

MINUTES OF THE
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD

July 22, 2010

The regular meeting of the Santa Fe County Lodgers' Tax Advisory Board was called to order at 10:45 a.m. on the above date by Chairman John Berkenfield at El Rancho de Las Golondrinas, 334 Los Pinos Road, 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
Mary Johnson

Board Members Absent

Florence Jaramillo, excused
Jeff Mahan, excused

Staff Present

Evelyn Valencia, Santa Fe County Finance Division

Others Present

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 27, 2010

Ms. Brown made a motion to approve the minutes of the meeting of May 27, 2010, as submitted. Ms. Johnson seconded the motion, which passed unanimously by voice vote.

FINANCIAL REPORT

- **Santa Fe County Finance Division-Lodgers Tax Financial Report-
June 30, 2010 (Pro-Forma)**

Ms. Valencia distributed and reviewed the Lodgers Tax Receipt Report through June 30, 2010 noting total receipts of \$23,140.98 for April, \$33,695.69 for May and \$5,921.81 thus far for June 2010 (these are not due until the 25th); total receipts to date are \$336,949.03. There was a 6% decrease when compared to the month of May of the prior year.

Ms. Valencia distributed and reviewed the Facility Fund report through June 30, 2010, which showed a beginning cash balance of \$624,792.37 and total lodgers' tax receipts reported of \$144,473.36, interest of \$2,638.12 (posted through January) and expenditures of \$107,251.40 for FY'10 Advertising Contract, \$13,676.62 for FY'09 Advertising Contract, and outstanding encumbrances in the amount of \$9,905.69, leaving an anticipated cash balance of \$641,070.14.

Ms. Valencia distributed and reviewed the Advertising Fund report through June 30, 2010 identifying the beginning cash balance of \$847,575.93, total lodgers' tax receipts reported of \$240,788.73, interest of \$3,505.28 (posted through January) \$4,000.00 State Coop, expenditures of \$26,597.16 for FY'09 Advertising Contract, \$178,752.30 for FY'10 Advertising Contract, \$1,727.20 for FY'09 audit contract, \$1,785.00 for FY'10 audit contract, \$333.00 for subscription and dues, \$331.40 for newspaper advertising, \$20,500.00 for FY'09 Commitments and Other Fees, \$26,900.00 for FY'10 Commitments and Other Fees, \$1,355.08 for FY'10 Reporting and Recording, outstanding encumbrances in the amount of \$36,604.44, leaving an anticipated cash balance of \$800,984.36.

OLD BUSINESS

Chairman Berkenfield reported that this year's Wine Festival at El Rancho de las Golondrinas was a great event. There were approximately 5,400 attendees, an increase of 11% over 2009. Preliminary numbers show that a large component of the attendees heard about the event through the Internet (27%), (20%) from word of mouth and (18%) from the newspaper. They estimate that 30% of the attendees came from Santa Fe, 21% from Albuquerque, 21% from other cities in New Mexico, 26% from other states and 2% from other countries.

Chairman Berkenfield reported that the Viva Mexico event was also a wonderful event. Attendance was great with an increase in attendees over the prior year. Fourteen states from Mexico participated in the event.

Ms. Valencia reported that the City of Santa Fe (CVB) has contacted the County Finance Director regarding a request for \$100,000.00 in LTAB funding to assist with the public relations firm (out of New York). She noted that there have been discussions between County and City representatives regarding this and a suggestion was made to fund \$50,000.

Ms. Valencia said that she sent a copy of the Scope of Work to Chairman Berkenfield. She explained that there are questions as to how this would work, how would the County be involved, and what the County would get in return.

Chairman Berkenfield said that he informed Keith Toler, the CVB Executive Director, that this decision is out of the Board's purview and a decision would have to be made by the County Manager, the County Finance Director and/or the Board of County Commissioners. The money would come out of cash reserve and would not affect LTAB's operating budget.

NEW BUSINESS

None presented.

ADVERTISING AGENCY REPORT

- **Rocky Mountain Lodging Report (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 reported that June's occupancy shows an increase of 15.5% when compared to the same month in the previous year. He noted that the City's lodgers' tax revenue for FY10 was down 8.11%. The County's lodgers' tax revenue for the same period was down 14.48%; however, this does not include June's numbers.

Mr. Rountree noted that Rocky Mountain Lodging has changed the way that they are reporting their data and he thinks that the additional tracking report should assist in comparing the information.

- **BCC Presentation (July 27, 2010)**

The Advertising Agency (Mr. Rountree) will be making a presentation to the Board of County Commissioners at the July 27, 2010 meeting.

[Copies of the packet were distributed in the members' packets. The packet contains marketing information regarding the efforts that Impressions Advertising is undertaking in promoting visitation to Santa Fe County. The FY'10 Budget and Media Plan were also attached, as well as samples of the ads, e-mail blasts, newsletters and a banner ad that have run to promote tourism to Santa Fe County.]

- **Old Items**

- NMTD Co-op – FY'11 awards announced July 30th

Mr. Rountree reported that the NMTD Co-op awards for FY'11 will be announced July 30th.

- **Articles**

- [Copies of various articles were distributed.]

Articles about the Viva Mexico event at El Rancho de las Golondrinas were distributed.

Articles about Bishop's Lodge were distributed. Bishop's Lodge Ranch Resort and Spa has joined Historic Hotels of America, a program of the National Trust for Historic Preservation and brand of Preferred Hotel Group. Bishop's Lodge is one of more than 200 hotels and resorts throughout the country that are recognized by the group for preserving and maintaining their historic integrity, architecture and ambiance.

Bishop's Lodge was also recognized at the state Tourism Conference last month - by the Tourism Association of New Mexico - for its 90th anniversary campaign in the "Most Successful Public Relations Efforts" category.

An article from *STR Global* indicates that the U.S. hotel industry ended 2009 with \$92.41 billion in room revenue, the lowest year-end room revenue since 2004 (\$85.18 billion). According to the Hotel Operating Statistics Study for 2009, room revenue in 2009 fell 14.2 percent when compared to the prior year.

Another article from *STR Global* predicts that the U.S. hotel industry is forecasted to end the summer with increases in all three key performance metrics (occupancy, average daily rate and revenue per room) in year-over-year comparisons.

An article about a survey that was commissioned by global travel assistance company Mondial Assistance USA and its Access America brand of travel insurance states that their Summer Vacation Survey asked 1,000 Americans a series of questions about their upcoming vacation plans and their past vacation activity. The survey found that 40% of respondents are confident that they will take a vacation in the next three months, up from 35% who took a summer vacation in 2009.

Ms. Brown noted that Encantado Resort was acknowledged/praised in the article about Santa Fe in the *Conde Nast Travel* publication.

Mr. Rountree distributed copies of the *Sunset* publication that featured the Thirsty Ear Festival at Eaves Movie Ranch on June 12-13, 2010 and a mention of the Rio en Medio hiking trail.

ADMINISTRATIVE

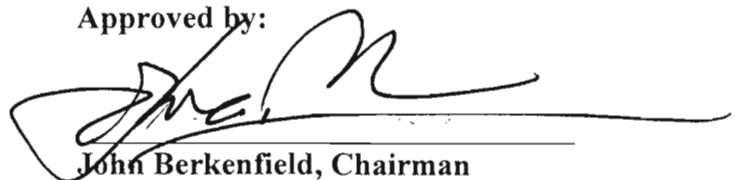
Next meeting date and location

The next meeting was scheduled for August 26, 2010 at 10:30 a.m. at the Bokum Building.

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:
To Ann G. Valdez, Stenographer

