



Key Operations

Special legislation was passed by the North Carolina General Assembly allowing the town to levy a one-percent tax on prepared food & beverages to fund tourism related activities. The town receives six percent of these funds for the general financial management and collection of these monies. The tourism board contracts annually with many tourism focused organizations in town to keep historic sites and signature events free and open to the general public for the enjoyment of residents and visitors. The town's Tourism Board also decides each year which applicants' projects or activities will be awarded funds through a competitive grant program. The board also awards funding for their own tourism initiatives and partner organization ideas through special projects & partnership funding. The amount of funding each year depends on the amount of the one-percent tax revenues generated.

FY25 Major Accomplishments

- The board contracted with the Hillsborough Chamber of Commerce for the first time to deliver annually the Hillsborough Holiday Parade event and Hillsborough Tree Lighting event, which was separated into two events due to size and sustainability
- The board contracted with the Hillsborough Arts Council to deliver annually the Solstice Lantern Walk to the community and visitors
- The board funded the following grant projects/events: Outlandish Hillsborough, First Fridays at the Eno Arts Mill, Flushfest 2025, Hillsborough Garden Club's Garden Tour 2025 & Children's Play, and the Snow Approach Skills Retreat
- Worked with state and local partners on becoming part of the new 'Revolutionary War Trail' program as part of the America250 program; signage forthcoming
- Cost-shared a portion of the town's downtown and west hillsborough parking study to improve the parking experience for visitors

FY26 Major Budget Changes

- The board continues to support contract partners and it is anticipated to need to increase funding for free visitors events/programming in light of reduced federal grants and funding availability

FY27-28 Financial Forecast

- Anticipate that Food & Beverage tax collections will continue to increase incrementally

Expenditures by Category

Tourism Board

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Operating	\$450,820	\$569,151	\$573,279	\$537,300	\$532,400
TOTAL	\$450,820	\$569,151	\$573,279	\$537,300	\$532,400

Department Expenditure Summary

