

MINUTES OF THE
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD
December 11, 2014

The regular meeting of the Santa Fe County Lodgers' Tax Advisory Board was called to order at 11:00 a.m. on the above date by Chairman John Berkenfield at the Four Seasons Resort Rancho Encantado, 198 State Road 592, 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

Board Members Absent

1 vacancy

Staff Present

Evelyn Valencia, Santa Fe County Finance Division

Others Present

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

APPROVAL OF THE AGENDA

- **Amendments**
None

- **Tabled or Withdrawn items**
None

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

APPROVAL OF MINUTES: October 30, 2014

Ms. Jaramillo made a motion to approve the Minutes of the October 30, 2014 meeting. Ms. Brown seconded the motion. The motion passed unanimously by voice vote.

NEW BUSINESS

Chairman Berkenfield – One of the 10 People Who Made a Difference

Ms. Brown recognized and acknowledged Chairman Berkenfield for being named one of the “*10 People Who Made a Difference*”. The Board Members congratulated Chairman Berkenfield for this great honor.

Vacancy on Board

The Board discussed prospective candidates to fill the vacancy on the Board.

Chairman Berkenfield noted that he spoke with Rich Verruni, the General Manager of the Bishop’s Lodge about the Board vacancy and he was enthusiastic about the possibility of serving on the Board.

Ms. Jaramillo made a motion to invite Rich Verruni to the next meeting to see if this is what he wants to do. Ms. Johnson seconded the motion. The motion passed unanimously by voice vote.

OLD BUSINESS

Cooperative Efforts with City

Chairman Berkenfield asked Ms. Valencia if there is an update on the cooperative efforts with the City.

Ms. Valencia said she has not heard anything.

Chairman Berkenfield asked Ms. Valencia to invite Teresa Martinez, County Finance Director, and her replacement to the next meeting to get an update on this and to introduce her replacement.

FINANCIAL REPORT

- **Santa Fe County Finance Division-Lodgers Tax Financial Report-December 10, 2014 (Pro-Forma)**

Ms. Valencia distributed and reviewed the Lodgers Tax Receipt Report through December 10, 2014 noting total receipts of \$43,728.28 for October and \$232.12 thus far for November 2014; total receipts to date are \$208,519.11.

Ms. Valencia distributed and reviewed the Lodgers’ Tax Receipts Analysis noting that there was an increase of 2% in the month of October when compared to the prior year,

and an 9% decrease in the month of September.

Ms. Valencia distributed and reviewed the Facility Fund report through December 10, 2014 identifying the beginning cash balance of \$855,500.00; total lodgers' tax receipts reported of \$97,574.10; expenditures of \$26,135.34 for FY'14 Advertising Contract; \$5,128.78 for FY'2015 Advertising Contract, outstanding encumbrances in the amount of \$106,871.23, leaving an anticipated cash balance of \$814,938.75.

Ms. Valencia distributed and reviewed the Advertising Fund report through December 10, 2014, identifying the beginning cash balance of \$910,791.00; total lodgers' tax receipts reported of \$162,623.46; expenditures of \$44,330.28 for FY'14 Advertising Contract, \$8,547.94 for FY'15 Advertising Contract; \$30,000.00 for FY'14 Commitments and Other Fees (\$500.00 for the Santa Film Festival, May 1-4, 2014; \$6,000.00 for El Rancho de las Golondrinas Wine Festival, July 5-6, 2014; \$7,000.00 for the St. Vincent Hospital Foundation SF Century/Bike and Brew, May 16-18, 2014; \$3,000.00 for El Rancho de las Golondrinas Viva Mexico, July 19-20, 2014; \$3,500.00 for El Rancho de las Golondrinas Summer Festival and Frontier Days, August 2-3, 2014; \$10,000.00 for International Folk Art Alliance, July 11-13, 2014); \$17,900.00 for FY'15 Commitments and Other Fees (\$3,500.00 for Penske Business Media LLC; \$6,400.00 for El Rancho de las Golondrinas Harvest Festival, October 4-5, 2014 and \$8,000.00 for El Rancho de las Golondrinas Renaissance Fair, September 20-21, 2014) ; \$244.34 for FY'14 Reporting and Recording, \$488.84 for FY'15 Reporting and Recording, outstanding encumbrances in the amount of \$207,276.65 (\$2,311.16 for FY'15 Reporting & Recording; \$1,403.47 for FY'14 Reporting & Recording; \$188,000.00 for FY'15 Advertising Contract; \$562.02 for FY'14 Advertising Contract; \$15,000.00 for FY'14 Commitments and Other Fees (\$5,000.00 for the City of Santa Fe Joint Press Tour and \$10,000.00 for the City of Santa Fe Joint Advertising New Mexico True Campaign), leaving an anticipated cash balance of \$764,626.41.

ADVERTISING AGENCY REPORT

- **Rocky Mountain Lodging Report (October)**

[Copies of the *Rocky Mountain Lodging Report* for the month of October 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 October was up and beat the occupancy for Albuquerque, when compared to the month of October in the prior year. The occupancy for the periphery properties was up 5% when compared to the month of October of the prior year. Occupancy for the downtown properties was down 2.4% and the occupancy for the Cerrillos Road properties was up 4.5%. The ADR for the periphery properties is up as well. The total occupancy for the month of October for Santa Fe was 70.6%, compared to the occupancy for Albuquerque at 65.5%.

FlorenceRuth Brown asked if they have seen a difference with the lower gas prices. Mr. Rountree said no.

- **New Business**

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

- **Old Business**

There was also no old business.

- **Press Articles**

Copies of an article in the *Travel Pulse.com* regarding the 2015 Hotel Forecast were distributed. It states that Pricewaterhouse Coopers forecasts that the hotel occupancy rates are expected to hit a 30-year high next year, with all the indicators stronger than they have been in a decade.

The firm projects a 64.9 industry-wide occupancy rate, up from a projected ending for 2014 at 64.2%. Demand overall is expected to raise 4.3% for 2014, compared with a supply growth of just 0.9%.

ADMINISTRATIVE

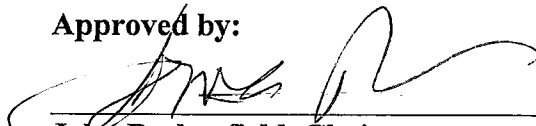
Next meeting date and location

The next meeting was scheduled for February 26, 2015 at 10:00 a.m. at the Bokum Building, Finance Conference Room, 2nd Floor, 142 West Palace Avenue, 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 12:00 p.m.

Approved by:



John Berkenfield, Chairman

Respectively submitted by:

Jo Ann G. Valdez, Stenographer