



***EAGLE RIVER AREA ROOM TAX COMMISSION
AGENDA NOTICE (10/8/26)***

A MEETING OF THE EAGLE RIVER AREA ROOM TAX COMMISSION WILL BE HELD
WEDNESDAY, OCTOBER 14, 2026 AT 9:30 am AT THE EAGLE RIVER CITY HALL,
525 E. MAPLE STREET IN EAGLE RIVER

1. Call to order.
2. Roll call
3. Approval of June and September 2026 meeting minutes
4. Discussion and possible action on the following agenda items
 - a. Treasurer's Report
 - i. Discussion regarding Room Tax Commission Cash Flow Concerns
 - b. Review and approval of vouchers through September 2026
 - c. Proposed Room Tax administrative reimbursement policy recommendation to municipal governing bodies.
 - d. Proposal to raise room tax rate to 8% (Vic Washelesky). Recommendation to municipal governing bodies.
 - e. Discussions: Recommendations for at-large commission member to replace former Wild Eagle Lodge representatives.
5. Adjourn

Submitted by: Robin Ginner, City Administrator

*Please note that, upon reasonable notice, at least 24 hours in advance, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information to request this service, please contact the City Clerk's Office at 715-479-8682 ext. 222,
525 E. Maple Street, P.O. Box 1269, Eagle River WI 54521*

Room Tax Commission
June 10, 2026
Meeting Minutes

- 1) Call to order at 9:30 am
- 2) Roll call – Sue Saxhaug, Ron Van Dusen, Crystal Loppnow, Robin Ginner, Vic Washelesky. Also in attendance were Peter Anderson, Andy Lichtfuss, Jerry Burkett, Jim Eagan and Bill Hassey.
- 3) **Motion/Second, Sue Saxhaug/Crystal Loppnow, to approve the meeting minutes from the March and April 2026 Room Tax Commission meetings as presented. Motion carries**
- 4) Discussion and possible action on the following agenda items

- **Review and Approval of Grant Program Funding**

The Commission reviewed the application for the Eagle River Historical Society's Heritage Center Project in the amount of \$30,000. The Commission felt that it was a worthy project, and they had already raised a majority of the required funding for the expansion. **Motion/Second, VanDusen/Loppnow, to transfer an additional \$10,000 to the Grant account and award the full \$30,000 request to the Eagle River Historical Society. Motion carries.**

- **Request for a complete outside audit of all Eagle River Chamber financials.**

Representatives from Lincoln, Washington and Eagle River requested that an audit of Commission funds, and any Chamber funds that are intermixed, be audited with the arrival of a new Executive Director. Commission members discussed funding the audit through room tax revenues and emphasized the importance of conducting periodic audits, particularly following changes in key leadership positions such as the Director or Treasurer, to ensure financial accountability and protect public funds.

Members noted that, to their knowledge, a comprehensive audit may not have ever been completed and expressed support for undertaking the audit at this time. There was also discussion regarding making the audit results publicly available to promote transparency.

Questions were raised regarding establishing a maximum expenditure for the audit. Members agreed that obtaining two proposals would provide a better understanding of anticipated costs before proceeding. Discussion also included the scope of the audit, with consideration given to Commission- and Chamber related funds.

It was agreed that information on auditing firms currently utilized by surrounding municipalities would be forwarded to Robin Ginner for the purpose of soliciting proposals. Members further emphasized the importance of establishing a completion timeline to ensure the audit process proceeds in a timely manner and does not remain unresolved.

Additional discussion focused on opportunities to increase the amount of room tax revenue returned to the Commission and the potential for increasing the percentage of room tax collected in the future. As this item was not agendaized, it will be tabled until the next meeting for discussion.

Motion/Second, Washelesky/Loppnow, to authorize the expenditure of up to \$10,000 to complete a three-year audit of Commission funds and related Chamber dollars, with the

audit to be completed by December 31, 2026. Two audit proposals shall be obtained, and Robin Ginner shall serve as the point person for receiving and coordinating bids. Motion carries. Bids will be brought to the Commission for approval in a Special Session, date yet to be determined.

Further Discussion: Commission members discussed the Commission's authority regarding audits of Chamber finances. It was noted that the Commission does not currently have the authority to require an audit of the Chamber but may make recommendations regarding financial reviews and accountability measures.

Discussion followed regarding the existing agreement between the Commission and the Chamber. Members suggested that future amendments to the agreement could include provisions granting the Commission the authority to request or conduct audits related to funds administered under the agreement. It was agreed that potential revisions to the agreement would be discussed during the Commission's October meeting. Members further requested that Bill, Jerry, and Jim be notified when the matter is scheduled for consideration.

Additional discussion focused on the possibility of increasing the percentage of room tax revenues distributed to participating municipalities, up to the 30% maximum currently permitted under Wisconsin statutes. Questions were raised regarding the legal and administrative mechanisms necessary to implement such an increase.

Members agreed that the matter should be placed on the agenda for a future special meeting to allow for further review and discussion. It was further noted that a legal proposal outlining potential options, including an administrative reimbursement structure, would be developed and presented to the Commission for consideration.

- **Treasurer's Report**, presented by Sue Saxhaug. General account balance at the beginning of was \$247,416.99; Grant account balance \$100,194.04, for a total of \$347,611.03. Receipts in the amount of \$113,557.67 were received from the three municipalities. The deposit from the City of Eagle River was inadvertently deposited into the Grant account, so Saxhaug made the required transfer in the amount of \$27,460.52 for the funds to be in the appropriate account. Ripco Credit Union dividends in the amount of \$89.79 were deposited to the accounts (General: \$65.13, Grants: \$24.66). Disbursements were made in the amount of \$46,593.00, plus a \$5 cashier's check fee from Ripco, for a grand total of \$46,593.00 to cover vouchers. Account balance as of May 31, 2026 in the General account is \$314,446.79; grant account balance is \$100,218.70, for a total of \$414,665.49 under Room Tax Commission control. **Motion/Second, Loppnow/Washelesky, to accept the June Treasurer's report. Motion carries.**
- **May Vouchers**: With the transition to a new Chamber Director, no vouchers have been submitted for payment. Vouchers will be added to the special session for approval.

5) Motion/Second, Loppnow/Saxhaug , to adjourn at 10:14 am. Motion carried.

Next regularly scheduled meeting is set for October 14, 2026 at 9:30 am.

Room Tax Commission
September 21, 2026, Special Session
Meeting Minutes

- 1) Call to order at 9:30 am
- 2) Roll call – Sue Saxhaug, Ron Van Dusen, Crystal Loppnow, Robin Ginner, Vic Washelesky. Also in attendance were Abbey Gatlin (ER Chamber), Jim Eagan (Town of Washington) and Bill Hassey (Town of Lincoln).
- 3) Discussion and possible action on the following agenda items
 - **Review and approval of vouchers for March through August 2026:** With the transition to a new Chamber Director, no vouchers have been submitted for payment since February. Commission members reviewed the vouchers provided by Abbey Gatlin for approval. Submitted monthly vouchers include:
 - March – \$137,091.25
 - April – \$125,581.49
 - May – \$77,464.38
 - June – \$3,920.98
 - July – \$34,124.50
 - August – \$97,777.23For a total of \$475,959.83.

Abbey has requested the Ad & Promo Committee issue an RFP for marketing related services every 3-5 years to make sure the Chamber is doing their due diligence on funds being spent. An RFP committee has been appointed to begin the process. While annual proposals are received, no formal agreement has been signed between the Chamber and Belton & Lincoln since 1997.

Motion/Second, Washelesky/VanDusen, to approve vouchers in the amount of \$475,959.83. Discussion: Saxhaug noted that we are ahead of schedule on approving vouchers, and there is not enough in the bank account to pay everything through August, 2026. June, July, August and September vouchers have traditionally been approved in October. Motion amended/seconded, Washelesky/VanDusen, to approve March through May vouchers only totaling \$340,137.12. Motion passed.

- **CLA Bid to conduct 3-year audit of Room Tax accounting:** The Commission discussed the bid received from CLA for an audit of the Room Tax accounting records. It was clarified that the proposed cost was approximately \$12,000–\$15,000 per year, with the audit covering the prior three years of Room Tax Commission finances. Representatives from Washington and Lincoln clarified that they are looking for an audit of the Chamber funds, not the Room Tax Commission. The Commission does not have authority to require an audit of Chamber funds at this time.

Commission members discussed the importance of establishing clean and accurate financial records, particularly in connection with the transition to new leadership at the Chamber. The Commission emphasized that the purpose of an audit would not be to make assumptions regarding past activity, but rather to establish a clear financial record and

ensure appropriate safeguards are in place going forward.

The Commission also discussed the existing process for approving vouchers and explained the Commission's current checks-and-balances procedures to representatives from Washington and Lincoln.

Additional discussion focused on strengthening financial controls at the Chamber and within the Ad & Promotion Committee. The Commission noted the significant amount of Room Tax funding being spent on marketing services, specifically services provided by Beltor & Lincoln, and discussed the need for better documentation and reporting regarding how these funds are being used and the return on investment to the three municipalities. Members noted that municipalities have not received sufficient reporting from the Chamber regarding the expenditure of Room Tax funds and the services or benefits received in return.

Motion/second, Loppnow/VanDusen, to deny the CLA audit bid. Motion passed.

Motion/Second, Ginner/VanDusen, to recommend that the Chamber Board approve an audit of all funds, including Advertising and Promotion Committee, for the past three years to ensure that Room Tax funds are being appropriately expended. Motion passed.

Motion/Second, Saxhaug/Ginner, to amend the agreement with the Chamber to provide the Room Tax Commission with the authority to require periodic audits of Chamber funds. Motion passed. The proposed amendment will be brought forward for consideration at the December meeting.

4) Motion/Second, Ginner/Loppnow, to adjourn at 10:22 am. Motion carried.

Next regularly scheduled meeting is set for October 14, 2026 at 9:30 am.

ONGOING ANNUAL GRANT AGREEMENT

Agreement entered between the Eagle River Area Tourism Commission (hereafter "Commission") and the Town of Lincoln (hereafter "Town") for the purpose of compensating the Town for annual costs and expenses incurred in the promotion of tourism and in the administration and collection of the Town's room Tax by establishing an ongoing grant from the Commission to the Town.

RECITALS

1. The Eagle River Area Tourism Commission was established and operates under authority granted by Wisconsin Stat. 66.0615;
2. The Town has an ordinance, No. 92-03, originally adopted in 1992 pursuant to Wis. Stat. 66.0615, and as subsequently amended, allowing the Town to collect an annual Room Tax from businesses (hereafter "Businesses") providing accommodation to guests and tourists staying at properties located in the Town of Lincoln;
3. Pursuant to its Ordinance, as amended, the Town collects an annual Room Tax from the Businesses;
4. The Town incurs administration expenses and costs while collecting the annual Room Tax;
5. Since adoption of its original Room Tax Ordinance in 1992, the costs of annually administering the Ordinance by the Town have increased significantly;
6. Increases in the costs of administering the Ordinance have been driven by significant increases in the number of Businesses the Room Tax is collected from, in part by the proliferation of Vacation Rental by Owners (hereafter "VRBOs") and Airbnbs, and similar entities;
7. The Commission recognizes that the Town is engaged in promoting tourism by collecting the annual Room Tax and paying for and maintaining snowmobile crossings of Town roads, and a public boat launch, among other things;

8. Pursuant to Wis. Stat. 66.0615 the Commission is authorized to use money collected from the Room Tax to award grants to entities like the Town for the promotion of tourism, including administration expenses and costs associated therewith;
9. The amount of administrative costs incurred by the Town to collect the Room Tax are proportionate to the amount of the tax collected and the number of Businesses the tax is collected from;
10. The Town requests that the Commission award it an ongoing annual grant to promote tourism equal to twenty percent (20%) of the amount of Room Tax that the Town annually collects to cover its annual costs of administration and as reimbursement for annual costs and expenses for maintaining the snowmobile crossings and boat launch;
11. The Commission and the Town agree that they each have full authority to enter into any Agreement made hereunder.

AGREEMENT

WHEREFOR,

In recognition of the foregoing Recitals of the Parties, and other good and valuable consideration, the Commission does hereby award the Town an ongoing annual grant to promote tourism in an amount equal to twenty percent (20%) of the amount of the most recent annual Room Tax that the Town collected, to cover its annual costs of administration and as reimbursement for annual costs and expenses to maintain the snowmobile crossings and boat launch, in promoting tourism.

With respect any ongoing grant awarded to the Town under this agreement, this agreement supersedes and preempts any agency agreement between the Commission and the Eagle River Area Chamber of Commerce whereby the Commission previously delegated its authority as a Tourism entity to the Chamber as its agent.

This agreement shall exist for a period of five (5) years and shall be renewed on the same terms annually thereafter unless either Party gives notice of their intent to withdraw from the Agreement in writing to the other party at least 6 months prior to the next annual renewal date of the Agreement.

Dated this _____ day of _____, 2026.

Signatures:

On behalf of the Commission

Lincoln Town Chairman, on behalf of the Town

MEMO

June 12, 2026

TO: Room Tax Commission Members

From: Vic Washelesky

Subject: Room Tax Changes

Currently, the towns and city receive 10% of the 4.5% Room Tax. $0.10 \times 0.045 = 0.0045$

It is my understanding that if they raise the rate to 8%, they will get 30% of the new portion of the tax plus the taxes they are currently receiving.

$$(0.30 \times 0.035) + 0.0045 = 0.015$$

The towns/city would be receiving **3.33 times more** than they are now. $0.015 / 0.0045 = 3.33$

2025 ROOM TAX		
	Room Tax Retained	If 8% Allocated as Above
Eagle River	\$ 11,179	\$ 37,226
Lincoln	\$ 25,691	\$ 85,551
Washington	\$ 43,199	\$ 143,853

The Room Tax Commission is currently receiving 90% of the 4.5% tax. $0.90 \times 0.045 = 0.0405$

The commission would receive 70% of the new portion of the room tax, plus the taxes they are currently receiving.

$$(0.70 \times 0.035) + 0.0405 = 0.065$$

The Room Tax Commission would be receiving **1.60 times more** than they are receiving now.

$$0.065 / 0.0405 = 1.60$$

If the 8% room tax is implemented as above, the towns and city will recoup much more of the costs. In addition, the commission could pledge some of their additional income for eligible projects sponsored by the municipalities to further offset their expenses. Perhaps this could be done on a rotating basis.

Vic