

**WARREN COUNTY BOARD OF SUPERVISORS**

**COMMITTEE: TOURISM**

**DATE: NOVEMBER 28, 2007**

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**COMMITTEE MEMBERS PRESENT:**

SUPERVISORS TESSIER  
BELDEN  
GABRIELS  
SHEEHAN  
STEC  
MERLINO

**OTHERS PRESENT:**

REPRESENTING THE TOURISM DEPARTMENT:  
LINDA WOHLERS, CREATIVE DIRECTOR  
VONDA BEATTIE, PRINCIPAL ACCOUNT CLERK  
REPRESENTING SAWCHUCK BROWN ASSOCIATES:  
KATE OSTERHOUT, ACCOUNT EXECUTIVE  
WILLIAM THOMAS, CHAIRMAN  
JOAN SADY, CLERK OF THE BOARD  
SUPERVISOR F. THOMAS  
SUPERVISOR GERAGHTY  
SUPERVISOR SOKOL  
FRANK O'KEEFE, COUNTY TREASURER  
ROB LYNCH, DEPUTY COUNTY TREASURER  
RICK MURPHY, DEPUTY COMMISSIONER OF FISCAL  
SERVICES  
KRISTEN MALETTE, JUNIOR ACCOUNTANT FOR THE  
TREASURER'S DEPARTMENT  
JAKE HUME, WEB/INTERNET DEVELOPER FOR  
INFORMATION TECHNOLOGY  
FRED AUSTIN, FORT WILLIAM HENRY  
DAVID STRAINER, QUEENSBURY AT-LARGE  
SUPERVISOR-ELECT  
ALICE GREYER, DIRECTOR OF TOURISM FOR THE  
CITY OF GLENS FALLS  
CHARLENE DiRESTA, LEGISLATIVE OFFICE SPECIALIST

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**COMMITTEE MEMBER ABSENT:**

SUPERVISOR KENNY

Mr. Tessier called the meeting of the Tourism Committee to order at 10:31 a.m.

Motion was made by Mr. Belden, seconded by Mr. Merlino and carried unanimously to approve the minutes of the October 3, 2007 Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Vonda Beattie, Principal Account Clerk of the Tourism Department, who distributed copies of the Agenda packet to the Committee members; *a copy of the Agenda packet is on file with the minutes.*

Ms. Beattie apprised that the first item on the Agenda was a request to amend

the 2007 County budget to increase estimated revenues and appropriations in the amount of \$275, to reflect the receipt of revenue from Whitewater Rafting advertisements and the Consumer Shows Brochure. She added this was the last of the revenue for 2007.

Motion was made by Mr. Belden, seconded by Mr. Gabriels and carried unanimously to approve the request to amend the 2007 County budget, as outlined above, and to refer the same to the Finance Committee. *A copy of the resolution request is on file with the minutes.*

Ms. Beattie stated that she was requesting a transfer of funds in the amount of \$7,440 from the Salaries-Regular (A.6417110) and Salaries-Overtime (A.6417120) Codes to the Postage Code (A.6417424), to cover the cost of postage that was anticipated for the remainder of the year.

Motion was made by Mr. Belden, seconded by Mr. Gabriels and carried unanimously to approve the request for transfer of funds, as outlined above, and to refer the same to the Finance Committee. *A copy of the request for Transfer of Funds is on file with the minutes.*

Ms. Beattie apprised that she was requesting to extend the existing contract with Stratton Partners for media buying services, commencing January 1, 2008 and terminating December 31, 2008, for a total amount not to exceed \$40,000. She added that approximately \$760,000 of broadcast media would be purchased on behalf of Warren County Tourism and \$40,000 was the cost of the 5% commission. Mr. Tessier asked if the contract price was the same as last year and Ms. Beattie responded that it was less. Mr. Gabriels asked if the cost of the contract had been budgeted for 2008 and Ms. Beattie replied affirmatively.

Motion was made by Mr. Gabriels, seconded by Mr. Belden and carried unanimously to authorize the extension of the existing contract with Stratton Partners, as outlined above. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the December 21, 2007 Board meeting.*

Ms. Beattie stated she was requesting to extend the existing contract with Sawchuk Brown Associates for public relations services, commencing January 1, 2008 and terminating December 31, 2008, for a total amount not to exceed \$36,000. She noted that the cost of the contract was the same as last year, which had been \$3,000 per month. Mr. Gabriels asked if the cost of the contract had been budgeted for 2008 and Ms. Beattie replied affirmatively.

Motion was made by Mr. Sheehan, seconded by Mr. Belden and carried unanimously to authorize the extension of the existing contract with Sawchuk Brown Associates, as outlined above. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the December 21, 2007 Board meeting.*

Ms. Beattie said she was requesting to extend the existing contract with Uplink Earth for web hosting services, commencing January 1, 2008, for a total amount not to exceed \$1,000 annually. Mr. Belden asked if the contract had been the result of a Request for Proposal (RFP) and Ms. Beattie responded that the RFP had been done in 2007 with the option to renew.

Motion was made by Mr. Sheehan, seconded by Mr. Gabriels and carried unanimously to authorize the extension of the existing contract with Uplink Earth, as outlined above. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the December 21, 2007 Board meeting.*

Ms. Beattie apprised that she was requesting a new contract with Adirondack Regional Tourism Council, Inc. for the matching funds portion of regional marketing services, commencing January 1, 2008 and terminating December 31, 2008, for a total amount not to exceed \$171,942. Mr. Gabriels asked if the cost of the contract had been budgeted for 2008 and Ms. Beattie replied affirmatively.

Motion was made by Mr. Gabriels, seconded by Mr. Merlino and carried unanimously to authorize a new contract with Adirondack Regional Tourism Council, Inc., as outlined above. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the December 21, 2007 Board meeting.*

Ms. Beattie stated that she was requesting authorization for attendance at 2008 in-state and out-of-state consumer shows by Tourism Department personnel. She added that a schedule of the 2008 consumer shows was included in the Agenda packet. Mr. Belden asked if there were the same number of shows as in 2007 and Ms. Beattie replied affirmatively and added that they would not be attending the show in New York City. She stated that she did not have a list of registration fees and that the majority of the shows had previously been registered for due to early registration requirements. She said that any additional costs would be for lodging, travel, etc.

Motion was made by Mr. Belden, seconded by Mr. Sheehan and carried unanimously to approve the request, as outlined above. *A copy of the resolution*

*request is on file with the minutes and the necessary resolution was authorized for the December 21, 2007 Board meeting.*

Chairman Thomas and Messrs. Stec and Sokol entered the meeting at 10:38 a.m.

Ms. Beattie stated that she was requesting authorization for attendance at 2008 in-state, out-of state and Canadian motorcoach trade shows, sales blitzes and marketplaces by Tourism Department personnel. She noted that a schedule of the events was also included in the Agenda packet.

Motion was made by Mr. Belden, seconded by Mr. Stec and carried unanimously to approve the request, as outlined above. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the December 21, 2007 Board meeting.*

Ms. Beattie expounded that she was requesting new contracts with various companies for brochure distribution, commencing January 1, 2008 and terminating December 31, 2008, for a total amount not to exceed \$10,344. She stated that there had been a minor increase in costs compared to last year. She said that the four companies were as follows:

- ▶ Getaways On Display, Inc. - \$3,199
- ▶ The Lake Placid Chamber of Commerce, Inc. - \$600
- ▶ Friends of the Hudson Valley - \$4,995
- ▶ HA-PE-DE, Inc. - \$1,550

Motion was made by Mr. Stec, seconded by Mr. Merlino and carried unanimously to authorize the new contracts, as outlined above. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the December 21, 2007 Board meeting.*

Ms. Beattie apprised that she was requesting authorization for the Director of Tourism to utilize models for photography and video, with a stipend of \$50 paid to each model for their services, commencing January 1, 2008 and terminating December 31, 2008, for a total not to exceed \$750. She added that there had been a resolution approved for 2007, which ended on December 31, 2007. Mr. Gabriels asked if they would pay each model \$50 and Ms. Beattie replied affirmatively and added they were anticipating a need for 15 models for a total of \$750.

Motion was made by Mr. Belden, seconded by Mr. Stec and carried unanimously to authorize the request, as outlined above. *A copy of the resolution request is on*

*file with the minutes and the necessary resolution was authorized for the December 21, 2007 Board meeting.*

Ms. Beattie stated she was requesting a new contract with Smith Travel Research to provide hotel occupancy and rate data services, commencing January 1, 2008 and terminating December 31, 2008, for a total amount not to exceed \$3,000. She added that this was a useful tool and the cost of the contract was the same as last year.

Motion was made by Mr. Stec, seconded by Mr. Gabriels and carried unanimously to authorize the new contract, as outlined above. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the December 21, 2007 Board meeting.*

Linda Wohlers, Creative Director of Tourism, apprised that the Tourism Department was in the middle of their Winter Campaign. She said that the television commercials would be on-air one month earlier than last year, with a cable buy that would start on December 3, 2007 and would run through January 31, 2008. She added that the target market would be all of New York, New Jersey, Long Island, western Connecticut, the Hudson Valley and Albany. She expounded that Time Warner customers who had a cable box would be able to request a 'video on demand' by selecting that option with their remote control. She added that the viewers would then be able to request a brochure, also using their remote control. She said that the television commercial was a 30-second spot and the 'video on demand' was 1 minute and 20 seconds. She played the 30-second television commercial for the Committee.

Mr. Belden asked if they would advertise in the Boston area and Ms. Wohlers replied they would not. She added that the advertising budget was \$149,000 for the Winter Campaign and they could hit more markets with a larger budget. She said they were advertising earlier this year and added that last year the commercials did not air until after the holidays. She noted that most people decided on vacation plans prior to the holidays, which was why they were airing the commercials earlier this year. She played the 1 minute 20 second 'video on demand' advertisement for the Committee.

Ms. Wohlers stated that when viewers selected to receive a brochure through the 'video on demand', their names and addresses were automatically sent to the Tourism Department. She apprised that they were promoting a 'Winter Getaway' contest on the website. She noted that all development of the website was now done in-house. She added that she designed the website and Jake Hume, Web/Internet Developer for Information Technology, implemented, launched and maintained the website. She noted that the Warren County Tourism website was

state of the art.

Ms. Wohlers displayed the website characteristics for the Committee. She noted that the website featured various activities, such as downhill skiing, cross country skiing and snowmobiling and she added, that indoor winter activities had not been added yet. She noted that for each of the activities that were listed, the approximate calories that were burned per hour during that activity were also listed. She stated that the 'Winter Getaway' contest could be entered on the website, which included four different ski getaway packages. She added that each of the four packages included tickets to either Gore Mountain or West Mountain. She noted that over 7,000 contestants had registered for the previous giveaway and they were hoping for a similar response this time. She apprised that snowmobiling registration applications and regulations had been added to the website because in the past snowmobilers would come to the area without knowing that they had to register. She said that there was a summer page on the winter website that invited people to request a summer travel guide.

Ms. Wohlers apprised that the Tourism Department was not allowed to mention some of the area attractions by name in their advertising, such as Gore Mountain, West Mountain, The Great Escape, etc. She said that they would be able to attract more tourists to the area if the advertising mentioned these attractions. She questioned if it was possible to have a resolution that would allow the Department to mention these attractions in their advertising. Mr. Belden asked if the Department had contacted Paul Dusek, County Attorney, about this possibility. Ms. Wohlers responded that she had been told that she could not use the names, especially The Great Escape. Mr. Belden suggested that Mr. Dusek be requested to attend the next Committee meeting to discuss the issue. Ms. Wohlers stated that not being allowed to mention the areas premier venues was not a good marketing strategy.

Ms. Wohlers stated that previously on the website, businesses that were closed during the winter would come up on a search regardless of the time of year. She added that Mr. Hume had separated out the businesses that were closed during the winter, so that only the businesses that were open could be viewed.

Ms. Wohlers noted that they would not have a presentation from the broadcast media buyer because Susan Stratton, of Stratton Partners, was ill and had been unable to attend the meeting today. She added that a list of the media purchases, made by Stratton Partners on behalf of Warren County, was included in the Agenda packet. She stated that they would like to do more internet marketing and less print advertising. She added that she would also like to do more email direct marketing, which had been successful in the past.

Kate Osterhout, Account Executive for Sawchuk Brown Associates, presented a Power Point Presentation for the Committee, a copy of which is on file with the minutes. She said that she wanted to give the Committee an update on the work that Sawchuk Brown Associates had been doing since their last presentation.

Ms. Osterhout apprised that the press releases for the remainder of the year had all been sent out prior to the start of the holiday season. She said the 'Winter Activities' press release had been sent out in October and included all of the area's winter activities and events. She added that the press release had been sent to all drive markets, local media and freelance travel writers. She stated that *Package Travel Insider* and *TravelSmart*, which were both websites, had been among the hits received from this press release. She added that this press release had been sent to over 300 publications and people. She said that many times if the release was not used immediately, it would be placed in a file to be used at a later date or as information for a FAM tour.

Ms. Osterhout apprised that the next press release had pertained to the Floyd Bennett Memorial Airport and had been sent to local media and aviation publications. She added that a significant amount of interest had been received from this press release. She said that there was a story posted on the 'I Love NY' website and the *Times Union* had also done a story. She stated that *General Aviation News* had conducted an interview with Marshall Stevens, Airport Manager, and they would run a story which would include five photos. She added that *Air Highways Magazine*, *AirHighways.com* and *Pacific Flyer Magazine* had said that they would run a story and had all requested photos as well.

Ms. Osterhout apprised that the last press release they had sent had pertained to the great summer and fall seasons in Warren County. She said that the press release listed statistics as to why occupancy rates had increased, as well as statistics pertaining to hits on the Warren County Tourism website. She said that there had been a significant amount of interest in this press release. She stated that the *Times Union*, the *Post Star* and the *Business Review* had all done a story about this press release. She added that the *Lake George Mirror* and the *Saratoga Post* would also run a story in December. She noted that TV Channel 8 ran a story the day after the press release and the *North Creek News Enterprise* and the *Adirondack Journal* had both said they would also run a story. She said that the story that had been run in the *Post Star* had also been on *TradingMarkets.com*, which was based in the Los Angeles area.

Ms. Osterhout expounded that they had also been successful with the pitches that they had made, with the exception of the architecture pitch. She said that the majority of the pitches had been the result of ProfNet queries. She explained

that ProfNet queries were a list of all the stories that reporters were currently working on. She stated that they had discovered a story about unique hotel packages for Forbestraveler.com and had pitched them a story about the 'Chef for a Day' program at the Sagamore, which will run in December. She added they had also pitched a story about the Sagamore to *Affluent*, who were running a story about 5-star destinations. She said they had pitched a story to *Rockland Magazine*, who were looking for drive-able weekend getaways. She added that they had pitched the HiDef News Network, who were looking for a story on Hi Def travel and GoGirlfriend.com, who were looking for a story on girl getaways. She said yesterday they pitched a story to *AAA Traveler* on multi generational travel; however, she added, the reporter had contacted them to let them know that the story would not involve specific destinations.

Ms. Osterhout apprised that there had been a FAM visit in October from John Fox-Clinch, who writes for the *Western Daily Press* in England. She added that there were two pending FAM tours with Christine Harvey, writer for *New Living Magazine* and Victoria Pericon, editor of *Savvy Mommy*. She said that there would be a meeting between the Tourism Department and representatives of Sawchuk Brown Associates in December to plan for the upcoming year. She added that there would be two press releases per month in 2008. Mr. Gabriels questioned if when pitches were made that pertained to a particular business, was the business informed and Ms. Osterhout replied affirmatively. She added that they reviewed the list of stories to be written, then emailed Kate Johnson, Director of Tourism, to see if there were any matches within Warren County. She said that if there was a match that involved a particular business, they put the business owner in touch with the reporter. Mr. Gabriels asked if the Supervisors could receive copies of the press releases. Ms. Osterhout responded that press releases were emailed to Ms. Johnson prior to release and she would ask Ms. Johnson to forward them to the Supervisors.

Privilege of the floor was extended to Francis O' Keefe, County Treasurer, who distributed a handout to the Committee members; *a copy of the handout is on file with the minutes.*

Mr. O' Keefe expounded that one of the purposes of the occupancy tax was to fully fund the Tourism Department, thereby reducing the burden on the local taxpayers; however, he added that the General Fund subsidized the Tourism Department in the amount of \$168,000 in 2006 and would need to subsidize the Department approximately \$227,000 in 2007. He said that the primary cause of this problem was that the Tourism Department was not properly accounting for the \$390,000 in occupancy tax that was disbursed to the municipalities at the beginning of the year, which caused an overstatement of the amount of occupancy tax funds and the account to be over expended.

Mr. O' Keefe recommended the following to help prevent this problem in the future:

1. On the first workday of the year, purchase orders should be issued for the \$390,000 in occupancy tax funds that are dispersed to the municipalities, so that the funds would be encumbered.
2. On the day that a contract was signed, a purchase order should be issued for the full cost of the contract.
3. Purchase orders should be issued for all disbursements of occupancy tax funds that are approved by the Board, but not covered by a contract.
4. The Tourism Department should be utilizing the New World financial system to generate budget performance reports and should not be maintaining a separate set of books. They should monitor the budget closely and present budget performance reports to the Committee on a regular basis.
5. Travel Guide income should be budgeted as a revenue in the adopted budget since the expenses to produce the guide are already included in the adopted budget.
6. Occupancy Tax Reserves should be set aside in the amount of \$250,000 to be used for future unexpended costs, with any surplus at the end of the year, to be set aside for contingency.

In reference to Item No 5, Mr. O' Keefe apprised the Tourism Department currently requested to amend the County budget to reflect the receipt of Travel Guide income, increasing revenue and appropriations, even though the appropriations are already budgeted for. He added that this year's budget would be over expended by approximately \$400,000. He said that the majority of the 2007 occupancy tax should be collected by the third week of December. He stated that there would need to be a transfer of funds in order to cover the deficit or it would need to come from the General Fund.

Mr. O' Keefe stated that in 2006 it was decided that the Tourism Department would be fully funded through occupancy tax; however, he added, it was not being fully funded if the General Fund was used to subsidize the budget. He noted that it was the responsibility of each Department to remain within their budget. He apprised that the New World financial system had cost more than \$300,000 and was a very good system. He added that the budget performance

reports were good tools to help Department Heads stay within their budgets.

Mr. Tessier noted that it was too late in the year to fix the problem for 2007 and they would have to look at ways to address the issue for the future. He stated that he had never been in favor of the Tourism Department being fully funded by occupancy tax. He added that one industry should not be fully funding tourism, when it benefitted all of them. He said he felt there were too many Committees and added that Tourism, Occupancy Tax Coordination and Executive Host should all be the same Committee.

Mr. O' Keefe noted that if the shortfall was subsidized by the General Fund, something else would be reduced and if it was taken from the 2008 Occupancy Tax budget then the 2008 budget would be reduced. He added that if the County received enough in occupancy tax collections for the rest of the year, they may be able to cover this shortfall.

Mr. Belden stated that on the Department of Public Works Committee, they reviewed the budget performance report every month and he suggested the same thing be done with the Tourism Committee. He said that this issue would need to be addressed at the upcoming Finance Committee meeting. Joan Sady, Clerk of the Board, said that an exact dollar amount would be needed in order to refer the issue to the Finance Committee. Mr. Belden asked if the municipalities had all received the occupancy tax disbursements for 2007 and Mrs. Sady replied affirmatively.

Motion was made by Mr. Belden, seconded by Mr. Merlino and carried unanimously that the issue of the shortfall in the Tourism budget be referred to the Finance Committee, to determine a source of funding.

Discussion ensued.

Mr. Merlino stated that they should be receiving monthly budget performance reports for review and he asked if those reports were received from the Treasurer's Office or from the Tourism Department. Mr. O' Keefe said that each Department was responsible for their own budget. Mr. Geraghty asked where the reports were generated and Mr. O' Keefe replied that each Department had the ability to generate their own reports. Mr. Geraghty asked who entered the data into the system and Mr. O'Keefe replied that each Department entered their own information. Ms. Beattie said that they did their own invoice batches and purchase orders. She added that budget performance reports had been generated on a quarterly basis. She said that it would not be a problem to generate those reports on a monthly basis. Mr. O' Keefe stated that the Tourism Department should do a purchase order for each new contract so that the money for the

contracts would not be spent elsewhere. He added that the \$390,000 that was disbursed to the municipalities should be deducted from the budget at the beginning of the year. He said if this was done it could alleviate the majority of the problems.

Mr. Stec asked Mr. O' Keefe if he had discussed the issue with the Tourism Department or Hal Payne, Commissioner of Administrative & Fiscal Services, prior to this meeting and Mr. O' Keefe responded that the issue had recently been discovered. Mr. Stec apprised that the first step should have been to discuss the issue with the Department and Mr. O' Keefe responded that he had brought the issue to the Tourism Committee to give them a heads up. Mr. Stec reiterated that the first step should have been to discuss the issue with the Tourism Department and Mr. Payne. Mr. O' Keefe asked Rick Murphy, Deputy Commissioner of Fiscal Services, if he had brought the issue to Mr. Payne's attention. Mr. Murphy responded that he had brought the issue to the attention of Mr. Payne and Mrs. Sady.

Mr. Gabriels stated that occupancy tax supported tourism in the area; however, he agreed with Mr. Tessier that occupancy tax should not be the sole source of funding for the Tourism Department. Mr. Tessier said that the Board should decide to fund the Tourism Department from other areas, as well as occupancy tax. Mr. Gabriels noted that sales tax figures were not increasing at the same rate as occupancy tax.

As there was no further business to come before the Tourism Committee, on motion made by Mr. Belden and seconded by Mr. Stec, Mr. Tessier adjourned the meeting at 11:36 a.m.

Respectfully submitted,

Charlene DiResta, Legislative Office Specialist