

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: OCTOBER 2, 2015

COMMITTEE MEMBERS PRESENT:

SUPERVISORS: KENNY
MERLINO
CONOVER
DICKINSON
FRASIER
SIMPSON
STROUGH

OTHERS PRESENT:

KEVIN B. GERAGHTY, CHAIRMAN OF THE BOARD
PAUL DUSEK, COUNTY ADMINISTRATOR
AMANDA ALLEN, CLERK OF THE BOARD
FRANK E. THOMAS, BUDGET OFFICER
LEISA GRANT, PRINCIPAL ACCOUNT CLERK
MICHAEL SWAN, COUNTY TREASURER
REPRESENTING THE ADIRONDACK CIVIC CENTER COALITION:
ELIZABETH MAHONEY, BOARD MEMBER
ED MOORE, BOARD MEMBER
JEFF MEAD, GLENS FALLS CIVIC CENTER GENERAL MANAGER
SUPERVISORS BEATY
BROCK
MCDEVITT
SEEBER
TAYLOR
MICHAEL CONSUELO, EXECUTIVE DIRECTOR OF THE LAKE GEORGE
CHAMBER OF COMMERCE AND CVB
FRANK DITTRICH, WARREN COUNTY LODGING ASSOCIATION
FRED AUSTIN, FORT WILLIAM HENRY
GEORGE STEC, TOWN OF QUEENSBURY RESIDENT
DON LEHMAN, *THE POST STAR*
MOLLY GANOTES, LEGISLATIVE OFFICE SPECIALIST

Mr. Kenny called the meeting of the Occupancy Tax Coordination Committee to order at 10:39 a.m.

Motion was made by Mr. Strough, seconded by Mr. Dickinson and carried unanimously to approve the minutes of the previous Committee meeting, subject to Correction by the Clerk of the Board.

Commencing the Agenda review, privilege of the floor was extended to Michael Swan, County Treasurer, who distributed copies of the Occupancy Tax Revenue Report to the Committee members; *a copy of the report is on file with the minutes.* Mr. Swan proceeded with a brief overview of the Report, noting as of September 28, 2015 Occupancy Tax was up 7.09% from the previous year. He informed a payment would be made to the Towns on October 15, 2015. He added the year would end with an available balance of \$1.8 million.

Privilege of the floor was then extended to Elizabeth Mahoney, of the Adirondack Civic Center Coalition (ACCC), who informed the Performance Report would be submitted October 15, 2015. She advised they received the last allotment of funding and she expressed receiving that money had been critical to the Coalition. She asked if any of the Committee members would like additional information included in the quarterly report. Mr. Conover asked to include the projected plan for the next 2.5-3 years, when the County's contribution to them would end and Ms. Mahoney replied in the positive.

Next, Jeff Mead, Glens Falls Civic Center General Manager, notified the Committee of the upcoming events at the Glens Falls Civic Center. He remarked the wrestling event and the Gala of Royal Horses were a success. He indicated the Civic Center had taken over of all food and beverage sales, and he noted there was a positive outlook for revenue. He added the first big concert was Five Finger Death Punch, for which 3,643 tickets were sold with a goal of selling 4,000. He stated the Adirondack Thunder Hockey Team started training camp and the first pre-season game was October 10th, 2015; he added their opening night was October 24th. He advised Garden Brothers Circus was scheduled for October 15th, Special Olympics was October 16th. Continuing he informed November was the 25th Anniversary of the Adirondack Stamped Rodeo, which he anticipated would be a good show. He said the New York State Public High School Athletic Association (NYSPHSAA) Volleyball Championship was in November and NYSPHSAA Basketball Championships would return in

March. He remarked he felt confident his requests for events would result in bookings. He expressed there were two comedy shows scheduled for Heritage Hall, one being in December and the other in January. He indicated they were trying to get more bookings for Heritage Hall to bring in additional revenue. He said a number of small events were booked throughout the winter and spring. Mr. Conover inquired if the percentage increase in revenue from taking over food and beverage had been calculated and Mr. Mead replied he anticipated there to be \$100,000; however, he said he would have a more accurate figure in coming weeks. He stated a new marquee was purchased with grant money and would be installed in December; he added arena lights and wireless internet were being installed, in addition to working with a consultant to upgrade the audio. He noted renderings of the lobby were also complete. Ms. Mahoney pointed out all the changes that were being completed would have a positive impact on revenue, noting the new marquee provided an enormous sponsorship opportunity. Mr. Conover asked if the renderings of the lobby were shared and Ms. Mahoney answered in the negative. Mr. Conover encouraged that the renderings be shared with the Community. Mr. Beaty inquired the number of hockey season tickets sold and out of the 3,643 tickets sold for Five Finger Death Punch, how many ticket holders were from out of town. Mr. Mead responded he would have to defer the question to Brian Petrovek, President of the Adirondack Thunder for the number of season tickets sold. He said he could complete a zip code search to find the location of individuals who purchased tickets on-line. Mr. Beaty asked if concert attendees from out of town purchased rooms and Mr. Mead responded he did not have access to that information.

Mr. Kenny discussed distribution of Occupancy Tax funds for 2016, saying the fund for special events was going to be decreased to \$175,000. He stated the majority of events were held in Lake George and if this continued for next year, Lake George would be responsible for \$75,000. Leisa Grant, Principal Account Clerk, stated they were awarded \$100,000, with the Town and Village each receiving \$50,000. Mr. Kenny noted if Lake George had a large percentage of events next year, possibly money from the Discretionary Fund could be used to allocate additional funds to help cover the cost. He advised before that could happen the Committee would have to understand Lake George's income and spending. Mr. Conover asked the County Administrator and the Treasurer the current status of the Fund Balance, as this could be used to give additional Occupancy Tax with the Boards approval. Paul Dusek, County Administrator, replied a preliminary analysis had been completed and he indicated the Fund Balance was impacted by the Tourism Budget because it was also paid out of the Occupancy Tax. He said he was analyzing the affects of the Tourism Budget, and for 2016 the extra amounts for the Towns and extra funds were included in the Tourism budget. He indicated the Fund Balance was doing very well and additional funds could be allocated.

Mr. Conover inquired when the allocations for special events were distributed and Mr. Dickinson responded in the spring, adding the \$170,000 that was allocated to the Town and Village of Lake George was enough to cover the events that occurred. Mr. Conover asked Mr. Strough when he distributed his allocations and Mr. Strough answered he distributed his allocations in May after the funding was received. He added the cycle ran from April to April and for events in early spring there were funds remaining that were used to cover the cost. Mr. Merlino advised in October he sent a letter to those who received funding the previous year asking for their submission for the coming year by February.

Mr. Dusek mentioned the fence around the festival space was a matter that needed to be addressed. He said the cost of the fence was \$160,000 and needed to be allocated in the budget. He stated this expense was shared with the Village of Lake George and there would be a gap in funding concerning both parties. Mr. Conover suggested using the 2016 County Allocation and the Discretionary Fund to cover the cost of the fence. Mr. Dusek agreed, saying that was a possible solution. Mr. Kenny added the possibility of using the Reserve Fund and Mr. Swan spoke in the negative regarding the Fund. Mr. Conover asked Mr. Dusek and Mr. Swan to develop a scenario to fund the cost of the fence at the Festival Commons. Mr. Swan remarked he did not want to borrow money, because each time the County borrowed the interest rate increased. Mr. Dusek indicated he would work with Mr. Swan and Robert Blais, Mayor of the Village of Lake George, to come to a decision regarding the Festival Commons fence and would bring it back to Committee.

There being no further business to come before the Occupancy Tax Coordination Committee, on motion made by Mr. Conover and seconded by Mr. Merlino, Mr. Kenny adjourned the meeting at 11:13 a.m.

Respectfully submitted,
Molly Ganotes, Legislative Office Specialist