Mushrush stated that February revenues increased sharply but there was no data available to show which way the revenues would continue to increase or decrease and he urged continued caution in the distribution of funds.

Mr. Mushrush pointed out two adjustments regarding the revenues and expenditures report, approval of \$1,217.50 to the Museum for signage reimbursement and that the monthly billboard rental increased in March from \$380.00 to \$399.00, which resulted in a budgetary expense increase of \$199.00 per month for the billboard rental.

He related that presently on a cash basis, the revenues are \$11,000.00 less than projected but that is normal for this time of year.

**Mayor Swaim moved, seconded by Commissioner Houchen to approve the financial reports as presented. Motion Carried.**

**OLD BUSINESS:**

**NEW BUSINESS:**

- A) Living in Arkansas Brochure Renewal

Chamber of Commerce Director Bonita Rownd stated that the brochure is printed by Arkansas Business Publishing as a partner with Cranford, Johnson, Robinson and Wood advertising agency and the State Parks Department. The brochure is distributed at all of the tourism destination locations. She related that there was also a website [www.relocatetoarkansas](http://www.relocatetoarkansas) where interested individuals could obtain a copy of this brochure. She pointed out that the brochure also contains an information card that can be filled out and mailed for additional information on different vacation destinations. Once received, the cards are forwarded to the Chamber of Commerce to which information was requested. She related that the Chamber of Commerce presently receives 17 requests per month for additional information.

In response to a question from Chairman Smith, Ms. Rownd stated that there were 300,000 copies printed and circulated.

She related that the Jacksonville Chamber of Commerce in partnership with the Cabot Chamber of Commerce has purchased a nice ad in the middle of the brochure. The Chamber funded this expense in past years but is unable to fund the continuation of the ad due to an increase in staff.

**Commissioner Hurley moved, seconded by Mayor Swaim to approve the expenditure of \$2,800.00 to renew the ad in the Living in Arkansas brochure. Motion Carried.**

B) Additional discussion of the food preparation tax

Mr. Mike Wilson related that the Chamber Tourism Commission met after the last A & P Commission meeting. He then explained that the Chamber Tourism Commission is separate from the Chamber Tourism Board and at this time, the Chamber Tourism Board has not adopted any proposals received from the Chamber Tourism Commission. He related ongoing meetings to find various ways to promote economic and business growth in the Community. He stated that the Chamber Tourism Commission did not have a final recommendation but that they support the enactment of a food tax aid in the promotion of the City and its economic development with the proceeds to be spent according to the discretion of the A & P Commission under the guidance of the City Council. He continued that the Chamber Tourism Commission promotes good, solid accountability regarding expenditure of the revenues from this tax and not use it to promote a "slush fund".

Mr. Warren Dupree spoke on behalf of the Museum, relating the Museum's appreciation for the support received from the A & P Commission in the past. He stated that the Museum opened in May of 2005 with a 2250 square foot display area devoted to the Vietnam, World Wars I and II, the Ordinance Plant, Reed's Bridge Battlefield and the 308<sup>th</sup> Strategic Missile Wing. In 2006, construction was completed on a 9200 square foot addition to the Museum of which, 6500 square feet is to be used for additional display. He related that the hope was to devote 50 percent of the space to promote the history and background of the Little Rock Air Force base and the associated squadrons and wings affiliated with the Little Rock Air Force base. Another 30 percent would be devoted to the Arkansas Air National Guard.

He related that at the current pace the Museum has been able to work the displays and to build up the expansion, adding that the Museum is looking at a six-year period before the full completion of the Museum. He stated that he would like to accelerate the process to make the Museum more of a centerpiece and a tourism attraction. He commented that the Museum along with the Battlefield is the only year round tourism attractions in Jacksonville.

He outlined the Museum's desire to offer a comprehensive background regarding the history of the Little Rock Air Force base, to develop and expand the presentation for the National Guard and the Air National Guard, expansion of the Vietnam War display and the Strategic Missile Wing display, and expansions for current operations and an Iraqi Freedom display.

He related the ongoing efforts Museum to increase display areas and obtain additional items including a C-130, adding that he would like to see the expansion completed in a two to two and a half year time frame. He would also like to hire a professional full time curator for the Museum.

In response to a question from Commissioner Hurley, Mr. Warren Dupree stated that after completion of the expansion, the Museum would have approximately 5,000 visitors per year. He related that attendance has increased three to five percent over a four to five month period.

Commissioner Houchen asked Mr. Warren Dupree to provide the Commission with updated attendance records at the next meeting.

Mr. Tommy Dupree spoke on behalf of the Reed's Bridge Battlefield and related that they have tried to follow the preservation study that was completed by Thomason & Associates, which was funded by a \$25,000.00 grant from the National Parks Service. He continued that the study recommended a food tax to fund various improvements outlined in the study and to promote tourism to increase economic growth.

He related that they are preserving 412 acres in the battle core area. He continued that following project completion, attendance numbers would be around 100,000. Out of that number, the vast majority would be Heritage Tourism visitors who are mostly upper class that tend to spend more money and stay for longer periods of time. They are estimating a 5 million dollar increase in revenues to the local economy including restaurants and motels.

He provided a brief history regarding the funding and purchase of the existing acreage, relating that there are still acquisitions in the bank for \$177,000.00. He continued that presently there are 86 acres of priority land identified by the preservation plan with an estimated cost of \$100,000.00. There are 256 acres of land that they would like to acquire over a long period of time.

He informed the Commission that once the land was acquired, walking and bicycling trails would be developed to connect with Dupree Park along with wayside interpretive stops for battlefield and nature enthusiasts. He is also looking at possibly planting trees and wildflowers native to the area and feels that it would be beneficial to develop Bayou Meto as a recreational stream for fishing and boating.

Bonita Rownd thanked the Commission for funding the tourism study and for serving on the Commission. She asked the Commissioners to remember the advertising and promotion considerations that are needed to change the perception of the City and to increase visitation and promote the "charm factor" that was referred to in the study. She related that the Keep Jacksonville Beautiful Commission is not ready to proceed with suggestions, adding that it was determined that the revenues cannot be used for capital projects for specific downtown improvements. She stated that the Chamber has purchased banners and signs for the City and would continue to work with the Commission.

In response to a question from Chairman Smith, Ms. Rownd stated that there wouldn't be an updated worksheet regarding the percentages breakdown for each committee.

Chairman Smith related that he has been asked how A & P revenues can be spent, specifically could revenues be used to pay off existing debt or acquire land.

City Attorney Bobby Bamburg stated that "A & P revenues could not be used for general and capital improvements within the City or County, costs associated with the general operation of the City or County or for the general subsidy of any civic group or Chamber of Commerce." He related that there is a provision that allows the Commission to contract actual services provided for tourism events, conventions, or circumstances. "The funds that the Commission collects and controls, they specifically first mention the advertising and promotions of the specific city and its environs: construction, maintenance etc. of a convention center or tourist promotion facilities within the city and the circumstances where the city owns a part or an interest in the facility, payment of the bonds, which were issued for the purpose of constructing such a circumstance and various personnel and operational costs for the Commission itself."

He continued that in situations where any of the entities may wish for funding of the A & P monies, and then would apply them to any specific existing debt, the Commission could not authorize an expense or expenditure of that nature. He related that in his opinion, it would be inappropriate according to the stipulations of the statute.

In the nature of other specific expenses, that should be something that the Commission should address and determine if the entity providing the circumstance or activity is something that could be contracted with or could be addressed in a contract circumstance to provide possible funding if the Commission deems it to be appropriate but the gist of how the monies are spent are within the purview of the Commission.

Mr. Tommy Dupree clarified that Reed's Bridge has a \$177,000.00 property bank debt that has not been passed onto the City. He continued that if the A & P Commission provided the funding to pay off the existing debt, the Commission would be finalizing the sale of the property to the City.

**Adjournment:**

Chairman Smith without objection adjourned the meeting at 7:35 p.m.

Next Meeting: May 21, 2007 at 6:30 p.m.

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Nikki Wilmoth, Reporting Secretary

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Date Approved

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**CALL TO ORDER:**

The Jacksonville A & P Commission met in the council chambers of City Hall on May 21, 2007. Chairman Smith called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners: Mike Houchen, Jim Hurley, Robert Stroud, and Mayor Tommy Swaim being present, Chairman Smith also answered roll call declaring a quorum.

Commissioners Andy Patel and Ray Patel were absent.

Others present included City Attorney Bobby Bamburg, Reporting Secretary Nikki Wilmoth, Finance Director Paul Mushrush, Parks and Recreation Director George Biggs, Finance Manager Cheryl Erkel, Joan Zumwalt, Warren Dupree, and members of the press.

**PRESENTATION OF MINUTES:**

**Commissioner Stroud moved, seconded by Commissioner Houchen to approve the minutes of the April 16, 2007 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORTS:**

Finance Director Paul Mushrush reviewed the Gross Receipts Chart, which reflects a substantial increase in revenues through March, slightly decreasing through April and May. He related that on a cash basis, revenues were \$18,000.00 less than projected but expects revenues to break even around June or July.

**Commissioner Hurley moved, seconded by Commissioner Houchen to approve the financial reports as presented. Motion Carried.**

**OLD BUSINESS:**

**NEW BUSINESS:**

- A) Presentation by Jacksonville Parks & Recreation in conjunction with the food preparation tax

Parks and Recreation Director George Biggs related that currently there are two major tourist attractions, Splash Zone and Dupree Park. He reviewed a worksheet, which indicates an increase in attendance from 4,235 in 2003 to 23,285 in 2006. Revenues show an increase from \$5,781.50 in 2003 to \$159,432.06 in 2006. The worksheet also reflects an increase in expenses due to start up costs and equipment purchases.

Mr. Biggs stated that the Parks and Recreation Department has always been diligent and prudent in the spending of allocated funds and if funding were approved, the first project would be to expand Splash Zone. He related that the current capacity is 353, with the

expansion capacity would increase to 480. The expansion would allow for more decking space, umbrellas, and a splash pad, and would extend to the east back toward Martin Street.

In response to a question from Chairman Smith, Mr. Biggs related that the total expansion would be 3,300 square feet and the additional decking would be 6,150 square feet.

In response to a question from Commission Stroud, Mr. Biggs stated that the total cost would be \$480,000.00. He continued that additional restrooms would need to be installed but no additional personnel would be needed.

Mr. Biggs stated that Splash Zone broke even last year and expects to see a slight increase in revenues this year.

He related that the newest attraction at Dupree Park is an 18-hole disc golf course that was designed by a Jacksonville resident with input from Burns Park. The course is located on the west side of the lake and each hole is a par three hole.

Last weekend Dupree Park, along with Burns Park, hosted the state disc golf tournament for 100 participants from Arkansas, Oklahoma, Texas, Louisiana, and Alabama.

In response to a question from Mayor Swaim, Mr. Biggs stated that the Splash Zone expansion would not extend to the old pool location.

In response to a question from Commissioner Stroud, Mr. Biggs related that the owner has not met the stipulations in relation to opening a go-cart track.

#### B) Updated data and statistics by the Jacksonville Museum of Military History

Mr. Warren Dupree provided a worksheet regarding visitor statistics per the Commission's request. He advised that the list includes only those visitors who signed the register book. He pointed out that there have been 2,116 visitors from Jacksonville, 2,044 visitors from other cities in Arkansas, 837 out of state visitors, and 19 visitors from other countries.

Mr. Dupree stated that the primary concerns of the Museum are for additional funding to finish the displays, expansion of the Museum, and to add one or more full time personnel to the Museum. He related that hiring a full-time professional curator would give the Museum an advantage in operation and presentation of the facility.

He stated that the Museum has seen a continual increase in the number of visitors and a great deal of publicity in the last few months. The war story lecture series has received good feedback and he recommended that everyone attend.

In response to a question from Commissioner Stroud relating to the acquisition of a plane for the Museum, Joan Zumwalt stated that the Museum is administratively certified and that an on-site inspection is scheduled for next month.

In response to a question from Chairman Smith, Mr. Dupree stated that the displays have not been rotated lately because the Museum is still in the building and filling phase. He related that the primary display rotation has been on the post World War II posters.

Presently, there are 18 on display in the lower lobby of the State capitol, which will be returned to the Museum next week. The posters have been on display for the past two months, which included the legislative session.

Chairman Smith stated that the Commission has heard presentations from the Museum, Reed's Bridge, and the Parks and Recreation Department in reference to a food preparation tax. He continued that if the Commission were to pursue a prepared food tax, a draft budget should be brought forth from the A & P Commission. He continued that the Commission had previously discussed a two percent prepared food tax and if approved, Paul Mushrush could draft a budget to be presented at the June meeting. He asked the Commissioners for input on whether or not to pursue this tax by voting on it in June or July.

Mayor Swaim asked if the budget were prepared without knowing the amount of revenue that it would generate, would the budget be prepared based on a percentage of revenues for specific areas? Chairman Smith stated that it would have to be prepared that way but that it has not been discussed. Paul Mushrush related that he thought that the Commission would have some sort of plan that could be adopted into the budget.

Chairman Smith noted that some Alderman have stated that they would like to have a large percentage allocated to the Parks and Recreation Department. The comment has also been made to forego a prepared food tax in favor of a school mileage if Jacksonville obtains its own school district. He continued that realistically, a new school district maybe several years down the road.

In response to a question from Commissioner Stroud, Mr. Biggs stated that the Splash Zone expansion would be expensed from A & P monies if available.

In response to a question from Mayor Swaim, Mr. Mushrush stated that a one cent tax would bring in approx \$285,000.00 and a two cent tax would bring in approx \$548,454.00.

Mayor Swaim stated that it was obvious that there wouldn't be enough revenues to cover even a third or fourth of the requests that have been presented for funding. He continued that it would be very difficult to prepare a budget with one of the problems being the anticipation of getting a large sum of money to complete these projects, which is incorrect. He stated that there would not be enough money to do any significant amount regarding the large requests that have been presented within the first year.

Further discussion ensued regarding the proposal of a food preparation tax to the Council. Mayor Swaim stated that the Council would need to know how the revenues are going to be spent before a tax is created. He related that whether or not the Commission agrees one hundred percent to propose a food preparation tax, a written proposal would need to be put before the Council otherwise, the Council has the right to pass a tax and allocate how the revenues are spent.

**Commissioner Houchen moved, seconded by Commissioner Stroud to draft a proposed budget within the next thirty to sixty days.**

Mayor Swaim stated the need for a professional advertising campaign. He continued that he would like some revenues budgeted to promote the City of Jacksonville.

**Motion Carried.**

**Adjournment:**

Chairman Smith without objection adjourned the meeting at 7:05 p.m.

Next Meeting: June 18, 2007 at 6:30 p.m.

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Nikki Wilmoth, Reporting Secretary

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Date Approved

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**CALL TO ORDER:**

The Jacksonville A & P Commission met in the council chambers of City Hall on June 18, 2007. Chairman Smith called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners: Ray Patel, Andy Patel, Jim Hurley, Robert Stroud and Mayor Tommy Swaim being present, Chairman Smith also answered roll call declaring a quorum.

Commissioner Mike Houchen was absent.

Others present included City Attorney Bobby Bamburg, Reporting Secretary Nikki Wilmoth, Finance Director Paul Mushrush, Finance Manager Cheryl Erkel, Chamber of Commerce Events Director Amy Reichenbach-Mattison, Joan Zumwalt, Jerry Reichenbach, Larry Biernacki, interested citizens, and members of the press.

**PRESENTATION OF MINUTES:**

**Commissioner Stroud moved, seconded by Commissioner Hurley to approve the minutes of the May 21, 2007 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORTS:**

Finance Director Paul Mushrush informed the Commission that the difference in the May and June revenues is \$53.48; therefore he did not generate a new report.

**OLD BUSINESS:**

**NEW BUSINESS:**

- A) Previous tabled item from March 19, 2007, funding request for the rental of a portable mini-stage with covered top and two sounds systems for the Wing Ding Festival in the amount of \$3,600.00

**Mayor Swaim moved, seconded by Commissioner Stroud to remove the item from the table. Motion Carried**

Wing Ding Festival Chairman Larry Biernacki thanked the Commission for allowing him to speak regarding the proposal. He informed the Commission that he met with the promoter of Toad Suck Days where they exchanged ideas for increasing future revenues regarding the Wing Ding Festival.

He stated that he has been in contact with the Air Force Base in the hopes of possibly holding a concert in one of the hangars and therefore extending the Wing Ding Festival by another day.

He related that the Wing Ding Committee has been in contact with the agent for David Burns and the County Line Band and for Neil McCoy. They are presently in negotiations regarding a future performance at the Wing Ding Festival.

He expressed the Wing Ding Committee's continued efforts to improve the Festival because they believe in the Festival and that it will bring in more visitors thereby increasing revenues to expand the Festival.

In response to a question from Chairman Smith, Mr. Biernacki stated that the cost has not changed.

Chairman Smith reminded the Commission that the item was previously tabled due to decreased revenues. He related that presently there is room in the budget for this item.

**Mayor Swaim moved, seconded by Commissioner Stroud to approve the expenditure of \$3,600.00 for the rental of a portable mini-stage with covered top and two sound systems for the Wing Ding Festival based upon under expenditure on other line items. Motion Carried.**

- B) Discussion regarding the Aircraft Display Maintenance line item in the Proposed Two Cent Prepared Food Tax Budget for the Museum.

Museum President Joan Zumwalt stated that the agent for the United States Air Force Museum at Wright Patterson Air Force Base in Dayton, Ohio would be inspecting the Museum on June 19<sup>th</sup> and 20<sup>th</sup>. The basis for the inspection is to decipher whether the Museum is financially stable and the archival preservation process. She related that the first step in getting an aircraft or any military equipment is to be certified. The Museum wants a C-130 to go on the north side of the Museum. The space has been measured and the aircraft will fit. She related that the ongoing maintenance expense would be handled by the Museum and that she has been assured that several airmen would volunteer to assemble the aircraft. Once the Museum has been certified, it would be put on a list of ten to twelve who have requested a certain type of aircraft. She feels that the Museum has a better than average chance of ascertaining a C-130 from the Base because they have several airplanes that have been decommissioned due to wing box stress fractures. She related that the Museum needs help with the initial start up expense. The ongoing maintenance would consist of washing the plane twice a year with a prescribed solution. The plane would also need to be painted once every five years. She asked the Commission to include a line item in the amount of \$10,000.00 per year for five years to cover the initial start up fees related to obtaining the aircraft.

In response to a question from Commissioner Stroud, Ms. Zumwalt stated that the transport of the plane will be one of the biggest initial costs which could be anywhere between \$5,000.00 to \$20,000.00.

- C) Discussion of the Advertising & Promotion's Proposed Two-Cent Prepared Food Tax Budget

Chairman Smith related that Finance Director Paul Mushrush has completed the draft budget on the proposed two-cent prepared food tax. He reminded the Commissioners that this budget was a starting point and that the amount could be changed from two cents down to one cent or one and a half cents.

Mr. Mushrush stated that since the Commission had not discussed the hotel/motel tax, he and Chairman Smith met and identified the items that were presented to the Commission and basically looked at the hierarchy of the different items and obviously, the promotional side of the presentation, which carries a substantial amount of weight. They reviewed the other recommendations focusing on those things that were in existence that would have the most direct impact on tourism in the City and staying within the concept of the plan. He related that this budget was for a one year anticipated activity, discussion needs to be in placed to look at what happens in future years as well as evaluating the decisions the Commission would make if the proposed budget were enacted in subsequent years. He noted that the Commission needs more information regarding the impact of the Commission's decisions. The most direct benefit that would come from these activities would be hotels and motels in town. He reviewed each line item on the proposed budget. He related that there is a line item in the amount of \$40,000.00 for the Commission to have a buffer for community grants and the money that was being requested by the Museum, if enacted, could come out of that line item. He stated that after speaking with Mayor Swaim, the support staff line item should be shared equally between the City and the Commission. He related that all of the numbers are variable.

In response to a question from Mayor Swaim, Mr. Mushrush stated that \$10,000.00 was budgeted from the hotel/motel tax for the Patriotic Spectacular. He continued that he left the hotel/motel tax administered in the same way and separating out the new two-cent proposed food tax out so that it can be easily identified.

Commissioner Hurley stated that after the first year, the food tax monies would be co-mingled with the hotel/motel tax monies.

Mr. Mushrush stated that the Commission needed to return to the October deadline for funding requests because everyone is assuming that the Commission will continue funding as in past years and that is not always the case.

Commissioner Stroud stated that this was the best tentative budget that he has seen, pointing out that the citizens need to be informed as to how monies are spent.

Mr. Mushrush clarified that the \$10,000.00 requested line item for the aircraft display be taken out of the \$40,000.00 community grants line item decreasing it to \$30,000.00.

In response to a question from Commissioner Hurley, Ms. Zumwalt stated that the additional \$10,000.00 line item would be used to transport and assemble the plane.

Mayor Swaim clarified with Ms. Zumwalt that she would like the \$10,000.000 set aside but not used until an airplane was secured.

Chairman Smith suggested that a line item be put into the budget for \$10,000.00 for the aircraft static display and decrease the \$40,000.00 community grant line item to \$30,000.00.

Mayor Swaim related that the Museum originally had asked for \$140,000.00 to purchase new display cases and for additional improvements inside the Museum.

Mr. Mushrush stated that a static display could be an airplane or display case.

In response to a question from Commissioner Stroud, Mr. Mushrush stated that the \$275,000.00 line item for promotion/marketing campaign was for the acquisition of an advertising firm to create television ads, articles, slogans and logos.

Commissioner Hurley stated that the \$275,000.00 would be used to advertise and promote the City of Jacksonville in whatever forum whether it is an advertising firm or other printed media.

In response to a question from Commissioner Hurley, Mayor Swaim stated that he was concerned from a continuing cost basis that if the monies were given directly to the Parks and Recreation Department, they may go and build something as they proposed that would require more maintenance and upkeep. He related that part of the allocated funds would need to go towards current operations. He explained that it currently costs two million dollars to operate the Parks Department, and they currently bring in less than five hundred thousand a year. He stated that it significantly reduces the General Fund, which is why he is has always proposed that part of the money go to the Parks Department. He continued that some of the money could be used for improvements but once you build those improvements, you have to have the money to upkeep them. He explained that he would like to see the Commission be a little more restrictive than to just hand over the money to go out and build whatever they want because then it falls back on the City Council to figure out a way to maintain and staff it.

Commissioner Hurley stated that the Parks and Recreation Department would need to make a formal request for funding.

In response to a question from Commissioner Stroud, Chairman Smith stated that the Commission would need to have some oversight annually.

Mr. Biernacki stated that however the money is spent, the Commission should track the performance of the money that is vested.

Mayor Swaim stated that the budget states that each line item is to be reviewed annually.

Mayor Swaim proposed that the \$275,000.00 line item only be for two years and then a smaller amount be proposed thereafter.

Commissioner Hurley stated that the Commission spent several thousands of dollars for Cottle & Associates to complete an assessment of the City, and one of the recommendations was for a prepared food tax to generate funds to improve the City and to complete other projects that the City needs to do.

**Commissioner Hurley made a motion, seconded by Commissioner Stroud to decrease the \$40,000.00 Community Grants line item to \$30,000.00 and add a \$10,000.00 line item for the Aircraft Display and Maintenance. Motion Carried.**

**Commissioner Stroud made a motion, seconded by Commissioner A. Patel to approve the proposed two-cent prepared tax budget and to recommend it to the City Council for review. Motion Carried.**

Chairman Smith stated that he would have the item placed on the City Council's agenda for the July 5<sup>th</sup> meeting. He asked the Commissioners to attend this meeting.

**Adjournment:**

Chairman Smith without objection adjourned the meeting at 7:22 p.m.

Next Meeting: July 16, 2007 at 6:30 p.m.

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Nikki Wilmoth, Reporting Secretary

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Date Approved

**CITY OF JACKSONVILLE, ARKANSAS**  
**Advertising and Promotion Commission**



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**CALL TO ORDER:**

The Jacksonville A & P Commission met in a joint meeting with the City Council in the council chambers of City Hall on July 16, 2007. Chairman Smith called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners: Mike Houchen, Jim Hurley, Robert Stroud and Mayor Tommy Swaim being present, Chairman Smith also answered roll call declaring a quorum.

Commissioners Andy Patel and Ray Patel were absent

Aldermen: Avis Twitty, Bill Howard, Kenny Elliott, Linda Rinker, Terry Sansing, Gary Fletcher, and Kevin McCleary were present.

Others present included City Attorney Bobby Bamburg, Reporting Secretary Nikki Wilmoth, Finance Director Paul Mushrush, Finance Manager Cheryl Erkel, Chamber of Commerce Events Director Amy Mattison, Parks and Recreation Director George Biggs, Parks and Recreation Marketing & Public Relations Manager Annabelle Davis, Director of Administration Jay Whisker, Raymond Hunter, Dick Cornish, interested citizens and members of the press.

**PRESENTATION OF MINUTES:**

**Mayor Swaim moved, seconded by Commissioner Stroud to approve the minutes of the June 18, 2007 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORTS:**

Finance Director Paul Mushrush pointed out that the year to date revenues and expenditures report indicates that revenues are \$17,000.00 less than projected but should break even in November. He reviewed the Gross Receipts Chart, which indicates a decrease that was anticipated. He concluded that the 2007 revenues should fall somewhere between the 2005-2006 revenues, which is slightly short of the anticipated revenues for the year, probably due to not having an Air Show this year.

**Commissioner Stroud moved, seconded by Commissioner Houchen to approve the financial report as presented. Motion Carried.**

**OLD BUSINESS:**

**NEW BUSINESS:**

- A) Discussion of the Proposed Two Percent Prepared Food Tax

Chairman Smith stated that all of the Aldermen should have received the Cottle & Thomason report phase I & II via e-mail for review. He related that Finance Director Paul Mushrush met individually with several Aldermen regarding the proposed budget.

Paul Mushrush related that the outline of the budget more or less follows the Cottle & Thomason report. He stated that there weren't any priorities set up in the budget with the exception of the first two items. The first item listed is a formal marketing campaign. He drew attention to the first ten pages of the assessment and explained that a marketing campaign deals with the issues brought out in the assessment. He stated that what happens in the second and subsequent years is yet to be determined because one of the major functions of the advertising campaign is to determine what is effective and what assets the City wants to promote. He related that this would include a professionally created logo that is consistently used across the City to promote Jacksonville. It also includes television commercials, printed media etc. He stated that his best estimation regarding what would happen subsequently after the framework is established, is that the monies would be partially used to support continuing television commercials, changes in print media, which are less expensive and shifting the balance to the Parks Department, which is the largest draw for the City and one of the largest assets. He related that the other items in the Report discuss ambiance, signature events and draws. He stated that based on the information received from numerous proposals presented to the Commission, if the Commission were to provide monies upfront to enhance events such as the Patriotic Spectacular, Wing Ding, static displays for the Museum and displays for Reed's Bridge to recognize in the short term, those things that would obviously be utilized in a marketing plan that would provide a better short term return for the money. The Report also indicates the need for a contingency, which is an element of holding funds back in anticipation of unexpected events that would bring revenues to the City. The last portion is the need for a partial support staff and training. He related that generally all elements of the current hotel and motel tax are handled through the Finance Department. If the hamburger tax were implemented, it would be an additional duty that would impact his current employees' ability to continue to get their normal job responsibilities completed. He stated that another element is to provide training for his employees and the public as to what is entailed in the new tax itself, which could be a complicated issue. He related that the Commission looked at it from the standpoint of the major elements and what would have the quickest impact on bringing the City into the light of the public, another census year coming and the need to promote Jacksonville.

Mayor Swaim clarified that the City sales tax is collected by the State who disburses the monies with a three percent charge to the City. He stated that the State would not collect the food tax monies because it is against State statute.

Paul Mushrush related that it is an extra collection process and that the State collects the City's sales tax but only returns ninety-seven percent of the tax collected due to the three percent State charge.

Chairman Smith related that the budget is reviewed annually and items could change upon review. The Commission's thought was to go heavy on the advertising portion of the budget for the first and possibly second years.

Chairman Smith invited public input.

Mr. Dick Cornish, a resident of the Oakridge Ranch Subdivision, stated that he has lived and worked in the area for nearly eighteen years having retired from the Air Force. He related

that he has heard and seen reports regarding the “hamburger tax” and the lack of public interest in the tax. He stated that he represents several retired members who are still actively working for the Air Force as contracted instructors. In his estimation, he thinks that adding a two-cent “hamburger tax” will be the “death of Jacksonville”. He related that there are several restaurants, fast food joints and an active population of Air Force members on the Little Rock Air Force Base with over 5,600 people. The Air Force Base is unable to provide as much entertainment as it used to and he questioned where the members would go. He continued that in the short term, he would like them to come to Jacksonville but what would Jacksonville have to offer, with the lack of movies and only a handful of restaurants. He stated that the residents of Jacksonville need to be taken care of and questioned the need for additional taxation, which would drive people away from the facilities that are already in Jacksonville. He suggested encouraging some nationally known restaurant chains to come to Jacksonville.

Chairman Smith stated that a public hearing was held at the last Council meeting and at that time, some of the aldermen felt that an Ordinance should be prepared but after discussion, he did not want to rush the issue and felt that another public hearing should take place.

Mr. Jim Moore related that he calls this the “hamburgular tax” because that is exactly what it is. He related that he has been in the restaurant business before and knows what it takes to separate all of the taxes that have to be paid to the City, County, State and Federal Government. He stated his feeling that the City of Jacksonville does not need another tax. He continued that the City has just been relieved from the State grocery tax but that the City of Jacksonville was going to look bad by establishing a two percent prepared food tax. He related that he ate at a restaurant where he spent twelve dollars and seventy-nine cents and if he added a two percent sales tax to what he had already paid, it would make his taxes almost two dollars. He stated that a lot of the residents of Jacksonville could not afford to keep paying more taxes. He then related that Jacksonville’s property taxes were high, real estate taxes just keep going up, income taxes keep going up and the State holds back all of the extra money that it collects and doesn’t bother to refund it. He stated that to establish another tax on top of everything that is already being paid is ridiculous. He related that he has spoken to residents of Cabot who also have a “hamburgular tax” that was supposed to help improve the City by bringing in businesses or whatever, adding that the tax is not what is bringing people to Cabot but that the residents are being run out of other communities because of the decline in housing and the increase in the crime rates, further adding that the City needs to find a way to increase the population of Jacksonville without increasing taxes. He related that Cabot keeps building homes to increase the population but that he has not seen any new businesses that amount to anything or new industries in the area. He questioned what type of industries Jacksonville is trying to obtain. He stated his belief that the City needs to bring in more restaurants and other things that would increase the tax base but to add taxes on prepared foods is ridiculous and too expensive for people. He concluded that people would not go out to eat.

Mr. Monroe Flucas Jr. of 313 Ranch Ridge Court, stated that he has been in Jacksonville since 1971 and has seen some growth and progress and believes that there is a dire need to celebrate the progress made in Jacksonville, adding that he feels this tax is the way to go. He related that if the tax were used properly, it would enhance the growth of Jacksonville.

Mr. Bill Elia of 26 Club Road, stated that he would like to make a correction, explaining that the Commission is not talking about a two percent tax but two cents on the dollar. He related that the tax would not be two dollars as Mr. Moore stated earlier but would be more

like twenty cents. He stated that he and his wife used to eat in North Little Rock and Sherwood all of the time but they don't now because of the inability to get into the restaurants and those cities have a food tax. He stated that people say Jacksonville is not growing but they continue to do the "same ole thing". He suggested that everyone stop and think before making a decision.

Mr. Jim Moore clarified that his bill, if he added the tax onto what he was going to pay, would be two dollars and the taxes added on if the hamburger tax was in effect. He clarified that he did not say that the tax was two dollars.

Mayor Swaim stated that if the ticket were rounded to thirteen dollars, the hamburger tax would be twenty-six cents plus the State taxes of one dollar and thirty cents.

Mayor Swaim related that the City is continually trying to recruit restaurants through the Chamber of Commerce, spending months in negotiations with Cracker Barrel trying to get them to come to Jacksonville but they went to North Little Rock because they could be close to I-40 which is a red line freeway. He also stated that the City has spoken to several nationally known chain restaurants that did not come to Jacksonville for various reasons that had nothing to do with taxes. He related that some of the issues were alcohol restrictions, traffic counts and the proximity to North Little Rock and Little Rock. He stated that North Little Rock is charging a three-cent hamburger tax, a three-cent motel tax and something like thirty cents on a mixed drink, which is a significant tax area but does not deter people from going there.

Mayor Swaim stated that in response to additional industries, he has been in communication with two small industries trying to get them to come to Jacksonville. He related that the last big industry that the City recruited asked for a cash donation of almost four hundred thousand dollars to come to Jacksonville. He added that representatives from that industry sat across the table and stated that the City down the road offered them three hundred thousand dollars to come to their City and would Jacksonville offer four. He informed the representatives that he could not legally give a penny but could offer tax breaks and training but could not give tax payers' dollars to an industry just to get them to come to town which is not legal without being voted on by the taxpayers. He related that the City has not located a big industry and is not likely to do so at anytime in the future but that does not mean that the City is not actively working to do so. He stated that the first question that is asked is in reference to the quality of life. He added that when the Community Center was built, some of the existing industries stated that it was the best move that the City made to improve the quality of life in the Community to attract new industry. He stated that it was a Community effort and not an individual effort. He reminded everyone of where the City was in 1987 with the Vertac issue, the public school issue and the amount of time it has taken to recover. He stated that there was twenty-six houses built in one year and twenty-seven the next and last year there was just under two hundred houses built. He related that at the peak of the Vertac issue, property could not be given away easily but now things have changed and people are willing to locate in Jacksonville but the quality of life issue of where we are presently is not where we want to be. He related that the issue of promoting our Community is critical to Jacksonville and added that he has not pushed for this tax and if asked to vote at this time he could not say which way he would vote. He stated that there is a need for some way to promote the Community and that he has said for years the City needs money to promote Jacksonville because it is a good place to live. He added that if we tell people about Jacksonville and promote Jacksonville then the City would certainly have a better chance of getting new residents, businesses and new industries. He stated that he met with

a member of the Arkansas Industrial Development Commission this week who informed him that Jacksonville will never get a big industry because there is not enough land. He related that a committee was formed to try and find large blocks of land near and flat enough for industry but there isn't any left unless you go into Lonoke County. He stated that the issues that the citizens have addressed are not being ignored.

He related that in reference to Parks and Recreation, the North Pulaski Leader had some good articles comparing what North Little Rock does with their three-cent hamburger tax in reference to their parks and recreation. He stated that Sherwood takes over \$300,000 a year off of the top of their A & P Budget to help their parks and recreation and this year they are starting to get some of the tournaments that Jacksonville has held in the past because they are promoting their City with the hamburger tax. He added that Sherwood is doing a better job because they have more money to do it with. He stated that he wants to clarify some of the statements made and let everyone know that the City is trying to do some of the things that have been suggested and is open to further suggestions.

Chairman Smith stated that the City subsidizes the Parks and Recreation Department approximately 1.5 million per year and that is why the A & P Commission has allocated \$163,000 towards the Parks and Recreation Department.

Mr. Walt Jones stated that he likes Jacksonville and has lived here for thirty-nine years. He related that the school situation bothers him and is a major concern for Jacksonville. He added that everything that Jacksonville does is good but will never be solved until the schools are worked on. He asked who was going to pay for the tax since he has heard several people say that they go to North Little Rock to eat. He asked why those individuals did not eat here in Jacksonville. He added that the lower income people, who go to fast food restaurants, would be the ones paying the tax. He stated that the City should consider the school situation and is concerned that the City lost two thousand acres to Sherwood, questioning why those families selected Sherwood over Jacksonville. He asked the Commission to consider who is going to pay the tax and who is going to control the revenues collected.

Chairman Smith stated that the Commission was reluctantly present after working many hours and late nights. He added that it was on record that the Commission did not want to do anything that would hinder the possibility of passing a mileage for a new school district. He then related that at the June meeting, Commissioner Hurley advised that the Commission should consider the recommendation of Cottle & Thomason of a two-cent tax to the City Council.

Commissioner Stroud thanked the Mayor for calling a joint meeting, stating that it was good for City entities to get together and discuss matters amongst themselves to make good decisions. He added that he would like to have an annual meeting between the City Council and Planning Commission because sometimes those two entities are not on the same page or in the right book. He stated that he was not trying to downgrade the Commission because they get very little training and no income but they perform a pretty good service. He reiterated that sometimes there is a need to sit down and discuss the issues and find out where the City is, where the City would like to be, what worked in the past year and what did not. He related that joint meetings were very good.

He stated that he received a phone call from a citizen who was against the tax. He asked why she was against the tax, saying she felt that the City needed to get better restaurants

because she goes to North Little Rock to eat out citing that the restaurants are better. He then informed her that he was in agreement and that Jacksonville needed to be promoted and to have better restaurants in town.

He related that he returned from vacation yesterday and picked up the paper and read "it seems to me that the City and its elected officials should pay more attention to the stagnant growth pattern and to plans to preclude future events such as the recent annexation for Sherwood". He stated that he and Walt Jones were saying the same thing, which is the need to promote Jacksonville. He added that maybe the Commission started off incorrectly by discussing a tourism tax and was misguided by the idea of getting more tourists. The Commission wants to promote Jacksonville and to provide a better quality of life to the citizens of Jacksonville. He related that the City is cleaner and greener, and is progressing with new commercial construction. He stated his appreciation for those who spoke especially in opposition of the tax. He related that he has been in favor of the tax for a number of years because he wants to see business and industry come to the City. He stated that he could possibly be persuaded to vote in opposition to the tax if someone would come forth and explain why people don't mind going to North Little Rock or Sherwood to eat out and giving them an additional twenty to thirty cents to promote their cities but would not be willing to do so in Jacksonville.

Alderman Sansing stated that if he personally decides to go to North Little Rock or Little Rock to eat, he is eating and then going to a movie. He added that in talking to people that are going to Little Rock or North Little Rock, they are looking for more than just someplace to go and eat. He stated that if Commissioner Stroud seriously wanted to bring restaurants to Jacksonville, then there is going to have to be a fundamental change in the way that Jacksonville does things particularly the wet/dry issue. He added that the wet/dry issue is standing in the way of restaurants coming into town and people choosing Jacksonville for entertainment. He related that the majority of citizens who have spoken to him have stated that if the Commission wants the tax, sell it to them and let them vote on it. He added that the citizens do not want the Aldermen voting on a tax and deciding what is best for them. He stated that he is supposed to represent the will of the people and most of the people that have supported this tax are representing an entity or an issue that would directly benefit from it. He added that most of the people who are going to be paying the tax are not pleased because they are primarily going to be carrying the burden of paying for it. He related that some of the Council members have shown support for the tax but he does not believe that it is a cut and dry issue. He stated that the way the divisions are currently set up, he could not support it no matter what.

Commissioner Stroud stated that he could not support the original division set up either.

In response to a question from Commissioner Stroud, Commissioner Hurley stated that he owns forty-nine restaurants and twelve do not have a hamburger tax. He stated that during the City Council meeting of February 20, 2003, regarding the discussion of setting up an A & P Commission to promote the City, an Alderman made it clear that the educational issues and concerns were top priority. He added that it is also his top priority as well as everyone else that is present. He stated that he does not want to do anything that would put a negative light or impact on that, but the Alderman did express concern "that a two percent hotel/motel tax may not properly fund the A & P Commission regarding efforts for Jacksonville, adding that a prepared food tax may need to be considered along with the hotel/motel tax to adequately fund the Commission". He added that he has been on the Commission for the last three years and \$80,000 is not enough to properly fund the kind of

promotion that the City of Jacksonville needs. He stated that at different times there are various brochures and printed materials and it is hard to measure exactly how effective those are but they have to be out there. He added that it is market penetration, top of mind awareness and marketing venues adding that the Commission does not have the money to properly promote the City. He expressed his agreement that the Parks and Recreation Department is a wonderful facility that could be better. He then related that he spoken to a baseball team out of Cabot and posed the question of where they would like to go for a tournament, Sherwood or Jacksonville, they said Sherwood. He stated that his biggest thrust was to generate revenue that could be utilized to generate additional revenue. He related that when you bring thirty-eight teams to a City for the weekend, they eat in your restaurants. He added that they would eat there three times a day unless the hotel offers a free buffet for breakfast. The teams are also staying in the area hotels and the team wives are shopping in the area. He stated that the teams are eating in the restaurants because he sees the teams as well as does Commissioner Houchen when the tournaments are in Jacksonville. He added that to improve the facilities takes money and with forty-five percent of the Commission's revenues going to help establish and fund set up the Museum, there isn't a lot left over. He continued that it could only get bigger and better. He added that Commissioner Houchen, at the last Council meeting stated that the City could choose to maintain its current position or the City could move forward. He stated that the Commission spent \$10,000 for Cottle & Thomason to make an assessment of how further the growth of Jacksonville. He related that the primary recommendation was to generate more funding through the use of a hamburger tax. He stated that he does not like the word "tax" because he has five kids, pays taxes all of the time, eats out in restaurants and is not necessarily going to the movies when he goes to North Little Rock but he is going to a particular restaurant. He added that people specifically drive to mid-scale restaurants to eat. He stated that when he goes into a city to open a new restaurant, he does not consider whether or not the city has a hamburger tax but looks at the demographics, traffic patterns, businesses and residential areas.

Alderman Twitty stated that she is for the two-cent hamburger tax and eats at the fast food restaurants. She related that she also eats at other places because no one wants to eat a hamburger everyday. She added that she eats in Cabot and North Little Rock as well and feels that it would be great if Jacksonville had new restaurants but added that Jacksonville needs other things as well. She stated that in reference to the ball fields, her grandson plays on the High School team and she has gone to several of the ball fields and the City's ball fields look like "little league" fields. She added that several of the ball fields in other areas are outstanding in reference to facilities and concession stands that serve hamburgers and pizza. She stated that Jacksonville has little ones in Dupree Park adding that if the revenues were used to improve the facilities, it would benefit Jacksonville. She added that as far as people going to Cabot, a lot of people are going to Cabot for the schools, which the City can't do anything about right now. She stated that the City would do something about the schools when it can.

Alderman Elliott stated that the City could not accept the "status quo" but needs to be present and moving. He questioned page thirteen of the Tourism plan, which indicates the need for a formalized action plan with goals and objectives and the need for clarity regarding those goals and objectives. He stated the need to have a formal plan so that there are no misunderstandings regarding the responsibilities of each entity. He questioned the administration of the plan, whether it would be a part-time or full-time employee. He related the need for one person to be the focal point who could do research, planning and monitoring of the plan, questioning if that had been addressed.

Chairman Smith stated that there would have to be a measurement of what the Commission does, which is why the advertising budget is presently set at \$275,000 to promote the assets that Jacksonville currently has to offer. He related that several residents of Jacksonville are unaware that the City has a Museum and a Splash Zone. He stated that it is the ultimate responsibility of the Commission to measure those funds. He added that if the tax is passed, it will take two or three months to ascertain the amount of revenue generated from the hamburger tax. He reminded everyone that \$550,000 was just an estimated figure and it could be less.

Paul Mushrush stated that in the Cottle and Thomason report, there is an administrative cost of \$60,000. He added that at this point, there is no need to add a full-time administrator without the funds or a plan in place to monitor it, but noted that it appears to be the intent of the plan to have a direct administrator. This individual would need to be able to go out and diversify to address Jacksonville as a whole.

Alderman Elliott asked if the Commission were jumping in without having a formal plan?

Paul Mushrush stated that it was his understanding that the elements of the plan are developed through promotional development, which is why the costs for development are larger to bring all of the elements forward.

Mayor Swaim stated that he did not know if everyone was aware of how much effort has been made to improve the school system. He related that the Jacksonville Education Foundation was formed three years ago to help promote the schools and to try to make things better in the schools. He added that the Foundation is not a City organization but a citizen organization. He stated that through the efforts of businesses and local people, \$250,000 was raised and spent on promoting and working on the schools. He related that \$250,000 is a significant amount of money that was utilized to improve the school system and to try and get the City's own school district. He added that Pat Bond chaired and started this organization with her own money and solicited money from lots of people. He stated that everyone wants to improve the schools but are reluctant to donate any money. It will never change unless the citizens continue to hammer at the present system until it is changed. He related that the City would not be let out of the present system until the District is out from under the desegregation suit, which is in the hands of Judges Williams and Wilson. He added that Will Bond has donated thousands of dollars in time to pursue the issue from a legal standpoint but no other attorneys have come forth. He suggested that if everyone is truly interested in the schools, they should talk with their pocketbooks. He stated that City tax dollars could not be spent on the issue and that it would have to come from the citizens.

Alderman Fletcher stated that he could not argue with most of the projects that have been proposed but that he has some serious problems with spending fifty percent on promotions. He added that those monies should go towards those things that the City needs and let them promote themselves. He stated that it was a waste of money to generate a television commercial, saying that he would not go somewhere just because he saw a commercial on television. He related that people are always going to go somewhere newer because the perception is that it is bigger and better. He added that Jacksonville has always been on the cutting edge whether it has been recycling or the Community Center and at one time Jacksonville was the premier place to play ball. He stated that now other cities have seen what Jacksonville has accomplished and are doing the same thing. He feels that putting

money into advertising is not the way to bring the people to Jacksonville but would rather see the money going into facilities. He stated that if the figures are correct at \$550,000 per year, then in a five year span three million dollars would be collected and he does not want to see fifty percent of the monies collected going towards yesterday's newspaper ads when there are things that need to be established and corrected within the City to get back on the cutting edge. He has problems with the tax because if Jacksonville does get it's own school district there are fifty to sixty year old buildings that need to be replaced.

Mayor Swaim stated that he agrees with some of the things that Alderman Fletcher stated but feels that the Council needs to re-think the need to advertise and promote the City. He added that without some form of mass media, the City would not be promoted without some serious effort. He also related that it was never the intent that \$278,000 be spent annually in advertising but would only be the start up amount with less allocated yearly. He stated that if no monies are spent on advertising and promotions, then the tax should not be passed.

Commissioner Houchen stated that the Commissions' intent was to go heavy on the promotion of Jacksonville for one to two years. He related that there wouldn't be a lot of money in the first few months but the Commission could start advertising Jacksonville and get a plan together to promote the City. He added that the City needs more growth.

In response to a question from Alderman Rinker, Chairman Smith stated that the budget does not go beyond one year and should be addressed annually for revisions.

Alderman Rinker stated that normally there is a needs assessment plan and an action plan developed from the needs assessment plan to go forward. She added that the plan is usually for more than one year, which can be revised.

Chairman Smith stated that by law the budget could only be completed yearly.

Alderman Elliott stated that the budget can only be completed on a year-to-year basis but that there is a need for a plan as to where to go beyond the year time frame. He added that everyone is saying the same thing that there is a need for some positive marketing that is going to help the City when bringing in new restaurants and people, which in turn is going to help the quality of life. He stated that percentages needed to be addressed and that the City should have a goal as to where it is going.

Chairman Smith stated that it was up to the Commission as to where it wants to go?

Commissioner Hurley asked if the assessment does not cover the plan.

Alderman Twitty stated that if the parks and ball fields are improved to bring in more tournaments, in one year it will be advertising itself once people start coming to Jacksonville and finding out what Jacksonville has to offer.

Alderman Fletcher stated that if the City is going to advertise something then the City should be able to back it up. He added that he is not saying that the City should not do some type of promotion but feels that fifty percent is excessive when the money could be used to improve the ball fields.

Alderman McCleary stated that he is all for promoting the City and he does so on a daily basis but he questioned whether the Commission has thought everything through. He

added that he wants to put a stamp of approval on it but he doesn't feel that all of the details have been worked out.

Commissioner Stroud stated that it takes money to make money. He added that he knows Jacksonville is a great place to live because he was stationed here for fourteen years and retired in South Carolina but came back to Jacksonville because he wanted to live in Jacksonville and liked the people in Jacksonville. He stated that it is still a great place to live, adding that he has raised children and grandchildren in Jacksonville.

In response to a question from Alderman Stroud, Alderman Fletcher stated that you could get more home for the dollar than in Cabot or Sherwood.

Alderman Stroud stated that the average person is unaware of that fact. He added that the builders don't appreciate that fact and Jacksonville has done some things to increase the appraisal of homes. He stated that Jacksonville was a great place to live but there is a need to advertise and promote it and it takes money to do that.

Mr. Walt Jones stated that he has heard some very positive comments tonight and the Commission has almost sold him on the idea. He asked that the Commission and the City Council keep an eye on it and control it from the beginning. He added that he does not want a fiasco like Little Rock experienced. He stated that he would support it if the Commission and City Council would pledge its' guidance and oversee every step of the way.

Chairman Smith related that he has said on numerous occasions that the Commission has to measure and ascertain what the needs are and monitor what monies are spent and the results of the expenditures.

Alderman Elliott stated that he wanted to be sure that the Commission has a plan that can be monitored to gauge the effectiveness of the plan and re-evaluate it at a certain time. He added that he has received two or three phone calls where the caller has suggested a five year sunset clause that would force the Commission to have a good plan and evaluate it's performance, adding that the Commission needs to be accountable.

Commissioner Hurley stated that it is hard to measure the marketing and advertising dollar because there are billboards up and down the interstates and at \$1,500 per month it is hard to measure the effectiveness of a billboard. He added that it is market penetration and top of mind awareness. He added that there have been numerous brochures from bus tours that are driving through that might stop in Jacksonville if they were aware that the hotels could accommodate buses and groups but the word has to get to those entities for them to know that. One ad in a bus tour brochure for one month is \$2,600 and on an \$80,000 budget that is expensive. He added that there are several ways to advertise from staffing booths at the various tourism meetings, the State House Convention Center and a myriad of other avenues to get the word out. He stated that he treats every dollar as if it were his own and the comment that was made in one of the Council meetings in 2003 and then beyond is that Jacksonville has always been good stewards of tax money. He added that since the City Council approves of who sits on a Commission, there is oversight and accountability there. He stated that a five-year plan is a lofty goal to attain but feels that the Cottle & Thomason assessment and report is the main thrust of that vision and plan. He added that if Jacksonville attracts something to the City or if something comes into the City that is not foreseen in year three, then the Commission has to be able to allocate and appropriate

monies to that, based on a formal request. He stated that one of the first things that the Commission did was to formulate a formal request form that has to be submitted.

Alderman Elliott related that the Cottle & Thomason action plan recommends a formalized master tourism plan prior to establishing a tax. He stated that the City needs a plan that does not require everyone to come forth annually to make adjustments. He added that there is a need to have a certain amount designated and a certain amount that will be utilized for projects that could be addressed yearly. He stated that the plan could be adjusted annually but there should be a good idea of where the City is going in the future.

Commissioner Hurley asked for clarification from Alderman Elliott, saying that if the Commission designates twenty percent to the Parks and Recreation Department, does that mean twenty percent ad nauseam from then on?

Alderman Elliott responded, not necessarily but believes the City will want to do certain percentages for certain things that are ongoing and can be changed. He added that there has to be a minimum amount for marketing every year and a minimum amount for the Parks and Recreation Department with the remainder going into different areas. Otherwise, a Commissioner could decide to re-allocate funding from Parks and Recreation to another entity.

Commissioner Hurley stated that Ordinance 1306 requires two Council members and one at large member. He added that there seems to be some good oversight so that two Commission members do not get together and support their favorites.

Chairman Smith stated that the Commission still intends to utilize the form to draft the budget around October. He pointed out that the Commissioners have turned down \$200 requests before because it was not "tourism". He stated that he has a lot of confidence in the Commissioners that are serving. He related that with an \$80,000 budget and \$36,000 of it going to the Museum there is not a lot left over. He stated that the Commission meets monthly and has to turn down a lot of formal requests for funding.

Alderman Howard stated that he is one of the older citizens of Jacksonville, old enough to remember the old Greco Theatre that was once in Sunnyside. He stated that the food tax is something that is needed in Jacksonville to promote Jacksonville and the end result will be the increased number of businesses and added entertainment for both children and adults. He added that as a retired individual living on a fixed income, he doesn't like taxes but he sees the need for it and is in favor of it.

Alderman Sansing stated that in looking at the initial proposed budget and understanding that advertising was being hit hard and heavy if the citizens were going to be taxed through the City Council without a citizen vote, he wants to be sure that the citizens were going to get something back for the tax. He added that as a Council member, he feels that the Parks and Recreation Department should be receiving fifty percent. He stated that there is continued discussions regarding the subsidy of the Parks and Recreation Department in the amount of 1.5 million dollars and they are going to be continually subsidized unless some other funding becomes available. He added that the proposed food tax revenues if enacted, could be used to make the Parks and Recreation program more competitive with newer facilities and word of mouth is quicker than any ad agency sucking up \$250,000 for the first two years using the shotgun media approach. He stated that if the Council is going to support this issue, then it needs to be sure that the citizens of Jacksonville are going to get a

tangible benefit from it. He related that right now the most tangible benefit to the average citizen is through the Parks and Recreation program. He added that when the question was asked if the plan was completely thought through, he would like to see the Parks and Recreation program looked at with a much greater light because if you are going to tax the citizens give them something back.

Commissioner Stroud stated that the Commission is not going to fix all the problems that they would like to fix in Jacksonville with \$250,000 but added that if you improve Jacksonville, you will get more business and if you get more business then you get more sales tax and more hamburger tax. He stated that the focus is still on the \$250,000 or \$450,000 whichever way you are looking at it, to advertise and improve the quality of life in Jacksonville so it is more than just the \$250,000. He related that Alderman Fletcher has sat in several Parks and Recreation meetings with him and knows that Jacksonville is competitive. He added that Jacksonville was the first City in this area to build a Community Center and now Sherwood, Lonoke, and Cabot have one. He stated that Jacksonville is on the cutting edge of everything. Jacksonville had the first recycling program in the State, saying that Jacksonville is good but can do better.

Alderman Sansing concurred but added that Alderman Twitty herself had mentioned the condition of the ball fields as compared to other cities' ball fields. He stated that to change the condition of the ball fields and bring them up to looking like other ball fields is going to take funding. He stated that the change in funding would promote Jacksonville in itself.

Commissioner Stroud stated that it could not be done with \$250,000 but the money could improve Jacksonville to a point that it can be done. He added that you have get better to be better.

Ms. Joan Zumwalt stated that she was for the tax and believes that accountability and management is everything. She related that Pathfinder is a major industry in the City and has only in recent years been recognized as such. In 1972, there were six kids and a \$12,000 budget for the year. Today, there are 1,500 clients and a payroll of 1,000, which is \$21 million per year and the budget is \$30 million per year. She related that all of that has been done from Jacksonville and it wasn't done by wringing hands or second-guessing. It was done by thinking progressively, getting the right volunteers and friends in both high and low places to speak and to act for the developmentally disabled. Pathfinder brings that payroll to Jacksonville, Arkansas and she was told this month that Pathfinder is second only to the Little Rock Air Force Base in budget and payroll. She added that management is everything but feels that it is ninety-nine percent of the success of any business or any program whether it is volunteer or capitalistic, as Jacksonville is. Pathfinder has influenced the move of military families to settle in Jacksonville because they might have a disabled child, they leave but they come back to Jacksonville. She added that Jacksonville has to step out and believes that this is not all that is needed but it is a start and she would appreciate a positive vote for the two-cent hamburger tax.

Chairman Smith stated that as a joint meeting, suggestions could be made as to changes in the percentages and monies allocated to help make the proposed budget pass, adding that he needs to know the desire of the majority of the aldermen present in reference to what they wanted as a next step.

Alderman Fletcher stated that he looked at the Mayor's plan book and he did like the fact that something was brought up that he and the Mayor had discussed, which is that people

do judge a book by it's cover. He added that because Jacksonville is an older town generally things deteriorate and look run down. He related that his brother-in-law has a business that allows him to travel to small suburban communities outside of large cities and he has noticed that the difference between those cities and Jacksonville is the difference in maintenance but Jacksonville has never had the money to put into a manicure type mind set as far as Main Street or road sides. He stated that there is one project on the budget that unless billions are spent, he doesn't see how the City is going to be able to accomplish a lot with it. He would like to see beautification placed on a higher priority than what it is now because he has opened the newspaper and read comments regarding trashiness in areas and doesn't like that because it hurts. He added that putting monies into those areas is appealing and that the City has got to do something.

Chairman Smith stated that Keep Jacksonville Beautiful of which Commissioner Stroud is a member, at one time came before the Commission for some possible funding and then they withdrew.

Commissioner Stroud related Keep Jacksonville Beautiful is an active committee with eighteen members who have done some very significant things that haven't been seen yet but will make Jacksonville better. He related that the Community Center now has cigarette butt cans. He stated that there is an old building on Main Street and the City Council is going to discuss possibly taking action to remove it. He noted that those were things that needed to disappear before people come to town and say that it is a nice clean town.

Alderman Elliott stated that everyone is looking at the same thing and everyone loves Jacksonville and knows what Jacksonville has to offer and wants to promote and market it. He related that for people who want to look at the assessment plan, it is on the Jacksonville website [www.cityofjacksonville.net](http://www.cityofjacksonville.net), go to the boards and commissions tab and there is a link to the plan. He stated that there are several things in the plan that need to be addressed such as developing a gateway to the City and a conference center. He added that the Community Center has been very successful and is kept full but there is a need to expound on that. He stated that there are a lot of good things in the City to expound on but he feels that there needs to be a good direction to where the City is going. He doesn't know what the percentages need to be but the things that are hit the hardest from everybody should have a certain percentage for marketing, Parks and Recreation and each of the other entities. He related that there is only a certain amount left to do with such as grants or however the City would like to do it.

Chairman Smith asked what the Council's next step would be.

Alderman Howard made a motion to place it on the agenda at the next City Council meeting.

Chairman Smith stated that it would have to be on the August 02, 2007 agenda.

Alderman Twitty seconded the motion.

After further discussion, it was determined that a motion was not needed and that a general consensus of those present was all that was needed.

Chairman Smith stated that if it were agreeable, he would have it put on the August 02, 2007 agenda. He stated that no one likes taxes but it would be a step forward adding that if passed, the Commission will do it's best to promote Jacksonville.

**Adjournment:**

Chairman Smith without objection adjourned the meeting at approximately 8:15 p.m.

Next Meeting: August 20, 2007 at 6:30 p.m.

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Nikki Wilmoth, Reporting Secretary

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Date Approved

**CITY OF JACKSONVILLE, ARKANSAS**  
**Advertising and Promotion Commission**



#1 Municipal Drive  
Jacksonville, Arkansas 72076  
Phone: (501) 982-4502 Fax: (501) 982-4621  
[www.cityofjacksonville.net](http://www.cityofjacksonville.net)

**CALL TO ORDER:**

The Jacksonville A & P Commission met in the Council Chambers of City Hall on August 20, 2007. Chairman Smith called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners: Andy Patel, Ray Patel, Mike Houchen, Jim Hurley, Robert Stroud and Mayor Tommy Swaim being present, Chairman Smith also answered roll call declaring a quorum.

Others present included City Attorney Bobby Bamburg, Reporting Secretary Nikki Wilmoth, Finance Director Paul Mushrush, Finance Manager Cheryl Erkel, Parks and Recreation Marketing & Public Relations Manager Annabelle Davis, and members of the press.

**PRESENTATION OF MINUTES:**

**Commissioner Stroud moved, seconded by Commissioner Houchen to approve the minutes of the July 16, 2007 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORTS:**

Finance Director Paul Mushrush stated that current period revenues were \$13,000.00 less than projected, adding that projected revenues for the year are between \$72,500.00 and \$76,500.00. He related that based upon the designated but unbudgeted amount of \$14,000.00, the Commission will meet that goal.

In response to a question from Commissioner Houchen, Paul stated that the two percent prepared food tax goes into effect on October 01, 2007 and the Commission should receive the first month's revenues by November 20, 2007. He related that by January or February 2008, the Commission would have collected enough monies to see a stream of revenues.

He related that the Ordinance states that half of the revenues that are collected will go to the Parks and Recreation Department. He stated that based upon the priority schedule, the remainder of the revenues collected will be used to hire an advertising and promotions firm to start the process, adding that the Commission is nine months to a year out from being able to start projects.

In response to a question from Commissioner Houchen, Paul stated that all the businesses that sell prepared foods are required to obtain a Tax Permit by October 01, 2007 at no cost.

In response to a question from Commissioner Hurley, Paul pointed out that the Commissioners have a copy of all the documents that will be sent to the prepared food vendors, which includes a copy of the application form, a copy of the permit, a copy of the Ordinance, and a copy of the computation form along with instructions for filling out the forms. He related that with the passage of new State legislation, that went into effect on July 01, 2007, excluding food from the six percent tax there are definitions and guidelines for prepared foods that are included in the Special Survey 2007-3. He suggested that the Commission follow those guidelines to define what is or is not prepared food.

Further discussion ensued regarding the processing of information to business owners and the inclusion of booster clubs unless exempted by a 501c3 classification.

**Commissioner Stroud moved, seconded by Commissioner Houchen to approve the financial report as presented. Motion Carried.**

**OLD BUSINESS:**

**NEW BUSINESS:**

A) Request for advertising in the 2008 Arkansas Tour Guide

Parks and Recreation Marketing & Public Relations Manager Annabelle Davis related that the Commission has previously advertised in this publication. She noted that this publication has a circulation of approximately 700,000 annually.

Mayor Swaim asked if it would be appropriate to include a list of the hotels if the Commission went with a half-page ad.

Annabelle stated that the Commission could include anything on the ad. She continued that the Commission would get two photos with a half page ad and whatever copy that the Commission would want to include.

Further discussion ensued regarding the tracking of advertisement dollars.

Mayor Swaim stated that it has been established that there is a need to advertise but there is a question regarding how to effectively advertise. He proposed advertising in the Tour Guide again but stated that the content needed to be addressed.

Commissioner Houchen stated that if the Commission were to advertise in the Tour Guide, it would need to be a half page ad that would include a listing of the hotels.

**Commissioner Houchen moved, seconded by Commissioner Stroud to approve the expenditure of \$3,225.00 for a half page ad in the Arkansas Tour Guide to include a listing of the hotels.**

In response to a question from Commissioner Hurley, Annabelle stated that the information was due next week.

Commissioner Hurley stated that the content of the ad needed to be decided.

Further discussion ensued as to what to picture in the ad (Museum, Splash Zone, Wing Ding, Reed's Bridge etc.).

**Commissioner Stroud moved, seconded by Commissioner Houchen to include a picture of the Wing Ding Festival and the Museum in the Arkansas Tour Guide half-page advertisement. Motion Carried.**

Annabelle presented the Commission with a plaque from Air Power Arkansas for sponsoring the LRAFB Rodeo Team.

**B) Discussion regarding the Prepared Food Tax Ordinance**

Chairman Smith related that the Prepared Food Tax Ordinance was amended so that fifty percent of the revenues generated would go to the Parks and Recreation Department.

Mayor Swaim clarified that the revenues were not given to the Parks and Recreation Department to spend at will but to subsidize the loss that the Parks and Recreation Department has yearly.

Chairman Smith stated that the General Fund subsidizes the Parks and Recreation Department 1.5 million dollars per year.

Mayor Swaim further clarified that discussion at the City Council meeting, was to raise the percentage to fifty percent with a portion of the revenues going towards new projects and the remainder would go to offset the present costs for the Parks and Recreation Department.

Chairman Smith read Section Two of the Prepared Food Tax Ordinance to the Commission.

Mayor Swaim stated that he would like for the Commission to start looking for an advertising firm within the next few months so the City Council can conduct interviews and review proposals with the understanding that monies would not be available within the next six months.

Further discussion ensued regarding the division of revenues between the Parks and Recreation Department and the advertising portion of the allocated revenues.

Paul clarified that when a dollar comes in, fifty cents would go to Parks and Recreation and the remaining fifty cents would go to advertising. He added that the funds would be distributed quarterly.

**Adjournment:**

Chairman Smith without objection adjourned the meeting at 7:18 p.m.

Next Meeting: October 15, 2007 at 6:30 p.m.

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Nikki Wilmoth, Reporting Secretary

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Date Approved

**CITY OF JACKSONVILLE, ARKANSAS**  
**Advertising and Promotion Commission**



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#1 Municipal Drive  
Jacksonville, Arkansas 72076  
Phone: (501) 982-4502 Fax: (501) 982-4621  
[www.cityofjacksonville.net](http://www.cityofjacksonville.net)

**CALL TO ORDER:**

The Jacksonville A & P Commission met in the council chambers of City Hall on October 15, 2007. Chairman Smith called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners: Ray Patel, Mike Houchen, Jim Hurley, Robert Stroud and Mayor Tommy Swaim being present, Chairman Smith also answered roll call declaring a quorum.

Commissioner Andy Patel was out of town.

Others present included City Attorney Bobby Bamburg, Reporting Secretary Nikki Wilmoth, Finance Director Paul Mushrush, Finance Manager Cheryl Erkel, Jack Danielson, Tommy Dupree, Jerry Reichenbach, and members of the press.

**PRESENTATION OF MINUTES:**

**Commissioner Stroud moved, seconded by Mayor Swaim to approve the minutes of the August 20, 2007 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORTS:**

Finance Director Paul Mushrush stated that present revenues were \$10,000.00 behind expenditures but he hopes to break even by year-end.

He related that the Prepared Food Tax went into effect October 01, 2007, adding that the Finance Department is in the process of reviewing and monitoring businesses and found several that were incorrectly calculating the tax. He asked the Commissioners to deliver any receipts that include prepared foods to the Finance Department for review.

**Commissioner Stroud moved, seconded by Commissioner Hurley to approve the financial report as presented. Motion Carried.**

**OLD BUSINESS:**

**NEW BUSINESS:**

- A) \$5,000.00 funding request for the purchase of 100 "Heartland", The History of the Little Rock AFB books.

Chairman Smith related that City Hall has three cases (approximately 40) books on hand and believes that the Chamber has some as well. He noted that Mr. Dupree did not fill out the formal request for funding form but he did submit a letter instead.

Mr. Dupree was not present regarding the discussion of this item.

Chairman Smith pointed out the distribution list attached to the request letter, indicating that the majority of books would go to the Air Show participants.

Commissioner Houchen calculated that there are 45 books left over and with the additional purchase of 100 books would leave 95 books undistributed, adding that he could not see the reasoning for spending \$5,000.00 for 100 books. He suggested distributing the left over books and in 2008 if the Commission wanted to purchase more books for the Air Show, then the item could be addressed providing that funds are available.

Finance Director Paul Mushrush stated that from an inventory standpoint, he is uncertain of where the books are or who is responsible for them. He suggested have a central distribution point and a responsible party to allocate any books purchased in the future.

Item dies for lack of a motion.

**B) Discussion of a timetable to write a request for proposal to receive bids for the hiring of a public relations firm.**

Chairman Smith stated that he put this item on the agenda to garner some idea regarding a timetable as to when the Commission would want to proceed with criteria to request proposals to hire a public relations firm. He noted that it would take some time to compile all the data collected.

Mayor Swaim stated that the process of collecting information should begin within the next two months. He added that if funds are available, it might be possible to start the program during the first quarter of 2008, and continue as funding is acquired.

In response to a question from Commissioner Hurley, Mayor Swaim related that advertising firms could be verbally notified as long as it is advertised in the newspaper.

In response to a question from Commissioner Hurley, City Attorney Bamburg stated that the process for requesting proposals would go through the A & P Commission. He related that someone would draft the request for proposal and then it would be published. If there are specific agencies that the Commission would like to involve, the documentation can be sent to them directly within a given time frame so that

they can prepare and submit appropriately. Once the requests for proposals are received, they would then come back to the Commission for review. At that time, the Commission could request that an agency come before the Commission to give a presentation to compliment what has already been submitted in writing.

In response to a question from Mayor Swaim, City Attorney Bamburg stated that it would be cost effective to combine the request for proposal and qualifications into one request.

Further discussion ensued regarding the guidelines for requesting proposals.

In response to a question from Commission Houchen, Mayor Swaim stated that if the Commission wanted to review requests in March, the item would need to be advertised in January.

**Announcements:**

Chairman Smith stated that he received a letter from Larry Biernacki Chairman of the Wing Ding Committee, thanking the Commission for the funding for the mini stage. He added that Amy Mattison of the Chamber called to thank the Commission as well.

Commissioner Hurley noted that First Arkansas Bank & Trust was heavily represented regarding advertisements on the state, pointing out that he feels since City funds were utilized to provide the stage, there should have been a sponsorship banner from the Jacksonville A & P Commission. He explained that part of the City Council debate was that the citizens wanted to see what they were getting for their money, but it appeared that First Arkansas Bank & Trust was the sponsor. He related that he called to get estimates on banners, and found that the Commission could purchase a banner 8' x 3' that could be digitally produced with the "Just Right" logo for \$192.00.

**Adjournment:**

Chairman Smith without objection adjourned the meeting at 6:50 p.m.

Next Meeting: November 19, 2007 at 6:30 p.m.

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Nikki Wilmoth, Reporting Secretary

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Date Approved

**CITY OF JACKSONVILLE, ARKANSAS**  
**Advertising and Promotion Commission**



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**CALL TO ORDER:**

The Jacksonville A & P Commission met in the council chambers of City Hall on November 19, 2007. Chairman Smith called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners: Andy Patel, Mike Houchen, Jim Hurley, Robert Stroud and Mayor Tommy Swaim being present, Chairman Smith also answered roll call declaring a quorum.

Commissioner Ray Patel was absent.

Others present included City Attorney Bobby Bamburg, Reporting Secretary Nikki Wilmoth, Finance Director Paul Mushrush, Finance Manager Cheryl Erkel, Parks & Recreation Marketing Manager Annabelle Davis, Public Works Director Jimmy Oakley, Chamber of Commerce Director Amy Mattison, Joan Zumwalt, Larry Biernacki, Jack Danielson, Jerry Reichenbach, interested citizens, and members of the press.

**PRESENTATION OF MINUTES:**

**Commissioner Hurley moved, seconded by Mayor Swaim to approve the minutes of the October 15, 2007 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORTS:**

Finance Director Paul Mushrush advised the Commission that the Gross Revenues Chart reflects a \$12,000.00 decrease regarding revenues versus expenditures. He explained that revenues should equal expenditures by year's end providing that the unbudgeted/undesignated funds are not spent.

In response to a question from Commissioner Hurley, Mr. Mushrush stated that revenues that received from the Prepared Food Tax are presently unbudgeted funds. He added that the next financial report would include a designated worksheet that indicates the amount of revenues, penalties, and discounts received.

In response to a question from Chairman Smith, Commissioner A. Patel stated that there has been a decrease in hotel clientele due to the gas prices.

**Commissioner Stroud moved, seconded by Commissioner Houchen to approve the financial report as presented. Motion Carried.**

**OLD BUSINESS:**

**NEW BUSINESS:**

- 1) \$12,000 funding request for Reed's Bridge

- (a) \$7,000.00 Brochures on Military Road, Indian Removal, & Reed's Bridge**
- (b) \$5,000.00 matching funds from the Dept. of Arkansas Heritage to improve the infrastructure of McCraw Cemetery**

The representative for this item of business wasn't present.

**2) \$35,000.00 matching grant request for the Wing Ding Festival**

Mr. Larry Biernacki thanked the A & P Commission for funds received this year for the Wing Ding Festival. He stated that through the Parks and Tourism Commission, there is a matching fund grant available to festivals willing to perform capital improvements. He asked the Commission to consider funding \$35,000.00, adding that if the grant were not awarded, then he would not expect funds from the A & P Commission. He related that with this grant, they could purchase a stage instead of renting one, which would cost approximately \$30,000.00 along with a sound system for an additional \$5,000.00. The grant would also allow for the purchase of a \$20,000.00 sound system for Dupree Park that would allow for announcements of lost children or ongoing events throughout the Park and it could also be used for other activities. Another portion of the grant funds would be utilized to purchase lighting for Dupree Park. He related that the City has authorized the use of the soccer fields for holding a concert as long as there were no bleachers or cars parked on the fields. He envisions having the festival during the day and a concert in the evening with free admission.

He stated that the Festival was very successful this year generating over \$8,000.00, which will be used as "seed money" to procure an act for 2008. He concluded by stating that these funds will be utilized to expand the Festival into the evening by providing entertainment to the citizens who attend the Festival, which in turn will continue the growth of the Festival.

In response to a question from Chairman Smith, Mr. Biernacki explained that the stage was 25' x 35' and was collapsible.

In response to a question from Commissioner Houchen, Mr. Biernacki related that the deadline for grant submissions is December 17, 2007 adding that he estimates a response by February 2008.

Further discussion ensued regarding the need for additional exits to alleviate the influx of traffic during the Festival.

Commissioner Hurley addressed the need for an A & P banner to advertise sponsorship of the Festival and to show citizens where their money was spent.

**Mayor Swaim moved, seconded by Alderman Stroud to offer a matching grant not to exceed \$35,000.00 for the Wing Ding Festival. Motion Carried.**

**3) \$22,000.00 funding request for the Patriotic Spectacular**

The representative for this item of business wasn't present.

**4) \$58,000.00 funding request for the Jacksonville Museum of Military History**

- (a) \$36,000.00 renewal of current annual funding for the Museum**
- (b) \$10,000.00 funding to move a C-130 airplane to the Museum**
- (c) \$12,000.00 for additional static displays**

Ms. Joan Zumwalt stated that she is not requesting additional funding at this time, but would like to renew her funding requests from last year. She related that the Museum has not received news regarding the F-105 jet that has been requested. She informed the Commission that Senator McCain, through a piece of legislation, has frozen the request for a C-130 airplanes adding that Senator Snyder is willing to help ascertain one for the Museum. The F-105 is currently at Camp Robinson, but there is a military request that takes precedence over the Museum's civilian request. She related that the F-105 would be placed on south lawn at the front of the Museum. She feels that the addition of one or two airplanes would greatly enhance tourism.

She advised the Commission that the Museum has had approximately 6,400 visitors that have signed the book and toured the Museum since its inception. She related that sometimes, tour buses do not always account for the total number of passengers aboard the bus and that the number of visitors is higher than the number stated. The total number of visitors through October 2007 is approximately 2,070.

Further discussion ensued regarding the additional \$22,000.00 for the moving of an airplane to the Museum and static displays.

**Alderman Stroud moved, seconded by Commissioner Houchen to fund \$58,000.00 to the Museum with \$22,000.00 being transferred as needed. Motion Carried.**

Chairman Smith stated the Commission had funding requests from the Patriotic Spectacular and Reed's Bridge in their packets but that there was no representation present.

- 2) \$12,000 funding request for Reed's Bridge**
  - (a) \$7,000.00 Brochures on Military Road, Indian Removal, & Reed's Bridge**
  - (b) \$5,000.00 matching funds from the Dept. of Arkansas Heritage to improve the infrastructure of McCraw Cemetery**

- 3) \$22,000.00 funding request for the Patriotic Spectacular**

**Alderman Stroud moved, seconded by Commissioner Houchen to table the Patriotic Spectacular and Reed's Bridge funding requests until the next regularly scheduled meeting. Motion Carried.**

Mayor Swaim asked Jack Danielson if there was a timeframe to respond to the matching funds grant for the McCraw Cemetery. Mr. Danielson reported that they have submitted a letter of intent, but the grant application must be submitted by January 2008.

**Announcements:**

**Adjournment:**

Chairman Smith without objection adjourned the meeting at 7:10 p.m.

Next Meeting: December 17, 2007 at 6:30 p.m.

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Nikki Wilmoth, Reporting Secretary

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Date Approved

**CITY OF JACKSONVILLE, ARKANSAS**  
**Advertising and Promotion Commission**



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**CALL TO ORDER:**

The Jacksonville A & P Commission met in the council chambers of City Hall on December 17, 2007. Chairman Smith called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners: Andy Patel, Mike Houchen, Robert Stroud and Mayor Tommy Swaim being present. Chairman Smith also answered roll call declaring a quorum.

Commissioner Jim Hurley was absent.

Others present included Recording Secretary Nikki Wilmoth, Finance Director Paul Mushrush, Assistant Finance Director Cheryl Erkel, Jack Danielson, Tommy Dupree, and Angie Mitchell.

**PRESENTATION OF MINUTES:**

**Alderman Stroud moved, seconded by Commissioner Andy Patel to approve the minutes of the November 19, 2007 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORTS:**

Finance Director Paul Mushrush advised the Commission that the accounts payable line item on the balance sheet is an estimated payable to the Parks Department based on November's collections regarding October revenues. He stated that he was waiting on a clarification from City Attorney Bamburg regarding if this amount should be based on gross revenues or if he can net it out after discounts.

He pointed out that the Revenue and Expenditures report reflects revenues and discounts for the prepared food tax. He related that at the end of the period, revenues exceeded expenditures by \$17,494.52. He added that if the prepared food tax revenue were subtracted, there would be a deficit of \$7,385.19 based on the original budget. He related that if revenues continue at the current rate and if his calculations were correct, by the end of the year there would be a \$500.00 to \$600.00 increase over expenditures utilizing only the hotel/motel tax revenues.

He pointed out that the Gross Receipts chart reflects an increase in October revenues collected in November, pointing out that there are still two months remaining. He estimated that there would be approximately \$80,000.00 collected by year's end regarding the hotel/motel tax.

He reviewed the Prepared Food Tax Revenue Analysis report, which reflects all collections in November for October's revenues by vendor. The report reflects taxes due \$57,868.74, less discounts \$1,141.03 for a total remittance of \$56,728.59.

He related that sixteen collection letters were mailed, adding that only three businesses have not completed or remitted their documentation. He stated that Bucks, Bucks Jr., and the Crooked Hook restaurant have not responded to the written request for documentation. He added that he would consult with City Attorney Bamburg regarding the next legal step regarding Ordinance compliance.

Discussion ensued regarding the amount of revenues collected from each business and the auditing process for proper collection of the Prepared Food Tax.

**Alderman Stroud moved, seconded by Mayor Swaim to approve the financial report as presented. Motion Carried.**

Chairman Smith asked the Commissioners to review the proposed 2008 Budget and decide whether to approve it.

Paul Mushrush explained that he combined all approved expenditures from the last meeting with the exception of two outstanding requests, along with the estimated revenues from the Hotel/Motel Tax and the Prepared Food Tax. He reviewed the Administrative/Operational Expenditures, pointing out that the auditor has indicated an increase from \$300.00 to \$1,000.00 for auditing services due to the increased number of transactions regarding the Prepared Food Tax. He addressed the temporary services item, which is included to provide assistance within his department regarding the Commission's activities. He related that he increased the Recording Secretary's line item since the Commission is meeting monthly. The Operating Expense line item was increased from \$2,000.00 to \$3,000.00 to allow for communication with the community and printed materials. He then reviewed the Direct Advertising/Promotional line items, stating that they were subject to adjustment. He addressed the Special Projects line items, pointing out items that have not yet been addressed and the Prepared Food Tax due Parks. He stated that based on projections, there is an unbudgeted amount of \$182,172.00. If the title were changed to Budgeted but Undesignated, it would allow for internal budgetary changes as needed.

Discussion ensued regarding whether or not to approve the proposed budget at this time. Mr. Mushrush related that the Commission has the opportunity to approve the budget and amend in the future, adding that he reports the original budget and then any amendments in the financial statements. He added that if the title were changed from Unbudgeted to Budgeted but Undesignated, the amount would remain the same but the allocation would change.

**Commissioner Andy Patel moved, seconded by Alderman Stroud to approve the proposed 2008 budget and change the title from Other Special Projects-Unbudgeted to Other Special Projects-Budgeted but Undesignated. Motion Carried.**

**Alderman Stroud moved, seconded by Commissioner Houchen to remove the tabled items under old business. Motion Carried.**

**OLD BUSINESS:**

1. \$12,000.00 funding request for Reed's Bridge
  - (a) \$7,000.00 brochures on Military Road, Indian Removal & Reed's Bridge
  - (b) \$5,000.00 matching funds from the Dept. of Arkansas Heritage to improve the infrastructure of McCraw Cemetery

Chairman Smith recognized Mr. Tommy Dupree to speak and answer questions regarding the Reed's Bridge request for funding.

In response to a question from Mayor Swaim, Mr. Dupree stated that the grant application is due by April 01, 2008, adding that a response to the application should be received by June 2008.

**Mayor Swaim moved, seconded by Alderman Stroud to approve the expenditure of \$5,000.00 to improve the infrastructure of McCraw Cemetery contingent upon grant approval from the Department of Arkansas Heritage. Motion Carried.**

Mr. Dupree stated that he is working on a print layout to take to the printers to obtain prices. He provided the Commission with a rough layout for review, adding that he should have a final product by the end of January.

In response to a question from Commissioner Andy Patel, Mr. Dupree stated that the brochures would be in all the Welcome Centers in Arkansas and in several local locations throughout Jacksonville and Little Rock. He stated that dependent upon cost, 5,000 brochures would need to be printed, pointing out that many tourists request information regarding the Civil War battle sites.

Commissioner Houchen suggested waiting until a final product is received and cost obtained before funding this request.

Mr. Dupree stated that he would try to have it available by the end of January.

**Commissioner Houchen moved, seconded by Alderman Stroud to table the \$7,000.00 funding request for Brochures on Military Road, Indian Removal & Reed's Bridge until the February 2008 regularly scheduled meeting when a final product and cost for printing will be available. Motion Carried**

2. \$22,000.00 funding request for the Patriotic Spectacular

Mrs. Angie Mitchell related that the Patriotic Spectacular was canceled due to rain but a reception was held at a later date to hand out the awards and honor those individuals that were involved. She related that the program this year would be the same production as last year, adding that there would be a minor expense for new books that were damaged by the rain.

She reviewed the proposed budget for the Patriotic Spectacular, pointing out that the advertising amount would change because she will only be going to one radio station but will be adding a television ad. She related that a lot of money was spent on radio advertisement, however she did not hear a single announcement. She stated that Cool 104.4 provides free advertisement with the stipulation that the radio station is allowed to set up on site during the event. She then related that Comcast would video the event for \$500.00 to \$1,000.00, explaining that Comcast would set up a booth for video purchases, but has requested a deposit beforehand.

Alderman Stroud stated that there should be a contingency plan in case of inclement weather. Further discussion ensued.

**Commissioner Houchen, seconded by Alderman Stroud to table the \$22,000.00 funding request for the Patriotic Spectacular until the February 2008 regularly scheduled meeting. Motion Carried.**

Chairman Smith informed the Commission that the next two meetings were scheduled on holidays (Martin Luther King Day and President's Day) asking if the Commission wanted to reschedule the January and February meeting or continue as scheduled.

Mayor Swaim suggested meeting on the Tuesday following the holiday.

**NEW BUSINESS:**

**Announcements:**

**Adjournment:**

Chairman Smith without objection adjourned the meeting at 7:25 p.m.

Next Meeting: January 22, 2008 at 6:30 p.m.

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Nikki Wilmoth, Reporting Secretary

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Date Approved