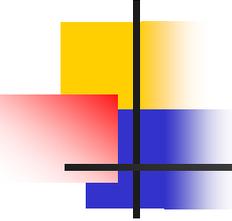


# CAFR, SEA, CITIZEN SURVEY, AND CITIZEN CENTRIC REPORTING



**Office of the City Auditor  
City and County of Honolulu  
November 13, 2012**

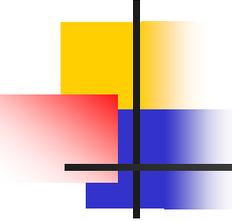


# City and County of Honolulu Office of the City Auditor

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## Presenter

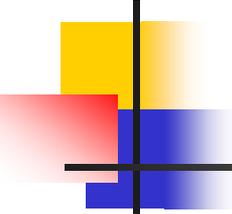
- **Edwin Young, City Auditor**



# **CITY ISSUES 4 REPORTS**

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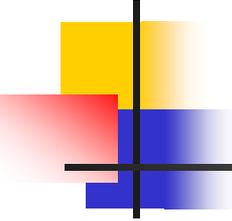
- **COMPREHENSIVE ANNUAL FINANCIAL REPORT**
- **NATIONAL CITIZEN SURVEY**
- **SERVICE EFFORTS AND ACCOMPLISHMENTS**
- **CITIZEN CENTRIC REPORT**



# Background Data

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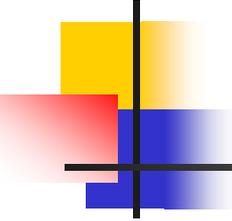
- City and County of Honolulu (FY2011):**
- **Operating Expenditures = \$1.7 billion**
  - **Capital Expenditures = \$2.1 billion**
  - **Total = \$3.8 billion**
  - **General Fund + 34 Special Funds**
  - **Staffing = 10,970 Authorized FTEs**  
**8,600 Filled FTEs**



# Background Data

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- ***EXECUTIVE BRANCH***
  - **City Departments = 22**
  - **(includes mayor & managing director)**
  
- ***LEGISLATIVE BRANCH***
  - **City Council + 3 Major Offices**
  - **21 Commissions and Boards**

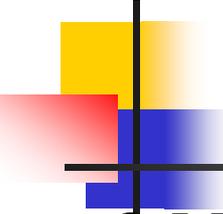


# Background Data

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## *Semi-Autonomous Agencies*

- **Board of Water Supply**
- **Honolulu Authority for Rapid Transportation (HART)**



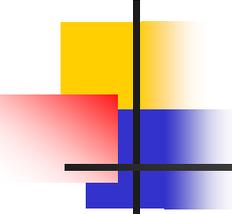
# **COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)**

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**CAFR IS STANDARD FINANCIAL STATEMENT  
FOR MUNICIPAL AND LOCAL  
GOVERNMENTS.**

**GOVERNMENT WIDE REPORT CONTAINS:**

- **BALANCE SHEET (ASSETS AND LIABILITIES)**
- **REVENUES AND EXPENDITURES  
STATEMENTS**
- **(INCOME, EXPENSES, CHANGE IN FUND  
BALANCES)**
- **CASH FLOWS**



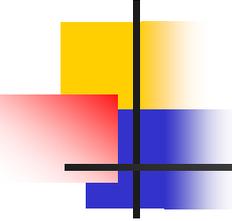
# **COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)**

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## **GOVERNMENT WIDE REPORT:**

- **USES MATRIX REPORTING FOR ALL FUNDS**
- **INCLUDES GENERAL, SPECIAL, PROPRIETARY, & FIDUCIARY FUNDS**
- **USES COMBINED STATEMENTS**
- **CONTAINS OTHER STATEMENTS**

# OTHER CAFR CONTENTS

- 
- 
- **Report/Opinion of Independent Auditors**
  - **Management Discussion, Analysis, Notes, and Statistics**
  - **Budget, Actual, and Variance Data**
  - **Funding Progress for Health Care and Other Post-Retirement Benefits**
  - **Supplemental Info on Non-Government, Agency, and Special Funds**

# MATRIX BALANCE SHEET

CITY AND COUNTY OF HONOLULU  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2011  
(Amounts in thousands)

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Transit Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Investments:						
With Treasury .....	\$ 228,205	\$ 31,270	\$ 822	\$ 420,320	\$ 167,970	\$ 848,587
Receivables .....	92,460	24,777	--	70	109,620	226,927
Due from other funds .....	30,624	301	--	49,845	891	81,661
Total Assets .....	<u>\$ 351,289</u>	<u>\$ 56,348</u>	<u>\$ 822</u>	<u>\$ 470,235</u>	<u>\$ 278,481</u>	<u>\$ 1,157,175</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable .....	\$ 17,089	\$ 1,175	\$ --	\$ 22,797	\$ 40,218	\$ 81,279
Accrued payroll .....	19,555	1,398	--	154	958	22,065
Due to other funds .....	49,856	1,647	501	--	23,546	75,550
Matured bonds and interest payable .....	--	--	321	--	9	330
Deferred revenue .....	21,564	20,205	--	--	78,541	120,310
Total Liabilities .....	<u>108,064</u>	<u>24,425</u>	<u>822</u>	<u>22,951</u>	<u>143,272</u>	<u>299,534</u>
Fund Balances:						
Restricted .....	--	31,923	--	--	104,785	136,708
Committed .....	32,596	--	--	447,284	35,279	515,159
Assigned .....	51,961	--	--	--	--	51,961
Unassigned .....	158,668	--	--	--	(4,855)	153,813
Total Fund Balances .....	<u>243,225</u>	<u>31,923</u>	<u>--</u>	<u>447,284</u>	<u>135,209</u>	<u>857,641</u>
Total Liabilities and Fund Balances .....	<u>\$ 351,289</u>	<u>\$ 56,348</u>	<u>\$ 822</u>	<u>\$ 470,235</u>	<u>\$ 278,481</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,476,429
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	120,310
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(2,402,861)</u>
Net assets of governmental activities	<u>\$ 1,051,519</u>

The notes to the financial statements are an integral part of this statement.

# MATRIX INCOME STATEMENT

CITY AND COUNTY OF HONOLULU  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
 ( Amounts in thousands )

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Transit Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Taxes.....	\$ 838,912	\$ 95,645	\$ --	\$ --	\$ --	\$ 934,557
Special assessments.....	--	--	--	--	8	8
Licenses and permits.....	34,258	112,769	--	--	4,554	151,581
Intergovernmental.....	224,526	--	--	--	170,790	395,316
Charges for services.....	6,008	4,552	--	--	17,447	28,007
Fines and forfeits.....	551	--	--	--	215	766
Miscellaneous:						
Reimbursements and recoveries.....	41,462	672	--	--	2	42,136
Interest.....	549	--	--	330	56	935
Other.....	5,436	3,875	--	13,020	14,733	37,064
<b>Total Revenues.....</b>	<b>1,151,702</b>	<b>217,513</b>	<b>--</b>	<b>13,350</b>	<b>207,805</b>	<b>1,590,370</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government.....	121,733	18,429	--	1,172	8,660	149,994
Public safety.....	325,480	29,413	--	--	16,734	371,627
Highways and streets.....	1,930	14,622	--	--	229	16,781
Sanitation.....	3,863	--	--	--	--	3,863
Human services.....	2,430	--	--	--	69,176	71,606
Culture-recreation.....	51,000	--	--	--	22,087	73,087
Utilities or other enterprises.....	5	1,456	--	4,211	22,086	27,758
Miscellaneous:						
Retirement and health benefits.....	175,821	11,765	--	1,370	5,382	194,338
Other.....	22,240	1,113	--	2	437	23,792
<b>Capital Outlays:</b>						
General government.....	--	--	--	--	18,894	18,894
Public safety.....	--	--	--	--	28,966	28,966
Highways and streets.....	--	--	--	--	65,534	65,534
Sanitation.....	--	--	--	--	827	827
Human services.....	--	--	--	--	10,645	10,645
Culture-recreation.....	--	--	--	--	24,703	24,703
Utilities or other enterprises.....	--	--	--	102,309	78,703	181,012
<b>Debt service:</b>						
Principal.....	266	--	89,349	--	--	89,615
Interest.....	93	--	95,456	--	--	95,549
<b>Total Expenditures.....</b>	<b>704,861</b>	<b>76,798</b>	<b>184,805</b>	<b>109,064</b>	<b>373,063</b>	<b>1,448,591</b>
Revenues over (under) Expenditures.....	446,841	140,715	(184,805)	(95,714)	(165,258)	141,779
<b>Other Financing Sources (Uses):</b>						
Issuance of general obligation bonds.....	--	--	730	--	100,004	100,734
Issuance of tax exempt commercial paper.....	--	--	--	--	50,000	50,000
Issuance of refunding bonds.....	--	--	50,366	--	--	50,366
Bond discount.....	--	--	(1,096)	--	--	(1,096)
Refunding of bonds and commercial paper.....	--	--	(50,000)	--	--	(50,000)
Sales of capital assets.....	435	224	--	--	1	660
Transfers in.....	106,172	--	184,805	179,108	25,705	495,790
Transfers out.....	(542,963)	(132,537)	--	--	(17,408)	(692,908)
<b>Total Other Financing Sources (Uses).....</b>	<b>(436,356)</b>	<b>(132,313)</b>	<b>184,805</b>	<b>179,108</b>	<b>158,302</b>	<b>(46,454)</b>
<b>Net change in fund balances.....</b>	<b>10,485</b>	<b>8,402</b>	<b>--</b>	<b>83,394</b>	<b>(6,956)</b>	<b>95,325</b>
<b>Fund Balances - July 1.....</b>	<b>232,740</b>	<b>23,521</b>	<b>--</b>	<b>363,890</b>	<b>142,165</b>	<b>762,316</b>
<b>Fund Balances - June 30.....</b>	<b>\$ 243,225</b>	<b>\$ 31,923</b>	<b>\$ --</b>	<b>\$ 447,284</b>	<b>\$ 135,209</b>	<b>\$ 857,641</b>

The notes to the financial statements are an integral part of this statement.

# MATRIX CASHFLOW STATEMENT

CITY AND COUNTY OF HONOLULU  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Amounts in thousands)

(Page 1 of 2)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
<b>Cash flows from operating activities:</b>					
Receipts from customers.....	\$ 7,542	\$ 338,940	\$ 95,854	\$ 53,566	\$ 495,902
Payments to suppliers.....	(6,178)	(61,846)	(96,714)	(202,258)	(366,996)
Payments to employees.....	(466)	(45,112)	(33,878)	(1,165)	(80,621)
Other receipts (payments).....	1,409	199	8,416	--	10,024
Net cash provided by (used in) operating activities .....	<u>2,307</u>	<u>232,181</u>	<u>(26,322)</u>	<u>(149,857)</u>	<u>58,309</u>
<b>Cash flows from noncapital financing activities:</b>					
Transfers in .....	5,020	--	76,630	134,821	216,471
Transfers out .....	--	(9,552)	(9,891)	--	(19,443)
Grants and contributions .....	--	--	--	21,442	21,442
Net cash provided by (used in) noncapital financing activities .....	<u>5,020</u>	<u>(9,552)</u>	<u>66,739</u>	<u>156,263</u>	<u>218,470</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition and construction of capital assets .....	(23)	(174,305)	(131,727)	(742)	(306,797)
Proceeds from issuing notes .....	--	22,991	75,000	--	97,991
Capital grants and subsidies .....	--	4,098	--	--	4,098
Proceeds from issuing bonds .....	--	310,972	210,004	--	520,976
Principal paid on notes .....	--	(15,702)	(75,000)	--	(90,702)
Principal paid on bonds .....	(5,158)	(126,902)	(3,875)	--	(135,935)
Interest paid on notes .....	--	(2,747)	(313)	--	(3,060)
Interest paid on bonds .....	(3,599)	(61,728)	(16,768)	--	(82,095)
Net cash provided by (used in) capital and related financing activities .....	<u>(8,780)</u>	<u>(43,323)</u>	<u>57,321</u>	<u>(742)</u>	<u>4,476</u>
<b>Cash flows from investing activities:</b>					
Purchase of investments .....	--	(524,371)	(322,072)	(28,552)	(874,995)
Proceeds from maturities of investments .....	2,000	484,069	302,652	26,830	815,551
Interest on investments .....	27	1,053	103	--	1,183
Net cash provided by (used in) investing activities .....	<u>2,027</u>	<u>(39,249)</u>	<u>(19,317)</u>	<u>(1,722)</u>	<u>(58,261)</u>
<b>Net increase in cash and cash equivalents .....</b>	<b>574</b>	<b>140,057</b>	<b>78,421</b>	<b>3,942</b>	<b>222,994</b>
Cash and cash equivalents - July 1 .....	<u>5,256</u>	<u>388,640</u>	<u>175,241</u>	<u>20,232</u>	<u>589,369</u>
Cash and cash equivalents - June 30 .....	<u>\$ 5,830</u>	<u>\$ 528,697</u>	<u>\$ 253,662</u>	<u>\$ 24,174</u>	<u>\$ 812,363</u>

The notes to the financial statements are an integral part of this statement.

# MATRIX BUDGET COMPARISON

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Taxes .....	\$ 830,780	\$ 830,780	\$ 838,912	\$ 8,132
Licenses and permits .....	36,510	36,510	34,258	(2,252)
Intergovernmental .....	209,600	220,014	224,526	4,512
Charges for services .....	6,672	6,672	6,008	(664)
Fines and forfeits .....	554	554	551	(3)
Miscellaneous:				
Reimbursements and recoveries .....	92,046	92,046	41,462	(50,584)
Interest .....	225	225	492	267
Other .....	2,877	2,877	5,430	2,553
<b>Total Revenues .....</b>	<b>1,179,264</b>	<b>1,189,678</b>	<b>1,151,639</b>	<b>(38,039)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Budget and Fiscal Services .....	16,565	16,565	15,597	968
City Clerk .....	4,848	4,874	3,383	1,491
City Council .....	6,569	6,678	6,391	287
Corporation Counsel .....	8,079	8,079	6,748	1,331
Customer Services .....	19,891	19,891	18,673	1,218
Design and Construction .....	15,290	15,740	15,183	557
Facility Maintenance .....	16,561	17,757	15,061	2,696
Human Resources .....	5,829	5,829	5,107	722
Information Technology .....	19,562	19,563	18,713	850
Mayor .....	4,602	4,602	3,898	704
Planning and Permitting .....	10,547	10,520	8,833	1,687
Prosecuting Attorney .....	16,659	16,658	15,491	1,167
<b>Total General government .....</b>	<b>145,002</b>	<b>146,756</b>	<b>133,078</b>	<b>13,678</b>
<b>Public safety:</b>				
Emergency Management .....	1,402	1,402	1,261	141
Emergency Services .....	33,591	34,291	32,885	1,406
Fire .....	102,296	102,497	96,009	6,488
Medical Examiner .....	1,361	1,361	1,242	119
Planning and Permitting .....	4,879	4,905	4,827	78
Police .....	212,980	213,710	199,206	14,504
<b>Total Public safety .....</b>	<b>356,509</b>	<b>358,166</b>	<b>335,430</b>	<b>22,736</b>
<b>Highways and streets:</b>				
Facility Maintenance .....	4,544	3,648	2,407	1,241
<b>Sanitation:</b>				
Environmental Services .....	10,519	10,519	9,447	1,072
<b>Human services:</b>				
Community Services .....	5,073	5,073	4,850	223

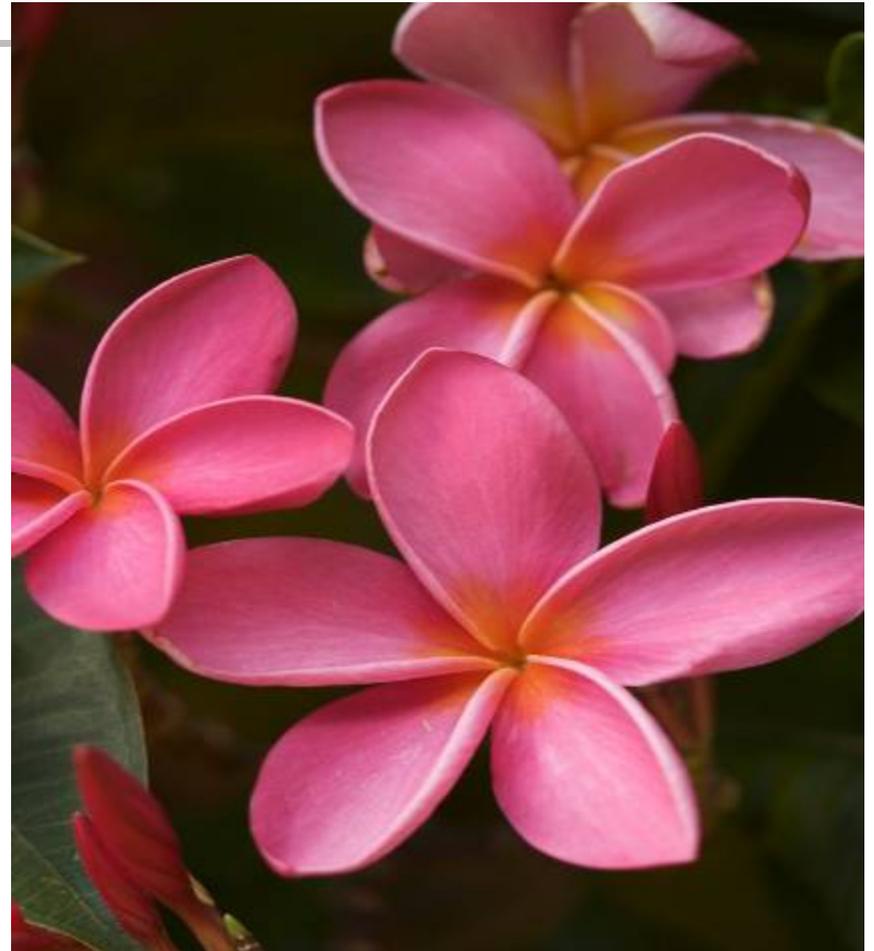
# COMBINED CAFR STATEMENT EXAMPLE

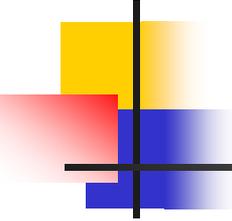
CITY AND COUNTY OF HONOLULU  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
 JUNE 30, 2011  
 (Amounts in thousands)

(Page 1 of 5)

	Special Revenue Funds			
	Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	Bikeway Fund	Parks and Playgrounds Fund	Liquor Commission Fund
<b>ASSETS</b>				
Cash and investments:				
With Treasury and banks.....	\$ 4,141	\$ 1,300	\$ 5,459	\$ 3,319
Receivables:				
Accounts .....	--	--	639	--
Special Assessments .....	--	--	--	--
Loans .....	--	--	--	--
Intergovernmental .....	--	--	--	--
Payroll Advance .....	40	8	--	39
Due from other funds .....	--	10	--	3
Total Assets .....	<u>\$ 4,181</u>	<u>\$ 1,318</u>	<u>\$ 6,098</u>	<u>\$ 3,361</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable .....	\$ 39	\$ 1	\$ 10	\$ 24
Interest and bonds payable-matured .....	--	--	--	--
Due to other funds .....	103	--	--	100
Accrued payroll .....	39	6	--	74
Deferred revenue .....	--	--	--	--
Total Liabilities .....	<u>181</u>	<u>7</u>	<u>10</u>	<u>198</u>
Fund Balances:				
Restricted .....	4,000	1,311	--	3,163
Committed .....	--	--	6,088	--
Unassigned .....	--	--	--	--
Total Fund Balances .....	<u>4,000</u>	<u>1,311</u>	<u>6,088</u>	<u>3,163</u>
Total Liabilities and Fund Balances .....	<u>\$ 4,181</u>	<u>\$ 1,318</u>	<u>\$ 6,098</u>	<u>\$ 3,361</u>

# NATIONAL CITIZEN SURVEY



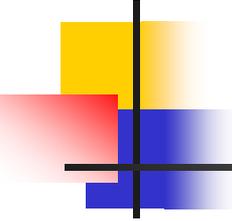


# The National Citizen Survey

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**Initiative of the International City/County  
Management Association and the  
National Research Center**

- **Conducted by National Research Center  
Implemented in 500 jurisdictions in 44  
states**
- **Honolulu's 1st Citizen Survey 2006**

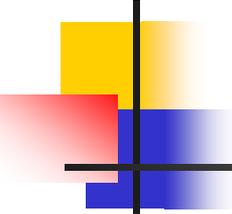


# **NATIONAL CITIZEN SURVEY (NCS)**

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- **Annual survey of residents' opinions**
- **Survey uses random selection**
- **Results are statistically 90-95% accurate**
- **FY2010 Honolulu survey results used as the baseline for the city**

# CITIZEN SURVEY

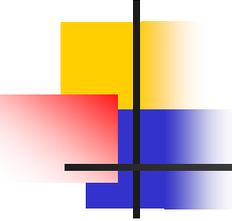


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**Survey results quantify citizen opinions on many issues. Issues include:**

- **Overall Quality of Community and Community Life**
- **Community Design for transportation, housing, land use and zoning**
- **Economic Sustainability**
- **Public Safety**

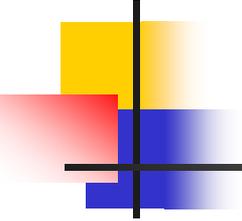
# CITIZEN SURVEY



**Survey results quantify citizen opinions on:**

- **Environment**
- **Recreation and Wellness**
- **Community Inclusiveness**
- **Civic Engagement**
- **Public Trust**

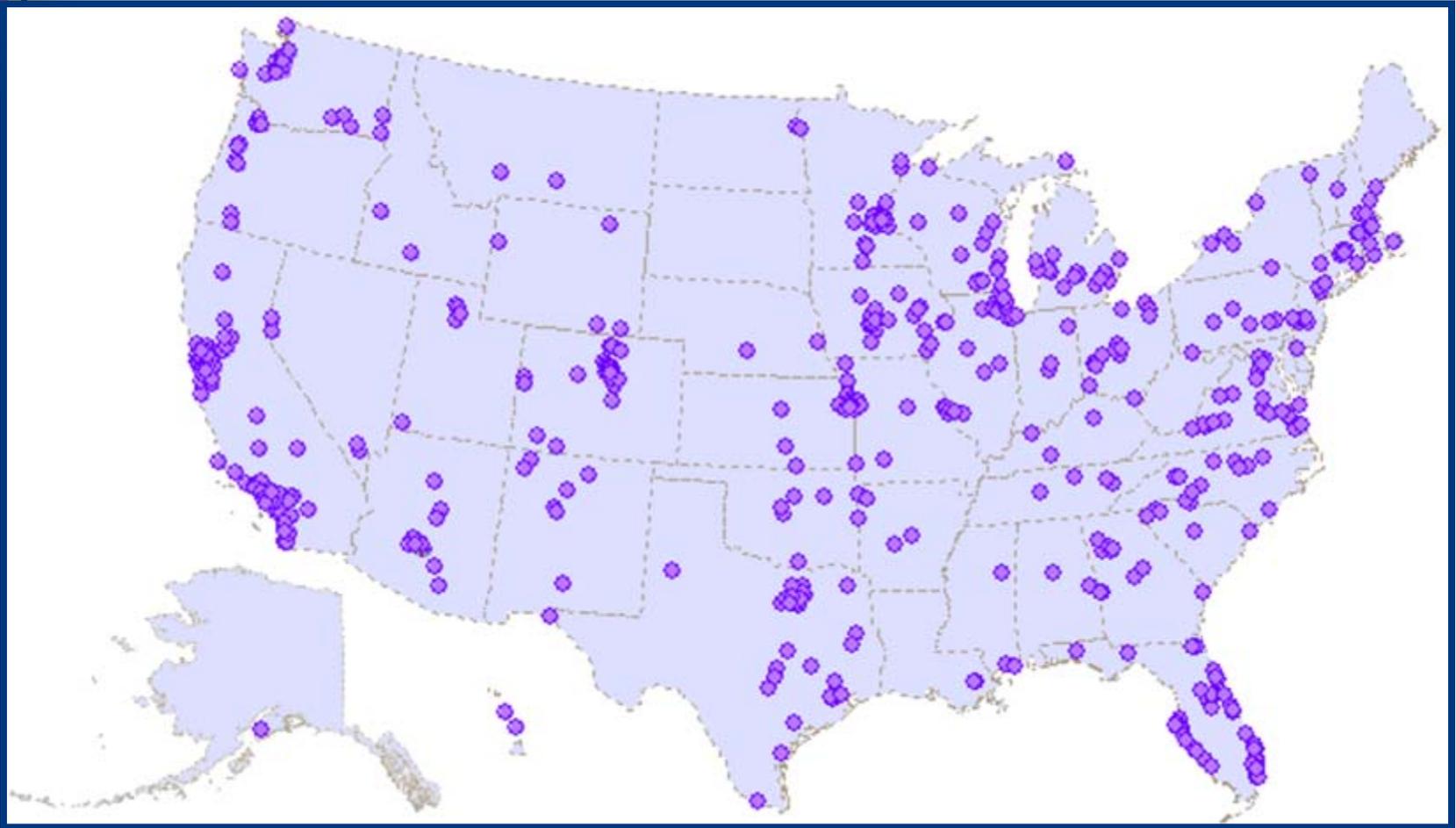
# CITIZEN SURVEY



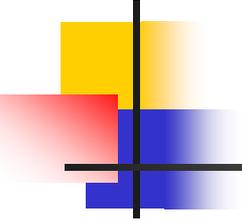
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- **Survey results are compared with:**
  - **500+ local governments in the entire database and across 44 states**
  - **Other cities with populations totaling 300,000 or more**

# Jurisdictions in The NCS™ Benchmark Database



# CITIZEN SURVEY



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- **Decision makers can use Survey Results to establish city priorities**
- **Residents can use Survey Results to quantify city progress in addressing their priorities**

# CITIZEN SURVEY RESULTS



## RESIDENTS RESPONDING GOOD/EXCELLENT

- HONOLULU AS A PLACE TO LIVE (80%)
- SHOPPING OPPORTUNITIES (71%)
- AIR QUALITY (71%)
- DRINKING WATER QUALITY (73%)

# CITIZEN SURVEY RESULTS



## RESIDENTS RESPONDING GOOD/EXCELLENT

- GARBAGE COLLECTION (76%)
- FIRE DEPARTMENT (89%)
- AMBULANCE MEDICAL SERVICES (87%)
- POLICE DEPARTMENT (62%)

# CITIZEN SURVEY RESULTS (ISSUES FOR DECISIONMAKERS)



- RESIDENTS RESPONDING GOOD/EXCELLENT**
- **EMPLOYMENT OPPORTUNITIES (26%)**
  - **ECONOMIC DEVELOPMENT (26%)**
  - **STREET REPAIR (13%)**
  - **SIDEWALK MAINTENANCE (25%)**

# CITIZEN SURVEY RESULTS (ISSUES FOR DECISIONMAKERS)

**RESIDENTS RESPONDING  
GOOD/EXCELLENT**

- **HOUSING OPTIONS (25%)**
- **AFFORDABLE HOUSING  
(9%)**

**PROPORTION EXPERIENCING  
HOUSING STRESS (61%)**

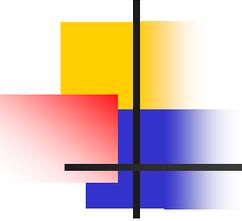


# CITIZEN SURVEY RESULTS (ISSUES FOR DECISIONMAKERS)

## RESIDENTS RESPONDING GOOD/EXCELLENT

- EASE OF CAR TRAVEL (23%)
- EASE OF BUS TRAVEL (50%)
- TRAFFIC FLOW (13%)
- PUBLIC PARKING (12%)





# CITIZENS HAVE SPOKEN

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**Survey responses answer the question,**

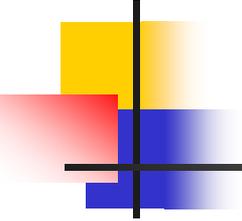
**“Is Your Local Government...**

- ❖ Effective?**
- ❖ Efficient?**
- ❖ Providing Good Value?”**



# ***SERVICE EFFORTS AND ACCOMPLISHMENTS (SEA) REPORT***

# BACKGROUND OF SEA



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***SEA IS A FEDERAL INITIATIVE***

***SEA IS THE RESULT OF THE***

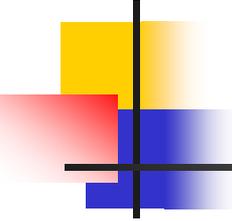
- ***Government Performance and Results Act of 1993 (GPRA) and***
- ***GPRA Modernization Act of 2010***

# Background of SEA

## *GPRA*

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- *Holds Federal agencies accountable for program results;*
- *Measures performance against goals,*
- *Reports publicly on agency progress;*
- *Focuses on program results, service quality, and customer satisfaction;*



## Background of SEA

# ***GPRA MODERNIZATION ACT***

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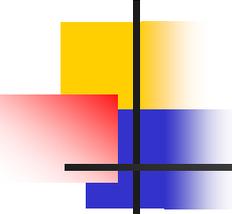
- ***Builds on GPRA strengths***
- ***Uses results oriented approach***
- ***Requires strategic plans***
- ***Requires performance plans/  
indicators***
- ***Sets outcome-oriented goals***
- ***Requires performance data reports***



# *Governmental Accounting Standards Board (GASB)*

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- **Provides the objective of (SEA) reporting**
- **Establishes SEA reporting standards**
- **Applies to reporting by federal, state and local governments**
- **Augments the local Comprehensive Annual Financial Report (CAFR).**

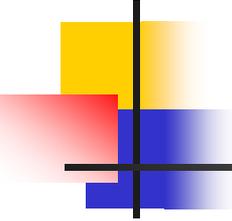


# **SERVICE EFFORTS AND ACCOMPLISHMENTS (SEA)**

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## **INCORPORATES**

- **CAFR RESULTS**
- **NATIONAL CITIZEN SURVEY RESULTS**
- **BUDGET DATA**
- **CITY WIDE DATA AND PERFORMANCE MEASURES**
- **DEPARTMENT DATA & PERFORMANCE MEASURES**



# **SERVICE EFFORTS AND ACCOMPLISHMENTS (SEA)**

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## **USES THE DATA TO REPORT:**

- **CITIZENS' OVERALL SATISFACTION WITH THE CITY**
- **CITY AND DEPARTMENT SPENDING, STAFFING, MISSION, GOALS, CHALLENGES, AND PERFORMANCE**
- **CITY PERFORMANCE IN ACCOMPLISHING CITY PRIORITIES**

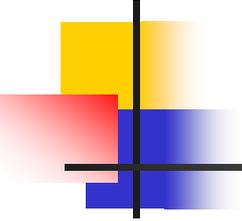
# SEA REPORT

## DECISION MAKERS CAN:

- Monitor trends in resident opinions
- Measure government performance
- Benchmark city services
- Have info on budget, land use, strategic planning decisions, etc.

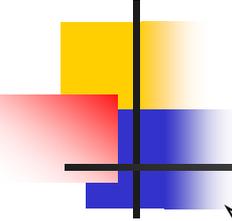


# SEA REPORT BENEFITS



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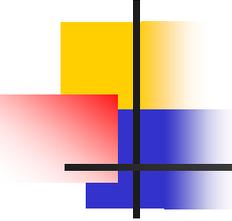
- **PROVIDES TRANSPARENCY IN GOVERNMENT**
- **ALLOWS THE PUBLIC TO SCRUTINIZE AND QUANTIFY THE CITY'S PERFORMANCE**



## ***Honolulu SEA Report Contents***

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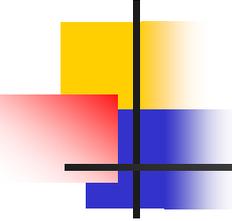
- **Multiple levels of reporting**
- **Overview and introductory summary**
- **City-wide information (aggregated)**
- **Department data (disaggregated) by programs and services**
- **Performance data vs. performance measures.**



# *Honolulu SEA Report Contents*

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- **Input measures**
- **Output measures**
- **Outcome measures  
(accomplishments/ performance)**
- **Efficiency, economy data (costs vs  
output/outcomes)**
- **Narratives, entity feedback, or  
explanations for performance  
results**



# City-Wide Overview

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## Aggregated Data

## CHAPTER 1 – OVERALL SPENDING, STAFFING & ACCOMPLISHMENT OF CITY PRIORITIES

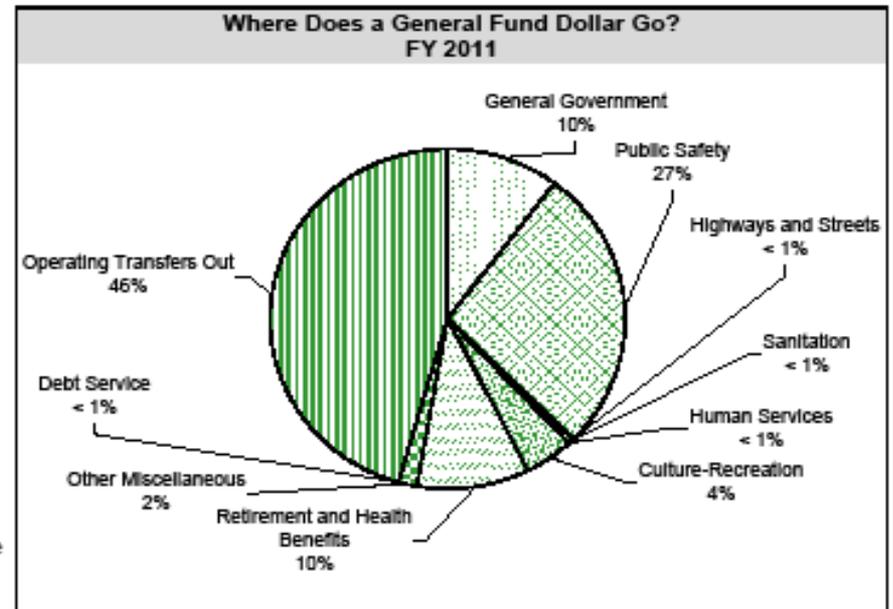
### OVERALL SPENDING

Honolulu, like other cities, uses various funds to track specific activities. The General Fund is used for all general revenues and governmental functions including community and customer services, design and construction, emergency management and emergency services, environmental services, fire, information technology, parks and recreation, police, legislative, and support services. These services are supported by general city revenues and program fees.

Proprietary Funds are used for sewer, public transportation, solid waste, and housing. These services are generally supported by charges paid by users.

The pie chart to the right shows where a General Fund dollar goes. The table below shows more detail. In FY 2011, the city's total General Fund expenditures and other uses of funds totaled \$1.195 billion. This included \$543 million in transfers to other funds (including \$185 million for debt service, \$71 million for bus subsidies and \$179 million for the Transit Fund).

Total General Fund spending increased 19% over the last five years (some expenses were transferred to other funds).



Source: Comprehensive Annual Financial Report (FY 2011)

General Fund Operating Expenditures and Other Uses of Funds (\$ million)

	General Government	Public Safety	Highways and Streets	Sanitation	Human Services	Culture-Recreation	Utilities and Other Enterprise	Retirement and Health Benefits	Other Miscellaneous	Debt Service	Capital Outlay	Operating Transfers Out	Total	Proprietary Funds Operating Expenditures
FY 2007	\$115.2	\$268.5	\$2.2	\$2.2	\$2.4	\$51.8	-	\$119.4	\$21.8	\$0.6	-	\$423.1	\$1,007.3	\$441.0
FY 2008	\$125.3	\$288.9	\$2.6	\$5.5	\$2.8	\$60.5	-	\$121.4	\$19.8	\$0.9	\$2.1	\$624.4	\$1,254.1	\$504.0
FY 2009	\$133.6	\$309.0	\$3.7	\$4.8	\$3.6	\$64.3	-	\$150.1	\$26.0	\$0.9	\$2.0	\$648.8	\$1,346.8	\$496.5
FY 2010	\$128.6	\$312.4	\$2.1	\$3.0	\$3.1	\$58.8	\$0.1	\$158.9	\$21.5	\$1.0	\$1.5	\$563.7	\$1,254.8	\$524.1
FY 2011	\$121.7	\$325.5	\$1.9	\$3.9	\$2.4	\$51.0	-	\$122.6	\$22.2	\$0.4	-	\$543.0	\$1,194.6	\$550.9
Change over last 5 years	6%	21%	-14%	72%	3%	-2%	-	3%	0%	-36%	-	28%	19%	25%

Sources: Comprehensive Annual Financial Reports (FY 2007-2011)

# City-Wide Overview

## OVERALL SPENDING (OVER 5 YEARS) (p.11)

- **GENERAL GOVT EXPENDITURES (+6%)**  
*(\$115.2 mil TO \$121.7 mil)*
- **PUBLIC SAFETY (+21%)**  
*(\$268.5 mil to \$325.5 mil)*
- **HIGHWAYS/STREETS (-14%)**  
*(\$2.2 mil to \$1.9 mil)*
- **SANITATION (+72%)**  
*(\$2.2 mil to \$3.9 mil)*



## PER CAPITA SPENDING

As shown below, in FY 2011, General Fund operating expenditures and other uses of funds totaled \$1,250 per Honolulu resident, including operating transfers. Based on the State of Hawai'i's Data Book population estimate of 955,775 residents, we calculate the per capita cost per department in FY 2011 was about \$544.

Proprietary/special fund operating expenses totaled \$576 per capita. Honolulu's proprietary funds include funds for housing development, sewer, solid waste and the public transportation system.

Other funds are for highway, bikeway, parks and playgrounds. Additional funds include liquor commission, post-employment benefits reserves, affordable housing, and rental assistance funds.

Other funds are allocated for zoo animal purchase, the Hanauma Bay Nature Preserve, and fiscal stability reserve funds. There are also funds for land conservation, clean water and natural lands, and community development.

Additional funds are the golf, special events, special projects, and farmers' home administration loan funds. The federal grants, housing and community development, and Section 8 funds contain federal grants.

Specialized funds exist for the Pauahi Project Expenditures, leasehold conversion, and special housing development funds. Funds also exist for general improvement bonds, highway improvement bonds, sewer revenue bonds, capital projects, and municipal stores.

Per Capita Spending by Department <sup>1</sup>			
Department	FY 2011	Department	FY 2011
Budget and Fiscal Services	\$15	Information Technology	\$17
Community Services	\$4	Legislative	\$12
Corporation Counsel	\$6	Mayor	\$1
Customer Service	\$18	Managing Director	\$2
Design and Construction	\$15	Neighborhood Commission	\$1
Emergency Management	\$1	Royal Hawaiian Band	\$2
Emergency Services	\$32	Medical Examiner	\$1
Environmental Services	\$5	Parks and Recreation	\$54
Facilities Maintenance	\$16	Planning and Permits	\$13
Fire	\$100	Police	\$207
Human Resources	\$5	Prosecuting Attorney	\$16
<b>Total Per Capita Cost for City Operations = \$544 (rounded)</b>			

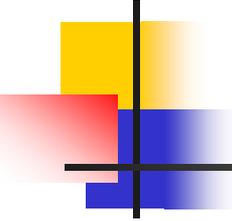
Sources: Department of Budget and Fiscal Services and State of Hawai'i Data Book 2011

### Per Capita Cost by Function (FY 2007 - 2011)

	Gen. Gov't	Public Safety	Highways & Streets		Human Svcs.	Culture-recreation	Retirement & Health Benefits		Other Misc	Debt Service	Capital Outlay	Operating Transfers		Proprietary Funds Operating Expenditures
			Sanitation									TOTAL		
FY 2007	\$124	\$290	\$2	\$2	\$3	\$56	\$129	\$24	\$1	-	\$456	\$1,087	\$476	
FY 2008	\$135	\$312	\$3	\$6	\$3	\$65	\$131	\$21	\$1	\$2	\$675	\$1,355	\$545	
FY 2009	\$143	\$331	\$4	\$5	\$4	\$69	\$161	\$28	\$1	\$2	\$695	\$1,443	\$532	
FY 2010	\$136	\$331	\$2	\$3	\$3	\$62	\$169	\$23	\$1	\$2	\$598	\$1,330	\$556	
FY 2011	\$127	\$341	\$2	\$4	\$3	\$53	\$128	\$23	\$0.4	-	\$568	\$1,250	\$576	
Change over last 5 years	2%	18%	-16%	67%	-	-5%	-0.4%	-1%	-38%	-	24%	15%	21%	

Sources: Comprehensive Annual Financial Reports (FY 2007-2011) and State of Hawai'i Data Book 2011

<sup>1</sup> Excludes the Honolulu Board of Water Supply which receives no General Funds.



# City-Wide Overview

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## Per Capita Spending (p.12)

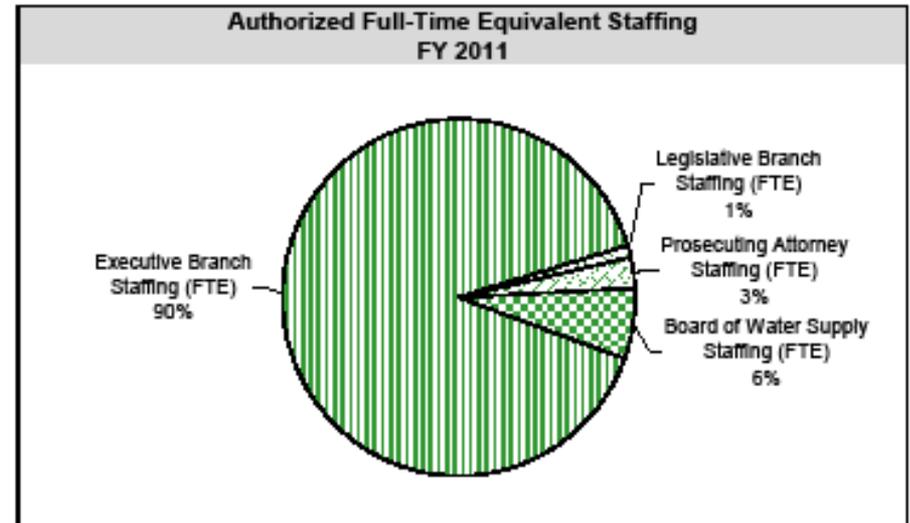
- Public Safety is largest cost (27% of city budget, 62% of per capita costs)
- Fire (\$100 per capita)
- Emergency Services (\$32 per capita)
- Police (\$207 per capita)
- Vs Community Services (\$4 per capita)

## AUTHORIZED STAFFING

City staffing is measured in full-time equivalent staff, or FTE. In FY 2011, there were a total of 10,968 authorized FTE citywide.<sup>1</sup> Citywide filled positions totaled 8,628 (78.7%) FTE and vacant positions were 2,340 FTEs (21.3%). The executive branch was authorized 10,127 FTE and filled 7,993 FTE positions. The executive branch vacancy rate was 21.1% or 2,134 FTE in FY 2011.

Over the last five years, total citywide FTE (including authorized temporary positions) increased 2% and the vacancy rate increased 2%. In the executive branch, authorized FTE staffing increased 6% and the vacancy rate increased 2% between FY 2007 and FY 2011.

Honolulu had more employees per 1,000 residents than several other local jurisdictions. Staffing comparisons between cities can be problematic as Honolulu employees provide some services to the State of Hawai'i and the counties of Kaua'i, Maui, and Hawai'i that are reimbursed by those jurisdictions.



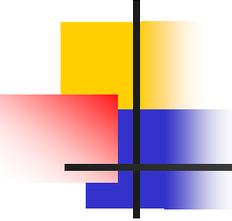
Sources: Department of Budget and Fiscal Services, Advantage Budget System (ABS) FY 2011, Honolulu City Council, and Honolulu Board of Water Supply

City Staffing (FTE) (FY 2007 to FY 2011)

Fiscal Year	Total Citywide Staffing (Estimated FTE)					Executive Branch Staffing (FTE)				
	Total City Authorized FTE	Authorized FTE (Filled)	Authorized FTE (Vacant)	Authorized FTE Filled (Percent)	Authorized FTE Vacant (Percent)	Total Authorized FTE	Authorized FTE (Filled)	Authorized FTE (Vacant)	Authorized FTE Filled (Percent)	Authorized FTE Vacant (Percent)
FY 2007	10,707.9	8,671.4	2,036.5	81.0%	19.0%	9,581.4	7,779.9	1,801.5	81.2%	18.8%
FY 2008	10,788.9	8,856.3	1,932.6	82.1%	17.9%	9,668.9	7,972.8	1,696.1	82.5%	17.5%
FY 2009	10,834.4	8,929.3	1,905.1	82.4%	17.6%	9,714.4	8,034.8	1,679.6	82.7%	17.3%
FY 2010	10,911.4	8,792.0	2,119.4	80.6%	19.4%	9,781.9	7,944.0	1,837.9	81.2%	18.8%
FY 2011	10,968.2	8,628.4	2,339.8	78.7%	21.3%	10,127.2	7,993.4	2,133.8	78.9%	21.1%
Change over last 5 years	2%	-0.5%	15%	-2%	2%	6%	3%	18%	-2%	2%

Sources: Full Time Equivalent (FTE) Department of Budget and Fiscal Services' BRASS data (FY 2007-FY 2010); Advantage Budget System (ABS) FY 2011, City Council Administration, and Honolulu Board of Water Supply

<sup>1</sup> Citywide filled positions totaled 8,628 (78.7%) FTE and vacant positions were 2,340 FTEs (21.3%).



# City-Wide Overview

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## Authorized Staffing (FTE) (p.14)

- City authorized 10,968 FTE
- Filled FTE = 8,628 FTE (78.7%)
- Vacant FTE = 2,340 (21.3%)
- Vacant FTE = 17.9% to 21.3% of ALL authorized FTE
- 5 year trend indicates authorized staffing can be reduced

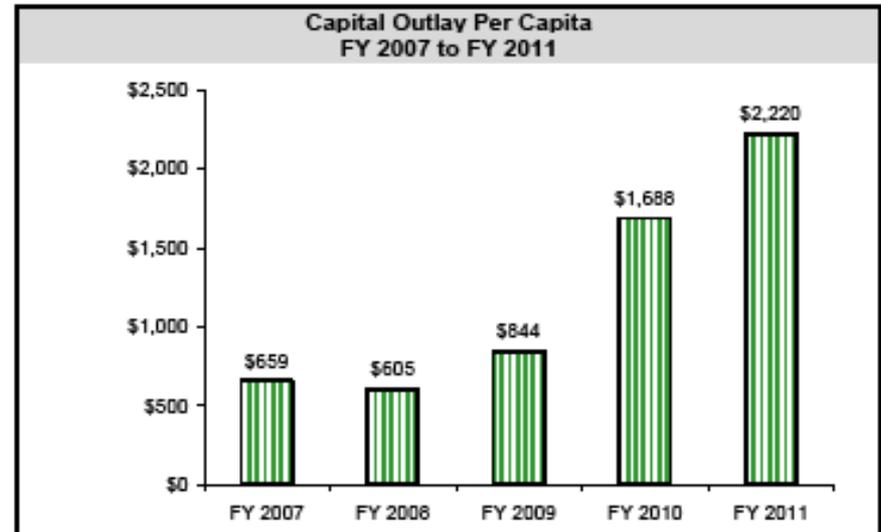
## CAPITAL SPENDING

The Capital Improvement Program (CIP) budget focuses on core capital programs that maintain and upgrade essential infrastructure. Significant focus is on roads, sewers, refuse facilities, and transportation improvements.

FY 2011 funding totaled \$2.12 billion and was an increase of \$530 million over the previous year. More than \$1 billion is for the rail transit project. General government projects totaled \$29.6 million. Public safety CIP projects were \$55.6 million, highways and streets totaled \$126.6 million, and sanitation projects totaled \$493.8 million. Culture and recreation CIP projects totaled \$39.6 million.

With the implementation of GASB Statement 34 in FY 2002, the city has recorded all of its capital assets in its citywide financial statements. Capital assets are valued at historical cost, net of accumulated depreciation. This includes buildings and structures, vehicles and equipment, roadways, and distribution systems.

Capital outlay increased over the past five years from \$611 million to \$2.12 billion. As shown in the chart on the right, capital outlay per capita increased from \$659 in FY 2007 to \$2,220 in FY 2011. Capital outlays increased the most for utilities and other enterprises (1,919%), public safety (77%) and highways and streets (58%) over the last five years.



Sources: Executive Operating Program and Budgets (FY 2009-2013) and U.S. Census Bureau

Capital Outlay (\$ million)

	General Government	Public Safety	Highways and Streets	Sanitation	Human Services	Culture-Recreation	Utilities and Other Enterprises	Total
FY 2007	\$45.6	\$31.4	\$80.0	\$344.6	\$15.1	\$27.1	\$87.2	\$611.0
FY 2008	\$30.0	\$24.5	\$62.1	\$286.3	\$14.5	\$22.4	\$120.4	\$560.2
FY 2009	\$44.6	\$36.1	\$102.4	\$277.7	\$13.4	\$32.3	\$282.0	\$788.4
FY 2010	\$28.1	\$43.9	\$108.5	\$258.3	\$17.4	\$19.8	\$1,115.7	\$1,591.6
FY 2011 <sup>1</sup>	\$29.6	\$55.6	\$126.6	\$493.8	\$20.4	\$39.6	\$1,356.1	\$2,121.7
Change over last 5 years	-35%	77%	58%	43%	35%	46%	1,919%	247%

Source: City and County of Honolulu Comprehensive Annual Financial Reports (FY 2009-2013) and Executive Operating Program and Budgets (FY 2009-2013)

<sup>1</sup>FY 2011 Appropriated Capital Expenditures

# City-Wide Overview

## Capital Spending (5 years) (p.16)

- **Increased 247%**  
**(\$611 mil to \$2.1 billion)**
- **Public safety (+77%)**  
**(\$31.3 mil to \$55.6 million)**
- **Utilities/other enterprises(+1,919%)**  
**(\$67 million to \$1.3 billion)**



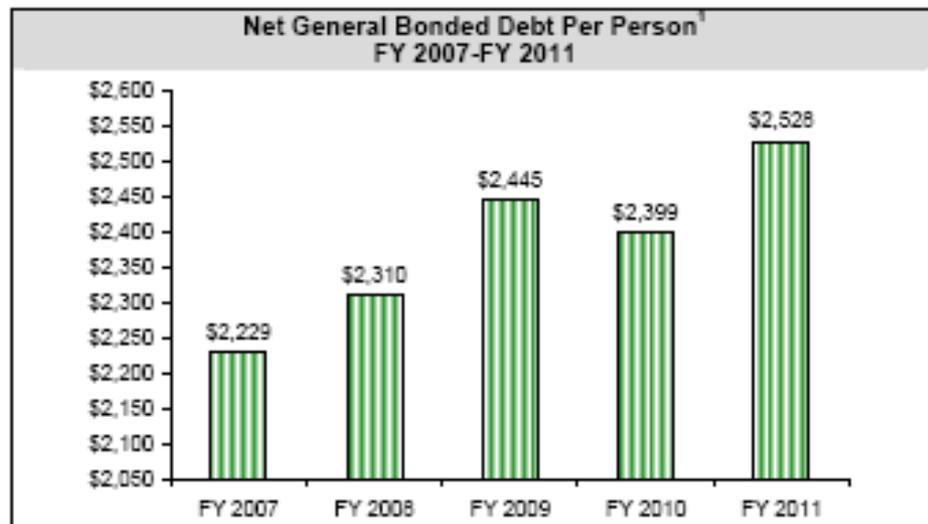
## CITY DEBT

The city's debt policy is established by council resolution. Debt service for general obligation bonds (including self-supporting bonds) as a percentage of the city's operating budget, including enterprise and special revenue funds should not exceed 20 percent. Debt service on direct debt (excluding self-supported bonds), as a percentage of General Fund revenues should not exceed 20 percent. The total outstanding principal of the city's variable rate debt should not exceed 120 percent of the city's short-term investments.

Debt service as a percentage of operating budget increased from 17.0% in FY 2007 to 17.4% in FY 2011. Debt service as a percentage of General Fund revenue increased from 27.2% in FY 2007 to 30.4% in FY 2011.

The city's general obligation bond ratings between FY 2007 and FY 2011 improved from AA to AA+ under the Fitch rating system. Moody's bond ratings for city bonds also improved from Aa2 to Aa1. Bond ratings for the wastewater system revenue bond ratings showed similar improvements. The Board of Water Supply's bond ratings between FY 2007 and FY 2011 improved from Aa3 to Aa2 for Moody's rating system. Fitch ratings also improved between FY 2007 to FY 2011 from AA to AA+.

According to city finance reports, the authorized debt per Honolulu resident increased \$2,578 from FY 2007 to \$5,043 per resident as of December 31, 2010. According to the city finance reports, the increase was due to the approval of nearly \$2 billion in bonds for the rail transit project.

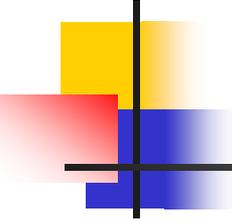


Sources: Office of Council Services Status of City's Finances (FY 2008-2011)

	Debt Service (\$ million)	Appropriated Executive Operating Budget (\$ million)	General Fund Revenues (\$ million)	Debt Service as a Percentage of Operating Budget	Debt Service as a Percentage of General Fund Revenue	Authorized Debt Per Person <sup>2</sup>	Bond Ratings (FY 2007-FY 2011) <sup>3</sup>					
							General Obligation Bond Ratings		Wastewater System Revenue Bond Ratings		Board of Water Supply	
							Moody's	Fitch	Moody's	Fitch	Moody's	Fitch
FY 2007	\$253.7	\$1,491.4	\$931.6	17.0%	27.2%	\$2,578	Aa2	AA	Aa3	AA-	Aa3	AA
FY 2008	\$281.4	\$1,638.4	\$986.0	17.2%	28.5%	\$2,856	Aa2	AA	Jr. A1, Sr. Aa3	Jr. A+, Sr. AA-	Aa3	AA
FY 2009	\$296.0	\$1,807.9	\$978.0	16.4%	30.3%	\$3,853	Aa2	AA	Jr. A1, Sr. Aa3	Jr. A+, Sr. AA-	Aa3	AA
FY 2010	\$301.8	\$1,805.2	\$1,020.1	16.7%	29.6%	\$5,043	Aa1	AA+	Jr. Aa3, Sr. Aa2	Jr. AA-, Sr. AA	Aa2	AA+
FY 2011	\$317.2	\$1,817.7	\$1,043.1	17.4%	30.4%	-	Aa1	AA+	Jr. Aa3, Sr. Aa2	Jr. AA-, Sr. AA	Aa2	AA+
Change over last 5 years	25%	22%	12%	0.5%	3%	-	-	-	-	-	-	-

Sources: Executive Operating Program and Budgets (FY 2009-2012), Comprehensive Annual Financial Report (FY 2011), Office of Council Services 2010 Status of the City's Finances, and Board of Water Supply Financial Statements (FY 2007-2011)

<sup>1</sup> Net Generated Bonded Debt: Issued debt whose debt service payments are to be paid with property tax revenues. <sup>2</sup> Per calendar year. <sup>3</sup> Excludes Standard & Poor's ratings.



# City-Wide Overview

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## CITY DEBT (5 yr trend) (p.17)

- Increased 25% (\$253 mil - \$317 mil)
- Max debt allowed = 20% of operating budget
- Operating Budget (16% to 17.4%)
- Max debt allowed = 20% of general fund revenue
- General Fund Revenue (27% to 30%)
- Change Max limit or cut debt.

## ACCOMPLISHMENT OF CITY PRIORITIES



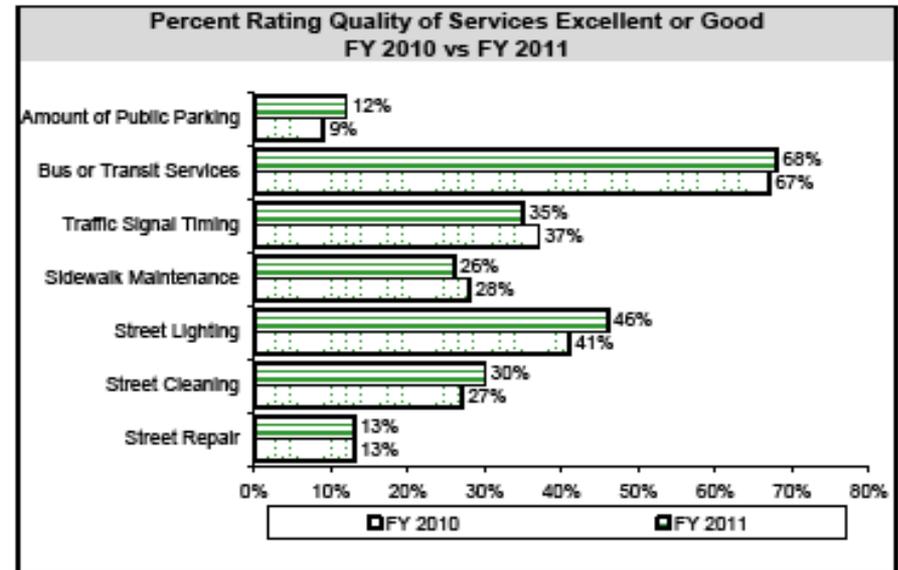
## TRANSPORTATION

**City Goal:** The city's goal is to complete the \$5.2 billion, 20 mile elevated rail transit system between Kapolei in West Oahu and the Ala Moana Center in East Oahu. The 21 station project will connect several communities and activity centers.

**Performance Measure:** None

**Performance Results:** In November 2010, voters approved the creation of a semi-autonomous entity to operate the fixed guideway mass transit system. The Corporation Counsel assisted transitioning operations to the semi-autonomous Honolulu Authority for Rapid Transit (HART) which began operations on July 1, 2011. Project ground breaking occurred in FY 2011 in Kapolei. Contracts were awarded for the construction of the train vehicles, the system control center, and the design and construction of the second phase of the elevated guideway. Contract awards were \$185 million below the project estimates.

Honolulu residents rating transportation services excellent or good were: ease of bus travel (51%), ease of walking (51%), ease of car travel (23%); ease of bicycle travel (21%), and traffic flow on major streets (12%). Car, bicycle, and traffic flow were below the national benchmarks. Residents rating quality of life items excellent or good were: amount of public parking (12%), street repair (13%), sidewalk maintenance (26%), street cleaning (30%), traffic signal timing (35%), street lighting (46%), and bus or transit services (88%). These ratings were below the national benchmarks except for bus and transit services, which was much above the national benchmark.



Source: National Citizen Survey™ 2011 (Honolulu)

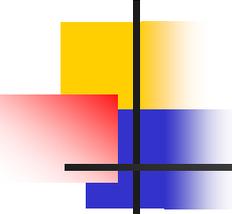
Honolulu residents strongly or somewhat support creating mass transit options such as bus or rail systems (85%). Residents rated the condition of roads and streets (80%) and the condition of sidewalks, crosswalks, and bike lanes (69%) as major or moderate problems.

## Citizen Survey

	(% Excellent or Good)						(% Strongly or Somewhat Support)	(% Major or Moderate Problem)		
	Ease of Car Travel In Honolulu	Ease of Bus Travel In Honolulu	Ease of Bicycle Travel In Honolulu	Ease of Walking In Honolulu	Availability of Paths and Walking Trails	Traffic Flow on Major Streets	Creating Mass Transit Options	Condition of Roads and Streets	Condition of Sidewalks, Crosswalks, and Bike Lanes	Lack of Parking
FY 2007	-	-	-	-	-	-	-	-	-	-
FY 2008	-	-	-	-	-	-	-	-	-	-
FY 2009	-	-	-	-	-	-	-	-	-	-
FY 2010	25%	55%	22%	47%	31%	10%	-	-	-	-
FY 2011	23%	51%	21%	51%	37%	12%	65%	80%	69%	78%
Change over last year	-2%	-4%	-1%	4%	6%	2%	-	-	-	-

Sources: National Citizen Survey™ 2011 (Honolulu) and Mayor's Annual Report

# City Priorities (p.19 – 31)



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## **SHOWS CITY PERFORMANCE REGARDING:**

- **Transportation priority:**  
Citizens want improvements in roads, streets, sidewalks, and parking
- **Economic development priority:**  
Citizens want more job creation, expand training, and more economic development
- **Public Safety priority:**  
Citizens are concerned about emergency services, homelessness, crime, prostitution

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## What Do We Know and What Does This Mean To Me?

- **Some citizen and community priorities are being met and other priorities are not.**
- **Greater focus is needed on ease of car travel, traffic flow on major streets, and street cleaning.**
- **More focus is needed on street repair, sidewalk maintenance, signal timing, public parking, and affordable housing.**



# What Do We Know and What Does This Mean To Me?

- **Less emphasis is needed for ease of bus travel, drinking water, garbage collection, fire and ambulance services.**



# Department Measures



# SEA DEPARTMENT DATA

## DISAGGREGATED DATA

Results are reported at various levels:

- ↓ Department
- ↓ Division
- ↓ Functional



Comparisons are provided for benchmarking and 5-year trend analysis



## CHAPTER 12 - HONOLULU FIRE DEPARTMENT

The Honolulu Fire Department (HFD) responds to fires, emergency medical incidents, hazardous materials incidents, and rescues on land and sea. Consistent with the city's public safety goals, its mission is to save lives, property, and the environment by promoting safety, fire prevention and maintaining a well equipped, highly trained, and motivated force of professional fire fighters and rescue personnel. The HFD is accredited by the Commission on Fire Accreditation International, Inc.

The department has four major divisions and programs:

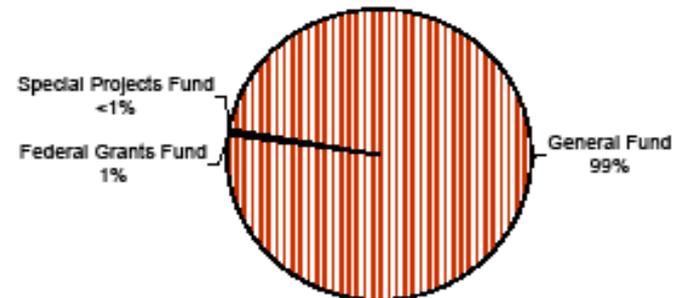
- Administrative Services Bureau is responsible for the department's Mechanic Shop and provides administrative support.
- Support Services oversees the fire prevention, training and research.
- Planning and Development is responsible for the Fire Communication Center and the radio shop.
- Fire Operations provides fire suppression for the island of O'ahu and Fireboat operations on the waterfront and adjoining shoreline areas.

Over the last five years, total department spending increased from \$74.6 million to \$95.9 million, or 28%. HFD stated that increases were due to a 4-year collective bargaining agreement spanning from FY 2007 to FY 2010, and the rising costs for fuel and utilities.

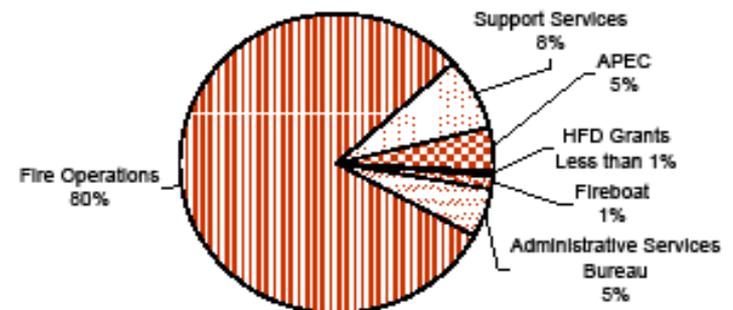
In FY 2011, furloughs did not impact public safety as uniformed personnel staffing, workloads and deadlines remained unchanged. However, furloughs significantly impacted HFD civilian staff and other city agencies subject to 2-day per month furloughs.

During FY 2011, HFD devoted significant resources to planning, training, and interagency exercises to prepare for the Asia-Pacific Economic Conference scheduled for FY 2012.

### What Are the Sources of Honolulu Fire Department's Operating Funds? FY 2011



### Where Does a Honolulu Fire Department's Dollar Go? FY 2011



Source: Department of Budget and Fiscal Services

	Total Operating Expenditures (\$ million)	Revenues (\$ million)	Expenditures Per Resident Served <sup>1</sup>	Expenditures Per Square Mile Serviced <sup>2</sup>	Total Firefighter FTE	Total Vacant FTE	Cost per FTE	Annual Training Hours Per Firefighter	Overtime % of Regular Salaries
FY 2007	\$74.6	\$2.8	\$81	\$124,382	1,158	123	\$64,446	227	20%
FY 2008	\$80.8	\$2.5	\$87	\$134,727	1,160	82	\$69,686	239	19%
FY 2009	\$85.4	\$3.3	\$91	\$142,317	1,160	87	\$7,361	254	20%
FY 2010	\$88.2	\$3.2	\$93	\$146,917	1,190	133	\$74,076	268	18%
FY 2011	\$95.9	\$3.5	\$100	\$159,813	1,190	157	\$80,578	298	17%
Change over last 5 years	28%	26%	25%	28%	3%	28%	25%	31%	-3%

Sources: Executive Operating Program and Budgets (FY 2009-2012), Department of Budget and Fiscal Services BRASS data (FY 2007-2010), Advantage Budget System (ABS) data FY 2011, and Honolulu Fire Department

<sup>1</sup>Based on Hawaii Data Book Table 1.06 Resident Population, By County for July 1, 2010. <sup>2</sup>Based on a service area of 600 square miles. <sup>3</sup>Cost per FTE = Total Operating Expenditures/Total Authorized FTE



**We know the Fire Department is doing well, despite challenges:**

- *HFD faces challenges due to 28% increase in operating costs (p.77)*
- *HFD medical/rescue calls increased by 29% (p.82)*
- *HFD met standard of 80%:*
  - *responded to urban fire calls within 7 minutes 86.5% of the time (p.80);*
  - *responded to rural fire calls within 11 minutes 87% of the time (p.80)*



## Refuse Collection and Disposal

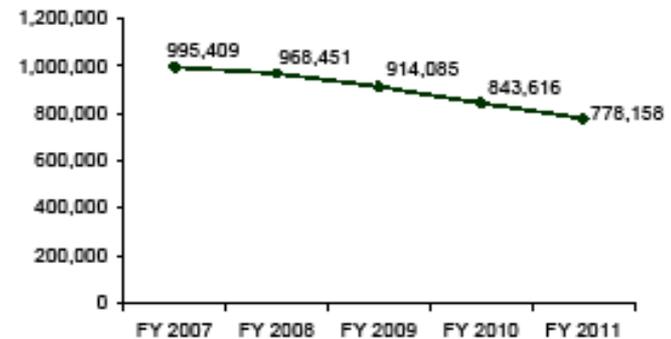
The Refuse Collection and Disposal activity is responsible for administering, managing, and planning the city's solid waste program. It collects, transports, and disposes solid waste through recycling, transfer stations, landfills, residential and non-residential collection, and the H-POWER waste-to-energy facility. Refuse collection and disposal operating expenditures increased 3% over the last five years.

Overall, the total amount of municipal solid waste created and disposed decreased 22% from FY 2007 (995,409 tons) to FY 2011 (778,158 tons). In FY 2011, ENV recorded declines in all categories of municipal solid waste. According to the department, the decline in landfill waste diversion was due to increased recycling effort and a decrease in waste generated due to economic conditions. The decline in landfill waste deposits is consistent with the department's goal to protect the public health and environment.

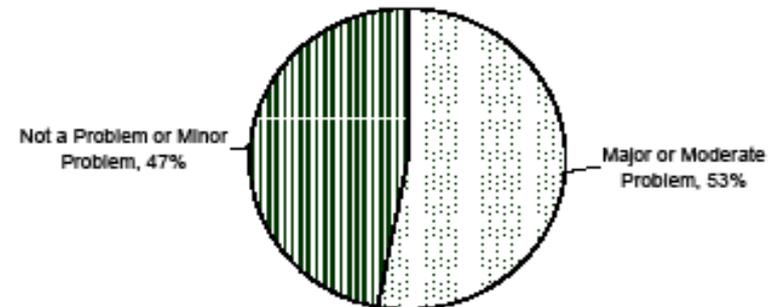
Solid waste is delivered to the H-POWER plant which incinerates the waste to generate electricity. In May 2011, the department reported that it reached the half-way point of its planned H-POWER Expansion Project that began in FY 2010. Upon completion, H-POWER will increase capacity from the current 600,000 tons per year to 900,000 tons per year, diverting more of the bulky, combustible waste from the landfill. The project thus far is on schedule and on budget for completion in July 2012. In FY 2011, the amount of municipal solid waste disposed at H-Power declined 5% from FY 2007 (619,700) to FY 2011 (590,062). According to the department, the decline in diverted waste to H-POWER was caused by the facility's temporary closure due to maintenance.

In FY 2011, 76% of residents rated garbage collection as excellent or good, compared to 73% in FY 2010. Yard waste pick-up was rated excellent or good by 65% of respondents, a 1% increase from the prior year.

**Total Municipal Solid Waste Disposed (tons)**



**To what degree, if at all, is waste disposal a problem in the City and County of Honolulu?**



Sources: Executive Operating Program and Budgets (FY 2009-2012), Department of Environmental Services, and National Citizen Survey™ 2011 (Honolulu)

	Operating Expenditures (\$ million)	Total Single Family Households Served	Municipal Solid Waste Categories (tons)				Citizen Survey (% Excellent or Good)		
			Total Municipal Solid Waste* Disposed	Municipal Solid Waste Disposed at H-POWER	Municipal Solid Waste Disposed at Landfill	Municipal Solid Waste (Ash from H-Power) at Landfill	Garbage Collection	Yard Waste Pick-Up	
FY 2007	\$123.1	178,700	995,409	619,700	289,809	85,900	FY 2007	-	-
FY 2008	\$139.5	178,700	968,451	607,608	275,757	85,086	FY 2008	-	-
FY 2009	\$106.9	178,700	914,085	610,177	214,456	89,452	FY 2009	-	-
FY 2010	\$113.8	178,700	843,616	602,971	154,190	86,455	FY 2010	73%	64%
FY 2011	\$127.2	179,800	778,158	590,062	186,896	65,442	FY 2011	76%	65%
Change over last 5 years	3%	0.6%	-22%	-5%	-36%	-24%	Change over last year	3%	1%

Sources: Executive Operating Program and Budgets (FY 2009-2012), Department of Environmental Services, Department of Budget and Fiscal Services, and National Citizen Survey™ 2011 (Honolulu)

\* Municipal Solid Waste (MSW) is defined as total waste generated by residents, businesses, and institutions.

# What Do We Know and What Does This Mean To Me?

We know that from FY2007 to FY2011...

- *Municipal solid waste categories showed across-the-board declines*
- *The department cited increased recycling efforts and poor economic conditions as reasons for the declines*
- *Solid waste output declined, despite the number of single-family homes serviced increasing by 0.6%*
- *76% of citizens surveyed rated garbage collection as "Excellent" or "Good" in FY2011*





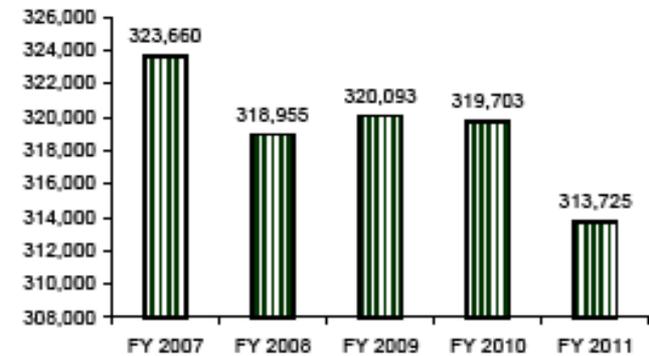
## Environmental Sustainability – Recycling

According to the environmental services department, Honolulu is a leader in environmental sustainability. In 2008, the department issued the City's 25-Year Integrated Solid Waste Management Plan that includes the diversion of solid waste as fuel to generate electricity for the city at its H-POWER facility. Approximately 45 megawatts of electricity generated each day, sufficient to power 40,000 homes, is sold to the Hawaiian Electric Company (HECO), the island's primary electric utility. In FY 2011, ENV generated and sold 313,725 Megawatt Hours (MWh) to HECO. This represented a 3% decline from FY 2007. According to the department, the decrease was caused by H-POWER's temporary closure due to maintenance.

According to the department, recycling continued to be a focus for ENV by encouraging diversion of flows from the landfill. Total waste recycled was 548,551 tons in FY 2011, an 11% increase from 495,447 tons in FY 2007. FY 2011 saw declines in tons of City and County of Honolulu office paper waste and community mixed recyclables of 34% and 61% respectively from FY 2007, but the amount of green waste recycled increased 87% during the same time period. According to the department, the increase in green waste recycling is due to the expansion of curbside recycling of green waste to the entire island. Also contributing to the city's overall recycling tonnage increase is the "other recyclables" category, which includes metals, batteries, propane tanks, tires, and curbside collected mixed recyclables. Other recyclables increased 61% from FY 2007 (28,592) to FY 2011 (46,175). According to the department, blue cart mixed recyclables generated net revenue of \$1.3 million.

The FY 2011 Citizen Survey found that 63% of Honolulu residents rated the city's recycling efforts as excellent or good. This rating was below national benchmarks, but similar to communities with populations exceeding 300,000. The survey also found that 89% of residents reported recycling paper, cans, or bottles in their homes in FY 2011. This rating is much higher than national benchmarks and for communities with populations exceeding 300,000.

Electricity Generated at H-POWER and Delivered to HECO (MWh)



Sources: Department of Environmental Services; Photo courtesy of Honolulu Annual Department and Agency Reports (FY 2010)

### Recycling Categories

### Citizen Survey

	Recycling Categories						Citizen Survey (% Excellent or Good)	
	Total Tons Recycled	Green Waste (Tons)	Office Paper (City Offices) (Tons)	Community Recycling Bins (Tons)	H-POWER MSW Recycled (Tons)	Other Recyclables (Tons)	Recycling	Percent of Residents Recycling Paper, Cans or Bottles at Home
FY 2007	495,447	37,633	91	12,077	417,054	28,592	-	-
FY 2008	490,004	42,791	111	11,633	410,339	25,130	-	-
FY 2009	508,614	47,756	177	9,053	419,094	32,534	-	-
FY 2010	520,670	58,240	68	5,760	415,455	41,147	70%	90%
FY 2011	548,551	70,480	60	4,730	427,106	46,175	63%	89%
Change over last 5 years	11%	87%	-34%	-61%	2%	61%	-7%	-1%

Sources: Executive Operating Program and Budgets (FY 2009-2012), Department of Environmental Services, and National Citizens Survey™ 2011 (Honolulu)

# What Do We Know and What Does This Mean To Me?

*Citizen and community efforts to reduce, reuse, and recycle are making a difference*

- *Total tons recycled increased 11% (p.72)*
- *Green Waste recycling increased 87% over five years*





## Road Maintenance

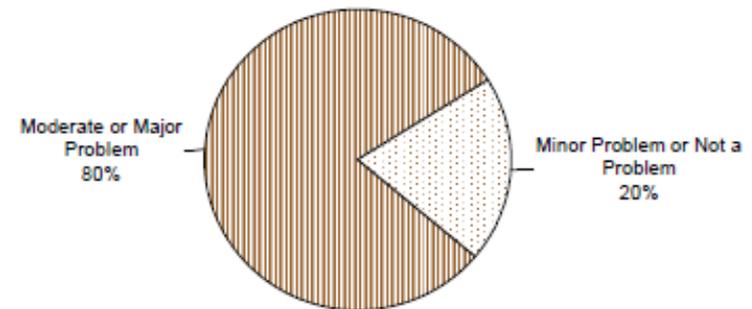
The Division of Road Maintenance (DRM) maintains city roadways, sidewalks, storm drains, and bridges. It also provides road striping and signs, and services outdoor municipal parking lots, bike paths, pedestrian malls, bus stops/shelters, and downtown Honolulu parks. The division also maintains city-owned streams, channels, ditches, and other flood control facilities. It also maintains litter containers at bus stops and pedestrian malls, and removes graffiti within the street right-of-way. Road maintenance fulfills the mayor's and department's goals to maintain the city's infrastructure as mandated by the Revised Charter of Honolulu.

Operating expenditures declined 18% over the last five years. According to the department, the decline in expenditures is due to decreased overtime, staff furloughs and vacancy increases.

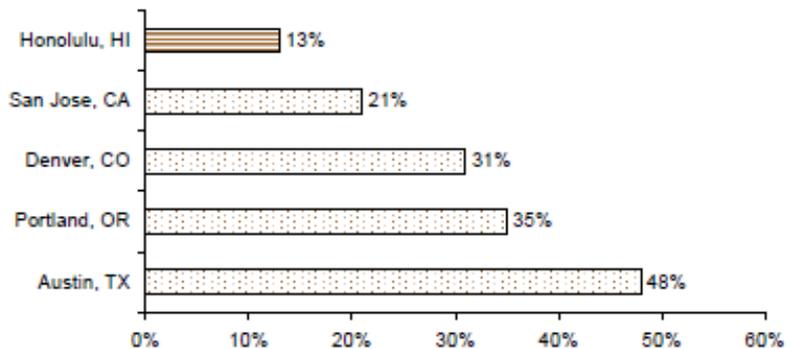
According to the department, road maintenance faced several challenges in FY 2011 that adversely impacted performance. First, worker furloughs, reduced overtime, and a high vacancy rate limited staffing resources available to perform division functions. Second, adverse weather during January 2011, particularly on the Leeward Coast, caused numerous potholes due to infiltration of deteriorated pavement and road washouts. Street and first aid repair tonnage decreased 33% from FY 2011 (9,472 tons) compared to FY 2007 (14,066 tons). According to the department, in addition to the factors noted above, the division re-focused on pothole repairs in FY 2011, which resulted in a decrease in first aid repairs. The number of in-house lane miles resurfaced decreased from 38 miles in FY 2007 to 19 miles in FY 2011, a 50% decline. The department noted that in-house resurfacing declines were offset by an increase in contract resurfacing lane miles of 338 miles in FY 2010 and another 148 lane miles in FY 2011.

In 2011, 80% residents surveyed rated the condition of city roads and streets as a moderate or major problem.

To what degree, if at all, are the conditions of Honolulu's roads and streets a problem?



National Comparison: Quality of Street Repair Services  
Percent Rating Excellent or Good



Sources: National Citizen Survey™ 2011 (Honolulu) and various city websites

Fiscal Year	DRM Operating Expenditures (\$ million)	First Aid Repairs <sup>1</sup> (Tons)	Number of Potholes Patched	Number of Pothole Hotline Calls Received	In-House Resurfacing (Lane Miles)	Citizen Survey (% Excellent or Good)	
						Street Repair	Street Cleaning
FY 2007	\$19.3	14,066	73,013	5,807	38	FY 2007	-
FY 2008	\$24.0	20,832	82,850	5,174	51	FY 2008	-
FY 2009	\$24.6	23,306	64,816	4,121	60	FY 2009	-
FY 2010	\$20.7	26,223	41,505	3,461	57	FY 2010	13%
FY 2011	\$15.9	9,472	67,714	5,583	19	FY 2011	13%
Change over last 5 years	-18%	-33%	-7%	-4%	-50%	Change over last year	0%
							3%

Sources: Executive Operating Program and Budgets (FY 2009-2012), Department of Facility Maintenance, and National Citizen Survey™ 2011 (Honolulu)

<sup>1</sup> "First Aid Repairs" involve resurfacing narrow roadways and repairing asphalt roadways, including base work and/or overlays to distressed areas.

# What Do We Know and What Does This Mean To Me? (p.76)

- Only 13% of Honolulu residents rate quality of street repair services as *good* or *excellent*, compared to 48% in Austin, Texas and 35% in Portland, Oregon
- 80% of Honolulu residents rate conditions of Honolulu's roads and streets as a "moderate or major" problem
- Despite negative perceptions, the Department of Facility Maintenance reports declines in street-related maintenance: First aid repairs tonnage (-33%), Potholes patched (-7%), Lane resurfacing miles (-50%)
- The department explained that worker furloughs, adverse weather in 2011, and a focus on pothole repairs affected overall performance





## CHAPTER 9 - ENTERPRISE SERVICES

The Department of Enterprise Services' (DES) mission is to operate and maintain the Neal S. Blaisdell Center, the Waikiki Shell, the Honolulu Zoo and six municipal golf courses. The department also coordinates the preparation, administration, and enforcement of city-wide concession contracts. This is the only city department whose operating budget is primarily funded by user fees from public events and activities.

To accomplish the charter's mandate to serve and advance the general happiness and aspirations of city and county residents, the administration has established the following goals and objectives for fiscal self-sustainability: decrease the general fund subsidy of the Special Events Fund and the Golf Fund; provide excellence in service and facilities; and increase public awareness of departmental programs and services via marketing and public relations.

The department's administration directs and coordinates the programs and operations of its four divisions:

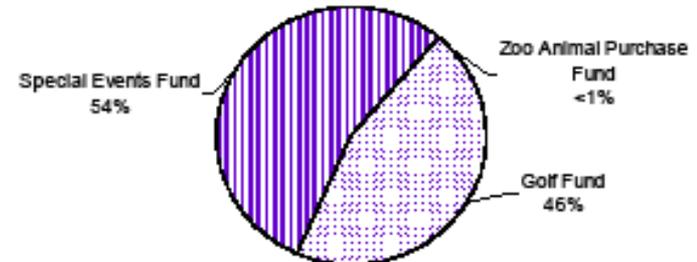
- Building Services – Provides facilities support to the Blaisdell Center, Waikiki Shell, Honolulu Zoo, six municipal golf courses and designated concessions.
- Customer Services – Plans, develops, markets and rents out the Blaisdell Center and Waikiki Shell facilities.
- Golf Course – Operates and maintains six municipal golf courses.
- Honolulu Zoo – Operates and maintains its 42-acre zoological park.

DES expenditures were \$18,600,278 in FY 2011, an increase of 3% from \$18,015,485 in FY 2007. Total authorized staffing was 297.9 in FY 2011, compared with 291.9 in FY 2007, a 2% increase. There were 68.6 vacant FTE in FY 2011 compared with 75.1 in FY 2007, a 9% decrease.

Both the zoo and city golf courses offer residents recreational opportunities. The Blaisdell Center and Waikiki Shell host a variety of local, national and

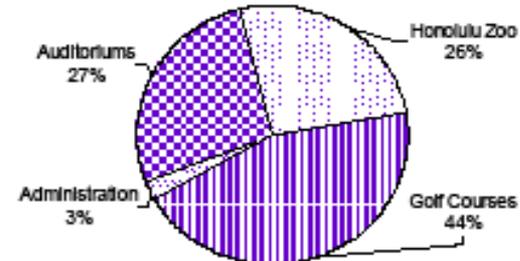
### What Are the Sources of Enterprise Services' Funds?

FY 2011



### Where Does an Enterprise Services' Dollar Go?

FY 2011



Source: Department of Budget and Fiscal Services

international performances. About 69% of residents rated recreation opportunities as excellent or good and 71% gave the same rating for opportunities to attend cultural activities, which were much above percentages reported nationwide and among cities with populations over 300,000.

	Operating			Authorized Staffing			Citizen Survey (% Excellent or Good)		
	Expenditures	Total Revenues	General Fund Subsidy	Total Authorized FTE	Vacant Authorized FTE	Cost per FTE*	Recreation Opportunities	Opportunities to Attend Cultural Activities	
FY 2007	\$18,015,485	\$18,055,280	\$23,836,968	291.9	75.1	\$61,712	FY 2007	-	-
FY 2008	\$18,472,635	\$19,831,136	\$22,052,812	292.9	81.4	\$63,062	FY 2008	-	-
FY 2009	\$20,211,734	\$18,629,209	\$23,730,387	292.9	69.5	\$68,999	FY 2009	-	-
FY 2010	\$19,875,721	\$21,581,872	\$20,141,496	292.9	64.5	\$67,851	FY 2010	71%	70%
FY 2011	\$18,600,278	\$20,593,759	\$16,138,191	297.9	68.6	\$62,432	FY 2011	69%	71%
Change over last 5 years	3%	14%	-32%	2%	-9%	1%	Change over last year	-2%	1%

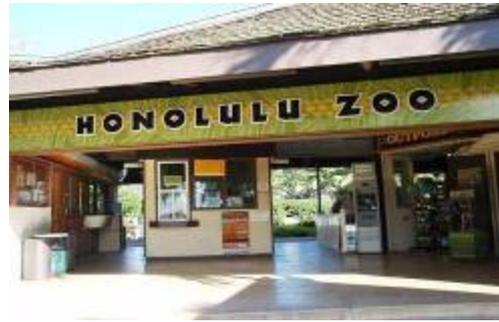
Sources: Executive Operating Program and Budgets (FY 2009-2012), Department of Budget and Fiscal Services, Department of Enterprise Services, and National Citizens Survey™ 2011 (Honolulu). Full Time Equivalent (FTE) Department of Budget and Fiscal Services' BRASS data (FY 2007-FY 2010); Advantage Budget System (ABS) data FY 2011.

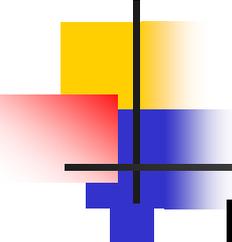
\* Cost per FTE = Operating Expenditures/Total Authorized FTE.

# What Do We Know and What Does This Mean?

Dept. of Enterprise Services had mixed results

- *Blaisdell Center and Waikiki Shell increased number of performances, but attendance declined by 0.9% (p.64)*
- *Honolulu Zoo attendance increased by 0.4%, but revenues generated jumped 41% (p.65)*
- *City's six municipal golf courses saw rounds played decline 16%, but revenues increased by 5% (p.66)*
- *Citizen survey ratings for opportunities to attend cultural events exceeded national benchmarks (Attachment 2)*



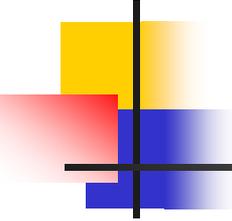


# SEA SUMMARY

## SEA Reporting

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- **Impacts Public Policy**
- **Provides accountability and transparency**
- **Helps decision makers prioritize issues**
- **Helps decision makers make informed decisions**
- **Implements GPRA and GASB**
- **Augments financial statements and the comprehensive annual financial report (CAFR)**

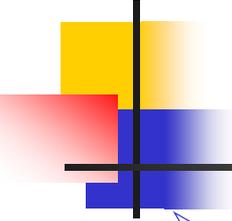


# SEA SUMMARY

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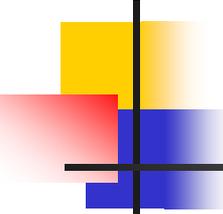
- **Provides more complete information about performance than provided by traditional financial statements.**
- **Helps assess governmental performance by focusing inputs, outputs, outcomes and measures related to accomplishments**

# SEA Summary



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- **Assesses economy, efficiency, and effectiveness of services.**
- **Includes indicators for output and outcome efficiency and explanations.**
- **Provides relevant, understandable, comparable, timely, consistent, and reliable information.**



# SEA REPORT BENEFITS

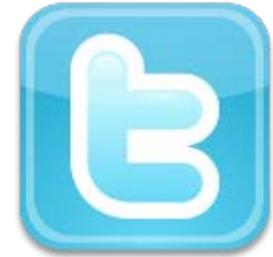
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**Allows decisionmakers to determine if the city and its departments are:**

- *Meeting its stated performance measures*
- *Accomplishing its mission, goals, and objectives*
- *Effectively and efficiently using its resources*
- *Satisfying citizen priorities and needs*
- *Improving against benchmarks*
- *Accomplishing city priorities, and*
- *Developing appropriate performance measures*

# SEA SUMMARY

- Copies of the SEA report are available at <http://www1.honolulu.gov/council/auditor>
- For more information contact us at
- Office of the City Auditor
- City and County of Honolulu
- 1001 Kamokila Blvd., Suite 216
- Kapolei, HI 96707
- Ph: 808-768-3134
- E-mail: [oca@honolulu.gov](mailto:oca@honolulu.gov)



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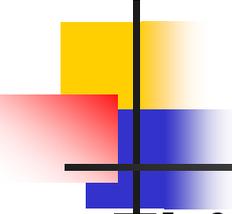
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**Welcome to Our National Citizen Survey Tutorial!**

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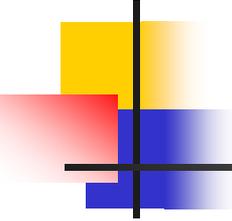
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# CITIZEN CENTRIC REPORT

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- This report is the culmination of the CAFR, Citizen Survey, and SEA reports
- Like an executive summary, this report provides SEA Report highlights
- Graphically reports on city revenues, expenditures, and how city resources were used.
- Concisely tells the public about city goals, challenges, and accomplishments, and
- Reports on city performance against selected measures



# THANK YOU

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- **Thank you for inviting me.**
- **Questions and Answers?**