

Guilford County EDO/EDA Grant Application (FY 2019-2020)

[HTTP://WWW.GUILFORDCOUNTYNC.GOV](http://www.guilfordcountync.gov)



To be considered for a FY 2019-2020 Guilford County Economic Development Agency Grant, this application and all attachments must be completed thoroughly and received by the deadline:

Monday, February 11, 2019 at 5:00PM.

General Agency Information

DATE 1/28/19

Agency Name High Point Market Authority

Federal Tax ID Number 562 264074

Phone Number 336-869-1000

Fax Number 336-869-6999

Email/Website Address tammy@highpointmarket.org www.highpointmarket.org

Mailing Address 164 S Main Street, Suite 700

City High Point

State NC Zip 27260

Physical Address (if different from mailing)

City

State

Zip

Is your organization incorporated?

☒ YES

☐ NO

If YES, please list the name(s) of your President and Corporate Secretary:

Is your organization a L.L.C?

☐ YES

☒ NO

If YES, please list the name(s) of your Managing Director(s):

Please attach the following items to your application:

- **Proof of your organization's current nonprofit 501(c)(3) tax exempt status and eligibility to receive tax deductible contributions, as confirmed by the Internal Revenue Service.**
- **An annual certified audit prepared by a qualified accountant or accounting service covering the last reporting period of operation. If a full audit is not available, include the most recent independent financial review.**
- **Current roster of all Board members, with terms specified.**

Complete the fields below with information for your organization's primary contact person during the application process:

First Name Tammy

Last Name Nagem

Title Chief Operating Officer

Email Address (if different from agency email address)

Phone Number (if different from agency phone number) 336-888-3222

FY 2019-2020 Agency Funding Request

FY 2019-2020 Funding Request Amount: \$200,000

Is the requested amount for: ☐ A one-time expenditure ☒ Ongoing expenditure(s)

Which type of expenditure will this request address (select all that apply)?

- ☒ Operating (Personnel, Supplies, etc.)
- ☐ Capital (Facility Construction, Vehicle, etc.)
- ☒ Program (Training, Marketing, etc.)
- ☐ Other (Please specify) _____

If awarded will you utilize this grant as leverage to secure other funding?

☐ YES

☒ NO

If YES, please provide a brief explanation regarding the funding source, type and purpose?

N/A

Has your organization received funding from Guilford County within the past three (3) fiscal years?

☒ YES
☐ NO

If YES, please list your funding history, related organizational/program objective(s) and resulting outcome(s) in the table below:

Fiscal Year	Funding Amount	Program Objective	Economic Impact
Ex. 2014-2015	\$20,000	<i>Expand marketing opportunities to generate increased monthly event attendance by 10%, resulting in the creation of ten (10) jobs to assist with event planning and management.</i>	<i>Monthly attendance increased by an average of 200 attendees, or 11.5%, for each event. Generated an additional \$35,000 in annual ticket sales resulting in twelve (12) full-time positions created for event planning and management.</i>
2015-2016	\$75,000	New buyers brought 16% growth as well as 6% growth in buyers who have not attended in 4 Markets or more. Variable messaging and more digital presence has made a difference in reaching these populations.	New buyers/designer keep Market strong and the overall numbers consistent. They contribute to the \$5.4 million in economic impact and keep the need for the 37,000 jobs that market brings twice a year.
2016-2017	\$75,000	Increased marketing to designers paid off with a 3% gain in registrations.	New buyers/designer keep Market strong and the overall numbers consistent. They contribute to the \$5.4 million in economic impact and keep the need for the 37,000 jobs that market brings twice a year.
2017-2018	\$75,000	The High Point Market is working to sustain the recent growth in the tax base by supporting the exhibitors with a recent 2% increase in buyer attendance.	New buyers/designer keep Market strong and the overall numbers consistent. They contribute to the \$5.4 million in economic impact and keep the need for the 37,000 jobs that market brings twice a year.

Organizational Capacity

Please provide a brief description of your organization including your mission vision and goals.

The High Point Market, held in High Point North Carolina every April and October is the home of the global home furnishings industry. The High Point Market Authority is the official sponsor of the event. Its mission is to create the most comprehensive and productive business event in the global home furnishings industry. The goal is to ensure the show remains a viable event for the home furnishings retail and design community.

The High Point Market Authorities' primary responsibilities are coordination of marketing and logistics for the Market. Activities include recruiting new buyers to attend the event and ensuring returning buyers have a productive business experience which includes coordination of education, networking, transportation, security and comprehensive onsite guest services.

Share your management and staffing structure, including staff years of experience in this field/industry and use of volunteers.

Staff Management:

Tom Conley, President/CEO 30+ Years in the trade show Industry

Tammy Nagem, COO 17 Years with the HPMa

7 Directors that oversee work in their respective areas (Marketing, Registration, Operations etc)

Combined Experience of Directors: 89 years

3 Year-Round Part-time Customer Service staff members

2 Seasonal Part-time Customer Service staff member

Directly and through event contractors our staff grows to over 200 people during Market.

Volunteers are not used.

Indicate how the programs/activities/services offered by your organization have benefited Guilford County citizens.

In 2018, the Center of Globalization, Governance & Competitiveness at Duke University completed the third Economic Impact Assessment for the High Point Market. Again, the study concluded that the bi-annual event, which is the largest of its kind in the world, generated \$6.7 billion in economic impact for a 30-county region, with the highest level of economic impact being in Guilford County. These results make High Point Market the largest economic event in all of North Carolina. This was an increase from the 2013 study that showed an impact of \$5.4 billion. It also found over 42,000 jobs can be attributed to the Market. A copy of this new report will be available after February 13, 2019 when it will be unveiled to the public.

Hotel accommodations, rental cars, restaurants, caterers, dry cleaners, gas stations, contractors, painters, trucking companies, movers and retail stores all have a significant increase in business during and before Market. Market jobs all impact area residents tremendously either as supplemental income or a year-round job. It must also be considered that it is not only the five market days that are to be considered, but all the preliminary set-up and break down for weeks and months, in between Markets that also positively impact County residents and provide year-round work.

The High Point Market is also a source of property tax revenue as more and more showrooms are being built. As a result of our efforts, seven showrooms have been built or expanded in the last two years alone. The new buildings represent an increase of \$240,079 in property tax revenue for Guilford county from the previous year. The prior year increase was over \$248,000.

Program/Project Information

Please provide a detailed description of the proposed goals/objectives your agency/program/project will accomplish in FY 2019-2020:

The High Point Market Authority continues to look for new ways to increase the number of attendees coming to High Point. This effort is both domestic as well as international and crosses multiple industry sectors. Using a frequency and recency model we will attempt to retain our current buyers and attract new and more frequent attendance from other qualified buyers.

Marketing activities that will support these increases are:

- direct mail to buyers
- email campaigns
- social media initiatives
- website enhancements
- telemarketing

Which economic development goal listed below will your organization primarily address through its program(s) and/or activities (select **ONE**):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Job creation and/or retention | <input type="checkbox"/> Increase population |
| <input checked="" type="checkbox"/> Increase taxable property | <input type="checkbox"/> Increase and/or improve agricultural industries |
| <input type="checkbox"/> Increase and/or improve industrial production | <input checked="" type="checkbox"/> Increase and/or improve business prospects within Guilford County |

If you selected **Job creation and/or retention**, please complete the table below:

Fiscal Year	# Jobs Created	# Jobs Retained	Estimated Economic Impact (\$)
Ex. 2014-2015	4	10	\$410,750
2015-2016	See below		
2016-2017	See below		
2017-2018	See below		

How did you calculate or verify this information? Describe below or attach documentation.

Ex. Utilizing the US Bureau of Economic Analysis' Regional Input-Output Modeling System, we calculated the economic impact of job creation and retention in the Guilford region using the following formula: Total Labor Income=Payroll x 1.6430

Direct quote from our Duke Economic Impact Study conducted in 2018.

"The results indicate that the economic activity generated by the High Point Market as a whole directly employs 25,014 people each year. In addition to these direct jobs, 8,929 jobs are indirectly supported in downstream industries and 8,484 additional jobs are supported due to the increased household spending resulting from the direct and indirect jobs. This results in an employment multiplier of 1.70 across all activity types. This means that each job created directly in the Market, 70% of an additional job is supported in the region."

Because of the complexity of our returns (sales tax, occupancy, jobs, property tax, direct spending, etc) it is not measureable through a standard multiplier.

If you selected **Increase taxable property**, please complete the table below:

Fiscal Year	Increase in taxable property (\$)	Additional Explanation
Ex. 2014-2015	\$50,000	<i>Expanded site by 5,000 sq. ft. to include four (4) new classrooms and training conference room for workforce development program.</i>
2015-2016	\$7,863 Showroom Building- Art Addiction \$33,827 Showroom Building- Christopher Guy \$35,038 Showroom Addition- New Classic	
2016-2017	\$95,438 Showroom Addition- 200 Steele \$121,174 Showroom Building- Holland House \$32,259 Showroom Building- Najarian Furniture	
2017-2018	\$34,823 Showroom Building- Parker House \$119,831 Showroom Building- Markor/Liv.able \$38,717 Showroom Building- The Bank/SIS Real Estate \$46,708 Showroom Building- ECI	

How did you calculate or verify this information? Describe below or attach documentation.

Ex. The FY 2015-2016 Guilford County property tax assessment verified the new value.

City of High Point permitting and the High Point Economic Development Corporation provided the information for the increase in taxable property. Calculations were based on the Guilford County property tax rate.

If you selected one of the following economic development goals:

- **Increase and/or improve industrial production**
- **Increase population**
- **Increase and/or improve agricultural industries OR**
- **Increase and/or improve business prospects within Guilford County**

please provide a detailed outline of your plan below, including information on the target dollar amount(s) or percent increase(s) that will be achieved and sustained over the next five (5) or more years. Provide and/or attach documentation explaining your calculations:

Increase and/or improve business prospects within Guilford County.

The positioning of the High Point Market in Guilford County makes this area attractive to home furnishings related companies for the location of manufacturing, warehousing and corporate offices. The industry has called this area home for 110 years so home furnishings companies can easily find the resources necessary to operate their businesses. The Market is what makes High Point and Guilford County the home for home furnishings. Recently the following companies have built or expanded facilities in Guilford County. These companies are located in this area because of

County Date Company Investment
Guilford 11/29/18 Wayfair Distribution \$4,337,000
Guilford 9/13/18 Arper \$3,700,000
Guilford 3/8/18 Man Wah Holdings \$650,000

*Data provided by the High Point Economic Development Cooperation.

Organizational and Program/Project Information

Organization's Proposed Operating Budget (FY 2019-2020) \$6,575,472 (FY 2018-19)

Please provide in the area below, and/or attach a line-item budget, detailing proposed organizational expenditures and revenue for FY 2019-2020:

See attached FY 2018-19 budget. The approved budget for FY 2019-20 will be available July 1, 2019. HPMA budgets have little change from year to year so the submitted budget can be considered as a *draft*.

If the grant request is for a specific program/project sponsored by your organization, please provide in the area below, and/or attach a line-item budget, detailing proposed program/project expenditures and revenue for FY 2019-2020:

These funds will be utilized for programming that is a part of the total marketing initiative. Attached is the marketing budget from 2018-19. The 2019-2020 budget will not be complete until July 1, 2019. HPMAs budgets have little change from year to year so the submitted budget can be considered as a draft.

HPMA is requesting \$200,000 from Guilford County to support our marketing efforts. The increase from \$75,000 in past years reflects the additional \$240,000 in tax dollars generated by new showroom construction. Funds will be used for a wide variety of projects, such as our highpointmarket.org website, direct mail, email campaigns, social media initiatives, on-site services, educational programming, business networking events, registration improvements, etc. The projected cost for these projects is outlined in the marketing portion of the submitted budget.

Performance and Evaluation Measures

Outline the performance measures used to evaluate the effectiveness of your program and/or project and provide actual results for the prior three (3) fiscal years, along with year-to-date results for the current grant cycle and projected targets for FY 2019-2020: (Attach additional performance measures, if needed)

General Goals

Ex. Train clients to participate in vocation-specific internships or master apprentice programs.

1. Increase buyer registration
2. Increase the economic impact of overall Market registration
3. Increase the number of permits for showroom improvements or construction by providing a "must attend"

Performance Measures

	Actual FY15-16	Actual FY16-17	Actual FY17-18	YTD FY18-19	Target FY19-20
<i>Ex. At least five (5) program graduates will be accepted into vocational internships.</i>	3	5	4	1	5
Increase designer registration	33,694	32,057	32,283	16,150	33,000
Increase buyer registration from the North-East region	16,474	14,422	14,151	6,907	15,000
Increase total Market registration	158,329	151,764	148,279	72,226	146,000

*The numbers given are two Markets registration numbers combined to achieve a fiscal year total. Keep in mind our Markets are every April and October therefore we will only be able to report these benchmarks twice a year.

As a reminder, please attach the following items to the application:

- Proof of your organization's current nonprofit 501(c)(3) tax exempt status and eligibility to receive tax deductible contributions, as confirmed by the Internal Revenue Service.
- An annual certified audit prepared by a qualified accountant or accounting service covering the last reporting period of operation. If a full audit is not available, include the most recent independent financial review.
- Current roster of all Board members, with terms specified.

**ALL APPLICATIONS AND ATTACHMENTS MUST BE SUBMITTED BY
5:00PM ON MONDAY, FEBRUARY 11, 2019.**

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

OCT 22 2001

HIGH POINT INTERNATIONAL HOME
FURNISHINGS MARKET AUTHORITY
C/O CHARLES E LYNCH JR
PO BOX 2608
HIGH POINT, NC 27261-0000

Employer Identification Number:

56-2264074

DLN:

17053263058041

Contact Person:

TERRY KAYE

ID# 31038

Contact Telephone Number:

(877) 829-5500

Internal Revenue Code

Section 501(c)(6)

Accounting Period Ending:

June 30

Form 990 Required:

Yes

Addendum Applies:

No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in the section indicated above.

Unless specifically excepted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay \$100 or more during a calendar year. And, unless excepted, you are also liable for tax under the Federal Unemployment Tax Act for each employee to whom you pay \$50 or more during a calendar quarter if, during the current or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks or you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about excise, employment, or other Federal taxes, please address them to this office.

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth

Letter 948 (DO/CG)

HIGH POINT INTERNATIONAL HOME

month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

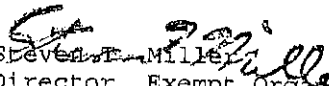
Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

HIGH POINT INTERNATIONAL HOME

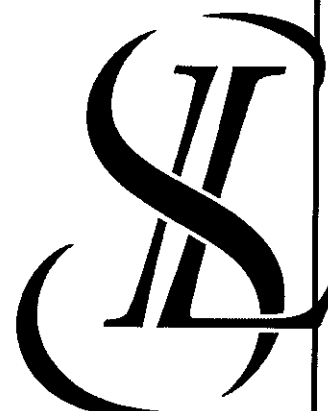
If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,


Steven T. Miller
Director, Exempt Organizations

High Point International Home Furnishings Market Authority Corporation

Financial Statements
Years Ended June 30, 2018 and 2017



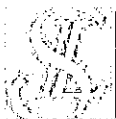
**High Point International Home Furnishings
Market Authority Corporation**

Financial Statements
Years Ended June 30, 2018 and 2017

**High Point International Home Furnishings
Market Authority Corporation**

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SMITH LEONARD

Accountants & Consultants

Smith Leonard PLLC
4035 Premier Drive, Suite 300
High Point, NC 27255-8132
Phone: 336.883.0181, Fax: 336.841.8764

Independent Auditor's Report

Board of Directors
High Point International Home Furnishings Market Authority Corporation
High Point, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of High Point International Home Furnishings Market Authority Corporation (a nonprofit organization, the "Organization"), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related summary of significant accounting policies and notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of state awards, as required by North Carolina General Statute G.S. 143C-6-22, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2018, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Smith Leonard PLLC

High Point, North Carolina
September 13, 2018

High Point International Home Furnishings Market Authority Corporation

Statements of Financial Position June 30, 2018 with Comparative Totals for June 30, 2017

	Unrestricted	Temporarily Restricted	Total 2018	Total 2017
Assets				
Cash and cash equivalents	\$ 3,694,848	\$ 30,896	\$ 3,725,744	\$ 3,480,938
Support receivables:				
Transportation	600,000	-	600,000	600,000
General support and other	18,750	-	18,750	18,750
Occupancy taxes	28,917	-	28,917	46,449
Prepaid expenses	227,108	-	227,108	163,205
Other current assets	138,173	-	138,173	146,056
Property and equipment, less accumulated depreciation	393,626	-	393,626	587,803
Total assets	\$ 5,101,422	\$ 30,896	\$ 5,132,318	\$ 5,043,201
Liabilities and Net Assets				
Liabilities				
Accounts payable	\$ 150,220	\$ -	\$ 150,220	\$ 150,167
Accrued expenses	23,684	-	23,684	28,994
Deferred revenue	-	30,896	30,896	42,393
Capital leases	6,705	-	6,705	12,879
Total liabilities	180,609	30,896	211,505	234,433
Commitments and contingencies				
Net assets	4,920,813	-	4,920,813	4,808,768
Total liabilities and net assets	\$ 5,101,422	\$ 30,896	\$ 5,132,318	\$ 5,043,201

See accompanying summary of significant accounting policies and notes to financial statements.

High Point International Home Furnishings Market Authority Corporation

Statement of Activities Year Ended June 30, 2018

	Unrestricted	Temporarily Restricted	Total
Revenue and support			
Showroom licenses	\$ 1,648,360	\$ -	\$ 1,648,360
City of High Point	1,000,000	-	1,000,000
North Carolina Department of Commerce – marketing	-	1,755,472	1,755,472
Transportation	-	1,200,000	1,200,000
Occupancy taxes	407,339	-	407,339
Sponsorships	296,950	-	296,950
High Point Convention and Visitors Bureau	150,000	-	150,000
Guilford County	75,000	-	75,000
Interest	23,508	-	23,508
Miscellaneous	20,157	-	20,157
Net assets released from restrictions:			
Satisfaction of pre-market conditions	-	172,675	172,675
Transportation and marketing	3,128,147	(3,128,147)	-
Total revenue and support	6,749,461	-	6,749,461
Expenditures			
Marketing	2,699,991	-	2,699,991
Transportation	1,489,457	-	1,489,457
Guest services and entertainment	862,122	-	862,122
Executive leadership and management	725,126	-	725,126
Centralized registration	534,531	-	534,531
Pre-market – exhibitor funded	172,675	-	172,675
Buyer parking	124,066	-	124,066
Depreciation, excluding software	29,162	-	29,162
Miscellaneous	286	-	286
Total expenditures	6,637,416	-	6,637,416
Change in net assets	112,045	-	112,045
Net assets, beginning of year	4,808,768	-	4,808,768
Net assets, end of year	\$ 4,920,813	\$ -	\$ 4,920,813

See accompanying summary of significant accounting policies and notes to financial statements.

High Point International Home Furnishings Market Authority Corporation

Statement of Activities Year Ended June 30, 2017

	Unrestricted	Temporarily Restricted	Total
Revenue and support			
Showroom licenses	\$ 1,635,329	\$ -	\$ 1,635,329
City of High Point	1,000,000	-	1,000,000
North Carolina Department of Commerce – marketing	-	1,755,472	1,755,472
Transportation	-	1,200,000	1,200,000
Occupancy taxes	388,805	-	388,805
Sponsorships	329,250	-	329,250
High Point Convention and Visitors Bureau	150,000	-	150,000
Guilford County	75,000	-	75,000
Interest	15,012	-	15,012
Miscellaneous	24,602	-	24,602
Net assets released from restrictions:			
Satisfaction of pre-market conditions	-	282,965	282,965
Transportation and marketing	3,238,437	(3,238,437)	-
Total revenue and support	6,856,435	-	6,856,435
Expenditures			
Marketing	2,501,327	-	2,501,327
Transportation	1,463,523	-	1,463,523
Guest services and entertainment	785,605	-	785,605
Executive leadership and management	725,244	-	725,244
Centralized registration	468,542	-	468,542
Pre-market – exhibitor funded	282,965	-	282,965
Buyer parking	122,455	-	122,455
Depreciation, excluding software	28,661	-	28,661
Miscellaneous	81	-	81
Total expenditures	6,378,403	-	6,378,403
Change in net assets	478,032	-	478,032
Net assets, beginning of year	4,330,736	-	4,330,736
Net assets, end of year	\$ 4,808,768	\$ -	\$ 4,808,768

See accompanying summary of significant accounting policies and notes to financial statements.

**High Point International Home Furnishings
Market Authority Corporation**

**Statements of Cash Flows
Years Ended June 30, 2018 and 2017**

	2018	2017
Cash flows from operating activities		
Change in net assets	\$ 112,045	\$ 478,032
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Depreciation and amortization	297,066	241,821
Changes in assets and liabilities:		
Support receivables	17,532	(12,436)
Prepaid expenses	(63,903)	(21,609)
Other current assets	7,883	(59,696)
Accounts payable	53	(54,554)
Accrued expenses	(5,310)	880
Deferred revenue	(11,497)	(46,172)
Total adjustments	241,824	48,234
Net cash provided by operating activities	353,869	526,266
Cash flows from investing activities		
Purchase of property and equipment	(102,889)	(247,780)
Net cash used in investing activities	(102,889)	(247,780)
Cash flows from financing activities		
Borrowings (payments) on capital lease, net	(6,174)	5,241
Net cash provided by (used in) financing activities	(6,174)	5,241
Net change in cash and cash equivalents	244,806	283,727
Cash and cash equivalents, beginning of year	3,480,938	3,197,211
Cash and cash equivalents, end of year	\$ 3,725,744	\$ 3,480,938

See accompanying summary of significant accounting policies and notes to financial statements.

High Point International Home Furnishings Market Authority Corporation

Summary of Significant Accounting Policies

Organization

The High Point International Home Furnishings Market Authority Corporation (the "Organization") is organized as a 501(c)(6) not-for-profit corporation founded in 2001 for the purpose of promoting and facilitating the International Home Furnishings Market in High Point, North Carolina. The Organization's support comes from showroom licenses, hotel taxes, grants and contributions from various organizations.

Basis of Presentation

The accompanying financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

- Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.
- Temporarily Restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.
- Permanently Restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all of or part of the income earned on related investments for general or specific purposes.

Revenue and support are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions between the applicable classes of net assets. There are no permanently restricted net assets as of June 30, 2018 and 2017.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At various times throughout the year, the Organization may have cash balances in financial institutions that exceed federally insured amounts.

Support Receivables

Support receivables are comprised substantially of previously agreed upon amounts due from city, state and county municipalities. An allowance is made for uncollectible support receivables based on an analysis of past collection experience and other relevant factors. No allowance is recorded for 2018 or 2017; however, actual write-offs could occur in the future.

Other Current Assets

Other current assets are comprised of certain advertising and marketing costs that will be used by the Organization to promote the upcoming Fall International Home Furnishings Market in High Point. These costs will be charged to expense as the services are utilized, which is expected to occur in October, after fiscal year end.

High Point International Home Furnishings Market Authority Corporation

Summary of Significant Accounting Policies

Property and Equipment

Property and equipment above \$1,000 are stated at cost if purchased or fair value at the date the property was contributed. Assets are depreciated using the straight-line method over the estimated useful lives of the assets as follows:

	Years
Market technology – software	3-7
Leasehold improvements	7-10
Computer equipment	3-5
Office furniture	7-10
Office equipment	3-7
Market equipment	3-10

Property held under capital leases is amortized over the lesser of the lease term or the useful life of the property. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation is removed from the accounts and any remaining gain or loss is included in operations. Repairs and maintenance are charged to expense when incurred.

Use of Estimates

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Expenses

Functional expenses have been allocated between marketing, transportation, guest services and entertainment, executive leadership and management, centralized registration, pre-market and buyer parking expenses as indicated in the statements of activities. Depreciation expense of approximately \$268,000 and \$213,000 is included within marketing expenses related to the Organization's smartphone application developed for market use as of June 30, 2018 and 2017.

Donated Equipment and Goods

Donations of equipment and goods are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless donors indicate a specified purpose for contributed assets. Donations with explicit restrictions regarding their use, including contributions of cash that must be used to acquire property and equipment, are reported as restricted support. Absent donor stipulations regarding holding periods for donated assets, the Organization reports expirations of donor restrictions when the contributed or acquired assets are placed in service as indicated by the donors, at which time the Organization reclassifies temporarily restricted net assets to unrestricted net assets.

High Point International Home Furnishings Market Authority Corporation

Summary of Significant Accounting Policies

Income Taxes

The Organization is exempt from income taxes under Section 501(a) as an organization described in Section 501(c)(6) of the Internal Revenue Code. Accordingly, no provision for income taxes is made in the financial statements.

It is the Organization's policy to evaluate all tax positions and to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by a "more-likely-than-not" threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the financial statements. Currently, the statute of limitations remains open subsequent to and including 2015; however, no examinations are in process. Any changes in the amount of a tax position will be recognized in the period the change occurs.

Subsequent Events

Management has evaluated events occurring subsequent to the balance sheet date through September 13, 2018, the date that the financial statements were available to be issued, determining no events require adjustment to or additional disclosure in the financial statements.

High Point International Home Furnishings Market Authority Corporation

Notes to Financial Statements

1. Property and Equipment

Major classes of property and equipment consist of the following:

<i>June 30,</i>	2018	2017
Market technology – software	\$ 845,524	\$ 761,692
Leasehold improvements	515,683	515,683
Computer equipment	86,251	80,120
Office furniture	84,178	83,166
Office equipment	66,899	66,899
Market equipment	52,655	44,155
Projects in process	3,414	-
	1,654,604	1,551,715
Less accumulated depreciation	(1,260,978)	(963,912)
Net property and equipment	\$ 393,626	\$ 587,803

2. Capital Leases

The Organization leases equipment under capital leases, which have a capitalized cost of approximately \$35,000 and related amortization of approximately \$30,000 and \$27,000 at June 30, 2018 and 2017. Under one lease, payments of \$277 are due each month through July 2020. Another lease ending in 2018 had payments of \$392 that were due each month through February 2018. Both have an imputed interest rate of 3% per annum. Minimum future lease payments for the years ended June 30 are as follows:

<i>Year ending June 30,</i>	Amount
2019	\$ 3,324
2020	3,324
2021	277
Total minimum lease payments	6,925
Less amount representing interest	(220)
Present value of minimum lease payments	\$ 6,705

High Point International Home Furnishings Market Authority Corporation

Notes to Financial Statements

3. Commitments

Leases

The Organization leases its office facilities, certain office equipment, reception facilities and market parking lots under operating leases expiring through June 30, 2019. Future minimum rental payments required under these leases are as follows:

<i>Year ending June 30,</i>	Amount
2019	\$ 58,000
	\$ 58,000

Total rent expense and other related charges pursuant to these leases amounted to approximately \$182,000 and \$189,000 for the years ended June 30, 2018 and 2017.

Retirement Plan

The Organization has a SIMPLE IRA plan to provide retirement benefits for eligible employees, into which employees may contribute up to \$7,000 of their annual compensation. The Organization matches employees' contributions up to 4% and 3% of their gross wages for 2018 and 2017. Total Organization contributions for the years ended June 30, 2018 and 2017 were approximately \$33,000 and \$21,000.

4. Concentrations

The Organization's primary sources of revenue and support, as a percentage of total unrestricted revenue and support, are as follows:

<i>Year ended June 30,</i>	2018	2017
Net showroom licenses and hotel occupancy taxes	30%	29%
North Carolina Department of Commerce, grant	26%	26%
Transportation, contract	18%	18%
City of High Point, grant	15%	15%
Other	11%	12%

5. Restrictions on Net Assets

Temporarily restricted revenue is comprised of amounts paid to the Organization by participating exhibitors for food and beverage, lodging and local transportation costs associated with pre-market activities, as well as support derived directly or indirectly from the State of North Carolina. Exhibitors contribute to the Organization, with such funds used solely to finance pre-market. No unrestricted funds of the Organization are used for pre-market.

High Point International Home Furnishings Market Authority Corporation

Notes to Financial Statements

6. Recent Accounting Pronouncements

In June 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-08, *Not-for-Profit Entities (Topic 958) Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which will assist entities in evaluating whether transactions should be accounted for as contributions or as exchange transactions and determining whether a contribution is conditional. For the Organization, the ASU is effective for periods beginning after June 15, 2018, with early adoption permitted. Management is currently assessing the impact this guidance may have on the Organization's future financial statements.

In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*, which requires that a statement of cash flows explain the change during the period in total cash including restricted cash. The ASU is effective for fiscal years beginning after December 15, 2018, with early application permitted. Management does not expect this update to materially impact the Organization's financial statements.

In August 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*, which clarifies how certain cash receipts and payments are presented and classified in the statement of cash flows. For the Organization, the ASU is effective for fiscal years beginning after December 15, 2018, with early application permitted. Management does not expect this update to materially impact the Organization's financial statements.

In August 2016, the FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, which significantly amends guidance on the presentation of financial statements. The ASU is effective for annual financial statements issued for fiscal years beginning after December 15, 2017, with early application permitted. Management is currently assessing the impact this guidance will have on the Organization's future financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which will require entities to recognize the assets and liabilities arising from operating leases. For the Organization, the ASU is effective for fiscal years beginning after December 15, 2019, with early application permitted. Management is currently assessing the impact that this guidance will have on the Organization's future financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which provides guidance on the recognition of revenue. The ASU is effective for periods beginning after December 15, 2018, with no early application permitted. Management is currently assessing the impact this guidance may have on the Organization's future financial statements.



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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
High Point International Home Furnishings Market Authority Corporation
High Point, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of High Point International Home Furnishings Market Authority Corporation (a nonprofit organization, the "Organization"), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year then ended, and the related summary of significant accounting policies and notes to the financial statements, which collectively comprise the Organization's basic financial statements and have issued our report thereon dated September 13, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



High Point, North Carolina
September 13, 2018

**High Point International Home Furnishings
Market Authority Corporation**

**Schedule of Expenditures of State Awards
Year Ended June 30, 2018**

<u>Grantor/Program Title</u>	<u>Receipts and Expenditures</u>
North Carolina Department of Commerce Special Appropriations (Senate Bill S257)	\$ 1,755,472

See accompanying note to Schedule of Expenditures of State Awards.

**High Point International Home Furnishings
Market Authority Corporation**

**Note to Schedule of Expenditures of State Awards
Year Ended June 30, 2018**

1. Basis of Presentation

The accompanying Schedule of Expenditures of State Awards includes the state grant activity of the High Point International Home Furnishings Market Authority Corporation and is presented on the accrual basis of accounting. The information in the schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)* and North Carolina General Statute 143C-6-22. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**High Point International Home Furnishings
Market Authority Corporation**

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2018**

Section I – Summary of Auditor’s Results

State Awards

Internal control over major State programs:

- | | | | | |
|---|---------------|-----|--------------|---------------|
| • Material weakness(es) identified? | <u> </u> | yes | <u> x </u> | no |
| • Significant deficiency(s) identified? | <u> </u> | yes | <u> x </u> | none reported |

Type of auditor’s report issued on compliance
for major State programs:

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with Uniform Guidance?

<u> </u>	yes	<u> x </u>	no
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Identification of major State programs:

Name of State program

North Carolina Department of Commerce Special Appropriations
(Senate Bill S257)



HIGH POINT MARKET

Board of Directors

Effective Date: October 18, 2018

EXECUTIVE COMMITTEE: (1 year term)

(William) Dudley Moore, Jr., Chairman

Scott Eckman, Treasurer

Christi Barbour, At-Large

Alex Shuford, At Large

Tom Conley, President, Corporate Secretary

Doug Bassett, Vice Chairman

Jay Wagner, Mayor of High Point

Heinz Kattenfield, At-Large

Jeff Scheffer, Immediate Past Chairman

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VOTING SEAT KEY

- A – Wholesale Home Furnishings Showroom Operator (three)
- B – President, Business High Point
- C – Industry Supplier
- D – Mayor of High Point
- E – Three or Four Wholesale Marketers of Home Furnishings
- F – Two Representatives from the Design Sector
- G – Regular Retail Market Participants (one or two)

Ex-Officio Seats

- i – City Manager of High Point
- ii – Immediate Past Chairman

Liaison Seats

- a – Interested organizations
- b – High Point City Council, High Point Economic Development Corporation,
Business High Point Chair, Guilford County Commissioners, State of North Carolina

High Point Market Authority FY 2018-19 Budget

Code	Revenue	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Budget
High Point Area						
4001	Showroom License	\$ 1,610,000.00	\$ 1,635,329.00	\$ 1,620,000.00	\$ 1,642,900.00	\$ 1,700,000.00
4002	Occupancy Tax (Guilford)	\$ 330,000.00	\$ 388,805.00	\$ 330,000.00	\$ 365,000.00	\$ 365,000.00
4003	HPCVB	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 75,000.00
4004	City of High Point	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
4005	Guilford County	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
	Total	\$ 3,165,000.00	\$ 3,249,134.00	\$ 3,175,000.00	\$ 3,232,900.00	\$ 3,215,000.00
State of North Carolina						
4011	NCDOT	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00
4012	NCDOC	\$ 1,155,472.00	\$ 1,755,472.00	\$ 1,755,472.00	\$ 1,755,472.00	\$ 1,755,472.00
	Total	\$ 2,355,472.00	\$ 2,955,472.00	\$ 2,955,472.00	\$ 2,955,472.00	\$ 2,955,472.00
	Other					

High Point Market Authority FY 2018-19 Budget

4024	Sponsorships	\$ 200,000.00	\$ 329,250.00	\$ 300,000.00	\$ 296,000.00	\$ 330,000.00
4022	Interest	\$ 7,000.00	\$ 15,012.00	\$ 15,000.00	\$ 27,000.00	\$ 60,000.00
4023	Miscellaneous	\$ 5,000.00	\$ 24,602.00	\$ 11,000.00	\$ 15,000.00	\$ 15,000.00
	Total	\$ 212,000.00	\$ 368,864.00	\$ 326,000.00	\$ 338,000.00	\$ 405,000.00
	Total Revenue	\$ 5,732,472.00	\$ 6,573,470.00	\$ 6,456,472.00	\$ 6,526,372.00	\$ 6,575,472.00

High Point Market Authority FY 2018-19 Budget

Budget Code	Expense	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Budget
Executive Leadership & Admin						
5001	Salaries & Benefits	\$ 390,000.00	\$ 376,743.00	\$ 390,000.00	\$ 374,000.00	\$ 392,000.00
5002	Board of Directors	\$ 5,000.00	\$ 11,372.00	\$ 10,000.00	\$ 2,600.00	\$ 5,000.00
5003	Audit	\$ 18,000.00	\$ 15,500.00	\$ 18,000.00	\$ 15,500.00	\$ 16,000.00
5004	Travel & Entertainment	\$ 20,000.00	\$ 34,799.00	\$ 30,000.00	\$ 33,000.00	\$ 30,000.00
5005	Telephone (Mobile & VoIP)	\$ 26,000.00	\$ 25,147.00	\$ 26,000.00	\$ 24,000.00	\$ 26,000.00
5006	Government Relations	\$ 60,000.00	\$ 61,120.00	\$ 80,000.00	\$ 80,000.00	\$ 60,000.00
5007	IT Services	\$ 20,000.00	\$ 24,065.00	\$ 20,000.00	\$ 25,000.00	\$ 20,000.00
5009	Equipment Purchase	\$ 5,000.00	\$ 9,600.00	\$ 10,000.00	\$ 7,000.00	\$ 10,000.00
5010	P&C, Liability Insurance	\$ 13,000.00	\$ 6,215.00	\$ 10,000.00	\$ 8,000.00	\$ 13,000.00
5011	Equipment Maintenance & Repair	\$ 3,500.00	\$ 470.00	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00
5012	Memberships & Subscriptions	\$ 18,000.00	\$ 12,907.00	\$ 20,000.00	\$ 13,000.00	\$ 15,000.00
5013	Office Supplies & Printing	\$ 10,000.00	\$ 11,641.00	\$ 12,000.00	\$ 10,000.00	\$ 10,000.00
5014	Postage	\$ 3,000.00	\$ 3,003.00	\$ 3,000.00	\$ 2,300.00	\$ 2,500.00
5016	Rent	\$ 16,400.00	\$ 17,767.00	\$ 16,400.00	\$ 16,400.00	\$ 16,400.00
5018	Bank Service Charges	\$ 500.00	\$ 320.00	\$ 500.00	\$ 250.00	\$ 500.00
5019	City & County Taxes	\$ 1,600.00	\$ 1,391.00	\$ 1,500.00	\$ 1,500.00	\$ 1,600.00
5020	Misc Expenses	\$ 5,000.00	\$ 71,975.00	\$ 65,000.00	\$ 100,000.00	\$ 60,000.00
5023	Accounting & Payroll Fees	\$ 41,000.00	\$ 41,211.00	\$ 41,000.00	\$ 41,000.00	\$ 51,000.00
	Total	\$ 656,000.00	\$ 725,246.00	\$ 754,400.00	\$ 754,550.00	\$ 731,000.00

High Point Market Authority FY 2018-19 Budget

Budget Code	Expense	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Budget
Transportation						
5104	Contractor Management/ Personnel	\$ 212,000.00	\$ 212,812.00	\$ 215,000.00	\$ 215,000.00	\$ 220,000.00
5105	Vehicle Operations	\$ 990,000.00	\$ 1,001,002.00	\$ 1,020,000.00	\$ 999,000.00	\$ 1,010,000.00
5106	Supplies	\$ 1,700.00	\$ 1,674.00	\$ 3,000.00	\$ 2,400.00	\$ 3,000.00
5107	Tents	\$ 2,000.00	\$ 2,409.00	\$ 3,000.00	\$ 2,600.00	\$ 3,000.00
5108	Rent	\$ 12,500.00	\$ 13,542.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
5109	MA Salaries and Benefits	\$ 191,000.00	\$ 194,308.00	\$ 202,500.00	\$ 204,500.00	\$ 202,500.00
5110	Part-time Event Staff	\$ 35,000.00	\$ 20,879.00	\$ 25,000.00	\$ 29,000.00	\$ 30,000.00
5112	Signage/Street Improvements	\$ 20,000.00	\$ 6,773.00	\$ 15,000.00	\$ 16,000.00	\$ 15,000.00
5113	Trainings/Meetings	\$ 500.00	\$ 4,019.00	\$ 3,000.00	\$ 4,400.00	\$ 1,500.00
5114	Miscellaneous	\$ 500.00	\$ -	\$ 500.00	\$ -	\$ 500.00
5115	Transportation Command Center	\$ 1,000.00	\$ 6,104.00	\$ 5,000.00	\$ 4,600.00	\$ 5,000.00
	Total	\$ 1,466,200.00	\$ 1,463,522.00	\$ 1,504,500.00	\$ 1,490,000.00	\$ 1,503,000.00
Parking						
5201	Davis Lot (South)	\$ 80,000.00	\$ 78,000.00	\$ 80,000.00	\$ 78,000.00	\$ 78,000.00
5202	Oak Hollow Lot (North)	\$ 37,000.00	\$ 36,960.00	\$ 37,000.00	\$ 37,000.00	\$ 37,000.00
5204	Maintenance & Security	\$ 10,000.00	\$ 7,495.00	\$ 10,000.00	\$ 8,300.00	\$ 10,000.00
	Total	\$ 127,000.00	\$ 122,455.00	\$ 127,000.00	\$ 123,300.00	\$ 125,000.00

High Point Market Authority FY 2018-19 Budget

Budget Code	Expense	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Budget
Centralized Registration						
5301	Professional Fees, Services & Upgrades	\$ 125,000.00	\$ 164,721.00	\$ 167,000.00	\$ 194,600.00	\$ 165,000.00
5302	MA Salaried Personnel	\$ 127,000.00	\$ 122,049.00	\$ 137,000.00	\$ 132,000.00	\$ 142,000.00
5304	Postage	\$ 34,000.00	\$ 24,559.00	\$ 30,000.00	\$ 20,500.00	\$ 26,500.00
5305	Part-Time Event Staff	\$ 68,000.00	\$ 72,629.00	\$ 115,000.00	\$ 108,000.00	\$ 110,000.00
5306	Ethernet Fiber Connections	\$ 14,000.00	\$ 9,720.00	\$ 10,000.00	\$ 9,720.00	\$ 10,000.00
5307	Supplies	\$ 15,000.00	\$ 20,400.00	\$ 25,000.00	\$ 15,600.00	\$ 18,500.00
5308	Training/Meetings	\$ 1,000.00	\$ 584.00	\$ 1,000.00	\$ 1,075.00	\$ 1,000.00
5313	Travel/ Shipping	\$ 40,000.00	\$ 39,724.00	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00
5314	Auxiliary Services	\$ 10,000.00	\$ 14,156.00	\$ 10,000.00	\$ 8,000.00	\$ 10,000.00
	Total	\$ 434,000.00	\$ 468,542.00	\$ 540,000.00	\$ 534,495.00	\$ 528,000.00

High Point Market Authority FY 2018-19 Budget

Budget Code	Expense	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Budget
Marketing						
5401	Printed Collateral	\$ 75,000.00	\$ 96,379.00	\$ 100,000.00	\$ 136,200.00	\$ 130,000.00
5403	Advertising: Print/Digital/Email	\$ 337,702.60	\$ 416,289.00	\$ 417,702.60	\$ 417,702.60	\$ 407,000.00
5405	Agency Fees/Creative	\$ 335,000.00	\$ 374,493.00	\$ 365,000.00	\$ 365,000.00	\$ 365,000.00
5406	MA Salaries & Benefits	\$ 117,000.00	\$ 87,160.00	\$ 85,000.00	\$ 75,000.00	\$ 110,000.00
5407	PR/ Freelance	\$ 80,000.00	\$ 70,046.00	\$ 80,000.00	\$ 46,000.00	\$ 45,000.00
5408	Postage	\$ 105,500.00	\$ 98,056.00	\$ 105,500.00	\$ 111,500.00	\$ 100,000.00
5409	Telemarketing	\$ 20,000.00	\$ 14,245.00	\$ 5,000.00	\$ 45,000.00	\$ 45,000.00
5410	Signage	\$ 8,000.00	\$ 15,166.00	\$ 18,000.00	\$ 18,000.00	\$ 17,000.00
5411	Media Center	\$ 110,000.00	\$ 120,746.00	\$ 125,000.00	\$ 126,000.00	\$ 120,000.00
5413	Travel & Entertainment	\$ 12,000.00	\$ 6,688.00	\$ 8,000.00	\$ 3,000.00	\$ 5,000.00
5415	Rent	\$ 12,500.00	\$ 13,542.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
5417	Photo/ Video	\$ 75,000.00	\$ 82,518.00	\$ 100,000.00	\$ 80,000.00	\$ 80,000.00
5418	Industry Education: DVS Speakers	\$ 64,000.00	\$ 53,069.00	\$ 60,000.00	\$ 102,000.00	\$ 70,000.00
5420	Promotional Goods	\$ 14,000.00	\$ 47,867.00	\$ 40,000.00	\$ 32,000.00	\$ 25,000.00
5421	Website/App/Data/Analytics	\$ 300,000.00	\$ 296,784.00	\$ 300,000.00	\$ 320,000.00	\$ 320,000.00
5422	Mail house Services	\$ 45,500.00	\$ 42,961.00	\$ 45,500.00	\$ 47,500.00	\$ 42,500.00
5423	List Acquisition	\$ 1,000.00	-	\$ 1,000.00	\$ 2,000.00	\$ 1,000.00
5424	Database Management	\$ 12,500.00	\$ 27,256.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00

High Point Market Authority FY 2018-19 Budget

Budget Code	Expense	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Budget
5426	Sales Tax	\$ 27,000.00	\$ 27,581.00	\$ 29,000.00	\$ 32,000.00	\$ 28,000.00
5427	Sponsored Marketing/SS/Speakers	\$ 120,000.00	\$ 227,476.00	\$ 120,000.00	\$ 160,000.00	\$ 140,000.00
5428	Miscellaneous Expenses	\$ 10,000.00	\$ 38,559.00	\$ 10,000.00	\$ 14,900.00	\$ 10,000.00
5429	Sponsorship Expenses	\$ 150,000.00	\$ 131,287.00	\$ 150,000.00	\$ 110,000.00	\$ 150,000.00
5430	Depreciation	\$ 180,000.00	\$ 213,160.00	\$ 248,411.06	\$ 268,000.00	\$ 230,957.39
5431	Tours & Partnerships		\$ -	\$ 80,000.00	\$ 91,000.00	\$ 80,000.00
5432	Social Media		\$ -	\$ 50,000.00	\$ 52,000.00	\$ 25,000.00
5433	Hospitality at Market					\$ 60,000.00
	Total	\$ 2,211,702.60	\$ 2,501,328.00	\$ 2,590,613.66	\$ 2,702,302.60	\$ 2,653,957.39
Guest Services						
5502	Talent/ Operations/ Production	\$ 350,000.00	\$ 371,988.00	\$ 410,000.00	\$ 367,500.00	\$ 380,000.00
5503	MA Salaries & Benefits	\$ 127,000.00	\$ 96,072.00	\$ 130,000.00	\$ 133,000.00	\$ 140,000.00
5505	Food & Beverage	\$ 131,000.00	\$ 140,720.00	\$ 150,000.00	\$ 132,500.00	\$ 135,000.00
5507	International Services	\$ 30,000.00	\$ 29,387.00	\$ 35,000.00	\$ 30,000.00	\$ 32,000.00
5509	Program Operations	\$ 125,000.00	\$ 101,185.00	\$ 125,000.00	\$ 158,000.00	\$ 230,000.00
5512	Contract Labor	\$ 30,000.00	\$ 32,711.00	\$ 35,000.00	\$ 31,500.00	\$ 36,000.00
5513	Rent	\$ 12,500.00	\$ 13,542.00	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
	Total	\$ 805,500.00	\$ 785,605.00	\$ 897,500.00	\$ 865,000.00	\$ 965,500.00

High Point Market Authority FY 2018-19 Budget

Budget Code	Expense	2016-17 Budget	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Budget
5600	Contingency	\$ -	\$ -	\$ -	\$ -	\$ -
5700	Depreciation	\$ 18,650.00	\$ 28,661.00	\$ 31,000.00	\$ 31,700.00	\$ 51,000.00
8520	Interest Expense	\$ 500.00	\$ 80.64	\$ -	\$ -	\$ -
	Total Expense	\$ 5,719,552.60	\$ 6,095,439.64	\$ 6,445,013.66	\$ 6,501,347.60	\$ 6,557,457.39
	Total Income	\$ 5,732,472.00	\$ 6,573,470.00	\$ 6,456,472.00	\$ 6,526,372.00	\$ 6,575,472.00
	Surplus/Deficit	\$ 12,919.40	\$ 478,030.36	\$ 11,458.34	\$ 25,024.40	\$ 18,014.61