

CITY OF HIGH POINT

AGENDA ITEM



TITLE: Approval of FY 2024-2025 High Point Convention and Visitors Bureau, Inc. (Visit High Point) Budget	
FROM: Stephen Hawryluk, Budget and Performance Director	MEETING DATE: June 3, 2024
PUBLIC HEARING: Yes	ADVERTISED DATE/BY: May 7, 2024/High Point Enterprise
ATTACHMENTS: High Point Convention and Visitors Bureau, Inc. Budget FY 2024-2025 Annual Budget Ordinance – High Point Convention and Visitors Bureau, Inc.	

PURPOSE: To approve the FY 2024-2025 High Point Convention and Visitors Bureau, Inc. (Visit High Point) budget and consideration of an ordinance to adopt the FY 2024-2025 annual budget ordinance for High Point Convention and Visitors Bureau, Inc. (Visit High Point).

BACKGROUND: High Point Convention and Visitors Bureau, Inc. (Visit High Point) requests that the City Council approve its budget on an annual basis.

Staff from High Point Convention and Visitors Bureau, Inc. (Visit High Point) presented information on their proposed budget at the May 22, 2024 Budget Work Session.

BUDGET IMPACT: N/A

RECOMMENDATION/ACTION REQUESTED: Staff recommends and asks the City Council to approve the FY 2024-2025 High Point Convention and Visitors Bureau, Inc. (Visit High Point) budget and adopt the FY 2024-2025 Annual Budget Ordinance for High Point Convention and Visitors Bureau, Inc. (Visit High Point).



VISIT HIGH POINT BUDGET

<u>No.</u>	<u>ITEM</u>	<u>FY 23-24</u> <u>Budget</u> <u>APPROVED</u> <u>7/1/2023</u>	<u>FY 23-24</u> <u>Budget</u> <u>AMENDED</u> <u>3/20/24</u>	<u>FY 24-25</u> <u>PROPOSED</u> <u>Budget 7/1/2024</u>	<u>FY 24-25</u> <u>Amt Change</u> <u>from Amended</u> <u>FY 23-24</u>	<u>FY 24-25</u> <u>% Change</u>
<u>INCOME</u>						
<u>OCCUPANCY TAX COLLECTION</u>						
4101.0	Transient Occupancy Tax	2,212,440	2,279,186	2,300,000	20,814	1
	<i>City of High Point's allocation earmarked for Stadium debt (Year 7) FY 24-25</i>					
<u>OTHER INCOME</u>						
4102.0	Interest Income	33,190	35,000	15,000	(20,000)	-57
4104.0	Rental Income - Tennants	41,560	23,600	62,100	38,500	163
4105.0	Reserve Designated Projects/Move	135,000	1,052,300	-	(1,052,300)	-100
4106.0	Sponsorship Revenue Earmarked for 501 c 3 Foundation Tourism Development	30,000	30,000	30,000	-	0
4107.0	Regional Preferred Member Revenue for Marketing	500	2,250	2,250	-	0
4108.0	Reserve Designated Sponsorship from Destination Development Grants	50,000	50,000		(50,000)	-100
4109.0	ARPA Grant			200,000		
4110.0	Rental Income - Equipment/Furnishings	-	-	10,200	10,200	0
4111.0	Event Income			160,000	160,000	0
TOTAL BUDGET		2,502,690	3,472,336	2,779,550	(892,786)	-20
	Total Restricted Income for 15% specific tourism related projects	81,870	91,878	92,900	1,022	1
	Total Restricted Income for Move Upfit		1,052,300	-	(1,052,300)	-100
INCOME		2,420,820	2,328,158	2,686,650	158,492	15
<u>EXPENSES</u>						
<u>ADMINISTRATIVE EXPENSES</u>						
5201.0	Salaries (8 full-time staff positions)	562,775	538,630	613,450	74,820	14
5202.0	Retirement (5% contribution)	30,000	26,179	31,150	4,971	19

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		<u>Budget</u>	<u>Budget</u>	<u>PROPOSED</u>	<u>Amt Change</u>	
		<u>APPROVED</u>	<u>AMENDED</u>	<u>Budget 7/1/2024</u>	<u>from Amended</u>	<u>% Change</u>
		<u>7/1/2023</u>	<u>3/20/24</u>		<u>FY 23-24</u>	
5203.0	Life/Hosp/Dent. Ins.	78,200	71,796	90,000	18,204	25
5204.0	Soc. Security	42,700	42,904	43,000	96	0
5205.0	Unemployment Ins.	1,130	740	1,150	410	55
ADMINISTRATIVE EXPENSES TOTAL		714,805	680,249	778,750	98,501	14
OPERATING EXPENSES						
5301.0	Memberships/Subscriptions	3,900	4,844	4,300	(544)	-11
5302.0	Admin Travel/Meetings/Convention/PR	19,000	13,242	13,500	258	2
5303.0	General & Administrative Operations	234,400	223,470	201,228	(22,242)	-10
5304.0	Postage/General	2,000	2,000	2,000	-	0
5306.0	Telephone	17,500	20,110	10,000	(10,110)	-50
5307.0	Rent/Utilities	152,042	143,800	246,582	102,782	71
5308.0	Comm/Board Expenses	14,000	14,000	17,760	3,760	27
5309.0	Equipment	13,800	13,800	17,800	4,000	29
OPERATING EXPENSES TOTAL		456,642	435,266	513,170	77,904	18
5401.0	Direct Group Booking Advertising	3,500	2,650	3,500	850	32
5402.0	Convention Services	206,442	231,142	222,563	(8,579)	-4
5402.1	Convention Services, Registrars, etc.	16,442	23,642	14,063	(9,579)	-41
5402.5	Event Booking Incentives	40,000	48,500	52,000	3,500	7
5402.7	HP Market Authority	150,000	150,000	150,000	-	0
5402.8	Partner Programming	-	-	1,500	1,500	0
5402.9	Special Services/Assessments	-	9,000	5,000	(4,000)	-44
5403.0	Entertainment	525	525	500	(25)	-5
5404.0	Literature/Printing	29,200	29,695	32,640	2,945	10

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		<u>Budget</u>	<u>Budget</u>		<u>Amt Change</u>	
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		<u>7/1/2023</u>	<u>3/20/24</u>	<u>Budget 7/1/2024</u>	<u>FY 23-24</u>	
5405.0	Memberships - Convention	7,665	7,665	7,655	(10)	0
5406.0	Postage - Convention	40	0	0	-	0
5407.0	Special Promotional Projects	98,720	97,489	89,880	(7,609)	-8
5408.0	Subscription/Publications	275	275	280	5	2
5409.0	Travel - Convention	12,500	11,730	11,500	(230)	-2
5410.0	Trade Shows - Convention	0	0	-	-	0
5411.0	Sponsorship Program	500	500	-	(500)	-100
5412.0	Audiovisuals	13,025	14,525	23,525	9,000	62
5413.0	Intern(s)	600	1,500	5,000	3,500	233
5414.0	Year Round Designer B2B	15,000	-	-	0	0
DIRECT BOOKING PROMOTIONS EXPENSES TOTAL		387,992	397,696	397,043	(653)	0
<u>TOURISM PROMOTION EXPENSES</u>						
5501.0	Advertising	92,800	99,000	108,500	9,500	10
5502.0	Audiovisuals	12,525	14,025	23,526	9,501	68
5503.0	Tourism - Literature/Printing	61,000	64,400	69,241	4,841	8
5504.0	Memberships/Subscriptions - Tourism	500	500	100	(400)	-80
5505.0	Postage - Tourism	25,000	23,000	24,500	1,500	7
5506.0	Special Projects	62,400	55,400	71,700	16,300	29
5507.0	Travel/Entertainment	2,000	1,800	2,000	200	11

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		<u>7/1/2023</u>	<u>3/20/24</u>		<u>FY 23-24</u>	
5508.0	Travel Shows	8,000	10,455	-	(10,455)	-100
5509.0	Visitor Information Center	34,000	22,520	43,000	20,480	91
5510.0	Advocacy	38,000	38,000	38,000	-	0
5511.0	Marketing Tools	15,276	26,700	20,670	(6,030)	-23
5512.0	Web	27,840	26,100	75,300	49,200	189
5513.0	Visitor Center Marketing	12,000	18,000	3,000	(15,000)	-83
5514.0	Visitor Programming	4,000	7,873	4,800	(3,073)	-39
5515.0	Tourism Research and Data	7,580	7,580	29,780	22,200	293
6004.0	Strategic Events/Citywide/Festivals/Spectator Events	273,460	185,094	366,470	181,376	98
TOURISM AND EVENTS PROMOTION EXPENSES TOTAL		676,381	600,447	880,587	280,140	47
TOTAL EXPENSES BEFORE GRANT EXPENSES		2,235,820	2,113,658	2,569,550	455,892	22
<u>GRANT EXPENSES</u>						
5800.1	Earmarked for VHP Sponsorship	81,870	-	-	-	0
	Reserve Earmarked for DRIVE High Point Foundation	30,000	30,000	30,000	-	0
	Reserve Earmarked for Oak Hollow Lake	0	0	-	-	0
5800.3	Reserve Earmarked for Strategic Branding Project Phase I	50,000	50,000	50,000	-	0
5800.5	Reserve Earmarked for Autism Certification Grants (CAD)	5,000	5,000	5,000	-	0
5802.0	Reserve Earmarked for Upfit 515 W English	100,000	1,052,300	-	(1,052,300)	-100
TOTAL PROJECT EXPENSES		266,870	1,137,300	85,000	(1,052,300)	-93
TOTAL EXPENSES		2,502,690	3,250,958	2,654,550	(596,408)	-18

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		<u>7/1/2023</u>	<u>3/20/24</u>		<u>FY 23-24</u>	
	Total Marketing Expense less operational project for 515 W English	1,331,243	1,083,143	1,362,630	279,487	26
	Subtotal of Income over Expenses	0	221,378	125,000	(96,378)	-44
	Earmarked for Reserves	0	221,378	125,000	(96,378)	-44
	Total Earmarked for Reserves	0	221,378	125,000	(96,378)	-44
	Excess of Income over Expenses	-	-	-	-	-
40% DI	Administration	29%	20%	28%		
12% DI	Operation	18%	13%	18%		
48% DI	Marketing/Programming/Events	53%	33%	48%		
	Reserve	0	4%	6%		
	Move/Upfit	0	30%	0%		
		100%	100%	100%		

CITY OF HIGH POINT, NORTH CAROLINA
Fiscal Year 2024-2025 Budget Ordinance

BE IT ORDAINED BY THE CITY OF HIGH POINT, NORTH CAROLINA:

Section 1. The following amounts are hereby appropriated for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025:

(1) That for said fiscal year there is hereby appropriated out of the SHOWROOM AND OCCUPANCY TAX FUND for allocation to High Point Convention and Visitors Bureau, Inc. and transfer to the General Debt Service Fund the following:

High Point Convention and Visitors Bureau, Inc.	\$ 2,286,000
Transfer to General Debt Service Fund	250,000
	<u>\$ 2,536,000</u>

Section 2. It is estimated that the following revenues will be available during fiscal year beginning July 1, 2024 and ending June 30, 2025:

Showroom and Occupancy Tax Fund	
Room Occupancy Tax	\$ 2,536,000
Total Revenues and Other Financing Sources	<u>\$ 2,536,000</u>

Section 3. Copies of this ordinance shall be furnished to the City Clerk and the Director of Financial Services to be kept on file by him for his direction in the collection and disbursement of City funds.

Section 4. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Adopted this 3rd day of June, 2024.

Attest: Sandra Keeney
City Clerk