

# Minnesota Resorter

*Resorters Helping Resorters*



Fall 2011  
Vol. 27 No. 3

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## Apply for a CMR Scholarship!

The Congress of Minnesota Resorts (CMR) was established in 1984, with our theme of "Resorters Helping Resorters." One of our goals is to provide scholastic achievement within the resorting community. Three \$500 scholarships are awarded each year. The scholarships are to be used for tuition and/or related fees by providing assistance to students in pursuit of their academic or vocational advancement. The scholarship funds are made available to children and grandchildren of CMR members. An eligible member is one who has been a member for at least three consecutive years and is currently a member in good standing. Associate members are not eligible for scholarships.

### Who is eligible to receive a scholarship?

1. A junior or senior in high school who is planning to attend a four year college, a community college, or a vocational/technical college.
2. A current undergraduate or technical school student.

NOTE: There are no requirements regarding the course of study a student intends to pursue.

To obtain an information packet contact the Congress of Minnesota Resorts office at:

**[CMR@Minnesota-Resorts.com](mailto:CMR@Minnesota-Resorts.com)** or

**1-320-212-5107.** You can also

print a form from the CMR website, **[www.Minnesota-Resorts.com](http://www.Minnesota-Resorts.com)**.

**DEADLINE TO APPLY: MARCH 15th**

# Minnesota Resorter

*Resorters Helping Resorters*



A Congress of Minnesota Resorts Publication

Fall 2011

Vol. 27 No. 3

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*About the cover:* Eagle View Resort was one of the three resorts featured in the Congress of Minnesota Resorts Fall Resort Tour, September 2010

The Minnesota Resorter is a triannual publication of the Congress of Minnesota Resorts. The opinions expressed in the articles printed herein are those of the authors and do not necessarily reflect the opinions nor the official position of the CMR nor any of its officers, directors, or members. Please address any comments or inquires to the committee contact. The Minnesota Resorter is printed by Arrow Printing.

# From Your President's Pen



**President Ed Fussy**  
**Congress of Minnesota Resorts**

Hello Fellow Resorters!

The season has ended for some, is winding down for others, and for those that are open year round, maybe there is a small break coming for you in between seasons. For those closed or winding down, if you're like us, we have made a list of what absolutely needs to be fixed or replaced, and then there is the "wish" list of things that would be nice to fix up or replace, depending on time and money. Money being the

heavy factor; that is why it is important to keep our rates up so there is money to maintain and make improvements. I know I've said it before, but even in hard economic times, I think it's important that the resort industry doesn't go backwards. Maybe that would be a good topic for a cracker-barrel at the Fall Conference!

Time is one thing I am hoping to have more of; this is the last President's Pen I will be writing. Our government has a two term limit for president which I think is a good thing! Although I don't think I want to be affiliated with those guys. In fact, I wouldn't want their job; I only want to tell them what to do!! LOL ...That is "laugh out loud" for those of you like me, that didn't know what it meant. My 12 year old daughter informed me of that and told me not to say HaHa anymore! Which got me to thinking how some things have changed in the 17 years since we purchased our resort. It started out that all you needed for advertising your resort was a nice brochure and membership in your local chamber. That went to needing an informational website - and then blogging was the "in" thing. Now it's Facebook and Twitter! I don't know that I'll ever "tweet" - who thinks of this stuff anyway, but then I did say we wouldn't be on Facebook either, which is on my list to do! Makes me wonder what the next years will bring!

The state shutdown added some challenges for some this summer. We personally didn't have any cancellations due to the shutdown, but I do wonder how many potential reservations we lost because of it. We did pick up some business for our small campground and a couple of our cabins due to the State Parks being closed, but a lot of the inquiries had what we call "sticker shock"! Which only re-enforces what I thought all along, that the state competes with the private sector when they start building camper cabins and purchasing campgrounds! I do believe we need state parks for people to go to, but I don't think the taxpayers should have to subsidize other people's camping vacation!

I hope you were able to attend the Fall Resort Tour held in the Walker area. If you didn't attend, you missed out on the opportunity to take home some great ideas! At each of the five resorts on the tour, we were greeted by fellow resorters who showed us around, answered our many questions and helped us make our to-do lists for next year!

The CMR's Fall Conference is right around the corner. I invite you to attend the conference. If you've never been to one, it's a great way to meet fellow resorters and to acquire some new information that you can use in your business. It's an enjoyable couple days, and I have never left a conference regretting that I went.

Another thing to start thinking about is the CMR's Day on the Hill that is held in February. We are always looking for some warm bodies. Last year we heard it directly from the legislators, that the more people we have down there, the better it is for us! So no more excuses, this year plan on attending!

In closing, I would like to thank you for giving me the honor of being President of the CMR. It has been an enjoyable couple years, well, except for writing these President's Pens! I enjoyed working with the board members that take the time away from their resorts to work on your behalf. If you want to get a firsthand view on how the CMR works, I would suggest you become a board member. It's a good way to become involved and take home a lot of knowledge to use in your own business.

See you at the Fall Conference!  
Ed Fussy

FALL  
CONFERENCE

TURN TO PAGES 6 & 7  
FOR INFORMATION ON THE  
26TH ANNUAL CMR FALL CONFERENCE



# EDUCATION

## It's Showtime!

By Su Ugstad, Balsam Bay Resort



I'm referring to the 2011 CMR Fall Conference Vendor Show, of course!

It's an excellent time to meet with vendors to discuss their products and services in preparation for next season, or upcoming winter projects.

You can avoid the anxiety next spring of "OMG I haven't ordered my resort apparel yet!" by ordering directly from the vendors at the fall show, or just spend the time to familiarize yourself with the products in a relaxed setting with no high pressure selling.

Some examples of past exhibitor products are: customized resort clothing, gift items for resale, financial planners, credit card processing,

insurance, docks, boats and motors, pre-built cabins, accountants, used hotel furnishings, fire prevention equipment, real estate brokers, hotel/motel supplies, golf cars, bird watching and more. There's something for everyone.

Plan to attend this year's CMR Fall Conference at Sugar Lake Lodge in Grand Rapids October 30 to November 1. It's a great way to network with fellow resorters and learn new and valuable information that concerns our industry. While there we ask that you patronize and support the vendors and sponsors that help make the Fall Conference possible by attending the Vendor Show on Monday, October 31. A Show you don't want to miss!



*Above and to Left: Merchants and Resorters at the 2010 Vendor Show*

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26<sup>TH</sup>  
ANNUAL

# 2011 FALL CONFERENCE CONGRESS OF MINNESOTA RESORTS

**Sunday, October 30th - Tuesday, November 1st**  
Sugar Lake Lodge, Grand Rapids MN

## Fall Conference Highlights Include:

### Retain Repeat Guests via Consistent Personal Branding

How you greet your guests and how you relate to them when they stay and depart - is it consistent with the image you try to communicate through all your marketing tools? Paula Frings is a nationally known motivational speaker who will address issues impacting how to relate to your customers with personal branding to keep them coming back year after year.

### Mapping Your Business

Does your business have a sign on the digital superhighway? Can people find your business when they search online maps or a GPS device? This marketing presentation will enable you to make sure your business is a roadside destination in the digital world.

### MN Unemployment Insurance, Jim Hegman, UI Program Performance and Outreach Director

With today's economy, some of your seasonal employees may have filed for unemployment. Are they eligible when they know their job is seasonal? How does this affect your UI rate? How are benefits calculated? Does the state or federal government set the laws? Are other seasonal businesses treated differently (i.e. golf courses)? Plan to get answers to your questions

### Are Men and Women Really from Different Planets

This session is designed to promote the best possible communication between men and women at home and in the workplace. Learning the cultural differences, together with a good sense of humor, is the first step to meaningful inter-gender communication.

### How to Keep Your Resort Viable in This Economy

A panel discussion involving several different professional people sharing their experiences and offering advice and answering questions from the conference attendees.

### How is New DNR Legislation Affecting Your Resort? Bob Meier, MN DNR Assistant Commissioner

We look forward to creating a dialogue between our resort industry and top state level DNR, specifically addressing the following issues: Impact of a possible non-resident fishing license fee increase • Effect of the state shutdown of the ELS • New northern pike regulations • Two line angling language • Walleye stamp - all funds to private growers • Shoreland rules.

Contact Kim Bowen, Crow Wing Crest Lodge at  
[relax@crowwing.com](mailto:relax@crowwing.com) or 218-652-3111

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### Legislative Update

Our Congress of Minnesota Resorts lobbyist, Joel Carlson, leads this session with help from our legislative committee. Some of our Minnesota politicians may even show up!

### Explore Minnesota Update

Hosts from Explore Minnesota will be available to share the happenings in our resort industry at the state level.

### Silent Auction

Our ever famous auction hit an all-time high last year and we want to beat those numbers this year! Consider donating one or more items to the auction and then be sure and attend so you can bid on some "once in a lifetime" items with the proceeds benefiting our legislative efforts.

### Vendor Show

Join all your fellow resort owners on Monday for the vendor show with **door prizes for everyone** in attendance! See what's new in our industry, talk to your insurance man, be the first to buy that 2012 water toy! This show gets bigger every single year and this year's show will not disappoint you!

### CMR Cracker-Barrels

Our always popular chat sessions will be held several times during the conference so we can all share any concerns we may have, what new ideas we tried this year, what didn't work for us...or ask that question of your peers and get some great help!

**And of Course the Grand Prize Drawing! You must be present to Win!**



THE CONGRESS OF MINNESOTA RESORTS FALL CONFERENCE WILL BE HELD AT...

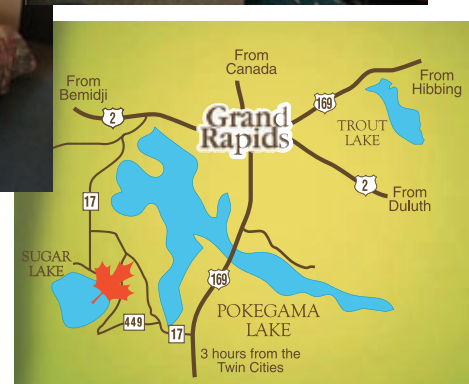
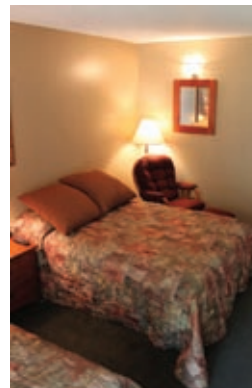


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# EDUCATION

## The Perfect Garden For Me

By Karen Senger, Cedar Point Resort

*This garden was featured on the CMR's 2010 Fall Resort Tour. This year's Resort Tour was held after the publication date.*

We built this garden right outside the back door of the lodge. That way if I have a spare minute (which we all know, are very few), I can just go out there and enjoy the garden.

I wanted it raised so I wouldn't have to bend down so far. The first year we had just the main "U" shaped part which is 10' x 10'. Each side is 4 feet wide with a 2-foot walkway in between. We added half-log siding to the outside. There is 4-foot wire on the top. We did add rock inside the "U" so it wouldn't be muddy.



When it was built, Tim put posts (buried 2 feet in the ground) on each corner and in the middle of the 10-foot sides. We lined it with plastic, but kept the bottom open for drainage. The dirt is about 2 feet deep. The only design issue is the far corners. It is difficult to get to them when the plants grow up. It is a long stretch. I have stood on the sides and reached over the wire. I'm sure that I am quite a sight, but I don't mind. I think that having removable wire sides might solve that problem. Mostly I just let the weeds grow tall in the corners and overlook them!

I realized that I wanted a strawberry patch and/or a place for zucchini or cucumbers, so Tim built the "side" garden for me this year.

That is about 4 feet by 10 feet and 1 foot deep.

I get a lot of comments from guests, and I think it looks nice. Since spring is such a busy time and that is when gardens need planting, my daughter helps tend the garden as my Mother's Day present. I love it!

## Mouse Bait Tube

By Nancy Loren, Little Boy Resort

This is our seventh summer as resort owners. This idea came from another resort owner whom we heard at our first fall conference. We made them right away and haven't had mice in the cabins since. Our seasonal campers have also put them under their campers with full success. Start with a 10 inch section of 4 inch diameter PVC pipe. Place a cap on each end. Take one end cap and drill a 1 inch hole in the center. Do not glue the ends on, you will remove once or twice a year to refill with 2-4 bait blocks. We leave them under cabins all year.





## Five Things You Should Know To Reduce Credit Card Chargebacks

By The Team at PowerPay

For more information about processing within the hospitality industry, you can visit them online at [www.powerpay.biz](http://www.powerpay.biz) or call them at (877) 775-6900



According to Visa, a **chargeback** is the reversal of the dollar value of a particular transaction by the card issuer to the acquirer, and usually, by the merchant bank to the merchant. For the merchant

business, chargebacks can be costly. You may lose both the dollar amount of the transaction being charged back and the related sale. Plus, you also incur your own internal handling costs to process a chargeback. There's no way to completely avoid them – chargebacks are going to occur. So how do you minimize the risk of one occurring and cut down on additional expenses to your resort?

First, it's important to understand why chargebacks happen. Some of the most common reasons for chargebacks are:

- **Customer dispute**
- **Fraud**
- **Processing errors**
- **Improper authorization**
- **Inaccurate transaction information**

With this in mind, there are certain steps you can take to reduce the occurrence of a chargeback as much as possible. Here are some common best practices for your resort:

### **1. Make sure to get valid authorization codes for ALL credit card charges.**

It's important to note that if the final transaction amount is more than 15% of the initial quote or estimate, then you'll need to get a new authorization for the difference. An example is when a guest makes a reservation online; the final amount may be much higher at checkout. This could be due to an additional night's stay, raiding the minibar or taking advantage of any additional services associated with the room. In this instance, you can reduce the risk of having a chargeback simply by getting another authorization code for the final amount, along with a signature, at checkout.

### **2. Your refund and cancellation policies should always be clear to the guest IN WRITING.**

Make sure that your policy is well-defined in your agreement and clearly presented to the guest with a confirmation number that includes all of the pertinent information. If there's a cancellation, be sure to present the guest with a cancellation number. Avoid both voice authorizations and cancellations, as every communication should be in writing.

This information should also be evident on your website. It should be designed so that the policy is displayed for the cardholder to simply "click to agree" during the reservation process. Visibly display your "No Show" policy and make sure it is compliant with the Visa/MasterCard guidelines.

### **3. Protect your establishment from unpaid damages by having the guest sign an agreement IN ADVANCE.**

Damages cannot be billed to the cardholder after-the-fact unless the cardholder signs an authorization admitting to the damages and authorizes the amount to be charged to their credit card. That's why it's essential to include verbiage on your agreement upon arrival and have the guest sign separately at checkout.

### **4. Safeguard from unnecessary refunds by indicating how many and the exact dates of stay for your guests.**

Be sure to indicate if your guest actually stayed in their room for any of the nights and how many. If your guest did not stay for the entire reservation, they may be due a partial refund.

### **5. Always try to resolve the dispute directly with your guest BEFORE processing a chargeback.**

Keep in mind, the guest must have made a valid attempt directly with your business to resolve the dispute BEFORE processing the chargeback. Always try to resolve the dispute directly with your guest and be sure to keep accurate records of all of your attempts to satisfy your guest's dispute including names, dates and times.

Even when you do receive a chargeback, you may be able to resolve it without losing the sale. Simply provide your merchant processor with additional information about the transaction or the actions you have taken related to it. For example, you might receive a chargeback because the cardholder is claiming that they were not refunded a room. You may be able to resolve the issue by providing proof that you submitted the credit on a specific date. Send this information to your merchant processor in a timely manner.

Although chargebacks can be costly, with these best practices in mind, you can not only reduce expenses, but you can also create customer loyalty.

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RESORTER**

# 2011 Congress of Minnesota Resorts Scholarship Award Winners

## Congratulations to the 2011 CMR Scholarship Winners!

The Congress of Minnesota Resorts (CMR) was established in 1984, with our theme of "Resorters Helping Resorters." One of our goals is to provide scholastic achievement within the resorting community. Scholarship moneys became available from the previously pledged \$1000 to the Minnesota Office of Tourism Endowed Chair, and in March of 1996, the CMR Scholarship Program was set in motion. With the addition of the Carol Kirchner Memorial Scholarship in 1999, three \$500 scholarships are awarded each year. The scholarships are to be used for tuition and/or related fees by providing assistance to students in pursuit of their academic or vocational advancement.

Every year we have top quality applicants, all worthy of the awards. This year was no exception. The CMR Scholarship Committee and Board wish to extend our congratulations to the following recipients of 2011 Scholarship winners

### Carol Kirchner Memorial Scholarship:

**Grace Larson**, Daughter of Jim & Kelly Larson, Niemeyer's Rugged River Resort

### CMR Scholarships:

**Joshua Hays**, Son of Joel & Tracey Hays, Bear Paw Resort

**Alyssa Novotny**, Daughter of Mark & Beth Novotny, Hyde-A-Way Bay Resort

*We would like to wish you all the best in your advanced educational pursuits.*



## Grace Larson

Daughter of Jim & Kelly Larson,  
Niemeyer's Rugged River Resort  
*Carol Kirchner Scholarship*

### Life as a Resort Owner

Helping to run a resort that has been passed down from my grandparents to my own parents is something that I hold dear to my heart. It has taught me important values such as hard work, spending time with family, and appreciation for nature. Cleaning cabins and getting down and dirty in the fish cleaning shack isn't necessarily my ideal image of a summer day, but doing these chores has given me the not-afraid-of-some-hard-work edge that many people struggle to attain. Running a resort with my family has provided us with bonding opportunities that otherwise wouldn't have been possible. There is something special about helping your dad install a septic system, assisting customers with your mom, running some firewood out to the campers with your siblings, and then being able to spend the evening fishing all in the same day. Being constantly surrounded by the beauty of Minnesota wilderness has instilled an appreciation for the natural world deep within me. In order to minimize pollution in this world we shut off lights, recycle, and enforce responsible boating and fishing habits at our resort. Not many high school students have the privilege of being part of a family owned resort. I am proud to say that I own a resort and I believe that it has shaped me into the person I am today as well as the person I will become.



The question they had to answer was, "How has living and working at your family's resort shaped your present character and your future plan?"



**Joshua Hays**  
Son of Joel & Tracey Hays,  
Bear Paw Resort



The transition from being a guest at resorts and campgrounds, to becoming the family owner, was an extremely weird feeling. It took me a year to realize that by living at the lake I have the privilege to swim whenever I wanted to.

I met many friends and became close to some, always counting down the days until they would return so we could have another week packed full of fun.

After a couple of years my social skills were building. Meeting new people and making friends was my specialty. It didn't matter what age the guests were because we always had lots of fun enjoying swimming, volleyball, or basketball. Even playing with the little kids and teaching them how to do projects was a blast.

When I go to college next year, my goal is to major in Math Education and become a Teacher. I feel that my experience here at the resort has taught me better communication skills that will help prepare me to be a teacher working with students and parents. Helping kids and teaching them always makes my day no matter what the age group. I plan on teaching until I'm no longer able.



**Alyssa Novotny**  
Daughter of Mark & Beth Novotny,  
Hyde-A-Way Bay Resort

I never really understood why my parents wanted to own a resort until recently. When I was younger, I hated it, I hated how much work it was and the only thing I enjoyed was playing with the kids that came and eating all the candy. I remember how all the kids thought I was so lucky to be the owner's daughter, and I always had to tell them that it wasn't as it seems. But as the old saying goes, the grass is always greener on the other side.

When I moved away from home for a year, I was thrust into the working world to sustain my living. I began to understand why my parents would choose such a career. My parents love people and love the Lord. As resort owners, they are able to serve others with the love of Christ within them. Our resort isn't very fancy compared to some other's I have seen, but that isn't what makes it special. My parents' love for the people and the environment is what makes it special. My parents chose this life because they love it. I have seen through them how much hard work pays off.

# THE CONGRESS OF MINNESOTA RESORTS



## What the CMR Can Do for You!



## MARKETING



Your resort is listed on our website [www.Minnesota-Resorts.com](http://www.Minnesota-Resorts.com).



Our site is professionally marketed through links, banners and extensive search engine optimization.

## LEGISLATION



Full-time lobbyist working for the interests of **RESORTS ONLY!**



Day on the Hill- Make your voice heard in St. Paul.



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## EDUCATION



Fall Conferences and Spring Workshops - informative sessions and networking with other resorters.



School of Resorting educational classes.



Yahoo Groups - online resort chat room.



Members only online resources on our website.

PLUS- Vendor Discounts to CMR Members • Educational Scholarships • "Resorters of the Year" Award • And Much More!



# THANK YOU, THANK YOU, THANK YOU!!! *Resorters Helping Resorters - Since 1985*

*Thank you to all who were on board for the website's Last Minute Openings (LMO) web enhancement. I have been able to fill the openings I had for the last 4 weeks. We were concerned a month and a half ago. In this last week I have spoken to two people who were looking for openings. At that time I had just filled the vacancy for the week they were looking. I had to tell them I was full, and when I tried to explain about CMR's LMO, they told me they were already on CMR's LMO map page. That is how they had called us!*

*Jim, Kohl's Resort*

*To Jennifer Bateman, Two Inlets Resort, regarding the CMR's 2011 Day on the Hill Event*

*We wanted to thank you and the other CMR members for making this a great experience for us. We felt very welcomed by all and really appreciated everyone's kindness and help getting us thru yesterday. Please pass this on to the others that did such a great job setting this up.*

*Shaun & John Karakash, Retreat Lodge, Lake Vermilion*

## JOIN THE CMR - YOUR MEMBERSHIP COUNTS

Your membership in the Congress of Minnesota Resorts (CMR) is a good investment for both you and your resort business. Join in the organization's philosophy of "Resorters Helping Resorters." So many benefits await you! Fill out the membership application today and become a member of a unique association of resorters, run by resorters, for resorters. Our focus is very clear!

Resort Name \_\_\_\_\_ Lake \_\_\_\_\_

Owner/Manager \_\_\_\_\_ Years in resorting \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip (9 digit) \_\_\_\_\_

Township \_\_\_\_\_ County \_\_\_\_\_

Phone \_\_\_\_\_ No. of rental units \_\_\_\_\_ No. of bedrooms \_\_\_\_\_

Resort E-mail Address \_\_\_\_\_ Resort Website Address \_\_\_\_\_

Membership investment is only \$16.00 per bedroom (Min. \$160.00 for 10 bedrooms or fewer, max. \$830.00 for 53 bedrooms or more.) Membership rates good through Aug. 31, 2012.

Associate Memberships - Dues \$160.00 For vendors and for those with an interest in resorting but not owning a resort.

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New London, MN 56273-0358

Questions regarding Membership?  
Contact Vicky at [CMR@Minnesota-Resorts.com](mailto:CMR@Minnesota-Resorts.com) or 320-212-5107



## CREAMED CORN

- 3 (1 lb) bags frozen sweet corn, store-bought or fresh-frozen
- 1 8 oz pkg. cream cheese, cubed
- 2 T sugar
- 2 T milk
- 7 slices American cheese

Mix all ingredients together in crock pot on low for 6 hours. Can also be cooked in pot on stove.

## RHUBARB CUSTARD DESSERT

- 1 yellow cake mix
- 4 cups rhubarb, chopped
- 1 cup sugar
- 1/2 pint whipping cream

Mix cake mix as directed on package and pour batter into a greased, 9 x 13 pan. Cover batter with the chopped rhubarb. Sprinkle the sugar over all. Pour whipping cream (unwhipped) over all.

Bake at 350° for 50-60 minutes. Serve warm with ice cream or whipped cream. Store in refrigerator.

## DELICIOUS STRAWBERRY SALAD

- 1 head romaine lettuce (or mixed lettuce)
- 1 red onion, chopped
- 1 pint strawberries, sliced
- 1 cup cashew pieces

### Dressing:

- 1/3 cup sugar
- 2 T poppy seeds
- 3/4 cup mayonnaise
- 1/4 cup milk
- 2 T white vinegar

Tear lettuce into pieces; add onion, strawberries and cashews; toss. Mix the dressing ingredients together and pour over salad just before serving. Delish!



## TACO PIZZA

- 1 baked pizza crust, purchased or made
- 1 can black beans
- 1 packet taco seasoning
- 1 cup shredded cheddar cheese
- Shredded lettuce
- Chopped tomatoes
- Light sour cream for garnish
- Crushed taco chips for garnish

Drain can of beans and smash with fork or potato masher; mix with taco seasoning and spread on baked crust. Sprinkle 1/2 the cheese on beans and bake at 400° for 10 minutes. Remove from oven and top warm pizza with lettuce, tomatoes and rest of cheese. Garnish with dollops of sour cream and sprinkle crushed chips over all. Cut and serve.




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## New Website Feature Recently Launched!

By Su Ugstad, Balsam Bay Resort

The first of two new website projects this year is now LIVE on the CMR website:

[www.Minnesota-Resorts.com](http://www.Minnesota-Resorts.com)

A new icon entitled “Last Minute Openings” now appears above the featured search options of Fishing Getaways, Family Vacations and Winter Resorts.

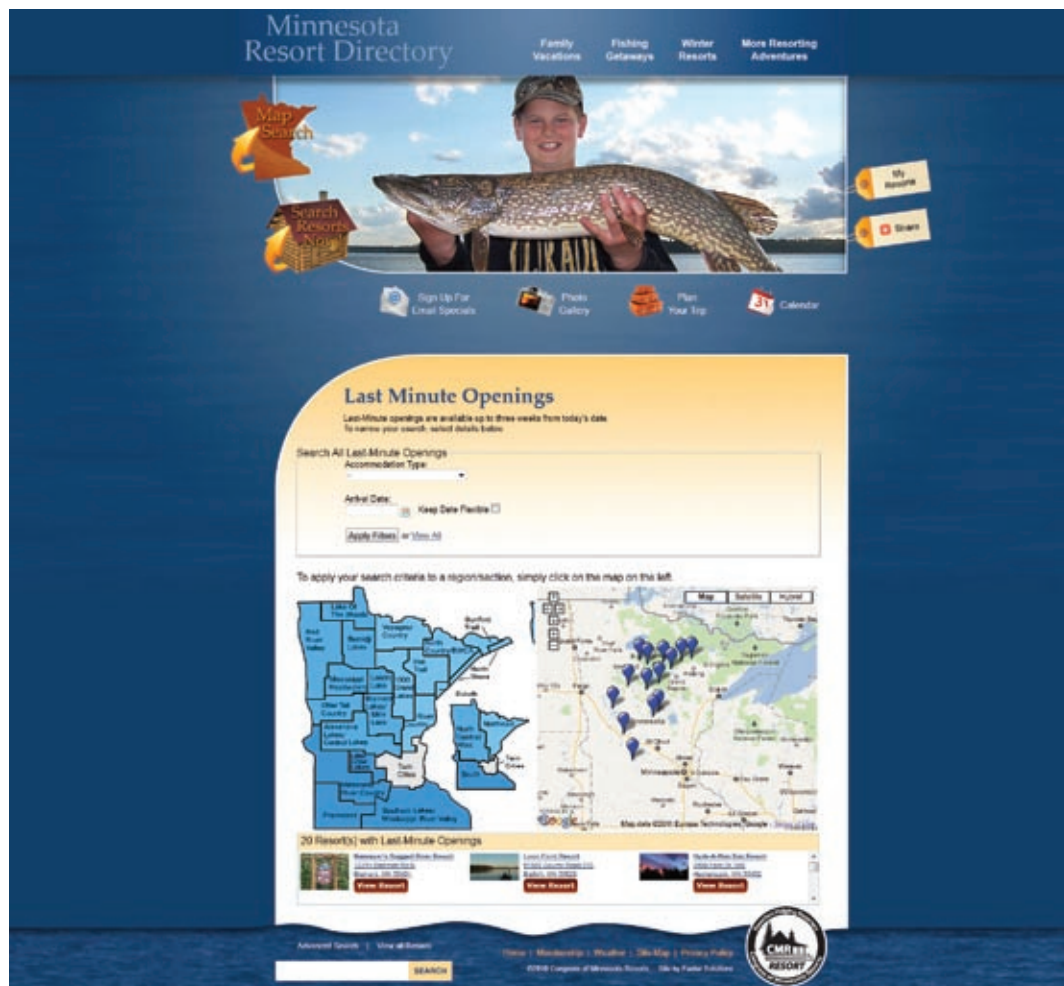
Website visitors will be able to click on the new icon and go to a map that shows your last minute vacancies; but only if you’ve listed them! So here’s what you do: Go to membership and login to your profile page. Scroll down to ‘Advertise your Last-Minute Openings’. You should come to a page with instructions for listing your openings by accommodation type, start date and days available.

You can put listings in for vacancies out three weeks of your listing date. There is a seven day max set for dates available. So for example, if you have a cabin that is open for two consecutive weeks, you’ll need to put in two separate listings (one for each week).

A push pin shows up on the regional map when a visitor clicks on the Last Minute Opening icon. When they cursor over the pin, the available resorts with vacancies are listed. When two or more resorts show up in the ‘bubble’ that pops up over a push pin, further details on these vacancies can be found when the visitor clicks on the resort name. Visitors can also filter the results by selecting a region, accommodation type and date.

Many members have already taken advantage of this new feature with positive results. Here’s a testimonial from Jim at Kohl’s Resort:

*“Thank you to all who were on board for the website’s Last Minute Openings*



*(LMO) web enhancement. I have been able to fill the openings I had for the last 4 weeks. We were concerned a month and a half ago. In this last week I have spoken to two people who were looking for openings. At that time I had just filled the vacancy for the week they were looking. I had to tell them I was full, and when I tried to explain about CMR’s LMO, they told me they were already on CMR’s LMO map page. That is how they had called us.”*

We hope that all CMR members will find this new feature helpful in filling those unwanted vacancies or cancellations. Good luck!

## Coming Soon!

*The CMR website: [www.Minnesota-resorts.com](http://www.Minnesota-resorts.com) will soon be going Mobile! It may already be launched prior to this publication.*

In an effort to keep up with today’s technology and our guest’s increasing use of wireless devices, CMR decided to construct a ‘mobile’ version of the new website specifically designed for use on mobile devices such as smart phones, ipads, etc. It’s becoming the only way many people access the internet, and we want to be assured that the CMR, and your resort, is found in a user-friendly manner to this segment of the market. Its simpler, easy to read design will still include all the key information needed to find member resort listings. Visitors will also have the option to access the full site if they desire.

*This is part one of a four-part series, Easy Sustainability - Resorting to Best Practices, on easy, proven, and low-cost or no-cost ways to improve the efficiency of your operations and cut your fixed costs without changing the experience of your guests and clients.*

## Warming up to Efficiency during the Winter Season

By Michelle Vigen, Campaign and Metrics Coordinator of the Clean Energy Resource Teams (CERTs)

*When the season changes from fall to winter, for many resorts, that might mean catering to the seasons and hosting families of cross country skiers, rather than a golfing group. Or, winter is an exhale and a time to prepare for the next spring and summer season.*

*Either way, winter reminds us of heating costs, which in Minnesota, can be significant. Luckily, there's a lot that resorts can do to control and bring down heating and cooling costs year round. And winter is an ideal time to take a closer look.*

The hospitality sector, resorts included, sets a gold standard of experience. When guests go on vacation, they expect to leave their work and home responsibilities back home. They look forward to treating themselves to a hot luxurious shower, coming in to a pre-heated or pre-cooled guest room, and watching their favorite shows on their bedside television. For guests, it's about what the experience their resort of choice delivers.

What guests *won't* experience, however, is the cost of a steamy and long 25-minute shower, or the dollars spent keeping a room or cabin heated or cooled while everyone's gone to dinner. Guests enjoy the amenities of their stay without incurring the incremental costs of their energy use like they do at home. When they check out, energy isn't an incidental, it's included and the bill goes to the resort.

The invisibility of guest energy use also means, however, that guests can't see the high-efficiency ENERGY STAR furnace, the programmable thermostat that detects when their room is unoccupied and drops 3 degrees, or the high-efficiency luxury showerhead.



The energy used to provide key services is always in the background and can affect the bottom-line. For example, upgrading from a 3.0 gallon per minute (gpm) showerhead to a 2.0 gpm model can save you 15 gallons during a 15-minute shower. And many older showerheads use much more than 3.0 gpm. Upgrading to a new and more efficient showerhead could prevent \$85 a year in water and energy from going down the drain *per room*.<sup>1</sup>

Multiply that by even ten guestrooms or cabins and you start to get significantly lower water costs and lower water heating costs, as well as providing a new showerhead, never mind gaining kudos from environmentally-conscious guests.

The same math applies for other efficiency strategies: In lodging facilities, little things applied to each room or cabin can add up very quickly!

1 - Assumes 60% occupancy, 1.5 guests per night, average costs.

## Question:

**I want to save a lot of energy and money. How much can we set our thermostats back?**

### Answer:

Try the Energy Star recommended settings (below) first. If you ever feel like you could change your temperature to save more energy, try setting your thermostat up or down a degree temporarily. If you find that it is still comfortable for you and your guests, you can program your thermostats to that temperature.

#### Recommended Settings

Mode	Time Interval	Efficient Winter Setting	Efficient Summer Setting
Wake: Home in the morning	6am	70 °F	78 °F
Day: Gone for work/school	8am	62 °F	85 °F
Evening: Home in the evening	6pm	70 °F	78 °F
Sleep: Home asleep	10pm	62 °F	82 °F

Comfort will also depend on how well the cool stays in your buildings. Your guests will be the best gauge - and if you let them know that you're trying to conserve throughout the resort, they might be able to help you and take it a degree higher (or not)!



The list below outlines seven strategies you can take during the winter season to ensure year round guest comfort *and* efficient operations.

- **Door sweepers** - Install a rubber or metal panel on the bottom edge of the door to minimize drafts and keep warm air inside. Hint: If the floor is level or above the threshold, you can add weather stripping to the threshold to stop drafts.



- **Windows covering** - Use insulated curtains and rope caulk around the window frame to prevent drafts and maximize comfort near windows.

- **Showerheads and faucet aerators** - Upgrade to efficient showerheads and faucet aerators to save hundreds of dollars a year in water and hot water savings (Most cost-effective investment.) Hint: To be efficient but maintain good flow, look for 1.5 gpm showerheads and 1.0 gpm faucet aerators.



- **Furnace seasonal check-up** - Check inside your furnace to be sure your fan belt is sound. Vacuum out the dust and change the air filter to ensure the most efficient and reliable operation of your heating system.

- **Water heater cover** - Wrap your water heater in an insulated blanket or foam from your local hardware store to keep your hot water from cooling between periods of use. Hint: Precut jackets or blankets are only \$10-20. You can also insulate your input and output pipes.

- **Programmable Thermostat** - Install a programmable thermostat to give you and your guest the automated control needed to maintain comfort and minimize useless cooling and heating. Hint: Check your local utility for rebates!



- **Upgrade appliances** - Take the appropriate steps to upgrade your water heater, furnace, or even guest room air conditioners to an ENERGY STAR model. Receive rebates from your utility for these energy-saving upgrades. Hint: Explore solar water heating if you have high hot water demand for savings you can show off!

The list above contains nothing fancy or difficult, but these strategies can minimize uncomfortable drafts and ensure that you're heating and cooling your guest rooms and not the great outdoors. Apart from the last two items, these upgrades are low-cost measures that improve infrastructure as well as save energy. Most of these items can be found at your local hardware store and are easy to install on your own.

Think of these measures as high-return investments. Showerheads and faucet aerators can pay back as quickly as a few months. Programmable thermostats can have a return on investment of over 50% and furnace upgrades can result in 11% back per year. These are investments that will make your business operations more efficient -- providing the same (or even upgraded) service with less cost and less resources.

If you're doing work in energy efficiency at your resort, it can be helpful to connect with others in your community doing similar projects. Share what you're doing, and tell your guests how you're taking steps to provide a more comfortable and energy efficient stay. Upgrading heating and cooling efficiency strategies give you the control that saves resources, saves money, and gives guests a comfortable stay.

For more information about ways to enhance guest experience through energy efficiency, check out *The Sustainable Energy Solutions Guide for Minnesota Resorts*, a publication from the University of MN Tourism Center at <http://www.travelgreen.umn.edu>.

For other resources on ways to save in your lodging business, visit the Clean Energy Resource Teams (CERTs) at <http://lodging.mncerts.org>.

*Michelle Vigen is the Campaign and Metrics Coordinator of the Clean Energy Resource Teams (CERTs). She has been working with the help of the University of MN Tourism Center and Explore MN Tourism in energy efficiency over the last two years. Michelle works to help hospitality businesses maintain the high quality experience of their business through cost-effective operations upgrades. For more information, visit <http://mncerts.org> or email [vigen010@umn.edu](mailto:vigen010@umn.edu).*

## Video Marketing Is Social Media Marketing

By Karen Smith, Internet Marketing Strategist, Midwest Captions, Inc.  
www.MidwestCaptions.com

When we think of Social Media Marketing, we think of Facebook and Twitter, but video is another Social Media Marketing tool that can help you get traffic to your website--and one we strongly encourage you to use. If you're not using video to market your property or service, you're missing out.

### Video Marketing is High Traffic, High Value

- A few years ago, around 78 million videos were uploaded to YouTube. That number is growing at 20 percent every month.
- If you have video on a page of your website, there is a 75% chance the visitor will watch it.
- Over 75% of the U.S. Internet audience now views online videos.
- YouTube is now considered the second biggest search engine after Google.
- The average person spends 15 minutes a day on YouTube.

In addition to YouTube, video marketing can include a number of other great video submission sites that have a large audience and would be good for you to try. Metacafe provides movie trailers, a great way to attract video enthusiasts to their website. They get more than 3 million views a day. This traffic doesn't compare to YouTube's over 2 billion views a day, but spreading your videos across the web using different video sharing sites will help get a more diverse audience to view and share your videos. Both Vimeo.com and Break.com receive over 1 million page views per day. If you have questions, you can follow these video sharing sites on Facebook, where you can ask questions and even mingle with the video watching audience!

### How do we take advantage of that traffic and how will it help our website?

Each time you upload a video to a video sharing site you should create a link to your website in the description, which will help promote visits to your own website content.

Remember Social Media Marketing is about being social, it's not about uploading a commercial for your property. It's about interacting with potential guests or customers.

### What type of video can we create? What would our potential visitors find valuable?

- How-to-video is popular. How-to de-bone a walleye. Or, how-to get up on water skis might make an interesting topic that would catch a soon-to-be vacationer's attention.
- Interview a long time guest, or select a topic and ask one of your guests to interview another guest. Make it youthful, try giving one of your child guests a flip camera to interview another child.
- It can be about your area. Carry your camera with you. Eagles flying over your lake would make a great video. Capture turtles

making a nest and laying eggs on your shoreline. Think about the uniqueness of your property, and you'll come up with plenty of good ideas.

- Maybe you could educate viewers about area events and activities that would be interesting to someone who is looking for a vacation.

Adding videos to your page can help your site in several ways. The video you use on your site should be a different style than video you upload to other video sharing sites. You might try something that welcomes your viewers to your website; you could talk about property improvements, new water toys, or special offers. These videos make your site more interactive and can be used to help the visitor find the most important pages on your website. Video may also encourage visitors to stay on your website longer which, in turn, helps your overall ranking in Google.

Video on your blogs or vlogs can be a great way to capture the attention of your viewer. It might help to make blogging easier for you since you can talk about the important facts you want them to take away from the video. In these situations, you can use your own videos, or you can embed one from YouTube. Keep in mind the embed code YouTube automatically generates will suggest other related videos at the end of the video clip. These suggestions could lead your viewer away from your website and onto another. Using your own video with a standalone player and storing your video with a Simple Storage Service like Amazon's S3 might be a better alternative if you don't want your audience to leave your site.

Keep in mind that most video sharing sites ask you to upload original videos, which means once you upload to one site you should not upload that same video to another video sharing site. This guideline is probably due to the video site trying to abide by Google's duplication guideline. If you want to use a video that you have already uploaded to a video sharing site on your website, blog or vlog, it is best to use the embedded code they supply to avoid posting duplicate content.

### Getting Started . . .

- All that's needed is a one minute video of people enjoying themselves; it doesn't have to be complicated, but it should be interesting.
- Value and interaction is the key.
- *Pick up your video camera and start shooting!*



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**Interacting With Potential New Customers**

By Lynn Scharenbroich, Black Pine Beach Resort

**Existing guests are so wonderful!**  
 They know us.  
 They know our property.  
 They're comfortable committing their dollars  
 to our resort.



New folks, on the other hand, can be hard to convince to become a customer in the first place. They're skeptical of something new...just like all of us are.

So how can that skepticism be alleviated so that they're more likely to reserve a cabin? What will make them get comfortable with the idea of staying with us?

What makes you more inclined to buy? Identifying that might be a good starting point for crafting a strategy.

**Why I Buy**

*I am not made more comfortable by hearing about a deal or unexpected discount during a conversation with an unknown someone from a place I've never done business with before. I do become more amenable to the potential new business if I observe:*

- *Genuine, friendly and attentive behavior*
- *Conversation directed to me, not general groups like me (Ex.- Most fishermen like...; most young families prefer..., most retired folks choose..)*
- *Clear interest in what I want and a determination to provide it*

*That increases my trust level and I move closer to becoming a customer. Lots of little 'other stuff' comes into play too, of course, and that's what sets each business apart and provides diversity for the consumer.*

The 'magic bullet' is really you. You know your strengths. Decorate your interactions with the irresistible attraction of attentiveness and genuine interest in your potential new guests. The caller, emailer, or stop-in looker will feel increasingly inclined to book with you. It's a magic trick you can perform time after time. Is it a 100% guaranteed? Nope, but in a world of complicated tactics and strategies, it might just be this easy path that carries the brightest potential this time.

**New Congress of Minnesota Resorts Members**

**New Resort Members**

**Ken & Kath Reinarz,**  
 Eagle Ridge Resort,  
 Tenstrike

**Ronald Meyers,**  
 Eden Acres I,  
 Alexandria

**Roy & Kay Huddle,**  
 Huddle's Resort,  
 Walker

**Rick & Diana Dodge,**  
 Shady Hollow Resort,  
 Brainerd

**Fred Bobich,**  
 Sugar Lake Lodge,  
 Grand Rapids

**Warren Anderson,**  
 Anderson's Northland Lodge,  
 Walker

**New Associate Members**

**Bill & Erin Charlton,**  
 Becker

**Welcome New Members!**

# LEGISLATION

## Congress of Minnesota Resort's 13th Annual Silent Auction

By Pat Addler, Cedar Rapids Lodge & Dave Thompson, Fisherman's Village Resort, co-chairs

We hope you are making plans to attend the CMR Fall Conference at Sugar Lake Lodge in Grand Rapids, MN. Each year during the conference, the CMR holds a Silent Auction. All the proceeds from the auction go directly towards our legislative efforts. The CMR, along with our lobbyist Joel Carlson, work hard for all Minnesota resorts as advocates for legislation protecting resorters' interests and the resort industry. To date, we have raised over \$23,000 to further resorting in Minnesota!

On behalf of the CMR, we are asking each of you to donate one or more items of value. What to donate? Choose something you would bid on. It can be a handmade craft or a purchased item. Some items donated in the past are: handmade furniture, wall decorations, wildlife prints, tools, gift baskets, fishing items, guided fishing trips, quilts, and gift cards (ex: Home Depot, Menards, or Fleet Farm). The purpose for donating an item is to create a bidding war and raise money for a great cause!

If you are not a member of the CMR, as a resorter, you still benefit from our lobbying efforts in St. Paul. Please consider donating to the CMR's Silent Auction and help us in our legislative efforts.

You don't have to attend the Fall Conference to donate auction items. Donations can be mailed to: Pat Addler, 25387 Everts Rd NE, Tenstrike MN 56683. However, we want to personally encourage you to attend

the conference if at all possible. It is worth your time and money.

Not only do we want you to donate to the Silent Auction; we want you to bid! Come to Grand Rapids prepared to participate in this fun fundraising event. You can bid on the items during the entire conference, getting something great for yourself, and supporting our lobbying efforts at the same time. We need to continue to have a strong voice in St. Paul.

If you have questions about the Silent Auction or want to let us know what you're donating, please contact Pat Addler at 218-243-2487, [vacation@crldodge.com](mailto:vacation@crldodge.com) or Dave Thompson at 218-495-3326, [frisvilg@prtcl.com](mailto:frisvilg@prtcl.com).

Thank you for your generosity!

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—Gregg Hennum, Sportsman's Lodge

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## Legislative Update

By Joel Carlson, Lobbyist for the Congress of Minnesota Resorts

### 2012 Legislative Session...more of the same?

With so many new faces and a sharply divided state government, the 2011 legislative session and the extra innings produced a final result that nobody much likes or supported. The 20 day state government shutdown (the longest in U.S. history) ended with Republicans spending \$1.4 billion more than they wanted and Governor Dayton conceding on his effort to impose a income tax increase on high income Minnesotans.

The “compromise” required the state to borrow another \$700 million from Minnesota school districts (we now owe them \$2.1 billion) and borrow another \$700 million more backed by the proceeds from the State’s 1998 settlement with tobacco companies. Legislators started out in January singing the most overplayed song at the Capitol this session – Don’t be kicking the can down the road – but many observers believe that’s pretty much exactly what happened.

The government shutdown produced many losers and lots of pain. In addition to the 22,000 laid off state employees, thousands of campers kicked out of state parks, road contractors shuttered and millions of dollars withheld from state vendors, many resorters felt the pain as well. Lacking the ability to sell fishing licenses due to the DNR closure, many resorters lost thousands of dollars in cabin bookings during the prime three weeks of July.

Apologies won’t make bank payments or buy bait – but that is about the only response you’ll get from legislators for the loss of business. The state government finance bill that passed during the special session prevents any payments to vendors like resort owners for loses during the shutdown.

The 2012 election will sort out some of the blame for the shutdown – until then Minnesotans will have to live with the consequences of the inaction and do what they can to repair the damage on their own.

### Legislators return on January 24, 2012

Legislators are set to return to business next January with an uncertain economic future and a fragile budget. The session is expected to be completed by early April, so there will not be a lot of time in the 2012 session to advance an expansive agenda.

The November budget forecast will likely show little improvement in the state’s fiscal outlook and will reflect the millions lost during the shutdown. Given this stark reality, many legislators are pursuing a government reform agenda intended to direct attention away from the budget discussions.

Many of the suggestions on the table have been tried before without success, like the constitutional amendment to require a 3/5 vote of the legislature to raise any taxes. Most policy experts feel such a proposal would provide even greater legislative gridlock (hard to imagine that one!). Such a high number of “yes” votes needed to act is very rare - and is used only in extreme situations like expelling a member for misconduct. However, if the objective is to make certain there will never be a tax increase for any reason, this provision would almost guarantee it.

Many resorters would like to pursue a reform that would preclude the state from shutting down licenses agents even if state government is temporarily out of business. We have also been approached about seeking an upward adjustment in the resort property tax tiers, eliminating the restricted plumbers license requirements, and again trying to address the vacation rental home issue.

We’ll have a better look at the session when we get to the Fall Conference. We’ll also have a chance to talk about the issues that may surface in 2012 and how we can keep educating the 63 new members of the legislature.

We know this – legislators need to hear from resorters now more than ever so that they can fully understand that their actions (or inaction) can have devastating impacts on your business, tourism and the economy.

## Support the CMR’s Efforts at the Capital

By joining the Congress of Minnesota Resorts you help defend your values and interests as a resort owner.

### As a member, you can:

**Stay Informed** - Get legislative updates so you know what’s happening around you and what bills legislators are trying to pass that may affect your resort business.

**Be Heard** - The CMR Day on the Hill is your chance as a resorter to speak to your congressmen and women. Let them know your concerns about new legislation.

**Make a Difference** - None of us is as smart as all of us! YOUR ideas and input can help make a difference in the resort industry.

*Go to page 12 for more information on what your membership can do for you!*



*House Majority Leader Matt Dean and Speaker of the House Kurt Zellers with some of the CMR Day on the Hill 2011 attendees.*

## New Debit and Credit Card Fee Legislation Takes Affect

By Dave Thompson, Fisherman's Village Resort

### First the Facts

Your CMR President Ed Fussy and I represented the Congress of Minnesota Resorts in Washington in March as part of a large group of small business owners that take credit and debit cards as payment for services or products we sell in our businesses. Our goal for the trip was to speak with Senators Amy Klobuchar and Al Franken about the upcoming vote on the Tester Amendment that would delay the implementation of the already passed non-partisan legislation, the Dodd-Frank Wall Street Reform and Consumer Protection Act. That act was due to take effect July 21, 2011. Chris Tiedeman of Weber Johnson Public Affairs invited us and hosted our trip. Thanks to Chris's leadership, the group's trip was successful.

Senators led by Richard Durbin, the Illinois Democrat who pushed to include a debit card swipe-fee cap in the Dodd-Frank Act, turned back the proposed delay in a 54-45 vote in early July that left the amendment six short of the 60 needed for approval. Both Minnesota Senators voted against the Tester Amendment and supported the original Act. The CMR is very pleased with the outcome of the vote and with the support small business received from our US Senators.

The next step in the process was that the Federal Reserve Board had to rule on exactly what the new fee cap would be. The legislation had suggested between 7 and 12 cents per transaction. Unfortunately, the Board seemed to listen more to the Banks' position than the intent of the legislation.

The new cap of 21 to 24 cents a transaction, down from an average of 44 cents before the law passed, is roughly double the 12 cents tentatively proposed by the Fed last December. After approving the lower fees, the Board of Governors of the Federal Reserve System said there was no way of knowing what the effect of the new rules would be, although they will be watching the results closely.

"I think this is the best available solution that implements the will of Congress and makes good economic decisions," Fed Chairman Ben S. Bernanke said in voting to approve the rule. The Board voted 4 to 1 in favor, with Elizabeth A. Duke dissenting. Governor Duke said her primary concern was about an exemption built into the law that gives smaller banks with less than \$10 billion in assets a pass on the fee cap. These smaller institutions could charge retailers a higher transaction fee for debit card purchases.

Governor Duke and other governors questioned whether and how that exemption would work. The Board agreed to monitor the charges, known as interchange fees, to see how the revenues of small banks were affected, and whether merchants appeared to be rejecting cards that they knew would require them to pay a higher processing fee.

The new fee schedule includes three parts: a maximum interchange fee of 21 cents, a 1 cent addition that is allowed if the bank issuing the debit card develops a fraud-prevention program, and a variable charge of 5 basis points or five one-hundredths of a percentage point (0.05%) of the value of the transaction to recover a portion of fraud losses.

So for the average debit card transaction of about \$38, that variable



fee would be roughly 2 cents, which would produce an upper limit, on average, of 24 cents a transaction.

The new rules will go into effect on Oct. 1, 2011. The Federal Reserve Board will accept comments on the proposal to allow a 1-cent addition for fraud-prevention efforts.

Below is the press release from the Board: (to save space in this publication I have listed the web link)

<http://federalreserve.gov/newsevents/press/bcreg/20101216a.htm>

The other two main parts of the Dodd-Frank Legislation to help small businesses with high debit card fees are:

- 1.) No restrictions on offering discounts for use of a form of payment. The payment card network shall not inhibit the ability of any person to provide a discount or in-kind incentive for payment by the use of cash, check, debit card or credit card.
- 2.) No restrictions on setting transaction minimums or maximums. A payment card network shall not inhibit the ability of any person to set a minimum or maximum dollar value for the acceptance by that person of credit cards, provided that such minimum or maximum dollar value does not differentiate between payment card networks.

So what this means is you do not have to take rewards cards or corporate cards, which have very high processing fees. Also it means you do not have to accept cards for payments on very low priced items, you can now set a minimum purchase price. Here's an example at my resort: A walking store customer of mine may come in and want to purchase a can of Pepsi for \$1 and use a debit or credit card. Now I can say that they must spend \$25, for example, to use a credit or debit card. In the past according to this scenario, I paid 55 cents for the can of Pepsi and sold it for \$1. If someone paid with a credit card, the transaction, settlement, and all other fees involved cost 44 cents or more depending on the card. So it cost me a minimum of 99 cents to sell a can of Pepsi for a \$1, and depending on the card, it may cost as much as \$1.27 to sell that \$1 can of Pepsi. Under the former laws and contracts, if we accepted credit card payments, we had to take all cards for any amount.

### Now-Just My Opinion!

I have read many documents from the actual legislation to the Federal Reserve Board ruling. I have also read many editorials and opinions from national newspapers. In the end, the Federal Reserve Board changed the intent of an act of Congress. This is what I believe:



***The Federal Reserve Board is protecting the largest banks.***

The Board increased the cap amount more than 75% from its proposed rate without any new information or data to justify the increase. The Board folded under bank pressure to consider non-ACS costs (ACS refers to the expense to authorize, capture, and settle each transaction.) in setting a “reasonable and proportional” fee.

The final rule does not promote competition or fraud-prevention in the payment system.

***The Federal Reserve Board gave a multi-billion dollar giveaway to big banks.***

The Board’s final rule is a windfall for the banks – based on the Fed’s own 4-cent cost estimate for processing a debit transaction. The rule guarantees banks AT LEAST a 500% profit on each debit transaction. Without any new financial data, the Fed raised the per-transaction cap from 12 cents in its proposed rule to 21 cents PLUS a .05% amount on each debit transaction.

The cap set by the Fed is HIGHER than what merchants currently pay for secure PIN debit transactions.

***The Federal Reserve Board allows banks to include data in the books that adds costs that do not affect debit card transactions:***

The final rule directly goes against the letter of the Durbin amendment

and allows banks to add costs to the books and include every cost they can think of. The final rule takes into consideration network fees and many fixed costs that go toward checking accounts, credit card operations and other bank operations. THERE IS NO JUSTIFICATION FOR MERCHANTS TO BE PAYING FOR THE GENERAL COST OF RUNNING A BANK THROUGH THEIR DEBIT CARDS.

***The Federal Reserve Board is helping the Visa monopoly.***

The Fed supported LESS competition in network routing – less than often exists today. The final rule requires only one signature-debit routing option and one PIN-debit routing option, which means that many transactions will not have any competition at all among networks.

The result will be that Visa and MasterCard will not face competition when setting pricing. THIS WAS ONE OF THE MAIN ARGUMENTS WE MADE TO SENATORS IN WASHINGTON IN MARCH.

**How will this impact YOU as retailers?**

This is a complex rule – we may not know the full effect for years to come. This will affect different retailers in different ways. Even though this wasn’t what we were hoping for, on the whole this will be an improvement for many of us depending on how many customers use debit cards to pay us.

In conclusion, I learned from this fight that nothing is ever over in Washington.

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