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Commission May Slash Budget To Cover Revenue Drop

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SPRINGDALE — The city Advertising and Promotion Commission will consider hefty budget cuts to cover falling tax revenue.

Collection of the 1.5 percent hotel and motel tax dropped from \$17,519 for February 2009 to \$10,375 last month, a 41 percent drop.

"That is the biggest, year over year, that we've ever had," said Perry Webb, Chamber of Commerce president. "Remember, we never had a drop until a couple of years ago."

The chamber provides staff for the commission.

The commission budget includes a projected decline in tax revenue, but not as much as the first two months reflected. Revenue has fallen \$6,000 below budget.

The commission Tuesday approved cutting one item, a magazine advertisement for about a \$1,000.

Commissioner Roger Davis proposed the cut after discovering the ad was the only expense that would come due before the next meeting.

Slashing an additional \$20,000 to \$25,000 will wait until the April 20 meeting, when a recommendation from the Commission's advertising agency, Cranford Johnson Robinson Woods, will be ready.

"We need to cut the cost and not burn any reserves," Webb said.

The cut represents about 10 percent of the commission's expenditures through the ad agency.

The commission also approved moving its meetings to the council chambers, in the city administration building. The meetings can be recorded and televised at the council chambers.