

**CITY OF TRUTH OR CONSEQUENCES
LODGERS TAX ADVISORY BOARD
MINUTES
TUESDAY, SEPTEMBER 28, 2021**

REGULAR MEETING

Regular meeting of the Lodgers Tax Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Tuesday, September 28, 2021 at 12:00 pm.

CALL TO ORDER:

ROLL CALL:

Jake Foerstner, Chairman
Gina Kelley, Vice-Chairman
Theresa King, Member - ABSENT
Linda DeMarino, Member

ALSO PRESENT:

Bruce Swingle, City Manager
Tammy Gardner, Executive Assistant
Dawn C. Barclay, Deputy City Clerk

1. APPROVAL OF AGENDA:

Member DeMarino made a motion to approve the agenda. Vice-Chairman Kelley seconded the motion. Motion carried unanimously.

2. APPROVAL OF MINUTES:

- a. Regular Meeting of July 26, 2021.

Vice-Chairman Kelley made a motion to approve the July 26, 2021 minutes. Member DeMarino seconded the motion. Motion carried unanimously.

3. COMMENTS FROM THE PUBLIC:

There were no comments from the public.

4. OLD BUSINESS:

a. Discussion/Review: Lodgers Tax Award Tracking Sheet from meeting July 26, 2021.

Tammy Gardner, Executive Assistant asked for clarification as to who would be maintaining the Lodgers Tax Award Tracking Sheet. Vice-Chairman Kelley confirmed she will be in charge of tracking the sheet and its information.

Vice-Chairman Kelley had one change to the tracking sheet. She suggested to add wording to the funds portion that would cover split and partially awarded funds.

The board as a whole noted that they liked the option to discuss and review the Lodgers Tax Tracking Sheet. Deputy Clerk Barclay suggested making this option part of the monthly agenda so the information can be noted and discussed if needed. Board agreed.

No motion was required.

b. Discussion/Action: Lodgers Tax Funding Guidelines.

The board discussed page 21; "Grant Report" and added that upon submission, the Lodgers Tax Advisory Board has the right to request that the recipient attend the Lodgers Tax Advisory Board meetings to address any questions the board may have. The board confirmed that there will be no quarterly reporting. The board moved on to page 9 to discuss the branding logo.

It was clarified that the Lodgers Tax Funding Guidelines must go to the City Commission for approval. City Manager Swingle noted, at this point he saw no reason why the guidelines could not be presented at the next City Commission meeting scheduled for October 13, 2021.

Vice-Chairman Kelley made a motion to approve the Lodgers Tax Funding Guidelines with change to page 21 as discussed. Member DeMarino seconded the motion. Motion carried unanimously.

5. NEW BUSINESS:

a. Discussion/Action: Loaders Tax collections from Short Term Rentals in T or C.

Vice-Chairman Kelley shared with the board information she received from a concerned vendor who had reached out to the Tourism Board. This person claimed that a reported amount of money totaling approximately \$120,000 was collected in room revenue off of Airbnb rentals within the Truth or Consequences area for the month of August. This led Vice-Chairman Kelley to start her own investigation into this claim. Going through the Airbnb website, she found

there are 93 rental options; minus 20 that were for Elephant Butte, NM. She contacted the vendor who was a representative from the company Airdna; an analytic company, and her research led her to find that Airbnb sends a one lump sum check to Cities that have community contracts in place. She did a sample booking, and found out when finalizing a booking there is a charge called "Occupancy Taxes", and when she clicked for more information, it was listed as Gross Receipts Tax (GRT). Vice-Chairman Kelley's asked a local Airbnb provider what taxes are being paid on behalf of their customers. The break down had approximately nine charges with descriptions, and some that were duplicated. Vice-Chairman Kelly brought up the question that our local short term rental business owners may be thinking that they are paying City Lodgers Tax through one of those nine charges. She wanted to share this information with the City because there might be a significant amount of Lodgers Tax revenue being lost. Vice-Chairman Kelley made a suggestion that the City contact the City of Ruidoso, NM to gather more information on how to obtain a contract with Airbnb, as Ruidoso currently has an active contract in place.

No action was taken.

b. Discussion/Action: Lodgers Tax Contract for awarded organizations.

The board confirmed that once the City Commission approves the Lodgers Tax Funding Guidelines, the Lodgers Tax Contract can be updated. Member DeMarino and Tammy Gardner, Executive Assistant will collaborate to red line the Lodgers Tax Contract. Once completed, they will present it at the next Lodgers Tax Advisory Board meeting.

No action was taken.

c. Acknowledgement: Theresa King's resignation letter.

The board acknowledged Theresa King's resignation letter.

d. Discussion/Action: Set next meeting date and time.

Member DeMarino made a motion to keep the scheduled October 26, 2021 meeting. Vice-Chairman Kelley seconded the motion. Motion carried unanimously.

6. REPORTS FROM THE BOARD:

There were no reports from the board.

7. REPORTS FROM STAFF:

Tammy Gardner, Executive Assistant asked the board for clarification between Sub-recipient and Lodgers Tax funding requests. Vice-Chairman Kelley responded, the Sub-recipient are contracts with the City for operation and maintenance. Lodgers Tax funding is used to help promote tourism activity.

8. ADJOURNMENT:

Chairman Foerstner made a motion to adjourn. Vice-Chairman Kelley seconded the motion. Motion carried unanimously.

PASSED AND APPROVED ON THIS 26th DAY OF OCTOBER 2021.



Jake Foerstner, Chairman
Lodgers Tax Advisory Board