

**VILLAGE OF FONTANA ON GENEVA LAKE
WALWORTH COUNTY, WISCONSIN**

(Official Minutes)

MONTHLY MEETING of the VILLAGE OF FONTANA TOURISM COMMISSION
Wednesday, November 22, 2017

Chairman Pat Kenny called the monthly meeting of the Tourism Commission to order at 2:45 pm in the Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

Plan Commissioners present: Roll call: President Kenny, David Lindelow, Cherie Setteducate, Scott Vilona

Tourism Commissioner Absent: Maryanne Bruss

Also present: Michael Lucero, Tim Somerville

Visitors Heard

None

Approve Minutes

First meeting, no minutes to approve

General Business

Accept the resignation of David Lindelow from the Commission and accept Michael Lucero as his replacement. As Mr. Lucero is replacing Mr. Lindelow as the General Manager of the Abbey Resort.

Chairman Kenny/Commissioner Vilona 2nd made a MOTION to accept Mr. Lindelow resignation and appoint Mr. Lucero on the commission. The MOTION carried without negative vote.

Introductions and General Overview of the Mission

Commissioner Vilona went over how Act 55 states that “grandfathered” municipalities that had a room tax before the 1994 law change were no longer allowed to keep 100% of the room tax for general use. That starting in 2017 Act 55 stated those Municipalities were going to have to follow a schedule that would eventually lead to them only being able to collect the greater of either 30% of current year room tax revenues or the amount collected in the designated year from the schedule. In 2017 the year from the schedule would be 2014, this would continue until 2021 when the Village would only be able to keep 30% of the 2021 room tax revenue or what was collected in 2010.

Vilona continued to explain that he as the Treasurer felt this was a bad deal for the Village and we would have to accept a \$210,000 deduction in our operating budget in 2021.

Act 55 stated that the Municipality could either forward the excess room tax to an existing Tourism Entity or create their own commission. The Village of Fontana decided to create their own commission as 100% of the revenues could go to the intended purpose vs. an existing entity only needs spend 51% of the revenues received on Tourism Promotion and Development.

Commissioner Lindelow then explained the history and process that led to ACT 55 and how it is basically righting a wrong that happened in 1994 and that the 22 municipalities that were exempted from the 70/30 split for room tax revenue was never supposed to happen.

Vilona stated that it is hard not to state that almost everything the Village of Fontana spends money on is tourism related as we do not have any industry or large businesses that are not tourism dependent.

Lindelaw explained that Visit Lake Geneva has solicited George Zimmerman who came up with the incredibly successful “Pure Michigan” ad campaign to help them come up with new and better ways to market the area.

Possible Village of Fontana Website improvements

Vilona stated that a rough projection of 2017 room tax when compared against the Act 55 dictated year to compare against (2014), the Village would have a projected excess of \$10,926.00 that would need to be spent on Tourism Promotion and Tourism Development.

Vilona stated that the Village website is old and out dated and could be used as a tourism vehicle and thus made a motion to use the expected excess room tax for 2017 on a new Village of Fontana website.

Commissioner Vilona/Chairman Kenny 2nd made a MOTION to use anticipated excess room tax revenue on new Village of Fontana website. The MOTION carried without negative vote.

Future Room Tax Collections and Expectations, after ACT 59 Budget and Short Term Rentals

Vilona went over the ACT 59 contained in the newly passed State budget. How it takes local control away from limiting the time frame on short term rentals. The Village of Fontana had a 30 day minimum but ACT 59 brought the local control down to limiting it to a 7 day minimum. The discussion moved to the 3rd party vendors like Airbnb, and VRBO. How there are dozens and dozens of short term rentals listed for Fontana and all able to be rented by the night. Vilona explained that the Act gave local authority to impose room tax but also made the local jurisdiction responsible for enforcement. This Vilona explained will be a tremendous increase in work and effort to track down, correspond with and eventually impose a tax on those that use these services. Vilona also stated that when taken with Act 55 and that the Village is already over our limit we will become a collection agency for the different tourism entities. There is also a concern of the increase in short term rentals in the Village and how this will affect the residents who have come to expect a quiet place to live.

Set Next Meeting Date

The next meeting was scheduled for Thursday, December 14, 2017 at 4:00 pm.

Adjournment

Commissioner Setteducate/Commissioner Lucero 2nd made a MOTION to adjourn the meeting at 4:00 pm, and the MOTION carried without negative vote.

Minutes prepared by: Scott Vilona, Village Treasurer

Note: These minutes are subject to further editing. Once approved by the Tourism Commission, the official minutes will be on file at the Village Hall.

APPROVED: 01/11/18