



# CHAMBER NEWS

*A publication of the Waconia Chamber of Commerce*

February, 2012

**Many Thanks to these businesses who have already made their membership commitment for 2012!**

1st Str Construction & Pinnacle Woodworking	Everday Accounting, LLC	Medallion Cabinetry	The Scrappin' Nook
A-1 Electric Service	Fabron of Greater Minneapolis	Melchert Hubert Sjodin, PLLP	The Stash of Waconia
A.A. Segner Insurance Agency	Factory Direct Furniture Express	Memorial Blood Centers	Thrivent Financial for Lutherans
Alpine Ingredients LLC	Faith Evangelical Lutheran Church	Mid Country Bank	Town & Country Glass, Inc.
American Family Insurance	First Minnesota Bank	Midwest Expanded Metal	Transport Security
American Thom Agency	Franklin Printing Inc.	Midwest Vintage Snowmobile Show	Travel Easy
AmericInn of Waconia	From the Paws Up	Milltronics Manufacturing	Trinity Lutheran Church & School
<b>Ameriprise Financial</b>	Frost & Steam	<b>Mini Biff</b>	Waconia Area Women of Today
At the Farm	GBG Mechanical	Minnesota Valley Electric Co-op	Waconia Deputy Registrar
Auburn Home in Waconia	GK2 Promotions	Mocha Monkey	Waconia Dodge
Augustana Emerald Crest	<b>Golden Dragon</b>	MRCI WorkSource-Chaska	Waconia Farm Supply
Balance Life Therapeutic Massage & Wellness	Greater Vision Media	Muller Family Theatres-Waconia	Waconia Ford
Bayview Elementary School	Handy Home Pro	Mutts on Main	<b>Waconia Moravian Church</b>
<b>BIG Athletics</b>	Heavenly Patchwork Quilt Shop	NRG Plumbing	Waconia Patriot
Bob's Barber Shop	HEI Collision Center	Oakwood Community Church	Waconia High School
Braunwarth Properties/Waconia Landing	HealthSource of Waconia/Neubauer Chiropractic	PemTom Land Company	Waconia Inn & Suites
Budget Blinds	Holiday	Peterson Company Ltd	Waconia Public Library
Carlson's Llovable Llamas	Hopper's Bar & Grill	Pine Products, Inc	Waconia Public Schools
Carver County Development Agency	Hultgren, Hoxie & Waki Orthodontics	Plumbing & Heating by Craig	Waconia Roll-Off Service Inc
Carver County Fair	Imperial Porta Place	<b>Precision Eye Care, LLC</b>	Waconia Trading Company
Carver County Historical Society	In Towne Marina	Premier Custom Apparel Shop	Waconia Veterinary Clinic
Casualty Assurance of Chaska	ISD #110-Community Ed	RE/MAX Action West	Weinzierl Jewelry
CD Products, Inc.	Interlaken Place	RE/MAX Results	Welcome Neighbor
CenterPoint Energy	Island View Golf Club	Real Deals on Home Décor	Western Ob/Gyn, Ltd
CenturyLink	It's a Keeper	Red Oak Garden Center	Westview Acres Good Samaritan
CJW Gardening	James Maiser CPA	Ridgeview Foundation	Wildwood Design
City of Waconia	JIMandSALLY.com Team	Ridgeview Medical Center	<b>Willems Cabinets &amp; Woodworking</b>
Clearwater Clothing	Jim Gilbert's Wild Bird Store	Ridgeview Rehab Specialities	William F Oswald, DDS
Clearwater Middle School	Johnson Funeral Home	Rising Star Dance Academy	Xcel
Cool Breeze Cottage	Karen Kirby	Safari Island Community Center	YellowBook
Creature Works Labs	KleinBank	Salon Trende	Yetzer's Home Furnishings & Floorcoverings
D'Vinci's of Waconia	Ladybug Childcare Center	Schoborg Land Services, Inc	<b>Z Wireless</b>
Dojo Karate	Lake Waconia Event Center	Scholla Financial Inc	Yellow Cell=Denotes New Member
Double A Trucking of Waconia	Lakeview Clinic, Ltd	Security Bank Waconia	
Drazan, Henke & Associates	Laketown Gym	Shaw Construction	
Drs. Dungey, Menser & Associates	Latigo Leasing	Soltis Family Chiropractic	
Dueber's Inc	Legacy Wine & Spirits	Southview Elementary School	
ECM Publishers, Inc.	Lenzen Chevrolet-Buick Inc	Sovereign Estate Wine	
Edina Eye Physicians & Surgeons	Lighthouse of Waconia	St Joseph's Church and School	
<b>Edina Realty-Catherine Seck</b>	Lindemeier Heating & Cooling	Statewide Gas Services, Inc.	
Edward Jones Investments	Lynn Laumann Photography	Subway	
Energy Misers, LLC	Mackenthun's Fine Foods	Sunleaf Natural LLC	
Everson's Hardware Hank, Inc	McDonald's of Waconia	Systemhouse, Inc.	

**Inside this issue:**

- Pg 1 Member news & events
- Pg 2 Guest Editorial
- Pg 3 Minnesota Chamber news
- Pg 4 Board of Directors
- Pg 5 Member Updates & Happenings
- Pg 6 Luncheon News & Calendar



GUEST EDITORIAL

## Regarding Sales and Use Tax Audits of Small Businesses

Respectfully submitted

Ruthe Batulis

Dakota County Regional Chamber of Commerce



The DCR Chamber of Commerce has continued to receive an alarming number of reports from small businesses about Sales and Use Tax audits conducted by the Minnesota Department of Revenue. We assert that these audits create another barrier to business growth and provide an undue burden on our already stressed small businesses. Business owners are intimidated and do not want to publicize this fact, or in any way call attention to themselves and this onerous process out of fear of reprisals by the auditors.

### These are the issues:

1. There is lack of clarity of the Sales and Use Tax laws and many businesses are surprised with tax burdens they were not previously aware of in spite of diligent efforts to understand and comply with the regulations. To make matters worse, due to some of the dollar amounts involved, businesses are forced to go back to their customers years after the sale to try and collect the sales tax. This creates a conflict between a business and its otherwise satisfied customer, hindering growth.
2. These audits consume valuable time, money and energy of our small businesses before and during the audit. Many times these businesses are inundated with detailed analysis and schedules requested by the auditors. The loss of business has been measured by some at hundreds of hours. In addition to the cost of an audit and additional tax payments that are the result of the audit, businesses must also pay their accounting firms and attorneys for their hours.
3. Once companies are audited and correct their tracking mechanisms to isolate the taxable transactions, their competitors may not be doing the same unless they are being audited as well. This creates an unfair competitive advantage as customers are arguing that "...your competitor does not charge me sales tax".
4. It appears there are more dollars spent on examining businesses years after the taxes should have been collected than on educating the business community. This delays the collection of the taxes and for the reasons above place many burdens on Minnesota businesses.
5. Other businesses and their CPA's assert that the auditors' interpretation of the tax laws seem to deviate from the best and generally accepted practices in the tax code.

### Some suggestions for improvement:

1. Shift resources by investing more dollars in educating businesses up front. It is much easier to collect and remit these taxes at the time a sale occurs.
2. Identify common errors in specific industries.
3. Go back to these businesses in the industries that were audited, ask them what trade publications they are reading. Find out who their software vendors are. Publish articles in the trade publications and vendor newsletters educating the industry on these complex sales tax issues.
4. Ask businesses what the state could do to better educate them about these commonly missed taxable transactions.
5. Let businesses know that there are voluntary compliance programs that they can use to protect themselves from many years of non-compliance so they can get compliant.
6. Notify industries when an industry related item is identified under audit. Identify all businesses known to be in that industry and send them updates on what the common issues are.
7. The Department of Revenue performs audits on businesses listed in their database system, these are citizens that file taxes and attempt compliance. Time should be spent on those who fail to file taxes!
8. A first time audit should have a focus on education for the business and have a reduced penalty. Punishment can be more punitive for 2nd and 3rd time offenders.

Please let me know if you can relate to this issue. It helps to have solid stories from businesses in order to help effect change.

Working for business ~ Kellie 442-5812 ksites@destinationwaconia.org



## Grow Minnesota! bolsters Chamber's efforts

By David C. Olson

MINNESOTA  
CHAMBER of  
COMMERCE

The Minnesota Chamber works year-round to enhance the overall environment for business and job growth in Minnesota. Our mission has been supported the past nine years through Grow Minnesota!, our private-sector economic development program aimed at retaining and creating Minnesota jobs.

“Tomorrow’s Workforce” is the theme of Grow Minnesota!’s 2010-2011 program year. The annual report will be released in January on our website at [www.mnchamber.com](http://www.mnchamber.com).

This year’s findings echo a theme heard in several circles. Many companies are struggling to find workers in this challenging economy. When they do find workers, the individuals often lack the right skills.

Grow Minnesota!, in partnership with nearly 60 local chambers of commerce and private economic development organizations, had another impressive year. More than 400 business volunteers assisted chamber staff in conducting nearly 1,000 conversations with owners or top management of companies across the state. Twenty-three percent were revisits of companies from previous years.

The successes achieved would not be possible without the participation and contributions of our local partners.

The visits provide the “eyes and ears” on the changes and, hopefully, growth at almost 1,000 Minnesota businesses. Grow Minnesota! is earning a reputation for connecting individual businesses with necessary private and public resources to address their specific challenges. This past year the program provided one-on-one assistance to 122 firms that resulted in protecting 4,900 jobs.

Equally important, Grow Minnesota! business visits provide important feedback on what’s working and not working in state public policy, especially those policies that affect the development of the state’s economy and job growth. The Minnesota Chamber uses information gleaned from business owners and managers to bolster our agenda at the Capitol. This year’s visits reinforce our top priorities for 2012:

Develop the best talent for our workforce – Chamber initiatives include improving K-12 teacher evaluation and aligning higher education with workforce needs.

Make business costs more affordable – Initiatives include restructuring electric rates so they reflect the cost of serving each specific customer, implementing a state health insurance exchange, and leading the discussion on tax reform.

Ensure fairness in state rules and regulations – Initiatives include creating a permit advocate for large private-sector economic development projects as well as advocating for legal and regulatory reform.

Be innovative and entrepreneurial in delivering government services – Initiatives include leading local and state government service redesign, supporting priority and outcomes-based budgeting and aligning public-sector compensation systems with the private sector.

The Minnesota Chamber truly has a two-pronged strategy for building the state’s economy. We’re still working to strengthen the statewide business climate. Plus, we’re rolling up our sleeves to help companies one at a time. We’re seeing results on both fronts. If your company would like a visit from Grow Minnesota!, please contact Bill Blazar, senior vice president of public affairs and business development, at [bblazar@mnchamber.com](mailto:bblazar@mnchamber.com).

David Olson is president of the Minnesota Chamber of Commerce. For more information, visit the Web at [www.mnchamber.com](http://www.mnchamber.com).

**Board of Directors****Meet your 2012 Board of Directors**

**CHAIR Carolyn Johnson** KleinBank 952-442-2265

Email: ca.johnson@kleinbank.com

**OUTGOING CHAIR Tim Curtis** Waconia Ford 952-442-4411

Email: tcurtis@waconiaford.com

**INCOMING CHAIR Summer Jensen** The Stash of Waconia 612-805-0130

Email: summer@thestashofwaconia.com

**TREASURER Jan Bratsch** Waconia Manufacturing 952-442-4450

Email: JanB@waconiampfg.com

**Kim Mackenthun** Mackenthun's Fine Foods 952-442-5762 (direct)

Email: Kim@mackenthuns.com

**Chris Weiland** 1st Street Construction 952-442-4602

Email: cmegowac@embarqmail.com

**Randy Ash** Trinity Lutheran Church and School 952-442-4165

Email: randy.ash@trinitywaconia.org

**Lynn Laumann** Lynn Laumann Photography 952-442-8249

Email: laumannphoto@embarqmail.com

**Jan Held** Ridgeview Foundation 952-442-6011

Email: jan.held@ridgeviewmedical.org

**Dermot Cowley** Lola's Lakehouse 952-442-4954

Email: Dermot@irishbornhospitality.com

**Curt Stockinger** Milltronics Manufacturing 952-442-1405

Email: cstockinger@milltronics.net

**Martha Kurtz** Creature Works Labs 952-361-9300

Email: mart@creatureworks.com

**Paul Melchert** (member of original Chamber Board 1962)

Melchert Hubert Sjodin PLLP 952-442-7700 Email: pamelchert@mhslaw.com

**Marc Carrier** City of Waconia Liaison: mcarrier.waconia@gmail.com (non-voting member)

*Thank you for your service!*

## Member News & Happenings

### Waconia Winterfest: February 4-6

**Rock on Ice –Friday 2/3–**Waconia Ice Arena

Hot Jams-Disco Balls-Fog Machines-Light Show! All the ingredients necessary to melt the ice!

Cost: Adults \$3.50 Students \$2.50 Skate Rental \$2.50



**Winterfest 5K-Saturday, February 4 8:00AM Registration 9:00AM Race** Check In Location: Waconia Ice Arena

Same Day Registration Fee-\$27. Race is clock timed, but NOT chip timed. Awards & post race snacks for all participants.

**Ice Fishing Carnival-Saturday, 2/4 1:00-3:00PM** \$5/child includes 10 tickets; \$1.00 for 6 additional tickets

Fun for all ages at Safari Island!~Games-Ice Fishing Pond, Hockey Shot, Casting Area, Minnow Races, crafts and more!

### Why Treaties Matter Exhibit-Carver County Historical Society Feb 8-March 7



*The Why Treaties Matter project helps establish American Indian sovereignty as an ongoing continental reality and provides a vehicle for all Minnesotans to learn new and innovative ways to create community, build sustainable systems, and relate to one another.*

This exhibit will be travelling all over Minnesota. Catch it in Waconia-Carver County Historical Society-555 W1st St.



### Valentine Weekend Special for 2 at Sovereign Estate Winery

**February 10-12**

\$49.99/couple make your reservation today @ 952-446-9957

Get more details at [SovereignEstateWine.com](http://SovereignEstateWine.com)



### All Day Blizzard Blitz-Family Ice fishing Contest w/ Adrian Peterson Sunday, February 19



Family Ice Fishing Event at Lola's Lakehouse. Proceeds benefit Adrian Peterson's All Day Foundation and Starkey Hearing Foundation to help children in need around the world with the gift of hearing. Bundle up, bring family & friends for a fun filled day!

**Pre-Registration:** \$25/adult (age 16 and older) \$15/child (age 15 and under) @ [Starkeyfoundation.org](http://Starkeyfoundation.org)

**On Site Registration:** \$30/child (age 16 and older) \$20/child (age 15 and under)

**Registration Opens:** 10:00am **Children's Activities:** 10:30am-3:00pm **Ice Fishing:** 12:00-3:00pm

### The Johnny Holm Band at Lake Waconia Event Center-Saturday, February 25

From Garth Brooks country classics to a Naughty by Nature hip-hop party anthem, they do all genres, all eras, all hits!

Doors Open at 8:00, Music begins at 9:00 Tickets: \$10

Lake Waconia Event Center-8155 Paradise Lane, Waconia

**Upcoming Events:** Hairball-March 3 and Swinging Country Band-March 17



### Mark your Calendar-Escape to the Islands March 3, 2012

**ESCAPE TO THE ISLANDS**



This event is designed to get people out of hibernation and into Waconia to enjoy dining, entertainment and retail therapy! There will be specials, demonstrations & drawings with a tropical theme.

9:00-5:00 **SHOPPING!** Eating and Drinking 9am-? Check out the fun!

Home Party Boutique inside Factory Direct Furniture.

**Escape to the Islands-in Waconia!**

# Monthly Chamber Luncheon

Thursday, February 23, 2012

11:45AM-1:00PM

Location: Lola's Lakehouse

Address: 318 East Lake Street, Waconia



RSVP to the Chamber Office by February 17

**Topic: Tourism & the Governor's Fishing Opener**

**Guest Speaker: John Edman, Explore Minnesota Tourism**

*Come prepared with **business cards**,  
a 30 second commercial about your **business**,  
and be ready to give and get **business!***

**\$20 per member, \$25 for non-members RSVP Required!**

Walk-ins will not be guaranteed.

**Please RSVP by Friday, February 17!**



[www.destinationwaconia.org](http://www.destinationwaconia.org) or 952-442-5812

\*Payment will be accepted in advance or at the door.

Please note that you will be billed for all meals reserved and walk-ins not guaranteed.

## Chamber Calendar-January 2012

- 2 Coffee Connection at Waconia Inn & Suites (301 East Frontage Rd, Waconia) 7:30-9:00am
- 8 Chamber & CVB Board Meeting-Maple Conference Room, City Hall 11:45am-1:15pm
- 9 Retail Committee Meeting-Recap Marketing meeting Maple Conference Room 8:00-9:30am
- 20 Ambassador Meeting Chamber Office Time 8:45 am
- 23 Chamber Luncheon at Lola's Lakehouse 11:45-1:00 Tourism! **RSVP to Chamber by 2/17/12!**