



City of Madison
Minutes – Approved
MONONA TERRACE COMMUNITY AND
CONVENTION CENTER FINANCE
SUBCOMMITTEE

Consider:
Who benefits? Who is burdened?
Who does not have a voice at the table?
How can policymakers mitigate unintended consequences?

Thursday, May 20, 2021

3:00 p.m.

via Virtual Meeting

CALL TO ORDER / ROLL CALL

Present: Judy Karofsky, Glenn Krieg, Alice O'Connor, Jim Ring, Mike Verveer

PUBLIC COMMENT

1. None

DISCLOSURES AND RECUSALS

Glenn Krieg and Mike Verveer are both members of the Room Tax Commission, Alice O'Connor and Mike Verveer are both members of the Monona Terrace Booking Event Assistance Advisory Committee. A quorum of the Monona Terrace Booking Event Assistance Advisory Committee was present

APPROVAL OF MINUTES

February 18, 2021: A motion was made by Karofsky, seconded by Ring, to approve the minutes. The motion passed unanimously.

NEW BUSINESS ITEMS

2. 2024 2022 Capital Budget

The chair noted the typo in the agenda, it should say 2022 Capital Budget

A motion was made by Karofsky, seconded by Verveer to approve the 2022 Capital Budget request. The motion passed unanimously.

3. Budget Discussion

The Capital Budget Request for 2022 encompasses several large expenses that are vital to the continued functionality of the building and after having been deferred for years, can no longer be postponed. City Finance has advised Monona Terrace to submit the Building and Building Improvement projects request in the amount of \$1.18M. The city will use General Obligation (GO) borrowing for this. The City is required to have GO debt on the Convention Center in order to have a Room Tax rate of over 8%. The Machinery and Other Equipment request of \$215,000 will be funded through room tax. The total Capital Budget request is \$1.4M.

4. Room Tax Fund Update: David Schmiedicke, Finance Director

The 2021 room tax fund is expected to be down \$4.4M. There will be \$47M in ARPA funding coming to the city. It can be used towards revenue loss up to 4.1% of growth over 2019 base year. It can be used towards government services but it cannot be use to directly replenish reserves. Monona Terrace will likely have a \$2.1M cash deficit in 2021 largely due to reduced Room Tax subsidy. It will require assistance from the city.

ADJOURNMENT

A motion was made by O'Connor seconded by Ring to adjourn. The motion passes