

Room Tax Commission

Agency Overview

Agency Mission

The agency's mission is to promote Madison as a destination through marketing and promotional efforts.

Agency Overview

Starting in 2017, Room Tax revenues are allocated through the Room Tax Commission. Under Wisconsin state law, 70% of total revenue must be utilized for tourism and marketing efforts and tangible municipal development. The budget outlined in the Executive Budget reflects the budget adopted by the Room Tax Commission.

2021 Budget Highlights

The 2021 Executive Budget reflects funding allocations adopted by the Room Tax Commission. These adjustments reflect an overall \$6.2 million reduction in 2021 Room Tax revenues. These reductions will be implemented by:

- Budgeting \$13.4 million in Room Tax receipts, a \$6.2 million decrease from the 2020 Adopted Budget.
- Allocating \$3.9 million to the Greater Madison Convention and Visitors Bureau, a \$1.6 million decrease from the 2020 Adopted Budget.
- Allocating \$158,000 for City Tourism Marketing Activities, an \$80,000 decrease from the 2020 Adopted Budget.
- Allocating \$3.75 million to fund operating costs and capital improvements at Monona Terrace, a \$1.7 million decrease from the 2020 Adopted Budget.
- Allocating \$1.5 million to the Overture Center, a \$595,000 decrease from the 2020 Adopted Budget.
- Allocating \$0 to Henry Vilas Zoo and Olbrich Gardens, a \$642,000 decrease from the 2020 Adopted Budget.
- See the Room Tax Fund in the Cash Flow section for a full breakout of 2021 expenditures authorized by the Room Tax Commission.

Room Tax Commission**Function: Planning & Development***Budget Overview*

Agency Budget by Fund

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Other Restricted	18,948,817	19,800,372	9,811,759	14,670,630	13,471,768
TOTAL	\$ 18,948,817	\$ 19,800,372	\$ 9,811,759	\$ 14,670,630	\$ 13,471,768

Agency Budget by Service

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Room Tax Commission	18,948,817	19,800,372	9,811,759	14,670,630	13,471,768
TOTAL	\$ 18,948,817	\$ 19,800,372	\$ 9,811,759	\$ 14,670,630	\$ 13,471,768

Agency Budget by Major-Revenue

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
General Revenues	(18,929,841)	(19,552,138)	(9,464,921)	(14,664,103)	(13,402,327)
Investments & Other Contributions	(18,976)	(12,674)	(6,135)	(6,527)	(7,590)
Other Financing Source	-	(235,560)	(340,703)	-	(61,851)
TOTAL	\$ (18,948,817)	\$ (19,800,372)	\$ (9,811,759)	\$ (14,670,630)	\$ (13,471,768)

Agency Budget by Major-Expenses

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Purchased Services	7,637,209	8,552,441	4,381,500	5,960,000	5,588,000
Debt & Other Financing	111,978	-	-	511,399	23,198
Transfer Out	11,199,630	11,247,931	5,430,259	8,199,231	7,860,570
TOTAL	\$ 18,948,817	\$ 19,800,372	\$ 9,811,759	\$ 14,670,630	\$ 13,471,768

Room Tax Commission

Function: Planning & Development

Service Overview

Service: Room Tax Commission

Citywide Element: Culture and Character

Service Description

This service is responsible for administering the Room Tax fund as prescribed by the Room Tax Commission, which is fully supported by revenues from Room Tax receipts. The goal of the service is to promote Madison as a destination through marketing and tourism related activities and tangible municipal development.

Major Budget Changes

- Room Tax receipts are expected to decrease by \$6.15 million (31%) from the 2020 Adopted Budget. The budgeted \$13.4 million in Room Tax receipts will fund:
 - Monona Terrace net operating subsidy (\$3.56 million), capital improvements (\$168,000), and debt service payments (\$23,000)
 - Greater Madison Convention and Visitors Bureau marketing (\$3.75 million) and event booking assistance subsidy (\$150,000)
 - Overture Center Subsidy (\$1.5 million)
 - Retained for general purposes (\$3.94 million) and arts grants (\$79,000)

Activities Performed by this Service

- Support operations for Monona Terrace.
- Continue current contract with the Greater Madison Visitors Bureau, which was amended in 2020 in wake of reduced Room Tax revenue.
- Provide funding for tourism related efforts, including Sister Cities, firework events, civic conferences and fairs, and arts events.

Service Budget by Fund

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
General	-	-	-	-	-
Other-Expenditures	18,948,817	19,800,372	9,811,759	14,670,630	13,471,768
TOTAL	\$ 18,948,817	\$ 19,800,372	\$ 9,811,759	\$ 14,670,630	\$ 13,471,768

Service Budget by Account Type

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Revenue	(18,948,817)	(19,800,372)	(9,811,759)	(14,670,630)	(13,471,768)
Personnel	-	-	-	-	-
Non-Personnel	18,948,817	19,800,372	9,811,759	14,670,630	13,471,768
Agency Charges	-	-	-	-	-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -

Room Tax CommissionFunction: **Planning & Development***Line Item Detail*Agency Primary Fund: **Other Restricted**

General Revenues

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Room Tax	(18,904,300)	(19,552,138)	(9,464,921)	(14,664,103)	(13,402,327)
Pen Int Delinq Other Tax	(25,541)	-	-	-	-
TOTAL	\$ (18,929,841)	\$ (19,552,138)	\$ (9,464,921)	\$ (14,664,103)	\$ (13,402,327)

Investments & Contributions

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Interest	(18,976)	(12,674)	(6,135)	(6,527)	(7,590)
TOTAL	\$ (18,976)	\$ (12,674)	\$ (6,135)	\$ (6,527)	\$ (7,590)

Other Finance Sources

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Fund Balance Applied	-	(235,560)	(340,703)	-	(61,851)
TOTAL	\$ -	\$ (235,560)	\$ (340,703)	\$ -	\$ (61,851)

Purchased Services

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Conferences & Training	4,663	-	-	-	-
Memberships	28,400	-	-	-	-
Consulting Services	15,000	-	-	-	-
Advertising Services	982	-	-	-	-
Program Services	5,000	19,552	-	15,000	15,000
Other Services & Expenses	2,350	15,000	-	506,900	15,000
Grants	7,580,814	8,517,889	4,381,500	5,438,100	5,558,000
TOTAL	\$ 7,637,209	\$ 8,552,441	\$ 4,381,500	\$ 5,960,000	\$ 5,588,000

Debt & Other Financing

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Interest	-	-	-	-	23,198
Fund Balance Generated	111,978	-	-	511,399	-
TOTAL	\$ 111,978	\$ -	\$ -	\$ 511,399	\$ 23,198

Transfer Out

	2019 Actual	2020 Adopted	2020 Projected	2021 Request	2021 Executive
Transfer Out To General	6,015,090	5,786,642	2,760,476	4,399,231	4,020,698
Transfer Out To Debt Service	-	-	-	-	113,070
Transfer Out To Capital	5,329	-	-	-	167,500
Transfer Out To Cnvt Center	5,179,211	5,461,289	2,669,783	3,800,000	3,559,302
TOTAL	\$ 11,199,630	\$ 11,247,931	\$ 5,430,259	\$ 8,199,231	\$ 7,860,570