

**MINUTES OF THE WORK SESSION
OF THE TOWN OF PINETOP-LAKESIDE ADVERTISING AND
PROMOTION COMMITTEE, HELD ON WEDNESDAY, FEBRUARY 21,
2018 AT THE HOLIDAY INN EXPRESS CONFERENCE ROOM
431 E. WHITE MOUNTAIN BOULEVARD, PINETOP, AZ 85935**

A. Call to Order

Chair Begovac called the work session to order at 9:02 a.m.

Roll Call:

The following Members were present:

Jeanne Begovac	Chair
Lynn Krigbaum	Vice Chair
Ceci Byrne	Member
Chuck Teetsel	Member
Angela Fabian	Member
Owen Laluk	Member
Bill Gibson, Jr.	Member
Simon Rizk	Member

Also Present:

Keith Johnson	Town Manager
Malaina Spillman	Recreation Coordinator
Jill Akins	Deputy Town Clerk
Tony Alba	Community Services Manager
Jim Snitzer	Councilmember
Sam John	Representative of Larry John Wright Advertising

1. 2018/2019 Budget

Chair Begovac welcomed and thanked everyone for attending the yearly Advertising and Promotion Retreat.

Member Byrne said the Budget Sub-Committee had questions to address with the Committee concerning the budget.

Member Byrne presented the following information regarding the 2018 Ad & Pro Budget:

Budget Questions:

- Where did we spend Ad & Pro money in 2018? Was it well spent?
- Considerations for Increasing Ad & Pro money in 2019?
- Considerations for Increasing Ad & Pro Budget cap of \$180,000.
- Other Sources of Tourism Funding and Community Partners for Tourism.

Five main areas in the Ad & Pro 2018 Budget:

- Tourism Advertising
- Community Image and Visitor Center
- Marketing Partnerships
- Event Sponsorships & Promo
- Website and Public Relations

Committed Ad & Pro Funding as of February 2018 and Proposed 2019 Ad & Pro Spending:

- Tourism Advertising
- Community Image and Visitor Center
- Marketing Partnerships
- Event Sponsorships & Promo
- Website and Public Relations

Member Byrne presented a 2019 Ad & Pro Draft Budget Worksheet to the Committee. The draft budget worksheet proposes a 2019 budget request of \$234,150.00.

Member Teetsel asked if the Committee is expected to pay for the Town Marquee for \$25,000.00.

Chair Begovac said the Committee had budgeted for the marquee, but said the Committee had wanted to spend more funds on the website. She explained Town Manager Johnson said the Town may consider pushing the marquee off for another year and using the funds for a new or updated website. She explained the Town website and the visit website would both be either new or updated.

Recreation Coordinator Spillman explained the websites are not user friendly and said that she, Town Manager Johnson and Community Services Manager Alba are

discussing the need for user friendly websites which are mobile friendly and can drive tourism.

Community Services Manager Alba added that from an impact standpoint the websites might be a bigger priority than the marquee and the websites need a solution now.

Chair Begovac expressed her agreement regarding the websites and putting off the marquee at this time.

Member Gibson expressed his concern with the marquee. He said that it will be installed in front of the Town Hall and said that is a Town maintenance facilities issue and not a tourism issue.

Chair Begovac said it may be a non-issue if the funds are moved which seems to be the direction that the Committee are headed.

Member Gibson said he does not agree with Ad & Pro funding the marquee and said it would advertise Town meetings.

Chair Begovac stated the activities and events that were supposed to be advertised on the Blue Ridge marquee sign would be promoted on the Town marquee sign.

Member Gibson believes it is not a tourism item and the marquee should be a business item funded by the Town.

Vice Chair Krigbaum stated that recently the Town Council held a work session that the business people attended. The business people suggested having more events publicized. Further, she continued that the Ad & Pro Committee was hoping the Blue Ridge marquee would advertise, which the Committee contributed \$2,500.00 toward, and it has been difficult to reliably get advertising on the marquee. She said the Town marquee is the next hope for having events that are going on in the Town publicized in a way that visitors driving on Highway 260 can see and know about.

Member Fabian announced that Summit Hospital would be putting up a digital marquee and they will be promoting all community events going on in the White Mountains.

Chair Begovac reiterated that the marquee may be a non-issue.

Member Byrne said the \$25,000.00 set aside for the marquee could be used on the website.

Member Gibson followed up by stating the \$25,000.00 would be coming out of the Ad & Pro budget either way, the Town is going to take it either way.

Recreation Coordinator Spillman stressed it is the Town's money period and Ad & Pro is an Advisory Committee.

Member Gibson said he understood.

Member Byrne stated she will show where it will be kept in the 2019 budget and it will stay with the Committee and be rolled over.

Member Gibson expressed he felt that is wrong.

Chairman Begovac explained the money stays with Ad & Pro so it can be used for the website.

Member Gibson said the Ad & Pro Budget is \$180,000.00 allowed by the Town.

Chairman Begovac stated last year they allowed us \$221,000.00.

Member Gibson said the cap is \$180,000.00 and anything above the \$180,000.00 belongs to the Town.

Member Byrne asked if she could go through her presentation and she would show where this \$25,000.00 would go and it would be clearer, and she would explain the rollover of the funds. We have an imaginary number that is \$180,000.00, but she is going to try and work around it and have the Town imagine that \$239,000.00 is a much better number.

Member Byrne presented a draft 2019 Ad & Pro Draft Budget Worksheet and indicated that this is the budget the sub-committee would like to work with. She said the Committee would like to spend 1.78% more on tourism advertising. She proposed spending \$148,500.00 on tourism advertising in 2019. She said the \$25,000.00 for the marquee could go towards website and public relations. She stated initially the committee was asking for \$12,000.00 for the website, but could add the \$25,000.00 for a really good website. She explained that \$31,000.00 was

budgeted in 2018 for event sponsorships and promotions and not all of that has been spent and other than Winterfest they have not sponsored any new events. She said there is a proposal out to sponsor a balloon event.

Mr. Alba stated that the balloon event will fall in the 2018 budget.

Member Byrne said if the balloon event was successful the Committee could fund \$7,500.00 towards the event for 2019.

Member Byrne continued with the proposed 2019 budget stating there would be \$3,500.00 for town events Winterfest and the Nature Center's Discovery Series Guide. She said event promotion would be budgeted at \$3,000.00; marketing partnerships would be \$13,000.00 for 2019 and this is assuming continuing with Discover Pinetop. She explained she put \$3,000.00 for local business, Chamber and Media and said we need to start working on our relationship with the Chamber. She said community image/visitor services currently includes the marquee at \$25,000.00 and says that \$25,000.00 stays in the budget this year, which is committed Ad & Pro money to keep, but we can roll it over to next year because last year we rolled over approximately \$21,000.00. She said if the \$25,000.00 is not spent on a marquee this year it could be rolled over to next year and then hopefully use it for the website if it is not used for the marquee in 2019. She stated the budget sub-committee decided on a budget for \$234,150.00 for 2019, which includes the \$25,000.00 rollover for the marquee.

Member Teetsel asked if the \$25,000.00 was the total projected cost for the marquee.

Chair Begovac said yes, it would be the total.

Chair Begovac thanked Town Manager Johnson for arriving and explained there are marquee debates going on and she said the funds may be moved to fund the website.

Mr. Alba said he was confused and asked if we move the \$25,000.00 to the website it would not be there to rollover.

Member Byrne responded no, it is, we are not spending it this year, but to keep it in the budget, from an accounting perspective, she had to leave it in there. She said the Committee is not committed to spending it on anything this year.

Mr. Alba said the Committee is talking about spending it on the website this year before June 30, 2018.

Member Byrne said she did not know it would be spent this budget year on the website.

Mr. Alba said that is a point for discussion, and if it was spent it would not rollover because it would not exist.

Member Byrne said it exists now but it is just not given to anybody and is money in our bank.

Mr. Alba reiterated if we spend it, it does not roll over.

Member Byrne said it would be great to spend this year on the website.

Member Gibson asked Town Manager Johnson if the \$25,000.00 for the Town marquee is scheduled to come from any other place other than the Ad & Pro Budget. He said personally he thinks it is a facilities maintenance issue, but if the \$25,000.00 was spent now and do not roll it over, so there would not be \$25,000.00 to use. He continued and said anything above the \$180,000.00 is for the Town.

Town Manager Johnson said the \$180,000.00 is mandated by the Ordinance and anything above the \$180,000.00 collected could go to facilities and maintenance.

Member Gibson asked if the Town Council gets to decide where to spend the money.

Town Manger Johnson answered yes, but it is upon the recommendation of the Ad & Pro Committee.

Chair Begovac said in 2018 the Ad & Pro Committee went to Council and said may we have \$221,000.00 and the Council approved it.

Member Byrne said actually what happened in 2018 was the \$180,000.00 was not all spent and the Committee had extra money that was not spent and that was a rollover, and the \$221,000.00 consisted of rollover money from the past two years. She said the entire \$180,000.00 was not spent in fiscal year 2016/2017; and that is why the Committee has \$221,000.00 to spend this year.

Member Teetsel asked if the marquee was a condition of the Town Council approving the rollover.

Member Byrne responded no, it was not.

Town Manager Johnson said it was outlined in the current budget that Council approved what the \$25,000.00 would be spent on.

Recreation Coordinator Spillman reiterated that the Town Council approved that budget with the line item for the marquee.

Member Teetsel said that sounds like a yes.

Member Byrne said no, there was no condition.

Chair Begovac said it was not a condition but it was a budgeted item, this is what the Council approved.

Member Byrne asked if we do not spend all of the \$180,000.00 this year, can we roll it over for the next year.

Member Teetsel said if the \$25,000.00 is in the budget for the marquee, do we upset the Council for using that money allocated in the budget for the marquee.

Town Manager Johnson said it is not something they have to approve to do that, but by way of information we will let them know that it will be a change in focus to the website. He said the website issue came up because the current site has a lot of issues and it is a difficult site to work with. He said at the same time the Town's website is being looked at and has been decided to do both websites at the same time. He said a better driver for tourism would be the new website instead of the marquee. He said Flagstaff, Prescott and Show Low websites are done by Civics Plus. Further stating that Mr. Alba, Recreation Coordinator Spillman and Library Manager Abel had a phone conference with Civics Plus and they will be giving the Town a proposal for both websites. He said they are a GSA approved contractor so a request for proposal would not be needed.

Member Byrne said the Committee should also be involved in talking to Civics Plus.

Member Gibson said the \$25,000.00 does not exist and to him is a capital money expense project. He said the \$25,000.00 should be set aside for the marquee because it is going to happen. He said because we are an advisory Committee, the Committee could recommend to Council the website is a priority and we recommend using the \$25,000.00 that had been set aside for the marquee and if the Council agrees it is a bigger project to focus on the Committee can readdress the marquee later. He said the Committee should not touch that money and it should be set aside because it will go to one of two things. He continued that the Committee can make our suggestion to the Council about what is best, but it should not be reflected in our budget it should be reflected as a capital expense.

Member Byrne said the Committee does not have a capital budget and that the Committee is a marketing Advisory Group. She said actually it is an unusual item to have in the budget because it is a capital expense.

Chair Begovac said there is already \$13,000.00 in the budget for the website and she would like to present a budget that is more likely to be approved and more in line of what the Town Council would approve.

Councilmember Snitzer said the Council did not look at this as capital versus an expense, the Council just looked at it as let's put the money where it will help the best; and the marquee is where the Council thought it would do the most good. He said the Council leans on the Committee's advice and the recommendations of the Committee coming to Council weigh very, very heavily. Further stating, the Council thought the money for the marquee would make a big, positive impact for the Town.

Member Begovac stated the Committee was mostly in agreement to move the funds to the website.

In response to Member Fabian, Town Manager Johnson explained the Town would have their own government site and there would be a separate visitor's website.

Recreation Coordinator Spillman stated Flagstaff uses Civic Plus for their site and it is a very good site. She explained Civic Plus is going through the Town's websites page by page and in depth and will provide a quote on each website.

In response to Member Fabian, Town Manager Johnson said the \$25,000.00 would be used only for the tourism website.

Chairman Begovac asked the consensus of the Committee if they wanted to propose the budget of \$221,000.00 or the budget of \$234,000.00. She said she is hesitant on the budget of \$234,000.00 because the Town wants to spend funds on Police and infrastructure and she said she is concerned that the Council might think the money would be better spent in those areas. She continued by saying the Committee could present the budget of \$234,000.00 to the Council with the thought that if there is push back from the Council they could go back to the \$221,000.00.

Member Fabian said she agreed with Chair Begovac and she thought that would be a good idea.

Member Byrne said there are strong arguments on why the Committee wants to ask for the higher budget because there is a lot of pressure for the Committee to promote tourism.

Chair Begovac said based on a budget standpoint and based on what the Committee knows at this time, is everyone okay with a draft 2019 budget of \$234,150.00.

Member Teetsel said he is okay with what information he has, but said he does not feel he has enough information. He suggested moving forward with the budget but it might be modified in sixty days.

Member Byrne said an agenda item for today will be forming sub-committees, which the website would be one of the sub-committees. She said the website sub-committee would then recommend to the Committee.

Member Byrne stated the Town Finance Director sent out sales tax numbers and said the Town is 17% percent ahead for this time of year.

Councilmember Snitzer reminded the Committee there was an increase in the tax rate.

Town Manager Johnson explained that the December 2017 revenues were down, which was expected, but he said the year was up almost 15%. He said he has a hard number for collections that have come in fiscally through December 2017, that were reported in February 2018, which is \$164,000.00 for the Ad & Pro Committee. He said one more month and Ad & Pro will be over the \$180,000.00.

Member Byrne said the trends since 2013 are up and she said 65% of the tax receipts are received between July and December and this is most of what the Committee will expect to get in the year anyway, and 35% for the rest of the year. She continued by saying maybe having a down winter does not hurt the tax receipts too much and most of the tax receipts have come in by December 31st. She said from her finance perspective these are good numbers for the Town. She said the amount Ad & Pro gets to spend that comes from the special hotel tax and that brought in \$164,850.00 in the first six months of the year which means the Committee will go way over the \$180,000.00 allocated to Ad & Pro. Further, she said when the Committee asks for a budget of \$234,000.00 for the next fiscal year, if the trend continues the Committee will have \$250,000.00. She said the biggest argument to the Town Council would be if the trend continues like it has been the tax revenue will bring in \$250,000.00 from the special 3% tax.

Town Manager Johnson stated the \$180,000.00 is set by Ordinance, but said he believes the Town realizes that the more we can put back into generating Tourism and anything that comes in over the \$180,000.00, at least in his opinion, would prefer to put back into the Ad & Pro Committee so it can be used to generate tourism.

Member Gibson said there is no way he would say yes to the proposed Ad & Pro Budget of \$234,000.00.

Town Manager Johnson explained the budget process by saying at the next Ad & Pro Meeting the Committee will approve a budget that will then go before the Town Council and be a part of their budget. He said at the end of six months there is \$164,000.00 and even with the down turn over the next six months and only half of that was brought in; there will be almost \$250,000.00. He said he thinks that is realistic. He said the numbers will be constantly watched as they come in and when it is close to the final budget and numbers are dropping off then the Ad & Pro budget will have to be adjusted.

Member Byrne said the trends four years ago this time of year there was 2 million in total taxes and this year there is 2.6 million in taxes and every year it has been increasing and the Town has much more money to spend than in the last couple of years.

Chairman Begovac asked if the Committee need additional data before proceeding with the draft budget of \$234,000.00.

Vice Chair Krigbaum said if the Committee does not ask for a larger budget and the tax money comes in, the Committee cannot spend more than what is in the budget.

Chairman Begovac said the proposed budget will be an agenda item at the March 2018 meeting and action will be taken.

Member Gibson said again he is not comfortable with the draft budget of \$234,000.00. He referred to the line item “Town Marquee, Other Capital Spending” and said he would like to see this as a line item on its own renamed “Special Projects”, for example, so that this money cannot be used by the Committee with the exception of using it for the website or the marquee. Also, he said the Town would recognize exactly what the money would go towards.

Member Byrne said she would reword the draft budget and present it at the March 2018 meeting for approval.

Town Manager Johnson suggested putting the \$25,000.00 towards the Website and the \$13,000.00 moved to the marquee, because the website and the marquee are both items that are needed.

Chair Begovac said Member Gibson’s concerns would be taken into consideration when preparing the draft 2018/2019 budget.

Councilmember Snitzer said unlike other sources of money, this revenue money was designated for promotion as opposed to just being General Funds.

Member Byrne said the Town Council has been very willing to listen to the Ad & Pro Committees recommendations and if we convey that the \$25,000.00 needs to go towards a new website the Council will listen and may be in favor of it.

2. Visitors Center

Chair Begovac said she put this item on the agenda because they have gone back and forth with the Chamber, and said this isn’t about the Chamber, but it is about whether the Advertising and Promotion Committee should be involved in the visitor center. Should the Committee put the designated \$3,600.00 towards helping with staffing, volunteering or moving the visitor center to the new Town Hall building. She thinks that the Committee need to be more involved in the visitor center.

Councilmember Snitzer said one thing to consider is the Visitor Center, like the Department of Game and Fish and the Forest Service, are closed on the weekends. He said the Nature Center is the only place that is open on Saturdays throughout the summer and the Nature Center does get a lot of visitors just coming in for general information.

Chair Begovac said the weekend traffic is one of the reasons this is an item for discussion.

Member Fabian said she agrees and said the Nature Center receives more visitors even on a day to day basis just from the community and visitors. She said the Chamber, as far as she knows, is not going to be doing mailings going forward or be open on Saturday.

Vice Chair Krigbaum said the Nature Center does not have room to accommodate the visitor center and Councilmember Snitzer agreed.

Member Rizk said he did not know there was a Visitor Center at the Chamber of Commerce until recently.

Councilmember Snitzer said he has been working on getting a donated travel trailer, and said the Town has somewhat committed to this, saying the thought would be to turn the interior of the trailer into a mobile display center for the Town and the Nature Center to use, for example, taking it to the Game and Fish Expo in March 2018. Also, he said the trailer could be parked at the Nature Center and it could also be used as the Visitor Center, primarily on the weekends.

Recreation Coordinator Spillman said the problem that the Chamber and the Visitor Center had was the hours they are open, and said they need to be open on the weekends and they need to have consistent hours that they are open.

Mr. Alba said from his perspective, a Visitor Center can be located wherever is wanted or needed, but said that to be sanctioned and promotion by the Arizona Office of Tourism for an official visitors center, certain criteria must be met, i.e. trained staff and space requirements, in order to be called the State's official Visitors Center. He said if someone goes to Visit Arizona.com and clicks on Pinetop for visitor information they will be directed to the Chamber of Commerce.

Member Teetsel asked how difficult it would be to put together a mini-business plan of the amount of space needed, staffing requirements and the estimated business hours would be so if the Committee and/or the business owners group really want to help with staffing or volunteering that facts are known of what is needed to devote to this Town effort.

Begovac asked if this something, as a Committee, they want to continue to pursue discussing and/or budgeting or not.

Member Teetsel said without understanding what is required, amount of dollars and hours, it is hard to say yes or no. He said he loves the idea of having it and but he does not understand what it entails.

Councilmember Snitzer said if the Town would take on the Visitor Center with staffing the new Town Hall building would be a great location.

Mr. Alba said he would put together the needed requirements and present the material to the Committee. He stated this would be pulling the Visitor Center out of the Chamber and could ruffle feathers at the Chamber of Commerce. A just cause would have to be shown for taking the Visitor Center away from the Chamber.

Chair Begovac said she does not want to ruffle feathers with the Chamber, and expressed she wants to help the community bring visitors to Pinetop-Lakeside and give visitors a place to find information. She directed Mr. Alba to put together some hard numbers for review.

3. Formation of Sub-committees (only if needed)

Chairman Begovac said the Ad & Pro Committee is a talented group and everyone is committed to get a lot done. She said she is proposing to form sub-committees with the understating that they are temporary, not long term, and project specific. She said she has four sub-committees to consider, consisting of three to four members, meeting outside of when the regular Ad & Pro meets, and they are:

- Decorating and Banner Sub-Committee
- Budget Sub-Committee
- Communications/Surveys and Events Sub-Committee
- Strategic Planning / Website

The consensus of the Committee was to form subcommittees and have the subcommittees discuss details and bring their recommendations to the regular monthly meeting in the hopes of helping the monthly Ad & Pro meetings move along faster.

- Decorating and Banner Sub-Committee – Chair Begovac, Recreation Coordinator Spillman, Vice Chair Krigbaum
- Budget Sub-Committee – Member Byrne, Finance Director Rodolph, Member Gibson
- Communications / Surveys and Events Sub-Committee – Sam John, Vice Chair Krigbaum, Manager Alba, Chair Begovac, Member Rizk
- Strategic Planning / Website – Member Fabian, Member Byrne, Member Teetsel, Sam John, Manager Alba, Member Rizk

Chair Begovac requested the sub-committees to meet before the regular March meeting and a leader for each sub-committee should be chosen.

Mr. Alba volunteered to head the Communications / Surveys and Events Sub-Committee.

Member Fabian volunteered to head the strategic Planning / Website Sub-Committee.

Vice Chair Krigbaum volunteered to head the Decorating and Banner Sub-Committee.

4. Evaluate List of Advertising/Promoting Suggestions

Chair Begovac presented a list of suggested advertising options for the Committee to consider and prioritize.

Councilmember Snitzer expressed some ideas for the Committee to think about, one would be having an Oktoberfest the same weekend as the Run to the Pines Car Show and the Fall Festival. He said the initial reaction is usually no, that does not make sense and spread the events out of time, which is what has always been done, but said he thinks it is a great idea because it creates a blow-out weekend. He said one particular thought of his is to maybe have a few blow-out weekends that actually bring events together instead of spreading them out. He said his other idea is that the business owners group is working on populating a calendar that has at

least a couple of good sized events every weekend. He said his last idea is that Mr. Mark Chilton is working on trying to create a Christmas Village which could be a big deal for the Town and said that Mr. Chilton would use the gallery of the Nature Center and be open from Thanksgiving through Christmas.

Chair Begovac suggested for the Committee having the list of Advertising Options be an ongoing agenda item to consider at each Ad & Pro Meeting. She asked the Committee to pick their top three events to discuss.

Councilmember Snitzer stated an ATV event would be one of his top three events.

Member Fabian said one of her top choices would be to partner and advertise with Birdman and she said he has huge audience reach. She said White Mountain Partnership would be another top choice for her.

Member Gibson said that the White Mountain Partnership was also in his top three choices along with the Arizona's Visitor Guide and advertising to Tucson in February during Tucson Rodeo.

Councilmember Snitzer said the Balloon event is already being worked on, but he feels this could be a big event for the Town.

Member Rizk stated his top three are as follows: making Winterfest into a two day or a two weekend event and add non-snow activities to Mountain Meadow Park, Survey Monkey and Sonoran event during Christmas/New Year's break, partnership with Visit Sonora group.

Member Fabian said her top choices are advertising on Pandora, White Mountain Partnership and the Birdman Community Shout.

Member Laluk listed his top choices as the Arizona Visitors Guide, White Mountain Partnership and Survey Monkey.

Member Gibson said he would like to discuss the White Mountain Partnership in more detail.

Member Fabian stated she is on board with the White Mountain Partnership and said the Partnership would like Pinetop-Lakeside to be a partner, as they were in the past, to market the entire White Mountain community.

Member Teetsel listed his top three as follows: make Winterfest a two day event and add non-snow activities to Mountain Meadow Park, attend more trade shows/conferences – having booths, table at Run to the Pines, Game and Fish Outdoor Expo in Phoenix, Arizona Governor’s Conference in July, Get Outdoors-Scottsdale, Sonoran event during Christmas/New Year’s break, partner with Visit Sonora group and how to be more involved with and use Arizona Office of Tourism mentoring to help the Town.

Recreation Coordinator Spillman said her top three choices are making Winterfest a two day event and add non-snow activities to Mountain Meadow Park, Community Shout advertising, maybe here and there for \$250.00 each but not the \$1,000.00 each month and Pinetop-Lakeside Days, Pie in the Pines, to commemorate incorporation July 24, 1984.

Vice Chair Krigbaum listed her top choices as White Mountain Partnership, Community Shout advertising and a Corn Maze event.

Councilmember Snitzer said his choices are an ATV festival and making Winterfest a two day event and add non-snow activities to Mountain Meadow Park.

Town Manager Johnsons stated his choices as a Balloon event, do not have any non-advertising shoulder months and the White Mountain Partnership.

Mr. Alba said what he has heard repeatedly that bringing new events to Town that will attract people is important and said what has been suggested several times to him to have a Hot Air Balloon event. He said he has been in contact with a company in Scottsdale that puts on Hot Air Balloon events and they have submitted a proposal to him for an event in Town. He suggested the event be held on June 16, 2018, and said it is not an inexpensive event but the Committee does have the funds available to fund the event. He said the cost of the event and marketing of the event is \$11,000.00 and the company would put together the entire event and he explained that 80% of the income generated from the event is retained by the Town. He explained the revenue generated will help to offset the cost of Town staff to set up and be present at the event. Mr. Alba said the event would be a one day fun event, including craft and retail vendors, music, family fun zone with inflatables, kid’s activities, fireworks or laser show and food vendors. He said they suggested a beer garden, but he said the Town has mixed feelings on having a beer garden. He stated 20% of all sponsor revenue is retained by the promoter and the Town retains 80%. He said they anticipate one thousand people

to attend the event. He said the company will promote and advertise the event off the mountain, Tucson, Phoenix, and Facebook. He said if the event is promoted properly the event should draw visitors to the event.

In response to Member Byrne, Recreation Coordinator Spillman said it is a tourist promotion event that is designed to bring visitors to the Pinetop-Lakeside area. The Ad and Promotion Committee would be sponsoring the new event.

Vice Chair Krigbaum brought up the fact that if there are forest fires in the area, what happens to the event and the funding we have put towards the event.

Mr. Alba said that is a risk that is run with any Town event, but he said he would look into the cost of event cancellation insurance.

Member Gibson said he is concerned with hot air balloons and pine trees and he suggests the fire department be consulted on the event since the event will be held during the fire season.

Member Byrne said there is \$7,500.00 budgeted for the balloon event and said the Committee does have the funds available to fund the \$11,000.00 in this fiscal year.

The consensus of the Committee was for Mr. Alba to move forward with the Balloon event.

Member Fabian said this type of event would be a very successful event.

Member Rizk said he would like to have the event be a two day event.

Member Gibson said he is supportive of the event if the fire department is consulted.

Member Teetsel said he is also supportive of the event.

Vice Chair Krigbaum announced the Nature Center Discovery Series would be printed and ready to distribute in one week.

Chairman Begovac announced the next topic to discuss is the White Mountain Partnership.

Member Fabian said she is on the board of the White Mountain Partnership and indicated the Town of Pinetop-Lakeside was involved in the Partnership years ago, along with Show Low, Snowflake, Taylor and Hon-Dah, along with the three Chambers. She said the White Mountain Partnership marketed the entire region and said they are continuing to want to do that. She explained that Channel 12 would be doing most of the marketing for the partnership and they have the URL Discover White Mountain to tie in with Discover Pinetop. She explained White Mountain Partnership markets the entire White Mountain Region and she said it is a benefit to everyone. She feels as a community we need to market as a region.

Member Teetsel said the White Mountain Partnership sounds great to participate in and once we know the cost to participate the Committee can make a decision.

Chair Begovac said the White Mountain Partnership would be a future agenda item with additional information to present to the Committee.

Chair Begovac asked the Committee if they would like to discuss having a Sonoran event during Christmas.

Member Rizk stated he does not think there should be an event just for them but that the Sonoran area should be marketed and not only during the winter.

Mr. John stated the Sonorans come to the White Mountains to ski and during the other times of the year they go to Tucson to gamble and shop. He said he did a quick search from November 1st through December 31st and June 1st through July 31st and said there were eighty people who search for Pinetop-Lakeside from June 1st through July 31st and two thousand six hundred and eighty people who searched from November 1st through December 31st.

Member Teetsel said it would be better continuing marketing to Maricopa County and the Tucson area.

Member Rizk gave his opinion that Winterfest should be a two weekend event.

Member Teetsel said we need to do a Winterfest and Sunrise Park Resort needs to be involved and suggested a Sub-Committee to come up with plans and ideas to expand the event.

Chair Begovac said it sounds like Member Rizk volunteered to be on a Winterfest Sub-Committee.

Vice Chair Krigbaum said the Santa Village would be a great event to have in Town.

Councilmember Snitzer said it would be the same concept as the Winter Village that was held in Greer years ago and said it could be a very big deal for the Town.

Chair Begovac announced Community Shout would be discussed next and said the Committee has gone back and forth on the Community Shout and she feels it is time to give them an answer.

Member Fabian said she gives Community Shout thumbs up.

Vice Chair Krigbaum said she would like to pay \$250.00 to promote per event rather than the \$1,000.00 per month.

Chair Begovac said the Committee does not have the budget for \$1,000.00 per month.

Member Teetsel agreed that \$250.00 for a few events make sense to him and then see if there is any return on the expenditure.

Vice Chair Krigbaum said to include the Community Shout discussion on the March agenda for legal action at \$250.00 per event for four events.

Member Fabian suggested having the strategic sub-committee look at previous mediums that the Committee had advertised in and report back to the Committee. She said she will look at the advertisement in the Arizona's Visitors Guide.

5. Proposed Changes to the Committee's Guidelines

Chair Begovac told the Committee there were some Committee Guideline changes that had been suggested for the Committee to review and change.

After discussion the following changes will be an agenda item at the March 2018 meeting for legal action for recommendation for approval to the Town Council.

IV. Membership

"The Advertising and Promotion Committee shall consist of nine (9) members, five (5) of whom shall reside within the boundaries of the Blue Ridge Unified School

District, and the remainder may own and/or operate a business located within the Town boundaries that pays transaction privilege taxes to the Town of Pinetop-Lakeside. One member shall be a representative of the local hospitality industry, one member may represent the Pinetop-Lakeside Chamber of Commerce, and one member may be a designated representative from Sunrise Park Resort. One Town Council member, designated by the Town Council, and the Town Manager or assigned staff member shall serve as ex officio non-voting members of the Committee.”

Chair Begovac said the meaning of events sponsorship needs to be more defined and the event sponsorship form needs to be clearer and the form reworded. She said a marketing request needs to be for a tangible object and the strategic planning sub-committee will work on revising the form.

Town Manager Johnson referred back to the Committee Guideline, VI Terms of Members the last sentence in the statement *“The Sunrise designated representative shall not have a term, but must be recommended by the Committee and their appointment approved by the Town Council.”* He said that is something that the Committee has not been doing and said that Roger Leslie would have to be on one of the Town Council agendas for approval along with a proxy that Owen Laluk or another member of the Sunrise team would be able to attend the meetings. He said he would present something to the Ad & Pro Committee at the March 2018 meeting.

Town Manager Johnson said he would reach out to the General Manager at Honda to see if they are interested in being a part of the Ad & Pro Committee.

Chair Begovac said she had one more item on the Committee Guidelines and asked if the Committee would like to open the meetings with prayer like the Town Council does.

Town Manager Johnson expressed his concern by opening the door too far the Town could get push back and said Councils throughout Arizona begin with prayer, but said it could create push back from the Community.

Members Gibson and Fabian agreed with Town Manager Johnson.

Chair Begovac said some members could meet before the meeting starts and it would be a non-committee quiet time that members could participate in if they want to.

6. Request for Proposals (RFP) for a New Website

Chair Begovac said the RFP has been addressed earlier in the meeting and said the sub-committee would be discussing the website, but asked if there are any other comments or suggestions from the Committee.

Member Fabian said the Business for Tourism group should be met with and brought in as a focus group by the sub-committee for the website and get their input and opinion.

Vice Chair Krigbaum agreed with Member Fabians suggestions.

Recreation Coordinator Spillman said City of Flagstaff's government site has a drop down tab that brings the visitor to their Visit Flagstaff website.

In response to Member Teetsel, Town Manager Johnson said the Town website and the visit website would be paid out of two separate budgets and he said the Town would pay for the government website.

In response to Member Byrne, Town Manager Johnson stated that because they are already an approved vendor with the State of Arizona an RFP is not required.

Member Byrne said the Ad & Pro Committee may want to look at some other choices too for the Visit website.

Vice Chair Krigbaum commented that it took the Ad & Pro Committee several months when the website was out to bid with an RFP several years ago and she said that she would not do an RFP again if it is not required.

Member Byrne said it would be good for the Committee to look at other website developers since the Committee would be paying for the visit website.

Town Manager Johnson said Civic Plus would be the best choice for a website developer and he said governmental websites are their specialty.

Mr. John said last time the Committee and the Town went with a non-specialist and he said in this particular instance it is a really good idea to have a company that understands government sites.

Chair Begovac said government sites are different from visitor sites.

Mr. John said that Civic Plus also does visitor sites that are linked in with the government sites and he said they are familiar with both type of sites.

Member Byrne stated that she feels that at some point the strategic planning – website sub-committee should be involved with the content of the visit website early on in the development of the website.

Vice Chair Krigbaum explained that Member Fabian said that the sub-committee would be involved in the development of the website.

Member Byrne said that it was stated that the sub-committee would be involved early on in the process and she said no one from the Ad & Pro Committee has been involved yet in the process of picking the new website developer.

Recreation Coordinator Spillman said that she and Mr. Alba have been involved in the discussions with Civic Plus.

Member Byrne said that she meant a representative from the Ad & Pro Committee and she said in the future she would like an Ad & Pro member to be included in further discussions.

Member Gibson said he would like to explore OOTV and OOIA because he does not understand it.

Chair Begovac suggested Member Gibson and Mr. John meet on their own to discuss it.

Mr. John said that Member Gibson wanted to discuss the subject during the retreat.

Member Gibson said he would like to talk about it now.

Vice Chair Krigbaum expressed it was a good idea to discuss it now because she does not feel the Committee can ever talk too much about what Mr. John does.

Member Gibson said the proposed budget would increase funds to Mr. John and said he feels it should be discussed where those funds will go.

Mr. John stated his contract does not include OOTV and OOIA and wanted the Committee to be clear on that. He said OOTV is just an advertising tool and said he would do whatever the Committee wants to do. He said the previously Committee decided to switch to digital advertising, but he said he is here to support whatever advertising the Committee decides on.

Member Fabian suggested that Mr. John be involved in the strategic planning sub-committee and have Mr. John explain OOTV and look at where the marketing dollars would best be spent. She said the sub-committee could then make a recommendation to the Ad & Pro Committee. She said she does not understand OOTV and OOIA and she said she would rather see the advertising funds spent someplace else. She said she would invite Member Gibson to attend the sub-committee meeting regarding this subject.

Member Gibson said he would like clarification on what does it mean that Pinetop advertising is not seen in Pinetop.

Chair Begovac said it is a misconception that the Committee does not do any advertising because OOTV and OOIA are not seen, nobody in Pinetop sees our advertising because we are not advertising for outside business in Pinetop. She said the Committee is trying to address that issue with education and communication and showing for instance the OOTV video on our Facebook page to show Pinetop businesses that don't think we do anything that this is what is being seen in Phoenix and Tucson and wherever else we are marketing too.

Member Gibson asked if the Committee has ever looked at the group tourism market, for example bus tours. He said he would do some research regarding group and bus tours.

Councilmember Snitzer said Kingman Arizona has a huge bus tour business, not specifically going to Kingman but to the Grand Canyon. He explained that Kingman has worked out a deal with the tour companies for a place to stop and visit their historical museum.

Member Rizk said motorcycle clubs or groups would be a good market to target.

7. Adjournment:

There being no further business at this time, the meeting was adjourned at approximately 2:50 p.m.

Jeanne Begovac
Chair