AGENDA
HOUSTON FIRST CORPORATION

BOARD OF DIRECTORS MEETING
November 18, 2021 – 3:30 P.M.
Partnership Tower, 701 Avenida de las Americas, Suite 200
Houston, Texas 77010
HOUSTON FIRST BOARD ROOM

BOARD MEMBERS:

David Minberg (Chair), Desrye Morgan (Vice-Chair), Sofia Adrogué, Elizabeth Brock, Nicki Keenan, Reginald Martin, Ryan Martin, Alex Brennan-Martin, Paul Puente, Bobby Singh, Tom Segesta, Gerald Womack, Jay Zeidman, Council Member Dave Martin, Ex-officio, Council Member David Robinson, Ex-officio

In accordance with the Texas Open Meetings Act, this Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting on the bulletin board located on the exterior wall of the Houston City Hall building, located at 901 Bagby. The Agenda is also available online at https://www.houstonfirst.com.

To reserve time to appear, come to the meeting at least ten minutes prior to the scheduled public session shown on the Agenda.

Any questions regarding this Agenda, or requests for special needs assistance, should be directed to Lisa K. Hargrove, General Counsel at either 713.853.8965 or Lisa.Hargrove@houstonfirst.com

Code of Business Conduct and Ethics – As a reminder, under Houston First Corporation’s Code of Business Conduct and Ethics Policy, if you have a potential conflict of interest that you have not previously disclosed relating to a transaction or arrangement being discussed or voted on, you should notify the Chair and refrain from voting on the transaction or arrangement and recuse yourself from the discussion on the matter at hand. You should have received a copy of the Policy, but if not, let us know and we will provide one for you.

I. Call to Order

II. Public Comments

III. Minutes – October 21, 2021

IV. Presentations, Reports, and Updates
   A. Houston First Chairman Report
   B. HFC President & CEO Report
V. **Board Business**

A. Consideration and possible approval of the annual election of Officers pursuant to the Houston First Corporation Bylaws.
   
   i. Michael Heckman, President & CEO
   
   ii. Frank Wilson, Treasurer
   
   iii. Lisa Hargrove, Secretary
   
   iv. Frank Wilson, Investment Officer

B. Consideration and possible approval of the Houston First Corporation 2022 Budget.

VI. **Adjourn** - The official business of the Board is concluded. *

* Board Members are invited to attend the 2nd Annual City Lights at Avenida Houston Lighting Event VIP Reception immediately following in the Grand Lobby of the George R. Brown Convention Center.
III. Minutes – October 21, 2021
The Board of Directors ("Board") of Houston First Corporation (the "Corporation" or "HFC"), a Texas local corporation created and organized by the City of Houston as a local government corporation pursuant to TEX. TRANSP. CODE ANN. §431.101 et seq. and TEX. LOC. GOVT. CODE ANN. §394.001 et seq., held a meeting at Partnership Tower, 701 Avenida de las Americas, Suite 200, Houston, Harris County, Texas 77010, on Thursday, October 21, 2021, commencing at 3:30 p.m.

Written notice of the meeting including the date, hour, place and agenda for the meeting was posted in accordance with the Texas Open Meetings Act.

The following Board Members participated in the meeting: David Minberg (Chair), Desrye Morgan (Vice-Chair), Sofia Adrogué, Elizabeth Brock, Nicki Keenan, Alex Brennan-Martin, Reginald Martin, Paul Puente, Tom Segesta, Gerald Womack, Jay Zeidman, and Council Member David Robinson, Ex Officio.

The Chairman of the Board called the meeting to order at 3:35 p.m. and a quorum was established.

1. **Public Comments.** Stephon Davis of EDH Media addressed the Board to ask for support with securing funding and location assistance for a television series titled "O'shea, Words or Bullets?" The project will be filmed in the City of Houston and is centered around issues dealing with social justice. The project has already attracted a lot of attention with nearly 30,000 views within one week of the release of the show’s trailer. Mr. Davis explained that the series creator is a survivor of the Aurora, Colorado shooting whose life was forever changed after that tragic incident. Mr. Davis stated that he serves as both an actor and associate producer on the series and as a Houston native has a vested interest in giving back to the community by creating job opportunities and helping to build the film industry in Houston. Mr. Davis stated that the series will put Houston on the map like the Wire did for Baltimore.

The Chairman thanked Mr. Davis for his presentation and discussed the process for submitting a request to HFC staff before the item is vetted and presented to the Board for further review.

Mr. Davis acknowledged the Chairman’s instruction and further discussed his intentions with the project to better serve the under privileged youth. He also stated that a number
of A-list actors and musicians have signed on to be a part of the project and the project team is in discussions with a number of networks and streaming services.

Gerald Womack thanked Mr. Davis for coming before the Board to request HFC’s support to complete the television series and stated that it is important to provide him with the resources that he needs.

2. **Review and approval of minutes from prior meeting.** Following a motion duly seconded, the meeting minutes of September 23, 2021 were unanimously approved.

Prior to entering Executive Session, the Chairman made several brief remarks. First, he recognized Sofia Adrogué for being named a 2021 Global Leader of Influence by the World Affairs Council of Greater Houston. He then discussed the success of the State of the City event hosted by HFC and congratulated Board Member and event Co-Chair, Elizabeth Brock, on a job well done. The Chairman stated that the Board should be extremely proud of the phenomenal job done by all.

3. **Executive Session.**

   A. **Executive (closed) session pursuant to Texas Government Code Section 551.074 for the purpose of deliberations regarding the 2020-2021 performance evaluation of the President & CEO of Houston First Corporation.**

   The Board entered executive session at 3:47 p.m. and returned at 4:57 p.m. No action was taken.

5. **Adjournment.** The meeting was adjourned at 4:57 p.m.
V. (A) Consideration and possible approval of the annual election of Officers pursuant to the Houston First Corporation Bylaws.

i. Michael Heckman, President & CEO
ii. Frank Wilson, Treasurer
iii. Lisa Hargrove, Secretary
iv. Frank Wilson, Investment Officer
Consideration and possible approval of the annual election of Officers pursuant to the Houston First Corporation Bylaws.

RESOLVED, that the Board of Directors of Houston First Corporation hereby approves the following Officers:

i. Michael Heckman, President & CEO

ii. Frank Wilson, Treasurer

iii. Lisa Hargrove, Secretary

iv. Frank Wilson, Investment Officer
V. (B) Consideration and possible approval of the Houston First Corporation 2022 Budget.
Consideration and possible approval of the Houston First Corporation 2022 Budget.

RESOLVED, that the Board of Directors of Houston First Corporation hereby approves the Houston First Corporation 2022 Budget.
HOUSTON FIRST CORPORATION
BOARD OF DIRECTORS MEETING

HFC Board Room
Partnership Tower
Thursday, November 18, 2021
3:30 p.m.
PUBLIC COMMENTS

Anyone who wishes to address the Committee during the Public Comment session may do so by signing up on the Public Comment sign-in sheet at the front of the room.

HFC BOARD OF DIRECTORS MEETING
November 18, 2021
MINUTES

October 21, 2021

HFC BOARD OF DIRECTORS MEETING
November 18, 2021
HOUSTON FIRST

CHAIRMAN’S REPORT

DAVID M. MINCBERG

HFC BOARD OF DIRECTORS MEETING
November 18, 2021
UPDATES

- TV/Film: Emmy-award winning *Top Chef*, Samantha Brown’s *Places to Love*, and a "destination date" episode of *The Bachelor*

- Employee Transition: 17 meetings with management on overall transition from CCSI to HFC. 16 meetings thus far on pension specific topics, with at least four more scheduled in December
DÍA DE LOS MUERTOS PARADE AND FESTIVAL
Market Update

Houston Market 2021 Comparison to 2019

- RevPar % Var
- 2021 Occ (%)
- 2019 Occ (%)
- Linear (RevPar % Var)

Week 9/12, Week 9/19, Week 9/26, Week 10/23, Week 10/10, Week 10/17, Week 10/24, Week 10/31

Occ (100%)
CONFIRMED MINISTERS

H.E. Dario Martínez
Secretary of Energy, Argentina

H.E. Parviz Shahbazov
Minister of Energy, Azerbaijan

Hon. Jonathan Wilkinson
Minister of Natural Resources, Canada

H.E. Tarek Al-Molla
Minister of Petroleum and Mineral Resources, Egypt

H.E. Takele Uma Banti
Minister of Mines, Petroleum and Natural Gas, Ethiopia

H.E. Dr. Matthew Opoku Prempeh
Minister of Energy, Ghana

H.E. Costas Skrekas
Minister of Environment and Energy, Greece

Hardeep Singh Puri
Minister of Petroleum and Natural Gas, India

H.E. Arifin Tasrif
Minister of Energy and Mineral Resources, Indonesia

Dr. Amir-Hossein Zamaninia
Deputy Oil Minister for International Affairs & Trading, Iran

H.E. Magzum Mirzagaliev
Minister of Energy, Kazakhstan

H.E. Chief Timipre Syla
Minister of State for Petroleum Resources, Nigeria

Piotr Dziedzio
Undersecretary of State in Ministry of Climate and Environment, Poland

Hon. Stuart R. Young
Minister of Energy and Energy Industries, Port of Spain, Trinidad and Tobago

H.E. Saad Sherida Al-Kaabi
Minister of State for Energy Affairs, Qatar

H.E. Natasa Pilides
Minister of Energy, Commerce and Industry, Republic of Cyprus

H.E. Gabriel Mbaga Obiang Lima
Minister of Mines and Hydrocarbons, Republic of Equatorial Guinea

H.E. Virgil Daniel Popescu
Minister of Energy, Romania

Prince Abdulaziz bin Salman
Minister of Energy, Industry and Mineral Resources, Saudi Arabia

Mr. Surath Ovitigama
Director General of Petroleum Resources, Sri Lanka
CONFIRMED COUNTRY PARTICIPATION

Algeria  
Angola  
Argentina  
Australia  
Austria  
Azerbaijan  
Belgium  
Bosnia & Herzegovina  
Brazil  
Canada  
Colombia  
Croatia  
Czech Republic  
Denmark  
Egypt  
Equatorial Guinea  
France  
Germany  
Ghana  
Greece  
Hungary  

India  
Indonesia  
Iran  
Israel  
Italy  
Japan  
Kazakhstan  
Korea  
Kuwait  
Libya  
Luxembourg  
Malaysia  
Morocco  
Netherlands  
New Macedonia  
Nigeria  
Norway  
Oman  
Pakistan  
Peru  
Poland  

Qatar  
Republic of Cyprus  
Romania  
Saudi Arabia  
Serbia  
Sierra Leone  
Slovenia  
South Africa  
Spain  
Sri Lanka  
Sudan  
Suriname  
Sweden  
Switzerland  
Tanzania  
Thailand  
Trinidad & Tobago  
Turkey  
United Arab Emirates  
United Kingdom  
USA
A. Consideration and possible recommendation of the annual election of Officers pursuant to the Houston First Corporation Bylaws.

i. Michael Heckman, President & CEO
ii. Frank Wilson, Treasurer
iii. Lisa Hargrove, Secretary
iv. Frank Wilson, Investment Officer
B. Consideration and possible approval of the Houston First Corporation 2022 Budget.
PROPOSED 2022 STRATEGY & BUDGET

Approval Process

NOVEMBER 5, 2021
HOTEL COMMITTEE
- Hilton Americas – Houston Hotel

NOVEMBER 10, 2021
SALES, TOURISM, AND MARKETING COMMITTEE
- Enterprise Strategy
- Marketing
- Sales, Client & Event Services
- Tourism & Industry Relations

NOVEMBER 8, 2021
OPERATIONS COMMITTEE
- Cultural Facilities & Services
- Convention Facilities & Services
- Information Technology
- Urban Development

NOVEMBER 11, 2021
HFC BOARD OF DIRECTORS
- HFC Corporate Budget

NOVEMBER 16, 2021
BENEFITS, COMPENSATION, AND FINANCE COMMITTEE
- HFC Corporate Budget
A. RECAP OF 2021 PRIORITIES

- Forecast (quarterly), manage cash burn, closely monitor revenues
- Deploy multifaceted sales approach to maximize hotel room nights for 2021 and future years
- Create a unified brand for Houston
- Position Houston as a safe place for both leisure and business travel leveraging Houston Clean
- Expand flexible, digital strategy and focus on targeted leisure travel market
- Focus international efforts on Mexico
## CY 2021 BUDGET FORECAST

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>2021 Budget</th>
<th>2021 Forecast</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>$40.4</td>
<td>$45.5</td>
<td>$5.1</td>
</tr>
<tr>
<td>Non-Operating Revenue</td>
<td>68.6</td>
<td>67.6</td>
<td>-1.0</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>$109.0</strong></td>
<td><strong>$113.1</strong></td>
<td><strong>$4.1</strong></td>
</tr>
<tr>
<td>Operating Expense</td>
<td>$66.9</td>
<td>$55.7</td>
<td>-$11.2</td>
</tr>
<tr>
<td>Non-Operating Expense</td>
<td>97.4</td>
<td>84.8</td>
<td>-12.5</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSE</strong></td>
<td><strong>$164.3</strong></td>
<td><strong>$140.5</strong></td>
<td><strong>($23.7)</strong></td>
</tr>
<tr>
<td><strong>REVENUE IN EXCESS OF EXPENSE</strong></td>
<td><strong>($55.3)</strong></td>
<td><strong>($27.4)</strong></td>
<td><strong>$27.9</strong></td>
</tr>
</tbody>
</table>
2022 PRIORITIES

- Launch of unified brand campaign
- Accelerate promotion of Houston as an attractive location for TV and Film projects
- Increase investment in Mexican market to return Houston as the top destination for Mexican travelers by 2023
- Celebrate grand opening of Lynn Wyatt Square for the Performing Arts
- Aggressively refill convention sales pipeline for future years
- Use intelligent analytics to identify high-value sales prospects
- Live event programming at Avenida Houston and Wyatt Square
2022 PRIORITIES

- Initiate a rapid and sustained recovery for travel from Europe and Asia by Q3
- Develop & launch B2B & B2C annual events
- Promote Houston as a leisure destination through an integrated, omni-channel marketing approach
- Collaborate with surrounding-area DMOs for co-op marketing that stretch dollars and benefit the region
## Proposed CY 2022 Budget

### Return to “Normal”

- **Total Revenues for CY 2022:** $183.2 M
- **Total Expenses for CY 2022:** $196.5 M
- Budget includes **-$13.3 M deficit** largely due to lingering COVID impacts on business travel and HOT revenues
- Assumptions:
  - COVID variants do not deter return to in-person meetings
  - Business travel and hotel stays return
  - Downtown office workers return to in-person work downtown and resume parking in TD garage

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<table>
<thead>
<tr>
<th></th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
</tr>
<tr>
<td>Non-Operating</td>
<td>$160</td>
</tr>
<tr>
<td>Operating</td>
<td>$120</td>
</tr>
<tr>
<td>Deficit</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Non-Operating</td>
<td>$180</td>
</tr>
<tr>
<td>Operating</td>
<td>$100</td>
</tr>
<tr>
<td>Deficit</td>
<td>$0</td>
</tr>
</tbody>
</table>

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HoustonFirst
MAJOR REVENUE INCREASES

Anticipating over $70 million increase year-over-year in major revenue categories:

- **HOT:** $56m to $84m
- **Parking:** $11m to $17m
- **Hilton Americas-Houston:** $12m to $30m
- **Venue:** $9m to $16m
- **Food & Beverage:** $7m to $21m
## PROPOSED CY 2022 BUDGET SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>2021 Forecast Budget</th>
<th>2022 Proposed Budget</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>$45.5</td>
<td>$88.0</td>
<td>$42.5</td>
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<tr>
<td>Non-Operating Revenue</td>
<td>67.6</td>
<td>95.2</td>
<td>27.6</td>
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<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>$113.1</strong></td>
<td><strong>$183.2</strong></td>
<td><strong>$70.1</strong></td>
</tr>
<tr>
<td>Operating Expense</td>
<td>$55.7</td>
<td>$92.0</td>
<td>$36.3</td>
</tr>
<tr>
<td>Non-Operating Expense*</td>
<td>84.9</td>
<td>104.5</td>
<td>19.6</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSE</strong></td>
<td><strong>$140.6</strong></td>
<td><strong>$196.5</strong></td>
<td><strong>$55.9</strong></td>
</tr>
<tr>
<td><strong>REVENUE IN EXCESS</strong></td>
<td><strong>($27.5)</strong></td>
<td><strong>($13.3)</strong></td>
<td><strong>$14.2</strong></td>
</tr>
</tbody>
</table>

*Includes $66.5 M in debt service, $15 M to HAA, $3.4 M contributions to City and other stakeholders.
How We Address Budget Deficit

• $20 M subordinated note program loan (to fund $13 M deficit and $14.8 M of capital) – if necessary. After $20 M use of sub note program, $78 M should be available if needed

• Stimulus funding from COH

• Goal: finish 2022 with $20 M in emergency cash reserves
$748 M

OUTSTANDING DEBT

- Revenue Bonds 74.9%
- AIG Loan 16.2%
- City Promissory Notes 5.0%
- Additional Credit Facilities 3.5%
- Pension Bonds 0.4%

Series in 000's

<table>
<thead>
<tr>
<th>Series</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001B</td>
<td>$245,330</td>
</tr>
<tr>
<td>2014</td>
<td>67,730</td>
</tr>
<tr>
<td>2015</td>
<td>111,875</td>
</tr>
<tr>
<td>2017</td>
<td>10,300</td>
</tr>
<tr>
<td>2019</td>
<td>87,445</td>
</tr>
<tr>
<td>2021</td>
<td>31,165</td>
</tr>
</tbody>
</table>

AIG Mortgage Loan 125,000

- 2019 5-year 6,300
- 2019 10-year 12,500
- 2021 10-year 20,000

2017 Sub. Lien Series A 26,000
- JP Morgan 1,000

2008A 2,995
- 2005 189

TOTAL: $747,829

$748M

Houstonfirst
PROPOSED CY 2022 BUDGET HIGHLIGHTS

<table>
<thead>
<tr>
<th>Segment</th>
<th>2022 Budget</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable</td>
<td>$22,425,088</td>
<td>11.4%</td>
</tr>
<tr>
<td>Contract</td>
<td>$56,075,645</td>
<td>28.5%</td>
</tr>
<tr>
<td>Cap LWS</td>
<td>$11,471,000</td>
<td>5.8%</td>
</tr>
<tr>
<td>Fixed</td>
<td>$106,575,689</td>
<td>54.2%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$196,547,422</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
PROPOSED CY 2022 BUDGET HIGHLIGHTS

**FIXED EXPENSES**
- Debt Service: $106.6 M (24%)
- Personnel: $56.7 M (63%)
- Insurance: $1.9 M (1%)
- Utilities: $1.5 M (2%)
- Lease: $5.2 M (5%)
- Fees & Services, Computer: $3.7 M (5%)

**CONTRACT EXPENSES**
- Coh Contract: $17.1 M (30%)
- F&B: $15.7 M (28%)
- Facility Maint, Janitorial: $12.7 M (23%)
- Non-Coh Contract: $3.8 M (6%)
- Security: $2.2 M (4%)
- Parking: $1.1 M (2%)
- Hotel Tax Refunds: $1.0 M (2%)

*Houstonfirst*
PROPOSED CY 2022 BUDGET HIGHLIGHTS

VARIABLE EXPENSES

- ADVERT & PROMOTION: $7.8 M (35%)
- TRAVEL, PROMO & EVENTS: $2.2 M (10%)
- CONSULTING: $2.4 M (11%)
- CONTINGENCY, OTHER: $1.8 M (8%)
- PROGRAM & EVENTS: $1.1 M (5%)
- SPONSORSHIP: $1.8 M (4%)
- SUPPLIES: $1.1 M (5%)
- LEGAL: $0.6 M (3%)

Total Variable Expenses: $22.4 M
## CONTRIBUTIONS TO COH & STAKEHOLDERS

<table>
<thead>
<tr>
<th>Transfers to City</th>
<th>($ in 000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HAA (19.3% HOT)</td>
<td>$15,344</td>
</tr>
<tr>
<td>Promotion</td>
<td>425</td>
</tr>
<tr>
<td>Protocol</td>
<td>470</td>
</tr>
<tr>
<td>Traffic Administration</td>
<td>242</td>
</tr>
<tr>
<td>Hobby Center HVAC</td>
<td>279</td>
</tr>
<tr>
<td>Annex Garage</td>
<td>370</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$17,130</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Transfers to Stakeholders</th>
<th>($ in 000s)</th>
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<tbody>
<tr>
<td>Discovery Green</td>
<td>$1,528</td>
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<tr>
<td>Hobby Center</td>
<td>1,100</td>
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<tr>
<td>MATCH</td>
<td>450</td>
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<tr>
<td>Buffalo Bayou Partnership</td>
<td>556</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$3,634</strong></td>
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</table>
# Proposed CY 2022 Budget

## Operating Revenues & Expenses

<table>
<thead>
<tr>
<th></th>
<th>CY19 Actuals</th>
<th>CY21 Budget</th>
<th>CY21 Forecast</th>
<th>CY22 Budget</th>
<th>2021 Proj. vs 2022 Budget</th>
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</thead>
<tbody>
<tr>
<td><strong>Venue Revenue</strong></td>
<td>$73,055,432</td>
<td>$27,010,048</td>
<td>$32,319,238</td>
<td>$67,979,890</td>
<td>$35,660,652</td>
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<tr>
<td><strong>Parking</strong></td>
<td>$19,282,150</td>
<td>$10,844,860</td>
<td>$11,357,124</td>
<td>$17,013,729</td>
<td>$5,656,605</td>
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<tr>
<td><strong>Miscellaneous</strong></td>
<td>$1,053,336</td>
<td>$2,505,765</td>
<td>$1,839,026</td>
<td>$3,065,850</td>
<td>$1,226,824</td>
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<tr>
<td><strong>Operating Revenues</strong></td>
<td>$93,390,918</td>
<td>$40,360,673</td>
<td>$45,515,388</td>
<td>$88,059,469</td>
<td>$42,544,081</td>
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<tr>
<td><strong>Personnel</strong></td>
<td>$26,227,584</td>
<td>$20,108,920</td>
<td>$16,352,120</td>
<td>$25,493,968</td>
<td>$9,141,848</td>
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<tr>
<td><strong>Advertising &amp; Promotion</strong></td>
<td>$7,691,498</td>
<td>$3,689,300</td>
<td>$3,503,547</td>
<td>$7,784,547</td>
<td>$4,281,000</td>
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<tr>
<td><strong>Travel, Promotion, and Events</strong></td>
<td>$5,177,047</td>
<td>$1,834,356</td>
<td>$1,472,853</td>
<td>$5,460,432</td>
<td>$3,987,597</td>
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<tr>
<td><strong>Facility Maintenance</strong></td>
<td>$8,715,495</td>
<td>$4,865,918</td>
<td>$4,929,638</td>
<td>$8,519,550</td>
<td>$3,589,912</td>
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<tr>
<td><strong>Food and Beverage</strong></td>
<td>$16,716,532</td>
<td>$8,243,199</td>
<td>$5,795,006</td>
<td>$15,746,824</td>
<td>$9,951,818</td>
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<tr>
<td><strong>Security</strong></td>
<td>$4,141,859</td>
<td>$4,350,066</td>
<td>$3,349,996</td>
<td>$3,431,473</td>
<td>$81,477</td>
</tr>
<tr>
<td><strong>Utilities</strong></td>
<td>$4,737,098</td>
<td>$4,699,719</td>
<td>$4,384,331</td>
<td>$5,169,980</td>
<td>$785,649</td>
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<tr>
<td><strong>Parking</strong></td>
<td>$3,465,167</td>
<td>$2,078,246</td>
<td>$1,51,250</td>
<td>$2,190,859</td>
<td>$678,354</td>
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<tr>
<td><strong>Janitorial</strong></td>
<td>$6,318,350</td>
<td>$3,270,880</td>
<td>$2,411,445</td>
<td>$4,169,912</td>
<td>$1,758,469</td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
<td>$4,286,186</td>
<td>$5,798,035</td>
<td>$4,752,653</td>
<td>$5,679,297</td>
<td>$926,576</td>
</tr>
<tr>
<td><strong>Lease Expense</strong></td>
<td>$1,470,164</td>
<td>$2,250,950</td>
<td>$2,499,058</td>
<td>$1,526,450</td>
<td>$(722,608)</td>
</tr>
<tr>
<td><strong>Consulting</strong></td>
<td>$3,600,081</td>
<td>$1,860,448</td>
<td>$1,548,973</td>
<td>$2,382,200</td>
<td>$733,227</td>
</tr>
<tr>
<td><strong>Supplies</strong></td>
<td>$1,412,423</td>
<td>$873,579</td>
<td>$387,729</td>
<td>$1,173,300</td>
<td>$785,571</td>
</tr>
<tr>
<td><strong>Fees &amp; Services</strong></td>
<td>$962,823</td>
<td>$568,400</td>
<td>$630,100</td>
<td>$849,725</td>
<td>$218,625</td>
</tr>
<tr>
<td><strong>Computer Services</strong></td>
<td>$1,102,990</td>
<td>$1,181,939</td>
<td>$1,410,169</td>
<td>$1,079,486</td>
<td>$(331,683)</td>
</tr>
<tr>
<td><strong>Legal Expense</strong></td>
<td>$349,821</td>
<td>$750,000</td>
<td>$474,871</td>
<td>$600,000</td>
<td>$125,129</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>$1,041,501</td>
<td>$461,390</td>
<td>$468,389</td>
<td>$790,659</td>
<td>$322,270</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td>$97,416,608</td>
<td>$66,885,345</td>
<td>$55,733,382</td>
<td>$92,046,594</td>
<td>$36,313,212</td>
</tr>
<tr>
<td><strong>Net Income From Operations</strong></td>
<td>$(4,025,690)</td>
<td>$(26,524,672)</td>
<td>$(10,217,994)</td>
<td>$(3,987,125)</td>
<td>$6,230,868</td>
</tr>
</tbody>
</table>
## PROPOSED CY 2022 BUDGET

### Non-Operating Expenses & Revenues

<table>
<thead>
<tr>
<th></th>
<th>CY19 Actuals</th>
<th>CY21 Budget</th>
<th>CY21 Forecast</th>
<th>CY22 Budget</th>
<th>2021 Proj. vs 2022 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel Occupancy Tax (Current &amp; Delinquent)</td>
<td>$87,494,966</td>
<td>$56,800,000</td>
<td>$56,057,975</td>
<td>$83,640,000</td>
<td>$27,582,025</td>
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<tr>
<td>Contributions</td>
<td>$1,260,000</td>
<td>$11,560,000</td>
<td>$7,200,000</td>
<td>$11,335,000</td>
<td>$4,135,000</td>
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<td>Net Available Pledged Rev. Transfer</td>
<td>$103,714,538</td>
<td>$0</td>
<td>$4,204,418</td>
<td>-</td>
<td>$4,204,418</td>
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<tr>
<td>Interest Income</td>
<td>$2,165,186</td>
<td>$250,000</td>
<td>$176,633</td>
<td>$215,382</td>
<td>$30,749</td>
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<tr>
<td>Non Operating Revenue</td>
<td>$194,634,690</td>
<td>$68,610,000</td>
<td>$67,699,026</td>
<td>$95,190,382</td>
<td>$27,551,356</td>
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<tr>
<td>Sponsorship Expense</td>
<td>$1,009,299</td>
<td>$552,500</td>
<td>$439,239</td>
<td>$1,033,950</td>
<td>$544,711</td>
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<tr>
<td>Non-COHI Contractual Obligations</td>
<td>$3,344,318</td>
<td>$3,420,000</td>
<td>$3,000,267</td>
<td>$3,836,573</td>
<td>$836,306</td>
</tr>
<tr>
<td>Programming &amp; Events</td>
<td>$1,435,598</td>
<td>$785,000</td>
<td>$799,321</td>
<td>$1,800,000</td>
<td>$1,000,679</td>
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<tr>
<td>Contingency</td>
<td>$1,000,000</td>
<td></td>
<td>$1,000,000</td>
<td>$1,400,000</td>
<td>$400,000</td>
</tr>
<tr>
<td>Capital Spending</td>
<td>$2,981,357</td>
<td>$15,689,048</td>
<td>$10,051,309</td>
<td>$11,471,000</td>
<td>$1,419,691</td>
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<tr>
<td>Debt Service</td>
<td>$60,488,148</td>
<td>$62,323,498</td>
<td>$57,268,130</td>
<td>$66,778,851</td>
<td>$9,510,721</td>
</tr>
<tr>
<td>COHI Contractual Obligations</td>
<td>$18,328,516</td>
<td>$12,616,525</td>
<td>$12,333,892</td>
<td>$17,130,454</td>
<td>$4,796,562</td>
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<td>Hotel Tax Refunds</td>
<td>$2,451,343</td>
<td>$1,000,000</td>
<td>$904,519</td>
<td>$1,050,000</td>
<td>$145,481</td>
</tr>
</tbody>
</table>

### Non Operating Expense

- **Total Revenue less Expenses:** $100,573,026
- **Capital - Prior Year Carry Forward:** $1,067,000
- **Capital - Financed Projects:** $32,475,366
- **Disaster Expense:** $26,382,885
- **Total Revenues:** $288,025,607
- **Total Expenses:** $187,452,581
- **Net Profit/(Loss):** $100,573,026