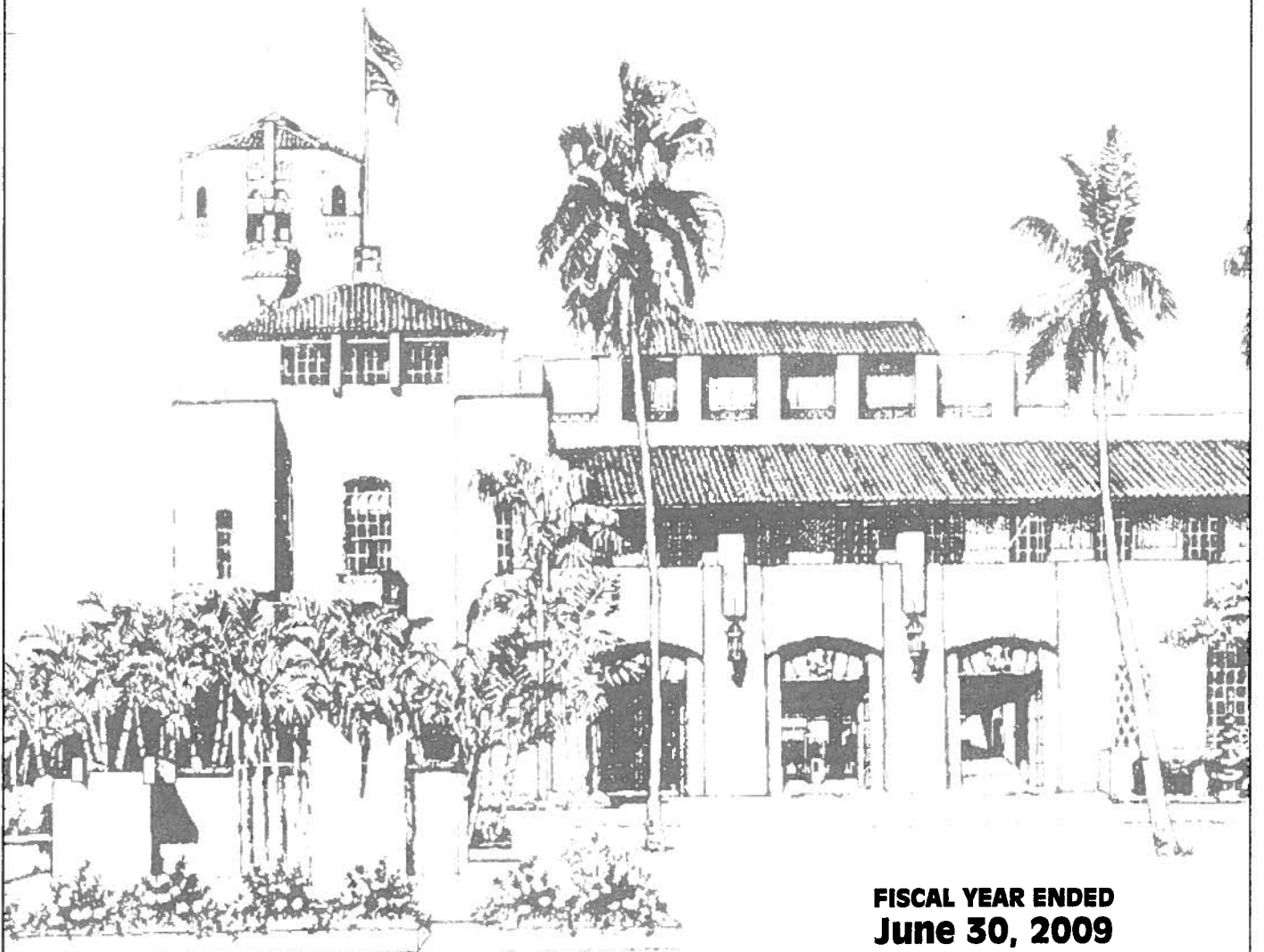
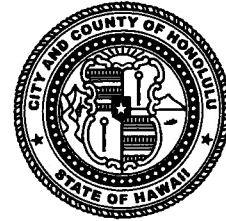


**CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII**

Comprehensive Annual Financial Report



**FISCAL YEAR ENDED
June 30, 2009**

EXECUTIVE BRANCH



Mufi Hannemann
Mayor

CITY AND COUNTY OF HONOLULU
Honolulu, Hawaii
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2009

Prepared by:
DEPARTMENT OF BUDGET AND FISCAL SERVICES
RIX MAURER III
DIRECTOR

**CITY AND COUNTY OF HONOLULU
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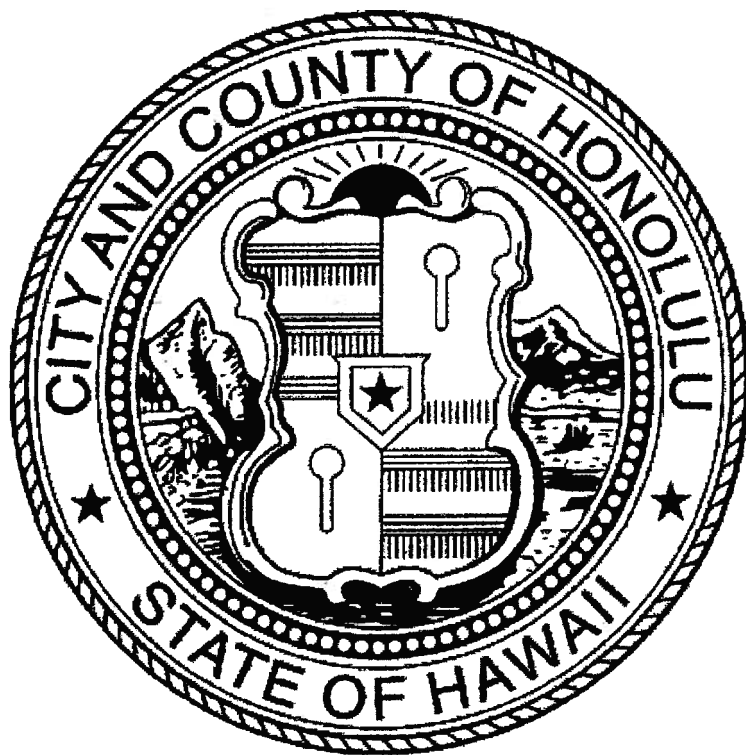
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INTRODUCTORY SECTION

DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
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MUFI HANNEMANN
MAYOR

RIX MAURER III
DIRECTOR

MARK K. OTO
DEPUTY DIRECTOR

December 30, 2009

The Honorable Mufi Hannemann, Mayor
The Honorable Todd K. Apo, Chair
and Members of the City Council
City and County of Honolulu
530 South King Street
Honolulu, Hawaii 96813

Dear Mayor Hannemann, Chair Apo and Councilmembers:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the City and County of Honolulu (City) for the fiscal year ended June 30, 2009. The CAFR was prepared by the Department of Budget and Fiscal Services, which is responsible for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. We believe the data presented in the CAFR are accurate in all material aspects and presented in a manner designed to fairly depict the financial position and results of operations of the City, as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included. The CAFR represents the culmination of all budgeting and accounting activities engaged in by City management during the year, covering all funds of the City, its component unit, and its financial statements.

REPORTING ENTITY

The CAFR presents the financial status of the City (the primary government) and its discretely presented component unit, the Board of Water Supply (BWS). The financial information for the BWS is reported in a separate column in the government-wide financial statements to emphasize its legal separation from the primary government and to differentiate its financial position and results of operations from those of the primary government.

The City provides the full range of 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 services include police and fire protection; emergency medical care services; 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

As a result of the federal financial bailouts and reinvestments into the nation's economic revitalization, Honolulu is on a long and slow road to recovery. It seems that the impact of the nationwide recession has not been as acute for Honolulu in comparison to other major U.S. cities. In fact, a report of the economic performance of the largest 100 U.S. cities ranked Honolulu 19 for the second quarter of 2009.

- After 17 months of decline following the global economic downturn, tourism, Oahu's main industry, may be on the road to long-term recovery. Some gains were experienced in October 2009 compared to the same month a year ago: international arrivals increased 4.2%, hotel occupancy rose 3.5% to 76.8%, and domestic length of stay improved 2.0%. On the other hand, visitor expenditures went down 12.5% to \$383.5 million, international length of stay declined 6.4%, average daily room rates were lowered 6.3% to \$149.14, and domestic arrivals decreased 2.8%.
- Like many U.S. mainland real estate markets, Oahu is experiencing strong and steady sales. The recovery may be attributed to a combination of factors such as low mortgage interest rates, more foreclosure sales, and the federal tax credit up to \$8,000 for first-time home buyers. The resale volume during November 2009 improved 102.5% to 407 for condominiums and 46.5% to 249 for single family homes. In addition, median resale prices increased 1.2% to \$320,000 for condominiums. However, for single family homes, median resale prices declined 0.75% to \$590,000.
- Retailing receipts on Oahu decreased 6.0% to \$20.8 billion for fiscal year 2009 compared to the last fiscal year, and 4.8% to \$3.3 billion for the two months ended August 31, 2009 in contrast to the same period the previous year.
- The military continues to be recognized as an important segment of the island's economy with expenditures in Hawaii exceeding \$5.5 billion annually.

- With the local construction industry experiencing a slowdown, government contracts provide glimmers of hope for an economic turnaround. That is, construction jobs declined 13.3% for November 2009 compared to the same month the preceding year. In addition, contracting receipts declined 11.7% to \$859.6 million for the two months ended August 31, 2009 in comparison to the same period last year. Although the number of issued building permits increased 5.7% to 15,149, the value of construction commitments and authorizations decreased 20.8% to \$1.5 billion for fiscal year 2009 compared to the prior fiscal year. For the eleven months ended November 30, 2009, issued building permits numbered 12,884 and totaled \$1.38 billion, representing decreases of 8.2% and 16.9% in quantity and value, respectively, in contrast to the same period last fiscal year.
- Non-agricultural jobs totaled 438,650 for November 2009, a 4.0% decrease from 456,900 non-farm jobs for the same month the preceding year.
- For November 2009, Honolulu had the lowest unemployment rate among Hawaii's counties, with a non-seasonally adjusted unemployment rate of 5.9%. Oahu's jobless rate also was lower than the seasonally adjusted jobless rates of 7.0% and 10.0% for the State and U.S., respectively.
- Nominal personal income (i.e., salaries and wages not adjusted for inflation) in Hawaii declined 0.1% for the second half of 2009 compared to gains of 3.7% for 2008, and 6.4% for 2007.
- Proprietors' incomes decreased 5.8% for the first half of 2009, 0.7% in 2008, and 4.4% in 2007.
- During the first half of 2009, Honolulu's consumer price index increased 0.3% (representing the smallest gain in eleven years) while the nation's inflation rate decreased 0.6%. The modest change in the inflation rate locally and nationally may be attributed in part to the record high energy prices last year.

Sources:

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

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

Honolulu Star-Bulletin, <http://www.starbulletin.com>.

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

State of Hawaii Department of Labor and Industrial Relations, <http://www.hiwi.org>.

State of Hawaii, Department of Taxation, http://www6.hawaii.gov/tax/a5_3txcolrpt.htm.

The Honolulu Advertiser, <http://www.honoluluadvertiser.com>.

University of Hawaii Economic Research Office, <http://www.uhero.hawaii.edu/>.

MAJOR INITIATIVES

The executive operating budget for fiscal year 2009 amounted to \$1.8 billion net of interfund transfers, representing an increase of 10.3% compared to the prior year. Highlights of the budget increases included the following: the new provision for other post-employment benefits (\$91.9 million), continued transfers from various funds to the other post-employment benefits reserve fund (\$11.9 million), pay raises from settled union contracts for City employees (\$26.8 million), growing retirement system contribution requirements (\$24.0 million), and higher debt service costs (\$18.4 million).

Under current State law, the City will continue receiving the 0.5% excise tax surcharge (less the State's 10.0% administrative fee of the revenues collected) to fund the operating and capital costs of a new public transportation rail system. This surcharge will sunset on January 1, 2023.

The City's capital improvement budget of \$954.8 million for fiscal year 2009 represented an increase of 20.9% compared to the previous year. Funding focused in large part on mass transit (35.3%) and sanitation (33.5%).

General Government

The general government function of the capital improvement budget increased 10.8% to \$64.2 million for fiscal year 2009 compared to the prior fiscal year. The following were the major general government projects: Procurement of Major Equipment (\$20.1 million), Energy Conservation Improvements and Solar Energy Initiatives (\$10.0 million), National Pollutant Discharge Elimination System Modification for Corporation Yards (\$7.4 million), Kulana Nani Apartment Renovation (\$7.3 million), and Public Building Facilities Improvements (\$4.9 million).

Public Safety

Appropriations for public safety increased almost a half million dollars to \$57.3 million for fiscal year 2009 compared to the preceding fiscal year. The major public safety projects included Ewa Beach Fire Station Relocation (\$7.3 million), Honolulu Police Department Equipment Acquisition (\$5.5 million), Rock Slide Potential Inspections and Mitigative Improvements (\$5.2 million), Traffic Signal Maintenance Facility (\$5.1 million), Honolulu Fire Department Equipment Acquisition (\$4.4 million), Flood Control Improvements at Various Locations (\$3.7 million), Computerized Traffic Control System (\$3.5 million), and Traffic Signals at Various Locations (\$3.4 million).

Highways and Streets

The \$121.4 million capital improvement budget for highways and streets represented an increase of 73.4% for fiscal year 2009 in comparison to the previous fiscal year. Major highways and streets projects included Rehabilitation of Streets (\$77.0 million), Makakilo Drive Extension (\$5.1 million), Hawaii Kai Street Lighting Improvement (\$4.0 million), Bridge Rehabilitation at Various Locations (\$3.8 million), Reconstruction of Concrete Roadways (\$3.4 million), Rehabilitation of Kawaihoa Road Bridge (\$2.8 million), Street Improvements (\$2.7 million), and Drainage Improvements at Various Locations (\$2.6 million).

Sanitation

For solid waste and sewage collection and disposal projects, a sum of \$319.6 million was budgeted for fiscal year 2009 which amounted to a decrease of 20.6% compared to the prior fiscal year. The following were the major sanitation projects: Solid Waste to Energy Facility including purchase of the H-POWER facility, expansion of the existing facility, and pollution control improvements (\$94.0 million), Beachwalk Wastewater Pump Station Force Main (\$36.0 million), Central Oahu Wastewater Facilities and Effluent Reuse (\$26.6 million), Wastewater Treatment Plant, Pump Station, and Force Main Projects (\$13.1 million), and Ala Moana and Kapiolani Trunk Sewer Replacement/Rehabilitation (\$11.1 million).

Human Services

The capital improvement budget for the human services function for fiscal year 2009 increased \$1 million to \$15.6 million, compared to the last fiscal year, and included appropriations for the Community Development Block Grant Program (\$8.0 million), and Home Investment Partnership Program (\$4.2 million).

Culture-Recreation

For fiscal year 2009, \$40.0 million was appropriated in the capital improvement budget for participant, spectator, and other recreation projects, an increase of 35.9% over the prior fiscal year. The major culture-recreation projects include the Ewa Mahiko District Park (\$8.5 million), Honolulu Zoo – Asian Tropical Forest Elephant Facility (\$6.9 million), Recreation District Improvements (\$4.6 million), Preservation and Conservation Land Acquisition (\$4.0 million), and Reconstruction of Wastewater Systems for Parks (\$2.0 million).

Transportation

In comparison to last fiscal year, mass transit appropriations for fiscal year 2009 increased 112.6% to \$336.8 million of which \$265.1 million was earmarked for the Honolulu High Capacity Transit Project. Other noteworthy public transit projects included the Bus and Handi-Van Acquisition Program (\$31.1 million), Halawa Bus Maintenance Facility Land Acquisition (\$15.2 million), Alapai Transportation Management Center (\$6.7 million), Wahiawa Transit Center (\$5.2 million), and Alapai Transit Center (\$5.0 million).

FOR THE FUTURE

The executive operating budget for fiscal year 2010 amounts to \$1.8 billion net of interfund transfers, representing a decrease of \$2.8 million compared to the prior year. Highlights of the budget include the following: no provision for other post-employment benefits (compared to the fiscal year 2009 budget of \$91.9 million, representing the estimated liability for the first two fiscal years since the implementation of Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* on July 1, 2007), no transfers from various funds to the other post-employment benefits reserve fund (in contrast to \$51.9 million for the previous fiscal year), pay raises from previously negotiated four-year contracts with police officers and firefighters (\$23.4 million), increasing debt service costs (\$21.0 million), rising healthcare premiums for retirees and employees (\$20.2 million), and higher retirement system contribution requirements (\$4.9 million).

The City's capital improvement budget of \$1.7 billion for fiscal year 2010 represents an increase of 77.9% compared to the preceding fiscal year. Funding is focused in large part on mass transit (65.3%), primarily for the Honolulu Rail Transit Project (\$1.1 billion), and to a much lesser degree on sanitation (19.0%).

General Government

The general government function of the capital improvement budget decreased 39.9% to \$38.6 million for fiscal year 2010 compared to the prior fiscal year. The following are the major general government projects: Procurement of Major Equipment (\$21.7 million), Telecommunications Facilities Upgrade (\$4.0 million), National Pollutant Discharge Elimination System Modification for Corporation Yards (\$3.5 million), Public Building Facilities Improvements (\$2.2 million), and Kapolei Consolidated Corporation Yard (\$2.1 million).

Public Safety

The appropriations for the public safety function amount to \$44.1 million for fiscal year 2010, and represent a 23.0% reduction from the previous fiscal year. The major public safety projects include Honolulu Fire Department Equipment Acquisition (\$5.6 million), East Kapolei Fire Station (\$4.7 million), Honolulu Police Department Equipment Acquisition (\$4.5 million), Round Top Drive Emergency Roadway Reconstruction (\$3.6 million), Computerized Traffic Control System (\$3.5 million), and Traffic Signals at Various Locations (\$3.4 million).

Highways and Streets

The \$132.0 million capital improvement budget for highways and streets represents an increase of 8.7% for fiscal year 2009 in comparison to the previous fiscal year. Major highways and streets projects include Rehabilitation of Streets (\$77.0 million), Kapiolani Boulevard Reconstruction Phase 1 – South Street to Ward Avenue (\$19.2 million), Salt Lake Boulevard Widening (\$6.0 million), Kamehameha Highway Bridge over Heeia Stream Rehabilitation (\$4.9 million), Reconstruction of Concrete Roadways (\$3.5 million), and Pearl City Area (Momilani) Street Lighting Improvements (\$3.1 million).

Sanitation

For solid waste and sewage collection and disposal projects, a sum of \$322.0 million was budgeted for fiscal year 2010, representing an increase of \$2.4 million compared to the prior fiscal year. Most significantly, \$142.9 million was appropriated in fiscal year 2010 for the Solid Waste to Energy Facility; the total cost for expansion is estimated to be \$326.2 million in addition to \$48.0 million for the refurbishment of the existing plant. Other major sanitation projects include Honouliuli Wastewater Treatment Plant Solids Handling System and Improvements (\$16.3 million), Wastewater Treatment Plant, Pump Station, and Force Main Projects (\$16.1 million), Central Oahu Wastewater Facilities and Effluent Reuse (\$15.6 million), Sewer Mainline and Lateral Projects (\$15.3 million), Waikiki Sewer Rehabilitation/Reconstruction (\$11.6 million), Ala Moana Boulevard/Auahi Street Sewer Rehabilitation (\$9 million), Honouliuli Wastewater Treatment Plant and Sewer Basin Facilities (\$9.0 million), and Sand Island Wastewater Treatment Plant and Sewer Basin Facilities (\$9.0 million).

Human Services

The capital improvement budget for the human services function amounts to \$14.0 million for fiscal year 2010, representing a 10.3% decrease compared to the last fiscal year, and includes appropriations for the Community Development Block Grant Program (\$8.4 million), River Street Residences (\$2.6 million), and Home Investment Partnership Program (\$1.7 million).

Culture-Recreation

For fiscal year 2010, \$38.5 million was appropriated in the capital improvement budget for participant, spectator, and other recreation projects, a decrease of 3.5% over the prior fiscal year. The major culture-recreation projects include Recreation District Improvements (\$6.8 million), Preservation and Conservation Land Acquisition (\$4.0 million), Mitigative Improvements at Parks (\$1.8 million), Waipio Peninsula Recreation Complex (\$1.8 million), and Kanewai Community Park (\$1.8 million).

Transportation

Mass transit appropriations of \$1.1 billion for fiscal year 2010 represents a 229.5% increase compared to the previous fiscal year, primarily due to the Honolulu High Capacity Transit Project (\$1.077 billion). Other noteworthy public transit projects include the Bus and Handi-Van Acquisition Program (\$17.2 million), Middle Street Intermodal Center (\$4.9 million), and Bus Rehabilitation (\$3.1 million).

FINANCIAL INFORMATION

The basic financial statements include two government-wide financial statements, the Statement of Net Assets 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. The financial analysis of the primary government is provided in the Management's Discussion and Analysis section of this report.

The City's component unit, the Board of Water Supply (BWS), is reported 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 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 is subject to periodic evaluation by both internal and external auditors. We believe the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

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 reported as reservations of fund balance and are not reappropriated in the following year's budget.

Cash Management

The primary objectives of the City's cash management and investment program are the safety and preservation of principal, liquidity, and yield. The City takes full advantage of temporarily idle cash and the scheduling of vendor payments. To ensure the most competitive rates on investments, the cash resources of the individual funds are combined to form a pool of cash and investments. The investment pool's portfolio is composed of obligations of the U.S. government and its agencies, and repurchase agreements fully collateralized by obligations of the U.S. government or its agencies.

The average ratio of invested funds to available cash during the year was 76.7%. The City earned interest income during the year at an average rate of return of 1.84%.

Risk Management

Risk management activities focus on risk financing programs, claims management, loss prevention, and other areas to minimize the adverse financial impact of losses.

The City relies on a combination of commercial insurance and self-insurance to finance risk. Primary commercial insurance is purchased to cover aircraft and professional liabilities, and loss or damage to real and personal property the City owns or controls. Also, automobile liability insurance is purchased to cover privately owned police vehicles in compliance with a labor contract. The City qualifies as a self-insurer with respect to its automobile and workers' compensation liabilities in accordance with applicable State statutes. With all other risks, the City has elected to self-insure a significant portion of each and every loss. For catastrophic losses, commercial excess liability insurance is in place.

OTHER INFORMATION

Independent Audit

Section 3-114 of the City Charter requires an annual financial audit by independent certified public accountants. The accounting firm of N&K CPAs, Inc. was selected by the Office of the City Auditor to perform the audit. The auditor's report is included in the financial section of this report. In addition, N&K CPAs, Inc. was selected by the Board of Directors of the Board of Water Supply for the audit of its financial statements.

Awards

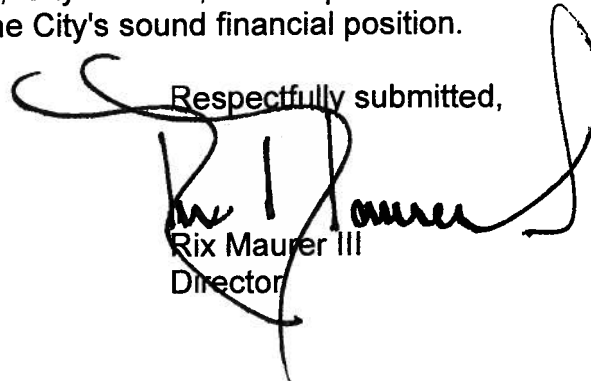
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2008. The City has received the award in 22 of the last 23 years. In order to be awarded 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 that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the past ten years.

Acknowledgments

I am deeply grateful for the efforts of the Accounting and Fiscal Services Division personnel who contributed to the preparation of the CAFR. My heartfelt appreciation is extended also to the Mayor, City Council, and department heads for their leadership and support in maintaining the City's sound financial position.

Respectfully submitted,

Rix Maurer III
Director

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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

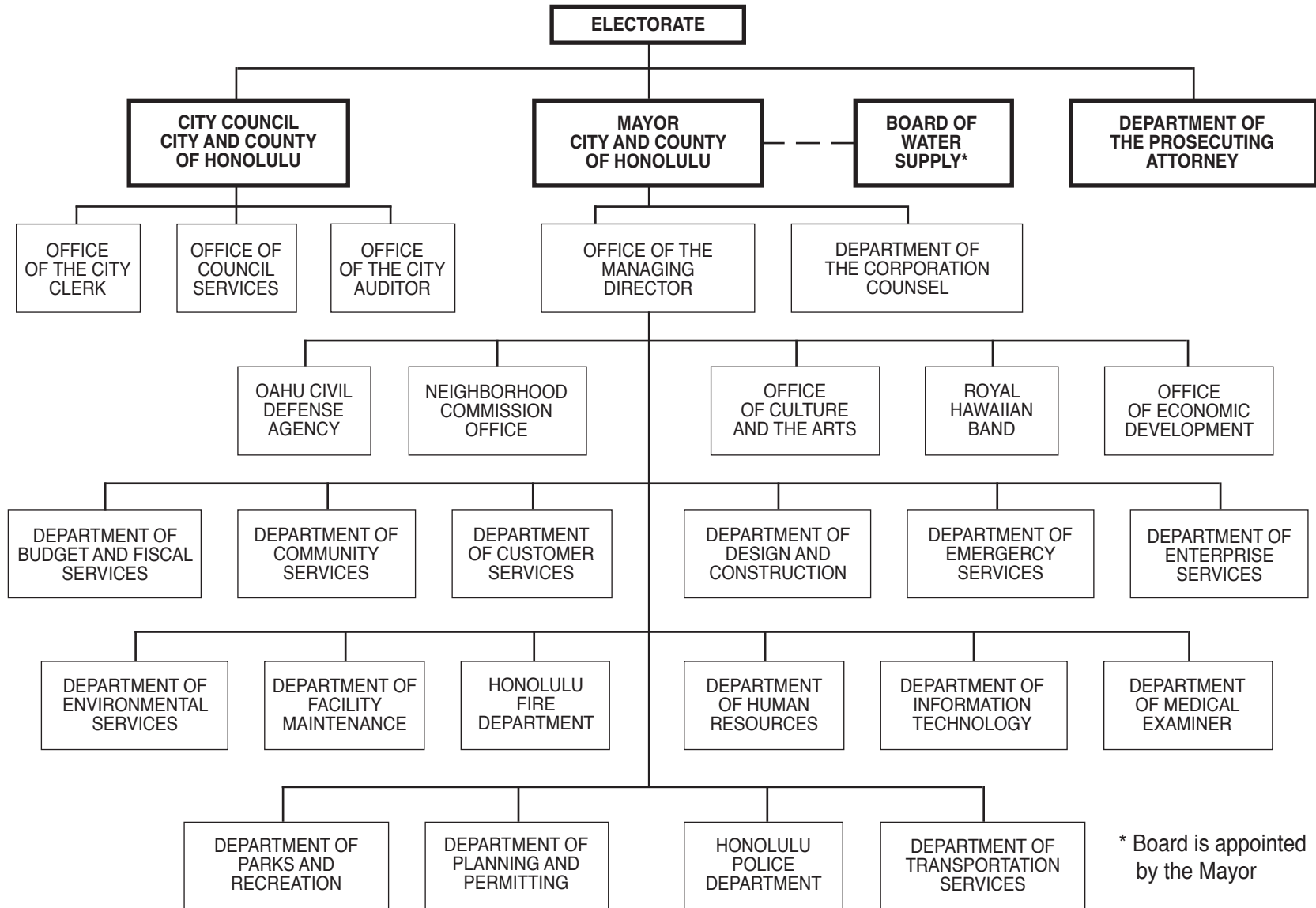


President

Executive Director

CITY AND COUNTY OF HONOLULU ORGANIZATION CHART

FISCAL YEAR 2008 - 09

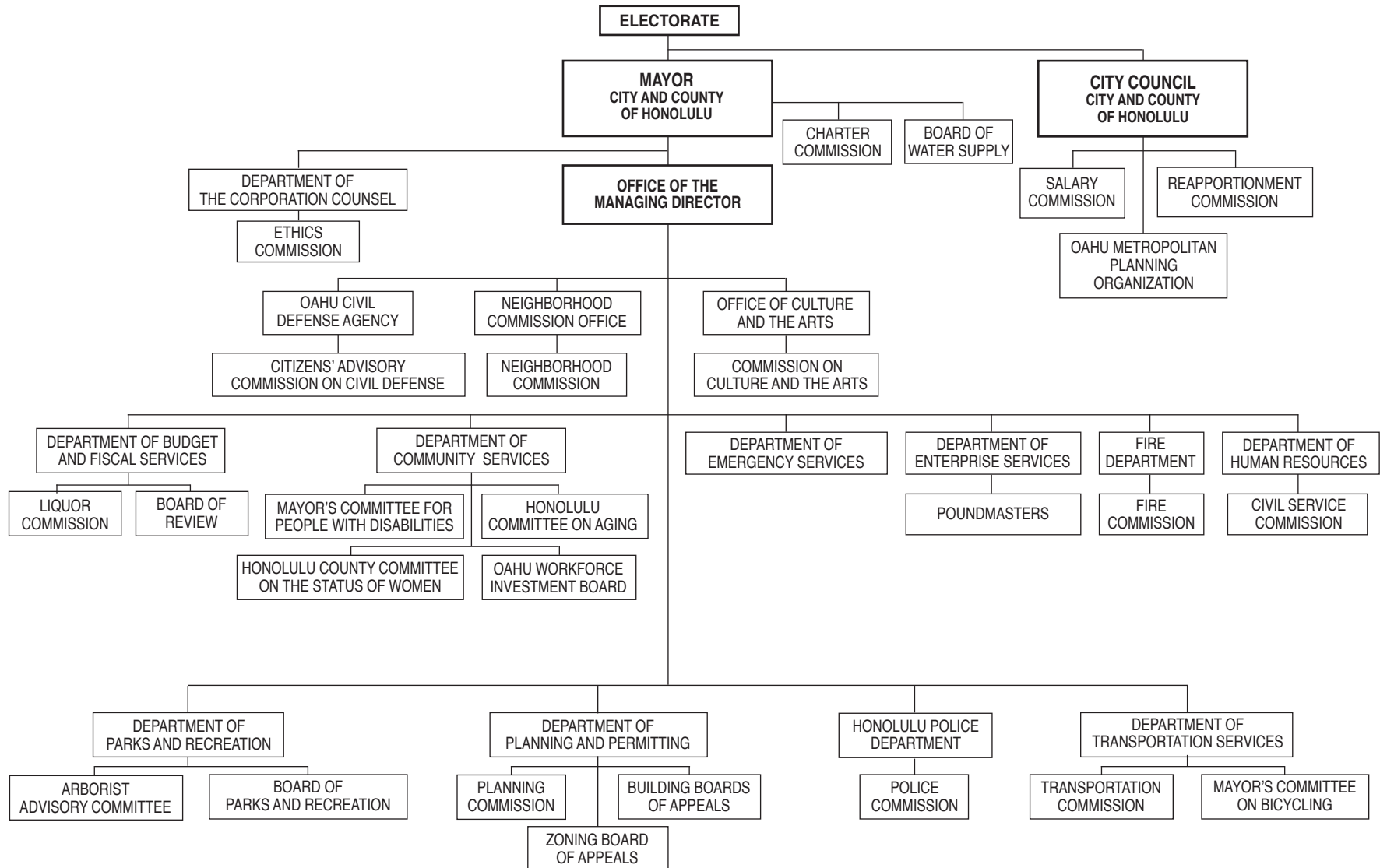


* Board is appointed by the Mayor

CITY AND COUNTY OF HONOLULU

CHART OF BOARDS, COMMISSIONS AND ADVISORY BODIES

FISCAL YEAR 2008 - 09



CITY AND COUNTY OF HONOLULU

ELECTED OFFICIALS

EXECUTIVE BRANCH

(2009 - 2012)

Mayor.....Mufi Hannemann

Prosecuting Attorney.....Peter Carlisle

LEGISLATIVE BRANCH

<u>Council District</u>	<u>Councilmember</u>
I	Todd K. Apo
II	Donovan M. Dela Cruz
III	Ikaika Anderson
IV	Charles K. Djou
V	Ann H. Kobayashi
VI	Rodney Tam
VII	Romy M. Cachola
VIII	Gary H. Okino
IX	Nestor Garcia

The four-year terms for the Councilmembers representing Districts I, III, V, VII and IX expire on January 2, 2013 while the terms for the Councilmembers of the even-numbered districts expire on January 2, 2011.

LEGISLATIVE BRANCH

CITY COUNCIL



Todd K. Apo
Chair, District I



Donovan M. Dela Cruz
Councilmember, District II



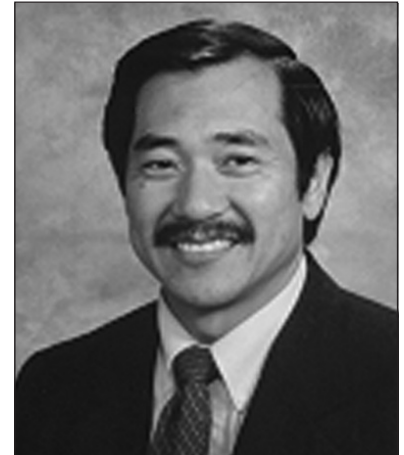
Ikaika Anderson
Councilmember, District III



Charles K. Djou
Councilmember, District IV



Ann H. Kobayashi
Councilmember, District V



Rodney Tam
Councilmember, District VI



Romy M. Cachola
Councilmember, District VII

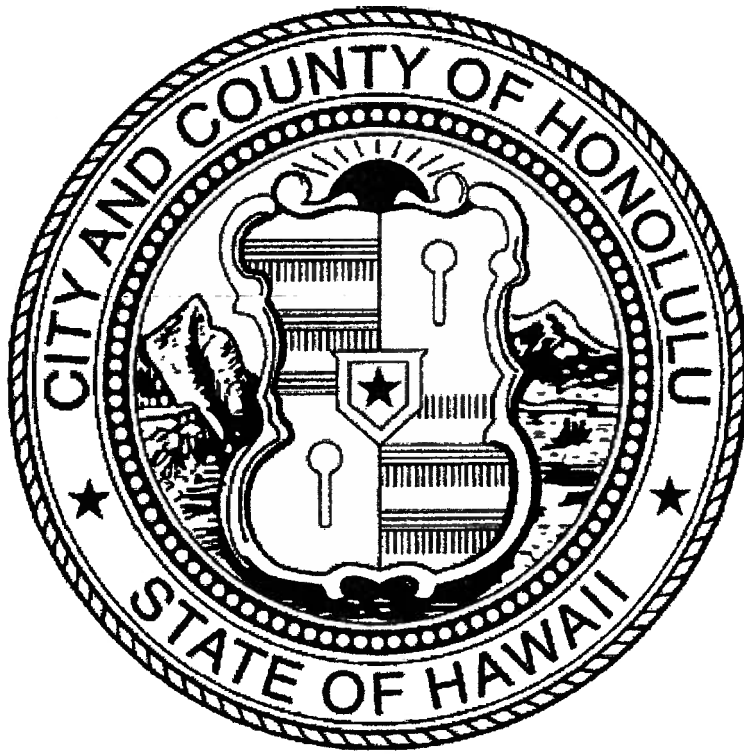


Gary H. Okino
Councilmember, District VIII



Nestor Garcia
Councilmember, District IX

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City and County of Honolulu, State of Hawaii (City), as of and for the fiscal year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information for the City, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 19 through 35 and the Required Supplementary Information on pages 95 through 101 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 fund financial statements, and schedules listed in the table of contents under other supplementary information 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 fund financial statements and schedules listed in the table of contents under other supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

N&K CPAs, Inc.

Honolulu, Hawaii
December 30, 2009

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

The following Management's Discussion and Analysis (MD&A) is designed to provide an overview of the financial performance for the fiscal year ended June 30, 2009 for the City and County of Honolulu (City). 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 2009

- Taxes and other revenues for governmental activities totaled \$1.53 billion while expenses before transfers amounted to \$1.2 billion, resulting in excess revenues of \$322.6 million for the fiscal year ended June 30, 2009. In comparison, revenues exceeded expenses by \$398.8 million during fiscal year 2008. The excess revenues for both fiscal years may be attributed primarily to increased real property tax collections. The governmental activities are summarized on page 24, discussed on pages 25 to 27, and reported on pages 38 and 39.
- Revenues for the City's business-type activities increased to \$506.9 million for fiscal year 2009 from \$451.3 million for fiscal year 2008 while expenses before transfers decreased to \$556.4 million for the current fiscal year compared to \$577.5 million for fiscal year 2008. The business-type activities are summarized on page 24, discussed on pages 28 to 29, and reported on pages 38 and 39.
- The combined ending governmental fund balances as of June 30, 2009 increased by \$149.0 million (as summarized on page 30) to \$757.8 million (as reported on page 41).
- Unreserved fund balance in the General Fund declined by \$39.5 million for fiscal year 2009 to \$67.8 million as reported on page 41. Likewise, the total General Fund balance as of June 30, 2009 decreased by \$49.4 million (as summarized on page 30) to \$116.7 million (as reported on pages 41 and 122).
- Net capital assets for the governmental activities increased to \$2.1 billion at the close of fiscal year 2009 from \$2.0 billion at June 30, 2008. For the business-type activities, net capital assets rose to \$2.2 billion at June 30, 2009 compared to \$2.0 billion at the end of the prior fiscal year. Capital assets are discussed on pages 32 and 33, and reported on pages 70 to 72 in the Notes to Financial Statements.
- The City's debt applicable to the \$23.0 billion legal debt margin was \$1.9 billion for the fiscal year ended June 30, 2009. Further, information on the City's long-term debt may be found on pages 33 and 34, on pages 74 to 77 in the Notes to Financial Statements, and on pages 231 to 234 in the Statistical Section.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

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 other supplementary information.

Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Assets 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 Assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets 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 the 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 and recreation, and utilities (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.

Separate reporting of the City's component unit, the semi-autonomous operations of the Board of Water Supply (BWS), is included 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 unit. Complete financial statements of BWS, which include its MD&A, may be obtained from BWS at 630 South Beretania Street, Honolulu, Hawaii 96843.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

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.

The City maintains 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. Other major funds include the Highway Fund, the General Obligation Bond and Interest Redemption Fund, and the Transit Fund. Information for the 29 nonmajor funds are combined into a single, aggregated presentation in the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for Governmental Funds. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining financial statements under Other Supplementary Information of this report.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

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 45 to 48. In addition, the proprietary funds are classified as business-type activities in the government-wide financial statements on pages 37 to 39.

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 49 and 50 of this report while the agency funds are reported on pages 118 and 119.

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 Assets

As noted earlier, net assets may serve over time as a useful indicator of the City's financial position. Excluding its component unit, the City's assets exceeded liabilities by \$1.68 billion in contrast to \$1.41 billion at the end of last fiscal year.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

The largest portion of the primary government's net assets (55.2% and 60.1% at the end of fiscal years 2009 and 2008, respectively) is reflected as invested in capital assets (i.e., land, construction work in progress, buildings and improvements, equipment and machinery, and infrastructure) less any related outstanding debt used to acquire those assets. 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 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.

Approximately \$620.0 million and \$475.2 million of the net assets for the primary government were unrestricted at June 30, 2009 and 2008, respectively. For the City's governmental activities, the unrestricted net assets of \$474.3 million at the end of fiscal year 2009 may be used to meet the City's ongoing obligations to citizens and creditors. With regard to the City's business-type activities, the unrestricted net assets improved to \$145.7 million at June 30, 2009 primarily due to the gain from and the interest expense reduction on the debt extinguishment from the repurchase of the HPOWER facility, and the 18.0% sewer service charge rate increase effective on July 1, 2008. A small percentage (7.9%) of the City's net assets at June 30, 2009 represents resources that are subject to external restrictions on how they may be used.

The following is a summary of the Statement of Net Assets as of June 30, 2009 and 2008:

**Summary Statement of Net Assets
(Amounts in Millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 920.5	\$ 776.5	\$ 565.7	\$ 627.7	\$ 1,486.2	\$ 1,404.2
Restricted assets	-	-	6.4	6.9	6.4	6.9
Capital assets, net of accumulated depreciation	2,066.4	1,960.9	2,242.0	2,043.3	4,308.4	4,004.2
Total assets	2,986.9	2,737.4	2,814.1	2,677.9	5,801.0	5,415.3
Noncurrent liabilities	2,213.6	2,075.5	1,692.3	1,715.1	3,905.9	3,790.6
Other liabilities	83.8	96.5	130.1	120.1	213.9	216.6
Total liabilities	2,297.4	2,172.0	1,822.4	1,835.2	4,119.8	4,007.2
Net assets:						
Invested in capital assets, net of debt	214.2	165.2	714.5	681.7	928.7	846.9
Restricted	1.0	1.0	131.5	85.0	132.5	86.0
Unrestricted	474.3	399.2	145.7	76.0	620.0	475.2
Total net assets	\$ 689.5	\$ 565.4	\$ 991.7	\$ 842.7	\$ 1,681.2	\$ 1,408.1

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

The following is a summary of the Statement of Activities for fiscal years 2009 and 2008:

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Revenues						
Program revenues:						
Charges for services	\$ 199.0	\$ 191.7	\$ 451.5	\$ 386.9	\$ 650.5	\$ 578.6
Operating grants and contributions	119.0	106.9	21.1	21.7	140.1	128.6
Capital grants and contributions	38.3	48.7	25.3	18.5	63.6	67.2
General revenues:						
Property taxes	802.6	776.0	-	-	802.6	776.0
Other taxes	154.7	122.7	-	-	154.7	122.7
Other	212.9	239.9	9.0	24.2	221.9	264.1
Total revenues	<u>1,526.5</u>	<u>1,485.9</u>	<u>506.9</u>	<u>451.3</u>	<u>2,033.4</u>	<u>1,937.2</u>
Expenses						
General government	444.7	371.4	-	-	444.7	371.4
Public safety	372.8	354.4	-	-	372.8	354.4
Highways and streets	51.9	16.1	-	-	51.9	16.1
Sanitation	5.1	5.7	-	-	5.1	5.7
Human services	83.7	83.0	-	-	83.7	83.0
Culture and recreation	110.4	96.3	-	-	110.4	96.3
Utilities or other enterprises	52.2	75.5	-	-	52.2	75.5
Interest	83.1	84.7	-	-	83.1	84.7
Housing	-	-	13.7	13.8	13.7	13.8
Sewer	-	-	178.9	194.1	178.9	194.1
Solid waste	-	-	154.2	170.8	154.2	170.8
Public transportation	-	-	209.6	198.8	209.6	198.8
Total expenses	<u>1,203.9</u>	<u>1,087.1</u>	<u>556.4</u>	<u>577.5</u>	<u>1,760.3</u>	<u>1,664.6</u>
Increase (decrease) before transfers	322.6	398.8	(49.5)	(126.2)	273.1	272.6
Transfers	(198.5)	(181.6)	198.5	181.6	-	-
Change in net assets	124.1	217.2	149.0	55.4	273.1	272.6
Net assets - beginning	565.4	348.2	842.7	787.3	1,408.1	1,135.5
Net assets - ending	<u>\$ 689.5</u>	<u>\$ 565.4</u>	<u>\$ 991.7</u>	<u>\$ 842.7</u>	<u>\$ 1,681.2</u>	<u>\$ 1,408.1</u>

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

Total revenues for the primary government rose to \$2.03 billion for the fiscal year 2009 from \$1.94 billion for fiscal year 2008. The revenue gains for fiscal year 2009 resulted principally from increased real property tax collections, higher sewer service charge rates, and the gain from the repurchase of the HPOWER facility.

Expenses for the primary government totaled \$1.76 billion for fiscal year 2009 of which \$1.2 billion applied to governmental activities and \$556.4 million related to business-type activities. For the prior fiscal year, expenses for the primary government totaled \$1.66 billion; \$1.09 billion pertained to governmental activities and \$577.5 million to business-type activities. Depreciation, included as expenses in the above schedule, amounted to \$78.8 million for the governmental activities and \$79.7 million for business-type activities for fiscal year 2009.

General government expenses for fiscal year 2009 rose \$73.3 million compared to fiscal year 2008 due to such factors as higher collective bargaining costs and increased employer contributions to the Employees' Retirement System.

Public safety expenses for fiscal year 2009 increased \$18.4 million in comparison to the prior fiscal year due to pay raises for police officers, firefighters, and paramedics, and more disbursements of federal grants.

Highways and streets expenses for fiscal year 2009 increased by \$35.8 million compared to the previous fiscal year. The increase may be attributed partially to pay raises, and higher costs for resurfacing materials. In addition, more payments were expensed as repairs and maintenance rather than capitalized during fiscal year 2009.

Conversely, the utilities or other enterprises function decreased by \$23.3 million in contrast to fiscal year 2008, largely a result of more payments being capitalized than expensed during fiscal year 2009.

Statement of Activities

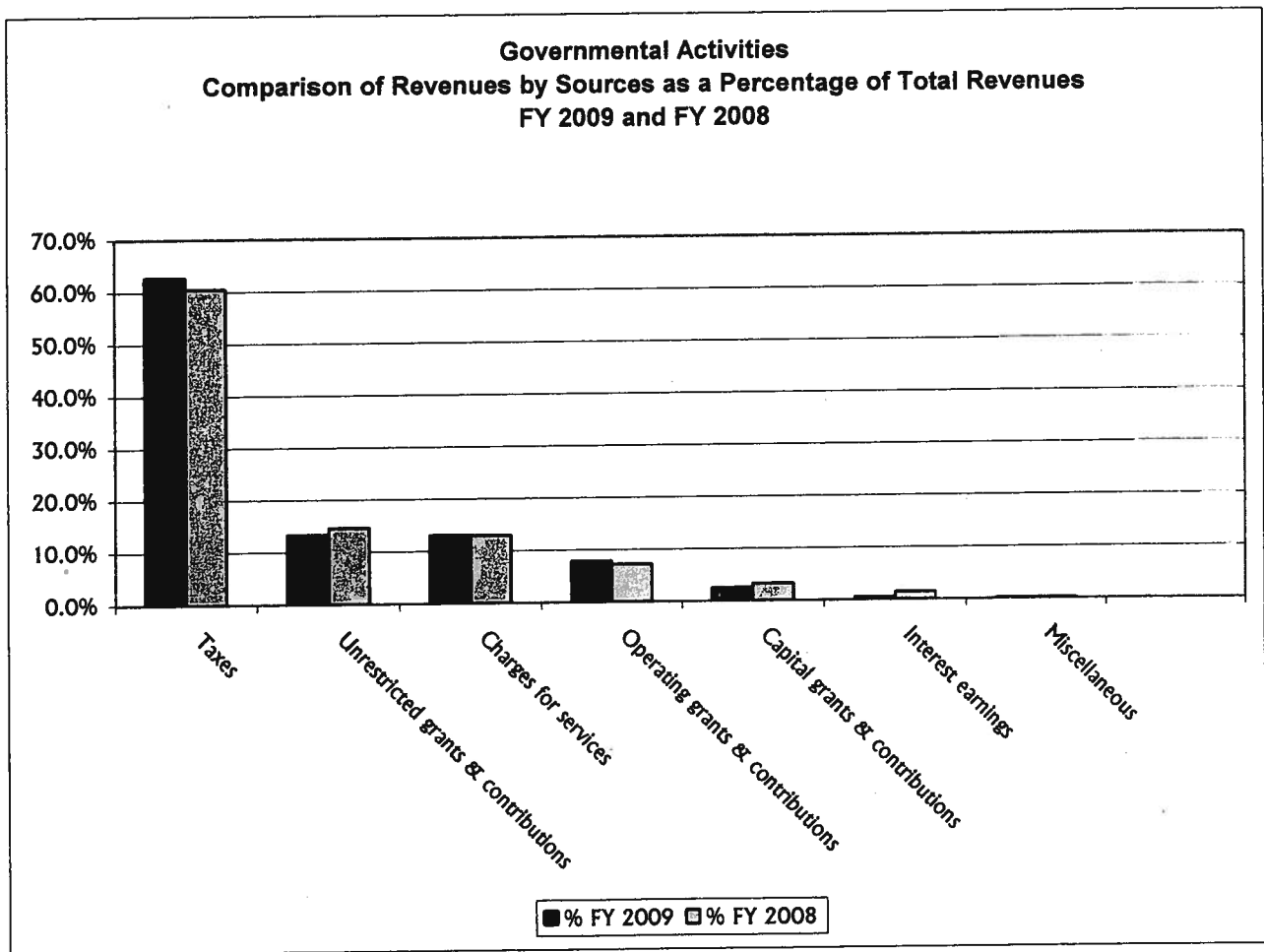
As noted earlier, the Statement of Activities presents how the City's net assets changed during the current fiscal year. Revenues and expenses are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. As such, the statement includes information for some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

Governmental Activities

The net assets for the City's governmental activities improved by \$124.1 million and \$217.2 million for fiscal year 2009 and 2008, respectively. The increase in net assets is due to higher collections from real property taxes as well as cost controls.

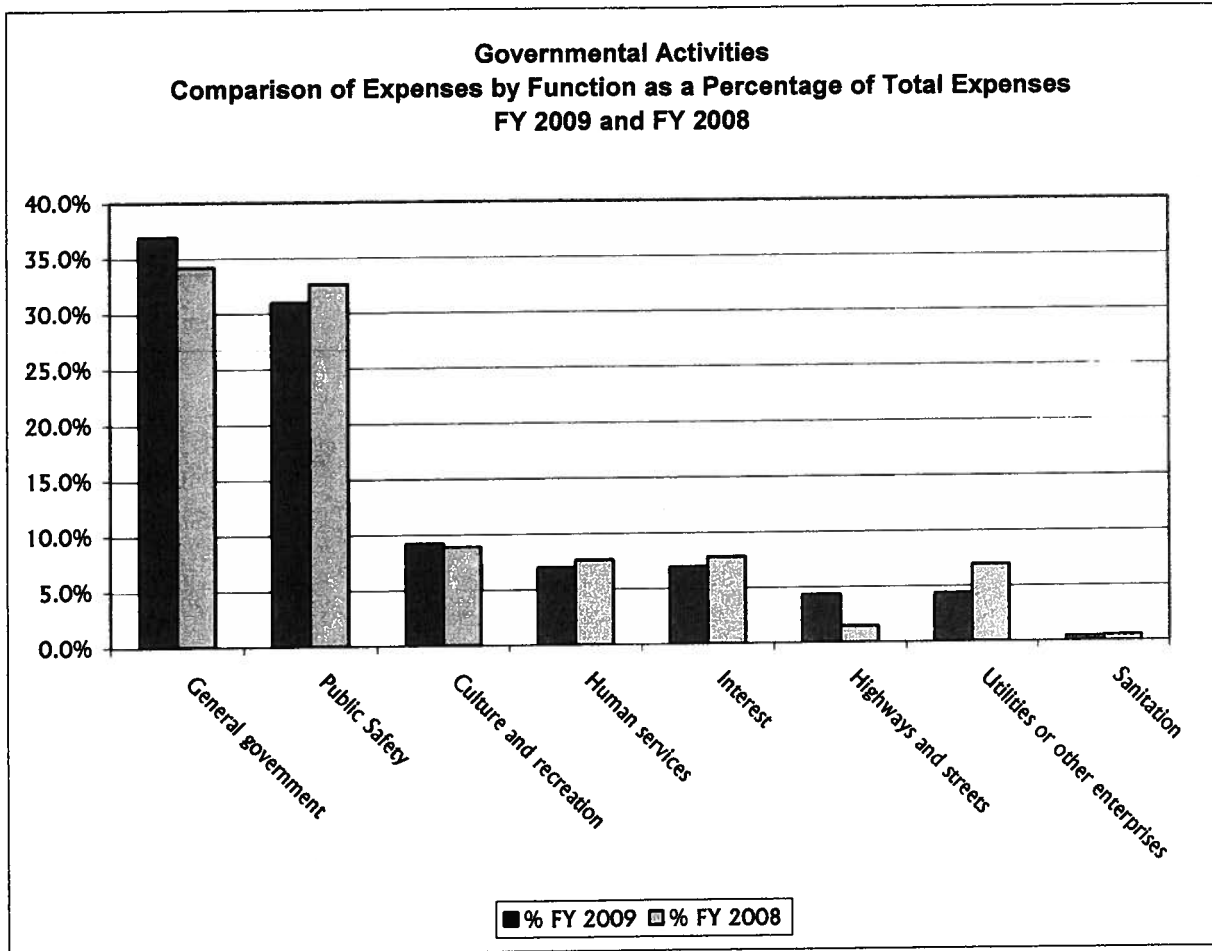
**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

Revenues. The following exhibit, Comparison of Revenues by Sources as a Percentage of Total Revenues, indicates revenues from governmental activities were relatively stable for the last two fiscal years. Taxes represented 62.7% (\$957.3 million) of the revenues from governmental activities for fiscal year 2009 and 60.5% (\$898.7 million) in contrast to the year before. Specifically, real property tax collections increased to \$802.6 million for fiscal year 2009 from \$776.0 million for fiscal year 2008, partially a result of the 50% reduction in the homeowner-occupant real property tax credit. Unrestricted grants and contributions, primarily from the general excise tax surcharge, decreased 6.3% to \$202.6 million for fiscal year 2009 compared to the prior fiscal year, and represented 13.3% of the revenues from governmental activities for fiscal year 2009 in contrast to 14.6 % for the previous fiscal year.



**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

Expenses. As displayed in the Comparison of Expenses by Function as a Percentage of Total Expenses for governmental activities below, the City spent 37.0% (\$444.7 million) on general government in the current fiscal year, compared to 34.2% (\$371.4 million) for fiscal year 2008. The increase in general government expenses for fiscal year 2009 can be attributed to such factors as other post-employment benefit costs and employee pay raises. The City spent 31.0% (\$372.8 million) on public safety for fiscal year 2009, in comparison to 32.6% (\$354.4 million) for fiscal 2008.

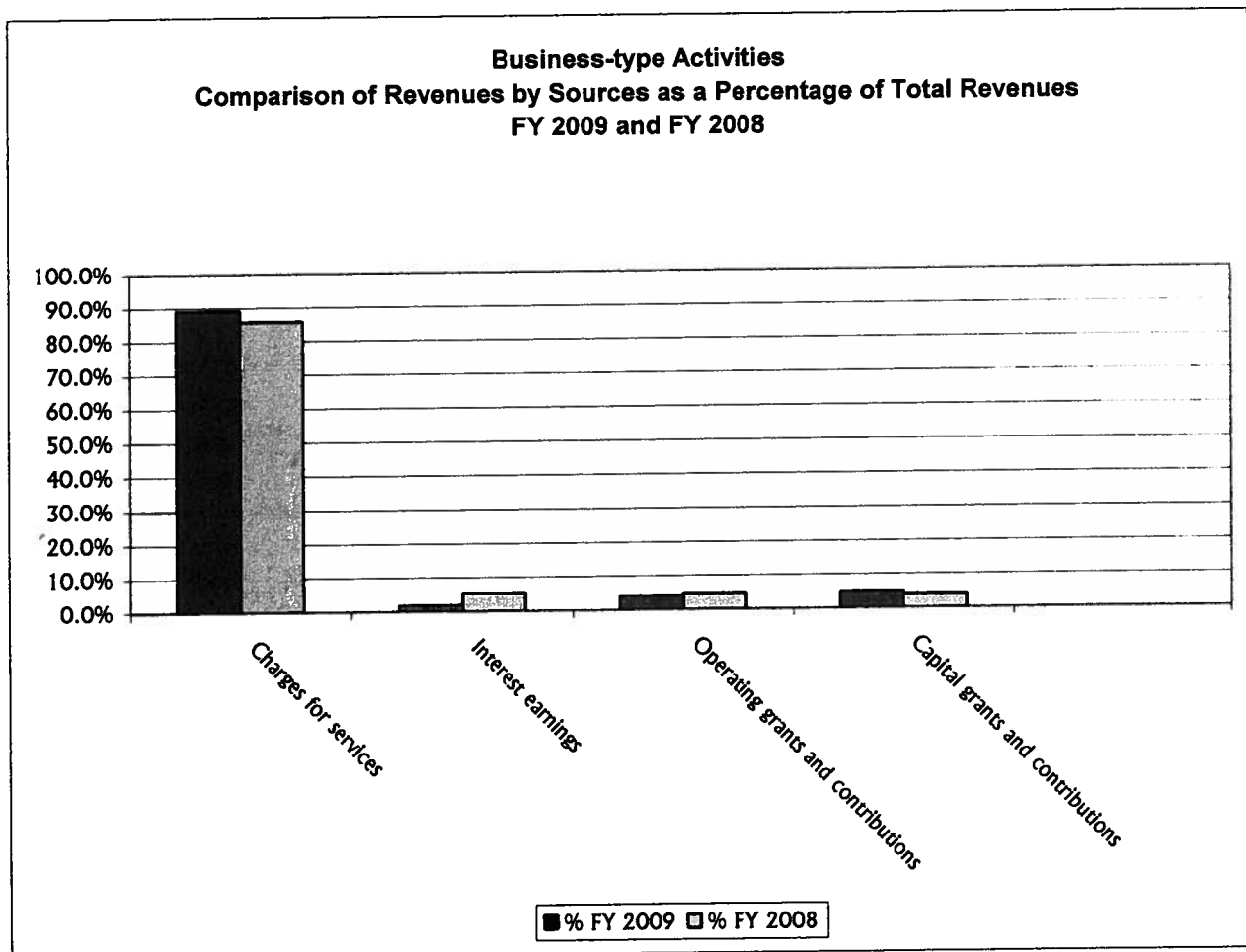


**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

Business-type Activities

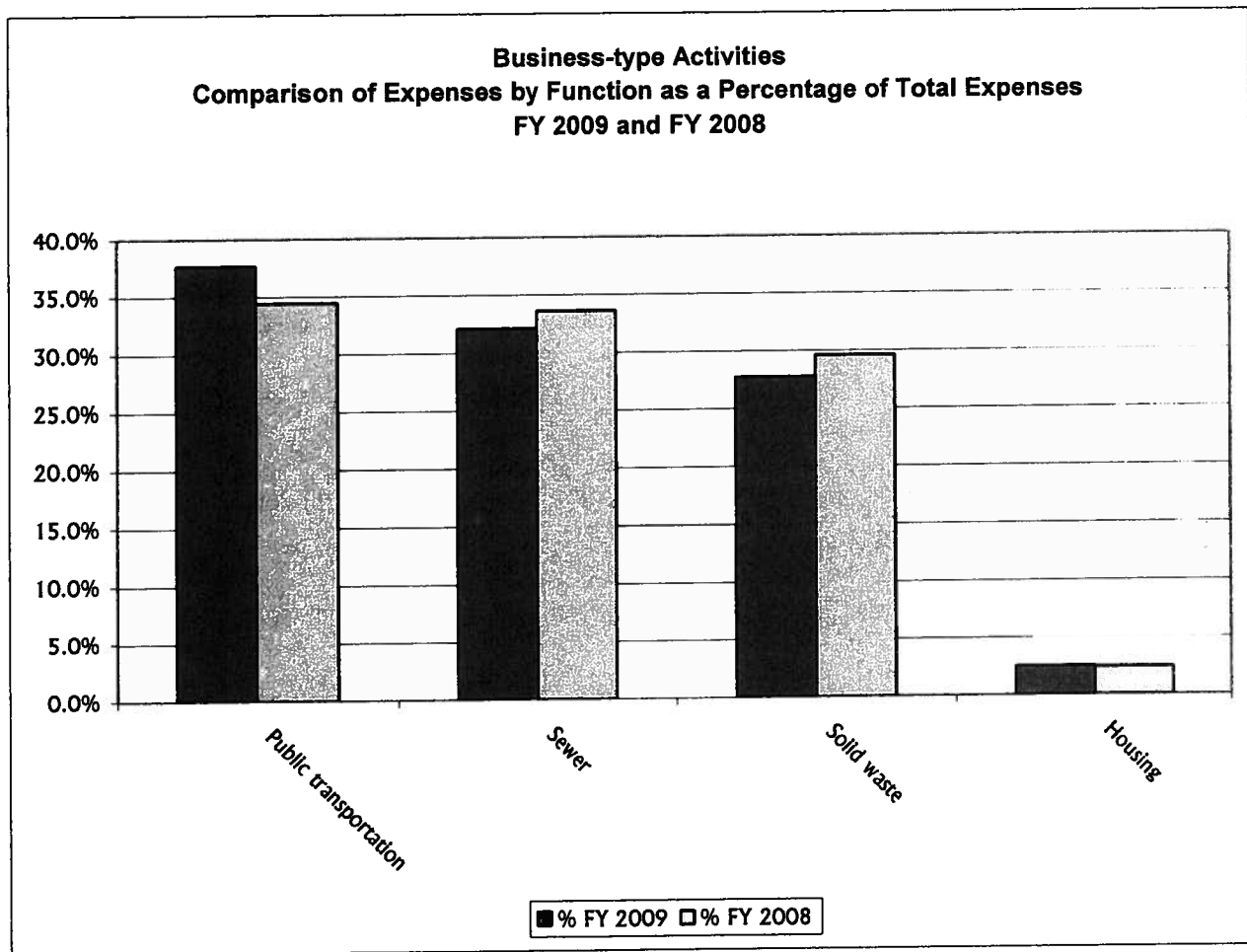
The net assets for the City's business-type activities increased by \$149.0 million and \$55.4 million for fiscal years 2009 and 2008, respectively. For the current fiscal year, the improvement in net assets may be attributed to such factors as the \$37.2 million gain and \$8.0 million interest expense reduction on the debt extinguishment from the repurchase of the HPOWER facility, and the 18.0% sewer service charge rate increase effective on July 1, 2008 (\$30.4 million).

Revenues. The Comparison of Revenues by Sources as a Percentage of Total Revenues for business-type activities in the exhibit below indicates that charges for services provided 89.0% and 85.7% of the revenues for fiscal years 2009 and 2008, respectively. Charges for services totaled \$451.5 million for fiscal year 2009 and can be disaggregated as follows: housing (\$9.8 million), sewer (\$252.0 million), solid waste (\$145.5 million), and public transportation (\$44.2 million). For fiscal year 2008, charges for services totaled \$386.9 million: housing (\$9.7 million), sewer (\$225.1 million), solid waste (\$108.3 million), and public transportation (\$43.8 million). Operating grants and contributions declined slightly to \$21.1 million while capital grants and contributions increased to \$25.3 million for fiscal year 2009 compared to fiscal year 2008.



**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

Expenses. As displayed in the exhibit below, expenses by business-type activities changed slightly in contrast to the prior year. Public transportation used the most resources (37.7%), followed by sewer (32.1%) and solid waste (27.7%) for fiscal year 2009. The net transfers in for the business-type activities from the governmental activities amounted to \$198.5 million for fiscal year 2009, and \$181.6 million for fiscal year 2008. Specifically, net transfers in for public transportation (bus and handi-van) operations amounted to \$127.3 million for fiscal year 2009, and \$105.9 million for fiscal year 2008; net transfers in for solid waste operations amounted to \$77.7 million for fiscal year 2009, and \$87.7 million for fiscal year 2008; and net transfers out for sewer operations amounted to \$12.9 million for fiscal year 2009, and \$11.9 million for fiscal year 2008.



**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

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 the changes in fund balances for the City's governmental funds as of the end of the 2009 fiscal year, amounting to a surplus of \$149.0 million in comparison to a surplus of \$263.5 million for the prior fiscal year.

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

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Transit Fund	All Other Funds	Totals	
						2009	2008
Revenues:							
Taxes	\$ 851.3	\$ 101.2	\$ -	\$ -	\$ -	\$ 952.5	\$ 892.0
Other	350.6	82.6	-	3.6	195.3	632.1	635.6
Total Revenues	1,201.9	183.8	-	3.6	195.3	1,584.6	1,527.6
Expenditures	698.1	88.7	226.3	54.0	367.5	1,434.6	1,407.9
Subtotal	503.8	95.1	(226.3)	(50.4)	(172.2)	150.0	119.7
Transfers and Other	(553.2)	(101.4)	226.3	160.7	266.6	(1.0)	143.8
Changes in Fund Balances	\$ (49.4)	\$ (6.3)	\$ -	\$ 110.3	\$ 94.4	\$ 149.0	\$ 263.5

The above changes in fund balances for the governmental funds differ from the changes in net assets 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 assets as detailed on page 43.

CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009

General Fund. The General Fund is the chief operating fund of the City. The unreserved fund balance of the General Fund decreased by \$39.5 million to \$67.8 million for the fiscal year ended June 30, 2009. The decline is attributable to a variety of factors such as pay raises awarded through binding arbitration, rising retirement system contributions, increased bus subsidies, and higher transfer amount to the Other Post-employment Benefits Reserve Fund. Likewise, total fund balance declined \$49.4 million to \$116.7 million in comparison to the prior fiscal year end, partially due to a decrease in reserved for encumbrances.

Real property taxes, the primary General Fund revenue source, increased \$32.3 million, a rise of 4.2% compared to the prior year. The increase may be attributed in part to the 50% reduction in the real property tax rebate for qualifying homeowners.

Receipts from the State of Hawaii for the general excise tax surcharge amounted to \$160.9 million for fiscal year 2009 compared to \$169.1 million for fiscal year 2008. The 4.8% decrease may be attributed in most part to the state of the global economy. All receipts for the general excise tax surcharge have been transferred to the Transit Fund.

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. The unreserved fund balance decreased 8.3% to \$17.6 million as of June 30, 2009 from \$19.2 million at the close of the prior fiscal year. Similarly, total fund balance declined 22.8% to \$21.3 million during the same period. The decreases resulted from higher payroll costs, debt service and bus subsidies.

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. The matured bonds and interest payable balance as of June 30, 2009 remained unchanged at \$321,000 in comparison to the prior fiscal year end.

Transit Fund. The transit fund receives and expends monies for the operating or capital costs of a locally preferred alternative for a rail transit project. Encumbered contracts underway, one component of fund balance, increased to \$280.2 million at the end of fiscal year 2009, up from \$89.0 million at the close of fiscal year 2008. The surplus for unreserved capital projects, the other component of fund balance, decreased to \$25.0 million at the end of fiscal year 2009 compared to \$105.9 million at the end of the previous fiscal year. The decline in unreserved fund balance may be associated directly to the increase in reserved for encumbrances.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

All Other Funds. All other funds (excluding the proprietary funds and the fiduciary funds) are considered the City's nonmajor governmental funds. The fund balances for the nonmajor funds increased by \$94.4 million from \$220.2 million at June 30, 2008 to \$314.6 million at June 30, 2009. The increase can be attributed to a variety of factors such as the issuance of \$150.1 million of general obligation bonds and \$45.0 million in tax exempt commercial paper in the General and Highway Improvement Bond Funds, respectively, and net transfers to the Other Post-Employment Benefits Reserve Fund. On the other hand, capital outlays from the General and Highway Improvement Bond Funds reduced the fund balances for the nonmajor funds. Specifically, \$27.6 million and \$21.0 million were expended from the general government and culture-recreation functions of the General Improvement Bond Fund, and \$44.9 million was expended for the highways and streets function of the Highway Improvement Bond Fund, mainly for road construction and the rehabilitation of streets.

GENERAL FUND BUDGETARY HIGHLIGHTS

Collections of real property taxes and public service company taxes exceeded budget estimates by 1.3% (\$10.6 million) and 30.8% (\$11.7 million), respectively. However, in total, actual revenues including other financing sources were less than budgetary estimates by 0.5% (\$6.4 million) for fiscal year 2009. Primarily due to the sluggish economy, the following major revenue sources were less than budgeted: investment interest earnings (56.8%), building permit fees (19.6%), transient accommodation tax (14.9%), and State reimbursements for fireboat operations (10.1%) and emergency ambulance services (6.9%). Conversely, actual revenues exceeded budgetary estimates by 0.5% (\$6.9 million) for fiscal year 2008.

There was no change between the original appropriation budget and the final amended budget for the General Fund.

Due to the implementation of expenditure control measures, actual expenditures were less than budgetary estimates by 7.1% (\$56.9 million) for fiscal year 2009 and by 6.4% (\$47.0 million) for the previous fiscal year. The net changes in fund balance reflected favorable variances of \$60.6 million for fiscal year 2009 and \$63.6 million for last year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, totaled \$4.3 billion for the primary government of which \$2.1 billion pertained to governmental activities as of June 30, 2009. This investment in capital assets includes land, construction work in progress, buildings and improvements, equipment and machinery, and infrastructure.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

The increase in capital assets is attributed to costs incurred for various ongoing capital improvement projects during fiscal year 2009 such as the Honolulu Rail Transit Project (\$43.9 million), Kapolei Parkway Extension, Phase 8B (\$8.6 million), and Rehabilitation of Streets, Curb Ramps (\$5.4 million) for the governmental activities, and Wanaao Road/Keolu Drive Relief Sewer (\$28.5 million) and Sand Island Wastewater Treatment Plant Primary Phase 1 (\$25.8 million) for the business-type activities.

Completed projects during fiscal year 2009 include various street rehabilitation projects (\$33.2 million), Kapolei Parkway Extension, Phases 8A and 8B (\$15.0 million), and Police Training – Indoor Range (\$5.9 million) for the governmental activities, and Ala Moana Wastewater Pump Station Modification (\$24.5 million) for the business type activities.

Additional information on the City's capital assets may be found in the Notes to Financial Statements on pages 70 to 72.

The following is a summary of the capital assets for the primary government as of June 30, 2009 in comparison to the previous year:

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Non-depreciable assets:						
Land	\$ 456.9	\$ 457.1	\$ 120.8	\$ 120.8	\$ 577.7	\$ 577.9
Construction work in progress	352.9	402.9	407.9	224.5	760.8	627.4
Other capital assets:						
Buildings and improvements	1,120.8	1,049.5	1,013.0	936.1	2,133.8	1,985.6
Equipment and machinery	267.4	257.8	530.3	513.9	797.7	771.7
Infrastructure	1,015.6	876.8	1,016.9	1,020.6	2,032.5	1,897.4
Less: accumulated depreciation	(1,147.2)	(1,083.2)	(846.9)	(772.6)	(1,994.1)	(1,855.8)
Net	\$ 2,066.4	\$ 1,960.9	\$ 2,242.0	\$ 2,043.3	\$ 4,308.4	\$ 4,004.2

Long-Term Debt

At June 30, 2009, the long-term debt for the primary government amounted to \$3.9 billion, consisting mainly of total bonded debt (\$3.4 billion) and notes payable (\$162.2 million). The total bonded debt is comprised of \$2.2 billion in general obligation bonds, and \$1.2 billion in revenue bonds secured by water and wastewater system revenue sources.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009**

The following is a summary of the bonded debt activities during fiscal year 2009:

- On April 6, 2009, \$152.8 million of General Obligation Refunding Bond Series 2007B were issued to fund the partial forward refunding of 1999C general obligation bonds.
- On April 28, 2009, \$376.7 million of General Obligation Bonds were issued. Bond Series 2009A were issued to currently refund \$152.7 million short-term general obligation tax-exempt commercial paper and fund certain capital improvements of the City; Bond Series 2009B were issued to fund the City H-Power project; and Bond Series 2009C were issued to fund partial forward refunding of 1999C general obligation bonds.

The scheduled payments of principal and interest on the General Obligation Bond Series 2007B are guaranteed by Financial Security Assurance, Inc. under an insurance policy that was issued concurrently with the delivery of the bonds. The General Obligation Bond Series 2007B, 2009A, 2009B, and 2009C have been assigned ratings of "AA", "Aa2" and "AA" by Fitch Ratings, Moody's Investors Service, and Standard & Poor's Rating Service, a division of McGraw-Hill Companies, Inc., respectively.

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 2009 was \$23.0 billion. The City's outstanding debt applicable to the legal debt margin totaled \$1.9 billion for fiscal year 2009, well below the statutory debt limitation.

Additional information on the City's debt is reported on pages 74 to 77 in the Notes to Financial Statements and on 231 to 234 in the Statistical Section of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Indicators such as average daily room rates, contracting receipts, job counts, unemployment rate, bankruptcy filings, foreclosure listings, and personal and proprietors' income growth rates suggest that the local economy has not yet recovered. Conversely, visitor arrival statistics are improving, residential home resale volumes are rebounding, and inflation is relatively stable.

The assessed valuation of real property (including new added property inventory) on Oahu decreased slightly to \$165.8 billion for fiscal year 2010 from \$166.3 billion for fiscal year 2009.

The rate for sewer service charges was raised 18.0% effective July 1, 2009.

CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2009

To fund the Honolulu Rail Transit Project, the City continues to receive a 0.5% surcharge on general excise and use tax on gross proceeds or gross income taxable under Chapter 237 of the Hawaii Revised Statutes, less the State's 10.0% administrative service fee. The remaining capital and financing costs will be funded by the Federal Transit Administration according to the project's August 2009 financial plan.

Given the uncertainties in the global economy, the City is making every effort to contain costs while maintaining the expected level of public services. The operating budget net of inter-fund transfers remained essentially unchanged at \$1.81 billion for fiscal years 2009 and 2010. Rising health insurance premiums, higher debt service costs, increased retirement system funding, and employee pay raises with the associated fringe benefit costs were key factors considered in the formulation of the operating budget.

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.

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BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY AND COUNTY OF HONOLULU
STATEMENT OF NET ASSETS
JUNE 30, 2009
(Amounts in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 726,713	\$ 466,974	\$ 1,193,687	\$ 14,595
Investments	--	12,707	12,707	97,332
Receivables (net)	194,403	48,226	242,629	20,208
Internal balances	(677)	677	--	--
Inventories	23	21,717	21,740	4,425
Deferred charges and other	--	15,439	15,439	3,135
Restricted assets:				
Cash and cash equivalents	--	6,383	6,383	15,456
Investments	--	--	--	41,617
Capital assets (net of accumulated depreciation):				
Land	456,927	120,804	577,731	32,373
Buildings and improvements	650,524	784,222	1,434,746	98,349
Equipment and machinery	85,048	96,021	181,069	85,846
Infrastructure	520,965	833,098	1,354,063	756,104
Construction work in progress	352,927	407,881	760,808	187,571
Total assets	<u>2,986,853</u>	<u>2,814,149</u>	<u>5,801,002</u>	<u>1,357,011</u>
LIABILITIES				
Accounts payable	45,117	53,297	98,414	13,397
Matured bonds and interest payable ...	330	--	330	--
Accrued interest payable	38,291	30,989	69,280	7,586
Due to fiduciary funds	10	33	43	--
Other liabilities	--	45,788	45,788	588
Noncurrent liabilities:				
Due within one year	126,047	62,171	188,218	10,018
Due in more than one year	2,087,521	1,630,194	3,717,715	345,717
Total liabilities	<u>2,297,316</u>	<u>1,822,472</u>	<u>4,119,788</u>	<u>377,306</u>
NET ASSETS				
Invested in capital assets, net of related debt	214,214	714,543	928,757	845,314
Restricted for:				
Capital activity	--	--	--	20,456
Debt service	969	131,469	132,438	--
Unrestricted	474,354	145,665	620,019	113,935
Total net assets	<u>\$ 689,537</u>	<u>\$ 991,677</u>	<u>\$ 1,681,214</u>	<u>\$ 979,705</u>

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, 2009
(Amounts in thousands)

(Page 1 of 2)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government.....	\$ 444,701	\$ 130,688	\$ 6,469	\$ 633
Public safety.....	372,843	42,163	18,062	5,042
Highways and streets.....	51,916	2,738	--	13,140
Sanitation.....	5,130	47	--	263
Human services.....	83,647	1,064	70,734	10,064
Culture and recreation.....	110,390	22,318	743	--
Utilities or other enterprises.....	52,166	--	22,962	9,150
Interest.....	83,048	--	--	--
Total governmental activities....	<u>1,203,841</u>	<u>199,018</u>	<u>118,970</u>	<u>38,292</u>
Business-type activities:				
Housing.....	13,711	9,766	--	--
Sewer.....	178,944	251,953	--	5,678
Solid Waste.....	154,158	145,507	--	--
Public Transportation.....	209,645	44,245	21,108	19,629
Total business-type activities....	<u>556,458</u>	<u>451,471</u>	<u>21,108</u>	<u>25,307</u>
Total primary government.....	<u>\$ 1,760,299</u>	<u>\$ 650,489</u>	<u>\$ 140,078</u>	<u>\$ 63,599</u>
Component unit:				
Board of Water Supply.....	<u>\$ 162,524</u>	<u>\$ 139,560</u>	<u>\$ --</u>	<u>\$ 11,464</u>

General revenues:

Property taxes.....	.....
Public service company tax.....	.....
Fuel tax .....	.....
Public utility franchise tax.....	.....
Investment earnings.....	.....
Unrestricted grants and contributions.....	.....
Other.....	.....
Transfers.....	.....
Total general revenues and transfers.....	.....
Change in net assets.....	.....
Net assets - beginning.....	.....
Net assets - 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, 2009
 (Amounts in thousands)

(Page 2 of 2)

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
\$ (306,911)	\$ --	\$ (306,911)	\$ --
(307,576)	--	(307,576)	--
(36,038)	--	(36,038)	--
(4,820)	--	(4,820)	--
(1,785)	--	(1,785)	--
(87,329)	--	(87,329)	--
(20,054)	--	(20,054)	--
(83,048)	--	(83,048)	--
<u>(847,561)</u>	<u>--</u>	<u>(847,561)</u>	<u>--</u>
--	(3,945)	(3,945)	--
--	78,687	78,687	--
--	(8,651)	(8,651)	--
--	(124,663)	(124,663)	--
<u>--</u>	<u>(58,572)</u>	<u>(58,572)</u>	<u>--</u>
<u>(847,561)</u>	<u>(58,572)</u>	<u>(906,133)</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>(11,500)</u>
802,571	--	802,571	--
49,596	--	49,596	--
50,316	--	50,316	--
54,804	--	54,804	--
7,170	9,039	16,209	8,563
202,598	--	202,598	--
3,162	--	3,162	--
(198,532)	198,532	--	--
<u>971,685</u>	<u>207,571</u>	<u>1,179,256</u>	<u>8,563</u>
124,124	148,999	273,123	(2,937)
565,413	842,678	1,408,091	982,642
<u>\$ 689,537</u>	<u>\$ 991,677</u>	<u>\$ 1,681,214</u>	<u>\$ 979,705</u>

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FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

MAJOR FUNDS

General Fund

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

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.

Capital Projects Fund

Transit Fund

This fund receives and expends monies for the operating or capital costs of a locally preferred alternative for a mass transit project.

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.

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.

Governmental Fund Financial Statements (Continued)

NONMAJOR FUNDS (CONTINUED)

Special Revenue Funds (Continued)

Other Post-Employment Benefits Reserve Fund

This fund accumulates, invests, appropriates, and manages funds to meet the costs of providing health care, life insurance and other post-employment benefits, other than pension obligations, to retirees and their dependents.

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.

Zoo Animal Purchase Fund

This fund accounts for the proceeds from the sale of surplus animals from the Honolulu Zoo and all donations made specifically for the purchase of animals. Funds in this account shall be expended for the acquisition of zoo animals to include shipping, insurance, travel and other related costs.

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.

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.

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 fifty 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.

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.

Governmental Fund Financial Statements (Continued)

NONMAJOR FUNDS (CONTINUED)

Special Revenue Funds (Continued)

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.

Farmers Home Administration Loan Fund

This fund accounts for all proceeds from the issuance and sale of bonds to the Farmers Home Administration for the purpose of financing portions of the cost of such projects as approved by the Farmers Home Administration.

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 plan.

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.

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.

Governmental Fund Financial Statements (Continued)

NONMAJOR FUNDS (CONTINUED)

Special Revenue Funds (Continued)

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.

Municipal Stores Revolving Fund

This fund is used to finance the Municipal Stores through bulk purchases and resale of regularly used standard printed forms and various publications dealing with City matters.

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.

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, 2009
 (Amounts in thousands)

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Transit Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Investments:						
With Treasury	\$ 101,360	\$ 18,206	\$ 321	\$ 273,343	\$ 333,483	\$ 726,713
Receivables	69,126	26,592	--	10	98,675	194,403
Due from other funds	21,001	26	--	41,108	884	63,019
Inventories	--	--	--	--	23	23
Total Assets	\$ 191,487	\$ 44,824	\$ 321	\$ 314,461	\$ 433,065	\$ 984,158
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 8,423	\$ 1,268	\$ --	\$ 9,243	\$ 23,310	\$ 42,244
Accrued payroll	2,417	277	--	21	158	2,873
Due to other funds	41,134	--	--	--	22,572	63,706
Matured bonds and Interest payable.....	--	--	321	--	9	330
Deferred revenue	22,821	21,941	--	--	72,445	117,207
Total Liabilities	74,795	23,486	321	9,264	118,494	226,360
Fund Balances:						
Reserved for:						
Encumbrances	48,868	3,714	--	280,223	706,593	1,039,398
Debt service	--	--	--	--	969	969
Unreserved, reported in:						
General fund	67,824	--	--	--	--	67,824
Special revenue funds	--	17,624	--	--	94,540	112,164
Capital projects funds	--	--	--	24,974	(487,531)	(462,557)
Total Fund Balances	116,692	21,338	--	305,197	314,571	757,798
Total Liabilities and Fund Balances	\$ 191,487	\$ 44,824	\$ 321	\$ 314,461	\$ 433,065	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,066,391
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	117,207
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(2,251,859)
Net assets of governmental activities	\$ 689,537

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, 2009
(Amounts in thousands)

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Transit Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes.....	\$ 851,265	\$ 101,266	\$ --	\$ --	\$ --	\$ 952,531
Special assessments.....	--	--	--	--	17	17
Licenses and permits.....	33,360	74,944	--	--	4,093	112,397
Intergovernmental.....	202,216	--	--	--	153,314	355,530
Charges for services.....	6,402	4,636	--	--	12,886	23,924
Fines and forfeits.....	645	--	--	--	287	932
Miscellaneous:						
Reimbursements and recoveries.....	95,694	734	--	--	7	96,435
Interest.....	7,170	--	--	3,596	2,525	13,291
Other.....	5,123	2,284	--	30	22,139	29,576
Total Revenues.....	1,201,875	183,864	--	3,626	195,268	1,584,633
Expenditures:						
Current:						
General government.....	133,597	19,018	--	64	10,601	163,280
Public safety.....	308,990	27,628	--	--	22,659	359,277
Highways and streets.....	3,718	24,115	--	--	438	28,271
Sanitation.....	4,828	--	--	--	--	4,828
Human services.....	3,646	--	--	--	69,755	73,401
Culture-recreation.....	64,346	--	--	--	23,542	87,888
Utilities or other enterprises.....	6	4,554	--	1,557	22,740	28,857
Miscellaneous:						
Retirement and health benefits.....	150,051	11,980	--	187	46,136	208,354
Other.....	26,000	1,180	--	26	287	27,493
Capital Outlay:						
General government.....	1,984	211	--	--	34,052	36,247
Public safety.....	--	--	--	--	25,903	25,903
Highways and streets.....	--	--	--	--	55,985	55,985
Sanitation.....	--	--	--	--	302	302
Human services.....	--	--	--	--	11,591	11,591
Culture-recreation.....	--	--	--	--	22,038	22,038
Utilities or other enterprises.....	--	--	--	52,187	21,410	73,597
Debt service:						
Principal.....	726	--	121,547	--	--	122,273
Interest.....	188	--	104,792	--	--	104,980
Total Expenditures.....	698,080	88,686	226,339	54,021	367,439	1,434,565
Revenues over (under) Expenditures.....	503,795	95,178	(226,339)	(50,395)	(172,171)	150,068
Other Financing Sources (Uses):						
Issuance of general obligation bonds	--	--	--	--	150,089	150,089
Issuance of tax exempt commercial paper	--	--	--	--	45,000	45,000
Issuance of refunding bonds	--	--	350,749	--	--	350,749
Bond premium	--	--	18,071	--	--	18,071
Bond discount	--	--	(78)	--	--	(78)
Refunding of bonds and commercial paper ..	--	--	(367,178)	--	--	(367,178)
Capital leases	189	--	--	--	--	189
Sales of capital assets.....	346	302	--	--	13	661
Transfers In.....	95,060	--	224,775	160,856	92,951	573,642
Transfers out.....	(648,773)	(101,737)	--	(185)	(21,479)	(772,174)
Total Other Financing Sources (Uses).....	(553,178)	(101,435)	226,339	160,671	266,574	(1,029)
Net change in fund balances.....	(49,383)	(6,257)	--	110,276	94,403	149,039
Fund Balances - July 1.....	166,075	27,595	--	194,921	220,168	608,759
Fund Balances - June 30.....	\$ 116,692	\$ 21,338	\$ --	\$ 305,197	\$ 314,571	\$ 757,798

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, 2009
 (Amounts in thousands)

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

Net change in fund balances--total governmental funds	\$ 149,039
Governmental funds report capital outlays as expenditures. The Statement of Activities reports depreciation expense on capital assets. This is the difference between the two amounts for this year.	105,457
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	5,168
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.	(114,219)
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.	(21,321)
Change in net assets of governmental activities	<u>\$ 124,124</u>

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

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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 special 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).

PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2009
(Amounts in thousands)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 1,302	\$ 324,297	\$ 123,206	\$ 18,169	\$ 466,974
Investments	--	12,707	--	--	12,707
Receivables:					
Accounts (net of allowance for uncollectibles of \$6,547)	990	34,551	10,737	1,466	47,744
Interest	--	25	4	--	29
Intergovernmental	--	--	453	--	453
Due from other funds	--	1,117	--	--	1,117
Inventories of parts, materials and supplies, at cost...	--	9,125	--	8,373	17,498
Inventories of real estate held for sale	4,219	--	--	--	4,219
Restricted assets:					
Cash and cash equivalents	4,772	--	--	1,611	6,383
Prepaid expenses and other assets	42	1,895	484	3,007	5,428
Total Current Assets	11,325	383,717	134,884	32,626	562,552
Noncurrent Assets:					
Capital Assets:					
Land	14,408	6,101	24,063	76,232	120,804
Buildings and improvements	108,504	786,591	54,392	63,558	1,013,045
Transmission and distribution system	--	1,016,908	--	--	1,016,908
Equipment and machinery	330	33,135	270,285	29,597	333,347
Buses and other transit vehicles	--	--	--	197,000	197,000
Construction work in progress	6,478	348,609	40,637	12,157	407,881
Accumulated depreciation	(57,980)	(318,186)	(272,849)	(197,944)	(846,959)
Deferred charges and other	1,946	7,339	726	--	10,011
Total Noncurrent Assets	73,686	1,880,497	117,254	180,600	2,252,037
Total Assets	85,011	2,264,214	252,138	213,226	2,814,589
LIABILITIES					
Current Liabilities:					
Accounts payable	51	30,714	19,917	2,615	53,297
Interest payable-current	1,639	26,284	3,066	--	30,989
Notes payable-current	--	12,471	--	--	12,471
Bonds payable-current	7,140	19,446	11,222	--	37,808
Due to other funds	1	--	472	--	473
Reserve for insurance claims payable	--	--	--	19,106	19,106
Accrued payroll	--	147	359	--	506
Other current liabilities	831	315	11,532	1,948	14,626
Total Current Liabilities	9,662	89,377	46,568	23,669	169,276
Noncurrent Liabilities:					
Notes payable	--	144,839	--	--	144,839
General obligation bonds payable, net	75,175	6,441	169,138	--	250,754
Revenue bonds payable, net	--	1,210,029	--	--	1,210,029
Estimated liability for landfill closure and postclosure care costs.....	--	--	8,084	--	8,084
Other liabilities	8,883	12,953	5,727	12,367	39,930
Total Noncurrent Liabilities	84,058	1,374,262	182,949	12,367	1,653,636
Total Liabilities	93,720	1,463,639	229,517	36,036	1,822,912
NET ASSETS					
Invested in capital assets, net of related debt	(10,575)	574,370	(29,852)	180,600	714,543
Restricted for debt service	--	131,469	--	--	131,469
Unrestricted	1,866	94,736	52,473	(3,410)	145,665
Total Net Assets (Deficit)	\$ (8,709)	\$ 800,575	\$ 22,621	\$ 177,190	\$ 991,677

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 FUND NET ASSETS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
Operating Revenues:					
Rental Income	\$ 9,196	\$ --	\$ 1,611	\$ --	\$ 10,807
Sewer service charges	--	250,265	--	--	250,265
Disposal and collection fees	--	--	53,716	--	53,716
Electrical energy fee	--	--	50,819	--	50,819
Passenger fares for transit services	--	--	--	43,877	43,877
Other revenue	--	1,688	2,191	368	4,247
Total Operating Revenues	9,196	251,953	108,337	44,245	413,731
Operating Expenses:					
Administrative and general	940	29,962	31,469	1,346	63,717
Maintenance	1,237	818	513	2	2,570
Depreciation	3,682	40,682	18,322	17,026	79,712
Contractual services	2,067	17,054	66,245	141,427	226,793
Supplemental operating fee	--	--	1,611	--	1,611
Fringe benefits	150	12,911	10,743	114	23,918
Materials and supplies	83	8,957	12,963	12,975	34,978
Fuel and lubricants	--	2,279	2,717	16,450	21,446
Insurance	158	--	1,611	15,117	16,886
State taxes - fuel	--	--	105	2,773	2,878
Utilities	1,632	17,683	315	2,284	21,914
Other	--	--	3	109	112
Total Operating Expenses	9,949	130,346	146,617	209,623	496,535
Operating Income (Loss)	(753)	121,607	(38,280)	(165,378)	(82,804)
Nonoperating Revenues (Expenses):					
Interest revenue	51	7,080	1,898	10	9,039
Interest expense	(3,639)	(45,270)	(7,485)	--	(56,394)
Gain (Loss) from disposal of property ..	--	(280)	--	(22)	(302)
Amortization expense	(123)	(2,881)	(56)	--	(3,060)
Other	570	(167)	37,170	21,108	58,681
Total Nonoperating Revenues (Expenses)	(3,141)	(41,518)	31,527	21,096	7,964
Income (Loss) before Transfers and Capital Contributions.....	(3,894)	80,089	(6,753)	(144,282)	(74,840)
Transfers In	6,458	--	92,069	127,280	225,807
Transfers Out	--	(12,931)	(14,344)	--	(27,275)
Capital Contributions	--	5,678	--	19,629	25,307
Change In Net Assets	2,564	72,836	70,972	2,627	148,999
Net Assets - July 1	(11,273)	727,739	(48,351)	174,563	842,678
Net Assets - June 30	\$ (8,709)	\$ 800,575	\$ 22,621	\$ 177,190	\$ 991,677

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, 2009
 (Amounts in thousands)

(Page 1 of 2)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
Cash flows from operating activities:					
Receipts from customers.....	\$ 8,651	\$ 249,384	\$ 108,933	\$ 44,459	\$ 411,427
Payments to suppliers.....	(5,674)	(39,526)	(96,359)	(185,080)	(326,639)
Payments to employees.....	(528)	(47,272)	(40,693)	(1,386)	(89,879)
Other receipts (payments).....	246	--	47,200	--	47,446
Net cash provided by (used in) operating activities	<u>2,695</u>	<u>162,586</u>	<u>19,081</u>	<u>(142,007)</u>	<u>42,355</u>
Cash flows from noncapital financing activities:					
Transfers in	6,458	--	92,069	127,280	225,807
Transfers out	--	(12,931)	(14,344)	--	(27,275)
Grants and contributions	--	--	--	21,107	21,107
Net cash provided by (used in) noncapital financing activities	<u>6,458</u>	<u>(12,931)</u>	<u>77,725</u>	<u>148,387</u>	<u>219,639</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(74)	(194,431)	(31,402)	(370)	(226,277)
Proceeds from issuing notes	--	53,522	--	--	53,522
Principal paid on operating fee obligation	--	--	(43,885)	--	(43,885)
Interest paid on operating fee obligation	--	--	(1,266)	--	(1,266)
Proceeds from issuing bonds	22,122	--	109,659	--	131,781
Principal paid on notes	--	(11,066)	(30,837)	--	(41,903)
Principal paid on bonds	(27,898)	(15,654)	(41,077)	--	(84,629)
Interest paid on notes	--	(2,632)	(120)	--	(2,752)
Interest paid on bonds	(4,284)	(57,388)	(6,787)	--	(68,459)
Net cash used in capital and related financing activities	<u>(10,134)</u>	<u>(227,649)</u>	<u>(45,715)</u>	<u>(370)</u>	<u>(283,868)</u>
Cash flows from investing activities:					
Purchase of investments	(10,000)	(360,448)	(207,363)	(35,640)	(613,451)
Proceeds from maturities of investments	10,000	716,822	269,950	45,155	1,041,927
Interest received on notes receivable	--	--	1,267	--	1,267
Interest on investments	30	9,933	1,597	10	11,570
Net cash provided by investing activities	<u>30</u>	<u>366,307</u>	<u>65,451</u>	<u>9,525</u>	<u>441,313</u>
Net increase (decrease) in cash and cash equivalents	(951)	288,313	116,542	15,535	419,439
Cash and cash equivalents - July 1	7,025	35,984	6,664	4,245	53,918
Cash and cash equivalents - June 30	<u>\$ 6,074</u>	<u>\$ 324,297</u>	<u>\$ 123,206</u>	<u>\$ 19,780</u>	<u>\$ 473,357</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, 2009
 (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 (used) by operating activities:					
Operating Income (loss)	\$ (753)	\$ 121,607	\$ (38,280)	\$ (165,378)	\$ (82,804)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	3,682	40,682	18,322	17,026	79,712
Other revenues (expenses)	571	(516)	--	--	55
(Increase) decrease in accounts receivable	(163)	(2,733)	4,750	598	2,452
Increase in intergovernmental receivable	--	--	(73)	--	(73)
Decrease in due from other funds	--	--	35,987	--	35,987
Increase in parts, materials and supplies	--	(1,109)	--	(715)	(1,824)
(Increase) decrease in prepaid expenses and other assets	99	(70)	(121)	--	(92)
Increase (decrease) in trade accounts payables	(280)	2,627	2,070	(596)	3,821
Increase in reserve for insurance claims payable	--	--	--	4,026	4,026
Increase (decrease) in deferred credits	(155)	--	--	87	(68)
Increase (decrease) in other liabilities	--	2,153	(3,823)	2,945	1,275
Increase (decrease) in due to other funds	(306)	(55)	249	--	(112)
Net cash provided by (used in) operating activities	<u>\$ 2,695</u>	<u>\$ 162,586</u>	<u>\$ 19,081</u>	<u>\$ (142,007)</u>	<u>\$ 42,355</u>

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

Housing

Amortization of deferred refinancing charges amounted to \$99 for the year ended June 30, 2009. Interest expense for bond premium and bond deferred loss on refunding amounted to (\$227) for the year ended June 30, 2009.

Sewer

The Sewer Fund received \$5,678 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, 2009. Amortization of bond discount and bond premium amounted to \$2,215 and (\$2,380) respectively, while amortization for bond issuance cost amounted to \$669 for the year ended June 30, 2009.

Solid Waste

Amortization of bond discount and bond issuance cost amounted to \$58 for the year ended June 30, 2009. Interest expense for bond premium and bond deferred loss on refunding amounted to (\$331) for the year ended June 30, 2009.

Public Transportation System

The Public Transportation System received contributions of capital assets from the City and County of Honolulu amounting to \$19,629 for the year ended June 30, 2009.

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 ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2009
 (Amounts in thousands)

	Private-purpose Trust Fund	Agency Funds
<u>ASSETS</u>		
Cash and cash equivalents	\$ 4,999	\$ 39,090
Investments	1,485	3,812
Due from other funds	--	43
Total assets	6,484	42,945
<u>LIABILITIES</u>		
Accounts payable	--	2,502
Other current liabilities	--	40,443
Total liabilities	--	42,945
<u>NET ASSETS</u>		
Held in trust for individuals, organizations and other governments	\$ 6,484	\$ --

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

CITY AND COUNTY OF HONOLULU
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

	Private-purpose Trust Fund
ADDITIONS	
Interest	\$ 28
Collections for sundry creditors, contributions, etc.....	1,990
Total additions	2,018
DEDUCTION	
Payments in accordance with trust agreements	1,780
Change in net assets	238
Net assets - July 1	6,246
Net assets - June 30	\$ 6,484

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, 2009

1. Summary of Significant Accounting Policies

The Financial Reporting Entity

The City and County of Honolulu, State of Hawaii ("City") 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 last amended in 1998.

The accompanying financial statements present the operations of the City, as primary government, as well as its discretely presented component unit, the Board of Water Supply ("Board").

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 are no separate city, county or township governments nor any school district, special districts, authorities or public corporations with overlapping authority presented in the accompanying financial statements.

Discretely Presented Component Unit – The component unit column in the financial statements includes the financial data of the City's discretely presented component unit, the Board which is a semi-autonomous proprietary agency of the City. It is reported in a separate column to emphasize that it is legally separate from the City.

A majority of the members of the Board, the governing body, are appointed by the Mayor and confirmed by the City Council. The Board has been granted corporate powers by the City Charter. The City does not have the authority to modify or approve the Board's budgets. Water and revenue bonds payable by the Board are general obligations of the City. As the City would be obligated to repay these bonds in the event of default by the Board, the City is financially accountable for the debts of the Board. Complete financial statements of the Board may be obtained from the Board of Water Supply, 630 South Beretania Street, Honolulu, Hawaii 96843.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Government-wide and Fund Financial Statements – The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the primary government and its component unit, excluding the fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements. 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 unit 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 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) 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.

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 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.

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.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Transit Fund

This fund receives transfers of all monies collected from the county surcharge on state excise and use tax by the general fund and provides budgetary control and accountability of monies collected for the mass transit project.

All of the City proprietary funds are reported as major proprietary funds:

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.

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 (The Bus) and the special transit service (The Handi-Van).

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.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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 deferred 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 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 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 combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statement and detailed in the combining section.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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 financial position and changes in financial 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.

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 assets, financial 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 unit 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.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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 major fiduciary funds:

- Ewa Highway Master Plan Impact Fees
- Lester McCoy Pavilion
- Liquor Commission
- Parks and Playgrounds
- Payroll Clearance
- Planning and Permitting

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.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted funds first, then unrestricted resources as they are needed.

The accompanying financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB). Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 are not applied in the presentation of the financial statements of the proprietary fund types in accordance with GASB Statement No. 34.

The City follows GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments: Omnibus – an amendment of GASB Statements No. 21 and No. 34*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Budgets 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 reserve 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 (in the fund financial statements). Capital projects funds (in the fund financial statements) employ encumbrance accounting in order to reserve for 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 reported as reservations of fund balances (in the fund financial statements) 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 consist of participating interest-earning contracts such as investments in U.S. government securities and investments purchased under agreements to resell to banks (repurchase agreements). Investments are stated at amortized cost.

The City values investments in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. This statement provides fair value standards for investments in certain types of financial instruments. The City's investments fall into categories that can be valued by cost-based measures.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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 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 revenue in the fund financial statements. A lien for real property taxes attaches as of July 1 of each year.

Unbilled Receivables

Included in the enterprise fund – discretely presented component unit and enterprise fund – proprietary fund type receivables at June 30, 2009, were unbilled water and sewer charges (due to the use of cycle billings) in the amounts of \$10.2 million and \$21.9 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.

Inventory of Real Estate Held for Sale

Real estate held for sale is stated at the lower of cost or estimated net realizable value, with cost being determined by the specific identification method. All estimated costs to the anticipated date of disposition are considered in the determination of estimated net realizable value. Costs include all costs directly related to the planning of improvements to be constructed on the land, interest and other carrying charges. Interest on loans used to finance development or construction activities is capitalized during the development period.

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 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 estimated fair market value or appraised value at time of acceptance by City Council. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs related to repairs and maintenance are expensed as incurred.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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

	Years
Infrastructure	8-75
Buildings and improvements	10-50
Transmission and distribution system	13-60
Equipment and machinery	5-25
Buses and other transit vehicles	7-12

Bond Issue Costs, Original Issue Discount or Premium and Deferred Losses on Refundings

Bond issue costs are deferred and are amortized over the life of the respective issue on a straight-line basis. Original issue discount or premium and deferred losses on refundings are amortized using the straight-line method over the terms of the respective issues and are added to or offset against the bonds payable in the statement of net assets.

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 \$127.3 million to the Public Transportation System and authorized transfers from funds receiving revenues to funds that will expend those resources. Contributions to the capital accounts of enterprise funds are reflected in the statement of revenue, expenses and changes in fund net assets.

Net Assets

Net assets comprise the various net earnings (losses) from operating and nonoperating revenues, expenses, transfers and contributed capital. Net assets are classified in the following three components: invested in capital assets, net of related debt; restricted for capital activity and debt service; and unrestricted net assets. Invested in capital assets, net of related debt, 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 are not included in the calculation of the amount invested in capital assets, net of related debt. Restricted for capital activity and debt service consists of net assets 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 assets consist of all other net assets not included in the above categories.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Retirement Plan Contributions

In fiscal year 2005, the City's contribution to the Employees' Retirement System of the State of Hawaii was based on an actuarial computation contribution which consisted of the normal cost plus a level annual payment required to amortize an unfunded actuarial accrued liability over the remaining period of 27 years from July 1, 2002. Effective July 1, 2005, a dollar contribution is not determined under the provisions of Act 181/2004. Instead a fixed percentage of payroll is contributed (15.75% for Police and Fire and 13.75% for all other employees). On July 1, 2008, the percentages increased to 19.70% for Police and Fire, and 15.00% for all others.

Deferred Compensation Plan

All full-time employees of the City and its component unit 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. The deferred compensation amounts are not available to employees until termination, retirement, death or 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 \$343.2 million are not reported in the accompanying financial statements at June 30, 2009.

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, 2009, accumulated sick leave amounted to \$380.2 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 fixed 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, 2009

Enterprise Funds

The City maintains five enterprise funds consisting of the Public Transportation System ("PTS"), the Solid Waste Special Fund, the Sewer Fund and the Housing Development Special Fund, which are included in the proprietary fund type, and the Board of Water Supply, which is a discretely presented component unit.

Information describing these enterprise funds, including significant accounting policies, is described in Notes 11 and 15.

Deficit Balances

At June 30, 2009, the prior year's accumulated deficit of \$48.4 million was eliminated and Solid Waste Special Fund's equity improved by \$71.0 million to \$22.6 million due to transfers from the General Fund.

The Housing Special Development Fund showed a decrease in the deficit balance of \$2.6 million to \$8.7 million at June 30, 2009 as result of transfers from the General Fund.

It is anticipated that the City will continue to provide significant operating subsidies for both the refuse collection and recycling operations and the Housing Special Development Fund.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

New Accounting Pronouncements

In November 2006, the GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. This statement addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The scope of the document excludes pollution prevention or control obligations with respect to current operations, and future pollution remediation activities that are required upon retirement of an asset, such as landfill closure and postclosure care. A government is required to estimate the components of expected pollution remediation outlays and determine whether outlays for those components should be accrued as a liability or, if appropriate, capitalized when goods and services are acquired if one of five obligating events occur which are as follows: 1) the government is compelled to take pollution remediation action because of an imminent endangerment; 2) the government violates a pollution prevention-related permit or license; 3) the government is named, or evidence indicates that it will be named, by a regulator as a responsible party or potentially responsible party (PRP) for remediation, or as a government responsible for sharing costs; 4) the government is named, or evidence indicates that it will be named, in a lawsuit to compel participation in pollution remediation; or 5) the government commences or legally obligates itself to commence pollution remediation. The provisions of this statement are effective for the City for periods beginning after December 15, 2007. There were no pollution remediation obligations for the fiscal year ended June 30, 2009.

In May 2007, the GASB issued Statement No. 50, *Pension Disclosures, an amendment of GASB Statements No. 25 and No. 27*. This Statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits and further enhances information disclosed in notes to financial statements by pension plans and by employers that provide pension benefits. The provisions of this Statement are effective for the City for periods beginning after June 15, 2007. This Statement has no effect on the City's financial statements.

In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This Statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and city governments. The provisions of this Statement are effective for the City for periods beginning after June 15, 2009. The City has started preparations for the implementation of Statement No. 51, but 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, 2009

In November 2007, the GASB issued Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*. This Statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value. The provisions of this Statement are effective for the City for periods beginning after June 15, 2008. The City has not yet determined the effect this Statement will have on its financial statements.

In June 2008, the GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This Statement requires governments to measure most derivative instruments at fair value in their financial statements that are prepared using the economic resources measurement focus and the accrual basis of accounting. It is intended to improve how state and local governments report information about derivative instruments. Basically, a derivative instrument is an agreement that transfers risk from one party to another and is typically used for risk management or investment purposes. The provisions of this Statement are effective for the City for periods beginning after June 15, 2009. The City has no derivative instruments and does not plan on acquiring such investments.

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements in this Statement will improve financial reporting by providing fund balance categories and classifications that will be more easily understood. The distinction in reporting fund balance information is what is considered *nonspendable*, such as fund balance associated with inventories. The provisions of this Statement are effective for the City for periods beginning after June 15, 2010. The City has not yet determined the effect this Statement will have on its financial statements.

In March 2009, GASB issued Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement incorporates the hierarchy of generally accepted accounting principle (GAAP) for state and local governments into the Governmental Accounting Standards Board's (GASB) authoritative literature. The "GAAP Hierarchy" consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP. The requirements in this Statement will improve financial reporting by contributing to the GASB's effort to codify all GAAP for state and local governments. This GASB Statement is effective upon issuance.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

In March 2009, GASB issued Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*. This Statement addresses three issues not included in the authoritative literature that establishes accounting principles— related party transactions, going concern considerations, and subsequent events. The presentation of principles is more appropriately included in accounting and financial reporting standards rather than in auditing literature. The requirements in this Statement will improve financial reporting by contributing to the GASB's efforts to codify all sources of GAAP for state and local governments so that they derive from a single source. This GASB Statement is effective upon issuance.

Financial Statement Presentation

Certain prior year information has been presented in the supplementary fund financial statements in order to provide an understanding of the changes in financial position and operations of these funds.

2. Budgets and Budgetary Accounting

On or before March 2, 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 public hearings, and on or prior to June 15, the budgets are legally enacted through passage of a budget ordinance 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, Parks and Playgrounds Fund, Federal Revenue Sharing Fund, Liquor Commission Fund, Rental Assistance Fund, Zoo Animal Purchase Fund, Hanauma Bay Nature Preserve Fund, Reserve for Fiscal Stability Fund, Transit Fund, Community Development Fund, Golf Fund, Special Events Fund, Special Projects Fund, Federal Grants Fund, Housing and Community Development Rehabilitation Loan Fund, Housing and Community Development Section 8 Contract Fund, and Leasehold Conversion 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.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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 at least partially expended or encumbered. Certain federal and state grant funds are automatically appropriated when received.

The Mayor is authorized to transfer appropriations between activities within a department and character expenditures with 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 percent of the amount appropriated for that activity, 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 percent of the appropriation or \$10,000. To transfer appropriations between departments, the legal level of budgeting, amendments must be made to the enacted budget ordinance. 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 individual fund statements. The budget figures presented include all amendments to the enacted budget ordinances.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

3. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance of total governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that, "long-term liabilities, including bonds 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 assets. The details of this \$2.25 billion difference are as follows (amounts in thousands):

Long-term liabilities (see Note 8)	\$ (2,213,568)
Accrued interest payable and other	<u>(38,291)</u>
	<u>\$ (2,251,859)</u>

The government fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net change in fund balances of total governmental funds and change in net assets 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." The details of this \$105.5 million difference are as follows (amounts in thousands):

Capital outlays	\$ 184,223
Depreciation expense	<u>(78,766)</u>
	<u>\$ 105,457</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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 \$114.2 million difference are as follows (amounts in thousands):

Debt Issued:	
General obligation bonds, net	\$ (444,005)
Tax-exempt commercial paper	(45,000)
Other long-term debt	(189)
Total	<u>(489,194)</u>
Principal Repayments:	
General obligation bonds, net	252,203
Tax-exempt commercial paper	121,863
Other long-term debt	909
Total	<u>374,975</u>
Net adjustment	<u>\$ (114,219)</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 \$21.3 million difference are as follows (amounts in thousands):

Compensated absences	\$ (4,094)
Claims and judgments	(1,254)
Other postretirement benefits	(18,546)
Other	2,573
Net adjustment	<u>\$ (21,321)</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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 11). 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 98-295, CD1 govern acceptable types of investments. The City's resolution 07-51, CD1 govern the deposit and short-term investment of general excise and use tax revenues.

Credit Risk and Foreign Currency Risk

The City invests in obligations of the U.S. government, so it is not exposed to any credit rate risk or foreign currency risk.

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, 2009, the City had no investments in money market mutual funds or external investment pools.

Concentration of Credit Risk

As of June 30, 2009, \$12.7 million in investments were issued by FSA Capital Management Services LLC.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

The fair value and maturities of investments as of June 30, 2009 were as follows (amount in thousands):

	Reported Amount	Fair Value	Investment Maturity in Years			
			Less than One	1 to 5	6 to 10	More than 10
Primary Government:						
Guaranteed investment contracts	\$ 12,707	\$ 12,707	\$ -	\$ -	\$ -	\$ 12,707
Component Unit:						
U.S. government securities	\$ 113,300	\$ 113,300	\$ 27,882	\$ 85,418	\$ -	\$ -
Corporate Bonds	25,649	25,649	-	25,649	-	-
Total	<u>\$ 138,949</u>	<u>\$ 138,949</u>	<u>\$ 27,882</u>	<u>\$ 111,067</u>	<u>\$ -</u>	<u>\$ -</u>
Fiduciary Funds:						
Certificate of Deposits	\$ 5,297	\$ 5,297	\$ 5,297	\$ -	\$ -	\$ -

5. Receivables

Receivable balances, net of allowances for uncollectible accounts, at June 30, 2009 consisted of the following (amount in thousands):

	Governmental Activities	Business-Type Activities
Real property taxes	\$ 16,046	\$ -
Accounts	1,379	54,291
Public utilities franchise tax	21,941	-
Special assessments	86	-
Notes	66,578	-
Intergovernmental	89,364	453
Interest	27	29
CASE fees	-	-
Allowance for uncollectible accounts	(1,018)	(6,547)
	<u>\$ 194,403</u>	<u>\$ 48,226</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Revenues not collected within 60 days of fiscal year end are recorded as deferred revenue. \$117.2 million of the receivables for governmental activities have been deferred at June 30, 2009. Notes receivable include \$10.4 million in grant loans, with indefinite repayment terms.

The only receivables not expected to be collected within one year are the noncurrent portion of the notes receivable in the amount of \$65.9 million, which are generally due to the City on various dates through 2073.

6. Capital Assets

The following is a summary of changes in capital assets during the fiscal year ended June 30, 2009 (amounts in thousands):

	Primary Government			Balance at June 30, 2009
	Balance at July 1, 2008	Additions	Retirements/ Transfers	
Governmental Activities:				
Depreciable Assets –				
Infrastructure	\$ 876,762	\$ 138,812	\$ -	\$ 1,015,574
Buildings and improvements	1,049,453	71,915	(521)	1,120,847
Equipment and machinery	257,845	26,266	(16,770)	267,341
Total depreciable assets	<u>2,184,060</u>	<u>236,993</u>	<u>(17,291)</u>	<u>2,403,762</u>
Less Accumulated Depreciation –				
Infrastructure	(469,632)	(24,977)	-	(494,609)
Buildings and improvements	(433,718)	(37,061)	456	(470,323)
Equipment and machinery	(179,797)	(16,728)	14,232	(182,293)
Total accumulated depreciation	<u>(1,083,147)</u>	<u>(78,766)</u>	<u>14,688</u>	<u>(1,147,225)</u>
	1,100,913	158,227	(2,603)	1,256,537
Land	457,147	2	(222)	456,927
Construction Work in Progress	402,874	164,062	(214,009)	352,927
Governmental activities – capital assets, net	<u>\$ 1,960,934</u>	<u>\$ 322,291</u>	<u>\$ (216,834)</u>	<u>\$ 2,066,391</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

	Primary Government			
	Balance at July 1, 2008	Additions	Retirements/ Transfers	Balance at June 30, 2009
Business-type Activities:				
Depreciable Assets –				
Infrastructure	\$ 1,020,625	\$ 26,279	\$ (29,986)	\$ 1,016,918
Buildings and improvements	936,108	76,927	-	1,013,035
Equipment and machinery	513,877	22,386	(5,916)	530,347
Total depreciable assets	<u>2,470,610</u>	<u>125,592</u>	<u>(35,902)</u>	<u>2,560,300</u>
Less Accumulated Depreciation –				
Infrastructure	(163,302)	(20,659)	141	(183,820)
Buildings and improvements	(203,065)	(25,748)	-	(228,813)
Equipment and machinery	(406,230)	(33,305)	5,209	(434,326)
Total accumulated depreciation	<u>(772,597)</u>	<u>(79,712)</u>	<u>5,350</u>	<u>(846,959)</u>
	1,698,013	45,880	(30,552)	1,713,341
Land	120,750	54	-	120,804
Construction Work in Progress	<u>224,492</u>	<u>257,349</u>	<u>(73,960)</u>	<u>407,881</u>
Business-type activities – capital assets, net	<u>\$ 2,043,255</u>	<u>\$ 303,283</u>	<u>\$ (104,512)</u>	<u>\$ 2,242,026</u>

	Component Unit			
	Balance at July 1, 2008	Additions	Retirements/ Transfers	Balance at June 30, 2009
Depreciable Assets –				
Infrastructure	\$ 1,174,351	\$ 3,915	\$ 39,161	\$ 1,217,427
Buildings and improvements	145,182	-	888	146,070
Equipment and machinery	216,883	2,087	4,519	223,489
Total depreciable assets	<u>1,536,416</u>	<u>6,002</u>	<u>44,568</u>	<u>1,586,986</u>
Less Accumulated Depreciation –				
Infrastructure	(435,990)	(26,650)	1,317	(461,323)
Buildings and improvements	(44,438)	(3,311)	28	(47,721)
Equipment and machinery	(127,975)	(10,972)	1,304	(137,643)
Total accumulated depreciation	<u>(608,403)</u>	<u>(40,933)</u>	<u>2,649</u>	<u>(646,687)</u>
	928,013	(34,931)	47,217	940,299
Land	32,373	-	-	32,373
Construction Work in Progress	<u>200,954</u>	<u>46,027</u>	<u>(59,410)</u>	<u>187,571</u>
Component unit – capital assets, net	<u>\$ 1,161,340</u>	<u>\$ 11,096</u>	<u>\$ (12,193)</u>	<u>\$ 1,160,243</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Depreciation expense was charged as follows (amounts in thousands):

Governmental Activities:	
General government	\$ 15,905
Public safety	20,312
Highways and streets	19,992
Health and human services	581
Utilities	2,090
Culture-recreation	19,886
Total depreciation expense – governmental activities	<u>\$ 78,766</u>
Business-type Activities:	
Sewer	\$ 40,682
Solid waste	18,322
Housing	3,682
Public Transportation System	17,026
Total depreciation expense – business-type activities	<u>\$ 79,712</u>
Component Unit:	
Board of Water Supply (\$1,497 of depreciation expense was capitalized to projects)	<u>\$ 39,436</u>

7. Interfund Balances

The following is a summary of amounts due from and due to other funds at June 30, 2009 (amounts in thousands):

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 21,001	\$ 41,134
Highway Fund	26	-
G.O. Bond and Interest Redemption Fund	-	42
Transit Fund	41,108	-
Nonmajor Governmental Funds	884	22,530
Fiduciary Funds	43	-
Enterprise Funds:		
Housing Development Special Fund	-	1
Sewer Fund	1,117	-
Solid Waste Special Fund	-	472
	<u>\$ 64,179</u>	<u>\$ 64,179</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

The main purpose for these interfund balances, are: interfund loans; subsidies and other transfers required by ordinance; capital improvement projects; accruals of intercity transactions; and cash not transferred before the end of the fiscal year. There are no interfund balances that are not expected to be repaid by June 30, 2009.

The following is a summary of amounts transferred from and transferred to other funds at June 30, 2009 (amounts in thousands):

	Transferred From Other Funds	Transferred To Other Funds
General Fund	\$ 95,060	\$ 648,773
Highway Fund	-	101,737
G.O. Bond and Interest Redemption Fund	224,775	-
Transit Fund	160,856	185
Nonmajor Governmental Funds	92,951	21,479
Enterprise Funds:		
Housing Development Special Fund	6,458	-
Sewer Fund	-	12,931
Solid Waste Special Fund	92,069	14,344
Public Transportation System	127,280	-
	<u>\$ 799,449</u>	<u>\$ 799,449</u>

The main purpose for these interfund transfers, as provided by ordinance, are: for the recovery of central administrative expenses to the general fund; for debt service payments and recoveries to the general fund; for debt service payments and operating subsidies from the general fund; and general excise tax surcharge to the transit fund.

There are no significant transfers that either are non-recurring or are inconsistent with the fund making the transfer.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

8. Long-Term Liabilities

The following is a summary of changes in long-term liabilities included in the governmental activities, business-type activities, and the component unit during the fiscal year ended June 30, 2009 (amounts in thousands):

	Balance at July 1, 2008	Additions	Reductions	Balance at June 30, 2009	Amounts Due Within One Year
Governmental Activities:					
General obligation bonds	\$ 1,758,535	\$ 429,426	\$ 246,246	\$ 1,941,715	\$ 95,958
Tax-exempt commercial paper	76,863	45,000	121,863	-	-
Notes payable to federal and state governments	5,302	-	424	4,878	442
Capital lease	1,898	189	485	1,602	570
Compensated absences	91,082	34,571	30,478	95,175	3,897
Other postemployment benefits	46,541	93,270	74,723	65,088	-
Claims and judgments (Note 13)	62,766	28,626	27,372	64,020	25,180
	<u>2,042,987</u>	<u>631,082</u>	<u>501,591</u>	<u>2,172,478</u>	<u>126,047</u>
Add: Unamortized premium	52,648	20,740	8,188	65,200	-
Less: Unamortized discount	(237)	(139)	(28)	(348)	-
Deferred loss on refunding	(19,943)	(6,022)	(2,203)	(23,762)	-
Total	<u>\$ 2,075,455</u>	<u>\$ 645,661</u>	<u>\$ 507,548</u>	<u>\$ 2,213,568</u>	<u>\$ 126,047</u>
Business-Type Activities:					
General obligation bonds	\$ 248,860	\$ 100,124	\$ 76,983	\$ 272,001	\$ 25,317
Revenue bonds	1,219,065	-	7,565	1,211,500	12,491
Tax-exempt commercial paper	837	30,000	30,837	-	-
Notes payable to state governments	114,847	53,529	11,066	157,310	12,471
Operating fee obligation (Note 11)	79,171	-	79,171	-	-
Compensated absences	10,137	5,739	3,994	11,882	467
Other postemployment benefits	6,520	12,379	13,825	5,074	-
Arbitrage rebate liability	-	2,600	-	2,600	-
Estimated liability for landfill closure and post closure care costs (Note 14)	21,868	-	2,359	19,509	11,425
	<u>1,701,305</u>	<u>204,371</u>	<u>225,800</u>	<u>1,679,876</u>	<u>62,171</u>
Add: Unamortized premium	36,312	3,375	3,202	36,485	-
Less: Unamortized discount	(19,819)	(16)	(2,216)	(17,619)	-
Deferred loss on refunding	(2,726)	(1,311)	(261)	(3,776)	-
Total	<u>\$ 1,715,072</u>	<u>\$ 206,419</u>	<u>\$ 226,525</u>	<u>\$ 1,694,966</u>	<u>\$ 62,171</u>
Discretely Presented Component Unit:					
Revenue bonds	\$ 313,470	\$ -	\$ 5,910	\$ 307,560	\$ 6,165
Notes payable to state governments	20,584	6,056	1,264	25,376	1,421
Compensated absences	6,770	2,370	2,091	7,049	2,091
Other postemployment benefits	1,438	7,600	5,206	3,832	-
Customer advances	6,702	3,844	7,016	3,530	-
Accrued workers' compensation	1,681	1,034	858	1,857	-
Others	8,704	7,367	13,988	2,083	-
	<u>359,349</u>	<u>28,271</u>	<u>36,333</u>	<u>351,287</u>	<u>9,677</u>
Add: Unamortized premium	6,932	-	538	6,394	-
Less: Unamortized discount	(135)	-	(6)	(129)	-
Deferred loss on refunding	(2,260)	-	(102)	(2,158)	-
Total	<u>\$ 363,886</u>	<u>\$ 28,271</u>	<u>\$ 36,763</u>	<u>\$ 355,394</u>	<u>\$ 9,677</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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 are pledged. Debt service is paid from the debt service fund. These bonds were issued during the fiscal years 1977 through 2009 in the original amount of \$3.0 billion, less discounts of \$507,470 and adjusted for a premium of \$108.3 million that are being amortized over the related term of the bonds. These bonds bear interest at 2.0% to 8.0%, and mature serially through fiscal year 2034. General obligation debt authorized but not yet issued amounted to \$504.6 million at June 30, 2009.

General obligation bonds in 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 1991 through 2008 in the original amount of \$980.2 million, less a discount of \$30,504 and adjusted for a premium of \$12.2 million, which are being amortized over the related term of the bonds. These bonds bear interest at 2.0% to 8.0%, and mature serially through fiscal year 2034.

On April 6, 2009, the City issued Series 2007B general obligation bonds in amount of \$152.8 million. The bonds mature annually on July 1, 2013 through 2019 and bear interest rates of 5.3% to 5.5%. The bonds are not subject to redemption prior to maturity. Proceeds of the bond were used to refund portion of outstanding general obligations Series 1999C.

On April 28, 2009, the City issued general obligation bonds Series 2009 in the aggregate amount of \$376.7 million. The Series were broken into A, B and C.

Series 2009A were issued for \$292.0 million. The bonds mature annually on April 1, 2014 through 2034 and bear interest rates of 2.8% to 5.3%. For the bonds maturing on and after April 1, 2020 through April 1, 2032, the City may exercise its option of redemption on or after April 1, 2019, 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 the interest accrued to the date fixed for redemption thereof, without premium. The proceeds of the bonds were used to currently refund the outstanding short-term general obligation tax-exempt commercial paper Series H and W and fund various capital improvements of the City.

Series 2009B (taxable) were issued for \$34.0 million. The bonds mature annually on April 1, 2012 through 2017 and bear interest rates of 3.9% to 5.4%. The proceeds of the bonds were used to reimburse the City for a loan made to H-Power.

Series 2009C were issued for \$50.7 million. The bonds mature annually on April 1, 2011 through 2013 and bear interest rate of 2.0% to 5.0%. The proceeds were used to refund portion of outstanding general obligation Series 1999C.

The premium and discount generated by each issue will be amortized over the life of the related bonds.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Revenue Bonds

Water system revenue bonds in the City's component unit were issued during fiscal years 2001, 2004 and 2007 in the original amount of \$380.4 million. Water system revenue bonds are subject to redemption on and after specified dates prior to maturity at the option of the Board at a price equal to 100% of the principal amount thereof, plus accrued interest. The bonds mature serially through July 1, 2036 and bear interest at rates ranging from 3.0% to 5.5% at June 30, 2009. The revenue bonds are collateralized by the component unit's revenues.

During the fiscal year ended June 30, 2009, the rating of surety bonds for 2001, Series 2004 and Series 2006B bonds fell below levels required by the Water System Revenue Bonds Bond Resolution No. 717, 2001. As such, the Board was required to set aside approximately \$14.0 million in order to cure the violation. These funds are restricted and are not available for operating purposes.

Wastewater system revenue bonds in the City's business-type activities were issued during fiscal years 1999 through 2008, in the original amount totaling \$1.5 billion, less discounts of \$35.4 million and adjusted for premiums of \$34.8 million, which are being amortized over the related term of the bonds. The bonds bear interest at 2.6% to 5.5% at June 30, 2009 and mature at various dates through fiscal year 2038. The wastewater system revenues collateralize the revenue bonds.

Annual debt service requirements to maturity for general obligation bonds (including tax exempt commercial paper) and revenue bonds at June 30, 2009, including interest of \$2.2 billion, were as follows (amounts in thousands):

Year Ending June 30:	Governmental Activities		Business-Type Activities		Primary Government Total		Component Unit	
	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2010	\$ 91,975	\$ 95,958	\$ 67,308	\$ 37,808	\$ 159,283	\$ 133,766	\$ 14,617	\$ 6,165
2011	89,657	107,276	65,987	35,798	155,644	143,074	14,349	6,435
2012	84,553	103,493	84,408	46,742	148,961	150,235	14,071	6,710
2013	79,369	108,525	62,509	52,891	141,878	161,416	13,777	7,005
2014	73,657	116,462	60,360	51,283	134,017	167,745	13,460	7,320
2015 - 2019	295,845	472,885	268,477	271,675	564,322	744,560	61,728	42,180
2020 - 2024	183,312	430,989	204,233	298,721	387,545	729,710	50,114	54,165
2025 - 2029	88,169	341,601	126,663	349,109	214,832	690,710	35,308	69,450
2030 - 2034	18,547	164,526	52,149	235,984	70,696	400,510	16,725	79,460
2035 - 2039	-	-	8,081	103,490	8,081	103,490	2,198	28,670
Total	\$ 1,005,084	\$ 1,941,715	\$ 980,175	\$ 1,483,501	\$ 1,985,259	\$ 3,425,216	\$ 236,347	\$ 307,560

Total interest costs incurred by the business-type activities and the component unit for the fiscal year ended June 30, 2009 were \$83.4 million, of which \$16.2 million was capitalized.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Other Long-Term Debt

The note payable to the federal government is for the City's share of costs for a federal project to develop recreational facilities and fish and wildlife resources at the Kaneohe Reservoir. The note bears interest at 5.1% and requires annual principal and interest payments through fiscal year 2016. The note amounted to \$2.1 million at June 30, 2009.

The notes payable to the state government are for the construction of necessary treatment works and for other projects intended for wastewater reclamation or waste management. The notes amounted to \$160.1 million at June 30, 2009, bear interest at 0.50% to 3.02%, and require annual principal and interest payments through fiscal year 2028.

The City has lease purchase contracts for certain equipment, which are accounted for as capital leases (see Note 12).

Annual debt service requirements to maturity for the City's governmental activities and business-type activities for other long-term debt at June 30, 2009, including interest of \$17.3 million, were as follows (amounts in thousands):

	Primary Government Notes and Leases		Component Unit Notes	
	Interest	Principal	Interest	Principal
Year Ending June 30:				
2010	\$ 2,903	\$ 13,483	\$ 125	\$ 1,421
2011	2,613	13,702	120	1,437
2012	2,320	13,769	114	1,443
2013	2,044	13,540	108	1,449
2014	1,596	12,454	102	1,455
2015-2019	4,317	48,565	405	7,378
2020-2024	1,317	32,385	204	7,579
2025-2029	201	15,892	15	3,214
Total	<u>\$ 17,311</u>	<u>\$ 163,790</u>	<u>\$ 1,193</u>	<u>\$ 25,376</u>

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

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, 2009, \$714.1 million of the City's and \$70.6 million of the Board of Water Supply's bonds outstanding were considered defeased.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

9. Net Assets

At June 30, 2009, net assets of the primary government consisted of the following (amounts in thousands):

	Governmental Activities	Business-Type Activities
Invested in Capital Assets, Net of Related Debt:		
Net property, plant and equipment	\$ 2,066,391	\$ 2,242,026
Less:		
General obligation bonds payable, net	(1,982,805)	(276,074)
Revenue bonds payable, net	-	(1,222,517)
Notes payable and other long-term debt	(4,878)	(157,310)
Installment Purchases	(1,602)	-
Tax-exempt commercial paper	-	
Amount of debt related to unspent debt proceeds	137,108	128,417
	214,214	714,543
Restricted for Debt Service	969	131,469
Unrestricted	474,354	145,665
Total net assets	\$ 689,537	\$ 991,677

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

10. Employee Benefit Plans

Defined Benefit Pension Plans

Plan Description – Substantially all eligible employees of the City 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 composed of a contributory retirement plan and a noncontributory retirement plan. Prior to June 30, 1984, the plan consisted of only a contributory option. In 1984, legislation was enacted to create a new noncontributory option for members of the ERS who are also covered under social security. Persons employed in positions not covered by social security are precluded from the noncontributory option. The noncontributory option provides for reduced benefits and covers most eligible employees hired after June 30, 1984. Employees hired before that date were allowed to continue under the contributory option or to elect the new noncontributory option and receive a refund of employee contributions. All benefits vest after five and ten years of credited service under the contributory and noncontributory options, respectively. Both options provide a monthly retirement allowance based on the employee's age, years of credited service, and average final compensation (AFC). The AFC is the average salary earned during the five highest paid years of service, including the vacation payment, if the employee became a member prior to January 1, 1971. The AFC for members hired on or after that date and prior to January 1, 2003 is based on the three highest paid years of service, excluding the vacation payment. Effective January 1, 2003, the AFC is the highest three calendar years or highest five calendar years plus lump sum vacation payment, or last 36 credited months or last 60 credited months plus lump sum vacation payment.

Most covered employees of the contributing option are required to contribute 7.8% or 12.2% of their salary. The City is required to contribute the remaining amounts necessary to pay contributory plan benefits and all amounts necessary to pay noncontributory benefits when due. The funding method used to calculate the total employer contribution requirement is the Entry Age Normal Actuarial Cost Method. Under this method, employer contributions to the ERS are comprised of normal cost plus level annual payments required to amortize the unfunded actuarial accrued liability over the remaining period of 29 years from July 1, 2000. Effective July 1, 2005, a dollar contribution is not determined under the provisions of Act 181/2004. Instead a fixed percentage of payroll is contributed (19.7% for Police and Fire and 15.0% for All Other Employees). The City's contributions to the ERS, inclusive of its component unit, for the fiscal years ended June 30, 2007, 2008 and 2009 were \$67.5 million, \$73.0 million and \$88.6 million respectively, which were equal to the required contributions for each year.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

The 2004 State of Hawaii legislative sessions approved a hybrid retirement plan, which took effect on July 1, 2006. Employees who chose to be under this plan are required to contribute 6.0% of their salary and will receive pensions based on a 2.0% benefit formula instead of a 1.25% benefit formula under the current non-contributory plan. The hybrid plan does not affect the City's contributions to the ERS.

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.

Post-Retirement Health Care and Life Insurance Benefits

Plan Description - In addition to providing pension benefits, the City is required by state statute to contribute to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF). The EUTF is an agent, multiple-employer defined benefit plan providing certain health care (medical, prescription, vision and dental) and life insurance benefits to retired City employees. Act 88 established the EUTF during the 2001 legislative session and is codified in Chapter 87A, Hawaii Revised Statutes.

For employees hired before July 1, 1996, the City pays 100% of the monthly health care premium for employees retiring with ten or more years of credited service, and 50% of the monthly premium for employees retiring with fewer than ten years of credited service.

For employees hired after June 30, 1996 and retiring with 25 years or more of service, the City pays the entire health care premium. For employees retiring with at least 15 years but fewer than 25 years of service, the City pays 75% of the monthly Medicare or non-Medicare premium. For those retiring with at least 10 years but fewer than 15 years of service, the City pays 50% of the retired employees' monthly Medicare or non-Medicare premium. For those retiring with fewer than 10 years of service, the City makes no contributions.

For employees hired after June 30, 2001 and retiring with over 25 years of service, the City pays 100% of the monthly premium based on the self plan. For those who retire with at least 15 years but fewer than 25 years of service, the City pays 75% of the retired employees' monthly Medicare or non-Medicare premium based on the self plan. For those retiring with at least 10 years but fewer than 15 years of service, the City pays 50% of the retired employees' monthly Medicare or non-Medicare premium based on the self plan. For those retiring with fewer than 10 years of service, the City makes no contributions.

The City also reimburses 100% of Medicare premium costs for retirees and qualified dependents (through the State), who are at least 65 years of age and have at least 10 years of service.

Funding Policy - Contributions are based on negotiated collective bargaining agreements and are limited by State statute to the actual cost of benefit coverage.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Annual Other Postemployment Benefits (OPEB) Cost and Net OPEB Obligation - The City implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, prospectively for the fiscal year ended June 30, 2008. The City is required to contribute the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table (with amounts in thousands) displays the components of the annual OPEB cost for the year, the amount contributed to the plan, and the changes to the City's net OPEB obligation.

	2009	2008
Annual required contribution	\$ 104,720	\$ 101,404
Interest on net OPEB obligation	4,245	-
Adjustment to annual required contribution	(3,316)	-
Annual OPEB cost	105,649	101,404
Contribution made	(88,548)	(48,343)
Increase in net OPEB obligation	17,101	53,061
Net OPEB obligation at beginning of fiscal year	53,061	-
Net OPEB obligation at end of fiscal year	\$ 70,162	\$ 53,061

The percentage of annual OPEB cost contributed was 83.8% and 47.7% at the end of current and prior fiscal years, respectively.

Funding Status and Funding Progress - The funded status of the plan (with amounts in thousands) as of the most recent valuation date is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2007	\$ --	\$ 1,242,255	\$ 1,242,255	0.0%	\$ 524,258	237.0%

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. As 2008 is the first year of implementation of GASB Statement No. 45, and only one actuarial valuation as been completed, there is no trend information available.

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2007 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a discount rate of 8%, which was based on the City's anticipated funding level. Actuarial assumptions also included an annual health cost trend rate of 10% initially, reduced by decrements to an ultimate rate of 5% after 5 years, projected salary increases of 3.5%, and an inflation assumption of 3%. The unfunded actuarial accrued liability is being amortized over a thirty year period as a level percentage of projected payrolls on an open basis.

The EUTF issues a stand-alone financial report that includes financial statements and required supplementary information, which may be obtained at the following address: State of Hawaii Employer-Union Health Benefits Trust Fund, 201 Merchant Street, Suite 1520, Honolulu, Hawaii 96813.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

11. Enterprise Funds

The City maintains five 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, which is a discretely presented component unit.

Housing Development Special Fund

The City created the Housing Development Special Fund to develop affordable housing for sale or for rental. At June 30, 2009, the City had \$82.3 million of general obligation bonds outstanding, which were used to finance the development of various residential lots and recreational facilities.

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 improvements, repairs, and maintenance of the wastewater treatment system.

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.
- 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").

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

H-POWER Facility

The City has 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.

On October 30, 2008, the City recorded the buy back purchase of the H-POWER Facility from DFO Partnership for \$43.9 million. The note receivable and the operating fee obligation for the H-POWER Facility lease payments have been satisfied as part of the buy back. As of June 30, 2009, the City had \$39.5 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 has an agreement with Oahu Transit Services, Inc. ("OTS"), which expires on June 30, 2010, 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 annual management fee for the period October 1, 2007 through June 30, 2008 is \$318,750, which increases to \$450,500 for the period July 1, 2008 to June 30, 2009 and increases to \$468,520 for the period July 1, 2009 to June 30, 2010.

The agreement provides 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 controlled by the City.

Other 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, 2009, these assets held by OTS amounted to \$1,611,000.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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, 2007. 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.

12. Commitments

Leases

The City leases equipment and office space under capital and operating leases, which expire at various dates through fiscal 2038. At June 30, 2009, the cost of equipment recorded under capital lease arrangements and included in capital assets amounted to \$1.6 million.

Future minimum obligations under capital and operating leases at June 30, 2009 were as follows (amounts in thousands):

	Capital Leases	Operating Leases
Year Ending June 30:		
2010	\$ 627	\$ 5,733
2011	621	3,624
2012	455	2,644
2013	-	1,818
2014	-	987
2015-2019	-	834
2020-2024	-	59
2025-2029	-	50
2030-2034	-	50
2035-2038	-	18
Total minimum payments	1,703	\$ 15,817
Less amount representing interest	100	
Present value of future minimum capital lease payments	\$ 1,603	

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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 \$9.1 million for the fiscal year ended June 30, 2009.

The City leases to others concession rights and real property under operating leases, which expire at various dates through fiscal 2048. 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</u> <u>Date of Acquisition</u>	<u>Accumulated</u> <u>Depreciation</u>	<u>Net</u> <u>Book Value</u>
Land	\$ 9,692	\$ -	\$ 9,692
Buildings and Improvements	46,938	(22,588)	24,350
Totals	\$ 56,630	\$ (22,588)	\$ 34,042

Future minimum rental income under such leases at June 30, 2009 were as follows (amounts in thousands):

Year Ending June 30:	
2010	\$ 3,757
2011	2,819
2012	2,718
2013	2,622
2014	1,898
2015-2019	5,396
2020-2024	3,450
2025-2029	3,332
2030-2034	3,448
2035-2039	3,605
2040-2044	1,758
2045-2049	959
2050-2054	559
Total minimum rental income	\$ 36,321

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Other Commitments

Business-type activities, which do not employ encumbrance accounting, have contractual commitments of approximately \$612.1 million at June 30, 2009, primarily for construction contracts, which includes the Board of Water Supply's commitments of \$82.7 million. Other contractual commitments for the expenditure of City monies are encumbered in the governmental funds.

In May 2006, the City settled the James Smith versus City and County of Honolulu, Civil No. 02-1-1006-04 (VSM) class action suit claiming improper calculation of Fair Labor Standards Act benefits with 2,225 employees. After an initial payment of \$6.0 million on July 31, 2006, the \$30.0 million settlement calls for annual payments of \$3.1 million to the employees beginning July 31, 2007 and ending July 31, 2011. A \$2.1 million credit will be applied to the employee vacation accounts beginning July 31, 2008 and ending on July 31, 2011. Based on the agreement, the City paid \$6.0 million in fiscal year 2007, \$3.1 million in fiscal year 2008 and \$3.5 million in fiscal year 2009 with the remaining \$15.3 million to be paid or credited to the employees annually.

Litigation

OTS and the City are involved in various lawsuits arising from the normal operations of the City bus and paratransit systems. Claims for punitive damages related to certain lawsuits may not be covered by insurance. As provided in the management agreement with the City, the City indemnifies OTS from any and all claims made against OTS and the City for legal liability, damages and injuries where such claims are reasonably related to the providing of mass transportation services.

13. 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, 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. Only one settled claim has exceeded the City's self-insured retention in any of the past three fiscal years.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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, 2009, the estimated total liability of the City for claims and judgments amounted to \$64.0 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 July 1, 2007	\$ 41,331	\$ 29,921	\$ 71,252
Incurred losses and loss adjustment expenses	(1,964)	14,285	12,321
Payments	<u>(5,424)</u>	<u>(15,383)</u>	<u>(20,807)</u>
Balance at June 30, 2008	33,943	28,823	62,766
Incurred losses and loss adjustment expenses	4,624	24,002	28,626
Payments:	<u>(10,485)</u>	<u>(16,887)</u>	<u>(27,372)</u>
Balance at June 30, 2009	<u>\$ 28,082</u>	<u>\$ 35,938</u>	<u>\$ 64,020</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, 2009

14. 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 \$19.5 million reported as the liability in the Solid Waste Special Fund for closure and postclosure care costs at June 30, 2009 represents the cumulative amount reported to date based on the percentage of the estimated capacity used for the following 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).

	<u>Capacity Used</u>	<u>Closure Date</u>	<u>Liability at June 30, 2009</u>	<u>Total Estimated Cost</u>
Waipahu incinerator landfill	100.0%	October 1991	\$ 15,589	\$ 19,956
Kapaa sanitary landfill	100.0%	May 1997	3,920	14,237
Total			<u>\$ 19,509</u>	<u>\$ 34,193</u>

For fiscal year 2009, 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.

For the Waimanalo Gulch Landfill, the contractor shall provide post-closure maintenance of the landfill site for a period of thirty (30) years beyond the date of completion of closure of the landfill site.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

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:

Clean Water Act

A lawsuit filed by the EPA and the State against the City in 1994 resulted in a consent decree which requires the City, among other things, to comply with the Clean Water Act, to establish a schedule under which the City will implement preventive maintenance and sewer replacement and rehabilitation necessary to reduce and prevent spills, to implement and enforce its pretreatment program to regulate industrial discharges, and to develop and implement an effluent and sludge reuse program. The court has retained continuing jurisdiction over implementation of the consent decree. Pursuant to the consent decree, the City has established and is currently implementing a \$4.7 billion, 20-year capital improvement plan (Fiscal Year 2000 to Fiscal Year 2019) to upgrade its wastewater collection and treatment system.

In July 2004, the Sierra Club and other environmental groups filed a lawsuit against the City seeking injunctive relief and penalties for alleged Clean Water Act violations arising from the City's wastewater collection and treatment system. Of plaintiffs' original twelve claims, six have been dismissed. Partial summary judgment has been entered with respect to four of the six remaining claims in this litigation. The court has not addressed the amount of penalties, if any, that would be assessed against the City. The outcome of this litigation cannot be predicted at this stage of the proceedings, and any potential liability in this litigation beyond the costs of the 20-year wastewater system capital improvement plan is speculative.

As a result of a March 2006 sewer spill and after one year of negotiations, the EPA, the U.S. Department of Justice, the State and the City signed a stipulated order that requires the City to take certain actions to evaluate, repair, rehabilitate or replace certain force mains and one pump station in its wastewater collection system, and develop site-specific spill contingency plans. This stipulated order, which has been accepted by the court, resolves the entire civil enforcement action that was simultaneously filed with the stipulated order against the City with respect to the spill. The estimated cost of the work in the stipulated order is approximately \$300 million.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

Honouliuli and Sand Island Wastewater Treatment Plant Permits

In January 2009, the EPA issued final decisions to deny applications for renewed variances from secondary treatment for the Honouliuli wastewater treatment plant and for the Sand Island wastewater treatment plant. The City is vigorously challenging these decisions and submitted appeals to the Environmental Appeals Board in February and March 2009. If the denials are confirmed, the project costs for secondary treatment at Honouliuli and Sand Island is estimated to be \$400.0 million and \$800.0 million, respectively.

In the opinion of management, the final outcome of these matters is unknown at this time but should not have a material adverse effect on the City's financial statements.

15. Component Unit Disclosure

Board of Water Supply

The Board is a semi-autonomous agency of the City, which has full and complete authority to manage, control and operate the City's water system and related properties.

Other Legal Matters

The Board is party to various legal proceedings arising in the normal course of business. The outcome of individual matters is not predictable. However, management believes that the ultimate resolution of all such matters, after considering insurance coverages, will not have a material adverse effect on the Board's financial position, results of operations or liquidity.

**CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009**

Major Transactions with the City –

Billing and Collection Services – The Board has an agreement with the Department of Environmental Services, City and County of Honolulu to provide certain services through June 30, 2010, relating to the billing and collection of sewer service charges. The revenues related to these fees are included in other operating revenues of the Board and the corresponding expense in the Sewer Fund. Service fees amounted to \$1,830,000 plus credit card fees incurred for the fiscal year ended June 30, 2009. The negotiated fee for the year ending June 30, 2010 is \$1,903,000.

Central Administrative Services Expense (CASE) Fee – The Board entered into an agreement with the City to pay a CASE fee for treasury, personnel, purchasing and other services that the City provides to the Board on an on-going basis. The Board's Charter allows for a CASE fee to the extent that it represents a reasonable charge for services necessary for the Board to perform its duties. CASE fees totaled \$2.5 million for the fiscal year ended June 30, 2009.

As of June 30, 2009, negotiated future CASE fees were as follows (amounts in thousands):

Year Ending June 30,	
2010	\$ 3,000
2011 and subsequent years	3,300

Amount Due to/from the City – Amounts due from the City approximated \$1,263,219 as of June 30, 2009, and are included in other receivables. There were no amounts due to the City as of June 30, 2009.

16. Subsequent Events

In September 2009, the City issued wastewater system revenue bonds, Senior Series 2009A, 2009B Build America Bonds (BAB) and 2009C Recovery Zone Economic Development Bonds (RZEDB), in the aggregate amount of \$148.3 million, and Junior Series 2009A of \$127.0 million. The bonds mature annually on July 1, 2010 through July 1, 2039 and bear interest rates of 2.0% to 6.3%. The bonds maturing on and after July 1, 2020 are subject to redemption at the option of the City on or after July 1, 2019, in whole or in part at any time, from any maturity. The proceeds from the bonds will be used to pay for the cost of certain additions and improvements to the wastewater system, to fund a common reserve account and to refund certain City wastewater system revenue bonds.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2009

In November 2009, the City issued general obligation bonds, Series 2009D, 2009E (BAB) and 2009F, in the aggregate amount of \$241.9 million. The bonds mature annually on September 1, 2014 through September 1, 2034 and bear interest rates of 2.3% to 6.3%. The bonds maturing on and after September 1, 2020 are subject to redemption at the option of the City on or after September 1, 2019, in whole or in part at any time, from any maturity. The proceeds from the bonds will be used to fund the cost of certain capital improvement, and refund certain City general obligation bonds.

Since the BAB and RZEDB were sold as taxable bonds, the City is eligible for federal interest subsidies of 35% and 45%, respectively.

On July 1, 2009, the glass recycling contract with the State of Hawaii was terminated. This will result in a decrease in revenues for the Solid Waste Fund as it relates to glass recycling.

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

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 828,976	\$ 828,976	\$ 851,265	\$ 22,289
Licenses and permits	37,514	37,514	33,360	(4,154)
Intergovernmental	214,569	214,569	202,216	(12,353)
Charges for services	5,716	5,716	6,402	686
Fines and forfeits	449	449	645	196
Miscellaneous:				
Reimbursements and recoveries	100,257	100,257	95,694	(4,563)
Interest	16,264	16,264	7,170	(9,094)
Other	3,009	3,009	5,123	2,114
Total Revenues	<u>1,206,754</u>	<u>1,206,754</u>	<u>1,201,875</u>	<u>(4,879)</u>
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	19,177	19,177	17,448	1,729
City Clerk	4,220	4,278	4,080	198
City Council	7,229	7,362	7,154	208
Corporation Counsel	9,720	9,720	7,493	2,227
Customer Services	21,732	21,732	20,149	1,583
Design and Construction	18,573	18,870	15,757	3,113
Facility Maintenance	17,788	17,839	16,701	1,138
Human Resources	6,565	6,565	6,030	535
Information Technology	21,947	21,392	19,222	2,170
Mayor	4,785	4,795	4,473	322
Planning and Permitting	12,351	12,351	11,174	1,177
Prosecuting Attorney	17,522	17,522	17,057	465
Total General government	<u>161,609</u>	<u>161,603</u>	<u>146,738</u>	<u>14,865</u>
Public safety:				
Emergency Management	1,062	1,458	1,285	173
Emergency Services	35,692	35,692	33,807	1,885
Fire	92,062	92,146	87,277	4,869
Medical Examiner	1,541	1,541	1,433	108
Planning and Permitting	5,752	5,752	5,515	237
Police	190,610	190,610	186,228	4,382
Total Public safety	<u>326,719</u>	<u>327,199</u>	<u>315,545</u>	<u>11,654</u>
Highways and streets:				
Facility Maintenance	6,471	6,471	5,711	760
Sanitation:				
Environmental Services	9,217	9,217	8,376	841
Human services:				
Community Services	4,803	4,803	4,682	121

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Culture-recreation:				
Enterprise Services	--	244	244	--
Mayor	2,206	2,206	2,108	98
Parks and Recreation	69,687	69,972	66,330	3,642
Total Culture-recreation	71,893	72,422	68,682	3,740
Utilities or other enterprises:				
Transportation Services	81	81	81	--
Miscellaneous:				
Retirement and health benefits:				
City Council	2,823	2,765	2,741	24
Provisional	158,853	159,174	157,477	1,697
Total Retirement and health benefits	161,676	161,939	160,218	1,721
Other:				
Budget and Fiscal Services	1,407	1,407	1,405	2
City Council	280	147	18	129
Provisional	41,310	39,622	27,702	11,920
Total Other	42,997	41,176	29,125	12,051
Total Miscellaneous	204,673	203,115	189,343	13,772
Debt Service:				
Budget and Fiscal Services	360	360	359	1
Information Technology	--	555	555	--
Total Debt service	360	915	914	1
Capital Improvements:				
General government	10,103	10,103	4,707	5,396
Public safety	7,931	7,931	2,169	5,762
Total Capital Improvements	18,034	18,034	6,876	11,158
Total Expenditures	803,860	803,860	746,948	56,912
Revenues over Expenditures	402,894	402,894	454,927	52,033
Other Financing Sources (Uses):				
Capital leases	--	--	189	189
Sales of capital assets	--	--	346	346
Transfers in	97,123	97,123	95,060	(2,063)
Transfers out	(658,904)	(658,904)	(648,773)	10,131
Total Other Financing Sources (Uses)	(561,781)	(561,781)	(553,178)	8,603
Net change in Fund Balance	(158,887)	(158,887)	(98,251)	60,636
Encumbrances	--	--	48,868	48,868
Fund Balance - July 1	158,887	158,887	166,075	7,188
Fund Balance - June 30	\$ --	\$ --	\$ 116,692	\$ 116,692

See accompanying notes to budgetary comparison schedules.

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 93,455	\$ 93,455	\$ 101,266	\$ 7,811
Licenses and permits	74,807	74,807	74,944	137
Charges for services	4,678	4,678	4,636	(42)
Miscellaneous:				
Reimbursements and recoveries	314	314	734	420
Other	1,748	1,748	2,284	536
Total Revenues	<u>175,002</u>	<u>175,002</u>	<u>183,864</u>	<u>8,862</u>
Expenditures:				
Current:				
General government:				
Design and Construction	6,255	6,255	5,512	743
Facility Maintenance	12,879	12,879	12,161	718
Planning and Permitting	2,500	2,500	2,225	275
Total General government	<u>21,634</u>	<u>21,634</u>	<u>19,898</u>	<u>1,736</u>
Public safety:				
Police	23,160	23,160	22,841	319
Transportation Services	5,778	5,778	5,337	441
Total Public safety	<u>28,938</u>	<u>28,938</u>	<u>28,178</u>	<u>760</u>
Highways and streets:				
Facility Maintenance	25,538	25,538	24,977	561
Sanitation:				
Environmental Services	177	177	1	176
Utilities or other enterprises:				
Transportation Services	6,571	6,571	5,975	596
Miscellaneous:				
Retirement and health benefits:				
Provisional	13,941	14,061	11,980	2,081
Other:				
Provisional	1,759	1,639	1,180	459
Total Miscellaneous	<u>15,700</u>	<u>15,700</u>	<u>13,160</u>	<u>2,540</u>
Capital Improvements:				
General government	212	212	211	1
Total Expenditures	<u>98,770</u>	<u>98,770</u>	<u>92,400</u>	<u>6,370</u>

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues over Expenditures	<u>76,232</u>	<u>76,232</u>	<u>91,464</u>	<u>15,232</u>
Other Financing Source (Use):				
Sales of capital assets	231	231	302	71
Transfers out	<u>(103,800)</u>	<u>(103,800)</u>	<u>(101,737)</u>	<u>2,063</u>
Total Other Financing Source (Use)	<u>(103,569)</u>	<u>(103,569)</u>	<u>(101,435)</u>	<u>2,134</u>
Net change in Fund Balance	<u>(27,337)</u>	<u>(27,337)</u>	<u>(9,971)</u>	<u>17,366</u>
Encumbrances	--	--	3,714	3,714
Fund Balance - July 1	<u>27,337</u>	<u>27,337</u>	<u>27,595</u>	<u>258</u>
Fund Balance - June 30	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 21,338</u>	<u>\$ 21,338</u>

See accompanying notes to budgetary comparison schedules.

CITY AND COUNTY OF HONOLULU
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

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.

CITY AND COUNTY OF HONOLULU
POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
SCHEDULE OF FUNDING PROGRESS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2007	\$ --	\$ 1,242,255	\$ 1,242,255	0.0%	\$ 524,258	237.0%

CITY AND COUNTY OF HONOLULU
POST-RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(Amounts in thousands)

<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Percentage Contribution</u>
2008	\$ 101,404	47.7%
2009	\$ 101,743	83.8%

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**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 41.

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2009
 (Amounts in thousands)

(Page 1 of 6)

	<u>Special Revenue Funds</u>			
	<u>Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund</u>	<u>Bikeway Fund</u>	<u>Parks and Playgrounds Fund</u>	<u>Liquor Commission Fund</u>
<u>ASSETS</u>				
Cash and Investments:				
With Treasury and banks.....	\$ 2,169	\$ 1,042	\$ 4,507	\$ 2,207
Receivables:				
Accounts	--	--	--	--
Special Assessments	--	--	--	--
Loans	--	--	--	--
Intergovernmental	--	--	--	--
Due from other funds	--	110	303	--
Inventories - Municipal Stores	--	--	--	--
Total Assets	\$ 2,169	\$ 1,152	\$ 4,810	\$ 2,207
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 5	\$ 29	\$ 47	\$ 34
Interest and bonds payable-matured	--	--	--	--
Due to other funds	--	--	--	--
Accrued payroll	10	--	--	11
Deferred revenue	--	--	--	--
Total Liabilities	15	29	47	45
Fund Balances:				
Reserved for encumbrances	340	26	1,146	166
Reserved for debt service	--	--	--	--
Unreserved - undesignated	1,814	1,097	3,617	1,996
Total Fund Balances	2,154	1,123	4,763	2,162
Total Liabilities and Fund Balances	\$ 2,169	\$ 1,152	\$ 4,810	\$ 2,207

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2009
(Amounts in thousands)

(Page 2 of 6)

Special Revenue Funds

<u>Other Post- Employment Benefits Reserve Fund</u>	<u>Rental Assistance Fund</u>	<u>Zoo Animal Purchase Fund</u>	<u>Hanauma Bay Nature Preserve Fund</u>	<u>Reserve for Fiscal Stability Fund</u>	<u>Clean Water and Natural Lands Fund</u>	<u>Affordable Housing Fund</u>
\$ 53,177	\$ 916	\$ 35	\$ 2,493	\$ 26,112	\$ 7,986	\$ 4,482
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
<u>\$ 53,177</u>	<u>\$ 916</u>	<u>\$ 35</u>	<u>\$ 2,493</u>	<u>\$ 26,112</u>	<u>\$ 7,986</u>	<u>\$ 4,482</u>
\$ --	\$ 2	\$ --	\$ 168	\$ --	\$ --	\$ --
--	--	--	--	--	--	--
--	--	--	6	--	--	--
--	--	--	--	--	--	--
--	2	--	174	--	--	--
--	--	9	111	--	4,000	2,001
--	--	--	--	--	--	--
<u>53,177</u>	<u>914</u>	<u>26</u>	<u>2,208</u>	<u>26,112</u>	<u>3,986</u>	<u>2,481</u>
<u>53,177</u>	<u>914</u>	<u>35</u>	<u>2,319</u>	<u>26,112</u>	<u>7,986</u>	<u>4,482</u>
<u>\$ 53,177</u>	<u>\$ 916</u>	<u>\$ 35</u>	<u>\$ 2,493</u>	<u>\$ 26,112</u>	<u>\$ 7,986</u>	<u>\$ 4,482</u>

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2009
 (Amounts in thousands)

(Page 3 of 6)

	Special Revenue Funds		
	Community Development Fund	Golf Fund	Special Events Fund
<u>ASSETS</u>			
Cash and investments:			
With Treasury and banks.....	\$ 86	\$ 2,017	\$ 3,740
Receivables:			
Accounts	--	--	--
Special Assessments	--	--	--
Loans	149	--	--
Intergovernmental	786	--	--
Due from other funds	--	--	--
Inventories - Municipal Stores	--	--	--
Total Assets	\$ 1,021	\$ 2,017	\$ 3,740
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 1,714	\$ 151	\$ 242
Interest and bonds payable-matured	--	--	--
Due to other funds	--	--	--
Accrued payroll	--	34	97
Deferred revenue	149	--	--
Total Liabilities	1,863	185	339
 Fund Balances:			
Reserved for encumbrances	9,329	1,109	616
Reserved for debt service	--	--	--
Unreserved - undesignated	(10,171)	723	2,785
Total Fund Balances	(842)	1,832	3,401
Total Liabilities and Fund Balances	\$ 1,021	\$ 2,017	\$ 3,740

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2009
 (Amounts in thousands)

(Page 4 of 6)

Special Revenue Funds

Farmers Home Administration Loan Fund	Special Projects Fund	Federal Grants Fund	Housing and Community Development Rehabilitation Loan Fund	Pauahi Project Expenditures Hawaii R-15 Fund	Housing and Community Development Section 8 Contract Fund
\$ 46	\$ 8,197	\$ 14,354	\$ 5,422	\$ 956	\$ 8,982
--	--	--	--	--	82
--	--	--	--	--	--
--	--	4,184	9,960	--	2,964
--	33	21,882	--	--	485
--	--	--	--	--	--
--	--	--	--	--	--
<u>\$ 46</u>	<u>\$ 8,230</u>	<u>\$ 40,420</u>	<u>\$ 15,382</u>	<u>\$ 956</u>	<u>\$ 12,513</u>
\$ --	\$ 100	\$ 3,066	\$ 36	\$ --	\$ 145
--	--	--	--	--	--
--	--	21,000	--	--	--
--	--	--	--	--	--
--	834	4,269	9,960	--	3,532
--	934	28,335	9,996	--	3,677
--	4,381	14,284	5,386	--	8,891
--	--	--	--	--	--
46	2,915	(2,199)	--	956	(55)
46	7,296	12,085	5,386	956	8,836
<u>\$ 46</u>	<u>\$ 8,230</u>	<u>\$ 40,420</u>	<u>\$ 15,382</u>	<u>\$ 956</u>	<u>\$ 12,513</u>

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2009
 (Amounts in thousands)

(Page 5 of 6)

	Special Revenue Funds			
	Leasehold Conversion Fund	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Municipal Stores Revolving Fund
ASSETS				
Cash and investments:				
With Treasury and banks.....	\$ 421	\$ 1,510	\$ 224	\$ 162
Receivables:				
Accounts	--	--	--	--
Special Assessments	--	--	--	--
Loans	--	--	--	--
Intergovernmental	--	--	--	--
Due from other funds	--	--	--	--
Inventories - Municipal Stores	--	--	--	23
Total Assets	\$ 421	\$ 1,510	\$ 224	\$ 185
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ --	\$ --	\$ --	\$ --
Interest and bonds payable-matured	--	--	--	--
Due to other funds	--	--	--	--
Accrued payroll	--	--	--	--
Deferred revenue	228	--	--	--
Total Liabilities	228	--	--	--
Fund Balances:				
Reserved for encumbrances	--	--	--	--
Reserved for debt service	--	--	--	--
Unreserved - undesignated	193	1,510	224	185
Total Fund Balances	193	1,510	224	185
Total Liabilities and Fund Balances	\$ 421	\$ 1,510	\$ 224	\$ 185

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2009
 (Amounts in thousands)

(Page 6 of 6)

Debt Service Fund	Capital Projects Funds				Total Nonmajor Governmental Funds
Improvement District Bond and Interest Redemption Fund	General Improvement Bond Fund	Highway Improvement Bond Fund	Federal Grants Capital Projects Fund	Capital Projects Fund	
\$ 1,009	\$ 68,395	\$ 85,582	\$ 9,670	\$ 17,584	\$ 333,483
--	--	--	--	--	82
86	--	--	--	--	86
--	--	--	49,226	--	66,483
--	--	--	8,838	--	32,024
--	429	--	--	42	884
--	--	--	--	--	23
<u>\$ 1,095</u>	<u>\$ 68,824</u>	<u>\$ 85,582</u>	<u>\$ 67,734</u>	<u>\$ 17,626</u>	<u>\$ 433,065</u>
\$ --	\$ 5,851	\$ 10,329	\$ 1,282	\$ 109	\$ 23,310
9	--	--	--	--	9
42	1,111	6	--	413	22,572
--	--	--	--	--	158
75	--	--	53,398	--	72,445
126	6,962	10,335	54,680	522	118,494
--	208,337	344,462	94,439	7,560	706,593
969	--	--	--	--	969
--	(146,475)	(269,215)	(81,385)	9,544	(392,991)
969	61,862	75,247	13,054	17,104	314,571
<u>\$ 1,095</u>	<u>\$ 68,824</u>	<u>\$ 85,582</u>	<u>\$ 67,734</u>	<u>\$ 17,626</u>	<u>\$ 433,065</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, 2009

(Amounts in thousands)

(Page 1 of 6)

	Special Revenue Funds			
	Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	Bikeway Fund	Parks and Playgrounds Fund	Liquor Commission Fund
Revenues:				
Special assessments	\$ --	\$ --	\$ --	\$ --
Licenses and permits.....	--	420	--	3,673
Intergovernmental.....	--	--	--	--
Charges for services.....	3,132	--	--	131
Fines and forfeits.....	--	--	--	287
Miscellaneous:				
Reimbursements and recoveries.....	--	--	--	--
Interest.....	--	--	--	--
Other.....	--	1	712	2
Total Revenues.....	3,132	421	712	4,093
Expenditures:				
Current:				
General government.....	2,068	--	--	2,962
Public safety.....	--	369	--	--
Highways and streets.....	--	5	--	--
Human services.....	--	--	--	--
Culture-recreation.....	--	17	--	--
Utilities or other enterprises.....	--	--	--	--
Miscellaneous:				
Retirement and health benefits.....	415	--	--	694
Other.....	--	--	--	62
Capital Outlay:				
General government.....	--	--	--	38
Public safety.....	--	--	--	--
Highways and streets.....	--	188	--	--
Sanitation.....	--	--	--	--
Human services.....	--	--	--	--
Culture-recreation.....	--	--	481	--
Utilities or other enterprises.....	--	--	--	--
Total Expenditures.....	2,483	579	481	3,756
Revenues over (under) Expenditures.....	649	(158)	231	337
Other Financing Sources (Uses):				
Issuance of general obligation bonds	--	--	--	--
Issuance of commercial paper & long-term notes ..	--	--	--	--
Sales of capital assets.....	--	--	--	--
Transfers in.....	--	110	303	--
Transfers out.....	(263)	(24)	--	(476)
Total Other Financing Sources (Uses).....	(263)	86	303	(476)
Revenues and Other Sources over (under) Expenditures and Other Uses.....	386	(72)	534	(139)
Fund Balances - July 1.....	1,768	1,195	4,229	2,301
Fund Balances - June 30.....	\$ 2,154	\$ 1,123	\$ 4,763	\$ 2,162

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, 2009

(Amounts in thousands)

(Page 2 of 6)

Special Revenue Funds

Other Post- Employment Benefits Reserve Fund	Rental Assistance Fund	Zoo Animal Purchase Fund	Hanauma Bay Nature Preserve Fund	Reserve for Fiscal Stability Fund	Clean Water and Natural Lands Fund	Affordable Housing Fund
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--
--	--	--	2,974	--	--	--
--	--	--	--	--	--	--
1,291	--	--	--	514	118	113
--	138	2	1,423	--	--	--
<u>1,291</u>	<u>138</u>	<u>2</u>	<u>4,397</u>	<u>514</u>	<u>118</u>	<u>113</u>
--	--	--	--	--	--	--
--	--	--	745	--	--	--
--	203	--	--	--	--	--
--	--	1	2,571	--	--	--
--	--	--	--	--	--	--
40,110	--	--	524	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	3,499
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
<u>40,110</u>	<u>203</u>	<u>1</u>	<u>3,840</u>	<u>--</u>	<u>--</u>	<u>3,499</u>
<u>(38,819)</u>	<u>(65)</u>	<u>1</u>	<u>557</u>	<u>514</u>	<u>118</u>	<u>(3,386)</u>
--	--	--	--	--	--	--
--	--	--	--	--	--	--
51,886	--	--	500	7,500	3,940	3,940
--	(12)	--	(2,001)	--	--	--
<u>51,886</u>	<u>(12)</u>	<u>--</u>	<u>(1,501)</u>	<u>7,500</u>	<u>3,940</u>	<u>3,940</u>
13,067	(77)	1	(944)	8,014	4,058	554
40,110	991	34	3,263	18,098	3,928	3,928
<u>\$ 53,177</u>	<u>\$ 914</u>	<u>\$ 35</u>	<u>\$ 2,319</u>	<u>\$ 26,112</u>	<u>\$ 7,986</u>	<u>\$ 4,482</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, 2009
(Amounts in thousands)

(Page 3 of 6)

	Special Revenue Funds		
	Community Development Fund	Golf Fund	Special Events Fund
Revenues:			
Special assessments	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--
Intergovernmental.....	9,844	--	--
Charges for services.....	--	4,626	2,023
Fines and forfeits.....	--	--	--
Miscellaneous:			
Reimbursements and recoveries.....	--	--	7
Interest.....	--	--	108
Other.....	--	2,979	7,427
Total Revenues.....	9,844	7,605	9,565
Expenditures:			
Current:			
General government.....	710	--	120
Public safety.....	--	--	--
Highways and streets.....	--	--	--
Human services.....	813	--	--
Culture-recreation.....	--	9,564	10,726
Utilities or other enterprises.....	--	--	--
Miscellaneous:			
Retirement and health benefits.....	--	1,835	2,558
Other.....	--	25	200
Capital Outlay:			
General government.....	25	18	18
Public safety.....	570	--	--
Highways and streets.....	--	--	--
Sanitation.....	--	--	--
Human services.....	9,264	--	--
Culture-recreation.....	--	--	--
Utilities or other enterprises.....	--	--	--
Total Expenditures.....	11,382	11,442	13,622
Revenues over (under) Expenditures.....	(1,538)	(3,837)	(4,057)
Other Financing Sources (Uses):			
Issuance of general obligation bonds	--	--	--
Issuance of commercial paper & long-term notes	--	--	--
Sales of capital assets.....	--	--	--
Transfers in.....	1,000	11,644	12,086
Transfers out.....	--	(9,093)	(8,155)
Total Other Financing Sources (Uses).....	1,000	2,551	3,931
Revenues and Other Sources over (under) Expenditures and Other Uses.....	(538)	(1,286)	(126)
Fund Balances - July 1.....	(304)	3,118	3,527
Fund Balances - June 30.....	\$ (842)	\$ 1,832	\$ 3,401

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, 2009

(Amounts in thousands)

(Page 4 of 6)

Special Revenue Funds					
Farmers Home Administration Loan Fund	Special Projects Fund	Federal Grants Fund	Housing and Community Development Rehabilitation Loan Fund	Pauahi Project Expenditures Hawaii R-15 Fund	Housing and Community Development Section 8 Contract Fund
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--
--	7,644	59,774	--	--	43,808
--	--	--	--	--	--
--	--	--	--	--	--
--	13	125	44	38	147
--	2,636	979	5,762	--	46
--	10,293	60,878	5,806	38	44,001
--	2,811	1,782	--	--	132
--	1,179	20,366	--	--	--
--	433	--	--	--	--
--	4,125	17,619	2,593	--	44,352
--	603	60	--	--	--
--	--	22,740	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	9,151	62,567	2,593	--	44,484
--	1,142	(1,689)	3,213	38	(483)
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	(1,000)	--	--
--	--	--	(1,000)	--	--
--	1,142	(1,689)	2,213	38	(483)
46	6,154	13,774	3,173	918	9,319
\$ 46	\$ 7,296	\$ 12,085	\$ 5,386	\$ 956	\$ 8,836

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, 2009
(Amounts in thousands)

(Page 5 of 6)

	Special Revenue Funds			
	Leasehold Conversion Fund	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Municipal Stores Revolving Fund
Revenues:				
Special assessments	\$ --	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--	--
Intergovernmental.....	--	--	--	--
Charges for services.....	--	--	--	--
Fines and forfeits.....	--	--	--	--
Miscellaneous:				
Reimbursements and recoveries.....	--	--	--	--
Interest.....	5	--	--	--
Other.....	--	--	--	23
Total Revenues.....	<u>5</u>	<u>--</u>	<u>--</u>	<u>23</u>
Expenditures:				
Current:				
General government.....	--	--	--	16
Public safety.....	--	--	--	--
Highways and streets.....	--	--	--	--
Human services.....	50	--	--	--
Culture-recreation.....	--	--	--	--
Utilities or other enterprises.....	--	--	--	--
Miscellaneous:				
Retirement and health benefits.....	--	--	--	--
Other.....	--	--	--	--
Capital Outlay:				
General government.....	--	--	--	--
Public safety.....	--	--	--	--
Highways and streets.....	--	--	--	--
Sanitation.....	--	--	--	--
Human services.....	--	--	--	--
Culture-recreation.....	--	--	--	--
Utilities or other enterprises.....	--	--	--	--
Total Expenditures.....	<u>50</u>	<u>--</u>	<u>--</u>	<u>16</u>
Revenues over (under) Expenditures.....	<u>(45)</u>	<u>--</u>	<u>--</u>	<u>7</u>
Other Financing Sources (Uses):				
Issuance of general obligation bonds	--	--	--	--
Issuance of commercial paper & long-term notes	--	--	--	--
Sales of capital assets.....	--	--	--	--
Transfers in.....	--	--	--	--
Transfers out.....	--	--	--	--
Total Other Financing Sources (Uses).....	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Revenues and Other Sources over (under) Expenditures and Other Uses.....	<u>(45)</u>	<u>--</u>	<u>--</u>	<u>7</u>
Fund Balances - July 1.....	238	1,510	224	178
Fund Balances - June 30.....	<u>\$ 193</u>	<u>\$ 1,510</u>	<u>\$ 224</u>	<u>\$ 185</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, 2009

(Amounts in thousands)

(Page 6 of 6)

Debt Service Improvement District Bond and Interest Fund	Capital Projects Funds				Total Nonmajor Governmental Funds
General Improvement Bond Fund	Highway Improvement Bond Fund	Federal Grants Capital Projects Fund	Capital Projects Fund		
\$ 17	\$ --	\$ --	\$ --	\$ --	\$ 17
--	--	--	--	--	4,093
--	--	32,244	--	--	153,314
--	--	--	--	--	12,886
--	--	--	--	--	287
--	--	--	--	--	7
9	--	--	--	--	2,525
9	--	--	--	--	22,139
<u>35</u>	<u>--</u>	<u>--</u>	<u>32,244</u>	<u>--</u>	<u>195,268</u>
--	--	--	--	--	10,601
--	--	--	--	--	22,659
--	--	--	--	--	438
--	--	--	--	--	69,755
--	--	--	--	--	23,542
--	--	--	--	--	22,740
--	--	--	--	--	46,136
--	--	--	--	--	287
--	27,575	2,846	21	12	34,052
--	18,771	3,304	3,258	--	25,903
--	89	44,857	10,851	--	55,985
--	--	--	279	23	302
--	--	--	2,327	--	11,591
--	21,037	--	--	520	22,038
--	--	12,431	8,979	--	21,410
--	<u>67,472</u>	<u>63,438</u>	<u>25,715</u>	<u>555</u>	<u>367,439</u>
35	<u>(67,472)</u>	<u>(63,438)</u>	<u>6,529</u>	<u>(555)</u>	<u>(172,171)</u>
--	60,067	90,022	--	--	150,089
--	25,000	20,000	--	--	45,000
--	13	--	--	--	13
--	--	--	--	42	92,951
(42)	--	--	--	(413)	(21,479)
<u>(42)</u>	<u>85,080</u>	<u>110,022</u>	<u>--</u>	<u>(371)</u>	<u>266,574</u>
(7)	17,608	46,584	6,529	(926)	94,403
976	44,254	28,663	6,525	18,030	220,168
<u>\$ 969</u>	<u>\$ 61,862</u>	<u>\$ 75,247</u>	<u>\$ 13,054</u>	<u>\$ 17,104</u>	<u>\$ 314,571</u>

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**AGENCY FUNDS
COMBINING FINANCIAL STATEMENTS**

CITY AND COUNTY OF HONOLULU
AGENCY FUNDS
 COMBINING STATEMENT OF NET ASSETS
 JUNE 30, 2009
 (Amounts in thousands)

	Agency Funds				Total
	General Trust Fund	Treasury Trust Fund	Real Property Tax Trust Fund	Payroll Clearance Fund	
<u>ASSETS</u>					
Cash and investments:					
With Treasury	\$ 23,770	\$ 2,485	\$ 13,795	\$ 2,712	\$ 42,762
Imprest and change funds	73	67	--	--	140
Due from other fund:					
Solid Waste Fund	43	--	--	--	43
Total Assets	23,886	2,552	13,795	2,712	42,945
<u>LIABILITIES</u>					
Liabilities:					
Accounts payable	2,502	--	--	--	2,502
Other current liabilities	21,384	2,552	13,795	2,712	40,443
Total Liabilities	23,886	2,552	13,795	2,712	42,945
<u>NET ASSETS</u>					
Held in trust for individuals, organizations and other governments	\$ --	\$ --	\$ --	\$ --	\$ --

CITY AND COUNTY OF HONOLULU
AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
<u>GENERAL TRUST FUND</u>				
<u>ASSETS</u>				
Cash	\$ 23,593	\$ 131,494	\$ 131,244	\$ 23,843
Due from other funds	42	43	42	43
Total Assets	<u>\$ 23,635</u>	<u>\$ 131,537</u>	<u>\$ 131,286</u>	<u>\$ 23,886</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 29	\$ 48,525	\$ 46,052	\$ 2,502
Due to other funds	208	--	208	--
Other current liabilities	23,398	83,012	85,026	21,384
Total Liabilities	<u>\$ 23,635</u>	<u>\$ 131,537</u>	<u>\$ 131,286</u>	<u>\$ 23,886</u>
<u>TREASURY TRUST FUND</u>				
<u>ASSET</u>				
Cash	\$ 3,895	\$ 15,305	\$ 16,648	\$ 2,552
<u>LIABILITY</u>				
Other current liabilities	\$ 3,895	\$ 15,305	\$ 16,648	\$ 2,552
<u>REAL PROPERTY TAX TRUST FUND</u>				
<u>ASSET</u>				
Cash	\$ 16,271	\$ 13,768	\$ 16,244	\$ 13,795
<u>LIABILITIES</u>				
Accounts payable	\$ 337	\$ 5,316	\$ 5,653	\$ --
Other current liabilities	15,934	8,452	10,591	13,795
Total Liabilities	<u>\$ 16,271</u>	<u>\$ 13,768</u>	<u>\$ 16,244</u>	<u>\$ 13,795</u>
<u>PAYROLL CLEARANCE FUND</u>				
<u>ASSET</u>				
Cash	\$ 2,425	\$ 559,401	\$ 559,114	\$ 2,712
<u>LIABILITY</u>				
Other current liabilities	\$ 2,425	\$ 559,401	\$ 559,114	\$ 2,712
<u>TOTAL - ALL AGENCY FUNDS</u>				
<u>ASSETS</u>				
Cash	\$ 46,184	\$ 719,968	\$ 723,250	\$ 42,902
Due from other funds	42	43	42	43
Total Assets	<u>\$ 46,226</u>	<u>\$ 720,011</u>	<u>\$ 723,292</u>	<u>\$ 42,945</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 366	\$ 53,841	\$ 51,705	\$ 2,502
Due to other funds	208	--	208	--
Other current liabilities	45,652	666,170	671,379	40,443
Total Liabilities	<u>\$ 46,226</u>	<u>\$ 720,011</u>	<u>\$ 723,292</u>	<u>\$ 42,945</u>

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FUND SCHEDULES

For a brief explanation of the individual funds, please refer to the divider page for the Governmental Fund Financial Statements preceding page 41.

Note: the revolving funds are comprised of the Improvement District Revolving Fund, Housing and Community Development Revolving Fund and Municipal Stores Revolving Fund.

CITY AND COUNTY OF HONOLULU
GENERAL FUND
BALANCE SHEET
JUNE 30, 2009
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
(Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and Investments:		
With Treasury	\$ 101,360	\$ 196,653
Receivables:		
Real property taxes	16,046	12,642
Accounts	373	300
Interest	18	3,483
Intergovernmental	52,689	53,307
Due from other funds:		
Highway Fund	--	4,172
Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	--	11
Sewer Fund	--	55
Liquor Commission Fund	--	2
Golf Fund	--	4
Special Events Fund	--	13
Federal Grants Fund	21,000	21,000
Capital Projects Fund	--	1,030
Housing Development Special Fund	1	308
General Trust Fund	--	198
Total Assets	\$ 191,487	\$ 293,178
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 8,423	\$ 9,964
Due to other funds:		
Highway Fund	26	--
Solid Waste Special Fund	--	49,189
General Obligation Bond and Interest Redemption Fund	--	38
General Improvement Bond Fund	--	2
Transit Fund	41,108	44,150
Accrued payroll	2,417	5,025
Deferred revenue	22,821	18,735
Total Liabilities	74,795	127,103
Fund Balance:		
Reserved for encumbrances	48,868	58,794
Unreserved - undesignated	67,824	107,281
Total Fund Balance	116,692	166,075
Total Liabilities and Fund Balance	\$ 191,487	\$ 293,178

CITY AND COUNTY OF HONOLULU
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(Amounts in thousands)

	<u>2009</u>	<u>2008</u>
Revenues:		
Taxes	\$ 851,265	\$ 805,174
Licenses and permits	33,360	36,127
Intergovernmental	202,216	214,530
Charges for services	6,402	5,163
Fines and forfeits	645	877
Miscellaneous:		
Reimbursements and recoveries	95,694	88,181
Interest	7,170	18,054
Other	5,123	4,189
Total Revenues	<u>1,201,875</u>	<u>1,172,295</u>
Expenditures:		
Current:		
General government	133,597	125,323
Public safety	308,990	288,860
Highways and streets	3,718	2,554
Sanitation	4,828	5,536
Human services	3,646	2,772
Culture-recreation	64,346	60,512
Utilities or other enterprises	6	--
Miscellaneous:		
Retirement and health benefits	150,051	121,398
Other	26,000	19,761
Capital outlay	1,984	2,078
Debt Service:		
Principal retirement	726	693
Interest charges	188	221
Total Expenditures	<u>698,080</u>	<u>629,708</u>
Revenues over Expenditures	<u>503,795</u>	<u>542,587</u>
Other Financing Sources (Uses):		
Capital leases	189	865
Sales of capital assets	346	176
Transfers in	95,060	91,018
Transfers out	(648,773)	(624,373)
Total Other Financing Sources (Uses)	<u>(553,178)</u>	<u>(532,314)</u>
Revenues and Other Sources over (under) Expenditures and Other Uses	<u>(49,383)</u>	<u>10,273</u>
Fund Balance - July 1	<u>166,075</u>	<u>155,802</u>
Fund Balance - June 30	<u>\$ 116,692</u>	<u>\$ 166,075</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, 2009
 (Amounts in thousands)

(Page 1 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 828,976	\$ 828,976	\$ 851,265	\$ 22,289
Licenses and permits	37,514	37,514	33,360	(4,154)
Intergovernmental	214,569	214,569	202,216	(12,353)
Charges for services	5,716	5,716	6,402	686
Fines and forfeits	449	449	645	196
Miscellaneous:				
Reimbursements and recoveries	100,257	100,257	95,694	(4,563)
Interest	16,264	16,264	7,170	(9,094)
Other	3,009	3,009	5,123	2,114
Total Revenues	1,206,754	1,206,754	1,201,875	(4,879)
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	17,869	17,869	16,178	1,691
City Clerk	3,644	3,702	3,506	196
City Council	6,710	6,843	6,637	206
Corporation Counsel	7,851	7,851	6,117	1,734
Customer Services	19,637	19,637	18,104	1,533
Design and Construction	16,850	17,147	14,131	3,016
Facility Maintenance	16,733	16,784	15,709	1,075
Human Resources	6,364	6,364	5,901	463
Information Technology	18,627	18,627	17,666	961
Mayor	4,482	4,492	4,224	268
Planning and Permitting	10,178	10,178	9,014	1,164
Prosecuting Attorney	17,128	17,128	17,082	46
Total General government	146,073	146,622	134,269	12,353
Public safety:				
Emergency Management	1,046	1,442	1,273	169
Emergency Services	33,170	33,170	31,330	1,840
Fire	89,839	89,923	85,112	4,811
Medical Examiner	1,525	1,525	1,420	105
Planning and Permitting	5,739	5,739	5,502	237
Police	187,382	187,382	183,685	3,697
Total Public safety	318,701	319,181	308,322	10,859

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, 2009
 (Amounts in thousands)

(Page 2 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Highways and streets:				
Facility Maintenance	4,470	4,470	3,721	749
Sanitation:				
Environmental Services	7,133	7,133	6,315	818
Human services:				
Community Services	3,550	3,550	3,431	119
Culture-recreation:				
Enterprise Services	--	244	244	--
Mayor	2,198	2,198	2,103	95
Parks and Recreation	63,763	64,048	60,594	3,454
Total Culture-recreation	65,961	66,490	62,941	3,549
Miscellaneous:				
Retirement and health benefits:				
City Council	2,823	2,765	2,741	24
Provisional	152,386	152,707	151,111	1,596
Total Retirement and health benefits	155,209	155,472	153,852	1,620
Other:				
City Council	280	147	18	129
Provisional	39,984	38,296	26,405	11,891
Total Other	40,264	38,443	26,423	12,020
Total Miscellaneous	195,473	193,915	180,275	13,640
Debt Service:				
Budget and Fiscal Services	360	360	359	1
Capital Improvements:				
Design and Construction	3,345	3,345	3,345	--

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, 2009
 (Amounts in thousands)

(Page 3 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Total Expenditures	745,066	745,066	702,978	42,088
Revenues over Expenditures	461,688	461,688	498,897	37,209
Other Financing Sources (Uses):				
Capital leases	--	--	189	189
Sales of capital assets	--	--	346	346
Transfers in:				
Central administrative service expenses	32,027	32,027	32,027	--
Debt service	64,224	64,224	62,161	(2,063)
Other	872	872	872	--
Transfers out:				
Debt service	(229,646)	(229,646)	(224,775)	4,871
Bus subsidy	(85,407)	(85,407)	(85,407)	--
Other post-employment benefits	(39,597)	(39,597)	(39,597)	--
Transit Fund	(166,116)	(166,116)	(163,394)	2,722
Other	(138,138)	(138,138)	(138,138)	--
Total Other Financing Sources (Uses)	(561,781)	(561,781)	(555,716)	6,065
Revenues and Other Sources under Expenditures and Other Uses	(100,093)	(100,093)	(56,819)	43,274
Unreserved - Undesignated Fund Balance - July 1	100,093	100,093	107,281	7,188
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	\$ --	50,462	\$ 50,462
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			37,152	
Expenditures - prior year encumbrances			(33,642)	
Accrued expenditures			3,926	
Decrease in reserved for encumbrances			9,926	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)			67,824	
Reserved for Encumbrances - June 30			48,868	
Fund Balance - June 30 (GAAP Basis)			\$ 116,692	

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>
TAXES			
GENERAL PROPERTY TAXES:			
Real Property Tax	\$ 791,047	\$ 801,669	\$ 10,622
PUBLIC SERVICE COMPANY TAX:			
Public Service Company Tax	37,929	49,596	11,667
TOTAL TAXES	828,976	851,265	22,289
LICENSES AND PERMITS			
BUSINESS LICENSES AND PERMITS:			
Police and Protective:			
Second-Hand and Junk Dealers	11	13	2
Alarm Permits	176	186	10
Other	14	15	1
Professional and Occupational:			
Refuse Collector	7	10	3
Other	1	1	--
Total Business Licenses and Permits	209	225	16
NON-BUSINESS LICENSES AND PERMITS:			
Building Structures and Equipment Permits:			
Building	14,800	11,906	(2,894)
Signs	40	37	(3)
Non-Storm Water Discharge Permit	2	1	(1)
Motor Vehicle Licenses and Fees:			
Motor Vehicle Plate and Tag Fees	1,740	1,647	(93)
Motor Vehicle Transfer Fees and Penalty	2,982	2,479	(503)
Duplicate Registration & Ownership Certificates	233	209	(24)
Motor Vehicle Registration Annual Fee	14,216	13,666	(550)
Other	41	27	(14)
Other Vehicle Licenses and Fees:			
Passenger and Freight Vehicle Permit Fees	100	86	(14)
Nonresident Vehicle Permit	20	21	1
Motor Vehicle Drivers' Licenses	2,325	2,262	(63)
Animal Licenses:			
Dog Licenses and Tag Fees	237	240	3
Street, Sidewalk and Curb Permits:			
Easement Grants	--	105	105
Newsstands	29	37	8
Telephone Enclosures	--	2	2
Dispensing Rack	5	41	36
Fire Code Permits and License Fees	535	369	(166)
Total Non-Business Licenses and Permits	37,305	33,135	(4,170)
TOTAL LICENSES AND PERMITS	37,514	33,360	(4,154)

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>
INTERGOVERNMENTAL			
FEDERAL GRANTS:			
Civil Defense Administration Expense	--	112	112
Total Federal Grants	--	112	112
STATE GRANTS:			
Transient Accommodation Tax	48,432	41,228	(7,204)
Excise Tax Surcharge for Transit.....	166,116	160,856	(5,260)
Total State Grants	214,548	202,084	(12,464)
INTERGOVERNMENTAL PAYMENTS			
IN LIEU OF TAXES:			
Fish and Wildlife Service	21	20	(1)
Total Intergovernmental Payments in Lieu of Taxes	21	20	(1)
TOTAL INTERGOVERNMENTAL	214,569	202,216	(12,353)
CHARGES FOR SERVICES			
GENERAL GOVERNMENT:			
Data Processing Services:			
Duplication of Master Tapes	18	40	22
Data Processing Service - State	600	836	236
Data Processing Service - U.S. Government	9	4	(5)
Data Processing Service - Other Counties	260	469	209
Legal Services (BWS)	30	30	--
Service Fee for Dishonored Checks	29	20	(9)
Band Collections	4	4	--
Automotive Equipment Service Charges	205	232	27
Subdivision Fees	120	70	(50)
Application Fees for Zoning Regulations	180	107	(73)
Nonconforming Use Renewal Fees	320	290	(30)
Plan Review Use Fees	1,200	785	(415)
Administrative Fee--Multi-Family Housing Program.....	60	385	325
Military Housing Fee in Lieu of Property Tax	590	1,028	438
Zoning/Flood Clearance Fee	30	26	(4)
Fees for Certificates, Copies & Extracts of Records	144	129	(15)
Fees for Services	124	114	(10)
Custodial and Attendant Services	265	289	24
Spay-Neuter Service	314	245	(69)
Other	1	18	17
Total General Government	4,503	5,121	618

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>
PUBLIC SAFETY:			
Police Charges:			
Taxicab Drivers' & Pedicab Operators' Certificates ...	10	11	1
HPD Special Duty Fees	175	217	42
Miscellaneous:			
Other	1	1	--
Total Public Safety	186	229	43
HIGHWAYS AND STREETS:			
Parking:			
City Employees	450	458	8
HPD Parking Lot	130	131	1
Total Highways and Streets	580	589	9
CULTURE-RECREATION:			
Commercial Activities:			
Scuba, Snorkeling and Windsurfing	32	22	(10)
Commercial Filming	22	34	12
Summer Fun Program	208	147	(61)
Fall and Spring Program	30	91	61
Fees for Professional Sports at Hans L'Orange	--	5	5
Foster Botanic Garden	118	122	4
Fees for Community Garden	37	42	5
Total Culture-Recreation	447	463	16
TOTAL CHARGES FOR SERVICES	5,716	6,402	686
<u>FINES AND FORFEITS</u>			
FINES:			
Fines	390	485	95
Liquidated Contract Damages	--	65	65
Total Fines	390	550	160
FORFEITS:			
Forfeiture of Seized Property	59	95	36
TOTAL FINES AND FORFEITS	449	645	196

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>
MISCELLANEOUS			
REIMBURSEMENTS AND RECOVERIES:			
Reimbursements from State:			
Fireboat Operations	2,354	2,116	(238)
HPD Civil Defense Coordinator	29	51	22
Motor Vehicle Inspection Program	631	660	29
Administration Cost - Ewa Highway Impact Fee	30	58	28
Emergency Ambulance Services	31,853	29,652	(2,201)
Collection Cost - State Motor Vehicle			
Weight Tax, etc.	880	805	(75)
Commercial Drivers' License Program	521	530	9
Recoveries:			
Workers' Compensation Payment	450	--	(450)
Real Property Tax Services	150	41	(109)
Central Administrative Service Expenses:			
Board of Water Supply	2,500	2,500	--
Debt Service Charges - Enterprise Funds:			
Sewer	15,897	15,895	(2)
Solid Waste	34,837	33,053	(1,784)
Housing	10,062	10,061	(1)
Workers' Compensation Claims (Third Party)	50	220	170
Recoveries - Other	13	52	39
Total Reimbursements and Recoveries	100,257	95,694	(4,563)
INTEREST:			
Interest Earnings:			
Investments	16,264	7,032	(9,232)
Other Sources	--	138	138
Total Interest	16,264	7,170	(9,094)

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>
OTHER MISCELLANEOUS:			
Rents:			
Rental Units:			
Rental Units (City Property)	192	309	117
Rental Units (HCD Property)	337	225	(112)
Rental - Ambulance Facilities	64	69	5
Rental of Parks and Recreational Facilities:			
Perquisite Housing	22	18	(4)
Other	--	2	2
Rental of Equipment	2	7	5
Rental for Use of Land	--	168	168
Rental of Other Properties:			
Telecom Facilities	139	--	(139)
Other City Facilities	--	21	21
Total Rents	756	819	63
Concessions:			
Public Pay Phones	--	2	2
Total Concessions	--	2	2
Contributions from Private Sources:			
Developers' Premium	50	48	(2)
Other Escheats	500	645	145
Total Contributions from Private Sources	550	693	143
Other:			
Towing Service Premiums	564	427	(137)
Vacation Accumulation Deposits	12	153	141
Miscellaneous Sales	195	160	(35)
Sundry Refunds	669	2,570	1,901
Sundry Realizations	263	299	36
Total Other	1,703	3,609	1,906
Total Other Miscellaneous	3,009	5,123	2,114
TOTAL MISCELLANEOUS	119,530	107,987	(11,543)
TOTAL REVENUES	1,206,754	1,201,875	(4,879)

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>
OTHER FINANCING SOURCES			
CAPITAL LEASE:			
Inception of Capital Lease	--	189	189
SALES OF CAPITAL ASSETS:			
Sale of Capital Assets	--	171	171
Compensation for Loss of Fixed Assets	--	175	175
TOTAL SALES OF CAPITAL ASSETS	--	346	346
TRANSFERS FROM OTHER FUNDS:			
Recovery of Central Administrative Service Expenses:			
Highway Fund	9,410	9,410	--
Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	168	168	--
Bikeway Fund	24	24	--
Sewer Fund	8,872	8,872	--
Liquor Commission Fund	233	233	--
Rental Assistance Fund	12	12	--
Hanauma Bay Nature Preserve Fund	282	282	--
Golf Fund	1,019	1,019	--
Special Events Fund	1,091	1,091	--
Solid Waste Special Fund	10,916	10,916	--
Recovery of Debt Service Charges:			
Highway Fund	48,756	46,693	(2,063)
Hanauma Bay Nature Preserve Fund	1,557	1,557	--
Golf Fund	7,505	7,505	--
Special Events Fund	6,406	6,406	--
Other Transfers:			
Sewer Fund	508	508	--
Liquor Commission Fund	100	100	--
Solid Waste Special Fund	264	264	--
TOTAL TRANSFERS FROM OTHER FUNDS ...	97,123	95,060	(2,063)
TOTAL OTHER FINANCING SOURCES	97,123	95,595	(1,528)
TOTAL GENERAL FUND	\$ 1,303,877	\$ 1,297,470	\$ (6,407)

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
BALANCE SHEET
JUNE 30, 2009
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
(Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 18,206	\$ 27,645
Receivables:		
Public Utilities	21,941	18,088
Intergovernmental	4,651	5,853
Due from other fund:		
General Fund	26	--
Total Assets	\$ 44,824	\$ 51,586
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 1,268	\$ 1,266
Due to other fund:		
General Fund	--	4,172
General Trust Fund	--	7
Accrued payroll	277	458
Deferred revenue	21,941	18,088
Total Liabilities	23,486	23,991
Fund Balance:		
Reserved for encumbrances	3,714	8,421
Unreserved - undesignated	17,624	19,174
Total Fund Balance	21,338	27,595
Total Liabilities and Fund Balance	\$ 44,824	\$ 51,586

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(Amounts in thousands)

	2009	2008
Revenues:		
Taxes	\$ 101,266	\$ 86,808
Licenses and permits	74,944	75,456
Charges for services	4,636	4,775
Fines and forfeits	--	48
Miscellaneous:		
Reimbursements and recoveries	734	543
Other	2,284	1,797
Total Revenues	183,864	169,427
Expenditures:		
Current:		
General government	19,018	17,505
Public safety	27,628	25,993
Highways and streets	24,115	19,695
Sanitation	--	1
Utilities or other enterprises	4,554	2,611
Miscellaneous:		
Retirement and health benefits	11,980	13,260
Other	1,180	1,100
Capital outlay	211	25
Total Expenditures	88,686	80,190
Revenues over Expenditures	95,178	89,237
Other Financing Sources (Uses):		
Sales of general fixed assets	302	184
Transfers out	(101,737)	(93,608)
Total Other Financing Sources (Uses)	(101,435)	(93,424)
Revenues and Other Sources under Expenditures and Other Uses	(6,257)	(4,187)
Fund Balance - July 1	27,595	31,782
Fund Balance - June 30	\$ 21,338	\$ 27,595

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, 2009
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 93,455	\$ 93,455	\$ 101,266	\$ 7,811
Licenses and permits	74,807	74,807	74,944	137
Charges for services	4,678	4,678	4,636	(42)
Miscellaneous:				
Reimbursements and recoveries	314	314	734	420
Other	1,748	1,748	2,284	536
Total Revenues	175,002	175,002	183,864	8,862
Expenditures:				
Current:				
General government:				
Design and Construction	5,834	5,834	5,092	742
Facility Maintenance	12,416	12,416	11,701	715
Planning and Permitting	2,474	2,474	2,199	275
Total General government	20,724	20,724	18,992	1,732
Public safety:				
Police	23,090	23,090	22,799	291
Transportation Services	5,578	5,578	5,139	439
Total Public safety	28,668	28,668	27,938	730
Highways and streets:				
Facility Maintenance	22,601	22,601	22,132	469
Utilities or other enterprises:				
Transportation Services	6,118	6,118	5,522	596
Miscellaneous:				
Retirement and health benefits:				
Provisional	13,941	14,061	11,980	2,081
Other:				
Provisional	1,759	1,639	1,180	459
Total Miscellaneous	15,700	15,700	13,160	2,540
Total Expenditures	93,811	93,811	87,744	6,067
Revenues over Expenditures	81,191	81,191	96,120	14,929

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, 2009
 (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	231	231	302	71
Transfers out:				
Debt service	(48,756)	(48,756)	(46,693)	2,063
Reimbursement for central administrative service expenses	(9,410)	(9,410)	(9,410)	--
Other post-employment benefits	(3,761)	(3,761)	(3,761)	--
Bus subsidy	(41,873)	(41,873)	(41,873)	--
Total Transfers out.....	(103,800)	(103,800)	(101,737)	2,063
Total Other Financing Source (Uses)	(103,569)	(103,569)	(101,435)	2,134
Revenues and Other Source under Expenditures and Other Uses	(22,378)	(22,378)	(5,315)	17,063
Unreserved - Undesignated Fund Balance - July 1	22,378	22,378	19,174	(3,204)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis).....	\$ --	\$ --	13,859	\$ 13,859
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			2,804	
Expenditures - prior year encumbrances			(3,774)	
Accrued expenditures			28	
Decrease in reserved for encumbrances			4,707	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)			17,624	
Reserved for Encumbrances - June 30			3,714	
Fund Balance - June 30 (GAAP Basis)			\$ 21,338	

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>
TAXES			
GROSS RECEIPTS BUSINESS TAXES:			
Public Utility Franchise Tax	\$ 39,094	\$ 50,950	\$ 11,856
SELECTIVE SALES AND USE TAXES:			
Fuel Tax	<u>54,361</u>	<u>50,316</u>	<u>(4,045)</u>
TOTAL TAXES	<u>93,455</u>	<u>101,266</u>	<u>7,811</u>
LICENSES AND PERMITS			
NON-BUSINESS LICENSES AND PERMITS:			
Building Structures and Equipment Permits -			
Grading, Excavations and Fills	250	228	(22)
Other Permits	10	7	(3)
Motor Vehicle Licenses and Fees -			
Motor Vehicle Weight Tax	70,589	71,476	887
Other Vehicle Licenses and Fees	3,599	2,827	(772)
Street and Sidewalk Use	8	84	76
Freight Curb and Passenger Loading Zone Permits	266	249	(17)
Excavation and Repair of Streets and Sidewalks	<u>85</u>	<u>73</u>	<u>(12)</u>
TOTAL LICENSES AND PERMITS	<u>74,807</u>	<u>74,944</u>	<u>137</u>
CHARGES FOR SERVICES			
GENERAL GOVERNMENT:			
Sidewalk and Driveway Specifications Filing Fees	14	14	--
HIGHWAYS AND STREETS:			
Street and Sidewalk Charges	39	121	82
Street Parking Meter Collections	3,333	3,186	(147)
Other Parking Meter Collections	1,278	1,274	(4)
Other	<u>14</u>	<u>41</u>	<u>27</u>
Total Highways and Streets	<u>4,664</u>	<u>4,622</u>	<u>(42)</u>
TOTAL CHARGES FOR SERVICES	<u>4,678</u>	<u>4,636</u>	<u>(42)</u>
MISCELLANEOUS			
REIMBURSEMENTS AND RECOVERIES:			
Reimbursement from State for			
Traffic Signal Maintenance	300	727	427
Recovery of Overhead Charges	9	7	(2)
Recovery of Overtime Inspection	<u>5</u>	<u>--</u>	<u>(5)</u>
Total Reimbursements and Recoveries	<u>314</u>	<u>734</u>	<u>420</u>

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(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 MISCELLANEOUS:			
Rents:			
Rental Units	--	51	51
Concessions:			
Kekaulike Parking Lot	90	18	(72)
Marin Towers Garage	300	436	136
Harbor Court Garage	400	372	(28)
Kaimuki Parking Lot	24	24	--
Kukui Plaza Garage	650	818	168
Smith-Beretania Garage	100	96	(4)
Total Concessions	<u>1,564</u>	<u>1,764</u>	<u>200</u>
Other:			
Vacation Accumulation Deposits	--	23	23
Miscellaneous Sales	10	7	(3)
Ferry Fares	--	27	27
Sundry Refunds	174	412	238
Total Other	<u>184</u>	<u>469</u>	<u>285</u>
Total Other Miscellaneous	<u>1,748</u>	<u>2,284</u>	<u>536</u>
TOTAL MISCELLANEOUS	<u>2,062</u>	<u>3,018</u>	<u>956</u>
TOTAL REVENUES	<u>175,002</u>	<u>183,864</u>	<u>8,862</u>
<u>OTHER FINANCING SOURCES</u>			
<u>SALES OF CAPITAL ASSETS:</u>			
Sales of Capital Assets	--	5	5
Compensation for Loss of Capital Assets	231	297	66
TOTAL OTHER FINANCING SOURCES	<u>231</u>	<u>302</u>	<u>71</u>
TOTAL HIGHWAY FUND	<u>\$ 175,233</u>	<u>\$ 184,166</u>	<u>\$ 8,933</u>

CITY AND COUNTY OF HONOLULU
**HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED
VEHICLES REVOLVING FUND**

BALANCE SHEET
JUNE 30, 2009
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
(Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 2,169	\$ 1,841
Total Asset	\$ 2,169	\$ 1,841
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 5	\$ 55
Due to other fund:		
General Fund	--	11
Accrued payroll	10	7
Total Liabilities	15	73
Fund Balance:		
Reserved for encumbrances	340	482
Unreserved - undesignated	1,814	1,286
Total Fund Balance	2,154	1,768
Total Liabilities and Fund Balance	\$ 2,169	\$ 1,841

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, 2009
(Amounts in thousands)

	<u>Original and Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Final Variance Favorable (Unfavorable)</u>
Revenue:			
Charges for services	\$ 3,145	\$ 3,132	\$ (13)
Total Revenue	<u>3,145</u>	<u>3,132</u>	<u>(13)</u>
Expenditure:			
Current:			
General government:			
Customer Services	2,837	2,093	744
Miscellaneous:			
Retirement and health benefits:			
Provisional	425	415	10
Total Expenditure	<u>3,262</u>	<u>2,508</u>	<u>754</u>
Revenues over (under) Expenditure	(117)	624	741
Other Financing Uses:			
Transfers out:			
Reimbursement for central administrative			
service expenses	(168)	(168)	--
Other post-employment benefits	(95)	(95)	--
Total Other Financing Uses	<u>(263)</u>	<u>(263)</u>	<u>--</u>
Revenue over (under) Expenditures and Other Uses	(380)	361	741
Unreserved - Undesignated Fund Balance - July 1	886	1,286	400
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ 506</u>	1,647	<u>\$ 1,141</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		218	
Expenditures - prior year encumbrances		(193)	
Decrease in reserved for encumbrances		<u>142</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		1,814	
Reserved for Encumbrances - June 30		<u>340</u>	
Fund Balance - June 30 (GAAP Basis)		<u>\$ 2,154</u>	

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, 2009
(Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
CHARGES FOR SERVICES			
HIGHWAYS AND STREETS:			
Highway Beautification Fees	\$ 3,145	\$ 3,132	\$ (13)
TOTAL HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED VEHICLES REVOLVING FUND REVENUE	<u>\$ 3,145</u>	<u>\$ 3,132</u>	<u>\$ (13)</u>

CITY AND COUNTY OF HONOLULU
BIKEWAY FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and Investments:		
With Treasury	\$ 1,042	\$ 806
Due from other fund:		
Capital Projects Fund	110	421
Total Assets	\$ 1,152	\$ 1,227
<u>LIABILITY AND FUND BALANCE</u>		
Liability:		
Accounts payable	\$ 29	\$ 32
Total Liability	29	32
Fund Balance:		
Reserved for encumbrances	26	613
Unreserved - undesignated	1,097	582
Total Fund Balance	1,123	1,195
Total Liability and Fund Balance	\$ 1,152	\$ 1,227

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, 2009
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Licenses and permits	\$ 446	\$ 420	\$ (26)
Miscellaneous:			
Other	--	1	1
Total Revenues	446	421	(25)
Expenditures:			
Current:			
Public safety:			
Transportation Services	441	369	72
Highways and streets:			
Facility Maintenance	10	5	5
Culture-recreation:			
Parks and Recreation	30	17	13
Total Expenditures	481	391	90
Revenue over (under) Expenditures	(35)	30	65
Other Financing Source (Use):			
Transfer In	--	110	110
Transfers out:			
Reimbursement for central administrative service expenses	(24)	(24)	--
Total Other Financing Source (Use)	(24)	86	110
Revenues and Other Source over (under) Expenditures and Other Use	(59)	116	175
Unreserved - Undesignated Fund Balance - July 1	79	582	503
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 20	698	\$ 678
Adjustments to conform with generally accepted accepted accounting principles:			
Encumbrances included above		--	
Expenditures - prior year encumbrances		(188)	
Decrease in reserved for encumbrances		587	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		1,097	
Reserved for Encumbrances - June 30		26	
Fund Balance - June 30 (GAAP Basis)		\$ 1,123	

CITY AND COUNTY OF HONOLULU
BIKEWAY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<u>LICENSES AND PERMITS</u>			
<u>NON-BUSINESS LICENSES AND PERMITS:</u>			
Other Vehicle Licenses and Fees -			
Bicycle Licenses	\$ 446	\$ 420	\$ (26)
<u>MISCELLANEOUS</u>			
<u>OTHER MISCELLANEOUS:</u>			
Other:			
Recoveries - Other	--	1	1
TOTAL REVENUES	446	421	(25)
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
Capital Projects Fund	--	110	110
TOTAL OTHER FINANCING SOURCE	--	110	110
TOTAL BIKEWAY FUND	\$ 446	\$ 531	\$ 85

CITY AND COUNTY OF HONOLULU
PARKS AND PLAYGROUNDS FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 4,507	\$ 3,339
Due from other fund:		
Capital Projects Fund	303	910
Total Assets	\$ 4,810	\$ 4,249
<u>LIABILITY AND FUND BALANCE</u>		
Liability:		
Accounts payable	\$ 47	\$ 20
Total Liability	47	20
Fund Balance:		
Reserved for encumbrances	1,146	1,516
Unreserved - undesignated	3,617	2,713
Total Fund Balance	4,763	4,229
Total Liability and Fund Balance	\$ 4,810	\$ 4,249

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, 2009
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Other	\$ --	\$ 712	\$ 712
Total Revenue	--	712	712
Expenditures:			
Capital Improvements:			
Budget and Fiscal Services	1	1	--
Design and Construction	215	215	--
Total Expenditures	216	216	--
Revenue over (under) Expenditures	(216)	496	712
Other Financing Source:			
Transfer In	--	303	303
Revenue and Other Source over (under) Expenditures	(216)	799	1,015
Unreserved - Undesignated Fund Balance - July 1	886	2,713	1,827
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 670	3,512	\$ 2,842
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		187	
Expenditures - prior year encumbrances		(452)	
Decrease in reserved for encumbrances		370	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		3,617	
Reserved for Encumbrances - June 30		1,146	
Fund Balance - June 30 (GAAP Basis)		\$ 4,763	

CITY AND COUNTY OF HONOLULU
PARKS AND PLAYGROUNDS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
MISCELLANEOUS			
OTHER MISCELLANEOUS:			
Contributions from Private Sources:			
Subdividers' Contributions for			
Parks and Playgrounds	\$ --	\$ 712	\$ 712
TOTAL REVENUE	---	712	712
OTHER FINANCING SOURCE			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
Capital Projects Fund	--	303	303
TOTAL OTHER FINANCING SOURCE	---	303	303
TOTAL PARKS AND PLAYGROUNDS FUND	\$ --	\$ 1,015	\$ 1,015

CITY AND COUNTY OF HONOLULU
LIQUOR COMMISSION FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 2,207	\$ 2,375
Total Asset	\$ 2,207	\$ 2,375
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 34	\$ 37
Accrued payroll	11	35
Due to other fund:		
General Fund	--	2
Total Liabilities	45	74
Fund Balance:		
Reserved for encumbrances	166	146
Unreserved - undesignated	1,996	2,155
Total Fund Balance	2,162	2,301
Total Liabilities and Fund Balance	\$ 2,207	\$ 2,375

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, 2009
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Licenses and permits	\$ 3,628	\$ 3,673	\$ 45
Charges for services	128	131	3
Fines and forfeits	200	287	87
Miscellaneous:			
Other	--	2	2
Total Revenues	3,956	4,093	137
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services	3,461	2,878	583
Corporation Counsel	68	58	10
Information Technology	52	51	1
Total General government	3,581	2,987	594
Miscellaneous:			
Retirement and health benefits:			
Provisional	694	694	--
Other:			
Provisional	89	62	27
Total Miscellaneous	783	756	27
Capital improvements:			
Budget and Fiscal Services	57	57	--
Total Expenditures	4,421	3,800	621
Revenues over (under) Expenditures	(465)	293	758
Other Financing Uses:			
Transfers out:			
Reimbursement for central administrative service expenses	(233)	(233)	--
Other post-employment benefits	(143)	(143)	--
Other	(100)	(100)	--
Total Other Financing Uses	(476)	(476)	--
Revenues under Expenditures and Other Uses	(941)	(183)	758
Unreserved - Undesignated Fund Balance - July 1	1,559	2,155	596
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 618	1,972	\$ 1,354

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, 2009
 (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		148	
Expenditures - prior year encumbrances		(104)	
Increase in reserved for encumbrances		(20)	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		1,996	
Reserved for Encumbrances - June 30		166	
Fund Balance - June 30 (GAAP Basis)		\$ 2,162	

CITY AND COUNTY OF HONOLULU
LIQUOR COMMISSION FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>BUSINESS LICENSES AND PERMITS:</u>			
Alcoholic Licenses and Permits	\$ 3,628	\$ 3,673	\$ 45
<u>CHARGES FOR SERVICES</u>			
<u>GENERAL GOVERNMENT:</u>			
Charges for Publications, Reports, Copies, etc.	3	7	4
Fees:			
Charge for Photo I.D.	120	118	(2)
Other	<u>5</u>	<u>6</u>	<u>1</u>
TOTAL CHARGES FOR SERVICES	<u>128</u>	<u>131</u>	<u>3</u>
<u>FINES AND FORFEITS</u>			
<u>FINES:</u>			
Fines - Liquor Commission	200	287	87
<u>MISCELLANEOUS</u>			
<u>OTHER MISCELLANEOUS:</u>			
Other:			
Vacation Accumulation Deposits	<u>--</u>	<u>2</u>	<u>2</u>
TOTAL LIQUOR COMMISSION FUND REVENUES	<u>\$ 3,956</u>	<u>\$ 4,093</u>	<u>\$ 137</u>

CITY AND COUNTY OF HONOLULU
OTHER POST-EMPLOYMENT BENEFITS RESERVE FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 53,177	\$ 40,334
Total Asset	\$ 53,177	\$ 40,334
<u>LIABILITY AND FUND BALANCE</u>		
Liability:		
Due to other fund:		
Transit Fund	\$ --	\$ 224
Total Liability	--	224
Fund Balance:		
Unreserved - undesignated	53,177	40,110
Total Fund Balance	53,177	40,110
Total Liability and Fund Balance	\$ 53,177	\$ 40,334

CITY AND COUNTY OF HONOLULU
OTHER POST-EMPLOYMENT BENEFITS RESERVE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest	\$ --	\$ 1,291	\$ 1,291
Total Revenue	--	1,291	1,291
Expenditure:			
Current:			
Miscellaneous:			
Retirement and health benefits:			
Provisional	91,897	40,110	51,787
Total Expenditure	91,897	40,110	51,787
Revenue under Expenditure	(91,897)	(38,819)	53,078
Other Financing Source:			
Transfer in	51,886	51,886	--
Total Other Financing Source	51,886	51,886	--
Revenue and Other Source over (under) Expenditure	(40,011)	13,067	53,078
Unreserved - Undesignated Fund Balance - July 1	40,011	40,110	99
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	53,177	\$ 53,177
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 (GAAP Basis)		53,177	
Reserved for Encumbrances - June 30		--	
Fund Balance - June 30 (GAAP Basis)		\$ 53,177	

CITY AND COUNTY OF HONOLULU
OTHER POST-EMPLOYMENT BENEFITS RESERVE FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
MISCELLANEOUS			
INTEREST:			
Interest Earnings:			
Investments	\$ --	\$ 1,291	\$ 1,291
TOTAL REVENUE	--	1,291	1,291
OTHER FINANCING SOURCES			
TRANSFERS FROM OTHER FUNDS:			
Other Transfers:			
General Fund	39,597	39,597	--
Highway Fund	3,761	3,761	--
Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	95	95	--
Sewer Fund	3,552	3,552	--
Liquor Commission Fund	143	143	--
Hanauma Bay Nature Preserve Fund	162	162	--
Solid Waste Special Fund	3,164	3,164	--
Transit Fund	185	185	--
Golf Fund	569	569	--
Special Events Fund	658	658	--
TOTAL OTHER FINANCING SOURCES	51,886	51,886	--
TOTAL OTHER POST-EMPLOYMENT BENEFITS RESERVE FUND	\$ 51,886	\$ 53,177	\$ 1,291

CITY AND COUNTY OF HONOLULU
RENTAL ASSISTANCE FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 916	\$ 991
Total Asset	\$ 916	\$ 991
<u>LIABILITY AND FUND BALANCE</u>		
Liability:		
Accounts payable	\$ 2	\$ --
Total Liability	2	--
Fund Balance:		
Reserved for encumbrances	--	5
Unreserved - undesignated	914	986
Total Liability and Fund Balance	\$ 916	\$ 991

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, 2009
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Other	\$ 233	\$ 138	\$ (95)
Total Revenue	233	138	(95)
Expenditure:			
Current:			
Human services:			
Community Services	233	198	35
Total Expenditure	233	198	35
Revenue over (under) Expenditure	--	(60)	(60)
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses	(12)	(12)	--
Revenue under Expenditure and Other Use	(12)	(72)	(60)
Unreserved - Undesignated Fund Balance - July 1	825	986	161
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 813	914	\$ 101
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		--	
Expenditures - prior year encumbrances		(5)	
Decrease in reserved for encumbrances		5	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		914	
Reserved for Encumbrances - June 30		--	
Fund Balance - June 30 (GAAP Basis)		\$ 914	

CITY AND COUNTY OF HONOLULU
RENTAL ASSISTANCE FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
MISCELLANEOUS			
OTHER MISCELLANEOUS:			
Rents:			
Rental of Parking Stalls	\$ --	\$ 138	\$ 138
Rental of Other City Facilities	<u>233</u>	<u>--</u>	<u>(233)</u>
 TOTAL RENTAL ASSISTANCE FUND REVENUE	 <u>\$ 233</u>	 <u>\$ 138</u>	 <u>\$ (95)</u>

CITY AND COUNTY OF HONOLULU
ZOO ANIMAL PURCHASE FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 35	\$ 34
Total Asset	\$ 35	\$ 34
<u>FUND BALANCE</u>		
Fund Balance:		
Reserved for encumbrances	9	--
Unreserved - undesignated	\$ 26	\$ 34
Total Fund Balance	\$ 35	\$ 34

CITY AND COUNTY OF HONOLULU
ZOO ANIMAL PURCHASE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

	<u>Original and Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Final Variance Favorable (Unfavorable)</u>
Revenue:			
Miscellaneous:			
Other	\$ --	\$ 2	\$ 2
Total Revenue	<u>--</u>	<u>2</u>	<u>2</u>
Expenditure:			
Current:			
Culture-recreation:			
Enterprise Services	<u>10</u>	<u>10</u>	<u>--</u>
Revenue under Expenditure	(10)	(8)	2
Unreserved - Undesignated Fund Balance - July 1	<u>23</u>	<u>34</u>	<u>11</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ 13</u>	26	<u>\$ 13</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above		9	
Expenditures - prior year encumbrances		--	
Increase In reserved for encumbrances		<u>(9)</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		26	
Reserved for Encumbrances - June 30		<u>9</u>	
Fund Balance - June 30 (GAAP Basis)		<u>\$ 35</u>	

CITY AND COUNTY OF HONOLULU
ZOO ANIMAL PURCHASE FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>			
Other:			
Sale of Animals	\$ --	\$ 2	\$ 2
TOTAL ZOO ANIMAL PURCHASE FUND REVENUE	<u>\$ --</u>	<u>\$ 2</u>	<u>\$ 2</u>

CITY AND COUNTY OF HONOLULU
HANAUMA BAY NATURE PRESERVE FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 2,493	\$ 3,788
Total Asset	\$ 2,493	\$ 3,788
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 168	\$ 508
Accrued payroll	6	17
Total Liabilities	174	525
Fund Balance:		
Reserved for encumbrances	111	424
Unreserved - undesignated	2,208	2,839
Total Fund Balance	2,319	3,263
Total Liabilities and Fund Balance	\$ 2,493	\$ 3,788

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, 2009
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 3,200	\$ 2,974	\$ (226)
Miscellaneous:			
Other	<u>1,161</u>	<u>1,423</u>	<u>262</u>
Total Revenues	<u>4,361</u>	<u>4,397</u>	<u>36</u>
Expenditures:			
Current:			
Public safety:			
Emergency Services	781	776	5
Culture-recreation:			
Enterprise Services	9	--	9
Parks and Recreation	<u>2,478</u>	<u>2,353</u>	<u>125</u>
Total Culture-recreation	<u>2,487</u>	<u>2,353</u>	<u>134</u>
Miscellaneous:			
Retirement and health benefits:			
Provisional	639	524	115
Other:			
Provisional	<u>7</u>	<u>--</u>	<u>7</u>
Total Miscellaneous	<u>646</u>	<u>524</u>	<u>122</u>
Total Expenditures	<u>3,914</u>	<u>3,653</u>	<u>261</u>
Revenues over Expenditures	<u>447</u>	<u>744</u>	<u>297</u>
Other Financing Source (Uses):			
Transfer In	500	500	--
Transfers out:			
Debt service	(1,557)	(1,557)	--
Reimbursement for central administrative service expenses	(282)	(282)	--
Other post-employment benefits	<u>(162)</u>	<u>(162)</u>	<u>--</u>
Total Transfers out	<u>(2,001)</u>	<u>(2,001)</u>	<u>--</u>
Total Other Financing Source (Uses)	<u>(1,501)</u>	<u>(1,501)</u>	<u>--</u>
Revenues and Other Source under Expenditures and Other Uses	(1,054)	(757)	297
Unreserved - Undesignated Fund Balance - July 1	<u>2,164</u>	<u>2,839</u>	<u>675</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u><u>\$ 1,110</u></u>	<u><u>2,082</u></u>	<u><u>\$ 972</u></u>

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, 2009
 (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		96	
Expenditures - prior year encumbrances		(283)	
Decrease in reserved for encumbrances		313	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		2,208	
Reserved for Encumbrances - June 30		111	
Fund Balance - June 30 (GAAP Basis)		\$ 2,319	

CITY AND COUNTY OF HONOLULU
HANAUMA BAY NATURE PRESERVE FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>			
HIGHWAYS AND STREETS:			
Hanauma Bay Parking	\$ 200	\$ 193	\$ (7)
CULTURE-RECREATION:			
Miscellaneous:			
Hanauma Bay Admission Fee	<u>3,000</u>	<u>2,781</u>	<u>(219)</u>
TOTAL CHARGES FOR SERVICES	<u>3,200</u>	<u>2,974</u>	<u>(226)</u>
<u>MISCELLANEOUS</u>			
OTHER MISCELLANEOUS:			
Concessions:			
Parks and Recreation Facilities:			
Hanauma Gift Shop Concession	72	67	(5)
Hanauma Beach Park Concession	261	261	--
Hanauma Shuttle Bus Service	38	38	--
Hanauma Snorkling Rental	<u>790</u>	<u>1,057</u>	<u>267</u>
TOTAL MISCELLANEOUS	<u>1,161</u>	<u>1,423</u>	<u>262</u>
TOTAL REVENUES	<u>4,361</u>	<u>4,397</u>	<u>36</u>
<u>OTHER FINANCING SOURCE</u>			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	<u>500</u>	<u>500</u>	<u>--</u>
TOTAL HANAUMA BAY NATURE PRESERVE FUND	<u>\$ 4,861</u>	<u>\$ 4,897</u>	<u>\$ 36</u>

CITY AND COUNTY OF HONOLULU
RESERVE FOR FISCAL STABILITY FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 26,112	\$ 18,098
Total Asset	\$ 26,112	\$ 18,098
<u>FUND BALANCE</u>		
Fund Balance:		
Unreserved - undesignated	\$ 26,112	\$ 18,098
Total Fund Balance	\$ 26,112	\$ 18,098

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, 2009
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest	\$ 451	\$ 514	\$ 63
Other Financing Source:			
Transfer in	7,500	7,500	--
Revenue and Other Source	7,951	8,014	63
Unreserved - Undesignated Fund Balance - July 1	17,985	18,098	113
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 25,936	26,112	\$ 176
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 (GAAP Basis)		26,112	
Reserved for Encumbrances - June 30		--	
Fund Balance - June 30 (GAAP Basis)		\$ 26,112	

CITY AND COUNTY OF HONOLULU
RESERVE FOR FISCAL STABILITY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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	\$ 451	\$ 514	\$ 63
 <u>OTHER FINANCING SOURCE</u>			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	<u>7,500</u>	<u>7,500</u>	<u>--</u>
 TOTAL RESERVE FOR FISCAL STABILITY FUND ...	 <u>\$ 7,951</u>	 <u>\$ 8,014</u>	 <u>\$ 63</u>

CITY AND COUNTY OF HONOLULU
CLEAN WATER AND NATURAL LANDS FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 7,986	\$ 3,928
Total Asset	\$ 7,986	\$ 3,928
<u>FUND BALANCE</u>		
Fund Balance:		
Reserved for encumbrances	\$ 4,000	\$ --
Unreserved - undesignated	3,986	3,928
Total Fund Balance	\$ 7,986	\$ 3,928

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, 2009
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest	\$ --	\$ 118	\$ 118
Total Revenue	--	118	118
Expenditure:			
Capital Improvements:			
Design and Construction	4,000	4,000	--
Revenue under Expenditure	(4,000)	(3,882)	118
Other Financing Source:			
Transfer In	3,940	3,940	--
Revenues and Other Source over (under) Expenditure	(60)	58	118
Unreserved - Undesignated Fund Balance - July 1	3,897	3,928	31
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 3,837	3,986	\$ 149
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		4,000	
Expenditures - prior year encumbrances		--	
Increase in reserved for encumbrances		(4,000)	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		3,986	
Reserved for Encumbrances - June 30		4,000	
Fund Balance - June 30 (GAAP Basis)		\$ 7,986	

CITY AND COUNTY OF HONOLULU
CLEAN WATER AND NATURAL LANDS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
MISCELLANEOUS			
INTEREST:			
Interest Earnings:			
Investments	\$ --	\$ 118	\$ 118
OTHER FINANCING SOURCE			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	<u>3,940</u>	<u>3,940</u>	<u> --</u>
TOTAL CLEAN WATER AND NATURAL LANDS FUND	<u>\$ 3,940</u>	<u>\$ 4,058</u>	<u>\$ 118</u>

CITY AND COUNTY OF HONOLULU
AFFORDABLE HOUSING FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 4,482	\$ 3,928
Total Asset	\$ 4,482	\$ 3,928
<u>FUND BALANCE</u>		
Fund Balance:		
Reserved for encumbrances	\$ 2,001	\$ --
Unreserved - undesignated	2,481	3,928
Total Fund Balance	\$ 4,482	\$ 3,928

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, 2009
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest	\$ --	\$ 113	\$ 113
Total Revenue	--	113	113
Expenditures:			
Capital Improvements:			
Community Services	2,000	2,000	--
Design and Construction	3,500	3,500	--
Total Expenditures	5,500	5,500	--
Revenue under Expenditure	(5,500)	(5,387)	113
Other Financing Source:			
Transfer in	3,940	3,940	--
Revenue and Other Source under Expenditure	(1,560)	(1,447)	113
Unreserved - Undesignated Fund Balance - July 1	3,897	3,928	31
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 2,337	2,481	\$ 144
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		2,001	
Expenditures - prior year encumbrances		--	
Increase in reserved for encumbrances		(2,001)	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		2,481	
Reserved for Encumbrances - June 30		2,001	
Fund Balance - June 30 (GAAP Basis)		\$ 4,482	

CITY AND COUNTY OF HONOLULU
AFFORDABLE HOUSING FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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	\$ --	\$ 113	\$ 113
<u>OTHER FINANCING SOURCE</u>			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	<u>3,940</u>	<u>3,940</u>	<u> --</u>
TOTAL AFFORDABLE HOUSING FUND	<u>\$ 3,940</u>	<u>\$ 4,053</u>	<u>\$ 113</u>

CITY AND COUNTY OF HONOLULU
COMMUNITY DEVELOPMENT FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 86	\$ 103
Receivables:		
Loans	149	160
Intergovernmental	786	627
Due from other fund:		
Federal Grants Capital Projects Fund	--	19
Total Assets	\$ 1,021	\$ 909
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 1,714	\$ 759
Deferred revenue	149	454
Total Liabilities	1,863	1,213
Fund Balance:		
Reserved for encumbrances	9,329	10,372
Unreserved - undesignated	(10,171)	(10,676)
Total Fund Balance	(842)	(304)
Total Liabilities and Fund Balance	\$ 1,021	\$ 909

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, 2009
 (Amounts in thousands)

	<u>Original and Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Final Variance Favorable (Unfavorable)</u>
Revenue:			
Intergovernmental	\$ 10,720	\$ 9,844	\$ (876)
Total Revenue	<u>10,720</u>	<u>9,844</u>	<u>(876)</u>
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services	844	663	181
Design and Construction	89	42	47
Total General government	<u>933</u>	<u>705</u>	<u>228</u>
Human services:			
Community Services	1,331	854	477
Capital improvements:			
Community Services	8,456	8,456	--
Fire	1,000	1,000	--
Total Expenditures	<u>11,720</u>	<u>11,015</u>	<u>705</u>
Revenue under Expenditures	(1,000)	(1,171)	(171)
Other Financing Source:			
Transfer In	1,000	1,000	--
Revenues and Other Source under Expenditures	--	(171)	(171)
Unreserved - Undesignated Fund Balance - July 1	--	(10,676)	(10,676)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ --</u>	(10,847)	<u>\$ (10,847)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		5,302	
Expenditures - prior year encumbrances		(5,669)	
Decrease in reserved for encumbrances		1,043	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		(10,171)	
Reserved for Encumbrances - June 30		<u>9,329</u>	
Fund Balance - June 30 (GAAP Basis)		<u>\$ (842)</u>	

CITY AND COUNTY OF HONOLULU
COMMUNITY DEVELOPMENT FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>			
FEDERAL GRANTS:			
Community Development Block Grant	\$ 10,720	\$ 9,844	\$ (876)
<u>OTHER FINANCING SOURCE</u>			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
Housing and Community Development Rehabilitation Loan Fund	<u>1,000</u>	<u>1,000</u>	<u>--</u>
TOTAL COMMUNITY DEVELOPMENT FUND	<u>\$ 11,720</u>	<u>\$ 10,844</u>	<u>\$ (876)</u>

CITY AND COUNTY OF HONOLULU
GOLF FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 2,017	\$ 3,433
Total Asset	\$ 2,017	\$ 3,433
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 151	\$ 225
Due to other fund:		
General Fund	--	4
Accrued payroll	34	86
Total Liabilities	185	315
Fund Balance:		
Reserved for encumbrances	1,109	1,035
Unreserved - undesignated	723	2,083
Total Fund Balance	1,832	3,118
Total Liabilities and Fund Balance	\$ 2,017	\$ 3,433

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, 2009
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Charges for services	\$ 5,328	\$ 5,328	\$ 4,626	\$ (702)
Miscellaneous:				
Other	3,246	3,246	2,979	(267)
Total Revenues	8,574	8,574	7,605	(969)
Expenditures:				
Current:				
Culture-recreation:				
Enterprise Services	9,605	9,605	9,196	409
Miscellaneous:				
Retirement and health benefits:				
Provisional	1,871	1,879	1,835	44
Other:				
Provisional	73	65	25	40
Total Miscellaneous	1,944	1,944	1,860	84
Capital Improvements:				
Budget and Fiscal Services	505	505	505	--
Total Expenditures	12,054	12,054	11,561	493
Revenues under Expenditures	(3,480)	(3,480)	(3,956)	(476)
Other Finance Source (Uses):				
Transfer in	11,644	11,644	11,644	--
Transfers out:				
Debt service	(7,505)	(7,505)	(7,505)	--
Reimbursement for central administrative service expenses	(1,019)	(1,019)	(1,019)	--
Other post-employment benefits	(569)	(569)	(569)	--
Total Other Financing Sources (Uses)	2,551	2,551	2,551	--
Revenues and Other Source under Expenditures and Other Uses	(929)	(929)	(1,405)	(476)
Unreserved - Undesignated Fund Balance - July 1	929	929	2,083	1,154
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ --</u>	<u>\$ --</u>	678	<u>\$ 678</u>

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, 2009
 (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			803	
Expenditures - prior year encumbrances			(684)	
Increase in reserved for encumbrances			<u>(74)</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)			723	
Reserved for Encumbrances - June 30			<u>1,109</u>	
Fund Balance - June 30 (GAAP Basis)			<u>\$ 1,832</u>	

CITY AND COUNTY OF HONOLULU
GOLF FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>			
CULTURE-RECREATION:			
Golf Course Fees	\$ 5,328	\$ 4,626	\$ (702)
TOTAL CHARGES FOR SERVICES	5,328	4,626	(702)
<u>MISCELLANEOUS</u>			
OTHER MISCELLANEOUS:			
Rents:			
Golf Cart Rentals	2,645	2,341	(304)
Total Rents	2,645	2,341	(304)
Concessions:			
Food Concession - Golf Courses	111	100	(11)
Golf Course - Pro Shops	10	13	3
Golf Course - Driving Range	480	525	45
Total Concessions	601	638	37
TOTAL MISCELLANEOUS	3,246	2,979	(267)
TOTAL REVENUES	8,574	7,605	(969)
<u>OTHER FINANCING SOURCE</u>			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	11,644	11,644	--
TOTAL OTHER FINANCING SOURCE	11,644	11,644	--
TOTAL GOLF FUND	\$ 20,218	\$ 19,249	\$ (969)

CITY AND COUNTY OF HONOLULU
SPECIAL EVENTS FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 3,740	\$ 3,943
Total Asset	\$ 3,740	\$ 3,943
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 242	\$ 283
Due to other fund:		
General Fund	--	13
Accrued payroll	97	120
Total Liabilities	339	416
Fund Balance:		
Reserved for encumbrances	616	346
Unreserved - undesignated	2,785	3,181
Total Fund Balance	3,401	3,527
Total Liabilities and Fund Balance	\$ 3,740	\$ 3,943

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, 2009
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 2,030	\$ 2,023	\$ (7)
Miscellaneous:			
Reimbursements and recoveries	10	7	(3)
Interest	92	108	16
Other	6,646	7,427	781
Total Revenues	8,778	9,565	787
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services	120	120	--
Culture-recreation:			
Enterprise Services	11,195	10,763	432
Miscellaneous:			
Retirement and health benefits:			
Provisional	2,645	2,558	87
Other:			
Provisional	250	200	50
Total Miscellaneous	2,895	2,758	137
Capital improvements:			
Budget and Fiscal Services	318	318	--
Total Expenditures	14,528	13,959	569
Revenues under Expenditures	(5,750)	(4,394)	1,356
Other Finance Source (Uses):			
Transfer In	12,086	12,086	--
Transfers out:			
Debt service	(6,406)	(6,406)	--
Reimbursement for central administrative service expenses	(1,091)	(1,091)	--
Other post-employment benefits	(658)	(658)	--
Total Other Financing Source (Uses)	3,931	3,931	--

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, 2009
 (Amounts in thousands)

(Page 2 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues and Other Source under Expenditures and Other Uses	(1,819)	(463)	1,356
Unreserved - Undesignated Fund Balance - July 1	1,819	3,181	1,362
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	2,718	\$ 2,718
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		561	
Expenditures - prior year encumbrances		(232)	
Accrued expenditures		8	
Increase in reserved for encumbrances		(270)	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		2,785	
Reserved for Encumbrances - June 30		616	
Fund Balance - June 30 (GAAP Basis)		\$ 3,401	

CITY AND COUNTY OF HONOLULU
SPECIAL EVENTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>
<u>CHARGES FOR SERVICES</u>			
GENERAL GOVERNMENT:			
Surcharge on Auditorium Tickets	\$ 97	\$ 91	\$ (6)
CULTURE-RECREATION:			
Honolulu Zoo	<u>1,933</u>	<u>1,932</u>	<u>(1)</u>
TOTAL CHARGES FOR SERVICES	<u>2,030</u>	<u>2,023</u>	<u>(7)</u>
<u>MISCELLANEOUS</u>			
REIMBURSEMENTS AND RECOVERIES:			
Recovery of Utility Charges	10	7	(3)
INTEREST:			
Interest Earnings:			
Investments	92	108	16
OTHER MISCELLANEOUS:			
Rents:			
Rental for Use of Land	21	19	(2)
Rental of Auditorium Facilities	1,762	2,136	374
Auditorium Equipment Rental	<u>948</u>	<u>963</u>	<u>15</u>
Total Rents	<u>2,731</u>	<u>3,118</u>	<u>387</u>
Concessions:			
Food Concession - Auditoriums	750	671	(79)
Food Concession - Honolulu Zoo	120	153	33
Food Concession - Parks	169	264	95
Parking - Auditoriums	1,646	1,909	263
Novelty Sales Concession - Auditoriums	77	82	5
Other - Auditoriums	2	11	9
Beach Concession - Parks	1,012	1,049	37
Pouring Rights	114	106	(8)
Other Concessions	<u>25</u>	<u>26</u>	<u>1</u>
Total Concessions	<u>3,915</u>	<u>4,271</u>	<u>356</u>

CITY AND COUNTY OF HONOLULU
SPECIAL EVENTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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:			
Vacation Accumulation Deposits	--	37	37
Other	--	1	1
Total Other	--	38	38
Total Other Miscellaneous	6,646	7,427	781
TOTAL MISCELLANEOUS	6,748	7,542	794
TOTAL REVENUES	8,778	9,565	787
OTHER FINANCING SOURCE			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	12,086	12,086	--
TOTAL SPECIAL EVENTS FUND	\$ 20,864	\$ 21,651	\$ 787

CITY AND COUNTY OF HONOLULU
FARMERS HOME ADMINISTRATION LOAN FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 46	\$ 46
Total Asset	\$ 46	\$ 46
<u>FUND BALANCE</u>		
Fund Balance:		
Unreserved - undesignated	\$ 46	\$ 46
Total Fund Balance	\$ 46	\$ 46

CITY AND COUNTY OF HONOLULU
SPECIAL PROJECTS FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and Investments:		
With Treasury	\$ 8,197	\$ 6,918
Receivable:		
Intergovernmental	33	24
Total Assets	\$ 8,230	\$ 6,942
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 100	\$ 530
Deferred revenue	834	258
Total Liabilities	934	788
Fund Balance:		
Reserved for encumbrances	4,381	3,246
Unreserved - undesignated	2,915	2,908
Total Fund Balance	7,296	6,154
Total Liabilities and Fund Balance	\$ 8,230	\$ 6,942

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, 2009
 (Amounts in thousands)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 6,341	\$ 9,924	\$ 7,644	\$ (2,280)
Miscellaneous:				
Interest	--	--	13	13
Other	92	6,355	2,636	(3,719)
Total Revenues	6,433	16,279	10,293	(5,986)
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	--	96	3	93
City Council	4	14	14	--
Customer Services	47	47	43	4
Design and Construction	--	15	15	--
Information Technology	--	2,684	2,256	428
Mayor	--	638	482	156
Prosecuting Attorney	1,234	1,998	1,001	997
Total General government	1,285	5,492	3,814	1,678
Public safety:				
Emergency Management	52	359	342	17
Emergency Services	606	609	586	23
Fire	17	363	183	180
Police	--	2,684	280	2,404
Total Public safety	675	4,015	1,391	2,624
Human services:				
Community Services	4,370	5,611	4,660	951
Culture-recreation:				
Parks and Recreation	68	1,229	599	630
Total Expenditures	6,398	16,347	10,464	5,883
Revenues under Expenditures	35	(68)	(171)	(103)
Unreserved - Undesignated Fund Balance - July 1	--	--	2,908	2,908
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 35	\$ (68)	2,737	\$ 2,805
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			3,000	
Expenditures - prior year encumbrances			(1,687)	
Increase in reserved for encumbrances			(1,135)	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)			2,915	
Reserved for Encumbrances - June 30			4,381	
Fund Balance - June 30 (GAAP Basis)			\$ 7,296	

CITY AND COUNTY OF HONOLULU
SPECIAL PROJECTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>
INTERGOVERNMENTAL				
STATE GRANTS:				
Department of the Attorney General	\$ 1,234	\$ 1,234	\$ 832	\$ (402)
Department of Business, Economic Development and Tourism	--	15	15	--
Department of Defense	40	40	38	(2)
Department of Education	--	49	49	--
Department of Hawaiian Home Lands	105	105	50	(55)
Department of Health	4,249	4,339	3,519	(820)
Department of Human Services	--	14	32	18
Department of Labor and Industrial Relations	35	35	--	(35)
Department of Land and Natural Resources	606	606	584	(22)
Hawaii Public Housing Authority	--	250	250	--
Hawaii Tourism Authority	--	665	503	(162)
Wireless Enhanced 911 Board	--	2,200	1,772	(428)
Grants from Other Agencies	72	372	--	(372)
TOTAL INTERGOVERNMENTAL	6,341	9,924	7,644	(2,280)
MISCELLANEOUS				
INTEREST:				
Interest Earnings:				
Investments	--	--	13	13
OTHER MISCELLANEOUS:				
Contributions from Private Sources:				
Sprint/Nextel 800MHz Rebanding	--	940	500	(440)
Community Programing	47	57	57	--
Contributions to the City	--	872	1,485	613
Total Contributions from Private Sources	47	1,869	2,042	173
Other:				
Other	45	4,486	594	(3,892)
Total Other Miscellaneous	92	6,355	2,636	(3,719)
TOTAL MISCELLANEOUS	92	6,355	2,649	(3,706)
TOTAL SPECIAL PROJECTS FUND REVENUES	\$ 6,433	\$ 16,279	\$ 10,293	\$ (5,986)

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 14,354	\$ 13,954
Receivables:		
Loans	4,184	3,327
Intergovernmental	21,882	22,930
Total Assets	\$ 40,420	\$ 40,211
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 3,066	\$ 1,783
Due to other funds:		
General Fund	21,000	21,000
Housing and Community Development Revolving Fund	--	59
General Trust Fund	--	2
Deferred revenue	4,269	3,593
Total Liabilities	28,335	26,437
Fund Balance:		
Reserved for encumbrances	14,284	20,383
Unreserved - undesignated	(2,199)	(6,609)
Total Fund Balance	12,085	13,774
Total Liabilities and Fund Balance	\$ 40,420	\$ 40,211

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, 2009
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 37,147	\$ 74,353	\$ 59,774	\$ (14,579)
Miscellaneous:				
Interest	--	123	125	2
Other	7,735	8,714	979	(7,735)
Total Revenues	44,882	83,190	60,878	(22,312)
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	446	458	114	344
Design and Construction	560	645	424	221
Information Technology	119	119	--	119
Prosecuting Attorney	987	1,392	1,078	314
Total General government	2,112	2,614	1,616	998
Public safety:				
Emergency Management	192	27,359	13,281	14,078
Fire	--	232	207	25
Medical Examiner	--	19	19	--
Police	--	7,712	3,885	3,827
Transportation Services	--	30	19	11
Total Public safety	192	35,352	17,411	17,941
Sanitation:				
Environmental Services	60	60	--	60
Human services:				
Community Services	21,218	23,131	17,567	5,564
Culture-recreation:				
Parks and Recreation	300	312	236	76
Utilities or other enterprises:				
Transportation Services	21,000	21,721	21,699	22
Total Expenditures	44,882	83,190	58,529	24,661

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, 2009
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues over Expenditures	--	--	2,349	2,349
Unreserved - Undesignated Fund Balance - July 1	--	--	(6,609)	(6,609)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	\$ --	(4,260)	\$ (4,260)
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			9,869	
Expenditures - prior year encumbrances			(14,335)	
Accrued expenditures			428	
Decrease in reserved for encumbrances			6,099	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)			(2,199)	
Reserved for Encumbrances - June 30			14,284	
Fund Balance - June 30 (GAAP Basis)			\$ 12,085	

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (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>				
FEDERAL GRANTS:				
Department of Agriculture	\$ 300	\$ 396	\$ 358	\$ (38)
Department of Commerce	--	--	5	5
Department of Education	--	13	75	62
Department of Health and Human Services	3,750	3,908	5,067	1,159
Department of Homeland Security	192	27,515	13,647	(13,868)
Department of Housing and Urban Development	7,742	7,749	5,676	(2,073)
Department of Justice	1,346	4,345	2,154	(2,191)
Department of Labor	2,197	4,065	6,651	2,586
Department of Transportation	21,560	23,503	24,150	647
Environmental Protection Agency	60	60	49	(11)
Office of National Drug Control Policy	--	2,799	1,942	(857)
TOTAL INTERGOVERNMENTAL	<u>37,147</u>	<u>74,353</u>	<u>59,774</u>	<u>(14,579)</u>
<u>MISCELLANEOUS</u>				
INTEREST:				
Interest Earnings:				
Investments	--	123	125	2
OTHER MISCELLANEOUS:				
Other:				
Other	<u>7,735</u>	<u>8,714</u>	<u>979</u>	<u>(7,735)</u>
TOTAL MISCELLANEOUS	<u>7,735</u>	<u>8,837</u>	<u>1,104</u>	<u>(7,733)</u>
TOTAL FEDERAL GRANTS FUND REVENUES	<u>\$ 44,882</u>	<u>\$ 83,190</u>	<u>\$ 60,878</u>	<u>\$ (22,312)</u>

CITY AND COUNTY OF HONOLULU
**HOUSING AND COMMUNITY DEVELOPMENT
REHABILITATION LOAN FUND**

BALANCE SHEET
JUNE 30, 2009
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
(Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 5,422	\$ 4,830
Receivable:		
Loans	9,960	9,689
Total Assets	\$ 15,382	\$ 14,519
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 36	\$ --
Deferred revenue	9,960	11,346
Total Liabilities	9,996	11,346
Fund Balance:		
Reserved for encumbrances	5,386	3,173
Total Fund Balance	5,386	3,173
Total Liabilities and Fund Balance	\$ 15,382	\$ 14,519

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, 2009
(Amounts in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Final Variance Favorable (Unfavorable)</u>
Revenues:				
Miscellaneous:				
Interest	\$ 505	\$ 505	\$ 44	\$ (461)
Other	<u>1,866</u>	<u>7,500</u>	<u>5,762</u>	<u>(1,738)</u>
Total Revenues	<u>2,371</u>	<u>8,005</u>	<u>5,806</u>	<u>(2,199)</u>
Expenditure:				
Current:				
Human services:				
Community Services	<u>1,823</u>	<u>7,457</u>	<u>7,452</u>	<u>5</u>
Total Expenditure	<u>1,823</u>	<u>7,457</u>	<u>7,452</u>	<u>5</u>
Revenues over (under) Expenditure	548	548	(1,646)	(2,194)
Other Finance Use:				
Transfers out:				
Other	<u>(1,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>--</u>
Revenues under Expenditure and Other Use	(452)	(452)	(2,646)	(2,194)
Unreserved - Undesignated Fund Balance - July 1	<u>1,000</u>	<u>1,000</u>	<u>--</u>	<u>(1,000)</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ 548</u>	<u>\$ 548</u>	(2,646)	<u>\$ (3,194)</u>
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			5,386	
Expenditures - prior year encumbrances			(527)	
Increase in reserved for encumbrances			<u>(2,213)</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)			--	
Reserved for Encumbrances - June 30			<u>5,386</u>	
Fund Balance - June 30 (GAAP Basis)			<u>\$ 5,386</u>	

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, 2009
(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>
MISCELLANEOUS				
INTEREST:				
Interest Earnings:				
Investments	\$ 500	\$ 500	\$ 40	\$ (460)
Other Sources	5	5	4	(1)
Total Interest	505	505	44	(461)
OTHER MISCELLANEOUS:				
Other:				
Sundry Refunds	--	--	637	637
Repayments of Department of Housing and Community Development Loans:				
Principal	1,750	7,384	5,047	(2,337)
Interest	115	115	75	(40)
Late Charge	1	1	3	2
Total Other Miscellaneous	1,866	7,500	5,762	(1,738)
TOTAL HOUSING AND COMMUNITY DEVELOPMENT REHABILITATION LOAN FUND REVENUES	\$ 2,371	\$ 8,005	\$ 5,806	\$ (2,199)

CITY AND COUNTY OF HONOLULU
PAUahi PROJECT EXPENDITURES, HAWAII R-15 FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 956	\$ 945
Total Asset	\$ 956	\$ 945
<u>LIABILITY AND FUND BALANCE</u>		
Liability:		
Deferred revenue	\$ --	\$ 27
Total Liability	--	27
Fund Balance:		
Unreserved - undesignated	956	918
Total Liability and Fund Balance	\$ 956	\$ 945

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, 2009
 (Amounts in thousands)

	<u>Original and Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Final Variance Favorable (Unfavorable)</u>
Revenue:			
Miscellaneous:			
Interest	\$ --	\$ 38	\$ 38
Total Revenue	--	38	38
Unreserved - Undesignated Fund Balance - July 1	<u>910</u>	<u>918</u>	<u>8</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ 910</u>	956	<u>\$ 46</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		--	
Expenditures - prior year encumbrances		--	
Increase in reserved for encumbrances		<u> --</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)		956	
Reserved for Encumbrances - June 30		<u> --</u>	
Fund Balance - June 30 (GAAP Basis)		<u>\$ 956</u>	

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, 2009
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
MISCELLANEOUS			
INTEREST:			
Interest Earnings:			
Investments	\$ --	\$ 38	\$ 38
TOTAL PAUahi PROJECT EXPENDITURES, HAWAII R-15 FUND REVENUE	<u>\$ --</u>	<u>\$ 38</u>	<u>\$ 38</u>

CITY AND COUNTY OF HONOLULU
HOUSING AND COMMUNITY DEVELOPMENT
SECTION 8 CONTRACT FUND
BALANCE SHEET
JUNE 30, 2009
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
(Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and Investments:		
With Treasury	\$ 8,982	\$ 9,528
Receivables:		
Accounts (net of allowance for uncollectibles)	82	226
Loans	2,964	2,964
Intergovernmental	485	262
Total Assets	\$ 12,513	\$ 12,980
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 145	\$ 144
Deferred revenue	3,532	3,517
Total Liabilities	3,677	3,661
Fund Balance:		
Reserved for encumbrances	8,891	9,461
Unreserved - undesignated	(55)	(142)
Total Fund Balance	8,836	9,319
Total Liabilities and Fund Balance	\$ 12,513	\$ 12,980

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, 2009
(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	\$ 39,514	\$ 44,814	\$ 43,808	\$ (1,006)
Miscellaneous:				
Interest	--	--	147	147
Other	--	--	46	46
Total Revenues	<u>39,514</u>	<u>44,814</u>	<u>44,001</u>	<u>(813)</u>
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	211	211	132	79
Information Technology	89	89	--	89
Total General government	<u>300</u>	<u>300</u>	<u>132</u>	<u>168</u>
Human services:				
Community Services	39,214	44,514	43,783	731
Total Expenditures	<u>39,514</u>	<u>44,814</u>	<u>43,915</u>	<u>899</u>
Revenues over Expenditures	--	--	86	86
Unreserved - Undesignated Fund Balance - July 1	--	--	(142)	(142)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ --</u>	<u>\$ --</u>	(56)	<u>\$ (56)</u>
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			430	
Expenditures - prior year encumbrances			(999)	
Decrease in reserved for encumbrances			570	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis)			(55)	
Reserved for Encumbrances - June 30			<u>8,891</u>	
Fund Balance - June 30 (GAAP Basis)			<u>\$ 8,836</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, 2009
(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>				
FEDERAL GRANTS:				
Section 8 Grants:				
Moderate Rehabilitation Program, (001)	\$ 172	\$ 172	\$ 94	\$ (78)
Existing Housing Voucher Program	37,942	43,242	42,214	(1,028)
Mainstream Voucher	1,400	1,400	1,500	100
TOTAL INTERGOVERNMENTAL	39,514	44,814	43,808	(1,006)
<u>MISCELLANEOUS</u>				
INTEREST:				
Interest Earnings:				
Investments	--	--	125	125
Other Sources	--	--	22	22
Total Interest	--	--	147	147
OTHER MISCELLANEOUS:				
Rents:				
Rental for Use of Land.....	--	--	16	16
Other:				
Escheats	--	--	21	21
Sundry Refunds	--	--	9	9
Total Other Miscellaneous	--	--	46	46
TOTAL MISCELLANEOUS	--	--	193	193
TOTAL HOUSING AND COMMUNITY DEVELOPMENT SECTION 8 CONTRACT FUND REVENUES.....	\$ 39,514	\$ 44,814	\$ 44,001	\$ (813)

CITY AND COUNTY OF HONOLULU
LEASEHOLD CONVERSION FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and Investments:		
With Treasury	\$ 421	\$ 469
Total Asset	\$ 421	\$ 469
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ --	\$ 1
Deferred revenue	228	230
Total Liabilities	228	231
Fund Balance:		
Unreserved - undesignated	193	238
Total Fund Balance	193	238
Total Liabilities and Fund Balance	\$ 421	\$ 469

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, 2009
 (Amounts In thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest	\$ --	\$ 5	\$ 5
Total Revenue	--	5	5
Expenditure:			
Current:			
Human services:			
Community Services	138	50	88
Total Expenditure	138	50	88
Revenue under Expenditure	(138)	(45)	93
Unreserved - Undesignated Fund Balance - July 1	148	238	90
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 10	193	\$ 183
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 (GAAP Basis)		193	
Reserved for Encumbrances - June 30		--	
Fund Balance - June 30 (GAAP Basis)		\$ 193	

CITY AND COUNTY OF HONOLULU
LEASEHOLD CONVERSION FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
MISCELLANEOUS			
INTEREST:			
Interest Earnings:			
Investments	\$ --	\$ 5	\$ 5
TOTAL LEASEHOLD CONVERSION FUND REVENUE	\$ --	\$ 5	\$ 5

CITY AND COUNTY OF HONOLULU
 REVOLVING FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Municipal Stores Revolving Fund	Totals	
				2009	2008
<u>ASSETS</u>					
Cash and investments:					
With Treasury	\$ 1,510	\$ 224	\$ 162	\$ 1,896	\$ 1,830
Due from other fund:					
Federal Grants Fund	--	--	--	--	59
Inventories - Municipal Stores	--	--	23	23	23
	\$ 1,510	\$ 224	\$ 185	\$ 1,919	\$ 1,912
Total Assets					
<u>FUND BALANCES</u>					
Fund Balances:					
Unreserved - undesignated	\$ 1,510	\$ 224	\$ 185	\$ 1,919	\$ 1,912
	\$ 1,510	\$ 224	\$ 185	\$ 1,919	\$ 1,912
Total Fund Balances					

CITY AND COUNTY OF HONOLULU
REVOLVING FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 (Amounts in thousands)

	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Municipal Stores Revolving Fund	Totals	
				2009	2008
Revenue:					
Miscellaneous:					
Other	\$ --	\$ --	\$ 23	\$ 23	\$ 53
Total Revenue	--	--	23	23	53
Expenditure:					
Current:					
General government	--	--	16	16	43
Total Expenditure	--	--	16	16	43
Revenue over Expenditure	--	--	7	7	10
Fund Balances - July 1	1,510	224	178	1,912	1,902
Fund Balances - June 30	<u>\$ 1,510</u>	<u>\$ 224</u>	<u>\$ 185</u>	<u>\$ 1,919</u>	<u>\$ 1,912</u>

CITY AND COUNTY OF HONOLULU
GENERAL OBLIGATION BOND AND INTEREST REDEMPTION FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 321	\$ 272
Due from other fund:		
General Fund	--	49
Total Assets	\$ 321	\$ 321
<u>LIABILITIES</u>		
Liabilities:		
Interest payable - matured	\$ 137	\$ 137
Bonds payable - matured	184	184
Total Liabilities	\$ 321	\$ 321

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, 2009
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
Expenditures:		
Tax exempt commercial paper:		
Principal retirement	\$ --	\$ 11,900
Interest charges	2,383	7,093
General obligation bonds:		
Bond principal retirement	121,547	117,787
Interest charges	102,409	93,048
Total Expenditures	226,339	229,828
Other Financing Sources (Uses):		
Issuance of refunding bonds	350,749	132,826
Bond premium	18,071	7,334
Bond discount	(78)	(30)
Transfers from other funds:		
General Fund - Principal	121,547	121,593
General Fund - Interest	103,228	98,405
Refunding of tax exempt commercial paper	(152,700)	(130,300)
Refunding of general obligation bonds	(214,478)	--
Total Other Financing Sources (Uses)	226,339	229,828
Other Financing Sources over Expenditures and Other Uses	--	--
Fund Balances - July 1	--	--
Fund Balances - June 30	\$ --	\$ --

CITY AND COUNTY OF HONOLULU
IMPROVEMENT DISTRICT BOND AND INTEREST REDEMPTION FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and Investments:		
With Treasury	\$ 1,009	\$ 1,003
Receivables:		
Special assessments - current	11	19
Special assessments - deferred	75	91
Total Assets	\$ 1,095	\$ 1,113
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Interest payable - matured	\$ 4	\$ 4
Bonds payable - matured	5	5
Due to other fund:		
Capital Projects Fund	42	37
Deferred revenue	75	91
Total Liabilities	126	137
Fund Balance:		
Reserved for debt service	969	976
Total Fund Balance	969	976
Total Liabilities and Fund Balance	\$ 1,095	\$ 1,113

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, 2009
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
Revenues:		
Special assessments	\$ 17	\$ 28
Miscellaneous:		
Interest	9	8
Other	9	1
Total Revenues	35	37
Expenditure:		
Current:		
Miscellaneous:		
Other	--	109
Revenues over (under) Expenditure	35	(72)
Other Financing Use:		
Transfers to other fund:		
Capital Projects Fund	(42)	(37)
Revenues under Expenditure and Other Use	(7)	(109)
Fund Balances - July 1	976	1,085
Fund Balances - June 30	\$ 969	\$ 976

CITY AND COUNTY OF HONOLULU
GENERAL IMPROVEMENT BOND FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 68,395	\$ 57,322
Due from other funds:		
General Fund	--	2
Solid Waste Fund	429	2,172
Total Assets	\$ 68,824	\$ 59,496
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 5,851	\$ 12,367
Due to other fund:		
Sewer Fund	1,111	2,875
Total Liabilities	6,962	15,242
Fund Balance:		
Reserved for encumbrances	208,337	201,326
Unreserved - undesignated	(146,475)	(157,072)
Total Fund Balance	61,862	44,254
Total Liabilities and Fund Balance	\$ 68,824	\$ 59,496

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, 2009
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
Revenues:		
Miscellaneous:		
Interest	\$ --	\$ 496
Total Revenues	--	496
Expenditures:		
Capital outlay:		
General government	27,575	37,121
Public safety	18,771	18,400
Highways and streets	89	538
Culture-recreation	21,037	20,790
Total Expenditures	67,472	76,849
Revenues under Expenditures	(67,472)	(76,353)
Other Financing Sources:		
Sales of capital assets	13	2
Issuance of tax exempt commercial paper	25,000	44,000
Issuance of general obligation bonds	60,067	71,000
Total Other Financing Sources	85,080	115,002
Revenues and Other Sources over Expenditures	17,608	38,649
Fund Balance - July 1	44,254	5,605
Fund Balance - June 30	\$ 61,862	\$ 44,254

CITY AND COUNTY OF HONOLULU
HIGHWAY IMPROVEMENT BOND FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 85,582	\$ 38,832
Total Asset	\$ 85,582	\$ 38,832
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 10,329	\$ 10,169
Due to other fund:		
Sewer Fund	6	--
Total Liabilities	10,335	10,169
Fund Balance:		
Reserved for encumbrances	344,462	255,259
Unreserved - undesignated	(269,215)	(226,596)
Total Fund Balance	75,247	28,663
Total Liabilities and Fund Balance	\$ 85,582	\$ 38,832

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, 2009
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
Revenue:		
Miscellaneous:		
Interest	\$ --	\$ 265
Total Revenue	--	265
Expenditures:		
Capital outlay:		
General government	2,846	347
Public safety	3,304	1,341
Highways and streets	44,857	39,355
Utilities or other enterprises	12,431	10,798
Total Expenditures	63,438	51,841
Revenue under Expenditures	(63,438)	(51,576)
Other Financing Sources:		
Issuance of general obligation bonds	90,022	38,000
Issuance of tax exempt commercial paper	20,000	31,000
Total Other Financing Sources	110,022	69,000
Revenue and Other Sources over Expenditures	46,584	17,424
Fund Balance - July 1	28,663	11,239
Fund Balance - June 30	\$ 75,247	\$ 28,663

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS CAPITAL PROJECTS FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 9,670	\$ 6,738
Receivables:		
Loans (net of allowance for uncollectibles)	49,226	48,705
Intergovernmental	8,838	12,196
Total Assets	\$ 67,734	\$ 67,639
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 1,282	\$ 5,395
Due to other fund:		
Community Development Fund	--	19
Deferred revenue	53,398	55,700
Total Liabilities	54,680	61,114
Fund Balance:		
Reserved for encumbrances	94,439	108,701
Unreserved - undesignated	(81,385)	(102,176)
Total Fund Balance	13,054	6,525
Total Liabilities and Fund Balance	\$ 67,734	\$ 67,639

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, 2009
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
Revenue:		
Intergovernmental	\$ 32,244	\$ 32,359
Total Revenue	32,244	32,359
Expenditures:		
Capital outlay:		
General government	21	186
Public safety	3,258	1,294
Highways and streets	10,851	8,793
Sanitation	279	45
Human services	2,327	10,392
Utilities or other enterprises	8,979	11,911
Total Expenditures	25,715	32,621
Revenue over (under) Expenditures	6,529	(262)
Fund Balance - July 1	6,525	6,787
Fund Balance - June 30	\$ 13,054	\$ 6,525

CITY AND COUNTY OF HONOLULU
CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2009
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
(Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 17,584	\$ 20,542
Due from other fund:		
Improvement District Bond and Interest Redemption Fund	42	37
Total Assets	\$ 17,626	\$ 20,579
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 109	\$ 188
Due to other fund:		
General Fund	--	1,030
Bikeway Fund	110	421
Parks and Playgrounds Fund	303	910
Total Liabilities	522	2,549
Fund Balance:		
Reserved for encumbrances	7,560	6,447
Unreserved - undesignated	9,544	11,583
Total Fund Balance	17,104	18,030
Total Liabilities and Fund Balance	\$ 17,626	\$ 20,579

CITY AND COUNTY OF HONOLULU
CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
Revenue:		
Miscellaneous:		
Other	\$ --	\$ 76
Total Revenue	--	76
Expenditures:		
Capital outlay:		
General government	12	--
Highways and streets	--	98
Sanitation	23	190
Culture-recreation	520	721
Total Expenditures	555	1,009
Revenue under Expenditures	(555)	(933)
Other Financing Source (Uses):		
Transfer from other fund:		
Improvement District Bond and Interest Redemption Fund	42	37
Transfers to other funds:		
General Fund	--	(1,030)
Bikeway Fund	(110)	(421)
Parks and Playgrounds Fund	(303)	(910)
Total Other Financing Source (Uses)	(371)	(2,324)
Revenue and Other Source under Expenditures and Other Uses	(926)	(3,257)
Fund Balance - July 1	18,030	21,287
Fund Balance - June 30	\$ 17,104	\$ 18,030

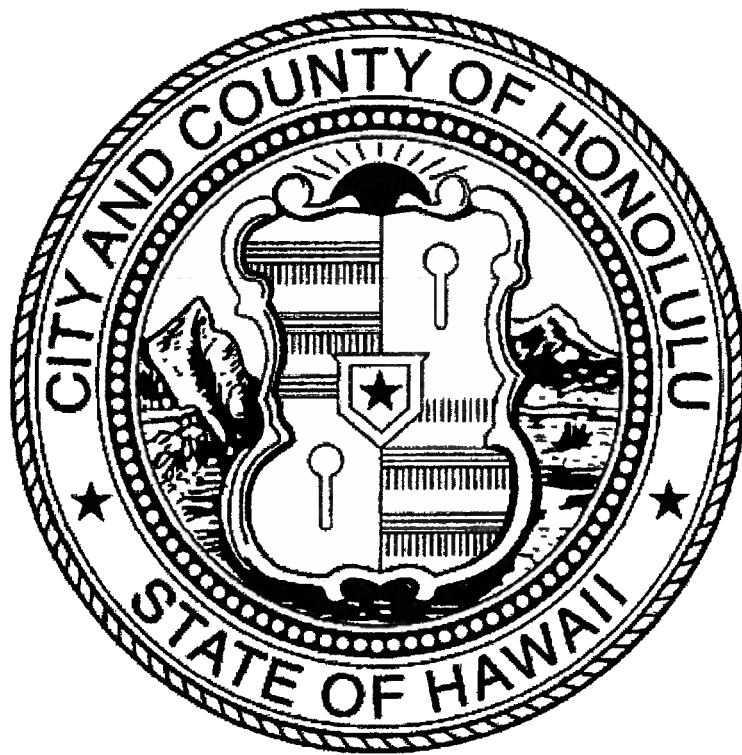
CITY AND COUNTY OF HONOLULU
TRANSIT FUND
 BALANCE SHEET
 JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
<u>ASSETS</u>		
Cash and Investments:		
With Treasury	\$ 273,343	\$ 155,190
Receivables:		
Interest	10	1,219
Due from other fund:		
General Fund	41,108	44,373
Total Assets	\$ 314,461	\$ 200,782
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 9,243	\$ 5,856
Accrued payroll	21	5
Total Liabilities	9,264	5,861
Fund Balance:		
Reserved for encumbrances	280,223	89,042
Unreserved - undesignated	24,974	105,879
Total Fund Balance	305,197	194,921
Total Liabilities and Fund Balance	\$ 314,461	\$ 200,782

CITY AND COUNTY OF HONOLULU
TRANSIT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 (Amounts in thousands)

	2009	2008
Revenues:		
Miscellaneous:		
Interest	\$ 3,596	\$ 3,724
Other	30	--
Total Revenues	3,626	3,724
Expenditures:		
Current:		
General government	64	266
Utilities or other enterprises	1,557	638
Miscellaneous:		
Retirement and health benefits	187	37
Other	26	--
Capital outlay:		
General government	--	27
Utilities or other enterprises	52,187	24,986
Total Expenditures	54,021	25,954
Revenues under Expenditures	(50,395)	(22,230)
Other Financing Source (Use):		
Transfers In:		
General Fund	160,856	169,114
Transfers out:		
Other post-employment benefits	(185)	(9)
Total Other Financing Source (Use)	160,671	169,105
Revenues and Other Source over Expenditures and Other Use	110,276	146,875
Fund Balance - July 1	194,921	48,046
Fund Balance - June 30	\$ 305,197	\$ 194,921

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**STATISTICAL SECTION
(Unaudited)**

STATISTICAL SECTION

(Unaudited)

The information in this section is not covered by the Independent Auditors' Report 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:	<u>Page</u>
Financial Trends	223
<p>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.</p>	
Revenue Capacity	227
<p>Tables 5 to 7 contain trend information to help the reader review real property tax, the most significant local revenue source of the City.</p>	
Debt Capacity	231
<p>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.</p>	
Demographic and Economic Information	235
<p>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.</p>	
Operating Information	238
<p>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.</p>	

TABLE 1
CITY AND COUNTY OF HONOLULU
NET ASSETS BY COMPONENT
FISCAL YEARS 2002 - 2009
(Amounts in thousands)
(Unaudited)

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
Governmental activities								
Invested in capital assets, net of related debt	\$ 275,456	\$ 262,817	\$ 211,083	\$ 155,932	\$ 151,597	\$ 113,778	\$ 165,257	\$ 214,214
Restricted	1,347	1,412	1,056	1,053	1,052	1,085	976	969
Unrestricted	79,576	47,330	84,837	95,024	97,865	233,339	399,180	474,354
Total governmental activities net assets	356,379	311,559	296,976	252,009	250,514	348,202	565,413	689,537
Business-type activities								
Invested in capital assets, net of related debt	725,510	702,785	747,875	759,186	694,775	711,150	681,690	714,543
Restricted	54,489	20,603	22,584	26,882	35,425	59,409	84,981	131,469
Unrestricted	63,894	20,841	(52,186)	(62,557)	549	16,751	76,007	145,665
Total business-type activities net assets	843,893	744,229	718,273	723,511	730,749	787,310	842,678	991,677
Primary government								
Invested in capital assets, net of related debt	1,000,966	965,602	958,958	915,118	846,372	824,928	846,947	928,757
Restricted	55,836	22,015	23,640	27,935	36,477	60,494	85,957	132,438
Unrestricted	143,470	68,171	32,651	32,467	98,414	250,090	475,187	620,019
Total primary government net assets	\$ 1,200,272	\$ 1,055,788	\$ 1,015,249	\$ 975,520	\$ 981,263	\$ 1,135,512	\$ 1,408,091	\$ 1,681,214

TABLE 2
CITY AND COUNTY OF HONOLULU
CHANGES IN NET ASSETS
FISCAL YEARS 2002-2009
(Amounts in thousands)
(Unaudited)

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
Expenses								
Governmental activities:								
General government.....	\$ 269,312	\$ 252,351	\$ 275,549	\$ 276,458	\$ 319,455	\$ 314,667	\$ 371,354	\$ 444,701
Public safety.....	221,355	264,427	259,067	302,231	300,245	337,052	354,427	372,843
Highways and streets.....	61,245	45,049	19,667	23,263	35,795	39,126	16,095	51,916
Sanitation.....	562	648	699	902	3,125	6,742	5,758	5,130
Human services.....	81,607	74,463	70,165	75,943	79,880	73,725	82,966	83,647
Culture and recreation.....	75,962	68,323	61,158	81,447	86,197	95,655	96,299	110,390
Utilities or other enterprises.....	48,795	44,261	93,954	65,974	33,579	68,406	75,506	52,166
Interest.....	54,943	60,203	64,558	65,525	81,454	79,176	84,670	83,048
Total governmental activities expenses	813,781	809,725	844,817	891,743	939,730	1,014,549	1,087,075	1,203,841
Business-type activities:								
Housing.....	13,319	24,151	16,247	10,418	12,296	12,905	13,841	13,711
Sewer.....	112,700	130,186	123,653	131,452	140,242	157,724	194,061	178,944
Solid Waste.....	126,807	140,060	136,623	138,443	145,181	153,736	170,781	154,158
Public Transportation.....	148,231	150,523	150,267	162,429	175,347	184,304	198,823	209,645
Total business-type activities expenses	401,057	444,920	426,790	442,742	473,066	508,669	577,506	556,458
Total primary government expenses	\$ 1,214,838	\$ 1,254,645	\$ 1,271,607	\$ 1,334,485	\$ 1,412,796	\$ 1,523,218	\$ 1,664,581	\$ 1,760,299
Program Revenues								
Governmental activities:								
Charges for services:								
General government.....	\$ 70,096	\$ 74,512	\$ 90,126	\$ 98,217	\$ 113,459	\$ 135,587	\$ 128,620	\$ 130,688
Public safety.....	9,535	26,239	28,058	31,017	30,502	35,663	37,772	42,163
Highways and streets.....	90	2,115	2,232	2,236	2,152	2,149	599	2,738
Sanitation.....	2	2	5	36	14	77	48	47
Human services.....	18,334	2,208	2,033	2,010	442	636	719	1,064
Culture and recreation.....	17,832	19,914	20,012	21,698	21,646	22,128	23,879	22,318
Utilities.....	70	-	-	-	-	-	-	-
Operating grants and contributions.....	79,500	85,512	93,590	106,383	100,838	104,397	106,930	118,970
Capital grants and contributions.....	41,336	33,736	67,675	19,723	35,200	50,078	48,736	38,292
Total governmental activities program revenues	236,795	244,238	301,731	281,320	304,253	350,715	347,303	356,280
Business-type activities:								
Charges for services:								
Housing.....	12,025	18,540	7,948	8,092	8,367	8,306	9,694	9,766
Sewer.....	113,811	115,773	115,032	118,893	151,200	165,914	225,104	251,953
Solid Waste.....	76,854	88,429	94,321	96,021	100,452	107,682	108,323	145,507
Public Transportation.....	32,279	31,776	35,333	41,958	43,502	43,598	43,767	44,245
Operating grants and contributions.....	21,787	21,212	25,093	27,630	23,516	17,840	21,674	21,108
Capital grants and contributions.....	41,790	24,023	50,565	18,461	4,255	32,704	18,514	25,307
Total business-type activities program revenues	298,546	299,753	328,292	311,055	331,292	376,044	427,076	497,886
Total primary government program revenues	\$ 535,341	\$ 543,991	\$ 630,023	\$ 592,375	\$ 635,545	\$ 726,759	\$ 774,379	\$ 854,166
Net Revenue (Expense)								
Governmental activities.....	\$ (576,986)	\$ (565,487)	\$ (543,086)	\$ (610,423)	\$ (635,477)	\$ (663,834)	\$ (739,772)	\$ (847,561)
Business-type activities.....	(102,511)	(145,167)	(98,498)	(131,687)	(141,774)	(132,625)	(150,430)	(58,572)
Total primary government net expense	\$ (679,497)	\$ (710,654)	\$ (641,584)	\$ (742,110)	\$ (777,251)	\$ (796,459)	\$ (890,202)	\$ (906,133)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
General revenues:								
Property taxes.....	\$ 381,330	\$ 385,107	\$ 438,964	\$ 497,935	\$ 595,041	\$ 685,868	\$ 775,971	\$ 802,571
Public service company tax.....	24,821	25,171	22,819	29,665	29,815	37,640	35,823	49,596
Fuel tax.....	46,728	47,156	49,271	51,354	52,385	52,221	50,633	50,316
Public utility franchise tax.....	24,217	22,104	26,800	28,382	33,450	38,356	36,239	54,804
Investment earnings.....	7,519	3,099	1,907	4,194	11,621	19,676	21,269	7,170
Unrestricted grants and contributions.....	31,588	38,771	36,127	39,402	43,269	92,884	216,274	202,598
Harbor Court lease to fee conversion.....	11,971	31,781	-	33,271	-	-	-	-
Other.....	3,858	-	14,120	7,627	3,940	2,329	2,362	3,162
Transfers.....	(41,356)	(32,522)	(61,505)	(126,374)	(135,539)	(167,452)	(181,588)	(198,532)
Total governmental activities	490,676	520,667	528,503	565,456	633,982	761,522	956,983	971,685
Business-type activities:								
General revenues:								
Investment earnings.....	18,828	12,981	11,037	10,551	13,473	21,734	24,210	9,039
Transfers.....	41,356	32,522	61,505	126,374	135,539	167,452	181,588	198,532
Total business-type activities	60,184	45,503	72,542	136,925	149,012	189,186	205,798	207,571
Total primary government	\$ 550,860	\$ 566,170	\$ 601,045	\$ 702,381	\$ 782,994	\$ 950,708	\$ 1,162,781	\$ 1,179,256
Changes in Net Assets								
Governmental activities.....	\$ (86,310)	\$ (44,820)	\$ (14,583)	\$ (44,967)	\$ (1,495)	\$ 97,688	\$ 217,211	\$ 124,124
Business-type activities.....	(42,327)	(99,664)	(25,956)	5,238	7,238	56,561	55,368	148,999
Total primary government changes in net assets	\$ (128,637)	\$ (144,484)	\$ (40,539)	\$ (39,729)	\$ 5,743	\$ 154,249	\$ 272,579	\$ 273,123

TABLE 3
CITY AND COUNTY OF HONOLULU
FUND BALANCES, GOVERNMENTAL FUNDS
FISCAL YEARS 2000 - 2009
(Modified accrual basis of accounting)
(Amounts in thousands)
(Unaudited)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund:										
Reserved	\$ 20,683	\$ 18,189	\$ 19,191	\$ 21,320	\$ 20,838	\$ 19,802	\$ 22,004	\$ 27,767	\$ 58,794	\$ 48,868
Unreserved	38,176	23,347	35,159	51,496	41,479	57,364	76,604	128,035	107,281	67,824
Total general fund	58,859	41,536	54,350	72,816	62,317	77,166	98,608	155,802	166,075	116,692
All Other Governmental Funds										
Reserved	528,644	575,303	661,575	643,334	604,304	522,483	543,455	594,951	721,374	991,499
Unreserved, reported in:										
Special revenue funds	27,181	29,148	22,608	30,418	23,071	14,988	28,815	45,054	89,692	112,164
Capital projects funds	(434,053)	(471,479)	(558,241)	(616,257)	(520,834)	(440,551)	(410,417)	(450,520)	(368,382)	(462,557)
Total of other governmental funds	121,772	132,972	125,942	57,495	106,541	96,920	161,853	189,485	442,684	641,106
TOTAL FUND BALANCES	\$ 180,631	\$ 174,508	\$ 180,292	\$ 130,311	\$ 168,858	\$ 174,086	\$ 260,461	\$ 345,287	\$ 608,759	\$ 757,798

TABLE 4
CITY AND COUNTY OF HONOLULU
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
FISCAL YEARS 2000 - 2009
(Modified accrual basis of accounting)
(Amounts in thousands)
(Unaudited)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues:										
Taxes.....	\$ 461,255	\$ 448,986	\$ 477,746	\$ 480,851	\$ 532,804	\$ 607,541	\$ 705,557	\$ 815,284	\$ 891,982	\$ 952,531
Special assessments.....	447	445	440	520	56	419	387	354	28	17
Licenses and permits.....	55,157	56,266	56,614	61,220	74,138	86,649	100,938	120,802	115,657	112,397
Intergovernmental.....	165,189	170,152	145,439	144,482	180,846	159,612	169,515	238,926	358,552	355,530
Charges for services.....	20,489	20,718	18,482	20,703	22,145	24,346	23,991	24,754	23,766	23,924
Fines and forfeits.....	477	366	460	646	657	391	698	868	1,183	932
Miscellaneous:										
Reimbursements and recoveries.....	97,143	87,264	76,873	78,908	77,676	86,776	78,993	87,113	88,731	96,435
Interest.....	15,098	15,234	10,086	3,646	2,473	4,620	12,506	20,959	24,638	13,291
Other.....	28,796	21,663	38,199	31,165	30,710	24,981	28,854	27,403	23,065	29,576
Total Revenues.....	844,051	821,094	824,339	822,141	921,505	995,335	1,121,439	1,336,463	1,527,602	1,584,633
Expenditures:										
Current:										
General government.....	101,740	104,720	115,314	115,067	115,975	122,308	129,387	141,459	153,759	163,280
Public safety.....	200,782	217,504	224,274	246,109	256,231	277,867	287,592	306,161	329,108	359,277
Highways and streets.....	14,964	14,976	15,122	13,831	14,964	15,731	17,114	21,000	24,066	28,271
Sanitation.....	455	482	491	648	692	734	1,251	2,674	5,537	4,828
Human services.....	61,024	68,986	64,905	52,007	56,994	55,877	57,873	60,883	65,144	73,401
Culture and recreation.....	50,125	55,555	58,410	62,260	59,512	62,971	68,285	71,084	82,328	87,888
Utilities or other enterprises.....	20,580	23,621	23,793	22,557	24,336	29,645	23,330	22,917	27,818	28,857
Miscellaneous:										
Retirement and health benefits.....	61,605	60,158	94,380	82,791	99,128	120,111	134,657	137,615	140,461	208,354
Other.....	14,976	15,774	20,377	18,864	22,213	17,481	18,765	22,832	21,226	27,493
Capital Outlay:										
General government.....	78,775	69,276	46,377	32,696	30,554	18,263	17,290	25,869	39,784	36,247
Public safety.....	16,357	10,828	16,777	9,802	11,554	17,833	25,473	25,824	21,035	25,903
Highways and streets.....	24,195	42,910	50,940	57,092	34,895	62,237	45,963	45,163	48,871	55,985
Sanitation.....	3,678	84	116	196	7	196	1,874	4,068	235	302
Human services.....	-	3,222	16,950	23,308	17,636	19,142	22,655	12,978	18,214	11,591
Culture and recreation.....	55,380	60,181	101,692	48,924	36,621	44,277	29,050	27,477	21,576	22,038
Utilities or other enterprises.....	19,646	17,213	25,014	21,704	14,388	36,350	10,297	45,622	47,695	73,597
Debt service:										
Principal.....	69,417	147,703	27,728	73,900	258,584	272,856	249,164	102,794	260,880	122,273
Interest.....	75,982	77,896	81,205	83,164	80,774	83,825	89,630	103,869	100,362	104,980
Total Expenditures.....	869,681	991,089	983,865	964,920	1,135,058	1,257,702	1,229,450	1,180,289	1,407,899	1,434,565
Revenues over (under) Expenditures.....	(25,630)	(169,995)	(159,526)	(142,779)	(213,553)	(262,367)	(108,011)	156,174	119,703	150,068
Other Financing Sources (Uses):										
Issuance of general obligation bonds.....	111,500	150,080	205,015	80,066	258,793	165,313	-	-	109,000	150,089
Issuance of tax exempt commercial paper.....	-	-	-	36,732	99,264	165,800	168,022	94,000	75,000	45,000
Capital Leases.....	-	-	-	-	-	-	-	1,674	865	189
Issuance of long-term notes.....	6,094	-	1,119	2,781	13	-	-	-	-	-
Issuance of refunding bonds.....	38,500	9,300	90,584	-	275,444	145,077	387,324	-	132,826	350,749
Bond premium.....	-	-	-	-	-	26,501	17,054	-	7,334	18,071
Bond discount.....	-	-	-	-	-	(14)	(115)	-	(30)	(78)
Inception of installment purchase contracts.....	86	2,870	-	-	-	-	-	-	-	-
Issuance costs.....	(918)	-	-	-	-	-	-	-	-	-
Payment of refunded bonds.....	(43,500)	(9,300)	(90,584)	-	(275,444)	(145,077)	(243,000)	-	-	(367,178)
Sales of capital assets.....	18,006	283	532	887	10,820	36,369	640	430	362	661
Transfers in.....	230,941	221,828	211,909	238,353	274,723	254,927	268,137	377,590	559,299	573,642
Transfers out.....	(348,236)	(288,503)	(253,265)	(266,021)	(391,513)	(381,301)	(403,676)	(545,042)	(740,887)	(772,174)
Total Other Financing Sources (Uses).....	12,473	86,338	165,310	92,798	252,100	267,595	194,386	(71,348)	143,769	(1,029)
Net change in fund balances.....	\$ (13,157)	\$ (83,657)	\$ 5,784	\$ (49,981)	\$ 38,547	\$ 5,228	\$ 86,375	\$ 84,826	\$ 263,472	\$ 149,039
Debt service as a percentage of noncapital expenditures.....	21.6%	28.7%	13.5%	19.3%	34.2%	31.8%	30.6%	19.0%	28.8%	18.2%

TABLE 5
CITY AND COUNTY OF HONOLULU
REAL PROPERTY ASSESSED VALUES BY CLASSIFICATION AND TAX RATES
FISCAL YEARS 2000 - 2009
(Amounts in thousands)
(Unaudited)

(Page 1 of 2)

Fiscal Year	Class of Property	Value of Net Taxable Building	Building Tax Rates Per \$1,000	Value of Net Taxable Land	Land Tax Rates Per \$1,000	Value of Net Taxable Real Property
2000	Improved Residential	\$ 9,230,152	\$ 3.65	\$ 27,176,656	\$ 3.65	\$ 36,406,808
	Unimproved Residential	41,303	4.66	760,369	4.66	801,672
	Apartment	8,770,891	4.49	5,583,553	4.49	14,354,444
	Hotel/Resort	2,181,039	9.96	2,495,333	9.96	4,676,372
	Commercial	4,376,172	9.25	5,349,767	9.25	9,725,939
	Industrial	1,592,304	9.39	3,336,296	9.39	4,928,600
	Agricultural	94,231	9.89	350,930	9.89	445,161
	Conservation	65,278	9.25	416,402	9.25	481,680
	Total	<u>\$ 26,351,370</u>		<u>\$ 45,469,306</u>		<u>\$ 71,820,676</u>
			Fiscal year 2000 total direct tax rate	\$5.47		
2001	Improved Residential	\$ 9,315,911	\$ 3.65	\$ 25,898,762	\$ 3.65	\$ 35,214,673
	Unimproved Residential	40,789	4.66	690,343	4.66	731,132
	Apartment	8,460,667	4.49	5,119,280	4.49	13,579,947
	Hotel/Resort	2,068,493	9.96	2,358,990	9.96	4,427,483
	Commercial	4,370,036	9.25	4,876,112	9.25	9,246,148
	Industrial	1,562,797	9.39	2,997,584	9.39	4,560,381
	Agricultural	88,643	9.89	318,530	9.89	407,173
	Conservation	77,821	9.25	431,440	9.25	509,261
	Total	<u>\$ 25,985,157</u>		<u>\$ 42,691,041</u>		<u>\$ 68,676,198</u>
			Fiscal year 2001 total direct tax rate	\$5.45		
2002	Improved Residential	\$ 10,066,199	\$ 3.65	\$ 26,533,079	\$ 3.65	\$ 36,599,278
	Unimproved Residential	41,985	4.66	428,191	4.66	470,176
	Apartment	8,480,325	4.21	5,038,002	4.21	13,518,327
	Hotel/Resort	2,121,627	9.96	2,435,463	9.96	4,557,090
	Commercial	4,361,423	9.25	4,798,891	9.25	9,160,314
	Industrial	1,581,298	9.39	2,838,754	9.39	4,420,052
	Agricultural	74,443	9.89	227,205	9.89	301,648
	Conservation	73,224	9.25	352,070	9.25	425,294
	Public Service.....	55,219	0.00	164,175	0.00	219,394
		Total	<u>\$ 26,855,743</u>		<u>\$ 42,815,830</u>		$ 69,671,573
			Fiscal year 2002 total direct tax rate	\$5.33		
2003	Improved Residential	\$ 12,230,871	\$ 3.65	\$ 27,308,923	\$ 3.65	\$ 39,539,794
	Unimproved Residential	42,458	4.66	714,387	4.66	756,845
	Apartment	9,305,365	3.93	4,950,109	3.93	14,255,474
	Hotel/Resort	2,226,305	9.96	2,347,705	9.96	4,574,010
	Commercial	4,322,821	9.25	4,839,542	9.25	9,162,363
	Industrial	1,570,203	9.39	2,850,632	9.39	4,420,835
	Agricultural	100,594	9.89	308,874	9.89	409,468
	Conservation	70,744	9.25	359,754	9.25	430,498
	Public Service.....	14,870	0.00	20,201	0.00	35,071
		Total	<u>\$ 29,884,231</u>		<u>\$ 43,700,127</u>		$ 73,584,358
			Fiscal year 2003 total direct tax rate	\$5.21		
2004	Improved Residential	\$ 13,252,080	\$ 3.75	\$ 30,260,954	\$ 3.75	\$ 43,513,034
	Unimproved Residential	46,627	5.35	655,236	5.35	701,863
	Apartment	11,059,012	3.75	5,074,205	3.75	16,133,217
	Hotel/Resort	2,286,433	10.63	2,251,393	10.63	4,517,826
	Commercial	4,349,397	10.63	4,766,874	10.63	9,116,271
	Industrial	1,568,117	10.63	2,802,730	10.63	4,370,847
	Agricultural	87,970	10.63	298,044	10.63	386,014
	Conservation	72,126	10.63	327,477	10.63	399,603
	Public Service.....	7,291	0.00	8,579	0.00	15,870
		Total	<u>\$ 32,709,053</u>		<u>\$ 46,445,492</u>		$ 79,154,545
			Fiscal year 2004 total direct tax rate	\$5.40		

TABLE 5
CITY AND COUNTY OF HONOLULU
REAL PROPERTY ASSESSED VALUES BY CLASSIFICATION AND TAX RATES
FISCAL YEARS 2000 - 2009
(Amounts in thousands)
(Unaudited)

(Page 2 of 2)

Fiscal Year	Class of Property	Parcel Tax Rates Per \$1,000	Value of Net Taxable Real Property
2005	Improved Residential (a)	\$ 3.75	\$ 52,078,717
	Unimproved Residential (a)	5.72	539,376
	Apartment (a)	3.75	19,832,878
	Hotel/Resort (a)	11.37	4,528,843
	Commercial (a)	11.37	9,025,843
	Industrial (a)	11.37	4,615,760
	Agricultural (a)	9.57	1,382,516
	Preservation (a)	9.57	404,535
	Public Service (a)	0.00	15,114
	Total		<u>\$ 92,421,382</u>
Fiscal year 2005 total direct tax rate			\$ 5.37
2006	Improved Residential (a)	\$ 3.75	\$ 68,475,274
	Unimproved Residential (a)	5.72	524,508
	Apartment (a)	3.75	24,671,194
	Hotel/Resort (a)	11.37	4,708,327
	Commercial (a)	11.37	9,618,183
	Industrial (a)	11.37	4,972,434
	Agricultural (a)	8.57	735,975
	Vacant Agricultural (a)	8.57	33,867
	Preservation (a)	9.57	363,128
	Public Service (a)	0.00	(10)
Total		<u>\$ 114,102,880</u>	
Fiscal year 2006 total direct tax rate			\$ 5.10
2007	Improved Residential (a)	\$ 3.59	\$ 89,283,029
	Unimproved Residential (a)	5.72	754,815
	Apartment (a)	3.59	32,642,928
	Hotel/Resort (a)	11.97	5,787,719
	Commercial (a)	11.97	10,814,805
	Industrial (a)	11.97	5,513,282
	Agricultural (a)	8.57	875,793
	Vacant Agricultural (a)	8.57	38,547
	Preservation (a)	9.57	365,292
	Public Service (a)	0.00	(1,300)
Total		<u>\$ 146,074,910</u>	
Fiscal year 2007 total direct tax rate			\$ 4.92
2008	Improved Residential (a)	\$ 3.29	\$ 100,858,035
	Unimproved Residential (a)	5.70	431,258
	Apartment (a)	3.29	38,362,746
	Hotel/Resort (a)	12.40	6,872,417
	Commercial (a)	12.40	12,282,509
	Industrial (a)	12.40	6,711,928
	Agricultural (a)	5.70	1,054,884
	Vacant Agricultural (a)	8.50	111,524
	Preservation (a)	5.70	349,430
	Total		<u>\$ 167,024,731</u>
Fiscal year 2008 total direct tax rate			\$ 4.73
2009	Residential (a)	\$ 3.29	\$ 136,983,348
	Hotel/Resort (a)	12.40	6,979,025
	Commercial (a)	12.40	13,505,161
	Industrial (a)	12.40	7,249,188
	Agricultural (a)	5.70	1,133,318
	Vacant Agricultural (a)	8.50	110,808
	Preservation (a)	5.70	377,099
Total		<u>\$ 166,337,947</u>	
Fiscal year 2009 total direct tax rate			\$ 4.81

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 6
CITY AND COUNTY OF HONOLULU
PRINCIPAL PROPERTY TAXPAYERS
FISCAL YEARS 2000-2009
(Values in thousands)
(Unaudited)

Taxpayer	2000			2001			2002			2003			2004		
	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Bishop Estate	\$ 3,867,229	1	4.47 %	\$ 3,756,209	1	4.50 %	\$ 3,706,702	1	4.39 %	\$ 766,673	2	0.88 %	\$ 766,916	2	0.81 %
Queen's Medical Center et al	1,096,376	2	1.27	1,059,616	2	1.27	1,052,578	2	1.25	--	--	--	--	--	--
Dale/Equity Life / D/E Hawaii Jt. Venture	774,507	3	0.90	--	--	--	--	--	--	--	--	--	--	--	--
James Campbell Corporation	744,581	4	0.86	685,511	4	0.82	624,286	6	0.74	233,129	8	0.26	--	--	--
Hilton Hawaiian Village LLC	671,482	5	0.78	621,415	7	0.74	617,503	7	0.73	699,786	4	0.78	667,028	4	0.70
Liliuokalani Trust	661,628	6	0.76	627,457	6	0.75	630,227	5	0.75	--	--	--	--	--	--
Kyo-Ya Co., Ltd.	651,527	7	0.75	670,223	5	0.80	670,045	4	0.79	997,368	1	1.12	960,423	1	1.04
Dole Food Co.	573,703	8	0.66	510,751	8	0.61	437,370	9	0.52	341,425	7	0.38	359,082	6	0.38
Samuel M. Damon Trust Estate	554,862	9	0.64	508,652	9	0.61	496,947	8	0.59	--	--	--	--	--	--
Bancorp Hawaii, Inc./ Pacific Century	407,735	10	0.47	382,763	10	0.46	424,897	10	0.50	346,413	6	0.39	305,399	7	0.32
GSP Ala Moana LLC	--	--	--	754,977	3	0.90	778,682	3	0.92	746,422	3	0.84	753,669	3	0.79
MFD Partners	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Victoria Ward, Limited	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
C. K. Corporation	--	--	--	--	--	--	--	--	--	230,430	9	0.26	220,077	6	0.23
Outrigger Hotels Hawaii	--	--	--	--	--	--	--	--	--	206,455	10	0.23	199,745	9	0.21
WBM Resort, L P	--	--	--	--	--	--	--	--	--	--	--	--	186,423	10	0.21

Taxpayer	2005			2006			2007			2008			2009		
	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Gross Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Bishop Estate	\$ 1,162,123	1	1.06 %	\$ 892,148	3	0.68 %	\$ 1,261,674	1	0.76 %	\$ 1,370,878	1	0.72 %	\$ 1,424,272	1	0.75 %
Queen's Medical Center et al	--	--	--	287,428	10	0.23	--	--	--	--	--	--	--	--	--
James Campbell Corporation	323,274	7	0.29	387,338	7	0.29	413,557	8	0.25	423,835	8	0.22	440,104	8	0.23
Hilton Hawaiian Village LLC	608,017	4	0.55	611,682	4	0.46	773,111	4	0.46	846,717	4	0.44	964,340	4	0.52
Kyo-Ya Co., Ltd.	995,463	3	0.91	978,457	2	0.74	1,133,113	2	0.68	1,156,328	2	0.80	1,223,150	2	0.64
Dole Food Co.	191,610	10	0.17	537,832	5	0.41	--	--	--	--	--	--	--	--	--
GSP Ala Moana LLC	1,008,002	2	0.92	1,046,306	1	0.79	1,029,975	3	0.62	1,130,056	3	0.59	1,218,932	3	0.64
Victoria Ward, Limited	288,738	9	0.24	--	--	--	--	--	--	--	--	--	--	--	--
Outrigger Hotels Hawaii	472,521	5	0.43	487,524	6	0.35	556,094	6	0.33	622,799	5	0.33	648,697	5	0.34
Azabu Building Company Limited	332,717	6	0.30	349,615	8	0.26	285,038	9	0.17	293,958	10	0.15	--	--	--
Halekulani Corporation	261,711	8	0.24	--	--	275,837	10	0.17	--	--	--	--	--	--	--
A & B Properties	--	--	--	298,921	9	0.23	--	--	--	--	--	--	--	--	--
Ko'Olina Hotel, et al	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
First Hawaiian Bank	--	--	--	--	--	--	673,856	5	0.40	611,185	6	0.32	503,211	7	0.26
Reynolds/Shidler	--	--	--	--	--	--	467,016	7	0.28	491,051	7	0.26	518,909	6	0.27
Marrriott Ownership Resorts	--	--	--	--	--	--	--	--	--	418,994	9	0.22	435,900	9	0.23
													370,618	10	0.19

NOTES:
Taxpayer's name as recorded in real property records.
Assessed valuations were certified as of January 30 each year at 100% of market value.
The total gross assessed valuation for Fiscal Year 2009 was \$190,696,156.

TABLE 7
CITY AND COUNTY OF HONOLULU
PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEARS 2000 - 2009
(Amounts in thousands)
(Unaudited)

Fiscal Year Ended June 30	Tax Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections		Prepays & Overpayment Refunds Due	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percentage of Current Levy
	Fiscal Year	Amount (a)	Percentage of Levy		Amount	Percentage of Levy			
2000	\$ 393,000	\$ 392,950	100.0 %	\$ 6,165	\$ 399,115	101.6 %	\$ 2,136	\$ 6,638	1.7 %
2001	374,099	375,668	100.4	4,430	380,098	101.6	2,708	8,658	2.3
2002	371,234	377,742	101.8	4,707	382,449	103.0	1,725	5,234	1.4
2003	383,724	384,432	100.2	1,440	385,872	100.6	4,840	9,194	2.4
2004	427,171	430,318	100.7	4,979	435,297	101.9	3,171	8,265	1.9
2005	496,428	495,446	99.8	4,231	499,677	100.7	3,511	8,310	1.7
2006	581,801	587,718	101.0	3,659	591,377	101.6	1,969	9,728	1.7
2007	673,960 (b)	685,367	101.7	4,008	689,375	102.3	1,641	9,168	1.4
2008	760,409 (b)	768,520	101.1	830	769,350	101.2	15,122	12,642	1.7
2009	788,047 (b)	794,542	100.8	7,126	801,668	101.7	1,108	16,046	2.0

(a) Includes penalties and interest.

(b) Tax levied amount was adjusted to reflect projected tax rebates and credits.

TABLE 8
CITY AND COUNTY OF HONOLULU
RATIOS OF OUTSTANDING DEBT BY TYPE
FISCAL YEARS 2000 - 2009
(Amounts in thousands, except per capita)
(Unaudited)

Fiscal Year	Primary Government										Component Unit		Total Primary Government and Component Unit		
	Governmental Activities					Business-Type Activities					Water Bonds	Per Capita (a)	Percentage of Personal Income (a)	Per Capita (a)	Percentage of Personal Income (a)
General Obligation Bonds	Tax Exempt Commercial Paper	Special Assessment Bonds	Notes Payable	Capital Lease	General Obligation Bonds	Revenue Bonds	Tax Exempt Commercial Paper	Notes Payable	Total	Percentage of Personal Income (a)					
2000	\$ 987,147	\$ -	\$ 2,485	\$ 3,861	\$ 2,207	\$ 469,595	\$ 319,453	\$ -	\$ 67,989	\$ 1,852,747	7.32 %	\$ 2,115	\$ 52,870	7.53 %	\$ 2,175
2001	1,093,784	9,300	2,115	3,700	1,742	441,434	319,453	-	68,929	1,940,357	7.29	2,217	66,600	7.54	2,294
2002	1,298,078	11,317	1,745	4,620	1,239	417,095	454,463	10,183	90,410	2,289,150	8.49	2,610	121,000	8.93	2,748
2003	1,254,315	128,100	1,375	7,173	694	385,264	704,020	-	85,494	2,566,435	9.23	2,909	119,270	9.65	3,044
2004	1,438,194	63,942	1,010	6,838	103	354,231	702,925	10,868	79,880	2,657,979	9.20	2,985	217,160	9.95	3,239
2005	1,578,217	37,942	645	6,476	-	326,734	701,785	11,858	74,123	2,738,780	8.77	3,064	215,045	9.45	3,305
2006	1,662,329	52,763	290	6,100	-	291,688	651,050	11,637	68,338	2,944,395	8.80	3,273	210,925	9.43	3,507
2007	1,598,488	144,063	-	5,709	1,497	252,601	1,048,775	17,837	112,746	3,181,716	8.90	3,519	319,160	9.78	3,872
2008	1,758,535	76,863	-	5,302	1,888	248,860	1,219,065	837	114,847	3,426,207	9.06	3,805	313,470	9.88	4,153
2009	1,841,715	-	-	4,878	1,602	272,001	1,211,500	-	157,310	3,589,006	9.49	3,966	307,560	10.30	4,305

NOTES:
(a) See TABLE 12 for personal income and population data.
(b) The Sewer Fund became an enterprise fund in fiscal year 2000.
(c) Includes general obligation bonds.
(d) Revised from previous CAFR.
(e) 2008 Personal Income is not available. 2008 Personal Income was used instead. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

TABLE 9
 CITY AND COUNTY OF HONOLULU
 RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 FISCAL YEARS 2000 - 2009
 (Amounts in thousands, except per capita)
 (Unaudited)

Fiscal Year	General Obligation Bonds	Tax Exempt Commercial Paper	Notes Payable	Total	Percentage of Net Taxable Property Value (a)	Per Capita (b)
2000	\$ 1,456,742	\$ --	\$ 3,861	\$ 1,460,603	2.03 %	\$ 1,667
2001	1,535,218	9,300	3,700	1,548,218	2.25	1,769
2002	1,715,173	21,500	4,620	1,741,293	2.50	1,985 (c)
2003	1,639,579	128,100	7,173	1,774,852	2.41	2,012 (c)
2004	1,792,425	74,800	6,836	1,874,061	2.37	2,111 (c)
2005	1,905,951	49,800	6,476	1,962,227	2.12	2,195 (c)
2006	1,954,017	64,600	6,100	2,024,717	1.77	2,251 (c)
2007	1,851,089	161,900	5,709	2,018,698	1.38	2,233 (c)
2008	2,007,395	77,700	5,302	2,090,397	1.25	2,321 (c)
2009	2,213,716	--	4,878	2,218,594	1.33	2,451

NOTES:

(a) See TABLE 5 for net taxable property values.

(b) See TABLE 12 for population data.

(c) Revised from prior year CAFR.

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

TABLE 10
 CITY AND COUNTY OF HONOLULU
 LEGAL DEBT MARGIN INFORMATION
 FISCAL YEARS 2000 - 2009
 (Amounts in thousands)
 (Unaudited)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit (a)	\$ 10,773,101	\$ 10,301,430	\$ 10,450,736	\$ 11,037,654	\$ 11,873,182	\$ 13,863,192	\$ 17,115,432	\$ 21,911,237	\$ 25,053,710	\$ 24,950,695
Debt applicable to limit	991,008	(c) 1,106,784	1,314,015	1,389,588	1,508,972	1,623,635	1,721,099	1,748,261	1,840,700	1,946,593
Legal debt margin (b)	\$ 9,782,093	\$ 9,194,646	\$ 9,136,721	\$ 9,648,066	\$ 10,364,210	\$ 12,239,557	\$ 15,394,333	\$ 20,162,976	\$ 23,213,010	\$ 23,004,102
Debt applicable to the limit as a percentage of debt limit	9.20%	10.74%	12.57%	12.59%	12.71%	11.71%	10.06%	7.98%	7.35%	7.80%

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) The Sewer fund became an enterprise fund in fiscal year 2000 and the revenue bonds were reclassified to business-type activities.

Legal Debt Margin Calculation for Fiscal Year 2009	
Net assessed value	\$ 166,337,966
Debt limit (15% of assessed value)	24,950,695
Debt applicable to limit	1,946,593
Legal debt margin	\$ 23,004,102

TABLE 11
CITY AND COUNTY OF HONOLULU
PLEGDED REVENUE COVERAGE
FISCAL YEARS 2000-2009
(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		
2000	\$ 114,313	\$ 63,670	\$ 50,643	\$ 425	\$ 930	\$ 1,355	37.37
2001	114,164	66,469	47,695	445	911	1,356	35.17
2002	122,728	75,556	47,172	—	4,608	4,608	10.24
2003	112,184	79,007	33,177	780	5,367	6,147	5.40
2004	106,000	78,108	27,892	2,691	5,723	8,414	3.31
2005	105,864	85,820	20,044	2,135	10,196	12,331	1.63
2006	107,925	90,932	16,993	4,220	9,153	13,373	1.27
2007	125,733	87,038	38,695	5,690	15,190	20,880	1.85
2008	140,448	107,586	32,862	5,910	14,990	20,900	1.57
2009	145,239	108,948	36,291	6,165	14,749	20,914	1.74

DEPARTMENT OF ENVIRONMENTAL SERVICES

Fiscal Year	Gross Revenues (c)	Less: Expenses (a)	Net Available Revenue	Debt Service		Total Debt Service	Coverage (b)
				Principal	Interest		
2000	\$ 130,453	\$ 56,834	\$ 73,619	\$ —	\$ 15,204	\$ 15,204	4.84
2001	118,967	66,973	51,994	—	14,034	14,034	3.70
2002	116,982	62,566	54,416	1,172	17,439	18,611	2.92
2003	113,994	59,697	54,297	1,050	21,409	22,459	2.42
2004	113,495	63,336	50,159	1,095	23,603	24,698	2.03
2005	115,144	68,326	46,818	1,140	25,956	27,096	1.73
2006	146,544	75,228	71,316	3,550	27,562	31,112	2.29
2007	174,960	75,410	99,550	3,710	37,810	41,520	2.40
2008	237,964	114,182	123,782	6,140	50,262	56,402	2.19
2009	257,587	99,995	157,592	7,635	56,339	63,974	2.46

SPECIAL ASSESSMENT BONDS (e)

Fiscal Year	Gross Revenues	Less: Expenses (d)	Net Available Revenue	Debt Service		Total Debt Service	Coverage (b)
				Principal	Interest		
2000	\$ 695	\$ —	\$ 695	\$ 425	\$ 177	\$ 602	1.15
2001	707	—	707	370	152	522	1.35
2002	682	—	682	370	129	499	1.37
2003	702	—	702	370	105	475	1.48
2004	573	—	573	365	81	446	1.28
2005	512	—	512	365	56	421	1.22
2006	454	—	454	355	32	387	1.17
2007	393	—	393	290	10	300	1.31
2008	—	—	—	—	—	—	—
2009	—	—	—	—	—	—	—

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) Expenses are absorbed by the general fund.
- (e) Paid off in FY 2007.

TABLE 12
CITY AND COUNTY OF HONOLULU
DEMOGRAPHIC AND ECONOMIC STATISTICS
FISCAL YEARS 2000 - 2009
(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)
2000	876,156	\$ 25,303	\$ 28,789	126,745	4.4
2001	875,054 (c)	26,605	30,404 (c)	125,579	3.9
2002	877,024 (c)	26,976	30,759 (c)	123,658	4.1
2003	882,278 (c)	27,819	31,531 (c)	123,658	3.9
2004	887,576 (c)	28,885	32,544 (c)	123,387	3.7
2005	893,879 (c)	31,244	34,953 (c)	122,950	3.1
2006	899,673 (c)	33,457 (c)	37,188 (c)	122,673	2.7
2007	904,134 (c)	35,766 (c)	39,558 (c)	120,889	2.4
2008	900,525 (c)	37,835 (c)	42,015 (c)	119,005	2.5
2009	905,034	NA	NA	117,990	3.5

NOTES:

(a) Per *The State of Hawaii Data Book 2008*.

(b) Enrollment figures for 2000-2009 obtained from *The State of Hawaii Data Book*, various years. Enrollment include grade kindergarten - 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 14
CITY AND COUNTY OF HONOLULU
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
FISCAL YEARS 2000 - 2009
(Unaudited)

Function	Full-time Equivalent Employees as of June 30									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government										
Administration	358	376	530	517	480	523	531	532	538	547
Finance	541	531	403	415	403	416	414	425	439	475
Legal	314	313	323	315	316	321	310	307	318	314
Planning & Permitting	250	243	236	238	225	234	251	257	250	270
Design & Construction	223	227	238	223	217	203	204	209	216	228
Public Safety										
Police	2,474	2,494	2,490	2,466	2,507	2,490	2,537	2,569	2,601	2,625
Fire	1,015	1,084	1,090	1,084	1,077	1,061	1,076	1,091	1,098	1,092
Emergency Medical Services	140	135	117	126	173	127	134	129	136	144
Highways and Streets	658	615	639	625	624	614	616	631	631	651
Sanitation										
Solid Waste	374	369	332	324	333	333	336	348	363	145
Sewer	594	573	565	536	512	498	508	520	530	542
Health and Human Resources	381	368	421	387	390	411	416	391	397	404
Culture and Recreation	861	927	968	959	911	871	855	932	962	984
Total	8,183	8,255	8,352	8,215	8,168	8,102	8,188	8,341	8,479	8,421

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 2000 - 2009
(Unaudited)

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Police										
Part I number of arrests (a)	6,319	6,332	6,426	5,401	4,649	3,554	4,484	4,039	4,453	4,011
Part II number of arrests (a)	37,807	34,101	35,888	31,120	33,350	26,095	31,145	35,006	37,295	35,315
Parking violations	NA	77,443 (k)	84,024 (k)	92,115 (k)	92,066 (k)	106,304 (k)	105,871 (k)	97,366 (k)	154,323 (l)	133,216 (l)
Traffic violations	NA	170,104 (k)	167,481 (k)	158,304 (k)	168,491 (k)	180,941 (k)	183,205 (k)	240,220 (l)	173,762 (l)	188,746 (l)
Fire										
Fire department responses	9,320	10,210	10,627	10,488	10,766	13,900	15,859	16,021	15,728	16,152
Emergency medical responses	13,567	16,655	18,997	19,549	22,178	20,288	19,346	21,722	23,760	24,930
Inspections	184,474	234,934	234,175	175,744 (d)	218,083	213,538	191,333	190,536	66,947 (l)	70,288 (l)
Emergency Medical Services										
Ambulance responses	47,724	51,458	55,270	60,976	67,762	66,162	72,807	74,887	73,902	60,412
Refuse Collection										
Refuse collected (tons per year)	286,491	233,288	358,946	335,622	350,298	368,288	373,462	359,801	340,781	312,360
Recyclables collected (tons per year)	26,400	43,108	39,869	82,721	80,624	67,713	67,966	57,900	55,700	69,168
Other Public Works										
Street resurfacing in-house (miles)	35	-	-	-	-	31 (h)	43	38	51	60
Street resurfacing contract (miles)	-	146	128	91	27	122 (h)	120	75	91	76
First aid (tons of asphalt)	11,295	4,034	2,387	1,829	9,354	13,785 (h)	13,078	12,528	3,007	2,560
Potholes repaired	41,810	29,293	38,432	40,195	68,872	47,960 (h)	55,192	73,013	82,850	68,816
Parks and Recreation										
Park facility permits issued	16,947 (f)	16,375 (f)	12,045 (f)	21,550	24,114	36,124	18,912 (l)	21,522	15,136	18,611
Other Enterprises										
Rounds of golf	663,710	647,850	619,300	611,979	560,921	530,806	538,451	563,858	563,669	563,589
Zoo attendance	573,120	559,727	521,870	495,184	498,767	513,931	568,952	601,510	599,442	623,034
Water										
New connections	1,521	1,419	1,857	2,766	2,182	2,269	1,925	1,926	1,370	1,262
Water main breaks	411	406	392	338	399	388	358	342	285	325
Average daily pumpage (millions of gallons)	152	155	154	159	150	148	148	152 (e)	148	145
Peak daily pumpage (millions of gallons)	175	177	182	185	182	184	187	175	179	179
Wastewater										
Average daily sewage treatment (millions of gallons)	113	111	115	111	112	112	112	105 (e)	107	108
Transit										
Total bus directional route miles	888	907	914	912	915	919	922	927	927	943
Total bus revenue miles	17,066,511	18,568,681	18,674,279	18,331,577	16,530,804 (g)	18,388,911	18,019,030	17,923,724	18,272,697	18,483,108
Bus passengers	66,602,820	70,384,025	73,524,474	69,100,627	61,297,960 (g)	67,408,627	70,384,855	71,749,456	69,759,895	77,329,670
Total paratransit revenue miles	4,128,359	4,247,101	4,232,569	4,252,570	4,171,202	4,035,752	4,322,045	4,608,289	4,833,262	4,999,735
Paratransit passengers	655,422	702,921	710,957	730,651	731,083	733,777	784,058	807,851	833,835	840,763

NOTES:

- (a) The data is reported on a calendar year basis.
- (b) Source: City and County of Honolulu, Individual Departments.
- (c) Source: State of Hawaii, District Court Administrator.
- (d) Incomplete reporting from operations (company inspections) decreased the count in the fiscal year ended June 30, 2003.
- (e) Revised from prior CAFR.
- (f) Camping permits only.
- (g) The bus system experienced a 34 day strike during fiscal year 2004 that had minimal impact on paratransit operations.
- (h) The increase in street resurfacing and first aid reduced the number of pothole repairs.
- (i) Beginning in FY 2007, the Honolulu Fire Department (HFD) changed methods of data collection to count fire prevention inspections. Inspection 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.
- (j) The decrease is due to extended severe weather and the related Waikiki sewage spill.
- (k) The count is based on tickets issued.
- (l) The count is based on number of violations.

NA: Not available.

TABLE 16
CITY AND COUNTY OF HONOLULU
CAPITAL ASSET STATISTICS BY FUNCTION
FISCAL YEARS 2000 - 2009
(Unaudited)

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Police										
Stations	10	11	11	11	11	11	11	11	12	12
Patrol units - City owned	360	314	324	295	288	288	332	363	300 (a)	331
Patrol units - privately owned (b)	NA	1,265	1,278	1,295	1,332	1,325	1,313	1,293	1,428	1,276
Fire stations (c)	42	44	44	44	44	44	44	44	44	44
Emergency medical services stations	16	18	19	19	19	20	20	20	21	21
Refuse collection trucks	192	175	187	197	205	186 (d)	192	191	191	206
Other Public Works										
Streets (paved mile)	1,368	1,370	1,374	1,386	1,389	1,391	1,393	1,398	1,398	1,398
Streetslights	43,584	43,844	44,093	45,285	45,922	45,937	46,236	46,605	46,756	47,160
Storm sewers (miles)	678	680	684	696	699	701	702	706	706	706
Parks and Recreation										
Parks and recreational areas	278	283	283	283	280	288	277	282	284	287
Beach access/right of ways	74	90	87	87	87	87	83	90	90	90
Botanical gardens	5	5	5	5	5	5	5	5	5	5
Recreation buildings	90	90	91	91	93	93	93	93	93	93
Gymnasiums	24	24	24	25	26	24	24	24	24	24
Swimming pools	18	18	19	20	20	20	21	21	21	21
Baseball/softball fields	191	191	195	200	194	194	194	194	193	193
Basketball courts	222	222	222	222	220	220	220	220	220	220
Tennis courts	179	179	179	179	179	179	179	179	179	179
Volleyball courts	173	173	173	170	169	169	169	169	169	169
Soccer fields	--	19	81	81	80	80	80	80	80	80
Traffic related landscaped areas	86	86	86	86	86	86	86	80	80	80
Other Enterprise									149 (e)	149
Golf courses	6	6	6	6	6	6	6	6	6	6
Zoological parks	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	1,925	1,944	1,960	1,977	1,997	2,037	2,055	2,060	2,067	2,043
Fire hydrants	18,858	19,043	19,179	19,526	19,711	19,832	20,073	20,381	20,760	20,950
Storage capacity (millions of gallons)	174	177	178	182	182	182	182	183	182	182
Wastewater										
Sanitary sewers (miles)	2,310	2,541	2,541	2,304	2,205	2,191	2,191	2,191	2,113	2,152
Treatment capacity (millions of gallons)	151	151	151	151	151	151	151	152	152	152
Transit										
Buses	525	529	525	525	536	525	525	525	540	549
Paratransit vehicles	110	110	124	154 (f)	121	123	119	129	148	166
Traffic signal intersections (g)	750	750	750	760	760	772	787	790	799	819

SOURCE: City and County of Honolulu, various agencies.

NOTES:

(a) Decrease attributed to the retirement of mechanically obsolete and unsound vehicles.

(b) The number varies according to actual staffing of motorized patrol position.

(c) Includes one fireboat and one aircraft station.

(d) In fiscal year 2005, management decided to eliminate old trucks requiring excessive manpower and money to maintain.

(e) In 2008, Facility Maintenance assumed management of and subdivided some of the landscaped areas.

(f) At fiscal year end unserviceable vehicles were awaiting disposal.

(g) Includes State traffic signals on Oahu that the City maintains.

NA: Not Available

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