



PLEASE POST

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Marketing and Communication Leadership Committee Meeting

Thursday, May 14 @ 3:00 p.m.

Meeting via Teleconference

Zoom Call: 312-626-6799

Use Meeting ID: 938 7195 7469

Computer Access: <https://zoom.us/j/93871957469>

AGENDA

1. Call to Order
2. Consider minutes from April 16, 2020 MLC meeting.
3. Discuss and consider amended proposal for 2021 Shorewood Today.
4. Adjournment

DATED at Shorewood, Wisconsin, this 8th day of May, 2020.

VILLAGE OF SHOREWOOD
Sara Bruckman, Village Clerk

Should you have any questions or comments regarding any items on this agenda, contact the Manager's Office at 847-2701.

It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information; no action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice.

Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals.

Marketing & Communications Leadership Committee

Minutes

April 16, 2020 3:00 P.M.

Village Hall Committee Room
3930 N. Murray Avenue, Shorewood, WI 53211

1. Call to order.

The meeting was called to order at 3:00 p.m.

Members present: Ann McKaig, Tyler Burkart, Rebecca Ewald, Arthur Ircink, Steph Salvia, Paru Shah, Jennifer Anderson, Alan Purintun

Non-members present: Michelle Boehm, Paula Wheeler

2. Present updated revenue totals and projects from MB Marketing Solutions

Ms. Boehm presented new revenue projections based on results from the first issue in 2020 as well as trends observed as a result of COVID-19. Mr. Burkart mentioned these trends could result in using more reserves in 2020 to cover the funding gap. Members asked questions to Ms. Boehm to better understand how annual advertisements compared to one-time advertisements are being impacted. Ms. Boehm articulated while there are a few businesses who have pulled their advertisements that some are hoping to advertise in the magazine to communicate how the business is responding to COVID-19 to remain active.

3. Consider additional \$1,000 contribution from each community partner for 2020 Shorewood Today

All partners were asked to report out the response from their governing bodies. All partners expressed their governing bodies approved the \$1,000 contribution or that their representative on the Committee is in support of the additional contribution. Ms. Shah moves for each community partner to contribute an additional \$1,000 for the Shorewood Today magazine for 2020. Reserves from the Shorewood Today Fund will cover any additional shortages in revenue for 2020. Mr. Ircink seconds the motion. Motion approved by 7-0 vote.

4. Consider suspending page limits and advertising-content ratio for 2020 Shorewood Today

Mr. Burkart mentioned two different restrictions in the current agreement that may allow the Shorewood Today editing team more flexibility when putting together future issues in 2020. Since there may be less content as a result to COVID-19, the page limits of 40, 44 (x2), and 48 paged issues will not be achievable. In addition, it may potentially throw off the 40% content-advertisement ratio as stated in the agreement. Mr. Burkart suggested suspending these restrictions. Smaller issues will also save on printing costs. Ms. McKaig moves to suspend the requirements to publish one 48 page issue, two 44 page issues, and one 40 page issue for Shorewood Today for 2020. Ms. Shah seconded the motion. Motion approved by 7-0. Mr. Ircink moved to suspend the requirement to have no more than 40% of the content be space for advertisements for 2020. Ms. Shah seconded the motion. Motion approved by 7-0 vote.

5. Discuss and consider additional actions related to 2020 and 2021 Shorewood Today

Ms. Boehm and Ms. Wheeler dropped off the call to allow the Committee to discuss other potential options for Shorewood Today. Committee members expressed support for the plan developed to handle the 2020 year, but that the Shorewood Today staff would need to identify an alternative budget for 2021 to continue operations for the magazine. The Committee directed Mr. Burkart to work with the Shorewood Today staff to submit revised 2021 budget, including reduced staff costs, for the Committee's consideration.

6. Adjournment.

Ms. McKaig moved to adjourn the meeting. Motion seconded by Mr. Ircink. Motion approved by 7-0 vote. Meeting adjourned at 3:59 p.m.

Respectfully submitted by,

Tyler Burkart
Assistant Village Manager

2021 Funding Recommendation submitted May 5, 2020

A major change in funding structure for the 2019-2021 Shorewood Today contract followed by COVID-19-related business closures and economic uncertainty has resulted in revenue shortages for the magazine. This document provides a recommendation for funding in 2021 to better align with realistic conditions for the third year in the three-year contract.

2019 was the first year of this contract, in which the funding model shifted to significantly reduced stakeholder contributions and significant annual increases in advertising prices and revenue goals. This new funding model was based on requests from the Village Board. At the end of the new contract's first year, ad revenue goals were not met for the first time in the five years that our team has produced Shorewood Today. On Jan. 21, 2020, the Marketing Leadership Committee agreed to draw \$2,217 from the \$18,289 in a reserve fund the team has accrued through excess ad revenues brought in from 2015 to 2018.

The Marketing Leadership and Shorewood Today teams met again on Feb. 17 to assess 2020 advertising sales to date. Another advertising shortfall was forecast due to a reduction in the number of annual advertisers and lower single-issue advertisers in Spring 2020. The Shorewood Today team maintains that that repeated annual increases in the ad rates have contributed to advertiser investment fatigue and/or rates that are simply not affordable to some local advertisers, leading them to either reduce or forgo advertising in Shorewood Today.

A stakeholder increase of \$1,000/year by each stakeholder (\$5,000 total) was requested at this meeting and approved by each stakeholder to cover the expected advertising shortfall.

	2014	2015	2016	2017	2018	2019	Original 2020	Revised Feb 2020
Ad Budget	\$38,850	\$39,000	\$65,000	\$65,000	\$71,600	\$75,500	\$79,000	\$79,000
Stakeholder Contribution								
Village	\$5,100	\$5,100	\$5,600	\$5,600	\$5,850	\$2,000	\$2,000	\$3,000
BID	\$5,100	\$5,100	\$5,600	\$5,600	\$5,850	\$3,000	\$3,000	\$4,000
Shorewood Foundation						\$3,000	\$3,000	\$4,000
Schools	\$5,100	\$5,100	\$5,600	\$5,600	\$5,850	\$3,000	\$3,000	\$4,000
Marketing/CDA (2018)	\$5,100	\$5,100	\$5,600	\$5,600	\$5,850	\$3,000	\$3,000	\$4,000
	\$20,400	\$20,400	\$22,400	\$22,400	\$23,400	\$14,000	\$14,000	\$19,000

When we met to confirm the new income and advertising situation on April 16, the COVID-19 pandemic and resulting "Safer at Home" state order had closed most businesses from mid-March until at least the end of May. Needless to say, this has negatively affected ad sales and we anticipate a projected ad revenue loss of \$12,000 for 2020. The \$5,000 stakeholder increase from the February meeting will help to mitigate this situation. However, stakeholders wanted to protect the approximately \$16K in reserves and were asked to contribute another \$1,000 per stakeholder (\$5,000). It is unknown if this was approved by each of their boards.

A more realistic funding structure of the magazine is needed for 2021 to preempt funding shortfalls. Our team recommends the following:

1. Hold staff compensation at 2020 level and forgo the planned increase for 2021.

- a. Current staff investment is \$52,500. Eliminating the planned \$1,500 increase to \$54,000 saves \$1,500.
2. Hold ad rates at current level for at least one more year.
 - a. Prior to 2019, our schedule increased rates **once every three years** to keep ad expenses down for local businesses. The 2019 contract required increasing the ad rates **every year** for the past three years.

<u>Ad Sizes</u>	<u>Rate</u>
1/2 page	\$625
1/3 page	\$525
1/4 page	\$425
1/6 page	\$325
 - b. Keep the same available discounts for advertisers to encourage local businesses, and to encourage participation in all four issues. (annual, Shorewood business, non-profit)
3. Reduce 2021 ad revenue budget by \$10,000 to \$72,500 from \$82,500.
 - a. Expected annual ad revenue for 2020 is estimated at \$67,000 (\$12,000 short of original \$79,000 goal).
 - b. The ad revenue budgets under the current contract were not, in the team's view, realistic even before COVID-19. \$72,500 is more realistic given the current situation.
 - c. If ad sales are more robust than planned, any excess will be added to reserves.
4. Increase stakeholder investment from \$14,000 to \$22,500 per year which is more in line with where it was in 2017.
 - a. With the same five stakeholders, this amounts to \$4,500 each per year, or a \$1,125 investment per issue to achieve marketing communication goals in reaching all Village residents, students, and businesses.
 - b. If the Shorewood Foundation is unable to afford a full \$4,500 share of the investment, perhaps they could split a \$4,500 share with the Shorewood Library, and each will continue to receive their current amount of editorial content.
 - c. If the Shorewood Foundation is unable to maintain any participation in 2021, we recommend the Village cover a larger portion to reflect the greater amount of content they receive over other stakeholders with the inclusion of the Library and Senior Resource Center sections.

	Spring 2019		Summer 2019		Fall 2019		Winter 2019		Total	Average	
	Village		Foundation		BID		Schools				
	#	%	#	%	#	%	#	%	Total	Average	%
Cover											
Village	10.75	49%	11.25	53%	12.5	46%	11.5	46%	46	11.5	48%
BID	4.5	20%	3.5	16%	5.75	21%	5.25	21%	19	4.75	20%
Schools	5.75	26%	5.17	24%	6.5	24%	7	28%	24.42	6.105	26%
SF	1	5%	1.5	7%	2.25	8%	1	4%	5.75	1.4375	6%
CDA	0	0%	0	0%	0	0%	0.25	1%	0.25	0.0625	0%
Total	22	100%	21.42	100%	27	100%	25	100%	95.17	23.7925	100%

5. Maintain the advertising to editorial ratio of no more than 40% advertising to protect the integrity of the magazine.
6. Do not impose page number goals or restrictions for 2021.
 - a. The number of pages published each issue is determined by ad sales and stakeholder content. At no time since our team has had the contract has there been a problem with the size of the magazine, so this is an unnecessary condition that creates more problems than it solves.

RECAP

Annual Income											
Income	2016	2017	Index	2018	Index	2019	Index	2020	Index	2021	Index
Partner Income	\$22,400	\$22,400	100	\$23,400	104	\$14,000	60	\$19,000	136	\$22,500	118
Advertising	\$65,000	\$65,000	100	\$71,600	110	\$75,500	105	\$79,000	105	\$72,500	92
Total Income	\$87,400	\$87,400	100	\$95,000	109	\$89,500	94	\$98,000	109	\$95,000	97
Per Partner	\$5,600	\$5,600	100	\$5,850	104	3K/2K	51 - 66	4K/3K	140	\$4,500	129
# Partners	4	4		4		5		5		5	

Annual Expenses											
Expenses	2016	2017	Index	2018	Index	2019	Index	2020	Index	2021	Index
Staff	\$47,000	\$50,000	106	\$51,000	102	\$51,000	100	\$52,500	103	\$52,500	100
Mailing/Postage	\$8,253	\$7,502	91	\$8,500	113	\$8,500	100	\$9,000	106	\$9,500	106
Printing	\$32,418	\$32,930	102	\$35,500	108	\$30,000	85	\$31,500	105	\$33,000	105
Total Expense			0	\$95,000	105	\$89,500	94	\$93,000	104	\$95,000	102

Annual Advertising Rates											
Ad Sizes	2016	2017	Index	2018	Index	2019	Index	2020	Index	2021	Index
1/2 page	\$550	\$550	100	\$575	105	\$600	104	\$625	104	\$625	100
1/3 page	\$450	\$450	100	\$475	106	\$500	105	\$525	105	\$525	100
1/4 page	\$350	\$350	100	\$375	107	\$400	107	\$425	106	\$425	100
1/6 page	\$250	\$250	100	\$275	110	\$300	109	\$325	108	\$325	100
TOTAL	\$1,600	\$1,600	100	\$1,700	106	\$1,800	106	\$1,900	106	\$1,900	100