



**KA HĀLĀWAI KŪMAU A KE KŌMIKE MO'OHELU KĀLĀ, 'OIHANA KĀLĀ, A ME KE  
KIKOWAENA HĀLĀWAI O HAWAII  
KE'ENA KULEANA HO'OKIPA O HAWAII**

**BUDGET, FINANCE, AND CONVENTION CENTER STANDING COMMITTEE  
MEETING  
HAWAII TOURISM AUTHORITY**

**HĀLĀWAI KELEKA'A'IKE  
VIRTUAL MEETING**

*Pō'akolu, 27 Kepakemapa 2023, 9:30 a.m.*  
**Wednesday, September 27, 2023 at 9:30 a.m.**

*E ho'olele 'iwa'ia ka hālāwai ma o ka Zoom.* Meeting will be live streaming via Zoom.  
<https://us06web.zoom.us/j/88340689425>

*E noi 'ia paha 'oe e kāinoa me kou inoa a leka uila paha. E 'olu'olu, e ho'okomo i kou inoa piha akā hiki nō iā 'oe ke ho'ohana i ka inoa kapakapa e like me kou makemake.*

**You may be asked to enter your name or email. The Board requests that you enter your full name, but you may use a pseudonym or other identifier if you wish to remain anonymous.**

**Kelepona / Call In: (669) 444-9171**  
**Helu Hālāwai / Webinar ID: 883 4068 9425**

*Hiki i ka lehulehu ke hō'ike mana'o ma o ka palapala a i 'ole ma o ka waha. E kau palena 'ia ka hō'ike mana'o waha (ma ke kino a i 'ole ma o ka Zoom) he 'elima minuke ka lō'ihī no kēlā me kēia kumuhana. E kāinoa no ka hō'ike mana'o waha ma ke pākaukau ho'okipa ma ka lumi hālāwai. E kāinoa no ka hō'ike mana'o waha ma o ka Zoom ma o ke pihi "Q&A."*

**Members of the public may provide written or oral testimony on agenda items. Oral testimony (in-person or via Zoom) will be limited to five minutes for each testifier per agenda item. Signup for oral testimony in-person will be at the registration table in the meeting room. Signup for oral testimony via Zoom will be accepted through the Q&A feature on Zoom.**

*E ho'ohui 'ia nā palapala hō'ike mana'o i hiki ma ka pū'olo hālāwai. E leka uila 'ia nā palapala iā Carole Hagihara-Loo ma [carole@gohta.net](mailto:carole@gohta.net), a i 'ole, e lawe kino 'ia i ke ke'ena. No nā palapala hō'ike mana'o i hō'ea mai ma hope o ka pa'a o ka pū'olo hālāwai (he 48 hola ma mua o ka hālāwai), e kāka'ahi 'ia nā kope i ke kōmike a e mākaukau no ka 'ike 'ia e ke anaina ma ka hālāwai.*

**Written testimony received ahead of the preparation of the committee packet will be included in the packet. Email written testimony to Carole Hagihara-Loo at [Carole@gohta.net](mailto:Carole@gohta.net) or hand-deliver or send via postal mail to the Hawai'i Tourism Authority office, 1801 Kalākaua Avenue, 1<sup>st</sup> Floor. Written testimony received after the issuance of the board packet (48 hours ahead of the meeting) will be distributed to the committee and available for public inspection at the meeting.**

## **AGENDA**

1. *Ho'omaka a Wehena*  
**Call to Order and Opening Protocol**
2. *Kikolā*  
**Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic**
3. *'Āpono Mo'olelo Hālāwai*  
**Approval of Minutes of the May 23, 2023 Budget, Finance, and Convention Center Standing Committee Meeting**
4. *Hō'ike'ike, Kūkākūkā, a Ho'oholo no ko ke Ke'ena Kuleana Ho'okipa O Hawai'i Mo'olelo Kālā no 'Aukake 2023*  
**Presentation, Discussion, and Action on the Hawai'i Tourism Authority's (HTA's) August 2023 Financial Report**
5. *Kūkākūkā a Ho'oholo no ke Noi Mo'ohelu Kūhelu o ka Makahiki Kālā 2025 i ka 'Aha'ōlelo*  
**Discussion and Action on the FY25 Legislative Budget Request**
6. *Hō'ike'ike, Kūkākūkā a Ho'oholo no kā ke Kikowaena Hālāwai O Hawai'i Hana ma 'Aukake 2023 a me ka Papa Hana CIP 6 Makahiki*  
**Presentation, Discussion, and Action on the Hawai'i Convention Center's August 2023 Report and Update on the Hawaii Convention Center's 6-Year CIP Plan**
7. *Hō'ike'ike a Kūkākūkā no ke Kuleana Pāhana Hālāwai a me ke Kikowaena Hālāwai O Hawai'i*  
**Presentation and Discussion Regarding an Update of the Meetings, Conventions and Incentives Market Activity and Pace Report, and Hawai'i Convention Center Activity and Local Sales**
8. *Hō'ike'ike, Kūkākūkā a Kī'ina Hana no nā Kuleana a me nā Mana'o 'Ē A'e e Pili ana i ka Mo'ohelu Kālā HTA i Hāpai 'ia e nā Lālā o ka 'Aha'ōlelo, ka Papa Alaka'i, nā Limahana, nā Kāko'o, apwa.*  
**Presentation, Discussion, and Action on HTA Budget Issues, Comments, and Suggestions Raised by Legislators, Board Members, Staff, Stakeholders, etc.**

9. **Hō'ike'ike, Kūkākūkā a Ho'oholo no ka Ho'okumu Hui Kolokolo Mo'ohelu Kālā  
Presentation, Discussion, and Action on the Formation of a HTA Budget,  
Finance, and Convention Center Permitted Interaction Group (PIG)**
10. **Kūkākūkā a Ho'oholo no ka Ho'okuleana i ka Hui Kolokolo Mo'ohelu Kālā  
Discussion and Action on the Recommendation to Assign Board Members to  
the HTA Budget, Finance, and Convention Center Permitted Action Group (PIG)**
11. **Ho'oku'u  
Adjournment**

\*\*\* *'Aha Ho'okō: Ua hiki i ka Papa Alaka'i ke mālama i kekahi hālāwai kūhelu i kū i ka Hawai'i Revised Statutes (HRS) § 92-4. E mālama 'ia kēia hālāwai kūhelu nei ma lalo o ka § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) no ka pono o ko ka Papa Alaka'i kūkā a ho'oholo 'ana i nā nīnūnē a nīnau i pili i ko ka Papa Alaka'i kuleana me ko ka Papa Alaka'i loio. He hālāwai kūhelu kēia i 'ole paulele 'ia ka 'ikepili a i mea ho'i e mālama kūpono ai i ko Hawai'i 'ano, he wahi i kipa mau 'ia e nā malihini.*

\*\*\* **Executive Session:** The Board may conduct an executive session closed to the public pursuant to Hawai'i Revised Statutes (HRS) § 92-4. The executive session will be conducted pursuant to HRS § 92-5 (a) (2), § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) for the purpose of consulting with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities; to consider hiring and evaluation of officers or employees, where consideration of matters affecting privacy will be involved; and to discuss information that must be kept confidential to protect Hawai'i's competitive advantage as a visitor destination.

*Inā he lawelawe a mea like paha e pono ai ke kīnānā, e ho'oka'a'ike aku me Carole Hagihara-Loo ma (808)-973-2289 a ma ka leka uila e like me ka wikiwiki i hiki, 'a'ole ho'i a ma 'ō aku o ka 'ekolu lā ma mua o ka hālāwai. Inā 'ike 'ia he noi i ka lā ma mua o ka hālāwai, e ho'ā'o mākou e 'imi i ka lawelawe a mea like paha, 'a'ole na'e ho'i e hiki ke ho'ohiki 'ia ke kō o ua noi lā. Ua noa pū kēia ho'olaha ma nā kino 'oko'a e like me ka mea pono.*

If you need an auxiliary aid/service or other accommodation due to a disability, contact Carole Hagihara-Loo at (808) 973-2289 or [carole@gohta.net](mailto:carole@gohta.net) as soon as possible, preferably no later than 3 days prior to the meeting. **Requests made as early as possible have a greater likelihood of being fulfilled.** Upon request, this notice is available in alternative/**accessible** formats.

*E like nō me ka 'ōlelo o ke Kānāwai Hawai'i i ho'oholo 'ia māhele 92-32.7, e mālama ana ke Ke'ena Kuleana Ho'okipa o Hawai'i i kekahi wahi e hiki ai ka po'e o ka lehulehu ke noho a komo pū ma nā hālāwai ma o ka ho'ohana 'ana i ka 'enehana pāpaho (ICT). Aia ana kēia 'enehana pāpaho ma ka papahale mua o ka lumi ho'okipa i mua o ke Ke'ena Kuleana Ho'okipa o Hawai'i ma ka Hale 'Aha. 'O 1801 Kalākaua Avenue, Honolulu, Hawai'i, 96815 ka helu wahi.*

In accordance with HRS section 92-3.7, the Hawai'i Tourism Authority will establish a remote viewing area for members of the public and board members to view and participate in meetings held using interactive conference technology (ICT). The ICT audiovisual connection will be located on the 1st Floor in the Lobby area fronting the Hawaii Tourism Authority at the Hawai'i Convention Center at 1801 Kalākaua Avenue, Honolulu, Hawai'i, 96815.

# **3**

Approval of the **Minutes of the  
May 23, 2023 Committee Meeting**



Ke'ena Kuleana Ho'opipa O Hawai'i  
1801 Kalākaua Avenue  
Honolulu, Hawai'i 96815  
**kelepona** tel 808 973 2255  
**kelepa'i** fax 808 973 2253  
hawaiitourismauthority.org

**BUDGET, FINANCE, AND CONVENTION CENTER STANDING COMMITTEE MEETING  
HAWAII TOURISM AUTHORITY  
Tuesday, May 23, 2023, at 9:30 a.m.  
Virtual Meeting**

**MINUTES OF THE BUDGET, FINANCE & CONVENTION CENTER STANDING COMMITTEE MEETING**

<b>MEMBERS PRESENT:</b>	Ben Rafter (Chair), David Arakawa, George Kam
<b>MEMBERS NOT PRESENT:</b>	Mike White (Vice-Chair), Mahina Paishon-Duarte
<b>NON-VOTING MEMBER:</b>	Keone Downing
<b>HTA STAFF PRESENT:</b>	John De Fries, Daniel Nāho'opī'i, Kalani Ka'anā'anā, Caroline Anderson, Isaac Choy, Talon Kishi, Maka Casson-Fisher
<b>GUESTS:</b>	Teri Orton, Mari Tait
<b>LEGAL COUNSEL:</b>	John Cole

**1. Call to Order and Opening Protocol**

Chair Rafter called the meeting to order at 9:40 a.m. Mr. Casson-Fisher did the opening protocol.

**2. Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic**

Mr. Casson-Fisher did the roll call. All confirmed in attendance and that they were alone.

### **3. Approval of the Minutes of the April 20, 2023, Committee Meeting**

Chair Rafter asked for a motion to approve the April 20, 2023, minutes. Mr. Kam made a motion, and Mr. Arakawa seconded. Mr. Casson-Fisher did the roll call, and the motion passed unanimously.

### **4. Presentation, Discussion, and Action on the Hawai'i Convention Center's April 2023 Report and Update on the Hawai'i Convention Center's 6-Year CIP Plan**

Ms. Orton presented a summary of the HCC for April 2023. The HCC had enjoyed an outstanding month in terms of business, having hosted events including Kawaii Kon, Chopsticks and Wine, and Joy of Sake, as well as some sporting events, including the Hawai'i AAU, two basketball tournaments, and a cheerleading contest. The American Roentgen Ray Society, ARRS, had also returned to the HCC. Ms. Orton stated that the HCC had budgeted for twenty events in April and doubled their account due to an increase in local pick-up business.

The gross revenue for April was \$2.15 million, about \$590,000 higher than the budgeted amount. This gave a net income of \$337,000, an improvement of \$479,000 on the budgeted amount. The result was a gross revenue for FY2023 to date of \$11.9 million, giving a net loss of \$2.7 million for the facility's operation.

With just 45 days left for the present fiscal year, Ms. Orton stated that the reforecast was \$13.76 million in gross revenue, approximately \$630,000 better than budgeted. She anticipated a net loss for the fiscal year of \$4.5 million, trending about \$848,000 better than budgeted. The data made it clear that the needle for the HCC was moving in the right direction financially.

She stated that the HCC's ROI was trending at \$4.58 based on city-wide events in the building. The normal trend was expected to be \$23 per year. There had been a shortage of city-wide in the past few years, but there was expected to be a strong return in the next fiscal year, with a probable value in the \$20 range.

During May, the HCC hosted a sold-out concert, including 720 brunch tickets and 72 general admission tickets. The HCC looked forward to hosting another Mother's Day concert with this organization next year. In upcoming local events, the HCC was to host a number of high school commencements, including the Hawai'i Baptist Academy Commencement. The HCC held discussions with several high schools that planned to hold their commencement ceremonies on Friday and Saturday mornings and evenings. It was hoped that costs could be reduced by utilizing the same rooms in the HCC. Such events often brought in up to seven thousand students and family members.

All these updates continued to show that, financially the HCC was heading in a positive direction.

Ms. Orton mentioned that the chef at the HCC had received the Pineapple Award.

Chair Rafter pointed out that pre-COVID, the HCC used to host up to twenty-five city-wide events per year. In 2023 there were only eight city-wide events, but the 2024 budget envisaged sixteen such events. The hope was that in 2025 and 2026, there would be a great improvement, and Mr. De Fries and his team were focusing on preparing for this.

Ms. Orton stated that many clients of the HCC were concerned about upcoming repairs. She and Mr. Reyes had drafted a letter to all tentative and definite bookings for dates when the repairs were planned. It was hoped to open a dialogue to inform prospective clients that leaks would impact some rooms. The intention was to plan room assignments so that the rooms prone to leakage could be avoided. A copy of this letter was to be made available to Chair Rafter.

Mr. Reyes' MCI team had adopted the trade name, Meet Hawai'i, and they were working on a strategy around construction time from a sales and marketing perspective. This will be explained in more detail during the full Board meeting.

Mr. Choy informed the meeting that \$64 million had been appropriated for the HCC roof terrace project. There had been an error in the budget worksheet, but this has now been corrected. The \$64 million appropriation was a one-year funding program from July 1, 2023, to June 30, 2024. It was clear that the project could not be completed within these twelve months, so discussions were going on with the legal team to ensure that the money could be encumbered after June 30, 2024, to finish the project.

A tri-party agreement was to be drafted between the HTA, Ms. Orton's team, and the contractor. Ms. Orton's team intended to procure a Project Manager and a Construction Manager immediately. Once these appointments were made, applying for permits could commence. It was hoped that the rooftop terrace would be completed early in 2026.

As previously discussed, Ms. Orton's contract was to expire on June 30, 2023, but had been extended to December 31, 2023. The legal team was working on a mechanism for her contract to be further extended up to the completion of the roof project.

### **Report and Update on the Hawai'i Convention Center's 6-Year CIP Plan**

Ms. Tait presented the six-year plan. She noted that thirty projects had been designated for 2023, and all of them had been initiated. They were all at different stages, from procurement to

contract award and execution. During April, two projects were completed, one of which was a straightforward procurement and the other, repairs to one of the escalators.

Highlighting the most significant projects, Ms. Tait mentioned upgrading the kitchen's control panel and fire suppression system. This work was scheduled to take place in August, working around scheduled events. The chiller replacement was also in the execution phase. Parts and equipment had been ordered and would be received by the end of the year. Installation was expected to be completed by the end of the second quarter of next year.

Regarding procurement, the team evaluated larger projects for the kitchen, including replacing the dishwasher and flooring under the dishwasher, as well as a walk-in refrigerator on the third floor.

Planning was underway for next year's projects, including escalator replacement. It had been noted that the escalators experienced significant downtime, creating problems during events. This project would be prioritized for next year. It was also intended to replace the smaller boiler in the kitchen.

When Ms. Tait was asked whether there was a program to assess the useful life of kitchen equipment and other major equipment, she pointed out that during maintenance inspections, there was careful assessment of the condition of equipment, at which point replacement was a better option than repair. The engineering department collaborated well with the kitchen manager and the chef; up to now, there have been no major equipment breakdowns during events. It was challenging to carry out major replacements during busy times, but the team has managed this so far.

Among the completed projects was the repair and replacement of escalator 1. This presented some challenges because the contractor was a Canadian company. In addition, the length of the escalator meant that the handrail had to undergo a vulcanizing process.

Four forklifts had been purchased, and two had already been delivered.

It was pointed out that projects styled R&M (repair and maintenance) would be renamed RM&R (repair, maintenance, and replacement.)

Mr. Kam made a motion to accept the report on the HCC for April 2023. Mr. Arakawa seconded. Mr. Casson-Fisher did the roll call, and the motion passed unanimously.

Chair Rafter introduced the subject of amending the agenda of the Board meeting. He reminded everyone that the rules require a two-thirds majority for any amendment to the



agenda. The legal team was to advise on this. It was ruled inappropriate to discuss amending the agenda under agenda item number 6. This was to be discussed in a subsequent meeting.

### **5. Presentation, Discussion, and Action on the HTA's April 2023 Financial Report**

Mr. Choy presented the April 2023 financial statement and asked everyone to observe that some changes in the format had been made to make it similar to normal financial statements. It appeared from the balance sheet that they had \$136 million available for expenditure, but closer study showed that most of this amount was restricted in its use. An example was the unencumbered amount shown under liabilities, \$66 million, which was restricted apart from three amounts of \$7.5 million, \$4.1 million, and \$5.6 million, respectively. The details of the restrictions were noted on the financial statement. Mr. Choy reminded everyone that the footnotes were not exhaustive but were simply those that the finance department judged most useful and appropriate.

He mentioned note 387, the one-time tax credit assigned to the HCC. This had been infused back into the HCC to reduce the negative balance on which it had been running. An EDA tourism grant of \$14 million was to be used for DLNR.

In the section dealing with expenditure, the categories were budgeting lines. The final two lines showed how much was available at the month's beginning. All balances were explained in the financial statement, with the aim that any questions about the finances of the HTA would be answered before being asked. For some balances, there was a notation, "Unavailable to spend." The Convention Center Enterprise Special Fund was an example of this. Even though there was money in this account, the legislature had not yet provided for its expenditure.

Mr. Choy noted that ERS and EUTF payments were accrued only during the audit at the end of the financial year. He estimated that ERS and EUTF payments would amount annually to about \$500,000 and \$120,000, respectively. In general, accruals took place at the end of each year.

Mr. Choy reminded the meeting that the HTA was an unfunded agency and was not funded from July 1, 2023, to June 30, 2024. He also noted the supplementary information at the top of page ten, stating that "Historical information was subject to change," since they did not have a budget. They had to keep on top of their projects and cash flow. According to tradition, the statement contained a bank statement showing that the money declared was available. Finally, the monthly statement from the HCC has been prepared by AEG Management.

Mr. Choy pointed out that the footnotes on the financial statement were not completely consistent with accounting practice because they were not exhaustive. However, it was hoped that the modified financial statement would be satisfactory to federal agencies.

Mr. Arakawa made a motion to approve the April 2023 Financial Statement, and Mr. Kam seconded. Mr. Casson-Fisher did the roll call, and the motion passed unanimously.

After the motion was carried, Mr. Choy asked the meeting to note that future motions should read “Approved subject to audit.”

## **6. Presentation on Proposal to Reallocate Funds from Multiple Budget Line Items**

Chair Rafter reminded the Board that some of the discussion about reallocating funds would have to take place in executive session to keep confidential matters relating to the competitive advantage. This was agreed.

Mr. Nāho‘opi‘i pointed out that some sections of agenda item 6 could be discussed in an open session because they were standard notifications of the reallocation of budget lines. Typically, budget reallocation would be handled during the financial statement discussion, but because this had been reorganized, a separate agenda item had been created.

Mr. Kishi pointed out that in the policies and procedures, dollar amounts of less than \$250,000 could be transferred from one budget line item to another as long as the Board was notified. Line items of more than \$250,000 were to be transferred only with Board approval. However, all the items to be discussed were under \$250,000. The purpose of budget reallocations was to ensure that no BLI would have a negative value.

The first reallocation concerned the transfer of \$120,000 under ARPA Branding in Tourism from China BLI to Marketing Opportunity Fund BLI. This had previously been discussed, and this reallocation was a follow-through on the prior decision.

The FY2022 Tourism Fund had a \$60 million budget for Perpetuating Hawai‘i Culture. The NaHHA contract 18-200 had been encumbered to include all these funds. Practitioners were to have been sent out to market under this budget heading, but the administration did not issue a Notice To Proceed (NTP) in time for them to start work. Instead, the HTA went through its procurement process for these projects. A supplemental line was to be added to contracts 18-200 to reduce the amount allocated to the NaHHA contract regarding the spending by the HTA before the NTPs were issued. This would be a net zero change.

A reallocation had taken place in the Branding Standing Committee, where a contract was first given for \$270,000 but was later renegotiated to \$260,000. The rebranding program had been removed because there was not enough budget.

Funds had been set aside for the gohawaii.com website, but this was now on hold and would be part of a future procurement for global support services. Some older budget items involving it

had been cleaned up. For instance, BLIs 348, 339 and 350 were all related to the global support services contract, but they had been cleaned up because of budget changes over time.

Mr. Arakawa made a motion to propose that the remainder of agenda item 6 should be discussed in the Executive Session to protect competitive advantage, and Mr. Kam seconded. Mr. Casson-Fisher did the roll call, and the motion passed unanimously.

[Executive Session]

Chair Rafter said there was no need to vote on agenda item number 6.

Mr. Arakawa said there would be a more robust discussion at the upcoming BOD meeting, where the public would get the information.

There were no further questions.

## **7. Adjournment**

Mr. Kam made a motion to adjourn, and Chair Rafter seconded. The motion passed unanimously. Mr. Casson-Fisher adjourned the meeting at 12:05 p.m.

Respectfully submitted,

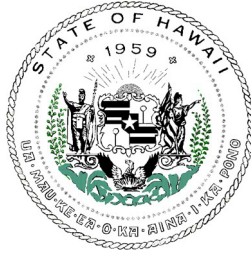


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Sheillane Reyes  
Recorder

# **4**

## **Presentation, Discussion and Action on the Hawai'i Tourism Authority's August 2023 Financial Report**



**The State of Hawai`i**  
**Department of Business, Economic Development, and Tourism**  
**Hawai`i Tourism Authority**  
**Financial Statements**  
**August 31, 2023**

These financial statements have been prepared by HTA management (unless otherwise noted) for information purposes only. See notes to the financial statements.

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Prepared by: Talon Kishi

Budget and Fiscal Officer

HAWAII TOURISM AUTHORITY

Hawaii Tourism Authority  
Financial Statements  
August 31, 2023

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**Hawaii Tourism Authority  
Balance Sheet  
As of August 31, 2023**

	<b>Tourism Funds</b>	<b>Convention Center Funds</b>	<b>Convention Center Roof Repairs</b>	<b>Tourism Emergency Special Fund</b>	<b>Federal Funds</b>	<b>Total Funds</b>
<b>Assets</b>						
General funds	58,715,344	11,000,000	-	-	-	69,715,344
Special funds (restricted)	15,596,657	34,467,525	-	-	-	50,064,182
Federal grants	-	-	-	-	14,024,372	14,024,372
Generabl obligation bonds	-	-	14,871,000	-	-	14,871,000
Cash and cash equivalents	-	-	-	1,082,931	-	1,082,931
Investments	-	-	-	4,070,427	-	4,070,427
Total assets	<u>74,312,001</u>	<u>45,467,525</u>	<u>14,871,000</u>	<u>5,153,358</u>	<u>14,024,372</u>	<u>153,828,256</u>
<b>Liabilities and Fund Balances</b>						
Fund balances						
Encumbered - General funds	11,516,434	-	-	-	-	11,516,434
Encumbered - Special funds	9,211,662	3,769,399	-	-	6,450,000	19,431,061
Unencumbered	53,583,905	41,698,126	14,871,000	5,153,358	7,574,372	122,880,761
Total fund balances	<u>74,312,001</u>	<u>45,467,525</u>	<u>14,871,000</u>	<u>5,153,358</u>	<u>14,024,372</u>	<u>153,828,256</u>
Total liabilities and fund balances	<u>74,312,001</u>	<u>45,467,525</u>	<u>14,871,000</u>	<u>5,153,358</u>	<u>14,024,372</u>	<u>153,828,256</u>

**Hawaii Tourism Authority**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Month Ended August 31, 2023**  
**Ending Fund Balance as of August 31, 2023**

	Tourism Funds	Convention Center Funds	Convention Center Roof Repairs	Tourism Emergency Special Fund	Federal Funds	Total Funds
<b>Revenues</b>						
HCC Operations	-	-	-	-	-	-
Other Income	-	-	-	-	-	-
Change in fair value	-	-	-	7,727	-	7,727
Interest and dividends, net	-	-	-	14,327	-	14,327
Total revenues	-	-	-	22,054	-	22,054
<b>Expenditures</b>						
Destination management	-	-	-	-	-	-
Planning & evaluation	11,572	-	-	-	-	11,572
Workforce	-	-	-	-	-	-
Perpetuating Hawaiian culture	-	-	-	-	-	-
Sports	-	-	-	-	-	-
Safety & Security	35,000	-	-	-	-	35,000
Resident and Industry Communications	-	-	-	-	-	-
Branding	804,135	-	-	-	-	804,135
Convention Center Marketing	-	-	-	-	-	-
Administrative	87,457	-	-	1,056	-	88,513
Governance and org-wide*	2,984	-	-	-	-	2,984
Salaries and fringe	158,607	-	-	-	-	158,607
HCC operations	-	-	-	-	-	-
HCC repairs and maintenance	-	-	-	-	-	-
Total expenditures	1,099,755	-	-	1,056	-	1,100,811
Change in fund balances	(1,099,755)	-	-	20,998	-	(1,078,757)
<b>Fund balances</b>						
Beginning of month	75,411,756	45,467,525	14,871,000	5,132,360	14,024,372	154,907,013
Ending fund balance	74,312,001	45,467,525	14,871,000	5,153,358	14,024,372	153,828,256

\* Refer to notes of the financial statements for more information.



Hawaii Tourism Authority  
Selected Management Disclosures  
August 31, 2023

## Summary of Significant Accounting Policies

### The Financial Reporting Entity

The Hawaii Tourism Authority (HTA or Authority) was established on January 1, 1999, by Act 156, Session Laws of Hawaii 1998. It was placed within the State of Hawaii, Department of Business, Economic Development, and Tourism, for administrative purposes only. The Authority is responsible for developing a strategic tourism marketing plan and developing measures of effectiveness to assess the overall benefits and effectiveness of the marketing plan and progress toward achieving the Authority's strategic plan goals. In addition, effective July 1, 2000, control and management of the Hawaii Convention Center (HCC) were transferred to the Authority from the Convention Center Authority (CCA) by Executive Order No. 3817. Effective July 1, 2002, the Center, by statute, became the responsibility of the Authority. The Center opened to the public in June 1998 and is used for various events, including conventions and trade shows, public shows, and spectator events. The Center offers approximately 350,000 square feet of rentable space, including 51 meeting rooms.

The Authority is governed by a board of directors comprising 12 voting members, including those recommended by the State Legislature. The Governor of the State appoints the 12 voting members.

### Funds

The Authority's major funds are as follows:

#### Tourism Funds:

- **Tourism Special Fund (TSF)** – The Tourism Special Fund accounts for functions related to developing and promoting the tourism industry. Effective January 1, 2022, pursuant to Act 1 Special Legislative Session 2021, the TSF was sunset and discontinued the ability to expend any new funds. Funds encumbered as of June 30, 2021, can be spent.
- **General Funds** – The 2023 State legislature did not provide HTA an operating budget for fiscal year 2024. As such, the Governor approved the transfer of \$60,000,000 in general funds from Section 5 of Act 164, SLH 2023, to HTA on July 1, 2023. Funds will lapse on June 30, 2024.

#### Convention Center Funds:

- **Convention Center Enterprise Special Fund (CCESF)** – Under Section 201B-8, the Convention Center Enterprise Special Fund accounts for functions related to the operation and management of the Hawaii Convention Center (HCC). Unencumbered funds are unavailable to spend because the 2023 Hawaii State Legislature did not provide the CCESF an expenditure ceiling to fund the operations of the HCC.
- **General Funds (operations)** – The 2023 State legislature did not provide the HCC an operating budget for fiscal year 2024. As such, the Governor approved the transfer of \$11,000,000 in general funds from Section 5 of Act 164, SLH 2023, for the HCC on July 1, 2023. Funds will lapse on June 30, 2024.
- **General Funds (CIP)** - Pursuant to Act 164, SLH 2023, \$64,000,000 of general funds were provided for the permanent repair of the HCC rooftop terrace deck. HTA is awaiting a request to the Governor to release the funds. Funds will lapse on June 30, 2024.

Hawaii Tourism Authority  
Selected Management Disclosures  
August 31, 2023

- **General Obligation Bonds** – Pursuant to Act 248, SLH 2022, \$15,000,000 of general obligation bond funds were provided for the temporary repairs of the HCC roof repair and other items. The Governor authorized the release of funds on February 22, 2023. Funds will lapse on June 30, 2024.

**Tourism Emergency Special Fund:**

- **Tourism Emergency Special Fund** – The Tourism Emergency Special Fund accounts for functions related to maintaining a tourism emergency fund. Per Section 201B-10, revenues prescribed by Section 237D-6.5(b) and all investment earnings are credited to the fund's assets. Funds are currently held at the Bank of Hawaii. Funds must be exclusively used to respond to a tourism emergency under Section 201B-9. On August 19, 2023, in the sixth emergency proclamation relating to the Maui wildfires, the Governor declared a tourism emergency. The Authority plans on spending approximately \$2.6M on an emergency marketing campaign for Maui.

**Federal Funds:**

- **Economic Development Administration (EDA) Tourism Grant** – Official Name: ARPA-EDA Tourism Grant (Non-Competitive ARPA State Tourism Grant for the State of Hawaii) – The Authority was awarded \$14,024,372 on December 8, 2021. Grant rules required the approval of the Grant Administration Plan (GAP) before the commencement of work. EDA approved the Authority's GAP on March 21, 2023. The Authority will share approximately \$7,200,000 of the grant with the Department of Land and Natural Resources (DLNR) to enhance and develop Hawaii's outdoor recreational assets. All work must be completed by May 31, 2027, and money spent by September 30, 2027.

**Basis of Accounting**

The Governmental Funds' financial statements are reported using the modified-cash basis of accounting.

**Governance & Org-Wide Expenditures**

Governance and organization-wide expenditures primarily consist of board meeting costs - including board member inter-island travel - audit expenses for the Authority and the HCC, HCC facility insurance, and employee fringe benefits.

**Encumbrances**

Generally, encumbrances are obligations in the form of purchase orders, contracts, or other commitments that only become liabilities once the performance of the conditions stated in the commitment.

**Transient Accommodations Tax (TAT)**

Under Section 237D-6.5, \$11,000,000 shall be allocated to the Convention Center Enterprise Special Fund annually.

**Investments**

The Authority's investments are reported at fair value.

The TSF and CCESF participate in the State's investment pool program directed by B&F.

Hawaii Tourism Authority  
Selected Management Disclosures  
August 31, 2023

**Employees' Retirement System of the State of Hawaii (ERS)**

On June 30, 2022, management estimated the net pension liability of approximately \$5,733,000 for its proportionate share of the State's net pension liability. An actuarial valuation determined the net pension liability as of June 30, 2021.

For the year ended June 30, 2022, the Authority recognized pension expenses of approximately \$488,000. On June 30, 2022, management estimated the deferred outflows and deferred inflows of resources related to pensions of approximately \$590,000 and \$972,000, respectively. Based on last year's pension expense, management estimates the June 30, 2023, pension expense to be approximately \$500,000.

**Hawaii Employer-Union Health Benefits Trust Fund (EUTF)**

On June 30, 2022, management estimated the net other post-employment benefits (OPEB) liability of approximately \$4,989,000. An actuarial valuation measured the net OPEB liability as of June 30, 2021.

For the year ended June 30, 2022, the Authority recognized OPEB expenses of approximately \$115,000. On June 30, 2022, management estimated the deferred outflows and deferred inflows or resources related to OPEB of approximately \$212,000 and \$503,000, respectively. Based on last year's OPEB expense, management estimates the OPEB expense for June 30, 2023, to be approximately \$120,000.

**Accrued Vacation**

On June 30, 2022, management estimated the accrued vacation liability was approximately \$413,000, with a current liability of approximately \$129,000. Based on last year's accrued vacation liability, management estimates accrued vacation as of June 30, 2023, to be approximately \$420,000, with a current liability of approximately \$130,000.

**Use of Estimates**

Preparing these financial statements required management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

**Other Matters**

HCC Rooftop Repair RFP – On July 17, 2023, HTA issued RFP 23-12 for the project manager/construction manager contract for the permanent repair of the HCC rooftop. HTA will issue an RFP for the construction portion of the project in the coming months.

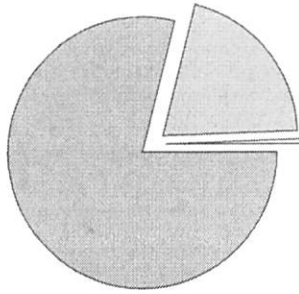


Statement Period  
Account Number

08/01/2023 through 08/31/2023  
BANK OF HAWAII  
AGENT U/A DATED 10/31/2018 FOR  
HAWAII TOURISM AUTHORITY -  
TOURISM EMERGENCY TRUST  
FUND

## Summary Of Investments

### Investment Allocation



0.5%	CASH	27,342.76
20.5%	CASH EQUIVALENTS	1,055,587.95
79.0%	FIXED INCOME	4,070,427.60
100.0%	TOTAL	5,153,358.31

### Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	27,342.76	0.53	0	0.00
CASH EQUIVALENTS	1,055,587.95	20.48	55,102	5.22
FIXED INCOME	4,070,427.60	78.99	115,188	2.83
<b>Total Fund</b>	<b>5,153,358.31</b>	<b>100.00</b>	<b>170,289</b>	<b>3.30</b>

### Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	4,826.96	4,826.96	17.65
	ACCRUED INCOME	22,515.80	22,515.80	82.35
	TOTAL CASH	27,342.76	27,342.76	100.00
	<b>CASH EQUIVALENTS</b>			
	<b>CASH MANAGEMENT</b>			
1,055,587.95	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	1,055,587.95	1,055,587.95	100.00
	<b>FIXED INCOME</b>			
	<b>U S TREASURY OBLIGATIONS</b>			
500.000	US TREASURY NOTES 2.875% 10/31/2023	499,441.73	497,890.00	12.23



Statement Period  
Account Number

08/01/2023 through 08/31/2023  
BANK OF HAWAII  
AGENT U/A DATED 10/31/2018 FOR  
HAWAII TOURISM AUTHORITY -  
TOURISM EMERGENCY TRUST  
FUND

## Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
585,000	US TREASURY NOTES 2.5% 01/31/2024	582,517.13	577,985.85	14.20
500,000	US TREASURY NOTES 2.25% 04/30/2024	495,520.45	489,630.00	12.03
500,000	US TREASURY NOTES NOTE 2.125% 07/31/2024	496,264.78	485,470.00	11.93
500,000	US TREASURY NOTES 2.25% 10/31/2024	483,947.75	482,930.00	11.86
550,000	US TREASURY NOTES 2.5% 01/31/2025	537,296.38	530,189.00	13.03
500,000	US TREASURY NOTES 2.875% 04/30/2025	488,984.33	482,850.00	11.86
525,000	US TREASURY NOTES 4.75% 07/31/2025	523,708.01	523,482.75	12.86
	TOTAL U S TREASURY OBLIGATIONS	4,107,680.61*	4,070,427.60*	100.00*
	<b>Total Fund</b>	<b>5,190,611.32*</b>	<b>5,153,358.31*</b>	<b>100.00*</b>

**Hawaii Convention Center**  
Facility  
Income Statement  
From 8/01/2023 Through 08/31/2023  
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
<b>Direct Event Income</b>								
Rental Income (Net)	359,094	279,258	79,836	156,350	524,569	446,554	78,015	465,502
Service Revenue	279,857	85,795	194,062	51,219	428,845	169,030	259,815	164,908
<b>Total Direct Event Income</b>	<b>638,951</b>	<b>365,053</b>	<b>273,898</b>	<b>207,569</b>	<b>953,413</b>	<b>615,584</b>	<b>337,830</b>	<b>630,410</b>
<b>Direct Service Expenses</b>	<b>326,538</b>	<b>189,489</b>	<b>(137,049)</b>	<b>111,295</b>	<b>627,031</b>	<b>410,091</b>	<b>(216,940)</b>	<b>325,752</b>
<b>Net Direct Event Income</b>	<b>312,413</b>	<b>175,564</b>	<b>136,849</b>	<b>96,275</b>	<b>326,382</b>	<b>205,493</b>	<b>120,889</b>	<b>304,658</b>
<b>Ancillary Income</b>								
Food and Beverage (Net)	748,718	417,263	331,455	320,790	2,510,326	1,431,785	1,078,541	700,070
Event Parking (Net)	104,120	99,403	4,717	37,485	213,931	187,305	26,626	146,360
Electrical Services	12,013	1,200	10,813	1,943	22,479	9,200	13,279	1,943
Audio Visual	16,590	9,591	6,999	10,548	106,096	71,033	35,063	56,286
Internet Services	1,108	0	1,108	0	20,076	0	20,076	0
Rigging Services	3,510	5,000	(1,490)	0	6,453	9,000	(2,548)	0
<b>Total Ancillary Income</b>	<b>886,060</b>	<b>532,457</b>	<b>353,602</b>	<b>370,767</b>	<b>2,879,361</b>	<b>1,708,323</b>	<b>1,171,037</b>	<b>904,659</b>
<b>Total Event Income</b>	<b>1,198,473</b>	<b>708,021</b>	<b>490,452</b>	<b>467,041</b>	<b>3,205,742</b>	<b>1,913,816</b>	<b>1,291,926</b>	<b>1,209,317</b>
<b>Other Operating Income</b>								
Non-Event Parking	(15)	433	(448)	84	870	866	4	84
Other Income	13,067	10,042	3,025	11,089	24,027	20,084	3,943	18,924
<b>Total Other Operating Income</b>	<b>13,052</b>	<b>10,475</b>	<b>2,577</b>	<b>11,173</b>	<b>24,897</b>	<b>20,950</b>	<b>3,947</b>	<b>19,008</b>
<b>Total Gross Income</b>	<b>1,211,525</b>	<b>718,496</b>	<b>493,029</b>	<b>478,214</b>	<b>3,230,639</b>	<b>1,934,766</b>	<b>1,295,873</b>	<b>1,228,325</b>
<b>Net Salaries &amp; Benefits</b>								
Salaries & Wages	519,546	534,690	15,144	291,478	1,000,971	1,078,770	77,799	648,458
Payroll Taxes & Benefits	141,542	155,482	13,940	89,233	274,342	310,965	36,623	183,484
Labor Allocations to Events	(95,813)	(60,631)	35,182	(31,423)	(185,250)	(123,438)	61,812	(91,511)
<b>Total Net Salaries &amp; Benefits</b>	<b>565,276</b>	<b>629,541</b>	<b>64,265</b>	<b>349,287</b>	<b>1,090,062</b>	<b>1,266,297</b>	<b>176,235</b>	<b>740,430</b>
<b>Other Indirect Expenses</b>								
Net Contracted Services	41,575	37,026	(4,549)	61,053	103,190	82,811	(20,379)	109,866
Operations	37,826	13,099	(24,727)	6,178	64,643	26,198	(38,445)	14,497
Repair & Maintenance	75,989	110,021	34,032	85,925	153,774	220,042	66,268	140,482
Operational Supplies	68,479	66,200	(2,279)	55,001	147,718	159,594	11,876	89,449
Insurance	24,290	26,805	2,515	19,913	61,954	62,718	764	43,007
Utilities	261,085	224,706	(36,379)	254,374	507,371	534,194	26,822	544,617
Meetings & Conventions	4,444	804	(3,640)	249	6,250	9,608	3,358	2,556
Promotions & Communications	0	6,266	6,266	1,727	0	12,532	12,532	7,629
General & Administrative	45,205	36,480	(8,725)	15,414	72,573	77,222	4,649	45,773
Management Fees	19,433	19,433	(0)	19,033	38,867	38,866	(1)	38,067
Other	2,398	4,733	2,335	347	15,459	9,466	(5,993)	2,556
<b>Total Other Indirect</b>	<b>580,726</b>	<b>545,573</b>	<b>(35,153)</b>	<b>519,213</b>	<b>1,171,798</b>	<b>1,233,251</b>	<b>61,452</b>	<b>1,038,499</b>
<b>Net Income (Loss) before CIP Funded Expenses</b>	<b>65,524</b>	<b>(456,618)</b>	<b>522,141</b>	<b>(390,286)</b>	<b>968,778</b>	<b>(564,782)</b>	<b>1,533,560</b>	<b>(550,605)</b>
<b>CIP Funded Expenses</b>	<b>156</b>	<b>0</b>	<b>156</b>	<b>0</b>	<b>289</b>	<b>0</b>	<b>289</b>	<b>0</b>
<b>Net Income (Loss) from Operations</b>	<b>65,679</b>	<b>(456,618)</b>	<b>522,297</b>	<b>(390,286)</b>	<b>969,068</b>	<b>(564,782)</b>	<b>1,533,849</b>	<b>(550,605)</b>
<b>Fixed Asset Purchases</b>	<b>5,419</b>	<b>25,000</b>	<b>19,581</b>	<b>5,706</b>	<b>23,038</b>	<b>50,000</b>	<b>26,962</b>	<b>32,759</b>
<b>Net Income (Loss) After Fixed Asset Purchases</b>	<b>60,261</b>	<b>(481,618)</b>	<b>541,878</b>	<b>(395,992)</b>	<b>946,030</b>	<b>(614,782)</b>	<b>1,560,812</b>	<b>(583,364)</b>

**Hawaii Convention Center**  
 Facility  
 Income Statement  
 From 08/01/2023 Through 08/31/2023  
 (In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
<b>Revenues</b>								
Food & Beverage	1,190,206	786,350	403,856	563,904	3,582,198	2,705,840	876,358	1,206,187
Facility	802,920	504,403	298,517	278,477	1,374,592	944,849	429,743	881,648
<b>Total Revenues</b>	<b>1,993,126</b>	<b>1,290,753</b>	<b>702,373</b>	<b>842,381</b>	<b>4,956,790</b>	<b>3,650,689</b>	<b>1,306,101</b>	<b>2,087,835</b>
<b>Expenses</b>								
Food & Beverage	665,121	574,471	(90,650)	354,317	1,566,274	1,727,262	160,988	739,084
Facility	1,262,482	1,172,900	(89,582)	878,349	2,421,738	2,488,208	66,470	1,899,355
<b>Total Expenses</b>	<b>1,927,603</b>	<b>1,747,371</b>	<b>(180,232)</b>	<b>1,232,667</b>	<b>3,988,011</b>	<b>4,215,470</b>	<b>227,458</b>	<b>2,638,439</b>
<b>Net Income (Loss) before CIP Funded Expenses</b>	<b>65,524</b>	<b>(456,618)</b>	<b>522,141</b>	<b>(390,286)</b>	<b>968,778</b>	<b>(564,781)</b>	<b>1,533,559</b>	<b>(550,605)</b>
CIP Funded Expenses	156	0	156	0	289	0	289	0
<b>Net Income (Loss) from Operations</b>	<b>65,680</b>	<b>(456,618)</b>	<b>522,297</b>	<b>(390,286)</b>	<b>969,067</b>	<b>(564,781)</b>	<b>1,533,848</b>	<b>(550,605)</b>
Fixed Asset Purchases	5,419	25,000	19,581	5,706	23,038	50,000	26,962	32,759
<b>Net Income (Loss) after Fixed Asset Purchases</b>	<b>60,261</b>	<b>(481,618)</b>	<b>541,878</b>	<b>(395,992)</b>	<b>946,029</b>	<b>(614,781)</b>	<b>1,560,810</b>	<b>(583,364)</b>

# **5**

## Discussion and Action on the **FY25 Legislative Budget Request**



**FY 25 SUPPLEMENTAL BUDGET  
OPERATING BUDGET ADJUSTMENT REQUEST  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM**

Department Priority: 1

Program ID/Org. Code: BED113-TO  
Program Title: Hawai'i Tourism Authority

Department Contact: Talon Kishi

Phone: 808-973-2275

Request Category:

Trade-Off/Transfer (+)\_\_\_ (-) \_\_\_  
Conversion of Unbudgeted Positions X  
Fixed Cost/Entitlement \_\_\_  
Federal Fund Adjustment \_\_\_  
2023 Wildfires Recovery \_\_\_  
Health and Safety, Court Orders,  
Consent Decrees, Fed Mandates \_\_\_  
Full Year Funding for Eligible Positions X  
Second Year Funding X  
Other \_\_\_

**I. TITLE OF REQUEST:**

Description of Request:

The 2023 Legislature did not fund HTA for fiscal years 2024 and 2025. As such, HTA is seeking \$70,000,000 of second year cash flow for HTA. We also request the extension of 25.00 unauthorized positions for FY 25 as indicated in attachment A to this worksheet, of which 24.00 positions are exempt and 1.00 civil service, 20.00.00 positions filled and 5.00 vacant. Lastly, we request approval for 8.00 additional exempt positions for fiscal year 2025, making 33.00 total employees for HTA.

**II. OPERATING COST SUMMARY**

	FY 24 Request			FY 25 Request			FY 26	FY 27	FY 28	FY 29
	FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
A. Personal Services	-	-	-	38.00	-	3,296,904.38	3,412,296.04	3,531,726.40	3,655,336.82	3,783,273.61
B. Other Current Expenses	-	-	-	-	-	66,618,412.00	68,950,056.42	71,363,308.39	73,861,024.19	76,446,160.04
C. Equipment	-	-	-	-	-	-	-	-	-	-
L. Current Lease Payments	-	-	-	-	-	-	-	-	-	-
M. Motor Vehicles	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REQUEST</b>	-	-	-	38.00	-	69,915,316.38	72,362,352.46	74,895,034.79	77,516,361.01	80,229,433.64

By MOF:

A	-	38.00	-	69,915,316.38	72,362,352.46	74,895,034.79	77,516,361.01	80,229,433.64
B								
N								
P								
R								
S								
T								
U								
W								
X								

**FY 25 SUPPLEMENTAL BUDGET  
OPERATING BUDGET ADJUSTMENT REQUEST  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM**

**III. OPERATING COST DETAILS**

A. Personal Services (List all positions)

	MOF	FY 24 Request			FY 25 Request			FY 26	FY 27	FY 28	FY 29
		FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
HTA Brand Manager, SRNA	A	-	-	-	1.00	-	75,417.66	78,057.28	80,789.29	83,616.91	86,543.50
HTA Director of Planning, SRNA	A	-	-	-	1.00	-	131,865.93	136,481.23	141,258.08	146,202.11	151,319.18
HTA Account Specialist, SRNA	A	-	-	-	1.00	-	65,783.79	68,086.23	70,469.24	72,935.67	75,488.42
HTA Brand Manager, SRNA	A	-	-	-	1.00	-	76,934.22	79,626.92	82,413.86	85,298.35	88,283.79
HTA VP of Finance, SRNA	A	-	-	-	1.00	-	150,835.33	156,114.56	161,578.57	167,233.82	173,087.01
HTA Procurement Specialist, SRNA	A	-	-	-	1.00	-	59,046.30	61,112.92	63,251.87	65,465.69	67,756.99
HTA Brand Manager, SRNA	A	-	-	-	1.00	-	76,934.22	79,626.92	82,413.86	85,298.35	88,283.79
HTA Procurement Manager, SRNA	A	-	-	-	1.00	-	86,195.17	89,212.00	92,334.42	95,566.12	98,910.94
HTA Public Affairs Officer, SRNA	A	-	-	-	1.00	-	153,843.58	159,228.11	164,801.09	170,569.13	176,539.05
HTA Senior Brand Manager, SRNA	A	-	-	-	1.00	-	117,446.20	121,556.82	125,811.30	130,214.70	134,772.21
HTA Executive Assistant, SRNA	A	-	-	-	1.00	-	88,992.10	92,106.82	95,330.56	98,667.13	102,120.48
HTA Brand Manager, SRNA	A	-	-	-	1.00	-	76,934.22	79,626.92	82,413.86	85,298.35	88,283.79
HTA Chief Brand Officer, SRNA	A	-	-	-	1.00	-	175,821.24	181,974.98	188,344.10	194,936.15	201,758.91
HTA Senior Brand Manager, SRNA	A	-	-	-	1.00	-	109,900.70	113,747.23	117,728.38	121,848.87	126,113.58
HTA Budget & Fiscal Officer, SRNA	A	-	-	-	1.00	-	107,737.74	111,508.56	115,411.36	119,450.76	123,631.54
HTA Contracts & Administrative Manager, SRNA	A	-	-	-	1.00	-	64,640.16	66,902.57	69,244.16	71,667.70	74,176.07
HTA Administrative Assistant, SRNA	A	-	-	-	1.00	-	52,209.36	54,036.69	55,927.97	57,885.45	59,911.44
HTA Chief Administrative Officer, SRNA	A	-	-	-	1.00	-	172,382.05	178,415.42	184,659.96	191,123.06	197,812.36
HTA Administrative Assistant, SRNA	A	-	-	-	1.00	-	62,004.83	64,175.00	66,421.12	68,745.86	71,151.97
HTA Brand Manager, SRNA	A	-	-	-	1.00	-	76,934.22	79,626.92	82,413.86	85,298.35	88,283.79
HTA President and CEO - vacant, SRNA	A	-	-	-	1.00	-	271,923.75	281,441.08	291,291.52	301,486.72	312,038.76
HTA Accounting Assistant (formerly Secretary II) - vacant and in process of filling, SRNA	A	-	-	-	1.00	-	66,297.60	68,618.02	71,019.65	73,505.33	76,078.02
HTA Administrative Assistant (Branding) - vacant and in the process of filling, SRNA	A	-	-	-	1.00	-	59,046.30	61,112.92	63,251.87	65,465.69	67,756.99
HTA Planner (Planning) - vacant and in the process of filling, SRNA	A	-	-	-	1.00	-	75,417.66	78,057.28	80,789.29	83,616.91	86,543.50
Chief Stewardship Officer (Destination Stewardship) - vacant and in the process of filling, SRNA	A	-	-	-	1.00	-	175,821.24	181,974.98	188,344.11	194,936.15	201,758.92
HTA Contracts Managers (Accounting) - vacant and need to create position, SRNA	A	-	-	-	1.00	-	41,436.00	42,886.26	44,387.28	45,940.83	47,548.76
HTA Compliance Officer (Accounting) - vacant and need to create position, SRNA	A	-	-	-	1.00	-	62,154.00	64,329.39	66,580.92	68,911.25	71,323.14
HTA Administrative Assistant (Compliance) - vacant and need to create position, SRNA	A	-	-	-	1.00	-	29,523.15	30,556.46	31,625.94	32,732.84	33,878.49
HTA Administrative Assistant (Accounting) - vacant and need to create position, SRNA	A	-	-	-	1.00	-	29,523.15	30,556.46	31,625.94	32,732.84	33,878.49
HTA Administrative Assistant (Accounting) - vacant and need to create position, SRNA	A	-	-	-	1.00	-	29,523.15	30,556.46	31,625.94	32,732.84	33,878.49
HTA Public Information Specialist (Communications) - vacant and need to create position, SRNA	A	-	-	-	1.00	-	37,500.00	38,812.50	40,170.94	41,576.92	43,032.11
HTA Administrative Assistant (Destination Stewardship) - vacant and need to create position, SRNA	A	-	-	-	1.00	-	26,104.68	27,018.34	27,963.99	28,942.73	29,955.72

**FY 25 SUPPLEMENTAL BUDGET  
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HTA Administrative Assistant (Destination Stewardship) - vacant and need to create position, SRNA	A	-	-	-	1.00	-	26,104.68	27,018.34	27,963.99	28,942.73	29,955.72
HTA Destination Manager Maui County - vacant and need to create position, SRNA	A				1.00		76,934.00	79,626.69	82,413.62	85,298.10	88,283.53
HTA Destination Manager City & County Honolulu - vacant and need to create position, SRNA	A				1.00		76,934.00	79,626.69	82,413.62	85,298.10	88,283.53
HTA Destination Manager Kaua'i County - vacant and need to create position, SRNA	A				1.00		76,934.00	79,626.69	82,413.62	85,298.10	88,283.53
HTA Destination Manager Hawai'i County - vacant and need to create position, SRNA	A				1.00		76,934.00	79,626.69	82,413.62	85,298.10	88,283.53
HTA Destination Manager Molokai - vacant and need to create position, SRNA	A				1.00		76,934.00	79,626.69	82,413.62	85,298.10	88,283.53
Fringe Benefits											
<b>Subtotal Personal Service Costs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>38.00</b>	<b>-</b>	<b>3,296,904.38</b>	<b>3,412,296.04</b>	<b>3,531,726.40</b>	<b>3,655,336.82</b>	<b>3,783,273.61</b>
<b>By MOF</b>											
A		-	-	-	38.00	-	3,296,904.38	3,412,296.04	3,531,726.40	3,655,336.82	3,783,273.61
B		-	-	-	-	-	-	-	-	-	-
N		-	-	-	-	-	-	-	-	-	-
<b>B. Other Current Expenses (List by line item)</b>											
Admin - includes overhead costs such as office supplies, and membership dues for industry associations and databases.	A	-	-	-	-	-	850,000.00	879,750.00	910,541.25	942,410.19	975,394.55
Branding - CON 23003 - USA MMA	A	-	-	-	-	-	15,204,991.00	15,737,165.69	16,287,966.48	16,858,045.31	17,448,076.90
Branding - CON 23004 - Japan MMA	A	-	-	-	-	-	6,500,000.00	6,727,500.00	6,962,962.50	7,206,666.19	7,458,899.50
Branding - New Contract # TBD - Island Chapters	A	-	-	-	-	-	3,200,000.00	3,312,000.00	3,427,920.00	3,547,897.20	3,672,073.60
Branding - New Contract # TBD - Island Support Services	A	-	-	-	-	-	1,375,000.00	1,423,125.00	1,472,934.38	1,524,487.08	1,577,844.13
Branding - CON 21019 - Oceania MMA	A	-	-	-	-	-	1,290,905.00	1,336,086.68	1,382,849.71	1,431,249.45	1,481,343.18
Branding - CON 24004 - Europe MMA	A	-	-	-	-	-	1,000,000.00	1,035,000.00	1,071,225.00	1,108,717.88	1,147,523.00
Branding - CON 23016 - Canada MMA	A	-	-	-	-	-	1,000,000.00	1,035,000.00	1,071,225.00	1,108,717.88	1,147,523.00
Branding - CON 20007 - Korea MMA	A	-	-	-	-	-	433,640.00	448,817.40	464,526.01	480,784.42	497,611.87
Branding - New Contract # TBD - Korea MMA	A	-	-	-	-	-	466,360.00	482,682.60	499,576.49	517,061.67	535,158.83
Branding - CON 24002 - Tourism Conference	A	-	-	-	-	-	300,000.00	310,500.00	321,367.50	332,615.36	344,256.90
Communication & Outreach - CON 20010 - Website Support Services	A	-	-	-	-	-	250,000.00	258,750.00	267,806.25	277,179.47	286,880.75
Communication & Outreach - CON 22001 - HTA Web Support	A	-	-	-	-	-	25,000.00	25,875.00	26,780.63	27,717.95	28,688.08
Destination Management - CON 23008 - Support Services for Destination Stewardship	A	-	-	-	-	-	9,245,852.00	9,569,456.82	9,904,387.81	10,251,041.38	10,609,827.83
Destination Management - New Contract # TBD - DMAP Implementation	A	-	-	-	-	-	1,000,000.00	1,035,000.00	1,071,225.00	1,108,717.88	1,147,523.00
Governance - includes board travel expenses, board meeting costs, and financial audit services	A	-	-	-	-	-	125,000.00	129,375.00	133,903.13	138,589.73	143,440.38
HCC Marketing - CON 22003 - Global MCI	A	-	-	-	-	-	5,500,000.00	5,692,500.00	5,891,737.50	6,097,948.31	6,311,376.50
Natural Resources - MOA 22012 - Hawaii Green Business Program	A	-	-	-	-	-	50,000.00	51,750.00	53,561.25	55,435.89	57,376.15

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Natural Resources - New Contract # TBD - STAH	A	-	-	-	-	-	50,000.00	51,750.00	53,561.25	55,435.89	57,376.15
Perpetuating Hawaiian Culture - MOA 21039 - Kahea Airport Greetings	A	-	-	-	-	-	700,000.00	724,500.00	749,857.50	776,102.51	803,266.10
Perpetuating Hawaiian Culture - CON 20195 - Newspaper Translation	A	-	-	-	-	-	500,000.00	517,500.00	535,612.50	554,358.94	573,761.50
Perpetuating Hawaiian Culture - Kona Harbor Greetings	A	-	-	-	-	-	61,000.00	63,135.00	65,344.73	67,631.79	69,998.90
Perpetuating Hawaiian Culture - Kahea Greeting - Kauai Harbor	A	-	-	-	-	-	54,000.00	55,890.00	57,846.15	59,870.77	61,966.24
Perpetuating Hawaiian Culture - Hilo Kahea Greetings	A	-	-	-	-	-	35,000.00	36,225.00	37,492.88	38,805.13	40,163.31
Planning - New Contract # TBD- Product Development Plan	A	-	-	-	-	-	350,000.00	362,250.00	374,928.75	388,051.26	401,633.05
Planning - New Contract TBD - Tourism Strategic Plan Update	A	-	-	-	-	-	300,000.00	310,500.00	321,367.50	332,615.36	344,256.90
Planning - New Contract TBD - Airline Route Development Program	A	-	-	-	-	-	250,000.00	258,750.00	267,806.25	277,179.47	286,880.75
Planning - CON 22004 - Festival and Event Valuations	A	-	-	-	-	-	180,000.00	186,300.00	192,820.50	199,569.22	206,554.14
Planning - New Contract # TBD - Program Evaluation	A	-	-	-	-	-	90,000.00	93,150.00	96,410.25	99,784.61	103,277.07
Planning - CON 21013 - Hawai'i Cruise Industry Consultant Services	A	-	-	-	-	-	89,000.00	92,115.00	95,339.03	98,675.89	102,129.55
Safety & Security - CON 21040 - Visitor Assistance Program O'ahu	A	-	-	-	-	-	370,000.00	382,950.00	396,353.25	410,225.61	424,583.51
Safety & Security - CON 21041 - Visitor Assistance Program Maui	A	-	-	-	-	-	55,000.00	56,925.00	58,917.38	60,979.48	63,113.77
Safety & Security - CON 21042 - Visitor Assistance Program Kaua'i	A	-	-	-	-	-	55,000.00	56,925.00	58,917.38	60,979.48	63,113.77
Safety & Security - CON 21043 - Visitor Assistance Program Hawai'i Island	A	-	-	-	-	-	170,000.00	175,950.00	182,108.25	188,482.04	195,078.91
Sports - New Contract # TBD - PGA	A	-	-	-	-	-	2,038,850.00	2,110,209.75	2,184,067.09	2,260,509.44	2,339,627.27
Sports - New Contract # TBD - LPGA	A	-	-	-	-	-	250,000.00	258,750.00	267,806.25	277,179.47	286,880.75
Sports - CON 24003 - Big West Conference	A	-	-	-	-	-	167,000.00	172,845.00	178,894.58	185,155.89	191,636.34
Travel - Board Meetings and Programs	A	-	-	-	-	-	190,000.00	196,650.00	203,532.75	210,656.40	218,029.37
Other - Opportunity Fund	A	-	-	-	-	-	10,000,000.00	10,350,000.00	10,712,250.00	11,087,178.75	11,475,230.01
Other - FY 2024 Carryover	A	-	-	-	-	-	2,696,814.00	2,791,202.49	2,888,894.58	2,990,005.89	3,094,656.09
Workforce - New Contract # TBD - Workforce Development	A	-	-	-	-	-	150,000.00	155,250.00	160,683.75	166,307.68	172,128.45
Subtotal Other Current Expenses				0			66,618,412	68,950,056	71,363,308	73,861,024	76,446,160
By MOF	A			0			66,618,412	68,950,056	71,363,308	73,861,024	76,446,160
	B			0			0	0	0	0	0
	N			0			0	0	0	0	0
C. Equipment (List by line item)											
Subtotal Equipment				-			-	-	-	-	-
By MOF	A			-			-	-	-	-	-
	B			-			-	-	-	-	-
	N			-			-	-	-	-	-

**FY 25 SUPPLEMENTAL BUDGET  
OPERATING BUDGET ADJUSTMENT REQUEST  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM**

L. Current Lease Payments (Note each lease)											
Subtotal Current Lease Payments			-			-	-	-	-	-	
By MOF	A		-			-	-	-	-	-	
	B		-			-	-	-	-	-	
	N		-			-	-	-	-	-	
M. Motor Vehicles (List Vehicles)											
Subtotal Motor Vehicles			-			-	-	-	-	-	
By MOF	A		-			-	-	-	-	-	
	B		-			-	-	-	-	-	
	N		-			-	-	-	-	-	
<b>TOTAL REQUEST</b>		0.00	0.00	0	38.00	0.00	69,915,316	72,362,352	74,895,035	77,516,361	80,229,434

**FY 25 SUPPLEMENTAL BUDGET  
OPERATING BUDGET ADJUSTMENT REQUEST  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM**

**IV. JUSTIFICATION OF REQUEST**

The legislature did not provide funding to HTA for fiscal years 2024 or 2025 in Act 164 SLH 2023. HTA should receive funding for the agency's mission to develop, coordinate, and implement state policies and directions for tourism and related activities. HTA is requesting \$69,812,515 for FY 2025. Branding contracts will cost approximately \$30.7M, which includes \$15.2M for USA marketing and \$10.7M for international markets. Marketing the Hawai'i Convention Center will cost approximately \$5.5M. HTA also plans to spend \$10.2M on destination management and destination stewardship contracts. The State must remain vigilant and proactive to keep Hawai'i a competitive tourism destination. Each potential visitor to the State must always examine the opportunity cost to visit Hawai'i instead of another destination. With systemic problems such as high cost of living, homelessness, and the degradation of public infrastructure and natural resources, Hawai'i's main economic driver continues to face many headwinds.

The Office of the Auditor's 2018 audit included vital recommendations for HTA's procurement and contract management processes. Five new positions will be assigned to the accounting department. These five new positions will provide HTA's accounting department with the additional human resources required to address the auditor's remarks and to help HTA comply with all applicable laws, rules, and regulations. Two new positions will be required to assist with HTA's destination management and stewardship programs, and one new position for additional support in public affairs.

**V. RELATIONSHIP OF THE REQUEST TO STATE PLAN OR FUNCTIONAL PLAN**

Refer to the response to IV- Justification above.

**VI. INFORMATION SYSTEMS AND TECHNOLOGY**

N/A

**VII. IMPACT ON OTHER STATE PROGRAMS/AGENCIES**

None at this time.

**VIII. IMPACT ON FACILITY REQUIREMENTS (R&M, CIP)**

N/A

**IX. EXTERNAL CONFORMANCE REQUIREMENTS**

Following HRS 103D and related HAR requirements.

**X. REQUIRED LEGISLATION (Please specify appropriate statutes; i.e., HRS)**

None at this time.

**XI. OTHER COMMENTS**

None at this time.

FY 25 SUPPLEMENTAL BUDGET  
 OPERATING BUDGET TRADE-OFF/TRANSFERS AND CONVERSION OF UNBUDGETED POSITIONS  
 DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM - Hawai'i Tourism Authority

Prog ID	Org Code	Cost Element	Program Category - Contract Number - Contract Title	MOF	Psn No.	FTE (P)	FTE (T)	Note 1	
								FY 24 \$	FY 25 \$
BED113	TO	B	Admin - includes overhead costs such as office supplies, and membership dues for industry associations and databases.	A	N/A	N/A	N/A	-	850,000
BED113	TO	B	Branding - CON 23003 - USA MMA	A	N/A	N/A	N/A	-	15,204,991
BED113	TO	B	Branding - CON 23004 - Japan MMA	A	N/A	N/A	N/A	-	6,500,000
BED113	TO	B	Branding - New Contract # TBD - Island Chapters	A	N/A	N/A	N/A	-	3,200,000
BED113	TO	B	Branding - New Contract # TBD - Island Support Services	A	N/A	N/A	N/A	-	1,375,000
BED113	TO	B	Branding - CON 21019 - Oceania MMA	A	N/A	N/A	N/A	-	1,290,905
BED113	TO	B	Branding - CON 24004 - Europe MMA	A	N/A	N/A	N/A	-	1,000,000
BED113	TO	B	Branding - CON 23016 - Canada MMA	A	N/A	N/A	N/A	-	1,000,000
BED113	TO	B	Branding - CON 20007 - Korea MMA	A	N/A	N/A	N/A	-	433,640
BED113	TO	B	Branding - New Contract # TBD - Korea MMA	A	N/A	N/A	N/A	-	466,360
BED113	TO	B	Branding - CON 24002 - Tourism Conference	A	N/A	N/A	N/A	-	300,000
BED113	TO	B	Communication & Outreach - CON 20010 - Website Support Services	A	N/A	N/A	N/A	-	250,000
BED113	TO	B	Communication & Outreach - CON 22001 - HTA Web Support	A	N/A	N/A	N/A	-	25,000
BED113	TO	B	Destination Management - CON 23008 - Support Services for Destination Stewardship	A	N/A	N/A	N/A	-	9,245,852
BED113	TO	B	Destination Management - New Contract # TBD - DMAP Implementation	A	N/A	N/A	N/A	-	1,000,000
BED113	TO	B	Governance - includes board travel expenses, board meeting costs, and financial audit services	A	N/A	N/A	N/A	-	125,000
BED113	TO	B	HCC Marketing - CON 22003 - Global MCI	A	N/A	N/A	N/A	-	5,500,000
BED113	TO	B	Natural Resources - MOA 22012 - Hawaii Green Business Program	A	N/A	N/A	N/A	-	50,000
BED113	TO	B	Natural Resources - New Contract # TBD - STAH	A	N/A	N/A	N/A	-	50,000
BED113	TO	B	Perpetuating Hawaiian Culture - MOA 21039 - Kahea Airport Greetings	A	N/A	N/A	N/A	-	700,000
BED113	TO	B	Perpetuating Hawaiian Culture - CON 20195 - Newspaper Translation	A	N/A	N/A	N/A	-	500,000
BED113	TO	B	Perpetuating Hawaiian Culture - Kona Harbor Greetings	A	N/A	N/A	N/A	-	61,000
BED113	TO	B	Perpetuating Hawaiian Culture - Kahea Greeting - Kauai Harbor	A	N/A	N/A	N/A	-	54,000
BED113	TO	B	Perpetuating Hawaiian Culture - Hilo Kahea Greetings	A	N/A	N/A	N/A	-	35,000
BED113	TO	B	Planning - New Contract # TBD- Product Development Plan	A	N/A	N/A	N/A	-	350,000
BED113	TO	B	Planning - New Contract TBD - Tourism Strategic Plan Update	A	N/A	N/A	N/A	-	300,000
BED113	TO	B	Planning - New Contract TBD - Airline Route Development Program	A	N/A	N/A	N/A	-	250,000
BED113	TO	B	Planning - CON 22004 - Festival and Event Valuations	A	N/A	N/A	N/A	-	180,000
BED113	TO	B	Planning - New Contract # TBD - Program Evaluation	A	N/A	N/A	N/A	-	90,000
BED113	TO	B	Planning - CON 21013 - Hawai'i Cruise Industry Consultant Services	A	N/A	N/A	N/A	-	89,000
BED113	TO	B	Safety & Security - CON 21040 - Visitor Assistance Program O'ahu	A	N/A	N/A	N/A	-	370,000
BED113	TO	B	Safety & Security - CON 21041 - Visitor Assistance Program Maui	A	N/A	N/A	N/A	-	55,000
BED113	TO	B	Safety & Security - CON 21042 - Visitor Assistance Program Kaua'i	A	N/A	N/A	N/A	-	55,000
BED113	TO	B	Safety & Security - CON 21043 - Visitor Assistance Program Hawai'i Island	A	N/A	N/A	N/A	-	170,000
BED113	TO	B	Sports - New Contract # TBD - PGA	A	N/A	N/A	N/A	-	2,038,850
BED113	TO	B	Sports - New Contract # TBD - LPGA	A	N/A	N/A	N/A	-	250,000
BED113	TO	B	Sports - CON 24003 - Big West Conference	A	N/A	N/A	N/A	-	167,000
BED113	TO	B	Travel - Programs	A	N/A	N/A	N/A	-	190,000
BED113	TO	B	Workforce - New Contract # TBD - Workforce Development	A	N/A	N/A	N/A	-	150,000

BED113	TO	B	Other - Opportunity Fund	A	N/A	N/A	N/A	-	10,000,000
BED113	TO	B	Other - FY 2024 Carryover	A	N/A	N/A	N/A	-	2,696,814
<b>Total</b>								-	<b>66,618,412</b>

**Note 2**

**Note 3**

**Note 1** HTA was not funded by the legislature for FY 2024 in Act 164 SLH 2023. Instead, HTA received a \$60,000,000 appropriation from budget proviso Act 164 SLH 2023 Part III Section 5.

**Note 2** The opportunity fund will be utilized in markets with market share impact and retention opportunities. HTA will seek out conditions where these funds will have the greatest return on investment. Per HTA policies and procedures, any expenditure greater than \$250,000 will require Board approval. Setting aside approximately 15% of HTA funds for marketing opportunities and emergencies in the wake of the Maui wildfires will be prudent and serve the best interest of the State.

**Note 3** To pay for services rendered at the end of fiscal year 2024.

Cost Element:

- A. Personal Services
- B. Other Current Expenses
- C. Equipment
- L. Current Lease Payments
- M. Motor Vehicles



FY 25 SUPPLEMENTAL BUDGET  
 OPERATING BUDGET TRADE-OFF/TRANSFERS AND CONVERSION OF UNBUDGETED POSITIONS  
 DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM - Hawai'i Tourism Authority

**Note**

Prog ID	Org Code	Cost Element	Item Description / Position Title	MOF	Psn No.	FTE (P)	FTE (T)	FY 24 \$	FY 25 \$	
BED113	TO	A	HTA Brand Manager	A	00124319	1.00	-	-	75,417.66	
BED113	TO	A	HTA Director of Planning	A	00124312	1.00	-	-	131,865.93	
BED113	TO	A	HTA Account Specialist	A	00124329	1.00	-	-	65,783.79	
BED113	TO	A	HTA Brand Manager	A	00124324	1.00	-	-	76,934.22	
BED113	TO	A	HTA VP of Finance	A	00124313	1.00	-	-	150,835.33	
BED113	TO	A	HTA Procurement Specialist	A	00124328	1.00	-	-	59,046.30	
BED113	TO	A	HTA Brand Manager	A	00124321	1.00	-	-	76,934.22	
BED113	TO	A	HTA Procurement Manager	A	00124326	1.00	-	-	86,195.17	
BED113	TO	A	HTA Public Affairs Officer	A	00124311	1.00	-	-	153,843.58	
BED113	TO	A	HTA Senior Brand Manager	A	00124316	1.00	-	-	117,446.20	
BED113	TO	A	HTA Executive Assistant	A	00124310	1.00	-	-	88,992.10	
BED113	TO	A	HTA Brand Manager	A	00124322	1.00	-	-	76,934.22	
BED113	TO	A	HTA Chief Brand Officer	A	00124308	1.00	-	-	175,821.24	
BED113	TO	A	HTA Senior Brand Manager	A	00124318	1.00	-	-	109,900.70	
BED113	TO	A	HTA Budget & Fiscal Officer	A	00124327	1.00	-	-	107,737.74	
BED113	TO	A	HTA Contracts & Administrative Manager	A	00124325	1.00	-	-	64,640.16	
BED113	TO	A	HTA Administrative Assistant	A	00124314	1.00	-	-	52,209.36	
BED113	TO	A	HTA Chief Administrative Officer	A	00124309	1.00	-	-	172,382.05	
BED113	TO	A	HTA Administrative Assistant	A	00124330	1.00	-	-	62,004.83	
BED113	TO	A	HTA Brand Manager	A	00124320	1.00	-	-	76,934.22	
BED113	TO	A	HTA President and CEO - vacant	A	00124306	1.00	-	-	271,923.75	
BED113	TO	A	HTA Accounting Assistant (formerly Secretary II) - vacant and in process of filling	A	00125064	1.00	-	-	66,297.60	
BED113	TO	A	HTA Administrative Assistant (Branding) - vacant and in the process of filling	A	00124315	1.00	-	-	59,046.30	
BED113	TO	A	HTA Planner	A	00124323	1.00	-	-	75,417.66	<b>Note 3</b>
BED113	TO	A	Chief Stewardship Officer	A	00124317	1.00	-	-	175,821.24	<b>Note 3</b>
BED113	TO	A	HTA Contracts Managers - vacant and need to create position	A	TBD	1.00	-	-	41,436.00	<b>Note 2</b> 50% of full-year salary
BED113	TO	A	HTA Compliance Officer - vacant and need to create position	A	TBD	1.00	-	-	62,154.00	<b>Note 2</b> 50% of full-year salary
BED113	TO	A	HTA Administrative Assistant (Compliance) - vacant and need to create position	A	TBD	1.00	-	-	29,523.15	<b>Note 2</b> 50% of full-year salary
BED113	TO	A	HTA Administrative Assistant (Accounting) - vacant and need to create position	A	TBD	1.00	-	-	29,523.15	<b>Note 2</b> 50% of full-year salary
BED113	TO	A	HTA Administrative Assistant (Accounting) - vacant and need to create position	A	TBD	1.00	-	-	29,523.15	<b>Note 2</b> 50% of full-year salary
BED113	TO	A	HTA Public Information Specialist - vacant and need to create position	A	TBD	1.00	-	-	37,500.00	<b>Note 4</b> 50% of full-year salary
BED113	TO	A	HTA Administrative Assistant (Destination Stewardship) - vacant and need to	A	TBD	1.00	-	-	26,104.68	<b>Note 4</b> 50% of full-year salary
BED113	TO	A	HTA Administrative Assistant (Destination Stewardship) - vacant and need to	A	TBD	1.00	-	-	26,104.68	<b>Note 4</b> 50% of full-year salary
BED113	TO	A	HTA Destination Manager Maui County - vacant and need to create position	A	TBD	1.00	-	-	76,934.00	<b>Note 5</b>
BED113	TO	A	HTA Destination Manager City & County Honolulu - vacant and need to create position	A	TBD	1.00	-	-	76,934.00	<b>Note 5</b>

BED113	TO	A	HTA Destination Manager Kaua'i County - vacant and need to create position	A	TBD	1.00	-	-	76,934.00	<b>Note 5</b>
BED114	TO	A	HTA Destination Manager Hawai'i County - vacant and need to create position	A	TBD	1.00	-	-	76,934.00	<b>Note 5</b>
BED114	TO	A	HTA Destination Manager Molokai - vacant and need to create position	A	TBD	1.00	-	-	76,934.00	<b>Note 5</b>
<b>Total</b>						<b>38</b>	<b>-</b>	<b>-</b>	<b>3,296,904</b>	

**Note** HTA was not funded by the legislature for FY 2024 in Act 164 SLH 2023. Instead, HTA received a \$60,000,000 appropriation from budget proviso Act 164 SLH 2023 Part III Section 5. Personnel expenditures for FY 2024 will be approximately \$2,526,480.

**Note 2** HTA Contracts Manager (vacant/new position) - To implement the recommendations per the Office of the Auditor's report 18-04, the HTA contracts manager will be responsible for enforcing policies and procedures that ensures HTA's contracting practices align with the best interest of the State and foster appropriate use of public funds.

**Note 2** HTA Compliance Officer (vacant/new position) - To implement the recommendations per the Office of the Auditor's report 18-04, the HTA compliance officer will be responsible for ensuring that HTA's procurement and contracting policies, procedures, and practices comply with all applicable laws, rules, and regulations, which include but are not limited to Hawaii Revised Statute (HRS), Hawaii Administrative Rules (HAR), and federal funding guidance 2 CFR Part 200.

**Note 2** HTA Administrative Assistant (compliance; vacant/new position) - To implement the recommendations per the Office of the Auditor's report 18-04, the HTA administrative assistant will be responsible for assisting the compliance officer to ensure HTA's policies, procedures, and practices comply with all applicable laws, rules, and regulations.

**Note 2** HTA Administrative Assistant x2 (accounting; vacant/new position) - To implement the recommendations per the Office of the Auditor's report 18-04, the HTA administrative assistant will be responsible for assisting the accounting department to process accounting documents and ensuring accounting records are complete, accurate, and properly filed.

**Note 3** HTA Planner (redescribed position) - To support the Director of Planning. The HTA Planner has the responsibility of leading planning and coordinating initiatives and programs related to tourism destination stewardship and regenerative tourism for assigned areas; overseeing the planning and organizing of tourism-related market research; and preparation of current and long-range plans on matters concerning the development of a regenerative tourism model for the State of Hawai'i.

**Note 3** HTA Chief Stewardship Officer (redescribed position) - To implement the formation of the Destination Stewardship Branch as approved by the HTA Board of Directors. The HTA chief stewardship officer has the primary responsibility of developing and executing HTA's destination stewardship strategy. They will manage branch and organizational operations and deliver regionally-based destination, product and community development outcomes to support HTA's mission.

**Note 4** HTA Public Information Specialist - To implement an increased level of public communication and legislative updates due to the formation of the Destination Stewardship Branch. The HTA public information specialist develops, organizes, directs and coordinates a comprehensive statewide program to inform the public of HTA's plans, activities and accomplishments and other matters related to public relations, and maintains an effective channel of communication with other government, legislative and community agencies; and develops and implements a program of internal information flow to all staff; and performs other duties as required.

**Note 4** HTA Administrative Assistant (Destination Stewardship, vacant/new position) - To support the Destination Stewardship Branch. The HTA administrative assistant has the responsibility of providing general administrative services in support of the Destination Stewardship Branch assisting in carrying out various fiscal/accounting duties; and the implementation of office operations and procedures in order to ensure organizational effectiveness and efficiency.

**Note 4** HTA Administrative Assistant (Destination Stewardship, vacant/new position) - To support the Destination Stewardship Branch. The HTA administrative assistant has the responsibility of providing general administrative services in support of the Destination Stewardship Branch assisting in carrying out various fiscal/accounting duties; and the implementation of office operations and procedures in order to ensure organizational effectiveness and efficiency.

**Note 5** HTA Destination Manager (DM) (Destination Stewardship) - To manage the day-to-day operations of the destination stewardship strategy. The DMs will manage branch and organizational operations and deliver regionally-based destination, product, and community development outcomes to support HTA's mission. The five regions will include the counties of Maui, Kauai, Hawaii, Molokai, and Honolulu. HTA is currently contracting four of the five DMs through the HVCB Community Enrichment Program/Destination Management Action Plan (CEP/DMAP) contract. HTA is in the process of hiring the fifth destination manager for Molokai County. HTA is requesting 100% of the DMs' salaries for fiscal year 2025. HTA will end the employment contracts and transition the DMs into their new HTA positions at the start of the fiscal year.

Cost Element:

- A. Personal Services
- B. Other Current Expenses
- C. Equipment
- L. Current Lease Payments
- M. Motor Vehicles

**FY 25 SUPPLEMENTAL BUDGET  
OPERATING BUDGET ADJUSTMENT REQUEST  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM**

Department Priority: 1

Program ID/Org. Code: BED113-XC  
Program Title: Hawai'i Convention Center

Department Contact: Talon Kishi

Phone: 808-973-2275

Request Category:

- Trade-Off/Transfer (+)\_\_\_ (-) \_\_\_
- Conversion of Unbudgeted Positions
- Fixed Cost/Entitlement \_\_\_\_\_
- Federal Fund Adjustment \_\_\_\_\_
- 2023 Wildfires Recovery \_\_\_\_\_
- Health and Safety, Court Orders,  
Consent Decrees, Fed Mandates \_\_\_\_\_
- Full Year Funding for Eligible Positions
- Second Year Funding X
- Other X

**I. TITLE OF REQUEST:**

Description of Request:

The 2023 Legislature did not provide HTA with an appropriation ceiling for the Convention Center Enterprise Special Fund (CCESF) for fiscal years 2024 and 2025. As such, we are seeking a \$14,000,000 expenditure ceiling for fiscal year 2025 for the CCESF.

**II. OPERATING COST SUMMARY**

	FY 24 Request			FY 25 Request			FY 26	FY 27	FY 28	FY 29
	FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
A. Personal Services	-	-	-	-	-	-	-	-	-	-
B. Other Current Expenses	-	-	-	-	-	14,000,000.00	14,490,000.00	14,997,150.00	15,522,050.25	16,065,322.01
C. Equipment	-	-	-	-	-	-	-	-	-	-
L. Current Lease Payments	-	-	-	-	-	-	-	-	-	-
M. Motor Vehicles	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REQUEST</b>	-	-	-	-	-	14,000,000.00	14,490,000.00	14,997,150.00	15,522,050.25	16,065,322.01

By MOF:

A	-	-	-	-	-	14,000,000.00	14,490,000.00	14,997,150.00	15,522,050.25	16,065,322.01
B										
N										
P										
R										
S										
T										
U										
W										
X										

**FY 25 SUPPLEMENTAL BUDGET  
OPERATING BUDGET ADJUSTMENT REQUEST  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM**

**III. OPERATING COST DETAILS**

	MOF	FY 24 Request			FY 25 Request			FY 26	FY 27	FY 28	FY 29
		FTE (P)	FTE (T)	(\$)	FTE (P)	FTE (T)	(\$)	(\$ thous)	(\$ thous)	(\$ thous)	(\$ thous)
A. Personal Services (List all positions)											
Subtotal Personal Service Costs		-	-	-	-	-	-	-	-	-	-
By MOF											
A		-	-	-	-	-	-	-	-	-	-
B		-	-	-	-	-	-	-	-	-	-
N		-	-	-	-	-	-	-	-	-	-
B. Other Current Expenses (List by line item)											
Convention Center Operations	B	-	-	-	-	-	5,545,696.00	5,739,795.36	5,940,688.20	6,148,612.28	6,363,813.71
Sales and Marketing	B	-	-	-	-	-	1,272,648.00	1,317,190.68	1,363,292.35	1,411,007.59	1,460,392.85
Repairs and Maintenance	B	-	-	-	-	-	7,181,656.00	7,433,013.96	7,693,169.45	7,962,430.38	8,241,115.44
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Subtotal Other Current Expenses				0			14,000,000	14,490,000	14,997,150	15,522,050	16,065,322
By MOF											
A				0			0	0	0	0	0
B				0			14,000,000	14,490,000	14,997,150	15,522,050	16,065,322
N				0			0	0	0	0	0
C. Equipment (List by line item)											
Subtotal Equipment				-			-	-	-	-	-
By MOF											
A				-			-	-	-	-	-
B				-			-	-	-	-	-
N				-			-	-	-	-	-
L. Current Lease Payments (Note each lease)											
Subtotal Current Lease Payments				-			-	-	-	-	-
By MOF											
A				-			-	-	-	-	-
B				-			-	-	-	-	-
N				-			-	-	-	-	-
M. Motor Vehicles (List Vehicles)											
Subtotal Motor Vehicles				-			-	-	-	-	-
By MOF											
A				-			-	-	-	-	-
B				-			-	-	-	-	-
N				-			-	-	-	-	-
<b>TOTAL REQUEST</b>		0.00	0.00	0	0.00	0.00	14,000,000	14,490,000	14,997,150	15,522,050	16,065,322

**FY 25 SUPPLEMENTAL BUDGET  
OPERATING BUDGET ADJUSTMENT REQUEST  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM**

**IV. JUSTIFICATION OF REQUEST**

The Hawai'i Convention Center is an amazing public asset that will require further investment to revive the HCC into a world-class convention center. Thus far, the legislature has invested \$79M towards the rooftop terrace deck and surrounding areas. Besides the rooftop project, the HCC has a deferred maintenance cost list totaling approximately \$69,000,000. The CCESF has approximately \$34.5M and should increase to \$46.5M by the end of the fiscal year. Increasing the appropriation ceiling from \$11M to \$14M will allow HTA to address the growing list of deferred maintenance projects that have been dismissed due to the lack of an appropriation ceiling. The HCC is both an important economic asset and a public facility for the state. This duality of utility was highlighted during the initial response efforts to the Maui wildfires. The HCC hosted a city-wide event while being prepared to assist and shelter up to 2,000 Maui evacuees. The legislature should prioritize investing in the HCC so that it can continue serving the state.

**V. RELATIONSHIP OF THE REQUEST TO STATE PLAN OR FUNCTIONAL PLAN**

Refer to the response to IV- Justification above.

**VI. INFORMATION SYSTEMS AND TECHNOLOGY**

N/A

**VII. IMPACT ON OTHER STATE PROGRAMS/AGENCIES**

None at this time.

**VIII. IMPACT ON FACILITY REQUIREMENTS (R&M, CIP)**

Refer to the response to IV- Justification above.

**IX. EXTERNAL CONFORMANCE REQUIREMENTS**

Following HRS 103D and related HAR requirements.

**X. REQUIRED LEGISLATION (Please specify appropriate statutes; i.e., HRS)**

None at this time.

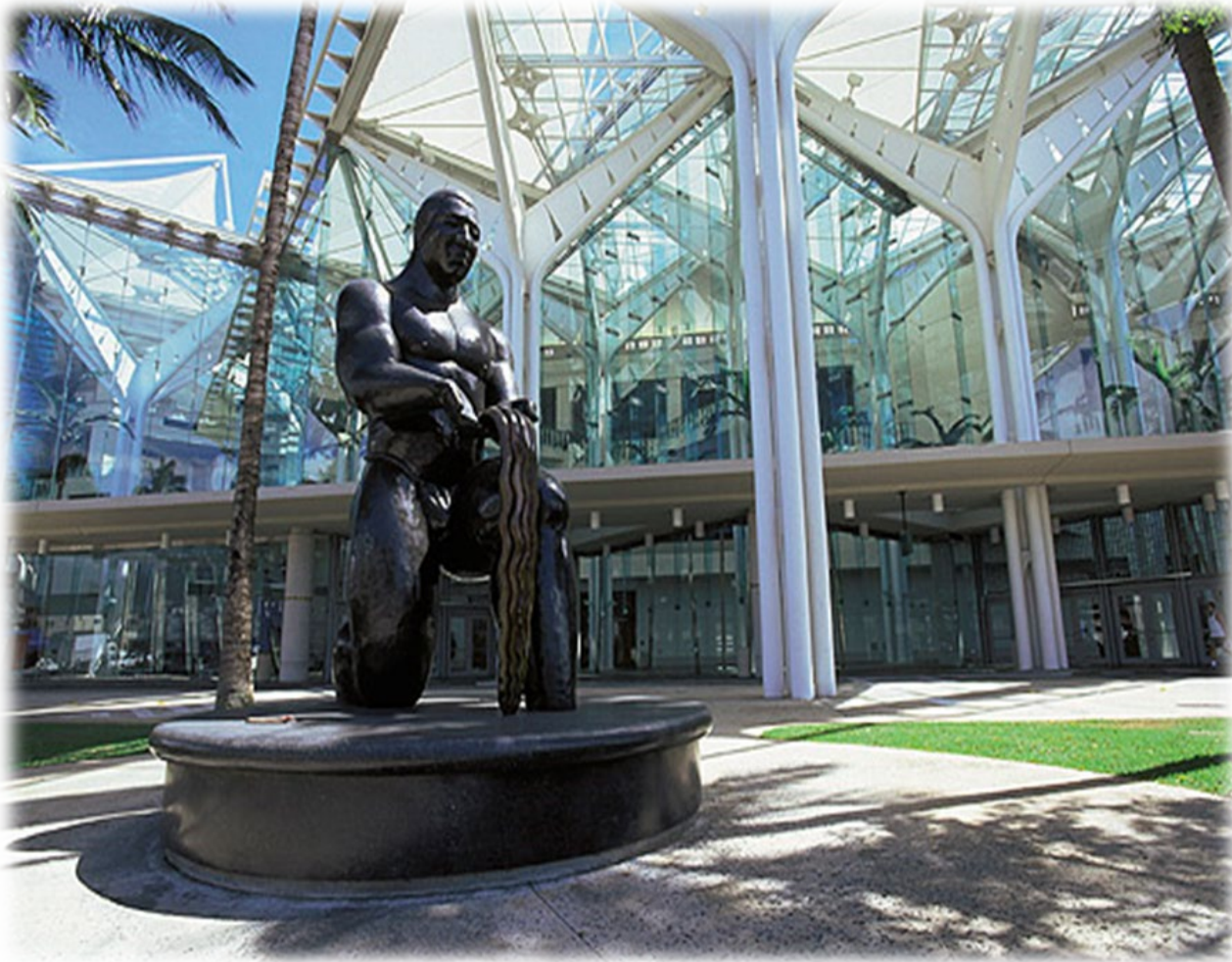
**XI. OTHER COMMENTS**

None at this time.

## **6**

Presentation, Discussion, and Action on the  
**Hawai'i Convention Center's August 2023 Report  
and Update on the Hawai'i Convention Center's 6-  
Year CIP Plan**

# *Hawai'i Convention Center*



*Update for*  
***August 2023***  
*For*  
***(Sept 2023 meeting)***



# Financial Update

	Aug-23 FYTD Actual	FY 2024 Rereforecast	FY 2024 Budget	Variance	FY 2023 Actual	FY 2022 Actual
Facility Number of Events	34	219	225	-6	273	213
Facility Gross Revenue	\$4,956,800	\$19,786,300	\$18,480,200	\$1,306,100	\$14,446,500	\$7,256,700
Facility Gross Expenses	-\$4,010,800	-\$23,584,900	-\$23,812,600	\$227,700	-\$18,412,200	-\$11,842,500
Facility Operating Income/(Subsidy)	\$946,000	-\$3,798,600	-\$5,332,400	\$1,533,800	-\$3,965,700	-\$4,585,800
Local S&M Gross Expenses	-\$158,900	-\$1,223,700	-\$1,223,700	\$0	-\$959,400	-\$522,600
HCC Operating Income/(Subsidy)	\$787,100	-\$5,022,300	-\$6,556,100	\$1,533,800	-\$4,925,100	-\$5,108,400

# ROI August 2023 FYTD

HCC Revenue + State Revenue  
+Tax Revenue  
= \$122.9 M

HCC Expense + HVCB MCI  
Expense = \$4.7 M

***ROI = For every dollar spent,  
\$25.91 returned to the State***

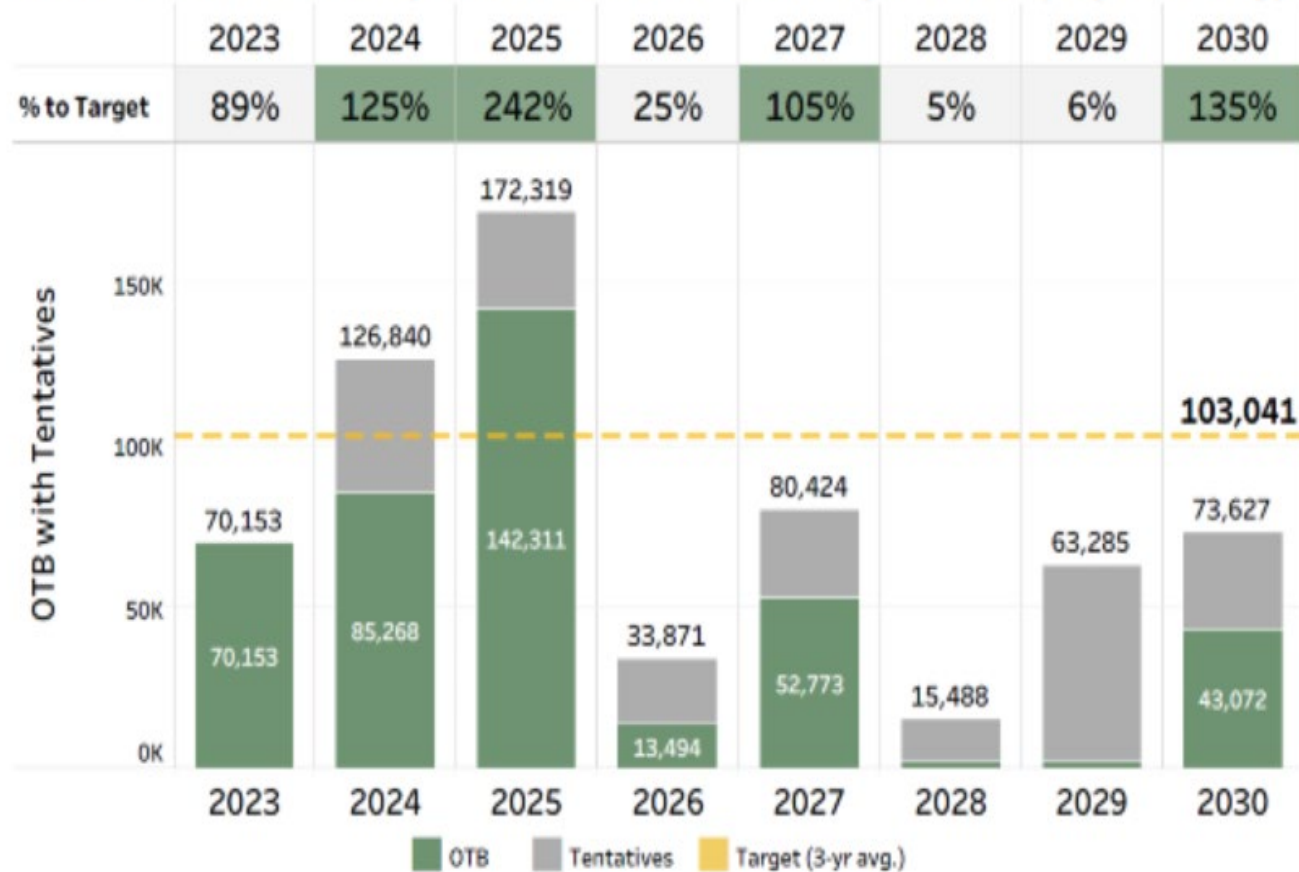
## Historical ROI:

**08.23 - \$25.91** (1 CW)  
**07.23 - \$30.74** (4 CW's)  
**06.23 - \$4.19**  
**05.23 - \$4.61**  
**04.23 - \$4.58**  
**03.23 - \$3.79**  
**02.23 - \$4.24**  
**01.23 - \$4.75**  
**12.22 - \$5.40**  
**11.22 - \$6.88**

# Future Business at HCC

## CONSUMPTION

Table 1: FuturePace Report: Convention Center 8-year Pace (citywide only)



## Future Pace for Definite Room Nights

	OTB	Pace Room Night Target	Variance to Target	Room Night % Variance	Room Nights LTB	Tentative Room Nights	Pace Room Night Goal
2023	70,153	78,951	(8,798)	-11%	32,888	0	103,041
2024	85,268	68,205	17,063	25%	17,773	41,572	103,041
2025	142,311	58,709	83,602	142%	(39,270)	30,008	103,041
2026	13,494	54,858	(41,364)	-75%	89,547	20,377	103,041
2027	52,773	50,353	2,420	5%	50,268	27,651	103,041
2028	2,243	46,427	(44,184)	-95%	100,798	13,245	103,041
2029	2,243	40,095	(37,852)	-94%	100,798	61,042	103,041
2030	43,072	31,974	11,098	35%	59,969	30,555	103,041

## Future Pace for Definite Bookings

	OTB Bookings	Pace Booking Target	Variance	% Variance	LTB	Tentative Bookings	Booking Pace Goal
2023	15	16	(1)	-6%	13	0	28
2024	13	9	4	44%	15	9	28
2025	10	7	3	43%	18	7	28
2026	2	5	(3)	-60%	26	4	28
2027	4	4	0	0%	24	3	28
2028	1	3	(2)	-67%	27	2	28
2029	1	2	(1)	-50%	27	3	28
2030	2	2	0	0%	26	2	28



# Recent Events @ Hawai'i Convention Center

- 41<sup>st</sup> Annual Okinawan Festival, Sept 2- 3, 50,000 attendees
- Best Western Hotels (Citywide), Sept 13-22, 2,200 attendees
- PBX 23, Sept 27, 2,000 attendees



# Upcoming Local/Citywide Events

- 2023 Hawai'i Tourism Conference, Oct 2-3, 450 attendees
- CHEST 2023 Annual Meeting, Oct 8-11, 6,000 attendees (CW)
- PestWorld 2023, Oct 17-20, 3,500 attendees (CW)



# **Repair, Maintenance and Replacement Projects Update**



# Repair, Maintenance and Replacement Projects

## 6-Year Plan (page 1)

Project Number	Project Title	Estimated Project Cost	Prior Expenses to July 23	FY24	FY25	FY26	FY27	FY28	FY29	Total
001	Rooftop Terrace Deck Full Repair	\$ 64,000,000	\$ -	\$ 2,000,000	\$ 30,000,000	\$ 32,000,000				\$ 64,000,000
	Roof Leak Repairs	\$ 15,000,000	\$ 80,417	\$ 7,000,000	\$ 7,919,583					\$ 15,000,000
011	--Ballroom Gutter, Foyer Transom Glass Roof Repair and Soffit Repair, \$7,706,791									
013	--Ballroom Roof Repairs, \$2,271,093									
012	--Parapet Roof Repairs, \$3,066,470									
003	Kalākaua Kitchen Exterior Wall Repair (was Building Envelope Repair)	\$ 2,440,752	\$ 299,237		\$ 499,224	\$ 1,642,291				\$ 2,440,752
007	Kitchen Hood Control Panel Replacement	\$ 156,872	\$ 36,453	\$ 120,419						\$ 156,872
008	F&B Refrigerator, 3rd floor (#348) Replacement	\$ 319,004	\$ 31,374	\$ 287,630						\$ 319,004
009	Slate Tile Repair	\$ 2,142,108	\$ 93,929	\$ 2,048,179						\$ 2,142,108
010	Chiller Replacement	\$ 6,884,147	\$ 142,895	\$ 6,741,252						\$ 6,884,147
014	Lobby Water Feature	\$ 1,086,810	\$ 1,985			\$ 1,084,825				\$ 1,086,810
015	House Sound Audio System Upgrade	\$ 1,414,975	\$ 16,481	\$ 1,398,494						\$ 1,414,975
022	Chill Water Pipe Reinsulation	\$ 250,000	\$ 101	\$ 249,899						\$ 250,000
023	Air Wall Repairs	\$ 400,000	\$ -	\$ 400,000						\$ 400,000
024	Roll-up Door Replacement	\$ 225,000	\$ 23,656		\$ 201,344					\$ 225,000
025	Ballroom and Meeting Room Wallpaper Replacement	\$ 210,000	\$ 105,821	\$ 104,179						\$ 210,000
026	IT Network Upgrades	\$ 125,000	\$ -			\$ 55,000	\$ 70,000			\$ 125,000
027	Ice Machines Replacement	\$ 500,000	\$ -	\$ 500,000						\$ 500,000
028	Theatre 310 and 320 Furnishings Upgrade	\$ 750,000	\$ -			\$ 375,000	\$ 375,000			\$ 750,000
029	Theatre 310 and 320 Seating Upgrade	\$ 500,000	\$ 155			\$ 249,845	\$ 250,000			\$ 500,000
030	FB China and Equipment Upgrade	\$ 3,500,000	\$ -	\$ 3,500,000						\$ 3,500,000
031	Ala Wai Waterfall Repair	\$ 1,071,501	\$ 1,985			\$ 1,069,516				\$ 1,071,501
036	Water Intrusion Remediation	\$ 400,000	\$ 100	\$ 399,900						\$ 400,000
037	Exterior Security Camera Upgrade	\$ 231,348	\$ 155,504	\$ 75,844						\$ 231,348
041	Children's Courtyard Repair	\$ 329,162	\$ -		\$ 329,162					\$ 329,162
042	Kahakai/Atkinson Drywell Rehabilitation	\$ 351,113	\$ -			\$ 351,113				\$ 351,113
043	Air Handler Unit 9 and 10 Replacement	\$ 401,382	\$ -			\$ 401,382				\$ 401,382

Current project  
 Cumming-managed project  
 HCC-managed project  
 CM/PM - to be assigned



# Repair, Maintenance and Replacement Projects

## 6-Year Plan (page 2)

Project Number	Project Title	Estimated Project Cost	Prior Expenses to July 23	FY24	FY25	FY26	FY27	FY28	FY29	Total
044	Fire Sprinkler Line Refurbishment	\$ 343,394	\$ -		\$ 100,000	\$ 125,000	\$ 118,394			\$ 343,394
045	Escalator and Elevator Refurbishment	\$ 10,112,869	\$ -	\$ 2,112,869	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000		\$ 10,112,869
046	LED Light Upgrade	\$ 1,786,398	\$ 8,050	\$ 1,000	\$ 1,777,348					\$ 1,786,398
047	Lighting Control System Replacement	\$ 200,000	\$ -		\$ 200,000					\$ 200,000
048	Electrical Harmonics Testing	\$ 100,000	\$ -			\$ 100,000				\$ 100,000
049	Main Kitchen Dishwasher Replacement	\$ 495,969	\$ 11,236	\$ 1,000	\$ 483,732					\$ 495,968
050	Main Kitchen Flooring Replacement	\$ 2,046,380	\$ -	\$ 50,000		\$ 1,996,380				\$ 2,046,380
051	PBX System Replacement	\$ 200,000	\$ -	\$ 200,000						\$ 200,000
052	Ride-on Sweeper Replacement	\$ 55,000	\$ 100	\$ 54,900						\$ 55,000
053	Forklift	\$ 175,000	\$ 82,445	\$ 92,555						\$ 175,000
054	Boardroom Upgrade	\$ 1,099,549	\$ -		\$ 1,099,549					\$ 1,099,549
055	Elevator #2 Upgrade	\$ 250,000	\$ -			\$ 250,000				\$ 250,000
058	Kitchen Hood Fire Suppression System Replacement	\$ 310,879	\$ 18,770	\$ 292,109						\$ 310,879
060	Lobby Sail Repair and Maintenance	\$ 179,000	\$ 41,196	\$ 65,000	\$ 72,804					\$ 179,000
061	ADA Lift (#320) Replacement	\$ 165,000	\$ 387	\$ 164,613						\$ 165,000
064	F&B Equipment	\$ 1,200,000	\$ -	\$ 1,200,000						\$ 1,200,000
065	Transformer Replacement	\$ 133,000	\$ 101	\$ 132,899						\$ 133,000
066	Kitchen Boiler Replacement	\$ 130,000	\$ -	\$ 130,000						\$ 130,000
067	Exterior Sign Refurbishment	\$ 50,000	\$ 19,005	\$ 30,995						\$ 50,000
068/040	3rd Floor Planter Repair and Exterior Planter Repair	\$ 9,214,689	\$ 5,462	\$ 9,209,227						\$ 9,214,689
069	Parking System Upgrade	\$ 528,382	\$ 28,382	\$ 500,000						\$ 528,382
070	Parking Garage Floor Sealing	\$ 250,000	\$ -	\$ 250,000						\$ 250,000
071	Access Control Upgrade	\$ 2,000,000	\$ -	\$ 1,000,000	\$ 1,000,000					\$ 2,000,000
072	Ride-on Scrubber Replacement	\$ 80,000	\$ -	\$ 80,000						\$ 80,000
073	Wicker Furniture Upgrade	\$ 70,000	\$ -	\$ 70,000						\$ 70,000
074	Ice Rink and Equipment	\$ 750,000	\$ -	\$ 750,000						\$ 750,000
075	Exterior Building Painting	\$ 5,559,248	\$ -	\$ 5,559,248						\$ 5,559,248
076	Main Kitchen Freezer Repair	\$ 500,000	\$ -	\$ 500,000						\$ 500,000
	Legal Retainer	\$ 101,094	\$ 86,381	\$ 14,713						\$ 101,094
	<b>GRAND TOTAL</b>	<b>\$140,775,025</b>	<b>\$ 1,291,608</b>	<b>\$47,286,924</b>	<b>\$ 45,682,746</b>	<b>\$41,700,352</b>	<b>\$ 2,813,394</b>	<b>\$ 2,000,000</b>	<b>\$ -</b>	



# Repair, Maintenance and Replacement Projects Construction and Project Management Services

- **Cumming Group - For management of priority projects:**
  - *Kitchen Hood Control Panel and Fire Suppression Upgrade*
  - *Slate Tile Repair*
  - *Chiller Replacement*
  - *Main Kitchen Dishwasher Replacement*
  - *Ballroom Roof Repairs*
  - *House Sound Audio Upgrade*
  - *Ballroom Gutter, Foyer Transom Glass and Soffit Repair*
  - *3<sup>rd</sup> floor and Exterior Planters Repair*
  - *LED Lighting Upgrade*
  - *Walk-in Refrigerator Replacement*
  - *Main Kitchen Flooring Replacement*
  - *Exterior Building Painting*
  - *Main Kitchen Freezer Repairs*
- **For management of Rooftop Terrace Deck Repair – to be procured by HTA**

# Repair, Maintenance and Replacement Projects Completed (since 2019)

- *Gutter Trough, Roof Membrane and Other Roof Repairs; \$8.3M, completed 2020*
- *Boiler Replacement; \$585k, completed 2020*
- *Ala Wai Waterfall Repairs; \$185k, completed 2020*
- *Chiller 4 Repairs; \$55k, completed 2020*
- *#320 Roof Repairs; \$1.4M, completed 2020*
- *Banquet Chairs and Facility Equipment Upgrade; \$2.25M, completed 2020*
- *Cooling Tower Replacement; \$3.2M, completed 2021*
- *Theatre LED Lighting Upgrade; \$77k, completed 2021*
- *Roof Overflow Drain Repairs; \$16k, completed 2021*
- *Jockey Chiller Repairs; \$28k, completed 2021*
- *ADA Lift Replacement, \$71.5k, completed 2021*
- *Emergency Generator Repairs, \$32k, completed 2021*
- *Window Repairs – Vandalism, \$177k, completed 2021*
- *Leak Repairs – December 2021 / January 2022, \$396k, completed 2022*
- *Chiller Repairs – \$69.3k, completed 2022*
- *Trellis Renovation - \$4.7M, completed 2022*
- *Lobby Glass Replacement - \$25k, completed 2022*
- *Security Camera, NVR, Access Control System - \$1.56M, completed 2022*
- *Kitchen AC Compressor Replacement - \$16.5k, completed 2022*
- *Event Stage ADA Ramp - \$41k, completed 2023*
- *Escalator #1 Handrail Replacement - \$64k, completed 2023*
- *Exterior Sign Refurbishment - \$50k, completed 2023*
- *Leak Repair Remediation - \$168k, completed 2023*



# Mahalo Nui Loa

A close-up photograph of a sailboat's rigging. The image shows a complex network of white ropes and lines. In the foreground, a wooden boom is visible, with a pulley block attached. The background is slightly blurred, showing more of the boat's structure and some greenery. The text "Mahalo Nui Loa" is overlaid in the center in a white, sans-serif font.

# 7

Presentation and Discussion Regarding an  
**Update of the Meetings, Conventions and  
Incentives Market Activity and Pace Report, and  
Hawai'i Convention Center Activity  
and Local Sales**

# **GLOBAL MCI SALES UPDATE**

## **HTA Budget, Finance & Convention Center Standing Committee Meeting**

**September 27, 2023**

**John Reyes,**

**Senior Vice President, Chief MCI Sales Officer**



# MĀLAMA MAUI

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# MAUI RECOVERY

## MCI Maui Objectives

- Retain existing business in West or South Maui post October 8.
- If not possible re-book at later date in West Maui or move or to other Maui or State of Hawai'i locations.
- Generate new demand and bookings for Maui.

## Retain Existing Bookings

- Meet Hawai'i single property sellers have identified single property booked meetings in Q4 2023 and Q1 2024 booked by Meet Hawai'i affected by Maui Wildfires and are facilitating retention these meetings. In addition, they will work with hotel partners on hotel direct bookings to assist in facilitating retention of these meetings.
- If retention is not possible for existing place and time will work to book the meetings in Maui or in the State at a later date and time.
- Additional funding will be used to provide monetary support to keep meetings in Maui or in the rest of the State if event need to be relocated from Maui to other Islands.

## Generate New Bookings

- Meet Hawai'i has will identified four MCI strategic partners (incentive, corporate, key third parties) to create special Maui customized direct sales opportunities targeting their network of event planners reinforced by digital marketing messages.
- Additional funding will be used to provide monetary support to generate new meetings in Maui or in the rest of the State.

# MAUI RECOVERY

## Public Relations

- IMEX (Oct. 17-19)
- News Releases

## Direct MCI Outreach

- Ongoing HTA Maui Wild-Fire Updates
- Organized Wailea DOSM Zoom Meeting(s)
- West Maui DOSM Zoom Meeting(s)
- Updates to our 14 key Strategic MCI Partners
- Individual MCI Customer Meetings



Skift  
MEETINGS

[Destination](#)

Maui Loses \$11 Million a Day as Visitors Stay Away

Rayna Katz  
Topic: 07/24 - 08/01 EDT



Smartmeetings  
The Intelligent Way to Plan

Breaking

Hawai'i is Open for Business

By Erin G. Parsley | August 23, 2023



Advice from Meet Hawai'i on supporting the islands in wake of Lahaina fires

Meeting professionals watching images of devastation from the city of Lahaina on the island of Maui may be asking if it is safe or even prudent to bring groups to the Hawaiian Islands now. Smart Meetings reached out to John Reyes, senior vice president and chief sales officer of Meet Hawai'i, to ask how meeting planners can best support their counterparts in Hawai'i right now.



# MAUI RECOVERY

## Budget Recap

October – December 2023

MCI	
Retention & Business Development	\$200,000
Strategic Partners	\$400,000
<b>Total:</b>	<b>\$600,000</b>

# SALES PRODUCTION UPDATE



# DEFINITIONS

## Sales Production

- New volume of events and room nights for any future year

## Consumption

- On the Books (OTB)
- OTB booked events and room nights in the year they occur



# CITYWIDE SALES PRODUCTION

## July 2023 Year-to-Date (YTD)

Citywide Room Nights	Aug 2023	Aug 2022	Variance	2023 YTD	2022 YTD	Variance
<b>Citywide Definite RN</b>	16,501	6,146	+168%	90,812	40,572	+124%
<b>Citywide Tentative RN</b>	19,256	62,509	-69%	299,862	195,507	+53%

As reported in Meet Hawai'i Global draft MCI Status Report - July 2023



# **FUTURE PACE (Consumption)**

Citywide Events Booked at HCC



# HCC BOOKING TREND (CONSUMPTION)

Calendar Year	08/16/23	09/20/23
2020	3	3
2021	0	0
2022	8	8
2023	15	15
2024	11	13
2025	9	10
2026	1	2
2027	3	4
2028	0	1
2029	0	1
2030	1	2
Total	51	59

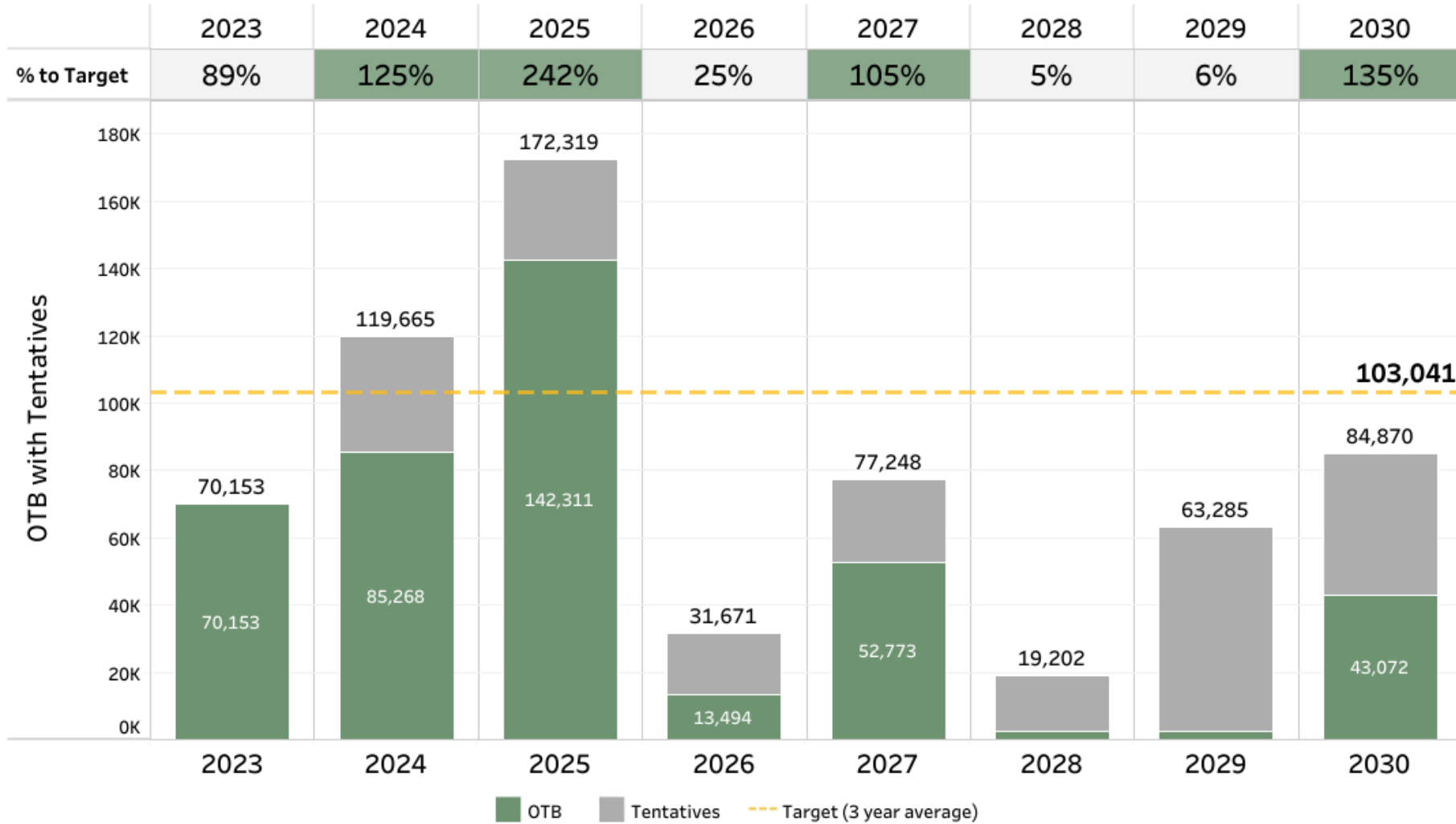
Updated 08/22/23



# Hawai'i 8 Year Future Pace for Citywide

Number of events and room nights on the books against a 3-year average target. Data last refreshed on 9/20/2023 12:51 AM

● Citywide  
○ Single Property



**MAHALO!**

