

Springdale Chamber of Commerce
Board of Directors Minutes – July 9, 2019

The July meeting of the Springdale Chamber of Commerce Board of Directors was held on Tuesday, July 9 in the Zachary Conference Room of the Springdale Chamber. Board members present at the meeting were: Murry Cline, Sam Hollis, Perry Webb, Patrick Swope, Hex Bisbee, Jeff Wood, Joel Kelsey, Danny McGinley, Sarah Brothers, Kent Williamson, Eddie Vega, Don Elmore, Diana McDaniel, Denten Park, Heather Matthews, Heather Lind, Greg White, Ashley Harris, Gus Plumb and Clinton Bell. Guests included Derek Harrison of S.F. Fiser & Company and Mark Bergethon of Convergent Nonprofit Solutions.

Staff members present included Rhonda Hughes, Sarah Gordley, Bill Rogers, Jim Ed Reed, Scott Edmondson, Lance Eads and Brooke Morgan.

Chairman Cline called the meeting to order and introduced Harrison for the audit report. Harrison explained that due to federal tax law changes for not-for-profits, the Chamber had changed the way it classifies net assets. He explained the Chamber reported a net profit of \$15,897 for 2018 which Webb noted was uncommon for the organization, which annually submits a break-even budget to the Board. The Board was asked to review their copy of the audit and direct any comments or questions to S.F. Fiser & Company or to the Executive Committee.

In a review of financials, the Board heard that as expected May and June were loss months with the Chamber showing a greater loss in May 2019 than the previous year but not as great a loss in June 2019 as in 2018. The rescheduling of the spring golf tournament and its revenue to the fall is one factor in the deficits. Webb noted there are five major events between now and the end of the year and that revenue from those events will be important. He explained that several recent staff departures will help to offset budget deficits and that, while he expects to build the staff back to around 14 people, he is in no hurry to do so. The Board was told the executive committee agreed to modify the financial dashboard to show an additional column of year to date financials rather than only a rolling 12-month picture. A motion was made and seconded to approve the financials and the motion passed.

The Board reviewed minutes of its May meeting. A motion was made and seconded to approve the minutes and the motion passed.

In department reports, Brooke Morgan was introduced as the Chamber's new director of communications. She will temporarily continue to fulfill her duties as director of workforce development, including completion of two workforce magazines and the upcoming NWA Workforce Summit. In development, 121 separate companies have sponsored an event in 2019. With sponsorships still being sold for five remaining events, the next six months remain busy for sales. Staff is finalizing work on the August 8 teacher appreciation event including sponsor sales, vendor booth sales and gift donations. The golf scramble field is full for the September 23 event. The second Rise & Rally Auto Show will be July 20 and will continue through October on the third Saturday of each month. Chickin, Peelin' & Politickin' will be held at Shiloh Square, October 3. The deadline for Leadership Springdale applications is nearing and the Board was asked to consider October 16-18 as dates for the 2019 Board Retreat and to let staff know if there were any conflicts.

In workforce, the Board heard of record attendance at the ACES teacher conference with 40 educators and 35 businesses participating. Work continues on two workforce magazines with a minimum of 8 more advertorials needing to be sold for the Springdale magazine. There currently are 37 Springdale leaders registered to attend the October 27-29 Washington D.C. Fly-in. Registration is \$1,590 plus airfare. The U.S. Senate finally approved a concurrent resolution endorsing the Marshallese living in the United States and encouraging a full Census count of that population. The resolution also opens the door for local providers of services to the Marshallese

to seek discretionary federal funds. The Chamber continues to be engaged with Sen. John Boozman's office and local entities like the city, school district and health care providers. In economic development, 1,605 new jobs have been created in Springdale in 2019 through May while unemployment remains among the very lowest of all Arkansas cities at 2.2%. Year-to-date sales tax receipts are up 4.2% over 2018.

Convergent's Bergethon, with Whit Shepard participating by phone, addressed the Board with a report on the Opportunity Analysis his firm conducted for the Chamber as a first step toward a possible capital campaign being conducted. The company conducted 61 interviews with Chamber business leaders in March, seeking their opinions and feedback on a Prospectus developed by the Chamber after more than a year of member and community input. The interviews are designed to help staff modify the prospectus and to gauge potential financial support for the plan.

Among the research compiled, the company found that 89% of those interviewed are very satisfied with NWA growth, 85% strongly agree the economy is positioned to keep pace or do better than the national economy, 86% are familiar with the Chamber and believe the organization's programs, board and staff is effective. 91% consider the Chamber helpful in recent economic development efforts and 86% rate the Chamber's support to existing business and industry as helpful. 59% had read the Prospectus prior to being interviewed with 41% having been involved in one way or another in helping to develop its initiatives.

Four main categories included a variety of initiatives. In Economic Development, workforce training initiatives were the overwhelming top priority, followed by transportation initiatives contained in the Transportation and Infrastructure category. In the Springdale Growth category, diversity initiatives were the leading priority. The Downtown Springdale category was led by initiatives surrounding entrepreneurial and startup programming. Bergethon and Shepard each noted those interviewed expressed interest in a number of initiatives but did not rate them high because they failed to see how the Chamber could achieve progress on them.

When asked if a \$2.9 million campaign goal was realistic, 63% either agreed or strongly agreed but with the caveat that a goal that high would be greatly dependent upon the strong participation by the city's major players.

The company's research showed the city's business leaders are confident about the economy, see benefit from Chamber efforts to grow the economy, like the plan with pending adjustments and are willing to invest and fill leadership roles. Bergethon said his company recommends immediately launching the quiet phase of an 8-10 month campaign with an initial goal of \$1.5-\$2 million. He said a stretch goal could be identified but would be dependent on the success of the quiet phase.

Webb explained that Convergent was working on an impact analysis that could provide fund raisers an ROI report that could be shared with businesses as they consider their potential investment. He said the Board would receive the final report by email later in the day for review. Questions or concerns would be discussed at the September Board meeting when, if the Board chooses, a vote could be taken whether to proceed or delay any campaign. The plan being discussed would be over a five-year period. Webb said the current thought is for the fund raising component to be carried out by Chamber staff rather than to hire an outside firm but that decision has not been finalized. If the Board votes to proceed, the quiet phase could be conducted in Q4 2019 and Q1 2020 with investment contributions coming to the Chamber sometime later in 2020.

With no further business, vice chair Hollis adjourned the meeting.

Submitted by:  _____ Date: July 9, 2019