



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

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

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

*Pō'aluā, 20 Pepeluali 2024, 1:30 p.m.*  
**Tuesday, February 20, 2024 at 1:30 p.m.**

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

<https://us06web.zoom.us/j/89809960734>

*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: 1-669-444-9171*  
*Helu Hālāwai / Webinar ID: 898 0996 0734*

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

**Written testimony received ahead of the preparation of the committee packet will be included in the packet. Email written testimony to Carole Hagihara-Loo at [Carole@gohta.net](mailto:Carole@gohta.net) or hand-deliver or send via postal mail to the Hawaii'i Tourism Authority office, 1801 Kalākaua Avenue, 1<sup>st</sup> Floor, Honolulu, HI 96815. Written testimony received after the issuance of the board packet (48 hours ahead of 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 January 24, 2024 Budget, Finance, and Convention Center Standing Committee Meeting**
4. *Hō'ike'ike, Kūkā, a Hana no ko ke Ke'ena Kuleana Ho'okipa o Hawai'i Mo'olelo Kālā no Ianuali 2024*  
**Presentation, Discussion, and Action on the Hawai'i Tourism Authority (HTA's) January 2024 Financial Report; Recommend Approval**
5. *Hō'ike'ike, Kūkā a Kī'ina Hana no ko ke Kikowaena Hālāwai o Hawai'i Palapala Hō'ike Kālā no Ianuali 2024 a me ka 'Ikepili Hou ma ko ke Kikowaena Hālāwai o Hawai'i Papa Hana CIP no 6 Makahiki*  
**Presentation, Discussion, and Action on the Hawai'i Convention Center's January 2024 Report and Update on the Hawai'i Convention Center's 6-Year CIP Plan; Recommend Approval**
6. *Hō'ike'ike, Kūkā, a Ho'oholo no nā Kuleana a me nā Mana'o 'Ē A'e e Pili ana i ka Mo'ohelu Kālā HTA i Hāpai 'ia e nā Lālā o ka 'Aha'ōlelo, ka Papa Alaka'i, nā Limahana, nā Kāko'o, apwa.*  
**Presentation, Discussion, and Action on HTA Budget Issues, Comments, and Suggestions Raised by Legislators, Board Members, Staff, Stakeholders, etc., Such as:**
  - a. *Ka Nū Hou no Ke Kulekele Ho'olilo Kālā Pōulia*  
**Status of Use of the Tourism Emergency Special Fund**
  - b. *Ka Nū Hou no ka Pane iā Luna Ho'omalū 'Oihana Ho'okipa Quinlan no ka Hō'ike 'Ano o ka Mo'ohelu Kālā Makahiki Kālā24*  
**Status of Response to House Tourism Chair Quinlan's Review  
Comments on FY 2024 Operating Budget**

- c. *Ka Nū Hou no ka Māhuahua o ke Noi Kālā Keu*  
**Update on Campaign Effectiveness, Cost/Benefit Ratio, and ROI for Incremental Budget Requests**
- d. *Ka Nū Hou no nā 'Ai'ē Ka'a 'Ole*  
**Status of HTA Past Due Accounts**
- e. *Ka Nū Hou no Nā Palapala 'Aelike 'Āpanakahi a me ka Uku*  
**Status of Contracts and Payments for all Branding Incremental Requests**
- f. *Ka Nū Hou no nā 'Aelike Māhele Ho'okō a me ka Uku Keu*  
**Status of Executive Employment Contracts and Bonuses**
- g. *Ka Nū Hou no ka Ho'oka'a'ike a Noi 'Ikepili Kūwaho*  
**Status of Communication for any Outside Requests About the Budget, Including the Legislature**
- h. *Ka Nū Hou a Kūkā no ka Mana'o Ho'okō a Ka'ina Hana Ka'ahale*  
**Status and Discussion on Travel Policies and Procedures**
- i. *Ka Nū Hou a Kūkā no ka Ho'oponopono 'Aelike Mana'o Ho'okō a Ka'ina Hana no*  
**Status and Discussion on Contract Modifications Policies and Procedures**
- j. *Ka Nū Hou a Kūkā no ke Kālā i Ho'olilo 'Ole Ai O Ka Waihona Kālā Kūikawā 'Oihana Ho'okipa*  
**Status and Discussion on Unused Funds in the Tourism Special Fund**

## 7. *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](mailto:carole@gohta.net) as soon as possible, preferably no later than 4 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 papahelu 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 January 24, 2024 Budget, Finance, and Convention Center Standing Committee Meeting**



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

**BUDGET, FINANCE, AND CONVENTION CENTER STANDING COMMITTEE MEETING  
HAWAII TOURISM AUTHORITY  
Wednesday, January 24, 2024, at 9:30 a.m.**

**Virtual Meeting**

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

<b>MEMBERS PRESENT:</b>	David Arakawa (Chair), Kimberly Agas (Vice-Chair), Jame McCully, Blaine Miyasato, James Tokioka (Ex Officio, DBEDT Director), Mike White
<b>NON-VOTING MEMBERS:</b>	Dylan Ching
<b>HTA STAFF PRESENT:</b>	Daniel Nāho'opi'i, Caroline Anderson, Talon Kishi, Maka Casson-Fisher
<b>GUESTS:</b>	Teri Orton, Mari Tait
<b>LEGAL COUNSEL:</b>	John Cole

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

Chair Arakawa called the meeting to order at 9:30 a.m., and Mr. Casson-Fisher conducted 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 Non-public**

Chair Arakawa conducted the roll call. All members confirmed in attendance and that they were alone.

**3. Approval of Minutes of the November 20, 2023 Budget, Finance, and Convention Center Standing Committee Meeting**

Chair Arakawa proposed a motion to approve the minutes of the November 20, 2023, Budget, Finance, and Convention Center Standing Committee Meeting. The motion was seconded by Ms. Agas and carried unanimously.

#### **4. Presentation, Discussion, and Action on the Hawai'i Tourism Authority (HTA's) December 2023 Financial Report; Recommend Approval**

Chair Arakawa proposed a motion to approve the Hawai'i Tourism Authority's December 2023 Financial Report. Mr. McCully seconded the motion.

Mr. Kishi summarized the main activities of the HTA during December 2023, and presented a statement showing the revenue, expenditure, and the changes in fund balances during December 2023 and the year to date.

During the year to date, \$25.4 million has been spent on tourism programs, including \$7.2 million in December.

During the year to date, \$3.4 million has been spent on Convention Center operations, but there has been no expenditure on Convention Center operations during December because the positive net income for the previous two months had been used to finance operations at the HCC. \$11 million in Transient Accommodations Tax (TAT) had been collected for the Convention Center Enterprise Special Fund. During December, \$2.3 million was expended from the Tourism Emergency Special Fund.

Mr. Kishi presented a balance sheet showing the bank balances for the Tourism General Fund and the Tourism Special Fund, which were \$36 million and \$1.4 million, respectively. For the HCC, there was \$8.5 million in general funds and \$47.3 million in the Convention Center Enterprise Special fund.

There were no questions, and the motion was carried unanimously.

#### **5. Presentation, Discussion, and Action on the Hawai'i Convention Center's December 2023 Report and Update on the Hawai'i Convention Center's 6-Year CIP Plan; Recommend Approval**

Chair Arakawa proposed a motion to approve the Hawai'i Convention Center's December 2023 Report and Update on the Hawai'i Convention Center's 6-Year CIP Plan. Mr. Miyasato seconded the motion.

The General Manager of the Convention Center, Ms. Orton, presented a detailed report on the center's operations during December. This had been a successful month during which 20 licensed events were hosted, four more than had been scheduled the previous year. These were all local events, half of which were repeat clients such as the Honolulu Marathon and the Honolulu Board of Realtors.

The total revenue for the facility during December was more than one million dollars, \$180,000 more than had been budgeted. There was a net loss of \$640,100, \$86,200 less than anticipated.

Ms. Orton stated that during the previous months, the repair and maintenance advance deposit funds had been transferred from the savings account into the government treasury obligation bond, which was yielding a significant return of interest of 4.96%, and this interest made up the majority of the "Other Income" line total of \$174,500.

For the fiscal year ending on June 30, 2024, a total facility gross revenue of \$24 million was projected, including \$1.5 million of interest and a net loss of \$788,000. This was an improvement on the budgeted figures of net revenue of \$18.5 million and a net loss of \$5.3 million.

December 2023 had been the highest-grossing revenue month since the opening of the HCC. If this trend continued, by June 2024, the State would have saved \$4.5 million in subsidies to operate and manage the facility. Ms. Orton stated that the main contributing factor to this record year was the greater number of Citywide events. By the end of the fiscal year, the HCC would have hosted 20 Citywide events, generating \$370 million in economic impact and \$43 million in Transient Accommodations Tax (TAT). The HCC was recovering well from the impact of the pandemic; calendar year 2024 and fiscal 2025 were expected to be strong years for the center, with Citywide business building back up to pre-pandemic levels.

The local sales team had been actively filling up booking calendar gaps within 13 months. Ms. Orton forecasted that by June 30, 2024, the HCC would have hosted 233 events, with 20 Citywide events and the remainder local events. The local market segment supported the effective business model of the center. During the past year, revenue had been excellent. Ten years ago, the revenue from local businesses had been around \$4 million, but it was now over \$11 million, a significant increase. The sales team was continuing to seek out new opportunities for both Citywide and local events.

Mr. Miyasato drew the committee's attention to the slide showing the return on investment since this was a frequent target for scrutiny by the public and the legislature. Seeing a return on investment in the HCC of \$18.52 for every dollar invested was encouraging. Ms. Orton explained that return on investment was calculated by subtracting the Convention Center and



Hawai'i Convention and Visitors' Bureau (HCVB) sales, marketing, and operating expenses of \$14.3 million from the total Convention Center, State, and tax revenue of \$265.4 million.

Mr. McCully commented on the current interest environment and asked about the funds shift from the savings account. Ms. Orton responded that this change had been conducted on the advice of the Bank of Hawai'i and was yielding an interest rate of almost 5%.

Ms. Orton highlighted some recent events, including the Sony Open Gala Dinner, the Hawai'i Royale Winter '24, and the Transpacific Volleyball Championships 2024, which 12,000 athletes and fans attended. Upcoming events included the Hawai'i Dental Convention, the Hawaiian AAU Grand Prix 2024, and the Joy of Sake.

The record revenue of the Convention Center was featured on the front pages of several newspapers. The new chef, Brooke Tadena, was also featured in the media. The Convention Center's carbon offset program allowed Citywide and local events to reduce the carbon footprint of their meetings by participating in the reforestation project in which more than 9000 legacy trees had already been planted.

Mr. Ching congratulated the Convention Center team on their hard work.

Ms. Tait presented a detailed spreadsheet showing repair, maintenance, and replacement projects that were planned or were already being executed. Substantial progress had been made during January on some major projects, such as replacing the wallpaper in the main ballroom on the fourth floor. Some of the original transformers had been replaced, and it was hoped that this would result in increased energy efficiency and savings in utilities. The exterior camera installation had been upgraded with the intention of reducing damage to the lawns caused by vehicle incursions.

Planning sessions had been held with the contractors to carry out exterior painting and repairs. Chiller replacement was progressing on schedule, including cutting an opening in the outside wall a few days previously to allow the new equipment to be installed. There had been no complaints from neighbors about disturbance from this work. Scaffolding would be erected to facilitate the installation of the new chillers. Ms. Tait noted that the cooling tower upgrade, which was completed a few years ago, had already increased the efficiency of energy use in the center.

Two major programs that would save a significant amount of energy, the upgrade of both the house sound system and the LED lighting system, were in the final stages of procurement and presentation of proposals.

An RFP had recently been issued for the modernization of the present escalator original to the building. The center management team was working closely with the service company.

The rooftop terrace repair was moving on schedule and the HTA had selected an architectural design firm working on the RFP. Mr. Miyasato underscored Mr. Ching's comments and congratulations, and Ms. Orton responded by appreciating the hard work of her team as well as the good customers who came back to the center repeatedly.

Mr. Miyasato reminded the meeting that this was the first time the Convention Center had performed so well since the beginning of its existence. There had been positive cash flow during 2016 and 2017, but the present year was on track to break even. The center had made huge gains during the recovery from the pandemic, and he recommended that the HTA develop some means of publicly promoting and celebrating this improved performance. Both Ms. Orton and Ms. Tait appreciated these comments.

Chair Arakawa expressed the hope that the CEO and the Chief Information Officer of the HTA would do their best to act on this recommendation. Several bills were progressing through the legislature with uncertain impacts on the Convention Center, but good numbers would speak for themselves.

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

## **6. Adjournment**

Chair Arakawa thanked the committee members and the members of the public who had taken part in the meeting and called for adjournment. The meeting was adjourned at 10:03 a.m.

Respectfully submitted,



---

Sheillane Reyes  
Recorder

# **4**

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



**The State of Hawai`i**  
**Department of Business, Economic Development, and Tourism**  
**Hawai`i Tourism Authority**  
**Financial Statements**  
**January 31, 2024**

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

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Prepared by: Talon Kishi, CPA

Budget and Fiscal Officer HAWAII`I

TOURISM AUTHORITY

Hawaii Tourism Authority  
January 31, 2024

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**Hawaii Tourism Authority  
Balance Sheet  
As of January 31, 2024**

	Tourism Funds	Convention Center Funds	Convention Center Roof Repairs	Tourism Emergency Special Fund	Federal Funds	Total Funds
<b>Assets</b>						
General funds	33,441,061	7,801,119	-	-	-	41,242,180
Special funds (restricted)	14,063,698	47,479,722	-	-	-	61,543,420
Federal grants	-	-	-	-	13,574,717	13,574,717
Generabl obligation bonds	-	-	14,871,000	-	-	14,871,000
Cash and cash equivalents	-	-	-	2,142,129	-	2,142,129
Investments	-	-	-	496,230	-	496,230
Accounts Receivable*	250,693					250,693
<b>Total assets</b>	<b>47,755,452</b>	<b>55,280,841</b>	<b>14,871,000</b>	<b>2,638,359</b>	<b>13,574,717</b>	<b>134,120,369</b>
<b>Liabilities and Fund Balances</b>						
Fund balances						
Encumbered - GOB	-	-	670,000	-	-	670,000
Encumbered - General funds	30,836,929	7,801,118	-	-	-	38,638,047
Encumbered - Special funds	7,605,480	3,540,999	-	-	6,000,345	17,146,824
Unencumbered	9,313,043	43,938,724	14,201,000	2,638,359	7,574,372	77,665,498
<b>Total fund balances</b>	<b>47,755,452</b>	<b>55,280,841</b>	<b>14,871,000</b>	<b>2,638,359</b>	<b>13,574,717</b>	<b>134,120,369</b>
<b>Total liabilities and fund balances</b>	<b>47,755,452</b>	<b>55,280,841</b>	<b>14,871,000</b>	<b>2,638,359</b>	<b>13,574,717</b>	<b>134,120,369</b>

**Hawaii Tourism Authority**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Month Ended January 31, 2024**  
**Ending Fund Balance as of January 31, 2024**

	Tourism Funds	Convention Center Funds	Convention Center Roof Repairs	Tourism Emergency Special Fund	Federal Funds	Total Funds
<b>Revenues</b>						
Change in fair value	-	-	-	2,576	-	2,576
HCC operations	-	-	-	-	-	-
Interest and dividends, net	-	140,250	-	2,884	-	143,134
TAT	-	-	-	-	-	-
Other*	-	18,000	-	-	-	18,000
Total revenues	-	158,250	-	5,460	-	163,710
<b>Expenditures</b>						
Administrative	45,377	698,302	-	833	-	744,512
Branding	2,352,595	-	-	-	-	2,352,595
Destination management	1,190	-	-	-	-	1,190
Governance and org-wide*	51,251	-	-	-	-	51,251
HCC marketing	-	-	-	-	-	-
HCC operations	-	-	-	-	-	-
HCC repairs and maintenance	-	-	-	-	-	-
Natural resources	-	-	-	-	-	-
Perpetuating Hawaiian culture	147,433	-	-	-	-	147,433
Planning & evaluation	93,767	-	-	-	-	93,767
Resident and Industry Communications	30,250	-	-	-	-	30,250
Safety & Security	-	-	-	-	-	-
Salaries	75,767	-	-	-	-	75,767
Sports	-	-	-	-	-	-
Workforce	42,000	-	-	-	-	42,000
Total expenditures	2,839,630	698,302	-	833	-	3,538,765
Change in fund balances	(2,839,630)	(540,052)	-	4,627	-	(3,375,055)
<b>Fund balances</b>						
Beginning of month	50,595,082	55,820,893	14,871,000	2,633,732	13,574,717	137,495,424
Ending fund balance	47,755,452	55,280,841	14,871,000	2,638,359	13,574,717	134,120,369

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

## Selected Management Disclosures

### The Financial Reporting Entity

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

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

### Funds

The Authority's major funds are as follows:

#### Tourism Funds:

- **Tourism Special Fund (TSF)** –The Tourism Special Fund accounts for functions related to developing and promoting the tourism industry. Effective January 1, 2022, pursuant to Act 1 Special Legislative Session 2021, the TSF was sunset and discontinued the ability to expend any new funds. Funds encumbered as of June 30, 2021, can be spent. Included in the TSF's encumbered fund balance is \$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

January 31, 2024

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

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

- **Tourism Emergency Special Fund** – The Tourism Emergency Special Fund accounts for functions related to maintaining a tourism emergency fund. Per Section 201B-10, revenues prescribed by Section 237D-6.5(b) and all investment earnings are credited to the fund's assets. Funds are currently held at the Bank of Hawaii. Funds must be exclusively used to respond to a tourism emergency under Section 201B-9. On August 19, 2023, 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 \$251,000 on Maui wildfire response efforts. To date, the Authority has spent \$2,340,000 on an emergency marketing campaign for Maui.

### **Federal Funds:**

- **Economic Development Administration (EDA) Tourism Grant** – Official Name: ARPA-EDA Tourism Grant (Non-Competitive ARPA State Tourism Grant for the State of Hawaii) – The Authority was awarded \$14,024,372 on December 8, 2021. Grant rules required the approval of the Grant Administration Plan (GAP) before the commencement of work. EDA approved the Authority's GAP on March 21, 2023. The Authority will share approximately \$7,200,000 of the grant with the Department of Land and Natural Resources (DLNR) to enhance and develop Hawaii's outdoor recreational assets. All work must be completed by May 31, 2027, and money spent by September 30, 2027. To date, the Authority has spent approximately \$449,000.

### **Basis of Accounting**

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

### **Governance & Org-Wide Expenditures**

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

### **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.

### **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

January 31, 2024

**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.

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

On June 30, 2023, management estimated the 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 or resources related to OPEB of approximately \$227,125 and (\$535,695), respectively.

**Accrued Vacation**

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

**Use of Estimates**

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

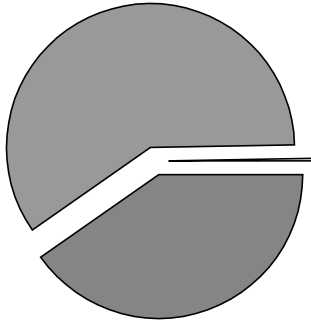
**Other Matters**

HTA expects to be reimbursed by the Federal Emergency Management Agency (FEMA) for approximately \$251,000 for expenditures related to the immediate response to the Maui wildfires. All funds reimbursed by FEMA will be deposited to the General Fund.

The Authority earned \$18,000 for distributed antennae system services at the HCC.

## Summary Of Investments

### Investment Allocation



0.3%	CASH	3,537.54
59.3%	CASH EQUIVALENTS	729,366.33
40.4%	FIXED INCOME	496,230.00
100.0%	<b>TOTAL</b>	<b>1,229,133.87</b>

### Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	3,537.54	0.29	0	0.00
CASH EQUIVALENTS	729,366.33	59.34	38,000	5.21
FIXED INCOME	496,230.00	40.37	11,250	2.27
<b>Total Fund</b>	<b>1,229,133.87</b>	<b>100.00</b>	<b>49,250</b>	<b>4.01</b>

### Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	694.13	694.13	19.62
	ACCRUED INCOME	2,843.41	2,843.41	80.38
	TOTAL CASH	3,537.54*	3,537.54*	100.00*
	<b>CASH EQUIVALENTS</b>			
	<b>CASH MANAGEMENT</b>			
729,366.33	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	729,366.33	729,366.33	100.00
	<b>FIXED INCOME</b>			
	<b>U S TREASURY OBLIGATIONS</b>			
500,000	US TREASURY NOTES 2.25% 04/30/2024	497,754.55	496,230.00	100.00



Statement Period  
Account Number

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

## Schedule Of Investments

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UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	Total Fund	1,230,658.42*	1,229,133.87*	100.00*



Statement of Account

Last statement: December 31, 2023  
This statement: January 31, 2024  
Total days in statement period: 31

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



00003581-TDBSAD11400201980375-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**

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*HAPPY NEW YEAR FROM BANK OF HAWAII! WE APPRECIATE YOUR BUSINESS AND HOPE THAT YOU AND YOUR FAMILY HAD A JOYOUS HOLIDAY SEASON! MEMBER FDIC.*

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**Analyzed Business Checking**

Account number	0091-585227	Beginning balance	\$1,409,224.12
Low balance	\$1,409,224.12	Total additions	.00
Average balance	\$1,409,224.12	Total subtractions	.00
		Ending balance	\$1,409,224.12

**\*\* No activity this statement period \*\***

MEMBER FDIC

EQUAL HOUSING LENDER

**Hawaii Convention Center**  
Consolidated Balance Sheet  
December 31, 2023 and December 31, 2022  
(In Whole Numbers)

	Unaudited 12/31/23	Audited 12/31/22
<b>Assets</b>		
<b>Current Assets</b>		
Cash	42,239,178	36,503,735
Accounts Receivable, Net	2,191,916	23,544,851
Prepaid	130,253	223,254
Deposits	0	0
<b>Total Current Assets</b>	<b>44,561,347</b>	<b>60,271,840</b>
<b>Fixed Assets</b>		
Building Improvements	1,044,164	167,290
Furniture & Fixtures	85,480	0
Machinery & Equipment	295,277	0
Computer Equipment	62,787	29,090
Work in Progress	1,954,061	111,745
<b>Total Fixed Assets</b>	<b>3,441,769</b>	<b>308,125</b>
<b>Total Assets</b>	<b>48,003,116</b>	<b>60,579,965</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable	989,865	869,655
Accrued Expenses	2,374,637	1,200,525
Advance Deposits	2,046,325	2,081,645
<b>Total Current Liabilities</b>	<b>5,410,827</b>	<b>4,151,825</b>
<b>Equity</b>		
Funds Remitted	(218,462,342)	(214,859,910)
Funding Received	413,590,488	423,154,765
Retained Earnings	(154,471,462)	(149,771,767)
Net Income (Loss)		
HCC Facility	2,397,787	(1,657,786)
HCC Sales & Marketing	(462,182)	(437,162)
<b>Total Net Income (Loss)</b>	<b>1,935,605</b>	<b>(2,094,948)</b>
<b>Total Equity</b>	<b>42,592,289</b>	<b>56,428,140</b>
<b>Total Liabilities and Equity</b>	<b>48,003,116</b>	<b>60,579,965</b>

**Hawaii Convention Center**

Cash  
As of 12/31/2023  
(In Whole Numbers)

As of 12/31/2023

Cash	
Cash Operating-Facility	71,790
Cash Operating-Sales & Marketing	395,673
Cash Revenue	2,046,325
Cash Repairs & Maintenance Fund	39,718,890
Petty Cash	4,000
Change Fund Parking	2,500
Total Cash	<u>42,239,178</u>

**Hawai'i Convention Center**

Accounts Receivable Aging

December 31, 2023

(In Whole Numbers)

<b>Facility</b>			
Time	Amount	%	1/14/2024
Current	143,444	7%	116,319
Over 30	1,527,128	70%	64,273
Over 60	128,709	6%	113,619
Over 90	392,635	18%	392,618
	<u>2,191,916</u>	<u>100%</u>	<u>686,829</u>

Over 90:

119,601	American Red Cross-Shelter Assistance	In contact with agency
47,458	DEBDT-FEMA COMM CENTER	In contact with agency
40,518	DBEDT-DBEDT COMM CENTER	In contact with agency
39,944	AAU Global Games	In contact with client
16,449	HPE HTA Tourism Conference	In collections, contractor paying slowly.
8,052	Hawai'i Conservation Alliance	In contact with client
7,140	DBEDT-DBEDT COMM CENTER	In contact with agency
6,365	HVCB	In contact with partner
3,901	RNDC	In contact with client
332	Destiny MMA	In contact with client
308	Southeastern Delegation of the AMA	In contact with client
80	American College of Obstetricians	In contact with client
58	Punahou School	In contact with client
<u>290,205</u>		
<u>(9,224)</u>	Allowance for doubtful accounts	
<u>280,980</u>		



**Hawaii Convention Center**

## Statement of Cash Flows

As of 12/31/2023

(In Whole Numbers)

	<u>Current Month</u>	<u>Year-To-Date</u>
Cash Flow from operating activities		
Net Income/(Loss)	(767,545)	1,935,604
Accounts Receivable	319,415	716,980
Deposits and other assets	89,425	(51,026)
Accounts payable	154,733	(618,195)
Accrued expenses	1,175,657	1,365,215
Advance deposits	883	(179,240)
Total Cash Flow from operating activities	<u>972,568</u>	<u>3,169,338</u>
Cash Flow from investing activities		
Capital Assets	<u>(284,779)</u>	<u>(2,085,956)</u>
Total Cash Flow from investing activities	<u>(284,779)</u>	<u>(2,085,956)</u>
Cash flows from financing activities		
Contributions received from the State of Hawaii	0	2,500,580
Funds remitted to the State of Hawaii	<u>(1,231,407)</u>	<u>(3,372,459)</u>
Total Cash flows from financing activities	<u>(1,231,407)</u>	<u>(871,879)</u>
Net increase/(decrease) in cash and cash equivalents	<u>(258,839)</u>	<u>2,297,458</u>
Cash and cash equivalents at beginning of period	42,782,796	42,027,677
Cash and cash equivalents at end of period	<u><u>42,239,178</u></u>	<u><u>42,239,178</u></u>

**Hawaii Convention Center**  
**Facility**  
**Income Statement**  
From 12/01/2023 Through 12/31/2023  
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
<b>Direct Event Income</b>								
Rental Income (Net)	194,471	260,149	(65,678)	229,467	1,939,465	1,568,866	370,599	1,293,950
Service Revenue	47,424	32,660	14,764	129,710	1,068,284	502,465	565,819	665,165
<b>Total Direct Event Income</b>	<b>241,894</b>	<b>292,809</b>	<b>(50,914)</b>	<b>359,177</b>	<b>3,007,750</b>	<b>2,071,331</b>	<b>936,418</b>	<b>1,959,114</b>
<b>Direct Service Expenses</b>	<b>207,091</b>	<b>161,553</b>	<b>(45,538)</b>	<b>158,837</b>	<b>1,785,061</b>	<b>1,275,499</b>	<b>(509,562)</b>	<b>1,029,598</b>
<b>Net Direct Event Income</b>	<b>34,803</b>	<b>131,256</b>	<b>(96,452)</b>	<b>200,340</b>	<b>1,222,689</b>	<b>795,832</b>	<b>426,857</b>	<b>929,516</b>
<b>Ancillary Income</b>								
Food and Beverage (Net)	191,774	228,684	(36,910)	170,533	6,251,462	3,581,292	2,670,170	2,321,509
Event Parking (Net)	66,810	85,116	(18,306)	95,510	541,028	601,322	(60,294)	428,591
Electrical Services	2,497	1,000	1,497	1,000	170,025	93,600	76,425	25,905
Audio Visual	26,256	17,880	8,376	30,185	356,278	202,030	154,248	247,028
Internet Services	3,849	0	3,849	493	63,310	0	63,310	1,831
Rigging Services	1,500	500	1,000	480	46,222	15,500	30,722	50,117
Business Center	0	0	0	0	0	0	0	0
Security Commissions	0	0	0	0	0	0	0	0
First Aid Commissions	0	0	0	0	0	0	0	0
<b>Total Ancillary Income</b>	<b>292,685</b>	<b>333,180</b>	<b>(40,495)</b>	<b>298,202</b>	<b>7,428,325</b>	<b>4,493,744</b>	<b>2,934,581</b>	<b>3,074,982</b>
<b>Total Event Income</b>	<b>327,489</b>	<b>464,436</b>	<b>(136,947)</b>	<b>498,541</b>	<b>8,651,014</b>	<b>5,289,577</b>	<b>3,361,437</b>	<b>4,004,498</b>
<b>Other Operating Income</b>								
Non-Event Parking	60	433	(373)	828	1,000	2,598	(1,598)	2,672
Other Income	174,508	10,042	164,466	9,396	659,362	60,252	599,110	62,546
<b>Total Other Operating Income</b>	<b>174,568</b>	<b>10,475</b>	<b>164,093</b>	<b>10,224</b>	<b>660,362</b>	<b>62,850</b>	<b>597,512</b>	<b>65,218</b>
<b>Total Gross Income</b>	<b>502,057</b>	<b>474,911</b>	<b>27,146</b>	<b>508,766</b>	<b>9,311,376</b>	<b>5,352,427</b>	<b>3,958,949</b>	<b>4,069,716</b>
<b>Net Salaries &amp; Benefits</b>								
Salaries & Wages	469,443	526,916	57,473	359,175	3,009,995	3,228,185	218,190	2,162,367
Payroll Taxes & Benefits	153,949	155,908	1,959	135,613	847,124	933,318	86,194	628,771
Labor Allocations to Events	(64,210)	(46,447)	17,763	(35,299)	(544,606)	(376,286)	168,320	(319,263)
<b>Total Net Salaries &amp; Benefits</b>	<b>559,182</b>	<b>636,377</b>	<b>77,195</b>	<b>459,489</b>	<b>3,312,512</b>	<b>3,785,217</b>	<b>472,705</b>	<b>2,471,876</b>
<b>Other Indirect Expenses</b>								
Net Contracted Services	95,356	38,707	(56,649)	59,032	331,508	236,041	(95,467)	359,610
Operations	14,008	13,099	(909)	10,914	134,523	78,594	(55,929)	64,372
Repair & Maintenance	100,332	110,021	9,689	131,372	524,460	660,126	135,666	517,597
Operational Supplies	28,611	58,121	29,510	54,560	432,531	447,365	14,834	279,949
Insurance	19,637	23,935	4,298	20,021	172,995	176,644	3,649	125,684
Utilities	246,109	229,400	(16,709)	218,695	1,552,078	1,491,931	(60,147)	1,505,591
Meetings & Conventions	189	954	765	3,783	16,321	12,974	(3,347)	10,224
Promotions & Communications	0	6,266	6,266	2,887	0	37,596	37,596	16,362
General & Administrative	58,518	35,103	(23,415)	29,474	222,805	226,013	3,208	187,837
Management Fees	19,433	19,433	(0)	19,033	116,600	116,598	(2)	114,200
Other	67,842	4,733	(63,109)	17,899	97,256	28,398	(68,858)	74,200
<b>Total Other Indirect</b>	<b>650,035</b>	<b>539,772</b>	<b>(110,263)</b>	<b>567,670</b>	<b>3,601,077</b>	<b>3,512,280</b>	<b>(88,797)</b>	<b>3,255,626</b>
<b>Net Income (Loss) before CIP Funded Expenses</b>	<b>(707,160)</b>	<b>(701,238)</b>	<b>(5,922)</b>	<b>(518,393)</b>	<b>2,397,786</b>	<b>(1,945,070)</b>	<b>4,342,857</b>	<b>(1,657,786)</b>
<b>CIP Funded Expenses</b>	<b>67,005</b>	<b>0</b>	<b>67,005</b>	<b>0</b>	<b>67,605</b>	<b>0</b>	<b>67,605</b>	<b>384</b>
<b>Net Income (Loss) from Operations</b>	<b>(640,155)</b>	<b>(701,238)</b>	<b>61,083</b>	<b>(518,393)</b>	<b>2,465,392</b>	<b>(1,945,070)</b>	<b>4,410,462</b>	<b>(1,657,402)</b>
<b>Fixed Asset Purchases</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>	<b>70,602</b>	<b>150,000</b>	<b>79,398</b>	<b>100,969</b>
<b>Net Income (Loss) After Fixed Asset Purchases</b>	<b>(640,155)</b>	<b>(726,238)</b>	<b>86,083</b>	<b>(518,393)</b>	<b>2,394,790</b>	<b>(2,095,070)</b>	<b>4,489,860</b>	<b>(1,758,371)</b>

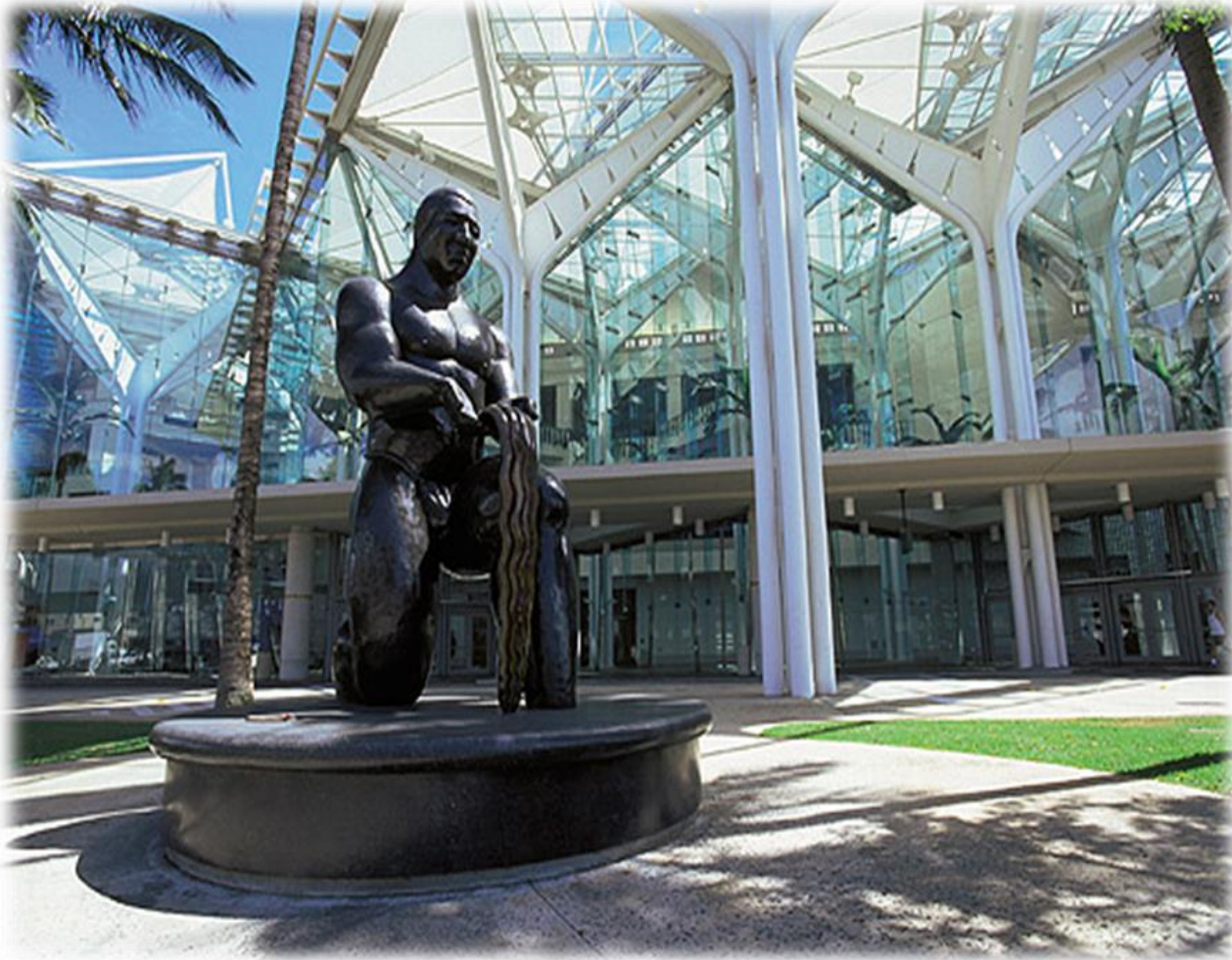
**Hawaii Convention Center**  
Facility  
Income Statement  
From 12/01/2023 Through 12/31/2023  
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
<b>Revenues</b>								
Food & Beverage	476,733	428,917	47,816	497,097	9,615,515	6,787,620	2,827,895	3,994,688
Facility	532,838	420,744	112,095	508,851	4,927,084	3,156,740	1,770,344	2,865,970
Total Revenues	<u>1,009,571</u>	<u>849,661</u>	<u>159,911</u>	<u>1,005,948</u>	<u>14,542,599</u>	<u>9,944,360</u>	<u>4,598,239</u>	<u>6,860,658</u>
<b>Expenses</b>								
Food & Beverage	462,994	392,791	(70,203)	487,001	4,762,848	4,514,119	(248,729)	2,490,896
Facility	1,253,738	1,158,108	(95,630)	1,037,339	7,381,965	7,375,311	(6,654)	6,027,548
Total Expenses	<u>1,716,732</u>	<u>1,550,899</u>	<u>(165,833)</u>	<u>1,524,340</u>	<u>12,144,813</u>	<u>11,889,430</u>	<u>(255,383)</u>	<u>8,518,444</u>
Net Income (Loss) before CIP Funded Expenses	<u>(707,160)</u>	<u>(701,238)</u>	<u>(5,922)</u>	<u>(518,393)</u>	<u>2,397,786</u>	<u>(1,945,070)</u>	<u>4,342,856</u>	<u>(1,657,786)</u>
CIP Funded Expenses	<u>67,005</u>	<u>0</u>	<u>67,005</u>	<u>0</u>	<u>67,605</u>	<u>0</u>	<u>67,605</u>	<u>384</u>
Net Income (Loss) from Operations	<u>(640,155)</u>	<u>(701,238)</u>	<u>61,083</u>	<u>(518,393)</u>	<u>2,465,391</u>	<u>(1,945,070)</u>	<u>4,410,461</u>	<u>(1,657,402)</u>
Fixed Asset Purchases	<u>0</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>	<u>70,602</u>	<u>150,000</u>	<u>79,398</u>	<u>100,969</u>
Net Income (Loss) after Fixed Asset Purchases	<u><u>(640,155)</u></u>	<u><u>(726,238)</u></u>	<u><u>86,083</u></u>	<u><u>(518,393)</u></u>	<u><u>2,394,789</u></u>	<u><u>(2,095,070)</u></u>	<u><u>4,489,859</u></u>	<u><u>(1,758,371)</u></u>

# **5**

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

# *Hawai'i Convention Center*



*Update for*  
***January 2024***  
*For*  
***(February 2024 meeting)***

# Financial Update

	Jan-24 Actual	FY 2024 Reforecast	FY 2024 Budget	Variance	FY 2023 Actual	FY 2022 Actual
Facility Number of Events	15	240	225	15	273	213
Facility Operating Revenue	\$1,087,200	\$23,422,300	\$18,354,500	\$5,067,800	\$14,310,800	\$7,178,200
Facility Other Income	\$176,100	\$1,603,200	\$125,700	\$1,477,500	\$135,700	\$78,500
Facility Total Revenue	<b>\$1,263,300</b>	<b>\$25,025,500</b>	<b>\$18,480,200</b>	<b>\$6,545,300</b>	<b>\$14,446,500</b>	<b>\$7,256,700</b>
Facility Operating Expenses	-\$1,686,200	-\$25,212,200	-\$23,812,600	-\$1,399,600	-\$18,412,200	-\$11,842,500
Facility Net Income/(Subsidy)	<b>-\$422,900</b>	<b>-\$186,700</b>	<b>-\$5,332,400</b>	<b>\$5,145,700</b>	<b>-\$3,965,700</b>	<b>-\$4,585,800</b>
Local S&M Operating Expenses	-\$71,000	-\$1,223,700	-\$1,223,700	\$0	-\$959,400	-\$522,600
HCC Net Income/(Subsidy)	<b>-\$493,900</b>	<b>-\$1,410,400</b>	<b>-\$6,556,100</b>	<b>\$5,145,700</b>	<b>-\$4,925,100</b>	<b>-\$5,108,400</b>

# ROI January 2024 FYTD

HCC Revenue + State Revenue  
 +Tax Revenue  
 = \$266.7 M

HCC Expense + HVCB MCI  
 Expense = \$17.4 M

***ROI = For every dollar spent,  
 \$15.33 returned to the State***

	<u>FYTD 2024 ROI</u>	<u>CW's FYTD</u>
07.23-01.24	\$15.33	(11)
07.23-12.23	\$17.79	(10)
07.23-11.23	\$20.63	(10)
07.23-10.23	\$23.16	(8)
07.23-09.23	\$18.62	(6)
07.23-08.23	\$25.91	(5)
07.23	\$30.74	(4)
	<u>FY 2023 ROI</u>	
07.22-06.23	\$4.19	(7)

# Recent Events @ Hawai'i Convention Center

- Hawai'i Dental Convention, Jan 25-26, 3,000 attendees
- Hawaiian AAU Grand Prix 2024, Feb 17-19, 4,000 attendees (CW)
- Joy of Sake, Feb 23, 1,000 attendees





# Upcoming Local/Citywide Events

- King's Runner 10K Packet Pick Up, March 1-2, 2,600 attendees
- NDIA 2024 Pacific Operational Science and Technology Conference, March 2-7, 1,700 attendees (CW)
- Kawaii Kon 2024, March 29-31, 18,000 attendees

**2024 Pacific Operational  
Science & Technology  
(POST) Conference**



# Carbon Offset Program

- This is a first-of-its-kind Carbon Offset Program that provides meeting organizers with the opportunity to offset the carbon footprint of their meeting.
- Participating events include:
  - 2024 Transpacific Volleyball Championship (10 trees)
  - 2024 Sony Open Gala Dinner (9 trees)
  - CHEST 2023 (42 trees)
  - 2023 International Conference on Machine Learning (36 trees)
  - 2023 Okinawan Festival (11 trees)



**ICML**  
International Conference  
On Machine Learning



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

# New F&B Equipment



Mogogo Banquet Stations



Coffee Dispensers



Beverage Dispensers

# Completed projects in January 2024

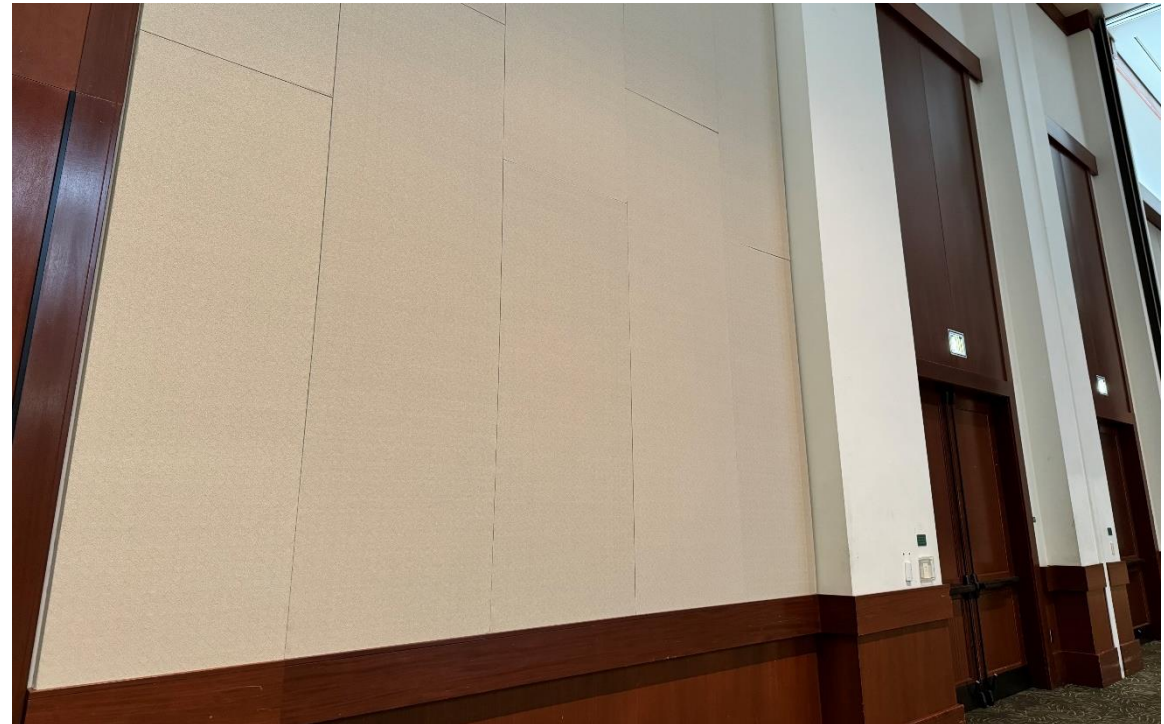
## Transformer Replacement Project

Four of our building's original transformers were recently replaced with updated Powersmiths energy efficient Transformers. We are working with Hawai'i Energy on receiving energy credits.



## Ballroom Wallpaper

Ballroom wallpapers have been replaced to match our meeting rooms, making it easier for our team to hold inventory of only one pattern of wallpaper.



# Completed projects in January 2024

## Exterior Security Camera Upgrade

New exterior security cameras have been installed around the perimeter of HCC



# Repair, Maintenance and Replacement Projects

## 6-Year Plan (page 1)

Project Number	Project Title	Estimated Project Cost	Priority	Prior Expenses to Dec 23	FY24	FY25	FY26	FY27	FY28	FY29	Total
001	Rooftop Terrace Deck Full Repair	\$ 64,000,000	1	\$ -	\$ 2,000,000	\$ 30,000,000	\$ 32,000,000				\$ 64,000,000
011	Ballroom Gutter, Foyer Transom Glass Roof Repair and Soffit R	\$ 7,706,791	1	\$ 71,071	\$ 7,635,720						\$ 7,706,791
013	Ballroom Roof Repairs	\$ 2,271,093	1	\$ 29,519	\$ 2,241,574						\$ 2,271,093
012	Parapet Roof Repairs	\$ 3,066,470	1	\$ 25,555	\$ 3,040,915						\$ 3,066,470
003	Kalākaua Kitchen Exterior Wall Repair	\$ 2,440,752	1	\$ 313,460		\$ 2,127,292					\$ 2,440,752
007	Kitchen Hood Control Panel Replacement	\$ 341,407	1	\$ 18,770	\$ 322,636						\$ 341,406
008	Pantry 348 Walk-in Refrigerator Replacement	\$ 135,443	1	\$ 54,637	\$ 80,806						\$ 135,443
009	Slate Tile Repair	\$ 2,142,108	1	\$ 150,018	\$ 1,992,090						\$ 2,142,108
010	Chiller Replacement	\$ 6,909,252	1	\$ 180,912	\$ 6,728,340						\$ 6,909,252
014	Lobby Water Feature	\$ 1,086,810	3	\$ 3,932			\$ 1,082,878				\$ 1,086,810
015	House Sound Audio System Upgrade	\$ 2,973,864	1	\$ 38,020	\$ 2,935,843						\$ 2,973,863
022	Chill Water Pipe Reinsulation	\$ 677,894	1	\$ 306,864	\$ 371,030						\$ 677,894
023	Air Wall Repairs	\$ 282,058	1	\$ 16,155	\$ 265,903						\$ 282,058
024	Roll-up Door Replacement	\$ 225,000	2	\$ 23,656		\$ 201,344					\$ 225,000
025	Ballroom and Meeting Room Wallpaper Replacement	\$ 203,531	1	\$ 147,721	\$ 55,810						\$ 203,531
026	IT Network Upgrades	\$ 125,000	3	\$ -		\$ 55,000	\$ 70,000				\$ 125,000
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	\$ 5,300,000	1	\$ -	\$ 2,500,000	\$ 2,800,000					\$ 5,300,000
031	Ala Wai Waterfall Repair	\$ 1,071,501	3	\$ 2,362			\$ 1,069,139				\$ 1,071,501
036	Water Intrusion Remediation	\$ 400,000	1	\$ 166,165	\$ 233,835						\$ 400,000
037	Exterior Security Camera Upgrade	\$ 231,348	1	\$ 155,504	\$ 75,844						\$ 231,348
041	Children's Courtyard Repair	\$ 329,162	1	\$ -			\$ 329,162				\$ 329,162
042	Kahakai/Atkinson Drywell Rehabilitation	\$ 351,113	1	\$ -	\$ 351,113						\$ 351,113
043	Air Handler Unit 9 and 10 Replacement	\$ 401,382	2	\$ 377		\$ 401,005					\$ 401,382
044	Fire Sprinkler Line Refurbishment	\$ 343,394	1	\$ -	\$ 100,000	\$ 125,000	\$ 118,394				\$ 343,394
045	Escalator Modernization	\$ 15,865,737	1	\$ 9,058	\$ 6,900,000	\$ 2,640,000	\$ 6,316,678				\$ 15,865,736
046	LED Light Upgrade	\$ 4,781,506	1	\$ 68,293	\$ 4,713,213						\$ 4,781,506

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



# Repair, Maintenance and Replacement Projects

## 6-Year Plan (page 2)

Project Number	Project Title	Estimated Project Cost	Priority	Prior Expenses to Dec 23	FY24	FY25	FY26	FY27	FY28	FY29	Total
048	Electrical Harmonics Testing	\$ 100,000	3	\$ -			\$ 100,000				\$ 100,000
049	Main Kitchen Dishwasher Replacement	\$ 421,315	1	\$ 219,521	\$ 201,794						\$ 421,315
050	Main Kitchen Flooring Replacement	\$ 600,000	1/3	\$ 19,019	\$ 200,000	\$ 380,981					\$ 600,000
051	PBX System Replacement	\$ 90,505	1	\$ -	\$ 90,505						\$ 90,505
052	Ride-on Sweeper Replacement	\$ 55,000	1	\$ 100	\$ 54,900						\$ 55,000
054	Boardroom Upgrade	\$ 1,099,549	3	\$ 73,263			\$ 1,026,286				\$ 1,099,549
055	Elevator #2 Upgrade	\$ 250,000	3	\$ -			\$ 250,000				\$ 250,000
058	Kitchen Hood Fire Suppression System Replacement	\$ 341,407	1	\$ 18,770	\$ 322,636						\$ 341,406
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	\$ 387	\$ 164,613						\$ 165,000
064	F&B Equipment	\$ 1,266,870	1	\$ 12,640	\$ 1,254,230						\$ 1,266,870
065	Transformer Replacement	\$ 140,297	1	\$ 294	\$ 140,002						\$ 140,296
066	Kitchen Boiler Replacement	\$ 130,000	1	\$ -	\$ 130,000						\$ 130,000
068	3rd Floor Planter Repair and Exterior Planter Repair	\$ 11,048,647	1	\$ 34,545	\$ 4,415,590	\$ 6,598,512					\$ 11,048,647
069	Parking System Equipment Upgrade / Parking Flooring Sealing	\$ 616,515	1	\$ 28,382	\$ 20,000	\$ 568,133					\$ 616,515
070	Parking Garage Floor Sealing	\$ 250,000	1	\$ -		\$ 250,000					\$ 250,000
071	Access Control Upgrade	\$ 2,000,000	2	\$ -		\$ 1,000,000	\$ 1,000,000				\$ 2,000,000
072	Ride-on Scrubber Replacement	\$ 82,400	1	\$ -	\$ 82,400						\$ 82,400
073	Common Area Furniture Upgrade	\$ 200,000	1	\$ -		\$ 200,000					\$ 200,000
074	Ice Rink and Equipment	\$ 500,000	1	\$ -	\$ 500,000						\$ 500,000
075	Exterior Building Painting	\$ 2,416,382	1	\$ -	\$ 1,188,316	\$ 1,228,066					\$ 2,416,382
076	Main Kitchen Freezer Repair	\$ 500,000	1	\$ -	\$ 500,000						\$ 500,000
077	Interior Building Painting	\$ 7,000,000	1	\$ -	\$ 7,000,000						\$ 7,000,000
078	Pot Wash Machine Replacement	\$ 180,000	1	\$ -	\$ 180,000						\$ 180,000
079	Digital Signage Upgrade	\$ 6,150,000	1	\$ 20,390	\$ 30,000	\$ 6,099,610					\$ 6,150,000
081	Facility Equipment Replacement	\$ 1,000,000	1	\$ -	\$ 500,000	\$ 500,000					\$ 1,000,000
082	Escalator and Elevator Repairs	\$ 1,000,000	1	\$ 131,376	\$ 300,000	\$ 568,624					\$ 1,000,000
	Legal Retainer	\$ 151,094		\$ 112,768	\$ 38,326						\$ 151,094
	<b>GRAND TOTAL</b>	<b>\$163,346,597</b>		<b>\$ 2,494,855</b>	<b>\$60,419,005</b>	<b>\$ 55,820,350</b>	<b>\$43,987,382</b>	<b>\$ 625,000</b>	<b>\$ -</b>	<b>\$ -</b>	



# Repair, Maintenance and Replacement Projects

## Major Project Update

### Exterior Painting

- Contractor submitted work and access plan, incorporating around HCC events

### Chiller Replacement

- Contractor completing internal repairs and connections
- Crane lift planned for end March; remove 2 old units, install 2 new units

### LED Lighting Upgrade

- Awarded contract
- Scheduling mock-up room to fine tune new fixtures and controls

### Escalator Modernization

- Proposers requested additional site visits
- Proposals due early March

### Issuing solicitation for

- Architectural Firm for design, bid, build projects
- Food and Beverage China and Equipment
- Parapet Roof Repairs

# Repair, Maintenance and Replacement Projects

## CUMMING GROUP Priority Projects

- *Kitchen Hood Control Panel and Fire Suppression Upgrade*
- *Slate Tile Repair*
- *Chiller Replacement*
- *Main Kitchen Dishwasher Replacement*
- *Ballroom Roof Repairs*
- *House Sound Audio Upgrade*
- *Ballroom Gutter, Foyer Transom Glass and Soffit Repair*
- *3<sup>rd</sup> floor and Exterior Planters Repair*
- *LED Lighting Upgrade*
- *Walk-in Refrigerator Replacement*
- *Main Kitchen Flooring Replacement*
- *Exterior Building Painting*
- *Kalākaua Kitchen Wall Repair and Atkinson Drywell Replacement*
- *Main Kitchen Freezer Repair*
- *Interior Building Painting*
- *Pot Wash Machine Replacement*
- *Parking Garage Equipment Upgrade and Floor Sealing*

# Repair, Maintenance and Replacement Projects Completed (since 2020)

## COMPLETED 2020

- *Gutter Trough, Roof Repairs; \$8.3M*
- *Boiler Replacement; \$585k*
- *Ala Wai Waterfall Repairs; \$185k*
- *Chiller 4 Repairs; \$55k*
- *#320 Roof Repairs; \$1.4M*
- *Banquet Chairs/Tables Upgrade; \$2.25M*

## COMPLETED 2021

- *Cooling Tower Replacement; \$3.2M*
- *Theatre LED Lighting Upgrade; \$77k*
- *Roof Overflow Drain Repairs; \$16k*
- *Jockey Chiller Repairs; \$28k*
- *ADA Lift Replacement; \$71.5k*
- *Emergency Generator Repairs; \$32k*
- *Window Repairs – Vandalism; \$177k*

## COMPLETED 2022

- *Leak Repairs – 12/21-1/22; \$396k*
- *Chiller Repairs; \$69.3k*
- *Trellis Renovation; \$4.7M*
- *Lobby Glass Replacement; \$25k*
- *New Security Camera, Access Control; \$1.56M*
- *Kitchen AC Compressor Replacement; \$16.5k*

## COMPLETED 2023

- *Event Stage ADA Ramp; \$41k*
- *Escalator #1 Handrail Replacement; \$64k*
- *Exterior Sign Refurbishment; \$50k*
- *Leak Repair Remediation; \$168k*
- *Forklift Replacement; \$175k*

## COMPLETED 2024

- *Water Intrusion Remediation; \$400k*
- *Ballroom Wallcovering; \$200k*
- *Exterior Security Camera; \$225k*
- *Transformer Replacement; \$131k*



Mahalo Nui Loa

**6j**

**Status and Discussion on  
Unused Funds in the Tourism Special Fund**

**Tourism Special Fund Unused Funds  
As of 2/14/24**

**Tourism Special Fund Encumbrances as of 2/14/24:**

<b>F-FY-ACCT</b>	<b>Vendor Name</b>	<b>Encumbrance Balance as of 2/14/24</b>	<b>Description (1)</b>	<b>Contract End Date</b>
S-21-348	AEG MANAGEMENT HCC, LLC	<b>5,948,568.00</b>	HTA CON 14002 - HAWAII CONVENTION CENTER (Center for Hawaiian Music and Dance)	6/30/2024
S-21-348	ANTHOLOGY MARKETING GROUP, INC	<b>20,105.35</b>	HTA CON #20010 - PUBLIC RELATIONS, COMMUNICATIONS & OUTREACH SVCS	12/31/2024
S-21-348	ANTHOLOGY MARKETING GROUP, INC	<b>2,780.92</b>	HTA CON #20010 - PUBLIC RELATIONS, COMMUNICATIONS & OUTREACH SVCS	12/31/2024
S-20-348	EVO DC LLC	<b>4,361.94</b>	PROFESSIONAL SVCS - HTA CON 19162 - IT SUPPORT SVCS	3/24/2024
S-20-348	EVO DC LLC	<b>30,923.94</b>	PROFESSIONAL SVCS - HTA CON 19162 - IT SUPPORT SVCS	3/24/2024
S-21-348	EVO DC LLC	<b>16,177.85</b>	PROFESSIONAL SVCS - HTA CON 19162 - IT SUPPORT SVCS	3/24/2024
S-21-348	HAWAII VISITORS AND CONVENTION	<b>101,900.00</b>	HTA CON 21030- ISLAND CHAPTERS SUPPORT SERVICES	12/31/2023
S-21-348	HAWAII VISITORS AND CONVENTION	<b>230,000.00</b>	HTA CON 21038-CEP DMAP COMMUNITY & HAWAIIAN CULTURE EVENTS	8/30/2024
S-21-348	ITRAVLOCAL LIMITED	<b>696,764.00</b>	HTA CON 21031- CHINA MMA MARKETING MANAGEMENT SERVICES	12/31/2025
S-21-348	OMNITRAK GROUP, INC.	<b>12,373.00</b>	HTA CON 21014-CRUISE VISITORS' BASIC CHARACTERISTICS & EXPENDITURES	6/30/2024
S-20-348	TEAM UNLIMITED LLC	<b>18,000.00</b>	HTA CON 18190 - XTERRA WORLD CHAMPIONSHIP	EXPIRED. Will liquidate encumbrance.
S-20-348	UNIVERSITY OF HAWAII	<b>66,000.00</b>	HTA CON #20184 - HO'OILINA SCHOLORSHIP PROGRAM	6/30/2024
S-20-348	UNIVERSITY OF HAWAII	<b>20,000.00</b>	HTA CON #20185 - HO'OILINA SCHOLORSHIP PROGRAM - WEST O'AHU	6/30/2024

**7,167,955.00**

Total Cash TSF as of 2/14/24	14,126,550.00
Total ENC TSF	7,167,955.00
<b>Unencumbered Cash TSF</b>	<b>6,958,595.00</b>