

**BAL HARBOUR VILLAGE RESORT TAX COMMITTEE**  
**REGULAR MEETING MINUTES – FEBRUARY 16, 2012**

A Regular Meeting of the Bal Harbour Village Resort Tax Committee was held on Thursday, February 16, 2012, in the Conference Room at Bal Harbour Village Hall (655 – 96<sup>th</sup> Street, Bal Harbour, Florida).

**1. CALL TO ORDER/ROLL CALL:** The meeting was called to order at 9:01 a.m. by Mayor Rosenfield. The following members were present:

Mayor Jean Rosenfield  
Gilberto Garcia-Tunon  
Bruce Gelb  
Michael M. Krop<sup>1</sup>  
Sandra Lansing<sup>2</sup>  
Richard Lodes

Others Present:

Councilman Martin Packer  
Brian Dye, St. Regis Bal Harbour  
Alfred J. Treppeda, Village Manager  
Ellisa L. Horvath, MMC, Village Clerk  
Matthew Pearl, Village Attorney  
Christopher Wallace, Finance Director  
Carolyn Travis, Director of Tourism Marketing

As a quorum was determined to be present, the meeting commenced.

**2. PLEDGE OF ALLEGIANCE:** The Pledge was led by Dr. Krop.

**3. ACCEPTANCE OF APPOINTMENT AND OATH OF OFFICE:**  
Mrs. Horvath administered the oath of office to the following Committee members: Mayor Jean Rosenfield, Mr. Garcia-Tunon, Mr. Bruce Gelb, Dr. Michael Krop, Ms. Sandra Lansing, and Mr. Richard Lodes.

**4. SELECTION OF CHAIRMAN:** Mr. Lodes nominated Mayor Rosenfield to serve as the Committee Chairman.

There being no additional nominations, the nominations were closed.

*A motion was offered by Mr. Lodes and seconded by Dr. Krop to select Mayor Rosenfield to serve as the Chair. The motion carried (6-0).*

**5. APPROVAL OF MINUTES:** *A motion was offered by Mr. Garcia-Tunon and seconded by Dr. Krop to approve the January 12, 2012 Regular Meeting Minutes. The motion carried (6-0).*

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<sup>1</sup> Dr. Krop left the meeting during the Director of Tourism Marketing Report.

<sup>2</sup> Ms. Lansing left the meeting prior to Other Business.

**6. RESORT TAX FINANCIAL UPDATE:** Mr. Wallace reviewed the report provided in the agenda.

Mr. Wallace reported that the St. Regis had stopped paying revenue, via the Development Agreement, mid-January. He noted that the return for January was due later in the month.

Dr. Krop questioned the variance in the revenue for the Development Agreement. Ms. Travis explained that they looked at the forecast and it ended up as a \$60,000.00-\$70,000.00 deficit. Dr. Krop noted that the deficit was \$253,000.00 of money that was anticipated from the Development Agreement, but it was shown as \$212,000.00. Mr. Wallace reported that the \$253,000.00 amount was right.

Dr. Krop reviewed the Tourism Maintenance, which showed a year-to-date amount of \$364,000.00 (Oct-Jan), but noted that the figures from the previous reports didn't add up to that amount. Mr. Wallace explained the changes that were made to the prior month amounts, which was why the year-to-date amounts were used instead of adding the amounts from the prior reports. He explained that some bills were just paid from prior months, etc. Mr. Garcia-Tunon requested that an asterisk be used to show any changes. Mr. Wallace will provide a foot note, but explained that there would always be changes to prior month figures.

Dr. Krop discussed the confusion created when the amounts were constantly changed from prior reports. Mr. Wallace explained that the checks needed to be posted to the months that they were for, so the year-to-date figures were better to use. Dr. Krop voiced concern that all of the figures would then be wrong. Mr. Wallace explained that it was common practice to post to the period that the expenditure occurred. He clarified that the difference in the figures was the bills that were received and posted.

Mr. Wallace reported that the Tourism Maintenance budget had 30 items in it that the Board did not want to see previously, so it was shown as a total sum amount. Mr. Wallace will meet with Dr. Krop. Dr. Krop would like the amounts from the reports to add up to the year-to-date amounts. Mr. Wallace explained that they wouldn't add up, because there would be times that there would be bills that hadn't been posted yet.

Mr. Gelb suggested that the current month report be provided, as well as the month prior. Mr. Wallace advised that he could provide that, but the numbers would not add up. Mr. Garcia-Tunon thought that the Committee should know the expenses for the month, even if the bill was not received to pay yet. He clarified that the bill should be accounted for, even if it hadn't been received.

Mr. Lodes questioned if the report provided was a cash basis report. Mr. Wallace advised that it was. He explained that he wasn't sure how to show the expense, if the bill hadn't been received yet.

Mayor Rosenfield questioned if purchase orders were done. Mr. Wallace advised that they were not routinely done and were only provided upon the request of a vendor. He clarified that providing purchase orders would be a staff burden.

Mr. Wallace clarified that the year-to-date number was the number to be managed. He

explained that adding up monthly figures would not work, for the reasons discussed.

Dr. Krop thought that the amount shown for the Development Agreement was wrong, so he questioned if everything else was also wrong. Mr. Wallace didn't think that the year-to-date figures were wrong. He will meet with Dr. Krop about the timing of the expenditures, etc.

Mr. Gelb requested that the Committee come up with suggestions, to alleviate the same discussion every month. Mr. Wallace explained that Ms. Travis needed to approve the bills that were received, which were then paid. Dr. Krop requested that the items balance, regardless of the system that was used. Mr. Gelb suggested that at least one month prior be provided, to show that it balanced.

Mr. Dye arrived.

Mr. Garcia-Tunon suggested that a note be provided that the amount was higher, since a bill was received for October, etc. Mr. Wallace requested that Committee members with questions on a line item or expenditure contact him, Ms. Travis, or Mr. Treppeda.

Dr. Krop requested that the monthly amounts and a breakdown be provided for the Tourism Maintenance budget. Mr. Wallace will provide that.

## **7. DIRECTOR OF TOURISM MARKETING REPORT – CAROLYN TRAVIS:**

**Budget:** Ms. Travis reported that she had already earmarked \$200,000.00 in the budget to be cut, if necessary. She explained that the St. Regis had conservatively forecasted their resort tax revenue, so based on their numbers the Committee would have a \$65,000.00 deficit. She noted that the resort tax revenue figures would be evaluated again, after Easter, and cuts would be made then, if necessary.

Dr. Krop questioned if the lack of the Development Agreement revenue for the St. Regis for the month had been factored in. Ms. Travis advised that it had been. Mr. Wallace was comfortable with the items that Ms. Travis had earmarked to be cut, if needed. He explained that staff was always working on the process of reviewing the revenue.

Dr. Krop discussed the Development Agreement that was still being shown. Mr. Wallace explained that the total revenue would be compared, which he thought was fair. Dr. Krop noted that the resort tax revenue would be lower in February, since no money would be received from the Development Agreement. He suggested that Mr. Wallace rethink giving the Board the comparison, since it wouldn't be a fair comparison to include the Development Agreement amounts. Mr. Wallace thought that it would be fine to show that the total revenue was lower, since it was noted that it was due to the loss of the Development Agreement money. Ms. Travis pointed out that the other hotels/restaurants had increased revenue more than anticipated. Mr. Wallace clarified that the revenue for the properties had increased and the revenue from the Development Agreement would no longer be received. He noted that there would be a time lapse, with the resort tax coming in for the St. Regis, for a period of time.

***Brian Dye, St. Regis Bal Harbour,*** explained that the St. Regis had set a conservative budget for the first quarter. He reported that the St. Regis had exceeded the estimated

revenue for January and anticipated exceeding it again in February.

**Public Relations/Ad Value:** Ms. Travis provided the clipping reports for 2011.

Dr. Krop left the meeting.

Ms. Travis discussed the ad value for 2011. She will prepare copies of the clippings for the hotels and Shops. Mayor Rosenfield requested that Ms. Travis be placed on the Council agenda, to discuss the return on investment for the clippings.

**Bal Harbour Guide:** Ms. Travis distributed the 24-page Bal Harbour Guide, to be used as an insertion for the New York Times Magazine, insertion in the Dade, Broward and Palm Beach counties New York Times, and for internal and sales uses. She explained that the Guide was sent to the Village representatives, to be translated, and would be used for the next two years as their sales tools. Mr. Gelb suggested that the Guide be distributed to Village residents. Ms. Travis explained that she didn't have enough copies to mail it, but could provide copies at Village Hall.

**Resort Tax Revenue:** Ms. Travis distributed and reviewed information on the Miami Beach, Miami-Dade County, and Bal Harbour resort tax revenue.

**Budget Approvals:** Ms. Travis distributed, reviewed, and requested approval for the following items:

- 1.) **American Express Luxury Summit \$4,100.00**

**A motion was offered by Mr. Lodes and seconded by Ms. Lansing to approve. The motion carried (5-0).**

- 2.) **Argentinean Sales Mission \$15,000.00**  
Media event, travel trade event, and sales calls in Buenos Aires

**A motion was offered by Ms. Lansing and seconded by Mr. Lodes to approve. The motion carried (5-0).**

- 3.) **Arts Program \$64,000.00**

Ms. Travis distributed and reviewed a proposal for an arts program, with an exhibit in the medians on Collins Avenue. She distributed and reviewed the resume for Claire Breukel, as a curator. She reviewed Ms. Breukel's duties.

Ms. Lansing spoke in favor of the idea, but voiced concerns of the art being a traffic deterrent.

Mr. Pearl will speak to Ms. Travis, regarding the creation of a committee.

Ms. Travis explained that the Village would be responsible for the insurance. She clarified that the art would be made for the Village, for a site specific installation.

Mr. Dye spoke in favor of the program.

Mr. Treppeda explained that the Village would need permission from DOT (Department of Transportation), for anything in the medians.

*A motion was offered by Mr. Gelb and seconded by Mr. Garcia/Tunon to approve. The motion carried (5-0).*

Ms. Travis will work with Mr. Pearl, regarding the possibility of creating a Committee.

Councilman Packer suggested that the grass area, in front of the security district guardhouse be used, if the medians could not. Mayor Rosenfield also suggested that some art be placed in the condominium buildings, but noted that she didn't think that the condominium lobbies could be open to the public. Ms. Travis noted that if the medians couldn't be used, then the hotels/Shops could be used.

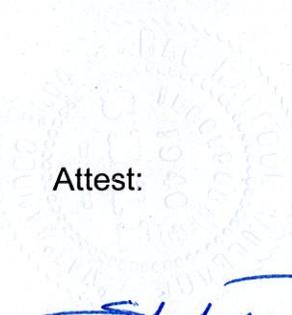
Ms. Travis reviewed the list of FAM trips.

Ms. Lansing left the meeting.

**8. OTHER BUSINESS:** None.

**9. ADJOURN:** There being no further business, *a motion was offered by Mr. Gelb and seconded by Mr. Lodes to adjourn. The motion carried (4-0) and the meeting was adjourned at 10:32 a.m.*

Attest:



  
Ellisa L. Horvath, MMC, Village Clerk

  
Mayor Jean Rosenfield