

**Fayetteville Advertising and
Promotion Commission
June 15, 2026**

Location: Fayetteville Town Center, 15 W. Mountain Street

Commissioners: Elvis Moya, Chair, Tourism & Hospitality Representative
Katherine Kinney, Tourism & Hospitality Representative
Elliot Hunt, Tourism & Hospitality Representative
Megan Tyree, Tourism & Hospitality Representative Sterling
Hamilton, Commissioner at-large
Bob Stafford, City Council Representative
Mike Wiederkehr, City Council Representative

Staff: Ryan Hauck, CEO

Agenda

- I. Call to order at 2:00p.m., Chair Elvis Moya
- II. Administration
 - A. Additions or changes to the agenda may be added upon request from a majority of the commissioners, Chair Elvis Moya
 - B. Review and approval of April meeting minutes, Chair Elvis Moya
- III. Reports
 - A. CEO Report, CEO Ryan Hauck. An executive overview of the previous month
 - B. Financial Report, Director of Finance, Gretchen Hunt
 - C. Quarterly Marketing and Communications Report and new Campaign discussion, VP of Marketing and Communications Brannon Pack
 - D. Community Incentive Fund Recipients YTD, CEO Ryan Hauck
 - E. Favoriteville Fund Legal Review, Philip Elmore, QG&T, A&P Commission Legal Counsel
- V. New Business
 - A. Discuss and Vote. Proposal to Optimize Cash Holdings, Director of Finance Gretchen Hunt. Memo included.
- VI. Good of the Order/ Adjournment, Chair Moya and CEO Hauck

Fayetteville A&P Commission Meeting Minutes, April 27, 2026

Fayetteville Town Center

Commissioners Present: Chair Moya, Commissioners Kinney, Hunt, Tyree, Hamilton, Stafford and Wiederkehr

Absent: None

Staff Present: CEO Ryan Hauck

I. Chair Moya called the meeting to order at 2 pm

II. Administration

- A. New commissioner Megan Tyree introduced herself.
- B. CEO Hauck noted the July 4 fireworks memo included Chair Moya's support.
- C. Motion to approve March 16th meeting minutes was made by Commissioner Kinney and seconded by Commissioner Stafford and was approved unanimously.
- D. Commissioners set an all-day retreat for October 12th.

III. Reports

A. Meet the Team – CEO Ryan Hauck

CEO Hauck introduced staff members Steve Harrelson, Julie Pennington, and Tyler Wilson.

B. CEO Report

CEO Hauck reported updates on UA Athletics, Trailgating, the US Pro Cup, paid media, and PR results.

He also noted updates on Favoriteville, America's 250, Restaurant Week, tourism outreach, Visitors Center traffic, staff recognitions, and Town Center bookings.

C. Financial Report – CEO Hauck

CEO Hauck reported March financials were in good order and above the seasonally adjusted budget.

In response to a question from Chair Moya, Director of Finance Gretchen Hunt said the E-Bikes are listed under Fixed Assets.

IV. Old Business

A. Discuss and Vote. Financial Revision Proposal from Commission Hamilton.

Commissioner Hamilton did not have a revised proposal. Commissioner Wiederkehr offered this as a motion: The city has and has always had full access to review or audit A&P commission financial records at any time. Commissioner Stafford made this motion, Commissioner Kinney seconded, and it was approved unanimously.

V. New Business

A. Discussion and Vote. Roof replacement for Experience Fayetteville, 21 S Block Avenue.

CEO Hauck said the roof needs replacement and staff recommended Harness Roofing.

Hauck said an engineer will review building cracks and staff will report back.

In response to questions, Hauck said the building is about 5,400 square feet and the roof warranty is 15 years. Commissioner Stafford moved to approve the allocation of \$65,950.00 for the replacement of the roof at Experience Fayetteville's office and Visitors Center and authorize CEO Ryan Hauck to enter into an agreement with Harness Roofing, Inc. to complete the project as outlined in their proposal. Commissioner Hunt seconded the motion, and it was approved unanimously. Hauck said he would return to the commission if costs exceed this amount.

B. Discussion and Vote. Favoriteville Fund Application – Prairie Street Block Party - \$11,656.80 Request, Commissioner Hamilton

Commissioner Hamilton said the request would cover any gap between event revenue and expenses.

The Favoriteville Fund balance was reported at \$45,000.

CEO Hauck noted that this event had also received an additional \$2,000 Community Incentive Fund award. Commissioner Hamilton made a motion to guarantee up to \$11,656.80 should the difference in their cost and revenue warrant it. Commissioner Stafford seconded. The motion passed unanimously.

C. Discussion and Vote. Favoriteville Fund Application – TougeCon - \$5,000 Request, Commissioner Hamilton

Organizer Caleb Yam who was present described TougeCon as a regional Japanese car event drawing attendees from multiple states.

Commissioner Hamilton made a motion to guarantee \$5,000 of the net income of Tougecon 2026 and this was seconded by Commissioner Hunt. CEO Hauck noted payment is unlikely based on last year's income. It passed unanimously.

D. Vote. TheatreSquared 2026 Capital Campaign Installment. CEO Ryan Hauck. Memo and invoice included.

Commissioner Hunt made the motion to approve the allocation of \$200,000 for the TheatreSquared 2026 Capital Campaign Installment, which was seconded by Commissioner Stafford. It was approved unanimously.

E. Discussion and Vote. 4th of July Fireworks. Chair Moya , Memo included.

Chair Moya and CEO Hauck recommended utilizing the Favoriteville Fund.

Guests Brian Crowne and Todd Martin spoke in support.

Commissioners discussed funding, sponsors, show length, and police detail, noting they did not want to utilize the Favoriteville Fund to pay for all of this event.

Chair Moya made a motion to approve the allocation of \$30,000 from the operating budget of EF with no more than \$5,000 coming from the Favoriteville Fund for firework celebration on July 4th. Hamilton seconded it. It was approved unanimously.

VI. Good of the Order/ Adjournment, Chair Moya and CEO Hauck

The Q1 report from Ozark Folkways was noted.

Commissioner Stafford moved to adjourn, Commissioner Kinney seconded, and it was approved unanimously. The meeting ended at 3:41 p.m.

CEO Update for June 2026

Admin

- A250 Celebrations Update
 - Roof replacement project complete at Experience Fayetteville
-

Visitor Center

- **1,316 visitors** in May, including guests from Tokyo and Ireland.
- **Sales:** \$3,489 **Ale Trail:** 5 completed passports.
- **Events of note:** Saturday Farmer's Markets, Strawberry Festival, U of A Graduation

Destination Services

- May 5th Group Tour with First Security Golden Bank Club
 - Julie conducted a Fayetteville familiarization tour with Arkansas Welcome Centers team members
 - Worked with Dell to submit to SCMA RFP to host in 2027
 - Julie working with A&M Railroad on a variety of group tours
-

Experience Fayetteville Sales

- Due to professional and other travel, this report is delayed.
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Fayetteville Town Center

FTC Bookings & Operations

- 26 bookings completed in May; 13 confirmed for June
- Event Execution: 26 events held with total attendance of more than 10K

FTC Accomplishments

- Hosted Arkansas Apartment Association Tradeshow, first time in NWA
- Secured Little Craft Show agreement for Q4
- Onboarding new staffer, Mason Rios, Event Services Coordinator I

FTC Monthly Sales Report

FTC Activity: 5 incoming calls | 30 outgoing | 98 emails | 7 meetings

FTC Pipeline:

- 12 contracts in negotiation; 27 tentative/hold.
- Prospective value of contracts: \$623K
- 4 key opportunities to close next month.

FTC Sales Priorities:

- 2027 rebookings; turning holds into definites
-

Marketing & Communications

- Ryan hosted a [U.S. Pro Cup feature & interview](#) for The American Dream TV show
- Contracted Fayetteville-based BlkElk Media for our next *Leisure Campaign*.
- With VERB, AM Group, and Fayetteville Town Center, hosted complimentary *Food & Beverage Marketing Essentials Workshops* for Fayetteville restaurants and bars, with about 25 partners participating.
- Contracted Crafty Lab Films for a monthlong MICE content shoot showcasing Fayetteville as a premier, walkable meetings and events destination.
- Hosted foodie influencer couple, [Couple in the Kitchen](#), to create content promoting Restaurant Week.
- Hosted KC-based travel influencer, [Brenda Cortes](#), to showcase Fayetteville as a girls' getaway destination from KC through Spanish-language content with English subtitles.
- Mobile Visitors Center:
 - *Prairie Street Block Party*, engaging about 3,000 attendees and 45 vendors.
 - Event expo on the Upper Ramble during the *Ride Your Damn Bike Festival*.
- VERB's paid media efforts in May drove a 54% increase in total partner referrals over April and 143% more clicks to the F&B page. New segmented ad groups highlighted Experience Fayetteville's destination pillars: Outdoor Recreation, Arts & Culture, Hospitality, U of A, and Nature.
- Zartico reported that 75% of May visitors came from out of state, with Dallas leading all out-of-state markets in visitors and spending.
- AM Group provided support for visiting writers, including Suzanne Corbett and Steven Lindsey, while proactive outreach highlighted seasonal travel, culinary tourism, community events, and Pride Month. May efforts generated 15 press mentions, 395.6M audience reach, and 724k in AVE.
- ExperienceFayetteville.com received about 107,000 sessions in May,
 - up 6% from April and 26% from last May. Spikes during Strawberry Festival weekend
 - New visitors made up 88% of sessions.
 - Paid social drove 30% of traffic, followed by organic search at 24%.
 - Top user locations were Fayetteville, Dallas, and Oklahoma City,

- 78% of sessions were on mobile.
 - Top page this month was the Favoriteville landing page, followed by the Calendar and Event Detail pages.
 - [Website Performance Report | May – Pixel Perfect](#)
 - [Paid, Earned, and Social Media Report | May – VERB](#)
 - [Media Report | May – AM Group](#)
-

Funding Request: 2028 Glass in Flight, Botanical Garden of the Ozarks

2026 Marketing and Sales Plan:

- Physical copy to each commissioner, Ryan to present
-

Hotel, Motel Restaurant, Bars & Attraction News:

- **Cable Car Pizza to reopen** (1830 N. College Avenue, formerly Pestos by Lance)
 - **Goat Lab Red**, (1114 N. Garland Avenue) a restaurant and Brew Pub has closed
 - **Big Daddy's Burgers (388 Nelson Hackett Blvd)** is now open
 - **Handel's Homemade Ice Cream to open mid-June** (2345 N College Ave.)
 - **Gusano's Pizzeria** to open a second location this fall (3931 N. Shiloh Drive, Nelsons Crossing Shopping Center)
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Upcoming

- [NWA Pride 2026](#), June 21-28th, Come see Vanny & EF team at the NWA Pride Festival, June 27th at the Upper Ramble.
- [A250 Celebrations:](#)
 - July 2nd – Gulley Park Summer Concert Series, A250 Recognition
 - July 3rd – Fayetteville Sound Bites Featuring Bite NWA at the Upper Ramble, presented by DFC
 - July 4th – Fireworks at the NWA Mall, presented by Experience Fayetteville



Exhibition: Glass in Flight

Artist: Alex Heveri

Visuals: <https://www.glassinflight.com/>

Previous Exhibition Sites:

- Tucson Botanical Gardens
- Arizona Sonora Desert Museum
- Reiman Gardens
- Houston Botanic Garden
- Harry P. Leu Gardens
- Como Zoo Conservatory
- Huntsville Botanical Garden
- Atlanta Botanical Garden
- Flamingo Gardens
- San Antonio Zoo

Proposal: The Botanical Garden of the Ozarks proposes a 6-month public art installation of "Glass in Flight" planned for 2028. The work will be sited at the Garden, with the opportunity for Experience Fayetteville and the City of Fayetteville to site work(s), in coordination with the artist. Pre- and post-exhibition celebrations possible, as mutually agreed to by BGO and supporting entities.

Organizer: BGO will be the coordinating entity, working with the artist on installation, maintenance, etc.

Owner: Artist retains ownership

Purpose: The installation is intended to enhance visitor experience, commemorate Fayetteville's 200th birthday, spotlight key amenities across the city and within the Garden.

Impact: Project is expected to engage BGO's visitors (~100k annually, ~50k during 6-month span) and extend into broader citywide tourism audiences.

Estimated project timeline: 6 months (to be determined in collaboration with Experience Fayetteville, City of Fayetteville, and artist)

Estimated total project cost: \$140,000 (includes BGO liability insurance - 1MM limit, plus coverage for the works over a 6-month span) Funding strategy to include a combination of donor and public partnership support.

Memo



To: Ryan Hauck, CEO, Experience Fayetteville
Fayetteville Advertising & Promotion Commissioners

From: Gretchen Hunt, Director of Finance, Experience Fayetteville

Date: June 10, 2026

Re: Financial Statements – May 2026

This packet contains Experience Fayetteville Financial Statements for the month ended May 31, 2026.

The following reports are included in the packet:

- Summary P&L Financials for month ended May 31, 2026
- Balance Sheet for month ended May 31, 2026

Target Budget May – 42%

Total Revenue YTD: \$ 2,502,269 or 38.5%
Tax Receipts - \$2,171,253 or 39.7%
Town Center - \$297,705 or 35.0%
Other - \$33,312

Total Operating Expenditure YTD: \$2,484,530 or 40.1%
EF Main - \$2,074,504
Town Center - \$410,026

HMR tax – YTD May Collections (April activity) are 1% below the seasonally adjusted budget.

Operating Net Income/(Loss) is \$(122,359) year to date.

This income figure is a greater loss than we have seen in prior months of 2026. Depreciation expense figures were received from the auditors in May and entered for all 5 months of 2026 – a total expense through May of \$147,537. In 2025 there was a significant increase in assets, and therefore depreciation expense, with about \$1M of new capital projects for the year. The depreciation expense will be a monthly cost for the remainder of the year.

May Collections
(April Activity)

\$56,106 + **\$386,187**
Lodging + Restaurant

\$18,594
Prior Dues Collected

\$460,887
Total HMR Collected

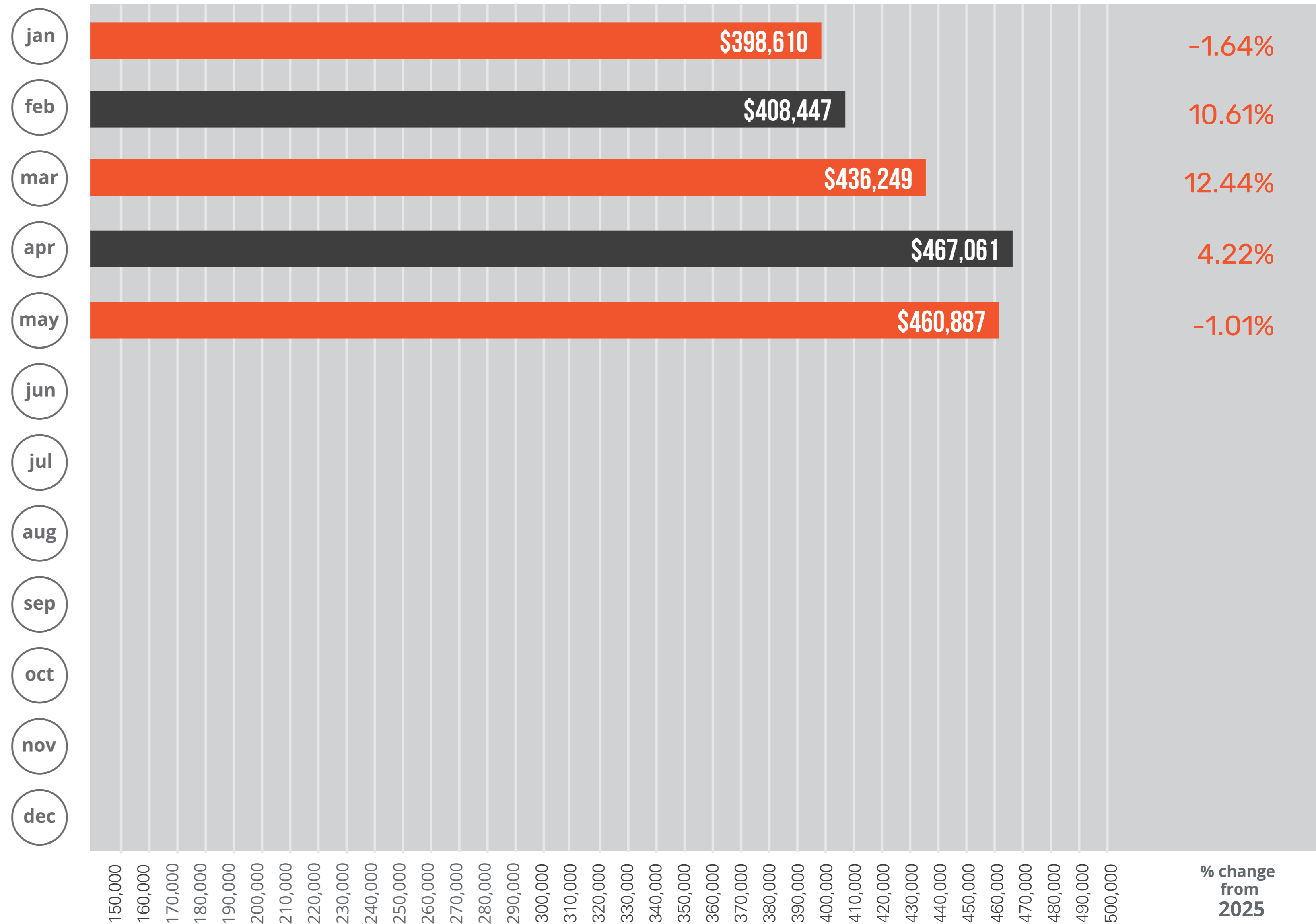
Previous YTD (May) HMR A&P Tax Collection Totals

2022	2023	2024	2025	2026
\$1,781,987	\$2,025,005	\$2,036,619	\$2,076,220	\$2,171,254

20.80%	13.64%	0.57%	1.94%	4.58%
Change over previous year				

PRELIMINARY DATA

2026 Monthly A&P Tax Collections**



**This represents half of total HMR tax collections. The other half goes to Fayetteville Department of Parks, Natural Resources, and Cultural Affairs

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
Year-to-Date @ May 31, 2026

	CONSOLIDATED			
	Year-to-Date			
	Actual	Budget	Over/(Under) Budget	% of Budget
Revenue				
Hotel, Motel, Restaurant Taxes Revenue	2,171,253	5,466,542	(3,295,289)	39.7%
Rental Revenue	281,774	784,000	(502,226)	35.9%
Event Revenue	1,808	9,500	(7,692)	19.0%
Visitor Center Store Revenue	8,927	44,000	(35,073)	20.3%
Parking Revenue	14,123	58,000	(43,877)	24.3%
Grant/Other Revenue	122	81,800	(81,678)	0.1%
Interest and Investment Revenue	24,263	50,100	(25,837)	48.4%
Total Revenue	2,502,269	6,493,942	(3,991,673)	38.5%
Expenses				
Operating Expenses				
Rental Expenses	23,091	127,000	(103,909)	18.2%
Event Expenses	27,076	46,000	(18,924)	58.9%
Visitor Center	9,627	40,575	(30,948)	23.7%
Personnel	728,492	2,096,260	(1,367,768)	34.8%
Sales & Marketing	719,231	1,888,636	(1,169,405)	38.1%
Office and Administrative	355,822	558,768	(202,946)	63.7%
Bond Payments	290,750	700,500	(409,750)	41.5%
Disaster Contingency		10,000	(10,000)	0.0%
COF Energy Improvement Repayment		20,000	(20,000)	0.0%
Contribution to Capital Reserves	-	100,000	(100,000)	0.0%
Other Tourism Support - Community, Art Court, DFC	130,440	412,140	(281,700)	31.6%
TheatreSquared Contribution	200,000	200,000	-	100.0%
Total Operating Expenses	2,484,530	6,199,879	(3,715,349)	40.1%
Net Operating Income/(Loss)	17,739	294,063	(276,323)	0.0%
Other Income				
Unrealized Gain/(Loss) on Investments	7,438			0.0%
Other Expenses				
FFE & Improvements	-	240,000	(240,000)	0.0%
Depreciation Expense	147,537			0.0%
Cost of Goods Sold	-			0.0%
Net Income/(Loss) (without CX Grants)	(122,359)	54,063	(183,860)	-226.3%

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
Year-to-Date @ May 31, 2026

	Experience Fayetteville			
	Year-to-Date			
	Actual	Budget	Over/(Under) Budget	% of Budget
Revenue				
Hotel, Motel, Restaurant Taxes Revenue	2,171,253	5,466,542	(3,295,289)	39.7%
Visitor Center Store Revenue	8,927	44,000	(35,073)	20.3%
Grant & Other Revenue	122	81,800	(81,678)	0.1%
Interest and Investment Revenue	24,234	50,000	(25,766)	48.5%
Total Revenue	2,204,535	5,642,342	(3,437,807)	39.1%
Expenses				
Operating Expenses				
Event Expenses	26,500	44,000	(17,500)	60.2%
Visitor Center	9,627	40,575	(30,948)	23.7%
Personnel	467,769	1,240,876	(773,107)	37.7%
Sales & Marketing	717,485	1,866,136	(1,148,651)	38.4%
Office and Administrative	231,932	525,995	(294,063)	44.1%
Bond Payments	290,750	700,500	(409,750)	41.5%
Disaster Contingency		10,000	(10,000)	0.0%
COF Energy Improvement Repayment		20,000	(20,000)	0.0%
Contribution to Capital Reserve	-	100,000	(100,000)	0.0%
Other Tourism Support - Community, Art Court, DFC	130,440	412,140	(281,700)	31.6%
TheatreSquared Contribution	200,000	200,000	-	0.0%
Total Operating Expenses	2,074,504	5,160,222	(3,085,718)	40.2%
Net Income/(Loss) Before Other Revenue and Expenses	130,031	482,120	(352,089)	27.0%
Other Income				
Unrealized Gain/(Loss) on Investments	7,438	-	7,438	0.0%
Total Other Income	7,438			
Other Expenses				
FFE & Improvements	-	70,000	(70,000)	0.0%
Depreciation Expense	56,645			
Net Income/(Loss)	80,825	412,120	(338,734)	19.6%

Fayetteville A and P Commission
Statement of Budget, Revenue and Expense
Year-to-Date @ May 31, 2026

	Town Center			
	Year-to-Date			
	Actual	Budget	Over/(Under) Budget	% of Budget
Revenue				
Rental Revenue	281,774	784,000	(502,226)	35.9%
Event Revenue	1,808	9,500	(7,692)	19.0%
Parking Revenue	14,123	58,000	(43,877)	24.3%
Interest and Investment Revenue	29	100	(71)	29.3%
Total Revenue	297,734	851,600	(553,866)	35.0%
Expenses				
Operating Expenses				
Rental Expenses	23,091	127,000	(103,909)	18.2%
Event Expenses	576	2,000	(1,424)	28.8%
Personnel	260,723	855,384	(594,661)	30.5%
Sales & Marketing	1,746	22,500	(20,754)	7.8%
Technology	14,818	15,750	(932)	94.1%
Facilities	100,316	217,500	(117,184)	46.1%
Office and Administrative	8,756	93,586	(84,830)	9.4%
Total Operating Expenses	410,026	1,333,720	(923,694)	30.7%
Net Income/(Loss) Before Other Revenue and Expenses	(112,292)	(482,120)	369,828	23.3%
Other Expenses				
FFE & Improvements	-	170,000	(170,000)	100.0%
Depreciation Expense	90,892			0.0%
Total Other Expenses	90,892	170,000	(79,108)	
Bad Debt Expense	-			
Net Income/(Loss)	(203,184)	(652,120)	448,936	31.2%

Fayetteville A&P Commission

Balance Sheet

As of May 31, 2026

ASSETS

Current Assets

Cash		3,800,699
Investments		1,317,976
Accounts Receivable		659,666
Prepaid Expenses		25,349
Deposits		40,469
Inventory Asset		13,159

Total Current Assets 5,857,318

Other Assets

Capital Assets

Furniture & Fixtures	454,901
Equipment	767,716
EF/CVB Building	940,410
EF/CVB Land	198,621
Building Additions	2,761,649
Walker-Stone House	1,179,152
Vehicles	122,860
Construction in Progress	-
Accumulated Depreciation	<u>(2,085,530)</u>

Total Other Assets 4,339,780

TOTAL ASSETS 10,197,098

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	171,898
Unearned Revenue	<u>320,519</u>

Total Liabilities **492,417**

Long Term Liabilities

Notes Payable - City of Fayetteville Solar	<u>366,466.50</u>
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Total Liabilities **366,466.50**

Equity

Unreserved Fund Balance	8,405,624
Operating Reserve	1,000,000
Capital Reserve	-
Temporarily Restricted Funds	45,558
Net Revenue	
Gain/(Loss) on Investments	13,592
Net Revenue	<u>(126,559)</u>

Total Equity 9,338,215

TOTAL LIABILITIES AND EQUITY 10,197,098

Fayetteville A&P Commission
Community Event Incentive Detail
January-December, 2026

Num	Name	Description	Amount
80000 Tourism Support			
80100 Community Event Incentives			
2026-01-12	Roger Barrett	2026 On the Map Spring Show Promotions	2,500.00
26-14	Committee for Mardi Gras Inc	2026 Mardi Gras Royal Sponsor	750.00
2026-1	Green Love	Bob Marley Birthday Tribute concert support	1,500.00
2760	Walton Arts Center	2026 support for Levon Helm gallery exhibition	5,000.00
1900	Clinton House Museum	Clinton House Museum support - 2026	17,500.00
1670	NWA Center for Sexual Assault	2026 SHRED Sponsorship	500.00
2026	Symphony Orchestra of Northwest Arkansas	FY26 SoNA Beyond events	1,500.00
2026	Fenix Arts - Gallery	Sponsorship & Support for Fenix Arts 2026	1,500.00
1939	Botanical Garden of the Ozarks	Sponsorship of Chefs in the Garden 2026	5,000.00
EXPF002	Brain&Brain LLC	OZ Play Event Funding	200.00
PSBP-2026-001	Prairie Street Live	Prairie Street Block Party 2026 - Supporting Sponsor	2,000.00
ExperienceFay	Canopy NWA	World Refugee Day Sponsor	500.00
02/18/2026	Mount Sequoyah Center Inc.	Creative Spaces NWA - Sequoyah Hall Exhibition Series Support	2,500.00
5/25/2026	Haylee Shull	Pride Poetry Reading on 6/25/2025	500.00
5282026	Mount Sequoyah Center Inc.	A250 on the Mountain sponsorship	500.00
2026-1011	Northwest Arkansas Equality Center Inc	2026 NWA Pride Sponsorship: Diamond Level	30,000.00
2026	Korey McKelvy	Korey McKelvy Band & Patti Steel Band at George's Sponsorship	500.00
	Juneteenth Celebration Committee	NWA Juneteenth Celebration	2,000.00
	Fayetteville Movement Festival Organizer	Fayetteville Movement Festival	500.00
	DJ DSewell	Y2K Pop Party on the Upper Ramble	500.00
	Robyn Jordan	Her Set Her Sound	3,500.00
	Ozark United	Global Game Fest	1,000.00
Total for 80100 Community Event Incentives			\$79,950.00

Memo



To: Ryan Hauck, CEO, Experience Fayetteville
Fayetteville Advertising & Promotion Commissioners

From: Gretchen Hunt, Director of Finance, Experience Fayetteville

Date: May 12, 2026

Re: Proposal to Optimize Organizational Cash Holdings

Experience Fayetteville currently maintains nearly \$4 million in cash across its bank accounts. As a general financial best practice, maintaining approximately 90 days of operating cash on hand—about \$1 million for the organization—is considered appropriate. This leaves approximately \$3 million in funds not needed for current operations that could be invested in short-term instruments while maintaining liquidity.

Legal and Investment Considerations

Investment options available to the organization are limited by state law. Attached is correspondence from legal counsel, along with the applicable state statute, outlining allowable investment vehicles.

Recommended Cash Management Strategy

I recommend the following allocation of funds:

- **\$2.5 million** placed into laddered Certificates of Deposit (CDs) at First Security Bank
- **\$1 million** placed into an interest-bearing money market checking/savings account
- The remainder - approximately **\$400,000** – to be retained in the primary operating checking account

The operating account would continue to serve as the primary account for incoming revenues and day-to-day operating expenses. If additional operating cash is needed, funds can be quickly and easily transferred from the money market account.

Reasons for Using First Security Bank

There are several advantages to utilizing First Security Bank for this strategy:

- Established long-term banking relationship and community partnership
- Ease of transferring funds between accounts
- No need to establish services and signatories at a new bank so no delay in moving funds to investments
- Availability of sweep account services and related cash management tools

Alternative Options Considered

City of Fayetteville Investments

One alternative would be to place funds not needed for current operations with the City's investment pool, where the organization already maintains a portion of the fund in long-term investments. However, the long-term nature of those investments limits flexibility and liquidity. For those reasons, I recommend maintaining the current balance in the City's investment pool without making additional allocations at this time.

Brokerage Accounts

Another option would be to utilize a brokerage. However, due to the limitations on investments options, the anticipated returns do not appear to justify the associated costs.

Additional Account Management Item

Currently there are three checking accounts at First Security, the general operating account, a Town Center account, and a Cyclocross account. There is no legal or administrative reason to have separate accounts for TC or Cyclocross activities, so my recommendation is to consolidate the three accounts into one.

Requested Commission Action

I suggest that the Commission authorize staff to coordinate with First Security Bank to implement the following actions. The signers on any new accounts will match who is listed on existing accounts.

1. Close two (xxxx-1528 and xxxx-4209) of the organization's three existing checking accounts, retaining the primary operating account
2. Deposit \$1 million into a new money market checking/savings account
3. Invest \$2.5 million into five separate CDs of \$500,000 each, laddered and placed at the highest available interest rates