

Village of Ruidoso Lodgers Tax Committee

Notice of Regular Meeting June 9, 2016

Distributed June 6, 2016

In This Issue

[Notice of Regular Meeting June 9, 2016](#)

[Members, Ruidoso Lodgers Tax Committee](#)

[Financial Reports](#)

Notice of Regular Meeting June 9, 2016

Notice is hereby given that Kathy Yeager, Chair of the Lodger's Tax Committee for the Village of Ruidoso, has scheduled the regular meeting of the Lodger's Tax Committee for **Thursday June 9, 2016 at 1pm**. The meeting will be held at the Village of Ruidoso Administrative Center Council Chambers, 313 Cree Meadows Drive, Ruidoso, New Mexico. The agenda for the meeting is as follows:

1. Call to Order
2. Approval of Minutes Regular Meeting May 12, 2016 [Draft Meeting Minutes May 12, 2016](#)
3. Financial Report: Judi Starkovich
4. Directors Report: Gina Kelley [Director's Report June 9, 2016](#)
[Sample Inbound ROW-PHX marketing](#)
5. Discussion and Possible Action: Bradford Dyjak, VoR Planning Administrator update on proposed ordinance changes relating to short term lodging issues in Ruidoso.
6. Adjourn

Gina Kelley

Director of Tourism

Posted: June 6, 2016

Time: 1:00pm

The Fine Print

Any amendments to the minutes need to be made and posted at least 24 hours prior to the meeting.

This communication is information generated by the Village of Ruidoso Lodgers Tax Committee (an advisory committee to local government). It is often in first draft form and not checked for syntax or spelling. Any views expressed do not necessarily represent those of the Village of Ruidoso.

Gina Kelley, Director of Tourism

I certify that notice has been given in compliance with Sections 10-15-1 through 10-15-4 NMSA 1978 and Resolution 2014-01. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the Village Clerk at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Village Clerk if a summary or other type of accessible format is needed.

Irma Devine, Clerk, Village of Ruidoso



Village of Ruidoso Lodgers Tax Committee
Regular Meeting May 12, 2016
Draft Meeting Minutes

Lodgers Tax Committee Attendees: Kathy Yeager, Sunny Hirschfeld, Steve Tally, Charles Meeks
Other Meeting Participants: Greg Cory, Bradford Dyjak, Bill LeMasters and Angie Olivas.

1. **Call to Order:** Chair Kathy Yeager called the meeting to order at 1:05 pm. Kathy introduced Jasper Riddle of Noisy Water Winery, how has been appointed by Mayor Battin to serve on the committee as the at-large member effective July 1, 2016.
2. **Approval of Minutes Regular Meeting April 14, 2016:** Steve motioned to approve the minutes as submitted, Charles seconded the motion, motion passed unanimously.
3. **Financial Report:** Judi Starkovich, Village Finance Director reported that year to date lodgers tax collections are over 11.67% ahead of last year with an increase of \$137,609 for total collections of \$1,317,170. We have met and exceeded our budgeted revenues for the year. Judi feels that if May & June revenues perform at their average, there should be enough of a cash balance at the end of the FY to fund both the HVAC & Pavilion projects. Greg Cory advised that with the \$20,000 PNM grant & NM capital outlay of \$100,000 for the pavilion, they will only need to request \$80,000. Judi stressed that we will not know our ending cash balance for FY16 until about July 10. Kathy asked about Police OT; Judi feels we may use 50-70% of the remaining balance (\$37,468) as we have only 2 events remaining this year. Kathy also brought up the MRG for the Fly Roswell initiative, as Gina has learned that it is anticipated that there will be no funding request for the MRG during the current fiscal year. That is another \$37,000 that will be available at the end of the FY.
4. **Director's Report:** Gina's report was submitted in advance. She discussed efforts to identify non-registered short term lodging rentals in Ruidoso, updated the committee on the ROW-PHX marketing effort, legislative priorities of the NM Hospitality Assn, the El Paso Tourism Day event and updates to DMO pages on tourism websites.
5. **Discussion and Possible Action:** Ruidoso Downs Racetrack had submitted a request for \$15,000 to sponsor live coverage of the trials, derbies and futurities on Ride TV on the Dish Network. Robert Donaldson was unable to attend the meeting but discussed this with Gina, who advised the committee that funding was approved through the General Fund by the Village Council on May 10; lodgers tax funding will not be requested. For the Village's investment, we are getting 250 spots on 15 days during live coverage and regular programming on this equine TV channel.
6. **Discussion and Possible Action:** Short term lodging audit results. Kathy & Gina presented the audit undertaken by Southwest Planning. Gina advised that initially, 442 properties were identified as not registered with the Village. 179 of these were either identified as being in the county or were previously permitted properties whose permits had expired that we know are paying their taxes; there is a backlog of permits in P&Z that are waiting processing. The updated audit identified 250 properties; now Gina & Kathy are researching those to get physical addresses as well as owner mailing addresses. Bill LeMasters advised that more people want vacation rentals than the small cabins, it is getting harder & harder to rent those out, so investors are buying larger homes for vacation rentals. He also informed the committee that as people are becoming more informed on the issue, owners would rather have a professional manage their property than deal with the management of the taxes & the requirements of the ordinance. Bill has been discussing this issue with other realtors and they suggest including information on the short term rental ordinance in disclosure packets for real estate sales. Angie Olivas, President of the Ruidoso/Lincoln County Board

of Realtors, informed us that this type of change to the disclosures would have to be approved by the NM Assn of Realtors. She, Bill and the committee all agree that we need to put something together informing new property owners of what they steps they need to take to have a vacation rental in Ruidoso. This could be distributed to realtors, insurance companies, and escrow companies. Gina & Kerry have already discussed this, as well as writing an article for the paper. Bradford & Greg would like us to take it slow as they need to present ordinance changes to the Planning Commission prior to bringing it to Council for approval. They would like to get the measures in place to ensure compliance before we undertake a campaign. Bradford would like to see the process for short term lodging compliance on the Village's website. Steve asked what the status was on the Task Force: Bradford advised that they have decided that no task force is needed as it would slow down the process; P & Z can tweak the ordinance. Kathy asked what the status was on granting temporary permits; Greg advised that this is not allowed under the current P & Z code. Greg advised that they have budgeted for summertime help to come in & try & catch up. They also once again brought up asking lodgers tax for funding a contract position to deal with the problem.

7. Adjourn: Meeting adjourned at 2:00pm

Meeting Minutes Approved:

Kathy Yeager, Chair

Date

VILLAGE OF RUIDOSO MEMORANDUM

To: Ruidoso Lodger's Tax Committee
From: Bradford Dyjak, Planning Administrator
Date: April 14, 2016
RE: Short-Term Rentals Registration – Proposed Solutions



ISSUE OVERVIEW:

Village staff have examined various measures to administratively streamline the Short-term Rental application and inspection process. Among the chief considerations guiding this examination are:

- to Reduce duplication of effort,
- Reduce staff workload and improve turnaround time
- Simplify process and enhance customer satisfaction.

The existing process requires registration for all rentals within residential units that are rented less than 30 days for either a 1-year or 3-year period. Renewals are processed through the Planning & Building Department, with new registrations require adjacent owner notification and a fire inspection.

SUMMARY:

Further considerations expressed from the public and Lodging industry center on the fairness and enforcement of ordinance compliance. An extension of this concern revolves around the collection of appropriate lodger's taxes, especially on properties listed for rent online. Staff notes that the existing process has already registered over 640 properties and does not lend itself to proactive monitoring or enforcement as additional resources would be necessary. Staff therefore proposes addressing the issue both on an internal, administrative level and through a slight revision to the existing ordinance.

SOLUTIONS FOR CONSIDERATION:

Village staff proposes the following solutions for consideration.

- **Administrative**
 1. Internal relocation of STR processing in Incode from "Building Permits" section to "Business Registration" section to allow for simpler database management.
 2. Consider online credit card payments for renewals.
 3. Education and Outreach for compliance and registration.
 4. Any proactive enforcement will need additional resources.
- **Ordinance Changes**
 1. Change Fire Inspection to annual self-inspect with verification by owner/property manager which includes checklist.
 2. Self-notification of all adjacent property owners.
 3. Consider all application periods for 3-years and eliminate 1-year option.
 4. Consider moving renewal dates to once per year.
 5. Linking the Overlay Ordinance with the Lodgers' Tax Ordinance within the Code.
- **Resources**
 1. Consider Lodger's Tax Committee funding a defined term, contracted position to assist the Village with monitoring, processing and enforcing permits.
 2. Assist with the funding of proposed education and outreach efforts.
 3. Explore system tracking efforts to aid existing staff in ongoing monitoring.

#

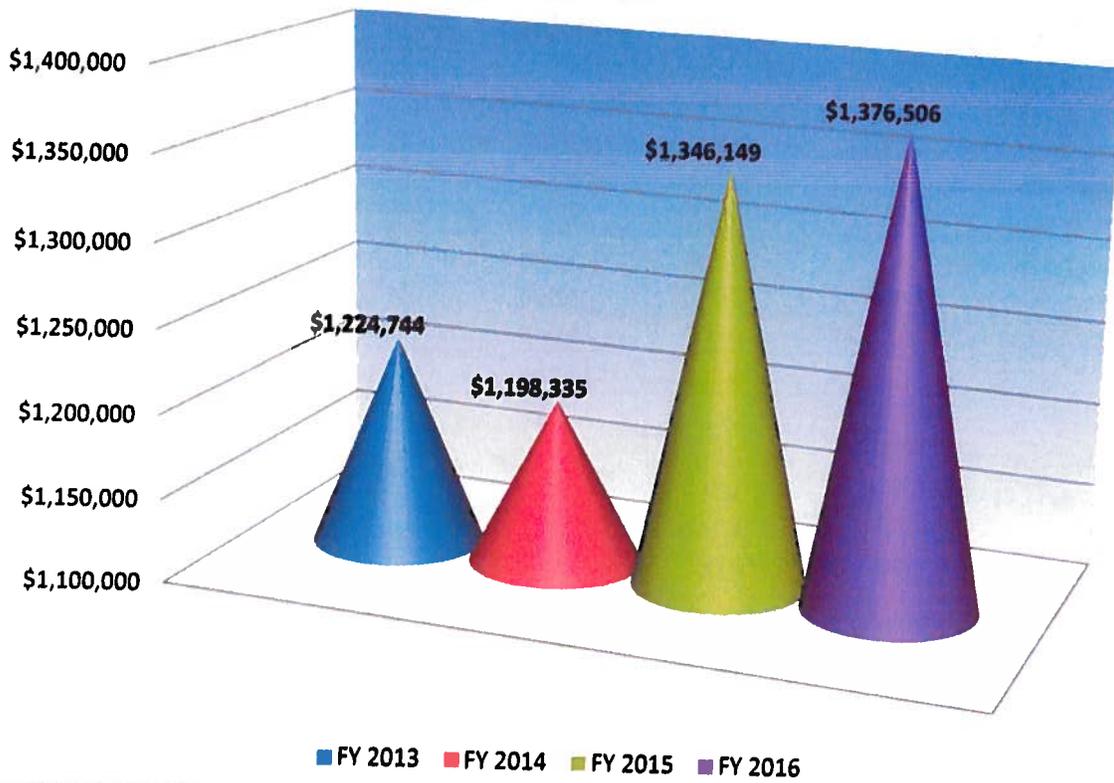
VILLAGE OF RUIDOSO
LODGERS' TAX COLLECTIONS REPORT
FOR THE ELEVEN MONTHS ENDING MAY 31, 2016
 (UNAUDITED)

PRELIMINARY
91.67%

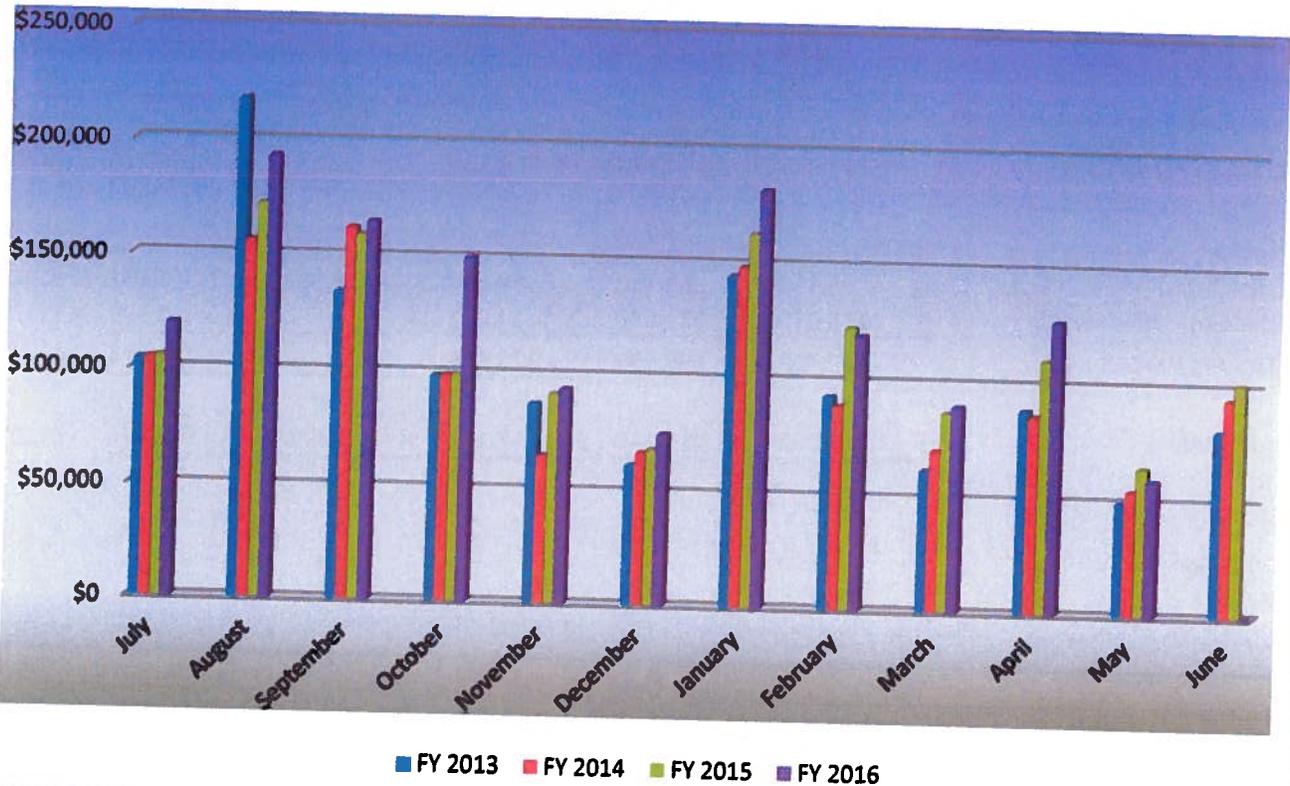
MONTH of Distribution	% FY Completed											TOTAL																														
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	TOTAL																															
July	\$ 114,772	\$ 142,666	\$ 90,559	\$ 143,287	\$ 127,947	\$ 93,208	\$ 104,080	\$ 104,674	\$ 105,330	\$ 119,923	\$ 1,228,742																															
August	179,081	171,349	167,235	178,868	247,473	258,814	218,264	156,101	172,033	193,149	2,094,467																															
September	130,443	141,777	209,007	133,182	124,741	153,968	134,493	162,158	159,129	165,111	1,614,620																															
October	111,105	129,965	111,406	118,259	105,161	111,790	98,704	99,073	99,344	150,128	1,234,622																															
November	65,966	71,985	49,151	67,956	79,118	80,488	87,360	65,003	91,695	93,865	808,050																															
December	51,890	54,156	88,867	46,496	49,956	59,480	61,583	66,977	68,525	75,262	663,404																															
January	139,690	143,591	129,852	126,238	130,312	149,102	144,751	148,476	163,021	182,301	1,567,133																															
February	80,629	81,668	93,760	98,048	77,842	70,774	93,360	89,242	123,103	119,952	977,599																															
March	65,456	67,036	57,948	70,388	65,340	87,176	62,115	70,584	86,980	89,918	787,037																															
April	97,998	93,152	64,937	91,768	75,031	79,509	88,845	86,267	110,401	127,561	983,451																															
May	57,013	45,386	53,587	49,060	53,023	60,647	49,904	54,723	64,823	59,336	603,390																															
June	96,577	81,122	79,138	69,249	76,007	75,079	81,285	95,057	101,765	-	826,485																															
GRAND TOTAL	\$ 1,190,620	\$ 1,223,853	\$ 1,195,447	\$ 1,192,799	\$ 1,211,951	\$ 1,280,035	\$ 1,224,744	\$ 1,198,335	\$ 1,346,149	\$ 1,376,506	\$ 13,389,000																															
FY % Change	25.52%	2.79%	-2.32%	-0.22%	1.61%	5.62%	-4.32%	-2.16%	12.33%	2.26%																																
Historical AVG:	\$ 99,218	\$ 101,988	\$ 99,621	\$ 99,400	\$ 100,996	\$ 106,670	\$ 102,062	\$ 99,861	\$ 112,179	\$ 114,709	\$ 1,115,750																															
Historical Ratio:	8.89%	9.14%	8.93%	8.91%	9.05%	9.56%	9.15%	8.95%	10.05%	10.28%	89.72%																															
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Month</th> <th>YTD</th> <th>Budget</th> </tr> </thead> <tbody> <tr> <td>FY 2016</td> <td>\$ 1,376,506</td> <td>\$ 1,300,000</td> <td>Total Budget</td> </tr> <tr> <td>FY 2015</td> <td>1,244,384</td> <td>105.89%</td> <td>% Collected</td> </tr> <tr> <td>Increase/(Decrease) from PY</td> <td>\$ 132,122</td> <td>\$ 57</td> <td>\$ 4,500</td> </tr> <tr> <td></td> <td></td> <td>\$ 57</td> <td>\$ 3,011</td> </tr> <tr> <td></td> <td></td> <td>\$ 1,832</td> <td>\$ 4,000</td> </tr> <tr> <td></td> <td></td> <td>1,179</td> <td>500</td> </tr> <tr> <td></td> <td></td> <td>\$ 3,011</td> <td>\$ 4,500</td> </tr> </tbody> </table>												Month	YTD	Budget	FY 2016	\$ 1,376,506	\$ 1,300,000	Total Budget	FY 2015	1,244,384	105.89%	% Collected	Increase/(Decrease) from PY	\$ 132,122	\$ 57	\$ 4,500			\$ 57	\$ 3,011			\$ 1,832	\$ 4,000			1,179	500			\$ 3,011	\$ 4,500
	Month	YTD	Budget																																							
FY 2016	\$ 1,376,506	\$ 1,300,000	Total Budget																																							
FY 2015	1,244,384	105.89%	% Collected																																							
Increase/(Decrease) from PY	\$ 132,122	\$ 57	\$ 4,500																																							
		\$ 57	\$ 3,011																																							
		\$ 1,832	\$ 4,000																																							
		1,179	500																																							
		\$ 3,011	\$ 4,500																																							

NOTE 1: Tax is on a month lag (i.e., tax collected by lodgers in July and paid to the Village in August).

Lodgers' Tax (YTD) August



Lodgers' Tax Revenue



VILLAGE OF RUIDOSO
LODGERS' TAX EXPENDITURES
FOR THE ELEVEN MONTHS ENDING MAY 31, 2016
(UNAUDITED)

	<u>ORIGINAL</u>	<u>AMENDED</u>			<u>REMAINING</u>	
	<u>BUDGET</u>	<u>BUDGET</u>	<u>YTD ACTUAL</u>	<u>ENCUMBERED</u>	<u>BUDGET</u>	<u>% USED</u>
EXPENDITURES						
<i>PROMOTIONAL SUPPLIES</i>						
Postage and Telephone	\$ 10,200	\$ 10,200	\$ 5,612	\$ 4,588	\$ -	100.00%
Ruidoso Pins	3,000	3,000	3,000	-	-	100.00%
Contingency	10,000	3,000	-	-	3,000	0.00%
SUBTOTAL	23,200	16,200	8,612	4,588	3,000	81.48%
<i>PROMOTIONAL SERVICES</i>						
Contractual Services	-	43,860	6,858	-	37,002	15.64%
Media Planning	103,180	103,180	89,108	14,067	5	100.00%
Visitors Center	170,000	170,000	127,388	42,612	-	100.00%
Convention Center	80,000	80,000	63,200	8,261	8,539	89.33%
BTKSB Visitors Center	-	-	-	-	-	#DIV/0!
Brochures/Tradeshaw	50,000	38,417	26,621	7,264	4,532	88.20%
Tourism Director	70,610	82,193	74,441	6,837	915	98.89%
Marketing and Advertising	400,000	416,926	330,004	86,370	552	99.87%
Special Advertising	75,000	41,074	35,224	-	5,850	85.76%
Special Events	25,000	25,000	17,660	-	7,340	70.64%
Military	42,000	34,000	31,819	1,572	609	98.21%
Convention Center Maintenance	65,000	65,000	5,274	-	59,726	8.11%
Parks Improvement Project	65,000	65,000	55,394	9,404	202	99.69%
Police Overtime	35,670	49,000	11,532	-	37,468	23.53%
SUBTOTAL	1,181,460	1,213,650	874,523	176,387	162,740	86.59%
TOTAL EXPENDITURES	1,204,660	1,229,850	883,135	180,975	165,740	86.52%
TRANSFERS						
Transfer Out GF - Admin Fee	65,350	65,350	59,899	-	5,451	91.66%
Transfer Out - Debt Service	115,050	124,640	114,067	-	10,573	91.52%
TOTAL TRANSFERS	180,400	189,990	173,966	-	16,024	91.57%
GRAND TOTAL	\$ 1,385,060	\$ 1,419,840	\$ 1,057,101	\$ 180,975	\$ 181,764	87.20%
BUDGET RECAP:						
Beginning Cash Balance	\$ 376,619					
Cash Reserve	(115,000)					
Available cash to rebudget	261,619					
+ Budgeted revenues	1,307,000					
Less: Budgeted expenditures + transfers	(1,419,840)	(112,840)				
Ending Cash Balance	\$ 148,779					

VILLAGE OF RUIDOSO
LODGERS' TAX STATEMENT OF CASH FLOWS
FOR THE ELEVEN MONTHS ENDING MAY 31, 2016
(UNAUDITED)

<i>Cash flows from operating activities:</i>	
Cash received from lodgers	\$ 1,378,338
Cash received from other sources	2,472
Cash paid to suppliers and grantees	(961,797)
<i>Net cash used for operating activities</i>	<u>419,013</u>
 <i>Cash flows from investing activities:</i>	
Interest received	<u>1,179</u>
 <i>Cash flows from non-capital financing activities:</i>	
Transfer for General Fund operations	59,899
Transfer for Debt Service Payments	(173,966)
<i>Net cash used for non-capital financing activities</i>	<u>(114,067)</u>
 <i>Net increase in cash and cash equivalents</i>	 306,125
 <i>Cash and cash equivalents, beginning of year</i>	 <u>376,619</u>
 <i>Cash and cash equivalents, end of year</i>	 682,744
 Less: Reserves (Committee)	 <u>(115,000)</u>
 Available cash and cash equivalents	 <u>\$ 567,744</u>
 <i>Reconciliation of operating loss to net cash provided by operating activities:</i>	
Operating income/(loss)	\$ 520,675
<i>Adjustments to reconcile operating loss to net cash used for operating activities:</i>	
Increase in accounts payable	<u>(78,662)</u>
 <i>Net cash provided by operating activities</i>	 <u>\$ 442,013</u>

Summary of Significant Noncash Activities:

There are no significant noncash activities during the first month of the year ending June 30, 2016.



Director of Tourism
Director's Report
June 9, 2016

FY17 Marketing Plan: Team Tourism is working on our FY17 plan that will be rolled out at both the Village Council meeting on July 12 & our Lodger's Tax Quarterly meeting on July 14.

Short Term Lodging Issue:

- Santa Fe City Attorney has taken the position that 3 rooms are THREE ROOMS, not 3 separate lodging units owned or managed by the same individual or company.
- Identification of unregistered lodging owner names & addresses continues.

ROW-PHX AA Route Update: attended an Air Service Marketing meeting in Roswell on May 24th:

- Load factor still holding steady at about 60-65%.
- Outbound marketing efforts include radio, digital and outdoor
- Inbound marketing efforts in PHX
 - Print: Phoenix Magazine insert
 - Digital: Phoenix Magazine Great Escapes, run of site banners, dedicated eblasts
 - Radio: Pandora Digital radio
- FlyRoswell.com Google Analytics: Sessions and page views are increasing; bounce rate is high because people are clicking to either the booking page on AA.com or to destination websites.
- As previously reported, Ruidoso will be invoiced for an MRG contribution in July or August.

Governor's Conference on Hospitality & Tourism: the focus of this conference has moved more toward hospitality industry customer service and revenue generation with less emphasis on marketing, but it did give Cheri & I the opportunity to meet with many vendors regarding next year's marketing plan.

- Sessions:
 - Cheri was a panelist for "A Hands On Guide to Media Plan Evaluation" and provided great info to our industry while not giving away our "trade secrets"
 - I attended social media workshops & learned the importance of multi-platform marketing; get the same message out on facebook, instagram, youtube, twitter, snapchat and periscope.

NM Tourism Dept:

- **Region Program:** One "tangible tourism" asset per region will be promoted to media. There are no marketing dollars available to the region boards.
- **Coop Grant Program:** \$500,000 in funding (vs \$700,000 for NM Clean & Beautiful). As there is no staff member assigned to coop, this program will not roll out til fall with estimated grant awards in late 2016. Note that the staff member who was assigned to grants is now working on the New Mexico True Certified Program, which brands New Mexico products with the "True" brand and provides businesses with marketing platforms.

New Mexico True TV: Spots are running at no cost to us through June.

Ride TV: as per the agreement between the Village Council and Ruidoso Downs Racetrack & Casino, Ruidoso is running spots during the racing season on RideTV (Dish Network). Cheri negotiated placement and I am coordinating spot delivery and invoicing. 22 spots ran over Labor Day weekend during the broadcast of Ruidoso Downs racing and during the program "Thousand to One", stories of

horses that have overcome innumerable odds. Additional programs where our spot will run are "It's My Backyard" featuring major equine venues across the country and "Horses That Heal", a documentary centered on the benefits of using horses in a variety of therapeutic activities.

Media:

- **Dallas Morning News:** will be running a story on Ruidoso in mid-June for summer travel. Provided info on area attractions, activities and events for inclusion in the story.

Fort Bliss Newcomer Orientation: roughly 100 new arrivals at Fort Bliss attended this orientation; lots of interest in hiking, fishing, zipline, trail maps.

RuidosoMilitaryDiscounts.com: in the process of updating information on the participating businesses so that Kerry can update the website by the end of the fiscal year.

Upcoming trips:

- June 13-17: Phoenix Sales Mission
- June 29: Ski New Mexico Board Meeting, ABQ

Print ad

A SHORTCUT TO ADVENTURE

With nonstop flights from Phoenix to Roswell, you can discover the diverse region of Southeast New Mexico without all the hassle.

CARLSBAD
ROSWELL
ARTESIA
RUIDOSO

ROSWELL

CARLSBAD

RUIDOSO

ARTESIA

FLYROSWELL
Phoenix to Southeast New Mexico
ROSWELL • PHOENIX DIRECT
FLYROSWELL.COM

START PLANNING YOUR TRIP TODAY >

ROSWELL • PHOENIX DIRECT
FLYROSWELL.COM

HK

E-Blast Phoenix



4 REASONS TO VISIT SOUTHEAST NEW MEXICO

ROSWELL
CARLSBAD
ARTESIA
RUIDOSO

A SHORTCUT TO ADVENTURE

With amazing views from the peaks to the valleys, you can enjoy the diverse region of Southeast New Mexico a whole lot better.

ROSWELL

From the University of New Mexico Roswell campus, to the historic city of Roswell, there are many ways to enjoy the city. Visit GoRoswell.com

CARLSBAD

Known as the "Coke Capital of the World", Carlsbad is a desert oasis. Visit CarlsbadNMs.com

RUIDOSO

Visit the historic town of Ruidoso, the heart of the Big Bend National Park. Visit Ruidoso.com

ARTESIA

The historic village of Artesia is a desert oasis. Visit Artesia.com

START PLANNING YOUR TRIP TODAY >



Banner Ads

Phoenix to Roswell Non-Stop

NEW MEX:GO *Free*

Fly Roswell is

© 2014 Hawaiian Airlines, Inc.

Phoenix to Roswell Non-Stop

NEW MEX:GO *Free*

Fly Roswell is

© 2014 Hawaiian Airlines, Inc.

Phoenix to Roswell Non-Stop

NEW MEX:GO *Free*

Fly Roswell is

© 2014 Hawaiian Airlines, Inc.

