



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

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

HĀLĀWAI KELEKA'A'IKE
VIRTUAL MEETING

17 Mei 2024, 9:30 a.m.
May 17, 2024, 9:30 a.m.

E ho'olele 'iwa'ia ka hālāwai ma o ka Zoom. Meeting will be live streaming via Zoom.

<https://us06web.zoom.us/j/87494538322>

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

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

Kelepona / Call In: 16469313860
Helu Hālāwai / Webinar ID: 874 9453 8322

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

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

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

Written testimony received ahead of the preparation of the committee packet will be included in the packet. Email written testimony to Carole Hagihara-Loo at Carole@gohta.net or hand-deliver or send via postal mail to the Hawaii Tourism Authority office, 1801 Kalākaua Avenue, 1st Floor, Honolulu, HI 96815. Written testimony received after the issuance of the committee packet (two business days prior to the meeting) will be distributed to the committee.

AGENDA

1. *Ho'omaka a Wehena*
Call to Order and Opening Protocol
2. *Kikolā*
Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic
3. *'Āpono Mo'olelo Hālāwai*
Approval of Minutes of the April 22, 2024, Budget, Finance, and Convention Center Standing Committee Meeting
4. *Noi, Hō'ike'ike, Kūkā, a Hana no ko ke Ke'ena Kuleana Ho'okipa o Hawai'i Mo'olelo Kālā no 'Apelila 2024*
Motion, Presentation, Discussion, and Action on the Hawai'i Tourism Authority (HTA's) April 2024 Financial Report; Recommend Approval
5. *Noi, Hō'ike'ike, Kūkā a Ki'ina Hana no ko ke Kikowaena Hālāwai o Hawai'i Palapala Hō'ike Kālā no 'Apelila 2024 a me ka 'Ikepili Hou ma ko ke Kikowaena Hālāwai o Hawai'i Papahana Ho'oponopono me ka Mālama 'Ana no 6 Makahiki*
Motion, Presentation, Discussion, and Action on the Hawai'i Convention Center's April 2024 Financial Report and Update on the Hawai'i Convention Center's 6-Year Repair and Maintenance Plan; Recommend Approval
6. *Noi, Hō'ike'ike, Kūkā a Ki'ina Hana no ka Ho'omāhele Hou 'Ana O Ka Mo'ohelu Kālā FY24*
Motion, Presentation, Discussion, and Action on Fiscal Year 2024 Budget Reallocations
7. *Noi, Hō'ike'ike, Kūkā a Ki'ina Hana no ka Mo'ohelu Kālā Hana FY25*
Motion, Presentation, Discussion, and Action on Fiscal Year 2025 Hawai'i Tourism Authority Operating Budget
8. *Ho'oku'u*
Adjournment

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

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

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

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

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

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

3

Approval of Minutes of the April 22, 2024, Budget, Finance, and Convention Center Standing Committee Meeting



**BUDGET, FINANCE, AND CONVENTION CENTER STANDING COMMITTEE MEETING
HAWAII TOURISM AUTHORITY
Thursday, April 22, 2024, at 2:30 p.m.**

Virtual Meeting

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

MEMBERS PRESENT:	David Arakawa (Chair), Jame McCully, Blaine Miyasato, James Tokioka (Ex Officio, DBEDT Director), Mike White
MEMBERS NOT PRESENT:	Kimberly Agas (Vice-Chair)
HTA STAFF PRESENT:	Isaac Choy, Tallon Kishi, Maka Casson-Fisher
GUESTS:	Teri Orton, Tom Mullen, Lynn Whitehead
LEGAL COUNSEL:	John Cole

1. Call to Order and Opening Protocol

Chair Arakawa called the meeting to order at 2:31 p.m. Mr. Casson-Fisher did the Opening Protocol.

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

Mr. Kishi did the roll call. All confirmed in attendance and that they were alone. Ms. Agas was excused.

3. Approval of Minutes of the March 21, 2024, Budget, Finance, and Convention Center Standing Committee Meeting

Chair Arakawa proposed to make a change on page 6 of the minutes, where it read, "Mr. Nāho'opi'i and Chair Arakawa had met with the relevant committee chairs to discuss the budget, and they had also answered questions from both House and Senate regarding

projects and positions,” from Chair Arakawa to Chair Hannemann. There are no public comments or discussions from the committee members. Chair Arakawa made a motion to approve the minutes with the proposed revision. Mr. Kishi conducted the roll call, and the motion passed unanimously.

4. Motion, Presentation, Discussion, and Action on the Hawai'i Tourism Authority (HTA's) March 2024 Financial Report; Recommend Approval

Chair Arakawa proposed a motion to recommend approval of the HTA's March 2024 Financial Report, and Mr. McCully seconded.

Mr. Choy presented a detailed financial statement and informed the Committee that two additional columns had been added, headed “Roof Project” and “Roof Repairs.” The Convention Center Roof Project had now commenced, and Board members would be able to keep a running tally of expenditures. A portion of the \$15 million bond had been liquidated to provide the \$1.2 million fee for the consultants now participating in frequent meetings to produce a schematic design and working plans. The Board would be informed each month of the amount spent.

Mr. Choy pointed out that there were two separate financial statements, one for the month of March 2024 and the other for the fiscal year 2024 to date (YTD). The expenses were in line with three-quarters of the year. Encumbrances were recorded at the base of the statement since some expenses had not yet been executed. \$26 million in general funds was encumbered; out of the restricted Tourism Special Fund, half was encumbered and half unencumbered. Subsequent pages showed the revenue that had been generated and the amount that was still owed. The notes gave some necessary explanations.

Mr. Kishi referred committee members to the Tourism Emergency Special Fund summary on pages 8 and 9. This showed that about \$982,000 remained to be spent from the TESH. Out of the \$5 million that had been approved, \$4.2 million had been expended as of March 31, 2024. Mr. Kishi stated that he was responsible for cutting checks for this \$5 million from the HTA account, and it was important to report these expenses to the Board for oversight since the usual process did not occur.

Mr. McCully asked whether a Gantt chart would be developed for the HCC Roof Project. He reminded the Committee that this chart was a visual schematic of the project schedule. This was to be discussed during Agenda Item 7b.

Dir. Tokioka referred to Agenda Item 10 regarding the Tourism Emergency Special Fund and asked whether a more detailed breakdown of expenditure was available.

Mr. Nāho'opī'i stated that the CEO's Report to the regular monthly Board meeting gave an update on the vendor for each contract and the nature of their program, and he could send this to Dir. Tokioka at once. During the previous Budget and Finance Committee meeting, Dir. Tokioka had asked for details of the cost of the Mākaukau commercial. This information had been included in the CEO's report at the previous Board meeting, and the total cost, including filming, design, programming time, and so on, was \$300,000.

Dir. Tokioka commented that this campaign was not geared toward mainland travel but mainly aimed at local confidence and messaging. He was informed that despite this, it had been used by the travel trade for information. It resonated well at the U.S. Leadership Forum for Travel Weekly travel agents and was to be included in their tool kit. However

Dir. Tokioka explained that hotel operators on Maui had complained to him about the dismal level of bookings for this year and had asked how the emergency money had been spent. People who had been lodged in hotels were now being moved into vacation rentals, leaving many hotel vacancies. He asked whether other marketing strategies, such as reduced rates from airlines and hotels, were being considered, which would bring local people to Maui.

Chair Arakawa responded that investing money to encourage locals to vacation in Maui had not been part of the emergency plan, although it did relate to the emergency appropriations. Mr. Nāho'opī'i also stated that encouraging residents to take local vacations on Maui had not been part of the Mākaukau Maui plan or the U.S. Canada emergency marketing funds. There were some limitations on the spending of the emergency funds, but he would refer this idea to the Branding Committee for the attention of its Chair and follow up on these limitations with Dir. Tokioka. Existing assets or additional funds could be used, but the emergency plan study had not identified local vacations as a target.

In general, Dir. Tokioka had hoped for an update for West Maui because their level of reservations was low. Mr. Nāho'opī'i responded that there would be an update on U.S. marketing at the full Board meeting in three days.

Chair Arakawa thanked Dir. Tokioka for his suggestion and stated that it would be a good reference for the future. Any emergency program should look at returning tourism to the area, even if it were only local people for a "staycation."

Mr. Miyasato pointed out that this discussion had already taken place at meetings of the Branding Standing Committee and the full Board, and there had been enough time for feedback. The airlines and the car rental companies had reduced their rates, but the hotel

operators had been unwilling to reduce their tariffs. People were unwilling to pay hotel rates of \$400 to \$500 for a “staycation.”

Chair Arakawa could not recall a decision not to support local tourism on Maui. The idea had fallen flat because the local partners were unwilling to cooperate. Mr. Nāho‘opi‘i noted that this had not been recommended as a plausible solution by the consultants for the emergency recovery plan. Spending had been driven by the consultants’ recommendation and Board approval. Chair Arakawa repeated that this could be considered in the future.

Dir. Tokioka agreed with all of Mr. Miyasato’s comments and pointed out that if it were true that the Maui hotels were unwilling to discount their rooms, the Board and the Chair of the Branding Committee could raise this with them.

Mr. Miyasato agreed with Dir. Tokioka it was difficult to achieve consensus around the measures to be taken. Dir. Tokioka pointed out that if properties complained about low booking volumes, they might have considered reducing their rates to increase their occupancy.

Mr. White had been aware that there was hesitancy in hotels because their staffing levels were low. They had been reluctant to lower their rates to drive business when FEMA and other agencies paid them full rates. The height of the rates created an occupancy issue.

Mr. McCully pointed out that whenever there had been disruption in a market, it would take time for equilibrium to be reestablished. Different sectors like airfares, car rentals, and accommodation would find their own levels of pricing based on supply and demand and the elasticity of the market, especially for local people. It was difficult for the government or a quasi-governmental agency like the HTA to control or affect such market changes.

Mr. Kishi conducted the roll call vote, and the motion was carried unanimously.

Chair Arakawa led an additional discussion as a follow-up to a question at a previous meeting about how the present year’s budget had been formulated and which adjustments had been made. Mr. Kishi had prepared a detailed account of all the present contracts covered by the FY24 Tourism General Fund budget. An additional document showed how adjustments to the original budget had been made.

In May 2023, the Board approved a \$64 million budget, but the Governor later approved a budget of \$60 million. This meant that the FY24 budget started at \$4 million over budget. After the Maui wildfires, the Board presented an incremental budget request, and other adjustments were made to rebalance the budget to support originally approved contracts.

For instance, \$600,000 was reallocated to branding to support the U.S. MMA contract, \$916,000 was reallocated to destination management to support the Kilohana contract with the CNHA, and \$787,000 was reallocated to the HCC to support the MCI marketing contract.

Mr. McCully asked whether, when funds were reallocated, they would still have the same account code. Mr. Kishi replied that this would probably be the case up to the end of the fiscal year. Mr. McCully pointed out that most Kilohana contracts under destination management are related to perpetuating Hawai'i culture rather than branding. They are also concerned with communicating tourism for Maui, Hawai'i Island, and Kaua'i, as in line items 732, 733, and 734, totaling \$1.2 million. Mr. Kishi replied that funds had been reallocated from DMAP contracts to destination management and had originally been budgeted for implementation but had since been allocated to support the current Kilohana contract with the CNHA.

Chair Arakawa suggested that Mr. McCully might email specific questions to the Committee so that Mr. Kishi could provide detailed information at Board or Budget and Finance Committee meetings. Mr. Ka'anā'anā clarified that the DMAP implementation contract was fully funded and encumbered, so the reallocations presented at the meeting had no material impact on existing DMAP contracts across the State.

Chair Arakawa requested that at subsequent Budget and Finance or Board meetings, more details should be given about the following destination management line items: \$1 million for the Ho'okipa program, \$1.4 million for hotspot mitigation, and \$1.4 million for the community set program.

Mr. Nāho'opi'i stated that funds that had been allocated for those line items were being used for the stated purpose. Originally, funds were allocated for the Ho'okipa Malihini Initiative airport, harbor greetings, and the Hawai'i culture initiative. The Resort Area Hawai'i Culture initiative program was included in Kilohana's contract but had been split up into separate components to facilitate work. Kilohana's contract encompassed multiple line items, given their scope, and airport greeting was a direct contract with DOT, while a different provider supplied the harbor side. Kilohana's scope was so broad and diverse, encompassing seven or eight different areas, that its contract had been broken up into specific sectors to keep track of expenditure.

Chair Arakawa thanked Mr. Nāho'opi'i for this explanation. Mr. Kishi promised to provide further detailed explanations at subsequent meetings.

Mr. Nāho'opi'i explained that in the broad section of destination management and Hawai'i culture, budget reallocations were intended to realign within the scope of Kilohana's

contract. Many of the reallocations aimed to clarify line items without material changes in the use of the funds.

Chair Arakawa appreciated the flexibility of the HTA budgeting system but hoped that if a more detailed standard were applied, there would not be issues. It was important for the Board to give its approval based on presentations requesting changes.

Dir. Tokioka was grateful for the detailed outline and believed that Mr. Miyasato, McCully, and White, who had been on the Board for longer than he had, would have greater knowledge of the various programs and their purposes. He asked whether Mr. Ka'anā'anā or Mr. Nāho'opi'i would explain the line-by-line breakdown to interested members. Mr. Nāho'opi'i responded that he had a Marketing and Management Plan with details of each program and could set up a time to review these. He stated that before the FY25 budget was voted, the programs would be reviewed once more.

Previous practice had been to go over the items, as well as a review of the present year's budget, with two Board members at a time because of the Sunshine Law. In the past, such questions were raised and answered during two-by-two meetings or sometimes with the full Board, but because individual contracts were being discussed, issues concerning the confidentiality of specific contracts might be involved. This would be a topic for future discussion. It was important for Board members to understand which programs were supported and how the money was being spent.

Mr. Nāho'opi'i stated that the process for this year had not yet been determined. All major committees took part in budget preparation. For instance, the Branding Committee had to prepare a marketing plan to guide decision-making. It would be necessary to determine a process for reaching out to each Board member to brief them on the details of each program.

Mr. Miyasato pointed out that the budget was a planning tool that started within the Branding Committee and built from there upwards. The end product would be the two-by-two meetings, at the end of which there would be an approved budget.

A white paper approach should be taken to budgeting, passing through committees, and vetting to the full Board. This process began in June, and Form A was to be submitted to the administration in August.

Mr. McCully stated that as head of a Permitted Interaction Group, he had looked into the exemptions to the Sunshine Law and noted that one of these applied if a department head was present when administrative matters, such as the budget, were being discussed. This

would apply if Dir. Tokioka was present in a meeting. Chair Arakawa stated that this suggestion should be submitted to Mr. Cole for an opinion. Sunshine Law exemptions included meetings with the Governor and the department head. The legislature had decided that as Department Head, Dir. Tokioka must be a member of the Board. All members could attend discussions of administrative matters relating to the budget and employment. Mr. Cole promised to update the Board while adding that much of the HTA's budget was assigned to particular contracts due to policy decisions.

Mr. Kishi informed the Committee that he had included a budget statement for Year to Date (YTD) amounts relating to each budget line item (BLI) detailing the different contracts concerned. This was based on the budget adjustment presented in the adjustment summary, but Mr. Kishi promised to explain more detailed budget adjustments before they were approved.

Chair Arakawa thanked Mr. Kishi for putting together this information, which enabled a robust discussion, and looked forward to the next meeting when the additional information requested would be available. The present budget had been complicated because a \$64 million budget was first planned, then reduced to \$60 by the Governor, and then incremental finances were requested in response to the Maui wildfires, all of which necessitated several rounds of adjustments.

5. Motion, Presentation, Discussion, and Action on the Hawai'i Convention Center's March 2024 Report and Update on the Hawai'i Convention Center's 6-Year CIP Plan; Recommend Approval

Chair Arakawa proposed a motion to recommend approval of the HCC's March 2024 Report and Update on the HCC's 6-Year CIP Plan, and Mr. McCully seconded the motion.

Ms. Orton, the General Manager of the HCC, gave the presentation, which began with a detailed financial breakdown. March had been a busy month with a full calendar, including a Citywide Event, the NDIA Pacific Operational Science and Technology Conference. In addition, there were 28 local events, including the Honolulu Festival, with over 24,000 participants, and Kawaii Kon, with 20,000 participants.

The total facility revenue for March was more than \$2.1 million due to many large events with income from food and beverages. This revenue was \$711,800 more than budgeted, giving a net income of \$91,300, \$490,300 better than budgeted. March 2024 was the sixth month of this fiscal year with a positive bottom line. The fiscal year ending on June 30 was expected to end with a gross revenue of \$26 million, including \$1.5 million in interest, giving a net income of \$923,000. This contrasted with the gross budgeted revenue of \$18.5 million and a net loss of \$5.3 million. This fiscal year was expected to be the highest-grossing year

since the opening of the Convention Center, even if the income from interest was discounted.

Citywide events had been important in this good result, and Ms. Orton presented data showing a return on investment (ROI) of \$12.84 from the 13 Citywide events hosted in the Convention Center between July 2023 and March 2024. The total 21 Citywide events during FY24 were expected to bring in more than 116,000 contracted room nights and 60,500 participants, generating nearly \$400 million in economic impact and \$45 million in tax income (transient accommodations tax, TAT). Congratulations were due to the HVCB and Convention Center teams for their hard work in servicing these events.

Ms. Orton mentioned some recent events, such as the Paradise Tournament Series, a volleyball tournament held from April 6 to 7 with 1,500 participants, the Hapalua Marathon Registration, held from April 11 to 13 with 7,000 participants, and the American Association of Geographers, a Citywide event held from April 13 to 20 with 8,500 participants.

Some of the upcoming events were Chopsticks & Wine, April 25 with 1,000 participants; a basketball tournament at the end of April with 1,200 participants; the 2024 American Income Life Annual Convention, a Citywide event from April 28 to May 5 with 3,000 participants; and Jump Hawai'i 2024, a cheerleading event, from May 10 to 12 with 1,500 participants.

The HCC Carbon Offset program financed the planting of nearly 300 trees and offset 291 metric tons of carbon dioxide (CO₂).

Ms. Orton shared a positive news article about the Convention Center and reminded the Committee of the special Mothers' Day Brunch on Saturday, May 11.

Mr. Choy informed the Committee that the 2025 budget for the Convention Center would be discussed at the next meeting of the Budget and Finance Committee.

In response to a question about the roof project, Chair Arakawa was informed that this was separate from the other replacement projects of the Convention Center.

Ms. Tait gave the Committee an update on maintenance and repair projects, noting that the roof project's project management and design teams had already begun holding weekly meetings. The Gantt chart for the project will be shared later in the presentation.

The chiller replacement was 50% completed, and the presentation included photos of the new chillers being installed. There had been an upgrade in soft goods with new rugs around the building, introducing color and design.

The contractor for the exterior painting project had begun putting up samples for review and selection. The HCC director of engineering had been certified as a Trainer for Reach Master high-lifts. The Center operated the only Reach Master in the State and could train staff and contractors to use this device around the building. It was to be used for the exterior painting project.

Architects Hawai'i, an investigative team, had been examining the leaks caused by the transom glass and sails above the lobby. The operations team had worked on presenting new signage for native plants around the building. Students from two local high schools had visited the center and were introduced to engineering and project management during tours led by the project management company Cumming, and discussions led by JCI, the company conducting the chiller replacement project.

Ms. Tait provided a list of current repair and maintenance projects. She informed the Committee that the team was actively looking into adding solar panels to reduce energy costs. Color selection for the exterior painting was in the process of finalization and work would begin on the project after FestPAC in mid-June. The final two units of the new chiller were to be installed in mid-May. Demonstration fixtures for the LED lighting project were being installed in one of the meeting rooms as a sample for review this week, after which the lights in the meeting rooms, the exhibit hall, and the parking level would be installed. Presentations regarding the escalator modernization project had been received from three companies, and the options that they had proposed were being clarified. A contract had been awarded for upgrading the house sound system, and the team was working on an installation schedule. During the past month, the installation of the dishwashing unit in the main kitchen had been completed, and the main kitchen was now back in full operation.

Ms. Tait presented an outline of the six-year cash flow for projects, along with a list of projects upon which the Cumming management company was working, including the additional solar panel project.

There were no questions from the Committee, the Board, or members of the public. Mr. Kishi conducted the roll call vote, and the motion was carried unanimously.

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

Ms. Lynn Whitehead noted that this was her first presentation to this Committee, and congratulated Ms. Orton on the positive report on the Convention Center.

Ms. Whitehead gave the Committee an overview of the Meet Hawai'i team. She pointed out that its function was to move business into the Convention Center and all hotels in the State through effective collaboration between the Convention Center and the Hawai'i Convention and Visitors' Bureau (HCVB). The team was committed to ensuring that all client groups were aligned with the four pillars of HTA: respect for natural resources, support and recognition of Hawaiian culture, giving back to the community, and brand marketing.

Ms. Whitehead mentioned that her team had been involved with two groups during the past week: Canoe Hawai'i and Celebrating Earth Day.

She went on to explain that Meet Hawai'i had three components: Citywide Sales, Single-property Sales, and Client Services. The Citywide sales and single-property teams' key performance indicators (KPIs) were to drive tentative and definite room nights into the State. The original goal of these teams had been to contract 28 Citywide events per year, concentrating on events with 1,000 or more participants and working with at least two Hawai'i hotels. The pandemic had caused a reduction in these aims, but Ms. Whitehead believed it would shortly be possible to return to this level.

The single-property team focused on driving business to all hotels, expecting books for ten or more rooms on peak.

The client services team aimed to take over contracted groups and assist them in developing their programs in the State, connecting them to transportation, venues, and offsite activities. This team also collaborated with clients to build attendance and ensure that the client was aware of the tools available to drive attendance. The sales teams brought in business, and the client services team had the experience to create attractive groups that would be advocates of Hawai'i and become repeat customers, rebooking repeatedly.

Ms. Susanna Flores had just been recruited from San Francisco travel for Citywide production and would start at the end of the month. She spent her high school years in Hawai'i and strongly held the corporate market segment. Tom Casademont was to take over Ms. Whitehead's former position, Trevor Newman would cover the western market, and Adrienne Nudo was responsible for Rotary and the larger medical conventions.

Ms. Whitehead informed the Committee that the Asia/Oceania team was in town then to participate in the Japan Summit and would be involved in Citywide and single-property events.

Regarding production, March outpaced January and February in terms of tentative and definite room nights. This was to be expected since many clients were motivated to complete contracts before the end of the quarter. Citywide booked events had brought in more than the previous year.

About Hawai'i's eight-year future pace, the short-term booking cycle will continue in 2024 and 2025. Four licensed events had been booked for the first quarter of 2024 and two for the first quarter of 2025. This has helped to exceed the previous pace for both years, and this trend was hoped to continue. Regarding Citywide events, no bookings are currently being made for 2026, but the team was focusing on 2027 to 2031. In 2027 and 2030, they exceeded pace with positive growth. It was exciting to see building improvements and see that 2027 would offer better facilities. One of the leading headquarter hotels, Hawaiian Village, was conducting extensive upgrades to their product.

The team had identified five leads with an economic impact of about \$127 million. They had two verbal definites that had selected Honolulu and whose licensing agreements were being processed, one for 2025 for Glaucoma and the other for 2030 for the National Association of Letter Carriers.

The team had experienced the challenge of being short of one seller, but as of the end of May, the team would be fully staffed and focused on opportunities for 2028 and beyond, as well as 2028, 2029, and 2030 for Pace. The team continued to work hard, given the short-term booking cycle.

During the first quarter of 2024, Citywide groups had brought in \$77.6 million in economic impact, with a strong representation from the Asia/Oceania team. The aim of future pace and events is to book 28 events per year. For 2024, there was still some way to go, but the team hoped to catch up later in the year. For 2025 and 2027, they were ahead of pace at about the same level as prior years.

For single-property production, Laurie Ihara Wong has been responsible for the West Coast and State markets since being hired two months ago, but when the fourth person was hired, Ms. Ihara concentrated on State business, driving strategy and communication for single-property for all islands. Kathy Dever was responsible for the Midwest as well as Canada, with a focus on incentive business. Meredith Parkins was responsible for the Eastern Region and Europe. The final rounds of interviews for the fourth single-property

seller were in progress, with three very good candidates, and it was hoped that an appointment would be made by the end of the present week.

In all categories, single-property had good production, with tentative and definite room nights higher year over year and year to date. 13 events had been booked for March, bringing the total for the first quarter to 17. 2025 appeared to be stronger for single-property production than the present year, but it was important to drive more business for the present year. Since the end of December, the team had lacked one seller, but it continued to work with hotels on “need” dates and strategies and on which incentives could be given to draw business into the state to make 2024 stronger and build business for 2025.

Ms. Whitehead gave details of the contracted groups for the first quarter, representing \$20.4 million in economic impact for the State.

Regarding production for all islands, the Hawai’i island was doing well, with 5,700 definite room nights, followed by Kaua’i, with a couple of large groups on both islands. Ms. Whitehead gave an outline of the work of the sales team, which has been promoting Hawai’i in all markets and educating clients about the destination. She mentioned events in Australia, such as the Outrigger Showcase in Melbourne and Sydney, the Asia-Pacific Association for International Education (APAIE) in Perth, and the Direct Market Selling Connect in Sydney. Sales teams had also attended the Japan HIS Group Staff Hawai’i.

Ms. Whitehead mentioned some of the sales events scheduled in forthcoming months, such as the PCMA Heartland Chapter Luncheon & Education Destination Celebration in Kansas City and the 2024 HelmsBriscoe Education Webinar. This webinar would provide information on the entire State but would focus on Maui and offering incentives to attract business.

The team had attended the Business Event Industry Week, in which key industries in the MCI field came together to offer various events. This was very successful, and Meet Hawai’i sponsored the IAEE Women’s Forum and entertained clients at several events.

The team had taken part in TOBUTOP Hawai’i, which comprised presentations to group sellers of organizations in Tokyo and Osaka. Global Meetings Industry Day was also celebrated, including some initiatives by the HTA. Japan Sales Summit took place this past week. Derby Days of Washington D.C. was coming up.

Ms. Whitehead pointed to the effective work the client services team carried out to ensure that clients were well served. Debbie Zimmerman, the ‘Elele program Director, had assisted

groups to connect to the community and was involved from the start of each contract, bringing letters of support from the community.

The client services team conducted six site inspections during March, comprising five groups that had already made definite bookings and one tentative group for 2027.

Ms. Whitehead believed that the additional sellers would ensure effective progress for 2024. The first quarter, they generated 37,600 room nights and almost \$100 million in economic impact.

Chair Arakawa asked how long the corporate sales position had been vacant. He was told that the position had been vacant for about a year. It was initially filled by another person when negative press resulting from leaks in the building caused that person to resign. Chair Arakawa recalled that there had also been issues relating to the HVCB MMA contract, but he was happy they were heading in the right direction.

Chair Arakawa commented on the six Citywide events presently booked for 2027 and asked about the final goal for that year. Ms. Whitehead informed him that there was interest from several clients, with two ready to sign immediately and waiting for headquarters approval. She could not share the names of these groups because of competitive advantage, but she was willing to discuss the strategy at the next Committee or Board meeting.

The person who had just been hired for the corporate sales position was to start work at the end of May. The Citywide team would look at corporate groups that could be booked in the destination.

Chair Arakawa stated that following a meeting with himself and Convention Center staff, Vice-Chair Agas had asked for historical information about pace reports going back to the mid-20-teens, and this request would be made in writing.

There were no further questions from Committee or Board members.

7. HCC Roof Repair Project

a. Status of HCC Roof Repair Project

Mr. Choy presented a report on the construction schedule and stated that this would be made available to Committee and Board members. The schedule was going to be planned so far. He had created a physical wall outside his office where all documents and schematic drawings would be placed, as well as the Gantt chart.

b. HTA Project Timeline and Dashboard

The Gantt chart was supposed to have been submitted to Committee members but did not appear correctly in the printout. Mr. Choy promised to rectify this three days before the Board meeting.

Chair Arakawa pointed out that lack of funding was one reason the roof repair took so long.

c. Staff Assignments

8. Status and Recent Communication Relating to the HTA FY 25 Budget Request to the Legislature

Chair Arakawa informed the Committee that the legislature was to finalize the budget that day, but the details were unlikely to be public before the Board meeting. Mr. Nāho'opi'i believed details might be available by the end of the following week.

9. Status and Communications Regarding the Hawai'i Convention Center (HCC) FY 25 Budgets

- a. FY 25 HCC Budget Request to the Legislature**
- b. FY 25 HCC Operating Budget**
- c. FY 25 HCC Sales and Marketing Budget**

The HCC had prepared their budget request after robust discussions with Vice-Chair Agas, but discussion would be deferred until the following month. It was during the course of this meeting that Vice-Chair Agas had asked for historical data about pace.

10. Tourism Emergency Special Fund

a. Status of Use of the Tourism Emergency Special Fund

Mr. Kishi pointed out that the financial statement contained a summary of how this money had been spent.

Mr. Miyasato asked about the \$900,000 that had remained from this fund. Mr. Kishi responded that it was earmarked for programs, mainly for branding. Mr. Nāho'opi'i clarified that the money was not "remaining" since it had all been budgeted, projects were underway, and deliverables would be expected. Chair Arakawa explained that all the money had been encumbered under existing contracts, but some expenses had not yet been executed.

Chair Arakawa reminded the Committee that Items 10b and 10c had been discussed at previous meetings, as well as Members Miyasato and Dir. Tokioka had given suggestions

regarding actions to be taken and priorities concerning spending emergency funds.

b. Policies, Procedures, and Reports Relating to the Use of the Tourism Emergency Special Fund

Mr. Choy pointed out that procedures had been outlined in Section 10b of the printed material submitted to the Committee, and this section also contained definitions, rules, issues that should be considered, procedures for signing checks, and methods of obtaining approval. However, priorities had not been addressed. During the emergency, amounts of money to be given to certain contracts had been identified without considering that this implied subtracting money from other contracts.

Chair Arakawa stated that the priority was to expend the \$5 million of emergency fund money fully. The next priority was examining existing contracts that could be amended if possible. The third priority would be to look for additional money to be awarded to certain chosen contracts. He hoped that if and when another emergency occurred, a process would be in place so that it would not be necessary to spend six months just ironing out financial information. Priorities would be set as a recommendation from the Board, which would form instructions for staff.

c. Status of Federal Reimbursement for Wildfire Budget Requests

11. Branding Incremental Budget Requests

a. Update on Campaign Effectiveness, Cost/Benefit Ratio, and ROI for Incremental Budget Requests

Mr. Kishi reported that there were no updates on this item.

Mr. Nāho'opi'i pointed out that a report had been presented at the meeting of the Branding Standing Committee earlier in the month, and this report contained data about return on investment (ROI).

Chair Arakawa reminded the Committee that some funds spent as part of the incremental request did not translate directly into a measurable ROI. Some money results in relationships and continuity that cannot be given a dollar value. Mr. Nāho'opi'i mentioned that issues such as travel trade education and providing more assets could not be considered direct results of advertising campaigns. Objectives other than financial gains had to be considered and could not be calculated using an ROI formula.

Some industry partners had questions about money spent, but did not translate into increased numbers of visitors.

b. Status of Contracts and Payments for all Branding Incremental Requests

12. Status, Discussion, or Action Relating to HTA Budget & Finance Issues, Policies and Procedures, etc.

a. HTA Past Due Accounts

i. Status

Chair Arakawa pointed out that the HTA had been criticized for this issue in the past and asked Mr. Kishi for information about the present situation.

Mr. Kishi reported that the HTA owed U.S. MMA their first \$6 million payment for January to March 2024 services, and he was working with the account staff to process this payment as rapidly as possible.

Four invoices totaling \$3.7 million were outstanding for the AEG contract. \$2.6 million was spent by the Department of Accounting and General Services, and checks would be cut very soon. The remaining \$1 million was due for December and January services. This was behind schedule because 25 invoices had to be reviewed before any check could be cut. Mr. Kishi had asked for extra assistance, and Mr. Choy had authorized staff to work overtime, noting that additional staff had been requested, but budgets had been cut.

Two invoices for the CNHA totaling \$47,000 were outstanding, and Mr. Kishi was working with the vendor and program staff to make a payment as soon as possible.

Chair Arakawa thanked the staff for their hard work.

ii. Policies and Procedures

Mr. Choy stated that the Board would be informed about standard policies and procedures.

b. HTA Contract Modifications

i. Status

ii. Policies and Procedures

There were no updates, but policies and procedures already existed for contract modifications. Chair Arakawa reminded the Committee that this issue arose because, at one time, a contractor failed to satisfy the deliverables and key performance indicators (KPIs) criteria. A suggestion has been made to waive the deliverables and KPIs. This had been rejected by the Board, which had reminded the HTA staff that any contract modification had to be approved by the Board. It was sometimes necessary to modify contracts, but it was important to follow agreed policies and procedures.

c. HTA Executive Employment Contracts and Bonuses

- i. Status**
- ii. Policies and Procedures**

This item was to be discussed by the Administrative and Audit committee.

d. HTA Travel Policies

- i. Status**
- ii. Policies and Procedures**

Chair Arakawa stated that work was in progress on this item.

13. Presentation, Discussion, and Action on HTA Budget Issues, Comments, and Suggestions Raised by Legislators, Board Members, Staff, Stakeholders, etc., including:

- a. HTA Response to House Tourism Chair Quinlan’s Review Comments on FY 2024 Operating Budget: Status, Policies, Procedures and Board Approval**

Chair Arakawa stated that this would be tabled at the next meeting.

- b. HTA Policies and Procedures for Communications Regarding HTA Budget, including Prompt Transmittal to the Board, Timely Responses, and Follow-up Actions on Matters Including Possible Violations of Laws or Contracts**

Mr. Choy stated that Mr. Kishi had done an excellent job balancing the budget, but there might be a newer scheme next year. It was important to ensure that policies and procedures would be in place in case there were modifications to contracts. There had to be a protocol for communicating changes.

Chair Arakawa stressed the importance of informing the Board on a timely basis. The Board needed to make a policy instructing staff on a protocol to be followed. It was important for staff to know that they were following the rules.

Chair Arakawa asked whether any communications had been received from the legislature and pointed out that since he had been on this Committee, this was the first year in which the Committee had not been involved with the legislature, had not been briefed on any budget negotiations, or received any worksheets. He wondered whether this would be the future situation but assumed that he would be informed in a few days.

Chair Arakawa informed the Committee that the administrative audit team had requested an interview with a member of the accounts staff, and the staff member had asked Mr. Choy to be present at this interview. The Chair pointed out that during a previous meeting, a memorandum and an opinion had been requested from the Attorney General regarding two issues about audit interviews, and he wanted to be assured that communications to

the auditors had been as expected.

Mr. Nāho'opi'i replied that this issue was to be discussed by the Administrative and Audit Standing Committee.

Chair Arakawa responded that he had been given permission to discuss this issue by Mr. White, the Chair of the Administrative and Audit Standing Committee because it concerned a staff member who was to be interviewed by the auditors. This item was removed from the agenda without consultation with Chair Arakawa. Mr. Nāho'opi'i ought to be concerned about the protection of employees and should be concerned to observe the Attorney General's memorandum and opinion to protect the HTA staff.

Chair Arakawa asked Mr. Nāho'opi'i whether a letter had been written to the auditors about whether an employee was entitled to be assisted by a person of their choice, in this case, the Vice-President of Finance, and whether they were entitled to have a recording made of their interview.

Mr. Nāho'opi'i explained that the request for a letter came from Mr. Choy, and there had been no direct request to send a letter to the auditors. After consultation, Mr. Nāho'opi'i decided not to write a direct memorandum but to meet with the head auditor, explain the situation, and transmit the same information to the auditor.

Chair Arakawa asked whether there was any written statement, and Mr. Nāho'opi'i responded that there was none. Asked by the Chair whether the auditor was his friend, Mr. Nāho'opi'i replied that he had aired the staff and leadership concerns at his official interview with the auditor. Mr. Nāho'opi'i had worked with Mr. Kishi, and concerns had been communicated to the auditors, who had addressed specific issues during each interview. So far, the audit interviews have been comfortable for staff and auditors.

Chair Arakawa asked whether the auditors had agreed that staff members could be accompanied by someone at their interview. Mr. Nāho'opi'i replied that this had not been discussed with the auditor. Chair Arakawa asked whether the auditor had agreed that employees could record their interviews. Mr. Nāho'opi'i replied that during his initial presentation, the auditor had explained what staff could do during their interview.

Chair Arakawa pointed out that it was important to follow the law and to ensure that employees were provided with the protections spelled out under their contracts. Anything further came under Mr. White's Administrative and Audit Committee, which affected every item on this list.

The Chair stated that discussions could continue later relating to removing items from Committee agendas and dictating which items could or could not be placed on an agenda.

14. Adjournment

Chair Arakawa adjourned the meeting at 4:32 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sheillane Reyes".

Sheillane Reyes
Recorder

4

**Motion, Presentation, Discussion, and Action on
the Hawai'i Tourism Authority (HTA's)
April 2024 Financial Report;
Recommend Approval**



The State of Hawai`i
Department of Business, Economic Development, and Tourism
Hawai`i Tourism Authority
Financial Statements
April 30, 2024

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

Prepared by: Talon Kishi, CPA

Budget and Fiscal Officer

HAWAII TOURISM AUTHORITY

Hawaii Tourism Authority

April 30, 2024

Table of Contents

Balance Sheet3

Statement of Revenues, Expenditures, and Changes in Fund Balances4

Statement of Revenues, Expenditures, and Changes in Fund Balances Year to Date5

Selected Management Disclosures6

Supplementary Information:

Bank of Hawaii Tourism Emergency Special Fund Trust and Checking Account Bank Statements11

Hawaii Tourism Authority
Balance Sheet
As of April 30, 2024

	Tourism Funds	Convention Center Funds	Roof Project	Roof Repairs	Tourism Emergency Special Fund	Federal Funds	Total Funds
Assets							
General funds	22,011,637	2,269,375	-	-	-	-	24,281,012
Special funds (restricted)	14,303,957	45,241,157	-	-	-	-	59,545,114
Federal grants	-	-	-	-	-	13,574,717	13,574,717
General obligation bonds	-	-	1,247,639	13,601,000	-	-	14,848,639
Cash and cash equivalents	-	-	-	-	925,238	-	925,238
Investments	-	-	-	-	-	-	-
Accounts Receivable*	225,623	-	-	-	-	-	225,623
Total assets	36,541,217	47,510,532	1,247,639	13,601,000	925,238	13,574,717	113,400,343
Liabilities and Fund Balances							
Fund balances							
Encumbered - GOB	-	-	647,639	-	-	-	647,639
Encumbered - General funds	20,541,703	2,269,374	-	-	-	-	22,811,077
Encumbered - Special funds	6,962,048	525,999	-	-	-	9,250,345	16,738,392
Unencumbered	9,037,466	44,715,159	600,000	13,601,000	925,238	4,324,372	73,203,235
Total fund balances	36,541,217	47,510,532	1,247,639	13,601,000	925,238	13,574,717	113,400,343
Total liabilities and fund balances	36,541,217	47,510,532	1,247,639	13,601,000	925,238	13,574,717	113,400,343

Hawaii Tourism Authority
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Month Ended April 30, 2024
Ending Fund Balance as of April 30, 2024

	Tourism Funds	Convention Center Funds	Roof Project	Roof Repairs	Tourism Emergency Special Fund	Federal Funds	Total Funds
Revenues							
Change in fair value	-	-	-	-	-	-	-
HCC operations	-	-	-	-	-	-	-
Interest, net	136,604	297,277	-	-	171	-	434,052
TAT	-	-	-	-	-	-	-
Other*	-	12,000	-	-	-	-	12,000
Total revenues	<u>136,604</u>	<u>309,277</u>	<u>-</u>	<u>-</u>	<u>171</u>	<u>-</u>	<u>446,052</u>
Expenditures							
Administrative	1,839	-	-	-	-	-	1,839
Branding	2,236,738	-	-	-	-	-	2,236,738
Communications	31,194	-	-	-	-	-	31,194
Destination management	222,781	-	-	-	-	-	222,781
Governance and org-wide*	93,911	-	-	-	-	-	93,911
HCC marketing	-	656,470	-	-	-	-	656,470
HCC operations	-	3,063,025	-	-	-	-	3,063,025
HCC repairs and maintenance	-	4,827,248	7,520	-	-	-	4,834,768
Natural resources	-	-	-	-	-	-	-
Perpetuating Hawaiian culture	30,000	-	-	-	-	-	30,000
Planning & evaluation	-	-	-	-	57,226	-	57,226
Resident and Industry Communica	-	-	-	-	-	-	-
Safety & Security	35,000	-	-	-	-	-	35,000
Salaries	151,351	-	-	-	-	-	151,351
Sports	1,558,000	-	-	-	-	-	1,558,000
Workforce	-	-	-	-	-	-	-
Total expenditures	<u>4,360,814</u>	<u>8,546,743</u>	<u>7,520</u>	<u>-</u>	<u>57,226</u>	<u>-</u>	<u>12,972,303</u>
Change in fund balances	<u>(4,224,210)</u>	<u>(8,237,466)</u>	<u>(7,520)</u>	<u>-</u>	<u>(57,055)</u>	<u>-</u>	<u>(12,526,251)</u>
Fund balances							
April 1, 2024	<u>40,765,427</u>	<u>55,747,998</u>	<u>1,255,159</u>	<u>13,601,000</u>	<u>982,293</u>	<u>13,574,717</u>	<u>125,926,594</u>
April 30, 2024	<u>36,541,217</u>	<u>47,510,532</u>	<u>1,247,639</u>	<u>13,601,000</u>	<u>925,238</u>	<u>13,574,717</u>	<u>113,400,343</u>

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

Hawaii Tourism Authority
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year to Date April 30, 2024
Ending Fund Balance as of April 30, 2024

	Convention	Tourism Emergency					
	Tourism Funds	Center Funds	Roof Project	Roof Repairs	Special Fund*	Federal Funds	Total Funds
Revenues							
Change in fair value*	-	-	-	-	52,962	-	52,962
General fund appropriation transfe	60,000,000	11,000,000	-	-	-	-	71,000,000
HCC operations	-	1,223,284	-	-	-	-	1,223,284
Interest, net*	561,365	1,016,303	-	-	72,593	-	1,650,261
Other*	225,623	777,444	-	-	-	-	1,003,067
TAT*	-	11,000,000	-	-	-	-	11,000,000
Total revenues	<u>60,786,988</u>	<u>25,017,031</u>	<u>-</u>	<u>-</u>	<u>125,555</u>	<u>-</u>	<u>85,929,574</u>
Expenditures							
Administrative	220,266	-	-	-	83	-	220,349
Branding	21,659,284	-	-	-	3,950,000	-	25,609,284
Destination management	8,775,238	-	-	-	-	449,655	9,224,893
Governance and org-wide*	321,847	-	-	-	-	-	321,847
HCC marketing	2,787,000	1,223,700	-	-	-	-	4,010,700
HCC operations	-	3,989,726	-	-	-	-	3,989,726
HCC repairs and maintenance	-	6,760,598	22,361	-	-	-	6,782,959
Perpetuating Hawaiian culture	834,497	-	-	-	-	-	834,497
Planning & evaluation	543,054	-	-	-	110,284	-	653,338
Resident and Industry Communica	455,728	-	-	-	-	-	455,728
Safety & Security	380,000	-	-	-	250,693	-	630,693
Salaries	1,828,345	-	-	-	-	-	1,828,345
Sports	2,058,000	-	-	-	-	-	2,058,000
Workforce	46,000	-	-	-	-	-	46,000
Total expenditures	<u>39,909,259</u>	<u>11,974,024</u>	<u>22,361</u>	<u>-</u>	<u>4,311,060</u>	<u>449,655</u>	<u>56,666,359</u>
Transfer to B&F*	-	-	-	-	-	36,833,291	36,833,291
Change in fund balances	<u>20,877,729</u>	<u>13,043,007</u>	<u>(22,361)</u>	<u>-</u>	<u>(4,185,505)</u>	<u>(37,282,946)</u>	<u>(7,570,076)</u>
Fund balances							
July 1, 2023	<u>15,663,488</u>	<u>34,467,525</u>	<u>1,270,000</u>	<u>13,601,000</u>	<u>5,110,743</u>	<u>50,857,663</u>	<u>120,970,419</u>
April 30, 2024	<u>36,541,217</u>	<u>47,510,532</u>	<u>1,247,639</u>	<u>13,601,000</u>	<u>925,238</u>	<u>13,574,717</u>	<u>113,400,343</u>

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

Hawaii Tourism Authority
April 30, 2024
Selected Management Disclosures

1. Summary of Significant Accounting Policies

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

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

Funds

The Authority's funds are as follows:

Tourism Funds:

- **Tourism Special Fund (TSF)** –The Tourism Special Fund accounted for functions related to developing and promoting the tourism industry. Effective January 1, 2022, pursuant to Act 1 Special Legislative Session 2021, the TSF was sunset and discontinued the ability to expend any new funds. Funds encumbered as of June 30, 2021, can be spent. The TSF's encumbered fund balance includes \$5,948,568 for the Center for Hawaiian Music and Dance.
- **General Funds** – The 2023 State legislature did not provide HTA an operating budget for fiscal year 2024. As such, the Governor approved the transfer of \$60,000,000 in general funds from Section 5 of Act 164, SLH 2023, to HTA on July 1, 2023. Funds will lapse on June 30, 2024.

Convention Center Funds:

- **Convention Center Enterprise Special Fund (CCESF)** – Under Section 201B-8, the Convention Center Enterprise Special Fund accounts for functions related to the operation and management of the Hawaii Convention Center (HCC). Unencumbered funds are unavailable to spend because the 2023 Hawaii State Legislature did not provide the CCESF an expenditure ceiling to fund the operations of the HCC.
- **General Funds (operations)** – The 2023 State legislature did not provide the HCC an operating budget for fiscal year 2024. As such, the Governor approved the transfer of \$11,000,000 in general funds from Section 5 of Act 164, SLH 2023, for the HCC on July 1, 2023. Funds will lapse on June 30, 2024.
- **General Funds (CIP)** - Pursuant to Act 164, SLH 2023, \$64,000,000 of general funds were provided for long-term repairs of the HCC rooftop terrace deck. Per Executive Memorandum 23-08, dated October 30, 2023, the Department of Budget and Finance (B&F) transferred HTA's

Hawaii Tourism Authority
April 30, 2024
Selected Management Disclosures

\$64,000,000 operating appropriation to B&F for the Maui wildfires. The Legislature may reappropriate the funds as general obligation bonds for fiscal year 2025.

- **General Obligation Bonds** – Under Act 248, SLH 2022, \$15,000,000 of general obligation bond funds were provided for the temporary repairs of the HCC roof repair and other items. The Governor authorized the release of funds on February 22, 2023. The funds will lapse on June 30, 2024. HTA has encumbered \$670,000 to date. Unused funds will lapse on June 30, 2024.

Tourism Emergency Special Fund:

- The Tourism Emergency Special Fund accounts for functions related to maintaining a tourism emergency fund. Per Section 201B-10, revenues prescribed by Section 237D-6.5(b) and all investment earnings are credited to the fund’s assets. Funds are currently held at the Bank of Hawaii. Funds must be exclusively used to respond to a tourism emergency per Section 201B-9.

On August 19, 2023, the governor declared a tourism emergency in the sixth emergency proclamation relating to the Maui wildfires. The Governor extended the tourism emergency in the ninth emergency proclamation dated January 5, 2024. The Authority has spent approximately \$4,253,751 on Maui wildfire response efforts. More information can be found in the Other Matters section of these footnotes.

Federal Funds:

- **American Rescue Plan Act (ARPA)** – Official Name: Coronavirus State Fiscal Recovery Fund (CSFRF) Subaward. The former Governor authorized \$106,000,000 of ARPA funds to support HTA’s and HCC’s fiscal years 2022 and 2023 operations. HTA and HCC received \$95,000,000 and \$11,000,000, respectively. In total, for the two years ended June 30, 2023, \$59,155,512 and \$10,011,197 was spent on HTA and HCC operations, respectively. The Authority returned \$36,833,291 to the Department of Budget and Finance (B&F) on July 31, 2023.
- **Economic Development Administration (EDA) Tourism Grant** – Official Name: ARPA-EDA Tourism Grant (Non-Competitive ARPA State Tourism Grant for the State of Hawaii) – The Authority was awarded \$14,024,372 on December 8, 2021. Grant rules required the approval of the Grant Administration Plan (GAP) before the commencement of work. EDA approved the Authority’s GAP on March 21, 2023. The Authority will share approximately \$7,200,000 of the grant with the Department of Land and Natural Resources (DLNR) to enhance and develop Hawaii’s outdoor recreational assets. All work must be completed by May 31, 2027, and money spent by September 30, 2027. To date, the Authority has spent \$449,655.

Basis of Accounting

The Governmental Funds’ financial statements are reported using the modified-accrual basis of accounting.

Transient Accommodations Tax (TAT)

Under Section 237D-6.5, \$11,000,000 shall be allocated to the Convention Center Enterprise Special Fund annually. The annual \$11,000,000 TAT distribution was completed in December 2023.

Hawaii Tourism Authority
 April 30, 2024
 Selected Management Disclosures

Governance & Org-Wide Expenditures

Governance and organization-wide expenditures include board member inter-island travel, meeting minutes, and audit expenses for the Authority and the HCC.

Investments

The Authority’s investments are reported at fair value.

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

Encumbrances

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

Per HRS 40-90 (b), “All encumbrances for contracts shall become void after five years from the end of the fiscal year of the original encumbrance; provided that the comptroller may grant an exemption from this subsection if the comptroller finds that there is sufficient justification to extend a contract encumbrance.”

Use of Estimates

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

2. Equity in Cash and Cash Equivalents and Investments in the Tourism Emergency Special Fund

The following is a summary of changes in the Tourism Emergency Special Fund during the nine-month period ended March 31, 2024:

	Fair Value July 1, 2023	Interest Income	Change in Fair Value	Expenses	Transfers	Fair Value April 30, 2024
BOH Trust Fund	5,110,743	80,840	52,962	(8,247)	(5,000,000)	236,298
BOH Checking	-	-	-	(4,311,060)	5,000,000	688,940
Total TESH	5,110,743	80,840	52,962	(4,319,307)	-	925,238

3. Accrued Vacation Liability

On June 30, 2023, management estimated the accrued vacation liability of approximately \$339,000, with a current liability of approximately \$132,000.

Hawaii Tourism Authority
 April 30, 2024
 Selected Management Disclosures

4. Retirement Benefits

Employees’ Retirement System of the State of Hawaii (ERS)

At June 30, 2023, management reported a net pension liability of approximately \$6,063,000 for its proportionate share of the State’s net pension liability. An actuarial valuation determined the net pension liability as of June 30, 2022.

For the year ended June 30, 2023, the Authority recognized pension expenses of approximately \$335,000. On June 30, 2023, management estimated the deferred outflows and deferred inflows of resources related to pensions of approximately \$576,000 and (\$571,000), respectively.

Hawaii Employer-Union Health Benefits Trust Fund (EUTF)

On June 30, 2023, management estimated the net other post-employment benefits (OPEB) liability of approximately \$4,808,000. An actuarial valuation measured the net OPEB liability as of July 1, 2022.

For the year ended June 30, 2023, the Authority recognized OPEB expenses of approximately \$18,000. On June 30, 2023, management estimated the deferred outflows and deferred inflows of resources related to OPEB of approximately \$227,000 and (\$536,000), respectively.

5. Other Matters

- a. HTA expects to be reimbursed by the Federal Emergency Management Agency (FEMA) for approximately \$225,623 for expenditures related to the immediate response to the Maui wildfires. All funds reimbursed by FEMA will be returned to the State.
- b. The Hawaii Convention Center earned \$777,445 in other revenue in the current fiscal year, consisting of \$723,445 in employee retention tax credits (ERTC) and \$54,000 in distributed antennae service (DAS) income.
- c. Tourism Emergency Special Fund Spending to Date for the Maui Wildfire:

Maui Recovery - Tourism Emergency Special Fund Spending to April 30, 2024

Program	Budget	Paid to Date	Unspent
USA Recovery Marketing #1	2,600,000	2,600,000	-
USA Recovery Marketing #2	1,350,000	1,350,000	-
Maui Resident Communications Campaign	349,307	110,284	239,023
Visitor Education Post-Arrival Marketing	300,000	-	300,000
Immediate Wildfire Response	250,693	250,693	-
Maui Street Market	100,000	-	100,000
Long-term Housing	50,000	-	50,000
Total	5,000,000	4,310,977	689,023

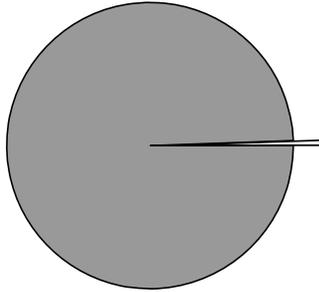
Supplementary Information

Statement Period
Account Number

04/01/2024 through 04/30/2024
135328102
BANK OF HAWAII
AGENT U/A DATED 10/31/2018 FOR
HAWAII TOURISM AUTHORITY -
TOURISM EMERGENCY TRUST FUND

Summary Of Investments

Investment Allocation



0.4%	CASH	1,003.66
99.6%	CASH EQUIVALENTS	235,294.07
100.0%	TOTAL	236,297.73

Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	1,003.66	0.42	0	0.00
CASH EQUIVALENTS	235,294.07	99.58	12,188	5.18
Total Fund	236,297.73	100.00	12,188	5.16

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	1,003.66	1,003.66	100.00
	CASH EQUIVALENTS			
	CASH MANAGEMENT			
235,294.07	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	235,294.07	235,294.07	100.00
	Total Fund	236,297.73*	236,297.73*	100.00*



Statement of Account

Last statement: March 31, 2024
This statement: April 30, 2024
Total days in statement period: 30

Account: 0091-585227
Page 1 of 1
Number of Enclosures: (0)

00003634-TDBSAD11400501039429-LETTER02-000000 0
HAWAII TOURISM AUTHORITY
TOURISM EMERGENCY SPECIAL FUND
1801 KALAKAUA AVE 1ST FL
HONOLULU HI 96815



Direct inquiries to:
888 643-3888

BANK OF HAWAII
111 S KING ST
HONOLULU HI 96813

Bank of Hawaii

WANT TO PURCHASE EQUIPMENT, MAKE CAPITAL IMPROVEMENTS, OR IMPROVE YOUR CASH FLOW? BANK OF HAWAI'I OFFERS A VARIETY OF BUSINESS LOANS TO MEET YOUR FINANCIAL NEEDS AND HELP EXPAND YOUR BUSINESS. VISIT YOUR NEAREST BRANCH AND APPLY TODAY! MEMBER FDIC. EQUAL HOUSING LENDER.

Analyzed Business Checking

Table with 4 columns: Account number, Low balance, Average balance, and their corresponding values. Also includes Beginning balance, Total additions, Total subtractions, and Ending balance.

CHECKS

Table with 6 columns: Number, Date, Amount for checks 1013, 1015, and 1016. Includes a note: * Skip in check sequence

DAILY BALANCES

Table with 6 columns: Date, Amount for daily balances on 03-31, 04-01, 04-17, and 04-29.



MEMBER FDIC

EQUAL HOUSING LENDER

00003634-001-001

5

**Motion, Presentation, Discussion, and Action on
the Hawai'i Convention Center's April 2024
Financial Report and Update on the Hawai'i
Convention Center's 6-Year Repair and
Maintenance Plan; Recommend Approval**

5.1

Hawai'i Convention Center Highlights

Hawaii Convention Center Updates for April 2024 (May BFCC Meeting)

We are in the process of closing the financials for the month ended April 2024.

The financial reforecast presented at last month's BFCC meeting projected gross revenues of \$26 million, which includes \$1.5 million of interest income, and net income of \$923,000 vs budgeted gross revenues \$18.5 million and a net loss of \$5.3 million for the fiscal year ending June 30, 2024. This will be our highest in gross revenues since HCC opened. On this trend we are forecasting to save the State \$6.3M in subsidy including Local Sales and Marketing operations for the fiscal year ending June 30, 2024.

Contributing to this record fiscal year is a strong number and market mix of city-wide bookings. By the fiscal year ending June 30, 2024, we are forecasted to host 21 city-wide events that will generate \$390M in economic impact and \$45 M in tax revenue.

In April 2024 we hosted 33 licensed events including 1 city-wide event, American Association of Geographers and in May 2024 we are servicing 27 events including 5 city-wide events. We expect further improvements in gross revenues and bottom line with these very busy two months.

April/May Events:

- Paradise Tournament Series: The Shave Ice Cup, April 6-7, 1,500 attendees (Sports)
- Hapalua Marathon Registration, April 11-13, 7,000 attendees
- American Association of Geographers, April 13-20, 8,500 attendees (CW)
- Chopsticks & Wine, April 25, 1,000 attendees
- Jam On It Aloha Challenge 2024, April 26-28, 1,200 attendees
- 2024 AIL (American Income Life) Annual Convention,
 - April 28-May 5, 3,000 attendees (CW)
- Jump Hawai'i 2024, May 10-12, 1,500 attendees

Repair, Maintenance and Replacement Projects Update:

Rooftop Terrace Deck Repair

- Finalizing schematic design with architect, design team and CM/PM

Chiller Replacement

- Project on schedule, 50% completed, final two units to replace in mid-May

LED Lighting Upgrade

- Final fixtures and intensities approved. Working on installation schedule.

Exterior Building Painting:

- Finalizing color selection, target to start after FestPac event, mid-June

Escalator Modernization

- Working with short list bidders on final questions. Award will be made soon

Ballroom Roof Repair AND Ballroom Gutter, Foyer and Lobby Transom Glass Repair

- Issued RFP's for general contractor.

5.2

HCC Repair, Maintenance and Replacement Projects – 6-Year Plan (as of end of March 2024)

HAWAI'I CONVENTION CENTER - Repair, Maintenance and Replacement Projects - 6-Year Plan (as of end March 2024)

Project Number	Project Title	Estimated Project Cost	Priority	Prior Expenses to March '24	FY24	FY25	FY26	FY27	FY28	FY29	Total
001	Rooftop Terrace Deck Full Repair	\$ 64,000,000	1	\$ -	\$ -	\$ 30,000,000	\$ 30,000,000	\$ 4,000,000			\$ 64,000,000
011	Ballroom Gutter, Foyer Transom Glass Roof Repair and Soffit Repair	\$ 11,002,524	1	\$ 73,479	\$ 220,000	\$ 3,000,000	\$ 7,709,044				\$ 11,002,523
013	Ballroom Roof Repairs	\$ 1,363,143	1	\$ 36,126	\$ 120,000	\$ 1,207,017					\$ 1,363,143
012	Parapet Roof Repairs	\$ 2,374,257	1	\$ 33,743	\$ 70,000	\$ 2,270,514					\$ 2,374,257
003	Kalākaua Kitchen and Atkinson Drywell Rennovation	\$ 2,871,047	1	\$ 334,849	\$ 10,000	\$ 1,000,000	\$ 1,526,199				\$ 2,871,048
007	Kitchen Hood Control Panel Replacement	\$ 445,572	1	\$ 162,384	\$ 283,189						\$ 445,573
008	Pantry 348 Walk-in Refrigerator Replacement	\$ 231,665	1	\$ 157,541	\$ 74,124						\$ 231,665
009	Slate Tile Repair	\$ 712,135	1	\$ 169,367	\$ 38,556	\$ 504,212					\$ 712,135
010	Chiller Replacement	\$ 6,168,875	1	\$ 3,125,166	\$ 572,753	\$ 2,470,955					\$ 6,168,874
014	Lobby Water Feature	\$ 1,086,810	3	\$ 3,932				\$ 1,082,878			\$ 1,086,810
015	House Sound Audio System Upgrade	\$ 5,665,068	1	\$ 58,661	\$ 2,500,000	\$ 3,106,407					\$ 5,665,068
022	Chill Water Pipe Reinsulation	\$ 1,227,894	1	\$ 307,520	\$ 370,374	\$ 550,000					\$ 1,227,894
023	Air Wall Repairs	\$ 282,058	1	\$ 89,061		\$ 192,996					\$ 282,057
024	Roll-up Door Replacement	\$ 225,000	2	\$ 23,656		\$ 201,344					\$ 225,000
026	IT Network Upgrades	\$ 300,000	3	\$ -		\$ 300,000					\$ 300,000
027	Ice Machines Replacement	\$ 500,000	1	\$ -	\$ 500,000						\$ 500,000
028	Theatre 310 and 320 Furnishings Upgrade	\$ 750,000	3	\$ -			\$ 375,000	\$ 375,000			\$ 750,000
029	Theatre 310 and 320 Seating Upgrade	\$ 500,000	3	\$ 155			\$ 249,845	\$ 250,000			\$ 500,000
030	FB China and Equipment Upgrade #2	\$ 6,489,000	1	\$ 134	\$ 3,199,866	\$ 3,289,000					\$ 6,489,000
031	Ala Wai Waterfall Repair	\$ 1,081,501	3	\$ 1,985				\$ 1,079,516			\$ 1,081,501
041	Exterior Building Door Replacement	\$ 50,000	1	\$ -		\$ 50,000					\$ 50,000
043	Air Handler Unit 9 and 10 Replacement	\$ 416,382	2	\$ -	\$ 10,000			\$ 406,382			\$ 416,382
044	Fire Sprinkler Line Refurbishment	\$ 353,394	1	\$ -		\$ 225,000	\$ 128,394				\$ 353,394
045	Escalator Modernization	\$ 11,507,869	1	\$ 24,663	\$ 10,000	\$ 3,600,000	\$ 2,520,000	\$ 5,353,205			\$ 11,507,868
046	LED Light Upgrade	\$ 6,446,361	1	\$ 81,095	\$ 2,000,000	\$ 4,365,265					\$ 6,446,360
047	Pickleball Courts	\$ 558,697	1	\$ -	\$ 250,000	\$ 308,697					\$ 558,697
048	Electrical Harmonics Testing	\$ 100,000	3	\$ -				\$ 100,000			\$ 100,000
049	Main Kitchen Dishwasher Replacement	\$ 464,456	1	\$ 401,716	\$ 62,741						\$ 464,457
050	Main Kitchen Flooring Replacement	\$ 648,881	1/3	\$ 35,028	\$ 100,000	\$ 513,853					\$ 648,881
051	Phone System Replacement	\$ 30,000	1	\$ -		\$ 30,000					\$ 30,000
054	Boardroom Upgrade	\$ 1,099,549	3	\$ 72,970	\$ 43,000		\$ 983,579				\$ 1,099,549
055	Elevator #2 Upgrade	\$ 250,000	3	\$ -				\$ 250,000			\$ 250,000
058	Kitchen Hood Fire Suppression System Replacement	\$ 374,430	1	\$ 28,908	\$ 345,522						\$ 374,430
060	Lobby Sail Repair and Maintenance	\$ 179,000	1	\$ 41,196	\$ -	\$ 61,021		\$ 76,783			\$ 179,000
061	ADA Lift (#320) Replacement	\$ 165,000	1	\$ 793	\$ 81,613	\$ 82,594					\$ 165,000

064	FB Equipment #1	\$ 1,412,556	1	\$ 556,402	\$ 856,154					\$ 1,412,556
066	Kalākaua Kitchen Boiler Replacement	\$ 135,602	1	\$ 2,500	\$ 7,500	\$ 125,602				\$ 135,602
068	3rd Floor Planter Repair and Exterior Planter Repair	\$ 12,399,209	1	\$ 55,081	\$ 110,000	\$ 6,000,000	\$ 6,234,128			\$ 12,399,209
069	Parking System Equipment Upgrade / Parking Flooring Sealing	\$ 583,753	1	\$ 36,574	\$ 5,000	\$ 542,180				\$ 583,754
070	Parking Garage Floor Sealing	\$ 2,444,244	1	\$ -	\$ 5,000			\$ 2,439,244		\$ 2,444,244
071	Access Control Upgrade	\$ 2,000,000	3	\$ -				\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
072	Ride-on Scrubber Replacement	\$ 84,000	1	\$ 101		\$ 83,899				\$ 84,000
073	Common Area Furniture Upgrade	\$ 265,000	1	\$ -		\$ 265,000				\$ 265,000
074	Ice Rink and Equipment	\$ 825,000	1	\$ -		\$ 825,000				\$ 825,000
075	Exterior Building Painting	\$ 2,496,056	1	\$ 16,428	\$ 320,000	\$ 1,959,628	\$ 200,000			\$ 2,496,056
077	Interior Building Painting	\$ 5,139,686	1	\$ -	\$ 20,000	\$ 40,000	\$ 1,250,000	\$ 3,829,686		\$ 5,139,686
078	Pot Wash Machine Replacement	\$ 212,670	1	\$ 87,581	\$ 125,089					\$ 212,670
079	Digital Signage Upgrade	\$ 6,150,000	1	\$ 20,390			\$ 3,000,000	\$ 3,129,610		\$ 6,150,000
081	Facility Equipment Replacement	\$ 1,000,000	1	\$ -		\$ 1,000,000				\$ 1,000,000
082	Escalator and Elevator Repairs	\$ 1,000,000	1	\$ 225,873	\$ 81,335	\$ 692,792				\$ 1,000,000
083	Café 808 Renovation	\$ 3,000,000	2	\$ -			\$ 3,000,000			\$ 3,000,000
084	Frictionlist Concession	\$ 1,500,000	1	\$ -		\$ 1,500,000				\$ 1,500,000
085	1801 Renovation	\$ 1,500,000	1	\$ -		\$ 1,500,000				\$ 1,500,000
086	Water Remediation - Misc Repairs	\$ 500,000	1	\$ 1,758	\$ 248,242	\$ 250,000				\$ 500,000
087	Cheerleading Dance Floor	\$ 32,386	1	\$ 30,991	\$ 1,395					\$ 32,386
089	Cabling Infrastructure Upgrade	\$ 850,000	1	\$ -	\$ 400,000	\$ 450,000				\$ 850,000
090	Architect Services	\$ 17,000	1	\$ -	\$ 17,000					\$ 17,000
091	Children's Courtyard and 4th Fl Railing Repair	\$ 2,627,471	1	\$ -		\$ 1,000,000	\$ 1,627,471			\$ 2,627,471
092	Sump Pump Replacement	\$ 70,340	1	\$ 2,401	\$ 67,940					\$ 70,341
093	Stairwell 5/6 - Temporary Repair	\$ 500,000	1	\$ -		\$ 500,000				\$ 500,000
094	Solar Panel Installation	\$ 7,088,900	1	\$ -	\$ 10,000	\$ 3,500,000	\$ 3,578,900			\$ 7,088,900
095	Immersive Experience Equipment	\$ 1,000,000	1	\$ -	\$ 500,000	\$ 500,000				\$ 1,000,000
---	Legal Retainer	\$ 251,094		\$ 158,185	\$ 5,000	\$ 87,910				\$ 251,095
GRAND TOTAL		\$ 121,005,535		\$ 6,458,393	\$ 13,641,393	\$ 48,150,886	\$ 32,382,560	\$ 19,372,304	\$ 1,000,000	\$ -

Last updated: May 14, 2024

Key to Color Codes

Current project

Cumming-managed project

HCC-managed project

RLB-managed project

Key to Priority

1 = immediate need

2 = complete in 1-2 years

3 = complete in 3-4 years

4 = complete in 5-6 years

7

Motion, Presentation, Discussion, and Action on Fiscal Year 2025 Hawai'i Tourism Authority Operating Budget

BLI	BLI Title	Description	FY 2025 Budget	Staff
BED 113 Administrative & Governance				
004	Cruise Infrastructure Improvements and Arrival Experience	Planning - Hawai'i Cruise Industry Consultant Services	89,000	DN, CA, IG, TK
010	HTUS/HTJ Campaign Effectiveness Study	Planning - Evaluations including Campaign Effectiveness	180,000	
101	Community-Industry Outreach & Public Relations Svcs	Communication & Outreach - Public Relations, Communications, and Outreach Services	250,000	
103	hawaiitourismauthority.org (formerly HTA web/Global Social)	Communication & Outreach - HTA Web Support	25,000	
654	Program Evaluation	Planning - Program Evaluation	90,000	
901	General and Administrative	Overhead costs such as office supplies, membership dues for industry associations and databases, and registration fees for conventions and meetings, etc.	844,278	
915	Organization-Wide	Planning - Tourism Strategic Plan Update	300,000	
915	Organization-Wide	Financial audit services	125,000	
998	Travel - Admin	Travel for all HTA Programs and board members	190,000	
TBD	Administrative Salaries	Salaries for 14 positions - CEO, CAO, VPF, DOP, CCO, EA, BUFO, AS, PM, PS, CM, PS, AA, PL	1,603,382	
BED113 Administrative & Governance Subtotal			3,696,660	
BED 114 Branding & Marketing (BM)				
306	Island-Based International Marketing	Island Destination Brand Management & Marketing	3,200,000	DN
320	Island Chapters Staffing and Admin			
318	gohawaii.com	Global Support Services	1,375,000	
339	Global Digital Marketing Strategy			
350	Global Market Shared Resources			
321	US (formerly North America)	USA MMA	15,204,991	
322	Canada	Canada MMA	1,000,000	
323	Japan	Japan MMA	6,500,000	
324	Korea	Korea MMA	900,000	
325	Oceania	Oceania MMA	1,290,905	
326	Europe	Europe MMA	1,000,000	
380	Marketing Opportunity Fund	Other - FY 2024 Carryover USA, MCI, Other Markets (ie Japan Incremental)	2,696,815	
317, 319, 331	Convention Center Sales & Marketing - City Wide; MCI MFF; Meetings, Convention & Incentives	Global MCI	5,500,000	
TBD	Branding Salaries	Salaries for 5 positions - CBO, BM x3, AA	581,490	
BED114 Branding Subtotal			39,249,201	
BED 115 Sports & Signature Events (SS)				
312	PGA Tour Contracts	PGA	2,038,850	DN& KK
343	LPGA	LPGA	250,000	
346	Sport Opportunity Fund	Sports Opportunities	1,654,525	
TBD	TBD	Opportunity Fund - Sponsorships, Sports & Signature Events	1,500,000	
378	UH Athletics Branding Partnership	Big West Conference	167,000	
700	Signature Events	Signature Events	1,630,766	
TBD	Sports Salaries	Salaries for 1 position - BM	76,934	
BED115 Sports and Signature Events Subtotal			7,318,075	
BED 116 Destination Stewardship and Community (DC)				
014	Pono Travel Education Program	Visitor Education Post Arrival Marketing	964,148	KK
402	Kahu 'āina	Kahu 'āina	784,022	
601	Visitor Assistance Programs	Visitor Assistance Program O'ahu, Maui, Kaua'i, Hawai'i	650,000	
TBD	Destination Management Application	Destination Management App	1,500,000	
TBD	Destination Management Application	Recovery and Stabilization through Smart Tourism - DM App	450,000	
718	Resort Area Hawaiian Cultural Initiative	Resort Area Hawaiian Cultural Initiative	784,022	
TBD	Community-Based Tourism	Destination Management - DMAP Implementation	500,000	
		Destination Management Implementation	122,154	
TBD	Destination Management Application	Smart Tourism - Destination Management App	1,550,000	
TBD	Destination Management and Community Salaries	Salaries for 7 positions - CSO, DM x 5, AA	619,537	
BED116 Destination Stewardship and Community Subtotal			7,923,883	
BED 117 Regenerative Tourism Development (RD)				
201	Kūkulu Ola	Kūkulu Ola	784,022	KK
656	Community Tourism Collaborative	Technical Assistance and Quality Assurance	1,682,603	
701	Community Enrichment Program	Community Enrichment Program	1,066,270	
TBD	Regenerative Tourism Development Salaries	Salaries for 3 positions - BM x3	229,286	
BED117 Regenerative Tourism Development Subtotal			3,762,181	
BED 118 Workforce Development (WD)				
102	Hawai'i Tourism Summit	Tourism Fall Education Conference & Spring Update	300,000	CA
202	Hawaiian Culture Initiative	Hawaiian Culture Initiative Program - Native Hawaiian cultural education and training program for the visitor industry workforce	250,000	
803	Future Workforce Development (LEI)	Future Workforce - Highschool program	150,000	
805	Scholarship Program	Future Workforce — Ho'oilina Scholarship Program and Current Workforce Trainings	350,000	
BED118 Workforce Development Subtotal			1,050,000	
FY 2025 Tourism Budget Total			63,000,000	