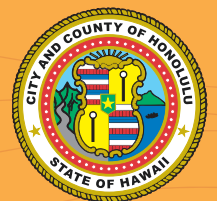




CITY AND COUNTY OF HONOLULU

Annual Comprehensive Financial Report

FISCAL YEAR ENDED JUNE 30, 2021



EXECUTIVE BRANCH



Rick Blangiardi
Mayor

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CITY AND COUNTY OF HONOLULU
Honolulu, Hawai`i

Annual Comprehensive Financial Report

FISCAL YEAR ENDED JUNE 30, 2021

Prepared by:

DEPARTMENT OF BUDGET AND FISCAL SERVICES

ANDREW T. KAWANO

DIRECTOR

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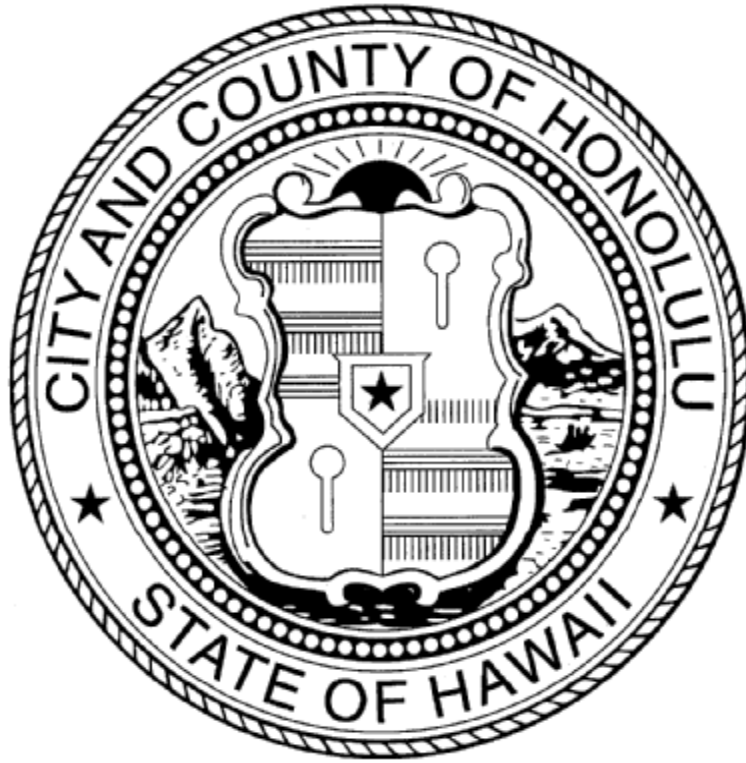
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Introductory Section (Unaudited)

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DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
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RICK BLANGIARDI
MAYOR

ANDREW T. KAWANO
DIRECTOR

CARRIE CASTLE
DEPUTY DIRECTOR

December 30, 2021

The Honorable Rick Blangiardi, Mayor
The Honorable Tommy Waters,
Chair and Presiding Officer
and Members of the City Council
City and County of Honolulu
530 South King Street
Honolulu, Hawaii 96813

Dear Mayor Blangiardi, Chair Waters and Councilmembers:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) for City and County of Honolulu (City) for the fiscal year ended June 30, 2021. The ACFR was prepared by the Department of Budget and Fiscal Services (BFS). BFS is responsible for the accuracy, completeness and fairness of the financial data and presentation, including all disclosures. We believe the data in the ACFR is fairly presented and is accurate in all material aspects. Furthermore, we believe that all disclosures necessary to enable the reader to gain a full understanding of the City's financial affairs have been included. The ACFR represents all budgeting and accounting activities of the City during the year, and covers all funds of the City and its component units.

REPORTING ENTITY

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

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

safety and control; and construction and maintenance of public streets, bridges, walkways, and drainage and flood control systems for Oahu.

ECONOMIC CONDITION AND OUTLOOK

The following economic indicators show that Oahu's economy is on the rebound from the initial impacts of the novel coronavirus (COVID-19) pandemic.

- Tourism, Oahu's primary industry, continues to evolve following the record high influx of 6.2 million visitors in 2019 to the pandemic created lull of 1.5 million visitors in 2020. For the ten months ended October 31, 2021, total visitor days leapt 100.9%, and visitor arrivals rebounded 101.0% compared to the same period a year ago. For the ten months ended October 31, 2021, total visitor expenditures decreased 34.3%, total visitor days fell 38.3%, and visitor arrivals dropped 48.4% but average daily visitor spending increased 6.3% compared to the same period two years ago.
- The military, Hawaii's second largest economic sector, accounted for 8.5% of the state's gross domestic product for federal fiscal year 2020. Specifically for Oahu, military accounted for nearly 63,500 jobs while defense contract and personnel spending totaled \$7.1 billion.
- The August 2021 contracting revenues decreased 5.1% to \$544.5 million, compared to the same month a year ago. However, contracting revenues increased 5.8% to \$6.50 billion for the fiscal year ended June 30, 2021, compared to the prior fiscal year. Construction jobs decreased slightly to 26,700 for November 2021 compared to 27,400 for the same month the preceding year. The number of building permits issued decreased 3.4% to 12,224 but the value grew by 12.6% to \$2.34 billion for the year ended October 31, 2021, compared to 2020.
- The November 2021 single family home median resale price jumped 20.3% to \$1,050,000, while compared to the same month a year ago, resale volume increased 9.8% to 371. Likewise for condominium resales, the median price rose 19.0% to \$500,000 and resale volume leaped 47.7% to 601 for November 2021, compared to the same month last year.
- Retail sales increased 34.1% to \$2.08 billion for the month ended August 31, 2021, compared to the same month in 2020, and declined 0.9% to \$21.6 billion for the fiscal year ended June 30, 2021, compared to fiscal year 2020.
- Non-agricultural jobs totaled 427,600 for November 2021, an increase of 7.7% from 397,100 non-farm jobs for the same month the preceding year.
- Honolulu had the lowest unemployment rates among Hawaii's counties in November 2021, with a non-seasonally adjusted unemployment rate of 5.0%, compared to 5.4% statewide, and 3.9% nationally.

- The three federal Economic Impact Payments, which were issued beginning April 2020, December 2020 and March 2021, boosted personal income and bolstered consumer spending. Nominal personal income (i.e., salaries and wages not adjusted for inflation) in Hawaii decreased 3.1% for the second quarter of 2021, compared to a 12.3% increase for the second quarter of 2020 and a 5.1% average increase for the calendar year 2020 versus 2019. In contrast, proprietors' income increased 5.4% for the second quarter of 2021, compared to the same period a year ago, compared to a decrease of 4.8% for the second quarter of 2020, compared to the same quarter in 2019, and a 1.3% average increase for the calendar year 2020 versus 2019.

Sources:

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

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

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

Internal Revenue Service, <https://www.irs.gov>

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

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

State of Hawaii, Department of Taxation, http://tax.hawaii.gov/stats/a5_3txcolrptarchive

U.S. Department of Defense, Office of Local Defense Community Cooperation, <https://oldcc.gov/>

MAJOR INITIATIVES

The City's priorities included addressing the unprecedented health emergency facing its residents, businesses and communities, while also optimizing the use of a very restricted operating budget to provide core City services to the public during the COVID-19 pandemic. Similarly, the City's capital improvement budget focused on investments in facilities and deferred maintenance to sustain core services through the pandemic and beyond.

The executive operating budget of \$2.92 billion, net of interfund transfers for fiscal year 2021, reflected an increase of 3.2 % compared to the prior fiscal year. Funding was provided to maintain and enhance core City services, address escalating nondiscretionary expenses such as employee fringe benefits and debt service, and plan for a unified transit system.

Like the executive operating budget, the City's \$1.38 billion capital improvement budget for fiscal year 2021 emphasized core services. Key areas of focus included refuse and sewer projects, much of which was mandated by the Global Consent Decree, energy conservation, sustainable facilities improvements, improvements to roads, sidewalks and bridges, erosion control, maintenance and improvements of parks and park facilities, continued enhancement of bus and Handi-van services, and integration of bus, rail and transit oriented development. The following is a summary of the government functions and their major capital improvement projects for fiscal year 2021:

Sanitation

For solid waste and sewage collection and disposal projects, a total of \$839.5 million was budgeted for fiscal year 2021, representing an increase of 73.7% compared to the prior fiscal year. The increase was primarily due to the \$568.5 million Sand Island Wastewater Treatment Plant Secondary Treatment project. Other sanitation projects include Department of Environmental Services Support Facilities at Honouliuli Wastewater Treatment Plant (\$71.2 million), Wastewater Equipment (\$16.8 million), Wastewater Treatment Plant, Pump Station and Force Main Projects (\$16.6 million), Sewer Mainline and Lateral Projects (\$15.3 million) and Solid Waste to Energy Facility (H-POWER) Conversion Technologies (\$15.0 million).

Highways and Streets

The \$160.8 million capital improvement budget for highways and streets was 7.6% higher for fiscal year 2021 than the previous fiscal year, essentially due to the following projects: Rehabilitation of Streets (\$54.0 million), Intermodal Connectivity Improvements (\$36.4 million), Salt Lake Boulevard Widening (\$23.6 million), and Drainage Improvements at Various Locations (\$9.2 million).

Culture-Recreation

For fiscal year 2021, \$141.0 million was appropriated in the capital improvement budget for participant, spectator, and other recreation projects, an increase of 23.0% over the prior fiscal year. The major culture-recreation projects included Blaisdell Center Redevelopment (\$43.6 million), Preservation and Conservation Lands (\$18.0 million), Renovate Recreational Facilities (\$12.0 million), and Community Development Block Grant Program Park Improvements (\$6.5 million).

General Government

The general government function of the capital improvement budget decreased by \$111.3 million to \$85.4 million for fiscal year 2021. The following were a few of the major general government projects: Honolulu Authority for Rapid Transit Project Contingency (\$26.0 million), Procurement of Major Equipment (\$25.4 million), Electrification of Transportation Infrastructure (\$11.2 million), and Ala Moana Transit Plaza – Transit Oriented Development (\$5.0 million).

Public Safety

The fiscal year 2021 appropriations for the public safety function increased 21.7% to \$72.4 million. The major public safety projects include Honolulu Police Department Equipment Acquisition (\$9.7 million), Traffic Improvements at Various Locations (\$8.8 million), Oahu Traffic Signal Controller Modernization Phase 1 (\$8.6 million), Honolulu Fire Department Equipment Acquisition (\$7.4 million), and Traffic Signals at various locations (\$4.7 million).

Transportation

Mass transit appropriations of \$72.1 million for fiscal year 2021, representing an 18.6% increase compared to the previous fiscal year, may be attributed primarily to the Middle Street Intermodal Transit Center (\$31.4 million) and the Bus and Handi-Van Acquisition Program (\$30.8 million).

Human Services

The capital improvement budget for the human services function of \$11.2 million represents an 89.1% decrease compared to the last fiscal year. One of the major human services projects for fiscal year 2021 was the \$8.1 million Affordable Housing Strategic Development Program.

FOR THE FUTURE

The City continues to focus on sustaining the City's core services, federal resource distribution to those financially impacted by the recession, upgrading the City infrastructure (Sewer, roadways, parks), expanding fiber-optic connectivity, adaptive traffic signal technologies, climate change adaptation strategies/projects, providing more affordable housing opportunities, and aligning its services with community partners to offer a complete continuum of service to address homelessness on Oahu.

The executive operating budget increased slightly from \$2.92 billion, net of interfund transfers for fiscal year 2021, to \$2.93 billion for fiscal year 2022.

Similarly, the City's capital improvement budget increased from \$1.38 billion for fiscal year 2021 to \$1.41 billion for fiscal year 2022. The following is a summary of the government functions and their major capital improvement projects for fiscal year 2022:

Sanitation

For solid waste and sewage collection and disposal projects, a total of \$632.7 million is budgeted for fiscal year 2022, representing a decrease of 24.6% compared to the prior fiscal year. The majority of the budget is the \$291.5 million Honouliuli Wastewater Treatment Plant Miscellaneous Improvements project. Other sanitation projects include Sand Island Wastewater Treatment Plant Solids System Improvements/Upgrade (\$91.2 million), Department of Environmental Services Support Facilities at Honouliuli Wastewater Treatment Plant (\$31.2 million), Solid Waste to Energy Facility (H-POWER) Conversion Technologies (\$27.8 million), Solid Waste to Energy Facility Improvements (\$22.0 million), Wastewater Treatment Plant, Pump Station Projects, and Force Main Project (\$16.6 million), and Sewer Mainline and Lateral Projects (\$16.3 million).

Human Services

The capital improvement budget for the human services function of \$295.5 million represents a 2538.4% increase compared to the last fiscal year. The increase is primary due to the \$170.0 million Affordable Housing capital improvement program. Other human service projects include Affordable Housing Strategic Development Program (\$37.6 million), Affordable Housing with Preference in Transit Oriented Development Areas Program (\$35.0 million), and Acquisition for Homeless Services Facilities (\$20.0 million).

Highways and Streets

The \$149.3 million capital improvement budget for highways and streets is 7.1% lower for fiscal year 2022 than the previous fiscal year. A few of the highways and streets projects include Rehabilitation of Streets (\$35.5 million), Salt Lake Boulevard Widening (\$30.0 million), Farrington Highway Improvements (\$15.2 million), and Bridge Rehabilitation at Various Locations (\$8.6 million).

Culture-Recreation

For fiscal year 2022, \$118.2 million is appropriated in the capital improvement budget for participant, spectator, and other recreation projects, a decrease of 16.2% over the prior fiscal year. The major culture-recreation projects include Preservation and Conservation Lands (\$17.2 million), Renovate Recreational Facilities (\$14.8 million), Hans L'Orange Neighborhood Park (\$8.0 million), and Canoe Halau at Various Parks (\$7.0 million).

Public Safety

The fiscal year 2022 appropriations for the public safety function increased 17.4% to \$85.0 million. The major public safety projects include Flood Control Improvements at various locations (\$13.4 million), Computerized Traffic Control System (\$10.5 million), Waialele Stream Flood Risk Management Project (\$7.8 million), Oahu Traffic Signal Controller Modernization (\$6.9 million), and Flood Control Improvements in Council District 7 (\$6.0 million).

General Government

The general government function of the capital improvement budget decreased by \$13.0 million to \$72.4 million for fiscal year 2022. The following are a few of the major general government projects: Honolulu Authority for Rapid Transit Project Contingency (\$21.0 million), Procurement of Major Equipment (\$18.9 million), Electrification of Transportation Infrastructure (\$9.7 million), and Iwilei Station Master Plan Improvements (\$8.0 million).

Transportation

Mass transit appropriations of \$57.8 million for fiscal year 2022, representing a 19.8% decrease compared to the previous fiscal year. A few transportation projects include the Bus and Handi-Van Acquisition Program (\$45.8 million) and Middle Street Intermodal Transit Center (\$10.6 million).

FINANCIAL INFORMATION

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

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

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

Internal Controls

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

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

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

Budgetary Controls

The City maintains budgetary controls to ensure that legal provisions of the annual budget are in compliance and expenditures do not exceed budgeted amounts. Controls are exercised by integrating the budgetary accounts in fund ledgers for all budgeted funds. An encumbrance system is also used to account for purchase orders and other contractual commitments. Encumbered balances of appropriations at year-end are included in fund balance and are not reappropriated in the following year's budget.

OTHER INFORMATION

Independent Audits

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

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 ACFR for the fiscal year ended June 30, 2020. The City has received the award for 34 years. In order to be awarded a Certificate of Achievement, a government must publish an informative, transparent and efficiently organized ACFR. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the City has received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the past 22 years. To qualify for the award, the government must publish a budget document that meets program criteria as a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgments

The preparation of the ACFR was made possible by the hard work and dedication of the public servants working for the City and particularly through the efforts of the BFS Accounting and Fiscal Services Division personnel. The City's sound financial position is a product of the strong leadership provided by the Mayor, City Council and all agency heads. I am honored to have had the opportunity to participate in the process of delivering to the citizens of Honolulu the report of the City's financial status for the year ended June 30, 2021.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Andrew T. Kawano". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Andrew T. Kawano, Director
Budget and Fiscal Services



Government Finance Officers Association

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**City and County of Honolulu
Hawaii**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

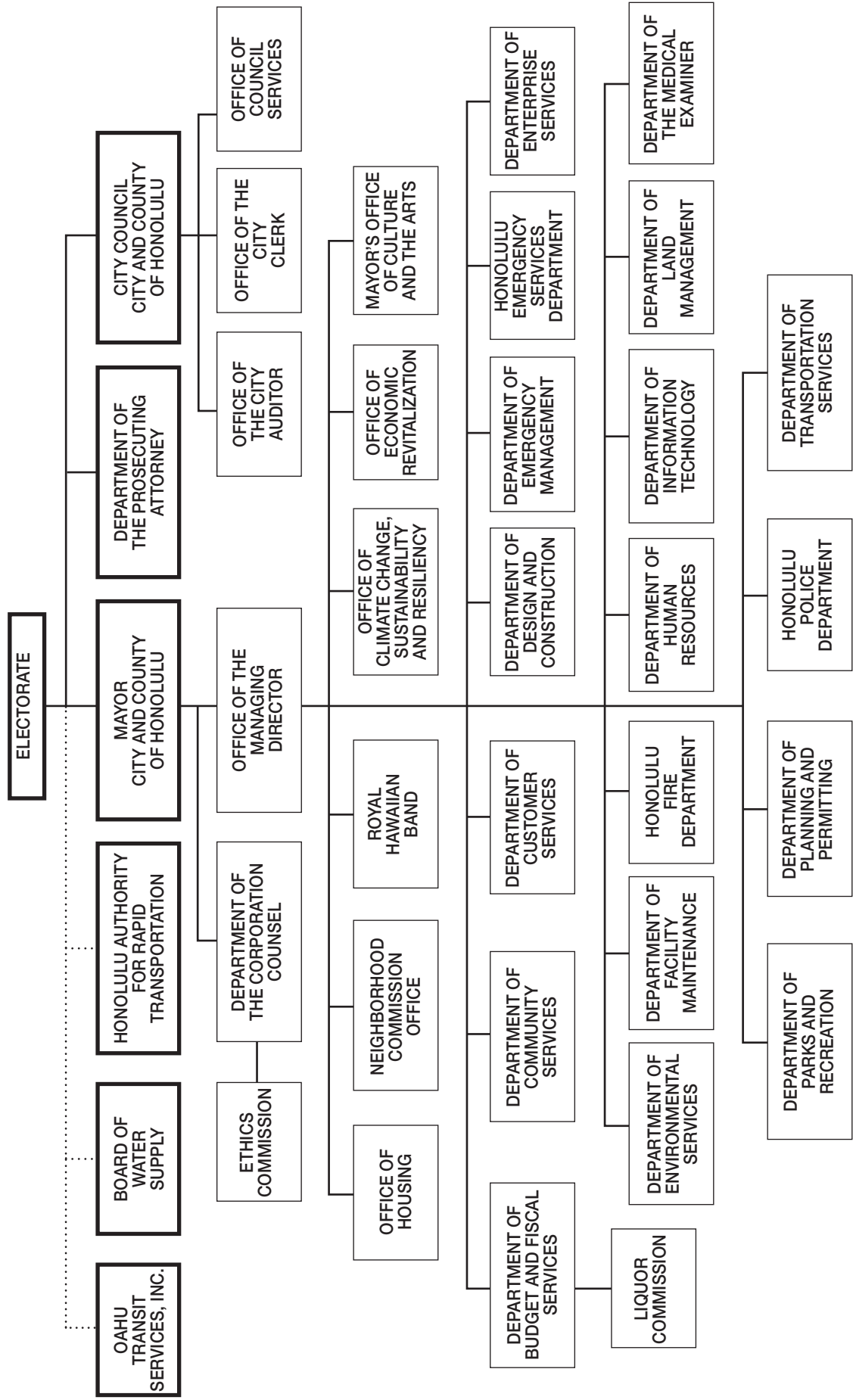
June 30, 2020

Christopher P. Merrill

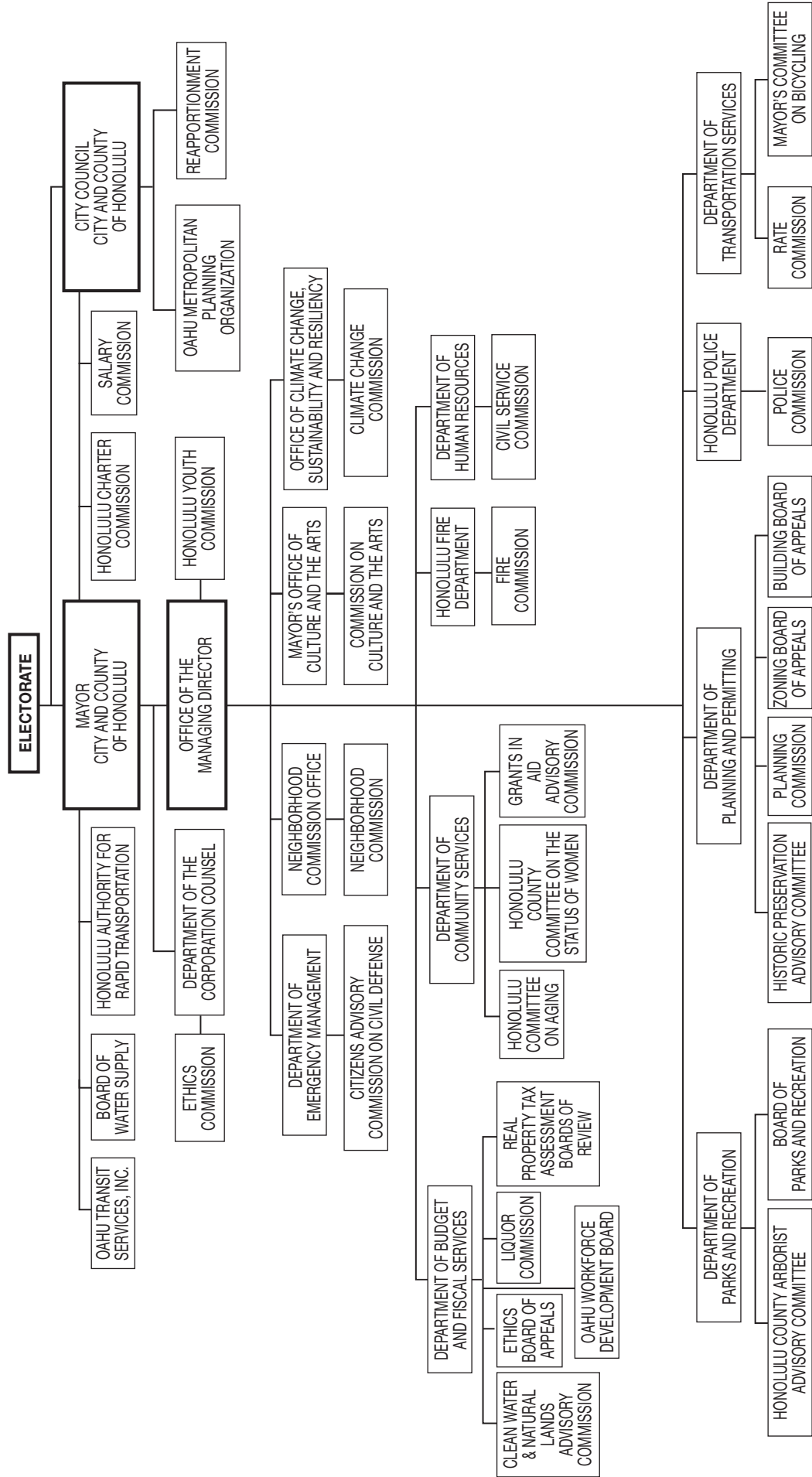
Executive Director/CEO

CITY AND COUNTY OF HONOLULU ORGANIZATIONAL CHART

FISCAL YEAR 2021



CITY AND COUNTY OF HONOLULU CHART OF BOARDS, COMMISSIONS AND COMMITTEES FISCAL YEAR 2021



**CITY AND COUNTY OF HONOLULU
ELECTED OFFICIALS
June 30, 2021**

EXECUTIVE BRANCH

Mayor.Rick Blangiardi
Prosecuting Attorney.Steven S. Alm

LEGISLATIVE BRANCH

<u>Council District</u>	<u>Councilmember</u>
First.	Andria Tupola
Second.	Heidi Tsuneyoshi
Third	Esther Kia`āina
Fourth.	Tommy Waters, Chair
Fifth.	Calvin Say
Sixth.	Carol Fukunaga
Seventh.	Radiant Cordero
Eighth.	Brandon Elefante
Ninth	Augie Tulba

LEGISLATIVE BRANCH

CITY COUNCIL



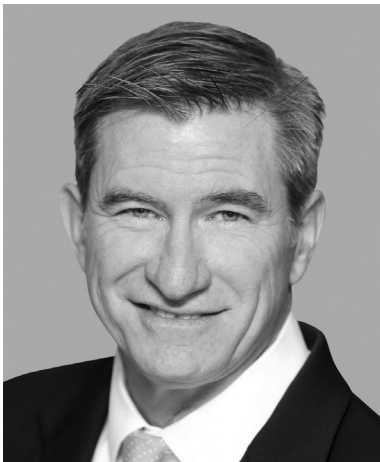
Andria Tupola
Councilmember, District I



Heidi Tsuneyoshi
Councilmember, District II



Esther Kia'aina
Councilmember, District III



Tommy Waters
Council Chair, District IV



Calvin Say
Councilmember, District V



Carol Fukunaga
Councilmember, District VI



Radiant Cordero
Councilmember, District VII

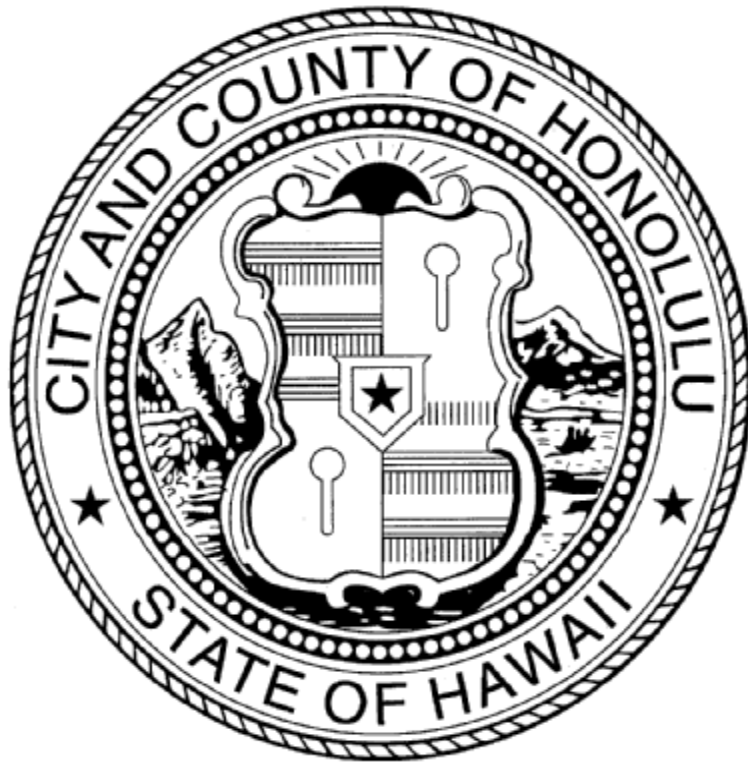


Brandon J.C. Elefante
Councilmember, District VIII



Augie Tulba
Councilmember, District IX

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Financial Section

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Report of Independent Auditors

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City and County of Honolulu, State of Hawaii (the “City”) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditors’ Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial



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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, as well as each fiduciary fund type of the City, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective July 1, 2020, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 23–40), budgetary comparison information (pages 147–153), schedule of proportionate share of the net pension liability (page 154), schedule of contributions (page 155), schedule of changes in net OPEB liability and related ratios (page 157), and schedule of contributions (page 158) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

Accuity LLP

Honolulu, Hawaii
December 30, 2021



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CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021

The following Management's Discussion and Analysis (MD&A) is designed to provide an overview of the financial performance of the City and County of Honolulu (City) for the fiscal year ended June 30, 2021. The information presented in this MD&A should be considered in conjunction with the letter of transmittal in the Introductory Section of the Annual Comprehensive Financial Report (ACFR) and the financial statements that follow this subsection.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2021

- Revenues from governmental activities totaled approximately \$2.55 billion for fiscal year 2021 compared to \$2.50 billion for the prior fiscal year. Expenses before transfers amounted to \$2.51 billion for the current fiscal year compared to \$1.97 billion for the prior fiscal year. The governmental activities are summarized on page 28, discussed on pages 29 to 31, and reported on pages 46 and 47.
- The net position for the City's business-type activities increased by \$239.5 million for the current fiscal year compared to \$180.9 million for fiscal year 2020. The improvement in net position can be attributed to a variety of factors such as the \$69.7 million increase in program revenue and a decrease of \$12.0 million in operating expense. The business-type activities are summarized on page 28, discussed on pages 32 and 33, and reported on pages 45 to 47.
- The combined ending governmental fund balances as of June 30, 2021 increased by \$231.8 million (as summarized on page 34) to \$1.90 billion (as reported on pages 55 and 56).
- Net capital assets for the governmental activities rose from \$3.18 billion at the end of the prior fiscal year to \$3.25 billion at June 30, 2021. Likewise, net capital assets for the business-type activities increased from \$4.34 billion at the close of fiscal year 2020 to \$4.62 billion at June 30, 2021. Capital assets are discussed on pages 36 to 38, and reported on pages 103 to 105 in the Notes to Financial Statements.
- The debt applicable to the legal debt margin totaled \$3.25 billion, representing less than 10% of the City's \$36.39 billion statutory debt limit. Additional information on the City's long-term debt may be found on pages 38 and 39, on pages 107 to 113 in the Notes to Financial Statements, and on pages 300 to 306 in the Statistical Section.

CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021

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 ACFR also contains required and other supplementary information.

Government-Wide Financial Statements

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

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

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

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

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

CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021

Fund Financial Statements

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

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

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

As of June 30, 2021, there were thirty six governmental funds, each individually categorized as major or nonmajor. A fund is considered major if its revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds and at least 5% of the aggregate amount for all governmental and enterprise funds for the same item. The General Fund is always classified as a major fund. The three other major funds are the Highway Fund, the General Obligation Bond and Interest Redemption Fund, and the Federal Grants Fund. Information for the nine legally separated funds, combined as the General Fund, along with the twenty three nonmajor funds are presented in aggregate on the Balance Sheet, and the Statement of Revenues, Expenditures and Changes in Fund Balances for the governmental funds. Individual fund data is provided for each of the governmental funds under Other Supplementary Information of this report.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

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 61 to 64. In addition, the proprietary funds are classified as business-type activities in the government-wide financial statements on pages 45 to 47.

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 67 and 68.

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 ACFR presents certain required supplementary information. The combining financial statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. The individual fund statements and schedules may be found following the combining financial statements.

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

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. Excluding its component units, the City's net position declined slightly from \$352.0 million for the fiscal year ended June 30, 2020 to a balance of \$346.2 million for the fiscal year ended June 30, 2021.

Net investment in capital assets (i.e., land, construction work in progress, buildings and improvements, equipment and machinery, and infrastructure) represents the largest portion of the primary government's net position, amounting to a positive balance of \$2.35 billion, an increase of \$219.3 million compared to last fiscal year. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

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

Resources that are subject to external restrictions on how they may be used reflected positive balances as shown below. For the fiscal year ended June 30, 2021, net position restricted for debt service increased for the governmental activities from \$799.8 million at June 30, 2020 to \$1.06 billion for the current fiscal year, primarily due to additional debt issued for the rail transit project which HART is required to reimburse to the City as the bonds become due. Conversely, net position restricted for debt service decreased by \$66.7 million to \$115.2 million for the business-type activities as of June 30, 2021 due to the release of common reserve funds to refund wastewater system revenue bonds.

The governmental activities reported a negative unrestricted net position of \$4.18 billion as of June 30, 2021 compared to a negative of \$3.68 billion at the prior fiscal year ended. On the other hand, the unrestricted net position of the business-type activities improved to \$1.01 billion at the current fiscal year end compared to \$915.3 million for the prior fiscal year end.

The following is a summary of the Statements of Net Position as of June 30, 2021 and 2020 (amounts in millions):

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

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2021	2020 As restated	2021	2020	2021	2020 As restated
Current and other assets	\$ 2,423.8	\$ 2,258.7	\$ 1,686.1	\$ 1,601.0	\$ 4,109.9	\$ 3,859.7
Restricted assets	-	-	190.9	404.4	190.9	404.4
Capital assets, net of accumulated depreciation	3,252.6	3,182.7	4,615.5	4,344.6	7,868.1	7,527.3
Total assets	5,676.4	5,441.4	6,492.5	6,350.0	12,168.9	11,791.4
Deferred outflow s of resources	858.0	821.3	189.3	169.7	1,047.3	991.0
Noncurrent liabilities	8,409.4	7,938.1	3,617.4	3,701.6	12,026.8	11,639.7
Other liabilities	230.0	208.5	160.1	171.7	390.1	380.2
Total liabilities	8,639.4	8,146.6	3,777.5	3,873.3	12,416.9	12,019.9
Deferred inflow s of resources	413.6	389.4	39.5	21.1	453.1	410.5
Net position:						
Net investment in capital assets	609.4	606.5	1,744.5	1,528.1	2,353.9	2,134.6
Restricted	1,056.6	799.8	115.2	181.9	1,171.8	981.7
Unrestricted	(4,184.6)	(3,679.6)	1,005.1	915.3	(3,179.5)	(2,764.3)
Total net position	\$ (2,518.6)	\$ (2,273.3)	\$ 2,864.8	\$ 2,625.3	\$ 346.2	\$ 352.0

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

The following is a summary of the Statements of Activities for fiscal years 2021 and 2020 (amounts in millions):

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

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2021	2020 As restated	2021	2020	2021	2020 As restated
Revenues						
Program revenues:						
Charges for services	\$ 370.0	\$ 368.0	\$ 627.5	\$ 655.4	\$ 997.5	\$ 1,023.4
Operating grants and contributions	578.5	193.7	94.3	23.4	672.8	217.1
Capital grants and contributions	13.5	305.9	42.5	15.8	56.0	321.7
General revenues:						
Property taxes	1,455.1	1,429.3	-	-	1,455.1	1,429.3
Other taxes	119.3	139.2	-	-	119.3	139.2
Other	12.1	64.1	4.6	26.5	16.7	90.6
Total revenues	<u>2,548.5</u>	<u>2,500.2</u>	<u>768.9</u>	<u>721.1</u>	<u>3,317.4</u>	<u>3,221.3</u>
Expenses						
General government	1,208.5	872.8	-	-	1,208.5	872.8
Public safety	575.2	547.9	-	-	575.2	547.9
Highways and streets	116.0	115.3	-	-	116.0	115.3
Sanitation	0.3	0.4	-	-	0.3	0.4
Human services	183.0	104.2	-	-	183.0	104.2
Culture and recreation	131.7	154.4	-	-	131.7	154.4
Utilities or other enterprises	174.2	60.1	-	-	174.2	60.1
Interest	119.3	112.6	-	-	119.3	112.6
Housing	-	-	10.7	11.8	10.7	11.8
Sewer	-	-	288.2	290.6	288.2	290.6
Solid waste	-	-	219.6	223.5	219.6	223.5
Public transportation	-	-	296.5	301.1	296.5	301.1
Total expenses	<u>2,508.2</u>	<u>1,967.7</u>	<u>815.0</u>	<u>827.0</u>	<u>3,323.2</u>	<u>2,794.7</u>
Increase (decrease) before transfers	40.3	532.5	(46.1)	(105.9)	(5.8)	426.6
Transfers	<u>(285.6)</u>	<u>(286.8)</u>	<u>285.6</u>	<u>286.8</u>	<u>-</u>	<u>-</u>
Change in net position	(245.3)	245.7	239.5	180.9	(5.8)	426.6
Net position - beginning (as restated)	<u>(2,273.3)</u>	<u>(2,519.0)</u>	<u>2,625.3</u>	<u>2,444.4</u>	<u>352.0</u>	<u>(74.6)</u>
Net position - ending	<u>\$ (2,518.6)</u>	<u>\$ (2,273.3)</u>	<u>\$ 2,864.8</u>	<u>\$ 2,625.3</u>	<u>\$ 346.2</u>	<u>\$ 352.0</u>

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

Total revenues for the primary government increased 3.0% from \$3.22 billion for fiscal year 2020 to \$3.32 billion for the current fiscal year. The increase can be credited primarily to Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act (ARPA) funds and secondarily to improved real property tax revenues.

Expenses for the primary government totaled \$3.32 billion for fiscal year 2021 of which \$2.51 billion is related to governmental activities and \$815.0 million to business-type activities. Depreciation, included as expenses in the above schedule, amounted to \$141.1 million for the governmental activities and \$127.3 million for business-type activities for fiscal year 2021 as disclosed on page 105. For the 2020 fiscal year, expenses for the primary government totaled \$2.79 billion; \$1.97 billion pertained to governmental activities and \$827.0 million to business-type activities.

Statement of Activities

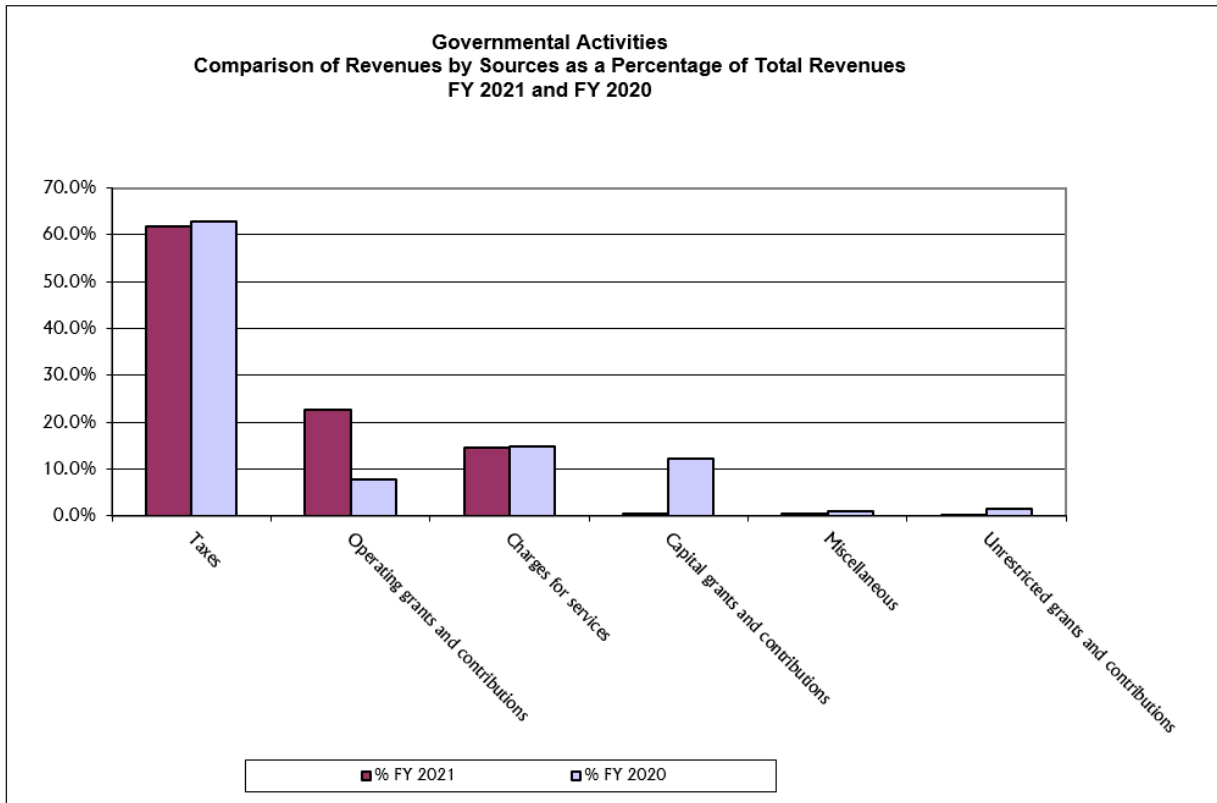
As noted earlier, the Statement of Activities presents how the City's net position changed during the current fiscal year. Revenues and expenses are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. As such, the statement includes information for some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

Governmental Activities

Increased pension, OPEB and debt service costs as well as the impact of collective bargaining on salaries and wages for the City's governmental activities were factors contributing to the negative net position of \$2.52 billion as of June 30, 2021 and \$2.27 billion at the prior fiscal year end. Further declines were averted by increased real property tax revenues arising from higher valuations, new housing inventory, reviews of exemption compliance, and improved effectiveness in collecting delinquent taxes.

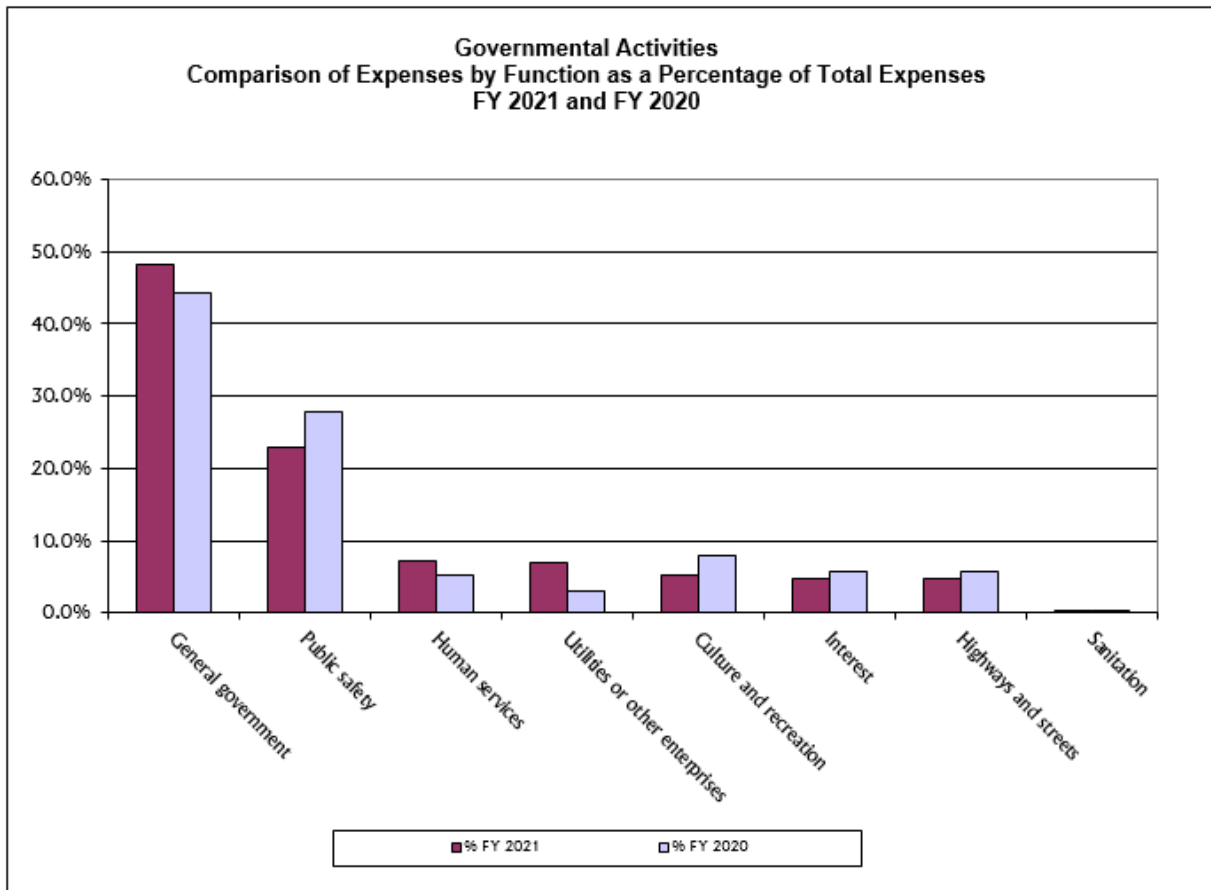
**CITY AND COUNTY OF HONOLULU
MANAGEMENT’S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

Revenues. The following chart presents a Comparison of Revenues by Sources as a Percentage of Total Revenues. The revenues from governmental activities improved \$48.3 million for fiscal year 2021, taxes in proportion to total revenues for fiscal year 2021 decreased compared to the preceding fiscal year. Specifically, taxes (i.e., real property, public service company, fuel, and public utility franchise), represented 61.8% of the revenues from governmental activities and totaled \$1.57 billion for fiscal year 2021, in comparison to 62.8% and \$1.57 billion for the prior fiscal year. Representing 22.7% of the revenues from governmental activities, operating grants and contributions increased \$384.9 million to \$578.5 million for fiscal year 2021 mainly due to COVID-19 related funds. Charges for services of \$370.0 million represented 14.5% of the revenues from governmental activities for fiscal year 2021, compared to 14.7% of total revenues for the previous fiscal year. Capital grants and contributions decreased from 12.2% of total revenues for the prior fiscal year to 0.5% for the 2021 fiscal year. Unrestricted grants and contributions amounted to \$0.06 million and \$37.9 million for the fiscal years 2021 and 2020, respectively. As a result of lower interest rates, miscellaneous revenues, comprised mostly of investment earnings, declined from 1.0% of total revenues for fiscal year 2020 to 0.5% for the 2021 fiscal year.



**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

Expenses. The exhibit below displays the Comparison of Expenses by Function as a Percentage of Total Expenses for governmental activities for fiscal year 2021 compared to the prior fiscal year. Compared to total expenses, general government expenses increased from 44.4% (\$872.8 million) for fiscal year 2020 to 48.2% (\$1.21 billion) for the current fiscal year due to a variety of factors including an increase in pension and OPEB costs. Although total public safety expenses decreased from 27.9% for fiscal year 2020 to 22.9% for fiscal year 2021, total public safety expenses increased to \$575.2 million, up \$27.3 million from the previous fiscal year. Human services expenses, representing 5.3% of total expenses for the previous fiscal year, increased to 7.3% (\$183.0 million) for the current fiscal year primarily due to COVID-19 related funds. Similarly, utilities or other enterprises expenses increased from 3.1% (\$60.1 million) last fiscal year to 6.9% (\$174.2 million) this fiscal year. In addition, culture and recreation expense decreased to 5.3% (\$131.7 million) for fiscal year 2021 compared to 7.9% of total expenses for fiscal year 2020 while total interest expenses decreased from 5.7% (\$112.6 million) for the prior fiscal year to 4.8% (\$119.3 million) for fiscal year 2021. Likewise, total highways and streets expenses for highway decreased from 5.7% (\$115.3 million) for the preceding fiscal year to 4.6% (\$116.0 million) for the current fiscal year.

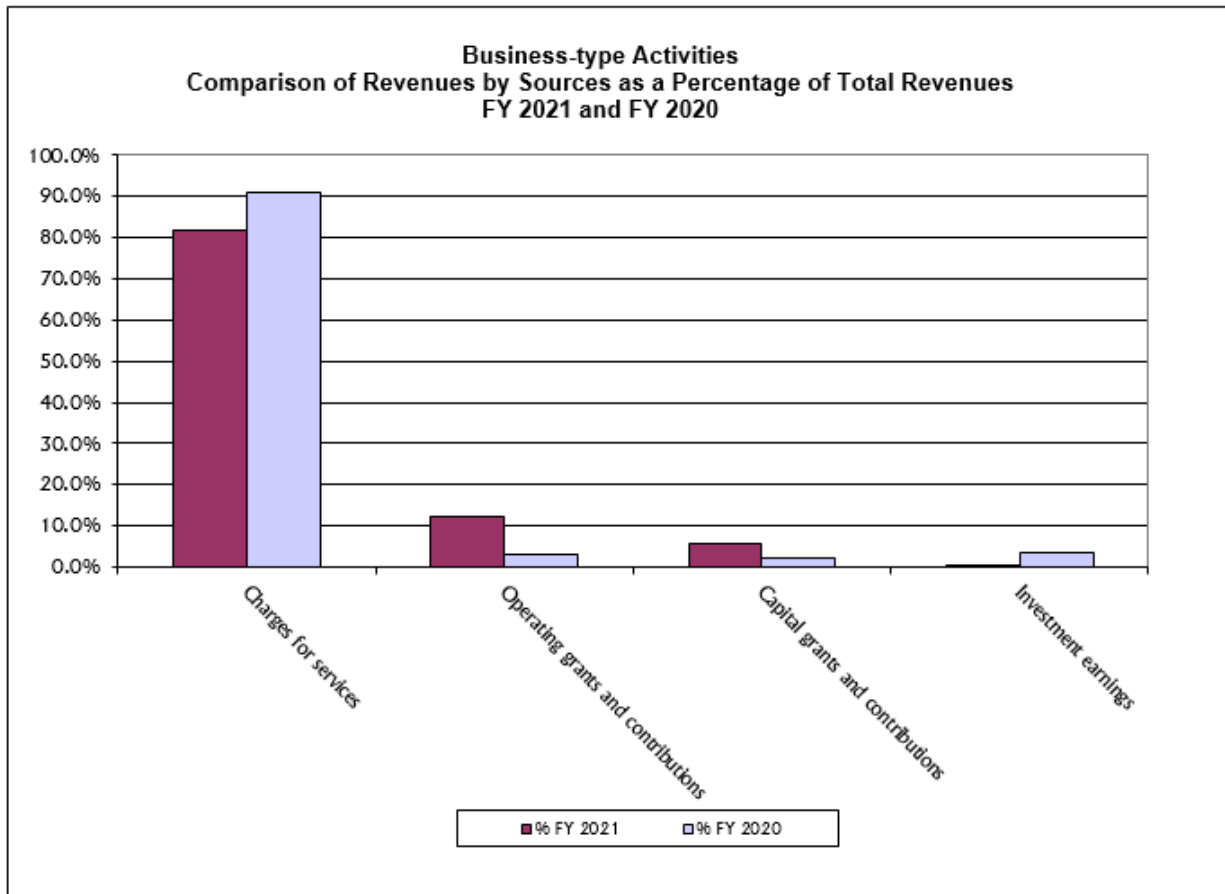


**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

Business-type Activities

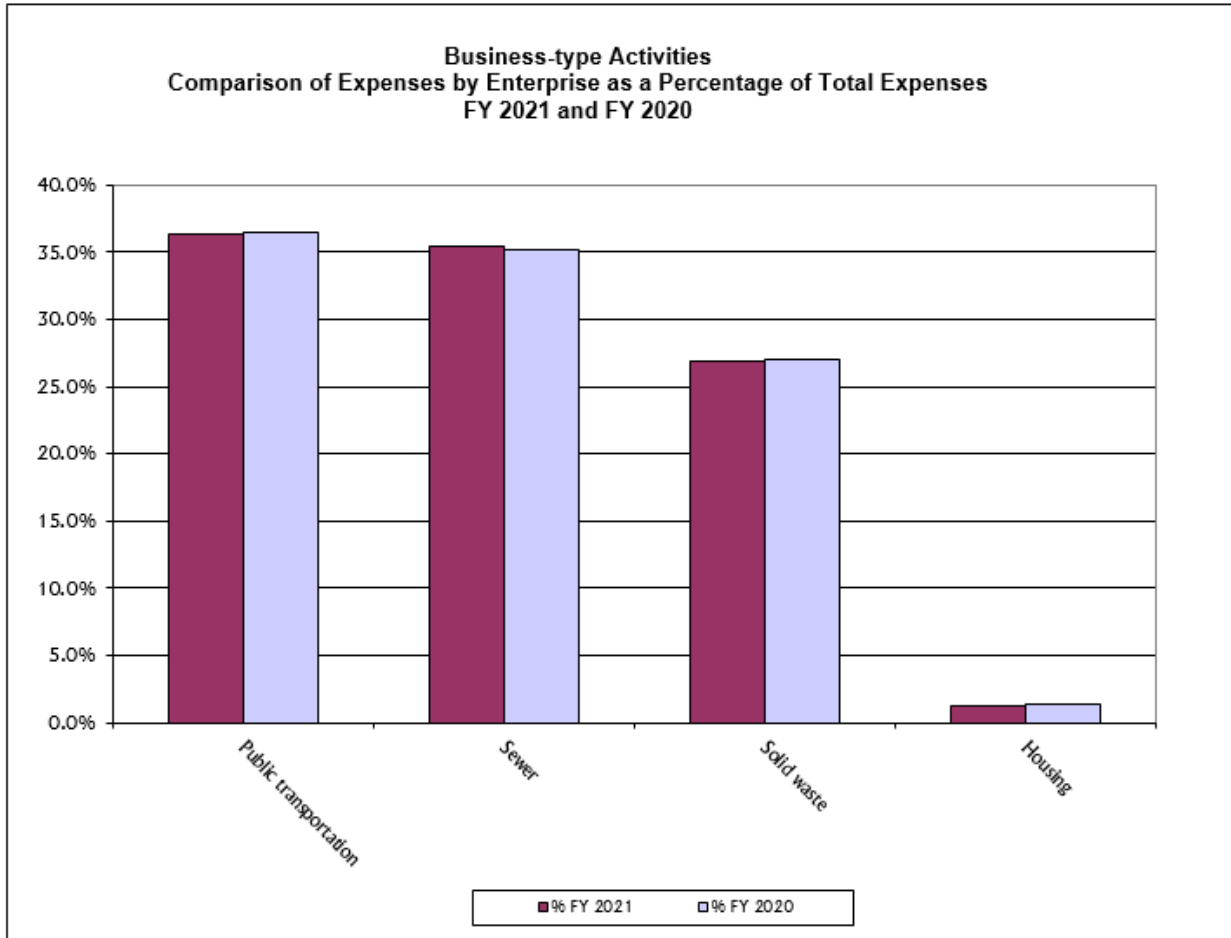
The change in net position of the City's business-type activities increased by \$239.5 million for fiscal year 2021, compared to \$180.9 million for fiscal year 2020.

Revenues. The exhibit below displays the Comparison of Revenues by Sources as a Percentage of Total Revenues for the business-type activities. Although the exhibit indicates that charges for services decreased from 90.9% of total revenues for fiscal year 2020 to 81.6% for the current fiscal year, total charges for services actually decreased by \$27.8 million to \$627.5 million for fiscal year 2021. Charges for services for fiscal year 2021 can be disaggregated as follows: Housing (\$13.6 million), sewer (\$459.5 million), solid waste (\$127.7 million), and public transportation (\$26.7 million). The pandemic affected charges for services with reduced bus fare collections arising from lower bus ridership levels. The coronavirus also impacted investment earnings, declining from \$26.5 million for the prior fiscal year to \$4.6 million for fiscal year 2021 with the Federal Reserve Board cutting its benchmark interest rates. Operating grants and contributions increased from \$23.4 million for fiscal year 2020 to \$94.2 million for the current fiscal year, mainly due to the increase of federal grants related to public transportation.



**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

Expenses. From the Comparison of Expenses by Enterprise as a Percentage of Total Expenses shown in the exhibit below, expenses for the business-type activities remained relatively stable for fiscal years 2021 and 2020. Public transportation used the most resources (36.4%), followed closely by sewer (35.4%). Solid waste accounted for 26.9% of total expenses, followed by housing (1.3%). The breakdown for the prior fiscal year is as follows: Public transportation (36.4%), sewer (35.2%), solid waste (27.0%), and housing (1.4%).



**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

FINANCIAL ANALYSIS OF THE CITY GOVERNMENT'S FUNDS

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

Governmental Funds

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

The following table summarizes in millions the changes in fund balances for the City's governmental funds for the 2021 fiscal year. Total fund balances increased by \$231.8 million for fiscal year 2021 in comparison to \$336.2 million for the prior fiscal year. The increase for the current fiscal year is due to a variety of factors including improved real property tax collections, increase in COVID-19 related funds and general obligation bonds issued on behalf of HART, reflected as an advance to component unit on the Balance Sheet for the Governmental Funds.

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

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Federal Grants Fund	All Other Funds	Totals	
						2021	2020 as restated
Revenues:							
Taxes	\$ 1,470.6	\$ 83.0	\$ -	\$ -	\$ 20.1	\$ 1,573.7	\$ 1,565.1
Other	125.4	199.4	34.9	486.3	137.4	983.4	647.9
Total Revenues	1,596.0	282.4	34.9	486.3	157.5	2,557.1	2,213.0
Expenditures	1,220.6	131.1	317.7	511.4	416.4	2,597.2	2,052.4
Subtotal	375.4	151.3	(282.8)	(25.1)	(258.9)	(40.1)	160.6
Transfers and Other	(397.9)	(162.1)	539.7	-	292.2	271.9	175.2
Changes in Fund Balances	\$ (22.5)	\$ (10.8)	\$ 256.9	\$ (25.1)	\$ 33.3	\$ 231.8	\$ 335.8

The above changes in fund balances for the governmental funds differ from the changes in net position for governmental activities summarized on page 28. The differences relate to certain financial resources and expenditures such as debt financing and capital outlays that are included in the changes in governmental fund balances but are not reported in the changes in net position as detailed on page 57.

General Fund. The General Fund is the main operating fund of the City. Its combined total fund balance decreased \$22.5 million to \$489.8 million for the current fiscal year.

CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021

Real property tax, the primary General Fund revenue source rose \$25.8 million, representing a 1.8% increase over the previous year, primarily due to higher valuations, new housing inventory, reviews of exemption compliance, and improved effectiveness in collecting delinquent taxes. This increase was offset by a decrease in the transient accommodations tax of \$37.9 million from the previous year.

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. Despite higher revenues from motor vehicle weight taxes and a lower subsidy to the Bus Transportation Fund than the last fiscal year, restricted fund balance declined from \$36.8 million for the 2020 fiscal year to \$26.0 million at the close of the current fiscal year. Although several factors affected the decline in the restricted fund balance, the most notable was the \$7.3 million decrease in public utility franchise tax collections compared to the prior fiscal year.

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, State of Hawaii Revolving Fund notes payable due to federal and state government agencies, and general obligation commercial paper notes. Fund balance increased from \$799.6 million for fiscal year 2020 to \$1.06 billion for the current fiscal year, mainly due to the issuance of general obligation bonds for the rail transit project which HART is required to reimburse to the City as the bonds become due, included in other financing sources in the Statement of Revenues, Expenditures and Changes in Fund Balances on page 56, and disclosed on pages 107 to 113.

Federal Grants Fund. The Federal Grants Fund continues to be reported as a major fund due to the receipt of, ARPA and Emergency Rental Assistance Funds 1 and 2 funds totaling \$279 million during fiscal year 2021. The City received \$387.2 million of CARES Act funds for fiscal year 2020.

All Other Funds. This category is comprised of all the City's nonmajor governmental funds, and excludes the proprietary and fiduciary funds. Total fund balance for the fiscal year ended June 30, 2021 increased by \$33.3 million, compared to an improvement of \$75.6 million for the preceding fiscal year. One of the primary factors for the smaller improvement in total fund balance for the nonmajor governmental funds was a \$20.6 million land acquisition for the expansion of the Middle Street Transit Center.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

GENERAL FUND BUDGETARY HIGHLIGHTS

The following is a summary in millions of the most noteworthy fiscal year 2021 general fund revenue variances between the budgetary estimates and the actual amounts earned:

**General Fund Revenue Variances
(Amounts in Millions)**

Revenue Sources	Revenue Budget	Actual Revenues	Variance s
Real Property Tax	\$ 1,324.8	\$ 1,431.3	8.0%
Public Service Company Tax	42.8	39.2	(8.4)%
Building Permits	19.6	21.0	7.1%
Motor Vehicle Registration Annual Fee	14.1	14.4	2.1%
Transient Accommodation Tax	22.7	-	(100.0)%
Emergency Ambulance Services	50.9	42.3	(16.9)%

The most significant variance above pertains to the transient accommodation tax (TAT) also known as the hotel room tax. This variance is a result of the State repealing the allocation of the TAT to the counties as a result of the pandemic's effect on tourism.

There was no increase from the total original appropriated budget (including transfers) to the final amended expenditure budget (including transfers); line item amendments for the General Fund represent authorized changes between activities.

Due to the implementation of expenditure control measures, actual expenditures were less than budgetary estimates by 7.4% (\$103.8 million) for fiscal year 2021. The net change in fund balance for the General Fund reflected a favorable variance of \$169.7 million for fiscal year 2021.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, totaled \$7.87 billion for the primary government of which \$3.25 billion pertained to governmental activities as of June 30, 2021. 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, 2021

Capital asset additions can be attributed primarily to costs incurred for various ongoing capital improvement projects during fiscal year 2021. Major projects for the governmental activities include Rehabilitation of Streets and Bridges (\$25.8 million), Improvements at Various Parks (\$25.0 million), Renovation of Housing Properties (\$21.5 million), Public Safety Equipment and Improvements (\$16.9 million). For the business-type activities, the major projects include Honouliuli WWTP Secondary Treatment Phase 1B - Secondary Compliance Facility (\$106.9 million), Awa Street Wastewater Improvements-Waiakamilo Trunk Sewer (\$26.3 million), Kailua WWTP Upgrade, Phase 2 (\$18.3 million), Honouliuli WWTP Secondary Treatment Phase 1A - Sludge Drying (\$16.2 million), Honouliuli WWTP Secondary Treatment, Project (\$13.2 million) and Sand Island WWTP Secondary Treatment Project (\$12.5 million).

Major completed projects during fiscal year 2021 for the governmental activities include Rehabilitation of Streets and Bridges at Various Locations (\$24.5 million), Acquisition and renovation of Various Housing Properties (\$13.3 million), Improvement at Various Parks (\$7.9 million), and Public Safety Equipment and Improvements (3.2 million). For the business-type activities, the major completed projects include Waianae WWTP Improvement and Upgrade (\$20.5 million), Ala Moana Wastewater Pump Station Upgrade - Consultant Service (\$17.3 million), Palolo Sewer Relief – 9th Avenue and 10th Avenue (\$15.2 million), Kamehameha Highway WWPS Upgrade Mapunapuna (\$13.4 million), Acquisition of Various Refuse Collection Vehicles (\$8.7 million), Acquisition of Public Transportation Vehicles for The Bus and Handivan (\$7.9 million).

Additional information on the City's capital assets may be found in the Notes to Financial Statements on pages 103 to 105.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

The following is a summary in millions of the capital assets for the primary government as of June 30, 2021 in comparison to the previous year end:

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

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2021	2020	2021	2020	2021	2020
Non-depreciable assets:						
Land	\$ 907.2	\$ 893.4	\$ 179.5	\$ 162.4	\$ 1,086.7	\$ 1,055.8
Construction work in progress	320.5	220.6	829.2	632.5	1,149.7	853.1
Other capital assets:						
Buildings and improvements	1,785.1	1,748.4	2,210.6	2,164.1	3,995.7	3,912.5
Equipment and machinery	508.1	479.9	809.8	782.8	1,317.9	1,262.7
Infrastructure	2,074.9	2,044.1	2,423.7	2,329.2	4,498.6	4,373.3
Less: accumulated depreciation	<u>(2,343.2)</u>	<u>(2,203.7)</u>	<u>(1,837.3)</u>	<u>(1,726.4)</u>	<u>(4,180.5)</u>	<u>(3,930.1)</u>
Net	<u>\$ 3,252.6</u>	<u>\$ 3,182.7</u>	<u>\$ 4,615.5</u>	<u>\$ 4,344.6</u>	<u>\$ 7,868.1</u>	<u>\$ 7,527.3</u>

Long-Term Debt

At June 30, 2021, the long-term debt for the primary government amounted to \$6.51 billion, consisting mainly of total bonded debt (\$6.21 billion) and notes payable (\$298.9 million). The total bonded debt is comprised of \$4.11 billion in general obligation bonds including commercial paper notes of \$301.0 million, and \$2.11 billion in revenue bonds secured by wastewater system revenue sources.

The following is a summary of the bonded debt activities during fiscal year 2021:

- On August 5, 2020, \$279.3 million of general obligation bonds was issued. Series 2020C was issued to fund various capital improvement projects. Series 2020D was issued to fund related equipment purchases. Series 2020E was issued to fund improvements to the H-Power waste to energy facility.
- On September 3, 2020, \$67.0 million of general obligation bonds was issued. Series 2020F was issued to refund portions of outstanding general obligation bond Series 2010A.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021**

- On December 29, 2020, \$273.7 million of wastewater system revenue bonds was issued. Senior Series 2020A was issued to refund portions of the outstanding revenue bond Senior Series 2012B, 2015A and 2015B.

General obligation bonds Series 2020C, 2020D, 2020E and 2020F have been assigned ratings of "AA+" by Fitch Ratings and "Aa1negative" by Moody's Investors Service, respectively.

The wastewater system revenue bond Senior Series 2020A have been assigned ratings of AA by Fitch Ratings and Aa2 by Moody's Investors Services, respectively.

The Hawaii Revised Statutes limit the amount of general obligation debt the City may issue to 15.0% of its net assessed valuation. The statutory debt limit for fiscal year 2021 was \$36.39 billion. The City's outstanding debt applicable to the legal debt margin totaled \$3.25 billion as of June 30, 2021, well below the statutory debt limitation.

Additional information on the City's long term debt may be found on pages 107 to 113 under note 8 titled Long-Term Liabilities, and on page 143 under note 17 titled Subsequent Events in the Notes to Financial Statements section.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The military, Hawaii's second major industry, as well as construction and home resales, have not been significantly impacted by the pandemic thus far. However, the island's main economic sector, tourism, has been hard hit with full economic recovery not expected for several years.

The assessed valuation of real property (including new added property inventory) on Oahu decreased \$2.51 billion from the current fiscal year to \$240.12 billion for fiscal year 2022. The \$1.38 billion calculated amount to be raised by taxation for fiscal year 2022, represents a slight decrease compared to the actual amount earned of \$1.46 billion for fiscal year 2021.

The operating budget net of inter-fund transfers increased to \$2.93 billion for fiscal year 2022 compared to \$2.92 billion for 2021, primarily due to nondiscretionary costs such as retirement contributions for employees, healthcare benefits and other postemployment benefits, and negotiated pay raises.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

In March 2020, the World Health Organization declared the outbreak of COVID-19 as a pandemic which remains a rapidly revolving situation. The City is monitoring the COVID-19 pandemic, and to date the City has not experienced any material adverse impact on its operations or finances from COVID-19. Although the City believes COVID-19 will not adversely impact the operations or revenues, the ultimate impact is not known at this time.

CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021

The City received \$387.2 million from the CARES Act, Coronavirus Relief Fund, and incurred \$313.0 million in eligible expenses during the 2021 fiscal year. In addition, the City was awarded \$193.0 million from the ARPA, State and Local Fiscal Recovery Funds representing half of the City's total funding. The City did not incur any eligible expenses during the fiscal year 2021.

Currently, the City is working on its annual operating budget for fiscal year 2023. At this time, little change is expected for revenues from the public service company tax, building permits and the motor vehicle registration annual fee.

The full impact of the pandemic to revenues and expenditures is unknown at this time. The effects of COVID-19 are discussed further on pages 91-92 in the Notes to Financial Statements.

On December 14, 2021, the Mayor signed Bill 40 which established a new Oahu Transient Accommodations Tax (OTAT) of 3.0% for the island of Oahu. The OTAT is levied on taxpayers who let transient accommodations less than 180 days whom have taxable gross rental proceeds and/or fair market rental value attributable to Oahu. The OTAT is imposed in addition to the State's current Transient Accommodation Tax (TAT) of 10.25%. OTAT establishment was in response to the Act 1, Frist Special Session 2021, which became effective July 1, 2021 and repealed the State's allocation of the TAT to the counties and instead allowed the counties the right to establish and administer their own transient accommodations tax.

During the end of November 2021, the Navy housing residents noticed fuel odors in the tap water at the Joint Base Pearl Harbor Hickam facilities and residential housing. Soon after the Navy conducted multiple tests and confirmed the Red Hill shaft water source was contaminated with petroleum and the source of the fuel odors. Immediately after the contamination notice, BWS took precautionary measures and shut down its Aiea and Halawa wells. BWS is presently pumping at a high rate from other well stations that also serve metropolitan Honolulu to make up for the 20% loss from shutting down the Aiea and Halawa wells. BWS is monitoring the situation and the wells serving the urban Honolulu are currently stable. BWS has the technical, managerial, and financial expertise to respond to this event and they are not experiencing any adverse financial impact at this time.

FINANCIAL CONTACT

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

Basic Financial Statements

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Government-Wide Financial Statements

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CITY AND COUNTY OF HONOLULU
STATEMENT OF NET POSITION
 JUNE 30, 2021
 (Amounts in thousands)

Primary Government

	Governmental Activities	Business-type Activities	Total	Total Component Units
ASSETS				
Cash and cash equivalents	\$ 171,549	\$ 198,994	\$ 370,543	\$ 34,876
Investments	1,139,970	1,374,252	2,514,222	484,475
Receivables (net)	128,343	81,919	210,262	112,333
Internal balances	1,648	(1,648)	--	--
Inventories	--	28,259	28,259	12,267
Prepaid expenses and other	--	4,292	4,292	28,500
Restricted assets:				
Cash and cash equivalents	--	24,661	24,661	28,213
Investments	--	166,218	166,218	133,835
Advance to component unit	982,448	--	982,448	--
Capital assets (net of accumulated depreciation):				
Land	907,215	179,465	1,086,680	238,642
Buildings and improvements	795,553	1,542,985	2,338,538	101,662
Equipment and machinery	142,103	212,291	354,394	108,902
Infrastructure	1,087,295	1,851,574	2,938,869	804,364
Construction work in progress	320,471	829,188	1,149,659	4,900,423
Total assets	<u>5,676,595</u>	<u>6,492,450</u>	<u>12,169,045</u>	<u>6,988,492</u>
DEFERRED OUTFLOWS				
Deferred outflows of resources	<u>857,999</u>	<u>189,281</u>	<u>1,047,280</u>	<u>142,847</u>
LIABILITIES				
Accounts payable	117,762	98,002	215,764	130,747
Matured bonds and interest payable ...	317	--	317	--
Accrued interest payable	49,510	47,057	96,567	4,929
Due to fiduciary funds	--	22	22	--
Other liabilities	62,400	15,013	77,413	30,216
Noncurrent liabilities:				
Due within one year	206,050	153,912	359,962	55,431
Due in more than one year	3,971,803	3,051,637	7,023,440	454,047
Other due in more than one year:				
Advance from City.....	--	--	--	982,448
Net pension liability.....	2,686,281	233,627	2,919,908	173,951
Net OPEB liability.....	1,545,295	178,211	1,723,506	376,527
Total liabilities	<u>8,639,418</u>	<u>3,777,481</u>	<u>12,416,899</u>	<u>2,208,296</u>
DEFERRED INFLOWS				
Deferred inflows of resources	<u>413,773</u>	<u>39,465</u>	<u>453,238</u>	<u>44,040</u>
NET POSITION				
Net investment in capital assets	609,433	1,744,529	2,353,962	4,715,710
Restricted for:				
Capital activity	--	--	--	29,404
Debt service	1,056,636	115,164	1,171,800	--
Unrestricted	<u>(4,184,666)</u>	<u>1,005,092</u>	<u>(3,179,574)</u>	<u>133,889</u>
Total net position	<u>\$ (2,518,597)</u>	<u>\$ 2,864,785</u>	<u>\$ 346,188</u>	<u>\$ 4,879,003</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, 2021
 (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.....	\$ 1,208,524	\$ 300,745	\$ 259,626	\$ --
Public safety.....	575,162	47,208	59,350	2,020
Highways and streets.....	115,950	1,967	6	354
Sanitation.....	288	--	268	--
Human services.....	183,003	241	151,955	--
Culture and recreation.....	131,741	16,432	5,275	--
Utilities or other enterprises.....	174,231	3,409	102,017	11,084
Interest.....	119,301	--	--	--
Total governmental activities..	<u>2,508,200</u>	<u>370,002</u>	<u>578,497</u>	<u>13,458</u>
Business-type activities:				
Housing.....	10,719	13,606	--	--
Sewer.....	288,153	459,482	--	587
Solid Waste.....	219,567	127,729	--	--
Public Transportation.....	296,527	26,732	94,190	41,929
Total business-type activities...	<u>814,966</u>	<u>627,549</u>	<u>94,190</u>	<u>42,516</u>
Total primary government.....	<u>\$ 3,323,166</u>	<u>\$ 997,551</u>	<u>\$ 672,687</u>	<u>\$ 55,974</u>
Component units:				
Total component units.....	<u>\$ 484,863</u>	<u>\$ 238,472</u>	<u>\$ 199,517</u>	<u>\$ 41,499</u>
General revenues:				
Property taxes.....				
Public service company tax.....				
Fuel tax				
Public utility franchise tax.....				
Investment earnings.....				
Unrestricted grants and contributions.....				
General Excise Tax Surcharge.....				
Other.....				
Transfers.....				
Total general revenues and transfers.....				
Change in net position.....				
Net position - beginning, as previously stated.....				
Prior period adjustment (Note 1).....				
Net position - beginning, as restated.....				
Net position - ending.....				

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

CITY AND COUNTY OF HONOLULU
STATEMENT OF ACTIVITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 2 of 2)

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Total Component Units
\$ (648,153)	\$ --	\$ (648,153)	\$ --
(466,584)	--	(466,584)	--
(113,623)	--	(113,623)	--
(20)	--	(20)	--
(30,807)	--	(30,807)	--
(110,034)	--	(110,034)	--
(57,721)	--	(57,721)	--
(119,301)	--	(119,301)	--
<u>(1,546,243)</u>	<u>--</u>	<u>(1,546,243)</u>	<u>--</u>
--	2,887	2,887	--
--	171,916	171,916	--
--	(91,838)	(91,838)	--
<u>--</u>	<u>(133,676)</u>	<u>(133,676)</u>	<u>--</u>
<u>--</u>	<u>(50,711)</u>	<u>(50,711)</u>	<u>--</u>
<u>(1,546,243)</u>	<u>(50,711)</u>	<u>(1,596,954)</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>(5,375)</u>
1,455,072	--	1,455,072	--
39,240	--	39,240	--
41,226	--	41,226	--
38,869	--	38,869	--
4,839	4,583	9,422	8,359
59	--	59	--
--	--	--	261,852
7,240	--	7,240	224
<u>(285,582)</u>	<u>285,582</u>	<u>--</u>	<u>--</u>
<u>1,300,963</u>	<u>290,165</u>	<u>1,591,128</u>	<u>270,435</u>
<u>(245,280)</u>	<u>239,454</u>	<u>(5,826)</u>	<u>265,060</u>
(2,274,589)	2,625,331	350,742	4,613,943
1,272	--	1,272	--
<u>(2,273,317)</u>	<u>2,625,331</u>	<u>352,014</u>	<u>4,613,943</u>
<u>\$ (2,518,597)</u>	<u>\$ 2,864,785</u>	<u>\$ 346,188</u>	<u>\$ 4,879,003</u>

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Fund Financial Statements

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Governmental Funds Financial Statements

MAJOR FUNDS

General Fund (Combined)

General Fund

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

Grants in Aid Fund

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

Reserve for Fiscal Stability Fund

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

Leasehold Conversion Fund

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

Improvement District Revolving Fund

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

Housing and Community Development Revolving Fund

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

General Trust Fund

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

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. There is no trust agreement for this fund.

Real Property Tax Trust Fund

This fund is used for the purpose of making refunds and adjustments relating to real property taxes. There is no trust agreement for this fund.

Payroll Clearance Fund

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

Governmental Funds Financial Statements (Continued)

MAJOR FUNDS (CONTINUED)

Special Revenue Funds

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.

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.

Debt Service Fund

General Obligation Bond and Interest Redemption Fund

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

NONMAJOR FUNDS

Special Revenue Funds

Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund

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

Bikeway Fund

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

Parks and Playgrounds Fund

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

Liquor Commission Fund

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

Rental Assistance Fund

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

Governmental Funds Financial Statements (Continued)

NONMAJOR FUNDS (CONTINUED)

Special Revenue Funds (Continued)

Hanauma Bay Nature Preserve Fund

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

Clean Water and Natural Lands Fund

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

Affordable Housing Fund

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

Community Development Fund

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

Patsy T. Mink Central Oahu Regional Park Fund

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

Waipio Peninsula Soccer Park Fund

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

Honolulu Zoo Fund

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

Golf Fund

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

Special Events Fund

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

Special Projects Fund

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

Governmental Funds Financial Statements (Continued)

NONMAJOR FUNDS (CONTINUED)

Special Revenue Funds (Continued)

Housing and Community Development Rehabilitation Loan Fund

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

Pauahi Project Expenditures, Hawaii R-15 Fund

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

Housing and Community Development Section 8 Contract Fund

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

Debt Service Fund

Improvement District Bond and Interest Redemption Fund

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

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, 2021
(Amounts in thousands)

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Federal Grants Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments:						
With treasury	\$ 594,092	\$ 24,973	\$ 74,332	\$ 270,358	\$ 347,643	\$ 1,311,398
Imprest and change funds	121	--	--	--	--	121
Receivables	34,273	25,674	--	4,855	63,541	128,343
Due from other funds	4,029	--	--	20	45	4,094
Advance to component unit	--	--	982,448	--	--	982,448
Total Assets	<u>\$ 632,515</u>	<u>\$ 50,647</u>	<u>\$ 1,056,780</u>	<u>\$ 275,233</u>	<u>\$ 411,229</u>	<u>\$ 2,426,404</u>
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 61,800	\$ 1,527	\$ --	\$ 15,497	\$ 38,938	\$ 117,762
Accrued payroll	26,938	1,951	--	220	1,115	30,224
Due to other funds	13	14	--	1,051	1,368	2,446
Matured bonds and interest payable.....	--	--	309	--	8	317
Deposits and advances	32,176	--	--	--	--	32,176
Total Liabilities	<u>120,927</u>	<u>3,492</u>	<u>309</u>	<u>16,768</u>	<u>41,429</u>	<u>182,925</u>
Deferred Inflow:						
Deferred inflow	21,797	21,119	--	244,381	58,828	346,125
Total Deferred Inflow	<u>21,797</u>	<u>21,119</u>	<u>--</u>	<u>244,381</u>	<u>58,828</u>	<u>346,125</u>
Fund Balances:						
Restricted	--	26,036	--	14,084	148,044	188,164
Committed	152,654	--	1,056,471	--	162,928	1,372,053
Assigned	87,077	--	--	--	--	87,077
Unassigned	250,060	--	--	--	--	250,060
Total Fund Balances	<u>489,791</u>	<u>26,036</u>	<u>1,056,471</u>	<u>14,084</u>	<u>310,972</u>	<u>1,897,354</u>
Total Liabilities, Deferred Inflow and Fund Balances..	<u>\$ 632,515</u>	<u>\$ 50,647</u>	<u>\$ 1,056,780</u>	<u>\$ 275,233</u>	<u>\$ 411,229</u>	
Amounts reported for governmental activities in the statement of net position are different because:						
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.						3,252,637
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.						100,671
Deferred outflows of resources reported in governmental activities are not reported in the funds.						857,999
Deferred inflows of resources reported in governmental activities are not reported in the funds.						(168,319)
Long-term liabilities and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.						(8,458,939)
Net position of governmental activities						<u>\$ (2,518,597)</u>

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, 2021
(Amounts in thousands)

	General Fund	Highway Fund	General Obligation Bond and Interest Redemption Fund	Federal Grants Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes.....	\$ 1,470,579	\$ 82,995	\$ --	\$ --	\$ 20,130	\$ 1,573,704
Licenses and permits.....	46,957	191,891	--	--	6,159	245,007
Intergovernmental.....	59	--	--	486,124	106,200	592,383
Charges for services.....	8,362	4,271	--	--	15,577	28,210
Fines and forfeits.....	678	17	--	--	313	1,008
Miscellaneous:						
Recoveries.....	53,549	2,466	34,854	--	--	90,869
Interest.....	4,929	--	--	3	574	5,506
Other.....	10,862	784	--	160	8,621	20,427
Total Revenues.....	1,595,975	282,424	34,854	486,287	157,574	2,557,114
Expenditures:						
Current:						
General government.....	173,218	20,903	--	265,964	14,585	474,670
Public safety.....	460,727	32,785	--	43,807	10,361	547,680
Highways and streets.....	15,624	23,884	--	--	18,695	58,203
Sanitation.....	--	--	--	270	--	270
Human services.....	17,584	--	--	83,586	79,544	180,714
Culture-recreation.....	80,176	--	--	885	27,326	108,387
Utilities or other enterprises.....	3,504	4,372	--	102,608	59,802	170,286
Miscellaneous:						
Retirement and health benefits.....	426,861	45,856	--	--	16,309	489,026
Other.....	37,477	2,743	--	--	715	40,935
Capital Outlay:						
General government.....	1,880	50	--	699	15,677	18,306
Public safety.....	2,757	71	--	13,579	28,095	44,502
Highways and streets.....	--	479	--	--	52,845	53,324
Human services.....	--	--	--	--	53,188	53,188
Culture-recreation.....	753	--	--	--	37,273	38,026
Utilities or other enterprises.....	--	--	--	--	2,045	2,045
Debt service:						
Principal.....	--	--	153,362	--	--	153,362
Interest.....	--	--	163,320	--	--	163,320
Bond issuance costs	--	--	1,000	--	--	1,000
Total Expenditures.....	1,220,561	131,143	317,682	511,398	416,460	2,597,244
Revenues over (under) Expenditures.....	375,414	151,281	(282,828)	(25,111)	(258,886)	(40,130)
Other Financing Sources (Uses):						
Issuance of tax exempt commercial paper.....	--	--	275,000	--	26,000	301,000
Issuance of general obligation bonds.....	--	--	--	--	205,745	205,745
Bond premium	--	--	--	--	49,257	49,257
Issuance of refunding bonds.....	--	--	67,010	--	--	67,010
Bond premium on refunding bonds.....	--	--	19,578	--	--	19,578
Payment to escrow agent for refunding of bonds and commercial paper.....	--	--	(85,606)	--	--	(85,606)
Sales of capital assets.....	160	349	--	--	--	509
Transfers in.....	207,296	--	263,710	--	50,206	521,212
Transfers out.....	(605,385)	(162,425)	--	--	(38,984)	(806,794)
Total Other Financing Sources (Uses).....	(397,929)	(162,076)	539,692	--	292,224	271,911
Net change in fund balances.....	(22,515)	(10,795)	256,864	(25,111)	33,338	231,781
Fund Balances - July 1 as previously stated.....	510,906	36,831	799,607	39,195	277,762	1,664,301
Prior period adjustment (Note 1).....	1,400	--	--	--	(128)	1,272
Fund Balances - July 1 as restated.....	512,306	36,831	799,607	39,195	277,634	1,665,573
Fund Balances - June 30.....	\$ 489,791	\$ 26,036	\$ 1,056,471	\$ 14,084	\$ 310,972	\$ 1,897,354

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, 2021
 (Amounts in thousands)

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

Net change in fund balances--total governmental funds	\$ 231,781
Governmental funds report capital outlays as expenditures. The Statement of Activities reports depreciation expense on capital assets and other adjustments. This is the difference between those amounts for this year.	69,952
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(2,628)
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.	(349,251)
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.	(125,144)
Loss on refunding is recorded as an other financing use in the fund statement but as a deferred outflow of resources in the government-wide financial statements. Amortization of the deferred outflow of resources is reported as interest in the Statement of Activities but does not require current financial resources and is not reported in the funds.	(6,285)
Funds report expenditures for contributions for pensions, OPEB and asset retirement obligations (ARO). The government wide financial statements report deferred outflows, deferred inflows, pension expense, OPEB expense and ARO expense.	(63,705)
Change in net position of governmental activities	<u>\$ (245,280)</u>

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

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Proprietary Funds Financial Statements

Housing Development Special Fund

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

Sewer Fund

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

Solid Waste Special Fund

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

Public Transportation System

The Transportation Fund is for the management, operation, and maintenance of the bus, handi-van and rail system, including the City bus system (TheBus), the special transit service (The Handi-Van) and the rail transit system.

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CITY AND COUNTY OF HONOLULU
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2021
 (Amounts in thousands)

	Business-type Activities-Enterprise Funds				
	Housing	Sewer	Solid Waste	Public Transportation System	Totals
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 764	\$ 164,853	\$ 25,341	\$ 8,036	\$ 198,994
Investments	5,898	1,172,736	128,305	67,313	1,374,252
Receivables:					
Accounts (net of allowance for uncollectibles of \$14,183)	3,320	65,195	10,205	1,624	80,344
Interest	--	669	68	--	737
Payroll Advance	--	540	281	17	838
Inventories of parts, materials and supplies, at cost.....	--	10,522	--	12,265	22,787
Inventories of real estate held for sale	5,472	--	--	--	5,472
Restricted assets:					
Cash and cash equivalents	22,633	--	--	2,028	24,661
Prepaid expenses and other assets	33	--	1,147	2,154	3,334
Total Current Assets	38,120	1,414,515	165,347	93,437	1,711,419
Noncurrent Assets:					
Restricted assets:					
Investments	927	98,560	65,794	937	166,218
Capital Assets:					
Land	14,078	48,629	24,063	92,695	179,465
Buildings and improvements	108,884	1,440,792	550,705	110,261	2,210,642
Transmission and distribution system	--	2,423,704	--	--	2,423,704
Equipment and machinery	1,719	162,763	312,604	33,837	510,923
Buses and other transit vehicles	--	--	--	298,922	298,922
Construction work in progress	--	703,367	111,861	13,960	829,188
Accumulated depreciation	(100,244)	(1,056,695)	(386,263)	(294,139)	(1,837,341)
Other noncurrent assets	958	--	--	--	958
Total Noncurrent Assets	26,322	3,821,120	678,764	256,473	4,782,679
Total Assets	64,442	5,235,635	844,111	349,910	6,494,098
DEFERRED OUTFLOWS					
Deferred loss on refunding of debt	1,524	88,940	18,502	--	108,966
Deferred outflows from pensions	--	26,448	19,659	1,203	47,310
Deferred outflows from OPEB	--	16,232	9,672	1,192	27,096
Deferred outflows from asset retirement obligation	--	4,926	--	983	5,909
Total Deferred Outflows	1,524	136,546	47,833	3,378	189,281
LIABILITIES					
Current Liabilities:					
Accounts payable	673	79,096	17,655	578	98,002
Interest payable	153	39,854	7,050	--	47,057
Notes payable	--	25,499	--	--	25,499
Bonds payable	3,266	81,967	28,443	--	113,676
Due to other funds	--	944	693	33	1,670
Reserve for insurance claims payable	--	--	--	12,493	12,493
Accrued payroll	--	1,770	1,341	153	3,264
Other current liabilities	2,086	1,461	1,608	2,617	7,772
Total Current Liabilities	6,178	230,591	56,790	15,874	309,433
Noncurrent Liabilities:					
Notes payable	--	273,142	--	--	273,142
General obligation bonds payable	17,428	456	529,752	--	547,636
Revenue bonds payable.....	--	2,161,806	--	--	2,161,806
Estimated liability for landfill closure and postclosure care costs.....	--	--	14,097	--	14,097
Net pension liability	--	134,586	94,916	4,125	233,627
Net OPEB liability	--	101,687	73,594	2,930	178,211
Other liabilities	6,220	20,193	4,371	30,393	61,177
Total Noncurrent Liabilities	23,648	2,691,870	716,730	37,448	3,469,696
Total Liabilities	29,826	2,922,461	773,520	53,322	3,779,129
DEFERRED INFLOWS					
Deferred inflows from pensions	--	9,889	5,708	651	16,248
Deferred inflows from OPEB	--	13,825	8,646	746	23,217
Total Deferred Inflows	--	23,714	14,354	1,397	39,465
NET POSITION					
Net investment in capital assets	5,267	1,344,655	139,071	255,536	1,744,529
Restricted for debt service	--	115,164	--	--	115,164
Unrestricted	30,873	966,187	(35,001)	43,033	1,005,092
Total Net Position	\$ 36,140	\$ 2,426,006	\$ 104,070	\$ 298,569	\$ 2,864,785

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

CITY AND COUNTY OF HONOLULU
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
Operating Revenues:					
Rental income	\$ 10,705	\$ --	\$ --	\$ --	\$ 10,705
Sewer service charges	--	450,175	--	--	450,175
Disposal and collection fees	--	--	59,035	--	59,035
Electrical energy fee	--	--	66,909	--	66,909
Passenger fares for transit services	--	--	--	26,319	26,319
Other revenue	--	9,307	1,785	413	11,505
Total Operating Revenues	10,705	459,482	127,729	26,732	624,648
Operating Expenses:					
Administrative and general	247	44,557	33,052	4,096	81,952
Maintenance	2,119	1,486	348	152	4,105
Depreciation	2,192	85,735	17,263	22,152	127,342
Contractual services	2,409	22,682	115,879	210,193	351,163
Fringe benefits	--	33,912	24,598	1,477	59,987
Materials and supplies	763	11,888	3,537	15,261	31,449
Fuel and lubricants	--	772	2,745	11,786	15,303
Insurance	91	--	3,563	25,847	29,501
State taxes - fuel	--	--	117	2,550	2,667
Utilities	2,079	21,649	302	2,822	26,852
Total Operating Expenses	9,900	222,681	201,404	296,336	730,321
Operating Income (Loss)	805	236,801	(73,675)	(269,604)	(105,673)
Nonoperating Revenues (Expenses):					
Interest revenue	5	5,774	446	--	6,225
Interest expense	(819)	(64,393)	(17,895)	--	(83,107)
Loss from disposal of property	--	--	--	(191)	(191)
Change in unrealized loss on investments.....	--	(1,642)	--	--	(1,642)
Other	2,901	(1,079)	(268)	94,190	95,744
Total Nonoperating Revenues (Expenses)	2,087	(61,340)	(17,717)	93,999	17,029
Income (Loss) before Transfers and Capital Contributions.....	2,892	175,461	(91,392)	(175,605)	(88,644)
Transfers In	4,461	--	107,445	208,463	320,369
Transfers Out	(266)	(21,646)	(12,875)	--	(34,787)
Capital Contributions	--	587	--	41,929	42,516
Change in Net Position	7,087	154,402	3,178	74,787	239,454
Net Position - July 1	29,053	2,271,604	100,892	223,782	2,625,331
Net Position - June 30	\$ 36,140	\$ 2,426,006	\$ 104,070	\$ 298,569	\$ 2,864,785

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, 2021
 (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.....	\$ 9,621	\$ 457,346	\$ 126,209	\$ 26,532	\$ 619,708
Payments to suppliers.....	(7,706)	(61,181)	(127,643)	(266,089)	(462,619)
Payments to employees.....	--	(68,135)	(52,047)	(5,212)	(125,394)
Other receipts	3,887	1,229	--	179	5,295
Net cash provided by (used in) operating activities	<u>5,802</u>	<u>329,259</u>	<u>(53,481)</u>	<u>(244,590)</u>	<u>36,990</u>
Cash flows from noncapital financing activities:					
Transfers in	4,461	--	107,445	208,463	320,369
Transfers out	(266)	(21,646)	(12,875)	--	(34,787)
Grants and contributions	--	--	--	94,190	94,190
Net cash provided by (used in) noncapital financing activities	<u>4,195</u>	<u>(21,646)</u>	<u>94,570</u>	<u>302,653</u>	<u>379,772</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(218)	(328,082)	(33,903)	(190)	(362,393)
Proceeds from issuing notes	--	27,329	--	--	27,329
Proceeds from issuing bonds	--	272,601	81,003	--	353,604
Principal paid on notes	--	(24,601)	--	--	(24,601)
Principal paid on bonds	(3,881)	(348,751)	(26,248)	--	(378,880)
Interest paid on notes	--	(2,799)	--	--	(2,799)
Interest paid on bonds	(722)	(82,563)	(17,730)	--	(101,015)
Net cash provided by (used in) capital and related financing activities	<u>(4,821)</u>	<u>(486,866)</u>	<u>3,122</u>	<u>(190)</u>	<u>(488,755)</u>
Cash flows from investing activities:					
Purchase of investments	(5,647)	(1,608,680)	(230,914)	(68,998)	(1,914,239)
Proceeds from maturities of investments	3,066	1,598,823	180,713	16,959	1,799,561
Interest on investments	--	11,787	1,013	--	12,800
Net cash provided by (used in) investing activities	<u>(2,581)</u>	<u>1,930</u>	<u>(49,188)</u>	<u>(52,039)</u>	<u>(101,878)</u>
Net increase (decrease) in cash and cash equivalents	2,595	(177,323)	(4,977)	5,834	(173,871)
Cash and cash equivalents - July 1	<u>20,802</u>	<u>342,176</u>	<u>30,318</u>	<u>4,230</u>	<u>397,526</u>
Cash and cash equivalents - June 30	<u>\$ 23,397</u>	<u>\$ 164,853</u>	<u>\$ 25,341</u>	<u>\$ 10,064</u>	<u>\$ 223,655</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, 2021
 (Amounts in thousands)

(Page 2 of 2)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 805	\$ 236,801	\$ (73,675)	\$ (269,604)	\$ (105,673)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	2,192	85,735	17,263	22,152	127,342
Other revenues (expenses)	2,953	(412)	(58)	--	2,483
Writeoff of capital assets	--	(182)	(1,480)	--	(1,662)
Loss on disposal of inventory.....	--	--	--	(191)	(191)
(Increase) decrease in accounts receivable	151	1,078	580	(448)	1,361
(Increase) decrease in inventory of parts, materials and supplies	--	155	--	(2,303)	(2,148)
(Increase) decrease in prepaid expenses and other assets	8	--	(213)	(514)	(719)
(Increase) decrease in deferred outflows of resources	--	1,126	(512)	(623)	(9)
Increase (decrease) in trade accounts payables	(7)	1,360	(1,638)	522	237
Increase in reserve for insurance claims payable	--	--	--	5,327	5,327
Increase (decrease) in other liabilities	(300)	611	2,566	1,157	4,034
Increase (decrease) in net pension liability	--	5,121	4,610	(144)	9,587
Decrease in net OPEB liability	--	(13,603)	(8,194)	(813)	(22,610)
Increase in due to other funds	--	589	660	16	1,265
Increase in deferred inflows of resources	--	10,880	6,610	876	18,366
Net cash provided by (used in) operating activities	<u>\$ 5,802</u>	<u>\$ 329,259</u>	<u>\$ (53,481)</u>	<u>\$ (244,590)</u>	<u>\$ 36,990</u>

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

Housing

Interest expense for bond premium and bond deferred loss on refunding amounted to \$177 for the year ended June 30, 2021. Beginning cash balance includes \$20,102 in restricted assets and ending cash balance includes \$22,633 in restricted assets.

Sewer

The Sewer Fund received \$587 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, 2021. Interest expense for bond discount, bond premium and deferred loss on refunding amounted to \$118, (\$18,647), and \$6,031 respectively, for the year ended June 30, 2021. Beginning cash balance includes \$64,155 in restricted assets and ending cash balance includes \$-0- in restricted assets.

Solid Waste

Interest expense for bond discount, bond premium and deferred loss on refunding amounted to \$5, (\$2,927) and \$1,614 respectively, for the year ended June 30, 2021.

Public Transportation System

The Public Transportation System received contributions of capital assets from the City and County of Honolulu amounting to \$41,929 for the year ended June 30, 2021. Beginning cash balance includes \$961 in restricted assets and ending cash balance includes \$2,028 in restricted assets.

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

Fiduciary Fund Financial Statements

Custodial Fund

This fund accounts for miscellaneous assets held by the City for the benefit of individuals, organizations or government agencies. The amounts reported in the custodial fund do not have trust agreements.

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CITY AND COUNTY OF HONOLULU
STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUND
 JUNE 30, 2021
 (Amounts in thousands)

		Custodial Fund
<u>ASSETS</u>		
Cash and cash equivalents	\$	1,468
Investments		9,334
Due from other funds		22
Total assets		10,824
<u>LIABILITIES</u>		
Accounts payable		7,185
Total liabilities		7,185
<u>NET POSITION</u>		
Restricted for individuals, organizations and other governments	\$	3,639

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

CITY AND COUNTY OF HONOLULU
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

	Custodial Fund
<u>ADDITIONS</u>	
Special assessments collected on behalf of other organizations	\$ 4,605
Taxes and fees collected on behalf of other governments:	
Commercial driver license fees	415
State identification fees	870
Motor vehicle fees	33,026
Motor vehicle taxes	50,856
Recycling fees	258
Other fees	248
Donations collected on behalf of other organizations	298
Total additions	90,576
<u>DEDUCTIONS</u>	
Payment of special assessments collected on behalf of other organizations	3,868
Payment of taxes and fees collected on behalf of other governments:	
Commercial driver license fees	387
State identification fees	800
Motor vehicle fees	32,854
Motor vehicle taxes	50,391
Recycling fees	255
Other fees	310
Payment of donations collected on behalf of other organizations	286
Payments in accordance with other agreement.....	10
Total deductions	89,161
Change in net position	1,415
Net position - July 1	--
Prior period adjustment (Note 1).....	2,224
Net position - July 1, as restated	2,224
Net position - June 30	\$ 3,639

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

Component Units

Financial Statements

Board of Water Supply

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

Honolulu Authority for Rapid Transportation

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

Oahu Transit Services, Inc.

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

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CITY AND COUNTY OF HONOLULU
 COMPONENT UNITS
 COMBINING STATEMENT OF NET POSITION
 JUNE 30, 2021
 (Amounts in thousands)

	Board of Water Supply	Honolulu Authority for Rapid Transportation	OTS, Inc.	Total
ASSETS				
Cash and cash equivalents	\$ 18,450	\$ 10,104	\$ 6,322	\$ 34,876
Investments	406,350	78,125	--	484,475
Receivables (net)	33,304	79,029	--	112,333
Inventories	12,267	--	--	12,267
Prepaid expenses and other	1,571	26,735	194	28,500
Restricted assets:				
Cash and cash equivalents	26,185	--	2,028	28,213
Investments	133,835	--	--	133,835
Capital assets (net of accumulated depreciation):				
Land	32,371	206,271	--	238,642
Buildings and improvements	101,662	--	--	101,662
Equipment and machinery	108,895	7	--	108,902
Infrastructure	804,364	--	--	804,364
Construction work in progress	255,530	4,644,893	--	4,900,423
Total assets	<u>1,934,784</u>	<u>5,045,164</u>	<u>8,544</u>	<u>6,988,492</u>
DEFERRED OUTFLOWS				
Deferred outflows of resources	<u>59,546</u>	<u>6,381</u>	<u>76,920</u>	<u>142,847</u>
LIABILITIES				
Accounts payable	31,691	94,876	4,180	130,747
Accrued interest payable	4,929	--	--	4,929
Other liabilities	3,851	6,733	19,632	30,216
Noncurrent liabilities:				
Due within one year	22,143	32,409	879	55,431
Due in more than one year	446,527	657	6,863	454,047
Other due in more than one year:				
Advance from City.....	--	982,448	--	982,448
Net pension liability.....	132,989	26,419	14,543	173,951
Net OPEB liability	67,508	6,228	302,791	376,527
Total liabilities	<u>709,638</u>	<u>1,149,770</u>	<u>348,888</u>	<u>2,208,296</u>
DEFERRED INFLOWS				
Deferred inflows of resources	<u>16,531</u>	<u>2,391</u>	<u>25,118</u>	<u>44,040</u>
NET POSITION				
Net investment in capital assets	977,271	3,738,439	--	4,715,710
Restricted for:				
Capital activity	29,404	--	--	29,404
Unrestricted	261,486	160,945	(288,542)	133,889
Total net position	<u>\$ 1,268,161</u>	<u>\$ 3,899,384</u>	<u>\$ (288,542)</u>	<u>\$ 4,879,003</u>

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

CITY AND COUNTY OF HONOLULU
 COMPONENT UNITS
 COMBINING STATEMENT OF ACTIVITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

	Board of Water Supply	Honolulu Authority for Rapid Transportation	OTS, Inc.	Total
Expenses.....	\$ 243,549	\$ 23,663	\$ 217,651	\$ 484,863
Program Revenues:				
Charges for Services.....	238,003	--	469	238,472
Operating Grants and Contributions...	--	--	199,517	199,517
Capital Grants and Contributions.....	15,499	26,000	--	41,499
Total Program Revenues.....	<u>253,502</u>	<u>26,000</u>	<u>199,986</u>	<u>479,488</u>
Program Revenues over (under)				
Expenses.....	9,953	2,337	(17,665)	(5,375)
General Revenues:				
Investment earnings.....	7,792	567	--	8,359
Intergovernmental revenues.....	--	261,852	--	261,852
Other revenues.....	--	224	--	224
Total general revenues.....	<u>7,792</u>	<u>262,643</u>	<u>--</u>	<u>270,435</u>
Change in net position.....	17,745	264,980	(17,665)	265,060
Net position - beginning.....	<u>1,250,416</u>	<u>3,634,404</u>	<u>(270,877)</u>	<u>4,613,943</u>
Net position - ending.....	<u>\$ 1,268,161</u>	<u>\$ 3,899,384</u>	<u>\$ (288,542)</u>	<u>\$ 4,879,003</u>

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



Notes to the Financial Statements

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CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

1. Summary of Significant Accounting Policies

The Financial Reporting Entity

The City and County of Honolulu (City), located in the State of Hawaii is a municipal corporation governed by an elected mayor and a nine-member City Council. The City operates under a City Charter, which was originally adopted in 1959 and most recently amended in November 2020.

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

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

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

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

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

HART's board of directors consists of fourteen members, nine voting members and five non-voting members. A majority of the board members of HART, the governing body, are either appointed by the Mayor, selected by the City Council or are City officials. HART has been granted corporate powers by the City Charter such as preparing the annual operating and capital budgets for the fixed guideway system. Pursuant to the City Charter, the City Council, upon HART's request, may authorize the City to issue bonds, implying a financial burden relationship between the City

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

and HART. Complete financial statements of HART may be obtained online at <http://www.honolulustransit.org> or from their office located at 1099 Alakea Street, Suite 1700, Honolulu, Hawaii, 96813.

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

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

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

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

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

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.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

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

General Fund

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

Highway Fund

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

General Obligation Bond and Interest Redemption Fund

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

Federal Grants Fund

This fund accounts for disposition of the proceeds provided by the federal government that directly assists the City in the form of any grant, loan, contract, or other financial assistance. This may include use of equipment, donations of surplus property and other forms of in-kind assistance. Major revenue sources include the federal assistance in response to the COVID-19 pandemic through the Coronavirus Aid, Relief, and Economic Security Act (CARES), the Consolidated Appropriations Act of 2021 and the American Rescue Plan Act (ARPA).

Housing Development Special Fund

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

Sewer Fund

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

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

Solid Waste Special Fund

This fund accounts for all revenues derived from the operation of the City's Refuse Division solid waste disposal programs, glass recycling program, and other recycling programs. All monies placed in this fund are maintained in separate accounts identified with and expended for the intended purposes. Revenue sources include solid waste disposal fees, refuse collection fees, and electrical energy fees received from the sale of electrical energy produced by the combustion of refuse at the City's solid waste disposal facility. Additional sources include subsidies from the general fund to support the refuse collection and disposal operations.

Public Transportation System

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

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, pensions, other post-employment benefits and claims and judgments, are recorded only when payment is due.

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

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

The City has the following fund types:

Governmental Fund Types

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

The City's governmental fund types are as follows:

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

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments,

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

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

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

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

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

Fiduciary Funds

There are four types of fiduciary funds, pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. The City's fiduciary fund is comprised of a custodial fund. The custodial fund is used to account for miscellaneous assets held by the City. Collection of state motor vehicle

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

fees and taxes and special assessments for improvement districts and are the major miscellaneous assets accounted for in the custodial fund.

Accounting Standards

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

Budget and Budgetary Accounting

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

Encumbrances

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

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

Cash and Investments

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

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

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

Real Property Taxes

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

Real Property Tax Abatement Programs

The City provides seven real property tax abatement programs that reduce tax revenues –

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

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

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

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

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

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

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

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

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
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217-57. The exemption is for a two year period and property owner must file for recertification by the HCDA confirming the maximum floor area ration every 2 years thereafter for as long as applicable.

Qualifying Affordable Rental Dwelling Units or Affordable Rental Housing Units – Section 8-10.36 of the ROH provides abatements to encourage property owners to provide affordable rental housing for residents. The portion of real property used for affordable rental dwelling units or affordable housing units shall be exempt for the duration of the regulated period, or the ten year exemption period if subject to a declaration of restrictive covenants. In addition to the initial application for the abatement, the claimant must file an annual renewal application, along with the applicable compliance certifications.

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

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

Dedicated agricultural and vacant agricultural land	\$ 11,570
Commercial property historical dedication	417
Residential property historical dedication	4,283
Dedicated land in urban districts	56
Low income rental housing exemption	17,681
Central Kakaako industrial zone limited development	1,013
Affordable rental dwelling units or Affordable rental housing units	393
Total gross amount of revenue reduction	<u>\$ 35,413</u>

Unbilled Receivables

Included in the receivables at June 30, 2021 for BWS and the proprietary fund type were unbilled water and sewer charges (due to the use of cycle billings) in the amounts of \$12.0 million and \$32.7 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.

CITY AND COUNTY OF HONOLULU
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Capital Assets

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

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

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

Pensions

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

Postemployment Benefits Other Than Pensions (OPEB)

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

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Asset Retirement Obligation (ARO)

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

Deferred Outflows / Inflows of Resources

Deferred Outflows of Resources represent a consumption of net position that apply to future periods and therefore will not be recognized until that time. Bond refunding costs and certain pension, OPEB and ARO related costs are deferred and amortized systematically over a specified period of time. The balances as of June 30, 2021 are as follows (amounts in thousands):

	Governmental Funds	Business-Type Funds	Component Units
Deferred loss on refunding of bond	\$ 73,370	\$ 108,966	\$ 15,975
Deferred ARO related costs	464	5,909	-
Deferred pension related costs	557,066	47,310	40,454
Deferred OPEB related costs	227,099	27,096	86,418
	<u>\$ 857,999</u>	<u>\$ 189,281</u>	<u>\$ 142,847</u>

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

Deferred pension and OPEB related costs are amortized systematically over a specified period of time. Deferred inflows include unavailable revenue and certain pension and OPEB related costs. Revenues are recognized in the period amounts become available. The balances as of June 30, 2021 are as follows (amounts in thousands):

	Governmental Funds	Business-Type Funds	Component Units
Deferred pension related costs	\$ 19,171	\$ 16,248	\$ 10,903
Unearned real property tax	5,374	-	-
Unearned Federal Assistance	240,080	-	-
Deferred OPEB related costs	149,148	23,217	33,137
	<u>\$ 413,773</u>	<u>\$ 39,465</u>	<u>\$ 44,040</u>
Unavailable Revenue			
Sub-recipient loan program	\$ 51,991	\$ -	\$ -
Public utilities franchise taxes	21,119	-	-
Real property taxes*	21,783	-	-
Coronavirus Related Funds	240,080	-	-
Housing assistance loan program	9,543	-	-
Others	1,609	-	-
	<u>\$ 346,125</u>	<u>\$ -</u>	<u>\$ -</u>

*includes \$5.4 million received in the current year to be applied to future fiscal years.

CITY AND COUNTY OF HONOLULU
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Fiscal Year Ended June 30, 2021

Bond Issue Costs, Original Issue Discount or Premium

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

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 \$208.5 million to the PTS, \$107.4 million to the Solid Waste Fund, and authorized transfers from funds receiving revenues to funds that will expend those resources. Contributions to the capital asset accounts of enterprise funds are reflected in the statement of revenue, expenses and changes in net position.

Fund Balance

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

- *Nonspendable* includes fund balance amounts that cannot be spent because they are not in spendable form, or because of legal or contractual requirements.
- *Restricted* includes fund balance amounts that are constrained for specific purposes which are externally imposed. Sources of these externally enforceable legal restrictions include creditors, grantors, contributors, federal regulations, the State Constitution, State statutes, the City's revised charter, and enabling State legislation for assessments.
- *Committed* includes fund balance amounts that are constrained for specific purposes that are internally imposed by the City through formal action (i.e., ordinance) of the highest level of decision making authority (i.e., City Council) with the consent of the Mayor. The Fiscal Stability Fund was established by Ordinance 98-32 as a fund designated for economic and revenue downturns and emergency situations. Funds can be appropriated only by ordinance when specific economic or revenue triggers are met or in the case of an emergency as defined in the ordinance. Deposits to the fund shall be made with funds

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deemed to be in excess of funding to sustain services, subject to council approval. The balance in the fund is \$138.0 million at June 30, 2021.

- *Assigned* includes fund balances that have been encumbered for purchasing commitments by the Chief Procurement Officer or delegate in accordance with the Budget and Fiscal Services Policies and Procedures and are considered neither restricted nor committed.
- *Unassigned* includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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

The City does not have a formal minimum fund balance policy. The financial statements for the governmental funds are reported on pages 55 to 57. The following is a summary (amounts in thousands) of the fund balance classifications for the major and other governmental (nonmajor) funds as of June 30, 2021:

	General Fund	Highway Fund	GOB and IR Fund*	Federal Grants Fund	Other Governmental Funds	Total Governmental Funds
Restricted for:						
Highways	\$ -	\$ 26,036	\$ -	\$ -	\$ 7,652	\$ 33,688
Federal programs	-	-	-	14,084	20,687	34,771
Affordable housing programs	-	-	-	-	29,283	29,283
Land conservation program	-	-	-	-	39,184	39,184
Special projects	-	-	-	-	16,244	16,244
Rental assistance program	-	-	-	-	9,288	9,288
Rehabilitation loan program	-	-	-	-	6,660	6,660
Liquor Commission Office	-	-	-	-	2,618	2,618
Bike ways	-	-	-	-	2,684	2,684
Other capital projects	-	-	-	-	13,744	13,744
Sub-Total	-	26,036	-	14,084	148,044	188,164
Committed to:						
Emergency reserves	138,040	-	-	-	-	138,040
Parks and recreation	-	-	-	-	5,937	5,937
Hanauma Bay operations	-	-	-	-	819	819
Rental assistance program	-	-	-	-	1,738	1,738
Auditorium operations	-	-	-	-	1,545	1,545
Golf operations	-	-	-	-	5,416	5,416
Improvement districts	2,200	-	-	-	165	2,365
Other capital projects	-	-	-	-	80,916	80,916
Highway Improvements	-	-	-	-	65,184	65,184
Reserved for debt service	-	-	1,056,471	-	-	1,056,471
Other	12,414	-	-	-	1,208	13,622
Sub-Total	152,654	-	1,056,471	-	162,928	1,372,053

*General Obligation Bond and Interest Redemption Fund

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Summary of fund balances (continued):

	General Fund	Highway Fund	GOB and IR Fund*	Federal Grants Fund	Other Governmental Funds	Total Governmental Funds
Assigned to:						
Recreation	15,051	-	-	-	-	15,051
Police	7,086	-	-	-	-	7,086
Environmental Services	114	-	-	-	-	114
Data Processing	1,287	-	-	-	-	1,287
Fire	1,485	-	-	-	-	1,485
Human services	16,888	-	-	-	-	16,888
Legal	3,910	-	-	-	-	3,910
Provisional for Risk Management	4,068	-	-	-	-	4,068
Building Additions and Improvements	4,024	-	-	-	-	4,024
Repairs and Maintenance	10,699	-	-	-	-	10,699
Customer Services	2,613	-	-	-	-	2,613
Planning & Zoning	3,656	-	-	-	-	3,656
Finance	993	-	-	-	-	993
Other	15,203	-	-	-	-	15,203
Sub-Total	<u>87,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,077</u>
Unassigned:	250,060	-	-	-	-	250,060
Total	<u>\$ 489,791</u>	<u>\$ 26,036</u>	<u>\$ 1,056,471</u>	<u>\$ 14,084</u>	<u>\$ 310,972</u>	<u>\$ 1,897,354</u>

*General Obligation Bond and Interest Redemption Fund

Net Position

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

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

Retirement Plan Contributions

Act 181 (SLH 2004) established fixed employer contribution rates as a percentage of compensation. Pursuant to the new Act 17 (SLH 2017), the City's fiscal year

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2021 contribution rates to the Employees' Retirement System of the State of Hawaii were 41.0% for Police and Fire or 24.0% for general employees.

Deferred Compensation Plan

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

A trust fund was established to protect plan assets from claims of general creditors and from diversion to any uses other than paying benefits to participants and beneficiaries. Deferred compensation plan assets of \$854.6 million, which are not controlled by the City, are not reported in the accompanying financial statements at June 30, 2021.

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, 2021, accumulated sick leave amounted to \$406.6 million.

Leases

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

Enterprise Funds

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

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

Deficit Balances

As of June 30, 2021 there were no deficit balances reported in any of the City's primary government funds.

Use of Estimates

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

Reclassification

The City determined that miscellaneous other revenue in the amount of \$131 thousand reported in the Highway Improvement Bond Fund in the prior year should have been reported as fines and forfeits. The City reclassified the prior year revenue on the comparative schedule of revenues, expenditures and changes in fund balance. There was no change in the prior year's fund balance.

Coronavirus Disease 2019 (COVID-19)

In March 2020, the World Health Organization declared the outbreak of COVID-19 as a pandemic which remains a rapidly revolving situation. The City is monitoring the COVID-19 pandemic, and to date the City has not experienced any material adverse impact on its operations or finances from COVID-19. Although the City believes COVID-19 will not adversely impact the operations or revenues, the ultimate impact is not known at this time.

The City has been awarded various funds to respond to the pandemic and the resulting economic impacts. As of June 30, 2021 the City received the following:

- \$387 million from the CARES Act, Coronavirus Relief Fund. The City incurred \$375 million of eligible expenses as of June 30, 2021.
- \$193 million from ARPA, State and Local Fiscal Recovery Funds representing half of the City's total funding. The City did not incur any eligible expenses as of June 30, 2021.
- \$91 million from the Federal Transit Administration Emergency Relief. The City incurred \$91 million of eligible expenses as of June 30, 2021.

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- \$62 million from the Consolidated Appropriations Act, 2021, Emergency Rental Assistance 1. The City incurred \$51 million of eligible expenses as of June 30, 2021.
- \$24 million from ARPA, Emergency Rental Assistance 2 representing forty percent of the City’s total funding. The City did not incur any eligible expenses as of June 30, 2021.

New Accounting Pronouncements

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve the guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The provisions of this Statement are effective for the period beginning after December 15, 2019. The City implemented the provisions of this Statement as presented in the financial statements. The implementation resulted in former agency funds being reclassified to governmental funds, proprietary funds and custodial funds. Additionally former private-purpose trust funds were reclassified as governmental funds. This resulted in a restatement to the fund balances/net position at July 1, 2020 for governmental funds/activities and custodial funds as follows (amounts in thousands):

	As Previously Reported 7/1/2020	Restatement	As Restated 7/1/2020
Governmental activities, net position	\$ (2,274,589)	\$ 1,272	\$ (2,273,317)
Governmental funds, fund balances	\$ 1,664,301	\$ 1,272	\$ 1,665,573
Custodial fund, net position	\$ -	\$ 2,224	\$ 2,224

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to establish a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thus enhancing the relevance and consistency of information reported about the government’s leasing activities. The provisions of this Statement are effective for the period beginning after June 15, 2021. The City has not yet determined the effect this Statement will have on its financial statements.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. The statement addresses various miscellaneous issues related to leases, pension, other postemployment benefits, fiduciary activities, asset retirement obligations, public entity risk pools, nonrecurring fair value measurements, and derivative instruments. The provisions of this Statement are effective for reporting periods

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beginning after June 15, 2021. The City has not yet determined the effect this Statement will have on its financial statements.

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to provide guidance for governments transitioning from interbank offered rates to other reference rates as the commonly used London Interbank Offered Rate is set to expire at the end of 2021. The provisions of this Statement are effective for the period beginning after June 15, 2021. The City has not yet determined the effect this Statement will have on its financial statements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to set forth guidance for reporting of public-private and public-public partnership arrangements (PPPs) and availability payment arrangements (APAs). PPPs are partnerships between the government as transferor and another governmental or nongovernmental entity as operator to provide public services while conveying the right to operate or use the underlying PPP asset. This provision provides guidance on whether to account for a contract by using this provision's service-concession agreement (SCA) method or non-SCA, PPP method, or by using Statement No. 87, *Leases*. The provisions of this Statement are effective for the period beginning after June 15, 2022. The City has not yet determined the effect this Statement will have on its financial statements.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objectives of this Statement are to define Subscription-Based Information Technology Arrangements (SBITA) and establish a model for accounting and reporting in line with Statement No. 87, *Leases*. A SBITA is a contract that conveys the right to use a SBITA vendor's software alone or with underlying IT assets for a period of time in an exchange transaction. Under this Statement, the government is required to recognize a subscription liability and an intangible right-to-use subscription asset, thus enhancing the relevance and consistency of information reported about the government's subscription activities. The provisions of this Statement are effective for the period beginning after June 15, 2022. The City has not yet determined the effect this Statement will have on its financial statements.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The objectives of this Statement are:

- (1) To clarify fiduciary component unit reporting in the absence of a governing board for a legally separate organization. The primary government performing

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those board duties should be treated the same as the primary government appointing the voting majority of board. This provision is effective immediately;

- (2) To mitigate the financial burden of reporting certain defined contribution pension plans, defined contribution other postemployment benefit plans, and other employee benefit plans as fiduciary component units in fiduciary fund financial statements. This provision is effective immediately; and
- (3) To improve reporting for certain Internal Revenue Code Section 457 deferred compensation plans which are classified as pension plans and benefits from those plans. This provision is effective for periods beginning after June 15, 2021.

The City has not yet determined the effect this Statement will have on its financial statements.

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report (ACFR)*. The objective of this statement is to establish the term annual comprehensive financial report and its acronym. The new term and acronym replace instances of the comprehensive annual financial report and its generally accepted accounting principles for state and local governments. The provisions of the Statement are effective for the fiscal years ending after December 15, 2021. The City implemented the provisions of this statement.

2. Budgets and Budgetary Accounting

On or before March 2 of each year, the Mayor submits to the City Council proposed operating and capital budgets for the ensuing fiscal year commencing on July 1. The budgets are on a basis consistent with GAAP except that encumbrances are treated as budgeted expenditures in the year the commitments are made. After public hearings, and on or prior to June 15, the budgets are legally enacted through passage of budget ordinances by the City Council.

All proprietary funds have legally adopted annual budgets as well as the following governmental funds:

- General Fund
- Highway Fund
- Liquor Commission Fund
- Bikeway Fund
- Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund
- Special Events Fund

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- Honolulu Zoo Fund
- Golf Fund
- Hanauma Bay Nature Preserve Fund
- Rental Assistance Fund
- Clean Water and Natural Lands Fund
- Affordable Housing Fund
- Patsy T. Mink Central Oahu Regional Park Fund
- Waipio Peninsula Soccer Park Fund
- Grants in Aid Fund
- Community Development Fund
- Housing and Community Development Rehabilitation Loan Fund
- Housing and Community Development Section 8 Contract Fund
- Federal Grants Fund
- Special Projects Fund

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

Appropriations lapse at the end of the fiscal year if not expended or encumbered, except that appropriations for capital projects lapse twelve months after the end of the fiscal year if not expended or encumbered. The Mayor is authorized to transfer appropriations between activities (divisions) within a department and between characters of expenditure (salaries, current expense, and equipment) within the same activity subject to certain limitations. City Council approval by resolution is required for 1) any transfer of funds between activities when the cumulative amount of transfers from or to an activity totals in excess of \$100,000 or ten (10%) percent of the amount appropriated for that activity, whichever is less; and 2) any transfer of funds between characters of expenditure within the same activity when the cumulative amount of such transfers exceeds the lesser of \$100,000, or the greater of ten (10%) percent of the appropriation for either the originating or receiving characters of expenditure or \$10,000. To transfer appropriations between departments, the legal level of budgeting, amendments via a bill must be made to the enacted budget ordinance. The lowest legal level of budgetary control at which appropriations are adopted is at the department level. Only the Mayor may propose amendments to the enacted budget ordinance.

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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.

3. Reconciliation of Government-Wide and Fund Financial Statements

The governmental funds balance sheet includes a reconciliation between fund balance of total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that, “Long-term liabilities and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.” Long-term liabilities applicable to the City’s governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. However, all current and long-term liabilities are reported in the statement of net position. The details of this \$8.5 billion difference are as follows (amounts in thousands):

Long-term liabilities (see Note 8)	\$ 4,177,853
Net pension liability	2,686,281
Net other post-employment benefits liability	1,545,295
Accrued interest payable and other	49,510
Net adjustment	<u>\$ 8,458,939</u>

The governmental 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 position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation states that, “Governmental funds report capital outlays as expenditures. The statement of activities reports depreciation expense on capital assets and other adjustments.” The details of this \$70.0 million difference are as follows (amounts in thousands):

Capital outlays	\$ 209,391
Contributions	1,871
Write offs	(228)
Depreciation expense	(141,082)
Net adjustment	<u>\$ 69,952</u>

Another element of that reconciliation states that, “Revenue in the Statement of Activities that do not provide current financial resources are not reported as

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revenue in the funds.” The details of this \$2.6 million difference are as follows (amounts in thousands):

Taxes	\$	703	
Intergovernmental		(3,066)	
Other		(265)	
Net adjustment	\$	<u>(2,628)</u>	

Another element of that reconciliation states that, “Proceeds from the issuance of long-term debt are reported as providing current financial resources in the governmental funds, but are reported as long-term debt in the government-wide financial statements. Repayment of such debt is reported as an expenditure for governmental funds but is reported as a reduction of debt in the government-wide financial statements.” The details of this \$349.3 million difference are as follows (amounts in thousands):

Debt Issued:			
General obligation bonds, net	\$		(341,590)
General obligation commercial paper			<u>(301,000)</u>
Total			(642,590)
Principal Repayments:			
General obligation bonds, net	\$	293,162	
Other long-term debt		<u>177</u>	<u>293,339</u>
Net adjustment			<u>\$ (349,251)</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 \$125.1 million difference are as follows (amounts in thousands):

Increase in compensated absences	\$	(6,202)	
Decrease in claims and judgements		4,096	
Increase in asset retirement obligation		(676)	
Decrease in net OPEB liability		125,467	
Increase in net pension liability		(244,762)	
Increase in other - accrued interest		<u>(3,067)</u>	
Net adjustment	\$	<u>(125,144)</u>	

Another element of that reconciliation states that, “Loss on refunding is recorded as other financing use in the fund statement but as a deferred outflow of resources in the government-wide financial statements. Amortization of the deferred outflow of resources is reported as interest in the Statement of Activities but does not require current financial resources and is not reported in the funds. The

CITY AND COUNTY OF HONOLULU
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Fiscal Year Ended June 30, 2021

government-wide financial statements report a net adjustment of \$6.3 million for deferred outflows related to debt refundings.

The final element of that reconciliation states that, “Funds report expenditures for contributions for pensions, other post-employment benefits (OPEB) and asset retirement obligations (ARO). The government-wide statements report deferred outflows, deferred inflows, pension expense, OPEB expense and ARO expense.” The details of this \$63.7 million difference are as follows (amounts in thousands):

Increase in deferred outflows	\$ (43,032)
Increase in deferred inflows	106,737
Net adjustment	\$ 63,705

4. Cash and Investments

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

Cash and Cash Equivalents

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

Investments

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

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Fiscal Year Ended June 30, 2021

Credit Risk (amounts in thousands):

	Fair Value	Quality Rating			
		Aaa	Aa1	Aa2	Not Rated
Primary Government:					
U.S. government treasury	\$ 613,854	\$ 613,854	\$ -	\$ -	\$ -
Certificate of deposits	477,342	-	-	-	477,342
Guaranteed investment contracts	12,707	-	-	-	12,707
Municipal securities	13,542	-	9,899	3,643	-
U.S. government securities	1,562,090	1,562,090	-	-	-
Component Units:					
Board of Water Supply					
U.S. government treasury	445,073	445,073	-	-	-
U.S. government agencies	95,112	95,112	-	-	-
Honolulu Authority for Rapid Transportation					
U.S. government treasury	17,966	17,966	-	-	-
Certificate of deposits	13,946	-	-	-	13,946
Municipal securities	396	-	289	107	-
U.S. government securities	45,776	45,776	-	-	-
Fiduciary Funds:					
Certificate of deposits	9,334	-	-	-	9,334

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, 2021, the City had no investments in money market mutual funds or external investment pools.

Concentration of Credit Risk

As of June 30, 2021, \$12.7 million is invested with FSA Capital Management Services LLC.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

The fair value and maturities of investments as of June 30, 2021 were as follows (amounts in thousands):

	Cost	Fair Value	Investment Maturity in Years			
			Less than One	1 to 5	6 to 10	More than 10
Primary Government:						
U.S. government treasury	\$ 613,698	\$ 613,854	\$ 613,854	\$ -	\$ -	\$ -
Certificate of deposits	477,342	477,342	180,051	297,291	-	-
Guaranteed investment contracts	12,707	12,707	-	-	-	12,707
Municipal securities	13,534	13,542	972	12,570	-	-
U.S. government securities	1,563,648	1,562,090	369,140	1,192,950	-	-
Total	<u>\$ 2,680,929</u>	<u>\$ 2,679,535</u>	<u>\$ 1,164,017</u>	<u>\$ 1,502,811</u>	<u>\$ -</u>	<u>\$ 12,707</u>
Component Units:						
Board of Water Supply						
U.S. government treasury	\$ 440,666	\$ 445,073	\$ 100,907	\$ 344,166	\$ -	\$ -
U.S. government agencies	94,341	95,112	22,027	73,085	-	-
Honolulu Authority for Rapid Transportation						
U.S. government treasury	17,978	17,966	17,966	-	-	-
Certificate of deposits	13,946	13,946	5,237	8,709	-	-
Municipal securities	396	396	28	368	-	-
U.S. government securities	45,805	45,776	10,798	34,978	-	-
Total	<u>\$ 613,132</u>	<u>\$ 618,269</u>	<u>\$ 156,963</u>	<u>\$ 461,306</u>	<u>\$ -</u>	<u>\$ -</u>
Fiduciary Funds:						
Certificate of deposits	\$ 9,334	\$ 9,334	\$ 9,034	\$ 300	\$ -	\$ -

Fair Value Measurements

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

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

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

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

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

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

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

The following table sets forth by level, within the fair value hierarchy, assets measured at fair value on a recurring basis as of June 30, 2021 (amounts in thousands):

	Fair Value	Level One	Level Two
Primary Government:			
Municipal securities	\$ 12,570	\$ -	\$ 12,570
U.S. government securities	1,192,950	-	1,192,950
Total	<u>\$ 1,205,520</u>	<u>\$ -</u>	<u>\$ 1,205,520</u>
Component Units:			
Board of Water Supply			
U.S. government treasury	\$ 445,073	\$ 445,073	\$ -
U.S. government agencies	95,112	-	95,112
Honolulu Authority for Rapid Transportation			
Municipal securities	368	-	368
U.S. government securities	34,978	-	34,978
Total	<u>\$ 575,531</u>	<u>\$ 445,073</u>	<u>\$ 130,458</u>

As of June 30, 2021 investments recorded at amortized cost totaled \$1.2 billion for primary government, \$34.0 million for component units.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

5. Receivables

Receivable balances at June 30, 2021 consists of the following (amounts in thousands):

	Governmental Activities	Business-Type Activities
Real property taxes	\$ 22,855	\$ -
Accounts	2,874	94,527
Public utilities franchise taxes	21,119	-
Special assessments	2	-
Notes	61,274	-
Intergovernmental	13,937	-
Interest	640	737
Payroll and others	7,625	838
Allowance for uncollectible accounts	(1,983)	(14,183)
	<u>\$ 128,343</u>	<u>\$ 81,919</u>

Revenues not collected within 60 days of fiscal year end are recorded as deferred inflows of resources in the governmental funds. \$100.6 million of the receivables have been deferred at June 30, 2021. This excludes \$240.1 million related to Coronavirus Relief Funds, State and Local Fiscal Recovery Funds and Emergency Rental Assistance Funds for which eligibility requirements have not been met and \$5.4 million of Real Property Tax received in the current year to be applied to future years.

The only receivables not expected to be collected within one year are the noncurrent portion of the notes receivable in the amount of \$60.3 million, which are generally due to the City on various dates through 2073.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

6. Capital Assets

The following is a summary of changes in capital assets during the fiscal year ended June 30, 2021 (amounts in thousands):

Primary Government –

	Balance at July 1, 2020	Addition/ Transfer In	Retirements/ Transfers Out	Balance at June 30, 2021
Governmental Activities:				
Depreciable Assets –				
Buildings and improvements	\$ 1,748,401	\$ 36,681	\$ -	\$ 1,785,082
Equipment and machinery	479,924	29,758	(1,541)	508,141
Infrastructure	2,044,052	31,119	(254)	2,074,917
Total depreciable assets	<u>4,272,377</u>	<u>97,558</u>	<u>(1,795)</u>	<u>4,368,140</u>
Less Accumulated Depreciation –				
Buildings and improvements	(938,584)	(50,945)	-	(989,529)
Equipment and machinery	(344,381)	(23,193)	1,536	(366,038)
Infrastructure	(920,693)	(66,944)	15	(987,622)
Total accumulated depreciation	<u>(2,203,658)</u>	<u>(141,082)</u>	<u>1,551</u>	<u>(2,343,189)</u>
Net depreciable assets	2,068,719	(43,524)	(244)	2,024,951
Land	893,417	13,798	-	907,215
Construction Work in Progress	220,549	156,065	(56,143)	320,471
Governmental activities – capital assets, net	<u>3,182,685</u>	<u>126,339</u>	<u>(56,387)</u>	<u>3,252,637</u>
Business-type Activities:				
Depreciable Assets –				
Buildings and improvements	2,164,105	46,537	-	2,210,642
Equipment and machinery	782,812	43,497	(16,464)	809,845
Infrastructure	2,329,207	94,626	(129)	2,423,704
Total depreciable assets	<u>5,276,124</u>	<u>184,660</u>	<u>(16,593)</u>	<u>5,444,191</u>
Less Accumulated Depreciation –				
Buildings and improvements	(621,520)	(46,137)	-	(667,657)
Equipment and machinery	(577,931)	(36,000)	16,377	(597,554)
Infrastructure	(526,932)	(45,205)	7	(572,130)
Total accumulated depreciation	<u>(1,726,383)</u>	<u>(127,342)</u>	<u>16,384</u>	<u>(1,837,341)</u>
Net depreciable assets	3,549,741	57,318	(209)	3,606,850
Land	162,413	17,052	-	179,465
Construction Work in Progress	632,453	349,751	(153,016)	829,188
Business-type activities – capital assets, net	<u>4,344,607</u>	<u>424,121</u>	<u>(153,225)</u>	<u>4,615,503</u>
Total primary government capital assets, net	<u>\$ 7,527,292</u>	<u>\$ 550,460</u>	<u>\$ (209,612)</u>	<u>\$ 7,868,140</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

Discretely Presented Component Units –

	Balance at July 1, 2020	Additions/ Transfers In	Retirements/ Transfers Out	Balance at June 30, 2021
Board of Water Supply				
Depreciable Assets –				
Buildings and improvements	\$ 189,955	\$ 4,351	\$ (24)	\$ 194,282
Equipment and machinery	347,464	22,480	(5,444)	364,500
Infrastructure	1,586,973	32,008	(1,718)	1,617,263
Total depreciable assets	<u>2,124,392</u>	<u>58,839</u>	<u>(7,186)</u>	<u>2,176,045</u>
Less Accumulated Depreciation –				
Buildings and improvements	(88,334)	(4,334)	48	(92,620)
Equipment and machinery	(248,308)	(12,693)	5,396	(255,605)
Infrastructure	(781,761)	(32,188)	1,050	(812,899)
Total accumulated depreciation	<u>(1,118,403)</u>	<u>(49,215)</u>	<u>6,494</u>	<u>(1,161,124)</u>
Net depreciable assets	1,005,989	9,624	(692)	1,014,921
Land	32,373	-	(2)	32,371
Construction Work in Progress	209,338	104,246	(58,054)	255,530
BWS capital assets, net	<u>1,247,700</u>	<u>113,870</u>	<u>(58,748)</u>	<u>1,302,822</u>
Honolulu Authority for Rapid Transportation				
Depreciable Assets –				
Equipment and machinery	171	-	-	171
Total depreciable assets	<u>171</u>	<u>-</u>	<u>-</u>	<u>171</u>
Less Accumulated Depreciation –				
Equipment and machinery	(162)	(2)	-	(164)
Total accumulated depreciation	<u>(162)</u>	<u>(2)</u>	<u>-</u>	<u>(164)</u>
Net depreciable assets	9	(2)	-	7
Land	187,916	18,355	-	206,271
Construction Work in Progress	4,222,146	422,747	-	4,644,893
HART capital assets, net	<u>4,410,071</u>	<u>441,100</u>	<u>-</u>	<u>4,851,171</u>
Total component units capital assets, net	<u>\$ 5,657,771</u>	<u>\$ 554,970</u>	<u>\$ (58,748)</u>	<u>\$ 6,153,993</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
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Depreciation expenses were charged as follows (amounts in thousands):

Governmental Activities:

General government	\$ 18,656
Public safety	24,796
Highways and streets	63,685
Culture and recreation	27,057
Sanitation	18
Utilities	4,701
Human Services	2,169
	<u>2,169</u>
Total depreciation expense – governmental activities	<u>\$ 141,082</u>

Business-type Activities:

Housing	\$ 2,192
Sewer	85,735
Solid Waste	17,263
Public Transportation System	22,152
	<u>22,152</u>
Total depreciation expense – business-type activities	<u>\$ 127,342</u>

Component Units:

Board of Water Supply (\$2,073 was allocated to various functions)	\$ 47,142
Honolulu Authority on Rapid Transportation	2
	<u>2</u>
Total depreciation expense – component units	<u>\$ 47,144</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

7. Interfund Balances

The following is a summary of amounts due from and due to other funds at June 30, 2021 (amounts in thousands):

	Due From Other Funds	Due to Other Funds
General Fund	\$ 4,029	\$ 13
Highway Fund	-	14
Federal Grants Fund	20	1,051
Nonmajor Governmental Funds	45	1,368
Fiduciary Funds	22	-
Enterprise Funds:		
Sewer Fund	-	944
Solid Waste Special Fund	-	693
Public Transportation System Fund	-	33
	<u>\$ 4,116</u>	<u>\$ 4,116</u>

The main purpose for these interfund balances are: interfund loans; subsidies and other transfers required by ordinance; capital improvement projects; accruals of interfund transactions; and cash not transferred before the end of the fiscal year. At June 30, 2021, all interfund balances are expected to be repaid.

The following is a summary of amounts transferred from and transferred to other funds for the year ended June 30, 2021 (amounts in thousands):

	Transferred from Other Funds	Transferred to Other Funds
General Fund	\$ 207,296	\$ 605,385
Highway Fund	-	162,425
G.O. Bond and Interest Redemption Fund	263,710	-
Nonmajor Governmental Funds	50,206	38,984
Enterprise Funds:		
Housing Development Special Fund	4,461	266
Sewer Fund	-	21,646
Solid Waste Special Fund	107,445	12,875
Public Transportation System Fund	208,463	-
	<u>\$ 841,581</u>	<u>\$ 841,581</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

8. Long-Term Liabilities

The following is a summary of changes in long-term liabilities included in the governmental activities, business-type activities and component units during the fiscal year ended June 30, 2021 (amounts in thousands):

	Balance at July 1, 2020	Additions	Reductions	Balance at June 30, 2021	Amounts Due Within One Year
Primary Government -					
Governmental Activities					
General obligation (GO) bonds	\$ 3,209,240	\$ 272,755	\$ 236,360	\$ 3,245,635	\$ 162,319
Add: Unamortized premium	350,287	68,835	56,887	362,235	-
Less: Unamortized discount	(1,222)	-	(85)	(1,137)	-
Total bonds payable	3,558,305	341,590	293,162	3,606,733	162,319
Notes payable to state government	453	-	177	276	183
Sub-total debt	3,558,758	341,590	293,339	3,607,009	162,502
Tax exempt commercial paper	-	301,000	-	301,000	-
Sub-total long-term Debt	3,558,758	642,590	293,339	3,908,009	162,502
Asset Retirement Obligations (Note 15)	14,691	676	-	15,367	-
Compensated absences	127,181	44,610	38,408	133,383	7,960
Claims and judgments (Note 14)	125,190	36,593	40,689	121,094	35,588
Total	<u>\$ 3,825,820</u>	<u>\$ 724,469</u>	<u>\$ 372,436</u>	<u>\$ 4,177,853</u>	<u>\$ 206,050</u>
Business-Type Activities					
General obligation bonds	\$ 517,405	\$ 73,580	\$ 30,190	\$ 560,795	\$ 31,776
Revenue bonds	1,958,485	273,670	359,760	1,872,395	74,780
Add: Unamortized premium	190,909	7,691	41,617	156,983	-
Less: Unamortized discount	(2,141)	-	(171)	(1,970)	-
Sub-Total	2,664,658	354,941	431,396	2,588,203	106,556
Direct Placement-Revenue bonds	241,520	-	6,605	234,915	7,120
Total bonds payable	2,906,178	354,941	438,001	2,823,118	113,676
Notes payable to state government	295,913	27,329	24,601	298,641	25,499
Sub-total Debt	3,202,091	382,270	462,602	3,121,759	139,175
Asset Retirement Obligations (Note 15)	17,785	818	-	18,603	-
Reserve for insurance claims payable	31,156	25,701	20,374	36,483	12,493
Estimated liability for landfill closure and post closure care costs (Note 15)	13,079	3,170	878	15,371	1,274
Compensated absences	12,648	4,858	4,173	13,333	970
Total	<u>\$ 3,276,759</u>	<u>\$ 416,817</u>	<u>\$ 488,027</u>	<u>\$ 3,205,549</u>	<u>\$ 153,912</u>
Discretely Presented Component Units -					
Board of Water Supply					
Revenue bonds	\$ 260,490	\$ 93,535	\$ 49,590	\$ 304,435	\$ 11,125
Add: Unamortized premium	17,056	11,293	5,544	22,805	-
Total bonds payable	277,546	104,828	55,134	327,240	11,125
Notes payable to state governments	103,721	23,572	5,881	121,412	6,938
Sub-total Debt	381,267	128,400	61,015	448,652	18,063
Compensated absences	7,337	3,201	2,664	7,874	2,664
Customer advances	2,349	9,092	10,788	653	-
Accrued workers' compensation	4,802	1,367	1,093	5,076	1,416
Others	3,898	3,187	670	6,415	-
Total	<u>\$ 399,653</u>	<u>\$ 145,247</u>	<u>\$ 76,230</u>	<u>\$ 468,670</u>	<u>\$ 22,143</u>
Honolulu Authority for Rapid Transportation					
Compensated absences	\$ 1,512	\$ 938	\$ 1,484	\$ 966	\$ 409
Delayed claims	1,992	32,000	1,992	32,000	32,000
Environmental remediation	100	-	-	100	-
Total	<u>\$ 3,604</u>	<u>\$ 32,938</u>	<u>\$ 3,476</u>	<u>\$ 33,066</u>	<u>\$ 32,409</u>
Oahu Transit Services, Inc.					
Compensated absences	\$ 7,788	\$ 767	\$ 813	\$ 7,742	\$ 879
Total	<u>\$ 7,788</u>	<u>\$ 767</u>	<u>\$ 813</u>	<u>\$ 7,742</u>	<u>\$ 879</u>

CITY AND COUNTY OF HONOLULU
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Fiscal Year Ended June 30, 2021

General Obligation Bonds

The City issues general obligation bonds for the construction of major capital facilities. General obligation bonds in the governmental activities are direct obligations of the City for which its full faith and credit is pledged and are a first charge on the General Fund of the City. The requirement of GASB Statement 88 that additional information for each individual issuance (a) unused Letter of Credit; (b) assets pledged as collateral for debt; (c) terms in case of Default: (c-1) terms specified in debt agreements related to significant events of default with finance-related consequences, (c-2) significant termination events with finance-related consequences, (c-3) significant subjective acceleration clauses to be disclosed is not applicable to all the outstanding general obligation bonds. Debt service is paid from the debt service fund. These bonds were issued during the fiscal years 2009 through 2021 in the original amount of \$4.18 billion, less discounts of \$2.0 million and adjusted for premiums of \$639.4 million that are being amortized over the related term of the bonds. These bonds bear interest at 2.0% to 6.5%, and mature serially through fiscal year 2046. General obligation debt authorized but not issued yet amounted to \$1.71 billion at June 30, 2021.

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 2009 through 2021 in the original amount of \$862.9 million less a discount of \$160.3 thousand and adjusted for premiums of \$57.3 million, which are being amortized over the related term of the bonds. These bonds bear interest at 2.4% to 3.2% and mature serially through fiscal year 2046.

On August 5, 2020, the City issued general obligation bond Series 2020 in the aggregate amount of \$279.3 million. The bonds were comprised of tax exempt Series C, D, and E.

Series 2020C was issued for \$184.1 million. The bonds mature annually on July 1, 2021 through 2045 and bear interest rates of 3.0% to 5.0%. For the bonds maturing on and after July 1, 2031 through 2045 the City may exercise its option of redemption on or after July 1, 2030 in whole or in part, at any time, in any order of maturity selected by the City, and by lot within maturity, at the principal amount thereof, plus interest accrued to the date fixed for redemption thereof, without premium. The proceeds of the bonds were used to fund various current capital improvements of the City.

Series 2020D was issued for \$54.1 million. The bonds mature annually on July 1, 2021 through 2028 and bear an interest rate of 5.0%. The proceeds of the bonds were used to fund related equipment purchases of the City.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

Series 2020E was issued for \$41.1 million. The bonds mature on July 1, 2021 through 2045 and bear interest rates of 0.4% to 2.7%. The proceeds of the bonds were used to fund improvements to the City's H-Power waste to energy facility.

On September 3, 2020, the City issued taxable general obligation bond Series 2020F for \$67.0 million. The bonds mature annually on July 1, 2021 through 2035 and bear interest rates of 5.0%. For the bonds maturing on and after July 1, 2031 through 2035 the City may exercise its option of redemption on or after July 1, 2030 in whole or in part, at any time, in any order of maturity selected by the City, and by lot within maturity, at the principal amount thereof, plus interest accrued to the date fixed for redemption thereof, without premium. The proceeds of the bonds were used to refund a portion of general obligation bond series 2010A. The refunding was undertaken to reduce total debt payment by \$21.6 million and resulted in economic gain of approximately \$18.4 million.

General Obligation Commercial Paper Notes

The City has three letters of credit facilities outstanding, Issue A Sub-Issues A-1 and A-2, Sub-Issues B-1 and Sub-Issues B-2 with an aggregate maximum amount of \$450.0 million. A second amendment to the revolving credit agreement for \$100.0 million Issue A was issued on December 10, 2020 and expires on December 8, 2023. The reimbursement agreement for Sub-Issues B-1 and B-2 for \$350.0 million was amended on March 12, 2020 and expires on December 22, 2025. At June 30, 2021, the City has an outstanding obligation balance of \$200.0 million drawn against Sub-Issues B-1 and \$101.0 million drawn against Sub-Issues B-2. These letters of credit are for the temporary cash shortages in the operation of the Honolulu Authority for Rapid Transportation (HART). Note 16 discusses the HART executed Memorandum of Understanding (MOU) with the City related to the Commercial Paper Notes.

Revenue Bonds

The BWS had pledged future water revenues, net of specified operating and maintenance expenses, for the security and payment of the water system revenue bonds outstanding. The BWS issued water system revenue bonds during fiscal years 2012 and 2021 in the original amount of \$430.4 million. Water system revenue bonds are subject to redemption on and after specified dates prior to maturity at the option of the BWS. The redemption amount equals the outstanding principal amount plus accrued interest without premium on the date of redemption. The bonds mature serially through July 1, 2050 and bear interest rates of 0.2% to 5.0%. The revenue bonds are collateralized by the net revenue of the BWS.

The BWS issues long-term bonds to finance part of its capital improvement program. Their debt to equity ratio has remained fairly constant at 35.4% for fiscal year 2021. The BWS is required under its bond indenture, among other things, to fix, charge, and collect such rates and other charges in each fiscal year to meet

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the net revenue requirement for such fiscal year. The net revenue requirement is the greater of the sum of the aggregate debt service and all deposits required by bond resolution to be made, or 1.2 times the aggregate debt service. In fiscal year 2021 the net revenue requirements were met.

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

Wastewater system revenue bonds in the City's business-type activities were issued during fiscal years 2011 through 2021, in the original amount totaling \$2.99 billion which include direct purchase tax exempt of \$252.5 million, less discounts of \$2.6 million and adjusted for premiums of \$292.2 million, which are being amortized over the related term of the bonds. The bonds bear interest at 0.3% to 6.1%, and mature at various dates through fiscal year 2050.

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

On December 29, 2020, the City issued taxable Senior Series 2020A for \$273.7 million. The bonds mature annually on July 1, 2023 through 2045 and bear interest rates of 0.3% to 2.6%. The proceeds of the bonds along with the release of \$1.3 million of common reserve fund were used to refund portions of revenue bond

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Senior Series 2012B, 2015A and 2015B. The refunding was undertaken to reduce total debt service payments by \$32.8 million and resulted in economic gain of approximately \$29.8 million.

Annual debt service requirements to maturity for general obligation bonds and revenue bonds at June 30, 2021 including interest of \$2.52 billion were as follows (amounts in thousands):

Year Ending June 30:	Governmental Activities		Business-Type Activities				Primary Government Total	
	Regular Bonds		Regular Bonds		Direct Placement Bonds		Interest	Principal
	Interest	Principal	Interest	Principal	Interest	Principal		
2022	\$ 147,150	\$ 162,319	\$ 90,421	\$ 106,556	\$ 6,471	\$ 7,120	\$ 244,042	\$ 275,995
2023	136,626	163,448	85,437	106,852	6,221	13,445	228,284	283,745
2024	128,667	214,085	81,565	110,010	5,887	14,015	216,119	338,110
2025	119,592	229,735	77,839	107,885	5,544	14,095	202,975	351,715
2026	108,849	233,589	73,746	111,521	5,196	14,440	187,791	359,550
2027-2031	378,505	1,174,774	301,261	588,101	18,895	95,245	698,661	1,858,120
2032-2036	176,268	511,982	200,503	535,348	4,739	76,555	381,510	1,123,885
2037-2041	76,783	376,188	103,300	413,387	-	-	180,083	789,575
2042-2046	15,445	179,515	41,324	267,875	-	-	56,769	447,390
2047-2050	-	-	5,735	85,655	-	-	5,735	85,655
Total	\$ 1,287,885	\$ 3,245,635	\$ 1,061,131	\$ 2,433,190	\$ 52,953	\$ 234,915	\$ 2,401,969	\$ 5,913,740

Year Ending June 30:	Component Unit	
	BWS	
	Interest	Principal
2022	\$ 9,536	\$ 11,125
2023	9,679	12,605
2024	9,166	13,245
2025	8,705	13,690
2026	8,186	15,620
2027-2031	33,427	85,590
2032-2036	20,872	73,525
2037-2041	11,124	29,475
2042-2046	7,169	24,035
2047-2051	2,471	25,525
Total	\$ 120,335	\$ 304,435

Notes Payable

The primary government notes payable to state government are mainly for the construction of necessary treatment works and for other projects intended for wastewater reclamation or waste management. The majority of the notes are state revolving fund loans from the State of Hawaii, Department of Health (DOH). They are collateralized by the City's wastewater net revenue. The outstanding loans contain a provision that in the event of default, the Director of the DOH shall be entitled to collect a rate of twelve per cent (12%) simple interest per year commencing on the first day the repayment due date and ending on the date of the check or warrant issued by the City. A default is deemed to exist if repayment of loan fees or current loans are not paid when due, if the City fails to fulfill its obligation or it becomes financially insolvent. The City covenanted that it shall exercise its revenue bonds, revenue, assessment and other authority as needed to the extent allowed by law, to pay the semiannual repayments and loan fees. The notes amounted to \$298.9 million at June 30, 2021, bear interest at 0.0% to 3.0%, and require annual principal and interest payments through fiscal year 2042.

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The BWS notes payable to the DOH are state revolving fund loans. They are collateralized by net water revenue. The BWS outstanding state revolving loans contain a provision that in the event of default the outstanding amounts become due immediately with the consent of the majority of the holders of the BWS' revenue bonds. An event of default includes, but is not limited to, the following situations: failure to pay the principal and interest due, failure to punctually perform any of the covenants, agreements or conditions of the resolution, and bankruptcy. The BWS has covenanted and agreed to maintain the water system in good repair, to fix rates and charges sufficient to meet the Net Revenue Requirement, not to dispose of the properties comprising the water system, to maintain and keep proper books, and other actions consistent with conducting the business of the water system in an efficient and economical manner. The notes amounted to \$121.4 million at June 30, 2021, bear interest at 0.3% to 5.0% and require annual principal and interest payments through fiscal year 2041.

Annual debt service requirements to maturity for the City's primary government and component units for notes payable from direct borrowings at June 30, 2021 including interest of \$36.9 million were as follows (amounts in thousands):

Year Ending June 30:	Primary Government		BWS	
	Interest	Principal	Interest	Principal
2022	\$ 2,813	\$ 25,682	\$ 1,605	\$ 6,938
2023	2,587	26,953	1,512	7,006
2024	2,353	27,001	1,416	7,078
2025	2,120	27,143	1,319	7,151
2026	1,886	27,287	1,219	7,076
2027-2031	6,525	89,479	4,704	36,207
2032-2036	3,118	45,401	2,340	33,323
2037-2041	916	29,107	487	16,633
2042-2046	5	864	-	-
Total	\$ 22,323	\$ 298,917	\$ 14,602	\$ 121,412

Compensated Absences

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, 2021, \$923.4 million

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of the City's and \$83.3 million of the Board of Water Supply's bonds outstanding were considered defeased.

9. Net Position

At June 30, 2021, net position of the primary government consisted of the following (amounts in thousands):

	Governmental Activities	Business-Type Activities
Net Investment in Capital Assets:		
Net property, plant and equipment	\$ 3,252,637	\$ 4,615,503
Add (Less):		
General obligation bonds payable, net	(2,836,398) *	(579,411)
General obligation commercial paper	(26,000) **	-
Revenue bonds payable, net	-	(2,243,707)
Notes payable and other long-term debt	(276)	(298,641)
Deferred loss on refunding	73,370	108,966
Amount of debt related to unspent debt proceeds	146,100	141,819
	609,433	1,744,529
Restricted for Debt Service	1,056,636	115,164
Unrestricted	(4,184,666)	1,005,092
Total net position	\$ (2,518,597)	\$ 2,864,785

* Total general obligation bonds payable net is \$3,606.7 million however \$770.3 million was advanced to component unit HART and not invested in City capital assets.

** Total general obligation commercial paper outstanding is \$301.0 million however \$275.0 million was advanced to component unit HART and not invested in City capital assets.

10. Employee Benefit Pension Plans

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

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

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

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

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

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

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

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

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

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

Contributions to the ERS pension plan for the City and its' component units for the fiscal year ended June 30, 2021 were as follows (amounts in thousands):

	<u>Primary Government</u>	<u>Component Units</u>
Pension Contributions	<u>\$ 245,628</u>	<u>\$ 12,821</u>

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

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

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

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

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

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

Annual contributions, determined as a percentage of covered payroll is approximately 88.0%. Contributions to the plan were \$7.6 million for the fiscal year ended June 30, 2021.

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

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

The WCT Plan is administered by Trust Administrative Offices and provides pensions to all bargaining employees. Pension benefits are established and may be amended pursuant to the WCT Plan. OTS contributes to the plan in accordance with the Union collective bargaining agreement. The current collective bargaining agreement requiring contributions to the WCT Plan expires June 30, 2025 for bus operations and March 31, 2022 for paratransit operations. Under the terms of the agreement, OTS is not required to make minimum contributions for future periods and can withdraw from the plan subject to payment of a withdrawal penalty. It is unlikely that OTS will withdraw from the WCT Plan and therefore a liability for a withdrawal penalty has not been accrued.

Pension expense was approximately \$20.2 million for the fiscal year ended June 30, 2021. The payable to the pension plan was \$1.4 million as of June 30, 2021. The WCT Plan issues a publicly available financial report that may be obtained by writing to Western Conference of Teamsters Pension Trust Fund Board of Trustees, 2323 Eastlake Avenue East, Seattle, Washington 98102-3305.

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Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions – At June 30, 2021 the City reported net pension liability as shown below (amounts in thousands):

	Primary Government	Component Units
Net Pension Liability	\$ 2,919,908	\$ 173,951

The net pension liability for the City and component units, BWS and HART, was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Each employer’s proportion of the net pension liability was based on a projection of their long-term share of contributions to the pension plan relative to the projected contributions of all participating members of ERS, actuarially determined.

There were no changes in other assumptions and input that affected the measurement of the total pension liability since the prior measurement date. There were no changes between the measurement date, June 30, 2020, and the reporting date, June 30, 2021, that are expected to have a significant effect on the proportionate share of the net pension liability. At June 30, 2020 the City, BWS and HART proportions were as shown below:

	Primary Government	Component Units
Proportionate Share of Pension Liability	19.08%	1.04%
Increase in Proportionate Share from June 30, 2019	0.27%	0.05%

The net pension liability for the OTS single-employer pension plan was measured as of March 1, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. There were no changes in assumptions or other inputs impacting the measurement of total pension liability since the prior measurement date.

For the fiscal year ended June 30, 2021, the City recognized pension expense as follows (amounts in thousands):

	Primary Government	Component Units
Pension Expense	\$ 470,906	\$ 27,253

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At June 30, 2021, the City reported deferred outflows and inflow of resources related to pensions as follows from the following sources (amounts in thousands):

	Primary Government		Component Units	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 119,402	\$ -	\$ 4,323	\$ (105)
Net difference between projected and actual earnings on pension plan investments	115,436	-	6,205	(1,427)
Changes of assumptions	79,196	(1,623)	8,074	(574)
Changes in proportion and difference between contributions and proportionate share of contributions	62,424	(33,796)	9,031	(8,797)
Contributions subsequent to the measurement date	227,918	-	12,821	-
	<u>\$ 604,376</u>	<u>\$ (35,419)</u>	<u>\$ 40,454</u>	<u>\$ (10,903)</u>

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

	Primary Government	Component Units
Subsequent Contributions	<u>\$ 227,918</u>	<u>\$ 12,821</u>

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

	Primary Government	Component Units
Year Ending June 30:		
2022	\$ 128,184	\$ 5,917
2023	81,089	3,660
2024	80,216	3,006
2025	49,938	2,903
2026	1,612	1,100
Thereafter	-	144
	<u>\$ 341,039</u>	<u>\$ 16,730</u>

Actuarial Assumptions –

Hawaii Employees' Retirement System – The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the 2015 5-year Actuarial Experience Study. The ERS updates their experience study every five years.

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The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

The same rates were applied to all periods. There were no changes to ad hoc postemployment benefits including COLA. Post-retirement mortality rates are based on client specific tables with adjustments based on generational projections of the BB projection table for 2019 and full generational projection for future years. Pre-retirement mortality rates are based on multiples of the RP-2014 mortality table based on the occupation of the member.

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

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

Strategic Allocation (Risk Based Classes)	Target Allocation	Long-Term Expected Geometric Rate of Return
Broad Growth	63.00%	5.40% - 8.45%
Diversifying Strategies	37.00%	3.00% - 6.00%
	<u>100.00%</u>	

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

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the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	Net Pension Liability		
	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Primary Government	\$ 3,797,307	\$ 2,919,908	\$ 2,196,576
Component Units (BWS and HART)	\$ 204,720	\$ 159,408	\$ 122,053

Pension plan fiduciary net position – The pension plan’s fiduciary net position is determined on the same basis used by the pension plan. The ERS financial statements are prepared using the accrual basis of accounting under which expenses are recorded when the liability is incurred, and revenues are recorded in the accounting period in which they are earned and become measurable. Employer and member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded as of their trade date. Administrative expenses are financed exclusively with investment income. There were no significant changes after the June 30, 2020 measurement date.

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

Actuarial Assumptions

OTS Single Employer Pension Plan - The total pension liability in the March 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates are based on the RPEC2014 v2020 fully generational mortality model for Non-Annuitant and Annuitant Males and Females, as appropriate, with adjustments for mortality improvements based on the Mortality Projection Scale MP-2020.

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The long-term expected rate of return on pension plan investments was determined based on long-term historical rates and an assumed inflationary rate of 3.0%. The projected benefit payment period for which the long-term expected rate of return is applied to determine the discount rate is 2021 to 2066. Additionally, best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are arithmetically developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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

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

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

	Net Pension Liability		
	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
	Component Unit (OTS)	\$ 17,338	\$ 14,543

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

Payables to the Pension Plans – As of June 30, 2021 the City reported payables to the pension plans as follows (amounts in thousands):

	Primary Government	Component Units
Pension Payable	\$ 51,210	\$ 1,425

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11. Postemployment Benefits Other Than Pensions (OPEB)
General Information

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

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

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

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

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

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

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

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

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

The employers' share of benefit plan contributions for collectively bargained employees is negotiated by the State and counties with the exclusive representative of each bargaining unit. Employer contributions for retirees are prescribed by the HRS. Any remaining premium balance is paid by employees through payroll deductions or premium conversion plan reductions and paid by retirees directly, if applicable.

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

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

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

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The contribution by the State and counties is based on the plan (single, two-party or family) selected by the retiree.

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

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

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

	Primary Government	Component Units
Inactive plan members or beneficiaries currently receiving benefits	7,556	1,124
Inactive plan members entitled to but not yet receiving benefits	891	67
Active plan members	8,670	2,532
Total	<u>17,117</u>	<u>3,723</u>

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

The OPEB contributions (comprised of pay-as-you-go retiree costs and prefunding amounts paid to EUTF) are established by Hawaii State statutes and are equal to the amount of the annual required contribution as determined by an actuary. The retiree is responsible to pay the difference if the single plan base monthly contribution is less than the cost of the monthly premium for those employees hired

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on or after July 1, 2001. In any fiscal year, should the contribution be less than the actuarially determined amount, the difference shall be transferred to the OPEB trust account from the employer’s portion of the transient accommodations tax revenues and all of its other revenues held by the State.

On October 13, 2020, the Governor of the State of Hawaii issued the Fourteenth Supplementary Proclamation to suspend specific provisions of the law. Included in the proclamation were Sections 87A-42(b) – (f), HRS, other postemployment benefits trust, 87A-43, HRS, payment of public employer contributions to the other postemployment benefit trust, and 237-31(3), HRS, remittances, related to the requirement for public employers to pay the annual required contribution to the EUTF in fiscal year 2021.

OPEB contributions were as follows for the fiscal year ended June 30, 2021 (amounts in thousands):

	Primary Government	BWS and HART
OPEB Contributions	\$ 190,106	\$ 9,270

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

Division	Period	Fixed Rate per Straight-Time Hour
Bus Operations	July 1, 2019 to June 30, 2020	\$1.00
	July 1, 2020 to June 30, 2021	1.08
	July 1, 2021 to June 30, 2022	1.18
Paratransit Operations	January 1, 2012 to December 31, 2019	0.20
	January 1, 2020 to March 31, 2020	0.30
	April 1, 2020 to March 31, 2021	1.08
	April 1, 2021 to March 31, 2022	1.18

The non-bargaining OPEB plan’s contribution is based on projected “pay as you go” financing requirements. OTS contributions for the year ended June 30, 2021 amounted to approximately \$4.4 million.

Net OPEB Liability

The actuarial valuation and measurement dates for the net OPEB liability were July 1, 2020 for the City, BWS and HART, and June 30, 2021 for OTS. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of those dates.

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For the fiscal year ended June 30, 2021, the following amounts (in thousands) were reported as net OPEB liability:

	Primary Government	Component Units
Net OPEB Liability	\$ 1,723,506	\$ 376,527

Actuarial assumptions and methods – City, BWS and HART - The total OPEB liability reflected in the actuarial valuation report as of July 1, 2020 was determined using the following actuarial assumptions and methods, applied to all periods included in the measurement, unless otherwise specified:

Assumptions and Methods:

Actuarial Cost Method	Entry Age Normal
Discount Rate	7.0%
Inflation	2.5%
Salary Increases	3.5% to 7.0% including inflation
Demographic Assumptions	Based on the experience study covering the five-year period ended June 30, 2018 as conducted for the Hawaii Employees' Retirement System (ERS)
Mortality	System-specific mortality tables utilizing scale BB to project generational mortality improvement
Participation Rates	98.0% healthcare participation assumption for retirees who receive 100.0% of the Base Monthly Contribution (BMC). Healthcare participation rates of 25.0%, 65.0%, and 90.0% for retirees who receive 0.0%, 50.0%, or 75.0% of the BMC, respectively. 100.0% for Life Insurance and 98.0% for Medicare Part B.
Healthcare Cost Trend Rates	
PPO*	Initial rate of 7.5%, declining to a rate of 4.7% after 13 years
HMO*	Initial rate of 7.5%, declining to a rate of 4.7% after 13 years
Part B and BMC	Initial rate of 5.0%, declining to a rate of 4.7% after 10 years
Dental	Initial rate of 5.0% for first year, followed by 4.0% for all future years
Vision	Initial rate of 0.0% for first year, followed by 2.5% for all future years
Life Insurance	0.0%

* Blended rates for medical and prescription drug

Other Information:

The trend rates were updated to reflect the repeal of the excise tax on high-cost employer health plans.

Actuarial assumptions – OTS – The OPEB liability was measured as of June 30, 2021, and the total OPEB liability was determined by an actuarial valuation as of that date, using the following actuarial assumptions, applied to all periods included in the measurement:

Assumptions:

Discount Rate	2.2%
Inflation	3.0%
Salary Increases	3.0%
Mortality	Based on the PubG.H-2010 fully generational mortality, 50.0% male, and projected with Scale MP-2020.

Discount rate – City, BWS and HART - A single discount rate of 7.0% was used to measure the total OPEB liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 7.0%. Beginning with the fiscal

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year 2019 contribution, the funding policy of the City is to pay the recommended actuarially determined contribution, which is based on layered, closed amortization periods. In July 2020, the Governor of the State of Hawaii issued the Tenth Supplemental Proclamation related to the COVID-19 emergency, allowing employers of the EUTF to suspend Act 268 contributions for the fiscal year ended June 30, 2021 and instead limit their contribution amounts to the OPEB benefits due. This temporary Act 268 suspension would not derail the plan's long-term funding progress. Even if Act 268 is suspended through fiscal year ending June 30, 2025, the OPEB plan's fiduciary net position is expected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Private Equity	10.0%	9.7%
U.S. Microcap	6.0%	7.9%
U.S. Equity	14.0%	6.2%
Non-U.S. Equity	16.0%	7.7%
Global Options	6.0%	4.7%
Core Real Estate	10.0%	6.0%
Private Credit	6.0%	5.5%
Core Bonds	3.0%	0.1%
TIPS	5.0%	0.1%
Long Treasuries	6.0%	0.9%
Alternative Risk Premia	5.0%	1.6%
Trend Following	8.0%	2.1%
Reinsurance	5.0%	4.3%
Total	<u>100.0%</u>	

Discount rate – OTS – A discount rate of 2.2% was used to measure the total OPEB liability. The projection of cash flows used to determine the discount rate assumed that contributions from OTS will be made at the required rates. Based on this assumption, the bargaining plan's and non-bargaining plan's fiduciary net positions were projected to not be available to make any projected future benefit payments of current active and inactive employees. The discount rate and municipal bond rate (based on the daily rate closest to but not later than the measurement date of the

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S&P “Municipal Bond 20 Year High Grade Rate”) at the prior measurement date of June 30, 2020 was 2.7%.

Changes in Net OPEB Liability - The following table presents the fiscal year 2021 changes in net OPEB liability (amounts in thousands) with measurement dates for the net OPEB liability of July 1, 2020 for the City, BWS and HART, and June 30, 2021 for OTS:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Primary Government:			
Beginning balances	\$ 2,491,272	\$ (619,689)	\$ 1,871,583
Changes for the year:			
Service cost	48,212	-	48,212
Interest on the total OPEB liability	173,113	-	173,113
Difference between expected and actual experience	(158,493)	-	(158,493)
Changes of assumptions	(13,867)	-	(13,867)
Employer contributions	-	(183,677)	(183,677)
Net investment income	-	(13,620)	(13,620)
Benefit payments	(84,672)	84,672	-
Administrative expense	-	102	102
Other	-	153	153
Net changes	(35,707)	(112,370)	(148,077)
Ending balances	\$ 2,455,565	\$ (732,059)	\$ 1,723,506
Component Units:			
Beginning balances	\$ 447,237	\$ (89,614)	\$ 357,623
Changes for the year:			
Service cost	15,295	-	15,295
Interest on the total OPEB liability	19,122	-	19,122
Difference between expected and actual experience	(16,415)	-	(16,415)
Changes of assumptions	16,000	-	16,000
Employer contributions	-	(8,955)	(8,955)
Net investment income	-	(1,705)	(1,705)
Benefit payments	(10,586)	6,139	(4,447)
Administrative expense	-	13	13
Other	-	(4)	(4)
Net changes	23,416	(4,512)	18,904
Ending balances	\$ 470,653	\$ (94,126)	\$ 376,527

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

The net OPEB liability was calculated using the single discount rates of 7.0% for the City, BWS and HART, and 2.2% for OTS. In addition, the plans' net OPEB liability was calculated using a single discount rate that is one percent lower (specifically, 6.0% for the City, BWS and HART, and 1.2% for OTS) or one percent higher than the current rate (that is, 8.0% for the City, BWS and HART, and 3.2% for OTS) as shown below (amounts in thousands):

	Net OPEB Liability		
	Current Discount		
	1.0% Decrease	Rate Assumption	1.0% Increase
Primary Government	\$ 2,104,858	\$ 1,723,506	\$ 1,424,061
Component Units	460,529	376,527	310,174

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

	Net OPEB Liability		
	Current Healthcare Cost Trend		
	1.0% Decrease	Rate Assumption	1.0% Increase
Primary Government	\$ 1,414,184	\$ 1,723,506	\$ 2,122,593
Component Units	305,149	376,527	468,746

OPEB Expense, and Deferred Outflows and Deferred Inflows of Resources Related to OPEB – For the fiscal year ended June 30, 2021, OPEB expense was recognized as follows (amounts in thousands):

	Primary Government	Component Units
OPEB Expense	\$ 152,682	\$ 31,581

At June 30, 2021, OPEB-related deferred outflows and deferred inflows of resources from the following sources were reported (amounts in thousands):

	Primary Government		Component Units	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ -	\$ (154,864)	\$ 20,025	\$ (31,737)
Changes in assumptions	26,233	(11,485)	52,410	(1,400)
Net difference between projected and actual earnings on investments	31,840	-	4,713	-
Change in proportionate share between City funds	6,016	(6,016)	-	-
Contributions subsequent to measurement date	190,106	-	9,270	-
Total	\$ 254,195	\$ (172,365)	\$ 86,418	\$ (33,137)

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Amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2021 as follows (amounts in thousands):

	Primary Government	Component Units
Subsequent Contributions	\$ 190,106	\$ 9,270

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

Year Ending June 30:	Primary Government	Component Units
2022	\$ (22,059)	\$ 4,575
2023	(20,312)	4,877
2024	(19,712)	4,884
2025	(21,934)	4,349
2026	(24,259)	4,006
Thereafter	-	21,320
Total	\$ (108,276)	\$ 44,011

Payable to the OPEB Plans – OTS reported a payable of \$2.1 million for the outstanding amount of required contributions to the OPEB plans as of June 30, 2021. The City, BWS, and HART did not report a payable to the OPEB plan as of June 30, 2021.

12. Enterprise Funds

Housing Development Special Fund

The City created the Housing Development Special Fund to develop affordable housing for sale or for rental. At June 30, 2021, the City had \$20.7 million of general obligation bonds outstanding, which were used to finance the development of various residential lots and recreational facilities.

Restricted Assets – Certain cash balances held in separate accounts are classified as restricted assets. Restricted cash includes security deposit reserves, insurance reserves and replacement reserves for the rental properties operated by the housing fund. At June 30, 2021 these assets amounted to \$22.6 million. Due to the implementation of GASB Statement No. 84, *Fiduciary Activities*, restricted assets and other liabilities were reclassified to the housing fund. At June 30, 2021, these restricted assets amounted to \$926.6 thousand. There was no effect on the net position of the fund as a result of the reclassification.

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Sewer Fund

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

Restricted Assets – Certain investments are classified as restricted assets since their use is limited by certain agreements. Restricted investments include amounts reserved for debt service, unspent bond proceeds reserved for future wastewater construction projects, and investments held in clearance accounts. At June 30, 2021, restricted investments amounted to \$98.6 million. Due to the implementation of GASB Statement No. 84, *Fiduciary Activities*, restricted assets and other liabilities were reclassified to the sewer fund. There was no effect on the net position of the fund as a result of the reclassification.

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).

Restricted Assets – Certain investments are classified as restricted assets since their used is limited by certain agreements. Restricted investments include unspent bond proceeds reserved for future solid waste construction projects. At June 30, 2021 these assets amounted to \$65.8 million.

H-POWER Facility

The City executed agreements with Covanta Honolulu Resource Recovery Venture (Covanta) to operate a solid waste disposal and energy recovery project, the Honolulu Program of Waste Energy Recovery (the H-POWER Facility). The H-POWER Facility processes and disposes of solid waste, and together with combustion facilities, produces steam used for the generation of electricity.

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Revenues are generated from user tip fees and from the sale of energy products and recovered materials. The H-POWER Facility commenced commercial operations on May 21, 1990, and the City has a 20-year contract to sell electricity generated to a utility company through April 30, 2033.

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

As of June 30, 2021, the City had \$377.0 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 (PTS) on the island of Oahu, which includes the City's bus, paratransit and rail systems.

The City contracted with Oahu Transit Services, Inc. (OTS) to provide for the management of the City's bus and paratransit systems. OTS provides the employees to operate and manage the bus and paratransit systems. The City reimburses OTS for operating expenses. The management fee for the period July 1, 2020 to June 30, 2021 was approximately \$469.0 thousand. In July 2010, the agreement between OTS and the City was extended. The extension provides for the City to pay OTS approximately \$117.0 thousand per quarter beginning with the quarter ended September 30, 2010, until a new management and operations agreement is executed.

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

Restricted Assets – OTS established trust funds for the purpose of maintaining adequate funds for expenses incurred through its workers' compensation, general, and auto liability self-insurance programs. At June 30, 2021, these assets held by OTS amounted to \$2.0 million. Restricted investments include investments held in clearance accounts. Due to the implementation of GASB Statement No. 84, *Fiduciary Activities*, restricted assets and other liabilities were reclassified to the public transportation system. There was no effect on the net position of the fund as a result of the reclassification. At June 30, 2021, these restricted assets amounted to \$937.1 thousand.

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

13. Commitments and Encumbrances

Leases

The City leases equipment and office space under capital and operating leases, which expire at various dates through fiscal year 2052. At June 30, 2021, there is no cost of equipment recorded under capital lease arrangements.

Future minimum obligations under operating leases at June 30, 2021 were as follows (amounts in thousands):

Year Ending June 30:	Operating Leases
2022	\$ 6,408
2023	5,721
2024	4,913
2025	4,133
2026	2,683
2027 - 2031	6,422
2032 - 2036	100
2037 - 2041	50
2042 - 2046	50
2047 - 2051	50
2052	10
Total minimum payments	<u>\$ 30,540</u>

Certain leases provide for payment of common area charges and for periodic renegotiation of rents. Rent expense under operating leases, principally recorded in the General Fund, amounted to \$13.4 million for the fiscal year ended June 30, 2021.

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The City leases to others concession rights and real property under operating leases, which expire at various dates through fiscal year 2056. Certain leases provide for periodic renegotiation of rents. The cost, accumulated depreciation and net book value of these leased assets are as follows (amount in thousands):

<u>Asset Class</u>	<u>Cost at Date of Acquisition</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$ 2,942	\$ -	\$ 2,942
Buildings and Improvements	46,938	(41,556)	5,382
Totals	<u>\$ 49,880</u>	<u>\$ (41,556)</u>	<u>\$ 8,324</u>

Future minimum rental incomes under such leases at June 30, 2021 were as follows (amounts in thousands):

Year Ending June 30:	
2022	\$ 1,086
2023	908
2024	898
2025	820
2026	765
2027 - 2031	3,653
2032 - 2036	2,826
2037 - 2041	2,644
2042 - 2046	2,559
2047 - 2051	1,981
2052 - 2056	1,016
Total minimum rental income	<u>\$ 19,156</u>

Other Commitments and Encumbrances

Contractual commitments for capital projects, expenses and supplies at June 30, 2021 are encumbered in the governmental and fiduciary funds and are in thousands as follows:

Governmental Funds:	
Major Governmental Funds:	
General Fund (combining)	\$ 87,142
Highway Fund	13,525
Federal Grant Fund	281,977
Total Major Funds	<u>382,644</u>
Nonmajor Funds - Other Governmental Funds	<u>635,519</u>
Total	<u>\$ 1,018,163</u>

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Contractual commitments of the business-type activities including the component units, which do not employ encumbrance accounting, are primarily for construction contracts and are as follows in thousands at June 30, 2021:

Proprietary Funds:	
Housing	\$ 20
Sewer	793,063
Solid Waste	114,414
Public Transportation System	<u>24,242</u>
Total Proprietary Funds	<u>931,739</u>
Component Units:	
Board of Water Supply	407,246
Honolulu Authority for Rapid Transportation	<u>1,000,000</u>
Total Component Units	<u>1,407,246</u>
Total Business-Type Activities including Component Units	<u>\$ 2,338,985</u>

14. Contingent Liabilities

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

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

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The basis for estimating the liabilities for unpaid claims includes the effects of specific incremental claim adjustment expenses, salvage, and subrogation, and other allocated or unallocated claim adjustment expenses. At June 30, 2021, the estimated total liability of the City for claims and judgments amounted to \$121.1 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.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

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

	Automobile and General Liability	Workers' Compensation	Total
Balance at July 1, 2019	\$ 63,792	\$ 75,866	\$ 139,658
Add, Incurred losses and loss adjustment expenses	(9,791) *	23,040	13,249
Less, Payments	<u>(2,995)</u>	<u>(24,722)</u>	<u>(27,717)</u>
Balance at June 30, 2020	51,006	74,184	125,190
Add, Incurred losses and loss adjustment expenses	(406) *	36,999	36,593
Less, Payments	<u>(8,622)</u>	<u>(32,067)</u>	<u>(40,689)</u>
Balance at June 30, 2021	<u>\$ 41,978</u>	<u>\$ 79,116</u>	<u>\$ 121,094</u>

*Due to significant decrease in the City unpaid estimates of reserve for losses.

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

15. Environmental Issues

Solid Waste Landfill Costs

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

Federal and state laws and regulations require the City to place final covers on certain landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Annual additions to the liability for closure and postclosure care costs are based on landfill capacity used as of each balance sheet date. The \$15.4 million reported as the liability in the Solid Waste Special Fund for closure and postclosure care costs at June 30, 2021 represents the cumulative amount reported to date based on the percentage of the estimated capacity used for the landfills (amounts in thousands). Actual costs may differ from estimates if additional postclosure care requirements are determined (due to inflation or deflation, changes in technology, or changes in applicable laws or regulations).

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

Schedule of Solid Waste Special Fund Liability

	<u>Capacity Used</u>	<u>Closure Date</u>	<u>Liability at June 30, 2021</u>	<u>Total Estimated Cost</u>
Waipahu incinerator landfill	100.0%	October 1991	\$ 7,384	\$ 27,108
Kapaa sanitary landfill	100.0%	May 1997	7,987	25,486
Total			<u>\$ 15,371</u>	<u>\$ 52,594</u>

The Proprietary Funds Statement of Net Position records the landfill liability as current and noncurrent liabilities. The current portion of \$1.3 million is included in other current liabilities and the noncurrent portion of \$14.1 million is included in estimated liability for landfill closure and postclosure care costs.

For fiscal year 2021, the City has provided the financial resources that will be available to provide for closure, postclosure care and remediation or containment of environmental hazards at the above landfills. The EPA's financial assurance rules include a local government financial test consisting of a financial component, a public notice component, and a recordkeeping component. Local governments are required to satisfy each of the three components to pass the annual test. Management believes the City has satisfied each of the components to meet the financial assurance test.

For the Waimanalo Gulch Landfill, the current operator is responsible for all closure and postclosure care costs through 2024; the City will be responsible for all closure and postclosure costs after 2024. At June 30, 2021 the City provided the financial resources that will be available to provide for closure, postclosure, remediation or containment of environmental hazards at the landfill. At June 30, 2021 the estimated capacity used is 75.5% and the estimated remaining life of the landfill is 17.2 years. The total closure and postclosure costs, estimated at \$58.2 million, have not been recognized since the operator is responsible for all closure and postclosure through 2024.

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

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

2020. The City is required to operate the solar power system for at least 3 years following construction completion.

Sewer Fund – Litigation

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

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

The City is contesting certain conditions for the Waianae WWTP NPDES permit. The matter is currently pending before the Intermediate Court of Appeals on a procedural issue.

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

- Wastewater spills, which are subject to reporting pursuant to the NPDES permits, the 2010 Consent Decree described below, and DOH regulations.
- Exceedance of interim effluent limits set forth in the 2010 Consent Decree for the Sand Island and Honouliuli WWTPs, which are reported monthly with the discharge monitoring reports for the plants.
- Exceedance of effluent limits set forth in the NPDES permits for the WWTPs, which are reported monthly with the discharge monitoring reports for the plants.
- On November 26, 2014, DOH issued a Notice of Apparent Violation regarding the City's pretreatment program. The City responded on March 6, 2015.
- On August 11, 2020, DOH issued a Notice of Apparent Violation and Request for Information regarding the City's Honouliuli WWTP. The City responded on September 10, 2020.
- No other incident of noncompliance is subject to existing or threatened enforcement.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

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

The 2010 Consent Decree, approved by the Environmental Protection Agency ("EPA"), DOH, the Sierra Club, Hawaii Chapter, Our Children's Earth Foundation, and Hawaii's Thousand Friends, was entered by the United States District Court in Hawaii. Three previous environmental lawsuits were dismissed. The City's appeal of the EPA's January 2009 final decisions denying the City's applications to renew its permit variances from secondary treatment for the Honouliuli and Sand Island WWTP was dismissed on February 2, 2011. The 2010 Consent Decree allows 10 years for completion of work on the collection system, 14 years for the upgrade of the Honouliuli WWTP to secondary treatment, and up to 25 years, with the possibility of a three year extension, for the upgrade of the Sand Island WWTP to secondary treatment. The City provided \$2.76 billion in capital funding from fiscal year 2009 through fiscal year 2020 (which coincides with the term of the collection system portion of the consent decree). Of this amount, \$2.06 billion was provided for the collection system, much of this going toward work that was already required or planned. The remaining \$690 million was provided for the treatment plant upgrades, which included \$500 million for upgrades at Honouliuli, and \$190 million for the first phases of the upgrades at Sand Island. Funding for the first phases at Sand Island also includes fiscal year 2021 and 2022 funding of \$673 million, for a total of \$863 million. The second phase of the Sand Island upgrade is expected to incur approximately \$2.0 billion in capital costs from fiscal year 2023 through fiscal year 2034. As part of the settlement, the City paid a civil penalty in the amount of \$800,000 to the United States, and \$800,000 to the State. In addition, the City paid \$800,000 to the Sierra Club, Hawaii Chapter, Our Children's Earth Foundation, and Hawaii's Thousand Friends, to fund four supplemental environmental projects. The Honouliuli WWTP and Sand Island WWTP upgrades are expected to be completed by 2024 and 2035, respectively.

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

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

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

written agreement with the United States, the State, and the City. On July 15, 2020, the U.S. Department of Justice, the State, and the City entered into an agreement to extend the completion of the single remaining collection system project, SI-CS-10, to August 31, 2021. The City is on track to meet this deadline.

On March 13, 2017, the City and DOH voluntarily entered into an Administrative Order on Consent (2017 Administrative Order on Consent) to resolve all liability of the City for certain 2015 wastewater spills. The City made no admissions as to fact, violation, fault, or liability in entering the 2017 Administrative Order on Consent. On August 6, 2020, DOH issued a letter confirming that the City has complied with all requirements of the 2017 Administrative Order on Consent, and accordingly closed that administrative action.

Pending Wastewater System Litigation - The City and the Department of Environmental Services generally are self-insured with respect to general liability claims. In the Fiscal Year ended June 30, 2021, the Department settled no lawsuits and claims related to the Wastewater System.

Asset Retirement Obligation (ARO)

Current laws and regulations require the City to take specific actions when retiring underground storage tanks. The City accounts for certain costs associated with the future removal of underground storage tanks and restoring the area to original conditions in accordance with GASB Statement No. 83, *Certain Asset Retirement Obligations*. The City has multiple underground storage tanks with a capacity ranging from 250 to 15,000 gallons. The State of Hawaii's Department of Health requires the City to take specific steps relating to permanent closure of underground storage tanks. Based on contract estimates, the City's ARO for underground storage tanks was approximately \$34.0 million as of June 30, 2021, with tanks having a remaining useful life ranging from 0 to 23 years.

16. Discretely Presented Component Units

Board of Water Supply

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

Major Transactions with the City –

Billing and Collection Services – BWS has an agreement with the City's Department of Environmental Services to provide certain services relating to the billing and collection of sewer service charges. Fees related to these services as well as capital recovery charges related to the implementation of the new billing and collection system were negotiated at approximately \$2.7 million for the fiscal year ended June 30, 2021. The expenditures related to

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

these fees are included in contractual services expenses of the Sewer Fund in the accompanying statement of revenues, expenses and changes in net position for the Proprietary Funds.

Central Administrative Services Expense (CASE) Fee – BWS has an ongoing agreement with the City to pay a CASE fee for treasury, personnel, purchasing and other administrative services. The Board’s Charter allows for a CASE fee to the extent that it represents a reasonable charge for services necessary for the BWS to perform its duties. For the fiscal year ended June 30, 2021, CASE fees paid to the City amounted to \$3.3 million. Any increase for a subsequent year is subject to negotiation.

Joint Construction Projects – During the year ended June 30, 2013, the City entered into an agreement with BWS for a joint water and sewer system upgrade that is administered by BWS. The agreement required the City to make an annual advance payments to BWS. At June 30, 2021, a balance of approximately \$2.3 million of these funds has not been expended.

Honolulu Authority for Rapid Transportation

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

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

Construction Claim Costs – Due to schedule delays, there are other outstanding delay/construction claims from contractors against HART. The original schedule called for the rail system to be completed in 2019. The current schedule pushed the completion date to the end of 2031. Delay claim settlements are normally negotiated during the contract-out process. As such, potential settlement amounts may total approximately \$160.0 million.

Major Transactions with the City –

Central Administrative Services Expense (CASE) Fee – HART executed a Memorandum of Understanding with the City to pay a CASE fee equal to five (5%) percent of HART’s actual operating expenditures for treasury, personnel, purchasing and other services that the City provides to HART on an on-going basis. The CASE fee does not include any direct costs the City charged HART for budget, fiscal, legal, design and construction services, contributions for other postemployment benefits and fringe benefits for services rendered for HART. For the fiscal year ended June 30, 2021, CASE fees amounted to \$2.2 million.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

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

The City executed General Obligation Commercial Paper Notes, Issue B with a credit limit of \$350.0 million for any temporary cash shortages to complete the HRTTP. The City, at June 30, 2021, has \$275.0 million outstanding.

Per Section 3.06 of the MOU, as of June 30, 2021, \$62.9 million was deposited into the PBRA and an aggregate total of \$982.4 million is reported as advances from the City.

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

Major Transaction with the City –

Reimbursement of Labor Costs – In accordance with the Agreement, the City reimburses OTS for bus system and special transit service labor costs and related employee benefits paid during the fiscal year. For the fiscal year ended June 30, 2021, the City's reimbursement to OTS for personnel costs totaled \$199.5 million.

Contingent Liability – In accordance with the Agreement and governing ordinances, management believes the City is liable only for reimbursable employee benefit costs approved by the City's annual budgeting process. Accordingly, the City's financial statements include only the costs related to currently reimbursable employee benefits. Consequently, any long-term liabilities related to OTS' employee benefits have not been recorded in the primary government financial statements. If the Agreement with OTS is cancelled, the City may have a contingent liability related to OTS' long-term

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2021

employee benefits. However, the City has no plans to do so; therefore, the City has not recorded a contingent liability.

17. Subsequent Events

On August 4, 2021, the City issued General Obligation Bonds, tax exempt series 2021A, 2021B, and 2021D, and taxable series 2021C in the aggregate amount of \$265.9 million. The Series 2021A Bonds maturing July 1, 2032 through July 1, 2043 and Series 2021D Bonds maturing July 1, 2032 through July 1, 2041 are subject to redemption, at the option of the City on or after July 1, 2031, in whole or in part at any time. The Series 2021B, 2021C are not subject to redemption prior to maturity. The bond proceeds will be used to fund certain capital improvement projects and purchase of equipment.

Bonds Series	Range of interest rates	Mature Annually July 1,	Par Amount (in thousands)
2021A	2.00% - 5.00%	2022 - 2046	\$ 169,630
2021B	5.00%	2022 - 2029	33,270
2021C	0.30%-2.95%	2022 - 2046	20,055
2021D	2.00% - 4.00%	2022 - 2046	42,915
Total Par Amount			<u>\$ 265,870</u>

Also on August 4, 2021, the City issued General Obligation Bonds, tax exempt series 2021E in the amount of \$329.8 million for the Honolulu Rail Transit Project. The bonds mature annually on March 1, 2026 through March 1, 2031 and bear an interest rate of 5.0%.

On December 14, 2021, the Mayor signed Bill 40 which established a new Oahu Transient Accommodations Tax (OTAT) of 3% for the island of Oahu. The OTAT is levied on taxpayers who let transient accommodations less than 180 days whom have taxable gross rental proceeds and/or fair market rental value attributable to Oahu. The OTAT is imposed in addition to the State's current Transient Accommodation Tax (TAT) of 10.25%. The OTAT was established in response to the Act 1, First Special Session 2021, which became effective on July 1, 2021 and repealed the State's allocation of the TAT to the counties and instead allowed the counties the right to establish and administer their own transient accommodations tax at a maximum rate of 3%.

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**Required
Supplementary
Information
Other than MD&A
(Unaudited)**

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CITY AND COUNTY OF HONOLULU
GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 1,367,624	\$ 1,367,624	\$ 1,470,579	\$ 102,955
Licenses and permits	46,845	46,845	46,957	112
Intergovernmental	22,775	22,775	59	(22,716)
Charges for services	9,791	9,791	6,843	(2,948)
Fines and forfeits	1,016	1,016	678	(338)
Miscellaneous:				
Recoveries	61,764	61,764	53,549	(8,215)
Interest	15,736	15,736	3,918	(11,818)
Other	4,402	4,402	10,862	6,460
Total Revenues	1,529,953	1,529,953	1,593,445	63,492
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	20,658	21,130	19,042	2,088
City Clerk	4,987	4,987	4,122	865
City Council	9,043	9,043	7,298	1,745
Corporation Counsel	16,540	16,540	12,988	3,552
Customer Services	25,603	26,286	24,804	1,482
Design and Construction	16,564	17,074	14,186	2,888
Emergency Services	1,053	1,088	1,017	71
Facility Maintenance	31,288	32,275	27,456	4,819
Human Resources	7,257	7,447	6,951	496
Information Technology	29,304	29,835	27,749	2,086
Land Management	4,304	4,728	3,803	925
Mayor	7,018	7,665	6,705	960
Office of the City Auditor	1,959	1,958	1,699	259
Office of Council Services	2,838	2,838	2,308	530
Planning and Permitting	21,915	22,645	17,469	5,176
Prosecuting Attorney	22,632	23,013	22,579	434
Total General government	222,963	228,552	200,176	28,376
Public safety:				
Emergency Management	1,423	1,444	1,342	102
Emergency Services	63,667	64,563	59,571	4,992
Fire	143,957	143,957	136,596	7,361
Medical Examiner	3,632	4,195	3,430	765
Planning and Permitting	6,941	7,675	6,710	965
Police	290,566	290,566	272,173	18,393
Transportation Services	1,143	1,143	1,123	20
Total Public safety	511,329	513,543	480,945	32,598
Highways and streets:				
Facility Maintenance	30,299	30,531	20,829	9,702
Sanitation:				
Environmental Services	114	114	114	--

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Human services:				
Community Services	29,119	30,033	27,227	2,806
Culture-recreation:				
Mayor	2,613	2,614	2,478	136
Parks and Recreation	99,603	101,173	93,518	7,655
Total Culture-recreation	102,216	103,787	95,996	7,791
Utilities or other enterprises:				
Transportation Services	4,786	5,076	4,718	358
Miscellaneous:				
Retirement and health benefits:				
City Council	5,539	5,539	5,367	172
Provisional	439,296	439,296	421,494	17,802
Total Retirement and health benefits	444,835	444,835	426,861	17,974
Other:				
City Council	345	345	--	345
Provisional	56,341	45,531	41,940	3,591
Total Other	56,686	45,876	41,940	3,936
Total Miscellaneous	501,521	490,711	468,801	21,910
Capital improvements:				
General government	305	305	94	211
Capital improvements	305	305	94	211
Total Expenditures	1,402,652	1,402,652	1,298,900	103,752
Revenues over Expenditures	127,301	127,301	294,545	167,244
Other Financing Sources (Uses):				
Transfers in	196,212	196,212	192,575	(3,637)
Transfers out	(611,511)	(611,511)	(605,385)	6,126
Total Other Financing Sources (Uses)	(415,299)	(415,299)	(412,810)	2,489
Net change in Fund Balance	(287,998)	(287,998)	(118,265)	169,733
Encumbrances	--	--	87,077	87,077
Fund Balance - July 1	288,302	288,302	368,325	80,023
Fund Balance - June 30	<u>\$ 304</u>	<u>\$ 304</u>	<u>\$ 337,137</u>	<u>\$ 336,833</u>

See accompanying notes to budgetary comparison schedules.

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 92,947	\$ 82,995	\$ (9,952)
Licenses and permits	183,188	191,891	8,703
Charges for services	5,431	4,271	(1,160)
Fines and forfeits	25	17	(8)
Miscellaneous:			
Recoveries	2,276	2,466	190
Other	1,690	784	(906)
Total Revenues	<u>285,557</u>	<u>282,424</u>	<u>(3,133)</u>
Expenditures:			
Current:			
General government:			
Design and Construction	8,682	7,546	1,136
Facility Maintenance	22,193	14,268	7,925
Planning and Permitting	2,781	2,629	152
Total General government	<u>33,656</u>	<u>24,443</u>	<u>9,213</u>
Public safety:			
Police	28,835	26,081	2,754
Transportation Services	9,036	8,177	859
Total Public safety	<u>37,871</u>	<u>34,258</u>	<u>3,613</u>
Highways and streets:			
Facility Maintenance	38,643	29,636	9,007
Utilities or other enterprises:			
Transportation Services	7,651	7,279	372
Miscellaneous:			
Retirement and health benefits:			
Provisional	46,448	45,856	592
Other:			
Provisional	3,167	2,743	424
Total Miscellaneous	<u>49,615</u>	<u>48,599</u>	<u>1,016</u>
Capital improvements:			
General government	453	453	--
Total Capital improvements	<u>453</u>	<u>453</u>	<u>--</u>
Total Expenditures	<u>167,889</u>	<u>144,668</u>	<u>23,221</u>

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 2 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues over Expenditures	117,668	137,756	20,088
Other Financing Source (Use):			
Sales of capital assets	227	349	122
Transfers out	(166,062)	(162,425)	3,637
Total Other Financing Source (Use)	(165,835)	(162,076)	3,759
Net change in Fund Balance	(48,167)	(24,320)	23,847
Encumbrances	--	13,525	13,525
Fund Balance - July 1	48,167	36,831	(11,336)
Fund Balance - June 30	\$ --	\$ 26,036	\$ 26,036

See accompanying notes to budgetary comparison schedules.

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 110,882	\$ 536,563	\$ 486,124	\$ (50,439)
Miscellaneous:				
Interest	--	--	3	3
Other	--	--	160	160
Total Revenues	110,882	536,563	486,287	(50,276)
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	1,679	1,951	1,133	818
City Council	52	52	52	--
Corporation Council	30	30	30	--
Customer Services	1,878	1,878	1,878	--
Design and Construction	3,213	3,213	2,413	800
Facility Maintenance	84	84	84	--
Human Resouces	16	16	16	--
Information Technology	3,780	3,780	3,721	59
Land Mangement	3,132	3,132	3,132	--
Mayor	208,532	575,460	487,849	87,611
Planning and Permitting	465	486	465	21
Prosecuting Attorney	1,424	3,260	2,840	420
Total General government	224,285	593,342	503,613	89,729
Public safety:				
Emergency Management	2,694	13,701	5,775	7,926
Emergency Services	12,962	12,962	12,962	--
Fire	7,594	7,690	7,618	72
Medical Examiner	23	252	105	147
Police	33,235	50,422	38,481	11,941
Transportation Services	4,378	5,738	5,619	119
Total Public safety	60,886	90,765	70,560	20,205
Sanitation:				
Environmental Services	30	271	271	--

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Human services:				
Community Services	95,261	131,006	113,055	17,951
Culture-recreation:				
Enterprise Services	151	151	151	--
Parks and Recreation	881	901	901	--
Total Culture-recreation	<u>1,032</u>	<u>1,052</u>	<u>1,052</u>	<u>--</u>
Utilities or other enterprises:				
Board of Water Supply	13	13	13	--
Transportation Services	104,014	104,813	104,811	2
Total Utilities or other enterprises	<u>104,027</u>	<u>104,826</u>	<u>104,824</u>	<u>2</u>
Total Expenditures	<u>485,521</u>	<u>921,262</u>	<u>793,375</u>	<u>127,887</u>
Net change in Fund Balance	(374,639)	(384,699)	(307,088)	77,611
Encumbrances	--	--	281,977	281,977
Fund Balance - July 1	--	--	39,195	39,195
Fund Balance - June 30	<u>\$ (374,639)</u>	<u>\$ (384,699)</u>	<u>\$ 14,084</u>	<u>\$ 398,783</u>

CITY AND COUNTY OF HONOLULU
NOTES TO BUDGETARY COMPARISON SCHEDULES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Budgets and Budgetary Accounting

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

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

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

Reconciliation	General Fund	Highway Fund	Federal Grants Fund
Net change in Fund Balance per Budgetary Comparison Schedule	\$ (118,265)	\$ (24,320)	\$ (307,088)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances	87,077	13,525	281,977
Changes in Fund Balance for legal separate funds combined with the General Fund per GASB 54	8,673	--	--
Net change in Fund Balance per Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ (22,515)	\$ (10,795)	\$ (25,111)

CITY AND COUNTY OF HONOLULU
EMPLOYEES' RETIREMENT SYSTEM - PENSION PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 Fiscal Years 2013 - 2020
 (Dollar amounts in thousands)

Fiscal Year Ended	Proportion of Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
June 30, 2020	19.08%	\$ 2,919,908	\$ 689,084	423.74%	53.18%
June 30, 2019	18.81%	\$ 2,665,559	\$ 666,311	400.05%	54.87%
June 30, 2018	18.20%	\$ 2,424,496	\$ 640,203	378.71%	55.48%
June 30, 2017	17.82%	\$ 2,307,225	\$ 626,639	368.19%	54.80%
June 30, 2016	18.17%	\$ 2,428,894	\$ 599,494	405.16%	51.28%
June 30, 2015	17.41%	\$ 1,520,529	\$ 578,043	263.05%	62.42%
June 30, 2014	16.31%	\$ 1,307,396	\$ 536,304	243.78%	63.92%
June 30, 2013	16.76%	\$ 1,496,794	\$ 509,130	293.99%	57.96%

Information prior to the fiscal year ended June 30, 2013 is not available.
 As information becomes available in the future years, up to 10 years will be displayed prospectively.

CITY AND COUNTY OF HONOLULU
EMPLOYEES' RETIREMENT SYSTEM - PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
Fiscal Years 2012 - 2021
(Dollar amounts in thousands)

Fiscal Year Ended	Statutorily Required Contributions	Contributions in Relation to Statutorily Required Contributions	Contribution Excess (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2021	\$ 245,875	\$ 245,628	\$ (247)	\$ 700,332	35.07%
June 30, 2020	\$ 212,405	\$ 212,694	\$ 289	\$ 689,084	30.87%
June 30, 2019	\$ 176,114	\$ 176,416	\$ 302	\$ 666,311	26.48%
June 30, 2018	\$ 152,657	\$ 157,686	\$ 5,029	\$ 640,203	24.63%
June 30, 2017	\$ 140,342	\$ 139,569	\$ (773)	\$ 626,639	22.27%
June 30, 2016	\$ 135,217	\$ 129,245	\$ (5,972)	\$ 599,494	21.56%
June 30, 2015	\$ 121,465	\$ 132,308	\$ 10,843	\$ 578,043	22.89%
June 30, 2014	\$ 102,885	\$ 87,979	\$ (14,906)	\$ 536,304	16.40%
June 30, 2013	\$ 93,503	\$ 87,840	\$ (5,663)	\$ 509,130	17.25%
June 30, 2012	\$ 89,275	\$ 81,690	\$ (7,585)	\$ 517,862	15.77%

CITY AND COUNTY OF HONOLULU
NOTES TO THE SCHEDULES OF PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY AND CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Amounts reported in the schedule of proportionate share of the net pension liability had no significant changes in assumptions for the measurement period ended June 30, 2020.

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

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

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

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

CITY AND COUNTY OF HONOLULU
POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

Fiscal Years 2017 - 2020
(Amounts in thousands)

	2020	2019	2018	2017
Total OPEB liability				
Service cost	\$ 48,212	\$ 45,917	\$ 44,698	\$ 43,835
Interest on the total OPEB liability	173,113	163,723	155,684	147,732
Difference between expected and actual experience of the total OPEB liability	(158,493)	(9,002)	(36,127)	--
Changes of assumptions	(13,868)	16,227	31,781	--
Benefit payments	(84,672)	(83,074)	(80,555)	(76,220)
Net change in total OPEB liability	(35,708)	133,791	115,481	115,347
Total OPEB liability - July 1	2,491,272	2,357,481	2,242,000	2,126,653
Total OPEB liability - June 30	<u>\$ 2,455,564</u>	<u>\$ 2,491,272</u>	<u>\$ 2,357,481</u>	<u>\$ 2,242,000</u>
Plan fiduciary net position				
Employer contributions	\$ 183,677	\$ 177,331	\$ 143,665	\$ 125,017
Net investment income	13,620	22,566	30,844	30,907
Benefit payments	(84,672)	(83,074)	(80,555)	(76,220)
OPEB plan administrative expense	(102)	(169)	(95)	(72)
Other	(154)	36,505	--	1,147
Net change in plan fiduciary net position	112,369	153,159	93,859	80,779
Plan fiduciary net position - July 1	619,689	466,530	372,671	291,892
Plan fiduciary net position - June 30	<u>\$ 732,058</u>	<u>\$ 619,689</u>	<u>\$ 466,530</u>	<u>\$ 372,671</u>
Net OPEB liability - June 30	<u>\$ 1,723,506</u>	<u>\$ 1,871,583</u>	<u>\$ 1,890,951</u>	<u>\$ 1,869,329</u>
Plan fiduciary net position as a percentage of the total OPEB liability	29.8%	24.9%	19.8%	16.6%
Covered-employee payroll	\$ 689,783	\$ 667,656	\$ 648,001	\$ 626,639
Net OPEB liability as a percentage of covered-employee payroll	249.9%	280.3%	291.8%	298.3%

Information prior to the fiscal year ended June 30, 2017 is not available. As information becomes available in future years, up to 10 years will be displayed prospectively. The above OPEB information is related to the Primary Government only.

Notes to Schedule of Changes in Net OPEB Liability and Related Ratios:

2020: The trend rates were updated to reflect the repeal of the excise tax on high-cost employer health plan.

2019: The demographic assumptions were updated to reflect the 2019 ERS Actuarial Experience Study. Additionally, the participation assumptions were updated to better reflect the plan's anticipated experience.

2018: The short-term healthcare trend assumptions were updated.

CITY AND COUNTY OF HONOLULU
POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)
SCHEDULE OF CONTRIBUTIONS

FISCAL YEARS 2018 - 2021

(Amounts in thousands)

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contribution as a % of Covered Payroll
June 30, 2021	\$ 190,106	\$ 190,106	\$ --	\$ 700,332	27.1%
June 30, 2020	\$ 183,677	\$ 183,677	\$ --	\$ 689,783 (a)	26.6%
June 30, 2019	\$ 177,331	\$ 177,331	\$ --	\$ 667,656	26.6%
June 30, 2018	\$ 166,876	\$ 143,665	\$ 23,211	\$ 648,001	22.2%

Notes:

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

(a) Revised from previous ACFR.

CITY AND COUNTY OF HONOLULU
POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)
NOTES TO SCHEDULE OF CONTRIBUTIONS
 FISCAL YEAR ENDED JUNE 30, 2021

Valuation Date:	The actuarially determined contribution for the fiscal year ended June 30, 2021 was developed in the July 1, 2018 valuation.
Methods and Assumptions:	
Actuarial Cost Method	Entry Age Normal
Discount Rate	7.0%
Inflation	2.5%
Amortization Method	Level percent. Closed bases are established at each valuation for new unfunded liabilities.
Equivalent Single Amortization Period	18.1 as of the fiscal year ended June 30, 2020
Payroll Growth	3.5%
Asset Method	4-year smoothed market
Salary Increases	3.5% to 7.0% including inflation
Demographic Assumptions	Based on the experience study covering the five year period ended June 30, 2015 as conducted for the Hawaii Employees' Retirement System (ERS)
Mortality	System-specific mortality tables utilizing scale BB to project generational mortality improvement
Participation Rates	98.0% healthcare participation assumption for retirees who receive 100.0% of the Base Monthly Contribution (BMC). Healthcare participation rates of 25.0%, 65.0%, and 90.0% for retirees who receive 0.0%, 50.0%, or 75.0% of the BMC, respectively. 100.0% for Life Insurance and 98.0% for Medicare Part B
Healthcare cost trend rates:	
PPO*	Initial rate of 10.0%, declining to a rate of 4.9% after 13 years
HMO*	Initial rate of 10.0%, declining to a rate of 4.9% after 13 years
Part B	Initial rates of 4.0% and 5.0%, declining to a rate of 4.7% after 12 years
Dental	5.0% for the first three years; then 4.0% for all future years
Vision	0.0% for the first three years; then 2.5% for all future years
Life Insurance	0.0%

* Blended rates for medical and prescription drug

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Other Supplementary Information

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Nonmajor Governmental Funds Combining Financial Statements

For a brief explanation of the individual nonmajor governmental funds, please refer to the divider pages 52-54 preceding the Governmental Fund Financial Statements.

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2021
 (Amounts in thousands)

(Page 1 of 5)

	Special Revenue Funds			
	Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	Bikeway Fund	Parks and Playgrounds Fund	Liquor Commission Fund
ASSETS				
Cash and investments:				
With Treasury and banks.....	\$ 7,751	\$ 2,705	\$ 6,312	\$ 2,876
Receivables:				
Accounts	--	--	--	--
Special Assessments	--	--	--	--
Loans	--	--	--	--
Intergovernmental	--	--	--	--
Payroll Advance	13	6	--	21
Due from other funds	--	--	--	--
Total Assets	\$ 7,764	\$ 2,711	\$ 6,312	\$ 2,897
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 59	\$ 13	\$ 375	\$ 160
Interest and bonds payable-matured	--	--	--	--
Due to other funds	--	--	--	--
Accrued payroll	53	14	--	119
Total Liabilities	112	27	375	279
Deferred Inflow:				
Deferred inflow	--	--	--	--
Total Deferred Inflow	--	--	--	--
Fund Balances:				
Restricted	7,652	2,684	--	2,618
Committed	--	--	5,937	--
Total Fund Balances	7,652	2,684	5,937	2,618
Total Liabilities, Deferred Inflow and Fund Balances	\$ 7,764	\$ 2,711	\$ 6,312	\$ 2,897

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2021
 (Amounts in thousands)

(Page 2 of 5)

Special Revenue Funds						
Rental Assistance Fund	Hanauma Bay Nature Preserve Fund	Clean Water and Natural Lands Fund	Affordable Housing Fund	Community Development Fund	Patsy T. Mink Central Oahu Regional Park Fund	Waipio Peninsula Soccer Park Fund
\$ 1,738	\$ 990	\$ 39,781	\$ 28,056	\$ 860	\$ 273	\$ 271
--	2	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	11	--	--
--	--	--	--	609	--	--
--	20	--	--	8	--	--
--	--	--	42	--	--	--
\$ 1,738	\$ 1,012	\$ 39,781	\$ 28,098	\$ 1,488	\$ 273	\$ 271
\$ --	\$ 82	\$ 597	\$ 390	\$ 651	\$ 11	\$ --
--	--	--	--	--	--	--
--	38	--	--	228	--	--
--	73	--	7	33	--	--
--	193	597	397	912	11	--
--	--	--	--	11	--	--
--	--	--	--	11	--	--
--	--	39,184	27,701	565	--	--
1,738	819	--	--	--	262	271
1,738	819	39,184	27,701	565	262	271
\$ 1,738	\$ 1,012	\$ 39,781	\$ 28,098	\$ 1,488	\$ 273	\$ 271

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2021
 (Amounts in thousands)

(Page 3 of 5)

	Special Revenue Funds			
	Honolulu Zoo Fund	Golf Fund	Special Events Fund	Special Projects Fund
ASSETS				
Cash and investments:				
With Treasury and banks.....	\$ 913	\$ 5,871	\$ 1,739	\$ 15,926
Receivables:				
Accounts	--	--	--	--
Special Assessments	--	--	--	--
Loans	--	--	--	--
Intergovernmental	--	--	--	2,420
Payroll Advance	--	60	89	16
Due from other funds	--	--	--	3
Total Assets	\$ 913	\$ 5,931	\$ 1,828	\$ 18,365
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 61	\$ 295	\$ 118	\$ 1,650
Interest and bonds payable-matured	--	--	--	--
Due to other funds	3	--	1	331
Accrued payroll	174	220	164	140
Total Liabilities	238	515	283	2,121
Deferred Inflow:				
Deferred inflow	--	--	--	--
Total Deferred Inflow	--	--	--	--
Fund Balances:				
Restricted	--	--	--	16,244
Committed	675	5,416	1,545	--
Total Fund Balances	675	5,416	1,545	16,244
Total Liabilities, Deferred Inflow and Fund Balances	\$ 913	\$ 5,931	\$ 1,828	\$ 18,365

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2021
 (Amounts in thousands)

(Page 4 of 5)

Special Revenue Funds			Debt Service Fund	Capital Projects Funds
Housing and Community Development Rehabilitation Loan Fund	Pauahi Project Expenditures Hawaii R-15 Fund	Housing and Community Development Section 8 Contract Fund	Improvement District Bond and Interest Redemption Fund	General Improvement Bond Fund
\$ 6,660	\$ 1,017	\$ 10,353	\$ 172	\$ 96,226
--	--	86	--	--
--	--	--	2	--
6,825	--	3,648	--	--
--	--	202	--	--
--	--	45	--	7
--	--	--	--	--
<u>\$ 13,485</u>	<u>\$ 1,017</u>	<u>\$ 14,334</u>	<u>\$ 174</u>	<u>\$ 96,233</u>
\$ --	\$ --	\$ 231	\$ --	\$ 15,311
--	--	--	8	--
--	--	767	--	--
--	--	112	--	6
--	--	1,110	8	15,317
6,825	--	3,936	1	--
6,825	--	3,936	1	--
6,660	1,017	9,288	--	--
--	--	--	165	80,916
6,660	1,017	9,288	165	80,916
<u>\$ 13,485</u>	<u>\$ 1,017</u>	<u>\$ 14,334</u>	<u>\$ 174</u>	<u>\$ 96,233</u>

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2021
 (Amounts in thousands)

(Page 5 of 5)

	Capital Projects Funds			
	Highway Improvement Bond Fund	Federal Grants Capital Projects Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments:				
With Treasury and banks.....	\$ 83,493	\$ 19,916	\$ 13,744	\$ 347,643
Receivables:				
Accounts	--	--	--	88
Special Assessments	--	--	--	2
Loans	--	48,055	--	58,539
Intergovernmental	--	1,396	--	4,627
Payroll Advance	--	--	--	285
Due from other funds	--	--	--	45
Total Assets	\$ 83,493	\$ 69,367	\$ 13,744	\$ 411,229
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 18,309	\$ 625	\$ --	\$ 38,938
Interest and bonds payable-matured	--	--	--	8
Due to other funds	--	--	--	1,368
Accrued payroll	--	--	--	1,115
Total Liabilities	18,309	625	--	41,429
Deferred Inflow:				
Deferred inflow	--	48,055	--	58,828
Total Deferred Inflow	--	48,055	--	58,828
Fund Balances:				
Restricted	--	20,687	13,744	148,044
Committed	65,184	--	--	162,928
Total Fund Balances	65,184	20,687	13,744	310,972
Total Liabilities, Deferred Inflow and Fund Balances	\$ 83,493	\$ 69,367	\$ 13,744	\$ 411,229

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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, 2021
(Amounts in thousands)

(Page 1 of 5)

	Special Revenue Funds			
	Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	Bikeway Fund	Parks and Playgrounds Fund	Liquor Commission Fund
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits.....	--	536	--	5,623
Intergovernmental.....	--	--	--	--
Charges for services.....	4,714	--	--	58
Fines and forfeits.....	--	--	--	167
Miscellaneous:				
Interest.....	--	--	--	--
Other.....	7	--	515	--
Total Revenues.....	4,721	536	515	5,848
Expenditures:				
Current:				
General government.....	2,392	--	--	3,543
Public safety.....	--	565	--	--
Highways and streets.....	380	13	--	--
Human services.....	--	--	--	--
Culture-recreation.....	187	--	--	--
Utilities or other enterprises.....	--	--	--	--
Miscellaneous:				
Retirement and health benefits.....	1,047	192	--	2,343
Other.....	--	--	--	49
Capital Outlay:				
General government.....	--	--	--	383
Public safety.....	--	--	--	--
Highways and streets.....	--	267	--	--
Human services.....	--	--	--	--
Culture-recreation.....	--	--	897	--
Utilities or other enterprises.....	--	--	--	--
Total Expenditures.....	4,006	1,037	897	6,318
Revenues over (under) Expenditures.....	715	(501)	(382)	(470)
Other Financing Sources (Uses):				
Issuance of commercial paper	--	--	--	--
Issuance of general obligation bonds	--	--	--	--
Bond premium	--	--	--	--
Transfers in.....	--	429	--	--
Transfers out.....	(284)	(82)	--	(369)
Total Other Financing Sources (Uses).....	(284)	347	--	(369)
Revenues and Other Sources over (under) Expenditures and Other Uses.....	431	(154)	(382)	(839)
Fund Balances - July 1 as previously stated	7,221	2,838	6,319	3,457
Prior period adjustment (Note 1).....	--	--	--	--
Fund Balances - July 1 as restated.....	7,221	2,838	6,319	3,457
Fund Balances - June 30.....	\$ 7,652	\$ 2,684	\$ 5,937	\$ 2,618

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, 2021
(Amounts in thousands)

(Page 2 of 5)

Special Revenue Funds

Rental Assistance Fund	Hanauma Bay Nature Preserve Fund	Clean Water and Natural Lands Fund	Affordable Housing Fund	Community Development Fund	Patsy T. Mink Central Oahu Regional Park Fund	Waipio Peninsula Soccer Park Fund
\$ --	\$ --	\$ 6,710	\$ 6,710	\$ --	\$ --	\$ --
--	--	--	--	--	--	--
--	--	--	--	8,594	--	--
--	1,124	--	--	--	23	8
--	--	--	--	--	--	--
--	49	213	237	--	--	--
--	125	--	--	--	--	--
--	1,298	6,923	6,947	8,594	23	8
--	53	8	--	713	--	--
--	624	--	--	--	--	--
--	--	--	--	--	--	--
182	--	--	4,543	681	--	--
--	2,617	597	--	--	466	--
--	--	--	--	--	--	--
--	1,524	--	--	--	--	--
--	--	--	--	--	--	--
--	50	--	--	1,894	--	--
--	48	--	--	404	--	--
--	--	--	--	--	--	--
--	--	--	6,491	274	--	--
--	146	--	--	4,482	--	9
--	--	--	--	--	--	--
182	5,062	605	11,034	8,448	466	9
(182)	(3,764)	6,318	(4,087)	146	(443)	(1)
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	(1,596)	--	--	--	(22)	(6)
--	(1,596)	--	--	--	(22)	(6)
(182)	(5,360)	6,318	(4,087)	146	(465)	(7)
1,920	6,179	32,866	31,788	419	727	278
--	--	--	--	--	--	--
1,920	6,179	32,866	31,788	419	727	278
\$ 1,738	\$ 819	\$ 39,184	\$ 27,701	\$ 565	\$ 262	\$ 271

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, 2021

(Amounts in thousands)

(Page 3 of 5)

	Special Revenue Funds			
	Honolulu Zoo Fund	Golf Fund	Special Events Fund	Special Projects Fund
Revenues:				
Taxes	\$ 6,710	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--	--
Intergovernmental.....	--	--	--	15,868
Charges for services.....	2,876	6,096	3	675
Fines and forfeits.....	--	--	--	--
Miscellaneous:				
Interest.....	11	--	29	1
Other.....	142	3,152	2,403	1,588
Total Revenues.....	9,739	9,248	2,435	18,132
Expenditures:				
Current:				
General government.....	--	--	28	3,954
Public safety.....	--	--	--	5,975
Highways and streets.....	--	--	--	1
Human services.....	--	--	--	6,879
Culture-recreation.....	6,859	9,629	5,618	428
Utilities or other enterprises.....	--	--	--	390
Miscellaneous:				
Retirement and health benefits.....	3,163	4,431	3,609	--
Other.....	348	150	168	--
Capital Outlay:				
General government.....	--	--	--	40
Public safety.....	--	--	--	2,574
Highways and streets.....	--	--	--	--
Human services.....	--	--	--	111
Culture-recreation.....	--	--	37	--
Utilities or other enterprises.....	--	--	--	--
Total Expenditures.....	10,370	14,210	9,460	20,352
Revenues over (under) Expenditures.....	(631)	(4,962)	(7,025)	(2,220)
Other Financing Sources (Uses):				
Issuance of commercial paper	--	--	--	--
Issuance of general obligation bonds	--	--	--	--
Bond premium	--	--	--	--
Transfers in.....	3,579	11,914	9,135	--
Transfers out.....	(4,261)	(3,061)	(4,154)	--
Total Other Financing Sources (Uses)....	(682)	8,853	4,981	--
Revenues and Other Sources over (under) Expenditures and Other Uses.....	(1,313)	3,891	(2,044)	(2,220)
Fund Balances - July 1 as previously stated	1,988	1,525	3,589	18,592
Prior period adjustment (Note 1)	--	--	--	(128)
Fund Balances - July 1 as restated	1,988	1,525	3,589	18,464
Fund Balances - June 30.....	\$ 675	\$ 5,416	\$ 1,545	\$ 16,244

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, 2021
(Amounts in thousands)

(Page 4 of 5)

	Special Revenue Funds			Debt Service	Capital Project Funds
Housing and Community Development Rehabilitation Loan Fund	Pauahi Project Expenditures Hawaii R-15 Fund	Housing and Community Development Section 8 Contract Fund	Improvement District Bond and Interest Fund	General Improvement Bond Fund	
\$	\$	\$	\$	\$	\$
--	--	--	--	--	--
--	--	--	--	--	--
--	--	65,973	--	--	--
--	--	--	--	--	--
--	--	--	--	--	12
3	7	24	--	--	--
493	--	9	--	--	--
<u>496</u>	<u>7</u>	<u>66,006</u>	<u>--</u>	<u>--</u>	<u>12</u>
--	--	130	--	--	3,741
--	--	--	--	--	2,913
--	--	--	--	--	428
289	--	64,521	--	--	--
--	--	--	--	--	925
--	--	--	--	--	26,007
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	12,092
--	--	--	--	--	21,600
--	--	--	--	--	8,090
--	--	40	--	--	46,272
--	--	--	--	--	31,702
--	--	--	--	--	--
<u>289</u>	<u>--</u>	<u>64,691</u>	<u>--</u>	<u>--</u>	<u>153,770</u>
<u>207</u>	<u>7</u>	<u>1,315</u>	<u>--</u>	<u>--</u>	<u>(153,758)</u>
--	--	--	--	--	26,000
--	--	--	--	--	109,001
--	--	--	--	--	26,000
--	--	--	--	--	--
--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>161,001</u>
<u>207</u>	<u>7</u>	<u>1,315</u>	<u>--</u>	<u>--</u>	<u>7,243</u>
<u>6,453</u>	<u>1,010</u>	<u>7,973</u>	<u>165</u>	<u>--</u>	<u>73,673</u>
--	--	--	--	--	--
<u>6,453</u>	<u>1,010</u>	<u>7,973</u>	<u>165</u>	<u>--</u>	<u>73,673</u>
<u>\$ 6,660</u>	<u>\$ 1,017</u>	<u>\$ 9,288</u>	<u>\$ 165</u>	<u>\$ --</u>	<u>\$ 80,916</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, 2021
(Amounts in thousands)

(Page 5 of 5)

	Capital Projects Funds			Total Nonmajor Governmental Funds
	Highway Improvement Bond Fund	Federal Grants Capital Projects Fund	Capital Projects Fund	
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ 20,130
Licenses and permits.....	--	--	--	6,159
Intergovernmental.....	--	15,765	--	106,200
Charges for services.....	--	--	--	15,577
Fines and forfeits.....	134	--	--	313
Miscellaneous:				
Interest.....	--	--	--	574
Other.....	187	--	--	8,621
Total Revenues.....	321	15,765	--	157,574
Expenditures:				
Current:				
General government.....	23	--	--	14,585
Public safety.....	235	49	--	10,361
Highways and streets.....	17,820	53	--	18,695
Human services.....	--	2,449	--	79,544
Culture-recreation.....	--	--	--	27,326
Utilities or other enterprises.....	4,075	29,330	--	59,802
Miscellaneous:				
Retirement and health benefits.....	--	--	--	16,309
Other.....	--	--	--	715
Capital Outlay:				
General government.....	1,218	--	--	15,677
Public safety.....	1,534	1,906	29	28,095
Highways and streets.....	44,133	355	--	52,845
Human services.....	--	--	--	53,188
Culture-recreation.....	--	--	--	37,273
Utilities or other enterprises.....	1,494	551	--	2,045
Total Expenditures.....	70,532	34,693	29	416,460
Revenues over (under) Expenditures.....	(70,211)	(18,928)	(29)	(258,886)
Other Financing Sources (Uses):				
Issuance of commercial paper	--	--	--	26,000
Issuance of general obligation bonds	96,744	--	--	205,745
Bond premium	23,257	--	--	49,257
Transfers in.....	--	25,149	--	50,206
Transfers out.....	(25,149)	--	--	(38,984)
Total Other Financing Sources (Uses).....	94,852	25,149	--	292,224
Revenues and Other Sources over (under) Expenditures and Other Uses.....	24,641	6,221	(29)	33,338
Fund Balances - July 1 as previously stated	40,543	14,466	13,773	277,762
Prior period adjustment (Note 1).....	--	--	--	(128)
Fund Balances - July 1 as restated	40,543	14,466	13,773	277,634
Fund Balances - June 30.....	\$ 65,184	\$ 20,687	\$ 13,744	\$ 310,972

Fund Schedules

For a brief explanation of the individual funds, please refer to the divider pages 51-54 preceding the Governmental Fund Financial Statements.

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

CITY AND COUNTY OF HONOLULU
GENERAL FUND
COMBINING BALANCE SHEET
 JUNE 30, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Legally Separate Funds	
	General Fund	Grants In Aid Fund
<u>ASSETS</u>		
Cash and investments:		
With Treasury and banks.....	\$ 407,652	\$ 11,785
Imprest and change funds	--	--
Receivables:		
Real property taxes	22,855	--
Accounts	850	--
Interest	640	--
Intergovernmental	3,290	--
Payroll Advance	6,638	--
Due from other funds	3,993	2
Total Assets	\$ 445,918	\$ 11,787
<u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 60,115	\$ 970
Due to other funds	13	--
Accrued payroll	26,898	5
Deposits and advances	--	--
Total Liabilities	87,026	975
Deferred Inflow:		
Deferred inflow	21,755	--
Total Deferred Inflow	21,755	--
Fund Balances:		
Committed	--	10,812
Assigned	87,077	--
Unassigned	250,060	--
Total Fund Balances	337,137	10,812
Total Liabilities, Deferred Inflow and Fund Balance	\$ 445,918	\$ 11,787

CITY AND COUNTY OF HONOLULU
GENERAL FUND
COMBINING BALANCE SHEET
 JUNE 30, 2021
 (Amounts in thousands)

(Page 2 of 2)

Legally Separate Funds				Reporting Fund Per GASB 54
Reserve for Fiscal Stability Fund	Leasehold Conversion Fund	Revolving Funds	Trust and Clearance Funds	Total General Fund
\$ 138,040	\$ 181	\$ 2,200	\$ 34,234	\$ 594,092
--	--	--	121	121
--	--	--	--	22,855
--	--	--	--	850
--	--	--	--	640
--	--	--	--	3,290
--	--	--	--	6,638
--	--	--	34	4,029
<u>\$ 138,040</u>	<u>\$ 181</u>	<u>\$ 2,200</u>	<u>\$ 34,389</u>	<u>\$ 632,515</u>
\$ --	\$ --	\$ --	\$ 715	\$ 61,800
--	--	--	--	13
--	--	--	35	26,938
--	--	--	32,176	32,176
--	--	--	32,926	120,927
--	42	--	--	21,797
--	42	--	--	21,797
138,040	139	2,200	1,463	152,654
--	--	--	--	87,077
--	--	--	--	250,060
<u>138,040</u>	<u>139</u>	<u>2,200</u>	<u>1,463</u>	<u>489,791</u>
<u>\$ 138,040</u>	<u>\$ 181</u>	<u>\$ 2,200</u>	<u>\$ 34,389</u>	<u>\$ 632,515</u>

CITY AND COUNTY OF HONOLULU
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Amounts in thousands)

(Page 1 of 2)

	Legally Separate Funds	
	General Fund	Grants In Aid Fund
Revenues:		
Taxes	\$ 1,470,579	\$ --
Licenses and permits.....	46,957	--
Intergovernmental.....	59	--
Charges for services.....	6,843	--
Fines and forfeits.....	678	--
Miscellaneous:		
Recoveries.....	53,549	--
Interest.....	3,918	73
Other.....	10,862	--
Total Revenues.....	1,593,445	73
Expenditures:		
Current:		
General government.....	173,182	36
Public safety.....	460,727	--
Highways and streets.....	14,168	--
Human services.....	10,338	7,246
Culture-recreation.....	80,176	--
Utilities or other enterprises.....	3,504	--
Miscellaneous:		
Retirement and health benefits.....	426,861	--
Other.....	37,477	--
Capital Outlay:		
General government.....	1,880	--
Public safety.....	2,757	--
Culture-recreation.....	753	--
Total Expenditures.....	1,211,823	7,282
Revenues over (under) Expenditures.....	381,622	(7,209)
Other Financing Sources (Uses):		
Sales of capital assets	--	--
Transfers in.....	192,575	7,721
Transfers out.....	(605,385)	--
Total Other Financing Sources (Uses)....	(412,810)	7,721
Revenues and Other Sources over Expenditures and Other Uses.....	(31,188)	512
Fund Balances - July 1 as previously stated	368,325	10,300
Prior period adjustment (Note 1)	--	--
Fund Balances - July 1 as restated	368,325	10,300
Fund Balances - June 30.....	\$ 337,137	\$ 10,812

CITY AND COUNTY OF HONOLULU
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Amounts in thousands)

(Page 2 of 2)

Legally Separate Funds				Reporting Fund Per GASB 54
Reserve for Fiscal Stability Fund	Leasehold Conversion Fund	Revolving Funds	Trust and Clearance Funds	Total General Fund
\$ --	\$ --	\$ --	\$ --	\$ 1,470,579
--	--	--	--	46,957
--	--	--	--	59
--	--	--	1,519	8,362
--	--	--	--	678
--	--	--	--	53,549
937	--	1	--	4,929
--	--	--	--	10,862
<u>937</u>	<u>--</u>	<u>1</u>	<u>1,519</u>	<u>1,595,975</u>
--	--	--	--	173,218
--	--	--	--	460,727
--	--	--	1,456	15,624
--	--	--	--	17,584
--	--	--	--	80,176
--	--	--	--	3,504
--	--	--	--	426,861
--	--	--	--	37,477
--	--	--	--	1,880
--	--	--	--	2,757
--	--	--	--	753
<u>--</u>	<u>--</u>	<u>--</u>	<u>1,456</u>	<u>1,220,561</u>
<u>937</u>	<u>--</u>	<u>1</u>	<u>63</u>	<u>375,414</u>
160	--	--	--	160
7,000	--	--	--	207,296
--	--	--	--	(605,385)
<u>7,160</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(397,929)</u>
8,097	--	1	63	(22,515)
129,943	139	2,199	--	510,906
--	--	--	1,400	1,400
<u>129,943</u>	<u>139</u>	<u>2,199</u>	<u>1,400</u>	<u>512,306</u>
<u>\$ 138,040</u>	<u>\$ 139</u>	<u>\$ 2,200</u>	<u>\$ 1,463</u>	<u>\$ 489,791</u>

CITY AND COUNTY OF HONOLULU
GENERAL FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 407,652	\$ 401,946
Receivables:		
Real property taxes	22,855	17,892
Accounts	850	6,214
Interest	640	5,710
Loans	--	28
Intergovernmental	3,290	7,011
Payroll Advance	6,638	7,338
Due from other funds	3,993	1,233
Total Assets	\$ 445,918	\$ 447,372
<u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 60,115	\$ 37,276
Due to other funds	13	172
Accrued payroll	26,898	26,102
Total Liabilities	87,026	63,550
Deferred Inflow:		
Deferred inflow	21,755	15,497
Total Deferred Inflow	21,755	15,497
Fund Balance:		
Assigned	87,077	110,176
Unassigned	250,060	258,149
Total Fund Balance	337,137	368,325
Total Liabilities, Deferred Inflow and Fund Balance	\$ 445,918	\$ 447,372

CITY AND COUNTY OF HONOLULU
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Amounts in thousands)

	<u>2021</u>	<u>2020</u>
Revenues:		
Taxes	\$ 1,470,579	\$ 1,447,893
Licenses and permits	46,957	43,757
Intergovernmental	59	37,902
Charges for services	6,843	6,970
Fines and forfeits	678	1,017
Miscellaneous:		
Recoveries	53,549	51,468
Interest	3,918	16,779
Other	10,862	8,374
Total Revenues	<u>1,593,445</u>	<u>1,614,160</u>
Expenditures:		
Current:		
General government	173,182	164,794
Public safety	460,727	463,259
Highways and streets	14,168	9,209
Sanitation	--	421
Human services	10,338	9,511
Culture-recreation	80,176	79,195
Utilities or other enterprises	3,504	659
Miscellaneous:		
Retirement and health benefits	426,861	365,942
Other	37,477	25,644
Capital outlay:		
General government	1,880	2,940
Public safety	2,757	3,163
Highways and streets	--	74
Culture-recreation	753	581
Total Expenditures	<u>1,211,823</u>	<u>1,125,392</u>
Revenues over Expenditures	<u>381,622</u>	<u>488,768</u>
Other Financing Sources (Uses):		
Transfers in	192,575	190,928
Transfers out	(605,385)	(605,358)
Total Other Financing Sources (Uses)	<u>(412,810)</u>	<u>(414,430)</u>
Revenues and Other Sources over (under) Expenditures and Other Uses	(31,188)	74,338
Fund Balance - July 1	<u>368,325</u>	<u>293,987</u>
Fund Balance - June 30	<u>\$ 337,137</u>	<u>\$ 368,325</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, 2021
 (Amounts in thousands)

(Page 1 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 1,367,624	\$ 1,367,624	\$ 1,470,579	\$ 102,955
Licenses and permits	46,845	46,845	46,957	112
Intergovernmental	22,775	22,775	59	(22,716)
Charges for services	9,791	9,791	6,843	(2,948)
Fines and forfeits	1,016	1,016	678	(338)
Miscellaneous:				
Recoveries	61,764	61,764	53,549	(8,215)
Interest	15,736	15,736	3,918	(11,818)
Other	4,402	4,402	10,862	6,460
Total Revenues	1,529,953	1,529,953	1,593,445	63,492
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	18,957	19,429	17,469	1,960
City Clerk	4,763	4,763	3,903	860
City Council	8,641	8,641	6,896	1,745
Corporation Counsel	13,099	13,099	9,562	3,537
Customer Services	21,824	22,507	21,232	1,275
Design and Construction	10,685	11,195	8,834	2,361
Emergency Services	950	985	933	52
Facility Maintenance	26,572	27,559	24,570	2,989
Human Resources	6,992	7,182	6,698	484
Information Technology	25,892	26,423	24,551	1,872
Land Management	3,024	3,448	2,624	824
Mayor	5,781	6,428	5,602	826
Office of the City Auditor	1,678	1,677	1,480	197
Office of Council Services	2,733	2,733	2,203	530
Planning and Permitting	14,779	15,509	11,740	3,769
Prosecuting Attorney	21,040	21,421	21,003	418
Total General government	187,410	192,999	169,300	23,699
Public safety:				
Emergency Management	1,307	1,328	1,229	99
Emergency Services	56,202	57,098	52,606	4,492
Fire	141,759	141,759	134,667	7,092
Medical Examiner	3,393	3,956	3,229	727
Planning and Permitting	5,941	6,675	6,453	222
Police	283,435	283,435	265,506	17,929
Total Public safety	492,037	494,251	463,690	30,561

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, 2021
 (Amounts in thousands)

(Page 2 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Highways and streets:				
Facility Maintenance	15,098	15,330	5,830	9,500
Human services:				
Community Services	14,612	15,526	12,859	2,667
Culture-recreation:				
Mayor	2,454	2,455	2,327	128
Parks and Recreation	82,020	83,590	77,704	5,886
Total Culture-recreation	84,474	86,045	80,031	6,014
Utilities or other enterprises:				
Transportation Services	1,015	1,305	949	356
Miscellaneous:				
Retirement and health benefits:				
City Council	5,539	5,539	5,367	172
Provisional	435,405	435,405	421,494	13,911
Total Retirement and health benefits	440,944	440,944	426,861	14,083
Other:				
City Council	345	345	--	345
Provisional	56,341	45,531	38,050	7,481
Total Other	56,686	45,876	38,050	7,826
Total Miscellaneous	497,630	486,820	464,911	21,909
Capital improvements:				
Design and Construction	200	200	200	--
Total Capital improvements	200	200	200	--

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, 2021
 (Amounts in thousands)

(Page 3 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Total Expenditures	1,292,476	1,292,476	1,197,770	94,706
Revenues over Expenditures	237,477	237,477	395,675	158,198
Other Financing Sources (Uses):				
Transfers in:				
Central administrative service expenses	53,407	53,407	53,407	--
Debt service	142,034	142,034	138,397	(3,637)
Other	771	771	771	--
Transfers out:				
Debt service	(269,836)	(269,836)	(263,710)	6,126
Bus subsidy	(189,991)	(189,991)	(189,991)	--
Other	(151,684)	(151,684)	(151,684)	--
Total Other Financing Sources (Uses)	(415,299)	(415,299)	(412,810)	2,489
Revenues and Other Sources under Expenditures and Other Uses	(177,822)	(177,822)	(17,135)	160,687
Unreserved - Undesignated Fund				
Balance - July 1	178,126	178,126	258,149	80,023
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 304	\$ 304	241,014	\$ 240,710
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			44,043	
Expenditures - prior year encumbrances			(58,096)	
Decrease in reserved for encumbrances			23,099	
Unreserved - Undesignated Fund Balance - June 30			250,060	
Reserved for Encumbrances - June 30			87,077	
Fund Balance - June 30 (GAAP Basis)			\$ 337,137	

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 1 of 6)

<u>Source of Revenues</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
TAXES			
GENERAL PROPERTY TAXES:			
Real Property Tax	\$ 1,324,815	\$ 1,431,339	\$ 106,524
PUBLIC SERVICE COMPANY TAX:			
Public Service Company Tax	42,809	39,240	(3,569)
TOTAL TAXES	1,367,624	1,470,579	102,955
LICENSES AND PERMITS			
BUSINESS LICENSES AND PERMITS:			
Police and Protective:			
Second-Hand and Junk Dealers	8	9	1
Alarm Permits	190	5	(185)
Other	8	12	4
Professional and Occupational:			
Other	19	23	4
Total Business Licenses and Permits	225	49	(176)
NON-BUSINESS LICENSES AND PERMITS:			
Building Structures and Equipment Permits:			
Building	19,623	20,962	1,339
Signs	27	15	(12)
Other	604	766	162
Motor Vehicle Licenses and Fees:			
Motor Vehicle Plate and Tag Fees	1,806	1,658	(148)
Motor Vehicle Transfer Fees and Penalty	2,794	3,164	370
Duplicate Registration & Ownership Certificates	188	149	(39)
Motor Vehicle Registration Annual Fee	14,070	14,448	378
Other	46	64	18
Other Vehicle Licenses and Fees:			
Moped Annual License Fee	150	134	(16)
Passenger and Freight Vehicle Permit Fees	48	32	(16)
Nonresident Vehicle Permit	19	14	(5)
Motor Vehicle Drivers' Licenses	5,696	4,708	(988)
Animal Licenses:			
Dog Licenses and Tag Fees	168	--	(168)
Street, Sidewalk and Curb Permits:			
Easement Grants	80	107	27
Newsstands	5	4	(1)
Dispensing Rack	174	20	(154)
Fire Code Permits and License Fees	748	71	(677)
Fireworks License Fees	55	418	363
Camping Permits	319	174	(145)
Total Non-Business Licenses and Permits	46,620	46,908	288
TOTAL LICENSES AND PERMITS	46,845	46,957	112

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 2 of 6)

<u>Source of Revenues</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
INTERGOVERNMENTAL			
STATE GRANTS:			
Transient Accommodation Tax	22,712	--	(22,712)
INTERGOVERNMENTAL PAYMENTS IN LIEU OF TAXES:			
Fish and Wildlife Service	63	59	(4)
TOTAL INTERGOVERNMENTAL	22,775	59	(22,716)
CHARGES FOR SERVICES			
GENERAL GOVERNMENT:			
Data Processing Services:			
Duplication of Master Tapes	45	59	14
Data Processing Service - State	650	602	(48)
Data Processing Service - U.S. Government	1	2	1
Data Processing Service - Other Counties	400	435	35
Legal Services (BWS)	220	--	(220)
Service Fee for Dishonored Checks	22	14	(8)
Service Fee for Credit Card Payments	111	267	156
Automotive Equipment Service Charges	110	69	(41)
Subdivision Fees	125	92	(33)
Application Fees for Zoning Regulations	358	253	(105)
Short term rental regulation and renewal Fees	700	--	(700)
Nonconforming Use Renewal Fees	485	473	(12)
Plan Review Use Fees	2,525	1,461	(1,064)
Administrative Fee--Multi-Family Housing Program.....	14	23	9
Military Housing Fee in Lieu of Property Tax	998	986	(12)
Zoning/Flood Clearance Fee	75	76	1
Fees for Certificates, Copies & Extracts of Records	167	181	14
Fees for Services	113	3	(110)
Custodial and Attendant Services	454	--	(454)
Spay-Neuter Service	290	307	17
Other	108	6	(102)
Total General Government	7,971	5,309	(2,662)

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 3 of 6)

<u>Source of Revenues</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
PUBLIC SAFETY:			
Police Charges:			
HPD Special Duty Fees	310	341	31
Protective Inspection:			
Electrical Inspection	13	--	(13)
Miscellaneous:			
Other	9	2	(7)
Total Public Safety	<u>332</u>	<u>343</u>	<u>11</u>
HIGHWAYS AND STREETS:			
Parking:			
City Employees	750	762	12
HPD Parking Lot	125	143	18
Kapalama Hale Parking Lot	90	19	(71)
Total Highways and Streets	<u>965</u>	<u>924</u>	<u>(41)</u>
CULTURE-RECREATION:			
Commercial Activities:			
Scuba, Snorkeling and Windsurfing	26	--	(26)
Commercial Filming	74	8	(66)
Summer Fun Program	238	--	(238)
Fall and Spring Program	--	91	91
Fees for Use of Parks	--	1	1
Foster Botanic Garden	140	113	(27)
Fees for Community Garden	45	54	9
Total Culture-Recreation	<u>523</u>	<u>267</u>	<u>(256)</u>
TOTAL CHARGES FOR SERVICES	<u>9,791</u>	<u>6,843</u>	<u>(2,948)</u>
<u>FINES AND FORFEITS</u>			
FINES:			
Fines	991	530	(461)
Liquidated Contract Damages	--	15	15
Total Fines	<u>991</u>	<u>545</u>	<u>(446)</u>
FORFEITS:			
Forfeiture of Seized Property	25	133	108
TOTAL FINES AND FORFEITS	<u>1,016</u>	<u>678</u>	<u>(338)</u>

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 4 of 6)

<u>Source of Revenues</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
MISCELLANEOUS			
RECOVERIES:			
Recoveries from State:			
Motor Vehicle Inspection Program	785	731	(54)
Administration Cost - Ewa Highway Impact Fee	50	35	(15)
Hawaii State ID Program	821	592	(229)
Emergency Ambulance Services	50,905	42,265	(8,640)
Collection Cost - State Motor Vehicle			
Weight Tax, etc.	1,097	1,006	(91)
Commercial Drivers' License Program	636	380	(256)
Other	154	103	(51)
Other Recoveries:			
Workers' Compensation Payment	400	--	(400)
Central Administrative Service Expenses:			
Board of Water Supply	3,300	3,300	--
Honolulu Authority for Rapid Transportation	1,503	2,218	715
Recovery-Interest-Federal Subsidy	786	521	(265)
Workers' Compensation Claims (Third Party)	300	118	(182)
Recoveries - Other	1,027	2,280	1,253
Total Recoveries	<u>61,764</u>	<u>53,549</u>	<u>(8,215)</u>
INTEREST:			
Interest Earnings:			
Investments	15,736	3,902	(11,834)
Other Sources	--	16	16
Total Interest	<u>15,736</u>	<u>3,918</u>	<u>(11,818)</u>

CITY AND COUNTY OF HONOLULU
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Amounts in thousands)

(Page 5 of 6)

<u>Source of Revenues</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
OTHER MISCELLANEOUS:			
Rents:			
Rental Units:			
Rental Units (City Property)	2,014	180	(1,834)
Rental Units (HCD Property)	221	221	--
Rental - Ambulance Facilities	64	64	--
Rental of Parks and Recreational Facilities:			
Perquisite Housing	9	27	18
Other	2	--	(2)
Rental of Equipment	15	--	(15)
Rental for Use of Land	309	325	16
Rental of Other Properties	300	326	26
Total Rents	2,934	1,143	(1,791)
Contributions from Private Sources:			
Developers' Premium	--	46	46
Unclaimed Monies:			
Police Department	19	554	535
Other Escheats	50	237	187
Total Contributions from Private Sources	69	837	768
Other:			
Towing Service Premiums	120	120	--
Vacation Accumulation Deposits	46	530	484
Miscellaneous Sales	633	918	285
Sundry Refunds	534	7,250	6,716
Sundry Realizations	66	64	(2)
Total Other	1,399	8,882	7,483
Total Other Miscellaneous	4,402	10,862	6,460
TOTAL MISCELLANEOUS	81,902	68,329	(13,573)
TOTAL REVENUES	1,529,953	1,593,445	63,492

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 6 of 6)

<u>Source of Revenues</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
OTHER FINANCING SOURCES			
TRANSFERS FROM OTHER FUNDS:			
Recovery of Central Administrative Service Expenses:			
Highway Fund	15,726	15,726	--
Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	284	284	--
Bikeway Fund	82	82	--
Sewer Fund	21,138	21,138	--
Liquor Commission Fund	369	369	--
Hanauma Bay Nature Preserve Fund	421	421	--
Golf Fund	934	934	--
Special Events Fund	778	778	--
Honolulu Zoo Fund	769	769	--
Patsy T. Mink Central Oahu Regional Park Fund	22	22	--
Waipio Peninsula Soccer Park Fund	6	6	--
Solid Waste Special Fund	12,612	12,612	--
Housing Development Special Fund	266	266	--
Recovery of Debt Service Charges:			
Highway Fund	131,864	128,227	(3,637)
Hanauma Bay Nature Preserve Fund	1,175	1,175	--
Golf Fund	2,127	2,127	--
Special Events Fund	3,376	3,376	--
Honolulu Zoo Fund	3,492	3,492	--
Other Transfers:			
Sewer Fund	508	508	--
Solid Waste Special Fund	263	263	--
TOTAL TRANSFERS FROM OTHER FUNDS ...	196,212	192,575	(3,637)
TOTAL OTHER FINANCING SOURCES	196,212	192,575	(3,637)
TOTAL GENERAL FUND	\$ 1,726,165	\$ 1,786,020	\$ 59,855

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 24,973	\$ 36,895
Receivables:		
Public Utilities	21,119	24,019
Intergovernmental	3,967	2,843
Payroll advance	588	642
Other receivables	--	1
Due from other funds:		
General Fund	--	112
Bus Transportation Fund	--	17
	\$ 50,647	\$ 64,529
<u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 1,527	\$ 1,743
Due to other funds:		
General Trust Fund	--	2
Payroll Clearance Fund	14	19
Accrued payroll	1,951	1,915
Total Liabilities	3,492	3,679
Deferred Inflow:		
Deferred inflow	21,119	24,019
Total Deferred Inflow	21,119	24,019
Fund Balance:		
Restricted	26,036	36,831
Total Fund Balance	26,036	36,831
Total Liabilities, Deferred Inflow and Fund Balance	\$ 50,647	\$ 64,529

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Amounts in thousands)

	2021	2020
Revenues:		
Taxes	\$ 82,995	\$ 96,115
Licenses and permits	191,891	181,983
Charges for services	4,271	5,005
Fines and forfeits	17	7
Miscellaneous:		
Recoveries	2,466	2,579
Other	784	1,261
Total Revenues	282,424	286,950
Expenditures:		
Current:		
General government	20,903	22,186
Public safety	32,785	34,149
Highways and streets	23,884	21,853
Utilities or other enterprises	4,372	5,743
Miscellaneous:		
Retirement and health benefits	45,856	40,558
Other	2,743	2,273
Capital outlay:		
General government	50	39
Public safety	71	--
Highways and streets	479	9
Total Expenditures	131,143	126,810
Revenues over Expenditures	151,281	160,140
Other Financing Source (Use):		
Sales of capital assets	349	522
Transfers out	(162,425)	(165,984)
Total Other Financing Source (Use)	(162,076)	(165,462)
Revenues and Other Source under Expenditures and Other Uses	(10,795)	(5,322)
Fund Balance - July 1	36,831	42,153
Fund Balance - June 30	\$ 26,036	\$ 36,831

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, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 92,947	\$ 82,995	\$ (9,952)
Licenses and permits	183,188	191,891	8,703
Charges for services	5,431	4,271	(1,160)
Fines and forfeits	25	17	(8)
Miscellaneous:			
Recoveries	2,276	2,466	190
Other	1,690	784	(906)
Total Revenues	285,557	282,424	(3,133)
Expenditures:			
Current:			
General government:			
Design and Construction	6,268	5,223	1,045
Facility Maintenance	20,879	13,824	7,055
Planning and Permitting	2,472	2,469	3
Total General government	29,619	21,516	8,103
Public safety:			
Police	28,657	26,011	2,646
Transportation Services	7,509	6,925	584
Total Public safety	36,166	32,936	3,230
Highways and streets:			
Facility Maintenance	27,909	21,193	6,716
Utilities or other enterprises:			
Transportation Services	3,117	2,813	304
Miscellaneous:			
Retirement and health benefits:			
Provisional	46,448	45,856	592
Other:			
Provisional	3,167	2,743	424
Total Miscellaneous	49,615	48,599	1,016
Total Expenditures	146,426	127,057	19,369
Revenues over Expenditures	139,131	155,367	16,236

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, 2021
 (Amounts in thousands)

(Page 2 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Other Financing Source (Uses):			
Sales of capital assets	227	349	122
Transfers out:			
Debt service	(131,864)	(128,227)	3,637
Reimbursement for central administrative service expenses	(15,726)	(15,726)	--
Bus subsidy	(18,472)	(18,472)	--
Total Transfers out.....	(166,062)	(162,425)	3,637
Total Other Financing Source (Uses)	(165,835)	(162,076)	3,759
Revenues and Other Source under Expenditures and Other Uses	(26,704)	(6,709)	19,995
Unreserved - Undesignated Fund Balance - July 1	26,704	15,368	(11,336)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis).....	\$ --	8,659	\$ 8,659
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		4,255	
Expenditures - prior year encumbrances		(8,341)	
Decrease in reserved for encumbrances		7,938	
Unreserved - Undesignated Fund Balance - June 30		12,511	
Reserved for Encumbrances - June 30		13,525	
Fund Balance - June 30 (GAAP Basis)		\$ 26,036	

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (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>TAXES</u>			
GROSS RECEIPTS BUSINESS TAXES:			
Public Utility Franchise Tax	\$ 48,802	\$ 41,769	\$ (7,033)
SELECTIVE SALES AND USE TAXES:			
Fuel Tax	44,145	41,226	(2,919)
TOTAL TAXES	92,947	82,995	(9,952)
<u>LICENSES AND PERMITS</u>			
NON-BUSINESS LICENSES AND PERMITS:			
Building Structures and Equipment Permits -			
Grading, Excavations and Fills	500	452	(48)
Other Permits	15	13	(2)
Motor Vehicle Licenses and Fees -			
Motor Vehicle Weight Tax	176,371	185,926	9,555
Other Vehicle Licenses and Fees	5,695	4,746	(949)
Street and Sidewalk Use	9	1	(8)
Freight Curb and Passenger Loading Zone Permits	268	457	189
Excavation and Repair of Streets and Sidewalks	330	296	(34)
TOTAL LICENSES AND PERMITS	183,188	191,891	8,703
<u>CHARGES FOR SERVICES</u>			
GENERAL GOVERNMENT:			
Sidewalk and Driveway Specifications Filing Fees	42	18	(24)
HIGHWAYS AND STREETS:			
Street and Sidewalk Charges	40	197	157
Disabled Persons Parking	2	3	1
Street Parking Meter Collections	4,284	3,377	(907)
Other Parking Meter Collections	1,014	668	(346)
Other	49	8	(41)
Total Highways and Streets	5,389	4,253	(1,136)
TOTAL CHARGES FOR SERVICES	5,431	4,271	(1,160)
<u>FINES AND FORFEITS</u>			
FINES:			
Fines	25	17	(8)
TOTAL FINES AND FORFEITS	25	17	(8)

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (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>
MISCELLANEOUS			
RECOVERIES:			
Recovery from State for			
Traffic Signal Maintenance	700	1,398	698
Recovery of Overhead Charges	4	15	11
Recovery of Overtime Inspection	--	12	12
Recovery - Federal Interest Subsidy	1,572	1,041	(531)
Total Recoveries	<u>2,276</u>	<u>2,466</u>	<u>190</u>
OTHER MISCELLANEOUS:			
Rents:			
Rental for Use of Land	119	27	(92)
Total Rents	<u>119</u>	<u>27</u>	<u>(92)</u>
Concessions:			
Marin Towers Garage	201	23	(178)
Harbor Court Garage	363	178	(185)
Kaimuki Parking Lot	540	147	(393)
Kukui Plaza Garage	118	47	(71)
Smith-Beretania Garage	96	44	(52)
Total Concessions	<u>1,318</u>	<u>439</u>	<u>(879)</u>
Other:			
Vacation Accumulation Deposits	1	29	28
Miscellaneous Sales	2	3	1
Sundry Refunds	250	286	36
Total Other	<u>253</u>	<u>318</u>	<u>65</u>
Total Other Miscellaneous	<u>1,690</u>	<u>784</u>	<u>(906)</u>
TOTAL MISCELLANEOUS	<u>3,966</u>	<u>3,250</u>	<u>(716)</u>
TOTAL REVENUES	<u>285,557</u>	<u>282,424</u>	<u>(3,133)</u>
OTHER FINANCING SOURCE			
SALES OF CAPITAL ASSETS:			
Compensation for Loss of Capital Assets	227	349	122
TOTAL OTHER FINANCING SOURCE	<u>227</u>	<u>349</u>	<u>122</u>
TOTAL HIGHWAY FUND	<u>\$ 285,784</u>	<u>\$ 282,773</u>	<u>\$ (3,011)</u>

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

BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 7,751	\$ 7,990
Receivable:		
Payroll advance	13	17
	\$ 7,764	\$ 8,007
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 59	\$ 678
Due to other fund:		
General Trust Fund	--	1
Accrued payroll	53	107
	112	786
Fund Balance:		
Restricted	7,652	7,221
	7,652	7,221
	\$ 7,764	\$ 8,007

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, 2021

(Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 4,712	\$ 4,714	\$ 2
Miscellaneous:			
Other	--	7	7
Total Revenues	4,712	4,721	9
Expenditures:			
Current:			
General government:			
Customer Services	3,415	3,303	112
Highways and streets:			
Facility Maintenance	553	200	353
Culture-recreation:			
Parks and Recreation	610	610	--
Miscellaneous:			
Retirement and health benefits:			
Provisional	1,060	1,047	13
Other:			
Provisional	44	--	44
Total Miscellaneous	1,104	1,047	57
Total Expenditures	5,682	5,160	522
Revenues under Expenditures	(970)	(439)	531
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses	(284)	(284)	--
Revenues under Expenditures and Other Use	(1,254)	(723)	531
Unreserved - Undesignated Fund Balance - July 1	3,297	3,472	175
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 2,043	2,749	\$ 706
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		1,706	
Expenditures - prior year encumbrances		(552)	
Decrease in reserved for encumbrances		140	
Unreserved - Undesignated Fund Balance - June 30		4,043	
Reserved for Encumbrances - June 30		3,609	
Fund Balance - June 30 (GAAP Basis)		\$ 7,652	

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, 2021
(Amounts in thousands)

<u>Source of Revenues</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	\$ 4,712	\$ 4,714	\$ 2
MISCELLANEOUS			
OTHER MISCELLANEOUS:			
Other:			
Vacation Accumulation Deposits	--	6	6
Sundry Refunds	--	1	1
TOTAL MISCELLANEOUS	--	7	7
TOTAL HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED VEHICLES REVOLVING FUND	\$ 4,712	\$ 4,721	\$ 9

CITY AND COUNTY OF HONOLULU
BIKEWAY FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 2,705	\$ 2,844
Receivable:		
Payroll advance	6	6
Total Assets	\$ 2,711	\$ 2,850
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 13	\$ --
Accrued payroll	14	12
Total Liabilities	27	12
Fund Balance:		
Restricted	2,684	2,838
Total Fund Balance	2,684	2,838
Total Liabilities and Fund Balance	\$ 2,711	\$ 2,850

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, 2021
 (Amounts in thousands)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:				
Licenses and permits	\$ 375	\$ 375	\$ 536	\$ 161
Total Revenue	<u>375</u>	<u>375</u>	<u>536</u>	<u>161</u>
Expenditures:				
Current:				
General government:				
Facility Maintenance	19	19	--	19
Public safety:				
Transportation Services	611	662	587	75
Highways and streets:				
Facility Maintenance	17	17	--	17
Miscellaneous:				
Retirement and health benefits:				
Provisional	192	192	192	--
Other:				
Provisional	51	--	--	--
Total Miscellaneous	<u>243</u>	<u>192</u>	<u>192</u>	<u>--</u>
Capital Improvements:				
Transportation Services	750	750	750	--
Total Expenditures	<u>1,640</u>	<u>1,640</u>	<u>1,529</u>	<u>111</u>
Revenue under Expenditures	<u>(1,265)</u>	<u>(1,265)</u>	<u>(993)</u>	<u>272</u>
Other Financing Source (Use):				
Transfer in	429	429	429	--
Transfer out:				
Reimbursement for central administrative service expenses	<u>(82)</u>	<u>(82)</u>	<u>(82)</u>	<u>--</u>
Total Other Financing Source (Use)	<u>347</u>	<u>347</u>	<u>347</u>	<u>--</u>
Revenue and Other Source under Expenditures and Other Use	(918)	(918)	(646)	272
Unreserved - Undesignated Fund Balance - July 1	<u>918</u>	<u>918</u>	<u>2,435</u>	<u>1,517</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ --</u>	<u>\$ --</u>	<u>1,789</u>	<u>\$ 1,789</u>
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			831	
Expenditures - prior year encumbrances			(339)	
Increase in reserved for encumbrances			<u>(546)</u>	
Unreserved - Undesignated Fund Balance - June 30			1,735	
Reserved for Encumbrances - June 30			<u>949</u>	
Fund Balance - June 30 (GAAP Basis)			<u>\$ 2,684</u>	

CITY AND COUNTY OF HONOLULU
BIKEWAY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
LICENSES AND PERMITS			
NON-BUSINESS LICENSES AND PERMITS:			
Other Vehicle Licenses and Fees -			
Bicycle Licenses	\$ 294	\$ 431	\$ 137
Moped Annual License Fee	81	105	24
	<hr/>	<hr/>	<hr/>
TOTAL REVENUE	375	536	161
OTHER FINANCING SOURCE			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	429	429	--
	<hr/>	<hr/>	<hr/>
TOTAL OTHER FINANCING SOURCE	429	429	--
	<hr/>	<hr/>	<hr/>
TOTAL BIKEWAY FUND	<u>\$ 804</u>	<u>\$ 965</u>	<u>\$ 161</u>

CITY AND COUNTY OF HONOLULU
PARKS AND PLAYGROUNDS FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 6,312	\$ 6,389
Total Asset	\$ 6,312	\$ 6,389
<u>LIABILITY AND FUND BALANCE</u>		
Liability:		
Accounts payable	\$ 375	\$ 70
Total Liability	375	70
Fund Balance:		
Committed	5,937	6,319
Total Fund Balance	5,937	6,319
Total Liability and Fund Balance	\$ 6,312	\$ 6,389

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, 2021
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Other	\$ --	\$ 515	\$ 515
Total Revenue	--	515	515
Expenditure:			
Capital improvements:			
Design and Construction	1,797	1,797	--
Total Expenditure	1,797	1,797	--
Revenue under Expenditure	(1,797)	(1,282)	515
Unreserved - Undesignated Fund Balance - July 1.....	2,031	3,941	1,910
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 234	2,659	\$ 2,425
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		1,797	
Expenditures - prior year encumbrances		(897)	
Decrease in reserved for encumbrances		507	
Unreserved - Undesignated Fund Balance - June 30		4,066	
Reserved for Encumbrances - June 30		1,871	
Fund Balance - June 30 (GAAP Basis)		\$ 5,937	

CITY AND COUNTY OF HONOLULU
PARKS AND PLAYGROUNDS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Sources of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
OTHER MISCELLANEOUS:			
Contributions from Private Sources:			
Subdividers' Contributions for			
Parks and Playgrounds	\$ --	\$ 515	\$ 515
 TOTAL PARKS AND PLAYGROUNDS FUND	 \$ --	 \$ 515	 \$ 515

CITY AND COUNTY OF HONOLULU
LIQUOR COMMISSION FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 2,876	\$ 3,566
Receivable:		
Payroll advance	21	24
Total Assets	\$ 2,897	\$ 3,590
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 160	\$ 19
Accrued payroll	119	114
Total Liabilities	279	133
Fund Balance:		
Restricted	2,618	3,457
Total Fund Balance	2,618	3,457
Total Liabilities and Fund Balance	\$ 2,897	\$ 3,590

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, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Licenses and permits	\$ 6,190	\$ 5,623	\$ (567)
Charges for services	149	58	(91)
Fines and forfeits	150	167	17
Total Revenues	6,489	5,848	(641)
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services	4,532	3,410	1,122
Corporation Counsel	215	207	8
Information Technology	73	73	--
Total General government	4,820	3,690	1,130
Miscellaneous:			
Retirement and health benefits:			
Provisional	2,412	2,343	69
Other:			
Provisional	214	49	165
Total Miscellaneous	2,626	2,392	234
Total Expenditures	7,446	6,082	1,364
Revenues under Expenditures	(957)	(234)	723
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses	(369)	(369)	--
Revenues under Expenditures and Other Use	(1,326)	(603)	723
Unreserved - Undesignated Fund Balance - July 1	2,083	2,850	767
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 757	2,247	\$ 1,490

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, 2021
 (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		302	
Expenditures - prior year encumbrances		(538)	
Decrease in reserved for encumbrances		289	
Unreserved - Undesignated Fund			
Balance - June 30		2,300	
Reserved for Encumbrances - June 30		318	
Fund Balance - June 30 (GAAP Basis)		\$ 2,618	

CITY AND COUNTY OF HONOLULU
LIQUOR COMMISSION FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
LICENSES AND PERMITS			
BUSINESS LICENSES AND PERMITS:			
Alcoholic Licenses and Permits	\$ 6,190	\$ 5,623	\$ (567)
CHARGES FOR SERVICES			
GENERAL GOVERNMENT:			
Charges for Publications, Reports, Copies, etc.	5	5	--
Fees:			
Charge for Photo I.D.	135	43	(92)
Other	3	2	(1)
	<u>143</u>	<u>50</u>	<u>(93)</u>
Total General Government			
	<u>143</u>	<u>50</u>	<u>(93)</u>
HIGHWAYS AND STREETS:			
Parking:			
City Employees	6	8	2
	<u>6</u>	<u>8</u>	<u>2</u>
TOTAL CHARGES FOR SERVICES	<u>149</u>	<u>58</u>	<u>(91)</u>
FINES AND FORFEITS			
FINES:			
Fines - Liquor Commission	150	167	17
	<u>150</u>	<u>167</u>	<u>17</u>
TOTAL LIQUOR COMMISSION FUND	<u>\$ 6,489</u>	<u>\$ 5,848</u>	<u>\$ (641)</u>

CITY AND COUNTY OF HONOLULU
RENTAL ASSISTANCE FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 1,738	\$ 1,920
Total Asset	\$ 1,738	\$ 1,920
<u>FUND BALANCE</u>		
Fund Balance:		
Committed	\$ 1,738	\$ 1,920
Total Fund Balance	\$ 1,738	\$ 1,920

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, 2021
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Other	\$ 233	\$ --	\$ (233)
Total Revenue	233	--	(233)
Expenditure:			
Current:			
Human services:			
Community Services	233	189	44
Total Expenditure	233	189	44
Revenue under Expenditure	--	(189)	(189)
Unreserved - Undesignated Fund Balance - July 1	1,886	1,891	5
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 1,886	1,702	\$ (184)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		7	
Expenditures - prior year encumbrances		--	
Increase in reserved for encumbrances		(6)	
Unreserved - Undesignated Fund Balance - June 30		1,703	
Reserved for Encumbrances - June 30		35	
Fund Balance - June 30 (GAAP Basis)		\$ 1,738	

CITY AND COUNTY OF HONOLULU
RENTAL ASSISTANCE FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

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

CITY AND COUNTY OF HONOLULU
GRANTS IN AID FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 11,785	\$ 10,692
Due from other funds:		
General Fund	1	--
Federal Grants Fund	1	--
Total Assets	\$ 11,787	\$ 10,692
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 970	\$ 367
Due to other fund:		
General Fund	--	23
Accrued payroll	5	2
Total Liabilities	975	392
Fund Balance:		
Committed	10,812	10,300
Total Fund Balance	10,812	10,300
Total Liabilities and Fund Balance	\$ 11,787	\$ 10,692

CITY AND COUNTY OF HONOLULU
GRANTS IN AID FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest	\$ 158	\$ 73	\$ (85)
Total Revenue	158	73	(85)
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services	81	35	46
Human services:			
Community Services	9,444	9,172	272
Total Expenditures	9,525	9,207	318
Revenue under Expenditures	(9,367)	(9,134)	233
Other Financing Source:			
Transfer in	7,721	7,721	--
Revenue and Other Source under Expenditures	(1,646)	(1,413)	233
Unreserved - Undesignated Fund Balance - July 1	1,656	2,015	359
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 10	602	\$ 592
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		6,016	
Expenditures - prior year encumbrances		(4,091)	
Increase in reserved for encumbrances		(1,419)	
Unreserved - Undesignated Fund Balance - June 30		1,108	
Reserved for Encumbrances - June 30		9,704	
Fund Balance - June 30 (GAAP Basis)		\$ 10,812	

CITY AND COUNTY OF HONOLULU
GRANTS IN AID FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments	\$ 158	\$ 73	\$ (85)
TOTAL REVENUE	<u>158</u>	<u>73</u>	<u>(85)</u>
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
General Fund	<u>7,721</u>	<u>7,721</u>	<u>--</u>
TOTAL OTHER FINANCING SOURCE	<u>7,721</u>	<u>7,721</u>	<u>--</u>
TOTAL GRANTS IN AID FUND	<u>\$ 7,879</u>	<u>\$ 7,794</u>	<u>\$ (85)</u>

CITY AND COUNTY OF HONOLULU
HANAUMA BAY NATURE PRESERVE FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 990	\$ 6,343
Receivables:		
Accounts	2	--
Payroll advance	20	20
Total Assets	\$ 1,012	\$ 6,363
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 82	\$ 97
Due to other funds:		
General Fund	38	3
General Trust Fund	--	6
Accrued payroll	73	78
Total Liabilities	193	184
Fund Balance:		
Committed	819	6,179
Total Fund Balance	819	6,179
Total Liabilities and Fund Balance	\$ 1,012	\$ 6,363

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, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 4,834	\$ 1,124	\$ (3,710)
Miscellaneous:			
Interest	140	49	(91)
Other	2,562	125	(2,437)
Total Revenues	7,536	1,298	(6,238)
Expenditures:			
Current:			
Public safety:			
Emergency Services	1,410	650	760
Culture-recreation:			
Parks and Recreation	3,793	2,453	1,340
Miscellaneous:			
Retirement and health benefits:			
Provisional	1,853	1,524	329
Other:			
Provisional	182	--	182
Total Miscellaneous	2,035	1,524	511
Total Expenditures	7,238	4,627	2,611
Revenues over (under) Expenditures	298	(3,329)	(3,627)
Other Financing Uses:			
Transfers out:			
Debt service	(1,175)	(1,175)	--
Reimbursement for central administrative service expenses	(421)	(421)	--
Total Other Financing Uses	(1,596)	(1,596)	--
Revenues under Expenditures and Other Uses	(1,298)	(4,925)	(3,627)
Unreserved - Undesignated Fund Balance - July 1	1,964	5,034	3,070
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 666	109	\$ (557)

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, 2021
 (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		271	
Expenditures - prior year encumbrances		(706)	
Decrease in reserved for encumbrances		280	
Unreserved - Undesignated Fund			
Balance - June 30		(46)	
Reserved for Encumbrances - June 30		865	
Fund Balance - June 30 (GAAP Basis)		\$ 819	

CITY AND COUNTY OF HONOLULU
HANAUMA BAY NATURE PRESERVE FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
CHARGES FOR SERVICES			
HIGHWAYS AND STREETS:			
Hanauma Bay Parking	\$ 188	\$ 92	\$ (96)
CULTURE-RECREATION:			
Miscellaneous:			
Hanauma Bay Admission Fee	<u>4,646</u>	<u>1,032</u>	<u>(3,614)</u>
TOTAL CHARGES FOR SERVICES	<u>4,834</u>	<u>1,124</u>	<u>(3,710)</u>
MISCELLANEOUS			
INTEREST:			
Interest Earnings:			
Investments	140	49	(91)
OTHER MISCELLANEOUS:			
Rents:			
Perquisite Housing	3	3	--
Concessions:			
Parks and Recreation Facilities:			
Hanauma Gift Shop Concession	250	58	(192)
Hanauma Beach Park Concession	360	--	(360)
Hanauma Shuttle Bus Service	48	--	(48)
Hanauma Snorkeling Rental	1,900	33	(1,867)
Other Concessions	1	--	(1)
Other:			
Sundry Refunds	<u>--</u>	<u>31</u>	<u>31</u>
Total Other Miscellaneous	<u>2,562</u>	<u>125</u>	<u>(2,437)</u>
TOTAL MISCELLANEOUS	<u>2,702</u>	<u>174</u>	<u>(2,528)</u>
TOTAL HANAUMA BAY NATURE PRESERVE FUND	<u>\$ 7,536</u>	<u>\$ 1,298</u>	<u>\$ (6,238)</u>

CITY AND COUNTY OF HONOLULU
RESERVE FOR FISCAL STABILITY FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 138,040	\$ 129,943
Total Asset	\$ 138,040	\$ 129,943
<u>FUND BALANCE</u>		
Fund Balance:		
Committed	\$ 138,040	\$ 129,943
Total Fund Balance	\$ 138,040	\$ 129,943

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, 2021
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest	\$ 2,226	\$ 937	\$ (1,289)
Total Revenue	2,226	937	(1,289)
Other Financing Sources:			
Sales of capital assets	--	160	160
Transfer in	7,000	7,000	--
Total Other Financing Sources	7,000	7,160	160
Revenue and Other Sources	9,226	8,097	(1,129)
Unreserved - Undesignated Fund Balance - July 1	133,344	129,943	(3,401)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 142,570	138,040	\$ (4,530)
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		138,040	
Reserved for Encumbrances - June 30		--	
Fund Balance - June 30 (GAAP Basis)		\$ 138,040	

CITY AND COUNTY OF HONOLULU
RESERVE FOR FISCAL STABILITY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments	\$ 2,226	\$ 937	\$ (1,289)
TOTAL REVENUE	<u>2,226</u>	<u>937</u>	<u>(1,289)</u>
<u>OTHER FINANCING SOURCES</u>			
<u>SALES OF CAPITAL ASSETS:</u>			
Sales of Capital Assets	--	160	160
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
General Fund	7,000	7,000	--
TOTAL OTHER FINANCING SOURCES	<u>7,000</u>	<u>7,160</u>	<u>160</u>
TOTAL RESERVE FOR FISCAL STABILITY FUND ...	<u>\$ 9,226</u>	<u>\$ 8,097</u>	<u>\$ (1,129)</u>

CITY AND COUNTY OF HONOLULU
CLEAN WATER AND NATURAL LANDS FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 39,781	\$ 32,866
Total Asset	\$ 39,781	\$ 32,866
<u>LIABILITY AND FUND BALANCE</u>		
Liability:		
Accounts payable	\$ 597	\$ --
Total Liability	597	--
Fund Balance:		
Restricted	\$ 39,184	\$ 32,866
Total Liability and Fund Balance	\$ 39,781	\$ 32,866

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, 2021
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 6,710	\$ 6,710	\$ --
Miscellaneous:			
Interest	476	213	(263)
Total Revenues	7,186	6,923	(263)
Expenditures:			
Current:			
General government:			
Land Management	245	--	245
Capital improvements:			
Culture-recreation:			
Design and Construction	17,982	17,982	--
Total Expenditure	18,227	17,982	245
Revenues under Expenditures	(11,041)	(11,059)	(18)
Unreserved - Undesignated Fund Balance - July 1	11,041	32,858	21,817
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	21,799	\$ 21,799
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		17,982	
Expenditures - prior year encumbrances		(605)	
Decrease in reserved for encumbrances		5	
Unreserved - Undesignated Fund Balance - June 30		39,181	
Reserved for Encumbrances - June 30		3	
Fund Balance - June 30 (GAAP Basis)		\$ 39,184	

CITY AND COUNTY OF HONOLULU
CLEAN WATER AND NATURAL LANDS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>TAXES</u>			
GENERAL PROPERTY TAXES:			
Real Property Tax	\$ 6,710	\$ 6,710	\$ --
 <u>MISCELLANEOUS</u>			
INTEREST:			
Interest Earnings:			
Investments	<u>476</u>	<u>213</u>	<u>(263)</u>
 TOTAL CLEAN WATER AND NATURAL LANDS FUND	 <u>\$ 7,186</u>	 <u>\$ 6,923</u>	 <u>\$ (263)</u>

CITY AND COUNTY OF HONOLULU
AFFORDABLE HOUSING FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 28,056	\$ 33,669
Due from other funds:		
General Fund	12	--
Community Development Fund	20	39
Federal Grants Fund	10	--
	<u>28,098</u>	<u>33,708</u>
Total Assets	<u>\$ 28,098</u>	<u>\$ 33,708</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 390	\$ 1,919
Accrued payroll	7	--
Due to other fund:		
General Fund	--	1
	<u>397</u>	<u>1,920</u>
Total Liabilities.....	<u>397</u>	<u>1,920</u>
Fund Balance:		
Restricted	<u>27,701</u>	<u>31,788</u>
Total Fund Balance	<u>27,701</u>	<u>31,788</u>
Total Liabilities and Fund Balance	<u>\$ 28,098</u>	<u>\$ 33,708</u>

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, 2021
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 6,710	\$ 6,710	\$ --
Miscellaneous:			
Interest	<u>736</u>	<u>237</u>	<u>(499)</u>
Total Revenues	<u>7,446</u>	<u>6,947</u>	<u>(499)</u>
Expenditures:			
Current:			
Human Services:			
Community Services	448	102	346
Capital improvements:			
Community Services	<u>8,114</u>	<u>8,114</u>	<u>--</u>
Total Expenditures	<u>8,562</u>	<u>8,216</u>	<u>346</u>
Revenues under Expenditures	(1,116)	(1,269)	(153)
Unreserved - Undesignated Fund Balance - July 1	<u>1,116</u>	<u>26,600</u>	<u>25,484</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ --</u>	25,331	<u>\$ 25,331</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		7,819	
Expenditures - prior year encumbrances		(10,637)	
Decrease in reserved for encumbrances		<u>940</u>	
Unreserved - Undesignated Fund Balance - June 30		23,453	
Reserved for Encumbrances - June 30		<u>4,248</u>	
Fund Balance - June 30 (GAAP Basis)		<u>\$ 27,701</u>	

CITY AND COUNTY OF HONOLULU
AFFORDABLE HOUSING FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>TAXES</u>			
GENERAL PROPERTY TAXES:			
Real Property Tax	\$ 6,710	\$ 6,710	\$ --
 <u>MISCELLANEOUS</u>			
INTEREST:			
Interest Earnings:			
Investments	<u>736</u>	<u>237</u>	<u>(499)</u>
 TOTAL AFFORDABLE HOUSING FUND	 <u>\$ 7,446</u>	 <u>\$ 6,947</u>	 <u>\$ (499)</u>

CITY AND COUNTY OF HONOLULU
COMMUNITY DEVELOPMENT FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 860	\$ 639
Receivables:		
Loans	11	11
Intergovernmental	609	244
Payroll advance	8	8
Total Assets	\$ 1,488	\$ 902
<u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 651	\$ 247
Due to other funds:		
General Fund	189	126
Affordable Housing Fund	20	39
Special Projects Fund	--	8
Federal Grants Fund	19	4
Accrued payroll	33	48
Total Liabilities	912	472
Deferred Inflow:		
Deferred inflow	11	11
Total Deferred Inflow	11	11
Fund Balance:		
Restricted	565	419
Total Fund Balance	565	419
Total Liabilities, Deferred Inflow and Fund Balance	\$ 1,488	\$ 902

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, 2021
 (Amounts in thousands)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:				
Intergovernmental	\$ 8,543	\$ 12,814	\$ 8,594	\$ (4,220)
Total Revenue	8,543	12,814	8,594	(4,220)
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	1,257	1,257	713	544
Human services:				
Community Services	451	451	405	46
Capital improvements:				
General Government	--	429	429	--
Human Services	380	4,222	4,222	--
Culture and Recreation	6,455	6,455	6,455	--
Total Capital improvements	6,835	11,106	11,106	--
Total Expenditures	8,543	12,814	12,224	590
Revenue under Expenditures	--	--	(3,630)	(3,630)
Unreserved - Undesignated Fund Balance - July 1	--	--	(8,073)	(8,073)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	\$ --	(11,703)	\$ (11,703)
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			9,169	
Expenditures - prior year encumbrances			(5,393)	
Increase in reserved for encumbrances			(1,550)	
Unreserved - Undesignated Fund Balance - June 30			(9,477)	
Reserved for Encumbrances - June 30			10,042	
Fund Balance - June 30 (GAAP Basis)			\$ 565	

CITY AND COUNTY OF HONOLULU
COMMUNITY DEVELOPMENT FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>INTERGOVERNMENTAL</u>				
<u>FEDERAL GRANTS:</u>				
Community Development Block Grant	\$ 8,543	\$ 12,814	\$ 8,594	\$ (4,220)
 TOTAL COMMUNITY DEVELOPMENT FUND	 <u>\$ 8,543</u>	 <u>\$ 12,814</u>	 <u>\$ 8,594</u>	 <u>\$ (4,220)</u>

CITY AND COUNTY OF HONOLULU
PATSY T. MINK CENTRAL OAHU REGIONAL PARK FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 273	\$ 727
Total Asset	\$ 273	\$ 727
<u>LIABILITY AND FUND BALANCE</u>		
Liability:		
Accounts payable	\$ 11	\$ --
Total Liability	11	--
Fund Balance:		
Committed	\$ 262	\$ 727
Total Liability and Fund Balance	\$ 273	\$ 727

CITY AND COUNTY OF HONOLULU
PATSY T. MINK CENTRAL OAHU REGIONAL PARK FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Charges for services	\$ 222	\$ 23	\$ (199)
Total Revenue	222	23	(199)
Expenditure:			
Current:			
Culture-recreation:			
Parks and Recreation	445	--	445
Revenue over (under) Expenditure	(223)	23	246
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses	(22)	(22)	--
Revenue over (under) Expenditure and Other Use	(245)	1	246
Unreserved - Undesignated Fund Balance - July 1	256	227	(29)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	11	228	\$ 217
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		--	
Expenditures - prior year encumbrances		(466)	
Decrease in reserved for encumbrances		466	
Unreserved - Undesignated Fund Balance - June 30		228	
Reserved for Encumbrances - June 30		34	
Fund Balance - June 30 (GAAP Basis)		\$ 262	

CITY AND COUNTY OF HONOLULU
PATSY T. MINK CENTRAL OAHU REGIONAL PARK FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
CHARGES FOR SERVICES			
GENERAL GOVERNMENT:			
Custodial and Attendant Services	\$ 57	\$ 8	\$ (49)
CULTURE-RECREATION:			
Fees for Use of Parks	<u>165</u>	<u>15</u>	<u>(150)</u>
TOTAL CHARGES FOR SERVICES	<u>222</u>	<u>23</u>	<u>(199)</u>
TOTAL PATSY T. MINK CENTRAL OAHU REGIONAL PARK FUND	<u><u>\$ 222</u></u>	<u><u>\$ 23</u></u>	<u><u>\$ (199)</u></u>

CITY AND COUNTY OF HONOLULU
WAIPIO PENINSULA SOCCER PARK FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 271	\$ 278
Total Asset	\$ 271	\$ 278
<u>FUND BALANCE</u>		
Fund Balance:		
Committed	\$ 271	\$ 278
Total Fund Balance	\$ 271	\$ 278

CITY AND COUNTY OF HONOLULU
WAIPIO PENINSULA SOCCER PARK FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Charges for services	\$ 78	\$ 8	\$ (70)
Total Revenue	78	8	(70)
Expenditure:			
Current:			
Culture-recreation:			
Parks and Recreation	112	--	112
Revenue over (under) Expenditure	(34)	8	42
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses	(6)	(6)	--
Revenue over (under) Expenditure and Other Use	(40)	2	42
Unreserved - Undesignated Fund Balance - July 1	175	269	94
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 135	271	\$ 136
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		--	
Expenditures - prior year encumbrances		(9)	
Decrease in reserved for encumbrances		9	
Unreserved - Undesignated Fund Balance - June 30		271	
Reserved for Encumbrances - June 30		--	
Fund Balance - June 30 (GAAP Basis)		\$ 271	

CITY AND COUNTY OF HONOLULU
WAIPIO PENINSULA SOCCER PARK FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
CHARGES FOR SERVICES			
GENERAL GOVERNMENT:			
Custodial and Attendant Services	\$ --	\$ 5	\$ 5
CULTURE-RECREATION:			
Fees for Use of Parks	<u> 78</u>	<u> 3</u>	<u> (75)</u>
TOTAL WAIPIO PENINSULA SOCCER PARK FUND	<u> 78</u>	<u> 8</u>	<u> (70)</u>

CITY AND COUNTY OF HONOLULU
HONOLULU ZOO FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 913	\$ 2,282
Total Asset	\$ 913	\$ 2,282
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 61	\$ 112
Due to other fund:		
Payroll Clearance Fund	3	1
Accrued payroll	174	181
Total Liabilities	238	294
Fund Balance:		
Committed	675	1,988
Total Fund Balance	675	1,988
Total Liabilities and Fund Balance	\$ 913	\$ 2,282

CITY AND COUNTY OF HONOLULU
HONOLULU ZOO FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 6,710	\$ 6,710	\$ --
Charges for services	3,750	2,876	(874)
Miscellaneous:			
Interest	24	11	(13)
Other	163	142	(21)
Total Revenues	10,647	9,739	(908)
Expenditures:			
Current:			
Culture-recreation:			
Enterprise Services	7,551	6,827	724
Miscellaneous:			
Retirement and health benefits:			
Provisional	3,211	3,163	48
Other:			
Provisional	489	348	141
Total Miscellaneous	3,700	3,511	189
Total Expenditures	11,251	10,338	913
Revenues under Expenditures	(604)	(599)	5
Other Finance Source (Uses):			
Transfer in	3,579	3,579	--
Transfers out:			
Debt service	(3,492)	(3,492)	--
Reimbursement for central administrative service expenses	(769)	(769)	--
Total Other Financing Source (Uses)	(682)	(682)	--
Revenues and Other Source under Expenditures and Other Uses	(1,286)	(1,281)	5
Unreserved - Undesignated Fund Balance - July 1	1,286	1,755	469
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	474	\$ 474

CITY AND COUNTY OF HONOLULU
HONOLULU ZOO FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

(Page 2 of 2)

	<u>Original and 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		104	
Expenditures - prior year encumbrances		(136)	
Decrease in reserved for encumbrances		<u>107</u>	
Unreserved - Undesignated Fund			
Balance - June 30		549	
Reserved for Encumbrances - June 30		<u>126</u>	
Fund Balance - June 30 (GAAP Basis)		<u><u>\$ 675</u></u>	

CITY AND COUNTY OF HONOLULU
HONOLULU ZOO FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>TAXES</u>			
<u>GENERAL PROPERTY TAXES:</u>			
Real Property Tax	\$ 6,710	\$ 6,710	\$ --
TOTAL TAXES	<u>6,710</u>	<u>6,710</u>	<u>--</u>
<u>CHARGES FOR SERVICES</u>			
<u>HIGHWAYS AND STREETS</u>			
Zoo Parking Lot	1,250	849	(401)
<u>CULTURE-RECREATION:</u>			
Honolulu Zoo	<u>2,500</u>	<u>2,027</u>	<u>(473)</u>
TOTAL CHARGES FOR SERVICES	<u>3,750</u>	<u>2,876</u>	<u>(874)</u>
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments	24	11	(13)
<u>OTHER MISCELLANEOUS:</u>			
Concessions:			
Food Concession - Honolulu Zoo	163	126	(37)
Other:			
Sundry Refunds	<u>--</u>	<u>16</u>	<u>16</u>
Total Other Miscellaneous	<u>163</u>	<u>142</u>	<u>(21)</u>
TOTAL MISCELLANEOUS	<u>187</u>	<u>153</u>	<u>(34)</u>
TOTAL REVENUES	<u>10,647</u>	<u>9,739</u>	<u>(908)</u>
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFERS FROM OTHER FUND:</u>			
Other Transfer -			
General Fund	<u>3,579</u>	<u>3,579</u>	<u>--</u>
TOTAL OTHER FINANCING SOURCE	<u>3,579</u>	<u>3,579</u>	<u>--</u>
TOTAL HONOLULU ZOO FUND	<u>\$ 14,226</u>	<u>\$ 13,318</u>	<u>\$ (908)</u>

CITY AND COUNTY OF HONOLULU
GOLF FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 5,871	\$ 1,869
Receivable:		
Payroll advance	60	74
Total Assets	\$ 5,931	\$ 1,943
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 295	\$ 166
Due to other fund:		
Payroll Clearance Fund	--	1
Accrued payroll	220	251
Total Liabilities	515	418
Fund Balance:		
Committed	5,416	1,525
Total Fund Balance	5,416	1,525
Total Liabilities and Fund Balance	\$ 5,931	\$ 1,943

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, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 4,941	\$ 6,096	\$ 1,155
Miscellaneous:			
Other	2,340	3,152	812
Total Revenues	7,281	9,248	1,967
Expenditures:			
Current:			
Culture-recreation:			
Enterprise Services	10,778	9,732	1,046
Miscellaneous:			
Retirement and health benefits:			
Provisional	4,483	4,431	52
Other:			
Provisional	873	150	723
Total Miscellaneous	5,356	4,581	775
Total Expenditures	16,134	14,313	1,821
Revenues under Expenditures	(8,853)	(5,065)	3,788
Other Finance Source (Uses):			
Transfer in	11,914	11,914	--
Transfers out:			
Debt service	(2,127)	(2,127)	--
Reimbursement for central administrative service expenses	(934)	(934)	--
Total Other Financing Source (Uses)	8,853	8,853	--
Revenues and Other Source over Expenditures and Other Uses	--	3,788	3,788
Unreserved - Undesignated Fund Balance - July 1	--	1,104	1,104
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	4,892	\$ 4,892

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, 2021
 (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		380	
Expenditures - prior year encumbrances		(277)	
Decrease in reserved for encumbrances		13	
Unreserved - Undesignated Fund Balance - June 30		5,008	
Reserved for Encumbrances - June 30		408	
Fund Balance - June 30 (GAAP Basis)		\$ 5,416	

CITY AND COUNTY OF HONOLULU
GOLF FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>CHARGES FOR SERVICES</u>			
<u>CULTURE-RECREATION:</u>			
Golf Course Fees	\$ 4,941	\$ 6,096	\$ 1,155
TOTAL CHARGES FOR SERVICES	<u>4,941</u>	<u>6,096</u>	<u>1,155</u>
<u>MISCELLANEOUS</u>			
<u>OTHER MISCELLANEOUS:</u>			
Rents:			
Golf Cart Rentals	1,887	2,687	800
Rental for Use of Land	--	6	6
Total Rents	<u>1,887</u>	<u>2,693</u>	<u>806</u>
Concessions:			
Food Concession - Golf Courses	76	26	(50)
Golf Course - Pro Shops	6	3	(3)
Golf Course - Driving Range	371	430	59
Total Concessions	<u>453</u>	<u>459</u>	<u>6</u>
TOTAL MISCELLANEOUS	<u>2,340</u>	<u>3,152</u>	<u>812</u>
TOTAL REVENUES	<u>7,281</u>	<u>9,248</u>	<u>1,967</u>
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
General Fund	11,914	11,914	--
TOTAL OTHER FINANCING SOURCE	<u>11,914</u>	<u>11,914</u>	<u>--</u>
TOTAL GOLF FUND	<u>\$ 19,195</u>	<u>\$ 21,162</u>	<u>\$ 1,967</u>

CITY AND COUNTY OF HONOLULU
SPECIAL EVENTS FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 1,739	\$ 3,804
Receivable:		
Payroll advance	89	102
Total Assets	\$ 1,828	\$ 3,906
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 118	\$ 133
Due to other fund:		
Payroll Clearance Fund	1	--
Accrued payroll	164	184
Total Liabilities	283	317
Fund Balance:		
Committed	1,545	3,589
Total Fund Balance	1,545	3,589
Total Liabilities and Fund Balance	\$ 1,828	\$ 3,906

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, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 43	\$ 3	\$ (40)
Miscellaneous:			
Interest	36	29	(7)
Other	4,234	2,403	(1,831)
Total Revenues	4,313	2,435	(1,878)
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services	36	28	8
Culture-recreation:			
Enterprise Services	7,261	5,292	1,969
Miscellaneous:			
Retirement and health benefits:			
Provisional	3,704	3,609	95
Other:			
Provisional	393	168	225
Total Miscellaneous	4,097	3,777	320
Total Expenditures	11,394	9,097	2,297
Revenues under Expenditures	(7,081)	(6,662)	419
Other Financing Source (Uses):			
Transfer in	9,135	9,135	--
Transfers out:			
Debt service	(3,376)	(3,376)	--
Reimbursement for central administrative service expenses	(778)	(778)	--
Total Other Financing Source (Uses)	4,981	4,981	--

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, 2021
 (Amounts in thousands)

(Page 2 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues and Other Source over under Expenditures and Other Uses	(2,100)	(1,681)	419
Unreserved - Undesignated Fund Balance - July 1	2,100	2,822	722
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	1,141	\$ 1,141
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		114	
Expenditures - prior year encumbrances		(477)	
Decrease in reserved for encumbrances		510	
Unreserved - Undesignated Fund Balance - June 30		1,288	
Reserved for Encumbrances - June 30		257	
Fund Balance - June 30 (GAAP Basis)		\$ 1,545	

CITY AND COUNTY OF HONOLULU
SPECIAL EVENTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (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>
CHARGES FOR SERVICES			
GENERAL GOVERNMENT:			
Surcharge on Auditorium Tickets	\$ 39	\$ --	\$ (39)
Other	<u>4</u>	<u>3</u>	<u>(1)</u>
TOTAL CHARGES FOR SERVICES	<u>43</u>	<u>3</u>	<u>(40)</u>
MISCELLANEOUS			
INTEREST:			
Interest Earnings:			
Investments	36	29	(7)
OTHER MISCELLANEOUS:			
Rents:			
Rental for Use of Land	20	1	(19)
Rental of Auditorium Facilities	946	487	(459)
Auditorium Equipment Rental	<u>772</u>	<u>176</u>	<u>(596)</u>
Total Rents	<u>1,738</u>	<u>664</u>	<u>(1,074)</u>
Concessions:			
Food Concession - Auditoriums	225	--	(225)
Food Concession - Parks	98	136	38
Parking - Auditoriums	1,100	1,283	183
Novelty Sales Concession - Auditoriums	27	--	(27)
Other - Auditoriums	1	--	(1)
Beach Concession - Parks	995	245	(750)
Pouring Rights	42	17	(25)
Other Concessions	<u>8</u>	<u>21</u>	<u>13</u>
Total Concessions	<u>2,496</u>	<u>1,702</u>	<u>(794)</u>

CITY AND COUNTY OF HONOLULU
SPECIAL EVENTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (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	--	27	27
Sundry Refunds	--	10	10
Total Other	--	37	37
Total Other Miscellaneous	4,234	2,403	(1,831)
TOTAL MISCELLANEOUS	4,270	2,432	(1,838)
TOTAL REVENUES	4,313	2,435	(1,878)
OTHER FINANCING SOURCE			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	9,135	9,135	--
TOTAL OTHER FINANCING SOURCE	9,135	9,135	--
TOTAL SPECIAL EVENTS FUND	<u>\$ 13,448</u>	<u>\$ 11,570</u>	<u>\$ (1,878)</u>

CITY AND COUNTY OF HONOLULU
SPECIAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	As Restated 2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 15,926	\$ 18,623
Receivables:		
Intergovernmental	2,420	1,039
Payroll advance	16	16
Due from other fund:		
Community Development Fund.....	--	8
Federal Grants Fund	3	--
Total Assets	\$ 18,365	\$ 19,686
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 1,650	\$ 722
Due to other fund:		
General Fund	331	216
Federal Grants Fund	--	144
Accrued payroll	140	140
Total Liabilities	2,121	1,222
Fund Balance:		
Restricted	16,244	18,464
Total Fund Balance	16,244	18,464
Total Liabilities and Fund Balance	\$ 18,365	\$ 19,686

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, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 22,384	\$ 28,172	\$ 15,868	\$ (12,304)
Charges for services	--	--	675	675
Miscellaneous:				
Interest	--	--	1	1
Other	--	1,342	1,588	246
Total Revenues	<u>22,384</u>	<u>29,514</u>	<u>18,132</u>	<u>(11,382)</u>
Expenditures:				
Current:				
General government:				
City Clerk	--	1,534	1,534	--
Information Technology	--	1,683	1,350	333
Mayor	--	398	270	128
Planning and Permitting	--	14	--	14
Prosecuting Attorney	1,349	1,705	898	807
Total General government	<u>1,349</u>	<u>5,334</u>	<u>4,052</u>	<u>1,282</u>
Public safety:				
Emergency Management	35	35	20	15
Emergency Services	482	1,819	1,247	572
Fire	--	2,900	1,959	941
Police	--	3,518	1,044	2,474
Total Public safety	<u>517</u>	<u>8,272</u>	<u>4,270</u>	<u>4,002</u>
Highways and streets:				
Facility Maintenance	--	6	1	5
Human services:				
Community Services	18,125	18,177	8,782	9,395
Culture-recreation:				
Enterprise Services	--	98	10	88
Mayor	--	4	--	4
Parks and Recreation	--	878	32	846
Total Culture-recreation	<u>--</u>	<u>980</u>	<u>42</u>	<u>938</u>
Utilities or other enterprises:				
Transportation Services	--	45	45	--
Total Expenditures	<u>19,991</u>	<u>32,814</u>	<u>17,192</u>	<u>15,622</u>
Revenues over (under) Expenditures	2,393	(3,300)	940	4,240
Unreserved - Undesignated Fund Balance -				
July 1, restated	--	--	(5,629)	(5,629)
Unreserved - Undesignated Fund Balance - June 30				
(Budgetary Basis)	<u>\$ 2,393</u>	<u>\$ (3,300)</u>	(4,689)	<u>\$ (1,389)</u>

CITY AND COUNTY OF HONOLULU
SPECIAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (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			5,915	
Expenditures - prior year encumbrances			(9,075)	
Decrease in reserved for encumbrances			<u>4,066</u>	
Unreserved - Undesignated Fund				
Balance - June 30			(3,783)	
Reserved for Encumbrances - June 30			<u>20,027</u>	
Fund Balance - June 30 (GAAP Basis)			<u>\$ 16,244</u>	

CITY AND COUNTY OF HONOLULU
SPECIAL PROJECTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (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	\$ 1,395	\$ 1,395	\$ 820	\$ (575)
Department of Defense	35	35	21	(14)
Department of Health	12,297	12,392	5,216	(7,176)
Department of Human Services	3,176	3,700	2,510	(1,190)
Department of Labor and Industrial Relations	245	541	245	(296)
Department of Land and Natural Resources	697	1,014	748	(266)
Hawaii Tourism Authority	--	1,054	90	(964)
Wireless Enhanced 911 Board	1,300	4,320	5,736	1,416
State Grants-Other	<u>3,239</u>	<u>3,721</u>	<u>482</u>	<u>(3,239)</u>
TOTAL INTERGOVERNMENTAL	<u>22,384</u>	<u>28,172</u>	<u>15,868</u>	<u>(12,304)</u>
CHARGES FOR SERVICES				
PUBLIC SAFETY:				
Plan Review Fee	--	--	675	675
MISCELLANEOUS				
INTEREST:				
Interest Earnings:				
Investments	--	--	1	1
OTHER MISCELLANEOUS:				
Contributions from Private Sources:				
Contributions to the City	--	1,342	1,494	152
Other:				
Other	--	--	80	80
Sundry Refunds	--	--	14	14
Total Other Miscellaneous	<u>--</u>	<u>1,342</u>	<u>1,588</u>	<u>246</u>
TOTAL MISCELLANEOUS	<u>--</u>	<u>1,342</u>	<u>1,589</u>	<u>247</u>
TOTAL SPECIAL PROJECTS FUND	<u>\$ 22,384</u>	<u>\$ 29,514</u>	<u>\$ 18,132</u>	<u>\$ (11,382)</u>

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 270,358	\$ 374,325
Receivables:		
Loans	2,735	2,929
Intergovernmental	2,053	1,565
Payroll advance	67	72
Due from other funds:		
Community Development Fund	19	4
Special Projects Fund	--	144
Housing and Community Development Section 8 Contract Fund	1	1
Total Assets	\$ 275,233	\$ 379,040
<u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 15,497	\$ 11,234
Due to other funds:		
General Fund	1,037	423
Grants In Aid Fund	1	--
Affordable Housing Fund	10	--
Special Projects Fund	3	--
General Trust Fund	--	3
Accrued payroll	220	121
Total Liabilities	16,768	11,781
Deferred Inflow:		
Deferred inflow	244,381	328,064
Total Deferred Inflow	244,381	328,064
Fund Balance:		
Restricted	14,084	39,195
Total Fund Balance	14,084	39,195
Total Liabilities, Deferred Inflow and Fund Balance	\$ 275,233	\$ 379,040

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Amounts in thousands)

	<u>2021</u>	<u>2020</u>
Revenues:		
Intergovernmental	\$ 486,124	\$ 103,906
Miscellaneous:		
Interest	3	100
Other	160	6
	<u>486,287</u>	<u>104,012</u>
Total Revenues		
Expenditures:		
Current:		
General government	265,964	33,772
Public safety	43,807	9,097
Highways and streets	--	62
Sanitation	270	--
Human services	83,586	11,161
Culture-recreation	885	310
Utilities or other enterprises	102,608	24,813
Capital outlay:		
General government	699	10
Public safety	13,579	2,888
Human services	--	252
	<u>511,398</u>	<u>82,365</u>
Total Expenditures		
Revenues over (under) Expenditures	(25,111)	21,647
Fund Balance - July 1	<u>39,195</u>	<u>17,548</u>
Fund Balance - June 30	<u>\$ 14,084</u>	<u>\$ 39,195</u>

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, 2021
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 110,882	\$ 536,563	\$ 486,124	\$ (50,439)
Miscellaneous:				
Interest	--	--	3	3
Other	--	--	160	160
Total Revenues	110,882	536,563	486,287	(50,276)
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	979	1,251	446	805
Design and Construction	800	800	--	800
Information Technology	59	59	--	59
Mayor	--	366,928	279,316	87,612
Planning and Permitting	--	21	--	21
Prosecuting Attorney	990	2,826	2,407	419
Total General government	2,828	371,885	282,169	89,716
Public safety:				
Emergency Management	--	11,007	3,099	7,908
Fire	--	96	32	64
Medical Examiner	--	229	82	147
Police	--	17,187	5,260	11,927
Transportation Services	119	1,479	1,360	119
Total Public safety	119	29,998	9,833	20,165
Sanitation:				
Environmental Services	--	241	241	--
Human services:				
Community Services	15,058	50,803	33,012	17,791
Culture-recreation:				
Parks and Recreation	223	243	243	--

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, 2021
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Utilities or other enterprises:				
Transportation Services	92,170	92,969	92,969	--
Total Expenditures	110,398	546,139	418,467	127,672
Revenues over(under) Expenditures	484	(9,576)	67,820	77,396
Unreserved - Undesignated Fund Balance - July 1	--	--	(335,928)	(335,928)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 484	\$ (9,576)	(268,108)	\$ (258,532)
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			255,693	
Expenditures - prior year encumbrances			(348,624)	
Decrease in reserved for encumbrances			93,146	
Unreserved - Undesignated Fund Balance - June 30			(267,893)	
Reserved for Encumbrances - June 30			281,977	
Fund Balance - June 30 (GAAP Basis)			\$ 14,084	

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (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				
FEDERAL GRANTS:				
Department of Agriculture	\$ 225	\$ 225	\$ 70	\$ (155)
Department of Education	20	40	25	(15)
Department of Health and Human Services	7,572	10,958	6,238	(4,720)
Department of Homeland Security	102	11,548	2,791	(8,757)
Department of Housing and Urban Development ...	3,114	36,106	6,558	(29,548)
Department of Justice	1,060	6,563	2,511	(4,052)
Department of Labor	4,694	4,694	3,788	(906)
Department of Transportation	93,095	96,564	98,168	1,604
Environmental Protection Agency	--	262	242	(20)
Office of National Drug Control Policy	--	2,265	1,631	(634)
Other Agencies	1,000	1,000	71	(929)
Total Federal Grants	<u>110,882</u>	<u>170,225</u>	<u>122,093</u>	<u>(48,132)</u>
OTHER FINANCIAL ASSISTANCE:				
Department of Treasury	<u>--</u>	<u>366,338</u>	<u>364,031</u>	<u>(2,307)</u>
TOTAL INTERGOVERNMENTAL	<u>110,882</u>	<u>536,563</u>	<u>486,124</u>	<u>(50,439)</u>
MISCELLANEOUS				
INTEREST:				
Interest Earnings:				
Investments	--	--	3	3
OTHER MISCELLANEOUS:				
Other:				
Other	--	--	152	152
Sundry Refunds	<u>--</u>	<u>--</u>	<u>8</u>	<u>8</u>
Total Other	<u>--</u>	<u>--</u>	<u>160</u>	<u>160</u>
TOTAL MISCELLANEOUS	<u>--</u>	<u>--</u>	<u>163</u>	<u>163</u>
TOTAL FEDERAL GRANTS FUND	<u>\$ 110,882</u>	<u>\$ 536,563</u>	<u>\$ 486,287</u>	<u>\$ (50,276)</u>

CITY AND COUNTY OF HONOLULU
HOUSING AND COMMUNITY DEVELOPMENT
REHABILITATION LOAN FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
ASSETS		
Cash and investments:		
With Treasury	\$ 6,660	\$ 6,453
Receivables:		
Loans	6,825	7,068
Total Assets	\$ 13,485	\$ 13,521
DEFERRED INFLOW AND FUND BALANCE		
Deferred Inflow:		
Deferred inflow	\$ 6,825	\$ 7,068
Total Deferred Inflow	6,825	7,068
Fund Balance:		
Restricted	6,660	6,453
Total Fund Balance	6,660	6,453
Total Deferred Inflow and Fund Balance	\$ 13,485	\$ 13,521

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, 2021
(Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous:			
Interest	\$ --	\$ 3	\$ 3
Other	3,000	493	(2,507)
Total Revenues	3,000	496	(2,504)
Expenditure:			
Current:			
Human services:			
Community Services	3,004	496	2,508
Total Expenditure	3,004	496	2,508
Revenues under Expenditure	(4)	--	4
Unreserved - Undesignated Fund Balance - July 1	2,596	(348)	(2,944)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 2,592	(348)	\$ (2,940)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		497	
Expenditures - prior year encumbrances		(290)	
Decrease in reserved for encumbrances		141	
Unreserved - Undesignated Fund Balance - June 30		--	
Reserved for Encumbrances - June 30		6,660	
Fund Balance - June 30 (GAAP Basis)		\$ 6,660	

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, 2021
(Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
MISCELLANEOUS			
INTEREST:			
Interest Earnings:			
Investments	\$ --	\$ 3	\$ 3
OTHER MISCELLANEOUS:			
Repayments of Department of Housing and Community Development Loans:			
Principal	3,000	484	(2,516)
Interest	--	7	7
Late Charge	--	2	2
	<hr/>	<hr/>	<hr/>
Total Other Miscellaneous	3,000	493	(2,507)
	<hr/>	<hr/>	<hr/>
TOTAL HOUSING AND COMMUNITY DEVELOPMENT REHABILITATION LOAN FUND	\$ 3,000	\$ 496	\$ (2,504)

CITY AND COUNTY OF HONOLULU
PAUHI PROJECT EXPENDITURES, HAWAII R-15 FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 1,017	\$ 1,010
Total Asset	\$ 1,017	\$ 1,010
FUND BALANCE		
Fund Balance:		
Restricted	\$ 1,017	\$ 1,010
Total Fund Balance	\$ 1,017	\$ 1,010

CITY AND COUNTY OF HONOLULU
PAUHI 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, 2021
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest	\$ --	\$ 7	\$ 7
Total Revenue	--	7	7
Unreserved - Undesignated Fund Balance - July 1	990	1,010	20
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 990	1,017	\$ 27
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		1,017	
Reserved for Encumbrances - June 30		--	
Fund Balance - June 30 (GAAP Basis)		\$ 1,017	

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, 2021
 (Amounts in thousands)

Source of Revenue	Original and Final Budget	Actual	Final Variance Favorable (Unfavorable)
MISCELLANEOUS			
INTEREST:			
Interest Earnings:			
Investments	\$ --	\$ 7	\$ 7
	<u> </u>	<u> </u>	<u> </u>
TOTAL PAUahi PROJECT EXPENDITURES, HAWAII R-15 FUND	<u> </u>	<u> </u>	<u> </u>

CITY AND COUNTY OF HONOLULU
HOUSING AND COMMUNITY DEVELOPMENT
SECTION 8 CONTRACT FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 10,353	\$ 8,432
Receivables:		
Accounts (net of allowance for uncollectibles)	86	110
Loans	3,648	3,648
Intergovernmental	202	49
Payroll advance	45	47
Total Assets	\$ 14,334	\$ 12,286
<u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 231	\$ 273
Due to other funds:		
General Fund	766	96
Federal Grants Fund	1	1
Accrued payroll	112	136
Total Liabilities	1,110	506
Deferred Inflow:		
Deferred inflow	3,936	3,807
Total Deferred Inflow	3,936	3,807
Fund Balance:		
Restricted	9,288	7,973
Total Fund Balance	9,288	7,973
Total Liabilities, Deferred Inflow and Fund Balance	\$ 14,334	\$ 12,286

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, 2021
(Amounts in thousands)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 62,953	\$ 68,787	\$ 65,973	\$ (2,814)
Miscellaneous:				
Interest	--	--	24	24
Other	--	--	9	9
Total Revenues	62,953	68,787	66,006	(2,781)
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	166	166	130	36
Human services:				
Community Services	62,015	67,849	64,508	3,341
Total Expenditures	62,181	68,015	64,638	3,377
Revenues over Expenditures	772	772	1,368	596
Unreserved - Undesignated Fund Balance - July 1	--	--	(564)	(564)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 772	\$ 772	804	\$ 32
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			100	
Expenditures - prior year encumbrances			(153)	
Decrease in reserved for encumbrances			814	
Unreserved - Undesignated Fund Balance - June 30			1,565	
Reserved for Encumbrances - June 30			7,723	
Fund Balance - June 30 (GAAP Basis)			\$ 9,288	

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, 2021
(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)	\$ 300	\$ 300	\$ 117	\$ (183)
Existing Housing Voucher Program	62,653	68,487	64,251	(4,236)
Mainstream Voucher	--	--	1,605	1,605
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INTERGOVERNMENTAL	62,953	68,787	65,973	(2,814)
<u>MISCELLANEOUS</u>				
INTEREST:				
Interest Earnings:				
Investments	--	--	3	3
Other Sources	--	--	21	21
	<hr/>	<hr/>	<hr/>	<hr/>
Total Interest	--	--	24	24
OTHER MISCELLANEOUS:				
Other:				
Escheats	--	--	9	9
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Miscellaneous	--	--	9	9
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL MISCELLANEOUS	--	--	33	33
TOTAL HOUSING AND COMMUNITY DEVELOPMENT SECTION 8 CONTRACT FUND				
	<u>\$ 62,953</u>	<u>\$ 68,787</u>	<u>\$ 66,006</u>	<u>\$ (2,781)</u>

CITY AND COUNTY OF HONOLULU
LEASEHOLD CONVERSION FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 181	\$ 181
Total Asset	\$ 181	\$ 181
<u>DEFERRED INFLOW AND FUND BALANCE</u>		
Deferred Inflow:		
Deferred inflow	\$ 42	\$ 42
Total Deferred Inflow	42	42
Fund Balance:		
Committed	139	139
Total Fund Balance	139	139
Total Deferred Inflow and Fund Balance	\$ 181	\$ 181

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, 2021
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Unreserved - Undesignated Fund Balance - July 1	127	129	2
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 127	129	\$ 2
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		129	
Reserved for Encumbrances - June 30		10	
Fund Balance - June 30 (GAAP Basis)		\$ 139	

CITY AND COUNTY OF HONOLULU
 REVOLVING FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Totals	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>ASSET</u>				
Cash and investments:				
With Treasury	\$ 1,962	\$ 238	\$ 2,200	\$ 2,199
Total Asset	<u>\$ 1,962</u>	<u>\$ 238</u>	<u>\$ 2,200</u>	<u>\$ 2,199</u>
 <u>FUND BALANCES</u>				
Fund Balances:				
Committed	\$ 1,962	\$ 238	\$ 2,200	\$ 2,199
Total Fund Balances	<u>\$ 1,962</u>	<u>\$ 238</u>	<u>\$ 2,200</u>	<u>\$ 2,199</u>

CITY AND COUNTY OF HONOLULU
 REVOLVING FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
 (Amounts in thousands)

	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Totals	
			<u>2021</u>	<u>2020</u>
Revenue:				
Miscellaneous:				
Interest	\$ --	\$ 1	\$ 1	\$ 5
Total Revenue	--	1	1	5
Fund Balances - July 1	<u>1,962</u>	<u>237</u>	<u>2,199</u>	<u>2,194</u>
Fund Balances - June 30	<u>\$ 1,962</u>	<u>\$ 238</u>	<u>\$ 2,200</u>	<u>\$ 2,199</u>

CITY AND COUNTY OF HONOLULU
GENERAL OBLIGATION BOND AND INTEREST REDEMPTION FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 74,332	\$ 74,083
Advance to component unit	982,448	725,833
Total Assets	\$ 1,056,780	\$ 799,916
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Interest payable - matured	\$ 135	\$ 135
Bonds payable - matured	174	174
Total Liabilities	309	309
Fund Balance:		
Committed	1,056,471	799,607
Total Fund Balance	1,056,471	799,607
Total Liabilities and Fund Balance	\$ 1,056,780	\$ 799,916

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, 2021
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
Revenues:		
Miscellaneous:		
Recoveries:		
Honolulu Authority for Rapid Transportation	\$ 34,854	\$ 34,284
Other:		
Interest	--	338
Total Revenues	34,854	34,622
Expenditures:		
Tax exempt commercial paper:		
Interest	1,791	1,533
Notes payable:		
Principal	177	204
Interest	16	24
General obligation bonds:		
Principal	153,185	160,724
Interest	161,513	143,936
Bond issuance costs	1,000	2,629
Total Expenditures	317,682	309,050
Revenues under Expenditures	(282,828)	(274,428)
Other Financing Sources (Uses):		
Issuance of tax exempt commercial paper	275,000	--
Issuance of general obligation bonds	--	176,286
Bond premium	--	25,061
Issuance of refunding bonds	67,010	378,337
Bond premium on refunding bonds	19,578	78,549
Transfers from other funds:		
General Fund - Principal	153,362	160,928
General Fund - Interest	110,348	111,105
Payment to escrow agent for refunding of general obligation bonds	(85,606)	(496,815)
Total Other Financing Sources (Uses)	539,692	433,451
Revenues and Other Financing Sources over Expenditures and Other Uses	256,864	159,023
Fund Balances - July 1	799,607	640,584
Fund Balances - June 30	\$ 1,056,471	\$ 799,607

CITY AND COUNTY OF HONOLULU
IMPROVEMENT DISTRICT BOND AND INTEREST REDEMPTION FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
Cash and investments:		
With Treasury	\$ 172	\$ 172
Receivables:		
Special assessments - current	1	1
Special assessments - non-current	1	1
Total Assets	<u>\$ 174</u>	<u>\$ 174</u>
 <u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Interest payable - matured	\$ 3	\$ 3
Bonds payable - matured	5	5
Total Liabilities	<u>8</u>	<u>8</u>
Deferred Inflow:		
Deferred inflow	1	1
Total Deferred Inflow	<u>1</u>	<u>1</u>
Fund Balance:		
Committed	165	165
Total Fund Balance	<u>165</u>	<u>165</u>
Total Liabilities, Deferred Inflow and Fund Balance	<u>\$ 174</u>	<u>\$ 174</u>

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, 2021
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
Revenues:		
Special assessments	\$ --	\$ --
Total Revenues	--	--
Other Financing Use:		
Transfer to other fund:		
Capital Projects Fund	--	--
Revenues over Other Use	--	--
Fund Balances - July 1	165	165
Fund Balances - June 30	\$ 165	\$ 165

CITY AND COUNTY OF HONOLULU
GENERAL IMPROVEMENT BOND FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 96,226	\$ 85,551
Receivable:		
Payroll advance	7	9
Total Assets	\$ 96,233	\$ 85,560
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 15,311	\$ 11,881
Accrued payroll	6	6
Total Liabilities	15,317	11,887
Fund Balance:		
Committed	80,916	73,673
Total Fund Balance	80,916	73,673
Total Liabilities and Fund Balance	\$ 96,233	\$ 85,560

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, 2021
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
Revenues:		
Fines and forfeits	\$ 12	\$ 36
Miscellaneous:		
Other	--	123
	12	159
Expenditures:		
Current:		
General government	3,741	1,026
Public safety	2,913	1,927
Highways and streets	428	210
Human services	--	35
Culture-recreation	925	2,986
Utilities or other enterprises	26,007	25,000
Capital outlay:		
General government	12,092	25,352
Public safety	21,600	23,599
Highways and streets	8,090	4,493
Human services	46,272	26,193
Culture-recreation	31,702	24,597
Utilities or other enterprises	--	201
	153,770	135,619
Revenues under Expenditures	(153,758)	(135,460)
Other Financing Sources:		
Issuance of tax exempt commercial paper	26,000	--
Issuance of general obligation bonds	109,001	200,470
Bond premium	26,000	34,539
	161,001	235,009
Revenues and Other Sources over Expenditures	7,243	99,549
Fund Balance - July 1	73,673	(25,876)
Fund Balance - June 30	\$ 80,916	\$ 73,673

CITY AND COUNTY OF HONOLULU
HIGHWAY IMPROVEMENT BOND FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 83,493	\$ 68,134
Total Asset	\$ 83,493	\$ 68,134
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 18,309	\$ 27,558
Due to other fund:		
General Trust Fund	--	33
Total Liabilities	18,309	27,591
Fund Balance:		
Committed	65,184	40,543
Total Fund Balance	65,184	40,543
Total Liabilities and Fund Balance	\$ 83,493	\$ 68,134

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, 2021
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
Revenues:		
Fines and forfeits	\$ 134	\$ 131
Miscellaneous:		
Other	187	--
Total Revenues	321	131
Expenditures:		
Current:		
General government	23	--
Public safety	235	61
Highways and streets	17,820	19,346
Utilities or other enterprises	4,075	5,239
Capital outlay:		
General government	1,218	4,141
Public safety	1,534	1,290
Highways and streets	44,133	52,392
Utilities or other enterprises	1,494	3,042
Total Expenditures	70,532	85,511
Revenues under Expenditures	(70,211)	(85,380)
Other Financing Sources (Use):		
Issuance of general obligation bonds	96,744	55,340
Bond premium	23,257	9,663
Transfer to other fund:		
Federal Grants Capital Projects Fund	(25,149)	--
Total Other Financing Sources (Use)	94,852	65,003
Revenues and Other Sources over (under) Expenditures and Other Use.....	24,641	(20,377)
Fund Balance - July 1	40,543	60,920
Fund Balance - June 30	\$ 65,184	\$ 40,543

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2021
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
(Amounts in thousands)

	2021	2020
<u>ASSETS</u>		
Cash and investments:		
With Treasury	\$ 19,916	\$ 13,472
Receivables:		
Loans (net of allowance for uncollectibles)	48,055	52,355
Intergovernmental	1,396	4,778
Total Assets	\$ 69,367	\$ 70,605
<u>LIABILITY, DEFERRED INFLOW AND FUND BALANCE</u>		
Liability:		
Accounts payable	\$ 625	\$ 3,516
Total Liability	625	3,516
Deferred Inflow:		
Deferred inflow	48,055	52,623
Total Deferred Inflow	48,055	52,623
Fund Balance:		
Restricted	20,687	14,466
Total Fund Balance	20,687	14,466
Total Liability, Deferred Inflow and Fund Balance	\$ 69,367	\$ 70,605

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, 2021
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
Revenue:		
Intergovernmental	\$ 15,765	\$ 17,505
Total Revenue	15,765	17,505
Expenditures:		
Current:		
Public safety	49	--
Highways and streets	53	--
Human services	2,449	1,968
Utilities or other enterprises	29,330	9,929
Capital outlay:		
Public safety	1,906	1,423
Highways and streets	355	79
Human services	--	1,439
Utilities or other enterprises	551	2,244
Total Expenditures	34,693	17,082
Revenue over (under) Expenditures	(18,928)	423
Other Financing Source:		
Transfer from other fund:		
Highway Improvement Bond Fund	25,149	--
Total Other Financing Source	25,149	--
Revenue and Other Source over Expenditures	6,221	423
Fund Balance - July 1	14,466	14,043
Fund Balance - June 30	\$ 20,687	\$ 14,466

CITY AND COUNTY OF HONOLULU
CAPITAL PROJECTS FUND
 BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2020
 (Amounts in thousands)

	2021	2020
<u>ASSET</u>		
Cash and investments:		
With Treasury	\$ 13,744	\$ 13,773
Total Asset	\$ 13,744	\$ 13,773
<u>FUND BALANCE</u>		
Fund Balance:		
Restricted	\$ 13,744	\$ 13,773
Total Fund Balance	\$ 13,744	\$ 13,773

CITY AND COUNTY OF HONOLULU
CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
 (Amounts in thousands)

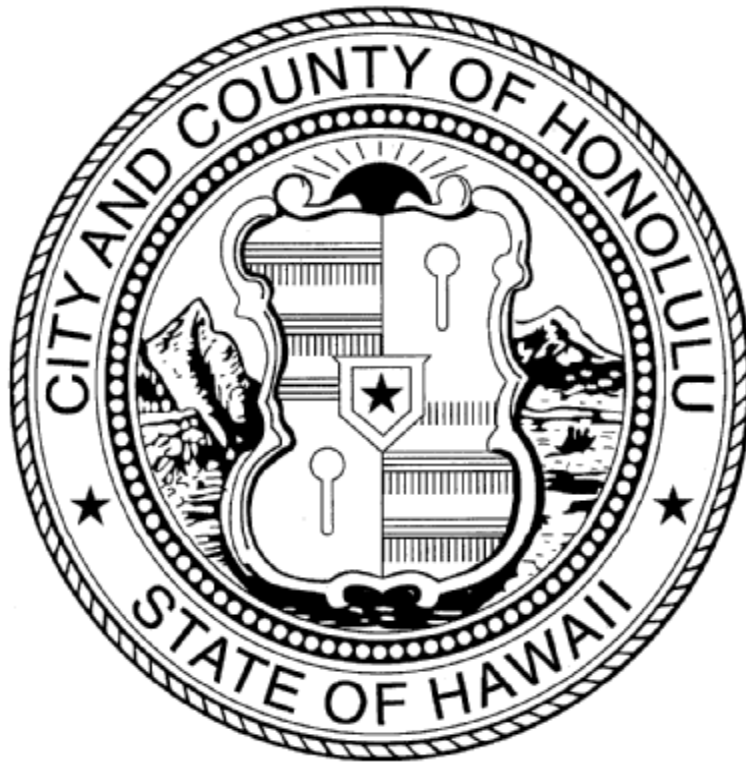
	2021	2020
Expenditures:		
Capital outlay:		
Public safety	29	--
Total Expenditures	29	--
Revenue under Expenditures	(29)	--
Fund Balance - July 1	13,773	13,773
Fund Balance - June 30	\$ 13,744	\$ 13,773

CITY AND COUNTY OF HONOLULU
TRUST AND CLEARANCE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2021
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2020
 (Amounts in thousands)

	General Trust Fund	Treasury Trust Fund	Real Property Tax Trust Fund	Payroll Clearance Fund	Totals	
					2021	As Restated 2020
ASSETS						
Cash and investments:						
With Treasury	\$ 23,139	\$ 1,180	\$ 9,909	\$ 6	\$ 34,234	\$ 35,256
Imprest and change funds	70	51	--	--	121	120
Due from other funds:						
General Fund	--	--	--	--	--	21
Highway Fund	--	--	--	14	14	21
Sewer Fund	--	--	--	7	7	3
Hanauma Bay Fund	--	--	--	--	--	6
Solid Waste Fund	--	--	--	9	9	7
Recycling Fund	--	--	--	--	--	1
Honolulu Zoo Fund	--	--	--	3	3	1
Golf Fund	--	--	--	--	--	1
Special Events Fund	--	--	--	1	1	--
Total Assets	<u>\$ 23,209</u>	<u>\$ 1,231</u>	<u>\$ 9,909</u>	<u>\$ 40</u>	<u>\$ 34,389</u>	<u>\$ 35,437</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 337	\$ --	\$ 373	\$ 5	\$ 715	\$ 1,357
Accrued Payroll	--	--	--	35	35	60
Deposits and advances	21,460	1,180	9,536	--	32,176	32,620
Total Liabilities	<u>21,797</u>	<u>1,180</u>	<u>9,909</u>	<u>40</u>	<u>32,926</u>	<u>34,037</u>
Fund Balances:						
Committed	1,412	51	--	--	1,463	1,400
Total Fund Balance	<u>1,412</u>	<u>51</u>	<u>--</u>	<u>--</u>	<u>1,463</u>	<u>1,400</u>
Total Liabilities and Fund Balances	<u>\$ 23,209</u>	<u>\$ 1,231</u>	<u>\$ 9,909</u>	<u>\$ 40</u>	<u>\$ 34,389</u>	<u>\$ 35,437</u>

CITY AND COUNTY OF HONOLULU
TRUST AND CLEARANCE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2020
 (Amounts in thousands)

	General Trust Fund	Treasury Trust Fund	Totals	
			2021	As Restated 2020
Revenue:				
Charges for services	\$ 1,519	\$ --	\$ 1,519	\$ 1,601
Total Revenue	<u>1,519</u>	<u>--</u>	<u>1,519</u>	<u>1,601</u>
Expenditures:				
Current:				
General government	--	--	--	4
Highway and streets	<u>1,456</u>	<u>--</u>	<u>1,456</u>	<u>1,891</u>
Total Expenditures	<u>1,456</u>	<u>--</u>	<u>1,456</u>	<u>1,895</u>
Revenue over (under) Expenditures	63	--	63	(294)
Fund Balance - July 1	<u>1,349</u>	<u>51</u>	<u>1,400</u>	<u>1,694</u>
Fund Balance - June 30	<u>\$ 1,412</u>	<u>\$ 51</u>	<u>\$ 1,463</u>	<u>\$ 1,400</u>



Statistical Section (Unaudited)

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Statistical Section

(Unaudited)

The information in this section is not covered by the Report of Independent Auditors but is presented as supplemental data for the benefit of the readers of the annual comprehensive 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.

<u>Contents</u>	<u>Page</u>
<p>Financial Trends</p> <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>	<p>291</p>
<p>Revenue Capacity</p> <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>	<p>296</p>
<p>Debt Capacity</p> <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>	<p>300</p>
<p>Demographic and Economic Information</p> <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>	<p>307</p>
<p>Operating Information</p> <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>	<p>312</p>

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TABLE 1
CITY AND COUNTY OF HONOLULU
NET POSITION BY COMPONENT
FISCAL YEARS 2012 - 2021
(Amounts in thousands)
(Unaudited)

	Fiscal Year										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	
Governmental activities											
Net investment in capital assets	\$ 609,433	\$ 606,519	\$ 256,353	\$ 308,647	\$ 325,818	\$ 177,798	\$ 161,115	\$ 208,205	\$ 101,107	\$ 118,289	
Restricted	1,056,636	799,772	640,749	492,806	165	165	166	13	168	169	
Unrestricted	(4,184,666)	(3,680,880)	(3,417,838)	(3,211,958)	(1,503,882)	(1,171,866)	(1,094,601)	21,467	145,412	69,474	
Total governmental activities net position	(2,518,597)	(2,274,589)	(2,520,736)	(2,410,505)	(1,177,899)	(993,903)	(933,320)	229,685	246,687	187,932	
Business-type activities											
Net investment in capital assets	1,744,529	1,528,125	1,315,261	1,208,491	1,225,731	1,117,427	1,011,958	900,120	837,381	808,975	
Restricted	115,164	181,860	259,977	260,091	165,226	174,514	181,029	178,187	177,890	171,010	
Unrestricted	1,005,092	915,346	869,210	775,038	814,948	693,728	562,191	620,571	579,850	513,990	
Total business-type activities net position	2,864,785	2,625,331	2,444,448	2,243,620	2,205,905	1,985,669	1,755,178	1,698,878	1,595,121	1,493,975	
Primary government											
Net investment in capital assets	2,353,962	2,134,644	1,571,614	1,517,138	1,551,549	1,295,225	1,173,073	1,108,325	938,488	927,264	
Restricted	1,171,800	981,632	900,726	752,897	165,391	174,679	181,195	178,200	178,058	171,179	
Unrestricted	(3,179,574)	(2,765,534)	(2,548,628)	(2,436,920)	(688,934)	(478,138)	(532,410)	642,038	725,262	583,464	
Total primary government net position	\$ 346,188	\$ 350,742	\$ (76,288)	\$ (166,885)	\$ 1,028,006	\$ 991,766	\$ 821,858	\$ 1,928,563	\$ 1,841,808	\$ 1,681,907	

Notes: For fiscal year 2014, the restatements disclosed in the Notes to the Financial Statement 1 and 11 are not reflected in the above table for 2013 and 2012.

Amounts prior to fiscal year 2014 have not been restated for GASB Statement No. 65.

Amounts prior to fiscal year 2015 have not been restated for GASB Statement Nos. 68 and 71 and other restatements recorded.

Amounts prior to fiscal year 2017 have not been restated for GASB 82.

Amounts prior to fiscal year 2018 have not been restated for GASB 75.

Amounts prior to fiscal year 2019 have not been restated for GASB 83.

For fiscal year 2021, the restatements disclosed in the Notes to the Financial Statement 1 are not reflected in the above table for 2020 and the amounts prior to fiscal year 2020 have not been restated for GASB 84.

TABLE 2
CITY AND COUNTY OF HONOLULU
CHANGES IN NET POSITION
FISCAL YEARS 2012-2021
(Amounts in thousands)
(Unaudited)

(Page 1 of 2)

	Fiscal Year										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	
Expenses											
Governmental activities:											
General government.....	1,208,524	872,700	774,499	779,702	733,242	571,486	487,753	482,303	468,295	497,328	
Public safety.....	575,162	115,950	98,418	77,271	482,925	68,050	50,831	47,620	38,683	100,883	
Highways and streets.....	288	439	264	254	3,708	3,708	90,965	91,546	82,806	4,451	
Sanitation.....	183,003	104,227	116,412	127,631	98,516	97,550	109,127	108,128	106,457	124,939	
Human services.....	131,741	154,387	134,774	127,937	122,453	124,917	109,127	108,128	106,457	124,939	
Culture and recreation.....	174,231	60,065	79,848	34,531	45,333	55,311	60,032	35,876	84,856	38,847	
Utilities or other enterprises.....	119,301	112,590	102,230	86,956	72,528	90,219	80,126	85,774	76,914	93,079	
Interest.....	2,508,200	1,965,689	1,830,757	1,726,974	1,627,312	1,467,149	1,325,478	1,273,924	1,255,533	1,361,015	
Total governmental activities expenses											
Business-type activities:											
Housing.....	10,719	11,849	12,288	12,182	13,062	11,554	11,562	15,928	11,728	12,221	
Sewer.....	288,153	290,583	300,324	281,183	248,825	239,711	252,448	276,958	260,806	237,673	
Solid Waste.....	219,567	223,509	215,436	207,239	204,258	191,005	174,651	190,254	166,160	166,078	
Public Transportation.....	296,527	301,089	287,876	276,209	262,397	255,718	250,925	238,832	239,351	226,614	
Total business-type activities expenses	874,966	827,030	815,924	776,813	728,542	697,988	689,586	721,972	678,045	642,586	
Total primary government expenses	3,323,166	2,792,719	2,646,681	2,503,787	2,355,854	2,165,137	2,015,064	1,995,896	1,933,578	2,003,601	
Program Revenues											
Governmental activities:											
Charges for services:											
General government.....	300,745	287,061	264,130	230,852	201,583	200,705	199,034	194,435	194,451	191,634	
Public safety.....	47,208	48,275	48,372	44,372	44,686	41,946	40,765	41,761	39,729	40,188	
Highways and streets.....	1,967	394	316	88	189	195	183	1,541	347	1,077	
Sanitation.....	241	553	442	450	460	384	521	837	405	51	
Human services.....	16,432	26,482	35,181	33,051	31,748	30,349	29,384	30,586	29,100	28,730	
Culture and recreation.....	3,409	3,646	4,296	3,816	3,183	1,925	1,922	1,066	863	946	
Utilities.....	578,497	193,646	134,421	135,495	125,894	121,866	141,940	150,414	116,412	122,066	
Operating grants and contributions.....	13,458	305,908	19,331	16,144	28,517	41,315	9,758	13,493	54,201	55,393	
Capital grants and contributions.....	961,957	865,965	506,489	464,268	436,240	438,685	423,510	434,143	435,557	440,588	
Total governmental activities program revenues											
Business-type activities:											
Charges for services:											
Housing.....	13,606	13,028	10,988	11,346	11,791	11,047	11,247	22,146	10,434	10,628	
Sewer.....	459,482	455,467	466,065	459,636	463,862	426,540	402,472	395,333	377,970	378,199	
Solid Waste.....	127,729	140,079	144,356	133,112	143,096	124,996	126,990	126,305	118,658	118,943	
Public Transportation.....	26,732	46,801	57,567	56,967	54,057	55,472	57,199	57,187	57,049	56,796	
Operating grants and contributions.....	94,190	23,405	21,000	21,000	21,000	21,000	26,862	21,525	27,279	21,026	
Capital grants and contributions.....	42,516	15,787	16,062	7,201	18,332	39,914	25,754	14,810	26,894	58,643	
Total business-type activities program revenues	764,255	694,567	716,038	689,262	712,138	678,969	650,524	637,306	618,284	644,235	
Total primary government program revenues	1,726,212	1,560,532	1,222,527	1,153,530	1,148,378	1,117,654	1,074,034	1,071,449	1,053,841	1,084,823	
Net Revenue (Expense)											
Governmental activities.....	(1,546,243)	(1,099,724)	(1,324,268)	(1,262,706)	(1,191,072)	(1,028,464)	(901,968)	(839,781)	(819,976)	(920,427)	
Business-type activities.....	(50,711)	(132,463)	(99,886)	(87,551)	(16,404)	(19,019)	(39,062)	(84,666)	(59,761)	1,649	
Total primary government net expense	(1,596,954)	(1,232,187)	(1,424,154)	(1,350,257)	(1,207,476)	(1,047,483)	(941,030)	(924,447)	(879,737)	(918,778)	

TABLE 2
CITY AND COUNTY OF HONOLULU
CHANGES IN NET POSITION
FISCAL YEARS 2012-2021
(Amounts in thousands)
(Unaudited)

(Page 2 of 2)

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Revenues and Other Changes in Net Position										
Governmental activities:										
General revenues:										
Property taxes.....	\$ 1,455,072	\$ 1,429,321	\$ 1,288,664	\$ 1,187,842	\$ 1,099,948	\$ 1,015,861	\$ 950,387	\$ 849,401	\$ 825,518	\$ 799,260
Public service company tax.....	39,240	42,498	41,182	35,234	42,225	48,273	50,939	53,108	52,444	47,842
Fuel tax.....	41,226	47,042	51,140	51,790	51,992	52,764	50,503	51,424	53,825	49,220
Public utility franchise tax.....	38,869	49,684	46,615	45,207	36,056	40,967	57,555	55,259	57,514	60,475
Investment earnings.....	4,839	19,013	21,336	8,192	2,684	1,993	454	553	539	336
Unrestricted grants and contributions.....	59	37,902	45,538	45,494	45,429	45,413	45,521	41,062	41,042	41,042
Other.....	7,240	7,214	7,262	7,546	8,232	8,442	6,359	5,526	7,095	6,287
Special item:										
Contribution to component unit.....	--	--	--	--	--	--	--	--	--	(749,306)
Transfers.....	(285,582)	(286,803)	(274,070)	(242,869)	(233,326)	(245,732)	(229,939)	(219,158)	(159,266)	(198,316)
Total governmental activities	1,300,963	1,345,871	1,227,667	1,138,436	1,053,240	967,881	931,779	837,173	878,731	56,840
Business-type activities:										
General revenues:										
Investment earnings.....	4,583	26,543	36,811	15,525	8,305	3,778	1,274	1,430	1,641	1,181
Transfers.....	285,582	286,803	274,070	242,869	233,326	245,732	229,939	219,158	159,266	198,316
Total business-type activities	290,165	313,346	310,881	258,394	241,631	249,510	231,213	220,588	180,907	199,497
Total primary government	\$ 1,591,128	\$ 1,659,217	\$ 1,538,548	\$ 1,396,830	\$ 1,294,871	\$ 1,217,391	\$ 1,162,992	\$ 1,057,761	\$ 1,039,638	\$ 256,337
Changes in Net Position										
Governmental activities:										
Prior period adjustments:										
General government.....	1,272	--	(13,630)	(1,108,336)	(46,164)	--	--	(13,247)	--	--
Highways and streets.....	--	--	--	--	--	--	--	(1,052)	--	--
Other governmental.....	--	--	--	--	--	--	--	(95)	--	--
Total governmental activities	(244,008)	246,147	(110,231)	(1,232,606)	(183,996)	(60,583)	29,811	(17,002)	58,755	(863,587)
Business-type activities:										
Prior period adjustments:										
Housing.....	239,454	180,883	210,995	170,843	225,227	230,491	192,151	135,922	101,146	201,146
Sewer.....	--	--	(6,241)	(77,725)	(2,984)	--	--	(158)	--	--
Solid Waste.....	--	--	(52,927)	(52,927)	(1,922)	--	(59,820)	(2,653)	--	--
Public Transportation.....	--	--	(3,926)	(2,476)	(65)	--	16,888	--	--	--
Total business-type activities	239,454	180,883	200,828	37,715	220,236	230,491	56,300	103,757	101,146	201,146
Total primary government changes in net position	\$ (4,554)	\$ 427,030	\$ 90,597	\$ (1,194,891)	\$ 36,240	\$ 169,908	\$ 86,111	\$ 86,755	\$ 159,901	\$ (662,441)

Notes: For fiscal year 2014, the restatements disclosed are not reflected in the above total for 2013 and 2012.

Amounts prior to fiscal year 2014 have not been restated for GASB Statement No. 65.

Amounts prior to fiscal year 2015 have not been restated for GASB Statement Nos. 68 and 71 and other restatements recorded.

Amounts prior to fiscal year 2017 have not been restated for GASB Statement No. 82.

Amounts prior to fiscal year 2018 have not been restated for GASB Statement No. 75.

Amounts prior to fiscal year 2019 have not been restated for GASB Statement No. 83.

For fiscal year 2021, the restatements disclosed in the Notes to the Financial Statement 1 are not reflected in the above table for 2020 and the amounts prior to fiscal year 2020 have not been restated for GASB Statement No. 84.

TABLE 3
CITY AND COUNTY OF HONOLULU
FUND BALANCES, GOVERNMENTAL FUNDS
FISCAL YEARS 2012 - 2021
(Modified accrual basis of accounting)
(Amounts in thousands)
(Unaudited)

	2021	2020 (b)	2019	2018	Fiscal Year 2017	2016	2015	2014	2013 (a)	2012 (a)
General Fund										
Committed	\$ 152,654	\$ 142,581	\$ 131,662	\$ 121,135	\$ 112,266	\$ 110,329	\$ 79,270	\$ 68,401	\$ 50,256	\$ 32,601
Assigned	87,077	110,176	77,711	81,709	74,155	65,124	74,282	54,880	55,384	58,215
Unassigned	250,060	258,149	216,276	172,376	139,925	140,022	170,024	185,568	228,382	159,042
Total General Fund	<u>\$ 489,791</u>	<u>\$ 510,906</u>	<u>\$ 425,649</u>	<u>\$ 375,220</u>	<u>\$ 326,346</u>	<u>\$ 315,475</u>	<u>\$ 323,576</u>	<u>\$ 308,849</u>	<u>\$ 334,022</u>	<u>\$ 249,858</u>
All Other Governmental Funds										
Restricted	\$ 188,164	\$ 216,882	\$ 203,006	\$ 174,531	\$ 182,225	\$ 198,063	\$ 201,439	\$ 182,159	\$ 165,373	\$ 161,708
Committed	1,219,399	936,513	725,347	510,761	20,185	28,532	231,614	16,662	138,158	18,752
Unassigned	--	--	(25,876)	(47,477)	(78,081)	(2,187)	--	(66,836)	--	(1,611)
Total all Other Governmental Funds	<u>\$ 1,407,563</u>	<u>\$ 1,153,395</u>	<u>\$ 902,477</u>	<u>\$ 637,815</u>	<u>\$ 124,329</u>	<u>\$ 224,408</u>	<u>\$ 433,053</u>	<u>\$ 131,985</u>	<u>\$ 303,531</u>	<u>\$ 178,849</u>

Note:

(a) In fiscal year end June 30, 2014, the restatements disclosed in the respective Notes to the Financial Statements 1 and 11 are not reflected in the above table for 2013 and 2012.

(b) In fiscal year end June 30, 2021, the restatements disclosed in the Notes to the Financial Statement 1 are not reflected in the above table for 2020 and the amounts prior to fiscal year 2020 have not been restated for GASB Statement No. 84.

TABLE 4
CITY AND COUNTY OF HONOLULU
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
FISCAL YEARS 2012 - 2021
(Modified accrual basis of accounting)
(Amounts in thousands)
(Unaudited)

	Fiscal Year									
	2021	2020	2019	2018	2017 (c)	2016	2015	2014	2013 (b)	2012 (b)
Revenues:										
Taxes.....	\$ 1,573,704	\$ 1,565,080	\$ 1,428,167	\$ 1,317,905	\$ 1,233,030	\$ 1,162,021	\$ 1,109,836	\$ 1,011,072	\$ 994,105	\$ 964,167
Special assessments.....	--	--	3	1	3	4	5	5	15	17
Licenses and permits.....	245,007	232,474	233,552	202,456	183,126	181,696	177,867	173,233	166,135	161,492
Intergovernmental.....	592,383	246,979	196,913	193,864	196,166	206,181	189,868	201,624	205,496	233,499
Charges for services.....	28,210	30,762	36,987	36,117	34,232	32,998	34,066	33,150	31,813	30,679
Fines and forfeits.....	1,008	1,264	1,387	968	920	970	973	927	831	541
Miscellaneous:										
Reimbursements and recoveries.....	90,869	88,331	63,227	57,646	53,034	47,038	46,909	46,282	44,420	46,801
Interest.....	5,506	21,295	23,922	10,247	3,867	2,261	521	596	612	394
Other.....	20,427	25,198	29,784	29,783	26,434	24,337	27,313	30,033	28,133	30,790
Total Revenues.....	2,557,114	2,211,383	2,013,942	1,848,987	1,730,812	1,657,506	1,587,358	1,496,922	1,471,560	1,468,380
Expenditures:										
Current:										
General government.....	474,670	231,651	192,755	187,390	180,019	170,516	166,414	167,707	155,304	155,044
Public safety.....	547,680	515,800	487,560	467,036	456,401	426,883	410,702	390,443	371,294	386,145
Highways and streets.....	58,203	52,274	43,798	32,723	33,774	28,376	26,193	22,658	18,696	17,336
Sanitation.....	270	421	240	236	1,015	3,685	3,822	3,907	4,203	4,514
Human services.....	180,714	111,051	103,769	114,340	98,392	97,293	90,973	92,127	74,089	72,544
Culture and recreation.....	108,387	111,262	107,397	101,718	94,737	94,610	88,415	86,537	82,664	79,547
Utilities or other enterprises.....	170,286	71,671	83,499	32,919	43,282	62,775	58,420	37,329	29,380	23,201
Miscellaneous:										
Retirement and health benefits.....	489,026	422,432	389,148	335,263	303,550	283,029	258,330	220,876	190,466	214,895
Other.....	40,935	28,392	30,880	35,430	30,802	27,884	26,013	29,687	61,228	27,146
Capital Outlay:										
General government.....	18,306	33,963	45,248	18,961	25,829	22,762	17,268	16,224	17,912	21,810
Public safety.....	44,502	33,937	33,696	24,427	25,229	29,179	34,980	34,725	29,956	34,070
Highways and streets.....	53,324	57,055	86,910	117,691	130,802	99,643	84,609	130,613	91,720	68,636
Sanitation.....	--	--	--	--	--	5	--	(95)	95	--
Human services.....	53,188	35,587	22,120	32,932	18,453	14,839	5,622	--	8,980	21,991
Culture-recreation.....	38,026	30,371	34,437	35,298	43,911	34,439	11,926	22,564	21,956	22,869
Utilities or other enterprises.....	2,045	5,487	11,469	7,461	29,623	18,081	3,107	2,452	31,265	49,337
Debt service:										
Principal.....	153,362	160,928	192,798	162,764	175,468	116,249	97,055	115,925	88,276	84,906
Interest.....	163,320	145,493	116,728	99,446	96,193	99,244	88,106	97,765	97,580	99,713
Bond issuance costs.....	1,000	2,629	1,820	1,785	687	--	2,052	--	2,125	--
Total Expenditures.....	2,597,244	2,050,404	1,984,272	1,807,820	1,788,167	1,629,492	1,474,007	1,471,444	1,377,189	1,383,704
Revenues over (under) Expenditures.....	(40,130)	160,979	29,670	41,167	(57,355)	28,014	113,351	25,478	94,371	84,676
Other Financing Sources (Uses):										
Issuance of general obligation bonds.....	205,745	432,096	404,656	565,321	134,925	--	280,845	11,152	191,296	131,206
Issuance of tax exempt commercial paper (TECP).....	301,000	--	94,000	120,000	130,000	--	100,000	--	45,000	--
Capital leases.....	--	--	--	--	--	--	--	--	--	1,302
Issuance of refunding bonds.....	67,010	378,337	124,054	166,521	87,090	--	517,146	--	642,942	149,328
Bond premium.....	49,257	69,263	59,952	64,751	34,398	--	125,943	--	85,737	19,747
Bond discount.....	--	--	(279)	(205)	(165)	--	(246)	--	(71,391)	(14,268)
Bond premium on refunding bonds.....	19,578	78,549	20,594	--	--	--	--	--	--	--
Bond discount on refunding bonds.....	--	--	(141)	--	--	--	--	--	--	--
Refunding of bonds and commercial paper.....	--	--	(144,000)	(232,819)	(94,592)	--	(546,799)	--	(621,449)	(155,506)
Payment to escrow agent for refunding of bonds and commercial paper.....	(85,606)	(496,815)	--	--	--	--	--	--	--	--
Loss on refunding of bonds.....	--	--	--	--	(10,963)	--	(44,822)	--	--	--
Sales of capital assets.....	509	569	655	493	780	972	316	203	1,606	181
Transfers in.....	521,212	497,131	459,345	423,502	400,233	415,385	338,450	371,055	340,224	320,463
Transfers out.....	(806,794)	(783,934)	(733,415)	(666,371)	(633,559)	(661,117)	(568,389)	(590,213)	(499,490)	(518,779)
Total Other Financing Sources (Uses).....	271,911	175,196	285,421	441,193	48,147	(244,760)	202,444	(207,803)	114,475	(66,326)
Special Item:										
Contribution to component unit.....	--	--	--	--	--	--	--	--	--	(447,284)
Net change in fund balances.....	\$ 231,781	\$ 336,175	\$ 315,091	\$ 482,360	\$ (9,208)	\$ (216,746)	\$ 315,795	\$ (182,325)	\$ 208,846	\$ (428,934)
Debt service as a percentage of noncapital expenditures (a).....	13.3%	16.6%	17.7%	16.7%	17.9%	15.3%	14.1%	16.9%	15.8%	19.2%

(a) The ratio for total debt service expenditures to noncapital expenditures is calculated based on the capital outlay used to match the statement of revenues, expenditures, and changes in fund balances.
(b) For fiscal year end June 30, 2014, the restatements disclosed are not reflected in the above tables for 2013 and 2012.
(c) As of June 30, 2017, the advances and repayments from component units reported as other financing sources (uses) have been restated as balance sheet transactions which resulted as an adjustment to the 2017 net position.

TABLE 5
CITY AND COUNTY OF HONOLULU
REAL PROPERTY ASSESSED VALUES BY CLASSIFICATION AND TAX RATES
FISCAL YEARS 2012 - 2021
(Amounts in thousands)
(Unaudited)

(Page 1 of 2)

Fiscal Year	Class of Property (a)	Parcel Tax Rates Per \$1,000	Value of Net Taxable Real Property
2021	Residential	\$ 3.50	\$ 165,572,576
	Hotel/Resort	13.90	17,074,878
	Commercial	12.40	22,521,578
	Industrial	12.40	12,642,471
	Agricultural	5.70	1,149,524
	Vacant Agricultural	8.50	45,342
	Preservation	5.70	534,138
	Public Service	0.00	135
	Residential A Tier 1	4.50	13,978,008
	Residential A Tier 2	10.50	9,112,719
	Total		<u>\$ 242,631,369</u>
Fiscal year 2021 total direct tax rate		\$ 5.86	
2020	Residential	\$ 3.50	\$ 167,062,408
	Hotel/Resort	13.90	17,044,297
	Commercial	12.40	21,720,592
	Industrial	12.40	11,703,470
	Agricultural	5.70	1,180,447
	Vacant Agricultural	8.50	46,152
	Preservation	5.70	547,162
	Public Service	0.00	7,008
	Residential A Tier 1	4.50	13,583,421
	Residential A Tier 2	10.50	9,361,466
	Total		<u>\$ 242,256,423</u>
Fiscal year 2020 total direct tax rate		\$ 5.80	
2019	Residential	\$ 3.50	\$ 159,413,159
	Hotel/Resort	12.90	15,097,681
	Commercial	12.40	19,734,369
	Industrial	12.40	10,344,796
	Agricultural	5.70	1,122,026
	Vacant Agricultural	8.50	46,330
	Preservation	5.70	548,498
	Public Service	0.00	31
	Residential A Tier 1	4.50	11,911,610
	Residential A Tier 2	9.00	8,423,485
	Total		<u>\$ 226,641,985</u>
Fiscal year 2019 total direct tax rate		\$ 5.58	
2018	Residential	\$ 3.50	\$ 151,308,633
	Hotel/Resort	12.90	13,060,028
	Commercial	12.40	18,525,784
	Industrial	12.40	9,597,471
	Agricultural	5.70	1,042,709
	Vacant Agricultural	8.50	50,802
	Preservation	5.70	523,317
	Public Service	0.00	30
	Residential A	4.50	17,461,143
	Total		<u>\$ 211,569,917</u>
	Fiscal year 2018 total direct tax rate		\$ 5.36
2017	Residential	\$ 3.50	\$ 144,692,257
	Hotel/Resort	12.90	11,348,555
	Commercial	12.40	17,219,480
	Industrial	12.40	9,141,609
	Agricultural	5.70	996,002
	Vacant Agricultural	8.50	50,310
	Preservation	5.70	464,899
	Public Service	0.00	37
	Residential A	6.00	15,713,428
	Total		<u>\$ 199,626,577</u>
	Fiscal year 2017 total direct tax rate		\$ 5.42

Source: City and County of Honolulu, Department of Budget and Fiscal Services, Real Property Assessment Division.
(a) Land and its buildings and other improvements are required to be reported as a single value effective July 1, 2003.

Assessed value is at 100% of market value.
Property is reassessed annually.
The City Council sets the tax rates annually.
There are no overlapping property tax rates in the City and County of Honolulu.

TABLE 5
CITY AND COUNTY OF HONOLULU
REAL PROPERTY ASSESSED VALUES BY CLASSIFICATION AND TAX RATES
FISCAL YEARS 2012 - 2021
(Amounts in thousands)
(Unaudited)

(Page 2 of 2)

Fiscal Year	Class of Property (a)	Parcel Tax Rates Per \$1,000	Value of Net Taxable Real Property	
2016	Residential	\$ 3.50	\$ 137,435,628	
	Hotel/Resort	12.90	9,841,920	
	Commercial	12.40	15,778,813	
	Industrial	12.40	8,521,155	
	Agricultural	5.70	989,887	
	Vacant Agricultural	8.50	60,689	
	Preservation	5.70	455,825	
	Public Service.....	0.00	1	
	Residential A.....	6.00	<u>14,634,916</u>	
		Total		<u>\$ 187,718,834</u>
	Fiscal year 2016 total direct tax rate	\$ 5.36		
2015	Residential	\$ 3.50	\$ 127,980,612	
	Hotel/Resort	12.90	8,193,857	
	Commercial	12.40	15,150,419	
	Industrial	12.40	8,153,174	
	Agricultural	5.70	1,130,465	
	Vacant Agricultural	8.50	79,546	
	Preservation.....	5.70	445,038	
	Residential A.....	6.00	<u>13,202,440</u>	
		Total		<u>\$ 174,335,551</u>
		Fiscal year 2015 total direct tax rate	\$ 5.34	
2014	Residential	\$ 3.50	\$ 127,060,389	
	Hotel/Resort	12.40	7,848,202	
	Commercial	12.40	14,696,801	
	Industrial	12.40	8,005,590	
	Agricultural	5.70	932,333	
	Vacant Agricultural	8.50	92,805	
	Preservation.....	5.70	457,307	
	Public Service.....	0.00	<u>2,300</u>	
		Total		<u>\$ 159,095,727</u>
		Fiscal year 2014 total direct tax rate	\$ 5.23	
2013	Residential	\$ 3.50	\$ 124,425,238	
	Hotel/Resort	12.40	7,354,672	
	Commercial	12.40	14,336,675	
	Industrial	12.40	7,757,462	
	Agricultural	5.70	929,717	
	Vacant Agricultural	8.50	92,350	
	Preservation.....	5.70	435,354	
	Public Service.....	0.00	<u>2,284</u>	
		Total		<u>\$ 155,333,752</u>
		Fiscal year 2013 total direct tax rate	\$ 5.21	
2012	Residential	\$ 3.50	\$ 123,324,298	
	Hotel/Resort	12.40	7,102,340	
	Commercial	12.40	13,938,863	
	Industrial	12.40	7,685,514	
	Agricultural	5.70	1,004,164	
	Vacant Agricultural	8.50	112,245	
	Preservation.....	5.70	421,553	
	Public Service.....	0.00	<u>3,644</u>	
		Total		<u>\$ 153,592,621</u>
		Fiscal year 2012 total direct tax rate	\$ 5.19	

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 2012 - 2021
(Values in thousands)
(Unaudited)

Taxpayer	2021			2020			2019			2018			2017		
	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
Kyo-Ya Company	\$ 2,119,733	1	0.76 %	\$ 2,640,523	1	0.94 %	\$ 2,449,141	1	0.89 %	\$ 2,140,375	1	0.83 %	\$ 1,768,287	3	0.73 %
General Growth Properties (a)	2,106,225	2	0.76	2,171,248	4	0.78	2,160,194	4	0.79	1,868,590	4	0.72	--	--	--
Bishop Estate	2,060,586	3	0.74	2,406,447	3	0.86	2,238,194	3	0.81	2,008,976	3	0.78	1,858,950	2	0.77
Hilton, et al	2,009,219	4	0.72	2,496,983	2	0.89	2,275,389	2	0.83	2,023,422	2	0.78	1,653,601	4	0.69
Disney	1,288,067	5	0.46	1,376,588	5	0.49	1,369,929	5	0.50	1,313,804	5	0.51	1,055,883	5	0.44
Outrigger Hotels Hawaii	1,040,814	6	0.37	1,303,291	6	0.47	1,192,541	6	0.43	1,052,583	6	0.41	876,909	6	0.36
DEG, LLC	947,902	7	0.34	993,261	7	0.36	927,039	7	0.34	--	--	--	792,512	8	0.33
A & B Properties	927,452	8	0.33	955,929	8	0.34	697,405	10	0.25	658,422	8	0.26	--	--	--
Ko olina Hotel	658,179	9	0.24	679,272	10	0.24	729,760	9	0.27	648,296	9	0.25	816,052	7	0.34
Maps Waikiki Hotel LLC	545,707	10	0.20	--	--	--	--	--	--	--	--	--	--	--	--
Howard Hughes	--	--	--	791,088	9	0.28	881,275	8	0.32	906,386	7	0.35	3,315,613	1	1.37
Hialekiani Corp	--	--	--	--	--	--	--	--	--	545,636	10	0.21	791,178	9	0.33
First Hawaiian Bank	--	--	--	--	--	--	--	--	--	--	--	--	605,786	10	0.25

Taxpayer	2016			2015			2014			2013			2012		
	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	\$ 1,783,849	1	0.78 %	\$ 1,652,984	1	0.77 %	\$ 1,733,572	1	0.86 %	\$ 1,442,906	1	0.78 %	\$ 1,414,268	1	0.78 %
General Growth Properties (a)	1,757,566	2	0.77	1,408,576	3	0.66	1,294,204	2	0.64	1,232,114	2	0.67	1,205,267	2	0.67
Kyo-Ya Company	1,522,822	3	0.67	1,419,965	2	0.66	1,170,157	3	0.58	1,067,362	3	0.58	1,022,052	3	0.57
Hilton, et al	1,392,317	4	0.61	1,236,073	4	0.56	1,064,287	4	0.53	988,806	4	0.54	917,634	4	0.51
Disney	980,364	5	0.43	951,585	5	0.44	936,803	5	0.47	928,996	5	0.50	839,910	5	0.47
Outrigger Hotels Hawaii	836,273	6	0.37	759,314	6	0.35	674,790	6	0.36	656,979	6	0.36	595,320	6	0.33
DEG, LLC	626,886	7	0.28	608,040	7	0.28	589,330	7	0.29	575,445	7	0.31	537,437	7	0.30
A & B Properties	618,381	8	0.27	564,923	8	0.26	--	--	--	--	--	--	--	--	--
Weinberg Foundation	522,573	9	0.23	--	--	--	--	--	--	396,166	10	0.21	--	--	--
First Hawaiian Bank	459,179	10	0.20	503,122	9	0.23	500,985	8	0.25	483,185	9	0.26	484,969	8	0.27
Ko olina Hotel	--	--	--	433,317	10	0.20	426,923	10	0.21	--	--	--	--	--	--
Marriot Ownership Resorts	--	--	--	--	--	--	474,662	9	0.24	488,584	8	0.27	446,972	9	0.25
Reynolds/Shilder	--	--	--	--	--	--	--	--	--	--	--	--	442,878	10	0.25

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 2021 was \$279,290,607,000.
(a) The Real Property Assessment Division recently discovered that General Growth Properties (GGP) and Howard Hughes Corporation are separate companies. Therefore, the assessment was updated for 2018.

TABLE 7
CITY AND COUNTY OF HONOLULU
PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEARS 2012 - 2021
(Amounts in thousands)
(Unaudited)

Fiscal Year Ended June 30	Taxes Levied	Adjustments (a)	Adjusted Taxes Levied	Collections within the fiscal year of the levy		Collections in Subsequent Years (b)	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2021	\$ 1,452,705	\$ (4,362)	\$ 1,448,343	\$ 1,430,150	98.7 %	\$ -	\$ 1,430,150	98.7 %
2020	1,432,220	(6,700)	1,425,520	1,412,226	99.1	10,765	1,422,991	99.8
2019	1,284,703	(1,265)	1,283,438	1,276,067	99.4	6,354	1,282,421	99.9
2018	1,183,310	(2,601)	1,180,709	1,173,742	99.4	6,437	1,180,179	100.0
2017	1,098,971	(4,493)	1,094,478	1,087,316	99.3	6,848	1,094,164	100.0
2016	1,021,536	(3,265)	1,018,271	1,010,462	99.2	7,506	1,017,968	100.0
2015	950,020	(6,661)	943,359	936,004	99.2	7,156	943,160	100.0
2014	850,176	(3,960)	846,216	838,732	99.1	5,264	843,996	99.7
2013	824,798	(2,521)	822,277	813,704	99.0	6,415	820,119	99.7
2012	811,505	(2,981)	808,524	800,424	99.0	10,180	810,604	100.3

Notes: Format displays taxes collected by fiscal year of levy.
(a) Adjustments include mostly appeals.
(b) Revised from the previous ACFR.

TABLE 8
CITY AND COUNTY OF HONOLULU
RATIOS OF OUTSTANDING DEBT BY TYPE
FISCAL YEARS 2012 - 2021
(Amounts in thousands, except per capita)
(Unaudited)

(Page 1 of 2)

Fiscal Year	Primary Government			
	Governmental Activities			
	General Obligation Bonds (e)	Tax Exempt Commercial Paper	Notes Payable	Capital Lease
2021	\$ 3,606,733	\$ 301,000	\$ 276	\$ --
2020	3,558,305	--	453	--
2019	3,300,666	--	657	--
2018	2,868,304	100,000	901	--
2017	2,393,939	80,000	1,138	--
2016	2,384,776	--	1,368	--
2015	2,526,882	--	1,933	179
2014	2,164,048	--	2,476	718
2013	2,282,756	--	2,997	1,256
2012	2,058,766	--	3,497	1,795

NOTES:

- (a) See TABLE 12 for personal income and population data.
- (b) 2021 and 2020 Personal Income is not available. 2019 Personal Income was used instead.
- (c) Revised from previous ACFR.
- (d) 2021 Population is not available. 2020 Population was used instead.
- (e) The amount of obligations for governmental and business-type activities include unamortized bond discount, unamortized bond premium, and direct placement-revenue bonds. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

TABLE 8
 CITY AND COUNTY OF HONOLULU
 RATIOS OF OUTSTANDING DEBT BY TYPE
 FISCAL YEARS 2012 - 2021
 (Amounts in thousands, except per capita)
 (Unaudited)

(Page 2 of 2)

Primary Government					
Business-Type Activities					
General Obligation Bonds (e)	Revenue Bonds (e)	Notes Payable	Total	Percentage of Personal Income (a)	Per Capita (a)
\$ 579,479	\$ 2,243,639	\$ 298,641	\$ 7,029,768	11.79 % (b)	\$ 7,294 (d)
531,466	2,374,712	295,913	6,760,849	11.34 (b)	7,015 (c)
538,933	2,271,367	210,290	6,321,913	10.60 (c)	6,494 (c)
548,898	2,358,157	229,398	6,105,658	10.50 (c)	6,223 (c)
557,724	2,072,204	252,769	5,357,774	9.47 (c)	5,428 (c)
577,376	1,868,779	252,148	5,084,447	9.32 (c)	5,120 (c)
608,195	1,711,265	245,287	5,093,741	9.66 (c)	5,136 (c)
587,947	1,757,422	245,345	4,757,956	9.45 (c)	4,816 (c)
618,713	1,800,072	221,131	4,926,925	10.30 (c)	4,994 (c)
601,245	1,664,206	222,509	4,552,018	9.65 (c)	4,653 (c)

TABLE 9
 CITY AND COUNTY OF HONOLULU
 RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 FISCAL YEARS 2012 - 2021
 (Amounts in thousands, except per capita)
 (Unaudited)

Fiscal Year	General Obligation Bonds (d)	Percentage of Net Taxable Property Value (a)	Per Capita (b)
2021	\$ 3,129,576	1.29 %	\$ 3,247 (c)
2020	3,289,931	1.36	3,413
2019	3,198,850	1.41	3,286
2018	2,924,396	1.38	2,981
2017	2,951,498	1.48	2,990
2016	2,961,986	1.58	2,983
2015	3,134,911	1.80	3,161
2014	2,751,981	1.73	2,785
2013	2,901,301	1.87	2,941
2012	2,659,842	1.73	2,719

NOTES:

- (a) See TABLE 5 for net taxable property values.
- (b) See TABLE 12 for population data.
- (c) 2021 Population not available. 2020 Population was used instead.
- (d) The amount of obligations include net bonded debt restricted for debt service.

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

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TABLE 10
CITY AND COUNTY OF HONOLULU
LEGAL DEBT MARGIN INFORMATION
FISCAL YEARS 2012 - 2021
(Amounts in thousands)
(Unaudited)

(Page 1 of 2)

	Fiscal Year			
	2021	2020	2019	2018
Debt limit (a)	\$ 36,394,705	\$ 36,338,463	\$ 33,996,298	\$ 31,735,488
Debt applicable to limit	<u>3,245,911</u>	<u>3,209,695</u>	<u>3,050,672</u>	<u>2,764,761</u>
Legal debt margin (b)	<u>\$ 33,148,794</u>	<u>\$ 33,128,768</u>	<u>\$ 30,945,626</u>	<u>\$ 28,970,727</u>
Debt applicable to the limit as a percentage of debt limit	8.92%	8.83%	8.97%	8.71%

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.

TABLE 10
 CITY AND COUNTY OF HONOLULU
 LEGAL DEBT MARGIN INFORMATION
 FISCAL YEARS 2012 - 2021
 (Amounts in thousands)
 (Unaudited)

(Page 2 of 2)

Fiscal Year					
2017	2016	2015	2014	2013	2012
\$ 29,943,987	\$ 28,157,825	\$ 26,150,333	\$ 23,864,359	\$ 23,300,063	\$ 23,038,893
2,205,897	2,199,482	2,315,550	2,060,876	2,165,157	1,995,105
\$ 27,738,090	\$ 25,958,343	\$ 23,834,783	\$ 21,803,483	\$ 21,134,906	\$ 21,043,788
7.37%	7.81%	8.85%	8.64%	9.29%	8.66%

Legal Debt Margin Calculation for Fiscal Year 2021

Net assessed value	\$ 242,631,369
Debt limit (15% of assessed value)	36,394,705
Debt applicable to limit	3,245,911
Legal debt margin	\$ 33,148,794

TABLE 11
CITY AND COUNTY OF HONOLULU
PLEGGED REVENUE COVERAGE
FISCAL YEARS 2012-2021
(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		
2021	\$ 246,507	\$ 174,885	\$ 71,622	\$ 11,125	\$ 9,336	\$ 20,461	3.50
2020	240,027	165,213	74,814	9,910	8,555	18,465	4.05
2019	236,595	155,218	81,377	8,820	9,056	17,876	4.55
2018	238,927	148,821	90,106	8,550	9,294	17,844	5.05
2017	236,330	138,147	98,183	8,365	9,422	17,787	5.52
2016	243,154	136,547	106,607	8,135	9,756	17,891	5.96
2015	220,296	136,707	83,589	7,810	7,590	15,400	5.43
2014	197,520	132,064	65,456	7,660	12,853	20,513	3.19
2013	184,372	130,092	54,280	7,335	13,169	20,504	2.65
2012	162,858	114,757	48,101	7,985	12,741	20,726	2.32

DEPARTMENT OF ENVIRONMENTAL SERVICES

Fiscal Year	Gross Revenues (c)	Less: Expenses (a)	Net Available Revenue	Debt Service		Total Debt Service	Coverage (b)
				Principal	Interest		
2021	\$ 463,150	\$ 157,705	\$ 305,445	\$ 74,820	\$ 82,546	\$ 157,366	1.94
2020	492,863	157,954	334,909	72,460	82,983	155,443	2.15
2019	526,619	164,143	362,476	70,490	89,590	160,080	2.26
2018	465,271	154,921	310,350	59,815	85,108	144,923	2.14
2017	453,959	146,036	307,923	49,115	81,204	130,319	2.36
2016	414,032	138,900	275,132	45,645	63,903	109,548	2.51
2015	388,829	146,172	242,657	39,510	79,173	118,683	2.04
2014	385,118	158,633	226,485	36,005	81,927	117,932	1.92
2013	368,860	164,487	204,373	34,450	77,654	112,104	1.82
2012	357,823	134,092	223,731	28,530	70,910	99,440	2.25

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.

TABLE 12
CITY AND COUNTY OF HONOLULU
DEMOGRAPHIC AND ECONOMIC STATISTICS
FISCAL YEARS 2012 - 2021
(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)
2021	NA	NA	NA	NA	NA
2020	963,826	NA	NA	114,980	10.2
2019	973,491 (c)	\$ 59,618	\$ 61,174	115,600	2.3 (c)
2018	981,076 (c)	58,129 (c)	59,324 (c)	115,691	2.3 (c)
2017	986,973 (c)	56,570 (c)	57,352 (c)	117,203	2.1 (c)
2016	993,044 (c)	54,567 (c)	54,992 (c)	118,155	2.7 (c)
2015	991,755 (c)	52,729 (c)	53,205 (c)	118,463	3.2 (c)
2014	988,002 (c)	50,355 (c)	50,997 (c)	122,195	4.0 (c)
2013	986,494 (c)	47,853 (c)	48,530 (c)	120,932	4.3 (c)
2012	978,295 (c)	47,178 (c)	48,240 (c)	119,477	5.3 (c)

NOTES:

(a) Per *The State of Hawaii Data Book 2020*.

(b) Enrollment figures for 2012-2020 obtained from *The State of Hawaii Data Book*, various years.
Enrollment includes grade kindergarten to Grade 12, special education schools, nurseries
and upgraded students in special schools. Only public schools are reported.

(c) Revised from previous ACFR.

NA - Not available

TABLE 13
CITY AND COUNTY OF HONOLULU
PRINCIPAL EMPLOYERS, STATE OF HAWAII
FISCAL YEARS 2011 - 2020
(Unaudited)

Employer (a)	2020			2019			2018			2017			2016		
	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment (b)	Employees	Rank	Percentage of Total State Employment (b)	Employees	Rank	Percentage of Total State Employment (b)
State of Hawaii	67,000	1	11.70%	72,900	1	11.17%	73,100	1	11.09%	73,200	1	11.01%	74,100	1	11.23%
Federal Government	35,000	2	6.11%	34,300	2	5.25%	33,600	2	5.10%	33,400	2	5.02%	33,200	2	5.03%
Local Governments	18,800	3	3.28%	19,100	3	2.93%	18,900	3	2.87%	19,000	3	2.86%	19,000	3	2.88%
The Queen's Health Systems	8,130	4	1.42%	7,479	4	1.15%	7,038	4	1.07%	7,187	4	1.08%	7,455	4	1.13%
Hawaii Pacific Health	7,102	5	1.24%	7,273	5	1.11%	6,984	5	1.06%	6,961	5	1.05%	6,641	6	1.01%
Hawaiian Electric Industries Inc.	3,702	6	0.65%	3,841	6	0.59%	2,704	7	0.41%	2,745	8	0.41%	2,662	9	0.40%
Kamehameha Schools	3,380	7	0.59%	3,758	7	0.58%	3,870	6	0.59%	2,484	9	0.37%	2,416	10	0.37%
Securitas Security Services USA Inc.	2,461	8	0.43%	2,302	10	0.35%	2,482	9	0.38%	2,484	9	0.37%	2,416	10	0.37%
Kaiser Foundation Health Plan	2,286	9	0.40%	2,477	9	0.38%	2,467	10	0.37%	2,383	10	0.36%	4,410	7	0.67%
Bank of Hawaii Corp.	2,146	10	0.37%	--	--	--	--	--	--	--	--	--	--	--	--
Hawaii Health Systems Corp.	--	--	--	2,553	8	0.39%	2,525	8	0.38%	4,133	6	0.62%	--	--	--
Kyo-ya Hotels & Resorts	--	--	--	--	--	--	--	--	--	3,638	7	0.55%	--	--	--
Marriott Hawaii	--	--	--	--	--	--	--	--	--	--	--	--	6,929	5	1.05%
Outrigger Enterprises Group	--	--	--	--	--	--	--	--	--	--	--	--	3,186	8	0.48%
Total	150,007	--	26.19%	155,983	--	23.90%	153,670	--	23.32%	155,131	--	23.33%	159,989	--	24.25%

Employer (a)	2015			2014			2013			2012			2011		
	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment
State of Hawaii	74,500	1	11.50%	73,600	1	11.57%	72,200	1	11.65%	72,900	1	11.91%	71,400	1	11.60%
Federal Government	33,200	2	5.13%	33,200	2	5.22%	33,900	2	5.47%	34,900	2	5.70%	34,800	2	5.65%
Local Governments	18,900	3	2.92%	18,800	3	2.96%	18,700	3	3.02%	18,500	3	3.02%	18,500	3	3.01%
The Queen's Health Systems	7,278	4	1.12%	--	--	--	5,587	6	0.90%	5,281	7	0.86%	5,134	7	0.83%
Hawaii Pacific Health	6,617	5	1.02%	6,485	5	1.02%	--	--	--	5,809	4	0.95%	5,724	4	0.93%
Hawaiian Airlines Inc.	5,548	6	0.86%	5,380	8	0.85%	5,249	8	0.85%	4,906	8	0.80%	4,314	9	0.70%
Starwood Hotels & Resorts Hawaii	5,507	7	0.85%	5,659	6	0.89%	6,150	5	0.99%	5,500	5	0.90%	5,300	6	0.86%
Hilton Hotels Hawaii Region	5,400	8	0.83%	5,400	7	0.85%	5,400	7	0.87%	5,400	6	0.88%	5,400	5	0.88%
Kaiser Foundation Health Plan	4,424	9	0.68%	4,691	9	0.74%	4,371	9	0.71%	4,570	9	0.75%	4,478	8	0.73%
Hawaiian Electric Co., Inc.	3,918	10	0.61%	3,965	10	0.62%	3,966	10	0.64%	3,870	10	0.63%	3,654	10	0.59%
Hawaii Health Systems Corp.	--	--	--	6,942	4	1.09%	6,307	4	1.02%	--	--	--	--	--	--
Total	165,292	--	25.52%	164,122	--	25.81%	161,630	--	26.12%	161,636	--	26.40%	158,704	--	25.78%

SOURCES:
The State of Hawaii Data Book (<http://www.hawaii.gov/dbedt/>)
Hawaii Business, magazine various years
Pacific Business News - 2020 data

NOTES:
(a) Employees based in the State of Hawaii.
(b) Total State employment count revised from prior ACFR.

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TABLE 14
 CITY AND COUNTY OF HONOLULU
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
 FISCAL YEARS 2012 - 2021
 (Unaudited)

(Page 1 of 2)

<u>Function</u>	<u>Full-time Equivalent Employees as of June 30</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General government					
Administration	496	523	504	504	484
Finance	406	419	435	430	423
Legal	318	323	312	312	324
Planning & Permitting	271	284	267	274	267
Design & Construction	155	154	148	147	219
Land Management	11	14	8	5	1
Public Safety					
Police	2428	2449	2480	2,464	2,526
Fire	1080	1105	1115	1,088	1,072
Emergency Medical Services	225	209	194	181	174
Highways and Streets	683	666	657	631	636
Sanitation					
Solid Waste	599	637	651	672	600
Sewer	241	256	257	247	257
Health and Human Resources	394	387	390	403	421
Culture and Recreation	1034	1044	1076	1,044	1,031
Total	<u>8,341</u>	<u>8,470</u>	<u>8,494</u>	<u>8,402</u>	<u>8,435</u>

NOTES:

Source: City and County of Honolulu, Department of Human Resources.

A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

This table excludes the Board of Water Supply Employees.

TABLE 14
 CITY AND COUNTY OF HONOLULU
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
 FISCAL YEARS 2012 - 2021
 (Unaudited)

(Page 2 of 2)

<u>Function</u>	<u>Full-time Equivalent Employees as of June 30</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General government					
Administration	496	497	472	461	480
Finance	429	437	431	410	405
Legal	320	314	327	325	308
Planning & Permitting	274	267	258	258	245
Design & Construction	225	223	221	226	228
Land Management	--	--	--	--	--
Public Safety					
Police	2,579	2,595	2,556	2,574	2,519
Fire	1,088	1,116	1,074	1,089	1,114
Emergency Medical Services	173	161	155	146	151
Highways and Streets	634	639	622	598	596
Sanitation					
Solid Waste	593	583	600	572	622
Sewer	262	267	274	263	254
Health and Human Resources	420	409	394	403	397
Culture and Recreation	1,016	1,008	1,005	1,036	1,005
Total	<u>8,509</u>	<u>8,516</u>	<u>8,389</u>	<u>8,361</u>	<u>8,324</u>

NOTES:

Source: City and County of Honolulu, Department of Human Resources.

A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

This table excludes the Board of Water Supply Employees.

TABLE 15
CITY AND COUNTY OF HONOLULU
OPERATING INDICATORS BY FUNCTION
FISCAL YEARS 2012 - 2021
(Unaudited)

(Page 1 of 2)

Function	2021	2020	2019	2018
Public Safety				
Police				
Part I number of arrests (a)	2,185 (b)	3,530	3,020	3,249
Part II number of arrests (a)	21,447 (b)	37,400	38,548	35,921
Parking violations	133,961 (c)	114,773 (c)	125,512 (c)	136,789 (c)
Traffic violations	206,647 (c)	157,118 (c)	186,980 (c)	237,528 (c)
Fire				
Fire department responses	16,807	17,322	18,354	17,699
Emergency medical responses	36,309	37,738	38,431	38,255
Inspections	71,828	76,712	74,391	71,906
Emergency Medical Services				
Ambulance responses	92,229	92,144 (d)	96,372	96,267
Refuse Collection				
Refuse collected (tons per year)	276,223	268,205	265,996	266,980
Recyclables collected (tons per year)	138,325	141,226	139,013	138,654
Other Public Works				
Street resurfacing in-house (lane miles)	8	8	16	16 (h)
Street resurfacing contract (lane miles)	53	68	142 (g)	358
First aid (tons of asphalt)	5,595	4,456	6,960	6,472 (i)
Potholes repaired	8,027	11,711	15,527	20,987 (j)
Parks and Recreation				
Park facility permits issued	5,626 (b)	9,811 (e)	13,307	13,983
Other Enterprise				
Rounds of golf	335,570	312,404	372,307	376,895
Zoo attendance	341,589	388,103 (b)	569,049	579,302
Water				
New connections	676	454	622	855 (k)
Water main breaks	343	349	328	321
Average daily pumpage				
(thousands of gallons)	137	137	136	140
Peak daily pumpage				
(thousands of gallons)	160	160	161	165
Wastewater				
Average daily sewage treatment				
(millions of gallons)	104	101 (f)	110	114
Transit				
Total bus directional route miles	1,072	1,083	1,103	1,082
Total bus revenue miles	17,363,367	18,334,650	17,955,552	17,893,437
Bus passengers	27,814,569 (b)	48,527,385	62,483,503	64,058,836
Total paratransit revenue miles	5,454,873	6,200,758	6,741,416	6,436,220
Paratransit passengers	620,027 (b)	822,173	970,633	952,971

NOTES:

- (a) The data is reported on a calendar year basis.
- (b) The decrease is due to the COVID-19 pandemic restrictions.
- (c) The count is based on number of violations.
- (d) Ground ambulance responses dropped from March to June due to the Stay-at-Home Order, closure of bars, decrease in traffic volume, which were related to the COVID-19 pandemic.
- (e) The decrease is due to park closures including park camp grounds and less visitor arrivals.
- (f) The value presented represents the average of daily effluent flows from nine (9) of our treatment plants for the fiscal year.
- (g) The decrease was due to the decrease in the completion of new sub divisions.
- (h) First Aid assisting the Department of Design and Construction while waiting for projects delayed due to utility projects to complete.
- (i) The increase is due to the many first aid pavement repairs that are requested from the Department of Design & Construction, the Department of Transportation Services, and other departments.
- (j) Potholes repaired significantly reduced due to the increase in the Department of Design & Construction's resurfacing contract projects.
- (k) The increase is due to the new development at Hoopili.

SOURCES:

City and County of Honolulu , various departments
State of Hawaii, District Court Administrator for parking and traffic violations.

TABLE 15
CITY AND COUNTY OF HONOLULU
OPERATING INDICATORS BY FUNCTION
FISCAL YEARS 2012- 2021
(Unaudited)

(Page 2 of 2)

2017	2016	2015	2014	2013	2012
4,101	4,990	5,100	5,820	5,870	5,517
37,857	36,220	34,900	34,860	36,060	34,695
144,165 (c)	116,774 (c)	116,064 (c)	111,720 (c)	105,164 (c)	111,342 (c)
224,761 (c)	233,142 (c)	256,943 (c)	181,750 (c)	187,376 (c)	189,591 (c)
17,843	17,291	16,421	20,334	19,830	19,923
36,564	35,566	35,345	30,355	29,608	28,871
74,511	72,252 (n)	53,419 (o)	77,492	68,888	63,424 (t)
84,621	90,023	88,882	82,227	78,872	75,500
268,347	268,330	263,350	264,500	284,070	255,400
130,107	131,256	127,550	128,615	116,200	118,400
18	16	8	4 (p)	18 (r)	8
412 (l)	268	214	270	315 (s)	180
2,671 (m)	501	1,747	2,122	1,258	2,314
28,570 (j)	42,656	32,976	39,951	51,647	52,071
13,338	16,348	15,260	15,494	16,696	12,029
371,744	375,710	400,869	416,356	442,362	464,708
560,479	564,114	592,780	606,566	663,699	665,940
385	242	522	540 (q)	875 (q)	1,069
346	326	293	303	350	312
136	137	144	136	141	139
155	169	159	161	168	151
117	113	105	105	100	100
1,057	1,033	1,032	1,030	1,023	947
17,760,756	17,817,987	17,752,627	17,619,990	17,198,231	18,225,506
65,216,212	68,274,031	71,094,063	66,285,449	69,242,214	76,296,482
6,384,051	6,404,590	5,565,742	5,193,703	5,082,596	5,150,671
920,453	890,453	843,402	882,084	841,447	845,903

NOTES (continued):

- (l) The factors causing the increase in the lane miles are utilizing construction management services which allowed managing more paving contracts without increasing city staff, better weather conditions, and the timing of executing contracts.
- (m) First aid increased to assist DDC while waiting for projects delayed due to utility projects to complete.
- (n) The increase in the number of fire inspections is due to the changeover from Fire Inspections Database (FID) to the Honolulu Online System for Emergency Services (HOSES) for reporting all commercial and street (residential) inspections.
- (o) The significant variance in the number of inspections are due to a computer system change, the increase in training and administrative assignments, and the change in inspection frequency (HFS132-6).
- (p) The decrease resulted from the increased contract resurfacing work being performed by the Department of Design and Construction which there were less roadways that required in-house resurfacing work. Crews were diverted to perform other tasks such as Stored Property Enforcement, and storm drain cleaning work in order to ensure compliance with the NPDES permit requirements.
- (q) Over the past seven years, the pace of resurfacing has been prioritized where most of the inventory that was in poor condition had been completed. This dropped the quantity of streets needing resurfacing with only the complicated ones left.
- (r) The in-house resurfacing is measured in lane miles not linear miles of roadway. A lane mile is one mile of roadway 10 feet wide.
- (s) The increase resulted in the rehabilitation of local streets and the reporting has changed from a completion of a project to more of a real time recording of street resurfacing miles.
- (t) The decrease is due to the workload for APEC preparation.

TABLE 16
CITY AND COUNTY OF HONOLULU
CAPITAL ASSET STATISTICS BY FUNCTION
FISCAL YEARS 2012 - 2021
(Unaudited)

(Page 1 of 2)

<u>Function</u>	Fiscal Year				
	2021	2020	2019	2018	2017
Public Safety					
Police					
Stations	14	12	12	12	12
Patrol units - City owned	418	366	367	358	414
Patrol units - privately owned (a)	1,299	1,296	1,295	1,303	1,339
Fire stations (b)	44	44	44	44	44
Emergency medical services stations	21	21	21	20	20
Refuse collection trucks	196	171	179	172	170
Other Public Works					
Streets (linear mile)	1,511	1,496	1,487	1,446	1,439
Streetlights	54,157	56,682	53,542	52,891	52,521
Storm sewers (miles)	916	910	907	885	747
Traffic related landscaped areas	173	170	165	168 (f)	151
Parks and Recreation					
Parks and recreational areas	303	303	299	293 (d)	288
Beach access/right of ways	86	86	86	86 (e)	90
Botanical gardens	5	5	5	5	5
Recreation buildings	93	93	93	93	93
Gymnasiums	25	25	25	25	25
Swimming pools	21	21	21	21	21
Baseball/softball fields	201	201	201	201	201
Basketball courts	205	205	205	205	205
Tennis courts	208	208	208	208	208
Volleyball courts	173	173	173	173	173
Soccer fields	80	80	80	80	80
Other Enterprise					
Golf courses	6	6	6	6	6
Zoological parks	1	1	1	1	1
Water					
Water mains (miles)	2,170	2,166	2,159	2,156	2,144
Fire hydrants	21,937	21,785	21,695	21,636	21,605
Storage capacity (thousands of gallons)	200	201	197	197	197
Wastewater					
Sanitary sewers (miles)	2,091	2,063	2,024	2,024	2,024
Treatment capacity (millions of gallons)	154	154	158	158	158
Transit					
Buses	540	543	544	544	544
Paratransit vehicles	207	197	190	190	180
Traffic signal intersections (c)	852	849	847	845	844

SOURCE: City and County of Honolulu, various agencies.

NOTES:

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

(b) Includes one fireboat and one aircraft station.

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

(d) The number of park and recreation area adjusted to include previously uncounted recreation designated areas.

(e) The number of Beach Right of Ways reduced to conform to Ocean Safety Database.

(f) Traffic related landscaped areas now under the jurisdiction of the Department of Facilities Maintenance.

TABLE 16
CITY AND COUNTY OF HONOLULU
CAPITAL ASSET STATISTICS BY FUNCTION
FISCAL YEARS 2012 - 2021
(Unaudited)

(Page 2 of 2)

Function	Fiscal Year				
	2016	2015	2014	2013	2012
Public Safety					
Police					
Stations	12	12	12	12	12
Patrol units - City owned	324	406	325	333	346
Patrol units - privately owned (a)	1,354	1,356	1,329	1,311	1,334
Fire stations (b)	44	44	45	45	45
Emergency medical services stations	20	22	22	22	22
Refuse collection trucks	174	173	168	166	168
Other Public Works					
Streets (paved mile)	1,433	1,424	1,420	1,417	1,415
Streetlights	52,093	51,797	51,300	47,999	47,819
Storm sewers (miles)	741	732	728	725	723
Parks and Recreation	150	150	150		
Parks and recreational areas				284	283
Beach access/right of ways	286	286	284	90	90
Botanical gardens	90	90	70	5	5
Recreation buildings	5	5	5	93	93
Gymnasiums	93	93	93	25	24
Swimming pools	25	25	25	21	21
Baseball/softball fields	21	21	21	200	200
Basketball courts	201	201	200	205	200
Tennis courts	205	205	202	207	203
Volleyball courts	208	208	208	171	169
Soccer fields	173	173	171	80	80
Traffic related landscaped areas	80	80	80	149	149
Other Enterprise					
Golf courses	6	6	6	6	6
Zoological parks	1	1	1	1	1
Water					
Water mains (miles)	2,131	2,123	2,114	2,106	2,101
Fire hydrants	21,414	21,399	21,384	21,290	21,130
Storage capacity (thousands of gallons)	197	197	190	190	184
Wastewater					
Sanitary sewers (miles)	2,024	2,010	2,010	2,010	2,087
Treatment capacity (millions of gallons)	158	152	152	152	152
Transit					
Buses	541	521	519	524	540
Paratransit vehicles	180	181	160	157	158
Traffic signal intersections (c)	840	837	834	830	827

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