

INDEX OF MINUTES
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD
MEETING
June 21, 2012

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE(S)</u>
CALL TO ORDER	Convened	1
ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	1
• Amendments		
• Tabled or Withdrawn items	None	1
APPROVAL OF MINUTES		
May 24, 2012	Approved [as amended]	2
NEW BUSINESS		
• Presentation of the Western Interstate Region (WIR) Conference Susan Mayes, NMAC	Informational	2-3
• Funding Request for the Renaissance Fair, Amanda Crocker from El Rancho de las Golondrinas	{Moved up on the agenda} Approved [funded @ \$8,000]	3-4
• Funding Request for a Joint Press Tour, Jim Bradbury, Santa Fe Convention and Visitors Bureau	Approved [funded @ \$5,000]	5
OLD BUSINESS		5
FINANCIAL REPORT		
• Santa Fe County Finance Division- Lodgers Tax Financial Report – June 20, 2012 (Pro-Forma)	Informational	6
ADVERTISING AGENCY REPORT	Motion passed	6-7
ADMINISTRATIVE		
• Next meeting date and location		
The next meeting was tentatively scheduled for August 23, 2012		7
ADJOURNMENT	Adjourned at 12:00 p.m.	7-8

MINUTES OF THE
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD

June 21, 2012

The regular meeting of the Santa Fe County Lodgers' Tax Advisory Board was called to order at 10:00 a.m. on the above date by Chairman John Berkenfield in the Bokum Building, 142 West Palace Avenue, Santa Fe, New Mexico.

Roll call indicated the presence of a quorum for conducting official business as follows:

Board Members Present

John Berkenfield, Chairman
Lydia Frank
Florence Jaramillo
Mary Johnson

Board Members Absent

Florenceruth Brown, Vice Chair, excused

Staff Present

Kristine Mihelcic, Media Production/Public Relations for Santa Fe County
Evelyn Valencia, Santa Fe County Finance Division

Others Present

Amanda Crocker, El Rancho de las Golondrinas
Susan Mayes, Western interstate Region (WIR) Conference
Russ Rountree, Impressions Advertising, Inc.
Jo Ann G. Valdez, Stenographer

APPROVAL OF THE AGENDA

- **Amendments**
The Agenda was reprioritized-Item V (*Funding Request for the Renaissance Fair*) was moved up on the agenda.

- **Tabled or Withdrawn items**
None

Ms. Jaramillo made a motion to approve the agenda as amended. Ms. Johnson seconded the motion. The motion passed unanimously by voice vote.

APPROVAL OF MINUTES: May 24, 2012

The following changes were made to the Minutes of the May 24, 2012 meeting:

Page 1, Amanda Crocker was present.

Page 3, WIC was changed to read: WIR

Ms. Jaramillo made a motion to approve the Minutes of the May 24, 2012 meeting, as amended. Ms. Johnson seconded the motion. The motion passed unanimously by voice vote.

NEW BUSINESS

- **Presentation of the Western Interstate Region (WIR) Conference, Susan Mayes, NMAC**

[Copies of the written final report from Western Interstate Region (WIR) Conference were distributed in the Board Members' packets. A copy is hereby incorporated to these Minutes as Exhibit "A".]

Ms. Mayes presented the information from Exhibit "A". Please see Exhibit "A" for the specifics of this presentation.

Ms. Mayes said New Mexico Association of Counties and Santa Fe County co-hosted the Conference on May 15-18, 2012. The conference was held at both the Eldorado Hotel and the Hilton Hotel. There were 365 registrants, over 100 more than last year.

Ms. Mayes reported that the WIR Conference generated approximately \$93,800 in room nights/hotel revenue for just the two host hotel room blocks, Eldorado and Hilton Hotels.

Chairman Berkenfield noted that these hotels are located in the city.

Ms. Mayes said other hotels handled the overflow and those figures are not available. She mentioned that Santa Fe County chose the Bishop's Lodge for an event that was held on May 16th. This event was for National Association of Counties and WIR Board members. The event was a huge success and approximately 200 people attended this "invitation only" event. The total cost for this service to Bishop's Lodge was \$12,730.25.

Ms. Mayes said for the opening session on May 17th, Mayor David Coss and Santa Fe County Commissioner Liz Stefanics welcomed the group to Santa Fe and the Land of Enchantment. The honorable John Sanchez, Lieutenant Governor of New

Mexico, spoke about the concerns of the west and the working relationship with the counties. She gave a brief overview of the events that were held throughout the conference.

Ms. Mayes reported that the transportation for all the events was provided by Destination Services Santa Fe, which totaled \$4,156.78 of which \$314.58 was paid in city sales tax. She provided a breakdown of the total cost for all the events and promotions noting that they totaled \$33,088.58.

Ms. Mayes said the advertising for the WIR Annual Conference included the tag line "partially funded by the County of Santa Fe Lodger's Tax" and these events could not have happened without the help of their sponsors and the County of Santa Fe Lodgers' Tax. The majority of the advertising was done through e-mail blasts and on the NACo and NMAC websites.

Ms. Mihelcic said she received a lot of positive feedback about the event and many people want to come back to the County.

- **Funding Request for the Renaissance Fair, Amanda Crocker from El Rancho de las Golondrinas**
[Chairman Berkenfield recused himself from discussion or voting on this agenda item having declared a conflict of interest.]

Ms. Johnson Co-Chaired this portion of the meeting.

Ms. Crocker presented the information regarding the request for funding, from the Application, which was distributed in the members' packets. [A copy is hereby incorporated to these Minutes as Exhibit "B".]

Ms. Crocker explained that Open Hands closed their doors in late April. She said Open Hands was a great organization and they helped a lot of people. She said the partnership they had with El Rancho de las Golondrinas was a great one and it is a huge blow not to have them as a partner anymore.

At the last LTAB meeting, Ms. Crocker was asked to submit a proposal to the Board requesting that the funding go to El Rancho de las Golondrinas for the Renaissance Fair.

Ms. Crocker said they feel strongly that having a partner in this event is in the best interest of the Renaissance Fair, as well as Las Golondrinas. She said their intention is to seek another non-profit partner for the 2013 event; however, there is not enough time to seek a partner for this year's event.

El Rancho de las Golondrinas is requesting that LTAB continue to support the 2012 Renaissance fair, and grant \$8,000 to Las Golondrinas for this year to enable them to continue the marketing and programming of the event. The 2012 Renaissance Fair

will take place over the weekend of September 22 and 23 at El Rancho de las Golondrinas.

Ms. Crocker said since its launch in 2008, the Santa Fe Renaissance Fair has increased its attendance by an average of 722 people each year. She said it is the best-attended event in Santa Fe County and the grants provided by LTAB for past Renaissance Fairs has been instrumental to the Fair's success. In 2011, they had 6,409 attendees, which was up from 5,102 in 2009 and 5,624 in 2010. Further growth is anticipated in 2012, due to the Fair's ever-increasing reputation being spread by people who have had a positive experience attending it, along with a very ambitious advertising campaign, and programming that they work hard to expand and improve.

Ms. Crocker noted that El Rancho de las Golondrinas conducts surveys to see where their attendees are coming from and they were pleased to find that 36% of the total audience in 2011 came from places other than Santa Fe and Albuquerque. 29% of the 2011 attendees came from cities in New Mexico and 7% came from out of state or from other countries. They estimate that 15% of people who attend events at El Rancho de las Golondrinas stay in paid lodging and 10% of that is in the county. The average stay is three nights and an estimated 288 county room nights were generated by attendees of the Fair in 2011. The early indicators reflect that the 2012 Renaissance fair will easily surpass last year's numbers.

Ms. Crocker said they advertised in Albuquerque and Santa Fe, as well as Farmington, Cloudcroft, Espanola and Las Cruces. They also reached out to Arizona, and Colorado. They plan to advertise in national and regional Renaissance Fair magazines and more out-of-state publications, if the resources are available.

Ms. Jaramillo asked how Open Hands spent the \$8,000 that was granted to them.

Ms. Crocker said Open Hands contributed 50% of the funding for the Renaissance Fair and a big part of their contribution was the \$8,000 grant from LTAB that went towards marketing. The grant from LTAB was a majority of their advertising budget.

Ms. Frank moved to fund El Rancho de las Golondrinas at \$8,000, as requested. Ms. Jaramillo seconded the motion. The motion passed unanimously by voice vote.

Chairman Berkenfield chaired the remainder of the meeting.

Chairman Berkenfield asked Ms. Crocker to give a brief update on the Civil War Weekend event and the Spring Festival that were partially funded by LTAB.

Ms. Crocker said more than 1,200 people attended the Civil War Weekend event and there were 1,900 attendees at the Spring Festival. She mentioned that the Wine Festival will be in two weeks.

- **Funding Request for a Joint Press Tour, Jim Bradbury, Santa Fe Convention and Visitors Bureau**

[Copies of a letter from Jim Bradbury of the Santa Fe Convention and Visitors Bureau regarding the Joint Press Tour were distributed in the Board Members' packets. A copy is hereby incorporated to these Minutes as Exhibit "C".]

Chairman Berkenfield said the letter formalizes the request from the CVB. He noted that Steve Lewis presented the request at the prior LTAB meeting. [*Of note, a motion was made and passed to approve the request at the May 24, 2012 LTAB meeting-subject to the availability of funds.*]

The CVB is requesting \$5,000 for a joint City and County press tour. The tour would be for invited journalists to produce travel coverage about the City of Santa Fe and the County of Santa Fe for national publications. The tour is scheduled for the fall of 2012, between mid September and October. The tour will include 10-12 writers and will highlight the diverse artistic, cultural and historic attractions, activities, lodging, dining, shopping and recreational opportunities that Santa Fe County and the City have to offer. The City and the County will jointly develop the itinerary. The CVB will contribute an equal amount of \$5,000 to support the trip.

Chairman Berkenfield asked for a motion from the Board to discuss the request.

Ms. Johnson moved to discuss the request from the CVB. Ms. Jaramillo seconded the motion. The motion passed unanimously by voice vote.

Ms. Johnson moved to approve the request from CVB at \$5,000 as requested. Ms. Jaramillo seconded the motion. The motion passed unanimously by voice vote.

OLD BUSINESS

Chairman Berkenfield provided an update on the meeting that was held on June 1, 2012 with the Mayor, the City Manager, County Manager, City Councilor Wurzbarger, and Paul Margetson of the OTAB to discuss how LTAB and OTAB can cooperate together. He noted that a discussion was held re 'merging the two Boards; however the two Boards have different roles. At that meeting, the Mayor indicated that he has received comments from different hotels about the fact that the county properties receive "leads" from the CVB but they do not pay into the city's lodgers' tax fund. Some City hotels want to end support of the County properties.

Chairman Berkenfield said Councilor Wurzbarger suggested that the LTAB and OTAB cooperate more and he informed her that LTAB or the County has participated or cooperated in the past with City programs and projects, making substantial financial contributions to some programs. As a result, the City Manager said he would have Jim Bradbury of the CVB put together a list of the cooperative efforts that have been provided from the County to the City.

Chairman Berkenfield said LTAB has funded CVB efforts in the past but they have not come back to make a final report, as required by all the organizations that are funded by LTAB.

FINANCIAL REPORT

- **Santa Fe County Finance Division-Lodgers Tax Financial Report- June 20, 2012 (Pro-Forma)**

Ms. Valencia distributed and reviewed the Lodgers Tax Receipt Report through June 20, 2012 noting total receipts of \$26,474.45 for April and \$4,383.55 thus far for May 2012 (these are not due until June 25th); total receipts to date are \$325,939.79.

Ms. Valencia distributed and reviewed the Lodgers' Tax Receipt Analysis noting that there was a 2% decrease when compared to the month of April of the prior year.

Ms. Valencia distributed and reviewed the Facility Fund report through June 20, 2012 identifying the beginning cash balance of \$698,141.00; total lodgers' tax receipts reported of \$137,675.69; \$1,503.65 interest; and expenditures of \$8,210.15 for FY'11 Advertising Contract and \$85,787.12 for FY'12 Advertising Contract, outstanding encumbrances in the amount of \$26,212.88, leaving an anticipated cash balance of \$717,110.19.

Ms. Valencia distributed the Advertising Fund report through June 20, 2012 identifying the beginning cash balance of \$823,514.48; total lodgers' tax receipts reported of \$229,151.85; \$1,753.79 interest; \$2,100 State Coop for last FY; expenditures of \$15,658.14 for FY'11 Advertising Contract, \$142,978.55 for FY'12 Advertising Contract, \$220.83 for Newspaper Advertising, \$23,000.00 for FY'11 Commitments and Other Fees (\$6,000 for El Rancho de las Golondrinas Wine Festival; \$6,000 for Southwest Roots Music Thirsty Ear Festival; \$3,500 for El Rancho de las Golondrinas Spring Festival and Children's Fair and \$7,500 for the SF International Folk Art Market; \$17,900 for FY'12 Commitments and Other Fees (\$3,500 for El Rancho de las Golondrinas Summer Festival and \$6,400 El Rancho de las Golondrinas Harvest Festival and \$8,000 for Open Hands for Renaissance Fair); \$169.58 for FY'11 Reporting and Recording, \$1,321.02 for FY'12 Reporting and Recording, outstanding encumbrances in the amount of \$84,442.79, leaving an anticipated cash balance of \$770,829.21.

ADVERTISING AGENCY REPORT

- **Rocky Mountain Lodging Report (May)**

[Copies of the Rocky Mountain Lodging Report for the month of May were distributed and reviewed. A spreadsheet on tracking Santa Fe Occupancy Tax was attached.]

Mr. Rountree reported that Santa Fe (Total) occupancy rates for the month of May were down approximately 1.5% over the prior year; occupancy for Cerrillos properties was down 6% when compared to this time in the prior year; and periphery was up almost 5%. The average daily rate was up by 5.5% when compared to the prior year. The City GRT collections are also up.

- **New Items**

- **BCC Presentation**

Mr. Rountree reported that the Advertising Agency will make a presentation to the Board of County Commissioners on July 10th.

- **Press**

[Copies of various press articles were distributed.]

A copy of an article about the Spring Festival at El Rancho de los Golondrinas was distributed.

A copy of the article to the editor about the proposed retreat development in Chimayo was distributed. The writer opposed the proposed development noting that it is out of scale. He feels that change is not always good.

A copy of an article about the late Mike Cerletti was distributed. The article honors Mike Cerletti as a tourism legacy and the best promoter ever of New Mexico as a destination. On Mr. Cerletti's watch, the people employed in tourism grew from 80,000 to 110,000, and the industry itself grew from a \$4.2 billion business to \$5.7 billion.

Copies of the official press release regarding Four Seasons Hotels and Resorts taking over the management of the Encantado Resort were distributed.

Copies of the article in *Travel Weekly.com* were distributed. The article is about a survey reflecting that Americans prefer the beach over the mountains as a vacation venue. It states that 72% of Americans expressed a favorable opinion about a beach vacation, and 66% prefer a mountain vacation.

ADMINISTRATIVE

Ms. Frank gave an update on Encantado which is no longer an Auberge Resort- it will now be managed by Four Seasons.

- a. Next meeting date and location**

The next meeting was tentatively scheduled for August 23, 2012 at 10:00 a.m.

ADJOURNMENT

Ms. Johnson made a motion to adjourn the meeting. Ms. Brown seconded the motion and the meeting was adjourned at 12:00 p.m.

Approved by:

[Handwritten Signature]
John Berkenfield, Chairman

Respectively submitted by:
Jo Ann G. Valdez, Stenographer



COUNTY OF SANTA FE) LODGERS TAX MINUTES
STATE OF NEW MEXICO) ss PAGES: 9

I Hereby Certify That This Instrument Was Filed for
Record On The 29TH Day Of August, 2012 at 04:15:21 PM
And Was Duly Recorded as Instrument # 1679834
Of The Records Of Santa Fe County

Deputy *Marcella [Signature]*)
Witness My Hand And Seal Of Office Valerie Espinoza
County Clerk, Santa Fe, NM