



1801 Kalākaua Avenue, Honolulu, Hawai'i 96815
kelepona tel (808) 943-3500
kelepa'i fax (808) 943-3599
kahua pa'a web hawaii-convention.com

ASM
HAWAII' I CONVENTION CENTER
LOCAL SALES & MARKETING BUDGET
FY25

July 15, 2024

Hawai'i Convention Center

Local Sales and Marketing Budget

FY25

July 15, 2024

Four years post the COVID-19 pandemic, the Hawaii Convention Center (HCC) is exceeding pre-pandemic event count levels. However, there remains a disparity in where the business is coming from. The market financially sustaining HCC since the pandemic has been the short-term local market. Local sales include small local meetings, banquets, concerts, festivals, tradeshow, and sporting events. In FY25, 220 local market events are slated to generate \$12.5M, \$2.6M (28%) more than what was budgeted for FY24 and \$3.9M (46%) higher than the pre-pandemic level of \$8.5M in 2019. The additional staffing in local sales is to help us drive local events and pick up in revenue YOY and to support short term sales efforts which are necessary at this time to build up for upcoming softer city-wide event year starting in FY26 and due to rooftop construction.

Pre-pandemic the citywide events played the majority role in revenue generation. In FY25, we are encouraged by 17 citywide events on the books. These 17 citywide events are budgeted to generate revenues of \$10.1M, \$1.9M (23%) more than what was budgeted for FY24 and \$1.9k (23%) higher than the pre-pandemic level of \$8.2M in 2019. It should also be noted that the FY25 budget includes 2 international events. The international market continues to remain soft since the pandemic however we are seeing more inquiries from Japan from wholesale partners JTB and HIS. We continue to work collaboratively with the Hawaii Visitors Convention Bureau, Hawai'i Tourism Authority and partners to assist HCC in increasing growth in all markets.

Our FY25 local sales and marketing budget is \$1,603,300 which is \$570,900 (55%) more than the FY24 and \$379,600 (31%) more than the FY24 budget of \$1,223,700. The year over year increase in the budget is primarily due to the following:

1. Salaries, Wages, Bonuses, and related Benefits is \$267,409 (41%) more than FY24 and \$237,600 (35%) over the FY24 budget.
 - a. Local sales and marketing FTE count increases by 1 to 6.75 with the addition of the position of Director of Local Sales, \$163k impact. With the increase in local market revenue generation since the pandemic, as well as the soft outlook of citywide business in the near future, see current pace reports, this position is deemed important to sustain the future of HCC operations. It will only be filled as deemed necessary by the General Manager.
 - b. 4% merit increase, \$73k impact.

2. Marketing is \$293,988 (143%) more than FY24 and \$140,300 (39%) over the FY24 budget.
 - a. \$20,000 increase for photography to create a new promotional sizzle video.
 - b. \$120,000 increase in promotions for funding another HCC new business promotion/special event bringing the HCC special events count in FY25 to 3 including the Holiday Immersive Experience (12/24) and two other HCC curated events.

HAWAII CONVENTION CENTER
LOCAL SALES & MARKETING
JULY 1, 2024 TO JUNE 30, 2025
Lead Income Statement

Budget

Operating Expenses	
Employee Salaries and Wages	757,800
Benefits	<u>164,800</u>
Net Employee Wages and Benefits	922,600
Marketing	499,500
Advertising	25,000
Maintenance Agreements	89,600
General and Administrative	36,000
Meetings & Conventions	22,700
Utilities	5,400
Other	<u>2,500</u>
Total Operating Expenses	1,603,300

HAWAII CONVENTION CENTER
 LOCAL SALES & MARKETING
 JULY 1, 2024 TO JUNE 30, 2025
 Lead Income Statement - Comparison

	Budget	One Year Prior FY 2024 Actual	Variance More / (Less)	Percentage Change Increase (Decrease)	One Year Prior FY 2024 Budget	Variance More / (Less)	Percentage Change Increase (Decrease)	Two Years Prior FY 2023 Actual	Variance More / (Less)	Percentage Change Increase (Decrease)
Operating Expenses										
Employee Salaries and Wages	757,800	516,766	241,034	47%	543,600	214,200	39%	389,612	368,188	95%
Benefits	164,800	138,425	26,375	19%	141,400	23,400	17%	93,674	71,126	76%
Net Employee Wages and Benefits	922,600	655,191	267,409	41%	685,000	237,600	35%	483,286	439,314	91%
Marketing	499,500	205,512	293,988	143%	359,200	140,300	39%	340,376	159,124	47%
Advertising	25,000	31,371	(6,371)	-20%	25,000	-	0%	26,588	(1,588)	-6%
Maintenance Agreements	89,600	88,342	1,258	1%	89,600	-	0%	82,815	6,785	8%
General & Administrative	36,000	36,495	(495)	-1%	35,500	500	1%	13,131	22,869	174%
Meetings & Conventions	22,700	8,631	14,069	163%	22,700	-	0%	8,049	14,651	182%
Utilities	5,400	6,175	(775)	-13%	3,600	1,800	50%	5,046	354	7%
Other	2,500	680	1,820	268%	3,100	(600)	-19%	82	2,418	2949%
Total Operating Expenses	1,603,300	1,032,397	570,903	55%	1,223,700	379,600	31%	959,373	643,927	67%

HAWAII CONVENTION CENTER
 LOCAL SALES & MARKETING
 JULY 1, 2024 TO JUNE 30, 2025
 Lead Income Statement - Comparison

	Budget	Three Years	Variance	Percentage	Five Years	Variance	Percentage
		Prior FY 2022 Actual	More / (Less)	Change Increase (Decrease)	Prior CY 2020 Actual	More / (Less)	Change Increase (Decrease)
Operating Expenses							
Employee Salaries and Wages	757,800	269,126	488,674	182%	270,487	487,313	180%
Benefits	164,800	84,387	80,413	95%	87,279	77,521	89%
Net Employee Wages and Benefits	922,600	353,513	569,087	161%	357,766	564,834	158%
Marketing	499,500	34,182	465,318	1361%	66,085	433,415	656%
Advertising	25,000	31,561	(6,561)	-21%	3,047	21,953	720%
Maintenance Agreements	89,600	67,708	21,892	32%	69,107	20,493	30%
General & Administrative	36,000	26,482	9,518	36%	5,110	30,890	605%
Meetings & Conventions	22,700	3,609	19,091	529%	(4,824)	27,524	-571%
Utilities	5,400	3,772	1,628	43%	3,970	1,430	36%
Other	2,500	1,568	932	59%	-	2,500	0%
Total Operating Expenses	1,603,300	522,395	1,080,905	207%	500,261	1,103,039	220%

HAWAII CONVENTION CENTER
LOCAL SALES & MARKETING
JULY 1, 2024 TO JUNE 30, 2025

Acct#	Account Title	Itemized Amounts / Descriptions	Budget
70005	Salaries-Exempt	See Facility Salary Detail \$ 625,100	\$ 625,100
70006	Wages-Nonexempt	See Facility Salary Detail \$ 23,200	\$ 23,200
70205	Bonus-Performance	See Facility Salary Detail \$ 109,500	\$ 109,500
71005	Payroll Taxes	See Facility Salary Detail \$ 65,200	\$ 65,200
71105	Benefits	See Facility Salary Detail \$ 64,800	\$ 64,800
71205	401 (k)	See Facility Salary Detail \$ 12,100	\$ 12,100
71505	Workers Compensation	See Facility Salary Detail \$ 22,700	\$ 22,700
73010	Professional Fees-Legal	Contract Related Legal Fees \$ 1,000	\$ 1,000
73015	Professional Fees-Other	Hawaiian Cultural Services \$ 12,500	\$ 12,500
73050	Payroll Fees	ADP Payroll Processing (ASM) \$ 1,100 Workday (ASM) \$ 1,500	\$ 2,600
73055	Meals & Entertainment	\$500/mo \$ 6,000	\$ 6,000
73060	Meetings & Conventions	IAVM-July \$ 2,000 ASAE-Aug \$ 3,300 IMEX-Oct \$ 4,000 IAEE-Dec \$ 3,300 PCMA-Jan \$ 4,100	\$ 16,700
73065	Dues & Subscriptions	Exec Women Intl (1) \$ 300 HI Japanese Chamber Of Commerce \$ 400 IAEE \$ 900 Local Memberships (3) \$ 500	\$ 2,100
73095	Rental Office Equipment	Toshiba Copier Usage @ \$250/month \$ 3,000	\$ 3,000
73100	Office Supplies	Office Supplies \$ 1,000	\$ 1,000
73105	Printing & Stationary	Posters/Signage \$ 3,000 Business Cards \$ 2,000 Keyboard Calendar \$ 800 Other \$ 1,000	\$ 6,800
73125	Photography	TBD Sizzle video \$ 25,000 Event Photography (5 events @ \$600/fee) \$ 3,000 Food Photography \$ 2,000 Headshots for staff \$ 1,000 Shutterstock - stock photos \$ 300 Other \$ 2,300	\$ 33,600
73130	Advertising & Marketing	Local Advertising & Marketing \$ 25,000	\$ 25,000
73140	Web Development & Maintenance	MeetHawaii.com (HCC portion of website) \$ 12,000 HCC Microsite - Asian \$ 3,800 HCC Microsite - Event Calendar \$ 300	\$ 22,700

HAWAII CONVENTION CENTER
 LOCAL SALES & MARKETING
 JULY 1, 2024 TO JUNE 30, 2025

Acct#	Account Title	Itemized Amounts / Descriptions	Budget
		Holiday e-Card \$ 2,600	
		DropBox Business \$ 1,100	
		Sketch-Up license \$ 600	
		Adobe Software \$ 600	
		SSL Wildcard Certificate \$ 500	
		HCC Blog Site and Website Domain Renewal \$ 400	
		Flipbook Software \$25/mo \$ 300	
		ZOOM Pro license \$ 300	
		Vimeo subscription \$ 100	
		Blog Spam Blocker-Akismet @ \$10/mo \$ 100	
73215	Promotional	Sponsorships	\$ 419,200
		May Day \$ 2,500	
		Na Hoku Gala \$ 2,500	
		Joy of Sake \$ 1,000	
		Hawaii Food & Wine Festival \$ 20,000	
		Chopsticks & Wine Festival \$ 2,500	
		LEI Project Sponsorship \$ 1,600	
		Amenities @ \$175/mo \$ 2,100	
		Carbon Offset Promotion \$ 2,000	
		Client Mahalo/New Business Reception \$ 25,000	
		New Business - HCC Curated Event \$ 120,000	
		New Business Promos-Immersive Experience, 12/24 \$ 120,000	
		New Business - HCC Curated Event, 6/25 \$ 120,000	
73275	Computer Expense	Computer Exepnses \$ 1,000	\$ 1,000
73295	Employee Training	USI Training \$ 2,000	\$ 6,000
		Sales Team Workshop (AS Training) \$ 4,000	
75105	Maintenance Agreements	Concept 3D On-line map hosting fee \$ 41,200	\$ 89,600
		Concept 3D Panoramic hosting fee \$ 1,500	
		USI Software License, Hosting, Maintence and Packages \$ 30,700	
		ASM Global Insights \$ 8,200	
		Regional Corporate Marketing Support \$ 4,900	
		Microsoft License (ASM) @\$625/user, 5 users \$ 3,100	
78205	Telephone	Cell / iPad Service, AT&T @ \$450/mo \$ 5,400	\$ 5,400
79005	Community Relations	Limtiaco @ \$2,000/mo \$ 24,000	\$ 24,000
79905	Miscellaneous Expenses	Miscelleneous Expenses \$ 1,500	\$ 1,500
90090	FF & E Expense	FF & E \$ 1,000	\$ 1,000
550		JULY 1, 2024 TO JUNE 30, 2025	\$ 1,603,300

HAWAII CONVENTION CENTER
 LOCAL SALES & MARKETING
 JULY 1, 2024 TO JUNE 30, 2025

Acct#	Account Title	Budget
70005	Salaries-Exempt	\$ 625,100
70006	Wages-Nonexempt	\$ 23,200
70205	Bonus-Performance	\$ 109,500
71005	Payroll Taxes	\$ 65,200
71105	Benefits	\$ 64,800
71205	401 (k)	\$ 12,100
71505	Workers Compensation	\$ 22,700
71705	Vacation Expense	\$ -
73010	Professional Fees-Legal	\$ 1,000
73015	Professional Fees-Other	\$ 12,500
73050	Payroll Fees	\$ 2,600
73055	Meals & Entertainment	\$ 6,000
73060	Meetings & Conventions	\$ 16,700
73065	Dues & Subscriptions	\$ 2,100
73070	Postage	\$ -
73095	Rental Office Equipment	\$ 3,000
73100	Office Supplies	\$ 1,000
73105	Printing & Stationary	\$ 6,800
73125	Photography	\$ 33,600
73130	Advertising & Marketing	\$ 25,000
73140	Web Development & Maintenance	\$ 22,700
73215	Promotional	\$ 419,200
73255	Sales & Use Tax	\$ -
73275	Computer Expense	\$ 1,000
73290	Employee Relations	\$ -
73295	Employee Training	\$ 6,000
75105	Maintenance Agreements	\$ 89,600
78205	Telephone	\$ 5,400
79005	Community Relations	\$ 24,000
79905	Miscellaneous Expenses	\$ 1,500
90090	FF & E Expense	\$ 1,000

Total	\$ 1,603,300
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One Year Prior FY 2024 Actual	Variance More / (Less)	Percentage Change Increase (Decrease)
460,220	164,880	36%
7,614	15,586	205%
48,932	60,568	124%
52,961	12,239	23%
52,351	12,449	24%
11,294	806	7%
21,386	1,314	6%
433	(433)	-100%
942	58	6%
3,756	8,744	233%
570	2,030	356%
3,373	2,627	78%
5,258	11,442	218%
3,621	(1,521)	-42%
-	-	-
223	2,777	1245%
130	870	669%
13,581	(6,781)	-50%
13,979	19,621	140%
31,371	(6,371)	-20%
11,286	11,414	101%
161,395	257,805	160%
4,530	(4,530)	-100%
366	634	173%
25	(25)	-100%
8,751	(2,751)	-31%
88,342	1,258	1%
6,175	(775)	-13%
18,852	5,148	27%
-	1,500	-
680	320	47%

\$ 1,032,397	\$ 570,903	55%
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One Year Prior FY 2024 Budget	Variance More / (Less)	Percentage Change Increase (Decrease)
464,700	160,400	35%
11,800	11,400	97%
67,100	42,400	63%
50,900	14,300	28%
66,700	(1,900)	-3%
11,700	400	3%
12,100	10,600	88%
-	-	-
1,200	(200)	-17%
12,500	-	-
2,600	-	-
6,000	-	-
16,700	-	-
2,100	-	-
-	-	-
3,000	-	-
1,000	-	-
6,800	-	-
13,600	20,000	147%
25,000	-	-
22,400	300	1%
299,200	120,000	40%
-	-	-
1,000	-	-
-	-	-
5,300	700	13%
89,600	-	-
3,600	1,800	50%
24,000	-	-
2,100	(600)	-29%
1,000	-	-

\$ 1,223,700	\$ 379,600	31%
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Two Years Prior FY 2023 Actual	Variance More / (Less)	Percentage Change Increase (Decrease)
362,893	262,207	72%
-	23,200	-
26,719	82,781	310%
39,040	26,160	67%
31,966	32,834	103%
6,565	5,535	84%
15,881	6,819	43%
222	(222)	-100%
-	1,000	-
(1,255)	13,755	-1096%
1,958	642	33%
2,291	3,709	162%
5,758	10,942	190%
1,498	602	40%
367	(367)	-100%
2,668	332	12%
-	1,000	-
4,607	2,193	48%
6,050	27,550	455%
26,588	(1,588)	-6%
11,803	10,897	92%
309,958	109,242	35%
1,668	(1,668)	-100%
393	607	154%
207	(207)	-100%
1,020	4,980	488%
82,815	6,785	8%
5,046	354	7%
12,565	11,435	91%
82	1,418	1729%
-	1,000	-

\$ 959,373	\$ 643,927	67%
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HAWAII CONVENTION CENTER
 LOCAL SALES & MARKETING
 JULY 1, 2024 TO JUNE 30, 2025

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70005	Salaries-Exempt	\$ 625,100
70006	Wages-Nonexempt	\$ 23,200
70205	Bonus-Performance	\$ 109,500
71005	Payroll Taxes	\$ 65,200
71105	Benefits	\$ 64,800
71205	401 (k)	\$ 12,100
71505	Workers Compensation	\$ 22,700
71705	Vacation Expense	\$ -
73010	Professional Fees-Legal	\$ 1,000
73015	Professional Fees-Other	\$ 12,500
73050	Payroll Fees	\$ 2,600
73055	Meals & Entertainment	\$ 6,000
73060	Meetings & Conventions	\$ 16,700
73065	Dues & Subscriptions	\$ 2,100
73070	Postage	\$ -
73095	Rental Office Equipment	\$ 3,000
73100	Office Supplies	\$ 1,000
73105	Printing & Stationary	\$ 6,800
73125	Photography	\$ 33,600
73130	Advertising & Marketing	\$ 25,000
73140	Web Development & Maintenance	\$ 22,700
73215	Promotional	\$ 419,200
73255	Sales & Use Tax	\$ -
73275	Computer Expense	\$ 1,000
73290	Employee Relations	\$ -
73295	Employee Training	\$ 6,000
75105	Maintenance Agreements	\$ 89,600
78205	Telephone	\$ 5,400
79005	Community Relations	\$ 24,000
79905	Miscellaneous Expenses	\$ 1,500
90090	FF & E Expense	\$ 1,000

Three Years Prior FY 2022 Actual	Variance More / (Less)	Percentage Change Increase (Decrease)
255,126	369,974	145%
-	23,200	-
14,000	95,500	682%
25,901	39,299	152%
32,051	32,749	102%
4,888	7,212	148%
9,984	12,716	127%
11,563	(11,563)	-100%
-	1,000	-
863	11,637	1348%
276	2,324	842%
69	5,931	8596%
3,540	13,160	372%
570	1,530	268%
-	-	-
1,895	1,105	58%
24	976	4067%
18,535	(11,735)	-63%
3,188	30,412	954%
31,561	(6,561)	-21%
9,238	13,462	146%
8,876	410,324	4623%
3,877	(3,877)	-100%
442	558	126%
-	-	-
-	6,000	-
67,708	21,892	32%
3,772	1,628	43%
12,880	11,120	86%
-	1,500	-
1,568	(568)	-36%

Five Years Prior CY 2020 Actual	Variance More / (Less)	Percentage Change Increase (Decrease)
265,890	359,210	135%
4,106	19,094	465%
473	109,027	23050%
12,482	52,718	422%
45,524	19,276	42%
6,900	5,200	75%
9,813	12,887	131%
12,560	(12,560)	-100%
209	791	378%
18	12,482	69344%
765	1,835	240%
326	5,674	1740%
(5,150)	21,850	-424%
(32)	2,132	-6663%
17	(17)	-100%
3,000	-	-
41	959	2339%
237	6,563	2769%
18,877	14,723	78%
3,047	21,953	720%
31,909	(9,209)	-29%
(927)	420,127	-45321%
855	(855)	-100%
-	1,000	-
-	-	-
-	6,000	-
69,107	20,493	30%
3,970	1,430	36%
16,754	7,246	43%
-	1,500	-
-	1,000	-

Total	\$ 1,603,300
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\$ 522,395	\$ 1,080,905	207%
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\$ 500,261	\$ 1,103,039	220%
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