

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: AUGUST 31, 2020

COMMITTEE MEMBERS PRESENT:

SUPERVISORS DICKINSON
MERLINO
STROUGH
BRAYMER
BRUNO
FRASIER
GERAGHTY
LEGETT
SEEBER

OTHERS PRESENT:

REPRESENTING THE TOURISM DEPARTMENT:

JOANNE CONLEY, DIRECTOR
LEISA GRANT, PRINCIPAL ACCOUNT CLERK
MICHAEL R. SWAN, COUNTY TREASURER
FRANK THOMAS, CHAIRMAN OF THE BOARD
MARY ELIZABETH KISSANE, COUNTY ATTORNEY
AMANDA ALLEN, CLERK OF THE BOARD

SUPERVISORS BEATY

CONOVER

DRISCOLL

HOGAN

WILD

RYAN DICKEY, SECOND ASSISTANT COUNTY ATTORNEY

DON LEHMAN, DIRECTOR OF PUBLIC AFFAIRS

JEREMY SCRIME, SENIOR COMPUTER SYSTEMS ANALYST/PROGRAMMER

MARK BEHAN, BEHAN COMMUNICATIONS, INC.

ROBERT BLAIS, MAYOR, VILLAGE OF LAKE GEORGE

DAVE EHMANN, IMPROV RECORDS, INC.

LESLIE LOVELACE, SECRETARY TO THE CLERK OF THE BOARD

Please note, the following contains a summarization of the August 31, 2020 meeting of the Occupancy Tax Coordination Committee; the meeting in its entirety can be viewed on the Warren County website using the following link: <https://www.warrencountyny.gov/gov/comm/Archive/2020/occupancy/>

Note: As per Governor Cuomo's Executive Order 202.1: "Article 7 of the Public Officers Law, to the extent necessary to permit any public body to meet and take such actions authorized by the law without permitting in public in-person access to meetings and authorizing such meetings to be held remotely by conference call or similar service, provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed". All committee members participated by video or teleconference, aside from Supervisors Merlino, Geraghty and Seeber who were physically present.

Mr. Dickinson called the meeting of the Occupancy Tax Coordination Committee to order at 10:01 a.m.

Copies of the meeting agenda were distributed to those in attendance, those participating virtually accessed the agenda via the Warren County website. A copy of the agenda is on file with the meeting minutes.

Motion was made by Mr. Bruno, seconded by Mrs. Frasier and carried unanimously to approve the minutes of the previous Occupancy Tax Coordination Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Michael Swan, *County Treasurer*, who provided a report on revenues, stating as of August 28th \$1,149,538 had been collected, which was \$743,234 less than the amount collected at this time last year, representing a 35% decrease in collections. He said there appeared to be an improvement in collections over last month, but those figures were based on the monthly filers and the total figures would not be calculated until the end of September when all of the funds were collected; he noted the bulk of the funds

came from the quarterly filers who had not yet filed.

Leisa Grant, *Principal Account Clerk*, apprised the check book balance as of August 28th was \$1,301,500 and the reserve balance at the end of December was \$2,350,000, but \$590,000 of that total was appropriated to both the Tourism and Occupancy Tax budgets. She added the Reserve is a closing account; the \$1,760,000 balance did not include what was collected or subtractions for anything that was paid out during the year. She informed there were not enough funds to pay the four largest municipalities (*Towns of Lake George, Queensbury, and Bolton, as well as the Village of Lake George*) the 25% due to them; however, she noted, the smaller towns had already been paid. She stated \$200,000 had been paid in August and she anticipated another \$200,000 would be paid in September, leaving a balance of \$357,423 unpaid from last year. Ms. Grant apprised another \$390,000 was due to be paid to each municipality (*\$30,000 each*) by October 15th which resulted in a total amount owed of \$747,423, the \$1,301,500 balance in the checking account covers both the Occupancy Tax and Tourism expenditures. Mr. Swan confirmed there were not enough funds to pay all of the expenses to the towns and keep the Tourism Department running.

In light of the upcoming meeting between the budget group and the Tourism Department staff to be held on the next day, Mr. Geraghty strongly urged the Committee to make every effort to pay the \$747,423 owed to the towns and suspend the 2020 Spending Plan to forego paying the extra funds to the towns.

Privilege of the floor was extended to Mark Behan, *Behan Communications, Inc.*, who stated after entering the summer Season expecting a decline of 50% or more Warren County ended up having a strong tourism season according to the business community and he hoped the Occupancy Tax Report would reflect the same. He added the advertising funds the Tourism Department used were a good investment, as they had produced new reservations immediately, as well as new visitors to the area. He stressed it was important to keep as much occupancy tax revenue and sales tax revenue on reserve as possible for events and promotion in the event that next summer was as challenging as this summer had been for the tourism industry.

A discussion ensued.

Privilege of the floor was extended to Joanne Conley, *Director, Tourism*, who informed she was involved with Mr. Behan's hospitality group during the pandemic. She stated she had metrics for the summer program that she would be presenting at the next Committee meeting along with the hospitality group. She informed her Department had twice been asked by the County Administrator to review their budget and find more savings within it; she advised was able to reduce her budget by 35% and still set aside funds for winter tourism promotion.

Privilege of the floor was extended to Robert Blais, *Mayor, Village of Lake George*, who informed event holder Dave Ehmann, *Improv Records, Inc.*, had three large events planned for this summer at the Festival Commons which he had lost a large amount of money on in preparation and planning costs due to bands cancelling the evening prior to the event. He advised Mr. Ehmann was seeking to retain the amount of occupancy tax awarded to him, regardless of the fact that the events were not held, as reimbursement for some of his expenses.

Mr. Ehmann explained due to COVID-19 restrictions the Adirondack Independence Festival had to be cancelled and he was asking that the Committee consider honoring his award to help recover some of the \$38,541.31 he expended for one of the three-day shows, minus the \$2,700 he had recouped by selling merchandise online. Mr. Ehmann stated he had provided receipts to Mayor Blais and Ms. Grant to account for the funds he had expended.

Mayor Blais suggested the County, Town of Lake George, Village of Lake George and the Lake George Joint Occupancy Tax Committee share in the reimbursement to Mr. Ehmann for the funding he lost as a result of the pandemic, in light of the fact that he was one of their best customers and served as an acting consultant to other music festivals. He encouraged the following amounts be awarded to Mr. Ehmann for reimbursement: Warren County - \$18,000; Town of Lake George - \$5,000; Village of Lake George - \$5,000; and the Lake George Joint Occupancy Tax Committee - \$9,000.

After a lengthy discussion, motion was made by Mr. Geraghty, seconded by Mr. Merlino and carried by majority vote, with Ms. Braymer abstaining, to amend the award to Improv Records, Inc. for preparation of the Adirondack Independence Festival, reducing it from \$25,000 to \$18,000, and the necessary resolution was authorized for the September 18th Board meeting. *A copy of the resolution request form is on file with the minutes.*

Continuing with the agenda, Mr. Dickinson advised a discussion was necessary on how occupancy tax collections should be used going forward; however, he noted it was more time sensitive that a budget be established for the year 2021.

Mr. Geraghty stated it was imperative a decision be made on the Spending Plan before the Tourism budget was discussed by staff the next day. A lengthy discussion ensued, following which a motion was made by Mr. Geraghty, seconded by Mr. Merlino and carried unanimously to amend the 2020 Occupancy Tax Spending Plan to eliminate funding given to the Towns, the Village of Lake George and the City of Glens Falls and to nullify the contracts written for these municipalities and the necessary resolution was authorized for the September 18th Board meeting. *A copy of the resolution request form is on file with the minutes.*

Mr. Dickinson advised a future discussion would be needed to determine amounts to be awarded for events, how to award the money, if the applications received this year would be used going forward rather than new applications and what the deadline date would be.

Ms. Grant explained in 2018 the budget was split in two, one part for the Tourism Department and one for Occupancy Tax. She explained the 2021 figure she had on the occupancy tax side was \$146,000 for the administration fee for the Treasurer's Department, \$162,500 for the Cool Insuring Arena (*\$237,500 for 2020*) and \$480,000 for the Lake George CVB (*\$400,000 for 2020*). She said a figure needed to be decided upon for occupancy tax awards for events and informed \$5,000 was budgeted for Black Dog Designs for web design for the Festival Commons, there was a five-year commitment with the Cool Insuring Arena for \$100,000 for capital costs, and a total of \$125,000 to be distributed amongst the towns of Chester, Horicon and Lake Luzerne for invasive species.

Following a discussion, the Committee determined new applications would be accepted by November 1st for the December meeting to award funds for the following year. Discussion was also held in regard to how much money was designated for awards last year for special events and a motion was subsequently made by Mr. Dickinson, seconded by Mr. Leggett and carried unanimously to set aside \$285,000 to be awarded for special events next year.

Mr. Merlino suggested applicants be informed there would be a 10% - 20% reduction in awards compared to what was awarded to each applicant last year and Mr. Dickinson agreed, noting Ms. Grant could include that in the notices she sent so the applicants could take that into consideration for the amounts they were requesting.

Ms. Hogan inquired if the reduction would apply to the Cool Insuring Arena and the Lake George CVB and Ms. Grant explained negotiations had taken place between the County Administrator and the Lake George

CVB, as they had been receiving \$550,000 on an annual basis but agreed to \$400,000 for the year 2020 and \$480,000 for the year 2021 which was a 13% reduction. She stated Cool Insuring Arena took a 5% reduction for the year 2020 and \$162,500 for the year 2021 instead of \$250,000 which was a 35% reduction. Mr. Dickinson explained they had asked the Tourism Department, Lake George CVB and Cool Insuring Arena to voluntarily review their budget and decide how much they needed to survive and those were the numbers that were re-negotiated.

Mr. Dickinson called for any public comment and Don Lehman, *Director of Public Affairs*, read aloud those submitted by Gina Mintzer, *Executive Director, Lake George Chamber of Commerce & CVB*, and Frank Dietrich, *Warren County Lodging Association*.

There being no further business to come before the Committee, on motion made by Mr. Leggett, seconded by Ms. Braymer and carried unanimously, Mr. Dickinson adjourned the meeting at 11:58 a.m.

Respectfully submitted,
Leslie Lovelace, Secretary to the Clerk of the Board

**Occupancy Tax Coordination Committee
Warren County Tourism Department
AGENDA
August 31, 2020**

Committee Members:

D. Dickinson, Chairman
E. Merlino
J. Strough
C. Braymer
D. Bruno
E. Frasier
K. Geraghty
C. Leggett
R. Seeber

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- I. Committee meeting called to order by Chairman Dickinson.
 - II. Motion to approve minutes of July 15, 2020 Occupancy Tax Coordination Meeting
 - III. Report on Revenues from the County Treasurer
 - IV. Action Agenda/New Business items:
 1. Mark Behan, Behan Communications, Inc. to address committee
Rationale: Mr. Behan leads the Hospitality Communications Group, a group of hospitality oriented leaders that has attempted to coordinate safe tourism during the pandemic. He will update the committee on the group's discussions.
 2. Discuss how Occupancy Tax collections should be used going forward
Rationale: to discuss new ideas or changes to existing ways of spending funds
 3. Dollar amounts to be budgeted for 2021
Rationale: Budget Meeting scheduled for September 1, 2020
 - V. Discussion items:
 1. Adirondack Independence Festival – promoter would like to submit for reimbursement
Rationale: Promoter planned 8 drive in concerts in lieu of the festival planned in September. At the last minute the band scheduled to play in them decided not to perform.
 - VI. Referrals/Pending Items: None.
 - VII. Privilege of the floor and public comment (please allow for 15 second delay on live stream meetings)
 - VIII. Motion to adjourn.
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Attachment: Spreadsheet showing 2020 Occupancy Tax applicants/awards.

RESOLUTION REQUEST FORM NO. 20

MISCELLANEOUS

****Please List All Other Requests Not Covered by Previous Resolution Request Forms Here.
Please attach any backup information available and be as detailed as possible.***

DEPARTMENT NAME: Tourism (Occupancy Tax Coordination Committee)

DATE: 8/31/20

- (a) Purpose of Request: to amend the award given to Improv Records for the preparation of Adirondack Independence Festival to \$18,000.

- (b) Details: The amount needed to offset expenses will be shared by the Town and Village of Lake George

- (c) Previous Resolution Number: Resolution # 221 of 2020

- (d) Where are the Funds (if required)? List Budget Code, Object Code, Full Title* and Amount: A.6417.0002 480, Tourism - Special Events

Sample: A.8021 470 Planning & Community Development – Contract

* as listed in budget and LOGOS

RESOLUTION REQUEST FORM NO. 20

MISCELLANEOUS

****Please List All Other Requests Not Covered by Previous Resolution Request Forms Here.
Please attach any backup information available and be as detailed as possible.***

DEPARTMENT NAME: Tourism (Occupancy Tax Coordination Committee)

DATE: 8/31/20

- (a) Purpose of Request: to amend the 2020 Occupancy Tax Spending Plan to eliminate the funding given to the Towns, the Village of Lake George, and the City of Glens Falls and to nullify the contracts written for these municipalities.

- (b) Details: Collections in 2020 are down due to the COVID19 pandemic

- (c) Previous Resolution Number: Resolution # 50 of 2020

- (d) Where are the Funds (if required)? List Budget Code, Object Code, Full Title* and Amount: A.6417.0002 469, Other Payments/Contributions

Sample: A.8021 470 Planning & Community Development – Contract

* as listed in budget and LOGOS