

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: JULY 9, 2007

COMMITTEE MEMBERS PRESENT:

SUPERVISORS CAIMANO
KENNY
TESSIER
MERLINO
MONROE

OTHERS PRESENT:

KATE JOHNSON, DIRECTOR OF TOURISM
VONDA BEATTIE, PRINCIPAL ACCOUNT CLERK, TOURISM
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE &
FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD

COMMITTEE MEMBERS ABSENT:

SUPERVISORS GABRIELS
HASKELL

SUPERVISORS BELDEN
BENTLEY
STEC
CHAMPAGNE
F. THOMAS
GERAGHTY
FRED AUSTIN, BUILDING PROJECTS COORDINATOR
RICHARD D. WILLMEN, COLONEL WILLIAMS RESORT
MAURY THOMPSON, *THE POST STAR*
CHARLENE DiRESTA, LEGISLATIVE OFFICE SPECIALIST

Mr. Caimano called the meeting of the Occupancy Tax Coordination Committee to order at 10:38 a.m.

Motion was made by Mr. Kenny, seconded by Mr. Merlino and carried unanimously to approve the minutes of the June 6, 2007 Committee meeting, subject to correction by the Clerk of the Board.

An Agenda was distributed to the Committee members, a copy of which is on file with the minutes. Mr. Caimano advised that the report on Occupancy Tax revenues was not available at this time.

Proceeding with Item No. 2 on the Agenda, Mr. Caimano said that a resolution was needed to authorize the final distribution of the 2006 Occupancy Tax funds for use by the municipalities in Warren County. Mr. Kenny asked if this was for each of the Town's to receive their share of the Occupancy Tax revenues and Mr. Caimano affirmed.

Motion was made by Mr. Kenny, seconded by Mr. Monroe and carried unanimously to authorize the distribution of the balance of the 2006 Occupancy

Tax revenues to the municipalities in Warren County as outlined in Schedule "A". *A copy of the resolution request with Schedule "A" is on file with the minutes and the necessary resolution was authorized for the July 20, 2007 Board meeting. (Note: Subsequent to the meeting it was determined that no further resolution was needed according to Resolution No. 688 of 2006.)*

Mr. Caimano stated that Item No. 3 on the Agenda was regarding discussion for the 2008 New York State Association of Fire Chiefs' Convention. He apprised that there was a strong possibility that the New York State Association of Fire Chiefs' and the Hudson Valley Volunteer Firemen's Association would join to form one convention. He added that this would give Warren County an opportunity to contract with the combined organizations for several years. He expounded that the New York State Association of Fire Chiefs' Convention had been successful this year and had increased attendance. He said that the Association was interested in a long term agreement.

Mr. Caimano apprised that last year Warren County had approved \$150,000 in Occupancy Tax funding to the New York State Association of Fire Chiefs'. He questioned if the Committee felt it would be better to use the majority of Occupancy Tax funds to promote larger events, such as the New York State Association of Fire Chiefs' Convention and Americade, or to continue to spend 10% to promote new events in the area.

Mr. Kenny stated that it was beneficial to attract new events to the area; however, he said, he felt that it was of great value to have larger events return. He added that he felt Americade brought the most revenue to Warren County, at approximately \$20 million a year. He further added that Warren County disbursed \$50,000 a year in Occupancy Tax funds to Americade and he could not justify distributing more than \$50,000 to any other event. He apprised that if the New York State Association of Fire Chiefs' and the Hudson Valley Volunteer Firemen's Association held their events together, and they each applied for Occupancy Tax funds, he could see giving them each \$50,000, for a total of \$100,000.

Mr. Kenny expounded that if Warren County purchased the Gaslight Village property in Lake George and purchased tents, it could be a savings for the organizations that held events in Lake George. He added that when Warren County was not using the tents, they could be loaned to the Town or the Village of Lake George, as needed.

Mr. Tessier clarified that the Hudson Valley Volunteer Firemen's Association would not be returning to Lake George until 2009. Mr. Caimano said that there

was a possibility of contracting with this group to hold their conventions in Lake George for a long period of time.

Mr. Tessier apprised that the Hudson Valley Volunteer Firemen's Association brought a lot of business to the hotels and minimal business to the restaurants. He added that the New York State Association of Fire Chiefs' were the opposite and brought a lot of business to the restaurants and minimal business to the hotels.

Mr. Monroe agreed with Mr. Kenny that the amount of Occupancy Tax funding that was distributed should be proportionate to the amount of revenue that the event brought to Warren County. Mr. Kenny said that Americade participants were easily identifiable because they rode motorcycles; however, unless they were wearing a uniform, restaurant owners did not know when the firemen were patronizing the restaurants.

Mr. Kenny apprised that the New York State Association of Fire Chiefs' were tough negotiators when it came to signing contracts. He added that a year ago, Warren County was to receive a share of the revenue from the convention; however, the County did not receive any funds. He further added that the Association had paid the full cost for the tents this year and still made a profit; however, last year when Warren County paid the full cost of the tents, the Association said that they did not make a profit. Mr. Tessier said that the cost of the tents this year had been \$61,000, which was significantly less than the amount Warren County paid for tents last year.

Mr. Caimano apprised that if both of the organizations joined to have one convention, the potential revenue in the County could be nearly as much as what was brought in by Americade. Mr. Kenny said that Warren County disbursed the maximum amount of \$50,000 to Americade. Mr. Tessier opined that even if the two organizations joined together, he did not feel that the event would reach the same success level of Americade. Mr. Kenny said that if the event was half as successful as Americade, he would be happy. He added that he felt the event was worthy of the Committee's maximum disbursement, which was \$50,000.

Mr. Payne apprised that the Hudson Valley Firemen's Association held their convention in the Town of Queensbury last year. He asked if the Town of Queensbury had disbursed any funding to the Association. Mr. Stec responded affirmatively and added that the Town of Queensbury had disbursed \$10,000 to \$15,000 for the event.

Discussion ensued.

Mr. Kenny stated that the New York State Association of Fire Chiefs' Convention was only held on Friday and Saturday; however, Americade was held Monday through Saturday.

Mr. Payne apprised that if the two Associations joined for one convention it would bring in all the local firemen. He added that the New York State Association of Fire Chiefs' would make a great profit, as they charged an admission fee of approximately \$20 per person.

Mr. Kenny stated that Warren County needed to insist that the New York State Association of Fire Chiefs' vendors post sales tax licenses and collect sales tax. Mr. Caimano said that stipulation should be included in the new contract.

Mr. Kenny said that the Associations needed to file an application for Occupancy Tax funding and he would be in favor of providing \$50,000 in funding. Mr. Caimano asked Kate Johnson, Director of Tourism, if an application had been submitted yet and she replied in the negative.

Mr. Caimano questioned if the Committee would be willing to disburse \$50,000 to each of the organizations. Mr. Kenny replied that the Hudson Valley Firemen's Association did not justify a \$50,000 disbursement.

Discussion ensued.

Mr. Champagne exited the meeting at 10:55 a.m.

Mr. Caimano apprised that the Committee would need to wait for the Associations to submit their applications for Occupancy Tax funding. Ms. Johnson asked if \$50,000 would be disbursed to both of the Associations and Mr. Caimano replied in the negative.

Mr. Caimano asked if participants at a convention were exempt from sales tax as well as occupancy tax. Mr. Kenny stated that participants would pay sales tax on the small "trinkets" that were purchased; however, they would be exempt from sales tax on large equipment that was sold at the convention. He added that if the participant was affiliated with a government entity, they would be exempt from occupancy tax. Joan Sady, Clerk of the Board, said that she thought that they had

to pay occupancy tax. Mr. Caimano said that further research was needed to determine the correct answer.

Mr. Belden said that he would like to give a report on the Lake George Open Swim Marathon that was held on June 30, 2007, which had been successful. He said that one of the male participants was pulled from the water after ten miles, due to a health issue. He added that there had been ten participants who had stayed with host families. He said that there had been many overnight hotel patrons from participants in the smaller races and their families. He added that he hoped that this Committee would continue to sponsor the event in the future. Mr. Caimano apprised that the event coordinator would need to submit an application for subsequent years, as the applications did not roll over.

Mr. Belden asked if Occupancy Tax was collected quarterly and Mr. Caimano replied affirmatively. Mr. Belden suggested that the distribution of additional revenue be done quarterly and Mr. Caimano responded that there would not be much to distribute at the beginning of the year. He further stated that each municipality was given \$30,000 at the beginning of the year. Mrs. Sady added that the amount being distributed was the balance after each municipality had received their \$30,000.

Mr. Caimano reiterated that the funds could be disbursed quarterly; however, there would not be much to disburse in the first quarter of the year. In answer to a question as to when the remainder of the 2006 funds would be disbursed, Mrs. Sady said that the resolution would be presented at the July 20, 2007 Board meeting and the invoices would be mailed following that meeting. Vonda Beattie, Principal Account Clerk for the Tourism Department, said that each municipality would need a resolution to accept the funds before she could distribute them. Mr. Monroe questioned the need for the Towns to have a resolution to accept the funds and if that could be done in January and Mr. Belden replied that it could not be done in January because a specific dollar amount was needed for the resolution.

Motion was made by Mr. Kenny, seconded by Mr. Merlino and carried unanimously to approve the disbursement of the additional Occupancy Tax funds above the initial \$30,000, on a quarterly basis as the funds were collected by the County Treasurer. *(Note: Subsequent to the meeting it was determined that it would not be possible to disburse the funds quarterly, as the total collection amounts were unknown until the first quarter of the following year; therefore, Occupancy Tax*

distributions to the municipalities would continue to be disbursed as they had been in previous years - \$30,000 by October 15th and the balance by June 1st of the following year.)

Mr. F. Thomas presented a request from Cornell Cooperative Extension and the 4-H Clubs for \$1,000 to help promote the Warren County Youth Fair. Mr. Caimano stated that there were no funds remaining in the Occupancy Tax budget. He asked why an application had not been previously submitted.

Discussion ensued.

Mr. Caimano said that the Committee would find a way to disburse \$1,000 to Cornell Cooperative Extension and the 4-H Clubs, to help promote the Warren County Youth Fair. Ms. Johnson stated that there was an Occupancy Tax reserve fund that totaled \$97,400 plus an additional refund from Paul Kaza Associates of \$10,000.

Motion was made by Mr. Monroe, seconded by Mr. Merlino and carried unanimously to authorize disbursement of \$1,000 in Occupancy Tax funding to Cornell Cooperative Extension and the 4-H Clubs, to help promote the Warren County Youth Fair. *The necessary resolution was authorized for the July 20, 2007 Board meeting.*

Richard D. Willmen, of Colonel Williams Resort, introduced himself and asked if he could comment as a public citizen. He stated that he was very knowledgeable on 'bed tax', adding that he had proposed the 'bed tax' in 1995 and spoke about the subject again in 1997. He further added that he had been involved in attempting to make casino gambling legal in Warren County in 1996. He said that casino gambling was very successful in Saratoga County.

Mr. Willmen apprised that he had a marketing degree, as well as an advertising degree. He added that his son had a Master's degree in both marketing and advertising. He expounded that he felt that the Committee lacked direction and goals and added he felt they were wasting too much time on deciding which events would receive funding. He said that he had made more than \$30,000 in 'bed tax' revenues for Warren County, through his advertising with *Google* which, he added, was expensive. He added that the Committee needed to have far reaching goals and vision. He suggested that the Committee needed to hire professionals with advertising backgrounds.

Mr. Caimano stated that the Committee had been discussing the situation with the two firemen's associations because it had only just been brought to their attention. He added that the Committee was trying to decide what they would do in the future based on information that had been received today. Mr. Kenny apprised that Occupancy Tax collections had increased by 20% in the last three years.

Mr. Monroe questioned if the Committee was acquiring a sufficient amount of professional advice and Mr. Caimano responded that it had been suggested that the Committee hire a professional; however, the Committee had decided not to spend the funds. He added that the Committee could discuss this further at future meetings. Mr. Kenny apprised that the County had hired professionals through the Tourism Department who were working towards promoting tourism in Warren County.

As there was no further business to come before the Occupancy Tax Coordination Committee, on motion made by Mr. Kenny and seconded by Mr. Monroe, Mr. Caimano adjourned the meeting at 11:17 a.m.

Respectfully submitted,

Charlene DiResta, Legislative Office Specialist