

CITY OF HIGH POINT

AGENDA ITEM



TITLE: Presentation of Fiscal Year 2026-2027 Budget - Market Authority

FROM:
Stephen Hawryluk
Budget and Performance Director

MEETING DATE:
May 18, 2026

PUBLIC HEARING:
No

ADVERTISED DATE/BY:
N/A

- ATTACHMENTS:**
1. Proposed Budget - Market Authority
 2. Presentation
-

PURPOSE: Staff from the Market Authority will present information on the FY 2026-2027 budget.

BACKGROUND: As part of the annual budget process and in preparation of the pending adoption of the City of High Point's FY 2026-2027 Annual Budget, the City Council will hear a presentation regarding the Market Authority's FY 2026-2027 Annual Budget.

The Market Authority budget/contract will then be considered by the City Council as part of the budget adoption package at the City Council meeting scheduled for Monday, June 1, 2026.

BUDGET IMPACT: N/A

RECOMMENDED ACTION REQUESTED: For Information Only.

Revenue	Code	2025-26 Budget	2025-26 Forecast	2026-27 Budget
High Point Area				
Showroom License	4001	\$ 1,739,000.00	\$ 1,736,000.00	\$ 1,740,000.00
Occupancy Tax (Guilford)	4002	\$ 625,000.00	\$ 625,000.00	\$ 625,000.00
Visit High Point (HPCVB)	4003	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
City of High Point	4004	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
Guilford County	4005	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00
Total		\$ 3,639,000.00	\$ 3,636,000.00	\$ 3,640,000.00
State of North Carolina				
NCDOT	4011	\$ 1,700,000.00	\$ 1,700,000.00	\$ 1,700,000.00
NCDOC	4012	\$ 2,755,472.00	\$ 2,755,472.00	\$ 2,755,472.00
Total		\$ 4,455,472.00	\$ 4,455,472.00	\$ 4,455,472.00
Other (Recurring)				
On-Site Building Registration	4021	\$ 180,000.00	\$ 190,000.00	\$ 190,000.00
Miscellaneous	4023	\$ 15,000.00	\$ 10,000.00	\$ 10,000.00
Sponsorships	4024	\$ 380,000.00	\$ 400,000.00	\$ 380,000.00
Registration	4027	\$ 465,000.00	\$ 500,000.00	\$ 500,000.00
Total		\$ 1,040,000.00	\$ 1,100,000.00	\$ 1,080,000.00
Other (Non Recurring)				
COVID-19/SFRF	4028	\$ -	\$ -	\$ -
Diversity, Equity, & Inclusion	4029	\$ -	\$ -	\$ -
Market District Infrastructure	4030	\$ -	\$ -	\$ -
Total		\$ -	\$ -	\$ -
Total Revenue		\$ 9,134,472.00	\$ 9,191,472.00	\$ 9,175,472.00

Expense	Code	2025-26 Budget	2025-26 Forecast	2026-27 Budget
Executive Leadership & Admin				
Salaries/Benefits	5001	\$ 375,000.00	\$ 405,000.00	\$ 420,000.00
Board of Directors	5002	\$ 5,000.00	\$ 6,000.00	\$ 5,000.00
Audit	5003	\$ 25,000.00	\$ 25,400.00	\$ 26,000.00
Travel/Entertainment	5004	\$ 25,000.00	\$ 15,000.00	\$ 25,000.00
Telephone (Mobile/VoIP)	5005	\$ 18,000.00	\$ 15,000.00	\$ 18,000.00
Government Relations	5006	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
IT Services	5007	\$ 25,000.00	\$ 25,000.00	\$ 35,000.00
Equipment Purchase/Repair	5009	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
Business Insurance	5010	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
Memberships/Subscriptions	5012	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Office Supplies/Printing	5013	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Postage	5014	\$ 2,000.00	\$ 1,000.00	\$ 1,500.00
Rent	5016	\$ 16,800.00	\$ 17,200.00	\$ 57,250.00
City/County Taxes	5019	\$ 13,000.00	\$ 11,000.00	\$ 13,000.00
Misc Expenses	5020	\$ 15,000.00	\$ 70,000.00	\$ 15,000.00
Legal	5022	\$ -	\$ -	\$ 35,000.00
HR/Accounting/Bank Fees	5023	\$ 90,000.00	\$ 94,000.00	\$ 90,000.00
Depreciation - Office/Admin	5025	\$ 44,000.00	\$ 38,000.00	\$ 85,000.00
Total		\$ 821,800.00	\$ 890,600.00	\$ 993,750.00
Transportation				
Contractor Management/Services	5104	\$ 78,000.00	\$ 83,000.00	\$ 88,000.00
Vehicle Operations	5105	\$ 1,280,000.00	\$ 1,221,000.00	\$ 1,285,000.00
Supplies	5106	\$ 15,000.00	\$ 11,500.00	\$ 15,000.00
Rent	5108	\$ 16,800.00	\$ 17,200.00	\$ 57,250.00
Salaries/Benefits	5109	\$ 348,000.00	\$ 350,000.00	\$ 376,500.00
Seasonal/Event Staff	5110	\$ 250,000.00	\$ 230,000.00	\$ 240,000.00
Signage/Street Improvements	5112	\$ 35,000.00	\$ 32,000.00	\$ 35,000.00
Trainings/Meetings	5113	\$ 9,000.00	\$ 7,000.00	\$ 7,000.00
Misc Expenses	5114	\$ 2,200.00	\$ 25,000.00	\$ 3,000.00
Transportation Command Center	5115	\$ 16,000.00	\$ 16,500.00	\$ 16,000.00
Travel/Entertainment	5116	\$ 8,000.00	\$ 3,800.00	\$ 7,500.00
Parking	5117	\$ 65,000.00	\$ 62,000.00	\$ 63,000.00
Depreciation - Transportation	5119	\$ 5,000.00	\$ 6,000.00	\$ 5,000.00
Total		\$ 2,128,000.00	\$ 2,065,000.00	\$ 2,198,250.00
Registration				
Contractor Fees/Services	5301	\$ 190,000.00	\$ 230,000.00	\$ 240,000.00

Expense	Code	2025-26 Budget	2025-26 Forecast	2026-27 Budget
Salaries/Benefits	5302	\$ 413,000.00	\$ 414,000.00	\$ 348,000.00
On-Site Building Registration	5303	\$ 115,000.00	\$ 120,000.00	\$ 124,000.00
Postage	5304	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Seasonal/Event Staff	5305	\$ 190,000.00	\$ 190,000.00	\$ 180,000.00
Registration Network	5306	\$ 12,500.00	\$ 12,500.00	\$ 13,000.00
Supplies	5307	\$ 60,000.00	\$ 70,000.00	\$ 80,000.00
Training/Meetings	5308	\$ 10,000.00	\$ 6,000.00	\$ 10,000.00
Equipment/Shipping	5313	\$ 20,000.00	\$ 16,000.00	\$ 5,000.00
Support Services	5314	\$ 23,000.00	\$ 30,000.00	\$ 23,000.00
Rent	5316	\$ 16,800.00	\$ 17,200.00	\$ 57,250.00
Travel/Entertainment	5317	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Depreciation - Registration	5318	\$ 45,000.00	\$ 60,000.00	\$ 60,000.00
Total		\$ 1,157,300.00	\$ 1,227,700.00	\$ 1,202,250.00
Marketing				
Printed Collateral/Signage	5401	\$ 160,000.00	\$ 128,000.00	\$ 110,000.00
Advertising - Print/Digital/Email	5403	\$ 430,000.00	\$ 416,000.00	\$ 410,000.00
Agency Fees/Creative	5405	\$ 681,000.00	\$ 681,000.00	\$ 681,000.00
Salaries/Benefits	5406	\$ 514,000.00	\$ 517,000.00	\$ 372,500.00
PR/ Freelance	5407	\$ 60,000.00	\$ 58,000.00	\$ 125,000.00
Postage	5408	\$ 65,000.00	\$ 50,000.00	\$ 60,000.00
Telemarketing	5409	\$ -	\$ -	
Media Center	5411	\$ 95,000.00	\$ 82,000.00	\$ 65,000.00
Travel/Entertainment	5413	\$ 13,000.00	\$ 8,000.00	\$ 13,000.00
Rent	5415	\$ 16,800.00	\$ 17,200.00	\$ 57,250.00
Photo/ Video	5417	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
Industry Education	5418	\$ 30,000.00	\$ 16,000.00	\$ 5,000.00
Promotional Goods	5420	\$ 20,000.00	\$ 56,361.00	\$ 20,000.00
Website/App/Data/Analytics	5421	\$ 300,000.00	\$ 368,000.00	\$ 325,000.00
Mail House Services	5422	\$ 15,000.00	\$ 10,320.00	\$ 15,000.00
Database Management	5424	\$ 155,000.00	\$ 122,000.00	\$ 150,000.00
Sponsored Marketing	5427	\$ 90,000.00	\$ 75,000.00	\$ 75,000.00
Misc Expenses	5428	\$ 5,000.00	\$ 20,000.00	\$ 5,000.00
Sponsorship Expenses	5429	\$ 150,000.00	\$ 150,000.00	\$ 130,000.00
Depreciation - Marketing	5430	\$ 45,000.00	\$ 44,600.00	\$ 7,000.00
Strategic Growth	5431	\$ 200,000.00	\$ 210,000.00	\$ 205,000.00
Social Media	5432	\$ 5,000.00	\$ 3,000.00	\$ -

Expense	Code	2025-26 Budget	2025-26 Forecast	2026-27 Budget
Seasonal/Event Staff	5434	\$ 10,000.00	\$ 5,000.00	\$ 6,000.00
Trainings & Meetings	5435	\$ 3,000.00	\$ 2,000.00	\$ 3,000.00
Sold Goods	5436	\$ 19,000.00	\$ 500.00	\$ -
Total		\$ 3,111,800.00	\$ 3,069,981.00	\$ 2,869,750.00
Guest Services				
Entertainment	5502	\$ 770,000.00	\$ 765,000.00	\$ 770,000.00
Salaries/Benefits	5503	\$ 226,500.00	\$ 227,500.00	\$ 356,000.00
Food/Beverage	5505	\$ 167,000.00	\$ 162,500.00	\$ 170,000.00
International Services	5507	\$ 41,500.00	\$ 45,000.00	\$ 33,000.00
On-site Buyer Services	5509	\$ 180,000.00	\$ 205,000.00	\$ 98,000.00
Logistics/Security	5512	\$ 215,000.00	\$ 221,000.00	\$ 135,000.00
Rent	5513	\$ 16,800.00	\$ 17,200.00	\$ 57,250.00
Depreciation - Guest Services	5514	\$ 120,000.00	\$ 118,000.00	\$ 105,000.00
Neighborhood Branding/Promotior	5515	\$ 90,000.00	\$ 89,000.00	\$ 94,000.00
Seasonal/Event Staff	5516	\$ 60,000.00	\$ 60,000.00	\$ 63,000.00
Trainings/Meetings	5517	\$ 10,000.00	\$ 7,000.00	\$ 10,000.00
Travel/Entertainment	5518	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
Misc Expenses	5519	\$ 5,000.00	\$ 12,000.00	\$ 5,000.00
Total		\$ 1,907,800.00	\$ 1,935,200.00	\$ 1,902,250.00
Total Expense		\$ 9,126,700.00	\$ 9,188,481.00	\$ 9,166,250.00
Total Revenue		\$ 9,134,472.00	\$ 9,191,472.00	\$ 9,175,472.00
Surplus/Deficit		\$ 7,772.00	\$ 2,991.00	\$ 9,222.00

Other (Non Recurring)

COVID-19/SFRF	5900	\$ -	\$ -	\$ -
Diversity Equity Inclusion	5901	\$ -	\$ -	\$ -
Market District Infrastructure	5902	\$ 7,683,500.00	\$ -	\$ -
Total		\$ 7,683,500.00	\$ -	\$ -

Total Expense (Including Non Recurring)	\$ 16,810,200.00	\$ 9,188,481.00	\$ 9,166,250.00
Total Revenue	\$ 9,134,472.00	\$ 9,191,472.00	\$ 9,175,472.00
Surplus/Deficit	\$ (7,675,728.00)	\$ 2,991.00	\$ 9,222.00

**The budget periods for non-recurring revenue are different from the period of expenditures as outlined in the grant agreements. This will result in significant revenue in one fiscal year for HPMA, and significant expenses in a subsequent year for HPMA.



City of High Point Budget Review

HPMKTTM
Authority

HPMA Areas of Focus

- Cultivating new buyer targets
- Ensuring a frictionless guest experience
- Long range technology improvements that are customer focused
- Nourishing the next generation of home furnishings professionals



Operational Revenue

FY25-26 Budget \$9,134,472

FY25-26 Forecast \$9,191,472

FY26-27 Budget \$9,175,472



Revenue Analysis

Local 20%

State 49%

Industry 31%



Operational Expenses

FY25-26 Budget \$9,126,700

FY25-26 Forecast \$9,188,481

FY26-27 Budget \$9,166,250



Expense Analysis

<u>Expense</u>	<u>FY25-26 Budget</u>	<u>FY26-27 Budget</u>
Administration	\$821,800	\$993,750
Transportation	\$2,128,000	\$2,198,250
Registration	\$1,157,300	\$1,202,250
Marketing	\$3,111,800	\$2,869,750
Guest Services	\$1,907,800	\$1,902,250

The People



During Market, HPMA hires approximately 250 temporary staff members from the local community, with an average retention rate of 92%.

The Economy



Our local community benefits from private home rentals, increased traffic to restaurants, hotels and local businesses, and tax revenue generated by Market.

The Brand



“We are the center of the creative revolution” and High Point Market is the tent pole.

The District



Our beautification plan for the Market District is well underway, with our new Tidy Team, flower baskets on street poles, and updated signage.



Questions?

CITY OF HIGH POINT AGENDA ITEM



TITLE: Closed Session - Personnel

FROM:
Mayor Jefferson

MEETING DATE:
May 18, 2026

PUBLIC HEARING:
No

ADVERTISED DATE/BY:
N/A

ATTACHMENTS:
None

PURPOSE: City Council is requested to go into Closed Session pursuant to N.C.G.S. §143-318.11(a)(6) for Personnel.

BACKGROUND: N/A

BUDGET IMPACT: N/A

RECOMMENDED ACTION REQUESTED: City Council is requested to go into Closed Session pursuant to N.C.G.S. §143-318.11(a)(6) for Personnel.