



MEMORANDUM

To: Wake County Commission
Raleigh City Council

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

Date: May 1, 2025

Subject: GRCVB Budget 2025-2026

The 2025/2026 proposed budget follows for your review. The GRCVB is proposing a total budget of \$12,691,000. This is a 2.9% or \$353,188 increase in budget from the 2024/2025 revised budget of \$12,337,812. This budget was approved by the Greater Raleigh Convention and Visitors Bureau Board of Directors at their meeting held on April 22, 2025.

INCOME

- Hotel Occupancy Tax income number is provided to the GRCVB by the Wake County Budget Office. Wake County is projecting that collections for 2025/2026 will be \$43,417,000. The GRCVB receives a portion of those collections based on a tiered formula, \$10,264,000.
- 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 \$97,000.
- Reserves \$1,500,000 – In FY25 the GRCVB expects to receive \$600,000 in occupancy tax over budget. A portion of these funds are incorporated into the FY26 budget along with over collections from FY24. Remaining excess collections will be used in future budget years.

EXPENSES

The following are explanations of the budget variances for the proposed 2025/2026 budget versus the 2024/2025:

Salaries & Wages: Increase from \$3,475,953 to \$3,631,354

- 4% increase for all 35 staff members
- Budget includes part-time visitor guide delivery and part-time visitor information weekend staff.
- Budgeted for paid interns as needed for department projects.
- Contingency for overtime for non-exempt staff included.

Payroll Taxes: Decrease from \$265,910 to \$255,684 - FICA based on payroll.

Travel & Entertainment: Increase from \$389,570 to \$393,755

- Professional development and education offerings at various industry conferences including Simpleview Summit, ESTO, Adobe, 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 \$5,713,601 to \$5,444,668

- **Sales: Increase from \$791,405 to \$943,310**
 - Sales budget includes funding for participation in 37 tradeshow 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 2025
 - Able to leverage sales and marketing opportunities to stretch the budget through participation with various industry organizations.
 - Hosting of Council of Engineering and Scientific Society Executives and Association Executives North Carolina
- **Services – Increase from \$149,800 to \$161,600**
 - Increased servicing expenses for incoming groups.
 - Increased funds for attendance building including travel and shipping costs.
 - Visitor map production
- **Public Relations and International Tourism: Level budget \$104,200**
 - Partnering with VisitNC 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
 - Leverage promotions around international flight returns in partnership with Visit NC, Brand USA and TravelSouth.
- **Marketing and Communications: Increase from \$2,795,135 to \$3,055,156**
 - Advertising and marketing for Leisure, Meetings and Sports \$1,441,000
 - Social media advertising, photography and creative agency fees included
 - People-First Tourism contract, database contractors, creative services
 - Website updates and enhancements
 - Promotional items for all departments
 - Funds allocated for research including visitor profile, volume, and spending data
 - Tradeshow booth updating
 - Emphasis on video content
 - Visitor Guide production
- **Sports Marketing (GRSA) Decrease from \$718,185 to \$606,835**
 - For 2025/2026 Sports is scheduled to help host/service over 75 events including VisitRaleigh.com National Soccer Series, USA Baseball events. 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.
 - No Local Organizing Committee expenses in budget this year. In FY25 hosted NCAA Men's Basketball Rounds 1 & 2
- **Destination Technology: Decrease from \$250,150 to \$191,150**

- 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 Amedeus
- Cybersecurity measures and training for staff
- Upgrades to AI and search engine optimization
- Portion of website project was in prior year
- **Administration: Decrease from \$904,675 to \$382,417**
 - 2025 Annual Meeting expenses
 - Funding budgeted for DSP prioritization review and
 - Business Incubator Fund will be used for last-minute bid or marketing opportunities for sales, sports and leisure initiatives, \$100,000.
 - No local organizing committee expenses, Raleigh Convention Center rent, or MOU expenses for IBMA in FY26

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: \$200,000

- 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: \$300,000

- Per agreement with City of Raleigh and Wake County, GRCVB to start funding Business Development Fund as follows:
 - FY26 \$300,000 and \$300,000 funded by inter-local agreement
 - 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: Increase from \$155,999 to \$177,818

- 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 \$65,405 to \$59,785

- 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 \$80,491 to \$341,140

- GRCVB moved offices September 2024 to Two Hannover on Fayetteville Street, Raleigh. As part of the lease, free rental and operating expenses are included for the first twelve (12) months of the lease. 50 free parking spaces are also included in the new lease.
- In FY26 GRCVB has two months of free rent remaining. Budget includes rent and operating expense for September 2025 – June 2026.

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: Increase from \$17,500 to \$17,900

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

Telephone/Cell/Wireless: No change \$60,996

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

Equipment Maintenance: No change \$8,190

- Equipment maintenance includes all equipment warranties and maintenance fees.

Local Transportation: Increase from \$38,175 to \$41,200

- GRCVB maintains two vehicles
- Increase in mileage reimbursements for staff per increased use in the current year. GRCVB reimburses staff for mileage based on the current IRS rates.

Professional Services: Increase from \$157,721 to \$159,721

- 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 \$24,880 to \$25,890

- Visitor guide storage and delivery service are included in the Office Maintenance line item. Cost for services has risen due increased fuel prices.
- Document storage and quarterly office carpet cleaning

Insurance: Increase from \$43,228 to \$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: Increase \$60,268 to \$70,608

- 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 \$632,100 to \$644,100

- 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 2025/2026 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 \$416,415 to \$279,250

- 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*

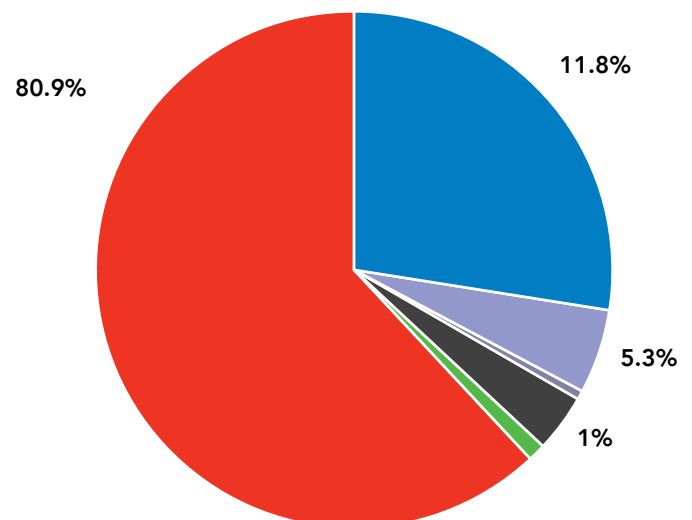
2025-2026



	2025/2026 Proposed budget	2024/2025 Budget revised
Hotel Occupancy Tax	\$10,264,000	\$9,335,000
Prepared Food & Beverage Tax	675,000	675,000
Destination Travel Network	130,000	110,000
Dividends	7,000	6,000
Interest	90,000	75,000
Annual Meeting	25,000	21,690
Reserves	1,500,000	1,568,000
TOTAL operating income	12,691,000	11,790,690
Other program revenue IBMA and NCAA Men's Basketball Local Organizing Committees		547,122
TOTAL	\$12,691,000	\$12,337,812

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 25/26 will be \$43,417,000. GRCVB receives a portion of those taxes based on a tiered formula.

GRCVB Budgeted Expenses*

2025-2026

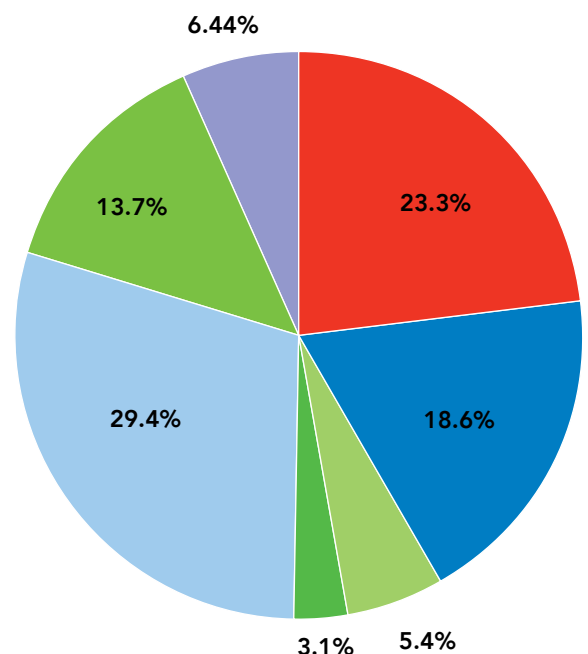


	2025/2026 Proposed budget	2024/2025 Budget revised
Administration	2,954,228	2,827,328
Sales	2,366,574	1,986,592
Services and Visitor Information Center	687,886	644,593
Public Relations and International Tourism	389,974	372,459
Marketing and Communications	3,736,594	3,444,726
Sports Marketing	1,742,591	1,722,081
Destination Technology	813,153	792,911
Other Program Expenses		547,122
TOTAL	\$12,691,000	\$12,337,812

GRCVB Budgeted Expenses 2024/2025

- 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	2022/2023	2023/2024	2024/2025	2025/2026	Variance	% Inc/Dec
CHART OF ACCOUNTS			Revised	Proposed Budget	Variance (24/25 Budget vs 25/26)	
Hotel Occupancy Tax	\$6,677,000	\$8,505,000	\$9,335,000	\$10,264,000	\$929,000	10.0%
Prepared Food and Beverage Tax	675,000	675,000	675,000	675,000	0	0.0%
Wake County, American Rescue Plan, total disbursement \$2,670,000	500,000	0	0	0	0	
Destination Travel Network	100,000	100,000	110,000	130,000	20,000	18.2%
Dividends	4,000	4,000	6,000	7,000	1,000	16.7%
Interest	5,000	20,000	75,000	90,000	15,000	20.0%
Annual Meeting	20,000	25,870	21,690	25,000	3,310	15.3%
NCAA Men's BB/IBMA LOC**/Other Program Revenue	362,750	432,257	547,122	0	-547,122	-100.0%
Reserves*	1,250,000	1,563,000	1,568,000	1,500,000	-68,000	-4.3%
TOTAL INCOME	\$9,593,750	\$11,325,127	\$12,337,812	\$12,691,000	\$353,188	2.9%

*Use of reserves for FY26 is from over collections from FY24 and FY25

GRCVB BUDGET
Expense Comparisons



2022/2023 2023/2024 2024/2025 2025/2026 **Variance** %
Inc/Dec

CHART OF ACCOUNTS			<i>Revised</i>	<i>Proposed Budget</i>	<i>Variance (24/25 Budget vs 25/26)</i>	
Salaries & Wages	\$2,887,386	\$3,234,016	\$3,475,953	\$3,631,354	\$155,401	4.5%
Payroll Taxes	220,150	247,400	265,910	255,684	-10,226	-3.8%
Travel & Entertainment	269,259	335,685	389,570	393,755	4,185	1.1%
Marketing & Advertising	4,201,059	5,116,845	5,713,601	5,444,668	-268,933	-4.7%
SEIP Event Promotion	400,000	500,000	500,000	500,000	0	0.0%
Signature Event Development Pilot (SEDP) Program	100,000	200,000	200,000	200,000	0	0.0%
Business Development Fund				300,000	300,000	100.0%
Administration Expenses*						
Total Administrative Expense	1,515,896	1,691,182	1,792,780	1,965,538	172,758	9.6%
TOTAL EXPENSES	\$9,593,750	\$11,325,127	\$12,337,812	\$12,691,000	\$353,188	2.9%

*Administration expense detail on next page

GRCVB BUDGET
Expense Comparisons



	2022/2023	2023/2024	2024/2025	2025/2026	Variance	%
			Revised	Proposed Budget	Variance (24/25 Budget vs 25/26)	Inc/Dec
CHART OF ACCOUNTS						
Salaries & Wages	\$2,887,386	\$3,234,016	\$3,475,953	\$3,631,354	\$155,401	4.5%
Payroll Taxes	220,150	247,400	265,910	255,684	-10,226	-3.8%
Travel & Entertainment	269,259	335,685	389,570	393,755	4,185	1.1%
Marketing & Advertising	4,201,059	5,116,845	5,713,601	5,444,668	-268,933	-4.7%
SEIP Event Promotion	400,000	500,000	500,000	500,000	0	0.0%
Signature Event Development Pilot (SEDP) Program	100,000	200,000	200,000	200,000	0	0.0%
Business Development Fund	0	0	0	300,000	300,000	100.0%
Administration Expenses						
Dues & Subscriptions	128,273	132,527	155,999	177,818	21,819	14.0%
Education & Training	28,630	33,225	65,405	59,785	-5,620	-8.6%
Rent/Parking	283,084	286,882	80,491	341,140	260,649	323.8%
Printing & Stationery	2,500	3,000	6,000	6,000	0	0.0%
Office Supplies	15,700	15,700	17,500	17,900	400	2.3%
Telephone/Cell/Wireless	60,600	60,840	60,996	60,996	0	0.0%
Equipment Maintenance	20,050	28,620	8,190	8,190	0	0.0%
Local Transportation	26,175	26,175	38,175	41,200	3,025	7.9%
Professional Services	143,800	155,721	157,721	159,721	2,000	1.3%
Office Maintenance	23,225	24,880	24,880	25,890	1,010	4.1%
Insurance	37,000	40,228	43,228	47,528	4,300	9.9%
Equipment Leases	77,680	58,516	60,268	70,608	10,340	17.2%
Property & Use Tax	1,700	5,412	5,412	5,412	0	0.0%
Employee Benefits	532,391	619,205	632,100	644,100	12,000	1.9%
Postage	22,500	22,500	20,000	20,000	0	0.0%
Equipment/Software Purchases	112,588	177,751	416,415	279,250	-137,165	-32.9%
Total Administrative Expense	1,515,896	1,691,182	1,792,780	1,965,538	172,758	
TOTAL EXPENSES	\$9,593,750	\$11,325,127	\$12,337,812	\$12,691,000	\$353,188	2.9%