

INDEX OF MINUTES
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD
MEETING
August 23, 2012

| <u>ITEM</u> | <u>ACTION</u> | <u>PAGE(S)</u> |
|---|------------------------------------|-----------------------|
| CALL TO ORDER | Convened | 1 |
| ROLL CALL | Quorum | 1 |
| APPROVAL OF AGENDA | Approved [as reprioritized] | 1 |
| • Amendments | | |
| • Tabled or Withdrawn items | None | 1 |
| APPROVAL OF MINUTES June 21, 2012 | Approved [as amended] | 2 |
| OLD BUSINESS | Informational/discussion | |
| • Appointment of Board Member Karen Brown | | 2 |
| • Nomination and Appointment of Vice Chair (Mary Johnson) | | |
| | Motion passed | 2 |
| • Cooperative Efforts with City OTAB | | 2-3 |
| FINANCIAL REPORT | | |
| • Santa Fe County Finance Division- Lodgers Tax Financial Report – August 22, 2012 (Pro-Forma) | Informational | 3-4 |
| ADVERTISING AGENCY REPORT | | 4-6 |
| NEW BUSINESS | Motion passed | 6 |
| ADMINISTRATIVE | | |
| • Next meeting date and location | | |
| The next meeting was scheduled for September 27, 2012 | | 6 |
| ADJOURNMENT | Adjourned at 12:00 p.m. | 6-7 |

MINUTES OF THE
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD

August 23, 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
Karen Brown
Lydia Frank
Florence Jaramillo
Mary Johnson

Board Members Absent

None

Staff Present

Evelyn Valencia, Santa Fe County Finance Division

Others Present

Cynthia Delgado, Convention and Visitors' Bureau Marketing Director
Jim Luttjohann, Executive Director, Santa Fe Convention and Visitors' Bureau
Cindy Racco, General Manager, Four Seasons Resort/Rancho Encantado
Russ Rountree, Impressions Advertising, Inc.
Jo Ann G. Valdez, Stenographer

APPROVAL OF THE AGENDA

- **Amendments**
The Agenda was reprioritized-Item V (*New Business*) was moved down 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- **Tabled or Withdrawn items**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: June 21, 2012

Chairman Berkenfield noted that he has made some minor revisions to the Minutes of the June 21, 2012 meeting; these are available for review.

Ms. Jaramillo made a motion to approve the Minutes of the June 21, 2012 meeting, as amended. Ms. Johnson seconded the motion. The motion passed unanimously by voice vote.

OLD BUSINESS

- **Appointment of Board Member Karen Brown**

Chairman Berkenfield said Karen Brown has been appointed to the Board by the Board of County Commissioners. Ms. Brown was welcomed to the Board. The Board would like to have a farewell luncheon for long time Board Member, Florenceruth Brown.

- **Nomination and Appointment of Vice Chair**

Ms. Jaramillo moved to nominate Mary Johnson as Vice Chair. Ms. Frank seconded the motion. The motion passed unanimously by voice vote.

- **Cooperative Efforts with City OTAB**

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 Wurzburger and Paul Margetson and Mr. Berkenfield of the OTAB to discuss how LTAB and OTAB can cooperate together. He noted that a discussion was held regarding merging the two Boards; however, the two Boards have different roles. At that meeting, the City Manager 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 hotels want to end support of the County properties.

Chairman Berkenfield welcomed Jim Luttjohann, the new Executive Director for the CVB; Cynthia Delgado, Director of Marketing for the CVB and Cindy Racco, the General Manager, Four Seasons Resort/Rancho Encantado.

The guests provided a brief history of their backgrounds.

Mr. Luttjohann said he is aware of the issue that Chairman Berkenfield spoke about and it is one that he hopes he can raise to a more positive outcome.

Chairman Berkenfield said at the June 1, 2012 meeting, 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.

Discussion followed concerning the interaction/cooperation with the County Lodgers' Tax Advisory Board and the City Occupancy Tax Advisory Board.

Ms. Johnson asked what is being done to attract the younger demographic.

Ms. Delgado said the CVB will be doing some marketing presentations where they will present the Marketing Plan. She said they will be focusing on the age group 35 years of age to 56 years of age. The CVB will also continue to focus on the visitor experience; and they are getting more active in a press and social media perspective- because the younger demographic uses social media. They will also be focusing on lifestyle vacations and outdoor activities to get the younger demographic to Santa Fe.

Ms. Luttjohann said they will also be reviewing their events.

Ms. Delgado said the CVB would like to stretch out the tourist season to the shoulder season, after October.

FINANCIAL REPORT

- **Santa Fe County Finance Division-Lodgers Tax Financial Report- June 30, 2012 (Pro-Forma)**

Ms. Valencia distributed and reviewed the Lodgers Tax Receipt Report through June 30, 2012 noting total receipts of \$26,501.33 for April, \$36,357.85 for May and \$41,344.98 for June 2012; total receipts to date are \$399,342.55.

Ms. Valencia noted that the July numbers are not due until August 25th.

Ms. Valencia distributed and reviewed the Lodgers' Tax Receipt Analysis noting that there was a 6% decrease when compared to the month of June of the prior year.

Ms. Valencia distributed and reviewed the Facility Fund report through June 30, 2012 identifying the beginning cash balance of \$698,141.00; total lodgers' tax receipts reported of \$149,558.16; \$1,880.14 interest; and expenditures of \$8,210.15 for FY'11 Advertising Contract and \$98,022.29 for FY'12 Advertising Contract, outstanding encumbrances in the amount of \$13,977.71, leaving an anticipated cash balance of \$729,369.15.

Ms. Valencia distributed the Advertising Fund report through June 30, 2012 identifying the beginning cash balance of \$823,514.48; total lodgers' tax receipts reported of \$248,955.96; \$2,186.85 interest; \$2,100 State Coop for last FY; expenditures of \$15,658.14 for FY'11 Advertising Contract, \$163,370.52 for FY'12 Advertising Contract, \$248.01 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; \$31,900.00 for FY'12 Commitments and Other Fees; \$169.58 for FY'11 Reporting and Recording, \$1,565.36 for FY'12 Reporting and Recording, outstanding encumbrances in the amount of \$77,586.63, leaving an anticipated cash balance of \$763,259.05.

ADVERTISING AGENCY REPORT

• **Rocky Mountain Lodging Report (June & July)**

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

Mr. Rountree reported that occupancy rates were up 2 months out of the last 12 months. The County properties occupancy rates are up 10 months out of the 12 months.

Mr. Lutjohann asked if the RV parks report to Rocky Mountain.

Mr. Rountree said no, he did not think so.

• **New Items**

➤ **FY2013 Marketing Plan**

The Advertising Agency plans to bring the FY2013 Marketing Plan to the next meeting.

• ➤ **BCC Presentation**

The Advertising Agency made a presentation to the Board of County Commissioners on July 10th. Chairman Berkenfield attended the presentation on behalf of the Board.

➤ **City/County Press Fam**

The City/County Press FAM (tour) is scheduled for October 18th through the 22nd. The tour is for invited journalists to produce travel coverage about the City of Santa Fe and the County of Santa Fe for national publications.

Ms. Delgado noted that the press invitations went out last week.

Mr. Rountree said some of the properties that will be covered in this FAM tour will include: Bishop's Lodge, El Rancho de las Golondrinas, Chimayo, Santa Fe National Forest, Madrid, Rancho Encantado and Turquoise Trail. Mr. Rountree and Steve Lewis will be wrapping up the itinerary for this and will have it within the next 10 days or so.

Copies of the handout entitled "*Changes in New Mexico Visitation Patterns: 2010 to 2011*" were distributed. The document was prepared by James Orr; the New Mexico Tourism Department Research Coordinator dated July 17, 2012.

Mr. Orr states that there were interesting changes in New Mexico's visitation patterns from 2010 to 2011. The most important changes in 2011 were increases in overnight and day-trip visitors and an increase in the proportion of Primary overnight visitors. The total New Mexico domestic visitors increased 4.7% from 2010 to 2011 and overnight visitors increased 5.8%.

- **Press**

[Copies of various press articles were distributed.]

A copy of a letter to the editor of *The New Mexican* was distributed. The letter is from an individual who has worked in the hotel and restaurant industry. She states that Santa Fe does not need younger tourists but "big spenders", return visitors and people who go home happy. She states that tourists are unhappy when they are here. She said a lot of the tourists are here for the first time and never want to come back. They complain about the bad value, the lack of parking and how dirty it is. Also the locals are rude, bad traffic, bad bathrooms, no air conditioning, \$5.00 coffee, broken newspaper machines and bad sidewalks.

Another copy of a letter to the editor was distributed. It states that there is little value in Santa Fe, in terms of cost. "Santa Fe is very expensive for what you get". The letter states that the roads, city planning, maps and public transportation that is offered in Santa Fe is "disgraceful". The visitor from Elizabethtown, Indiana said they had a nice time here in Santa Fe but they will never return.

Several copies of articles about the Wine Festival that was held at El Rancho de las Golondrinas were distributed.

A copy of an article about the return of the Legal Tender in Lamy was distributed. The historic saloon and restaurant reopened in March after being closed for 14 years.

A copy of an article that was featured on *Forbes.com* was distributed. The article states that there are several hotels for every kind of traveler in Santa Fe. Three County properties were mentioned in the article: Ten Thousand Waves; Hacienda del Cerezo and Four Seasons Resort-Rancho Encantado.

A copy of an article that was published on *abqjournal.com* was distributed. In an effort to bring more tourist dollars to the City Different, Santa Fe city officials may soon be trying to replicate the success of the Indian or Folk Art Markets. A new resolution would create at least three annual events for the next three years that could lure tourists to the City Different during less popular times of the year-the months when there are no big tourism draws such as the Indian Market, Spanish Market or International Folk Art Market and no Fiesta. The plan is to especially appeal to visitors between the ages of 35-56.

Copies of two articles about *Viva Mexico* at El Rancho de las Golondrinas were distributed.

An article about the planned events at Cerrillos Hills was distributed.

Several articles regarding the U.S. hotel and tourism industry were distributed.

NEW BUSINESS

Ms. Frank announced that she will be resigning her position on the Board due to personal matters. She nominated Cindy Racco to be her replacement.

Ms. Johnson moved to accept the nomination of Cindy Racco to replace Lydia Frank. Ms. Brown seconded the motion. The motion passed unanimously by voice vote.

Ms. Racco accepted the nomination noting that she is interested in being a member of this Board.

ADMINISTRATIVE

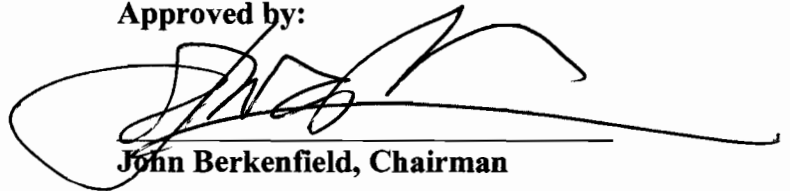
a. Next meeting date and location

The next meeting was scheduled for September 27, 2012 at 11:00 a.m. at Rancho de Chimayo.

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

LODGERS TAX MINUTES
PAGES: 8

I Hereby Certify That This Instrument Was Filed for
Record On The 26TH Day Of October, 2012 at 01:14:14 PM
And Was Duly Recorded as Instrument # **1685808**
Of The Records Of Santa Fe County

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

SFC CLERK RECORDED 10/26/2012 01:14:14