

**CITY OF TRUTH OR CONSEQUENCES
LODGERS TAX ADVISORY BOARD
MINUTES**

THURSDAY, JUNE 4, 2020

SPECIAL MEETING

Special meeting of the Lodgers Tax Advisory Board of the City of Truth or Consequences, New Mexico to be held on Thursday, June 4, 2020 at 3:00 p.m. in the City Commission Chambers 405 W. 3rd Street, Truth or Consequences, NM.

Call to Order

Roll Call: **Jake Foerstner, Chair**
 Theresa King, Member
 Gina Kelley, Member

1. Approval of Agenda

Member Kelley made a motion to approve the agenda.

Member King seconded the motion.

Motion carried unanimously.

2. Approval of minutes of May 2, 2019

Member King made a motion to approve the minutes for May 2, 2019.

Member Kelly seconded the motion.

Motion carries unanimously.

3. Comments from the Public

No Comments

4. New Business:

- a. Discussion/Action: Lodgers Tax 3rd Quarter Work/Spending Reports FY 2019/2020**

Member Kelley asked if we knew if anything was to be paid out in June; Tammy said that there are a few that are going to be paid. She received one from MainStreet and it will be paid next week. She received one from Sierra County Arts Council and all of their funds have been expended. The Chambers spent almost all of theirs.

Member King made a motion to approve the item.

Member Kelly seconded the motion.

Motion carries unanimously.

b. Discussion/Action: Possibility of extending deadlines for reimbursements for 2019/2020 applicants

Chairman Foerstner stated that he was a little confused as to whether this was necessary or not, because we are behind. He is wondering if it is necessary to extend the deadlines or are people spending them.

Linda DeMarino stated that there are 2 parts to this.

- 1) A lot of her money she couldn't spend because it wasn't going to put any heads in beds, so just didn't feel that it was in the best interest of tax payer dollars. She has about \$6,000 left. She said that maybe the funds could get rolled over into some kind of program to market the city, once things reopen. Or with the possibility of the branding stuff going on, tucking the funds away and using it at a later date.
- 2) She spoke to Jessica Rawley, and she doesn't think that they've communicated how Lodger's Tax for people who only use it one time, as Jessica still hasn't turned in her paperwork that was due on May 31. Linda said that Jessica could use an extension and that moving forward there should be a down and dirty this is how you use it for one time kind of folks.

Executive Assistant Tammy Gardner spoke about the workshops. She stated that doing a workshop and having a presentation, that maybe they could send out an email for the ones that get funded throughout the year and make the workshops mandatory that they attend.

City Manager Madrid stated that a lot of funding entities require mandatory training if they're awarded funding. It's got to be structured to include everything that the city would expect in the form of documentation and deadlines that should be a consideration. Member Kelley stated that the guidelines are daunting for a first time user. She suggested that they come up with just a one page breakdown on how Lodger's Tax works and what needs to be done by the user, a one sheet checklist.

City Manager Madrid stated that due to the current conditions surrounding COVID-19, it has been an additional burden, not only to process the paperwork but also to get the funding spent. He wonders how effective the spending would be by extending the deadlines for reimbursements and also extending the deadlines for expenditure of the funds as well. There are two ways that you could handle this:

1. Anybody that is gonna be funded next year, their unspent funds could be rolled into next year's funding.
2. It could be thrown into a general pot and just revert back to the Lodger's Tax fund. It would be competitive again when you authorize next year's funding.

The members are concerned that there will not being enough funds for the next 2 years due to the pandemics impact on lodging.

Linda DeMarino asked for the amount of next year's Lodger's Tax fund and a time frame. Member Kelley stated that projections show that funds will be down by at least \$100,000. City Manager Madrid confirmed that there will be a drop in Lodger's Tax revenue. He said there's opportunity to make it up in other areas later in the year. Things may be ok for this year, but the board may want to adjust their expectations on funding for next year. He suggested that the board take a pause and extend the deadlines for applications to accomplish 2 things: better revenue estimates and better information for the people that want to apply. He suggested one workshop for people that want to apply, so that they'll understand what the criteria is that they need to use for spending their money. And the

second workshop for the ones that get awarded, that way neither group can say that they were not aware of something that was within the application. It may be an hour to an hour and a half workshop, but at least a question and answer would be useful for anyone that is applying because they have turnover also and it gives everybody a chance to have a conversation all at the same time and everyone knows what the rules are.

Linda DeMarino: Following up on what Mr. Madrid said, I would like to see the creation of a webinar, so that at any given time go thru the packet and talk thru the packet. We've been thru enough of these that we know what the frequently asked questions are, so at the end, we add a frequently asked questions section, because it really is a lot for people that are doing it for the first time. That way, when they don't take it all in, they have something to refer back to at any given time.

Chairman Foerstner: I do like that idea and I also like the one page summary that was mentioned.

Member Kelley: Since no one can really do any marketing at this point, is there a reason that we have to move quickly on getting applications out? Like Mr. Madrid just said, it's probably better to go slow and see how things shake out as far as what the restrictions are and what our financial situation is.

Member King: I don't think historically, at least since I've been here, that there's not much going on in the summer. I don't think that there's that many reimbursements in the first quarter.

City Manager Madrid: I'm not sure as to what the trend is among the quarters, but I agree with Member King that, in this year in particular, there's probably not gonna be a whole lot going on.

Executive Assistant Tammy Gardner: I have the spreadsheet open, and looking at the past years, she is correct; really there's not a whole lot of expenditure going on in the first 2 or 3 months except for the monthly ones like The Veterans Wall and then a co-op grant.

Member Kelley: That's a contract that the Veteran's Memorial has, so that's something that I don't think that we can put off for them.

Executive Assistant Tammy Gardner: And those are more of a reimbursement and sometimes they've been waiting or holding off on their reimbursements until the end of the quarter almost. I would say that even they don't even submit their reimbursements until...they waited to submit 3 or 4 months this year in November.

Member Kelley: OK. So if we were to not do awards until September, they could retroactively get reimbursed?

Executive Assistant Tammy Gardner: Correct, they don't have to give me their reimbursement. I mean it's. It's just saying this from my standpoint, it seems like it would be nice if they have monthly ones to submit as they get them like on a monthly basis, rather than I think some of them might be under I, I mean correct me if I'm wrong, but I

think some of them are under the understanding that they can only submit for their reimbursement at the quarter, which isn't, and that's what it looks like some of them to do, but that's not necessarily how it has to be. There's nothing stating that they can't turn in a reimbursement request prior to the end of the quarter.

Member Kelley: I think that going forward we're going to need to really think about there's going to be less money distribute we're gonna have to really tighten up on what people spend money on to make sure it is gonna give us our biggest bang for the buck.

Chairman Foerstner: I definitely agree with that.

Linda DeMarino: Can I make a suggestion? So, if you guys in fact let us use our remaining funds, I would ask that you move them to like unrestricted areas because the money that we have left I think I could use in different ways that would be more beneficial to T or C coming out of the Covid virus, which I didn't see clearly last year when we applied. So the money that we have, I would like to use in ways that we hadn't planned on. We're gonna want to come back together and vote for everybody's budget adjustment. So if you do decide to let us roll those funds forward, I'm requesting that you let us use them in whatever categories are going to be best. I don't know how much everybody else has, but I mean I have two specific projects that I'd really like to do that I think would be beneficial coming out of this.

Member King: I think that that is completely reasonable. I think everybody understands that everything is changing; the way we're looking at everything is changing as well, and that includes the way we market and how we market and what we want to market to, so I would definitely be open to that idea.

City Manager Madrid: Mr. Chairman, when it comes to re directing funds or allowing variation from the agreements; that takes an action by the board to change the agreements and it should never be done in a in a mass change sort of way. The board is completely free to change the criteria for new funding. For example, I'll say the board wants to shift from print media to social media. That's entirely appropriate for the board to do. But you cannot allow expenditure for any other purposes in the agreements that you already have set. And if you're going to change the criteria in the future funding, that should be reflected in your funding guidelines. It's just a compliance issue.

Member Kelley: So to Linda's point, let's just say that she wants to do a TV commercial to promote visiting T or C when we can actually accommodate people. And that's not in her original agreement for the fiscal year, so do we approve a change to allow her to do that?

City Manager Madrid: If it's a change in the scope that was originally submitted. For example, if it was for print and advertising and it's gonna be for some other type of promotion at the Spaceport, then yes, that would require approval by the board to change the agreement. If it's only a change, for example, from Facebook to Twitter, the original intent is social media, so that would not require a change.

Chairman Foerstner: So then what it sounds like, is that this would be better since it would require board approval and there's several non-profits that would want to use their funds in different ways. We don't do the mass change, but we simply go forward with new applications with those new scopes; post-Covid scopes that what people want to do to bring business back. Don't you think that rather than an extension where we can't change the scope, we simply start the application process now so that people know what they want to do differently and we can just approve all of the new applications with those new scopes. We will do everything at once. I like the idea, like the way we did it in December when we had piecemeal applications. That was one of my things that I wanted to ask about. I know that the way this has been done is budget style or the nonprofit applies for the entire year at once. But I did like that we had money leftover and that when projects popped up throughout the year, we were able to fund them. That's how things organically happen anyway.

Executive Assistant Tammy Gardner: Are we talking about the current ones? You're talking about people that want to change their current monies they could do a budget amendment like you guys have seen come through? Because I know that you're talking about the upcoming ones, but you're also talking about the present ones correct? And the private ones would mean that amended budget is what I'm thinking Mr. Madrid was talking about, so each individual entity would need to submit an amended budget to propose what they would like to change in their budget to pay for these different things in the different times?

Chairman Foerstner: Which I think that would be kind of a nightmare at this point, giving them an extension, but then requiring all these budget amendments and putting things off. I don't know if it's unfair to let the fiscal year run out and then just have everybody reapply with their new scopes, or it would be better to give him an extension, but then we have to meet for every little budget or every change.

City Manager Madrid: We are in June and I think in any plan in any budget plan or any action plan for training type of activity or entity, we're at the 11th hour and I think everyone should just be required to stay with their plan. Let this year finish, and if there is a new approach, it should begin with the new funding year.

Chairman Foerstner: That's pretty much what I'm thinking. I'm in a hard way to stay and I know it sounds unfair with what's happened, but I really feel like it's gonna be a nightmare trying to do all these questions at this point.

Member Kelley: I think you're right about that, but we just I think it would be fair to take any unspent award and roll it over to next year because like Teresa said, we don't know that the money is gonna be there. And at least that way they can still put in an application for funding. But maybe on top of whatever we want to award them of like what we would do normally we would say and you have this much from last year that you didn't spend, we're just increasing it, and then that way when it reverts back to the city of getting the

fiscal year, it can stay in that little pot then that way it we're not penalizing anybody. It's not Fiestas fault that their event got cancelled. It's not MainStreets fault that they couldn't do the marketing they wanted to do and everything is closed, so I just want ensure that they have money for their organization, because they need all the money they could get. And we might have to reduce funding for next year, so this might take the sting out of that.

Chairman Foerstner: So Gina, what you mean is anything they haven't spent this year would automatically roll over specifically to them, not into our general pot to reward, but so basically everything that Fiesta didn't spend would automatically go to Fiesta in addition to what we awarded for the next fiscal year?.

Member Kelley: It's just a thought. You know, it's just a thought to talk about and we could go to the general pot and maybe use that for next year funding; to build up next year's funding, because we've got the jump going to have it done.

Chairman Foerstner: I feel like what's going on with Covid needs some really bold marketing tactics and I would just personally think that pooling our money together to do a nice campaign would be beneficial to the whole town as a whole, instead of saying, well, you didn't spend your money, so I'm going to give this to you and it's just the same tired marketing. I hate to throw that in there, but it just seems like we can maybe get more done if we take this as a silver lining and use that funding to pull together and do something worthwhile.

Member King: I mean I agree with everything that we're saying, it's tough because I agree with you Gina. We don't want to penalize Fiesta, through no fault of theirs; they couldn't hold the fiesta this year. And then next year, if we want to do that to get it back online with it, and we don't have the funds to get them then it's gonna be really tough for them, but we need to figure out a way to market as well. We need to get the whole town marketed so that we can get us all back online, not just Fiesta but all of us. So what is the fine line there? How we put that so that we're doing what's right for the community and what is fair to the nonprofits as well?

Chairman Foerstner: What about if we just did both? Like the unused funds for last fiscal year, we pulled towards the project, but they could still apply coming up for this coming fiscal year. So it doesn't penalize Fiesta, if they're going to have it next year, they still can apply and we'll award it to them out of these coming funds, but everything that is not spent this fiscal year, we put towards a project.

Member Kelley: That's actually my preference.

Chairman Foerstner: Does it have to go out to special application? Do we just make a recommendation and city spends it? How does that work?

Member King: Do we ask the city to hire somebody to do that for us, and this is the funding they have? How does that work?

Chairman Foerstner: Maybe a special meeting where we ask for applications for that specific purpose of the project.

Linda DeMarino: We kind of have an established people.

City Manager Madrid: With all due respect to all of your members, we have items on the agenda 4 A through E and going through all of them at the same time. I think it would be better to focus on them individually. But in regards to that last question, the lodger's tax board could decide to come up with a plan to direct the city to solicit whatever type of market or advertisement that you wanted. That would go through the regular city process, but the board could develop that criteria and come up with that kind of a plan. The answer is yes, you can do that. But anyway, I just wanted to try and get us back on track.

Chairman Foerstner: OK, well the thing is, these are kind of related. I do want to focus on 4B but you know but we're gonna have to take it all as a big decision.

Member Kelley: As far as 4B, I would say we don't extend the deadlines, we just finish the year out. You know, the year is done in 3 weeks.

Chairman Foerstner: I think we kind of all agree on that, that the unspent money can be pooled, and if we are agreement, I would entertain motion for that, to not extend the deadline. Now we're talking expenditures, right? Not being person that's very easily to extend the reimbursement.

Member Kelley: Expenditures to be done already.

Chairman Foerstner: For the rest of this month, yes.

Member Kelley: This is extending deadlines for reimbursement. Yes, I think we should extend the deadline for reimbursement because the deadline for reimbursement is already over, right?

Chairman Foerstner: No, is it? OK, I'm sorry, I'm confused; so they don't have to the end of June for expenditures? So when is the deadline for reimbursement?

Member Kelley: May 29th was this years.

Chairman Foerstner: For expenditures, what about reimbursements? Oh yeah, it sounds like we need to at least do that.

Member King: Tammy, can you tell us maybe who is out besides MainStreet Fiesta?

Executive Assistant Tammy Gardner: And who's done with their expenditures, is what you're saying?

Member King: Right, who has not put in their...

Executive Assistant Tammy Gardner: According not on this report, I have the Chambers that expended over \$11,000 that is gonna be paid this week, so they'll be done. Arts Council, their expenditures; they've expended the rest of theirs, and they'll be done and be paid this week or next week. Veteran's, I did stick it in here. It's getting paid this week. I think pretty much the only ones that haven't are going to be your MainStreet and I think Geronimo Springs Museum is done as well, so I think it's really gonna just come down to MainStreet and Fiesta that have not.

Member Kelley: And we know that Fiesta is not going to spend anything. Linda, are you going to spend anything?

Linda DeMarino: I can't. And they're not in the categories that I could use moving forward. I have put in a grant to try to get a city tourism website and a commercial but I didn't get that and we got the business marketing thing instead.

Chairman Foerstner: So we already know that Fiesta didn't happen and they could definitely get funds for next year, but I don't think they have a problem turning those funds back to use however we decide to use them. And we've already heard from Linda that she's OK with it and so everyone else has used them. It doesn't sound like we need to extend the deadline for reimbursements, am I right? OK, I would entertain a motion then.

Linda DeMarino: SteamPunks

Member Kelley: They're not on this chart.

Linda DeMarino: Yeah, so they would be the other one that would need that extension. Just to turn it in just for reimbursement, they've already expended the money.

Member Kelley: How soon can she get it? It would be nice if we could get it before the end of the fiscal year.

Linda DeMarino: She can turn it in tomorrow, probably.

Member Kelley: Manager Madrid, is that acceptable that SteamPunks turns in their reimbursement tomorrow?

City Manager Madrid: Yeah, we can't wait. Beyond that, they're risking not getting reimbursed at all.

Member King: Unless we extend the reimbursement date.

City Manager Madrid: Well, even then, we can't go past the end of the fiscal year because then we're appropriating money for next year. And that is a violation of state law

Member King: So if we made a motion to extend the reimbursement, then really it would only apply to SteamPunks and we could put a date on it by the end of the fiscal year and that would be the only one that one. Is that what I understand correctly?

Member Kelley: That's what it sounds like. I would give them a deadline of the 10th. Don't give them until the end of the month. The city has to close out the books by the end of the month. Correct Manager Madrid?

City Manager Madrid: That is correct. Let me look at the calendar real quick to give you a date. I think we would have to have the reimbursement packet no later than the 9th to be processed on the 12th.

Chairman Foerstner: I think if we do that, we have to be fair though and say that we are extending the deadline for anybody that needs to turn in any reimbursements, right?

City Manager Madrid: That would be appropriate.

Member King: And I would be OK with that, because I don't think that there's going to be anyone else who would be using it, so I think if we open it up to everybody, I think it's fair and if they get it in in the next 5 days that we're giving them.

Executive Assistant Tammy Gardner: I have a question just to comment on that. I know that I've had some in the past that submit their stuff and they're missing some supporting documents. So really, if they turn it in on the 9th that only gives me maybe a day or two to see if there are any errors or I need additional supporting documents, that is not in what they gave me, that only gives me a day or two to contact them and then to get me everything I need in order to process that.

Chairman Foerstner: Well, we're only talking about Jessica and Linda said that she can turn it in tomorrow, so I think that it's still reasonable to give her until the 9th. I don't think that she should take until the 9th; I think that she should get it in ASAP and not stretch it. We're already giving her an extension, unless you want to make the extension until the end of this week.

Member King: That's tomorrow. We can do Monday and that buys one more day for the City, and that gets her in there. I just don't know if there's anyone here that would want to tell Jessica that she might want to move it along because if something wasn't complete then she risks the chance of meeting that extension time; she's not gonna get reimbursed. I would make a motion that we extend it to June 8, 2020 for reimbursements.

Member Kelley: I will second that.

Member King made a motion to approve the item.

Member Kelly seconded the motion.

Motion carries unanimously.

c. Discussion/Action: Timeframe discussion on any guideline changes

Chairman Foerstner asked the members if they are ready to tackle the guidelines in the 11th hour. All members said no, that it would take too much time getting the workshops scheduled.

Member Kelley: I do think that we should try it because we're gonna delay asking people why; I think it would be a good idea to have new guidelines in place before.

Chairman Foerstner: I think that since we're not really extending the deadline for this year, most people have extended it and we want to get some projects going to bring back lodging. I hate to even put that whole process off because of us changing the guidelines.

Member Kelley: Another year?

Chairman Foerstner: Well, at least after the applications are put in, that way we have time to deal with it until next year. And this time not put it off until spring.

Member King: I agree with that.

Member Kelley: I guess I do too, just because this year so... I'm just concerned that if we're going to be looking really hard and how people spend their money, well, we can use these guidelines.

Chairman Foerstner: Yes we can. And we already put in the guidelines that we can hold back what was it? How much can we hold back? I don't remember the amount.

Member Kelley: We put that in the guidelines for last year we did make it a specific amount that we could hold back.

Member King: Yeah, I think that it's in the guidelines and I think it's a percentage.

Chairman Foerstner: I think it's 10% that we could hold back; 10% and not award.

City Manager Madrid: If the invoices are not submitted by the due date, they are subject to 50% penalty. I don't think we've ever enforced that or have had the case where we've had to do that, but that's what's in the guidelines.

Chairman Foerstner: I think we spoke about that and we talked about leaving that in there in case we have the need to enforce it, or the desires to enforce it. And I think we should go forward with the existing guidelines, just so we're not holding people up. They can start getting some of this money spent and get some new allocations to get some heads on beds.

City Manager Madrid: You know what you can do without changing the guidelines, if the board wants to see a change in the way that marketing money is spent, when they do the solicitation for applications, you can include some language that says that preference will be given to plans that include social media. You can put that in the solicitation and consider it when you write the application; it does not have to part of the guidelines.

Linda DeMarino: With everything being so weird and not knowing how things go, it almost seems like a change this year and doing things more on a project by project basis would be better because, for instance, the Rock & Gem Show got cancelled and the Fiesta

got cancelled and so the thing that worries me a little bit is awarding money for events right out of the gate.

Both Chairman Foerstner and Member Kelley agreed.

Member Kelley: There are things that are not events. The Chamber doesn't have any events. Geronimo Springs doesn't do any events. Veteran's Park doesn't do any events, so we could possibly just look at doing those kinds of things and then do the events on a project basis.

Chairman Foerstner: What if the language when we put out calls for applications includes that there really isn't this need to do this once a year application that we've been doing. Is that something that we can change without major guideline changes where we could put out the language that 'hey, you can apply half a year for different projects or different events.' Whether it be a project, event, or marketing campaign we can put the language out without changing the guidelines, because the guidelines are more about how it's reimbursed and how it's spent, not about how often they apply, right?

Member Kelley: The only thing with that is you can only hold back 10%. That's what you would need to change.

Chairman Foerstner: Do the guidelines even outline that though, that we're awarding it all at one time? I'm trying to think if they even mention anything about once a year application. If they do, then you're right, we would have to make changes to the guidelines in order to do that. And all we would be able to do without changing the guidelines would be to hold back 10% and use that for upcoming projects and events throughout the year. And that was the main thing that I kind of wanted to change is to not limit ourselves to just that and have applications throughout the year instead of just once a year, as things come up; the way that the other boards do in other counties.

Member Kelley: City Manager Madrid or Tammy, correct me if I'm wrong, but I don't think that we have it in the guidelines that we have to do it all at once.

City Manager Madrid: I do not see that requirement in the guidelines. You could take a 6 month approach or whatever you'd like. I think a pause is good to get a better idea on the revenues and the governor's consideration of helping the local lodging establishments too.

Chairman Foerstner: So it sounds like we don't need to make any changes to the guidelines. They already allow us to hold on and take applications as they come, right?

Member Kelley: So we can table that one.

Chairman Foerstner: Ok, so are we in agreement to table 4C?

Member Kelley made a motion to table the item.

Member King seconded the motion.

Motion carries unanimously.

d. Discussion/Action: Discussion regarding workshops and deadlines for 2020/2021 applications

Chairman Foerstner: We kind of already talked about maybe more workshops are needed or do you think that we do need a workshop coming up before any applications? I know that we just talked about having applications once a year but what's the next step?

Member Kelley: I like the idea of a webinar that people can log onto. We would just have to figure out a way to know that they did it. Most of the people that apply come year after year and the best thing to do is probably to reprioritize; where we want the money spent. That needs to be communicated to them and I guess we would need a workshop for that.

Chairman Foerstner: When we put out the applications we can just put the wording in that. Then it doesn't need any official signage and guidelines, we can simply talk about it right now, what we want to put in that wording, so that she can send out applications as normal coming up, but with wording saying that this is what we're gonna be favoring and also you don't have to apply all at once, you can apply as projects come up.

Member Kelley: I can work on that copy. What are our priorities going to be? Are they going to be social, are they gonna be broadcast; what do you want the priorities to be?

Chairman Foerstner: I think we favor social media, as it's more trackable and has a greater reach. You get a bigger bang for your buck and it's trackable.

Member Kelley: We will look more favorably upon applications that are marketing more social media?

Chairman Foerstner: Yeah, and I would also say more detailed applications having to do with each campaign or project as opposed to some the very generalized applications we've gotten the past where we really didn't even know what they were gonna use it for because everyone applied all at once, it was too much to digest. I feel like they're having the same problem.

Member Kelley: Right now the way the application is written, all it says is social media, that's one line.

Member King agreed.

Chairman Foerstner: What if we put in the wording that each application should be individually turned in for a specific project or specific event, as opposed to turning in a bunch of applications that has their entire year in it, so that way it's a little bit more fair. If we put this out that they can apply for the year but then some organizations do it the old way and ask for everything all at once. Each application should be for a specific project or campaign or event and then that way we can look at the effectiveness of project/campaign/event. Kind of like what we did last year with those events. We were able to look them event by event rather than just organization by organization and the very generic applications. What do you think? It would be a lot more applications, but it would be more detailed applications that we would know what we're looking at.

Member King: I agree with that because I feel like the habit with a lot of the applicants is that they put in their applications for all of their different things, it's a lot of fluff, and they double what they need because they know that the board is gonna cut it in half. I feel that some of the organizations might just be scrambling at the end to do what they can to spend the money so that they don't lose it.

Chairman Foerstner: For the city folks, does that affect you guys at all? Is that something that would work?

City Manager Madrid: If you had a single agreement per entity and you went by one agreement for the whole year amending at each time there was an event, I think that would work. If you had to do a new agreement every time because of the qualifications that we have to verify with an IRS and Secretary of State, that would be very cumbersome. But if they could qualify and apply for multiple events, that would work.

Chairman Foerstner: So In other words, there first application of the year is when they qualify and put their IRS information. But then after that the rest of fiscal year they can just put in a small application for each different event.

City Manager Madrid: Right.

Chairman Foerstner: OK, I think there's nothing wrong with that.

Linda DeMarino: I think the hard part about that is having quarterly meetings, because that's only four times a year that we have the opportunity to do that. I think like every other month would work better. I mean, sometimes things just come up and they're good opportunities, and if the meeting was just held yesterday when this idea was developed, then they're in trouble.

Member Kelley: I think we need to make the meetings more frequent.

Member King: I'm ok to do that as well, when I'd much rather increase the frequency now and say we're doing it every other month, rather than what happened last year was we were constantly having to call for special meeting, and it was a bit unorganized in that aspect of it. However, I'd like the fact that it was focused on specific events instead of more general idea of 'I want money'.

Chairman Foerstner: So can we put it in the language that goes out that we encourage them to apply; since we're going to be more getting more often and separating out the applications we don't really want people coming to us at our bi-monthly meeting and hitting us with four applications at once. Should we put some kind of language in there saying one application at a time per entity? You know, so like an otherwise Arts Council could just come to us that our very first bi-monthly meeting and have six applications for six things they want to do; it would just be a loophole from what we're trying to do, if we allow them to apply all at once, because then they get something like a money grab.

Member King: To clarify what you're saying, is a non-profit can come in and say I'm gonna go ahead and apply in the very first one and then if they approve it, I get all the money and another entity that hasn't got their event in yet, might lose out on money. So can we and I don't know who could answer this question. Can we say you can't apply for that funding until two months before the event, four months before the event, then that might spread it out?

Member Kelley: I would at least want them to plan four months out as a minimum.

Linda DeMarino: If you're gonna say, one application for per quarter or whatever you're limited people. And if reprinting a Hot Springs brochure is one thing, that's one thing that I have to apply for a reprinting, and the 2nd Saturday Art Hop brochure, that's another thing, and you know, so if everything is one thing; maybe limit it to like 2 you know or something. But I mean sometimes things happen concurrently.

Chairman Foerstner: We could also do not put any limitation. They could come to us with like 5 applications at once. It doesn't mean we have to fund them. We could look at the due date of whatever project they're doing. That way we're not blowing our load all at once on one entity. That's what I really worry about is that people wanting to just have their budget set for the year and hit us with like 8 applications, even if we say you got separated out in each application for different project it would just hit us with all of them at once. And then we would have to turn a whole bunch in order to get some other organizations a chance to apply for something later on in the year.

Linda DeMarino: I think this is a really good approach. Lodger's Tax money is gonna be used way better this way if you go in this direction. From having used it on this side, I definitely think this is a good move.

Chairman Foerstner: it works really well for the County Lodger's Tax, as things come up, they come to us. Quarterly has tended to be enough, usually if it's for an event or project; they're planning it pretty far in advance. And if they aren't, usually the effectiveness of their marketing isn't that good. Now I know things come up, but generally the more effective event and campaigns are the ones that planned further in advance, in my experience. I'm not saying that I want to stick with quarterly, I think bi-monthly would work, but I think monthly is overkill.

Member Kelley: Manager Madrid, is there anything in the ordinance that says that we have to be quarterly, is that something that we can change?

City Manager Madrid: You wouldn't even have to change anything because the code calls for minimum meetings. It doesn't preclude you from having more meetings than that. If you had to call every other meeting a Special Meeting, then so be it; it doesn't matter.

Chairman Foerstner: So that's another option, we have our regular meetings quarterly but if an application comes in, we can call a special meeting. I don't know if you want to

do it that way or if would be better to just commit to bi-monthly and cancel if nothing comes in during that time.

Member Kelley: I would go along with that because I think if we have to do special meetings we're gonna end up in that mess like we did last year, where we had to keep having special meetings.

Member King: I agree with Gina in that aspect as well. I think people will have that planned in advance but if we look at last year, there were 3 different events that came up at the last minute.

Linda DeMarino: The Rock & Gem Show, The Marilyn & Elvis SteamPunks Vision 2020 thing, and The Dada Ball.

Member King: I don't know that they were last minute so much as they didn't know that lodger's tax was available to them, and then when they found out...

Member Kelley: Ok, back to the deadlines for the applications and the workshop...

Chairman Foerstner: We simply put in our wording for the call for applications that this is how we're gonna be doing them; we take them as they come.

Member King: I think that's what we should do.

City Manager Madrid: This item probably calls for specific dates for solicitation and receipt of the applications. After that, you could incorporate it into your new meeting schedule. I think now would be a good time to set it up. We could publish a solicitation a week from tomorrow, if we get it in by Wednesday. The Chair could work with Tammy on that language to place in the ad and then get an adequate time for them to prepare their applications and turn them in. I would suggest probably 3-4 weeks. At that time then you could set your next meeting to consider the first round of applications. During the first initial applications, that's where we would qualify everybody through Secretary of State and the IRS and get that done. I think all we need to do is actually set some dates and get this year's process moving.

Member Kelley: If we can publish, by the 12th, get the language to Tammy...

City Manager Madrid: Yes, you may want to publish 2 Friday's in the paper instead of just one. We'll also put the solicitation on our Facebook page and on our website.

Member Kelley: And then we give them a month to fill out the applications?

City Manager Madrid: Whatever is customary with you all; I think 3 weeks would be enough, but a month would be ok because as I've stressed before, there's no need to push this process along without a whole lot happening.

Linda DeMarino: If we're wanting to prepare things for when things start to get open, I'm gonna want as much time as I can have. And if you're limiting the applications to make it smaller, it should take less time to fill out.

Executive Assistant Tammy Gardner: I'm looking at previous years as far as timelines go and FY18/19 timeline was over a month so I think 3-4 weeks would probably be more than enough. In past years, it looks like it's been 3-4 + weeks.

Member Kelley: What do you think about July 10th?

Chairman Foerstner: I mean, it's reasonable, and also the wording in the solicitation kind of outlines that this isn't the one time of the year; that we're gonna be taking applications multiple times after year and meeting bimonthly; people are going to a comfortable just applying for the things that are coming up, the projects that they want to work on now instead of trying to jam everything into this one application.

Member King: And it's enough for them to feel like they're not going to be pressured into that.

Executive Assistant Tammy Gardner: I have a question as far as you guys were discussing a couple different options with those workshops which did you want to hold a virtual workshop? Like a go to meeting and then record that and then take that recording and make that available? Or were you wanting to set up some sort of PowerPoint/presentation and make that available? And who would be doing that, that way I know how to incorporate that into this process?

Chairman Foerstner: I don't want to do any of those things. I just mean not right. We should do those things, but I just feel like before this first thing to start getting people's first solicitation.

Executive Assistant Tammy Gardner: It was just what I was asking. It's totally up to you guys. I just wanted to clarify for how I was gonna do things here because I knew that talking to Jake at one time he was wanting to do a workshop before in the application process to help these applicants with showing them how to go on the SOS site, how to go on the IRS site to that extent. If that's not something you want to do this year, that's perfectly fine and that's up to you guys. I just wanted to know what you were deciding so I knew how to handle it.

Chairman Foerstner: I really like the idea of the one page summary. It just simplifies things for them rather than a zoom meeting kind of workshop before the thing.

City Manager Madrid: I think we could probably put together on one page summary of what to look for in the application and include that with the application and then the solicitation also include a scheduled kind of help session that we would hold here in the chambers for anybody that needs a little handholding. But we're not talking about real big groups, so I think that would be appropriate. Face to face and individual, I felt that way. We could do that a week before the deadline.

Member Kelley: OK, so a help session/tutoring session. And that would be a week before the 10th would be the 1st.

City Manager Madrid: Probably the week before that. I'm not sure what type of work force we're gonna have that week. I would suggest the week before that, that way they will be able to incorporate that into their applications; kind of right in the middle, the last week of June.

Member Kelley: So I will put out that the publish and solicitation date is Friday June 12th, Friday June 19th, and there will also be publishing on Facebook and website. The deadline for applications is July 10th. There will be a help session at the chambers on June 25th. And I'll do a 1 page summary on what we're gonna be looking for, that you're gonna send out with the applications.

Executive Assistant Tammy Gardner: So even though they know projects, they still need to submit them one at a time; they can't put multiple on the same application even though they might know them?

Member Kelley: I think if they know them then they should, but I don't want us to get into the same stuff that we do every year.

Chairman Foerstner: I really like the 3 special meetings that we had; each application was for a specific event or project and we were able to mine down so I was just thinking one project or campaign or event per application. I'm not saying that they can't do multiple applications. I was thinking that they can separate each application for different projects.

Member Kelley: I will work on this tomorrow and involve Tammy.

Chairman Foerstner: I have a feeling that we're still gonna get hit with a lot of applications all at once. And that's why I'm wondering if we should set some kind of limitations to where they can only submit 3 per organization so that we don't run into this issue.

Member Kelley made a motion to publish a solicitation for the Lodger's Tax applications for June 2, 2020 with another publication on June 19, 2020 and publications on the City Facebook page and website. The deadline for applications is July 10, 2020. We will also have a June 25, 2020 help session for Lodger's Tax applications at the City Commission Chambers in person.

Member Kelley seconded the motion.

Motion carried unanimously.

e. Discussion: Possibility of pooling unused funds for a unified marketing campaign

Chairman Foerstner: I think if we say right now that we're going to suspend all unused funds for the commercial that it's bad timing. So can we just roll it over to this next fiscal year now that we're doing the every other month we can accept some proposals and perhaps a nonprofit has a great idea. And we just roll it over.

Member King: I think that's a great idea because any unused funds we have already stipulated in the past that they stay within lodger's tax, they don't go back to the city.

City Manager Madrid: They do not go back to the general fund, you are correct. They will roll over.

Member Kelley made a motion that unused lodger's tax funds that were awarded to organizations rolled over into the general lodger's tax fund for the marketing projects that benefit the City of Truth or Consequences.

Member King seconded the motion.

Motion carried unanimously.

5. Discussion/Action: Set time, place & date for the next meeting

Tuesday July 28, 2020 at 12:00 p.m.

Member King made a motion for the next Lodger's Tax meeting be on Tuesday July 28, 2020 at 12:00 p.m.

Member Kelley seconded the motion.

Motion carried unanimously.

6. Comments from the Board

Member Kelley: It might be an opportunity for us to reinvent T or C lodger's tax. How it's used and what our priorities are. A horrible thing that has happened to us all; it's just terrible and all of our businesses are suffering but it might actually turn out to be a little bit of a silver lining. We can really refocus our energies on marketing T or C as a whole. I like being involved in the branding idea. I think that this is an opportunity for us to really change things up because it's really stagnant. Our marketing is very stagnant.

Member King: I agree Gina. I think everything so uncertain these days and everything is going to change and just when we think we know where it's going, it's going to change again. So I think that this presents new opportunities for us so that we can refocus where we want to go with our community.

Chairman Foerstner: I'm in agreement.

City Manager Madrid: I just want to echo with what you have been saying. I'm looking forward to some new energy and new ideas and we will support you any way we can.

Chairman Foerstner: Excellent, we all appreciate that.

7. Comments from Staff

City Manager Madrid: I just want to echo with what you have been saying. I'm looking forward to some new energy and new ideas and we will support you any way we can.

Chairman Foerstner: Excellent, we all appreciate that.

8. Adjourn

Member Kelley made a motion adjourn.

Member King seconded the motion.

Motion carries unanimously.

Approved by the Lodger's Tax Advisory Board on Tuesday July 28, 2020.



Jake Foerstner, Chairman