

February 13, 2018 Meeting
ROOM TAX COMMISSION

AGENDA

- × 2017 Room Tax Collections Update
- × 2018 Room Tax Forecast
- × Discussion of Reserve Levels
- × Update on Short-term Rental Housing Issues
- × 2018 Room Tax Commission Calendar
- × Wrap Up and Next Meeting

2017 ROOM TAX COLLECTIONS

ROOM TAX COLLECTIONS – 2017

- × 2017 Budget – \$15,744,615
 - + 8% over 2016 Final Collections
- × 2017 Preliminary Fourth Quarter / Year-End
 - + Q4 -- \$3,783,170 – 9.5% more than 2016 Q4
 - + Year-End -- \$15,437,412 -- 6.1% year/year
 - + Very close to 2nd quarter projection of \$15,487,600 and budget projection of \$15,494,615.

ROOM TAX COLLECTIONS - 2017

- × AC Hotel, Madison Express and Air BnB are new properties / entities.
- × AC Hotel open for 8 months.
- × 2017 Air BnB collections total \$236,560 – 8 months of collections.
- × Stronger 4th quarter growth in existing properties offset weaker 1st quarter.

2018 ROOM TAX REVENUE FORECAST

2018 ESTIMATES

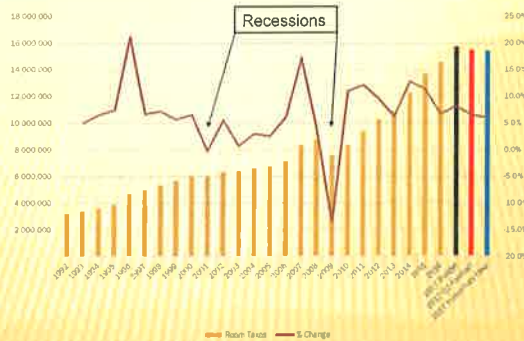
- × 2018 Budget assumes 5% revenue growth plus impact of additional 1% on room tax (to 10%).
- × Estimated revenues = \$18,087,597 – 5% increase over 2017 forecast of \$15,494,615 plus \$1.8 million from additional 1%.

DISCUSSION OF FUND RESERVE LEVELS

FUND RESERVES

- ✘ 2018 Reserves forecast at 3% of Room Tax Commission share of room tax revenues.
- ✘ 2017 Year-end actual expenditures may add to that balance.
- ✘ Monona Terrace reserve goal is 20% of budget.
- ✘ Room Tax Revenues tied closely to business cycle performance.

ROOM TAXES



UPDATE ON SHORT-TERM RENTAL HOUSING

2018 MEETING CALENDAR

DRAFT 2019 MEETING CALENDAR

- × February 13, 2018 - Quarterly update
- × June 2018 - Quarterly update; preliminary 2019 budget outlook.
- × August 2018 - Quarterly update; Initial 2019 Budget Meeting and Presentations
- × Early September 2018 - 2019 Budget Decisions
- × November 2018 - Quarterly Update

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