

DAVID Y. IGE
GOVERNOR



DEPT. COMM. NO. 144

CURT T. OTAGURO
COMPTROLLER

AUDREY HIDANO
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

December 10, 2020

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki, Speaker
and Members of the House of
Representatives
Thirty-First State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Stadium Authority's Stadium Special Fund Annual Report for the period July 1, 2019 through June 30, 2020, as required by Section 109-3, Hawaii Revised Statutes (HRS). In accordance with Section 93-16, HRS, a copy of this report has been transmitted to the Legislative Reference Bureau and the report may be viewed electronically at: <http://ags.hawaii.gov/reports/legislative-reports/>.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Otaguro".

CURT T. OTAGURO
Comptroller

Enclosure

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, 2020
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, 2020

Beginning fund balance, July 1, 2019		\$ 6,069,333.39
Receipts		
Swap Meet	\$ 3,551,666.93	
Food and Beverage	1,604,651.95	
Parking	890,431.25	
Rent	570,808.00	
Advertising	330,765.00	
Interest	176,063.12	
Miscellaneous	368,358.29	7,492,744.54
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Expenditures		
Personnel Services	(4,959,267.86)	
Utilities	(1,169,090.41)	
Services on a Fee Basis	(1,052,631.28)	
Repairs and Maintenance	(436,962.04)	
Central Services Assessment	(248,098.00)	
Supplies	(245,667.48)	
Workers' Compensation	(181,638.19)	
Machinery and Equipment	(121,836.62)	
Miscellaneous	(115,592.94)	
Insurance	(41,605.00)	
Unemployment	(11,218.78)	(8,583,608.60)
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Transfer to stadium manager's discretionary fund		(2,159.82)
Transfer to Public Works		(206,439.00)
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Ending fund balance, June 30, 2020		\$ <u><u>4,769,870.51</u></u>

Stadium Authority
Stadium Special Fund
Discussion on the Statement of Receipts, Expenditures, and Transfers
For the Fiscal Year Ended June 30, 2020

The balance in the stadium special fund (Fund) at June 30, 2020 was \$4,769,870.51. The operating results were comprised of the following significant components.

REVENUES

The Stadium's major sources of income are the swap meet and food and beverage concessions, which account for 47 percent and 21 percent of the total operating revenue, respectively. Revenue earned from the swap meet and the food and beverage concessions totaled almost \$5.2 million in fiscal year 2020.

EXPENDITURES

The Stadium's major expenditures were \$5 million in payroll costs and \$1.2 million in utility costs (telephone, electricity, water, sewer, and refuse). Payroll costs represented 58 percent and utility costs represented 14 percent of total expenditures. The total operating expenditure for the period was \$8,583,608.60.

To extend the useful life of Aloha Stadium, a multi-year health and safety capital improvement project (CIP) commenced in 2007. Over the years, the Stadium Authority along with the Department of Accounting and General Services, Public Works Division have prioritized various health and safety projects for Aloha Stadium.

Health and safety project, phase five began mid-February 2019 and was completed in December 2019. Projects included: 1) Seat plate repairs on northwest orange section of the stands 2) Small deck plate repairs on concourse sections F, K, FF, and KK, 3) Connection repairs at top of blue level seats 4) Fiberglass angles removal on lower and upper outer concourse and 5) Supplemental support and corrosion mitigation on lower concourse near vomitories.

Act 268, Session Laws of Hawaii 2019, established the Stadium Development District and appropriated funding for the development of this project. As currently authorized, the Hawaii Community Development Authority is the expending agency for this project. For more information about the New Aloha Stadium Entertainment District, visit <http://nased.hawaii.gov>.

MISCELLANEOUS

Generating revenues during the COVID-19 pandemic has been extremely difficult for the Stadium. The difficulty is due, in part, to Stadium's suspension of all events effective close of business March 18, 2020. On June 13, 2020, the swap meet was able to reopen under the Governor's Act with Care phase with a limited and modified Saturday and Sunday-schedule. The Wednesday scheduled swap meet continues to remain closed until further notice. The swap meet closed again 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 continues to be held only on Saturday and Sunday.