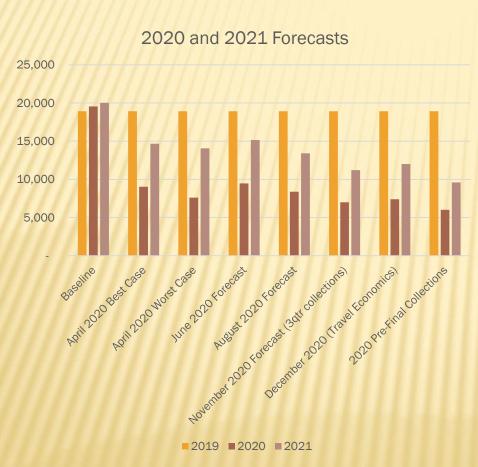
UPDATE ON 2020 ROOM TAX FUND CONDITION AND 2021 ROOM TAX COLLECTIONS FORECAST AND IMPLICATIONS

2020 WORSE THAN PREVIOUSLY FORECAST; SETS LOWER BASE FOR 2021



- * 4th quarter collections down 78% from 2019; Y-over-Y down 68%.
- 2020 Actual \$6.0m vs. \$9.4m in June (used for 2020 reductions)
- 2021 forecast \$9.0m to \$10.0m vs. \$13.4m in August (used for 2021 allocations)

IMPLICATIONS FOR 2021

- Room tax collections could be 25% to 33% lower than amounts used to set allocations in 2021.
- Ending balance for 2020 may have a \$600,000 deficit; that reflects no transfer to the general fund (\$2.8m benefit to RTC programs)
- Monona Terrace will have deficit due to RTF deficit (November estimates assumed MT deficit of \$800k would be addressed through state grant and RTF surplus).
- Allocations may need to be reduced by 30% to 40% to balance the Room Tax Fund in 2021.
- Commission should make decisions by June; 2021 Q1 collections available in May.

2021 - 33% REDUCTION

- * Monona Terrace \$1.2m
- Destination Madison \$1.3m
- × Overture -- \$500k
- City Tourism -- \$50k
- General Fund -- \$1.3m

PAYMENT DATES

- Overture quarterly (January, April, July, October)
- Destination Madison monthly
- Monona Terrace year-end
- Other programs discretionary
- Administrative action other programs may be disbursed in installments until RTC makes decisions on any budget adjustments.