

## Room Tax Commission

June 12, 2024

Meeting Minutes

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1. Call to order at 9:30 am
2. Roll call – Sue Saxhaug, Ron Van Dusen, Crystal Loppnow, Robin Ginner, Justin Behling, Diane Marquardt and Kim Emerson. Guests present: Bill Marshall, Town of Lincoln
3. **Motion/Second, Justin Behling/Ron Va Dusen, to approve March 2024 meeting minutes. Motion passed.**
4. **Motion/Second, Van Dusen/Sue Saxhaug, to approve April 2024 meeting minutes. Motion passed.**
5. Discussion and possible action on the following agenda items

Treasurer’s Report – Saxhaug reported the beginning balance as of March 1: General account \$495,173.23, Grant \$26,504.02, for a total of \$521,677.25. The Commission receipts from municipalities were \$78,352.81, plus a dividend from Ripco \$269.01 for a total of \$78,596.14. The Commission approved a transfer of \$75,000 to grant account in March. Vouchers paid in last cycle totaled \$192,466.73, plus a \$5 check fee. Balance as of May 31: General account \$306,297.64, Grant \$101,529.70, for a total of \$407,827.34.

Open Vouchers for current cycle \$171,570.28

Approved grants outstanding \$46,500

To date the Commission has disbursed \$233,125.00 in grant funding.

**Motion/Second, Van Dusen/Behling, to accept the June 2024 Treasurer’s report. Motion passed.**

- a. Review and approval of bills for March through May in the amount of \$171,570.28. **Motion/Second, Saxhaug/Crystal Loppnow, to approve payment of the vouchers in the amount of \$171,570.28. Motion passed.**
- b. Grant Program Funding
  - i. Discussion and possible action on establishing a 10% infrastructure grant for municipalities.

Justin prepared a document detailing his research on developing an infrastructure grant for the municipalities. He reported that the Commission could follow the same model as the current grant program, outlined in the document he distributed. The Entity Agreement with the Chamber would need to be adjusted to accommodate the added program. The same criteria would be used for the municipality grant, but earmarking the funds specifically for the city/towns. Grant applications would need to prove how the improvements put heads in beds in order to qualify for the funding. Justin emphasized that we would need to follow the current legislation to

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make sure what we grant is legal. The question remains: how much freedom do the municipalities want to have in spending the money. The grant would put stipulations on spending, whereas a raise in the room tax rate would put the control on spending 100% in the hands of the municipalities.

Kim Emerson added that we need to watch how much money we dedicate to the grant programs because room tax is down this year because of the warm winter. There has been a decline in event registrations so far this summer as well.

Van Dusen recommended reducing the amount for the general grant to fund the municipal grant, keeping the full amount at \$100k for all grants on an annual basis.

Next steps: Table until the next meeting to give the Commission time to review the proposal and ask the municipalities to attend for a larger discussion before we make a decision on moving forward with a grant versus a recommendation to raise the overall room tax rate.

Bill Marshall from Lincoln thanked Justin for his research and added that he likes the idea of a one-year trial for the grant.

The next meeting is scheduled for October 9, 2024 at 9:30 am.

**6. Motion/Second, Justin/Sue, to adjourn at 10:03 am. Motion passed.**