

**LODGER'S TAX ADVISORY BOARD  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO**

**WORKSHOP**

**ACTION MINUTES**

**MONDAY APRIL 13, 2015**

**TIME & PLACE:** The Lodger's Tax Advisory Board of the City of Truth or Consequences, New Mexico, met for a Workshop Session in full conformity with the law and ordinances of said Board, at the Commission Chambers, 400 West 3<sup>rd</sup> Street of said City on Monday April 13, 2015 at 4:00pm

**PRESIDING OFFICER:** The meeting was called to order by Chairperson Julie Durham, and Christina Bruch acted as secretary.

**ATTENDANCE:** Upon Calling of the roll, the following members were reported present:

Julie Durham, Chairperson  
Cydney Wilkes, Vice-Chair  
Janice Gray, Member  
Hans Townsend, Member (came late)

**QUORUM:** There being a quorum present, the Board proceeded with the business at hand.

Board Members recited the Pledge of Allegiance.

**APPROVAL OF AGENDA:** Member Janice Gray motioned to accept the agenda.

Seconded by Vice-Chair Cydney Wilkes.

Motion carried unanimously.

**DISCUSSION/RECOMMENDATION:  
LODGER'S TAX FUNDING  
GUIDELINES AND REVIEW THE  
ELIGIBILITY GUIDELINES:**

Chairperson Julie Durham explained that the major project this year for them was to revise the guidelines to make them more readable. She informed the applicants that they will be going over the guidelines to address a few new things.

Chairperson Julie Durham asked all the applicants to please come forward and state who they are, who they represent, and give a brief description of what their organization does.

Each person present stepped forward and introduced themselves. Applicants present were as follows:

- James Durham with the Sierra County Arts Council
- Marilyn Pope with Geronimo Springs Museum. She stated that the attendance has been up the past few weeks.
- Kim Skinner with the Sierra County Tourism Board and Geronimo Trail Visitors Center.
- Linda De Marino, Executive Director of Mainstreet Truth or Consequences. She asked the Lodger's Tax Board to please take into consideration the number of events and publications that the different organizations do because they quite frequently do three events a year and they often get the same or less than organizations that do only one event.
- Mickey Sallee with Fiesta. She mentioned that this is her second year and she has learned a lot and has a lot more to learn. She asked the board to please come out and support them.
- Manion Long with New Mexico Old Time Fiddlers Association and also as a board member for T or C Community Theatre. He stated that he knows the theatre hasn't been a part of this for a number of years but they are looking into the possibility for this upcoming year.
- Connie Griego with the New Mexico State Veterans Home for the car show and the Hot Springs Women's Club for Miss Fiesta.
- Coleen Davis with the Bountiful Alliance and the Sierra County Farmers Market. She stated that they are anticipating having a magnificent market season this year, Mother Nature has been good to us. She also stated that she has made connections in El Paso and Las Cruces with groups that are interested in sending visitors up this way.
- Joey Perry Geronimo Scenic Byway and the Bountiful Alliance.

- Zelma Iorio with the New Mexico Old Time Fiddlers Association. She stated that she was the secretary for 3 years, and said that the board will be seeing a lot more of Manion Long who is now the Chairman of the Board of Directors for the Old Time Fiddlers. She stated that he has a lot of really good ideas to bring people into town.
- Windy Barnes Veteran Memorial Park and Museum. She stated that they have added some new features and also have a lot more to add.

Chairperson Julie Durham thanked everyone. She stated that she believes that all the people present are non-profit organizations and that is what the Lodger's Tax Board decided to support. She then went over the guidelines with the applicants present.

Chairperson Julie Durham questioned the forms from the IRS and asked if the applicants could resubmit the same paperwork as the previous year.

Linda De Marino stated that the forms from the IRS have to be current every year.

Member Hans Townsend asked if they have an application form.

City Manager Juan Fuentes stated that they have to have a current determination letter from the IRS.

Sherry Fletcher stated that the organizations should be required to file the 19 that shows that they file income taxes every year. She stated that that's critical.

City Manager Juan Fuentes stated that they wanted to make sure the applicants knew what the expectations are. He stated that the 19 might be a good idea but it's all up to the applicants as to what evidence they submit.

Chairperson Julie Durham stated that they do have options; they just need proof that they are non-profit.

Manion Long asked if an e-postcard that they file with the IRS would be proof enough.

Chairperson Julie Durham stated that any of those will do anything that is current and states that they are non-profit will do.

Member Hans Townsend stated that you can go online and look up your organization status and it will say if you are up to date or

if you need to renew.

Chairperson Julie Durham stated that they are not going to be really strict; they just need to have current proof of non-profit.

Chairperson Julie Durham continued going over the guidelines.

Connie Griego asked if they were to get a quote of advertising in an out of county paper would count towards the seventy-five percent they need to use.

Chairperson Julie Durham stated that if someone were to advertise in the Sentinel which also has a supplement for Hatch Valley would count as being outside of the county. She stated that part would be advertising in the County and part outside of the County.

Member Janice Gray mentioned to keep in mind that the purpose of Lodger's Tax is to bring people into town. She stated that more than likely people from Hatch are not going to come here and spend the night for an event. She also stated that the Commissioners wanted the advertising outside of the County increased, she said they would rather see that money spend in some place where people are going to travel and possibly stay the night to generate more lodgers tax.

Windy Barnes asked if highway billboards would count.

Chairperson Julie Durham answered by saying that you can have a billboard outside of the county.

Windy Barnes stated that it's on the Highway inside the County.

Chairperson Julie Durham stated that she thinks that would be something that would bring people into the City. She asked Juan Fuentes what he thinks about it.

City Manager Juan Fuentes said that he thinks that the language is clear in the guidelines, that seventy-five percent has to be outside the county.

Chairperson Julie Durham stated that she thinks if they have a billboard that attracts enough people in the I-25 corridor that would be something to be addressed with the City Commission before any expenses were made for it. She stated that if they felt that was a reasonable assessment, they could then come back to the Lodger's Tax board and present it to them. She stated that basically this is something that the Commissioners look over and

they are trying to all be on the same page.

Member Janice Gray asked if Windy keeps a visitors log. She then asked if on that log they ask where they had seen the advertisements.

Windy Barnes answered that they do have a log and she believes they do ask where they have seen the advertisements.

Member Janice Gray stated that this could be something she could use to prove that they are bringing in people from the highway billboards.

Chairperson Julie Durham continued to go over the guidelines.

Manager Juan Fuentes stated that the applicants need to provide a sample of a printed add that they are asking reimbursement for.

Kim Skinner stated that she wanted to remind people that if they are going to do radio adds, they need to have a the tag line on it.

Member Janice Gray stated that it is in the guidelines, they just haven't gotten there yet.

Chairperson Julie Durham stated that whatever you are spending the Lodger's Tax money on, whether it is T.V., radio, the tag line has to be on the advertisement.

Member Hans Townsend stated that anything that is visible has to have the tag line on it. He also said that anything you hear has to have the verbiage on it.

Chairperson Julie Durham reminded the applicants that they needed to have the tagline wither written or spoken in the advertisements.

Manion Long asked about pamphlets that they are planning on making and distributing in town and outside of the county, do they need to designate a certain percentage for out of county use.

Chairperson Julie Durham stated that they could put the pamphlets that they are using outside the county towards their seventy-five percent, and that they need to put the logo and the tag line on the back of the pamphlet.

Manion Long asked if they should put the logo and tagline on all of them and not just the ones designated for out of county use.

Chairperson Julie Durham stated that it's probably easier to do it that way. She said it's better to have it on there than to not have it at all.

Chairperson Julie Durham continued going over the guidelines.

Mickey Sallee stated that she has some concerns about the way they are reimbursed because last year they could not have gotten previous approval for a bill that they could not pay out of Lodger's Tax because the people that did the billing did not cooperate and they were not able to submit the bill for payment. She asked if there was any way they could approach the Commission and ask for something different.

Chairperson Julie Durham said hopefully this doesn't happen. She stated that the board is there to help facilitate these kinds of problems and give recommendations to go to the Commission. She stated that that's what they are trying to say now is that there is a process for which you can go through to deal with extenuating circumstances. She said that hopefully the workshops help them enough that they won't come across these problems. She stated that she worked with the arts council in doing radio ads and it difficult to have the people providing services know what you are going to need. She stated that they need to make sure the people they are working with are able to help them out with their needs also. She stated that it can be on both ends that they redress the issue.

Mickey Sallee said she understands what Julie is saying and she appreciates that but it was not that kind of issue. She said that if she feels that there is some sort of recourse she can follow through with that. She stated that she can't just stop advertising with certain people because they are important venues to their function. She said they would miss the opportunity to get the word out to a lot of people if they did that. She stated that it was a time element that they had a problem with.

Chairperson Julie Durham stated that hopefully she will be able to deal with it this year.

Member Hans Townsend stated that when they make the order have the timeline put in writing so that way they know when to have the bill or tear sheet by.

Mickey Sallee stated that they did.

Member Hans Townsend said that if they do that then they have

grounds for recourse on the bill.

Mickey Sallee said that if they don't pay the bill, they get a big black eye and so does the City.

Member Hans Townsend asked why. He stated that it's a little nebulous what she is trying to explain.

Mickey Sallee said that she would deal with it if she has to when it gets here. She said that she doesn't know if she can really take the time to make them understand what she is talking about. She stated that it's easy for them to say that they are going to do something, but when they don't do it, she guesses they just don't pay the bill.

Member Hans Townsend restated that if you have it in writing and they don't do what was said then you have recourse not to pay the bill. He said it needs to be in writing when the order is made and make sure they are covered for whatever.

Chairperson Julie Durham said that they would try to work with her with whatever happens. She said that they try to be open as a board and there is course for redress.

Kim Skinner stated that they have to remember they are dealing with City Government and County Government and by law they cannot pay in advance for things and that kind of binds the Commission. She said that to Hans point, if they get a contract and the advertiser knows you are getting funded through a City or County Lodger's Tax, they know the regulations and they know they can't get paid in advance.

Mickey Sallee stated that was not the situation at all.

Chairperson Julie Durham stated that there is always situations that pop up that are not by their examples and all she can say is that they have tried in the past the best they can to pay them. She stated that they do have some state regulations that might make things not possible.

Mickey Sallee stated that last year she did not approach anyone about her issue because she just took the rules for what they are and didn't ask for any extenuating circumstances to be considered,. She stated that this year she will if that happens again.

Chairperson Julie Durham agreed and stated that this year they tried to make it more flexible. She said that before you didn't

really have any recourse, you would just bring in your bill and you couldn't do anything if it was rejected. She said that now if there is a rejection of a bill, you can bring it back and they can make a recommendation. She stated that having something in printing or an advertisement where you don't have the language about it being paid by Lodger's Tax is the number one mistake.

Mickey Sallee stated that wasn't her issue either. She stated that it was really critical to them that they could go past the last day in May. She thanked Julie for her understanding and said that if it happens again, they will be seeing her.

Chairperson Julie Durham continued with the guidelines.

Linda De Marino asked if they could submit electronic tear sheets.

Chairperson Julie Durham stated that should have been added to the guidelines and that was acceptable.

Linda Sparks asked what she was talking about.

Linda De Marino explained that they do advertising with Albuquerque Journal and they take a snapshot of the page and e-mail it to them immediately so they don't have to wait on snail mail. She stated that it speeds up the process.

Chairperson Julie Durham stated that they had added it to the guidelines but she didn't see it. She stated that she didn't see any problem with either paper or electronic tear sheet. She said that they are trying to get more involved in the electronic media. She said they want to try to do more advertisement on the internet. She said that anything they can do on electronic media, they are going to encourage. She said that's how all the City offices, and staff and commissioners feel also. She said that they can print a hard copy of the tear sheet and submit it.

Chairperson Julie Durham continued going over the guidelines.

Coleen Davis asked if they would be receiving the forms that are in the guidelines, electronically.

Linda Sparks answered her and said yes.

Member Janice Gray added that the Commissioners had asked for more detail on the reimbursement forms. She said they need to state how they spent the money so they can tell if twenty-five percent was spend in town and seventy-five percent was spent out of the county. She stated that they might want to do their



own spreads sheet to show where they spend the money to prepare them for next year.

Linda Sparks stated that this could be covered in a quarterly report.

Chairperson Julie Durham continued with the guidelines.

Windy Barnes asked about eligible costs and if they were to be giving away t-shirts, would the costs be covered.

Chairperson Julie Durham Stated that as she understood it, they did it for the Elephant Butte triathlon.

Member Hans Townsend stated that if they are giving some away and are also going to sell some, they have to be able to show the City how many they sold and gave away because that is profit they made. He stated that it is stated on page 12 of the guidelines.

Kim Skinner referenced a page in the guidelines and stated what it said about promotional items.

Chairperson Julie Durham stated that promotional items tend to be things you give away to people. She stated that they would like to see things that say Truth or Consequences on them that people can take back with them. She thinks these are items that keep on giving.

Member Janice Gray noted that they need to keep in mind that the logo has to be on the promotional items as well.

Chairperson Julie Durham continued with the guidelines.

Member Janice Gray stated that there was some confusion with the quarterly work spending reports. She said that she knows in the past people have felt that these are redundant. She stated that if they keep a copy of their reimbursement request forms for each quarter, then they basically add them up and add the information to the quarterly work spending report. She said that the City Commission looks at these reports; they are not looking at the reimbursement request forms. She said that all the Commissioners want is one form with the information on it. She also said this form is where they would put the details about where the money was spent. She asked Juan if she was correct as to why they had to do the quarterly report.

City Manager Juan Fuentes said yes.

Zelma Iorio asked about requirements for reimbursements. She said that this year they had to submit tear sheets and copies of the front and back of checks. She asked if that was still required because it does not say in the guidelines.

Chairperson Julie Durham stated that is not something they addressed in the guidelines.

Zelma Iorio asked if it was in the contract.

Chairperson Julie Durham stated that it's not in the guidelines but it is in the contracts with the City.

Member Janice Gray referenced the page in the guidelines that this is mentioned on. She also referenced the page where the dates for the quarterly reports are mentioned.

Chairperson Julie Durham stated that most organizations only have one or two projects, so they will still turn in quarterly reports but they will say no activity reported.

Connie Griego asked about her organization saying that they were looking for Lodger's Tax money to offset the Civic Center expenses. She asked if this would be part of it.

Chairperson Julie Durham stated that Lodger's Tax is for advertising and promotion. She stated that if they had a t-shirt to give away, that would count, but as far as payment for facilities, that would be ineligible.

Connie Griego stated that they have used Fiesta funds last year to offset the Civic Center fees.

Chairperson Julie Durham stated that it might have come from Lodger's Tax, but not the Lodger's Tax money they administer. She stated that the City has another Lodger's tax fund that they administer money from and work with larger organizations to do projects.

Linda De Marino stated that the money they used to help the Women's Club was a separate little pot. She said that was an additional amount that was given to Fiesta for that reason.

Chairperson Julie Durham stated that they have to remember that they don't administer all of the Lodger's Tax money. She said they only administer about thirty percent of it.

Connie Griego asked how she would apply for the other Lodger's Tax money.

City Manager Juan Fuentes referenced a page in the guidelines and said that they can fill out an application and present it and see what they can do for the organization. He stated that the other Lodger's Tax money has very strict guidelines as to what it can be spent on. He said that the money that the Lodger's Tax Board allocates has more flexible guidelines than the state.

Connie Griego asked when she submits her application she just basically needs to explain what the money is going to and then they would know what to do.

City Manager Juan Fuentes said yes and that this would be presented to the board and they would give their recommendation.

Connie Griego stated that it wouldn't be until next year anyways and that she was confused because they didn't fit into any of the categories. She thanked Juan for his information.

Chairperson Julie Durham stated that she thinks that's a really good point Juan brought up, that the board is always willing to listen and make a recommendation to the City Commission to get it approved. She said that this would not be a normal situation and that Connie would just have to come to a board meeting and talk with them about it.

Connie Griego said that the Fiesta board paid out front last year and it's just very confusing.

Chairperson Julie Durham agreed and stated that's what they are there for; to help with any confusion and they will try to help any way they can. She stated that they really appreciate all the volunteers' work that goes into these events.

Linda De Marino asked what the amount was that they were fighting for this year.

Chairperson Julie Durham stated that they did allocate some of the money to a PR firm. She stated that she thinks last year it was about forty-three thousand.

City manager Juan Fuentes agreed and said it's the same as last year.

Chairperson Julie Durham continued going over the guidelines.

Mickey Sallee asked if these guidelines were carved in stone or if there was any leeway.

Chairperson Julie Durham stated that nothing to her is carved in stone and she is a pretty liberal and generous person. She said that they need to first come to the Lodger's Tax board with any exceptions and then go to City Commission.

Mickey Sallee stated that last year Linda wrote them a letter to get an extension for Fiesta that was critical to their survival. She stated that because they are a May event, it's really hard to get all the bills in, paid and checks back in that short amount of time. She said that extension saved them.

Chairperson Julie Durham stated that is a good example. She stated that if they think there is going to be problems, just to communicate with the City.

City Manager Juan Fuentes mentioned that they should make any issues they have aware to the Lodger's Tax Board and to the City Commissioners. When they turn in their application.

Mickey Sallee thanked Juan and said she will do that this year.

Chairperson asked if there were any questions that have not been covered.

An Applicant asked if they could put the logo and tagline in any other languages.

Member Hans Townsend stated that they need to have it on there either way.

Chairperson Julie Durham stated that if they are doing a pamphlet in Spanish, then they can do the tag line in Spanish. She said since the whole thing would be in that language, then it needs to be consistent.

Kim Skinner gave an update on the other Lodger's Tax money that they were talking about and said that her organization got approved for a TV. commercial and a radio ad on Pandora that will run this summer in Albuquerque and El Paso. She stated that she just wanted them to know what the other portion of Lodger's Tax was going to.

Member Janice Gray asked if any of that was going to go out of the state besides El Paso.

Kim Skinner replied by saying with Albuquerque, you get southern Colorado.

Member Janice Gray said she is talking about beyond that.

Kim Skinner said that Pandora's markets are Tucson and El Paso.

Chairperson Julie Durham mentioned that the board would like to see things going to places like Los Angeles and Atlanta. She wants it to go to bigger markets. She said that this is just some ideas because with their little lodger's tax, they can't really do something like that, but New Mexico True and the Tourism board can do things like that.

Kim Skinner stated that she understands that, but their match is only sixteen thousand and the state matches that, so they pay for some of their nationwide ads.

Windy Barnes mentioned that the Lodger's Tax is working because she sent some brochures to Germany and Italy by request.

Chairperson Julie Durham thanked them for their information

City Manager Juan Fuentes mentioned that the deadline for the applications will be on April 23, 2015 by five PM and the Lodger's Tax board will be going over the application on April 30, and then give their recommendations to the City Commission on May 12.

Kim Skinner asked if the application has to be very detailed.

Chairperson Julie Durham stated that it can be pretty general and if they need to change it later they can.

Linda Sparks noted that all; the applicants will be receiving all the paperwork by e-mail the next day.

COMMENTS FROM THE BOARD: No Comments

ADJOURN: There being no further business to come before the Board,

"Chairperson Julie Durham moved to adjourn"

Meeting was adjourned.

APPROVAL: Passed and approved this 30<sup>th</sup> day of April,  
2015 on a motion duly made by Cyndee. And  
seconded by Janice, and carried.



Julie Durham  
Julie Durham, Chairperson