

September 10, 2025 Meeting

ROOM TAX COMMISSION

AGENDA – MEETING

Equity Statement on all BCC agendas – “Consider: Who benefits? Who is burdened? Who does not have a voice at the table? How can policymakers mitigate unintended consequences?”

This meeting is being recorded

1. Call to Order/Roll Call
2. Approval of Minutes from September 3, 2024 meeting
3. Public Comment
4. Disclosures and Recusals
5. Discussion and Adoption of 2026 Room Tax Commission Budget
6. Discussion of Future Meetings and Format
7. Adjournment

September 10, 2025 Room Tax Commission Meeting

DISCUSSION AND ADOPTION OF 2026 ROOM TAX COMMISSION BUDGET

2026 BUDGET MOTION

2026 BACKGROUND

- ✖ General Fund budget growth is limited due to state expenditure restraint limits.
- ✖ Shifting costs (and revenues) to Room Tax Fund helps meet General Fund priorities and balance Room Tax Fund.
- ✖ Currently, Zoo and Olbrich costs split 50/50 between General Fund and Room Tax Fund
- ✖ State law maximum allowable transfer of room tax revenues to General Fund is 30% (i.e., it can be less than 30%).

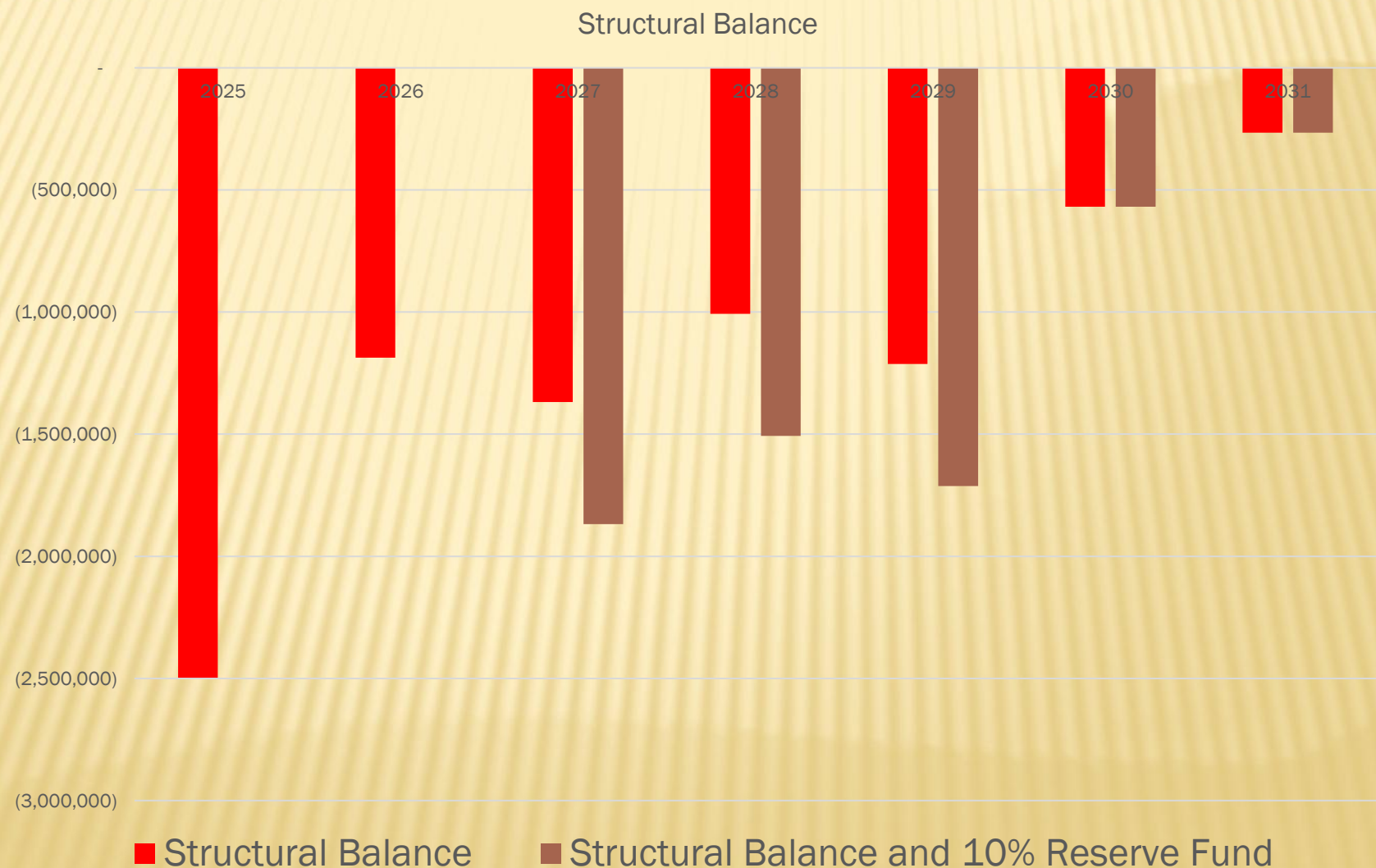
2026 OUTLINE

- ✘ Increase RTF share of Olbrich and Zoo to 59% of costs -- \$250,000. Helps General Fund meet state expenditure limits and continue to qualify for \$7 million state aid payment.
- ✘ Reduce transfer to General Fund to cover that shift and by another \$500,000 to begin to fund permanent reserve fund for Room Tax Commission. RTC goal is 10% of appropriations by 2029 (approximately \$2 million).
- ✘ Projected 2026 ending balance = \$12,400.
- ✘ One-time shift of costs and revenues – 2027 budget will have an estimated \$1.3 million deficit.

2026 OUTLINE

- ✖ Monona Terrace – no change to operating subsidy from 2025; reduce “paygo” capital funding by \$950,000 consistent with CIP; include debt service estimates.
- ✖ Alliant Center – up 3% (\$3,000)
- ✖ Overture – up 3% (\$66,600)
- ✖ Destination Madison – 28% of 2025 revenues (up \$388,000 / 6% from 2025 budget)
- ✖ Arts and Music – “Downtown Art” category up 3% (\$1,200)

PROJECTED STRUCTURAL BALANCE



ROOM TAX RESERVES

RTC Reserve Fund



2026 BUDGET MOTION

2023 TO 2026 ALLOCATIONS

| | 2023 Actual | 2024 Adopted | 2024 Actual | 2025 Budget | 2025 Projected (September 2025) | 2026 Preliminary | 2026 Request | 2026 Motion | Chg from 2025 Projected |
|---|-------------|--------------|-------------|-------------|------------------------------------|---------------------|--------------|-------------|----------------------------|
| Revenues | 21,143,358 | 21,165,000 | 22,660,756 | 21,800,000 | 22,550,000 | 23,226,500 | 23,226,500 | 23,226,500 | 3% |
| Tangible Municipal Development (s. 66.0615 (1) (fm) 3., Wis. Stats.) | | | | | | | | | |
| Monona Terrace | 5,791,080 | 6,300,768 | 6,931,782 | 7,605,133 | 7,605,133 | 6,706,780 | 6,706,780 | 6,706,780 | -12% |
| Debt Service | - | 509,768 | 717,927 | 764,133 | 764,133 | 816,030 | 816,030 | 816,030 | 7% |
| Operating | 4,825,725 | 5,392,000 | 5,392,000 | 5,392,000 | 5,392,000 | 5,392,000 | 5,392,000 | 5,392,000 | 0% |
| Capital | 965,355 | 399,000 | 821,855 | 1,449,000 | 1,449,000 | 498,750 | 498,750 | 498,750 | -66% |
| Olbrich | 325,000 | 796,000 | 796,000 | 843,800 | 843,800 | 875,900 | 1,030,473 | 1,030,473 | 22% |
| Zoo | 327,351 | 491,000 | 491,000 | 526,900 | 526,900 | 540,800 | 636,227 | 636,227 | 21% |
| Alliant Center | 95,800 | 99,000 | 99,000 | 99,000 | 99,000 | 102,000 | 400,000 | 102,000 | 3% |
| Overture | 2,095,000 | 2,180,000 | 2,180,000 | 2,200,000 | 2,220,000 | 2,286,600 | 2,365,000 | 2,286,600 | 3% |
| Tourism Marketing (s. 66.0615 (1) (fm) 1., Wis. Stats.) | | | | | | | | | |
| Destination Madison | 5,264,037 | 5,591,000 | 5,824,469 | 5,926,200 | 6,345,012 | 6,314,000 | 6,345,012 | 6,314,000 | 0% |
| Event Booking Assistance | 177,607 | 275,000 | 220,322 | 275,000 | 275,000 | 275,000 | 275,000 | 275,000 | 0% |
| City Tourism | 204,170 | 297,500 | 233,268 | 307,500 | 332,500 | 307,500 | 307,500 | 308,700 | -7% |
| Other | 49,767 | 35,000 | 35,507 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 0% |
| Room Tax Commission | 14,319,813 | 16,065,268 | 16,913,132 | 17,818,533 | 18,282,345 | 17,443,580 | 18,100,992 | 17,694,780 | -3% |
| Room Tax Retained for General Purposes | | | | | | | | | |
| General Fund Share | 6,288,337 | 6,350,000 | 6,893,025 | 6,540,000 | 6,765,000 | 6,967,950 | 6,217,950 | 6,217,950 | -8% |
| Total Expenditures | 20,608,150 | 22,415,268 | 23,806,157 | 24,358,533 | 25,047,345 | 24,411,530 | 24,318,942 | 23,912,730 | -5% |
| RTC Reserve | | | | | | | 500,000 | 500,000 | |
| Ending Balance | 4,571,636 | 1,868,676 | 3,478,405 | 325,634 | 1,098,643 | 31,195 | (376,216) | 12,413 | -99% |
| Structural Balance (rev v exp) | 535,208 | (1,250,268) | (1,145,401) | (2,558,533) | (2,497,345) | (1,185,030) | (1,092,442) | (1,186,230) | -53% |

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ROOM TAX COMMISSION DISCUSSION OF FUTURE MEETINGS AND FORMAT

2025-2026 MEETING SCHEDULE

✖ 2025

+ December (virtual?)

- ✖ Review 2025 3rd quarter collections
- ✖ Meeting schedule for 2026

✖ 2026

+ February (virtual?)

- ✖ Review 2025 actuals and 2026 forecast
- ✖ Discuss 2027 outlook and major budget and finance issues

+ May/June (virtual?)

- ✖ Review 2026 Q1 actual collections and updates to 2026 forecast

+ August / September (in-person?)

- ✖ Meeting 1 – Presentations on 2027 allocations; Q2 actual collections
- ✖ Meeting 2 – Adopt 2027 allocations

+ December (virtual?)

- ✖ Review 2026 and 2027 forecasts
- ✖ Meeting schedule for 2027

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ADJOURNMENT
