

INDEX OF MINUTES
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD
MEETING
September 22, 2011

<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• Tabled or Withdrawn items	None	1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 July 21, 2011	Approved [as submitted]	1
FINANCIAL REPORT		
• Santa Fe County Finance Division- Lodgers Tax Financial Report – September 21, 2011 (Pro-Forma)	Informational	2
OLD BUSINESS	None	2
NEW BUSINESS	None	2
ADVERTISING AGENCY REPORT		
	Motion (s) passed	3-6
ADMINISTRATIVE		
• Next meeting date and location The next meeting was scheduled for October 27, 2011 at 10:00 a.m.		6
ADJOURNMENT	Adjourned at 12:55 p.m.	6



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

LODGERS TAX MINUTES
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I Hereby Certify That This Instrument Was Filed for
Record On The 9TH Day Of November, 2011 at 10:10:11 AM
And Was Duly Recorded as Instrument # 1650674
Of The Records Of Santa Fe County

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

SFC CLERK RECORDED 11/09/2011

MINUTES OF THE
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD

September 22, 2011

The regular meeting of the Santa Fe County Lodgers' Tax Advisory Board was called to order at 10:38 a.m. on the above date by Chairman John Berkenfield at Rancho de Chimayo, County Road 98, #300, 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
Florence Jaramillo
Mary Johnson

Board Members Absent

Lydia Frank, excused

Staff Present

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

APPROVAL OF MINUTES: July 21, 2011

Ms. Johnson made a motion to approve the Minutes of the July 21, 2011 meeting, as submitted. Ms. Jaramillo seconded the motion. The motion passed unanimously by voice vote.

FINANCIAL REPORT

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

Ms. Valencia distributed and reviewed the Lodgers Tax Receipt Report through June 30, 2011 (end of fiscal year 2010-2011). There were was a total of \$403,891.58 in lodgers' tax collected for FY2011.

Ms. Valencia distributed and reviewed the Lodgers Tax Receipt Report through September 21, 2011 noting total receipts of \$56,209.21 for July 2011; and \$5,828.75 thus far for August; total receipts to date are \$62,037.96.

Ms. Valencia distributed and reviewed the Lodgers' Tax Receipt Analysis noting that there was a 9% decrease when compared to the month of July of the prior year; however, there are some reports that have not been posted.

Ms. Valencia distributed and reviewed the Facility Fund report through September 21, 2011 identifying the beginning cash balance of \$698,141.00; total lodgers' tax receipts reported of \$39,739.33 and expenditures of \$8,210.15 for FY'11 Advertising Contract and \$3,044.61 for FY'12 Advertising Contract, outstanding encumbrances in the amount of \$108,955.39, leaving an anticipated cash balance of \$617,670.18.

Ms. Valencia distributed the Advertising Fund report through September 21, 2011 identifying the beginning cash balance of \$823,514.48; total lodgers' tax receipts reported of \$259,227.36; expenditures of \$15,658.14 for FY'11 Advertising Contract, \$5,074.37 for FY'12 Advertising Contract, \$1,800.00 for FY'12 Audit Contract, \$333.00 for subscriptions and dues, \$25.81 for newspaper advertising, \$15,500.00 for FY'11 Commitments and Other Fees; \$169.58 for FY'11 Reporting and Recording, \$144.99 for FY'12 Reporting and Recording, outstanding encumbrances in the amount of \$205,048.00, leaving an anticipated cash balance of \$838,987.95.

Ms. Valencia noted that the County Manager's office may submit a funding request to the Board at the next meeting.

Chairman Berkenfield said that Open Hands, The Thirsty Ear Festival and El Rancho de Las Golondrinas would like to present their reports to the Board, possibly at the next meeting.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

ADVERTISING AGENCY REPORT

- **FY 2012 Marketing Plan Presentation**

Mr. Rountree noted that the Advertising Agency presented the FY2012 Marketing Plan to the Board of County Commissioners on August 30, 2011. Ms. Brown attended the presentation on behalf of the Board.

Ms. Valencia said the County Commissioners will probably want a report from the Advertising Agency at least twice a year.

- a. Review of FY 12 Media Plan and Budget**

[Copies of the Santa Fe County Lodgers' Tax Advisory Board FY2012 Marketing Plan were distributed in the Board Members' packets. A copy is hereby incorporated to these Minutes as Exhibit "A".]

Mr. Rountree reviewed the information in Exhibit "A". Please see Exhibit "A" for the specifics of this presentation.

The Advertising Budget for Santa Fe County is: \$300,000

Marketing	66%
Production	17%
Account Service	7%
Public Relations	6%
Fulfillment/Inquiry Response	4%

Chairman Berkenfield asked how much the advertising agency is planning to spend on television advertisements.

Mr. Rountree said approximately \$20,000.

Ms. Johnson moved to approve the Media Plan for FY2012 as presented by Impressions Advertising. Ms. Brown seconded the motion. The motion passed unanimously by voice vote.

Ms. Jaramillo moved to accept the FY2012 Media Budget (in the amount of \$300,000) as presented by Impressions Advertising. Ms. Brown seconded the motion. The motion passed unanimously by voice vote.

- b. New Creative Executions**

[Copies of the creative were distributed and reviewed. Please see Exhibit "B" for the details.]

Chairman Berkenfield suggested that the Advertising Agency remove the words: "Only in Santa Fe County" from the tag line.

Chairman Berkenfield asked Mr. Rountree if the County should continue printing the brochures, given today's technology. He asked how many brochures are printed; who gets them and how much does the County pay for them.

Mr. Rountree said the last time that the brochures were printed; the County spent approximately \$1700 to print between 15,000-20,000 brochures. He noted that the County has cut down on printing brochures from two years ago when they used to print 50,000 brochures. The brochures are distributed at the welcome centers throughout the state that the Department of Tourism operates; and at different events. The Advertising Agency also distributes brochures in response to visitor inquiries. They will also continue to partner with the SFCVB to send the Santa Fe Visitors Guide to County inquiries.

Chairman Berkenfield requested that the Board be given an opportunity to see the print ads at the next meeting.

- **Rocky Mountain Lodging Report (July & August)**

[Copies of the Rocky Mountain Lodging Report for the months of July and August were distributed and reviewed. A spreadsheet on tracking Santa Fe Occupancy Tax was attached-these included the final year-end numbers.]

Mr. Rountree reported that the City lodgers' tax collected was up 5.25% when compared to the prior fiscal year and the County lodgers' tax collected was up 6.25% when compared to the prior fiscal year. The ADR was down approximately 1% from the prior fiscal year.

Mr. Rountree said that the Rocky Mountain Lodging Report shows that the periphery properties are doing pretty well. Overall, occupancy in Santa Fe at the end of FY2010-2011 was up 4.5%, when compared to the prior fiscal year.

- **New Lodging Properties**

Ms. Valencia received a request asking about two new properties that are in the County that may be operating as a bed and breakfast; may have 3 rooms or more and may have been open for more than a year based on the website. If so, these properties should be paying lodgers' tax. The two businesses are: Raven's Ridge (behind El Gancho) and Terrain-Santa Fe (Arroyo Hondo).

Ms. Brown asked if the businesses were licensed or permitted to do business in Santa Fe County.

Ms. Valencia said this would have to be investigated by the County Land Use Department. She said they would also have to be zoned to do business as a bed and breakfast.

Mr. Rountree noted that he and Ms. Valencia checked the Lodgers' Tax Ordinance and there is nothing in the Ordinance that gives the County authority to retroactively go back and collect lodgers' tax. He suggested that the Board start a discussion about this.

There was discussion about possibly adding language in the Ordinance that would address those businesses who do not pay lodgers' tax; and the possibility that the County could go back and retroactively collect the lodgers' taxes. However, no motion was made or passed.

Chairman Berkenfield offered to write a letter on behalf of the Board expressing this aggregate concern.

Ms. Brown moved that Chairman Berkenfield write a letter, on behalf of the Lodgers Tax Advisory Board, to the Land Use Department to determine whether or not these properties are appropriately licensed to operate as a bed and breakfast; and if so, determine whether or not they are in compliance in paying lodgers' tax. Ms. Johnson seconded the motion. The motion passed unanimously by voice vote.

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

Mr. Rountree reported that the Advertising Agency submitted the joint City/County grant proposal to the New Mexico Tourism Department for the 2011-2012 Coop award, in the amount of \$10,000 to go towards the joint City/County PR efforts through Lou Hammond and Associates. The Agency is waiting to hear back from the New Mexico Tourism Department.

Chairman Berkenfield noted that 17 positions at the New Mexico Tourism Department were cut.

- **Press**

[Copies of various press articles were distributed.]

An article in *The Santa Fe New Mexican* talks about the Lamy Railyard and History Museum's second annual breakfast and barbecue fundraiser that was held on Labor Day.

Another article in *The Santa Fe New Mexican* talks about the final tallies for the market season: Both Native Treasures and the Santa Fe International Folk Art Market reported higher attendance and increased sales this year compared to 2010. The organizations are able to track attendance fairly closely because both are ticketed events. And because buyers pay for their purchases at a cashier's booth – rather than paying artists directly – the sponsors know exactly what sold and for how much.

Spanish Market and Indian Market are both much larger, but their reports on attendance and sales are necessarily based on anecdotal information rather than hard

facts. And word on the street was that both were off somewhat.

An article in the *Santa Fe Reporter* talks about the income that Santa Fe County received from lodgers' taxes in Fiscal Year 2011. They reported an 8.6% increase in lodgers' tax income received over FY2010.

ADMINISTRATIVE

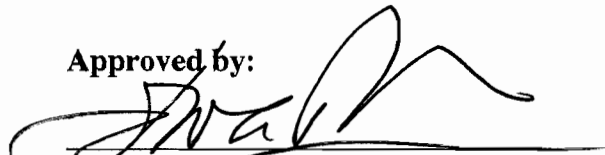
Next meeting date and location

The next meeting was scheduled for October 27, 2011 at 10:00 a.m. at the Bokum Building, Santa Fe.

ADJOURNMENT

Ms. Johnson made a motion to adjourn the meeting. Ms. Brown seconded the motion and the meeting was adjourned at 12:50 p.m.

Approved by:



John Berkenfield, Chairman

Respectively submitted by:

Jo Ann G. Valdez, Stenographer