



MEMORANDUM

To: Raleigh City Council
Wake County Commission

From: Dennis Edwards, GRCVB President & CEO
Paula McChristian, GRCVB Vice President of Finance and Administration

Date: May 5, 2026

Subject: GRCVB Budget 2026-2027

The 2026/2027 proposed budget follows for your review. GRCVB is proposing a total budget of \$12,323,000. This is a 2.9% or \$368,000 decrease in budget from the 2025/2026 budget of \$12,691,000. The GRCVB board of directors approved this budget at their meeting held on April 21, 2026.

INCOME

- Hotel Occupancy Tax income number is provided to the GRCVB by the Wake County Budget Office. Wake County is projecting that collections for 2026/2027 will be \$41,906,000. The GRCVB receives a portion of those collections based on a tiered formula, \$9,886,000.
- The GRCVB portion of the Prepared Food and Beverage Tax is capped at \$675,000.
- Destination Travel Network (website advertising) is estimated at \$130,000.
- Interest and Dividends budgeted at \$107,000.
- Reserves \$1,500,000

EXPENSES

The following are explanations of the budget variances for the proposed 2026/2027 budget versus the 2025/2026:

Salaries & Wages: Increase from \$3,631,354 to \$3,638,741

- 3% increase for all 35 staff members
- Reduced the budget for part-time visitor guide delivery and part-time visitor information weekend staff based on a three-year analysis of payroll
- Contingency for overtime for non-exempt staff included

Payroll Taxes: Increase from \$255,684 to \$259,631 - FICA based on payroll

Travel & Entertainment: Decrease from \$393,755 to \$349,665

- Professional development and education offerings at various industry conferences including Simpleview Summit, ESTO, NCTIA, Sports ETA, VisitNC 365, Destinations International annual meeting and departmental related summits
- Intercity visits, chamber retreats, restaurant and retail summits, and various partner meetings
- Client site visits for sales, services, public relations, and sports

Marketing & Advertising: Decrease from \$5,444,668 to \$5,086,985

- **Sales: Decrease from \$943,310 to \$865,680**
 - Sales budget includes funding for participation in 26 tradeshows and for travel to various markets to participate in industry events
 - Sales will host promotional events and regional sales missions/calls to our key markets including Washington, DC, Philadelphia, Chicago and Atlanta
 - Host meeting professionals summit 2026
 - Able to leverage sales and marketing opportunities to stretch the budget through participation with various industry organizations

- **Services – Decrease from \$161,600 to \$155,900**
 - Servicing expenses for incoming groups
 - Funds for attendance building including travel and shipping costs
 - Visitor map production
 - Visitor Information Center activations

- **Public Relations and International Tourism: Decrease from \$104,200 to \$99,500**
 - Partnering with VisitNC and Brand USA for regional, in-state and international media and sales missions
 - Partner with GRCVB sales department for in-market and out-of-market events
 - Hosting PIO Summits with Wake County municipalities
 - Promotion of Convention Center Campus
 - Leverage promotions around international flight returns in partnership with Visit NC, Brand USA and TravelSouth

- **Marketing and Communications: Decrease from \$3,055,156 to \$2,917,885**
 - Advertising and marketing for Leisure, Meetings and Sports \$1,357,000
 - Social media advertising, SEO/PPC, database contractors, and photography services
 - Creative agency fees
 - Promotional items for all departments
 - Funds allocated for research including visitor profile, volume, and spending data
 - Emphasis on video content
 - Visitor Guide production

- **Sports Marketing (GRSA) Decrease from \$606,835 to \$587,000**
 - For 2026/2027 Sports is scheduled to help host/service over 80 events including VisitRaleigh.com National Soccer Series, USA Baseball events, and TST and The Cary Cup. Sports will also support NCAA events including Women's and Men's College Cups, DII Baseball World Series, and ACC tennis
 - Continued focus on esports and supporting upcoming esports events. Funding for esports consultant to assist in identifying e-sports opportunities to bring to the area and act as a technology liaison between our venues and the customer

- **Destination Technology: Increase from \$191,150 to \$196,690**
 - Budget includes AudioEye, ActOn marketing automation, AI, and commission expense for DTN advertising
 - Funding to support the VisitRaleigh Studio components which include Threshold360 virtual tours and drone footage and SendSites updated bid books
 - CoStar, MINT+, Future Pace, and international inbound/outbound data via Amadeus
 - Cybersecurity measures and training for staff
 - Upgrades to AI and search engine optimization

- **Administration: Decrease from \$382,417 to \$264,330**
 - 2026 Annual Meeting expenses
 - Funding budgeted for DSP prioritization review
 - Business Incubator Fund will be used for last-minute bid or marketing opportunities for sales, sports and leisure initiatives

Event Promotion: Sports Event Investment Program (SEIP) \$500,000

- Program provides funds for rights fees, bid fees, RCC rental fees and marketing sponsorships for new and existing sporting events that will have a positive impact on Wake County hospitality
- All SEIP requests are approved by the GRCVB Board of Directors

Signature Event Development Fund: \$100,000

- Funding for signature events and blockbuster exhibitions. These funds are intended to be a source of support for the nurturing of events which have potential for significant economic impact to be derived from individual leisure tourism throughout Wake County.
- All Signature Event Development Fund requests are approved by the GRCVB Board of Directors

Business Development Fund: \$400,000

- Per agreement with City of Raleigh and Wake County, GRCVB to fund Business Development Fund as follows:
 - FY27 \$400,000 and \$200,000 funded by inter-local agreement
 - FY28 \$600,000 and \$0 funded by inter-local agreement

ADMINISTRATIVE EXPENSES

Dues & Subscriptions: Decrease from \$177,818 to \$174,838

- GRCVB maintains memberships in local, state, regional and national organizations to build customer relations and receive education, GoDaddy, and research and information on advocacy issues

Education & Training: Decrease from \$59,785 to \$53,180

- Staff professional development conferences and seminars
- Staff maintain certifications in their areas of expertise and proposed budget includes Certified Destination Marketing Executive (CDME), Certified Meeting Planner (CMP) training and testing expenses for Services and Sales staff as well as Certified Sports Event Executive certification renewal for GRSA staff. Continuing professional education (CPE) is included for the Vice President of Finance and Administration to maintain the Certified Government Financial Manager (CGFM) designation
- Guest Service Gold Program and See-For-Yourself tours

Rent/Parking: Increase from \$341,140 to \$407,016

- In FY27 GRCVB all of the free rent allocation in our lease has been used. Budget reflects full rent and operating expense for July 2026 – June 2027
- Allocation for guest parking

Printing & Stationery: No change \$6,000

- All stationery, envelopes, business cards and other administrative printing needs are included here. All materials will be updated with new office address

Office Supplies: No change \$17,900

- Budget for all office supplies and copier costs for GRCVB offices and Visitor Information Center

Telephone/Cell/Wireless: Decrease from \$60,996 to \$55,380

- GRCVB maintains office phone lines, staff cellular phones, iPads, conference call services and a 1-800 line

Equipment Maintenance: Decrease from \$8,190 to \$3,300

- Equipment maintenance includes all equipment warranties and maintenance fees

Local Transportation: No change \$41,200

- GRCVB maintains two vehicles
- GRCVB reimburses staff for mileage based on the current IRS rates

Professional Services: Increase from \$159,721 to \$161,005

- Legal services and management of the GRCVB IT infrastructure and cloud computing environment are included in budget
- Audit fees and fees associated with assistance with implementation of new governmental accounting standards

Office Maintenance: Increase from \$25,890 to \$28,142

- Visitor guide storage and delivery services
- Document storage, recycling services and quarterly office carpet cleaning

Insurance: No change \$47,528

- GRCVB maintains workers comp, Board of Directors D&O, general liability and equipment insurance for all locations. Also bond in place Vice President of Finance and Administration, Executive Vice President and Administration Manager

Equipment Leases: Decrease \$70,608 to \$59,796

- Leases are maintained on company vehicles, printers, postage machine, and laptop computers

Property & Use Tax: No change \$5,412

- Property tax on leased computers, docking stations, mail machine, copiers, and leased autos

Employee Benefits: Increase from \$644,100 to \$681,428

- Increase is for anticipated premium increases group hospital confinement indemnity insurance, vision, dental, short-term, and long-term disability insurance provided for full time employees
- GRCVB Medical Flexible Spending contribution of \$500 for full time employees for the 2026/2027 year and \$1,800 HSA contribution depending on health insurance plan selected by employee
- GRCVB automatically contributes 2% of employee salary to retirement plan and matches employee retirement contributions up to 5%

Postage: No change \$20,000

- Postage includes all mailing of visitor guides, promotional materials, ad lead fulfillment

Equipment /Software/Improvements: Decrease from \$279,250 to \$225,852

- Software includes TEAMS, Office365, Citrix Sharefile, LastPass, Knowbe4, Adobe Creative Suites, Datto Backupify, NetSuite, and business continuity subscriptions
- Monies are allocated for staff monitor replacements and server replacement if needed

GRCVB Budget Revenue*

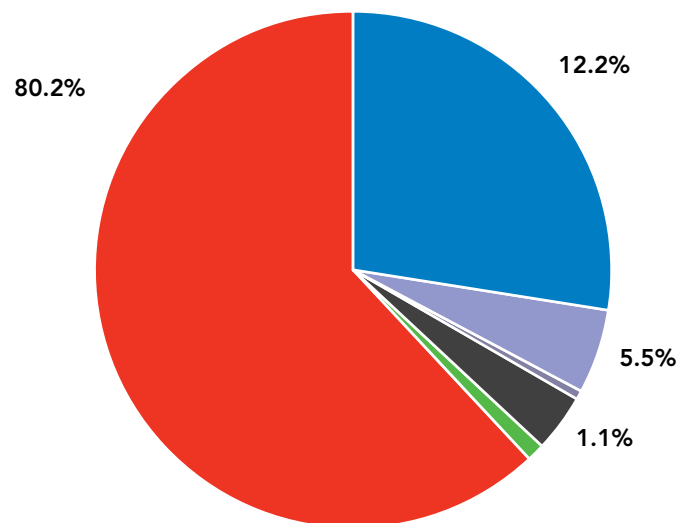
2026-2027



	2026/2027 Proposed budget	2025/2026 Budget
Hotel Occupancy Tax	\$9,886,000	\$10,264,000
Prepared Food & Beverage Tax	675,000	675,000
Destination Travel Network	130,000	130,000
Dividends	7,000	7,000
Interest	100,000	90,000
Annual Meeting	25,000	25,000
Reserves	1,500,000	1,500,000
TOTAL operating income	12,323,000	12,691,000
Other program revenue IBMA and NCAA Men's Basketball Local Organizing Committees		
TOTAL	\$12,323,000	\$12,691,000

Anticipated GRCVB Revenue

- Hotel Occupancy Tax
- Prepared Food & Beverage Tax
- Destination Travel Network
- Dividends
- Interest
- Annual Meeting
- Reserves
- Other program revenue



*Hotel Occupancy number provided by Wake County Budget Office. Wake County predicts occupancy tax for 26/27 will be \$41,906,000. GRCVB receives a portion of those taxes based on a tiered formula.

GRCVB Budgeted Expenses*

2026-2027

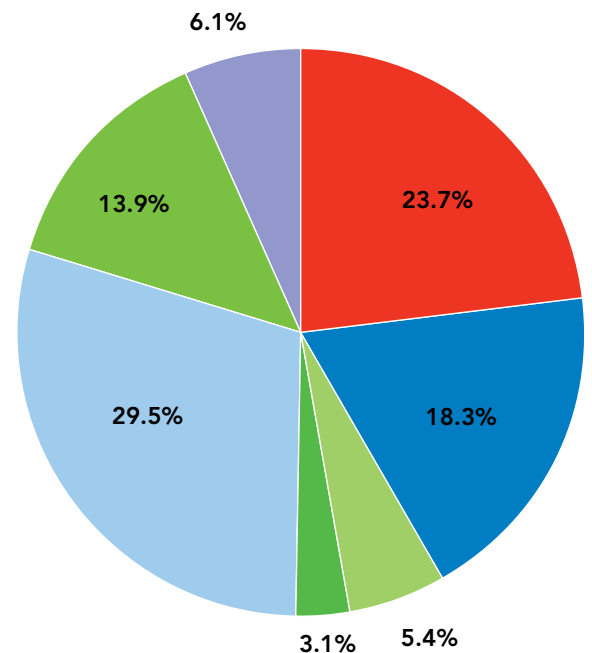


	2026/2027 Proposed budget	2025/2026 Budget
Administration	2,921,780	2,954,228
Sales	2,249,437	2,366,574
Services and Visitor Information Center	667,887	687,886
Public Relations and International Tourism	383,978	389,974
Marketing and Communications	3,637,701	3,736,594
Sports Marketing	1,708,103	1,742,591
Destination Technology	754,114	813,153
Other Program Expenses		
TOTAL	\$12,323,000	\$12,691,000

GRCVB Budgeted Expenses 2025/2026

- Administration
- Sales
- Services and Visitor Information Center
- Public Relations and International Tourism
- Marketing and Communications
- Sports Marketing
- Destination Technology
- Other program expenses

*For this presentation salaries and payroll taxes are allocated by department





GRCVB BUDGET

Income Comparisons	2025/2026	2026/2027	Variance Variance (25/26 Budget vs 26/27)	% Inc/Dec
Hotel Occupancy Tax	\$10,264,000	\$9,886,000	-\$378,000	-3.7%
Prepared Food and Beverage Tax	675,000	675,000	0	0.0%
Destination Travel Network	130,000	130,000	\$0	0.0%
Dividends	7,000	7,000	0	0.0%
Interest	90,000	100,000	\$10,000	11.1%
Annual Meeting	25,000	25,000	0	0.0%
Reserves*	1,500,000	1,500,000	0	0.0%
TOTAL INCOME	\$12,691,000	\$12,323,000	\$368,000	2.9%

*Use of reserves for FY27 is from prior year over collections and budget savings

GRCVB BUDGET
Expense Comparisons



2025/2026 2026/2027 Variance %
Inc/Dec

CHART OF ACCOUNTS		Proposed Budget	Variance (25/26 Budget vs 26/27)	
Salaries & Wages	\$3,631,354	\$3,638,741	\$7,387	0.2%
Payroll Taxes	255,684	259,631	3,947	1.5%
Travel & Entertainment	393,755	349,665	-44,090	-11.2%
Marketing & Advertising	5,444,668	5,086,985	-357,683	-6.6%
SEIP Event Promotion	500,000	500,000	0	0.0%
Signature Event Development Pilot (SEDP) Program	200,000	100,000	-100,000	-50.0%
Business Development Fund	300,000	400,000	100,000	33.3%
Administration Expenses*				
Total Administrative Expense	1,965,538	1,987,977	22,439	1.1%
TOTAL EXPENSES	\$12,691,000	\$12,323,000	-\$368,000	-2.9%

*Administration expense detail on next page

**GRCVB BUDGET
Expense Comparisons**



	2025/2026	2026/2027	Variance <small>Variance (25/26 Budget vs 26/27)</small>	% <small>Inc/Dec</small>
Salaries & Wages	\$3,631,354	\$3,638,741	\$7,387	0.2%
Payroll Taxes	255,684	259,631	3,947	1.5%
Travel & Entertainment	393,755	349,665	-\$44,090	-11.2%
Marketing & Advertising	5,444,668	5,086,985	-357,683	-6.6%
SEIP Event Promotion	500,000	500,000	\$0	0.0%
Signature Event Development Fund	200,000	100,000	-100,000	-50.0%
Business Development Fund	300,000	400,000	\$100,000	33.3%
Administration Expenses				
Dues & Subscriptions	177,818	174,838	-\$2,980	-1.7%
Education & Training	59,785	53,180	-6,605	-11.0%
Rent/Parking	341,140	407,016	\$65,876	19.3%
Printing & Stationery	6,000	6,000	0	0.0%
Office Supplies	17,900	17,900	\$0	0.0%
Telephone/Cell/Wireless	60,996	55,380	-5,616	-9.2%
Equipment Maintenance	8,190	3,300	-\$4,890	-59.7%
Local Transportation	41,200	41,200	0	0.0%
Professional Services	159,721	161,005	\$1,284	0.8%
Office Maintenance	25,890	28,142	2,252	8.7%
Insurance	47,528	47,528	\$0	0.0%
Equipment Leases	70,608	59,796	-10,812	-15.3%
Property & Use Tax	5,412	5,412	\$0	0.0%
Employee Benefits	644,100	681,428	37,328	5.8%
Postage	20,000	20,000	\$0	0.0%
Equipment/Software Purchases	279,250	225,852	-53,398	-19.1%
Total Administrative Expenses	1,965,538	1,987,977	22,439	
TOTAL EXPENSES	\$12,691,000	\$12,323,000	-\$368,000	-2.9%