

Item Title: Approval of the Greater Raleigh Convention and Visitors Bureau's FY 2027 Budget

Specific Action Requested:

That the Board of Commissioners approves the FY 2027 Budget for the Greater Raleigh Convention and Visitors Bureau in the amount of \$12,323,000.

Item Summary:

Purpose: State statute requires the Greater Raleigh Convention and Visitors Bureau (GRCVB) to submit their proposed budget to the City of Raleigh and Wake County for processing and approval.

Background: During the 1991 session, the North Carolina General Assembly authorized Wake County to levy a 6% Room Occupancy tax and a 1% Prepared Food and Beverage Tax. The act directs how the revenues are distributed and used by local entities such as: Wake County, the City of Raleigh, and the Greater Raleigh Convention and Visitors Bureau. The law requires the Bureau to prepare an annual budget and submit it to the Raleigh City Manager and the Wake County Manager for "processing and approval through the regular budget procedures of the city and the county". The GRCVB is proposing a 2.9%, or \$368,000 decrease over their FY 2026 Budget based on lower projected Occupancy Tax Revenues compared to the FY 2026 Budget.

The FY 2026 Budget assumed growth over a projection for FY 2025 developed in March 2025, but FY 2025 actuals were lower than projected. In FY 2026 the Wake County Hospitality Tax Review Team adjusted Occupancy Tax projections to assume no growth in FY 2026 over FY 2025 actuals, and a lower growth rate for FY 2027 of 1.5 percent based on actual revenue collections data through January 2026. The largest expenditure categories include salary and benefits for the organization's 35 staff members, marketing, advertising, and event promotion and development.

Strategic Plan: This action aligns with the County's statutory obligation to process and approve the Greater Raleigh Convention and Visitors Bureau's annual budget and does not relate to a specific Strategic Plan goal or initiative.

Fiscal Impact: The Recommended FY 2027 Wake County Budget for the Major Facilities Fund includes projected revenues and expenditures consistent with the GRCVB's Proposed FY 2027 Budget.

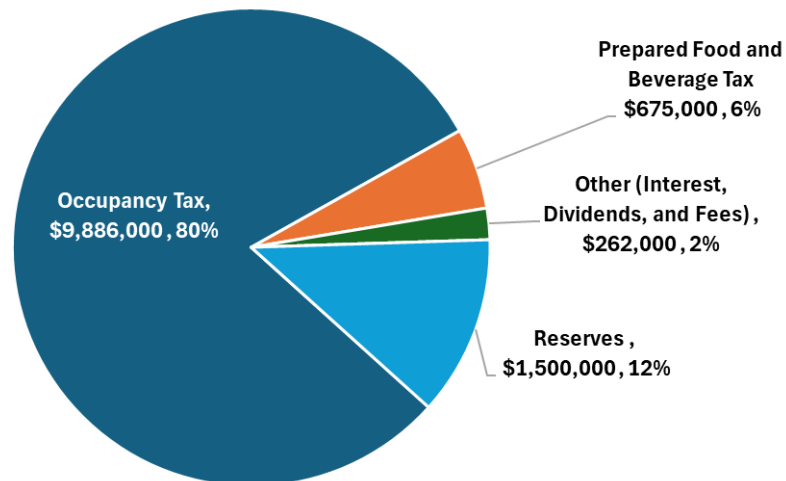
Additional Information:

On April 21, 2026, the Greater Raleigh Convention and Visitors Bureau Board of Directors approved its FY 2027 budget, and on May 5, 2026, submitted the proposed budget to Wake County for consideration. The proposal (attached) totals \$12,323,000 and represents a decrease of 2.9 percent, or \$368,000 over the prior year.

Revenue Overview

The majority of the CVB's revenues come directly from Wake County's hospitality taxes as directed by state law, with 86 percent coming directly from formula-based distributions of the Occupancy and Prepared Food and Beverage Taxes. Other revenues include income from interest, dividends, reserves, and fees.

**Greater Raleigh Convention and Visitors Bureau
FY 2027 Budgeted Revenues**



Expenditure Overview

The largest expenditure category is for marketing and advertising to promote Wake County as a destination for tourists, business conventions, sporting events, and more. The second largest is for personnel related expenses for the organization's 35 staff members, including salaries, wages, benefits, and payroll taxes. Administration includes rent, parking, professional services, insurance, and office related expenses.

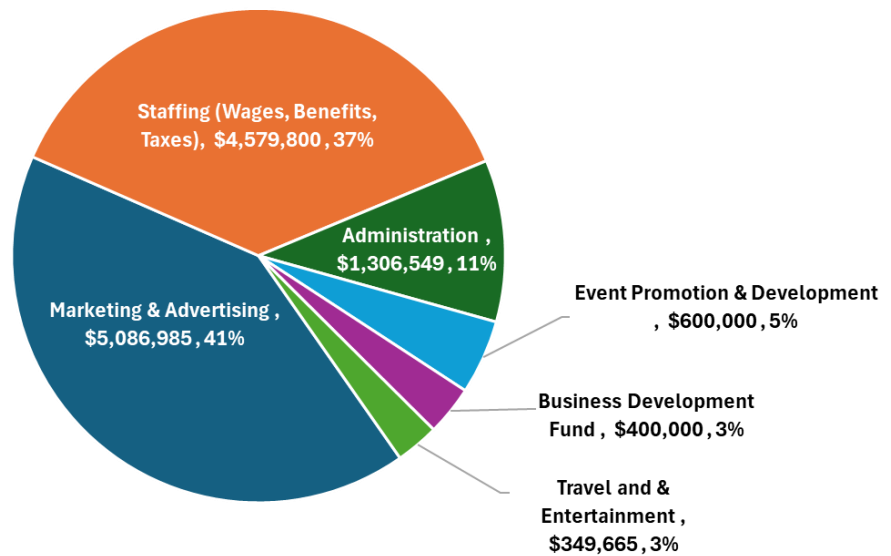
The budget also includes \$600,000 for event promotion and development. The majority (\$500,000) is for the Sports Event Investment Program (SEIP) which supports rights fees, bid fees, and marketing sponsorships for new and existing sporting events that will have a positive impact on Wake County hospitality. There is also \$100,000 for signature events and blockbuster exhibitions 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. Request for SEIP and Signature Event funds are approved by the GRCVB Board of Directors.

The budget includes \$400,000 for the Business Development Fund to support the attraction of conventions and bookings at the Raleigh Convention Center. This fund was

previously covered through the Interlocal Agreement-Based distributions of hospitality tax revenues to the Raleigh Convention Center, but are being phased out of that model and will be fully absorbed by the GRCVB Budget starting in FY 2028 per the terms of the 23rd Amendment to the ILA.

Details for each expenditure category are included in the budget document attached with this item summary. A copy of GRCVB's Business Plan for FY 2027 is also included.

**Greater Raleigh Convention and Visitors Bureau
FY 2027 Budgeted Expenditures**



Attachments:

1. FY 2027 Budget Approved by the GRCVB Board
2. FY 2027 GRCVB Business Plan Approved by the GRCVB Board