

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: MARCH 28, 2014

COMMITTEE MEMBERS PRESENT:

SUPERVISORS KENNY
MERLINO
CONOVER
DICKINSON
FRASIER
SIMPSON
STROUGH

OTHERS PRESENT:

LEISA GRANT, PRINCIPAL ACCOUNT CLERK, TOURISM
MICHAEL R. SWAN, COUNTY TREASURER
KEVIN GERAGHTY, CHAIRMAN OF THE BOARD
JOAN SADY, CLERK OF THE BOARD
FRANK THOMAS, BUDGET OFFICER
SUPERVISORS BROCK
MCDEVITT
SEEBER
WOOD
KATE JOHNSON, DIRECTOR OF TOURISM
BUD YORK, WARREN COUNTY SHERIFF
ROBERT BLAIS, MAYOR OF THE VILLAGE OF LAKE GEORGE
MICHAEL CONSUELO, EXECUTIVE DIRECTOR, LAKE GEORGE
REGIONAL CHAMBER OF COMMERCE & CVB
FRED AUSTIN, FORT WILLIAM HENRY
DON LEHMAN, *THE POST STAR*
SARAH MCLENITHAN, SECRETARY TO THE CLERK OF THE BOARD

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

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

Mr. Kenny welcomed Mr. Simpson and Mr. Strough as new members of the Committee.

Commencing the Agenda review, Mr. Kenny advised the first item listed pertained to a Report on Revenues from Michael Swan, County Treasurer, who distributed a handout to the Committee members, a copy of which is on file with the minutes. Mr. Swan apprised the total occupancy tax revenues collected through March 26, 2014 was \$3,707,382.54, an increase of \$174,227.57 or 4.7%. He anticipated the year end figures relating to the 2013 occupancy tax fund balance would be available for review at the next Committee meeting. He conveyed his concern that sales tax revenue was decreasing while occupancy tax funds had increased, noting that they usually mirrored each other. He said he was going to contact the New York State Department of Taxation and Finance to inquire whether they could provide any input as to why sales tax revenue was declining.

The next item on the agenda, Mr. Kenny advised, concerned action items. He stated Robert Blais, Village of Lake George Mayor, would be addressing the Committee regarding the Country Music Festival. Mayor Blais apprised the Country Music Festival would be rescheduled for the Spring of 2015, as they did not want to compete with the American Music Festival which was scheduled for September 19-21, 2014. He stated The Village of Lake George would be combining the Festival for the Lake event with the American Music Festival. He noted the

musical performances would provide activities for attendees of the Adirondack Balloon Festival during the timeframe when there were no balloon launches. He apprised the American Music Festival would share a portion of the revenue received from ticket sales and food and beverage concession stand proceeds with the Fund for Lake George. He suggested transferring the \$10,000 in 2013 Occupancy Tax funding allocated to the Country Music Festival to the American Music Festival. He added additional revenue would be received, as the organizers of the American Music Festival would be paying the use fee of \$1,500 a day for the Festival Space.

With regards to the circus, Mayor Blais apprised the Shriners Circus was scheduled to perform on September 13-14, 2014 and would be using the Festival Space. He explained this was a nationally recognized circus and noted children accompanied by adults were admitted for free. He proposed reallocating the \$4,000 in 2013 occupancy tax funding reserved for the Village of Lake George's Festival for the Lake to the Shriners Circus since they no longer required the funding. He added that because the Festival Space would be under construction during the Shriners circus they would be searching for sites to pay for boarding of some of their animals. He noted three performances were scheduled and the tent provided seating for up to 1,600 patrons.

Motion was made by Mr. Dickinson, seconded by Mr. Merlino and carried unanimously to amend Resolution No. 662 of 2013 to authorize the reallocation and distribution of the sum of \$10,000 in 2013 occupancy tax funding previously allocated to the Lake George Arts Project for the Country Festival to the Village of Lake George for the American Music Festival and reallocating and distributing the sum of \$4,000 in 2013 occupancy tax funding previously allocated to the Village of Lake George for the Festival for the Lake to the Shriners Circus, and the necessary resolution was authorized for the April 18, 2014 Board meeting. *A copy of the resolution request form is on file with the minutes.*

In reference to occupancy tax funding guidelines, Mayor Blais advised he felt providing occupancy tax funds to special events played a major role in attracting events to the region. He noted the Shriners Circus had indicated Warren County was the only municipality that had ever offered them funding assistance. He voiced his concern that twenty-two of the forty-eight applicants who were awarded County occupancy tax funds last year had applied for funds from the local municipalities, as well. He said he felt this caused confusion because the applicants were required to submit separate applications that were subject to different guidelines and might be required to attend three separate meetings, possibly causing issues such as "double dipping."

Mayor Blais stated there were instances occurring where applicants were submitting different budgets to each municipality, as well as submitting the same receipts for their expenses to each municipality. Events such as the New York State Basketball Tournament at the Glens Falls Civic Center, he apprised, impacted several of the municipalities in Warren County; therefore, he said, he felt each municipality affected should be contributing funds to the event.

Mayor Blais advised he had prepared a plan he felt would streamline the application process to make it easier for applicants, as well as the municipalities; *a copy of the plan is on file with the minutes.* He explained the plan consisted of one application for the entire County where the applicant would specify which municipalities they were seeking funding from, one meeting the applicant would be required to attend, one deadline for the application and one contract.

He stated he felt the advantages of this plan were that it eliminated "double dipping", increased accountability, provided cost savings and offered input on the County level, as well as from the local source about the value of the event. He reiterated twenty-two of the forty-eight applicants who were awarded County occupancy tax funds last year had applied for funds from the local municipalities, as well.

Mr. Kenny advised the Occupancy Tax Committee awarded funds in December and he questioned whether Mayor Blais was proposing awarding funds intermittently during the year and Mayor Blais replied in the negative. He explained to prevent individuals from submitting last minute funding requests all applicants would have to adhere to the deadline set by the County to be eligible for funding.

Mr. Kenny proposed continuing the discussion at the next Committee meeting to allow the Committee members time to review the proposal and the Committee members concurred.

Mr. Kenny advised Bud York, Warren County Sheriff, would be addressing the Committee regarding the Adirondack Nationals Car Show. Sheriff York apprised an article featured in *The Post Star* had stated the Occupancy Tax Committee had awarded an additional \$5,500 in funding to the Car Show to assist with the overtime costs relative to law enforcement services at the event. He queried whether the sponsors of the event had indicated some of the funding would be utilized for law enforcement and Mr. Kenny replied in the negative. He advised although they had not specified some of the funds were used for law enforcement, he had assumed they were. Sheriff York pointed out the Sheriff's Office had never received any reimbursement from the event sponsors for providing them with law enforcement services.

Sheriff York proposed seeking approval from the Public Safety Committee for the Sheriff's Office to bill the Adirondack Nationals Car Show for the additional \$5,500 they had been awarded for the law enforcement services. He noted the Sheriff's Office had expended \$15,164 in overtime costs for the event last year. He reiterated the Sheriff's Office had never received any funds from the event organizers for law enforcement services.

Chairman Geraghty questioned whether receipts were received to confirm what expenses the occupancy tax funds were used for and Mr. Kenny replied affirmatively. Chairman Geraghty pointed out the organizers were deceitful on their application if they had implied they were expending funds on law enforcement services. Mr. Kenny interjected the reason the Committee had increased the funding for the event from \$28,000 to \$33,500 was because he thought the event organizers were providing some portion for reimbursement for the overtime costs incurred by the Sheriff's Office.

Pursuant to further discussion, it was determined that Mr. Kenny would contact the organizers of the Adirondack Nationals Car Show to discuss law enforcement services and notify the Sheriff whether he should present a request to the Public Safety Committee to bill the event organizers for the law enforcement services.

Mr. Kenny reviewed in detail the proposed adjustments to event funding distribution with the Committee; *a copy of which is on file with the minutes*. He advised the Occupancy Tax Sub Committee had met in December to review the guidelines and rules regarding occupancy tax disbursement and compile a list of proposed modifications to consider. He said one suggestion was to organize the event requests by the municipality they would take place in. Another

suggestion, he stated was in reference to the scoring guidelines. He said since there had been more applications for multi-week or multi-month events it was proposed these events automatically be awarded eight points on their application.

With regards to returning events, Mr. Kenny advised it was recommended they receive an increase in funding only if they added new components to the event. He said he felt returning events were much more valuable than new events; therefore, he stated, the requirements for years three, four and beyond were deleted.

Mr. Kenny apprised to prevent "double dipping" and submitting the same receipts to the County, as well as other municipalities who had awarded funding, they initiated a new requirement that stated prior to submitting an application to the County for funding they must submit their application to the municipality in which the event takes place in. He continued once funding was awarded through the municipality, the municipality would be required to notify the event organizer, as well as the County, of the award in writing. He said it would be necessary for the applicant to identify the County on all County applications and attach the award letter from the municipality.

With regards to non events such as shuttles, trail clearing, printing of maps, floating classroom, Canadian promotion, etc., Mr. Kenny stated he felt the maximum award should be increased from \$500 to \$1,000. Another proposed alteration, Mr. Kenny advised, referred to applicants speaking in alphabetical order by name of the organization in 2014 and from the end of the alphabet by name of organization in 2015.

Mr. Conover suggested providing copies of the scoring guidelines and proposed changes to the Committee members and organize a workshop next month rather than a meeting to review and discuss the proposed changes and Mr. Kenny concurred. Mr. Dickinson added he felt an invitation should be extended to Mayor Blais to attend the workshop so he could provide his input on the process, as well. He added he felt the Supervisor from the Municipality where an event was taking place should have a weighted vote, as they were more aware of the impact the event had on the community. Mr. Kenny advised he would add that to the list of suggested changes to discuss.

As there was no further business to come before the Occupancy Tax Coordination Committee, on motion made by Mrs. Frasier and seconded by Mr. Conover, Mr. Kenny adjourned the meeting at 10:38 a.m.

Respectfully submitted,

Sarah McLenithan, Secretary to the Clerk of the Board