



Hawaii Convention Center
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David Y. Ige
Governor

John De Fries
President and Chief Executive Officer

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

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

PO'AKOLU, 26 'OKAKOPA, 9:30 kak.
WEDNESDAY, OCTOBER 26, 2022 AT 9:30AM

HĀLĀWAI KELEKA'A'IKE
VIRTUAL MEETING

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

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Ma hope o ke kāinoa 'ana, e ho'ouna 'ia ka leka uila hō'oia iā 'oe me ka 'ikepili ho'oku'i hālāwai.
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*Hiki i ka lehulehu e komo ana ma ka hālāwai ma o ka Zoom ke hō'ike mai i nā 'ōlelo hō'ike ma o
ka māhele nīnau a pane o ka Zoom.*

Members of the public attending via Zoom may provide testimony through the question and
answer feature of the Zoom platform.

Papa Kumumana'o

AGENDA

1. *Ho'omaka A Pule*
Call to Order and Opening Protocol
2. *E Mālama 'Ia Ana Ke Kikolā I Hiki Ke Ho'olauna 'Ia Nā Lālā Papa Luna Ho'okele A Me Nā
Kānaka 'Ē A'e E Komo Pū Ana Ma Ka Hālāwai Inā Aia Ka Hālāwai Ma Kahi Ka'awale*
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 I Ka Mo'olelo Hālāwai 28 Iune 2022*
Approval of the **Minutes of the June 28, 2022 Committee Meeting**
4. *Hō'ike'ike, Kūkākūkā, A Hana No Ka Mo'olelo Kālā Kepakemapa O Ke Ke'ena Kuleana Ho'okipa O Hawai'i*
Presentation, Discussion, and Action on the **HTA's September Financial Report**
5. *Ka Hō'ike'ike, Kūkākūkā, A Hana Ma Ka Palapala Hō'ike Waiwai O Ke Kikowaena Hālāwai O Hawai'i No Mei A Me Ka Nū Hou Ma Ko Ke Kikowaena Hālāwai O Hawai'i Papahana CIP He 6-Makahiki Ka Lō'ihī*
Presentation, Discussion, and Action on the **Hawai'i Convention Center's September Financial Report and Update on the Hawai'i Convention Center's 6-Year CIP Plan**
6. *Ho'oku'u*
Adjournment

Kono 'ia ka lehulehu e nānā mai i ka hālāwai a ho'ouna mai i ka 'ōlelo hō'ike kākau 'ia no kēlā me kēia kumuhana i helu 'ia ma ka papa kumumana'ō. Hiki ke ho'ouna mai i nā 'ōlelo hō'ike kākau 'ia ma mua o ka hālāwai iā carole@gohta.net a i 'ole ho'ouna i ka leka i ke Ke'ena Kuleana Ho'okipa O Hawai'i, 1801 Kalakaua Avenue, Honolulu, HI 96815 - Attn: Carole Hagihara-Loo. 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: carole@gohta.net e like me ka wikiwiki i hiki, 'a'ole ho'i a ma 'ō aku o ka 'ekolu lā ma mua o ka hālāwai. Inā 'ike 'ia he noi i ka lā ma mua o ka hālāwai, e ho'ā'o mākou e 'imi i ka lawelawe a mea like paha, 'a'ole na'e ho'i e hiki ke ho'ohiki 'ia ke kō o ua noi lā.

Ua noa pū kēia ho'olaha ma nā kino 'oko'a e la'a ke kope pa'i nui, Braille, a kope uila pū ma ke noi.

Members of the public are invited to view the public meeting and provide written testimony on any agenda item. Written testimony may be submitted prior to the meeting to the HTA by email to carole@gohta.net or by postal mail to the Hawai'i Tourism Authority, 1801 Kalākaua Avenue, Honolulu, HI 96815 - Attn: Carole Hagihara-Loo. If you need an auxiliary aid/service or other accommodation due to a disability, contact Carole Hagihara-Loo at (808)973-2289 or by email: carole@gohta.net as soon as possible, preferably no later than 3 days prior to the meeting. If a response is received the day before the meeting, we will try to obtain the auxiliary aid/service or accommodation, but we cannot guarantee that the request will be fulfilled.

Upon request, this notice is available in alternative formats such as large print, Braille, or electronic copy.



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AUTHORITY

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E like nō me ka 'ōlelo a ke Kānāwai 220, e mālama ana ke Ke'ena Kuleana Ho'okipa o Hawai'i i kekahi wahi e hiki ai ka po'e o ka lehulehu ke noho a komo pū ma nā hālāwai ma o ka ho'ohana 'ana i ka 'enehana pāpaho (ICT). Aia ana kēia 'enehana pāpaho ma ka papahale mua o ka lumi ho'okipa i mua o ke Ke'ena Kuleana Ho'okipa o Hawai'i ma ka Hale 'Aha. 'O 1801 Kalakaua Avenue, Honolulu, Hawaii, 96815 ka helu wahi.

In accordance with Act 220, the Hawaii Tourism Authority will establish a remote viewing area for members of the public and board members to view and participate in meetings held using interactive conference technology (ICT). The ICT audiovisual connection will be located on the 1st Floor in the Lobby area fronting the Hawaii Tourism Authority at the Hawaii Convention Center at 1801 Kalakaua Avenue, Honolulu, Hawaii, 96815.

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Approval of Minutes of the June 28, 2022
Budget, Finance, and Convention Center Standing
Committee Meeting



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**BUDGET, FINANCE, AND CONVENTION CENTER STANDING COMMITTEE
MEETING HAWAII TOURISM AUTHORITY
Tuesday, June 28, 2022, at 9:30 a.m.
Virtual Meeting**

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

MEMBERS PRESENT:

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

HTA STAFF PRESENT:

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

GUESTS:

Representative Richard Onishi, Teri Orton,
Mari Tait

LEGAL COUNSEL:

Gregg Kinkley

1. Call to Order and Opening Protocol

Mr. Casson-Fisher did the opening protocol. Chair Rafter called the meeting to order at 9:32 a.m.

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

Mr. Regan did the roll call. All confirmed in attendance and were alone, except for Ms. Kimura, who had Mr. Glenn Yamasaki Kimura in the house.

3. Approval of the Minutes of the May 24, 2022 Committee Meeting

There were no questions or comments. Chair Atkins asked for a motion to approve. Mr. Alameda made a motion, and Mr. Arakawa seconded. Mr. Regan did the roll call and the motion passed unanimously.

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

Chair Rafter recognized that Rep. Onishi was at the Zoom meeting.

Ms. Orton said May was a hectic month at the Hawai'i Convention Center (HCC). They previously budgeted for eight events, and nineteen materialized. Some of those events were over the course of two or three days. They hosted a city-wide event, the last city-wide event for the fiscal year, Material Research Society, with 4,378 attendees versus the 2,000 they had budgeted for. It generated \$350,000 in revenue for the HCC, \$26 million in state economic impact, and \$3 million in TAT for the state.

They also hosted a volleyball tournament and five graduations, all of which had more attendees than expected, with COVID restrictions lifted. For the fiscal year ending June 30, their re-forecast, despite the 37 event cancellations resulting in \$2 lost revenue, they are re-forecasting to close the fiscal year with a net loss of \$4.8 million, which is about \$704,000 better than the anticipated budget they had the previous year. Ms. Orton said they are improving their short-term business to fill where the city-wide business had left a gap. She highlighted the four city-wides they had at the HCC, from January, with a little over 17,000 attendees, \$58.7 million in total visitor spending, and \$6.8 million in tax generation for the city-wide groups.

The ROI for every dollar spent at the HCC to date as of May, was \$4.19 through the state, which is inclusive of the HCC's expenses as well as sales and marketing expenses at the bureau, and for local sales. On average, pre-pandemic, they would close the year from \$22 to \$23 ROI for every dollar spent at the HCC, so the lack of city-wide revenue and tax generation due to COVID has impacted the ROI to the state. She said they are all positive and looking forward to bringing the number back to what it was before.

The Beyond Monet exhibit is in-house, and they are anticipating 100,000 attendees. It was a slow start for the exhibit, and they hope to get traction as they move through July 2022. The Monet exhibit is anticipated to end in July 2022. The Joy of Sake was a sold-out event the previous weekend. It was a successful event and a repeat customer. They had the Hawai'i Active Senior Expo that took place, a repeat customer.

Ms. Orton mentioned upcoming local and city-wide events out of the fiscal year. The Pacific Rim Championships, a basketball event, and Goldschmidt Conference, the first city-wide event in the new FY2023, will have about 2,500 attendees.

Definite city-wide bookings for the remainder of the calendar year include the American Medical Association, with a smaller conference, and the House of Delegates, with 3,500 attendees. The tax generation is \$6.9 million, and the state economic impact is \$53.8 million. In the month of June, she said they had eighteen local business events. For July 2022, they have sixteen events coming up. For August 2022 they have nineteen events. She said the numbers keep growing every week, and they are getting calls to fill short-term business at the HCC. Local business has come back strong.

Ms. Orton turned it over to Ms. Tait for the update on the repair and maintenance (R&M) projects.

Ms. Tait said the full review for R&M projects, for the six-year report of current projects, is included in the FY2023 budget presentation. She spoke about Theater #310 where they did a partial upgrade of the carpet there. There was delamination in the old carpet. They put in new carpet tiles, which facilitates maintenance. If there are stains, they can change out the particular tile, and it does not involve replacing the entire carpet. It looks good and is not a safety hazard anymore. They did these on the lower level, right off the stage, and at the entry to the theatre. On the rooftop terrace, the deck, the larger scope was still pending, but they did have issues regarding leaks, so the condition of the planters was looking dismal and barren. They took on the project to upgrade the fourth-floor planters because the rooftop is still popular for events. This was done with the in-house staff. Engineering in-house also did an upgrade on the extension. Landscaping started in December 2021, and they finished up in May 2022.

There were no questions from the audience.

Mr. Regan said that for this item, HTA should recommend that the Board approve the financials as presented by Ms. Orton and her team, which includes the financials and the R&M update.

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

5. Presentation and Discussion on Recommended Changes to the HTA Fiscal Year 2023 Draft Budget

Mr. Regan said this agenda would be a cooperative effort between him and Mr. Togashi. He said they wanted to discuss HB1147 being identified by the governor to be placed on the governor's intent to veto list. He said this had an impact on what they would be discussing relating to the budget. He shared that HB1147 included the \$60 million general fund appropriation for the HTA from an operational standpoint. It also had all the positions for the HTA and the ceiling of \$28.5 million for the HCC, which could be discussed later. He said that according to some of the discussions, the governor had mentioned that he would identify the American Rescue Plan Act funds (ARPA) that are unutilized and reallocate those funds to support the HTA. He said knowing that, he felt it was appropriate as it relates to the budget, that once they discuss that, and once the Board agrees or makes changes, a caveat or contingency could be placed on the recommendation to the Board that would tie in with the FY2023 budget into the funding provided by Gov. Ige in Budget and Finance. In addition, he mentioned that they need the support of the BFCC Committee and the Board to utilize some of the FY2022 ARPA monies the HTA currently has. This is to support payroll and general administration expenses that they will have in the initial phase of the fiscal year where allocations from the governor have not yet been received. This will be a protective measure to allow them to continue to operate.

Mr. Regan said about \$10 million to \$11 million of unutilized ARPA monies could be made available to the HTA team to support the payroll needs. He mentioned that as part of the process, certain things need to be in place to ensure operations continuity. He said in the FY2023 draft that a budget line item was identified as payroll, which includes the 25 positions at the HTA. The HTA needs to reestablish those positions by the BFCC acknowledging this.

Ms. Kimura asked if they were unsure whether they could secure \$60 million for the HCC.

Mr. Regan said that Rep. Onishi left the online meeting. Mr. Regan said they only knew what the governor stated publicly, and until they get the allocation, they will not know.

Chair Rafter said they would approve the budget as if the \$60 million was there, and then improve contingencies until they figure out how much there will be.

Mr. Togashi added that they also have a contingency plan for the HCC.

Mr. Atkins asked if the legislators could dictate any terms on an ARPA contract. He asked for confirmation that the legislators would not be changing anything, and Mr. Regan confirmed that as correct. He said every indication is that the governor supports getting the HTA at least \$60 million to support operations. He said it could potentially be more, but until it happens they have to place the contingency on the process.

Mr. Arakawa asked about the \$28 million for the HCC. Mr. Regan said they need to continue discussions with the governor's office. He said part of the \$28.5 million was a ceiling limitation, so the anticipation was to utilize funds in the HCC enterprise special fund to support HCC operations, support/maintenance, and all the needs at the HCC. He said they have \$11 million in ARPA monies allocated to the HCC and are working on reprogramming some of that, which will be shown in the upcoming presentation.

Mr. Arakawa asked if the Attorney Generals (AG) objected to HB1147, and asked if that is the reason for the veto. Mr. De Fries said two and a half weeks ago he met in gov. Ige's office with Mr. McCartney, and at the time AG Holly Shikata had not completed her analysis on HB1147 but expressed an initial concern that it could be subject to legal challenge.

Chair Rafter said there were no other questions.

Mr. Togashi spoke about the changes to the budget worksheet due to the events that unfolded the previous day from HB1147. The meeting packet version needed to be updated. For general funds, the HTA would not be required to pay for fringe benefits out of the \$60 million appropriations. With the potential of HB1147 being vetoed, the primary change would be to add back the cost of the fringe because general funds will no longer fund them. He showed some of the changes in the spreadsheet. He said the area focus is the five columns. Since the original budget was submitted in May 2022, they have met with Board members in 2x2 meetings. As a result of the meetings, staff took recommendations, comments, and questions from the Board and reflected them as changes to the proposed budget.

Mr. Togashi highlighted a few changes and grouped them into two categories. The first is the markets. One of the key changes they wanted was to reduce the funding for the Chinese market and, as a result, increase the HTA's funding for Canada, Korea, and Oceania. Another change was that if the HTA were funded with general funds, the HTA would not have to pay for fringe benefits out of the \$60 million appropriations. They took the fringe allocation and reallocated it, resulting in the remainder of the changes reflected on the spreadsheet.

He spoke about the additional shifts due to having to reinstate the fringe benefits into their \$60 million budget. The HTA restored the employee fringe cost and reduced the programs that they initially increased because of the fringe. He noted that when HB1147 was going through the legislative process, the HTA had a chance to meet with legislators. It was determined that the total administrative payroll governance costs for the HTA will be \$5 million, assuming the HTA will pay for fringe. That amount came down when the HTA no longer had to pay for fringe, but now that the HTA is restoring fringe into the budget, they have to reflect a total of \$5 million. After adding the fringe, they proposed to make certain adjustments, including a \$315,000

decrease in federal compliance support that the HTA intended to contract. They still have the funds in the FY2022 ARPA funds, and he proposed they use the funds still available.

Mr. Togashi spoke about restoring the fringe at \$1.3 million. The original amount of \$1 million was at a significantly reduced fringe rate, and the reason is that they had the original indication that the HTA would not have to pay for the fringe from the \$60 million, so they purposefully included fringe at a lower level, but the HTA is now restoring it at the true amount that they have to be responsible for. Mr. Togashi said the worksheet represents all the changes to the budget amounts on one page, and all dollar amount changes are included.

Mr. Togashi spoke about the monthly Music Series, with the original budget proposed at zero in May 2022, but after discussions with the Board, they have proposed to increase it by \$150,000 to reinstate funding for the program. Now because of HB1147, they have to include fringe into the budget, so they are proposing to reduce the amount back to zero.

He spoke about the community-based tourism programs with a proposed amount of \$800,000 between all four programs in the May version of the budget. As a result of Board discussions, they made two changes. One, they reduced the funding for O'ahu, and placed it into the Maui County line item to provide additional support for community-based tourism, particularly for Maui. They also proposed increasing each of the budgets by \$100,000. This resulted in a \$400,000 increase in the combined amounts of the four programs. As a result of HB1147, they are proposing to remove the additional \$100,000 in each line item.

Mr. Togashi spoke about reducing the HTA's investment in China to \$120,000 yearly and reallocating it into Canada, Korea, and Oceania markets. He said there was a discussion with Chair Atkins at the Branding Standing Committee meeting. Chair Rafter said his understanding was moving it to zero, but there was some testimony to suggest keeping it at a very low level.

Mr. Ka'anā'anā said that the intention is for \$120,000 for calendar 2023, which is \$10,000 per month.

Mr. Togashi spoke about the safety and security lifeguard program. Initially, the proposed budget was zero, but after Board discussions, it was proposed to increase to \$200,000. They are proposing to remove that increase, resulting in proposed funding of zero for the FY2023 due to adding back the fringe benefits. He spoke about the community industry outreach and public relations services initially budgeted at \$200,000. As a result of Board discussions, it was going to be \$350,000, but the HTA proposed a reduction to \$200,000 because of the fringe benefits. He noted that the HTA's current contract with the anthology is about \$200,000.

Mr. Togashi spoke about Hawaiiitourismauthority.org, which was initially budgeted at \$75,000, but now there is a proposed budget of \$50,000 for the FY2023. He reiterated the \$315,000 proposed decrease resulting from reducing the funding for federal compliance support and internal audit purposes. He spoke about general Board governance. The HTA is proposing to reduce the amount by \$48,882. The reason is that the HTA had initially increased the budget by \$100,000, looking at FY2022 versus FY2023. He said he and Mr. Regan discussed that if they return to hybrid types of meetings in the larger meeting room, they will increase the budget. He said there is room to reduce it by the recommended proposed amount.

Mr. Togashi spoke about employee fringe, the theme of the discussion. They initially budgeted for \$1 million, but upon discussions with BNF, they will reduce it down to zero if funded with general funds, but now with the veto of HB1147, they will add back that amount of about \$1,355,973.

Mr. Togashi spoke about payroll. He included in the HTA's budget an amount of \$230,000 to pay for vacation payouts for any departing employees. He reduced that amount by about \$67,000, leaving a balance of \$170,000, which would be sufficient. Mr. Regan added that for column 931, it is important to note that the update is due to HB1147 and to add the information back in fringe.

Ms. Kimura proposed to take money out of the U.S., which was \$17 million, and from the Japanese market, \$6.5 million, and put it into the Opportunity Funds so that it is more flexible and can be used for anything later. She said that in July the previous year, they made a mistake by assuming that all international markets would return by the end of the year, but the market remains unpredictable.

Chair Rafter asked if Japan came back strongly and if they could allocate it back to Japan, and Ms. Kimura confirmed that as correct. Chair Rafter asked how much money is in the Opportunity Fund, and Mr. Ka'anā'anā said in the FY2023 budget, there is no Opportunity Fund budgeted for. Chair Rafter asked if they approved Japan and the U.S. as is and allocated all the money. He wondered if the money was committed. Mr. Ka'anā'anā said there was flexibility in FY2022 ARPA unspent monies, and they also could redirect the ADA funds, the \$4 million that was proposed. He said that \$17 million and \$6.5 million are already reduced amounts for the core markets the HTA needs, so restricting them further is not the right choice, but flexibility is important.

Chair Rafter said they had an issue the previous year where they wanted to move money but could not, and he did not want that to happen again. Ms. Kimura said that if the money is movable but already spent, it cannot be moved.

Mr. Arakawa asked Mr. Ka'anā'anā about the available funds and if they could move them as part of the budget into an Opportunity Fund, \$1 million. Mr. Ka'anā'anā said the recommendation is that the \$500,000 and other \$500,000 is not mixed, so Mr. Togashi and the finance team recommended not merging the funds into FY2023 from FY2022. The flexibility to spend it is there. Mr. Arakawa said he supports the idea of the Opportunity Fund. He said it would be prudent to create the Opportunity Fund, and the money could go back to Japan or the U.S. market. Ms. Kimura noted there was an Opportunity Fund before, so there is no need to create a new one. Mr. Ka'anā'anā confirmed that as correct.

Mr. Atkins suggested leaving the \$6.5 million where it is, and coming up with a budget on what they want to do with the \$6 million; then if needed to use the rest of the \$500,000, they would need to check in with staff and the Branding Committee. He asked if North America could \$500,000 be moved into another major market area. Mr. Ka'anā'anā said his recommendation to the Board is not to restrict the \$17 million and the \$6.5 million. Headwinds are ahead, and increased competition will be closing in on 2022 and 2023. He said there is some recovery in Japan, about 232% representing 36,120 Japanese travelers for 2022, but there is a long road ahead in recovering the Japanese market. He said there is some managing to be done on the U.S. side. They are up 10.7% year to date over 2019, for U.S. travelers, with 3.7 million arrivals through to 2026, so there is work to be done. Each market has different challenges.

Chair Rafter reiterated the question, if the HTA budgeted for \$6 million, but \$6.5 million was approved and encumbered, could the HTA move the remaining \$500,000 should the market not come back. Mr. Togashi said the one way to accomplish that is to contract at \$6 million. Then if the HTA decides to utilize the remaining \$500,000 at the direction of the Board, they will make a supplemental contract for the remaining monies. Mr. Regan concurred with that and said the HTA does have unspent ARPA monies that exist, and because there are a few years to expend those monies, the funds could be reprogramed and utilized for what Ms. Kimura suggested.

Mr. Arakawa asked if HTJ or U.S. MMA opposed that, but Mr. Ka'anā'anā said he had not asked them directly. Mr. Atkins said in the last Branding Standing Committee meeting that no one was concerned about North America and Japan, but Chinese people objected to lowering the funds. Mr. Atkins asked if Japan were spending all the funds allocated to them, but Mr. Ka'anā'anā said he would get back to him with the information. Mr. Atkins wondered whether the money would become ARPA monies and could it be rolled over, and Mr. Ka'anā'anā said that for FY2022 ARPA, it could be rolled over. Mr. Atkins asked about FY2023 monies roll over, and Mr. Togashi said they would have to discuss that with the BNF to ensure they would support the request. Mr. Regan said preliminary discussions had leaned towards allowing the HTA additional time. Mr. Atkins said the biggest challenge is to have the flexibility to move it from

one column to another. Chair Rafter concurred with Ms. Kimura's comments about Japan. Mr. Togashi said the HTA would maintain the flexibility with the EDA funds that the HTA has available to spend.

Mr. Arakawa asked if there would be flexibility to spend the money with the HB1147 veto. Mr. Regan said nothing was guaranteed, and they would support what the Board decides. Mr. Ka'anā'anā came back with the year-to-date spend for Japan, from January 2022 to May 2022, at \$2.4 million, leaving them with \$6.5 million. Chair Rafter reiterated that they could not move the remaining \$6.5 million, which will go back to the general fund. Chair Rafter asked if Ms. Kimura wanted to put forward a motion. Ms. Kimura motioned to move \$500,000 from the Japan market Branding line item to 380, Opportunity Fund, and recommend it to the Board. Mr. Arakawa seconded. Mr. Atkins asked if there would be governance with the Board about how the money is spent from the Opportunity Fund. He also asked how long it takes for the MMAs to come back once the budget is passed.

Mr. Atkins questioned the wording in the motion for the \$6 million if it is for an exact spend of the monies. Mr. Ka'anā'anā said they do not always spend the exact amount allocated, and in terms of the BMPs, they are tied to the RFPs for the year. He said all the international markets that had one-year contracts because of 862 are all up for the RFP. While dealing with the RFP 22-01 for the U.S., his team had drafted five separate RFPs for the remaining markets, including Canada, Japan, Korea, Oceania, and China. He said they would not see BMPs until the procurements were done, but they are months out.

Mr. Regan did a roll call. Ms. Kimura asked what the timing is of the RFPs, but Mr. Ka'anā'anā said he does not have that answer yet, and they are working hard on getting them streamlined, but they will not be able to issue the RFPs until the Board approves the budget and they secure the funds or have a reasonable expectation that the funds would be received, before issuing the procurements, that being the first step. The second step was to make sure the funding method was settled and done before they could issue it. He expected that to be in August 2022.

Mr. Regan did a roll call, and the motion passed unanimously, but Mr. Atkins and Mr. Arakawa had reservations because Mr. Ka'anā'anā did not recommend them going ahead but said he was hoping the flexibility fund would be overseen tightly. Ms. Kimura expressed her concern about taking \$40,000 away from O'ahu and putting it into Maui, but if Ms. Anderson is confident about that, she will support it.

Mr. Kinkley had a procedural legal question about item 5, a PDA for all the changes. He asked for a more general motion as well. Chair Rafter said he would have someone make a motion except the \$500,000 from Japan, to approve the recommended changes for the HTA FY2023

draft budget. Mr. Kinkley concurred with that. Mr. Regan added a proviso, which would be contingent upon the funding being provided by the governor.

Mr. Atkins asked about the overall budget and said they had appropriated enough money to run the outer islands in 2023, and said it was for operations and overheads through to the end of the year. His question and concern were because of the RFP and asked what money the HTA had between now and the end of the year. He asked where the money would come from for all the programs they worked on. Mr. Ka'anā'anā said his recommendation to the Board would be to allocate \$1.5 million to the island chapters through December for programmatic funding. He said Mr. Atkins was alluding to the \$2.4 in the island chapter contract, which was for staffing, overhead, or fixed costs. It did not include money for them to participate in the international GMT blitzes or any activities in the international market. Without the leisure contracts, they are left without funding to do activities in the U.S. market on an island basis, which would come from the FY2022, line item 321, the U.S. market, and it would be moved to the island chapter line 320. Mr. Atkins said it must be addressed in the session. Mr. Regan said they do not have an agenda item to reallocate funds on the agenda, so he deferred to Mr. Kinkley for permission.

Mr. Kinkley said they could vote to amend the agenda to include the reallocation. Mr. Atkins said the island chapters have a contract with HVCB that runs to the end of the year, but there was no funding as of June 30, so he was questioning how the Board would address that and get it on the agenda. Mr. Ka'anā'anā suggested they go ahead with the items that are on the agenda. At the end, the committee could amend the agenda in the meeting, a budget reallocation as described. Mr. Kinkley said the concern is how it would be presented and amended in the Board meeting, which would require eight people present to amend the agenda. Mr. Regan said agenda item 5 could be considered as part of the motion to allow for the use of the FY2022 ARPA monies in FY2023 as part of the budget to support programmatic operations of the island chapters. Mr. Kinkley said he was satisfied with that.

Mr. Regan suggested the motion should be to allow for the use of the FY2022 ARPA monies in the amount of \$1.5 million for the FY2023 budgetary and operational needs related to neighbor island chapters. Chair Rafter concurred with the motion. Mr. Arakawa made a motion, and Ms. Kimura seconded. There was no further discussion or testimony. Mr. Regan did the roll call, and the motion passed unanimously. Chair Rafter asked for a motion to recommend to the full Board acceptance of the changes to the HTA FY2023 draft budget with the two approved motions, subject to funding from the governor's veto HB1147, and to recommend as part of the motion to re-establish the 25 positions that are attained under the payroll line item, as well as to permit the staff members to utilize FY2022 unspent ARPA funds to support payroll and general administrative costs until funds become available. Ms. Kimura made a motion to

recommend the budget amendment to the Board with two items. One, to move the \$500,000 from HTJ to the Opportunity Fund, and two, to allocate \$1.5 million from 2022 ARPA funds to island chapters and approve the rest of the recommended budget and reestablish the 25 positions that applied under the BLI for payroll, as well as to allow for the HTA's use of the FY2022 unutilized ARPA monies to support payroll and general administrative costs up until the funds are received from the governor to support the HTA's operations. Mr. Arakawa seconded. Mr. Regan did the roll call, and the motion passed unanimously.

6. Presentation, Discussion, and Action on the Convention Center's Fiscal Year 2023 Budget

Mr. Regan said the HB1147 had the \$28.5 million expenditure ceiling for the HCC, and they have a contingency proposal for discussion. He turned it over to Mr. Togashi.

Mr. Togashi said that the potential veto of HB1147 required them to come up with a contingency plan. They do not have funds if HB1147 is vetoed to operate in FY2023 in the absence of the \$28.5 million cap. The contingency they are proposing is to utilize the \$11 million in FY2022 ARPA funds that they had already budgeted for, where the Board approved it, primarily for use toward major R&M. He showed the previously approved budget, that the Board approved for \$9,995,655 and \$1 million towards the HTA allocations costs that included property insurance, studies, and payroll, all totaling \$11 million. They contracted the \$9,995,655 with ASM and they are proposing to amend the budget that would allow them to enter into a supplemental agreement that would amend the existing contract with ASM to use it for the purposed outline in the reallocated budget request. \$968,300 would be used for local sales and marketing, \$5,406,900 for facility operations, \$2,970,455 for R&M, \$1,654,345 for the HTA allocation, a \$650,000 increase from what they previously approved, which was to fund FY2023 insurance as well as other costs for studies they may have to do, leaving the remaining three items for them to be able to amend AEG's contract. All are necessary for the HCC to continue operations in FY2023. Mr. Togashi turned it over to Ms. Orton to provide more information.

Ms. Orton agreed with what Mr. Togashi mentioned. She said it reduces R&M funds and the impact of using ARPA funds on their end, requiring them to revisit their 6-year calendar for R&M projects and re-prioritize projects using the existing funds for some projects earmarked to use ARPA funds. That was a significant change for them.

Mr. Arakawa asked if there was an opportunity that some of the R&M projects could be restored in 2023, or if the governor gives a budget, could they ask for more. Mr. Regan said that deferred maintenance at the HCC has been a huge concern of the HTA for a long time. The longer they move projects down the road, the more expensive they will become, the more

potential damage it will cost, and the more impact they will have on the conventions being held at the HCC. He said the HTA has intended to work through the R&M projects as much as possible. He recommends that the HTA goes back to the governor to ask him to consider allocating some of the unspent ARPA monies to support the R&M projects they cannot do. Mr. Regan also mentioned that Ms. Orton had not had a chance to reconstruct the presentation for the budget, but if it is permissible, he recommends that it must be introduced and accepted as the proposed budget for FY2023. Mr. Togashi pointed out that the item that had changed in Ms. Orton's presentation was for the \$2.9 million R&M projects.

Ms. Orton proceeded with items that were not R&M projects. She spoke about the sales budget and operating budget. She presented the sales and marketing budget. She said the FY2023 is \$968,000, which will bring them in line with pre-COVID expenses for sales and marketing. She spoke about the changes. Local sales revenue has been the solid base for the HCC since the start of COVID. Pre-COVID in 2019, sales and marketing revenue was slightly over \$8 million and in 2020 it was \$6.6 million, primarily due to the three state agencies they were able to have in the building, which helped them bring in revenue. In FY2022, the local forecast reached just below \$6 million. In FY2023, they are looking to budget an increase of revenue of \$9 million which exceeds the pre-pandemic levels of 2019. They are confident that the revenue will increase to \$9 million, which would be 60%-70% of their anticipated budgeted revenue for FY2023.

Mr. Orton said some of the changes were salary and benefits, and they are requesting a 4% cost of living increase which all the staff has not had for the last three years since 2019. She said the staff was working hard and doing more work. She said the request to reinstate their performance incentives for all the managers based on KPIs and contractual obligations they meet for the incentive to be paid out. Mr. Regan asked that it be reduced by 50%, which runs from 2.5% to 10% of anyone's management salary based on the management level.

Ms. Orton noted an increase in promotions, advertising, and marketing, and said they are looking at increasing public relations from the decrease of the contract they had during COVID. They will need to add more money to marketing. They are looking at hosting three HCC cultural events for which they need start-up money. They have about \$150,000 for three events, looking at \$15,000 for startup advertising operation funds. They have a holiday concert they are partnering with, looking to do another Mother's Day brunch with a partner, and a two-day Hawai'i music festival with the intent to grow to a three-day festival with a partner. She said these were all in negotiations. All three events were anticipating a positive cash flow, so the initial seed money would be returned to the HCC in revenue.

Ms. Orton spoke about the other expenses in sales and marketing, restoring some of the sponsorships to local events, where they sponsor tables that are booked at the HCC. They use the sponsorship to bring new clients to have a site inspection and see an event in motion.

There were no questions from the audience.

Ms. Orton moved on to the facility budget. FY2023 reflects \$13 million in gross revenue and \$18.4 million in gross expenses with a loss of \$5.4 million. Gross revenues are putting them in line with their current fiscal year budget with a net loss. She noted that the number of events was almost equal to pre-pandemic levels, and they are hoping the momentum of sales will come in line with the calendar year 2019 with the number of actual events.

She gave a breakdown of revenue from three primary areas: rent, food and beverage, and event-related revenue: equipment rental, billed labor, event security, first aid, etc. The \$13 million includes twelve offshore city-wides and a mix of association corporate and sports events. Outside the twelve city-wide events, they are forecasting 188 global events, bringing them to the 200 events pre-pandemic levels. Pre-pandemic, the revenue split was the opposite; offshore events generated 60% to 65% of gross revenue, but now it is local sales and short-term business. Many city-wides pushed their events out to a future year, but not all of them fell in 2023; it was more for 2024 and beyond.

She spoke about expenses. She said staff would ebb and flow according to events, but they need to bring skilled labor back as they are extremely short-staffed in management in hourly staff to support the food and beverage facility and housekeeping departments to maintain customer service levels. She spoke about three expenses in more detail. Salary and wages, for FY2023, the budget brings their full-time employees back to 87 employees. Of the 87, 27 are for security, increased security to service event needs with additional staffing. She said there are six open positions they struggle to fill in security. In 2019 they had 86 employees, so one extra staff member was added, compared to 2019. She noted that in 2019, although they had 86 staff members budgeted for, they closed the year at 78 because they struggled to fill hourly positions. She reiterated for salary and benefits they are also requesting a 4% increase for cost-of-living adjustment. She said they are increasing their line-level employees by 34 full-time, mainly for housekeeping facilities and security. They are asking to adjust the wages they are currently paying for those departments for hourly positions only. Through market research, they found they were not compensating their hourly staff, which is why staffing agencies struggled to fill positions. They ran into some challenges when they brought on a secondary staffing agency to fill primary positions, and they were paying their hourly staff higher wages than the HCC was paying their staff. She said they are asking for adjustments to be made. They have the RFPs for food and beverage and operating staffing agencies, and they anticipate they

will come back with an increase in hourly rates. The wage adjustment will help them better recruit and fill positions. She said utilities had increased significantly with gas and electricity prices increasing.

Mr. Regan said they would come back with more detail on Ms. Tait's R&M report later.

There were no questions or comments from the audience.

Chair Rafter asked for a motion for a recommendation approval of the FY 2023 budget for the HCC, utilizing FY2022 ARPA funds as described and detailed by Mr. Togashi's presentation that identified the \$11 million. Mr. Arakawa made a motion, and Ms. Kimura seconded. Ms. Kimura said she would like more effort towards city-wides and local events. Chair Rafter, Mr. Ka'anā'anā, and Mr. Arakawa concurred.

Mr. Regan did the roll call, and the motion passed unanimously. Mr. Atkins asked if they could bring the budget the HTA just passed to the governor to show what the HTA had to cut out, \$1,355,000 since it would be vetoed and see if the governor can raise the budget to either \$61 million or \$62 million to bring back to the communities the monies they had to take out. Mr. Kinkley said they could discuss that offline.

7. Adjournment

Chair Rafter asked for a motion to adjourn. Mr. Arakawa made a motion, and Chair Rafter seconded. The motion passed unanimously. Mr. Regan adjourned the meeting at 11:50 a.m.

Respectfully submitted,



Sheillane Reyes
Recorder

4

Presentation, Discussion and Action on the HTA's September Financial Report

4.1

Financial Statements – Executive Summary as of September 30, 2022



AUTHORITY

Financial Statements – Executive Summary
As of September 30, 2022

Foreword:

- Fund Accounts. HTA’s major funds are the following:
 - Tourism Federal Fund (ARPA TFF) – Official Name: HTA CSFRF Subaward
 - Tourism Special Fund (TSF)
 - Convention Center Federal Fund (ARPA CCFF) – Official Name: Convention Center CSFRF Subaward
 - Convention Center Enterprise Special Fund (CCESF)
- Remaining FY 2022 Budget. HTA currently can continue encumbering its FY 2022 ARPA funds until June 2023.
- Tracking of Cross-Year Encumbrances. The formatting of the financial statements has changed from prior years because we are now working with Federal funds that can be encumbered in more than one fiscal year. The change in format reflects the need to track such cross-year transactions.
- FY23 Funding. Although the HTA Board has approved the \$60M FY 2023 budget, the Governor has vetoed HB1147, 2022 Legislature, that would have appropriated those General funds. The Governor’s veto was the result of questions on the constitutionality of the bill. HTA staff is currently working with the Governor’s administration on releasing FY 2023 ARPA funds as a substitution for the General funds.

Summary of Financial Position – All Funds

		(In Millions)					
		2022 TFF (ARPA)	2023 ARPA	TSF	2022 CCFF (ARPA)	CCESF	EDA
Cash at September 30, 2022		33.8	-	29.1	10.2	34.9	-
Increase (Decrease) due to							
	Revenue	4.3	-	-	-	-	-
	Program/Op Expenses	(0.1)	-	(2.2)	-	-	-
Encumbered Funds		20.9	-	18.8	10.1	5.9	-
Unencumbered Funds		12.9	-	10.4	0.2	29.0	-

Tourism Federal Fund (ARPA TFF):

1. \$33.8M in cash (remaining from amount that has been allotted to HTA so far). Cash increased by \$4.2M from August 31, 2022 due to allotment of funds to HTA relating to FY23 payroll and a portion of admin and governance expenses.
2. The release of TFF funds for HTA use is accomplished through an approval process that includes approval by the Governor (CSFRF approval), the State’s Department of Budget & Finance’s (B&F) and the HTA Board of Directors. Below is a summary of the status of those approvals:

	Gov Approved (CSFRF)	B&F Funds Release		Board Approved Amount	Encumbered
		Requested	Approved *		
Hawaiian Culture	-	1,565,500	1,565,500	4,544,845	1,200,300
Natural Resources	-	665,000	665,000	1,915,000	100,000
Community	27,289,500	735,500	735,500	3,685,500	120,000
Branding	28,500,000	33,563,000	33,563,000	31,673,655	31,422,225
Sports	-	4,344,889	4,344,889	6,311,889	2,844,889
Safety & Security	-	900,000	900,000	700,000	152,044
Research	-	60,000	60,000	60,000	-
Planning	-	2,005,200	2,005,200	2,005,200	772,590
Admin	648,700	1,199,111	1,199,111	1,199,111	401,021
Governance and Org-Wide	351,800	529,001	529,001	572,001	211,350
Payroll	3,210,000	7,132,799	7,132,799	7,332,799	6,505,671
	60,000,000	52,700,000	52,700,000	60,000,000	43,730,090

* Based on original submittals to B&F. HTA is not required to seek B&F's approval for subsequent budget reallocations. However, HTA notified B&F of significant changes from original plans.

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

3. Over several meetings, the HTA Board approved the FY 2022 budget of \$60M, further detailed below.

	Incremental Approved at Meeting	Cumulative Budget Approved	Description
June 11, 2021 Meeting	1,000,000	1,000,000	Payroll
July 2021 Meeting	32,200,500	33,200,500	Branding, Payroll, Admin and Governance
September 2021 Meeting	1,787,889	34,988,389	Cruise and Sports
November 2021 Meeting	8,086,611	43,075,000	Most other programs
December 2021 Meeting	5,300,000	48,375,000	Programs previously identified as needing further clarification to Board's questions.
January 2022 Meeting	475,000	48,850,000	NAHHA FY23
June 2022 Meeting	4,300,000	53,150,000	Release of funds for FY23 payroll, admin and governance costs, bringing to current.
July 2022 Meeting	6,400,000	59,550,000	Release of funds for KO, AA, and CEP programs
September 2022 Meeting	450,000	60,000,000	Release of remaining funds as part of staff's budget reallocation request.

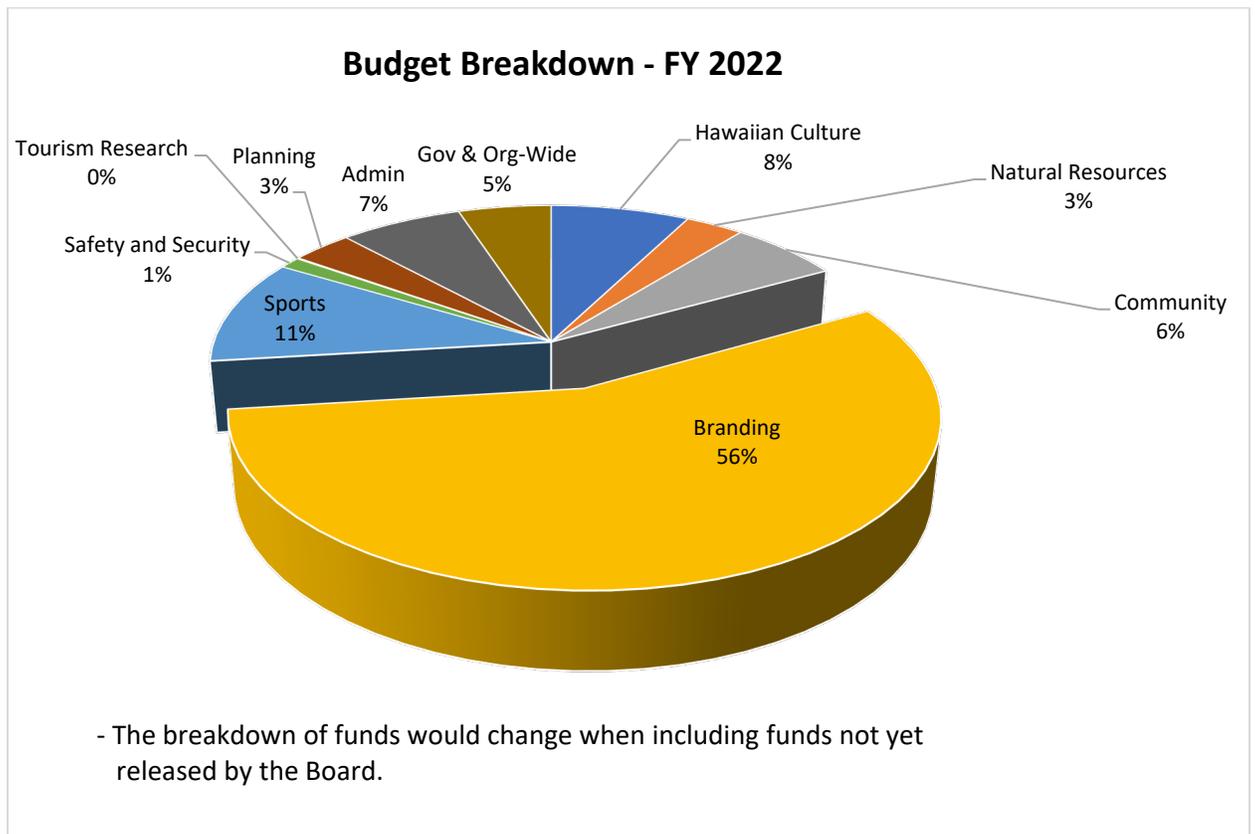
As of September 30, 2022, \$43.7M of the \$60.0M FY2022 budget was utilized/encumbered, or 73%. This includes \$12.2M of encumbrances for the month, primarily comprised of:

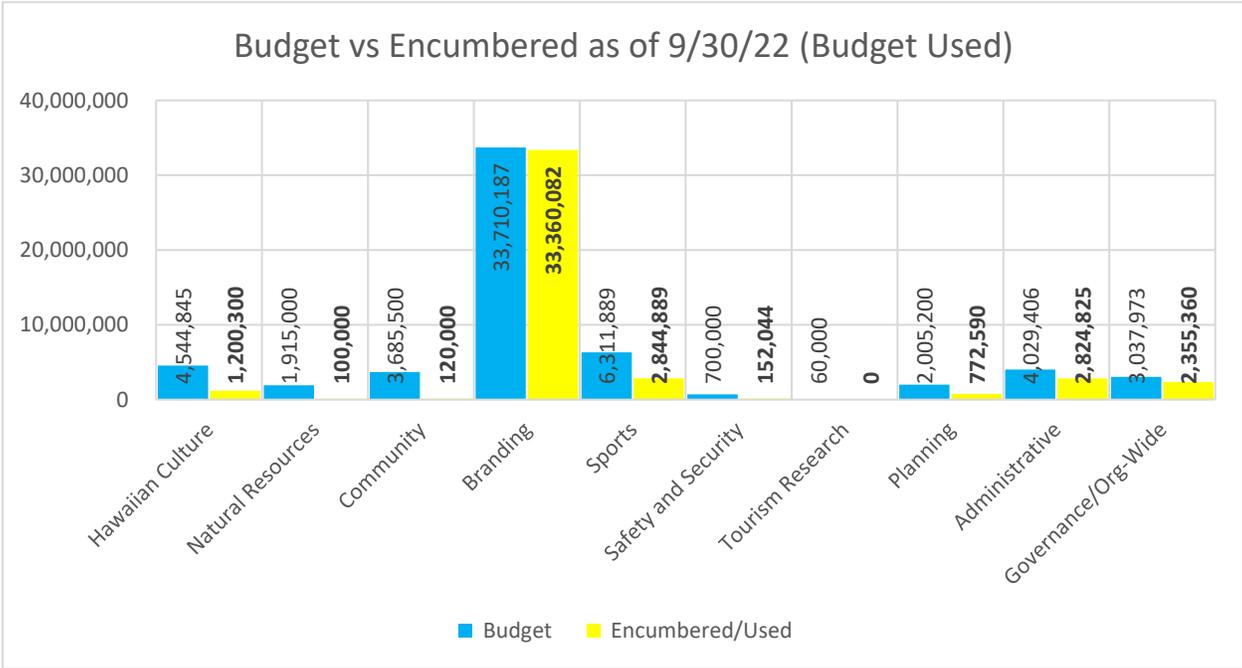
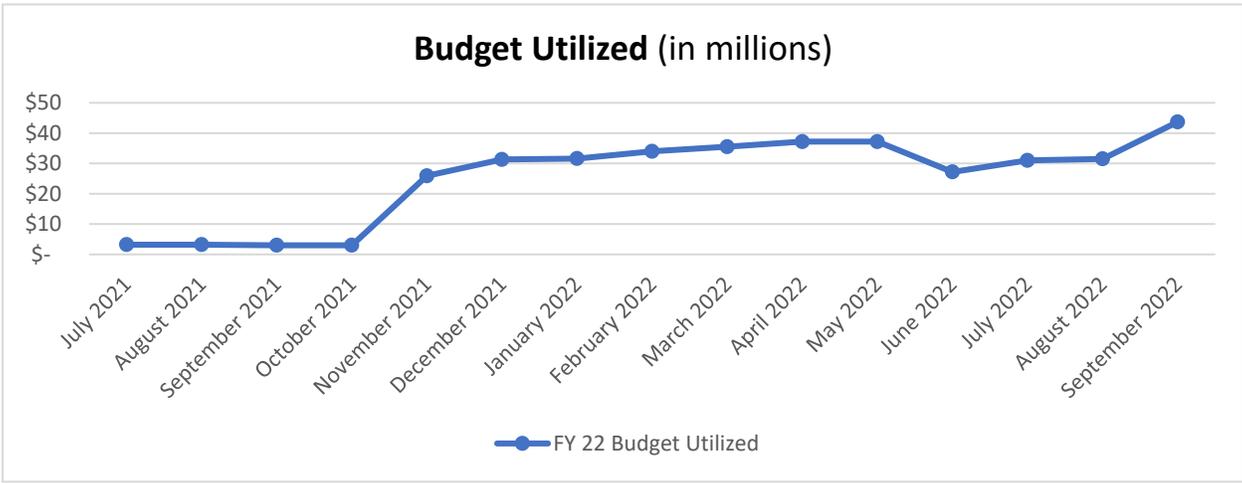
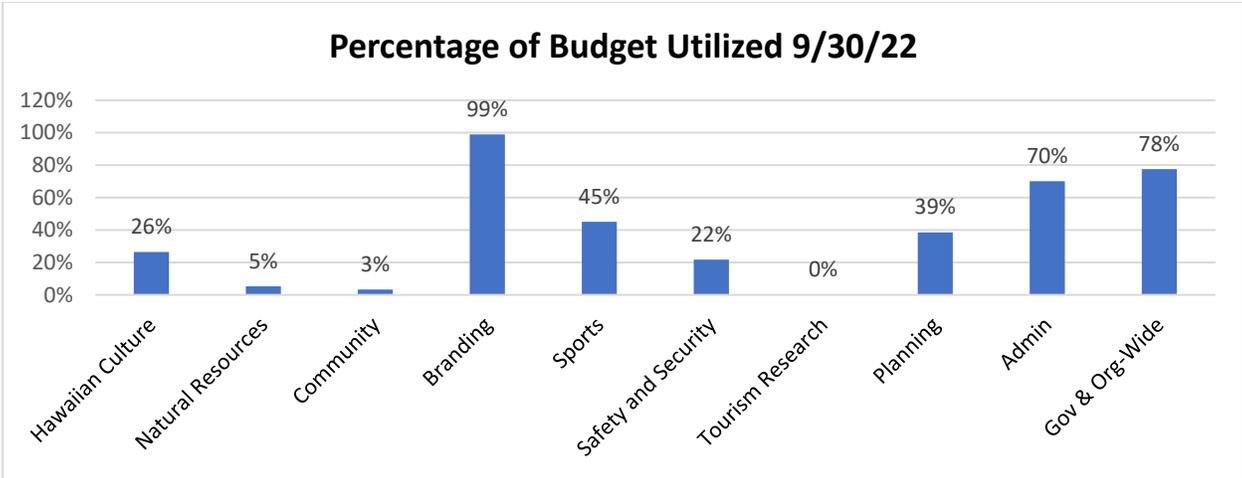
- \$700K for Kahea Airport Greetings programs; and
- A six-month extension of HVCB's US Brand Management and Global Support Services contracts through March 31, 2023. This extension, agreed to by all parties to the contested award of the US Brand Management procurement, will ensure the continuation of important work in visitor education including the GoHawaii.com website.

Below is a summary of the FY 2022 budget based upon Federal reporting categories (titles were paraphrased). In April 2022, B&F approved HTA's request to reclassify Federal eligibility categories from "Negative Economic Impacts" to "Revenue Loss (Revenue Replacement)."

Primary Federal Category	Budget	Encumbered	Remaining
Revenue Replacement	52,667,201.00	37,224,419.00	15,442,782.00
Continuation of Government Services			
Payroll	7,332,799.00	6,505,671.00	827,128.00
	60,000,000.00	43,730,090.00	16,269,910.00

The following are various charts to depict our FY 2022 budget, budget utilization and trends. Additionally, these charts reflect the funding of FY 2023 community-type programs that were originally planned to be funded by the FY 2023 budget. Such programs were instead funded by FY 2022's budget to fulfill HTA's commitment toward community, in consideration of cash flow needs of those programs while HTA's FY 2023 funding is being resolved. Further, the majority of Major Market Area contracts within the Branding budget are to be used toward Branding Education programs to promote responsible and regenerative tourism.

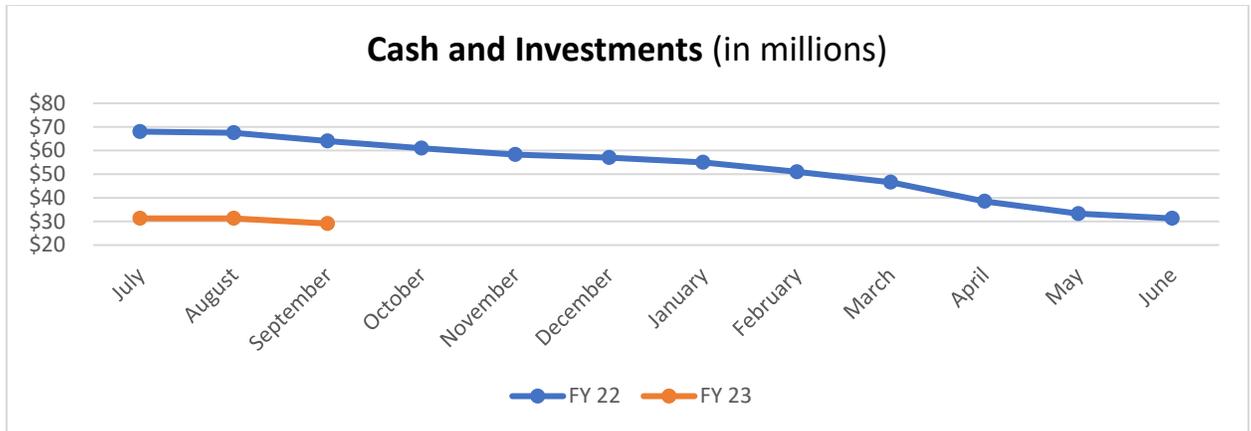




4. A detail of the budget reallocations made for the reporting period and cumulatively for the fiscal year is provided on the accompanying Budget Reallocation Summary. Numerous significant allocations were made in September 2022, as approved by the Board. Of particular note, the budget reallocations made funding available for the PGA and Hawaiian Culture Festivals & Events programs.
5. \$20.9M in encumbrances outstanding
6. Operating Income (Loss):
 - a. Cumulatively from the beginning of FY 2022 (prior year), \$52.7M has been allotted to HTA through September 30, 2022, which represents ARPA funds HTA is using for staff's payroll, program, admin and governance costs.
 - b. Cumulatively, \$18.9M has been expended through September 2022 from the beginning of FY 2022 (prior year).
 - c. Since HTA can continue to encumber off the FY 2022 budget in FY 2023, a single Statement of Revenues and Expenditures is presented, which displays both current year and cumulative activity. Typically, separate statements would be presented for current year and prior year funds.

Tourism Special Fund (TSF):

7. The Tourism Special Fund sunset on January 1, 2022, pursuant to Act 001, 2021 Legislative Special Session, upon which all unencumbered funds are available for remitting to the State's General Fund. The \$5M Emergency Fund remains with HTA.
8. \$29.1M in cash and investments. The cash balance is earmarked primarily for contract encumbrances made from the FY 2021 budget. The FY 2021 budget was funded by HTA's reserves that were bolstered by cancelled and reduced contracts due to the pausing of TAT distributions to HTA at the onset of the pandemic and a one-time TAT cash distribution in June 2021. In FY 2023, we continue to spend down previously encumbered funds within the TSF.



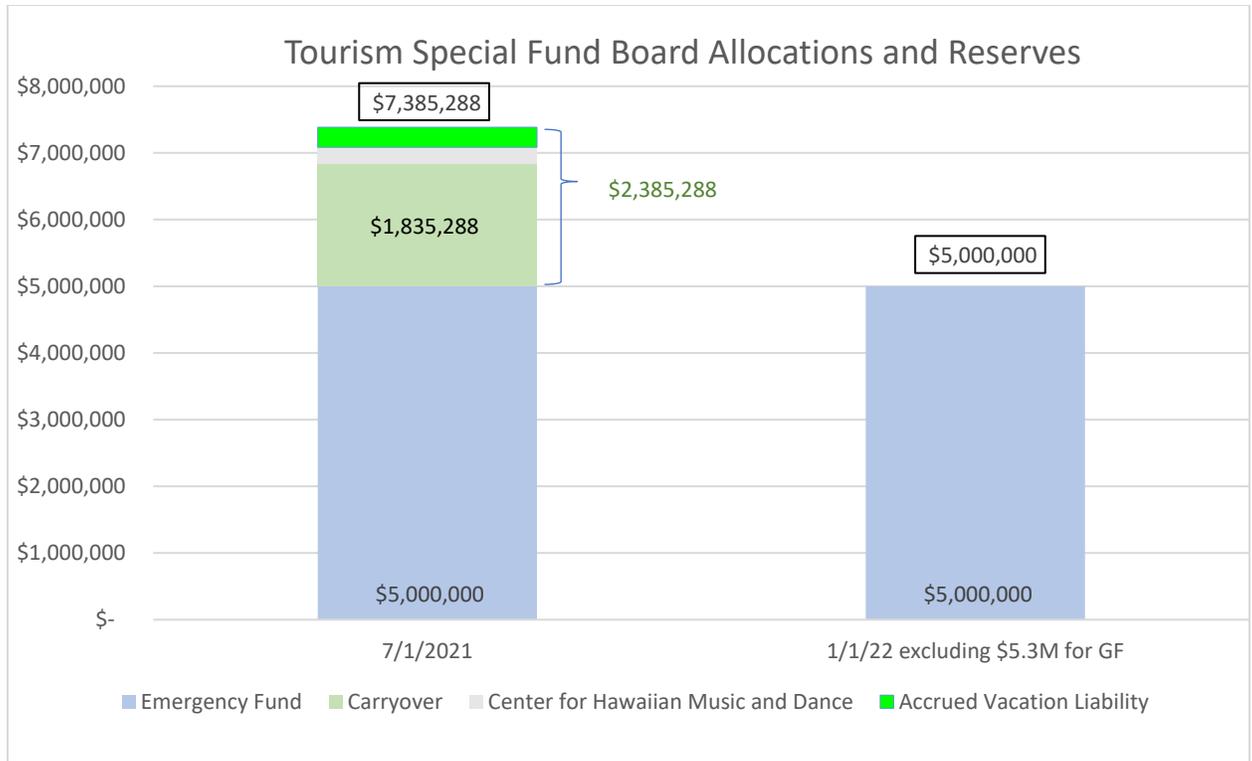
- a. Includes \$5M in Emergency Fund held as investments.
 - i. Approximately \$1.0M held in money market funds and \$4M held in US Treasury notes laddered in approximately 3-month intervals.
 - ii. Further detail provided in the financial statements
- b. Cash decreased by \$2.2M from August 31, 2022, primarily due to disbursements for program expenditures.
- c. We anticipate the cash balance to decrease to \$0 over time once all encumbered funds are expended, except for the \$5M Emergency Fund.

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

\$18.8M	Prior year encumbrances currently being spent down	
\$0.00	Current year encumbrances remaining	
\$18.8M	Total encumbrances outstanding at September 30, 2022	

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

10. In addition to HTA's \$5M Emergency Fund, approximately \$5.3M in unencumbered funds is available to return to the State's General Fund as a result of the sunset of the Tourism Special Fund, Pursuant to Act 001, Special Session 2021 (HB 862). This balance has grown from the \$2.3M on July 1, 2021 (start of FY22) to the current amount due to efficiencies realized from unspent contracts that were previously encumbered.



11. With its sunset, there is no budget for the Tourism Special Fund in FY 2023.

12. Operating Income (Loss):

- a. Pursuant to Act 001, Legislative Special Session 2021, HTA is no longer included in the TAT allocation.
- b. \$50.2K of investment income earned year-to-date.

Convention Center Federal Fund (ARPA CCFF):

13. \$10.2M in cash (remaining from amount that has been allotted to HTA). Cash remained consistent from August 31, 2022.

14. Over several meetings, the HTA Board approved the \$11M budget for FY 2022's Convention Center ARPA funds, further detailed below.

	Incremental Approved at Meeting	Cumulative Budget Approved	
June 2021 Meeting	162,000	162,000	Interim Payroll funding
July 2021 Meeting	328,000	490,000	Payroll for remainder of year
February 2022 Meeting	10,510,000	11,000,000	Remainder of budget, primarily for R&M
June 2022 Meeting	0	11,000,000	Reallocated to fund FY23 operations due to HB1147 (2022) veto, bringing to current

In April 2022, B&F approved HTA's request to extend the period of performance from June 2022 to June 2023, as anticipated from prior discussions.

15. No budget reallocations were made in September 2022.

16. Operating Income:

- a. Cumulatively from the beginning of FY 2022 (prior year), \$11M of ARPA funds has been allotted, which represents ARPA funds HTA used in FY 2022 for staff's payroll and, provided the earlier-noted budget reallocation, that will fund FY 2023 expenditures of the Convention Center.
- b. Since HTA can continue to encumber off the FY 2022 budget in FY 2023, a single Statement of Revenues and Expenditures is presented, which displays both current year and cumulative activity. Typically, separate statements would be presented for current year and prior year funds.

Convention Center Enterprise Special Fund (CCESF):

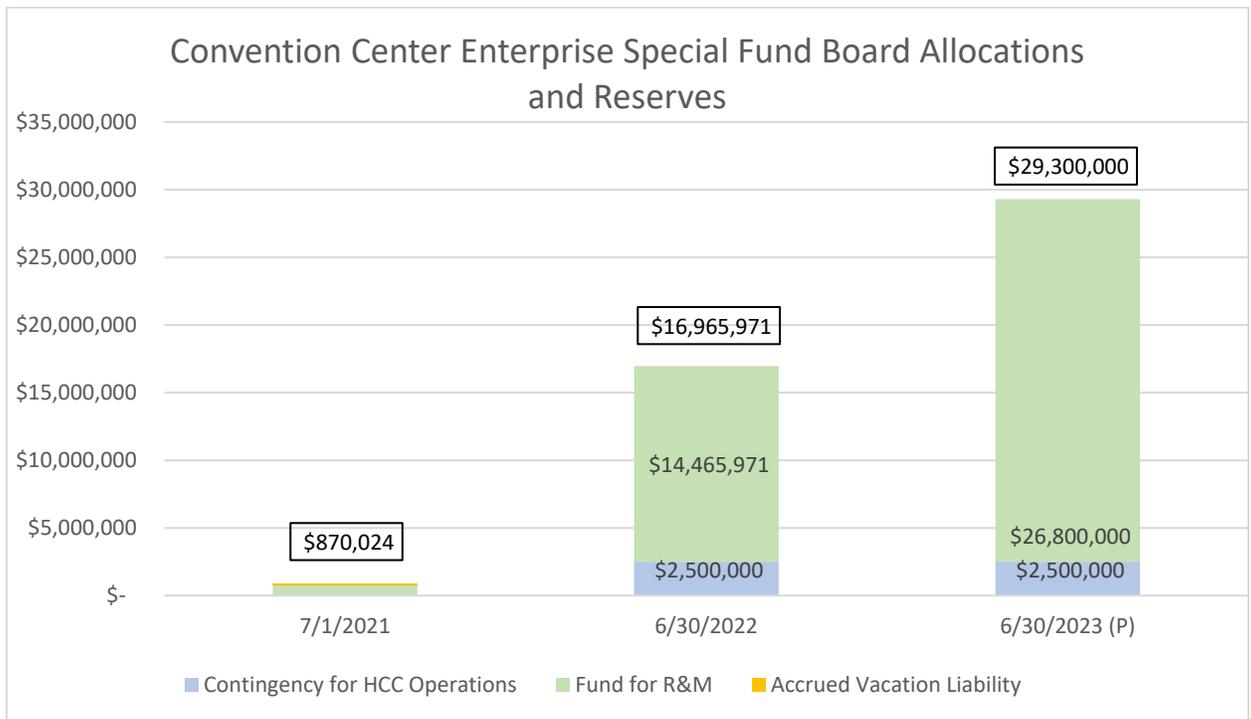
17. \$34.9M in cash. Cash remained consistent from August 31, 2022.

18. \$37.4M in cash with contractor or with DAGS, for R&M projects (as of August 2022).

- a. Includes \$2M in Emergency R&M funds
- b. These funds are encumbered or budgeted toward specific projects such as kitchen wall rehabilitation and exterior planter repairs, exterior building painting, house audio upgrades, ballroom gutter and transom glass repair, chiller replacement, and various equipment purchases and upgrades. Of the \$37.4M, approximately \$2.4M has been contracted (as of August 2022).

- c. The amount of cash remaining with the contractor already accounts for \$2.4M expended on current and future projects (in-progress costs or preliminary work).

19. \$29M reserved as Board allocations as of September 30, 2022, of which \$2.5M is earmarked as a facility operations contingency reserve and \$26.5M is earmarked for the Convention Center’s major R&M program as supported by specific projects under its 6-Year Plan. This \$29M compares to a reserve balance of \$16.9M as of June 30, 2022. The increase is due to the approximate \$1.1M in revenue recorded in July 2022 and \$11M in TAT revenue that was deposited into the CCESF in August 2022, pursuant to HRS 237D, as amended by Act 1 of the 2021 Legislative Special Session, which allowed for the continued deposit of TAT into the CCESF. Without the ability to spend these funds due to the CCESF not having an appropriation ceiling in FY 2023, we forecast the amount reserved as Board allocations to remain around \$29M through June 2023. No significant Convention Center revenues will be collected due to a change in the management contract with AEG/ASM that will require the contractor’s use of revenues to pay for costs (netting cash flow). This contract change is particularly necessary with no CCESF expenditure ceiling for the second consecutive year.



20. \$5.9M of prior year outstanding encumbrances currently being spent down.

21. Budget:

- a. No budget has been established for the CCESF in FY 2023, as no expenditure ceiling was appropriated, as discussed earlier.

22. Operating Income:

- a. HTA collected \$11M in TAT funds cumulatively for FY 2023.
- b. Convention Center Operations
 - i. Note: HTA's FY 2023 operating subsidy to the Convention Center cumulatively through September 2022 was \$1.1M per HCC financial statements (as of September 2022). We budgeted for a \$5.4M operating subsidy for FY 2023. Funded by FY22's encumbrance as discussed above.

EDA Grant:

23. The Board's \$14M budget was approved in June 2022 and we are working with the EDA to approve HTA's Grant Administration Plan.

Hawaii Tourism Authority
Balance Sheet
Tourism Federal (ARPA) Fund
As of 9/30/22

	Current Year
Assets	
Current Assets	
Checking	33,816,432.44
Total Current Assets	33,816,432.44
Total Assets	33,816,432.44
Fund Balance	
Current year payables	
Accounts Payable	595.45
Total Current year payables	595.45
Encumbered Funds	
FY 2022 Funds	20,922,918.37
Total Encumbered Funds	20,922,918.37
Unencumbered Funds	
Total Unencumbered Funds	12,892,918.62
Total Fund Balance	33,816,432.44

Hawaii Tourism Authority

Balance Sheet

Tourism Special Fund

As of 9/30/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	24,131,227.12
Total Current Assets	<u>24,131,227.12</u>
Total Assets	<u><u>24,131,227.12</u></u>
Fund Balance	
Encumbered Funds	
FY 2015 Funds	6,830.35
FY 2016 Funds	6,047.12
FY 2017 Funds	15,706.80
FY 2018 Funds	4,137.03
FY 2019 Funds	37,461.33
FY 2020 Funds	794,164.15
FY 2021 Funds	17,905,565.44
Total Encumbered Funds	<u>18,769,912.22</u>
Unencumbered Funds	
Total Unencumbered Funds	5,361,314.90
Total Fund Balance	<u><u>24,131,227.12</u></u>

Hawaii Tourism Authority
Balance Sheet
Convention Center Federal (ARPA) Fund
As of 9/30/22

	<u>Current Year</u>
Assets	
Current Assets	
Checking	10,248,890.96
Total Current Assets	<u>10,248,890.96</u>
 Total Assets	 <u><u>10,248,890.96</u></u>
 Fund Balance	
Encumbered Funds	
FY 2022 Funds	10,070,285.27
Total Encumbered Funds	<u>10,070,285.27</u>
Unencumbered Funds	
Total Unencumbered Funds	178,605.69
 Total Fund Balance	 <u><u>10,248,890.96</u></u>

Hawaii Tourism Authority
Balance Sheet
Convention Center Enterprise Special Fund
As of 9/30/22

	Current Year
Assets	
Current Assets	
Checking	34,921,672.05
Total Current Assets	34,921,672.05
Total Assets	34,921,672.05
Fund Balance	
Encumbered Funds	
FY 2019 Funds	110,894.39
FY 2021 Funds	5,771,724.93
Total Encumbered Funds	5,882,619.32
Unencumbered Funds	
Total Unencumbered Funds	29,039,052.73
Total Fund Balance	34,921,672.05

Hawaii Tourism Authority

Balance Sheet

Emergency Trust Fund

As of 9/30/22

	<u>Current Year</u>
Assets	
Current Assets	
Investments	5,038,734.64
Total Current Assets	<u>5,038,734.64</u>
 Total Assets	 <u><u>5,038,734.64</u></u>
 Fund Balance	
Current year net assets	
	24,709.92
Total Current year net assets	<u>24,709.92</u>
Prior years	
Total Prior years	5,014,024.72
 Total Fund Balance	 <u><u>5,038,734.64</u></u>

HTA Allocations
FY 2022 and FY 2023

HTA Allocations:

Annual Budgets:

-\$60M FY 2023 HTA ARPA Funds (subject to release by Governor)

-No FY23 budget for Convention Center (\$11M TAT, however no expenditure ceiling appropriation)

\$5M Emergency Funds

\$5M Emergency Fund Reserve (Established by Statute as a separate fund, to be used upon declaration of a tourism emergency by the Governor)

\$0M Mandated by Board (designated for use in the event of a significant economic downturn upon Board approval; used to fund FY 21 budget)

Convention Center Enterprise Special Fund:

	7/1/2021	6/30/2022	Projected 6/30/2023
Carryover for HCC Operations	-	2,500,000	2,500,000
Reserve for Funding Year 21 Transactions	-	-	-
Funds for 6-Year R&M Plan	790,024	14,465,972	26,800,000
Accrued Vacation Liability	80,000	-	-
	<u>870,024</u>	<u>16,965,972</u>	<u>29,300,000</u> *

*With no expenditure ceiling appropriated in FYs 2022 and 2023, HTA is currently unable to spend these funds.

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Fiscal Year 2022 Funds - Tourism Federal Fund
From 7/1/2021 Through 9/30/2022

	<u>Budget</u>	<u>Cumulative Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>	<u>FY 2023 Actual</u>
Revenue					
Alloted Federal Funds	60,000,000.00	52,700,000.00	(7,300,000.00)	4,300,000.00	4,360,000.00
Total Revenue	<u>60,000,000.00</u>	<u>52,700,000.00</u>	<u>(7,300,000.00)</u>	<u>4,300,000.00</u>	<u>4,360,000.00</u>
Expense					
Perpetuating Hawaiian Culture	4,544,845.00	0.00	4,544,845.00	0.00	0.00
Natural Resources	1,915,000.00	0.00	1,915,000.00	0.00	0.00
Community	3,685,500.00	100,000.00	3,585,500.00	0.00	0.00
Branding	33,710,187.00	14,465,216.18	19,244,970.82	43,075.57	3,469,898.39
Sports	6,311,889.00	2,344,889.00	3,967,000.00	0.00	0.00
Safety and Security	700,000.00	46,944.92	653,055.08	0.00	0.00
Tourism Research	60,000.00	0.00	60,000.00	0.00	0.00
Planning	2,005,200.00	53,843.53	1,951,356.47	7,155.73	18,810.30
Administrative	4,029,406.00	968,157.68	3,061,248.32	1,703.36	2,555.04
Governance and Org-Wide	3,037,973.00	905,111.70	2,132,861.30	447.40	447.40
Total Expense	<u>60,000,000.00</u>	<u>18,884,163.01</u>	<u>41,115,836.99</u>	<u>52,382.06</u>	<u>3,491,711.13</u>
Net Income	<u>0.00</u>	<u>33,815,836.99</u>	<u>33,815,836.99</u>	<u>4,247,617.94</u>	<u>868,288.87</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Prior Year Funds - Tourism Special Fund
From 9/1/2022 Through 9/30/2022

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>
Revenue				
Interest and Dividends	0.00	50,207.67	50,207.67	0.00
Total Revenue	<u>0.00</u>	<u>50,207.67</u>	<u>50,207.67</u>	<u>0.00</u>
Expense				
Perpetuating Hawaiian Culture	6,809,550.50	0.00	6,809,550.50	0.00
Natural Resources	1,781,000.00	0.00	1,781,000.00	0.00
Community	1,192,966.00	465,975.89	726,990.11	465,975.89
Branding	10,397,551.18	1,749,829.75	8,647,721.43	1,749,829.75
Sports	18,000.00	0.00	18,000.00	0.00
Safety and Security	92,094.23	0.00	92,094.23	0.00
Tourism Research	455,211.72	13,875.00	441,336.72	13,875.00
Administrative	253,219.23	0.00	253,219.23	0.00
Total Expense	<u>20,999,592.86</u>	<u>2,229,680.64</u>	<u>18,769,912.22</u>	<u>2,229,680.64</u>
Net Income	<u>(20,999,592.86)</u>	<u>(2,179,472.97)</u>	<u>18,820,119.89</u>	<u>2,229,680.64</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Fiscal Year 2022 Funds - Convention Center Federal Fund
From 7/1/2021 Through 9/30/2022

	<u>Budget</u>	<u>Cumulative Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>	<u>FY 2023 Actual</u>
Revenue					
Alloted Federal Funds	11,000,000.00	11,000,000.00	0.00	0.00	0.00
Total Revenue	<u>11,000,000.00</u>	<u>11,000,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Expense					
Branding	72,458.00	6,079.86	66,378.14	0.00	0.00
Administrative	247,042.00	207,964.14	39,077.86	0.00	0.00
Governance and Org-Wide	1,334,845.00	537,065.04	797,779.96	0.00	0.00
HCC Operating Expense	5,406,900.00	0.00	5,406,900.00	0.00	0.00
HCC Repair and Maintenance	2,970,455.00	0.00	2,970,455.00	0.00	0.00
HCC Sales and Marketing / MFi	968,300.00	0.00	968,300.00	0.00	0.00
Total Expense	<u>11,000,000.00</u>	<u>751,109.04</u>	<u>10,248,890.96</u>	<u>0.00</u>	<u>0.00</u>
Net Income	<u>0.00</u>	<u>10,248,890.96</u>	<u>10,248,890.96</u>	<u>0.00</u>	<u>0.00</u>

Hawaii Tourism Authority
 Statement of Revenues and Expenditures
 Fiscal Year 2023 Funds - Convention Center Enterprise Special Fund
 From 9/1/2022 Through 9/30/2022

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>
Revenue				
Transient Accomodations Tax	11,000,000.00	11,000,000.00	0.00	0.00
Total Revenue	<u>11,000,000.00</u>	<u>11,000,000.00</u>	<u>0.00</u>	<u>0.00</u>
 Net Income	 <u>11,000,000.00</u>	 <u>11,000,000.00</u>	 <u>0.00</u>	 <u>0.00</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Prior Year Funds - Convention Center Enterprise Special Fund
From 9/1/2022 Through 9/30/2022

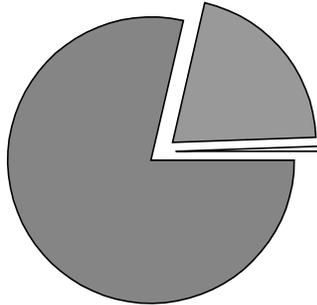
	<u>Budget</u>	<u>Current Year Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>
Revenue				
Interest and Dividends	0.00	32,377.55	32,377.55	0.00
HCC Revenue	0.00	1,040,703.47	1,040,703.47	0.00
Total Revenue	<u>0.00</u>	<u>1,073,081.02</u>	<u>1,073,081.02</u>	<u>0.00</u>
Expense				
Governance and Org-Wide	296.52	0.00	296.52	0.00
HCC Operating Expense	5,512,649.87	0.00	5,512,649.87	0.00
HCC Repair and Maintenance	10,129,600.00	10,129,600.00	0.00	0.00
HCC Sales and Marketing / MFI	369,672.93	0.00	369,672.93	0.00
Total Expense	<u>16,012,219.32</u>	<u>10,129,600.00</u>	<u>5,882,619.32</u>	<u>0.00</u>
Net Income	<u>(16,012,219.32)</u>	<u>(9,056,518.98)</u>	<u>6,955,700.34</u>	<u>0.00</u>

Hawaii Tourism Authority
Statement of Revenues and Expenditures
Fiscal Year 2022 Funds - EDA Tourism Grant Fund
From 9/1/2022 Through 9/30/2022

	<u>Budget</u>	<u>Current Year Actual</u>	<u>Budget Variance</u>	<u>Current Period Actual</u>
Revenue				
Alloted Federal Funds	14,024,372.00	0.00	(14,024,372.00)	0.00
Total Revenue	<u>14,024,372.00</u>	<u>0.00</u>	<u>(14,024,372.00)</u>	<u>0.00</u>
Expense				
Natural Resources	7,950,000.00	0.00	7,950,000.00	0.00
Community	20,000.00	0.00	20,000.00	0.00
Branding	4,540,000.00	0.00	4,540,000.00	0.00
Planning	770,000.00	0.00	770,000.00	0.00
Administrative	331,907.00	0.00	331,907.00	0.00
Governance and Org-Wide	412,465.00	0.00	412,465.00	0.00
Total Expense	<u>14,024,372.00</u>	<u>0.00</u>	<u>14,024,372.00</u>	<u>0.00</u>
Net Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Summary Of Investments

Investment Allocation



0.5%	CASH	26,756.14
20.8%	CASH EQUIVALENTS	1,039,342.22
78.7%	FIXED INCOME	3,933,780.00
100.0%	TOTAL	4,999,878.36

Investment Summary

	Market Value	%	Estimated Income	Current Yield
CASH	26,756.14	0.54	0	0.00
CASH EQUIVALENTS	1,039,342.22	20.79	24,840	2.39
FIXED INCOME	3,933,780.00	78.68	88,750	2.26
Total Fund	4,999,878.36	100.00	113,590	2.27

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
	CASH	2,044.87	2,044.87	7.64
	ACCRUED INCOME	24,711.27	24,711.27	92.36
	TOTAL CASH	26,756.14*	26,756.14*	100.00*
	CASH EQUIVALENTS			
	CASH MANAGEMENT			
1,039,342.22	DREYFUS TREASURY OBLIGATIONS CASH MANAGEMENT FUND	1,039,342.22	1,039,342.22	100.00
	FIXED INCOME			
	U S TREASURY OBLIGATIONS			
500,000	US TREASURY NOTES .125% 10/31/2022	496,445.31	498,995.00	12.68



Statement Period
Account Number

09/01/2022 through 09/30/2022
BANK OF HAWAII
AGENT U/A DATED 10/31/2018 FOR
HAWAII TOURISM AUTHORITY -
TOURISM EMERGENCY TRUST
FUND

Schedule Of Investments

UNITS	DESCRIPTION	BOOK VALUE	MARKET VALUE	% OF CATEGORY
500,000	US TREASURY NOTES 2.375% 01/31/2023	499,513.31	497,810.00	12.65
500,000	US TREASURY NOTES 2.75% 04/30/2023	499,531.25	496,465.00	12.62
500,000	US TREASURY NOTES 2.75% 07/31/2023	498,868.51	494,260.00	12.56
500,000	US TREASURY NOTES 2.875% 10/31/2023	498,496.09	492,615.00	12.52
500,000	US TREASURY NOTES 2.5% 01/31/2024	495,426.34	488,260.00	12.41
500,000	US TREASURY NOTES 2.25% 04/30/2024	491,738.28	484,220.00	12.31
500,000	US TREASURY NOTES NOTE 2.125% 07/31/2024	492,617.19	481,155.00	12.23
	TOTAL U S TREASURY OBLIGATIONS	3,972,636.28*	3,933,780.00*	100.00*
	Total Fund	5,038,734.64*	4,999,878.36*	100.00*

HAWAII CONVENTION CENTER
 JULY 1, 2022 TO JUNE 30, 2023
 Lead Income Statement - Comparison

		ACTUAL 07/22-09/22 FY 2023	FORECAST 10/22-06/23 FY 2023	FORECAST 07/22-06/23 FY 2023	VARIANCE
	TOTAL				
Event Income					
Direct Event Income					
Rental Income	3,076,000	682,511	2,305,501	2,988,012	87,988
Service Income	725,600	238,846	620,333	859,179	(133,579)
Service Expenses	(2,218,600)	(440,428)	(1,445,439)	(1,885,868)	(332,732)
Total Direct Event Income	1,583,000	480,928	1,480,395	1,961,323	(378,324)
Ancillary Income					
Gross F&B Revenue	7,849,500	1,514,373	5,067,337	6,581,710	1,267,790
Direct F&B Expenses	(3,328,600)	(675,554)	(2,161,245)	(2,836,799)	(491,801)
Gross Parking	1,007,000	266,572	532,560	799,132	207,868
Parking Expense	(144,100)	(39,217)	(124,510)	(163,727)	19,627
Electrical Service	88,800	5,830	38,080	43,910	44,890
A/V Service	152,400	76,498	97,110	173,608	(21,208)
Internet Service	-	-	-	-	-
Rigging Service	76,600	49,723	10,120	59,843	16,757
Total Ancillary Income	5,701,601	1,198,225	3,459,452	4,657,677	1,043,924
Total Event Income	7,284,600	1,679,153	4,939,847	6,619,000	665,600
Other Income					
Parking, Non-Event	7,000	648	3,352	4,000	3,000
Interest	6,000	14,528	45,000	59,528	(53,528)
Miscellaneous Income	52,500	20,409	39,375	59,784	(7,284)
Total Other Income	65,500	35,585	87,727	123,312	(57,812)
Adjusted Gross Income	7,350,100	1,714,738	5,027,574	6,742,312	607,788
Operating Expenses					
Facility Salaries & Wages	4,478,200	826,339	3,242,499	4,068,838	409,363
Benefits	1,481,100	288,483	905,001	1,193,484	287,616
Less: Event Labor Allocations	(745,425)	(121,527)	(500,374)	(621,901)	(123,525)
Net Employee Wages & Benefit	5,213,875	993,295	3,647,126	4,640,421	573,454
Contracted Services	1,780,700	525,186	1,210,946	1,736,132	44,568
General & Administrative	200,800	51,206	174,678	225,884	(25,084)
Operations	124,400	21,782	102,961	124,743	(343)
Repair & Maintenance	1,100,400	196,486	908,914	1,105,400	(5,000)
Supplies	460,400	72,908	386,695	459,603	797
Insurance	171,000	49,107	139,500	188,607	(17,607)
Utilities	2,611,900	797,034	2,244,571	3,041,605	(429,705)
Other	122,400	1,112	66,647	67,759	54,641
Management Fees	456,800	57,099	342,601	399,700	57,100
F&B Overhead Expense	1,677,700	355,529	1,248,093	1,603,622	74,078
Less: Expenses Allocated	(1,473,175)	(358,292)	(943,267)	(1,301,559)	(171,617)
Total Operating Expenses	12,447,200	2,762,452	9,529,465	12,291,917	155,282
Net Income (Loss) From Operation	(5,097,100)	(1,047,714)	(4,501,892)	(5,549,606)	(452,505)
Other Income (Expenses)	(9,800)	(4,491)	(7,803)	(12,294)	(2,494)
Net Income After Other Income (E:	(5,106,900)	(1,052,205)	(4,509,695)	(5,561,900)	(454,999)
Fixed Asset Purchases	(300,000)	(90,715)	(209,285)	(300,000)	-
Net Income (Loss) after Fixed Asse	(5,406,900)	(1,142,920)	(4,718,980)	(5,861,900)	(454,999)
Gross Building Revenues					
Gross Building Revenues	5,191,900	1,355,565	3,691,431	5,046,996	144,904
Gross Building Expenses	13,442,000	2,981,774	10,068,410	13,050,184	391,816
Building Net Income (Loss)	(8,250,100)	(1,626,210)	(6,376,979)	(8,003,189)	246,912
Gross F&B Revenues					
Gross F&B Revenues	7,849,500	1,514,373	5,067,337	6,581,710	1,267,790
Gross F&B Expenses	5,006,300	1,031,083	3,409,338	4,440,421	565,879
F&B Net Income (Loss)	2,843,200	483,290	1,657,999	2,141,289	701,911
Facility Net Cash Flow	(5,406,900)	(1,142,920)	(4,718,980)	(5,861,900)	(455,000)
Total Gross Revenues					
Total Gross Revenues	13,041,400	2,869,938	8,758,768	11,628,706	1,412,694
Total Gross Expenses	18,448,300	4,012,857	13,477,748	17,490,605	957,695
Total Facility Net Cash Flow	(5,406,900)	(1,142,920)	(4,718,980)	(5,861,900)	(455,000)

Hawaii Convention Center
Facility
Income Statement
From 9/01/2022 Through 9/30/2022
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Direct Event Income								
Rental Income (Net)	217,010	266,472	(49,462)	122,133	682,512	943,051	(260,540)	552,700
Service Revenue	73,936	61,847	12,089	149,387	238,844	236,539	2,305	435,930
Total Direct Event Income	290,946	328,319	(37,373)	271,519	921,356	1,179,590	(258,234)	988,630
Direct Service Expenses	114,679	189,802	75,123	87,325	440,431	610,565	170,134	463,040
Net Direct Event Income	176,266	138,517	37,749	184,194	480,924	569,025	(88,101)	525,590
Ancillary Income								
Food and Beverage (Net)	138,749	166,345	(27,596)	11,378	838,819	965,982	(127,163)	(1,498)
Event Parking (Net)	80,995	83,220	(2,225)	214	227,355	432,320	(204,965)	334,872
Electrical Services	3,887	5,200	(1,313)	0	5,830	7,240	(1,410)	0
Audio Visual	20,211	8,040	12,171	4,054	76,497	25,980	50,517	9,745
Internet Services	0	0	0	0	0	0	0	0
Rigging Services	49,723	0	49,723	0	49,723	61,000	(11,278)	0
First Aid Commissions	0	0	0	0	0	0	0	0
Total Ancillary Income	293,565	262,805	30,760	15,646	1,198,224	1,492,522	(294,298)	343,119
Total Event Income	469,831	401,322	68,509	199,840	1,679,148	2,061,547	(382,399)	868,709
Other Operating Income								
Non-Event Parking	564	583	(19)	1,800	648	1,749	(1,101)	3,300
Other Income	16,012	4,875	11,137	9,292	34,936	14,625	20,311	20,383
Total Other Operating Income	16,576	5,458	11,118	11,092	35,584	16,374	19,210	23,683
Total Gross Income	486,407	406,780	79,627	210,932	1,714,732	2,077,921	(363,189)	892,392
Net Salaries & Benefits								
Salaries & Wages	402,871	437,882	35,011	328,149	1,051,328	1,348,877	297,549	956,629
Payroll Taxes & Benefits	105,029	139,866	34,837	85,437	288,513	419,598	131,085	251,917
Labor Allocations to Events	(28,047)	(61,180)	(33,133)	(72,803)	(119,558)	(218,669)	(99,111)	(295,438)
Total Net Salaries & Benefits	479,853	516,568	36,715	340,784	1,220,284	1,549,806	329,522	913,108
Other Indirect Expenses								
Net Contracted Services	73,842	30,961	(42,881)	13,658	183,708	98,026	(85,682)	40,752
Operations	12,084	11,533	(551)	9,395	26,581	34,599	8,018	19,281
Repair & Maintenance	66,457	107,300	40,843	84,631	206,939	285,900	78,961	194,266
Operational Supplies	42,973	45,563	2,590	23,429	132,422	156,611	24,189	73,242
Insurance	16,905	16,127	(778)	11,763	59,912	55,361	(4,551)	35,886
Utilities	241,693	214,742	(26,951)	139,457	786,310	646,951	(139,359)	540,962
Meetings & Conventions	685	742	57	475	3,242	10,226	6,984	2,079
Promotions & Communications	2,616	4,550	1,934	(7,046)	10,245	13,650	3,405	(2,663)
General & Administrative	28,985	20,138	(8,847)	5,405	74,758	63,821	(10,937)	29,918
Management Fees	19,033	19,033	(0)	18,633	57,100	57,099	(1)	55,900
Other	2,882	10,983	8,101	200	5,437	32,949	27,512	1,367
Total Other Indirect	508,155	481,671	(26,483)	300,002	1,546,654	1,455,193	(91,462)	990,989
Net Income (Loss) before CIP Funded Expenses	(501,601)	(591,459)	89,859	(429,854)	(1,052,205)	(927,078)	(125,128)	(1,011,705)
CIP Funded Expenses	0	0	0	0	0	0	0	0
Net Income (Loss) from Operations	(501,601)	(591,459)	89,859	(429,854)	(1,052,205)	(927,078)	(125,128)	(1,011,705)
Fixed Asset Purchases	57,956	25,000	(32,956)	4,409	90,715	75,000	(15,715)	25,181
Net Income (Loss) After Fixed Asset Purchases	(559,556)	(616,459)	56,903	(434,263)	(1,142,920)	(1,002,078)	(140,842)	(1,036,886)

Hawaii Convention Center
Facility
Income Statement
From 9/01/2022 Through 9/30/2022
(In Whole Numbers)

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	YTD Actual	YTD Budget	Variance	YTD Prior Year
Revenues								
Food & Beverage	308,186	278,955	29,231	14,371	1,514,373	1,666,956	(152,583)	184,414
Facility	473,915	445,217	28,698	287,265	1,355,563	1,781,444	(425,881)	1,396,636
Total Revenues	782,101	724,172	57,929	301,636	2,869,936	3,448,400	(578,464)	1,581,050
Expenses								
Food & Beverage	291,999	238,136	(53,863)	79,087	1,031,083	1,109,739	78,655	430,688
Facility	991,703	1,077,495	85,792	652,403	2,891,058	3,265,739	374,681	2,162,067
Total Expenses	1,283,702	1,315,631	31,929	731,490	3,922,141	4,375,478	453,336	2,592,755
Net Income (Loss) before CIP Funded Expenses	(501,601)	(591,459)	89,859	(429,854)	(1,052,205)	(927,078)	(125,128)	(1,011,705)
CIP Funded Expenses	0	0	0	0	0	0	0	0
Net Income (Loss) from Operations	(501,601)	(591,459)	89,859	(429,854)	(1,052,205)	(927,078)	(125,128)	(1,011,705)
Fixed Asset Purchases	57,956	25,000	(32,956)	4,409	90,715	75,000	(15,715)	25,181
Net Income (Loss) after Fixed Asset Purchases	(559,557)	(616,459)	56,903	(434,263)	(1,142,920)	(1,002,078)	(140,843)	(1,036,886)

4.2

Budget Reallocation Summary
FY2022 ARPA Funds (TFF)
Through September 30, 2022

Budget Reallocation Summary
 FY 2022 ARPA Funds (TFF)
 Through September 30, 2022

Budget Line Item	Program Code	Cumulative To-Date (Since Inception of Award)			September 2022 Activity
		Original Budget	Reallocation	Budget After Reallocations	
Perpetuating Hawaiian Culture					
<i>From:</i>					
Hawaiian Culture Opportunity Fund	215	200,000	(200,000)	-	(50,000)
Travel - Hawaiian Culture	298	15,000	(655)	14,345	(655)
Resort Area Hawaiian Culture Initiative	718	400,000	(250,000)	150,000	(250,000)
				-	
				-	
				-	
			(450,655)		(300,655)
<i>To:</i>					
Resort Area Hawaiian Culture Initiative	718	-	400,000	400,000	
Kahea Airport Greetings	207	-	700,000	700,000	
Legacy Award Program	214	25,000	50,000	75,000	50,000
Hawaiian Culture Festivals & Events	218	-	330,000	330,000 *	330,000
				-	
				-	
			1,480,000		380,000
Natural Resources					
<i>From:</i>					
Wahi Pana Series	416	250,000	(250,000)	-	(250,000)
				-	
				-	
				-	
			(250,000)		(250,000)
<i>To:</i>					
				-	
				-	
				-	
				-	
			-		-
Community					
<i>From:</i>					
Community Product Capacity Building	702	500,000	(500,000)	-	(169,000)
Current Workforce	802	100,000	(100,000)	-	(100,000)
				-	
				-	
			(600,000)		(269,000)
<i>To:</i>					
Future Workforce	803	120,000	150,000	270,000	150,000
				-	
				-	
				-	
				-	

Budget Reallocation Summary
 FY 2022 ARPA Funds (TFF)
 Through September 30, 2022

Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	September 2022 Activity
				-	
				-	
				-	
			150,000		150,000
Branding					
<i>From:</i>					
Route Development	005	250,000	(250,000)	-	
gohawaii.com	318	2,500,000	(1,510,000)	990,000	
US MMA	321	22,500,000	(1,500,000)	21,000,000	
Campaig Effectiveness Study	010	270,000	(10,000)	260,000	(10,000)
Rebranding the Hawaiian Islands	012	1,000,000	(1,000,000)	-	(1,000,000)
Creative Agency	013	250,000	(250,000)	-	(250,000)
Marketing Opportunity Fund	380	250,000	(217,345)	32,655	(260,345)
			(4,737,345)		(1,520,345)
<i>To:</i>					
Island Chapters Staffing and Admin	320	-	1,500,000	1,500,000	
Pono Travel Education Program	014	175,000	225,000	400,000	
Hawaii Tourism Updates	102	125,000	106,000	231,000	
Cruise Industry Consulting Services	004	100,000	100,000	200,000	
			1,931,000		-
Sports					
<i>From:</i>					
				-	
				-	
			-		-
<i>To:</i>					
UH Athletics Branding Partnership	378	-	334,000	334,000	167,000
Sports Programs - Unallocated	379	1,500,000	(1,500,000)	-	
LPGA	343	-	500,000	500,000	
WTC - Ironman World Championships	340	-	250,000	250,000	
Sports RFP or Other Procurement	385	-	1,250,000	1,250,000	
PGA Tour Contracts	312	2,177,889	1,800,000	3,977,889	1,800,000
			2,634,000		1,967,000
Safety and Security					
<i>From:</i>					
Lifeguard Program	603	200,000	(200,000)	-	(200,000)
				-	
			(200,000)		(200,000)
<i>To:</i>					
				-	
				-	
			-		-

Budget Reallocation Summary
 FY 2022 ARPA Funds (TFF)
 Through September 30, 2022

Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	September 2022 Activity
Tourism Research					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
			-		-
Planning					
<i>From:</i>					
None				-	
				-	
				-	
			-		-
<i>To:</i>					
				-	
				-	
				-	
			-		-

Budget Reallocation Summary
 FY 2022 ARPA Funds (TFF)
 Through September 30, 2022

Budget Line Item	Program Code	Original Budget	Reallocation	Budget After Reallocations	September 2022 Activity
Administration					
<i>From:</i>					
None				-	
			-		-
<i>To:</i>					
				-	
			-		-
Governance and Organization-Wide					
<i>From:</i>					
Organization-Wide	915	230,000	(10,000)	220,000	
				-	
			(10,000)		-
<i>To:</i>					
Governance - Gen Board/Others	919	121,800	53,000	174,800	43,000
				-	
			53,000		43,000
Board Allocations					
<i>From:</i>					
None				-	
			-		-
			-		-

*Excluded \$450,000 that was a release of funds for availability by the Board, as opposed to a reallocation.

4.3

Budget Statement Summary
FY 2023 of September, 2022

Hawaii Tourism Authority
 Budget Statement - Summary
 FY 2023
 As of September 30, 2022

Category	2022 Tourism Federal Fund - ARPA [TFF]				2023 ARPA Funding (contingent on release of funds by Governor)				2022 EDA Grant			
	Fiscal Year 2022 and FY 2023				Fiscal Year 2023				Fiscal Year 2022 and FY 2023			
	Budget	Cumulative Budget Used	Balance	Activity for September 2022	Budget	Cumulative Budget Used	Balance	Activity for September 2022	Budget	Cumulative Budget Used	Balance	Activity for September 2022
Revenues												
TAT Revenue Allocation			-	-	60,000,000	-	60,000,000	-	-	-	-	-
Federal Funds	60,000,000	52,700,000	7,300,000	4,300,000	-	-	-	-	14,024,372	-	14,024,372	-
Prior Year Carryover	-	-	-	-	-	-	-	-	-	-	-	-
Availability of \$5M Emergency Fund (Subject to Governor Approval)	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	210	(210)	-	-	-	-	-	-	-	-	-
Total Revenues	60,000,000	52,700,210	7,299,790	4,300,000	60,000,000	-	60,000,000	-	14,024,372	-	14,024,372	-
Encumbrances												
Perpetuating Hawaiian Culture												
Hawaiian Culture Programs	4,544,845	1,200,300	3,344,545	700,300	5,600,000	-	5,600,000	-	-	-	-	-
In-House Contracted Staff - Hawaiian Culture	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	4,544,845	1,200,300	3,344,545	700,300	5,600,000	-	5,600,000	-	-	-	-	-
Natural Resources												
Natural Resources Programs	1,915,000	100,000	1,815,000	-	2,000,000	-	2,000,000	-	7,200,000	-	7,200,000	-
In-House Contracted Staff - Natural Resources	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,915,000	100,000	1,815,000	-	2,000,000	-	2,000,000	-	7,200,000	-	7,200,000	-
Community												
Community Programs	3,685,500	120,000	3,565,500	-	5,114,000	-	5,114,000	-	1,520,000	-	1,520,000	-
In-House Contracted Staff - Community	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	3,685,500	120,000	3,565,500	-	5,114,000	-	5,114,000	-	1,520,000	-	1,520,000	-
Branding												
Branding Programs	31,673,655	31,422,225	251,430	11,241,855	36,133,000	-	36,133,000	-	4,000,000	-	4,000,000	-
In-House Contracted Staff - Branding	-	-	-	-	-	-	-	-	-	-	-	-
State Employee Salaries - Branding	2,036,532	1,937,857	98,675	-	-	-	-	-	540,000	-	540,000	-
Subtotal	33,710,187	33,360,082	350,105	11,241,855	36,133,000	-	36,133,000	-	4,540,000	-	4,540,000	-
Sports												
Sports Programs	6,311,889	2,844,889	3,467,000	250,000	3,967,000	-	3,967,000	-	-	-	-	-
Subtotal	6,311,889	2,844,889	3,467,000	250,000	3,967,000	-	3,967,000	-	-	-	-	-
Safety and Security												
Safety and Security Programs	700,000	152,044	547,956	5,099	600,000	-	600,000	-	-	-	-	-
Subtotal	700,000	152,044	547,956	5,099	600,000	-	600,000	-	-	-	-	-
Tourism Research												
Tourism Research Programs	60,000	-	60,000	-	65,000	-	65,000	-	-	-	-	-
In-House Contracted Staff - Tourism Research	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	60,000	-	60,000	-	65,000	-	65,000	-	-	-	-	-
Planning												
Planning Programs	2,005,200	772,590	1,232,610	2,463	1,521,000	-	1,521,000	-	20,000	-	20,000	-
In-House Contracted Staff - Planning	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	2,005,200	772,590	1,232,610	2,463	1,521,000	-	1,521,000	-	20,000	-	20,000	-
Administrative												
Operations	1,199,111	401,021	798,090	9,290	653,700	-	653,700	-	214,907	-	214,907	-
In-House Contracted Staff - Admin	-	-	-	-	-	-	-	-	-	-	-	-
State Employee Salaries - Admin	2,830,295	2,423,804	406,491	-	-	-	-	-	117,000	-	117,000	-
Subtotal	4,029,406	2,824,825	1,204,581	9,290	653,700	-	653,700	-	331,907	-	331,907	-
Organizationwide Costs												
State Employee Fringe	2,465,972	2,144,010	321,962	-	-	-	-	-	412,465	-	412,465	-
Organization-Wide	220,000	105,000	115,000	-	250,583	-	250,583	-	-	-	-	-
Governance - Board/Others	352,001	106,350	245,651	843	172,918	-	172,918	-	-	-	-	-
Subtotal	3,037,973	2,355,360	682,613	843	423,501	-	423,501	-	412,465	-	412,465	-
Payroll												
State Employee Fringe	-	-	-	-	1,355,973	-	1,355,973	-	20,000	-	20,000	-
State Employee Salaries - All Employees	-	-	-	-	2,566,826	-	2,566,826	-	-	-	-	-
Subtotal	-	-	-	-	3,922,799	-	3,922,799	-	20,000	-	20,000	-
Total Encumbrances	60,000,000	43,730,090	16,269,910	12,209,850	60,000,000	-	60,000,000	-	14,024,372	-	14,024,372	-
Revenues vs Encumbrances	-	8,970,120			-	-			-	-		

4.4

Budget Statement
FY 2023
As of September 30, 2022

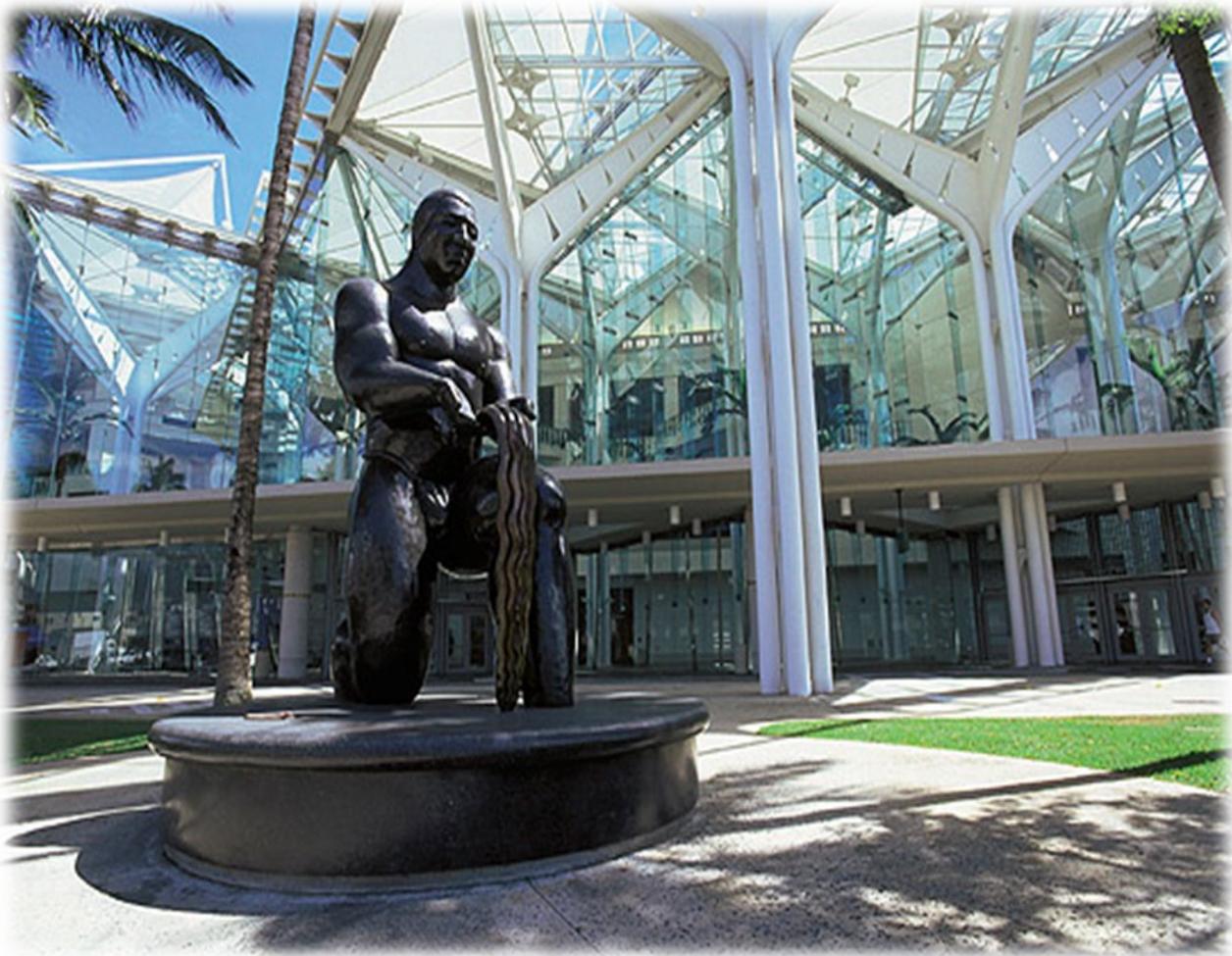
Program Code	Program Title	Budget FY22	Encumbered - Budget Used (Cumulative)	Remaining Balance	September 2022 Activity	FY 2023 Activity
<i>Tourism Federal Fund</i>						
Perpetuating Hawaiian Culture						
201	Kūkulu Ola: Living Hawaiian Cultural Prog	1,500,000.00	0.00	1,500,000.00	0.00	0.00
202	Hawaiian Culture Initiative	475,000.00	0.00	475,000.00	0.00	0.00
203	Ma'ema'e HTA	50,000.00	0.00	50,000.00	0.00	0.00
204	Market Support	50,000.00	0.00	50,000.00	0.00	0.00
207	Kahea Program - Airport Greetings	700,000.00	700,000.00	0.00	700,000.00	700,000.00
214	Legacy Award Program	75,000.00	0.00	75,000.00	0.00	0.00
216	Olelo Hawaii	500,000.00	500,000.00	0.00	0.00	0.00
217	FESTPAC	250,000.00	0.00	250,000.00	0.00	0.00
218	Hawaiian Culture Festivals and Events	780,000.00	0.00	780,000.00	0.00	0.00
297	Memberships and Dues - Hawaiian Culture	500.00	300.00	200.00	300.00	300.00
298	Travel - Hawaiian Culture	14,345.00	0.00	14,345.00	0.00	0.00
718	Resort Area Hawaiian Cultural Initiative	150,000.00	0.00	150,000.00	0.00	0.00
Subtotal	Perpetuating Hawaiian Culture	4,544,845.00	1,200,300.00	3,344,545.00	700,300.00	700,300.00
Natural Resources						
402	Aloha Aina (formerly NR and Leg Prov NR)	1,500,000.00	0.00	1,500,000.00	0.00	0.00
406	Visitor Impact Program	350,000.00	50,000.00	300,000.00	0.00	0.00
407	Hawaii Eco Tourism Association	50,000.00	50,000.00	0.00	0.00	0.00
498	Travel - Natural Resources	15,000.00	0.00	15,000.00	0.00	0.00
Subtotal	Natural Resources	1,915,000.00	100,000.00	1,815,000.00	0.00	0.00
Community						
700	Community Opportunity	1,700,000.00	0.00	1,700,000.00	0.00	0.00
701	Community Enrichment Program	1,700,000.00	0.00	1,700,000.00	0.00	0.00
797	Memberships and Dues - Community	500.00	0.00	500.00	0.00	0.00
798	Travel - Community	15,000.00	0.00	15,000.00	0.00	0.00
803	Future Workforce Development (LEI)	270,000.00	120,000.00	150,000.00	0.00	0.00
Subtotal	Community	3,685,500.00	120,000.00	3,565,500.00	0.00	0.00
Branding						
004	Cruise Infrastructure Improvements and Ai	200,000.00	200,000.00	0.00	100,000.00	100,000.00
010	HTUS/HTJ Campaign Effectiveness Study	260,000.00	260,000.00	0.00	0.00	0.00
014	Pono Travel Education Program	400,000.00	400,000.00	0.00	0.00	0.00
102	Hawai'i Tourism Summit	231,000.00	5,251.30	225,748.70	0.00	0.00
317	Convention Center Sales & Marketing - City	2,600,000.00	2,600,000.00	0.00	0.00	0.00
318	gohawaii.com (formerly Online Website Co	990,000.00	990,000.00	0.00	757,500.00	757,500.00
319	MCI MFF	850,000.00	850,000.00	0.00	0.00	0.00
320	Island Chapters Staffing and Admin	1,500,000.00	1,500,000.00	0.00	1,500,000.00	1,500,000.00
321	US (formerly North America)	21,000,000.00	21,000,000.00	0.00	8,250,000.00	8,250,000.00
331	Meetings, Convention & Incentives	1,900,000.00	1,900,000.00	0.00	0.00	0.00
339	Global Digital Marketing Strategy (former I	713,000.00	713,000.00	0.00	413,000.00	413,000.00
350	Global Mkt Shared Resces (formerly Intelle	787,000.00	787,000.00	0.00	194,500.00	194,500.00
380	Marketing Opportunity Fund	32,655.00	47,655.00	(15,000.00)	15,000.00	15,000.00
397	Memberships and Dues - Branding	160,000.00	137,265.00	22,735.00	0.00	0.00
398	Travel - Branding	50,000.00	32,053.66	17,946.34	11,854.93	16,070.62
934	State Employee Salaries - Branding	2,036,532.00	1,937,857.48	98,674.52	0.00	1,116,310.00
Subtotal	Branding	33,710,187.00	33,360,082.44	350,104.56	11,241,854.93	12,362,380.62
Sports						
312	PGA Tour Contracts	3,977,889.00	2,177,889.00	1,800,000.00	0.00	0.00
340	WTC - Ironman World Championships	250,000.00	250,000.00	0.00	250,000.00	250,000.00
343	LPGA	500,000.00	250,000.00	250,000.00	0.00	0.00
378	UH Athletics Branding Partnership	334,000.00	167,000.00	167,000.00	0.00	0.00
385	Sports RFP or Other Procurement	1,250,000.00	0.00	1,250,000.00	0.00	0.00
Subtotal	Sports	6,311,889.00	2,844,889.00	3,467,000.00	250,000.00	250,000.00
Safety and Security						
601	Visitor Assistance Programs	500,000.00	0.00	500,000.00	0.00	0.00
602	Crisis Management	100,000.00	52,043.88	47,956.12	5,098.96	5,098.96
604	Preventative Programs	100,000.00	100,000.00	0.00	0.00	0.00
Subtotal	Safety and Security	700,000.00	152,043.88	547,956.12	5,098.96	5,098.96
Tourism Research						
506	Infrastructure Research (Accomodations ar	60,000.00	0.00	60,000.00	0.00	0.00
Subtotal	Tourism Research	60,000.00	0.00	60,000.00	0.00	0.00
Planning						
652	Planning Tools and Assessments	410,000.00	111,585.32	298,414.68	0.00	0.00
653	Hotspot Mitigation	500,000.00	200,000.00	300,000.00	0.00	200,000.00
654	Program Evaluation	500,000.00	377,584.69	122,415.31	0.00	0.00
655	Community Engagement	175,000.00	0.00	175,000.00	0.00	0.00
656	Community Tourism Collaborative	400,000.00	75,000.00	325,000.00	0.00	75,000.00
697	Memberships and Dues - Planning	3,200.00	350.00	2,850.00	0.00	350.00
698	Travel - Planning	17,000.00	8,069.67	8,930.33	2,462.90	5,709.45
Subtotal	Planning	2,005,200.00	772,589.68	1,232,610.32	2,462.90	281,059.45
Administrative						
101	Community-Industry Outreach & Public Rel	200,000.00	200,000.00	0.00	0.00	0.00
103	hawaiiitourismauthority.org (formerly HTA	100,000.00	24,546.80	75,453.20	0.00	0.00
901	General and Administrative	848,700.00	158,932.44	689,767.56	1,412.39	1,412.39
930	State Employee Salaries - Admin	2,830,295.00	2,423,803.66	406,491.34	0.00	1,450,517.00
998	Travel - Admin	50,411.00	17,542.38	32,868.62	7,877.92	8,210.43
Subtotal	Administrative	4,029,406.00	2,824,825.28	1,204,580.72	9,290.31	1,460,139.82
Governance and Org-Wide						
915	Organization-Wide	220,000.00	105,000.00	115,000.00	0.00	0.00
919	Governance - Gen Board/Others	352,001.00	106,350.33	245,650.67	842.78	2,297.98
931	State Employees Fringe	2,465,972.00	2,144,009.77	321,962.23	0.00	1,355,972.00
Subtotal	Governance and Org-Wide	3,037,973.00	2,355,360.10	682,612.90	842.78	1,358,269.98
Approved	FY 2022 Funds	60,000,000.00	43,730,090.38	16,269,909.62	12,209,849.88	16,417,248.83
<i>Convention Center Federal Fund</i>						

Program Code	Program Title	Budget FY22	Encumbered - Budget Used (Cumulative)	Remaining Balance	September 2022 Activity	FY 2023 Activity
Branding						
934	State Employee Salaries - Branding	72,458.00	12,613.84	59,844.16	0.00	0.00
Subtotal	Branding	72,458.00	12,613.84	59,844.16	0.00	0.00
Administrative						
930	State Employee Salaries - Admin	247,042.00	226,060.43	20,981.57	0.00	0.00
Subtotal	Administrative	247,042.00	226,060.43	20,981.57	0.00	0.00
Governance and Org-Wide						
915	Organization-Wide	1,164,845.00	1,164,845.00	0.00	0.00	0.00
931	State Employees Fringe	170,000.00	72,220.04	97,779.96	0.00	0.00
Subtotal	Governance and Org-Wide	1,334,845.00	1,237,065.04	97,779.96	0.00	0.00
HCC Operating Expense						
850	HCC Operating Expense	5,406,900.00	5,406,900.00	0.00	0.00	0.00
Subtotal	HCC Operating Expense	5,406,900.00	5,406,900.00	0.00	0.00	0.00
HCC Repair and Maintenance						
860	HCC Repair and Maintenance	2,970,455.00	2,970,455.00	0.00	0.00	0.00
Subtotal	HCC Repair and Maintenance	2,970,455.00	2,970,455.00	0.00	0.00	0.00
HCC Local Sales						
871	HCC Local Sales	968,300.00	968,300.00	0.00	0.00	0.00
Subtotal	HCC Local Sales	968,300.00	968,300.00	0.00	0.00	0.00
Total	FY 2022 Funds	11,000,000.00	10,821,394.31	178,605.69	0.00	0.00
EDA Tourism Grant						
Natural Resources						
408	Outdoor Recreation (DLNR)	7,200,000.00	0.00	0.00	0.00	0.00
Subtotal	Natural Resources	7,200,000.00	0.00	0.00	0.00	0.00
Community						
656	Community Tourism Collaborative	750,000.00	0.00	0.00	0.00	0.00
736	Urban Trails	750,000.00	0.00	0.00	0.00	0.00
798	Travel - Community	20,000.00	0.00	0.00	0.00	0.00
Subtotal	Community	1,520,000.00	0.00	0.00	0.00	0.00
Branding						
300	Branding - Unallocated	4,000,000.00	0.00	0.00	0.00	0.00
934	Salaries - Branding	540,000.00	0.00	0.00	0.00	0.00
Subtotal	Branding	4,540,000.00	0.00	0.00	0.00	0.00
Planning						
698	Travel - Planning	20,000.00	0.00	0.00	0.00	0.00
Subtotal	Planning	20,000.00	0.00	0.00	0.00	0.00
Administrative						
901	Administrative	214,907.00	0.00	0.00	0.00	0.00
930	Salaries - Admin	117,000.00	0.00	0.00	0.00	0.00
Subtotal	Administrative	331,907.00	0.00	0.00	0.00	0.00
Governance and Org-Wide						
931	Fringe Benefits	412,465.00	0.00	0.00	0.00	0.00
Subtotal	Governance and Org-Wide	412,465.00	0.00	0.00	0.00	0.00
Total	FY 2022 Funds	14,024,372.00	0.00	0.00	0.00	0.00

5

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

Hawai'i Convention Center



Update for
September 2022
for
(October 2022 meeting)

Financial Update

	Sep-22 FYTD Actual	FY 2023 Rereforecast	FY 2023 Budget	Variance	FY 2022 Actual	CY 2019 Actual
Facility Occupancy	28%	30%	30%	0%	29%	32%
Facility Number of Events	59	209	200	9	213	238
Facility Gross Revenue	\$2,869,900	\$11,628,700	\$13,041,400	-\$1,412,700	\$7,256,700	\$16,866,900
Facility Gross Expenses	-\$4,012,900	-\$17,490,600	-\$18,448,300	\$957,700	-\$11,842,500	-\$17,649,200
Facility Net Loss	-\$1,143,000	-\$5,861,900	-\$5,406,900	-\$455,000	-\$4,585,800	-\$782,300
Local S&M Gross Expenses	-\$140,700	-\$968,300	-\$968,300	\$0	-\$522,600	-\$5,315,000
HCC Net Loss	-\$1,283,700	-\$6,830,200	-\$6,375,200	-\$455,000	-\$5,108,400	-\$6,097,300

ROI September FYTD 2022

HCC Revenue + State Revenue + Tax Revenue
= \$23.2M

HCC Expense + HVCB MCI Expense = \$5.4M

***ROI = For every dollar spent,
\$4.22 returned to the State***

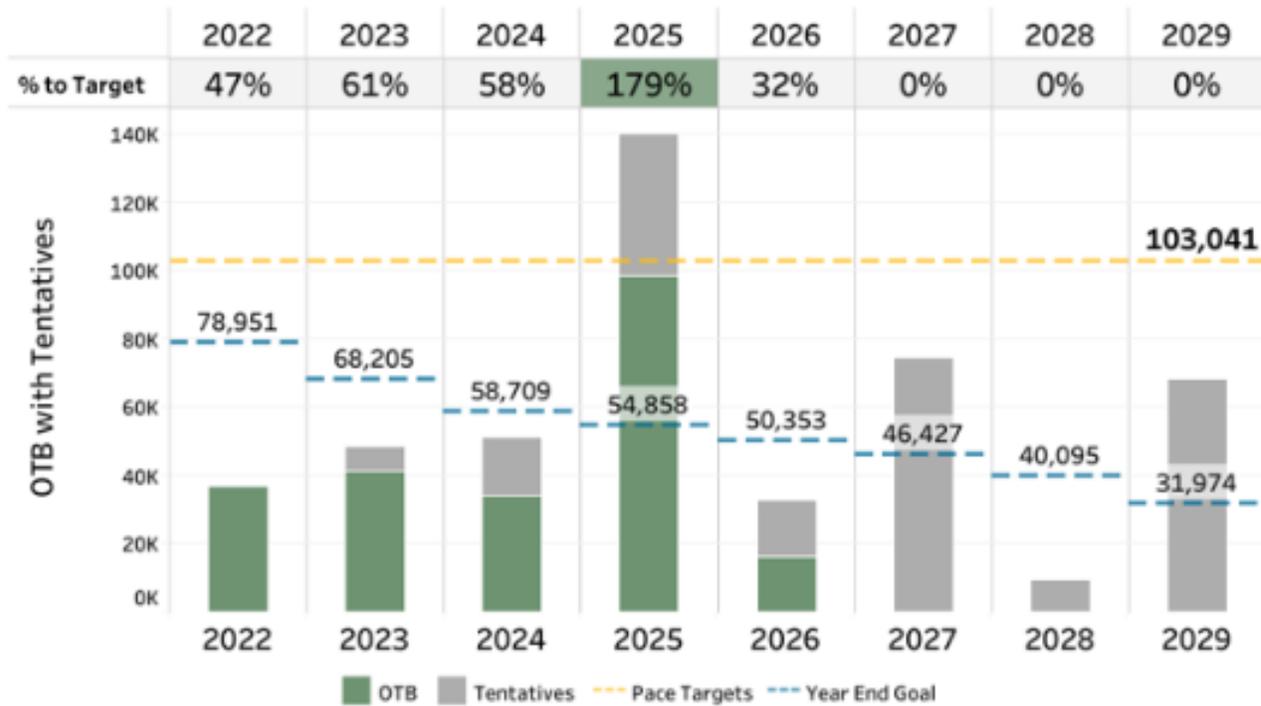
Definite Citywide Bookings for FY 2023

Start Date	End Date	Event Name	Forecast Attendance	Contracted Rooms	EI Value	Tax Generation
7/1/2022	7/3/2022	Pacific Rim Championship 2022 (Jam on It)	1,600	1,000	\$5,048,727	\$590,701
7/10/2022	7/15/2022	Goldschmidt Conference 2022	2,500	5,100	\$13,129,182	\$1,536,115
10/19/2022	10/28/2022	2022 Applied Superconductivity Conference	1,800	4,670	\$11,960,948	\$1,399,435
11/7/2022	11/16/2022	Confidential Association Meeting	3,500	8,371	\$23,728,741	\$2,776,263
4/11/2023	4/23/2023	American Roentgen Ray Society	2,500	3,844	\$18,342,486	\$2,146,071
5/19/2023	5/22/2023	All Star Cheerleaders 2023	2,500	5,000	\$8,654,669	\$1,012,596
	6	Total	14,400	27,985	\$80,864,753	\$9,461,181

Citywide Future Pace Report

Source: HVCB/Meet Hawai'i Status Report (as of Sept 30, 2022)

Table 2: FuturePace Report: Convention Center 8-year Pace (citywide only)



Future Pace for Definite Room Nights

Year	OTB	Pace Room Night Target	Variance to Target	Room Night % Variance	LTB	Tentative Room Nights	Pace Room Night Goal
2022	36,718	78,951	(42,233)	-53%	66,323	0	103,041
2023	41,381	68,205	(26,824)	-39%	61,660	7,195	103,041
2024	34,206	58,709	(24,503)	-42%	68,835	17,071	103,041
2025	98,382	54,858	43,524	79%	4,659	42,008	103,041
2026	16,310	50,353	(34,043)	-68%	86,731	16,545	103,041
2027	0	46,427	(46,427)	-100%	103,041	74,701	103,041
2028	0	40,095	(40,095)	-100%	103,041	9,348	103,041
2029	0	31,974	(31,974)	-100%	103,041	68,139	103,041

Future Pace for Definite Bookings

Year	Definite Bookings	Pace Booking Target	Booking Variance	Booking % Variance	Bookings LTB	Tentative Bookings	Pace Booking Goal
2022	8	16	(8)	-50%	20	0	28
2023	5	9	(4)	-44%	23	2	28
2024	5	7	(2)	-29%	23	3	28
2025	6	5	1	20%	22	5	28
2026	1	4	(3)	-75%	27	2	28
2027	0	3	(3)	-100%	28	6	28
2028	0	2	(2)	-100%	28	1	28
2029	0	2	(2)	-100%	28	4	28

Recent Events @ Hawai'i Convention Center

- Hula Halau 'O Kamuela 20th Anniversary Ho'ike (Sept 24), 796 attendees
- 2022 Global Breadfruit Summit (Oct 18), 120 attendees
- 2022 Fall Honolulu National College Fair – NACAC (Oct 18), 5,000 attendees
- **2022 Applied Superconductivity Conference (Oct 19-28), 1,800 attendees (CW)**



Client Feedback

“We would like to say a big “Mahalo” to the convention center staff for all of their hard work, dedication and execution of our event. We have not seen many hula events held at the convention center and we are proud that we were able to utilize the largest, state-of- the-art venue, in the State of Hawai’i to showcase our hālau and to perpetuate the hawaiian culture.

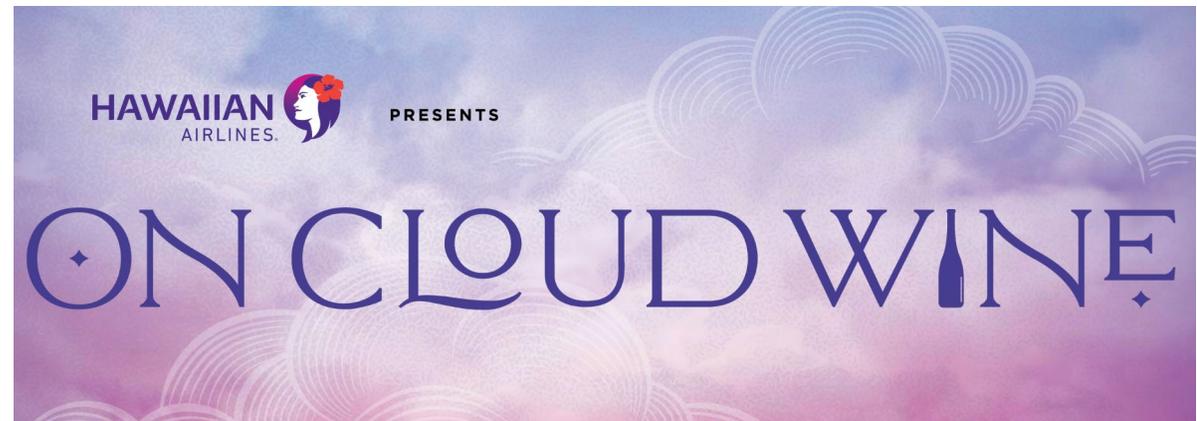
“We cherish the partnerships and friendships that we have built throughout this journey and will continue to stay in touch with Sherry and Kealoha for any future hālau endeavors.”

**Anson Kau’ionālani Kamana’o,
Hula Hālau ‘O Kamuela, Kumu Hula
Hula Halau 'O Kamuela 20th Anniversary Ho’ike
September 24, 2022**



Upcoming Local/Citywide Events

- Hawai'i Food and Wine Festival, On Cloud Wine (Nov 4), 1,000 attendees
- PBX-22 (Nov 18), 1,500 attendees
- Aloha Region Thanksgiving Tournament (Nov 28), 3,000 attendees



Definite Local Bookings for next 3 months

	October 2022			
	Start Date	End Date	Description	Forecast Attendance
1	10/01/22	10/01/22	HPMG Annual Dinner	800
2	10/03/22	10/05/22	School Safety Conference	800
3	10/03/22	10/05/22	TeachTown Pilot Program Training	150
4	10/07/22	10/07/22	HBR Candidates & Agents Forum	495
5	10/08/22	10/08/22	Universal ShowQueen Pageant...The Ultimate in Boy Beautiful	1,000
6	10/09/22	10/09/22	Gay Bowl XXII Closing Reception	800
7	10/12/22	10/12/22	Kalani High School PSAT Testing	300
8	10/14/22	10/14/22	2022 SHRM Hawaii Annual Conference	400
9	10/15/22	10/15/22	WorldRemit Hawaii Concert	1,000
10	10/15/22	10/15/22	Trinity Kings 11	800
11	10/16/22	10/28/22	NAVFAC Pacific Meeting	160
12	10/17/22	10/17/22	Stars of Oceania	120
13	10/17/22	10/17/22	PFA Hawaii	450
14	10/17/22	10/18/22	UNIFI Hiring Event	60
15	10/18/22	10/18/22	Global Breadfruit Summit	120
16	10/18/22	10/18/22	2022 Fall Honolulu National College Fair - NACAC	5,000
17	10/19/22	10/19/22	The 12th JHTA Annual Seminar	150
18	10/19/22	10/19/22	Schools of the Future (Jamf Pre-Conference Sessions)	30
19	10/20/22	10/22/22	Schools of the Future Conference	1,500
20	10/20/22	10/20/22	Schools of the Future - HCF SEL Dinner	50
21	10/24/22	10/26/22	Pacific Tech 2022	150
22	10/25/22	10/25/22	Matt Tsuruda Organizational Open	280
23	10/26/22	10/26/22	Yamamoto Organizational Open	350
24	10/27/22	10/27/22	Yadao Organizational Open	250
25	10/28/22	10/28/22	Water Resilience in Hawaii, A UH Innovation Conference	200
26	10/28/22	10/28/22	Professional Community Day - Session 2	150

Cont...

Definite Local Bookings for next 3 months

	November 2022			
	Start Date	End Date	Description	Forecast Attendance
1	10/31/22	11/03/22	TRY Group 2022	100
2	11/01/22	11/02/22	Honeymoon Friends Filming	365
3	11/04/22	11/04/22	HMSA Annual Meeting	1,000
4	11/04/22	11/04/22	Hawaii Food & Wine Festival - On Cloud Wine	1,000
5	11/05/22	11/05/22	Hawaiian Dredging Construction Company's Annual Dinner and Service Awards Banquet	500
6	11/08/22	11/08/22	Democratic Party of Hawaii . Election Night Watch	500
7	11/16/22	11/16/22	Protect Our Water Conference	200
8	11/17/22	11/17/22	Cancer Survivorship Conference	250
9	11/17/22	11/17/22	Visitor Public Safety Meeting	150
10	11/17/22	11/18/22	Mid-Pacific Audio Visual Training	5
11	11/18/22	11/20/22	Coin Show Expo 2022	1,000
12	11/18/22	11/18/22	PBX-22	1,500
13	11/18/22	11/18/22	Hawaiian Electric Annual Leadership Meeting	300
14	11/18/22	11/20/22	Hawaii Pacific Model United Nations	350
15	11/18/22	11/18/22	Kaiser Permanente - Sales Team Building Meeting	90
16	11/18/22	11/18/22	Kaiser Permanente - Quality Meeting	35
17	11/18/22	11/18/22	Kaiser Permanente - Nursing Leadership Training	50
18	11/19/22	11/19/22	Shawn Ray Hawaiian Classic 2022	1,000
19	11/19/22	11/19/22	EMT I Written Test	350
20	11/26/22	11/27/22	Aloha Region Thanksgiving Tournament	3,000
21	11/26/22	11/26/22	Dragon Beat Recital/Dragon Beat Taiko Drumming Concert with Tsutomu Nakai	400
22	11/26/22	11/26/22	Super Saturday Showcase	1,000

Cont...

Definite Local Bookings for next 3 months

	December 2022			
	Start Date	End Date	Description	Forecast Attendance
1	12/02/22	12/02/22	Honolulu Board of REALTORS General Membership Meeting	1,200
2	12/02/22	12/03/22	Central Pacific Bank Holiday Party	1,000
3	12/04/22	12/04/22	Hawaii Youth Symphony - Symphony Program Winter Concert 2022	400
4	12/05/22	12/09/22	2022 Hawai'i Tourism Conference	1,000
5	12/06/22	12/15/22	NAVSEA Project Management Fundamentals Course 94	75
6	12/08/22	12/12/22	2022 Honolulu Marathon Expo	20,000
7	12/10/22	12/10/22	JROTC Military Ball	950
8	12/10/22	12/11/22	Ho'omau Hawai'i Market	3,500
9	12/15/22	12/15/22	HPU Commencement	2,000
10	12/15/22	12/15/22	Mililani High School Winter Ball	500
11	12/16/22	12/16/22	Holiday Pa'ina Lunch	30
12	12/16/22	12/16/22	Maid in Malacanang in Hawai'i Christmas Event	700
13	12/17/22	12/19/22	Hoops in Hawaii 2022	1,000
14	12/17/22	12/17/22	Na Leo Holiday Concert	1,000
15	12/17/22	12/18/22	Aloha Region Christmas Festival	3,000
16	12/17/22	12/17/22	120th Anniversary of Immigration - America Opening Concert	450
17	12/17/22	12/18/22	CGTV Auditions	200

HCC Presents: Na Leo Holiday Concert

Celebrate the holidays with

Na Leo Pilimehana Holiday Concert



**Saturday, December 17
4th Floor Ballroom
Hawai'i Convention Center**



Special Guest: Maunalua

Tickets: hawaiiconvention.com

HCC Awards 2022

Hawai'i Convention Center Earns Three National Meetings Awards

Friday, October 7, 2022 by Hawaii Convention Center



Honolulu, Oct. 7, 2022 – The Hawai'i Convention Center recently earned three prestigious national awards for its excellence as a meetings destination:

- EXHIBITOR Magazine has named the Center to its fourth-annual **Centers of Excellence** list, which honors North America's best convention centers for trade shows and corporate events. The magazine received nearly 100 applications throughout the competition, but only the 30 highest-scoring venues qualified based on their scores in five categories: Facility & Functionality, Location & Accommodations, Service & Execution, Upgrades & Expansions, and Awards & Industry Participation.
- **Association Conventions & Facilities** has honored the Center with a 2022 **Distinctive Achievement Award**, which recognizes hotels, resorts, conference centers, convention centers and convention and visitors bureaus that have demonstrated their overall commitment to excellence. The more than 20,500 subscribers of Association Conventions & Facilities are offered the opportunity to vote. Eligible ballots are limited to those submitted by meeting planner subscribers. Criteria include: Superior service and support; top-notch assistance with promotion, accommodations and site inspections; a high level of assistance to identify and liaison with suppliers, vendors, facilities, venues and local government; outstanding communication; and a first-rate website.

News Release: Oct 7

CELEBRATING THE BEST OF THE BEST



HAWAI'I CONVENTION CENTER

1801 KALĀKAUA AVE., HONOLULU, HI 96815 | CONTACT: TERI ORTON, GENERAL MANAGER
TEL: 808-943-3500 | INFO@HCCASM.COM | HAWAIICONVENTION.COM

The Hawai'i Convention Center is the perfect location and venue for world-class global meetings. Ranked as one of North America's most attractive convention centers and winner of the International Association of Venue Managers (IAVM) 2019 Venue Excellence Award, the facility's bold, open-air architecture captures Hawai'i's sense of place and the perfect blend of East and West.

Well-situated between the U.S. mainland and Pacific Rim countries, Hawai'i offers an ideal spot for international meetings, while providing an array of leisure options for family and friends. The Hawai'i Convention Center offers 200,000 sf of exhibit space, a 35,000-sf ballroom, a tropical rooftop garden, two theaters and 47 breakout rooms.

The Center is also a place where Hawai'i's communities connect for popular events such as Kawaii Kon, the state's largest anime convention, as well as sports tournaments.

Its industry-leading health and safety measures, large meeting spaces and open-air design make it an ideal place to meet with peace of mind.

FACTS & FEATURES

Total Meeting Space: 1.1 Million sf
Special Services & Amenities: Managed by ASM Global, the Hawai'i Convention Center offers 1.1 million sf of space: 200,000 sf of exhibit space, a 35,000-sf ballroom, a tropical rooftop garden function space and 47 breakout rooms.

With 1.1 million sf of award-winning facilities, world-class cuisine, an industry-leading environmental program and innovative, experienced management by ASM Global, the Hawai'i Convention Center is Where Business and Aloha Meet. **[A C F]**



An Inspirational Backdrop for World-Class Gatherings

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

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





Repair and Maintenance Projects Update

Repair & Maintenance Projects

6-Year Plan (page 1)

Project Number	Project Title	Estimated Project Cost	Prior Expenses to Aug 2022	FY23	FY24	FY25	FY26	FY27	FY28	Total
001	Rooftop Terrace Deck Temporary Repair	\$ 15,000,000	\$ -	\$ 15,000,000						\$ 15,000,000
	Rooftop Terrace Deck Temporary Repair (Previous planning)		\$ 626,152							\$ 626,152
003	Building Envelope Repairs (Kalākaua Kitchen, 3rd fl planters, planters, exterior paint)	\$ 18,632,703	\$ 274,352	\$ 8,189,126	\$ 10,169,226					\$ 18,632,704
007	Kitchen Hood Control Panel Replacement	\$ 421,249	\$ 18,142	\$ 403,107						\$ 421,249
008	F&B Refrigerator, 3rd floor (#348) Replacement	\$ 319,004	\$ 14,047	\$ -	\$ -	\$ -	\$ 304,957			\$ 319,004
009	Slate Tile Repair	\$ 2,142,108	\$ 17,497	\$ 2,124,611						\$ 2,142,108
010	Chiller Replacement	\$ 4,639,656	\$ 105,976	\$ 4,007,051	\$ 526,629					\$ 4,639,656
011	Ballroom Gutter, Foyer Transom Glass Repair and Soffit Repair	\$ 10,635,599	\$ 25,873	\$ 2,000,000	\$ 8,609,726					\$ 10,635,599
012	Parapet Roof Repairs	\$ 3,004,559	\$ 10,404	\$ 1,000,000	\$ 1,994,155					\$ 3,004,559
013	Ballroom Roof Repairs	\$ 2,143,187	\$ 6,712	\$ 1,000,000	\$ 1,136,475					\$ 2,143,187
014	Lobby Water Feature	\$ 1,035,800	\$ 1,985	\$ -	\$ 253,946	\$ 779,869				\$ 1,035,800
015	House Sound Audio System Upgrade	\$ 1,344,650	\$ 9,183	\$ 1,335,467						\$ 1,344,650
016	Camera, NVR and Access Control	\$ 2,001,733	\$ 1,564,563	\$ 437,170						\$ 2,001,733
022	Chill Water Pipe Reinsulation	\$ 250,000	\$ -	\$ 250,000						\$ 250,000
023	Air Wall Repairs	\$ 400,000	\$ -	\$ 400,000						\$ 400,000
024	Roll-up Door Replacement	\$ 225,000	\$ 23,656	\$ -	\$ 201,344					\$ 225,000
025	Ballroom and Meeting Room Wallpaper Replacement	\$ 450,000	\$ -	\$ 450,000						\$ 450,000
026	IT Network Upgrades	\$ 125,000	\$ -	\$ -	\$ -	\$ 55,000	\$ 70,000			\$ 125,000
027	Ice Machines Replacement	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000				\$ 500,000
028	Theatre 310 and 320 Furnishings Upgrade	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ 375,000	\$ 375,000		\$ 750,000
029	Theatre 310 and 320 Seating Upgrade	\$ 500,000	\$ 155	\$ -	\$ -	\$ -	\$ 249,845	\$ 250,000		\$ 500,000
030	FB China and Equipment Upgrade	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -	\$ 3,500,000			\$ 3,500,000
031	Ala Wai Waterfall Repair	\$ 1,013,271	\$ 1,985	\$ -	\$ 1,011,286					\$ 1,013,271
036	Water Intrusion Remediation	\$ 400,000	\$ -	\$ 400,000						\$ 400,000
037	Exterior Security Camera Upgrade	\$ 150,628	\$ 628	\$ 150,000						\$ 150,628

	Current Project
	Project ON HOLD
	Cumming Managed Projects
	HCC Managed Projects
	PM/CM to be awarded Dec 2022

Repair & Maintenance Projects

6-Year Plan (page 2)

Project Number	Project Title	Estimated Project Cost	Prior Expenses to Aug 2022	FY23	FY24	FY25	FY26	FY27	FY28	Total
040	Exterior Planter Repair	\$ 2,313,660	\$ -	\$ -	\$ 2,313,660					\$ 2,313,660
041	Children's Courtyard Repair	\$ 250,000	\$ -	\$ -	\$ 250,000					\$ 250,000
042	Kahakai/Atkinson Drywell Rehabilitation	\$ 250,000	\$ -	\$ -			\$ 250,000			\$ 250,000
043	Air Handler Unit 9 and 10 Replacement	\$ 300,000	\$ -	\$ -		\$ 300,000				\$ 300,000
044	Fire Sprinkler Line Refurbishment	\$ 270,000	\$ -	\$ -			\$ 70,000	\$ 100,000	\$ 100,000	\$ 270,000
045	Escalator and Elevator Refurbishment	\$ 1,000,000	\$ -	\$ -			\$ 200,000	\$ 200,000	\$ 200,000	\$ 600,000
046	LED Light Upgrade	\$ 1,700,000	\$ -	\$ -		\$ 500,000	\$ 200,000	\$ 500,000	\$ 500,000	\$ 1,700,000
047	Lighting Control System Replacement	\$ 200,000	\$ -	\$ -	\$ 200,000					\$ 200,000
048	Electrical Harmonics Testing	\$ 100,000	\$ -	\$ -				\$ 100,000		\$ 100,000
049	Main Kitchen Dishwasher Replacement	\$ 300,000	\$ -	\$ 300,000						\$ 300,000
050	Main Kitchen Flooring Replacement	\$ 2,000,000	\$ -	\$ -				\$ 2,000,000		\$ 2,000,000
051	PBX System Replacement	\$ 200,000	\$ -	\$ -				\$ 200,000		\$ 200,000
052	Ride-on Sweeper Replacement	\$ 55,000	\$ -	\$ -	\$ 55,000					\$ 55,000
053	Forklift	\$ 25,000	\$ -	\$ -		\$ 25,000				\$ 25,000
054	Boardroom Upgrade	\$ 1,000,000	\$ -	\$ -			\$ 1,000,000			\$ 1,000,000
055	Elevator #2 Upgrade	\$ 250,000	\$ -	\$ -		\$ 250,000				\$ 250,000
056	Lobby Glass Panels	\$ 170,000	\$ -	\$ 170,000						\$ 170,000
057	ADA Ramp for Stages	\$ 40,000	\$ -	\$ 40,000						\$ 40,000
058	Kitchen Hood Fire Suppression System Replacement	\$ 735,119	\$ 18,770	\$ 716,349						\$ 735,119
	GRAND TOTAL	\$ 80,742,926	\$ 2,720,080	\$ 38,372,881	\$ 26,721,447	\$ 2,409,869	\$ 6,219,802	\$ 3,725,000	\$ 800,000	\$ 80,969,079

	Current Project
	Project ON HOLD
	Cumming Managed Projects
	HCC Managed Projects
	PM/CM to be awarded Dec 2022

Repair & Maintenance Projects

Construction and Project Management Services

CM/PM Services

- *For management of 17 projects (highlighted in orange)*
- *RFQ/RFP issued May 2022*
- *Contract awarded in early September 2022 to Cumming Management Group*

CM/PM Services

- *For management of the Rooftop Terrace Deck Temporary Repair*
- *RFQ/RFP issued October 2022*
- *To award Contract in December 2022*

Repair & Maintenance Projects Completed

- *Boiler Replacement; \$585k, completed 2020*
- *Ala Wai Waterfall Repairs; \$185k, completed 2020*
- *Chiller 4 Repairs; \$55k, completed 2020*
- *#320 Roof Repairs; \$1.4M, completed 2020*
- *Banquet Chairs and Facility Equipment Upgrade; \$2.25M, completed 2020*
- *Cooling Tower Replacement; \$3.2M, completed 2021*
- *Theatre LED Lighting Upgrade; \$77k, completed 2021*
- *Roof Overflow Drain Repairs; \$16k, completed 2021*
- *Jockey Chiller Repairs; \$28k, completed 2021*
- *ADA Lift Replacement, \$71.5k, completed 2021*
- *Emergency Generator Repairs, \$32k, completed 2021*
- *Window Repairs – Vandalism, \$177k, completed 2021*
- *Leak Repairs – December 2021 / January 2022, \$396k, completed 2022*
- *Chiller Repairs – \$69.3k, completed 2022*
- *Trellis Renovation - \$4.7M, completed 2022*

Mahalo Nui Loa

A close-up photograph of a sailboat's rigging. The image shows a wooden boom with a pulley, ropes, and orange floats. The text "Mahalo Nui Loa" is overlaid in the center. The background is slightly blurred, showing other boats and greenery.

Tentative

Local Bookings for Next 3 Months

Start Date	End Date	Event Name	Forecast Attendance
12/05/22	12/05/22	Confidential	1,500
12/10/22	12/10/22	Reyes – Paradise	430
12/11/22	12/16/22	AECOM - HRD-H 65% Ph1 Design Review Meeting	100
12/16/22	12/16/22	Hawaii's Finest 13 Year Anniversary	4,000
12/18/22	12/18/22	Oahu Church of Christ	250
12/19/22	01/03/23	Holiday Show	0
01/03/23	01/03/23	Hawaii Principal Forum	400
01/07/23	01/08/23	Kuilei Place Seminar	2,700
01/07/23	01/07/23	Hawaii State FCU Holiday Paina	400
		Miss Hawaii Teen USA & Miss Hawaii USA 2023	
01/14/23	01/14/23	Pageant	1,000