

VILLAGE OF WESTON

FINANCIAL POLICY/PROCEDURE MANUAL

SUBJECT: ROOM TAXES FUND POLICY

General: The objective of this policy is to provide guidance in the allocation, appropriation, and distribution of all room taxes received from Village of Weston hotels and motels.

It is the responsibility of the Village Board, Park & Recreation Committee, and Finance Committee to monitor the collections received in the Room Taxes - Special Revenue Fund on a quarterly basis, and to authorize the appropriation and distribution of those Room Tax funds in a structured and orderly manner.

Procedures: A. Room Tax Collections

- 1) Village Ordinance Section 78 (Article II. – Taxation and Special Assessments – Room Taxes) shall be followed for the room tax collections procedure at the appropriate tax rate as indicated in the ordinance.

B. Distribution of Room Tax Funds

- 1) The Park & Recreation Committee and Finance Committee will be responsible for administering the structured and orderly manner of appropriating and distributing the funds of the Room Taxes – Special Revenue Fund. All Committee recommendations will be submitted to the Village Board for final ratification.
- 2) The use of the funds of the Room Tax Fund must be in accordance with Village Ordinance Section 78.106(b) which reads as follows: “Room tax funds may be used for events, projects, or activities that generate or benefit tourism, or enhance the community and quality of life of the citizenship.”
- 3) The Wausau/Central Wisconsin Convention & Visitor’s Bureau shall receive quarterly payments from the Village of Weston on room tax collections received during each quarter. The Committee that oversees the responsibilities of the Convention Bureau shall set the tax rate percentage that the Convention Bureau receives. The funds received by the Convention Bureau shall be used for events, projects, or activities that generate or benefit tourism for the area.

- 4) The remainder of the room tax collections that are not paid to the Convention Bureau shall be retained by the Village of Weston and appropriated and distributed in the following manner:
 - 50% - Parks Capital Improvements Program (to be used for capital equipment purchases and facility/site improvements)
 - 50% - Tourism Promotional Programs/Events/Activities
 - However, if any portion of the 50% “tourism promotional funds” remains unspent/unappropriated for a calendar year, the unappropriated portion shall be transferred to the Parks Capital Improvements Program.
- 5) All Room Tax Funds that have been segregated for the Parks Capital Improvements Program shall be retained in the Special Revenue-Room Taxes Fund and designated for the Parks Capital Improvements Program (CIP), until which time they have been appropriated and budgeted for future projects. When an approved Parks CIP Budget project has been budgeted and approved, then the Room Taxes Fund shall transfer the appropriated funding to the Capital Projects-Facilities Fund or to the Capital Projects-Capital Equipment Fund. A transfer from the Room Taxes Fund to the General Fund may only occur for funding capital outlay purchases of the Parks Department.
- 6) All outside organizations that are seeking appropriations for the NEXT calendar year must submit their funding requests to the Park & Recreation Committee no later than by September 1st. The Park & Recreation Committee (and the Finance Committee, as necessary) shall review the funding requests and forward a recommendation to the Village Board at an October Village Board meeting for consideration. All funding requests will be considered and reviewed, providing the application was submitted by September 1st. All approved appropriations will be incorporated into the annual budget of the Room Taxes – Special Revenue Fund and shall then be adopted after the Budget Public Hearing that takes place in November/ December. The distribution of funds shall then occur in the FOLLOWING year (in the adopted budget year).

C. Other Considerations

- 1) This policy will be reviewed by the Finance Committee and Park & Recreation Committee every two years following adoption or sooner at the discretion of the Finance Committee, Park & Recreation Committee, or the Village Board.