



**BOARD OF DIRECTORS
4TH QUARTER – 2008
BOARD REPORT**

**Leading Business,
Leading Springdale.**

The 4th Quarter board meeting was held on October 21st from 11:30 a.m. to 1:30 a.m. in the First Security Bank Annex. Board members present at the meeting: Blake Hanby, Tex Holt, Bruno Paulino, Matt Brown, Sam Mathias, Dr. Jim Rollins, Kim Eskew, Mayor Jerre Van Hoose, Kelly Kemp, Larry Wilkins, Knight Weis, Barry Graves, Michele Bond, Mike Luttrell, Jeff Myers, Robyn Breshears, and Eddie Vega.

Guests representing the Leadership Springdale class included: Robyn Sites, Jason Apple, Bill Birnie, Tracy Kenny, Jeff Webb, John Sampson, Amanda Tolley, Amanda Echevoyen, Kevin McDonald, Mark Gordon, Ben Suddath, Troy Blackston, David Dixon, and Jeff Givens.

Blake Hanby called the meeting to order in the absence of chairman Brian Moore and welcomed the members of Leadership Springdale in attendance.

On a motion by Holt and a second by Weis, the board approved the consent agenda for October, 2008.

In his President's Report, Webb provided a review of the financials. He noted actual revenue at the end of September was close to that of the same period in 2007 but that Chamber expenses were higher. He noted 2008 would be a loss year and likely a greater loss than the \$146,000 the Chamber profited in 2007. The Chamber has strong cash reserves he explained and remains in solid financial position.

Webb outlined changes in membership levels, explaining the full brunt of the down economy was being felt in that area. Membership levels are down approximately 26 percent with 114 net members lost. Historic retention rates for the Chamber have been six percent but are currently running about 76 percent. He noted the Chamber has developed a proactive plan for dealing with the membership loss that could include the imminent hiring of a membership sales staff person with experience selling chamber memberships. The Chamber dropped 68 members in August and 56 members in September.

Webb noted that the current economic climate had caused staff to delay actions on development of a new revenue event utilizing Arvest Ballpark and a Clean Up Springdale program. Both items will be part of a Total Resource Campaign that the Chamber will roll out in early 2009.

Webb explained the Chamber's financial situation is uncertain and that the majority of monies raised during the Springdale Tomorrow campaign would be spent by the end of the second quarter of 2009. He said current plans call for an evaluation of a plan that would begin a new capital campaign the last half of 2009 or in 2010. He said board members could expect three different proposed budgets at the first of the year – best case, mid-case and worst case.

The group was updated on the Chamber Mayor Debate that was held Oct. 16. A record number of people attended the event and it became the first event of its kind to be televised live by a network affiliate in the state. Replays are available on Springdale.com, nwahomepage.com and Jones Television – Channel 22.

Webb updated the board on key legislative issues the Chamber has been working on. He explained he received confirmation the week before that the Equity Investment Act will be part of Governor Beebe's legislative package in January. The legislation would increase tax credits on technology investments from 33 percent to 50 percent and will significantly assist the Springdale Venture Bank program the Chamber has been developing for several months. The Chamber's efforts to advance legislation for a type of sales tax rebate incentive that could be used for regionally significant retail projects will likely be delayed until the 2011 General Assembly due to the current economic climate.

Webb handed out material that provided a recap of the 2008 Mayor Debate and an informational piece about the Employee Free Choice Act that, if passed by Congress, would significantly increase the likelihood businesses of all sizes in the United States could become unionized.

Webb explained the strategic planning session for the 4th quarter board meeting would center on two issue areas previously defined by the Executive Committee. The first area dealt with the role the Chamber should take in educating the membership about the Employee Free Choice Act and motivating them to lobby Arkansas' Congressional Delegation to oppose the legislation. The second area dealt with ideas to effectively market a planned 2009 familiarization trip to China to the membership.

The Board spent the remainder of the meeting in separate planning groups, compiling and discussing key ideas that could be considered in impacting each of the two issue areas. At the conclusion of the meeting, Webb explained staff would compile and organize all contributions and disseminate them to the board within the next week. There being no further business, the meeting was adjourned.

Submitted

by _____ Date _____