

2016 Service Efforts & Accomplishments Report

Office of the City Auditor • City and County of Honolulu • State of Hawai'i

Report No. 17-01 / March 2017

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City and County of Honolulu

Office of the City Auditor

March 9, 2017

Honorable City Council
Honolulu, Hawai'i

City and County of Honolulu Service Efforts and Accomplishments Report (FY 2016)

The Office of the City Auditor is pleased to present its seventh annual Service Efforts and Accomplishments (SEA) Report for the City and County of Honolulu. The report is intended to be informational, and provides data about the costs, quality, quantity, and timeliness of city services. A variety of comparisons are included to provide the Honolulu City Council, city employees, and the public with an independent, impartial assessment of performance trends that can be used to strengthen governmental accountability and transparency, governmental efficiency and effectiveness, the delivery of public services, and to provide data for future decision making.

In conjunction with this report, the National Research Center of Boulder, Colorado conducted a statistical survey of residents of the City and County of Honolulu. This National Citizen Survey (NCS) of Honolulu is the eighth survey of Honolulu residents and the seventh administered in conjunction with the Service Efforts and Accomplishments Report. The survey is a collaborative effort between the National Research Center and the International City/County Management Association (ICMA), and is standardized to ensure the research methods and results are directly comparable for over 500 communities across the U.S.

Hopefully, the reader will find the customized NCS survey and the SEA report provide information that may be used by city staff, elected officials, and other stakeholders for many purposes; such as community planning and resource allocation, performance measurement, and evaluation of city programs and policies. The results may also be used for program improvement, policy making, and to identify community and service strengths and weaknesses.

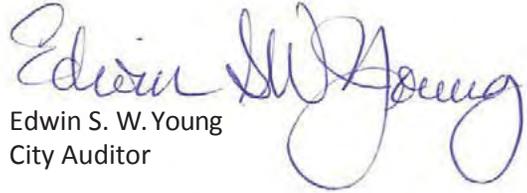
By reviewing the entire report, readers will gain a better understanding of the mission and work of each of the city's departments. The Background section includes a community profile, discussion of service efforts and accomplishments reporting, and information about the preparation of this report. Chapter 1 provides a summary of overall city spending and staffing over the last five years. Chapters 2 through 25 present the mission statements, goals and objectives, description of services, resources, background information, workload, performance measures, and survey results for various city services. City priorities are discussed in Chapter 1. Honolulu residents' 2016 opinions on Special Topics and local issues are found in Chapter 15, the Legislative Branch chapter and the NCS *Community Livability Report*. The full results of the National Citizen Survey and its related reports are available as a separate report due to the volume and size of the survey results.

The Service Efforts and Accomplishments report and the National Citizen Survey of Honolulu residents are also available on our website at <https://www.honolulu.gov/council/auditor>. We solicit inputs and any suggestions for improving this report. We thank the many departments and staff that

contributed to this report. Without their support and assistance, this report would not be possible. Copies of this report are also available by contacting the Office of the City Auditor at:

Office of the City Auditor
City and County of Honolulu
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Respectfully submitted,

A handwritten signature in blue ink that reads "Edwin S. W. Young". The signature is fluid and cursive, with the first name "Edwin" being the most prominent.

Edwin S. W. Young
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Introduction

This is the seventh report on the City and County of Honolulu's Service Efforts and Accomplishments (SEA). The purpose of the report is to:

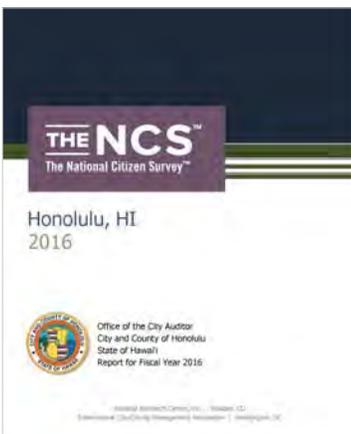
- Provide consistent, reliable information on the performance of city services,
- Broadly assess trends in government efficiency and effectiveness, and
- Improve city accountability to the public.

The report contains summary information on spending and staffing, workload, and performance results for the fiscal year ended June 30, 2016 (FY 2016)¹.

Its companion report, the 2016 National Citizen Survey of Honolulu residents presents the results of a resident survey rating the quality of city services.

The report provides two types of comparisons:

- Five-year historical trends for fiscal years 2012 through 2016
- Selected comparisons to other cities.



There are many ways to look at services and performance. This report looks at services on a department-by-department basis. All city departments are included in our review.

Chapter 1 provides a summary of overall spending and staffing over the last five years, as well as an overall description of the city's accomplishments in meeting the city priorities.

Chapters 2 through 25 present the mission statements, description of services, background information, workload, performance measures, agency observations and survey results for:

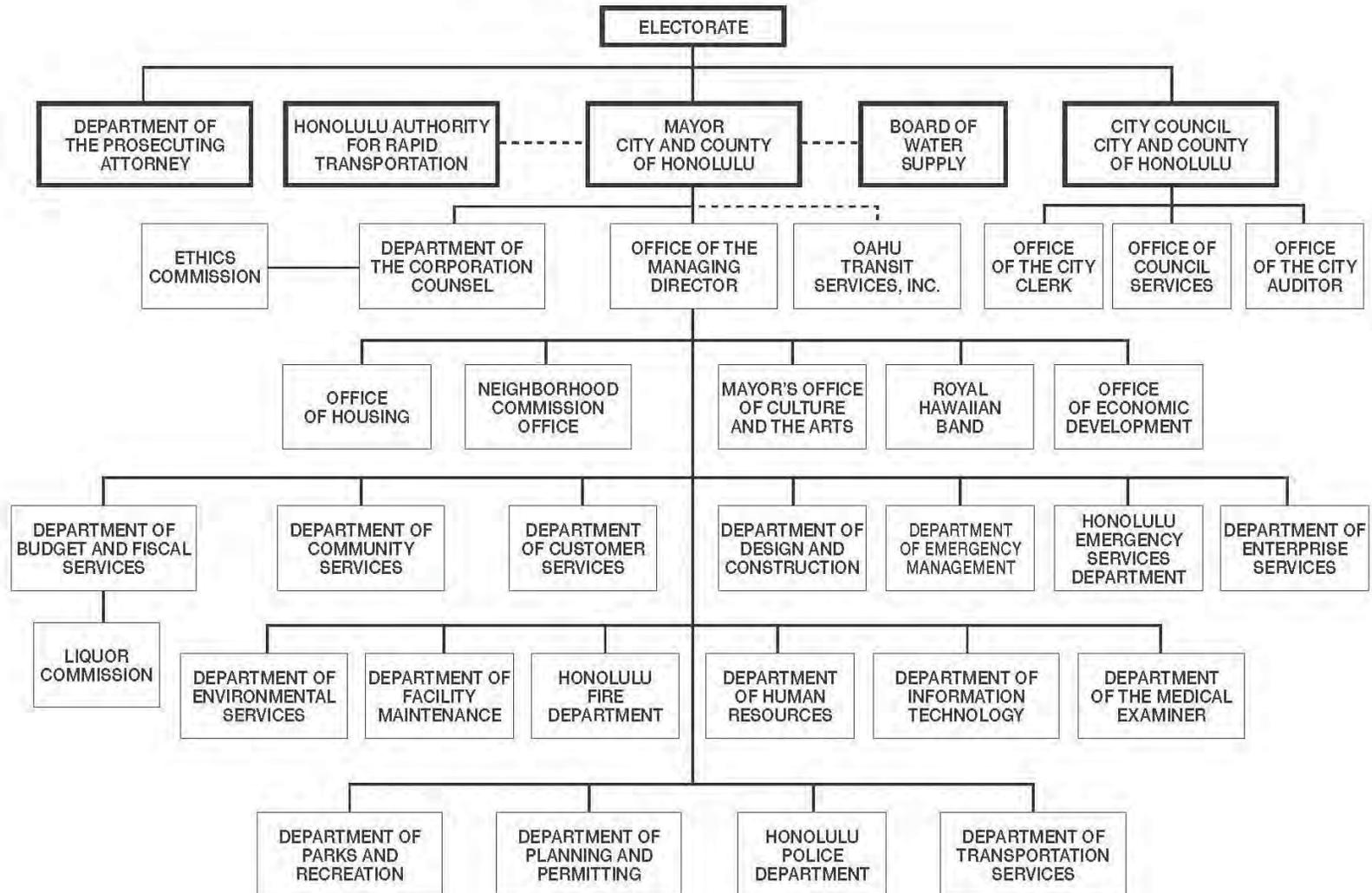
- Budget and Fiscal Services
- Community Services
- Corporation Counsel
- Customer Services
- Design and Construction
- Emergency Management
- Emergency Services
- Enterprise Services
- Environmental Services
- Facility Maintenance
- Honolulu Fire Department
- Human Resources
- Information Technology
- Legislative Branch
- Office of the Mayor and the Managing Director
- Medical Examiner
- Parks and Recreation
- Planning and Permitting
- Honolulu Police Department
- Prosecuting Attorney
- Honolulu Authority for Rapid Transportation
- Royal Hawaiian Band
- Transportation Services
- Honolulu Board of Water Supply

¹The City and County of Honolulu Comprehensive Annual Financial Report (CAFR) was released in December 2016. The City and County of Honolulu Executive Budget was released in March 2017 .

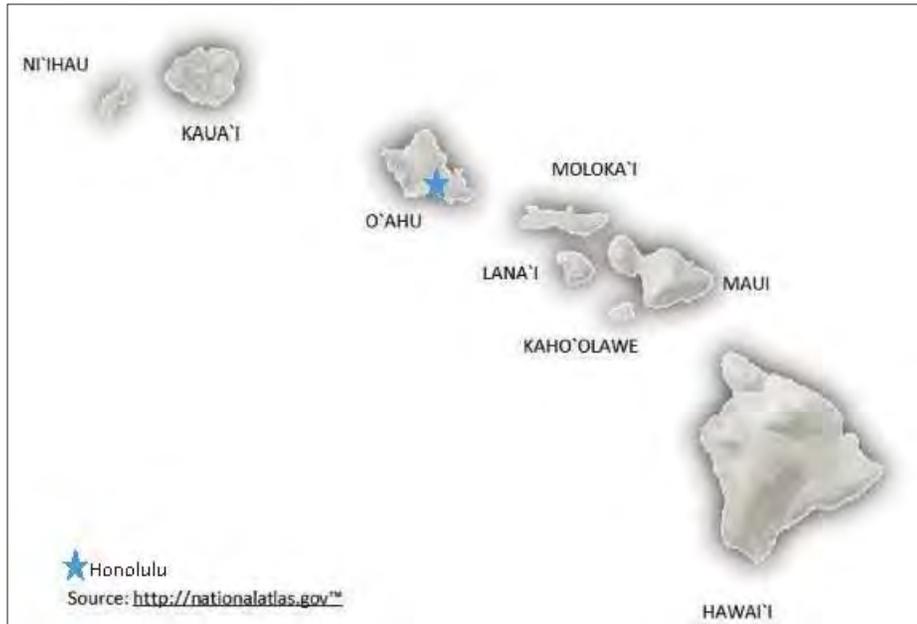
Organizational Chart

CITY AND COUNTY OF HONOLULU ORGANIZATIONAL CHART

FISCAL YEAR 2016



Source: 2016 Department and Agency Report



Hawai'i is located in the central Pacific Ocean about 2,400 miles from San Francisco. The Republic of Hawai'i was annexed as a territory of the United States in 1898 and attained statehood in 1959. Its capital, Honolulu, was incorporated as a city in 1907. The City and County of Honolulu covers the entire island of O`ahu and is the largest city in Hawai'i.

According to the latest U.S. Census Bureau¹ statistics, the city and county covers almost 600 square miles and has 998,714 residents. This is about 70% of the state's total population of 1,431,603 people. Of the total Honolulu population, 161,966 (16.2%) were 65 years and over. Population density is 1,587 persons per square mile. Tourism is the city's principal industry, followed by federal defense expenditures and agricultural exports. Tourists increased the de facto population.

¹The U.S. Census Bureau continuously updates its statistics, so data may not match prior SEA information

Demographics

The population of Honolulu is diverse and multi-cultural. According to census statistics, the population for the City and County of Honolulu was 998,714 as of 2015. The major ethnic groups were Asian² (42.2%), white (23.3%), and Native Hawaiian and Pacific Islanders³ (9.3%).

Foreign-born persons were 19.1% of the population and 27.4% reported a language other than English was spoken at home. 90.9% had at least a high school diploma or its equivalent. Of these, 32.7% had a bachelor's degree or higher.

Race-Ethnicity	Percent ⁴
Asian	42.2%
White	23.3%
Two or More Races	21.6%
White alone, not Hispanic	19.5%
Hispanic or Latino (of any race)	9.8%
Native Hawaiian/Other Pacific Islander	9.3%
Black or African American	3.3%
American Indian/Alaska Native	0.4%

According to the U.S. Census Bureau *Quickfacts*, Honolulu had 309,602 households with an average of 3 persons per household. Median household income was \$74,460 per year and per capita personal income was \$31,041. Persons below the poverty level were estimated at 9.2%. Mean travel time to work was 28.2 minutes.

²Asian includes Asian Indian, Chinese, Filipino, Japanese, Korean, Laotian, Thai, Vietnamese among other Asian races.

³Native Hawaiian and Other Pacific Islander includes Samoan, Tongan, Guamanian, and Fijian were selected, but other Pacific Island races were excluded from this census comparison

⁴Percentages add up to more than 100% due to those who may identify as more than one race.

Community Profile

Housing totaled 344,108 units, of these, the owner-occupied housing unit rate was 54.4%. The median value for owner-occupied housing units was \$580,200.

The following table shows population by age as of 2015:

Age	Population	Percent
Under 18 years	214,852	21.5%
18 to 64 years	621,896	62.3%
65 years and over	161,966	16.2%

Source: State of Hawai'i Data Book (2015)

National Ranking

According to the State of Hawai'i, the City and County of Honolulu ranked as the 54th largest metropolitan statistical area and the 46th largest county in the nation.

According to the U.S. Census Bureau, Hawai'i ranked number one in the percentage of Asian population and had the largest percentage of Native Hawaiians and other Pacific Islanders in the nation. Nationally, Hawai'i ranked number one for the percentage of mixed ethnic population; number two for households with elderly persons over 65 years old; and number three for the percent of households with retirement income. Hawai'i ranked the highest for multigenerational households.

Other national rankings included number one for percentage of workers who carpooled to work and number seven for using public transportation to go to work. Hawai'i ranked number two for the number of workers in the service sector. Hawai'i had the highest median housing value in the nation and ranked in the bottom five for home ownership. Hawai'i's cost of living was one of the highest in the nation.



Source: Department of Facility Maintenance-- Storm Water

Quality of Life In Honolulu

Great communities are partnerships of the government, private sector, community based organizations, and residents. The National Citizen Survey captures residents' opinions on the three pillars of a community--community characteristics, governance, and participation. The pillars involve eight community facets:

- Safety
- Mobility
- Natural environment
- Built environment
- Economy
- Recreation and wellness
- Education and enrichment
- Community engagement

Community Characteristics

Overall quality of community life represents the natural ambience, services and amenities that make for an attractive community. A majority of Honolulu residents (73%) rate Honolulu as an excellent or good place to live. About three-quarters (75%) rated their neighborhoods as excellent or good places to live. Residents gave *excellent* or *good* ratings to air quality (66%); drinking water (74%); and safety in their neighborhood during the day (61%).

Community Quality Ratings	Percent Rating <i>Excellent or Good</i>	300,000+ Cities Ranking	Percentile
A place to live	73%	22/25	13%
Neighborhood	75%	12/16	27%
Overall quality of life	64%	22/24	9%
Place to raise children	58%	21/23	9%
Overall image	58%	11/18	41%
Place to retire	47%	18/20	11%
Overall appearance	47%	15/17	13%
Air quality	66%	3/13	83%
Drinking water	74%	5/14	69%
Overall feeling of safety in your neighborhood during the day	93%	5/19	78%

Governance

Residents rated the overall quality of the services provided by the city and the manner in which these services were provided. The ratings indicate how well the city government is meeting the needs and expectations of the residents. This year, residents rating customer service provided by city employees *excellent* or *good* (42%), increased 7% over last year.

Community Characteristics	Percent Rating <i>Excellent or Good</i>	300,000+ Cities Ranking	Percentile
Services provided by city	41%	27/30	10%
Overall customer service by city employees	42%	19/21	10%
Federal government services	45%	1/13	100%
Welcoming citizen involvement	32%	13/15	14%
Overall direction	26%	15/17	13%
Value of services for taxes paid	25%	21/22	5%
Fire services	84%	16/22	29%
Ambulance or emergency medical services	81%	13/20	37%
Police services	51%	23/29	21%
Street repair	15%	17/20	16%
Bus or transit services	63%	4/13	75%

Source: 2016 National Citizen Survey (Honolulu)

Community Profile

Participation

An engaged community harnesses its most valuable resource, its residents. The connections and trust among residents, government, businesses, and other organizations help create a sense of community.

Over three-quarters reported they are likely to remain in Honolulu for the next five years.

Community Characteristics	Percent Rating <i>Excellent or Good</i>	300,000+ Cities Ranking	Percentile
Will remain for the next 5 years	79%	10/13	25%
Recommend living in Honolulu to someone	64%	11/13	17%
Sense of community	46%	7/14	54%
Contacted the city for help or information	37%	10/14	31%
Talked to or visited with immediate neighbors	86%	5/9	50%
Recycle at home	88%	5/11	60%
Made efforts to conserve water	87%	3/11	80%
Visited a neighborhood or city park	82%	8/13	42%
Made efforts to make home more energy efficient	84%	2/10	89%
Not experiencing housing cost stress	40%	11/11	0%
Watched (online or on television) a local public meeting	38%	4/11	70%

Source: 2016 National Citizen Survey (Honolulu)



Source: 2016 National Citizen Survey (Honolulu)

Honolulu Residents' Opinions on Special Topics - 2016 NCS Report

Residents were asked to indicate their level of support for several items, even if it involved raising taxes, or fees. Almost all residents strongly or somewhat support repairing damaged and uplifted sidewalks (94%). About 8 in 10 strongly or somewhat support providing security at city parks with comfort stations that have been vandalized, encouraging the development of affordable housing, and providing basic health care services to homeless persons.

Residents also rated the importance of several city and county issues for the city to address in the next two years. Protecting Honolulu's drinking water aquifers from the Navy's fuel storage leaks (87%), reducing the number of sewer main breaks and spills on O'ahu (87%), and the homeless and/or homelessness (83%) were rated as essential or very important for the city to address in the next two years.

Residents were also asked to rate the degree several issues were problems in the City and County of Honolulu: HART construction detours and lane closures, and the length of time asphalt pavement remains rough or patched were rated a moderate or major problem by about three-quarters of residents.

City and County of Honolulu Government

In 1959, the Honolulu City Charter established a mayor-council form of government for Honolulu. The legislative function consists of nine city council members elected by districts. Under the charter, the council has legislative and investigative power. The mayor is the chief executive officer assisted by a managing director who is the second ranking executive and is appointed by the mayor with council approval. All elective positions have four-year terms elected on a nonpartisan basis.

According to the city charter, the purposes of the city and county government are to serve and advance the general welfare, health, happiness, safety and aspirations of its residents, present and future, and to encourage their full participation in the process of governance. To achieve these purposes, city departments and agencies can be categorized into four groups:

- Public Safety and Welfare
- Culture and Recreation
- Community and Human Development and Citizen Participation
- General Government Operations

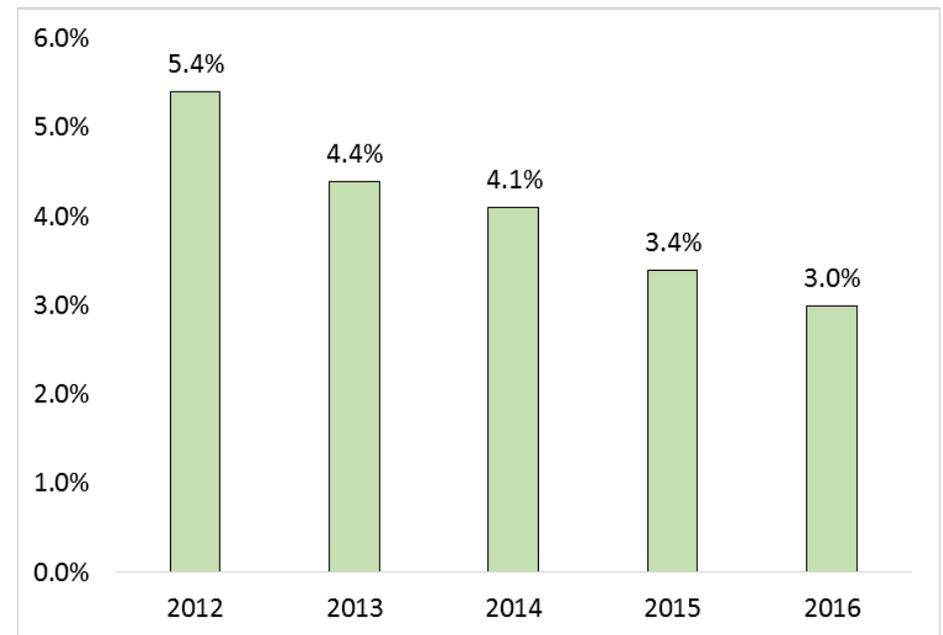
The city charter adopted in 1959 was cited by the United States Conference of Mayors as a model for modern American metropolitan area government.¹

Economy

2016 marks the seventh year of economic expansion for Hawai'i.² Honolulu's economy benefited from strong tourism and low fuel prices. Economic indicators, such as visitor arrivals, new construction, home resale prices, overall job counts, low unemployment, personal income growth, and proprietors' income suggest that O'ahu's economy can anticipate moderate growth to continue.

Zero based budgeting was applied in the development of a fiscally prudent and austere executive operating budget in FY 2016. The operating budget was limited to a 6.1% increase compared to the prior fiscal year despite mandated contributions for post-retirement healthcare costs, and increased funding to expand the *Housing First* program to address chronic homelessness.

Unemployment in the City and County of Honolulu was:



Sources: Hawai'i Department of Labor and Industrial Relations and Hawai'i Department of Business Economic Development and Tourism; 2016 City and County of Honolulu CAFR

¹In 1998, major changes in the government organization consolidated services, streamlined operations and processes, and emphasis was placed on customer service. Several services are contracted out to businesses or private nonprofit organizations, including the operation and maintenance of the bus system, the refuse incinerator/power generating plant (H-POWER), refuse landfill and convenience centers, and animal control services. The Honolulu Board of Water Supply is an independent, semi-autonomous entity. ²Dr. Jack Suyderhoud, Professor of Business Economics, Shidler College of Business, University of Hawai'i at Manoa and Economic Advisor to First Hawaiian Bank.

Community Profile

City Priorities

The mayor's budget priorities and all department budgets were prepared under the fiscal mantra, *Spending to Make a Difference*.

During FY 2016, the mayor's priorities included:

- Restoring Bus Service
- Repaving Roads
- Improving Our Sewer System, Infrastructure Repair, and Maintenance
- Caring for Our Parks
- Building Rail Better
- Transit-Oriented Development
- Addressing Homelessness

Some city priorities, missions, goals, and objectives are mandated by the city charter. Honolulu residents also help determine city priorities by making inputs through the city's 33 active neighborhood boards, testimony at public hearings, communications to department heads and elected officials, and testimony at city council meetings. Department heads synthesize resident inputs; city charter requirements; and operational and mission needs to develop goals, objectives, and performance measures for their respective departments. The city council influences city priorities based on these inputs and information from other sources. The mayor establishes the city priorities based on his analysis of these inputs, State of Hawai'i and federal government requirements, and priorities determined appropriate for the city and county.



Source: City Photobank

The Office of the City Auditor prepared this report in accordance with the city auditor’s FY 2017 Work Plan. The scope of our review covered information and results for the city’s departments for the fiscal year beginning July 1, 2012 (FY 2012) and ending June 30, 2016 (FY 2016).

We conducted the FY 2016 Service Efforts and Accomplishments (SEA) Report, 2016 National Citizen Survey of Honolulu residents, and 2016 Citizen Centric Report in accordance with modified Generally Accepted Governmental Auditing Standards (GAGAS) compliance requirements. The SEA report is a limited scope audit because it does not include the city auditor’s findings, conclusions or recommendations. The reason for modified GAGAS compliance is for consistency with the Government Accounting Standards Board’s (GASB) *Suggested Guidelines for Voluntary Reporting for Service Efforts and Accomplishments (SEA) Performance Information, June 2010*. This audit was performed from September 2016 to March 2017.

The Office of the City Auditor compiled, examined, and reviewed sources of departmental data in order to provide reasonable assurance that the data we compiled are accurate, however we did not conduct detailed testing of that data. Our staff reviewed the data for reasonableness, accuracy, and consistency, based on our knowledge and information from comparable sources and prior years’ reports. These reviews are not intended to provide absolute assurance that all data elements provided by management are free from error. Rather, we intend to provide reasonable assurance that the data present a picture of the efforts and accomplishments of the city departments and programs.

When possible, we have included in the report a brief explanation of internal or external factors that may have affected the performance results. However, while the report may offer insights on service results, this insight is for informational purposes and does not thoroughly analyze the causes of negative or positive performance. Some results or performance changes can be explained simply. For others, a more detailed analysis by city departments or performance audits may be necessary to provide reliable explanation for the results. This report can help focus research on the most significant areas of interest or concern.

Service Efforts And Accomplishments Reporting

In 1994, the Governmental Accounting Standards Board (GASB) issued *Concepts Statement No. 2, Service Efforts and Accomplishments Reporting*.¹

The statement broadly describes *why external reporting of SEA measures is essential to assist users both in assessing accountability and in making informed decisions to improve the efficiency and effectiveness of governmental operations*. According to the statement, the objective of SEA reporting is to provide more complete information about a governmental entity’s performance than can be provided by the traditional financial statements and schedules, and to assist users in assessing the economy, efficiency, and effectiveness of services provided.

Other organizations, including the Government Finance Officers Association (GFOA) and International City/County Management Association (ICMA), have long been advocates of performance measurement in the public sector. For example, the ICMA Performance Measurement Program provides local government benchmarking information for a variety of public services.



¹On December 15, 2008, GASB issued Concepts Statement No. 5, Service Efforts and Accomplishments Reporting, which amended Concepts Statement No. 2. Further information is on-line at <http://www.gasb.org/st/index.html>.

Scope and Methodology

In 2003, GASB issued a special report on *Reporting Performance Information: Suggested Criteria for Effective Communication*¹ that describes 16 criteria that state and local governments can use when preparing external reports on performance information. Using the GASB criteria, the Association of Government Accountants (AGA) initiated a Certificate of Excellence in Service Efforts and Accomplishments Reporting project in 2003.

Our report implements this national program. The City and County of Honolulu has reported various performance indicators for a number of years.



Source: GASB Special Report Summary

In particular, the city's budget document includes *output measures*. Benchmarks include input, output, efficiency, and effectiveness measures. This report builds on existing systems and measurement efforts by incorporating benchmarking measures included in the city's executive program and budget documents.

Selection of Indicators

We limited the number and scope of workload and performance measures in this report to items where information was available, meaningful in the context of the city's performance, and items we thought would be of general interest to

the public. This report is not intended to be a complete set of performance measures for all users.

From the outset of this project, we decided to use existing data sources to the extent possible. We reviewed existing benchmarking measures from the city's adopted budget documents², performance measures from other jurisdictions, and other professional organizations. We used audited information from the Comprehensive Annual Financial Reports for the City and County of Honolulu (CAFRs).³ We cited departmental mission statements

and performance targets⁴ that are taken from the city's annual operating budgets where they are subject to public scrutiny and city council approval as part of the annual budget process. We held numerous discussions with city employees to determine what information was available and reliable, and best summarized the services they provide.

Wherever possible we have included five years of data. Generally speaking, it takes at least three data points to show a trend. Honolulu's size precludes us from significantly disaggregating data (such as into districts). Where program data was available, we disaggregated the information. For example, we have disaggregated performance information about some services based on age of participant, location of service, or other relevant factors.

Consistency of information is important to us. We will occasionally add or delete information that is considered irrelevant or unimportant to the discussion.

We will continue to use city council, public, and employee feedback to ensure that the information items that we include in this report are meaningful and useful. We welcome your input. Please contact us with suggestions at oca@honolulu.gov.

¹A summary of the GASB special report on reporting performance information is online at http://www.seagov.org/sea_gasb_project/criteria_summary.pdf. ²The budget is on-line at <http://1.honolulu.gov/budget/excgbt/index1.htm>. The operating budget includes additional performance information. ³The CAFR is on-line at <http://www1.honolulu.gov/budget/cafr.htm>. ⁴The operating budget may include additional performance targets for the budget benchmarking measures.

The National Citizen Survey™

The National Citizen Survey (NCS) is a collaborative effort between the National Research Center, Inc. (NRC), and the International City/County Management Association (ICMA).¹ The NCS was developed to provide a statistically valid survey of resident opinions about community and services provided by local government.

The NCS captures residents' opinions within the three pillars of a community—Community Characteristics, Governance, and Participation, and across eight facets of community—Safety, Mobility, Natural Environment, Built Environment, Economy, Recreation and Wellness, Education and Enrichment, and Community Engagement. The citizen survey is comprised of four reports, *Community Livability Report*, *Dashboard Summary of Findings*, *Trends Over Time*, and *Technical Appendices*.

NRC customized the survey in close cooperation with the Office of the City Auditor staff to provide useful information that may be used by city staff, elected officials, and other stakeholders for community planning and resource allocation, performance measurement, and program and policy evaluation.

The results may also be used for program improvement, policy making, and to identify community and service strengths and weaknesses. Respondents in each jurisdiction are selected at random. Participation is encouraged with multiple mailings and self-addressed, postage-paid envelopes. Surveys were mailed to a total of 1,500 Honolulu households in October 2016. Completed surveys were received from 436 residents, for a response rate of 30%.

Typical response rates obtained on citizen surveys range from 25% to 40%. Results are statistically re-weighted, if necessary, to reflect the proper demographic composition of the entire community. It is customary to describe the precision of estimates made from surveys by a *level of confidence* (or margin of error). The 95% confidence level for this survey of 1,500 residents is no greater than plus or minus 5 percentage points around any given percent reported for the entire sample.

The scale on which respondents are asked to record their opinions about service and community quality is *excellent*, *good*, *fair*, and *poor*. Unless stated otherwise, the survey data included in this report displays the responses only from respondents who had an opinion about a specific item—*don't know* answers have been removed. This report contains comparisons of survey data from prior years. Differences from the prior year can be considered *statistically significant* if they are greater than 7 percentage points.

The NRC has collected citizen survey data from more than 500 jurisdictions in the United States whose residents evaluated local government services and rendered opinions on the quality of community life.

NRC prepared comparisons from the most recent surveys for the City and County of Honolulu for the entire database and for a subset of jurisdictions with populations over 300,000. Where five or more jurisdictions asked similar questions, benchmark comparisons are provided throughout the report. When comparisons are available, results are noted as being *above* the benchmark, *below* the benchmark, or *similar* to the benchmark. NRC provided our office with additional data to calculate the percentile ranking for comparable questions.

¹The full report of Honolulu's survey results can be found on-line at <https://www.honolulu.gov/auditor>

Scope and Methodology

The NRC notes that its benchmarking database is stable and robust. It has found some trends by population size or geographic area, and the results of those comparisons are similar whether additional characteristics are included or not. Jurisdictions that survey residents share an important characteristic - the value they place on the perspectives of residents.

Population

Where applicable, we have used the most recent estimates of Honolulu resident population from the U. S. Census Bureau as shown in the following table.¹

Year	Population
FY 2011	966,581
FY 2012	976,711
FY 2013	986,802
FY 2014	992,082
FY 2015	998,714
Percent change over last year	0.7%
Percent change over last 5 years	3.3%

Source: State of Hawai'i Data Book (2015)

We used population figures from other sources for some comparisons to other jurisdictions, but only in cases where comparative data was available.

Inflation

Financial data has not been adjusted for inflation. In order to account for inflation, readers should keep in mind that the City and County of Honolulu Consumer Price Index for All Urban Consumers has averaged about 1.72% over the 5 years of financial data that is included in this report. The index changed as follows:

Year	Index
2012	2.40%
2013	1.78%
2014	1.44%
2015	1.00%
2016	1.97%
Percent change over last year	0.97%
Percent change over last five years	-0.43%

Source: Consumer Price Index

Rounding

For readability, most numbers in this report are rounded. In some cases, tables or graphs may not add to 100% or to the exact total because of rounding. In most cases the calculated *percent change over the last 5 years* is based on the percentage change in the underlying numbers, not the rounded numbers. However, where the data is expressed in percentages, the change over five years is the difference between the first and last year.

Comparisons To Other Cities

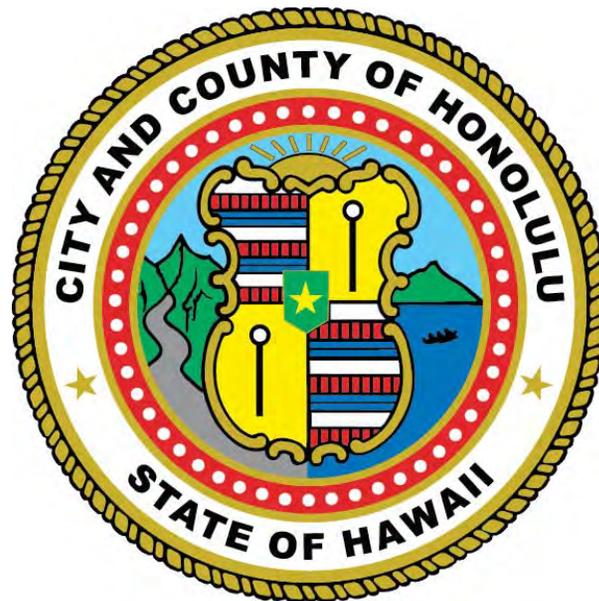
Where possible we included comparisons to cities with comparable population size to Honolulu. In addition, city departments suggested cities with comparable programs or organization of services. The choice of the cities that we use for our comparisons may vary depending on whether data is easily available. Regardless of which cities are included, comparisons to other cities should be used carefully. We tried to include *apples to apples* comparisons, but differences in costing methodologies and program design may account for unexplained variances between cities. Other data was extracted from the U.S. Census Bureau 2015 results and the State of Hawai'i Data Book issued by the Department of Business, Economic Development and Tourism.

Acknowledgements

This report could not have been prepared without the cooperation and assistance of city management and staff from every city agency. Our thanks to all of them for their help. We also want to thank the Honolulu City Council and community members who reviewed this report and provided thoughtful comments.

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Chapter 1 - Overall Spending, Staffing and Accomplishment of City Priorities

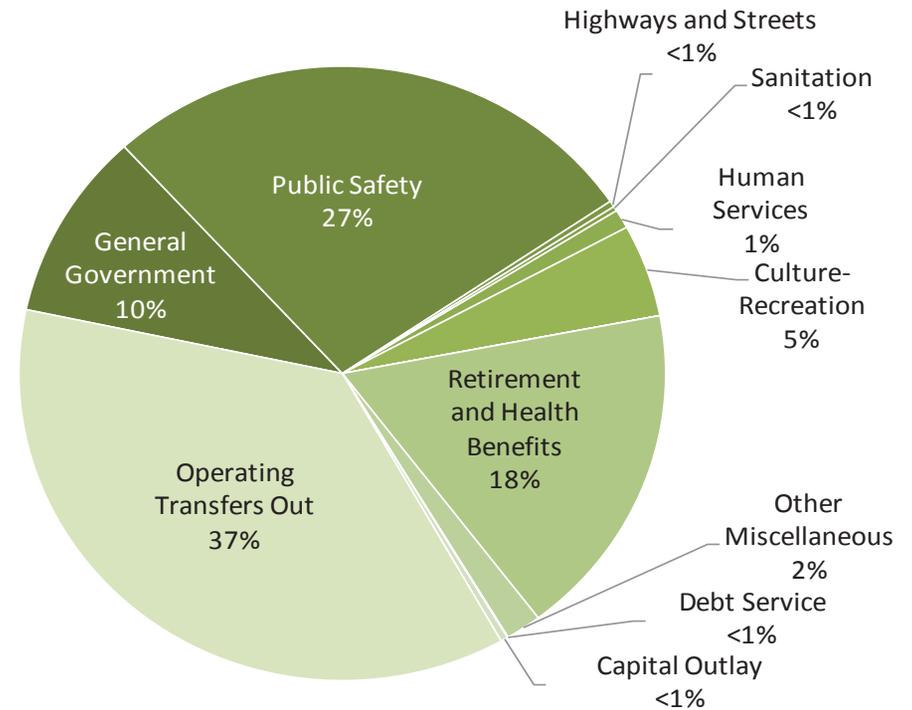


Overall Spending

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

The pie chart to the right shows where a General Fund dollar goes. Total General Fund spending decreased 26% over the last five years (some expenses were transferred to other funds).

Fund Uses¹



	General Fund (\$ millions)												Total
	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	
FY 2012	\$127.08	\$330.77	\$1.81	\$4.39	\$3.64	\$56.92	--	\$192.03	\$25.61	\$0.90	--	\$361.92	\$1,105.06
FY 2013	\$124.60	\$324.36	\$2.82	\$4.19	\$3.48	\$58.03	--	\$161.40	\$53.71	\$0.92	--	\$330.68	\$1,064.19
FY 2014	\$131.74	\$344.32	\$2.55	\$3.84	\$5.20	\$59.28	\$0.04	\$184.66	\$27.64	\$0.92	\$2.56	\$434.98	\$1,197.73
FY 2015	\$135.01	\$365.20	\$2.59	\$3.82	\$5.08	\$62.01	--	\$222.86	\$23.79	\$0.92	\$3.97	\$432.80	\$1,258.05
FY 2016	\$137.77	\$380.88	\$4.52	\$3.48	\$13.89	\$67.94	--	\$246.13	\$25.01	\$0.55	\$4.90	\$508.89	\$1,393.95
Change from last year	2%	4%	74%	-9%	173%	10%	--	10%	5%	-41%	23%	18%	11%
Change over last 5 years	8%	15%	150%	-21%	281%	19%	--	28%	-2%	-39%	--	41%	26%

Source: Honolulu Comprehensive Annual Financial Reports (FY 2012-2016) ¹Percentages do not total 100% due to rounding.

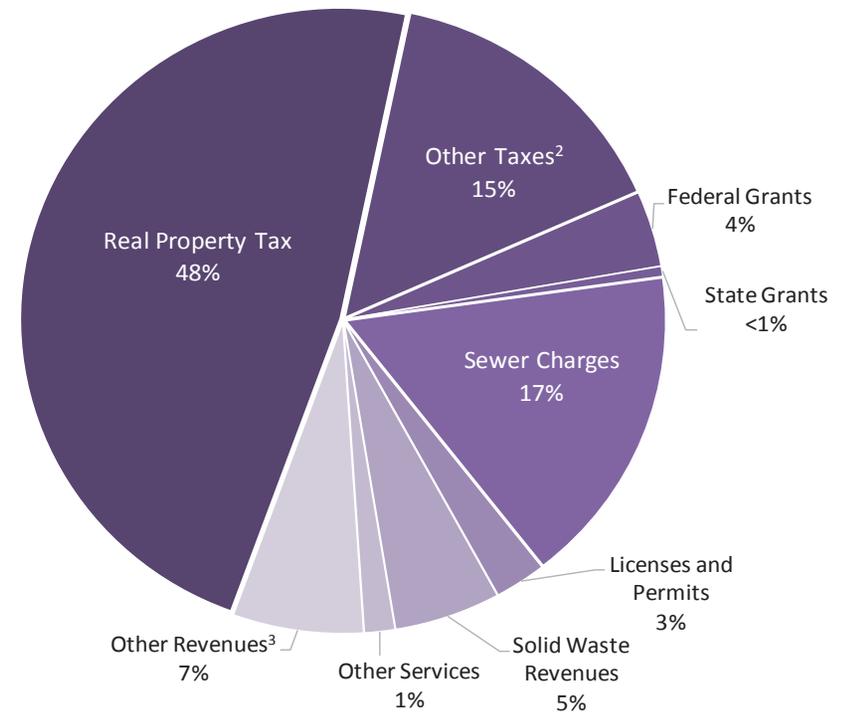
Revenues

The primary sources of operating revenues used to support city functions include real property tax, federal and state grants, sewer charges, charges for licenses and permits, solid waste revenues, charges for other services, and other revenues. Various other taxes, including the fuel tax and motor vehicle tax, are also sources of revenue.

The city’s Financial Policy regarding revenues requires the city to maintain a very high tax collection rate (over 98%) and places emphasis on user fees to finance municipal services. This policy also requires the city to review all revenue schedules and maintain an adequate sewer fee structure. Moreover, the city must make every effort to maximize investment income and diligently seek federal, state and other revenues to fund current and new programs. City revenues are diversified to reduce dependency on property tax and temporary revenues.

The Department of Environmental Services’ monthly sewage charge increased as a part of its six-year planned rate increase to pay for sewer infrastructure upgrades.

Funding Sources¹



¹ Percentages do not total 100% due to rounding

	Operating Resources (\$ million)									
	Real Property Tax	Other Taxes ²	Federal Grants	State Grants	Sewer Charges	Licenses and Permits	Solid Waste Revenues	Other Services	Other Revenues ³	Total ⁴
FY 2012	\$813.32	\$310.90	\$100.46	\$12.06	\$293.56	\$45.82	\$112.22	\$31.42	\$159.88	\$1,879.64
FY 2013	\$831.07	\$321.88	\$89.00	\$6.03	\$286.93	\$48.37	\$98.25	\$32.63	\$133.63	\$1,847.79
FY 2014	\$850.27	\$322.91	\$75.87	\$8.67	\$323.86	\$52.21	\$118.73	\$33.16	\$346.19	\$2,131.87
FY 2015	\$951.78	\$327.39	\$87.64	\$8.75	\$317.00	\$54.05	\$122.70	\$34.35	\$238.06	\$2,141.73
FY 2016	\$1,007.14	\$317.73	\$82.76	\$10.91	\$350.90	\$55.20	\$113.44	\$32.44	\$139.28	\$2,109.81
Change from last year	6%	-3%	-6%	25%	11%	2%	-8%	-6%	-41%	-1%
Change over last 5 years	24%	2%	-18%	-10%	20%	20%	1%	3%	-13%	12%

Source: Executive Operating Program and Budget (FY 2017-2018). ¹Percentages do not total 100% due to rounding. ²Other Taxes includes Fuel Tax, Motor Vehicle Weight Tax, Public Utility Franchise Tax, Excise Tax Surcharge (Transit), Transient Accommodations Tax, and Public Service Company Tax. ³Other Revenues includes Bus Transportation Revenues. ⁴Not including Carry-Over revenues.

Per Capita Spending

Based on the U.S. Census Bureau estimates, Honolulu has a population of 998,714 residents.

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

Other funds are for services such as 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 cover golf, special events, special projects, and farmers' home administration loan funds.

Funds also exist for general improvement bonds, highway improvement bonds, sewer revenue bonds, capital projects, and municipal stores. Federal grants, housing and community development, and Section 8 funds contain federal grants.

Per Capita Spending by Department			
Department	FY 2016	Department	FY 2016
Budget and Fiscal Services	\$21	Information Technology	\$20
Community Services	\$92	Legislative	\$14
Corporation Counsel	\$9	Mayor	\$3
Customer Service	\$23	Managing Director	\$1
Design and Construction	\$16	Neighborhood Commission	\$1
Emergency Management	\$3	Royal Hawaiian Band	\$2
Emergency Services	\$38	Medical Examiner	\$2
Enterprise Services	\$22	Parks and Recreation	\$71
Environmental Services	\$234	Planning and Permits	\$19
Facilities Maintenance	\$78	Police	\$263
Fire	\$113	Prosecuting Attorney	\$22
Human Resources	\$6	Transportation Services	\$251
Total Per Capita Cost for City Operations = \$1,323			

Source: Department of Budget and Fiscal Services, Legislative Branch

Per Capita Cost by Function

	Gen. Gov't	Public Safety	Highways & Streets	Sanitation	Human Svcs.	Culture-Recreation	Utilities & Other Enterprises	Retirement & Health Benefits	Other Misc.	Debt Service	Capital Outlay	Operating Transfers Out	Total
FY 2012	\$131.48	\$342.20	\$1.87	\$4.54	\$3.77	\$58.89	--	\$198.67	\$26.49	\$0.93	--	\$374.43	\$1,143.27
FY 2013	\$127.57	\$332.09	\$2.89	\$4.29	\$3.56	\$59.41	--	\$165.25	\$54.99	\$0.94	--	\$338.57	\$1,089.57
FY 2014	\$133.50	\$348.92	\$2.58	\$3.89	\$5.27	\$60.07	\$0.04	\$187.13	\$28.01	\$0.93	\$2.60	\$440.79	\$1,213.75
FY 2015	\$136.08	\$368.11	\$2.61	\$3.85	\$5.12	\$62.51	--	\$224.64	\$23.98	\$0.93	\$4.00	\$436.25	\$1,268.09
FY 2016	\$137.95	\$381.37	\$4.52	\$3.48	\$13.90	\$68.03	--	\$246.45	\$25.04	\$0.55	\$4.91	\$509.55	\$1,395.74
Change from last year	1%	4%	73%	-10%	171%	9%	--	10%	4%	-41%	23%	17%	10%
Change over last 5 years	5%	11%	142%	-23%	269%	16%	--	24%	-5%	-41%	--	36%	22%

Source: Honolulu Comprehensive Annual Financial Reports (FY 2012-FY 2016) and Hawaii State Data Book (2015).

Authorized Staffing

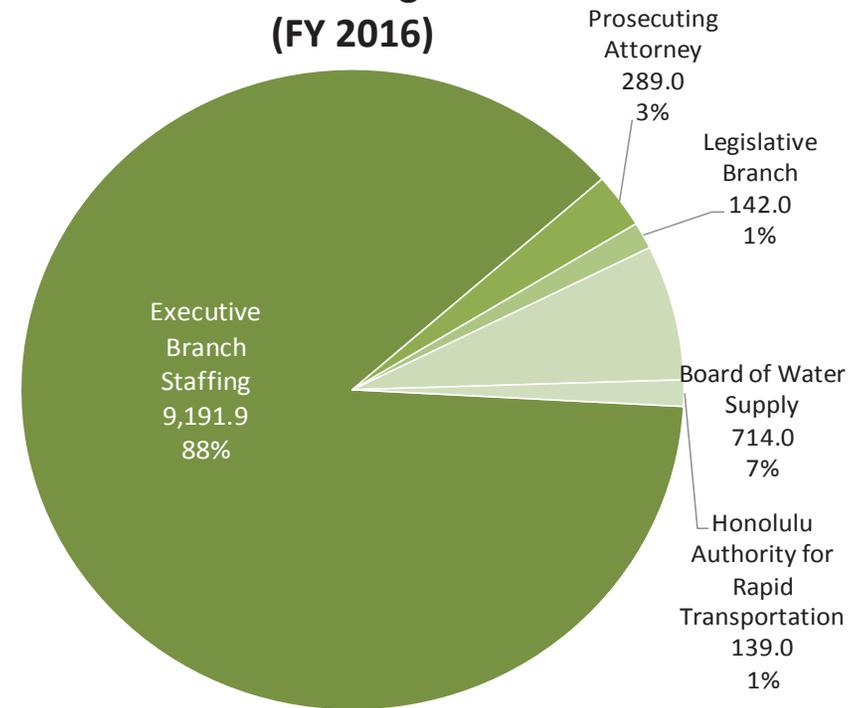
City staffing is measured in full-time equivalent staff, or FTEs. In FY 2016, there were a total of 10,475.9 authorized FTE citywide¹. Citywide filled positions totaled 9,034.5 (86.2%) FTE and vacant positions were 1,435.4 FTEs (13.8%).

The executive branch was authorized 9,191.9 FTE and filled 8,046.5 FTE positions. The executive branch vacancy rate was 12.5% or 1,145.4 FTE in FY 2016. The legislative branch was authorized 142.0 FTE and filled 136.0 FTE positions. The legislative branch vacancy rate was 4.2% or 6.0 FTE in FY 2016.

Over the last five years, total citywide FTE (including authorized temporary positions) decreased 3% and the vacancy rate decreased 6%. In the executive branch, authorized FTE staffing decreased 5% and the vacancy rate decreased 7% between FY 2012 and FY 2016.

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.

Authorized Full-Time Equivalent Staffing (FY 2016)



	Total Citywide (FTE) ^{1,2}				City Staffing Total Authorized (FTE)				Legislative Branch ³ (FTE)			
	Executive Branch (FTE)		Legislative Branch (FTE)		Executive Branch (FTE)		Legislative Branch (FTE)		Executive Branch (FTE)		Legislative Branch (FTE)	
	Total City FTE	FTE Filled	Vacant	Vacant (Percent)	Total	Filled	Vacant	Vacant Percent	Total	Filled	Vacant	Vacant Percent
FY 2012	10,850.2	8,712.7	2,137.5	19.7%	9,699.7	7,798.7	1,901.0	19.6%	126.0	123.0	3.0	2.4%
FY 2013	10,825.2	8,844.1	1,981.2	18.3%	9,846.2	8,057.1	1,789.2	18.2%	126.0	119.0	7.0	5.6%
FY 2014	11,058.4	8,940.1	2,118.3	19.2%	10,073.4	8,207.6	1,865.8	18.5%	132.0	124.5	7.5	5.7%
FY 2015	10,446.9	8,913.6	1,533.3	14.7%	9,456.9	8,195.6	1,261.3	13.3%	137.0	131.0	6.0	4.4%
FY 2016	10,475.9	9,034.5	1,441.4	13.8%	9,191.9	8,046.5	1,145.4	12.5%	142.0	136.0	6.0	4.2%
Change from last year	<1%	1%	-6%	-1%	-3%	-2%	-9%	-1%	4%	4%	0%	<-1%
Change over last 5 years	-3%	4%	-33%	-6%	-5%	3%	-40%	-7%	13%	11%	100%	2%

Source: Department of Budget and Fiscal Services. ¹FTE excludes personal services contract staff. ²See PAT, HART and BWS chapters for agency FTE information. ³Legislative Branch includes the Honolulu City Council, Office of the City Clerk, Office of Council Services, and Office of the City Auditor.

Overtime Expenditures

Over the last five years, total city overtime expenditures increased by 4% and non-holiday overtime expenditures increased 1%.

In the executive branch, total overtime expenditures increased 4% and non-holiday expenditures increased 1%.

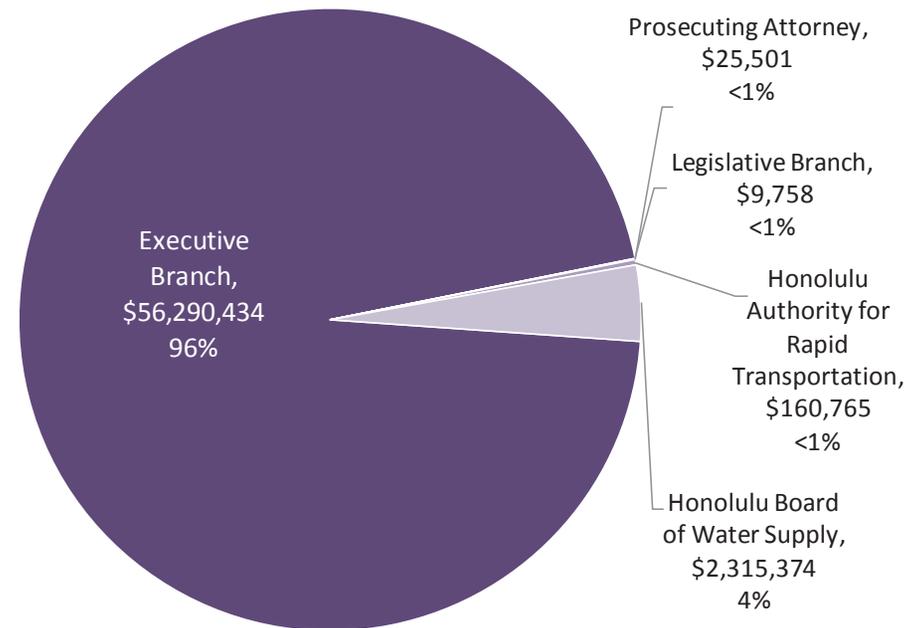
In the legislative branch, total overtime expenditures decreased 31% and non-holiday expenditures decreased 33%.

Over the last five years, total overtime expenditures for the Honolulu Board of Water Supply increased 14.3% from \$2.0 million in FY 2012 to \$2.3 million in FY 2016.

In FY 2016, total overtime expenditures for the Honolulu Authority for Rapid Transportation were \$160,765 an increase of 295.8% over \$40,617 in FY 2012, its first year of existence.

Total overtime expenditures for the Prosecuting Attorney's Office increased 130.72% over the last five years from \$11,053 in FY 2012 to \$25,501 in FY 2016.

Overtime Expenditures in FY 2016¹



	City Overtime Expenditures					
	Citywide (\$ millions)		Executive Branch (\$ millions)		Legislative Branch ¹	
	Total Overtime Expenditures	Non-Holiday Expenditures	Total Overtime Expenditures	Non-Holiday Expenditures	Total Overtime Expenditures	Non-Holiday Expenditures
FY 2012	\$56.37	\$42.52	\$54.28	\$42.46	\$14,119	\$14,119
FY 2013	\$52.33	\$37.21	\$49.90	\$37.11	\$48,639	\$42,675
FY 2014	\$54.08	\$40.15	\$51.75	\$40.14	\$10,691	\$9,353
FY 2015	\$55.15	\$39.08	\$52.76	\$39.04	\$47,577	\$40,370
FY 2016	\$58.80	\$42.88	\$56.29	\$42.85	\$9,758	\$9,505
Change from last year	7%	10%	7%	10%	-79%	-76%
Change over last 5 years	4%	1%	4%	1%	-31%	-33%

Source: Department of Budget and Fiscal Services, Legislative Branch, Honolulu Authority for Rapid Transportation, and Honolulu Board of Water Supply. ¹Percentages do not total 100% due to rounding. ²Legislative Branch includes Honolulu City Council, Office of the City Clerk, Office of Council Services, and Office of the City Auditor.

Capital Spending

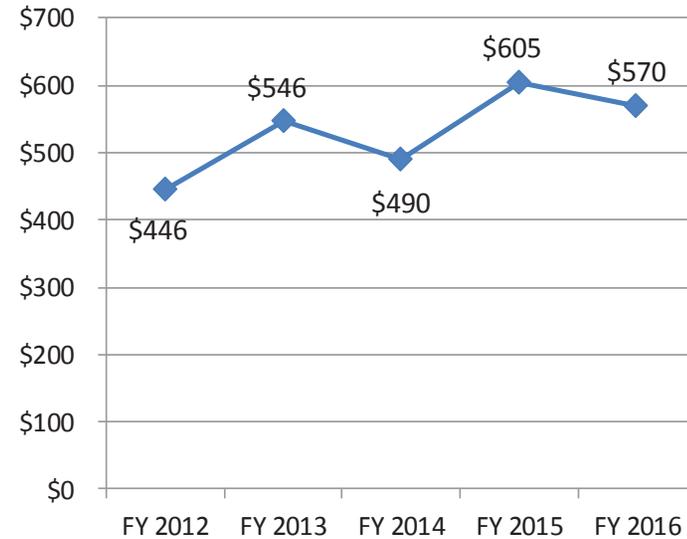
The Capital Improvement Program (CIP) budget focuses on core capital programs that maintain and upgrade essential infrastructure. Significant focus is on roads, sewers, refuse facilities, and transportation improvements.

In FY 2016, capital spending totaled \$569.2 million. General government projects totaled \$6 million. Public safety CIP projects were \$36.7 million, highways and streets totaled \$140 million, and sanitation projects capital spending increased 18% from \$197.5 million in FY 2012 to \$233.4 million in FY 2016. Human services capital spending increased 321% from \$13.2 million in FY 2012 to \$55.5 million in FY 2016. Culture and recreation capital spending totaled \$45.4 million. Over the past five years, utilities and other enterprises increased 36% from \$38.3 million in FY 2012 to \$52.2 million in FY 2016.

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.

As shown in the chart to the right, capital outlay per capita increased 27.7% from \$446 in FY 2012 to \$570 in FY 2016.

Capital Outlay Per Capita FY 2012 to FY 2016



Source: Executive Operating Program and Budget (FY 2014-FY 2016) and State of Hawai'i Data Book (2015)

	Capital Spending (\$ millions)								
	General		Highways and			Utilities and Other			Total
	Government	Public Safety	Streets	Sanitation	Human Services	Culture-Recreation	Enterprises ²		
FY 2012	\$25.11	\$31.93	\$100.64	\$197.54	\$13.17	\$24.77	\$38.29	\$431.45	
FY 2013	\$27.65	\$28.11	\$118.29	\$298.87	\$5.11	\$18.50	\$37.21	\$533.74	
FY 2014	\$33.84	\$33.29	\$141.04	\$191.29	\$17.59	\$33.88	\$33.04	\$483.96	
FY 2015	\$43.21	\$23.27	\$144.14	\$261.11	\$51.44	\$37.53	\$39.83	\$600.527	
FY 2016 ¹	\$5.98	\$36.69	\$140.04	\$233.45	\$55.49	\$45.36	\$52.17	\$569.18	
Change from last year	-86%	58%	-3%	-11%	8%	21%	31%	-5%	
Change over last 5 years	-76%	15%	39%	18%	321%	83%	36%	32%	

Source: Executive Operating Program and Budget (FY 2014-FY 2016). ¹FY 15-16 Appropriated Capital Expenditures. ²Includes mass transit.

City Debt

The city's general obligation bond ratings since FY 2012 remained high at AA+ under the Fitch Ratings system and at Aa1 under Moody's Investors Service. Bond ratings for the wastewater system revenue bond senior series were AA for Fitch Ratings system and Aa2 for Moody's Investors Services. Wastewater systems revenue bond junior series ratings rated AA- by Fitch Ratings and Aa3 by Moody's Investors Service .

On October 26, 2011, BFS received approval to suspend the city's debt policy, noting that the debt affordability ratios will rise and exceed the 20% threshold between 2014 and 2023. On June 22, 2012, the city council enacted Ordinance 12-24 that authorized the issuance and sale of general obligation bonds and bond anticipation notes to finance the Honolulu Authority for Rapid Transportation (HART) capital budget projects.

In accordance with the city's debt policy, established by city council Resolution 06-222, *Amending the Debt and Financial Policies of the City*, 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%. The total outstanding principal of the city's variable rate debt should not exceed 120% of the city's short-term investments.



Source: Comprehensive Annual Financial Report FY 2016

	Proposed Debt Service Expenditures (\$ millions)	Proposed Operating Expenditures (\$ millions)	Estimated General Fund Revenues (\$ millions)	Total Self Supported Debt (\$ millions)	Debt Service Expenditures Less Self-Supported Debt (\$ millions)	Debt Service as a Percentage of Operating Budget ¹
FY 2012	\$269.76	\$1,944.82	\$1,091.63	\$59.46	\$210.30	13.9%
FY 2013	\$248.00	\$1,953.18	\$1,046.09	\$49.47	\$326.44	12.7%
FY 2014	\$277.59	\$2,088.99	\$1,132.26	\$130.82	\$283.95	13.3%
FY 2015	\$253.07	\$2,147.85	\$1,165.96	\$50.61	\$355.54	11.8%
FY 2016	\$293.33	\$2,280.59	\$1,257.17	\$56.21	\$237.12	12.9%
Change from last year	16%	6%	8%	11%	-33%	1%
Change over last 5 years	9%	17%	15%	-5%	13%	-1%

Source: Executive Operating Program and Budget (FY 2012-FY 2016), FY 2016 Honolulu Comprehensive Annual Financial Report, and Department of Budget and Fiscal Services. ¹Debt ratio computation/formula(s) provided by the Department of Budget and Fiscal Services.

Accomplishment of City Priorities

In FY 2016, the mayor's priorities that would be the focus for his administration were:

1. Restoring bus service
2. Repaving roads
3. Improving our sewer system, infrastructure repair, and maintenance
4. Caring for our parks
5. Building rail better
6. Transit-oriented development
7. Addressing homelessness

In approaching these priorities, the mayor and administration stressed fiscal restraint, a focus on core services and infrastructure, investing in new technology and personnel, transparency in operation, and the importance of customer service. The mayor's budget priorities and all departmental budgets were prepared under the fiscal mantra of *Spending to Make a Difference*.

Restoring Bus Service

The mayor's commitment to restore and extend bus service, included:

- Extended Bus Route E to serve Waikiki and deliver workers to Waikiki's visitor industry from 'Ewa Beach and Waipahu.
- Extended Bus Route 40 with service to UH West O'ahu campus, all day, seven days a week.
- Initiated a Pearl City shuttle bus route to mitigate rail construction delays.

Honolulu residents were asked to rate the quality of bus and transit services. 63% rated the service *excellent or good* in the 2016 National Citizen Survey. In comparison with cities with over 300,000 residents, for this quality rating, Honolulu ranked higher than the benchmark at 4 out of 13 or the 75th percentile. In 2016, 40% of Honolulu residents reported they used public transportation instead of driving, Honolulu ranked 7 out of 11 or the 40th percentile, and similar to the benchmarks for cities with more than 300,000 residents.



Source: OCA photo at UH West O'ahu, Bus Route 40 Service at UH West O'ahu in FY 2016

Repaving Roads

The mayor has committed to repave city roads. In FY 2016, the city paved a total of 258 lane miles, and a total of 5,589 potholes were filled. Since January 1, 2013, a total of 1,130 lane miles have been repaved. In FY 2016, the city continued the pavement preservation program with slurry seal in Nu'uuanu Valley, Pauoa Valley, Pacific Heights, and seal coat in Waipi'o, Seaview and Crestview areas.

In the 2016 Citizen Survey, about 15% of participants rated the quality of street repairs as *excellent or good*. Among cities with more than 300,000 residents Honolulu ranked lower than the benchmark at 17 out of 20 or the 16th percentile. Another question asked residents to rate how much of a problem is the length of time asphalt pavement remains rough or patched after the completion of sewer/other repairs. About 77% of residents rated this as a *major or moderate* problem in the City and County of Honolulu.

Accomplishment of City Priorities



Source: Department of Design and Construction and Office of the City Auditor

Improving Our Sewer System, Infrastructure Repair, and Maintenance

In FY 2016, the city:

- Rehabilitated 122 miles of sewer pipe and cleaned an additional 500 miles of sewer pipe.
- Completed 381 of the 484 projects in the Global Consent Decree with the U.S. Environmental Protection Agency (EPA) and the state Department of Health.
- Completed construction of Ala Moana Pump Stations 3 and 4.
- Completed improvements to, and the city's first Membrane Bioreactor at the Wahiawa Wastewater facility converting raw wastewater to R-1 recycled water.

Caring for Our Parks

In FY 2016, the city:

- Installed 42 new or refurbished play apparatus in city parks.
- Resurfaced 83 play courts at 22 parks.
- Renovated and reconstructed 34 comfort stations.

In the 2016 Citizen Survey, about 83% of residents reported participating in moderate or rigorous physical activity. About 82% of Honolulu residents reported that they visited city and county parks, which was similar to other cities with more than 300,000 residents. Residents were also asked whether they supported providing security at city parks with comfort stations that have been vandalized. About 88% *strongly or somewhat* support funding security guards even if it involves raising taxes or fees.



Before and After



Source: Department of Parks and Recreation and Office of the City Auditor

Accomplishment of City Priorities

Building Rail Better

In 2016:

- The city completed construction of more than 8.6 miles of rail.
- The Rail Operations Center was completed.
- HART and the city began working on a Recovery Plan to address the budget shortfall and delays in the project construction schedule.
- HART began providing live television coverage of its board of directors and continues to make presentations to community, civic and O'ahu neighborhood boards.
- HART and the city initiated Business Alliance Programs to assist businesses in mitigating the impacts of rail construction.

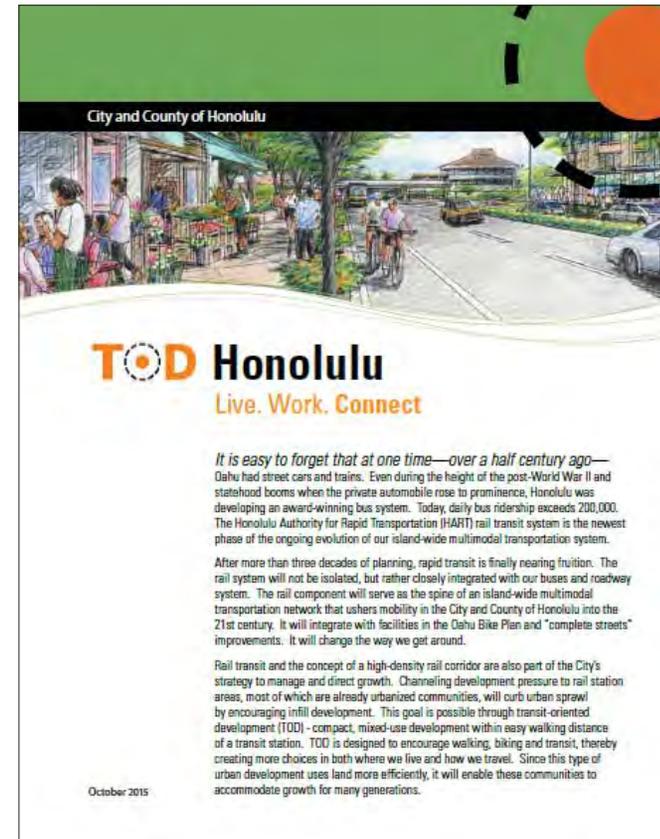
In the 2016 Citizen Survey, residents were asked to rate the extent rail construction and detours were a problem, about 77% rated this a *major or moderate* problem.

Transit-Oriented Development (TOD)

Working with communities throughout the rail corridor, the mayor's team developed draft TOD plans to enhance neighborhoods around the transit stations. The mayor's TOD subcommittee meets weekly to discuss TOD-related infrastructure, projects, and policies, and to streamline implementation.

In FY 2016, the Department of Planning and Permitting's Transit-Oriented Development Program:

- Developed the first TOD zoning and Special District land use ordinance and submitted it to the city council,
- Co-lead development of the draft affordable housing strategy, *Housing O'ahu: Affordable Housing Strategy*,
- Developed the accessory dwelling unit ordinance and permit sewer fee reduction ordinance adopted by the city council to encourage homeowners to build small rental units.



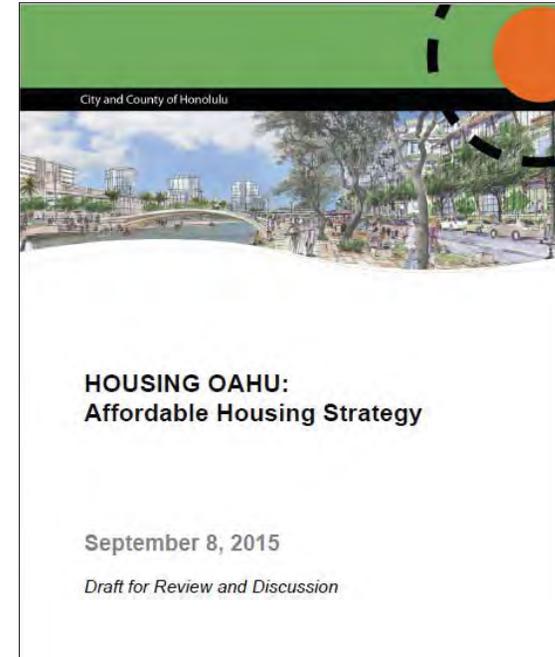
Source: Department of Planning and Permitting website

Accomplishment of City Priorities

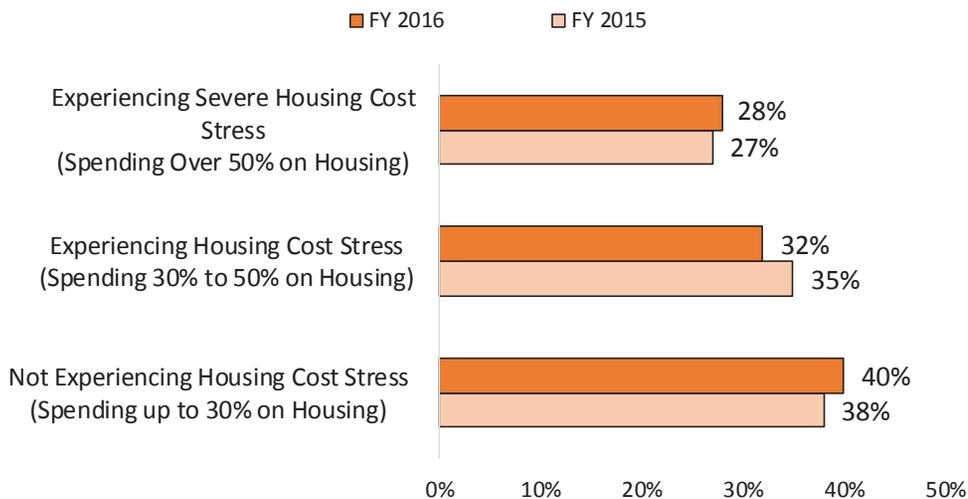
TOD and Affordable Housing Strategy

Plans are underway in the city's TOD program to meet the demand for more affordable housing along the rail transit route. The city's draft *Housing O'ahu: Affordable Housing Strategy* notes that the marketplace is not building enough affordable housing to keep up with demand. It states that many people live in overcrowded homes, and spend more than 45% of their incomes on combined housing and transportation costs.

According to the National Research Center, about 60% of Honolulu residents participating in this year's survey (based on only housing costs), fall into the category *experiencing housing cost stress*. This year, we asked the National Research Center to evaluate Honolulu's Citizen Survey data for 2015 and 2016 comparing household income with housing costs for those spending less than 30% (NOT experiencing housing cost stress), 30% to 50% (*experiencing housing cost stress*) and those spending over 50% (*experiencing severe housing cost stress*).¹



Indications of Housing Cost Stress Experienced by Honolulu Residents¹, 2015 - 2016



Source: National Research Center, National Citizen Survey (Honolulu) 2015-2016. ¹The NRC uses the term housing cost stress. The U.S. Census Bureau uses the term housing cost burden. Both the NRC and U.S. Census use the same percentage classifications for the respective categories.

Figure 2: Potential Distribution of Housing in TOD Neighborhood Planning Areas

TOD Planning Area	Dwelling Units		
	Existing	New TOD	Gross
East Kapolei (3 Stations)	---	18,440	18,440
Waipahu (2 Stations)	760	4,300	5,060
Aiea/Pearl City (3 Stations)	550	5,670	6,220
Halawa Area (Aloha Stadium Station) ¹	1,130	2,650	3,780
Airport Area (3 Stations) ¹	1,840	1,000	2,840
Kalihi (3 Stations)	3,700	5,400	9,100
Downtown (3 Stations)	8,800	5,900	14,700
Kakaako (2 Stations - HCDA) ²	6,130	6,190	12,320
Ala Moana Center (1 Station)	9,640	5,600	15,240
Total	32,550	55,150	87,700

Rounded to the nearest ten residential units; timing associated with buildout is market-dependent but could range 25-30 years. Each planning area contains one to three stations and, apart from Kakaako, is based on buildout analysis conducted by DPP. Since the TOD plans have been developed over the last 9 years, the existing conditions counts were conducted in different years.
¹ These projections are rough estimates of potential new housing in the Airport TOD area (3 stations) and the Halawa Area (surrounding Aloha Stadium). TOD planning around those 4 stations began in mid-2014, and the analysis is not yet completed.
² Kakaako data are based on the 2010 US Census and DPP projections (2014).

Source: Department of Planning and Permitting website

Addressing Homelessness

In FY 2016:

- The mayor's *Housing First* initiative met its goal of housing 115 households experiencing chronic homelessness, with 97% retention;
- In FY 2016, Honolulu's *Mayors' Challenge* efforts permanently housed 502 homeless veterans.
- The Office of Housing hosted the August 2015 *Veteran Stand Down* where over 100 homeless veterans were connected to housing, veterans affairs and community services, legal counseling, and employment services.

In the 2016 National Citizen Survey of Honolulu residents, 74% of respondents *strongly or somewhat support* providing basic health care services to the homeless to reduce emergency room visits even if it involves raising taxes or fees. A majority of residents (83%) rated the homeless and homelessness as *essential or very important* for the city to address in the next two years.

Hale Mauliola



Source: The Institute for Human Services website

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Chapter 2 - Department of Budget and Fiscal Services

The Department of Budget and Fiscal Services (BFS) is the city’s central financial agency. It is responsible for providing centralized accounting, procurement, treasury, and budget functions.

The department’s goals are to:

- Promote good and accountable government.
- Work collaboratively to meet the mayor’s goals.
- Develop a strong and cohesive management team.
- Approach problems from a broad, citywide perspective and its impact on others.
- Provide excellent service to internal and external customers.

BFS administration provides department-wide leadership and coordination to the following divisions:

Budgetary Administration	Internal Control	Accounting and Fiscal Services	Fiscal/CIP Administration	Purchasing and General Services	Real Property Assessment	Treasury
<ul style="list-style-type: none"> •Oversees the city's annual operating budget. •Formulates and administers the city's budgetary policies. 	<ul style="list-style-type: none"> •Safeguards the city's assets by examining its financial activities. •Monitors controls and processes. •Recommends improvements. 	<ul style="list-style-type: none"> •Provides financial services to city agencies. •Accounts for city funds and the receipt and expenditure of public funds. 	<ul style="list-style-type: none"> •Responsible for the city’s capital improvement program and budget. •Prepares ordinances and resolutions. •Develops debt service programs. 	<ul style="list-style-type: none"> •Conserves city resources through cost-efficient purchases of goods and services. •Responsible for the city’s assets. 	<ul style="list-style-type: none"> •Ensures that real property assessment values are fair, equitable, and based on market value and applicable standards and laws. 	<ul style="list-style-type: none"> •Responsible for cash management, debt, and certain accounts receivables. •Issues, sells, pays interest on, and redeems bonds.

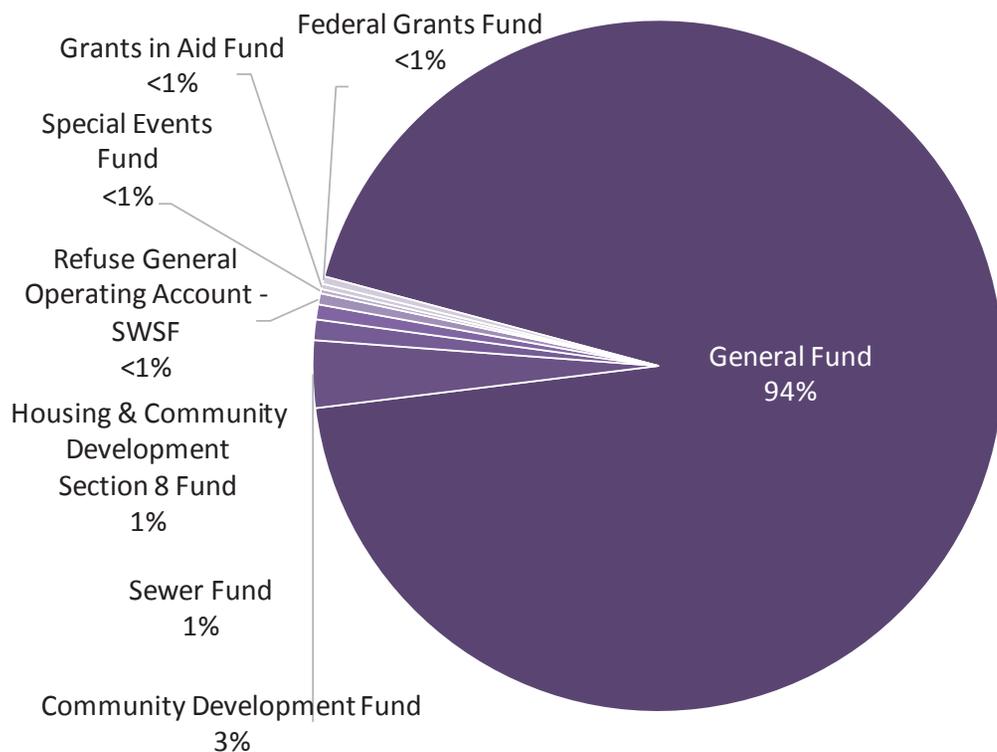
The city charter administratively attaches the Honolulu Liquor Commissions to BFS. The commission is wholly funded through revenues from liquor licenses.

To deliver adequate resources to city agencies and to ensure successful programs and projects in a fiscally prudent and responsible manner.

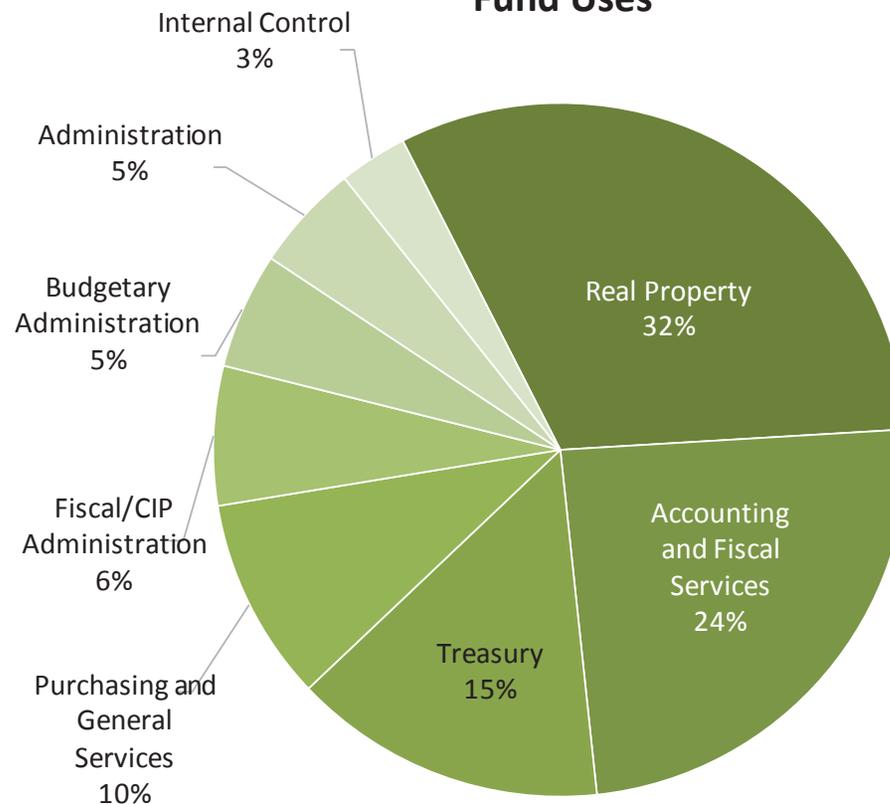
Mission Statement

Spending and Staffing

Fund Sources¹



Fund Uses



	Revenues (\$ millions)	Operating Expenditures (\$ millions)	Staffing		Cost Per FTE ²	Overtime Expenditures ³	
			Total Authorized FTE	Total Vacant FTE		Total	Non-Holiday
FY 2012	\$1,455.56	\$15.33	323	63	\$47,463	\$96,340	\$95,005
FY 2013	\$1,909.54	\$15.02	320	71	\$46,930	\$138,982	\$135,444
FY 2014	\$1,549.65	\$16.65	323	55	\$51,549	\$92,724	\$92,280
FY 2015	\$2,112.31	\$17.83	303	36	\$58,837	\$147,718	\$146,969
FY 2016	\$1,985.29	\$18.07	302	38	\$59,839	\$171,205	\$171,039
Change from last year	-6%	1%	<-1%	6%	2%	16%	16%
Change over last 5 years	36%	18%	-7%	-40%	26%	78%	80%

Source: Department of Budget and Fiscal Services . ¹Percentages do not total 100% due to rounding. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement as applicable.

Spending and Staffing



Operating Expenditures

\$18.07 M ▲ 1%

The department's operating expenditures increased 1% over the last year.



Revenues

\$1.99 B ▼ 6%

Departmental revenues decreased 6% from FY 2015 to FY 2016.



Overtime

\$171.04 M ▲ 16%

Total overtime expenditures increased 16% from last year. The department attributed the increase to reduced funding for vacant positions, which delayed filling of positions.

ACCOMPLISHMENTS

- Honolulu received the *Distinguished Budget Presentation Award* for the FY 2016 Budget from the Government Finance Officers Association (GFOA);
- Implemented the Advantage 3.10 upgrade for the city's budgeting system; and
- Implemented and administered a process for the selection and award of FY 2017 Community Development Block Grant projects and followed Sunshine Law requirements to increase transparency.

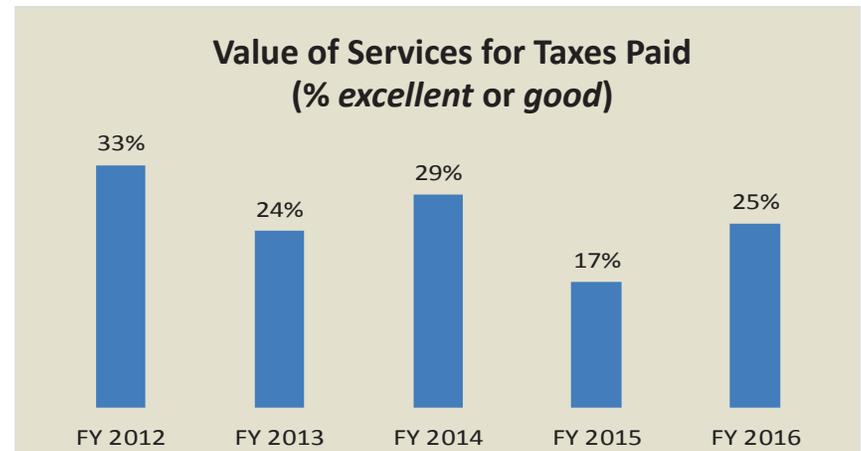
Sources: Department of Budget and Fiscal Services, Department and Agency Reports, FY 2016

Five Year Trends



- The department's operating expenditures increased 18% from \$15.33 million to \$18.07 million over the last five years. The department noted that the increase was primarily due to salary increases per mandated collective bargaining agreements.
- Total revenues increased 36% from \$1.46 billion to \$1.99 billion over the last five years. According to the department, revenues increased in four areas: real property taxes, building permit fees, and special funds reimbursements for debt service and central administrative services expenses.

National Citizen Survey



Source: 2016 National Citizen Survey (Honolulu)

Administration, Budgetary Administration and Internal Control

Budgetary Administration

The Budgetary Administration Division oversees the city's annual operating budget and formulates and administers the city's budgetary policies under the direction of the mayor. It also reviews operating and capital budget program schedules, makes budgetary allotments, and reviews requests for new agency positions with the mayor's approval. The primary goal of the division is achieved annually with the adoption of the city's annual operating budget.

Over the last five years operating expenditures increased 22% from \$800,000 in FY 2012 to \$977,639 in FY 2016. Operating expenditures increased 11% over the last year. The department noted mandated collective bargaining agreements, employee vacation payouts, and new staff costs increased operating expenditures.

Internal Control

The mission of the Internal Control Division is to safeguard city assets. Internal control performs examinations of the city's financial activities, audits, and reviews; monitors controls and processes; and recommends practical changes and cost effective improvements.

Operating expenditures increased 33% over the last five years from \$430,856 in FY 2012 to \$574,812 in FY 2016. The department explained that salaries were lower in FY 2012 and FY 2013 because the Chief Accountant position was vacant (the incumbent was the BFS Director at the time) and the Chief

Audits, Reviews, Evaluations, and Analyses Performed



Source: Department of Budget and Fiscal Services

Accountant position was filled by temporary assignment. Increases in the last three fiscal years were primarily due to salary increases per mandated collective bargaining agreements.

The number of audits, reviews, evaluations and analyses performed increased by 15% from last year and 31% from five years ago. According to the department, the number of reports completed each year is dependent on the scope and complexity of the assignments.

	Administration	Budgetary Administration		Internal Control	
	Operating Expenditures	Operating Expenditures	Communications Reviewed and Processed	Operating Expenditures	Audits, Reviews, Evaluations, and Analyses Performed
FY 2012	\$880,800	\$800,000	2,164	\$430,856	35
FY 2013	\$730,009	\$812,268	2,175	\$398,985	34
FY 2014	\$814,675	\$847,148	2,335	\$540,408	55
FY 2015	\$907,420	\$878,909	2,171	\$566,513	40
FY 2016	\$904,376	\$977,639	2,007	\$574,812	46
Change from last year	0%	11%	-8%	1%	15%
Change over last 5 years	3%	22%	-7%	33%	31%

Source: Department of Budget and Fiscal Services

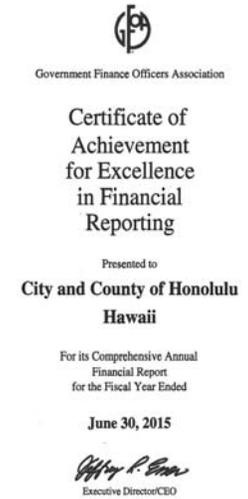
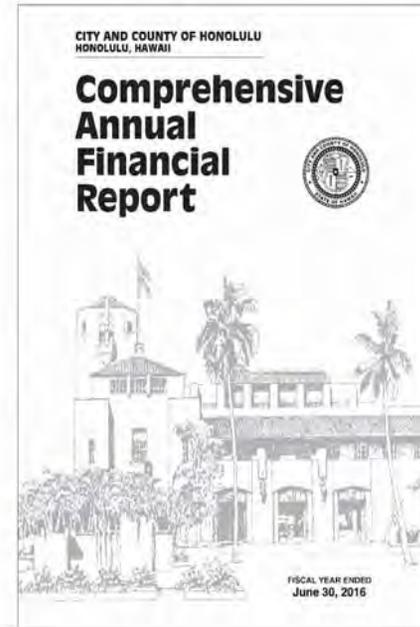
Accounting and Fiscal Services Division

The Accounting and Fiscal Services Division plans, develops, and provides financial services to departments and agencies. It accounts for all city funds and the manner in which public funds are received and expended.

The division's goals are to: (1) ensure that expenditures are proper and comply with applicable laws and grant agreements; (2) meet all federal grant financial reporting requirements; and (3) provide financial services to city agencies needed to achieve their goals and objectives. The division is responsible for central accounting services, including all payments and payroll functions.

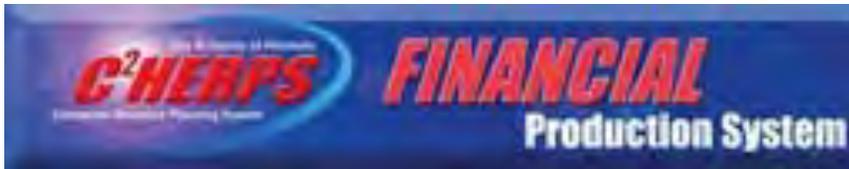
The division issues the city's Comprehensive Annual Financial Report (CAFR) and has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).

Operating expenditures increased 18% over the last five years from \$3.7 million in FY 2012 to \$4.38 million in FY 2016. The increase was primarily due to salary increases per mandated collective bargaining agreements.



Source: FY 2016 Honolulu Comprehensive Annual Financial Report

Total payments processed decreased 1% from 297,000 in FY 2015 to 295,000 in FY 2016. Over the last five years, the total number of payments decreased 4% from FY 2012 (305,745) to FY 2015 (295,000).



	Operating Expenditures (\$ millions)	Accounting and Fiscal Services		
		Payroll-Wage Related Payments Processed	Non-Payroll Documents Payments Processed	Total Payments Processed
FY 2012	\$3.70	245,000	60,745	305,745
FY 2013	\$3.69	234,338	58,000	292,338
FY 2014	\$4.08	236,000	63,000	299,000
FY 2015	\$4.37	236,000	61,000	297,000
FY 2016	\$4.38	236,000	59,000	295,000
Change from last year	<1%	0%	-3%	-1%
Change over last 5 years	18%	-4%	-3%	-4%

Source: Department of Budget and Fiscal Services

Fiscal/CIP Administration

The Fiscal/Capital Improvement Program (CIP) Administration Division's mission is to formulate, review, prepare, and implement the city's annual capital improvement program and budget. The division prepares ordinances and resolutions, performs ongoing reviews of capital budget allotments, and enforces the capital budget ordinance. It also analyzes and develops debt service programs for the city.

The division's Fiscal/Long-Range Planning Branch develops revenue estimates, central accounts, and long-range financial planning programs needed to implement the mayor's strategic goals.

Operating expenditures increased 90% from nearly \$620,000 in FY 2012 to \$1.17 million in FY 2016. According to the department, in FY 2012 and 2013, the City Council amended the BFS budget to remove salary and current expense funding for the Federal Grants Unit in this division, and moved the funding to the Department of Community Services. In the years that followed, this transfer of funds did not occur.

Operating expenditures declined 10% from FY 2015 (\$1.3 million) to FY 2016 (\$1.17 million). The department explained that the decline was due to one-time cost increases for HUD requirements in FY 2015, and salary savings from several vacant positions in FY 2016.

The number of independent services contracts reviewed and processed declined 20% from 419 in FY 2015 to 336 in FY 2016. The number of

Audits of Sub-recipient Organizations Performed



Source: Department of Budget and Fiscal Services

contracts declined 26% over the last five years. The department commented that the city is using more multi-term contracts and master agreements, so fewer contracts are required.

The number of HUD fund applications increased 57% from 44 in FY 2015 to 69 in FY 2016. Over the last five years, the number of applications increased 15%. The department attributed the increase to more service agencies applying for limited funding.

	Reviewed and Processed					Audits of Sub-recipient Organizations Performed
	Operating Expenditures (\$ millions)	Independent Services Contracts	Appropriation and Allotment Vouchers	Application for HUD Funds	Sub-recipient Agreements	
FY 2012	\$0.62	457	506	60	133	62
FY 2013	\$0.60	357	455	69	99	67
FY 2014	\$1.06	472	499	129	107	53
FY 2015	\$1.30	419	495	44	114	58
FY 2016	\$1.17	336	474	69	121	40
Change from last year	-10%	-20%	-4%	57%	6%	-31%
Change over last 5 years	90%	-26%	-6%	15%	-9%	-35%

Source: Department of Budget and Fiscal Services

Purchasing and General Services Division

The mission of the Purchasing and General Services Division is to assure quality purchases at reasonable prices for the city in accordance with the law. The division is responsible for procuring all materials, supplies, equipment, and services for city departments and agencies, which include construction, consultant, and personal services contracts for the city. The division is also responsible for the city's assets, which includes real property, rentals, leases, and concessions; and administers housing relocation functions.

The division supports the department's mission to maintain the city's financial health and conserve its resources through cost-efficient purchases of goods through the use of price-list contract awards for commonly purchased items by city departments.

Operating expenditures increased 18% over the last five years from \$1.46 million in FY 2012 to \$1.72 million in FY 2016. The department noted that the increase was primarily due to salary increases per mandated collective bargaining agreements.

The division has been increasing the consolidation of procurements, price lists, the use of effective negotiation techniques, cross-training, and staff development for both city agency and division staff with in-house and hired trainers. These, among other efforts, lead to more prudent procurement practices.

Value of Contracts by Contract Type, FY 2016 (\$ millions)



Source: Department of Budget and Fiscal Services

	Select Goods and Services Purchases								Professional Services Contracts		Goods and Services Contracts		Construction Contracts	
	Operating Expenditures (\$ millions)	Number of Active Price Lists	Price List		Direct		Number of Professional Service Contracts	Professional Service Dollar Value (\$ millions)	Number of Goods and Services Contracts	Goods and Services Dollar Value (\$ millions)	Number of Construction Contracts	Construction Contracts Dollar Value (\$ millions)		
			Number of Purchase Orders	Purchase Order Value (\$ millions)	Number of Purchase Orders	Purchase Order Value (\$ millions)								
FY 2012	\$1.46	226	3,876	\$46.28	4,279	\$6.84	930	\$40.01	109	\$31.00	83	\$25.37	112	\$263.02
FY 2013	\$1.44	219	3,333	\$61.89	3,982	\$7.50	781	\$32.14	97	\$30.30	105	\$70.99	82	\$171.11
FY 2014	\$1.60	211	2,719	\$70.06	3,869	\$7.32	735	\$25.14	82	\$40.55	143	\$57.80	59	\$287.90
FY 2015	\$1.71	263	2,502	\$65.91	3,544	\$7.52	768	\$26.36	93	\$44.69	185	\$67.27	92	\$186.42
FY 2016	\$1.72	272	2,672	\$113.52	3,719	\$8.35	664	\$26.55	86	\$26.55	158	\$73.50	73	\$311.11
Change from last year	1%	3%	7%	72%	5%	11%	-14%	1%	-8%	-41%	-15%	9%	-21%	67%
Change over last 5 years	18%	20%	-31%	145%	-13%	22%	-29%	-34%	-21%	-14%	90%	190%	-35%	18%

Source: Department of Budget and Fiscal Services

Real Property Assessment Division

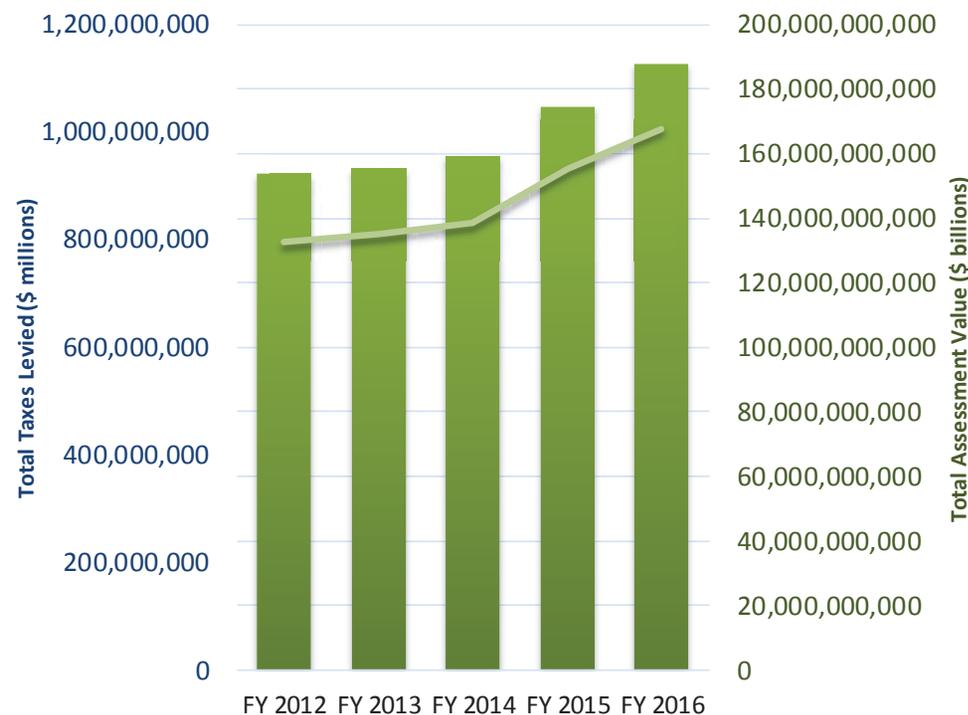
The mission of the Real Property Assessment Division (RPAD) is to annually prepare a certified assessment roll of property taxes to the city council as required by ordinance. It ensures that real property assessment values are fair, equitable, and based on market value and applicable standards and laws. The certified assessment roll is used by the city council to set the property tax rates for the city.

To achieve its mission, RPAD annually identifies all real property parcels, respective owners, appraises parcels, and processes exemption and dedication claims. It sends assessment notices to owners, resolves tax appeals, and maintains and updates information (including maps, ownership and valuation records, etc.).

Total assessment value increased 8% over the last year and 22% over the last five years. According to the department, total assessment value increased over the five-year period due to the strength of the real estate market in both sales and new construction. The residential and hotel and resort markets, in particular, have shown record increases in sale prices, which translates to higher assessments.

Total taxes levied increased 8% over the last year and 26% over the last five years. The department explained that the tax increase is directly related to the increase in assessed values and the creation of the Residential A classification in FY 2015².

Total Taxes Levied v. Total Assessment Value



Source: Department of Budget and Fiscal Services

	Operating Expenditures (\$ millions)	Real Property Tax Assessments		Exemptions / Dedications Processed				
		Total Assessment Value ¹ (\$ billions)	Total Taxes Levied ¹ (\$ millions)	Assessment Parcels	Total	Walk-In Counter Service	Appeals Filed	Building Inspections
FY 2012	\$5.21	\$153.59	\$796.93	287,611	53,350	5,100	2,447	5,774
FY 2013	\$5.05	\$155.33	\$809.22	288,615	44,143	4,900	1,264	6,782
FY 2014	\$5.37	\$159.10	\$832.25	290,290	56,659	5,000	1,514	7,585
FY 2015	\$5.79	\$174.34	\$931.47	293,852	51,531	4,600	2,141	7,202
FY 2016	\$5.70	\$187.72	\$1005.87	295,651	49,105	5,000	2,071	7,119
Change from last year	-2%	8%	8%	1%	-5%	9%	-3%	-1%
Change over last 5 years	9%	22%	26%	3%	-8%	-2%	-15%	23%

Source: Department of Budget and Fiscal Services. ¹Rounded totals. ²Residential A classification is a dwelling with an assessed value of \$1 million or more, does not have a home exemption, and is zoned residential.

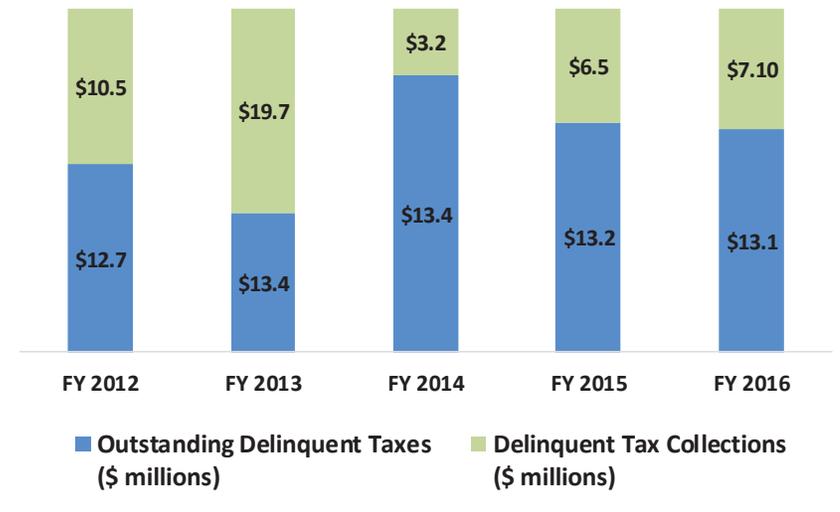
Real property tax is the primary revenue source for the General Fund. In FY 2016, the city collected just over \$1 billion in real property tax, which was an 8% increase over the \$935.8 million collected last year, and a 26% increase from the \$800.10 million collected five years ago. The department attributed the increase to the overall positive real estate market, continued increase in real property values, and effective delinquent collection efforts.

Treasury

The Treasury Division is responsible for the city’s cash management, debt, and selected accounts receivable. The division maintains the city’s treasury, deposits monies, and invests funds as authorized by law. It also issues, sells, pays interest, and redeems bonds. Treasury is responsible for billing and collecting various revenues and assessments including real property taxes, improvement and business improvement districts, refuse disposal and collection fees, real property rentals, and concessions contracts. Treasury’s goals include the effective, timely, and cost efficient collection of real property taxes, assessments, and various city fees; and effective management of the city’s debts and obligations.

Over the last five years, the number of delinquent real property tax accounts decreased 16% from 7,278 in FY 2012 to 6,115 in FY 2016. In addition, delinquent tax collections decreased 32%, from \$10.5 million to \$7.1 million during the same time period. According to the department, the reduction in delinquent accounts resulted from improved agency and lockbox collections. The decline in delinquent tax collections follow the decrease in the number

Delinquent Tax Collections: Outstanding v. Collected



Source: Department of Budget and Fiscal Services

of delinquent tax accounts, in addition to more effective delinquent collection efforts.

The FY 2016 delinquency rate of 1% is an improvement over the 1.4% rate in FY 2015 and the 1.6% rate in FY 2012.

	Real Property Taxes						
	Treasury Operating Expenditures (\$ millions)	Total Taxes Levied (\$ millions)	Collections to Date (\$ millions)	Outstanding Delinquent Taxes (\$ millions)	Delinquency Rate	Delinquent Tax Collections (\$ millions)	Delinquent Real Property Tax Accounts ¹
FY 2012	\$2.19	\$812.50	\$800.10	\$12.70	1.6%	\$10.50	7,278
FY 2013	\$2.29	\$841.30	\$813.70	\$13.40	1.6%	\$19.70	6,588
FY 2014	\$2.34	\$868.10	\$838.70	\$13.40	1.6%	\$3.20	5,944
FY 2015	\$2.31	\$966.10	\$935.80	\$13.20	1.4%	\$6.50	6,241
FY 2016	\$2.64	\$1039.00	\$1010.50	\$13.10	1.0%	\$7.10	6,115
Change from last year	14%	8%	8%	-1%	<-1%	9%	-2%
Change over last 5 years	21%	28%	26%	3%	<-1%	-32%	-16%

Source: Department of Budget and Fiscal Services. ¹Property tax installment payments are due on August 20th (first installment) and February 20th (second installment).

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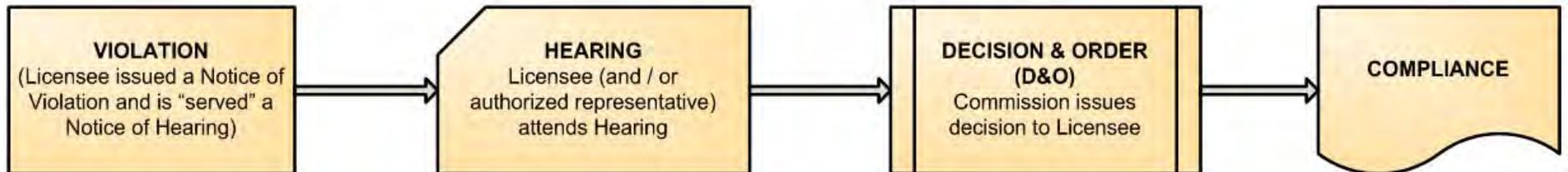
Honolulu Liquor Commission

The Honolulu Liquor Commission (LIQ) has sole jurisdiction, power, authority and discretion to grant, refuse, suspend and revoke any license for the manufacture, importation, or sale of liquor within the City and County of Honolulu. The Commission is administratively attached to the Department of Budget and Fiscal Services, but is wholly funded through revenues generated from liquor licenses and fees deposited into the Liquor Commission Special Revenue Fund.

Liquor License Process



Violation Process



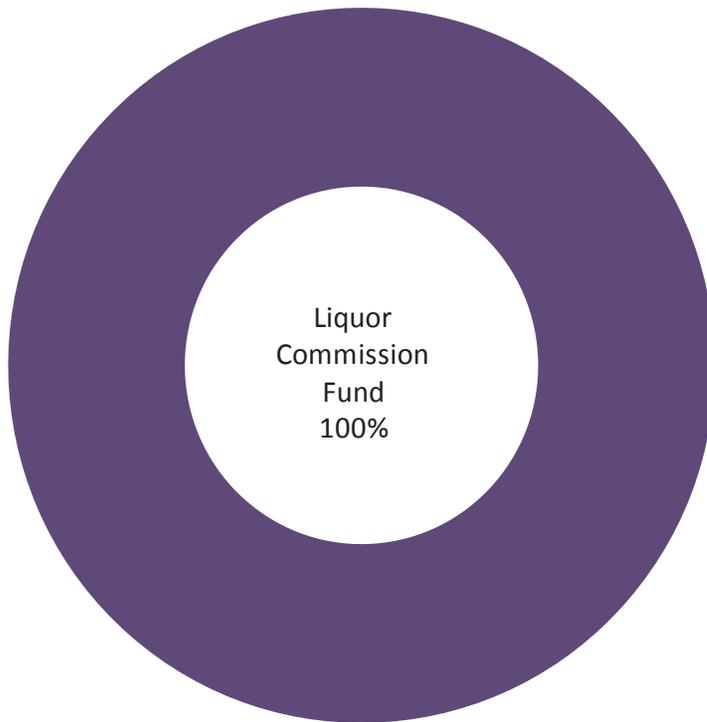
Source: Honolulu Liquor Commission website.

To promote our community's health, safety, and welfare by effectively and fairly administering and enforcing Hawai'i's liquor laws.

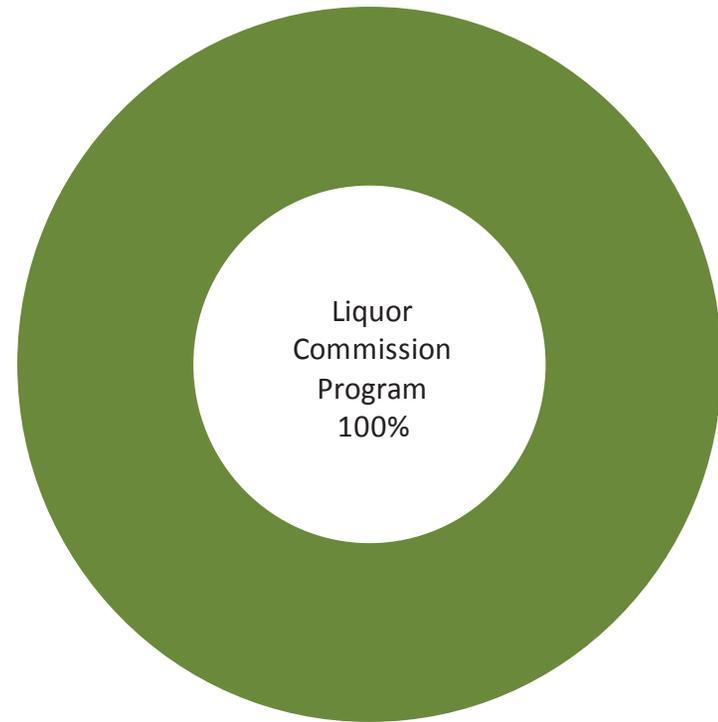
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Liquor License Revenues (\$ millions)	Operating Expenditures (\$ millions)	Staffing		Overtime Expenditures	
			Total Authorized FTE	Cost Per FTE ¹	Total	Non-Holiday ²
FY 2012	\$3.78	\$2.32	50	\$46,418	\$103,157	\$100,698
FY 2013	\$3.86	\$2.76	50	\$55,291	\$106,837	\$103,055
FY 2014	\$3.44	\$2.76	50	\$55,207	\$82,633	\$80,643
FY 2015	\$4.66	\$3.08	50	\$61,683	\$88,777	\$87,337
FY 2016	\$5.10	\$3.06	50	\$61,208	\$82,305	\$81,577
Change from last year	10%	-1%	0%	-1%	-7%	-7%
Change over last 5 years	35%	32%	0%	32%	-20%	-19%

Source: Honolulu Liquor Commission and Department of Budget and Fiscal Services. ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²Overtime pay is established by bargaining unit agreement, as applicable

Over the last five years, the commission’s operating expenditures increased 32% from \$2.32 million in FY 2012 to \$3.06 million in FY 2016. According to the commission, increased operating expenditures were due to annual rent increases, negotiated collective bargaining increases for employee salaries, and equipment costs associated with designing a new Liquor Commission Information System (LCIS) database, and installing a new audio/visual system, and theatre-style chairs in the hearings room.

Liquor license revenues increased 10% over the last year and 35% over the last five years, rising from \$3.78 million in FY 2012 to \$5.1 million in FY 2016. The commission explained that the increase was due to application of a lower deductible amount to the gross liquor sales collected¹.

Total overtime expenditures decreased 20% over the last five years, declining from \$103,157 in FY 2012 to \$82,305 in FY 2016. The commission noted that it had been more prudent in approving overtime and investigators have had fewer court appearances and joint investigative operations, which lessened the need for overtime.

In FY 2016, the commission adjudicated 261 violations. This was a 34% decrease from the prior year’s 396 violations, and a 56% decrease from 590 violations five years ago. According to the commission, the decline is attributed to continuing efforts to improve licensee compliance through education and outreach.

The 1,477 liquor licenses in effect in FY 2016 was a slight decline from the prior year, but is an increase of 6% from the 1,394 licenses in effect during FY 2012.

Total Inspections Conducted



Accomplishments:

- Hosted the State Liquor Control Investigators Workshop in August 2015, the State Annual Liquor Conference in October 2015, and the 3rd Annual Symposium for Licensees in February 2016;
- Implemented a monthly quality assurance/control program to ensure the Commission’s Enforcement and Licensing Investigators provide a high standard of customer service; and
- Improved and streamlined interagency cooperation with HPD and other state and federal law enforcement agencies.

	Total Inspections Conducted	Public Complaints About Premises	Total Violations Adjudicated	Liquor Licenses in Effect
FY 2012	15,471	386	590	1,394
FY 2013	12,587	404	213	1,406
FY 2014	9,201	337	380	1,451
FY 2015	10,187	298	396	1,480
FY 2016	9,313	318	261	1,477
Change from last year	-9%	7%	-34%	<-1%
Change over last 5 years	-40%	-18%	-56%	6%

Source: Honolulu Liquor Commission ¹The deductible on gross liquor sales collected is calculated through a formula as set by the Rules of the Liquor Commission.

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Chapter 3 - Department of Community Services

The Department of Community Services (DCS) administers programs to meet human service, workforce, and housing needs of economically challenged individuals and families with special needs in the City and County of Honolulu. The Revised Charter of Honolulu mandates DCS to: (a) develop and administer projects, programs, and plans of action for human resources, human services, and housing programs; (b) develop and administer projects, programs, and plans of action designed to achieve sound community development that conform to and implement the general plan and development plans; and (c) implement federally-aided and state-aided human resources, human services, housing, urban renewal, and community development programs.

To accomplish the charter's mandate to serve and advance the general welfare and aspirations of city and county residents, the administration's goal is to seek grants for human services and self-sufficiency for those with the greatest needs or challenges.

DCS Administration oversees the operations of the following divisions¹.

Community Assistance	Community Based Development	Elderly Affairs	WorkHawai'i	Office of Grants Management
<ul style="list-style-type: none">Administers rental subsidies, home rehabilitation, and home ownership assistance to low and moderate income families.	<ul style="list-style-type: none">Administers grants for homeless and housing assistance, and for community development.	<ul style="list-style-type: none">Administers grants for older adults, caregivers, and people with disabilities.	<ul style="list-style-type: none">Administers grants for employment and job training, youth development programs, and housing support.	<ul style="list-style-type: none">Administers the city's Grant in Aid (GIA) Fund that provides monies to non-profit organizations serving the community.

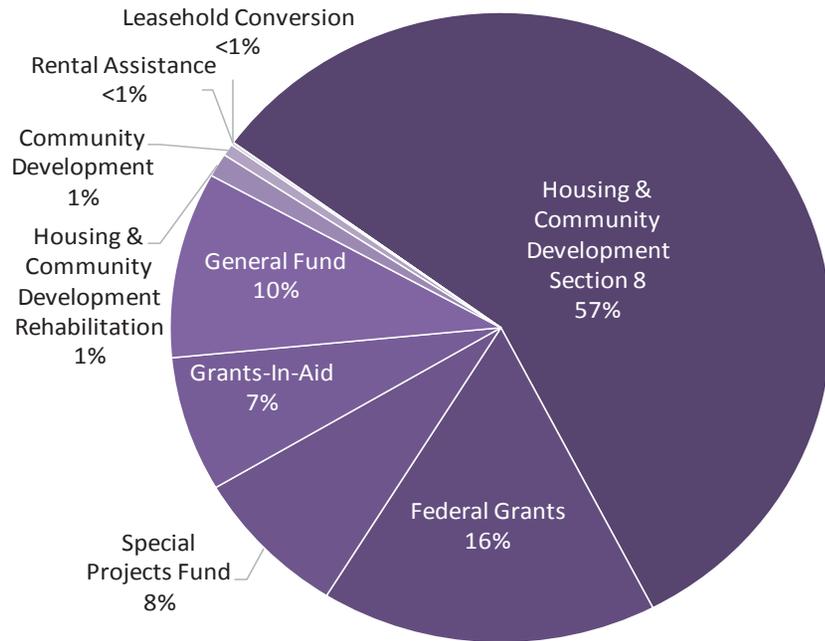
¹The O'ahu Workforce Development Board (OWDB) is administratively attached to the Department of Community Services and administers the federal Workforce Investment and Opportunity Act (WIOA) program for businesses, job seekers, and youth. The OWDB is implemented and funded by WIOA to oversee and set policies for O'ahu Worklinks.

To create opportunities to improve the quality of life for the people of O'ahu.

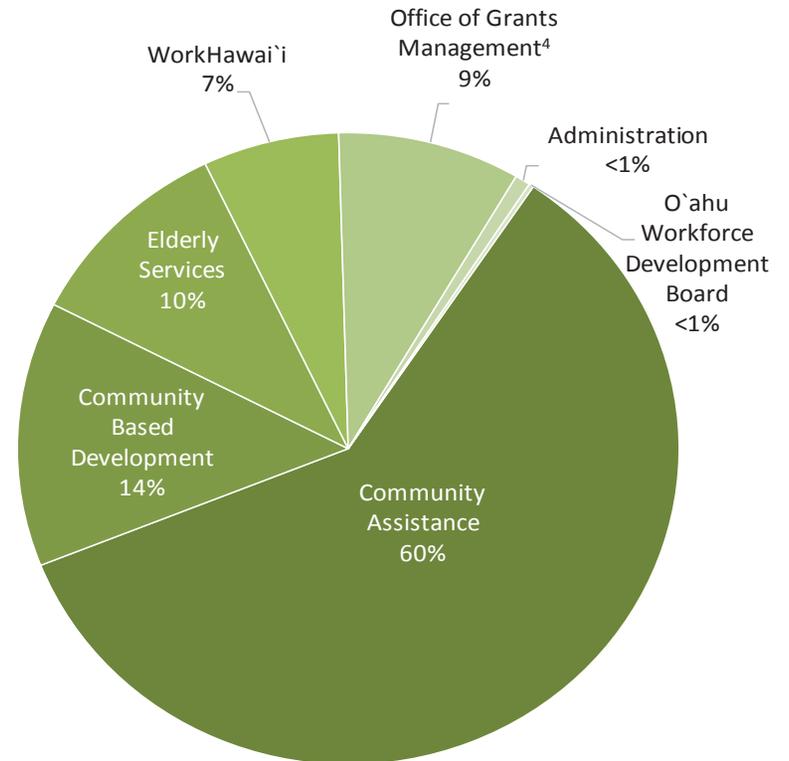
Mission Statement

Spending and Staffing

Fund Sources¹



Fund Uses¹



	Total Revenues (\$ millions)	Total Operating Expenditures (\$ millions)	Staffing		Cost Per FTE ²	Overtime Expenditures ³	
			Total Authorized FTE	Total Vacant FTE		Total	Non-Holiday
FY 2012	\$75.22	\$80.13	246.8	100.3	\$324,692	\$94,180	\$94,107
FY 2013	\$61.68	\$71.65	223.0	85.0	\$321,305	\$25,945	\$25,681
FY 2014	\$83.46	\$87.66	246.8	111.8	\$355,188	\$12,655	\$12,655
FY 2015	\$67.10	\$82.34	244.8	115.3	\$336,361	\$9,069	\$9,069
FY 2016	\$71.06	\$91.62	244.8	106.3	\$374,281	\$26,494	\$26,494
Change from last year	6%	11%	0%	-8%	11%	192%	-
Change over last 5 years	-6%	14%	-1%	6%	15%	-72%	-

Source: Department of Budget and Fiscal Services. ¹Percentages do not total 100% due to rounding. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable. ⁴The Office of Grants Management changed its name from the Office of Special Projects on October 8, 2014.

Spending and Staffing



Operating Expenditures

\$91 M ▲ 11%

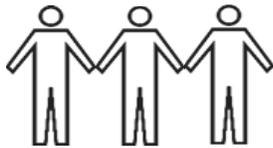
The department attributes the increase to increases in Federal and State funded supportive housing and elderly service programs.



Revenues

\$71 M ▲ 6%

The department attributes the increase to increases in Federal and State funded supportive housing and elderly service programs.



Vacant FTE

106.3 FTE ▼ 8%

The department attributes the decrease to Federal and State funded programs.



Overtime

\$26 K ▲ 192%

The department attributes the increase to conducting follow up work associated with grant-funded programs that were closed during the year.

Five Year Trends



- Total operating expenditures increased 14% from \$80.13 million to \$91.62 million over the last five years.
- Total Vacant FTE increased 6% from 100.3 FTE to 106.3 FTE



- Total Overtime Expenditures decreased 72% between FY 2012 and FY 2016 from \$94,180 to \$26,494.
- Total Revenues decreased 6% between FY 2012 and FY 2016 from \$75.2 million to \$71 million.

National Citizen Survey



- Availability of Affordable Quality Housing received a **8%** rating of being *excellent or good* in 2016. That is a slight decrease from a year ago. This rating is much lower than benchmark comparison.
- Of the residents surveyed, **40%** reported that they were not experiencing housing cost stress while **60%** were experiencing housing cost stress².

ACCOMPLISHMENTS

- Honolulu Section 8 rental assistance program was awarded High Performer status by the U.S. Department of Housing and Urban Development (HUD) for its 2016 performance and preceding 5 years.
- 19,553 job seekers received workforce information and assistance and 6,093 obtained employment through O'ahu Worklinks, of which WorkHawai'i is the lead agency.
- WorkHawai'i had 188 Youth Build and Workforce Innovation and Opportunity Act (WIOA) Youth Program participants obtain high school diplomas, 71 pursue post secondary education and advance training, and 122 obtain employment.

Source: Department of Community Services. ²The National Research Center defines housing cost stress as paying 30% or more of monthly household income on monthly housing costs.

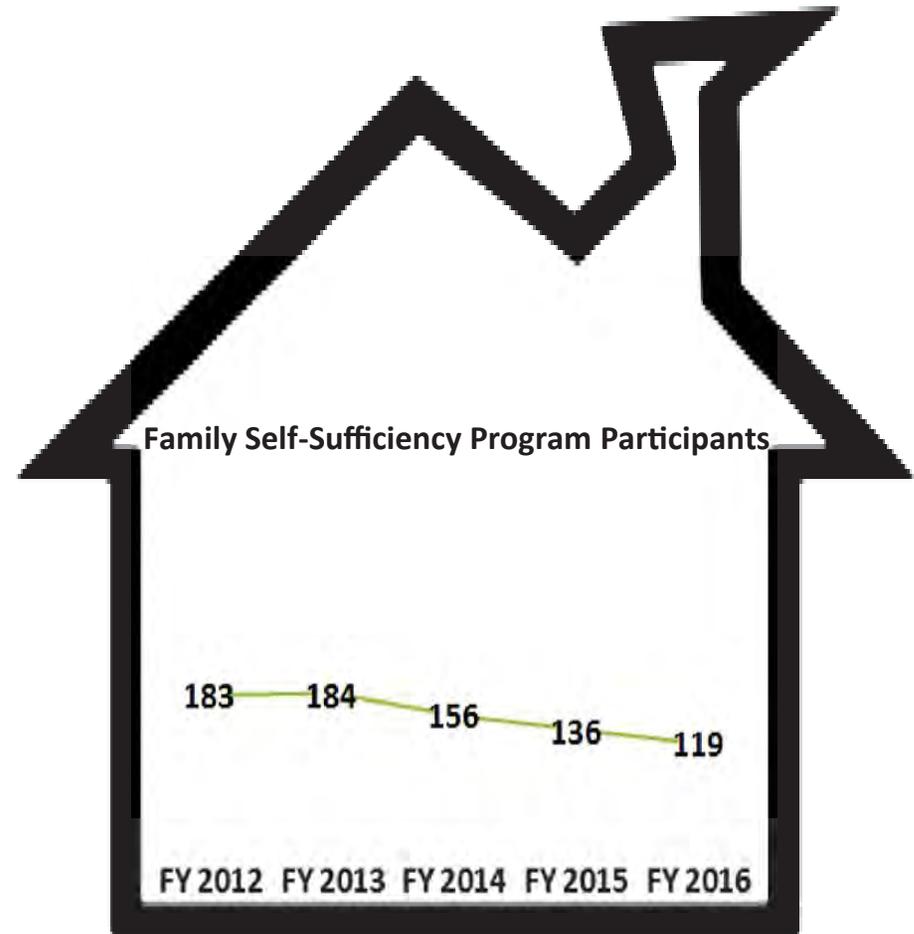
Community Assistance

The Community Assistance Division (CAD) accounted for 60% of the department's FY 2016 operating expenditures. In FY 2016, CAD's operating expenditures totaled \$54.55 million. The department attributes the increase to a significant increase in expenditures for the Housing Choice Voucher Program which included additional funding for Veterans Administration Supportive Housing.

The Section 8 Housing Choice Voucher Program enables low-income families, earning 30% of the median income, to rent housing units on the private rental market. In FY 2016, 269 applications were processed a, 70% decrease from the 906 applications processed in FY 2015. CAD attributes the decrease to funding constraints.

The Family Self-Sufficiency (FSS) Program is a voluntary program designed to help participating Section 8 families transition off of government subsidies into social and economic self-sufficiency by providing counseling, career guidance, life coping workshops and other resources. In FY 2016, 119 families participated in the FSS Program, graduating 14 families who received over \$140,000 in escrow savings.

The Rehabilitation Loans Program assists low and moderate income homeowners by providing zero interest loans to renovate their units. The program approved and funded \$834,704 in FY 2016, a 35% decrease from the \$1.2 million funded in FY 2015.



Source: Department of Community Services

	CAD Operating Expenditures (\$ millions)	Section 8 Housing Choice Voucher Program			Family Self-Sufficiency Program		Rehabilitation Loans Approved & Funded
		Families Served	Wait-Listed Applicants	Applications Processed	Families Participated	Families Became Homeowners	
FY 2012	\$49.72	3,383	1,499	1277	183	2	\$1,041,796
FY 2013	\$46.65	3,444	561	938	184	1	\$1,519,540
FY 2014	\$49.78	3,257	0	351	156	0	\$1,077,550
FY 2015	\$48.63	3,486	2,194	906	136	1	\$1,276,450
FY 2016	\$54.55	3,709	1,924	269	119	0	\$834,704
Change from last year	12%	6%	-12%	-70%	-13%	--	-35%
Change over last 5 years	10%	10%	28%	-79%	-35%	--	-20%

Source: Department of Budget and Fiscal Services and Department of Community Services.

Community Based Development

The Community Based Development Division’s (CBDD) mission is to secure and administer grant funds for homeless assistance, community development, and housing. It also identifies alternative funding sources to maximize city resources. Over the last five years, the division’s operating expenditures increased 93% from \$6.43 million in FY 2012 to \$12.42 million in FY 2016 because of additional federal and city funding for the city’s expanding homeless initiatives.

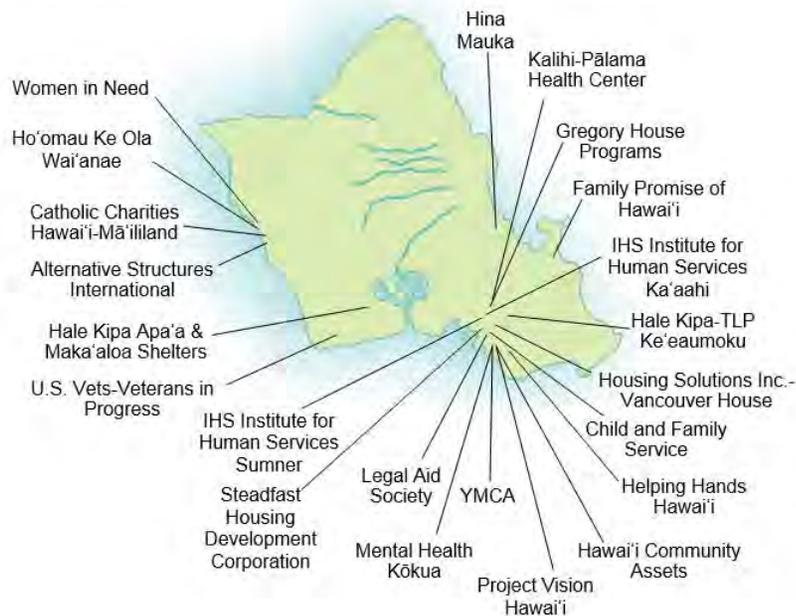
The Permanent Supportive Housing programs provide housing subsidies and case management services to disabled homeless individuals. Individuals pay 30% of their income toward rent, and the program subsidizes the remaining portion. Since FY 2012 the number of Shelter Plus Care Rental Assistance slots increased 25% from 328 in FY 2012 to 411 slots in FY 2016.



Source: The Institute for Human Services Website

FY 2016

Homeless Services Agencies and Shelters¹ on O’ahu



Source: The Institute for Human Services Website

In FY 2016 CBDD’s Housing First program provided permanent supportive housing to 176 individuals in 115 households who had been experiencing chronic homelessness and posted a Request for Proposal for Housing First, Increment II, which will provide permanent supportive housing for an additional 100 households experiencing chronic homelessness.

CBDD’s Hale Mauiola Housing Navigation Center (HMHNC) began its operations November 2015. In FY 2016 HMHNC reached maximum occupancy serving 173 clients and successfully placed 65 people who had been experiencing homelessness into stable housing.



Source: The Institute for Human Services Website

	CBDD Operating Expenditures (\$ millions)	Shelter Plus Care Rental Assistance Slots ²	CDBG ³ Grants	CDBG ³ Funds
FY 2012	\$6.43	328	5	\$1,051,000
FY 2013	\$3.27	336	0	\$0
FY 2014	\$12.90	407	0	\$0
FY 2015	\$11.04	411	8	\$5,287,000
FY 2016	\$12.42	411	8	\$5,282,337
Change from last year	12%	0%	0%	<-1%
Change over last 5 years	93%	25%	60%	403%

Source: Department of Budget and Fiscal Services and Department of Community Services. ¹These agencies and shelters received grant funds through DCS. ²Shelter Plus Care is now part of the Permanent Supportive Care Program. ³Community Development Block Grant program funded by the U.S. Department of Housing and Urban Development (HUD).

Elderly Affairs

The Elderly Affairs Division (EAD) is the designated Area Agency on Aging (AAA) for the island of O’ahu. The division's mission is to develop a comprehensive and coordinated system of services that assist older adults in leading independent, meaningful and dignified lives in their own homes and communities for as long as possible.

EAD coordinates advocacy efforts on behalf of elders, by encouraging community partnerships to improve and expand services, and contracts with agencies to provide direct services to O’ahu’s kupuna and their caregivers.

Types of Services Offered by EAD:

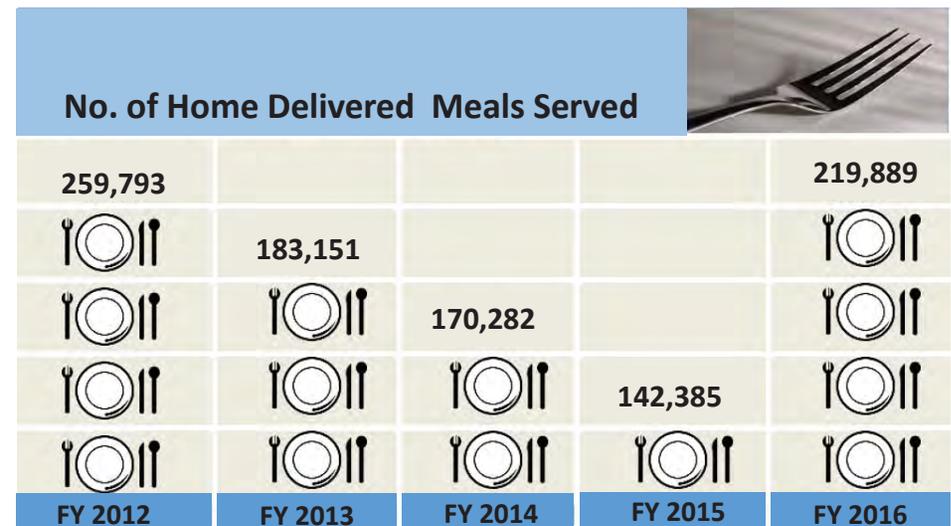
- Case Management
- Personal Care
- Home delivered and congregate meals
- Transportation
- Housing and legal information
- Caregiver Services
- Health promotion
- Senior Centers

EAD also operates a Senior Helpline for telephone consultation, information and referrals, and conducts assessments of the frail and homebound seniors.

Senior Helpline: (808) 768-7700

Over the last five years, the division's sub-recipient contracted grant amounts increased 30% from \$5.37 million in FY 2012 to \$6.98 million in FY 2016. The department attributes the increase to requirements to use all carryover funding and use funds in the year that they are allocated.

In FY 2016 EAD conducted 5,669 assessments via the Information and Assistance program. Under the Aging Network Service System, 6,787 seniors were served. Of the 6,787 total seniors served, 3,559 seniors received in-home services such as, meals, personal care, and transportation services.



Source: Department of Community Services

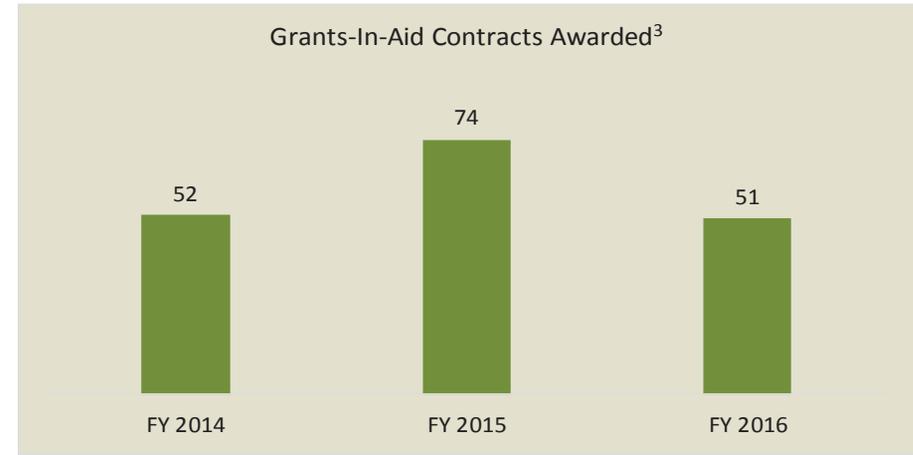
Aging Network Service System						
	EAD Operating Expenditures (\$ millions)	Sub-Recipient Grants Service Dollars (\$ millions)	No. of Seniors and Caregivers Served	Received at least one (1) In-Home Service	Counseling, Health Promotion, Housing, Legal, Information and Assistance Units Delivered	No. of Home Delivered Meals
FY 2012	\$11.03	\$5.37	5,325	3,190	76,170	259,793
FY 2013	\$8.97	\$5.87	5,205	3,065	85,636	183,151
FY 2014	\$9.10	\$6.94	5,018	2,903	62,275	170,282
FY 2015	\$5.88	\$6.09	5,150	2,976	53,311	142,385
FY 2016	\$9.48	\$6.98	6,787	3,559	63,384	219,889
Change from last year	61%	15%	32%	20%	19%	54%
Change over last 5 years	-14%	30%	27%	12%	-17%	-15%

Source: Department of Community Services and Budget and Fiscal Services

WorkHawai'i and Grants Management

WorkHawai'i Division's mission is to develop a quality workforce for Honolulu's businesses and to empower individuals to meet the current and future needs of employers. It is the lead agency for O'ahu WorkLinks, the American Job Center network, which provides business services and workforce development services for youth, job seekers and workers, especially individuals with barriers to employment.

In FY 2016 the Youth Services Center served 1,114 youth and young adults experiencing barriers to employment by providing prevention and intervention programs. The center provides participants opportunities for academic, civic, and vocational skills to progress toward economic and social stability. In FY 2016, 800 first-time offender youth received counseling services to prevent further involvement in the juvenile justice system, 188 offender youth obtained high school diplomas and 193 were employed and/or enrolled in further education.



Source: Department of Community Services

The Office of Grants Management administers the City's Grants-in-Aid (GIA) Fund. In FY 2016, \$6.8 million was appropriated for tax exempt, non-profit organizations that provide services for economically and/or socially disadvantaged populations or for public benefit in the areas of the arts, culture, economic development or the environment. In FY 2016, the office executed 51 FY 2016 contracts and managed 74 FY 2015 awards.

In FY 2016 the estimated number of persons served increased 248% from 75,651 in FY 2015 to 262,938 in FY 2016. The department attributes the increase to grant applications that proposed activities to reach a broader population than in FY 2015.



Source: Department of Community Services

	Operating Expenditures		WorkHawai'i			Office of Grants Management		
	WorkHawai'i (\$ millions)	Office of Grants Management (\$ millions)	Homeless Families Receiving Rental Subsidies	Companies Served	Job Seekers Served ¹	Grants-In-Aid Contracts Awarded ³	Total Amount Awarded (\$ million) ²	Persons Served ³
FY 2012	\$6.96	\$5.13	87	-	37,960	-	-	-
FY 2013	\$8.77	\$3.10	67	-	26,698	-	-	-
FY 2014	\$9.35	\$5.60	81	-	31,967	52	\$4.93	155,585
FY 2015	\$8.02	\$7.91	87	-	34,856	74	\$6.53	75,651
FY 2016	\$6.10	\$8.19	80	1,051	19,553	51	\$6.82	262,938
Change from last year	-24%	3%	-8%	-	-44%	-31%	4%	248%
Change over last 5 years	-12%	60%	-8%	-	-48%	-	-	-

Source: Department of Budget and Fiscal Services and Department of Community Services. ¹Includes job seekers who attended job fairs as well as center users. ²Estimated figure. ³Grants-in-Aid Contracts Awarded established in FY 2014.

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Chapter 4 - Department of Corporation Counsel

The Department of the Corporation Counsel (COR) serves as the chief legal advisor and legal representative of all city agencies, the City Council, and all officers and employees of the city in matters relating to their official powers and duties. The department represents the city in all legal proceedings and performs all other legal services required by the Charter or other laws.

The department's goals are to:

- Work proactively with departments to reduce liability that may arise from day-to-day operations.
- Deliver quality legal services in a responsive and efficient manner.
- Establish and maintain solid attorney-client relationships.
- Maximize the intake of real property tax revenues by vigorously defending assessments and expeditiously resolving tax appeals.

The department has an administration division and two other divisions which are under its legal services activity.

Counseling and Drafting

- Renders legal opinions to the mayor, city council, and other city entities.
- Represents the city in court.
- Drafts and reviews legal documents, ordinances, and resolutions.
- Drafts state legislation.

Litigation

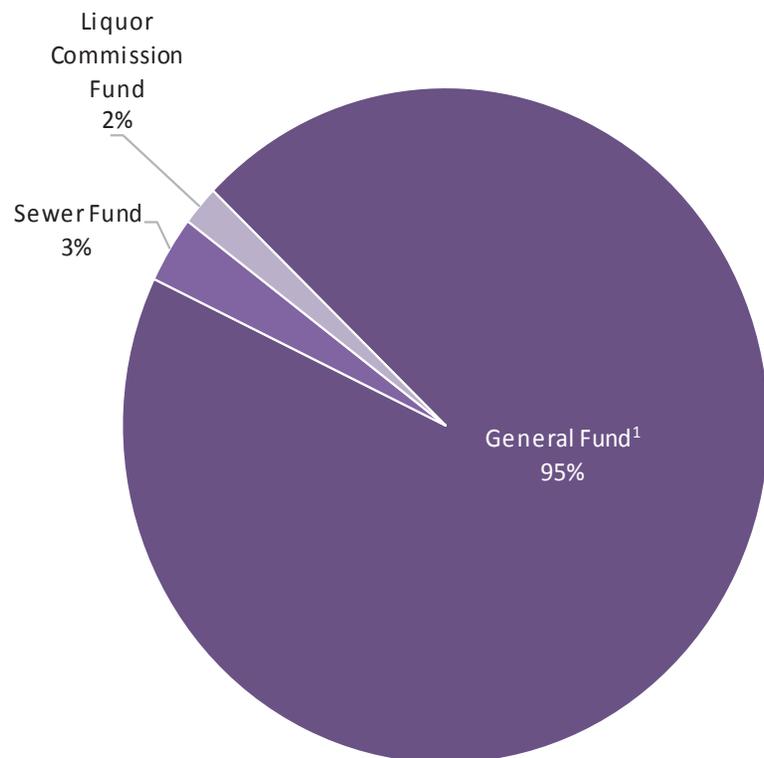
- Represents the city and its employees before all courts in the State of Hawai'i.
- Handles personal injury and property damage claims related to the city.
- Seeks collections for monies owed to the city.

To meet the diverse legal needs of its clients, by advising its clients proactively, and by effectively representing and litigating their interests, while maintaining the highest standards of professionalism and ethics.

Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Operating Expenditures (\$ millions)	Staffing		Cost Per FTE ²	Total Attorney FTE Filled	Total Attorney FTE Vacant
		Total Authorized FTE	Total Vacant FTE			
FY 2012	\$7.75	81.0	4.0	\$95,662	43.0	2.0
FY 2013	\$6.65	81.5	11.0	\$81,574	41.0	4.0
FY 2014	\$7.02	89.0	7.0	\$78,894	45.0	1.0
FY 2015	\$7.66	89.0	11.5	\$86,021	44.0	3.0
FY 2016	\$8.38	92.0	9.0	\$91,078	47.0	0.0
Change from last year	9%	3%	-22%	6%	7%	-100%
Change over last 5 years	8%	14%	125%	-5%	9%	-100%

Source: Department of Budget and Fiscal Services and Department of the Corporation Counsel. ¹Under the charter, the Honolulu Ethics Commission is attached to the Department of Corporation Counsel for administrative purposes only. The commission is fully funded by the General Fund and is not included in this chart. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable.

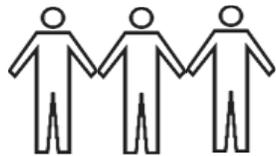
Spending and Staffing



Operating Expenditures

\$8.38 M ▲ 9%

The department attributes the increase to the filling of vacant funded positions and an increase in requirements for outside legal counsel and expert consultant services.



Vacant FTE

9 FTE ▼ 22%

The department attributes the decrease to its vigorous efforts to fill all funded vacancies.



Overtime

\$178 ▼ 69%

The department attributes the decrease to the close monitoring and control of overtime.

ACCOMPLISHMENTS

- COR continues to assist the Department of Environmental Services (ENV) and the Department of Design and Construction (DDC) in their ongoing compliance with the terms of the 2010 Global Wastewater Consent Decree that was entered into by the U.S. District Court, the United States Environmental Protection Agency (EPA), the State of Hawai'i Department of Health (DOH), and various non-governmental organizations.
- COR also continues to support the Honolulu Authority for Rapid Transportation (HART) which is charged with managing the largest capital project in state history. COR provided legal advice regarding agreements with utilities and third parties, contract administration, land use, environmental and construction permitting, state and city legislation, project financing; the development of a multi-modal fare collection system; broadband connectivity; real estate acquisitions; and numerous public records requests. COR represents HART in procurement protests and eminent domain proceedings.
- COR supported the city's acquisition of properties to be used for housing and services for homeless and low income individuals and families; assisted with negotiating, preparing, and reviewing legal documentation, due diligence matters, permitting and other approvals, site-specific, funding-specific legal issues; and assisted with contracts for site work, development, improvements, and modifications to make properties suitable for housing and supportive services.

	Counsel and Drafting Cases	Litigation Cases	Real Property Tax Recoveries (\$ millions)	Total Number of Cases
FY 2012	11,814	2,619	\$3.5	15,322
FY 2013	11,954	2,731	\$16.3	15,869
FY 2014	14,888	3,622	\$31.2	18,510
FY 2015	14,948	2,969	\$3.4	17,917
FY 2016	16,728	1,663	\$3.2	18,391
Change from last year	12%	-44%	-6%	3%
Change over last 5 years	42%	-37%	-9%	20%

Source: Department of the Corporation Counsel. ¹FY 2014, FY 2015 and FY 2016 Real Property Tax Cases are included in the Counsel and Drafting Cases total.

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Honolulu Ethics Commission

The Ethics Commission has seven commissioners who are appointed by the mayor and confirmed by the city council for five-year staggered terms. The commission renders advice on ethics questions to city personnel and the public; investigates complaints of violations of the ethics laws; recommends discipline to appointing authorities for ethics law violations; and imposes civil fines for violations by exempt or elected officials.

The commission also develops and implements education programs, including mandatory ethics training and re-training for all city personnel. It also recommends legislation before the council and the legislature; develops guidelines explaining the standards of conduct; reviews and maintains financial disclosure statements of city officials with significant discretionary authority; and regulates lobbying and lobbyists.

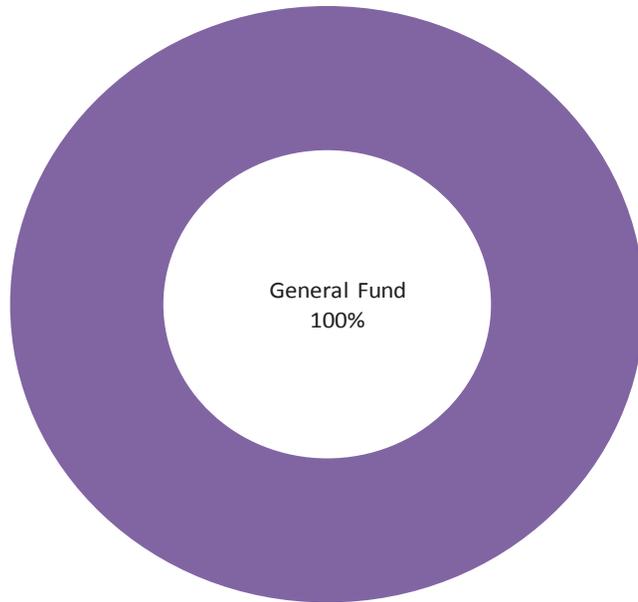
The commission is administratively attached to the Department of the Corporation Counsel.

To ensure that city officers and employees understand and follow the ethical standards of conduct governing their work for the public.

Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Total Operating Expenditures	Staffing		Cost Per FTE ¹
		Total Authorized FTE	Total Vacant FTE	
FY 2012	\$254,234	3.0	0.0	\$84,745
FY 2013	\$265,987	3.0	0.0	\$88,662
FY 2014	\$348,125	4.0	0.0	\$87,031
FY 2015	\$351,982	6.0	2.0	\$58,664
FY 2016	\$375,231	6.0	3.0	\$62,539
Change from last year	7%	0%	50%	7%
Change over last 5 years	48%	100%	--	-26%

Source: Department of Budget and Fiscal Services. ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE.

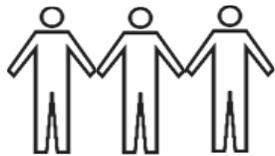
Spending and Staffing



Operating Expenditures

\$375 K ▲ 7%

The department attributes the increase to the need for outside investigation and legal services.



Vacant FTE

3 FTE ▲ 50%

The department attributes the decrease to the departure of the investigator, associate legal counsel, and executive director and legal counsel.

Five Year Trends



- Total Operating Expenditures increased 48% between FY 2012 and FY 2016 from \$254,234 to \$375,231. According to the commission, costs have increased due to expansion of staff from 3 FTE (FY 2012) to 6 FTE (FY 2016); salary adjustments; consultant services for litigation and complex Ethics Commission cases with unique legal issues and conflicts of interests; other professional services, and other miscellaneous costs related to litigation and complex Ethics Commission cases with unique legal issues and conflicts of interest.

National Citizen Survey



- Residents increased their ratings of government performance in Acting in the Best Interest of Honolulu at 34% and Treating All Residents Fairly at 29% in FY 2016 compared to 23% and 23% in FY 2015, which is an overall increase of 11% and 6% respectively.

	Total No. Employees Trained ¹	Advice Requests & Complaints	Complaints Opened for Investigation	Requests for Advice Answered
FY 2012	1,127	440	70	370
FY 2013	2,937	414	86	403
FY 2014	6,292	386	105	389
FY 2015	858	307	93	319
FY 2016	5,172	344	111	219
Change from last year	503%	12%	19%	-31%
Change over last 5 years	359%	-22%	59%	-41%

Source: Honolulu Ethics Commission. ¹FY 2012 includes specialized training hours. This training category was discontinued in FY 2013.

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Chapter 5 - Department of Customer Services

The Department of Customer Services (CSD) provides the public with information about city programs, administers the Motor Vehicles, Licensing and Permits program, and operates Satellite City Hall and driver licensing stations island-wide.

The department's goals are to:

- Increase the variety of transactions offered at the various CSD service centers around O'ahu.
- Improve service centers to facilitate one-stop service.
- Automate processes to increase efficiency and convenience.
- Educate the public on available electronic-based services so that more transactions can occur *online* instead of *in-line*.
- Cross-train staff to improve processing capability.

The department's administration provides policy guidance, direction and administrative support to the following departmental programs:

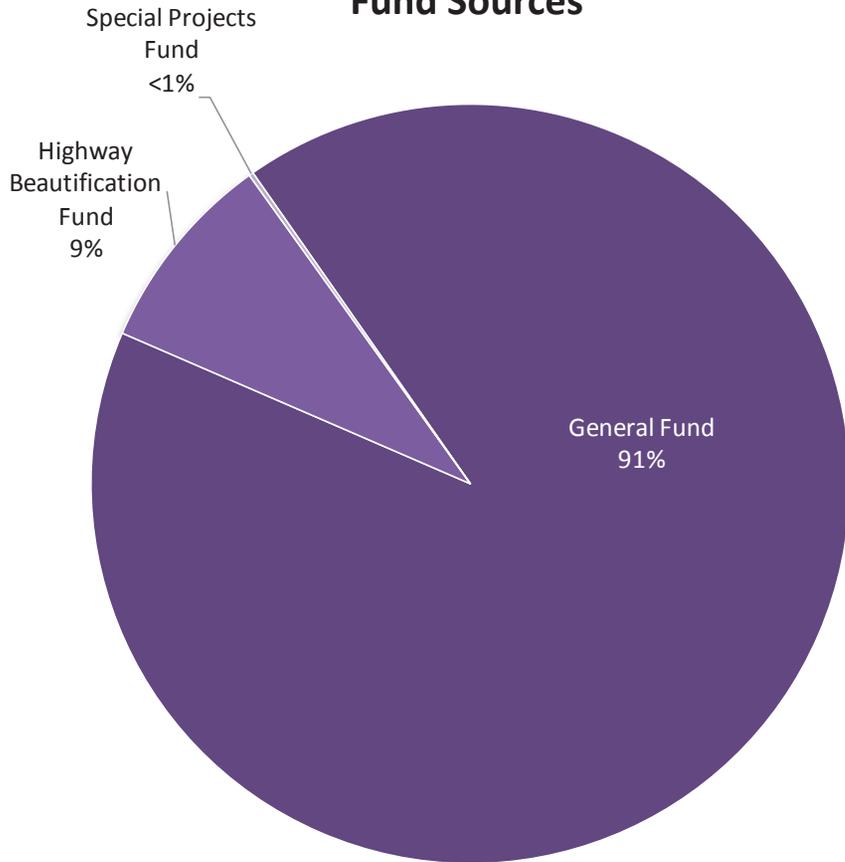
Public Communication	Motor Vehicle, Licensing and Permits	Satellite City Hall
<ul style="list-style-type: none">•Disseminates information to the public.•Processes inquiries and complaints.•Oversees the reference center.•Records management and archives programs.	<ul style="list-style-type: none">•Processes vehicle registrations.•Issues driver and business licenses.•Administers motor vehicle inspection programs.	<ul style="list-style-type: none">•Provides essential city government services and information through nine storefront offices around O'ahu.

To provide the highest quality of service to the public, whether in person, by phone, or electronically.

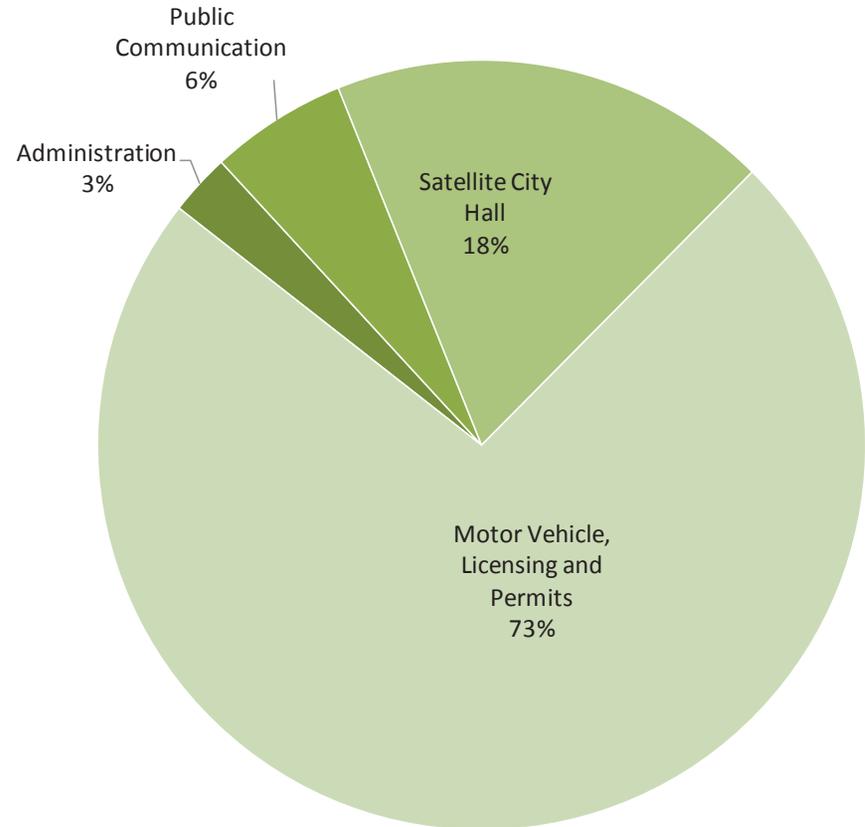
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Total Revenues (\$ millions)	Operating Expenditures (\$ millions)	Staffing		Cost per FTE ¹	Overtime Expenditures	
			Total Authorized FTE	Total Vacant FTE		Total	Non-Holiday ²
FY 2012	\$152.15	\$18.92	308	72	\$61,442	\$17,483	\$16,506
FY 2013	\$155.12	\$19.32	307	70	\$62,947	\$52,716	\$48,979
FY 2014	\$157.56	\$19.63	308	71	\$63,749	\$208,682	\$205,362
FY 2015	\$160.31	\$20.78	278	30	\$74,741	\$201,001	\$192,913
FY 2016	\$163.15	\$22.58	279	43	\$80,918	\$163,407	\$163,288
Change from last year	2%	9%	<1%	43%	8%	-19%	-15%
Change over last 5 years	7%	19%	-9%	-40%	32%	835%	889%

Source: Department of Budget and Fiscal Services. ¹Percentages do not total 100% due to rounding. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing



Operating Expenditures

\$22.58 M ▲ 9%

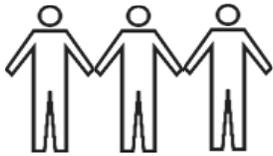
The department attributes the increase to mandated collective bargaining contract terms and increased salaries of new hires in key administrative positions.



Revenues

\$163.15 M ▲ 2%

The department attributes the increase primarily to an increase in the amount of passenger and truck motor vehicle registrations processed in FY 2016.



Vacant FTE

43 FTE ▲ 43%

The department attributes the increase to the high volume of retirements that occurred in Fiscal Year 2016.



Overtime

\$163 K ▼ 19%

The department attributes the decrease to the way the department schedules Special Duty Officers who provide security at the Kapālama Hale Driver License Center. The scheduling changed from five to three days per week as Special Duty Officers and two days a weeks as Reserve Officers.

Five Year Trends



- Total Overtime Expenditures increased 835% between FY 2012 and FY 2016 from \$17,483 to \$163,407.
- The department's operating expenditures increased 19% from \$18.92 million to \$22.58 million over the last five years.

National Citizen Survey



- Honolulu residents gave higher ratings for overall customer service by Honolulu employees, **42%**, as *excellent* or *good* compared to 35% in FY 2015, that is a 7% increase over last year.

ACCOMPLISHMENTS

- Relocated the Satellite City Hall at City Square to a new, upgraded service location at the city's new Kapālama Hale facility;
- Relocated the Driver Licensing Center at City Square to a new, upgraded service location at the city's new Kapālama Hale facility; and
- Completed the initial deployment of the city's new AlohaQ push-notification queueing system at the new Kapālama Hale facilities, as well as the Pearlridge Satellite City Hall. AlohaQ is designed to reduce the need for customers to wait in line for service, including providing customers the ability to get in line online, at www.AlohaQ.org.

Source: Department and Agency Report

Administration and Public Communication

Administration provides policy guidance, direction and administrative support to the City's public communications programs and its service delivery centers. These include the Public Communications, Satellite City Halls and Motor Vehicle Licensing and Permits divisions.

Administration's operating expenditures increased 14% from \$513,208 in FY 2015 to \$584,140 in FY 2016. The department attributes the increase to the mandated collective bargaining contract terms, a promotion and key filling of its deputy director and secretary positions.

Public Communication

Public Communication Division provides central information support to city departments, agencies and the public. It receives and responds to information requests from the public and media sources. Complaints staff either resolve a complaint or forward it immediately to the appropriate department or agency for follow-up and resolution. The division monitors and reports complaint statistics to Administration.

In FY 2016, the Information Branch responded to more than 700 requests for proclamations, certificates, photographic support, and media relations assignments. The division received approximately 11,000 reports regarding concerns about city services, and produced 40 hours of original video content for airing on 'Ōlelo Community Television, including the live broadcast of the Mayor's State of the City address, selected press conferences, and the Honolulu City Lights opening night events. The Municipal Reference Center initiated work to digitize titles from its

collection to make resources freely available to the public online.

CSD is also responsible for referring complaints that must be resolved by the appropriate and responsible agency, for example pothole repairs. CSD tracks and monitors the progress of the referral, agency response, and timely closure of each complaint.

Over the past five years, the number of complaints resolved by CSD increased from 1,363 in FY 2012 to FY 4,324 in FY 2016. According to the department, the observed variance can largely be attributed to a stepped-up effort during the last half of the previous fiscal year to follow up with departments and agencies to review and close pre-2013 complaints through the mayor's Document and Records Tracking system.

In FY 2016, CSD received the most complaints for street lights (805) followed by request for information (695) and abandoned vehicles (609). The number of potholes complaints reported by CSD in FY 2016 is 233.

	Operating Expenditures		Complaint Actions Processed ¹	Number of Complaints Resolved ²	
	Administration	Public Communication (\$ millions)		Resolved by CSD	Resolved by Departments
	FY 2012	\$425,243		\$1.57	13,147
FY 2013	\$417,559	\$1.37	14,883	3,284	13,429
FY 2014	\$468,857	\$1.36	13,301	3,096	8,512
FY 2015	\$513,208	\$1.35	10,225	2,080	1,020
FY 2016	\$584,140	\$1.30	10,974	4,324	6,650
Change from last year	14%	-3%	7%	108%	552%
Change over last 5 years	37%	-17%	-17%	217%	-38%

Source: Department of Budget and Fiscal Services and Department of Customer Services. ¹Complaint actions processed includes complaints received by phone, e-mail, on-line, written and other miscellaneous methods.

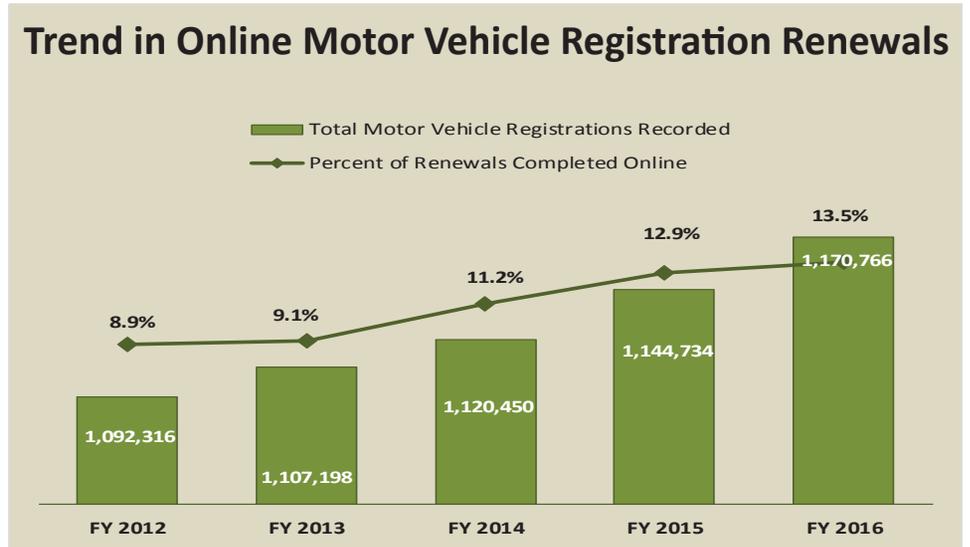
²Number of complaints "Resolved by CSD" and "Resolved by Departments" is greater than "Complaint actions processed" due to complaints from previous year(s) being resolved in the current year.

Motor Vehicle, Licensing and Permits (MVLP) primarily processes motor vehicle registrations, issues driver and business licenses and State IDs, issues permits for disabled parking; and administers and enforces the motor vehicle inspection programs. It issues animal registrations, licenses and permits; and administers the city's abandoned and derelict vehicle program, and the city's animal care and control contracts. It also investigates taxicab and tow contractor complaints.

MVLP has five driver licensing centers. All five storefront offices have service line cameras so that the public can alleviate their wait times. Driver license location service lines can be viewed at:

<http://www3.honolulu.gov/csddline/>

In 2016, the Division of Motor Vehicle, Licensing and Permits relocated its main driver license operation from City Square to Kapālama Hale while implementing several new technologies to assist customers, such as a queuing system (AlohaQ) and an online driver license document checker. MVLP also worked with car dealers and their association to improve and revise MVLP's online vehicle registration program to create a more efficient and economical way of registering new cars.



Source: Department of Customer Services

MVLP was tasked with several major statutory and city ordinance amendments and revisions. MVLP implemented new procedures for issuing limited purpose licenses, moped registrations and oversaw the development and implementation of a new National Park special license plates. MVLP revised their rules and procedures relating to taxicabs and taxi drivers while developing new rules and procedures related to Private Transportation Service companies, such as Uber and Lyft.

	Total Operating Expenditures (\$ millions)	Total Revenues Collected (\$ millions)	Total Revenue Transactions Processed	Total Motor Vehicle Registrations Recorded	Online Vehicle Registration Renewals	Percent of Renewals Completed Online
FY 2012	\$12.99	\$151.65	1,366,000	1,092,316	97,103	8.9%
FY 2013	\$13.62	\$154.27	1,287,430	1,107,198	101,067	9.1%
FY 2014	\$13.68	\$157.56	1,376,163	1,120,450	125,044	11.2%
FY 2015	\$14.77	\$151.98	1,405,723	1,144,734	147,704	12.9%
FY 2016	\$16.51	\$154.74	1,414,654	1,170,766	158,613	13.5%
Change from last year	12%	2%	1%	2%	7%	2%
Change over last 5 years	27%	2%	4%	7%	63%	7%

Source: Department of Budget and Fiscal Services and Department of Customer Services.

Satellite City Halls

Satellite City Halls (SCH) provide essential city government services and information through nine storefront offices across the island of O’ahu. These offices are located at:

- Ala Moana
- Fort Street Mall*
- Wahiawa
- Kapolei
- Windward City*
- Pearlridge*
- Hawai’i Kai*
- Kalihi
- Wai’anae
- Pearl Harbor**

*Locations that provide Hawai’i driver license duplicate and renewal services.

**Motor vehicle transactions only.

Satellite offices process primarily motor vehicle registration and title transactions. Other services include processing payments for water bills and real property tax, sales of monthly bus passes, spay/neuter certificates; dog, bicycle and moped licenses; as well as permits for disabled parking, picnic, loading zone, bus stop parking, and fireworks; and voter registration and certification forms. Satellite offices also provide information related to city jobs and local government programs.

Over the past five years, total operating expenditures for Satellite City Hall sincreased 6% from \$3.94 million in FY 2012 to \$4.18 million in FY 2016.



Source: Department of Customer Services

	Operating Expenditures (\$ millions)	Total Revenue Collected (\$ millions)	Walk-in Customers Served	Total Transactions Processed	Citizen Survey (% Excellent or Good)
					Satellite City Halls
FY 2012	\$3.94	\$182.14	1,078,220	937,583	54%
FY 2013	\$3.92	\$186.84	1,118,941	949,865	44%
FY 2014	\$4.13	\$178.99	1,135,824	873,710	55%
FY 2015	\$4.14	\$175.91	1,041,331	883,982	45%
FY 2016	\$4.18	\$184.50	1,042,097	883,133	50%
Change from last year	1%	5%	<-1%	<-1%	5%
Change over last 5 years	6%	1%	-3%	-6%	-4%

Source: Department of Budget and Fiscal Services and Department of Customer Services.

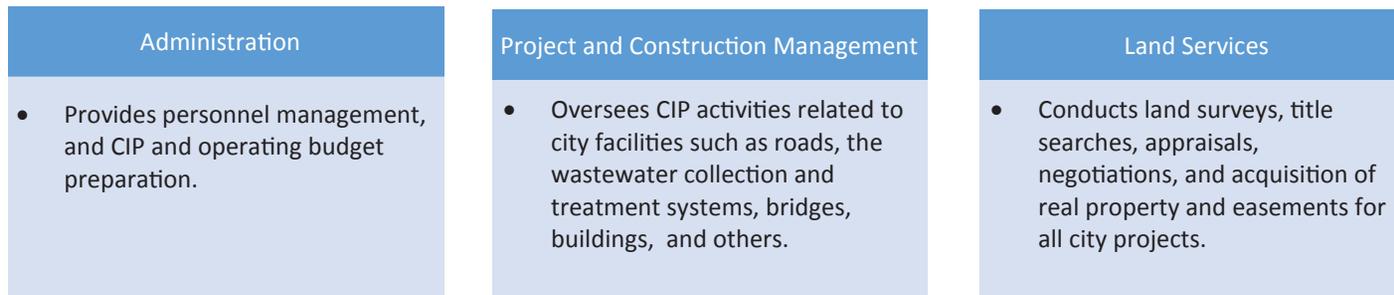
Chapter 6 - Department of Design & Construction

The Department of Design and Construction (DDC) is the central agency responsible for administering the city's Capital Improvement Program (CIP). The department's mission is consistent with the charter mandate to direct and perform the project planning, engineering, design, and construction of public facilities.

The department's goals are to:

- Be fiscally responsible.
- Coordinate with users, consultants, and other agencies to manage projects from project planning through construction.
- Provide valuable engineering expertise and advice to all city agency planning.
- Analyze and embrace new engineering and construction innovations to continuously improve the city's quality of service.
- Promote professional development within the department through training, education, and leadership.

The department consists of three operating functions:

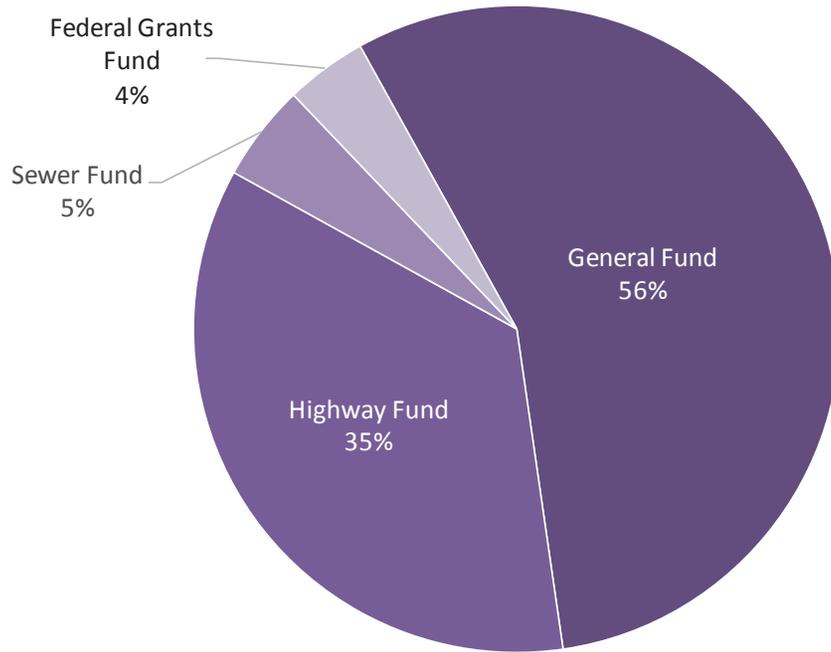


To support planning and provide land acquisition, design, construction, and inspection for public facilities of the City and County of Honolulu.

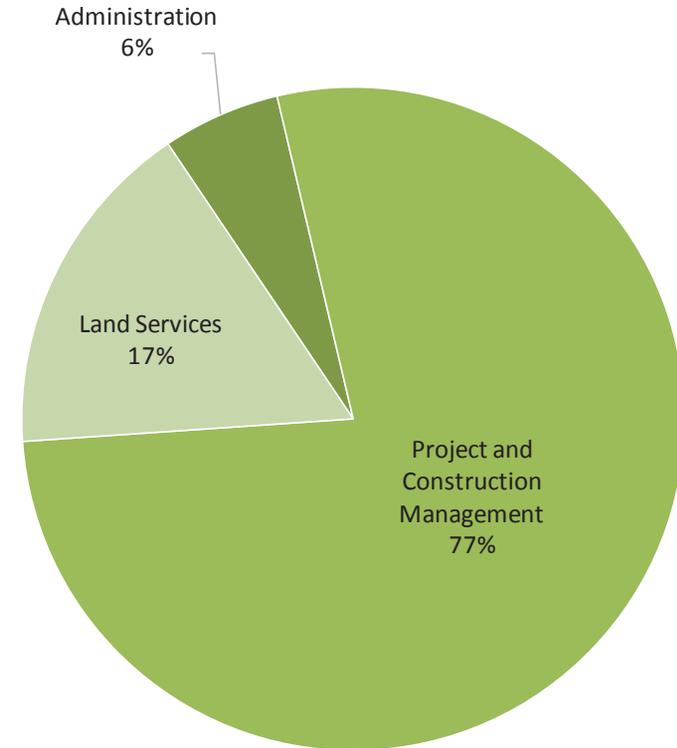
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Total Revenues (\$ millions)	Operating Expenditures (\$ millions)	Staffing		Cost per FTE ¹	Overtime Expenditures	
			Total Authorized FTE	Total Vacant FTE		Total	Non-Holiday ²
FY 2012	\$4.44	\$20.96	320	89	\$65,513	\$112,345	\$108,287
FY 2013	\$2.12	\$12.14	320	92	\$37,926	\$164,940	\$156,678
FY 2014	\$0.94	\$14.54	328	107	\$44,340	\$188,653	\$181,190
FY 2015	\$0.32	\$16.78	278	55	\$60,364	\$223,093	\$218,365
FY 2016	\$0.32	\$15.73	278	53	\$56,571	\$258,473	\$255,424
Change from last year	1%	-6%	0%	-4%	-6%	16%	17%
Change over last 5 years	-93%	-25%	-13%	-40%	-14%	130%	136%

Source: Department of Budget and Fiscal Services (BFS). ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing



Operating Expenditures

\$15.7 M ▼ 6%

In FY 2016 expenditures reflect a 6% decrease from the previous year due to a one-time large expense to relocate city offices in FY 2015.



Overtime

\$258 K ▲ 16%

Overtime increased 16% due to collective bargaining and deadlines for priority projects.

Five Year Trends



- The department's overtime expenditures increased 130% from \$112,345 to \$258,473 over the last five years.



- The department's operating expenditures decreased 25% from \$21 million to \$15.7 million over the last five years.

- The department's vacant FTE decreased 40% from 89 to 53 FTE over the last five years.

National Citizen Survey



City and County street repair received a **15%** rating as being *excellent or good* in 2016. That is a 4% increase from their 11% rating in FY 2015. This rating is much lower than benchmark comparison.

ACCOMPLISHMENTS

- Completed 5 construction contracts for Bridge Rehabilitation, valued at \$1.4M
- Completed three Rockfall Mitigation Projects, construction contracts valued at \$1.4 million
- Reconstructed the Kanewai Community Park play courts and installed a new lighting system, and a new play apparatus at a cost of \$1 million
- In FY 2016, 268 lane miles were paved

Project and Construction Management

Project and Construction Management’s (PCM) mission is to oversee capital improvements to various city facilities that include roads, wastewater collection and treatment systems, and municipal buildings. Construction of bridges, fire, EMS, and police stations, park facilities, and golf courses are also under this program’s jurisdiction.

Project and construction management is divided into four divisions: Mechanical/Electrical (M/E), Facilities, Civil, and Wastewater. Each division provides planning, design, and construction management.

Project and construction management total operating expenditures increased 17% from \$13.4 million in FY 2015 to \$15.7 million in FY 2016 and decreased 13% over the last five years from \$18.0 million in FY 2012. The department mainly attributes the overall decrease to the transfer of utility cost (electricity, water and sewer) to user agencies.

In FY 2016, the city paved 268 lane miles a 25% increase from 214 paved lane miles in FY 2015. That is a total of more than 1,130 lane miles since January 1, 2013. The Mayor’s five-year road plan aims to improve all 1,500 lane miles of roads that are considered in less than “fair” condition, as assessed by an independent study conducted in 2012. In FY 2016 the Mayor budgeted an additional \$3 million for pavement preservation projects such as slurry sealing, sealcoating, and crack sealing of roads before they deteriorate.

Costs of Significant Construction Projects Completed (\$ million)



Source: FY 2016 Department & Agency Reports, Department of Design and Construction

Operating Expenditures by Divisions

	Total Operating Expenditures (\$ millions)	Mechanical/ Electrical (\$ millions)	Facilities (\$ millions)	Civil (\$ millions)	Wastewater (\$ millions)	Contracted Road Resurfacing (Lane Miles)
FY 2012	\$18.04	\$9.98	\$2.92	\$4.44	\$0.72	180
FY 2013	\$9.13	\$1.46	\$2.87	\$4.09	\$0.71	310
FY 2014	\$11.25	\$1.63	\$4.61	\$4.22	\$0.79	270
FY 2015	\$13.44	\$1.16	\$5.77	\$4.70	\$0.83	214
FY 2016	\$15.71	\$1.55	\$4.55	\$5.13	\$0.73	268
Change from last year	17%	34%	-21%	9%	-12%	25%
Change over last 5 years	-13%	-84%	56%	16%	1%	49%

Source: Department of Budget and Fiscal Services and Department of Design and Construction.

Wastewater Division

The Wastewater Division plans, designs, and constructs funded capital projects, including repair and upgrades to the collection and conveyance systems and wastewater treatment facilities.

A primary driver of the Wastewater Program is the 2010 Global Consent Decree (GCD). DDC coordinates consent decree construction projects with the Department of Environmental Services (ENV). ENV is responsible for planning, programming, inspection, and compliance reporting requirements. DDC supports ENV by executing CIP project planning, design and construction for various wastewater-related projects such as treatment plants, pump stations, force mains, and gravity lines.

The sewer system is a critical component of the city’s infrastructure. As part of a 10-year program that began in 2010 to rehabilitate 144 miles of sewer pipe and clean 500 miles of sewer pipe per year, the city rehabilitated 122 miles of sewer pipe and cleaned approximately 500 miles of sewer pipe in FY 2016.

In FY 2016, 381 projects were completed of the 484 projects outlined by the federal agency. That is 78% of Honolulu’s Consent Decree with the Environmental Protection Agency.



Source: Department of Design and Construction. Ala Moana Force Main Installation

PCM Wastewater Division completed Phase 2 of the Renton Road Sewer and Manhole Rehabilitation by rehabilitating approximately 7,000 linear feet of 30-inch diameter pipe along Renton Road, from Fort Barrett Road eastward toward the Honouliuli Wastewater Treatment Plant, using cured, in-place pipe (CIPP).

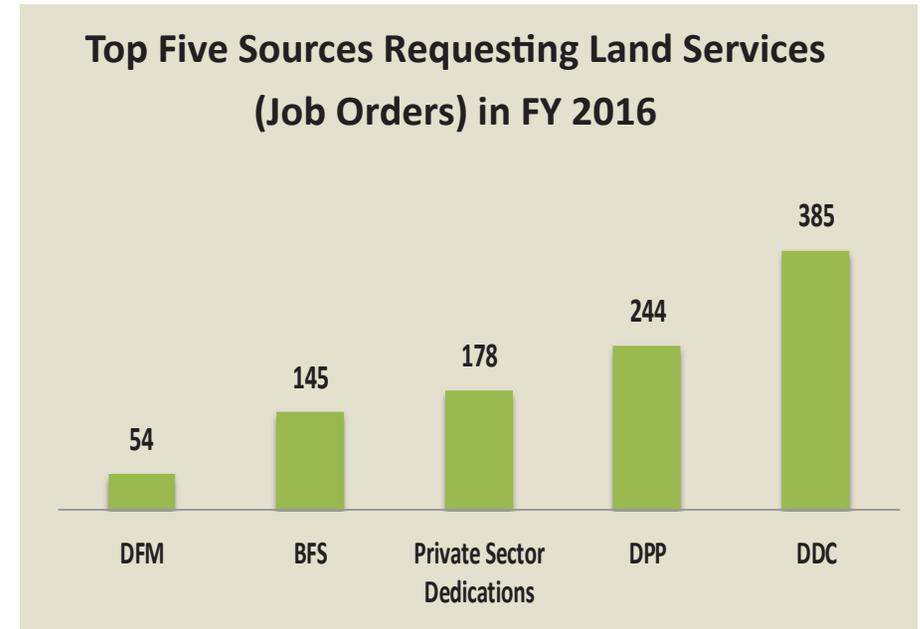
	No. of Projects Encumbered		Value of Projects Encumbered		Total CIP Projects Completed	Value of CIP Projects Completed (\$ millions)
	Planning and Design	Construction	Planning and Design (\$ millions)	Construction (\$ millions)		
FY 2012	75	75	\$51.00	\$329.00	89	\$240.00
FY 2013	103	83	\$32.00	\$269.00	108	\$335.00
FY 2014	138	89	\$67.70	\$322.40	92	\$171.20
FY 2015	132	104	\$42.80	\$255.60	88	\$287.90
FY 2016	155	106	\$62.10	\$334.10	107	\$154.50
Change from last year	17%	2%	45%	31%	22%	-46%
Change over last 5 years	107%	41%	22%	2%	20%	-36%

Source: Department of Budget and Fiscal Services and Department of Design and Construction.

Land Services’ mission is to provide land and engineering survey, title search, real property appraisal, negotiation, and document preparation services in connection with the acquisition of lands and easements required for city projects and activities. Acquisitions include various roadways, utility and access rights-of-way, and sites for wastewater collection and treatment facilities. Sites for solid waste collection, disposal, and transfer activities are also acquired. This program also acquires land for public use sites such as parks and playgrounds, golf courses, police and fire stations, and bus yards.

The number of parcels acquired increased 153% from 139 total parcels acquired in FY 2012 to 352 total parcels acquired in FY 2016. The department explained that the increase can be attributed to the dedication process.

Over the last five years, total title searches conducted decreased 53% from 2,789 to 1,305 total title searches conducted. The department attributes this decrease to the number of title searches, while negotiations decreased due to fewer agency requests for new acquisitions of sewer or drainage easements, park expansions, road rehabilitations, and building code violations. Most of the construction projects have been for rehabilitation purposes, and confined within city easements that do not require acquisition of private lands.



Source: Department of Design and Construction. DFM– Department of Facilities Management, BFS–Budget and Fiscal Services, DPP– Department of Planning and Permitting, DDC– Department of Design and Construction.

	Land Services Operating Expenditures (\$ millions)	Total Field Surveys Conducted	Total Title Searches Conducted	Total Parcels Acquired	Total Negotiations Conducted	Total Property Appraisals	Total Parcel and Land Court Maps
FY 2012	\$2.14	940	2,789	139	3,284	370	119
FY 2013	\$2.18	960	1,789	56	3,882	390	107
FY 2014	\$2.44	902	1,704	84	4,508	405	87
FY 2015	\$2.46	907	1,297	139	3,578	465	80
FY 2016	\$2.62	959	1,305	352	2,980	450	58
Change from last year	6%	6%	1%	153%	-17%	-3%	-28%
Change over 5 years	22%	2%	-53%	153%	-9%	22%	-51%

Source: Department of Budget and Fiscal Services and Department of Design and Construction.

Chapter 7 - Department of Emergency Management

The Department of Emergency Management (DEM) coordinates the city's emergency management operations with state, federal (including military), and non-government agencies to prepare for, respond to, and recover from various types of disasters and emergencies.

The department's goals are to:

- Bring public awareness, preparedness, and educational programs that are critical for community level resiliency.
- Synchronize public and private sectors to ensure seamless response and recovery.
- Sustain the city's Emergency Operations Center (EOC) capability by facilitating event tracking, planning, and management.
- Develop an all-hazard strategic plan using a risk based all-hazard approach, inclusive of both natural and man-caused hazards.

DEM's administration plans, directs, coordinates, and administers the overall operations and functions of the department. The department carries out its responsibilities for Emergency Management Coordination as follows:

Emergency Management Coordination

- Provides communications support.
- Coordinates deployment of pumping and heavy equipment.
- Activates emergency management reserve corps personnel.
- Coordinates state response resources.

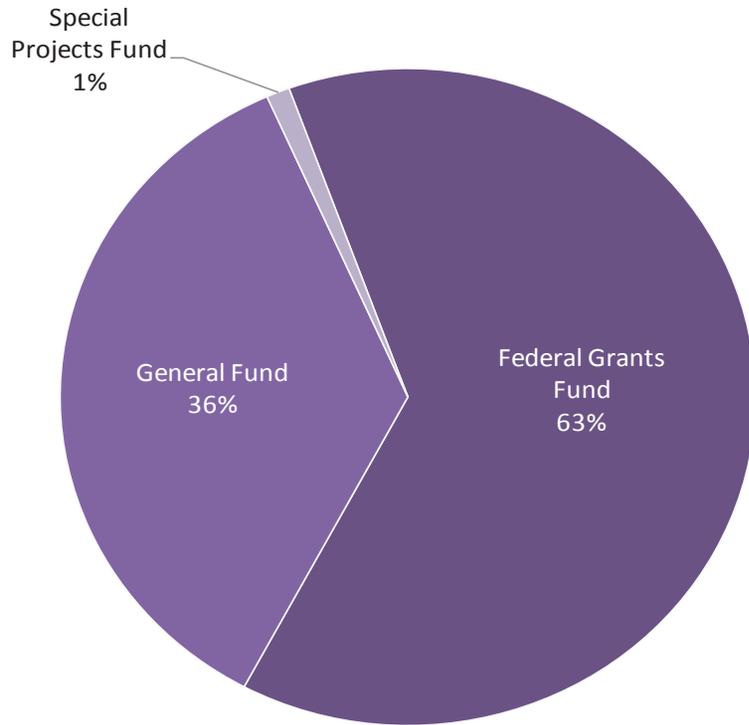


To develop, prepare for, and, under disaster emergency situations, assist in the implementation of emergency management plans and programs to protect and enhance public health, safety, and welfare of residents and visitors.

Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Total Revenues (\$ million)	Total Operating Expenditures (\$ million)	Staffing		Cost Per FTE ²	Overtime Expenditures ³	
			Total Authorized FTE ¹	Total Vacant FTE		Total	Non-Holiday
FY 2012	\$13.42	\$11.68	15.5	6	\$754,791	\$74,553	\$74,868
FY 2013	\$4.16	\$6.44	13.5	5	\$477,533	\$118,648	\$115,940
FY 2014	\$3.85	\$6.63	15.5	5	\$428,214	\$381,491	\$379,754
FY 2015	\$1.54	\$2.85	15.5	4	\$184,384	\$168,175	\$167,560
FY 2016	\$1.60	\$3.02	15.5	2	\$195,289	\$130,383	\$129,670
Change from last year	4%	6%	0%	-50%	6%	-22%	-23%
Change over last 5 years	-88%	-74%	<1%	-67%	-74%	75%	73%

Source: Department of Budget and Fiscal Services. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable.

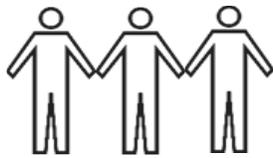
Spending and Staffing



Operating Expenditures

\$3.02 M ▲ 6%

The department attributes the increase due to the inconsistency in expending federal grant funds. Each grant has a two-year cycle period to spend, and the departments spend the money based on need, not on a time schedule. In addition, grant awards have varied year-to-year.



Vacant FTE

2 FTE ▼ 50%

The department attributes the decrease due to being able to fill the vacant positions with qualified applicants.



Overtime

\$130 K ▼ 22%

The department attributes the decrease due to the unpredictable nature of disasters. As an example, there have been tsunami warnings in three consecutive years (2010, 2011, and 2012), then no warnings at all since 2012.

Five Year Trends



- Total Overtime Expenditures increased 75% between FY 2012 and FY 2016 from \$74,553 to \$130,383.



- The department's operating expenditures decreased 74% from \$11.68 million to \$3.02 million over the last five years.

National Citizen Survey



- **64%** of Honolulu residents rated *Emergency Preparedness* (services that prepare the community for natural disasters or other emergency situations) as *excellent* or *good*. This rating is similar to the national benchmark comparison.

ACCOMPLISHMENTS

- Winner of the National Voice of the People 2015 Award – Safety Category by the International City/County Management Association, for Honolulu residents' disaster awareness and preparedness; and
- Installed five new outdoor warning sirens to provide early warning for disasters and upgraded 15 sirens to solar power

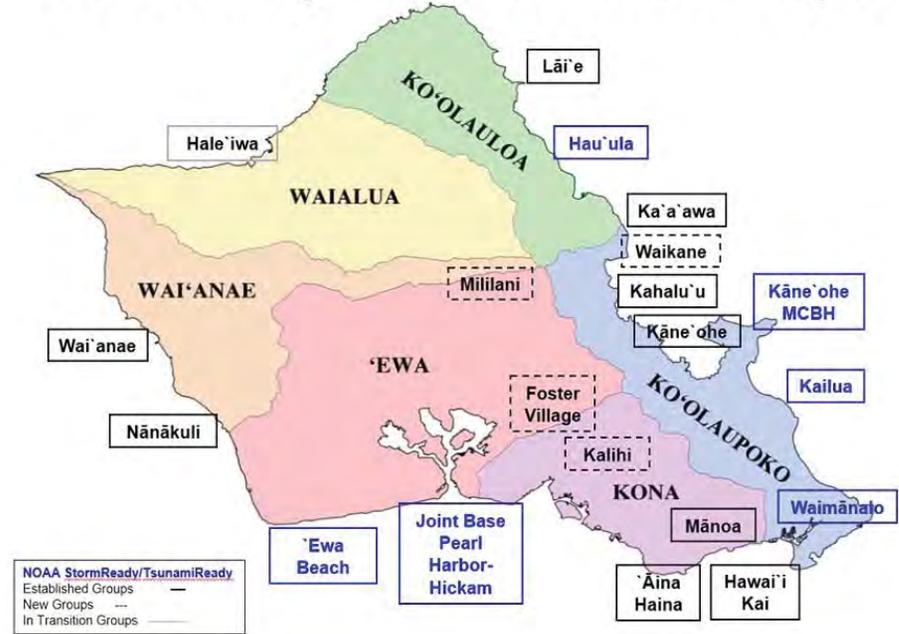
Disaster and Emergency Response

The department maintains the city's Emergency Operations Center (EOC) where it coordinates emergency/disaster response and recovery support. Activities include communications support, coordinating deployment of pumping and heavy equipment, activating emergency management reserve corps personnel, and coordinating state response resources.

Although there were no EOC Activations for Tropical Cyclones in FY 2016, six tropical cyclones of concern prompted emergency meetings with city stakeholders. There were no significant wind impacts from those storms, but 13 out of the 17 flash flood activation days were associated with tropical cyclones.

Since FY 2012, the number of Active Nixle Accounts has increased from 17,027 to 45,472. According to the department, DEM uses Nixle to alert the public of any hazards that affect the community and since 2010, DEM has been promoting the public to subscribe to Nixle through the department's website and public outreach events. The department sees an increase in the number of subscribers every time there is a large scale emergency (e.g. hurricane, tsunami, etc.).

Community Preparedness Groups



Source: Department of Emergency Management

	Number of Days EOC Activated					Nixle ¹	
	High Surf Warning	Flood/ Flash Flood Warning	Tsunami Info/ Watch/Warning	Tropical Depression/Cyclone	Brush/ Wild Fire	Total Alerts Sent	Total Active Accounts
FY 2012	2	20	0	2	6	186	17,027
FY 2013	3	11	1	1	2	248	26,014
FY 2014	13	8	2	5	5	292	33,899
FY 2015	8	9	0	9	4	285	40,944
FY 2016	1	17	2	0	1	386	45,472
Change from last year	-88%	89%	--	--	-75%	35%	11%
Change over last 5 years	-50%	-15%	--	--	-83%	108%	167%

Source: Department of Emergency Management. ¹ Nixle is a text and email based notification system for O'ahu residents and visitors to receive alerts regarding various emergencies.

Chapter 8 - Honolulu Emergency Services Department

The Honolulu Emergency Services Department (HESD) is comprised of four divisions: Administration, Emergency Medical Services (EMS), Ocean Safety and Lifeguard Services (OSLS), and Health Services (HS).



Administration

Provides administrative support for overall operations which includes establishing policy, overseeing the management of budgetary issues, managing public and media relations, providing guidance and training, managing and handling labor relations issues, and long range services planning.



Emergency Medical Services (EMS)

Provides pre-hospital emergency medical care and advanced life support emergency ambulance services for the city. The State Department of Health contracts with the city to provide pre-hospital emergency medical care and services on O’ahu. The division’s costs are eligible for 100% state reimbursement.



Ocean Safety and Lifeguard Services (OSLS)

Provides a comprehensive year-round ocean safety program which includes lifeguard tower services along the 198 miles of O’ahu’s coastline. The program provides dispatched emergency response services utilizing all-terrain vehicles, rescue craft, and rapid response vehicles that service the beaches and ocean waters for ocean rescue and emergency medical situations.



Health Services (HS)

Conducts pre-employment, physical and annual medical evaluations for all current and prospective city employees; maintenance of licensure or physical fitness standards as mandated by the city, Occupational Safety & Health Administration, Department of Transportation or other regulating agency; and other medical assistance to other city programs.

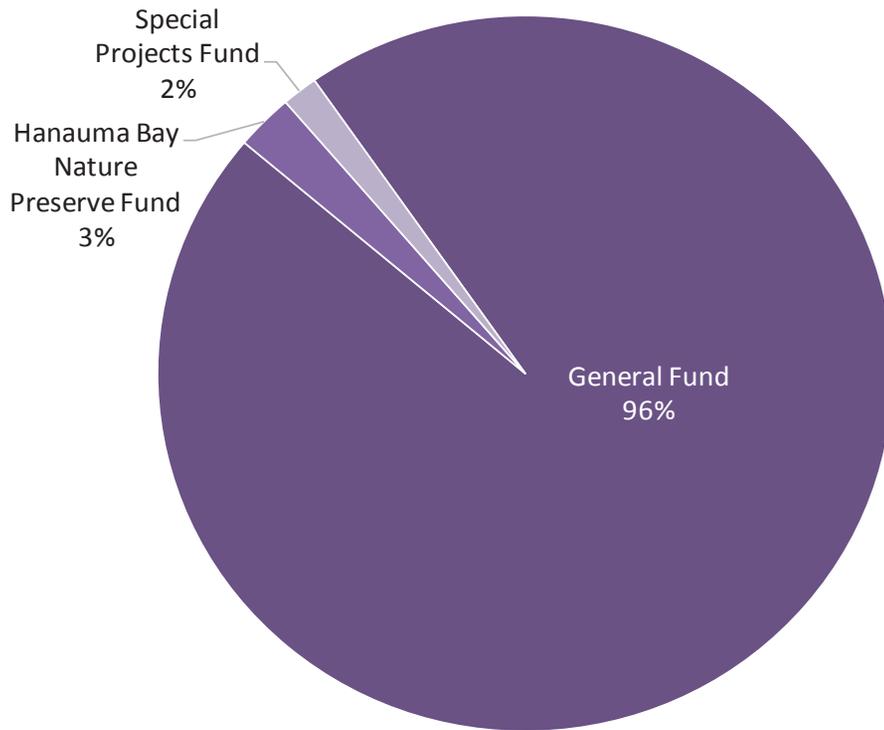


To develop programs and deliver exemplary services related to emergency medical services and lifeguard services on the island of O’ahu.

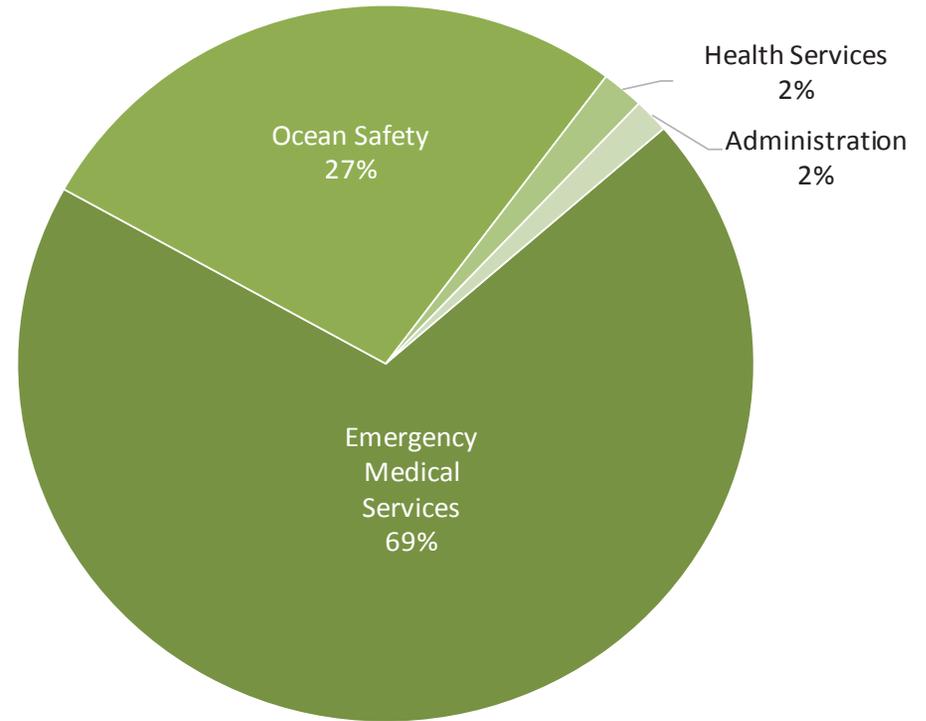
Mission Statement

Spending and Staffing

Fund Sources¹



Fund Uses



	Revenue (\$ millions)	Operating Expenditures (\$ millions)	Staffing		Cost Per FTE ²	Overtime Expenditures ³	
			Authorized FTE	Vacant FTE		Total (\$ millions)	Non-Holiday (\$ millions)
FY 2012	\$33.34	\$33.33	456.2	59.5	\$73,070	\$5.78	\$5.22
FY 2013	\$31.98	\$34.82	450.8	52.0	\$77,255	\$5.72	\$5.06
FY 2014	\$34.23	\$35.43	476.2	79.5	\$74,392	\$6.34	\$5.73
FY 2015	\$34.46	\$37.23	476.2	50.0	\$78,180	\$5.78	\$4.45
FY 2016	\$35.58	\$38.26	490.2	41.0	\$78,042	\$5.25	\$3.88
Change from last year	3%	3%	3%	-18%	<-1%	-9%	-13%
Change over last 5 years	7%	15%	7%	-31%	7%	-9%	-26%

Source: Department of Budget and Fiscal Services. ¹Percentages do not total 100% due to rounding. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing

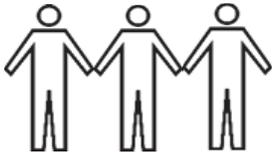
Operating Expenditures



\$38.26 M ▲ 3%

The department attributed this increase to bargaining unit increases.

Vacant FTE



41 ▼ 18%

The department attributed this decrease to efforts in filling positions and alternate work schedules.

Overtime



\$5.25 M ▼ 9%

The department attributed this decrease to filling vacancies and alternate work schedules.

Five Year Trends



HESD operating expenditures increased 15% to \$38.26 million in FY 2016 from \$33.33 million in FY 2012.



HESD revenue totaled \$35.58 million in FY 2016, which was a 7% increase from \$33.34 million in FY 2012.



HESD vacant FTE decreased 31% to 41 in FY 2016 from 59.5 in FY 2012.



HESD overtime expenditures totaled \$5.25 million in FY 2016, which was a 9% decrease from \$5.78 million in FY 2012.



Photos Courtesy of the Honolulu Emergency Services Department

ACCOMPLISHMENTS

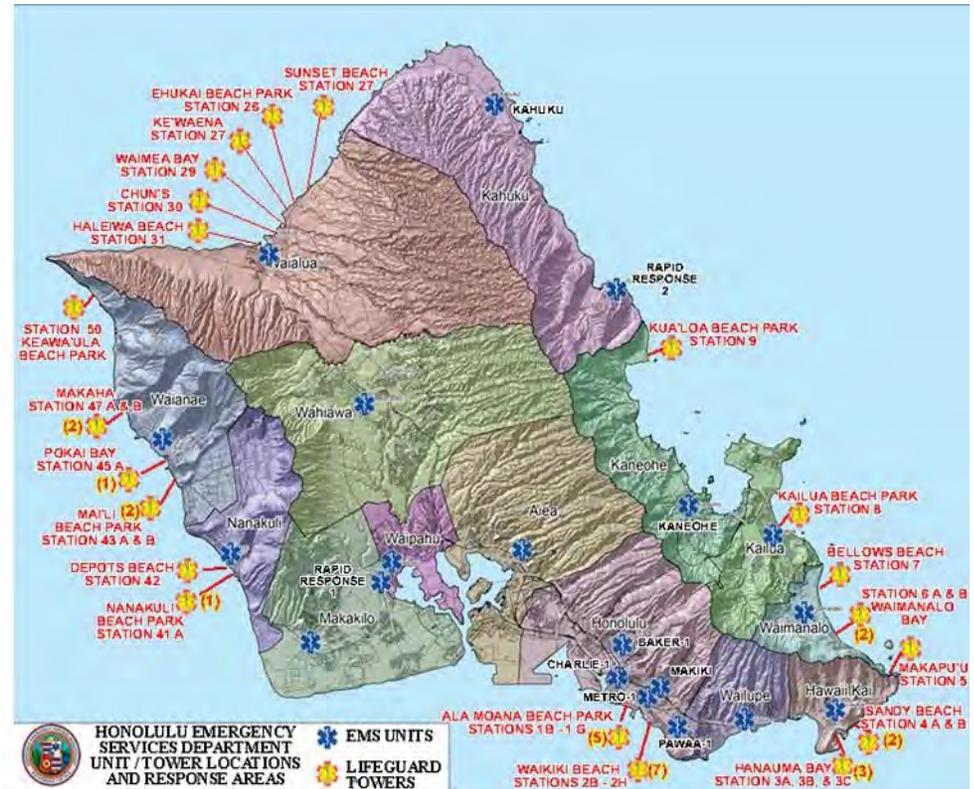
- HESD replaced four ambulances with brand new Ford F450s to service the areas of downtown Honolulu, Hawai'i Kai, Kaka'ako, Ala Moana, Chinatown, and Makiki.
- The department broke ground on a new EMS station on Ukee Street in Waipio, which is projected to open in Spring 2017.
- Lifeguards responded to more than 2,300 calls to 911 in FY 2016, ranging from ocean rescues to traumatic injuries, both in the ocean and on land.
- HESD laboratory passed its biennial Clinical Laboratory Improvement Amendments inspection by the SDOH and annual certification by the State of Hawai'i DUI Coordinator. These inspections are required by Title 11, Chapter 114 of the Hawai'i Revised Statutes to perform blood alcohol analysis.

Ocean Safety and Lifeguard Services

Ocean Safety and Lifeguard Services expenditures have steadily increased 22% from \$8.48 million in FY 2012 to \$10.38 million in FY 2016. According to the department, this increasing trend was due to an increase in tourists, as well as the local population, visiting O'ahu beaches.

Preventive actions have steadily increased from 597,902 in FY 2012 to 963,881 in FY 2016, which is a 61% increase over the last five years. Public contact and interactions have steadily increased 50% to 1.49 million in FY 2016 from 989,497 in FY 2012. HESD explained that these increases were the result of higher numbers of tourists, as well as the local population, visiting O'ahu beaches.

Over the last five years, major first aid requiring ambulance assistance grew 22% to 1,424 in FY 2016 from 1,170 in FY 2012. The department also attributed this increase to more tourists, as well as the local population, visiting O'ahu beaches.



Source: Honolulu Emergency Services Department



Source: Honolulu Emergency Services Department

Photo Courtesy of the Honolulu Emergency Services Department

	OSLS Operating Expenditures (\$ millions)	Ocean Rescues	Preventive Actions ¹	Public Contact ² (million)	First Aid - Major ³	Beach Users (millions)
FY 2012	\$8.48	2,318	597,902	0.99	1,170	16.41
FY 2013	\$9.20	2,619	744,764	1.23	1,336	18.10
FY 2014	\$9.46	2,795	758,688	1.23	1,282	17.74
FY 2015	\$9.77	2,752	898,528	1.39	1,218	17.34
FY 2016	\$10.38	3,375	963,881	1.49	1,424	20.97
Change from last year	6%	23%	7%	7%	17%	21%
Change over last 5 years	22%	46%	61%	50%	22%	28%

Source: Honolulu Emergency Services Department and Department of Budget and Fiscal Services. ¹Preventive Action means any action taken to prevent an accident or serious injury from happening. ²Public Contact means any verbal interaction with a member of the public. ³Major First Aid means any injury requiring ambulance (EMS) assistance.

Health Services

Health Services operating expenditures increased 10% to \$711,790 in FY 2016 from \$645,184 in FY 2015. According to the department, this increase was due to an increase in the number of various medical appointments.

Pre-employment and annual medical evaluations administered increased 11% to 2,663 in FY 2016 from 2,390 in FY 2015. HS explained that this increase was due to more hiring and an increase in HPD and DOT medicals.

The number of DOT physicals increased 5% to 864 in FY 2016 from 819 in FY 2015. The department said that this increase was due to new federal regulations. Medical Review Officer random testing assessments totaled 4,262 in FY 2016, which was a 9% increase from 3,908 in FY 2015. HS noted that this increase was due to more pre-employment medical screenings.



Photos Courtesy of the Honolulu Emergency Services Department

864	2,663	4,262
Number of DOT Physicals	Number of Pre-employment & Annual Medical Evaluations	Number of MRO ³ Random Testing Assessments

	Total						
	HS Operating Expenditures	Pre-employment and Annual Medical Evaluations ¹	DOT Physicals	Medical Examiners	DOT Physicals Performed per Medical Examiner ²	MRO ³ Random Testing Assessments	DPR's Summer Fun Program Urine Drug Screens ⁴
FY 2012	--	--	--	--	--	--	--
FY 2013	--	--	--	--	--	--	--
FY 2014 ⁵	--	--	--	--	--	--	--
FY 2015	\$645,184	2,390	819	1	819	3,908	1,079
FY 2016	\$711,790	2,663	864	1	864	4,262	1,093
Change from last year	10%	11%	5%	0%	5%	9%	1%
Change over last 5 years	--	--	--	--	--	--	--

Source: Honolulu Emergency Services Department and Department of Budget and Fiscal Services. ¹HS administers a drug screening program for new hires and random testing for selected employees. ²Number of DOT Physicals/Number of Medical Examiners. ³Medical Review Officer (MRO) provides pre-employment testing; random drug testing for the Honolulu Police Department and the Honolulu Fire Department, and urine drug screening for Department of Parks and Recreation's Summer Fun Program candidates. ⁵The Health Services program was transferred from the Department of Human Resources to HESD on July 1, 2013. HESD did not maintain data for the Health Services program prior to FY 2015.

Chapter 9 - Department of Enterprise Services

The Department of Enterprise Services (DES) operates and maintains 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 citywide concession contracts. This is the only city department whose operating budget is primarily funded by user fees from public events and activities.

The department's goals are to:

- Develop new services and lines of business in order to reduce the dependency on General Fund subsidies.
- Provide excellence in service and facilities.
- Increase public awareness of departmental programs and services via marketing, public relations, and social media.

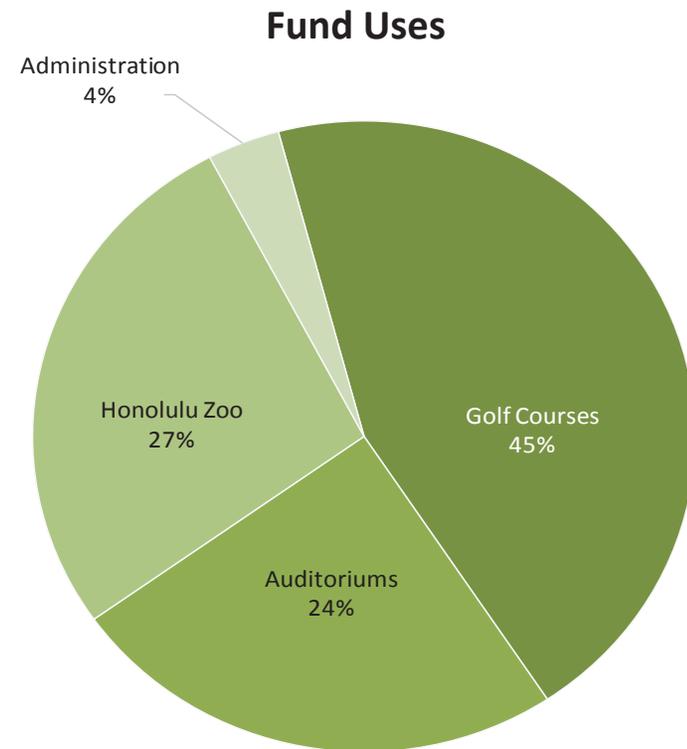
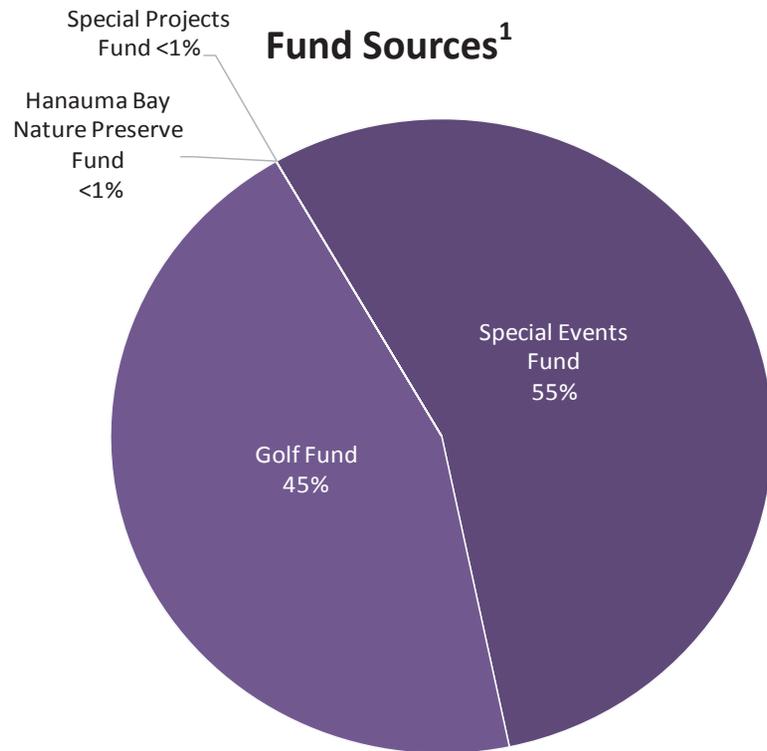
The department's administration directs and coordinates the programs and operations through its four divisions:

Building Services	Customer Services	Golf Course	Honolulu Zoo
<ul style="list-style-type: none">• Provides facilities support to the Blaisdell Center, Waikiki Shell, Honolulu Zoo, six municipal golf courses, and designated concessions.	<ul style="list-style-type: none">• Plans, develops, markets, and rents out the Blaisdell Center (Concert Hall, Exhibition Hall, and the Arena) and Waikiki Shell facilities.	<ul style="list-style-type: none">• Operates and maintains six municipal golf courses.	<ul style="list-style-type: none">• Operates and maintains the city's 42-acre zoological park.

To manage and market a diversity of community-oriented facilities and services for the use and benefit of the public, supporting cultural, recreational, and educational opportunities and events on a self-supporting basis.

Mission Statement

Spending and Staffing



	Total Revenues (\$ millions)	Operating Expenditures (\$ millions)	General Fund Subsidy ²		
			Golf Fund (\$ millions)	Special Events Fund (\$ millions)	Total GF Subsidy (\$ millions)
FY 2012	\$23.12	\$20.24	\$9.34	\$10.67	\$20.01
FY 2013	\$23.67	\$20.32	\$9.24	\$11.07	\$20.31
FY 2014	\$23.86	\$20.86	\$9.28	\$11.57	\$20.86
FY 2015	\$23.48	\$21.78	\$9.81	\$11.95	\$21.77
FY 2016	\$23.96	\$22.36	\$10.04	\$12.30	\$22.35
Change from last year	2%	3%	2%	3%	3%
Change over last 5 years	4%	10%	8%	15%	12%

Source: Department of Budget and Fiscal Services (BFS). ¹Percentages do not total 100% due to rounding. ²General Fund Subsidy includes Employee Fringe Benefits (Retirement, Social Security, Medicare), Federal Insurance Contributions Act (FICA), Workers Compensation Insurance (WC), Unemployment Insurance, Health Fund (HF), Other Postemployment Benefits (OPEB), Debt Services, and Central Administrative Services Expenses (CASE).

Spending and Staffing



Operating Expenditures

\$22.4 M ▲ 3%

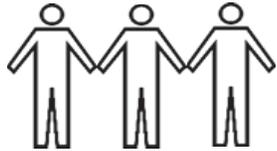
The department attributes the increase to the Honolulu Zoo's efforts to prepare for the Association of Zoos and Aquariums (AZA) accreditation.



Revenues

\$23.9 M ▲ 2%

The department attributes the increase to change in concessions management for the Honolulu Zoo parking lot concession and increased number of sold-out shows with multiple performances at the Blaisdell Center which increased parking and food revenues.



Vacant FTE

25.4 FTE ▼ 26%

The department attributes the decrease to a concentrated effort to fill vacancies.



Overtime

\$628.8 K ▲ 2%

The department attributes the increase to staffing shortages at the Honolulu Zoo and Building Services staff working overnight for back-to-back events.

Five Year Trends



- The department's operating expenditures increased 10% from \$20.2 million to \$22.4 million over the last five years.

- Total Overtime Expenditures increased 69% from \$372,313 to \$628,824 over the last five years.

- The department's revenues increased 4% from \$23.1 million to \$24 million over the last five years.



- The department's vacant FTE decreased 56% from 58.1 to 25.4 over the last five years.

ACCOMPLISHMENTS

- * The Blaisdell Center facilities were booked for a combined total of 566 days and welcomed 706,982 guests to its facilities.
- * The Honolulu Zoo opened a new penguin exhibit in November of 2015 featuring six critically-endangered African Penguins from various Association of Zoos and Aquariums institutions on the mainland.
- * The Golf Course Division had 375,710 total rounds played and issued more than 2,335 new golf I.D. cards.

	Staffing			Overtime Expenditures ²	
	Total Authorized FTE	Total Vacant FTE	Cost Per FTE ¹	Total	Non-Holiday
FY 2012	297.9	58.1	\$67,927	\$372,313	\$149,877
FY 2013	297.9	69.6	\$68,213	\$608,581	\$355,106
FY 2014	297.9	57.4	\$70,022	\$512,639	\$280,903
FY 2015	265.9	34.5	\$81,907	\$615,893	\$369,102
FY 2016	265.9	25.4	\$84,071	\$628,824	\$387,394
Change from last year	0%	-26%	3%	2%	5%
Change over last 5 years	-11%	-56%	24%	69%	158%

Source: Department of Budget and Fiscal Services. ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²Overtime pay is established by bargaining unit agreement, as applicable.

Administration and Building Services



Administration focuses on maximizing revenues, optimizing fiscal and manpower resources in support of the department’s and mayor’s fiscal sustainability goal by reducing the General Fund subsidies for the Special Events Fund and Golf Fund. It also directs and coordinates the programs and activities of the Blaisdell Center, Waikiki Shell, Honolulu Zoo, and municipal golf courses; and coordinates the preparation, administration, and enforcement of citywide concession contracts. Concessions Management is responsible for identifying prospective city properties for commercial concessionaire operations and conducting comprehensive studies on the feasibility and recommendation to operate commercial concessions on such properties. Administration emphasizes that DES venues and their services provided to the community *create memories*.

Over the last five years, administration’s operating expenditures increased 48% from \$536,111 in FY 2012 to \$792,276 in FY 2016. The department attributes the increase to the 5% reduction in pay in the FY 2012 budget, collective bargaining salary increases, and the filling of two vacant positions.

In FY 2016 the division administered 30 concession contracts. Concessions awarded in FY 2016 include the Honolulu Zoo Parking Lot, Tanioka’s at the Central O`ahu Regional Park Food Concession, L&L’s second Ala Moana Beach Park food concession location, the Waipahu Cultural Gardens, and the Hanauma Bay Food Concession. Revenues generated from DES concessions increased 23% from \$6.5 million in FY 2015 to \$8.0 million in FY 2016. While there was a decrease in the number of concessions, the department attributed the increase mainly to contracts for the Blaisdell Food and Beverage, Blaisdell Parking Lot, Honolulu Zoo Parking Lot and the Hanauma Bay concessions.

In FY 2016, the Building Services Division received a total of 1,409 trades repair, maintenance, and special requests beyond normal maintenance activities. The Building Services Division completed 87% of the 1,231 recorded requests for special setups, maintenance, and repair tasks by the end of the 2016 fiscal year.

	Operating Expenditures		DES Concessions		Blaisdell & Waikiki Shell Performances			Expos, Trade Shows & Job Fairs ¹
	Administration	Auditoriums (\$ millions)	Total	Revenues (\$ millions)	Total	Revenues (\$ millions)	Attendance	
FY 2012	\$536,111	\$5.44	31	\$6.52	353	\$5.55	647,889	47
FY 2013	\$718,447	\$5.23	34	\$6.51	651	\$6.08	770,496	53
FY 2014	\$724,184	\$5.68	36	\$6.63	540	\$6.18	817,136	58
FY 2015	\$787,821	\$5.84	33	\$6.52	471	\$5.52	678,862	55
FY 2016	\$792,276	\$5.48	30	\$8.00	574	\$6.73	729,654	45
Change from last year	1%	-6%	-9%	23%	22%	22%	7%	-18%
Change over last 5 years	48%	1%	-3%	23%	63%	21%	13%	-4%

Source: Department of Budget and Fiscal Services and Department of Enterprise Services. ¹Excludes small shows in the Hawai’i Suite meeting rooms.

The Customer Services Division manages the events and tenants who use the facilities of the Blaisdell Center and the Waikiki Shell. Its goal is to seek out diverse, popular, and professional entertainment opportunities while also encouraging local events, expositions, shows, competitions, educational experiences, and gatherings for the people of Honolulu and Hawai'i. While balancing these objectives, Customer Services maximizes revenue generation to support the Department of Enterprise Services' operations. In FY 2016, Customer Services' revenues totaled \$6.7 million; a 22% increase from \$5.5 million in FY 2015.

Among the accomplishments in FY 2016, there were three world-class performances by Kevin Hart in his *What Now?* tour and Janet Jackson on her *Unbreakable* world tour. The Center held its first ice show in many years, coordinating the building of ice and supporting performances at Kristi Yamaguchi's *Golden Moments* ice show. The Center held a varied selection of international, national, and local events including sold-out Daryl Hall and John Oates, and Santana concerts; multi-performances of Shanghai Circus; UB40; and Hillsong United; and the Valentine's Day performance of Brian McKnight. Broadway returned to the Center with *The Book of Mormon*, the last show of its national tour. The Hawai'i Symphony season included special *Pops* performances, including a new holiday show, and Hawai'i Opera Theatre's season included such favorites as *A Midsummer's Night Dream* and *The Magic Flute*.

For FY 2016, 729,654 people attended 574 performances at the Blaisdell Center and the Waikiki Shell, compared to attendance of 678,862 at 471 performances in FY 2015. The increase in attendance is attributed to the 3-week run of the Broadway show and multiple sold-out performances in the Arena. During FY 2016, the Blaisdell Center held 55 major expositions and tradeshow including *Made In Hawai'i Festival*, *Pacific Ink and Art Expo*, *The Collector's Expo*, *Building Industry Association's Remodel it Right*, *The Hawai'i Lodging, Hospitality & Foodservice Expo*, *Goodwill Goes Glam*, and *Great Aloha Run Sports, Health and Fitness Expo*. The Center hosted several job and career fairs providing a direct connection to Hawai'i residents with employers through the Star-Advertiser and Job Quest.



Kevin Hart - What Now? Tour



Above & Beyond: Acoustic



The Book of Mormon

Attendance for Top Ten Blaisdell Center Events FY 2016



Source: Department of Enterprise Services

Opportunities to attend cultural/arts/music activities in the City and County of Honolulu

574

Events held at the
Blaisdell and Waikiki
Shell in FY 2016

50%

National Citizen Survey
Positive Percent
excellent or good

10th

National Citizen Survey
Honolulu
Ranked 10th out of 14 cities¹

Source: 2016 National Citizen Survey (Honolulu). ¹Cities with 300,000 or more residents.

Golf Course

The Golf Course Division’s mission is to operate and maintain municipal golf courses which provide affordable golf opportunities for the city’s recreational golfers. The six municipal courses include:

- Ala Wai
- Ewa Villages
- Kahuku
- Pali
- Ted Makalena
- West Loch



Photos Courtesy of the Department of Enterprise Services.

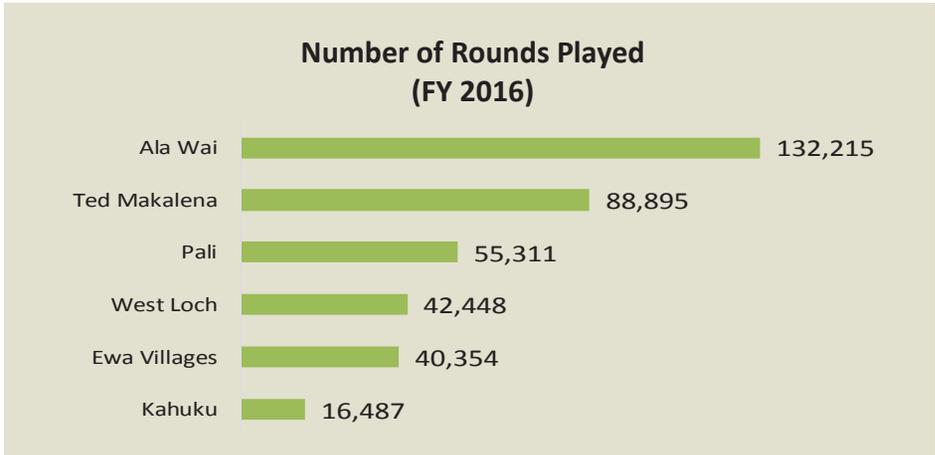
The division’s operating expenditures increased 9% over the past five years from \$9.2 million in FY 2012 to \$10.0 million in FY 2016. The department attributes the increase to collective bargaining salary increases, increased electricity, water and sewer costs, tree trimming work, and repairs to air conditioning systems.

In FY 2016, revenues from green fees and cart rental fees saw an 8% decrease from \$9.5 million in FY 2015 to \$8.7 million in FY 2016. The department attributes the decrease in golf play and revenue to the nationwide downward trend and declining interest in the sport.



Source: Department of Enterprise Services

In FY 2016, the EPA Clean Water Act mandated that the city comply with the National Pollutant Discharge Elimination System (NPDES) which prohibits pollutants through a point source into the waters of the United States, mainly the Ala Wai Canal. The Ala Wai Driving Range was identified as a point source where rain water emptied into the Ala Wai Canal so a project was created to address the rain water runoff. The scope of the project included re-grading, bio-swales, irrigation installation, and planting of Seashore Paspalum. The driving range was closed in December 2015 and reopened in December 2016.



Source: Department of Enterprise Services

	Operating Expenditures (\$ millions)	Number of Rounds Played	Revenues ¹ (\$ millions)
FY 2012	\$9.21	464,708	\$9.06
FY 2013	\$8.99	442,362	\$9.76
FY 2014	\$9.04	416,356	\$9.65
FY 2015	\$9.57	400,869	\$9.48
FY 2016	\$10.02	373,710	\$8.74
Change from last year	5%	-7%	-8%
Change over last 5 years	9%	-20%	-3%

Source: Department of Budget and Fiscal Services and the Department of Enterprise Services. ¹FY 2016 green fees with golf I.D. card: 18-holes \$26 (weekend/holiday); \$22 (weekday); \$55 (without I.D. card).



Photos Courtesy of the Department of Enterprise Services.

The Honolulu Zoo Division plans, operates, and maintains a 42-acre zoological and botanical garden located within Kapiolani Park in Waikiki. Honolulu Zoo emphasizes Pacific tropical and island ecosystems and traditional values of *malama* (caring) and *hookipa* (hospitality). The division's operating expenditures increased 20% over the last five years.



Photos Courtesy of the Department of Enterprise Services.

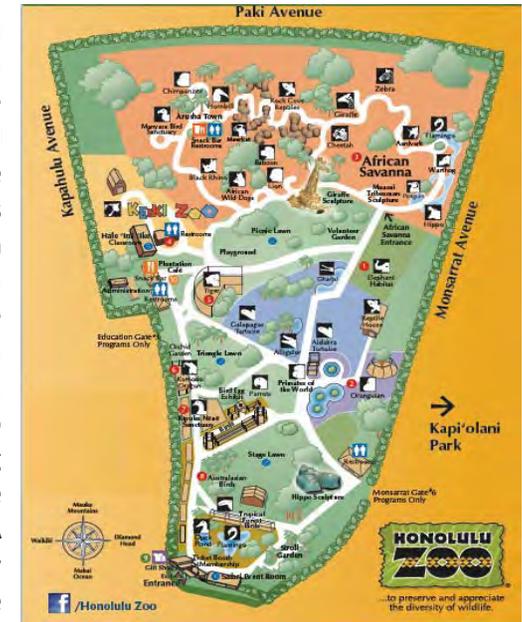
In FY 2016, the Zoo's revenues increased 26% from \$4.8 million in FY 2015 to \$6.1 million in FY 2016. Visitor attendance experienced a slight decline of 5% from 592,780 visitors in FY 2015 to 565,000 visitors in FY 2016. The decrease was attributed to a lack of new animal exhibits. The division explained that exhibit grounds, upkeep, and deferred maintenance challenges due to staffing have also affected visitor attendance, as well as many constructions projects happening simultaneously.



Photos Courtesy of the Department of Honolulu Zoo Facebook/Rod Kuba.

In FY 2016, construction on the new Reptile and Amphibian Complex was initiated. This complex takes advantage of Hawaii's climate by displaying many of the animals in outdoor exhibits. Any other zoo in the United States must have climate-controlled exhibits. The Zoo completed 14 deferred maintenance projects in FY 2016 such as rust mitigation on over six back-holding areas, replacement of five Savanna barn roofs, and replacement of chimpanzee back-holding mesh.

In March 2016, the Honolulu Zoo applied for accreditation and was denied by the Association of Zoos and Aquariums (AZA). The association cited concerns about consistent funding, an issue that was highlighted in previous AZA inspections. The AZA said it was pleased with the direction of the Zoo, including the work done to address issues identified during the inspection process and the care of animals. AZA encouraged the city to reapply for accreditation once the funding situation is addressed by the city and community partners. During FY 2016, DES convened a working group to discuss policies to maintain and promote the growth of the Honolulu Zoo and address significant issues facing the Zoo.¹ The group will make recommendations to ensure the future sustainability, growth, and viability of the Honolulu Zoo.



	Revenues ² (\$ millions)	Operating Expenditures (\$ millions)	Zoo Visitor Attendance
FY 2012	\$4.03	\$5.04	667,981
FY 2013	\$5.11	\$5.26	663,699
FY 2014	\$4.76	\$5.42	606,566
FY 2015	\$4.81	\$5.59	592,780
FY 2016	\$4.78	\$6.06	565,000
Change from last year	-1%	9%	-5%
Change over last 5 years	19%	20%	-15%

Source: Department of Enterprise Services and Department of Budget and Fiscal Services.

¹Resolution 15-116, CD1 Requesting the Department of Enterprise Services to convene a working group regarding the Honolulu Zoo. ²On November 8, 2016, voters approved City Charter Amendment to provide a minimum of one-half of one percent of estimated annual real property taxes to pay for Honolulu Zoo expenses to assist in regaining its AZA accreditation.

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Chapter 10 - Department of Environmental Services

The Department of Environmental Services (ENV) plans, directs, operates and administers the city’s wastewater, solid waste, and storm water permit programs. ENV directly supports the mayor’s core infrastructure priorities through its various programs and functions.

The department’s goals and objectives are:

- Sustainability — Ensure that operations and services emphasize sustainable practices.
- Operating as a Business — Provide cost effective, quality service through improved business and work processes.
- Employee Development — Invest in employee development in order to improve operational and fiscal competencies.
- Communication — Improve collaboration and communication with employees, customers, and the community.
- Customer Service — Better understand and respond to internal and external customer needs.

The department’s administration directs and coordinates the operation and maintenance of the city’s wastewater, and solid waste programs and provides overall development and management through financial and capital planning, scheduling and tracking, information technology support, and other services for the following divisions:

Environmental Quality	Collection System Maintenance	Wastewater Treatment and Disposal	Refuse Collection and Disposal
•Oversees permit requirements and provides monitoring, analyses, and compliance with state and federal regulatory agencies.	•Oversees and maintains 2,100 miles of gravity sewer system, numerous pump stations, and respective force mains around the island.	•Operates city wastewater treatment plants.	•Responsible for administering, managing, and planning the city’s solid waste program.

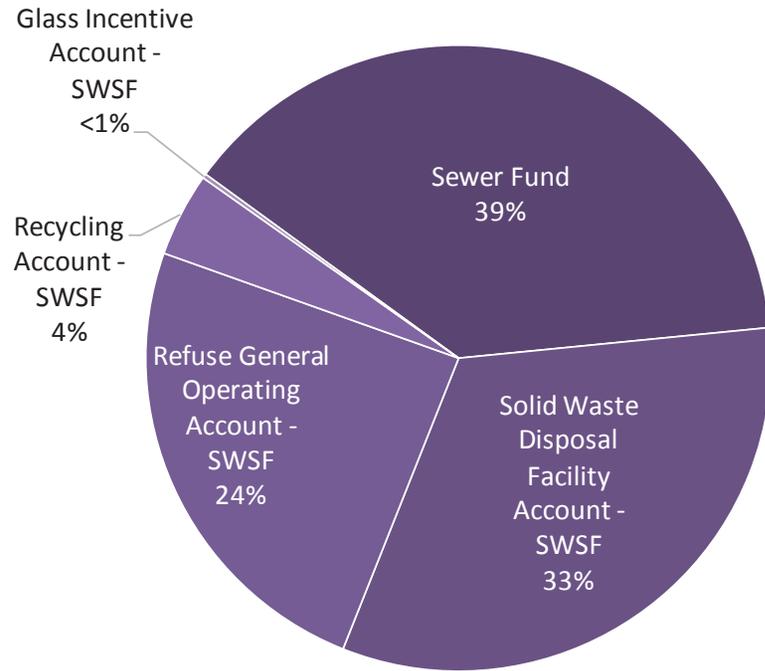


To protect public health and the environment by efficiently and effectively managing the wastewater and solid waste systems of the City and County of Honolulu.

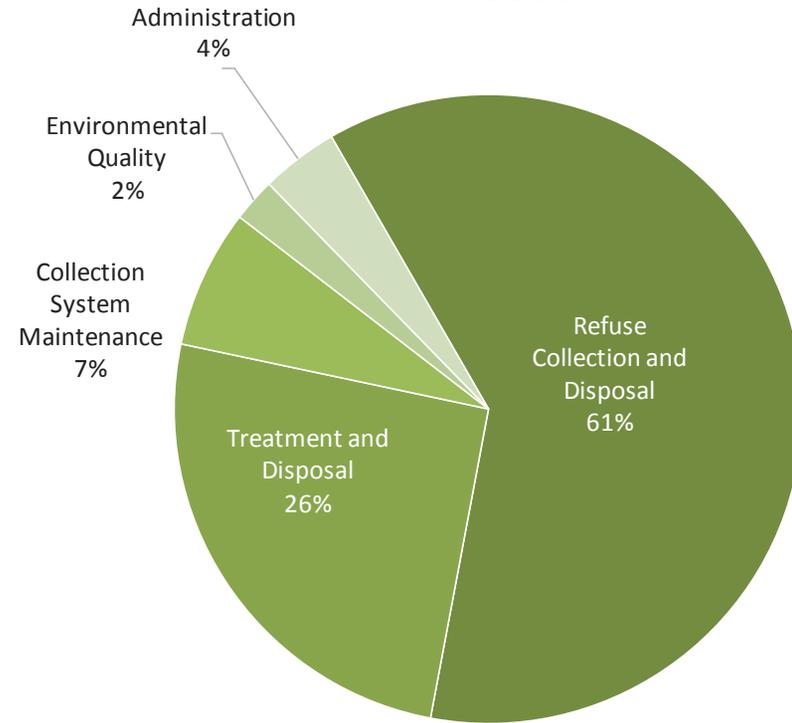
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Total Operating Expenditures (\$ million)	Revenues (\$ million)	Staffing			Overtime Expenditures ²	
			Total Authorized FTE	Total Vacant FTE	Cost Per FTE ¹	Total (\$ million)	Non-Holiday (\$ million)
FY 2012	\$216.06	\$484.11	1,166	323	\$185,304	\$10.99	\$9.79
FY 2013	\$230.08	\$496.84	1,147	301	\$200,597	\$11.29	\$10.05
FY 2014	\$247.52	\$565.18	1,171	294	\$211,376	\$10.15	\$9.02
FY 2015	\$251.08	\$540.98	1,065	213	\$235,755	\$9.69	\$8.34
FY 2016	\$233.49	\$573.22	1,041	194	\$550,647	\$10.54	\$9.26
Change from last year	-7%	6%	-2%	-9%	134%	9%	11%
Change over last 5 years	8%	18%	-11%	-40%	197%	-4%	-5%

Source: Department of Budget and Fiscal Services. ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing



Operating Expenditures

\$233.49 M ▼ **7%**

The department's operating expenditures decreased 7% over the last year.



Revenues

\$573.22 M ▲ **6%**

Departmental revenues increased 6% from FY 2015 to FY 2016.



Overtime

\$10.54 M ▲ **9%**

Total overtime expenditures increased by 9% from last year.

Five Year Trends



- The department's operating expenditures increased 8% from \$216.06 million to \$233.49 million over the last five years.



- Total revenues increased 18% from \$484.11 million to \$573.22 million over the last five years due to a sewer volume charge for restructuring in FY 2013 that caused rates to rise. Subsequent, scheduled, annual rate increases also caused revenues to increase.



Source: U.S. Conference of Mayors

ACCOMPLISHMENTS

- H-POWER won first place for the U.S. Conference of Mayor's *City Livability Award*;
- ENV broke ground on a new photovoltaic solar project that will be integrated into the power sources for the H-POWER waste-to-energy facility; further increasing its power output to Hawaiian Electric Company;
- The National Association of Clean Water Agencies presented Gold Awards to: Wahiawa, Wai'anae, and Kahuku WWTPs; and Lai'e Water Reclamation Facility, and Paalaa Kai WWTP; and Silver Awards to Honouliuli WWTP, Kailua Regional, and Waimanalo WWTP.
- ENV rehabilitated nearly 139 miles, cleaned more than 725 miles, and smoke tested almost 23 miles of wastewater pipes.

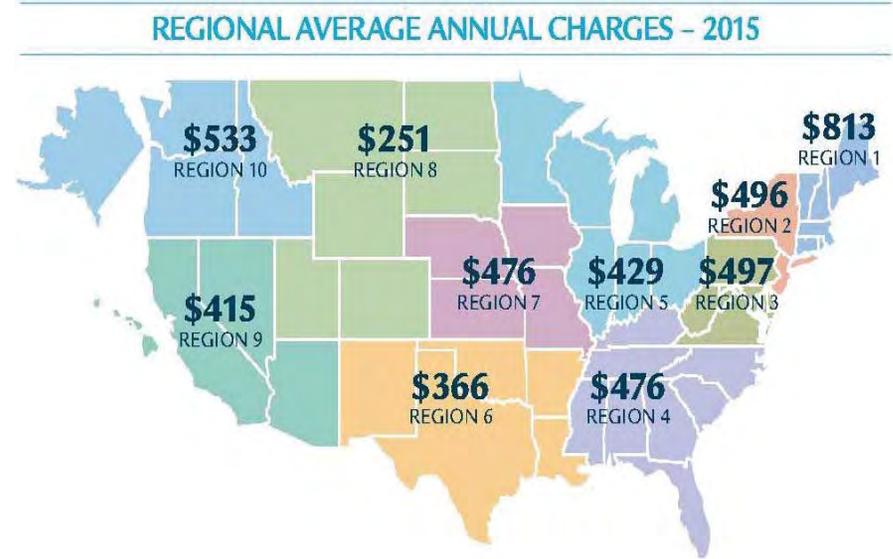
Administration and Sewer Charge

Administration’s operating expenditures decreased 9% from \$10.25 million in FY 2015 to \$9.29 million in FY 2016. However, operating expenditures increased 31% from \$7.10 million in FY 2012 to \$9.29 million in FY 2016. According to the department, the increase was due to the addition of wastewater capacity management/flow monitoring contracts and the transition to the Board of Water Supply’s new billing system.

Capital expenditures increased 7% over the last year and 66% from \$135.8 million in FY 2012 to \$225.7 million in FY 2016. The department explained that the five-year increase was due to projects moving into construction and construction on major consent decree projects.

The average annual sewage charge increased 5% from FY 2015 to FY 2016. Over the last five years, the charge increased 11% from \$1,106 in FY 2012 to \$1,222 in FY 2016. The department explained that the increase in average annual sewer charge reflects a rate structure change and annual rate increases of 4% to 5%.

According to the *National Association of Clean Water Agencies (NACWA)*, the national average annual sewage service charge in CY 2015 was \$452. The average cost of wastewater services rose 3.1% in 2015, significantly more than the rate of inflation as measured by the Consumer Price Index.



Source: National Association of Clean Water Agencies (NACWA), 2015 Cost of Clean Water Index

This marks the 14th consecutive year that sewer charges have increased faster than inflation, doubling the average sewer service charge since 2000. The average annual sewage charge in Region 9 (which includes Hawai‘i) was \$415.

	Operating Expenditures (\$ million)	Revenue Sources (\$ million)				Average Annual Sewage Charge	Bond Rating	Capital Expenditures (\$ million)
		Charges for Services	Utilities or Other Enterprises	Non-Revenue Receipts	Other Revenues ¹			
FY 2012	\$7.10	\$376.09	\$103.57	\$0.00	\$4.45	\$1,106	AA	\$135.8
FY 2013	\$5.73	\$370.31	\$104.59	\$18.27	\$3.66	\$1,075	AA	\$127.6
FY 2014	\$8.18	\$406.12	\$111.16	\$44.44	\$3.46	\$1,119	AA	\$153.2
FY 2015	\$10.25	\$407.86	\$111.57	\$20.00	\$1.55	\$1,163	AA	\$210.2
FY 2016	\$9.29	\$433.21	\$110.75	\$27.77	\$1.49	\$1,222	AA	\$225.7
Change from last year	-9%	6%	-1%	39%	-4%	5%	--	7%
Change over last 5 years	31%	15%	7%	--	-67%	11%	--	66%

Source: Department of Budget and Fiscal Services and Department of Environmental Services. ¹Other Revenues include: Licenses and Permits, Intergovernmental Revenue, Fines and Forfeits, and Misc. Revenues.

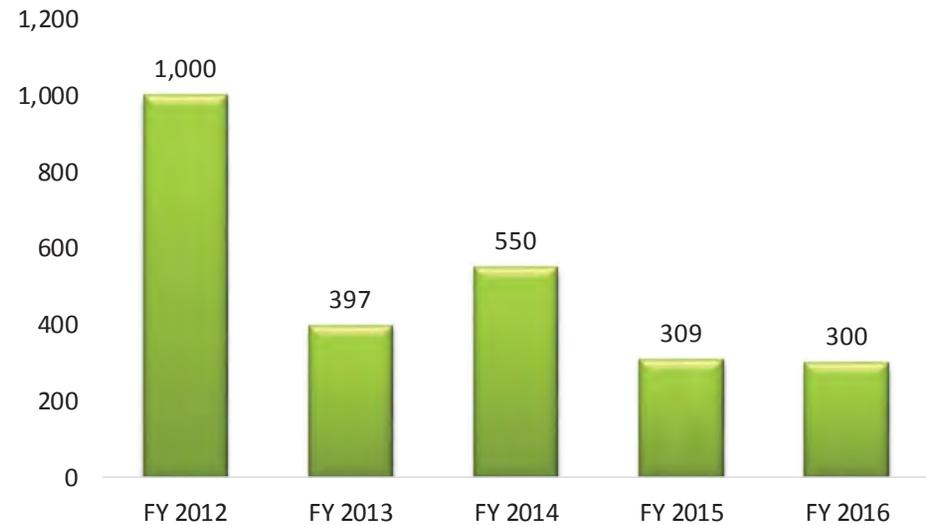
Environmental Quality (EQ) oversees pretreatment, air, wastewater, and receiving water quality permit requirements, and provides monitoring, analyses, and compliance with state and federal regulatory agencies. The pretreatment program monitors wastewater to prevent the discharge of substances that might be harmful to the environment or cause damage to the wastewater system.

Operating expenditures decreased 52% from \$11.01 million in FY 2015 to \$5.23 million in FY 2016, and decreased 48% over the last five years. The department explained that operating expenditures decreased because the Storm Water Quality program, which EQ previously administered, was transferred to the Department of Facility Maintenance in FY 2016.

Total investigations/inspections increased 20% from 4,594 in FY 2012 to 5,500 in FY 2016. According to the department, the increased frequency of some investigations and initial inspections of new businesses is responsible for the increase over the last five years.

The total number of enforcement actions taken decreased 70% from 1,000 in FY 2012 to 300 in FY 2016. The department noted that the decline reflected better compliance from the public and commercial industries.

Total Enforcements FY 2012 to FY 2016



Source: Department of Environmental Services

	Operating Expenditures (\$ million)	Regulatory Control ¹		Water Quality Laboratory	
		Total Investigations/ Inspections	Total Enforcements	Parameter Results	Samples
FY 2012	\$10.01	4,594	1,000	37,375	16,854
FY 2013	\$10.18	5,892	397	40,814	17,202
FY 2014	\$7.58	6,500	550	34,843	16,759
FY 2015	\$11.01	6,264	309	37,323	16,435
FY 2016	\$5.23	5,500	300	32,399	16,759
Change from last year	-52%	-12%	-3%	-13%	2%
Change over last 5 years	-48%	20%	-70%	-13%	-1%

Source: Department of Budget and Fiscal Services and Department of Environmental Services. ¹Regulatory Control Branch regulates commercial operations to determine if wastewater discharge (e.g. fats, oils, and grease) poses a threat to the city's sewer system.

Refuse Collection and Disposal

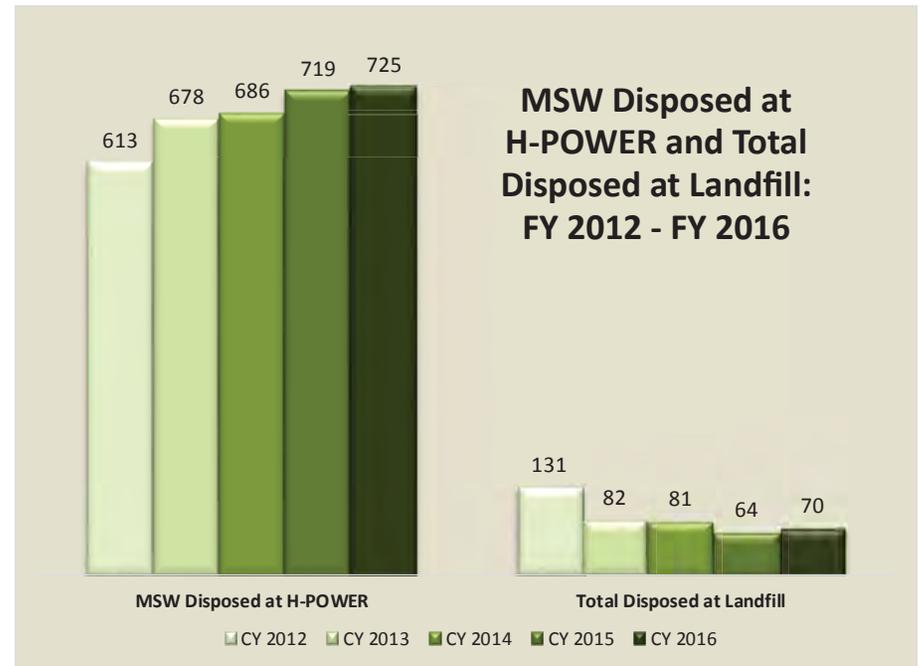
Refuse Collection and Disposal Division is responsible for administering, managing, and planning the city's solid waste program. It collects, transports, and disposes solid waste through recycling, transfer stations, landfills, residential and non-residential collection, and the H-POWER waste-to-energy facility.

Over the last five years, Refuse's operating expenditures increased 19% from \$120.7 million in FY 2012 to \$143.11 million in FY 2016. According to the department, the increase was due to an accounting change that moved the purchase of refuse trucks and equipment from the Capital Improvement Projects (CIP) budget to the Operating Budget beginning in FY 2013. In addition, general increases in the cost of products and services used by the division also contributed to the overall increase in expenditures.



Source: Opala.org

In 2016, the city and county of Honolulu won the Solid Waste Association of North America (SWANA) Gold Award in the Waste-to-Energy Division for its *Honolulu Program Waste and Energy Recovery-H-POWER*.



Source: Department of Environmental Services

In the 2016 National Citizen Survey, 70% and 64% of Honolulu residents rated garbage collection and yard waste pick-up as *excellent* or *good*, respectively. Both ratings were similar to national benchmark comparisons.

Municipal Solid Waste Disposal (MSW) Categories (Tons)

	Operating Expenditures (\$ million) ¹	Total MSW ²	General Material Recycling	MSW Disposed at H-POWER	H-POWER Ash and Residue	Total MSW Diverted from Landfill ³	Total Disposed at Landfill
CY 2012	\$120.70	1,231,425	487,157	613,328	161,665	938,820	130,940
CY 2013	\$132.95	1,237,389	477,011	678,389	180,369	975,031	81,989
CY 2014	\$148.16	1,243,255	475,953	686,279	188,399	973,833	81,023
CY 2015	\$149.82	1,231,773	449,152	718,518	203,698	963,972	64,103
CY 2016 ⁴	\$143.11	1,248,000	458,000	725,000	195,000	1,031,000	70,000
Change from last year	-4%	1%	2%	1%	-4%	7%	9%
Change over last 5 years	19%	1%	-6%	18%	21%	10%	-47%

Source: Department of Budget and Fiscal Services and Department of Environmental Services. ¹Operating Expenditures are reported by fiscal year. ²Total MSWS reflects all MSW from the island of O'ahu. ³Total MSW Diverted from the Landfill = (General Material Recycling + MSW Disposed at H-POWER) - H-POWER Ash and residue. ⁴MSW data for CY 2016 are estimates reported by ENV.

Collection System Maintenance and Wastewater Treatment and Disposal

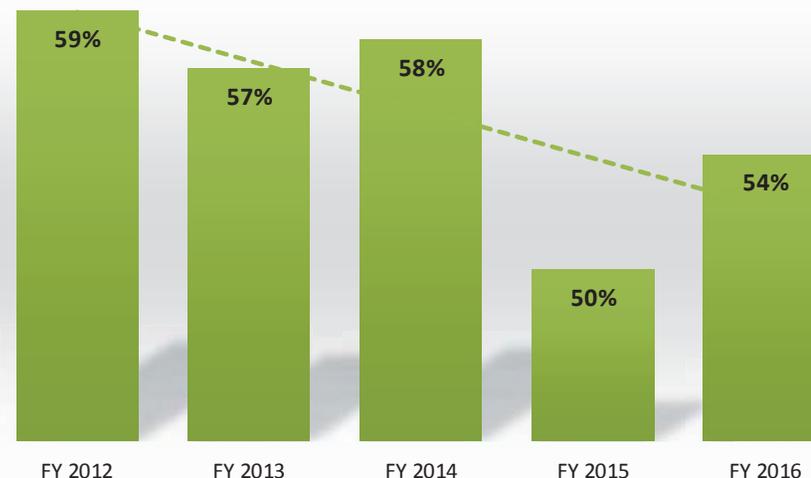
Collection System Maintenance Division operates and maintains 2,100 miles of the gravity sewer system, 70 pump stations, and related force mains around the island. Wastewater Treatment and Disposal Division operates nine wastewater treatment plants and four pretreatment facilities on O’ahu. The municipal facilities treat approximately 113 million gallons of wastewater daily.

Wastewater Collection System’s operating expenditures decreased 5% from FY 2015 (\$17.59 million) to FY 2016 (16.65 million), and 5% over the last five years. Wastewater Treatment and Disposal’s operating expenditures decreased 5% from \$62.41 million in FY 2015 to \$59.22 million in FY 2016. Over the last five years, operating expenditures decreased 3%.

Over the last five years, the miles of sewer lines maintained increased 18% from 613 miles in FY 2012 to 726 miles in FY 2016. According to the department, the increase in line miles maintained reflects the city’s efforts to exceed the consent decree’s minimum maintenance requirements.

The number of gravity main spills increased from 13 in FY 2015 to 24 in FY 2016, an 85% increase. Over the last five years, the number of spills declined 44% from FY 2012 (43) to FY 2016 (24). The department explained that the 44% decline over the last five years is attributed to increased cleaning and inspection activities which resulted in a better maintained system that reduces risk for spills.

Ratings for Quality of Sewer Services (% excellent or good)



Source: Department of Environmental Services (Sand Island Wastewater Treatment)

In this year’s city survey, 87% of Honolulu residents rated reducing the number of sewer main breaks and spills as essential or very important for the city to address in the next two years.

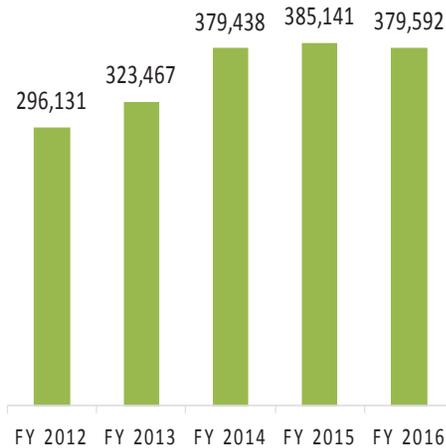
	Wastewater Collection System Maintenance				Wastewater Treatment and Disposal	
	Operating Expenditures (\$ million)	Miles of Lines Maintained	Miles of Lines CCTV Inspected	Number of Gravity Main Spills ¹	Operating Expenditures (\$ million)	Wastewater Collected and Treated (mgd) ²
FY 2012	\$17.43	613	51	43	\$60.82	100
FY 2013	\$19.37	676	51	27	\$61.86	99.5
FY 2014	\$19.42	744	77	20	\$64.19	103
FY 2015	\$17.59	758	59	13	\$62.41	105.3
FY 2016	\$16.65	726	65	24	\$59.22	112.7
Change from last year	-5%	-4%	10%	85%	-5%	7%
Change over last 5 years	-5%	18%	27%	-44%	-3%	13%

Source: Department of Budget and Fiscal Services and Department of Environmental Services. ¹Gravity Main Spills are defined as wastewater escaping from a non-pressurized pipe due to backup, breakage, or excessive flow. ²mgd = millions of gallons per day.

Environmental Sustainability-Recycling

According to the department, O‘ahu recycling rates are above the national average and Honolulu ranks among the top cities in the country in landfill diversion. By employing both recycling and waste-to-energy, more than 70% of O‘ahu’s municipal solid waste is being diverted from Waimanalo Gulch Landfill.

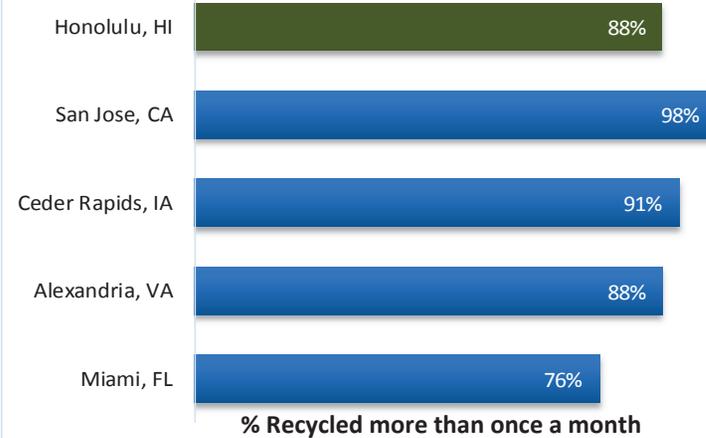
Electricity Generated at H-POWER and Delivered to HECO (MWh)



Source: Department of Environmental Services

Over the last five years, total MSW diverted from O‘ahu’s landfill by recycling increased 15% from 572,284 tons in FY 2012 to 658,180 tons in FY 2016. The department explained that the increase in MSW diverted from the landfill is attributed to the addition of the third (mass burn) boiler at the end of 2012. The third boiler is able to effectively process bulky items and sewage sludge; items that previously had to be disposed at the landfill.

Recycled at Home



Source: 2016 National Citizen Survey (Honolulu)

Over the past five years the city also saw increases in the amount of green waste and white goods recovered through its curbside collection program and dropped off at its convenience centers and transfer stations.

	Total MSW Diverted from Landfill by Recycling (Tons)	Municipal Solid Waste Recycling Categories ¹ (Tons)				
		Green Waste	Office Paper (City Offices)	Curbside Mixed Recyclables	H-POWER MSW Recycled	Other Recyclables ²
CY 2012	572,284	70,860	80	20,941	451,663	24,381
CY 2013	610,887	69,170	105	21,409	498,020	22,183
CY 2014	631,391	83,166	119	22,561	497,879	27,665
CY 2015	649,170	79,750	135	22,750	518,000	28,535
CY 2016 ³	658,180	75,000	180	23,000	530,000	30,000
Change from last year	1%	-6%	33%	1%	2%	5%
Change over last 5 years	15%	6%	125%	10%	17%	23%

Source: Department of Environmental Services. ¹Reflects only city collected MSW. ²Other recyclables include white goods, propane tanks, tires, batteries and recovered metals at H-POWER. ³MSW categories for CY 2016 are estimates reported by ENV.

Chapter 11 - Department of Facility Maintenance

The Department of Facility Maintenance (DFM) plans and administers the city's repair, renovation, and maintenance programs for roads, bridges, streams, and flood control systems. It also maintains city buildings, vehicles, and construction equipment. The department also enforces stored property and sidewalk nuisance ordinances. These functions are mandated by the city charter.

The department's goals are to:

- Deliver and enhance basic city core services that maintain Honolulu's infrastructure.
- Perform work based on the value of customer service and building a quality of life for both the general public and city employees.
- Improve morale of DFM management and staff through continuous training, regular communication, job recognition, and updating equipment.
- Improve department effectiveness by recruiting and retaining staff, eliminating redundancy, using updated technology, and continuous evaluation.

DFM's administration provides interdepartmental mail services, and storm water quality and property management activities. Additionally, the administration manages the staffing activities related to the three DFM divisions:

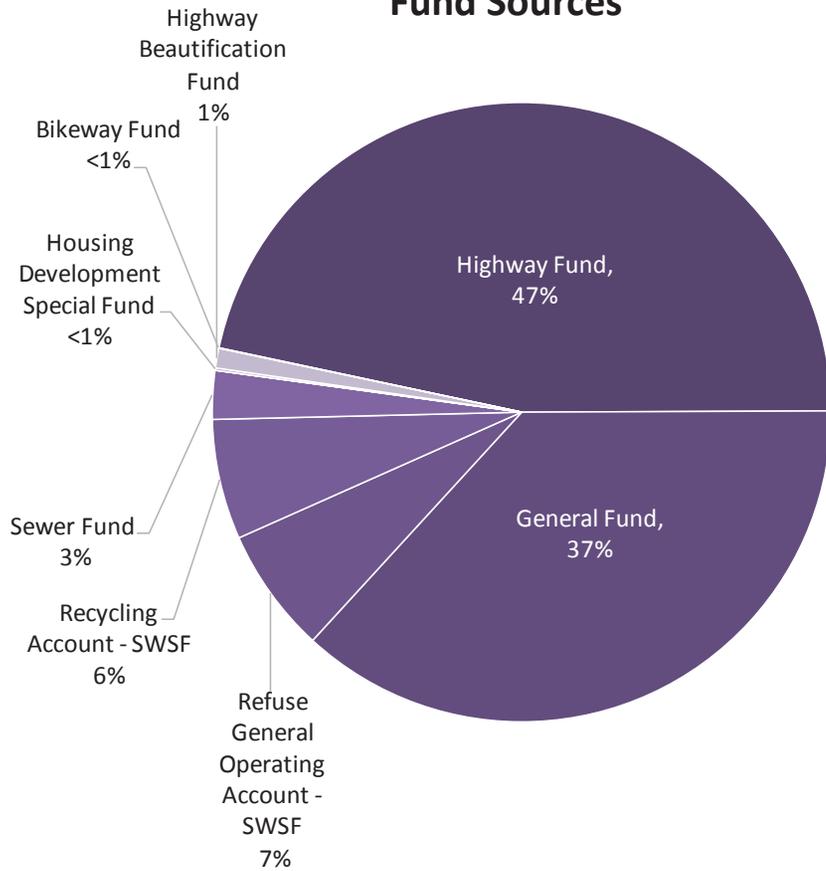
Automotive Equipment Service	Public Building and Electrical Maintenance	Road Maintenance
<ul style="list-style-type: none">•Manages the repair and maintenance of city vehicles and equipment.•Coordinates the purchasing of new vehicles and equipment.	<ul style="list-style-type: none">•Repairs and maintains city facilities and street lights.•Responsible for employee parking, security, and janitorial services.	<ul style="list-style-type: none">•Maintains city roadways, sidewalks, storm drains, bridges, flood control facilities, road striping and signs.•Services outdoor municipal parking lots, bike paths, landscaped medians, and bus stop litter containers.

To provide efficient, effective, accountable, and progressive management of its fiscal and functional responsibilities.

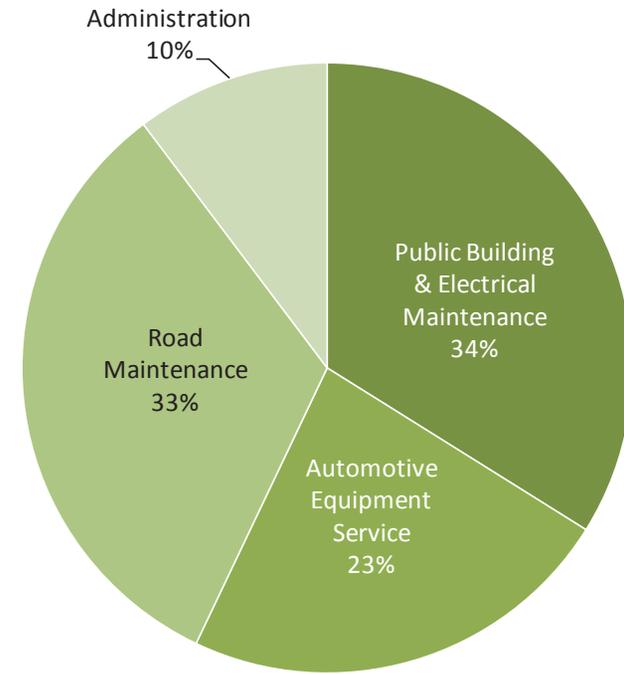
Mission Statement

Spending and Staffing

Fund Sources¹



Fund Uses



	Total Revenues (\$ millions)	Total Operating Expenditures (\$ millions)	Staffing			Overtime Expenditures	
			Total Authorized FTE	Total Vacant FTE	Cost Per FTE ²	Total (\$ millions)	Non-Holiday ³ (\$ millions)
FY 2012	\$3.58	\$58.92	776.1	261.3	\$75,914	\$2.09	\$1.89
FY 2013	\$3.17	\$67.52	775.1	256.0	\$87,117	\$2.21	\$1.97
FY 2014	\$3.25	\$73.12	811.72	279.2	\$90,082	\$2.25	\$2.04
FY 2015	\$3.30	\$74.23	693.7	177.0	\$107,006	\$2.72	\$2.41
FY 2016	\$2.13	\$77.52	725.7	194.7	\$106,821	\$3.07	\$2.83
Change from last year	-35%	4%	5%	10%	<-1%	13%	18%
Change over last 5 years	-41%	32%	-6%	-25%	41%	47%	50%

Source: Department of Budget and Fiscal Services (BFS). ¹Percentages do not total 100% due to rounding. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing



\$77.52 M ▲ 4%

- Increase is due to converting landscape maintenance positions to permanent city positions to comply with the United Public Workers Union agreement.

Operating Expenditures



\$2.13 M ▼ 35%

- Decrease is due to the loss of income after the sale of city-owned and managed parking, residential and commercial properties.

Revenues



194 FTE ▲ 10%

- Increase is due to the transfer of the Storm Water Quality Branch from the Department of Environmental Services to DFM.

Vacant FTE

\$3.07 M ▲ 13%

- Increase is due to operational demands for quick automotive/equipment repairs and turnarounds.
- Increase is due to cleaning of storm drain systems and streets to comply with NPDES storm water quality permit requirements.



Overtime

Five Year Trends



- The department's operating expenditures increased 32% from \$58.9 million to \$77.5 million over the last five years.
- Total overtime expenditures increased 47% from \$2.1 to \$3.1 million over the last five years.



- Total revenues decreased 41% from \$3.6 to \$2.1 million over the last five years.
- Total vacant FTE decreased 25% from 261.3 to 194.7 FTE over the last five years.

2016 National Citizen Survey

- Quality of street cleaning and sidewalk maintenance both received a **24%** rating of being *excellent or good* in 2016.



- Quality of street lighting received a **38%** rating of being excellent or good in 2016. That is a 1% decrease from their 39% rating in FY 2015. This rating is lower than the benchmark comparison.
- **94%** of Honolulu residents strongly/somewhat support the repairing of damaged and uplifting sidewalks.

ACCOMPLISHMENTS

- The Traffic Electric Maintenance Branch replaced a total of 14,377 street lights in FY 2016, which is a 42% increase from the 10,138 street lights replaced in FY 2012. The department attributes the 42% rise to an increase in staffing levels and replacement of older aerial bucket trucks.
- Division of Road Maintenance (DRM) crews resurfaced 16.29 lane miles of roadways and patched 42,656 potholes in FY 2016.
- DRM added a new work group to help enforce the Stored Property Ordinance (SPO) and the Sidewalk Nuisance Ordinance (SNO).

Source: Department of Budget and Fiscal Services and Department of Facility Maintenance.

Administration

Administration plans, directs, administers, and coordinates line and staff activities related to facility maintenance functions and programs involving public roads, streets, and bridges. Administration also manages staffing for flood control systems, street lighting, traffic signs and markings, and public buildings. It also administers parking and property management activities, and provides interdepartmental mail services.

The Administration’s operating expenditures increased 295% from \$2.02 million in FY 2015 to \$7.97 million in FY 2016. The department attributes the increase to the transfer of the Storm Water Quality Branch from the Department of Environmental Services to DFM in FY 2016.

The Storm Water Quality Branch (SWQ) oversees the city’s compliance with the Storm Water Management Plan (SWMPP) and provides monitoring, analyses, and compliance with state and federal regulatory agencies. SWQ coordinated and developed the city’s SWMPP that involves the participation of all city agencies. This plan outlines the city’s program for implementing and complying with National Pollutant Discharge Elimination System (NPDES) and Municipal Separate Storm Sewer System permit requirements over the next several years. The SWMPP was submitted to the State Department of Health on February 16, 2016.

In FY 2016 SWQ responded to 467 complaints of illicit discharges and illegal connections resulting in 317 violation notices issued. Of the 317 violation notices issued, 72 notices were Letters of Warnings, 225 notices

were Notice of Violations, and 20 notices were Notice of Orders. SWQ also performed over 400 inspections of various industrial and commercial businesses and conducted nearly 200 site visits to inspect various construction and post-construction Best Management Practices.



Source: Department of Facility Maintenance

	Administration	Storm Water Quality	
	Operating Expenditures (\$ millions)	Total Investigations Closed	Total Violation Notices Issued
FY 2012	\$1.92	304	15
FY 2013	\$1.75	292	16
FY 2014	\$1.65	320	20
FY 2015	\$2.02	426	204
FY 2016	\$7.97	467	317
Change from last year	295%	10%	55%
Change over last 5 years	316%	54%	2013%

Source: Department of Budget and Fiscal Services and Department of Facility Maintenance.

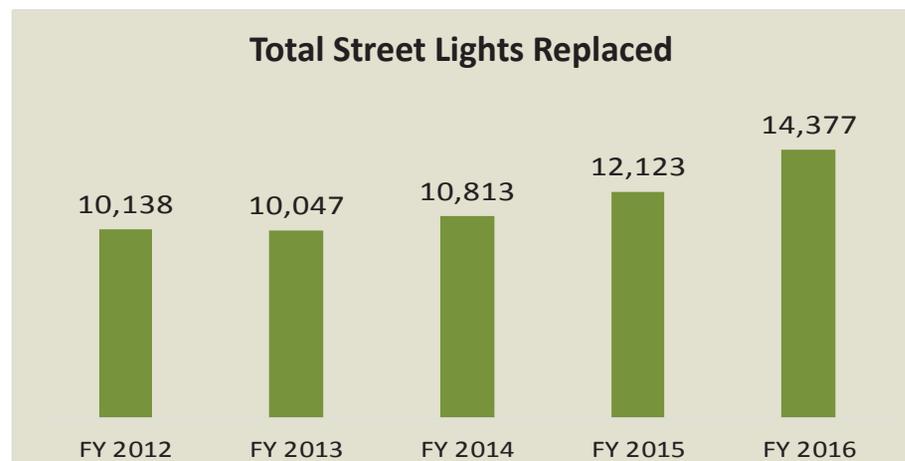
Public Building and Electrical Maintenance Division (PBEM) plans, directs, coordinates, and administers the repair, maintenance, and renovation programs for public buildings, street, park, mall, outdoor, and other city lighting and electrical facilities. PBEM is also responsible for city employee parking, motor pool, security and janitorial services for various city facilities, including Honolulu Hale and the Frank F. Fasi Municipal Building. The division is organized into three branches and one operation: Repair and Maintenance, Traffic Electrical Maintenance Services, Custodial and Utility Services, and Security and Employee Parking Operations.

Over the last five years, the division’s operating expenditures increased 25% from \$20.98 million in FY 2012 to \$26.27 million in FY 2016. The division attributes the growth in operating expenditures to wage increases, increased electrical costs, rising material costs, and the conversion of contracted janitorial and custodial services to permanent city positions to comply with the United Public Workers Union agreement.

In FY 2016 the Repair and Maintenance Branch completed work orders for carpentry, plumbing, masonry, painting, mechanical, electrical, and air-conditioning repairs. Total work orders for Building and Appurtenant Structures Repair over the last five years increased 21% from 3,616 repairs in FY 2012 to 4,379 in FY 2016. The department attributes this to repair and maintenance service required at new sites and additional repairs required on aging buildings. The division tested and maintained 24 civil defense sirens in FY 2016, which doubled from the 12 civil defense sirens that were tested and maintained in FY 2012. The department noted

that the increase is primarily due to repairs on existing, older electro-mechanical sirens.

The Traffic Electrical Maintenance Services branch maintained 52,093 street lights by replacing 14,377 defective or burned-out street light lamps; 6,001 photo-electric controls; and 1,810 luminaries. The branch also completed 1,033 joint-pole changeovers and 693 work orders for repair and maintenance work related to indoor and outdoor lighting at various parks, recreation centers, and botanical gardens at Hanauma Bay, the Honolulu Zoo, and the Neal S. Blaisdell Center.



Source: Department of Facility Maintenance

	Public Building and Electrical Maintenance				
	Operating Expenditures (\$ million)	Total Work Orders for Building and Appurtenant Structures Repair		Total Civil Defense Sirens Tested and Maintained	Electricity Usage ¹ (million KWh)
				Total Street Lights Replaced	
FY 2012	\$20.98	3,616	10,138	12	184,224,363
FY 2013	\$29.73	4,451	10,047	3	159,041,937
FY 2014	\$31.11	4,405	10,813	18	165,042,309
FY 2015	\$30.17	4,296	12,123	1	46,697,035
FY 2016	\$26.27	4,379	14,377	24	46,928,611
Change from last year	-13%	2%	19%	2300%	<1%
Change over last 5 years	25%	21%	42%	100%	-75%

Source: Department of Budget and Fiscal Services and Department of Facility Maintenance.

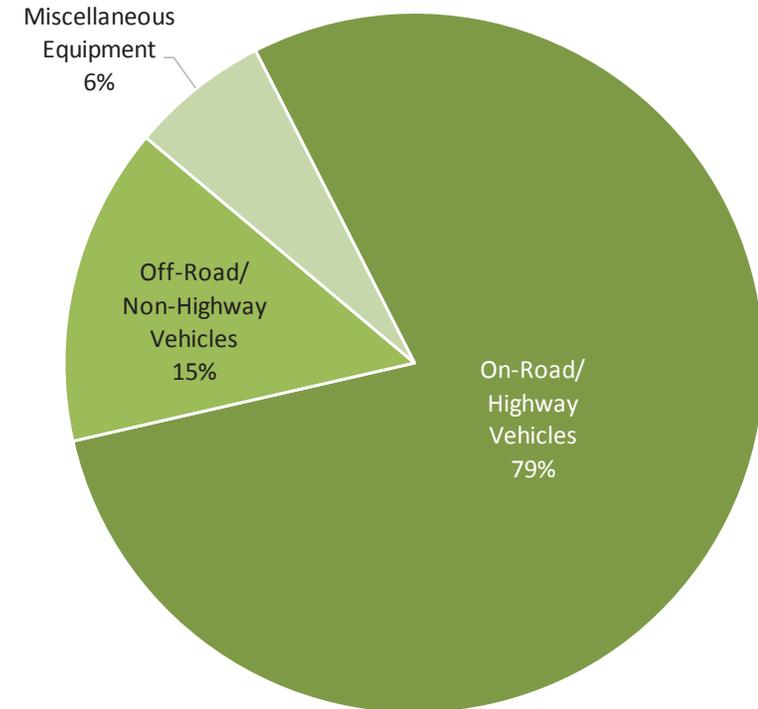
Automotive Equipment Service

Automotive Equipment Service (AES) manages most of the city's vehicle and equipment repair and maintenance program (excludes Honolulu Police Department, Honolulu Fire Department, Board of Water Supply, and Honolulu Authority for Rapid Transportation). It also prepares plans and specifications for the purchase of new vehicles and equipment.

In FY 2016, AES continued to reduce the environmental impact of its vehicle fleet by replacing older vehicles and purchasing more fuel efficient vehicles for the motor pool fleet and city agencies. A total of 118 new vehicles and equipment were processed during FY 2016. The division increased its use of alternative fuels such as biodiesel, propane, and ethanol blended gasoline. Continued phase-in of alternative fuel vehicles strengthens the city's commitment to reducing harmful emissions to the environment and dependence on fossil fuels. Efforts to automate and upgrade all city-operated fueling stations will include a new system to track vehicle information such as mileage, engine hours, and fuel quantity issued.

In FY 2016, AES implemented a plan with a parts supplier to maintain a vehicle and equipment parts inventory for vehicles and equipment up to 18,000 lbs. Gross Vehicle Weight Rating (GVWR) and to manage an on-site service counter. The department reports that this plan for the Light Equipment Repair Shop, helps to reduce the time it takes to locate and obtain replacement parts for the wide range of vehicles and equipment it supports.

FY 2016 Total Vehicles and Equipment Under DFM's Jurisdiction



Source: Department of Facility Maintenance

	Total Vehicles and Equipment Under DFM's Jurisdiction								
	AES Operating Expenditures (\$ millions)	Total Number of Repair and Maintenance Job Tasks Completed	Number of Tire Repair and Replacements	Total	On-Road/Highway Vehicles	Off-Road/Non-Highway Vehicles	Miscellaneous Equipment ¹	Unleaded Fuel Cost (\$ millions)	
FY 2012	\$18.30	33,989	3,610	2,280	1,891	287	102	\$2.34	
FY 2013	\$18.70	31,424	3,350	2,333	1,922	220	191	\$1.70	
FY 2014	\$18.73	31,631	4,220	2,284	1,646	349	289	\$1.10	
FY 2015	\$18.59	38,989	2,526	2,359	1,895	406	58	\$1.07	
FY 2016	\$17.96	34,397	1,113	2,410	1,902	354	154	\$1.04	
Change from last year	-3%	-12%	-56%	2%	<1%	-13%	166%	-2%	
Change over last 5 years	-2%	1%	-69%	6%	<1%	23%	51%	-56%	

Source: Department of Budget and Fiscal Services and Department of Facility Maintenance. ¹Miscellaneous Equipment includes trailers, forklifts, compressors, generators, etc.

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, and bus stops/shelters. DRM also maintains city-owned streams, channels, ditches, and other flood control facilities. It also maintains litter containers at bus stops and Waikiki sidewalk areas, and removes graffiti from city property within the street right-of-way. DRM’s road maintenance and repair activities are in accord with the mayor’s priorities to invest in the city’s core infrastructure.

In FY 2016, resident’s ratings for the quality of storm drainage services increased 10% to 46% in FY 2016 from 36% in FY 2015. The department noted that in FY 2016 they increased the cleaning of storm drain systems and streets to comply with NPDES storm water quality permit requirements.

Over the last five years, DRM operating expenditures increased 44% from \$17.60 million in FY 2012 to \$25.31 million in FY 2016. The division attributes the increase to the continued implementation of the pavement preservation program designed to apply cost-effective treatments such as slurry seal, seal coat and crack sealing to prolong roadway life and reduce the rate of roadway deterioration.

In FY 2016 operating expenditures increased 8% from \$23.45 million in FY 2015 to \$25.31 million in FY 2016. The department noted that in FY 2016 the Pavement Preservation contract used operating funds rather than CIP funds. These funds were used to implement additional Indefinite Delivery/Indefinite Quantity (IDIQ) Pavement Preservation construction contracts involving slurry seal in Nuuanu Valley, Pauoa Valley, Pacific Heights; and seal coat in Waipio, Seaview and Crestview areas.

In the 2016 National Citizen Survey, Honolulu residents were asked to rate the quality of street repair. About 15% rated street repair as excellent or good, which is lower than the percentages reported nationwide and among cities with populations over 300,000. Among large cities, Honolulu ranked 17 out of 20 cities for street repair.



Source: Department of Facility Maintenance.

	DRM Operating Expenditures		Number of Potholes Patched	Number of Pothole Hotline Calls Received	In-House Resurfacing (Lane Miles)	Citizen Survey (Excellent or Good)
	(\$ millions)	First Aid Repairs ¹ (Tons)				Storm Drainage Services
FY 2012	\$17.60	2,314	52,071	4,927	8	47%
FY 2013	\$17.34	1,258	51,647	4,614	18	45%
FY 2014	\$21.63	2,123	41,659	4,924	4	53%
FY 2015	\$23.45	1,743	32,976	4,060	8	36%
FY 2016	\$25.31	5,638	42,656	5,589	16	46%
Change from last year	8%	223%	29%	38%	92%	10%
Change over last 5 years	44%	144%	-18%	13%	104%	-1%

Source: Department of Budget and Fiscal Services, Department of Facility Maintenance, and 2012-2016 National Citizen Survey (Honolulu). ¹First Aid Repairs involve resurfacing narrow roadways and repairing asphalt roadways, including base work and/or overlays to distressed areas.

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Chapter 12 - Honolulu Fire Department

The Honolulu Fire Department (HFD) is the designated fire protection agency for the City and County of Honolulu. HFD's responsibilities are to provide fire fighting, rescue, emergency medical, and hazardous materials response for O'ahu. HFD is accredited by the Commission of Fire Accreditation International (CFAI). HFD is organized into four divisions:



Administrative Services Bureau (ASB)

Provides administrative, personnel, logistical, and maintenance support to the fire suppression force. The ASB oversees HFD's operating budget, property and inventory, personnel administration, and the administration of safety and health-related programs, such as the Infectious Disease program.



Fire Operations

Provides fire suppression and responds to search and rescue, hazardous materials, and medical emergency incidents.



Planning and Development (P&D)

Coordinates HFD's short and long-term planning, operational, and quality improvement processes. P&D also prepares annual compliance reports; develops deployment models; and reviews, researches, and monitors emerging legislation, regulations, trends, events, and past department performance to establish goals that fulfill HFD's mission.



Support Services

Support Services manages and coordinates the operations of the Training and Research Bureau (TRB) and the Fire Prevention Bureau (FPB).

Each division is managed by an assistant chief who is responsible for daily management of the sections and provides executive support to the fire chief and the deputy fire chief.

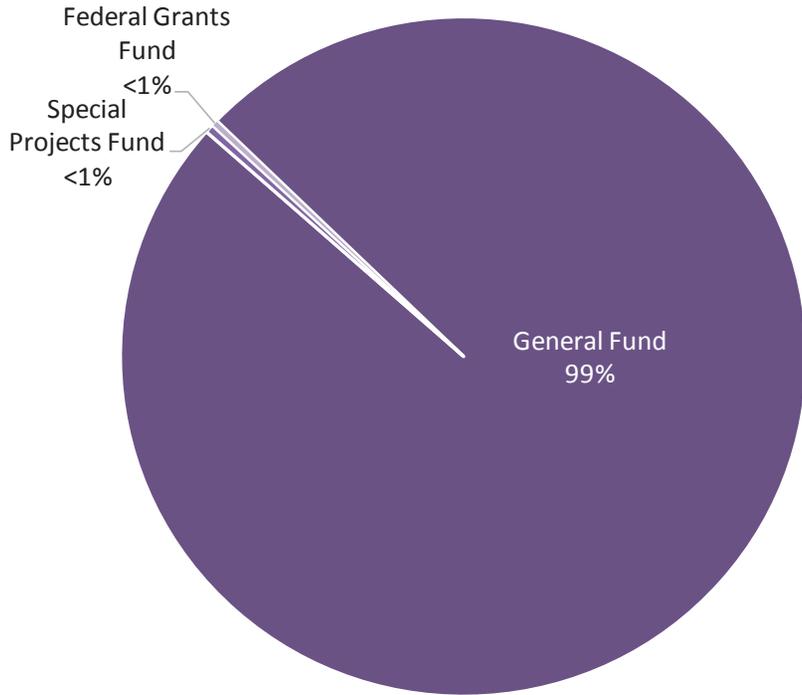


To provide for a safer community through prevention, preparedness, and effective emergency response.

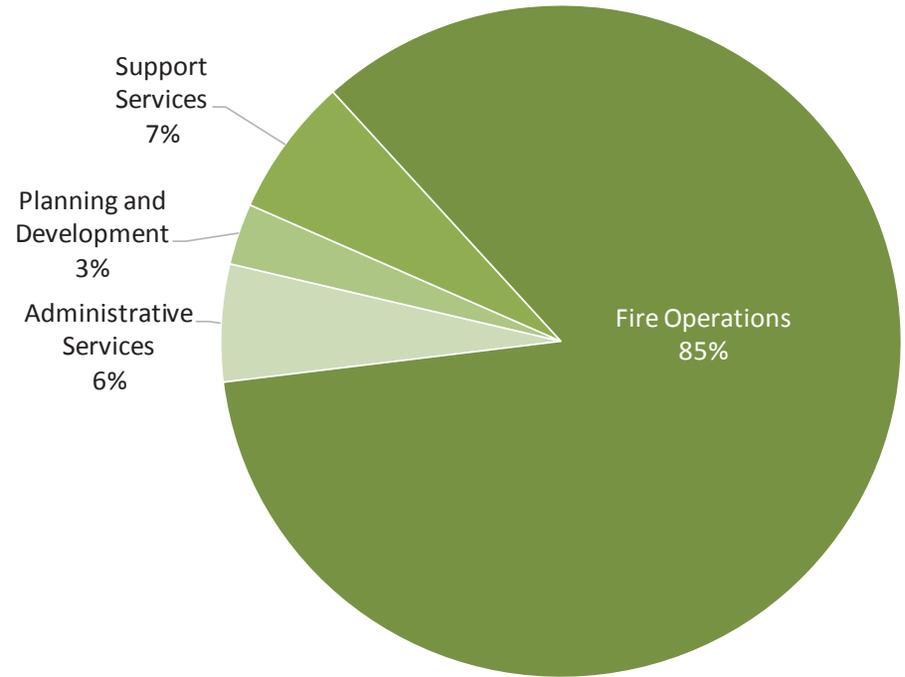
Mission Statement

Spending and Staffing

Fund Sources¹



Fund Uses¹



	Revenues (\$ millions)	Operating Expenditures (\$ millions)	Staffing			Overtime Expenditures ³	
			Authorized FTE	Vacant FTE	Cost Per FTE ²	Total (\$ millions)	Non-Holiday (\$ millions)
FY 2012	\$3.07	\$95.06	1,190	119	\$79,879	\$9.88	\$5.53
FY 2013	\$3.20	\$91.35	1,181	89	\$77,347	\$7.72	\$3.07
FY 2014	\$2.74	\$95.60	1,190	133	\$80,335	\$10.70	\$6.33
FY 2015	\$4.24	\$110.80	1,165	105	\$95,104	\$11.80	\$6.99
FY 2016	\$1.87	\$112.83	1,155	67	\$97,689	\$12.56	\$7.87
Change from last year	-56%	2%	-1%	-36%	3%	6%	13%
Change over last 5 years	-39%	19%	-3%	-44%	22%	27%	42%

Source: Department of Budget and Fiscal Services. ¹Percentages do not total 100% due to rounding. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing



Operating Expenditures

\$112.83 M ▲ 2%

The department attributes the increase to collective bargaining agreement (CBA) salary increases and the addition of Engine 43 in East Kapolei, which commenced service in FY 2014.



Revenues

\$1.87 M ▼ 56%

The department attributes the decrease to receiving no substantial grant awards and fire operations reimbursements as it did in FY 2016 and prior years.



Vacant FTE

67 FTE ▼ 36%

The department attributes the decrease to reallocation of nine fireboat positions, recruit class graduation, which filled 25 vacancies, and filling chief aide positions in FY 2014.



Overtime

\$12.56 M ▲ 6%

The department attributes the increase to CBA salary increases; increased staffing costs to maintain safe staffing levels where HFD strives to have four personnel on each apparatus; and increased training activities.

Highlights and Accomplishments

- HFD received its third reaccreditation from the Commission on Fire Accreditation International, Center for Public Safety Excellence for 2015-2020.
- HFD implemented *TargetSolutions*, which decentralized training and streamlined records management, to reduce overtime expenditures. This program also ensures training compliance and maintains current and accurate training records at a reduced cost.
- HFD increased its fleet of rescue watercrafts (RWC) to enhance response capabilities for shoreline emergencies and reduce mitigation times. In November 2015, a RWC was placed in service at the Kalihi Kai Fire Station.
- Fire Operations personnel completed the Fire Ground Survival Training and Rapid Intervention Training programs.

National Citizen Survey

84%



- The 2016 National Citizen Survey asked residents to rate the quality of fire services in Honolulu. A majority of residents (84%) rated services as *excellent or good*. The rating has fluctuated slightly through the years, and decreased 1% from the prior year and 5% from FY 2012. The 84% rating is *similar* to percentages reported nationwide and among communities with populations over 300,000.

	Calls for Service							Citizen Survey (% Excellent or Good)
	Fire	Medical/Rescue	Hazard Materials	Service Calls	False Alarms	Other ¹	Total	Fire Services
FY 2012	2,142	29,799	1,833	1,798	2,646	9,875	48,093	89%
FY 2013	1,755	30,608	1,831	1,703	3,263	10,274	49,434	85%
FY 2014	1,669	31,413	1,741	2,037	3,483	10,346	50,689	86%
FY 2015	1,798	31,973	1,605	2,439	3,451	10,499	51,765	85%
FY 2016	1,836	32,152	1,602	2,633	3,338	11,296	52,587	84%
Change from last year	2%	1%	<-1%	8%	-3%	8%	2%	-1%
Change over last 5 years	-14%	8%	-13%	46%	26%	14%	9%	-5%

Source: Honolulu Fire Department and 2012-2016 National Citizen Survey (Honolulu). ¹ Calls that represent good intent or miscellaneous calls not categorized in the other five categories.

Fire Commission & Administration Service Bureau

The Honolulu Fire Commission is comprised of five commissioners and assisted by a part-time secretary and an attorney from the Department of the Corporation Counsel. The Commission meets monthly with the fire chief, deputy fire chief, and assistant chiefs. The Commissioners are appointed by the Mayor and confirmed by the Honolulu City Council. No compensation is rendered for their services.

Fire Commission operating expenditures have consistently increased from FY 2012 to FY 2015, but decreased 3% to \$5,140 in FY 2016. According to the department, this decrease is due to no interisland travel funds being used in FY 2016. HFD noted that in FY 2015, two fire commissioners traveled to a neighbor island for the Hawai'i Fire Chiefs' Association Conference.

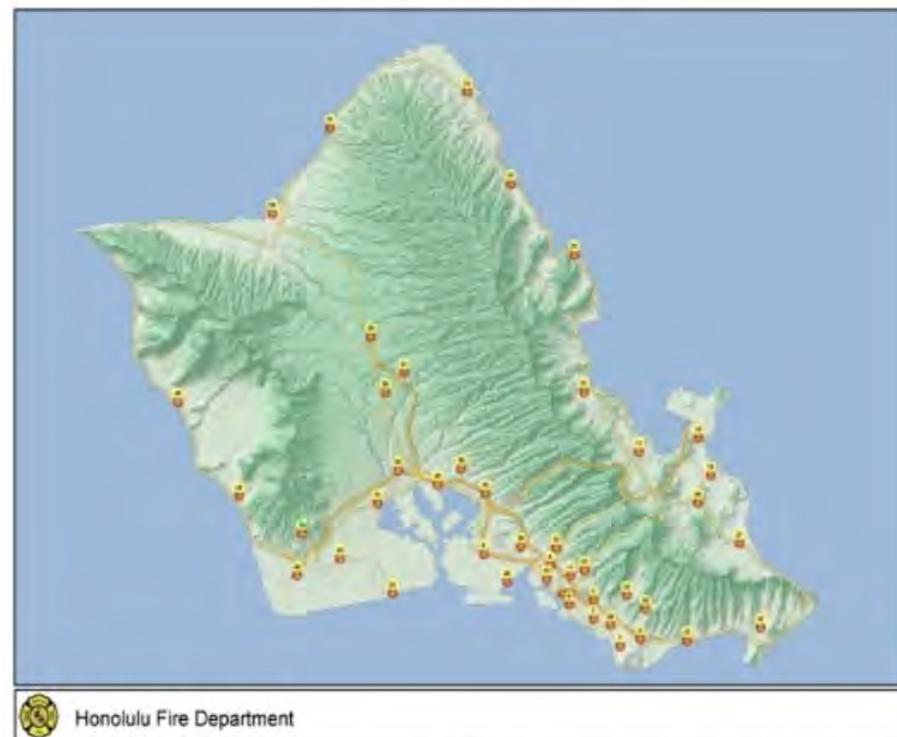
The Administrative Services Bureau oversees personnel, occupational safety and health, maintenance facilities, master agreements, and the operating and capital improvement program budgets.

Mechanic Shop operating expenditures increased 28% to \$2.54 million in FY 2016 from \$1.99 million in FY 2012. HFD explained that this increasing trend was due to increased expenditures for servicing older fire apparatuses; maintenance, testing and repairs for fire apparatuses with new firefighting foam pump systems; electrical system upgrades; collective bargaining agreement raises and overtime due to the work furlough schedule; and moving equipment funds to Category "C" Equipment by the managing director.

	Operating Expenditures ¹		
	Fire Commission	Administration (\$ millions)	Mechanic Shop (\$ millions)
FY 2012	\$2,297	\$3.08	\$1.99
FY 2013	\$3,095	\$2.94	\$2.14
FY 2014	\$3,526	\$3.11	\$2.33
FY 2015	\$5,306	\$3.24	\$2.33
FY 2016	\$5,140	\$3.25	\$2.54
Change from last year	-3%	<1%	9%
Change over last 5 years	124%	5%	28%

Source: Department of Budget and Fiscal Services. ¹Operating expenditure data unavailable for OSHO, SCBA Shop, Fire Fiscal, and Storeroom.

O'ahu Fire Stations



FB Waterfront*	15 Hau'ula	30 Moanalua
1 Central	16 Wahiawa	31 Kalihi Kai
2 Pawa'a	17 Kaneohe	32 Kalihi Uka
3 Makiki	18 Kailua	33 Palolo
4 Kuakini	19 Aikahi	34 Hawai'i Kai
5 Kaimuki	20 Pearl City	35 Makakilo
6 Kalihi	21 Ka'a'awa	36 Mililani
7 Waikiki	22 Manoa	37 Kahaluu
8 Mokulele	23 Wailupe	38 Waiau
9 Kaka'ako	24 Ewa Beach	39 Olamana
10 Aiea	25 Nuuanu	40 Kapolei
11 Sunset Beach	26 Wai'anae	41 Mililani Mauka
12 Waipahu	27 Waimanalo	42 Waikele
13 Kahuku	28 Nanakuli	43 East Kapolei
14 Waialua	29 McCully-Moilili	A1 Aircraft

Source: Honolulu Fire Department. *Waterfront Fire Station was relinquished to the State of Hawai'i Department of Transportation's Harbors Division in FY 2014.

Fire Operations

Fire Operations is responsible for emergency responses including fires, medical emergencies, mountain and ocean rescues, and hazardous materials. In addition, Fire Operations conducts commercial occupancy inspections; prepares industrial and commercial fire preplans; participates in community relations activities; attends training classes, drills, and exercises; keeps abreast of trends in firefighting techniques, emergency medical services, fire prevention, public education, and municipal water supply; and performs daily maintenance on HFD apparatuses, facilities, and grounds. HFD protects the city with a force of over 1,100 firefighters. O’ahu is divided into five battalions containing 44 fire stations. Fire Operations’ expenditures totaled \$95.62 million in FY 2016, which was a 23% increase from \$78.05 million in FY 2012 and a 3% increase from \$92.7 million in the prior year. According to the department, these increases were due to collective bargaining agreement salary increases in FY 2015 and FY 2016, and the addition of Engine 43 in East Kapolei, which commenced service in FY 2014.

	339	20,705	\$21.02 million
	Number of Aircraft Responses	Number of Fire-Related Incidents	Dollars Lost

Source: Honolulu Fire Department
Photo Courtesy of the Honolulu Fire Department



Top left and right: HFD’s fire ground survival program training exercises. Bottom left: Self-contained breathing apparatuses purchased with an Assistance to Firefighters grant. Bottom right: HFD Air 1

Photos Courtesy of the Honolulu Fire Department

	Fire Operations Expenditures (\$ millions)	Residents Served Per Fire Station ¹	Fireboat ² (\$ millions)	Fireboat Rescue & Responses ^{2,3}	Aircraft Responses	Fire-Related Incidents	Building Fires	Wildfires	Dollar Loss (\$ millions)	Significant Incident Statistics			
										Fatalities		Injuries	
										Fire Personnel	Civilian	Fire Personnel	Civilian
FY 2012	\$78.05	21,900	\$1.27	34	641	19,223	210	434	\$15.90	0	4	25	17
FY 2013	\$76.49	22,706	\$1.16	22	396	16,995	224	334	\$26.00	0	3	8	10
FY 2014	\$79.71	22,870	\$1.20	5	357	17,485	224	277	\$13.20	0	3	18	24
FY 2015	\$92.70	23,065	-	-	702	19,792	240	367	\$13.04	0	2	21	26
FY 2016	\$95.62	23,226	-	-	339	20,705	246	309	\$21.02	0	4	14	23
Change from last year	3%	1%	-	-	-52%	5%	3%	-16%	61%	-	100%	-33%	-12%
Change over last 5 years	23%	6%	-	-	-47%	8%	17%	-29%	32%	-	0%	-44%	35%

Source: Honolulu Fire Department and Department of Budget and Fiscal Services. ¹Residents Served Per Fire Station = Population (based on most recent available census data) / the Number of Fire Stations. ²On June 30, 2014, HFD ended its contract to operate, maintain and staff O’ahu’s only fireboat, which was relinquished to the State and decommissioned on June 30, 2015. ³Includes Fire Alarm Responses and Rescues, and Emergency Responses.

Fire Operations

The HFD co-responds with the Honolulu Emergency Services Department's Emergency Medical Services Division to send an apparatus to life-threatening calls, such as heart attacks, difficulty breathing, possible strokes, vehicle crashes, and significant trauma.

The 80% fractile time¹ for HFD's EMS urban responses increased 15% from FY 2012 to FY 2016 from 5:58 in FY 2012 to 6:50 in FY 2016. According to the department, this increase is due to an increase in traffic and urban density, which has lengthened apparatus travel times.

The 80% fractile time for fire urban responses increased from 6:33 in FY 2012 to 7:58 FY 2016. According to the department, this increase is the result of increases in traffic and urban density, which has lengthened apparatus travel times.

In FY 2016, the 80% fractile times for fire urban, suburban and rural responses have decreased from the prior year. The urban fractile time was 7:58 in FY 2016 compared to 8:03 in FY 2015. The suburban fractile time was 9:02 in FY 2016 compared to 9:03 in FY 2015. The rural fractile time improved to 9:45 in FY 2016 from 10:06 in the prior year. HFD explained that these reductions were due to improved processes for routing responding apparatuses and increased company level familiarization with their primary response areas.



Photos Courtesy of the Honolulu Fire Department

	Emergency Medical Service Incidents	EMS Urban Responses		EMS Suburban Responses		EMS Rural Responses		Fire Urban Responses		Fire Suburban Responses		Fire Rural Responses	
		80% Fractile Time ¹	Within 7 Minutes	80% Fractile Time	Within 9 Minutes	80% Fractile Time	Within 11 Minutes	80% Fractile Time	Within 7 Minutes	80% Fractile Time	Within 9 Minutes	80% Fractile Time	Within 11 Minutes
FY 2012	28,307	5:58	91.5%	7:36	91.4%	7:57	95.0%	6:33	83.0%	8:52	81.2%	9:54	86.0%
FY 2013	29,605	6:21	86.5%	7:46	87.5%	8:50	89.6%	6:55	83.0%	8:57	80.2%	10:38	80.0%
FY 2014	30,408	6:21	87.6%	7:35	91.4%	8:50	95.1%	7:09	78.5%	9:14	77.5%	10:27	83.7%
FY 2015	30,916	6:50	82.1%	7:27	91.9%	8:00	95.2%	8:03	67.1%	9:03	79.7%	10:06	85.5%
FY 2016	30,919	6:50	82.2%	7:27	92.0%	8:03	95.5%	7:58	69.5%	9:02	79.8%	9:45	87.2%
Change from last year	<1%	0%	<1%	0%	<1%	1%	<1%	-1%	2%	<-1%	<-1%	-3%	2%
Change over last 5 years	9%	15%	-9%	-2%	1%	1%	<1%	22%	-14%	2%	-1%	-2%	1%

Source: Honolulu Fire Department. ¹Total response time standards for first arriving company as stated in the Department's 2005 and 2010 Standards of Cover document prepared for the Commission on Fire Accreditation International (CFAI). Fractile refers to the point below which a stated fraction of the values lie.

Planning and Development

Planning and Development’s expenditures increased 3% to \$3.32 million in FY 2016 from \$3.21 million in FY 2015. According to the department, this increase was due to creating and filling new permanent fire captain positions. Over the past five years, the division’s expenditures decreased 22% from \$4.27 million in FY 2012 to \$3.32 million in FY 2016. HFD attributed this reduction to Asian Pacific Economic Conference (APEC) expenditures in FY 2012.

Radio Shop services and repairs increased 13% to 2,601 in FY 2016 from 2,306 in FY 2012. HFD explained that this increase was the result of more local government departments joining the 800 megahertz (MHz) enhanced digital access communication radio system. The department noted that the HFD Radio Shop supports all city departments with radio communication services, except for HPD and BWS.

In FY 2016, Radio Shop planning and training totaled 138, which is a 7% decrease from 148 in FY 2012 and a 14% decrease from 161 in the prior year. The department said that these decreases were due to the transition from a conventional very high frequency to the 800 MHz trunking radio system in 2012. HFD added that the heaviest user training occurred during that time, and training requests have decreased as users became more proficient in the use of the trunking radios.



HFD accepts the 2015-2020 reaccreditation plaque from the Commission on Fire Accreditation International, Center of Public Excellence in August 2015.

Photo Courtesy of the Honolulu Fire Department

	Planning & Development Expenditures (\$ millions)	Radio Shop ¹	
		Services and Repairs	Total Personnel Trained
FY 2012	\$4.27	2,306	148
FY 2013	\$2.73	2,088	156
FY 2014	\$3.44	2,878	173
FY 2015	\$3.21	2,699	161
FY 2016	\$3.32	2,601	138
Change from last year	3%	-4%	-14%
Change over last 5 years	-22%	13%	-7%

Source: Honolulu Fire Department and Department of Budget and Fiscal Services. ¹The HFD’s Radio Shop services the HFD and all other city departments, with the exception of the HPD.



Source: Honolulu Fire Department

Support Services

Support Services' expenditures totaled \$7.52 million in FY 2016, which was a 41% increase from \$5.32 million in FY 2012 and a 13% increase from \$6.63 million in the prior year. According to the department, these increases were due to the creation and/or filling of new permanent positions.

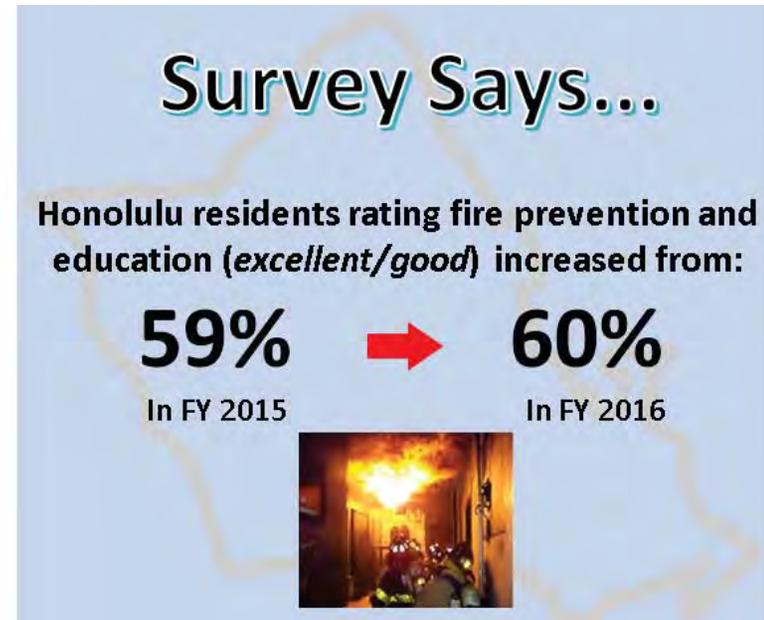
Fire code compliance inspections totaled 65,144 in FY 2016, which is a 21% increase from 54,049 inspections in FY 2012 and a 29% increase from 50,532 inspections in the prior year. HFD explained that more annual inspections were performed due to process efficiencies achieved by fire code compliance inspectors and company level inspections.

Although fire safety presentation attendees have steadily increased from 22,160 attendees in FY 2012 to 38,350 attendees in FY 2015, the number of attendees has decreased 12% to 33,628 in FY 2016 from the prior year. HFD said that this is attributed to the number of varying presentations given each year and the audience size at each presentation.

In FY 2016, hazardous materials facilities inspected increased 122% to 271 facilities inspected in FY 2016 from 122 in FY 2012. HFD explained that inspections increased due to including permitted above and below ground storage tank inspections and frequent inspections of other hazardous materials facilities.

Although hazardous materials facilities inspected increased over a five year period to 271 facilities inspected in FY 2016, this was a 17% decrease from the 328 facilities inspected last year. HFD reported that this reduction reflects the yearly inspection cycle for hazardous materials facilities.

The 2016 Citizen Survey asked residents to rate fire prevention and education in Honolulu. About 60% rated services as *excellent* or *good*, which is a 1% increase from the prior year and a 12% decrease from FY 2012. The 60% rating is *lower* than percentages reported nationwide and *similar* to percentages among communities with populations over 300,000.



Source: 2016 National Citizen Survey (Honolulu)
Photo Courtesy of the Honolulu Fire Department

	Support Services		Fire Prevention			Hazardous Materials			Citizen Survey (% <i>Excellent</i> or <i>Good</i>)
	Expenditures (\$ millions)	Fireworks Permits ¹	Inspections ²	Building Plans Reviewed	Fire Safety Presentations (Attendees)	Incidents	Facilities Permitted	Facilities Inspected	Fire Prevention and Education
FY 2012	\$5.32	8,840	54,049	2,595	22,160	1,833	271	122	72%
FY 2013	\$5.41	10,069	63,485	2,952	23,880	1,831	363	287	68%
FY 2014	\$5.55	11,320	77,492	2,473	35,900	1,741	247	241	66%
FY 2015	\$6.63	11,749	50,532	2,951	38,350	1,605	328	328	59%
FY 2016	\$7.52	14,390	65,144	3,355	33,628	1,602	284	271	60%
Change from last year	13%	22%	29%	14%	-12%	<-1%	-13%	-17%	1%
Change over last 5 years	41%	63%	21%	29%	52%	-13%	5%	122%	-12%

Source: Honolulu Fire Department, Department of Budget and Fiscal Services, and 2012-2016 National Citizen Survey (Honolulu). ¹Fireworks Permits includes public display permits, satellite city hall permits and special permits. ²Inspection consists of occupancy inspections (initial) and company inspection program inspections.

Chapter 13 - Department of Human Resources

The Department of Human Resources (DHR) is the city's central personnel agency. The city charter requires the department to establish a comprehensive personnel management program based on merit principles and generally accepted methods governing the classification of positions and the employment, conduct, movement, and separation of public employees. The activities of human resources are fully supported by the General Fund.

DHR's administration includes the Equal Opportunity program which is responsible for promoting and monitoring the city's compliance with federal, state and city laws. It also evaluates the handling of discrimination complaints in employment, services, programs and facilities of the city. The Enterprise Resource Planning (ERP) Branch is also a part of DHR's administrative functions. ERP is responsible for managing and executing the Human Resources function of the City's C²HERPS Project. DHR consists of the following four functional areas:

Classification and Pay

- Plans, develops and administers classification and pay plans.
- Prepares class specifications.
- Recommends pricing for newly established classes.

Employment and Personnel Services

- Administers recruitment, examination, and employee benefits programs.
- Oversees compliance with drug and alcohol testing.
- Administers the Fair Labor Standards Act and information privacy program.

Industrial Safety and Workers' Compensation

- Administers a citywide safety and accident prevention program and the city's pay-as-you-go, self-insured, workers' compensation programs.

Labor Relations and Training

- Administers labor relations, personnel development, and training programs.
- Leads collective bargaining negotiations.
- Conducts grievance hearings.
- Advocates arbitration cases.

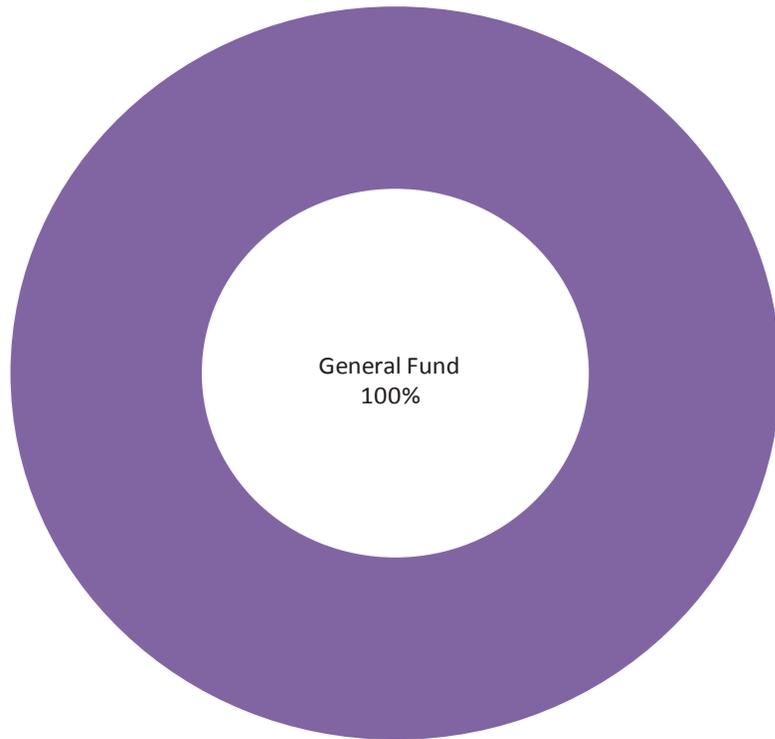


To recruit, develop and retain an outstanding workforce dedicated to quality public service for the City and County of Honolulu.

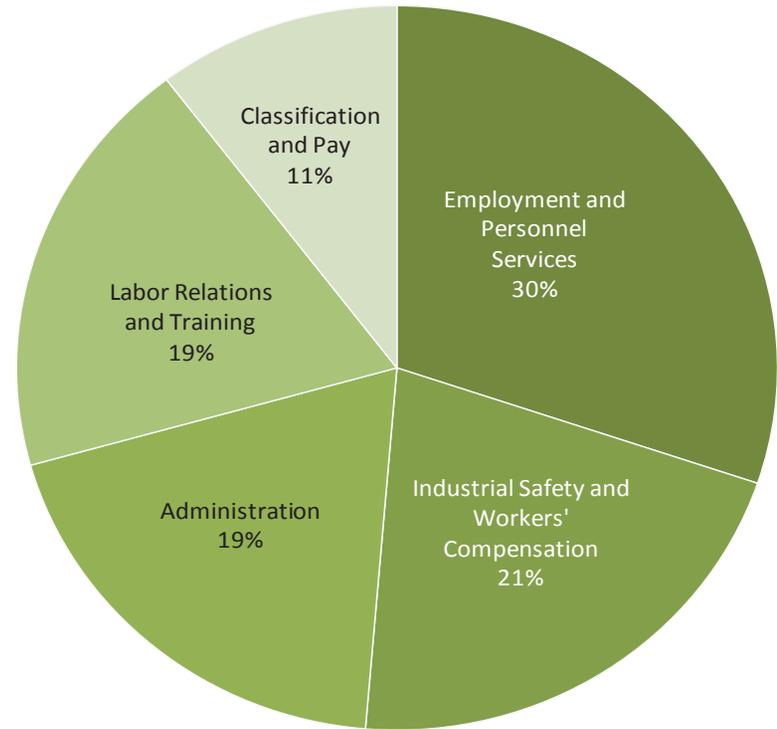
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Total Operating Expenditures (\$ millions)	Total Authorized FTE	Cost Per FTE ¹	Total Overtime Expenditures ²
FY 2012	\$5.28	91.5	\$57,703	\$28,424
FY 2013	\$5.42	91.5	\$59,207	\$43,630
FY 2014	\$5.16	81.0	\$63,732	\$8,737
FY 2015	\$5.64	81.0	\$69,568	\$10,832
FY 2016	\$5.91	81.0	\$72,995	\$12,524
Change from last year	5%	0%	5%	16%
Change over last 5 years	12%	-11%	27%	-56%

Source: Department of Budget and Fiscal Services (BFS). ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing



Operating Expenditures

\$5.9 M ▲ 5%

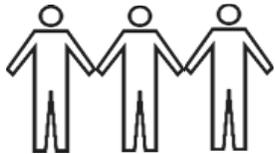
The majority of the 5% increase can be attributed to collective bargaining increases and progressional reallocations for staff. In FY 2016, the department created and filled two new positions and hired an additional four *Poʻopela* interns contributing to the increase in overall operating expenditures.



Overtime

\$12 K ▲ 16%

The 16% increase is attributed to the FY 2016 Fire Fighter Recruitment which occurs every three years. This recruitment requires more staffing due to the large number of candidates, test sites, and test sessions associated with the examinations.



New Hires Entering City Service

785 New Hires ▲ 1%

In FY 2016, there were 785 new hires entering city service a 1% increase over last year. The department attributes the increase to the easing of budget restrictions.

Five Year Trends



- The department's operating expenditures increased 12% from \$5.3 million to \$5.9 million over the last five years.



- Total Overtime Expenditures decreased 56% from \$28,424 to \$12,524 over the last five years.



Department of Human Resources - Project Management Spring 2016 Class Photo.

ACCOMPLISHMENTS

- HR spearheaded a two-day job fair at McCoy Pavilion and reviewed over 600 applications for the Department of Facility Maintenance and the Department of Parks and Recreation. The reviews expedite hiring of temporary groundskeepers and helped implement the island wide mayoral initiatives in landscaping and park beautification.
- HR collaborated with the Department of Information Technology and developed an electronic form for departments to submit workers' compensation claims electronically. This enabled claims to be processed more efficiently.

Workers' Compensation and Labor Relations and Training



Department of Human Resources-
Groundskeeper Job Fair

“Over the last five years, the number of workers compensation claims filed increased 15%, with total direct expenditures for workers compensation claims increasing 30% during this time. The department attributes this increase to the following cost drivers; Medical costs increased significantly over the past five years going from \$5.7 million in FY 2012 to \$8.2 million in FY 2016. The

department noted that the increase in medical expenditures is due to multiple factors ranging from higher medical fee schedule costs, changes in the law which adversely affected the standards by which the City is able to regulate care, and an escalation in the frequency and complexity of medical care required by an aging workforce.

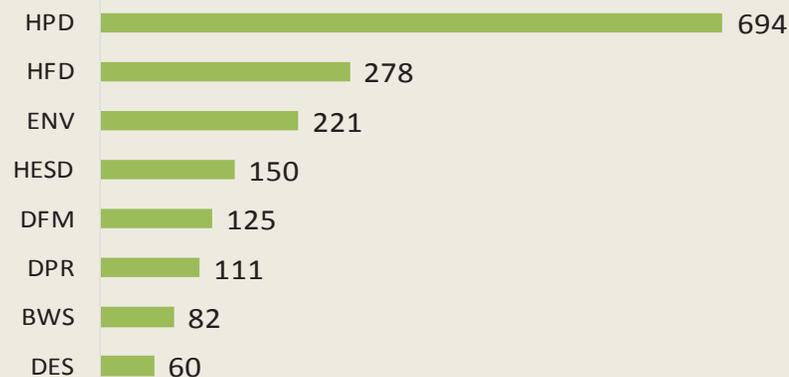
Wage replacement costs have also increased significantly over the past five years going from \$5.6 million in FY 2012 to \$7.6 million in FY 2016. The department noted that this increase is directly attributable to wage increases City employees received during this period which, in turn, has led to increased wage replacement benefits under workers' compensation.

Over the last five years, the average cost per workers' compensation claim increased 13% from an average of \$5,790 per claim in FY 2012 to \$6,570 per claim in FY 2016. The Department attributes this increase to the percentage increase in total direct expenditures for workers' compensation claims, which outpaces the percentage increase in number of new claims being filed during this time period.

In FY 2016, the city had 214 employees included in the newly established Bargaining Unit 14 in the Honolulu Emergency Services Department, Ocean Safety Division. A final and binding decision on the Bargaining Unit 14 interest arbitration was rendered on February 22, 2016.

Over the last five years, training hours increased 141% from 7,971 hours in FY 2012 to 19,208 hours in FY 2016. The department attributes the majority of the increase to the Driver Improvement Program Training courses offered in accordance with the city's Driver Qualification and Training Policy.

Top Eight Departments with the Highest Number of New Workers' Compensation Claims FY 2016



Source: Department of Human Resources

	Workers' Compensation			Labor Relations and Training		
	Total Workers' Compensation Claims	Total Direct Expenditures (\$ millions)	Average Cost Per Claim ¹	Hours of Training Provided	Overall Training Satisfaction Rating (Out of 5)	Grievances Closed Before Arbitration
FY 2012	3,069	\$17.77	\$5,790	7,971	4.7	92%
FY 2013	3,079	\$19.28	\$6,262	12,184	4.7	94%
FY 2014	3,279	\$20.16	\$6,147	14,823	4.7	91%
FY 2015	3,314	\$21.59	\$6,515	18,161	4.7	93%
FY 2016	3,524	\$23.15	\$6,570	19,208	4.7	94%
Change from last year	6%	7%	1%	6%	0%	1%
Change over last 5 years	15%	30%	13%	141%	0%	2%

Source: Department of Human Resources.¹Average Cost Per Claim is Total Workers' Compensation Claims ÷ Total Number of Workers' Compensation Claims.

Chapter 14 - Department of Information Technology

The Department of Information Technology (DIT) plans, directs, and coordinates the city's information technology program. It sets and enforces citywide technology and data security standards and policies. The department also maintains and manages the city's computer network and data processing operations 24 hours a day, 7 days a week.

The department's goals are to:

- Optimize the use of technological resources and expertise to meet the needs of city employees and citizens.
- Provide a strategic technological direction for the city.
- Ensure that computer resources are secure from unauthorized access while also promoting user innovation and self-sufficiency.
- Deploy E-government, mobile, and social media initiatives to further support and enhance services delivered to citizens.

In addition to acquiring technological goods and services, DIT's administration is responsible for the budget and personnel matters of the department's five divisions:

Applications	ERP - CSR	Operations	Radio and Network	Technical Support
<ul style="list-style-type: none">•Performs computer systems development and support.•Provides consulting services to end users and city administrators.	<ul style="list-style-type: none">•Provides technology support for the city's financial management system.•Offers computer services representative support to city agencies.	<ul style="list-style-type: none">•Coordinates and executes central and remote computer operations within the city.•Maintains disaster recovery planning.•Manages the help desk call center.•Manages document imaging.	<ul style="list-style-type: none">•Supports city communications systems.•Manages tower, fiber, and wireless construction projects.	<ul style="list-style-type: none">•Administers systems software for the mainframe and midrange computers.•Enforces policies and procedures to monitor and prevent attacks on the city's information system.

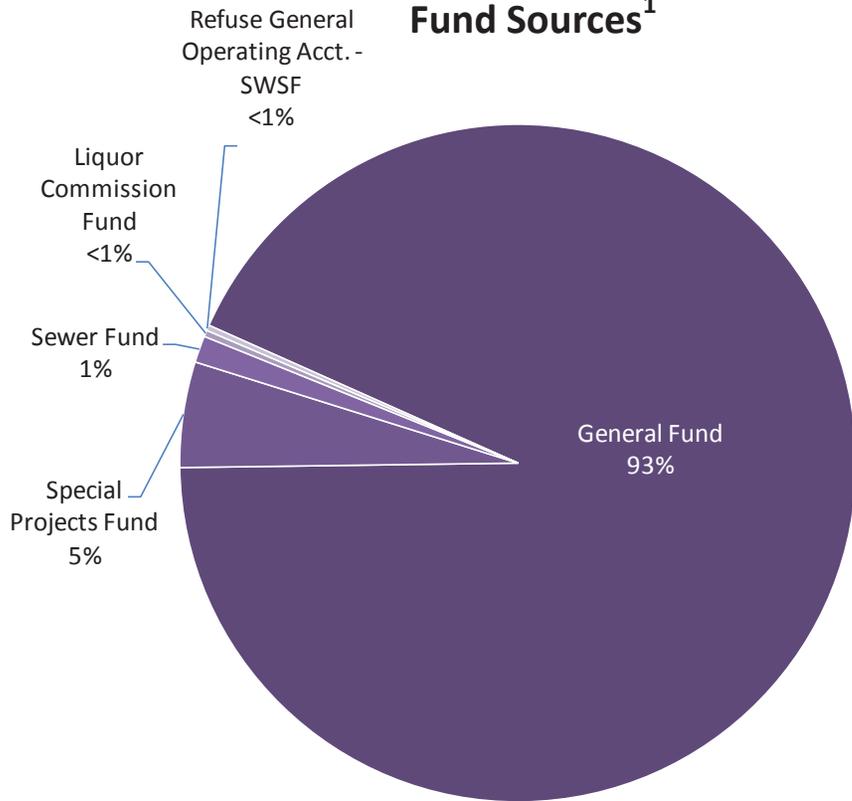


To provide information technology products, services, guidance, and direction for city agencies to serve the public in a cost-effective and efficient manner.

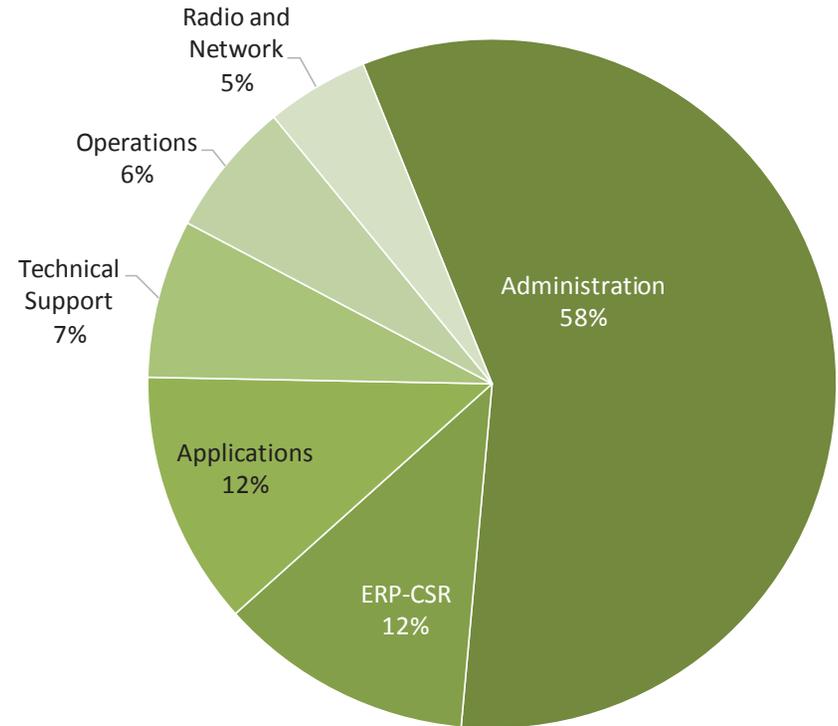
Mission Statement

Spending and Staffing

Fund Sources¹



Fund Uses



	Total Operating Expenditures (\$ millions)	Administration (\$ millions)	Revenues (\$ millions)	Staffing			Overtime Expenditures ³	
				Total Authorized FTE	Total Vacant FTE	Cost Per FTE ²	Total	Non-Holiday
FY 2012	\$19.77	\$12.09	\$3.22	152	30.5	\$130,052	\$184,132	\$160,619
FY 2013	\$17.17	\$10.08	\$3.68	144.5	26	\$118,857	\$235,723	\$208,443
FY 2014	\$21.06	\$13.48	\$2.94	152	25	\$138,536	\$175,765	\$152,368
FY 2015	\$21.94	\$13.70	\$3.03	144	14	\$152,348	\$181,170	\$155,233
FY 2016	\$20.07	\$11.55	\$2.65	148	17.5	\$135,597	\$188,538	\$164,698
Change from last year	-9%	-16%	-12%	3%	25%	-11%	4%	6%
Change over last 5 years	2%	-4%	-18%	-3%	-43%	4%	2%	3%

Source: Department of Budget and Fiscal Services. ¹Percentages do not total to 100% due to rounding. ²Cost per FTE = Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit, as applicable.

Spending and Staffing



\$20.07 M ▼ 9%

Operating expenditures decreased due to a one-time expenditure for an Enterprise Resource Planning upgrade in FY 2015.

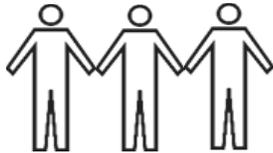
Operating Expenditures



\$2.65 M ▼ 12%

Decreases in revenues are due to users migrating to the Federal National Crime Information Center (NCIC) system via the Honolulu Police Department. Also, work done for the State of Hawai'i has not been reimbursed at anticipated levels.

Revenues



17.5 FTE ▲ 25%

The department attributes the increase in vacancies to retirement and transitioning new personnel assigned to DIT in both Budget and Human Resources departments.

Vacant FTE



\$189 K ▲ 4%

The department attributes the increase to the upgrading of the ERP system, as well as other work such as moving departments to new locations, which must happen after-hours.

Overtime Expenditures



Source: Department of Information Technology, Satellite City Hall brochure (via Google images).

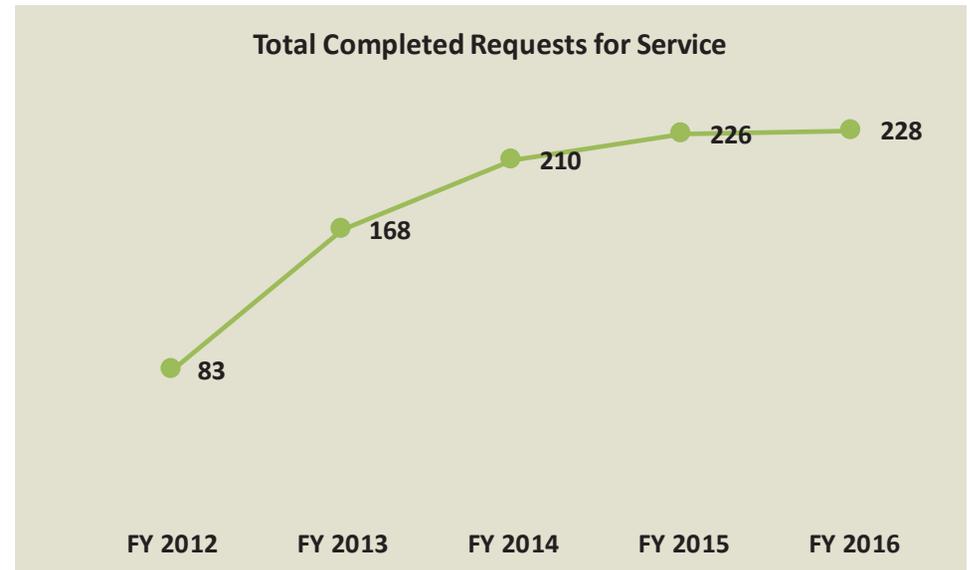
ACCOMPLISHMENTS

- Deployed multiple AlohaQ kiosks to Pearlridge Satellite City Hall and Kapālama Hale; developed an online application to enter the queue via the internet which automated service lines;
- Migrated mainframe print jobs to a paperless delivery system and Motor Vehicle Certificate of Title printing to laser printers;
- Implemented new electronic workflow module for Human Resource Management (HRM) HOKU New Hire On-boarding;
- Awarded the contract and began design of the P25 Public Safety Radio System.
- Effected major reductions in software license costs through in-house development using open-source technologies.

Applications

The Applications Services Division performs the full range of computer systems development including feasibility studies, systems analysis and design, computer programming, and Request for Proposals and Request for Bids (RFP/ RFB) development. It performs systems testing, personnel training and detailed documentation of the developed systems; maintains implemented systems both developed in house and acquired; provides consulting services to end users; provides electronic data management; assists the user department to plan and coordinate technology goals in line with enterprise-wide technology objectives; and coordinates all efforts between the user department and DIT as it relates to the deployment of technology. It also provides consulting services to end users and city administrators with strategic planning information and resources related to overall city operations.

Over the last five years operating expenditures increased 14% from \$2.10 million in FY 2012 to \$2.39 million on FY 2016. Applications attributes this increase to mandated collective bargaining agreements, along with progressive, promotional reallocations that were earned by the employees. The number of new and completed requests for service (RFS) increased 234% and 175% respectively over the last five years. Applications attributed the increases to internal requests for service between DIT divisions to modernize and update aging infrastructure, to retire old and create new servers, and to develop internal control applications.



Source: Department of Information Technology

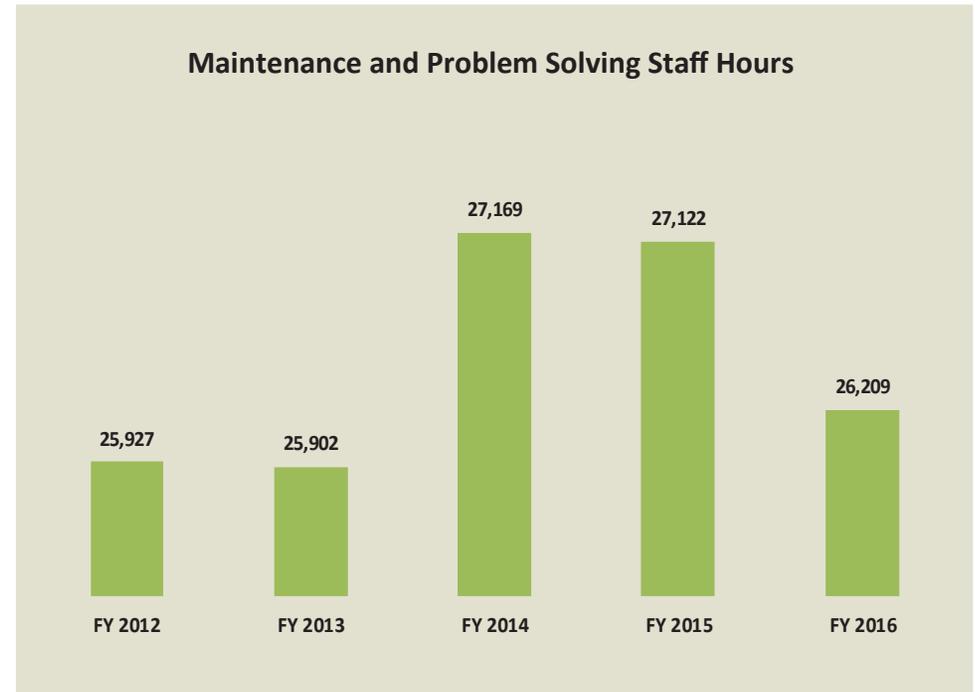
Total requests for service still outstanding at the end of the year increased by 77% from FY 2015 and 1667% over the last five years. Applications attributed this large increase to numerous major critical projects such as *AlohaQ* Kiosk, Park Reservation, *Smarter Cities*, 311, Motor Vehicle Registration (MVR), and Driver License (DL). They attributed over 50% of the outstanding requests for service to internal requests for tasks related to modernizing the internal infrastructure.

	Applications			
	Operating Expenditures (\$ million)	Total New Requests For Service	Total Completed Requests for Service	Total Requests Outstanding at End of Year
FY 2012	\$2.10	96	83	3
FY 2013	\$2.02	218	168	39
FY 2014	\$2.00	247	210	32
FY 2015	\$2.25	307	226	30
FY 2016	\$2.39	321	228	53
Change from last year	6%	5%	1%	77%
Change over last 5 years	14%	234%	175%	1667%

Source: Department of Budget and Fiscal Services, and Department of Information Technology, Executive Operating Program and Budget (FY 2013-FY 2017).

The Enterprise Resource Planning (ERP) and Customer Service Representative (CSR) Division provides data processing support for the citywide ERP financial management system. The division supports integration into the user agency’s workflow processes in the city; conducts evaluations of user agency needs; and provides technology support services. It designs and develops automated systems and procedures; assists in developing plans and obtaining approvals; and implements the city’s technology plans with regards to the ERP financial management system and other related automated systems. Each agency within the city has a CSR to support the IT needs of that department and its end-users.

Operating expenditures for ERP - CSR increased by 2% from FY 2015. DIT attributed this small increase to mandated collective bargaining agreements, along with progressive, promotional reallocations earned by the employees. Operating expenditures increased by 31% from FY 2012 to FY 2016. DIT explained that this increase was also due to mandated collective bargaining agreements, along with progressive, promotional reallocations earned by employees.



Source: Department of Information Technology

	Enterprise Resource Planning - Customer Service Representative			
	Operating Expenditures (\$ millions)	Maintenance and Problem Solving (Staff Hours)	Analysis and Programming (Staff Hours)	Overhead (Staff Hours)
FY 2012	\$1.83	25,927	6,914	1,728
FY 2013	\$1.81	25,902	6,907	1,727
FY 2014	\$2.10	27,169	7,245	1,811
FY 2015	\$2.35	27,122	7,232	1,808
FY 2016	\$2.40	26,209	6,989	1,747
Change from last year	2%	-3%	-3%	-3%
Change over last 5 years	31%	1%	1%	1%

Source: Department of Budget and Fiscal Services, and Department of Information Technology, Executive Operating Program and Budget (FY 2013-FY 2017).

Operations

The Operations Division plans, administers, coordinates, and executes central and remote computer system operations of the city's computer facilities island-wide. Operations also performs data entry services, assures data processing accuracy, enterprise imaging and document management, maintains disaster recovery planning, manages the help desk call center, and controls and maintains the city data center computer equipment and network.

Operating expenditures increased by 8% over the past five years from \$1.18 million to \$1.28 million. Operations attributed this increase to mandated collective bargaining agreements, along with progressive, promotional reallocations earned by employees.

Changes implemented increased by 12% over the prior year from 823 to 923. Operations explained that this increase was due to an Operating System Upgrade, implementation of new applications, and application report requests from the end-users. However, changes implemented over the last five years decreased by 16%. Operations noted that the overall decrease was due to updates in IT infrastructure hardware and software, and decommissioning older mainframe applications.

In FY 2016, Operations purchased a wide-format scanner due to the need to scan 42-inch wide drawings for online access.

% Help Desk Calls Resolved at First Level



Source: Department of Information Technology; SQM Group.

	Operating Expenditures (\$ million)	Production Online Systems			% Help Desk Calls Resolved at First Level
		Regular Business Hours	24 hours	Changes Implemented ¹	
FY 2012	\$1.18	99.9%	99.5%	1,093	78%
FY 2013	\$1.12	99.4%	99.7%	796	78%
FY 2014	\$1.24	99.5%	99.6%	809	81%
FY 2015	\$1.28	99.9%	99.2%	823	90%
FY 2016	\$1.28	99.0%	98.0%	923	87%
Change from last year	<-1%	<1%	-1.2%	12%	-3%
Change over last 5 years	8%	<1%	-1.5%	-16%	9%

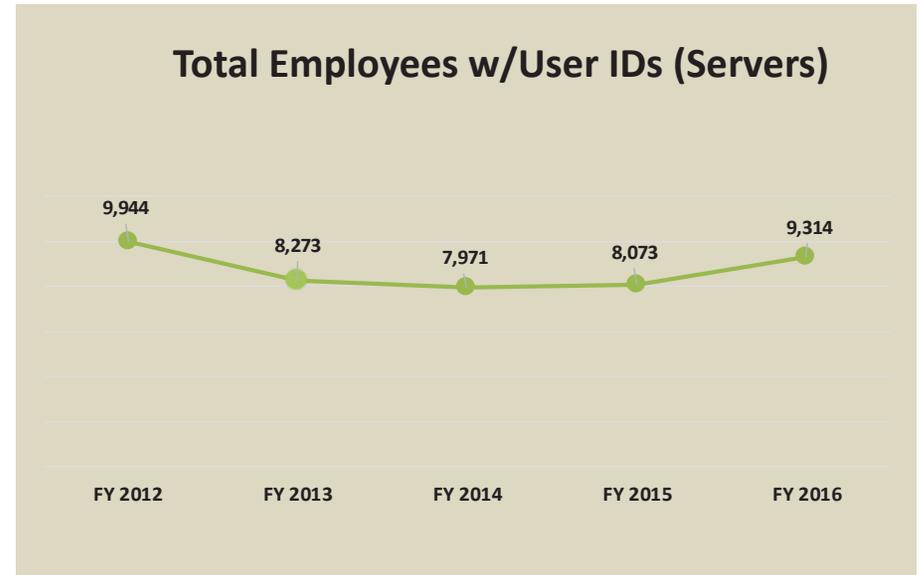
Source: Department of Budget and Fiscal Services, and Department of Information Technology. Executive Operating Program and Budget (FY 2013-FY 2017). ¹Changes implemented is the process of documenting change approvals, user acceptance, or authorizations for hardware and software and software promotion.

The Radio and Network Infrastructure (RNI) Division manages and supports city communications systems, including radio, microwave, fiber, wired, and 800 MHz systems and facilities. The division also manages tower, fiber, and wireless construction projects.

FY 2016 operating expenditures increased 24% from \$780,036 in FY 2012 to \$966,155. According to RNI, this increase is due to mandated collective bargaining agreements, along with progressive, promotional reallocations earned by employees. Over the last five years, total local area networks (LANs) increased 14% from 185 in FY 2012 to 210 in FY 2016. RNI noted that the increase is due to fiber connectivity via Institutional Networks.

Technical Support

The Technical Support (TS) Division plans, installs, administers, and maintains systems software for the mainframe and midrange computers. The division also supports and controls the servers, communications networks, and storage area networks. Responsibilities also include protection, security, and integrity of the city's information resources. Security-related functions include enforcing policies and procedures in monitoring and preventing attacks on the city's information system.



Source: Department of Information Technology

Total employees with server user IDs increased by 15% from FY 2015. Technical support explained that the FY 2015 data contained only employee totals and the FY 2016 data included employees and 1,419 accounts for non-employees.

	Radio and Network			Technical Support		
	Operating Expenditures	Total Local Area Networks	Total 800 MHz Zone Sites	Operating Expenditures (\$ million)	Total Employees w/ Access IDs (Mainframe)	Total Employees w/User IDs (Servers)
FY 2012	\$780,036	185	12	\$1.42	8,054	9,944
FY 2013	\$841,629	195	12	\$1.31	7,960	8,273
FY 2014	\$866,198	200	12	\$1.37	7,945	7,971
FY 2015	\$883,089	205	12	\$1.48	7,975	8,073
FY 2016	\$966,155	210	12	\$1.49	8,082	9,314
Change from last year	9%	2%	0%	1%	1%	15%
Change over last 5 years	24%	14%	0%	5%	<1%	-6%

Source: Department of Budget and Fiscal Services, and Department of Information Technology. Executive Operating Program and Budget (FY 2013-FY 2017).

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Chapter 15 - Legislative Branch

The Legislative Branch is established by city charter as coordinate with the executive branch of city government.¹ It comprises the Honolulu City Council, Office of the City Auditor, Office of Council Services, and Office of the City Clerk.



Honolulu City Council (CCL)

The Honolulu City Council consists of nine elected officials, and their staffs, who are empowered with legislative and investigative powers. Their job is to establish citywide policies via the passage of ordinances and resolutions, adopt the city's annual operating and capital improvement budgets, set the annual real property tax rate, and authorize the issuance of general obligation bonds. The city charter requires the council to adopt a balanced budget.



Office of the City Auditor (OCA)

The Office of the City Auditor is an independent audit agency created to strengthen the auditing function and ensure that city agencies and programs are held to the highest standards of public accountability. The city auditor is responsible for conducting the annual financial audit, performance audits of any agency or operation of the city, and follow-up audits to monitor the implementation of audit recommendations.



Office of Council Services (OCS)

The Office of Council Services provides comprehensive research and reference services for the council. It conducts research, drafts legislation, revises city ordinances, and serves in an advisory capacity to the council and its committees.



Office of the City Clerk (CLK)

The Office of the City Clerk is custodian of ordinances, resolutions, rules, and regulations of all city agencies, the city seal, books, and records. They provide staff support to the council for all regular sessions, committee meetings, and public hearings. They are responsible for voter registration and conduct all elections for the City and County of Honolulu. The clerk also authenticates all official papers and instruments requiring certification.

¹Section 1-103, Revised Charter of Honolulu

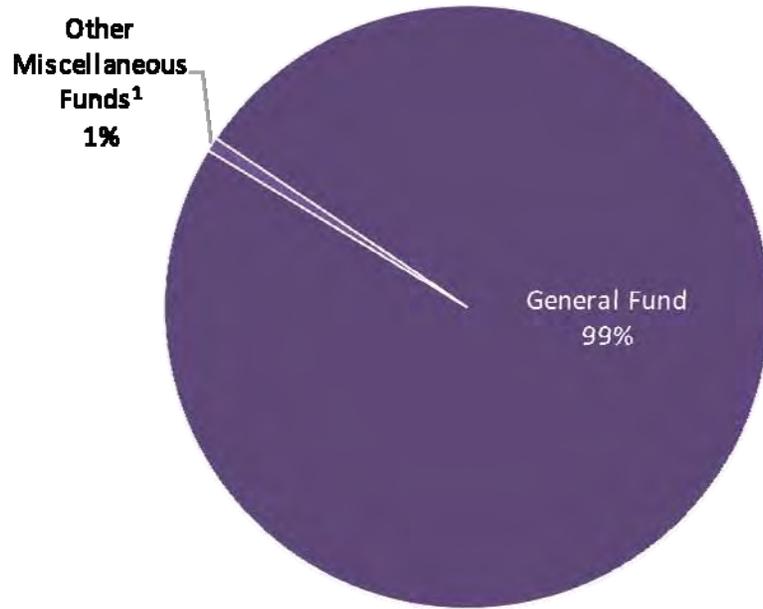


The Honolulu City Council serves and advances the general welfare, health, happiness, and safety of the people through exercising its legislative power.

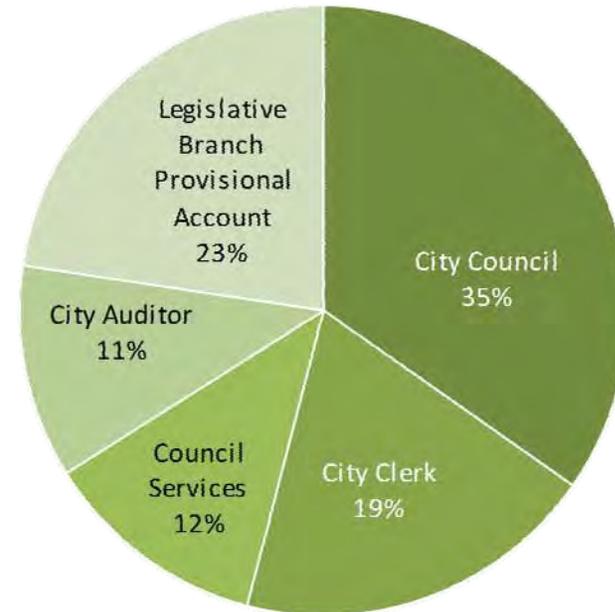
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Total Revenue	Total Operating Expenditures (\$ millions)	Staffing			Overtime Expenditures ³	
			Total Authorized FTE	Total Vacant Authorized FTE	Cost Per Legislative FTE ²	Total	Non-Holiday
FY 2012	\$36,340	\$11.28	126	3.0	\$89,544	\$14,119	\$14,119
FY 2013	\$10,630	\$13.02	126	7.0	\$103,327	\$49,675	\$42,675
FY 2014	\$8,890	\$13.26	132	7.5	\$100,490	\$10,691	\$9,353
FY 2015	\$82,427	\$13.98	137	6.0	\$102,009	\$47,577	\$40,370
FY 2016	\$26,055	\$14.33	142	6.0	\$100,895	\$9,758	\$9,505
Change from last year	-68%	3%	4%	0%	-1%	-79%	-76%
Change over last 5 years	-28%	27%	13%	100%	13%	-31%	-33%

Source: Department of Budget and Fiscal Services, Honolulu City Council, Office of the City Clerk, Office of Council Services, and Office of the City Auditor. ¹Other Miscellaneous Funds include Solid Waste Fund, Housing Development Special Fund, Bus Transportation Fund, and Sewer Fund. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing



\$14.33 M ▲ 3%

The Legislative Branch attributes the increase to additional staffing and salary adjustments.

Operating Expenditures



Overtime

\$9,758 ▼ 79%

Overtime expenditures typically fluctuate from year-to-year based on whether it was an election year. FY 2016 was not an election year.

Five Year Trends



The Legislative Branch's operating expenditures increased 27% from \$11.28 million to \$14.33 million over the last five years.



Total overtime expenditures dropped from \$14,119 in FY 2012 to \$9,758 in FY 2016—a 31% decrease.

National Citizen Survey



32% of residents surveyed think that the city and county of Honolulu welcomes citizen involvement. This is lower than benchmark comparisons, but an 8% increase from FY 2015.

29% of residents surveyed reported that they had confidence in city and county government. Though this is lower than benchmark comparisons, it is a 7% increase from FY 2015.

34% of residents surveyed felt that the city was acting in the best interest of Honolulu. This is lower than benchmark comparisons, but it reflects an 11% increase from FY 2015.

ACCOMPLISHMENTS

- Housing and Homelessness: Appropriated \$18 million in Ordinance 16-15 to be used island wide for urban rest stops, navigation centers, affordable housing, and other community-focused projects for those in need. Additionally, \$6.1 million was appropriated for the development or preservation of affordable and permanent supportive housing.
- Rail Transit and Transit-Oriented Development: Enacted Ordinance 16-1, which extended the state-authorized general excise and use tax surcharge for rail transit through December 21, 2027.

Offices of the Legislative Branch

Honolulu City Council

In FY 2016, city council focused on creating more affordable housing, including rentals, to assist in managing and reducing homelessness. The council also authorized extensions of leases to providers of affordable housing for up to 75 years beyond the original lease term, and amended the Land Use Ordinance to allow accessory dwelling units, provided there is adequate infrastructure.

The city council authorized an extension of the general excise tax surcharge and required additional reporting requirements to provide greater transparency. Through its previously established Transit Construction Mitigation Fund,¹ the city council also hoped to ease some of the financial burden that rail transit construction has created for businesses along its construction path.

Other ordinances passed by city council include those aimed at decreasing automobile dependency through additional funding for alternative means of transportation, providing services to O'ahu's homeless population, preserving cultural sites within city parks, and dedicating sources of funding for the Honolulu Zoo.

The city council's operating expenditures have increased over the past five years, reaching \$4.97 million in FY 2016; this is a 9% and 38% increase from FY 2015 and FY 2012, respectively. The office attributes this increase to regular salary adjustments and additional staffing. City council authorized staffing was 72 authorized FTE with 2 vacant FTE in FY 2016.

¹Ordinance 16-16 increases funding for current expenses for transit mitigation.



Photo courtesy of the Honolulu Authority for Rapid Transportation.

Office of the City Auditor

The city auditor completed 24 audits and reports in FY 2016 including audits of the city financial statements, administration of federal grants, and transportation systems (TheBus, paratransit services, and HART construction project). Audits of city utilities included the Sewer Fund and H-POWER Waste to Energy contracts and procurement practices. Other reports included the audit of the city's information security and risk management program, the FY 2015 Service Efforts and Accomplishments Report, the National Citizen Survey, and the Citizen-Centric reports. The city auditor's expenditures increased 10% from \$1.47 million in FY 2015 to \$1.62 million in FY 2016. This also reflects a 29% increase in operating expenditures from \$1.25 million in FY 2012. According to the city auditor, this increase is due to additional staff and increased financial audit costs. The office's authorized staffing was 12 FTE in FY 2016 with 0 vacancies.

	Operating Expenditures (\$ millions)					City Clerk	Council Services		City Auditor	
	City Council	City Clerk	Council Services	City Auditor	Provisional Account	Total Communications Received	Total Registered Voters	Total Number of Written Responses	Total Number of ROH Pages Amended	Total Number of Audits and Reports
FY 2012	\$3.61	\$2.47	\$1.28	\$1.25	\$2.67	4,323	458,742	883	420	24
FY 2013	\$4.15	\$2.97	\$1.40	\$1.32	\$3.18	3,567	454,491	847	409	23
FY 2014	\$4.41	\$3.04	\$1.44	\$1.38	\$3.00	4,979	463,759	1,016	404	23
FY 2015	\$4.57	\$2.94	\$1.54	\$1.47	\$3.46	4,823	463,685	1,159	454	21
FY 2016	\$4.97	\$2.77	\$1.72	\$1.62	\$3.24	4,431	481,094	1,200	600	24
Change from last year	9%	-6%	11%	10%	-6%	-8%	4%	4%	32%	14%
Change over last 5 years	38%	12%	34%	29%	21%	2%	5%	36%	43%	0%

Source: Honolulu City Council, Office of the City Clerk, Office of Council Services, and Office of the City Auditor.

Office of Council Services

In FY 2016, council services prepared 1,200 written responses to requests for services, of which 562 were rush assignments requiring immediate action. These responses included 331 bills; 363 resolutions; and 506 letters, legal memoranda, and statistical and research reports. Council services amended 600 pages of the Revised Ordinances of Honolulu (ROH) and translated its corresponding user guide into six different languages. Council services owes the 43% and 32% increases in ROH amendments from FY 2012 and FY 2015, respectively, to the adoption of new development and sustainable communities plans during this period. In addition to its normal council-related duties, in FY 2016, OCS provided support to the Hawai'i State Association of Counties and to community outreach activities such as Honolulu City Lights, Aloha United Way, and the Hawai'i Foodbank.

OCS received a National Association of Counties Achievement Award in FY 2016 for its 2015 "Legislative E-Learning Series," which included three videos about city government and several study materials aimed at promoting civic engagement in pre-k through 12th grade students.

Council services' operating expenditures have increased over the past five years, reaching \$1.72 million in FY 2016; this is an 11% and 34% increase from FY 2015 and FY 2012, respectively. The office attributes this increase to regular salary adjustments. Council services' authorized staffing was 20 FTE with 1 vacant FTE in FY 2016.

Office of the City Clerk

According to the city clerk's office, year-to-year spending typically fluctuates depending on whether an election was held during that fiscal year, as was not the case for FY 2016. So, although the city clerk's expenditures have generally increased over the past five years, they have decreased by 6% from \$2.94 million in FY 2015 to \$2.77 million in FY 2016. The city clerk's staffing has held steady at 38 FTE with 3 vacant FTE in FY 2016. The city clerk received 4,431 communications, which included council and departmental communications, mayor's messages, and other miscellaneous communications. The city clerk's office notes that changes in the amount of communications received, such as the 8% decrease seen in FY 2016, are entirely dependent on the needs of the executive and legislative branches and the general public—the city clerk has no control over this figure.

There were 481,094 registered voters in Honolulu in FY 2016, which was a 4% increase from FY 2012. The city clerk attributes the significant increase to greater public interest in the presidential election and the introduction of the online voter registration system. The city clerk administered the Oath of Office to 71 public officials, appointed agency heads and deputies, and board and commission members in accordance with the city charter.

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Honolulu Residents' Opinions on Special Topics - 2016 NCS Report

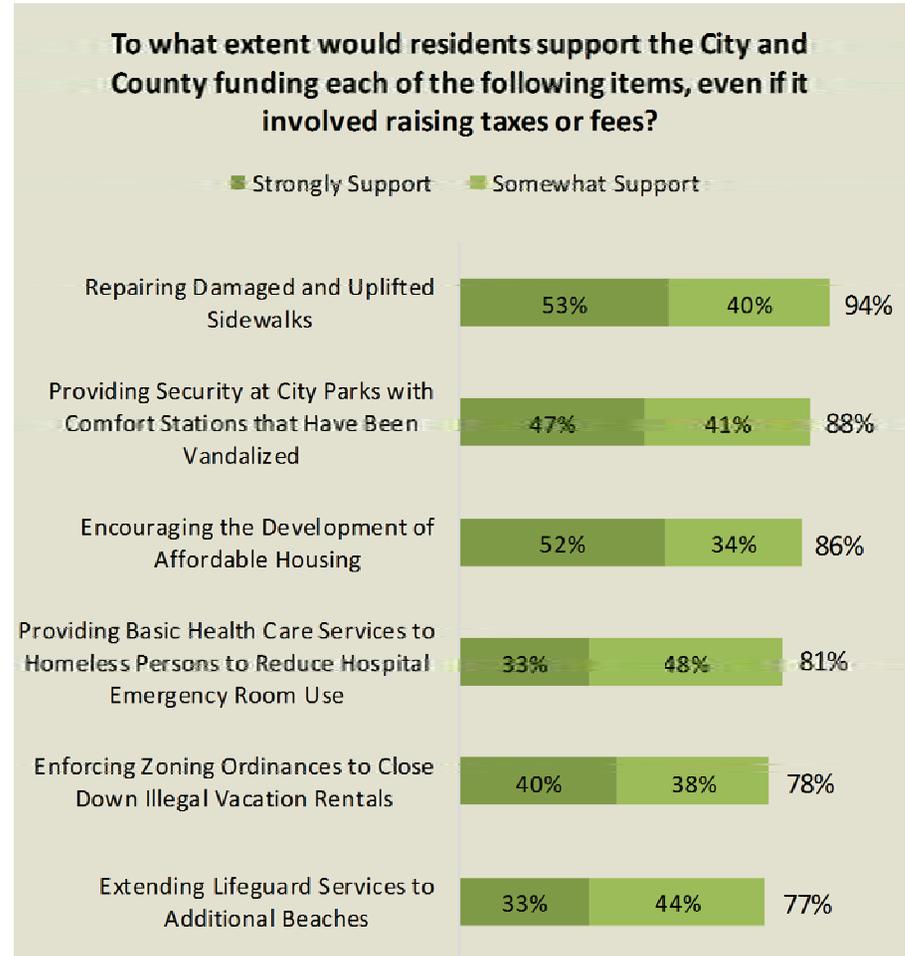
In this year's National Citizen Survey, about 7 in 10 gave high marks to the city and county of Honolulu as place to live. A majority rated their neighborhoods as places to live (75%) as *excellent* or *good*. More than 7 in 10 respondents reported they plan to remain in Honolulu for the next five years.

Safety and Economy continue to be priorities for residents. About 6 in 10 residents rated overall feeling of safety in the community as *excellent* or *good*. However, almost all (94%) reported feeling safe in their neighborhoods. Honolulu's Economy was identified as a key focus area for the next two years. The overall economic health of Honolulu was rated as *excellent* or *good* by about one-third of residents, and Honolulu's cost of living was rated *excellent* or *good* by 8% of residents.

The 2016 National Citizen Survey (Honolulu) asked residents a series of questions of local interest. Residents were asked to indicate their level of support for government funding for various projects even if it meant raising taxes or fees. A second question asked residents to rate the degree to which several issues are a problem in the city and county of Honolulu. The third question asked participants to rate the importance of several issues for the city to address in the next two years.

Almost all residents indicated support for repairing damaged and uplifted sidewalks (94% strongly or somewhat support). Meanwhile, more than 8 in 10 supported providing security at city parks with comfort stations that have been vandalized, encouraging the development of affordable housing, and providing basic health care services to homeless persons. About 7 in 10 supported enforcing zoning ordinances to close down illegal vacation rentals and supported extending lifeguard services to additional beaches.

The 2016 National Citizen Survey is available on the Office of the City Auditor's website at: <https://www.honolulu.gov/auditor>.

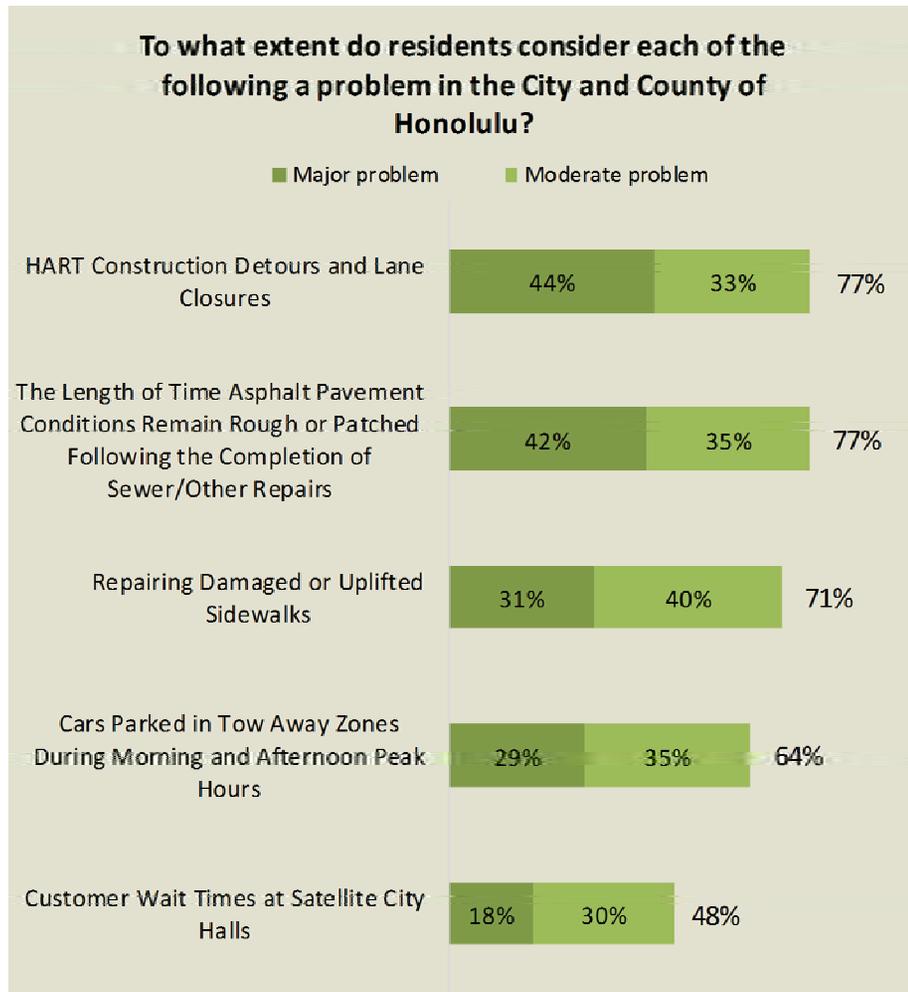


Source: FY 2016 National Citizen Survey (Honolulu). Totals presented may not sum due to survey weighting and rounding.

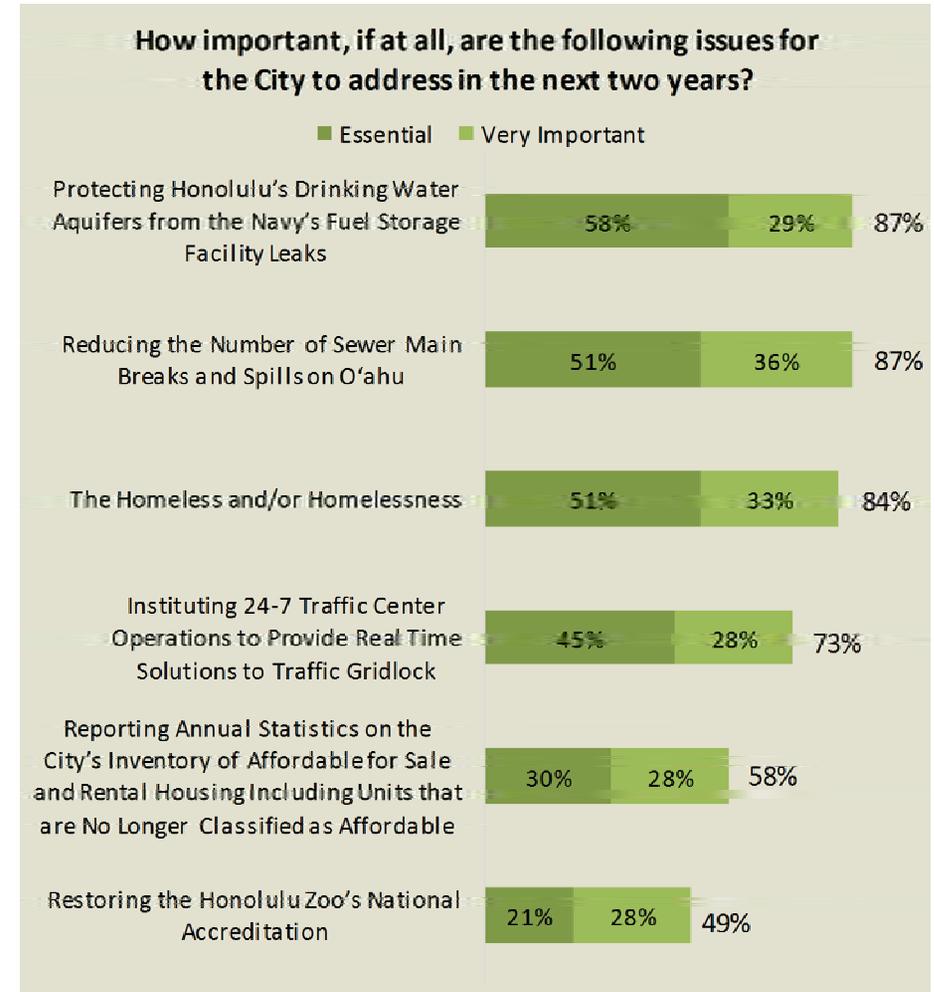
Honolulu Residents' Opinions on Special Topics - 2016 NCS Report

Residents were asked to rate the degree to which several issues are a problem in the city and county of Honolulu. About half or more respondents rated each of the items as a *moderate or major* problem. HART construction detours and lane closures and the length of time asphalt pavement conditions remain rough or patched were rated *moderate or major* problem by 77% of residents.

Residents also rated important issues for the city to address in the next two years. About 8 in 10 rated protecting Honolulu's drinking water aquifers from the Navy's fuel storage facility leaks, reducing the number of sewer main breaks and spills on O'ahu, and the homeless and/or homelessness as *essential or very important* issues for the city to address in the next two years. Instituting 24-7 traffic center operations to provide real time solutions to traffic gridlock was rated *essential or very important* by 7 in 10 participants.



Source: FY 2016 National Citizen Survey (Honolulu)



Source: FY 2016 National Citizen Survey (Honolulu)

Chapter 16 - Mayor-Managing Director

The Mayor and Managing Director of the City and County of Honolulu oversee 9,192 employees in 19 departments in the 43rd largest county in the nation.

The Mayor-Managing Director's offices include:

Mayor

- Chief Executive of the City and County of Honolulu.
- Responsible for the faithful execution of the provisions of the city charter and applicable ordinances and statutes.

Managing Director

- Principal management aide to the mayor.
- Supervises the management and performance of all executive departments and agencies.

Office of Housing

- Coordinates city activities on programs for affordable housing, senior and special needs housing, and homelessness with state and federal governments and public or private housing organizations within Hawai'i.

Office of Culture and the Arts

- Serves as the liaison to the Commission on Culture and the Arts.
- Assists in the community-wide promotion and exposure of culture and the arts.

Office of Economic Development

- Supports economic growth.
- Enhances quality of life at the community level.
- Responsible for the Honolulu Film Office and Agriculture Office.

Neighborhood Commission Office

- Provides staff support to the Neighborhood Commission and the neighborhood boards.
- Takes and transcribes meeting minutes.
- Provides proper notice of all meetings.

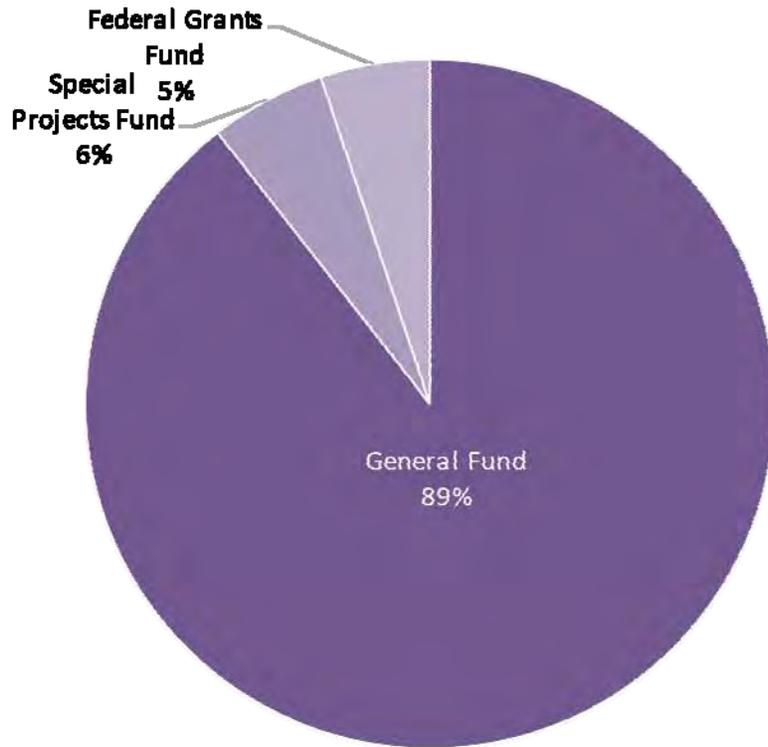


“One of the greatest assets of the City and County of Honolulu is the ethnic, cultural, and social diversity of its population. The City and County of Honolulu takes great pride in this diversity, and values and respects all of its residents and welcomes all of its visitors, regardless of race, color, sex, marital status, religion, national origin, ancestry, age, disability, gender identification, or sexual orientation.”

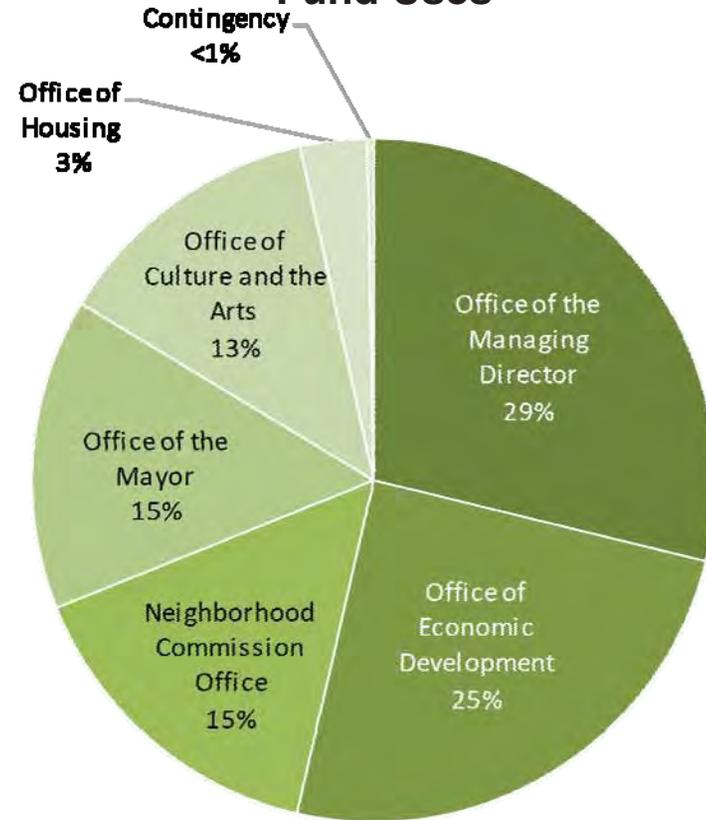
Diversity Statement

Spending and Staffing

Fund Sources



Fund Uses¹



	Operating Expenditures				Authorized Staffing (FTE)			
	Mayor	Managing Director	Offices ²	Total Mayor-MD Offices	Total Mayor	Total Vacant Mayor	Total MD City Management	Total Vacant MD City Management
FY 2012	\$454,797	\$1,059,470	\$2,624,641	\$4,138,908	6	1	18	1
FY 2013	\$466,132	\$2,210,239	\$1,708,502	\$4,384,873	6	1	18	4
FY 2014	\$578,173	\$1,084,777	\$2,342,267	\$4,005,217	6	0	18	2
FY 2015	\$641,020	\$1,279,690	\$2,666,840	\$4,587,550	6	0	17	0
FY 2016	\$662,626	\$1,296,113	\$2,542,005	\$4,500,744	6	0	17	0
Change from last year	3%	1%	-5%	-2%	0%	--	0%	--
Change over last 5 years	46%	22%	-3%	9%	0%	--	-6%	--

Source: Department of Budget and Fiscal Service (BFS). ¹Percentages do not total 100% due to rounding. ²Combined offices include Office of Culture and the Arts, Office of Economic Development, Office of Housing, Neighborhood Commission, and Contingency.

Spending



Operating Expenditures

\$4.50 M ▼ 2%

Operating expenditures decreased due to bi-annual neighborhood board elections which occurred in 2015 and prudent fiscal management of staff and resources.

Five Year Trends



- Total operating expenditures for the Mayor’s office increased 46% between FY 2012 and FY 2016 from \$454,797 to \$662,626. This is attributed to the filling of positions and salary increases as determined by the salary commission or in parity with collective bargaining.



- Total operating expenditures for the Managing Director’s offices increased 22% between FY 2012 and FY 2016 from \$1.0 million to \$1.3 million. This is attributed to filling vacant positions and corresponding salary levels for collective bargaining unit, elected officials, and appointed positions.

National Citizen Survey

In FY 2016, more Honolulu residents reported being pleased with several aspects of government performance than in FY 2015. Residents were asked to rate the following categories of city and county of Honolulu government performance:

- Overall quality of services provided by the city** received a **41%** rating of being *excellent or good* in 2016. That is a 5% increase from their 36% rating in FY 2015, but is lower than the benchmark comparison.
- Generally acting in the best interest of the community** received a **34%** rating of being *excellent or good* in 2016. That is a 11% increase from the 23% rating in FY 2015, but is lower than the benchmark comparison.
- Welcoming of citizen involvement** received a **32%** rating of being *excellent or good* in 2016. That is a 8% increase from their 24% rating in FY 2015, and is lower than the benchmark comparison.
- Overall confidence in the city government** received a **29%** rating of being *excellent or good* in 2016. That is a 8% increase from their 21% rating in FY 2015, but is lower than benchmark comparison.
- Overall direction that the city of Honolulu is taking** received a **26%** rating of being *excellent or good* in 2016. That is a 5% increase from the 21% rating in FY 2015. This rating is much lower than the benchmark comparison.



Mayor-Managing Director

The mayor’s budget priorities and all departmental budgets were prepared based on the fiscal mantra of “spending to make a difference.”

During FY 2016, the mayor’s priorities included:

- Restoring bus service
- Repaving roads
- Improving our sewer system, infrastructure repair, and maintenance
- Caring for our parks
- Building rail better
- Transit-oriented development
- Addressing homelessness

For the first time in the city’s history, the administration adopted a zero-based budget in departments primarily funded by General Funds and Highway Funds. To achieve a more right-sized government, the administration deactivated positions based on vacancies, attrition, and a five-year history of hiring patterns.



Honolulu Hale

Source: Mayor’s Office of Culture and the Arts

	Citizen Survey (% Excellent or Good)			
	Overall Quality of Services Provided by the City	Overall Direction the City is Taking	Overall Confidence in the City Government ¹	Generally Acting in the Best Interest of the Community ¹
FY 2012	53%	30%	--	--
FY 2013	40%	25%	23%	25%
FY 2014	46%	35%	30%	29%
FY 2015	36%	21%	22%	23%
FY 2016	41%	26%	29%	34%
Change from last year	5%	5%	7%	11%
Change over last 5 years	-12%	-4%	--	--

Source: 2016 National Citizen Survey (Honolulu).¹These were not survey questions in FY 2012.

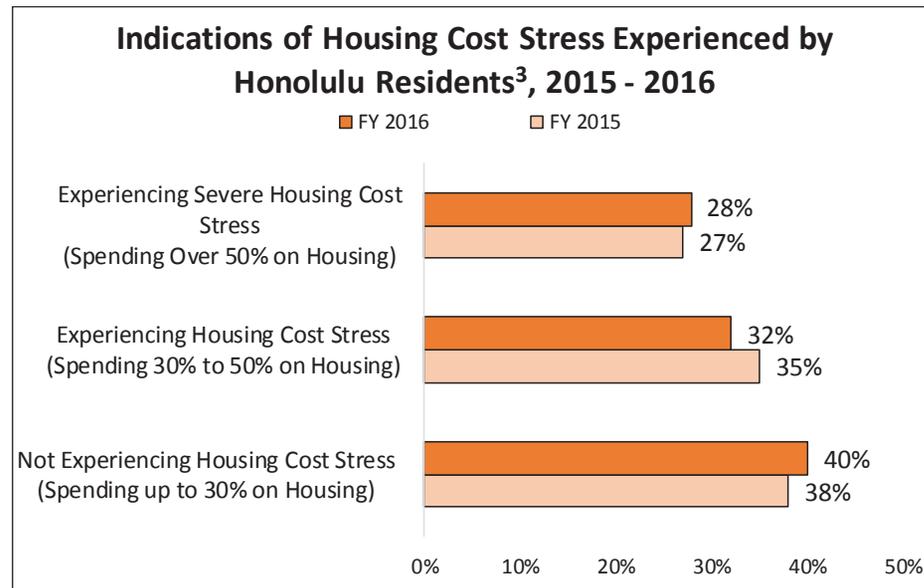
Office of Housing

The Office of Housing advocates for affordable housing, senior housing, special needs housing, and homelessness.

In FY 2016, the Housing Office’s expenditures were \$142,954, about 34% more than the year before, and a 93% increase over FY 2013 when the office was established. The Office of Housing explained that the increase in expenditures was due to a combination of staffing costs and its share of the cost to update to the report, *Housing O’ahu: Affordable Housing Strategy*.

In early 2015, the mayor joined the *Mayors’ Challenge to End Veteran Homelessness*. In FY 2016, Honolulu’s *Mayors’ Challenge* efforts permanently housed 502 homeless veterans. The Office of Housing hosted the August 2015 *Veteran Stand Down* where over 100 homeless veterans were connected to housing, veterans affairs and community services, legal counseling, and employment services.

In the 2016 National Citizen Survey, 84% of residents felt it was *very important* or *essential* for the city to address the homeless and/or homelessness within the next two years, and 57% of residents felt it was *very important* or *essential* for the city to report annual statistics on the city’s inventory of affordable for sale and rental housing including units that are no longer classified as affordable within the next two years. About 86% of residents either *strongly* or *somewhat support* encouraging the development of affordable housing, even if it involved raising taxes or fees.



Source: National Research Center, National Citizen Survey (Honolulu) 2015-2016

Honolulu residents’ ratings for availability of affordable quality housing, variety of housing options are *much lower* compared to cities nationally. In FY 2016, 60% of Honolulu households indicated that they spend 30% or more of household income on housing costs. Among survey participants over the past two years, over one-fourth indicate that their monthly housing costs required over 50% of their household income.

	Staffing				Citizen Survey (% Excellent or Good)				
	Operating Expenditures	Total Authorized FTE	Total Vacant FTE	Cost Per FTE ¹	Availability of Affordable Quality Housing	Variety of Housing Options	NOT Under Housing Cost Stress ³	Experiencing Housing Cost Stress ³	
FY 2012 ²	--	--	--	--	FY 2012	9%	24%	41%	59%
FY 2013	\$74,032	2	1	\$37,016	FY 2013	9%	19%	48%	52%
FY 2014	\$108,813	2	0	\$54,407	FY 2014	8%	20%	40%	60%
FY 2015	\$106,428	2	0	\$53,214	FY 2015	9%	13%	38%	62%
FY 2016	\$142,954	2	0	\$71,477	FY 2016	8%	15%	40%	60%
Change from last year	34%	0%	--	34%	Change from last year	-1%	2%	2%	-2%
Change over last 4 years	93%	0%	--	93%	Change over last 5 years	-1%	-9%	-1%	1%

Source: Department of Budget and Fiscal Services and 2016 National Citizen Survey (Honolulu). ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²This office was first established in FY 2013.

³The National Research Center uses the term housing cost *stress*. The U.S. Census Bureau uses the term housing cost *burden*. The NRC and U.S. Census Bureau use the same percentage classifications for the respective categories.

Culture and The Arts

The Mayor's Office of Culture and the Arts (MOCA) serves as the liaison of the Commission on Culture and the Arts and assists in its objectives. MOCA seeks to accomplish the objectives established by ordinance: assist the city in attaining national preeminence in culture and the arts; to assist the city in the preservation of the artistic and cultural heritages of all its people, promote a community environment which provides equal and abundant opportunity for exposure to culture and the arts in all its forms; and encourage and provide equal opportunity for the development of cultural and artistic talents of the people of Honolulu.

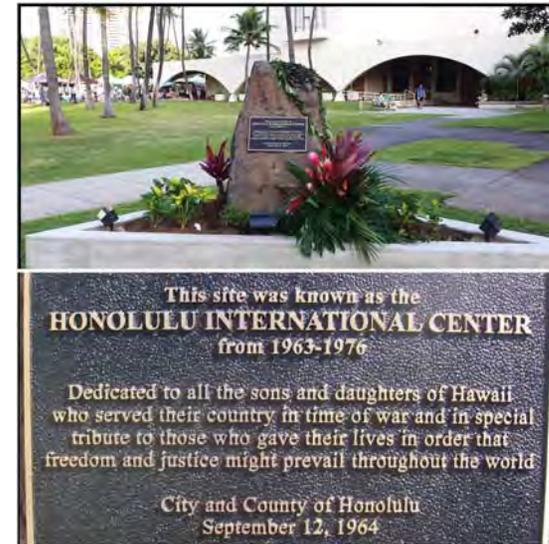
MOCA also manages the *Art in City Buildings* collection; whereby it assists the commission in the acquisition of works of art.

In FY 2016, operating expenditures were \$579,872, an increase of 11% from \$521,484 in FY 2015. Total authorized staffing has remained at six FTE for the last five years and overtime expenditures totaled \$738 in FY 2016.

During FY 2016, the department accomplished the following:

- The Mayor's Production Grant program issued \$145,475 in funds to 18 non-profit organizations;
- Art in City Buildings program acquired 8 works and completed 95 conservation maintenance treatments;
- Coordinated 16 city-sponsored events, attracting more than 175,140 attendees;

- Managed 52 cultural exhibits held at Honolulu Hale and Kapolei Hale;
- Managed 83 events with 9,531 attendees at the Mission Memorial Auditorium;
- Managed more than 258 meetings, public hearings, and workshops in the Mission Memorial Hearings Room.



Source: Mayor's Office of Culture and the Arts

	Staffing					Citizen Survey (% Excellent or Good)			
	Operating Expenditures	Total Authorized FTE	Total Vacant FTE	Cost Per FTE ¹	Total Overtime Expenditures	Works of Art in the City's Public Art Collection ²	Opportunities to Attend Cultural Activities	Openness and Acceptance of Community to Diverse Backgrounds	Attended a City and County-Sponsored Event ³
FY 2012	\$648,331	6	2	\$108,055	\$141	977	69%	67%	--
FY 2013	\$809,541	6	2	\$134,924	\$0	1013	51%	57%	44%
FY 2014	\$491,224	6	2	\$81,871	\$2,495	1076	62%	60%	42%
FY 2015	\$521,484	6	1	\$86,914	\$735	1084	46%	55%	47%
FY 2016	\$579,872	6	1	\$96,645	\$738	1095	50%	59%	38%
Change from last year	11%	0%	0%	11%	0%	1%	4%	4%	-9%
Change over last 5 years	-11%	0%	-50%	-11%	423%	12%	-19%	-8%	--

Source: Department of Budget and Fiscal Services (BFS), Mayor's Office of Culture and the Arts, and 2016 National Citizen Survey (Honolulu). ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²The FY 2015 figure has been updated. ³This was not a survey question in FY 2012.

Economic Development

The Mayor’s Office of Economic Development (OED) cultivates tourism and hospitality, agriculture, film, and other industries; advances small businesses; strengthens relationships with state, military, federal, and international partners; and coordinates cultural and community festivals and special events.

Operating expenditures for OED remained relatively stable at \$1,116,803 in FY 2016, an increase of <1% over FY 2015 and decrease of 5% over the last 5 years. Over the past 5 years, authorized FTEs decreased 8%, down from 6 FTE in FY 2012 to 5.5 FTE in FY 2016. The office noted the decline in staffing is due to the deactivation of 0.5 FTE and prudent fiscal management of resources and staffing.

OED administers the Hawai’i Tourism Authority-County Product Enrichment Program (HTA-CPEP) providing grants annually to various Oahu non-profits to diversify Hawai’i tourism. In FY 2016, OED awarded 28 HTA-CPEP grants, a 24% reduction from FY 2012. OED noted that this was based on an increase in the average grant award from \$8,784 in FY 2012 to between \$11,207 and \$12,500 in FY 2016.

The Honolulu Film Office (HonFO) provides leadership in the planning, marketing, development and physical film industry production on O’ahu. The office facilitates all film requests made to the city.

The Agricultural Liaison is the city’s first point of contact regarding agricultural issues. The position enables the city to capitalize on agricultural funding opportunities provided by state and federal agencies, collaborate with the state on issues of mutual concern, work with city departments on changes that will benefit agriculture, and focus on a reasoned approach to preservation and use of agricultural land.

OED coordinates the city’s International Relations and Sister-City Program activities and communications. In FY 2016, OED Planned the 70 Years of Peace three-part event with the United States Navy; Nagaoka, Japan; and JTB Hawai’i, Inc. to include a Sister-City Dinner at Café Julia; memorial service on Ford Island; and a commemorative ceremony.

Other highlights from FY 2016, include: OED awarding 23 grants ranging in amounts from \$5,000 to \$20,000; collaborating with Art+Flea, a locally owned business that hosts monthly pop-up markets featuring local vendors, to present HoliDAZE! Holiday Market, a holiday street market in Chinatown; and collaborating with a local micro-funding dinner vendor (HNL Soup) to host Chinatown SOUP at the Arts at Mark’s Garage a Chinatown art gallery and community space.

	Staffing						Citizen Survey (% Excellent or Good)						
	Operating Expenditures	Authorized FTE ³	Vacant Authorized FTE ³	Cost Per FTE ¹	Total Overtime Expenditures	Number of HTA-CPEP Grants Awarded ²	Overall Economic Health of Honolulu ⁴	Economic Development	Employment Opportunities	Honolulu as a Place to Work	Vibrant Downtown/ Commercial Area ⁴	Overall Quality of Business and Service Establishments	Shopping Opportunities
FY 2012	\$1,177,769	6	1	\$196,295	\$518	37	--	30%	34%	57%	--	57%	74%
FY 2013	\$0	5	2	\$0	\$0	29	32%	22%	24%	51%	32%	42%	64%
FY 2014	\$985,767	6	0	\$164,295	\$0	26	33%	34%	28%	49%	34%	45%	73%
FY 2015	\$1,113,037	5.5	1.5	\$202,370	\$0	28	30%	24%	22%	39%	32%	33%	67%
FY 2016	\$1,116,803	5.5	0.5	\$203,055	\$0	28	33%	40%	32%	46%	39%	43%	74%
Change from last year	<1%	0%	-67%	<1%	--	--	3%	16%	10%	7%	7%	10%	7%
Change over last 5 years	-5%	-8%	-50%	3%	-100%	-24%	--	10%	-2%	-11%	--	-14%	0%

Source: Department of Budget and Fiscal Services (BFS), Office of Economic Development, and 2016 National Citizen Survey (Honolulu). ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²The HTA-CPEP (Hawai’i Tourism Authority County Product Enrichment Program) is based on calendar year. ³FTE figures include the Office of Economic Development and Honolulu Film Office. ⁴This was not a survey question in FY 2012.

Chapter 17 - Department of the Medical Examiner

The Department of the Medical Examiner (MED) investigates sudden, unexpected, medically unattended, violent, and suspicious deaths. Accurate and timely medicolegal investigations and determination of causes and manners of death are essential to the community and public safety.

The department's goals are to:

- Provide accurate certification of the cause and manner of death, and to identify, document, and interpret relevant forensic scientific information, while maintaining a high level of competence.
- Protect public health by diagnosing previously unsuspected contagious disease and identifying trends affecting the lives of our citizens such as drug-related deaths, number of traffic fatalities, teen suicides, etc.
- Identify new types of illicit drugs appearing in our community.
- Identify hazardous environmental conditions in the workplace, home, and elsewhere.

The department's administration provides support to its two divisions:

Laboratory

- Conducts procedures including toxicological analysis, blood alcohol determinations, histological examinations, and other chemical analyses.

Investigative/Plant Operations

- Interviews witnesses.
- Examines and documents death scenes.
- Conducts post mortem examinations.

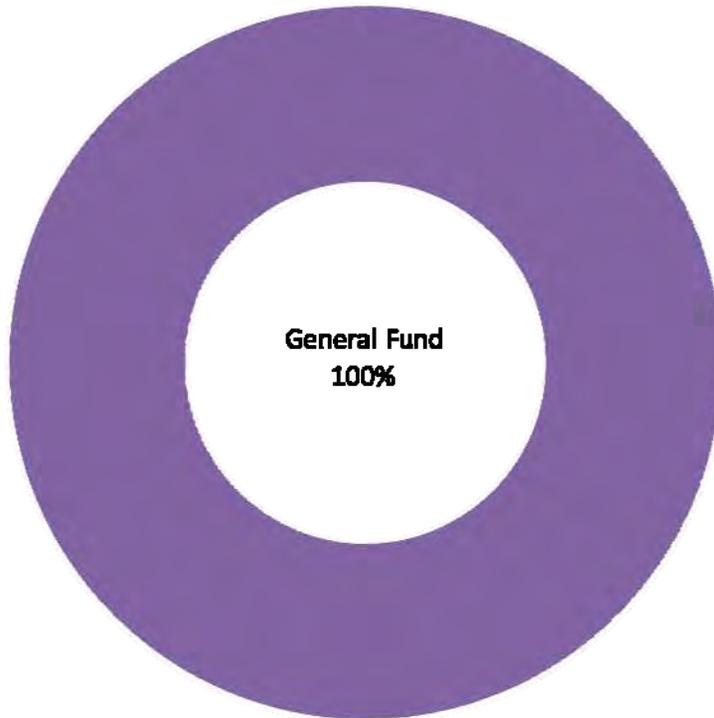


To provide accurate, dignified, compassionate, and professional death investigative services for the City and County of Honolulu's residents and visitors.

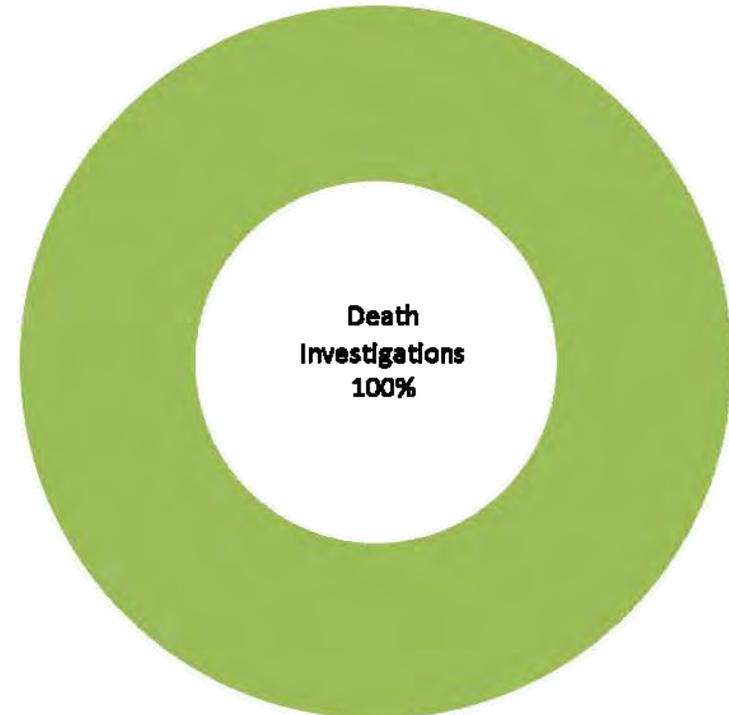
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Operating Expenditures (\$ millions)	Staffing		Overtime Expenditures ²				
		Total Authorized FTE	Total Vacant FTE	Cost Per FTE ¹	Total	Non-Holiday	Investigations	Autopsies ³
FY 2012	\$1.36	19.0	2.0	\$71,318	\$44,852	\$29,877	2,213	454
FY 2013	\$1.49	19.0	4.0	\$78,646	\$58,819	\$40,965	2,228	623
FY 2014	\$1.61	19.0	1.0	\$84,818	\$51,665	\$38,366	2,255	660
FY 2015	\$1.78	19.0	0.0	\$93,573	\$48,165	\$31,258	2,376	748
FY 2016	\$2.02	19.0	2.0	\$106,323	\$46,775	\$29,871	2,382	816
Change from last year	14%	0%	--	14%	-3%	-4%	<1%	9%
Change over last 5 years	49%	0%	0%	49%	4%	<-1%	8%	80%

Source: Department of Budget Fiscal Services and Department of the Medical Examiner. ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²Overtime pay is established by bargaining unit agreement, as applicable. ³Includes adjusted external examination (3:1) totals as recommended by National Association of Medical Examiners.

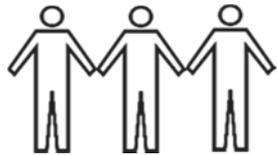
Spending and Staffing



Operating Expenditures

\$2.02 M ▲ 14%

Operating expenditures increased 14% due to rising medical materials costs and collective bargaining salary increases.



Vacant FTE

2 FTE

Vacant FTEs are due to Medical Examiner's Investigators departing for higher-paid employment. Replacements are currently being sought.



Overtime Expenditures

\$47 K ▼ 3%

Overtime expenditures decreased 3% due to the fluctuating circumstances of investigations (i.e. traffic, location, and complex cases).

Five Year Trends



- The department's operating expenditures increased 49% from \$1.36 million to \$2.02 million over the last five years. This is attributed to the same reasons as this year's increase in operating expenditures.

- The number of autopsies increased by 80% from FY 2012 to FY 2016. This is due to the hiring of the medical examiner in 2015.



Source: Department of the Medical Examiner

ACCOMPLISHMENTS

- Beginning in 2016, the department partnered with the state Department of Health to use the National Violent Death Reporting System, which aids in the research of mortality on O'ahu.
- In FY 2016, the department replaced an obsolete x-ray machine with a digital imager which can capture radiographic images quickly and emits less radiation, thereby increasing protection for personnel.
- The department helped facilitate 88 organ and tissue donations.

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Chapter 18 - Department of Parks and Recreation

The Department of Parks and Recreation (DPR) manages, maintains, and operates all city parks and recreational facilities; develops and implements programs for cultural and recreational activities; and beautifies the city's public streets.

The department's goals are to:

- Provide parks and recreational opportunities that are accessible, enjoyable, meaningful, safe, well-designed, and well-maintained.
- Promote increased efficiency, effectiveness, and responsiveness in the delivery of parks and recreational programs and services.

The department's administration directs the overall management, maintenance and operations of the city's park system and recreation services. It also coordinates with the Honolulu Police Department to enforce park rules and regulations in order to maintain public safety. DPR is divided into three divisions:

Executive Services	Urban Forestry	Park Maintenance and Recreation Services
<ul style="list-style-type: none">•Oversees the issuance of park and recreational use permits.	<ul style="list-style-type: none">•Manages the horticulture and botanical garden programs.•Responsible for maintaining trees along public roadways, parks, and pedestrian malls.	<ul style="list-style-type: none">•Provides recreational services including special events, leisure time, and cultural activities.•Maintains all city parks and recreation facilities on O'ahu.•Responsible for grounds keeping, custodial, and maintenance services.•Provides expertise in repair and maintenance projects for city parks and facilities.

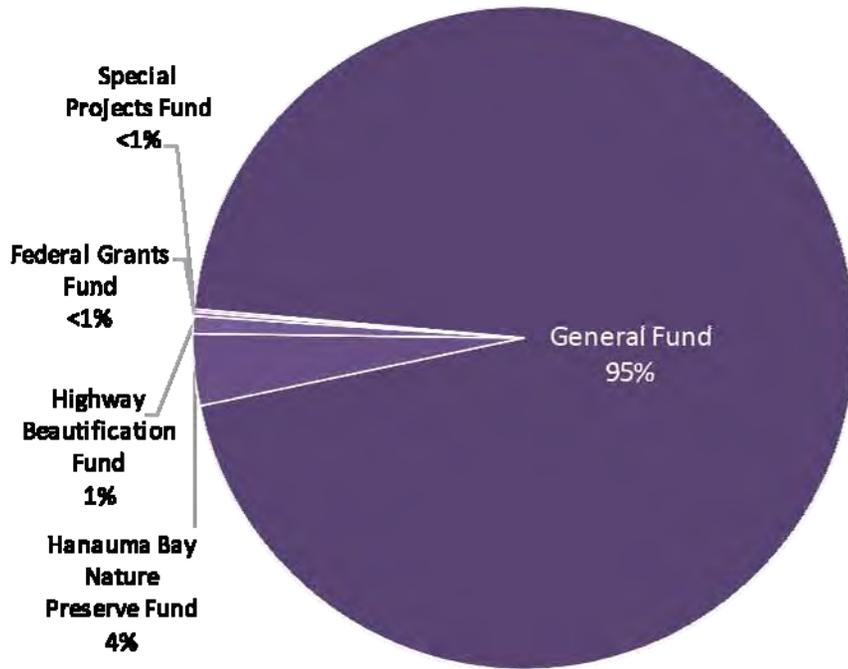


To provide parks and recreational services and programs that enhance the quality of life for the people in the City and County of Honolulu.

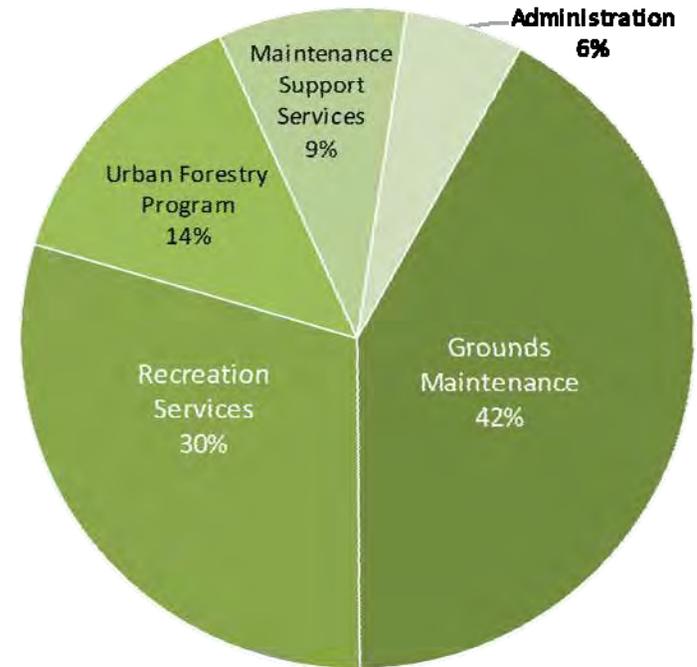
Mission Statement

Spending and Staffing

Fund Sources¹



Fund Uses¹



	Total Operating Expenditures (\$ millions)	Revenues (\$ millions)	Staffing			Overtime Expenditures ³	
			Authorized FTE	Vacant Authorized FTE	Cost Per FTE ²	Total (\$ millions)	Non-Holiday
FY 2012	\$59.11	\$6.18	941.3	219.3	\$62,802	\$1.00	\$711,115
FY 2013	\$61.98	\$5.92	905.8	155.0	\$68,420	\$1.05	\$716,929
FY 2014	\$63.30	\$6.44	948.3	205.9	\$66,749	\$1.03	\$744,183
FY 2015	\$64.61	\$6.61	868.3	111.5	\$74,414	\$1.19	\$854,049
FY 2016	\$71.38	\$6.75	871.3	107.0	\$81,932	\$1.14	\$29,871
Change from last year	10%	2%	<1%	-4%	10%	-4%	-97%
years	21%	9%	-7%	-51%	30%	14%	-96%

Source: Department of Budget and Fiscal Services. ¹Percentages do not total 100% due to rounding. ²Cost Per FTE= Total Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing



Operating Expenditures

\$71.38 M ▲ 10%

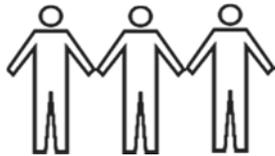
The department attributes the increase to employer-union negotiated salary increases, new Master Agreements and equipment funding now being allocated under operating expenditures.



Revenues

\$6.75 M ▲ 2%

The department attributes the increase to revenue collected from fees, including Hanauma Bay admission fees and camping permit fees.



Vacant FTE

107 FTE ▼ 4%

The department attributes the decrease to continued effort and efficiency in filling vacant positions.



Overtime

\$1.14 M ▼ 4%

The department attributes the decrease to better management of overtime funds and continued efforts in filling positions and creating new positions.

Five Year Trends



- The department's operating expenditures increased 21% from \$59.11 million to \$71.38 million over the last five years.



- Total Overtime Expenditures increased 14% between FY 2012 and FY 2016 from \$1.00 million to \$1.14 million.

National Citizen Survey



- **50%** of Honolulu residents rated *City and County parks* as *excellent or good*. This rating is much lower than the national benchmark comparison.

ACCOMPLISHMENTS

- Installed 42 new or refurbished play apparatus by restoring resilient surfaces and cleaning and replacing playground equipment;
- Resurfaced 83 play courts at 22 parks;
- Renovated and reconstructed 34 comfort stations to include paint, tile, micro-guard, stall partitions, and new fixtures;
- Hanauma Bay Nature Preserve hosted 804,027 visitors; and
- Honolulu Botanical Gardens attracted 318,886 visitors, of which 69,470 participated in educational classes and passive recreation programs.

Executive Services

Administration

Department administration directs the overall management, maintenance and operations of the city’s park system and recreation services. It also coordinates with the Honolulu Police Department to enforce park rules and regulations in order to maintain public safety.

Administration expenditure’s increased 63% from \$2.50 million in FY 2015 to \$4.07 million . The department attributes the increase to the Mayor’s initiative, *E Paka Kakou* (Our Parks, Together) to restore comfort stations and refurbish play equipment.

The Executive Services Office oversees the issuance of park and recreational use permits. Activities that require park permits include camping, large picnic groups, sports activities, recreational activities, meetings held by organizations or groups, non-recreational public service activities, certain musical performances, and commercial activities.

The department provided its staff with 16,220 hours of training in FY 2016. Training hours increased 20% from last year.

Kamehameha Community Park



Before and After



Source: Department of Parks and Recreation

	Administration Expenditures (\$ millions)	Camping Permits Issued	Other Parks Permits Issued	Total Park Permits Issued	Training Hours	Summer Hires
FY 2012	\$2.81	9,716	4,438	14,154	16,204	702
FY 2013	\$2.03	9,795	4,542	14,337	13,478	714
FY 2014	\$1.94	6,672	6,078	12,750	13,326	729
FY 2015	\$2.50	7,201	6,115	13,316	13,527	753
FY 2016	\$4.07	7,399	5,986	13,385	16,220	766
Change from last year	63%	3%	-2%	1%	20%	2%
Change over last 5 years	45%	-24%	35%	-5%	<1%	9%

Source: Department of Budget and Fiscal Services and Department of Parks and Recreation.

Recreation Services

Park Maintenance and Recreation Services administers a comprehensive and diversified community recreation and park maintenance program for the city, coordinating the activities of the five geographical districts, Recreation Support Services, and Maintenance Support Services.

In FY 2016, the division provided recreational activities for 53,262 participants in its tiny tots, children, teens, adults and seniors recreation programs.

Since 1973, the city's People's Open Market program has supported diversified local agriculture and aquaculture by providing 25 open market sites across O'ahu. The city's People's Open Market schedule is found online at: <https://www.honolulu.gov/parks/programs/people-s-open-market-program.html>.

In the 2016 National Citizen Survey, residents rating recreation services *excellent* or *good* were: recreation programs (47%), and recreation centers (41%).



People's Open Market

Source: Honolulu Photo Bank

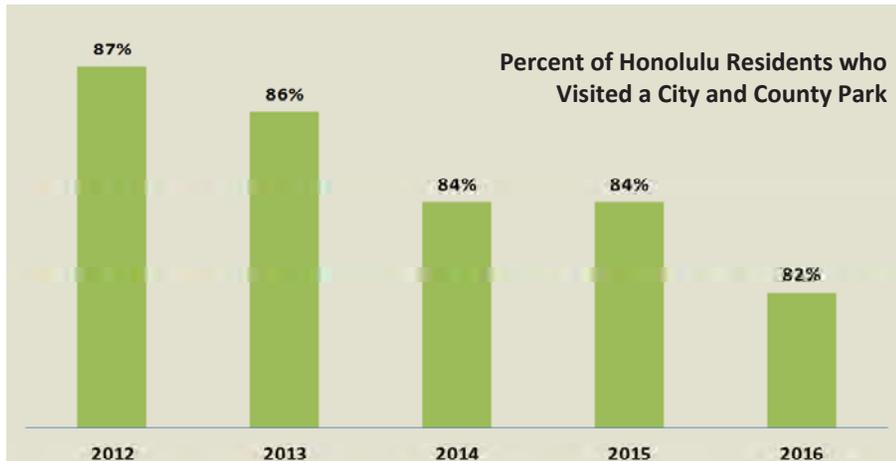
	Recreation Services Expenditures (\$ millions)	Total Number of Recreation Centers	Registrants in Recreation Services/Activities					Citizen Survey Used City and County Recreation Centers
			Tiny Tots	Children	Teens	Adults	Seniors	
FY 2012	\$20.22	63	1,637	22,043	5,136	9,148	15,310	57%
FY 2013	\$20.40	80	1,291	27,638	4,926	8,166	15,243	56%
FY 2014	\$21.63	80	1,304	21,696	5,211	11,796	22,170	60%
FY 2015	\$21.98	80	1,459	23,355	5,045	9,915	15,236	61%
FY 2016	\$21.21	93	1,326	22,334	5,412	8,462	15,728	50%
Change from last year	-4%	16%	-9%	-4%	7%	-15%	3%	-11%
Change over last 5 years	5%	48%	-19%	1%	5%	-7%	3%	-7%

Source: Department of Parks and Recreation, Department of Budget and Fiscal Services, and 2016 National Citizen Survey (Honolulu).

Park Maintenance and Recreation Services

Grounds Maintenance

Grounds Maintenance maintains all parks and recreation facilities on O‘ahu. It is responsible for grounds keeping, custodial and maintenance services. Grounds maintenance expenditures increased 14% from \$26.17 million in FY 2015 to \$29.86 million in FY 2016. The department attributes this increase to employer-union negotiated salary increases and the ability to encumber more funds via the use of Master Agreements. The department also noted that the increase can also be attributed to Equipment funding now being allocated to Operating Expenditures.



Source: 2016 National Citizen Survey (Honolulu)

Maintenance Support

Maintenance Support Services provides expertise in repair and maintenance projects for city parks and facilities. In FY 2016, the division’s operating expenditures were \$6.46 million, an increase from \$5.55 million from last year. The department attributes this increase due to the start of a three-year project to paint Aiea Gym and the ability to encumber more funds via the use of Master Agreements.

Maintenance Support Services completed 2,269 services and repairs for carpentry, painting, plumbing, and heavy equipment. The number of carpentry repair and service and painting service work orders increased 59% and 14% respectively over the last five years. The number of plumbing repair and heavy equipment service work orders decreased 8% and 60% respectively over the last five years.

	Maintenance Support Services Expenditures (\$ millions)	Grounds Maintenance Expenditures (\$ millions)	Maintenance Support Services				Grounds Maintenance	Citizen Survey
			Carpentry Repair and Service	Painting Service	Plumbing Repair and Service	Heavy Equipment Service	Park Acreage	Percent who visited a neighborhood or City and County Park
FY 2012	\$4.96	\$23.04	395	207	1,437	211	5,132	87%
FY 2013	\$6.18	\$25.14	302	205	1,430	139	5,132	86%
FY 2014	\$5.45	\$25.86	188	148	1,399	245	5,132	84%
FY 2015	\$5.55	\$26.17	442	443	1,388	219	5,132	84%
FY 2016	\$6.46	\$29.86	630	236	1,318	85	5,132	82%
Change from last year	16%	14%	43%	-47%	-5%	-61%	0%	-2%
Change over last 5 years	30%	30%	59%	14%	-8%	-60%	0%	-5%

Source: Department of Parks and Recreation, Department of Budget and Fiscal Services, and 2016 National Citizen Survey (Honolulu).

The Urban Forestry Division manages the botanical and horticulture garden programs. The Honolulu Botanical Gardens (HBG) includes five botanical gardens and the Community Recreational Gardening program. The horticulture programs are responsible for maintaining plants along public roadways, parks and pedestrian malls.

In FY 2016, the division removed 725 hazardous and/or invasive trees, and cleared four major sites of invasive species.

There were 2,000 gardeners who participated in recreational gardening at the department's 11 community garden sites and generated \$46,330 in fees for the city. There are 11 community garden sites across O'ahu:

- Ala Wai
- Diamond Head
- Dole
- Foster
- Hawai'i Kai
- Kane'ohe
- Makiki
- Manoa
- Mo'ili'ili
- Mutual Lane
- Wahiawa

Map of the City's Botanical Gardens



Source: Department of Parks and Recreation

	Urban Forestry Program						
	Expenditures (\$ millions)	Botanical Gardens Visitors	Foster Botanical Garden Revenue	Exceptional Tree Designations ¹	Trees on Inventory	Trees Planted	Trees Removed
FY 2012	\$7.97	264,872	\$122,376	808	238,981	1,568	1,972
FY 2013	\$8.22	261,841	\$116,812	780	237,886	562	1,657
FY 2014	\$8.41	252,985	\$134,815	780	238,802	1,703	803
FY 2015	\$8.41	303,241	\$114,648	819	239,945	1,646	533
FY 2016	\$9.79	318,886	\$133,046	819	241,974	2,751	725
Change from last year	16%	5%	16%	0%	1%	67%	36%
Change over last 5 years	23%	20%	9%	1%	1%	75%	-63%

Source: Department of parks and Recreation, Department of Budget and Fiscal Services. ¹An exceptional tree is an individual tree, stand, or grove with historic or cultural value, or which by reason of its age, rarity, location, size, esthetic quality, or endemic status designated by the county committee as worth of preservation. Exceptional trees may be designated generally by botany or individually by location or class.

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Chapter 19 - Department of Planning and Permitting

The Department of Planning and Permitting (DPP) is responsible for the city’s long-range and community planning efforts. It administers and enforces various permits required for development, land use and codes pertaining to building construction, and city standards and regulations related to infrastructure requirements. DPP is organized into eight functional areas: Administration, Honolulu Land Information System, Building, Customer Service, Land Use Permits, Planning, Transit-Oriented Development, and Site Development.

The department also provides administrative support for the Planning Commission, the Zoning Board of Appeals, and the Design Advisory Committee.

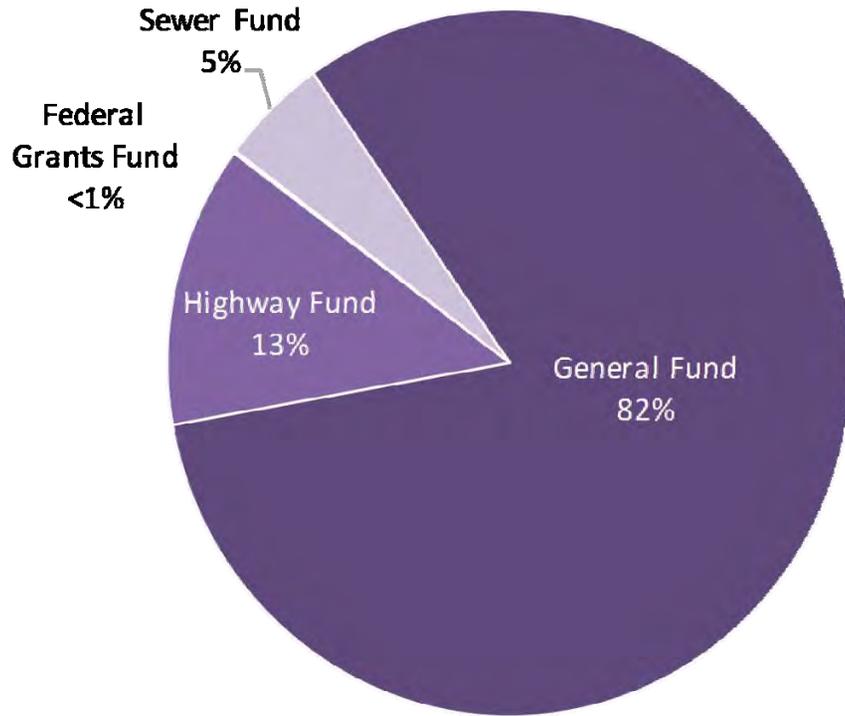
<p>Administration</p> <p>Plans, directs, and coordinates department activities including personnel management, budget preparation and fiscal management; and administers the Honolulu Land Information System (HoLIS) and the city’s Geographic Information System (GIS).</p>	<p>Honolulu Land Information System</p> <p>Manages the GIS and oversees the operations that maintain, protect, store, and utilize geospatial data related to citywide programs and projects; and maintains, edits, and updates the city’s multipurpose cadaster and land records base maps.</p>	<p>Building</p> <p>Administers and enforces building, electrical, plumbing, building energy efficiency, and housing codes; reviews permit applications, plans, and specifications for building, relocation, and sign permits; and inspects for compliance with approved plans and pertinent codes.</p>	<p>Customer Service</p> <p>Operates the consolidated permit counter; maintains the department’s various historical and current property and permit records; and processes complaints and inspects existing buildings, structures, vacant lots, and sidewalks to address unsafe and substandard conditions.</p>
<p>Land Use Permits</p> <p>Administers the Land Use Ordinances and all regulations and permits pertaining to land use within the city; administers the special management area and shoreline setback ordinances and processes all required special management area permits.</p>	<p>Planning</p> <p>Prepares, evaluates, and revises the <i>Oʻahu General Plan</i> and long-range regional development plans; processes applications for public infrastructure map amendments, zone changes and state special use permits; and monitors compliance with zone changes including affordable housing requirements.</p>	<p>Transit-Oriented Development</p> <p>Guides the development around the city’s proposed train stations and routes that are being built by the Honolulu Authority for Rapid Transportation (HART).</p>	<p>Site Development</p> <p>Administers and enforces subdivision and grading ordinances, and drainage regulations; processes subdivision applications, review subdivision construction plans, and conducts site inspections to ensure compliance with city guidelines.</p>

To provide the public with efficient, timely service that is responsive and effective in guiding development to protect our unique resources and environment; provide livable neighborhoods that are compatible to their adjacent communities; provide a community that is responsive to the residents’ social, economic, cultural, and recreational needs; and ensure the health and safety of our residents.

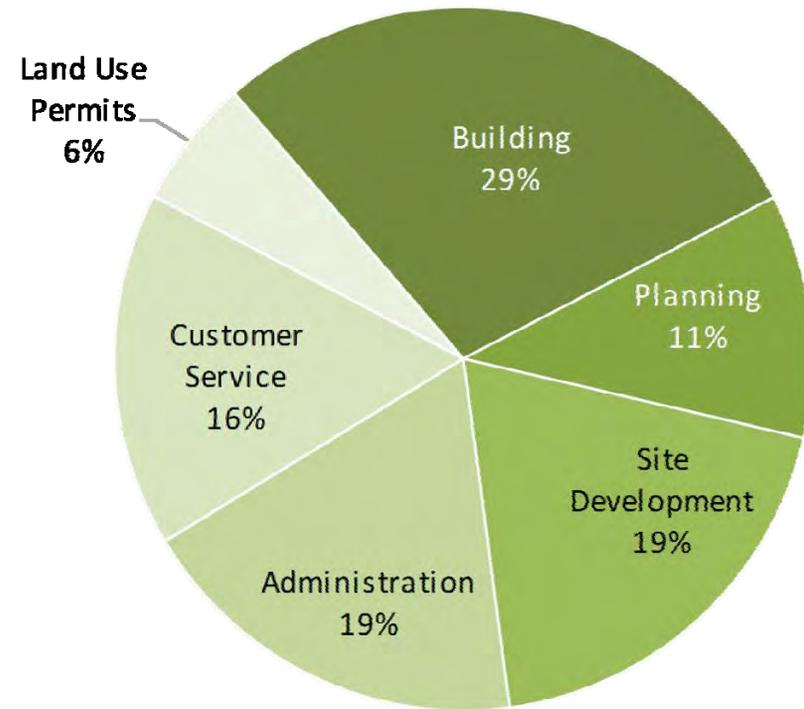
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Revenues (\$ millions)	Operating Expenditures (\$ millions)	Staffing		Cost Per FTE ¹	Overtime Expenditures ²
			Total Authorized FTE	Total Vacant FTE		
FY 2012	\$13.77	\$16.58	333.0	91.0	\$49,783	\$97,815
FY 2013	\$15.85	\$15.52	332.0	76.0	\$46,744	\$146,768
FY 2014	\$24.36	\$19.45	337.0	78.0	\$57,712	\$85,230
FY 2015	\$23.87	\$19.39	304.0	38.0	\$63,789	\$145,309
FY 2016	\$23.35	\$19.42	304.0	30.0	\$63,892	\$140,504
Change from last year	-2%	<1%	0%	-21%	<1%	-3%
Change over last 5 years	70%	17%	-9%	-67%	28%	44%

Source: Department of Budget and Fiscal Services. ¹Cost Per FTE = Operating Expenditures/Total Authorized FTE. ²Overtime pay is established by bargaining unit agreement, as applicable.

Spending and Staffing



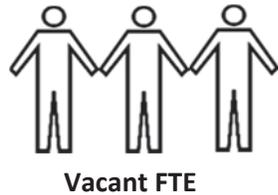
\$19.42 M ▲ **<1%**

The department's operating expenditures increased less than 1% over the last year.



\$23.35 M ▼ **-2%**

Departmental revenues decreased 2% over the last year.



30 FTE ▼ **-21%**

Total vacant FTE positions decreased 21% since FY 2015.



\$141 K ▼ **-3%**

Total overtime expenditures decreased by 3% from last year.

Five Year Trends



- The department's operating expenditures increased 17% from \$16.58 million to \$19.42 million over the last five years.



- Total revenues increased 70% from \$13.77 million in FY 2012 to \$23.35 million in FY 2016.

	Citizen Survey (% Excellent or Good)	
	Overall Appearance of Honolulu	Overall "Built Environment" of Honolulu (Including Overall Design, Buildings, Parks and Transportation Systems)
FY 2012	54%	--
FY 2013	50%	34%
FY 2014	46%	37%
FY 2015	42%	27%
FY 2016	47%	32%
Change from last year	5%	5%
Change over last 5 years	-7%	--

Source: 2016 National Citizen Survey (Honolulu)

ACCOMPLISHMENTS

- Expanded the Third Party Review process to include Residential Review. This effort streamlined the building permit process for single family residential reviews and is similar to the commercial building permit process.
- Developed the National Pollutant Discharge Elimination System (NPDES) and storm water use system; and
- Issued 20,076 building permits, which generated a total construction value of \$2,609,399,910.

Administration and Honolulu Land Information System (HoLIS)

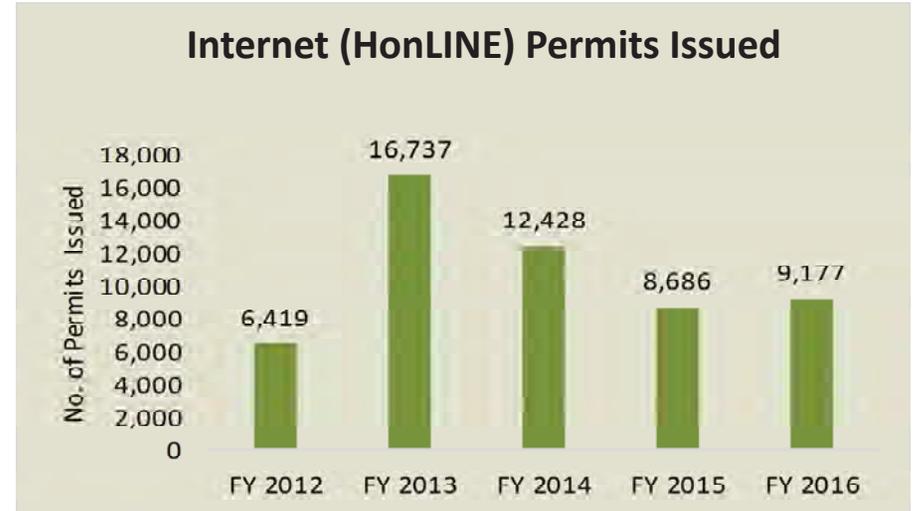
Administration

Administration plans, directs, and coordinates department activities including personnel management, budget preparation and fiscal management. It is also responsible for administering the Honolulu Land Information System (HoLIS) and the city's Geographic Information System (GIS). These programs relate to DPP's goals to: 1) provide a comprehensive and integrated information source of geographic information systems, and 2) improve the city's operational services.

Administration's operating expenditures increased 40% from \$2.56 million in FY 2015 to \$3.58 million in FY 2016, and 48% over the last five years. According to the department, the 40% increase over the last year was due to collective bargaining salary increases and funding of a National Pollutant Discharge Elimination System (NPDES) 3rd Party Construction Review contract in FY 2016.

HoLIS

HoLIS is an enterprise-wide system serving over 15 city departments with land use, permit, tax, infrastructure, and environmental data. Geographically referenced information links existing city records to precise locations on the island of O'ahu. There are currently over 80 different geographic data layers stored in the HoLIS spatial data base such as tax assessment designations and values, existing land use and activities, transportation corridors, and flood and natural hazards.



Source: Department of Planning and Permitting

Operating expenditures increased 8% from \$1.51 million in FY 2015 to \$1.62 million in FY 2016. HoLIS operating expenditures increased 58% over the last five years.

The total number of GIS work orders completed declined 8% since last year, but increased 51% over the last five years from 365 work orders in FY 2012 to 551 in FY 2016. According to the department, the increase in work orders completed reflect a general increase in demand for GIS products and services.

	Operating Expenditures (\$ millions)		Honolulu Land Information System (HoLIS)					Internet (HonLINE) Permits Issued	Total Visits to GIS Website
	Administration	Honolulu Land Information System	Total GIS Work Orders Completed	Total GIS Data Maintenance Jobs	Total Maps and Exhibits Prepared	Total New POSSE Permit Jobs Created			
FY 2012	\$2.42	\$1.03	365	1,667	394	102,815	6,419	362,500	
FY 2013	\$2.28	\$1.26	601	1,572	129	135,090	16,737	395,200	
FY 2014	\$2.76	\$1.57	507	1,300	380	121,040	12,428	671,344	
FY 2015	\$2.56	\$1.51	596	1,159	442	110,633	8,686	381,977	
FY 2016	\$3.58	\$1.62	551	1,129	371	114,281	9,177	382,986	
Change from last year	40%	8%	-8%	-3%	-16%	3%	6%	0%	
Change over last 5 years	48%	58%	51%	-32%	-6%	11%	43%	6%	

Source: Department of Budget and Fiscal Services and Department of Planning and Permitting.

Building

The Building Division is responsible for administering and enforcing building, electrical, plumbing, building energy efficiency, and housing codes. The division also reviews permit applications; plans; and specifications for building, relocation and sign permits. Additionally, it inspects buildings, structures, sidewalks and driveways under construction for compliance with approved plans and pertinent codes.

Operating expenditures increased 4% over the last year and 12% over the last five years, rising from \$4.99 million in FY 2012 to \$5.59 million in FY 2016. According to the department, the five-year increase was primarily due to collective bargaining salary increases and authorization to fill more vacancies. The department also received additional positions in its Electrical Code Inspection Unit to meet increased demand for solar permit inspections.

In FY 2016, 23% of residents rated the city's code enforcement as *excellent* or *good*. This rating was an increase of 9% from last year's rating of 14%, and a 4% increase from 19% in FY 2012. Honolulu's FY 2016 code enforcement rating is much lower than comparison benchmarks.

In FY 2016, 37% of Honolulu residents indicated that they did NOT observe a code violation. This rating was a decline from 45% that did not observe a code violation in FY 2015 and is lower than comparison benchmarks.



Source: Department of Planning and Permitting

	Operating Expenditures (\$ millions)	Total Building Code Complaints Serviced	Total Building Code Inspections Conducted	Total Building Code Violation Notices Issued	Total Electrical Code Inspections Conducted	Total City Photovoltaic Inspections	Total Third Party Photovoltaic Inspections ¹	Total Mechanical Code Inspections Conducted	Total Building/Sign Permit Applications Reviewed
FY 2012	\$4.99	3,620	65,400	480	33,355	6,312	-	27,955	6,286
FY 2013	\$4.94	3,054	63,090	429	38,232	14,790	394	23,629	8,831
FY 2014	\$5.36	3,458	61,686	536	36,676	12,013	2,272	23,399	4,523
FY 2015	\$5.37	3,245	49,506	498	33,367	6,139	1,479	21,696	3,688
FY 2016	\$5.59	3,361	52,572	517	<i>The department did not provide FY 2016 data.</i>				
Change from last year	4%	4%	6%	4%					
Change over last 5 years	12%	-7%	-20%	8%					

Source: Department of Budget and Fiscal Services and Department of Planning and Permitting. ¹Third Party Photovoltaic Inspection began with the adoption of Ordinance 12-38 on December 12, 2012.

Customer Services Office

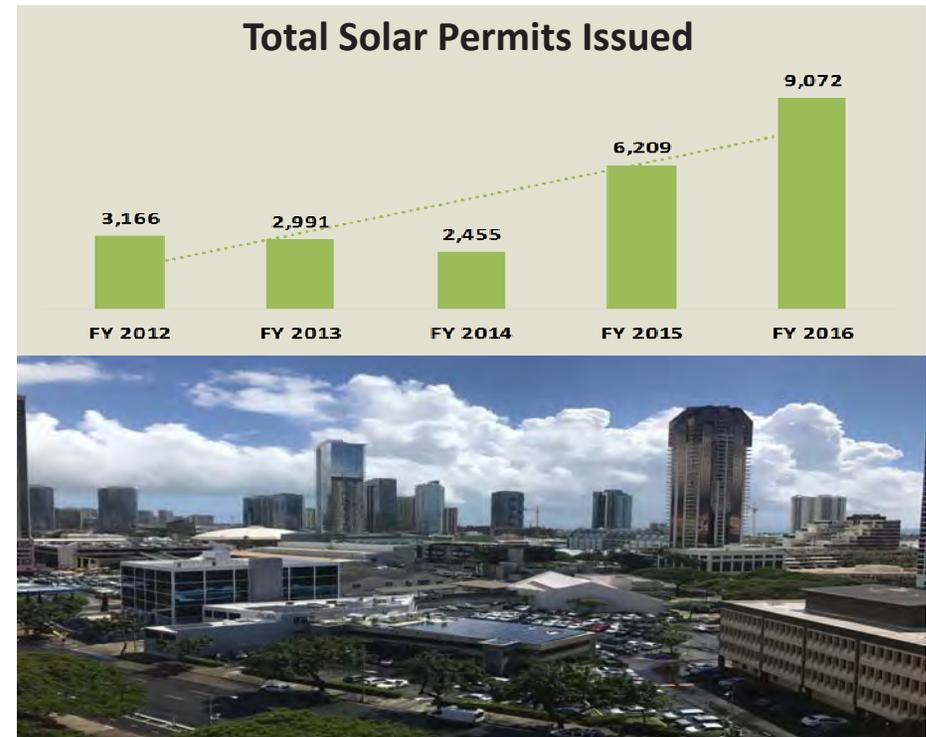
The Customer Service Division (CSD) operates the consolidated permit counter, which handles customer inquiries, processes minor permits, receives permit applications, and collects permit fees. CSD also maintains the department's historical and current property and permit records. Additionally, it processes complaints and inspects existing buildings, structures, vacant lots, and sidewalks to address unsafe and substandard conditions.

Operating expenditures increased 5% from a year ago and 22% over the last five years, rising from \$2.59 million in FY 2012 to \$3.17 million in FY 2016.

Solar permits issued totaled 9,072 in FY 2016. This represented a 46% increase from last year and a 187% increase from five years ago. The department attributed the increase to the state tax credit offered to property owners who installed solar systems.

The total building permits issued increased from 18,824 in FY 2015 to 20,076 in FY 2016. Over the last five years, however, the number of building permits issued declined 9%. The department explained that the five-year decrease was due to issuance of permits for complex buildings with high end construction values.

The total housing units with housing code deficiencies found decreased 3% from last year, but increased 37% from 239 deficiencies found in FY 2012 to 327 in FY 2016. According to the department, the increase is due to additional complaints received from the public concerned with substandard rental structures.



Source: Department of Planning and Permitting

In FY 2016, 42% of Honolulu residents rated the overall customer service by Honolulu employees as *excellent* or *good*. This was a 7% increase over last year, but a 21% point decline from five years ago. This rating is much lower than comparison benchmarks.

	Operating Expenditures (\$ millions)	Total Sidewalks Inspected	Total Vacant Lots Inspected	Total Housing Units with Housing Code Deficiencies Found	Total Building Permits Issued	Total Solar Permits Issued	Citizen Survey (% Excellent or Good)
FY 2012	\$2.59	3,140	151	239	21,947	3,166	63%
FY 2013	\$2.52	3,747	170	369	30,882	2,991	37%
FY 2014	\$2.75	3,380	252	400	23,391	2,455	43%
FY 2015	\$3.03	2,623	174	338	18,824	6,209	35%
FY 2016	\$3.17	3,108	167	327	20,076	9,072	42%
Change from last year	5%	18%	-4%	-3%	7%	46%	7%
Change over last 5 years	22%	-1%	11%	37%	-9%	187%	-21%

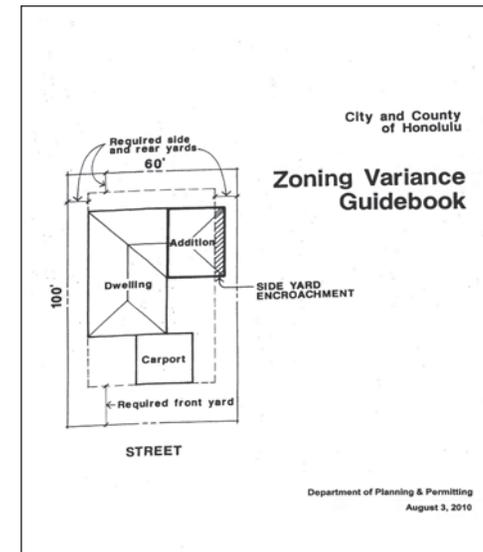
Source: Department of Budget and Fiscal Services, Department of Planning and Permitting, and 2016 National Citizen Survey (Honolulu)

Land Use Permits

Land Use Permits Division (LUPD) administers the Land Use Ordinances (LUO) and all regulations pertaining to land use within the City and County of Honolulu. The division reviews and prepares amendments to the LUO and processes all LUO regulated land use permits. It also administers the Special Management Area and Shoreline Setback Ordinances and processes all required Special Management Area Permits, including setback variances and permits for minor shoreline structures.

Total special design district applications increased 66% from 64 applications in FY 2015 to 106 in FY 2016. Over the last five years, the number of applications rose 25%. Similarly, the number of conditional use permits increased 57% from FY 2015 (82) to FY 2016 (129), and a 26% increase over the last five years. According to the department, the increase in both special design district applications and conditional use permits were due to a strong economy, low interest rates, and private property owners investing in property upgrades.

In FY 2016, the department processed 25 environmental assessments/impact statements, which was more than double the number of assessments/impact statements reviewed in FY 2015. Over the last five years, the number of assessments/impact statements processed increased 25%. The department attributed the rise to public sector investment in infrastructure improvements.



Source: Department of Planning and Permitting

Honolulu residents' perceptions of land use, planning, and zoning, and quality of new development in Honolulu improved slightly over the last year. In FY 2016, 20% of residents rated land use, planning, and zoning in Honolulu as *excellent* or *good*, which is a 4 percentage point decline from five years ago, and is lower than comparison benchmarks. Also, 40% of residents rated the quality of new development in Honolulu as *excellent* or *good*. This rating is similar to comparison benchmarks and is unchanged from five years ago.

	Operating Expenditures (\$ millions)	Design District Applications Reviewed	Total Zoning Variances Reviewed	Environmental Assessments/Impact Statements Reviewed	Number of Waivers Granted	Conditional Use Permits (Minor/Major)	Citizen Survey (% Excellent or Good)	
							Quality of New Development in Honolulu	Land Use, Planning, and Zoning
FY 2012	\$1.08	85	35	20	55	102	40%	24%
FY 2013	\$0.96	106	30	8	77	121	29%	16%
FY 2014	\$1.02	110	35	20	80	120	37%	16%
FY 2015	\$1.15	64	32	12	78	82	38%	19%
FY 2016	\$1.16	106	31	25	89	129	40%	20%
Change from last year	1%	66%	-3%	108%	14%	57%	2%	1%
Change over last 5 years	8%	25%	-11%	25%	62%	26%	0%	-4%

Source: Department of Budget and Fiscal Services and Department of Planning and Permitting

Planning and Transit-Oriented Development (TOD)

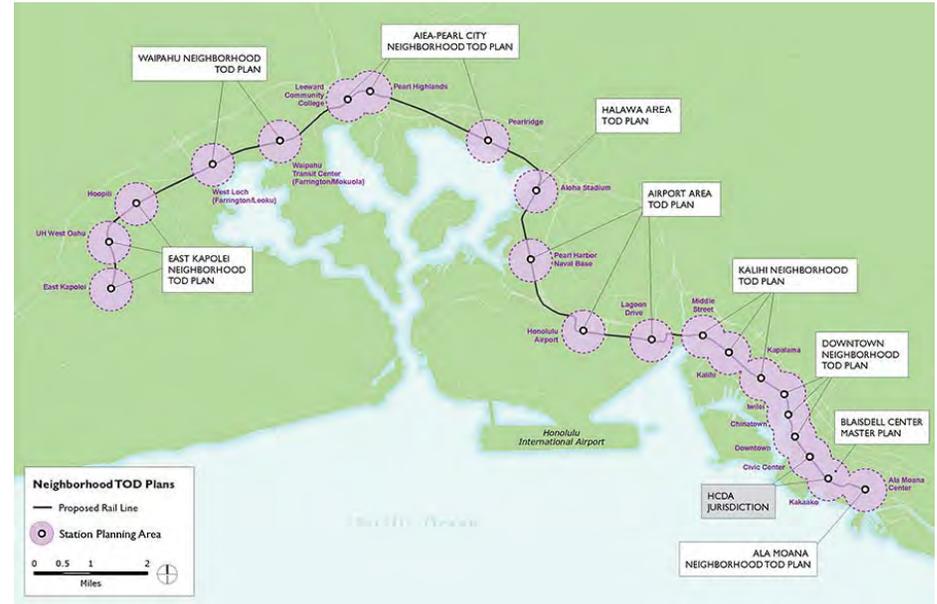
Planning

Planning is responsible for preparing, evaluating, and revising the O’ahu General Plan and nine long-range regional development plans. The division is responsible for developing transit-oriented development plans, which support the DPP and the mayor’s transportation priorities. It also processes applications for public infrastructure map amendments, zone changes and state special use permits; and monitors compliance with unilateral agreement conditions associated with zone changes, including affordable housing requirements.

Operating expenditures decreased 41% from FY 2015 (\$3.68 million) to FY 2016 (\$2.18 million). Over the last five years, expenditures decreased 6%.

In FY 2016, total environmental assessments/impact statements reviewed increased 32% from 28 in FY 2015 to 37 in FY 2016. Over the last five years, the number of statements reviewed increased 48%.

The overall quality of Honolulu’s natural environment was rated as *excellent or good* by 62% of residents. This rating represented a decline of 9 percentage points from five years ago and is similar to comparison benchmarks.



Source: Department of Planning and Permitting website

Transit-Oriented Development (TOD)

The TOD Division is responsible for guiding the development around the city’s proposed rail stations and route that is being built by the Honolulu Authority for Rapid Transportation (HART). TOD is also responsible for working with the city’s legacy communities to promote their development consistent with their historical foundation.

	Operating Expenditures (\$ millions)	Total Zone Change Applications Reviewed	Total Environmental Assessments/ Impact Statements Reviewed	Total Unilateral Agreement Permit Reviewed	Citizen Survey (% Excellent or Good)	
					Quality of Overall Natural Environment in Honolulu	Preservation of Natural Areas
FY 2012	\$2.32	4	25	278	71%	39%
FY 2013	\$1.68	11	31	306	65%	31%
FY 2014	\$4.09	14	35	246	67%	48%
FY 2015	\$3.68	10	28	285	64%	30%
FY 2016	\$2.18	9	37	264	62%	42%
Change from last year	-41%	-10%	32%	-7%	-2%	12%
Change over last 5 years	-6%	125%	48%	-5%	-9%	3%

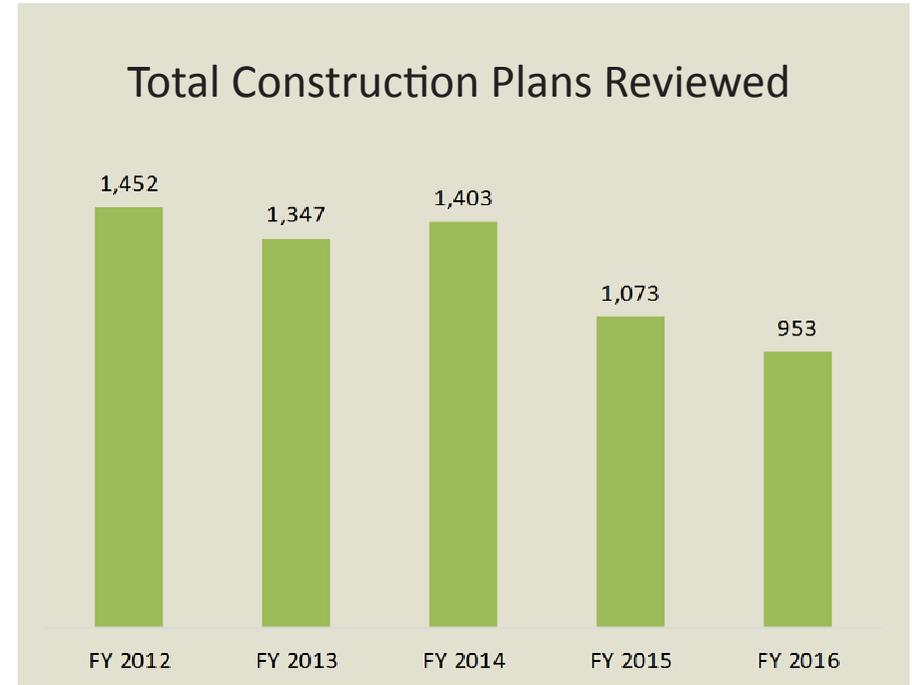
Source: Department of Budget and Fiscal Services and Department of Planning and Permitting.

Site Development administers and enforces subdivision and grading ordinances, and drainage regulations. The division sets standards and regulates the infrastructure required for site development. Additionally, the division processes subdivision applications, reviews subdivision construction plans, and conducts site inspections to ensure compliance with city guidelines.

Operating expenditures increased 4% from \$3.59 million in FY 2015 to \$3.74 million in FY 2016. Over the last five years, operating expenditures increased 18%. The department attributed the 18% rise in operating expenditures to collective bargaining salary increases and use of overtime to address the backlog of permit review and approvals.

In FY 2016, the division processed 1,401 major complaints investigated/reports prepared (non-permit). This was a 64% increase from 856 in the prior year and a 9% decrease over the last five years.

The number of sewer adequacy studies conducted rose 58% from 914 in FY 2015 to 1,442 in FY 2016. In FY 2012, the division conducted 780 studies compared with 1,442 in FY 2016, an 85% increase. According to the department, the increase in sewer adequacy studies was attributed to the number of accessory dwelling applications received.



Source: Department of Planning and Permitting

	Operating Expenditures (\$ millions)	Total Construction Plans Reviewed	Total Grading Permits Issued	Total Grading Permit Inspections Conducted	Major Complaints Investigated/ Reports Prepared (Non-Permit) Related ¹	Total Sewer Adequacy Studies Conducted	Total Sewer Connection Permits Issued
FY 2012	\$3.17	1,452	664	21,234	1,543	780	544
FY 2013	\$3.14	1,347	628	24,516	1,387	934	523
FY 2014	\$3.48	1,403	587	25,036	1,593	959	474
FY 2015	\$3.59	1,073	592	23,184	856	914	390
FY 2016	\$3.74	953	559	29,325	1,401	1,442	263
Change from last year	4%	-11%	-6%	26%	64%	58%	-33%
Change over last 5 years	18%	-34%	-16%	38%	-9%	85%	-52%

Source: Department of Budget and Fiscal Services and Department of Planning and Permitting. ¹Non-permit related major complaints investigated commonly include technical matters relating to issues between private parties.

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Chapter 20 - Honolulu Police Department

The Honolulu Police Department (HPD) is the primary law enforcement agency for the City and County of Honolulu. The HPD is responsible for preserving public peace, preventing crime, and detecting and apprehending law offenders. In addition to protecting the rights of persons and property, the HPD enforces and prevents violations of city ordinances and regulations, state laws, and federal laws.

The Honolulu Police Commission appoints the Chief of Police, ensures public trust through its investigations of police conduct, and provides oversight of the HPD's policies, goals, and objectives. The Office of the Chief of Police directs the operation and administration of each of its divisions and respective subdivisions.

The department has several bureaus and divisions including Central and Regional Patrol, Special Field Operations, Investigative, and Support Services. Other divisions are Community Affairs, Narcotics/Vice, Communications, and Major Events. The department is accredited by the Commission on Accreditation for Law Enforcement Agencies, Inc. HPD's Scientific Investigation Section's Trace Evidence Analysis and Questioned Document Examination Units are also accredited in conformance with International Organization for Standardization Standards.

Administrative Bureau	Support Services Bureau	Investigative Bureau	Special Field Operations Bureau	Central & Regional Patrol Bureaus
<ul style="list-style-type: none">•Oversees personnel matters.•Conducts a full-scale training program.•Responsible for the department's fiscal program.•Conducts pre-employment screenings and evaluations.	<ul style="list-style-type: none">•Supports operations critical to the department's daily functions.•Provides recordkeeping, vehicle maintenance, communications, and IT services.	<ul style="list-style-type: none">•Investigates crimes involving drugs, prostitution, violence, theft, fraud, etc.•Operates the only full-service forensic laboratory in the state of Hawai'i.•Promotes safe and efficient movement of traffic.	<ul style="list-style-type: none">•Provides a coordinated tactical response to exceptionally hazardous situations.•Prepares for acts of terrorism.•Aims to reduce unlawful activities by juvenile offenders.	<ul style="list-style-type: none">•Directs the operations of all field uniformed police units.•Provides care and processing of arrestees.•Responsible for the security of the Alapai police headquarters building.

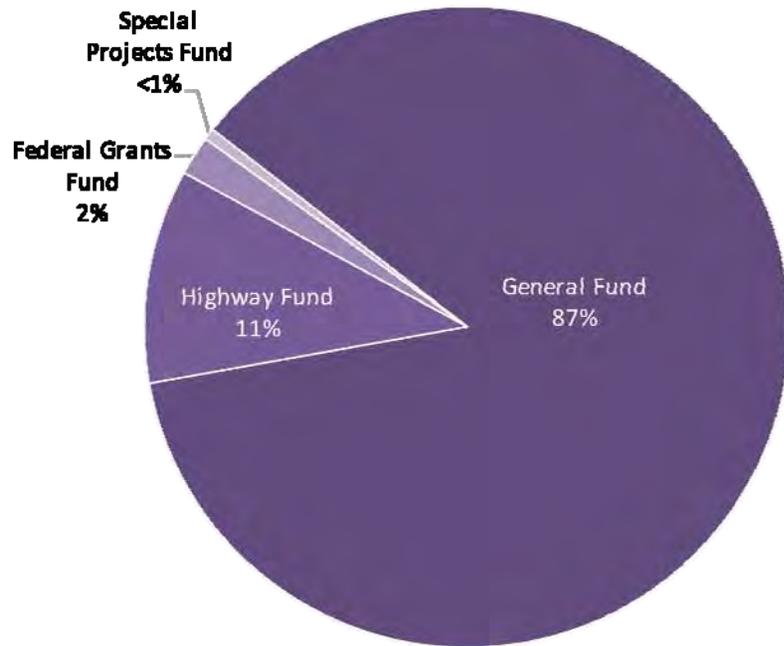


To provide excellent service through partnerships that build trust, reduce crime, create a safe environment, and enhance the quality of life.

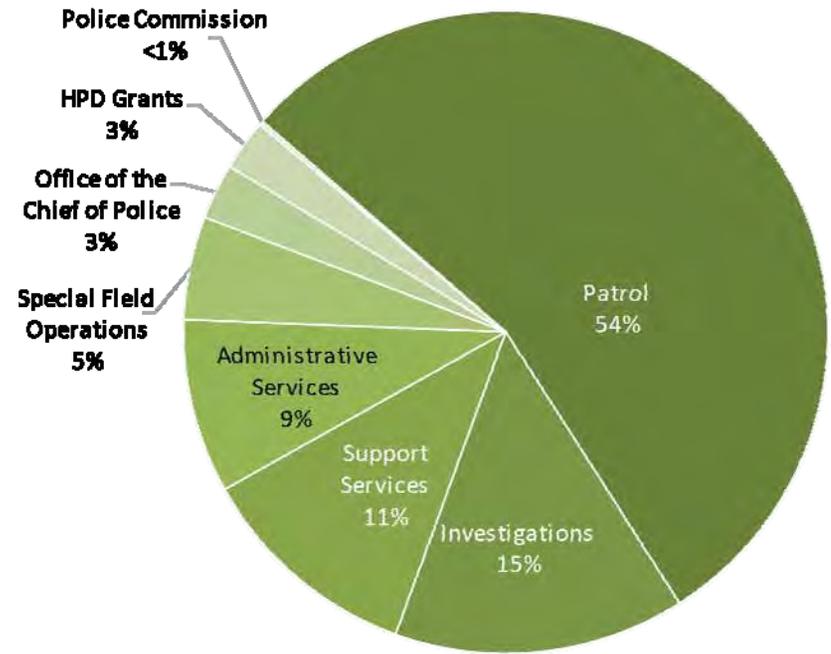
Mission Statement

Spending and Staffing

Fund Sources¹



Fund Uses¹



	Staffing (FTE) ²				Overtime Expenditures ³			
	Total Operating Expenditures (\$ million)	Revenues (\$ million)	Total Authorized FTE ⁴	Staffing Level	Vacant FTE	Cost Per FTE	Total (\$ million)	Non-Holiday (\$ million)
FY 2012	\$231.20	\$15.36	2,730	88%	317	\$84,690	\$18.58	\$13.63
FY 2013	\$226.24	\$14.66	2,717	88%	318	\$83,269	\$20.32	\$14.97
FY 2014	\$241.25	\$13.91	2,730	91%	244	\$88,371	\$19.15	\$14.42
FY 2015	\$249.40	\$10.82	2,630	93%	172	\$94,829	\$19.42	\$14.14
FY 2016	\$262.32	\$13.49	2,630	93%	175	\$99,741	\$21.55	\$16.29
Change from last year	5%	25%	0%	<1%	2%	5%	11%	15%
Change over last 5 years	13%	-12%	-4%	5%	-45%	18%	16%	19%

Source: Department of Budget and Fiscal Services (BFS). ¹Percentages do not total 100% due to rounding. ²Does not include reserve officers in the total authorized staffing, as one reserve officer is equivalent to one-eighth of a FTE. ³Overtime pay is established by bargaining unit agreement, as applicable. ⁴Authorized staffing is determined by budget while actual staffing varies based on service separations and hiring.

Spending and Staffing



Operating Expenditures

\$262.32 M ▲ 5%

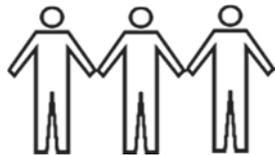
Operating expenditures increased due to various collective bargaining pay increases, software and hardware upgrades, and electric gun purchases.



Revenues

\$13.49 M ▲ 25%

Revenues increased due to a one-time Asia-Pacific Economic Cooperation event and a Road Division reimbursement from a prior year's billing.



Vacant FTE

175 FTE ▲ 2%

Vacant FTEs increased due to attrition due to termination, retirements, and deaths.



Overtime Expenditures

\$21.55 M ▲ 11%

Overtime expenditures increased due to various collective bargaining pay increases.

Five Year Trends



- The department's operating expenditures increased 13% from \$231.20 million to \$262.32 million over the last five years. HPD attributes the increase to collective bargaining pay increases which varied between 1.75% and 3.5% beginning in FY 2012 and occurred on a semi-annual/annual increase schedule.



- Total revenue decreased 12% between FY 2012 and FY 2016 from \$15.36 million to \$13.49 million. HPD attributes the decrease to reclassifying grant expenses that produced additional revenue in the past four prior years.



- The department's vacant FTEs have decreased 45% from 317 to 175 over the last five years. HPD attributes the decrease to expediting the recruitment and selection of applicants to fill vacant positions.



- Total overtime expenditures increased 16% from \$18.58 million FY 2012 to \$21.55 million in FY 2016. HPD also attributes the increase to various collective bargaining pay increases.

ACCOMPLISHMENTS

- HPD launched the *Smart911* program, which allows the public to provide valuable information in order to improve officer preparedness when responding to calls for service.
- HPD created the Domestic Violence Response Task Force to improve domestic violence assessments, training for officers, and data collection.
- HPD formed a body-worn camera program committee to examine the various aspects of body cameras that will be worn by patrol officers, test different models, and develop a plan for use and storage of the recorded data.
- HPD made policies available to the public through the HPD website in an effort to improve transparency to the community.

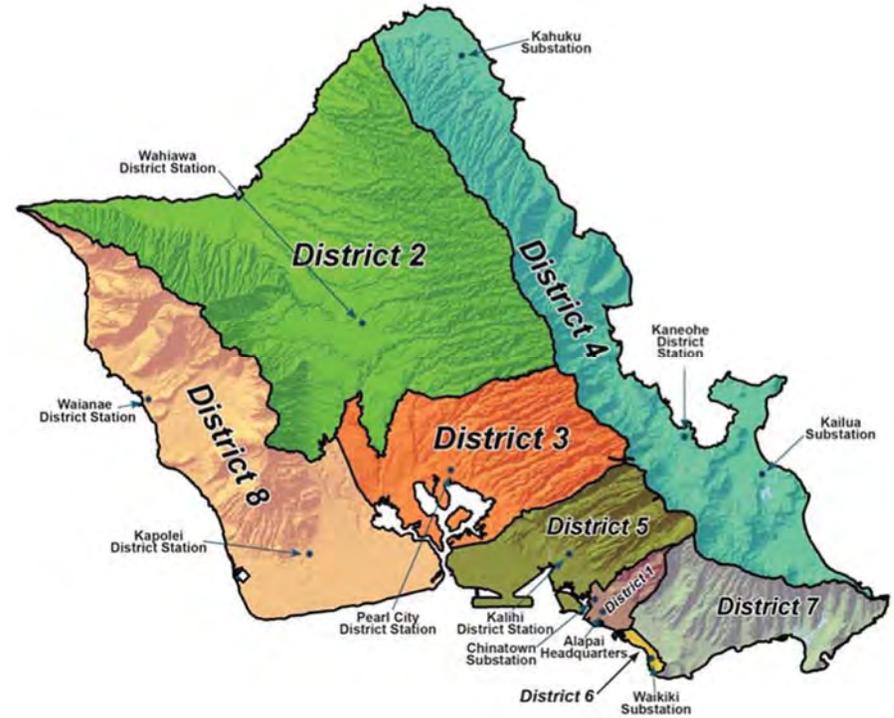
Calls for Service

The Communications Division is Honolulu’s primary public safety answering point (PSAP), receiving all 911 calls for police, fire, and emergency medical services, as well as poison control and the suicide crisis center. The Emergency Response Operators route these calls to appropriate agencies. In FY 2016, there were a total of 737,355 HPD calls for 911 services. Of those, 606,081 resulted in dispatch. Officers are dispatched to a wide range of service calls. Officers are dispatched to a wide range of service calls. These include, but are not limited to:

- Burglaries
- Traffic hazards
- Parking violations
- Medical emergencies
- Fires
- Arguments
- Alarms
- Protective orders
- Motor vehicle accidents

The division also serves as both the O’ahu Warning Point and the Alternate Hawai’i State Warning Point for civil defense emergencies, which include natural and man-made disasters, such as tsunamis, tropical cyclones, flash floods, and enemy or terrorist attacks.

Map of O’ahu Police Districts and Police Stations



Source: Honolulu Police Department

	Calls for Service				
	HPD Calls for 911 Service ¹	Calls Resulting in Dispatch	Priority 1 Calls	Priority 2 Calls	False Alarms
FY 2012	753,520	537,882	192,198	345,684	29,126
FY 2013	701,604	539,515	192,197	347,318	30,517
FY 2014	799,074	544,762	187,227	357,535	30,984
FY 2015	864,121	588,979	211,495	377,484	30,650
FY 2016	737,355	606,081	214,781	391,300	30,353
Change from last year	-15%	3%	2%	4%	-1%
Change over last 5 years	-2%	13%	12%	13%	4%

Source: Honolulu Police Department. ¹Calls for service include emergency and non-emergency calls.

Calls for Service

Over the past five years, the average response time for Priority 1 calls has steadily increased a total of 0.2 minutes from 7.14 minutes in FY 2012 to 7.34 minutes in FY 2016. Priority 1 calls include emergencies and in-progress cases. The average response time for Priority 2 calls decreased from 11.96 in FY 2012 to 10.15 minutes in FY 2016. Priority 2 calls include forgery, fraud, vandalism, weapons, prostitution, drugs, gambling, driving while intoxicated, etc.

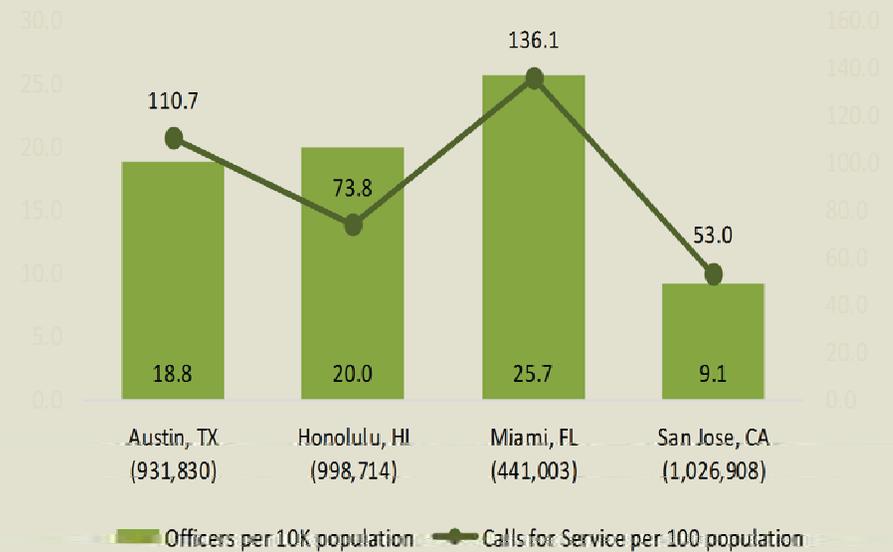
Hawai'i's Enhanced 911 Board allocated \$2.7 million for the project to update location and mapping data for the HPD and the civilian Public Safety Answering Points on O'ahu. The federal mandated updates include better geographic and mapping data to aid in reducing response times. The project was anticipated to be completed in 2016; however, its status is currently unknown.



HPD Call Center

Source: Honolulu Police Department

Officers and Calls for Service by Population (FY 2016)



Source: City & County of Honolulu Police Department, City of Austin Police Department, City of Miami Police Department, City of San Jose Police Department, U.S. Census Bureau Quickfacts, and FBI 2014 Uniform Crime Report.

	Priority 1 Average Response (minutes) ¹	Priority 2 Average Response (minutes) ¹
FY 2012	7.14	11.96
FY 2013	7.24	12.24
FY 2014	7.33	12.03
FY 2015	7.27	11.59
FY 2016	7.34	10.15
Change from last year	1%	-12%
Change over last 5 years	3%	-15%

Source: Honolulu Police Department. ¹Response time is measured from receipt of the 911 call to arrival at the scene.

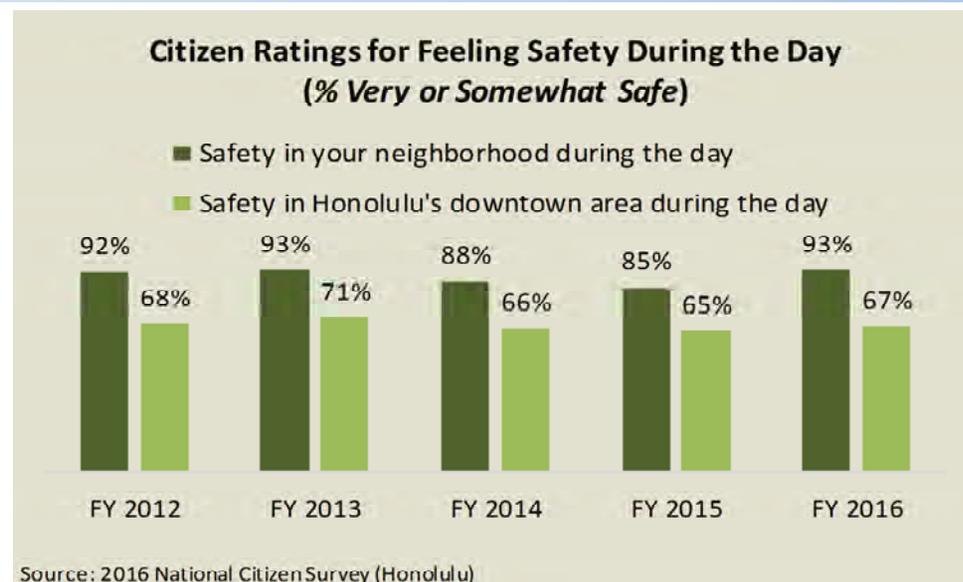
Crime

Police data for reporting Part 1 and Part 2 offenses are in accordance with the FBI Uniform Crime Reporting (FBI-UCR) guidelines.¹ Part 1 Offenses increased by over 14% from FY 2015. HPD explained that this may be due to several factors, including economic and social factors and changes in laws and ordinances. Over the last five years, HPD’s digital forensics examiners have seen their workloads increase. The department attributes this to the increase in computer use in general and, more specifically, the increase in the use of social media by the public.

By engaging the public, CrimeStoppers Honolulu assists the HPD’s efforts to identify offenders, locate wanted persons, and recover stolen or illegal items. This networking has been expanded to social media, which posts information relating to unsolved crimes, missing persons, bank crimes, sex offenders, school programs, and other topics of interest.

In FY 2016, there were 2,192 domestic violence reports. This is a 15% decrease from FY 2015 (2,579 reports) to FY 2016 (2,192 reports). Domestic violence figures reported are based on prior year methodology used by HPD for SEA reports.

In FY 2016, 93% of Honolulu residents reported that they feel *very* or *somewhat safe* in their neighborhoods during the day. This is similar to the benchmark for jurisdictions with populations over 300,000 and 8% higher than FY 2015. In FY 2016, 67% of Honolulu residents reported feeling *very* or



somewhat safe in downtown Honolulu during the day. The ratings for neighborhood safety and downtown safety are similar to the benchmark for jurisdictions with populations over 300,000, and is 2% higher than FY 2015.

	Actual Offenses			Arrests			Clearance Rates for Part 1 Offenses			
	Part 1 Offenses	Part 2 Offenses ³	Total Offenses	Adult Arrests	Juvenile Arrests	Total Arrests	Homicide	Rape	Robbery	Larceny Theft
FY 2012	32,744	58,139	90,883	30,536	6,084	36,620	72.7%	54.6%	29.5%	16.2%
FY 2013	33,400	56,648	90,048	29,522	5,698	35,220	73.3%	51.0%	30.7%	15.2%
FY 2014 ²	34,175	56,772	90,947	30,804	5,654	36,458	91.0%	40.0%	28.0%	16.0%
FY 2015 ²	30,960	57,700	88,660	31,671	4,754	36,425	31.0%	29.0%	24.0%	15.0%
FY 2016	35,228	59,132	94,360	23,911	3,863	27,774	108.0%	51.0%	27.0%	13.0%
Change from last year	14%	2%	6%	-25%	-19%	-24%	77%	22%	3%	-2%
Change over last 5 years	8%	2%	4%	-22%	-37%	-24%	35%	-4%	-3%	-3%

Source: Honolulu Police Department. ¹ The department complies with FBI Uniform Crime Reporting guidelines in reporting Part 1 and Part 2 offenses. Part 1 includes murder, forcible rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft, and arson. Part 2 includes all other offenses, such as other assaults, forgery, fraud, vandalism, weapons, prostitutions, other sex offenses, drug crimes, gambling, family offenses, liquor laws, driving while intoxicated, and disorderly conduct. ²Estimated. Data reported for the period between March 2014 and June 30, 2014; July 2014 to November 2014 unavailable. ³Data provided are the actual numbers.

The Traffic Division is responsible for promoting the safe and efficient movement of traffic on the public roadways through educational programs, traffic management, enforcement of traffic laws, and investigating death and critical injury collisions and felony traffic crimes.



Source: Honolulu Police Department website



Source: Honolulu Police Department website

The HPD continued its *Safer Roads Campaign*, which is an ongoing effort by the department and community groups to reduce the rate and severity of traffic collisions. Efforts to deter hazardous driving ranged from speed enforcement in affected corridors to monitoring places where racers congregate. Total fatalities decreased 19% from 52 in FY 2015 to 42 in FY 2016, and those with critical injuries decreased 20% from 56 in FY 2015 to 45 in FY 2016.

	Death and Serious Injury			Motor Vehicle Collisions				Enforcement			Citizen Survey
	Fatalities	Critical Injury	Failure to Render Aid ¹	Major ²	Minor	Non-Traffic	Total	OVUII Arrests ³	Moving Citations	Hands-Free Law Violations	Traffic Enforcement
FY 2012	55	45	9	5,152	16,842	7,979	29,973	4,407	116,251	15,165	35%
FY 2013	63	43	8	5,108	17,360	7,597	30,065	4,277	119,672	13,586	33%
FY 2014	54	27	10	6,560	18,627	6,195	31,382	4,742	110,721	6,786	34%
FY 2015	52	56	3	4,719	16,733	7,291	28,743	4,665	136,022	10,813	34%
FY 2016	42	45	7	4,247	13,706	6,478	24,431	4,274	135,851	11,928	30%
Change from last year	-19%	-20%	133%	-10%	-18%	-11%	-15%	-8%	<1%	10%	-4%
Change over last 5 years	-24%	0%	-22%	-18%	-19%	-19%	-18%	-3%	17%	-21%	-5%

Source: Honolulu Police Department. ¹Failure to Render Aid is a felony involving serious injury to the victim. ²A major motor vehicle collision involves injury or damage of \$3,000 or more. ³“OVUII” refers to the offense of Operating a Vehicle Under the Influence of an Intoxicant.

Perceptions of Public Safety

The 2016 National Citizen Survey states that safety is one of the three most important facets of community to the residents of Honolulu. A majority of residents (61%) rated their overall feeling of safety in the city and county of Honolulu as *excellent or good*. Honolulu's ratings were much *lower* than national benchmarks and *similar* to cities with over 300,000 residents.

In FY 2016, 51% of the respondents rated the quality of police services as *excellent or good*, which was a decrease of 13% over the last five years. Ratings for crime prevention services as *excellent or good* decreased 8% over the last five years from 42% in FY 2012 to 34% in FY 2016.

Further, 86% of residents reported that no one in their household was a victim of a crime in the past year, compared to 83% in FY 2015; and 73% of respondents did not report a crime to the police in FY 2016, compared to 70% in FY 2015. Both ratings for FY 2016 were *similar* to jurisdictions with populations over 300,000.



Source: Honolulu Police Department

	Citizen Survey				
	(% Excellent or Good)	(% Very or Somewhat Safe)		(% Excellent or Good)	
	Overall feeling of safety in Honolulu ¹	Safety in your neighborhood during the day	Safety in Honolulu's downtown area during the day	Quality of Police Services	Quality of Crime Prevention
FY 2012	-	92%	68%	64%	42%
FY 2013	64%	93%	71%	53%	37%
FY 2014	66%	88%	66%	52%	42%
FY 2015	63%	85%	65%	56%	35%
FY 2016	61%	93%	67%	51%	34%
Change from last year	-2%	8%	2%	-5%	-1%
Change over last 5 years	-	1%	-1%	-13%	-8%

Source: The 2016 National Citizen Survey (Honolulu).¹This was not a survey question in FY 2012.

Awards

In July 2015, the Honolulu Police Department was reaccredited by the Commission on Accreditation for Law Enforcement Agencies (CALEA) and achieved a Gold Standard Assessment (GSA). The requirements for the GSA include review and analysis of the operations of the organization and of policies and procedures to ensure that the HPD is doing what it says it is doing.

For the 2015 Hawaiian Island Working Dog Skills competition held during FY 2016, HPD received 1st place for Obedience, Hardest Hitting, Non-tactical Detection, and Stress Shoot.

Coffee with a Cop

Coffee with a Cop is a national initiative supported by the U.S. Department of Justice. In April 2016, the HPD initiated the first *Coffee with a Cop* to facilitate positive relationships between community members and police officers over a cup of coffee. HPD holds these events at restaurants, coffee shops, or other local establishments. Citizens are encouraged to bring up their concerns and converse with officers in an open and informal setting. Ten events were held in FY 2016, and the initiative will continue in FY 2017.



Source: Honolulu Police Department



Source: Honolulu Police Department website

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Chapter 21 - Department of the Prosecuting Attorney

To accomplish the charter’s mandate to serve and advance the general welfare and safety of city and county residents, the Department of the Prosecuting Attorney’s (PAT) objective is to investigate and prosecute violations of all statutes, ordinances, and regulations for which there are criminal sanctions occurring within the City and County of Honolulu. The department also represents the people and the State of Hawai‘i in criminal proceedings in District Court, Circuit Court, and Family Court, as well as in appeals heard by the Hawai‘i Intermediate Court of Appeals and Hawai‘i Supreme Court.

PAT consists of eleven divisions:

<p>Appellate</p> <ul style="list-style-type: none"> •Represents the State of Hawai‘i in all matters filed in state appellate courts and provides research and reference assistance. 	<p>Career Criminal</p> <ul style="list-style-type: none"> •Prosecutes cases involving defendants who commit crimes while on probation or parole. 	<p>Domestic Violence</p> <ul style="list-style-type: none"> •Prosecutes cases of domestic abuse and protective order violations. 	<p>Elder Abuse Unit</p> <ul style="list-style-type: none"> •Charges and prosecutes cases in which victims are senior citizens. • Provides outreach to help the elderly avoid financial scams.
<p>Investigative Services</p> <ul style="list-style-type: none"> •Provides security for department employees, serves warrants and subpoenas, and conducts criminal investigations. 	<p>Juvenile</p> <ul style="list-style-type: none"> •Prosecutes cases involving offenders under the age of 18 that are adjudicated in Family Court. 	<p>Misdemeanor and Traffic</p> <ul style="list-style-type: none"> •Prosecutes misdemeanor cases and motor vehicle and traffic violations, such as distracted driving. 	
<p>Screening and Intake</p> <ul style="list-style-type: none"> •Confers with police on criminal reports and determines proper charges to file. 	<p>Sex Assault Unit</p> <ul style="list-style-type: none"> •Prosecutes felony sex assault and promotion of prostitution cases. 	<p>Trials</p> <ul style="list-style-type: none"> •Prosecutes cases within the First Circuit Court’s jurisdiction, such as murder, robbery, assault, and identity theft cases. 	<p>Victim/Witness Kokua Services</p> <ul style="list-style-type: none"> •Assists and supports crime victims whose cases are being prosecuted by the department.

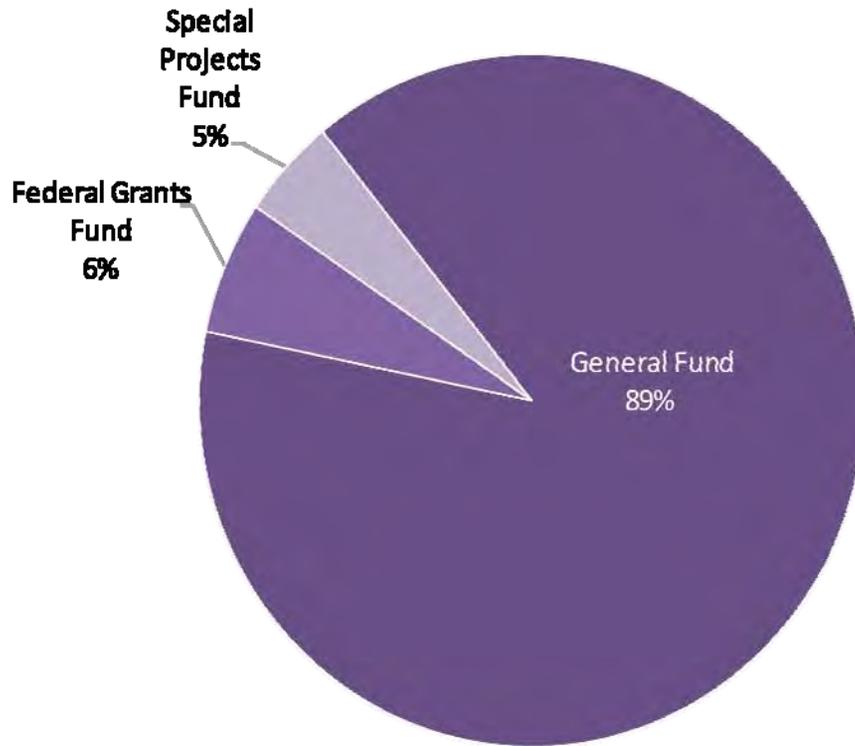


To promote and ensure public safety and order through effective, efficient, and just prosecution.

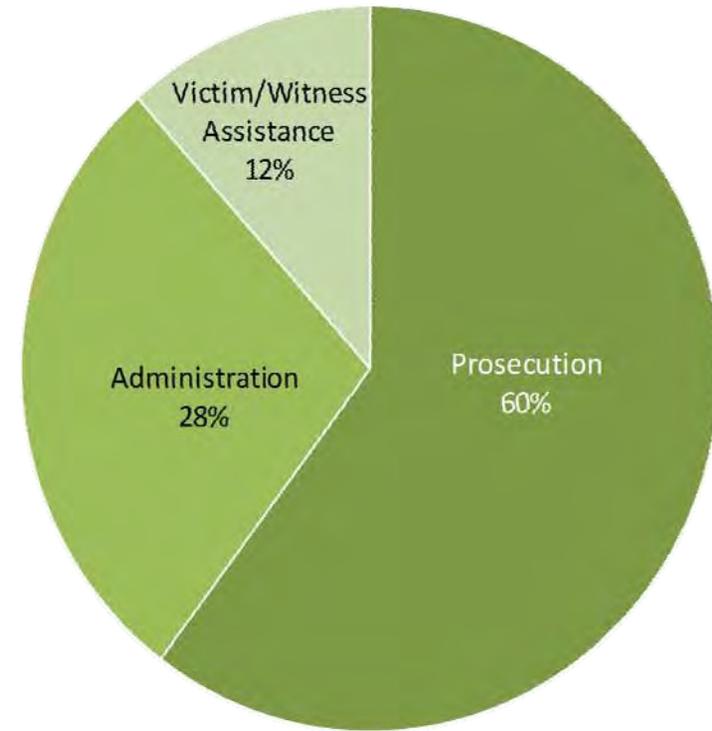
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Revenue (\$ millions)	Total Operating Expenditures (\$ millions)	Staffing		Cost Per FTE ¹	Overtime Expenditures ²	
			Total Authorized FTE	Total Vacant FTE		Total	Non-Holiday
FY 2012	\$1.62	\$17.00	287.5	57.5	\$59,136	\$11,053	\$11,053
FY 2013	\$3.75	\$20.02	288.0	49.0	\$69,522	\$17,074	\$16,776
FY 2014	\$2.56	\$19.91	289.0	46.0	\$68,901	\$14,476	\$14,061
FY 2015	\$2.30	\$20.40	289.0	54.0	\$70,601	\$12,700	\$12,022
FY 2016	\$2.37	\$21.60	289.0	56.0	\$74,736	\$25,501	\$25,392
Change from last year	3%	6%	0%	4%	6%	101%	111%
Change over last 5 years	46%	27%	1%	-3%	26%	131%	130%

Source: Department of Budget and Fiscal Services. ¹Cost per FTE = Operating Expenditures/Total Authorized FTE. ²Overtime pay is established by bargaining unit agreement, as applicable.

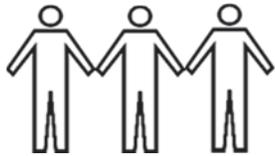
Spending and Staffing



Operating Expenditures

\$21.6 M ▲ 6%

The department attributed this increase to new initiatives and programs started from grant funds, which included hiring additional staff to support initiatives concerning career criminals, sex assault cases and security upgrades.



Vacant FTE

56 FTE ▲ 4%

The department attributed this increase to grant funded positions expiring.



Overtime

\$25.5 K ▲ 101%

The department attributed this increase to staffing shortages in the Misdemeanor/Traffic Division, which has a high volume of cases, and to an increase in caseloads, which required overtime to process cases in a timely manner.

Total Cases



In FY 2016, there were 28,439 total cases accepted, which was a 74% increase from 16,348 cases in FY 2015 and a 281% increase from 7,465 in FY 2012. According to the department, prior to installing a new case management system in 2014, only felony cases were entered. PAT's new system is able to manage all case types, and staff is required to input all cases into the new system.



Top Photo: Prosecutors from Thailand met with Prosecuting Attorney. Bottom Photo: Prosecutors from around the state received training in trial strategies and techniques. Photos Courtesy of the Department of the Prosecuting Attorney

	Total Cases ¹			Jury Trials ¹			White Collar Crime	Copper/Metal Theft	
	Accepted	Resolved	Resolution Rate ²	Total Convictions	Total Non-Convictions ³	Elder Abuse Cases	Total Cases	Total Cases	Total Convictions
FY 2012	7,465	1,968	26%	57	109	179	16	7	7
FY 2013	5,914	1,897	32%	49	317	172	18	9	9
FY 2014	14,709	10,790	73%	43	93	132	34	7	6
FY 2015	16,348	12,394	76%	23	64	199	16	4	3
FY 2016	28,439	14,665	52%	28	37	152	20	1	1
Change from last year	74%	18%	-24%	22%	-42%	-24%	25%	-75%	-67%
Change over last 5 years	281%	645%	26%	-51%	-66%	-15%	25%	-86%	-86%

Source: Department of the Prosecuting Attorney. ¹Jury trials totals and FY 2012/FY 2013 total cases include felony cases only, no misdemeanors and traffic cases. ²Case Resolution Rate = Cases Resolved/Total Cases Accepted. ³Total jury trial non-convictions include dismissed cases, acquittals, and trials where the defendant was found not guilty.

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Chapter 22 - Honolulu Authority for Rapid Transportation

The Revised Charter of the City and County of Honolulu authorizes the Honolulu Authority for Rapid Transportation (HART) to develop, operate, maintain, and expand the city’s fixed guideway system. HART is a semi-autonomous government unit of the city. HART is governed by a ten-member Board of Directors that directs the organization’s policy. The administration of the authority is overseen by its Executive Director and CEO.

The Honolulu Rail Transit Project (H RTP) is a 20 mile rail transit system on O’ahu extending from East Kapolei to Ala Moana Center via the Honolulu International Airport and the downtown business district. The project includes 21 transit stations and is expected to be fully integrated with fixed bus route services (TheBus). Full revenue service is projected to begin in 2025.

<p>Administrative Services</p> <ul style="list-style-type: none"> •Oversees services including human resources, information technology, and asset management. 	<p>Planning, Permitting, & Right-of-Way</p> <ul style="list-style-type: none"> •Negotiates with private utility owners. •Obtains required permits. •Carries out land acquisition activities for H RTP. 	<p>Engineering, Design, & Construction</p> <ul style="list-style-type: none"> •Responsible for planning, designing, and building the rail. •Collaborates with other departments on the development of a fare collection system. 	<p>Budget and Finance</p> <ul style="list-style-type: none"> •Manages H ART’s financial resources by providing support for functions including general accounting, grants and federal fund management, and risk management.
<p>Operations and Maintenance</p> <ul style="list-style-type: none"> •Reviews and makes recommendations to improve the operations, maintenance, customer service, and cost-effectiveness. 	<p>System Safety and Security</p> <ul style="list-style-type: none"> •Establishes and implements policies and procedures for system-wide safety and security according to applicable laws and guidelines. 	<p>Quality Assurance</p> <ul style="list-style-type: none"> •Implements the quality assurance system. •Conducts audits and trainings to ensure proficiency. 	<p>Public Information</p> <ul style="list-style-type: none"> •Provides comprehensive strategic and educational communication services and support. •Informs the public of construction-related traffic impacts.
<p>Civil Rights</p> <ul style="list-style-type: none"> •Administers various civil rights and related programs to ensure compliance with applicable laws. 	<p>Government Relations</p> <ul style="list-style-type: none"> •Identifies legislation that may affect the rail. •Acts as a liaison to government entities. 	<p>Project Controls</p> <ul style="list-style-type: none"> •Uses the Contract Management System to manage contracts, provide project control, manage correspondence, handle scheduling, and produce reports. 	

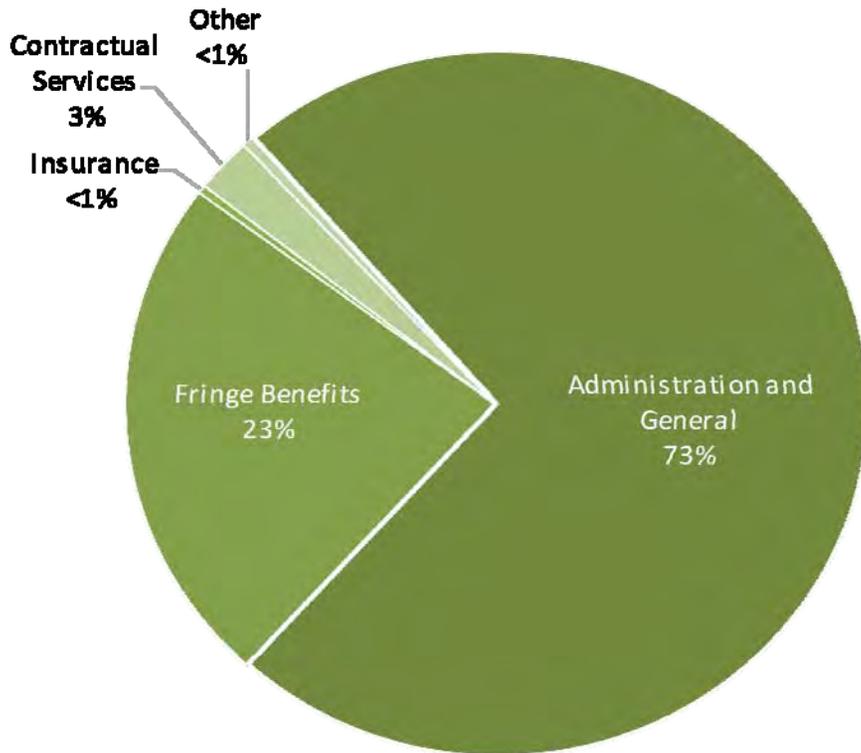


HART’s Mission is to plan, design, construct, operate and maintain Honolulu’s high capacity, fixed guideway rapid transit system.

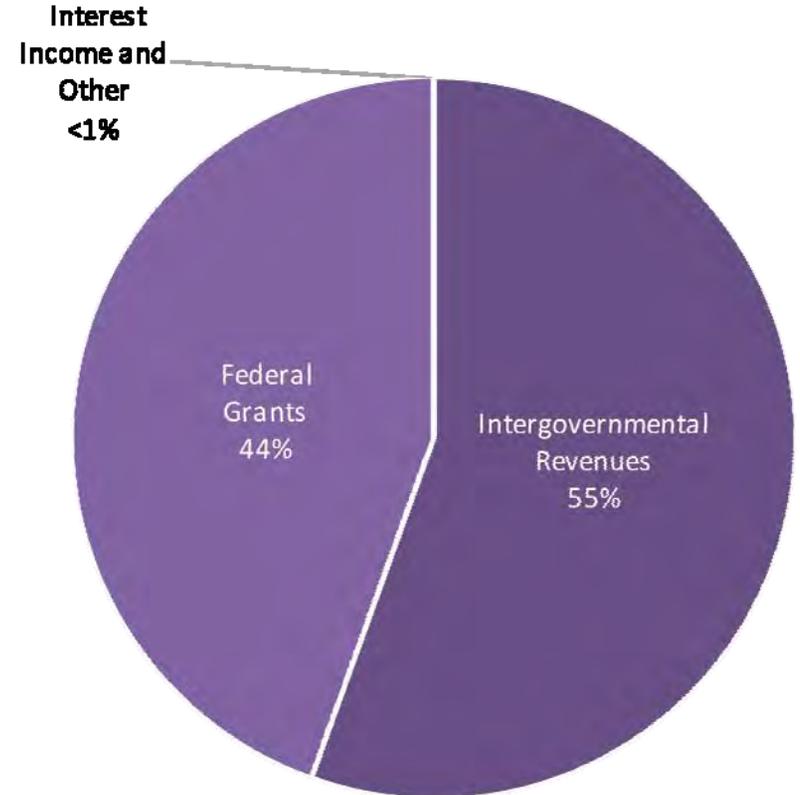
Mission Statement

Spending and Staffing

Fund Sources¹



Fund Uses¹



	Operating Expenditures (\$ millions)	Staffing		Cost Per FTE ²	Total Overtime Expenditures
		Total Authorized FTE	Total Vacant FTE		
FY 2012	\$15.90	136	49	\$116,944	\$40,617
FY 2013	\$15.42	139	21	\$110,966	\$53,978
FY 2014	\$19.42	139	13	\$139,689	\$118,204
FY 2015	\$17.73	139	33	\$127,560	\$149,855
FY 2016	\$18.58	139	24	\$133,651	\$160,765
Change from last year	5%	0%	-27%	5%	7%
Change over last 5 years	17%	2%	-51%	14%	296%

Source: Honolulu Authority for Rapid Transportation. ¹Percentages do not total 100% due to rounding. ²Cost Per FTE = Total Operating Expenditures/Total Authorized FTE.

Spending and Staffing



\$18.58 M ▲ 5%

Operating expenditures increased due to a net increase in administration and general expenses.

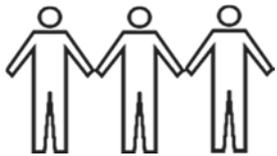
Operating Expenditures



\$233.32 M ▲ 4%

Intergovernmental revenues increased due to the continuing strength of Honolulu's economy and an increase in GET collections.

Intergovernmental Revenues



24 FTE ▼ 27%

HART attributes the decrease to an increase in hiring based on the project phase. This will have a tendency to fluctuate.

Vacant FTE



\$161 K ▲ 7%

HART attributes the increase to an increase in the amount of work associated with the project's construction given its existing staff.

Overtime Expenditures

Five Year Trends



- The department's operating expenditures increased 17% from \$15.90 million to \$18.58 million over the last five years. This is attributed to an increase in administration, general expenses, operating costs and fringe benefit costs charged to HART.



- Total overtime expenditures increased 296% between FY 2012 and FY 2016 from \$40,617 to \$160,765. This is attributed to an increase in the amount of work associated with the project's construction given its existing staff.

National Citizen Survey



- Of the residents surveyed reported **77%** felt that HART construction detours and lane closures were either a moderate or major problem.

ACCOMPLISHMENTS

- HART and the city began working together on a Recovery Plan to deliver to the Federal Transit Administration that addresses the budget shortfall and delays in the project construction schedule.
- Except for 2 major rail construction contracts, all the Honolulu rail project contracts had been awarded by the end of FY 2016.
- At the end of the fiscal year, more than 8.5 miles of the project had been completed.
- Completed construction of the Rail Operations Center.
- Received the first four-car train in March 2016.

Assets and Revenues

FY 2016 was HART's fifth year in existence. HART's primary non-operating revenue sources are the 0.5% county surcharge on the State of Hawaii's General Excise Tax (GET) and grant assistance from the U.S. Department of Transportation's Federal Transit Administration (FTA).

Capital assets increased 32% from FY 2015 and 312% since FY 2012. HART explained that the majority of this increase is attributed to the addition of \$22.4 million in land acquisitions and \$528.7 million addition to construction-in-progress in FY 2016.

In FY 2016, HART recognized \$233,323,231 from the GET county surcharge. This amount was 4% higher than revenues generated in FY 2015 and 63% less than the agency realized in FY 2012. This decrease in intergovernmental revenues was due to a start-up transfer of assets from the city to HART upon its formation in July 2011. City Council approved the extension of the GET surcharge through 2027 in FY 2016.

In FY 2016, HART received \$186,998,546 from the FTA in grant assistance. This amount was 18% more than it received in FY 2015 and 338% more than FY 2012. HART noted that construction expenditures and other eligible costs have been continually and increasingly submitted for grant reimbursement.

Interest and other income increased by 24% from \$487,724 to \$603,214 between FY 2012 and FY 2016. HART noted the increase was from HART's

cash that is invested by BFS Treasury and was due to interest rates on investments increasing.

In FY 2016, total non-operating revenues and expenses increased by 10% and had decreased 38% since FY 2012. The increase from last year is due to increases in the county surcharge of 4.3% and federal grant revenues of 18%. The decrease in total non-operating revenues over the last 5 years is attributed to the decline in intergovernmental revenues over the same period.

To boost transparency, HART provides live cable broadcasts of its meetings on 'Ōlelo Public Media. Meetings are televised live on 'Ōlelo Channel 49 and can be viewed at www.olelo.org/olelo49.



	Non-Operating Revenues				
	Capital Assets (\$ million)	Intergovernmental Revenues (\$ million)	Federal Grants (\$ million)	Interest Income and Other	Total Non-Operating Revenues (\$ million) ¹
FY 2012	\$548.63	\$631.76	\$42.66	\$487,724	\$674.91
FY 2013	\$857.96	\$173.82	\$164.05	\$359,875	\$338.24
FY 2014	\$1184.64	\$218.39	\$107.12	\$1,074,954	\$326.58
FY 2015	\$1708.62	\$223.67	\$158.03	\$573,117	\$382.27
FY 2016	\$2259.68	\$233.32	\$187.00	\$603,214	\$419.94
Change from last year	32%	4%	18%	5%	10%
Change over last 5 years	312%	-63%	338%	24%	-38%

Source: Honolulu Authority for Rapid Transportation. ¹Operating revenues of HART will be realized when rail system operations commence.

Highlights

In FY 2016, HART has put more than 400 columns and 340 spans into place along the Western segment. It also awarded the Construction Engineering & Inspections contracts; the Fare Collection System contract, and the Independent Financial Auditor contract. Preliminary procurement actions were taken on the Airport Stations and Guideway, and City Center Stations and Guideway contracts.

Construction and Traffic Delays

HART took measures to inform the public about construction and traffic impacts through the following programs in FY 2016:

- Open for Business Initiative - HART collaborates with businesses on work schedules and provides notices and detour maps for customers
- Business Alliance Program - provides updates on business outreach programs, conducts free workshops and business development programs, conducts meetings with businesses and solicits feedback to refine and enhance mitigation programs
- Monthly Business and Community Meetings - regular business and community meetings to provide project updates and traffic information
- Business Briefings - tailored briefings for business groups along the route to answer questions specific to the business' or group's concerns
- Shop & Dine on the Line - partnership of about 100 businesses designed to encourage patronage during construction via discounts and incentives
- Shop, Dine, & Shuttle - free trolley service to customers and area residents to encourage patronage of businesses along the alignment

FTA Recovery Plan

In June 2016, the FTA issued a letter to the mayor requiring the city and county of Honolulu and HART to submit a Recovery Plan that *demonstrates HART is taking every reasonable measure to mitigate the cost overruns and minimize delay in the opening of the Project to revenue operations.*



Source: Honolulu Authority for Rapid Transportation.

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Chapter 23 - Royal Hawaiian Band

The Royal Hawaiian Band (RHB) performs at community and educational concerts, official ceremonies, cultural events, special programs, and parades. This historic organization, founded by King Kamehameha III in 1836, is the only full-time municipal band in the United States and is the only band in the country established by a royal kingdom.

To accomplish the charter's mandate to serve and advance the general happiness and aspirations of City and County residents, the band's administration has established four goals and objectives:

- Maintain a high level of musical performance excellence and efficiently manage the resources of the band.
- Provide musical services to various segments of the community through a variety of programs and performances.
- Promote the City and County of Honolulu through the production of recordings, concerts, parades, and tours that feature the music of Hawai'i.
- Promote and perpetuate the history and culture of Hawai'i through the performance of traditional and contemporary Hawaiian music and dance.



Photo courtesy of the Royal Hawaiian Band

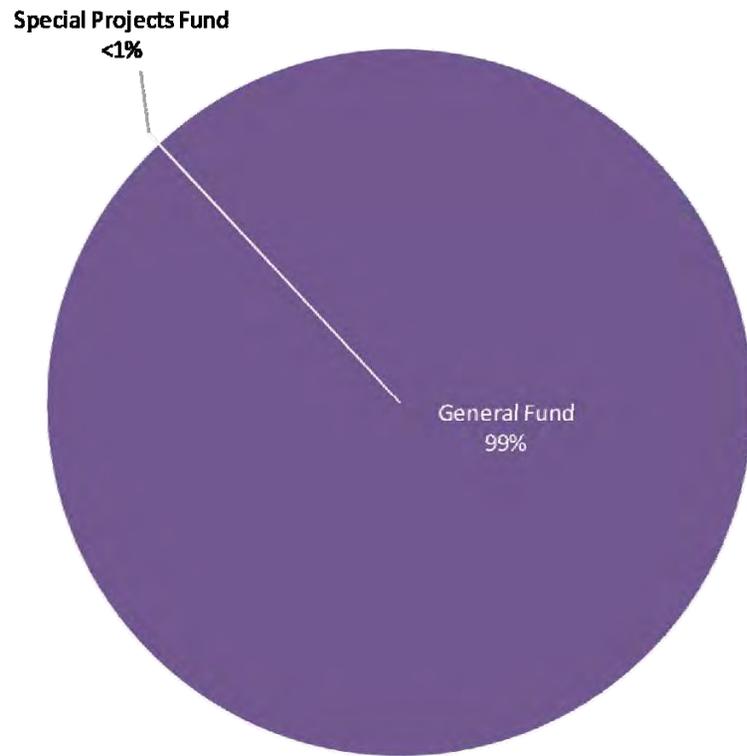


To serve as the official band representing the mayor and the City and County of Honolulu at private functions and public events to create goodwill and promote Honolulu and the State of Hawai'i through its music.

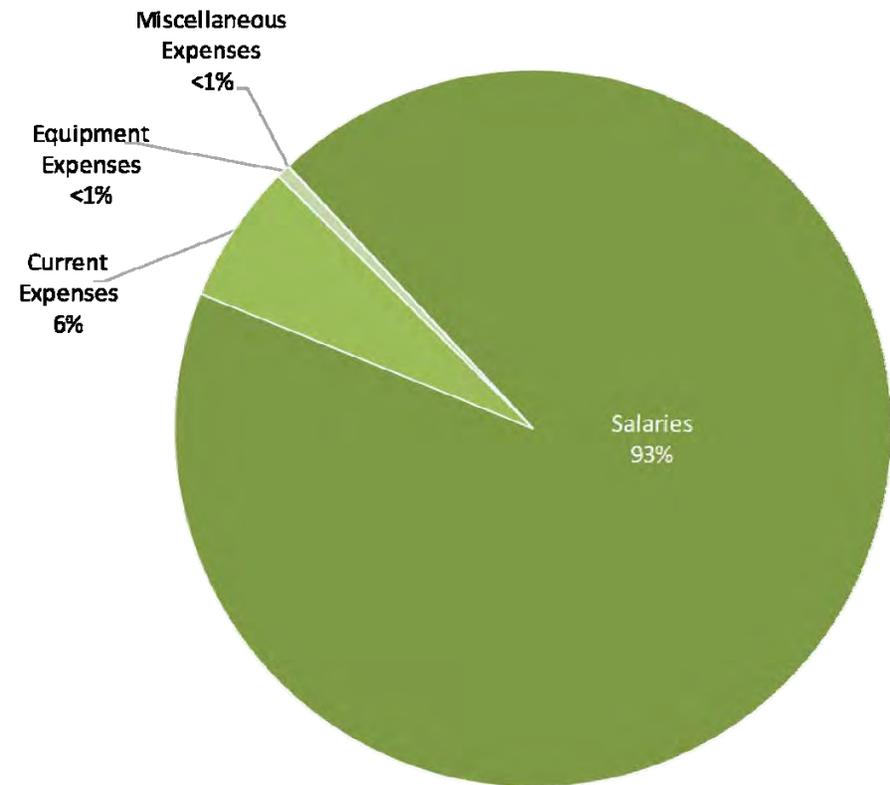
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Operating Expenditures	Revenues ¹	Authorized Staffing			Total Overtime Expenditures ³	Total Number of Performances	Citizen Survey (% Excellent or Good)
			Total Authorized FTE	Vacant Authorized FTE	Cost Per FTE ²			Opportunities to Attend Cultural/Arts/Music Activities
FY 2012	\$1,794,592	\$2,676	40	10	\$44,865	\$42,957	354	69%
FY 2013	\$1,772,406	\$10,875	40	7	\$44,310	\$29,140	332	51%
FY 2014	\$1,967,457	\$0	40	4	\$49,186	\$30,888	357	62%
FY 2015	\$2,045,185	\$1,800	41	4	\$49,883	\$34,401	373	46%
FY 2016	\$2,159,429	\$3,900	40	5	\$53,986	\$37,790	367	50%
Change from last year	6%	117%	-2%	25%	8%	10%	-2%	4%
Change over last 5 years	20%	46%	0%	-50%	20%	-12%	4%	-19%

Source: Department of Budget and Fiscal Services, Royal Hawaiian Band, and 2012-2016 National Citizen Survey (Honolulu). ¹Revenue for FY 2016 includes \$2,700 reimbursed to RHB for miscellaneous costs related to a private performance. ²Cost per FTE = Operating Expenditures/Total Authorized FTE. ³Overtime pay is established by bargaining unit agreement, as applicable, and total overtime consists of non-holiday overtime only.

Spending and Staffing



Operating Expenditures

\$2.16 M ▲ 6%

RHB attributes the increase to salary increases in the collective bargaining agreement.



Overtime

\$38 K ▲ 10%

RHB attributes the increase to having to use its own sound system and technicians at performances more frequently.

National Citizen Survey



50% of respondents rated their opportunities to attend cultural/arts/music activities as excellent or good in FY 2016, a 4% increase from FY 2015. This rating is similar to benchmark comparisons.

Five Year Trends



- The department's operating expenditures increased 20% from \$1.79 million to \$2.16 million over the last five years.



- In keeping with its goal to maintain a vacancy rate of 20% or below, RHB's vacant FTE was 5 in FY 2016—a 50% decrease from 10 in FY 2012.



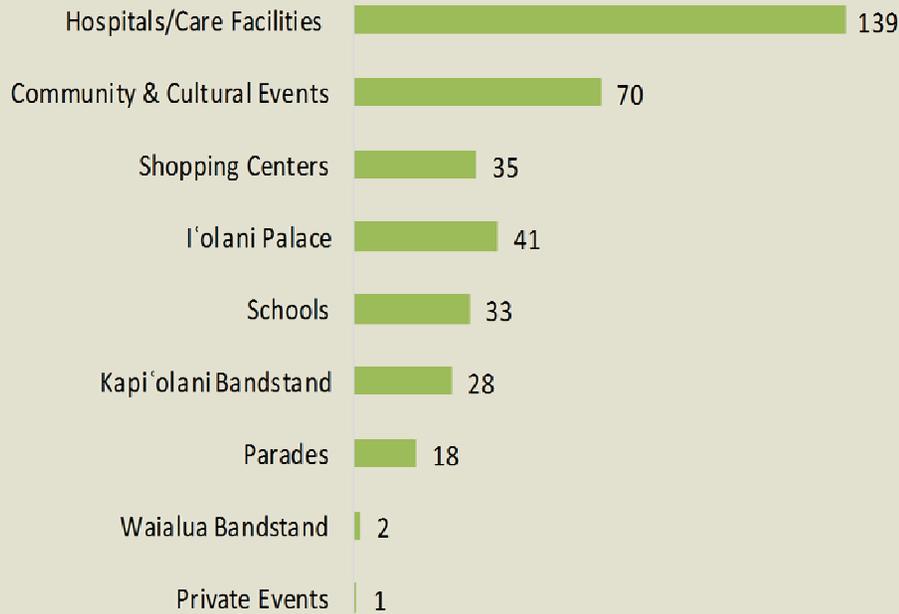
Photo courtesy of the Royal Hawaiian Band.

ACCOMPLISHMENTS

- * The Royal Hawaiian Band received the 2015 Order of Kalani Ali'i Award from 'Aha Hipu'u in recognition of the numerous contributions it has made towards the advancement of the Hawaiian people.

Performances

Where Did the Royal Hawaiian Band Perform in FY 2016?¹



Source: Royal Hawaiian Band. ¹Other than regularly scheduled performances at I'olani Palace and Kapi'olani Bandstand, all performances require the mayor's approval. Anyone may request the services of the band through the mayor's office. Once approved, the band coordinates the schedule and logistics with the event's sponsor.

Performances

Total performances dropped slightly from 373 in FY 2015 to 367 in FY 2016. The largest contributing factor in this decrease was the reduced number of shopping center performances. Over the last five years, RHB has seen a decrease in shopping center and bandstand performances due to renovations at these performance venues. The band is coordinating with other potential venues to serve more people.



Photo courtesy of the Royal Hawaiian Band.

The Royal Hawaiian Band also presented its holiday showcase *A Holiday Concert with the Royal Hawaiian Band*. The event, which was held at the Hawai'i Theatre, featured many local artists including Jerry Santos, Frank DeLima, Karen Keawehawai'i, the Kamehameha Schools Children's Chorus, and even storm troopers from the Pacific Outpost of the 501st Legion.

Glee Club

RHB continues to work toward making Honolulu an *age-friendly* city by expanding its duties to include performances in hospitals and care facilities. For Honolulu residents who are no longer able to attend live RHB performances, RHB created its Glee Club to service smaller venues, such as hospitals and nursing homes, where it would otherwise be impossible for the full band to perform. RHB's Glee Club is a small Hawaiian music ensemble of no more than six musicians. In addition to vocalists and the occasional hula dancer, the group utilizes ukulele, guitar, bass guitar, and steel guitar performers.

Chapter 24 - Department of Transportation Services

The Department of Transportation Services' (DTS) goal is to provide a safe and efficient transportation system for the City and County of Honolulu. It accomplishes this through effective management of resources to plan, design, implement, operate, and maintain city streets, highways, transit systems, and city transportation facilities. DTS also has jurisdiction over the efficient movement of vehicles, pedestrians, bicycles, and other modes of transportation through the city's transportation infrastructure.

The department's administration plans, directs and coordinates the operational activities of the divisions and serves as the liaison to the Transportation Commission. The department consists of the following four divisions:

Transportation Planning

- Coordinates the department's transportation planning concepts and initiatives.

Public Transit

- Responsible for the city's fixed-route bus transit system and the paratransit system.
- Oversees O'ahu Transit Services, which manages the public transit system for the city.

Traffic Engineering

- Conducts studies and analysis to promote the safe, efficient, and effective operation of the city's streets, roadways and related facilities.

Traffic Signals and Technology Designs

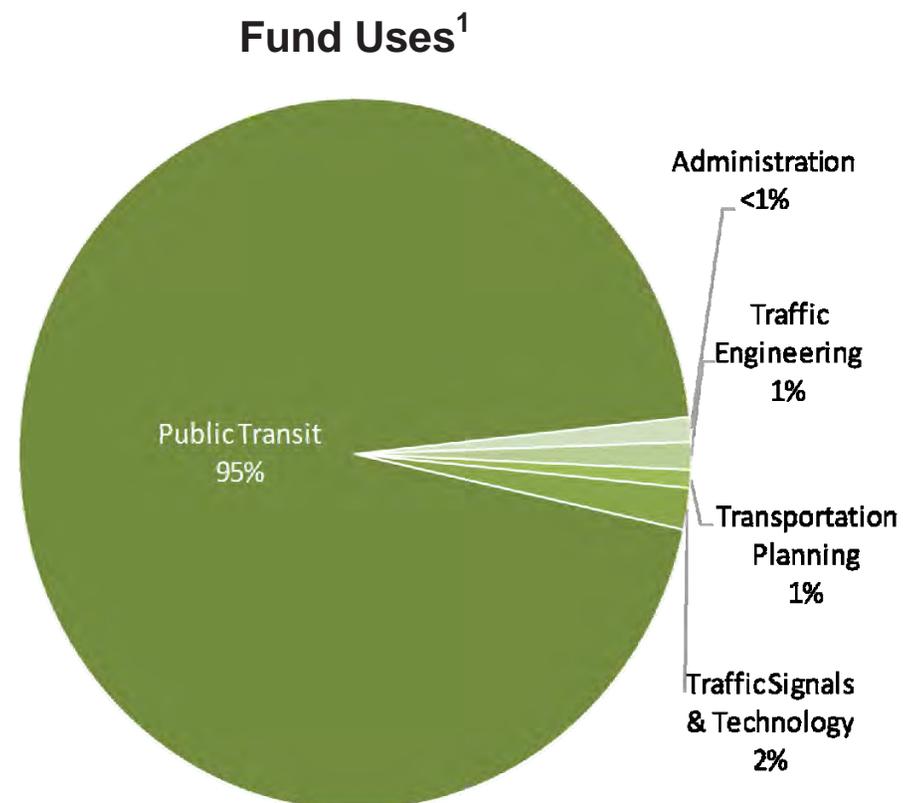
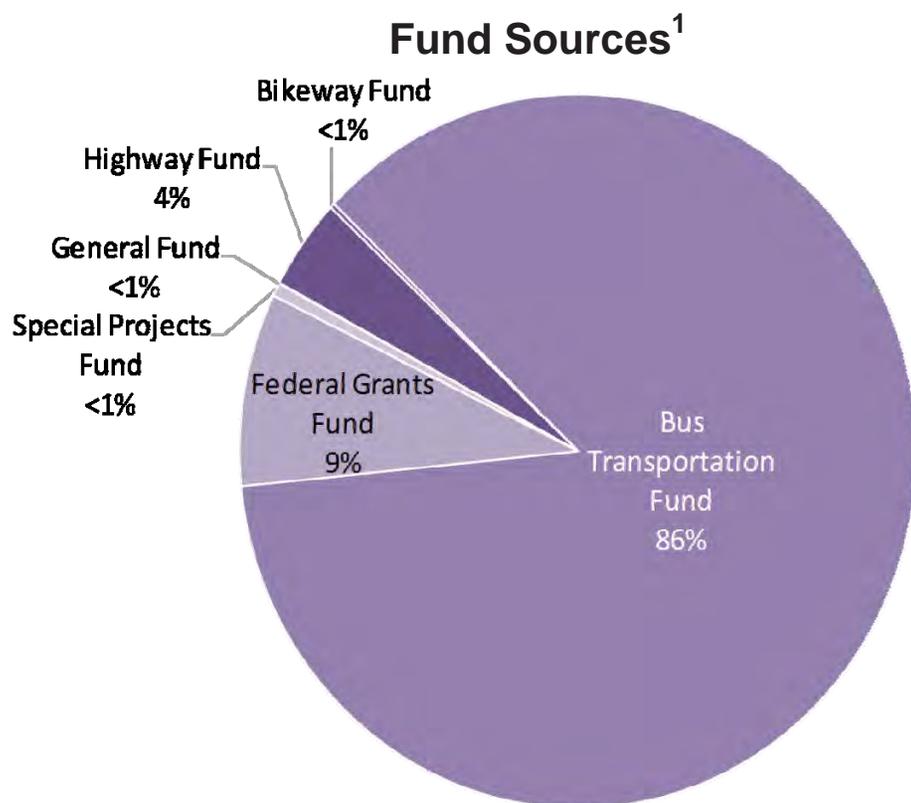
- Maintains over 800 state and city traffic signals on O'ahu.
- Operates the Traffic Management Center.



The Department of Transportation Services plans, designs, engineers and implements a safe and efficient multi-modal transportation system for the City and County of Honolulu.

Mission Statement

Spending and Staffing



	Operating Expenditures (\$ million)	Revenues (\$ million)	Staffing		Cost Per FTE ² (\$ million)	Total Overtime Expenditures ³
			Total Authorized FTE	Total Vacant FTE		
FY 2012	\$223.91	\$79.35	115	38	\$1.95	\$243,840
FY 2013	\$230.90	\$87.99	115	40	\$2.01	\$334,148
FY 2014	\$235.16	\$91.63	115	31	\$2.04	\$290,151
FY 2015	\$240.76	\$87.27	105	16	\$2.29	\$268,254
FY 2016	\$250.73	\$80.15	107	14	\$2.34	\$287,677
Change from last year ⁴	4%	-8%	2%	-13%	2%	7%
Change over last 5 years	12%	1%	-7%	-63%	20%	18%

Source: Department of Budget and Fiscal Services. ¹Percentages do not total 100% due to rounding. ²Cost Per FTE = Operating Expenditures (DTS+Oahu Transit Services/Total Authorized FTE (DTS only)). ³DTS total overtime expenditures is comprised of non-holiday overtime only and overtime pay is established by bargaining unit agreement, as applicable. ⁴Percentages are based on whole dollar amounts.

Spending and Staffing



Operating Expenditures

\$250.73 M ▲ 4%

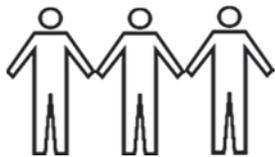
The department attributes the increase to the Moderating O’ahu Traffic Conditions contract, collective bargaining increases for employees and OTS public settlement claims.



Revenues

\$80.15 M ▼ 8%

The department attributes the decrease to less federal grants and a decrease in revenues from bus fares.



Vacant FTE

14 FTE ▼ 13%

The department attributes the 2 less FTE than in FY 2015 vacancy number as a more accurate reflection of the staffing needs and the recruitment of qualified applicants to fill FTE positions.



Overtime

\$287 K ▲ 7%

The department attributes the increase to the public safety related overtime needed for the International Union for Conservation of Nature World Conservation Congress held in Honolulu September 1-10, 2016.

Five Year Trends



- The department’s operating expenditures increased 12% from \$223.91 million to \$250.73 million over the last five years.



- Total Overtime Expenditures increased 18% between FY 2012 and FY 2016 from \$243K to \$287K.

National Citizen Survey



- **40%** of Honolulu residents reported using the TheBus, TheHandi-Van or other public transportation instead of driving. This rating was higher than the national benchmark comparison.

ACCOMPLISHMENTS

- Engaged in ongoing planning and coordination with rail construction contractors, including short-term service adjustments and modifications to respond to traffic congestion, and advance planning for future service challenges. For example, completed a survey of bus riders along the Dillingham Boulevard corridor to assess riders’ needs and plan for transit services along routes affected during rail construction.
- Engaged in ongoing planning and coordination to facilitate bus-rail intermodal operations including planning for circulator bus service between Ala Moana Center and Waikiki, and installation of a multi-modal electronic fare collection system to serve bus and rail transit riders.

Source: Department and Agency Report

Administration and Transportation Planning

Administration plans, directs and coordinates the department's activities in accordance with the city charter and direction from the mayor and managing director. It provides personnel management, budget preparation, and fiscal management. Over the last five years, administration's expenditures increased 507% from FY 2012 (\$463,964) to FY 2016 (\$2.82 million).

The department's goals are to provide greater and improved safety for all modes of transportation and increased quality of life for residents, and incorporating *Complete Streets* principles that balance multiple modes of travel. The multiple travel modes include TheBus, TheHandiVan, motor vehicles, bicycles, pedestrians and rail (under construction) which are incorporated into the planning, design, and construction of city transportation facilities and projects such as the city's Transit-Oriented Development (TOD) plans and projects.

Transportation Planning

Transportation Planning (TPD) provides citywide transportation planning and project programming for capital improvement and project budgets. It also performs environmental, traffic impact, and future travel demand studies. It applies for and administers highway and transit programs and projects that are funded by the Federal Highway Administration and Federal Transit Administration.

In FY 2016, the division coordinated the planning, design and funding of multimodal and connectivity projects within TOD areas and near rail stations; and programmed several capital improvement projects which included intersection and roadway improvements, traffic signals, bus acquisition, bus stop improvements, bicycle projects, and the Joint Traffic Management Center.



Intersection improvement at Oahu Avenue / Kamehameha Ave in Manoa
Source: Department of Transportation Services

	Operating Expenditures		Complaints Referred to DTS Administration		Transportation Planning		
	Administration	Transportation Planning (\$ million)	Mayor's/MD's DART ¹ and RISRs ²	Customer Service Department Referrals	Federal Grants Programmed (\$ million)	Active Grants Managed	Transportation Improvement Program Projects
FY 2012	\$463,964	\$1.15	601	960	\$83.00	27	27
FY 2013	\$560,111	\$1.13	819	1142	\$60.00	30	20
FY 2014	\$576,376	\$1.20	881	924	\$79.00	19	21
FY 2015	\$558,922	\$1.53	1050	1,104	\$71.00	21	18
FY 2016	\$2,815,949	\$2.05	711	1,053	\$101.94	14	26
Change from last year	404%	34%	-32%	-5%	44%	-33%	44%
Change over last 5 years	507%	79%	18%	10%	23%	-48%	-4%

Source: Department of Transportation Services, Department of Budget and Fiscal Services. ¹DART- Mayor's Document and Record Tracking System. ²RISR- Managing Director's Request for Investigation and Service Report.

Public Transit

The Public Transit Division (PTD) plans and directs the city’s public transit system, including both TheBus and TheHandi-Van. PTD oversees the city’s contract with O`ahu Transit Services, Inc. (OTS), which is responsible for managing and operating both TheBus and TheHandi-Van.

In FY 2016, bus fare revenues were \$53.22 million which is a 3% decrease from \$54.77 million in FY 2012.

The division Implemented various TheBus service improvements, including conversion of the former community access service Routes 501 & 504 to fixed route service due to the high volume of ridership; expanded Route 40 service to University of Hawai’i West O`ahu Campus to support Tokai University dormitory students; and implemented supplemental Route 70 Lanikai shuttle service. The latter coincided with strict parking prohibition and enforcement on three-day weekends. The division also and initiated a new, earlier morning trip for Route 93, Waianae Coast Express to Downtown, to address overcrowding issues.

In FY 2016, the division installed a secure bicycle parking shelter at the Middle Street Transit Center for TheBus riders who use bicycles as part of their commute. The parking shelter, located near the Transit Center’s boarding platform, provides secure and weather-protected storage for 16 bicycles.



Bicycle Parking Shelter at the Middle Street Transit Center
Source: Department of Transportation Services

	Public Transit				Bus Subsidy (\$ million)			Citizen Survey (% Excellent or Good)	
	Operating Expenditures	Bus Fare	Bus Operating Cost	Fare Box Recovery % ¹	General Fund	Highway Fund	Total Subsidy	Bus or transit services	Ease of Travel by Public Transportation
	(\$ million)	(\$ million)	(\$ million)						
FY 2012	\$216.98	\$54.77	\$178.04	31%	\$63.80	\$63.30	\$127.10	58%	-
FY 2013	\$223.71	\$55.04	\$182.88	30%	\$68.60	\$76.60	\$145.20	62%	42%
FY 2014	\$227.43	\$54.98	\$183.77	30%	\$99.42	\$50.79	\$150.21	61%	38%
FY 2015	\$231.65	\$55.06	\$187.43	29%	\$109.59	\$39.13	\$148.72	61%	33%
FY 2016	\$238.00	\$53.22	\$186.67	29%	\$127.92	\$33.69	\$161.60	63%	32%
Change from last year	3%	-3%	<-1%	-	17%	-14%	9%	2%	-1%
Change over last 5 years	10%	-3%	5%	-2%	100%	-47%	27%	5%	-

Source: Department of Transportation Services, Department of Budget and Fiscal Services. ¹Farebox recovery set by Resolution 00-29, CD1 at 27-33% of bus fare revenues to operating costs.

Public Transit – TheBus and TheHandi-Van

TheBus (Fixed Route)

During FY 2016, division purchased and placed into service a total of 61 new transit buses, including 19 60-foot articulated diesel buses; 8 40-foot series hybrid buses; and 34 40-foot diesel buses.

The number of passengers boarding increased 6% from 843,402 in FY 2015 to 890,453 in FY 2016. Over the last five years, the total TheBus boardings at UH Manoa decreased 12% from 2.58 million in FY 2012 to 2.26 million in FY 2016.

TheHandi-Van (Demand Response)

TheHandi-Van provides transportation service for persons with disabilities who are functionally unable to independently use TheBus. Over the last five years, total TheHandiVan boardings at UH Manoa increased 132% from 625 in FY 2012 to 1,451 in FY 2016.

Human Services Transportation Coordination Program

In FY 2016, DTS provided approximately 162,000 paratransit trips through three existing transportation services operated by Goodwill Industries of Hawaii, Inc. (Goodwill), The Arc in Hawaii, and the Special Education Center of Hawaii which provided additional capacity on TheHandi-Van and more direct trips to these agencies' clients.



Source: Department of Transportation Services

Goodwill provides transport for clients to/from Goodwill programs, and midday and late night trips between Kalaeloa transitional shelters and the Kapolei Transit Center, which provides a vital link to jobs and services for area residents.

	Fixed Route (TheBus)					Demand Response (TheHandi-Van)				
	Total Bus Hours (million)	Passenger Boardings (million)	Average Weekday Ridership	Total TheBus Boardings at UH Manoa ¹	Operating Expense per Passenger Boarding ²	Total Service Hours	Passenger Boardings	Total Handi-Van Boardings at UH-Manoa ¹	Average Weekday Ridership	Operating Expense per Passenger Boarding ²
FY 2012	1.50	76.30	229,515	2,579,421	\$2.34	415,727	845,903	625	2,842	\$39.22
FY 2013	1.44	69.20	222,241	2,593,994	\$2.64	424,993	841,447	901	2,807	\$43.71
FY 2014	1.45	66.29	208,430	2,582,482	\$2.77	432,965	882,084	1,087	2,912	\$41.55
FY 2015	1.50	71.09	222,873	2,377,866	\$2.64	437,533	843,402	1,435	2,781	\$47.70
FY 2016	1.54	68.27	214,059	2,259,189	\$2.73	499,771	890,453	1,451	2,895	\$49.92
Change from last year	2%	-4%	-4%	-5%	3%	14%	6%	1%	4%	5%
Change over last 5 years	3%	-11%	-7%	-12%	17%	20%	5%	132%	2%	27%

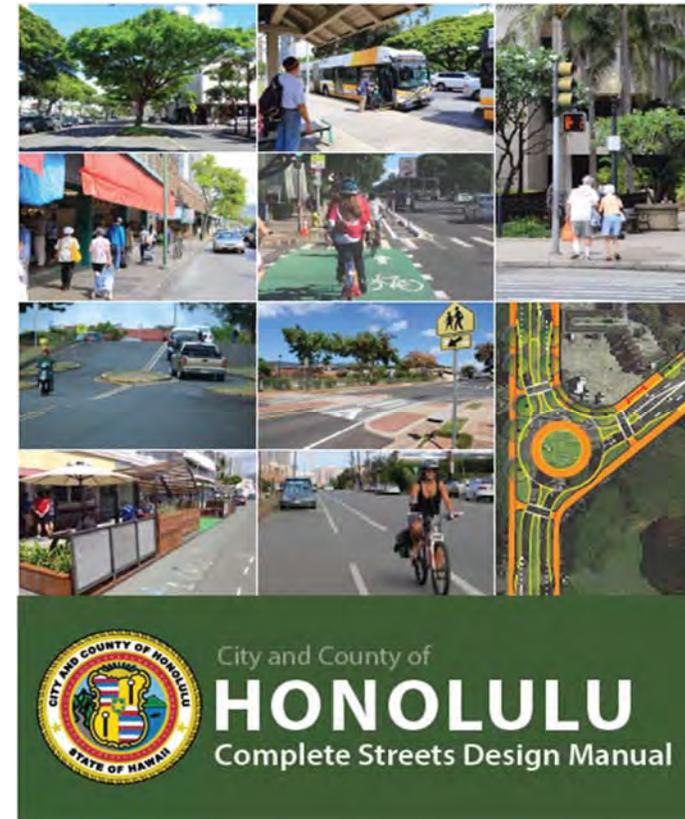
Source: Department of Transportation Services. ¹UH-Manoa boardings are for 26 bus stops in and adjacent to UH-Manoa and are based on weekly ridership data. ²American Public transportation Association: data for Unlinked Passenger Trips, also called boardings, is the number of times passengers board public transportation vehicles, FY 2012 to FY 2016.

Traffic Engineering

Traffic Engineering’s mission is to provide safe and efficient operations for all city roads and streets; vehicles, pedestrians and bicycles; and the movement of people and goods. The division administers and implements various capital improvements for traffic, safety, and bikeway programs. This includes new signage and striping, and updating the city’s traffic code and pedestrian safety programs. The division’s operating expenditures decreased 12% from \$3.6 million in FY 2015 to \$3.2 million in FY 2016.

In FY 2016, Traffic Engineering finalized the City and County of Honolulu’s *Complete Streets Design Manual*, a comprehensive guide to incorporate pedestrian, bike, transit and vehicular best practices on all city transportation projects, and completed construction of a complete streets demonstration project at the intersection of South King and Isenberg Streets. The project incorporated pedestrian improvements in conjunction with the King Street, protected bike lane.

In the 2016 National Citizen Survey, Honolulu residents were asked to rate the ease of walking in Honolulu and the ease of travel by bicycle in Honolulu. Over the past year, residents’ excellent or good ratings for ease of walking increased 11%, from 39% in FY 2015 to 50% in FY 2016. This rating was similar to the benchmarks nationally and among cities with populations over 300,000. Among large cities, Honolulu ranked 5 out of 13 for ease of walking. Residents’ ratings of excellent or good for ease of travel by bicycle increased 8%, from 20% in FY 2015 to 28% in FY 2016. These ratings were lower than the benchmarks nationally and for large cities. Among large cities, Honolulu ranked 12 out of 15 for ease of travel by bicycle.



Source: Department of Transportation Services

	Operating Expenditures (\$ million)	Traffic Engineering Studies	Special Studies	Minor Traffic & Bikeway Projects	Safety Campaigns	Traffic Fatalities		Citizen Survey (% Excellent or Good)	
						Pedestrian	Bicycle	Ease of Walking	Ease of Travel by Bicycle
FY 2012	\$1.7	1,462	7	21	6	17	1	52%	21%
FY 2013	\$2.1	1,548	10	22	9	19	0	45%	18%
FY 2014	\$2.2	1,444	10	18	10	24	2	52%	20%
FY 2015	\$3.6	1,642	12	16	11	21	1	39%	20%
FY 2016	\$3.2	1,420	10	8	23	18	0	50%	28%
Change from last year	-12%	-14%	-17%	-50%	109%	-14%	-	11%	8%
Change over last 5 years	88%	-3%	43%	-62%	283%	6%	-	-2%	7%

Source: Department of Transportation Services, Department of Budget and Fiscal Services.

Traffic Signals and Technology

Traffic Signals and Technology (TST) is responsible for the Honolulu Traffic Management Center and implementation of the city's *Intelligent Transportation System* program to improve existing highway traffic efficiency through technology. It designs, implements, operates and maintains nearly 800 city and state traffic signals and 86 emergency vehicle pre-emption systems on O`ahu. Management of these transportation systems is essential to meeting the department's goal of providing safe and efficient transportation.

TST's operating expenditures increased 44% over the last five years from \$3.27 million in FY 2012 to \$4.71 million in FY 2016.

The Honolulu Joint Traffic Management Center (JTMC) will be a multi-agency collaboration to improve traffic management and public safety coordination on O`ahu. The Center will facilitate coordination among six agencies including the Department of Transportation Services (DTS), Honolulu Police Department (HPD), Honolulu Fire Department (HFD), Honolulu Emergency Services Department (HESD), Honolulu Authority for Rapid Transportation (HART); and the state Department of Transportation.

The division achieved 90.8% to 96.9% response time within eight hours to traffic signal complaints. In the 2016 Citizen Survey, 34% of Honolulu residents rated traffic signal timing as *excellent* or *good*, which was lower than the national benchmark, but similar to cities with over 300,000 residents. Among large cities, Honolulu ranked 11 out of 12.



Alapai Street Perspective of the future Joint Traffic Management Center (JTMC).
Source: Department of Transportation Services, Department

	Operating Expenditures (\$ million)	Total Traffic Cameras	Traffic Signals Inspected	Responses to Complaints	Responses to Legal Issues	Street Use Permits	Special Events
FY 2012	\$3.27	209	592	592	42	6,903	176
FY 2013	\$3.43	209	592	548	39	7,715	82
FY 2014	\$3.72	229	649	500	31	9,062	106
FY 2015	\$3.45	254	622	513	27	8,825	100
FY 2016	\$4.71	256	619	511	23	7,365	185
Change from last year	36%	1%	<-1%	<-1%	-15%	-17%	85%
Change over last 5 years	44%	22%	5%	-14%	-45%	7%	5%

Source: Department of Transportation Services, Department of Budget and Fiscal Services.

Chapter 25 - Honolulu Board of Water Supply

By city charter, the Honolulu Board of Water Supply (BWS) has full and complete authority to manage, control, and operate all city water systems on O‘ahu. BWS focuses its efforts on the following objectives: Resource Sustainability, Economic Sustainability, and Organizational Sustainability.

As a semi-autonomous agency, BWS is governed by a seven-member board. Five of the members are appointed by the mayor and confirmed by the City Council, and the remaining two directors are ex-officio. The board is a policy-making body that appoints candidates to the Office of the Manager and Chief Engineer (OMCE) to administer the department. BWS consists of 9 divisions:

Customer Care <ul style="list-style-type: none">•Handles customer contracts.•Conducts billing operations.•Investigates consumers’ service problems.	Finance <ul style="list-style-type: none">•Directs accounting activities.•Conducts financial studies.•Administers long-term bonded debt and bond sales.	Information Technology <ul style="list-style-type: none">•Develops BWS databases, hardware and software, network telephone, and call center systems.	Water Quality <ul style="list-style-type: none">•Ensures the department’s compliance with all environmental laws, rules, and regulations.	
Capital Projects <ul style="list-style-type: none">•Administers the Capital Improvement Program•Oversees construction of all waterworks facilities.	Field Operations <ul style="list-style-type: none">•Maintains all waterworks facilities, service connections, and department buildings and grounds.	Water System Operations <ul style="list-style-type: none">•Responsible for the operations of pumping and water treatment plant equipment and facilities.	Land <ul style="list-style-type: none">•Acquires water rights, land, and land interests.•Maintains knowledge of water rights and land values.	Water Resources <ul style="list-style-type: none">•Conducts hydrologic and geologic monitoring.•Conducts hydraulic water system analysis.

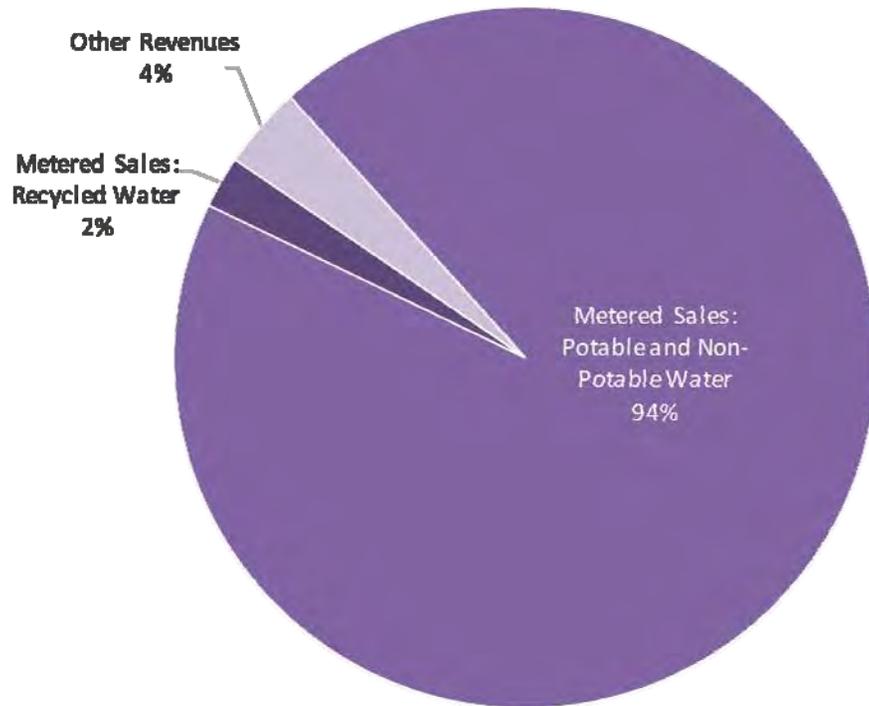


The Board of Water Supply provides safe, dependable, and affordable water now and into the future.

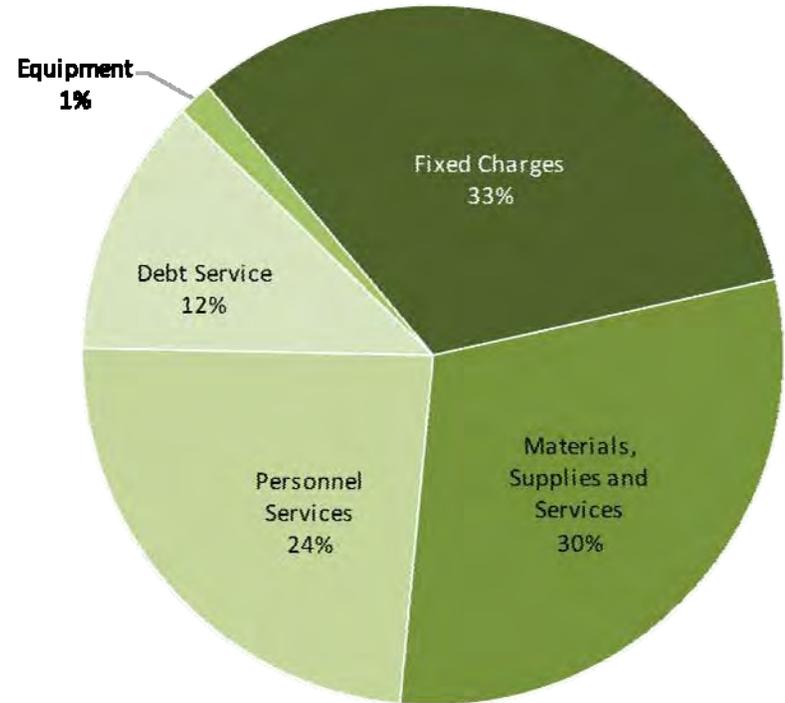
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses¹



	Total Operating Expenditures (\$ millions)	Revenues (\$ millions)	Debt Service (\$ millions)	Total Authorized FTE	Total Vacant FTE	Cost Per FTE ²	Total Overtime Expenditures (\$ millions)
FY 2012	\$130.99	\$158.58	\$20.70	714	251	\$183,455	\$2.03
FY 2013	\$145.15	\$186.81	\$22.21	714	228	\$203,291	\$2.33
FY 2014	\$141.50	\$197.50	\$20.51	714	232	\$198,182	\$2.31
FY 2015	\$149.45	\$217.76	\$15.40	714	233	\$209,317	\$2.20
FY 2016	\$149.50	\$243.59	\$17.89	714	210	\$209,388	\$2.32
Change from last year	<1%	12%	16%	--	-9.9%	<1%	5%
Change over last 5 years	14%	54%	-14%	--	-16%	14%	14%

Source: Honolulu Board of Water Supply.¹Percentages do not total 100% due to rounding. ²Cost per FTE= Total Operating Expenditures / Total Authorized FTE.

Spending and Staffing



Operating Expenditures

\$149.5 M ▲ <1%

The department's operating expenditures increased less than 1% over the last year.



Revenues

\$243.5 M ▲ 12%

The department attributes the rise in revenues to increases for water usage and billing charges.



Overtime

\$2.3 M ▲ 5%

The increase in overtime expenditures was due to bargaining unit pay increases.

Five Year Trends



- The department's operating expenditures increased 14% from \$131 million to \$149.5 million over the last five years. Increases in personnel, services, supplies, and retirement system contributions affected the rise.
- Total revenues increased 54% from \$158.6 million to \$243.6 million over the last five years due to increases for water usage and billing charges.

2016 National Citizen Survey

- Drinking water quality received a rating of **74%** excellent or good, which is a 7% increase from the prior year and a 2% increase from FY 2012.
- About **87%** of citizens reported making an effort to conserve water in FY 2016. This rating, which was a 4% decline from the previous year, is similar to national benchmarks.



ACCOMPLISHMENTS

- Celebrated the first year of the Stakeholder Advisory Group (SAG) a group comprised of nearly 30 local residents, civic organization leaders, and environmental professionals to provide BWS with important feedback on issues such as the financial plan and water rate study.
- Entered into a 20-year, \$33 million *Energy Savings Performance Contract* with NORESKO, allowing BWS to implement comprehensive energy efficiency, renewable energy, and operational improvements, with enough energy savings over the next 20 years to pay for the contract.
- Improved customer service by implementing enhanced telephone service standards, enhancing training, standardizing call center operations, and redesigning the BWS website for easier navigation.

Water Rates

The Board of Water Supply (BWS) manages O’ahu’s municipal water resources and distribution system, providing residents with a safe, dependable, and affordable drinking water supply now and into the future. As the largest municipal water utility in the State of Hawai’i, the BWS delivered potable and non-potable water to approximately one million customers on O’ahu in Fiscal Year 2016. The BWS manages an intricate system, consisting of 194 groundwater wells and source pumps, 171 reservoirs, and 2,100 miles of pipeline.

One of BWS’ strategic goals is to promote *Financial Sustainability*. To that end, the agency implements fiscal strategies to finance operational and capital needs that provide safe, dependable and affordable water service.

A typical monthly water bill on O’ahu increased 10% to \$66.72 in FY 2016, compared to \$60.83 in FY 2015. Over the last five years, the typical monthly water bill has increased 44%. The increases are due to scheduled rate increases for both water usage and billing charges.

	Typical Monthly Water Bill
FY 2012	\$46.18
FY 2013	\$50.57
FY 2014	\$51.25
FY 2015	\$60.83
FY 2016	\$66.72
Change from last year	10%
Change over last 5 years	44%

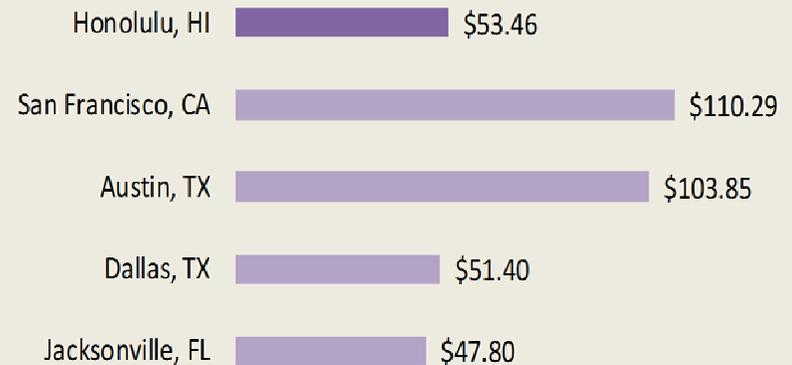
Source: Honolulu Board of Water Supply

HONOLULU'S MONTHLY WATER RATES FOR SINGLE FAMILY RESIDENCES



Source: Honolulu Board of Water Supply

How Does Honolulu's Water Rates Compare with Other Cities?



Source: Honolulu Board of Water Supply and various municipal water websites.

Customer Service

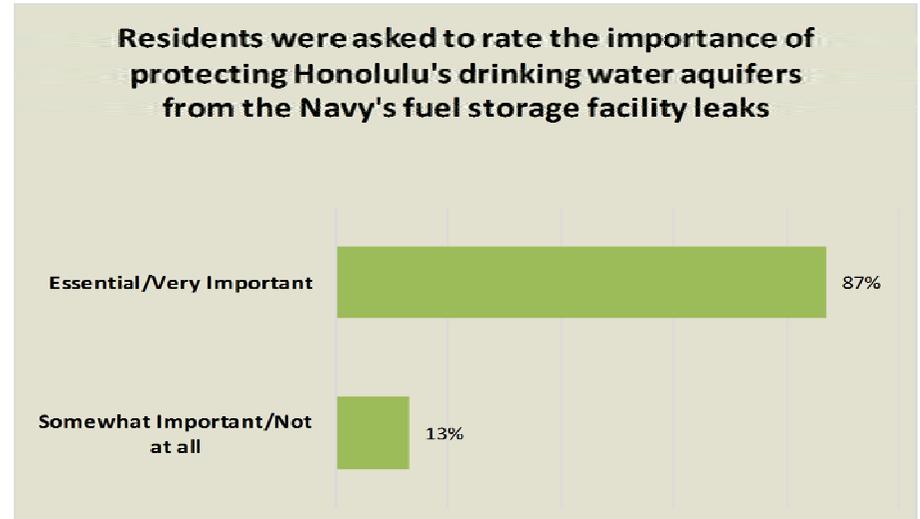
One of BWS' strategic operational goals in the area of customer service is a commitment to proactively and consistently provide a quality experience in every customer interaction.

The 13,454 estimated bills issued in FY 2016 represented a 105% increase from the 6,561 estimated bills issued in FY 2015. Over the last 5 years, however, the number of estimated bills decreased 57%. The department explained that the decrease was due to increased staffing, which allowed the agency to read more meters and process more bills.



Source: Honolulu Board of Water Supply

In 2016, BWS conducted a pilot study to test the feasibility of upgrading newer meter-reading units. Based on the study's 99% read rate result, BWS is planning to replace all of its meter-reading units over the next two years. The technologically-advanced meter readers will reduce the number of low reads and estimated bills.



Source: 2016 National Citizen Survey Honolulu

The Customer Care Center received 152,494 calls in FY 2016, an increase of 46% from the 104,647 calls received in FY 2012. The department explained that call volume increased due to increased collection activities, pending start/stop service requests, and bill inquiries.

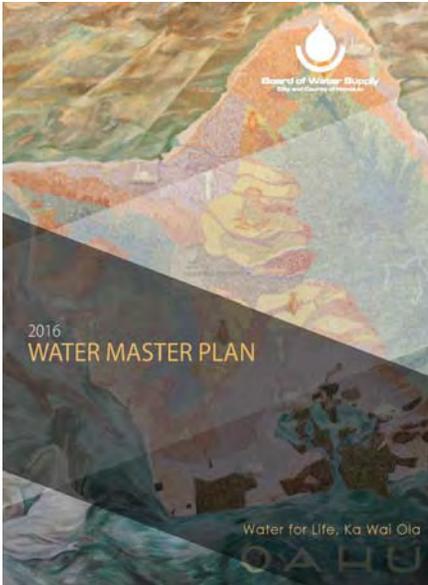
The number of delinquent accounts increased 17% from FY 2015 (4,094) to FY 2016 (4,785). The department acknowledged the increase in delinquent accounts and plans to initiate the Auto Severance Module¹ in its billing system to reduce the number of delinquent accounts going forward.

	Total Number				
	Water Accounts (At Year End)	Delinquent Accounts	Estimated Bills	Customer Care Center Calls Received	Average AMR Read Rate
FY 2012	175,360	3,222	31,230	104,647	87.14%
FY 2013	165,787	4,466	283,912	241,634	86.30%
FY 2014	166,839	3,438	34,620	228,384	85.70%
FY 2015	168,665	4,094	6,561	146,679	88.52%
FY 2016	166,465	4,785	13,454	152,494	87.04%
Change from last year	-1%	17%	105%	4%	-1.48%
Change over last 5 years	-5%	49%	-57%	46%	<-1%

Source: Honolulu Board of Water Supply. ¹Auto Severance Module is an automated collection process that includes collections, severance, and write-off.

Water Infrastructure

One of BWS' strategic goals is *Operational Sustainability*. To ensure a dependable water system, the agency is committed to fostering a resilient and collaborative organization utilizing effective and proactive operational practices consistent with current industry standards. BWS' strategic goal in the area of infrastructure includes renewing and improving the water system to ensure water system adequacy, dependable service, and operational efficiency.



Source: Honolulu Board of Water Supply

In October 2016, the BWS adopted a long-range *Water Master Plan*. This plan is a comprehensive, broad-based technical program that includes the data, investigations, assessments, and projections necessary to make decisions about O'ahu's water system for the next 30 years—a full generation longer than the forecast used by most water master plans.

The total leaks recovered increased 45% from FY 2015 (354) to FY 2016 (515), and 146% over the last 5 years. According to the department, the 146% increase was attributed to the Leak Detection Team identifying more coupling leaks.

Board of Water Supply Contract Values

	Construction Contracts (\$ millions)	Professional Services Contracts (\$ millions)
FY 2012	\$21.50	\$3.00
FY 2013	\$29.80	\$14.60
FY 2014	\$46.31	\$13.28
FY 2015	\$41.58	\$15.77
FY 2016	\$48.84	\$17.59
Change from last year	17%	12%
Change over last 5 years	127%	486%

Source: Honolulu Board of Water Supply

Conversely, the annual water savings leak recovery volume decreased from 932 million gallons in FY 2015 to 581 million gallons in FY 2016, a decline of 38%. Recovery declined 52% over the last 5 years. The department explained that because most coupling leaks are smaller leaks than main line leaks, the recovery is a lot less than previous years.

In FY 2016, BWS added seven miles of recycled water pipeline, which is more than triple the 1.5 miles added in FY 2012. No recycled water pipelines were added during the three-year period FY 2013—FY 2015. According to the department, the increase in recycled water pipeline was needed to serve Kapolei recycled water users that went on line in September 2015.

	Potable Water					Non-Potable Water		
	Water Mains (Miles)	Pipeline Replaced (Miles)	Total Water Main Breaks	Total Breaks Per 100 Miles of Pipeline	Total Leaks Recovered	Annual Water Savings Leak Recovery (mg/yr) ¹	Total Recycled Water Pipeline (Miles)	Total Recycled Water Pipeline Added (Miles)
FY 2012	2,101	5.0	312	15	209	1,206	38	1.5
FY 2013	2,106	5.9	331	16	532	471	38	0
FY 2014	2,114	5.1	298	14	308	268	38	0
FY 2015	2,123	7.1	293	14	354	932	38	0
FY 2016	2,131	1.3	326	15.3	515	581	45	7
Change from last year	<1%	-82%	11%	9%	45%	-38%	18%	-
Change over last 5 years	1%	-74%	4%	2%	146%	-52%	18%	367%

Source: Honolulu Board of Water Supply. ¹mg/yr-millions of gallons per year; the water flow from each leak is estimated and totaled with the assumption that the leak duration is over a one year period.

Water Consumption

According to BWS, a dependable water supply relies on the premise that the source of Honolulu’s water must be sufficient and available now and into the future. The agency ensures this through watershed and groundwater supply, long-range planning, and possible development of alternative sources of water.

Total residential water consumption increased slightly (2%) from FY 2015 to FY 2016, and declined slightly (-3%) over the last five years. Similarly, commercial water use increased slightly (2%) from FY 2015 to FY 2016, and remained almost unchanged over the last five years.

Geographically, water consumption changes over time were significant in some areas. Over the last five years, water consumption declined significantly in East Honolulu (-14%), Ko’olau Loa (-13%), and North Shore (-22%). BWS attributes the consumption declines to increased rainfall during the summer months, continued water conservation efforts, economic incentives from sewer and water rate increases, recycled water, public education, leak detection, and repair and replacement programs. Decreased water use in these areas occurred primarily among mixed use and residential water users.

	Total Water Consumption	
	Residential (billion-gallons)	Commercial (billion-gallons)
FY 2012	28.0	21.0
FY 2013	28.8	21.3
FY 2014	28.5	22.0
FY 2015	26.7	20.5
FY 2016	27.2	21.0
Change from last year	2%	2%
Change over last 5 years	-3%	<1%

Source: Honolulu Board of Water Supply



Source: Honolulu Board of Water Supply

	Average Day Metered Consumption (mgd) ¹ by Development Plan Area								
	East Honolulu	’Ewa	Wai’anae	Central O’ahu	Ko’olau Poko	Ko’olau Loa	North Shore	Primary Urban Core	New Connections
FY 2012	8.27	15.56	8.46	15.95	14.43	1.31	3.00	62.00	1,069
FY 2013	8.00	16.35	8.00	15.74	14.27	1.40	2.58	60.62	1,035
FY 2014	7.07	16.31	7.81	15.49	15.86	1.26	2.59	64.90	540
FY 2015	7.20	16.23	8.03	14.78	13.58	1.22	2.35	56.97	522
FY 2016	7.14	16.67	8.35	14.76	13.11	1.14	2.34	57.70	242
Change from last year	-1%	3%	4%	<1%	-3%	-7%	<1%	1%	-54%
Change over last 5 years	-14%	7%	-1%	-7%	-9%	-13%	-22%	-7%	-77%

Source: Honolulu Board of Water Supply. ¹(mgd) = million gallons per day.

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