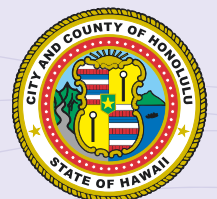




CITY AND COUNTY OF HONOLULU

Annual Comprehensive Financial Report

FISCAL YEAR ENDED JUNE 30, 2022



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, 2022

Prepared by:

DEPARTMENT OF BUDGET AND FISCAL SERVICES

ANDREW T. KAWANO

DIRECTOR

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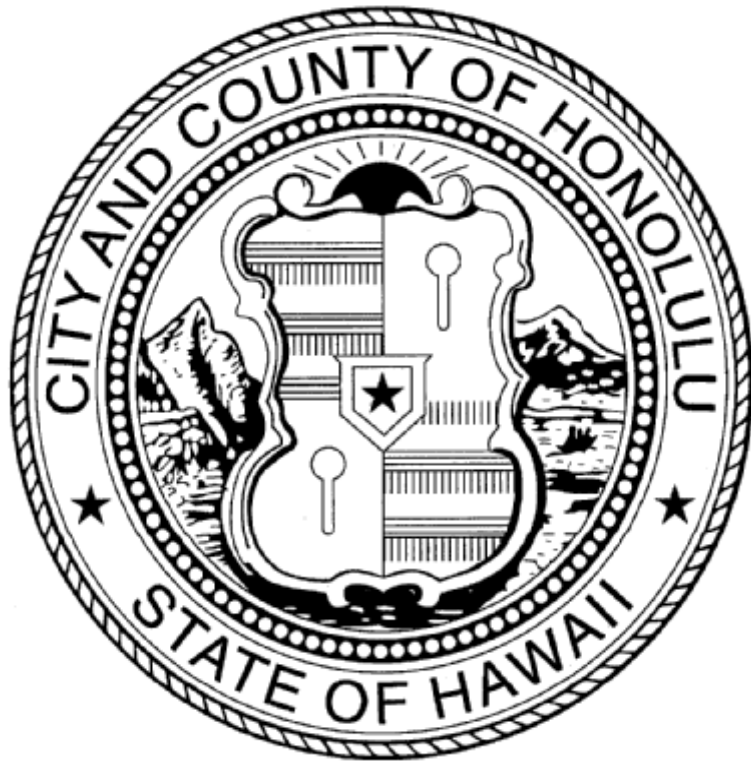
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Introductory Section (Unaudited)

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DEPARTMENT OF BUDGET AND FISCAL SERVICES
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RICK BLANGIARDI
MAYOR

ANDREW T. KAWANO
DIRECTOR

CARRIE CASTLE
DEPUTY DIRECTOR

December 23, 2022

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, 2022. 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 respects. 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, and the City's Revised Charter and Revised Ordinances. 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

While the global and US economies have slowed due to high inflation and the War in Ukraine, the outlook for Oahu has improved and is showing signs of progress and recovery in various sectors. In particular, tourism is improving for both domestic and international travelers.⁷ COVID-19 economic risk has faded over the past year due to high vaccination rates throughout the US population. The Oahu's housing market is improving with record high assessment values going into 2023.

- Oahu's tourism industry continues to make recovery progress. For the ten months ended October 31, 2022, total visitor days increased 38.1%, total visitor arrivals improved 50.7% and total expenditures rose 56.8% compared to the same period a year ago.³ For the month of October 2022, the average daily hotel room rate on Oahu grew 20.3% to \$254.25 while hotel occupancy rose by 24.3% to 73.2% compared to the same month last year.³
- The military, Hawaii's second largest economic sector, accounted for 8.3% of the state's gross domestic product for federal fiscal year 2021.^{5,6} Specifically for Oahu, military accounted for nearly 63,400 jobs while defense contract and personnel spending totaled \$7.2 billion.^{5,6}
- The construction sector is experiencing minor setbacks due to labor shortages and delays in construction.⁷ Contracting revenues for July 2022 decreased (4.1%) to \$524.3 million, compared to the same month a year ago.⁴ However, contracting revenues increased 0.9% to \$6.56 billion for the fiscal year ended June 30, 2022, compared to the prior fiscal year.⁴ Construction jobs increased slightly to 27,200 for November 2022 compared to 26,700 for the same month the preceding year.³ The number of building permits issued decreased (4.7%) to 10,318 and the value of building permits dropped by (25.8%) to \$1.65 billion for the year ended September 30, 2022, compared to 2021.¹
- Oahu's housing market sales activity has decreased due to high mortgage rates and inflation.⁷ The October 2022 single family home median resale price jumped 5% to \$1,050,000, while resale volume decreased (41.7%) to 222 when compared with the same month a year ago.² Likewise for condominium resales, the median price rose 4% to \$520,000 and resale volume decreased (28.8%) to 435 for October 2022, compared to the same month last year.²
- Retail sales increased 16.1% to \$2.47 billion for the month ended July 31, 2022, compared to the same month in 2021, and rose 22.8% to \$26.5 billion for the fiscal year ended June 30, 2022, compared to fiscal year 2021.⁴
- Non-agricultural jobs totaled 449,900 for November 2022, an increase of 5.1% from 427,600 non-farm jobs for the same month the preceding year.³

- The labor market for Honolulu had one of the lowest unemployment rates among Hawaii’s counties in October 2022, with a non-seasonally adjusted unemployment rate of 3.4%, compared to 3.5% statewide, and 3.4% nationally.³
- Nominal personal income (i.e., salaries and wages not adjusted for inflation) in Hawaii increased 0.1% in the second quarter of 2022 compared to the same quarter of 2021, and a 5.7% average increase for the calendar year 2021.³
- Proprietors’ income decreased (1.5%) in the second quarter of 2022 compared to the same quarter of 2021, and a 7.8% average increase for the calendar year 2021.³

Sources:

1. City and County of Honolulu, Department of Planning and Permitting, <http://www.honoluluodpp.org>
2. Honolulu Board of Realtors, <http://www.hicentral.com>
3. State of Hawaii, Department of Business, Economic Development & Tourism, <http://dbedt.hawaii.gov>
4. State of Hawaii, Department of Taxation, http://tax.hawaii.gov/stats/a5_3txcolrptarchive
5. U.S. Department of Defense, Defense Manpower Data Center, <https://dwp.dmdc.osd.mil/>
6. U.S. Department of Defense, Office of Local Defense Community Cooperation, <https://oldcc.gov/>
7. The Economic Research Organization at the University of Hawaii, <https://uhero.hawaii.edu/>

MAJOR INITIATIVES

The executive operating budget of \$2.93 billion, net of interfund transfers for fiscal year 2022, reflected an slight increase of 0.34% compared to the prior fiscal year.

The City’s priorities included maintaining City’s core service for the public, improving City’s infrastructure (Sewer, roadways, parks), addressing affordable housing, providing relief to those struggling during the pandemic, expanding fiber-optic network, climate change adaptation strategies/projects, and working with community partners to provide services to the homeless on Oahu.

Like the executive operating budget, the City’s \$1.41 billion capital improvement budget for fiscal year 2022 emphasized core services. Key areas of focus included refuse and sewer projects, much of which was mandated by the Global Consent Decree, affordable housing capital improvement and development program, improvements to roads, sidewalks and bridges, upgrades to 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 2022:

Sanitation

For solid waste and sewage collection and disposal projects, a total of \$632.7 million was budgeted for fiscal year 2022, representing an decrease of (24.6%) compared to the prior fiscal year. The majority of the sanitation budget was the \$291.5 million Honouliuli Wastewater Treatment Plant Miscellaneous Improvements project. Other sanitation projects included 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 an 2538.4% increase compared to the last fiscal year. The large increase was primary due to the \$170.0 million Affordable Housing capital improvement program. Other human service projects included 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 was 7.1% lower for fiscal year 2022 than the previous fiscal year. A few of the major highway and street projects are 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 was appropriated in the capital improvement budget for participant, spectator, and other recreation projects, an decrease of (16.2%) compared to the prior fiscal year. The major culture-recreation projects included 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 included 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 were 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 an (19.8%) decrease compared to the previous fiscal year. A few major transportation projects included the Bus and Handi-Van Acquisition Program (\$45.8 million) and Middle Street Intermodal Transit Center (\$10.6 million).

FOR THE FUTURE

The City continues to focus on striving and maintaining excellent City's core services, working diligently to address affordable housing and homelessness, modernizing and transforming City's operations and services, driving the economic recovery by providing relief programs to the public, addressing climate change, investing in City's infrastructure (Sewer, roadways, parks), and developing and planning intermodal transportation for the future rail operations.

The executive operating budget increased from \$2.93 billion, net of interfund transfers for fiscal year 2021, to \$3.22 billion for fiscal year 2022. The primary increases to the operating budget are due to the rising cost of fringe benefits (includes Retirement System Contributions, FICA and Pension, Health Benefits Contributions, and OPEB) and increase of debt service payments.

The City's capital improvement budget decreased from \$1.41 billion for fiscal year 2022 to \$1.03 billion for fiscal year 2023. The following is a summary of the government functions and their major capital improvement projects for fiscal year 2023:

Sanitation

For solid waste and sewage collection and disposal projects, a total of \$405.3 million is budgeted for fiscal year 2023, representing a decrease of (35.9%) compared to the prior fiscal year. The two major sanitation projects are the \$85.8 million Sand Island Wastewater Treatment Plant Solids System Improvements/Upgrade and \$69.3 million Honouliuli Wastewater Treatment Plant Headworks, Pump Station, Energy Savings, Solids Process Upgrades and Misc. Improvements projects. Other sanitation projects include Sand Island Wastewater Treatment Plant Secondary Treatment (\$31.0 million), Kahala Wastewater Pump Station and Force Main System Improvements (\$21.5 million), Wastewater Pump Stations – Electrical and SCADA Improvements (\$20.0 million), and Solid Waste to Energy Facility (H-Power) Improvements (\$16.0 million).

General Government

The general government function of the capital improvement budget increased by \$242.4 million to \$314.8 million for fiscal year 2023. The primary reason for the increase is due to the \$193.1 million American Rescue Plan Grants Program. The following are a few major general government projects: Procurement of Major Equipment (\$22.6 million), Civic Center Parking Structure – Reconstruction (\$20.7 million), and Honolulu Authority for Rapid Transit Project Contingency (\$17.0 million).

Public Safety

The fiscal year 2023 appropriations for the public safety function slightly increased by 2.4% to \$87.1 million. The major public safety projects include Computerized Traffic Control System (\$15.3 million), Honolulu Fire Department Equipment Acquisition (\$12.8 million), and Rock Slide Potential Inspections and Mitigative Improvements (\$11.5 million).

Highways and Streets

The \$85.9 million capital improvement budget for highways and streets is (42.5%) lower for fiscal year 2023 than the previous fiscal year. A few of the major highways and streets projects include Rehabilitation of Streets (\$36.1 million), Intermodal Connectivity Improvements (\$7.1 million), and Bridge Rehabilitation at Various Locations (\$6.6 million).

Culture-Recreation

For fiscal year 2023, \$60.2 million is appropriated in the capital improvement budget for participant, spectator, and other recreation projects, a decrease of (49.1%) over the prior fiscal year. The major culture-recreation projects include Renovate Recreational Facilities (\$18.5 million), Preservation and Conservation Lands (\$17.9 million), and Blaisdell Center Redevelopment (\$6.6 million).

Transportation

Mass transit appropriations of \$60.1 million for fiscal year 2023, representing a slight 4.0% increase compared to the previous fiscal year. A majority of the transportation budget is due to the Bus and Handi-Van Acquisition Program (\$58.7 million).

Human Services

The capital improvement budget for the human services function of \$17.7 million represents a (94.0%) decrease compared to the last fiscal year. The decrease is primarily due to a large investment in Affordable Housing Projects for the prior fiscal year. A few major human service projects include Affordable Housing Strategic Development Program (\$7.2 million) and Affordable Housing with Preference in Transit Oriented Development Areas Program (\$5.0 million).

FINANCIAL INFORMATION

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

The City's component units, the BWS, HART and OTS, 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 Honolulu Authority for Rapid Transportation contracted N&K CPAs, Inc. to audit their financial statements. Accuity LLP and KMH LLP were engaged to audit the financial statements of the Board of Water Supply and Oahu Transit Services, Inc, respectively.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended June 30, 2021. The City has received the award for 35 years. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, 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 for Excellence in Financial Reporting 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 23 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, 2022.

Respectfully submitted,



Andrew T. Kawano, Director
Budget and Fiscal Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City and County of Honolulu
Hawaii**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

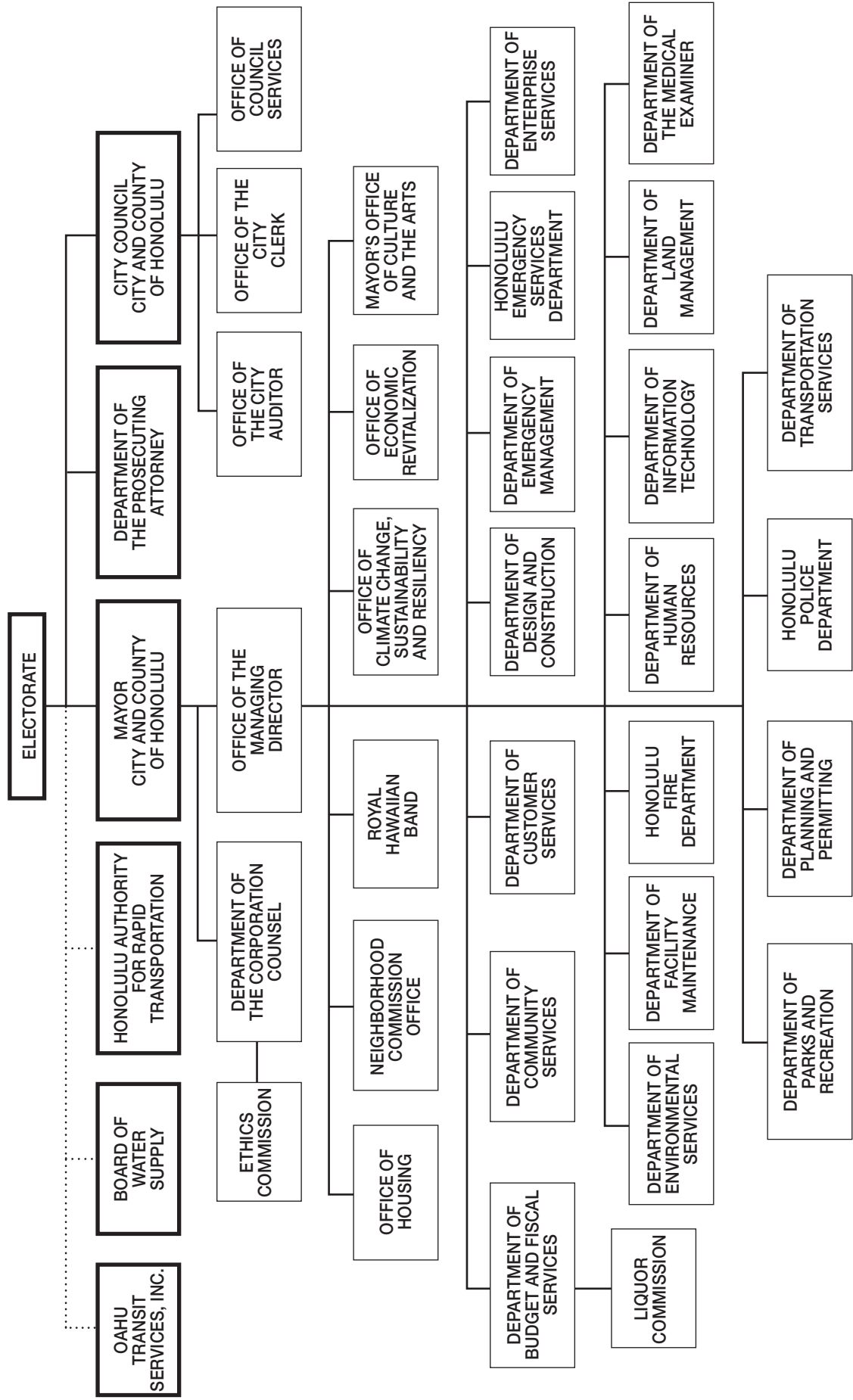
June 30, 2021

Christopher P. Morill

Executive Director/CEO

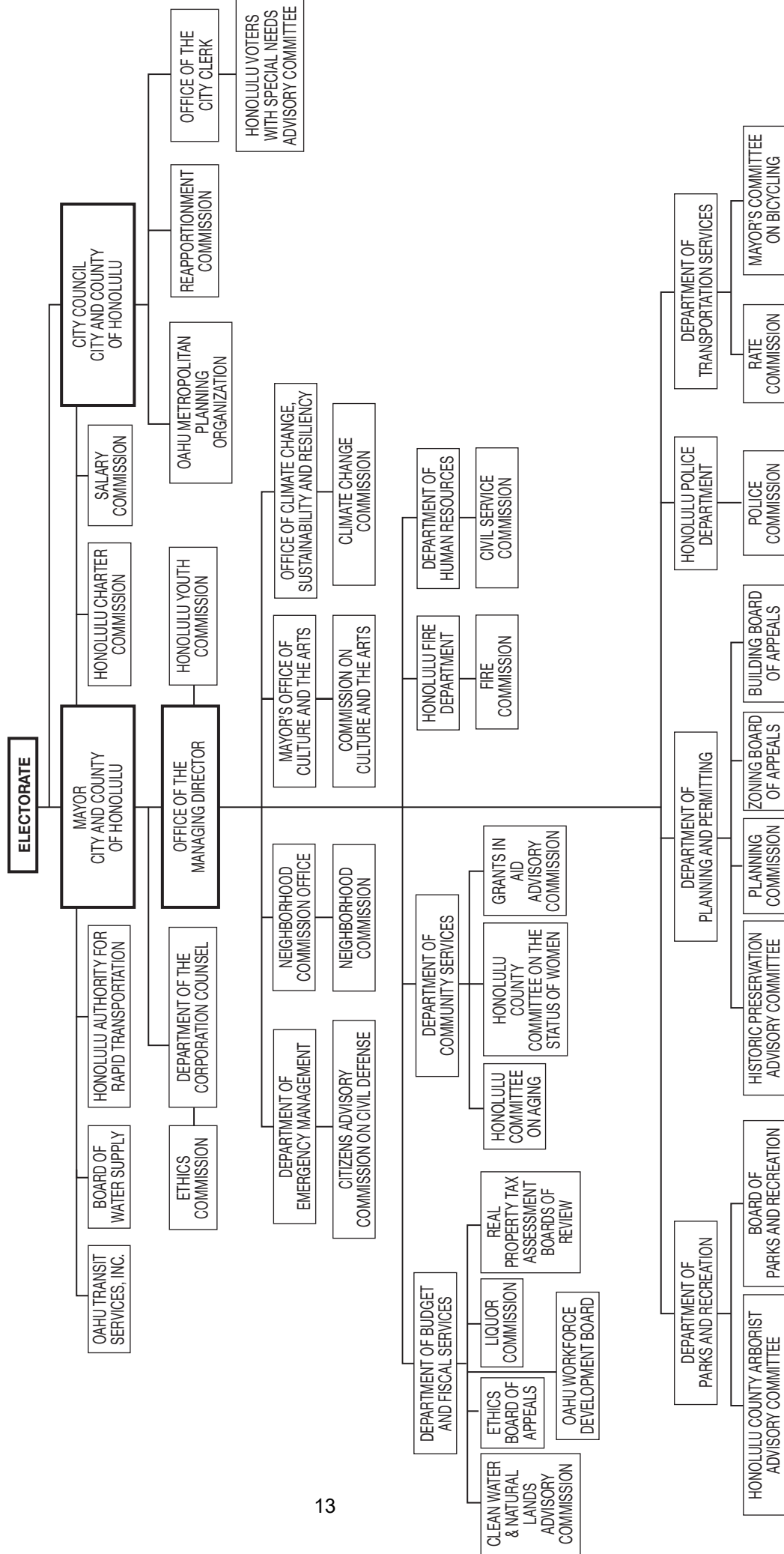
CITY AND COUNTY OF HONOLULU ORGANIZATIONAL CHART

FISCAL YEAR 2022



CITY AND COUNTY OF HONOLULU CHART OF BOARDS, COMMISSIONS AND COMMITTEES

FISCAL YEAR 2022



**CITY AND COUNTY OF HONOLULU
ELECTED OFFICIALS
June 30, 2022**

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
<small>(Resigned effective November 8, 2022. Tyler Dos Santos-Tam was appointed on November 29, 2022 and will serve the remainder of Councilmember Fukunaga's term, which expires on January 2, 2023.)</small>	
Seventh.	Radiant Cordero
Eighth.	Brandon Elefante
<small>(Resigned effective November 8, 2022. Val Aquino Okimoto was appointed on November 29, 2022 and will serve the remainder of Councilmember Elefante's term, which expires on January 2, 2023.)</small>	
Ninth	Augie Tulba

The following were elected to a four year-term starting on January 2, 2023:

Second.	Matt Weyer
Fourth.	Tommy Waters
Sixth.	Tyler Dos Santos-Tam
Eighth.	Val Aquino Okimoto

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

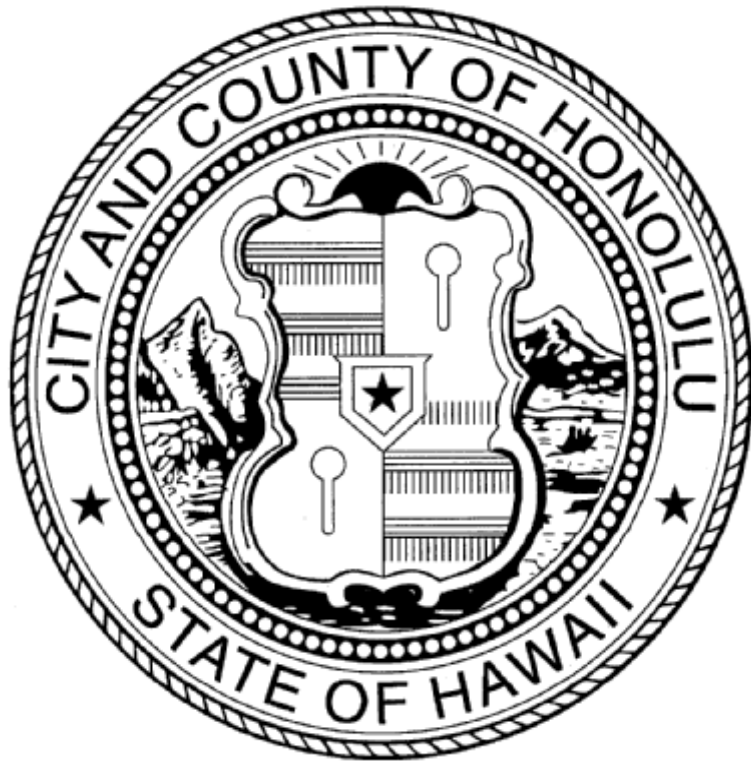


Brandon J.C. Elefante
Councilmember, District VIII



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

Opinion

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the 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 of the City, as of June 30, 2022, 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.

We did not audit the financial statements of the Honolulu Authority for Rapid Transportation and Oahu Transit Services, Inc., which are discretely presented component units, which represent 73 percent, 76 percent, and 71 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. 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 Honolulu Authority for Rapid Transportation and Oahu Transit Services, Inc., are based solely on the reports of the other auditors.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Suite 1900
Honolulu, HI 96813

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accuityllp.com



Emphasis of Matter

As discussed in Note 1 to the financial statements, effective July 1, 2021, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for 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.


In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.

- 
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
 - Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 is the responsibility of management and, 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.

Supplemental 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 combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 by us and other auditors. In our opinion, based on our audit and the reports of the other auditors, 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.



Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors’ report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2022, 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 23, 2022



CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022

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, 2022. 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 2022

- Revenues from governmental activities totaled approximately \$2.41 billion for fiscal year 2022 compared to \$2.55 billion for the prior fiscal year. Expenses before transfers amounted to \$2.09 billion for the current fiscal year compared to \$2.51 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 \$208.9 million for the current fiscal year compared to \$239.5 million for fiscal year 2021. The improvement in net position can be attributed to the \$57.7 million increase in program revenue offset by a decrease in the fair value of investments. 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, 2022 increased by \$205.5 million (as summarized on page 34) to \$2.10 billion (as reported on pages 55 and 56).
- Net capital assets for the governmental activities rose from \$3.25 billion at the end of the prior fiscal year to \$3.29 billion at June 30, 2022. Likewise, net capital assets for the business-type activities increased from \$4.62 billion at the close of fiscal year 2021 to \$4.81 billion at June 30, 2022. 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 \$3.63 billion, less than the City's statutory debt limit of \$36.02 billion (15% of the City's net assets valuation). 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, 2022

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, deferred outflows of resources, liabilities and deferred inflows of resources with the difference 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, 2022

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, 2022, 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, 2022**

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 increased from \$346.2 million for the fiscal year ended June 30, 2021 to a balance of \$647.4 million for the fiscal year ended June 30, 2022.

Net investment in capital assets (i.e., land, construction work in progress, buildings and improvements, equipment and machinery, leased assets and infrastructure) represents the largest portion of the primary government's net position, amounting to a positive balance of \$2.48 billion, an increase of \$125.1 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 related debt, the resources needed to repay this debt must be provided

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

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, 2022, net position restricted for debt service increased for the governmental activities from \$1.06 billion at June 30, 2021 to \$1.18 billion for the current fiscal year, primarily due to additional debt issued for various City capital improvement projects and for the rail transit project which HART is required to reimburse to the City as the bonds become due. Net position restricted for debt service increased slightly by \$0.5 million to \$115.7 million for the business-type activities as of June 30, 2022.

The governmental activities reported a negative unrestricted net position of \$4.23 billion as of June 30, 2022 compared to a negative of \$4.18 billion at the prior fiscal year ended. On the other hand, the unrestricted net position of the business-type activities improved to \$1.10 billion at the current fiscal year end compared to \$1.01 billion for the prior fiscal year end.

The following is a summary of the Statements of Net Position as of June 30, 2022 and 2021 (amounts in millions):

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

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 2,840.8	\$ 2,423.8	\$ 1,757.8	\$ 1,686.1	\$ 4,598.6	\$ 4,109.9
Restricted assets	-	-	324.5	190.9	324.5	190.9
Capital assets, net of accumulated depreciation and amortization	3,288.4	3,252.6	4,806.4	4,615.5	8,094.8	7,868.1
Total assets	<u>6,129.2</u>	<u>5,676.4</u>	<u>6,888.7</u>	<u>6,492.5</u>	<u>13,017.9</u>	<u>12,168.9</u>
Deferred outflows of resources	633.4	858.0	171.5	189.3	804.9	1,047.3
Noncurrent liabilities	7,780.6	8,409.4	3,754.1	3,617.4	11,534.7	12,026.8
Other liabilities	678.7	230.0	142.3	160.1	821.0	390.1
Total liabilities	<u>8,459.3</u>	<u>8,639.4</u>	<u>3,896.4</u>	<u>3,777.5</u>	<u>12,355.7</u>	<u>12,416.9</u>
Deferred inflows of resources	729.6	413.6	90.1	39.5	819.7	453.1
Net position:						
Net investment in capital assets	618.2	609.4	1,860.8	1,744.5	2,479.0	2,353.9
Restricted	1,182.0	1,056.6	115.7	115.2	1,297.7	1,171.8
Unrestricted	(4,226.5)	(4,184.6)	1,097.2	1,005.1	(3,129.3)	(3,179.5)
Total net position	<u>\$ (2,426.3)</u>	<u>\$ (2,518.6)</u>	<u>\$ 3,073.7</u>	<u>\$ 2,864.8</u>	<u>\$ 647.4</u>	<u>\$ 346.2</u>

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

The following is a summary of the Statements of Activities for fiscal years 2022 and 2021 (amounts in millions):

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

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	\$ 393.3	\$ 370.0	\$ 662.3	\$ 627.5	\$ 1,055.6	\$ 997.5
Operating grants and contributions	424.2	578.5	112.6	94.3	536.8	672.8
Capital grants and contributions	23.3	13.5	47.1	42.5	70.4	56.0
General revenues:						
Property taxes	1,415.9	1,455.1	-	-	1,415.9	1,455.1
Other taxes	168.4	119.3	-	-	168.4	119.3
Other	(10.4)	12.1	(17.0)	4.6	(27.4)	16.7
Total revenues	<u>2,414.7</u>	<u>2,548.5</u>	<u>805.0</u>	<u>768.9</u>	<u>3,219.7</u>	<u>3,317.4</u>
Expenses						
General government	855.9	1,208.5	-	-	855.9	1,208.5
Public safety	518.4	575.2	-	-	518.4	575.2
Highways and streets	110.7	116.0	-	-	110.7	116.0
Sanitation	-	0.3	-	-	-	0.3
Human services	132.9	183.0	-	-	132.9	183.0
Culture and recreation	133.7	131.7	-	-	133.7	131.7
Utilities or other enterprises	196.2	174.2	-	-	196.2	174.2
Interest	137.3	119.3	-	-	137.3	119.3
Housing	-	-	10.3	10.7	10.3	10.7
Sewer	-	-	295.9	288.2	295.9	288.2
Solid waste	-	-	211.5	219.6	211.5	219.6
Public transportation	-	-	315.7	296.5	315.7	296.5
Total expenses	<u>2,085.1</u>	<u>2,508.2</u>	<u>833.4</u>	<u>815.0</u>	<u>2,918.5</u>	<u>3,323.2</u>
Increase (decrease) before transfers	329.6	40.3	(28.4)	(46.1)	301.2	(5.8)
Transfers	<u>(237.3)</u>	<u>(285.6)</u>	<u>237.3</u>	<u>285.6</u>	<u>-</u>	<u>-</u>
Change in net position	92.3	(245.3)	208.9	239.5	301.2	(5.8)
Net position - beginning	<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>
Net position - ending	<u>\$ (2,426.3)</u>	<u>\$ (2,518.6)</u>	<u>\$ 3,073.7</u>	<u>\$ 2,864.8</u>	<u>\$ 647.4</u>	<u>\$ 346.2</u>

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

Total revenues for the primary government decreased 3.0% from \$3.32 billion for fiscal year 2021 to \$3.22 billion for the current fiscal year. The decrease can be credited primarily to a reduction of Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act (ARPA) funds recognized in fiscal year 2022.

Expenses for the primary government totaled \$2.92 billion for fiscal year 2022 of which \$2.09 billion is related to governmental activities and \$833.4 million to business-type activities. Depreciation and amortization, included as expenses in the above schedule, amounted to \$157.4 million for the governmental activities and \$132.3 million for business-type activities for fiscal year 2022 as disclosed on page 105. For the 2021 fiscal year, expenses for the primary government totaled \$3.32 billion; \$2.51 billion pertained to governmental activities and \$815.0 million to business-type activities.

Statement of Activities

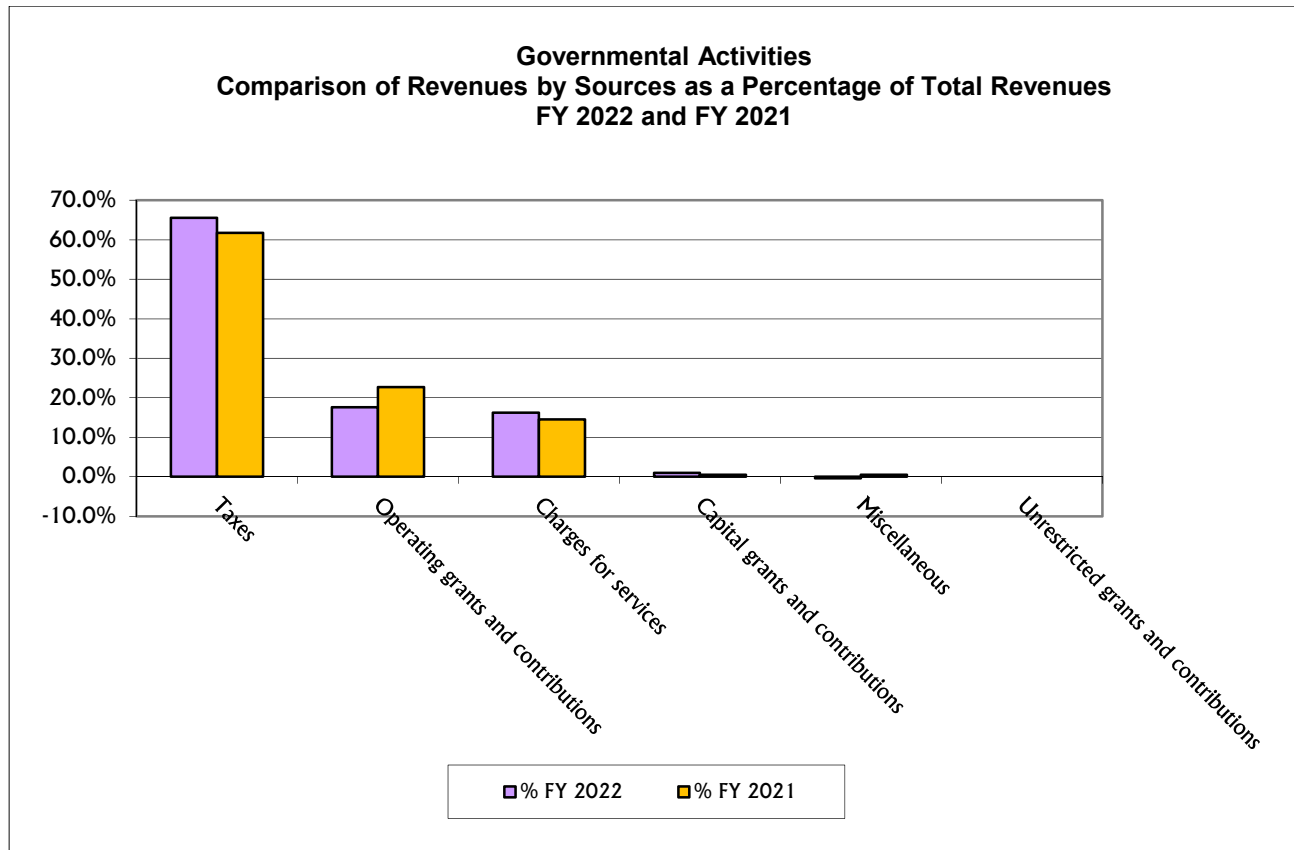
As noted earlier, the Statement of Activities presents how the City's net position changed during the current fiscal year. Revenues and expenses are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. As such, the statement includes information for some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

Governmental Activities

Pension, OPEB and debt service costs as well as the impact of collective bargaining on salaries and wages increases for the City's governmental activities were factors contributing to the negative net position of \$2.43 billion as of June 30, 2022 and \$2.52 billion at the prior fiscal year end. Further declines were averted by decreases of net pension liability and net OPEB liability.

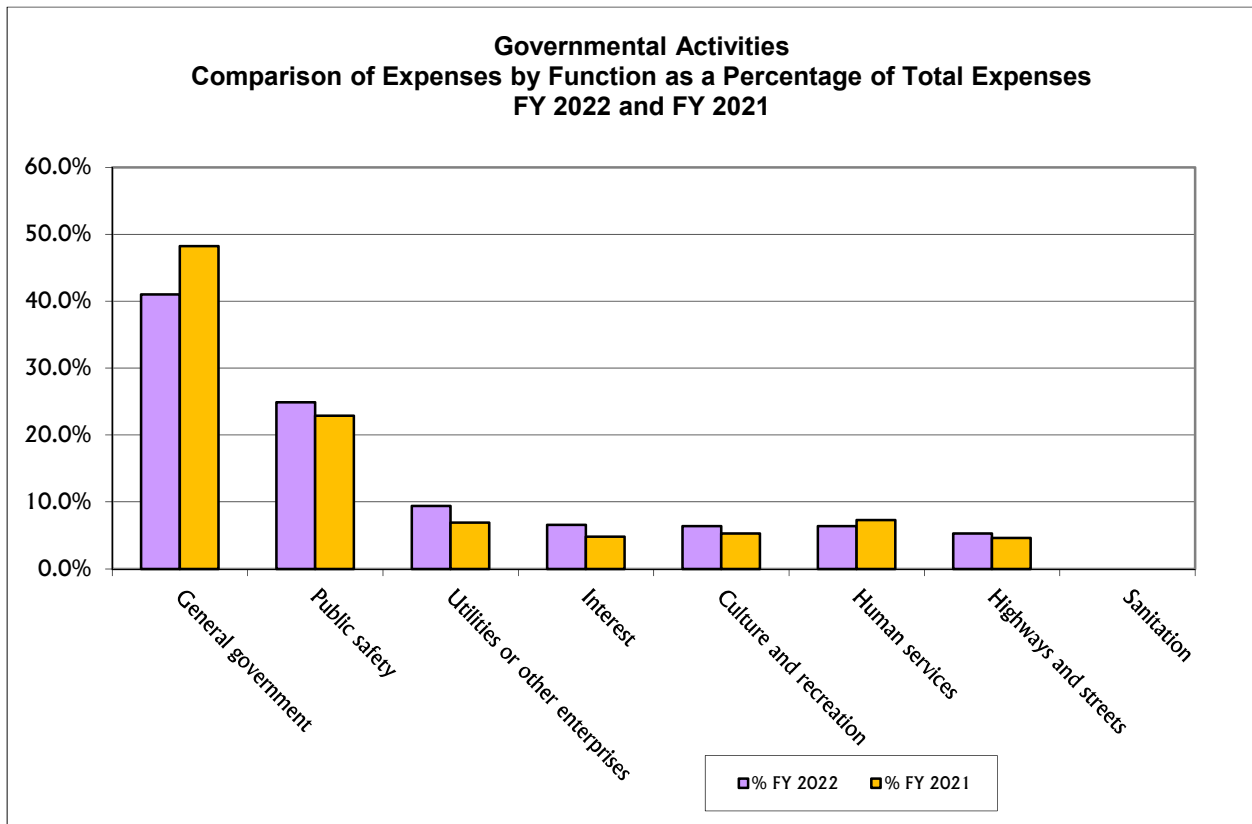
**CITY AND COUNTY OF HONOLULU
MANAGEMENT’S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

Revenues. The following chart presents a Comparison of Revenues by Sources as a Percentage of Total Revenues. The revenues from governmental activities decreased by \$133.8 million for fiscal year 2022, taxes in proportion to total revenues for fiscal year 2022 increased compared to the preceding fiscal year. Specifically, taxes (i.e., real property, public service company, county transient accommodation, fuel, and public utility franchise), represented 65.6% of the revenues from governmental activities and totaled \$1.58 billion for fiscal year 2022, in comparison to 61.8% and \$1.57 billion for the prior fiscal year. Representing 17.6% of the revenues from governmental activities, operating grants and contributions decreased from \$578.5 million to \$424.2 million for fiscal year 2022 mainly due to recognizing more COVID-19 related funds in the prior fiscal year. Charges for services of \$393.3 million represented 16.2% of the revenues from governmental activities for fiscal year 2022, compared to 14.5% of total revenues for the previous fiscal year. Capital grants and contributions increased slightly from 0.5% of total revenues for the prior fiscal year to 1.0% for the 2022 fiscal year. Unrestricted grants and contributions amounted to \$53.0 thousand and \$59.0 thousand for the fiscal years 2022 and 2021, respectively. Miscellaneous revenues, comprised mostly of investment earnings, declined from 0.5% of total revenues for fiscal year 2021 to negative 0.4% or negative \$10.4 million for the 2022 fiscal year. The decline was due to the rapid rise in interest rates which resulted in an unrealized loss on the fair value of investments.



**CITY AND COUNTY OF HONOLULU
MANAGEMENT’S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

Expenses. The exhibit below displays the Comparison of Expenses by Function as a Percentage of Total Expenses for governmental activities for fiscal year 2022 compared to the prior fiscal year. Compared to total expenses, general government expenses decreased from 48.2% (\$1.21 billion) for fiscal year 2021 to 41.0% (\$855.9 million) for the current fiscal year primarily due to a decrease of COVID related expenditures compared to the prior fiscal year. As a result, although total public safety expenses increased from 22.9% for fiscal year 2021 to 24.9% for fiscal year 2022, total public safety expenses decreased to \$518.4 million, down \$56.8 million from the previous fiscal year. Utilities or other enterprises expenses increased from 6.9% (\$174.2 million) last fiscal year to 9.4% (\$196.2 million) this fiscal year. Similarly, interest expenses increased from 4.8% (\$119.3 million) for the prior fiscal year to 6.6% (\$137.3 million) for fiscal year 2022. In addition, culture and recreation expense increased to 6.4% (\$133.7 million) for fiscal year 2022 compared to 5.3% of total expenses for fiscal year 2021. Human services expenses, representing 7.3% of total expenses for the previous fiscal year, decreased to 6.4% (\$132.9 million) for the current fiscal year. Total highways and streets expenses for highway increased from 4.6% (\$116.0 million) for the preceding fiscal year to 5.3% (\$110.7 million) for the current fiscal year.

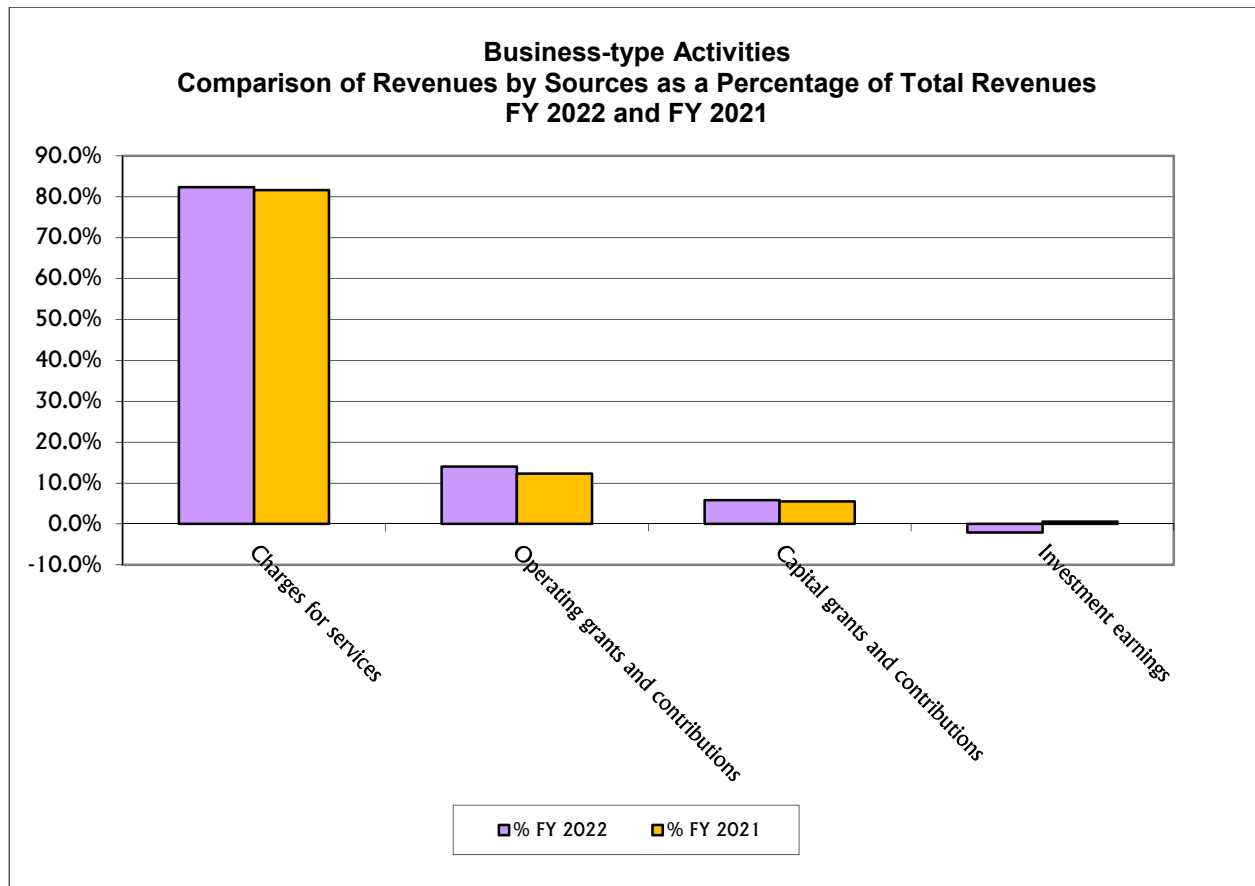


**CITY AND COUNTY OF HONOLULU
MANAGEMENT’S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

Business-type Activities

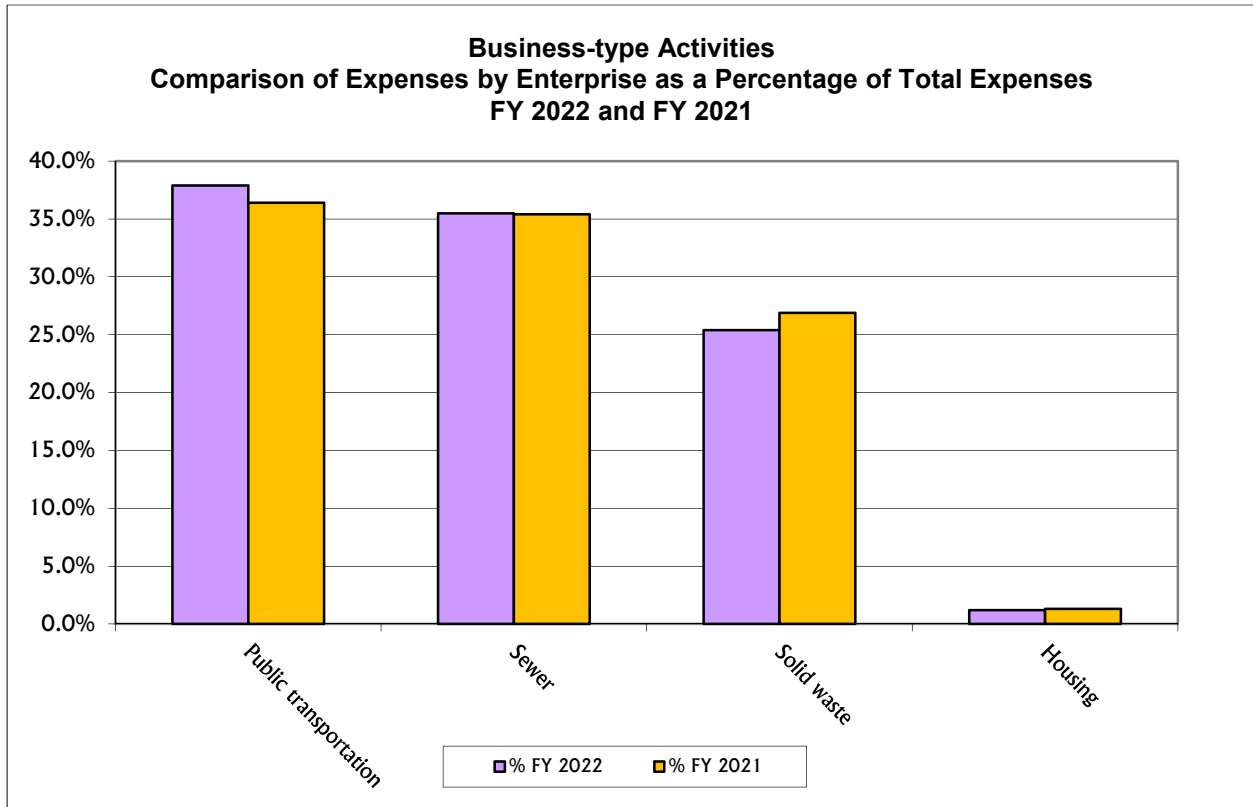
The net position of the City’s business-type activities increased by \$208.9 million for fiscal year 2022, compared to \$239.5 million for fiscal year 2021.

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 slightly increased from 81.6% of total revenues for fiscal year 2021 to 82.3% for the current fiscal year, total charges for services actually increased by \$34.8 million to \$662.3 million for fiscal year 2022. Charges for services for fiscal year 2022 can be disaggregated as follows: Housing (\$13.3 million), sewer (\$469.1 million), solid waste (\$145.5 million), and public transportation (\$34.4 million). The primary reason for the service charges increase is due to increased levels of bus ridership and improved production at H-Power facility. Operating grants and contributions increased from \$94.3 million for fiscal year 2021 to \$112.6 million for the current fiscal year, mainly due to the increase of federal grants related to public transportation. Investment earnings decreased significantly from \$4.6 million for the prior fiscal year to negative \$16.9 million for the current fiscal year. The decrease was a result of the Federal Reserve’s rapid rise of interest rates which resulted in the recognition of an unrealized loss on the fair market value of investments.



**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

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 2022 and 2021. Public transportation used the most resources (37.9%), followed closely by sewer (35.5%). Solid waste accounted for 25.4% of total expenses, followed by housing (1.2%). The breakdown for the prior fiscal year is as follows: Public transportation (36.4%), sewer (35.4%), solid waste (26.9%), and housing (1.3%).



**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

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 2022 fiscal year. The total change in fund balances of \$205.5 million for fiscal year 2022 decreased slightly compared to \$231.8 million for the prior fiscal year. The decrease for the current fiscal year is due to a variety of factors including a decrease in the amount of general obligation bonds issued on behalf of HART, reflected as an advance to component unit on the balance sheet.

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

	General	Highway	General Obligation Bond and Interest Redemption	Federal Grants	All Other	Totals	
	Fund	Fund	Fund	Fund	Funds	2022	2021
Revenues:							
Taxes	\$ 1,469.2	\$ 90.0	\$ -	\$ -	\$ 20.7	\$ 1,579.9	\$ 1,573.7
Other	85.8	202.3	49.8	331.9	167.6	837.4	983.4
Total Revenues	1,555.0	292.3	49.8	331.9	188.3	2,417.3	2,557.1
Expenditures	1,237.9	103.0	352.5	326.7	339.6	2,359.7	2,597.2
Revenues over (under)							
Expenditures	317.1	189.3	(302.7)	5.2	(151.3)	57.6	(40.1)
Transfers and Other	(363.3)	(153.7)	428.1	-	236.8	147.9	271.9
Changes in Fund Balances	\$ (46.2)	\$ 35.6	\$ 125.4	\$ 5.2	\$ 85.5	\$ 205.5	\$ 231.8

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.

CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022

General Fund. The General Fund is the main operating fund of the City. Its combined total fund balance decreased \$46.2 million to \$443.6 million for the current fiscal year. Investment earnings were reduced to a loss of \$19.7 million due to the recognition of an unrealized loss in the fair market value of investments. The loss was a result of the Federal Reserve raising interest rates to combat high inflation which adversely impacted the fair market value of investments. In addition, emergency ambulance services recoveries from the State decreased by \$11.5 million due to backlog of pending invoices. Majority of the recovery funds for fiscal year 2022 were received by the City the beginning of September 2022.

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. Restricted fund balance increased from \$26.0 million for the 2021 fiscal year to \$61.7 million at the close of the current fiscal year. Although several factors affected the increase in the restricted fund balance, the most notable were the combined of \$9.6 million increase in public utility franchise tax, fuel tax, and motor vehicle weight tax collections and lower subsidy to the Transportation fund 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 by \$125.4 million for fiscal year 2021 to \$1.18 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 receipts of various federal grants related to the pandemic during fiscal year 2022. Recognition of revenue for the COVID related grants decreased in fiscal year 2022 compared to previous fiscal year.

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, 2022 increased by \$85.5 million, compared to \$33.3 million for the preceding fiscal year. A variety of factors helped improve the fund balance but in general the revenues collectively increased by \$30.8 million while expenditures decreased by \$76.8 million.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

GENERAL FUND BUDGETARY HIGHLIGHTS

The following is a summary in millions of the most noteworthy fiscal year 2022 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	Variances
Real Property Tax	\$ 1,360.8	\$ 1,391.8	2.3%
Public Service Company Tax	44.4	37.3	(16.0)%
County Transient Accommodation Tax	-	40.2	100.0%
Building Permits	22.0	16.9	(23.2)%
Motor Vehicle Registration Annual Fee	13.9	14.7	5.8%
Emergency Ambulance Services	46.9	30.7	(34.5)%

The most significant variance above pertains to the county transient accommodation tax. This variance is a result of the State repealing the allocation of the state transient accommodation tax to the counties and instead allowing the counties the right to establish and administer their own transient accommodation tax. Revenue collections for the tax began in December 2021.

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 6.1% (\$85.4 million) for fiscal year 2022. The net change in fund balance for the General Fund reflected a favorable variance of \$117.2 million for fiscal year 2022.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, totaled \$8.09 billion for the primary government of which \$3.29 billion pertained to governmental activities as of June 30, 2022. This investment in capital assets includes land, construction work in progress, buildings and improvements, equipment and machinery, infrastructure and leased assets.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

Capital asset additions can be attributed primarily to costs incurred for various ongoing capital improvement projects for governmental activities and business-type activities during fiscal year 2022.

Major projects for the governmental activities include:

- Rehabilitation of Streets and Bridges (\$32.0 million)
- Improvements at Various Parks (\$25.2 million)
- Public Safety Equipment and Improvements (\$22.3 million)
- Manana Corporation Yard – Phase 1 Improvement (\$11.0 million)

Major projects for the business-type activities:

- Honouliuli WWTP Secondary Treatment Phase 1B - Secondary Compliance Facility (\$67.7 million)
- Sand Island WWTP Maintenance Building, Septage, and Site Improvements (MBSSI) (\$29.4 million)
- Acquisition of Flyer 60 Foot Low Floor Clean Diesel Buses (\$24.9 million)
- Sand Island WWTP UV Channels Install (\$19.0 million)
- Kailua WWTP Upgrade, Phase 2 (\$15.7 million)

Below are a few completed capital improvement projects for governmental activities and business-type activities during fiscal year 2022.

Major completed projects during fiscal year 2022 for the governmental activities include:

- Rehabilitation of Streets and Bridges at Various Locations (\$50.7 million)
- Improvement at Various Parks (\$26.1 million)
- Pre-Design Service and Concept Design for West Loch Modular (\$22.7 million)
- 806/818 Iwilei Road Property Renovation (\$18.0 million)
- Public Safety Equipment and Improvements (\$15.0 million)

Major completed projects during fiscal year 2022 for the business-type activities include:

- Awa Street Wastewater Improvements-Waiakamilo Trunk Sewer (\$86.4 million)
- Dowsett Highlands Relief Sewer – Pali Highway (\$54.2 million)
- Dowsett Highlands Relief Sewer – Nuuanu Avenue (\$25.7 million)
- Kamehameha Highway WWPS Force Main System – Consultant Service (\$23.7 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, 2022**

The following is a summary in millions of the capital assets for the primary government as of June 30, 2022 in comparison to the previous year end:

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

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2022	2021	2022	2021	2022	2021
Non-depreciable assets:						
Land	\$ 907.8	\$ 907.2	\$ 181.4	\$ 179.5	\$ 1,089.2	\$ 1,086.7
Construction work in progress	271.6	320.5	886.7	829.2	1,158.3	1,149.7
Other capital assets:						
Buildings and improvements	1,865.7	1,785.1	2,220.8	2,210.6	4,086.5	3,995.7
Equipment and machinery	538.2	508.1	821.8	809.8	1,360.0	1,317.9
Infrastructure	2,141.4	2,074.9	2,645.3	2,423.7	4,786.7	4,498.6
Leased assets	61.0	-	2.7	-	63.7	-
Less: accumulated amortization	(11.8)	-	(0.3)	-	(12.1)	-
Less: accumulated depreciation	(2,485.5)	(2,343.2)	(1,952.0)	(1,837.3)	(4,437.5)	(4,180.5)
Net	<u>\$ 3,288.4</u>	<u>\$ 3,252.6</u>	<u>\$ 4,806.4</u>	<u>\$ 4,615.5</u>	<u>\$ 8,094.8</u>	<u>\$ 7,868.1</u>

Long-Term Debt

At June 30, 2022, the long-term debt for the primary government amounted to \$6.80 billion, consisting mainly of total bonded debt (\$6.48 billion) and notes payable (\$321.2 million). The total bonded debt is comprised of \$4.21 billion in general obligation bonds and \$2.27 billion in revenue bonds secured by wastewater system revenue sources.

The following is a summary of the bonded debt activities during fiscal year 2022:

- On August 4, 2021, \$595.7 million of general obligation bonds was issued. Series 2021A was issued to fund various capital improvement projects. Series 2021B was issued to fund related equipment purchases. Series 2021C was issued to fund improvements to the H-Power waste to energy facility. Series 2021D and 2021E was issued to retire general obligation commercial paper notes and capital costs of the rail project.

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

- On May 25, 2022, \$241.4 million of wastewater system revenue bonds was issued. Senior Series 2022A was issued to pay for certain additions and improvements to the wastewater system.

General obligation bonds Series 2021A, 2021B, 2021C, 2021D and 2021E have been assigned ratings of "AA+" by Fitch Ratings and "Aa1negative" by Moody's Investors Service, respectively.

The wastewater system revenue bond Senior Series 2022A 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.

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 144 under note 17 titled Subsequent Events in the Notes to Financial Statements section.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The assessed valuation of real property (including new added property inventory) on Oahu increased \$25.34 billion from the current fiscal year to \$265.46 billion for fiscal year 2023. The \$1.51 billion calculated amount to be raised by taxation for fiscal year 2023, represents a increase compared to the actual amount earned of \$1.42 billion for fiscal year 2022.

The operating budget net of inter-fund transfers increased to \$3.22 billion for fiscal year 2023 compared to \$2.93 billion for 2022, 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. Since then the City has not experienced any material adverse impact on its operations or finances from COVID-19. In addition, the Governor of Hawaii and the Mayor of the City and County of Honolulu have rescinded emergency orders related to COVID-19 as of March 2022.

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

**CITY AND COUNTY OF HONOLULU
MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2022**

Halawa wells. BWS is monitoring the situation but the impacts of the leak cannot be reasonably determined 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, 2022
 (Amounts in thousands)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Total Component Units
ASSETS				
Cash and cash equivalents	\$ 241,892	\$ 259,184	\$ 501,076	\$ 87,624
Investments	1,364,441	1,371,773	2,736,214	675,597
Receivables (net)	158,384	95,251	253,635	140,947
Internal balances	(7)	7	--	--
Inventories	--	28,612	28,612	11,691
Prepaid expenses and other	--	3,011	3,011	27,390
Restricted assets:				
Cash and cash equivalents	--	27,786	27,786	43,757
Investments	--	296,715	296,715	191,669
Advance to component unit	1,076,055	--	1,076,055	--
Capital assets (net of accumulated depreciation):				
Land	907,780	181,391	1,089,171	239,485
Buildings and improvements	823,921	1,505,934	2,329,855	106,028
Equipment and machinery	150,695	205,137	355,832	125,198
Infrastructure	1,085,206	2,024,896	3,110,102	811,976
Construction work in progress	271,616	886,655	1,158,271	5,130,099
Intangible right-to-use leases (net of accumulated amortization):				
Land	163	--	163	10,706
Buildings and improvements	19,329	2,322	21,651	5,810
Equipment and machinery	29,739	42	29,781	707
Total assets	6,129,214	6,888,716	13,017,930	7,608,684
DEFERRED OUTFLOWS				
Deferred outflows of resources	633,387	171,518	804,905	119,234
LIABILITIES				
Accounts payable	135,064	79,641	214,705	89,109
Matured bonds and interest payable ..	317	--	317	--
Accrued interest payable	56,992	46,907	103,899	5,631
Due to fiduciary funds	--	37	37	--
Unearned revenue	414,770	--	414,770	--
Other liabilities	71,591	15,723	87,314	30,301
Noncurrent liabilities:				
Due within one year	234,464	166,817	401,281	64,159
Due in more than one year	4,147,627	3,243,315	7,390,942	546,797
Other due in more than one year:				
Advance from City.....	--	--	--	1,076,055
Net pension liability.....	2,077,380	192,726	2,270,106	141,851
Net OPEB liability.....	1,321,093	151,205	1,472,298	278,450
Total liabilities	8,459,298	3,896,371	12,355,669	2,232,353
DEFERRED INFLOWS				
Deferred inflows of resources	729,608	90,122	819,730	165,311
NET POSITION				
Net investment in capital assets	618,242	1,860,828	2,479,070	4,930,649
Restricted for:				
Capital activity	--	--	--	24,790
Debt service	1,182,021	115,746	1,297,767	--
Unrestricted	(4,226,568)	1,097,167	(3,129,401)	374,815
Total net position	\$ (2,426,305)	\$ 3,073,741	\$ 647,436	\$ 5,330,254

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, 2022
 (Amounts in thousands)

(Page 1 of 2)

Functions/Programs	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:				
Governmental activities:				
General government.....	\$ 855,833	\$ 318,105	\$ 173,782	\$ --
Public safety.....	518,416	37,075	19,636	1,955
Highways and streets.....	110,730	1,921	44	206
Sanitation.....	18	--	--	21,154
Human services.....	132,908	294	106,976	--
Culture and recreation.....	133,712	32,665	10,555	--
Utilities or other enterprises.....	196,181	3,272	113,175	--
Interest.....	137,278	--	--	--
Total governmental activities..	2,085,076	393,332	424,168	23,315
Business-type activities:				
Housing.....	10,321	13,303	--	--
Sewer.....	295,853	469,136	--	1,863
Solid Waste.....	211,529	145,462	--	--
Public Transportation.....	315,654	34,366	112,555	45,212
Total business-type activities...	833,357	662,267	112,555	47,075
Total primary government.....	\$ 2,918,433	\$ 1,055,599	\$ 536,723	\$ 70,390
Component units:				
Total component units.....	\$ 494,848	\$ 248,812	\$ 204,404	\$ 111,660
General revenues:				
Property taxes.....				
Public service company tax.....				
County transient accomodation tax.....				
Fuel tax				
Public utility franchise tax.....				
Investment earnings (loss).....				
Unrestricted grants and contributions.....				
General Excise Tax Surcharge.....				
Other.....				
Transfers.....				
Total general revenues and transfers.....				
Change in net position.....				
Net position - beginning.....				
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, 2022
 (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
\$ (363,946)	\$ --	\$ (363,946)	\$ --
(459,750)	--	(459,750)	--
(108,559)	--	(108,559)	--
21,136	--	21,136	--
(25,638)	--	(25,638)	--
(90,492)	--	(90,492)	--
(79,734)	--	(79,734)	--
(137,278)	--	(137,278)	--
(1,244,261)	--	(1,244,261)	--
--	2,982	2,982	--
--	175,146	175,146	--
--	(66,067)	(66,067)	--
--	(123,521)	(123,521)	--
--	(11,460)	(11,460)	--
(1,244,261)	(11,460)	(1,255,721)	--
--	--	--	70,028
1,415,918	--	1,415,918	--
37,278	--	37,278	--
40,158	--	40,158	--
45,383	--	45,383	--
45,529	--	45,529	--
(19,676)	(16,918)	(36,594)	8,494
53	--	53	--
--	--	--	372,451
9,244	--	9,244	278
(237,334)	237,334	--	--
1,336,553	220,416	1,556,969	381,223
92,292	208,956	301,248	451,251
(2,518,597)	2,864,785	346,188	4,879,003
\$ (2,426,305)	\$ 3,073,741	\$ 647,436	\$ 5,330,254

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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, 2022
(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	\$ 572,233	\$ 62,167	\$ 106,111	\$ 430,951	\$ 434,746	\$ 1,606,208
Imprest and change funds	125	--	--	--	--	125
Receivables	54,570	26,449	--	6,621	70,744	158,384
Due from other funds	6,816	5	--	13	36	6,870
Advance to component unit	--	--	1,076,055	--	--	1,076,055
Total Assets	<u>\$ 633,744</u>	<u>\$ 88,621</u>	<u>\$ 1,182,166</u>	<u>\$ 437,585</u>	<u>\$ 505,526</u>	<u>\$ 2,847,642</u>
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 93,220	\$ 2,584	\$ --	\$ 4,433	\$ 34,827	\$ 135,064
Accrued payroll	29,066	2,295	--	355	1,351	33,067
Due to other funds	72	20	--	462	6,323	6,877
Matured bonds and interest payable.....	--	--	309	--	8	317
Unearned revenue	4,236	--	--	410,534	--	414,770
Deposits and advances	38,524	--	--	--	--	38,524
Total Liabilities	<u>165,118</u>	<u>4,899</u>	<u>309</u>	<u>415,784</u>	<u>42,509</u>	<u>628,619</u>
Deferred Inflow:						
Deferred inflow	25,037	22,071	--	2,513	66,539	116,160
Total Deferred Inflow	<u>25,037</u>	<u>22,071</u>	<u>--</u>	<u>2,513</u>	<u>66,539</u>	<u>116,160</u>
Fund Balances:						
Restricted	--	61,651	--	19,288	160,778	241,717
Committed	160,842	--	1,181,857	--	235,700	1,578,399
Assigned	91,360	--	--	--	--	91,360
Unassigned	191,387	--	--	--	--	191,387
Total Fund Balances	<u>443,589</u>	<u>61,651</u>	<u>1,181,857</u>	<u>19,288</u>	<u>396,478</u>	<u>2,102,863</u>
Total Liabilities, Deferred Inflow and Fund Balances..	<u>\$ 633,744</u>	<u>\$ 88,621</u>	<u>\$ 1,182,166</u>	<u>\$ 437,585</u>	<u>\$ 505,526</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.						3,288,449
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.						102,448
Deferred outflows of resources reported in governmental activities are not reported in the funds.						633,387
Deferred inflows of resources reported in governmental activities are not reported in the funds.						(715,896)
Long-term liabilities and interest payable, are not due and payable in the current period and, therefore, are not reported in the funds.						<u>(7,837,556)</u>
Net position of governmental activities						<u>\$ (2,426,305)</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, 2022
(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.....	\$ 1,469,227	\$ 89,959	\$ --	\$ --	\$ 20,679	\$ 1,579,865
Licenses and permits.....	42,561	194,605	--	--	6,041	243,207
Intergovernmental.....	53	7	--	331,628	116,242	447,930
Charges for services.....	8,633	5,330	--	--	26,098	40,061
Fines and forfeits.....	1,094	12	--	--	664	1,770
Miscellaneous:						
Recoveries.....	43,635	947	49,768	--	--	94,350
Interest.....	(19,654)	--	--	1	144	(19,509)
Other.....	9,497	1,455	--	309	18,380	29,641
Total Revenues.....	1,555,046	292,315	49,768	331,938	188,248	2,417,315
Expenditures:						
Current:						
General government.....	159,250	19,604	--	168,280	9,396	356,530
Public safety.....	460,388	17,180	--	8,307	8,846	494,721
Highways and streets.....	10,349	21,811	--	--	15,550	47,710
Human services.....	21,065	--	--	28,022	79,348	128,435
Culture-recreation.....	79,169	--	--	4,778	25,692	109,639
Utilities or other enterprises.....	13,984	3,631	--	113,106	61,533	192,254
Miscellaneous:						
Retirement and health benefits.....	444,841	33,730	--	--	14,666	493,237
Other.....	38,212	2,361	--	--	672	41,245
Capital Outlay:						
General government.....	437	17	--	--	22,654	23,108
Public safety.....	3,316	7	--	2,570	27,594	33,487
Highways and streets.....	419	465	--	--	33,644	34,528
Human services.....	712	--	--	205	3,501	4,418
Culture-recreation.....	102	--	--	13	35,187	35,302
Utilities or other enterprises.....	--	--	--	--	279	279
Debt service:						
Principal.....	4,894	3,616	162,502	1,316	851	173,179
Interest.....	803	542	189,382	137	149	191,013
Bond issuance costs	--	--	583	--	--	583
Total Expenditures.....	1,237,941	102,964	352,467	326,734	339,562	2,359,668
Revenues over (under) Expenditures.....	317,105	189,351	(302,699)	5,204	(151,314)	57,647
Other Financing Sources (Uses):						
Issuance of general obligation bonds.....	--	--	329,785	--	196,773	526,558
Bond premium	--	--	96,584	--	35,315	131,899
Bond discount.....	--	--	--	--	(1,081)	(1,081)
Issuance of refunding bonds.....	--	--	23,680	--	--	23,680
Bond premium on refunding bonds.....	--	--	2,502	--	--	2,502
Bond discount on refunding bonds.....	--	--	(182)	--	--	(182)
Payment to escrow agent for refunding of bonds and commercial paper.....	--	--	(301,000)	--	--	(301,000)
Leases.....	2,122	24	--	--	25	2,171
Sales of capital assets.....	47	602	--	--	--	649
Transfers in.....	211,462	--	276,716	--	19,837	508,015
Transfers out.....	(576,938)	(154,362)	--	--	(14,049)	(745,349)
Total Other Financing Sources (Uses).....	(363,307)	(153,736)	428,085	--	236,820	147,862
Net change in fund balances.....	(46,202)	35,615	125,386	5,204	85,506	205,509
Fund Balances - July 1	489,791	26,036	1,056,471	14,084	310,972	1,897,354
Fund Balances - June 30.....	\$ 443,589	\$ 61,651	\$ 1,181,857	\$ 19,288	\$ 396,478	\$ 2,102,863

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, 2022
 (Amounts in thousands)

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

Net change in fund balances--total governmental funds	\$ 205,509
Governmental funds report capital outlays as expenditures. The Statement of Activities reports depreciation and amortization expense on capital assets and other adjustments. This is the difference between those amounts for this year.	(23,023)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	1,777
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.	(149,032)
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.	829,250
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.	(9,043)
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.	(763,146)
Change in net position of governmental activities	\$ 92,292

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, 2022
 (Amounts in thousands)

	Business-type Activities-Enterprise Funds				
	Housing	Sewer	Solid Waste	Public Transportation System	Totals
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 1,022	\$ 210,843	\$ 31,479	\$ 15,840	\$ 259,184
Investments	6,734	1,158,614	102,471	103,954	1,371,773
Receivables:					
Accounts (net of allowance for uncollectibles of \$12,801)	2,310	73,909	13,341	2,547	92,107
Interest	--	1,607	133	--	1,740
Leases	259	397	--	--	656
Payroll Advance	--	485	251	12	748
Due from other funds	29	1	1	--	31
Inventories of parts, materials and supplies, at cost.....	--	10,444	--	12,696	23,140
Inventories of real estate held for sale	5,472	--	--	--	5,472
Restricted assets:					
Cash and cash equivalents	25,012	--	--	2,774	27,786
Prepaid expenses and other assets	42	--	1,053	1,027	2,122
Total Current Assets	40,880	1,456,300	148,729	138,850	1,784,759
Noncurrent Assets:					
Restricted assets:					
Investments	58	200,573	94,648	1,436	296,715
Capital Assets:					
Land	14,078	50,492	24,063	92,758	181,391
Buildings and improvements	108,893	1,442,100	559,536	110,261	2,220,790
Transmission and distribution system	--	2,645,274	--	--	2,645,274
Equipment and machinery	1,719	173,190	314,572	34,365	523,846
Buses and other transit vehicles	--	--	--	297,995	297,995
Construction work in progress	--	723,492	119,041	44,122	886,655
Accumulated depreciation	(102,430)	(1,146,418)	(401,876)	(301,214)	(1,951,938)
Intangible right-to-use leases:					
Buildings and improvements	--	--	--	2,611	2,611
Equipment and machinery	--	40	7	11	58
Accumulated amortization	--	(12)	(2)	(291)	(305)
Other noncurrent assets	889	--	--	--	889
Total Noncurrent Assets	23,207	4,088,731	709,989	282,054	5,103,981
Total Assets	64,087	5,545,031	858,718	420,904	6,888,740
DEFERRED OUTFLOWS					
Deferred outflows	1,218	120,008	40,090	10,202	171,518
LIABILITIES					
Current Liabilities:					
Accounts payable	130	63,726	14,450	1,335	79,641
Interest payable	126	39,589	7,192	--	46,907
Notes payable	--	29,067	--	--	29,067
Bonds payable	3,415	87,288	30,587	--	121,290
Due to other funds	--	10	51	--	61
Reserve for insurance claims payable	--	--	--	14,042	14,042
Accrued payroll	--	2,161	1,626	188	3,975
Other current liabilities	1,105	1,390	1,550	4,114	8,159
Total Current Liabilities	4,776	223,231	55,456	19,679	303,142
Noncurrent Liabilities:					
Notes payable	--	292,086	--	--	292,086
General obligation bonds payable	13,894	384	546,026	--	560,304
Revenue bonds payable.....	--	2,319,485	--	--	2,319,485
Estimated liability for landfill closure and postclosure care costs.....	--	--	12,727	--	12,727
Net pension liability	--	108,121	77,724	6,881	192,726
Net OPEB liability	--	83,921	61,395	5,889	151,205
Other liabilities	6,007	20,271	3,947	34,495	64,720
Total Noncurrent Liabilities	19,901	2,824,268	701,819	47,265	3,593,253
Total Liabilities	24,677	3,047,499	757,275	66,944	3,896,395
DEFERRED INFLOWS					
Deferred inflows	267	51,742	34,662	3,451	90,122
NET POSITION					
Net investment in capital assets	6,169	1,426,191	150,281	278,187	1,860,828
Restricted for debt service	--	115,746	--	--	115,746
Unrestricted	34,192	1,023,861	(43,410)	82,524	1,097,167
Total Net Position	\$ 40,361	\$ 2,565,798	\$ 106,871	\$ 360,711	\$ 3,073,741

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, 2022
 (Amounts in thousands)

	Business-type Activities-Enterprise Funds				Totals
	Housing	Sewer	Solid Waste	Public Transportation System	
Operating Revenues:					
Rental income	\$ 9,772	\$ --	\$ --	\$ --	\$ 9,772
Sewer service charges	--	458,012	--	--	458,012
Disposal and collection fees	--	--	66,512	--	66,512
Electrical energy fee	--	--	76,778	--	76,778
Passenger fares for transit services	--	--	--	33,330	33,330
Other revenue	--	11,124	2,172	1,036	14,332
Total Operating Revenues	9,772	469,136	145,462	34,366	658,736
Operating Expenses:					
Administrative and general	341	52,386	36,446	4,636	93,809
Maintenance	1,434	921	553	65	2,973
Depreciation and amortization	2,187	90,353	17,212	22,541	132,293
Contractual services	3,020	21,571	110,500	223,225	358,316
Fringe benefits	--	22,995	17,646	3,191	43,832
Materials and supplies	772	8,341	4,096	14,778	27,987
Fuel and lubricants	--	1,122	2,455	17,995	21,572
Insurance	73	--	3,561	23,130	26,764
State taxes - fuel	--	--	119	2,944	3,063
Utilities	1,771	24,675	375	3,049	29,870
Total Operating Expenses	9,598	222,364	192,963	315,554	740,479
Operating Income (Loss)	174	246,772	(47,501)	(281,188)	(81,743)
Nonoperating Revenues (Expenses):					
Interest revenue	2	7,337	366	--	7,705
Interest expense	(723)	(72,169)	(18,147)	(92)	(91,131)
Loss from disposal of property	--	(9)	(299)	(8)	(316)
Change in unrealized loss on investments.....	--	(21,394)	(3,229)	--	(24,623)
Other	3,531	(1,311)	(120)	112,555	114,655
Total Nonoperating Revenues (Expenses)	2,810	(87,546)	(21,429)	112,455	6,290
Income (Loss) before Transfers and Capital Contributions.....	2,984	159,226	(68,930)	(168,733)	(75,453)
Transfers In	1,469	--	84,605	185,663	271,737
Transfers Out	(232)	(21,297)	(12,874)	--	(34,403)
Capital Contributions	--	1,863	--	45,212	47,075
Change in Net Position	4,221	139,792	2,801	62,142	208,956
Net Position - July 1	36,140	2,426,006	104,070	298,569	2,864,785
Net Position - June 30	\$ 40,361	\$ 2,565,798	\$ 106,871	\$ 360,711	\$ 3,073,741

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, 2022
 (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.....	\$ 9,543	\$ 459,714	\$ 137,364	\$ 33,184	\$ 639,805
Payments to suppliers.....	(7,991)	(64,517)	(130,189)	(280,713)	(483,410)
Payments to employees.....	--	(66,858)	(49,888)	(5,822)	(122,568)
Other receipts	4,522	1,260	--	719	6,501
Net cash provided by (used in) operating activities	<u>6,074</u>	<u>329,599</u>	<u>(42,713)</u>	<u>(252,632)</u>	<u>40,328</u>
Cash flows from noncapital financing activities:					
Transfers in	1,469	--	84,605	185,663	271,737
Transfers out	(232)	(21,297)	(12,874)	--	(34,403)
Grants and contributions	--	--	--	112,555	112,555
Net cash provided by (used in) noncapital financing activities	<u>1,237</u>	<u>(21,297)</u>	<u>71,731</u>	<u>298,218</u>	<u>349,889</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(9)	(280,112)	(18,816)	(112)	(299,049)
Proceeds from issuing notes	--	48,168	--	--	48,168
Proceeds from issuing bonds	--	260,001	50,002	--	310,003
Principal paid on notes	--	(25,656)	--	--	(25,656)
Principal paid on bonds	(3,266)	(81,968)	(28,442)	--	(113,676)
Principal paid on leases	--	(12)	(2)	(191)	(205)
Interest paid on notes	--	(3,107)	--	--	(3,107)
Interest paid on bonds	(563)	(76,654)	(19,675)	--	(96,892)
Interest paid on leases	--	(2)	--	(92)	(94)
Net cash used in capital and related financing activities	<u>(3,838)</u>	<u>(159,342)</u>	<u>(16,933)</u>	<u>(395)</u>	<u>(180,508)</u>
Cash flows from investing activities:					
Purchase of investments	(8,697)	(1,584,420)	(301,694)	(45,052)	(1,939,863)
Proceeds from maturities of investments	7,861	1,475,052	295,445	8,411	1,786,769
Interest on investments	--	6,398	302	--	6,700
Net cash used in investing activities	<u>(836)</u>	<u>(102,970)</u>	<u>(5,947)</u>	<u>(36,641)</u>	<u>(146,394)</u>
Net increase in cash and cash equivalents	2,637	45,990	6,138	8,550	63,315
Cash and cash equivalents - July 1	<u>23,397</u>	<u>164,853</u>	<u>25,341</u>	<u>10,064</u>	<u>223,655</u>
Cash and cash equivalents - June 30	<u>\$ 26,034</u>	<u>\$ 210,843</u>	<u>\$ 31,479</u>	<u>\$ 18,614</u>	<u>\$ 286,970</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, 2022
 (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)	\$ 174	\$ 246,772	\$ (47,501)	\$ (281,188)	\$ (81,743)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	2,187	90,353	17,212	22,541	132,293
Other revenues	3,602	--	--	324	3,926
Writeoff of capital assets	--	7,621	(166)	--	7,455
Loss on disposal of inventory.....	--	--	--	(8)	(8)
(Increase) decrease in accounts receivable	750	(9,056)	(3,106)	(919)	(12,331)
Increase in due from other funds	(29)	(1)	(1)	--	(31)
(Increase) decrease in inventory of parts, materials and supplies	--	78	--	(431)	(353)
(Increase) decrease in prepaid expenses and other assets	(9)	--	94	1,127	1,212
(Increase) decrease in deferred outflows of resources	--	9,967	6,151	(6,825)	9,293
Increase (decrease) in trade accounts payables	(543)	632	(4,098)	757	(3,252)
Increase in reserve for insurance claims payable	--	--	--	3,054	3,054
Increase (decrease) in other liabilities	(325)	370	(1,572)	1,199	(328)
Increase (decrease) in net pension liability	--	(26,465)	(17,193)	2,756	(40,902)
Increase (decrease) in net OPEB liability	--	(17,766)	(12,199)	2,959	(27,006)
Decrease in due to other funds	--	(934)	(642)	(33)	(1,609)
Increase in deferred inflows of resources	267	28,028	20,308	2,055	50,658
Net cash provided by (used in) operating activities	<u>\$ 6,074</u>	<u>\$ 329,599</u>	<u>\$ (42,713)</u>	<u>\$ (252,632)</u>	<u>\$ 40,328</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 \$187 for the year ended June 30, 2022. Beginning cash balance includes \$22,633 in restricted assets and ending cash balance includes \$25,012 in restricted assets.

Sewer

The Sewer Fund received \$1,863 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, 2022. Interest expense for bond discount, bond premium and deferred loss on refunding amounted to \$125, (\$16,556), and \$6,571 respectively, for the year ended June 30, 2022.

Solid Waste

Interest expense for bond discount, bond premium and deferred loss on refunding amounted to \$10, (\$3,271) and \$1,592 respectively, for the year ended June 30, 2022.

Public Transportation System

The Public Transportation System received contributions of capital assets from the City and County of Honolulu amounting to \$45,212 for the year ended June 30, 2022. Beginning cash balance includes \$2,028 in restricted assets and ending cash balance includes \$2,774 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, 2022
 (Amounts in thousands)

		Custodial Fund
<u>ASSETS</u>		
Cash and cash equivalents	\$	1,591
Investments		9,030
Due from other funds		37
Total assets		10,658
<u>LIABILITIES</u>		
Accounts payable		7,448
Total liabilities		7,448
<u>NET POSITION</u>		
Restricted for for individuals, organizations and other governments	\$	3,210

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, 2022
 (Amounts in thousands)

	Custodial Fund
<u>ADDITIONS</u>	
Special assessments collected on behalf of other organizations	\$ 5,490
Taxes and fees collected on behalf of other governments:	
Commercial driver license fees	362
State identification fees	1,191
Motor vehicle fees	33,516
Motor vehicle taxes	51,652
Recycling fees	280
Other fees	508
Donations collected on behalf of other organizations	444
Total additions	<u>93,443</u>
<u>DEDUCTIONS</u>	
Payment of special assessments collected on behalf of other organizations	6,096
Payment of taxes and fees collected on behalf of other governments:	
Commercial driver license fees	359
State identification fees	1,208
Motor vehicle fees	33,492
Motor vehicle taxes	51,735
Recycling fees	274
Other fees	343
Payment of donations collected on behalf of other organizations	365
Total deductions	<u>93,872</u>
Change in net position	<u>(429)</u>
Net position - July 1	<u>3,639</u>
Net position - June 30	<u>\$ 3,210</u>

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, 2022
 (Amounts in thousands)

	Board of Water Supply	Honolulu Authority for Rapid Transportation	OTS, Inc.	Total
ASSETS				
Cash and cash equivalents	\$ 38,290	\$ 43,100	\$ 6,234	\$ 87,624
Investments	391,268	284,329	--	675,597
Receivables (net)	31,236	109,711	--	140,947
Inventories	11,691	--	--	11,691
Prepaid expenses and other	4,857	22,533	--	27,390
Restricted assets:				
Cash and cash equivalents	40,983	--	2,774	43,757
Investments	191,669	--	--	191,669
Capital assets (net of accumulated depreciation):				
Land	32,371	207,114	--	239,485
Buildings and improvements	106,028	--	--	106,028
Equipment and machinery	125,191	7	--	125,198
Infrastructure	811,976	--	--	811,976
Construction work in progress	258,736	4,871,363	--	5,130,099
Intangible right-to-use leases (net of accumulated amortization):				
Land	--	10,706	--	10,706
Buildings	--	5,810	--	5,810
Equipment and machinery	639	68	--	707
Total assets	<u>2,044,935</u>	<u>5,554,741</u>	<u>9,008</u>	<u>7,608,684</u>
DEFERRED OUTFLOWS				
Deferred outflows of resources	<u>44,772</u>	<u>3,432</u>	<u>71,030</u>	<u>119,234</u>
LIABILITIES				
Accounts payable	32,527	51,391	5,191	89,109
Accrued interest payable	5,631	--	--	5,631
Other liabilities	3,033	7,047	20,221	30,301
Noncurrent liabilities:				
Due within one year	24,800	38,530	829	64,159
Due in more than one year	526,580	13,703	6,514	546,797
Other due in more than one year:				
Advance from City.....	--	1,076,055	--	1,076,055
Net pension liability.....	106,764	21,594	13,493	141,851
Net OPEB liability	42,752	3,197	232,501	278,450
Total liabilities	<u>742,087</u>	<u>1,211,517</u>	<u>278,749</u>	<u>2,232,353</u>
DEFERRED INFLOWS				
Deferred inflows of resources	<u>48,648</u>	<u>7,142</u>	<u>109,521</u>	<u>165,311</u>
NET POSITION				
Net investment in capital assets	1,021,085	3,909,564	--	4,930,649
Restricted for:				
Capital activity	24,790	--	--	24,790
Unrestricted	253,097	429,950	(308,232)	374,815
Total net position	<u>\$ 1,298,972</u>	<u>\$ 4,339,514</u>	<u>\$ (308,232)</u>	<u>\$ 5,330,254</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, 2022
 (Amounts in thousands)

	Board of Water Supply	Honolulu Authority for Rapid Transportation	OTS, Inc.	Total
Expenses.....	\$ 246,028	\$ 24,177	\$ 224,643	\$ 494,848
Program Revenues:				
Charges for Services.....	248,264	--	548	248,812
Operating Grants and Contributions....	--	--	204,404	204,404
Capital Grants and Contributions.....	20,715	90,945	--	111,660
Total Program Revenues.....	<u>268,979</u>	<u>90,945</u>	<u>204,952</u>	<u>564,876</u>
Program Revenues over (under)				
Expenses.....	22,951	66,768	(19,691)	70,028
General Revenues:				
Investment earnings.....	7,860	633	1	8,494
Intergovernmental revenues.....	--	372,451	--	372,451
Other revenues.....	--	278	--	278
Total general revenues.....	<u>7,860</u>	<u>373,362</u>	<u>1</u>	<u>381,223</u>
Change in net position.....	30,811	440,130	(19,690)	451,251
Net position - beginning.....	<u>1,268,161</u>	<u>3,899,384</u>	<u>(288,542)</u>	<u>4,879,003</u>
Net position - ending.....	<u>\$ 1,298,972</u>	<u>\$ 4,339,514</u>	<u>\$ (308,232)</u>	<u>\$ 5,330,254</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, 2022

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 2022.

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, 2022

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, 2022

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, 2022

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 sixty 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 and county transient accommodation 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, 2022

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, 2022

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, 2022

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. In fiscal year 2022, the City recorded

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

a loss on the change in the fair value of investments of \$24.2 million and \$24.6 million for the governmental and proprietary funds, respectively.

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.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

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

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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 15-217-57. 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	\$ 10,803
Commercial property historical dedication	512
Residential property historical dedication	4,193
Dedicated land in urban districts	62
Low income rental housing exemption	16,624
Central Kakaako industrial zone limited development	962
Total gross amount of revenue reduction	<u><u>\$ 33,156</u></u>

Unbilled Receivables

Included in the receivables at June 30, 2022 for BWS and the proprietary fund type were unbilled water and sewer charges (due to the use of cycle billings) in the amounts of \$12.2 million and \$36.0 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.

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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

Leases

A lease is defined as a contractual agreement that conveys the control of the right to use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The City leases, both as a lessee and a lessor, nonfinancial assets such as land, buildings and equipment to meet operational needs or serve the general public. As a lessee, the City recognizes a lease liability and an intangible right-to-use lease asset based on the present value of the future lease payments over the term of the lease. Lease assets are reported with capital assets, and lease liabilities are reported as long-term debt in the statement of net position. The lease assets are amortized over the term of the lease. As a lessor the City recognizes a lease receivable and a deferred inflow of resources, based on the present value of the future lease payments expected to be received during the lease term. The deferred inflow of resources is amortized over the life of the lease.

The City uses its estimated incremental borrowing rate as the discount rate for leases unless the rate discount rate is known. The City's incremental borrowing

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rate is based on the general obligation bonds' weighted-average interest rate for a given year. Payments based on future performance are not included in the measurement of the lease liability or lease receivable but recognized as revenue or expense in the period performed.

The minimum dollar thresholds established for lease reporting recognition are leases with an initial, individual value of \$5,000 for equipment and \$100,000 for land and buildings.

Pensions

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

Postemployment Benefits Other Than Pensions (OPEB)

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

Asset Retirement Obligation (ARO)

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

Deferred Outflows / Inflows of Resources

Deferred Outflows of Resources represent a consumption of net assets 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, 2022 are as follows (amounts in thousands):

	Governmental Funds	Business-Type Funds	Component Units
Deferred loss on refunding of debt	\$ 64,327	\$ 100,497	\$ 14,538
Deferred ARO related costs	266	6,139	-
Deferred pension related costs	366,015	42,714	30,146
Deferred OPEB related costs	202,779	22,168	74,550
	<u>\$ 633,387</u>	<u>\$ 171,518</u>	<u>\$ 119,234</u>

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Deferred Inflows of Resources represent an acquisition of net assets that apply to future periods and consequently will be recognized as revenue at that time. Deferred leases intangible right to use, pension and OPEB related costs are amortized systematically over a specified period of time. On the statement of net position, for governmental activities, business-type activities, and component units the balances as of June 30, 2022 are as follows (amounts in thousands):

	Governmental Funds	Business-Type Funds	Component Units
Deferred leases receivable	\$ 13,712	\$ 651	\$ 2,298
Deferred pension related costs	459,606	50,808	31,120
Deferred OPEB related costs	256,290	38,663	131,893
	<u>\$ 729,608</u>	<u>\$ 90,122</u>	<u>\$ 165,311</u>

On the balance sheet for the governmental funds a deferred inflow of resources is reported for unavailable revenue expected to be collected after July 31, 2022 as well as lease receivable expected payments related to future periods. The balances as of June 30, 2022 are as follows (amounts in thousands):

	Governmental Funds
Unavailable Revenue	
Sub-recipient loan program	\$ 51,691
Public utilities franchise taxes	22,071
Real property taxes	19,857
Housing assistance loan program	6,051
Others	2,778
Sub-total	<u>\$ 102,448</u>
Deferred leases receivable	13,712
Total unavailable revenue	<u>\$ 116,160</u>

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 \$185.7 million to the PTS, \$84.6 million to the Solid Waste Fund, and authorized

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transfers from funds receiving revenues to funds that will expend those resources. Contributions to the capital asset accounts of enterprise funds are reflected in the statement of revenue, expenses and changes in net position.

Fund Balance

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

- *Nonspendable* includes fund balance amounts that cannot be spent because they are not in spendable form, or because of legal or contractual requirements.
- *Restricted* includes fund balance amounts that are constrained for specific purposes which are externally imposed. Sources of these externally enforceable legal restrictions include creditors, grantors, contributors, federal regulations, the State Constitution, State statutes, the City's revised charter, and enabling State legislation for assessments.
- *Committed* includes fund balance amounts that are constrained for specific purposes that are internally imposed by the City through formal action (i.e., ordinance) of the highest level of decision making authority (i.e., City Council) with the consent of the Mayor. The Fiscal Stability Fund was established by Ordinance 98-32 as a fund designated for economic and revenue downturns and emergency situations. Funds can be appropriated only by ordinance when specific economic or revenue triggers are met or in the case of an emergency as defined in the ordinance. Deposits to the fund shall be made with funds deemed to be in excess of funding to sustain services, subject to council approval. The balance in the fund is \$145.4 million at June 30, 2022.
- *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

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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, 2022:

	General Fund	Highway Fund	GOB and IR Fund*	Federal Grants Fund	Other Governmental Funds	Total Governmental Funds
Restricted for:						
Highways	\$ -	\$ 61,651	\$ -	\$ -	\$ 8,173	\$ 69,824
Federal programs	-	-	-	19,288	20,094	39,382
Affordable housing programs	-	-	-	-	32,865	32,865
Land conservation program	-	-	-	-	46,711	46,711
Special projects	-	-	-	-	15,280	15,280
Rental assistance program	-	-	-	-	13,052	13,052
Rehabilitation loan program	-	-	-	-	5,914	5,914
Liquor Commission Office	-	-	-	-	2,365	2,365
Bikeways	-	-	-	-	2,580	2,580
Other capital projects	-	-	-	-	13,744	13,744
Sub-Total	-	61,651	-	19,288	160,778	241,717
Committed to:						
Emergency reserves	145,360	-	-	-	-	145,360
Parks and recreation	-	-	-	-	8,046	8,046
Hanauma Bay operations	-	-	-	-	1,791	1,791
Rental assistance program	-	-	-	-	1,603	1,603
Auditorium operations	-	-	-	-	6,902	6,902
Golf operations	-	-	-	-	4,287	4,287
Improvement districts	2,200	-	-	-	164	2,364
Other capital projects	-	-	-	-	143,805	143,805
Highway Improvements	-	-	-	-	63,657	63,657
Debt service	-	-	1,181,857	-	-	1,181,857
Other	13,282	-	-	-	5,445	18,727
Sub-Total	160,842	-	1,181,857	-	235,700	1,578,399
Assigned to:						
Recreation	14,511	-	-	-	-	14,511
Police	7,696	-	-	-	-	7,696
Environmental Services	80	-	-	-	-	80
Data Processing	3,194	-	-	-	-	3,194
Fire	2,768	-	-	-	-	2,768
Human services	15,547	-	-	-	-	15,547
Legal	4,233	-	-	-	-	4,233
Provisional for Risk Management	4,858	-	-	-	-	4,858
Building Additions and Improvements	4,000	-	-	-	-	4,000
Repairs and Maintenance	14,661	-	-	-	-	14,661
Customer Services	2,684	-	-	-	-	2,684
Planning & Zoning	4,842	-	-	-	-	4,842
Finance	1,014	-	-	-	-	1,014
Other	11,272	-	-	-	-	11,272
Sub-Total	91,360	-	-	-	-	91,360
Unassigned:	191,387	-	-	-	-	191,387
Total	\$ 443,589	\$ 61,651	\$ 1,181,857	\$ 19,288	\$ 396,478	\$ 2,102,863

*General Obligation 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;

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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 2022 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 \$754.7 million, which are not controlled by the City, are not reported in the accompanying financial statements at June 30, 2022.

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

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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, 2022, accumulated sick leave amounted to \$386.6 million.

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.

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

Deficit Balances

As of June 30, 2022 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.

Coronavirus Disease 2019 (COVID-19)

The outbreak of COVID-19 has been declared a pandemic by the World Health Organization. The state of emergency declared by the Governor of Hawaii and the Mayor of the City and County of Honolulu at the outset of the pandemic are no longer effective as of March 26, 2022.

The COVID-19 pandemic and related economic disruptions resulting from the emergency measures to contain it ended in fiscal year 2022 and as a result the City's revenues are expected to return to pre-pandemic levels.

The City has been awarded various funds to respond to the pandemic and the resulting economic impacts. As of June 30, 2022 the City has approximately \$410.2M of unearned COVID relief funds remaining to be expended.

New Accounting Pronouncements

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 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-

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to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thus improving 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 implemented the provisions of this Statement as presented in the financial statements. The implementation resulted the recognition of additional lease assets, lease liabilities, lease receivables, and deferred inflows of resources. Lease liabilities and lease assets of approximately \$61.5M and lease receivables and deferred inflows of resources related to leases of approximately \$14.6M were reported as of July 1, 2021. The implementation did not result in a restatement of net position. See Notes 6, 8 and 13 for details.

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 beginning after June 15, 2021. The City implemented the provisions of this Statement and determined there was no significant impact on the 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 (LIBOR) is set to expire at the end of 2021. The provisions of this Statement were effective for the period beginning after June 15, 2021 however Statement No. 99, *Omnibus 2022*, extends the use of LIBOR effective immediately. 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.

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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 those board duties should be treated the same as the primary government appointing the voting majority of board. This provision was 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 was 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 implemented the provisions of this Statement and determined there was no significant impact on the financial statements.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain

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GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The City implemented these provisions and determined there was no material impact on the financial statements.
- The requirements related to leased, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The City has not yet determined the effect these requirements will have on its financial statements.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of the Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The City has not yet determined the effect these requirements will have on its financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement requires disclosures in the notes regarding the nature of the changes or errors and the quantitative effect of each. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. The City has not yet determined the effect this Statement will have on its financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The Statement requires a liability to be reported for certain types of compensated absences and establishes guidelines to for measuring the liability. This Statement is effective for fiscal years beginning after December 15, 2023. The City has not yet determined the effect this Statement will have on its financial statements.

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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
- 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.

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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.

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 \$7.8 billion difference are as follows (amounts in thousands):

Long-term liabilities (see Note 8)	\$	4,382,091
Net pension liability		2,077,380
Net other post-employment benefits liability		1,321,093
Accrued interest payable and other		56,992
Net adjustment	\$	7,837,556

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net change in fund balances of total

CITY AND COUNTY OF HONOLULU
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Fiscal Year Ended June 30, 2022

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 and amortization expense on capital assets and other adjustments." The details of this \$23.0 million difference are as follows (amounts in thousands):

Capital outlays	\$	131,122
Lease financing		2,171
Contributions		569
Transfers, net		1,268
Write offs and loss on disposal*		(730)
Depreciation expense		(145,648)
Amortization expense		(11,775)
		(23,023)
Net adjustment	\$	(23,023)

*Write offs are a result of projects deemed not feasible and cancelled.

Another element of that reconciliation states that, "Revenue in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds." The details of this \$1.8 million difference are as follows (amounts in thousands):

Taxes	\$	4,401
Intergovernmental		(2,088)
Other		(536)
		1,777
Net adjustment	\$	1,777

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 \$149.0 million difference are as follows (amounts in thousands):

General obligation bonds issued, net	\$	(683,376)
Principal Repayments:		
General obligation bonds, net	\$	233,162
General obligation commercial paper		301,000
Other long-term debt		182
		534,344
Net adjustment	\$	(149,032)

CITY AND COUNTY OF HONOLULU
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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 \$829.3 million difference are as follows (amounts in thousands):

Increase in asset retirement obligation	\$	(1,045)
Decrease in compensated absences		9,607
Increase in claims and judgements		(13,440)
Decrease in lease liability		8,507
Decrease in net pension liability		608,901
Decrease in net OPEB liability		224,202
Increase in other - accrued interest		(7,482)
Net adjustment	\$	829,250

Another element of that reconciliation states that, "Loss on refunding is recorded as other financing use in the fund statement but as a deferred outflow of resources in the government-wide financial statements". Amortization of the deferred outflow of resources is reported as interest in the Statement of Activities but does not require current financial resources and is not reported in the funds." The government-wide financial statements report a net adjustment of \$9.0 million for deferred outflows related to debt refundings.

The final element of that reconciliation states that, "Funds report expenditures for contributions for pensions, 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 \$763.1 million difference are as follows (amounts in thousands):

Decrease in deferred outflows	\$	215,569
Increase in deferred inflows		547,577
Net adjustment	\$	763,146

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

CITY AND COUNTY OF HONOLULU
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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.

Credit Risk (amounts in thousands):

	Fair Value	Quality Rating			
		Aaa	Aa1	Aa2	Not Rated
Primary Government:					
U.S. government treasury	\$ 548,194	\$ 548,194	\$ -	\$ -	\$ -
Certificate of deposits	153,672	-	-	-	153,672
Municipal securities	44,518	-	42,047	2,471	-
U.S. government securities	2,283,819	2,283,819	-	-	-
Component Units:					
Board of Water Supply					
U.S. government treasury	497,854	497,854	-	-	-
U.S. government agencies	85,083	85,083	-	-	-
Honolulu Authority for Rapid Transportation					
U.S. government treasury	49,640	49,640	-	-	-
Certificate of deposits	14,349	-	-	-	14,349
Municipal securities	4,181	-	3,953	228	-
U.S. government securities	211,356	211,356	-	-	-
Fiduciary Funds:					
Certificate of deposits	9,030	-	-	-	9,030

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, 2022, the City had no investments in money market mutual funds or external investment pools.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

Concentration of Credit Risk

The fair value and maturities of investments as of June 30, 2022 were as follows (amounts in thousands):

	Cost	Fair Value	Investment Maturity in Years	
			Less than One	1 to 5
Primary Government:				
U.S. government treasury	\$ 548,227	\$ 548,194	\$ 526,068	\$ 22,126
Certificate of deposits	153,672	153,672	75,111	78,561
Municipal securities	46,173	44,518	-	44,518
U.S. government securities	2,334,224	2,283,819	878,472	1,405,347
Total	<u>\$ 3,082,296</u>	<u>\$ 3,030,203</u>	<u>\$ 1,479,651</u>	<u>\$ 1,550,552</u>
Component Units:				
Board of Water Supply				
U.S. government treasury	\$ 515,470	\$ 497,854	\$ 112,602	\$ 385,252
U.S. government agencies	88,523	85,083	39,136	45,947
Honolulu Authority for Rapid Transportation				
U.S. government treasury	50,539	49,640	47,570	2,070
Certificate of deposits	14,349	14,349	6,753	7,596
Municipal securities	4,257	4,181	-	4,181
U.S. government securities	215,184	211,356	79,601	131,755
Total	<u>\$ 888,322</u>	<u>\$ 862,463</u>	<u>\$ 285,662</u>	<u>\$ 576,801</u>
Fiduciary Funds:				
Certificate of deposits	\$ 9,030	\$ 9,030	\$ 8,730	\$ 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.

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

CITY AND COUNTY OF HONOLULU
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Fiscal Year Ended June 30, 2022

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, 2022 (amounts in thousands):

	Fair Value	Level One	Level Two
Primary Government:			
Municipal securities	\$ 44,518	\$ -	\$ 44,518
U.S. government securities	1,291,429	-	1,291,429
U.S. Government Treasury	22,126	22,126	-
Total	<u>\$ 1,358,073</u>	<u>\$ 22,126</u>	<u>\$ 1,335,947</u>
Component Units:			
Board of Water Supply			
U.S. government treasury	\$ 497,854	\$ 497,854	\$ -
U.S. government agencies	85,083	-	85,083
Honolulu Authority for Rapid Transportation			
Municipal securities	4,181	-	4,181
U.S. government securities	121,425	-	121,425
U.S. Government Treasury	2,070	2,070	-
Total	<u>\$ 710,613</u>	<u>\$ 499,924</u>	<u>\$ 210,689</u>

As of June 30, 2022, investments recorded at amortized cost totaled \$1.48 billion for primary government and \$133.9 million for component units.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

5. Receivables

Receivable balances at June 30, 2022 consists of the following (amounts in thousands):

	Governmental Activities	Business-Type Activities
Real property taxes	\$ 22,187	\$ -
Public utilities franchise taxes	22,071	-
Transient accomodation taxes	8,434	-
Accounts	2,226	104,908
Special assessments	1	-
Notes	60,332	-
Leases	13,874	656
Intergovernmental	22,671	-
Interest	1,794	1,740
Payroll and others	6,834	748
Allowance for uncollectible accounts	(2,040)	(12,801)
	<u>\$ 158,384</u>	<u>\$ 95,251</u>

Revenues not collected within sixty days of fiscal year end are recorded as deferred inflows of resources in the governmental funds. \$102.4 million of the receivables have been deferred at June 30, 2022.

The only receivables not expected to be collected within one year are the noncurrent portion of the notes receivable in the amount of \$59.7 million and leases receivable of \$14.0 million, which are generally due to the City on various dates through 2073 and 2056, respectively.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

6. Capital Assets

The following is a summary of changes in capital assets during the fiscal year ended June 30, 2022 (amounts in thousands):

Primary Government –

	Balance at July 1, 2021 Restated	Addition/ Transfer In	Retirements/ Transfers Out	Balance at June 30, 2022
Governmental Activities:				
Depreciable Assets –				
Buildings and improvements	\$ 1,785,082	\$ 80,616	\$ -	\$ 1,865,698
Equipment and machinery	508,141	33,712	(3,606)	538,247
Infrastructure	2,074,917	66,468	-	2,141,385
Total depreciable assets	<u>4,368,140</u>	<u>180,796</u>	<u>(3,606)</u>	<u>4,545,330</u>
Less Accumulated Depreciation –				
Buildings and improvements	(989,529)	(52,248)	-	(1,041,777)
Equipment and machinery	(366,038)	(24,843)	3,329	(387,552)
Infrastructure	(987,622)	(68,557)	-	(1,056,179)
Total accumulated depreciation	<u>(2,343,189)</u>	<u>(145,648)</u>	<u>3,329</u>	<u>(2,485,508)</u>
Net depreciable assets	<u>2,024,951</u>	<u>35,148</u>	<u>(277)</u>	<u>2,059,822</u>
Amortizable Leased Assets –				
Land	168	-	-	168
Buildings and improvements	24,438	-	-	24,438
Equipment and machinery	34,229	2,171	-	36,400
Total amortizable lease assets	<u>58,835</u>	<u>2,171</u>	<u>-</u>	<u>61,006</u>
Less Accumulated Amortization –				
Land	-	(5)	-	(5)
Buildings and improvements	-	(5,109)	-	(5,109)
Equipment and machinery	-	(6,661)	-	(6,661)
Total accumulated amortization	<u>-</u>	<u>(11,775)</u>	<u>-</u>	<u>(11,775)</u>
Net amortizable lease assets	<u>58,835</u>	<u>(9,604)</u>	<u>-</u>	<u>49,231</u>
Land	907,215	565	-	907,780
Construction Work in Progress	320,471	113,942	(162,797)	271,616
Governmental activities – capital assets, net	<u>3,311,472</u>	<u>140,051</u>	<u>(163,074)</u>	<u>3,288,449</u>
Business-type Activities:				
Depreciable Assets –				
Buildings and improvements	\$ 2,210,642	\$ 10,167	\$ (19)	\$ 2,220,790
Equipment and machinery	809,845	29,324	(17,328)	821,841
Infrastructure	2,423,704	224,193	(2,623)	2,645,274
Total depreciable assets	<u>5,444,191</u>	<u>263,684</u>	<u>(19,970)</u>	<u>5,687,905</u>
Less Accumulated Depreciation –				
Buildings and improvements	(667,657)	(47,199)	-	(714,856)
Equipment and machinery	(597,554)	(36,172)	17,022	(616,704)
Infrastructure	(572,130)	(48,617)	369	(620,378)
Total accumulated depreciation	<u>(1,837,341)</u>	<u>(131,988)</u>	<u>17,391</u>	<u>(1,951,938)</u>
Net depreciable assets	<u>3,606,850</u>	<u>131,696</u>	<u>(2,579)</u>	<u>3,735,967</u>
Amortizable Leased Assets –				
Buildings and improvements	2,611	-	-	2,611
Equipment and machinery	58	-	-	58
Total depreciable assets	<u>2,669</u>	<u>-</u>	<u>-</u>	<u>2,669</u>
Less Accumulated Amortization –				
Buildings and improvements	-	(289)	-	(289)
Equipment and machinery	-	(16)	-	(16)
Total accumulated amortization	<u>-</u>	<u>(305)</u>	<u>-</u>	<u>(305)</u>
Net amortizable assets	<u>2,669</u>	<u>(305)</u>	<u>-</u>	<u>2,364</u>
Land	179,465	1,926	-	181,391
Construction Work in Progress	829,188	306,016	(248,549)	886,655
Business-type activities – capital assets, net	<u>4,618,172</u>	<u>439,333</u>	<u>(251,128)</u>	<u>4,806,377</u>
Total primary government capital assets, net	<u>\$ 7,929,644</u>	<u>\$ 579,384</u>	<u>\$ (414,202)</u>	<u>\$ 8,094,826</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

Discretely Presented Component Units –

	Balance at July 1, 2021 Restated	Addition/ Transfer In	Retirements/ Transfers Out	Balance at June 30, 2022
Board of Water Supply				
Depreciable Assets –				
Buildings and improvements	\$ 194,282	\$ 8,994	\$ (25)	\$ 203,251
Equipment and machinery	364,500	30,435	(2,234)	392,701
Infrastructure	1,617,263	41,159	(1,654)	1,656,768
Total depreciable assets	<u>2,176,045</u>	<u>80,588</u>	<u>(3,913)</u>	<u>2,252,720</u>
Less Accumulated Depreciation –				
Buildings and improvements	(92,620)	(4,626)	23	(97,223)
Equipment and machinery	(255,605)	(13,941)	2,036	(267,510)
Infrastructure	(812,899)	(33,231)	1,338	(844,792)
Total accumulated depreciation	<u>(1,161,124)</u>	<u>(51,798)</u>	<u>3,397</u>	<u>(1,209,525)</u>
Net depreciable assets	<u>1,014,921</u>	<u>28,790</u>	<u>(516)</u>	<u>1,043,195</u>
Amortizable Leased Assets –				
Equipment and machinery	925	-	-	925
Total depreciable assets	<u>925</u>	<u>-</u>	<u>-</u>	<u>925</u>
Less Accumulated Amortization –				
Equipment and machinery	-	(286)	-	(286)
Total accumulated amortization	<u>-</u>	<u>(286)</u>	<u>-</u>	<u>(286)</u>
Net amortizable assets	<u>925</u>	<u>(286)</u>	<u>-</u>	<u>639</u>
Land	32,371	-	-	32,371
Construction Work in Progress	255,530	68,628	(65,422)	258,736
BWS capital assets, net	<u>1,303,747</u>	<u>97,132</u>	<u>(65,938)</u>	<u>1,334,941</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	(164)	-	-	(164)
Total accumulated depreciation	<u>(164)</u>	<u>-</u>	<u>-</u>	<u>(164)</u>
Net depreciable assets	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
Amortizable Leased Assets –				
Land	14,021	-	-	14,021
Buildings and improvements	6,972	-	-	6,972
Equipment and machinery	93	-	-	93
Total depreciable assets	<u>21,086</u>	<u>-</u>	<u>-</u>	<u>21,086</u>
Less Accumulated Amortization –				
Land	-	(3,315)	-	(3,315)
Buildings and improvements	-	(1,162)	-	(1,162)
Equipment and machinery	-	(25)	-	(25)
Total accumulated amortization	<u>-</u>	<u>(4,502)</u>	<u>-</u>	<u>(4,502)</u>
Net amortizable assets	<u>21,086</u>	<u>(4,502)</u>	<u>-</u>	<u>16,584</u>
Land	206,271	843	-	207,114
Construction Work in Progress	4,644,893	226,470	-	4,871,363
HART capital assets, net	<u>4,872,257</u>	<u>222,811</u>	<u>-</u>	<u>5,095,068</u>
Total component units capital assets, net	<u>\$ 6,176,004</u>	<u>\$ 319,943</u>	<u>\$ (65,938)</u>	<u>\$ 6,430,009</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

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

Governmental Activities:	<u>Depreciation</u>	<u>Amortization</u>	<u>Total</u>
General government.....	\$ 18,725	\$ 5,439	\$ 24,164
Public safety.....	25,020	4,414	29,434
Highways and streets.....	66,303	11	66,314
Sanitation.....	18	-	18
Human services.....	2,745	1,142	3,887
Culture and recreation.....	28,147	769	28,916
Utilities.....	4,690	-	4,690
Total - governmental activities	<u>\$ 145,648</u>	<u>\$ 11,775</u>	<u>\$ 157,423</u>
Business-type Activities:			
Housing	\$ 2,187	\$ -	\$ 2,187
Sewer	90,341	12	90,353
Solid Waste	17,210	2	17,212
Public Transportation System	22,250	291	22,541
Total - business-type activities	<u>\$ 131,988</u>	<u>\$ 305</u>	<u>\$ 132,293</u>
Component Units:			
Board of Water Supply	\$ 49,490 *	\$ 286	\$ 49,776
Honolulu Authority on Rapid Transportation	-	478 **	478
Total - component units	<u>\$ 49,490</u>	<u>\$ 764</u>	<u>\$ 50,254</u>

* \$2,308 was allocated to various functions for BWS.

** \$4,024 of amortization was capitalized for HART.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

7. Interfund Balances

The following is a summary of amounts due from and due to other funds at June 30, 2022 (amounts in thousands):

	Due From Other Funds	Due to Other Funds
General Fund	\$ 6,816	\$ 72
Highway Fund	5	20
Federal Grants Fund	13	462
Nonmajor Governmental Funds	36	6,323
Fiduciary Funds	37	-
Enterprise Funds:		
Sewer Fund	1	10
Solid Waste Special Fund	1	51
Housing Development Special Fund	29	-
	<u>\$ 6,938</u>	<u>\$ 6,938</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, 2022, 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, 2022 (amounts in thousands):

	Transferred from Other Funds	Transferred to Other Funds
General Fund	\$ 211,462	\$ 576,938
Highway Fund	-	154,362
G.O. Bond and Interest Redemption Fund	276,716	-
Nonmajor Governmental Funds	19,837	14,049
Enterprise Funds:		
Housing Development Special Fund	1,469	232
Sewer Fund	-	21,297
Solid Waste Special Fund	84,605	12,874
Public Transportation System Fund	185,663	-
	<u>\$ 779,752</u>	<u>\$ 779,752</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

8. Long-Term Liabilities

The following is a summary of changes in long-term liabilities, other than net pension and OPEB, included in the governmental activities, business-type activities and component units during the fiscal year ended June 30, 2022 (amounts in thousands):

	Balance at July 1, 2021 Restated	Additions	Reductions	Balance at June 30, 2022	Amounts Due Within One Year
Primary Government -					
Governmental Activities					
General obligation (GO) bonds	\$ 3,245,635	\$ 550,238	\$ 162,321	\$ 3,633,552	\$ 167,595
Add: Unamortized premium	362,235	134,401	70,976	425,660	-
Less: Unamortized discount	(1,137)	(1,263)	(135)	(2,265)	-
Total bonds payable	3,606,733	683,376	233,162	4,056,947	167,595
Notes payable to state government	276	-	182	94	94
Sub-total debt	3,607,009	683,376	233,344	4,057,041	167,689
Tax exempt commercial paper	301,000	-	301,000	-	-
Sub-total long-term Debt	3,908,009	683,376	534,344	4,057,041	167,689
Asset Retirement Obligations (Note 15)	15,367	1,045	-	16,412	-
Compensated absences	133,383	35,471	45,078	123,776	9,443
Claims and judgments (Note 14)	121,094	55,882	42,442	134,534	47,086
Lease obligations	58,835	2,171	10,678	50,328	10,246
Total	\$ 4,236,688	\$ 777,945	\$ 632,542	\$ 4,382,091	\$ 234,464
Business-Type Activities					
General obligation bonds	\$ 560,795	\$ 45,418	\$ 31,776	\$ 574,437	\$ 34,075
Revenue bonds	1,872,395	241,355	74,780	2,038,970	73,770
Add: Unamortized premium	156,983	26,151	19,946	163,188	-
Less: Unamortized discount	(1,970)	(1,477)	(136)	(3,311)	-
Sub-Total	2,588,203	311,447	126,366	2,773,284	107,845
Direct Placement-Revenue bonds	234,915	-	7,120	227,795	13,445
Total bonds payable	2,823,118	311,447	133,486	3,001,079	121,290
Notes payable to state government	298,641	48,168	25,656	321,153	29,067
Sub-total Debt	3,121,759	359,615	159,142	3,322,232	150,357
Asset Retirement Obligations (Note 15)	18,603	1,265	-	19,868	-
Reserve for insurance claims payable	36,483	18,695	15,641	39,537	14,042
Estimated liability for landfill closure and post closure care costs (Note 15)	15,371	73	1,537	13,907	1,180
Compensated absences	13,333	3,592	4,801	12,124	1,020
Lease obligations	2,668	-	204	2,464	218
Total	\$ 3,208,217	\$ 383,240	\$ 181,325	\$ 3,410,132	\$ 166,817
Discretely Presented Component Units -					
Board of Water Supply					
Revenue bonds	\$ 304,435	\$ 135,260	\$ 63,410	\$ 376,285	\$ 13,145
Add: Unamortized premium	22,805	11,082	5,631	28,256	-
Total bonds payable	327,240	146,342	69,041	404,541	13,145
Notes payable to state governments	121,412	11,609	6,938	126,083	7,501
Sub-total Debt	448,652	157,951	75,979	530,624	20,646
Compensated absences	7,874	2,829	2,845	7,858	2,845
Customer advances	653	10,038	8,872	1,819	-
Accrued workers' compensation	5,076	1,346	1,948	4,474	1,309
Lease obligations	925	-	277	648	-
Others	6,415	2,605	3,063	5,957	-
Total	\$ 469,595	\$ 174,769	\$ 92,984	\$ 551,380	\$ 24,800
Honolulu Authority for Rapid Transportation					
Compensated absences	\$ 966	\$ 801	\$ 937	\$ 830	\$ 434
Delayed claims	32,000	34,077	32,000	34,077	34,077
Environmental remediation	100	31	-	131	-
Lease obligations	21,086	-	3,891	17,195	4,019
Total	\$ 54,152	\$ 34,909	\$ 36,828	\$ 52,233	\$ 38,530
Oahu Transit Services, Inc.					
Compensated absences	\$ 7,742	\$ 272	\$ 671	\$ 7,343	\$ 829
Total	\$ 7,742	\$ 272	\$ 671	\$ 7,343	\$ 829

CITY AND COUNTY OF HONOLULU
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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 of the City 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 2011 through 2022 in the original amount of \$4.52 billion, less discounts of \$3.3 million and adjusted for premiums of \$764.4 million that are being amortized over the related term of the bonds. These bonds bear interest at 0.30% to 6.5%, and mature serially through fiscal year 2047. General obligation debt authorized but not issued yet amounted to \$2.46 billion at June 30, 2022.

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 2011 through 2022 in the original amount of \$691.7 million less a discount of \$293.6 thousand and adjusted for premiums of \$46.2 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 2047.

On August 4, 2021, the City issued general obligation bond Series 2021 in the aggregate amount of \$595.7 million. The bonds were comprised of tax exempt Series A, B, D and taxable Series C, E.

Series 2021A was issued for \$169.6 million. The bonds mature annually on July 1, 2022 through 2046 and bear interest rates of 2.0% to 5.0%. For the bonds maturing on and after July 1, 2032 through 2043 the City may exercise its option of redemption on or after July 1, 2031 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 2021B was issued for \$33.3 million. The bonds mature annually on July 1, 2022 through 2029 and bear an interest rate of 5.0%. The proceeds of the bonds were used to fund related equipment purchases of the City.

Series 2021C was issued for \$20.1 million. The bonds mature on July 1, 2022 through 2046 and bear an interest rates of 0.30% to 3.0%. The proceeds of the

CITY AND COUNTY OF HONOLULU
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bonds were used to fund improvements to the City's H-Power waste to energy facility.

Series 2021D was issued for \$42.9 million. The bonds mature annually on July 1, 2022 through 2046 and bear an interest rate of 2.0% to 4.0%. For the bonds maturing on and after July 1, 2032 through July 1, 2041 the City may exercise its option of redemption on or after July 1, 2031 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 retire \$26.0 million general obligation commercial paper notes and \$21.0 million for the rail project being constructed by HART and the City pays the costs of the issuance of bonds.

Series 2021E was issued for \$329.8 million. The bonds mature annually on March 1, 2026 through 2031 and bear an interest rate of 5.0%. The proceeds of the bonds were used to retire \$275.0 million general obligation commercial paper notes and \$150.0 million to fund a portion of the capital costs of the rail project. As provided in Resolution 15-313, HART is required to reimburse the City for payments of principal, interest and any other cost incurred by the City relating to issuance of Commercial Paper and other forms of general obligations indebtedness. The City is reporting the \$329.8 million as part of advance to component unit. All interest and other financing charges are reimbursed by the component unit. Note 16 details the Memorandum of Understanding between City and HART.

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 2022 was \$36.02 billion. The City's outstanding debt applicable to the legal debt margin totaled \$3.63 billion as of June 30, 2022.

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 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. These letters of credit are for the temporary cash shortages in the operation of the HART. Note 16 discusses the HART executed Memorandum of Understanding (MOU) with the City related to the Commercial Paper Notes. As of June 30, 2022, the City has no outstanding obligation balance on Commercial Paper Notes.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
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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 2022 in the original amount of \$565.6 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 fiscal year 2052 and bear interest rates of 2.8% to 5.0%. The revenue bonds are collateralized by 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 40.8% for fiscal year 2022. The BWS is required under its bond indenture, among other things, to fix, charge, and collect such rates and other charges in each fiscal year to meet the net revenue requirement for such fiscal year. The net revenue requirement is the greater of the sum of the aggregate debt service and all deposits required by bond resolution to be made, or 1.2 times the aggregate debt service. In fiscal year 2022 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 2012 through 2022, in the original amount totaling \$2.88 billion which include direct purchase tax exempt of \$252.5 million, less discounts of \$3.8 million and adjusted for premiums of \$300.8 million, which are being amortized over the related term of the bonds. The bonds bear interest at 0.30% to 5.3%, and mature at various dates through fiscal year 2052.

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

CITY AND COUNTY OF HONOLULU
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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 May 25, 2022, the City issued taxable Senior Series 2022A, for \$241.4 million. The bonds mature annually on July 1, 2026 through 2051 and bear interest rates of 4.0% to 5.3%. For the bonds maturing July 1, 2033 through July 1, 2038, and bonds maturing from July 1, 2041 through July 1, 2051, the City may exercise its option of redemption on or after July 1, 2032 in whole or in part, at any time in any order of maturity selected by the City, and by lot within 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 except for 2047 Term Bonds. The proceeds of the bonds were issued to pay for certain additions and improvements to the wastewater system.

Lease Obligations

The City leases land, buildings and equipment to augment its daily operations. The lease agreements require monthly payments and have various termination dates through fiscal year 2052. Lease obligations are measured at discount rate ranges from 4.4% to 4.9% and are based on the City's estimated incremental borrowing rate unless the discount rate is known.

Annual debt service requirements to maturity for general obligation bonds, revenue bonds and lease obligations at June 30, 2022 including interest of \$2.78 billion were as follows (amounts in thousands):

Governmental Activities:

Year Ending June 30:	Regular Bonds		Leases		Total	
	Interest	Principal	Interest	Principal	Interest	Principal
2023	\$ 164,906	\$ 167,595	\$ 1,326	\$ 10,246	\$ 166,232	\$ 177,841
2024	153,207	221,972	1,031	8,834	154,238	230,806
2025	143,740	238,018	767	7,462	144,507	245,480
2026	132,584	290,765	575	6,058	133,159	296,823
2027	118,716	305,047	422	5,809	119,138	310,856
2028-2032	382,163	1,319,476	480	11,787	382,643	1,331,263
2033-2037	172,463	525,668	26	24	172,489	525,692
2038-2042	72,563	385,738	21	29	72,584	385,767
2043-2047	11,351	179,273	13	37	11,364	179,310
2048-2052	-	-	5	42	5	42
Total	\$ 1,351,693	\$ 3,633,552	\$ 4,666	\$ 50,328	\$ 1,356,359	\$ 3,683,880

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

Business-Type Activities:

Year Ending June 30:	Regular Bonds		Direct Placement Bonds		Leases		Total	
	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2023	\$ 94,456	\$ 107,845	\$ 6,221	\$ 13,445	\$ 86	\$ 218	\$ 100,763	\$ 121,508
2024	94,612	111,638	5,887	14,015	78	228	100,577	125,881
2025	90,833	109,562	5,544	14,095	70	235	96,447	123,892
2026	86,684	113,255	5,196	14,440	61	244	91,940	127,939
2027	81,931	128,928	4,800	17,965	61	311	86,792	147,204
2028-2032	339,022	617,424	16,153	96,420	97	1,228	355,272	715,072
2033-2037	229,516	571,337	2,681	57,415	-	-	232,197	628,752
2038-2042	126,663	424,407	-	-	-	-	126,663	424,407
2043-2047	57,400	307,886	-	-	-	-	57,400	307,886
2048-2052	12,299	121,125	-	-	-	-	12,299	121,125
Total	\$ 1,213,415	\$ 2,613,407	\$ 46,482	\$ 227,795	\$ 453	\$ 2,464	\$ 1,260,350	\$ 2,843,666

Component Units:

Year Ending June 30:	BWS				HART		Total	
	Regular Bonds		Leases		Leases		Interest	Principal
	Interest	Principal	Interest	Principal	Interest	Principal		
2023	\$ 11,333	\$ 13,145	\$ 13	\$ 263	\$ 661	\$ 4,019	\$ 12,007	\$ 17,427
2024	11,900	14,845	8	172	486	4,198	12,394	19,215
2025	11,364	15,370	3	171	298	4,535	11,665	20,076
2026	10,766	17,375	-	41	112	3,050	10,878	20,466
2027	10,188	17,955	-	1	33	1,393	10,221	19,349
2028-2032	43,197	97,500	-	-	-	-	43,197	97,500
2033-2037	29,193	78,690	-	-	-	-	29,193	78,690
2038-2042	19,379	35,905	-	-	-	-	19,379	35,905
2043-2047	12,181	43,095	-	-	-	-	12,181	43,095
2048-2052	3,415	42,405	-	-	-	-	3,415	42,405
Total	\$ 162,916	\$ 376,285	\$ 24	\$ 648	\$ 1,590	\$ 17,195	\$ 164,530	\$ 394,128

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 \$321.2 million at June 30, 2022, bear interest at 0.8% to 4.0%, and require annual principal and interest payments through fiscal year 2042.

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,

CITY AND COUNTY OF HONOLULU
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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 \$126.1 million at June 30, 2022, bear interest at 0.3% to 5.0% and require annual principal and interest payments through fiscal year 2042.

Annual debt service requirements to maturity for the City's primary government and component units for notes payable from direct borrowings at June 30, 2022 including interest of \$40.8 million were as follows (amounts in thousands):

Year Ending June 30:	Primary Government		BWS	
	Interest	Principal	Interest	Principal
2023	\$ 3,179	\$ 29,161	\$ 1,709	\$ 7,501
2024	2,918	29,236	1,608	7,591
2025	2,657	29,406	1,502	7,674
2026	2,394	29,578	1,394	7,608
2027	2,134	27,217	1,291	7,646
2028-2032	7,666	91,790	4,912	39,408
2033-2037	3,809	50,149	2,321	34,164
2038-2042	941	34,710	399	14,491
Total	\$ 25,698	\$ 321,247	\$ 15,136	\$ 126,083

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, 2022, \$585.7 million of the City's and \$135.6 million of the Board of Water Supply's bonds outstanding were considered defeased.

CITY AND COUNTY OF HONOLULU
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9. Net Position

At June 30, 2022, net position of the primary government consisted of the following (amounts in thousands):

	Governmental Activities	Business-Type Activities
Net Investment in Capital Assets:		
Property, plant and equipment, net	\$ 3,288,449	\$ 4,806,377
Add (Less):		
General obligation bonds payable, net	(2,891,574) *	(594,379)
Revenue bonds payable, net	-	(2,406,700)
Notes payable and other long-term debt	(50,422)	(323,617)
Deferred loss on refunding	64,327	100,497
Amount of debt related to unspent debt proceeds	207,462	278,650
Total net investment in capital assets	618,242	1,860,828
Restricted for Debt Service	1,182,021	115,746
Unrestricted	(4,226,568)	1,097,167
Total net position	\$ (2,426,305)	\$ 3,073,741

* Total general obligation bonds payable net is \$4,057.0 million however \$1,165.4 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 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

CITY AND COUNTY OF HONOLULU
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under the contributory class or to elect the new noncontributory class and receive a refund of employee contributions. In 2004, legislation was enacted to create a hybrid retirement class, which took effect July 1, 2006. Employees in the contributory and noncontributory class were given the option to join the hybrid class or to remain in their existing class effective July 1, 2006. Starting July 1, 2006, all new employees covered by social security are required to join the hybrid class.

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

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

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

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

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
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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 2022 are as follows:

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

Contributions to the ERS pension plan for the City and its' component units for the fiscal year ended June 30, 2022 were as follows (amounts in thousands):

	Primary Government	Component Units
Pension Contributions	\$ 253,756	\$ 12,180

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 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

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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 43.0%. Contributions to the plan were \$4.0 million for the fiscal year ended June 30, 2022.

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 November 30, 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 \$20.7 million for the fiscal year ended June 30, 2022. The payable to the pension plan was \$1.4 million as of June 30, 2022. The WCT Plan issues a publicly available financial report that may be obtained by writing to Western Conference of Teamsters Pension Trust Fund Board of Trustees, 2323 Eastlake Avenue East, Seattle, Washington 98102-3305.

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions – At June 30, 2022 the City reported net pension liability as shown below (amounts in thousands):

	Primary Government	Component Units
Net Pension Liability	\$ 2,270,106	\$ 141,851

The net pension liability for the City and component units, BWS and HART, was measured as of June 30, 2021, and the total pension liability used to calculate the

CITY AND COUNTY OF HONOLULU
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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, 2021, and the reporting date, June 30, 2022, that are expected to have a significant effect on the proportionate share of the net pension liability. At June 30, 2021 the City, BWS and HART proportions were as shown below:

	Primary Government	Component Units
Proportionate Share of Pension Liability	18.60%	1.05%
Increase/(decrease) in Proportionate Share from June 30, 2020	(0.48%)	0.01%

The net pension liability for the OTS single-employer pension plan was measured as of March 1, 2022 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, 2022, the City recognized pension expense as follows (amounts in thousands):

	Primary Government	Component Units
Pension Expense	\$ 274,818	\$ 16,678

At June 30, 2022, 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	\$ 95,234	\$ (17,307)	\$ 5,623	\$ (79)
Net difference between projected and actual earnings on pension plan investments	-	(463,839)	877	(22,818)
Changes of assumptions	2,692	(1,146)	2,984	(1,230)
Changes in proportion and difference between contributions and proportionate share of contributions	96,673	(28,122)	6,377	(6,993)
Contributions subsequent to the measurement date	214,130	-	14,285	-
	\$ 408,729	\$ (510,414)	\$ 30,146	\$ (31,120)

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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	\$ 214,130	\$ 14,285

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:		
2023	\$ (51,112)	\$ (2,828)
2024	(51,980)	(3,485)
2025	(82,675)	(3,580)
2026	(131,887)	(5,366)
2027	1,839	148
Thereafter	-	(148)
	\$ (315,815)	\$ (15,259)

Actuarial Assumptions –

Hawaii Employees’ Retirement System – The actuarial assumptions used in the June 30, 2021 valuation were based on the results of the 2018 5-year Actuarial Experience Study. The ERS updates their experience study every five years.

The total pension liability in the June 30, 2021 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

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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 estimate of expected long-term geometric average strategic range as of June 30, 2021 for each risk based class are summarized in the following table:

Strategic Allocation (Risk Based Classes)	Target Allocation	Expected Long-Term Geometric Average Strategic Range*
Broad Growth	63.00%	8.00%
Diversifying Strategies	37.00%	5.10%
	100.00%	

*Uses an expected inflation of 2.1%

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

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

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	Net Pension Liability		
	1% Decrease	Discount Rate	1% Increase
	6.00%	7.00%	8.00%
Primary Government	\$ 3,202,046	\$ 2,270,106	\$ 1,501,775
Component Units (BWS and HART)	\$ 175,074	\$ 128,358	\$ 89,842

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, 2021 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, 2022 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 v2021 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-2021.

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 2022 to 2067. 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

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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%
	<u>100.00%</u>	

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

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

	Net Pension Liability		
	1% Decrease	Discount Rate	1% Increase
	6.00%	7.00%	8.00%
Component Unit (OTS)	<u>\$ 16,491</u>	<u>\$ 13,493</u>	<u>\$ 10,880</u>

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, 2022 the City reported payables to the pension plan as follows (amounts in thousands):

	Primary Government	Component Units
Pension Payable	<u>\$ 67,438</u>	<u>\$ 2,056</u>

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

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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. 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.

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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. 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

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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	7,730	1,167
Inactive plan members entitled to but not yet receiving benefits	788	64
Active plan members	8,674	2,479
Total	17,192	3,710

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

The OPEB contributions (comprised of pay-as-you-go retiree costs and prefunding amounts paid to EUTF) are established by Hawaii State statutes 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 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 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. Including 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

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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 during fiscal year 2021. This relief provision was extended to fiscal year 2022 and 2023 by Act 229, SLH 2021. The City did not utilize this relief provision for fiscal year 2022.

OPEB contributions were as follows for the fiscal year ended June 30, 2022 (amounts in thousands):

	Primary Government	BWS and HART
OPEB Contributions	\$ 197,569	\$ 9,836

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
	July 1, 2022 to June 30, 2023	1.28
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 November 30, 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, 2022 amounted to approximately \$5.0 million.

Net OPEB Liability

The actuarial valuation and measurement dates for the net OPEB liability were July 1, 2021 for the City, BWS and HART, and June 30, 2022 for OTS. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of those dates.

For the fiscal year ended June 30, 2022, the following amounts (in thousands) were reported as net OPEB liability:

	Primary Government	Component Units
Net OPEB Liability	\$ 1,472,298	\$ 278,450

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Actuarial assumptions and methods – City, BWS and HART - The total OPEB liability reflected in the actuarial valuation report as of July 1, 2021 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 7.3%, declining to a rate of 4.7% after 12 years
HMO*	Initial rate of 7.3%, declining to a rate of 4.7% after 12 years
Part B and BMC	Initial rate of 5.0%, declining to a rate of 4.7% after 9 years
Dental	4.0%
Vision	2.5%
Life Insurance	0.0%

* Blended rates for medical and prescription drug

Actuarial assumptions – OTS – The OPEB liability was measured as of June 30, 2022, 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	4.1%
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-2021.

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 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

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June 30, 2021 and instead limit their contribution amounts to the OPEB benefits due. This relief provision was extended to fiscal year 2022 and 2023 by Act 229, SLH 2021. The OPEB plan's fiduciary net position is still 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>	Target <u>Allocation</u>	Long-Term Expected <u>Real Rate of Return</u>
Private Equity	12.5%	10.2%
U.S. Microcap	6.0%	7.6%
U.S. Equity	16.0%	6.1%
Non-U.S. Equity	11.5%	7.1%
Global Options	5.0%	4.3%
Real Assets	10.0%	6.2%
Private Credit	8.0%	5.8%
TIPS	5.0%	-0.1%
Long Treasuries	6.0%	1.1%
Alternative Risk Premia	5.0%	1.5%
Trend Following	10.0%	2.0%
Reinsurance	5.0%	4.4%
Total	<u>100.0%</u>	

Discount rate – OTS – A discount rate of 4.1% 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 S&P "Municipal Bond 20 Year High Grade Rate") at the prior measurement date of June 30, 2021 was 2.2%.

Changes in Net OPEB Liability - The following table presents the fiscal year 2022 changes in net OPEB liability (amounts in thousands) with measurement dates for

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the net OPEB liability of July 1, 2021 for the City, BWS and HART, and June 30, 2022 for OTS:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Primary Government:			
Beginning balances	\$ 2,455,565	\$ (732,059)	\$ 1,723,506
Changes for the year:			
Service cost	46,591	-	46,591
Interest on the total OPEB liability	170,600	-	170,600
Difference between expected and actual experience	(83,264)	-	(83,264)
Employer contributions	-	(190,106)	(190,106)
Net investment income	-	(195,285)	(195,285)
Benefit payments	(83,430)	83,430	-
Administrative expense	-	100	100
Other	-	156	156
Net changes	50,497	(301,705)	(251,208)
Ending balances	\$ 2,506,062	\$ (1,033,764)	\$ 1,472,298
Component Units:			
Beginning balances	\$ 470,653	\$ (94,126)	\$ 376,527
Changes for the year:			
Service cost	16,660	-	16,660
Interest on the total OPEB liability	18,177	-	18,177
Difference between expected and actual experience	(8,202)	-	(8,202)
Changes of assumptions	(84,799)	-	(84,799)
Employer contributions	-	(9,270)	(9,270)
Net investment income	-	(25,687)	(25,687)
Benefit payments	(11,178)	6,198	(4,980)
Administrative expense	-	13	13
Other	-	11	11
Net changes	(69,342)	(28,735)	(98,077)
Ending balances	\$ 401,311	\$ (122,861)	\$ 278,450

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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 4.1% 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 3.1% for OTS) or one percent higher than the current rate (that is, 8.0% for the City, BWS and HART, and 5.1% for OTS) as shown below (amounts in thousands):

	Net OPEB Liability		
	Current Discount		
	1.0% Decrease	Rate Assumption	1.0% Increase
Primary Government	\$ 1,860,679	\$ 1,472,298	\$ 1,167,112
Component Units	342,802	278,450	227,092

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	\$ 1,154,672	\$ 1,472,298	\$ 1,881,831
Component Units	223,488	278,450	348,372

OPEB Expense, and Deferred Outflows and Deferred Inflows of Resources Related to OPEB – For the fiscal year ended June 30, 2022, OPEB expense was recognized as follows (amounts in thousands):

	Primary Government	Component Units
OPEB Expense	\$ 98,198	\$ 27,365

At June 30, 2022, 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	\$ -	\$ (189,048)	\$ 18,334	\$ (34,443)
Changes in assumptions	18,049	(9,102)	46,380	(85,937)
Net difference between projected and actual earnings on investments	-	(87,474)	-	(11,513)
Change in proportionate share between City funds	9,329	(9,329)	-	-
Contributions subsequent to measurement date	197,569	-	9,836	-
Total	<u>\$ 224,947</u>	<u>\$ (294,953)</u>	<u>\$ 74,550</u>	<u>\$ (131,893)</u>

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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, 2022 as follows (amounts in thousands):

	Primary Government	Component Units
Subsequent Contributions	\$ 197,569	\$ 9,836

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
2023	\$ (62,531)	\$ (9,312)
2024	(61,929)	(9,307)
2025	(64,151)	(9,404)
2026	(66,476)	(9,521)
2027	(12,488)	(3,939)
Thereafter	-	(25,696)
Total	\$ (267,575)	\$ (67,179)

Payable to the OPEB Plans – OTS reported a payable of \$2.2 million for the outstanding amount of required contributions to the OPEB plans as of June 30, 2022. The City, BWS, and HART did not report a payable to the OPEB plan as of June 30, 2022.

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, 2022, the City had \$17.3 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, 2022 these assets amounted to \$25.0 million. At June 30, 2022, restricted investments include investments held in clearance accounts amounted to \$58.0 thousand.

Due to the implementation of GASB Statement No. 87, *Leases*, during fiscal year 2022 the City reported lease receivables and deferred inflows of resources related to leases of approximately \$276.4 thousand at July 1, 2021.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

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 for debt service, unspent bond proceeds reserved for future wastewater construction projects, and investments held in clearance accounts. At June 30, 2022, restricted investments totaled \$200.6 million.

Due to the implementation of GASB Statement No. 87, *Leases*, during fiscal year 2022 the City reported lease assets and lease liabilities of approximately \$39.6 thousand at July 1, 2021. In addition, the City reported lease receivables and deferred inflows of resources related to leases of approximately \$401.0 thousand at June 30, 2022.

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, 2022, these assets amounted to \$94.6 million.

Due to the implementation of GASB Statement No. 87, *Leases*, during fiscal year 2022 the City reported lease liabilities and lease assets of approximately \$7.2 thousand at July 1, 2021.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

H-POWER Facility

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

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

As of June 30, 2022, the City had \$378.9 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 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, 2021 to June 30, 2022 was approximately \$548.0 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, 2022, these assets held by OTS amounted to \$2.8 million. Restricted investments include investments held in clearance accounts. At June 30, 2022, these restricted investments amounted to \$1.4 million.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

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.

Due to the implementation of GASB Statement No. 87, *Leases*, during fiscal year 2022, the City reported lease liabilities and lease assets of approximately \$2.6 million at July 1, 2021.

13. Commitments and Encumbrances

Leases (Lessor)

The City entered into various agreements to lease certain City properties to non-profit organizations, telecommunication companies, for-profit companies and other organizations. These multi-year agreements have terms ranging from 4 to 65 years through February 2056. At June 30, 2022, lease receivables of \$14.5 million were reported in the governmental fund balance sheet statements and proprietary fund statement of net position. For the year ended June 30, 2022, the City’s lease and interest revenue was approximately \$675.7 thousand and \$411.0 thousand, respectively.

Future minimum lease incomes under such terms at June 30, 2022 were as follows (amounts in thousands):

Year Ending June 30:	Governmental Funds		Business-Type Funds		Total	
	Interest	Principal	Interest	Principal	Interest	Principal
2023	\$ 360	\$ 514	\$ 29	\$ 24	\$ 389	\$ 538
2024	339	417	28	28	367	445
2025	322	365	26	31	348	396
2026	307	353	25	35	332	388
2027	292	372	24	38	316	410
2028 - 2032	2,041	1,938	89	217	2,130	2,155
2033 - 2037	1,980	1,886	52	129	2,032	2,015
2038 - 2042	1,527	2,536	16	154	1,543	2,690
2043 - 2047	887	3,241	-	-	887	3,241
2048 - 2052	296	1,512	-	-	296	1,512
2053 - 2057	83	740	-	-	83	740
Total	\$ 8,434	\$ 13,874	\$ 289	\$ 656	\$ 8,723	\$ 14,530

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

Concessions

The City grants to others concession rights and real property under concession contracts, which expire at various dates through fiscal year 2047. Certain contracts provide for periodic renegotiation of assessments. The cost, accumulated depreciation and net book value of these concession assets are as follows (amount in thousands):

<u>Asset Class</u>	<u>Cost at Date of Acquisition</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$ 2,942	\$ -	\$ 2,942
Buildings and Improvements	<u>46,938</u>	<u>(42,282)</u>	<u>4,656</u>
Totals	<u>\$ 49,880</u>	<u>\$ (42,282)</u>	<u>\$ 7,598</u>

Future minimum concession incomes under such terms at June 30, 2022 were as follows (amounts in thousands):

Year Ending June 30:

2023	\$ 1,306
2024	772
2025	753
2026	746
2027	745
2028 - 2032	129
2033 - 2037	65
2038 - 2042	11
2043 - 2047	5
Total minimum concession income	<u>\$ 4,532</u>

Other Commitments and Encumbrances

Contractual commitments for capital projects, expenses and supplies at June 30, 2022 are encumbered in the governmental funds and are in thousands as follows:

Governmental Funds:

Major Governmental Funds:

General Fund	\$ 101,731
Highway Fund	14,906
Federal Grant Fund	<u>242,837</u>
Total Major Funds	<u>359,474</u>
Nonmajor Funds - Other Governmental Funds	<u>621,493</u>
Total	<u>\$ 980,967</u>

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

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, 2022:

Proprietary Funds:	
Housing	\$ 20
Sewer	1,107,548
Solid Waste	151,047
Public Transportation System	33,077
Total Proprietary Funds	<u>1,291,692</u>
Component Units:	
Board of Water Supply	417,422
Honolulu Authority for Rapid Transportation	1,120,000
Total Component Units	<u>1,537,422</u>
Total Business-Type Activities including Component Units	<u>\$ 2,829,114</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, 2022, the estimated total liability of the City for claims and judgments amounted to \$134.5 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, 2022

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, 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	41,978	79,116	121,094
Add, Incurred losses and loss adjustment expenses	16,092	39,790	55,882
Less, Payments	<u>(8,467)</u>	<u>(33,975)</u>	<u>(42,442)</u>
Balance at June 30, 2022	<u>\$ 49,603</u>	<u>\$ 84,931</u>	<u>\$ 134,534</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 \$13.9 million reported as the liability in the Solid Waste Special Fund for closure and postclosure care costs at June 30, 2022 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, 2022

Schedule of Solid Waste Special Fund Liability

	<u>Capacity Used</u>	<u>Closure Date</u>	<u>Liability at June 30, 2022</u>	<u>Total Estimated Cost</u>
Waipahu incinerator landfill	100.0%	October 1991	\$ 7,295	\$ 27,708
Kapaa sanitary landfill	100.0%	May 1997	6,612	24,959
Total			<u>\$ 13,907</u>	<u>\$ 52,667</u>

The Proprietary Funds Statement of Net Position records the landfill liability as current and noncurrent liabilities. The current portion of \$1.2 million is included in other current liabilities and the noncurrent portion of \$12.7 million is included in estimated liability for landfill closure and postclosure care costs.

For fiscal year 2022, 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, 2022 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, 2022 the estimated capacity used is 77.3% and the estimated remaining life of the landfill is 14.4 years. The total closure and postclosure costs, estimated at \$62.2 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 required 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, 2022

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 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.
- On July 1, 2021, EPA transmitted a Notice of Opportunity to Resolve Clean Water Act Violations regarding the City’s Kailua Regional WWTP. Settlement negotiations are ongoing.
- On February 25, 2022, DOH transmitted a Request for Information regarding sanitary sewer overflows within the Sand Island WWTP collection system. The City provided an initial response on March 30, 2022, with a supplementary response provided on April 14, 2022.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

- On May 11, 2022, DOH issued a Notice of Apparent Violation and Request for Information regarding the City's Honouliuli WWTP. The City responded on June 6, 2022.

No other incident of noncompliance is subject to existing or threatened enforcement.

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 allowed 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 \$2.84 billion in capital funding for mandated projects from fiscal year 2009 through fiscal year 2021 (which includes the 10 year collection system portion of the consent decree). Of this amount, \$1.39 billion was provided for the collection system, much of this going toward work that was already required or planned. The amount for treatment plant improvements included \$500 million for upgrades at Honouliuli, and \$750 million for the first phases of the upgrades at Sand Island. The second phase of the Sand Island upgrade is expected to incur approximately \$2.0 billion in capital costs from fiscal year 2022 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.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

Certification of the City's fulfillment of the collection system portion of the Consent Decree was approved via letter from EPA and DOH dated January 28, 2021. The City had additionally obtained an extension to complete a single remaining collection system project, SI-CS-10, which was timely completed on April 20, 2022.

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, 2022, the Department reached settlements of lawsuits and claims related to the Wastewater System and paid Judgment, Settlements and Losses with general funds of approximately \$385 thousand.

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 \$36.3 million as of June 30, 2022, with tanks having a remaining useful life ranging from 0 to 22 years.

16. Discretely Presented Component Units

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.

Red Hill Bulk Fuel Storage Facility – In late November 2021 the Navy reported a fuel spill at its Red Hill Bulk Fuel Storage Facility (RHBFSF). On December 2, 2021, following the Navy's determination that its Red Hill shaft water source was contaminated with petroleum from the leak, the BWS shut down the Halawa shaft pumping station. The BWS took further precautionary action on December 8, 2021 and shut down its Halawa and Aiea wells to prevent possible contamination from reaching the BWS Honolulu water system. On March 7, 2022 the Secretary of Defense directed the Navy to permanently close the RHBFSF. Work to determine the nature and extent of the damage is ongoing and the related impact of the leak on the BWS financial statements cannot be reasonably determined at this time.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

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 \$3.2 million for the fiscal year ended June 30, 2022. The expenditures related to these fees are included in contractual services expenses of the Sewer Fund in the accompanying statement of revenues, expenses and changes in net position for the Proprietary Funds.

Central Administrative Services Expense (CASE) Fee – BWS has an ongoing agreement with the City to pay a CASE fee for treasury, personnel, purchasing and other administrative services. The Board's Charter allows for a CASE fee to the extent that it represents a reasonable charge for services necessary for the BWS to perform its duties. For the fiscal year ended June 30, 2022, 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 annual advance payments to BWS. At June 30, 2022, a balance of approximately \$2.0 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 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 \$168.8 million.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

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, 2022, CASE fees amounted to \$3.0 million.

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, 2022, has no outstanding commercial paper notes.

Per Section 3.06 of the MOU, as of June 30, 2022, \$89.3 million was deposited into the PBRA and an aggregate total of \$1.08 billion is reported as advances from the City.

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, 2022, the City’s reimbursement to OTS for personnel costs totaled \$204.4 million.

CITY AND COUNTY OF HONOLULU
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2022

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

17. Subsequent Events

On August 4, 2022, the City issued General Obligation Bonds, tax exempt series 2022A and taxable series 2022B and 2022C, in the aggregate amount of \$244.5 million. The Series 2022A and Series 2022C Bonds are not subject to redemption prior to maturity. Series A proceeds will be used as forward refunding of Series 2012B and Series C proceeds will be used to fund certain purchases of equipment.

Series 2022B Bonds maturing July 1, 2033 through July 1, 2047 except Bonds maturing July 1, 2039 are subject to redemption, at the option of the City on or after July 1, 2032, in whole or in part at any time. The bond proceeds will be used to fund certain capital improvement projects.

Bonds Series	Range of interest rates	Mature Annually November 1, July 1,	Par Amount (in thousands)
2022A	5.00%	2023 - 2029	\$ 147,020
2022B	3.50% - 5.25%	2023 - 2047	75,065
2022C	5.00%	2023 - 2030	22,390
Total Par Amount			<u>\$ 244,475</u>

**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, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 1,405,192	\$ 1,405,192	\$ 1,469,227	\$ 64,035
Licenses and permits	46,742	46,742	42,561	(4,181)
Intergovernmental	56	56	53	(3)
Charges for services	8,258	8,258	7,544	(714)
Fines and forfeits	1,125	1,125	1,094	(31)
Miscellaneous:				
Recoveries	56,729	56,729	43,635	(13,094)
Interest	1,122	1,122	(19,949)	(21,071)
Other	4,491	4,491	9,491	5,000
Total Revenues	<u>1,523,715</u>	<u>1,523,715</u>	<u>1,553,656</u>	<u>29,941</u>
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	18,606	18,926	17,904	1,022
City Clerk	4,657	4,657	3,594	1,063
City Council	9,226	9,226	7,228	1,998
Corporation Counsel	15,755	16,195	12,957	3,238
Customer Services	24,492	24,597	22,770	1,827
Design and Construction	14,084	14,321	12,924	1,397
Emergency Services	908	1,142	1,095	47
Facility Maintenance	30,785	32,809	30,996	1,813
Human Resources	7,052	7,155	6,552	603
Information Technology	24,139	24,446	23,358	1,088
Land Management	4,143	4,143	3,698	445
Mayor	6,906	7,243	5,932	1,311
Office of the City Auditor	1,999	1,999	1,749	250
Office of Council Services	2,814	2,814	2,207	607
Planning and Permitting	17,691	18,280	15,809	2,471
Prosecuting Attorney	23,781	23,781	21,961	1,820
Total General government	<u>207,038</u>	<u>211,734</u>	<u>190,734</u>	<u>21,000</u>
Public safety:				
Emergency Management	1,323	1,323	1,186	137
Emergency Services	65,797	66,352	58,492	7,860
Fire	139,723	139,723	134,251	5,472
Medical Examiner	3,852	3,852	3,410	442
Planning and Permitting	6,611	6,808	6,489	319
Police	294,483	295,994	277,869	18,125
Transportation Services	75	75	59	16
Total Public safety	<u>511,864</u>	<u>514,127</u>	<u>481,756</u>	<u>32,371</u>
Highways and streets:				
Facility Maintenance	20,609	20,960	19,281	1,679
Sanitation:				
Environmental Services	114	114	81	33

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Human services:				
Community Services	32,522	33,229	29,367	3,862
Culture-recreation:				
Mayor	2,386	2,462	2,280	182
Parks and Recreation	95,019	95,996	91,473	4,523
Total Culture-recreation	97,405	98,458	93,753	4,705
Utilities or other enterprises:				
Transportation Services	1,988	1,988	14,934	(12,946)
Miscellaneous:				
Retirement and health benefits:				
City Council	5,928	5,928	5,737	191
Provisional	465,218	465,218	439,104	26,114
Total Retirement and health benefits	471,146	471,146	444,841	26,305
Other:				
City Council	135	135	--	135
Provisional	60,597	51,527	43,443	8,084
Total Other	60,732	51,662	43,443	8,219
Total Miscellaneous	531,878	522,808	488,284	34,524
Capital improvements:				
General government	209	209	25	184
Capital improvements	209	209	25	184
Total Expenditures	1,403,627	1,403,627	1,318,215	85,412
Revenues over Expenditures	120,088	120,088	235,441	115,353
Other Financing Sources (Uses):				
Transfers in	198,244	198,244	195,747	(2,497)
Transfers out	(581,307)	(581,307)	(576,938)	4,369
Total Other Financing Sources (Uses)	(383,063)	(383,063)	(381,191)	1,872
Net change in Fund Balance	(262,975)	(262,975)	(145,750)	117,225
Encumbrances	--	--	91,360	91,360
Fund Balance - July 1	263,224	263,224	337,137	73,913
Fund Balance - June 30	\$ 249	\$ 249	\$ 282,747	\$ 282,498

See accompanying notes to budgetary comparison schedules.

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 86,872	\$ 86,872	\$ 89,959	\$ 3,087
Licenses and permits	181,091	181,091	194,605	13,514
Intergovernmental	--	--	7	7
Charges for services	5,957	5,957	5,330	(627)
Fines and forfeits	25	25	12	(13)
Miscellaneous:				
Recoveries	1,182	1,182	947	(235)
Other	1,506	1,506	1,455	(51)
Total Revenues	<u>276,633</u>	<u>276,633</u>	<u>292,315</u>	<u>15,682</u>
Expenditures:				
Current:				
General government:				
Design and Construction	7,889	8,009	7,328	681
Facility Maintenance	22,586	22,710	17,642	5,068
Planning and Permitting	2,796	2,872	2,707	165
Total General government	<u>33,271</u>	<u>33,591</u>	<u>27,677</u>	<u>5,914</u>
Public safety:				
Police	12,769	12,783	11,147	1,636
Transportation Services	8,397	8,634	7,657	977
Total Public safety	<u>21,166</u>	<u>21,417</u>	<u>18,804</u>	<u>2,613</u>
Highways and streets:				
Facility Maintenance	31,032	32,266	28,935	3,331
Utilities or other enterprises:				
Transportation Services	6,163	6,312	5,997	315
Miscellaneous:				
Retirement and health benefits:				
Provisional	34,370	34,370	33,730	640
Other:				
Provisional	7,166	5,212	2,361	2,851
Total Miscellaneous	<u>41,536</u>	<u>39,582</u>	<u>36,091</u>	<u>3,491</u>
Capital improvements:				
General government	342	342	342	--
Total Capital improvements	<u>342</u>	<u>342</u>	<u>342</u>	<u>--</u>
Total Expenditures	<u>133,510</u>	<u>133,510</u>	<u>117,846</u>	<u>15,664</u>

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues over Expenditures	143,123	143,123	174,469	31,346
Other Financing Source (Use):				
Sales of capital assets	195	195	602	407
Transfers out	(156,859)	(156,859)	(154,362)	2,497
Total Other Financing Source (Use)	(156,664)	(156,664)	(153,760)	2,904
Net change in Fund Balance	(13,541)	(13,541)	20,709	34,250
Encumbrances	--	--	14,906	14,906
Fund Balance - July 1	13,541	13,541	26,036	12,495
Fund Balance - June 30	\$ --	\$ --	\$ 61,651	\$ 61,651

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, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 162,395	\$ 316,019	\$ 331,628	\$ 15,609
Miscellaneous:				
Interest	--	--	1	1
Other	82	82	309	227
Total Revenues	162,477	316,101	331,938	15,837
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	1,016	1,591	473	1,118
Corporation Council	129	129	129	--
Customer Services	1,219	1,219	1,119	100
Design and Construction	1,370	2,170	2,170	--
Human Resources	11	11	11	--
Information Technology	1,011	1,011	945	66
Land Management	28	28	28	--
Mayor	276,575	374,389	368,187	6,202
Planning and Permitting	278	278	278	--
Prosecuting Attorney	3,070	4,307	2,751	1,556
Total General government	284,707	385,133	376,091	9,042
Public safety:				
Emergency Management	1,348	17,355	4,114	13,241
Emergency Services	757	757	256	501
Fire	414	786	478	308
Medical Examiner	82	228	185	43
Police	7,238	23,111	11,530	11,581
Transportation Services	4,759	5,273	4,959	314
Total Public safety	14,598	47,510	21,522	25,988
Highways and streets:				
Facility Maintenance	1,400	1,400	--	1,400
Human services:				
Community Services	63,596	89,125	52,521	36,604
Culture-recreation:				
Enterprise Services	--	4,584	4,584	--
Parks and Recreation	1,105	1,150	375	775
Total Culture-recreation	1,105	5,734	4,959	775

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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>
Utilities or other enterprises:				
Transportation Services	114,482	114,541	114,478	63
Total Expenditures	<u>479,888</u>	<u>643,443</u>	<u>569,571</u>	<u>73,872</u>
Net change in Fund Balance	(317,411)	(327,342)	(237,633)	89,709
Encumbrances	--	--	242,837	242,837
Fund Balance - July 1	<u>--</u>	<u>--</u>	<u>14,084</u>	<u>14,084</u>
Fund Balance - June 30	<u><u>\$ (317,411)</u></u>	<u><u>\$ (327,342)</u></u>	<u><u>\$ 19,288</u></u>	<u><u>\$ 346,630</u></u>

CITY AND COUNTY OF HONOLULU
NOTES TO BUDGETARY COMPARISON SCHEDULES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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	\$ (145,750)	\$ 20,709	\$ (237,633)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances	91,360	14,906	242,837
Changes in Fund Balance for legal separate funds combined with the General Fund per GASB 54	8,188	--	--
Net change in Fund Balance per Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ (46,202)	\$ 35,615	\$ 5,204

CITY AND COUNTY OF HONOLULU
EMPLOYEES' RETIREMENT SYSTEM - PENSION PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 Fiscal Years 2013 - 2021
 (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, 2021	18.60%	\$ 2,270,106	\$ 700,332	324.15%	64.25%
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 2013 - 2022
(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, 2022	\$ 253,897	\$ 253,756	\$ (141)	\$ 673,922	37.65%
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%

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, 2022

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, 2021.

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> July 1, 2020 and thereafter	<u>Police and Fire</u>	<u>General</u> <u>Employees</u>
July 1, 2019	41.0%	24.0%
July 1, 2018	36.0%	22.0%
July 1, 2017	31.0%	19.0%
July 1, 2015	28.0%	18.0%
July 1, 2014	25.0%	17.0%
July 1, 2013	24.0%	16.5%
July 1, 2012	23.0%	16.0%
July 1, 2011	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 - 2021
(Amounts in thousands)

	2021	2020	2019	2018	2017
Total OPEB liability					
Service cost	\$ 46,591	\$ 48,212	\$ 45,917	\$ 44,698	\$ 43,835
Interest on the total OPEB liability	170,600	173,113	163,723	155,684	147,732
Difference between expected and actual experience of the total OPEB liability .	(83,264)	(158,493)	(9,002)	(36,127)	--
Changes of assumptions	--	(13,867) (a)	16,227	31,781	--
Benefit payments	(83,430)	(84,672)	(83,074)	(80,555)	(76,220)
Net change in total OPEB liability	50,497	(35,707) (a)	133,791	115,481	115,347
Total OPEB liability - July 1	2,455,565	2,491,272	2,357,481	2,242,000	2,126,653
Total OPEB liability - June 30	<u>\$ 2,506,062</u>	<u>\$ 2,455,565 (a)</u>	<u>\$ 2,491,272</u>	<u>\$ 2,357,481</u>	<u>\$ 2,242,000</u>
Plan fiduciary net position					
Employer contributions	\$ 190,106	\$ 183,677	\$ 177,331	\$ 143,665	\$ 125,017
Net investment income	195,285	13,620	22,566	30,844	30,907
Benefit payments	(83,430)	(84,672)	(83,074)	(80,555)	(76,220)
OPEB plan administrative expense	(100)	(102)	(169)	(95)	(72)
Other	(156)	(153) (a)	36,505	--	1,147
Net change in plan fiduciary net position	301,705	112,370 (a)	153,159	93,859	80,779
Plan fiduciary net position - July 1	732,059	619,689	466,530	372,671	291,892
Plan fiduciary net position - June 30	<u>\$ 1,033,764</u>	<u>\$ 732,059 (a)</u>	<u>\$ 619,689</u>	<u>\$ 466,530</u>	<u>\$ 372,671</u>
Net OPEB liability - June 30	<u>\$ 1,472,298</u>	<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	41.3%	29.8%	24.9%	19.8%	16.6%
Covered-employee payroll	\$ 712,833	\$ 689,783	\$ 667,656	\$ 648,001	\$ 626,639
Net OPEB liability as a percentage of covered-employee payroll	206.5%	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.

(a) Revised from previous financial statements.

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

FISCAL YEARS 2018 - 2022

(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, 2022	\$ 197,569	\$ 197,569	\$ --	\$ 673,922	29.3%
June 30, 2021	\$ 190,106	\$ 190,106	\$ --	\$ 712,833 (a)	26.7% (a)
June 30, 2020	\$ 183,677	\$ 183,677	\$ --	\$ 689,783	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, 2022

Valuation Date:	The actuarially determined contribution for the fiscal year ended June 30, 2022 was developed in the July 1, 2019 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	17.2 as of the fiscal year ended June 30, 2022
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, 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 8.0%, declining to a rate of 4.9% after 12 years
HMO*	Initial rate of 8.0%, declining to a rate of 4.9% after 12 years
Part B	Initial rate of 5.0%, declining to a rate of 4.7% after 11 years
Dental	5.0% for the first two years; followed by 4.0% for all future years
Vision	0.0% for the first two 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, 2022
 (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.....	\$ 8,481	\$ 2,631	\$ 8,169	\$ 2,492
Receivables:				
Accounts	--	--	--	--
Special Assessments	--	--	--	--
Loans	--	--	--	--
Leases	--	--	--	--
Intergovernmental	--	--	--	--
Payroll Advance	13	6	--	18
Due from other funds	--	--	--	--
Total Assets	\$ 8,494	\$ 2,637	\$ 8,169	\$ 2,510
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 245	\$ 45	\$ 123	\$ 20
Interest and bonds payable-matured	--	--	--	--
Due to other funds	--	--	--	--
Accrued payroll	76	12	--	125
Total Liabilities	321	57	123	145
Deferred Inflow:				
Deferred inflow	--	--	--	--
Total Deferred Inflow	--	--	--	--
Fund Balances:				
Restricted	8,173	2,580	--	2,365
Committed	--	--	8,046	--
Total Fund Balances	8,173	2,580	8,046	2,365
Total Liabilities, Deferred Inflow and Fund Balances	\$ 8,494	\$ 2,637	\$ 8,169	\$ 2,510

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2022
 (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
\$ 1,610	\$ 1,939	\$ 46,713	\$ 30,840	\$ 1,655	\$ 447	\$ 381
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	11	--	--
--	--	--	--	449	--	--
--	16	--	--	8	--	--
--	--	--	4	--	--	--
\$ 1,610	\$ 1,955	\$ 46,713	\$ 30,844	\$ 2,123	\$ 447	\$ 381
\$ 7	\$ 80	\$ --	\$ 95	\$ 636	\$ --	\$ --
--	--	--	--	--	--	--
--	--	--	--	344	--	--
--	84	2	3	30	--	--
7	164	2	98	1,010	--	--
--	--	--	--	11	--	--
--	--	--	--	11	--	--
--	--	46,711	30,746	1,102	--	--
1,603	1,791	--	--	--	447	381
1,603	1,791	46,711	30,746	1,102	447	381
\$ 1,610	\$ 1,955	\$ 46,713	\$ 30,844	\$ 2,123	\$ 447	\$ 381

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2022
 (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.....	\$ 7,818	\$ 5,527	\$ 9,005	\$ 15,419
Receivables:				
Accounts	--	--	--	--
Special Assessments	--	--	--	--
Loans	--	--	--	--
Leases	--	--	--	--
Intergovernmental	--	--	--	1,109
Payroll Advance	--	56	83	14
Due from other funds	--	--	--	32
Total Assets	\$ 7,818	\$ 5,583	\$ 9,088	\$ 16,574
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 105	\$ 191	\$ 161	\$ 851
Interest and bonds payable-matured	--	--	--	--
Due to other funds	2,862	796	1,804	335
Accrued payroll	234	309	221	108
Total Liabilities	3,201	1,296	2,186	1,294
Deferred Inflow:				
Deferred inflow	--	--	--	--
Total Deferred Inflow	--	--	--	--
Fund Balances:				
Restricted	--	--	--	15,280
Committed	4,617	4,287	6,902	--
Total Fund Balances	4,617	4,287	6,902	15,280
Total Liabilities, Deferred Inflow and Fund Balances	\$ 7,818	\$ 5,583	\$ 9,088	\$ 16,574

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2022
 (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
\$ 5,914	\$ 1,017	\$ 13,428	\$ 172	\$ 154,332
--	--	112	--	--
--	--	--	1	--
6,261	--	3,648	--	--
--	--	--	--	--
--	--	33	--	--
--	--	43	--	6
--	--	--	--	--
<u>\$ 12,175</u>	<u>\$ 1,017</u>	<u>\$ 17,264</u>	<u>\$ 173</u>	<u>\$ 154,338</u>
\$ --	\$ --	\$ 96	\$ --	\$ 10,527
--	--	--	8	--
--	--	182	--	--
--	--	141	--	6
--	--	419	8	10,533
<u>6,261</u>	<u>--</u>	<u>3,793</u>	<u>1</u>	<u>--</u>
<u>6,261</u>	<u>--</u>	<u>3,793</u>	<u>1</u>	<u>--</u>
5,914	1,017	13,052	--	--
--	--	--	164	143,805
<u>5,914</u>	<u>1,017</u>	<u>13,052</u>	<u>164</u>	<u>143,805</u>
<u>\$ 12,175</u>	<u>\$ 1,017</u>	<u>\$ 17,264</u>	<u>\$ 173</u>	<u>\$ 154,338</u>

CITY AND COUNTY OF HONOLULU
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 JUNE 30, 2022
 (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.....	\$ 84,245	\$ 18,767	\$ 13,744	\$ 434,746
Receivables:				
Accounts	--	--	--	112
Special Assessments	--	--	--	1
Loans	--	47,898	--	57,818
Leases	--	8,732	--	8,732
Intergovernmental	--	2,227	--	3,818
Payroll Advance	--	--	--	263
Due from other funds	--	--	--	36
Total Assets	\$ 84,245	\$ 77,624	\$ 13,744	\$ 505,526
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 20,588	\$ 1,057	\$ --	\$ 34,827
Interest and bonds payable-matured	--	--	--	8
Due to other funds	--	--	--	6,323
Accrued payroll	--	--	--	1,351
Total Liabilities	20,588	1,057	--	42,509
Deferred Inflow:				
Deferred inflow	--	56,473	--	66,539
Total Deferred Inflow	--	56,473	--	66,539
Fund Balances:				
Restricted	--	20,094	13,744	160,778
Committed	63,657	--	--	235,700
Total Fund Balances	63,657	20,094	13,744	396,478
Total Liabilities, Deferred Inflow and Fund Balances	\$ 84,245	\$ 77,624	\$ 13,744	\$ 505,526

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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, 2022
(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.....	--	606	--	5,435
Intergovernmental.....	--	--	--	--
Charges for services.....	4,734	--	--	58
Fines and forfeits.....	--	--	--	307
Miscellaneous:				
Interest.....	--	--	--	--
Other.....	10	--	2,585	--
Total Revenues.....	<u>4,744</u>	<u>606</u>	<u>2,585</u>	<u>5,800</u>
Expenditures:				
Current:				
General government.....	1,976	--	--	3,153
Public safety.....	--	600	--	--
Highways and streets.....	182	1	--	--
Human services.....	--	--	--	--
Culture-recreation.....	967	--	4	--
Utilities or other enterprises.....	--	--	--	--
Miscellaneous:				
Retirement and health benefits.....	843	179	--	2,198
Other.....	--	--	--	19
Capital Outlay:				
General government.....	--	--	--	109
Public safety.....	--	--	--	--
Highways and streets.....	--	70	--	--
Human services.....	--	--	--	--
Culture-recreation.....	--	--	472	--
Utilities or other enterprises.....	--	--	--	--
Debt service:				
Principal.....	--	--	--	160
Interest.....	--	--	--	57
Total Expenditures.....	<u>3,968</u>	<u>850</u>	<u>476</u>	<u>5,696</u>
Revenues over (under) Expenditures.....	<u>776</u>	<u>(244)</u>	<u>2,109</u>	<u>104</u>
Other Financing Sources (Uses):				
Issuance of general obligation bonds	--	--	--	--
Bond premium.....	--	--	--	--
Bond discount.....	--	--	--	--
Leases.....	--	--	--	--
Transfers in.....	--	192	--	--
Transfers out.....	(255)	(52)	--	(357)
Total Other Financing Sources (Uses).....	<u>(255)</u>	<u>140</u>	<u>--</u>	<u>(357)</u>
Revenues and Other Sources over (under) Expenditures and Other Uses.....	<u>521</u>	<u>(104)</u>	<u>2,109</u>	<u>(253)</u>
Fund Balances - July 1	7,652	2,684	5,937	2,618
Fund Balances - June 30.....	<u>\$ 8,173</u>	<u>\$ 2,580</u>	<u>\$ 8,046</u>	<u>\$ 2,365</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, 2022

(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
\$ --	\$ --	\$ 6,893	\$ 6,893	\$ --	\$ --	\$ --
--	--	--	--	--	--	--
--	--	--	--	8,329	--	--
--	7,019	--	--	--	195	116
--	--	--	--	--	--	--
--	4	74	51	--	--	--
39	862	597	--	5	--	--
<u>39</u>	<u>7,885</u>	<u>7,564</u>	<u>6,944</u>	<u>8,334</u>	<u>195</u>	<u>116</u>
--	76	37	--	1,103	--	--
--	1,054	--	--	--	--	--
--	--	--	--	--	--	--
174	--	--	3,718	928	--	--
--	2,802	--	--	553	8	--
--	--	--	--	--	--	--
--	1,375	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	1,492	--	--
--	--	--	--	--	--	--
--	--	--	181	680	--	--
--	94	--	--	4,323	--	--
--	--	--	--	--	--	--
--	--	--	--	11	--	--
--	--	--	--	7	--	--
<u>174</u>	<u>5,401</u>	<u>37</u>	<u>3,899</u>	<u>9,097</u>	<u>8</u>	<u>--</u>
<u>(135)</u>	<u>2,484</u>	<u>7,527</u>	<u>3,045</u>	<u>(763)</u>	<u>187</u>	<u>116</u>
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	1,300	--	--
--	(1,512)	--	--	--	(2)	(6)
<u>--</u>	<u>(1,512)</u>	<u>--</u>	<u>--</u>	<u>1,300</u>	<u>(2)</u>	<u>(6)</u>
<u>(135)</u>	<u>972</u>	<u>7,527</u>	<u>3,045</u>	<u>537</u>	<u>185</u>	<u>110</u>
<u>1,738</u>	<u>819</u>	<u>39,184</u>	<u>27,701</u>	<u>565</u>	<u>262</u>	<u>271</u>
<u>\$ 1,603</u>	<u>\$ 1,791</u>	<u>\$ 46,711</u>	<u>\$ 30,746</u>	<u>\$ 1,102</u>	<u>\$ 447</u>	<u>\$ 381</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, 2022
(Amounts in thousands)

(Page 3 of 5)

	Special Revenue Funds			
	Honolulu Zoo Fund	Golf Fund	Special Events Fund	Special Projects Fund
Revenues:				
Taxes	\$ 6,893	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--	--
Intergovernmental.....	--	--	--	14,685
Charges for services.....	5,073	8,001	3	899
Fines and forfeits.....	--	--	--	--
Miscellaneous:				
Interest.....	2	--	5	--
Other.....	253	3,432	8,953	493
Total Revenues.....	12,221	11,433	8,961	16,077
Expenditures:				
Current:				
General government.....	--	--	40	1,669
Public safety.....	--	--	--	6,614
Highways and streets.....	--	--	--	3
Human services.....	--	--	--	7,493
Culture-recreation.....	6,799	9,116	4,850	27
Utilities or other enterprises.....	--	--	--	187
Miscellaneous:				
Retirement and health benefits.....	3,084	3,887	3,100	--
Other.....	370	114	168	--
Capital Outlay:				
General government.....	--	--	--	234
Public safety.....	--	--	--	797
Highways and streets.....	--	--	--	--
Human services.....	--	--	--	--
Culture-recreation.....	7	--	--	--
Utilities or other enterprises.....	--	--	--	--
Debt service:				
Principal.....	5	632	3	10
Interest.....	--	74	1	7
Total Expenditures.....	10,265	13,823	8,162	17,041
Revenues over (under) Expenditures.....	1,956	(2,390)	799	(964)
Other Financing Sources (Uses):				
Issuance of general obligation bonds	--	--	--	--
Bond premium	--	--	--	--
Bond discount	--	--	--	--
Leases.....	--	--	25	--
Transfers in.....	5,762	3,904	8,679	--
Transfers out.....	(3,776)	(2,643)	(4,146)	--
Total Other Financing Sources (Uses)....	1,986	1,261	4,558	--
Revenues and Other Sources over (under) Expenditures and Other Uses.....	3,942	(1,129)	5,357	(964)
Fund Balances - July 1	675	5,416	1,545	16,244
Fund Balances - June 30.....	\$ 4,617	\$ 4,287	\$ 6,902	\$ 15,280

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, 2022

(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
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	68,532	--	--
--	--	--	--	--
--	--	--	--	58
1	--	7	--	--
590	--	20	--	541
<u>591</u>	<u>--</u>	<u>68,559</u>	<u>--</u>	<u>599</u>
--	--	125	--	1,206
--	--	--	--	422
--	--	--	--	145
37	--	64,631	--	--
--	--	--	--	566
--	--	--	--	21,013
--	--	--	--	--
--	--	--	1	--
--	--	--	--	20,129
--	--	--	--	21,762
--	--	--	--	548
--	--	6	--	2,634
--	--	--	--	30,291
--	--	--	--	--
--	--	30	--	--
--	--	3	--	--
<u>37</u>	<u>--</u>	<u>64,795</u>	<u>1</u>	<u>98,716</u>
<u>554</u>	<u>--</u>	<u>3,764</u>	<u>(1)</u>	<u>(98,117)</u>
--	--	--	--	137,594
--	--	--	--	24,182
--	--	--	--	(770)
--	--	--	--	--
--	--	--	--	--
(1,300)	--	--	--	--
<u>(1,300)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>161,006</u>
(746)	--	3,764	(1)	62,889
6,660	1,017	9,288	165	80,916
<u>\$ 5,914</u>	<u>\$ 1,017</u>	<u>\$ 13,052</u>	<u>\$ 164</u>	<u>\$ 143,805</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, 2022
(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	\$ --	\$ --	\$ --	\$ 20,679
Licenses and permits.....	--	--	--	6,041
Intergovernmental.....	--	23,808	888	116,242
Charges for services.....	--	--	--	26,098
Fines and forfeits.....	299	--	--	664
Miscellaneous:				
Interest.....	--	--	--	144
Other.....	--	--	--	18,380
Total Revenues.....	299	23,808	888	188,248
Expenditures:				
Current:				
General government.....	11	--	--	9,396
Public safety.....	86	70	--	8,846
Highways and streets.....	15,219	--	--	15,550
Human services.....	--	2,367	--	79,348
Culture-recreation.....	--	--	--	25,692
Utilities or other enterprises.....	20,242	20,091	--	61,533
Miscellaneous:				
Retirement and health benefits.....	--	--	--	14,666
Other.....	--	--	--	672
Capital Outlay:				
General government.....	2,182	--	--	22,654
Public safety.....	1,876	1,667	--	27,594
Highways and streets.....	31,932	206	888	33,644
Human services.....	--	--	--	3,501
Culture-recreation.....	--	--	--	35,187
Utilities or other enterprises.....	279	--	--	279
Debt service:				
Principal.....	--	--	--	851
Interest.....	--	--	--	149
Total Expenditures.....	71,827	24,401	888	339,562
Revenues over (under) Expenditures.....	(71,528)	(593)	--	(151,314)
Other Financing Sources (Uses):				
Issuance of general obligation bonds	59,179	--	--	196,773
Bond premium	11,133	--	--	35,315
Bond discount	(311)	--	--	(1,081)
Leases.....	--	--	--	25
Transfers in.....	--	--	--	19,837
Transfers out.....	--	--	--	(14,049)
Total Other Financing Sources (Uses)...	70,001	--	--	236,820
Revenues and Other Sources over (under) Expenditures and Other Uses.....	(1,527)	(593)	--	85,506
Fund Balances - July 1	65,184	20,687	13,744	310,972
Fund Balances - June 30.....	\$ 63,657	\$ 20,094	\$ 13,744	\$ 396,478

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, 2022
 (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.....	\$ 372,328	\$ 12,060
Imprest and change funds	--	--
Receivables:		
Real property taxes	22,187	--
Oahu transient accomodation taxes	8,434	--
Accounts	118	--
Interest	1,794	--
Leases	5,142	--
Intergovernmental	10,949	--
Payroll Advance	5,946	--
Due from other funds	6,762	6
Total Assets	\$ 433,660	\$ 12,066
<u>LIABILITIES, DEFERRED INFLOW AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 92,580	\$ 496
Due to other funds	42	30
Accrued payroll	29,061	5
Unearned revenue	4,236	--
Deposits and advances	--	--
Total Liabilities	125,919	531
Deferred Inflow:		
Deferred inflow	24,994	--
Total Deferred Inflow	24,994	--
Fund Balances:		
Committed	--	11,535
Assigned	91,360	--
Unassigned	191,387	--
Total Fund Balances	282,747	11,535
Total Liabilities, Deferred Inflow and Fund Balance	\$ 433,660	\$ 12,066

CITY AND COUNTY OF HONOLULU
GENERAL FUND
COMBINING BALANCE SHEET
 JUNE 30, 2022
 (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
\$ 145,360	\$ 182	\$ 2,200	\$ 40,103	\$ 572,233
--	--	--	125	125
--	--	--	--	22,187
--	--	--	--	8,434
--	--	--	--	118
--	--	--	--	1,794
--	--	--	--	5,142
--	--	--	--	10,949
--	--	--	--	5,946
--	--	--	48	6,816
<u>\$ 145,360</u>	<u>\$ 182</u>	<u>\$ 2,200</u>	<u>\$ 40,276</u>	<u>\$ 633,744</u>
\$ --	\$ --	\$ --	\$ 144	\$ 93,220
--	--	--	--	72
--	--	--	--	29,066
--	--	--	--	4,236
--	--	--	38,524	38,524
--	--	--	38,668	165,118
--	43	--	--	25,037
--	43	--	--	25,037
145,360	139	2,200	1,608	160,842
--	--	--	--	91,360
--	--	--	--	191,387
<u>145,360</u>	<u>139</u>	<u>2,200</u>	<u>1,608</u>	<u>443,589</u>
<u>\$ 145,360</u>	<u>\$ 182</u>	<u>\$ 2,200</u>	<u>\$ 40,276</u>	<u>\$ 633,744</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, 2022
(Amounts in thousands)

(Page 1 of 2)

	Legally Separate Funds	
	General Fund	Grants In Aid Fund
Revenues:		
Taxes	\$ 1,469,227	\$ --
Licenses and permits.....	42,561	--
Intergovernmental.....	53	--
Charges for services.....	7,544	--
Fines and forfeits.....	1,094	--
Miscellaneous:		
Recoveries.....	43,635	--
Interest.....	(19,949)	22
Other.....	9,491	2
Total Revenues.....	1,553,656	24
Expenditures:		
Current:		
General government.....	159,216	34
Public safety.....	460,388	--
Highways and streets.....	9,401	--
Human services.....	13,083	7,982
Culture-recreation.....	79,169	--
Utilities or other enterprises.....	13,984	--
Miscellaneous:		
Retirement and health benefits.....	444,841	--
Other.....	38,212	--
Capital Outlay:		
General government.....	437	--
Public safety.....	3,316	--
Highways and streets.....	419	--
Human services.....	712	--
Culture-recreation.....	102	--
Debt service:		
Principal.....	4,894	--
Interest.....	803	--
Total Expenditures.....	1,228,977	8,016
Revenues over (under) Expenditures.....	324,679	(7,992)
Other Financing Sources (Uses):		
Leases	2,122	--
Sales of capital assets	--	--
Transfers in.....	195,747	8,715
Transfers out.....	(576,938)	--
Total Other Financing Sources (Uses)....	(379,069)	8,715
Revenues and Other Sources over Expenditures and Other Uses.....	(54,390)	723
Fund Balances - July 1.....	337,137	10,812
Fund Balances - June 30.....	\$ 282,747	\$ 11,535

CITY AND COUNTY OF HONOLULU
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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
\$ --	\$ --	\$ --	\$ --	\$ 1,469,227
--	--	--	--	42,561
--	--	--	--	53
--	--	--	1,089	8,633
--	--	--	--	1,094
--	--	--	--	43,635
273	--	--	--	(19,654)
--	--	--	4	9,497
<u>273</u>	<u>--</u>	<u>--</u>	<u>1,093</u>	<u>1,555,046</u>
--	--	--	--	159,250
--	--	--	--	460,388
--	--	--	948	10,349
--	--	--	--	21,065
--	--	--	--	79,169
--	--	--	--	13,984
--	--	--	--	444,841
--	--	--	--	38,212
--	--	--	--	437
--	--	--	--	3,316
--	--	--	--	419
--	--	--	--	712
--	--	--	--	102
--	--	--	--	4,894
--	--	--	--	803
--	--	--	948	1,237,941
<u>273</u>	<u>--</u>	<u>--</u>	<u>145</u>	<u>317,105</u>
--	--	--	--	2,122
47	--	--	--	47
7,000	--	--	--	211,462
--	--	--	--	(576,938)
<u>7,047</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(363,307)</u>
7,320	--	--	145	(46,202)
<u>138,040</u>	<u>139</u>	<u>2,200</u>	<u>1,463</u>	<u>489,791</u>
<u>\$ 145,360</u>	<u>\$ 139</u>	<u>\$ 2,200</u>	<u>\$ 1,608</u>	<u>\$ 443,589</u>

CITY AND COUNTY OF HONOLULU
GENERAL FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 372,328
Receivables:	
Real property taxes	22,187
Oahu transient accomodation taxes	8,434
Accounts	118
Interest	1,794
Leases	5,142
Intergovernmental	10,949
Payroll Advance	5,946
Due from other funds	6,762
Total Assets	\$ 433,660

LIABILITIES, DEFERRED INFLOW AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 92,580
Due to other funds	42
Accrued payroll	29,061
Unearned revenue	4,236
Total Liabilities	125,919
Deferred Inflow:	
Deferred inflow	24,994
Total Deferred Inflow	24,994
Fund Balance:	
Assigned	91,360
Unassigned	191,387
Total Fund Balance	282,747
Total Liabilities, Deferred Inflow and Fund Balance	\$ 433,660

CITY AND COUNTY OF HONOLULU
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Amounts in thousands)

Revenues:	
Taxes	\$ 1,469,227
Licenses and permits	42,561
Intergovernmental	53
Charges for services	7,544
Fines and forfeits	1,094
Miscellaneous:	
Recoveries	43,635
Interest	(19,949)
Other	9,491
	<hr/>
Total Revenues	1,553,656
Expenditures:	
Current:	
General government	159,216
Public safety	460,388
Highways and streets	9,401
Human services	13,083
Culture-recreation	79,169
Utilities or other enterprises	13,984
Miscellaneous:	
Retirement and health benefits	444,841
Other	38,212
Capital outlay:	
General government	437
Public safety	3,316
Highways and streets	419
Human services	712
Culture-recreation	102
Debt Service:	
Principal retirement	4,894
Interest charges	803
	<hr/>
Total Expenditures	1,228,977
	<hr/>
Revenues over Expenditures	324,679
Other Financing Sources (Uses):	
Leases	2,122
Transfers in	195,747
Transfers out	(576,938)
	<hr/>
Total Other Financing Sources (Uses)	(379,069)
	<hr/>
Revenues and Other Sources under Expenditures and Other Uses	(54,390)
	<hr/>
Fund Balance - July 1	337,137
	<hr/>
Fund Balance - June 30	\$ 282,747
	<hr/>

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, 2022
 (Amounts in thousands)

(Page 1 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 1,405,192	\$ 1,405,192	\$ 1,469,227	\$ 64,035
Licenses and permits	46,742	46,742	42,561	(4,181)
Intergovernmental	56	56	53	(3)
Charges for services	8,258	8,258	7,544	(714)
Fines and forfeits	1,125	1,125	1,094	(31)
Miscellaneous:				
Recoveries	56,729	56,729	43,635	(13,094)
Interest	1,122	1,122	(19,949)	(21,071)
Other	4,491	4,491	9,491	5,000
Total Revenues	1,523,715	1,523,715	1,553,656	29,941
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	17,613	17,933	16,928	1,005
City Clerk	4,571	4,571	3,508	1,063
City Council	8,260	8,260	6,272	1,988
Corporation Counsel	11,845	12,285	9,087	3,198
Customer Services	21,879	21,984	20,960	1,024
Design and Construction	10,069	10,306	8,955	1,351
Emergency Services	838	1,072	1,026	46
Facility Maintenance	26,748	28,772	26,972	1,800
Human Resources	7,011	7,114	6,513	601
Information Technology	22,852	23,159	22,310	849
Land Management	3,022	3,022	2,613	409
Mayor	6,089	6,426	5,229	1,197
Office of the City Auditor	1,746	1,746	1,526	220
Office of Council Services	2,733	2,733	2,126	607
Planning and Permitting	14,062	14,651	12,240	2,411
Prosecuting Attorney	22,500	22,500	20,703	1,797
Total General government	181,838	186,534	166,968	19,566
Public safety:				
Emergency Management	1,278	1,278	1,143	135
Emergency Services	57,341	57,896	50,317	7,579
Fire	138,238	138,238	132,919	5,319
Medical Examiner	3,565	3,565	3,150	415
Planning and Permitting	6,584	6,781	6,463	318
Police	287,397	288,908	272,944	15,964
Total Public safety	494,403	496,666	466,936	29,730

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, 2022
 (Amounts in thousands)

(Page 2 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Highways and streets:				
Facility Maintenance	13,948	14,299	12,910	1,389
Human services:				
Community Services	15,634	16,341	12,872	3,469
Culture-recreation:				
Mayor	2,370	2,446	2,273	173
Parks and Recreation	79,968	80,945	77,143	3,802
Total Culture-recreation	82,338	83,391	79,416	3,975
Utilities or other enterprises:				
Transportation Services	774	774	13,721	(12,947)
Miscellaneous:				
Retirement and health benefits:				
City Council	5,928	5,928	5,737	191
Provisional	465,218	465,218	439,104	26,114
Total Retirement and health benefits	471,146	471,146	444,841	26,305
Other:				
City Council	135	135	--	135
Provisional	56,133	47,063	38,989	8,074
Total Other	56,268	47,198	38,989	8,209
Total Miscellaneous	527,414	518,344	483,830	34,514
Capital improvements:				
General government:				
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, 2022
 (Amounts in thousands)

(Page 3 of 3)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Total Expenditures	1,316,549	1,316,549	1,236,853	79,696
Revenues over Expenditures	207,166	207,166	316,803	109,637
Other Financing Sources (Uses):				
Transfers in:				
Central administrative service expenses	50,083	50,083	50,083	--
Debt service	147,390	147,390	144,893	(2,497)
Other	771	771	771	--
Transfers out:				
Debt service	(281,085)	(281,085)	(276,716)	4,369
Bus subsidy	(179,896)	(179,896)	(179,896)	--
Other	(120,326)	(120,326)	(120,326)	--
Total Other Financing Sources (Uses)	(383,063)	(383,063)	(381,191)	1,872
Revenues and Other Sources under Expenditures and Other Uses	(175,897)	(175,897)	(64,388)	111,509
Unreserved - Undesignated Fund Balance - July 1	176,147	176,147	250,060	73,913
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 250	\$ 250	185,672	\$ 185,422
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			49,085	
Expenditures - prior year encumbrances			(39,087)	
Increase in reserved for encumbrances			(4,283)	
Unreserved - Undesignated Fund Balance - June 30			191,387	
Reserved for Encumbrances - June 30			91,360	
Fund Balance - June 30 (GAAP Basis)			\$ 282,747	

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 1,360,830	\$ 1,391,791	\$ 30,961
PUBLIC SERVICE COMPANY TAX:			
Public Service Company Tax	44,362	37,278	(7,084)
TRANSIENT ACCOMODATION TAX:			
County Transient Accomodation Tax	--	40,158	40,158
TOTAL TAXES	1,405,192	1,469,227	64,035
LICENSES AND PERMITS			
BUSINESS LICENSES AND PERMITS:			
Police and Protective:			
Second-Hand and Junk Dealers	9	11	2
Alarm Permits	190	206	16
Other	7	13	6
Professional and Occupational:			
Other	23	--	(23)
Total Business Licenses and Permits	229	230	1
NON-BUSINESS LICENSES AND PERMITS:			
Building Structures and Equipment Permits:			
Building	22,000	16,936	(5,064)
National Pollutant Discharge Elimination System	800	584	(216)
Signs	28	15	(13)
Other	5	--	(5)
Motor Vehicle Licenses and Fees:			
Motor Vehicle Plate and Tag Fees	1,606	1,822	216
Motor Vehicle Transfer Fees and Penalty	2,442	2,884	442
Duplicate Registration & Ownership Certificates	153	163	10
Motor Vehicle Registration Annual Fee	13,883	14,699	816
Other	50	29	(21)
Other Vehicle Licenses and Fees:			
Moped Annual License Fee	125	73	(52)
Passenger and Freight Vehicle Permit Fees	29	24	(5)
Nonresident Vehicle Permit	13	13	--
Motor Vehicle Drivers' Licenses	4,056	3,955	(101)
Street, Sidewalk and Curb Permits:			
Easement Grants	80	61	(19)
Newsstands	7	4	(3)
Dispensing Rack	174	36	(138)
Fire Code Permits and License Fees	784	631	(153)
Fireworks License Fees	58	46	(12)
Camping Permits	220	356	136
Total Non-Business Licenses and Permits	46,513	42,331	(4,182)
TOTAL LICENSES AND PERMITS	46,742	42,561	(4,181)

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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>
<u>INTERGOVERNMENTAL</u>			
<u>INTERGOVERNMENTAL PAYMENTS</u>			
<u>IN LIEU OF TAXES:</u>			
Fish and Wildlife Service	56	53	(3)
TOTAL INTERGOVERNMENTAL	56	53	(3)
 <u>CHARGES FOR SERVICES</u>			
<u>GENERAL GOVERNMENT:</u>			
Data Processing Services:			
Duplication of Master Tapes	45	71	26
Data Processing Service - State	650	718	68
Data Processing Service - U.S. Government	1	--	(1)
Data Processing Service - Other Counties	450	439	(11)
Legal Services (BWS)	217	436	219
Service Fee for Dishonored Checks	18	6	(12)
Service Fee for Credit Card Payments	144	385	241
Automotive Equipment Service Charges	55	166	111
Subdivision Fees	120	106	(14)
Application Fees for Zoning Regulations	350	274	(76)
Short term rental regulation and renewal Fees	704	86	(618)
Plan Review Use Fees	1,600	1,398	(202)
Administrative Fee--Multi-Family Housing Program.....	14	17	3
Military Housing Fee in Lieu of Property Tax	990	990	--
Zoning/Flood Clearance Fee	70	105	35
Fees for Certificates, Copies & Extracts of Records	156	182	26
Fees for Services	113	132	19
Custodial and Attendant Services	463	276	(187)
Spay-Neuter Service	300	--	(300)
Other	104	56	(48)
Total General Government	6,564	5,843	(721)

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	261	(49)
Protective Inspection:			
Electrical Inspection	16	--	(16)
Miscellaneous:			
Other	3	2	(1)
Total Public Safety	<u>329</u>	<u>263</u>	<u>(66)</u>
HIGHWAYS AND STREETS:			
Parking:			
City Employees	750	758	8
HPD Parking Lot	125	137	12
Kapalama Hale Parking Lot	90	15	(75)
Total Highways and Streets	<u>965</u>	<u>910</u>	<u>(55)</u>
CULTURE-RECREATION:			
Commercial Activities:			
Scuba, Snorkeling and Windsurfing	21	3	(18)
Commercial Filming	63	35	(28)
Summer Fun Program	187	225	38
Fall and Spring Program	--	8	8
Fees for Use of Parks	--	7	7
Foster Botanic Garden	84	225	141
Fees for Community Garden	45	25	(20)
Total Culture-Recreation	<u>400</u>	<u>528</u>	<u>128</u>
TOTAL CHARGES FOR SERVICES	<u>8,258</u>	<u>7,544</u>	<u>(714)</u>
<u>FINES AND FORFEITS</u>			
FINES:			
Fines	1,100	865	(235)
FORFEITS:			
Forfeiture of Seized Property	25	229	204
TOTAL FINES AND FORFEITS	<u>1,125</u>	<u>1,094</u>	<u>(31)</u>

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	810	620	(190)
Administration Cost - Ewa Highway Impact Fee	40	24	(16)
Hawaii State ID Program	881	825	(56)
Emergency Ambulance Services	46,905	30,726	(16,179)
Collection Cost - State Motor Vehicle			
Weight Tax, etc.	1,209	946	(263)
Commercial Drivers' License Program	694	360	(334)
Other	148	664	516
Other Recoveries:			
Workers' Compensation Payment	416	199	(217)
Central Administrative Service Expenses:			
Board of Water Supply	3,300	3,300	--
Honolulu Authority for Rapid Transportation	1,101	3,010	1,909
Recovery-Interest-Federal Subsidy	239	239	--
Workers' Compensation Claims (Third Party)	150	163	13
Recoveries - Other	836	2,559	1,723
Total Recoveries	<u>56,729</u>	<u>43,635</u>	<u>(13,094)</u>
INTEREST:			
Interest Earnings/(Loss):			
Investments	1,122	(20,183)	(21,305)
Other Sources	--	234	234
Total Interest	<u>1,122</u>	<u>(19,949)</u>	<u>(21,071)</u>

CITY AND COUNTY OF HONOLULU
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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)	608	275	(333)
Rental Units (HCD Property)	221	51	(170)
Rental - Ambulance Facilities	64	64	--
Rental of Parks and Recreational Facilities:			
Perquisite Housing	18	15	(3)
Other	2	1	(1)
Rental of Equipment	5	9	4
Rental for Use of Land	394	328	(66)
Rental of Other Properties	702	338	(364)
Total Rents	2,014	1,081	(933)
Contributions from Private Sources:			
Developers' Premium	--	48	48
Unclaimed Monies:			
Police Department	19	67	48
Other Escheats	50	168	118
Total Contributions from Private Sources	69	283	214
Other:			
Towing Service Premiums	120	120	--
Vacation Accumulation Deposits	46	786	740
Miscellaneous Sales	535	1,163	628
Sundry Refunds	1,639	5,979	4,340
Sundry Realizations	68	79	11
Total Other	2,408	8,127	5,719
Total Other Miscellaneous	4,491	9,491	5,000
TOTAL MISCELLANEOUS	62,342	33,177	(29,165)
TOTAL REVENUES	1,523,715	1,553,656	29,941

CITY AND COUNTY OF HONOLULU
GENERAL FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	13,183	13,183	--
Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	255	255	--
Bikeway Fund	52	52	--
Sewer Fund	20,790	20,790	--
Liquor Commission Fund	357	357	--
Hanauma Bay Nature Preserve Fund	338	338	--
Golf Fund	821	821	--
Special Events Fund	706	706	--
Honolulu Zoo Fund	731	731	--
Patsy T. Mink Central Oahu Regional Park Fund	2	2	--
Waipio Peninsula Soccer Park Fund	6	6	--
Solid Waste Special Fund	12,610	12,610	--
Housing Development Special Fund	232	232	--
Recovery of Debt Service Charges:			
Highway Fund	137,909	135,412	(2,497)
Hanauma Bay Nature Preserve Fund	1,174	1,174	--
Golf Fund	1,822	1,822	--
Special Events Fund	3,440	3,440	--
Honolulu Zoo Fund	3,045	3,045	--
Other Transfers:			
Sewer Fund	507	507	--
Solid Waste Special Fund	264	264	--
TOTAL TRANSFERS FROM OTHER FUNDS ...	198,244	195,747	(2,497)
TOTAL OTHER FINANCING SOURCES	198,244	195,747	(2,497)
TOTAL GENERAL FUND	\$ 1,721,959	\$ 1,749,403	\$ 27,444

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 62,167
Receivables:	
Public Utilities	22,071
Intergovernmental	3,858
Payroll advance	518
Other receivables	2
Due from other funds:	
General Fund	4
Special Projects Fund	1
	1
Total Assets	\$ 88,621

LIABILITIES, DEFERRED INFLOW AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 2,584
Due to other funds:	
Payroll Clearance Fund	20
Accrued payroll	2,295
	2,295
Total Liabilities	4,899
Deferred Inflow:	
Deferred inflow	22,071
	22,071
Total Deferred Inflow	22,071
Fund Balance:	
Restricted	61,651
	61,651
Total Fund Balance	61,651
Total Liabilities, Deferred Inflow and Fund Balance	\$ 88,621

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Amounts in thousands)

Revenues:	
Taxes	\$ 89,959
Licenses and permits	194,605
Intergovernmental	7
Charges for services	5,330
Fines and forfeits	12
Miscellaneous:	
Recoveries	947
Other	1,455
	<hr/>
Total Revenues	292,315
Expenditures:	
Current:	
General government	19,604
Public safety	17,180
Highways and streets	21,811
Utilities or other enterprises	3,631
Miscellaneous:	
Retirement and health benefits	33,730
Other	2,361
Capital outlay:	
General government	17
Public safety	7
Highways and streets	465
Debt Service:	
Principal retirement	3,616
Interest charges	542
	<hr/>
Total Expenditures	102,964
Revenues over Expenditures	<hr/> 189,351
Other Financing Source (Use):	
Leases	24
Sales of capital assets	602
Transfers out	(154,362)
	<hr/>
Total Other Financing Source (Use)	(153,736)
Revenues and Other Source over (under) Expenditures and Other Uses	<hr/> 35,615
Fund Balance - July 1	<hr/> 26,036
Fund Balance - June 30	<hr/> <u>\$ 61,651</u>

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, 2022
(Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 86,872	\$ 86,872	\$ 89,959	\$ 3,087
Licenses and permits	181,091	181,091	194,605	13,514
Intergovernmental	--	--	7	7
Charges for services	5,957	5,957	5,330	(627)
Fines and forfeits	25	25	12	(13)
Miscellaneous:				
Recoveries	1,182	1,182	947	(235)
Other	1,506	1,506	1,455	(51)
Total Revenues	276,633	276,633	292,315	15,682
Expenditures:				
Current:				
General government:				
Design and Construction	6,565	6,685	6,153	532
Facility Maintenance	20,365	20,489	15,424	5,065
Planning and Permitting	2,739	2,815	2,651	164
Total General government	29,669	29,989	24,228	5,761
Public safety:				
Police	12,767	12,781	11,145	1,636
Transportation Services	6,998	7,235	6,290	945
Total Public safety	19,765	20,016	17,435	2,581
Highways and streets:				
Facility Maintenance	25,759	26,993	24,134	2,859
Utilities or other enterprises:				
Transportation Services	3,256	3,405	3,094	311
Miscellaneous:				
Retirement and health benefits:				
Provisional	34,370	34,370	33,730	640
Other:				
Provisional	7,166	5,212	2,361	2,851
Total Miscellaneous	41,536	39,582	36,091	3,491
Total Expenditures	119,985	119,985	104,982	15,003
Revenues over Expenditures	156,648	156,648	187,333	30,685

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, 2022
 (Amounts in thousands)

(Page 2 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Other Financing Source (Uses):				
Sales of capital assets	195	195	602	407
Transfers out:				
Debt service	(137,909)	(137,909)	(135,412)	2,497
Reimbursement for central administrative service expenses	(13,183)	(13,183)	(13,183)	--
Bus subsidy	(5,767)	(5,767)	(5,767)	--
Total Transfers out.....	(156,859)	(156,859)	(154,362)	2,497
Total Other Financing Source (Uses)	(156,664)	(156,664)	(153,760)	2,904
Revenues and Other Source over (under) Expenditures and Other Uses	(16)	(16)	33,573	33,589
Unreserved - Undesignated Fund Balance - July 1	16	16	12,511	12,495
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis).....	\$ --	\$ --	46,084	\$ 46,084
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			8,041	
Expenditures - prior year encumbrances			(5,999)	
Increase in reserved for encumbrances			(1,381)	
Unreserved - Undesignated Fund Balance - June 30			46,745	
Reserved for Encumbrances - June 30			14,906	
Fund Balance - June 30 (GAAP Basis)			\$ 61,651	

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 47,687	\$ 44,576	\$ (3,111)
SELECTIVE SALES AND USE TAXES:			
Fuel Tax	39,185	45,383	6,198
TOTAL TAXES	86,872	89,959	3,087
<u>LICENSES AND PERMITS</u>			
NON-BUSINESS LICENSES AND PERMITS:			
Building Structures and Equipment Permits -			
Grading, Excavations and Fills	500	450	(50)
Other Permits	10	23	13
Motor Vehicle Licenses and Fees -			
Motor Vehicle Weight Tax	174,357	188,577	14,220
Other Vehicle Licenses and Fees	5,317	4,923	(394)
Street and Sidewalk Use	10	5	(5)
Freight Curb and Passenger Loading Zone Permits	567	456	(111)
Excavation and Repair of Streets and Sidewalks	330	171	(159)
TOTAL LICENSES AND PERMITS	181,091	194,605	13,514
<u>INTERGOVERNMENTAL</u>			
STATE GRANTS:			
State Department of Transportation	--	7	7
TOTAL INTERGOVERNMENTAL	--	7	7
<u>CHARGES FOR SERVICES</u>			
GENERAL GOVERNMENT:			
Sidewalk and Driveway Specifications Filing Fees	29	14	(15)
HIGHWAYS AND STREETS:			
Street and Sidewalk Charges	80	302	222
Disabled Persons Parking	2	2	--
Street Parking Meter Collections	4,770	4,203	(567)
Other Parking Meter Collections	1,028	792	(236)
Other	48	17	(31)
Total Highways and Streets	5,928	5,316	(612)
TOTAL CHARGES FOR SERVICES	5,957	5,330	(627)
<u>FINES AND FORFEITS</u>			
FINES:			
Fines	25	12	(13)
TOTAL FINES AND FORFEITS	25	12	(13)

CITY AND COUNTY OF HONOLULU
HIGHWAY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	328	(372)
Recovery of Overhead Charges	--	12	12
Recovery of Overtime Inspection	5	130	125
Recovery - Federal Interest Subsidy	477	477	--
Total Recoveries	<u>1,182</u>	<u>947</u>	<u>(235)</u>
OTHER MISCELLANEOUS:			
Rents:			
Rental for Use of Land	26	60	34
Total Rents	<u>26</u>	<u>60</u>	<u>34</u>
Concessions:			
Marin Towers Garage	175	12	(163)
Harbor Court Garage	307	239	(68)
Kaimuki Parking Lot	473	394	(79)
Kukui Plaza Garage	140	146	6
Smith-Beretania Garage	130	90	(40)
Total Concessions	<u>1,225</u>	<u>881</u>	<u>(344)</u>
Other:			
Vacation Accumulation Deposits	--	80	80
Miscellaneous Sales	5	6	1
Sundry Refunds	250	428	178
Total Other	<u>255</u>	<u>514</u>	<u>259</u>
Total Other Miscellaneous	<u>1,506</u>	<u>1,455</u>	<u>(51)</u>
TOTAL MISCELLANEOUS	<u>2,688</u>	<u>2,402</u>	<u>(286)</u>
TOTAL REVENUES	<u>276,633</u>	<u>292,315</u>	<u>15,682</u>
OTHER FINANCING SOURCE			
SALES OF CAPITAL ASSETS:			
Compensation for Loss of Capital Assets	195	602	407
TOTAL OTHER FINANCING SOURCE	<u>195</u>	<u>602</u>	<u>407</u>
TOTAL HIGHWAY FUND	<u>\$ 276,828</u>	<u>\$ 292,917</u>	<u>\$ 16,089</u>

CITY AND COUNTY OF HONOLULU
HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED
VEHICLES REVOLVING FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 8,481
Receivable:	
Payroll advance	13
Total Assets	\$ 8,494

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 245
Accrued payroll	76
Total Liabilities	321
Fund Balance:	
Restricted	8,173
Total Fund Balance	8,173
Total Liabilities and Fund Balance	\$ 8,494

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, 2022
(Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 4,476	\$ 4,734	\$ 258
Miscellaneous:			
Other	--	10	10
Total Revenues	4,476	4,744	268
Expenditures:			
Current:			
General government:			
Customer Services	3,136	2,940	196
Highways and streets:			
Facility Maintenance	474	218	256
Culture-recreation:			
Parks and Recreation	610	610	--
Miscellaneous:			
Retirement and health benefits:			
Provisional	876	843	33
Total Expenditures	5,096	4,611	485
Revenues over (under) Expenditures	(620)	133	753
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses	(255)	(255)	--
Revenues under Expenditures and Other Use	(875)	(122)	753
Unreserved - Undesignated Fund Balance - July 1	2,281	4,043	1,762
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 1,406	3,921	\$ 2,515
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		1,481	
Expenditures - prior year encumbrances		(838)	
Decrease in reserved for encumbrances		479	
Unreserved - Undesignated Fund Balance - June 30		5,043	
Reserved for Encumbrances - June 30		3,130	
Fund Balance - June 30 (GAAP Basis)		\$ 8,173	

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, 2022
(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	\$ 4,476	\$ 4,734	\$ 258
MISCELLANEOUS			
OTHER MISCELLANEOUS:			
Other:			
Sundry Refunds	--	10	10
 TOTAL HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED VEHICLES REVOLVING FUND	 <u>\$ 4,476</u>	 <u>\$ 4,744</u>	 <u>\$ 268</u>

CITY AND COUNTY OF HONOLULU
BIKEWAY FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:		
With Treasury	\$	2,631
Receivable:		
Payroll advance		6
Total Assets	\$	2,637

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	\$	45
Accrued payroll		12
Total Liabilities		57
Fund Balance:		
Restricted		2,580
Total Fund Balance		2,580
Total Liabilities and Fund Balance	\$	2,637

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, 2022
(Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Licenses and permits	\$ 398	\$ 606	\$ 208
Total Revenue	<u>398</u>	<u>606</u>	<u>208</u>
Expenditures:			
Current:			
General government:			
Facility Maintenance	17	--	17
Public safety:			
Transportation Services	634	590	44
Highways and streets:			
Facility Maintenance	16	2	14
Miscellaneous:			
Retirement and health benefits:			
Provisional	181	179	2
Capital improvements:			
Highways and streets:			
Transportation Services	200	200	--
Total Expenditures	<u>1,048</u>	<u>971</u>	<u>77</u>
Revenue under Expenditures	<u>(650)</u>	<u>(365)</u>	<u>285</u>
Other Financing Source (Use):			
Transfer in	192	192	--
Transfer out:			
Reimbursement for central administrative service expenses	(52)	(52)	--
Total Other Financing Source (Use)	<u>140</u>	<u>140</u>	<u>--</u>
Revenue and Other Source under Expenditures and Other Use	(510)	(225)	285
Unreserved - Undesignated Fund Balance - July 1	510	1,735	1,225
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ --</u>	1,510	<u>\$ 1,510</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		206	
Expenditures - prior year encumbrances		(85)	
Increase in reserved for encumbrances		<u>(55)</u>	
Unreserved - Undesignated Fund Balance - June 30		1,576	
Reserved for Encumbrances - June 30		<u>1,004</u>	
Fund Balance - June 30 (GAAP Basis)		<u>\$ 2,580</u>	

CITY AND COUNTY OF HONOLULU
BIKEWAY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 318	\$ 407	\$ 89
Moped Annual License Fee	80	197	117
Electric Bicycle Licenses	--	2	2
	<hr/>	<hr/>	<hr/>
TOTAL REVENUE	398	606	208
OTHER FINANCING SOURCE			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	192	192	--
	<hr/>	<hr/>	<hr/>
TOTAL OTHER FINANCING SOURCE	192	192	--
	<hr/>	<hr/>	<hr/>
TOTAL BIKEWAY FUND	<u>\$ 590</u>	<u>\$ 798</u>	<u>\$ 208</u>

CITY AND COUNTY OF HONOLULU
PARKS AND PLAYGROUNDS FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 8,169
Total Asset	\$ 8,169

LIABILITY AND FUND BALANCE

Liability:	
Accounts payable	\$ 123
Total Liability	123
Fund Balance:	
Committed	8,046
Total Fund Balance	8,046
Total Liability and Fund Balance	\$ 8,169

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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Other	\$ --	\$ 2,585	\$ 2,585
Total Revenue	--	2,585	2,585
Expenditure:			
Capital improvements:			
Culture-recreation:			
Design and Construction	996	996	--
Total Expenditure	996	996	--
Revenue over (under) Expenditure	(996)	1,589	2,585
Unreserved - Undesignated Fund Balance - July 1	1,126	4,066	2,940
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 130	5,655	\$ 5,525
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		996	
Expenditures - prior year encumbrances		(476)	
Increase in reserved for encumbrances		(636)	
Unreserved - Undesignated Fund Balance - June 30		5,539	
Reserved for Encumbrances - June 30		2,507	
Fund Balance - June 30 (GAAP Basis)		\$ 8,046	

CITY AND COUNTY OF HONOLULU
PARKS AND PLAYGROUNDS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ --	\$ 2,585	\$ 2,585
 TOTAL PARKS AND PLAYGROUNDS FUND	 \$ --	 \$ 2,585	 \$ 2,585

CITY AND COUNTY OF HONOLULU
LIQUOR COMMISSION FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 2,492
Receivable:	
Payroll advance	<u>18</u>
Total Assets	<u>\$ 2,510</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 20
Accrued payroll	<u>125</u>
Total Liabilities	<u>145</u>
Fund Balance:	
Restricted	<u>2,365</u>
Total Fund Balance	<u>2,365</u>
Total Liabilities and Fund Balance	<u>\$ 2,510</u>

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, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Licenses and permits	\$ 6,090	\$ 6,090	\$ 5,435	\$ (655)
Charges for services	150	150	58	(92)
Fines and forfeits	150	150	307	157
Total Revenues	6,390	6,390	5,800	(590)
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	4,553	4,553	3,334	1,219
Corporation Counsel	204	211	208	3
Information Technology	75	75	64	11
Total General government	4,832	4,839	3,606	1,233
Miscellaneous:				
Retirement and health benefits:				
Provisional	2,285	2,285	2,198	87
Other:				
Provisional	29	22	19	3
Total Miscellaneous	2,314	2,307	2,217	90
Total Expenditures	7,146	7,146	5,823	1,323
Revenues under Expenditures	(756)	(756)	(23)	733
Other Financing Use:				
Transfer out:				
Reimbursement for central administrative service expenses	(357)	(357)	(357)	--
Total Other Financing Uses	(357)	(357)	(357)	--
Revenues under Expenditures and Other Use	(1,113)	(1,113)	(380)	733
Unreserved - Undesignated Fund Balance - July 1	1,435	1,435	2,300	865
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 322	\$ 322	1,920	\$ 1,598

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, 2022
 (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			264	
Expenditures - prior year encumbrances			(137)	
Increase in reserved for encumbrances			<u>(122)</u>	
Unreserved - Undesignated Fund				
Balance - June 30			1,925	
Reserved for Encumbrances - June 30			<u>440</u>	
Fund Balance - June 30 (GAAP Basis)			<u><u>\$ 2,365</u></u>	

CITY AND COUNTY OF HONOLULU
LIQUOR COMMISSION FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>LICENSES AND PERMITS</u>			
<u>BUSINESS LICENSES AND PERMITS:</u>			
Alcoholic Licenses and Permits	\$ 6,090	\$ 5,435	\$ (655)
<u>CHARGES FOR SERVICES</u>			
<u>GENERAL GOVERNMENT:</u>			
Charges for Publications, Reports, Copies, etc.	4	4	--
Fees:			
Charge for Photo I.D.	135	45	(90)
Other	<u>3</u>	<u>1</u>	<u>(2)</u>
Total General Government	<u>142</u>	<u>50</u>	<u>(92)</u>
<u>HIGHWAYS AND STREETS:</u>			
Parking:			
City Employees	<u>8</u>	<u>8</u>	<u>--</u>
TOTAL CHARGES FOR SERVICES	<u>150</u>	<u>58</u>	<u>(92)</u>
<u>FINES AND FORFEITS</u>			
<u>FINES:</u>			
Fines - Liquor Commission	<u>150</u>	<u>307</u>	<u>157</u>
TOTAL LIQUOR COMMISSION FUND	<u>\$ 6,390</u>	<u>\$ 5,800</u>	<u>\$ (590)</u>

CITY AND COUNTY OF HONOLULU
RENTAL ASSISTANCE FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 1,610
Total Asset	\$ 1,610

LIABILITY AND FUND BALANCE

Liability:	
Accounts payable	\$ 7
Total Liability	7
Fund Balance:	
Committed	\$ 1,603
Total Liability and Fund Balance	\$ 1,610

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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Other	\$ 233	\$ 39	\$ (194)
Total Revenue	233	39	(194)
Expenditure:			
Current:			
Human services:			
Community Services	233	168	65
Total Expenditure	233	168	65
Revenue under Expenditure	--	(129)	(129)
Unreserved - Undesignated Fund Balance - July 1	1,898	1,703	(195)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 1,898	1,574	\$ (324)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		--	
Expenditures - prior year encumbrances		(6)	
Decrease in reserved for encumbrances		6	
Unreserved - Undesignated Fund Balance - June 30		1,574	
Reserved for Encumbrances - June 30		29	
Fund Balance - June 30 (GAAP Basis)		\$ 1,603	

CITY AND COUNTY OF HONOLULU
RENTAL ASSISTANCE FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 39	\$ (194)
 TOTAL RENTAL ASSISTANCE FUND	 <u>\$ 233</u>	 <u>\$ 39</u>	 <u>\$ (194)</u>

CITY AND COUNTY OF HONOLULU
GRANTS IN AID FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 12,060
Due from other funds:	
Federal Grants Fund	6
Total Assets	\$ 12,066

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 496
Due to other fund:	
General Fund	30
Accrued payroll	5
Total Liabilities	531
Fund Balance:	
Committed	11,535
Total Fund Balance	11,535
Total Liabilities and Fund Balance	\$ 12,066

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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Miscellaneous:			
Interest	\$ 9	\$ 22	\$ 13
Other	--	2	2
	9	24	15
Total Revenue			
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services	54	34	20
Human services:			
Community Services	9,237	8,966	271
	9,291	9,000	291
Total Expenditures			
Revenue under Expenditures	(9,282)	(8,976)	306
Other Financing Source:			
Transfer in	8,715	8,715	--
Revenue and Other Source under Expenditures	(567)	(261)	306
Unreserved - Undesignated Fund Balance - July 1	567	1,108	541
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	847	\$ 847
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		6,278	
Expenditures - prior year encumbrances		(5,294)	
Increase in reserved for encumbrances		(596)	
Unreserved - Undesignated Fund Balance - June 30		1,235	
Reserved for Encumbrances - June 30		10,300	
Fund Balance - June 30 (GAAP Basis)		\$ 11,535	

CITY AND COUNTY OF HONOLULU
GRANTS IN AID FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
INTEREST:			
Interest Earnings:			
Investments	\$ 9	\$ 22	\$ 13
OTHER MISCELLANEOUS:			
Other:			
Sundry Refunds	--	2	2
TOTAL MISCELLANEOUS	<u>9</u>	<u>24</u>	<u>15</u>
<u>OTHER FINANCING SOURCE</u>			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund	<u>8,715</u>	<u>8,715</u>	<u>--</u>
TOTAL OTHER FINANCING SOURCE	<u>8,715</u>	<u>8,715</u>	<u>--</u>
TOTAL GRANTS IN AID FUND	<u>\$ 8,724</u>	<u>\$ 8,739</u>	<u>\$ 15</u>

CITY AND COUNTY OF HONOLULU
HANAUMA BAY NATURE PRESERVE FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 1,939
Receivables:	
Payroll advance	<u>16</u>
Total Assets	<u><u>\$ 1,955</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 80
Accrued payroll	<u>84</u>
Total Liabilities	<u>164</u>
Fund Balance:	
Committed	<u>1,791</u>
Total Fund Balance	<u>1,791</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,955</u></u>

CITY AND COUNTY OF HONOLULU
HANAUMA BAY NATURE PRESERVE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 9,109	\$ 7,019	\$ (2,090)
Miscellaneous:			
Interest	7	4	(3)
Other	756	862	106
Total Revenues	9,872	7,885	(1,987)
Expenditures:			
Current:			
Public safety:			
Emergency Services	1,137	1,060	77
Culture-recreation:			
Parks and Recreation	4,279	2,815	1,464
Miscellaneous:			
Retirement and health benefits:			
Provisional	1,651	1,375	276
Other:			
Provisional	52	--	52
Total Miscellaneous	1,703	1,375	328
Capital improvements:			
Design and Construction	1,241	1,241	--
Total Expenditures	8,360	6,491	1,869
Revenues over Expenditures	1,512	1,394	(118)
Other Financing Uses:			
Transfers out:			
Debt service	(1,174)	(1,174)	--
Reimbursement for central administrative service expenses	(338)	(338)	--
Total Other Financing Uses	(1,512)	(1,512)	--
Revenues under Expenditures and Other Uses	--	(118)	(118)
Unreserved - Undesignated Fund Balance - July 1	--	(46)	(46)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	(164)	\$ (164)

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, 2022
 (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		1,420	
Expenditures - prior year encumbrances		(330)	
Decrease in reserved for encumbrances		50	
Unreserved - Undesignated Fund			
Balance - June 30		976	
Reserved for Encumbrances - June 30		815	
Fund Balance - June 30 (GAAP Basis)		\$ 1,791	

CITY AND COUNTY OF HONOLULU
HANAUMA BAY NATURE PRESERVE FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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:			
Service Fee for card payment	\$ --	\$ 67	\$ 67
HIGHWAYS AND STREETS:			
Hanauma Bay Parking	432	289	(143)
CULTURE-RECREATION:			
Miscellaneous:			
Hanauma Bay Admission Fee	<u>8,677</u>	<u>6,663</u>	<u>(2,014)</u>
TOTAL CHARGES FOR SERVICES	<u>9,109</u>	<u>7,019</u>	<u>(2,090)</u>
MISCELLANEOUS			
INTEREST:			
Interest Earnings:			
Investments	7	4	(3)
OTHER MISCELLANEOUS:			
Rents:			
Perquisite Housing	3	3	--
Concessions:			
Parks and Recreation Facilities:			
Hanauma Gift Shop Concession	181	251	70
Hanauma Beach Park Concession	51	47	(4)
Hanauma Shuttle Bus Service			--
Hanauma Snorkeling Rental	520	559	39
Other Concessions	1	--	(1)
Other:			
Sundry Refunds	--	2	2
Total Other Miscellaneous	<u>756</u>	<u>862</u>	<u>106</u>
TOTAL MISCELLANEOUS	<u>763</u>	<u>866</u>	<u>103</u>
TOTAL HANAUMA BAY NATURE PRESERVE FUND	<u>\$ 9,872</u>	<u>\$ 7,885</u>	<u>\$ (1,987)</u>

CITY AND COUNTY OF HONOLULU
RESERVE FOR FISCAL STABILITY FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 145,360
Total Asset	<u>\$ 145,360</u>

FUND BALANCE

Fund Balance:	
Committed	\$ 145,360
Total Fund Balance	<u>\$ 145,360</u>

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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Licenses and permits	\$ 1,908	\$ --	\$ (1,908)
Miscellaneous:			
Interest	\$ 120	\$ 273	\$ 153
Total Revenue	2,028	273	(1,755)
Other Financing Sources:			
Sales of capital assets	957	47	(910)
Transfer in	7,000	7,000	--
Total Other Financing Sources	7,957	7,047	(910)
Revenue and Other Sources	9,985	7,320	(2,665)
Unreserved - Undesignated Fund Balance - July 1	131,236	138,040	6,804
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 141,221	145,360	\$ 4,139
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		145,360	
Reserved for Encumbrances - June 30		--	
Fund Balance - June 30 (GAAP Basis)		\$ 145,360	

CITY AND COUNTY OF HONOLULU
RESERVE FOR FISCAL STABILITY FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>LICENSES AND PERMITS</u>			
<u>NON-BUSINESS LICENSES AND PERMITS:</u>			
Easement Grants	\$ 1,908	\$ --	\$ (1,908)
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments	<u>\$ 120</u>	<u>\$ 273</u>	<u>\$ 153</u>
TOTAL REVENUE	<u>2,028</u>	<u>273</u>	<u>(1,755)</u>
<u>OTHER FINANCING SOURCES</u>			
<u>SALES OF CAPITAL ASSETS:</u>			
Sales of Capital Assets	<u>957</u>	<u>47</u>	<u>(910)</u>
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
General Fund	<u>7,000</u>	<u>7,000</u>	<u>--</u>
TOTAL OTHER FINANCING SOURCES	<u>7,957</u>	<u>7,047</u>	<u>(910)</u>
TOTAL RESERVE FOR FISCAL STABILITY FUND ...	<u>\$ 9,985</u>	<u>\$ 7,320</u>	<u>\$ (2,665)</u>

CITY AND COUNTY OF HONOLULU
CLEAN WATER AND NATURAL LANDS FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 46,713
Total Asset	\$ 46,713

LIABILITIES AND FUND BALANCE

Liabilities:	
Accrued payroll	2
Total Liabilities	2
Fund Balance:	
Restricted	\$ 46,711
Total Liabilities and Fund Balance	\$ 46,713

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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 6,893	\$ 6,893	\$ --
Miscellaneous:			
Interest	27	74	47
Other	--	597	597
	<u>6,920</u>	<u>7,564</u>	<u>644</u>
Total Revenues			
Expenditures:			
Current:			
General government:			
Land Management	246	37	209
Capital improvements:			
Culture-recreation:			
Design and Construction	17,167	17,167	--
	<u>17,413</u>	<u>17,204</u>	<u>209</u>
Total Expenditure			
Revenues under Expenditures	(10,493)	(9,640)	853
Unreserved - Undesignated Fund Balance - July 1	<u>10,494</u>	<u>39,181</u>	<u>28,687</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ 1</u>	<u>29,541</u>	<u>\$ 29,540</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		17,167	
Expenditures - prior year encumbrances		--	
Increase in reserved for encumbrances		<u>--</u>	
Unreserved - Undesignated Fund Balance - June 30		46,708	
Reserved for Encumbrances - June 30		<u>3</u>	
Fund Balance - June 30 (GAAP Basis)		<u>\$ 46,711</u>	

CITY AND COUNTY OF HONOLULU
CLEAN WATER AND NATURAL LANDS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 6,893	\$ 6,893	\$ --
<u>MISCELLANEOUS</u>			
INTEREST:			
Interest Earnings:			
Investments	27	74	47
OTHER MISCELLANEOUS:			
Other:			
Sundry Refunds	--	597	597
TOTAL MISCELLANEOUS	<u>27</u>	<u>671</u>	<u>644</u>
TOTAL CLEAN WATER AND NATURAL LANDS FUND	<u>\$ 6,920</u>	<u>\$ 7,564</u>	<u>\$ 644</u>

CITY AND COUNTY OF HONOLULU
AFFORDABLE HOUSING FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 30,840
Due from other funds:	
General Fund	3
Federal Grants Fund	1
	3
Total Assets	\$ 30,844

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 95
Accrued payroll	3
	98
Total Liabilities.....	98
Fund Balance:	
Restricted	30,746
Total Fund Balance	30,746
Total Liabilities and Fund Balance	\$ 30,844

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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 6,893	\$ 6,893	\$ --
Miscellaneous:			
Interest	31	51	20
Total Revenues	6,924	6,944	20
Expenditures:			
Current:			
Human Services:			
Community Services	446	59	387
Capital improvements:			
Human Services:			
Community Services	37,569	37,569	--
Total Expenditures	38,015	37,628	387
Revenues under Expenditures	(31,091)	(30,684)	407
Unreserved - Undesignated Fund Balance - July 1	31,092	23,453	(7,639)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 1	(7,231)	\$ (7,232)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		37,570	
Expenditures - prior year encumbrances		(3,841)	
Decrease in reserved for encumbrances		3,775	
Unreserved - Undesignated Fund Balance - June 30		30,273	
Reserved for Encumbrances - June 30		473	
Fund Balance - June 30 (GAAP Basis)		\$ 30,746	

CITY AND COUNTY OF HONOLULU
AFFORDABLE HOUSING FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 6,893	\$ 6,893	\$ --
 <u>MISCELLANEOUS</u>			
INTEREST:			
Interest Earnings:			
Investments	<u>31</u>	<u>51</u>	<u>20</u>
 TOTAL AFFORDABLE HOUSING FUND	 <u>\$ 6,924</u>	 <u>\$ 6,944</u>	 <u>\$ 20</u>

CITY AND COUNTY OF HONOLULU
COMMUNITY DEVELOPMENT FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 1,655
Receivables:	
Loans	11
Intergovernmental	449
Payroll advance	8
	8
Total Assets	\$ 2,123

LIABILITIES, DEFERRED INFLOW AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 636
Due to other funds:	
General Fund	331
Federal Grants Fund	13
Accrued payroll	30
	30
Total Liabilities	1,010
Deferred Inflow:	
Deferred inflow	11
	11
Total Deferred Inflow	11
Fund Balance:	
Restricted	1,102
	1,102
Total Fund Balance	1,102
Total Liabilities, Deferred Inflow and Fund Balance	\$ 2,123

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, 2022
 (Amounts in thousands)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 8,704	\$ 9,932	\$ 8,329	\$ (1,603)
Miscellaneous:				
Other	--	--	5	5
Total Revenues	8,704	9,932	8,334	(1,598)
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	1,227	1,331	804	527
Customer Services	--	307	307	--
Total General government	1,227	1,638	1,111	527
Human services:				
Community Services	935	935	818	117
Capital improvements:				
Public Safety:				
Fire	--	800	800	--
Culture-recreation:				
Design and Construction	6,542	7,859	7,859	--
Total Capital improvements	6,542	8,659	8,659	--
Total Expenditures	8,704	11,232	10,588	644
Revenue under Expenditures	--	(1,300)	(2,254)	(954)
Other Financing Source:				
Transfer in	--	1,300	1,300	--
Total Other Financing Source	--	1,300	1,300	--
Revenues and Other Source under Expenditures	--	--	(954)	(954)
Unreserved - Undesignated Fund Balance - July 1	--	--	(9,477)	(9,477)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	\$ --	(10,431)	\$ (10,431)
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			7,786	
Expenditures - prior year encumbrances			(6,295)	
Decrease in reserved for encumbrances			4,298	
Unreserved - Undesignated Fund Balance - June 30			(4,642)	
Reserved for Encumbrances - June 30			5,744	
Fund Balance - June 30 (GAAP Basis)			\$ 1,102	

CITY AND COUNTY OF HONOLULU
COMMUNITY DEVELOPMENT FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 8,704	\$ 9,932	\$ 8,329	\$ (1,603)
<u>MISCELLANEOUS</u>				
<u>OTHER MISCELLANEOUS:</u>				
Other:				
Vacation Accumulation Deposits	--	--	5	5
TOTAL REVENUES	<u>8,704</u>	<u>9,932</u>	<u>8,334</u>	<u>(1,598)</u>
<u>OTHER FINANCING SOURCE</u>				
<u>TRANSFER FROM OTHER FUND:</u>				
Other Transfer -				
Housing and Community Development Rehabilitation Loan Fund	--	1,300	1,300	--
TOTAL OTHER FINANCING SOURCE	<u>--</u>	<u>1,300</u>	<u>1,300</u>	<u>--</u>
TOTAL COMMUNITY DEVELOPMENT FUND	<u>\$ 8,704</u>	<u>\$ 11,232</u>	<u>\$ 9,634</u>	<u>\$ (1,598)</u>

CITY AND COUNTY OF HONOLULU
PATSY T. MINK CENTRAL OAHU REGIONAL PARK FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ <u>447</u>
Total Asset	\$ <u><u>447</u></u>

FUND BALANCE

Fund Balance:	
Committed	\$ <u>447</u>
Total Fund Balance	\$ <u><u>447</u></u>

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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Charges for services	\$ 233	\$ 195	\$ (38)
Total Revenue	233	195	(38)
Expenditure:			
Current:			
Culture-recreation:			
Parks and Recreation	34	--	34
Revenue over Expenditure	199	195	(4)
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses	(2)	(2)	--
Revenue over Expenditure and Other Use	197	193	(4)
Unreserved - Undesignated Fund Balance - July 1	--	228	228
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 197	421	\$ 224
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		--	
Expenditures - prior year encumbrances		(8)	
Decrease in reserved for encumbrances		8	
Unreserved - Undesignated Fund Balance - June 30		421	
Reserved for Encumbrances - June 30		26	
Fund Balance - June 30 (GAAP Basis)		\$ 447	

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, 2022
 (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	\$ 82	\$ 75	\$ (7)
CULTURE-RECREATION:			
Fees for Use of Parks	<u>151</u>	<u>120</u>	<u>(31)</u>
TOTAL CHARGES FOR SERVICES	<u>233</u>	<u>195</u>	<u>(38)</u>
TOTAL PATSY T. MINK CENTRAL OAHU REGIONAL PARK FUND	<u>\$ 233</u>	<u>\$ 195</u>	<u>\$ (38)</u>

CITY AND COUNTY OF HONOLULU
WAIPIO PENINSULA SOCCER PARK FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 381
Total Asset	<u> 381</u>

FUND BALANCE

Fund Balance:	
Committed	\$ 381
Total Fund Balance	<u> 381</u>

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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenue:			
Charges for services	\$ 93	\$ 116	\$ 23
Total Revenue	93	116	23
Expenditure:			
Current:			
Culture-recreation:			
Parks and Recreation	112	--	112
Revenue over (under) Expenditure	(19)	116	135
Other Financing Use:			
Transfer out:			
Reimbursement for central administrative service expenses	(6)	(6)	--
Revenue over (under) Expenditure and Other Use	(25)	110	135
Unreserved - Undesignated Fund Balance - July 1	199	271	72
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 174	381	\$ 207
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		381	
Reserved for Encumbrances - June 30		--	
Fund Balance - June 30 (GAAP Basis)		\$ 381	

CITY AND COUNTY OF HONOLULU
WAIPIO PENINSULA SOCCER PARK FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 18	\$ 44	\$ 26
CULTURE-RECREATION:			
Fees for Use of Parks	<u>75</u>	<u>72</u>	<u>(3)</u>
TOTAL WAIPIO PENINSULA SOCCER PARK FUND	<u>\$ 93</u>	<u>\$ 116</u>	<u>\$ 23</u>

CITY AND COUNTY OF HONOLULU
HONOLULU ZOO FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 7,818
Total Asset	\$ 7,818

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 105
Due to other fund:	
General Fund	2,862
Accrued payroll	234
Total Liabilities	3,201
Fund Balance:	
Committed	4,617
Total Fund Balance	4,617
Total Liabilities and Fund Balance	\$ 7,818

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, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 6,893	\$ 6,893	\$ --
Charges for services	2,448	5,073	2,625
Miscellaneous:			
Interest	1	2	1
Other	147	253	106
Total Revenues	9,489	12,221	2,732
Expenditures:			
Current:			
Culture-recreation:			
Enterprise Services	7,255	7,008	247
Miscellaneous:			
Retirement and health benefits:			
Provisional	3,189	3,084	105
Other:			
Provisional	1,124	370	754
Total Miscellaneous	4,313	3,454	859
Total Expenditures	11,568	10,462	1,106
Revenues over (under) Expenditures	(2,079)	1,759	3,838
Other Finance Source (Uses):			
Transfer in	5,762	5,762	--
Transfers out:			
Debt service	(3,045)	(3,045)	--
Reimbursement for central administrative service expenses	(731)	(731)	--
Total Other Financing Source (Uses)	1,986	1,986	--

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, 2022
 (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	(93)	3,745	3,838
Unreserved - Undesignated Fund Balance - July 1	93	549	456
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	4,294	\$ 4,294
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		289	
Expenditures - prior year encumbrances		(92)	
Increase in reserved for encumbrances		(192)	
Unreserved - Undesignated Fund Balance - June 30		4,299	
Reserved for Encumbrances - June 30		318	
Fund Balance - June 30 (GAAP Basis)		\$ 4,617	

CITY AND COUNTY OF HONOLULU
HONOLULU ZOO FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 6,893	\$ 6,893	\$ --
TOTAL TAXES	<u>6,893</u>	<u>6,893</u>	<u>--</u>
<u>CHARGES FOR SERVICES</u>			
<u>HIGHWAYS AND STREETS</u>			
Zoo Parking Lot	848	1,326	478
<u>CULTURE-RECREATION:</u>			
Honolulu Zoo	<u>1,600</u>	<u>3,747</u>	<u>2,147</u>
TOTAL CHARGES FOR SERVICES	<u>2,448</u>	<u>5,073</u>	<u>2,625</u>
<u>MISCELLANEOUS</u>			
<u>INTEREST:</u>			
Interest Earnings:			
Investments	1	2	1
<u>OTHER MISCELLANEOUS:</u>			
Concessions:			
Food Concession - Honolulu Zoo	147	250	103
Other:			
Sundry Refunds	<u>--</u>	<u>3</u>	<u>3</u>
Total Other Miscellaneous	<u>147</u>	<u>253</u>	<u>106</u>
TOTAL MISCELLANEOUS	<u>148</u>	<u>255</u>	<u>107</u>
TOTAL REVENUES	<u>9,489</u>	<u>12,221</u>	<u>2,732</u>
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFERS FROM OTHER FUND:</u>			
Other Transfer -			
General Fund	<u>5,762</u>	<u>5,762</u>	<u>--</u>
TOTAL OTHER FINANCING SOURCE	<u>5,762</u>	<u>5,762</u>	<u>--</u>
TOTAL HONOLULU ZOO FUND	<u>\$ 15,251</u>	<u>\$ 17,983</u>	<u>\$ 2,732</u>

CITY AND COUNTY OF HONOLULU
GOLF FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 5,527
Receivable:	
Payroll advance	56
Total Assets	\$ 5,583

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 191
Due to other fund:	
General Fund	796
Accrued payroll	309
Total Liabilities	1,296
Fund Balance:	
Committed	4,287
Total Fund Balance	4,287
Total Liabilities and Fund Balance	\$ 5,583

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, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 6,281	\$ 8,001	\$ 1,720
Miscellaneous:			
Other	2,821	3,432	611
Total Revenues	9,102	11,433	2,331
Expenditures:			
Current:			
Culture-recreation:			
Enterprise Services	10,107	9,891	216
Miscellaneous:			
Retirement and health benefits:			
Provisional	3,958	3,887	71
Other:			
Provisional	522	114	408
Total Miscellaneous	4,480	4,001	479
Total Expenditures	14,587	13,892	695
Revenues under Expenditures	(5,485)	(2,459)	3,026
Other Finance Source (Uses):			
Transfer in	3,904	3,904	--
Transfers out:			
Debt service	(1,822)	(1,822)	--
Reimbursement for central administrative service expenses	(821)	(821)	--
Total Other Financing Source (Uses)	1,261	1,261	--
Revenues and Other Source under Expenditures and Other Uses	(4,224)	(1,198)	3,026
Unreserved - Undesignated Fund Balance - July 1	4,224	5,008	784
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	3,810	\$ 3,810

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, 2022
 (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		324	
Expenditures - prior year encumbrances		(255)	
Increase in reserved for encumbrances		(16)	
Unreserved - Undesignated Fund Balance - June 30		3,863	
Reserved for Encumbrances - June 30		424	
Fund Balance - June 30 (GAAP Basis)		\$ 4,287	

CITY AND COUNTY OF HONOLULU
GOLF FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>CHARGES FOR SERVICES</u>			
<u>CULTURE-RECREATION:</u>			
Golf Course Fees	\$ 6,281	\$ 8,001	\$ 1,720
TOTAL CHARGES FOR SERVICES	<u>6,281</u>	<u>8,001</u>	<u>1,720</u>
<u>MISCELLANEOUS</u>			
<u>OTHER MISCELLANEOUS:</u>			
Rents:			
Golf Cart Rentals	2,457	3,125	668
Rental for Use of Land	--	6	6
Total Rents	<u>2,457</u>	<u>3,131</u>	<u>674</u>
Other:			
Vacation Accumulation Deposits	--	9	9
Sundry Refunds	--	1	1
Total Other	<u>--</u>	<u>10</u>	<u>10</u>
Concessions:			
Food Concession - Golf Courses	50	43	(7)
Golf Course - Pro Shops	15	7	(8)
Golf Course - Driving Range	299	241	(58)
Total Concessions	<u>364</u>	<u>291</u>	<u>(73)</u>
TOTAL MISCELLANEOUS	<u>2,821</u>	<u>3,432</u>	<u>611</u>
TOTAL REVENUES	<u>9,102</u>	<u>11,433</u>	<u>2,331</u>
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
General Fund	3,904	3,904	--
TOTAL OTHER FINANCING SOURCE	<u>3,904</u>	<u>3,904</u>	<u>--</u>
TOTAL GOLF FUND	<u>\$ 13,006</u>	<u>\$ 15,337</u>	<u>\$ 2,331</u>

CITY AND COUNTY OF HONOLULU
SPECIAL EVENTS FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSETS

Cash and investments:		
With Treasury	\$	9,005
Receivable:		
Payroll advance		83
Total Assets	\$	9,088

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	\$	161
Due to other fund:		
General Fund		1,804
Accrued payroll		221
Total Liabilities		2,186
Fund Balance:		
Committed		6,902
Total Fund Balance		6,902
Total Liabilities and Fund Balance	\$	9,088

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, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:			
Charges for services	\$ 68	\$ 3	\$ (65)
Miscellaneous:			
Interest	4	5	1
Other	5,885	8,953	3,068
Total Revenues	5,957	8,961	3,004
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services	40	40	--
Culture-recreation:			
Enterprise Services	6,986	5,827	1,159
Miscellaneous:			
Retirement and health benefits:			
Provisional	3,217	3,100	117
Other:			
Provisional	430	168	262
Total Miscellaneous	3,647	3,268	379
Total Expenditures	10,673	9,135	1,538
Revenues under Expenditures	(4,716)	(174)	4,542
Other Financing Source (Uses):			
Transfer in	8,679	8,679	--
Transfers out:			
Debt service	(3,440)	(3,440)	--
Reimbursement for central administrative service expenses	(706)	(706)	--
Total Other Financing Source (Uses)	4,533	4,533	--

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, 2022
 (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	(183)	4,359	4,542
Unreserved - Undesignated Fund Balance - July 1	183	1,288	1,105
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	5,647	\$ 5,647
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above		1,086	
Expenditures - prior year encumbrances		(88)	
Increase in reserved for encumbrances		(972)	
Unreserved - Undesignated Fund Balance - June 30		5,673	
Reserved for Encumbrances - June 30		1,229	
Fund Balance - June 30 (GAAP Basis)		\$ 6,902	

CITY AND COUNTY OF HONOLULU
SPECIAL EVENTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

(Page 1 of 2)

<u>Source of Revenues</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Variance Favorable (Unfavorable)</u>
<u>CHARGES FOR SERVICES</u>			
GENERAL GOVERNMENT:			
Surcharge on Auditorium Tickets	\$ 60	\$ --	\$ (60)
Other	<u>8</u>	<u>3</u>	<u>(5)</u>
TOTAL CHARGES FOR SERVICES	<u>68</u>	<u>3</u>	<u>(65)</u>
<u>MISCELLANEOUS</u>			
INTEREST:			
Interest Earnings:			
Investments	4	5	1
OTHER MISCELLANEOUS:			
Rents:			
Rental for Use of Land	11	6	(5)
Rental of Auditorium Facilities	1,428	1,275	(153)
Auditorium Equipment Rental	<u>992</u>	<u>486</u>	<u>(506)</u>
Total Rents	<u>2,431</u>	<u>1,767</u>	<u>(664)</u>
Concessions:			
Food Concession - Auditoriums	431	--	(431)
Food Concession - Parks	115	318	203
Parking - Auditoriums	1,723	1,761	38
Novelty Sales Concession - Auditoriums	59	--	(59)
Other - Auditoriums	1	--	(1)
Beach Concession - Parks	1,083	1,689	606
Pouring Rights	32	30	(2)
Other Concessions	<u>10</u>	<u>22</u>	<u>12</u>
Total Concessions	<u>3,454</u>	<u>3,820</u>	<u>366</u>

CITY AND COUNTY OF HONOLULU
SPECIAL EVENTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	--	4	4
Sundry Refunds	--	3,362	3,362
Total Other	--	3,366	3,366
Total Other Miscellaneous	5,885	8,953	3,068
TOTAL MISCELLANEOUS	5,889	8,958	3,069
TOTAL REVENUES	5,957	8,961	3,004
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
General Fund	8,679	8,679	--
TOTAL OTHER FINANCING SOURCE	8,679	8,679	--
TOTAL SPECIAL EVENTS FUND	\$ 14,636	\$ 17,640	\$ 3,004

CITY AND COUNTY OF HONOLULU
SPECIAL PROJECTS FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 15,419
Receivables:	
Intergovernmental	1,109
Payroll advance	14
Due from other fund:	
Federal Grants Fund	32
Total Assets	\$ 16,574

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 851
Due to other fund:	
General Fund	334
Highway Fund	1
Accrued payroll	108
Total Liabilities	1,294
Fund Balance:	
Restricted	15,280
Total Fund Balance	15,280
Total Liabilities and Fund Balance	\$ 16,574

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, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 17,761	\$ 25,565	\$ 14,685	\$ (10,880)
Charges for services	905	905	899	(6)
Miscellaneous:				
Other	--	185	493	308
Total Revenues	<u>18,666</u>	<u>26,655</u>	<u>16,077</u>	<u>(10,578)</u>
Expenditures:				
Current:				
General government:				
Human Resources	--	100	100	--
Information Technology	--	1,415	1,084	331
Mayor	--	178	98	80
Planning and Permitting	--	14	--	14
Prosecuting Attorney	--	711	177	534
Total General government	--	<u>2,418</u>	<u>1,459</u>	<u>959</u>
Public safety:				
Emergency Management	20	86	86	--
Emergency Services	--	1,830	1,603	227
Fire	--	2,547	1,444	1,103
Police	--	5,626	2,781	2,845
Total Public safety	<u>20</u>	<u>10,089</u>	<u>5,914</u>	<u>4,175</u>
Highways and streets:				
Facility Maintenance	--	29	9	20
Human services:				
Community Services	15,549	15,602	7,893	7,709
Culture-recreation:				
Enterprise Services	--	90	--	90
Mayor	--	4	--	4
Parks and Recreation	--	868	21	847
Total Culture-recreation	--	<u>962</u>	<u>21</u>	<u>941</u>
Total Expenditures	<u>15,569</u>	<u>29,100</u>	<u>15,296</u>	<u>13,804</u>
Revenues over (under) Expenditures	3,097	(2,445)	781	3,226
Unreserved - Undesignated Fund Balance - July, 1.....	--	--	(3,783)	(3,783)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ 3,097</u>	<u>\$ (2,445)</u>	(3,002)	<u>\$ (557)</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, 2022
 (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			4,700	
Expenditures - prior year encumbrances			(6,445)	
Decrease in reserved for encumbrances			<u>2,952</u>	
Unreserved - Undesignated Fund				
Balance - June 30			(1,795)	
Reserved for Encumbrances - June 30			<u>17,075</u>	
Fund Balance - June 30 (GAAP Basis)			<u>\$ 15,280</u>	

CITY AND COUNTY OF HONOLULU
SPECIAL PROJECTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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>				
STATE GRANTS:				
Department of the Budget and Finance	\$ --	\$ 165	\$ 83	\$ (82)
Department of Business, Economic Development and Tourism	--	606	10	(596)
Department of Defense	21	86	67	(19)
Department of Health	12,390	12,489	5,955	(6,534)
Department of Human Services	3,159	5,730	4,003	(1,727)
Department of Labor and Industrial Relations	245	541	245	(296)
Department of Land and Natural Resources	646	1,848	929	(919)
Department of Transportation	--	112	--	(112)
Wireless Enhanced 911 Board	1,300	3,988	3,393	(595)
TOTAL INTERGOVERNMENTAL	17,761	25,565	14,685	(10,880)
<u>CHARGES FOR SERVICES</u>				
PUBLIC SAFETY:				
Plan Review Fee	905	905	899	(6)
<u>MISCELLANEOUS</u>				
OTHER MISCELLANEOUS:				
Contributions from Private Sources:				
Contributions to the City	--	85	138	53
Private grants to the City	--	100	100	--
Total Contributions from Private Sources	--	185	238	53
Other:				
Other	--	--	255	255
TOTAL MISCELLANEOUS	--	185	493	308
TOTAL SPECIAL PROJECTS FUND	\$ 18,666	\$ 26,655	\$ 16,077	\$ (10,578)

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 430,951
Receivables:	
Loans	2,514
Intergovernmental	4,046
Payroll advance	61
Due from other funds:	
Community Development Fund	13
Total Assets	<u>\$ 437,585</u>

LIABILITIES, DEFERRED INFLOW AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 4,433
Due to other funds:	
General Fund	423
Grants In Aid Fund	6
Affordable Housing Fund	1
Special Projects Fund	32
Accrued payroll	355
Unearned Revenue	410,534
Total Liabilities	<u>415,784</u>
Deferred Inflow:	
Deferred inflow	<u>2,513</u>
Total Deferred Inflow	<u>2,513</u>
Fund Balance:	
Restricted	<u>19,288</u>
Total Fund Balance	<u>19,288</u>
Total Liabilities, Deferred Inflow and Fund Balance	<u>\$ 437,585</u>

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Amounts in thousands)

Revenues:	
Intergovernmental	\$ 331,628
Miscellaneous:	
Interest	1
Other	309
	<hr/>
Total Revenues	331,938
	<hr/>
Expenditures:	
Current:	
General government	168,280
Public safety	8,307
Human services	28,022
Culture-recreation	4,778
Utilities or other enterprises	113,106
Capital outlay:	
Public safety	2,570
Human services	205
Culture-recreation	13
Debt Service:	
Principal retirement	1,316
Interest charges	137
	<hr/>
Total Expenditures	326,734
	<hr/>
Revenues over (under) Expenditures	5,204
	<hr/>
Fund Balance - July 1	14,084
	<hr/>
Fund Balance - June 30	\$ 19,288
	<hr/> <hr/>

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, 2022
 (Amounts in thousands)

(Page 1 of 2)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 162,395	\$ 316,019	\$ 331,628	\$ 15,609
Miscellaneous:				
Interest	--	--	1	1
Other	82	82	309	227
Total Revenues	162,477	316,101	331,938	15,837
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	987	1,562	445	1,117
Customer Services	100	100	--	100
Design and Construction	1,200	2,000	2,000	--
Information Technology	66	66	--	66
Mayor	5,770	103,584	97,379	6,205
Prosecuting Attorney	2,358	3,595	2,066	1,529
Total General government	10,481	110,907	101,890	9,017
Public safety:				
Emergency Management	--	16,007	2,773	13,234
Emergency Services	501	501	--	501
Fire	--	372	64	308
Medical Examiner	--	146	103	43
Police	1	15,874	4,729	11,145
Transportation Services	122	636	514	122
Total Public safety	624	33,536	8,183	25,353
Highways and streets:				
Facility Maintenance	1,400	1,400	--	1,400
Human services:				
Community Services	36,465	61,994	26,765	35,229
Culture-recreation:				
Enterprise Services	--	4,584	4,584	--
Parks and Recreation	908	953	179	774
Total Culture-recreation	908	5,537	4,763	774

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, 2022
 (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	112,555	112,614	112,555	59
Total Expenditures	162,433	325,988	254,156	71,832
Revenues over(under) Expenditures	44	(9,887)	77,782	87,669
Unreserved - Undesignated Fund Balance - July 1	--	--	(267,893)	(267,893)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 44	\$ (9,887)	(190,111)	\$ (180,224)
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			26,935	
Expenditures - prior year encumbrances			(99,513)	
Decrease in reserved for encumbrances			39,140	
Unreserved - Undesignated Fund Balance - June 30			(223,549)	
Reserved for Encumbrances - June 30			242,837	
Fund Balance - June 30 (GAAP Basis)			\$ 19,288	

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS FUND
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (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	\$ 208	\$ 298	\$ 297	\$ (1)
Department of Education	162	207	100	(107)
Department of Health and Human Services	7,601	12,254	4,283	(7,971)
Department of Homeland Security	--	16,860	2,169	(14,691)
Department of Housing and Urban Development ...	2,027	23,117	22,802	(315)
Department of Justice	2,108	6,052	4,327	(1,725)
Department of Labor	7,558	8,064	3,573	(4,491)
Department of Transportation	114,009	117,254	117,698	444
Office of National Drug Control Policy	--	1,652	1,359	(293)
Small Business Administration	--	4,584	4,584	--
Other Agencies	--	--	98	98
Total Federal Grants	<u>133,673</u>	<u>190,342</u>	<u>161,290</u>	<u>(29,052)</u>
OTHER FINANCIAL ASSISTANCE:				
Department of Treasury	<u>28,722</u>	<u>125,677</u>	<u>170,338</u>	<u>44,661</u>
TOTAL INTERGOVERNMENTAL	<u>162,395</u>	<u>316,019</u>	<u>331,628</u>	<u>15,609</u>
MISCELLANEOUS				
INTEREST:				
Interest Earnings:				
Investments	--	--	1	1
OTHER MISCELLANEOUS:				
Other:				
Other	82	82	220	138
Sundry Refunds	--	--	89	89
Total Other	<u>82</u>	<u>82</u>	<u>309</u>	<u>227</u>
TOTAL MISCELLANEOUS	<u>82</u>	<u>82</u>	<u>310</u>	<u>228</u>
TOTAL FEDERAL GRANTS FUND	<u>\$ 162,477</u>	<u>\$ 316,101</u>	<u>\$ 331,938</u>	<u>\$ 15,837</u>

CITY AND COUNTY OF HONOLULU
HOUSING AND COMMUNITY DEVELOPMENT
REHABILITATION LOAN FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 5,914
Receivables:	
Loans	<u>6,261</u>
Total Assets	<u>\$ 12,175</u>

DEFERRED INFLOW AND FUND BALANCE

Deferred Inflow:	
Deferred inflow	<u>\$ 6,261</u>
Total Deferred Inflow	<u>6,261</u>
Fund Balance:	
Restricted	<u>5,914</u>
Total Fund Balance	<u>5,914</u>
Total Deferred Inflow and Fund Balance	<u>\$ 12,175</u>

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, 2022
(Amounts in thousands)

	Original Budget	Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Revenues:				
Miscellaneous:				
Interest	\$ --	\$ --	\$ 1	\$ 1
Other	2,004	2,004	590	(1,414)
Total Revenues	2,004	2,004	591	(1,413)
Expenditure:				
Current:				
Human services:				
Community Services	2,004	2,004	591	1,413
Total Expenditure	2,004	2,004	591	1,413
Revenues under Expenditure	--	--	--	--
Other Financing Use:				
Transfer out:				
Other	--	(1,300)	(1,300)	--
Total Other Financing Use	--	(1,300)	(1,300)	--
Revenues under Expenditure and Other Use	--	(1,300)	(1,300)	--
Unreserved - Undesignated Fund Balance - July 1	--	--	--	--
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ --	\$ (1,300)	(1,300)	\$ --
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			591	
Expenditures - prior year encumbrances			(37)	
Decrease in reserved for encumbrances			746	
Unreserved - Undesignated Fund Balance - June 30			--	
Reserved for Encumbrances - June 30			5,914	
Fund Balance - June 30 (GAAP Basis)			\$ 5,914	

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, 2022
(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	\$ --	\$ 1	\$ 1
<u>OTHER MISCELLANEOUS:</u>			
Repayments of Department of Housing and Community Development Loans:			
Principal	2,004	586	(1,418)
Interest	<u> --</u>	<u> 4</u>	<u> 4</u>
Total Other Miscellaneous	<u>2,004</u>	<u>590</u>	<u>(1,414)</u>
TOTAL HOUSING AND COMMUNITY DEVELOPMENT REHABILITATION LOAN FUND	<u>\$ 2,004</u>	<u>\$ 591</u>	<u>\$ (1,413)</u>

CITY AND COUNTY OF HONOLULU
PAUHI PROJECT EXPENDITURES, HAWAII R-15 FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 1,017
Total Asset	\$ 1,017

FUND BALANCE

Fund Balance:	
Restricted	\$ 1,017
Total Fund Balance	\$ 1,017

CITY AND COUNTY OF HONOLULU
PAUahi 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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Unreserved - Undesignated Fund Balance - July 1	\$ 1,010	\$ 1,017	\$ 7
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 1,010	1,017	\$ 7
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
HOUSING AND COMMUNITY DEVELOPMENT
SECTION 8 CONTRACT FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 13,428
Receivables:	
Accounts (net of allowance for uncollectibles)	112
Loans	3,648
Intergovernmental	33
Payroll advance	43
Total Assets	<u>\$ 17,264</u>

LIABILITIES, DEFERRED INFLOW AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 96
Due to other funds:	
General Fund	182
Accrued payroll	141
Total Liabilities	<u>419</u>
Deferred Inflow:	
Deferred inflow	<u>3,793</u>
Total Deferred Inflow	<u>3,793</u>
Fund Balance:	
Restricted	<u>13,052</u>
Total Fund Balance	<u>13,052</u>
Total Liabilities, Deferred Inflow and Fund Balance	<u>\$ 17,264</u>

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, 2022
(Amounts in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Final Variance Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental	\$ 64,502	\$ 76,953	\$ 68,532	\$ (8,421)
Miscellaneous:				
Interest	--	--	7	7
Other	--	--	20	20
Total Revenues	<u>64,502</u>	<u>76,953</u>	<u>68,559</u>	<u>(8,394)</u>
Expenditures:				
Current:				
General government:				
Budget and Fiscal Services	172	172	147	25
Human services:				
Community Services	<u>63,724</u>	<u>76,175</u>	<u>65,009</u>	<u>11,166</u>
Total Expenditures	<u>63,896</u>	<u>76,347</u>	<u>65,156</u>	<u>11,191</u>
Revenues over Expenditures	606	606	3,403	2,797
Unreserved - Undesignated Fund Balance - July 1	--	--	<u>1,565</u>	<u>1,565</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	<u>\$ 606</u>	<u>\$ 606</u>	4,968	<u>\$ 4,362</u>
Adjustments to conform with generally accepted accounting principles:				
Encumbrances included above			467	
Expenditures - prior year encumbrances			(106)	
Increase in reserved for encumbrances			<u>(340)</u>	
Unreserved - Undesignated Fund Balance - June 30			4,989	
Reserved for Encumbrances - June 30			<u>8,063</u>	
Fund Balance - June 30 (GAAP Basis)			<u>\$ 13,052</u>	

CITY AND COUNTY OF HONOLULU
HOUSING AND COMMUNITY DEVELOPMENT
SECTION 8 CONTRACT FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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)	\$ 187	\$ 187	\$ 144	\$ (43)
Existing Housing Voucher Program	63,039	75,490	66,685	(8,805)
Mainstream Voucher	<u>1,276</u>	<u>1,276</u>	<u>1,703</u>	<u>427</u>
TOTAL INTERGOVERNMENTAL	<u>64,502</u>	<u>76,953</u>	<u>68,532</u>	<u>(8,421)</u>
<u>MISCELLANEOUS</u>				
INTEREST:				
Interest Earnings:				
Investments	--	--	1	1
Other Sources	<u>--</u>	<u>--</u>	<u>6</u>	<u>6</u>
Total Interest	<u>--</u>	<u>--</u>	<u>7</u>	<u>7</u>
OTHER MISCELLANEOUS:				
Other:				
Escheats	--	--	19	19
Sundry Refunds	<u>--</u>	<u>--</u>	<u>1</u>	<u>1</u>
Total Other Miscellaneous	<u>--</u>	<u>--</u>	<u>20</u>	<u>20</u>
TOTAL MISCELLANEOUS	<u>--</u>	<u>--</u>	<u>27</u>	<u>27</u>
TOTAL HOUSING AND COMMUNITY DEVELOPMENT SECTION 8 CONTRACT FUND	<u>\$ 64,502</u>	<u>\$ 76,953</u>	<u>\$ 68,559</u>	<u>\$ (8,394)</u>

CITY AND COUNTY OF HONOLULU
LEASEHOLD CONVERSION FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 182
Total Asset	\$ 182

DEFERRED INFLOW AND FUND BALANCE

Deferred Inflow:	
Deferred inflow	\$ 43
Total Deferred Inflow	43
Fund Balance:	
Committed	139
Total Fund Balance	139
Total Deferred Inflow and Fund Balance	\$ 182

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, 2022
 (Amounts in thousands)

	Original and Final Budget	Actual on Budgetary Basis	Final Variance Favorable (Unfavorable)
Unreserved - Undesignated Fund Balance - July 1	129	129	--
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis)	\$ 129	129	\$ --
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 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

	<u>Improvement District Revolving Fund</u>	<u>Housing and Community Development Revolving Fund</u>	<u>Totals</u>
Revenue:			
Miscellaneous:			
Interest	\$ --	\$ --	\$ --
Total Revenue	--	--	--
Fund Balances - July 1	<u>1,962</u>	<u>238</u>	<u>2,200</u>
Fund Balances - June 30	<u>\$ 1,962</u>	<u>\$ 238</u>	<u>\$ 2,200</u>

CITY AND COUNTY OF HONOLULU
**GENERAL OBLIGATION BOND AND INTEREST
 REDEMPTION FUND**
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 106,111
Advance to component unit	<u>1,076,055</u>
Total Assets	<u>\$ 1,182,166</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Interest payable - matured	\$ 135
Bonds payable - matured	<u>174</u>
Total Liabilities	<u>309</u>
Fund Balance:	
Committed	<u>1,181,857</u>
Total Fund Balance	<u>1,181,857</u>
Total Liabilities and Fund Balance	<u>\$ 1,182,166</u>

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, 2022
(Amounts in thousands)

Revenues:	
Miscellaneous:	
Recoveries:	
Honolulu Authority for Rapid Transportation	\$ 49,768
Total Revenues	<u>49,768</u>
Expenditures:	
Tax exempt commercial paper:	
Interest	1,994
Notes payable:	
Principal	183
Interest	9
General obligation bonds:	
Principal	162,319
Interest	187,379
Bond issuance costs	<u>583</u>
Total Expenditures	<u>352,467</u>
Revenues under Expenditures	<u>(302,699)</u>
Other Financing Sources (Uses):	
Issuance of general obligation bonds	329,785
Bond premium	96,584
Issuance of refunding bonds	23,680
Bond premium on refunding bonds	2,502
Bond discount on refunding bonds	(182)
Transfers from other funds:	
General Fund - Principal	162,305
General Fund - Interest	114,411
Payment to escrow agent for refunding of tax exempt commercial paper	<u>(301,000)</u>
Total Other Financing Sources (Uses)	<u>428,085</u>
Revenues and Other Financing Sources over Expenditures and Other Uses	125,386
Fund Balances - July 1	<u>1,056,471</u>
Fund Balances - June 30	<u>\$ 1,181,857</u>

CITY AND COUNTY OF HONOLULU
**IMPROVEMENT DISTRICT BOND AND INTEREST
 REDEMPTION FUND**

BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 172
Receivables:	
Special assessments - current	1
Total Assets	\$ 173

LIABILITIES, DEFERRED INFLOW AND FUND BALANCE

Liabilities:	
Interest payable - matured	\$ 3
Bonds payable - matured	5
Total Liabilities	8
Deferred Inflow:	
Deferred inflow	1
Total Deferred Inflow	1
Fund Balance:	
Committed	164
Total Fund Balance	164
Total Liabilities, Deferred Inflow and Fund Balance	\$ 173

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, 2022
 (Amounts in thousands)

Expenditure:	
Current:	
Miscellaneous:	
Other	<u>\$ 1</u>
Total Expenditures	<u>1</u>
Revenues over (under) Expenditure	<u>(1)</u>
Fund Balances - July 1	<u>165</u>
Fund Balances - June 30	<u><u>\$ 164</u></u>

CITY AND COUNTY OF HONOLULU
GENERAL IMPROVEMENT BOND FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 154,332
Receivable:	
Payroll advance	<u>6</u>
Total Assets	<u>\$ 154,338</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 10,527
Accrued payroll	<u>6</u>
Total Liabilities	<u>10,533</u>
Fund Balance:	
Committed	<u>143,805</u>
Total Fund Balance	<u>143,805</u>
Total Liabilities and Fund Balance	<u>\$ 154,338</u>

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, 2022
 (Amounts in thousands)

Revenues:	
Fines and forfeits	\$ 58
Miscellaneous:	
Other	541
Total Revenues	<u>599</u>
Expenditures:	
Current:	
General government	1,206
Public safety	422
Highways and streets	145
Culture-recreation	566
Utilities or other enterprises	21,013
Capital outlay:	
General government	20,129
Public safety	21,762
Highways and streets	548
Human services	2,634
Culture-recreation	30,291
Total Expenditures	<u>98,716</u>
Revenues under Expenditures	<u>(98,117)</u>
Other Financing Sources:	
Issuance of general obligation bonds	137,594
Bond premium	24,182
Bond discount	(770)
Total Other Financing Sources	<u>161,006</u>
Revenues and Other Sources over Expenditures	62,889
Fund Balance - July 1	<u>80,916</u>
Fund Balance - June 30	<u>\$ 143,805</u>

CITY AND COUNTY OF HONOLULU
HIGHWAY IMPROVEMENT BOND FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 84,245
Total Asset	\$ 84,245

LIABILITY AND FUND BALANCE

Liability:	
Accounts payable	\$ 20,588
Total Liability	20,588
Fund Balance:	
Committed	63,657
Total Fund Balance	63,657
Total Liability and Fund Balance	\$ 84,245

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, 2022
 (Amounts in thousands)

Revenues:	
Fines and forfeits	\$ 299
Total Revenues	<u>299</u>
Expenditures:	
Current:	
General government	11
Public safety	86
Highways and streets	15,219
Utilities or other enterprises	20,242
Capital outlay:	
General government	2,182
Public safety	1,876
Highways and streets	31,932
Utilities or other enterprises	<u>279</u>
Total Expenditures	<u>71,827</u>
Revenues under Expenditures	(71,528)
Other Financing Sources (Use):	
Issuance of general obligation bonds	59,179
Bond premium	11,133
Bond discount	<u>(311)</u>
Total Other Financing Sources (Use)	<u>70,001</u>
Revenues and Other Sources over (under) Expenditures and Other Use.....	(1,527)
Fund Balance - July 1	<u>65,184</u>
Fund Balance - June 30	<u>\$ 63,657</u>

CITY AND COUNTY OF HONOLULU
FEDERAL GRANTS CAPITAL PROJECTS FUND
 BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

ASSETS

Cash and investments:	
With Treasury	\$ 18,767
Receivables:	
Loans (net of allowance for uncollectibles)	47,898
Leases	8,732
Intergovernmental	<u>2,227</u>
Total Assets	<u>\$ 77,624</u>

LIABILITY, DEFERRED INFLOW AND FUND BALANCE

Liability:	
Accounts payable	<u>\$ 1,057</u>
Total Liability	<u>1,057</u>
Deferred Inflow:	
Deferred inflow	<u>56,473</u>
Total Deferred Inflow	<u>56,473</u>
Fund Balance:	
Restricted	<u>20,094</u>
Total Fund Balance	<u>20,094</u>
Total Liability, Deferred Inflow and Fund Balance	<u>\$ 77,624</u>

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, 2022
 (Amounts in thousands)

Revenue:	
Intergovernmental	\$ <u>23,808</u>
Total Revenue	<u>23,808</u>
Expenditures:	
Current:	
Public safety	70
Human services	2,367
Utilities or other enterprises	20,091
Capital outlay:	
Public safety	1,667
Highways and streets	<u>206</u>
Total Expenditures	<u>24,401</u>
Revenue under Expenditures	(593)
Fund Balance - July 1	<u>20,687</u>
Fund Balance - June 30	<u>\$ 20,094</u>

CITY AND COUNTY OF HONOLULU
CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2022
(Amounts in thousands)

ASSET

Cash and investments:	
With Treasury	\$ 13,744
Total Asset	<u>\$ 13,744</u>

FUND BALANCE

Fund Balance:	
Restricted	\$ 13,744
Total Fund Balance	<u>\$ 13,744</u>

CITY AND COUNTY OF HONOLULU
CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022
 (Amounts in thousands)

Revenue:	
Intergovernmental	\$ 888
Total Revenues	<u>888</u>
Expenditures:	
Capital outlay:	
Highways and streets	<u>888</u>
Total Expenditures	<u>888</u>
Revenue under Expenditures	--
Fund Balance - July 1	<u>13,744</u>
Fund Balance - June 30	<u><u>\$ 13,744</u></u>

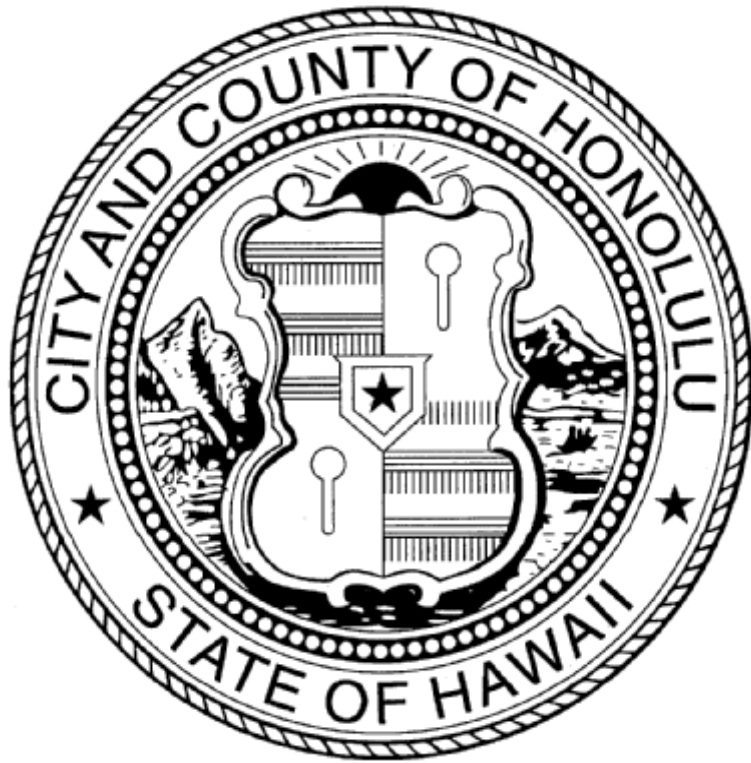
CITY AND COUNTY OF HONOLULU
TRUST AND CLEARANCE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2022
 (Amounts in thousands)

	General Trust Fund	Treasury Trust Fund	Real Property Tax Trust Fund	Payroll Clearance Fund	Totals
<u>ASSETS</u>					
Cash and investments:					
With Treasury	\$ 20,649	\$ 7,055	\$ 12,394	\$ 5	\$ 40,103
Imprest and change funds	74	51	--	--	125
Due from other funds:					
General Fund	--	--	--	5	5
Highway Fund	--	--	--	20	20
Sewer Fund	--	--	--	9	9
Solid Waste Fund	--	--	--	14	14
Total Assets	<u>\$ 20,723</u>	<u>\$ 7,106</u>	<u>\$ 12,394</u>	<u>\$ 53</u>	<u>\$ 40,276</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 89	\$ --	\$ 2	\$ 53	\$ 144
Deposits and advances	<u>19,077</u>	<u>7,055</u>	<u>12,392</u>	<u>--</u>	<u>38,524</u>
Total Liabilities	<u>19,166</u>	<u>7,055</u>	<u>12,394</u>	<u>53</u>	<u>38,668</u>
Fund Balances:					
Committed	<u>1,557</u>	<u>51</u>	<u>--</u>	<u>--</u>	<u>1,608</u>
Total Fund Balance	<u>1,557</u>	<u>51</u>	<u>--</u>	<u>--</u>	<u>1,608</u>
Total Liabilities and Fund Balances	<u><u>\$ 20,723</u></u>	<u><u>\$ 7,106</u></u>	<u><u>\$ 12,394</u></u>	<u><u>\$ 53</u></u>	<u><u>\$ 40,276</u></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, 2022
 (Amounts in thousands)

	<u>General Trust Fund</u>	<u>Treasury Trust Fund</u>	<u>Totals</u>
Revenues:			
Charges for services	\$ 1,089	\$ --	\$ 1,089
Miscellaneous:			
Other	<u>4</u>	<u>--</u>	<u>4</u>
Total Revenues	<u>1,093</u>	<u>--</u>	<u>1,093</u>
Expenditure:			
Current:			
Highway and streets	<u>948</u>	<u>--</u>	<u>948</u>
Total Expenditure	<u>948</u>	<u>--</u>	<u>948</u>
Revenues over Expenditure	145	--	145
Fund Balance - July 1	<u>1,412</u>	<u>51</u>	<u>1,463</u>
Fund Balance - June 30	<u><u>\$ 1,557</u></u>	<u><u>\$ 51</u></u>	<u><u>\$ 1,608</u></u>

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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 2013 - 2022
(Amounts in thousands)
(Unaudited)

	Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	
Governmental activities											
Net investment in capital assets	\$ 618,242	\$ 609,433	\$ 606,519	\$ 256,353	\$ 308,647	\$ 325,818	\$ 177,798	\$ 161,115	\$ 208,205	\$ 101,107	
Restricted	1,182,021	1,056,636	799,772	640,749	492,806	165	165	166	13	168	
Unrestricted	(4,226,568)	(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	
Total governmental activities net position	(2,426,305)	(2,518,597)	(2,274,589)	(2,520,736)	(2,410,505)	(1,177,899)	(993,903)	(933,320)	229,685	246,687	
Business-type activities											
Net investment in capital assets	1,860,828	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	
Restricted	115,746	115,164	181,860	259,977	260,091	165,226	174,514	181,029	178,187	177,890	
Unrestricted	1,097,167	1,005,092	915,346	869,210	775,038	814,948	693,728	562,191	620,571	579,850	
Total business-type activities net position	3,073,741	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	
Primary government											
Net investment in capital assets	2,479,070	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	
Restricted	1,297,767	1,171,800	981,632	900,726	752,897	165,391	174,679	181,195	178,200	178,058	
Unrestricted	(3,129,401)	(3,179,574)	(2,765,534)	(2,548,628)	(2,436,920)	(688,934)	(478,138)	(532,410)	642,038	725,262	
Total primary government net position	\$ 647,436	\$ 346,188	\$ 350,742	\$ (76,288)	\$ (166,885)	\$ 1,028,006	\$ 991,766	\$ 821,858	\$ 1,928,563	\$ 1,841,808	

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.

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 2013-2022
(Amounts in thousands)
(Unaudited)

(Page 1 of 2)

	Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	
Expenses											
Governmental activities:											
General government.....	\$ 855,833	\$ 1,208,524	\$ 872,700	\$ 774,499	\$ 779,702	\$ 733,242	\$ 571,486	\$ 487,753	\$ 482,303	\$ 468,295	
Public safety.....	518,416	575,162	547,864	524,312	492,692	482,925	455,908	442,822	418,904	393,224	
Highways and streets.....	110,730	115,950	113,417	98,418	71,271	71,282	68,050	50,831	47,620	38,683	
Sanitation.....	18	288	439	264	254	1,033	3,708	3,822	3,773	4,298	
Human services.....	132,908	183,003	104,227	116,412	127,631	98,516	97,550	90,965	91,546	82,806	
Culture and recreation.....	133,712	131,741	154,387	134,774	127,937	122,453	124,917	109,127	108,128	106,457	
Utilities or other enterprises.....	196,181	174,231	60,085	79,848	34,531	45,333	55,311	60,032	35,876	84,856	
Interest.....	137,278	119,301	112,590	102,230	86,956	72,528	90,219	80,126	85,774	76,914	
Total governmental activities expenses	<u>2,085,076</u>	<u>2,508,200</u>	<u>1,965,669</u>	<u>1,830,757</u>	<u>1,726,974</u>	<u>1,627,312</u>	<u>1,467,149</u>	<u>1,325,478</u>	<u>1,273,924</u>	<u>1,255,533</u>	
Business-type activities:											
Housing.....	10,321	10,719	11,849	12,288	12,182	13,062	11,554	11,562	15,928	11,728	
Sewer.....	295,853	288,153	290,583	300,324	281,183	248,825	239,711	252,448	276,958	260,806	
Solid Waste.....	211,529	219,567	223,509	215,436	207,239	204,258	191,005	174,651	190,254	166,160	
Public Transportation.....	315,654	296,527	301,089	287,876	276,209	262,397	255,718	250,925	238,832	239,351	
Total business-type activities expenses	<u>833,357</u>	<u>814,966</u>	<u>827,030</u>	<u>815,924</u>	<u>776,813</u>	<u>728,542</u>	<u>697,988</u>	<u>689,586</u>	<u>721,972</u>	<u>678,045</u>	
Total primary government expenses	<u>2,918,433</u>	<u>3,323,166</u>	<u>2,792,719</u>	<u>2,646,681</u>	<u>2,503,787</u>	<u>2,355,854</u>	<u>2,165,137</u>	<u>2,015,064</u>	<u>1,995,896</u>	<u>1,933,578</u>	
Program Revenues											
Governmental activities:											
Charges for services:											
General government.....	\$ 318,105	\$ 300,745	\$ 287,051	\$ 264,130	\$ 230,852	\$ 201,583	\$ 200,705	\$ 199,034	\$ 194,435	\$ 194,451	
Public safety.....	37,075	47,208	48,275	48,372	44,372	44,686	41,946	40,765	41,761	39,729	
Highways and streets.....	1,921	1,967	394	316	88	169	195	183	1,541	347	
Sanitation.....	--	--	--	--	--	--	--	3	10	49	
Human services.....	294	241	553	442	450	460	384	521	837	405	
Culture and recreation.....	32,665	16,432	26,482	35,181	33,051	31,748	30,384	29,384	30,586	29,100	
Utilities.....	3,272	3,409	3,646	4,296	3,816	3,183	1,925	1,922	1,066	863	
Operating grants and contributions.....	424,168	578,487	193,646	134,421	135,485	125,894	121,866	141,940	150,414	116,412	
Capital grants and contributions.....	23,315	13,458	305,908	19,331	16,144	28,517	41,315	9,758	13,493	54,201	
Total governmental activities program revenues	<u>840,815</u>	<u>961,957</u>	<u>865,955</u>	<u>508,489</u>	<u>464,268</u>	<u>436,240</u>	<u>438,685</u>	<u>423,510</u>	<u>434,143</u>	<u>435,557</u>	
Business-type activities:											
Charges for services:											
Housing.....	13,303	13,606	13,028	10,988	11,346	11,791	11,047	11,247	22,146	10,434	
Sewer.....	469,136	459,482	455,467	466,065	459,636	463,862	426,540	402,472	395,333	377,970	
Solid Waste.....	145,462	127,729	140,079	144,356	133,112	143,096	124,996	126,990	126,305	118,658	
Public Transportation.....	34,366	26,732	46,801	57,567	56,967	54,057	55,472	57,199	57,187	57,049	
Operating grants and contributions.....	112,555	94,190	23,405	21,000	21,000	21,000	21,000	26,862	21,525	27,279	
Capital grants and contributions.....	47,075	42,516	15,787	16,062	7,201	18,332	39,914	25,754	14,810	26,894	
Total business-type activities program revenues	<u>821,897</u>	<u>764,255</u>	<u>694,567</u>	<u>716,038</u>	<u>689,262</u>	<u>712,138</u>	<u>678,969</u>	<u>650,524</u>	<u>637,306</u>	<u>618,284</u>	
Total primary government program revenues	<u>1,662,712</u>	<u>1,726,212</u>	<u>1,560,522</u>	<u>1,222,527</u>	<u>1,153,530</u>	<u>1,148,378</u>	<u>1,117,654</u>	<u>1,074,034</u>	<u>1,071,449</u>	<u>1,053,841</u>	
Net Revenue (Expense)											
Governmental activities.....	\$ (1,244,261)	\$ (1,546,243)	\$ (1,099,724)	\$ (1,324,268)	\$ (1,262,706)	\$ (1,191,072)	\$ (1,028,464)	\$ (901,968)	\$ (839,781)	\$ (819,976)	
Business-type activities.....	(11,460)	(50,711)	(132,463)	(99,886)	(87,551)	(16,404)	(19,019)	(39,062)	(84,666)	(59,761)	
Total primary government net expense	<u>(1,255,721)</u>	<u>(1,596,954)</u>	<u>(1,232,187)</u>	<u>(1,424,154)</u>	<u>(1,350,257)</u>	<u>(1,207,476)</u>	<u>(1,047,483)</u>	<u>(941,030)</u>	<u>(924,447)</u>	<u>(879,737)</u>	

TABLE 2
CITY AND COUNTY OF HONOLULU
CHANGES IN NET POSITION
FISCAL YEARS 2013-2022
(Amounts in thousands)
(Unaudited)

(Page 2 of 2)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues and Other Changes in Net Position										
Governmental activities:										
General revenues:										
Property taxes.....	\$ 1,415,918	\$ 1,455,072	\$ 1,429,321	\$ 1,288,664	\$ 1,187,842	\$ 1,099,948	\$ 1,015,861	\$ 950,387	\$ 849,401	\$ 825,518
Public service company tax.....	37,278	39,240	42,498	41,182	35,234	42,225	48,273	50,939	53,108	52,444
County transient accommodation tax.....	40,158	--	--	--	--	--	--	--	--	--
Fuel tax.....	45,383	41,226	47,042	51,140	51,790	51,992	52,764	50,503	51,424	53,825
Public utility franchise tax.....	45,529	38,869	49,684	46,615	45,207	36,056	40,967	57,555	55,259	57,514
Investment earnings.....	(19,676)	4,839	19,013	21,336	8,192	2,684	1,893	454	553	539
Unrestricted grants and contributions.....	53	59	37,902	45,538	45,494	45,429	45,413	45,521	41,060	41,062
Other.....	9,244	7,240	7,214	7,262	7,546	8,232	8,442	6,359	5,526	7,095
Transfers.....	(237,334)	(285,582)	(286,803)	(274,070)	(242,869)	(233,326)	(245,732)	(229,939)	(219,158)	(159,266)
Total governmental activities	\$ 1,336,553	\$ 1,300,963	\$ 1,345,871	\$ 1,227,667	\$ 1,138,436	\$ 1,053,240	\$ 967,881	\$ 931,779	\$ 837,173	\$ 878,731
Business-type activities:										
General revenues:										
Investment earnings.....	(16,918)	4,583	26,543	36,811	15,525	8,305	3,778	1,274	1,430	1,641
Transfers.....	237,334	285,582	286,803	274,070	242,869	233,326	245,732	229,939	219,158	159,266
Total business-type activities	\$ 220,416	\$ 290,165	\$ 313,346	\$ 310,881	\$ 258,394	\$ 241,631	\$ 249,510	\$ 231,213	\$ 220,588	\$ 160,907
Total primary government	\$ 1,556,969	\$ 1,591,128	\$ 1,659,217	\$ 1,538,548	\$ 1,396,830	\$ 1,294,871	\$ 1,217,391	\$ 1,182,992	\$ 1,057,761	\$ 1,039,638
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	\$ 92,292	\$ (244,008)	\$ 246,147	\$ (110,231)	\$ (1,232,606)	\$ (183,996)	\$ (60,583)	\$ 29,811	\$ (17,002)	\$ 58,755
Business-type activities:										
Prior period adjustments:										
Housing.....	208,956	239,454	180,883	210,995	170,843	225,227	230,491	192,151	135,922	101,146
Sewer.....	--	--	--	(6,241)	(77,725)	(2,984)	--	--	(158)	--
Solid Waste.....	--	--	--	(52,927)	(52,927)	(1,922)	--	(92,919)	(29,354)	--
Public Transportation.....	--	--	--	(3,926)	(2,476)	(85)	--	(59,820)	(2,653)	--
Total business-type activities	\$ 208,956	\$ 239,454	\$ 180,883	\$ 200,828	\$ 37,715	\$ 220,236	\$ 230,491	\$ 56,300	\$ 103,757	\$ 101,146
Total primary government changes in net position	\$ 301,248	\$ (4,554)	\$ 427,030	\$ 90,597	\$ (1,194,891)	\$ 36,240	\$ 169,908	\$ 86,111	\$ 86,755	\$ 159,901

Notes: For fiscal year 2014, the restatements disclosed are not reflected in the above total for 2013.

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 2013 - 2022
(Modified accrual basis of accounting)
(Amounts in thousands)
(Unaudited)

	2022	2021	2020 (b)	2019	Fiscal Year 2018	2017	2016	2015	2014	2013 (a)
General Fund										
Committed	\$ 160,842	\$ 152,654	\$ 142,581	\$ 131,662	\$ 121,135	\$ 112,266	\$ 110,329	\$ 79,270	\$ 68,401	\$ 50,256
Assigned	91,360	87,077	110,176	77,711	81,709	74,155	65,124	74,282	54,880	55,384
Unassigned	191,387	250,060	258,149	216,276	172,376	139,925	140,022	170,024	185,568	228,382
Total General Fund	<u>\$ 443,589</u>	<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>
All Other Governmental Funds										
Restricted	\$ 241,717	\$ 188,164	\$ 216,882	\$ 203,006	\$ 174,531	\$ 182,225	\$ 198,063	\$ 201,439	\$ 182,159	\$ 165,373
Committed	1,417,557	1,219,399	936,513	725,347	510,761	20,185	28,532	231,614	16,662	138,158
Unassigned	--	--	--	(25,876)	(47,477)	(78,081)	(2,187)	--	(66,836)	--
Total all Other Governmental Funds	<u>\$ 1,659,274</u>	<u>\$ 1,407,563</u>	<u>\$ 1,153,395</u>	<u>\$ 902,477</u>	<u>\$ 637,815</u>	<u>\$ 124,329</u>	<u>\$ 224,406</u>	<u>\$ 433,053</u>	<u>\$ 131,985</u>	<u>\$ 303,531</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.

(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 2013 - 2022
(Modified accrual basis of accounting)
(Amounts in thousands)
(Unaudited)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017 (c)	2016	2015	2014	2013 (b)
Revenues:										
Taxes.....	\$ 1,579,865	\$ 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
Special assessments.....	--	--	--	3	1	3	4	5	5	15
Licenses and permits.....	243,207	245,007	232,474	233,552	202,456	183,126	181,696	177,867	173,233	166,135
Intergovernmental.....	447,930	592,383	246,979	196,913	193,864	196,166	206,181	189,868	201,624	205,496
Charges for services.....	40,061	28,210	30,762	36,987	36,117	34,232	32,998	34,066	33,150	31,813
Fines and forfeits.....	1,770	1,008	1,264	1,387	968	920	970	973	927	831
Miscellaneous:										
Reimbursements and recoveries.....	94,350	90,869	88,331	63,227	57,646	53,034	47,038	46,909	46,282	44,420
Interest.....	(19,509)	5,506	21,295	23,922	10,247	3,867	2,261	521	596	612
Other.....	29,641	20,427	25,198	29,784	29,783	26,434	24,337	27,313	30,033	28,133
Total Revenues.....	2,417,315	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
Expenditures:										
Current:										
General government.....	356,530	474,670	231,651	192,755	187,390	180,019	170,516	166,414	167,707	155,304
Public safety.....	494,721	547,680	515,800	487,560	467,036	456,401	426,883	410,702	390,443	371,294
Highways and streets.....	47,710	58,203	52,274	43,798	32,723	33,774	28,376	26,193	22,658	18,696
Sanitation.....	--	270	421	240	236	1,015	3,685	3,822	3,907	4,203
Human services.....	128,435	180,714	111,051	103,769	114,340	98,392	97,293	90,973	92,127	74,089
Culture and recreation.....	109,639	108,387	111,262	107,397	101,718	94,737	94,610	88,415	86,537	82,664
Utilities or other enterprises.....	192,254	170,286	71,671	83,499	32,919	43,282	62,775	58,420	37,329	29,380
Miscellaneous:										
Retirement and health benefits.....	493,237	489,026	422,432	389,148	335,263	303,550	283,029	258,330	220,876	190,466
Other.....	41,245	40,935	28,392	30,880	35,430	30,802	27,884	26,013	29,687	61,228
Capital Outlay:										
General government.....	23,108	18,306	33,963	45,248	18,961	25,829	22,762	17,268	16,224	17,912
Public safety.....	33,487	44,502	33,937	33,696	24,427	25,229	29,179	34,980	34,725	29,956
Highways and streets.....	34,528	53,324	57,055	86,910	117,691	130,802	99,643	84,609	130,613	91,720
Sanitation.....	--	--	--	--	--	--	5	--	(95)	95
Human services.....	4,418	53,188	35,587	22,120	32,932	18,453	14,839	5,622	--	8,980
Culture-recreation.....	35,302	38,026	30,371	34,437	35,298	43,911	34,439	11,926	22,564	21,956
Utilities or other enterprises.....	279	2,045	5,487	11,469	7,461	29,623	18,081	3,107	2,452	31,265
Debt service:										
Principal.....	173,179	153,362	160,928	192,798	162,764	175,468	116,249	97,055	115,925	88,276
Interest.....	191,013	163,320	145,493	116,728	99,446	96,193	99,244	88,106	97,765	97,580
Bond issuance costs.....	583	1,000	2,629	1,820	1,785	687	--	2,052	--	2,125
Total Expenditures.....	2,359,668	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
Revenues over (under) Expenditures.....	57,647	(40,130)	160,979	29,670	41,167	(57,355)	28,014	113,351	25,478	94,371
Other Financing Sources (Uses):										
Issuance of general obligation bonds.....	526,558	205,745	432,096	404,656	565,321	134,925	--	280,845	11,152	191,296
Issuance of tax exempt commercial paper (TECP).....	--	301,000	--	94,000	120,000	130,000	--	100,000	--	45,000
Leases.....	2,171	--	--	--	--	--	--	--	--	--
Issuance of refunding bonds.....	23,680	67,010	378,337	124,054	166,521	87,090	--	517,146	--	642,942
Bond premium.....	131,899	49,257	69,263	59,952	64,751	34,398	--	125,943	--	85,737
Bond discount.....	(1,081)	--	--	(279)	(205)	(165)	--	(246)	--	(71,391)
Bond premium on refunding bonds.....	2,502	19,578	78,549	20,594	--	--	--	--	--	--
Bond discount on refunding bonds.....	(182)	--	--	(141)	--	--	--	--	--	--
Refunding of bonds and commercial paper.....	--	--	--	(144,000)	(232,819)	(94,592)	--	(546,799)	--	(621,449)
Payment to escrow agent for refunding of bonds and commercial paper.....	(301,000)	(85,606)	(496,815)	--	--	--	--	--	--	--
Loss on refunding of bonds.....	--	--	--	--	--	(10,963)	--	(44,822)	--	--
Sales of capital assets.....	649	509	569	655	493	780	972	316	203	1,606
Transfers in.....	508,015	521,212	497,131	459,345	423,502	400,233	415,385	338,450	371,055	340,224
Transfers out.....	(745,349)	(806,794)	(783,934)	(733,415)	(666,371)	(633,559)	(661,117)	(568,389)	(590,213)	(499,490)
Total Other Financing Sources (Uses).....	147,862	271,911	175,196	285,421	441,193	48,147	(244,760)	202,444	(207,803)	114,475
Net change in fund balances.....	\$ 205,509	\$ 231,781	\$ 336,175	\$ 315,091	\$ 482,360	\$ (9,208)	\$ (216,746)	\$ 315,795	\$ (182,325)	\$ 208,846
Debt service as a percentage of noncapital expenditures (a).....	16.4%	13.3%	16.6%	17.7%	16.7%	17.9%	15.3%	14.1%	16.9%	15.8%

(a) The ratio for total debt service expenditures to noncapital expenditures is calculated based on the capital outlay used to match the statement of revenues, expenditures, and changes in fund balances.
(b) For fiscal year end June 30, 2014, the restatements disclosed are not reflected in the above tables for 2013.
(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 2013 - 2022
(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	
2022	Residential	\$ 3.50	\$ 166,173,890	
	Hotel/Resort	13.90	13,921,018	
	Commercial	12.40	22,447,994	
	Industrial	12.40	12,701,179	
	Agricultural	5.70	1,247,210	
	Vacant Agricultural	8.50	58,415	
	Preservation	5.70	457,033	
	Public Service	0.00	-	
	Residential A Tier 1	4.50	14,052,292	
	Residential A Tier 2	10.50	<u>9,063,131</u>	
	Total			<u>\$ 240,122,162</u>
Fiscal year 2022 total direct tax rate		\$ 5.75		
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	<u>9,112,719</u>	
	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	<u>9,361,466</u>	
	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	<u>8,423,485</u>	
	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	<u>17,461,143</u>	
	Total			<u>\$ 211,569,917</u>
	Fiscal year 2018 total direct tax rate		\$ 5.36	

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 2013 - 2022
(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	
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	<u>15,713,428</u>	
		Total		<u>\$ 199,626,577</u>
	Fiscal year 2017 total direct tax rate	\$ 5.42		
2016	Residential	\$ 3.50	\$ 137,435,628	
	Hotel/Resort	12.90	9,841,920	
	Commercial	12.40	15,778,813	
	Industrial	12.40	8,521,155	
	Agricultural	5.70	989,887	
	Vacant Agricultural	8.50	60,689	
	Preservation.....	5.70	455,825	
	Public Service.....	0.00	1	
	Residential A.....	6.00	<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	

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 2013 - 2022
(Values in thousands)
(Unaudited)

Taxpayer	2022			2021			2020			2019			2018		
	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank
Kyo-Ya Company	\$ 2,219,044	0.73	1	\$ 2,119,733	0.76	1	\$ 2,640,523	0.94	1	\$ 2,449,141	0.89	1	\$ 2,140,375	0.83	1
Bishop Estate	2,203,067	0.72	2	2,060,566	0.74	3	2,406,447	0.86	3	2,238,194	0.81	3	2,008,976	0.78	3
Hilton, et al	2,162,727	0.71	3	2,009,219	0.72	4	2,496,983	0.89	2	2,275,389	0.83	2	2,023,422	0.78	2
General Growth Properties (a)	1,768,119	0.58	4	2,108,225	0.76	2	2,171,248	0.78	4	2,180,194	0.79	4	1,868,590	0.72	4
Disney	1,245,869	0.41	5	1,288,087	0.46	5	1,376,588	0.49	5	1,369,929	0.50	5	1,313,804	0.51	5
Outrigger Enterprises Group	1,108,486	0.36	6	1,040,814	0.37	6	1,303,291	0.47	6	1,192,541	0.43	6	1,052,563	0.41	6
DEG, LLC	916,205	0.30	7	947,902	0.34	7	993,261	0.36	7	927,039	0.34	7	658,422	0.26	8
A & B Properties	896,318	0.29	8	927,452	0.33	8	955,929	0.34	8	697,405	0.25	8	648,296	0.25	9
Ko olina Hotel	615,786	0.20	9	658,179	0.24	9	679,272	0.24	10	729,760	0.27	9	906,386	0.35	7
Howard Hughes	587,158	0.19	10	545,707	0.20	10	791,098	0.28	9	881,275	0.32	8	545,636	0.21	10
Maps Waikiki Hotel LLC	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Halekulani Corp	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Taxpayer	2017			2016			2015			2014			2013		
	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Gross Assessed Valuation	Percentage of Total Assessed Valuation	Rank
Howard Hughes	\$ 3,315,613	1.37	1	\$ 1,783,849	0.78	1	\$ 1,652,984	0.77	1	\$ 1,733,572	0.86	1	\$ 1,442,906	0.78	1
Bishop Estate	1,858,950	0.77	2	1,522,822	0.67	3	1,419,965	0.66	2	1,170,157	0.56	3	1,067,362	0.58	3
Kyo-Ya Company	1,768,287	0.73	3	1,392,317	0.61	4	1,236,073	0.56	4	1,064,287	0.53	4	998,906	0.54	4
Hilton, et al	1,653,601	0.69	4	990,364	0.44	5	951,565	0.44	5	936,603	0.47	5	928,996	0.50	5
Disney	1,055,863	0.44	5	836,273	0.37	6	759,314	0.35	6	674,790	0.36	6	656,979	0.36	6
Outrigger Hotels Hawaii	876,909	0.36	6	626,886	0.28	7	433,317	0.20	10	426,923	0.21	10	575,445	0.31	7
Ko olina Hotel	816,052	0.34	7	626,886	0.28	7	608,040	0.28	7	589,330	0.29	7	575,445	0.31	7
DEG, LLC	792,512	0.33	8	459,179	0.20	10	503,122	0.23	9	500,985	0.25	9	483,185	0.26	9
Halekulani Corp	791,178	0.33	9	1,757,566	0.77	2	1,408,576	0.66	3	1,294,204	0.64	2	1,232,114	0.67	2
First Hawaiian Bank	605,786	0.25	10	618,381	0.27	8	564,923	0.26	8	--	--	--	--	--	--
General Growth Properties (a)	--	--	--	522,573	0.23	9	--	--	--	--	--	--	--	--	--
A & B Properties	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Weingrub Foundation	--	--	--	--	--	--	--	--	--	474,662	0.24	9	396,166	0.21	10
Marriott Ownership Resorts	--	--	--	--	--	--	--	--	--	--	--	--	488,584	0.27	8

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 2022 was \$305,265,268,000.
(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 2013 - 2022
(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
2022	\$ 1,420,098	\$ (6,154)	\$ 1,413,944	\$ 1,399,669	99.0 %	\$ -	\$ 1,399,669	99.0 %
2021	1,452,705	(4,362)	1,448,343	1,430,150	98.7	12,903	\$ 1,443,053	99.6
2020	1,432,220	(6,700)	1,425,520	1,412,226	99.1	11,603	\$ 1,423,829	99.9
2019	1,284,703	(1,265)	1,283,438	1,276,067	99.4	6,768	\$ 1,282,835	100.0
2018	1,183,310	(2,600)	1,180,710	1,173,742	99.4	6,515	\$ 1,180,257	100.0
2017	1,098,971	(4,492)	1,094,479	1,087,316	99.3	6,873	\$ 1,094,189	100.0
2016	1,021,536	(3,265)	1,018,271	1,010,462	99.2	7,516	\$ 1,017,978	100.0
2015	950,020	(6,661)	943,359	936,004	99.2	7,164	\$ 943,168	100.0
2014	850,176	(3,960)	846,216	838,732	99.1	7,244	\$ 845,976	100.0
2013	824,798	(2,519)	822,279	813,704	99.0	7,524	\$ 821,228	99.9

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 2013 - 2022
(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
2022	\$ 4,056,947	\$ --	\$ 94	\$ --
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

NOTES:

- (a) See TABLE 12 for personal income and population data.
- (b) 2022 and 2021 Personal Income is not available. 2020 Personal Income was used instead.
- (c) Revised from previous ACFR.
- (d) 2022 Population is not available. 2021 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 2013 - 2022
(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)
\$ 594,378	\$ 2,406,701	\$ 321,153	\$ 7,379,273	12.19 % (b)	\$ 7,373 (d)
579,479	2,243,639	298,641	7,029,768	11.62 (b)	7,024 (d)
531,466	2,374,712	295,913	6,760,849	11.17 (c)	6,673 (c)
538,933	2,271,367	210,290	6,321,913	10.95 (c)	6,494 (c)
548,898	2,358,157	229,398	6,105,658	10.83 (c)	6,223 (c)
557,724	2,072,204	252,769	5,357,774	9.67 (c)	5,428 (c)
577,376	1,868,779	252,148	5,084,447	9.49 (c)	5,120 (c)
608,195	1,711,265	245,287	5,093,741	9.83 (c)	5,136 (c)
587,947	1,757,422	245,345	4,757,956	9.56 (c)	4,816 (c)
618,713	1,800,072	221,131	4,926,925	10.42 (c)	4,994 (c)

TABLE 9
CITY AND COUNTY OF HONOLULU
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
FISCAL YEARS 2013 - 2022
(Amounts in thousands, except per capita)
(Unaudited)

Fiscal Year	General Obligation Bonds (d)	Percentage of Net Taxable Property Value (a)	Per Capita (b)
2022	\$ 3,469,304	1.44 %	\$ 3,466 (c)
2021	3,129,576	1.29	3,127
2020	3,289,931	1.36	3,247
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

NOTES:

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

(b) See TABLE 12 for population data.

(c) 2022 Population not available. 2021 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 2013 - 2022
(Amounts in thousands)
(Unaudited)

(Page 1 of 2)

	Fiscal Year			
	2022	2021	2020	2019
Debt limit (a)	\$ 36,018,294	\$ 36,394,705	\$ 36,338,463	\$ 33,996,298
Debt applicable to limit	<u>3,633,647</u>	<u>3,245,911</u>	<u>3,209,695</u>	<u>3,050,672</u>
Legal debt margin (b)	<u>\$ 32,384,647</u>	<u>\$ 33,148,794</u>	<u>\$ 33,128,768</u>	<u>\$ 30,945,626</u>
Debt applicable to the limit as a percentage of debt limit	10.09%	8.92%	8.83%	8.97%

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 2013 - 2022
(Amounts in thousands)
(Unaudited)

(Page 2 of 2)

		Fiscal Year					
		2018	2017	2016	2015	2014	2013
\$	31,735,488	\$ 29,943,987	\$ 28,157,825	\$ 26,150,333	\$ 23,864,359	\$ 23,300,063	
	<u>2,764,761</u>	<u>2,205,897</u>	<u>2,199,482</u>	<u>2,315,550</u>	<u>2,060,876</u>	<u>2,165,157</u>	
\$	<u><u>28,970,727</u></u>	<u><u>27,738,090</u></u>	<u><u>25,958,343</u></u>	<u><u>23,834,783</u></u>	<u><u>21,803,483</u></u>	<u><u>21,134,906</u></u>	
	8.71%	7.37%	7.81%	8.85%	8.64%	9.29%	

Legal Debt Margin Calculation for Fiscal Year 2022

Net assessed value	<u>\$ 240,122,162</u>
Debt limit (15% of assessed value)	36,018,294
Debt applicable to limit	<u>3,633,647</u>
Legal debt margin	<u><u>\$ 32,384,647</u></u>

TABLE 11
CITY AND COUNTY OF HONOLULU
PLEDGED REVENUE COVERAGE
FISCAL YEARS 2013-2022
(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		
2022	\$ 256,124	\$ 155,293	\$ 100,831	\$ 13,145	\$ 10,235	\$ 23,380	4.31
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

DEPARTMENT OF ENVIRONMENTAL SERVICES

Fiscal Year	Gross Revenues (c)	Less: Expenses (a)	Net Available Revenue	Debt Service		Total Debt Service	Coverage (b)
				Principal	Interest		
2022	\$ 473,944	\$ 152,445	\$ 321,499	\$ 81,900	\$ 76,645	\$ 158,545	2.03
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

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 2013 - 2022
 (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)
2022	NA	NA	NA	NA	NA
2021	1,000,890 (c)	NA	NA	111,166	5.3
2020	1,013,227 (c)	\$ 60,522 (c)	\$ 62,793 (c)	114,980	10.5 (c)
2019	973,491	57,756 (c)	59,329 (c)	115,600	2.3
2018	981,076	56,381 (c)	57,468 (c)	115,691	2.3
2017	986,973	55,414 (c)	56,145 (c)	117,203	2.1
2016	993,044	53,550 (c)	53,925 (c)	118,155	2.7
2015	991,755	51,815 (c)	52,246 (c)	118,463	3.2
2014	988,002	49,773 (c)	50,378 (c)	122,195	4.0
2013	986,494	47,266 (c)	47,913 (c)	120,932	4.3

NOTES:

(a) Per *The State of Hawaii Data Book 2021*.

(b) Enrollment figures for 2013-2021 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 2012 - 2021
(Unaudited)

Employer (a)	2021			2020			2019			2018			2017			
	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment (b)	Employees	Rank	Percentage of Total State Employment (b)	Employees	Rank	Percentage of Total State Employment (b)	Employees	Rank	Percentage of Total State Employment (b)	
State of Hawaii	66,900	1	10.62%	67,300 (b)	1	11.54%	72,900	1	10.91%	73,000 (b)	1	10.80%	73,200	1	10.77%	
Federal Government	34,700	2	5.11%	35,100 (b)	2	6.02%	34,300	2	5.14%	33,700 (b)	2	4.99%	33,400	2	4.91%	
Local Governments	18,600	3	2.95%	18,700 (b)	3	3.21%	19,000 (b)	3	2.84%	18,900	3	2.80%	19,000	3	2.79%	
The Queen's Health Systems	8,426	4	1.34%	8,130	4	1.39%	7,479	4	1.12%	7,038	4	1.04%	7,187	4	1.06%	
Hawaii Pacific Health	7,119	5	1.13%	7,102	5	1.22%	7,273	5	1.09%	6,984	5	1.03%	6,961	5	1.02%	
Kaiser Foundation Health Plan	4,382	6	0.70%	2,286	9	0.39%	2,477	9	0.37%	2,467	10	0.37%	2,383	10	0.35%	
Hawaiian Electric Industries Inc.	3,649	7	0.58%	3,702	6	0.63%	3,841	6	0.58%	2,704	7	0.40%	2,745	8	0.40%	
Kamehameha Schools	3,357	8	0.53%	3,380	7	0.58%	3,758	7	0.56%	3,870	6	0.57%	--	--	--	
Oahu Transit Services Inc.	2,063	9	0.33%	--	--	--	--	--	--	--	--	--	--	--	--	
First Hawaiian Bank	1,858	10	0.29%	--	--	--	--	--	--	--	--	--	--	--	--	
Securitas Security Services USA Inc.	--	--	--	2,461	8	0.42%	--	2,302	10	0.34%	2,482	9	0.37%	2,484	9	0.37%
Bank of Hawaii Corp	--	--	--	2,146	10	0.37%	--	--	--	--	--	--	--	--	--	
Hawaii Health Systems Corp.	--	--	--	--	--	--	2,553	8	0.38%	2,525	8	0.37%	4,133	6	0.61%	
Kyo-ya Hotels & Resorts	--	--	--	--	--	--	--	--	--	--	--	--	3,638	7	0.54%	
Total	151,054		23.98%	150,307		25.77%	155,883		23.33%	153,670		22.74%	155,131		22.82%	

Employer (a)	2016			2015			2014			2013			2012		
	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	74,100	1	11.23%	74,500	1	11.50%	73,600	1	11.57%	72,200	1	11.65%	72,900	1	11.91%
Federal Government	33,200	2	5.03%	33,200	2	5.13%	33,200	2	5.22%	33,900	2	5.47%	34,900	2	5.70%
Local Governments	19,000	3	2.88%	18,900	3	2.92%	18,800	3	2.96%	18,700	3	3.02%	18,500	3	3.02%
The Queen's Health Systems	7,455	4	1.13%	7,278	4	1.12%	--	--	--	5,587	6	0.90%	5,281	7	0.86%
Marriott Hawaii	6,929	5	1.05%	--	--	--	--	--	--	--	--	--	5,809	4	0.95%
Hawaii Pacific Health	6,641	6	1.01%	6,617	5	1.02%	6,485	5	1.02%	--	--	--	--	--	--
Kaiser Foundation Health Plan	4,410	7	0.67%	4,424	9	0.68%	4,691	9	0.74%	4,371	9	0.71%	4,570	9	0.75%
Outrigger Enterprise Group	3,186	8	0.48%	--	--	--	--	--	--	--	--	--	--	--	--
Hawaiian Electric Industries Inc.	2,662	9	0.40%	3,918	10	0.61%	3,965	10	0.62%	3,966	10	0.64%	3,870	10	0.63%
Securitas Security Services USA Inc.	2,416	10	0.37%	--	--	--	--	--	--	--	--	--	--	--	--
Hawaiian Airlines Inc.	--	--	--	5,548	6	0.86%	5,380	8	0.85%	5,249	8	0.85%	4,906	8	0.80%
Starwood Hotels & Resorts Hawaii	--	--	--	5,507	7	0.85%	5,659	6	0.89%	6,150	5	0.99%	5,500	5	0.90%
Hilton Hotels Hawaii Region	--	--	--	5,400	8	0.83%	5,400	7	0.85%	5,400	7	0.87%	5,400	6	0.88%
Hawaii Health Systems Corp.	--	--	--	--	--	--	6,942	4	1.09%	6,307	4	1.02%	--	--	--
Total	159,999		24.25%	165,292		25.52%	164,122		25.81%	161,830		26.12%	161,636		26.40%

SOURCES:
The State of Hawaii Data Book (<http://www.hawaii.gov/dbedt/>)
Hawaii Business: magazine various years
Pacific Business News - 2021 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 2013 - 2022
(Unaudited)

(Page 1 of 2)

<u>Function</u>	<u>Full-time Equivalent Employees as of June 30</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General government					
Administration	499	496	523	504	504
Finance	405	406	419	435	430
Legal	312	318	323	312	312
Planning & Permitting	257	271	284	267	274
Design & Construction	146	155	154	148	147
Land Management	10	11	14	8	5
Public Safety					
Police	2,325	2,428	2,449	2,480	2,464
Fire	1,078	1,080	1,105	1,115	1,088
Emergency Medical Services	226	225	209	194	181
Highways and Streets	642	683	666	657	631
Sanitation					
Solid Waste	575	599	637	651	672
Sewer	225	241	256	257	247
Health and Human Resources	407	394	387	390	403
Culture and Recreation	989	1,034	1,044	1,076	1,044
Total	<u>8,096</u>	<u>8,341</u>	<u>8,470</u>	<u>8,494</u>	<u>8,402</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 2013 - 2022
 (Unaudited)

(Page 2 of 2)

<u>Function</u>	<u>Full-time Equivalent Employees as of June 30</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General government					
Administration	484	496	497	472	461
Finance	423	429	437	431	410
Legal	324	320	314	327	325
Planning & Permitting	267	274	267	258	258
Design & Construction	219	225	223	221	226
Land Management	1	--	--	--	--
Public Safety					
Police	2,526	2,579	2,595	2,556	2,574
Fire	1,072	1,088	1,116	1,074	1,089
Emergency Medical Services	174	173	161	155	146
Highways and Streets	636	634	639	622	598
Sanitation					
Solid Waste	600	593	583	600	572
Sewer	257	262	267	274	263
Health and Human Resources	421	420	409	394	403
Culture and Recreation	1,031	1,016	1,008	1,005	1,036
Total	<u>8,435</u>	<u>8,509</u>	<u>8,516</u>	<u>8,389</u>	<u>8,361</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 2013 - 2022
(Unaudited)

(Page 1 of 2)

Function	2022	2021	2020	2019
Public Safety				
Police				
Part I number of arrests (a)	2,378	2,185 (b)	3,530	3,020
Part II number of arrests (a)	22,235	21,447 (b)	37,400	38,548
Parking violations	127,993 (c)	133,961 (c)	114,773 (c)	125,512 (c)
Traffic violations	238,088 (c)	206,647 (c)	157,118 (c)	186,980 (c)
Fire				
Fire department responses	18,391	16,807	17,322	18,354
Emergency medical responses	40,749	36,309	37,738	38,431
Inspections	72,053	71,828	76,712	74,391
Emergency Medical Services				
Ambulance responses	100,144	92,229	92,144 (d)	96,372
Refuse Collection				
Refuse collected (tons per year)	259,572	276,223	268,205	265,996
Recyclables collected (tons per year)	131,690	138,325	141,226	139,013
Other Public Works				
Street resurfacing in-house (lane miles)	6	8	8	16
Street resurfacing contract (lane miles)	16 (t)	53	68	142 (g)
First aid (tons of asphalt)	4,210	5,595	4,456	6,960
Potholes repaired	9,119	8,027	11,711	15,527
Parks and Recreation				
Park facility permits issued	13,920	5,626 (b)	9,811 (e)	13,307
Other Enterprise				
Rounds of golf	435,526	335,570	312,404	372,307
Zoo attendance	456,833	341,589	388,103 (b)	569,049
Water				
New connections	292	676	454	622
Water main breaks	370	343	349	328
Average daily pumpage				
(thousands of gallons)	138	137	137	136
Peak daily pumpage				
(thousands of gallons)	161	160	160	161
Wastewater				
Average daily sewage treatment				
(millions of gallons)	99	104	101 (f)	110
Transit				
Total bus directional route miles	1,069	1,072	1,083	1,103
Total bus revenue miles	17,183,540	17,279,744	18,334,650	17,955,552
Bus passengers	34,753,527	27,814,569 (b)	48,527,385	62,483,503
Total paratransit revenue miles	5,944,767	5,454,873	6,200,758	6,741,416
Paratransit passengers	748,826	620,027 (b)	822,173	970,633

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.
NA: Not available.

TABLE 15
CITY AND COUNTY OF HONOLULU
OPERATING INDICATORS BY FUNCTION
FISCAL YEARS 2013- 2022
(Unaudited)

(Page 2 of 2)

2018	2017	2016	2015	2014	2013
3,249	4,101	4,990	5,100	5,820	5,870
35,921	37,857	36,220	34,900	34,860	36,060
136,789 (c)	144,165 (c)	116,774 (c)	116,064 (c)	111,720 (c)	105,164 (c)
237,528 (c)	224,761 (c)	233,142 (c)	256,943 (c)	181,750 (c)	187,376 (c)
17,699	17,843	17,291	16,421	20,334	19,830
38,255	36,564	35,566	35,345	30,355	29,608
71,906	74,511	72,252 (n)	53,419 (o)	77,492	68,888
96,267	84,621	90,023	88,882	82,227	78,872
266,980	268,347	268,330	263,350	264,500	284,070
138,654	130,107	131,256	127,550	128,615	116,200
16 (h)	18	16	8	4 (p)	18 (r)
358	412 (l)	268	214	270	315 (s)
6,472 (i)	2,671 (m)	501	1,747	2,122	1,258
20,987 (j)	28,570 (j)	42,656	32,976	39,951	51,647
13,983	13,338	16,348	15,260	15,494	16,696
376,895	371,744	375,710	400,869	416,356	442,362
579,302	560,479	564,114	592,780	606,566	663,699
855 (k)	385	242	522	540 (q)	875 (q)
321	346	326	293	303	350
140	136	137	144	136	141
165	155	169	159	161	168
114	117	113	105	105	100
1,082	1,057	1,033	1,032	1,030	1,023
17,893,437	17,760,756	17,817,987	17,752,627	17,619,990	17,198,231
64,058,836	65,216,212	68,274,031	71,094,063	66,285,449	69,242,214
6,436,220	6,384,051	6,404,590	5,565,742	5,193,703	5,082,596
952,971	920,453	890,453	843,402	882,084	841,447

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 for 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 in lane miles paved from previous years is partly a result of other higher priority emergency projects needing to be administered, not necessarily resulting in lane miles paved.

TABLE 16
CITY AND COUNTY OF HONOLULU
CAPITAL ASSET STATISTICS BY FUNCTION
FISCAL YEARS 2013 - 2022
(Unaudited)

(Page 1 of 2)

<u>Function</u>	Fiscal Year				
	2022	2021	2020	2019	2018
Public Safety					
Police					
Stations	14	14	12	12	12
Patrol units - City owned	422	418	366	367	358
Patrol units - privately owned (a)	1,316	1,299	1,296	1,295	1,303
Fire stations (b)	44	44	44	44	44
Emergency medical services stations	21	21	21	21	20
Refuse collection trucks	173	196	171	179	172
Other Public Works					
Streets (paved mile)	1,425	1,511	1,496	1,487	1,446
Streetlights	54,690	54,157	56,682	53,542	52,891
Storm sewers (miles)	920	916	910	907	885
Traffic related landscaped areas	174	173	170	165	168 (f)
Parks and Recreation					
Parks and recreational areas	303	303	303	299	293 (d)
Beach access/right of ways	86	86	86	86	86 (e)
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	202 (g)	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)	2,179	2,170	2,166	2,159	2,156
Fire hydrants	22,147	21,937	21,785	21,695	21,636
Storage capacity (thousands of gallons)	195	200	201	197	197
Wastewater					
Sanitary sewers (miles)	2,091	2,091	2,063	2,024	2,024
Treatment capacity (millions of gallons)	154	154	154	158	158
Transit					
Buses	461	540	543	544	544
Paratransit vehicles	207	207	197	190	190
Traffic signal intersections (c)	869	852	849	847	845

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.
- (g) Tennis courts reduced due to the update of tennis court rules and the number of courts surveyed.

TABLE 16
CITY AND COUNTY OF HONOLULU
CAPITAL ASSET STATISTICS BY FUNCTION
FISCAL YEARS 2013 - 2022
(Unaudited)

(page 2 of 2)

Function	Fiscal Year				
	2017	2016	2015	2014	2013
Public Safety					
Police					
Stations	12	12	12	12	12
Patrol units - City owned	414	324	406	325	333
Patrol units - privately owned (a)	1,339	1,354	1,356	1,329	1,311
Fire stations (b)	44	44	44	45	45
Emergency medical services stations	20	20	22	22	22
Refuse collection trucks	170	174	173	168	166
Other Public Works					
Streets (paved mile)	1,439	1,433	1,424	1,420	1,417
Streetlights	52,521	52,093	51,797	51,300	47,999
Storm sewers (miles)	747	741	732	728	725
Parks and Recreation					
Parks and recreational areas	288	286	286	284	284
Beach access/right of ways	90	90	90	70	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	200	200
Basketball courts	205	205	205	202	205
Tennis courts	208	208	208	208	207
Volleyball courts	173	173	173	171	171
Soccer fields	80	80	80	80	80
Traffic related landscaped areas	151	150	150	150	149
Other Enterprise					
Golf courses	6	6	6	6	6
Zoological parks	1	1	1	1	1
Water					
Water mains (miles)	2,144	2,131	2,123	2,114	2,106
Fire hydrants	21,605	21,414	21,399	21,384	21,290
Storage capacity (thousands of gallons)	197	197	197	190	190
Wastewater					
Sanitary sewers (miles)	2,024	2,024	2,010	2,010	2,010
Treatment capacity (millions of gallons)	158	158	152	152	152
Transit					
Buses	544	541	521	519	524
Paratransit vehicles	180	180	181	160	157
Traffic signal intersections (c)	844	840	837	834	830

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