

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

ANNUAL REPORT OF
STADIUM AUTHORITY
STADIUM SPECIAL FUND

STATEMENT OF RECEIPTS, EXPENDITURES AND TRANSFERS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
PURSUANT TO SECTION 109-3, HAWAII REVISED STATUTES

SUBMITTED TO
THE THIRTY-FIRST STATE LEGISLATURE

Stadium Authority
Stadium Special Fund
Statement of Receipts, Expenditures, and Transfers
For the Fiscal Year Ended June 30, 2021

Beginning fund balance, July 1, 2020		\$ 4,769,870.51
Receipts		
Swap Meet	\$ 1,807,550.02	
Rent	429,952.00	
Advertising	348,019.15	
Miscellaneous	131,269.25	
Food and Beverage	66,689.81	
Interest	29,532.27	
Parking	22,857.00	
		2,835,869.50
Expenditures		
Personnel Services	(3,647,613.48)	
Utilities	(917,477.58)	
Services on a Fee Basis	(530,355.85)	
Repairs and Maintenance	(234,627.10)	
Supplies	(77,006.68)	
Insurance	(37,716.00)	
Workers' Compensation	(18,748.20)	
Miscellaneous	(17,835.54)	
Machinery and Equipment	(3,327.41)	
		(5,484,707.84)
Transfer to stadium manager's discretionary fund		(1,132.27)
Reimburse DAGS programs for FY20 collective bargaining		(63,852.00)
Ending fund balance, June 30, 2021		\$ <u><u>2,056,047.90</u></u>

Stadium Authority
Stadium Special Fund
Discussion on the Statement of Receipts, Expenditures, and Transfers
For the Fiscal Year Ended June 30, 2021

The balance in the stadium special fund (Fund) at June 30, 2021 was \$2,056,047.90. The operating results were comprised of the following significant components.

REVENUES

The Stadium's major sources of income were the swap meet and rent, which account for 64 percent and 15 percent of the total operating revenue, respectively. Revenue earned from the swap meet and rent totaled \$2.2 million in fiscal year 2021.

EXPENDITURES

The Stadium's major expenditures were \$3.6 million in payroll costs and \$900,000 in utility costs (telephone, electricity, water, sewer, and refuse). Payroll costs represented 67 percent and utility costs represented 17 percent of total expenditures. The total operating expenditure for the period was \$5,484,707.84.

MISCELLANEOUS

As the COVID-19 pandemic continued, generating revenues continued to be a challenge for the Stadium. Stadium suspended all events effective close of business March 18, 2020. On June 13, 2020, the swap meet reopened under the Governor's Act with Care phase with a limited and modified Saturday and Sunday schedule. The swap meet closed on August 27, 2020 through September 23, 2020 to comply with the Mayor's emergency order. The swap meet reopened on September 26, 2020 and was held only on Saturday and Sunday. Wednesday swap meet resumed January 6, 2021.

Stadium hosted several drive-through events: Trunk or Treat, haunted house, Christmas light show, and graduations. Other events held in the parking lot included: rental car storage, drive-in concerts, drive-in drag show, and drive-in laser light show. Community events included COVID-19 testing, drive-through food distribution, and drive-through voter registration.

Act 146, Session Laws of Hawaii 2021 (Act 146), relates to the stadium development district. The stadium authority, consisting of 11 members appointed by the Governor, shall be responsible to maintain, operate, and manage the stadium development district. Upon the effective date of Act 146, the stadium special fund was abolished, and the remaining unencumbered balance was transferred to the stadium development special fund, which was created by Act 146. Act 146 was signed into law on June 30, 2021.

NEW ALOHA STADIUM ENTERTAINMENT DISTRICT (NASED)

At the May 6, 2021 Stadium Authority board special meeting, the board agreed to allow the stadium developer to demolish the stadium in a manner that maximizes costs and schedule benefit to the project.

The planned redevelopment of the stadium district is divided into two phases: 1) real estate project and 2) stadium project. The request for proposal (RFP) for the real estate project was

released on 10/12/2021 and the stadium project RFP is anticipated to be released by calendar year end 2021.

More information on the New Aloha Stadium Entertainment District may be found at:
<http://nased.hawaii.gov>.