

LODGERS TAX ADVISORY BOARD
SPECIAL MEETING VIA GOOGLE MEETS
1700 N. Grand Avenue Las Vegas NM, 87701
Tuesday April 27, 2021 at 2:00 pm.

Call to Order

Board Chairman Bhakta called the meeting to order at 2:08 pm.

Roll Call

Present:

Krutik Bhakta

Allan Affeldt

Shawna Sandoval

Georgina Ortega-Angel (2:14pm)

Absent:

Gabe Garcia

Approval of Agenda

Board Member Affeldt made a motion to approve the agenda.

Board Member Sandoval seconded the motion.

Motion passed.

Business Items

- a. Discussion and approval of new fiscal year budget

Bill Hendrickson explained that the budget sheet is basically a blank budget except for some of the known items for this year. The expected budget is approximately \$414,000.00 and that's just based on six months at \$30,000 a month. He explained the budgets for publications and infrastructure. The total net budget is about \$679,349.00.

Board Member Ortega-Angel logged onto the meeting at 2:14 pm.

Board Member Affeldt stated the income expectation is a little high. The income from the past couple of months have been higher than normal due to the Amazon contract but do not see the gross income continuing past the summer. He worries about

overestimating the expenses. He wonders if maybe hiring the \$5,000 cap on events, and maybe for the next year or two higher the infrastructure percentage. He gave examples of infrastructure projects that could easily become tourist related.

Virginia Marrujo stated a lot of those projects are infrastructure and can fall under infrastructure. If you are speaking about events, you may want to see how it goes and make an amendment for this year, so after this year you are not giving out \$10,000.

Board Member Affeldt stated the amounts are based off of percentages.

Virginia Marrujo stated to remember Council approved the cap so any amendment to that will have to go back to Council for approval.

Bill Hendrickson stated, I think the Council would be receptive if there was a particular event the board would recommend to the City Council for more funding than the \$5,000 with justification.

Board Chairman Bhakta started last year, we were not sure what was going to happen with Covid, but looking at the budget now they might want to double the \$20,000 for event funding.

Bill Hendrickson asked if they wanted him to reduce the amount because their (Hotels monthly reporting) businesses are driving the amount.

Board Member Sandoval stated that she would not reduce the amount because she believes they are going to have their biggest year ever.

Board Chairman Bhakta stated his hardest part has been calculating the demand for hotels if the movie production was not here.

Board Member Ortega-Angel does not think they should double the \$5,000 but maybe increase it by \$2,500, just in case different events come up once everything gets cleared up or more people get vaccinated, because if not that money will go really fast and it is still too early to say what might happen.

Board Member Sandoval agrees with Georgina. Will doubling the budget mean double the participation? Would rather like to see the money go towards marketing the City.

Board Member Ortega-Sandoval wants to see more money go into digital marketing than print.

Board Chairman Bhakta stated if they had a marketing plan in place it would help out more than putting a ton of money in individual events. A marketing plan should be the biggest part of their budget.

Board Member Ortega-Angel asked if there is an RFP for services or marketing budget for the City and marketing committee.

Virginia Marrujo asked if they were putting money aside for an RFP or for city marketing.

Board Chairman Bhakta stated, for city marketing.

Board Member Ortega-Angel stated that an RFP is the best way to keep people accountable.

Bill Hendrickson made a comment about what he envisions the marketing committee to consist of.

Virginia Marrujo agreed with Mr. Hendrickson.

Board Chairman Bhakta wants to know who's going to do what and for how much.

Virginia Marrujo asked for a ballpark amount on the budget for the marketing plan.

Board Chairman Bhakta asked when the marketing committee would have one ready by.

Virginia Marrujo stated they need it done before July.

Board Chairman Bhakta stated that he will leave it up to the board to decide on a budget.

Board Member Affeldt stated that he thinks \$150,000 would be a good starting point.

Board Member Ortega-Angel agreed.

All board members agreed to the starting of \$150,000 for a marketing plan. The board agreed to add \$20,000 to the New Mexico True campaign for a total of \$80,000 as long as it is not telling people to stay home.

The board agreed to increase the event funding reserve from \$20,000 to \$40,000.

Board Chairman Bhakta asked if they wanted to make a recommendation to Council to change the event funding cap.

Bill Hendrickson advised maybe just to change the verbiage on the applications.

Board Chairman Bhakta stated that they need to make sure there is justification to approve more than the \$5,000 cap.

Board Member Ortega-Angel stated that she wants the event cap to stay the same.

Board Chairman Bhakta asked for clarification on why there was not a budget for a visitor guide.

Bill Hendrickson responded that last year the council did not approve the amount for the visitor guide because everything was being shut down.

Board Member Ortega-Angel made a motion to approve the budget discussed but wants some clarification on the total.

Bill Hendrickson clarified the budget amount being approved.

Board Member Ortega-Angel made a motion to approve \$453,349.00 for the budget.

Board Member Affeldt seconded the motion.

Motion passed with all present members in favor.

Discussion Items

a. Subsidize ads for visitor guide

Bill Hendrickson advised the board that Melissa and Andy are not getting positive feedback for ad buying this year. They asked what would be a possibility of using Lodgers tax to help discount ad buying.

Board Member Sandoval asked if it was about the folding rack card or the entire visitor guide.

Board Chairman Bhakta stated there was positive feedback on the folding rack cards but this was for subsidizing ads in the actual visitor guide. He asked Virginia Marrujo if the city would purchase ads.

Virginia Marrujo stated there is two ways that it can go,

1. She would be sent a price guide, staff would look at it and decide what was best to purchase for the city. Then it would be included into the marketing budget So when they would take it to Lodgers tax and Council that's what would be approved for the year.
2. This one has been done differently. They go to Lodgers tax instead of me and they have been including services, which should be an RFP. It is up to you guys.

Board Chairman Bhakta asked why it wouldn't be done the same way.

Virginia Marrujo responded she does not know why it hasn't been done the same way, that is just a decision that was made.

Board Chairman Bhakta asked if the Mayor's page and the other pages that were about the city included the ads purchased.

Virginia Marrujo responded that those were additional. She advised what type of ads they were purchasing.

Board Chairman Bhakta asked if it was all Lodgers tax funding or part of City funding.

Virginia Marrujo stated that it was part of lodgers tax and then they made an agreement to purchase so many ads through the guide to assist them. As far as she remembers they've always purchased around 10 pages and usually the Mayor's page was included, and they would normally pay \$17,000 to \$19,000 for those ads.

Melissa Greene explained in the past they have always included pages that had to do not only advertising to events but, the listing of the hotels and motels, and recreation now outdoors, along with the mayor's page.

Board Chairman Bhakta stated before they adjourned, he believes that they voted on so many consecutive unexcused absences that the seat would be recommended to be replaced.

Virginia Marrujo stated he was correct. It is after 3 unexcused absences.

Board Chairman Bhakta asked if the absences can be looked into, so if it has been the recommendation for removal can be made.

Adjournment

Board Chairman Bhakta adjourned the meeting at 3:50 pm.


Board Chairman Bhakta

1-5-2022
Date