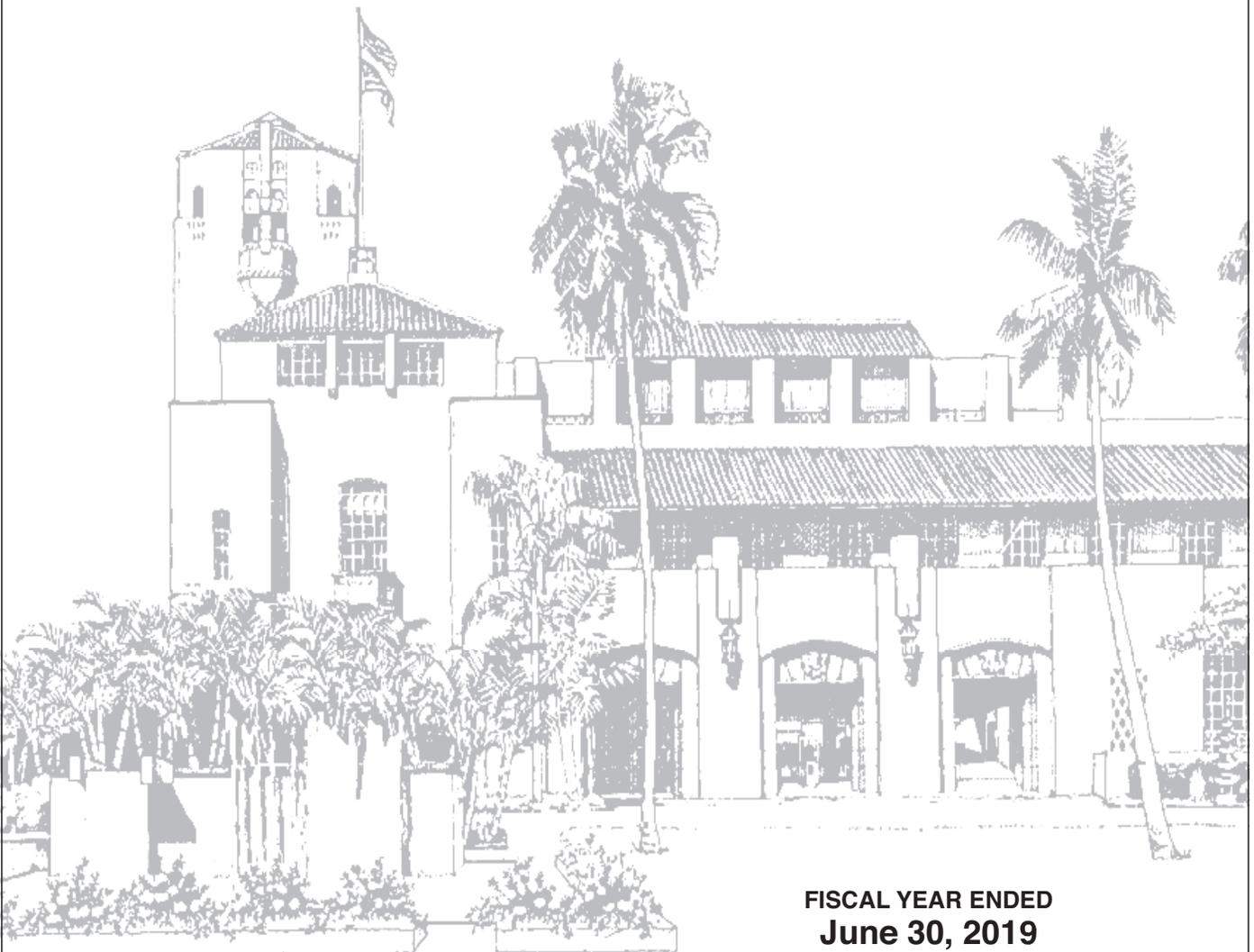
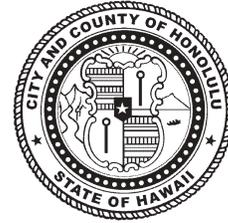


**CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII**

---

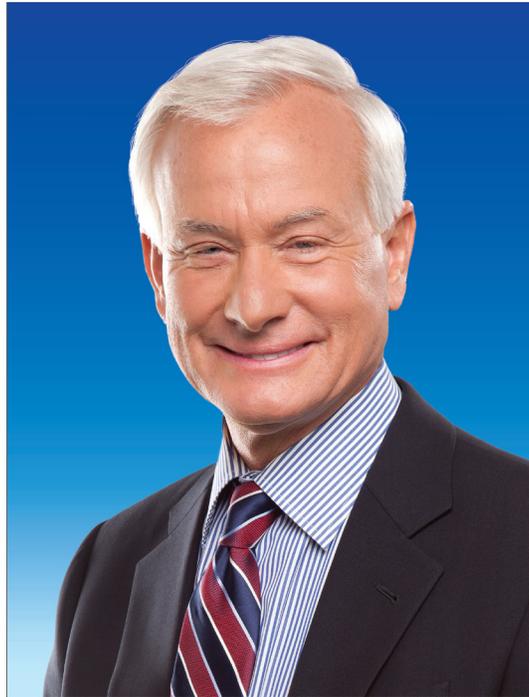
# **Comprehensive Annual Financial Report**



**FISCAL YEAR ENDED  
June 30, 2019**

# EXECUTIVE BRANCH

---



**Kirk Caldwell**  
Mayor

**CITY AND COUNTY OF HONOLULU**  
**Honolulu, Hawaii**  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 2019**

**Prepared by:**  
**DEPARTMENT OF BUDGET AND FISCAL SERVICES**  
**NELSON H. KOYANAGI, JR.**  
**DIRECTOR**

**CITY AND COUNTY OF HONOLULU  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Fiscal Year Ended June 30, 2019**

**TABLE OF CONTENTS**

	<u>Page</u>
<b>INTRODUCTION SECTION:</b>	
Letter of Transmittal.....	1
GFOA Certificate of Achievement.....	9
Organization Chart.....	10
Elected Officials .....	12
 <b>FINANCIAL SECTION:</b>	
<b>Report of Independent Auditors.....</b>	<b>15</b>
<b>Management’s Discussion and Analysis (MD&amp;A).....</b>	<b>19</b>
 <b><u>Basic Financial Statements</u></b>	
<b>Government-wide Financial Statements</b>	
Statement of Net Position.....	35
Statement of Activities .....	36
 <b>Fund Financial Statements</b>	
<b>Governmental Fund Financial Statements</b>	
Balance Sheet (including Reconciliation of the Balance Sheet to the Statement of Net Position).....	39
Statement of Revenues, Expenditures and Changes in Fund Balances ....	40
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities .....	41
 <b>Proprietary Fund Financial Statements</b>	
Statement of Net Position - Business-type Activities - Enterprise Funds....	43
Statement of Revenues, Expenses and Changes in Net Position - Business-type Activities - Enterprise Funds .....	44
Statement of Cash Flows - Business-type Activities - Enterprise Funds ....	45
 <b>Fiduciary Fund Financial Statements</b>	
Statement of Fiduciary Net Position .....	47
Statement of Changes in Fiduciary Net Position .....	48

**CITY AND COUNTY OF HONOLULU  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Fiscal Year Ended June 30, 2019**

**TABLE OF CONTENTS**

	<u>Page</u>
<b>FINANCIAL SECTION (Continued):</b>	
<b><u>Basic Financial Statements (Continued)</u></b>	
<b>Component Units Financial Statements</b>	
Combining Statement of Net Position .....	49
Combining Statement of Activities .....	50
<b>Notes to the Financial Statements .....</b>	<b>51</b>
<b><u>Required Supplementary Information Other Than MD&amp;A</u></b>	
<b>Budgetary Comparison Schedules</b>	
General Fund .....	121
Highway Fund .....	123
Notes to Budgetary Comparison Schedules .....	125
<b>Pension Plan</b>	
Schedule of Proportionate Share of the Net Pension Liability .....	126
Schedule of Contributions .....	127
Notes to the Schedules of Proportionate Share of the Net Pension Liability and Contributions .....	128
<b>Postemployment Benefits Other Than Pensions (OPEB)</b>	
Schedule of Changes in Net OPEB Liability and Related Ratios .....	129
Schedule of Contributions .....	130
Notes to Schedule of Contributions .....	131
<b><u>Other Supplementary Information</u></b>	
<b>Nonmajor Governmental Funds - Combining Financial Statements:</b>	
Combining Balance Sheet .....	134
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	140
<b>Agency Funds - Combining Financial Statements:</b>	
Combining Statement of Net Position .....	146
Combining Statement of Changes in Assets and Liabilities .....	147

**CITY AND COUNTY OF HONOLULU  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Fiscal Year Ended June 30, 2019**

**TABLE OF CONTENTS**

	<u>Page</u>
<b>FINANCIAL SECTION (Continued):</b>	
<b><u>Other Supplementary Information (Continued)</u></b>	
<b>Fund Schedules:</b>	
<b>General Fund</b>	
Combining Balance Sheet (Legally Separate Funds).....	150
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (Legally Separate Funds) .....	152
Balance Sheet.....	154
Statement of Revenues, Expenditures and Changes in Fund Balance ....	155
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	156
Schedule of Revenues - Budget and Actual .....	159
<b>Highway Fund</b>	
Balance Sheet.....	165
Statement of Revenues, Expenditures and Changes in Fund Balance ....	166
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	167
Schedule of Revenues - Budget and Actual .....	169
<b>Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund</b>	
Balance Sheet.....	171
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	172
Schedule of Revenues - Budget and Actual .....	173
<b>Bikeway Fund</b>	
Balance Sheet.....	174
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	175
Schedule of Revenues - Budget and Actual .....	176
<b>Parks and Playgrounds Fund</b>	
Balance Sheet.....	177
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	178
Schedule of Revenues - Budget and Actual .....	179

**CITY AND COUNTY OF HONOLULU  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Fiscal Year Ended June 30, 2019**

**TABLE OF CONTENTS**

	<u>Page</u>
<b>FINANCIAL SECTION (Continued):</b>	
<b><u>Other Supplementary Information (Continued)</u></b>	
<b>Fund Schedules (Continued):</b>	
<b>Liquor Commission Fund</b>	
Balance Sheet.....	180
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	181
Schedule of Revenues - Budget and Actual.....	183
<b>Rental Assistance Fund</b>	
Balance Sheet.....	184
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	185
Schedule of Revenues - Budget and Actual.....	186
<b>Grants in Aid Fund</b>	
Balance Sheet.....	187
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	188
Schedule of Revenues - Budget and Actual.....	189
<b>Transit Construction Mitigation Fund</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	190
Schedule of Revenues - Budget and Actual.....	191
<b>Hanauma Bay Nature Preserve Fund</b>	
Balance Sheet.....	192
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	193
Schedule of Revenues - Budget and Actual.....	195
<b>Reserve for Fiscal Stability Fund</b>	
Balance Sheet.....	196
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	197
Schedule of Revenues - Budget and Actual.....	198

**CITY AND COUNTY OF HONOLULU  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Fiscal Year Ended June 30, 2019**

**TABLE OF CONTENTS**

	<u>Page</u>
<b>FINANCIAL SECTION (Continued):</b>	
<b><u>Other Supplementary Information (Continued)</u></b>	
<b>Fund Schedules (Continued):</b>	
<b>Clean Water and Natural Lands Fund</b>	
Balance Sheet.....	199
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	200
Schedule of Revenues - Budget and Actual.....	201
<b>Affordable Housing Fund</b>	
Balance Sheet.....	202
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	203
Schedule of Revenues - Budget and Actual.....	204
<b>Community Development Fund</b>	
Balance Sheet.....	205
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	206
Schedule of Revenues - Budget and Actual.....	207
<b>Patsy T. Mink Central Oahu Regional Park Fund</b>	
Balance Sheet.....	208
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	209
Schedule of Revenues - Budget and Actual.....	210
<b>Waipio Peninsula Soccer Park Fund</b>	
Balance Sheet.....	211
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	212
Schedule of Revenues - Budget and Actual.....	213
<b>Honolulu Zoo Fund</b>	
Balance Sheet.....	214
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	215
Schedule of Revenues - Budget and Actual.....	217

**CITY AND COUNTY OF HONOLULU  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Fiscal Year Ended June 30, 2019**

**TABLE OF CONTENTS**

	<u>Page</u>
<b>FINANCIAL SECTION (Continued):</b>	
<b><u>Other Supplementary Information (Continued)</u></b>	
<b>Fund Schedules (Continued):</b>	
<b>Golf Fund</b>	
Balance Sheet.....	218
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	219
Schedule of Revenues - Budget and Actual.....	221
<b>Special Events Fund</b>	
Balance Sheet.....	222
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	223
Schedule of Revenues - Budget and Actual.....	225
<b>Special Projects Fund</b>	
Balance Sheet.....	227
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	228
Schedule of Revenues - Budget and Actual.....	230
<b>Federal Grants Fund</b>	
Balance Sheet.....	231
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	232
Schedule of Revenues - Budget and Actual.....	234
<b>Housing and Community Development Rehabilitation Loan Fund</b>	
Balance Sheet.....	235
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	236
Schedule of Revenues - Budget and Actual.....	237
<b>Pauahi Project Expenditures, Hawaii R-15 Fund</b>	
Balance Sheet.....	238
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	239
Schedule of Revenues - Budget and Actual.....	240

**CITY AND COUNTY OF HONOLULU  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Fiscal Year Ended June 30, 2019**

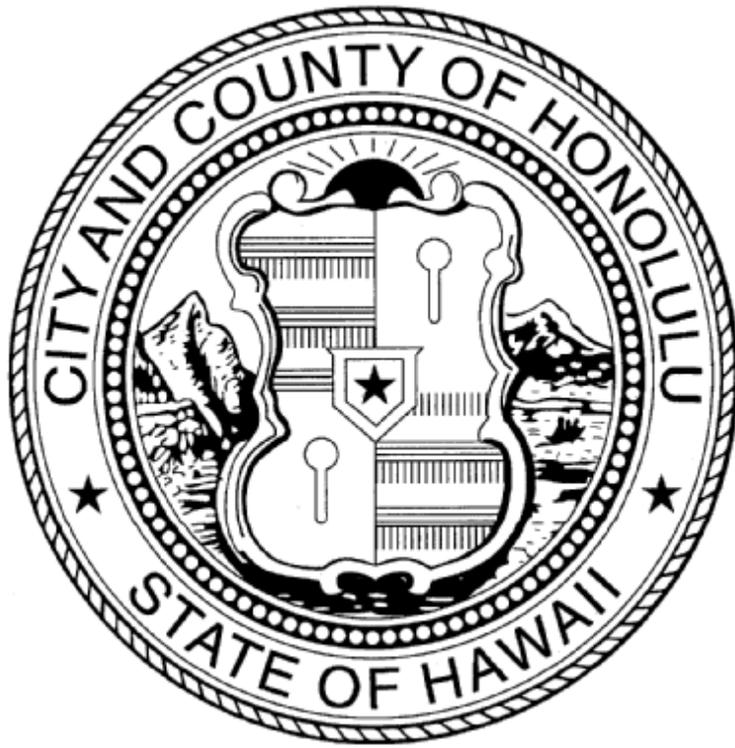
**TABLE OF CONTENTS**

	<u>Page</u>
<b>FINANCIAL SECTION (Continued):</b>	
<b><u>Other Supplementary Information (Continued)</u></b>	
<b>Fund Schedules (Continued):</b>	
<b>Housing and Community Development Section 8 Contract Fund</b>	
Balance Sheet.....	241
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	242
Schedule of Revenues - Budget and Actual.....	243
<b>Leasehold Conversion Fund</b>	
Balance Sheet.....	244
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual .....	245
Schedule of Revenues - Budget and Actual.....	246
<b>Revolving Funds</b>	
Combining Balance Sheet.....	247
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	248
<b>General Obligation Bond and Interest Redemption Fund</b>	
Balance Sheet.....	249
Schedule of Revenues, Expenditures and Changes in Fund Balances....	250
<b>Improvement District Bond and Interest Redemption Fund</b>	
Balance Sheet.....	251
Schedule of Revenues, Expenditures and Changes in Fund Balances....	252
<b>General Improvement Bond Fund</b>	
Balance Sheet.....	253
Schedule of Revenues, Expenditures and Changes in Fund Balances....	254
<b>Highway Improvement Bond Fund</b>	
Balance Sheet.....	255
Schedule of Revenues, Expenditures and Changes in Fund Balances....	256

**CITY AND COUNTY OF HONOLULU  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 Fiscal Year Ended June 30, 2019**

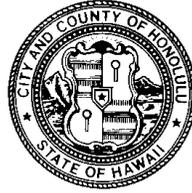
**TABLE OF CONTENTS**

	<u>Page</u>
<b>FINANCIAL SECTION (Continued):</b>	
<b><u>Other Supplementary Information (Continued)</u></b>	
<b>Fund Schedules (Continued):</b>	
<b>Federal Grants Capital Projects Fund</b>	
Balance Sheet.....	257
Schedule of Revenues, Expenditures and Changes in Fund Balances....	258
<b>Capital Projects Fund</b>	
Balance Sheet.....	259
Schedule of Revenues, Expenditures and Changes in Fund Balances....	260
<b>STATISTICAL SECTION (Unaudited):</b>	
Net Position by Component (Table 1).....	261
Changes in Net Position (Table 2).....	262
Fund Balances, Governmental Funds (Table 3).....	264
Changes in Fund Balances, Governmental Funds (Table 4).....	265
Real Property Assessed Values by Classification and Tax Rates (Table 5) ...	266
Principal Property Taxpayers (Table 6).....	268
Property Tax Levies and Collections (Table 7).....	269
Ratios of Outstanding Debt by Type (Table 8).....	270
Ratios of General Bonded Debt Outstanding (Table 9).....	272
Legal Debt Margin Information (Table 10).....	274
Pledged Revenue Coverage (Table 11).....	276
Demographic and Economic Statistics (Table 12).....	277
Principal Employers, State of Hawaii (Table 13).....	278
Full-Time Equivalent City Government Employees by Function (Table 14)....	280
Operating Indicators by Function (Table 15).....	282
Capital Asset Statistics by Function (Table 16).....	284



## **INTRODUCTORY SECTION**

KIRK CALDWELL  
MAYOR



NELSON H. KOYANAGI, JR.  
DIRECTOR

MANUEL T. VALBUENA  
DEPUTY DIRECTOR

January 7, 2020

The Honorable Kirk Caldwell, Mayor  
The Honorable Ikaika Anderson,  
Chair and Presiding Officer  
and Members of the City Council  
City and County of Honolulu  
530 South King Street  
Honolulu, Hawaii 96813

Dear Mayor Caldwell, Chair Anderson and Councilmembers:

We are pleased to submit to you the City and County of Honolulu (City) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. The CAFR was prepared by the Department of Budget and Fiscal Services (BFS). BFS is responsible for the accuracy, completeness and fairness of the financial data and presentation, including all disclosures. We believe the data in the CAFR is fairly presented and is accurate in all material aspects. Furthermore, we believe that all disclosures necessary to enable the reader to gain a full understanding of the City's financial affairs have been included. The CAFR represents all budgeting and accounting activities of the City during the year, and covers all funds of the City and its component units.

## **REPORTING ENTITY**

The CAFR presents the financial status of the City (the primary government) and its discretely presented component units, the Board of Water Supply (BWS), the Honolulu Authority for Rapid Transportation (HART), and Oahu Transit Services, Inc. (OTS). The financial information for these component units are reported in combining schedules and in the aggregate in a single column in the government-wide financial statements to emphasize their legal separation from the primary government and to differentiate their financial position and results of operations from those of the primary government.

The City provides all of the municipal services required by the Constitution of the State of Hawaii, the Hawaii Revised Statutes, the Revised Charter of the City and County of Honolulu, and the Revised Ordinances of Honolulu. The island-wide services are comprehensive and include police and fire protection; emergency medical care services; disaster management; culture and recreation; planning, zoning, and permitting; sewage and solid waste collection and disposal; public transportation; human services; traffic safety and control; and construction and maintenance of public streets, bridges, walkways, and drainage and flood control systems for Oahu.

## **ECONOMIC CONDITION AND OUTLOOK**

The island's economy appears relatively stable as the summary of the City's main industries indicates below:

- Tourism, Oahu's primary industry, has experienced growth with some of its performance measures. For the eleven months ended November 30, 2019, total visitor expenditures increased 2.4%, total visitor days rose 4.4%, visitor arrivals rose 5.5% compared to the same period a year ago although average daily visitor spending slipped 1.9% and average length of stay decreased 1.0%. The November 2019 average daily hotel room rates on Oahu rose 5.4% to \$228.79 while hotel occupancy increased by 2.8% to 82.0% compared to the same month last year.
- The military, Hawaii's second largest economic sector, provided more than 71,000 jobs, and accounted for 7.3% of the state's gross domestic product. Direct defense spending amounted to \$6.5 billion.
- Construction jobs increased to 28,200 for November 2019 compared to 26,400 for the same month the preceding year. The August 2019 contracting revenues decreased 0.4% to \$518.3 million, compared to the same month a year ago. On the other hand, contracting revenues decreased 8.4% to \$5.8 billion for the fiscal year ended June 30, 2019, compared to the prior fiscal year. The number of building permits issued increased 16.7% to 10,834 and the value rose by 37.5% to \$2.24 billion for the eight months ended August 31, 2019, compared to the same period for 2018.
- The December 2019 single family home median resale price increased 4.1% to \$820,000 and resale volume increased 19.3% to 309 when compared with the same month a year ago. The condominium resale median price increased 6.8% to \$425,500, though resale volume decreased 2.7% to 428 for December 2019, compared to the same month last year.
- Retail sales increased 7.7% to \$2.0 billion for the month ended August 31, 2019, compared to the same month in 2018, but decreased 12.8% to \$22.5 billion for the fiscal year ended June 30, 2019, compared to fiscal year 2018.
- Non-agricultural jobs totaled 489,700 for November 2019, an increase of 1.0% from 485,000 non-farm jobs for the same month the preceding year.

- Honolulu had the lowest unemployment rates among Hawaii's counties in November 2019, with a non-seasonally adjusted unemployment rate of 2.4%, compared to 2.5% statewide, and 3.3% nationally.
- Nominal personal income (i.e., salaries and wages not adjusted for inflation) in Hawaii increased 3.8% for the second quarter of 2019, compared to a 4.3% increase for the second quarter of 2018 and a 4.0% average increase for the calendar year 2018.
- Proprietors' income increased 3.7% for the second quarter of 2019, compared to an increase of 2.5% for the second quarter of 2018 and a 2.9% average increase for the calendar year 2018.

**Sources:**

City and County of Honolulu, Department of Planning and Permitting, <http://www.honoluluodpp.org>

Hawaii Tourism Authority, <http://www.hawaiitourismauthority.org>

Honolulu Board of Realtors, <http://www.hicentral.com>

State of Hawaii, Department of Business, Economic Development & Tourism, <http://dbedt.hawaii.gov>

State of Hawaii, Department of Labor and Industrial Relations, <http://labor.hawaii.gov> & <https://www.hiwi.org>

State of Hawaii, Department of Taxation, [http://tax.hawaii.gov/stats/a5\\_3txcolrptarchive](http://tax.hawaii.gov/stats/a5_3txcolrptarchive)

U.S. Department of Defense, Defense Manpower Data Center, [https://www.dmdc.osd.mil/appj/dwp/dwp\\_reports.jsp#](https://www.dmdc.osd.mil/appj/dwp/dwp_reports.jsp#)

U.S. Department of Defense, Office of Economic Adjustment, <http://www.oea.gov/>

**MAJOR INITIATIVES**

The executive operating budget of \$2.61 billion, net of interfund transfers for fiscal year 2019, reflected an increase of 6.5% compared to the prior fiscal year. The focus continued to be providing essential City services, maintaining and enhancing the multitude of City assets, and establishing the foundation for a better future for the residents of Oahu.

The City's \$1.01 billion capital improvement budget for fiscal year 2019 emphasized maintaining and improving parks and park facilities, enhancing bus and Handi-van services, integrating bus, rail and transit oriented development, meeting mandated sewer improvement deadlines, continuing to invest in road rehabilitation and maintenance, and addressing chronic homelessness.

**Sanitation**

For solid waste and sewage collection and disposal projects, a total of \$450.8 million was budgeted for fiscal year 2019, representing a decrease of 34.0% compared to the prior fiscal year. Major sanitation projects included Honouliuli Wastewater Treatment Plant Secondary Treatment (\$100.5 million), Sand Island Wastewater Treatment Plant Secondary Treatment (\$30.5 million), Kailua Wastewater Treatment Plant Upgrade,

Phase 2 (\$28.7 million), Sand Island Wastewater Treatment Plant Energy Improvements (\$24.0 million), Wastewater Treatment Plant, Pump Station and Force Main Projects (\$16.6 million), Sewer Infiltration/Inflow Relief and Rehabilitation Projects, Ala Moana Tributary Basin (\$16.5 million), Waimalu Wastewater Pump Station Modification/Upgrade (\$16.4 million), Sewer Mainline and Lateral Projects (\$15.3 million), and Sand Island Wastewater Treatment Plant Outfall Improvements and Rehabilitation (\$14.5 million).

### **General Government**

The general government function of the capital improvement budget increased by \$78.0 million to \$136.9 million for fiscal year 2019. The following were the major general government projects: Ala Moana Transit Plaza – Transit Oriented Development (\$64.0 million), Manana Corporation Yard Improvements (\$26.2 million), Procurement of Major Equipment (\$19.3 million), Pearlridge Bus Transfer Center and Plaza – Transit Oriented Development (\$3.0 million), Civic Center Improvements (\$2.4 million), and Municipal Facilities Improvements (\$2.1 million).

### **Highways and Streets**

The \$125.4 million capital improvement budget for highways and streets was 69.0% higher for fiscal year 2019 than the previous fiscal year, essentially due to the \$47.0 million increase to \$77.0 million for Rehabilitation of Streets compared to fiscal year 2018. Other major highways and streets projects included Bridge Rehabilitation at Various Locations (\$7.3 million), Farrington Highway Improvements (\$4.0 million), Intermodal Connectivity Improvements (\$4.0 million), and Reconstruction of Sidewalks (\$3.0 million).

### **Public Safety**

The appropriations for the public safety function increased \$63.2 million to \$101.5 million for fiscal year 2019, primarily due to the \$51.5 million increase for Flood Control Improvements at Various Locations to \$53.5 million for the current fiscal year. The following were the other major public safety projects: Computerized Traffic Control System (\$4.6 million), Traffic Signals at Various Locations (\$4.6 million), Fire Station Buildings Improvements (\$4.0 million), and Police Stations Buildings Improvements (\$3.5 million).

### **Human Services**

The capital improvement budget for the human services function of \$85.4 million represented an 18.1% increase compared to the last fiscal year, and included appropriations of \$40.8 million for the Affordable Housing Strategic Development Program, and \$3.1 million for the Community Development Block Grant Program.

### **Culture-Recreation**

For fiscal year 2019, \$66.2 million was appropriated in the capital improvement budget for participant, spectator, and other recreation projects, a decrease of 34.5% over the prior fiscal year. The major culture-recreation projects included Preservation and Conservation of Lands (\$10.5 million), Renovate Recreational Facilities (\$9.6 million), Ala Moana Regional Park (\$8.0 million), and Kualoa Regional Park (\$3.0 million).

## **Transportation**

Mass transit appropriations of \$43.6 million for fiscal year 2019, representing an 11.8% increase compared to the previous fiscal year, was attributed primarily to the \$40.0 million Bus and Handi-Van Acquisition Program.

## **FOR THE FUTURE**

The City's priority is to continue providing excellent customer service in areas that impact quality of life on a daily basis for its residents and visitors. By focusing on improving Honolulu's livability, committing greater resources to address climate change and sustainability, investing in infrastructure, and combatting homelessness, the foundation is laid for a resilient future well into the 21<sup>st</sup> century.

The executive operating budget of \$2.83 billion, net of interfund transfers for fiscal year 2020, reflects an increase of 8.4% compared to the prior fiscal year. Funding has been provided to maintain and enhance core City services, address escalating nondiscretionary expenses such as employee fringe benefits and debt service, and plan for a unified transit system.

Like the executive operating budget, the City's \$1.17 billion capital improvement budget for fiscal year 2020 emphasizes core services. Key areas of focus include refuse and sewer projects, much of which is mandated by the Global Consent Decree, energy conservation, sustainable facilities improvements, improvements to roads, sidewalks and bridges, erosion control, maintenance and improvements of parks and park facilities, continued enhancement of bus and Handi-van services, and integration of bus, rail and transit oriented development.

## **Sanitation**

For solid waste and sewage collection and disposal projects, a total of \$483.2 million is budgeted for fiscal year 2020, representing an increase of 7.2% compared to the prior fiscal year. Major sanitation projects include Sand Island Wastewater Treatment Plant Secondary Treatment (\$127.5 million), Department of Environmental Services Support Facilities at Honouliuli Wastewater Treatment Plant (\$71.8 million), Ala Moana Wastewater Pump Station No. 3 and Sewer Improvements (\$35.0 million), Kailua Wastewater Treatment Plant Upgrade, Phase 2 (\$27.0 million), Solid Waste to Energy Facility (H-POWER) Conversion Technologies (\$18.0 million), Wastewater Treatment Plant, Pump Station and Force Main Projects (\$16.6 million), Sewer Mainline and Lateral Projects (\$15.3 million), Honouliuli Wastewater Treatment Plant Headworks, Pump Station, Energy Savings, Solids Process Upgrades and Miscellaneous Improvements (\$14.0 million), Solid Waste to Energy Facility (H-POWER) Improvements (\$12.7 million), Wastewater Facilities Replacement Reserve (\$12.0 million), Wastewater Equipment (\$11.4 million), and Sand Island Wastewater Treatment Plant Ultraviolet Screening Improvements (\$11.0 million).

## **General Government**

The general government function of the capital improvement budget increased by \$59.8 million to \$196.7 million for fiscal year 2020. The following are a few of the major general government projects: Ala Moana Transit Plaza – Transit Oriented Development

(\$45.0 million), Procurement of Major Equipment (\$18.8 million), Kapolei Consolidated Corporation Yard (\$5.6 million), and Municipal Facilities Improvements (\$4.5 million).

### **Highways and Streets**

The \$149.4 million capital improvement budget for highways and streets is 19.1% higher for fiscal year 2020 than the previous fiscal year, essentially due to the \$43.0 million budget for Salt Lake Boulevard Widening compared to the budget of \$110,000 for the previous fiscal year. Other major highways and streets projects include Rehabilitation of Streets (\$57.7 million), Erosion Control Improvements (\$5.6 million), Intermodal Connectivity Improvements (\$4.0 million), Reconstruction of Sidewalks (\$2.5 million), Bridge Rehabilitation at Various Locations (\$2.5 million), Drainage Improvements at Various Locations (\$2.4 million), and Rehabilitation/Reconstruction of Storm Drains and Catch Basins (\$2.0 million).

### **Culture-Recreation**

For fiscal year 2020, \$114.6 million is appropriated in the capital improvement budget for participant, spectator, and other recreation projects, an increase of 73.1% over the prior fiscal year. The major culture-recreation projects include Renovate Recreational Facilities (\$12.6 million), Blaisdell Center Redevelopment (\$12.2 million), Preservation and Conservation Lands (\$11.7 million), Department of Enterprise Services Golf Course National Pollutant Discharge Elimination System Small MS4 Permit Program (\$5.1 million), Community Development Block Grant Program Park Improvements (\$4.5 million), and Ala Moana Regional Park (\$4.0 million).

### **Human Services**

The capital improvement budget for the human services function of \$103.1 million represents a 20.7% increase compared to the last fiscal year. One of the major human services projects is the \$7.3 million Affordable Housing Strategic Development Program.

### **Transportation**

Mass transit appropriations of \$60.8 million for fiscal year 2020, representing a 39.4% increase compared to the previous fiscal year, may be attributed primarily to the \$59.8 million Bus and Handi-Van Acquisition Program.

### **Public Safety**

The fiscal year 2020 appropriations for the public safety function decreased to \$59.5 million from \$101.5 million for fiscal year 2019. The major public safety projects include Flood Control Improvements at Various Locations (\$8.3 million), Oahu Traffic Signal Controller Modernization Phase 1 (\$7.9 million), Honolulu Fire Department Equipment Acquisition (\$6.3 million), Traffic Signals at Various Locations (\$5.3 million), Honolulu Police Department Headquarters Improvements (\$5.0 million), Telecommunications Facilities Upgrade (\$4.8 million), Police Stations Buildings Improvements (\$3.0 million), and Fire Station Buildings Improvements (\$3.0 million).

## **FINANCIAL INFORMATION**

The basic financial statements include two government-wide financial statements, the Statement of Net Position and the Statement of Activities. These government-wide financial statements are corporate in style, and present a big-picture view of the City's financial condition and position with the reporting of depreciation and long-term debt. The financial information of the City (known as the primary government) is summarized and reported by governmental activities and business-type activities. The business-type activities are consolidated into a single column of the government-wide financial statements and include the proprietary funds; specifically, housing, sewer, solid waste, and the public transportation system. A financial analysis of the primary government is provided in the Management's Discussion and Analysis section of this report.

The City's component units, the Board of Water Supply, the Honolulu Authority for Rapid Transportation and Oahu Transit Services, Inc. are reported individually and separately from the primary government on the City's government-wide financial statements.

Another element of the basic financial statements is the fund financial statements. These statements are designed to address the major individual funds by category (governmental, proprietary, and fiduciary).

### **Internal Controls**

Establishing and maintaining the internal control system is the responsibility of City managers. Creating the internal control system requires estimates and judgments to assess the expected benefits and related costs of control procedures. The objective of an internal control system is to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and transactions are executed in accordance with management's authorization and are properly recorded to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Management must also develop adequate internal controls to ensure compliance with applicable laws and regulations related to federal and state financial assistance programs.

The internal control system's components form a process to provide reasonable assurance of the effectiveness and efficiency of City operations; reliability of financial reporting; compliance with applicable laws, regulations, contracts, and standards; and safeguarding public funds and assets to minimize incidences of fraud, waste, and abuse.

### **Budgetary Controls**

The City maintains budgetary controls to ensure that legal provisions of the annual budget are in compliance and expenditures do not exceed budgeted amounts. Controls are exercised by integrating the budgetary accounts in fund ledgers for all budgeted funds. An encumbrance system is also used to account for purchase orders and other

contractual commitments. Encumbered balances of appropriations at year-end are included in fund balance and are not reappropriated in the following year's budget.

## **OTHER INFORMATION**

### **Independent Audits**

Section 3-114 of the City Charter requires an annual financial audit by independent certified public accountants. The Office of the City Auditor selected the accounting firm of Accuity LLP to perform the audit. The auditor's report is included in the financial section of this report. The Board of Directors of the Honolulu Authority for Rapid Transportation contracted KMH LLP. N&K CPAs, Inc. and Accuity LLP were engaged to audit the financial statements of the Board of Water Supply and Oahu Transit Services, Inc., respectively.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2018. The City has received the award for 32 years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

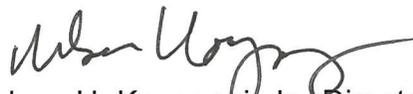
A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the requirements of GFOA's Certificate of Achievement Program; we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City has received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the past twenty years. To qualify for the award, the government must publish a budget document that meets program criteria as a policy document, a financial plan, an operations guide, and a communications device.

### **Acknowledgments**

The preparation of the CAFR was made possible by the hard work and dedication of the public servants working for the City and particularly through the efforts of the BFS Accounting and Fiscal Services Division personnel. The City's sound financial position is a product of the strong leadership provided by the Mayor, City Council and all agency heads. I am honored to have had the opportunity to participate in the process of delivering to the citizens of Honolulu the report of the City's financial status for the year ended June 30, 2019.

Respectfully submitted,



Nelson H. Koyanagi, Jr., Director  
Budget and Fiscal Services



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City and County of Honolulu  
Hawaii**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

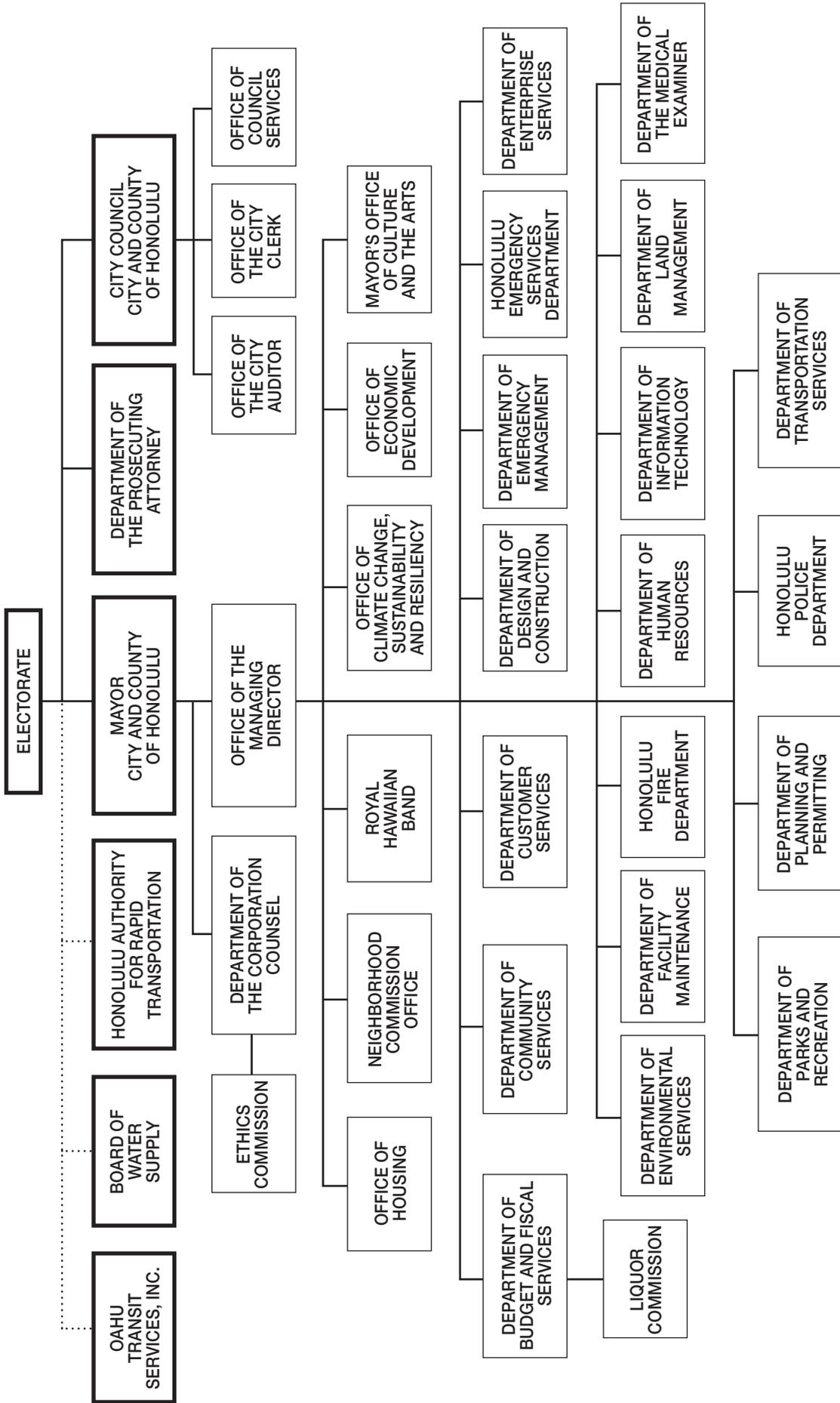
**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

# CITY AND COUNTY OF HONOLULU ORGANIZATIONAL CHART

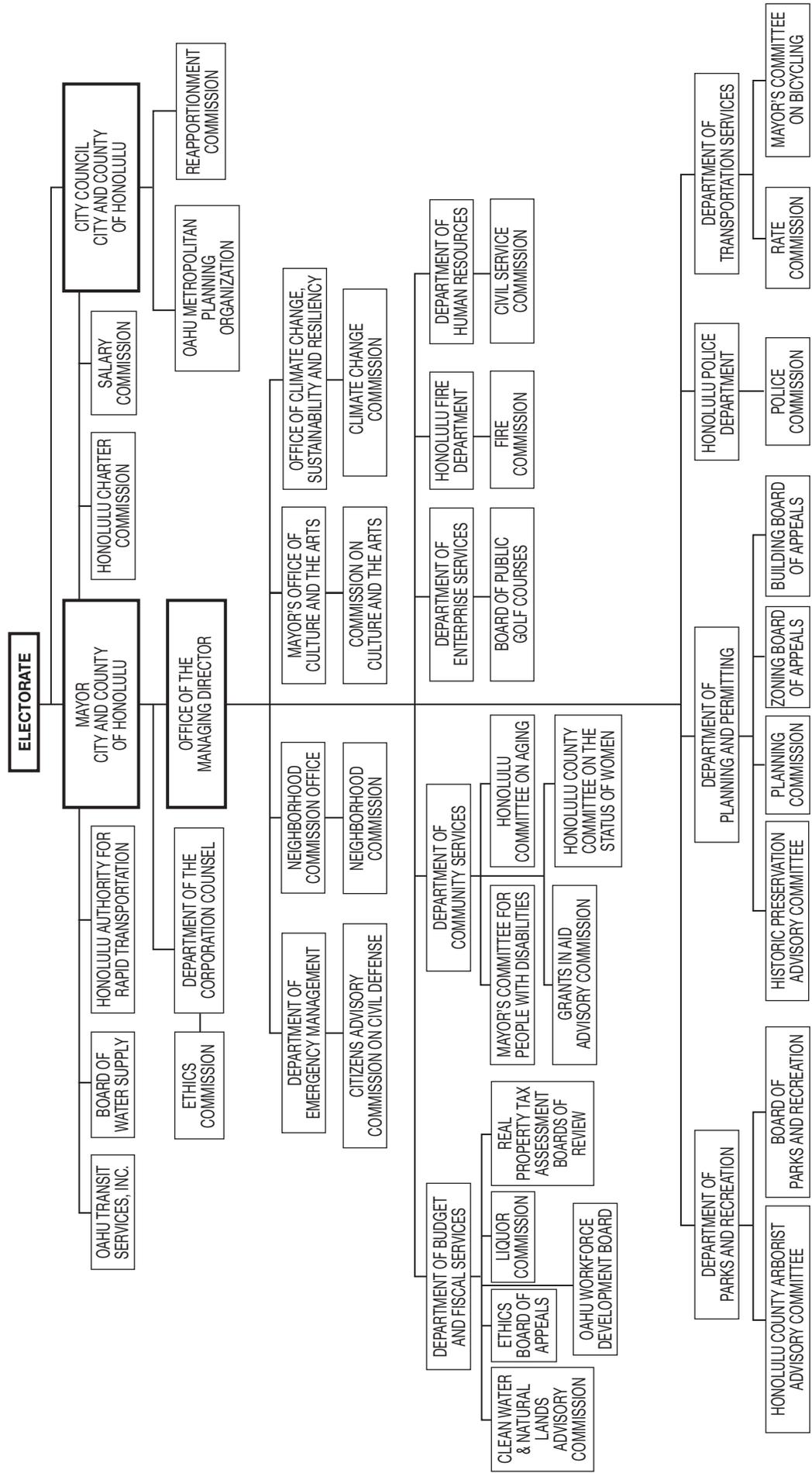
FISCAL YEAR 2019



# CITY AND COUNTY OF HONOLULU

## CHART OF BOARDS, COMMISSIONS AND COMMITTEES

### FISCAL YEAR 2019



**CITY AND COUNTY OF HONOLULU  
ELECTED OFFICIALS  
June 30, 2019**

**EXECUTIVE BRANCH**

**Mayor. . . . . Kirk Caldwell**

**Prosecuting Attorney. . . . . Keith M. Kaneshiro\***

**LEGISLATIVE BRANCH**

<u><b>Council District</b></u>	<u><b>Councilmember</b></u>
<b>First. . . . .</b>	<b>Kymberly Marcos Pine</b>
<b>Second. . . . .</b>	<b>Heidi Tsuneyoshi</b>
<b>Third. . . . .</b>	<b>Ikaika Anderson, Chair</b>
<b>Fourth. . . . .</b>	<b>Tommy Waters</b>
<b>Fifth. . . . .</b>	<b>Ann H. Kobayashi</b>
<b>Sixth. . . . .</b>	<b>Carol Fukunaga</b>
<b>Seventh. . . . .</b>	<b>Joey Manahan</b>
<b>Eighth. . . . .</b>	<b>Brandon Elefante</b>
<b>Ninth. . . . .</b>	<b>Ron Menor</b>

\* Currently on leave with Dwight Nadamoto serving as Acting Prosecuting Attorney

# LEGISLATIVE BRANCH

## CITY COUNCIL

---



**Kymberly Marcos Pine**  
Councilmember, District I



**Heidi Tsuneyoshi**  
Councilmember, District II



**Ikaika Anderson**  
Chair, District III



**Tommy Waters**  
Councilmember, District IV



**Ann H. Kobayashi**  
Councilmember, District V



**Carol Fukunaga**  
Councilmember, District VI



**Joey Manahan**  
Councilmember, District VII

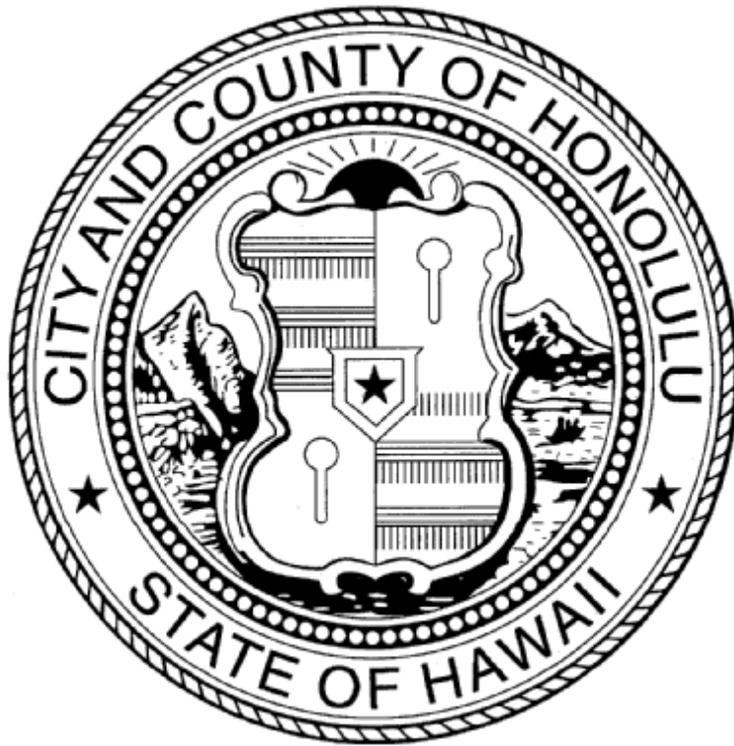


**Brandon J.C. Elefante**  
Councilmember, District VIII



**Ron Menor**  
Councilmember, District IX

**This page left blank intentionally.**



# **FINANCIAL SECTION**

## Report of Independent Auditors

To the Chair and Members of the City Council  
City and County of Honolulu

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City and County of Honolulu, State of Hawaii (the "City") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Board of Water Supply and Honolulu Authority for Rapid Transportation, which are discretely presented component units, which represent 100 percent, 106 percent and 76 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Board of Water Supply and Honolulu Authority for Rapid Transportation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

---

999 BISHOP STREET, SUITE 1900

HONOLULU, HAWAII 96813

TELEPHONE: 808 531 3400 FACSIMILE: 808 531 3433

*Acuity LLP is a member of the global network of Baker Tilly International Limited, the members of which are separate and independent legal entities.*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, as well as each fiduciary fund type of the City, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 1 to the financial statements, effective July 1, 2018, the City adopted new accounting guidance under Governmental Accounting Standards Board (“GASB”) Statement No. 83, *Certain Asset Retirement Obligations*. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis (pages 19–34), budgetary comparison information (pages 121–125), schedule of proportionate share of the net pension liability (page 126), schedule of contributions (page 127), schedule of changes in net OPEB liability and related ratios (page 129), and schedule of contributions (page 130), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Accuity LLP

Honolulu, Hawaii  
January 7, 2020

**This page left blank intentionally.**

**CITY AND COUNTY OF HONOLULU**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Fiscal Year Ended June 30, 2019**

The following Management's Discussion and Analysis (MD&A) is designed to provide an overview of the financial performance of the City and County of Honolulu (City) for the fiscal year ended June 30, 2019. The information presented in this MD&A should be considered in conjunction with the letter of transmittal in the Introductory Section of the Comprehensive Annual Financial Report (CAFR) and the financial statements that follow this subsection.

**FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2019**

- Revenues from governmental activities totaled approximately \$2.01 billion for fiscal year 2019 compared to \$1.85 billion for the prior fiscal year. Expenses before transfers amounted to \$1.83 billion for the current fiscal year compared to \$1.73 billion for the prior fiscal year. The governmental activities are summarized on page 24, discussed on pages 25 to 27, and reported on pages 36 and 37.
- The net position for the City's business-type activities increased by \$211.0 million for the current fiscal year compared to \$170.0 million as restated for fiscal year 2018 despite a \$38.3 million increase in operating expenses. The improvement in net position can be attributed to a variety of factors such as the \$31.1 million higher transfers from the General Fund, \$21.3 million increase in investment interest earnings, and \$8.9 million more capital contributions in contrast to the prior fiscal year. The business-type activities are summarized on page 24, discussed on pages 28 and 29, and reported on pages 36 and 37.
- The combined ending governmental fund balances as of June 30, 2019 increased by \$315.1 million (as summarized on page 30) to \$1.33 billion (as reported on pages 39 and 40).
- Net capital assets for the governmental activities rose from \$2.74 billion at the end of the prior fiscal year to \$2.84 billion at June 30, 2019. Likewise, net capital assets for the business-type activities increased from \$3.97 billion at the close of fiscal year 2018 to \$4.09 billion at June 30, 2019. Capital assets are discussed on pages 32 and 33, and reported on pages 77 to 79 in the Notes to Financial Statements.
- The debt applicable to the legal debt margin totaled \$3.05 billion, representing less than 10% of the City's \$34.00 billion statutory debt limit. Additional information on the City's long-term debt may be found on pages 33 and 34, on pages 81 to 87 in the Notes to Financial Statements, and on pages 270 to 276 in the Statistical Section.

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This MD&A serves as an introduction to the City's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. In addition to the basic financial statements, the CAFR also contains required and other supplementary information.

**Government-Wide Financial Statements**

The government-wide financial statements include the Statement of Net Position and Statement of Activities and are intended to provide a broad overview of the City's finances, in a manner similar to the private sector. Accordingly, it provides both long-term (noncurrent) and short-term (current) information about the City's financial status.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position serve as an indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents how the City's net position changed during the fiscal year. Revenues and expenses are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. As such, the statement includes information for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that recover all or a significant portion of its costs through user fees or charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, sanitation, human services, culture-recreation, and utilities or other enterprises (transportation). The business-type activities of the City include four enterprises: housing, sewer, solid waste and public transportation. The governmental activities and the business-type activities comprise the City's primary government.

The City's component units, the semi-autonomous operations of the Board of Water Supply (BWS), the Honolulu Authority for Rapid Transportation (HART), and Oahu Transit Services, Inc. (OTS) are combined in the government-wide financial statements. Although the focus of the government-wide statements is clearly on the primary government, the presentation informs the user of the relative relationship with the component units. Complete financial statements including their MD&A may be obtained from their respective offices: 630 South Beretania Street, Honolulu, Hawaii 96843 for BWS, 1099 Alakea Street, Suite 1700, Honolulu, Hawaii 96813 for HART, and 811 Middle Street, Honolulu, Hawaii 96819 for OTS.

**CITY AND COUNTY OF HONOLULU**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Fiscal Year Ended June 30, 2019**

**Fund Financial Statements**

The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the City may be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds.** Governmental funds essentially are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on short-term (current) inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term (current) financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information reported for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Reconciliations are provided for both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances to facilitate the comparison between governmental funds and governmental activities.

As of June 30, 2019, there were 33 governmental funds, each individually categorized as major or nonmajor. A fund is considered major if its revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds and at least 5% of the aggregate amount for all governmental and enterprise funds for the same item. The General Fund is always classified as a major fund. The two other major funds are the Highway Fund, and the General Obligation Bond and Interest Redemption Fund. Information for the six legally separated funds, combined as the General Fund, along with the 24 nonmajor funds are presented in aggregate on the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for the governmental funds. Individual fund data is provided for each of the governmental funds under Other Supplementary Information of this report including the Transit Construction Mitigation Fund with its sole activity for fiscal year 2019 being an appropriation of funds.

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

**Proprietary Funds.** Enterprise services for which the City charges fees to customers are reported as proprietary funds. Like the government-wide financial statements, the proprietary fund statements report long-term (noncurrent) and short-term (current) financial information. The Statement of Cash Flows for the proprietary funds presents changes in cash and cash equivalents, resulting from operating, financing and investing activities; cash receipts and cash disbursements are reported without consideration of the earnings event, when an obligation arises, and excludes depreciation of capital assets. The City's proprietary funds, comprised of the Housing Development Special Fund, Sewer Fund, Solid Waste Special Fund, and the Public Transportation System, are reported on pages 43 to 46. In addition, the proprietary funds are classified as business-type activities in the government-wide financial statements on pages 35 to 37.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The financial statements of the fiduciary funds are reported on pages 47 and 48 while the agency funds are reported on pages 146 and 147.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, the Financial Section of the CAFR presents certain required supplementary information. The combining financial statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. The individual fund statements and schedules may be found following the combining financial statements.

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (GOVERNMENT-WIDE)**

**Statement of Net Position**

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. Excluding its component units, the City's net position improved to a negative balance of \$76.3 million for the fiscal year ended June 30, 2019 in contrast to a negative balance of \$190.7 million as restated for the last fiscal year end.

Net investment in capital assets (i.e., land, construction work in progress, buildings and improvements, equipment and machinery, and infrastructure) represents the largest portion of the primary government's net position, amounting to a positive balance of \$1.57 billion, an increase of \$54.5 million compared to the prior fiscal year. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Resources that are subject to external restrictions on how they may be used reflected positive balances as shown below. For the fiscal year ended June 30, 2019, net position restricted for debt service increased for the governmental activities from \$492.8 million at June 30, 2018 to \$640.7 million for the current fiscal year, primarily due to additional debt issued for the rail transit project which HART is required to reimburse to the City as the bonds become due. Conversely, net position restricted for debt service decreased slightly to \$260.0 million for the business-type activities as of June 30, 2019.

The governmental activities reported a negative unrestricted net position of \$3.42 billion as of June 30, 2019 compared to a negative of \$3.23 billion as restated at the prior fiscal year end. On the other hand, the unrestricted net position of the business-type activities improved to \$869.2 million at the current fiscal year end compared to \$764.8 million as restated for the prior year end.

The following is a summary of the Statements of Net Position as of June 30, 2019 and 2018 (amounts in millions):

**Summary Statements of Net Position  
(Amounts in Millions)**

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2019	2018	2019	2018	2019	2018
		As restated		As restated		As restated
Current and other assets	\$ 1,530.1	\$ 1,197.6	\$ 1,519.0	\$ 1,394.4	\$ 3,049.1	\$ 2,592.0
Restricted assets	41.9	42.7	352.7	484.0	394.6	526.7
Capital assets, net of accumulated depreciation	2,842.2	2,737.8	4,093.2	3,968.3	6,935.4	6,706.1
Total assets	4,414.2	3,978.1	5,964.9	5,846.7	10,379.1	9,824.8
Deferred outflows of resources	815.4	837.6	160.5	157.8	975.9	995.4
Noncurrent liabilities	7,479.3	7,012.8	3,506.5	3,608.1	10,985.8	10,620.9
Other liabilities	179.2	150.3	148.9	132.4	328.1	282.7
Total liabilities	7,658.5	7,163.1	3,655.4	3,740.5	11,313.9	10,903.6
Deferred inflows of resources	91.8	76.7	25.6	30.6	117.4	107.3
Net position:						
Net investment in capital assets	256.4	308.6	1,315.2	1,208.5	1,571.6	1,517.1
Restricted	640.7	492.8	260.0	260.1	900.7	752.9
Unrestricted	(3,417.8)	(3,225.5)	869.2	764.8	(2,548.6)	(2,460.7)
Total net position	\$ (2,520.7)	\$ (2,424.1)	\$ 2,444.4	\$ 2,233.4	\$ (76.3)	\$ (190.7)

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

The following is a summary of the Statements of Activities for fiscal years 2019 and 2018 (amounts in millions):

**Summary Statements of Activities  
(Amounts in Millions)**

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2019	2018	2019	2018	2019	2018
		As restated		As restated		As restated
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 352.7	\$ 312.6	\$ 679.0	\$ 661.0	\$ 1,031.7	\$ 973.6
Operating grants and contributions	134.4	135.5	21.0	21.0	155.4	156.5
Capital grants and contributions	19.3	16.1	16.1	7.2	35.4	23.3
General revenues:						
Property taxes	1,288.7	1,187.8	-	-	1,288.7	1,187.8
Other taxes	138.9	132.3	-	-	138.9	132.3
Other	74.1	61.3	36.8	15.5	110.9	76.8
Total revenues	2,008.1	1,845.6	752.9	704.7	2,761.0	2,550.3
<b>Expenses</b>						
General government	774.5	780.2	-	-	774.5	780.2
Public safety	524.3	493.2	-	-	524.3	493.2
Highways and streets	98.4	77.3	-	-	98.4	77.3
Sanitation	0.3	0.3	-	-	0.3	0.3
Human services	116.4	127.6	-	-	116.4	127.6
Culture and recreation	134.8	127.9	-	-	134.8	127.9
Utilities or other enterprises	79.8	34.5	-	-	79.8	34.5
Interest	102.2	87.0	-	-	102.2	87.0
Housing	-	-	12.3	12.2	12.3	12.2
Sewer	-	-	300.3	281.7	300.3	281.7
Solid waste	-	-	215.4	207.2	215.4	207.2
Public transportation	-	-	287.9	276.5	287.9	276.5
Total expenses	1,830.7	1,728.0	815.9	777.6	2,646.6	2,505.6
Increase (decrease) before transfers	177.4	117.6	(63.0)	(72.9)	114.4	44.7
Transfers	(274.0)	(242.9)	274.0	242.9	-	-
Change in net position	(96.6)	(125.3)	211.0	170.0	114.4	44.7
Net position - beginning	(2,424.1)	(2,298.8)	2,233.4	2,063.4	(190.7)	(235.4)
Net position - ending	\$ (2,520.7)	\$ (2,424.1)	\$ 2,444.4	\$ 2,233.4	\$ (76.3)	\$ (190.7)

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

Total revenues for the primary government increased 8.2% from \$2.55 billion for fiscal year 2018 to \$2.76 billion for the current fiscal year. The increase can be credited to improved real property tax revenues, a change in the investment strategy, higher motor vehicle weight taxes, new sewer customers, more tonnage of solid waste, and a rise in capital contributions of transit vehicles.

Expenses for the primary government totaled \$2.65 billion for fiscal year 2019 of which \$1.83 billion applied to governmental activities and \$815.9 million related to business-type activities. For the 2018 fiscal year, expenses for the primary government totaled \$2.51 billion as restated; \$1.73 billion as restated pertained to governmental activities and \$777.6 million as restated to business-type activities. Depreciation, included as expenses in the above schedule, amounted to \$126.2 million for the governmental activities and \$119.0 million for business-type activities for fiscal year 2019 as disclosed on page 79.

**Statement of Activities**

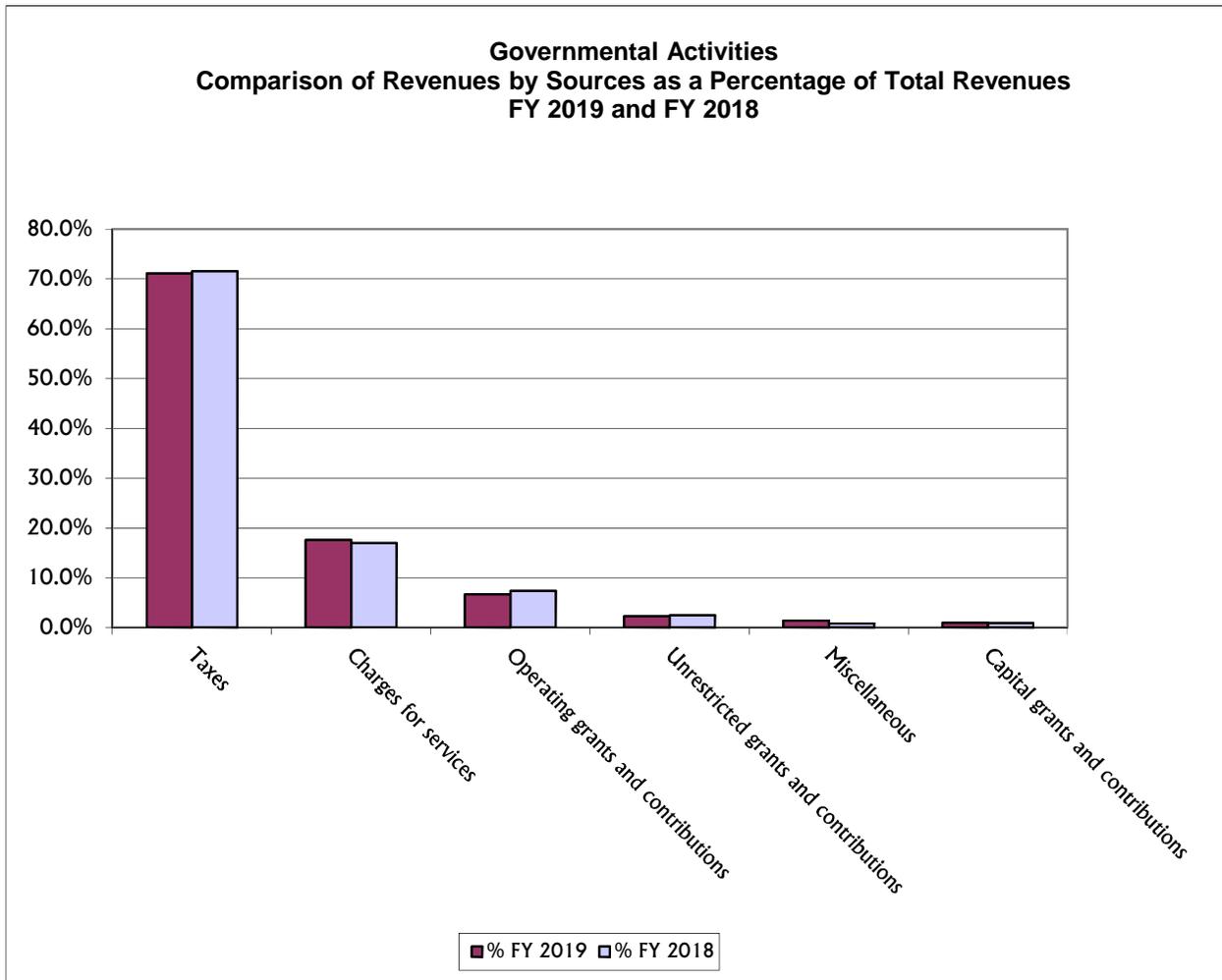
As noted earlier, the Statement of Activities presents how the City's net position changed during the current fiscal year. Revenues and expenses are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. As such, the statement includes information for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes).

**Governmental Activities**

Increased pension, OPEB and debt service costs as well as the impact of collective bargaining on salaries and wages for the City's governmental activities were factors contributing to the negative net position of \$2.52 billion as of June 30, 2019 and \$2.42 billion as restated at the prior fiscal year end. Further declines were averted by increased real property tax revenues arising from higher valuations, new housing inventory, reviews of exemption compliance, and improved effectiveness in collecting delinquent taxes.

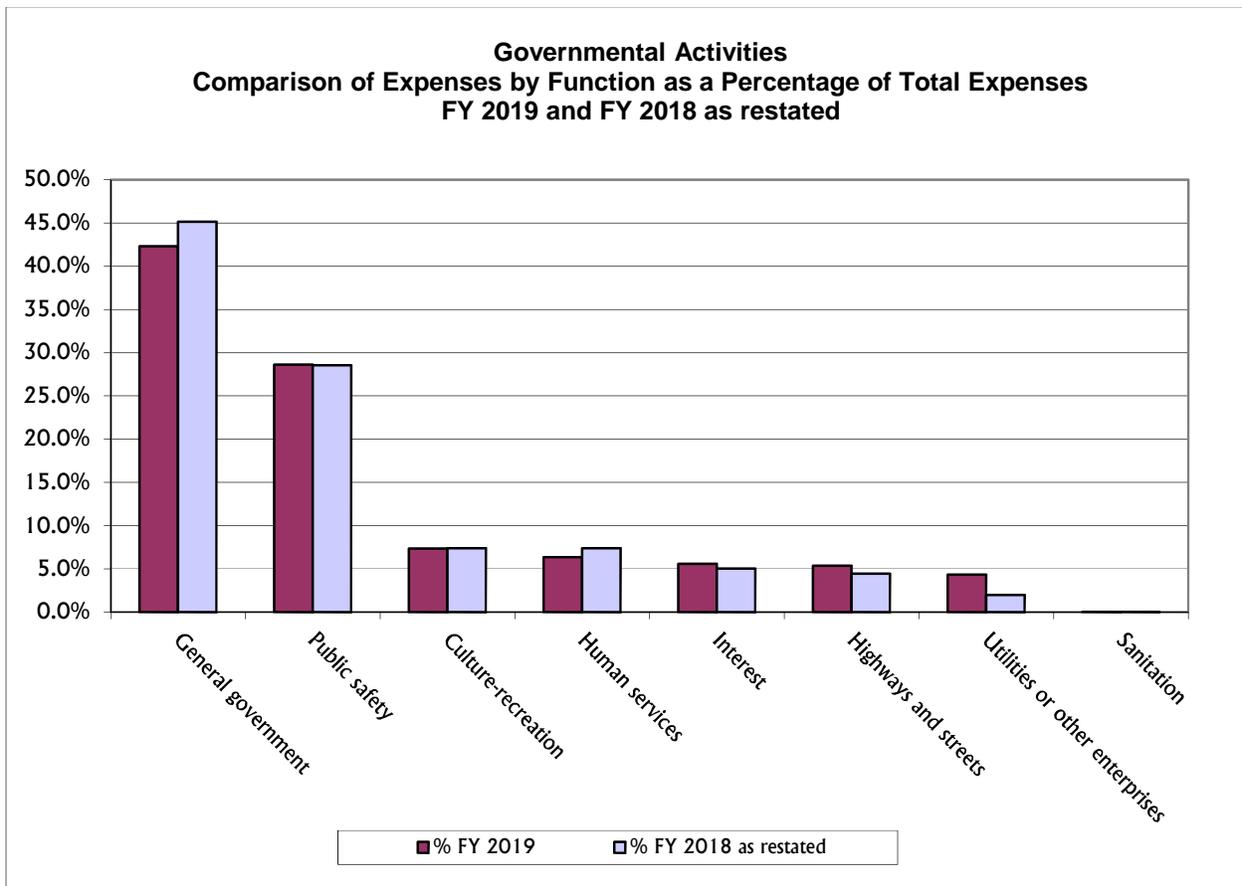
**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

**Revenues.** The following exhibit, Comparison of Revenues by Sources as a Percentage of Total Revenues, indicates revenues from governmental activities remained relatively level for fiscal year 2019 compared to the preceding fiscal year. Taxes (i.e., real property, public service company, fuel, and public utility franchise), represented 71.1% of the revenues from governmental activities and totaled \$1.43 billion for fiscal year 2019, in comparison to 71.5% and \$1.32 billion for the prior fiscal year. Charges for services of \$352.7 million represented 17.6% of the revenues from governmental activities for fiscal year 2019, compared to 16.9% of revenues for the previous fiscal year. Representing 6.7% of the revenues from governmental activities, operating grants and contributions decreased \$1.1 million to \$134.4 million for fiscal year 2019. Unrestricted grants and contributions amounted to \$45.5 million for both the 2019 and 2018 fiscal years. As a result of higher interest rates, miscellaneous revenues, comprised mostly of investment earnings, grew from 0.9% of total revenues for fiscal year 2018 to 1.4% for the current fiscal year. Capital grants and contributions hovered around 0.9% for both fiscal years.



**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

**Expenses.** The exhibit below displays the Comparison of Expenses by Function as a Percentage of Total Expenses for governmental activities for fiscal year 2019 compared to the prior fiscal year. General government expenses decreased from 45.2% (\$780.2 million as restated for fiscal year 2018) to 42.3% (\$774.5 million) of total expenses. Human services expenses also decreased from 7.4% (\$127.6 million for the previous fiscal year) to 6.4% (\$116.4 million for the current fiscal year) of total expenses. On the other hand, interest expense increased from 5.0% (\$87.0 million) to 5.6% (\$102.2 million for fiscal year 2019) primarily due to the higher amount of general obligation bonds outstanding. In addition, utilities or other enterprises (transportation) increased from 2.0% (\$34.5 million for the prior fiscal year) to 4.4% (\$79.8 million for fiscal year 2019) of total expenses.

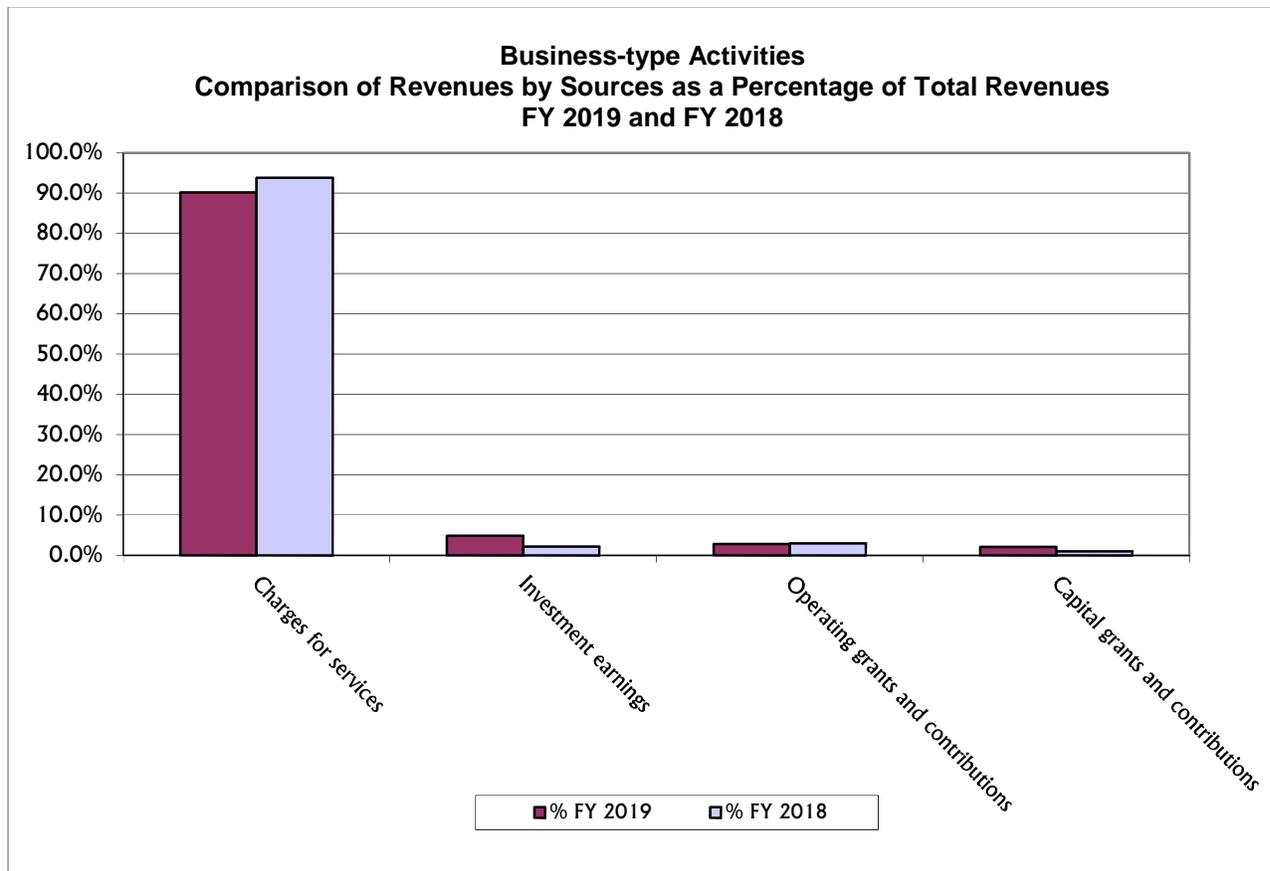


**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

**Business-type Activities**

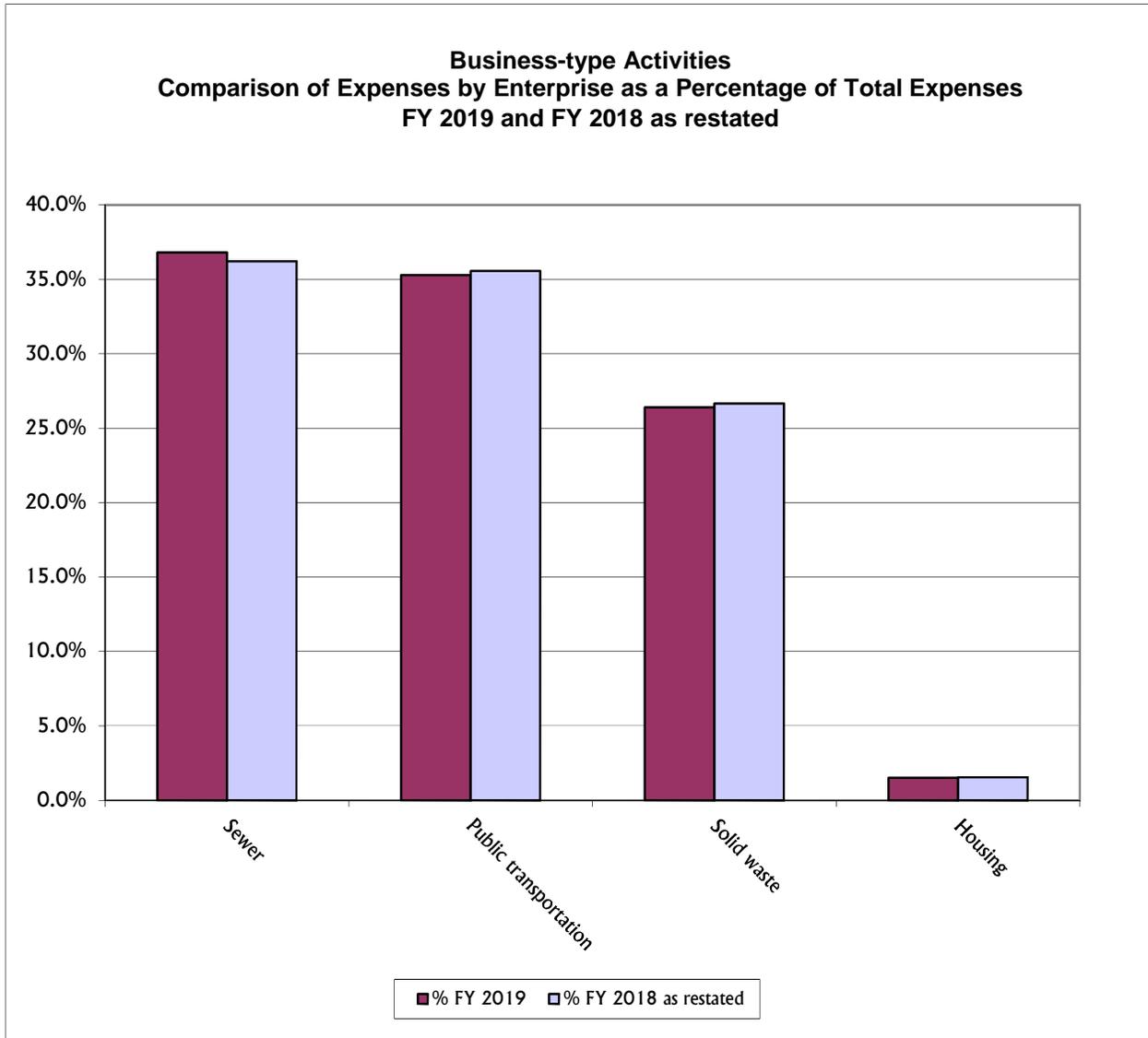
The change in net position of the City's business-type activities increased by \$211.0 million for fiscal year 2019, compared to \$170.0 million as restated for fiscal year 2018.

**Revenues.** The exhibit below displays the Comparison of Revenues by Sources as a Percentage of Total Revenues for the business-type activities. Although the exhibit indicates that charges for services decreased slightly from 93.8% of total revenues for fiscal year 2018 to 90.2% for the current fiscal year, total charges for services actually increased by \$18.0 million to \$679.0 million for fiscal year 2019. Charges for services for fiscal year 2019 can be disaggregated as follows: housing (\$11.0 million), sewer (\$466.1 million), solid waste (\$144.3 million), and public transportation (\$57.6 million). Investment earnings rose from \$15.5 million for the prior fiscal year to \$36.8 million for fiscal year 2019, primarily due to a change in the City's investment strategy and an increase in interest rates. Similarly, capital grants and contributions increased significantly from \$7.2 million for fiscal year 2018 to \$16.1 million for the current fiscal year, mainly due to higher amount of capital contributions for transit vehicles.



**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

**Expenses.** From the Comparison of Expenses by Enterprise as a Percentage of Total Expenses shown in the exhibit below, expenses for the business-type activities remained relatively stable for fiscal years 2019 and 2018. Sewer used the most resources (36.8%), followed closely by public transportation (35.3%). Solid waste accounted for 26.4% of total expenses, followed by housing (1.5%). The breakdown for the prior fiscal year is as follows: Sewer (36.2%), public transportation (35.6%), solid waste (26.7%), and housing (1.5%).



**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

**FINANCIAL ANALYSIS OF THE CITY GOVERNMENT'S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the City's governmental funds is to provide information on short-term (current) inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

The following table summarizes in millions the changes in fund balances for the City's governmental funds for the 2019 fiscal year. Total fund balances increased \$315.1 million for fiscal year 2019 in comparison to \$482.3 million for the prior fiscal year. The increase for the current fiscal year is due to a variety of factors including improved real property tax collections, motor vehicle weight tax revenues and investment earnings, as well as general obligation bonds and commercial paper notes issued on behalf of HART, reflected as an advance to component unit on the Balance Sheet for the Governmental Funds.

**Changes in Fund Balances  
(Amounts in Millions)**

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	All Other Funds	Totals	
					2019	2018
Revenues:						
Taxes	\$ 1,311.0	\$ 98.2	\$ -	\$ 19.0	\$ 1,428.2	\$ 1,317.9
Other	182.3	190.4	10.4	202.6	585.7	531.1
Total Revenues	1,493.3	288.6	10.4	221.6	2,013.9	1,849.0
Expenditures	1,068.7	121.1	311.4	483.1	1,984.3	1,807.9
Subtotal	424.6	167.5	(301.0)	(261.5)	29.6	41.1
Transfers and Other	(374.2)	(153.4)	448.9	364.2	285.5	441.2
Changes in Fund Balances	\$ 50.4	\$ 14.1	\$ 147.9	\$ 102.7	\$ 315.1	\$ 482.3

The above changes in fund balances for the governmental funds differ from the changes in net position for governmental activities summarized on page 24. The differences relate to certain financial resources and expenditures such as debt financing and capital outlays that are included in the changes in governmental fund balances but are not reported in the changes in net position as detailed on page 41.

**General Fund.** The General Fund is the main operating fund of the City. Its combined total fund balance increased \$50.4 million to \$425.6 million for the current fiscal year.

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

Real property tax, the primary General Fund revenue source rose \$98.8 million, representing a 8.4% increase over the previous year, primarily due to higher valuations, new housing inventory, reviews of exemption compliance, and improved effectiveness in collecting delinquent taxes.

**Highway Fund.** The Highway Fund includes special revenue proceeds that have been earmarked by law for highway and related activities. Major revenue sources include the City fuel tax, motor vehicle weight tax, and public utility franchise tax. Factors for the increase in restricted fund balance from \$28.1 million for the 2018 fiscal year to \$42.2 million at the close of the current fiscal year was the increase in rates for motor vehicle weight taxes, and a \$17.6 million decrease in the bus subsidy.

**General Obligation Bond and Interest Redemption Fund.** The General Obligation Bond and Interest Redemption Fund accounts for principal and interest payments on general obligation serial bonds that have been issued by the City, notes payable due to federal and state government agencies, and general obligation commercial paper notes. Fund balance increased from \$492.6 million for fiscal year 2018 to \$640.6 million for the current fiscal year, mainly due to the issuance of general obligation bonds for the rail transit project, reflected as other financing sources in the Statement of Revenues, Expenditures and Changes in Fund Balances on page 40, and disclosed on pages 81 to 87.

**All Other Funds.** This category is comprised of all the City’s nonmajor governmental funds, and excludes the proprietary and fiduciary funds. Total fund balance for the fiscal year ended June 30, 2019 increased by \$102.7 million, compared to an improvement of \$35.8 million for the preceding fiscal year. One of the primary factors for this improvement in total fund balance for the nonmajor governmental funds was available bond proceeds.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The following is a summary in millions of the variances between the budgetary estimates and the actual revenues for the following major general fund revenue sources for the 2019 fiscal year:

<b>Revenue Sources</b>	<b>Revenue Budget</b>	<b>Actual Revenues</b>	<b>Variances</b>
Real Property Tax	\$ 1,249.5	\$ 1,269.8	1.6%
Public Service Company Tax	46.0	41.2	(10.4)%
Building Permits	22.0	20.5	(6.8)%
Motor Vehicle Registration Annual Fee	14.9	14.6	(2.0)%
Emergency Ambulance Services	44.4	41.2	(7.2)%

With the statutory limits on the City’s share of the transient accommodation tax (also known as the hotel room tax), \$45.4 million was earned.

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

There was no total change between the original appropriated budget including transfers and the final amended budget including transfers; line item amendments for the General Fund represent authorized changes between activities.

Due to the implementation of expenditure control measures, actual expenditures were less than budgetary estimates by 9.3% (\$116.4 million) for fiscal year 2019. The net change in fund balance for the General Fund reflected a favorable variance of \$145.1 million for fiscal year 2019.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The City's investment in capital assets, net of accumulated depreciation, totaled \$6.94 billion for the primary government of which \$2.84 billion pertained to governmental activities as of June 30, 2019. This investment in capital assets includes land, construction work in progress, buildings and improvements, equipment and machinery, and infrastructure.

Capital asset additions can be attributed primarily to costs incurred for various ongoing capital improvement projects during fiscal year 2019. Major projects for the governmental activities include Rehabilitation of Streets (\$37.6 million), Alapai Transportation Management Center (\$10.8 million), Improvements at Various Parks (\$10.1 million), Blaisdell Center Master Plan and Redevelopment (\$6.7 million), and Rail Station Connectivity for Transit-Oriented Development-Waipahu (\$5.1 million). For the business-type activities, the major projects include Dowsett Highlands Relief Sewer-Pali Highway (\$12.3 million), Kamehameha Highway Wastewater Pump Station Force Main System (\$10.5 million), Kahanahou Wastewater Pump Station Upgrade and Sewer Improvement (\$10.2 million), Awa Street Wastewater Improvement-Waiakamilo Road Trunk Sewer (\$9.0 million), and Honouliuli Wastewater Treatment Plant Secondary Treatment Phase 1-Sludge Drying (\$8.3 million).

Major completed projects during fiscal year 2019 for the governmental activities include Rehabilitation of Streets at Various Locations (\$140.1 million), Acquisition of 925 Dillingham Boulevard Property (\$27.5 million), Kapolei Consolidated Corporation Yard-Phase 3 (\$18.8 million), Improvements at Various Parks (\$14.5 million), Acquisition of Housing Properties (\$13.0 million), and Relocation of Hauula Fire Station (\$9.4 million). For the business-type activities, the major completed projects include Kailua Wastewater Treatment Plant Energy and Water Savings Performance Contract (\$17.4 million), Kaneohe/Kailua Sewer Tunnel Project (\$16.4 million), acquisition of nine 60-ft and eight 40-ft diesel buses (\$12.3 million), West Beach Force Mains No. 1 and No. 2 Emergency Rehabilitation (\$12.0 million), Solar Building Project-H-POWER (\$10.2 million), Ahuimanu Wastewater Treatment Plant Facility Force Main/Haiku Road Bypass Sewer (\$10.1 million), and Waimalu Wastewater Pump Station Force Main/Waiiau Sewer Rehabilitation-Phase 2 (\$6.6 million).

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

Additional information on the City's capital assets may be found in the Notes to Financial Statements on pages 77 to 79.

The following is a summary in millions of the capital assets for the primary government as of June 30, 2019 in comparison to the previous year:

**Summary of Capital Assets  
(Amounts in millions)**

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Primary Government</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Non-depreciable assets:						
Land	\$ 568.1	\$ 537.5	\$ 162.4	\$ 160.9	\$ 730.5	\$ 698.4
Construction work in progress	331.2	372.6	505.4	378.0	836.6	750.6
Other capital assets:						
Buildings and improvements	1,616.2	1,552.8	2,133.5	2,100.0	3,749.7	3,652.8
Equipment and machinery	452.1	431.4	740.8	734.2	1,192.9	1,165.6
Infrastructure	1,947.6	1,791.0	2,163.4	2,100.3	4,111.0	3,891.3
Less: accumulated depreciation	<u>(2,073.0)</u>	<u>(1,947.5)</u>	<u>(1,612.3)</u>	<u>(1,505.1)</u>	<u>(3,685.3)</u>	<u>(3,452.6)</u>
Net	<u>\$ 2,842.2</u>	<u>\$ 2,737.8</u>	<u>\$ 4,093.2</u>	<u>\$ 3,968.3</u>	<u>\$ 6,935.4</u>	<u>\$ 6,706.1</u>

**Long-Term Debt**

At June 30, 2019, the long-term debt for the primary government amounted to \$5.94 billion, consisting mainly of total bonded debt (\$5.72 billion) and notes payable (\$211.0 million). The total bonded debt is comprised of \$3.58 billion in general obligation bonds, and \$2.14 billion in revenue bonds secured by wastewater system revenue sources.

The following is a summary of the bonded debt activities during fiscal year 2019:

- On August 15, 2018, \$468.5 million of general obligation bonds was issued. Series 2018A was issued to fund various capital improvement projects, and Series 2018B funded equipment purchases. Series 2018C, 2018D, 2018E and 2018F were issued to advance refund portions of outstanding general obligation bonds Series 2010B.
- Also on January 23, 2019, \$250.0 million of general obligation bonds was issued. Series 2019A was issued on behalf of HART to fund or to retire certain general obligation commercial paper notes and for HART's capital costs. Series 2019B was issued to fund or retire certain general obligation commercial paper notes.

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2019**

General obligation bonds Series 2018A, 2018B, 2018C, 2018D, 2018E and 2018F, have been assigned ratings of “AA+” by Fitch Ratings and “Aa1” by Moody’s Investors Service, respectively.

General obligation bonds Series 2019A and 2019B have been assigned ratings of “AA+” by Fitch Ratings and “Aa1” by Moody’s Investors Service, respectively.

The Hawaii Revised Statutes limit the amount of general obligation debt the City may issue to 15.0% of its net assessed valuation. The statutory debt limit for fiscal year 2019 was \$34.00 billion. The City’s outstanding debt applicable to the legal debt margin totaled \$3.05 billion as of June 30, 2019, well below the statutory debt limitation.

Additional information on the City’s long term debt may be found on pages 81 to 87 under note number 8 titled Long-Term Liabilities in the Notes to Financial Statements section.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES**

The local economy has been performing quite satisfactorily given economic indicators such as certain visitor industry statistics, home resale volume, overall job counts, unemployment, personal income growth, and proprietors’ income. The assessed valuation of real property (including new added property inventory) on Oahu increased 6.9% to \$242.26 billion for fiscal year 2020 from \$226.64 billion for fiscal year 2019.

The operating budget net of inter-fund transfers increased to \$2.83 billion for fiscal year 2020 compared to \$2.61 billion for 2019, primarily due to state mandated increases in contributions for retirement and other postemployment (healthcare) benefits (OPEB), and raises related to collective bargaining agreements.

**FINANCIAL CONTACT**

The CAFR is designed to provide a general overview of the City’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Budget and Fiscal Services, City and County of Honolulu, 530 South King Street, Honolulu, Hawaii 96813.

# **BASIC FINANCIAL STATEMENTS**

# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CITY AND COUNTY OF HONOLULU**  
**STATEMENT OF NET POSITION**

JUNE 30, 2019

(Amounts in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Total Component Units
<b>ASSETS</b>				
Cash and cash equivalents .....	\$ 235,390	\$ 438,514	\$ 673,904	\$ 53,597
Investments .....	586,463	946,758	1,533,221	479,098
Receivables (net) .....	155,011	104,770	259,781	112,432
Internal balances .....	111	(111)	--	--
Inventories .....	--	26,138	26,138	19,099
Prepaid expenses and other .....	--	2,936	2,936	24,518
Restricted assets:				
Cash and cash equivalents .....	--	59,873	59,873	25,402
Investments .....	41,839	292,798	334,637	21,149
Advance to component unit .....	553,134	--	553,134	--
Capital assets (net of accumulated depreciation):				
Land .....	568,150	162,399	730,549	205,636
Buildings and improvements .....	727,393	1,557,607	2,285,000	102,097
Equipment and machinery .....	122,665	189,591	312,256	90,130
Infrastructure .....	1,092,789	1,678,173	2,770,962	805,098
Construction work in progress .....	331,199	505,418	836,617	3,846,094
Total assets .....	4,414,144	5,964,864	10,379,008	5,784,350
<b>DEFERRED OUTFLOWS</b>				
Deferred outflows of resources .....	815,397	160,514	975,911	97,274
<b>LIABILITIES</b>				
Accounts payable .....	108,952	85,007	193,959	189,285
Matured bonds and interest payable ...	317	--	317	--
Accrued interest payable .....	40,948	51,755	92,703	9,635
Due to fiduciary funds .....	18	33	51	--
Other liabilities .....	28,898	12,047	40,945	25,231
Noncurrent liabilities:				
Due within one year .....	198,561	137,039	335,600	45,659
Due in more than one year .....	3,380,115	2,954,636	6,334,751	312,108
Other due in more than one year:				
Advance from City.....	--	--	--	553,134
Net pension liability.....	2,212,020	212,476	2,424,496	162,409
Net OPEB liability.....	1,688,619	202,332	1,890,951	330,175
Total liabilities .....	7,658,448	3,655,325	11,313,773	1,627,636
<b>DEFERRED INFLOWS</b>				
Deferred inflows of resources .....	91,829	25,605	117,434	7,882
<b>NET POSITION</b>				
Net investment in capital assets .....	256,353	1,315,261	1,571,614	4,034,076
Restricted for:				
Capital activity .....	--	--	--	22,147
Debt service .....	640,749	259,977	900,726	--
Unrestricted .....	(3,417,838)	869,210	(2,548,628)	189,883
Total net position .....	\$ (2,520,736)	\$ 2,444,448	\$ (76,288)	\$ 4,246,106

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

CITY AND COUNTY OF HONOLULU  
**STATEMENT OF ACTIVITIES**  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 ( Amounts in thousands )

(Page 1 of 2)

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government.....	\$ 774,499	\$ 264,130	\$ 9,201	\$ --
Public safety.....	524,312	48,372	22,427	236
Highways and streets.....	98,418	316	--	34
Sanitation.....	264	--	--	--
Human services.....	116,412	442	78,984	3,105
Culture and recreation.....	134,774	35,181	2,262	--
Utilities or other enterprises.....	79,848	4,296	21,547	15,956
Interest.....	102,230	--	--	--
Total governmental activities..	<u>1,830,757</u>	<u>352,737</u>	<u>134,421</u>	<u>19,331</u>
Business-type activities:				
Housing.....	12,288	10,988	--	--
Sewer.....	300,324	466,065	--	2,317
Solid Waste.....	215,436	144,356	--	--
Public Transportation.....	287,876	57,567	21,000	13,745
Total business-type activities...	<u>815,924</u>	<u>678,976</u>	<u>21,000</u>	<u>16,062</u>
Total primary government.....	<u>\$ 2,646,681</u>	<u>\$ 1,031,713</u>	<u>\$ 155,421</u>	<u>\$ 35,393</u>
<b>Component units:</b>				
Total component units.....	<u>\$ 429,943</u>	<u>\$ 229,203</u>	<u>\$ 195,497</u>	<u>\$ 57,273</u>
General revenues:				
Property taxes.....				
Public service company tax.....				
Fuel tax .....				
Public utility franchise tax.....				
Investment earnings.....				
Unrestricted grants and contributions.....				
General Excise Tax Surcharge.....				
Other.....				
Transfers.....				
Total general revenues and transfers.....				
Change in net position.....				
Net position - beginning, as previously reported.....				
Prior period adjustments.....				
Net position - beginning, as restated.....				
Net position - ending.....				

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

CITY AND COUNTY OF HONOLULU  
**STATEMENT OF ACTIVITIES**  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands )

(Page 2 of 2)

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Total Component Units
Governmental Activities	Business-type Activities	Total	
\$ (501,168)	\$ --	\$ (501,168)	\$ --
(453,277)	--	(453,277)	--
(98,068)	--	(98,068)	--
(264)	--	(264)	--
(33,881)	--	(33,881)	--
(97,331)	--	(97,331)	--
(38,049)	--	(38,049)	--
(102,230)	--	(102,230)	--
<u>(1,324,268)</u>	<u>--</u>	<u>(1,324,268)</u>	<u>--</u>
--	(1,300)	(1,300)	--
--	168,058	168,058	--
--	(71,080)	(71,080)	--
<u>--</u>	<u>(195,564)</u>	<u>(195,564)</u>	<u>--</u>
<u>--</u>	<u>(99,886)</u>	<u>(99,886)</u>	<u>--</u>
<u>(1,324,268)</u>	<u>(99,886)</u>	<u>(1,424,154)</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>52,030</u>
1,288,664	--	1,288,664	--
41,182	--	41,182	--
51,140	--	51,140	--
46,615	--	46,615	--
21,336	36,811	58,147	10,739
45,538	--	45,538	--
--	--	--	324,736
7,262	--	7,262	--
(274,070)	274,070	--	--
<u>1,227,667</u>	<u>310,881</u>	<u>1,538,548</u>	<u>335,475</u>
<u>(96,601)</u>	<u>210,995</u>	<u>114,394</u>	<u>387,505</u>
(2,410,505)	2,243,620	(166,885)	3,858,601
(13,630)	(10,167)	(23,797)	--
<u>(2,424,135)</u>	<u>2,233,453</u>	<u>(190,682)</u>	<u>3,858,601</u>
<u>\$ (2,520,736)</u>	<u>\$ 2,444,448</u>	<u>\$ (76,288)</u>	<u>\$ 4,246,106</u>

**This page left blank intentionally.**

## **FUND FINANCIAL STATEMENTS**

# Governmental Funds Financial Statements

## MAJOR FUNDS

### General Fund (Combined)

#### **General Fund**

This fund accounts for all financial resources except those required to be accounted for in another fund.

#### **Grants in Aid Fund**

This fund is used to award grants in aid to federal income tax exempt non-profit organizations that provide services to economically and/or socially disadvantaged populations or provide services for public benefit in the areas of the arts, culture, economic development or the environment.

#### **Reserve for Fiscal Stability Fund**

This fund accounts for monies determined to be in excess of expenditures, monies appropriated to the fund by City Council, and monies realized from the conveyance of City property and designated for deposit into the fund by City Council resolution. The reserves are designated for economic and revenue downturns and emergency situations.

#### **Leasehold Conversion Fund**

This fund accounts for all monies to assist lessees to purchase, at fair and reasonable prices, lands upon which residential condominium, cooperative housing or residential planned development are situated.

#### **Improvement District Revolving Fund**

Monies in this revolving fund are available to cover deficiencies, advance interest due, reimburse the General Fund in the event the payment of assessments are late or insufficient, and pay all expenses in connection with the sale of delinquent lots as bid for and purchased for the City by the Director of Budget and Fiscal Services.

#### **Housing and Community Development Revolving Fund**

This fund serves as a working capital fund to facilitate the expenditure of joint costs.

### Special Revenue Fund

#### **Highway Fund**

This fund accounts for disposition of proceeds from special revenues earmarked by law for highway and related activities. Major revenue sources include the City fuel tax, vehicle weight tax and public utility franchise tax.

#### **Debt Service Fund**

#### **General Obligation Bond and Interest Redemption Fund**

This fund accounts for payments of principal and interest on general obligation serial bonds issued by the City.

## NONMAJOR FUNDS

### Special Revenue Funds

#### **Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund**

This fund accounts for receipts from motor vehicle registration certificates. These monies are expended primarily for the beautification of highways under the jurisdiction of the City and the disposition of abandoned vehicles.

# Governmental Funds Financial Statements (Continued)

## NONMAJOR FUNDS (CONTINUED)

### Special Revenue Funds (Continued)

#### **Bikeway Fund**

This fund accounts for bicycle and moped permanent registration fees, transfer fees, penalties, fines, and charges for duplicate tags and certificates of registration. These monies are earmarked for operating, acquisition and other costs related to bikeways.

#### **Parks and Playgrounds Fund**

All monies received in lieu of providing land in perpetuity or dedicating land, together with facilities for park and playground purposes are recorded in this fund. These monies must be expended for the purchase of land for parks and playgrounds, park and playground equipment, and/or the improvement of existing parks and playgrounds.

#### **Liquor Commission Fund**

This fund accounts for all monies collected by as well as received on behalf of the Liquor Commission and used for operational and administrative costs of the Liquor Commission.

#### **Rental Assistance Fund**

This fund accounts for all net receipts from the Hale Pauahi parking structure which are expended for monthly rental assistance payments to landlords on behalf of eligible applicants.

#### **Transit Construction Mitigation Fund**

This fund is to receive and expend moneys to mitigate negative economic impacts from the construction of the Honolulu High Capacity Transit project. Monies from the general fund or other federal, state or private sources that have been so specified for these purposes may be deposited in this fund.

#### **Hanauma Bay Nature Preserve Fund**

This fund accounts for receipts from the entrance and vehicle admission fees to the Hanauma Bay Nature Preserve and is earmarked primarily for the operation, maintenance and improvement of the Nature Preserve.

#### **Clean Water and Natural Lands Fund**

This fund receives and expends monies for the purchase of or to otherwise acquire real estate or any interest therein for land conservation in the City.

#### **Affordable Housing Fund**

This fund receives and expends monies to provide and maintain affordable housing for persons earning less than sixty percent of the median household income in the City.

#### **Community Development Fund**

Monies are provided by the federal government under the Housing and Community Development Act of 1974, as amended; the National Affordable Housing Act of 1990, as amended; monies generated as program income; and monies carried over from prior years. Funds are expended to carry out the objectives of the Acts.

#### **Patsy T. Mink Central Oahu Regional Park Fund**

This fund accounts for all revenues generated from the Patsy T. Mink Central Oahu Regional Park. These monies shall be expended, as appropriated, for the improvement, maintenance and repair of the City's Patsy T. Mink Central Oahu Regional Park.

# Governmental Funds Financial Statements (Continued)

## NONMAJOR FUNDS (CONTINUED)

### Special Revenue Funds (Continued)

#### **Waipio Peninsula Soccer Park Fund**

This fund accounts for all revenues generated from the Waipio Peninsula Soccer Park. These monies shall be expended, as appropriated, for the improvement, maintenance and repair of the City's Waipio Peninsula Soccer Park.

#### **Honolulu Zoo Fund**

This fund accounts for receipts from the entrance fees, rents, user fees, and miscellaneous revenues generated from operations of the Honolulu Zoo and is earmarked primarily for the administration, operation, repair, maintenance and improvement of the Honolulu Zoo.

#### **Golf Fund**

Receipts for this fund are derived from the operation of the City's golf facilities. All funds are expended for the management, operation and maintenance of the municipal golf courses.

#### **Special Events Fund**

This fund accounts for all revenues derived from the operation of the City's auditorium facilities, Waikiki Shell, and Honolulu Zoo. All funds are expended for the operation of the Department of Enterprise Services.

#### **Special Projects Fund**

This fund accounts for all monies received under special contracts executed between the City and the State of Hawaii. Monies received from various other sources for operating and capital improvement expenditures for which no financing has been provided in other funds, such as contributions from property owners exclusive of improvement district assessment collections, are also accounted for in this fund.

#### **Federal Grants Fund**

This fund accounts for all monies received from the federal government as grants for specific projects as well as supporting monies from other sources, where such monies are not accountable in any other fund. All monies placed in the fund are maintained in separate accounts identified with, and expended for, the intended purposes.

#### **Housing and Community Development Rehabilitation Loan Fund**

This fund makes loan monies available primarily to low and moderate income applicants unable to secure or qualify for funds under the Rehabilitation Loan Program sponsored by the federal government.

#### **Pauahi Project Expenditures, Hawaii R-15 Fund**

This fund was created to facilitate financing of the Pauahi Project redevelopment plan providing for the acquisition, clearance, construction of site improvements, and sale or lease of home, apartment and commercial sites to private parties for development in accordance with said plans. Also, funding may be used for any project that is eligible for Community Development Block Grant monies.

#### **Housing and Community Development Section 8 Contract Fund**

This fund accounts for all monies received from the federal government under the Housing and Community Development Act of 1974 for the purposes set forth under Title II of the Act.

### Debt Service Fund

#### **Improvement District Bond and Interest Redemption Fund**

This fund accounts for the redemption of maturing City improvement district assessment bonds and collections of special assessments.

# Governmental Funds Financial Statements (Continued)

## NONMAJOR FUNDS (CONTINUED)

### Capital Projects Funds

#### **General Improvement Bond Fund**

This fund accounts for proceeds of general obligation bonds issued to pay all or part of those appropriations in the Capital Budget Ordinance for public improvements specified to be expended from this fund.

#### **Highway Improvement Bond Fund**

Proceeds of general obligation bonds issued to pay all or a part of those appropriations in the Capital Budget Ordinance for highway and related public improvements are accounted for in this fund.

#### **Federal Grants Capital Projects Fund**

All monies received from the federal government in the form of grants, entitlements or payments in lieu of taxes, to fund capital projects, and Federal Revenue Sharing funds appropriated for capital projects are deposited or transferred into this fund and expended for the purposes for which such monies are received or appropriated.

#### **Capital Projects Fund**

This fund accounts for monies received from sources other than the federal government in the form of grants, entitlements, shared revenues or payments in lieu of taxes, and City monies appropriated for capital projects transferred into this fund. These monies are expended for the purposes received or appropriated. Transactions relating to acquisition of capital improvements financed by special assessments are also accounted for in this fund.

CITY AND COUNTY OF HONOLULU  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2019  
(Amounts in thousands)

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments:					
With treasury .....	\$ 417,157	\$ 41,640	\$ 45,915	\$ 317,141	\$ 821,853
With fiscal agents .....	--	--	41,839	--	41,839
Receivables .....	33,621	28,492	--	92,898	155,011
Due from other funds .....	57,230	--	5	215	57,450
Advance to component unit .....	--	--	553,134	--	553,134
Total Assets .....	\$ 508,008	\$ 70,132	\$ 640,893	\$ 410,254	\$ 1,629,287
<b>LIABILITIES, DEFERRED INFLOW AND FUND BALANCES</b>					
Liabilities:					
Accounts payable .....	\$ 43,494	\$ 2,591	\$ --	\$ 62,867	\$ 108,952
Accrued payroll .....	25,740	1,860	--	1,298	28,898
Due to other funds .....	18	120	--	57,219	57,357
Matured bonds and interest payable.....	--	--	309	8	317
Total Liabilities .....	69,252	4,571	309	121,392	195,524
Deferred Inflow:					
Deferred inflow .....	13,107	23,408	--	69,122	105,637
Total Deferred Inflow .....	13,107	23,408	--	69,122	105,637
Fund Balances:					
Restricted .....	--	42,153	--	160,853	203,006
Committed .....	131,662	--	640,584	84,763	857,009
Assigned .....	77,711	--	--	--	77,711
Unassigned .....	216,276	--	--	(25,876)	190,400
Total Fund Balances .....	425,649	42,153	640,584	219,740	1,328,126
Total Liabilities, Deferred Inflow and Fund Balances..	\$ 508,008	\$ 70,132	\$ 640,893	\$ 410,254	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,842,196
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	102,498
Deferred outflows of resources reported in governmental activities are not reported in the funds.	815,397
Deferred inflows of resources reported in governmental activities are not reported in the funds.	(88,690)
Long-term liabilities and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(7,520,263)
Net position of governmental activities	\$ (2,520,736)

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

CITY AND COUNTY OF HONOLULU  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
( Amounts in thousands )

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes.....	\$ 1,310,999	\$ 98,187	\$ --	\$ 18,981	\$ 1,428,167
Special assessments.....	--	--	--	3	3
Licenses and permits.....	48,014	179,010	--	6,528	233,552
Intergovernmental.....	45,676	--	--	151,237	196,913
Charges for services.....	8,011	5,312	--	23,664	36,987
Fines and forfeits.....	1,111	36	--	240	1,387
<b>Miscellaneous:</b>					
Recoveries.....	50,425	3,065	9,737	--	63,227
Interest.....	21,479	--	683	1,760	23,922
Other.....	7,596	2,995	--	19,193	29,784
<b>Total Revenues.....</b>	<b>1,493,311</b>	<b>288,605</b>	<b>10,420</b>	<b>221,606</b>	<b>2,013,942</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government.....	158,378	21,268	--	13,109	192,755
Public safety.....	437,244	32,612	--	17,704	487,560
Highways and streets.....	11,269	21,896	--	10,633	43,798
Sanitation.....	240	--	--	--	240
Human services.....	17,092	--	--	86,677	103,769
Culture-recreation.....	77,556	--	--	29,841	107,397
Utilities or other enterprises.....	945	3,374	--	79,180	83,499
<b>Miscellaneous:</b>					
Retirement and health benefits.....	334,133	39,480	--	15,535	389,148
Other.....	27,946	2,329	--	605	30,880
<b>Capital Outlay:</b>					
General government.....	1,198	74	--	43,976	45,248
Public safety.....	2,263	14	--	31,419	33,696
Highways and streets.....	8	62	--	86,840	86,910
Human services.....	--	--	--	22,120	22,120
Culture-recreation.....	358	--	--	34,079	34,437
Utilities or other enterprises.....	10	--	--	11,459	11,469
<b>Debt service:</b>					
Principal.....	--	--	192,798	--	192,798
Interest.....	--	--	116,728	--	116,728
Bond issuance costs.....	--	--	1,820	--	1,820
<b>Total Expenditures.....</b>	<b>1,068,640</b>	<b>121,109</b>	<b>311,346</b>	<b>483,177</b>	<b>1,984,272</b>
Revenues over (under) Expenditures.....	424,671	167,496	(300,926)	(261,571)	29,670
<b>Other Financing Sources (Uses):</b>					
Issuance of tax exempt commercial paper.....	--	--	50,000	44,000	94,000
Issuance of general obligation bonds.....	--	--	126,785	277,871	404,656
Bond premium.....	--	--	24,539	35,413	59,952
Bond discount.....	--	--	--	(279)	(279)
Issuance of refunding bonds.....	--	--	124,054	--	124,054
Bond premium on refunding bonds.....	--	--	20,594	--	20,594
Bond discount on refunding bonds.....	--	--	(141)	--	(141)
Payment to escrow agent for refunding of bonds and commercial paper.....	--	--	(144,000)	--	(144,000)
Sales of capital assets.....	10	645	--	--	655
Transfers in.....	192,756	--	247,038	19,551	459,345
Transfers out.....	(567,008)	(154,084)	--	(12,323)	(733,415)
<b>Total Other Financing Sources (Uses).....</b>	<b>(374,242)</b>	<b>(153,439)</b>	<b>448,869</b>	<b>364,233</b>	<b>285,421</b>
<b>Net change in fund balances.....</b>	<b>50,429</b>	<b>14,057</b>	<b>147,943</b>	<b>102,662</b>	<b>315,091</b>
<b>Fund Balances - July 1.....</b>	<b>375,220</b>	<b>28,096</b>	<b>492,641</b>	<b>117,078</b>	<b>1,013,035</b>
<b>Fund Balances - June 30.....</b>	<b>\$ 425,649</b>	<b>\$ 42,153</b>	<b>\$ 640,584</b>	<b>\$ 219,740</b>	<b>\$ 1,328,126</b>

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

CITY AND COUNTY OF HONOLULU  
**GOVERNMENTAL FUNDS**  
 RECONCILIATION OF THE STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCES  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 ( Amounts in thousands )

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

Net change in fund balances--total governmental funds	\$ 315,091
Governmental funds report capital outlays as expenditures. The Statement of Activities reports depreciation expense on capital assets and other adjustments. This is the difference between those amounts for this year.	104,388
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(709)
Proceeds from the issuance of long-term debt are reported as providing current financial resources in the governmental funds, but are reported as long-term debt in the government-wide financial statements. Repayment of such debt is reported as an expenditure for governmental funds but is reported as a reduction of debt in the government-wide financial statements.	(332,118)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(143,701)
Loss on refunding is recorded as an other financing use in the fund statement but as a deferred outflow of resources in the government-wide financial statements. Amortization of the deferred outflow of resources is reported as interest in the Statement of Activities but does not require current financial resources and is not reported in the funds.	(8,349)
Funds report expenditures for contributions for pensions, OPEB and asset retirement obligations (ARO). The government wide financial statements report deferred outflows, deferred inflows, pension expense, OPEB expense and ARO expense.	(31,203)
Change in net position of governmental activities	\$ (96,601)

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

**This page left blank intentionally.**

## **Proprietary Fund Financial Statements**

### **Housing Development Special Fund**

This fund accounts for monies designated for the development of housing for sale or for rental by the City. Transactions in this fund are incorporated in the financial statements for the housing program.

### **Sewer Fund**

This fund accounts for all monies received pursuant to the provisions of the Federal Water Pollution Control Act amendments of 1972 and the Hawaii Revised Statutes and expended for the purposes authorized.

### **Solid Waste Special Fund**

This fund accounts for all revenues derived from the operation of the City's Refuse Division, solid waste disposal programs, glass recycling program, and other recycling programs. All monies placed in this fund are maintained in separate accounts identified with and expended for the intended purposes.

### **Public Transportation System**

The Bus Transportation Fund was created for the management, operation, and maintenance of the bus transportation system, including the City bus system (TheBus) and the special transit service (The Handi-Van).

CITY AND COUNTY OF HONOLULU  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2019  
 (Amounts in thousands)

	Business-type Activities-Enterprise Funds				
	Housing	Sewer	Solid Waste	Public Transportation System	Totals
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash and cash equivalents .....	\$ 640	\$ 383,202	\$ 49,200	\$ 5,472	\$ 438,514
Investments .....	1,697	835,690	95,498	13,873	946,758
<b>Receivables:</b>					
Accounts (net of allowance for uncollectibles of \$ 11,539 ) .....	3,039	73,487	12,800	1,720	91,046
Interest .....	--	11,510	1,162	--	12,672
Payroll Advance .....	--	671	361	20	1,052
Inventories of parts, materials and supplies, at cost.....	--	11,516	--	9,150	20,666
Inventories of real estate held for sale .....	5,472	--	--	--	5,472
<b>Restricted assets:</b>					
Cash and cash equivalents .....	17,859	41,050	--	964	59,873
Prepaid expenses and other assets .....	50	--	800	1,009	1,859
<b>Total Current Assets .....</b>	<b>28,757</b>	<b>1,357,126</b>	<b>159,821</b>	<b>32,208</b>	<b>1,577,912</b>
<b>Noncurrent Assets:</b>					
<b>Restricted assets:</b>					
Investments .....	--	257,443	35,355	--	292,798
<b>Capital Assets:</b>					
Land .....	14,578	47,526	24,063	76,232	162,399
Buildings and improvements .....	108,620	1,385,799	534,458	104,611	2,133,488
Transmission and distribution system .....	--	2,163,335	--	--	2,163,335
Equipment and machinery .....	1,374	123,231	291,773	33,177	449,555
Buses and other transit vehicles .....	--	--	--	291,260	291,260
Construction work in progress .....	--	425,347	73,896	6,175	505,418
Accumulated depreciation .....	(95,090)	(891,873)	(353,766)	(271,538)	(1,612,267)
Other noncurrent assets .....	1,077	--	--	--	1,077
<b>Total Noncurrent Assets .....</b>	<b>30,559</b>	<b>3,510,808</b>	<b>605,779</b>	<b>239,917</b>	<b>4,387,063</b>
<b>Total Assets .....</b>	<b>59,316</b>	<b>4,867,934</b>	<b>765,600</b>	<b>272,125</b>	<b>5,964,975</b>
<b>DEFERRED OUTFLOWS</b>					
Deferred loss on refunding of debt .....	1,752	53,069	21,654	--	76,475
Deferred outflows from pensions .....	--	29,808	22,242	1,907	53,957
Deferred outflows from OPEB .....	--	15,195	7,830	518	23,543
Deferred outflows from asset retirement obligation .....	--	5,280	--	1,259	6,539
<b>Total Deferred Outflows .....</b>	<b>1,752</b>	<b>103,352</b>	<b>51,726</b>	<b>3,684</b>	<b>160,514</b>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts payable .....	498	66,444	17,721	344	85,007
Interest payable .....	276	46,501	4,978	--	51,755
Notes payable .....	--	21,483	--	--	21,483
Bonds payable .....	4,373	72,518	25,876	--	102,767
Due to other funds .....	--	8	136	--	144
Reserve for insurance claims payable .....	--	--	--	10,582	10,582
Accrued payroll .....	--	1,856	1,215	59	3,130
Other current liabilities .....	1,014	491	1,696	1,277	4,478
<b>Total Current Liabilities .....</b>	<b>6,161</b>	<b>209,301</b>	<b>51,622</b>	<b>12,262</b>	<b>279,346</b>
<b>Noncurrent Liabilities:</b>					
Notes payable .....	--	188,807	--	--	188,807
General obligation bonds payable .....	24,714	586	483,329	--	508,629
Revenue bonds payable.....	--	2,198,904	--	--	2,198,904
Estimated liability for landfill closure and postclosure care costs.....	--	--	11,795	--	11,795
Net pension liability .....	--	122,953	85,059	4,464	212,476
Net OPEB liability .....	--	115,348	82,824	4,160	202,332
Other liabilities .....	6,646	19,241	4,143	23,117	53,147
<b>Total Noncurrent Liabilities .....</b>	<b>31,360</b>	<b>2,645,839</b>	<b>667,150</b>	<b>31,741</b>	<b>3,376,090</b>
<b>Total Liabilities .....</b>	<b>37,521</b>	<b>2,855,140</b>	<b>718,772</b>	<b>44,003</b>	<b>3,655,436</b>
<b>DEFERRED INFLOWS</b>					
Deferred inflows from pensions .....	--	13,528	7,980	110	21,618
Deferred inflows from OPEB .....	--	2,273	1,632	82	3,987
<b>Total Deferred Inflows .....</b>	<b>--</b>	<b>15,801</b>	<b>9,612</b>	<b>192</b>	<b>25,605</b>
<b>NET POSITION</b>					
Net investment in capital assets .....	2,147	954,970	118,227	239,917	1,315,261
Restricted for debt service .....	--	259,977	--	--	259,977
Unrestricted .....	21,400	885,398	(29,285)	(8,303)	869,210
<b>Total Net Position .....</b>	<b>\$ 23,547</b>	<b>\$ 2,100,345</b>	<b>\$ 88,942</b>	<b>\$ 231,614</b>	<b>\$ 2,444,448</b>

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

CITY AND COUNTY OF HONOLULU  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
<b>Operating Revenues:</b>					
Rental income .....	\$ 10,184	\$ --	\$ --	\$ --	\$ 10,184
Sewer service charges .....	--	458,218	--	--	458,218
Disposal and collection fees .....	--	--	66,829	--	66,829
Electrical energy fee .....	--	--	75,437	--	75,437
Passenger fares for transit services .....	--	--	--	56,879	56,879
Other revenue .....	--	2,793	2,090	688	5,571
<b>Total Operating Revenues .....</b>	<b>10,184</b>	<b>461,011</b>	<b>144,356</b>	<b>57,567</b>	<b>673,118</b>
<b>Operating Expenses:</b>					
Administrative and general .....	205	53,532	35,479	1,530	90,746
Maintenance .....	1,864	898	854	83	3,699
Depreciation .....	3,748	77,184	16,782	21,331	119,045
Contractual services .....	2,139	20,918	112,335	210,702	346,094
Fringe benefits .....	--	27,021	25,374	1,679	54,074
Materials and supplies .....	1,051	15,484	3,024	15,389	34,948
Fuel and lubricants .....	--	1,026	2,556	15,813	19,395
Insurance .....	74	--	2,576	15,295	17,945
State taxes - fuel .....	--	--	118	3,062	3,180
Utilities .....	2,053	25,200	310	2,981	30,544
<b>Total Operating Expenses .....</b>	<b>11,134</b>	<b>221,263</b>	<b>199,408</b>	<b>287,865</b>	<b>719,670</b>
<b>Operating Income (Loss) .....</b>	<b>(950)</b>	<b>239,748</b>	<b>(55,052)</b>	<b>(230,298)</b>	<b>(46,552)</b>
<b>Nonoperating Revenues (Expenses):</b>					
Interest revenue .....	22	33,992	2,797	--	36,811
Interest expense .....	(1,154)	(82,025)	(15,667)	--	(98,846)
Loss from disposal of property .....	--	--	--	(11)	(11)
Change in unrealized gain (loss) on investments.....	--	2,964	170	--	3,134
Other .....	804	5,054	(531)	21,000	26,327
<b>Total Nonoperating Revenues (Expenses) .....</b>	<b>(328)</b>	<b>(40,015)</b>	<b>(13,231)</b>	<b>20,989</b>	<b>(32,585)</b>
<b>Income (Loss) before Transfers and Capital Contributions.....</b>	<b>(1,278)</b>	<b>199,733</b>	<b>(68,283)</b>	<b>(209,309)</b>	<b>(79,137)</b>
Transfers In .....	6,342	--	112,735	188,651	307,728
Transfers Out .....	(382)	(20,404)	(12,872)	--	(33,658)
Capital Contributions .....	--	2,317	--	13,745	16,062
<b>Change in Net Position .....</b>	<b>4,682</b>	<b>181,646</b>	<b>31,580</b>	<b>(6,913)</b>	<b>210,995</b>
<b>Net Position - July 1 .....</b>	<b>18,865</b>	<b>1,924,940</b>	<b>57,362</b>	<b>242,453</b>	<b>2,243,620</b>
<b>Prior period adjustment:</b>					
Asset Retirement Obligation (GASB 83) .....	--	(6,241)	--	(3,926)	(10,167)
<b>Net Position - July 1 as restated.....</b>	<b>18,865</b>	<b>1,918,699</b>	<b>57,362</b>	<b>238,527</b>	<b>2,233,453</b>
<b>Net Position - June 30 .....</b>	<b>\$ 23,547</b>	<b>\$ 2,100,345</b>	<b>\$ 88,942</b>	<b>\$ 231,614</b>	<b>\$ 2,444,448</b>

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

CITY AND COUNTY OF HONOLULU  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
<b>Cash flows from operating activities:</b>					
Receipts from customers.....	\$ 8,340	\$ 451,686	\$ 145,531	\$ 57,016	\$ 662,573
Payments to suppliers.....	(7,328)	(64,825)	(123,811)	(262,862)	(458,826)
Payments to employees.....	--	(68,879)	(49,836)	(2,346)	(121,061)
Other receipts .....	2,103	558	--	307	2,968
Net cash provided by (used in) operating activities .....	<u>3,115</u>	<u>318,540</u>	<u>(28,116)</u>	<u>(207,885)</u>	<u>85,654</u>
<b>Cash flows from noncapital financing activities:</b>					
Transfers in .....	6,342	--	112,736	188,651	307,729
Transfers out .....	(382)	(20,404)	(12,872)	--	(33,658)
Grants and contributions .....	--	--	--	21,000	21,000
Net cash provided by (used in) noncapital financing activities .....	<u>5,960</u>	<u>(20,404)</u>	<u>99,864</u>	<u>209,651</u>	<u>295,071</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition and construction of capital assets .....	(207)	(209,998)	(14,696)	(209)	(225,110)
Proceeds from issuing notes .....	--	3,900	--	--	3,900
Proceeds from issuing bonds .....	--	--	189,254	--	189,254
Capital grants and subsidies .....	--	5,035	--	--	5,035
Principal paid on notes .....	--	(22,670)	--	--	(22,670)
Principal paid on bonds .....	(6,259)	(70,545)	(196,850)	--	(273,654)
Interest paid on notes .....	--	(1,781)	--	--	(1,781)
Interest paid on bonds .....	(1,167)	(89,622)	(15,126)	--	(105,915)
Net cash used in capital and related financing activities .....	<u>(7,633)</u>	<u>(385,681)</u>	<u>(37,418)</u>	<u>(209)</u>	<u>(430,941)</u>
<b>Cash flows from investing activities:</b>					
Purchase of investments .....	(3,071)	(1,640,689)	(208,320)	(16,252)	(1,868,332)
Proceeds from maturities of investments .....	3,874	1,970,678	206,105	18,659	2,199,316
Interest on investments .....	--	24,627	1,950	--	26,577
Net cash provided by (used in) investing activities .....	<u>803</u>	<u>354,616</u>	<u>(265)</u>	<u>2,407</u>	<u>357,561</u>
Net increase in cash and cash equivalents .....	2,245	267,071	34,065	3,964	307,345
Cash and cash equivalents - July 1 .....	16,254	157,181	15,135	2,472	191,042
Cash and cash equivalents - June 30 .....	<u>\$ 18,499</u>	<u>\$ 424,252</u>	<u>\$ 49,200</u>	<u>\$ 6,436</u>	<u>\$ 498,387</u>

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

CITY AND COUNTY OF HONOLULU  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss) .....	\$ (950)	\$ 239,748	\$ (55,052)	\$ (230,298)	\$ (46,552)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation .....	3,748	77,184	16,782	21,331	119,045
Other revenues (expenses) .....	913	(20)	38	6	937
Writeoff of capital assets .....	--	7,411	--	--	7,411
Loss on disposal of inventory.....	--	--	--	(11)	(11)
(Increase) decrease in accounts receivable .....	(381)	(7,006)	4,796	87	(2,504)
(Increase) decrease in inventory of parts, materials and supplies .....	--	2,341	--	(332)	2,009
Increase in prepaid expenses and other assets .....	(12)	--	(57)	(333)	(402)
(Increase) decrease in deferred outflows of resources .....	--	(2,715)	(926)	621	(3,020)
Increase (decrease) in trade accounts payables .....	65	(397)	51	210	(71)
Increase in reserve for insurance claims payable .....	--	--	--	308	308
Increase (decrease) in other liabilities .....	(268)	455	(337)	172	22
Increase in net pension liability .....	--	5,233	6,527	260	12,020
Increase (decrease) in net OPEB liability .....	--	(177)	1,881	48	1,752
Increase (decrease) in due to other funds .....	--	(348)	15	--	(333)
Increase (decrease) in deferred inflows of resources .....	--	(3,169)	(1,834)	46	(4,957)
Net cash provided by (used in) operating activities .....	<u>\$ 3,115</u>	<u>\$ 318,540</u>	<u>\$ (28,116)</u>	<u>\$ (207,885)</u>	<u>\$ 85,654</u>

Supplemental disclosure of noncash capital and related financing activities (amounts in thousands):

Housing

Interest expense for bond premium and bond deferred loss on refunding amounted to \$66 for the year ended June 30, 2019. Beginning cash balance includes \$15,959 in restricted assets and ending cash balance includes \$17,859 in restricted assets.

Sewer

The Sewer Fund received \$2,317 in contributions of capital assets from government agencies and developers which are recorded as contributed capital at their cost or estimated cost for the year ended June 30, 2019. Interest expense for bond discount, bond premium and deferred loss on refunding amounted to \$471, (\$16,782), and \$4,256 respectively, for the year ended June 30, 2019. Beginning cash balance includes \$-0- in restricted assets and ending cash balance includes \$41,050 in restricted assets.

Solid Waste

Interest expense for bond discount, bond premium and deferred loss on refunding amounted to \$7, (\$2,323) and \$1,765 respectively, for the year ended June 30, 2019.

Public Transportation System

The Public Transportation System received contributions of capital assets from the City and County of Honolulu amounting to \$13,745 for the year ended June 30, 2019. Beginning cash balance includes \$438 in restricted assets and ending cash balance includes \$964 in restricted assets.

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

## **Fiduciary Fund Financial Statements**

### **General Trust Fund**

This fund accounts for monies received by the various agencies of the City for specific purposes, as trustee, escrow agent, custodian or security holder, for which no special fund exists.

### **Treasury Trust Fund**

Receipts and disbursements of monies from this fund are made through commercial checking accounts authorized by the Director of Budget and Fiscal Services.

### **Real Property Tax Trust Fund**

This fund is used for the purpose of making refunds and adjustments relating to real property taxes.

### **Payroll Clearance Fund**

This fund is used to clear payments of all salaries and wages.

CITY AND COUNTY OF HONOLULU  
**STATEMENT OF FIDUCIARY NET POSITION**  
 FIDUCIARY FUNDS  
 JUNE 30, 2019  
 (Amounts in thousands)

	Private-purpose Trust Fund	Agency Funds
<b><u>ASSETS</u></b>		
Cash and cash equivalents .....	\$ 1,174	\$ 20,570
Investments .....	3,158	29,127
Due from other funds .....	--	51
Total assets .....	4,332	49,748
<b><u>LIABILITIES</u></b>		
Accounts payable .....	--	6,443
Other current liabilities .....	--	43,305
Total liabilities .....	--	49,748
<b><u>NET POSITION</u></b>		
Held in trust for individuals, organizations and other governments .....	\$ 4,332	\$ --

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

CITY AND COUNTY OF HONOLULU  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
 FIDUCIARY FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Private-purpose Trust Fund
<b><u>ADDITIONS</u></b>	
Interest .....	\$ 3
Collections for sundry creditors, contributions, etc.....	1,009
Total additions .....	1,012
<b><u>DEDUCTION</u></b>	
Payments in accordance with trust agreements .....	2,403
Change in net position .....	(1,391)
Net position - July 1 .....	5,723
Net position - June 30 .....	\$ 4,332

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

## **Component Units Financial Statements**

### **Board of Water Supply**

Board of Water Supply (BWS), a semi-autonomous agency of the City, has full and complete authority to manage, control and operate the City's water system and related properties.

### **Honolulu Authority for Rapid Transportation**

Effective July 1, 2011, pursuant to a 2010 amendment to the Revised Charter of the City, the Honolulu Authority for Rapid Transportation (HART) was created to develop the city fixed guideway system.

### **Oahu Transit Services, Inc.**

Oahu Transit Services, Inc. (OTS) was formed on December 16, 1991 as a nonprofit organization. The purpose of OTS is to manage, operate, and maintain the City bus service and other transit related services on behalf of and for the City.

CITY AND COUNTY OF HONOLULU  
 COMPONENT UNITS  
 COMBINING STATEMENT OF NET POSITION  
 JUNE 30, 2019  
 (Amounts in thousands)

	Board of Water Supply	Honolulu Authority for Rapid Transportation	OTS, Inc.	Total
<b>ASSETS</b>				
Cash and cash equivalents .....	\$ 16,737	\$ 31,615	\$ 5,245	\$ 53,597
Investments .....	394,911	84,187	--	479,098
Receivables (net) .....	32,389	80,043	--	112,432
Inventories .....	19,099	--	--	19,099
Prepaid expenses and other .....	457	23,947	114	24,518
Restricted assets:				
Cash and cash equivalents .....	24,438	--	964	25,402
Investments .....	21,149	--	--	21,149
Capital assets (net of accumulated depreciation):				
Land .....	32,373	173,263	--	205,636
Buildings and improvements .....	102,097	--	--	102,097
Equipment and machinery .....	90,117	13	--	90,130
Infrastructure .....	805,098	--	--	805,098
Construction work in progress .....	159,221	3,686,873	--	3,846,094
Total assets .....	<u>1,698,086</u>	<u>4,079,941</u>	<u>6,323</u>	<u>5,784,350</u>
<b>DEFERRED OUTFLOWS</b>				
Deferred outflows of resources .....	<u>53,064</u>	<u>7,595</u>	<u>36,615</u>	<u>97,274</u>
<b>LIABILITIES</b>				
Accounts payable .....	29,388	155,790	4,107	189,285
Accrued interest payable .....	4,706	4,929	--	9,635
Other liabilities .....	2,997	4,764	17,470	25,231
Noncurrent liabilities:				
Due within one year .....	16,954	27,732	973	45,659
Due in more than one year .....	303,709	1,238	7,161	312,108
Other due in more than one year:				
Advance from City.....	--	553,134	--	553,134
Net pension liability.....	120,348	24,839	17,222	162,409
Net OPEB liability .....	73,128	6,099	250,948	330,175
Total liabilities .....	<u>551,230</u>	<u>778,525</u>	<u>297,881</u>	<u>1,627,636</u>
<b>DEFERRED INFLOWS</b>				
Deferred inflows of resources .....	<u>6,408</u>	<u>1,474</u>	<u>--</u>	<u>7,882</u>
<b>NET POSITION</b>				
Net investment in capital assets .....	914,739	3,119,337	--	4,034,076
Restricted for:				
Capital activity .....	22,147	--	--	22,147
Unrestricted .....	256,626	188,200	(254,943)	189,883
Total net position .....	<u>\$ 1,193,512</u>	<u>\$ 3,307,537</u>	<u>\$ (254,943)</u>	<u>\$ 4,246,106</u>

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

CITY AND COUNTY OF HONOLULU  
 COMPONENT UNITS  
 COMBINING STATEMENT OF ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Board of Water Supply	Honolulu Authority for Rapid Transportation	OTS, Inc.	Total
Expenses.....	\$ 202,951	\$ 17,337	\$ 209,655	\$ 429,943
Program Revenues:				
Charges for Services.....	228,662	72	469	229,203
Operating Grants and Contributions...	--	--	195,497	195,497
Capital Grants and Contributions.....	12,976	44,297	--	57,273
Total Program Revenues.....	<u>241,638</u>	<u>44,369</u>	<u>195,966</u>	<u>481,973</u>
Program Revenues over (under)				
Expenditures.....	38,687	27,032	(13,689)	52,030
General Revenues:				
Investment earnings.....	7,550	3,189	--	10,739
Intergovernmental revenues.....	--	324,736	--	324,736
Total general revenues.....	<u>7,550</u>	<u>327,925</u>	<u>--</u>	<u>335,475</u>
Change in net position.....	46,237	354,957	(13,689)	387,505
Net position - beginning.....	<u>1,147,275</u>	<u>2,952,580</u>	<u>(241,254)</u>	<u>3,858,601</u>
Net position - ending.....	<u>\$ 1,193,512</u>	<u>\$ 3,307,537</u>	<u>\$ (254,943)</u>	<u>\$ 4,246,106</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS**

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**1. Summary of Significant Accounting Policies**

**The Financial Reporting Entity**

The City and County of Honolulu (City), located in the State of Hawaii is a municipal corporation governed by an elected mayor and a nine-member City Council. The City operates under a City Charter, which was originally adopted in 1959 and most recently amended in November 2016.

The accompanying financial statements present the operations of the City, as primary government, as well as its discretely presented component units, the Board of Water Supply (BWS), the Honolulu Authority for Rapid Transportation (HART) and Oahu Transit Services, Inc. (OTS).

The City's operations are organized by the following general functions: general government, public safety, highways and streets, sanitation, human services, culture and recreation, and utilities or other enterprises.

State of Hawaii (State) agencies assume full responsibility for several major functions usually performed by local governments such as education, welfare, health and judicial functions. These agencies are not dependent on the City and therefore, are not included in these financial statements. There is no separate city, county or township government nor any school district, special district, authority or public corporation with overlapping authority presented in the accompanying financial statements.

**Discretely Presented Component Units** - The combining statements of the component units in the financial statements include the financial data of the three legally separated, discretely presented component units. BWS and HART are semi-autonomous City agencies while OTS is a private non-profit corporation.

A majority of the board members of BWS, the governing body, are appointed by the Mayor and confirmed by the City Council. BWS has been granted corporate powers by the City Charter. The City does not have the authority to modify or approve the BWS budgets; however, there is an implied financial burden relationship between the City and BWS. Complete financial statements of the BWS may be obtained from the Board of Water Supply, 630 South Beretania Street, Honolulu, Hawaii 96843 or online at <http://www.hbws.org>.

HART's board of directors consists of ten members, nine voting members and one non-voting member. A majority of the board members of HART, the governing body, are either appointed by the Mayor, selected by the City Council or are City officials. The Legislature of State of Hawaii enacted Act 001, Session Laws of Hawaii (SLH) 2017, among other things, provided for four additional non-voting members, two each to be appointed by the Senate president and the House speaker. A proposed City Charter amendment to add Act 001 (SLH) 2017's four

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

non-voting members to the HART board of directors, among other things, failed at the general election on November 6, 2018. HART has been granted corporate powers by the City Charter such as preparing the annual operating and capital budgets for the fixed guideway system. Pursuant to the City Charter, the City Council, upon HART's request, may authorize the City to issue bonds, implying a financial burden relationship between the City and HART. Complete financial statements of HART may be obtained online at <http://www.honolulustransit.org> or from their office located at 1099 Alakea Street, Suite 1700, Honolulu, Hawaii, 96813.

OTS' board of directors consists of seven voting members. Chapter 13 of the Revised Ordinance of the City effectuated the formation of a private, non-profit corporation to serve as the transit management services contractor. The board of directors selects new members to fill vacancies on the board, subject to City approval. The City may remove any board director when the City determines that the removal is required to fulfill the best interests of the city bus system or special transit services. Complete financial statements may be obtained by writing to OTS, Inc., 811 Middle Street, Honolulu, Hawaii, 96819.

**Government-wide and Fund Financial Statements** - The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units, excluding the fiduciary funds. For the most part, the effect of interfund activity has been eliminated from these statements except for charges between the water and wastewater utilities and various other functions. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of activities reflects the direct expenses of the functional category or segment, which are supported by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include:

- charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and
- grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

Separate financial statements are provided for the governmental funds, proprietary funds, and fiduciary funds even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary (enterprise) funds are reported as separate columns in the fund financial statements.

The City reports the following as major governmental and proprietary funds:

**General Fund**

This fund is the City's primary operating fund. It includes all financial resources of the general government, except those required to be accounted for in another fund. The major revenue source is the real property tax.

**Highway Fund**

This fund accounts for disposition of proceeds from special revenues earmarked by law for highway and related activities. Major revenue sources include the City fuel tax, vehicle weight tax and public utility franchise tax.

**General Obligation Bond and Interest Redemption Fund**

This fund accounts for payments of principal and interest on general obligation serial bonds issued by the City, notes payable due to federal and state government agencies and general obligation commercial paper notes. Major revenue sources include proceeds from the issuance of bonds and transfer of funds from the general fund.

**Housing Development Special Fund**

This fund accounts for monies designated for the development of housing for sale or for rental by the City. Transactions in this fund are incorporated in the special statements for the housing program. Revenue sources include housing and parking rental income. Additional sources include shared appreciation equity from the City's Shared Appreciation Equity Program and subsidies from the general fund primarily for debt service payments.

**Sewer Fund**

This fund accounts for all monies received pursuant to the provisions of the Federal Water Pollution Control Act amendments of 1972 and the Hawaii Revised Statutes and expended for the purposes authorized. Revenue sources include monthly user service charges and system facility charges for new customers connecting to the sewer system.

**Solid Waste Special Fund**

This fund accounts for all revenues derived from the operation of the City's Refuse Division solid waste disposal programs, glass recycling program, and other recycling programs. All monies placed in this fund are maintained in separate accounts identified with and expended for the intended purposes. Revenue

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

sources include solid waste disposal fees, refuse collection fees, and electrical energy fees received from the sale of electrical energy produced by the combustion of refuse at the City's solid waste disposal facility. Additional sources include subsidies from the general fund to support the refuse collection and disposal operations.

**Public Transportation System**

The Public Transportation System was created for the management, operation, and maintenance of the bus transportation system, including the City bus system (The Bus) and the special transit service (The Handi-Van). Revenue sources include passenger fares for The Bus and The Handi-Van and subsidies from the general and highway funds to support transit operations. Additional sources include City contributions for the purchase of capital assets (primarily buses and vans) and funding from federal grants.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation** - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds, included in the fiduciary fund financial statements, apply the accrual basis of accounting but do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Measurable means the amounts are determinable. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within thirty days of the end of the current fiscal period. Revenues not considered available are recorded as unearned revenues. Revenues susceptible to accrual are real property taxes collected within sixty days after fiscal year end, fuel taxes, rents and concessions, interest and special assessments. Licenses and permits revenues, franchise taxes, charges for current services, fines, forfeitures, penalties and other miscellaneous revenues are not susceptible to accrual because they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are essentially two types of these revenues. For one type of

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

revenues, monies must be expended for a specific purpose or project and revenues are recognized to the extent of such expenditures. Revenues of this type are deferred for monies received in advance of expenditures and accrued for expenditures in advance of monies received. For the other type of revenues, monies are virtually unrestricted as to purpose of the expenditure. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, pensions, other post-employment benefits and claims and judgments, are recorded only when payment is due.

The City's fiduciary funds are presented in the fund financial statement by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

**Fund Types** - The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund balances, revenues and expenditures/expenses. There are certain minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise funds combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

The City has the following fund types:

**Governmental Fund Types**

The focus of governmental fund measurement (in the fund financial statements) is upon determination of net position and changes in net position (sources, uses and balances of financial resources) rather than upon net income.

The City's governmental fund types are as follows:

**General Fund** – The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** – Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Debt Service Funds** – Debt service funds are used to account for the accumulation of resources for, and the payment of debt principal, interest and related costs.

**Capital Projects Funds** – Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**Proprietary Funds**

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, net position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The City maintains four proprietary enterprise fund types (Housing, Sewer, Solid Waste and Public Transportation) as well as its discretely presented component units under the following criteria:

**Enterprise Funds** – Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises:

(a) where the intent of the governing body is that the costs (i.e., expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Fiduciary Funds**

The fiduciary funds are used to account for assets and activities when a governmental unit is functioning as a trustee or an agent for another party. The following are the City's significant fiduciary funds:

- Community Services
- Design and Construction
- Ewa Highway Master Plan Impact Fees

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

- Lester McCoy Pavilion
- Liquor Commission
- Payroll Clearance
- Planning and Permitting

**Accounting Standards**

The accompanying financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB).

**Budget and Budgetary Accounting**

Annual operating and project-length capital budgets are adopted on a basis consistent with GAAP except that encumbrances are treated as budgeted expenditures in the year the commitments are made.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to assign that portion of the applicable operating budget appropriation, is employed as an extension of formal budgetary integration in the general fund and in certain special revenue funds. Capital projects funds employ encumbrance accounting in order to assign to construction contracts that portion of the applicable capital projects appropriation.

Encumbrances are recorded at the time purchase orders, construction contracts or other contracts or commitments are awarded, except for contracts awarded contingent upon the availability of nonbudgeted federal or state grant monies. Encumbrances outstanding at year-end are included in fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

**Cash and Investments**

Cash and cash equivalents are considered to be demand and time deposits primarily with various financial institutions in Hawaii, with fiscal agents, short-term investments with original maturity of three months or less from date of acquisition, and imprest and change funds. Cash on deposit with financial institutions is collateralized in accordance with State statutes.

Investments consists of U.S. treasury and government securities, municipal securities, certificates of deposits and nonparticipating guaranteed investment contracts. All non-participating investment contracts are recorded at amortized cost. Participating investment contracts with a maturity of one year or more are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

at the measurement date. Participating investment contracts with a maturity of less than one year are recorded at amortized cost.

**Real Property Taxes**

Real property taxes are assessed and billed annually. The City's real property taxes, which are levied on July 1 and billed on July 20 and January 20 of each year, are based on assessed valuations as of October 1, and are due in two equal installments on the following August 20 and February 20. Accordingly, real property taxes receivable at June 30 of each year are delinquent and amounts that are not collected within sixty days after June 30 of each year are reported as deferred inflow of resources in the fund financial statements. A lien for real property taxes attaches as of July 1 of each year.

**Real Property Tax Abatement Programs**

The City provides six real property tax abatement programs-  
*Dedicated Agricultural or Vacant Agricultural Land* – Section 8-7.3 of the Revised Ordinances of Honolulu (ROH) provides abatements to encourage agricultural use or preservation of vacant agricultural land. Taxpayers must file an application for the abatement. The abatement for agricultural use is equal to 97% or 99% of the assessed value of the portion of real property dedicated for agricultural for five or ten years, respectively. For land dedicated as vacant agricultural land the abatement is 50% of the assessed value of the portion of the real property dedicated as vacant agricultural. The amount of the abatement is shown as a reduction of the assessed value of the property and the property tax is calculated based on the net taxable value of the property. For agricultural land the abatement is for a minimum of either five or ten years and for vacant agricultural land the abatement is for a minimum of ten years. There is no provision for automatic renewal; the taxpayer must file a new application for abatement if they wish to maintain the abatement.

*Commercial Property Historical Dedication* – Section 8-10.30 of the ROH provides abatements to encourage preservation of commercial property which has been placed on either the National or Hawaii Register of Historical Places. Taxpayers must file an application for the abatement and include a copy of a covenant, which has been recorded in the Bureau of Conveyance or Land Court, ensuring the public is provided with reasonable visual access to the property and that the property is maintained in accordance with an approved maintenance agreement. The abatement is equal to 50% of the assessed value of the portion of real property dedicated for preservation. The amount of the abatement is shown as a reduction of the assessed value of the property and the property tax is calculated based on the net taxable value of the property. The abatement is for a minimum of ten years, automatically renewable indefinitely.

*Residential Property Historical Dedication* - Section 8-10.22 of the ROH provides abatements to encourage preservation of residential property which has been

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

placed on the Hawaii Register of Historical Places and is more than fifty years old. The property owner must provide visual access to the property and the property shall meet or exceed average condition and during the dedicated period the property shall be maintained in at least average condition. Taxpayers must file an application for the abatement. The abatement is equal to 100% of the assessed value of the portion of real property dedicated for preservation. The amount of the abatement is shown as a reduction of the assessed value of the property and the property tax is calculated based on the net taxable value of the property. If the tax due is less than \$300 the property owner is billed the City's minimum property tax of \$300 per year. The abatement is for a minimum of ten years, automatically renewable indefinitely.

*Dedicated Land in Urban Districts* - Section 8-10.13 of the ROH provides abatements to encourage preservation of landscaping, open space, public recreation or other similar uses. Taxpayers must file an application for the abatement. The abatement is equal to 100% of the assessed value of the portion of real property dedicated. The amount of the abatement is shown as a reduction of the assessed value of the property and the property tax is calculated based on the net taxable value of the property. If the tax due is less than \$300 the property is billed the City's minimum property tax of \$300 per year. The abatement is for a minimum of ten years, automatically renewable indefinitely.

*Low Income Rental Housing Exemption* - Section 8-10.20 of the ROH provides abatements to property owners to provide low income rental housing for residents. Real property which is used for a low income housing project and subject to a regulatory agreement is exempt from property taxes during the regulated period. Taxpayers must file an application for the abatement along with a copy of the recorded regulatory agreement. The abatement is equal to 100% of the assessed value of the portion of real property dedicated as low income rentals. The amount of the abatement is shown as a reduction of the assessed value of the property and the property tax is calculated based on the net taxable value of the property. If tax due is less than \$300 the property owner is billed the City's minimum property tax of \$300 per year. The exemption is for one year and must be filed for annually.

*Central Kakaako Industrial Zone Limited Development Exemption* - Section 8-10.34 of the ROH provides abatements to property owners to preserve and promote industrial uses in the Central Kakaako area. The exemption from real property taxes for real property, or a portion thereof, is 50% of the assessed value. The real property must be within the location of the central Kakaako industrial zone (refer to Exhibit 1 in Section 8, Article 10 of ROH) and is actively and continuously used for industrial uses (ex. repair services, manufacturing, and others). A certification is required from the Hawaii Community Development Authority (HCDA) to determine if the property is being limited to a maximum floor area ratio of 1.5 due to inadequate infrastructure under the Hawaii Administrative Rules Section 15-

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

217-57. The exemption is for a two year period and property owner must file for recertification by the HCDA confirming the maximum floor area ration every 2 years thereafter for as long as applicable.

If a dedication or exemption is disallowed due to noncompliance, the owner is subject to roll back taxes, penalty and interest. The rollback taxes are retroactive to the date specified in the specific ROH section for each abatement. The amount due is the difference between what was billed and what should have been billed together with penalty and interest for each roll back year.

The gross amount by which the City’s tax revenues were reduced during the year as a result of the tax abatement programs totaled (amounts in thousands):

Dedicated agricultural or vacant agricultural land	\$ 11,253
Commercial property historical dedication	369
Residential property historical dedication	3,568
Dedicated land in urban districts	88
Low income rental housing exemption	12,975
Central kakaako industrial zone limited development	1,045
Total gross amount of revenue reduction	\$ 29,298

**Unbilled Receivables**

Included in the receivables at June 30, 2019 for BWS and the proprietary fund type were unbilled water and sewer charges (due to the use of cycle billings) in the amounts of \$11.7 million and \$37.8 million, respectively.

**Inventories of Parts, Materials and Supplies**

Inventories of parts, materials and supplies are stated at weighted average cost, which approximates fair value. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

**Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. All infrastructure assets acquired prior to fiscal year 1980 are capitalized and those acquired after this date are capitalized when certain thresholds are met. Assets with an initial, individual cost of \$5,000 or more for equipment and \$100,000 or more for buildings, structures and infrastructure, and an estimated useful life of more than one year are capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated and accepted capital assets are recorded at acquisition value at time of acceptance by City Council. Additions, improvements and other capital outlays

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

that significantly extend the useful life of an asset are capitalized. Other costs related to repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided for on the straight-line basis over the following estimated useful lives:

<u>Type of Capital Assets</u>	<u>Years</u>
Infrastructure	8-75
Buildings and improvements	10-50
Transmission and distribution system	13-100
Equipment and machinery	5-25
Buses and other transit vehicles	7-12

**Pensions**

For purposes of measuring the net pension liability, deferred outflows and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Employee’s Retirement System of the State of Hawaii Plan (ERS) and additions to/deductions from ERS’s fiduciary net position have been determined on the same basis as they are reported by ERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) and additions to/deductions from EUTF’s fiduciary net position have been determined on the same basis as they are reported by EUTF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Asset Retirement Obligation (ARO)**

An ARO is a legally enforceable liability relating to retirement of a tangible capital asset. A government that has a legal obligation to perform future asset retirement activities related to its tangible capital assets should recognize a liability.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Deferred Outflows / Inflows of Resources**

Deferred Outflows of Resources represent a consumption of net position that apply to future periods and therefore will not be recognized until that time. Bond refunding costs and certain pension, OPEB and ARO related costs are deferred and amortized systematically over a specified period of time. The balances as of June 30, 2019 are as follows:

	Governmental Funds	Business-Type Funds	Component Units
Deferred loss on refunding of bond	\$ 81,695	\$ 76,475	\$ 15,573
Deferred ARO related costs	1,337	6,539	-
Deferred pension related costs	552,203	53,957	40,124
Deferred OPEB related costs	180,162	23,543	41,577
	<u>\$ 815,397</u>	<u>\$ 160,514</u>	<u>\$ 97,274</u>

Deferred Inflows of Resources represent an acquisition of net position that apply to future periods and consequently will be recognized as revenue at that time.

Deferred pension and OPEB related costs are amortized systematically over a specified period of time. Deferred inflows include unavailable revenue and certain pension and OPEB related costs. Revenues are recognized in the period amounts become available. The balances as of June 30, 2019 are as follows:

	Governmental Funds	Business-Type Funds	Component Units
Deferred pension related costs	\$ 55,418	\$ 21,618	\$ 4,924
Unearned real property tax	3,139	-	-
Deferred OPEB related costs	33,272	3,987	2,958
	<u>\$ 91,829</u>	<u>\$ 25,605</u>	<u>\$ 7,882</u>
Unavailable Revenue			
Sub-recipient loan program	\$ 58,153	\$ -	\$ -
Public utilities franchise taxes	23,408	-	-
Real property taxes*	13,091	-	-
Housing assistance loan program	10,942	-	-
Others	43	-	-
	<u>\$ 105,637</u>	<u>\$ -</u>	<u>\$ -</u>

\*includes \$3.1 million received in the current year to be applied to future fiscal years.

**Bond Issue Costs, Original Issue Discount or Premium**

Bond issue costs are recorded as expenditures in the year incurred. Original issue discount or premium is amortized over the terms of the respective issues and is added to or offset against the bonds payable in the statement of net position.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Intrafund and Interfund Transactions**

Interfund receivables and payables are reported in each fund. Transfers of financial resources between agencies and activities included in the same fund, which are recorded as revenues by the transferee and expenditures or expenses by the transferor, have been eliminated. Transactions that represent reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the reimbursed fund.

Transfers from the primary government include operating loss subsidies of \$188.7 million to the PTS, \$112.7 million to the Solid Waste Fund, and authorized transfers from funds receiving revenues to funds that will expend those resources. Contributions to the capital asset accounts of enterprise funds are reflected in the statement of revenue, expenses and changes in net position.

**Fund Balance**

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balance as follows:

- *Nonspendable* includes fund balance amounts that cannot be spent because they are not in spendable form, or because of legal or contractual requirements.
- *Restricted* includes fund balance amounts that are constrained for specific purposes which are externally imposed. Sources of these externally enforceable legal restrictions include creditors, grantors, contributors, federal regulations, the State Constitution, State statutes, the City's revised charter, and enabling State legislation for assessments.
- *Committed* includes fund balance amounts that are constrained for specific purposes that are internally imposed by the City through formal action (i.e., ordinance) of the highest level of decision making authority (i.e., City Council) with the consent of the Mayor. The Fiscal Stability Fund was established by Ordinance 98-32 as a fund designated for economic and revenue downturns and emergency situations. Funds can be appropriated only by ordinance when specific economic or revenue triggers are met or in the case of an emergency as defined in the ordinance. Deposits to the fund shall be made with funds deemed to be in excess of funding to sustain services, subject to council approval. The balance in the fund is \$120.6 million at June 30, 2019.
- *Assigned* includes fund balances that have been encumbered for purchasing commitments by the Chief Procurement Officer or delegate in accordance with the

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

Budget and Fiscal Services Policies and Procedures and are considered neither restricted nor committed.

- *Unassigned* includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City spends restricted amounts first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City does not have a formal minimum fund balance policy. The financial statements for the governmental funds are reported on pages 39 to 41. The following is a summary (amounts in thousands) of the fund balance classifications for the major and other governmental (nonmajor) funds:

	General Fund	Highway Fund	GOB and IR Fund*	Other Governmental Funds	Total Governmental Funds
<b>Restricted for:</b>					
Highways	\$ -	\$ 42,153	\$ -	\$ 9,404	\$ 51,557
Federal programs	-	-	-	31,591	31,591
Affordable housing programs	-	-	-	40,696	40,696
Land conservation program	-	-	-	30,068	30,068
Special projects	-	-	-	17,378	17,378
Rental assistance program	-	-	-	6,621	6,621
Rehabilitation loan program	-	-	-	6,457	6,457
Liquor Commission Office	-	-	-	2,898	2,898
Bikeways	-	-	-	1,967	1,967
Other capital projects	-	-	-	13,773	13,773
Sub-Total	-	42,153	-	160,853	203,006
<b>Committed to:</b>					
Emergency reserves	120,631	-	-	-	120,631
Parks and recreation	-	-	-	5,460	5,460
Hanauma Bay operations	-	-	-	7,676	7,676
Rental assistance program	-	-	-	1,879	1,879
Auditorium operations	-	-	-	2,868	2,868
Golf operations	-	-	-	2,839	2,839
Improvement districts	1,962	-	-	165	2,127
Highway improvements	-	-	-	60,920	60,920
Reserved for debt service	-	-	640,584	-	640,584
Other	9,069	-	-	2,956	12,025
Sub-Total	131,662	-	640,584	84,763	857,009

\*General Obligation Bond and Interest Redemption Fund

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Summary of fund balances (continued):**

	General Fund	Highway Fund	GOB and IR Fund*	Other Governmental Funds	Total Governmental Funds
<b>Assigned to:</b>					
Provisional for judgment	22	-	-	-	22
Recreation	11,323	-	-	-	11,323
Police	9,340	-	-	-	9,340
Environmental services	143	-	-	-	143
Data processing	1,457	-	-	-	1,457
Fire	2,317	-	-	-	2,317
Human services	10,982	-	-	-	10,982
Legal	2,661	-	-	-	2,661
Provisional for risk management	2,833	-	-	-	2,833
Building additions and improvements	4,669	-	-	-	4,669
Repairs and maintenance	15,161	-	-	-	15,161
Customer services	2,036	-	-	-	2,036
Planning & zoning	4,719	-	-	-	4,719
Finance	1,300	-	-	-	1,300
Other	8,748	-	-	-	8,748
Sub-Total	<u>77,711</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,711</u>
<b>Unassigned:</b>	216,276	-	-	(25,876)	190,400
<b>Total</b>	<u>\$ 425,649</u>	<u>\$ 42,153</u>	<u>\$ 640,584</u>	<u>\$ 219,740</u>	<u>\$ 1,328,126</u>

\*General Obligation Bond and Interest Redemption Fund

**Net position**

Net position comprises the various net earnings (losses) from operating and nonoperating revenues, expenses, transfers and contributed capital. Net position is classified in the following three components: Net investment in capital assets; restricted for capital activity and debt service; and unrestricted net position. Net investment in capital assets consists of capital assets, net of accumulated depreciation and outstanding debt attributable to the acquisition, construction or improvement of those assets. Debt related to unspent proceeds or other restricted cash and investments at year-end is not included in the calculation of net investment capital assets. Restricted for capital activity and debt service consists of net position for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations and enabling legislation, including self-imposed legal mandates. Unrestricted net position consists of all other net position not included in the above categories.

The City uses restricted amounts first when both restricted and unrestricted net position are available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Retirement Plan Contributions**

Act 181 (SLH 2004) established fixed employer contribution rates as a percentage of compensation. Pursuant to the new Act 17 (SLH 2017), the City's fiscal year 2019 contribution rates to the Employees' Retirement System of the State of Hawaii were 31.0% for Police and Fire or 19.0% for general employees.

**Deferred Compensation Plan**

All full-time employees of the City and its component units are eligible to participate in the City and County of Honolulu's Public Employees' Deferred Compensation Program (Plan), adopted pursuant to Internal Revenue Code Section 457. The Plan permits eligible employees to defer a portion of their salary until future years by contributing to a fund managed by a plan administrator. Amounts in the plan are not available until termination of employment, retirement, death or an unforeseeable emergency.

A trust fund was established to protect plan assets from claims of general creditors and from diversion to any uses other than paying benefits to participants and beneficiaries. Deferred compensation plan assets of \$658.5 million are not reported in the accompanying financial statements at June 30, 2019.

**Compensated Absences**

The City accrues accumulated unpaid vacation when earned (or estimated to be earned) by the employee. Vacation benefits accrue at a rate of one and three-quarters working days for each month. Each employee is allowed to accumulate a maximum of 90 days of vacation as of the end of the calendar year.

Sick leave accumulates at the rate of one and three-quarters working days for each month without limit. Sick leave is taken only in the event of illness and is not convertible to pay; accordingly, sick leave is not accrued in the accompanying financial statements. Employees who retire or leave government service in good standing with sixty or more unused sick leave days are entitled to an additional service credit in the retirement system. At June 30, 2019, accumulated sick leave amounted to \$432.0 million.

**Leases**

Leases that transfer substantially all of the risks and benefits of ownership are accounted for as capital leases. Other leases are operating leases. Capital leases are included in capital assets and, where appropriate, are amortized over the shorter of their estimated economic useful lives or lease terms. The related capital lease obligations are included in long-term debt. Operating leases are expensed (or expensed) when the related liability is incurred.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Enterprise Funds**

The City maintains seven enterprise funds, which are included in the proprietary fund type and consist of the Housing Development Special Fund, Sewer Fund, Solid Waste Special Fund and PTS. The City's three discretely presented component units are the BWS, HART and OTS.

Information on these enterprise funds, including significant accounting policies, is described in Notes 12 and 16.

**Deficit Balances**

As of June 30, 2019 there was a deficit of \$25.9 million in the General Improvement Bond Fund. The City issued general obligation bonds Series 2019C and D in August 2019 to cover the deficit.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenses/expenditures, and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

**New Accounting Pronouncements**

In November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. The objective of this Statement is to address accounting and financial reporting for certain asset retirement obligations (AROs). A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets will have to recognize a liability based on the guidance in this Statement. This Statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. The provisions of this Statement are effective for the period beginning after June 15, 2018. The City implemented the provisions of this statement as presented in the financial statements. The implementation resulted in a restatement of \$13.6 million and \$10.2 million to the net position at July 1, 2018 for governmental and business-type activities, respectively.

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve the guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The provisions of this Statement are effective for the period beginning after December 15, 2018. The City has not yet determined the effect this Statement will have on its financial statements.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to establish a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thus enhancing the relevance and consistency of information reported about the government's leasing activities. The provisions of this Statement are effective for the period beginning after December 15, 2019. The City has not yet determined the effect this Statement will have on its financial statements.

In April 2018, GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The objective of this Statement is to define debt for purposes of disclosure in notes to financial statements and establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings (for example, a government entering into a loan agreement with a lender) and direct placements (for example, a government issuing a debt security directly to an investor). Direct borrowings and direct placements have terms negotiated directly with the investor or lender and are not offered for public sale. The provisions of this Statement are effective for the period beginning after June 15, 2018. The City implemented the provisions of this Statement as presented in the financial statements.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. For accounting and financial reporting purposes, a conduit debt obligation is a debt instrument issued in the name of a state or local government (the issuer) that is for the benefit of a third party primarily liable for the repayment of the debt instrument (the third-party obligor). The provisions of this Statement are effective for the period beginning after December 15, 2020. The City has not yet determined the effect this Statement will have on its financial statements.

## **2. Budgets and Budgetary Accounting**

On or before March 2 of each year, the Mayor submits to the City Council proposed operating and capital budgets for the ensuing fiscal year commencing on July 1. The budgets are on a basis consistent with GAAP except that encumbrances are treated as budgeted expenditures in the year the commitments are made. After

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

public hearings, and on or prior to June 15, the budgets are legally enacted through passage of budget ordinances by the City Council.

All proprietary funds have legally adopted annual budgets as well as the following governmental funds: General Fund, Highway Fund, Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund, Bikeway Fund, Liquor Commission Fund, Rental Assistance Fund, Grants in Aid Fund, Transit Construction Mitigation Fund, Hanauma Bay Nature Preserve Fund, Clean Water and Natural Lands Fund, Affordable Housing Fund, Patsy T. Mink Central Oahu Regional Park Fund, Waipio Peninsula Soccer Park Fund, Golf Fund, Special Events Fund, Honolulu Zoo Fund, Community Development Fund, Federal Grants Fund, Housing and Community Development Rehabilitation Loan Fund, Housing and Community Development Section 8 Contract Fund, and Special Projects Fund.

Formal budgetary integration is employed (i.e., annual operating budgets are legally adopted) for the General Fund and special revenue funds. Effective budgetary control for debt service, trust and agency, and revolving funds is achieved through bond indentures, contractual provisions and legislation. Formal budgetary integration is not employed for capital projects because effective budgetary control is achieved through contractual provisions and project oversight. Flexible budgeting (i.e., the relationship of costs to revenues) is employed for enterprise funds.

Appropriations lapse at the end of the fiscal year if not expended or encumbered, except that appropriations for capital projects lapse twelve months after the end of the fiscal year if not expended or encumbered.

The Mayor is authorized to transfer appropriations between activities within a department and between characters of expenditure within the same activity subject to certain limitations. City Council approval by resolution is required for 1) any transfer of funds between activities when the cumulative amount of transfers from or to an activity totals in excess of \$100,000 or ten (10%) percent of the amount appropriated for that activity, whichever is less; and 2) any transfer of funds between characters of expenditure within the same activity when the cumulative amount of such transfers exceeds the lesser of \$100,000, or the greater of ten (10%) percent of the appropriation for either the originating or receiving characters of expenditure or \$10,000. To transfer appropriations between departments, the legal level of budgeting, amendments must be made to the enacted budget ordinance. The lowest legal level of budgetary control at which appropriations are adopted is at the department level. Only the Mayor may propose amendments to the enacted budget ordinance.

The financial statements aggregate budgetary information at the functional level. The legal level of budgetary control (i.e., department level) is reported in the

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

individual fund statements. The budget figures presented include all amendments to the enacted budget ordinances.

**3. Reconciliation of Government-Wide and Fund Financial Statements**

The governmental funds balance sheet includes a reconciliation between fund balance of total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that, “Long-term liabilities and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.” Long-term liabilities applicable to the City’s governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. However, all current and long-term liabilities are reported in the statement of net position. The details of this \$7.5 billion difference are as follows (amounts in thousands):

Long-term liabilities (see Note 8)	\$ 3,578,676
Net pension liability	2,212,020
Net other post-employment benefits liability	1,688,619
Accrued interest payable and other	40,948
	<u>\$ 7,520,263</u>

The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between net change in fund balances of total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation states that, Governmental funds report capital outlays as expenditures. The Statement of Activities reports depreciation expense on capital assets and other adjustments. The details of this \$104.4 million difference are as follows (amounts in thousands):

Capital outlays	\$ 233,880
Contributions	987
Transfers, net	39
Write offs	(4,348)
Depreciation expense	(126,170)
Net adjustment	<u>\$ 104,388</u>

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

Another element of that reconciliation states that, "Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds." The details of this \$0.7 million difference are as follows (amounts in thousands):

Taxes	\$	(566)
Intergovernmental		88
Other		(231)
Net adjustment	<u>\$</u>	<u>(709)</u>

Another element of that reconciliation states that, "Proceeds from the issuance of long-term debt are reported as providing current financial resources in the governmental funds, but are reported as long-term debt in the government-wide financial statements. Repayment of such debt is reported as an expenditure for governmental funds but is reported as a reduction of debt in the government-wide financial statements." The details of this \$332.1 million difference are as follows (amounts in thousands):

Debt Issued:		
General obligation bonds, net	\$	(608,836)
General obligation commercial paper		(94,000)
Total		<u>(702,836)</u>
Principal Repayments:		
General obligation bonds, net	\$	176,474
General obligation commercial paper		194,000
Other long-term debt		244
Net adjustment	<u>\$</u>	<u>(332,118)</u>

Another element of that reconciliation states that, "Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this \$143.7 million difference are as follows (amounts in thousands):

Increase in compensated absences	\$	(172)
Increase in claims and judgements		(8,828)
Increase in asset retirement obligation		(327)
Increase in net OPEB liability		(19,870)
Increase in net pension liability		(105,251)
Increase in other - accrued interest		(9,253)
Net adjustment	<u>\$</u>	<u>(143,701)</u>

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

Another element of that reconciliation states that, “Loss on refunding is recorded as other financing use in the fund statement but as a deferred outflow of resources in the government-wide financial statements. Amortization of the deferred outflow of resources is reported as interest in the Statement of Activities but does not require current financial resources and is not reported in the funds.” The government-wide financial statements report a net adjustment of \$8.3 million for deferred outflows related to debt refundings.

The final element of that reconciliation states that, “Funds report expenditures for contributions for pensions, other post-employment benefits (OPEB) and asset retirement obligations (ARO). The government-wide statements report deferred outflows, deferred inflows, pension expense, OPEB expense and ARO expense.” The details of this \$31.2 million difference are as follows (amounts in thousands):

Decrease in deferred outflows	\$	(13,852)
Increase in deferred inflows		(17,351)
Net adjustment	\$	<u><u>(31,203)</u></u>

**4. Cash and Investments**

The City maintains a cash and investment pool that is used by all funds, except the Oahu Transit Services, Inc. workers’ compensation trust fund, which is held separately by the independent plan administrator (see note 12). The respective portion of this pool for each fund is displayed in the accompanying financial statements.

**Cash and Cash Equivalents**

The City’s demand deposits, including those of its fiduciary funds and component unit, are fully insured or collateralized with securities held by the City or its agents in the City’s name. Section 38-3, Hawaii Revised Statutes and the City’s policy on collateralization govern acceptable forms of collateral.

**Investments**

State statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of other states, cities, and counties, mutual funds and bank repurchase agreements. Investments in repurchase agreements are primarily U.S. government or federal agency securities. Section 46-50, Hawaii Revised Statutes, the City’s investment policy and resolution 18-115, CD1 governs acceptable types of investments. The City’s resolution 07-51, CD1 governs the deposit and short-term investment of general excise and use tax revenues.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Credit Risk** (amounts in thousands):

	Fair Value	Quality Rating		
		Aaa	Aa1	Not Rated
<b>Primary Government:</b>				
U.S. government treasury	\$ 286,169	\$ 286,169	\$ -	\$ -
Certificate of deposits	586,342	-	-	586,342
Guaranteed investment contracts	12,707	-	-	12,707
U.S. government securities	990,702	990,702	-	-
Municipal securities	3,567	-	3,567	-
<b>Component Units:</b>				
<b>Board of Water Supply</b>				
U.S. government treasury	337,751	337,751	-	-
U.S. government agencies	78,309	78,309	-	-
<b>Honolulu Authority for Rapid Transportation</b>				
U.S. government treasury	8,623	8,623	-	-
Certificate of deposits	28,943	-	-	28,943
U.S. government securities	46,993	46,993	-	-
Municipal securities	172	-	172	-
<b>Fiduciary Funds:</b>				
Certificate of deposits	32,285	-	-	32,285

**Interest Rate Risk**

The City structures the investment portfolio so that securities mature to meet cash requirements for ongoing operations avoiding the need to sell securities on the open market prior to maturity. This practice decreases the City's exposure to risk caused by the fluctuation in interest rates. The City may invest operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools. As of June 30, 2019, the City had no investments in money market mutual funds or external investment pools.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Concentration of Credit Risk**

As of June 30, 2019, \$12.7 million is invested with FSA Capital Management Services LLC.

The fair value and maturities of investments as of June 30, 2019 were as follows (amounts in thousands):

	Cost	Fair Value	Investment Maturity in Years			
			Less than One	1 to 5	6 to 10	More than 10
<b>Primary Government:</b>						
U.S. government treasury	\$ 286,184	\$ 286,169	\$ 179,708	\$ 106,461	\$ -	\$ -
Certificate of deposits	586,342	586,342	507,108	79,234	-	-
Guaranteed investment contracts	12,707	12,707	-	-	-	12,707
U.S. government securities	979,272	990,702	952,596	38,106	-	-
Municipal securities	3,580	3,567	-	3,567	-	-
Total	<u>\$ 1,868,085</u>	<u>\$ 1,879,487</u>	<u>\$ 1,639,412</u>	<u>\$ 227,368</u>	<u>\$ -</u>	<u>\$ 12,707</u>
<b>Component Units:</b>						
<b>Board of Water Supply</b>						
U.S. government treasury	\$ 334,445	\$ 337,751	\$ 98,880	\$ 238,871	\$ -	\$ -
U.S. government agencies	77,626	78,309	23,131	55,178	-	-
<b>Honolulu Authority for Rapid Transportation</b>						
U.S. government treasury	8,539	8,623	8,623	-	-	-
Certificate of deposits	28,943	28,943	25,177	3,766	-	-
U.S. government securities	46,535	46,993	45,161	1,832	-	-
Municipal securities	170	172	-	172	-	-
Total	<u>\$ 496,258</u>	<u>\$ 500,791</u>	<u>\$ 200,972</u>	<u>\$ 299,819</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fiduciary Funds:</b>						
Certificate of deposits	<u>\$ 32,285</u>	<u>\$ 32,285</u>	<u>\$ 32,285</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Fair Value Measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

**Level 1** – Investments whose values are based on quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

**Level 2** – Investments whose values are based on inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a level 2 input

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

must be observable for most of the full term of the asset or liability. Level 2 inputs include:

- Quoted prices for similar assets or liabilities in active markets,
- Quoted prices for identical or similar assets or liabilities in markets that are not active,
- Inputs other than quoted prices that are observable for the asset or liability,
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

**Level 3** – Investments classified as Level 3 have unobservable inputs for an asset or liability and may require a degree of professional judgment.

A description of the valuation techniques used by the City to measure fair value is as follows:

- U.S. Treasury obligations: Valued using quoted prices in active markets for identical assets.
- U.S. government agency obligations, municipal securities and certificate of deposits: Valued using quoted prices for identical or similar assets in markets that are not active.

The following table sets forth by level, within the fair value hierarchy, assets measured at fair value on a recurring basis as of June 30, 2019 (amounts in thousands):

	<b>Fair Value</b>	<b>Level One</b>	<b>Level Two</b>
<b>Primary Government:</b>			
U.S. government treasury*	\$ 106,461	\$ 106,461	\$ -
U.S. government securities	38,106	-	38,106
Municipal securities	3,567	-	3,567
Total	<u>\$ 148,134</u>	<u>\$ 106,461</u>	<u>\$ 41,673</u>
<b>Component Units:</b>			
<b>Board of Water Supply</b>			
U.S. government treasury	\$ 337,751	\$ 337,751	\$ -
U.S. government agencies	78,309	-	78,309
<b>Honolulu Authority for Rapid Transportation</b>			
U.S. government securities	1,832	-	1,832
Municipal securities	172	-	172
Total	<u>\$ 418,064</u>	<u>\$ 337,751</u>	<u>\$ 80,313</u>

\*The proceeds balance of crossover refunding bonds that were deposited with fiscal agents, which will be used to liquidate the refunded bonds on the crossover dates.

As of June 30, 2019 investments recorded at amortized cost totaled \$1.7 billion for primary government, \$79.0 million for component units and \$32.3 million for fiduciary funds.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**5. Receivables**

Receivable balances at June 30, 2019 consists of the following (amounts in thousands):

	Governmental Activities	Business-Type Activities
Real property taxes	\$ 11,444	\$ -
Accounts	2,358	102,585
Public utilities franchise taxes	23,408	-
Special assessments	2	-
Notes	69,060	-
Intergovernmental	34,815	-
Interest	6,944	12,672
Payroll and others	9,078	1,052
Allowance for uncollectible accounts	(2,098)	(11,539)
	<u>\$ 155,011</u>	<u>\$ 104,770</u>

Revenues not collected within 60 days of fiscal year end are recorded as deferred inflows of resources in the government funds. \$102.5 million (excludes \$3.1 million of Real Property Tax received in the current year to be applied to future fiscal years) of the receivables for governmental activities have been deferred at June 30, 2019.

The only receivables not expected to be collected within one year are the noncurrent portion of the notes receivable in the amount of \$68.3 million, which are generally due to the City on various dates through 2073.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**6. Capital Assets**

The following is a summary of changes in capital assets during the fiscal year ended June 30, 2019 (amounts in thousands):

**Primary Government –**

	Balance at June 30, 2018	Addition/ Transfer In	Retirements/ Transfers Out	Balance at June 30, 2019
<b>Governmental Activities:</b>				
Depreciable Assets –				
Buildings and improvements	\$ 1,552,803	\$ 65,567	\$ (2,204)	\$ 1,616,166
Equipment and machinery	431,418	23,984	(3,259)	452,143
Infrastructure	1,791,040	156,531	-	1,947,571
Total depreciable assets	<u>3,775,261</u>	<u>246,082</u>	<u>(5,463)</u>	<u>4,015,880</u>
Less Accumulated Depreciation –				
Buildings and improvements	(843,175)	(46,758)	1,160	(888,773)
Equipment and machinery	(305,958)	(26,515) *	2,995	(329,478)
Infrastructure	(798,463)	(56,319)	-	(854,782)
Total accumulated depreciation	<u>(1,947,596)</u>	<u>(129,592)</u>	<u>4,155</u>	<u>(2,073,033)</u>
Net depreciable assets	1,827,665	116,490	(1,308)	1,942,847
Land	537,535	30,615	-	568,150
Construction Work in Progress	372,608	166,336	(207,745)	331,199
Governmental activities – capital assets, net	<u>2,737,808</u>	<u>313,441</u>	<u>(209,053)</u>	<u>2,842,196</u>
<b>Business-type Activities:</b>				
Depreciable Assets –				
Buildings and improvements	2,099,978	45,710	(12,200)	2,133,488
Equipment and machinery	734,197	18,469	(11,851)	740,815
Infrastructure	2,100,265	63,271	(201)	2,163,335
Total depreciable assets	<u>4,934,440</u>	<u>127,450</u>	<u>(24,252)</u>	<u>5,037,638</u>
Less Accumulated Depreciation –				
Buildings and improvements	(529,819)	(46,066)	4	(575,881)
Equipment and machinery	(530,444)	(32,644)	11,864	(551,224)
Infrastructure	(444,828)	(40,335)	1	(485,162)
Total accumulated depreciation	<u>(1,505,091)</u>	<u>(119,045)</u>	<u>11,869</u>	<u>(1,612,267)</u>
Net depreciable assets	3,429,349	8,405	(12,383)	3,425,371
Land	160,906	1,496	(3)	162,399
Construction Work in Progress	378,017	222,632	(95,231)	505,418
Business-type activities – capital assets, net	<u>3,968,272</u>	<u>232,533</u>	<u>(107,617)</u>	<u>4,093,188</u>
Total primary government capital assets, net	<u>\$ 6,706,080</u>	<u>\$ 545,974</u>	<u>\$ (316,670)</u>	<u>\$ 6,935,384</u>

\* Includes \$3,422 of accumulated depreciation on transfers to the primary government.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Discretely Presented Component Units –**

	Balance at June 30, 2018	Additions/ Transfers In	Retirements/ Transfers Out	Balance at June 30, 2019
<b>Board of Water Supply</b>				
Depreciable Assets –				
Buildings and improvements	\$ 176,189	\$ 10,464	\$ (393)	\$ 186,260
Equipment and machinery	320,776	10,430	(2,772)	328,434
Infrastructure	1,527,922	30,047	(1,459)	1,556,510
Total depreciable assets	<u>2,024,887</u>	<u>50,941</u>	<u>(4,624)</u>	<u>2,071,204</u>
Less Accumulated Depreciation –				
Buildings and improvements	(80,097)	(4,163)	97	(84,163)
Equipment and machinery	(228,060)	(12,969)	2,712	(238,317)
Infrastructure	(720,960)	(31,649)	1,197	(751,412)
Total accumulated depreciation	<u>(1,029,117)</u>	<u>(48,781)</u>	<u>4,006</u>	<u>(1,073,892)</u>
Net depreciable assets	995,770	2,160	(618)	997,312
Land	32,373	-	-	32,373
Construction Work in Progress	121,886	85,197	(47,862)	159,221
BWS capital assets, net	<u>1,150,029</u>	<u>87,357</u>	<u>(48,480)</u>	<u>1,188,906</u>
<b>Honolulu Authority for Rapid Transportation</b>				
Depreciable Assets –				
Equipment and machinery	171	-	-	171
Total depreciable assets	<u>171</u>	<u>-</u>	<u>-</u>	<u>171</u>
Less Accumulated Depreciation –				
Equipment and machinery	(147)	(11)	-	(158)
Total accumulated depreciation	<u>(147)</u>	<u>(11)</u>	<u>-</u>	<u>(158)</u>
Net depreciable assets	24	(11)	-	13
Land	144,437	28,826	-	173,263
Construction Work in Progress	3,169,715	517,158	-	3,686,873
HART capital assets, net	<u>3,314,176</u>	<u>545,973</u>	<u>-</u>	<u>3,860,149</u>
Total component units capital assets, net	<u>\$ 4,464,205</u>	<u>\$ 633,330</u>	<u>\$ (48,480)</u>	<u>\$ 5,049,055</u>

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

Depreciation expenses were charged as follows (amounts in thousands):

**Governmental Activities:**

General government	\$ 19,253
Public safety	24,253
Highways and streets	52,865
Culture and recreation	26,274
Sanitation	24
Utilities	2,513
Human Services	988
	<u>988</u>
Total depreciation expense – governmental activities	<u><u>\$ 126,170</u></u>

**Business-type Activities:**

Housing	\$ 3,748
Sewer	77,184
Solid Waste	16,782
Public Transportation System	21,331
	<u>21,331</u>
Total depreciation expense – business-type activities	<u><u>\$ 119,045</u></u>

**Component Units:**

Board of Water Supply (\$1,515 was allocated to various functions)	\$ 47,266
Honolulu Authority on Rapid Transportation	11
	<u>11</u>
Total depreciation expense – component units	<u><u>\$ 47,277</u></u>

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**7. Interfund Balances**

The following is a summary of amounts due from and due to other funds at June 30, 2019 (amounts in thousands):

	Due From Other Funds	Due to Other Funds
General Fund	\$ 57,230	\$ 18
Highway Fund	-	120
G.O. Bond and Interest Redemption Fund	5	-
Nonmajor Governmental Funds	215	57,219
Fiduciary Funds	51	-
Enterprise Funds:		
Sewer Fund	-	8
Solid Waste Special Fund	-	136
	<u>\$ 57,501</u>	<u>\$ 57,501</u>

The main purpose for these interfund balances are: interfund loans; subsidies and other transfers required by ordinance; capital improvement projects; accruals of interfund transactions; and cash not transferred before the end of the fiscal year. At June 30, 2019, all interfund balances are expected to be repaid.

The following is a summary of amounts transferred from and transferred to other funds at June 30, 2019 (amounts in thousands):

	Transferred from Other Funds	Transferred to Other Funds
General Fund	\$ 192,756	\$ 567,008
Highway Fund	-	154,084
G.O. Bond and Interest Redemption Fund	247,038	-
Nonmajor Governmental Funds	19,551	12,323
Enterprise Funds:		
Housing Development Special Fund	6,342	382
Sewer Fund	-	20,404
Solid Waste Special Fund	112,735	12,872
Public Transportation System Fund	188,651	-
	<u>\$ 767,073</u>	<u>\$ 767,073</u>

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**8. Long-Term Liabilities**

The following is a summary of changes in long-term liabilities included in the governmental activities, business-type activities and component units during the fiscal year ended June 30, 2019 (amounts in thousands):

	Balance at June 30, 2018 (Restated)	Additions	Reductions	Balance at June 30, 2019	Amounts Due Within One Year
<b>Primary Government -</b>					
<b>Governmental Activities</b>					
General obligation (GO) bonds	\$ 2,663,860	\$ 528,710	\$ 142,554	\$ 3,050,016	\$ 158,893
Add: Unamortized premium	205,423	80,546	33,990	251,979	-
Less: Unamortized discount	(979)	(420)	(70)	(1,329)	-
Total bonds payable	<u>2,868,304</u>	<u>608,836</u>	<u>176,474</u>	<u>3,300,666</u>	<u>158,893</u>
Notes payable to state government	901	-	244	657	204
GO commercial paper notes	100,000	94,000	194,000	-	-
Sub-total debt	<u>2,969,205</u>	<u>702,836</u>	<u>370,718</u>	<u>3,301,323</u>	<u>159,097</u>
Asset Retirement Obligations (Note 15)	15,579	327	-	15,906	-
Compensated absences	121,617	44,056	43,884	121,789	7,484
Claims and judgments (Note 14)	130,830	40,517	31,689	139,658	31,980
Total	<u>\$ 3,237,231</u>	<u>\$ 787,736</u>	<u>\$ 446,291</u>	<u>\$ 3,578,676</u>	<u>\$ 198,561</u>
<b>Business-Type Activities</b>					
General obligation bonds	\$ 529,565	\$ 189,785	\$ 193,236	\$ 526,114	\$ 30,307
Revenue bonds	1,966,535	-	64,965	1,901,570	66,985
Add: Unamortized premium	161,554	-	23,454	138,100	-
Less: Unamortized discount	(3,119)	-	(640)	(2,479)	-
Sub-Total	<u>2,654,535</u>	<u>189,785</u>	<u>281,015</u>	<u>2,563,305</u>	<u>97,292</u>
Direct Placement-Revenue bonds	252,520	-	5,525	246,995	5,475
Total bonds payable	<u>2,907,055</u>	<u>189,785</u>	<u>286,540</u>	<u>2,810,300</u>	<u>102,767</u>
Notes payable to state government	229,398	3,562	22,670	210,290	21,483
Sub-total Debt	<u>3,136,453</u>	<u>193,347</u>	<u>309,210</u>	<u>3,020,590</u>	<u>124,250</u>
Asset Retirement Obligations (Note15)	17,196	361	-	17,557	-
Reserve for insurance claims payable	27,537	12,384	12,076	27,845	10,582
Estimated liability for landfill closure and post closure care costs (Note 15)	13,556	537	872	13,221	1,426
Compensated absences	12,335	4,993	4,866	12,462	781
Total	<u>\$ 3,207,077</u>	<u>\$ 211,622</u>	<u>\$ 327,024</u>	<u>\$ 3,091,675</u>	<u>\$ 137,039</u>
<b>Discretely Presented Component Units -</b>					
<b>Board of Water Supply</b>					
Revenue bonds	\$ 214,840	\$ -	\$ 8,550	\$ 206,290	\$ 8,820
Add: Unamortized premium	18,053	-	1,742	16,311	-
Total bonds payable	<u>232,893</u>	<u>-</u>	<u>10,292</u>	<u>222,601</u>	<u>8,820</u>
Notes payable to state governments	67,435	18,048	3,196	82,287	4,124
Sub-total Debt	<u>300,328</u>	<u>18,048</u>	<u>13,488</u>	<u>304,888</u>	<u>12,944</u>
Compensated absences	7,016	2,700	2,942	6,774	2,942
Customer advances	1,606	6,441	5,633	2,414	-
Accrued workers' compensation	3,549	1,381	1,081	3,849	1,068
Others	3,705	1,404	2,371	2,738	-
Total	<u>\$ 316,204</u>	<u>\$ 29,974</u>	<u>\$ 25,515</u>	<u>\$ 320,663</u>	<u>\$ 16,954</u>
<b>Honolulu Authority for Rapid Transportation</b>					
Compensated absences	\$ 1,303	\$ 622	\$ 555	\$ 1,370	\$ 132
Delayed claims	26,620	19,500	26,620	19,500	19,500
Environmental remediation	100	8,000	-	8,100	8,100
Total	<u>\$ 28,023</u>	<u>\$ 28,122</u>	<u>\$ 27,175</u>	<u>\$ 28,970</u>	<u>\$ 27,732</u>
<b>Oahu Transit Services, Inc.</b>					
Compensated absences	\$ 8,391	\$ 610	\$ 867	\$ 8,134	\$ 973
Total	<u>\$ 8,391</u>	<u>\$ 610</u>	<u>\$ 867</u>	<u>\$ 8,134</u>	<u>\$ 973</u>

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**General Obligation Bonds**

The City issues general obligation bonds for the construction of major capital facilities. General obligation bonds in the governmental activities are direct obligations of the City for which its full faith and credit is pledged and are a first charge on the General Fund of the City. The requirement in GASB Statement 88 that additional information for each individual issuance (a) unused Letter of Credit; (b) assets pledged as collateral for debt; (c) terms in case of Default: (c-1) terms specified in debt agreements related to significant events of default with finance-related consequences, (c-2) significant termination events with finance-related consequences, (c-3) significant subjective acceleration clauses to be disclosed is not applicable to all the outstanding general obligation bonds. Debt service is paid from the debt service fund. These bonds were issued during the fiscal years 1993 through 2019 in the original amount of \$3.93 billion, less discounts of \$2.0 million and adjusted for a premium of \$450.1 million that are being amortized over the related term of the bonds. These bonds bear interest at 1.4% to 6.5%, and mature serially through fiscal year 2043. General obligation debt authorized but not issued amounted to \$1.33 billion at June 30, 2019.

General obligation bonds for the City's business-type activities are expected to be paid from their respective revenues. These instruments are also direct obligations of the City for which its full faith and credit is pledged. These bonds were issued during the fiscal years 1993 through 2019 in the original amount of \$854.3 million less a discount of \$403.2 thousand and adjusted for a premium of \$45.7 million, which are being amortized over the related term of the bonds. These bonds bear interest at 1.4% to 2.4%, and mature serially through fiscal year 2043.

On August 15, 2018, the City issued general obligation bond Series 2018 in the aggregate amount of \$468.5 million. The bonds were comprised of tax exempt Series A and B, taxable Series C, D, E and F.

Series 2018A was issued for \$231.5 million. The bonds mature annually on September 1, 2020 through 2043 and bear interest rates of 2.5% to 5.0%. For the bonds maturing on and after September 1, 2029 through 2043 the City may exercise its option of redemption on or after September 1, 2029 in whole or in part, at any time, in any order of maturity selected by the City, and by lot within maturity, at the principal amount thereof, plus interest accrued to the date fixed for redemption thereof, without premium. The proceeds of the bonds were used to fund various current capital improvements of the City.

Series 2018B was issued for \$47.2 million. The bonds mature annually on September 1, 2019 through 2026 and bear interest rates of 5.0%. The proceeds of the bonds were used to fund related equipment purchases of the City.

Series 2018 C, D, E and F were issued for \$189.8 million. The first series matured March 1, 2019 and the rest of the series mature annually on September 1, 2019

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

through 2036. The bonds bear interest rates of 2.5% to 4.0%. The proceeds of the bonds were used to refund a portion of general obligation bond series 2010B. The refunding was undertaken to reduce total debt service payments by \$14.9 million and resulted in an economic gain of approximately \$10.3 million.

On January 23, 2019 the City issued general obligation bond Series 2019 in the aggregate amount of \$250.0 million. The bonds were comprised of tax exempt Series A and B.

Series 2019A was issued for \$210.0 million and the bonds mature annually on September 1, 2023 through 2030 and bear an interest rate of 5.0%. The proceeds of the bonds were used to retire \$100.0 million general obligation commercial paper notes previously issued and to fund a portion of the capital costs of the rail project. As provided in Resolution 15-313, HART is required to reimburse the City for payments of principal, interest and any other cost incurred by the City relating to the issuance of Commercial Paper and other forms of general obligations indebtedness. The City is reporting the \$210.0 million as part of advance to component unit. All interest and other financing charges are reimbursed by the component unit. Note 16 details the Memorandum of Understanding between the City and HART.

Series 2019B was issued for \$40.1 million and the bonds mature annually on September 1, 2019 through 2043 and bear interest rates of 3.0% to 5.0%. The proceeds of the bonds were used to refund \$ 44.0 million of the City's outstanding commercial paper notes that finance capital cost of the rail transit project being constructed by the HART and pay the costs of the issuance of the bonds.

**General Obligation Commercial Paper Notes**

The City has three letters of credit facilities outstanding, Issue A, Sub-Issues B-1 and B-2 with an aggregate maximum amount of \$450.0 million. Issue A for \$100 million expired on December 21, 2018. A new revolving credit agreement was issued on December 1, 2018 and expiring December 21, 2019. Sub-Issues B-1 and B-2 for \$350 million will expire on December 22, 2020. For the fiscal year ended 2019, \$94.0 million was drawn against Sub-Issues B-1. The City paid off all existing commercial paper notes and at June 30, 2019, the City has no outstanding obligation. Note 16 discusses the HART executed Memorandum of Understanding (MOU) with City related to the Commercial Paper Notes.

**Revenue Bonds**

The BWS had pledged future water revenues, net of specified operating and maintenance expenses, for the security and payment of the water system revenue bonds outstanding. The BWS issued water system revenue bonds during fiscal years 2012 and 2015 in the original amount of \$230.2 million. Water system revenue bonds are subject to redemption on and after specified dates prior to

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

maturity at the option of the BWS. The redemption amount equals the outstanding principal amount plus accrued interest without premium on the date of redemption. The bonds mature serially through July 1, 2036 and bear interest rates of 2.0 % to 5.0%.

The BWS issues long-term bonds to finance part of its capital improvement program. Their debt to equity ratio has remained fairly constant at 25.5% for fiscal year 2019. The BWS is required under its bond indenture, among other things, to fix, charge, and collect such rates and other charges in each fiscal year to meet the net revenue requirement for such fiscal year. The net revenue requirement is the greater of the sum of the aggregate debt service and all deposits required by bond resolution to be made, or 1.2 times the aggregate debt service. In fiscal year 2019 the net revenue requirements were met.

The BWS outstanding revenue bonds contain a provision that in the event of a default the holders of not less than 25% of the bonds may declare the principal and interest due immediately. An event of default includes, but is not limited to the following situations: failure to pay principal and interest due, failure to punctually perform any of the covenants, agreements or conditions of the resolution, and bankruptcy. The BWS has covenanted and agreed to maintain the water system in good repair, to fix rates and charges sufficient to meet the Net Revenue Requirement, not to dispose of the properties comprising the water system, to maintain and keep proper books, and other actions consistent with conducting the business of the water system in an efficient and economical manner.

Wastewater system revenue bonds in the City's business-type activities were issued during fiscal years 1999 through 2018, in the original amount totaling \$3.15 billion which include direct purchase tax exempt bonds of \$252.5 million, less discounts of \$35.3 million and adjusted for premiums of \$240.9 million, which are being amortized over the related term of the bonds. The bonds bear interest at 2.0% to 6.3%, and mature at various dates through fiscal year 2048.

The Wastewater System Revenue Bonds issued are limited special obligations of the City. The net revenues and all funds and accounts established other than the rebate account, the subordinate obligation account and the reimbursable obligation account and in certain instances, the common reserve account or separate series reserve accounts have been pledged as security for the payment of debt service on the Bonds. In an event of default, the Revenue Bonds contain a provision that the holders of not less than 25% in principal amount of the bonds then outstanding may declare that all the principal and accrued interest be due and payable immediately. An event of default includes but it is not limited to the following situations, failure to pay principal, redemption price and interest due, failure to punctually perform or observe any of the covenants, agreements or conditions and filing a petition in bankruptcy. The City has covenanted and agreed to maintain the wastewater system in good repair, to fix rates and charges sufficient to meet the

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

Net Revenue Requirement, not to dispose of the properties comprising the wastewater system, to maintain and keep proper books, and other actions consistent with conducting the business of the wastewater system in an efficient and economical manner.

Annual debt service requirements to maturity for general obligation bonds and revenue bonds at June 30, 2019 including interest of \$2.53 billion were as follows (amounts in thousands):

Year Ending June 30:	Governmental Activities		Business-Type Activities				Primary Government Total	
	Regular Bonds		Regular Bonds		Direct Placement Bonds		Interest	Principal
	Interest	Principal	Interest	Principal	Interest	Principal		
2020	\$ 133,051	\$ 158,893	\$ 102,465	\$ 97,292	\$ 4,591	\$ 5,475	\$ 240,107	\$ 261,660
2021	120,392	150,031	98,580	99,429	5,770	6,605	224,742	256,065
2022	114,469	150,085	94,627	101,515	6,471	7,120	215,567	258,720
2023	107,357	196,114	90,737	104,766	6,221	13,445	204,315	314,325
2024	99,281	224,526	86,617	108,019	5,887	14,015	191,785	346,560
2025-2029	367,410	1,034,370	360,239	597,570	23,731	84,340	751,380	1,716,280
2030-2034	187,094	599,124	234,559	523,751	10,340	96,270	431,993	1,219,145
2035-2039	76,683	365,717	123,113	433,418	303	19,725	200,099	818,860
2040-2044	16,094	171,156	44,878	252,744	-	-	60,972	423,900
2045-2049	-	-	7,422	109,180	-	-	7,422	109,180
Total	\$ 1,221,831	\$ 3,050,016	\$ 1,243,237	\$ 2,427,684	\$ 63,314	\$ 246,995	\$ 2,528,382	\$ 5,724,695

Year Ending June 30:	Component Unit	
	BWS	
	Interest	Principal
2020	\$ 8,902	\$ 8,820
2021	8,613	9,110
2022	8,273	9,450
2023	7,833	10,075
2024	7,345	10,775
2025-2029	28,443	62,060
2030-2034	12,797	69,540
2035-2039	1,616	26,460
Total	\$ 83,822	\$ 206,290

**Notes Payable**

The primary government notes payable to state government are mainly for the construction of necessary treatment works and for other projects intended for wastewater reclamation or waste management. The majority of the notes are state revolving fund loans from the State of Hawaii, Department of Health (DOH). They are collateralized by the City's wastewater net revenue. The outstanding loans contain a provision that in the event of default, the Director of the DOH shall be entitled to collect a rate of twelve per cent (12%) simple interest per year commencing on the repayment due date and ending on the date of the check or warrant issued by the City. A default is deemed to exist if repayment of loan fees or current loans are not paid when due, if the City fails to fulfill its obligation or it becomes financially insolvent. The City covenanted that it shall exercise its revenue

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

bonds, revenue, assessment and other authority as needed to the extent allowed by law, to pay the semiannual repayments and loan fees. The notes amounted to \$210.9 million at June 30, 2019, bear interest at 0.0% to 3.0%, and require annual principal and interest payments through fiscal year 2035.

The BWS notes payable to the DOH are state revolving fund loans. They are collateralized by net water revenue. The BWS outstanding state revolving loans contain a provision that in the event of default the outstanding amounts become due immediately with the consent of the majority of the holders of the BWS' revenue bonds. An event of default includes, but is not limited to, the following situations: failure to pay the principal and interest due, failure to punctually perform any of the covenants, agreements or conditions of the resolution, and bankruptcy. The BWS has covenanted and agreed to maintain the water system in good repair, to fix rates and charges sufficient to meet the Net Revenue Requirement, not to dispose of the properties comprising the water system, to maintain and keep proper books, and other actions consistent with conducting the business of the water system in an efficient and economical manner. The notes amounted to \$82.3 million at June 30, 2019, bear interest at 1.0% to 5.0% and require annual principal and interest payments through fiscal year 2039.

Annual debt service requirements to maturity for the City's primary government and component units for notes payable from direct borrowings at June 30, 2019, including interest of \$10.2 million were as follows (amounts in thousands):

Year Ending June 30:	Primary Government		BWS	
	Interest	Principal	Interest	Principal
2020	\$ 1,614	\$ 21,687	\$ 144	\$ 4,124
2021	1,427	21,339	134	4,691
2022	1,253	21,239	121	4,725
2023	1,084	20,460	108	4,760
2024	928	20,434	94	4,795
2025-2029	2,461	78,353	298	23,768
2030-2034	425	26,767	133	24,284
2035-2039	5	668	18	11,140
Total	<u>\$ 9,197</u>	<u>\$ 210,947</u>	<u>\$ 1,050</u>	<u>\$ 82,287</u>

**Compensated Absences**

Primarily the City's general and highway funds will liquidate the compensated absences liability attributable to the governmental activities.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Refunded Bonds**

The City and the Board of Water Supply defeased certain general obligation and revenue bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the assets of the irrevocable trusts and the liability for the defeased bonds are not included in the City's basic financial statements. At June 30, 2019, \$888.8 million of the City's and none of the Board of Water Supply's bonds outstanding were considered defeased.

**9. Net Position**

At June 30, 2019, net position of the primary government consisted of the following (amounts in thousands):

	Governmental Activities	Business-Type Activities
Net Investment in Capital Assets:		
Net property, plant and equipment	\$ 2,842,196	\$ 4,093,188
Add (Less):		
General obligation bonds payable, net	(2,701,925)	(538,936)
Revenue bonds payable, net	-	(2,271,364)
Notes payable and other long-term debt	(657)	(210,290)
Deferred loss on refunding	81,695	76,475
Amount of debt related to unspent debt proceeds	35,044	166,188
	256,353	1,315,261
Restricted for Debt Service	640,749	259,977
Unrestricted	(3,417,838)	869,210
Total net position	\$ (2,520,736)	\$ 2,444,448

**10. Employee Benefit Pension Plans**

**Defined Benefit Pension Plan – City and County of Honolulu, Board of Water Supply (BWS) and Honolulu Authority for Rapid Transit (HART) – General Information**

**Plan Description** – Substantially all eligible employees of the City and component units BWS and HART are members of the Employees' Retirement System of the State of Hawaii (ERS), a cost-sharing multiple-employer defined benefit pension plan. The ERS provides retirement benefits as well as death and disability benefits and is governed by a Board of Trustees. All contributions, benefits and eligibility requirements are established by HRS Chapter 88, and can be amended by legislative action. The ERS is comprised of three pension classes for membership purposes and considered to be a single plan for accounting purposes since all assets of the ERS may legally be used to pay the benefits of any of the ERS members or beneficiaries. The three membership classes are known as the

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

contributory, the noncontributory and the hybrid retirement classes. Prior to July 1, 1984, the plan consisted of only a contributory class. In 1984, legislation was enacted to create a new noncontributory class for members of the ERS who are also covered under social security. Persons employed in positions not covered by social security were precluded from the noncontributory class. The noncontributory class provides for reduced benefits and covers most eligible employees hired starting July 1, 1984. Employees hired before that date were allowed to continue under the contributory class or to elect the new noncontributory class and receive a refund of employee contributions. In 2004, legislation was enacted to create a hybrid retirement class, which took effect July 1, 2006. Employees in the contributory and noncontributory class were given the option to join the hybrid class or to remain in their existing class effective July 1, 2006. Starting July 1, 2006, all new employees covered by social security are required to join the hybrid class.

**Benefits Provided** - All benefits vest after five or ten years of credited service. Vesting is determined by the employee's class and date of hire. The monthly retirement allowance benefit formula is calculated based on the employee's age, years of credited service, average final compensation (AFC) and multiplier.

For employees who became members prior to January 1, 1971 the AFC is the average salary earned during the five highest paid years of service, including the vacation payment or the average salary earned during the three highest paid years of service excluding any lump sum vacation payment. For employees who became members on January 1, 1971 through June 30, 2012, the AFC is based on the three highest paid years of service excluding the salary paid in lieu of vacation. For employees who became members after June 30, 2012, the AFC is the highest five years excluding salary paid in lieu of vacation.

Employees covered under the contributory class and hired prior to July 1, 2012, are required to contribute 12.20% for police and fire or 7.80% for general employees of their salary and will receive pensions based on a 2.50% or 2.00% multiplier, respectively. Employees hired after June 30, 2012, are required to contribute 14.20% for police and fire or 9.80% for general employees of their salary with pensions based on a 2.25% or 1.75% multiplier, respectively. General employees covered under the hybrid class prior to July 1, 2012 are required to contribute 6.00% of their salary and will receive pensions based on a 2% multiplier. General employees hired after June 30, 2012, are required to contribute 8% of their salary with pensions based on a 1.75% multiplier. Employees covered under the noncontributory class will receive pensions based on a 1.25% multiplier.

**Contributions** - The City is required to contribute the remaining amounts necessary to pay contributory class benefits and all amounts to pay noncontributory class benefits. The funding method used to calculate the total employer contribution requirement is the Entry Age Normal Actuarial Cost Method. Employer rates are set by statute based on the recommendation of the ERS actuary. Since

**CITY AND COUNTY OF HONOLULU  
NOTES TO FINANCIAL STATEMENTS  
Fiscal Year Ended June 30, 2019**

July 1, 2005, employer rates are a fixed percentage of compensation, including the normal cost plus amounts required to pay for the unfunded actuarial accrued liability.

Act 17 (SLH 2017) established new employer contribution rates beginning July 1, 2017 until such time as new statutory changes are implemented. The rates for fiscal years 2018 through 2021 are as follows:

<u>Effective Starting</u>	<u>Police and Fire (% of total payroll)</u>	<u>General Employees (% of total payroll)</u>
July 1, 2017	28.0	18.0
July 1, 2018	31.0	19.0
July 1, 2019	36.0	22.0
July 1, 2020	41.0	24.0

Contributions to the ERS pension plan for the City and its' component units for the fiscal year ended June 30, 2019 were as follows (amounts in thousands):

	<u>Primary Government</u>	<u>Component Units</u>
Pension Contributions	<u>\$ 176,416</u>	<u>\$ 9,589</u>

The ERS issues a Comprehensive Annual Financial Report that may be obtained by writing to the Employees' Retirement System of the State of Hawaii, 201 Merchant Street, Suite 1400, Honolulu, Hawaii 96813 or online at ERS's website <http://ers.ehawaii.gov/resources/financials>.

**Defined Benefit Pension Plans – Oahu Transit Services, Inc. (OTS) – General Information**

**Plan Description (Non-Bargaining Unit Employees)** – OTS has a noncontributory, single-employer defined benefit pension plan, which provides eligible non-bargaining unit employees with retirement and disability benefits. Benefit terms, eligibility, and contribution requirements are established by OTS, the Plan Administrator.

**Benefits Provided** - Employees are eligible to retire at age 62. Benefits for employees are calculated as the greater of the employee's earned benefits as of February 29, 2004 or 2.25% of the average monthly pay for the 36 consecutive month period during employment which produces the highest amount multiplied by the employee's credited service. If an employee continues to work beyond the normal retirement date, benefits are calculated as the greater of the employee's accrued pension benefit as of the normal retirement date actuarially increased to the late retirement date or the employee's accrued benefit as of the late retirement date. Employees with 15 years of service are eligible to retire at age 55. Early retirement benefits equal a percentage of the employee's normal retirement

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

benefits determined as of the early retirement date. The percentage is based on the number of years the employee retires prior to the normal retirement date.

**Contributions** - OTS is required to contribute all amounts necessary to pay plan benefits when due and is not subject to legislative funding requirements. OTS's general funding policy is to make annual contributions to the plan, such that all employee benefits will be fully funded by the time they retire.

Annual contributions, determined as a percentage of covered payroll is approximately 56%. Contributions to the plan were \$5.1 million for the fiscal year ended June 30, 2019.

The Plan issues a financial report that may be obtained by writing to OTS, Inc., 811 Middle Street, Honolulu, Hawaii 96819.

**Plan Description (Bargaining Unit Employees)** – OTS participates in the Western Conference of Teamsters Pension Plan (WCT Plan), a noncontributory cost sharing multiple-employer defined benefit pension plan for its bargaining unit employees. The WCT Plan is not a state or local government pension plan, provides benefits to both employees of state or local government employers and to employees of employers that are not state or local governments, and has no predominant state or local government employer therefore GASB 78, and not GASB 68, applies to the WCT Plan.

The WCT Plan is administered by Trust Administrative Offices and provides pensions to all bargaining employees. Pension benefits are established and may be amended pursuant to the WCT Plan. OTS contributes to the plan in accordance with the Union collective bargaining agreement. The current collective bargaining agreement requiring contributions to the WCT Plan expires June 30, 2025 for bus operations and March 31, 2020 for paratransit operations. Under the terms of the agreement, OTS is not required to make minimum contributions for future periods and can withdraw from the plan subject to payment of a withdrawal penalty. It is unlikely that OTS will withdraw from the WCT Plan and therefore a liability for a withdrawal penalty has not been accrued.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

Pension expense was approximately \$19.1 million for the fiscal year ended June 30, 2019. The payable to the pension plan was \$1.4 million as of June 30, 2019. The WCT Plan issues a publicly available financial report that may be obtained by writing to Western Conference of Teamsters Pension Trust Fund Board of Trustees, 2323 Eastlake Avenue East, Seattle, Washington 98102-3305.

**Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions** – At June 30, 2019 the City reported net pension liability as shown below (amounts in thousands):

	<u>Primary Government</u>	<u>Component Units</u>
Net Pension Liability	\$ 2,424,496	\$ 162,409

The net pension liability for the City and component units, BWS and HART, was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Each employer's proportion of the net pension liability was based on a projection of their long-term share of contributions to the pension plan relative to the projected contributions of all participating members of ERS, actuarially determined.

There were no changes in other assumptions and input that affected the measurement of the total pension liability since the prior measurement date. There were no changes between the measurement date, June 30, 2018, and the reporting date, June 30, 2019, that are expected to have a significant effect on the proportionate share of the net pension liability. At June 30, 2018 the City, BWS and HART proportions were as shown below:

	<u>Primary Government</u>	<u>Component Units</u>
Proportionate Share of Pension Liability	18.20%	1.09%
Increase in Proportionate Share from June 30, 2017	0.38%	0.01%

The net pension liability for the OTS single-employer pension plan was measured as of February 28, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. There were no changes in assumptions or other inputs impacting the measurement of total pension liability since the prior measurement date.

For the fiscal year ended June 30, 2019, the City recognized pension expense as follows (amounts in thousands):

	<u>Primary Government</u>	<u>Component Units</u>
Pension Expense	\$ 345,787	\$ 26,170

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

At June 30, 2019, the City reported deferred outflows and inflow of resources related to pensions as follows from the following sources (amounts in thousands):

	Primary Government		Component Units	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 88,888	\$ (9,596)	\$ 4,493	\$ (910)
Net difference between projected and actual earnings on pension plan investments	-	(14,616)	662	(750)
Changes of assumptions	281,855	-	17,497	-
Changes in proportion and difference between contributions and proportionate share of contributions	70,011	(52,824)	7,110	(3,264)
Contributions subsequent to the measurement date	165,406	-	10,362	-
	<u>\$ 606,160</u>	<u>\$ (77,036)</u>	<u>\$ 40,124</u>	<u>\$ (4,924)</u>

Amounts reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year period as follows (amounts in thousands):

	Primary Government	Component Units
Subsequent Contributions	<u>\$ 165,406</u>	<u>\$ 10,362</u>

Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows (amounts in thousands):

	Primary Government	Component Units
Year Ending June 30:		
2020	\$ 165,476	\$ 11,592
2021	136,181	8,072
2022	51,691	3,551
2023	5,586	1,234
2024	4,784	584
Thereafter	-	(195)
	<u>\$ 363,718</u>	<u>\$ 24,838</u>

**Actuarial Assumptions –**

**Hawaii Employees’ Retirement System** – The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the 2015 5-year Actuarial Experience Study. The ERS updates their experience study every five years.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%	
Projected salary increases, including inflation	3.50%	to 7.00%
Payroll growth rate	3.50%	
Investment rate of return, including inflation	7.00%	

The same rates were applied to all periods. There were no changes to ad hoc postemployment benefits including COLA. Post-retirement mortality rates are based on client specific tables with adjustments based on generational projections of the BB projection table for 2016 and full generational projection for future years. Pre-retirement mortality rates are based on multiples of the RP-2014 mortality table based on the occupation of the member.

The long-term expected rate of return on pension plan investments was determined using a “top down approach” of the Bespoke Client-Constrained Simulation-based Optimization Model (a statistical technique known as “re-sampling with replacement” that directly keys in on specific plan-level risk factors as stipulated by the ERS Board) in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

In 2016 the ERS Board adopted a long-term strategic allocation policy which incorporates a risk-based functional allocation framework. The long-term expected rate of return on pension plan investments was determined using this new framework. The target allocation and best estimates of geometric rates of return for each risk based class are summarized in the following table:

Strategic Allocation (Risk Based Classes)	Target Allocation	Long-Term Expected Geometric Rate of Return
Broad Growth	63.00%	7.10%
Principal Protection	7.00%	2.50%
Real Return	10.00%	4.10%
Crisis Risk Offset	20.00%	4.60%
	<u>100.00%</u>	

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the proportionate share of the ERS net pension liability to changes in the discount rate** - The following presents the proportionate share of the net pension liability for the City and its’ component units, BWS and HART, calculated using the discount rate of 7.00%, as well as what the proportionate share of the net pension liability would be if it were calculated using a single discount rate that is one-percentage point lower or one-percentage-point higher than the current rates (amounts in thousands):

	Net Pension Liability		
	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Primary Government	\$ 3,201,229	\$ 2,424,496	\$ 1,784,201
Component Units (BWS and HART)	\$ 188,793	\$ 145,187	\$ 109,241

**Pension plan fiduciary net position** – The pension plan’s fiduciary net position is determined on the same basis used by the pension plan. The ERS financial statements are prepared using the accrual basis of accounting under which expenses are recorded when the liability is incurred, and revenues are recorded in the accounting period in which they are earned and become measurable. Employer and member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded as of their trade date. Administrative expenses are financed exclusively with investment income. There were no significant changes after the June 30, 2018 measurement date.

Detailed information about the pension plan’s fiduciary net position is available in the separately issued ERS financial report. ERS’s complete financial statement are available at <http://ers.ehawaii.gov/resources/financials>.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Actuarial Assumptions**

**OTS Single Employer Pension Plan** - The total pension liability in the February 28, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	3.00%
Investment rate of return	7.00%

Mortality rates are based on the RPEC2014 v2018 fully generational mortality model for Non-Annuitant and Annuitant Males and Females, as appropriate, with adjustments for mortality improvements based on the Mortality Projection Scale MP-2018.

The long-term expected rate of return on pension plan investments was determined based on long-term historical rates and an assumed inflationary rate of 3.0%. The projected benefit payment period for which the long-term expected rate of return is applied to determine the discount rate is 2019 to 2063. Additionally, best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are arithmetically developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	60.00%	7.50%
Fixed Income	40.00%	1.75%
	<u>100.00%</u>	

**Discount Rate** – The discount rate used to measure the total net pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from OTS will be made at the required dates. Based on this assumption, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. There was no change in the discount rate since the prior measurement date.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Sensitivity of the net pension liability to changes in the discount rate** - The following presents the net pension liability for the City's component unit, OTS, calculated using the single discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a single discount rate that is one-percentage point lower or one-percentage-point higher than the current rates (amounts in thousands):

	Net Pension Liability		
	1% Decrease	Discount Rate	1% Increase
	6.00%	7.00%	8.00%
Component Unit (OTS)	\$ 19,506	\$ 17,222	\$ 15,191

**Pension plan fiduciary net position** - Detailed information about the OTS pension plan's fiduciary net position is available in the separately issued OTS pension plan financial report.

**Payables to the Pension Plans** – As of June 30, 2019 the City reported payables to the pension plan as follows (amounts in thousands):

	Primary Government	Component Units
Pension Payable	\$ 26,284	\$ 1,179

**11. Postemployment Benefits Other Than Pensions (OPEB)**

**General Information**

**Plan Description - City and County of Honolulu, Board of Water Supply (BWS) and Honolulu Authority for Rapid Transportation (HART)** – Chapter 87A, Hawaii Revised Statutes (HRS) established the Hawaii Employer-Union Health Benefits Trust Fund (the Trust Fund) to design, provide, and administer health and other benefit plans under a single delivery system for the employees, retirees and their eligible dependents of the State of Hawaii (the State) and the counties of Honolulu, Hawaii, Maui and Kauai beginning July 1, 2003. Chapter 87, HRS that established the Hawaii Public Employees Health Fund was repealed, and its net assets were transferred to the Trust Fund.

The Trust Fund is administered by a Board of Trustees (the Board) composed of ten trustees appointed by the Governor of the State. The Board is responsible for determining the nature and scope of benefit plans offered by the Trust Fund, negotiating and entering into contracts with insurance carriers, establishing eligibility and management policies for the Trust Fund, and overseeing all Trust Fund activities. The Board relies on professional services provided by a salaried Administrator, the State Department of Attorney General, a benefits consultant, and an investment consultant.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

Chapter 87A, HRS was amended on July 9, 2012 to allow the Board to establish a separate trust for the purpose of receiving employer contributions that will prefund other post-employment benefits (OPEB) for retirees and their beneficiaries. Pursuant to this amendment, the Board executed an irrevocable declaration of trust establishing the Hawaii Employer-Union Health Benefits Trust Fund for Other Post-Employment Benefits (the OPEB Trust) effective June 30, 2013. The OPEB Trust is governed by the Trust Fund's Board. Its assets are held for the exclusive purpose of providing OPEB and are legally protected from creditors. The OPEB Trust financial statements are included as part of the Trust Fund's basic financial statements, collectively referred to as the EUTF.

The EUTF, an agent multiple-employer defined benefit OPEB plan, is administratively attached to the State Department of Budget and Finance.

The EUTF issues a standalone financial report that is publicly available at <https://eutf.hawaii.gov>. Questions concerning any of the information contained therein or requests for any additional financial information related to that report should be addressed to EUTF, P.O. Box 2121, Honolulu, Hawaii 96805-2121.

**Plan Description – Oahu Transit Services, Inc. (OTS)** - The City's third component unit OTS maintains two separate defined benefit OPEB plans to provide OPEB for eligible bargaining and non-bargaining employees of OTS.

The bargaining employee OPEB plan is a single-employer defined benefit OPEB plan administered by the Hawaii Teamsters Health & Welfare Plan. This union single employer defined benefit healthcare plan issues a publicly available financial report that includes financial statements and required supplementary information. A copy of the report may be obtained by writing to the Hawaii Teamsters Health & Welfare Plan Board of Trustees, 1817 Hart Street, Honolulu, HI 96819.

The non-bargaining OPEB plan is a single-employer defined benefit OPEB plan administered by OTS. This plan does not issue a separate financial report.

**Benefits Provided – City, BWS and HART** – The EUTF currently provides medical, prescription drug, dental, vision, chiropractic, supplemental medical and prescription drug, and group life insurance benefits. The medical plans include a statewide preferred provider organization (PPO) benefit plan and a federally-qualified health maintenance organization (HMO) plan.

The employers' share of benefit plan contributions for collectively bargained employees is negotiated by the State and counties with the exclusive representative of each bargaining unit. Employer contributions for retirees are prescribed by the HRS. Any remaining premium balance is paid by employees

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

through payroll deductions or premium conversion plan reductions and paid by retirees directly, if applicable.

The employers' contributions also include the employees' share made through payroll deductions, contributions for retired employees, and Medicare Part B reimbursements made by the Trust Fund to eligible retired employees and their spouses for Medicare Part B insurance premiums.

For employees hired before July 1, 1996, the State and counties pay the entire base monthly contribution for employees retiring with ten or more years of credited service, and 50.0% of the base monthly contribution for employees retiring with fewer than ten years of credited service. A retiree can elect a family plan to cover dependents. The contribution by the State and counties is based on the plan (single, two-party or family) selected by the retiree.

For employees hired after June 30, 1996 but before July 1, 2001, and who retire with fewer than ten years of service, the State and counties make no contributions. For those retiring with at least ten years but fewer than 15 years of service, the State and counties pay 50.0% of the base monthly contribution. For employees retiring with at least 15 years but fewer than 25 years of service, the State and counties pay 75.0% of the base monthly contribution. For employees retiring with at least 25 years of service, the State and counties pay the entire base monthly contribution. Retirees in this category can elect a family plan to cover dependents. The contribution by the State and counties is based on the plan (single, two-party or family) selected by the retiree.

For employees hired on or after July 1, 2001, and who retire with less than ten years of service, the State and counties make no contribution. For those retiring with at least ten years of service but fewer than 15 years of service, the State and counties pay 50.0% of the base monthly contribution. For those retiring with at least 15 years but fewer than 25 years of service, the State and counties pay 75.0% of the base monthly contribution. For those retiring with at least 25 years of service, the State and counties pay the entire base monthly contribution. Only the single plan coverage is provided for retirees in this category. The contribution by the State and counties is based on the base monthly contribution for the single plan. Retirees can elect family coverage but must pay the difference.

**Benefits Provided – OTS** - The OPEB plans provide medical and vision benefits for retirees and their dependents. The non-bargaining plan also provides dental benefits for retirees. Benefits are provided through a third-party insurer with the plan covering the full cost of the benefits.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Employees Covered by Benefit Terms** - The following number of employees were covered by the benefit terms:

	Primary Government	Component Units
Inactive plan members or beneficiaries currently receiving benefits	7,370	1,090
Inactive plan members entitled to but not yet receiving benefits	911	64
Active plan members	8,576	2,556
Total	16,857	3,710

**Contributions – City, BWS and HART** - Act 268, SLH 2013 required EUTF to establish and administer separate trust accounts for each public employer for the purpose of receiving irrevocable contributions to prefund postemployment health care and other benefit costs for retirees and their beneficiaries. It established the Hawaii EUTF Trust Fund Task Force to examine further steps to address the unfunded liability and requires all public employers to make their annual required contributions (now known as actuarially determined contributions) effective with fiscal year 2014.

The OPEB contributions (comprised of pay-as-you-go retiree costs and prefunding amounts paid to EUTF) are established by Hawaii State statutes. The retiree is responsible to pay the difference if the single plan base monthly contribution is less than the cost of the monthly premium for those employees hired on or after July 1, 2001. Commencing with fiscal year 2019, the annual contribution shall be equal to the actuarially determined amount. In any fiscal year, should the contribution be less than the actuarially determined amount, the difference shall be transferred to the OPEB trust account from the employer’s portion of the transient accommodations tax revenues and all other of its revenues held by the State.

OPEB contributions were as follows for the fiscal year ended June 30, 2019 (amounts in thousands):

	Primary Government	BWS and HART
OPEB Contributions	\$ 177,331	\$ 8,755

**Contributions – OTS** - In accordance with the collective bargaining agreement, OTS makes required contributions to the bargaining unit plan as follows:

Division	Period	Fixed Rate per Straight-Time Hour
Bus Operations	July 1, 2017 to December 31, 2018	\$0.85
	January 1, 2019 to June 30, 2020	1.00
Paratransit Operations	January 1, 2012 to June 30, 2019	0.20

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

The non-bargaining OPEB plan's contribution is based on projected "pay as you go" financing requirements. OTS contributions for the year ended June 30, 2019 amounted to approximately \$4.4 million.

**Net OPEB Liability**

The actuarial valuation and measurement dates for the net OPEB liability were July 1, 2018 for the City, BWS and HART, and June 30, 2019 for OTS. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of those dates.

For the fiscal year ended June 30, 2019, the following amounts (in thousands) were reported as net OPEB liability:

	Primary Government	Component Units
Net OPEB Liability	\$ 1,890,951	\$ 330,175

**Actuarial assumptions and methods – City, BWS and HART** - The total OPEB liability reflected in the actuarial valuation report as of July 1, 2018 was determined using the following actuarial assumptions and methods, applied to all periods included in the measurement, unless otherwise specified:

**Assumptions and Methods:**

Actuarial Cost Method	Entry Age Normal
Discount Rate	7.0%
Inflation	2.5%
Salary Increases	3.5% to 7.0% including inflation
Demographic Assumptions	Based on the experience study covering the five year period ended June 30, 2015 as conducted for the Hawaii Employees' Retirement System (ERS)
Mortality	System-specific mortality tables utilizing scale BB to project generational mortality improvement
Participation Rates	98.0% healthcare participation assumption for retirees who receive 100.0% of the Base Monthly Contribution (BMC). Healthcare participation rates of 25.0%, 65.0%, and 90.0% for retirees who receive 0.0%, 50.0%, or 75.0% of the BMC, respectively. 100.0% for Life Insurance and 98.0% for Medicare Part B.

**CITY AND COUNTY OF HONOLULU  
NOTES TO FINANCIAL STATEMENTS  
Fiscal Year Ended June 30, 2019**

**Assumptions and Methods (continued):**

Healthcare cost trend rates:

PPO*	Initial rate of 10.0%, declining to a rate of 4.86% after 13 years
HMO*	Initial rate of 10.0%, declining to a rate of 4.86% after 13 years
Part B and BMC (Base Monthly Contribution)	Initial rates of 4.0% and 5.0%, declining to a rate of 4.7% after 12 years
Dental	Initial rate of 5.0% for the first three years, followed by 4.0%
Vision	Initial rate of 0.0% for the first three years, followed by 2.5%
Life Insurance	0.0%

\* Blended rates for medical and prescription drug

**Actuarial assumptions – OTS** – The OPEB liability was measured as of June 30, 2019, and the total OPEB liability was determined by an actuarial valuation as of that date, using the following actuarial assumptions, applied to all periods included in the measurement:

**Assumptions:**

Discount Rate	2.8%
Inflation	3.0%
Salary Increases	3.0%
Mortality	Based on the RPH2014 fully generational mortality, blue collar, 50.0% male, adjusted to 2006 using Scale MP-2014 and projected to 2019 using Scale MP-2018

**Discount rate – City, BWS and HART** - A single discount rate of 7.0% was used to measure the total OPEB liability. The single discount rate was based on the expected rate of return on OPEB plan investments of 7.0%. Beginning with the fiscal year 2019 contribution, the funding policy of the City and its component units is to pay the recommended actuarially determined contributions, which are based on layered, closed amortization periods. As a result, the OPEB plan’s fiduciary net position is expected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Long-term expected rate of return – City, BWS and HART** - The long-term expected rate of return on EUTF’s investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of the EUTF’s investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Private Equity	10.0%	8.7%
U.S. Microcap	7.0%	7.0%
U.S. Equity	15.0%	5.1%
Non-U.S. Equity	17.0%	6.5%
Global Options	7.0%	4.5%
Core Real Estate	10.0%	4.1%
Private Credit	6.0%	5.3%
Core Bonds	3.0%	1.3%
TIPS	5.0%	0.8%
Long Treasuries	6.0%	1.9%
Alternative Risk Premia	5.0%	2.5%
Trend Following	9.0%	3.0%
Total	<u>100.0%</u>	

**Discount rate – OTS** – The discount rate used to measure the total OPEB liability was 2.8%. The projection of cash flows used to determine the discount rate assumed that contributions from OTS will be made at the required rates. Based on this assumption, the bargaining plan's and non-bargaining plan's fiduciary net positions were projected to not be available to make any projected future benefit payments of current active and inactive employees. The discount rate and municipal bond rate (based on the daily rate closest to but not later than the measurement date of Fidelity "20-year Municipal GO AA index") at the prior measurement date of June 30, 2018 was 3.0%.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Changes in Net OPEB Liability** - The following table presents the fiscal year 2019 changes in net OPEB liability (amounts in thousands) with measurement dates for the net OPEB liability of June 30, 2018 for the City, BWS and HART, and June 30, 2019 for OTS:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
<b>Primary Government:</b>			
Beginning balances	\$ 2,242,000	\$ (372,671)	\$ 1,869,329
Changes for the year:			
Service cost	44,698	-	44,698
Interest on the total OPEB liability	155,685	-	155,685
Difference between expected and actual experience	(36,127)	-	(36,127)
Changes of assumptions	31,781	-	31,781
Employer contributions	-	(143,665)	(143,665)
Net investment income	-	(30,844)	(30,844)
Benefit payments	(80,555)	80,555	-
Administrative expense	-	94	94
Net changes	115,482	(93,860)	21,622
Ending balances	\$ 2,357,482	\$ (466,531)	\$ 1,890,951
<b>Component Units:</b>			
Beginning balances	\$ 375,832	\$ (72,309)	\$ 303,523
Changes for the year:			
Service cost	12,413	-	12,413
Interest on the total OPEB liability	17,165	-	17,165
Difference between expected and actual experience	7,717	-	7,717
Changes of assumptions	8,253	-	8,253
Employer contributions	-	(9,241)	(9,241)
Net investment income	-	(5,286)	(5,286)
Benefit payments	(10,240)	5,855	(4,385)
Administrative expense	-	16	16
Net changes	35,308	(8,656)	26,652
Ending balances	\$ 411,140	\$ (80,965)	\$ 330,175

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Sensitivity of net OPEB liability to changes in the single discount rate –**

The net OPEB liability was calculated using the single discount rates of 7.0% for the City, BWS and HART, and 2.8% for OTS. In addition, the plans' net OPEB liability was calculated using a single discount rate that is one percent lower (specifically, 6.0% for the City, BWS and HART, and 1.8% for OTS) or one percent higher than the current rate (that is, 8.0% for the City, BWS and HART, and 3.8% for OTS) as shown below (amounts in thousands):

	Net OPEB Liability		
	Current Discount		
	1.0% Decrease	Rate Assumption	1.0% Increase
Primary Government	\$ 2,268,043	\$ 1,890,951	\$ 1,595,806
Component Units	404,309	330,175	271,897

**Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates -** The following table presents the plans' net OPEB liability calculated using the assumed healthcare cost trend rate as well as what the plans' net OPEB liability would be if it were calculated using the trend rate that is one percent lower or one percent higher than the current healthcare cost trend rate (amounts in thousands):

	Net OPEB Liability		
	Current Healthcare Cost Trend		
	1.0% Decrease	Rate Assumption	1.0% Increase
Primary Government	\$ 1,583,388	\$ 1,890,951	\$ 2,289,251
Component Units	267,471	330,175	411,585

**OPEB Expense, and Deferred Outflows and Deferred Inflows of Resources Related to OPEB –** For the fiscal year ended June 30, 2019, OPEB expense was recognized as follows (amounts in thousands):

	Primary Government	Component Units
OPEB Expense	\$ 169,190	\$ 25,680

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

At June 30, 2019, OPEB-related deferred outflows and deferred inflows of resources from the following sources were reported (amounts in thousands):

	Primary Government		Component Units	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ -	\$ (29,980)	\$ 21,261	\$ (1,878)
Changes in assumptions	26,374	-	11,556	-
Net difference between projected and actual earnings on investments	-	(7,279)	5	(1,080)
Contributions subsequent to measurement date	177,331	-	8,755	-
Total	\$ 203,705	\$ (37,259)	\$ 41,577	\$ (2,958)

Amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019 as follows (amounts in thousands):

	Primary Government	Component Units
Subsequent Contributions	\$ 177,331	\$ 8,755

Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (amounts in thousands):

Year Ending June 30:	Primary Government	Component Units
2020	\$ (2,996)	\$ 2,575
2021	(2,996)	2,576
2022	(2,996)	2,576
2023	(1,250)	2,900
2024	(647)	2,917
Thereafter	-	16,320
Total	\$ (10,885)	\$ 29,864

**Payable to the OPEB Plans – OTS** – At June 30, 2019, OTS reported a payable of \$1.9 million for the outstanding amount of required contributions to the OPEB plans for the year ended June 30, 2019.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**12. Enterprise Funds**

The City maintains seven enterprise funds: the Housing Development Special Fund, the Sewer Fund, the Solid Waste Special Fund and the Public Transportation System, which are business-type activities, and the Board of Water Supply, the Honolulu Authority for Rapid Transportation and Oahu Transit Services, Inc., which are discretely presented component units.

**Housing Development Special Fund**

The City created the Housing Development Special Fund to develop affordable housing for sale or for rental. At June 30, 2019, the City had \$29.1 million of general obligation bonds outstanding, which were used to finance the development of various residential lots and recreational facilities.

Restricted Assets – Certain cash balances held in separate accounts are classified as restricted assets. Restricted cash includes security deposit reserves, insurance reserves and replacement reserves for the rental properties operated by the housing fund. At June 30, 2019 these assets amounted to \$17.9 million.

**Sewer Fund**

The Sewer Fund was created to account for the operations of the City's wastewater system and is operated primarily through user charges. The Sewer Fund also accounts for the proceeds of revenue bonds issued to pay all or part of those appropriations for capital improvement projects, repairs, and maintenance of the wastewater treatment system.

Restricted Assets – Certain cash balances held in separate accounts are classified as restricted assets. Restricted cash include amounts reserved for debt service. At June 30, 2019, these assets amounted to \$41.1 million. Certain investments are classified as restricted assets since their use is limited by certain agreements. Restricted investments include amounts reserved for debt service and unspent bond proceeds reserved for future wastewater construction projects. At June 30, 2019, these assets amounted to \$257.4 million.

Implementation of GASB No. 83, *Certain Asset Retirement Obligations*, resulted in an adjustment of approximately \$6.2 million to the July 1, 2018 net position.

**Solid Waste Special Fund**

The Solid Waste Special Fund accounts for the following activities related to the operations of the Refuse Division:

- The City's refuse collection and disposal operations, which are funded primarily through General Fund subsidies.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

- The recycling program revenues assessed as 12.0% of refuse disposal charges and are expended for the establishment, operation, management and expansion of the City's recycling programs, including programs for waste reduction, development of recycling markets and recycling awareness.
- The glass incentive program revenues derived for the recycling of glass containers and paying incentives to glass recyclers.
- Operation of the solid waste disposal and energy and materials recovery project (H-POWER Facility).

Restricted Assets – Certain investments are classified as restricted assets since their use is limited by certain agreements. Restricted investments include unspent bond proceeds reserved for future solid waste construction projects. At June 30, 2019 these assets amounted to \$35.4 million.

**H-POWER Facility**

The City executed agreements with Covanta Honolulu Resource Recovery Venture (Covanta) to operate a solid waste disposal and energy recovery project, the Honolulu Program of Waste Energy Recovery (the H-POWER Facility). The H-POWER Facility processes and disposes of solid waste, and together with combustion facilities, produces steam used for the generation of electricity. Revenues are generated from user tip fees and from the sale of energy products and recovered materials. The H-POWER Facility commenced commercial operations on May 21, 1990, and the City has a 20-year contract to sell electricity generated to a utility company through April 30, 2033.

The operating contract with Covanta was amended and restated in December 2009 to extend the term to operate both the original and the expansion facilities to another 20-year period effective August 4, 2012.

As of June 30, 2019, the City had \$369.4 million of general obligation bonds outstanding, which were used to finance the construction and purchase of the H-POWER Facility.

**Public Transportation System**

The Department of Transportation Services oversees the administration and operation of the Public Transportation System (the City's bus and paratransit systems or PTS) on the island of Oahu.

The City contracted with Oahu Transit Services, Inc. (OTS) to provide for the management of the City's bus and paratransit systems. OTS provides the employees to operate and manage the bus and paratransit systems. The City reimburses OTS for operating expenses. The management fee for the period July 1, 2018 to June 30, 2019 was approximately \$469.0 thousand. In July 2010, the

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

agreement between OTS and the City was extended. The extension provides for the City to pay OTS approximately \$117.0 thousand per quarter beginning with the quarter ended September 30, 2010, until a new management and operations agreement is executed.

The contract includes a provision that the City furnish, but retain title to the transit buses, paratransit buses, properties, facilities and equipment used in the systems. Revenues collected by OTS, excluding management fees, are the property of the City and are remitted to a depository account controlled by the City.

Restricted Assets – OTS established trust funds for the purpose of maintaining adequate funds for expenses incurred through its workers' compensation, general, and auto liability self-insurance programs. At June 30, 2019, these assets held by OTS amounted to \$963.9 thousand.

Reserve for Insurance Claims Payable – The City sponsors an automotive and general liability self-insurance program for OTS. The self-insurance program is for claims up to \$2.0 million effective July 1, 2006. The City also has a workers' compensation self-insurance program, which covers OTS claims up to \$1.0 million per occurrence effective July 1, 2002. OTS has obtained excess insurance coverage for general liability, automotive claims and workers' compensation through various insurance companies for amounts in excess of claims covered under the two self-insurance programs.

Implementation of GASB No. 83, *Certain Asset Retirement Obligations*, resulted in an adjustment of approximately \$3.9 million to the July 1, 2018 net position.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**13. Commitments and Encumbrances**

**Leases**

The City leases equipment and office space under capital and operating leases, which expire at various dates through fiscal 2052. At June 30, 2019, there is no cost of equipment recorded under capital lease arrangements.

Future minimum obligations under operating leases at June 30, 2019 were as follows (amounts in thousands):

<b>Year Ending June 30:</b>	<b>Operating Leases</b>
2020	\$ 4,021
2021	2,858
2022	2,248
2023	2,192
2024	1,969
2025-2029	1,857
2030-2034	100
2035-2039	70
2040-2044	50
2045-2049	50
2050-2052	30
Total minimum payments	<u><u>\$ 15,445</u></u>

Certain leases provide for payment of common area charges and for periodic renegotiation of rents. Rent expense under operating leases, principally recorded in the General Fund, amounted to \$8.8 million for the fiscal year ended June 30, 2019.

The City leases to others concession rights and real property under operating leases, which expire at various dates through fiscal 2058. Certain leases provide for periodic renegotiation of rents. The cost, accumulated depreciation and net book value of these leased assets are as follows (amount in thousands):

<u>Asset Class</u>	<u>Cost at Date of Acquisition</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$ 2,942	\$ -	\$ 2,942
Buildings and Improvements	<u>46,938</u>	<u>(38,608)</u>	<u>8,330</u>
Totals	<u><u>\$ 49,880</u></u>	<u><u>\$ (38,608)</u></u>	<u><u>\$ 11,272</u></u>

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

Future minimum rental incomes under such leases at June 30, 2019 were as follows (amounts in thousands):

Year Ending June 30:	
2020	\$ 5,542
2021	3,483
2022	2,089
2023	1,567
2024	940
2025 - 2029	4,024
2030 - 2034	3,311
2035 - 2039	2,811
2040 - 2044	2,721
2045 - 2049	2,337
2050 - 2054	1,848
2055 - 2058	80
Total minimum rental income	<u>\$ 30,753</u>

**Other Commitments and Encumbrances**

Contractual commitments for capital projects, expenses and supplies at June 30, 2019 are encumbered in the governmental and fiduciary funds and are in thousands as follows:

Major Funds	
Governmental Funds:	
General Fund	\$ 77,711
Highway Fund	<u>13,572</u>
Total Major Funds - Governmental Funds	<u>91,283</u>
Nonmajor Funds - Other Governmental Funds	571,657
Fiduciary Funds	<u>277</u>
Total	<u>\$ 663,217</u>

Contractual commitments of the business-type activities including the component units, which do not employ encumbrance accounting, are primarily for construction contracts and are as follows in thousands at June 30, 2019:

Proprietary Funds:	
Housing	\$ 19
Sewer	848,213
Solid Waste	118,657
Public Transportation System	<u>12,733</u>
Total Proprietary Funds	<u>979,622</u>
Component Units:	
Board of Water Supply	260,329
Honolulu Authority for Rapid Transportation	<u>1,786,024</u>
Total Component Units	<u>2,046,353</u>
Total Business-Type Activities including Component Units	<u>\$ 3,025,975</u>

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**14. Contingent Liabilities**

The City is exposed to various risks arising out of its diverse activities and operations, resulting in claims and lawsuits against the City for personal injury, property and other damages. The City's Corporation Counsel reported that these cases are set for pretrial conferences, awaiting actions from plaintiffs, being investigated, and ready for trial calendar, or on appeal.

The City is fully self-insured for workers' compensation claims, and uses a combination of self-insurance and commercial insurance for automobile liability and most general liability claims, with certain exceptions. The City purchases excess liability insurance through insurance companies for claims in excess of self-insured amounts as well as primary liability insurance when required by contract or law.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The basis for estimating the liabilities for unpaid claims includes the effects of specific incremental claim adjustment expenses, salvage, and subrogation, and other allocated or unallocated claim adjustment expenses. At June 30, 2019, the estimated total liability of the City for claims and judgments amounted to \$139.7 million, which included claims incurred but not reported by the claimant and settled claims for which funds have not yet been appropriated. The estimated total liability has been determined through case-by-case analysis and from actuary studies performed by independent third parties. Expenditures for claims and judgments are appropriated annually. In the opinion of management, the City has adequately reserved for such claims.

The following is a summary of changes in the claims and judgments liability account during the fiscal year (amounts in thousands):

	Automobile and General Liability	Workers' Compensation	Total
Balance at June 30, 2017	\$ 43,637	\$ 72,339	\$ 115,976
Add, Incurred losses and loss adjustment expenses	17,932	33,400	51,332
Less, Payments	(11,488)	(24,990)	(36,478)
Balance at June 30, 2018	50,081	80,749	130,830
Add, Incurred losses and loss adjustment expenses	20,417	20,100	40,517
Less, Payments	(6,706)	(24,983)	(31,689)
Balance at June 30, 2019	<u>\$ 63,792</u>	<u>\$ 75,866</u>	<u>\$ 139,658</u>

The claims and judgment liability will be liquidated from the City's general fund.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**15. Environmental Issues**

**Solid Waste Landfill Costs**

GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, which is based on the October 9, 1991 United States Environmental Protection Agency (EPA) rule, "Solid Waste Disposal Facility Criteria," establishes closure requirements for all municipal solid waste landfills that receive waste after October 9, 1991. The EPA rule also establishes thirty-year postclosure care requirements for those landfills that accept solid waste after October 9, 1993 or for those landfills that stopped accepting solid waste between October 9, 1991 and October 9, 1993 and have not met certain requirements established by the EPA rule. In accordance with GASB Statement No. 18, the City estimates in advance the total cost of closure and postclosure care during the life of those landfills rather than after their closings.

Federal and state laws and regulations require the City to place final covers on certain landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Annual additions to the liability for closure and postclosure care costs are based on landfill capacity used as of each balance sheet date. The \$13.2 million reported as the liability in the Solid Waste Special Fund for closure and postclosure care costs at June 30, 2019 represents the cumulative amount reported to date based on the percentage of the estimated capacity used for the landfills (amounts in thousands). Actual costs may differ from estimates if additional postclosure care requirements are determined (due to inflation or deflation, changes in technology, or changes in applicable laws or regulations).

Schedule of Solid Waste Special Fund Liability

	<u>Capacity Used</u>	<u>Closure Date</u>	<u>Liability at June 30, 2019</u>	<u>Total Estimated Cost</u>
Waipahu incinerator landfill	100.0%	October 1991	\$ 7,039	\$ 26,141
Kapaa sanitary landfill	100.0%	May 1997	6,182	22,121
Total			<u>\$ 13,221</u>	<u>\$ 48,262</u>

The Proprietary Funds Statement of Net Position records the landfill liability as current and noncurrent liabilities. The current portion of \$1.4 million is included in other current liabilities and the noncurrent portion of \$11.8 million is included in estimated liability for landfill closure and postclosure care costs.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

For fiscal year 2019, the City has provided the financial resources that will be available to provide for closure, postclosure care and remediation or containment of environmental hazards at the above landfills. The EPA's financial assurance rules include a local government financial test consisting of a financial component, a public notice component, and a recordkeeping component. Local governments are required to satisfy each of the three components to pass the annual test. Management believes the City has satisfied each of the components to meet the financial assurance test.

For the Waimanalo Gulch Landfill, the current operator is responsible for all closure and postclosure care costs through 2024; the City will be responsible for all closure and postclosure costs after 2024. At June 30, 2019 the City provided the financial resources that will be available to provide for closure, postclosure, remediation or containment of environmental hazards at the landfill. At June 30, 2019 the estimated capacity used is 70.7% and the estimated remaining life of the landfill is 18 years. The total closure and postclosure costs, estimated at \$55.3 million, have not been recognized since the operator is responsible for all closure and postclosure through 2024.

The City is complying with the terms of a consent decree filed on July 1, 2015, to resolve the claims of the EPA related to the City's violations of the Standards of Performance for New Stationary Sources and the National Emission Standards for Hazardous Air Pollutants regulations at the Kapaa and Kalaheo landfills. The consent decree required the City to pay a civil penalty of \$875.0 thousand which the City paid during fiscal year 2016. In addition to the civil penalty, the consent decree requires the City to implement a supplemental environmental project to build a solar power system at the City's H-POWER facility by 2020 to produce a minimum of 15,056 megawatt hour of energy at estimated costs of, in 2015 dollars, \$16.1 million. Construction of the solar building was completed in fiscal year 2019 while construction of the solar power system is anticipated to be completed in May 2020.

**Sewer Fund – Litigation**

The City is a party to various legal proceedings arising in the normal course of business. Some of these matters relate to the Sewer Fund as follows:

The Wastewater Treatment Plant (WWTP) and other facilities operated by the Department are governed either by National Pollutant Discharge Elimination System (NPDES) permits or by the State of Hawaii's Department of Health (DOH) Underground Injection Control or Wastewater Management Permits or Clean Air Branch Covered Source and Non-Covered Source Permits.

The NPDES permits for the City's two largest treatment plants, Sand Island WWTP and Honouliuli WWTP, were reissued with effective dates of January 1, 2015, and March 30, 2014, respectively. The Sand Island WWTP permit was modified

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

effective September 1, 2018, and the Honouliuli WWTP permit was modified effective February 1, 2019. The NPDES permit for the Kailua WWTP was reissued with an effective date of March 16, 2014. The NPDES permit for the Waianae WWTP was issued with an effective date of December 1, 2016. The City is contesting certain permit conditions for the Kailua WWTP and Waianae WWTP permits. The majority of these contested conditions have been stayed pending further review and consideration by DOH. DOH issued a modification to the Kailua WWTP NPDES permit with an effective date of August 1, 2017; however, this modification is limited to modifying two conditions in the Kailua WWTP NPDES permit, and the contested conditions that are not subject to the modification remain actively contested by the City.

One air consent order is currently in effect until December 31, 2016 between the State of Hawaii DOH and the City relating to air quality at the Kailua WWTP. The consent order provides for the payment of stipulated penalties when covered and non-covered source permit requirements are not met.

In addition, during the course of operating the Wastewater System, occasional events of non-compliance with other permits, laws, and regulations occur, including:

- Wastewater spills, which are subject to reporting pursuant to the NPDES permits, the 2010 Consent Decree described below, and DOH regulations.
- Exceedance of interim effluent limits set forth in the 2010 Consent Decree for the Sand Island and Honouliuli WWTPs, which are reported monthly with the discharge monitoring reports for the plants.
- Exceedance of effluent limits set forth in the NPDES permits for the WWTPs, which are reported monthly with the discharge monitoring reports for the plants.
- On November 26, 2014, DOH issued a Notice of Apparent Violation regarding the City's pretreatment program. The City responded on March 6, 2015.
- No other incident of noncompliance is subject to existing or threatened enforcement.

The City is complying with the terms of the 2010 Consent Decree entered by the United States District Court in Hawaii to settle certain previous environmental lawsuits relating to the Wastewater System. The Court retains continuing jurisdiction to enforce the 2010 Consent Decree. The following is a brief discussion of the 2010 Consent Decree and the City's obligations thereunder.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

The 2010 Consent Decree, approved by the Environmental Protection Agency (EPA), DOH, the Sierra Club, Hawaii Chapter, Our Children's Earth Foundation, and Hawaii's Thousand Friends, was entered by the United States District Court in Hawaii. Three previous environmental lawsuits were dismissed. The City's appeal of the EPA's January 2009 final decisions denying the City's applications to renew its permit variances from secondary treatment for the Honolulu and Sand Island WWTP was dismissed on February 2, 2011. The 2010 Consent Decree allows 10 years for completion of work on the collection system, 14 years for the upgrade of the Honolulu WWTP to secondary treatment, and up to 25 years, with the possibility of a three-year extension, for the upgrade of the Sand Island WWTP to secondary treatment. The City is expected to incur approximately \$3.5 billion in capital costs through Fiscal Year 2020 (which coincides with the term of the collection system portion of the 2010 Consent Decree). This amount will largely be spent on the collection system, and much of it will go toward work that was already required or planned. This amount also includes a portion of the costs of treatment plant upgrades at Sand Island and Honouliuli. Costs for the treatment plant upgrades include approximately \$550 million to replace primary treatment facilities at both plants and \$1.15 billion to upgrade the plants to secondary treatment plants. As part of the settlement, the City paid a civil penalty in the amount of \$800,000 to the United States, and \$800,000 to the State of Hawaii. In addition, the City paid \$800,000 to the Sierra Club, Hawaii Chapter, Our Children's Earth Foundation, and Hawaii's Thousand Friends, to fund four supplemental environmental projects.

The 2010 Consent Decree became effective upon its entry by the Court on December 17, 2010. The City also settled the nonprofit organizations' claim for their attorneys' fees and costs, for an additional payment of \$1.1 million.

The 2010 Consent Decree was amended on March 27, 2012. This amendment modified the 2010 Consent Decree to substitute construction of a Kaneohe-Kailua gravity tunnel and an associated influent pump station for the construction of a new force main between the City's Kaneohe pump station and its Kailua treatment plant and to eliminate requirements to proceed with and maintain storage projects in Kaneohe and Kailua.

In addition to the 2010 Consent Decree, the City is complying with the terms of a 2017 Administrative Order on Consent that the City and DOH voluntarily entered into on March 13, 2017. The 2017 Administrative Order on Consent resolved all liability of the City for certain 2015 wastewater spills, and the City made no admissions as to fact, violation, fault, or liability in entering the 2017 Administrative Order on Consent. Pursuant to the 2017 Administrative Order on Consent, the City has agreed to conduct a storm water inflow detection, identification, and quantification study in certain high density or ultra-urbanized areas; to revise its Standard Operating Procedures to improve response to spill prevention alarms; to upgrade its Supervisory Control and Data Acquisition (SCADA) system; to revise

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

its sewage spill volume estimate procedures; and to pay a monetary penalty of \$100,000 to DOH, which has been paid.

**Pending Wastewater System Litigation** - The City and the Department generally are self-insured with respect to general liability claims. In the Fiscal Years ended June 30, 2016, 2017, 2018, and 2019, the Department reached settlements of lawsuits and claims related to the Wastewater System and paid with Judgment, Settlements and Losses general funds of \$8,472, \$3,653, \$7,123, and \$14,180 respectively.

A lawsuit has been filed against the City and the Department which has the potential to surpass the amount paid in the preceding Fiscal Years. This case involves claims by a construction contractor for delay and extended overhead costs. This case is in the discovery stage of litigation and liability has not been established at this time, and the City and County and the Department intend to vigorously defend against the claims.

In the opinion of the City's Corporation Counsel, the expected liability arising out of the pending litigation would not constitute a material impairment of the Department's financial position.

**Asset Retirement Obligation (ARO)**

Current laws and regulations require the City to take specific actions when retiring underground storage tanks. The City accounts for certain costs associated with the future removal of underground storage tanks and restoring the area to original conditions in accordance with GASB Statement No. 83, *Certain Asset Retirement Obligations*. The City has multiple underground storage tanks with a capacity ranging from 250 to 15,000 gallons. The State of Hawaii's Department of Health requires the City to take specific steps relating to permanent closure of underground storage tanks. Based on contract estimates, the City's ARO for underground storage tanks was approximately \$33.5 million as of June 30, 2019, with tanks having a remaining useful life ranging from 0 to 25 years.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**16. Discretely Presented Component Units**

**Board of Water Supply**

Board of Water Supply (BWS), a semi-autonomous agency of the City, has full and complete authority to manage, control and operate the City's water system and related properties.

**Major Transactions with the City –**

**Billing and Collection Services** – BWS has an agreement with the City's Department of Environmental Services to provide certain services relating to the billing and collection of sewer service charges. Fees related to these services as well as capital recovery charges related to the implementation of the new billing and collection system were negotiated at approximately \$2.6 million for the fiscal year ended June 30, 2019. The expenditures related to these fees are included in contractual services expenses of the Sewer Fund in the accompanying statement of revenues, expenses and changes in net position for the Proprietary Funds.

**Central Administrative Services Expense (CASE) Fee** – BWS has an ongoing agreement with the City to pay a CASE fee for treasury, personnel, purchasing and other administrative services. The Board's Charter allows for a CASE fee to the extent that it represents a reasonable charge for services necessary for the BWS to perform its duties. For the fiscal year ended June 30, 2019, CASE fees paid to the City amounted to \$3.3 million. Any increase for a subsequent year is subject to negotiation.

**Joint Construction Projects** – During the year ended June 30, 2013, the City entered into an agreement with BWS for a joint water and sewer system upgrade that is administered by BWS. The agreement required the City to make advance payments to BWS for \$928.3 thousand. At June 30, 2019, a balance of approximately \$826.0 thousand of these funds has not been expended.

**Honolulu Authority for Rapid Transportation**

Effective July 1, 2011, pursuant to a 2010 amendment to the Revised Charter of the City, the Honolulu Authority for Rapid Transportation (HART) was created to develop, operate, maintain and expand the city fixed guideway system.

Effective July 1, 2017, the operations and maintenance of the system were transferred to the City pursuant to a City Charter amendment approved by the voters on November 8, 2016.

**Construction Claim Costs** – Due to schedule delays, there are other outstanding delay/construction claims from contractors against HART. The original schedule called for the rail system to be completed in 2019. The current schedule pushed the completion date to the end of 2025. Delay claim settlements are normally

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

negotiated during the contract-out process. As such, potential settlement amounts may total approximately \$160.0 million.

**Major Transactions with the City –**

**Central Administrative Services Expense (CASE) Fee** – HART executed a Memorandum of Understanding with the City to pay a CASE fee equal to five (5%) percent of HART's actual operating expenditures for treasury, personnel, purchasing and other services that the City provides to HART on an on-going basis. The CASE fee does not include any direct costs the City charged HART for budget, fiscal, legal, design and construction services, contributions for other postemployment benefits and fringe benefits for services rendered for HART. For the fiscal year ended June 30, 2019, CASE fees amounted to \$623.1 thousand.

**Debt Financing** – In May 2015 as amended in July 2017, HART executed a Memorandum of Understanding (MOU) with the City which details the terms and conditions for the issuance of general obligation bonds, general obligation commercial paper notes or any other form of general obligation indebtedness to be used for the completion of the Honolulu Rail Transit Project (HRTTP). HART consented to the establishment of a Project Bond Reserve Account (PBRA) in the City's General Obligation Bond and Interest Redemption Fund. The PBRA shall be equal to the lesser of 50% of the maximum annual debt service on all outstanding project bonds, or 10% of the total outstanding par amount.

The City executed General Obligation Commercial Paper Notes, Issue B with a credit limit of \$350.0 million for any temporary cash shortages to complete the HRTTP. On January 23, 2019, all existing commercial paper notes were liquidated through issuance of general obligation bonds and as of June 30, 2019, there is zero outstanding balance.

On January 23, 2019, the City successfully sold \$210.0 million tax exempt general obligation bonds. The proceeds were for HART's ongoing capital needs, payment of existing general obligation commercial paper notes and recorded as additional advances from the City. Per Section 3.06 of the MOU, as of June 30, 2019, \$45.6 million was deposited into the PBRA and an aggregate total of \$553.1 million is reported as advances from the City.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**Oahu Transit Services, Inc.** Oahu Transit Services, Inc. (OTS) was formed on December 16, 1991 as a nonprofit corporation. The purpose of OTS is to manage, operate, and maintain the City bus service and other transit related services on behalf of and for the City. Pursuant to the terms of the Management and Operations Agreement (the Agreement) and the Revised Ordinances of Honolulu, OTS and its employees are independent contractors and OTS is the private employer of all personnel required to operate the City bus system and special transit service. OTS is deemed an instrumentality of the City for appropriate purposes other than for labor and employment.

**Major Transaction with the City –**

**Reimbursement of Labor Costs** – In accordance with the Agreement, the City reimburses OTS for bus system and special transit service labor costs and related employee benefits paid during the fiscal year. For the fiscal year ended June 30, 2019, the City's reimbursement to OTS for personnel costs totaled \$195.5 million.

**Contingent Liability** – In accordance with the Agreement and governing ordinances, management believes the City is liable only for reimbursable employee benefit costs approved by the City's annual budgeting process. Accordingly, the City's financial statements include only the costs related to currently reimbursable employee benefits. Consequently, any long-term liabilities related to OTS' employee benefits have not been recorded in the primary government financial statements. If the Agreement with OTS is cancelled, the City may have a contingent liability related to OTS' long-term employee benefits. However, the City has no plans to do so; therefore, the City has not recorded a contingent liability.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO FINANCIAL STATEMENTS**  
**Fiscal Year Ended June 30, 2019**

**17. Subsequent Events**

On August 7, 2019, the City issued General Obligation Bonds, tax exempt series 2019C, 2019D, 2019E, 2019F and 2019G, taxable bonds series 2019H, 2019I, and 2019J in the aggregate amount of \$548.9 million. The Series 2019D, and 2019F to J bonds are not subject to redemption prior to maturity. The Series 2019C Bonds maturing on or after August 1, 2030 are subject to redemption, at the option of the City on or after August 1, 2029, in whole or in part at any time. Series 2019E maturing on or before September 1, 2023 are additionally subject to redemption at the option of the City and County, in whole or in part on or before June 1, 2023. The bond proceeds will be used to fund certain capital improvement projects and to refund certain outstanding general obligation bonds previously issued by the City.

<u>Bonds Series</u>	<u>Range of interest rates</u>	<u>Mature Annually August 1*,</u>	<u>Par Amount (in thousands)</u>
2019C	3.00% - 5.00%	2021 - 2044	\$ 198,260
2019D	5.00%	2020 - 2027	57,870
2019E	5.00%	2023 - 2030	175,545
2019F	5.00%	2020	8,095
2019G	3.00%	2023 - 2028	9,225
2019HIJ	1.71% - 2.17%	2021 - 2027	99,950
		Total Par Amount	<u>\$ 548,945</u>

\*GOB 2019E matures on September 1 and 2019HIJ first maturity date is March 1, 2020.

On November 6, 2019, the City issued wastewater system revenue bonds, Senior tax exempt Series 2019A and 2019B and taxable 2019C; Junior tax exempt Series 2019A and taxable series 2019B in aggregate amount of \$496.9 million. The Senior Series 2019C and Junior Series 2019B are not subject to redemption prior to maturity. Senior Series 2019A Bonds maturing on or after July 1, 2030 are subject to redemption, at the option of the City on or after July 1, 2029, in whole or in part at any time. The bond proceeds will be used to fund certain wastewater system capital improvement projects and to refund certain outstanding wastewater system revenue bonds previously issued by the City.

<u>Bonds Series</u>	<u>Range of interest rates</u>	<u>Mature Annually July 1,</u>	<u>Par Amount (in thousands)</u>
Senior 2019A	4.00% - 5.00%	2020 - 2049	\$ 216,565
Senior 2019B	4.00% - 5.00%	2020 - 2040	174,710
Senior 2019C	2.22% - 2.65%	2025 - 2030	20,810
Junior 2019A	3.00% - 5.00%	2020 - 2032	22,830
Junior 2019B	2.32% - 2.59%	2024 - 2028	61,995
		Total Par Amount	<u>\$ 496,910</u>

**REQUIRED  
SUPPLEMENTARY INFORMATION  
OTHER THAN MD&A**

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Taxes .....	\$ 1,295,471	\$ 1,295,471	\$ 1,310,999	\$ 15,528
Licenses and permits .....	51,112	51,112	48,014	(3,098)
Intergovernmental .....	45,484	45,484	45,676	192
Charges for services .....	7,483	7,483	8,011	528
Fines and forfeits .....	800	800	1,111	311
<b>Miscellaneous:</b>				
Recoveries .....	55,130	55,130	50,425	(4,705)
Interest .....	7,720	7,720	19,320	11,600
Other .....	3,055	3,055	7,596	4,541
Total Revenues .....	<u>1,466,255</u>	<u>1,466,255</u>	<u>1,491,152</u>	<u>24,897</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Budget and Fiscal Services .....	19,338	19,463	18,481	982
City Clerk .....	4,436	4,436	3,759	677
City Council .....	6,644	6,644	5,647	997
Corporation Counsel .....	11,590	11,590	10,356	1,234
Customer Services .....	25,177	25,789	23,213	2,576
Design and Construction .....	13,860	14,255	12,905	1,350
Emergency Services .....	1,051	1,114	977	137
Facility Maintenance .....	31,846	32,768	30,013	2,755
Human Resources .....	7,233	7,313	7,008	305
Information Technology .....	20,575	21,167	20,718	449
Land Management .....	1,446	1,676	1,360	316
Mayor .....	6,331	6,375	6,071	304
Office of the City Auditor .....	1,934	1,943	1,750	193
Office of Council Services .....	2,609	2,609	2,301	308
Planning and Permitting .....	18,877	19,530	17,256	2,274
Prosecuting Attorney .....	22,061	22,517	21,217	1,300
Total General government .....	<u>195,008</u>	<u>199,189</u>	<u>183,032</u>	<u>16,157</u>
<b>Public safety:</b>				
Emergency Management .....	1,934	2,088	1,515	573
Emergency Services .....	56,590	56,983	49,365	7,618
Fire .....	138,517	138,543	131,208	7,335
Medical Examiner .....	2,197	2,347	2,199	148
Planning and Permitting .....	6,083	6,284	5,903	381
Police .....	274,166	274,165	264,828	9,337
Transportation Services .....	1,379	1,379	1,088	291
Total Public safety .....	<u>480,866</u>	<u>481,789</u>	<u>456,106</u>	<u>25,683</u>
<b>Highways and streets:</b>				
Facility Maintenance .....	24,724	24,892	22,268	2,624
<b>Sanitation:</b>				
Environmental Services .....	470	470	382	88

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Human services:				
Community Services .....	22,910	23,788	21,185	2,603
Culture-recreation:				
Mayor .....	2,412	2,509	2,445	64
Parks and Recreation .....	86,482	90,568	86,835	3,733
Total Culture-recreation .....	<u>88,894</u>	<u>93,077</u>	<u>89,280</u>	<u>3,797</u>
Utilities or other enterprises:				
Transportation Services .....	549	1,618	1,501	117
Miscellaneous:				
Retirement and health benefits:				
City Council .....	5,020	5,020	4,718	302
Provisional .....	368,728	368,728	329,416	39,312
Total Retirement and health benefits .....	<u>373,748</u>	<u>373,748</u>	<u>334,134</u>	<u>39,614</u>
Other:				
City Council .....	600	591	4	587
Provisional .....	67,304	55,911	31,031	24,880
Total Other .....	<u>67,904</u>	<u>56,502</u>	<u>31,035</u>	<u>25,467</u>
Total Miscellaneous .....	<u>441,652</u>	<u>430,250</u>	<u>365,169</u>	<u>65,081</u>
Capital improvements:				
General government .....	743	743	471	272
Culture-recreation .....	11	11	11	--
Capital improvements .....	<u>754</u>	<u>754</u>	<u>482</u>	<u>272</u>
Total Expenditures .....	<u>1,255,827</u>	<u>1,255,827</u>	<u>1,139,405</u>	<u>116,422</u>
Revenues over Expenditures .....	<u>210,428</u>	<u>210,428</u>	<u>351,747</u>	<u>141,319</u>
Other Financing Sources (Uses):				
Sales of capital assets .....	--	--	10	10
Transfers in .....	179,951	179,951	177,442	(2,509)
Transfers out .....	(573,300)	(573,300)	(567,008)	6,292
Total Other Financing Sources (Uses) .....	<u>(393,349)</u>	<u>(393,349)</u>	<u>(389,556)</u>	<u>3,793</u>
Net change in Fund Balance .....	(182,921)	(182,921)	(37,809)	145,112
Encumbrances .....	--	--	77,711	77,711
Fund Balance - July 1 .....	184,533	184,533	254,085	69,552
Fund Balance - June 30 .....	<u>\$ 1,612</u>	<u>\$ 1,612</u>	<u>\$ 293,987</u>	<u>\$ 292,375</u>

See accompanying notes to budgetary comparison schedules.

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Taxes .....	\$ 99,234	\$ 99,234	\$ 98,187	\$ (1,047)
Licenses and permits .....	171,052	171,052	179,010	7,958
Charges for services .....	5,501	5,501	5,312	(189)
Fines and forfeits .....	--	--	36	36
<b>Miscellaneous:</b>				
Recoveries .....	2,814	2,814	3,065	251
Other .....	2,334	2,334	2,995	661
Total Revenues .....	<u>280,935</u>	<u>280,935</u>	<u>288,605</u>	<u>7,670</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Design and Construction .....	7,841	8,322	7,460	862
Facility Maintenance .....	15,420	15,742	14,904	838
Planning and Permitting .....	2,852	2,877	2,373	504
Total General government .....	<u>26,113</u>	<u>26,941</u>	<u>24,737</u>	<u>2,204</u>
<b>Public safety:</b>				
Police .....	29,274	29,274	26,918	2,356
Transportation Services .....	8,284	8,513	7,513	1,000
Total Public safety .....	<u>37,558</u>	<u>37,787</u>	<u>34,431</u>	<u>3,356</u>
<b>Highways and streets:</b>				
Facility Maintenance .....	28,798	30,986	29,008	1,978
<b>Utilities or other enterprises:</b>				
Transportation Services .....	4,309	4,491	3,981	510
<b>Miscellaneous:</b>				
<b>Retirement and health benefits:</b>				
Provisional .....	40,376	40,376	39,480	896
<b>Other:</b>				
Provisional .....	8,806	5,379	2,329	3,050
Total Miscellaneous .....	<u>49,182</u>	<u>45,755</u>	<u>41,809</u>	<u>3,946</u>
<b>Capital improvements:</b>				
General government .....	976	976	715	261
Total Capital improvements .....	<u>976</u>	<u>976</u>	<u>715</u>	<u>261</u>
Total Expenditures .....	<u>146,936</u>	<u>146,936</u>	<u>134,681</u>	<u>12,255</u>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues over Expenditures .....	133,999	133,999	153,924	19,925
Other Financing Source (Use):				
Sales of capital assets .....	166	166	645	479
Transfers out .....	(156,593)	(156,593)	(154,084)	2,509
Total Other Financing Source (Use) .....	(156,427)	(156,427)	(153,439)	2,988
Net change in Fund Balance .....	(22,428)	(22,428)	485	22,913
Encumbrances .....	--	--	13,572	13,572
Fund Balance - July 1 .....	22,428	22,428	28,096	5,668
Fund Balance - June 30 .....	\$ --	\$ --	\$ 42,153	\$ 42,153

See accompanying notes to budgetary comparison schedules.

CITY AND COUNTY OF HONOLULU  
 NOTES TO BUDGETARY COMPARISON SCHEDULES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**Budgets and Budgetary Accounting**

Except for the inclusion of carry-over encumbrances, the budgets for the General Fund and the Highway Fund are adopted on a modified accrual basis consistent with generally accepted accounting principles (GAAP).

The actual expenditures on a budgetary basis include payments made during the fiscal year on the modified accrual basis of accounting, consistent with GAAP, plus outstanding encumbrances at the end of the current fiscal year.

The budgetary comparison for the General Fund is the legally separate fund with its legally adopted budget not the combined General Fund (per GASB 54) presented in the basic financial statements.

Reconciliation	General Fund	Highway Fund
Net change in Fund Balance per Budgetary Comparison Schedule .....	\$ (37,809)	\$ 485
Adjustments to conform with generally accepted accounting principles:		
Encumbrances .....	77,711	13,572
Changes in Fund Balance for legal separate funds combined with the General Fund per GASB 54 .....	10,527	--
Net change in Fund Balance per Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	\$ 50,429	\$ 14,057

CITY AND COUNTY OF HONOLULU  
**EMPLOYEES' RETIREMENT SYSTEM - PENSION PLAN**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
 Fiscal Years 2013 - 2018  
 (Dollar amounts in thousands)

Fiscal Year Ended	Proportion of Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
June 30, 2018	18.20%	\$ 2,424,496	\$ 640,203	378.71%	55.48%
June 30, 2017	17.82%	\$ 2,307,225	\$ 626,639	368.19%	54.80%
June 30, 2016	18.17%	\$ 2,428,894	\$ 599,494	405.16%	51.28%
June 30, 2015	17.41%	\$ 1,520,529	\$ 578,043	263.05%	62.42%
June 30, 2014	16.31%	\$ 1,307,396	\$ 536,304	243.78%	63.92%
June 30, 2013	16.76%	\$ 1,496,794	\$ 509,130	293.99%	57.96%

Prior fiscal years are not available. Table to be built prospectively.

CITY AND COUNTY OF HONOLULU  
EMPLOYEES' RETIREMENT SYSTEM - PENSION PLAN  
SCHEDULE OF CONTRIBUTIONS  
Fiscal Years 2012 - 2019  
(Dollar amounts in thousands)

Fiscal Year Ended	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contributions	Contribution Excess (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2019	\$ 176,114	\$ 176,416	\$ 302	\$ 666,311	26.48%
June 30, 2018	\$ 152,657	\$ 157,686	\$ 5,029	\$ 640,203	24.63%
June 30, 2017	\$ 140,342	\$ 139,569	\$ (773)	\$ 626,639	22.27%
June 30, 2016	\$ 135,217	\$ 129,245	\$ (5,972)	\$ 599,494	21.56%
June 30, 2015	\$ 121,465	\$ 132,308	\$ 10,843	\$ 578,043	22.89%
June 30, 2014	\$ 102,885	\$ 87,979	\$ (14,906)	\$ 536,304	16.40%
June 30, 2013	\$ 93,503	\$ 87,840	\$ (5,663)	\$ 509,130	17.25%
June 30, 2012	\$ 89,275	\$ 81,690	\$ (7,585)	\$ 517,862	15.77%

Prior fiscal years are not available. Table to be built prospectively.

**CITY AND COUNTY OF HONOLULU**  
**NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF**  
**THE NET PENSION LIABILITY AND CONTRIBUTIONS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Amounts reported in the schedule of proportionate share of the net pension liability had no significantly changes in assumptions for the measure period June 30, 2018.

Contribution rates are a percentage of pensionable payroll and are set by statute based on the recommendation of the ERS actuary. Act 256, Session Laws of Hawaii (SLH) 2007 established contribution rates beginning July 1, 2008 through June 30, 2012. Act 163 (SLH 2011) established new contribution rates beginning July 1, 2012 through June 30, 2017. Act 17 (SLH 2017) established new contribution rates beginning July 1, 2017 until statutory changes are implemented. Contribution rates by year are as follows:

<u>Effective Starting</u>	<u>Police and Fire</u>	<u>General Employees</u>
July 1, 2020	41.0%	24.0%
July 1, 2019	36.0%	22.0%
July 1, 2018	31.0%	19.0%
July 1, 2017	28.0%	18.0%
July 1, 2015	25.0%	17.0%
July 1, 2014	24.0%	16.5%
July 1, 2013	23.0%	16.0%
July 1, 2012	22.0%	15.5%
July 1, 2011	19.7%	15.0%

Act 152 (SLH 2012) amended the definition of compensation for new employees hired after June 30, 2012 for the purpose of pension benefit calculations. Compensation is defined as normal periodic payments and does not include overtime, supplemental payments, bonuses, lump sum salary differentials and other types of differentials. For employees hired prior to July 1, 2012 compensation includes overtime, supplemental payments, bonuses and other types of differentials for the purpose of pension benefit calculations.

Act 153 (SLH 2012) requires employers to pay additional contributions for those employees who retire on or after July 1, 2012 with significant “non-base pay” increases in the three or five years used to calculate their average final compensation and maximum retirement allowances. The amount is determined by comparing the maximum retirement allowance that would have been received without the significant non-base pay increase to the actual maximum allowance. These amounts are assessed, on a fiscal year basis, for all retirees meeting the criteria during the previous fiscal year.

CITY AND COUNTY OF HONOLULU  
**POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**  
 SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	2018	2017
Total OPEB liability		
Service cost .....	\$ 44,698	\$ 43,835
Interest on the total OPEB liability .....	155,684	147,732
Difference between expected and actual experience of the total OPEB liability .....	(36,127)	--
Changes of assumptions .....	31,781	--
Benefit payments .....	(80,555)	(76,220)
Net change in total OPEB liability .....	115,481	115,347
Total OPEB liability - July 1 .....	2,242,000	2,126,653
Total OPEB liability - June 30 .....	\$ 2,357,481	\$ 2,242,000
Plan fiduciary net position		
Employer contributions .....	\$ 143,665	\$ 125,017
Net investment income .....	30,844	30,907
Benefit payments .....	(80,555)	(76,220)
OPEB plan administrative expense .....	(95)	(72)
Other .....	--	1,147
Net change in plan fiduciary net position .....	93,859	80,779
Plan fiduciary net position - July 1 .....	372,671	291,892
Plan fiduciary net position - June 30 .....	\$ 466,530	\$ 372,671
Net OPEB liability - June 30 .....	\$ 1,890,951	\$ 1,869,329
Plan fiduciary net position as a percentage of the total OPEB liability .....	19.8%	16.6%
Covered-employee payroll .....	\$ 648,001	\$ 626,639
Net OPEB liability as a percentage of covered-employee payroll .....	291.8%	298.3%

Data for fiscal years prior to June 30, 2018 are not available. Table will be built prospectively.

Notes to Schedule of Changes in Net OPEB Liability and Related Ratios: None

CITY AND COUNTY OF HONOLULU  
 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
 SCHEDULE OF CONTRIBUTIONS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Fiscal Year Ended</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency</u>	<u>Covered-Employee Payroll</u>	<u>Actual Contribution as a % of Covered-Employee Payroll</u>
June 30, 2019	\$ 177,331	\$ 177,331	\$ —	\$ 666,311	26.6%
June 30, 2018	\$ 166,876	\$ 143,665	\$ 23,211	\$ 648,001 (a)	22.2% (a)

Information prior to the fiscal year ended June 30, 2018 is not available. As information becomes available in future years, up to 10 years will be displayed prospectively.

(a) Revised from previous CAFR

CITY AND COUNTY OF HONOLULU  
 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
 NOTES TO SCHEDULE OF CONTRIBUTIONS  
 FISCAL YEAR ENDED JUNE 30, 2019

**Valuation Date:** The actuarially determined contribution for the fiscal year ended June 30, 2019 was developed in the July 1, 2017 valuation.

**Methods and assumptions used to determine contributions:**

Actuarial Cost Method	Entry Age Normal
Discount Rate	7.0%
Inflation	2.5%
Amortization Method	Level percent. Closed bases are established at each valuation for new unfunded liabilities.
Equivalent Single Amortization	
Period	20.1 as of fiscal year ended June 30, 2019
Payroll Growth	3.5%
Salary Increases	3.5% to 7.0% including inflation
Demographic Assumptions	Based on the experience study covering the five year period ended June 30, 2015 as conducted for the Hawaii Employees' Retirement System (ERS).
Mortality	System-specific mortality tables utilizing scale BB to project generational mortality improvements.
Participation Rates	98.0% healthcare participation assumption for retirees who receive 100.0% of the Base Monthly Contribution (BMC). Healthcare participation rates of 25.0%, 65.0%, and 90.0% for retirees who receive 0.0%, 50.0%, or 75.0% of the BMC, respectively. 100.0% for life insurance and 98.0% for Medicare Part B.

Healthcare cost trend rates:

PPO*	Initial rate of 6.6%, 6.6% and 9.0%, declining to a rate of 4.86% after 14 years
HMO*	Initial rate of 9.0%, declining to a rate of 4.86% after 14 years
Part B	Initial rate of 2.0% and 5.0%, declining to a rate of 4.7% after 14 years
Dental	3.5%
Vision	2.5%
Life Insurance	0.0%

\* Blended rates for medical and prescription drug

**This page left blank intentionally.**

**OTHER SUPPLEMENTARY  
INFORMATION**

## **NONMAJOR GOVERNMENTAL FUNDS COMBINING FINANCIAL STATEMENTS**

For a brief explanation of the individual nonmajor governmental funds, please refer to the divider page for the Governmental Fund Financial Statements preceding page 39.

CITY AND COUNTY OF HONOLULU  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
 JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 5)

	Special Revenue Funds			
	Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	Bikeway Fund	Parks and Playgrounds Fund	Liquor Commission Fund
<b>ASSETS</b>				
Cash and investments:				
With Treasury and banks.....	\$ 9,801	\$ 2,020	\$ 5,564	\$ 3,130
Receivables:				
Accounts .....	--	--	--	--
Special Assessments .....	--	--	--	--
Loans .....	--	--	--	--
Intergovernmental .....	--	--	--	--
Payroll Advance .....	19	8	--	24
Due from other funds .....	--	--	--	--
Total Assets .....	\$ 9,820	\$ 2,028	\$ 5,564	\$ 3,154
<b>LIABILITIES, DEFERRED INFLOW AND FUND BALANCES</b>				
Liabilities:				
Accounts payable .....	\$ 309	\$ 51	\$ 104	\$ 145
Interest and bonds payable-matured .....	--	--	--	--
Due to other funds .....	3	--	--	--
Accrued payroll .....	104	10	--	111
Total Liabilities .....	416	61	104	256
Deferred Inflow:				
Deferred inflow .....	--	--	--	--
Total Deferred Inflow .....	--	--	--	--
Fund Balances:				
Restricted .....	9,404	1,967	--	2,898
Committed .....	--	--	5,460	--
Unassigned .....	--	--	--	--
Total Fund Balances .....	9,404	1,967	5,460	2,898
Total Liabilities, Deferred Inflow and Fund Balances .....	\$ 9,820	\$ 2,028	\$ 5,564	\$ 3,154

CITY AND COUNTY OF HONOLULU  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
 JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 5)

Special Revenue Funds

<u>Rental Assistance Fund</u>	<u>Hanauma Bay Nature Preserve Fund</u>	<u>Clean Water and Natural Lands Fund</u>	<u>Affordable Housing Fund</u>	<u>Community Development Fund</u>	<u>Patsy T. Mink Central Oahu Regional Park Fund</u>	<u>Waipio Peninsula Soccer Park Fund</u>
\$ 1,879	\$ 8,134	\$ 30,068	\$ 42,631	\$ 517	\$ 567	\$ 228
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	11	--	--
--	20	--	--	11	--	--
--	--	--	5	--	--	--
<u>\$ 1,879</u>	<u>\$ 8,154</u>	<u>\$ 30,068</u>	<u>\$ 42,636</u>	<u>\$ 539</u>	<u>\$ 567</u>	<u>\$ 228</u>
\$ --	\$ 389	\$ --	\$ 3,152	\$ 114	\$ --	\$ --
--	--	--	--	--	--	--
--	14	--	1	134	--	--
--	75	--	6	51	--	--
--	<u>478</u>	--	<u>3,159</u>	<u>299</u>	--	--
--	--	--	--	11	--	--
--	--	--	--	11	--	--
--	--	30,068	39,477	229	--	--
1,879	7,676	--	--	--	567	228
--	--	--	--	--	--	--
<u>1,879</u>	<u>7,676</u>	<u>30,068</u>	<u>39,477</u>	<u>229</u>	<u>567</u>	<u>228</u>
<u>\$ 1,879</u>	<u>\$ 8,154</u>	<u>\$ 30,068</u>	<u>\$ 42,636</u>	<u>\$ 539</u>	<u>\$ 567</u>	<u>\$ 228</u>

CITY AND COUNTY OF HONOLULU  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
 JUNE 30, 2019  
 (Amounts in thousands)

(Page 3 of 5)

	Special Revenue Funds			
	Honolulu Zoo Fund	Golf Fund	Special Events Fund	Special Projects Fund
<b>ASSETS</b>				
Cash and investments:				
With Treasury and banks.....	\$ 2,527	\$ 3,145	\$ 3,126	\$ 18,089
Receivables:				
Accounts .....	--	--	--	--
Special Assessments .....	--	--	--	--
Loans .....	--	--	--	--
Intergovernmental .....	--	--	--	1,306
Payroll Advance .....	--	75	102	17
Due from other funds .....	--	--	--	--
Total Assets .....	\$ 2,527	\$ 3,220	\$ 3,228	\$ 19,412
<b>LIABILITIES, DEFERRED INFLOW AND FUND BALANCES</b>				
Liabilities:				
Accounts payable .....	\$ 196	\$ 154	\$ 174	\$ 858
Interest and bonds payable-matured .....	--	--	--	--
Due to other funds .....	--	1	5	1,045
Accrued payroll .....	170	226	181	131
Total Liabilities .....	366	381	360	2,034
Deferred Inflow:				
Deferred inflow .....	--	--	--	--
Total Deferred Inflow .....	--	--	--	--
Fund Balances:				
Restricted .....	--	--	--	17,378
Committed .....	2,161	2,839	2,868	--
Unassigned .....	--	--	--	--
Total Fund Balances .....	2,161	2,839	2,868	17,378
Total Liabilities, Deferred Inflow and Fund Balances .....	\$ 2,527	\$ 3,220	\$ 3,228	\$ 19,412

CITY AND COUNTY OF HONOLULU  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
 JUNE 30, 2019  
 (Amounts in thousands)

(Page 4 of 5)

Special Revenue Funds				Debt Service Fund	Capital Projects Funds
Federal Grants Fund	Housing and Community Rehabilitation Loan Fund	Pauahi Project Expenditures Hawaii R-15 Fund	Housing and Community Development Section 8 Contract Fund	Improvement District Bond and Interest Redemption Fund	General Improvement Bond Fund
\$ 16,929	\$ 6,457	\$ 990	\$ 6,972	\$ 172	\$ 26,345
--	--	--	119	--	--
--	--	--	--	2	--
3,269	7,689	--	3,648	--	--
17,314	--	--	72	--	--
79	--	--	47	--	9
201	--	--	--	--	1
<u>\$ 37,792</u>	<u>\$ 14,146</u>	<u>\$ 990</u>	<u>\$ 10,858</u>	<u>\$ 174</u>	<u>\$ 26,355</u>
\$ 1,007	\$ --	\$ --	\$ 135	\$ --	\$ 12,220
--	--	--	--	8	--
15,848	--	--	163	--	40,005
120	--	--	101	--	6
<u>16,975</u>	<u>--</u>	<u>--</u>	<u>399</u>	<u>8</u>	<u>52,231</u>
<u>3,269</u>	<u>7,689</u>	<u>--</u>	<u>3,838</u>	<u>1</u>	<u>--</u>
<u>3,269</u>	<u>7,689</u>	<u>--</u>	<u>3,838</u>	<u>1</u>	<u>--</u>
17,548	6,457	990	6,621	--	--
--	--	--	--	165	--
--	--	--	--	--	(25,876)
<u>17,548</u>	<u>6,457</u>	<u>990</u>	<u>6,621</u>	<u>165</u>	<u>(25,876)</u>
<u>\$ 37,792</u>	<u>\$ 14,146</u>	<u>\$ 990</u>	<u>\$ 10,858</u>	<u>\$ 174</u>	<u>\$ 26,355</u>

CITY AND COUNTY OF HONOLULU  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
 JUNE 30, 2019  
 (Amounts in thousands)

(Page 5 of 5)

	Capital Projects Funds			
	Highway Improvement Bond Fund	Federal Grants Capital Projects Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and investments:				
With Treasury and banks.....	\$ 100,371	\$ 13,706	\$ 13,773	\$ 317,141
Receivables:				
Accounts .....	--	--	--	119
Special Assessments .....	--	--	--	2
Loans .....	--	54,314	--	68,931
Intergovernmental .....	--	4,743	--	23,435
Payroll Advance .....	--	--	--	411
Due from other funds .....	--	8	--	215
Total Assets .....	\$ 100,371	\$ 72,771	\$ 13,773	\$ 410,254
<b>LIABILITIES, DEFERRED INFLOW AND FUND BALANCES</b>				
Liabilities:				
Accounts payable .....	\$ 39,447	\$ 4,412	\$ --	\$ 62,867
Interest and bonds payable-matured .....	--	--	--	8
Due to other funds .....	--	--	--	57,219
Accrued payroll .....	4	2	--	1,298
Total Liabilities .....	39,451	4,414	--	121,392
Deferred Inflow:				
Deferred inflow .....	--	54,314	--	69,122
Total Deferred Inflow .....	--	54,314	--	69,122
Fund Balances:				
Restricted .....	--	14,043	13,773	160,853
Committed .....	60,920	--	--	84,763
Unassigned .....	--	--	--	(25,876)
Total Fund Balances .....	60,920	14,043	13,773	219,740
Total Liabilities, Deferred Inflow and Fund Balances .....	\$ 100,371	\$ 72,771	\$ 13,773	\$ 410,254

**This page left blank intentionally.**

CITY AND COUNTY OF HONOLULU  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
( Amounts in thousands )

( Page 1 of 5 )

	Special Revenue Funds			
	Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	Bikeway Fund	Parks and Playgrounds Fund	Liquor Commission Fund
<b>Revenues:</b>				
Taxes .....	\$ --	\$ --	\$ --	\$ --
Special assessments .....	--	--	--	--
Licenses and permits.....	--	374	--	6,154
Intergovernmental.....	--	--	--	--
Charges for services.....	4,705	--	--	141
Fines and forfeits.....	--	--	--	240
Miscellaneous:				
Interest.....	--	--	--	--
Other.....	--	--	957	5
<b>Total Revenues.....</b>	<b>4,705</b>	<b>374</b>	<b>957</b>	<b>6,540</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government.....	2,063	19	--	3,268
Public safety.....	--	592	--	--
Highways and streets.....	1,410	3	--	--
Human services.....	--	--	--	--
Culture-recreation.....	652	--	--	--
Utilities or other enterprises.....	--	--	--	--
Miscellaneous:				
Retirement and health benefits.....	1,820	161	--	1,940
Other.....	--	--	--	34
<b>Capital Outlay:</b>				
General government.....	--	--	--	360
Public safety.....	--	--	--	--
Highways and streets.....	--	--	--	--
Human services.....	--	--	--	--
Culture-recreation.....	--	--	216	--
Utilities or other enterprises.....	--	--	--	--
<b>Total Expenditures.....</b>	<b>5,945</b>	<b>775</b>	<b>216</b>	<b>5,602</b>
Revenues over (under) Expenditures.....	(1,240)	(401)	741	938
<b>Other Financing Sources (Uses):</b>				
Issuance of commercial paper .....	--	--	--	--
Issuance of general obligation bonds .....	--	--	--	--
Bond premium .....	--	--	--	--
Bond discount .....	--	--	--	--
Transfers in.....	--	1,449	--	--
Transfers out.....	(378)	(92)	--	(338)
<b>Total Other Financing Sources (Uses).....</b>	<b>(378)</b>	<b>1,357</b>	<b>--</b>	<b>(338)</b>
Revenues and Other Sources over (under) Expenditures and Other Uses.....	(1,618)	956	741	600
<b>Fund Balance - July 1 .....</b>	<b>11,022</b>	<b>1,011</b>	<b>4,719</b>	<b>2,298</b>
<b>Fund Balances - June 30.....</b>	<b>\$ 9,404</b>	<b>\$ 1,967</b>	<b>\$ 5,460</b>	<b>\$ 2,898</b>

CITY AND COUNTY OF HONOLULU  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
( Amounts in thousands )

( Page 2 of 5 )

Special Revenue Funds

Rental Assistance Fund	Hanauma Bay Nature Preserve Fund	Clean Water and Natural Lands Fund	Affordable Housing Fund	Community Development Fund	Patsy T. Mink Central Oahu Regional Park Fund	Waipio Peninsula Soccer Park Fund
\$ --	\$ --	\$ 6,327	\$ 6,327	\$ --	\$ --	\$ --
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	5,041	--	--	8,413	--	--
--	--	--	--	--	235	92
--	--	--	--	--	--	--
--	123	408	691	--	--	--
234	2,653	--	--	10	4	--
<u>234</u>	<u>7,817</u>	<u>6,735</u>	<u>7,018</u>	<u>8,423</u>	<u>239</u>	<u>92</u>
--	--	--	--	857	--	--
--	970	--	--	--	--	--
--	--	--	--	--	--	--
137	--	--	4,382	4,438	--	--
--	2,506	--	--	--	157	--
--	--	--	--	--	--	--
--	1,322	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	515	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	1,753	453	--	--
--	239	175	--	1,977	--	--
--	--	--	--	--	--	--
<u>137</u>	<u>5,037</u>	<u>175</u>	<u>6,135</u>	<u>8,240</u>	<u>157</u>	<u>--</u>
<u>97</u>	<u>2,780</u>	<u>6,560</u>	<u>883</u>	<u>183</u>	<u>82</u>	<u>92</u>
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	(1,526)	--	--	--	(11)	(6)
--	<u>(1,526)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(11)</u>	<u>(6)</u>
<u>97</u>	<u>1,254</u>	<u>6,560</u>	<u>883</u>	<u>183</u>	<u>71</u>	<u>86</u>
<u>1,782</u>	<u>6,422</u>	<u>23,508</u>	<u>38,594</u>	<u>46</u>	<u>496</u>	<u>142</u>
<u>\$ 1,879</u>	<u>\$ 7,676</u>	<u>\$ 30,068</u>	<u>\$ 39,477</u>	<u>\$ 229</u>	<u>\$ 567</u>	<u>\$ 228</u>

CITY AND COUNTY OF HONOLULU  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
( Amounts in thousands )

( Page 3 of 5 )

	Special Revenue Funds			
	Honolulu Zoo Fund	Golf Fund	Special Events Fund	Special Projects Fund
<b>Revenues:</b>				
Taxes .....	\$ 6,327	\$ --	\$ --	\$ --
Special assessments .....	--	--	--	--
Licenses and permits.....	--	--	--	--
Intergovernmental.....	--	--	--	21,978
Charges for services.....	6,247	6,257	74	872
Fines and forfeits.....	--	--	--	--
Miscellaneous:				
Interest.....	43	--	34	20
Other.....	343	2,953	8,655	1,786
<b>Total Revenues.....</b>	<b>12,960</b>	<b>9,210</b>	<b>8,763</b>	<b>24,656</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government.....	--	--	12	3,412
Public safety.....	--	--	--	6,299
Highways and streets.....	--	--	--	29
Human services.....	--	--	--	7,489
Culture-recreation.....	7,568	10,112	6,799	448
Utilities or other enterprises.....	--	--	--	156
Miscellaneous:				
Retirement and health benefits.....	2,956	3,984	3,352	--
Other.....	100	220	251	--
<b>Capital Outlay:</b>				
General government.....	--	--	--	204
Public safety.....	--	--	--	327
Highways and streets.....	--	--	--	--
Human services.....	--	--	--	--
Culture-recreation.....	227	8	--	--
Utilities or other enterprises.....	--	--	--	--
<b>Total Expenditures.....</b>	<b>10,851</b>	<b>14,324</b>	<b>10,414</b>	<b>18,364</b>
<b>Revenues over (under) Expenditures.....</b>	<b>2,109</b>	<b>(5,114)</b>	<b>(1,651)</b>	<b>6,292</b>
<b>Other Financing Sources (Uses):</b>				
Issuance of commercial paper .....	--	--	--	--
Issuance of general obligation bonds .....	--	--	--	--
Bond premium .....	--	--	--	--
Bond discount .....	--	--	--	--
Transfers in.....	2,088	9,111	6,900	--
Transfers out.....	(4,057)	(2,744)	(3,168)	--
<b>Total Other Financing Sources (Uses)....</b>	<b>(1,969)</b>	<b>6,367</b>	<b>3,732</b>	<b>--</b>
<b>Revenues and Other Sources over     (under) Expenditures and Other Uses.....</b>	<b>140</b>	<b>1,253</b>	<b>2,081</b>	<b>6,292</b>
Fund Balance - July 1 .....	2,021	1,586	787	11,086
Fund Balances - June 30.....	<b>\$ 2,161</b>	<b>\$ 2,839</b>	<b>\$ 2,868</b>	<b>\$ 17,378</b>

CITY AND COUNTY OF HONOLULU  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

( Amounts in thousands )

( Page 4 of 5 )

Federal Grants Fund	Special Revenue Funds			Debt Service	Capital Project Funds
	Housing and Community Development Rehabilitation Loan Fund	Pauahi Project Expenditures Hawaii R-15 Fund	Housing and Community Development Section 8 Contract Fund	Improvement District Bond and Interest Fund	General Improvement Bond Fund
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	3	--
--	--	--	--	--	--
40,953	--	--	60,321	--	--
--	--	--	--	--	--
--	--	--	--	--	--
168	128	17	128	--	--
610	834	--	23	--	--
<u>41,731</u>	<u>962</u>	<u>17</u>	<u>60,472</u>	<u>3</u>	<u>--</u>
3,183	--	--	90	--	152
7,899	--	--	--	--	1,711
--	--	--	--	--	145
7,406	588	--	59,533	--	5
185	--	--	--	--	1,413
21,561	--	--	--	--	44,005
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	41,769
1,098	--	--	--	--	28,241
--	--	--	--	--	3,300
92	--	--	--	--	19,822
--	--	--	--	--	31,237
--	--	--	--	--	338
<u>41,424</u>	<u>588</u>	<u>--</u>	<u>59,623</u>	<u>--</u>	<u>172,138</u>
<u>307</u>	<u>374</u>	<u>17</u>	<u>849</u>	<u>3</u>	<u>(172,138)</u>
--	--	--	--	--	44,000
--	--	--	--	--	113,634
--	--	--	--	--	14,482
--	--	--	--	--	(114)
--	--	--	--	--	--
--	--	--	--	(3)	--
--	--	--	--	(3)	172,002
<u>307</u>	<u>374</u>	<u>17</u>	<u>849</u>	<u>--</u>	<u>(136)</u>
<u>17,241</u>	<u>6,083</u>	<u>973</u>	<u>5,772</u>	<u>165</u>	<u>(25,740)</u>
<u>\$ 17,548</u>	<u>\$ 6,457</u>	<u>\$ 990</u>	<u>\$ 6,621</u>	<u>\$ 165</u>	<u>\$ (25,876)</u>

CITY AND COUNTY OF HONOLULU  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

( Amounts in thousands )

( Page 5 of 5 )

	Capital Projects Funds			Total Nonmajor Governmental Funds
	Highway Improvement Bond Fund	Federal Grants Capital Projects Fund	Capital Projects Fund	
<b>Revenues:</b>				
Taxes .....	\$ --	\$ --	\$ --	\$ 18,981
Special assessments .....	--	--	--	3
Licenses and permits.....	--	--	--	6,528
Intergovernmental.....	--	19,572	--	151,237
Charges for services.....	--	--	--	23,664
Fines and forfeits.....	--	--	--	240
<b>Miscellaneous:</b>				
Interest.....	--	--	--	1,760
Other.....	117	9	--	19,193
Total Revenues.....	117	19,581	--	221,606
<b>Expenditures:</b>				
<b>Current:</b>				
General government.....	--	--	53	13,109
Public safety.....	149	49	35	17,704
Highways and streets.....	8,240	--	806	10,633
Human services.....	--	2,699	--	86,677
Culture-recreation.....	--	--	1	29,841
Utilities or other enterprises.....	3,666	9,792	--	79,180
<b>Miscellaneous:</b>				
Retirement and health benefits.....	--	--	--	15,535
Other.....	--	--	--	605
<b>Capital Outlay:</b>				
General government.....	1,128	--	--	43,976
Public safety.....	1,416	162	175	31,419
Highways and streets.....	83,474	66	--	86,840
Human services.....	--	--	--	22,120
Culture-recreation.....	--	--	--	34,079
Utilities or other enterprises.....	4,390	6,731	--	11,459
Total Expenditures.....	102,463	19,499	1,070	483,177
Revenues over (under) Expenditures.....	(102,346)	82	(1,070)	(261,571)
<b>Other Financing Sources (Uses):</b>				
Issuance of commercial paper .....	--	--	--	44,000
Issuance of general obligation bonds .....	164,237	--	--	277,871
Bond premium .....	20,931	--	--	35,413
Bond discount .....	(165)	--	--	(279)
Transfers in.....	--	--	3	19,551
Transfers out.....	--	--	--	(12,323)
Total Other Financing Sources (Uses)...	185,003	--	3	364,233
Revenues and Other Sources over (under) Expenditures and Other Uses.....	82,657	82	(1,067)	102,662
Fund Balance - July 1 .....	(21,737)	13,961	14,840	117,078
Fund Balances - June 30.....	\$ 60,920	\$ 14,043	\$ 13,773	\$ 219,740

**AGENCY FUNDS  
COMBINING FINANCIAL STATEMENTS**

CITY AND COUNTY OF HONOLULU  
**AGENCY FUNDS**  
 COMBINING STATEMENT OF NET POSITION  
 JUNE 30, 2019  
 (Amounts in thousands)

	Agency Funds				Total
	General Trust Fund	Treasury Trust Fund	Real Property Tax Trust Fund	Payroll Clearance Fund	
<b><u>ASSETS</u></b>					
Cash and investments:					
With Treasury .....	\$ 29,946	\$ 8,506	\$ 11,120	\$ --	\$ 49,572
Imprest and change funds .....	74	51	--	--	125
Due from other funds:					
Highway Fund .....	--	--	--	12	12
Sewer Fund .....	--	--	--	8	8
Golf Fund .....	--	--	--	1	1
Special Events Fund .....	5	--	--	--	5
Solid Waste Fund .....	23	--	--	2	25
Total Assets .....	<u>30,048</u>	<u>8,557</u>	<u>11,120</u>	<u>23</u>	<u>49,748</u>
<b><u>LIABILITIES</u></b>					
Liabilities:					
Accounts payable .....	6,440	--	3	--	6,443
Other current liabilities .....	<u>23,608</u>	<u>8,557</u>	<u>11,117</u>	<u>23</u>	<u>43,305</u>
Total Liabilities .....	<u>30,048</u>	<u>8,557</u>	<u>11,120</u>	<u>23</u>	<u>49,748</u>
<b><u>NET POSITION</u></b>					
Held in trust for individuals, organizations and other governments .....	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

CITY AND COUNTY OF HONOLULU  
**AGENCY FUNDS**  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
<b><u>GENERAL TRUST FUND</u></b>				
<b><u>ASSETS</u></b>				
Cash and investments.....	\$ 42,323	\$ 89,436	\$ 101,739	\$ 30,020
Due from other funds .....	23	38	33	28
Total Assets .....	\$ 42,346	\$ 89,474	\$ 101,772	\$ 30,048
<b><u>LIABILITIES</u></b>				
Accounts payable .....	\$ 8,105	\$ 100,068	\$ 101,733	\$ 6,440
Other current liabilities .....	34,241	89,435	100,068	23,608
Total Liabilities .....	\$ 42,346	\$ 189,503	\$ 201,801	\$ 30,048
<b><u>TREASURY TRUST FUND</u></b>				
<b><u>ASSET</u></b>				
Cash and investments.....	\$ 5,664	\$ 19,922	\$ 17,029	\$ 8,557
<b><u>LIABILITY</u></b>				
Other current liabilities .....	\$ 5,664	\$ 19,922	\$ 17,029	\$ 8,557
<b><u>REAL PROPERTY TAX TRUST FUND</u></b>				
<b><u>ASSET</u></b>				
Cash and investments.....	\$ 15,027	\$ 8,914	\$ 12,821	\$ 11,120
Total Asset .....	\$ 15,027	\$ 8,914	\$ 12,821	\$ 11,120
<b><u>LIABILITIES</u></b>				
Accounts payable .....	\$ 1	\$ 5,522	\$ 5,520	\$ 3
Other current liabilities .....	15,026	14,434	18,343	11,117
Total Liabilities .....	\$ 15,027	\$ 19,956	\$ 23,863	\$ 11,120
<b><u>PAYROLL CLEARANCE FUND</u></b>				
<b><u>ASSETS</u></b>				
Cash and investments.....	\$ --	\$ 759,587	\$ 759,587	\$ --
Due from other funds .....	14	23	14	23
Total Assets .....	\$ 14	\$ 759,610	\$ 759,601	\$ 23
<b><u>LIABILITY</u></b>				
Other current liabilities .....	\$ 14	\$ 798,401	\$ 798,392	\$ 23
<b><u>TOTAL - ALL AGENCY FUNDS</u></b>				
<b><u>ASSETS</u></b>				
Cash and investments.....	\$ 63,014	\$ 877,859	\$ 891,176	\$ 49,697
Due from other funds .....	37	61	47	51
Total Assets .....	\$ 63,051	\$ 877,920	\$ 891,223	\$ 49,748
<b><u>LIABILITIES</u></b>				
Accounts payable .....	\$ 8,106	\$ 105,590	\$ 107,253	\$ 6,443
Other current liabilities .....	54,945	922,192	933,832	43,305
Total Liabilities .....	\$ 63,051	\$ 1,027,782	\$ 1,041,085	\$ 49,748

**This page left blank intentionally.**

## **FUND SCHEDULES**

For a brief explanation of the individual funds, please refer to the divider page for the Governmental Fund Financial Statements preceding page 39.

Note: the revolving funds are comprised of the Improvement District Revolving Fund and Housing and Community Development Revolving Fund.

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
**COMBINING BALANCE SHEET**  
 JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Legally Separate Funds	
	General Fund	Grants In Aid Fund
<u>ASSETS</u>		
Cash and investments:		
With Treasury and banks.....	\$ 284,622	\$ 9,531
Receivables:		
Real property taxes .....	11,444	--
Accounts .....	280	--
Interest .....	6,944	--
Loans .....	35	--
Intergovernmental .....	6,989	--
Payroll Advance .....	7,929	--
Due from other funds .....	57,230	--
Total Assets .....	\$ 375,473	\$ 9,531
 <u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Accounts payable .....	\$ 42,683	\$ 811
Due to other funds .....	--	18
Accrued payroll .....	25,738	2
Total Liabilities .....	68,421	831
Deferred Inflow:		
Deferred inflow .....	13,065	--
Total Deferred Inflow .....	13,065	--
Fund Balances:		
Committed .....	--	8,700
Assigned .....	77,711	--
Unassigned .....	216,276	--
Total Fund Balances .....	293,987	8,700
Total Liabilities, Deferred Inflow and Fund Balance .....	\$ 375,473	\$ 9,531

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
**COMBINING BALANCE SHEET**  
 JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

Legally Separate Funds				Reporting Fund Per GASB 54
Reserve for Fiscal Stability Fund	Leasehold Conversion Fund	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Total General Fund
\$ 120,631	\$ 179	\$ 1,962	\$ 232	\$ 417,157
--	--	--	--	11,444
--	--	--	--	280
--	--	--	--	6,944
--	--	--	--	35
--	--	--	--	6,989
--	--	--	--	7,929
--	--	--	--	57,230
<u>\$ 120,631</u>	<u>\$ 179</u>	<u>\$ 1,962</u>	<u>\$ 232</u>	<u>\$ 508,008</u>
\$ --	\$ --	\$ --	\$ --	\$ 43,494
--	--	--	--	18
--	--	--	--	25,740
--	--	--	--	69,252
--	42	--	--	13,107
--	42	--	--	13,107
120,631	137	1,962	232	131,662
--	--	--	--	77,711
--	--	--	--	216,276
<u>120,631</u>	<u>137</u>	<u>1,962</u>	<u>232</u>	<u>425,649</u>
<u>\$ 120,631</u>	<u>\$ 179</u>	<u>\$ 1,962</u>	<u>\$ 232</u>	<u>\$ 508,008</u>

CITY AND COUNTY OF HONOLULU  
GENERAL FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
( Amounts in thousands )

(Page 1 of 2)

	Legally Separate Funds	
	General Fund	Grants In Aid Fund
<b>Revenues:</b>		
Taxes .....	\$ 1,310,999	\$ --
Licenses and permits.....	48,014	--
Intergovernmental.....	45,676	--
Charges for services.....	8,011	--
Fines and forfeits.....	1,111	--
<b>Miscellaneous:</b>		
Recoveries.....	50,425	--
Interest.....	19,320	135
Other.....	7,596	--
Total Revenues.....	1,491,152	135
<b>Expenditures:</b>		
<b>Current:</b>		
General government.....	158,321	57
Public safety.....	437,244	--
Highways and streets.....	11,269	--
Sanitation.....	240	--
Human services.....	10,203	6,889
Culture-recreation.....	77,556	--
Utilities or other enterprises.....	945	--
<b>Miscellaneous:</b>		
Retirement and health benefits.....	334,133	--
Other.....	27,946	--
<b>Capital Outlay:</b>		
General government.....	1,198	--
Public safety.....	2,263	--
Highways and streets.....	8	--
Culture-recreation.....	358	--
Utilities or other enterprises.....	10	--
Total Expenditures.....	1,061,694	6,946
Revenues over (under) Expenditures.....	429,458	(6,811)
<b>Other Financing Sources (Uses):</b>		
Sales of capital assets .....	10	--
Transfers in.....	177,442	8,314
Transfers out.....	(567,008)	--
Total Other Financing Sources (Uses)....	(389,556)	8,314
Revenues and Other Sources over Expenditures and Other Uses.....	39,902	1,503
Fund Balances - July 1 .....	254,085	7,197
Fund Balances - June 30.....	\$ 293,987	\$ 8,700

CITY AND COUNTY OF HONOLULU  
GENERAL FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
( Amounts in thousands )

(Page 2 of 2)

Legally Separate Funds				Reporting Fund Per GASB 54
Reserve for Fiscal Stability Fund	Leasehold Conversion Fund	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Total General Fund
\$ --	\$ --	\$ --	\$ --	\$ 1,310,999
--	--	--	--	48,014
--	--	--	--	45,676
--	--	--	--	8,011
--	--	--	--	1,111
--	--	--	--	50,425
2,016	4	--	4	21,479
--	--	--	--	7,596
<u>2,016</u>	<u>4</u>	<u>--</u>	<u>4</u>	<u>1,493,311</u>
--	--	--	--	158,378
--	--	--	--	437,244
--	--	--	--	11,269
--	--	--	--	240
--	--	--	--	17,092
--	--	--	--	77,556
--	--	--	--	945
--	--	--	--	334,133
--	--	--	--	27,946
--	--	--	--	1,198
--	--	--	--	2,263
--	--	--	--	8
--	--	--	--	358
--	--	--	--	10
--	--	--	--	<u>1,068,640</u>
<u>2,016</u>	<u>4</u>	<u>--</u>	<u>4</u>	<u>424,671</u>
--	--	--	--	10
7,000	--	--	--	192,756
--	--	--	--	(567,008)
<u>7,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(374,242)</u>
<u>9,016</u>	<u>4</u>	<u>--</u>	<u>4</u>	<u>50,429</u>
<u>111,615</u>	<u>133</u>	<u>1,962</u>	<u>228</u>	<u>375,220</u>
<u>\$ 120,631</u>	<u>\$ 137</u>	<u>\$ 1,962</u>	<u>\$ 232</u>	<u>\$ 425,649</u>

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 284,622	\$ 229,492
Receivables:		
Real property taxes .....	11,444	11,598
Accounts .....	280	247
Interest .....	6,944	1,780
Loans .....	35	61
Intergovernmental .....	6,989	6,476
Payroll Advance .....	7,929	8,458
Due from other funds .....	57,230	71,185
Total Assets .....	\$ 375,473	\$ 329,297
<b><u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 42,683	\$ 35,334
Due to other funds .....	--	1
Accrued payroll .....	25,738	24,445
Total Liabilities .....	68,421	59,780
Deferred Inflow:		
Deferred inflow .....	13,065	15,432
Total Deferred Inflow .....	13,065	15,432
Fund Balance:		
Assigned .....	77,711	81,709
Unassigned .....	216,276	172,376
Total Fund Balance .....	293,987	254,085
Total Liabilities, Deferred Inflow and Fund Balance .....	\$ 375,473	\$ 329,297

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
(Amounts in thousands)

	<u>2019</u>	<u>2018</u>
Revenues:		
Taxes .....	\$ 1,310,999	\$ 1,206,241
Licenses and permits .....	48,014	43,461
Intergovernmental .....	45,676	45,494
Charges for services .....	8,011	8,280
Fines and forfeits .....	1,111	762
Miscellaneous:		
Recoveries .....	50,425	47,761
Interest .....	19,320	7,877
Other .....	<u>7,596</u>	<u>6,384</u>
Total Revenues .....	<u>1,491,152</u>	<u>1,366,260</u>
Expenditures:		
Current:		
General government .....	158,321	152,434
Public safety .....	437,244	421,922
Highways and streets .....	11,269	10,167
Sanitation .....	240	154
Human services .....	10,203	9,277
Culture-recreation .....	77,556	72,738
Utilities or other enterprises .....	945	7
Miscellaneous:		
Retirement and health benefits .....	334,133	287,684
Other .....	<u>27,946</u>	<u>32,312</u>
Capital outlay:		
General government .....	1,198	1,494
Public safety .....	2,263	2,017
Highways and streets .....	8	75
Culture-recreation .....	358	325
Utilities or other enterprises .....	<u>10</u>	<u>--</u>
Total Expenditures .....	<u>1,061,694</u>	<u>990,606</u>
Revenues over Expenditures .....	<u>429,458</u>	<u>375,654</u>
Other Financing Sources (Uses):		
Sales of capital assets .....	10	--
Transfers in .....	177,442	158,907
Transfers out .....	<u>(567,008)</u>	<u>(494,556)</u>
Total Other Financing Sources (Uses) .....	<u>(389,556)</u>	<u>(335,649)</u>
Revenues and Other Sources over Expenditures and Other Uses .....	39,902	40,005
Fund Balance - July 1 .....	<u>254,085</u>	<u>214,080</u>
Fund Balance - June 30 .....	<u>\$ 293,987</u>	<u>\$ 254,085</u>

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Taxes .....	\$ 1,295,471	\$ 1,295,471	\$ 1,310,999	\$ 15,528
Licenses and permits .....	51,112	51,112	48,014	(3,098)
Intergovernmental .....	45,484	45,484	45,676	192
Charges for services .....	7,483	7,483	8,011	528
Fines and forfeits .....	800	800	1,111	311
<b>Miscellaneous:</b>				
Recoveries .....	55,130	55,130	50,425	(4,705)
Interest .....	7,720	7,720	19,320	11,600
Other .....	3,055	3,055	7,596	4,541
<b>Total Revenues .....</b>	<b>1,466,255</b>	<b>1,466,255</b>	<b>1,491,152</b>	<b>24,897</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Budget and Fiscal Services .....	18,182	18,307	17,405	902
City Clerk .....	4,209	4,209	3,533	676
City Council .....	6,394	6,394	5,421	973
Corporation Counsel .....	8,977	8,977	8,399	578
Customer Services .....	21,773	22,385	21,591	794
Design and Construction .....	10,234	10,629	9,290	1,339
Emergency Services .....	1,032	1,095	964	131
Facility Maintenance .....	26,198	27,120	25,207	1,913
Human Resources .....	7,096	7,176	6,907	269
Information Technology .....	18,214	18,806	18,645	161
Land Management .....	1,446	1,676	1,360	316
Mayor .....	5,412	5,456	5,204	252
Office of the City Auditor .....	1,701	1,710	1,552	158
Office of Council Services .....	2,493	2,493	2,185	308
Planning and Permitting .....	14,912	15,565	13,291	2,274
Prosecuting Attorney .....	20,857	21,313	20,538	775
<b>Total General government .....</b>	<b>169,130</b>	<b>173,311</b>	<b>161,492</b>	<b>11,819</b>
<b>Public safety:</b>				
Emergency Management .....	1,675	1,829	1,261	568
Emergency Services .....	52,724	53,117	45,687	7,430
Fire .....	136,805	136,831	129,844	6,987
Medical Examiner .....	2,197	2,347	2,199	148
Planning and Permitting .....	6,083	6,284	5,903	381
Police .....	268,129	268,128	259,127	9,001
Transportation Services .....	1,200	1,200	908	292
<b>Total Public safety .....</b>	<b>468,813</b>	<b>469,736</b>	<b>444,929</b>	<b>24,807</b>

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Highways and streets:</b>				
Facility Maintenance .....	14,370	14,538	11,938	2,600
<b>Human services:</b>				
Community Services .....	13,293	14,171	11,870	2,301
<b>Culture-recreation:</b>				
Mayor .....	2,364	2,461	2,416	45
Parks and Recreation .....	75,663	79,749	76,637	3,112
Total Culture-recreation .....	78,027	82,210	79,053	3,157
<b>Utilities or other enterprises:</b>				
Transportation Services .....	174	1,243	1,126	117
<b>Miscellaneous:</b>				
<b>Retirement and health benefits:</b>				
City Council .....	5,020	5,020	4,718	302
Provisional .....	362,011	362,011	329,349	32,662
Total Retirement and health benefits .....	367,031	367,031	334,067	32,964
<b>Other:</b>				
City Council .....	600	591	4	587
Provisional .....	62,208	50,815	27,131	23,684
Total Other .....	62,808	51,406	27,135	24,271
Total Miscellaneous .....	429,839	418,437	361,202	57,235
<b>Capital improvements:</b>				
Design and Construction .....	472	472	472	--
Total Capital improvements .....	472	472	472	--

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 3 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Total Expenditures .....	1,174,118	1,174,118	1,072,082	102,036
Revenues over Expenditures .....	292,137	292,137	419,070	126,933
Other Financing Sources (Uses):				
Sales of capital assets .....	--	--	10	10
Transfers in:				
Central administrative service expenses .....	50,258	50,258	50,258	--
Debt service .....	128,923	128,923	126,414	(2,509)
Other .....	770	770	770	--
Transfers out:				
Debt service .....	(252,580)	(252,580)	(247,038)	5,542
Bus subsidy .....	(166,032)	(166,032)	(166,032)	--
Other .....	(154,688)	(154,688)	(153,938)	750
Total Other Financing Sources (Uses) .....	(393,349)	(393,349)	(389,556)	3,793
Revenues and Other Sources over (under) Expenditures and Other Uses .....	(101,212)	(101,212)	29,514	130,726
Unreserved - Undesignated Fund				
Balance - July 1 .....	102,824	102,824	172,376	69,552
Unreserved - Undesignated Fund				
Balance - June 30 (Budgetary Basis) .....	\$ 1,612	\$ 1,612	201,890	\$ 200,278
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above .....			49,279	
Expenditures - prior year encumbrances .....			(38,891)	
Decrease in reserved for encumbrances .....			3,998	
Unreserved - Undesignated Fund				
Balance - June 30 .....			216,276	
Reserved for Encumbrances - June 30 .....			77,711	
Fund Balance - June 30 (GAAP Basis) .....			\$ 293,987	

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 6)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>TAXES</b>			
<b>GENERAL PROPERTY TAXES:</b>			
Real Property Tax .....	\$ 1,249,464	\$ 1,269,817	\$ 20,353
<b>PUBLIC SERVICE COMPANY TAX:</b>			
Public Service Company Tax .....	46,007	41,182	(4,825)
<b>TOTAL TAXES</b> .....	<b>1,295,471</b>	<b>1,310,999</b>	<b>15,528</b>
<b>LICENSES AND PERMITS</b>			
<b>BUSINESS LICENSES AND PERMITS:</b>			
Police and Protective:			
Second-Hand and Junk Dealers .....	15	10	(5)
Alarm Permits .....	236	182	(54)
Other .....	22	9	(13)
Professional and Occupational:			
Other .....	3	3	--
<b>Total Business Licenses and Permits</b> .....	<b>276</b>	<b>204</b>	<b>(72)</b>
<b>NON-BUSINESS LICENSES AND PERMITS:</b>			
Building Structures and Equipment Permits:			
Building .....	22,000	20,455	(1,545)
Signs .....	45	27	(18)
Other .....	1,202	533	(669)
Motor Vehicle Licenses and Fees:			
Motor Vehicle Plate and Tag Fees .....	1,825	1,800	(25)
Motor Vehicle Transfer Fees and Penalty .....	2,837	2,779	(58)
Duplicate Registration & Ownership Certificates .....	204	187	(17)
Motor Vehicle Registration Annual Fee .....	14,943	14,611	(332)
Other .....	48	49	1
Other Vehicle Licenses and Fees:			
Moped Annual License Fee .....	112	139	27
Passenger and Freight Vehicle Permit Fees .....	114	49	(65)
Nonresident Vehicle Permit .....	24	19	(5)
Motor Vehicle Drivers' Licenses .....	5,971	5,659	(312)
Animal Licenses:			
Dog Licenses and Tag Fees .....	187	151	(36)
Street, Sidewalk and Curb Permits:			
Easement Grants .....	80	99	19
Newsstands .....	10	5	(5)
Dispensing Rack .....	172	128	(44)
Fire Code Permits and License Fees .....	723	720	(3)
Fireworks License Fees .....	39	74	35
Camping Permits .....	300	326	26
<b>Total Non-Business Licenses and Permits</b> .....	<b>50,836</b>	<b>47,810</b>	<b>(3,026)</b>
<b>TOTAL LICENSES AND PERMITS</b> .....	<b>51,112</b>	<b>48,014</b>	<b>(3,098)</b>

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 6)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b><u>INTERGOVERNMENTAL</u></b>			
<b>STATE GRANTS:</b>			
Wireless Enhanced 911 .....	--	138	138
Transient Accommodation Tax .....	45,423	45,423	--
<b>INTERGOVERNMENTAL PAYMENTS</b>			
<b>IN LIEU OF TAXES:</b>			
Fish and Wildlife Service .....	61	115	54
<b>TOTAL INTERGOVERNMENTAL .....</b>	<b>45,484</b>	<b>45,676</b>	<b>192</b>
<b><u>CHARGES FOR SERVICES</u></b>			
<b>GENERAL GOVERNMENT:</b>			
<b>Data Processing Services:</b>			
Duplication of Master Tapes .....	48	63	15
Data Processing Service - State .....	730	659	(71)
Data Processing Service - U.S. Government .....	1	2	1
Data Processing Service - Other Counties .....	400	536	136
Legal Services (BWS) .....	201	200	(1)
Service Fee for Dishonored Checks .....	18	23	5
Service Fee for Credit Card Payments .....	41	113	72
Band Collections .....	--	1	1
Automotive Equipment Service Charges .....	100	141	41
Subdivision Fees .....	100	92	(8)
Application Fees for Zoning Regulations .....	250	289	39
Nonconforming Use Renewal Fees .....	240	324	84
Plan Review Use Fees .....	1,500	1,545	45
Administrative Fee--Multi-Family Housing Program.....	25	22	(3)
Military Housing Fee in Lieu of Property Tax .....	954	983	29
Zoning/Flood Clearance Fee .....	100	72	(28)
Fees for Certificates, Copies & Extracts of Records ....	141	181	40
Fees for Services .....	131	124	(7)
Custodial and Attendant Services .....	442	463	21
Spay-Neuter Service .....	295	288	(7)
Other .....	10	16	6
<b>Total General Government .....</b>	<b>5,727</b>	<b>6,137</b>	<b>410</b>

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 3 of 6)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>PUBLIC SAFETY:</b>			
Police Charges:			
Taxicab Drivers' & Pedicab Operators' Certificates ...	27	--	(27)
HPD Special Duty Fees .....	306	315	9
Other .....	--	6	6
Total Public Safety .....	333	321	(12)
<b>HIGHWAYS AND STREETS:</b>			
Parking:			
City Employees .....	710	772	62
HPD Parking Lot .....	120	139	19
Kapalama Hale Parking Lot .....	116	41	(75)
Total Highways and Streets .....	946	952	6
<b>CULTURE-RECREATION:</b>			
Commercial Activities:			
Scuba, Snorkeling and Windsurfing .....	26	28	2
Commercial Filming .....	58	83	25
Summer Fun Program .....	212	242	30
Fall and Spring Program .....	--	41	41
Fees for Use of Parks .....	--	4	4
Foster Botanic Garden .....	136	154	18
Fees for Community Garden .....	45	49	4
Total Culture-Recreation .....	477	601	124
TOTAL CHARGES FOR SERVICES .....	7,483	8,011	528
<b><u>FINES AND FORFEITS</u></b>			
<b>FINES:</b>			
Fines .....	775	796	21
Liquidated Contract Damages .....	--	13	13
Total Fines .....	775	809	34
<b>FORFEITS:</b>			
Forfeiture of Seized Property .....	25	302	277
TOTAL FINES AND FORFEITS .....	800	1,111	311

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 4 of 6)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>MISCELLANEOUS</b>			
<b>RECOVERIES:</b>			
Recoveries from State:			
HPD Civil Defense Coordinator .....	29	--	(29)
Motor Vehicle Inspection Program .....	779	708	(71)
Administration Cost - Ewa Highway Impact Fee .....	10	48	38
Hawaii State ID Program .....	736	710	(26)
Emergency Ambulance Services .....	44,383	41,179	(3,204)
Collection Cost - State Motor Vehicle			
Weight Tax, etc. ....	1,005	1,061	56
Commercial Drivers' License Program .....	618	308	(310)
Other .....	153	154	1
Other Recoveries:			
Workers' Compensation Payment .....	550	--	(550)
Central Administrative Service Expenses:			
Board of Water Supply .....	3,300	3,300	--
Honolulu Authority for Rapid Transportation .....	1,151	623	(528)
Recovery-Interest-Federal Subsidy .....	1,248	1,169	(79)
Workers' Compensation Claims (Third Party) .....	125	391	266
Recoveries - Other .....	1,043	774	(269)
Total Recoveries .....	55,130	50,425	(4,705)
<b>INTEREST:</b>			
Interest Earnings:			
Investments .....	7,720	19,316	11,596
Other Sources .....	--	4	4
Total Interest .....	7,720	19,320	11,600

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 5 of 6)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>OTHER MISCELLANEOUS:</b>			
Rents:			
Rental Units:			
Rental Units (City Property) .....	107	311	204
Rental Units (HCD Property) .....	206	221	15
Rental - Ambulance Facilities .....	64	64	--
Rental of Parks and Recreational Facilities:			
Perquisite Housing .....	11	11	--
Other .....	2	2	--
Rental of Equipment .....	14	6	(8)
Rental for Use of Land .....	528	491	(37)
Rental of Other Properties .....	--	178	178
Total Rents .....	932	1,284	352
Contributions from Private Sources:			
Developers' Premium .....	--	47	47
Unclaimed Monies:			
Police Department .....	19	24	5
Other Escheats .....	100	--	(100)
Total Contributions from Private Sources .....	119	71	(48)
Other:			
Towing Service Premiums .....	120	120	--
Vacation Accumulation Deposits .....	36	326	290
Miscellaneous Sales .....	872	366	(506)
Sundry Refunds .....	936	5,317	4,381
Sundry Realizations .....	40	112	72
Total Other .....	2,004	6,241	4,237
Total Other Miscellaneous .....	3,055	7,596	4,541
TOTAL MISCELLANEOUS .....	65,905	77,341	11,436
TOTAL REVENUES .....	1,466,255	1,491,152	24,897

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 6 of 6)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>OTHER FINANCING SOURCES</b>			
<b>SALES OF CAPITAL ASSETS:</b>			
Sale of Capital Assets .....	--	10	10
<b>TOTAL SALES OF CAPITAL ASSETS .....</b>	<b>--</b>	<b>10</b>	<b>10</b>
<b>TRANSFERS FROM OTHER FUNDS:</b>			
<b>Recovery of Central Administrative Service Expenses:</b>			
Highway Fund .....	13,853	13,853	--
Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund .....	378	378	--
Bikeway Fund .....	92	92	--
Sewer Fund .....	19,896	19,896	--
Liquor Commission Fund .....	338	338	--
Hanauma Bay Nature Preserve Fund .....	389	389	--
Golf Fund .....	872	872	--
Special Events Fund .....	706	706	--
Honolulu Zoo Fund .....	726	726	--
Patsy T. Mink Central Oahu Regional Park Fund .....	11	11	--
Waipio Peninsula Soccer Park Fund .....	6	6	--
Solid Waste Special Fund .....	12,609	12,609	--
Housing Development Special Fund .....	382	382	--
<b>Recovery of Debt Service Charges:</b>			
Highway Fund .....	120,121	117,612	(2,509)
Hanauma Bay Nature Preserve Fund .....	1,137	1,137	--
Golf Fund .....	1,872	1,872	--
Special Events Fund .....	2,462	2,462	--
Honolulu Zoo Fund .....	3,331	3,331	--
<b>Other Transfers:</b>			
Sewer Fund .....	507	507	--
Solid Waste Special Fund .....	263	263	--
<b>TOTAL TRANSFERS FROM OTHER FUNDS ...</b>	<b>179,951</b>	<b>177,442</b>	<b>(2,509)</b>
<b>TOTAL OTHER FINANCING SOURCES .....</b>	<b>179,951</b>	<b>177,452</b>	<b>(2,499)</b>
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 1,646,206</b>	<b>\$ 1,668,604</b>	<b>\$ 22,398</b>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 41,640	\$ 26,944
Receivables:		
Public Utilities .....	23,408	23,840
Intergovernmental .....	4,391	4,472
Payroll advance .....	693	732
Other receivables .....	--	42
	\$ 70,132	\$ 56,030
<b><u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 2,591	\$ 1,860
Due to other fund:		
General Fund .....	107	347
General Improvement Bond Fund .....	1	--
Payroll Clearance Fund .....	12	--
Accrued payroll .....	1,860	1,887
	4,571	4,094
Deferred Inflow:		
Deferred inflow .....	23,408	23,840
	23,408	23,840
Fund Balance:		
Restricted .....	42,153	28,096
	42,153	28,096
	\$ 70,132	\$ 56,030

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
(Amounts in thousands)

	<u>2019</u>	<u>2018</u>
<b>Revenues:</b>		
Taxes .....	\$ 98,187	\$ 94,075
Licenses and permits .....	179,010	153,112
Charges for services .....	5,312	4,771
Fines and forfeits .....	36	14
<b>Miscellaneous:</b>		
Recoveries .....	3,065	2,924
Other .....	2,995	2,692
<b>Total Revenues .....</b>	<b><u>288,605</u></b>	<b><u>257,588</u></b>
<b>Expenditures:</b>		
<b>Current:</b>		
General government .....	21,268	23,007
Public safety .....	32,612	33,259
Highways and streets .....	21,896	19,158
Utilities or other enterprises .....	3,374	2,347
<b>Miscellaneous:</b>		
Retirement and health benefits .....	39,480	34,438
Other .....	2,329	2,594
<b>Capital improvements:</b>		
General government .....	74	8
Public safety .....	14	12
Highways and streets .....	62	556
<b>Total Expenditures .....</b>	<b><u>121,109</u></b>	<b><u>115,379</u></b>
<b>Revenues over Expenditures .....</b>	<b><u>167,496</u></b>	<b><u>142,209</u></b>
<b>Other Financing Source (Uses):</b>		
Sales of capital assets .....	645	493
Transfers out .....	(154,084)	(157,665)
<b>Total Other Financing Source (Uses) .....</b>	<b><u>(153,439)</u></b>	<b><u>(157,172)</u></b>
<b>Revenues and Other Source over (under) Expenditures and Other Uses .....</b>	<b><u>14,057</u></b>	<b><u>(14,963)</u></b>
<b>Fund Balance - July 1 .....</b>	<b><u>28,096</u></b>	<b><u>43,059</u></b>
<b>Fund Balance - June 30 .....</b>	<b><u>\$ 42,153</u></b>	<b><u>\$ 28,096</u></b>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Taxes .....	\$ 99,234	\$ 99,234	\$ 98,187	\$ (1,047)
Licenses and permits .....	171,052	171,052	179,010	7,958
Charges for services .....	5,501	5,501	5,312	(189)
Fines and forfeits .....	--	--	36	36
<b>Miscellaneous:</b>				
Recoveries .....	2,814	2,814	3,065	251
Other .....	2,334	2,334	2,995	661
<b>Total Revenues .....</b>	<b>280,935</b>	<b>280,935</b>	<b>288,605</b>	<b>7,670</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Design and Construction .....	6,072	6,553	5,973	580
Facility Maintenance .....	13,957	14,279	13,442	837
Planning and Permitting .....	2,822	2,847	2,344	503
<b>Total General government .....</b>	<b>22,851</b>	<b>23,679</b>	<b>21,759</b>	<b>1,920</b>
<b>Public safety:</b>				
Police .....	29,259	29,259	26,909	2,350
Transportation Services .....	6,393	6,622	5,636	986
<b>Total Public safety .....</b>	<b>35,652</b>	<b>35,881</b>	<b>32,545</b>	<b>3,336</b>
<b>Highways and streets:</b>				
Facility Maintenance .....	23,649	25,837	23,860	1,977
<b>Utilities or other enterprises:</b>				
Transportation Services .....	2,614	2,796	2,465	331
<b>Miscellaneous:</b>				
<b>Retirement and health benefits:</b>				
Provisional .....	40,376	40,376	39,480	896
<b>Other:</b>				
Provisional .....	8,806	5,379	2,329	3,050
<b>Total Miscellaneous .....</b>	<b>49,182</b>	<b>45,755</b>	<b>41,809</b>	<b>3,946</b>
<b>Capital improvements:</b>				
Budget and Fiscal Services .....	366	366	366	--
<b>Total Capital improvements .....</b>	<b>366</b>	<b>366</b>	<b>366</b>	<b>--</b>
<b>Total Expenditures .....</b>	<b>134,314</b>	<b>134,314</b>	<b>122,804</b>	<b>11,510</b>
<b>Revenues over Expenditures .....</b>	<b>146,621</b>	<b>146,621</b>	<b>165,801</b>	<b>19,180</b>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Other Financing Source (Uses):				
Sales of capital assets .....	166	166	645	479
Transfers out:				
Debt service .....	(120,121)	(120,121)	(117,612)	2,509
Reimbursement for central administrative service expenses .....	(13,853)	(13,853)	(13,853)	--
Bus subsidy .....	(22,619)	(22,619)	(22,619)	--
Total Transfers out.....	(156,593)	(156,593)	(154,084)	2,509
Total Other Financing Source (Uses) .....	(156,427)	(156,427)	(153,439)	2,988
Revenues and Other Source over (under) Expenditures and Other Uses .....	(9,806)	(9,806)	12,362	22,168
Unreserved - Undesignated Fund Balance - July 1 .....	9,806	9,806	15,474	5,668
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis).....	\$ --	\$ --	27,836	\$ 27,836
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above .....			8,084	
Expenditures - prior year encumbrances .....			(6,389)	
Increase in reserved for encumbrances .....			(950)	
Unreserved - Undesignated Fund Balance - June 30 .....			28,581	
Reserved for Encumbrances - June 30 .....			13,572	
Fund Balance - June 30 (GAAP Basis) .....			\$ 42,153	

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b><u>TAXES</u></b>			
<b>GROSS RECEIPTS BUSINESS TAXES:</b>			
Public Utility Franchise Tax .....	\$ 47,708	\$ 47,047	\$ (661)
<b>SELECTIVE SALES AND USE TAXES:</b>			
Fuel Tax .....	<u>51,526</u>	<u>51,140</u>	<u>(386)</u>
TOTAL TAXES .....	<u>99,234</u>	<u>98,187</u>	<u>(1,047)</u>
<b><u>LICENSES AND PERMITS</u></b>			
<b>NON-BUSINESS LICENSES AND PERMITS:</b>			
Building Structures and Equipment Permits -			
Grading, Excavations and Fills .....	300	496	196
Other Permits .....	15	12	(3)
Motor Vehicle Licenses and Fees -			
Motor Vehicle Weight Tax .....	165,484	172,581	7,097
Other Vehicle Licenses and Fees .....	4,780	5,318	538
Street and Sidewalk Use .....	16	9	(7)
Freight Curb and Passenger Loading Zone Permits .....	277	268	(9)
Excavation and Repair of Streets and Sidewalks .....	<u>180</u>	<u>326</u>	<u>146</u>
TOTAL LICENSES AND PERMITS .....	<u>171,052</u>	<u>179,010</u>	<u>7,958</u>
<b><u>CHARGES FOR SERVICES</u></b>			
<b>GENERAL GOVERNMENT:</b>			
Sidewalk and Driveway Specifications Filing Fees .....	21	41	20
<b>HIGHWAYS AND STREETS:</b>			
Street and Sidewalk Charges .....	76	36	(40)
Disabled Persons Parking .....	2	2	--
Street Parking Meter Collections .....	4,248	4,195	(53)
Other Parking Meter Collections .....	1,124	970	(154)
Other .....	<u>30</u>	<u>68</u>	<u>38</u>
Total Highways and Streets .....	<u>5,480</u>	<u>5,271</u>	<u>(209)</u>
TOTAL CHARGES FOR SERVICES .....	<u>5,501</u>	<u>5,312</u>	<u>(189)</u>
<b><u>FINES AND FORFEITS</u></b>			
<b>FINES:</b>			
Fines .....	<u>--</u>	<u>36</u>	<u>36</u>
TOTAL FINES AND FORFEITS .....	<u>--</u>	<u>36</u>	<u>36</u>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>MISCELLANEOUS</b>			
<b>RECOVERIES:</b>			
Recovery from State for			
Traffic Signal Maintenance .....	500	893	393
Recovery of Overhead Charges .....	--	3	3
Recovery - Federal Interest Subsidy .....	2,314	2,169	(145)
Total Recoveries .....	<u>2,814</u>	<u>3,065</u>	<u>251</u>
<b>OTHER MISCELLANEOUS:</b>			
<b>Rents:</b>			
Rental for Use of Land .....	119	121	2
Total Rents .....	<u>119</u>	<u>121</u>	<u>2</u>
<b>Concessions:</b>			
Marin Towers Garage .....	267	227	(40)
Harbor Court Garage .....	457	368	(89)
Kaimuki Parking Lot .....	540	540	--
Kukui Plaza Garage .....	291	118	(173)
Smith-Beretania Garage .....	324	96	(228)
Total Concessions .....	<u>1,879</u>	<u>1,349</u>	<u>(530)</u>
<b>Other:</b>			
Vacation Accumulation Deposits .....	34	88	54
Miscellaneous Sales .....	2	2	--
Sundry Refunds .....	300	1,435	1,135
Total Other .....	<u>336</u>	<u>1,525</u>	<u>1,189</u>
Total Other Miscellaneous .....	<u>2,334</u>	<u>2,995</u>	<u>661</u>
TOTAL MISCELLANEOUS .....	<u>5,148</u>	<u>6,060</u>	<u>912</u>
TOTAL REVENUES .....	<u>280,935</u>	<u>288,605</u>	<u>7,670</u>
<b>OTHER FINANCING SOURCE</b>			
<b>SALES OF CAPITAL ASSETS:</b>			
Compensation for Loss of Capital Assets .....	166	645	479
TOTAL OTHER FINANCING SOURCE .....	<u>166</u>	<u>645</u>	<u>479</u>
TOTAL HIGHWAY FUND .....	<u>\$ 281,101</u>	<u>\$ 289,250</u>	<u>\$ 8,149</u>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED  
VEHICLES REVOLVING FUND**

BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 9,801	\$ 11,217
Receivable:		
Payroll advance .....	19	19
Total Assets .....	\$ 9,820	\$ 11,236
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 309	\$ 134
Due to other fund:		
General Fund .....	3	4
Accrued payroll .....	104	76
Total Liabilities .....	416	214
Fund Balance:		
Restricted .....	9,404	11,022
Total Fund Balance .....	9,404	11,022
Total Liabilities and Fund Balance .....	\$ 9,820	\$ 11,236

CITY AND COUNTY OF HONOLULU  
**HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED  
VEHICLES REVOLVING FUND**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services .....	\$ 4,635	\$ 4,705	\$ 70
Total Revenues .....	4,635	4,705	70
Expenditures:			
Current:			
General government:			
Customer Services .....	3,068	2,699	369
Highways and streets:			
Facility Maintenance .....	1,964	1,414	550
Culture-recreation:			
Parks and Recreation .....	610	610	--
Miscellaneous:			
Retirement and health benefits:			
Provisional .....	1,885	1,821	64
Other:			
Provisional .....	24	--	24
Total Miscellaneous .....	1,909	1,821	88
Total Expenditures .....	7,551	6,544	1,007
Revenues under Expenditures .....	(2,916)	(1,839)	1,077
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses .....	(378)	(378)	--
Revenues under Expenditures and Other Use .....	(3,294)	(2,217)	1,077
Unreserved - Undesignated Fund Balance - July 1 .....	7,709	8,987	1,278
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ 4,415	6,770	\$ 2,355
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		1,019	
Expenditures - prior year encumbrances .....		(420)	
Increase in reserved for encumbrances .....		(554)	
Unreserved - Undesignated Fund Balance - June 30 .....		6,815	
Reserved for Encumbrances - June 30 .....		2,589	
Fund Balance - June 30 (GAAP Basis) .....		\$ 9,404	

CITY AND COUNTY OF HONOLULU  
**HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED  
VEHICLES REVOLVING FUND**  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>CHARGES FOR SERVICES</b>			
<b>HIGHWAYS AND STREETS:</b>			
Highway Beautification Fees .....	\$ 4,635	\$ 4,705	\$ 70
TOTAL HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED VEHICLES REVOLVING FUND REVENUES .....	<u>\$ 4,635</u>	<u>\$ 4,705</u>	<u>\$ 70</u>

CITY AND COUNTY OF HONOLULU  
**BIKEWAY FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 2,020	\$ 1,045
Receivable:		
Payroll advance .....	8	8
Total Assets .....	\$ 2,028	\$ 1,053
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 51	\$ 31
Accrued payroll .....	10	11
Total Liabilities .....	61	42
Fund Balance:		
Restricted .....	1,967	1,011
Total Fund Balance .....	1,967	1,011
Total Liabilities and Fund Balance .....	\$ 2,028	\$ 1,053

CITY AND COUNTY OF HONOLULU  
**BIKEWAY FUND**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Licenses and permits .....	\$ 488	\$ 374	\$ (114)
Total Revenue .....	<u>488</u>	<u>374</u>	<u>(114)</u>
Expenditures:			
Current:			
General government:			
Facility Maintenance .....	19	19	--
Public safety:			
Transportation Services .....	651	571	80
Highways and streets:			
Facility Maintenance .....	17	2	15
Miscellaneous:			
Retirement and health benefits:			
Provisional .....	165	161	4
Other:			
Provisional .....	<u>3</u>	<u>--</u>	<u>3</u>
Total Miscellaneous .....	<u>168</u>	<u>161</u>	<u>7</u>
Capital Improvements:			
Transportation Services .....	990	990	--
Total Expenditures .....	<u>1,845</u>	<u>1,743</u>	<u>102</u>
Revenue under Expenditures .....	<u>(1,357)</u>	<u>(1,369)</u>	<u>(12)</u>
Other Financing Source (Use):			
Transfer in .....	1,449	1,449	--
Transfer out:			
Reimbursement for central administrative service expenses .....	<u>(92)</u>	<u>(92)</u>	<u>--</u>
Total Other Financing Source (Use) .....	<u>1,357</u>	<u>1,357</u>	<u>--</u>
Revenue and Other Source over (under) Expenditures and Other Use .....	--	(12)	(12)
Unreserved - Undesignated Fund Balance - July 1 .....	<u>--</u>	<u>938</u>	<u>938</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ --</u>	<u>926</u>	<u>\$ 926</u>
Adjustments to conform with generally accepted accepted accounting principles:			
Encumbrances included above .....		1,006	
Expenditures - prior year encumbrances .....		(38)	
Decrease in reserved for encumbrances .....		<u>1</u>	
Unreserved - Undesignated Fund Balance - June 30 .....		1,895	
Reserved for Encumbrances - June 30 .....		<u>72</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 1,967</u>	

CITY AND COUNTY OF HONOLULU  
**BIKEWAY FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>LICENSES AND PERMITS</b>			
<b>NON-BUSINESS LICENSES AND PERMITS:</b>			
Other Vehicle Licenses and Fees -			
Bicycle Licenses .....	\$ 413	\$ 294	\$ (119)
Moped Annual License Fee .....	75	80	5
	<u>488</u>	<u>374</u>	<u>(114)</u>
<b>TOTAL REVENUE .....</b>			
<b>OTHER FINANCING SOURCE</b>			
<b>TRANSFER FROM OTHER FUND:</b>			
Other Transfer -			
General Fund .....	1,449	1,449	--
	<u>1,449</u>	<u>1,449</u>	<u>--</u>
<b>TOTAL OTHER FINANCING SOURCE .....</b>			
<b>TOTAL BIKEWAY FUND .....</b>	<b><u>\$ 1,937</u></b>	<b><u>\$ 1,823</u></b>	<b><u>\$ (114)</u></b>

CITY AND COUNTY OF HONOLULU  
**PARKS AND PLAYGROUNDS FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSET</u>		
Cash and investments:		
With Treasury .....	\$ 5,564	\$ 5,087
Total Asset .....	\$ 5,564	\$ 5,087
<u>LIABILITY AND FUND BALANCE</u>		
Liability:		
Accounts payable .....	\$ 104	\$ 368
Total Liability .....	104	368
Fund Balance:		
Committed .....	5,460	4,719
Total Fund Balance .....	5,460	4,719
Total Liability and Fund Balance .....	\$ 5,564	\$ 5,087

CITY AND COUNTY OF HONOLULU  
**PARKS AND PLAYGROUNDS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Other .....	\$ --	\$ 957	\$ 957
Total Revenue .....	--	957	957
Expenditure:			
Capital improvements:			
Design and Construction .....	2,030	2,030	--
Total Expenditure .....	2,030	2,030	--
Revenue under Expenditure .....	(2,030)	(1,073)	957
Unreserved - Undesignated Fund Balance - July 1.....	2,203	3,890	1,687
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ 173	2,817	\$ 2,644
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		2,030	
Expenditures - prior year encumbrances .....		(216)	
Increase in reserved for encumbrances .....		(354)	
Unreserved - Undesignated Fund Balance - June 30 .....		4,277	
Reserved for Encumbrances - June 30 .....		1,183	
Fund Balance - June 30 (GAAP Basis) .....		\$ 5,460	

CITY AND COUNTY OF HONOLULU  
**PARKS AND PLAYGROUNDS FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Sources of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
<u>OTHER MISCELLANEOUS:</u>			
Contributions from Private Sources:			
Subdividers' Contributions for			
Parks and Playgrounds .....	\$       --	\$       957	\$       957
TOTAL REVENUE .....	<u>          --</u>	<u>          957</u>	<u>          957</u>
TOTAL PARKS AND PLAYGROUNDS FUND .....	<u>\$       --</u>	<u>\$       957</u>	<u>\$       957</u>

CITY AND COUNTY OF HONOLULU  
**LIQUOR COMMISSION FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 3,130	\$ 2,429
Receivable:		
Payroll advance .....	24	25
Total Assets .....	\$ 3,154	\$ 2,454
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 145	\$ 49
Due to other fund:		
General Fund .....	--	4
Accrued payroll .....	111	103
Total Liabilities .....	256	156
Fund Balance:		
Restricted .....	2,898	2,298
Total Fund Balance .....	2,898	2,298
Total Liabilities and Fund Balance .....	\$ 3,154	\$ 2,454

CITY AND COUNTY OF HONOLULU  
**LIQUOR COMMISSION FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Licenses and permits .....	\$ 6,183	\$ 6,154	\$ (29)
Charges for services .....	140	141	1
Fines and forfeits .....	100	240	140
<b>Miscellaneous:</b>			
Other .....	--	5	5
Total Revenues .....	6,423	6,540	117
<b>Expenditures:</b>			
<b>Current:</b>			
<b>General government:</b>			
Budget and Fiscal Services .....	4,399	3,491	908
Corporation Counsel .....	193	193	--
Information Technology .....	69	69	--
Total General government .....	4,661	3,753	908
<b>Miscellaneous:</b>			
<b>Retirement and health benefits:</b>			
Provisional .....	2,000	1,940	60
<b>Other:</b>			
Provisional .....	100	34	66
Total Miscellaneous .....	2,100	1,974	126
Total Expenditures .....	6,761	5,727	1,034
Revenues over (under) Expenditures .....	(338)	813	1,151
<b>Other Financing Use:</b>			
<b>Transfer out:</b>			
Reimbursement for central administrative service expenses .....	(338)	(338)	--
Revenues over (under) Expenditures and Other Use ..	(676)	475	1,151
Unreserved - Undesignated Fund Balance - July 1 .....	1,994	2,213	219
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ 1,318	2,688	\$ 1,370

CITY AND COUNTY OF HONOLULU  
**LIQUOR COMMISSION FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		188	
Expenditures - prior year encumbrances .....		(63)	
Increase in reserved for encumbrances .....		(116)	
Unreserved - Undesignated Fund			
Balance - June 30 .....		2,697	
Reserved for Encumbrances - June 30 .....		201	
Fund Balance - June 30 (GAAP Basis) .....		\$ 2,898	

CITY AND COUNTY OF HONOLULU  
**LIQUOR COMMISSION FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>LICENSES AND PERMITS</b>			
<b>BUSINESS LICENSES AND PERMITS:</b>			
Alcoholic Licenses and Permits .....	\$ 6,183	\$ 6,154	\$ (29)
<b>CHARGES FOR SERVICES</b>			
<b>GENERAL GOVERNMENT:</b>			
Charges for Publications, Reports, Copies, etc. ....	6	5	(1)
Fees:			
Charge for Photo I.D. ....	130	126	(4)
Other .....	4	3	(1)
	<u>140</u>	<u>134</u>	<u>(6)</u>
Total General Government .....			
<b>HIGHWAYS AND STREETS:</b>			
Parking:			
City Employees .....	--	7	7
	<u>140</u>	<u>141</u>	<u>1</u>
TOTAL CHARGES FOR SERVICES .....			
<b>FINES AND FORFEITS</b>			
<b>FINES:</b>			
Fines - Liquor Commission .....	100	240	140
<b>MISCELLANEOUS</b>			
<b>OTHER MISCELLANEOUS:</b>			
Other:			
Vacation Accumulation Deposits .....	--	3	3
Sundry Refunds .....	--	2	2
	<u>--</u>	<u>5</u>	<u>5</u>
TOTAL MISCELLANEOUS .....			
<b>TOTAL LIQUOR COMMISSION</b>			
FUND REVENUES .....	<u>\$ 6,423</u>	<u>\$ 6,540</u>	<u>\$ 117</u>

CITY AND COUNTY OF HONOLULU  
**RENTAL ASSISTANCE FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSET</u>		
Cash and investments:		
With Treasury .....	\$ 1,879	\$ 1,782
Total Asset .....	\$ 1,879	\$ 1,782
<u>FUND BALANCE</u>		
Fund Balance:		
Committed .....	\$ 1,879	\$ 1,782
Total Fund Balance .....	\$ 1,879	\$ 1,782

CITY AND COUNTY OF HONOLULU  
**RENTAL ASSISTANCE FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Other .....	\$ 233	\$ 234	\$ 1
Total Revenue .....	233	234	1
Expenditure:			
Current:			
Human services:			
Community Services .....	233	131	102
Total Expenditure .....	233	131	102
Revenue over Expenditure .....	--	103	103
Unreserved - Undesignated Fund Balance - July 1 .....	1,668	1,769	101
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ 1,668	1,872	\$ 204
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		6	
Expenditures - prior year encumbrances .....		(12)	
Decrease in reserved for encumbrances .....		5	
Unreserved - Undesignated Fund Balance - June 30 .....		1,871	
Reserved for Encumbrances - June 30 .....		8	
Fund Balance - June 30 (GAAP Basis) .....		\$ 1,879	

CITY AND COUNTY OF HONOLULU  
**RENTAL ASSISTANCE FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
<u>OTHER MISCELLANEOUS:</u>			
Rents:			
Rental of Parking Stalls .....	\$ 233	\$ 234	\$ 1
 TOTAL RENTAL ASSISTANCE FUND .....	 <u>\$ 233</u>	 <u>\$ 234</u>	 <u>\$ 1</u>

CITY AND COUNTY OF HONOLULU  
**GRANTS IN AID FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 9,531	\$ 7,709
Due from other fund:		
General Fund .....	--	1
Total Assets .....	\$ 9,531	\$ 7,710
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 811	\$ 511
Due to other fund:		
General Fund .....	18	--
Accrued payroll .....	2	2
Total Liabilities .....	831	513
Fund Balance:		
Committed .....	8,700	7,197
Total Fund Balance .....	8,700	7,197
Total Liabilities and Fund Balance .....	\$ 9,531	\$ 7,710

CITY AND COUNTY OF HONOLULU  
**GRANTS IN AID FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest .....	\$ 59	\$ 135	\$ 76
Total Revenue .....	59	135	76
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services .....	72	57	15
Human services:			
Community Services .....	8,931	7,851	1,080
Total Expenditures .....	9,003	7,908	1,095
Revenue under Expenditures .....	(8,944)	(7,773)	1,171
Other Financing Source:			
Transfer in .....	8,314	8,314	--
Revenue and Other Source over (under) Expenditures	(630)	541	1,171
Unreserved - Undesignated Fund Balance - July 1 .....	630	1,554	924
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ --	2,095	\$ 2,095
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		4,274	
Expenditures - prior year encumbrances .....		(3,311)	
Increase in reserved for encumbrances .....		(504)	
Unreserved - Undesignated Fund Balance - June 30 .....		2,554	
Reserved for Encumbrances - June 30 .....		6,146	
Fund Balance - June 30 (GAAP Basis) .....		\$ 8,700	

CITY AND COUNTY OF HONOLULU  
**GRANTS IN AID FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments .....	\$ 59	\$ 135	\$ 76
	<u>59</u>	<u>135</u>	<u>76</u>
TOTAL REVENUE .....			
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
General Fund .....	8,314	8,314	--
	<u>8,314</u>	<u>8,314</u>	<u>--</u>
TOTAL OTHER FINANCING SOURCE .....			
TOTAL GRANTS IN AID FUND .....	<u>\$ 8,373</u>	<u>\$ 8,449</u>	<u>\$ 76</u>

CITY AND COUNTY OF HONOLULU  
**TRANSIT CONSTRUCTION MITIGATION FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Expenditure:			
Current:			
General Government:			
Budget and Fiscal Services .....	\$ 750	\$ --	\$ 750
Total General government .....	750	--	750
Revenue over (under) Expenditure .....	(750)	--	750
Other Financing Source:			
Transfer in .....	750	--	(750)
Revenue and Other Source over Expenditure .....	--	--	--
Unreserved - Undesignated Fund Balance - July 1 .....	--	--	--
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ --	--	\$ --
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		--	
Expenditures - prior year encumbrances .....		--	
Increase in reserved for encumbrances .....		--	
Unreserved - Undesignated Fund Balance - June 30 .....		--	
Reserved for Encumbrances - June 30 .....		--	
Fund Balance - June 30 (GAAP Basis) .....		\$ --	

CITY AND COUNTY OF HONOLULU  
**TRANSIT CONSTRUCTION MITIGATION FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>OTHER FINANCING SOURCE</b>			
<b>TRANSFER FROM OTHER FUND:</b>			
Other Transfer -			
General Fund .....	\$ 750	\$ --	\$ (750)
<b>TOTAL TRANSIT CONSTRUCTION MITIGATION HOUSING FUND .....</b>	<b>\$ 750</b>	<b>\$ --</b>	<b>\$ (750)</b>

CITY AND COUNTY OF HONOLULU  
**HANAUMA BAY NATURE PRESERVE FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 8,134	\$ 6,721
Receivables:		
Payroll advance .....	20	21
Total Assets .....	\$ 8,154	\$ 6,742
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 389	\$ 269
Due to other fund:		
General Fund .....	14	--
Accrued payroll .....	75	51
Total Liabilities .....	478	320
Fund Balance:		
Committed .....	7,676	6,422
Total Fund Balance .....	7,676	6,422
Total Liabilities and Fund Balance .....	\$ 8,154	\$ 6,742

CITY AND COUNTY OF HONOLULU  
**HANAUMA BAY NATURE PRESERVE FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Charges for services .....	\$ 4,582	\$ 5,041	\$ 459
<b>Miscellaneous:</b>			
Interest .....	68	123	55
Other .....	2,406	2,653	247
Total Revenues .....	7,056	7,817	761
<b>Expenditures:</b>			
<b>Current:</b>			
<b>General government:</b>			
Budget and Fiscal Service .....	200	200	--
<b>Public safety:</b>			
Emergency Services .....	1,405	1,028	377
<b>Culture-recreation:</b>			
Parks and Recreation .....	3,564	2,949	615
<b>Miscellaneous:</b>			
<b>Retirement and health benefits:</b>			
Provisional .....	1,597	1,322	275
<b>Other:</b>			
Provisional .....	12	--	12
Total Miscellaneous .....	1,609	1,322	287
<b>Capital improvements:</b>			
Budget and Fiscal Services .....	66	66	--
Total Expenditures .....	6,844	5,565	1,279
Revenues over Expenditures .....	212	2,252	2,040
<b>Other Financing Uses:</b>			
<b>Transfers out:</b>			
Debt service .....	(1,137)	(1,137)	--
Reimbursement for central administrative service expenses .....	(389)	(389)	--
Total Other Financing Uses .....	(1,526)	(1,526)	--
Revenues over (under) Expenditures and Other Uses	(1,314)	726	2,040
Unreserved - Undesignated Fund Balance - July 1 .....	1,734	5,429	3,695
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ 420	6,155	\$ 5,735

CITY AND COUNTY OF HONOLULU  
**HANAUMA BAY NATURE PRESERVE FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		891	
Expenditures - prior year encumbrances .....		(363)	
Increase in reserved for encumbrances .....		(195)	
Unreserved - Undesignated Fund			
Balance - June 30 .....		6,488	
Reserved for Encumbrances - June 30 .....		1,188	
Fund Balance - June 30 (GAAP Basis) .....		\$ 7,676	

CITY AND COUNTY OF HONOLULU  
**HANAUMA BAY NATURE PRESERVE FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b><u>CHARGES FOR SERVICES</u></b>			
<b>HIGHWAYS AND STREETS:</b>			
Hanauma Bay Parking .....	\$ 188	\$ 201	\$ 13
<b>CULTURE-RECREATION:</b>			
Miscellaneous:			
Hanauma Bay Admission Fee .....	<u>4,394</u>	<u>4,840</u>	<u>446</u>
<b>TOTAL CHARGES FOR SERVICES .....</b>	<b><u>4,582</u></b>	<b><u>5,041</u></b>	<b><u>459</u></b>
<b><u>MISCELLANEOUS</u></b>			
<b>INTEREST:</b>			
Interest Earnings:			
Investments .....	68	123	55
<b>OTHER MISCELLANEOUS:</b>			
Rents:			
Perquisite Housing .....	9	9	--
Concessions:			
Parks and Recreation Facilities:			
Hanauma Gift Shop Concession .....	230	337	107
Hanauma Beach Park Concession .....	250	375	125
Hanauma Shuttle Bus Service .....	44	48	4
Hanauma Snorkeling Rental .....	1,872	1,884	12
Other Concessions .....	<u>1</u>	<u>--</u>	<u>(1)</u>
Total Other Miscellaneous .....	<u>2,406</u>	<u>2,653</u>	<u>247</u>
<b>TOTAL MISCELLANEOUS .....</b>	<b><u>2,474</u></b>	<b><u>2,776</u></b>	<b><u>302</u></b>
<b>TOTAL HANAUMA BAY NATURE PRESERVE FUND .....</b>	<b><u>\$ 7,056</u></b>	<b><u>\$ 7,817</u></b>	<b><u>\$ 761</u></b>

CITY AND COUNTY OF HONOLULU  
**RESERVE FOR FISCAL STABILITY FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSET</u>		
Cash and investments:		
With Treasury .....	\$ 120,631	\$ 111,615
Total Asset .....	\$ 120,631	\$ 111,615
<u>FUND BALANCE</u>		
Fund Balance:		
Committed .....	\$ 120,631	\$ 111,615
Total Fund Balance .....	\$ 120,631	\$ 111,615

CITY AND COUNTY OF HONOLULU  
**RESERVE FOR FISCAL STABILITY FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Licenses and permits .....	\$ 310	\$ --	\$ (310)
<b>Miscellaneous:</b>			
Interest .....	1,009	2,016	1,007
Total Revenues .....	1,319	2,016	697
<b>Other Financing Sources:</b>			
Sales of capital assets .....	314	--	(314)
Transfer in .....	7,000	7,000	--
Total Other Financing Sources .....	7,314	7,000	(314)
Revenues and Other Sources .....	8,633	9,016	383
Unreserved - Undesignated Fund Balance - July 1 .....	111,707	111,615	(92)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ 120,340	120,631	\$ 291
<b>Adjustments to conform with generally accepted accounting principles:</b>			
Encumbrances included above .....		--	
Expenditures - prior year encumbrances .....		--	
Increase in reserved for encumbrances .....		--	
Unreserved - Undesignated Fund Balance - June 30 .....		120,631	
Reserved for Encumbrances - June 30 .....		--	
Fund Balance - June 30 (GAAP Basis) .....		\$ 120,631	

CITY AND COUNTY OF HONOLULU  
**RESERVE FOR FISCAL STABILITY FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>LICENSES AND PERMITS</u>			
<u>NON-BUSINESS LICENSES AND PERMITS:</u>			
Easement Grants .....	\$ 310	\$ --	\$ (310)
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments .....	<u>1,009</u>	<u>2,016</u>	<u>1,007</u>
TOTAL REVENUES .....	<u>1,319</u>	<u>2,016</u>	<u>697</u>
<u>OTHER FINANCING SOURCES</u>			
<u>SALES OF CAPITAL ASSETS:</u>			
Sales of Capital Assets .....	<u>314</u>	<u>--</u>	<u>(314)</u>
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
General Fund .....	<u>7,000</u>	<u>7,000</u>	<u>--</u>
TOTAL OTHER FINANCING SOURCES .....	<u>7,314</u>	<u>7,000</u>	<u>(314)</u>
TOTAL RESERVE FOR FISCAL STABILITY FUND ...	<u>\$ 8,633</u>	<u>\$ 9,016</u>	<u>\$ 383</u>

CITY AND COUNTY OF HONOLULU  
**CLEAN WATER AND NATURAL LANDS FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSET</u>		
Cash and investments:		
With Treasury .....	\$ 30,068	\$ 23,508
Total Asset .....	\$ 30,068	\$ 23,508
<u>FUND BALANCE</u>		
Fund Balance:		
Restricted .....	\$ 30,068	\$ 23,508
Total Fund Balance .....	\$ 30,068	\$ 23,508

CITY AND COUNTY OF HONOLULU  
**CLEAN WATER AND NATURAL LANDS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes .....	\$ 6,327	\$ 6,327	\$ --
Miscellaneous:			
Interest .....	176	408	232
Total Revenues .....	6,503	6,735	232
Expenditures:			
Current:			
General government:			
Land Management .....	164	--	164
Capital improvements:			
Culture-recreation:			
Design and Construction .....	10,503	10,503	--
Total Expenditure .....	10,667	10,503	164
Revenues under Expenditures .....	(4,164)	(3,768)	396
Unreserved - Undesignated Fund Balance - July 1 .....	4,164	19,250	15,086
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ --	15,482	\$ 15,482
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		10,503	
Expenditures - prior year encumbrances .....		(175)	
Decrease in reserved for encumbrances .....		196	
Unreserved - Undesignated Fund Balance - June 30 .....		26,006	
Reserved for Encumbrances - June 30 .....		4,062	
Fund Balance - June 30 (GAAP Basis) .....		\$ 30,068	

CITY AND COUNTY OF HONOLULU  
**CLEAN WATER AND NATURAL LANDS FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>TAXES</u>			
<u>GENERAL PROPERTY TAXES:</u>			
Real Property Tax .....	\$ 6,327	\$ 6,327	\$ --
 <u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments .....	<u>176</u>	<u>408</u>	<u>232</u>
 TOTAL CLEAN WATER AND NATURAL LANDS FUND .....	 <u>\$ 6,503</u>	 <u>\$ 6,735</u>	 <u>\$ 232</u>

CITY AND COUNTY OF HONOLULU  
**AFFORDABLE HOUSING FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 42,631	\$ 41,939
Due from other fund:		
Community Development Fund .....	5	--
Total Assets .....	\$ 42,636	\$ 41,939
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 3,152	\$ 3,345
Accrued payroll .....	6	--
Due to other fund:		
General Fund .....	1	--
Total Liabilities.....	3,159	3,345
Fund Balance:		
Restricted .....	39,477	38,594
Total Fund Balance .....	39,477	38,594
Total Liabilities and Fund Balance .....	\$ 42,636	\$ 41,939

CITY AND COUNTY OF HONOLULU  
**AFFORDABLE HOUSING FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes .....	\$ 6,327	\$ 6,327	\$ --
Miscellaneous:			
Interest .....	390	691	301
Total Revenues .....	6,717	7,018	301
Expenditure:			
Current:			
Human Services:			
Community Services .....	250	134	116
Total General government .....	250	134	116
Capital improvements:			
Community Services .....	40,843	40,843	--
Total Expenditure .....	41,093	40,977	116
Revenues under Expenditure .....	(34,376)	(33,959)	417
Unreserved - Undesignated Fund Balance - July 1 .....	34,376	31,018	(3,358)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ --	(2,941)	\$ (2,941)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		38,842	
Expenditures - prior year encumbrances .....		(4,000)	
Decrease in reserved for encumbrances .....		3,576	
Unreserved - Undesignated Fund Balance - June 30 .....		35,477	
Reserved for Encumbrances - June 30 .....		4,000	
Fund Balance - June 30 (GAAP Basis) .....		\$ 39,477	

CITY AND COUNTY OF HONOLULU  
**AFFORDABLE HOUSING FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>TAXES</u>			
<u>GENERAL PROPERTY TAXES:</u>			
Real Property Tax .....	\$ 6,327	\$ 6,327	\$ --
 <u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments .....	<u>390</u>	<u>691</u>	<u>301</u>
 TOTAL AFFORDABLE HOUSING FUND .....	 <u>\$ 6,717</u>	 <u>\$ 7,018</u>	 <u>\$ 301</u>

CITY AND COUNTY OF HONOLULU  
**COMMUNITY DEVELOPMENT FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 517	\$ 142
Receivables:		
Loans .....	11	11
Intergovernmental .....	--	58
Payroll advance .....	11	11
Total Assets .....	\$ 539	\$ 222
<b><u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 114	\$ 51
Due to other funds:		
General Fund .....	121	69
Affordable Housing Fund .....	5	--
Federal Grants Fund .....	8	2
Accrued payroll .....	51	43
Total Liabilities .....	299	165
Deferred Inflow:		
Deferred inflow .....	11	11
Total Deferred Inflow .....	11	11
Fund Balance:		
Restricted .....	229	46
Total Fund Balance .....	229	46
Total Liabilities, Deferred Inflow and Fund Balance .....	\$ 539	\$ 222

CITY AND COUNTY OF HONOLULU  
**COMMUNITY DEVELOPMENT FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Intergovernmental .....	\$ 8,560	\$ 10,405	\$ 8,413	\$ (1,992)
Miscellaneous:				
Other .....	--	--	10	10
<b>Total Revenues.</b> .....	<b>8,560</b>	<b>10,405</b>	<b>8,423</b>	<b>(1,982)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Budget and Fiscal Services .....	992	992	860	132
<b>Human services:</b>				
Community Services .....	720	720	450	270
<b>Capital improvements:</b>				
General Government .....	972	972	972	--
Public Safety .....	661	2,306	2,306	--
Human Services .....	3,125	3,325	3,325	--
Culture and Recreation .....	2,090	2,090	2,090	--
<b>Total Capital improvements</b> .....	<b>6,848</b>	<b>8,693</b>	<b>8,693</b>	<b>--</b>
<b>Total Expenditures</b> .....	<b>8,560</b>	<b>10,405</b>	<b>10,003</b>	<b>402</b>
Revenue under Expenditures .....	--	--	(1,580)	(1,580)
Unreserved - Undesignated Fund Balance - July 1 .....	--	--	(5,867)	(5,867)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<b>\$ --</b>	<b>\$ --</b>	(7,447)	<b>\$ (7,447)</b>
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above .....			4,164	
Expenditures - prior year encumbrances .....			(2,401)	
Decrease in reserved for encumbrances .....			2,415	
Unreserved - Undesignated Fund Balance - June 30 .....			(3,269)	
Reserved for Encumbrances - June 30 .....			3,498	
Fund Balance - June 30 (GAAP Basis) .....			\$ 229	

CITY AND COUNTY OF HONOLULU  
**COMMUNITY DEVELOPMENT FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>INTERGOVERNMENTAL</u>				
<u>FEDERAL GRANTS:</u>				
Community Development Block Grant .....	\$ 8,560	\$ 10,405	\$ 8,413	\$ (1,992)
TOTAL INTERGOVERNMENTAL .....	<u>8,560</u>	<u>10,405</u>	<u>8,413</u>	<u>(1,992)</u>
<u>MISCELLANEOUS</u>				
<u>OTHER MISCELLANEOUS:</u>				
Other:				
Sundry Refunds .....	--	--	10	10
TOTAL COMMUNITY DEVELOPMENT FUND .....	<u>\$ 8,560</u>	<u>\$ 10,405</u>	<u>\$ 8,423</u>	<u>\$ (1,982)</u>

CITY AND COUNTY OF HONOLULU  
**PATSY T. MINK CENTRAL OAHU REGIONAL PARK FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSET</u>		
Cash and investments:		
With Treasury .....	\$ 567	\$ 496
Total Asset .....	\$ 567	\$ 496
 <u>FUND BALANCE</u>		
Fund Balance:		
Committed .....	\$ 567	\$ 496
Total Fund Balance .....	\$ 567	\$ 496

CITY AND COUNTY OF HONOLULU  
**PATSY T. MINK CENTRAL OAHU REGIONAL PARK FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Charges for services .....	\$ 195	\$ 235	\$ 40
Miscellaneous:			
Other .....	29	4	(25)
<b>Total Revenues .....</b>	<b>224</b>	<b>239</b>	<b>15</b>
<b>Expenditure:</b>			
<b>Current:</b>			
<b>Culture-recreation:</b>			
Parks and Recreation .....	209	3	206
<b>Revenues over Expenditure .....</b>	15	236	221
<b>Other Financing Use:</b>			
<b>Transfer out:</b>			
Reimbursement for central administrative service expenses .....	(11)	(11)	--
<b>Revenues over Expenditure and Other Use .....</b>	4	225	221
Unreserved - Undesignated Fund Balance - July 1 .....	321	339	18
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ 325	564	\$ 239
<b>Adjustments to conform with generally accepted accounting principles:</b>			
Encumbrances included above .....		3	
Expenditures - prior year encumbrances .....		(157)	
Decrease in reserved for encumbrances .....		154	
Unreserved - Undesignated Fund Balance - June 30 .....		564	
Reserved for Encumbrances - June 30 .....		3	
Fund Balance - June 30 (GAAP Basis) .....		\$ 567	

CITY AND COUNTY OF HONOLULU  
**PATSY T. MINK CENTRAL OAHU REGIONAL PARK FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>CHARGES FOR SERVICES</b>			
<b>GENERAL GOVERNMENT:</b>			
Custodial and Attendant Services .....	\$ 20	\$ 58	\$ 38
<b>CULTURE-RECREATION:</b>			
Fees for Use of Parks .....	<u>175</u>	<u>177</u>	<u>2</u>
<b>TOTAL CHARGES FOR SERVICES .....</b>	<b><u>195</u></b>	<b><u>235</u></b>	<b><u>40</u></b>
<b>MISCELLANEOUS</b>			
<b>OTHER MISCELLANEOUS:</b>			
Concessions:			
Parks and Recreation Facilities .....	<u>29</u>	<u>4</u>	<u>(25)</u>
<b>TOTAL PATSY T. MINK CENTRAL OAHU     REGIONAL PARK FUND .....</b>	<b><u>\$ 224</u></b>	<b><u>\$ 239</u></b>	<b><u>\$ 15</u></b>

CITY AND COUNTY OF HONOLULU  
**WAIPIO PENINSULA SOCCER PARK FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSET</u>		
Cash and investments:		
With Treasury .....	\$ 228	\$ 142
Total Asset .....	\$ 228	\$ 142
<u>FUND BALANCE</u>		
Fund Balance:		
Committed .....	\$ 228	\$ 142
Total Fund Balance .....	\$ 228	\$ 142

CITY AND COUNTY OF HONOLULU  
**WAIPIO PENINSULA SOCCER PARK FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Charges for services .....	\$ 87	\$ 92	\$ 5
Total Revenue .....	87	92	5
Expenditure:			
Current:			
Culture-recreation:			
Parks and Recreation .....	112	20	92
Revenue over (under) Expenditure .....	(25)	72	97
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses .....	(6)	(6)	--
Revenue over (under) Expenditure and Other Use ....	(31)	66	97
Unreserved - Undesignated Fund Balance - July 1 .....	121	142	21
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	90	208	118
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		20	
Expenditures - prior year encumbrances .....		--	
Increase in reserved for encumbrances .....		(20)	
Unreserved - Undesignated Fund Balance - June 30 .....		208	
Reserved for Encumbrances - June 30 .....		20	
Fund Balance - June 30 (GAAP Basis) .....		\$ 228	

CITY AND COUNTY OF HONOLULU  
**WAIPIO PENINSULA SOCCER PARK FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b>CHARGES FOR SERVICES</b>			
<b>CULTURE-RECREATION:</b>			
Fees for Use of Parks .....	\$ 87	\$ 92	\$ 5
TOTAL WAIPIO PENINSULA SOCCER PARK FUND .....	<u>\$ 87</u>	<u>\$ 92</u>	<u>\$ 5</u>

CITY AND COUNTY OF HONOLULU  
**HONOLULU ZOO FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<b><u>ASSET</u></b>		
Cash and investments:		
With Treasury .....	\$ 2,527	\$ 5,646
Total Asset .....	\$ 2,527	\$ 5,646
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 196	\$ 174
Due to other funds:		
General Fund .....	--	3,284
Special Events Fund .....	--	4
Accrued payroll .....	170	163
Total Liabilities .....	366	3,625
Fund Balance:		
Committed .....	2,161	2,021
Total Fund Balance .....	2,161	2,021
Total Liabilities and Fund Balance .....	\$ 2,527	\$ 5,646

CITY AND COUNTY OF HONOLULU  
**HONOLULU ZOO FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Taxes .....	\$ 6,327	\$ 6,327	\$ --
Charges for services .....	6,192	6,247	55
<b>Miscellaneous:</b>			
Interest .....	4	43	39
Other .....	250	343	93
	<u>12,773</u>	<u>12,960</u>	<u>187</u>
<b>Total Revenues .....</b>			
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Culture-recreation:</b>			
Enterprise Services .....	7,456	7,193	263
<b>Miscellaneous:</b>			
<b>Retirement and health benefits:</b>			
Provisional .....	3,025	2,956	69
<b>Other:</b>			
Provisional .....	706	100	606
	<u>3,731</u>	<u>3,056</u>	<u>675</u>
<b>Total Miscellaneous .....</b>			
<b>Total Expenditures .....</b>	<u>11,187</u>	<u>10,249</u>	<u>938</u>
<b>Revenues over Expenditures .....</b>	1,586	2,711	1,125
<b>Other Finance Source (Uses):</b>			
Transfer in .....	2,088	2,088	--
<b>Transfers out:</b>			
Debt service .....	(3,331)	(3,331)	--
Reimbursement for central administrative service expenses .....	(726)	(726)	--
	<u>(1,969)</u>	<u>(1,969)</u>	<u>--</u>
<b>Total Other Financing Source (Uses) .....</b>			
<b>Revenues and Other Source over (under) Expenditures and Other Uses .....</b>	(383)	742	1,125
<b>Unreserved - Undesignated Fund Balance - July 1 .....</b>	<u>383</u>	<u>1,111</u>	<u>728</u>
<b>Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....</b>	<u>\$ --</u>	<u>1,853</u>	<u>\$ 1,853</u>

CITY AND COUNTY OF HONOLULU  
**HONOLULU ZOO FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		172	
Expenditures - prior year encumbrances .....		(774)	
Decrease in reserved for encumbrances .....		627	
Unreserved - Undesignated Fund Balance - June 30 .....		1,878	
Reserved for Encumbrances - June 30 .....		283	
Fund Balance - June 30 (GAAP Basis) .....		\$ 2,161	

CITY AND COUNTY OF HONOLULU  
**HONOLULU ZOO FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>TAXES</u>			
<u>GENERAL PROPERTY TAXES:</u>			
Real Property Tax .....	\$ 6,327	\$ 6,327	\$ --
TOTAL TAXES .....	<u>6,327</u>	<u>6,327</u>	<u>--</u>
<u>CHARGES FOR SERVICES</u>			
<u>GENERAL GOVERNMENT</u>			
Service Fee for Card Payments .....	--	6	6
<u>HIGHWAYS AND STREETS</u>			
Zoo Parking Lot .....	1,000	1,281	281
<u>CULTURE-RECREATION:</u>			
Honolulu Zoo .....	<u>5,192</u>	<u>4,960</u>	<u>(232)</u>
TOTAL CHARGES FOR SERVICES .....	<u>6,192</u>	<u>6,247</u>	<u>55</u>
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments .....	4	43	39
<u>OTHER MISCELLANEOUS:</u>			
Concessions:			
Food Concession - Honolulu Zoo .....	250	340	90
Other:			
Sundry Refunds .....	--	3	3
TOTAL MISCELLANEOUS .....	<u>254</u>	<u>386</u>	<u>132</u>
TOTAL REVENUES .....	<u>12,773</u>	<u>12,960</u>	<u>187</u>
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFERS FROM OTHER FUND:</u>			
Other Transfer -			
General Fund .....	<u>2,088</u>	<u>2,088</u>	<u>--</u>
TOTAL OTHER FINANCING SOURCE .....	<u>2,088</u>	<u>2,088</u>	<u>--</u>
TOTAL HONOLULU ZOO FUND .....	<u>\$ 14,861</u>	<u>\$ 15,048</u>	<u>\$ 187</u>

CITY AND COUNTY OF HONOLULU  
**GOLF FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 3,145	\$ 1,843
Receivable:		
Payroll advance .....	75	86
Total Assets .....	\$ 3,220	\$ 1,929
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 154	\$ 119
Due to other fund:		
Payroll Clearance Fund .....	1	1
Accrued payroll .....	226	223
Total Liabilities .....	381	343
Fund Balance:		
Committed .....	2,839	1,586
Total Fund Balance .....	2,839	1,586
Total Liabilities and Fund Balance .....	\$ 3,220	\$ 1,929

CITY AND COUNTY OF HONOLULU  
**GOLF FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Charges for services .....	\$ 6,374	\$ 6,374	\$ 6,257	\$ (117)
<b>Miscellaneous:</b>				
Other .....	2,836	2,836	2,953	117
<b>Total Revenues .....</b>	<b>9,210</b>	<b>9,210</b>	<b>9,210</b>	<b>--</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Culture-recreation:</b>				
Enterprise Services .....	10,678	10,842	10,341	501
<b>Miscellaneous:</b>				
<b>Retirement and health benefits:</b>				
Provisional .....	4,060	4,060	3,984	76
<b>Other:</b>				
Provisional .....	839	675	220	455
<b>Total Miscellaneous .....</b>	<b>4,899</b>	<b>4,735</b>	<b>4,204</b>	<b>531</b>
<b>Total Expenditures .....</b>	<b>15,577</b>	<b>15,577</b>	<b>14,545</b>	<b>1,032</b>
Revenues under Expenditures .....	(6,367)	(6,367)	(5,335)	1,032
<b>Other Finance Source (Uses):</b>				
Transfer in .....	9,111	9,111	9,111	--
<b>Transfers out:</b>				
Debt service .....	(1,872)	(1,872)	(1,872)	--
Reimbursement for central administrative service expenses .....	(872)	(872)	(872)	--
<b>Total Other Financing Source (Uses) .....</b>	<b>6,367</b>	<b>6,367</b>	<b>6,367</b>	<b>--</b>
Revenues and Other Source over Expenditures and Other Uses .....	--	--	1,032	1,032
Unreserved - Undesignated Fund Balance - July 1 .....	--	--	1,199	1,199
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ --	\$ --	2,231	\$ 2,231

CITY AND COUNTY OF HONOLULU  
**GOLF FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above .....			433	
Expenditures - prior year encumbrances .....			(212)	
Increase in reserved for encumbrances .....			(144)	
Unreserved - Undesignated Fund Balance - June 30 .....			2,308	
Reserved for Encumbrances - June 30 .....			531	
Fund Balance - June 30 (GAAP Basis) .....			\$ 2,839	

CITY AND COUNTY OF HONOLULU  
**GOLF FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>CHARGES FOR SERVICES</u>			
<u>CULTURE-RECREATION:</u>			
Golf Course Fees .....	\$ 6,374	\$ 6,257	\$ (117)
TOTAL CHARGES FOR SERVICES .....	<u>6,374</u>	<u>6,257</u>	<u>(117)</u>
<u>MISCELLANEOUS</u>			
<u>OTHER MISCELLANEOUS:</u>			
Rents:			
Golf Cart Rentals .....	2,263	2,286	23
Rental for Use of Land .....	--	6	6
Total Rents .....	<u>2,263</u>	<u>2,292</u>	<u>29</u>
Concessions:			
Food Concession - Golf Courses .....	107	90	(17)
Golf Course - Pro Shops .....	16	7	(9)
Golf Course - Driving Range .....	450	563	113
Total Concessions .....	<u>573</u>	<u>660</u>	<u>87</u>
Other:			
Sundry Refunds .....	--	1	1
Total Other .....	<u>--</u>	<u>1</u>	<u>1</u>
TOTAL MISCELLANEOUS .....	<u>2,836</u>	<u>2,953</u>	<u>117</u>
TOTAL REVENUES .....	<u>9,210</u>	<u>9,210</u>	<u>--</u>
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
General Fund .....	9,111	9,111	--
TOTAL OTHER FINANCING SOURCE .....	<u>9,111</u>	<u>9,111</u>	<u>--</u>
TOTAL GOLF FUND .....	<u>\$ 18,321</u>	<u>\$ 18,321</u>	<u>\$ --</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL EVENTS FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 3,126	\$ 1,070
Receivable:		
Payroll advance .....	102	117
Due from other fund:		
Honolulu Zoo Fund .....	--	4
	<u>\$ 3,228</u>	<u>\$ 1,191</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 174	\$ 183
Due to other fund:		
General Fund .....	--	21
General Trust Fund .....	5	--
Accrued payroll .....	181	200
	<u>360</u>	<u>404</u>
Total Liabilities .....		
Fund Balance:		
Committed .....	2,868	787
	<u>2,868</u>	<u>787</u>
Total Fund Balance .....		
	<u>2,868</u>	<u>787</u>
Total Liabilities and Fund Balance .....	<u>\$ 3,228</u>	<u>\$ 1,191</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL EVENTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Charges for services .....	\$ 116	\$ 116	\$ 74	\$ (42)
<b>Miscellaneous:</b>				
Interest .....	63	63	34	(29)
Other .....	<u>7,742</u>	<u>7,742</u>	<u>8,655</u>	<u>913</u>
Total Revenues .....	<u>7,921</u>	<u>7,921</u>	<u>8,763</u>	<u>842</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Budget and Fiscal Services .....	36	36	11	25
<b>Culture-recreation:</b>				
Enterprise Services .....	6,821	7,071	6,781	290
<b>Miscellaneous:</b>				
<b>Retirement and health benefits:</b>				
Provisional .....	3,436	3,436	3,352	84
<b>Other:</b>				
Provisional .....	<u>1,360</u>	<u>1,110</u>	<u>251</u>	<u>859</u>
Total Miscellaneous .....	<u>4,796</u>	<u>4,546</u>	<u>3,603</u>	<u>943</u>
Total Expenditures .....	<u>11,653</u>	<u>11,653</u>	<u>10,395</u>	<u>1,258</u>
Revenues under Expenditures .....	(3,732)	(3,732)	(1,632)	2,100
<b>Other Finance Source (Uses):</b>				
Transfer in .....	6,900	6,900	6,900	--
<b>Transfers out:</b>				
Debt service .....	(2,462)	(2,462)	(2,462)	--
Reimbursement for central administrative service expenses .....	<u>(706)</u>	<u>(706)</u>	<u>(706)</u>	<u>--</u>
Total Other Financing Source (Uses) .....	<u>3,732</u>	<u>3,732</u>	<u>3,732</u>	<u>--</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL EVENTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues and Other Source over Expenditures and Other Uses .....	--	--	2,100	2,100
Unreserved - Undesignated Fund Balance - July 1 .....	--	--	303	303
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ --	\$ --	2,403	\$ 2,403
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above .....			183	
Expenditures - prior year encumbrances .....			(202)	
Decrease in reserved for encumbrances .....			35	
Unreserved - Undesignated Fund Balance - June 30 .....			2,419	
Reserved for Encumbrances - June 30 .....			449	
Fund Balance - June 30 (GAAP Basis) .....			\$ 2,868	

CITY AND COUNTY OF HONOLULU  
**SPECIAL EVENTS FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b><u>CHARGES FOR SERVICES</u></b>			
<b>GENERAL GOVERNMENT:</b>			
Surcharge on Auditorium Tickets .....	\$ 105	\$ 72	\$ (33)
Other .....	11	2	(9)
Total General Government .....	116	74	(42)
TOTAL CHARGES FOR SERVICES .....	116	74	(42)
<b><u>MISCELLANEOUS</u></b>			
<b>INTEREST:</b>			
Interest Earnings:			
Investments .....	63	34	(29)
<b>OTHER MISCELLANEOUS:</b>			
Rents:			
Rental for Use of Land .....	21	27	6
Rental of Auditorium Facilities .....	1,920	2,016	96
Auditorium Equipment Rental .....	1,379	1,561	182
Total Rents .....	3,320	3,604	284
Concessions:			
Food Concession - Auditoriums .....	733	369	(364)
Food Concession - Parks .....	60	209	149
Parking - Auditoriums .....	2,400	2,288	(112)
Novelty Sales Concession - Auditoriums .....	75	59	(16)
Other - Auditoriums .....	2	1	(1)
Beach Concession - Parks .....	1,050	2,004	954
Pouring Rights .....	60	78	18
Other Concessions .....	42	42	--
Total Concessions .....	4,422	5,050	628

CITY AND COUNTY OF HONOLULU  
**SPECIAL EVENTS FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
Other:			
Sundry Refunds .....	--	1	1
Total Other .....	--	1	1
Total Other Miscellaneous .....	7,742	8,655	913
TOTAL MISCELLANEOUS .....	7,805	8,689	884
TOTAL REVENUES .....	7,921	8,763	842
<b>OTHER FINANCING SOURCE</b>			
<b>TRANSFER FROM OTHER FUND:</b>			
Other Transfer -			
General Fund .....	6,900	6,900	--
TOTAL OTHER FINANCING SOURCE .....	6,900	6,900	--
TOTAL SPECIAL EVENTS FUND .....	<u>\$ 14,821</u>	<u>\$ 15,663</u>	<u>\$ 842</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL PROJECTS FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 18,089	\$ 11,348
Receivables:		
Intergovernmental .....	1,306	961
Payroll advance .....	17	17
Total Assets .....	\$ 19,412	\$ 12,326
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 858	\$ 675
Due to other funds:		
General Fund .....	852	408
Federal Grants Fund .....	193	25
Payroll Clearance Fund .....	--	1
Accrued payroll .....	131	131
Total Liabilities .....	2,034	1,240
Fund Balance:		
Restricted .....	17,378	11,086
Total Fund Balance .....	17,378	11,086
Total Liabilities and Fund Balance .....	\$ 19,412	\$ 12,326

CITY AND COUNTY OF HONOLULU  
**SPECIAL PROJECTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Intergovernmental .....	\$ 13,321	\$ 29,504	\$ 21,978	\$ (7,526)
Charges for services .....	547	547	872	325
<b>Miscellaneous:</b>				
Interest .....	--	--	20	20
Other .....	47	742	1,786	1,044
Total Revenues .....	<u>13,915</u>	<u>30,793</u>	<u>24,656</u>	<u>(6,137)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Budget and Fiscal Services .....	--	109	16	93
Customer Services .....	47	47	--	47
Information Technology .....	--	2,271	2,161	110
Mayor .....	198	942	788	154
Planning and Permitting .....	--	14	--	14
Prosecuting Attorney .....	1,867	2,273	1,502	771
Total General government .....	<u>2,112</u>	<u>5,656</u>	<u>4,467</u>	<u>1,189</u>
<b>Public safety:</b>				
Design and Construction .....	--	10,000	10,000	--
Emergency Management .....	35	36	29	7
Emergency Services .....	100	745	698	47
Fire .....	--	1,787	566	1,221
Police .....	--	3,043	1,282	1,761
Transportation Services .....	125	813	588	225
Total Public safety .....	<u>260</u>	<u>16,424</u>	<u>13,163</u>	<u>3,261</u>
<b>Highways and streets:</b>				
Facility Maintenance .....	--	29	29	--
<b>Human services:</b>				
Community Services .....	10,982	12,427	10,599	1,828
<b>Culture-recreation:</b>				
Enterprise Services .....	--	114	13	101
Mayor .....	--	4	--	4
Parks and Recreation .....	--	1,143	463	680
Total Culture-recreation .....	<u>--</u>	<u>1,261</u>	<u>476</u>	<u>785</u>
Total Expenditures .....	<u>13,354</u>	<u>35,797</u>	<u>28,734</u>	<u>7,063</u>
Revenues under Expenditures .....	561	(5,004)	(4,078)	926
Unreserved - Undesignated Fund Balance - July 1 .....	--	--	(3,187)	(3,187)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 561</u>	<u>\$ (5,004)</u>	(7,265)	<u>\$ (2,261)</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL PROJECTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Final Variance Favorable (Unfavorable)</u>
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above .....			13,783	
Expenditures - prior year encumbrances .....			(3,413)	
Increase in reserved for encumbrances .....			<u>(9,773)</u>	
Unreserved - Undesignated Fund				
Balance - June 30 .....			(6,668)	
Reserved for Encumbrances - June 30 .....			<u>24,046</u>	
Fund Balance - June 30 (GAAP Basis) .....			<u>\$ 17,378</u>	

CITY AND COUNTY OF HONOLULU  
**SPECIAL PROJECTS FUND**  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Amounts in thousands)

<u>Source of Revenues</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b><u>INTERGOVERNMENTAL</u></b>				
<b>STATE GRANTS:</b>				
Department of the Attorney General .....	\$ 1,869	\$ 1,957	\$ 1,306	\$ (651)
Department of the Budget and Finance .....	--	10,145	10,165	20
Department of Defense .....	35	36	28	(8)
Department of Health .....	9,994	10,041	5,660	(4,381)
Department of Human Services .....	25	1,417	1,672	255
Department of Labor and Industrial Relations .....	245	566	228	(338)
Department of Land and Natural Resources .....	778	1,375	523	(852)
Department of Transportation .....	125	708	--	(708)
Hawaii Tourism Authority .....	--	140	127	(13)
Wireless Enhanced 911 Board .....	--	2,869	2,269	(600)
Grants from Other Agencies .....	250	250	--	(250)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INTERGOVERNMENTAL .....	13,321	29,504	21,978	(7,526)
<b><u>CHARGES FOR SERVICES</u></b>				
<b>PUBLIC SAFETY:</b>				
Plan Review Fee .....	547	547	872	325
<b><u>MISCELLANEOUS</u></b>				
<b>INTEREST:</b>				
Interest Earnings:				
Investments .....	--	--	20	20
<b>OTHER MISCELLANEOUS:</b>				
Contributions from Private Sources:				
Community Programing .....	47	47	--	(47)
Contributions to the City .....	--	695	1,239	544
	<hr/>	<hr/>	<hr/>	<hr/>
Total Contributions from Private Sources .....	47	742	1,239	497
<b>Other:</b>				
Other .....	--	--	489	489
Sundry Refunds .....	--	--	58	58
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Miscellaneous .....	47	742	1,786	1,044
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL MISCELLANEOUS .....	47	742	1,806	1,064
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL SPECIAL PROJECTS FUND .....	<u>\$ 13,915</u>	<u>\$ 30,793</u>	<u>\$ 24,656</u>	<u>\$ (6,137)</u>

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 16,929	\$ 16,744
Receivables:		
Loans .....	3,269	2,925
Intergovernmental .....	17,314	17,881
Payroll advance .....	79	83
Due from other funds:		
Community Development Fund .....	8	2
Special Projects Fund .....	193	25
	\$ 37,792	\$ 37,660
<b><u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 1,007	\$ 876
Due to other funds:		
General Fund .....	15,840	16,488
Federal Grants Capital Projects Fund .....	8	--
Accrued payroll .....	120	130
	16,975	17,494
Deferred Inflow:		
Deferred inflow .....	3,269	2,925
	3,269	2,925
Fund Balance:		
Restricted .....	17,548	17,241
	17,548	17,241
	\$ 37,792	\$ 37,660

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Intergovernmental .....	\$ 50,295	\$ 71,735	\$ 40,953	\$ (30,782)
<b>Miscellaneous:</b>				
Interest .....	--	3	168	165
Other .....	2,999	2,999	610	(2,389)
<b>Total Revenues .....</b>	<b>53,294</b>	<b>74,737</b>	<b>41,731</b>	<b>(33,006)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
Budget and Fiscal Services .....	988	988	387	601
Design and Construction .....	720	720	640	80
Information Technology .....	58	58	--	58
Planning and Permitting .....	--	300	270	30
Prosecuting Attorney .....	1,005	2,044	1,827	217
<b>Total General government .....</b>	<b>2,771</b>	<b>4,110</b>	<b>3,124</b>	<b>986</b>
<b>Public safety:</b>				
Emergency Management .....	103	9,858	1,435	8,423
Fire .....	--	142	84	58
Medical Examiner .....	--	126	2	124
Police .....	--	16,938	5,421	11,517
Transportation Services .....	203	2,638	2,419	219
<b>Total Public safety .....</b>	<b>306</b>	<b>29,702</b>	<b>9,361</b>	<b>20,341</b>
<b>Human services:</b>				
Community Services .....	24,021	25,379	9,653	15,726
<b>Culture-recreation:</b>				
Parks and Recreation .....	180	209	209	--
<b>Utilities or other enterprises:</b>				
Transportation Services .....	21,000	22,609	22,609	--
<b>Total Expenditures .....</b>	<b>48,278</b>	<b>82,009</b>	<b>44,956</b>	<b>37,053</b>

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues over (under) Expenditures .....	5,016	(7,272)	(3,225)	4,047
Unreserved - Undesignated Fund Balance - July 1 .....	--	--	(1,306)	(1,306)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ 5,016	\$ (7,272)	(4,531)	\$ 2,741
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above .....			11,558	
Expenditures - prior year encumbrances .....			(8,026)	
Increase in reserved for encumbrances .....			(1,788)	
Unreserved - Undesignated Fund Balance - June 30 .....			(2,787)	
Reserved for Encumbrances - June 30 .....			20,335	
Fund Balance - June 30 (GAAP Basis) .....			\$ 17,548	

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b><u>INTERGOVERNMENTAL</u></b>				
<b>FEDERAL GRANTS:</b>				
Department of Agriculture .....	\$ 182	\$ 186	\$ 184	\$ (2)
Department of Commerce .....	--	75	71	(4)
Department of Education .....	97	122	88	(34)
Department of Health and Human Services .....	4,653	5,393	3,066	(2,327)
Department of Homeland Security .....	103	9,534	1,630	(7,904)
Department of Housing and Urban Development .....	13,340	13,358	1,139	(12,219)
Department of Justice .....	1,446	4,655	3,421	(1,234)
Department of Labor .....	8,749	8,749	3,145	(5,604)
Department of Transportation .....	21,725	27,845	26,819	(1,026)
Environmental Protection Agency .....	--	300	88	(212)
Office of National Drug Control Policy .....	--	1,518	1,251	(267)
Other Agencies .....	--	--	51	51
<b>TOTAL INTERGOVERNMENTAL .....</b>	<b><u>50,295</u></b>	<b><u>71,735</u></b>	<b><u>40,953</u></b>	<b><u>(30,782)</u></b>
<b><u>MISCELLANEOUS</u></b>				
<b>INTEREST:</b>				
Interest Earnings:				
Investments .....	--	3	168	165
<b>OTHER MISCELLANEOUS:</b>				
Other:				
Other .....	<u>2,999</u>	<u>2,999</u>	<u>610</u>	<u>(2,389)</u>
<b>Total Other .....</b>	<b><u>2,999</u></b>	<b><u>2,999</u></b>	<b><u>610</u></b>	<b><u>(2,389)</u></b>
<b>TOTAL MISCELLANEOUS .....</b>	<b><u>2,999</u></b>	<b><u>3,002</u></b>	<b><u>778</u></b>	<b><u>(2,224)</u></b>
<b>TOTAL FEDERAL GRANTS FUND .....</b>	<b><u>\$ 53,294</u></b>	<b><u>\$ 74,737</u></b>	<b><u>\$ 41,731</u></b>	<b><u>\$ (33,006)</u></b>

CITY AND COUNTY OF HONOLULU  
HOUSING AND COMMUNITY DEVELOPMENT  
REHABILITATION LOAN FUND

BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<u>ASSETS</u>		
Cash and investments:		
With Treasury .....	\$ 6,457	\$ 6,124
Receivables:		
Loans .....	7,689	7,898
Total Assets .....	\$ 14,146	\$ 14,022
<u>LIABILITY, DEFERRED INFLOW AND FUND BALANCE</u>		
Liability:		
Accounts payable .....	\$ --	\$ 41
Total Liability .....	--	41
Deferred Inflow:		
Deferred inflow .....	7,689	7,898
Total Deferred Inflow .....	7,689	7,898
Fund Balance:		
Restricted .....	6,457	6,083
Total Fund Balance .....	6,457	6,083
Total Liability, Deferred Inflow and Fund Balance .....	\$ 14,146	\$ 14,022

CITY AND COUNTY OF HONOLULU  
**HOUSING AND COMMUNITY DEVELOPMENT**  
**REHABILITATION LOAN FUND**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental .....	\$ 4	\$ --	\$ (4)
Miscellaneous:			
Interest .....	--	128	128
Other .....	1,996	834	(1,162)
Total Revenues .....	2,000	962	(1,038)
Expenditure:			
Current:			
Human services:			
Community Services .....	2,500	1,084	1,416
Revenues under Expenditure .....	(500)	(122)	378
Unreserved - Undesignated Fund Balance - July 1 .....	2,000	(33)	(2,033)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ 1,500	(155)	\$ (1,655)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		1,084	
Expenditures - prior year encumbrances .....		(588)	
Increase in reserved for encumbrances .....		(374)	
Unreserved - Undesignated Fund Balance - June 30 .....		(33)	
Reserved for Encumbrances - June 30 .....		6,490	
Fund Balance - June 30 (GAAP Basis) .....		\$ 6,457	

CITY AND COUNTY OF HONOLULU  
HOUSING AND COMMUNITY DEVELOPMENT  
REHABILITATION LOAN FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>INTERGOVERNMENTAL</u>			
<u>FEDERAL GRANTS:</u>			
US Dept of Housing and Urban Development .....	\$ 4	\$ --	\$ (4)
TOTAL INTERGOVERNMENTAL .....	<u>4</u>	<u>--</u>	<u>(4)</u>
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments .....	--	128	128
Total Interest .....	<u>--</u>	<u>128</u>	<u>128</u>
<u>OTHER MISCELLANEOUS:</u>			
Repayments of Department of Housing and Community Development Loans:			
Principal .....	1,996	819	(1,177)
Interest .....	--	14	14
Late Charge .....	--	1	1
Total Other Miscellaneous .....	<u>1,996</u>	<u>834</u>	<u>(1,162)</u>
TOTAL HOUSING AND COMMUNITY DEVELOPMENT REHABILITATION LOAN FUND .....	<u>\$ 2,000</u>	<u>\$ 962</u>	<u>\$ (1,038)</u>

CITY AND COUNTY OF HONOLULU  
**PAUHI PROJECT EXPENDITURES, HAWAII R-15 FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSET</u>		
Cash and investments:		
With Treasury .....	\$ 990	\$ 973
Total Asset .....	\$ 990	\$ 973
<u>FUND BALANCE</u>		
Fund Balance:		
Restricted .....	\$ 990	\$ 973
Total Fund Balance .....	\$ 990	\$ 973

CITY AND COUNTY OF HONOLULU  
**PAUAAHI PROJECT EXPENDITURES, HAWAII R-15 FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest .....	\$       --	\$       17	\$       17
Total Revenue .....	--	17	17
Unreserved - Undesignated Fund Balance - July 1 .....	964	973	9
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$     964	990	\$     26
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		--	
Expenditures - prior year encumbrances .....		--	
Increase in reserved for encumbrances .....		--	
Unreserved - Undesignated Fund Balance - June 30 .....		990	
Reserved for Encumbrances - June 30 .....		--	
Fund Balance - June 30 (GAAP Basis) .....		\$     990	

CITY AND COUNTY OF HONOLULU  
**PAUahi PROJECT EXPENDITURES, HAWAII R-15 FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
INTEREST:			
Interest Earnings:			
Investments .....	\$           --	\$           17	\$           17
	<u>                  </u>	<u>                  </u>	<u>                  </u>
TOTAL PAUahi PROJECT EXPENDITURES, HAWAII R-15 FUND .....	<u>\$           --</u>	<u>\$           17</u>	<u>\$           17</u>

CITY AND COUNTY OF HONOLULU  
HOUSING AND COMMUNITY DEVELOPMENT  
SECTION 8 CONTRACT FUND  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<u>ASSETS</u>		
Cash and investments:		
With Treasury .....	\$ 6,972	\$ 6,030
Receivables:		
Accounts (net of allowance for uncollectibles) .....	119	131
Loans .....	3,648	3,648
Intergovernmental .....	72	73
Payroll advance .....	47	59
Total Assets .....	\$ 10,858	\$ 9,941
<u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Accounts payable .....	\$ 135	\$ 89
Due to other fund:		
General Fund .....	163	118
Accrued payroll .....	101	110
Total Liabilities .....	399	317
Deferred Inflow:		
Deferred inflow .....	3,838	3,852
Total Deferred Inflow .....	3,838	3,852
Fund Balance:		
Restricted .....	6,621	5,772
Total Fund Balance .....	6,621	5,772
Total Liabilities, Deferred Inflow and Fund Balance .....	\$ 10,858	\$ 9,941

CITY AND COUNTY OF HONOLULU  
**HOUSING AND COMMUNITY DEVELOPMENT**  
**SECTION 8 CONTRACT FUND**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Amounts in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Final Variance Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental .....	\$ 54,197	\$ 60,557	\$ 60,321	\$ (236)
Miscellaneous:				
Interest .....	--	--	128	128
Other .....	--	--	23	23
Total Revenues .....	<u>54,197</u>	<u>60,557</u>	<u>60,472</u>	<u>(85)</u>
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services .....	150	150	93	57
Human services:				
Community Services .....	<u>54,042</u>	<u>60,402</u>	<u>60,250</u>	<u>152</u>
Total Expenditures .....	<u>54,192</u>	<u>60,552</u>	<u>60,343</u>	<u>209</u>
Revenues over Expenditures .....	5	5	129	124
Unreserved - Undesignated Fund Balance - July 1 .....	--	--	<u>(778)</u>	<u>(778)</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 5</u>	<u>\$ 5</u>	(649)	<u>\$ (654)</u>
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above .....			734	
Expenditures - prior year encumbrances .....			(14)	
Increase in reserved for encumbrances .....			<u>(700)</u>	
Unreserved - Undesignated Fund Balance - June 30 .....			(629)	
Reserved for Encumbrances - June 30 .....			<u>7,250</u>	
Fund Balance - June 30 (GAAP Basis) .....			<u>\$ 6,621</u>	

CITY AND COUNTY OF HONOLULU  
**HOUSING AND COMMUNITY DEVELOPMENT**  
**SECTION 8 CONTRACT FUND**  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Amounts in thousands)

<u>Source of Revenues</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<b><u>INTERGOVERNMENTAL</u></b>				
<b>FEDERAL GRANTS:</b>				
Section 8 Grants:				
Moderate Rehabilitation Program, (001) .....	\$ 229	\$ 229	\$ --	\$ (229)
Existing Housing Voucher Program .....	52,499	58,859	58,962	103
Mainstream Voucher .....	<u>1,469</u>	<u>1,469</u>	<u>1,359</u>	<u>(110)</u>
<b>TOTAL INTERGOVERNMENTAL .....</b>	<b><u>54,197</u></b>	<b><u>60,557</u></b>	<b><u>60,321</u></b>	<b><u>(236)</u></b>
<b><u>MISCELLANEOUS</u></b>				
<b>INTEREST:</b>				
Interest Earnings:				
Investments .....	--	--	72	72
Other Sources .....	<u>--</u>	<u>--</u>	<u>56</u>	<u>56</u>
<b>Total Interest .....</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>128</u></b>	<b><u>128</u></b>
<b>OTHER MISCELLANEOUS:</b>				
Other:				
Escheats .....	--	--	17	17
Sundry Refunds .....	--	--	5	5
Vacation Accumulation Deposits .....	<u>--</u>	<u>--</u>	<u>1</u>	<u>1</u>
<b>Total Other Miscellaneous .....</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>23</u></b>	<b><u>23</u></b>
<b>TOTAL MISCELLANEOUS .....</b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>151</u></b>	<b><u>151</u></b>
<b>TOTAL HOUSING AND COMMUNITY DEVELOPMENT SECTION 8 CONTRACT FUND REVENUES.....</b>	<b><u>\$ 54,197</u></b>	<b><u>\$ 60,557</u></b>	<b><u>\$ 60,472</u></b>	<b><u>\$ (85)</u></b>

CITY AND COUNTY OF HONOLULU  
**LEASEHOLD CONVERSION FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSET</u>		
Cash and investments:		
With Treasury .....	\$ 179	\$ 175
Total Asset .....	\$ 179	\$ 175
<u>DEFERRED INFLOW AND FUND BALANCE</u>		
Deferred Inflow:		
Deferred inflow .....	\$ 42	\$ 42
Total Deferred Inflow .....	42	42
Fund Balance:		
Committed .....	137	133
Total Fund Balance .....	137	133
Total Deferred Inflow and Fund Balance .....	\$ 179	\$ 175

CITY AND COUNTY OF HONOLULU  
**LEASEHOLD CONVERSION FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest .....	\$       --	\$        4	\$        4
Total Revenue .....	--	4	4
Unreserved - Undesignated Fund Balance - July 1 .....	121	123	2
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$    121	127	\$       6
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		--	
Expenditures - prior year encumbrances .....		--	
Increase in reserved for encumbrances .....		--	
Unreserved - Undesignated Fund Balance - June 30 .....		127	
Reserved for Encumbrances - June 30 .....		10	
Fund Balance - June 30 (GAAP Basis) .....		\$    137	

CITY AND COUNTY OF HONOLULU  
**LEASEHOLD CONVERSION FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments .....	\$           --	\$           4	\$           4
	<hr/>	<hr/>	<hr/>
TOTAL LEASEHOLD CONVERSION FUND ...	<u>\$           --</u>	<u>\$           4</u>	<u>\$           4</u>

CITY AND COUNTY OF HONOLULU  
 REVOLVING FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Totals	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>ASSET</u>				
Cash and investments:				
With Treasury .....	\$ 1,962	\$ 232	\$ 2,194	\$ 2,190
Total Asset .....	<u>\$ 1,962</u>	<u>\$ 232</u>	<u>\$ 2,194</u>	<u>\$ 2,190</u>
 <u>FUND BALANCES</u>				
Fund Balances:				
Committed .....	\$ 1,962	\$ 232	\$ 2,194	\$ 2,190
Total Fund Balances .....	<u>\$ 1,962</u>	<u>\$ 232</u>	<u>\$ 2,194</u>	<u>\$ 2,190</u>

CITY AND COUNTY OF HONOLULU  
 REVOLVING FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
 (Amounts in thousands)

	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Totals	
			<u>2019</u>	<u>2018</u>
Revenue:				
Miscellaneous:				
Interest .....	\$ --	\$ 4	\$ 4	\$ 2
Total Revenue .....	--	4	4	2
Fund Balances - July 1 .....	<u>1,962</u>	<u>228</u>	<u>2,190</u>	<u>2,188</u>
Fund Balances - June 30 .....	<u>\$ 1,962</u>	<u>\$ 232</u>	<u>\$ 2,194</u>	<u>\$ 2,190</u>

CITY AND COUNTY OF HONOLULU  
**GENERAL OBLIGATION BOND AND INTEREST REDEMPTION FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSETS</u>		
Cash and investments:		
With Treasury .....	\$ 45,915	\$ 30,193
With fiscal agents .....	41,839	42,641
Due from other fund:		
General Improvement Bond Fund .....	5	--
Advance to component unit .....	553,134	420,313
Total Assets .....	\$ 640,893	\$ 493,147
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Interest payable - matured .....	\$ 135	\$ 332
Bonds payable - matured .....	174	174
Total Liabilities .....	309	506
Fund Balance:		
Committed .....	640,584	492,641
Total Fund Balance .....	640,584	492,641
Total Liabilities and Fund Balance .....	\$ 640,893	\$ 493,147

CITY AND COUNTY OF HONOLULU  
**GENERAL OBLIGATION BOND AND INTEREST REDEMPTION FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
Revenues:		
Miscellaneous:		
Recoveries:		
Honolulu Authority for Rapid Transportation .....	\$ 9,737	\$ 6,961
Other:		
Interest .....	683	318
Total Revenues .....	10,420	7,279
Expenditures:		
Tax exempt commercial paper:		
Principal .....	50,000	20,000
Interest .....	2,658	1,942
Notes payable:		
Principal .....	244	237
Interest .....	33	42
General obligation bonds:		
Principal .....	142,554	142,527
Interest .....	114,037	97,462
Bond issuance costs .....	1,820	1,785
Total Expenditures .....	311,346	263,995
Revenues under Expenditures .....	(300,926)	(256,716)
Other Financing Sources (Uses):		
Issuance of tax exempt commercial paper .....	50,000	120,000
Issuance of general obligation bonds .....	126,785	350,000
Bond premium .....	24,539	--
Issuance of refunding bonds .....	124,054	166,521
Bond premium on refunding bonds .....	20,594	30,058
Bond discount on refunding bonds .....	(141)	(205)
Transfers from other funds:		
General Fund - Principal .....	142,798	142,764
General Fund - Interest .....	104,240	93,038
Payment to escrow agent for refunding of tax exempt commercial paper .....	(144,000)	(80,000)
Payment to escrow agent for refunding of general obligation bonds .....	--	(152,819)
Total Other Financing Sources (Uses) .....	448,869	669,357
Revenues and Other Financing Sources over Expenditures and Other Uses ....	147,943	412,641
Fund Balances - July 1 .....	492,641	80,000
Fund Balances - June 30 .....	\$ 640,584	\$ 492,641

CITY AND COUNTY OF HONOLULU  
**IMPROVEMENT DISTRICT BOND AND INTEREST REDEMPTION FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

<u>ASSETS</u>	2019	2018
Cash and investments:		
With Treasury .....	\$ 172	\$ 171
Receivables:		
Special assessments - current .....	1	3
Special assessments - non-current .....	1	1
Total Assets .....	\$ 174	\$ 175
<u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Interest payable - matured .....	\$ 3	\$ 4
Bonds payable - matured .....	5	5
Total Liabilities .....	8	9
Deferred Inflow:		
Deferred inflow .....	1	1
Total Deferred Inflow .....	1	1
Fund Balance:		
Committed .....	165	165
Total Fund Balance .....	165	165
Total Liabilities, Deferred Inflow and Fund Balance .....	\$ 174	\$ 175

CITY AND COUNTY OF HONOLULU  
**IMPROVEMENT DISTRICT BOND AND INTEREST REDEMPTION FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
Revenues:		
Special assessments .....	\$ 3	\$ 1
Total Revenues .....	3	1
Other Financing Use:		
Transfer to other fund:		
Capital Projects Fund .....	(3)	(1)
Revenues over Other Use .....	--	--
Fund Balances - July 1 .....	165	165
Fund Balances - June 30 .....	\$ 165	\$ 165

CITY AND COUNTY OF HONOLULU  
**GENERAL IMPROVEMENT BOND FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 26,345	\$ 11,932
Receivable:		
Payroll advance .....	9	11
Due from other fund:		
Highway Fund .....	1	--
Total Assets .....	\$ 26,355	\$ 11,943
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 12,220	\$ 17,677
Due to other funds:		
General Fund .....	40,000	20,000
General Obligation Bond and Interest Redemption Fund .....	5	--
Accrued payroll .....	6	6
Total Liabilities .....	52,231	37,683
Fund Balance:		
Unassigned .....	(25,876)	(25,740)
Total Fund Balance .....	(25,876)	(25,740)
Total Liabilities and Fund Balance .....	\$ 26,355	\$ 11,943

CITY AND COUNTY OF HONOLULU  
**GENERAL IMPROVEMENT BOND FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
Expenditures:		
Current:		
General government .....	\$ 152	\$ 709
Public safety .....	1,711	515
Highways and streets .....	145	142
Human services .....	5	133
Culture-recreation .....	1,413	942
Utilities or other enterprises .....	44,005	--
Capital outlay:		
General government .....	41,769	14,796
Public safety .....	28,241	19,675
Highways and streets .....	3,300	610
Human services .....	19,822	22,295
Culture-recreation .....	31,237	31,814
Utilities or other enterprises .....	338	--
Total Expenditures .....	<u>172,138</u>	<u>91,631</u>
Revenue under Expenditures .....	<u>(172,138)</u>	<u>(91,631)</u>
Other Financing Sources (Use):		
Issuance of tax exempt commercial paper .....	44,000	--
Issuance of general obligation bonds .....	113,634	65,458
Bond premium .....	14,482	10,547
Bond discount .....	(114)	--
Total Other Financing Sources (Use) .....	<u>172,002</u>	<u>76,005</u>
Revenue and Other Sources under Expenditures .....	<u>(136)</u>	<u>(15,626)</u>
Fund Balance - July 1 .....	<u>(25,740)</u>	<u>(10,114)</u>
Fund Balance - June 30 .....	<u>\$ (25,876)</u>	<u>\$ (25,740)</u>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY IMPROVEMENT BOND FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<b><u>ASSET</u></b>		
Cash and investments:		
With Treasury .....	\$ 100,371	\$ 36,952
Total Asset .....	\$ 100,371	\$ 36,952
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 39,447	\$ 28,685
Due to other fund:		
General Fund .....	--	30,000
Accrued payroll .....	4	4
Total Liabilities .....	39,451	58,689
Fund Balance:		
Committed .....	60,920	--
Unassigned .....	--	(21,737)
Total Fund Balance .....	60,920	(21,737)
Total Liabilities and Fund Balance .....	\$ 100,371	\$ 36,952

CITY AND COUNTY OF HONOLULU  
**HIGHWAY IMPROVEMENT BOND FUND**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
Revenue:		
Miscellaneous:		
Other .....	\$ 117	\$ --
Total Revenue .....	117	--
Expenditures:		
Current:		
General government .....	--	3
Public safety .....	149	846
Highways and streets .....	8,240	2,235
Utilities or other enterprises .....	3,666	2,548
Capital outlay:		
General government .....	1,128	1,932
Public safety .....	1,416	568
Highways and streets .....	83,474	115,908
Utilities or other enterprises .....	4,390	3,739
Total Expenditures .....	102,463	127,779
Revenue under Expenditures .....	(102,346)	(127,779)
Other Financing Sources (Use):		
Issuance of general obligation bonds .....	164,237	149,863
Bond premium .....	20,931	24,146
Bond discount .....	(165)	--
Total Other Financing Sources (Use) .....	185,003	174,009
Revenue and Other Sources over Expenditures and Other Use.....	82,657	46,230
Fund Balance - July 1 .....	(21,737)	(67,967)
Fund Balance - June 30 .....	\$ 60,920	\$ (21,737)

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS CAPITAL PROJECTS FUND**  
BALANCE SHEET  
JUNE 30, 2019  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
(Amounts in thousands)

	2019	2018
<b><u>ASSETS</u></b>		
Cash and investments:		
With Treasury .....	\$ 13,706	\$ 12,513
Receivables:		
Loans (net of allowance for uncollectibles) .....	54,314	54,557
Intergovernmental .....	4,743	1,572
Due from other fund:		
Federal Grants Fund Fund .....	8	--
Total Assets .....	\$ 72,771	\$ 68,642
<b><u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable .....	\$ 4,412	\$ 122
Accrued payroll .....	2	2
Total Liabilities .....	4,414	124
Deferred Inflow:		
Deferred inflow .....	54,314	54,557
Total Deferred Inflow .....	54,314	54,557
Fund Balance:		
Restricted .....	14,043	13,961
Total Fund Balance .....	14,043	13,961
Total Liabilities, Deferred Inflow and Fund Balance .....	\$ 72,771	\$ 68,642

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS CAPITAL PROJECTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
 (Amounts in thousands)

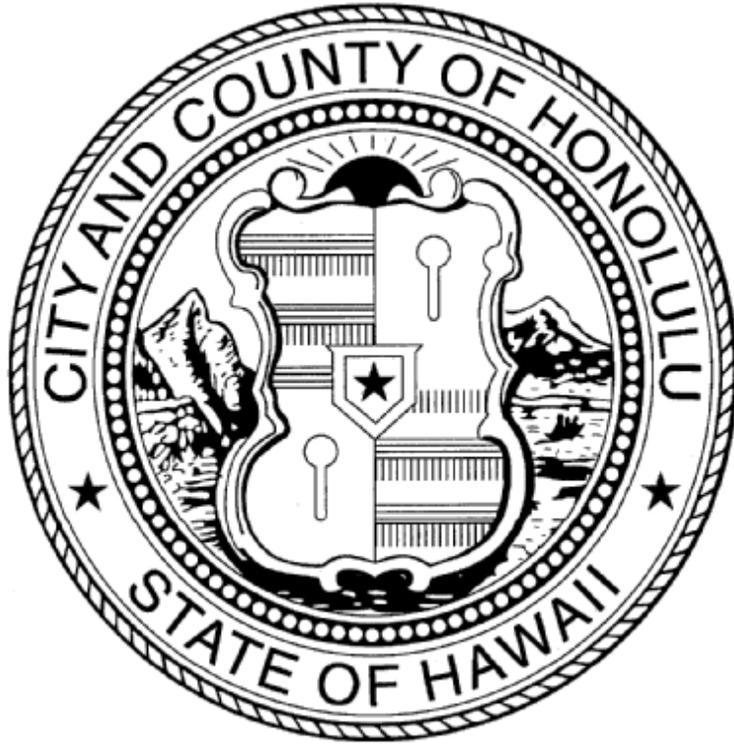
	2019	2018
<b>Revenues:</b>		
Intergovernmental .....	\$ 19,572	\$ 16,297
Miscellaneous:		
Other .....	9	1
<b>Total Revenues</b> .....	<b>19,581</b>	<b>16,298</b>
<b>Expenditures:</b>		
<b>Current:</b>		
Public safety .....	49	60
Human services .....	2,699	2,973
Utilities or other enterprises .....	9,792	6,390
<b>Capital outlay:</b>		
Public safety .....	162	378
Highways and streets .....	66	540
Utilities or other enterprises .....	6,731	3,722
<b>Total Expenditures</b> .....	<b>19,499</b>	<b>14,063</b>
<b>Revenues over Expenditures</b> .....	82	2,235
Fund Balance - July 1 .....	13,961	11,726
Fund Balance - June 30 .....	\$ 14,043	\$ 13,961

CITY AND COUNTY OF HONOLULU  
**CAPITAL PROJECTS FUND**  
 BALANCE SHEET  
 JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
<u>ASSET</u>		
Cash and investments:		
With Treasury .....	\$ 13,773	\$ 14,840
Total Asset .....	\$ 13,773	\$ 14,840
<u>FUND BALANCE</u>		
Fund Balance:		
Restricted .....	\$ 13,773	\$ 14,840
Total Fund Balance .....	\$ 13,773	\$ 14,840

CITY AND COUNTY OF HONOLULU  
**CAPITAL PROJECTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2018  
 (Amounts in thousands)

	2019	2018
Revenue:		
Intergovernmental .....	\$ --	\$ 292
Total Revenues .....	--	292
Expenditures:		
Current:		
General government .....	53	--
Public Safety .....	35	22
Highways and streets .....	806	--
Sanitation .....	--	82
Culture-recreation .....	1	--
Capital outlay:		
Public safety .....	175	--
Total Expenditures .....	1,070	104
Revenue over (under) Expenditures .....	(1,070)	188
Other Financing Source:		
Transfer from other fund:		
Improvement District Bond and Interest Redemption Fund .....	3	1
Total Other Financing Source .....	3	1
Revenue and Other Source over (under) Expenditures.....	(1,067)	189
Fund Balance - July 1 .....	14,840	14,651
Fund Balance - June 30 .....	\$ 13,773	\$ 14,840



**STATISTICAL SECTION  
(Unaudited)**

# STATISTICAL SECTION

(Unaudited)

The information in this section is not covered by the Report of Independent Auditors but is presented as supplemental data for the benefit of the readers of the comprehensive annual financial report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to better understand and assess the overall financial health of the City.

**CONTENTS:** Page

**Financial Trends** .....261

Tables 1 to 4 contain trend information to help the reader understand how the financial performance and well-being of the City have changed over time.

**Revenue Capacity** .....266

Tables 5 to 7 contain trend information to help the reader review real property tax, the most significant local revenue source of the City.

**Debt Capacity** .....270

Tables 8 to 11 present information to help the reader assess the affordability of the current levels of outstanding debt of the City and its ability to issue additional debt in the future.

**Demographic and Economic Information** .....277

Tables 12 to 14 offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

**Operating Information** .....282

Tables 15 to 16 contain service and infrastructure data to help the reader understand how the information in the financial report of the City relates to the services the City provides and the activities it performs.

TABLE 1  
CITY AND COUNTY OF HONOLULU  
NET POSITION BY COMPONENT  
FISCAL YEARS 2010 - 2019  
(Amounts in thousands)  
(Unaudited)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Governmental activities</b>										
Net investment in capital assets	\$ 256,353	\$ 308,647	\$ 325,818	\$ 177,798	\$ 161,115	\$ 208,205	\$ 101,107	\$ 118,289	\$ 500,169	\$ 389,308
Restricted	640,749	492,806	165	165	166	13	168	169	170	173
Unrestricted	(3,417,838)	(3,211,958)	(1,503,882)	(1,171,866)	(1,094,601)	21,467	145,412	69,474	551,180	523,206
Total governmental activities net position	(2,520,736)	(2,410,505)	(1,177,899)	(993,903)	(933,320)	229,685	246,687	187,932	1,051,519	912,687
<b>Business-type activities</b>										
Net investment in capital assets	1,315,261	1,208,491	1,225,731	1,117,427	1,011,958	900,120	837,381	808,975	725,532	690,697
Restricted	259,977	260,091	165,226	174,514	181,029	178,187	177,890	171,010	158,662	144,307
Unrestricted	869,210	775,038	814,948	693,728	562,191	620,571	579,850	513,990	408,635	295,240
Total business-type activities net position	2,444,448	2,243,620	2,205,905	1,985,669	1,755,178	1,698,878	1,595,121	1,493,975	1,292,829	1,130,244
<b>Primary government</b>										
Net investment in capital assets	1,571,614	1,517,138	1,551,549	1,295,225	1,173,073	1,108,325	938,488	927,264	1,225,701	1,080,005
Restricted	900,726	752,897	165,391	174,679	181,195	178,200	178,058	171,179	158,832	144,480
Unrestricted	(2,548,628)	(2,436,920)	(688,934)	(478,138)	(532,410)	642,038	725,262	583,464	959,815	818,446
Total primary government net position	(76,288)	(166,885)	1,028,006	991,766	821,858	1,928,563	1,841,808	1,681,907	2,344,348	2,042,931

Notes: For fiscal year 2014, the restatements disclosed in the Notes to the Financial Statement 1 and 11 are not reflected in the above table for 2013 and 2012.

Amounts prior to fiscal year 2014 have not been restated for GASB Statement No. 65.

Amounts prior to fiscal year 2015 have not been restated for GASB Statement Nos. 68 and 71 and other restatements recorded.

Amounts prior to fiscal year 2017 have not been restated for GASB 82.

Amounts prior to fiscal year 2018 have not been restated for GASB 75.

Amounts prior to fiscal year 2019 have not been restated for GASB 83.

TABLE 2  
CITY AND COUNTY OF HONOLULU  
CHANGES IN NET POSITION  
FISCAL YEARS 2010-2019  
(Amounts in thousands)  
(Unaudited)

	Fiscal Year					Fiscal Year				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Expenses</b>										
Governmental activities:										
General government.....	774,499	779,702	733,242	\$ 571,486	\$ 487,753	\$ 482,303	\$ 468,295	\$ 497,328	\$ 455,874	\$ 392,893
Public safety.....	524,312	492,692	482,925	485,908	442,822	418,904	393,224	407,275	390,780	374,791
Highways and streets.....	98,418	71,271	71,282	68,050	50,831	47,620	38,683	100,883	46,315	30,418
Sanitation.....	264	254	1,033	3,708	3,822	3,773	4,298	4,451	5,292	3,244
Human services.....	116,412	127,631	98,516	97,550	90,965	91,546	82,806	94,213	80,647	95,437
Culture and recreation.....	134,774	127,937	122,453	124,917	109,127	108,128	106,457	124,939	91,944	106,081
Utilities or other enterprises.....	79,848	34,531	45,333	55,311	60,032	35,876	84,856	38,847	79,969	52,700
Interest.....	102,230	86,956	72,528	90,219	80,126	85,774	76,914	93,079	91,583	88,959
Total governmental activities expenses	1,830,757	1,726,974	1,627,312	1,467,149	1,325,478	1,273,924	1,255,533	1,361,015	1,242,404	1,144,523
Business-type activities:										
Housing.....	12,288	12,182	13,062	11,554	11,562	15,928	11,728	12,221	14,481	13,220
Sewer.....	300,324	281,183	248,825	239,711	252,448	276,958	260,806	237,673	209,625	197,643
Solid Waste.....	215,436	207,239	204,258	191,005	174,651	190,254	166,160	166,078	163,534	159,187
Public Transportation.....	287,876	276,209	262,397	255,718	250,925	238,832	239,351	226,614	221,211	209,847
Total business-type activities expenses	815,924	776,813	728,542	697,988	689,586	721,972	678,045	642,586	608,851	579,897
Total primary government expenses	2,646,681	2,503,787	2,355,854	2,165,137	2,015,064	1,995,896	1,933,578	2,003,601	1,851,255	1,724,420
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government.....	264,130	230,852	201,583	200,705	199,034	194,435	194,451	191,634	165,620	139,925
Public safety.....	48,372	44,372	44,686	41,946	40,765	41,761	39,729	40,188	38,582	40,089
Highways and streets.....	316	88	169	195	183	1,541	347	1,077	2,205	2,447
Sanitation.....	--	--	--	--	3	10	49	51	161	21
Human services.....	442	450	460	384	521	837	405	503	1,008	180
Culture and recreation.....	35,181	33,051	31,748	30,349	29,384	30,586	29,100	28,730	25,803	26,714
Utilities.....	4,296	3,816	3,183	1,925	1,922	1,066	863	946	201	17
Operating grants and contributions.....	134,421	135,495	125,894	121,866	141,940	150,414	116,412	122,066	111,419	123,389
Capital grants and contributions.....	19,331	16,144	28,517	41,315	9,758	13,483	54,201	55,393	64,988	48,461
Total governmental activities program revenues	506,489	464,268	436,240	438,685	423,510	434,143	435,557	440,588	409,987	381,243
Business-type activities:										
Charges for services:										
Housing.....	10,988	11,346	11,791	11,047	11,247	22,146	10,434	10,628	9,483	10,275
Sewer.....	466,065	459,636	463,862	426,540	402,472	385,333	377,970	378,199	347,038	308,407
Solid Waste.....	144,356	133,112	143,096	124,996	126,990	126,305	118,658	118,943	108,402	97,351
Public Transportation.....	57,567	56,967	54,057	55,472	57,189	57,187	57,049	56,796	53,657	47,638
Operating grants and contributions.....	21,000	21,000	21,000	21,000	26,862	21,525	27,279	21,026	21,441	21,017
Capital grants and contributions.....	16,052	7,201	18,332	39,914	25,754	14,810	26,894	58,643	33,067	32,329
Total business-type activities program revenues	716,038	689,262	712,138	678,969	650,524	637,306	618,284	644,235	573,088	517,017
Total primary government program revenues	1,222,527	1,153,530	1,148,378	1,117,654	1,074,034	1,071,449	1,053,841	1,084,823	983,075	898,260
<b>Net Revenue (Expense)</b>										
Governmental activities.....	(1,324,268)	(1,262,706)	(1,191,072)	(1,028,464)	(901,968)	(839,781)	(819,976)	(920,427)	(832,417)	(763,280)
Business-type activities.....	(99,886)	(87,551)	(16,404)	(19,019)	(39,062)	(84,666)	(59,761)	1,649	(35,763)	(62,880)
Total primary government net expense	(1,424,154)	(1,350,257)	(1,207,476)	(1,047,483)	(941,030)	(924,447)	(879,737)	(918,778)	(868,180)	(826,160)

TABLE 2  
CITY AND COUNTY OF HONOLULU  
CHANGES IN NET POSITION  
FISCAL YEARS 2010-2019  
(Amounts in thousands)  
(Unaudited)

(Page 2 of 2)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
General revenues:										
Property taxes.....	\$ 1,288,664	\$ 1,187,842	\$ 1,099,948	\$ 1,015,861	\$ 950,387	\$ 849,401	\$ 825,518	\$ 799,260	\$ 804,311	\$ 853,426
Public service company tax.....	41,182	35,234	42,225	48,273	50,939	53,108	52,444	47,842	37,999	49,393
Fuel tax.....	51,140	51,790	42,992	52,764	50,503	51,424	53,825	49,220	52,298	47,639
Public utility franchise tax.....	46,615	45,207	36,056	40,967	57,555	55,259	57,514	60,475	44,801	34,312
Investment earnings.....	21,336	8,192	2,684	1,893	454	553	539	336	492	457
Unrestricted grants and contributions.....	45,538	45,494	45,429	45,413	45,521	41,062	41,062	41,042	224,506	197,519
General Excise Tax Surcharge.....	7,262	7,546	8,232	8,442	6,359	5,526	7,095	6,287	3,960	4,053
Other.....	--	--	--	--	--	--	--	--	--	--
Special item:										
Contribution to component unit.....	--	--	--	--	(229,939)	(219,158)	(159,266)	(198,316)	(197,118)	(200,369)
Transfers.....	(274,070)	(242,869)	(233,326)	(245,732)	931,779	837,173	878,731	56,840	971,249	986,430
Total governmental activities	1,227,667	1,138,436	1,053,240	967,881	931,779	837,173	878,731	56,840	971,249	986,430
Business-type activities:										
General revenues:										
Investment earnings.....	36,811	15,525	8,305	3,778	1,274	1,430	1,641	1,181	1,230	1,078
Transfers.....	274,070	242,869	233,326	245,732	229,939	219,158	159,266	198,316	197,118	200,369
Total business-type activities	310,881	258,394	241,631	249,510	231,213	220,588	160,907	199,497	198,348	201,447
Total primary government	\$ 1,538,548	\$ 1,396,830	\$ 1,294,871	\$ 1,217,391	\$ 1,162,992	\$ 1,057,761	\$ 1,039,638	\$ 256,337	\$ 1,169,597	\$ 1,187,877
<b>Changes in Net Position</b>										
Governmental activities:										
Prior period adjustments:										
General government.....	(13,630)	(1,108,336)	(46,164)	--	--	(13,247)	--	--	--	--
Highways and streets.....	--	--	--	--	--	(1,052)	--	--	--	--
Other governmental.....	--	--	--	--	--	(95)	--	--	--	--
Total governmental activities	(110,231)	(1,232,606)	(183,996)	(60,583)	29,811	(17,002)	58,755	(863,587)	138,832	223,150
Business-type activities:										
Prior period adjustments:										
Housing.....	210,995	170,843	225,227	230,491	192,151	135,922	101,146	201,146	162,585	138,567
Sewer.....	(6,241)	(77,725)	(2,984)	--	--	(158)	--	--	--	--
Solid Waste.....	--	(52,927)	(1,922)	--	(92,919)	(29,354)	--	--	--	--
Public Transportation.....	(3,926)	(2,476)	(85)	--	16,888	(2,653)	--	--	--	--
Total business-type activities	200,828	37,715	220,236	230,491	56,300	103,757	101,146	201,146	162,585	138,567
Total primary government changes in net position	\$ 90,597	\$ (1,194,891)	\$ 36,240	\$ 169,908	\$ 86,111	\$ 86,755	\$ 159,901	\$ (662,441)	\$ 301,417	\$ 361,717

Notes: For fiscal year 2014, the restatements disclosed are not reflected in the above total for 2013 and 2012.

Amounts prior to fiscal year 2014 have not been restated for GASB Statement No. 65.

Amounts prior to fiscal year 2015 have not been restated for GASB Statement Nos. 68 and 71 and other restatements recorded.

Amounts prior to fiscal year 2017 have not been restated for GASB Statement No. 82.

Amounts prior to fiscal year 2018 have not been restated for GASB Statement No. 75.

Amounts prior to fiscal year 2019 have not been restated for GASB Statement No. 83.

TABLE 3  
CITY AND COUNTY OF HONOLULU  
FUND BALANCES, GOVERNMENTAL FUNDS  
FISCAL YEARS 2010 - 2019  
(Modified accrual basis of accounting)  
(Amounts in thousands)  
(Unaudited)

	Post-GASB 54 Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013 (a)	2012 (a)	2011	2010
<b>General Fund</b>										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 25
Restricted										
Committed	131,662	121,135	112,266	110,329	79,270	68,401	50,256	32,601	32,596	82,697
Assigned	77,711	81,709	74,155	65,124	74,282	54,880	55,384	58,215	51,961	45,965
Unassigned	216,276	172,376	139,925	140,022	170,024	185,568	228,382	159,042	158,668	104,053
Total General Fund	\$ 425,649	\$ 375,220	\$ 326,346	\$ 315,475	\$ 323,576	\$ 308,849	\$ 334,022	\$ 249,858	\$ 243,225	\$ 232,740
<b>All Other Governmental Funds</b>										
Restricted	\$ 203,006	174,531	182,225	\$ 198,063	201,439	\$ 182,159	\$ 165,373	\$ 161,708	\$ 136,708	\$ 115,936
Committed	725,347	510,761	20,185	28,532	231,614	16,662	138,158	18,752	482,563	413,640
Unassigned	(25,876)	(47,477)	(78,081)	(2,187)	--	(66,836)	--	(1,611)	(4,855)	--
Total all Other Governmental Funds	\$ 902,477	\$ 637,815	\$ 124,329	\$ 224,408	\$ 433,053	\$ 131,985	\$ 303,531	\$ 178,849	\$ 614,416	\$ 529,576

Note: In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governmental fund balances are classified as Nonspendable, Restricted, Committed, Assigned, or Unassigned only for fiscal years 2010 - 2019 for comparison purposes.

Pre-GASB 54 Fiscal Year 2010	
<b>General Fund</b>	
Reserved	\$ 45,965
Unreserved	104,053
Total General Fund	150,018
<b>All Other Governmental Funds</b>	
Reserved	1,980,381
Unreserved, reported in:	
Special revenue funds	122,166
Capital projects funds	(1,490,249)
Total all other Governmental Funds	612,298
<b>TOTAL FUND BALANCES</b>	\$ 762,316

Note:

(a) In fiscal year end June 30, 2014, the restatements disclosed in the respective Notes to the Financial Statements 1 and 11 are not reflected in the above table for 2013 and 2012.

TABLE 4  
CITY AND COUNTY OF HONOLULU  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
FISCAL YEARS 2010 - 2019  
(Modified accrual basis of accounting)  
(Amounts in thousands)  
(Unaudited)

	Fiscal Year									
	2019	2018	2017 (c)	2016	2015	2014	2013 (b)	2012 (b)	2011	2010
<b>Revenues:</b>										
Taxes.....	\$ 1,428,167	\$ 1,317,905	\$ 1,233,030	\$ 1,162,021	\$ 1,109,836	\$ 1,011,072	\$ 994,105	\$ 964,167	\$ 934,557	\$ 986,828
Special assessments.....	3	1	3	4	5	5	15	17	8	18
Licenses and permits.....	233,552	202,456	183,126	181,696	177,867	173,233	166,135	161,492	151,581	126,208
Intergovernmental.....	196,913	193,864	196,166	206,181	189,868	201,624	205,496	233,499	395,316	362,399
Charges for services.....	36,987	36,117	34,232	32,998	34,066	33,150	31,813	30,679	28,007	27,714
Fines and forfeits.....	1,387	968	920	970	973	927	831	541	766	755
Miscellaneous:										
Reimbursements and recoveries.....	63,227	57,646	53,034	47,038	46,909	46,282	44,420	46,801	42,136	41,397
Interest.....	23,922	10,247	3,867	2,261	521	596	612	394	935	855
Other.....	29,784	29,783	26,434	24,337	27,313	30,033	28,133	30,790	37,064	26,029
<b>Total Revenues.....</b>	<b>2,013,942</b>	<b>1,848,987</b>	<b>1,730,812</b>	<b>1,657,506</b>	<b>1,587,358</b>	<b>1,496,922</b>	<b>1,471,560</b>	<b>1,468,380</b>	<b>1,590,370</b>	<b>1,572,203</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government.....	192,755	187,390	180,019	170,516	166,414	167,707	155,304	155,044	149,994	159,713
Public safety.....	487,560	467,036	456,401	426,883	410,702	390,443	371,294	386,145	371,627	357,148
Highways and streets.....	43,798	32,723	33,774	28,376	26,193	22,658	18,696	17,336	16,781	21,774
Sanitation.....	240	236	1,015	3,685	3,822	3,907	4,203	4,514	3,863	2,959
Human services.....	103,769	114,340	98,392	97,293	90,973	92,127	74,089	72,544	71,606	78,391
Culture and recreation.....	107,397	101,718	94,737	94,610	88,415	86,537	82,664	79,547	73,087	81,859
Utilities or other enterprises.....	83,499	32,919	43,282	62,775	58,420	37,329	29,380	23,201	27,758	27,122
Miscellaneous:										
Retirement and health benefits.....	389,148	335,263	303,550	283,029	258,330	220,876	190,466	214,895	194,338	182,644
Other.....	30,880	35,430	30,802	27,884	26,013	29,687	61,228	27,146	23,792	23,806
<b>Capital Outlay:</b>										
General government.....	45,248	18,961	25,829	22,762	17,268	16,224	17,912	21,810	18,894	23,853
Public safety.....	33,696	24,427	25,229	29,179	34,980	34,725	29,956	34,070	28,966	20,987
Highways and streets.....	86,910	117,691	130,802	99,643	84,609	130,613	91,720	68,636	65,534	89,857
Sanitation.....	--	--	--	5	--	(95)	95	--	827	121
Human services.....	22,120	32,932	18,453	14,839	5,622	--	8,980	21,991	10,645	14,906
Culture-recreation.....	34,437	35,298	43,911	34,439	11,926	22,564	21,956	22,869	24,703	19,090
Utilities or other enterprises.....	11,469	7,461	29,623	18,081	3,107	2,452	31,265	49,337	181,012	127,681
<b>Debt service:</b>										
Principal.....	192,798	162,764	175,468	116,249	97,055	115,925	88,276	84,906	89,615	93,015
Interest.....	116,728	99,446	96,193	99,244	88,106	97,765	97,580	99,713	95,549	93,225
Bond issuance costs.....	1,820	1,785	687	--	2,052	--	2,125	--	--	--
<b>Total Expenditures.....</b>	<b>1,984,272</b>	<b>1,807,820</b>	<b>1,788,167</b>	<b>1,629,492</b>	<b>1,474,007</b>	<b>1,471,444</b>	<b>1,377,189</b>	<b>1,383,704</b>	<b>1,448,591</b>	<b>1,418,151</b>
Revenues over (under) Expenditures.....	29,670	41,167	(57,355)	28,014	113,351	25,478	94,371	84,676	141,779	154,052
<b>Other Financing Sources (Uses):</b>										
Issuance of general obligation bonds.....	404,656	565,321	134,925	--	280,845	11,152	191,296	131,206	100,734	30,254
Issuance of tax exempt commercial paper (TECP).....	94,000	120,000	130,000	--	100,000	--	45,000	--	50,000	20,000
Capital leases.....	--	--	--	--	--	--	--	1,302	--	--
Issuance of refunding bonds.....	124,054	166,521	87,090	--	517,146	--	642,942	149,328	50,366	61,192
Bond premium.....	59,952	64,751	34,398	--	125,943	--	85,737	19,747	--	5,122
Bond discount.....	(279)	(205)	(165)	--	(246)	--	(71,391)	(14,268)	(1,096)	(1,996)
Bond premium on refunding bonds.....	20,594	--	--	--	--	--	--	--	--	--
Bond discount on refunding bonds.....	(141)	--	--	--	--	--	--	--	--	--
Refunding of bonds and commercial paper.....	(144,000)	(232,819)	(94,592)	--	(546,799)	--	(621,449)	(155,506)	(50,000)	(64,318)
Loss on refunding of bonds.....	--	--	(10,963)	--	(44,822)	--	--	--	--	--
Sales of capital assets.....	655	493	780	972	316	203	1,606	181	660	581
Transfers in.....	459,345	423,502	400,233	415,385	338,450	371,055	340,224	320,463	495,790	477,351
Transfers out.....	(733,415)	(666,371)	(633,559)	(661,117)	(568,389)	(590,213)	(499,490)	(518,779)	(692,908)	(677,720)
<b>Total Other Financing Sources (Uses).....</b>	<b>285,421</b>	<b>441,193</b>	<b>48,147</b>	<b>(244,760)</b>	<b>202,444</b>	<b>(207,803)</b>	<b>114,475</b>	<b>(66,326)</b>	<b>(46,454)</b>	<b>(149,534)</b>
<b>Special Item:</b>										
Contribution to component unit.....	--	--	--	--	--	--	--	(447,284)	--	--
<b>Net change in fund balances.....</b>	<b>\$ 315,091</b>	<b>\$ 482,360</b>	<b>\$ (9,208)</b>	<b>\$ (216,746)</b>	<b>\$ 315,795</b>	<b>\$ (182,325)</b>	<b>\$ 208,846</b>	<b>\$ (428,934)</b>	<b>\$ 95,325</b>	<b>\$ 4,518</b>
<b>Debt service as a percentage of noncapital expenditures (a).....</b>										
	17.8%	16.8%	18.0%	15.3%	14.2%	16.9%	16.0%	19.2%	15.6%	16.8%

(a) The ratio for total debt service expenditures to noncapital expenditures is calculated based on the capital outlay used to match the statement of revenues, expenditures, and changes in fund balances.  
(b) For fiscal year end June 30, 2014, the restatements disclosed are not reflected in the above tables for 2013 and 2012.  
(c) As of June 30, 2017, the advances and repayments from component units reported as other financing sources (uses) have been restated as balance sheet transactions which resulted as an adjustment to the 2017 net position.

TABLE 5  
CITY AND COUNTY OF HONOLULU  
REAL PROPERTY ASSESSED VALUES BY CLASSIFICATION AND TAX RATES  
FISCAL YEARS 2010 - 2019  
(Amounts in thousands)  
(Unaudited)

(Page 1 of 2)

Fiscal Year	Class of Property (a)	Parcel Tax Rates Per \$1,000	Value of Net Taxable Real Property	
2019	Residential .....	\$ 3.50	\$ 159,413,159	
	Hotel/Resort .....	12.90	15,097,681	
	Commercial .....	12.40	19,734,369	
	Industrial .....	12.40	10,344,796	
	Agricultural .....	5.70	1,122,026	
	Vacant Agricultural .....	8.50	46,330	
	Preservation .....	5.70	548,498	
	Public Service .....	0.00	31	
	Residential A Tier 1 .....	4.50	11,911,610	
	Residential A Tier 2 .....	9.00	8,423,485	
		<b>Total .....</b>		<b><u>\$ 226,641,985</u></b>
	Fiscal year 2019 total direct tax rate	\$ 5.58		
2018	Residential .....	\$ 3.50	\$ 151,308,633	
	Hotel/Resort .....	12.90	13,060,028	
	Commercial .....	12.40	18,525,784	
	Industrial .....	12.40	9,597,471	
	Agricultural .....	5.70	1,042,709	
	Vacant Agricultural .....	8.50	50,802	
	Preservation .....	5.70	523,317	
	Public Service .....	0.00	30	
	Residential A .....	4.50	17,461,143	
		<b>Total .....</b>		<b><u>\$ 211,569,917</u></b>
		Fiscal year 2018 total direct tax rate	\$ 5.36	
2017	Residential .....	\$ 3.50	\$ 144,692,257	
	Hotel/Resort .....	12.90	11,348,555	
	Commercial .....	12.40	17,219,480	
	Industrial .....	12.40	9,141,609	
	Agricultural .....	5.70	996,002	
	Vacant Agricultural .....	8.50	50,310	
	Preservation .....	5.70	464,899	
	Public Service .....	0.00	37	
	Residential A .....	6.00	15,713,428	
		<b>Total .....</b>		<b><u>\$ 199,626,577</u></b>
		Fiscal year 2017 total direct tax rate	\$ 5.42	
2016	Residential .....	\$ 3.50	\$ 137,435,628	
	Hotel/Resort .....	12.90	9,841,920	
	Commercial .....	12.40	15,778,813	
	Industrial .....	12.40	8,521,155	
	Agricultural .....	5.70	989,887	
	Vacant Agricultural .....	8.50	60,689	
	Preservation .....	5.70	455,825	
	Public Service .....	0.00	1	
	Residential A .....	6.00	14,634,916	
		<b>Total .....</b>		<b><u>\$ 187,718,834</u></b>
		Fiscal year 2016 total direct tax rate	\$ 5.36	
2015	Residential .....	\$ 3.50	\$ 127,980,612	
	Hotel/Resort .....	12.90	8,193,857	
	Commercial .....	12.40	15,150,419	
	Industrial .....	12.40	8,153,174	
	Agricultural .....	5.70	1,130,465	
	Vacant Agricultural .....	8.50	79,546	
	Preservation .....	5.70	445,038	
	Public Service .....	0.00	1	
	Residential A .....	6.00	13,202,440	
		<b>Total .....</b>		<b><u>\$ 174,335,551</u></b>
		Fiscal year 2015 total direct tax rate	\$ 5.34	

NOTES:

Source: City and County of Honolulu, Department of Budget and Fiscal Services, Real Property Assessment Division.  
(a) Land and its buildings and other improvements are required to be reported as a single value effective July 1, 2003.

Assessed value is at 100% of market value.  
Property is reassessed annually.  
The City Council sets the tax rates annually.  
There are no overlapping property tax rates in the City and County of Honolulu.

TABLE 5  
CITY AND COUNTY OF HONOLULU  
REAL PROPERTY ASSESSED VALUES BY CLASSIFICATION AND TAX RATES  
FISCAL YEARS 2010 - 2019  
(Amounts in thousands)  
(Unaudited)

(Page 2 of 2)

Fiscal Year	Class of Property (a)	Parcel Tax Rates Per \$1,000	Value of Net Taxable Real Property
2014	Residential .....	\$ 3.50	\$ 127,060,389
	Hotel/Resort .....	12.40	7,848,202
	Commercial .....	12.40	14,696,801
	Industrial .....	12.40	8,005,590
	Agricultural .....	5.70	932,333
	Vacant Agricultural .....	8.50	92,805
	Preservation .....	5.70	457,307
	Public Service.....	0.00	2,300
	Total .....		<u>\$ 159,095,727</u>
Fiscal year 2014 total direct tax rate		\$ 5.23	
2013	Residential .....	\$ 3.50	\$ 124,425,238
	Hotel/Resort .....	12.40	7,354,672
	Commercial .....	12.40	14,336,675
	Industrial .....	12.40	7,757,462
	Agricultural .....	5.70	929,717
	Vacant Agricultural .....	8.50	92,350
	Preservation.....	5.70	435,354
	Public Service.....	0.00	2,284
	Total .....		<u>\$ 155,333,752</u>
Fiscal year 2013 total direct tax rate		\$ 5.21	
2012	Residential .....	\$ 3.50	\$ 123,324,298
	Hotel/Resort .....	12.40	7,102,340
	Commercial .....	12.40	13,938,863
	Industrial .....	12.40	7,685,514
	Agricultural .....	5.70	1,004,164
	Vacant Agricultural .....	8.50	112,245
	Preservation.....	5.70	421,553
	Public Service.....	0.00	3,644
	Total .....		<u>\$ 153,592,621</u>
Fiscal year 2012 total direct tax rate		\$ 5.19	
2011	Homeowner .....	\$ 3.42	\$ 62,837,101
	Non-Homeowner.....	3.58	59,448,272
	Hotel/Resort .....	12.40	6,522,528
	Commercial.....	12.40	14,425,794
	Industrial.....	12.40	7,969,269
	Agricultural.....	5.70	1,315,389
	Vacant Agricultural.....	8.50	203,137
	Preservation.....	5.70	384,308
	Public Service.....	0.00	3,307
Total .....		<u>\$ 153,109,105</u>	
Fiscal year 2011 total direct tax rate		\$ 5.21	
2010	Residential .....	\$ 3.42	\$ 134,490,385
	Hotel/Resort .....	12.40	7,234,047
	Commercial .....	12.40	14,312,242
	Industrial .....	12.40	7,968,538
	Agricultural .....	5.70	1,248,062
	Vacant Agricultural .....	8.50	143,153
	Preservation.....	5.70	381,713
	Public Service.....	0.00	3,938
	Total .....		<u>\$ 165,782,078</u>
Fiscal year 2010 total direct tax rate		\$ 5.05	

NOTES:

Source: City and County of Honolulu, Department of Budget and Fiscal Services, Real Property Assessment Division.  
(a) Land and its buildings and other improvements are required to be reported as a single value effective July 1, 2003.

Assessed value is at 100% of market value.  
Property is reassessed annually.  
The City Council sets the tax rates annually.  
There are no overlapping property tax rates in the City and County of Honolulu.



TABLE 7  
CITY AND COUNTY OF HONOLULU  
PROPERTY TAX LEVIES AND COLLECTIONS  
FISCAL YEARS 2010 - 2019  
(Amounts in thousands)  
(Unaudited)

Fiscal Year Ended June 30	Taxes Levied	Adjustments (a)	Adjusted Taxes Levied	Collections within the fiscal year of the levy		Collections in Subsequent Years (b)	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 1,284,703	\$ (1,278)	\$ 1,283,425	\$ 1,276,067	99.4 %	\$ -	\$ 1,276,067	99.4 %
2018	1,183,310	(2,601)	1,180,709	1,173,742	99.4	5,640	1,179,382	99.9
2017	1,098,971	(4,493)	1,094,478	1,087,315	99.3	6,213	1,093,528	99.9
2016	1,021,536	(3,265)	1,018,271	1,010,462	99.2	4,992	1,015,454	99.7
2015	950,020	(6,661)	943,359	936,004	99.2	6,161	942,165	99.9
2014	850,176	(3,960)	846,216	838,732	99.1	5,152	843,884	99.7
2013	824,798	(2,521)	822,277	813,704	99.0	6,341	820,045	99.7
2012	811,505	(2,981)	808,524	800,424	99.0	10,106	810,530	100.2
2011	812,604	(8,570)	804,034	795,313	98.9	9,887	805,200	100.1
2010	853,767	(4,743)	849,024	840,209	99.0	7,258	847,467	99.8

Notes: Format displays taxes collected by fiscal year of levy.  
(a) Adjustments include mostly appeals.  
(b) Revised from the previous CAFR.

TABLE 8  
CITY AND COUNTY OF HONOLULU  
RATIOS OF OUTSTANDING DEBT BY TYPE  
FISCAL YEARS 2010 - 2019  
(Amounts in thousands, except per capita)  
(Unaudited)

(Page 1 of 2)

Fiscal Year	Primary Government			
	Governmental Activities			
	General Obligation Bonds (e)	Tax Exempt Commercial Paper	Notes Payable	Capital Lease
2019	\$ 3,300,666	\$ --	\$ 657	\$ --
2018	2,868,304	100,000	901	--
2017	2,393,939	80,000	1,138	--
2016	2,384,776	--	1,368	--
2015	2,526,882	--	1,933	179
2014	2,164,048	--	2,476	718
2013	2,282,756	--	2,997	1,256
2012	2,058,766	--	3,497	1,795
2011	2,009,038	--	3,976	1,032
2010	1,956,660	--	4,436	1,032

NOTES:

- (a) See TABLE 12 for personal income and population data.
- (b) 2019 and 2018 Personal Income is not available. 2017 Personal Income was used instead.
- (c) Revised from previous CAFR.
- (d) 2019 Population is not available. 2018 Population was used instead.
- (e) The amount of obligations for governmental and business-type activities include unamortized bond discount and unamortized bond premium. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

TABLE 8  
CITY AND COUNTY OF HONOLULU  
RATIOS OF OUTSTANDING DEBT BY TYPE  
FISCAL YEARS 2010 - 2019  
(Amounts in thousands, except per capita)  
(Unaudited)

(Page 2 of 2)

Primary Government						
Business-Type Activities						
General Obligation Bonds (e)	Revenue Bonds (e)	Tax Exempt Commercial Paper	Notes Payable	Total	Percentage of Personal Income (a)	Per Capita (a)
\$ 538,933	\$ 2,271,367	\$ --	\$ 210,290	\$ 6,321,913	11.27 % (b)	\$ 6,450 (d)
548,898	2,358,157	--	229,398	6,105,658	10.89 (b)	6,230 (c)
557,724	2,072,204	--	252,769	5,357,774	9.55 (c)	5,431 (c)
577,376	1,868,779	--	252,148	5,084,447	9.36 (c)	5,122
608,195	1,711,265	--	245,287	5,093,741	9.67 (c)	5,138 (c)
587,947	1,757,422	--	245,345	4,757,956	9.44 (c)	4,817 (c)
618,713	1,800,072	--	221,131	4,926,925	10.29 (c)	4,996 (c)
601,245	1,664,206	--	222,509	4,552,018	9.65 (c)	4,654 (c)
599,909	1,513,751	--	200,392	4,328,098	9.52 (c)	4,474 (c)
405,784	1,324,666	--	193,103	3,885,681	8.97 (c)	4,063 (c)

TABLE 9  
CITY AND COUNTY OF HONOLULU  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
FISCAL YEARS 2010 - 2019  
(Amounts in thousands, except per capita)  
(Unaudited)

Fiscal Year	General Obligation Bonds (d)	Percentage of Net Taxable Property Value (a)	Per Capita (b)
2019	\$ 3,198,850	1.41 %	\$ 3,264 (c)
2018	2,924,396	1.38	2,965
2017	2,951,498	1.48	2,992
2016	2,961,986	1.58	2,984
2015	3,134,911	1.80	3,162
2014	2,751,981	1.73	2,786
2013	2,901,301	1.87	2,942
2012	2,659,842	1.73	2,719
2011	2,608,777	1.70	2,697
2010	2,362,271	1.42	2,470

NOTES:

(a) See TABLE 5 for net taxable property values.

(b) See TABLE 12 for population data.

(c) 2019 Population not available. 2018 Population was used instead.

(d) The amount of obligations include net bonded debt restricted for debt service.

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**This page left blank intentionally.**

TABLE 10  
CITY AND COUNTY OF HONOLULU  
LEGAL DEBT MARGIN INFORMATION  
FISCAL YEARS 2010 - 2019  
(Amounts in thousands)  
(Unaudited)

(Page 1 of 2)

	Fiscal Year				
	2019	2018	2017	2016	2015
Debt limit (a)	\$ 33,996,298	\$ 31,735,488	\$ 29,943,987	\$ 28,157,825	\$ 26,150,333
Debt applicable to limit	<u>3,050,672</u>	<u>2,764,761</u> (c)	<u>2,205,897</u> (c)	<u>2,199,482</u>	<u>2,315,550</u>
Legal debt margin (b)	\$ <u>30,945,626</u>	\$ <u>28,970,727</u> (c)	\$ <u>27,738,090</u> (c)	\$ <u>25,958,343</u>	\$ <u>23,834,783</u>
Debt applicable to the limit as a percentage of debt limit	8.97%	8.71% (c)	7.37% (c)	7.81%	8.85%

NOTES:

- (a) State finance statutes limit the City's outstanding general debt to no more than 15 percent of the net assessed value of property.
- (b) The legal debt margin is the City's available borrowing authority under state finance statutes and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit.
- (c) Revised from the previous CAFR

TABLE 10  
 CITY AND COUNTY OF HONOLULU  
 LEGAL DEBT MARGIN INFORMATION  
 FISCAL YEARS 2010 - 2019  
 (Amounts in thousands)  
 (Unaudited)

(Page 2 of 2)

Fiscal Year				
2014	2013	2012	2011	2010
\$ 23,864,359	\$ 23,300,063	\$ 23,038,893	\$ 22,966,366	\$ 24,867,312
2,060,876	2,165,157	1,995,105	1,962,761	1,901,277
\$ 21,803,483	\$ 21,134,906	\$ 21,043,788	\$ 21,003,605	\$ 22,966,035
8.64%	9.29%	8.66%	8.55%	7.65%

Legal Debt Margin Calculation for Fiscal Year 2019

Net assessed value	<u>\$ 226,641,985</u>
Debt limit (15% of assessed value)	33,996,298
Debt applicable to limit	<u>3,050,672</u>
Legal debt margin	<u>\$ 30,945,626</u>

TABLE 11  
CITY AND COUNTY OF HONOLULU  
PLEDGED REVENUE COVERAGE  
FISCAL YEARS 2010-2019  
(Amounts in thousands)  
(Unaudited)

BOARD OF WATER SUPPLY

Fiscal Year	Gross Revenues	Less: Expenses (a)	Net Available Revenue	Debt Service		Total Debt Service	Coverage (b)
				Principal	Interest		
2019	\$ 236,595	\$ 155,218	\$ 81,377	\$ 8,820	\$ 9,056	\$ 17,876	4.55
2018	238,927	148,821	90,106	8,550	9,294	17,844	5.05
2017	236,330	138,147	98,183	8,365	9,422	17,787	5.52
2016	243,154	136,547	106,607	8,135	9,756	17,891	5.96
2015	220,296	136,707	83,589	7,810	7,590	15,400	5.43
2014	197,520	132,064	65,456	7,660	12,853	20,513	3.19
2013	184,372	130,092	54,280	7,335	13,169	20,504	2.65
2012	162,858	114,757	48,101	7,985	12,741	20,726	2.32
2011	154,527	109,301	45,226	6,710	14,213	20,923	2.16
2010	157,207	105,868	51,339	6,435	14,484	20,919	2.45

DEPARTMENT OF ENVIRONMENTAL SERVICES

Fiscal Year	Gross Revenues (c)	Less: Expenses (a)	Net Available Revenue	Debt Service		Total Debt Service	Coverage (b)
				Principal	Interest		
2019	\$ 526,619	\$ 164,090	\$ 362,529	\$ 70,490	\$ 89,590	\$ 160,080	2.26
2018	465,271	154,921	(d) 310,350	59,815	85,108	144,923	2.14
2017	453,959	146,036	307,923	49,115	81,204	130,319	2.36
2016	414,032	138,900	275,132	45,645	63,903	109,548	2.51
2015	388,829	146,172	242,657	39,510	79,173	118,683	2.04
2014	385,118	158,633	226,485	36,005	81,927	117,932	1.92
2013	368,860	164,487	204,373	34,450	77,654	112,104	1.82
2012	357,823	134,092	223,731	28,530	70,910	99,440	2.25
2011	344,188	124,129	220,059	19,190	59,326	78,516	2.80
2010	301,978	116,586	185,392	12,575	51,796	64,371	2.88

NOTES:

- (a) As defined in applicable bond indenture, expenses are exclusive of depreciation and amortization of property values or losses.
- (b) Net available revenue divided by total debt service.
- (c) Includes interest on investments and excludes wastewater facility system charges.
- (d) Revised from the previous CAFR.

TABLE 12  
CITY AND COUNTY OF HONOLULU  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
FISCAL YEARS 2010 - 2019  
(Unaudited)

Fiscal Year Ended June 30	Resident Population as of July 1 (a)	Personal Income (Millions of dollars) (a)	Per Capita Personal Income (a)	School Enrollment (b)	Unemployment Rate (a)
2019	NA	NA	NA	115,600	NA
2018	980,080	NA	NA	115,691	2.3
2017	986,429 (c)	\$ 56,084	\$ 56,728	117,203	2.3 (c)
2016	992,692 (c)	54,329 (c)	54,725 (c)	118,155	2.8
2015	991,339 (c)	52,693 (c)	53,027 (c)	118,463	3.3
2014	987,649 (c)	50,399 (c)	50,937 (c)	122,195	4.1
2013	986,222 (c)	47,884 (c)	48,577 (c)	120,932	4.4
2012	978,073 (c)	47,163 (c)	48,308 (c)	119,477	5.4
2011	967,287 (c)	45,446 (c)	47,021 (c)	117,880	5.9
2010	956,296 (c)	43,342 (c)	45,328 (c)	118,534	6.0

NOTES:

(a) Per *The State of Hawaii Data Book 2018*.

(b) Enrollment figures for 2010-2019 obtained from *The State of Hawaii Data Book*, various years.  
Enrollment includes grade kindergarten to Grade 12, special education schools, nurseries and upgraded students in special schools. Only public schools are reported.

(c) Revised from previous CAFR.

NA - Not available

TABLE 13  
CITY AND COUNTY OF HONOLULU  
PRINCIPAL EMPLOYERS, STATE OF HAWAII  
FISCAL YEARS 2009 - 2018  
(Unaudited)

Employer (a)	2018			2017			2016			2015			2014		
	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment (b)	Employees	Rank	Percentage of Total State Employment (b)	Employees	Rank	Percentage of Total State Employment (b)	Employees	Rank	Percentage of Total State Employment (b)
State of Hawaii	73,100	1	11.04%	73,200	1	10.97%	74,100	1	11.18%	74,500	1	11.46%	73,600	1	11.56%
Federal Government	33,600	2	5.07%	33,400	2	5.01%	33,200	2	5.01%	33,200	2	5.11%	33,200	2	5.22%
Local Governments	18,900	3	2.85%	19,000	3	2.85%	19,000	3	2.87%	18,900	3	2.91%	18,800	3	2.95%
The Queen's Health Systems	7,038	4	1.06%	7,187	4	1.08%	7,455	4	1.12%	7,278	4	1.12%	--	--	--
Hawaii Pacific Health	6,984	5	1.05%	6,961	5	1.04%	6,641	6	1.00%	6,617	5	1.02%	6,485	5	1.02%
Kamehameha Schools	3,870	6	0.58%	--	--	--	--	--	--	--	--	--	--	--	--
Hawaiian Electric Industries Inc.	2,704	7	0.41%	2,745	8	0.41%	2,662	9	0.40%	3,918	10	0.60%	3,965	10	0.62%
Hawaii Health Systems	2,525	8	0.38%	4,133	6	0.62%	--	--	--	--	--	--	6,942	4	1.09%
Securitas Security Services USA Inc.	2,482	9	0.37%	2,484	9	0.37%	2,416	10	0.36%	--	--	--	--	--	--
Kaiser Foundation Health Plan	2,467	10	0.37%	2,383	10	0.36%	4,410	7	0.67%	4,424	9	0.68%	4,691	9	0.74%
Kyo-ya Hotels and Resorts	--	--	--	3,638	7	0.55%	--	--	--	--	--	--	--	--	--
Marriott Hawaii	--	--	--	--	--	--	6,929	5	1.05%	--	--	--	--	--	--
Outrigger Enterprises Group	--	--	--	--	--	--	3,186	8	0.48%	--	--	--	--	--	--
Hawaiian Airlines, Inc.	--	--	--	--	--	--	--	--	--	5,548	6	0.85%	5,360	8	0.85%
Starwood Hotels & Resorts Hawaii	--	--	--	--	--	--	--	--	--	5,507	7	0.85%	5,659	6	0.89%
Hilton Hotels Hawaii Region	--	--	--	--	--	--	--	--	--	5,400	8	0.83%	5,400	7	0.85%
Total	153,670	--	23.18%	155,131	--	23.26%	159,999	--	24.14%	165,292	--	25.43%	164,122	--	25.79%

Employer (a)	2013			2012			2011			2010			2009		
	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment
State of Hawaii	72,200	1	11.65%	72,900	1	11.98%	71,400	1	11.60%	71,700	1	11.90%	73,700	1	12.57%
Federal Government	33,900	2	5.47%	34,900	2	5.74%	34,800	2	5.66%	34,800	2	5.78%	33,300	2	5.68%
Local Governments	18,700	3	3.02%	18,500	3	3.04%	18,500	3	3.01%	18,700	3	3.10%	18,650	3	3.18%
Hawaii Health Systems Corp.	6,307	4	1.02%	--	--	--	--	--	--	--	--	--	--	--	--
Starwood Hotels & Resorts Hawaii	6,150	5	0.99%	5,500	5	0.90%	5,300	6	0.86%	--	--	--	--	--	--
The Queen's Health Systems	5,587	6	0.90%	5,281	7	0.87%	5,134	7	0.83%	5,147	6	0.85%	5,059	6	0.86%
Hilton Hotels Hawaii Region	5,400	7	0.87%	5,400	6	0.89%	5,400	5	0.88%	5,400	5	0.90%	--	--	--
Hawaiian Airlines Inc.	5,249	8	0.85%	4,906	8	0.81%	4,314	9	0.70%	4,019	9	0.67%	--	--	--
Kaiser Foundation Health Plan	4,371	9	0.71%	4,570	9	0.75%	4,478	8	0.73%	4,400	8	0.73%	3,700	9	0.63%
Hawaiian Electric Co., Inc.	3,966	10	0.64%	3,870	10	0.64%	3,654	10	0.59%	3,400	10	0.56%	3,560	10	0.61%
Hawaii Pacific Health	--	--	--	5,809	4	0.95%	5,724	4	0.93%	5,490	4	0.91%	5,300	5	0.90%
Shenwood Hotels & Resorts Hawaii	--	--	--	--	--	--	--	--	--	5,092	7	0.85%	--	--	--
Proservice Hawaii Business Development Corp.	--	--	--	--	--	--	--	--	--	--	--	--	9,000	4	1.53%
Kyo-ya Co. Ltd.	--	--	--	--	--	--	--	--	--	--	--	--	3,851	7	0.66%
Altres Inc.	--	--	--	--	--	--	--	--	--	--	--	--	3,839	8	0.65%
Total	161,830	--	26.12%	161,636	--	26.57%	158,704	--	25.79%	158,148	--	26.25%	159,959	--	27.27%

SOURCES:  
The State of Hawaii Data Book (<http://www.hawaii.gov/dbedt/>).  
Hawaii Business, magazine various years.  
Pacific Business News - 2018 data  
NOTES:  
(a) State of Hawaii employees only.

**This page left blank intentionally.**

TABLE 14  
CITY AND COUNTY OF HONOLULU  
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
FISCAL YEARS 2010 - 2019  
(Unaudited)

(Page 1 of 2)

<b><u>Function</u></b>	<u>Full-time Equivalent Employees as of June 30</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General government					
Administration	504	504	484	496	497
Finance	435	430	423	429	437
Legal	312	312	324	320	314
Planning & Permitting	267	274	267	274	267
Design & Construction	148	147	219	225	223
Land Management	8	5	1		
Public Safety					
Police	2480	2,464	2,526	2,579	2,595
Fire	1115	1,088	1,072	1,088	1,116
Emergency Medical Services	194	181	174	173	161
Highways and Streets	657	631	636	634	639
Sanitation					
Solid Waste	651	672	600	593	583
Sewer	257	247	257	262	267
Health and Human Resources	390	403	421	420	409
Culture and Recreation	1076	1,044	1,031	1,016	1,008
Total	<u>8,494</u>	<u>8,402</u>	<u>8,435</u>	<u>8,509</u>	<u>8,516</u>

NOTES:

Source: City and County of Honolulu, Department of Human Resources.

A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

This table excludes the Board of Water Supply Employees.

TABLE 14  
 CITY AND COUNTY OF HONOLULU  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
 FISCAL YEARS 2010 - 2019  
 (Unaudited)

(Page 2 of 2)

<b><u>Function</u></b>	<u>Full-time Equivalent Employees as of June 30</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General government					
Administration	472	461	480	478	491
Finance	431	410	405	398	419
Legal	327	325	308	304	314
Planning & Permitting	258	258	245	248	259
Design & Construction	221	226	228	227	226
Land Management					
Public Safety					
Police	2,556	2,574	2,519	2,551	2,570
Fire	1,074	1,089	1,114	1,099	1,083
Emergency Medical Services	155	146	151	147	145
Highways and Streets	622	598	596	585	604
Sanitation					
Solid Waste	600	572	622	585	302
Sewer	274	263	254	253	559
Health and Human Resources	394	403	397	403	411
Culture and Recreation	1,005	1,036	1,005	982	1,026
<b>Total</b>	<b><u>8,389</u></b>	<b><u>8,361</u></b>	<b><u>8,324</u></b>	<b><u>8,260</u></b>	<b><u>8,409</u></b>

NOTES:

Source: City and County of Honolulu, Department of Human Resources.

A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

This table excludes the Board of Water Supply Employees.

TABLE 15  
CITY AND COUNTY OF HONOLULU  
OPERATING INDICATORS BY FUNCTION  
FISCAL YEARS 2010 - 2019  
(Unaudited)

(page 1 of 2)

Function	2019	2018	2017	2016	2015
<b>Public Safety</b>					
<b>Police</b>					
Part I number of arrests (a)	3,020	3,249	4,101	4,990	5,100
Part II number of arrests (a)	38,548	35,921	37,857	36,220	34,900
Parking violations	125,512 (b)	136,789 (b)	144,165 (b)(s)	116,774 (b)	116,064 (b)
Traffic violations	186,980 (b)	237,528 (b)	224,761 (b)(s)	233,142 (b)	256,943 (b)
<b>Fire</b>					
Fire department responses	18,354	17,699	17,843	17,291	16,421
Emergency medical responses	38,431	38,255	36,564	35,566	35,345
Inspections	74,391	71,906	74,511	72,252 (j)	53,419 (i)
<b>Emergency Medical Services</b>					
Ambulance responses	96,372 (n)	96,267 (n)	84,621	90,023	88,882
<b>Refuse Collection</b>					
Refuse collected (tons per year)	265,996	266,980	268,347	268,330	263,350
Recyclables collected (tons per year)	139,013	138,654	130,107	131,256	127,550
<b>Other Public Works</b>					
Street resurfacing in-house (lane miles)	16	16 (p)	18	16	8
Street resurfacing contract (lane miles)	142 ®	358	412 (m)	268	214
First aid (tons of asphalt)	6,960	6,472 (q)	2,671 (k)	501	1,747
Potholes repaired	15,527	20,987 (l)	28,570 (l)	42,656	32,976
<b>Parks and Recreation</b>					
Park facility permits issued	13,307	13,983	13,338	16,348	15,260
<b>Other Enterprise</b>					
Rounds of golf	372,307	376,895	371,744	375,710	400,869
Zoo attendance	569,049	579,302	560,479	564,114	592,780
<b>Water</b>					
New connections	622	855 (o)	385	242	522
Water main breaks	328	321	346	326	293
Average daily pumpage (thousands of gallons)	136	140	136	137	144
Peak daily pumpage (thousands of gallons)	161	165	155	169	159
<b>Wastewater</b>					
Average daily sewage treatment (millions of gallons)	110	114	117	113	105
<b>Transit</b>					
Total bus directional route miles	1,103	1,082	1,057	1,033	1,032
Total bus revenue miles	17,955,552	17,893,437	17,760,756	17,817,987	17,752,627
Bus passengers	62,483,503	64,058,836	65,216,212	68,274,031	71,094,063
Total paratransit revenue miles	6,741,416	6,436,220	6,384,051	6,404,590	5,565,742
Paratransit passengers	970,633	952,971	920,453	890,453	843,402

**NOTES:**

- (a) The data is reported on a calendar year basis.
- (b) The count is based on number of violations.
- (c) Beginning in FY 2007, the Honolulu Fire Department (HFD) changed methods of data collection to count fire prevention inspections. Inspections may now be completed over a two year period instead of one year. This method accounts for the decrease in number of inspections in 2008.
- (d) The decrease is due to the workload for APEC preparation.
- (e) The in-house resurfacing is measured in lane miles not linear miles of roadway. A lane mile is one mile of roadway 10 feet wide
- (f) The increase resulted in the rehabilitation of local streets and the reporting has changed from a completion of a project to more of a real time recording of street resurfacing miles.
- (g) The decrease resulted from the increased contract resurfacing work being performed by the Department of Design and Construction which there were less roadways that required in-house resurfacing work. Crews were diverted to perform other tasks such as Stored Property Enforcement, and storm drain cleaning work in order to ensure compliance with the NPDES permit requirements.
- (h) The decrease was due to the decrease in the completion of new sub divisions.
- (i) The significant variance in the number of inspections are due to a computer system change, the increase in training and administrative assignments, and the change in inspection frequency (HFS132-6).
- (j) The increase in the number of fire inspections is due to the changeover from Fire Inspections Database (FID) to the Honolulu Online System for Emergency Services (HOSES) for reporting all commercial and street (residential) inspections.
- (k) First aid increased to assist DDC while waiting for projects delayed due to utility projects to complete.
- (l) Potholes repaired significantly reduced due to the increase in the Department of Design & Constructio's resurfacing contract projects.
- (m) The factors causing the increase in the lane miles are utilizing construction management services which allowed managing more paving contracts without increasing city staff, better weather conditions, and the timing of executing contracts.
- (n) The contributing factors of the increase includes increases in population, average age of population, tourism to Oahu, and obesity among younger populations contributing to higher incidences of serious health issues at earlier ages.
- (o) The increase is due to the new development at Hoopili.
- (p) First Aid assisting the Department of Design and Construction while waiting for projects delayed due to utility projects to complete.
- (q) The increase is due to the many first aid pavement repairs that are requested from the Department of Design & Construction, the Department of Transportation Services, and other departments.
- ® Over the past seven years, the pace of resurfacing has been prioritized where most of the inventory that was in poor condition had been completed. This dropped the quantity of streets needing resurfacing with only the complicated ones left.
- (s) Revised from the previous CAFR

**SOURCES:**

- City and County of Honolulu , various departments
- State of Hawaii, District Court Administrator for parking and traffic violations.
- NA: Not available.

TABLE 15  
CITY AND COUNTY OF HONOLULU  
OPERATING INDICATORS BY FUNCTION  
FISCAL YEARS 2010 - 2019  
(Unaudited)

(page 2 of 2)

2014	2013	2012	2011	2010
5,820	5,870	5,517	5,120	5,430
34,860	36,060	34,695	31,930	33,940
111,720 (b)	105,164 (b)	111,342 (b)	115,171 (b)	124,997 (b)
181,750 (b)	187,376 (b)	189,591 (b)	203,052 (b)	197,820 (b)
20,334	19,830	19,923	18,436	16,254
30,355	29,608	28,871	27,953	24,808
77,492	68,888	63,424 (d)	73,302 (c)	67,542 (c)
82,227	78,872	75,500	67,477	69,253
264,500	284,070	255,400	273,040	290,064
128,615	116,200	118,400	121,442	84,046
4 (g)	18 (e)	8	19	57
270	315 (f)	180	149	319
2,122	1,258	2,314	753	4,277
39,951	51,647	52,071	67,714	41,505
15,494	16,696	12,029	16,549	15,520
416,356	442,362	464,708	475,663	534,508
606,566	663,699	665,940	603,677	580,265
540 (h)	875 (h)	1,069	962	1,075
303	350	312	333	388
136	141	139	130	148
161	168	151	157	171
105	100	100	105	104
1,030	1,023	947	945	945
17,619,990	17,198,231	18,225,506	18,356,893	18,343,673
66,285,449	69,242,214	76,296,482	73,765,232	73,158,620
5,193,703	5,082,596	5,150,671	4,955,876	4,960,022
882,084	841,447	845,903	825,680	790,357

TABLE 16  
CITY AND COUNTY OF HONOLULU  
CAPITAL ASSET STATISTICS BY FUNCTION  
FISCAL YEARS 2010 - 2019  
(Unaudited)

page 1 of 2

<u>Function</u>	Fiscal Year				
	2019	2018	2017	2016	2015
Public Safety					
Police					
Stations	12	12	12	12	12
Patrol units - City owned	367	358	414	324	406
Patrol units - privately owned (a)	1,295	1,303	1,339	1,354	1,356
Fire stations (b)	44	44	44	44	44
Emergency medical services stations	21	20	20	20	22
Refuse collection trucks	179	172	170	174	173
Other Public Works					
Streets (linear mile)	1,487	1,446	1,439	1,433	1,424
Streetlights	53,542	52,891	52,521	52,093	51,797
Storm sewers (miles)	907	885	747	741	732
Traffic related landscaped areas	165	168 (f)	151	150	150
Parks and Recreation					
Parks and recreational areas	299	293 (d)	288	286	286
Beach access/right of ways	86	86 (e)	90	90	90
Botanical gardens	5	5	5	5	5
Recreation buildings	93	93	93	93	93
Gymnasiums	25	25	25	25	25
Swimming pools	21	21	21	21	21
Baseball/softball fields	201	201	201	201	201
Basketball courts	205	205	205	205	205
Tennis courts	208	208	208	208	208
Volleyball courts	173	173	173	173	173
Soccer fields	80	80	80	80	80
Other Enterprise					
Golf courses	6	6	6	6	6
Zoological parks	1	1	1	1	1
Water					
Water mains (miles)	2,159	2,156	2,144	2,131	2,123
Fire hydrants	21,695	21,636	21,605	21,414	21,399
Storage capacity (thousands of gallons)	197	197	197	197	197
Wastewater					
Sanitary sewers (miles)	2,024	2,024	2,024	2,024	2,010
Treatment capacity (millions of gallons)	158	158	158	158	152
Transit					
Buses	544	544	544	541	521
Paratransit vehicles	190	190	180	180	181
Traffic signal intersections (c)	847	845	844	840	837

SOURCE: City and County of Honolulu, various agencies.

NOTES:

- (a) The number varies according to actual staffing of motorized patrol position.
- (b) Includes one fireboat and one aircraft station.
- (c) Includes State traffic signals on Oahu that the City maintains.
- (d) The number of park and recreation area adjusted to include previously uncounted recreation designated areas.
- (e) The number of Beach Right of Ways reduced to conform to Ocean Safety Database.
- (f) Traffic related landscaped areas now under the jurisdiction of the Department of Facilities Maintenance.

TABLE 16  
CITY AND COUNTY OF HONOLULU  
CAPITAL ASSET STATISTICS BY FUNCTION  
FISCAL YEARS 2010 - 2019  
(Unaudited)

page 2 of 2

<b>Function</b>	Fiscal Year				
	2014	2013	2012	2011	2010
<b>Public Safety</b>					
Police					
Stations	12	12	12	11	12
Patrol units - City owned	325	333	346	473	328
Patrol units - privately owned (a)	1,329	1,311	1,334	1,312	1,357
Fire stations (b)	45	45	45	44	44
Emergency medical services stations	22	22	22	21	21
Refuse collection trucks	168	166	168	174	206
<b>Other Public Works</b>					
Streets (paved mile)	1,420	1,417	1,415	1,410	1,407
Streetlights	51,300	47,999	47,819	47,544	47,283
Storm sewers (miles)	728	725	723	718	715
<b>Parks and Recreation</b>					
Parks and recreational areas		284	283	288	288
Beach access/right of ways	284	90	90	90	90
Botanical gardens	70	5	5	5	5
Recreation buildings	5	93	93	93	93
Gymnasiums	93	25	24	24	24
Swimming pools	25	21	21	21	21
Baseball/softball fields	21	200	200	200	200
Basketball courts	200	205	200	200	220
Tennis courts	202	207	203	203	200
Volleyball courts	208	171	169	169	169
Soccer fields	171	80	80	80	80
Traffic related landscaped areas	80	149	149	149	149
<b>Other Enterprise</b>					
Golf courses	6	6	6	6	6
Zoological parks	1	1	1	1	1
<b>Water</b>					
Water mains (miles)	2,114	2,106	2,101	2,095	2,079
Fire hydrants	21,384	21,290	21,130	21,045	21,006
Storage capacity (thousands of gallons)	190	190	184	182	182
<b>Wastewater</b>					
Sanitary sewers (miles)	2,010	2,010	2,087	2,100	2,143
Treatment capacity (millions of gallons)	152	152	152	152	152
<b>Transit</b>					
Buses	519	524	540	553	552
Paratransit vehicles	160	157	158	181	166
Traffic signal intersections (c)	834	830	827	825	823

**This page left blank intentionally.**