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SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD
MEETING
July 21, 2011

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MINUTES OF THE
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD

July 21, 2011

The regular meeting of the Santa Fe County Lodgers' Tax Advisory Board was called to order at 10:35 a.m. on the above date by Chairman John Berkenfield at the Bokum Building, 142 West Palace Avenue, 2nd Floor, Santa Fe, New Mexico.

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

Board Members Present

John Berkenfield, Chairman
Florenceruth Brown, Vice Chair
Lydia Frank
Mary Johnson

Board Members Absent

Florence Jaramillo, excused

Staff Present

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

Others Present

Karen Brown, Santa Fe Skies RV Park
Russ Rountree, Impressions Advertising, Inc.
Jo Ann G. Valdez, Stenographer

APPROVAL OF THE AGENDA

Ms. Brown made a motion to approve the agenda as published. Ms. Johnson seconded the motion, which passed unanimously by voice vote.

APPROVAL OF MINUTES: May 26, 2011

Ms. Frank made a motion to approve the Minutes of the meeting of May 26, 2011, as submitted. Ms. Brown seconded the motion, which passed unanimously by voice vote.

FINANCIAL REPORT

- **Santa Fe County Finance Division-Lodgers Tax Financial Report-July 21, 2011 (Pro-Forma)**

Ms. Valencia distributed and reviewed the Lodgers Tax Receipt Report through July 21, 2011 noting total receipts of \$27,100.39 for April 2011; \$45,099.75 for May and \$4,513.44 thus far for June; total receipts to date are \$364,471.28.

Ms. Valencia distributed and reviewed the Lodgers' Tax Receipt Analysis noting that there was a 32% increase when compared to the month of May of the prior year.

Ms. Valencia distributed and reviewed the Facility Fund report through July 21, 2011 identifying the beginning cash balance of \$651,490.19 and total lodgers' tax receipts reported of \$155,584.15; interest of \$1,786.52 and expenditures of \$9,905.73 for FY'10 Advertising Contract and \$98,664.78 for FY'11 Advertising Contract, outstanding encumbrances in the amount of \$8,210.22, leaving an anticipated cash balance of \$692,080.13.

Ms. Valencia distributed the Advertising Fund report through July 21, 2011 identifying the beginning cash balance of \$817,952.30, total lodgers' tax receipts reported of \$259,227.36; interest of \$2,249.42; \$2,850.00 State Coop (FY 2010), expenditures of \$18,971.99 for FY'10 Advertising Contract, \$164,441.48 for FY'11 Advertising Contract, \$1,800.00 for FY'11 Audit Contract, \$333.00 for Subscriptions and Dues, \$172.58 for Newspaper Advertising, \$16,100.00 for FY'10 Commitments and Other Fees (\$3,500.00 for El Rancho de las Golondrinas Spring Festival & Children's Fair June 5-6, 2010; \$6,000.00 for Southwest Roots Music for Thirsty Ear Festival June 12-13, 2010; \$1,600.00 for Chimayo Assoc. of Businesses brochures; \$5,000.00 for SF International Folk Art Market July 9-11, 2010); \$73,400.00 for FY'11 Commitments and Other Fees (\$6,000.00 for El Rancho de las Golondrinas Wine Festival July 3-4, 2010; \$3,500.00 for El Rancho de las Golondrinas for Summer Festival August 6-8, 2010; \$6,000.00 for Open Hands Renaissance Fair September 24-25, 2010; \$6,400.00 for El Rancho de las Golondrinas for Harvest Festival October 2-3, 2010; \$10,000.00 for Santa Fe 400th "Legacy Day Viva" closing event and \$37,500.00 for City of SF CVB MOU for media relations, El Rancho de Las Golondrinas for Battlefield NM Civil War & More, May 14-15, 2011), \$215.58 for FY'10 Reporting and Recording, \$1,018.09 for FY'11 Reporting and Recording, outstanding encumbrances in the amount of \$40,354.46, leaving an anticipated cash balance of \$765,471.90.

OLD BUSINESS

There was no old business.

NEW BUSINESS

A. Introduction of Kristine Mihelcic, Media Production/Public Relations for Santa Fe County

Ms. Mihelcic was introduced to the Board. She gave a brief history of her

background noting that she has a degree in communications, public relations and journalism. Ms. Mihelcic has been with the County for three years; and has been in this position for two years.

Ms. Mihelcic noted that she started a show on Comcast (Channel 28) called "The County Connection" that features County projects and initiatives. She overhauled the County's website for transparency-to build a better government relationship with the community. She also hosts a radio show on Que Suave (810 am) on Tuesday mornings.

Ms. Mihelcic will be attending the LTAB meetings in the future and will be included on the agendas. She will also be added on the Board's distribution list.

ARTICLE ON FLORENCE JARAMILLO

A copy of an article about Board Member Florence Jaramillo entitled "*The true meaning of family business*" dated July 10, 2011 was reviewed.

Ms. Brown moved to include the article as part of the public record. Chairman Berkenfield seconded the motion, which passed unanimously by voice vote.

[A copy is hereby incorporated to these Minutes as Exhibit "A".]

ADVERTISING AGENCY REPORT

Chairman Berkenfield announced that Impressions Advertising has been chosen to be the County's Advertising Agency by an Evaluation/Selection Committee. There were five members on the Evaluation Committee which included representation from Finance, County Managers and one LTAB Member. Six advertising agencies responded to the Request for Proposals. The contract is for two years with an option to renew with the County Manager's approval to go before the Board of County Commissioners.

The Advertising Agency will make a presentation to LTAB at the September meeting. The presentation will include the goals and objectives for the next fiscal year.

- **Rocky Mountain Lodging Reports (May & June)**

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

Mr. Rountree noted that occupancy in Santa Fe for the month of May was above the state average; however, the average daily rate (ADR) was down.

Mr. Rountree said the June report shows a negative month and this may be due to the construction on Cerrillos Road.

- **New Mexico Tourism Department 2011/2012 Co-Op Program**

At the request of the Board, Mr. Rountree and Steve Lewis made an oral

presentation to the New Mexico Tourism Department about possible Co-Op funding for the City and County for FY 2011/2012. This was an attempt to obtain funding to continue the public relations effort with the Lou Hammond & Associates, the public relations firm out of New York that worked on behalf of the city and county last fiscal year. The oral presentations will be completed next week and the Tourism Department will send out the written portion of the application after that. The applications will be due approximately one month after it is issued.

- **Press**

[Copies of various press articles were distributed.]

A story about bed & breakfast inns in Santa Fe with comments from the owners of the Bobcat Inn on Old Las Vegas Highway was distributed. The article indicates that Santa Fe's bed and breakfast inns are hoping this summer will be a busy one, but there's some concern that it's not going to be a return to the good days, thanks to a weak economy. The high price of gasoline has not made things any easier. The Bobcat Inn experienced "a really strong 2009", only to have a weak 2010, with bookings down about 20 percent.

An article about the new Cabinet Secretary of Tourism (Monique Jacobson) was distributed. The article indicates that the state ranks 24th in the nation on the list of places people "intend to visit". Monique Jacobson feels that we should be at least one of the top three destinations in the country. To get there, she said she needs to "fix some fundamentals" and bring the state's six tourism regions together to build a common branding message that will resonate with potential visitors. Ms. Jacobson has traveled the state and has held meetings in each of the districts and she intends to make a second tour soon.

Several articles were distributed about the Viva Mexico! event that was held at El Rancho de Las Golondrinas.

Chairman Berkenfield noted that this is the second largest tourism event in the County. They had over 5,250 attendees this year.

An article in *Travel Pulse.com* states that bed and breakfasts appeal to more travelers. Results of a survey show that one out of every eight (13%) American leisure travelers stayed at a B&B or inn at least once during the previous year.

Another article in *Travel Pulse.com* indicates that a survey shows that summer vacation plans may change due to the economy. Forty-five percent of employees and those self employed who have or plan to take a vacation will reduce or cancel their plans to save money if the economy continues its volatility.

An article in *Travel Pulse.com* indicates that a study was commissioned by the U.S. Travel Association and it found that marketing programs increase visitation, which in turn generates tax dollars and helps create jobs.

According to the U.S. Travel Association's 2009 annual Survey of State Tourism Office Budgets, 31 states cut funding for tourism, advertising and marketing by 13 percent or \$52.7 million, between 2008 and 2009. The state of Washington closed its tourism office in June 2011, harkening back to Colorado's decision to abolish its marketing program in 1993 due to budget constraints.

According to a study by Longwoods International, Colorado eventually lost more than 30 percent of its share of domestic visitors and more than \$2 billion annually in visitor spending. With funding for Colorado's marketing program now restored, the state treasury sees a 12-to-1 return on marketing investment, and trips to Colorado have rebounded to record levels.

ADMINISTRATIVE

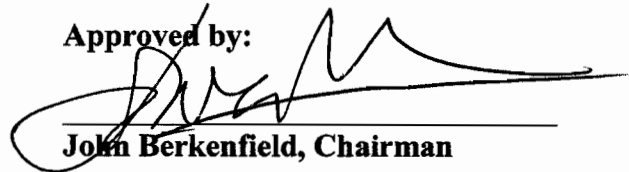
Next meeting date and location

The next meeting was scheduled for September 22, 2011 at 10:30 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:



John Berkenfield, Chairman

Respectively submitted by:

Jo Ann G. Valdez, Stenographer



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

I Hereby Certify That This Instrument Was Filed for
Record On The 26TH Day Of September, 2011 at 02:55:00 PM
And Was Duly Recorded as Instrument # 1646283
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Valerie Espinoza
Deputy _____ County Clerk, Santa Fe, NM

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