

INDEX OF MINUTES
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD
MEETING
July 24, 2014

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE(S)</u>
CALL TO ORDER	Convened	1
ROLL CALL	Quorum	1
APPROVAL OF AGENDA	Approved	
• Amendments		
• Tabled or Withdrawn items	None	1-2
 APPROVAL OF MINUTES		
April 24, 2014	Approved	2
 NEW BUSINESS		
• Funding Request from David Griscom, County Economic Development Manager	Approved [funded @ \$3,500]	2-3
• Request from Santa Fe CVB Executive Director	Informational	3
 OLD BUSINESS	Informational	3
 FINANCIAL REPORT		
• Santa Fe County Finance Division- Lodgers Tax Financial Report – July 23, 2014 (Pro-Forma)	Informational	3-4
 ADVERTISING AGENCY REPORT	Informational	4-5
 ADMINISTRATIVE		
• Next meeting date and location		
The next meeting was scheduled for September 25, 2014 at 10:30 a.m.		5
 ADJOURNMENT	Adjourned at 11:45 a.m.	5-6

MINUTES OF THE

SANTA FE COUNTY

LODGERS' TAX ADVISORY BOARD

July 24, 2014

The regular meeting of the Santa Fe County Lodgers' Tax Advisory Board was called to order at 10:05 a.m. on the above date by Chairman John Berkenfield at the Bokum Building, Finance Conference Room, 2nd Floor, 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
Karen Brown
Florence Jaramillo
Mary Johnson
Cindy Racco

Board Members Absent

None

Staff Present

Molly Saiz, Santa Fe County Finance Division

Others Present

Russ Rountree, Impressions Advertising, Inc.
Jo Ann G. Valdez, Stenographer

APPROVAL OF THE AGENDA

• **Amendments**

There were no amendments to the agenda.

• **Tabled or Withdrawn items**

None

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

APPROVAL OF MINUTES: April 24, 2014

Ms. Jaramillo made a motion to approve the Minutes of the April 24, 2014 meeting. Ms. Johnson seconded the motion. The motion passed unanimously by voice vote.

NEW BUSINESS

- **Funding Request from David Griscom, Santa Fe County Economic Development Manager**

Chairman Berkenfield noted that David Griscom could not be present today because he had a scheduling conflict.

The information regarding the request for funding was distributed in the members' packets.

History

Santa Fe County partnered with La Luz Holdings in 2009-2010 to develop Santa Fe Studios, a private film and TV production company, featuring two 19,000 sq. foot stages, office space, and back lot production capabilities. Santa Fe County sold the land to La Luz Holdings, and also guaranteed a loan through a local bank. Since opening its doors for production in late 2010, six productions have used the Santa Fe Studios' facilities.

Variety Magazine will be publishing a series of four special editions entitled "The Billion Dollar Locations", of which New Mexico will be featured in one of the four. Santa Fe Studios would like to take out a full page ad in the *Variety Magazine New Mexico Edition*, and has asked Santa Fe County to contribute financially towards that ad. The ad will run in mid-August (potentially August 12th), and will reach an audience of approximately 60,000 readers across all platforms. Per *Variety Magazine*, the issue will cover New Mexico's "various locations, permitting, soundstages, crews and labor, equipment, production and post-production resources – not to mention the quality food and lodging that make the state so appealing to Hollywood, indie filmmakers and global production companies."

Request

The request is asking LTAB to co-sponsor/fund \$3,500 towards the total cost of the ad, which is \$11,500. A similar request has been made to the City of Santa Fe, and the Santa Fe Studios is responsible for securing the remaining balance.

Discussion:

Ms. Brown said asked if the ad itself was for Santa Fe Studios or Santa Fe County. She said it wasn't clear who the ad would be representing; is the ad promoting Santa Fe Studios, New Mexico or Santa Fe County?

Chairman Berkenfield said he did not know but he will ask David Griscom. He will ask him to send a copy of the ad to LTAB for review before it is published.

Ms. Racco said there are presently four TV series in production and two movies that will be in production at the end of this year.

Chairman Berkenfield said the film industry is a vital part of our economic structure.

Ms. Racco moved to fund the funding request from David Griscom, County Economic Development Manager at \$3,500.00 as requested. Ms. Brown seconded the motion. The motion passed unanimously by voice vote.

Request from Randy Randall – SFCVB Executive Director

Chairman Berkenfield reported on a request from the Santa Fe Convention and Visitors Bureau (Randy Randall) for Santa Fe County to fund \$20,000 to go towards advertising for the “New Mexico True” advertising campaign/promotion. The request did not come before LTAB and went directly to the County Manager, who approved funding the request at the level of \$10,000 from another County funding source (not LTAB funding).

OLD BUSINESS

Update on Rancho de los Golondrinas: Wine Festival and Viva Mexico!

Chairman Berkenfield noted that the Wine Festival and the Viva Mexico Celebration were a huge success. Attendance for the Wine Festival was up 20% over the prior year’s festival. Viva Mexico was also up 18% in attendance when compared to the prior year.

Chairman Berkenfield thanked LTAB for their support of both events.

FINANCIAL REPORT

- **Santa Fe County Finance Division-Lodgers Tax Financial Report-July 23, 2014 (Pro-Forma)**

Ms. Saiz distributed and reviewed the Lodgers Tax Receipt Report through July 23, 2014 noting total receipts of \$39,995.31 for May and \$41,987.50 thus far for June 2014; (through June 30th), total receipts to date are \$423,757.59.

Ms. Saiz distributed and reviewed the Lodgers’ Tax Receipts Analysis noting that there was a decrease of 2% in the month of June when compared to the prior year, and a 5% decrease in the month of May.

Ms. Saiz distributed and reviewed the Facility Fund report through July 23, 2014

identifying the beginning cash balance of \$804,254.00; total lodgers' tax receipts reported of \$159,397.33; \$2,519.47 in interest (through June 2014); expenditures of \$13,331.59 for FY'13 Advertising Contract; \$85,864.65 for FY'14 Advertising Contract, outstanding encumbrances in the amount of \$26,135.35, leaving an anticipated cash balance of \$840,839.21.

Ms. Saiz distributed and reviewed the Advertising Fund report through April 23, 2014, identifying the beginning cash balance of \$890,586.00; total lodgers' tax receipts reported of \$265,395.12; \$2,697.46 in interest (through June 2014) expenditures of \$23,283.67 for FY'13 Advertising Contract, \$143,107.70 for FY'14 Advertising Contract, \$1,605.00 for FY'13 Audit Contract; \$94.18 for newspaper advertising; \$23,000.00 for FY'13 Commitments and Other Fees (\$6,000 for El Rancho de las Golondrinas Wine Festival, \$9,000.00 for the Santa Fe International Folk Art Market; \$8,000.00 for the Santa Fe Renaissance Fair); \$12,900.00 for FY'14 Commitments and Other Fees (\$3,000 for El Rancho de las Golondrinas Viva Mexico July 20-21, 2013; \$3,500 for El Rancho de las Golondrinas Summer Festival and Frontier Days Aug. 3-4, 2013 and \$6,400 for El Rancho de las Golondrinas Harvest Festival Oct. 5-6,2013); \$244.34 for FY'13 Reporting and Recording; \$1,396.53 for FY'14 Reporting and Recording, outstanding encumbrances in the amount of \$91,295.77, leaving an anticipated cash balance of \$856,251.39.

ADVERTISING AGENCY REPORT

- **Rocky Mountain Lodging Report (April, May and June)**

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

Mr. Rountree said the total occupancy in Santa Fe for the month of June was down slightly (2%), when compared to the month of June in the prior year. However, the ADR continues to surge.

Mr. Rountree noted that the city gross receipt tax collections were up 6% for the month of June.

- **New Business**

Mr. Rountree said there was no new business to report.

- **Old Business**

- **City/County Fam Trip-June**

Mr. Rountree reported that the second FAM trip was held in June (from June 19th through June 23rd, 2014). Seven writers participated in the FAM trip. Copies of the itinerary of the Media Tour in Santa Fe were distributed.

Chairman Berkenfield noted that a formal report from the City should be provided to the Board.

- **Press Articles**

Copies of an article in the *Albuquerque Journal* from the Tourism Secretary Monique Jacobson were distributed. It indicates that New Mexico did not attract any more tourists in 2013 than it did in 2012. State visitation “inched” up just 0.63% last year, according to new tourism numbers. Data shows that 32.2 million people visited the Land of Enchantment in 2013, up from 32 million in 2012.

Copies of an article about the Mayor’s transition team with regard to tourism were distributed. Mayor Javier Gonzales’ transition team on tourism recommends that the City of Santa Fe enact a \$1 hotel room fee that would generate about \$1 million annually. The additional revenue could be used for different purposes, including allowing the City’s Visitors’ Bureau to “pump” more money into advertising or waive convention center usage fees for out-of-town groups and charitable organizations.

Copies of an article from *Leisure Travel* dated May 19, 2014 were distributed. It states that data suggests that leisure travel has recovered. U.S. leisure travel’s recovery appears to be widening, beyond the wealthiest Americans, resulting in a 7% growth in the number of vacation travelers last year.

Copies of an article from *Travel Weekly* about tour operators responding to hunger for authenticity were distributed. The past few years have witnessed a fundamental shift in the way tours are being imagined, marketed and sold. With travelers increasingly seeking more authentic local experiences and fewer traditional tourist itineraries, operators have been searching high and low to find more bona fide local encounters to inject into their products just to remain relevant.

Copies of an article in *Conde Nast Traveler* indicates that Santa Fe was named one of the top 10 Small Cities in America.

Mr. Rountree mentioned that the Impressions Advertising contract with Santa Fe County was renewed for another year.

ADMINISTRATIVE

Chairman Berkenfield noted that Teresa Martinez, County Finance Director, will be retiring in March of 2015 and she will be dearly missed.

Next meeting date and location

The next meeting was scheduled for September 25, 2014 at 10:30 a.m. at Rancho de Chimayo Restaurant, Santa Fe, New Mexico.

ADJOURNMENT

Ms. Brown made a motion to adjourn the meeting. Ms. Johnson seconded the motion and the meeting was adjourned at 11:45 a.m.

Jo Ann G. Valdez
Respectively submitted by:
Jo Ann G. Valdez, Stenographer

Approved by:

John Berkenfield
John Berkenfield, Chairman



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

LODGERS TAX MINUTES
PAGES: 7

I Hereby Certify That This Instrument Was Filed for
Record On The 30TH Day Of December, 2014 at 03:45:36 PM
And Was Duly Recorded as Instrument # **1754089**
Of The Records Of Santa Fe County

Deputy *Marcelle Salazar* Witness My Hand And Seal Of Office
Geraldine Salazar
County Clerk, Santa Fe, NM