

MOTION TO ADOPT 2021 ROOM TAX COMMISSION BUDGET – ADOPTED 9/14/2020

Motion:

Move to adopt the 2021 Room Tax Commission budget, as follows:

1. Estimate 2021 room tax revenues of \$13,402,327 (60% increase over estimated 2020 revenues of \$8,376,400)
2. Allocate \$3,750,000 of room tax to Monona Terrace, as follows:
 - Operating subsidy of \$3,559,300
 - Capital purchases allocation of \$167,500 (an amendment to the Mayor's executive capital budget will be considered to increase GO-Room Tax debt by \$50,000)
 - Debt Service estimate of \$23,198
3. Allocate \$1,500,000 of room tax to Overture Center
4. Allocate \$3,900,000 of room tax to Destination Madison, as follows:
 - \$3,750,000 for destination marketing
 - \$150,000 for event booking assistance subsidy
5. Allocate \$158,000 of room tax to City Tourism Marketing, as follows:
 - Sister Cities – \$18,000
 - Music -- \$30,000 (\$10k for Dane Dances; \$10k for Songwriting; \$10k for Make Music Madison)
 - Art/Fests -- \$15,000
 - Blink+ -- \$15,000
 - Music Tourism Economic Recovery Plan -- \$45,000
 - WIAA Tournament -- \$15,000
 - Civic Promotion/Civic Conferences -- \$20,000
6. Allocate room tax for administration and enforcement, as follows
 - Administration -- \$15,000
 - Enforcement -- \$15,000
7. Room Tax Commission will consider allocating up to \$50,000 of excess Event Book Assistance reserves in 2021 for an Optimization Study pending a recommendation from Destination Madison and Monona Terrace at a future Room Tax Commission meeting. [Room Tax Commission plans to meet in November/December 2020]

Note: Under this motion, the estimated balance in the Room Tax Fund on December 31, 2021 would be \$51,200.

ROOM TAX FUND

	2021 Motion
Fund Balance, January 1	\$ 406,275
Restricted for Bond Requirements	
Reserved for Monona Terrace Capital Projects	-
Committed for Event Booking Assistance	(406,275)
Balance of Unassigned Funds, January 1	\$ -
SOURCES	
Estimated Total Room Tax Receipts	\$ 13,402,327
Interest Revenue	\$ 7,590
TOTAL SOURCES	\$ 13,409,918
USES	
<u>Monona Terrace:</u>	
Debt Service Payment-Revenue Bond Issue (a)	\$ -
Debt Service Payment-Gen'l Obligation Bond Issue (a)	\$ 23,198
Operating Subsidy	\$ 3,559,302
Capital Purchases	\$ 167,500
Subtotal Monona Terrace	\$ 3,750,000
Monona Terrace Share of Room Tax Revenues	28%
<u>Henry Vilas Zoo and Olbrich Gardens (j)</u>	\$ -
<u>Overture Center Subsidy from Room Tax</u>	\$ 1,500,000
Subtotal Tangible Municipal Development	\$ 5,250,000
Share of Room Tax Revenues	39%
<u>Greater Madison Convention and Visitors Bureau:</u>	
Destination Marketing (c)	\$ 3,750,000
Estimated Event Booking Assistance Subsidy	\$ 150,000
Subtotal Destination Madison	\$ 3,900,000
	29%
<u>City Tourism Marketing Activities</u>	19%
Support for Fireworks Events (d)	-
Sister Cities Program	18,000
Civic Conferences / Fairs / Festivals / Summer Concerts	125,000
Civic Conferences (e)	5,000
Civic Promotion (e)	15,000
Madison Music City (g)	
Dane Dances (g)	10,000
Make Music Madison (g)	10,000
Songwriting Conference (g)	10,000
Music Tourism Study	45,000
Fairs / Festivals / Summer Concerts (f)	15,000
Downtown Temporary Art Installations	15,000
WIAA Basketball Tournament (h)	15,000
Subtotal City Tourism Marketing	\$ 158,000
Subtotal Tourism Marketing	\$ 4,058,000
Share of Room Tax Revenues	30%
Room Tax Commission Administration	15,000
Room Tax Commission Enforcement of Transient Tourist Rooming	15,000
Share of Room Tax Revenues	0.2%
Room Tax Commission	\$ 9,338,000
Tourism-Related Share of Room Tax	69%
Room Tax Retained for General Purposes	
General Purposes (b)	\$ 3,941,698
Arts Grants	79,000
Subtotal Retained for Other Purposes	\$ 4,020,698
Share of Room Tax Revenues	30%
TOTAL USES	\$ 13,358,698
Fund Balance, December 31	\$ 457,495
Expenditure of Monona Terrace Prior Year Balances	
Transfer to Monona Terrace Operations	
Monona Terrace Capital Expenditures	
Committed for Monona Terrace Capital Projects	-
Committed for Event Booking Assistance	(406,275)
Balance of Unassigned Funds, December 31 (b)	\$ 51,220