

Minutes
Lodgers Tax Advisory Board Special Meeting
Tuesday, September 5, 2017, from 2:00 PM to 5:00 PM
City Hall Council Chambers
1700 N Grand Avenue, Las Vegas, N.M.

Members Present:

Joaquin Garofola
Krutik Bhakta
Allan Affeldt

Members Absent:

Diane Ortiz
Lupe Trujillo

City Staff Present:

Virginia Marrujo, Media Coordinator
Tiara Shorty, Administrative Assistant I
Corinna Laszlo-Henry, City Attorney
Ann Marie Gallegos, Finance Director
Richard Trujillo, City Manager

Call to Order:

The meeting was called to order by Joaquin Garofola at 2:05 PM.

Roll Call:

Tiara Shorty took attendance; a quorum was met.

Approval of Agenda:

The Board has requested to do their own agendas and not have additional items added on without the Board's approval for future meetings. The Board is unhappy with the process in which it was done and the fact that they received the minutes late. Agendas were not sent to the Board and members were not notified that agendas were available on the City website. What the Board wanted on the agenda or minutes was not reflected. They are requesting that draft minutes be sent at a reasonable time.

Allan Affeldt made a motion to approve with agenda with objections to process, Krutik Bhakta seconded the motion. All members voted and approved the motion by stating, "Yes".

Approval of Minutes from August 16, 2017:

Allan Affeldt made a motion to table the minutes until the next meeting, Krutik Bhakta seconded the motion. All members voted and approved the motion by stating, "Yes".



Allan Affeldt reported that he interprets Ms. Laszlo-Henry's statement as the Board must create their own ordinance to clearer define roles and procedures and send to Council for approval, the City cannot do it.

The Board wishes to create the next agenda and would like to add an item which allows them to work with the City Attorney to draft an ordinance for the Lodgers' Tax Advisory Board. Joaquin Garofola reported that the agenda must be distributed in a timely manner and he will work with staff.

Allan Affeldt emphasized that the 2017 budget was presented to the Board without consultation and had already been approved by City Council.

Corinna Laszlo-Henry reported that it was mentioned to Council, but it was not efficient use of the Boards time. Ms. Laszlo-Henry has looked into the Cisneros Design contract and recommends that input from the Attorney and Finance department is sought.

Lodgers' Tax Advisory Board – Richard Trujillo:

Lodgers' Tax Budget 2017/2018 – Anne Marie Gallegos:

Joaquin Garofalo reported that he spoke with Anne Marie Gallegos, Finance Director, prior to the meeting. On Friday, September 1, 2017, the budget was approved by the audit process. There is three hundred and fifteen thousand and nine hundred and sixteen (315,916) in the lodgers tax budget. After subtracting Contractual Services (Cisneros Design and NM True), there is one hundred and sixty-nine thousand and five hundred and sixteen (169,516) remaining. Cisneros Design will receive one hundred thousand (100,000) and NM True will receive forty-six thousand and four hundred (46,400). After adding publishing and advertising costs to the budget, which is sixty-five thousand (65,000), the budget has two hundred and thirty-four thousand and five hundred and sixteen (234,516).

Krutik Bhakta reported that he would like to consult with Ann Marie Gallegos regarding roll over. Mr. Bhakta questioned why the amount was large and continuous.

Corinna Laszlo-Henry reported that the projected amount is aligning with what the prior budget amount had been.

Allan Affeldt reflected on the proposal that he had made regarding the budget allocation for the following;

City Administration (Visitor Center) – fifteen percent (15%) of the budget.

Nonprofit Marketing Support - ten percent (10%) of the budget.

Marketing Services (creation and design) – twenty percent (20%) of the budget.

Marketing Placement – thirty-five percent (35%) of the budget.

Infrastructure and Capital Improvements - Twenty percent (20%) of the budget.

Forty percent (40%) or approximately one hundred thousand (100,000) for placement.

Twenty percent (20%) or approximately fifty thousand (50,000) for capital improvements.

Richard Trujillo reported that a plan must be set in place and great amounts cannot simply be spent. Be sure on how much can be spent in regards to capital improvements. Mr. Trujillo questioned how much of the one percent (1%) will be used towards capital improvements.

Krutik Bhakta reported that half of the first three percent (3%) and no less than a fourth, which is one percent (1%), can be utilized towards capital improvements. The remaining two percent (2%) is reserved for tourism promotion.

Allan Affeldt made a motion to allocate twenty percent (20%) or approximately forty-six thousand (46,000) from the two hundred and thirty-four thousand (234,000) budgets for nonprofits and event support.

Krutik Bhakta reported that awarding is a concern and packets are available for marketing support.

Thirty-seven thousand (37,000) have already been allocated for nonprofits for the year.

Allan Affeldt expanded on his motion; to allocate twenty percent (20%) or approximately forty-six thousand (46,000) for creative services, forty percent (40%) or approximately ninety-six thousand (96,000) for placement and twenty percent (20%) or approximately forty-six thousand (46,000) for capital improvements for the remaining fiscal year 2017.

Krutik Bhakta discussed the creative aspect of the motion and questioned how it would be done. The Board can provide a number and have a campaign or give money to individual groups and have them market for themselves. Mr. Bhakta reported that he does not want to take away marketing campaign from nonprofits that were already reserved for them. The City did not demand from Cisneros Design, which could be fixed and deliverables will be met. The City will not be marketed by professional entity.

Allan Affeldt reported that the City has a Media Coordinator, Virginia Marrujo, whom can take care of marketing in-house. Mr. Affeldt reported that the Board just makes recommendations and it is the responsibility of the staff to fine tune the details. Mr. Affeldt recommended that the City make own allocations, based on events, but also ensure that there is an amount left over.

Virginia Marrujo reported that she is in an agreement with Krutik Bhakta; deliverables can be set with Cisneros Design in order to receive better service. Expand their creation and monitor what work that they do. Ms. Marrujo will be the liaison to ensure that the recommendations are met.

Richard Trujillo suggested that the Board, City and Cisneros Design must regroup to discuss the contract and deliverables. Mr. Trujillo has been awaiting the Board's recommendation.

Lodgers' Tax Budget Recommendations to Council - Action:

Joaquin Garofola requested that staff secure a spot on the agenda of the City Council meeting to present the proposed allocations of the remaining 2017 budget. The Board received a draft of the agenda request that was created by Annette Velarde and made appropriate changes; staff will then proceed with the submission process.

New & Other Business:

Wid Slick addressed the Board. In the remaining Cisneros Design contract, there are two (2) small events left to market, one being the Holiday Home Tour. The remainder of the sixty-one thousand (61,000) of the nonprofit funds could be reallocated to more useful matters. While the City was working with Cisneros Design, the City was being marketed by events under the direction of the NM True campaign. During this time, lodgers' tax collections increased by four (4%). Main Street secured a NM True grant that will market events. There is another tourism grant that will cost the City twelve thousand (12,000); however, the City staff has asked Main Street to stop applying for tourism grants on their behalf. If this grant was applied for and with the combination of the first NM True grant that was secured, the City would run a total of one hundred and twenty thousand (120,000) NM True campaigns. Wid Slick addressed the Board and requested that they recommend that the City match the twelve thousand dollar (\$12,000) tourism grant.

These are in regards to specific placement; it is called the Flex grant. It dedicates nineteen hundred dollars (\$19,000) for each event. This grant was addressed to City Manager and some concerns arose.

Allan Affeldt reported that the tourism grant is not on the agenda as an action item and not enough information is provided to vote upon. Mr. Affeldt suggested that Main Street take the matter to City Council.

Corinna Laszlo-Henry reported that certain amounts can be determined and approved by City Manager, Richard Trujillo. Mr. Trujillo takes the Board's recommendation and guidance under consideration.

Adjournment:

Joaquin Garofola adjourned the Lodgers' Tax Advisory Board meeting at 4:16 PM.

Chairman

Date