Door County Tourism Zone 2025 Annual Meeting

Meet Our Team

Juliana Behme

Executive Director

Cassidy Crilly

Tax Specialist

Jamie Stephan

Administrative Assistant

Agenda

- Welcome & Introduction
- Mission and Overview
- Tax Usage Overview
- Revenue and Permit Review
- Property Type Review
- Municipal Revenue Review
- Seasonal Analysis
- Compliance
- Financial Position and Performance

Door County Tourism Zone Commission Mission Statement

Collect the room tax on behalf of its member municipalities in a fair and efficient manner.

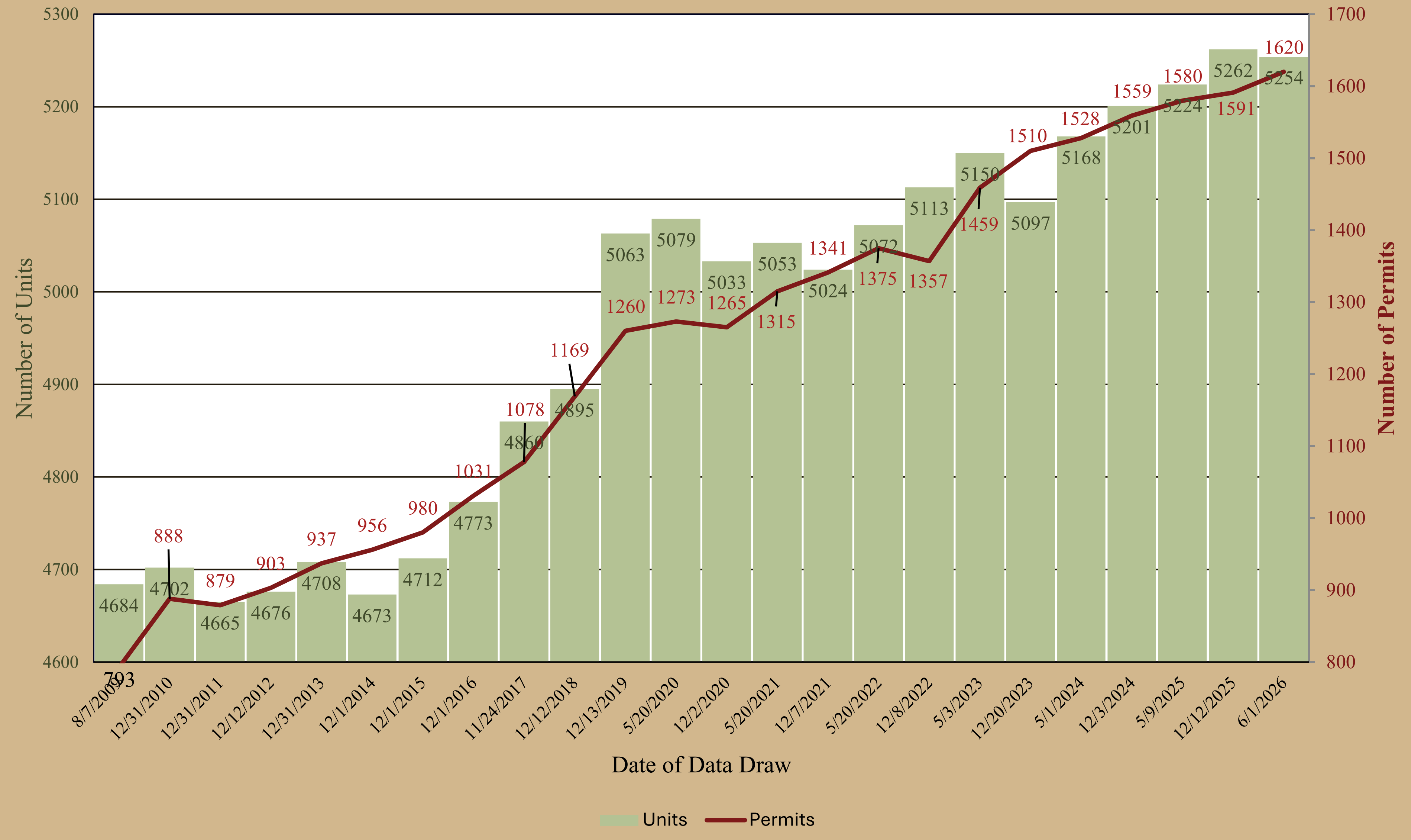
Work in partnership with the Door County Visitor Bureau to support its marketing efforts in tourism promotion and development for the Tourism Zone as a single destination for transient tourists who are reasonably likely to generate paid overnight stays.

Keep all parties and businesses associated with the Tourism Zone and the Room Tax informed on the Commission's activities.

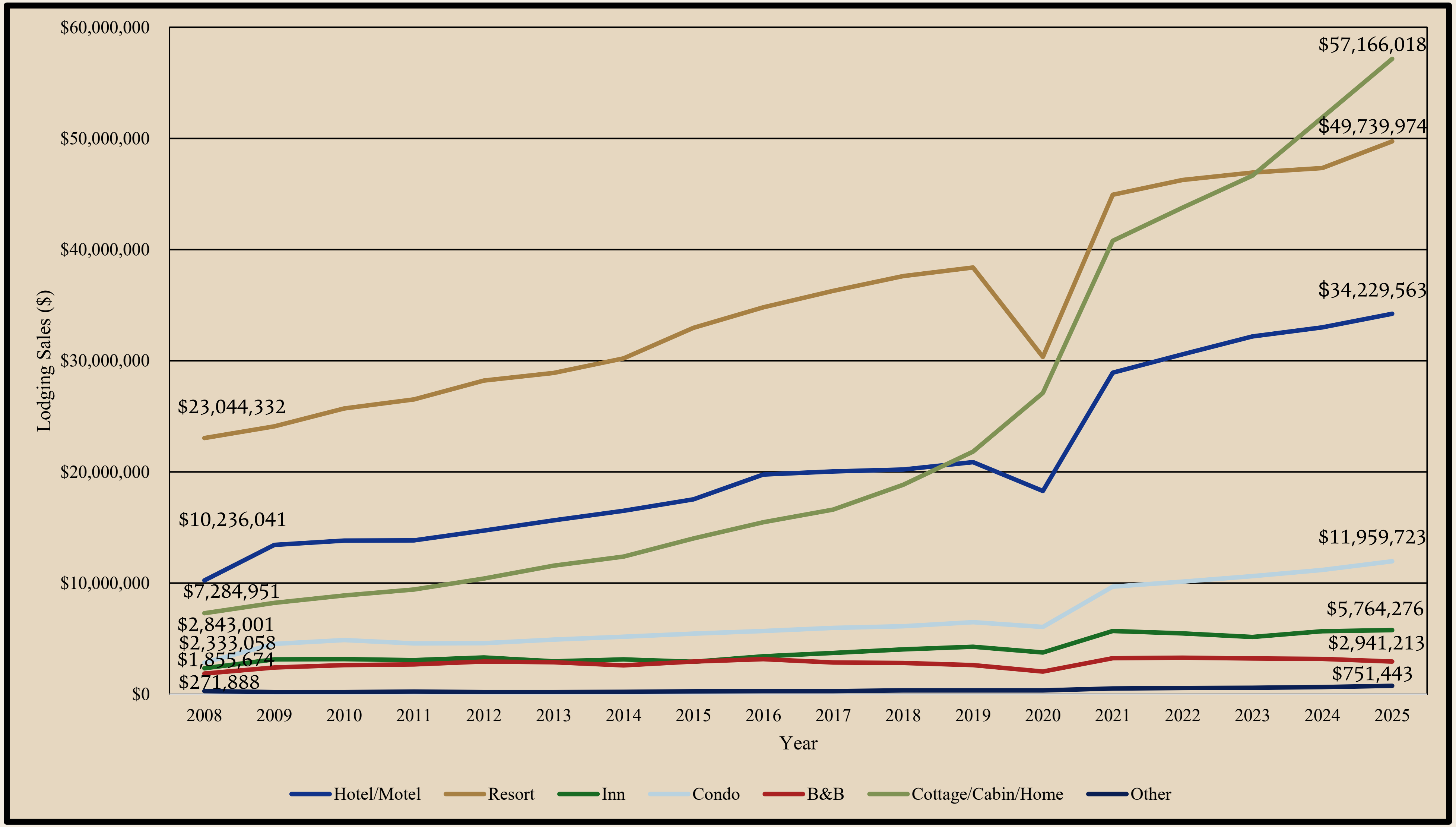
Tax Usage

- 70% directed to Destination Door County, as the designated marketing entity is restricted to tourism promotion and development activities based on ss. 66.0615.
  - Marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit conventions, sporting events, or motorcoach groups.
  - Transient tourist informational services.
  - Tangible municipal development, including a convention center.
- 30% directed to municipalities is not restricted.

Permit Vs Unit Comparison YOY

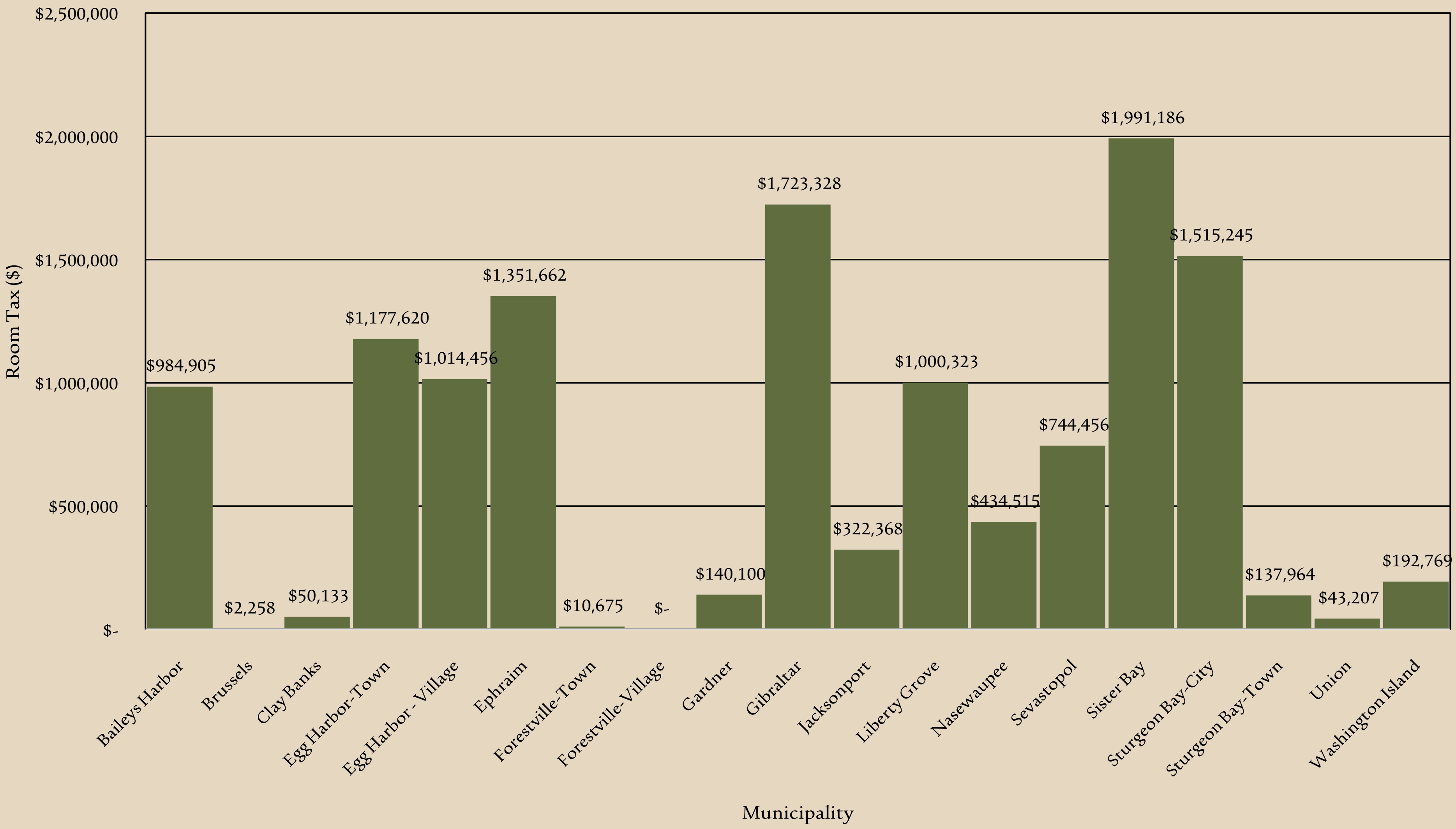


Lodging Sales By Property Type

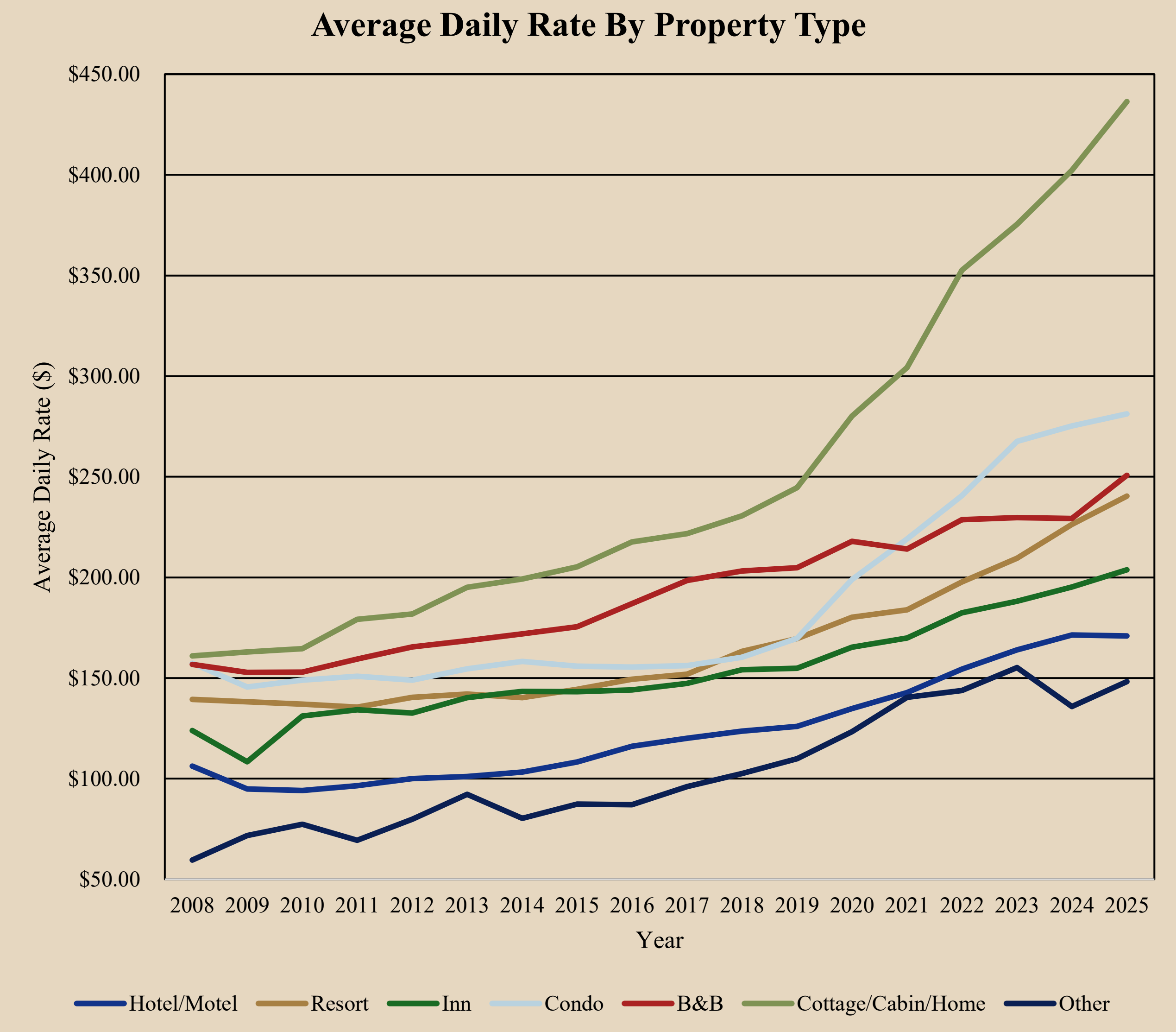


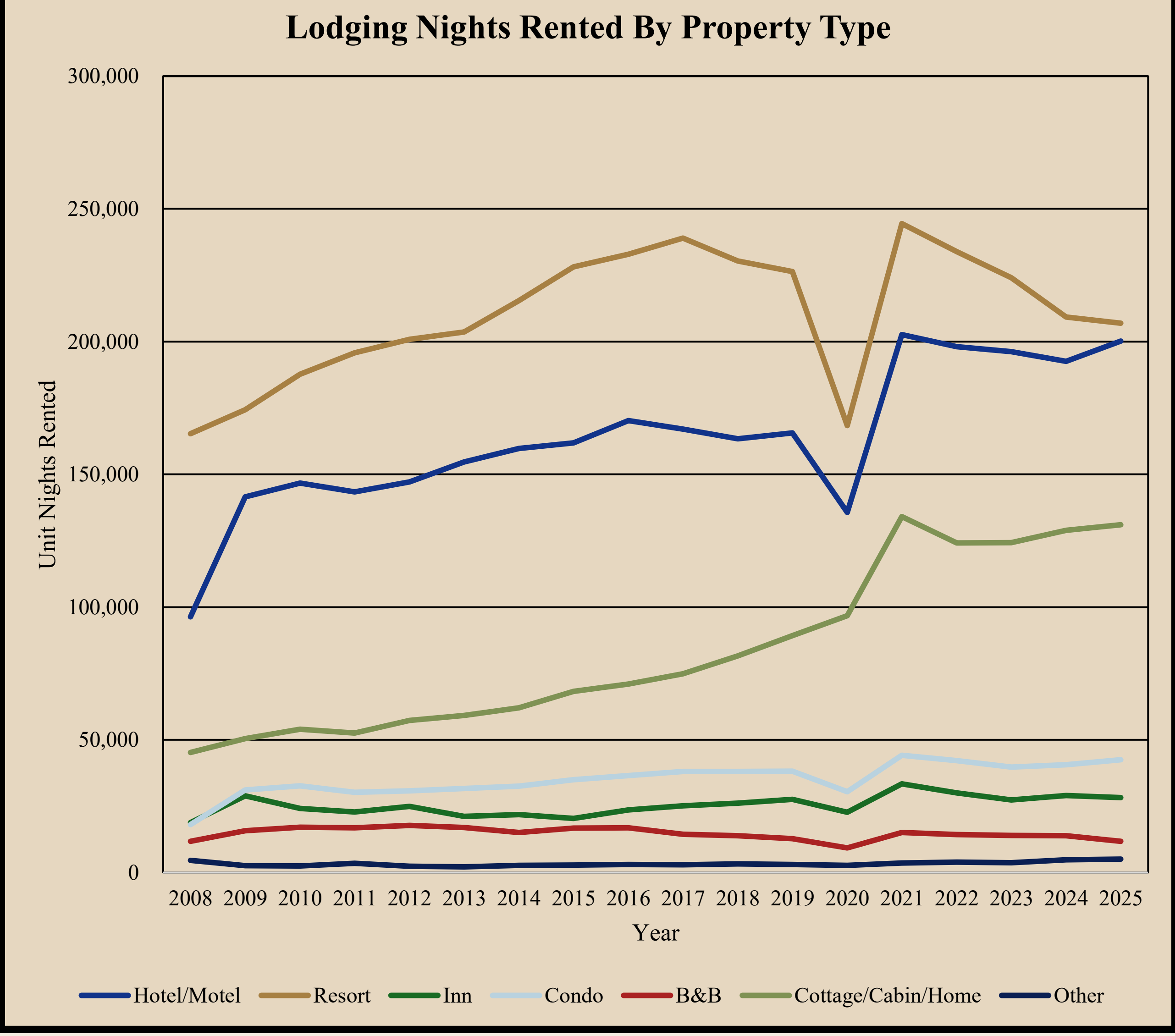
The data included in this graph is listed as-of June 15, 2026 and therefore may vary slightly from previous year-end totals.

Room Tax By Municipality



Average Daily Rate Vs. Units Sold





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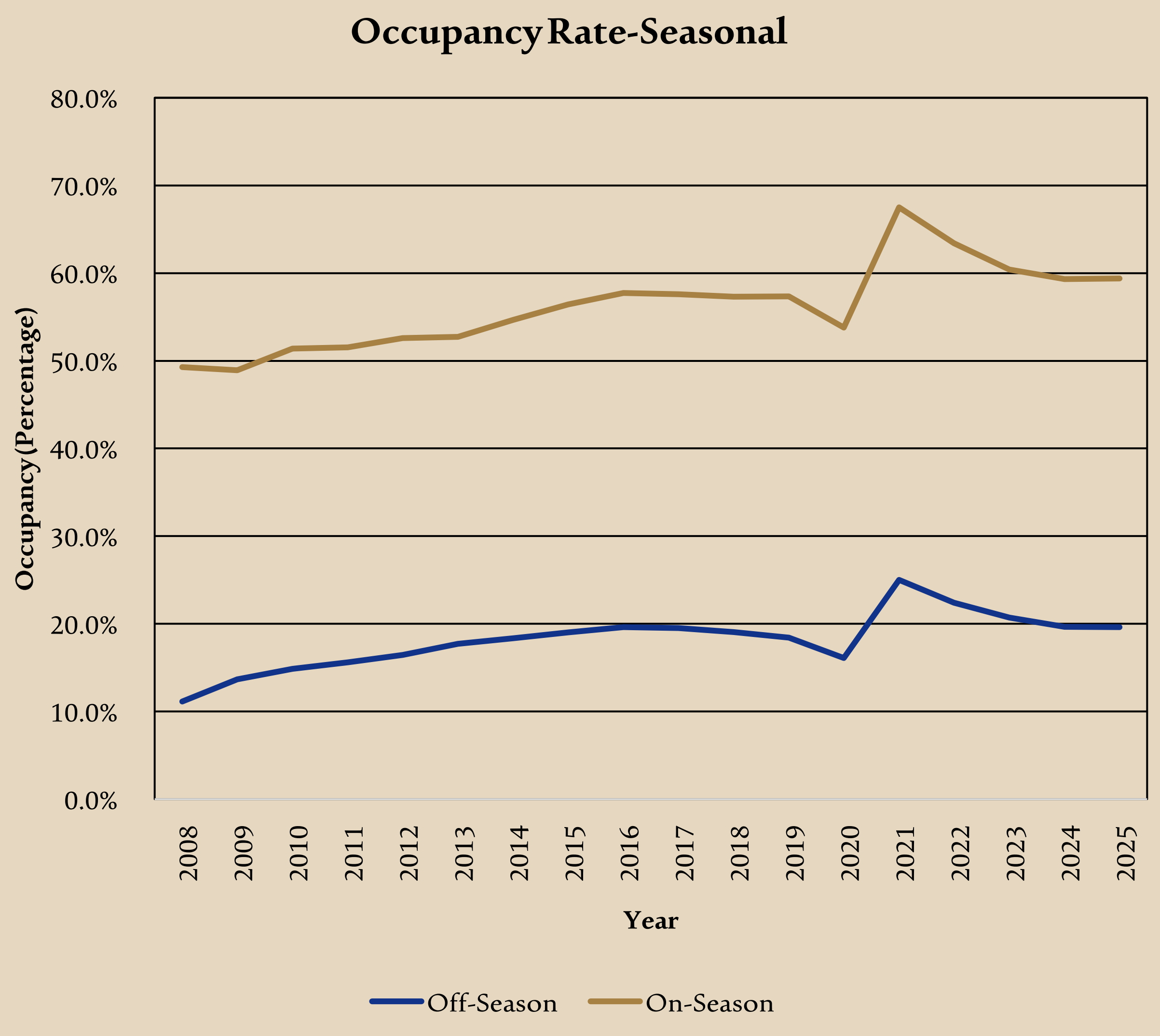
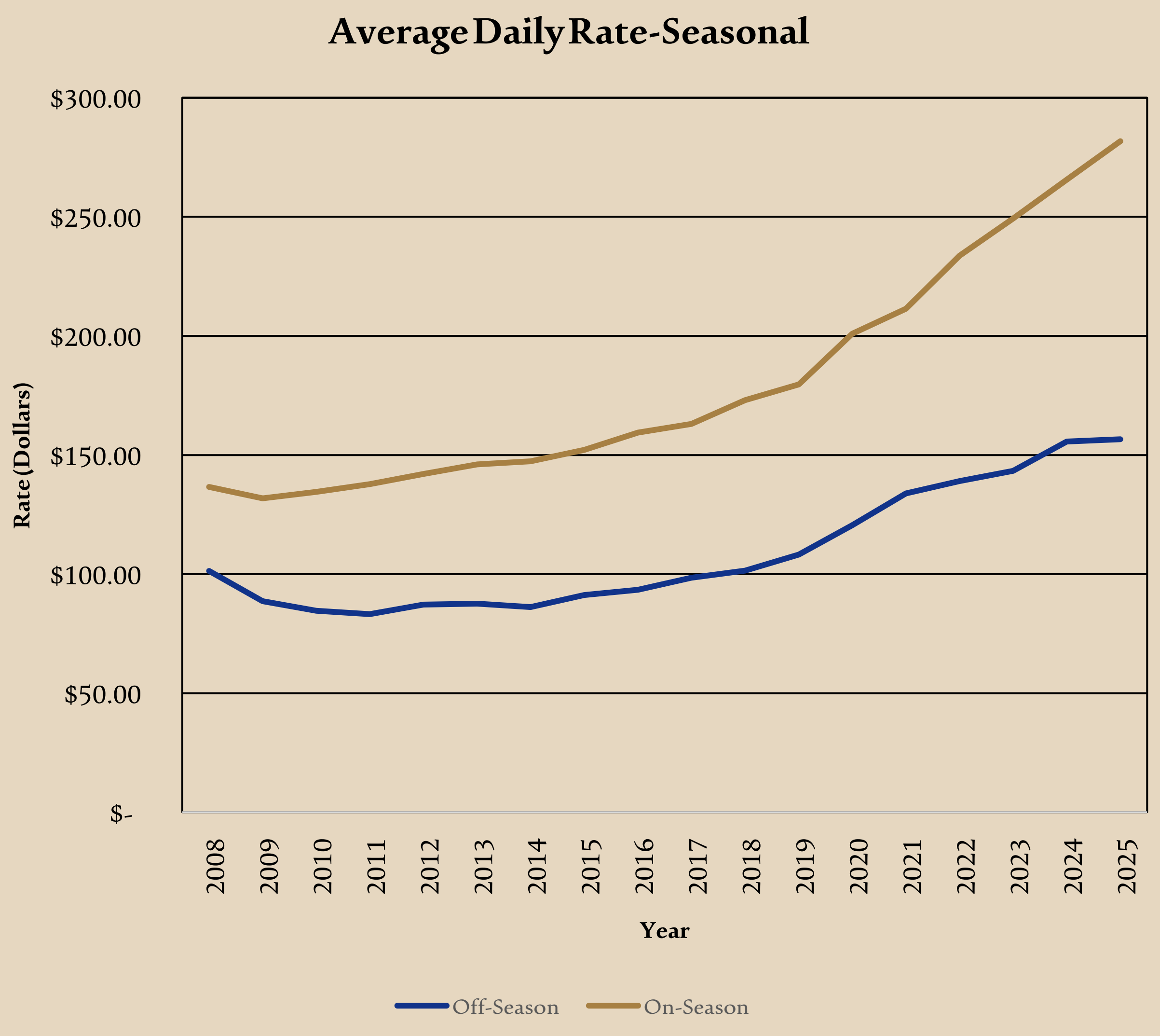
Seasonality





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Compliance Overview

Permit holders must prove exemptions via sales data and receipts. In the second half of 2025, 71 permit holders were audited and $1.4 million in exemptions were examined. Exemption errors total $192,327-mostly from larger entities.

Out of 153 permits issued in 2025, 18 were issued due to compliance efforts.

1,042 late and missing reports were recovered due to compliance efforts, in addition to 218 amended reports.

An audit of new permit holders utilizing marketplace providers revealed that new permit holders were completing room tax reports at a rate of 41%. Now that we are fully staffed, our tax specialist is contacting all new permit holders for random audits from their first year.

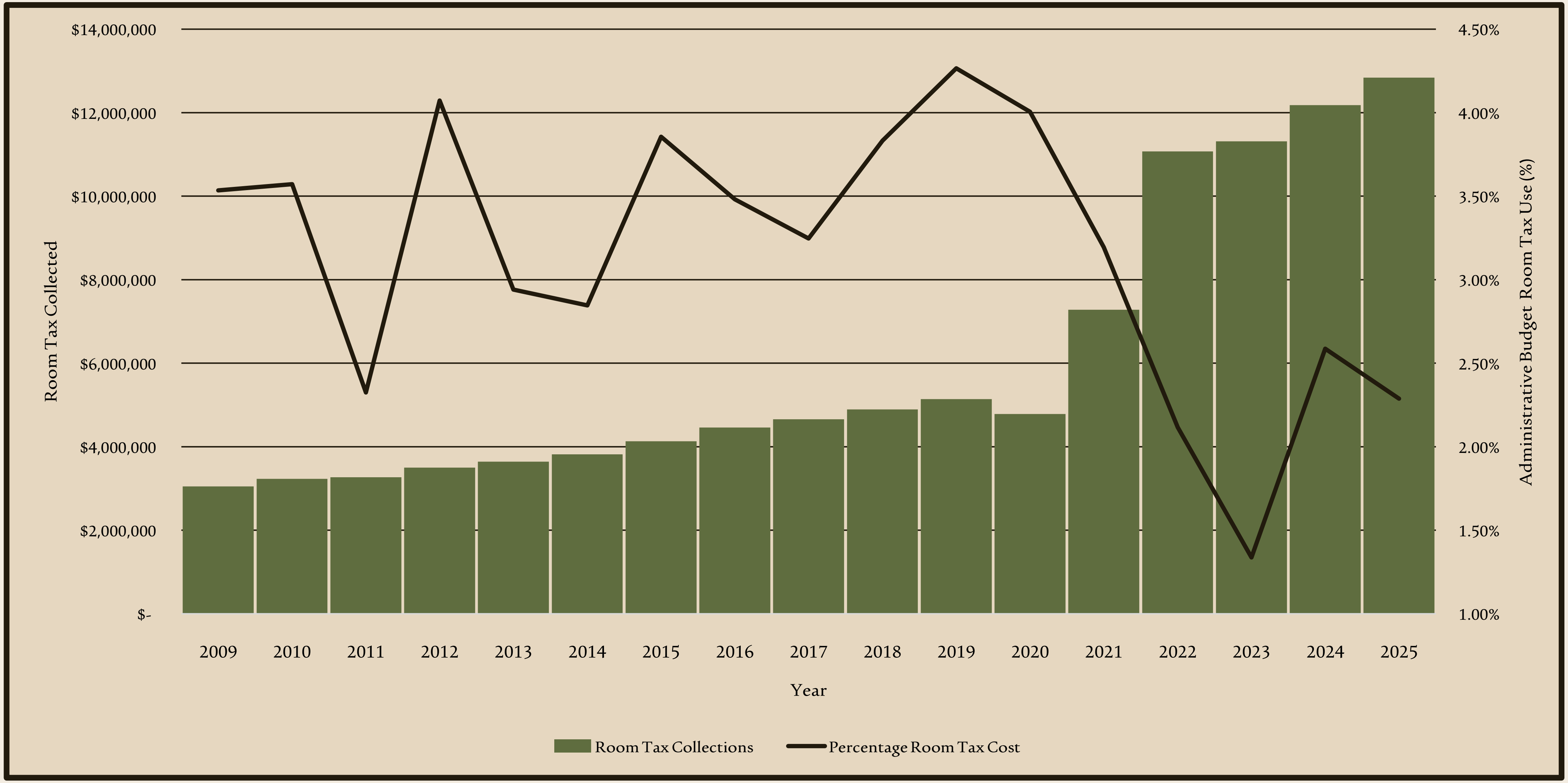
Net Position and Liabilities

The Tourism Zone is funded by our member municipalities. Destination Door County refunds municipalities for their contributions through the use of tourism promotion and development applicable activities.

Interest, repaid legal fees, and late penalties offset additional costs to reduce the amount municipalities contribute to our operations on an annual basis.

2025's total expense percentage was 3.91% of the room tax collected. After fees were recovered, the Tourism Zone's budget utilized 2.29% of room tax funds. This percentage was abnormally low due to short-staffing and legal fee repayments from previous years' legal judgment payments.

Room Tax Collected Vs. Tourism Zone Net Expenses 2009-2026



Cash Position

- Unrestricted fund position-Beginning of 2025-$679,617
- Unrestricted fund position-End of 2025-$802,501
- Goal reserve: 30% of our annual budget-approximately $170,000.
- Payment of $100,000 for 250th anniversary celebrations in June 2026.
- $144,000 surplus estimated and applied to 2026 budget, actual was $120,000
- Legal fees and interest income far above budget ($72,836 vs $21,530 expected)($34,590 vs $3,200 interest expected)
- We aim to operate at below 4% room tax usage for budget.

Staff Proposals To Make Room Tax More Fun

Penalties less than 30 days late can be paid by purchasing coffee for the staff or forgiven by performing a musical act for the Commission (a la America's Got Talent) and receiving a positive majority vote from Commissioners.

Room tax reports more than 30 days late can be paid in:

- Native plants and/or fruit trees
- Baking/cooking equipment
- Espresso makers

Chocolate fountain to be included in all Commission meetings

Legal Disclaimer: The Previous Slide is a Joke

2026 Goals

- Releasing excess marketplace provider funds via education and report compliance efforts
  - Locating video creator to produce utilizing education funding before the end of 2026.
  - Produce training effectiveness metrics
- Modify website to increase efficiencies and reduce accounting costs
  - Include stakeholders (municipalities, lodging providers, agents, accounting firm) in process.
- Reduce restricted fund overage.
- Reduce Marketplace Provider holdings by 12%.

Thank you!