

WAR MEMORIAL STADIUM COMMISSION

Enabling Laws

Act 138 of 2016
A.C.A. § 22-3-1001

History and Organization

War Memorial Stadium's mission is to provide safe and adequate facilities for open-air events for schools, colleges, and universities of the State of Arkansas. War Memorial Stadium was originally built as a tribute to Arkansans who had given their lives in the service of their country during the two great World Wars. It has grown, over time, as a living tribute to all Arkansans who have served and paid the ultimate price for their country. Military personnel have been honored over the years through programs, tributes and monuments. The Sturgis Plaza opened in 2008 on the Westside of the stadium as a place of remembrance and reflection. The plaza was the centerpiece of the celebration of War Memorial Stadium's 60th anniversary and re-dedication. Additionally, the Stadium is available for use by other institutional and commercial organizations for various activities requiring a large open-air facility. The Stadium also allows various non-profit organizations to utilize the facilities for fund raising events as a community service. Beginning in Fiscal Year 2006, funding for the operation and upkeep of the Stadium came from stabilized General Revenue in the Miscellaneous Agencies Fund so that cash revenue could be used to do some much needed major renovations to the Stadium. The War Memorial Stadium Commission wishes to continue to receive general revenue funding for fiscal years 2016, 2017 and so on. The cash revenues are generated by the use of the Stadium through rentals and profits from concession sales and are being used for operations not covered by general revenue and for major renovations to the Stadium.

The Stadium Commission consists of eight (8) members appointed by the Governor with the advice and consent of the Senate. Each Congressional District in the State is represented by membership on this commission along with four (4) members from the State at large. This commission has exclusive jurisdiction over the operation of War Memorial Stadium.

Since its inception, the Stadium Commission has overseen a steady increase in the use of the Stadium. In the last biennium the Stadium's average usage was 250 days out of the year with one or more events on those days. The University of Arkansas is under contract to play one college game a year here until 2018. UA isn't the only Arkansas college to play games at War Memorial Stadium. Arkansas State University has its own history of games at the stadium along with the University of Central Arkansas and the University of Arkansas at Pine Bluff. Arkansas also has a strong core of teams from the NCAA Division II powerhouse Gulf South Conference that play games at War Memorial Stadium as well. War Memorial Stadium is also the home of the Arkansas Activities Association High School State Football Championship Games. The 2005 6A state championship game set the record for highest attendance for any high school title game. Little Rock Catholic High

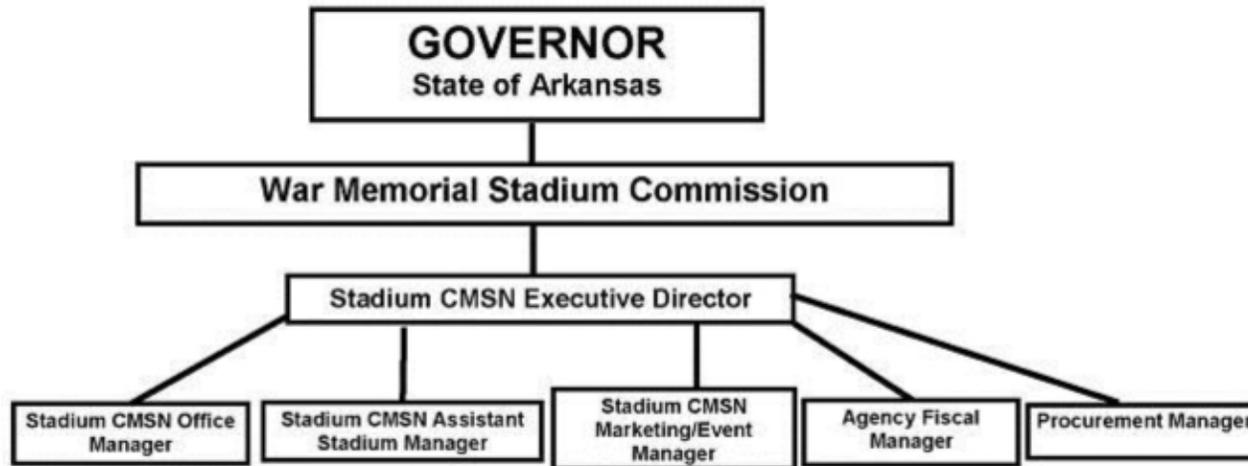
School plays all its home games at War Memorial Stadium. Neighboring schools, Benton and Bryant, play its game every year at War Memorial Stadium. The game is known around the state as "The Salt Bowl" and is considered the state's biggest and most competitive rivalry. The game routinely draws 25,000+ fans for this Saline County Showdown. The National Premier Soccer League's Little Rock Rangers Soccer Club played all of their home games in 2016 at the stadium. Sports aren't the only events to make history at War Memorial Stadium. Concerts such as the Rolling Stones, Billy Joel & Elton John, the Eagles, George Strait and N'Sync have graced the stage at the stadium, drawing nearly 40,000+ fans for each show. The Reverend Billy Graham hosted an event at War Memorial Stadium that drew 270,000 people over the course of a week. Bob Hope's event, "Hope across America", drew 49,000 fans in 1991. The Stadium Press Box is also available for rent for meetings, events, wedding receptions, reunions, etc. The Press Box looks out over the War Memorial Golf Course and the field.

From show stopping entertainment to miracles on the gridiron, War Memorial Stadium has been home to history. The Stadium is Arkansas' most beloved venue for over 60 years and will continue to bring the best in sports and entertainment while serving a memorial to the great state of Arkansas.

The Stadium Executive Director/Stadium Manager, Stadium Staff as well as the Stadium Commission will continue to seek events to maximize the use of the facility. During the past year, we have had over 200 inquiries regarding the use of the Stadium for football events as well as events other than football.

Renovations to the Stadium include a newly constructed press box, new visiting dressing rooms, and signage updates. War Memorial Stadium Commission is hoping the upgrade of the facility will continue in the upcoming years including renovating the last few outdated concession stands & restrooms in the south corners.

The Stadium Commission hopes the citizens of Arkansas will be proud of and have the convenience they need and require at the Stadium that has served our State so well for over 60 years.



Agency Commentary

War Memorial Stadium Commission's mission is to provide safe and adequate facilities for open-air events for schools, colleges, and universities of the State of Arkansas. War Memorial Stadium was originally built as a tribute to Arkansans who had given their lives in the service of their country during the two great World Wars. It has grown, over time, as a living tribute to all Arkansans who have served and paid the ultimate price for their country. Military personnel have been honored over the years through programs, tributes and monuments. The Sturgis Plaza opened in 2008 on the Westside of the stadium as a place of remembrance and reflection. The plaza was the centerpiece of the celebration of War Memorial Stadium's 60th anniversary and re-dedication.

Additionally, the Stadium is available for use by other institutional and commercial organizations for various activities requiring a large open-air facility. The Stadium also allows various non-profit organizations to utilize the facilities for fund raising events as a community service. Beginning in Fiscal Year 2006, funding for the operation and upkeep of the Stadium came from stabilized General Revenue in the Miscellaneous Agencies Fund so that cash revenue could be used to do some much needed major renovations to the Stadium. The War Memorial Stadium Commission wishes to continue to receive general revenue funding for fiscal years 2016, 2017 and so on. The cash revenues are generated by the use of the Stadium through rentals and profits from concession sales and are being used for operations not covered by general revenue and for major renovations to the Stadium.

The key constituent groups are the citizens of the State of Arkansas. In addition to being a memorial to the men and women who gave the ultimate sacrifice for our freedoms, we honor all of our military service personnel and veterans.

The stadium supports high school and college football and numerous large band competitions. The stadium is expanding the constituent base to include many non-traditional stadium events. Two of the newly acquired constituent bases are the Soccer and Lacrosse Communities. We are expanding our focus into many non-traditional events such as concerts and other outdoor entertainment.

The constituents of the stadium include the University of Arkansas, the University of Arkansas at Pine Bluff, Arkansas State University, City of Little Rock, City of North Little Rock, Pulaski County Government, Little Rock and North Little Rock Advertising and Promotions Commission, Greater Little Rock Chamber of Commerce, Arkansas Activities Association, Signal Media, Benton Chamber of Commerce, the Bryant Chamber of Commerce, Salt Bowl Committee, Bryant School District, Benton School District, Little Rock School District, North Little Rock School District, Catholic High School, Little Rock Rangers, Arkansas High School Band Association, John Caldwell and Robert Hesse with the Showcase of Bands and the Championship at the Rock, Drum Corps International, Garrett Uekman GU88 Foundation, Little Rock Police Department, Coca Cola of North America, and a host of smaller promoters and event planners and our corporate sponsors. The largest issue facing the budget of War Memorial Stadium is the future of Arkansas Razorback Games at War Memorial Stadium after 2018. We will see a financial impact after the 2016 season when the stadium is no longer compensated for the loss of one University of Arkansas Game that was reallocated from War Memorial to Fayetteville and the loss of the rental fee for the games in 2017 and 2018. However, we are working on several budget scenarios to make up for that loss. War Memorial Stadium over the past two years has instituted an aggressive campaign to attract new events to the stadium. We have seen success in the addition of a minor league soccer team this spring and the expansion of the minor league soccer in spring 2017 to include a women's team. We have hosted several non-traditional stadium events such as the Nitro Circus, Bella Rustina Vintage Market and an R&B Concert. We are working with Major League Football to host a team at War Memorial in the summer of 2017.

We are expanding the use of the stadium. Currently we have a 250 event day calendar which means we have one or more events at the stadium 250 days per year. We are utilizing our existing staff of (6) six to recruit and manage War Memorial Stadium events and not requiring the addition of full time staff. We are utilizing our part time positions to make the stadium a functional venue. We are utilizing our budget at base level and only asking for increases in the cash appropriation line items to provide for the additional events being held. It is essential to the Stadium to have this budget approved to continue to provide the State of Arkansas citizens the convenience they need and require at the Stadium that has served our State so well for over 60 years.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
WAR MEMORIAL STADIUM COMMISSION
FOR THE YEAR ENDED JUNE 30, 2015

Findings	Recommendations
None	None

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2016

None

Employment Summary

	Male	Female	Total	%
White Employees	2	3	5	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			5	100 %

Cash Fund Balance Description as of June 30, 2016

Fund Account	Balance	Type	Location
3260000	\$972,988	Checking, CD, Payroll Paying	Bank of America, First Security Bank

Statutory/Other Restrictions on use:

A.C.A. 22-3-1002 Withdrawals are made by check and direct invoices are sent to DFA for approval and recorded in AASIS. A.C.A. 22-3-1010 All transactions are reviewed by DFA-Accounting and audited by Legislative Audit.

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. 22-3-1002 authorizes the Commission to fix the amount of admission fees, commissions, rents, and other charges to be collected by the Commission for the use of the Stadium for athletic or other

Revenue Receipts Cycle:

A.C.A. 22-3-1002 states that revenues are deposited upon receipt from income sources like Stadium rent, advertising space rent, concession and novelty sales and other rental and parking fees.

Fund Balance Utilization:

A.C.A. 22-3-1002 Funds are used to pay expenses incurred by the War Memorial Stadium Commission.

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
None	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2015-2016		2016-2017		2016-2017		2017-2018						2018-2019					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
2VZ State Operations	836,583	6	893,093	6	898,238	6	895,171	6	895,171	6	895,171	6	895,294	6	895,294	6	895,294	6
A24 War Memorial Operations	2,419,723	0	2,516,441	0	2,557,396	1	2,516,550	0	2,891,550	0	2,891,550	0	2,516,550	0	2,891,550	0	3,339,197	0
Total	3,256,306	6	3,409,534	6	3,455,634	7	3,411,721	6	3,786,721	6	3,786,721	6	3,411,844	6	3,786,844	6	4,234,491	6

Funding Sources		%		%		%		%		%		%		%		%		
Fund Balance 4000005	816,815	19.3	972,988	21.5			1,122,878	24.0	1,122,878	24.0	1,122,878	24.0	1,272,659	26.3	897,659	20.1	897,659	22.4
General Revenue 4000010	836,583	19.8	893,093	19.7			895,171	19.1	895,171	19.1	895,171	19.1	895,294	18.5	895,294	20.1	447,647	11.2
Cash Fund 4000045	2,575,896	60.9	2,666,331	58.8			2,666,331	56.9	2,666,331	56.9	2,666,331	56.9	2,666,331	55.2	2,666,331	59.8	2,666,331	66.5
Total Funds	4,229,294	100.0	4,532,412	100.0			4,684,380	100.0	4,684,380	100.0	4,684,380	100.0	4,834,284	100.0	4,459,284	100.0	4,011,637	100.0
Excess Appropriation/(Funding)	(972,988)		(1,122,878)				(1,272,659)		(897,659)		(897,659)		(1,422,440)		(672,440)		222,854	
Grand Total	3,256,306		3,409,534				3,411,721		3,786,721		3,786,721		3,411,844		3,786,844		4,234,491	

Agency Position Usage Report

FY2014 - 2015						FY2015 - 2016						FY2016 - 2017					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
7	5	2	7	0	28.57 %	7	5	2	7	0	28.57 %	7	5	2	7	0	28.57 %

Analysis of Budget Request

Appropriation: 2VZ - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

The State Operations appropriation funded by general revenue provides for operations and maintenance of War Memorial Stadium. This appropriation in part replaced the general revenue the Stadium was receiving through the City and County Tourist Meeting and Entertainment Facilities Assistance Law, A.C.A. §14-171-215, from fiscal years 1996 to 2004.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency is requesting Base Level of \$895,171 for FY18 and \$895,294 for FY19.

The Executive Recommendation provides for Base Level and a reduction in general revenue funding of \$447,467 for FY19 only. The Executive recommends that a feasibility study be conducted to provide a comprehensive assessment of the future uses of the stadium and a roadmap for financial sustainability.

Appropriation Summary

Appropriation: 2VZ - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	360,685	365,393	342,138	365,393	365,393	365,393	365,493	365,493	365,493
#Positions	6	6	6	6	6	6	6	6	6
Extra Help 5010001	7,473	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
#Extra Help	3	103	103	103	103	103	103	103	103
Personal Services Matching 5010003	113,391	114,567	110,539	116,645	116,645	116,645	116,668	116,668	116,668
Overtime 5010006	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Operating Expenses 5020002	355,034	371,633	404,061	371,633	371,633	371,633	371,633	371,633	371,633
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	836,583	893,093	898,238	895,171	895,171	895,171	895,294	895,294	895,294
Funding Sources									
General Revenue 4000010	836,583	893,093		895,171	895,171	895,171	895,294	895,294	447,647
Total Funding	836,583	893,093		895,171	895,171	895,171	895,294	895,294	447,647
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	447,647
Grand Total	836,583	893,093		895,171	895,171	895,171	895,294	895,294	895,294

FY17 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2015-2017 Biennium.

Analysis of Budget Request

Appropriation: A24 - War Memorial Operations

Funding Sources: 326 - War Memorial Stadium - Cash

Created by Act 232 of 1967, the War Memorial Stadium Commission strives to keep the facility in the best possible condition for athletics, entertainment, events and community service events, which are all for the enjoyment of the citizens and visitors of our State. Funding for the cash operations of the Stadium is generated from rental of the Stadium and profits from concession/novelty sales charged pursuant to Arkansas Code Annotated §22-3-1002.

The Base Level Request is \$2,516,550 each year of the 2017-2019 Biennium.

The Agency Change Level request totals \$375,000 each year to provide for additional events being held and consists of the following:

- Operating Expenses increase of \$75,000 each year,
- Resale increase of \$200,000 each year, and
- Refunds/Reimbursements increase of \$100,000 each year.

The Executive Recommendation provides for the Agency Request and provides for an additional increase in the Operating Expenses line item of \$447,647 in FY19 only to offset the general revenue funding reduction. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: A24 - War Memorial Operations
Funding Sources: 326 - War Memorial Stadium - Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2017-2018			2018-2019		
	2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	0	0	29,251	0	0	0	0	0	0
#Positions	0	0	1	0	0	0	0	0	0
Extra Help 5010001	25,711	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
#Extra Help	2	47	47	47	47	47	47	47	47
Personal Services Matching 5010003	1,967	10,348	22,052	10,457	10,457	10,457	10,457	10,457	10,457
Overtime 5010006	0	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Operating Expenses 5020002	607,452	572,555	572,555	572,555	647,555	647,555	572,555	647,555	1,095,202
Conference & Travel Expenses 5050009	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees 5060010	19,229	54,538	54,538	54,538	54,538	54,538	54,538	54,538	54,538
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Resale (COGS) 5090017	1,042,360	1,025,000	1,025,000	1,025,000	1,225,000	1,225,000	1,025,000	1,225,000	1,225,000
Refunds/Reimbursements 5110014	173,460	130,000	130,000	130,000	230,000	230,000	130,000	230,000	230,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Debt Service 5120019	549,544	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Total	2,419,723	2,516,441	2,557,396	2,516,550	2,891,550	2,891,550	2,516,550	2,891,550	3,339,197
Funding Sources									
Fund Balance 4000005	816,815	972,988		1,122,878	1,122,878	1,122,878	1,272,659	897,659	897,659
Cash Fund 4000045	2,575,896	2,666,331		2,666,331	2,666,331	2,666,331	2,666,331	2,666,331	2,666,331
Total Funding	3,392,711	3,639,319		3,789,209	3,789,209	3,789,209	3,938,990	3,563,990	3,563,990
Excess Appropriation/(Funding)	(972,988)	(1,122,878)		(1,272,659)	(897,659)	(897,659)	(1,422,440)	(672,440)	(224,793)
Grand Total	2,419,723	2,516,441		2,516,550	2,891,550	2,891,550	2,516,550	2,891,550	3,339,197

Change Level by Appropriation

Appropriation: A24 - War Memorial Operations
Funding Sources: 326 - War Memorial Stadium - Cash

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	2,516,550	0	2,516,550	100.0	2,516,550	0	2,516,550	100.0
C01	Existing Program	375,000	0	2,891,550	114.9	375,000	0	2,891,550	114.9

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	2,516,550	0	2,516,550	100.0	2,516,550	0	2,516,550	100.0
C01	Existing Program	375,000	0	2,891,550	114.9	375,000	0	2,891,550	114.9
C19	Executive Changes	0	0	2,891,550	114.9	447,647	0	3,339,197	132.7

Justification

C01	We are expanding the use of the stadium. Currently we have a 250 event day calendar which means we have one or more events at the stadium 250 days per year. We are asking for increases in the cash appropriation line items-Operating Expenses, Resale, and Refunds/Reimbursements to provide for the additional events being held. It is essential to the Stadium to have this budget approved to continue to provide the State of Arkansas citizens the convenience they need and require at the Stadium that has served our State so well for over 60 years.
C19	The Executive Recommendation reduces the Agency's general revenue funding by \$447,647 and increases the Operating Expenses line item in the cash appropriation by \$447,647 in FY19 only.