



City of Madison
Minutes - Approved
**Monona Terrace Community and Convention
Center Finance Committee**

City of Madison
Madison, WI 53703
www.cityofmadison.com

Thursday, August 17, 2017

2:45 p.m.

1 John Nolen Dr.
Dane Room
Level 2

If you need an interpreter, translator, materials in alternate formats or other accommodations to access this service, activity or program, please call the phone number below at least three business days prior to the meeting.

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Yog hais tias koj xav tau ib tug neeg txhais lus, ib tug neeg txhais ntawv, cov ntawv ua lwm hom ntawv los sis lwm cov kev pab kom siv tau cov kev pab, cov kev ua ub no (activity) los sis qhov kev pab cuam, thov hu rau tus xov tooj hauv qab yam tsawg pab hnub ua hauj lwm ua ntej yuav tuaj sib tham.

Monona Terrace Community and Convention Center
608/261-4000 or TTY 800/947-3529

CALL TO ORDER / ROLL CALL

Present: Glenn Krieg, Jim Ring, Tom Solheim, Mike Verveer
Absent: Alice O'Connor

PUBLIC COMMENT

None

DISCLOSURES AND RECUSALS

Members of the body should make any required disclosures or recusals under the City's Ethics Code.

APPROVAL OF MINUTES

May 18, 2017: A motion was made by Ring, seconded by Krieg to approve the minutes. The motion passed by voice vote/other.

NEW BUSINESS ITEMS

1. Monona Catering Extension

A motion was made by Krieg, seconded by Ring to approve the extension. The motion passed by voice vote/other.

2. 2018 Operating Budget

A motion was made by Ring, seconded by Krieg to approve the Operating Budget. The motion passed by voice vote/other.

3. Budget Discussion

The budget for 2018 is very similar to the operating budget approved last year for 2017. Because of an increase in operating costs and lower projected revenues the city has elected to significantly increase Monona Terrace's 2018 subsidy by approximately \$600,000.

At a little over \$4.5 million, revenue is projected to be 3% less in 2018 than that budgeted in 2017, and this includes the application of \$59,994 in reserves. This drop is primarily due to the reduction in size and scope of one of our larger repeat events which on average brought in

revenues of \$300,000. They will be holding a scaled down event in 2017 but there is no guarantee of this for 2018.

As the finance committee approves the 2018 Operating Budget the committee has a concern. It arises from the City re-directing Monona Terrace reserves to other city operational expenses and the possibility that the Madison Room Tax Commission will direct room taxes to other city and county operations that are not so directly related to tourism, to the detriment of Monona Terrace. The finance committee therefore asks management to regularly remind the City and the Room Tax Commission that: a) the original concept and approval for Monona Terrace always recognized that a substantial subsidy for the operation would be required, and b) if Monona Terrace support revenues are inadequate and reasonable operating reserves are not available, then a foundation element of the success of Monona Terrace, namely a high quality, continuously sustained level of operation and environment, will be lost. The result would be a downward spiral of fewer and fewer visitors and decreasing operational revenue.

ADJOURNMENT

A motion was made by Verveer, seconded by Ring to adjourn. The motion passed by voice vote/other.