



KA HĀLĀWAI KŪMAU O NĀ KŌMIKE MO'OHELU KĀLĀ, 'OIHANA KĀLĀ, A ME KA HALE 'AHA
KE'ENA KULEANA HO'OKIPA O HAWAI'I

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

Po'aluā, 'Apelila 26, 2022 ma ka hola 1:00 'auī.
Tuesday, April 26, 2022 at 1:00 p.m.

**HĀLĀWAI KIKOHO'E
VIRTUAL MEETING**

Hiki i ka lehulehu ke hālāwai pū ma o ka ZOOM.
Webinar will be live streaming via ZOOM.

E kāinoa mua no kēia hālāwai:
Register in advance for this webinar:

https://us06web.zoom.us/webinar/register/WN_EQwwbmXWRLGE3w63mRq0ZQ

Ma hope o ke kāinoa 'ana, e ho'ouna 'ia ka leka uila hō'ōia iā 'oe me ka 'ikepili ho'oku'i hālāwai.
After registering, you will receive a confirmation email containing information about joining the
webinar.

Papa Kumumana'o
AGENDA

1. *Ho'omaka A Pule*
Call to Order and Opening Protocol
2. *E Mālama 'Ia Ana Ke Kikolā I Hiki Ke Ho'olauna 'Ia Nā Lālā Papa Luna Ho'okele A Me Nā
Kānaka 'Ē A'e E Komo Pū Ana Ma Ka Hālāwai*
Roll Call to Announce Name of Participating Board Members and to Identify Who Else is
Present with Board Member if Location is Nonpublic
3. *Ke 'Āpono 'Ana I Nā Mo'o'ōlelo Hālāwai Kōmike O Malaki 29, 2022*
Approval of the Minutes of the March 29, 2022 Committee Meeting



4. *Ka Hō'ike'ike, Ke Kūkākūkā, A Me Ka Hana E Pili Pū Ana I Ka Palapala Hō'ike Waiwai a Ke Ke'ena Kuleana Ho'okipa Hawai'i*
Presentation, Discussion, and Action on the Hawai'i Tourism Authority's March Financial Report
5. *Ka Hō'ike'ike, Ke Kūkākūkā, A Me Ka Hana E Pili Pū Ana I Ka Palapala Hō'ike Waiwai A Ka Hale 'Aha o Hawai'i Me Ka Nū Hou No Ko Ka Hale 'Aha Papahana CIP 6 Makahiki*
Presentation, Discussion, and Action on the Hawai'i Convention Center's March Financial Report and Update on the Hawai'i Convention Center's 6-Year CIP Plan
6. *Ka Hō'ike'ike, Ke Kūkākūkā, A Me Ka Hana E Pili Pū Ana I Ke Noi E Ho'ohana I Ke Kālā No Ka Hale 'Aha Mai Ka Makahiki 'Auhau 2022 American Rescue Plan Act Funds Mai Ka 'Inikua Kāpili Nui a Ho'okele Pono, He Noi o Ka \$419,345 Ka Nui, E Kāko'o I Ka Lawa Pono 'O Ka 'Inikua Waiwai No Ka Hale 'Aha*
Presentation, Discussion, and Action on Proposal to Reallocate FY22 Convention Center American Rescue Plan Act Funds from Major Repair and Maintenance to Insurance in the Amount of \$419,345 to Support Convention Center Insurance for Property Coverage of the Convention Center
7. *Ho'oku'u*
Adjournment

Kono 'ia ka lehulehu e nānā mai i ka hālāwai a ho'ouna mai i ka 'ōlelo hō'ike kākau 'ia no kēlā me kēia kumuhana i helu 'ia ma ka papa kumumana'o. Hiki ke ho'ouna mai i nā 'ōlelo hō'ike kākau 'ia ma mua o ka hālāwai iā carole@gohta.net. Inā pono ke kōkua ma muli o kekahi kīnānā, e ho'omaopopo aku iā Carole Hagihara-Loo (973-2289 a i 'ole carole@gohta.net), he 'ekolu lā ma mua o ka hālāwai ka lohi loa.

Members of the public are invited to view the public meeting and provide written testimony on any agenda item. Written testimony may be submitted prior to the meeting to the HTA by email to carole@gohta.net or by postal mail to the Hawai'i Tourism Authority, 1801 Kalākaua Avenue, Honolulu, HI 96815 - Attn: Carole Hagihara-Loo. Any person requiring an auxiliary aid/service or other accommodation due to a disability, please contact Carole Hagihara-Loo (808-973-2289 or carole@gohta.net) no later than 3 days prior to the meeting so arrangements can be made.



HAWAII TOURISM
AUTHORITY

Hawaii Convention Center
1801 Kalakaua Avenue, Honolulu, Hawaii 96815
kelepona tel 808 973 2255
kelepa'i fax 808 973 2253
kahua pa'a web hawaiiitourismauthority.org

David Y. Ige
Governor

John De Fries
President and Chief Executive Officer

E like nō me ka 'ōlelo a ke Kānāwai 220, e mālama ana ke Ke'ena Kuleana Ho'okipa o Hawaii 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 papahelu mua o ka lumi ho'okipa i mua o ke Ke'ena Kuleana Ho'okipa o Hawaii ma ka Hale 'Aha. 'O 1801 Kalakaua Avenue, Honolulu, Hawaii, 96815 ka helu wahi.

In accordance with Act 220, the Hawaii 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 Hawaii Convention Center at 1801 Kalakaua Avenue, Honolulu, Hawaii, 96815.

3

Approval of Minutes of the March 29, 2022
Budget, Finance, and Convention Center Standing
Committee Meeting



Hawai'i Convention Center
1801 Kalākaua Avenue, Honolulu, Hawai'i 96815
kelepona tel 808 973 2255
kelepa'i fax 808 973 2253
kahua pa'a web hawaii-tourism-authority.org

David Y. Ige
Governor

John De Fries
President and Chief Executive Officer

**BUDGET, FINANCE, AND CONVENTION CENTER STANDING COMMITTEE MEETING
HAWAII TOURISM AUTHORITY
Tuesday, March 29, 2022, at 9:00 a.m.
Virtual Meeting**

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

MEMBERS PRESENT:

Ben Rafter (Chair) Fred Atkins (Vice Chair),
Micah Alameda, David Arakawa, Kyoko
Kimura, Kimi Yuen

MEMBER NOT PRESENT:

HTA STAFF PRESENT:

John De Fries, Keith Regan, Kalani
Ka'anā'anā, Marc Togashi, Maka Casson-
Fisher

GUESTS:

Representative Richard Onishi, Teri Orton, Mari
Tait

LEGAL COUNSEL:

Gregg Kinkley

1. Call to Order and Opening Protocol

Chair Rafter called the meeting to order at 9:05 a.m. and asked Mr. Casson-Fisher to do 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. Regan did a roll call, and everyone confirmed attendance and they were alone, except for Ms. Kimura, who said Mr. Glenn Yamasaki Kimura was in the house with her.

3. Approval of the Minutes of the February 22, 2022, Committee Meeting

Chair Rafter asked for a motion to approve. Mr. Atkins made a motion and Ms. Kimura seconded. Mr. Regan did a roll call and the motion passed unanimously.

4. Presentation, Discussion, and Action on the Hawai'i Tourism Authority's February Financial Report

Mr. Regan said Mr. Togashi will be presenting the February financials. He thanked Mr. Togashi and his team for their good work.

Mr. Togashi said the financial packets have details of HTA's financial position and related transactions covered across multiple documents, including balance sheets, statements of revenue and expenditures, budget statement summary, budget detail, budget reallocations, and an executive summary capturing all as of February 2022.

He started on page 71 of the meeting packet with the four main funds represented by the four quadrants. In the top left quadrant is the ARPA Tourism Federal Fund. They anticipate the release of \$60 million in ARPA funds, of which \$44.2 million has already been released to them by BNF for availability and recorded onto HTA's financials. He said the \$44.2 million includes approximately \$8.8 million that was released in February 2022. Over a series of meetings, the Board has approved the fiscal year 2022 budget of \$48,850,000 through February 2022, of which \$34 million had been encumbered.

He said approximately \$11.2 million had not yet been approved, including \$10.7 million that has been deferred and \$450,000 to be reprogrammed. In February 2022, the primary activity to report is the recording of the PGA and Big West Conference contract totaling \$2.3 million, and the aforementioned \$8.8 million release of funds by BNF.

Also, in February, the Board reallocated \$167,000 from sports unallocated budget line to the UH Branding Partnership Program which is to fund the Big West Conference contract. He said the budget reallocations for the year, to date, as well as for the month, are detailed in the summary of budget reallocations that are included in the financial packet.

He moved on to the fiscal year 2022 funds activity for the Tourism Special Fund (TSF). Although TSF sunsets on January 1, he said on the page are revenue receipts that came before sunset and may continue to see revenue, such as interest and refunds, until they have paid out all of their prior year encumbrances.

He said that through February 2022 they recorded \$185,000 in miscellaneous revenue to this fund. For the ARPA Convention Center Federal Fund, he said the full \$11 million in ARPA funds has been released by BNF for the Convention Centers availability, and approved by the Board for expenditure. The \$11 million in Convention Center ARPA Funds will primarily be used for funding significant repair maintenance projects as they have already encumbered funds for the Convention Center's fiscal year 2022 operations with the fiscal year 2021TAT restart funds.

For the Convention Center Enterprise Special Fund (CCESF) activity, through February 2022 they received the full \$11 million in CCESF TAT allocation, and additionally \$3.1 million in HCC and other revenue. He mentioned their financial position as of February 28, 2022, and said they have access to \$44.2 million in the Tourism Federal Fund.

A summary of the funds released by BNF compared with the amount of Board approved budget, and related encumbrances, is provided at item 2 of the executive summary, on page 41 of the packet. He said item 3 of the executive summary also provides a chronology of budgets approval over six Board meetings.

For the HTA Tourism Special Fund (TSF), as of February 2022, Mr. Togashi said they have \$51 million in cash in investments, which represents a \$3.9 million decrease from January 2022 and due to disbursements related to operational and program expenditure. Of the \$51 million, \$5 million is reserved as their emergency fund, and \$43 million is encumbered to contracts, and \$2.8 million is unencumbered. He said they do anticipate the \$2.8 million of unencumbered funds to increase as savings from certain encumbered contracts are realized. The TSF sunsets on January 1, 2022, pursuant to Act 1 of the 2021 Legislative special session, leaving \$2.8 million available to return to the State's General Fund, and the \$5 million Emergency Fund will remain as HTA's reserve.

He said similar to prior months there is a chart at item 9 of the Executive Summary that shows the progression over time.

Mr. Togashi then moved on to the ARPA Convention Centers Federal Fund. He said \$11 million is available and budgeted primarily towards repair and maintenance projects, and the budget approval was heard at the last Board meeting in February 2022. For the CCESF, the fund that the Convention Center has historically operated from, HTA has \$50.9 million in cash, which is a \$1.2 million increase from January 2022, due to the receipt of Convention Center operating revenue receipts. He said of that \$50.9 million cash amount \$35.9 million is encumbered for contracts, and most of the \$35.9 million encumbrance balance is detailed at item 19 of the Executive Summary representing the funds that they encumbered using the fiscal year 2021 TAT restart funds, as well as their Board allocation reserves. The remaining \$14.9 million of

unencumbered funds, including the \$11 million in TAT that they received in September 2021, will include further deposits of Convention Center revenue, and will primarily be stored as repair/maintenance reserve for future deployment. He said this is subject to the restoration of the CCESF funds expenditure appropriation ceiling.

He said at the beginning of the fiscal year, the CCESF had reserves of \$870,000, and they anticipate that balance to increase to \$16.4 million by the end of this fiscal year, which is due to the deposit of the Convention Center revenues, as well as receiving the \$11 million in TAT that was mentioned. He said of the \$16.4 million, approximately \$14 million is earmarked to support the 6-year repair/maintenance plan previously presented.

Mr. Togashi wanted to visually recap on their discussion on the Convention Centers funding. He asked Mr. Regan to pull up the graph. He spoke about the three columns, sources of funds, vehicles for expending funds, and expenditures for how they use the funds. He started at the bottom box and said those are the funds they encumbered with the Convention Center Board Resolution and TAT Restart funds. He said they are using it to fund the fiscal year 2022 Convention Center operations and their 6-year major repair and maintenance plan.

He moved to the next box and said they have \$11 million in ARPA funds, and they are using it to fund the deferred maintenance projects they are addressing in their 6-year plan.

He spoke about the CCESF and said they had received \$11 million in the fiscal year 2022 TAT funds. Additionally, HCC Revenue continues to be positive in the funds, but without an appropriated expenditure ceiling, there is no way to spend any of these funds. That speaks to the importance of their Legislative request to restore the Convention Center Enterprise Special Fund expenditure ceiling, allowing them to fund future day-to-day operations of the Convention Center and deploy the funds for immediate repair and maintenance projects. He said it is important to note that they have presented to the legislature the use of the \$14 million in the CCESF as an option to help fund the rooftop terrace project to help reduce the \$64 million request to the legislature.

Chair Rafter asked if there were comments or questions.

Mr. Atkins asked about the budget of \$48,000,500 showing on a few slides and asked what it represents.

Mr. Togashi said the amount appropriated to them is \$60 million by the legislature in ARPA funds, the \$48 million is the amount the Board has approved to date. The bulk of that is what was initially proposed as their Smart Destination ask, so while it is deferred that has not been reflected in the financials yet.

Mr. Atkins asked if they have received the full \$48 million from ARPA and the rest is waiting for approval.

Mr. Togashi said they received the \$44 million. He asked Mr. Regan to pull up the chart from item 2 of the Executive Summary to show the figures.

Mr. Regan said there were no questions from the audience.

Chair Rafter asked for a motion to approve February 2022 financial report. Ms. Kimura made a motion and Mr. Alameda seconded. Mr. Regan did a roll call and the motion passed unanimously.

5. Presentation, Discussion, and Action on the Hawai'i Convention Center's February Financial Report and Update on the Hawai'i Convention Center's 6-Year CIP Plan

Mr. Regan introduced Ms. Orton and thanked her and her team. Ms. Orton said it is great to see movement in the building.

She asked Mr. Regan to share the PowerPoint. She said there had been no financial change or loss due to COVID since their last meeting. She recapped the loss they had in association with city-wide business, as well as local events, but that has not changed since the last meeting.

On a positive note, business has been picking up well. For local revenue they have 42 definite events, including 2 city-wides for the remainder of the fiscal year 2022. They have got three more months of the fiscal year. They also have 8 first option events which are tentative, including three sporting events. She said sporting events have come back very strong, with a lot of local, city-wide and offshore sporting events, volleyball and basketball that has come back in full force, bringing in many offshore visitors and teams, as well as local teams from the neighbor islands. She said it is a great short term pick up.

She said the month of March 2022, the Convention Center began operating under no restrictions as of March 25. They have taken down their temperature check points and are not checking for vaccination credentials or negative COVID tests. She said all the equipment is in storage as there are some groups like Association for Asian Studies that asked to keep the restrictions in place for them.

She said there is another in-house local event that requires employees to wear masks as there is food distribution, and it is the hotel and restaurant association exhibit show taking place. She said they had asked their staff to wear masks for all events until April 1, and then it will be on a

case-by-case basis, depending on the meeting planner. There are still a few meeting planners that are a little nervous, so they are being flexible and so are the staff.

She spoke about the financials. They have had 37 event cancellations amounting to \$2.2 million in lost revenue since the beginning of fiscal year in July. The number of events since January 2022 are starting to mirror levels that they experienced pre-pandemic.

Their sale activity has returned strong, but the business is smaller, so the numbers are smaller as well as the space needed. She said a great pick up in November 2021 that was concluded in February 2022 was Netflix productions, which generated \$483,000 in revenue for the center. They asked Netflix's statistics to see what they generated for the State. As of March 9, the local vendor spend for Netflix was \$7.8 million, and Netflix had open purchase orders with various contractors at \$2.8 million. They employed 680 crew members and the labor revenue was \$28.6 million. To get the movie business in their State really helps their economy. She said they were grateful for that short-term pick-up of business they were not anticipating.

She spoke about the financial forecast. She said they are doing their part to cross-mitigate, including reductions in expenses within departments and deferring filling vacant positions when able to. She said the facility's re-forecast for the fiscal year in June 2022 reflects a \$5.3 million loss, which is \$162,000 better than they anticipated for their budget. She said they are sitting close to what they had in their budget, with three months remaining in the fiscal year.

Ms. Orton asked if there were any questions.

Chair Rafter asked how long ago the events were canceled and Ms. Orton said they were canceled last year, but her and the team tried to their best to move some of the business out, like Best Western, and it is moved to fiscal year 2023, so it is around 7,000 plus room nights that they moved to a future year. Not all of them were cancellations. She said the same goes for some local events. Some moved to next year as well.

Ms. Kimura asked what the reason was for cancellation or postponing.

Ms. Orton said it was COVID related and Best Western was one of the first groups to postpone as they did not want to do a full virtual event.

She said Association for Asian Studies held on, and were thinking of canceling, but they had their event this weekend. Unfortunately, it was not on the restriction lift date, but they still had a great program and had over 2,000 registrations with about 1,800 that showed up. With 1,000 people attending virtually, they were pleased with the turnout for the hybrid meeting, with lots of good feedback from the meeting planners.

Ms. Orton said she and staff are excited to be back to work, doing what they love. She said Monet Exhibit is coming in June, and part of August 2022.

Mr. Arakawa asked about major events that were postponed in 2022, but moved to 2023, and asked if she has major events coming up in the fiscal year 2023 that they are negotiating now, that were originally canceled in 2022, but are returning in 2023. Ms. Orton said for city-wide it is Best Western that she knows of. He asked if the Okinawan festival is coming back and Ms. Orton confirmed. It is their third year at the Convention Center, and they are looking at the option to cook on the rooftop versus trucking in from Washington Elementary School. She made accommodations and found a nice spot for them now that they have the trellis that can close, so they will not need to tent on the rooftop, a saving on tenting costs. She said by the time of the event the trellis would be fully installed. She said they are planning on utilizing multiple areas of the building for the festival, the main component is in the exhibit halls. They will be using meeting rooms on the 3rd floor as well.

She spoke about upcoming events, Material Research, a city-wide event in May, Goldschmidt, a conference in July, Pacific Rim in July, and a city-wide in October and November that are both confidential. Futsal is still pending for this year, as the majority of the players come from Australia, New Zealand, and North America. All those are city-wide offshore events scheduled for the remainder of the year.

Mr. Atkins thanked Ms. Orton for bringing up Netflix and asked what type of work they were doing in the Convention Center.

Ms. Orton said they did full filming and constructed a Kahala-style house with a pool, torches, and walkways, so they were doing the majority of the filming in the house setting. She said they had offsite filming at various locations throughout the island. All the filming pertaining what was taking place in the house was at the Convention Center, which was with Jennifer Aniston and Adam Sandler.

Mr. Atkins asked about areas outside the Convention Center that generated revenue, and he asked for the total spending.

Ms. Orton said it was a rough estimate since the beginning of March 2022, which was \$39.2 million.

Mr. Atkins said it is a good way to show that the Convention Center can help generate revenue outside of the building. He said this is another reason to market the Convention Center.

Ms. Orton said the local version of NCIS also did a few days of shooting in the Convention Center as well, there was a stun scene at the 3rd and 4th floors down the escalators and lobby.

They have picked up some business referred to them by the film commission office in the State. She said there are more filming requests coming in than in the past. She said they have also extended office space for them if necessary. She said the labor spending is also great for the island. Mr. Alameda asked if out of the 600 crew members if a lot of them were locals and Ms. Orton said most of them were locals.

She said they are required to use union labor. For food and beverage, the craft services and food trucks which were union labor were brought in next to the Convention Center, although the building is non-union, but they allowed it for filming.

Ms. Yuen asked Ms. Orton if she can tally the figures in a spreadsheet to show the value of the Convention Center and Ms. Orton said she would do so when she gets the information.

Ms. Kimura thanked Ms. Orton for adding the room nights.

Ms. Orton turned it over to Ms. Tait for repair and maintenance updates.

Ms. Tait showed the updated 6-year plan for repair and maintenance. She said the total is \$136 million, including the \$64 million for the rooftop terrace deck repair. There are some changes from the last report. What she showed was associated with a completed project for the leak repairs in December 2021. They have updated the cost estimates for future projects. She mentioned the projects highlighted in yellow are ARPA projects and they total \$10.465 million which relates back to Mr. Togashi's report in the HTA financials.

She spoke about the trellis replacement, which is moving along well. They were able to finally get in the light fixtures in March, which were held up by the dock issues on the West Coast. The project should end at the end of April if all goes well. She spoke about the security camera project that is continuing, with some delays with equipment, but should move forward with one of the major components, a backup server for the camera system.

Ms. Tait said they are almost ready to issue RFPs on some priority projects. She showed a slide with completed projects. What was added on were the leak repairs for December 2021 and January 2022, completed at the beginning of March 2022.

Chair Rafter asked if the last 5 major repairs were just fixes and nothing was enhanced. Ms. Tait said the boiler replacement was a complete replacement, so it was an enhancement and upgrade. The banquet chairs were brand new, and the cooling tower replacement was a replacement with a complete upgrade on the system. They moved to fiberglass tanks, which was a big improvement. She said they are seeing substantial savings on the utilities associated with that. The LED upgrade is an upgrade. The ADA lift replacement was a replacement with an upgraded unit. The key to this was that the unit was not tied into any particular service

provider, which they had challenges in the past. The repair cost was higher than the replacement, but they were able to replace and upgrade. The remainder of the projects were repairs.

Ms. Tait handed it back to Ms. Orton for a report on sales.

Ms. Orton mentioned highlights on the books. For local business she showed a number of events per month, and the next slide showed tentative local business for the next three months, meaning they have not signed the official contract for the events yet.

She showed a slide for upcoming public events for the remainder of the fiscal year and the last slide was about updated advertising they are doing, letting everyone know the Convention Center is open with no restrictions. Some of the advertisements will be placed in Pacific Business News to generate short-term local business to fill the calendar for the remainder of the fiscal year.

Mr. Regan asked if the pictures showed the new trellis system in, but Ms. Orton said it showed the old trellis system. She asked that everyone take a walk to the rooftop or third floor meeting rooms to have a look when they are next at the Center. She said the trellis' are electronic. They can control them from the security base or on location using one control button to open or close. This is important if there is an emergency during an event. She said having 50% of the roof covered with this automated trellis allows them to rent out the space more frequently as they do not have to worry about rain. Currently, when they hold events on the rooftop, they have to double book the ballroom as rain back up. Having the trellis now helps them to rent both spaces to different clients at the same time.

Mr. De Fries congratulated Ms. Orton as he had heard from the Association for Asian Studies, who just adjourned, that they were pleased and excited about the whole experience. He commented on what Mr. Atkins and Ms. Yuen spoke of related to the Netflix film production. He said undoubtedly, Netflix is filing a comprehensive economic impact report with the Hawai'i film office as a means of getting their tax credit, so he said that information should be added to her final report with that group.

Ms. Orton said she will do so.

Mr. Regan said there were no questions from members of the public.

Chair Rafter reiterated what Mr. De Fries said, that they are happy with the activity at the Convention Center.

Chair Rafter asked for a motion to approve and accept the Convention Center's financials as presented, including the 6-year CIP R&M discussion. Mr. Arakawa made a motion, and Mr. Alameda seconded. Mr. Regan did a roll call and the motion passed unanimously.

6. Presentation, Discussion and Recommendation by the Budget, Finance, and Convention Center Standing Committee for the Funding to Support an Update of the Hawai'i Convention Center Futures Study

Mr. Regan said there are no documents to be shared but they have had discussions about this during previous BFCC meetings. He said it is essentially a request to provide funds so that they can update the Futures Study, which was a previous version, where the final was completed in 2020.

Mr. Regan said this is a request to update the document post-pandemic, considering new information that may be available. A lot of the assumptions in the prior report are no longer valid. The benefit of this is to help for the PIG that was created. The funding amount is estimated to be \$50,000 for the update. One of the reasons it is at that level is because it is a fairly extensive update and will require additional work related to the previous work. He said they have a proposal, but HTA must decide to go with the proposal or look at other options. He recommends utilizing the same organization that created the initial study as it is easier and cheaper versus having a new Futures Study created by a new organization.

Mr. Regan said they would be looking at utilizing some funds from the Convention Center Enterprise Special Fund or ARPA monies that have been allocated to support the Center since it relates directly to the Center. Some funds have been identified in the R & M budget within the Center that they can utilize to support that. He asked for their consideration for their support in this. Timeframe wise, from when they can execute a contract with the organization is about ten weeks to complete the update based on what they have been provided with.

Chair Rafter added some context. He said as they look at Ms. Tait's presentation that shows \$60 million for the roof and \$130 million total, some conversations come up, "What is the direction of the Convention Center, and where are they going?" based on work that was done pre-COVID. He said they have all seen the Futures Study before COVID, prior to the significant amount of inflation in the marketplace today, particularly for construction and repairs in Hawai'i. He said before they can set a direction for the Convention Center, they need to have accurate data behind them.

Ms. Kimura asked if they could reallocate from repair and maintenance to the Futures Study as it is not a CIP fund expense.

Mr. Regan said R & M is not CIP, so it is something they can reallocate. Mr. Togashi and Mr. Regan had discussions, and they believe there are funds available there, albeit not much, around \$50,000 to support this.

Chair Rafter asked if they had identified the funds and where they would come from.

Mr. Regan said there will be no long-term negative impacts by reallocating this \$50,000.

Mr. Atkins asked if they are allowed to sole source and not do the procurement. He asked if it is money prior to ARPA or ARPA money.

Mr. Regan said it is ARPA monies, and they would have to submit to the State Procurement Office a request to consider this for the sole source. If they approve it, they can move forward, again following 103D, which is the Statute they are required to follow. Because it is an update, he reiterated going in that direction.

Mr. Atkins said he supports what Chair Rafter said, and as long as they are going through the proper channels, he would vote in favor of this.

Chair Rafter asked Mr. Regan if they are voting to approve the funding to support the Convention Center Future Studies update, and Mr. Regan said this is accurate, with an amount not to exceed \$50,000. Mr. Regan said there were no questions from attendees. Chair Rafter asked for a motion. Ms. Yuen made a motion and Mr. Arakawa seconded. Mr. Regan did roll call and the motion passed unanimously.

7. Presentation, Discussion, and Action on Proposal to Reallocate FY22 Funds from Route Development to Resort Area Hawaiian Culture Initiative in the Amount of \$250,000 to Support DMAP-Related Activities

Mr. Ka'anā'anā showed a PowerPoint for awareness that he shared with the Ho'okahua Hawai'i Committee. He said the Ho'okahua Hawai'i Committee voted to recommend to the full Board approval to reinstate the Resort Area Hawaiian Culture Initiative. He said it was a program they had prior to the pandemic. The purpose is to provide year-round cultural programs and entertainment in various resort areas statewide.

He said they outlined in the presentation alignment with the Strategic Plan specifically objectives 1, 3 and 4 in the Hawaiian culture pillar, and they have quoted some of the plans there as well on the slide.

He mentioned another important element of the alignment, DMAPs. He called out specific items in the DMAPs from each island, and quoted them on the slide, which is supported by the reinstatement of the above initiative. He said DMAP alignment is important, and it speaks to

HTA's ability to better articulate how much funding is supporting various DMAP actions. He said they can granularly track that.

Mr. Ka'anā'anā spoke about the program measures, such as satisfaction and participation in the event and outputs, like the number of events held, administrative hours, etc. Another important measure is paid staff supporting the program, versus volunteer staff supporting the program. He stated it is important because there has been an issue in the industry that cultural practitioners are generally not being paid for their time and expertise in what they do.

He showed the slide for the procurement and budget breakdown method, with the proposed allocations per island in the RFP, a total of \$250,000 in the fiscal year 2022 funds. It is on the agenda to seek HTA's approval to reallocate them from BLI number 5, which was route development, which the Board decided not to move forward with in the fiscal year 2022. This recommendation is to use those funds so the reallocation would go to BLI number 718, Resort Area Hawaiian Culture Initiative. The procurement method will be competitive sealed proposals, and the Statutory Authority is listed on the slide.

He showed examples of past programming, pre-pandemic, most in 2019. He mentioned Waikīkī Kūhiō Beach Hula & Torch Lighting program. He said in the past this has also supported Sunset on the Beach event in Waikīkī in particular. He spoke about the Hilo Hula Tuesdays and showed statistics. There were 49 Hula events with an average attendance of 152. Overall, the program attracted about 7,492 attendees. He spoke about Kona, and the Hawaiian Sunset Saturdays. He spoke about Lahaina, with the Baldwin Museum as their venue, with an attendance of 5,500. It has been ongoing since 2009, primarily focused on music and hula.

Mr. Ka'anā'anā stated that since 2018, HTA has not received any applications from Kaua'i, but him and his team will continue promoting it. So hopefully this program will come back in the current year. They hope to have an intensive promotion of the RFP at a grassroots level, then offer technical assistance to those wishing to apply to help them through the process.

Ms. Kimura asked if the budget allocation for Maui, includes Lahaina and Moloka'i, and Mr. Ka'anā'anā said it does include them. Ms. Kimura asked to confirm if for-profit and non-profit can apply as per what she heard in the meeting. Mr. Ka'anā'anā confirmed that is open to all that want to apply as long as the programming happens in a resort area.

Mr. Atkins wanted to clarify if when the \$250,000 that came up with the Branding Committee, they felt that they did not need to spend that type of money, and the committee did not need to hire a consultant for \$250,000. He asked if the Branding Committee made the recommendation to the Board and the funds went back to 100%.

Mr. Ka'anā'anā said he recollected that the Branding Committee had decided to not move forward with the line item as a whole, so in lieu of that, HTA decided to move the total amount to this program.

Ms. Yuen asked how the budget compares to when it was actively being done. Mr. Ka'anā'anā said in 2018/2019 they spent around \$398,000 on this particular program statewide per year. Ms. Yuen asked if it included the Lahaina and Moloka'i islands, and Mr. Ka'anā'anā confirmed that it did.

Mr. Regan said there was a question from Rep. Onishi regarding if there was a slide on the goals. Mr. Ka'anā'anā said he would make sure that Rep. Onishi gets that information. He reiterated that the overall purpose and objective of the program is to provide year-round cultural programs and entertainment in various resort areas statewide. For the program measures, slide number 5 lists these.

Ms. Yuen added that she knows there was a discussion in the Ho'okahua Hawai'i Committee about for-profit versus non-profit. She said in essence, HTA is still trying to get funding to support non-profits and cultural practitioners more so than the private. She said there was an issue trying to find venues in a private property or resort area, and not necessarily having the funding support, but trying to partner with them to have the venues available to recipients of this funding. She said in the RFP when it goes out, if it is a venue issue or partnership issue, that money should go to support cultural practitioners, just to clarify that it is not open to just anybody.

Mr. Ka'anā'anā said he would confirm with Mr. Kinkley and Mr. Regan as to how they can word the procurement in the appropriate way. He confirmed that the intention of the program is to make sure that the cultural practitioners have a means by which to demonstrate their practices and create the meaningful and authentic experience that visitors are looking for.

Mr. Ka'anā'anā addressed Rep. Onishi's follow-up question to the program goals. In terms of the individual programs, the HTA will have to wait until they receive proposals as part of the procurement, and will ask them to propose specific KPS's for the proposal that is being submitted. He said the program measures in the slide are the overall programmatic goals for the Resort Area Hawaiian Culture Initiative, but each awardee under the procurement will have their own specific KPI's, that HTA can approve as part of the procurement negotiating process.

Mr. Regan welcomed Board member Mr. Ching to the discussion. Mr. Ching asked about the past amount funded, and asked about the funds reallocated.

Mr. Ka'anā'anā said they could look to see what other monies could be moved to get them closer to prior funding levels if the Board wants this, so he will follow up on that.

Mr. Regan said there were no other questions.

Chair Rafter said they are voting to approve reallocating the \$250,000 from route development, which was previously deferred over to Resort Area Hawaiian Culture Initiative as presented by Mr. Ka'anā'anā. Ms. Yuen made a motion and Mr. Atkins seconded. Ms. Kimura asked if the motion could include if there are any other funds available that they may add to it, as per Mr. Ching's request.

Chair Rafter asked Mr. Kinkley if that needs to be included in the motion, or if it is a follow-up item to be presented by Mr. Ka'anā'anā in the future. Mr. Regan said there are certain requirements for them to come back to the Board for certain reallocation dollar amounts, so if it is under that reallocation dollar amount then HTA is able to do it internally. Mr. Regan asked for the pre-pandemic amount and Mr. Ka'anā'anā confirmed it was \$398,000, the actual spend. Mr. Regan said rounded up that would amount \$148,000.

Mr. Regan said that Chair Rafter might want to incorporate into the motion an amount not to exceed, as an option. They discussed the options in detail.

Chair Rafter asked if there were comments about this. Mr. Atkins asked if it has to go through RFP and Mr. Ka'anā'anā confirmed. Mr. Atkins suggested that if they take the RFP out, they have a minimum of \$250,000 and if the committee sees that there are a few more programs they would like to fund, they can come back with the programs if they have the money and can approve it.

Chair Rafter agreed with Mr. Atkins to break it up into two motions. One to get the \$250,000 moving then the second to approve up to \$150,000 more, provided that Mr. Ka'anā'anā identifies funding for it and the Board is in approval.

Mr. Regan added for clarity that existing policies allow for staff to reallocate up to \$250,000 without seeking official Board approval. If they can have a motion permitting HTA to identify additional funds, not exceeding \$150,000, this committee would recommend allowing staff to identify and utilize those funds and then report back to the Board, where the funds were reallocated from. This will be discussed with other members of the team before moving forward, as there is a level of trust in the program for the program manager to make the call, but it is up to the Board on how they want to deal with it.

Mr. Atkins said he understands what he is saying about Mr. Ka'anā'anā and the staff having discretion, but his question regarding policy, is can they move money from one place to

another, and also have discretion up to \$250,000, or is it only within the budget that was approved.

Mr. Regan said his understanding is that from one category to another, anything \$250,000 or more they are required to come back to the Board to get that approval. He asked Mr. Togashi if it is an accurate recollection and he confirmed. Below \$250,000 the policy allows for that and HTA does not need Board approval.

Chair Rafter said the first motion is to approve the \$250,000 which has been identified, and the second motion is to permit additional funds not to exceed \$150,000 allowing HTA to staff to identify where those funds will come from, if available, and reallocate and notify the Board of said reallocation.

Mr. Regan agreed.

Mr. Kinkley was not sure that works corporately, as it is too speculative. He said they will probably have to have the report back to the committee and Board first before HTA can make an action item, which might not make the second item necessary. He said the intent can be displayed which is helpful for the record.

Mr. Ka'anā'anā said he might be able to short circuit this. The potential exists for them to reallocate the remaining \$150,000 from the Hawaiian Cultural Opportunity Fund from fiscal year 2022.

Mr. Kinkley asked if they knew where the extra \$150,000 would go to.

Mr. Ka'anā'anā said it would move into 718 Resort Area Hawaiian Culture Initiative for a total reallocation, and Mr. Kinkley understood.

Mr. Regan suggested the motion be withdrawn and restated to an amount of \$400,000 versus \$250,000 since the funds had been identified by Mr. Ka'anā'anā.

Mr. Kinkley said it is not an agenda problem as it was all done at this meeting.

Mr. Atkins asked if the allotment would be on the same percentage as the \$250,000, and Mr. Ka'anā'anā said he needed to go back and amend the allocations. He is happy to go back to the Board with the revised allocations on Thursday when the Board can approve.

Mr. Atkins asked if it is a recommendation, and Mr. Regan confirmed this.

Chair Rafter asked for a motion to recommend reallocating the \$250,000 funds from Route Development, and \$150,000 from Hawaiian Culture Opportunity for a total of \$400,000 to

Resort Area Hawaiian Culture Initiative to support DMAP related activity. Ms. Kimura confirmed the BLI is 215.

Ms. Yuen made a motion and Ms. Kimura seconded. Mr. Regan did a roll call and the motion passed unanimously.

8. Presentation, Discussion, and Action on Proposal to Reallocate FY22 Funds from GoHawai'i to Sports Unallocated in the Amount of \$167,000 to Increase the Total Funding in Support of the Sports RFP to \$1,500,000

Mr. Ka'anā'anā said he proposes to move \$167,000, from the remaining unspent funds of GoHawai'i, BLI 318, and the amount is equal to what they moved to support the Big West contract. He is trying to get the sports unallocated back up to \$1.5 million so when HTA issues the sports RFP, the total available \$1.5 million approved initially would be available. This is BLI 379.

Chair Rafter asked if there was any discussion. Ms. Yuen asked if it is for the fiscal year 2022, and Mr. Ka'anā'anā confirmed.

Mr. Atkins asked when the RFP would go out, as he thought it would be in February 2022.

Mr. Ka'anā'anā said they are almost there, and one last thing was to get the funding pool of available funds back to \$1.5 million this week to issue it.

Mr. Atkins asked if they had selected the committee, and Mr. Ka'anā'anā said they had not. Mr. Ka'anā'anā said they have identified a list of potential people but have not reached out to them yet.

Mr. Regan said there were no questions from the audience.

Chair After asked for a motion to reallocate from GoHawai'i to Sports unallocated, in the amount of \$167,000 to increase the total funding in support of the Sports RFP to \$1.5 million. Ms. Kimura made a motion. Mr. Atkins seconded. Mr. Regan did a roll call and the motion passed unanimously.

9. Presentation, Discussion, and Action on Proposal to Reallocate FY22 Funds from GoHawai'i to LPGA in the Amount of \$500,000 to Support the LPGA Lotte Championship

Mr. Ka'anā'anā said members received a proposal in March 2022 from LPGA for this year's Lotte Championship. He prefaced that earlier, the Branding Standing Committee asked them to look at a number of events across the year and identify those that would occur within this year. They identified Lotte as one of the events that would happen prior to the procurement they are

finalizing, and that HTA just voted on in the item before. He said it seemed a good test case to ask for sole-source procurement exemption for the LPGA for two reasons. One, it is the only ladies professional golf association that exists that can offer this type of tournament, and second, the timing being in April, happening before HTA finalizes any procurement for the Sports RFP.

He brought it up to leadership within staff to ask their thoughts and then brought it to this Committee. He said the proposal was originally for \$500,000, which is the basis for agenda item number 9, asking for the reallocation. He said there were a few question that he received that he answered and distributed to the Board, so they all have the clarifications.

He has since met with more members separately to understand their concerns with the proposal. He asked them for a revised proposal at varying amounts as low as \$250,000. He said the revised proposal was received today, but him and Mr. Willkom have not had a chance to go through it. He suggested making a motion of an “up to amount of \$500,000”, then giving him and Mr. Willkom some time to look through the other proposal. It will also allow them to get back an assessment from HVCB they have asked them to conduct. This committee can then decide on Wednesday in the Branding Standing Committee, with the final decision on March 31 at the Full Board meeting. All of that is in tandem with waiting for guidance from SPO and the State Ethics Commission, which will determine the final fate of anything this committee decides.

Chair Rafter asked when the event was, and Mr. Ka’anā’anā confirmed it is in two weeks, April 13, 2022.

Chair Rafter said the Branding Committee should decide whether it is a good investment. He does not see the point of the two tiers because, at the Branding Committee, they can determine whatever number will make sense. He said they should leave it up to \$500,000 and then the Branding Committee and the Full Board can make a recommendation on some amount.

Mr. Ka’anā’anā agreed that is doable.

Mr. Atkins wanted to understand that they have allocated \$2.5 million to GoHawai’i, and that it needs to go out for RFP.

Mr. Ka’anā’anā confirmed this and said the Board approved around \$1.3 million. So, they have removed the amount, and the money is still set aside in GoHawai’i. The difference to get to \$2.5 million is what they have reallocated in pieces in today’s meeting.

Mr. Atkins asked how much money HTA will have in the line item after they approved it up to \$500,000.

Mr. Ka'anā'anā said if they took the three actions today, there will be \$150,000 in the fiscal 2022 year that will stay in the GoHawai'i line item as cushion in case there are cost variants.

Mr. Atkins asked when the RFP will go out for that and Mr. Ka'anā'anā said soon, but he is not sure exactly. He said it has to be contracted in June 2022 before the fiscal year ends.

Ms. Yuen asked if they have sponsored the event before and Mr. Ka'anā'anā confirmed they have for \$500,000, and 2019 was the most recent year as they stepped away after that due to the pandemic.

Ms. Kimura said they canceled the tournament in 2020, but they had it in 2021 without an audience, and Mr. Ka'anā'anā confirmed this. He mentioned that in the questions he sent to HTA members, he clarified some of the 2019 results attached as full reports and in question number 9, where the 2019 results are.

Mr. Ka'anā'anā spoke about the reports he added in the documents. Ms. Yuen asked him to share the information. He said the total visitor spend was \$3.9 million, gross media value was \$3.2 million for a total of \$7.1 million. Total audience was about 1.7 million for the broadcast side and a total of 191 hours and 49 minutes of broadcast time. In terms of event satisfaction, it was 9.2 out of 10 from those surveyed. 94% of residents believed the event makes a positive contribution to the image/appearance and reputation of Hawai'i. 81% of residents believed that the event is important to local community. He also attached the full reports from YouGov that he referenced.

Ms. Yuen said she fully supports the full funding and nothing less. She said it is a wonderful event to encourage young women to get into sports and compete at the highest levels at Hawai'i.

Ms. Kimura said she fully supports it and asks if it will be broadcast in Japan and Korea. Mr. Ka'anā'anā said the broadcast will be available in the United States, Canada, Australia, New Zealand, Korea, and Japan. He has been coordinating with their GMT's to try to leverage the opportunities. In particular, Canada does not always pop up, but because Brook Henderson is the two-time defending tournament winner, there is an opportunity to leverage this in the Canadian market.

Chair Rafter asked for a motion to recommend up to \$500,000 budget reallocation from BLI 318 GoHawai'i to BLI 343 LPGA in fiscal 2022 funds. Ms. Yuen made a motion and Ms. Kimura asked if they must say it is up to and questioned if they can stipulate \$500,000 in the motion. Chair

Rafter said they could do what they want, but it is a Branding Committee issue, and they need to vet whether it is worth the \$500,000. Mr. Regan suggested making it "not to exceed \$500,000".

Ms. Kimura seconded the original motion. Mr. Regan did roll call, and the motion passed unanimously.

10. Presentation, Discussion, and Action on Proposal to Reallocate FY22 Funds from GoHawai'i to Marketing Opportunity Fund in the Amount of \$43,000 to Support the Market Allocation Platform

Mr. Ka'anā'anā said at a previous meeting this Committee approved the use of the Marketing Allocation Platform tool. This makes available funds to support the work of the Marketing Opportunity Fund by moving \$43,000 for BLI 318 GoHawai'i to BLI 380, Marketing Opportunity Fund. This will cover the cost of the Marketing Allocation Platform to help this board assess the opportunities, risks, strengths, and weaknesses of HTA's marketing dollar allocations through data. It is a data platform tool to help with future allocations for marketing.

Mr. Atkins asked about the placeholder for 2023, and what the budget is for GoHawai'i.

Mr. Ka'anā'anā said he does not have the information but will look it up.

Mr. Regan said there were no questions from the audience for the last two agenda items.

Mr. Ka'anā'anā found the budget for GoHawai'i and said it is tentative and has not been Board approved, and will be contingent upon what happens at the Legislature. It is \$310,000 for ongoing maintenance costs for GoHawai'i to keep the lights on. Mr. Ka'anā'anā reiterated the money this committee approved in fiscal 2022 totaling roughly \$1.3 million are the optimizations and improvements that were presented by the encumbered contractor for that. Next year, \$310,000 is for keeping the lights on only.

Mr. Atkins asked whoever gets to RFP and gets awarded for the \$1.3 million, if they say in the following year, they wanted to add various items, there would be no money under the current structure of the placeholder. He asked if this is correct. He asked what the original budget is taken down to, and Mr. Ka'anā'anā reiterated that it is \$150,000. Mr. Atkins asked if they are taking \$43,000 from this, and Mr. Ka'anā'anā said that the total to be taken is \$167,000, \$500,000, and depending on the vote on the \$43,000, is what will be moved out of the fiscal year 2022 which would leave \$150,000 in GoHawai'i for this fiscal year, and if any is unspent, it goes back.

Chair Rafter asked for a motion to reallocate 2022 funds from GoHawai'i 318, to Marketing Opportunity Fund, 380, to the amount of \$43,000 to support the Marketing Allocation Platform.

Mr. Alameda made a motion and Ms. Yuen seconded. Mr. Regan did a roll call, and the motion passed unanimously.

11. Adjournment

Chair Rafter asked for a motion to adjourn. Ms. Yuen made a motion, and Mr. Alameda seconded. The roll call passed unanimously.

Chair Rafter adjourned the meeting.

Mr. Regan concluded the meeting at 10:55 a.m.

Respectfully submitted,



Sheillane Reyes
Recorder

4

Presentation, Discussion and Action on the Hawai'i Tourism Authority's March Financial Report

4.1

Financial Statements – Executive Summary

As of March 31, 2022



AUTHORITY

Financial Statements – Executive Summary
As of March 31, 2022

Foreword:

- FY 2021 Transactions Processed in FY 2022. As noted in HTA’s June 30, 2021 financial statements, some transactions using FY 2021 funds that we submitted to DAGS in FY 2021 were processed by DAGS as FY 2022 business. It is necessary to include these transactions processed in July 2021 in HTA’s official records for FY 2022 and accordingly are acknowledging that via a separate Budget Statement included in these financial statements for informational purposes only. However, we have included these transactions in HTA’s unofficial FY 2021 encumbrance records and we will omit these transactions from our focus in FY 2022 business discussed in these financial statements.

Further detail can also be found in HTA’s June 30, 2021 financial statements.

- New Fund Accounts. With HTA now appropriated Federal ARPA funds in FY 2022, we have added two new sections to the Executive Summary to discuss the Tourism Federal Fund (ARPA) and Convention Center Federal Fund (ARPA).

Tourism Federal Fund (ARPA TFF) – [Official Name: HTA CSFRF Subaward]:

1. \$39.9M in cash (remaining from amount that has been allotted to HTA so far), a decrease of \$4.2M primarily due to disbursements related to operational and program expenditures.
2. The release of TFF funds for HTA use is accomplished through an approval process that includes approval by the Governor (CSFRF approval), the State’s Department of Budget & Finance’s (B&F) and the HTA Board of Directors. Below is a summary of the status of those approvals:

	Gov Approved	B&F Funds Release		Board Approved	Encumbered
	(CSFRF)	Requested	Approved	Amount	
Hawaiian Culture	-	1,565,500	-	1,815,500	-
Natural Resources	-	665,000	665,000	665,000	-
Community	27,289,500	735,500	735,500	735,500	120,000
Branding	28,500,000	31,730,000	31,730,000	33,563,000	29,012,396
Sports	-	3,677,889	3,677,889	4,344,889	2,344,889
Safety & Security	-	900,000	900,000	900,000	1,380
Research	-	-	-	60,000	-
Planning	-	2,005,200	2,005,200	2,005,200	366,158
Admin	648,700	999,111	999,111	999,111	191,669
Governance and Org-Wide	351,800	351,800	351,800	351,800	215,416
Payroll	3,210,000	3,210,000	3,210,000	3,410,000	3,210,000
	<u>60,000,000</u>	<u>45,840,000</u>	<u>44,274,500</u>	<u>48,850,000</u>	<u>35,461,908</u>

B&F has approved HTA's extension request to allow the encumbering and expenditure of the \$60M ARPA funds by June 30, 2023.

- Over several meetings, the HTA Board approved a partial FY 2022 budget of \$48.9M, further detailed below.

	Incremental Approved at Meeting	Cumulative Budget Approved	Description
June 11, 2021 Meeting	1,000,000	1,000,000	Payroll
July 2021 Meeting	32,200,500	33,200,500	Branding, Payroll, Admin and Governance
September 2021 Meeting	1,787,889	34,988,389	Cruise and Sports
November 2021 Meeting	8,086,611	43,075,000	Most other programs
December 2021 Meeting	5,300,000	48,375,000	Programs previously identified as needing further clarification to Board's
January 2022 Meeting	475,000	48,850,000	NAHHA FY23

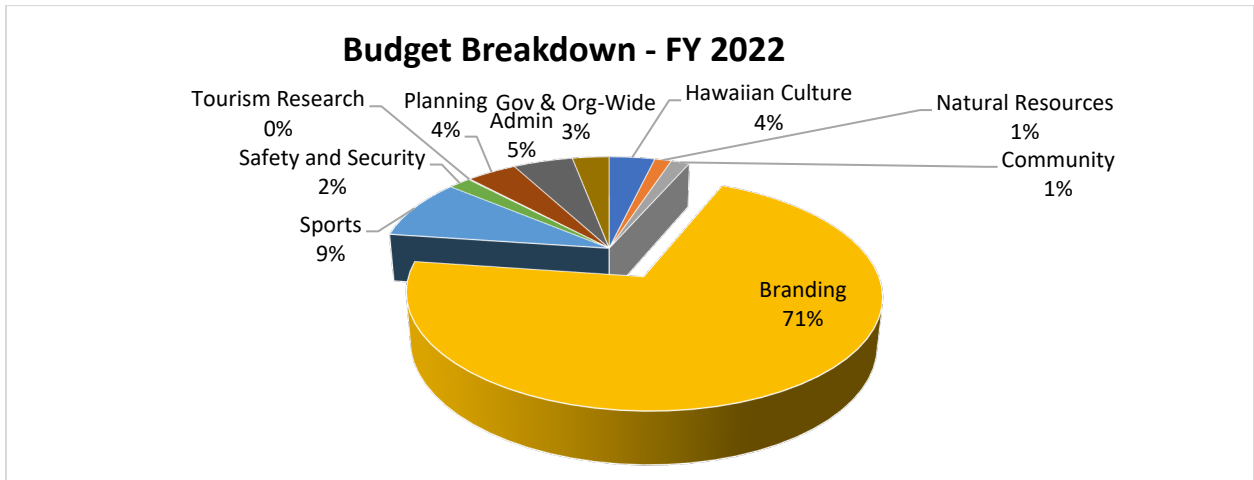
Through March, \$11,150,000 of programs presented as part of HTA's draft FY 2022 budget has been deferred or will be reprogrammed for other purposes, resulting in a FY 2022 budget of \$48,850,000 approved to date.

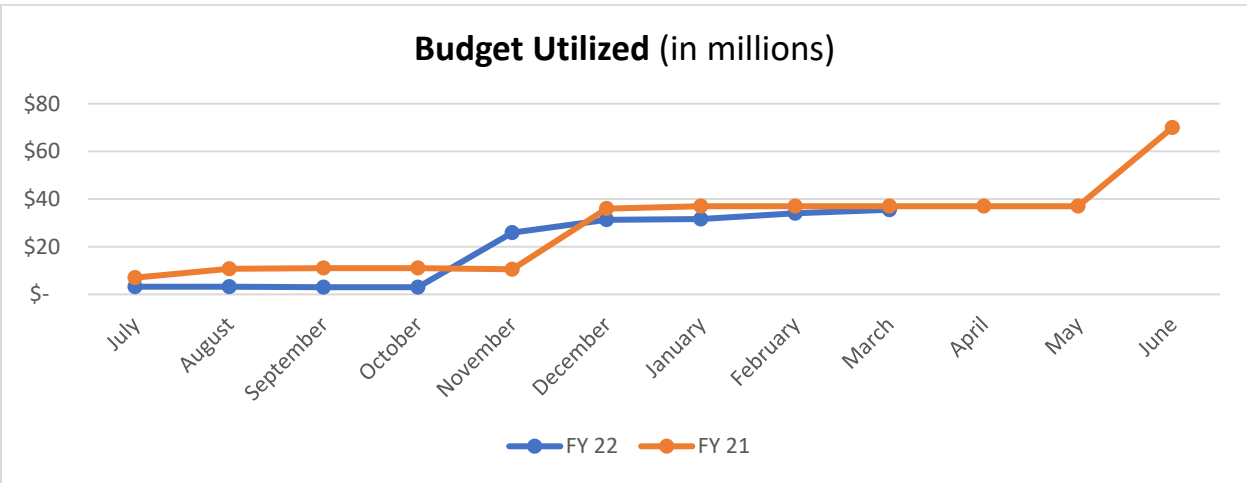
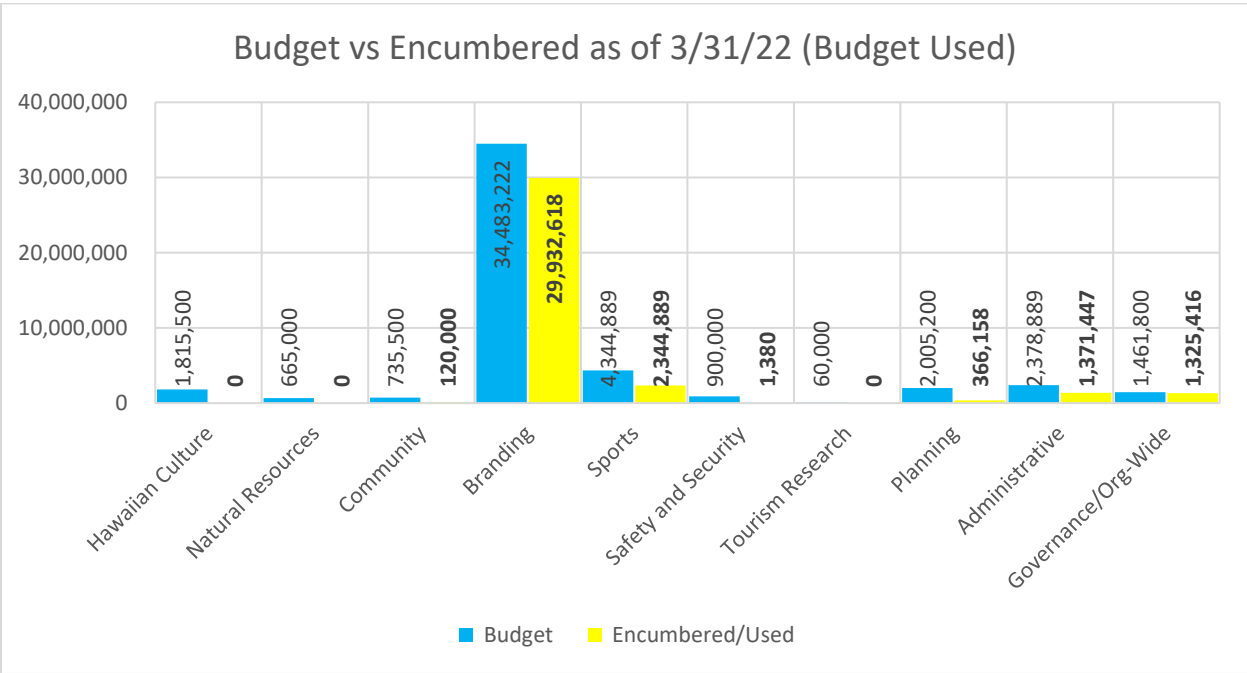
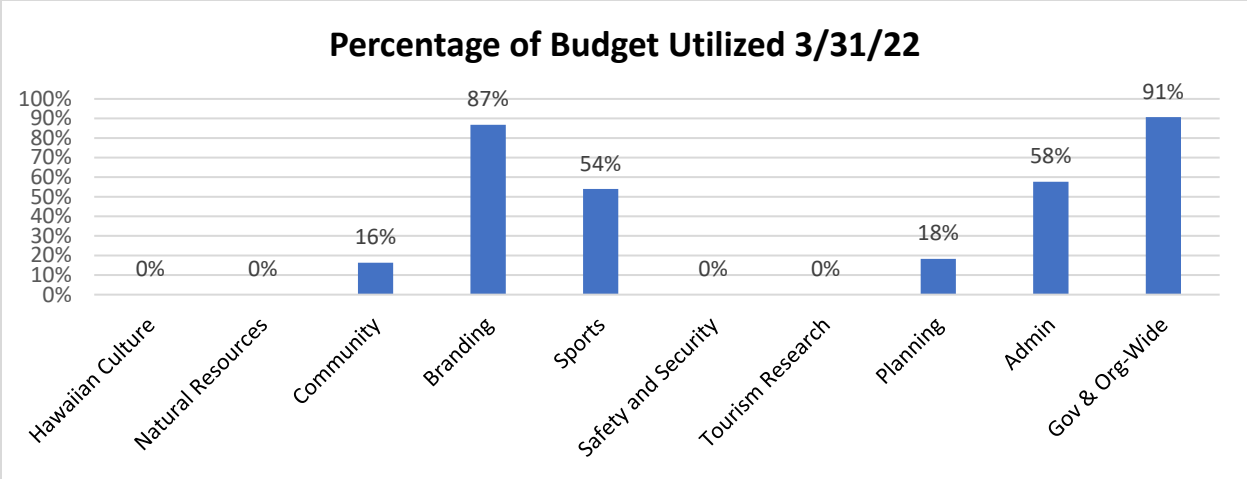
As of March 31, 2022, \$35.5M of the \$48.9M FY2022 budget was utilized/encumbered, or 72%.

Below is a summary of the FY 2022 budget based upon Federal reporting categories (titles were paraphrased):

Primary Federal Category	Budget	Encumbered	Remaining
Economic Recovery	45,440,000	32,251,908	13,188,092
Continuation of Government Services			
Payroll	3,410,000	3,210,000	200,000
	48,850,000	35,461,908	13,388,092

The following are various charts to depict our FY 2022 budget, budget utilization and trends. It is important to note that approximately \$11M of HTA’s budget has been deferred for approval as of the date of these financial statements, and accordingly are not reflected here below. Additionally, a more balanced budget would be evident when considering the contracts for FY 2022 services that HTA encumbered using FY 2021 funds (sourced from June 2021 TAT revenue and HTA Board Resolution funds). Further, we anticipate approximately 29% of HTA’s FY 2022 budget to be used toward Branding Education programs.





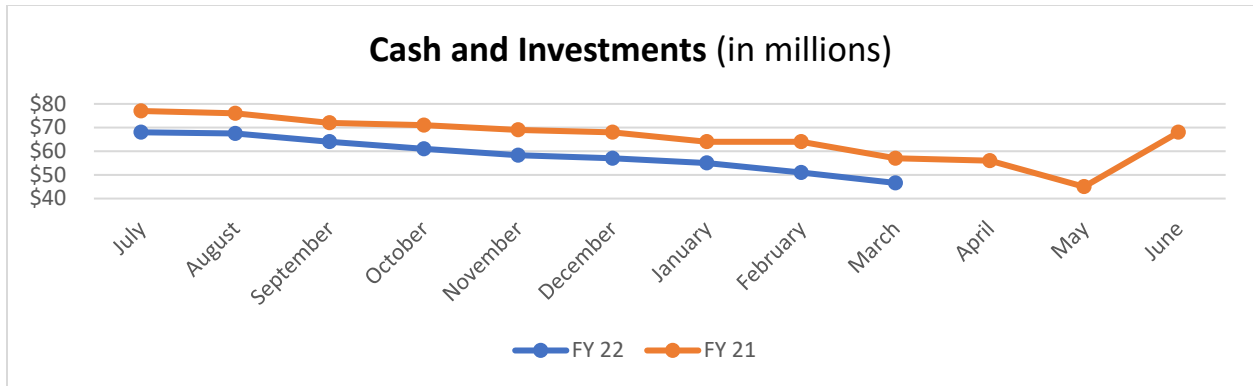
4. A detail of the budget reallocations made for the reporting period and cumulatively for the fiscal year is provided on the accompanying Budget Reallocation Summary. The following notable reallocations occurred in March 2022:
 - a. \$250K from Route Development and \$150K from Hawaiian Culture Opportunity Fund to Resort Area Hawaiian Culture Initiative
 - b. \$167K from gohawaii.com to Sports Program Unallocated
 - c. \$500K from gohawaii.com to LPGA
 - d. \$43K from gohawaii.com to Marketing Opportunity Fund

5. Operating Income (Loss):
 - a. Cumulatively, \$44.3M has been allotted to HTA year-to-date through March 2022, which represents ARPA funds HTA is using in FY 2022 for staff's payroll, program, admin and governance costs.
 - b. Since this is the fund's first year in operation, no Statement of Revenues and Expenditures associated with prior year funds is included.

Tourism Special Fund (TSF):

6. The Tourism Special Fund sunset on January 1, 2022, pursuant to Act 001, 2021 Legislative Special Session, upon which all unencumbered funds are available for remitting to the State's General Fund. The \$5M Emergency Fund remains with HTA.

7. \$46.6M in cash and investments. The trend in cash balance is consistent with that of the prior year, except HTA does not anticipate an influx of cash at the end of FY 2022. In FY 2021, HTA funded its operations from its reserves that was bolstered by cancelled and/or reduced contracts due to the pausing of TAT distributions to HTA. During that period, there were minimal sources of revenue until TAT distribution temporarily restarted in June 2021. In FY 2022, we continue to spend down previously encumbered funds.



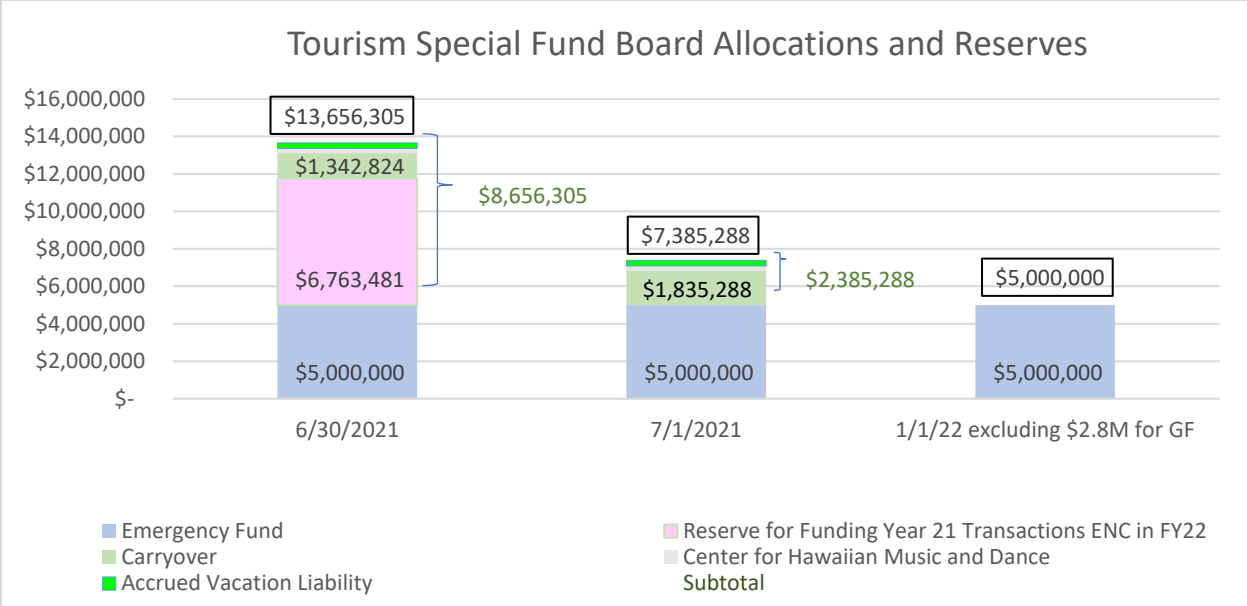
- a. Includes \$5M in Emergency Fund held as investments.
 - i. Approximately \$5.0M held in money market funds
 - ii. Further detail provided in the financial statements (as of February 2022)
- b. Cash decreased by approximately \$4.4M from February 28, 2022 primarily due to disbursements related to operational and program expenditures.
- c. We anticipate the cash balance to decrease to \$0 over time once all encumbered funds are expended, except for the \$5M Emergency Fund.

8. HTA's outstanding encumbrances are summarized as follows:

\$38.6M	Prior year encumbrances currently being spent down	
\$0.00	Current year encumbrances remaining	
\$38.6M	Total encumbrances outstanding at March 31, 2022	

Staff routinely makes a concerted effort to liquidate older encumbrances that should no longer be encumbered and that is reflected here.

- 9. In addition to HTA's \$5M Emergency Fund, \$2.3M was reserved as Board allocations as of July 1, 2021. This compares to \$8.6M at the end of last fiscal year. The reduction is due to the FY 2021 transactions that DAGS processed in July of FY 2022, as previously discussed. A supporting schedule is also embedded in these financial statements to provide greater detail. These balances are comprised of the following:



Pursuant to Act 001, Special Session 2021 (HB 862), the Tourism Special Fund sunset on January 1, 2022. Any unencumbered funds are now considered available to return to the State’s General Fund, which we currently anticipate being approximately \$2.9M.

- 10. There is no budget for the Tourism Special Fund in FY 2022, as only Federal funds were appropriated.
- 11. Operating Income (Loss):
 - a. Pursuant to Act 001, Legislative Special Session 2021, HTA is no longer included in the TAT allocation.
 - b. No investment income was earned in March 2022. Year-to-date investment income is \$126K.

Convention Center Federal Fund (ARPA CCFF) – [Official Name: Convention Center CSFRF Subaward]:

- 12. \$11M in cash (remaining from amount that has been allotted to HTA).
- 13. Over several meetings, the HTA Board approved the \$11M budget for FY 2022’s Convention Center ARPA funds, further detailed below.

	Incremental Approved at Meeting	Cumulative Budget Approved	
June 2021 Meeting	162,000	162,000	Interim Payroll funding
July 2021 Meeting	328,000	490,000	Payroll for remainder of year
February 2022 Meeting	10,510,000	11,000,000	Remainder of budget, primarily for R&M

14. A budget reallocation of \$50K from HCC Repairs and Maintenance to HCC Futures Studies was made in March 2022.

15. Operating Income:

- a. Cumulatively, \$11M of ARPA funds has been allotted, which represents ARPA funds HTA will use in FY 2022 for staff's payroll and to fund expenditures of the Convention Center.
- b. Since this is the fund's first year in operation, no Statement of Revenues and Expenditures associated with prior year funds is included.

Convention Center Enterprise Special Fund (CCESF):

16. \$50.9M in cash. Cash at March 31, 2022 is relatively consistent with the previous month.

17. \$500K in accounts receivable related to operating revenue at the Convention Center.

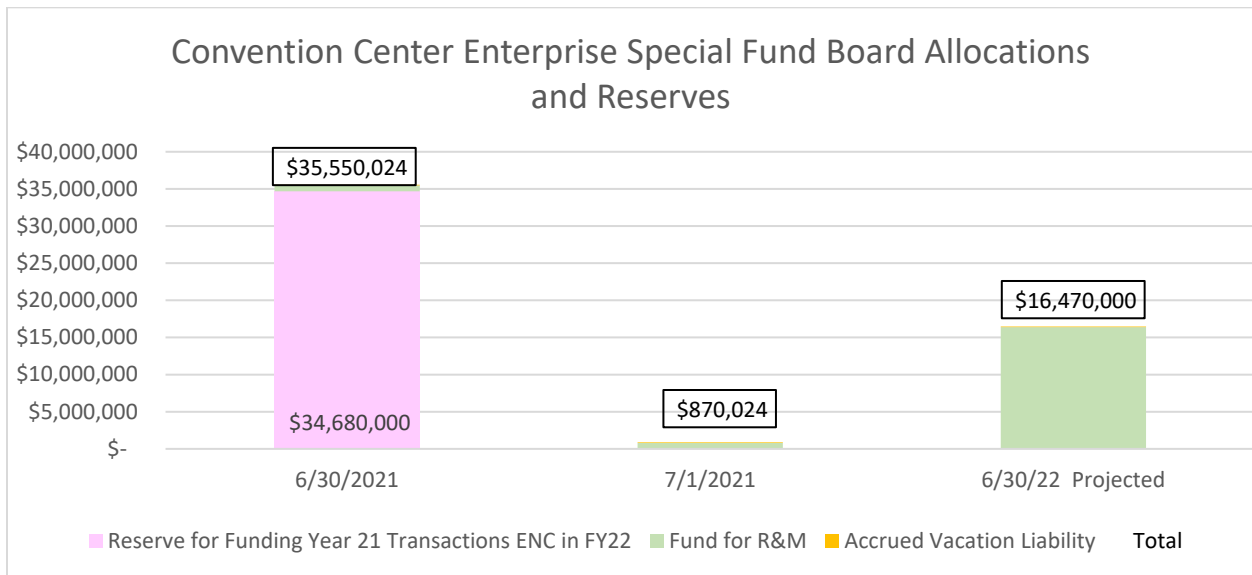
18. \$17.9M in cash with contractor or with DAGS, for R&M projects (as of February 2022).

- a. Includes \$2M in Emergency R&M funds
- b. These funds are encumbered or budgeted toward specific projects such as kitchen wall rehabilitation and exterior planter repairs, exterior building painting, trellis replacement, house audio upgrades, ballroom gutter and transom glass repair, chiller replacement, and various equipment purchases and upgrades. Of the \$18.2M, approximately \$7.1M has been contracted (as of February 2022).
- c. The amount of cash remaining with the contractor already accounts for \$5.6M expended on current and future projects (in-progress costs or preliminary work).

19. \$15.5M reserved as Board allocations as of March 31, 2022. This compares to a reserve balance of \$35.5M as of June 30, 2021. The decrease is due to the FY 2021

transactions that were processed by DAGS in July 2021 (as FY 2022 business) discussed earlier, partially offset by \$3.1M in HCC revenue/other receipts and \$11M in TAT revenue deposited into the CCESF in FY 2022, pursuant to HRS 237D, as amended by Act 1 of the 2021 Legislative Special Session. We anticipate the \$15.5M reserve balance to further increase to \$16.4M by June 30, 2022, due to:

- a. The deposit of Convention Center revenues throughout FY 2022.
- b. The inability to spend these funds due to the CCESF not having an appropriation ceiling in FY 2022.
- c. (The \$16.4M already reflects a \$400K decrease from earlier projections due to a decrease in revenue projections, partially offset by the receipt of investment and other income.)
- d. (We anticipate approximately \$2.5M of the \$16.4M to be dedicated toward replenishing HTA's operating reserve for the Convention Center.)



20. \$35.9M of prior year outstanding encumbrances currently being spent down.

21. Budget:

- a. No budget has been established for the CCESF in FY 2022, as no expenditure ceiling was appropriated, as discussed earlier.
- b. Note: In FY 2021, HTA used the \$16.5M TAT it received in June 2021 and \$18.6M previously reserved as Board Allocations to fund AEG's FY 2022

operations contract. Staff advised the Board of its intention to do so at the June 10, 2021 Board meeting, including to deploy reserve funds in an effort to ensure we maximize HCC's ROI and efficiently use any time afforded during the pandemic to address major repair and maintenance. The \$16.5M and \$18.6M were encumbered as follows:

	FY22 HCC Operations - Encumbrance Funded with		
	TAT Restart Funds	Reserve / Board Reso Funds	Total
HCC Facility Operations Expenses	5,517,400	5,169,000	10,686,400
HCC Operating Contingency	-	2,500,000	2,500,000
HCC Local Sales	533,000	-	533,000
Major R&M (from TAT Restart funds)	10,129,600	-	10,129,600
Major R&M (from CCESF Reserves)	-	10,831,000	10,831,000
Property Insurance	320,000	100,000	420,000
	16,500,000	18,600,000	35,100,000

* Additionally, the AEG contract included \$5,948,568 funded from the TSF for the Center for Hawaiian Music & Dance.

22. Operating Income:

- a. \$11M in TAT funds were received YTD.
- b. Convention Center Operations
 - i. Note: \$3.6M operating subsidy fiscal-year-to-date per HCC financial statements (as of March 2022). We budgeted for a \$5.5M operating subsidy for FY 2022. HCC management anticipates operating within budget at \$5.2M for FY 2022. Funded by FY21's encumbrance as discussed above.

Hawaii Tourism Authority
Balance Sheet
Tourism Federal (ARPA) Fund
As of 3/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	<u>39,943,958.72</u>
Total Current Assets	<u>39,943,958.72</u>
Total Assets	<u><u>39,943,958.72</u></u>
Fund Balance	
Encumbered Funds	
FY 2022 Funds	<u>30,381,366.05</u>
Total Encumbered Funds	30,381,366.05
Unencumbered Funds	
Total Unencumbered Funds	9,562,592.67
Total Fund Balance	<u><u>39,943,958.72</u></u>

Hawaii Tourism Authority

Balance Sheet

Tourism Special Fund

As of 3/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	41,571,961.28
Petty Cash	-
Total Current Assets	<u>41,571,961.28</u>
Total Assets	<u><u>41,571,961.28</u></u>
Fund Balance	
Current year payables	
Accounts Payable	5,000.00
Total Current year payables	<u>5,000.00</u>
Encumbered Funds	
FY 2015 Funds	7,851.29
FY 2016 Funds	6,047.12
FY 2017 Funds	15,706.80
FY 2018 Funds	4,137.03
FY 2019 Funds	177,337.91
FY 2020 Funds	1,314,163.84
FY 2021 Funds	<u>37,067,648.98</u>
Total Encumbered Funds	<u>38,592,892.97</u>
Unencumbered Funds	
Total Unencumbered Funds	2,974,068.31
Total Fund Balance	<u><u>41,571,961.28</u></u>

Hawaii Tourism Authority
Balance Sheet
Convention Center Federal (ARPA) Fund
As of 3/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	<u>11,000,000.00</u>
Total Current Assets	<u>11,000,000.00</u>
Total Assets	<u><u>11,000,000.00</u></u>
Fund Balance	
Encumbered Funds	
FY 2022 Funds	<u>490,000.00</u>
Total Encumbered Funds	490,000.00
Unencumbered Funds	
Total Unencumbered Funds	10,510,000.00
Total Fund Balance	<u><u>11,000,000.00</u></u>

Hawaii Tourism Authority
Balance Sheet
Convention Center Enterprise Special Fund
As of 3/31/22

	Current Year
Assets	
Current Assets	
Checking	50,932,571.49
Total Current Assets	50,932,571.49
Accounts Receivable	
Accounts Receivable	498,660.74
Total Accounts Receivable	498,660.74
Total Assets	51,431,232.23
Fund Balance	
Encumbered Funds	
FY 2019 Funds	110,894.39
FY 2021 Funds	35,796,538.80
Total Encumbered Funds	35,907,433.19
Unencumbered Funds	
Total Unencumbered Funds	15,523,799.04
Total Fund Balance	51,431,232.23

Hawaii Tourism Authority

Balance Sheet

Emergency Trust Fund

As of 3/31/22

	<u>Current Year</u>
Assets	
Current Assets	
Investments	5,009,928.09
Total Current Assets	<u>5,009,928.09</u>
 Total Assets	 <u><u>5,009,928.09</u></u>
 Fund Balance	
Current year net assets	
	(9,030.99)
Total Current year net assets	<u>(9,030.99)</u>
Prior years	
Total Prior years	5,018,959.08
 Total Fund Balance	 <u><u>5,009,928.09</u></u>

HTA Allocations
FY 2021 and FY 2022 (Projected)

Annual Budgets: -\$60M FY 2022 HTA Tourism Federal (ARPA) Fund [subject to approval] -\$11M FY 2022 Convention Center Federal (ARPA) Fund [subject to approval]
--

\$5M Emergency Funds	
\$5M Emergency Fund Reserve (Established by Statute as a separate fund, to be used upon declaration of a tourism emergency by the Governor)	\$0M Mandated by Board (designated for use in the event of a significant economic downturn upon Board approval; used to fund FY 21 budget)

Tourism Special Fund Long-Term Obligations, Commitments and Allocations:	Convention Center Fund Long-Term Obligations, Commitments and Obligations:		
	6/30/2021	7/1/2021	Projected 1/1/2022
Carryover of FY 2020 to FY 2021 Budget (Use in FY 21)	-	-	-
Reserve for Funding Year 21 Transactions Enc in FY22	6,763,481	-	-
Carryover	1,342,824	1,342,824	-
FY21 Interest, Refunds and Other Income	-	-	-
Encumbrance liquidations	-	492,464	-
Center for Hawaiian Music & Dance	250,000	250,000	-
Accrued Health Liability	-	-	-
Accrued Retirement Liability	-	-	-
Accrued Vacation Liability	300,000	300,000	-
Total Long-Term Obligations and Commitments	8,656,305	2,385,288	-
Carryover for HCC Operations Reserve for Funding Year 21 Transactions Funds for R&M	-	-	-
Reserve for Funding Year 21 Transactions	34,680,000	-	-
Funds for R&M	790,024	790,024	16,390,000
Accrued Vacation Liability	80,000	80,000	80,000
Total Long-Term Obligations and Commitments	35,550,024	870,024	16,470,000

TOTAL RESERVES (incl \$5M Emergency Fund)	13,656,305	7,385,288	5,000,000
	35,550,024	870,024	16,470,000

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Tourism Federal (ARPA) Fund
FY 2022 Funds
From 3/1/2022 Through 3/31/2022

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Alloted Federal Funds	60,000,000.00	0.00	44,274,500.00	(15,725,500.00)
Total Revenue	<u>60,000,000.00</u>	<u>0.00</u>	<u>44,274,500.00</u>	<u>(15,725,500.00)</u>
Expense				
Perpetuating Hawaiian Culture	1,565,500.00	0.00	0.00	1,565,500.00
Natural Resources	665,000.00	0.00	0.00	665,000.00
Community	735,500.00	0.00	0.00	735,500.00
Branding	35,400,222.00	4,265,000.00	4,270,000.00	31,130,222.00
Sports	3,677,889.00	7,582.00	7,582.00	3,670,307.00
Safety and Security	900,000.00	0.00	0.00	900,000.00
Tourism Research	60,000.00	0.00	0.00	60,000.00
Planning	2,005,200.00	0.00	0.00	2,005,200.00
Administrative	2,378,889.00	890.58	6,656.82	2,372,232.18
Governance and Org-Wide	1,461,800.00	4,475.47	46,302.46	1,415,497.54
Total Expense	<u>48,850,000.00</u>	<u>4,277,948.05</u>	<u>4,330,541.28</u>	<u>44,519,458.72</u>
Net Income	<u>11,150,000.00</u>	<u>(4,277,948.05)</u>	<u>39,943,958.72</u>	<u>28,793,958.72</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Tourism Special Fund
FY 2022 Funds
From 3/1/2022 Through 3/31/2022

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Miscellaneous	0.00	0.00	1,302.52	1,302.52
Refunds	<u>0.00</u>	<u>47,979.95</u>	<u>105,055.09</u>	<u>105,055.09</u>
Total Revenue	<u>0.00</u>	<u>47,979.95</u>	<u>106,357.61</u>	<u>106,357.61</u>
Net Income	<u><u>0.00</u></u>	<u><u>47,979.95</u></u>	<u><u>106,357.61</u></u>	<u><u>106,357.61</u></u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Prior Year Funds - Tourism Special Fund
From 3/1/2022 Through 3/31/2022

	<u>Total Budget</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance</u>
Revenue				
Interest and Dividends	0.00	0.00	126,770.45	126,770.45
Total Revenue	<u>0.00</u>	<u>0.00</u>	<u>126,770.45</u>	<u>126,770.45</u>
Expense				
Perpetuating Hawaiian Culture	11,199,632.00	557,000.00	2,718,286.25	8,481,345.75
Natural Resources	3,447,910.00	525,000.00	1,306,910.00	2,141,000.00
Community	8,462,772.12	15,000.00	426,062.07	8,036,710.05
Branding	33,112,516.00	2,895,665.94	14,345,253.09	18,767,262.91
Sports	160,222.00	10,000.00	45,171.00	115,051.00
Safety and Security	770,114.66	157,125.00	670,875.00	99,239.66
Tourism Research	2,270,248.83	127,237.78	1,604,123.56	666,125.27
Administrative	933,514.62	82,624.96	367,061.33	566,453.29
Governance and Org-Wide	<u>201,675.92</u>	<u>2,400.00</u>	<u>126,318.74</u>	<u>75,357.18</u>
Total Expense	<u>60,558,606.15</u>	<u>4,372,053.68</u>	<u>21,610,061.04</u>	<u>38,948,545.11</u>
Net Income	<u>(60,558,606.15)</u>	<u>(4,372,053.68)</u>	<u>(21,483,290.59)</u>	<u>39,075,315.56</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Convention Center Federal (ARPA) Fund
FY 2022 Funds
From 3/1/2022 Through 3/31/2022

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Alloted Federal Funds	11,000,000.00	0.00	11,000,000.00	0.00
Total Revenue	<u>11,000,000.00</u>	<u>0.00</u>	<u>11,000,000.00</u>	<u>0.00</u>
Expense				
Branding	72,958.00	0.00	0.00	72,958.00
Administrative	247,042.00	0.00	0.00	247,042.00
Governance and Org-Wide	215,000.00	0.00	0.00	215,000.00
HCC Repair and Maintenance	<u>10,465,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>10,465,000.00</u>
Total Expense	<u>11,000,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>11,000,000.00</u>
Net Income	<u>0.00</u>	<u>0.00</u>	<u>11,000,000.00</u>	<u>11,000,000.00</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Convention Center Enterprise Special Fund
FY 2022 Funds
From 3/1/2022 Through 3/31/2022

	<u>Total Budget - FY22</u>	<u>Current Period Actual</u>	<u>Current Year Actual</u>	<u>Total Budget Variance - FY22</u>
Revenue				
Transient Accomodations Tax	11,000,000.00	0.00	11,000,000.00	0.00
Miscellaneous	0.00	29,680.00	71,890.00	71,890.00
Refunds	0.00	0.00	41,501.08	41,501.08
HCC Revenue	<u>0.00</u>	<u>468,311.65</u>	<u>3,057,046.63</u>	<u>3,057,046.63</u>
Total Revenue	<u>11,000,000.00</u>	<u>497,991.65</u>	<u>14,170,437.71</u>	<u>3,170,437.71</u>
Net Income	<u>11,000,000.00</u>	<u>497,991.65</u>	<u>14,170,437.71</u>	<u>3,170,437.71</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Prior Year Funds - Convention Center Enterprise Special Fund
From 3/1/2022 Through 3/31/2022

	Total Budget	Current Period Actual	Current Year Actual	Total Budget Variance
Revenue				
Interest and Dividends	0.00	0.00	57,844.34	57,844.34
Miscellaneous	0.00	0.00	35,100.21	35,100.21
Refunds	0.00	0.00	80,938.93	80,938.93
HCC Revenue	0.00	30,349.09	309,453.95	309,453.95
Total Revenue	<u>0.00</u>	<u>30,349.09</u>	<u>483,337.43</u>	<u>483,337.43</u>
Expense				
Branding	6,080.00	0.00	6,079.86	0.14
Administrative	19,449.64	0.00	19,449.86	(0.22)
Governance and Org-Wide	587,376.00	0.00	8,917.40	578,458.60
HCC Operating Expense	13,465,701.52	0.00	0.00	13,465,701.52
HCC Repair and Maintenance	20,960,600.00	0.00	0.00	20,960,600.00
HCC Sales and Marketing / MFF	902,672.93	0.00	0.00	902,672.93
Total Expense	<u>35,941,880.09</u>	<u>0.00</u>	<u>34,447.12</u>	<u>35,907,432.97</u>
Net Income	<u>(35,941,880.09)</u>	<u>30,349.09</u>	<u>448,890.31</u>	<u>36,390,770.40</u>

Hawaii Convention Center
Facility
Income Statement
From 3/01/2022 Through 3/31/2022
(In Whole Numbers)

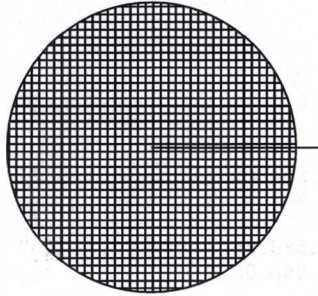
	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Direct Event Income								
Rental Income (Net)	171,440	257,135	(85,695)	160,397	1,775,718	1,546,390	229,328	1,886,798
Service Revenue	75,511	209,030	(133,519)	128,346	997,234	1,344,435	(347,201)	1,598,553
Total Direct Event Income	246,951	466,165	(219,214)	288,742	2,772,952	2,890,825	(117,872)	3,485,351
Direct Service Expenses	140,822	638,470	497,648	122,861	1,197,490	2,452,586	1,255,096	1,490,445
Net Direct Event Income	106,129	(172,305)	278,434	165,881	1,575,462	438,239	1,137,223	1,994,906
Ancillary Income								
Food and Beverage (Net)	97,394	307,408	(210,014)	4,716	449,391	1,240,980	(791,589)	146,242
Event Parking (Net)	45,693	30,520	15,173	0	477,292	182,820	294,472	46,149
Electrical Services	3,600	3,480	120	0	26,613	46,200	(19,587)	0
Audio Visual	38,947	19,500	19,447	87	67,610	77,940	(10,330)	3,254
Internet Services	0	0	0	0	0	0	0	0
Rigging Services	0	2,400	(2,400)	0	116,920	10,400	106,520	0
First Aid Commissions	0	0	0	0	0	0	0	0
Total Ancillary Income	185,634	363,308	(177,674)	4,803	1,137,826	1,558,340	(420,514)	195,645
Total Event Income	291,763	191,003	100,760	170,684	2,713,288	1,996,579	716,709	2,190,551
Other Operating Income								
Non-Event Parking	180	0	180	0	5,988	0	5,988	(875)
Other Income	6,064	1,417	4,647	913	57,340	12,753	44,587	15,174
Total Other Operating Income	6,244	1,417	4,827	913	63,328	12,753	50,575	14,299
Total Gross Income	298,008	192,420	105,588	171,597	2,776,615	2,009,332	767,283	2,204,851
Net Salaries & Benefits								
Salaries & Wages	329,501	394,820	65,319	250,021	2,845,928	3,309,860	463,932	2,475,734
Payroll Taxes & Benefits	47,053	125,893	78,840	209,388	773,822	1,133,037	359,215	933,657
Labor Allocations to Events	(34,717)	(193,923)	(159,206)	(112,664)	(600,529)	(1,304,177)	(703,648)	(1,411,881)
Total Net Salaries & Benefits	341,837	326,790	(15,047)	346,745	3,019,221	3,138,720	119,499	1,997,510
Other Indirect Expenses								
Net Contracted Services	61,067	24,292	(36,775)	10,228	196,875	212,237	15,362	89,117
Operations	14,632	10,534	(4,098)	7,359	74,393	94,806	20,413	96,128
Repair & Maintenance	72,315	72,367	52	39,188	633,822	651,303	17,481	466,503
Operational Supplies	36,091	42,850	6,759	5,359	205,364	326,434	121,070	138,336
Insurance	14,721	13,486	(1,235)	8,393	112,253	101,096	(11,157)	28,390
Utilities	170,374	185,819	15,445	128,376	1,543,750	1,314,246	(229,504)	1,204,195
Meetings & Conventions	0	850	850	0	8,874	10,150	1,276	10,584
Promotions & Communications	1,326	2,300	974	630	2,481	20,700	18,219	5,540
General & Administrative	17,684	20,657	2,973	8,275	118,333	136,427	18,094	89,555
Management Fees	18,633	18,633	(0)	0	167,700	167,697	(3)	0
Other	470	2,166	1,696	46,411	28,235	19,494	(8,741)	6,721
Total Other Indirect	407,313	393,954	(13,359)	254,219	3,092,080	3,054,590	(37,490)	2,135,068
Net Income (Loss) before CIP Funded Expenses	(451,142)	(528,324)	77,182	(429,367)	(3,334,686)	(4,183,978)	849,293	(1,927,727)
CIP Funded Expenses	0	0	0	45,206	7,991	0	7,991	3,981
Net Income (Loss) from Operations	(451,142)	(528,324)	77,182	(384,161)	(3,326,694)	(4,183,978)	857,284	(1,923,746)
Fixed Asset Purchases	3,588	8,333	4,745	1,564	234,261	74,997	(159,264)	25,347
Net Income (Loss) After Fixed Asset Purchases	(454,730)	(536,657)	81,927	(385,725)	(3,560,956)	(4,258,975)	698,020	(1,949,093)

Hawaii Convention Center
 Facility
 Income Statement
 From 3/01/2022 Through 3/31/2022
 (In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Revenues								
Food & Beverage	222,566	508,636	(286,070)	6,263	1,036,753	2,089,503	(1,052,750)	219,626
Facility	350,477	530,642	(180,165)	289,742	3,597,139	3,252,348	344,792	3,549,053
Total Revenues	573,043	1,039,278	(466,235)	296,005	4,633,892	5,341,851	(707,958)	3,768,680
Expenses								
Food & Beverage	227,591	309,822	82,231	29,380	1,371,061	1,740,264	369,203	497,819
Facility	796,594	1,257,780	461,186	695,992	6,597,517	7,785,565	1,188,048	5,198,588
Total Expenses	1,024,185	1,567,602	543,417	725,371	7,968,578	9,525,829	1,557,251	5,696,407
Net Income (Loss) before CIP Funded Expenses	(451,142)	(528,324)	77,182	(429,367)	(3,334,686)	(4,183,978)	849,293	(1,927,727)
CIP Funded Expenses	0	0	0	45,206	7,991	0	7,991	3,981
Net Income (Loss) from Operations	(451,142)	(528,324)	77,182	(384,161)	(3,326,695)	(4,183,978)	857,284	(1,923,746)
Fixed Asset Purchases	3,588	8,333	4,745	1,564	234,261	74,997	(159,264)	25,347
Net Income (Loss) after Fixed Asset Purchases	(454,730)	(536,657)	81,928	(385,725)	(3,560,956)	(4,258,975)	698,020	(1,949,093)

Summary Of Investments

Investment Allocation



0.0%	CASH	38.44
100.0%	CASH EQUIVALENTS	5,009,889.65
100.0%	TOTAL	5,009,928.09

Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	38.44	0.00	0	0.00
CASH EQUIVALENTS	5,009,889.65	100.00	501	0.01
Total Fund	5,009,928.09	100.00	501	0.01

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	38.44	38.44	100.00
	CASH EQUIVALENTS			
	CASH MANAGEMENT			
5,009,889.65	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	5,009,889.65	5,009,889.65	100.00
	Total Fund	5,009,928.09*	5,009,928.09*	100.00*

TD116081T030922389077-00000020-006-006-1-0-0-0-0-00000044-00000



4.2
Budget Reallocation Summary
FY2022
Through March 31, 2022

Budget Reallocation Summary
 FY 2022
 Through March 31, 2022

Budget Line Item	Program Code	Year-to-Date		Budget After Reallocations	March 2022 Activity
		Original Budget	Reallocation		
Perpetuating Hawaiian Culture					
<i>From:</i>					
Hawaiian Culture Opportunity Fund	215	200,000	(150,000)	50,000	(150,000)
				-	
				-	
			(150,000)		(150,000)
<i>To:</i>					
Resort Area Hawaiian Culture Initiative	718	-	400,000	400,000	400,000
				-	
				-	
				-	
				-	
			400,000		400,000
Natural Resources					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
			-		-
Community					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
				-	

Budget Reallocation Summary
 FY 2022
 Through March 31, 2022

Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	March 2022 Activity
None			-	-	-
			-		-

4.3
Budget Statement – Summary

FY2022

As of March 31, 2022

Category	Tourism Federal Fund - ARPA [TFF]				Convention Center Federal Fund - ARPA [CCFF]			
	Fiscal Year 2022				Fiscal Year 2022			
	Budget	YTD Amount of Budget Used	Balance	Activity for March 2022	Budget	YTD Amount of Budget Used	Balance	Activity for March 2022
Revenues								
TAT Revenue Allocation			-	-			-	-
Federal ARPA Funds	60,000,000	44,274,500	15,725,500	-	11,000,000	11,000,000	-	-
Prior Year Carryover			-	-			-	-
Availability of \$5M Emergency Fund (Subject to Governor Approval)			-	-			-	-
Other			-	-			-	-
Total Revenues	60,000,000	44,274,500	15,725,500	-	11,000,000	11,000,000	-	-
Encumbrances								
Perpetuating Hawaiian Culture								
Hawaiian Culture Programs	1,815,500	-	1,815,500	-	-	-	-	-
In-House Contracted Staff - Hawaiian Culture			-	-			-	-
Subtotal	1,815,500	-	1,815,500	-	-	-	-	-
Natural Resources (Statute: \$1M minimum)								
Natural Resources Programs	665,000	-	665,000	-	-	-	-	-
In-House Contracted Staff - Natural Resources			-	-			-	-
Subtotal	665,000	-	665,000	-	-	-	-	-
Community								
Community Programs	735,500	120,000	615,500	120,000	-	-	-	-
In-House Contracted Staff - Community			-	-			-	-
Subtotal	735,500	120,000	615,500	120,000	-	-	-	-
Branding								
Branding Programs	33,563,000	29,012,396	4,550,604	1,060,186	-	-	-	-
In-House Contracted Staff - Branding			-	-			-	-
State Employee Salaries - Branding	920,222	920,222	-	-	72,958	72,958	-	-
Subtotal	34,483,222	29,932,618	4,550,604	1,060,186	72,958	72,958	-	-
Sports								
Sports Programs	4,344,889	2,344,889	2,000,000	-	-	-	-	-
Subtotal	4,344,889	2,344,889	2,000,000	-	-	-	-	-
Safety and Security								
Safety and Security Programs	900,000	1,380	898,620	-	-	-	-	-
Subtotal	900,000	1,380	898,620	-	-	-	-	-
Tourism Research								
Tourism Research Programs	60,000	-	60,000	-	-	-	-	-
In-House Contracted Staff - Tourism Research			-	-			-	-
Subtotal	60,000	-	60,000	-	-	-	-	-
Planning								
Planning Programs	2,005,200	366,158	1,639,042	66,158	-	-	-	-
In-House Contracted Staff - Planning			-	-			-	-
Subtotal	2,005,200	366,158	1,639,042	66,158	-	-	-	-
Hawai'i Convention Center								
Sales & Marketing	-	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-	-
Major Repair & Maintenance	-	-	-	-	10,415,000	-	10,415,000	-
Subtotal	-	-	-	-	10,415,000	-	10,415,000	-
Administrative (Statute: Cannot exceed 3.5% = \$2,765,000)								
Operations	999,111	191,669	807,442	138,887	-	-	-	-
In-House Contracted Staff - Admin			-	-			-	-
State Employee Salaries - Admin	1,379,778	1,179,778	200,000	-	247,042	247,042	-	-
Subtotal	2,378,889	1,371,447	1,007,442	138,887	247,042	247,042	-	-
Organizationwide Costs								
State Employee Fringe	1,110,000	1,110,000	-	-	170,000	170,000	-	-
Organization-Wide	230,000	105,000	125,000	-	95,000	-	95,000	-
Governance - Board/Others	121,800	110,416	11,384	23,435	-	-	-	-
Subtotal	1,461,800	1,325,416	136,384	23,435	265,000	170,000	95,000	-
Total Encumbrances	48,850,000	35,461,908	13,388,092	1,408,666	11,000,000	490,000	10,510,000	-
Revenues vs Encumbrances	11,150,000	8,812,592			-	10,510,000		

Category	Tourism Special Fund (TSF)				Convention Center Enterprise Special Fund (CCESF)			
	Fiscal Year 2022				Fiscal Year 2022			
Revenues								
TAT Revenue Allocation	-	-	-	-	11,000,000	11,000,000	-	-
Convention Center Revenue - Relating to FY22 (also tied to FY21 encumbrance)	-	-	-	-	-	3,057,047	(3,057,047)	468,312
Convention Center Revenue - Relating to Prior Years	-	-	-	-	-	309,454	(309,454)	30,349
Other	-	233,128	(233,128)	47,980	-	287,274	(287,274)	29,680
Total Revenues	-	233,128	(233,128)	47,980	11,000,000	14,653,775	(3,653,775)	528,341

4.4

Budget Statement

FY2022

As of March 31, 2022

Hawai'i Tourism Authority
Budget Statement
As of March 31, 2022
FY 2022

Program Code	Program Title	Budget FY22	YTD Amount of Budget Used	Remaining Balance	March 2022 Activity
<i>Tourism Federal Fund</i>					
Perpetuating Hawaiian Culture					
202	Hawaiian Culture Initiative	475,000.00	0.00	475,000.00	0.00
203	Ma'ema'e HTA	50,000.00	0.00	50,000.00	0.00
204	Market Support	50,000.00	0.00	50,000.00	0.00
214	Legacy Award Program	25,000.00	0.00	25,000.00	0.00
215	Hawaiian Culture Opportunity Fund	50,000.00	0.00	50,000.00	0.00
216	Olelo Hawaii	500,000.00	0.00	500,000.00	0.00
217	FESTPAC	250,000.00	0.00	250,000.00	0.00
297	Memberships and Dues - Hawaiian Culture	500.00	0.00	500.00	0.00
298	Travel - Hawaiian Culture	15,000.00	0.00	15,000.00	0.00
718	Resort Area Hawaiian Cultural Initiative	400,000.00	0.00	400,000.00	0.00
Subtotal	Perpetuating Hawaiian Culture	1,815,500.00	0.00	1,815,500.00	0.00
Natural Resources					
406	Visitor Impact Program	350,000.00	0.00	350,000.00	0.00
407	Hawaii Eco Tourism Association	50,000.00	0.00	50,000.00	0.00
416	Wahi Pana Series	250,000.00	0.00	250,000.00	0.00
498	Travel - Natural Resources	15,000.00	0.00	15,000.00	0.00
Subtotal	Natural Resources	665,000.00	0.00	665,000.00	0.00
Community					
702	Community Training Workshops (formerly Capacity)	500,000.00	0.00	500,000.00	0.00
797	Memberships and Dues - Community	500.00	0.00	500.00	0.00
798	Travel - Community	15,000.00	0.00	15,000.00	0.00
802	Current Workforce Development (Industry Career Dev)	100,000.00	0.00	100,000.00	0.00
803	Future Workforce Development (LEI)	120,000.00	120,000.00	0.00	120,000.00
Subtotal	Community	735,500.00	120,000.00	615,500.00	120,000.00
Branding					
004	Cruise Infrastructure Improvements and Arrival Experience	100,000.00	100,000.00	0.00	0.00
010	HTUS/HTJ Campaign Effectiveness Study	270,000.00	270,000.00	0.00	270,000.00
012	Rebranding of the Hawaiian Islands	1,000,000.00	0.00	1,000,000.00	0.00
013	Creative Agency	250,000.00	0.00	250,000.00	0.00
014	Pono Travel Tips (Kuleana Travel Messaging at NI Airports)	175,000.00	0.00	175,000.00	0.00
102	Hawai'i Tourism Summit	125,000.00	5,251.30	119,748.70	3,041.88
317	Convention Center Sales & Marketing - City Wide	2,600,000.00	2,600,000.00	0.00	0.00
318	gohawaii.com (formerly Online Website Coordination)	1,790,000.00	155,000.00	1,635,000.00	155,000.00
319	MCI MFF	850,000.00	850,000.00	0.00	0.00
321	US (formerly North America)	22,500,000.00	22,500,000.00	0.00	0.00
331	Meetings, Convention & Incentives	1,900,000.00	1,900,000.00	0.00	0.00
339	Global Digital Marketing Strategy (former Intl Online Strat)	713,000.00	200,000.00	513,000.00	200,000.00
350	Global Mkt Shared Resces (formerly Intellect Prop Data Bank)	787,000.00	395,000.00	392,000.00	395,000.00
380	Marketing Opportunity Fund	293,000.00	32,000.00	261,000.00	32,000.00
397	Memberships and Dues - Branding	160,000.00	0.00	160,000.00	0.00
398	Travel - Branding	50,000.00	5,144.26	44,855.74	5,144.26
934	State Employee Salaries - Branding	920,222.00	920,222.00	0.00	0.00
Subtotal	Branding	34,483,222.00	29,932,617.56	4,550,604.44	1,060,186.14
Sports					
312	PGA Tour Contracts	2,177,889.00	2,177,889.00	0.00	0.00
343	LPGA	500,000.00	0.00	500,000.00	0.00
378	UH Athletics Branding Partnership	167,000.00	167,000.00	0.00	0.00
379	Sports Programs - Unallocated	1,500,000.00	0.00	1,500,000.00	0.00
Subtotal	Sports	4,344,889.00	2,344,889.00	2,000,000.00	0.00
Safety and Security					
601	Visitor Assistance Programs	500,000.00	0.00	500,000.00	0.00
602	Crisis Management	100,000.00	1,380.00	98,620.00	0.00
603	Lifeguard Program	200,000.00	0.00	200,000.00	0.00
604	Preventative Programs	100,000.00	0.00	100,000.00	0.00
Subtotal	Safety and Security	900,000.00	1,380.00	898,620.00	0.00
Tourism Research					
506	Infrastructure Research (Accommodations and Airseats)	60,000.00	0.00	60,000.00	0.00
Subtotal	Tourism Research	60,000.00	0.00	60,000.00	0.00
Planning					
652	Planning Tools and Assessments	410,000.00	66,000.00	344,000.00	66,000.00
653	Hotspot Mitigation	500,000.00	0.00	500,000.00	0.00
654	Program Evaluation	500,000.00	300,000.00	200,000.00	0.00
655	Community Engagement	175,000.00	0.00	175,000.00	0.00
656	Community Tourism Collaborative	400,000.00	0.00	400,000.00	0.00
697	Memberships and Dues - Planning	3,200.00	0.00	3,200.00	0.00
698	Travel - Planning	17,000.00	158.21	16,841.79	158.21
Subtotal	Planning	2,005,200.00	366,158.21	1,639,041.79	66,158.21
Administrative					
101	Community-Industry Outreach & Public Relations Svcs	200,000.00	0.00	200,000.00	0.00
103	hawaiitourismauthority.org (formerly HTA web/Global Social)	100,000.00	73,494.64	26,505.36	73,494.64
901	General and Administrative	648,700.00	117,872.58	530,827.42	65,090.66
930	State Employee Salaries - Admin	1,379,778.00	1,179,778.00	200,000.00	0.00
998	Travel - Admin	50,411.00	301.81	50,109.19	301.81
Subtotal	Administrative	2,378,889.00	1,371,447.03	1,007,441.97	138,887.11
Governance and Org-Wide					
915	Organization-Wide	230,000.00	105,000.00	125,000.00	0.00
919	Governance - Gen Board/Others	121,800.00	110,415.53	11,384.47	23,435.29
931	State Employees Fringe	1,110,000.00	1,110,000.00	0.00	0.00
Subtotal	Governance and Org-Wide	1,461,800.00	1,325,415.53	136,384.47	23,435.29
Total	FY 2022 Funds	48,850,000.00	35,461,907.33	13,388,092.67	1,408,666.75
<i>Convention Center Federal Fund</i>					
Branding					
934	State Employee Salaries - Branding	72,958.00	72,958.00	0.00	0.00
Subtotal	Branding	72,958.00	72,958.00	0.00	0.00
Administrative					
930	State Employee Salaries - Admin	247,042.00	247,042.00	0.00	0.00
Subtotal	Administrative	247,042.00	247,042.00	0.00	0.00
Governance and Org-Wide					
915	Organization-Wide	95,000.00	0.00	95,000.00	0.00
931	State Employees Fringe	170,000.00	170,000.00	0.00	0.00
Subtotal	Governance and Org-Wide	265,000.00	170,000.00	95,000.00	0.00
HCC Repair and Maintenance					
860	HCC Repair and Maintenance	10,415,000.00	0.00	10,415,000.00	0.00
Subtotal	HCC Repair and Maintenance	10,415,000.00	0.00	10,415,000.00	0.00
Total	FY 2022 Funds	11,000,000.00	490,000.00	10,510,000.00	0.00

4.5
Budget Statement

July 31, 2021

Hawaii Tourism Authority
Budget Statement
July 1, 2021

Note: This schedule summarizes transactions that were encumbered with FY21 funds, processed by FY22 business. See further discussion in Executive Summary.

Program Code	Program Title	FY21 Funds Transactions, Processed in FY22
Perpetuating Hawaiian Culture		
201	Kukulu Ola: Living Hawaiian Cultural Prog	-
202	Hawaiian Culture Initiative	-
206	Kahea Program - Harbor Greetings	-
207	Kahea Program - Airport Greetings	-
208	Hawaiian Music and Dance Center	5,948,568
212	Merrie Monarch Hula Festival	-
215	Hawaiian Culture Opportunity Fund	99,995
216	Olelo Hawaii	-
297	Memberships and Dues - Hawaiian Culture	-
717	Monthly Music Series	-
932	Salaries - Hawaiian Culture	-
	Total - Perpetuating Hawaiian Culture	6,048,563
Natural Resources		
402	Aloha Aina (formerly NR and Leg Prov NR)	-
406	Visitor Impact Program	-
407	Hawaii Eco Tourism Association	-
499	In-House Contracted Staff - Natural Resources	-
936	State Employee Salaries - Natural Resources	-
	Total - Natural Resources	-
Community		
700	Community Opportunity	-
701	Community Enrichment Program	-
731	Community-Based Tourism - Oahu	-
732	Community-Based Tourism - Maui County	20,000
733	Community-Based Tourism - Hawaii Island	15,000
734	Community-Based Tourism - Kauai	15,000
797	Memberships and Dues - Community	-
933	State Employee Salaries - Community	-
	Total - Community	50,000
Branding		
4	Cruise Infrastructure Improvements and Arrival Experienc	-
318	gohawaii.com (formerly Online Website Coordination)	-
320	Island Chapters Staffing and Admin	-
321	US (formerly North America)	-
322	Canada	800,000
323	Japan	-
324	Korea	-
325	Oceania	-
329	China	-
331	Meetings, Convention & Incentives	-
339	Global Digital Marketing Strategy (former Intl Online Stra	-
350	Global Mkt Shared Resces (formerly Intellect Prop Data B	-
380	Marketing Opportunity Fund	-
397	Memberships and Dues - Branding	-
398	Travel - Branding	-
723	Hawaii Film Office Partnership	-
934	State Employee Salaries - Branding	-
	Total - Branding	800,000
Sports		
312	PGA Tour Contracts	-
377	Polynesian Football HoF	-
378	UH Athletics Branding Partnership	-
384	Football	-
	Total - Sports	-
Safety and Security		
601	Visitor Assistance Programs	55,000
602	Crisis Management	-
	Total - Safety and Security	55,000

Hawaii Tourism Authority
Budget Statement
July 1, 2021

Tourism Research		
505	Est of Visitor Arrivals by Country by Month	-
506	Infrastructure Research (Accomodations and Airseats)	-
512	Visitor Arrivals and Departure Surveys	(390,082)
513	Evaluation and Performance Studies	-
514	Marketing Research	-
597	Memberships and Dues - Research	-
935	State Employee Salaries - Research	-
	Total - Tourism Research	(390,082)
Administrative		
101	Community-Industry Outreach & Public Relations Svcs	200,000
103	hawaiitourismauthority.org (formerly HTA web/Global Sc	-
901	General and Administrative	-
909	Protocol Fund	-
930	State Employee Salaries - Admin	-
	Total - Administrative	200,000
Governance and Organization-Wide		
915	Organization-Wide	-
919	Governance - Gen Board/Others	-
931	State Employees Fringe	-
	Total - Governance and Organization-Wide	-
	Total	6,763,481

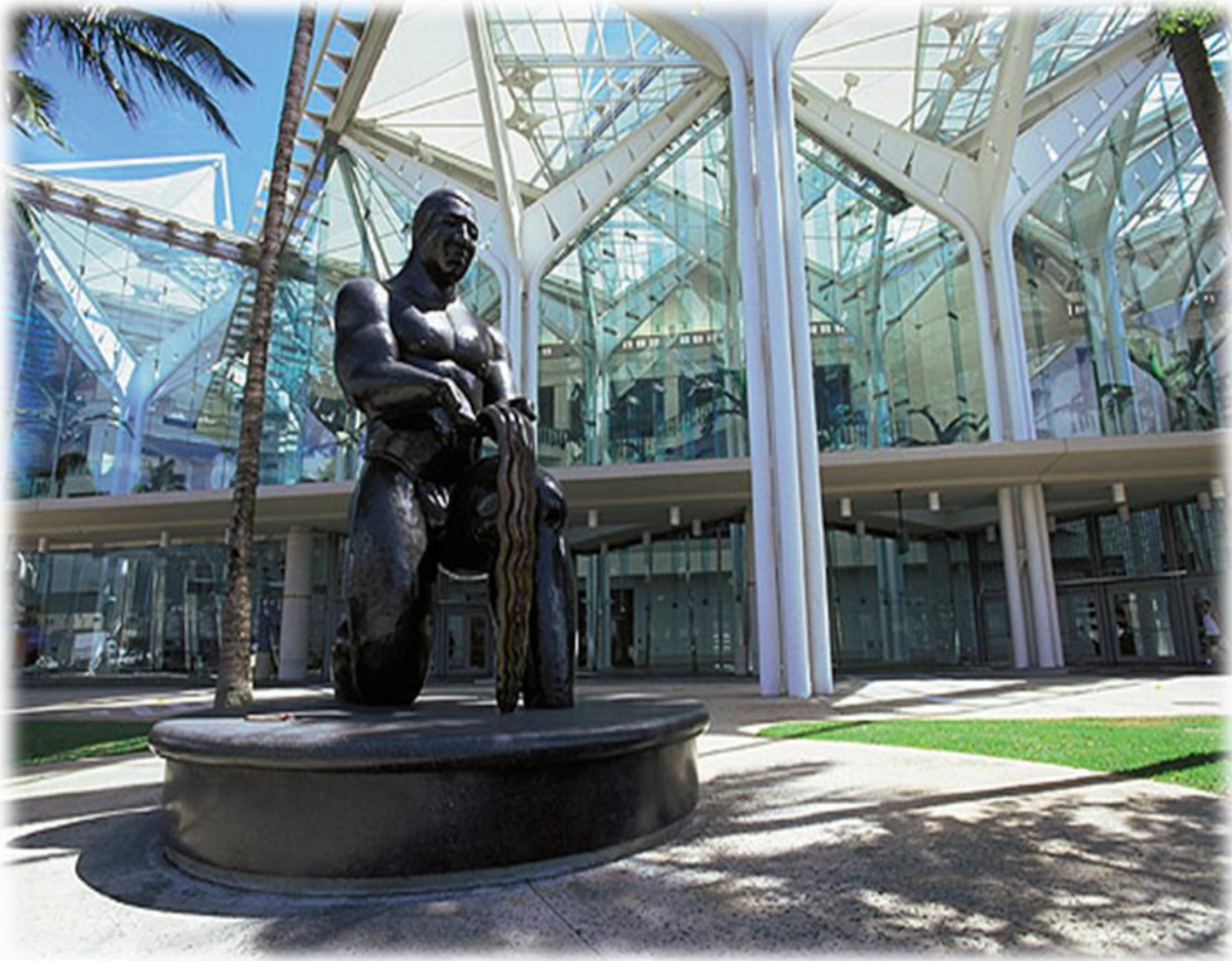
Convention Center Enterprise Special Fund:

Branding		
934	State Employee Salaries - Branding	-
	Total - Branding	-
Administrative		
930	State Employee Salaries - Admin	-
	Total - Administrative	-
HCC Operations		
850	HCC Operating Expense	13,186,400
860	HCC Repair and Maintenance	20,960,600
870	HCC Sales and Marketing / MFF	-
871	HCC Local Sales	533,000
	Total - HCC Operations	34,680,000
Governance and Organization-Wide		
915	Organization-Wide	-
931	State Employees Fringe	-
	Total - Governance and Organization-Wide	-
	Total CCESF	34,680,000

5

Presentation, Discussion and Action on the
Hawai'i Convention Center's
March Financial Report and
Update on the Hawaii Convention Center's
6-Year CIP Plan

Hawai'i Convention Center



*April 2022
Update*

Financial Update

	March YTD Actual	FY 2022 Reforecast	FY 2022 Budget	Variance	CY 2019 Actual
Contracted Room Nights	9,585	17,577	31,181*	(13,604)	132,104
Facility Occupancy	30%	28%	20%	8%	32%
Facility Number of Events	155	203	100	103	238
Facility Gross Revenue	\$4,633,900	\$6,600,800	\$7,701,500	(\$1,100,700)	\$16,866,900
Facility Gross Expenses	\$8,194,900	\$11,808,700	\$13,218,900	\$1,410,200	\$17,649,200
Facility Net Loss	(\$3,561,000)	(\$5,207,900)	(\$5,517,400)	\$309,500	(\$782,300)
S&M Gross Expenses	(\$339,500)	(\$533,000)	(\$533,000)	\$0	(\$5,315,00)
HCC Net Loss	(\$3,900,500)	(\$5,740,900)	(\$6,050,400)	\$309,500	(\$6,097,300)

Hawai'i Convention Center

- Impact to HCC in FY22, cancellations and lost revenue impact
 - 2 associations - \$238k in lost revenue, 30,806 lost room nights
 - 3 city-wide corporate event - \$373k in lost revenue, 3,830 lost room nights (Best Western moved to 2023, 7,110 room nights)
 - 32 local events - \$1.65M in lost revenue
- Positive note, business on the books in remainder of FY22
 - 48 Definite events, including 2 city-wide events
 - 2 First Option events

As of March 25th, all restrictions lifted (staff mask mandate in place until April 1st)

Recent Events @ Hawai'i Convention Center

- Association for Asian Studies (Citywide), March 24-27, (3,200 attendees)
- Hawai'i Hotel & Restaurant Show, March 30-31 (2,000 attendees)
- UH College of Engineering Annual Banquet, April 14 (800 attendees)



Definite Local Bookings (FY22)

Month	# of Definite Bookings
April 2022	18
May 2022	14
June 2022	14

Tentative Local Bookings for Next 3 Months

Start Date	End Date	Event Name	Forecast Attendance
05/14/22	05/14/22	Hawaiian Republican Party Convention and Banquet	350
06/06/22	06/07/22	HTJ Japan Summit	250
07/15/22	07/20/22	PSI Seminars	100
07/29/22	07/30/22	Hawaii Home Buyers & Remodeling Expo 2022	1,000
07/29/22	07/31/22	Aloha Region Friendship Tournament	2,000
07/30/22	07/30/22	Na Hoku Hanohano Awards	1,000

Upcoming Local/Citywide Events

- Hawai'i Prayer Breakfast (April 29), 1,000 attendees
- **MRS Spring Meeting 2022 (May 6-13), 4000 attendees (CW)**
- Damien Memorial School Commencement (May 20), 1500 attendees
- James Campbell High School Graduation (May 21), 2100 attendees
- Hawaii Technology Academy Commencement, (May 25), 1600 attendees
- **Jump Dance Convention 2022 (May 27-29), 1500 attendees (CW)**
- Na Kupuna Nights (May 28), 400 attendees

Advertising/PR

36 | PACIFIC BUSINESS NEWS

SPECIAL REPORT HOSPITALITY

FIVE QUESTIONS WITH ...

TERI ORTON

PRN recently checked in with the Hawaii Convention Center's general manager to chat about current operations and future trends.

BY CHRISTINA O'CONNOR | coconnor@bizjournals.com

While the Hawaii Convention Center has remained open throughout the pandemic, capacity limits and restrictions on gatherings meant that much of its traditional business was put on hold over the past two years.

Now, with the last Covid-related restrictions lifted last month, more typical activity is returning to the Center. Earlier this week, for instance, it hosted the Hawaii Hotel & Restaurant Show, and popular events including Kawaii Kon and the Joy of Sake are slated to return later this spring. The upcoming "Monet: The Immersive Experience" exhibit is expected to attract tens of thousands during its six-week run. Dozens of other events – conferences, banquets, graduations and more – are scheduled for the remainder of the year.

PRN recently checked in with Teri Orton, general manager of the Hawaii Convention Center, which is managed by ASM Global, to discuss current operations, industry trends, and the impacts of Covid-19.

What kind of demand are you seeing right now for bookings? How is the number of events trending now versus pre-Covid? We are still recovering. With the latest round of restrictions ending in March, event organizers can plan with additional confidence. Our citywide meetings require a longer lead time than many local events, so we are now seeing many of those local gatherings that were postponed over the past two years. We are slowly seeing an increase in bookings in the next few months but not the same rate as pre-pandemic years.

How many staff members do you have currently? What is Center's strategy in attracting and retaining employees? We have roughly 120 team members at the Center and are actively recruiting across our departments. With fewer events during the pandemic, we responded by working with each employee to adjust work schedules and allowing key staff to work from home. It wasn't feasible to operate with a full staff, but we have worked to invite employees back as restrictions eased and demand for events has returned.

We are working on educating prospective employees about the many benefits of joining our team. We recently created a video introducing the wide variety of careers at the Center, which is available on our website, and are reaching out to former employees who were let go. The Center has always operated with a strong sense of ohana, and our employees value that. We have recently filled several key positions, including welcoming Hector Morales as our new executive chef.

Many people have discovered the ease and convenience of virtual meetings and events during the pandemic. How do you think this will affect Hawaii Convention Center moving forward? We understand that there will continue to be guests who do not feel comfortable or cannot travel for gatherings. During the pandemic we launched virtual meetings packages that allow event organizers to seamlessly integrate virtual elements into their gatherings. This full array of turnkey video-production services includes professionally coordinated pre-recording management, webinar and livestream production, and hybrid meeting design and execution across a variety of popular virtual platforms.

How, if at all, do you feel the pandemic has changed meetings and conventions? What will be the long-term impacts of Covid on meetings and conventions? There will be a continued integration of virtual elements into meetings, as well as an emphasis on health and safety measures. We will keep our hand-sanitization stations and individual grab-and-go food and beverage options, and work with each event organizer to implement protocols that fit their needs.

When we gather in person, we get more done and make deeper connections, so we see a strong desire for meetings and events, especially in places like Hawaii. You cannot beat our aloha spirit, cultural diversity, business community and geographic convenience between east and west.

Overall, what is your current outlook for the future? What we have learned throughout the Covid-19 pandemic is that we need to be flexible and prepared for anything. We are cautiously optimistic about the return of citywide meetings, as well as an especially strong near-future outlook for local gatherings.

APRIL 1-7, 2022 | 37



COURTESY CAMERON BROOKS | HAWAII CONVENTION CENTER



Meetings. Conventions. And Everything in Between

From meetings and tradeshows to sports tournaments, book your next event at the Hawai'i Convention Center.

Contact us at info@bccasm.com or visit hawaii.convention.com

HAWAII CONVENTION CENTER
Where Business and Aloha Meet

GBAC
2021

Star Advertiser
Tuesday, March 29, 2022 | Today's Paper | 72

Advertisement
Ads by Google
Stop seeing this ad Why this ad?

HAWAII NEWS

Hawai'i Hotel & Restaurant Show is among the first local events to return to Hawai'i Convention Center

By Allison Schaeffers March 27, 2022



Star Advertiser,
HRS feature article

Pacific Business News
Q&A Feature

½ Ad Pacific Business News
Upcoming placement dates: May 13 and 27

Repair and Maintenance Projects Update

Repair & Maintenance Projects

6-Year Plan (page 1)

Project #	Project Title	Estimated Project Cost	Prior Fiscal, incl FY22 to date	Remaining FY22	FY23	FY24	FY25	FY26	FY27	Total
001	Rooftop Terrace Deck Repair	\$ 64,000,000	\$ -	\$ -	\$64,000,000					\$ 64,000,000
002	Rooftop Terrace Deck Repair, Planning - 2018, 2020	\$ 340,208	\$ 325,252	\$ 14,956						\$ 340,208
003	Building Envelope Repairs (Kalākaua Kitchen, 3rd fl planters, exterior painting)	\$ 18,631,604	\$ 249,216	\$ 8,195,111	\$10,192,832					\$ 18,637,159
007	Kitchen Hood Control Panel and Fire Suppression	\$ 1,102,366	\$ 32,299	\$ 557,944	\$ 512,123					\$ 1,102,366
008	F&B Refrigerator, 3rd floor (#348) Replacement	\$ 319,004	\$ 14,047	\$ -	\$ -	\$ -	\$ 304,957			\$ 319,004
009	Slate Tile Repair	\$ 2,142,108	\$ 12,963	\$ 1,065,256	\$ 1,063,888					\$ 2,142,107
010	Chiller Replacement	\$ 4,363,870	\$ 16,051	\$ 15,674	\$ 4,332,145					\$ 4,363,870
	Chiller Replacement	\$ 275,000	\$ 13,247	\$ 261,753						\$ 275,000
011	Ballroom Gutter, Foyer Transom Glass Repair and Soffit Repair	\$ 10,635,599	\$ 25,873	\$ 2,605,661	\$ 8,004,065					\$ 10,635,599
012	Parapet Roof Repairs	\$ 2,959,559	\$ -	\$ -	\$ 2,959,559					\$ 2,959,559
	Parapet Roof Repairs	\$ 45,000	\$ 10,404	\$ 34,596						\$ 45,000
013	Ballroom Roof Repairs	\$ 2,143,187	\$ 6,712	\$ 1,330,429	\$ 806,046					\$ 2,143,187
014	Lobby Water Feature	\$ 1,035,800	\$ 1,985	\$ -	\$ -	\$ 253,946	\$ 779,869			\$ 1,035,800
015	House Sound Audio System Upgrade	\$ 1,344,650	\$ 9,183	\$ -	\$ 1,335,467					\$ 1,344,650
016	Camera, NVR and Access Control	\$ 1,998,341	\$ 1,185,551	\$ 812,790						\$ 1,998,341
017	Trellis Replacement	\$ 5,000,000	\$ 4,102,434	\$ 897,566						\$ 5,000,000
022	Chill Water Pipe Reinsulation	\$ 250,000	\$ -	\$ 250,000						\$ 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	\$ 450,000	\$ -	\$ 450,000						\$ 450,000
026	IT Network Upgrades	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000				\$ 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

Repair & Maintenance Projects

6-Year Plan (page 2)

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	\$ 1,013,271	\$ 1,985	\$ -	\$ -	\$ 1,011,286				\$ 1,013,271
035	Stairwell 5 and 6 Repair	\$ 1,189,205	\$ 15,930	\$ 25,000	\$ 1,148,275					\$ 1,189,205
036	Water Intrusion Remediation	\$ 400,000	\$ 10,106	\$ 389,894						\$ 400,000
037	Exterior Security Camera Upgrade	\$ 150,000	\$ -	\$ 150,000						\$ 150,000
039	Leak Repairs - January 2022	\$ 170,000	\$ -	\$ 170,000						\$ 170,000
040	Exterior Planter Repair	\$ 2,313,660	\$ -	\$ -		\$ 2,313,660				\$ 2,313,660
041	Children's Courtyard Repair	\$ 250,000	\$ -	\$ -		\$ 250,000				\$ 250,000
042	Kahakai/Atkins Drywell Rehabilitation	\$ 250,000	\$ -	\$ -				\$ 250,000		\$ 250,000
043	Air Handler Unit 9 and 10 Replacement	\$ 300,000	\$ -	\$ -				\$ 300,000		\$ 300,000
044	Fire Sprinkler Line Refurbishment	\$ 270,000	\$ -	\$ -				\$ 70,000	\$ 100,000	\$ 170,000
045	Escalator and Elevator Refurbishment	\$ 1,000,000	\$ -	\$ -				\$ 200,000	\$ 200,000	\$ 400,000
046	LED Light Upgrade	\$ 1,700,000	\$ -	\$ -		\$ 500,000	\$ 200,000	\$ 500,000	\$ 500,000	\$ 1,700,000
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	\$ 300,000	\$ -	\$ -	\$ 300,000					\$ 300,000
050	Main Kitchen Flooring Replacement	\$ 2,000,000	\$ -	\$ -					\$ 2,000,000	\$ 2,000,000
051	PBX System Replacement	\$ 50,000	\$ -	\$ -				\$ 50,000		\$ 50,000
052	Ride-on Sweeper Replacement	\$ 55,000	\$ -	\$ -	\$ 55,000					\$ 55,000
053	Forklift	\$ 25,000	\$ -	\$ -		\$ 25,000				\$ 25,000
054	Boardroom Upgrade	\$ 1,000,000	\$ -	\$ -			\$ 1,000,000			\$ 1,000,000
055	Elevator #2 Upgrade	\$ 250,000	\$ -	\$ -		\$ 250,000				\$ 250,000
056	Lobby Glass Panels	\$ 120,000	\$ -	\$ 16,000	\$ 104,000					\$ 120,000
	GRAND TOTAL	\$ 136,142,432	\$ 6,057,049	\$17,443,974	\$95,413,400	\$ 5,228,892	\$ 6,409,671	\$ 2,095,000	\$ 2,800,000	\$ 135,447,986

Repair & Maintenance Projects

ARPA Funding

- *Stairwell 5 and 6 Repairs; \$1,189,205; Qtr end June 2023*
- *Chiller Replacement; \$4,363,870; Qtr end Sept 2023*
- *Parapet Roof Repairs; \$2,959,559; Qtr end June 2023*
- *Kitchen Hood Control Panel and Fire Suppression Upgrade; \$1,102,366; Qtr end Dec 2022*
- *Ballroom and Meeting Room Wallpaper Replacement; \$450,000, Qtr end Dec 2022*
- *Air Wall Repairs; \$400,000, Qtr end Dec 2022*

- *TOTAL: \$10,465,000*

Repair & Maintenance Projects Completed

- *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, \$720k, completed 2021*
- *Emergency Generator Repairs, \$32k, completed 2021*
- *Window Repairs – Vandalism, \$177k, completed 2021*
- *Leak Repairs – December 2021 / January 2022, \$396k, completed 2022*



Mahalo Nui Loa