

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



A & P Commission  
Scheduled Monthly Meeting  
April 19, 2010

**CALL TO ORDER:**

The Jacksonville A & P Commission met in the regular meeting place of the Commission on April 19, 2010. Chairman Houchen called the meeting to order at 6:30 p.m.

**ROLL CALL:**

Commissioners Ray Patel, Andy Patel, Jim Hurley, Alderman Ray, and Alderman Stroud were present. Chairman Houchen also answered roll call and declared a quorum. (6) Present (1) Absent.

Others present included Recording Secretary Nikki Wilmoth, City Attorney Bobby Bamburg, Sells Agency CEO Mike Sells, Assistant Finance Director Cheryl Erkel, and Parks & Recreation Marketing Manager Marlo Jackson.

**MINUTES:**

**Alderman Ray moved, seconded by Alderman Stroud to approve the minutes from the January 19, 2010 A & P Commission meeting as presented. Motion Carried.**

**FINANCIAL REPORT:**

Assistant Finance Director Cheryl Erkel reviewed the monthly report for March, noting hotel/motel gross receipts of \$415,918.00 with a total remittance of \$13,447.00. She further noted that January's hotel/motel gross receipts were \$203,829.00 while February's were \$212,089.00, which is a 4% percent increase over January. She related that compared to the same time last year, January is down 42% and February is down 35%.

She reported prepared food tax gross receipts of \$5,739,456.00 with a total remittance of \$176,492.74. She related that the businesses highlighted in yellow have not remitted February's payment, roughly estimating \$122,000.00 to be collected. She added that collection efforts were underway to collect the past due accounts. She noted that January's prepared food tax gross receipts were \$2,885,769.00 while February's were \$2,853,688.00, which is a 1% decrease from January and does not take into consideration the uncollected February accounts. She related that compared to the same time last year, January's gross receipts are down 9% while February's are down 10%.

Commissioner Hurley stated that part of the decrease is attributed to weather, noting that inclement weather decreases traffic. He also noted that CiCi's Pizza is not included in the report.

Assistant Finance Director Erkel stated that she was unaware of the discrepancy and would research it tomorrow; adding that Cici's Pizza recently reverted back to the original owner.

Commissioner Hurley questioned if the Flea Market vendors were remitting prepared food tax payments.

Assistant Finance Director Erkel replied that they should remit payments and that she would get confirmation tomorrow.

Alderman Stroud stated that even with an ownership change, someone is responsible for the prepared food tax payments.

Chairman Houchen related that according to his calculations for the first two months of the year, revenues are down \$15,000.00. He stated that the Commission is operating at a \$15,000.00 deficit from what was estimated, noting that projected revenues were decreased from last year. He urged caution, relating his belief that revenues will improve with the Flea Market and better weather but if not, then the budget may need to be reviewed and items cut.

It was noted that Crooked Hook continues to remit late payments even with the increased administrative fee.

Chairman Houchen questioned and City Attorney Bamburg replied that the Commission could only charge a reasonable fee on delinquent accounts. He suggested that the Commission consider a percentage factor, explaining that up to a certain point a percentage factor is considered to be acceptable and amenable. He stated that as a business person he could not understand paying penalties, however for others wishing to pay it, it is additional income for the Commission. He related that the \$50.00 administrative fee that is currently being charged is more than the Commission would receive by charging interest.

Alderman Ray stated that Crooked Hook will remit payment; adding that it should be a large sum because they do a "landslide" business. He stated that the Commission does not want to harass them to the point where they close their business and move elsewhere.

Assistant Finance Director Erkel stated that Crooked Hook is generally a month behind in remitting payments, adding that they generally remit payment just prior to a "cease and desist" notice being issued.

Commissioner Andy Patel questioned and Assistant Finance Director Erkel replied that all of the hotels were current regarding payments.

Chairman Houchen noted that all of the Cranbury Inn signage has been removed.

**Commissioner Hurley moved, seconded by Alderman Stroud to approve the March financials as presented. Motion Carried.**

**SELLS AGENCY REPORT:**

Sells Agency CEO Mike Sells presented copies of the website statistical report for review. He related that whenever there is a new website with a new web address that has not previously existed, there is a building process to drive more traffic to it. He stated that the objective is to have traffic counts continually increase and search engine results improve organically over time. He explained parameters contained within the report, noting that in March there were 222 visits from 196 visitors. He noted a dramatic increase in the number of visitors that have come from search engine sites. He related that presently, the website is

number 11 on Google, anticipating that we should be on the first page by May. He stated that presently we are number four on Yahoo, which is really good. He related that website traffic is right on track. He requested a faster link from the visitor's tab of the City's website to the A & P website; adding that it would be helpful if we could get visitors to the A & P website as quickly as possible because the A & P website is specifically designed to promote tourism.

He stated that the 38% percent decrease in hotel/motel and prepared food tax revenues this year versus 2009 could possibly dictate a change in media strategy regarding television. He related previous discussion to run the commercial mid-spring in the Central Arkansas area and in Northeast Arkansas in the fall. He provided the Commission with media buy information for KATV, which has a large coverage area. He questioned if it makes more sense to advertise in Northeast Arkansas first.

Commissioner Hurley questioned and CEO Sells replied that television spots are more expensive during a political year until November.

CEO Sells noted that the cost per point with KATV is good because the Commission is looking at a May 24th start date when most of the primary ads are over, so the cost is less.

Commissioner Hurley stated that he would like to see this placed on hold until the Commission evaluates incoming revenues from spring and summer; then run the commercial in conjunction to an upcoming event that would draw in visitors.

Discussion ensued and it was determined that May is the best time to run the commercial because families will be making plans for summer travel.

Chairman Houchen questioned and Alderman Ray replied that based on his experience in the hotel industry, there are a lot of people who travel from all over Arkansas to see the Travelers play baseball.

CEO Sells stated that the Agency's philosophy for the television commercial is to build momentum for the City of Jacksonville as a great place to play and eat for Central Arkansas and Northeast Arkansas residents to stop and stay here.

Chairman Houchen stated that the tournament brochure needs to be expedited for distribution. He noted that the commercial does not address the Flea Market, adding that the Flea Market could be a major draw. He stated that the Commission should support the Flea Market with commercial and print advertising in Northeast Arkansas to increase awareness. He noted that if the Flea Market has another good turnout, there could be the possibility of at least a one year contract.

CEO Sells stated that for the immediate term, the Flea Market should be supported with public relations efforts and some advertising north and east of Jacksonville to encourage people to attend.

Alderman Stroud pointed out that one restaurant doubled their sales during the last Flea Market.

It was the consensus of those present to have the Sells Agency complete a media plan for Northeast Arkansas.

CEO Sells played the television commercial for the Commission.

Alderman Ray stated that he would like to have seen some mention of the Foxwood Golf Club.

CEO Sells related that there were time constraints, adding that the idea was to find things that are unique to Jacksonville.

CEO Sells added that the Agency is working with Marlo regarding vendor advertising for the Farmer's Market.

**OLD BUSINESS:**

**NEW BUSINESS:**

**Announcements:**

Alderman Stroud announced that City Public Works Director Jimmy Oakley has installed the cannon at Reed's Bridge. He then noted that the Museum is acquiring a tank and would possibly be requesting additional funding.

Chairman Houchen added that Splash Zone season passes are on sale at the Community Center.

**Adjournment:**

Chairman Houchen adjourned the meeting at 7:20 p.m. without objection.

Next Meeting: August 16, 2010 at 6:30 p.m.

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Nikki Wilmoth, Recording Secretary

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Date Approved