



The City and County of Honolulu

Citizen-Centric Report for FY 2023 (Revised June 2024)

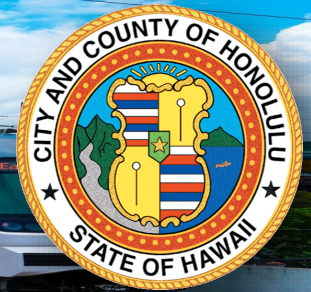


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Mission, Goals & Objectives

ACCORDING TO THE CITY CHARTER

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

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



Honolulu Hale is the City and County's official seat of government.

<https://www.honolulu.gov>

Our Island

The City and County of Honolulu covers the entire island of O`ahu, an area of nearly 600 square miles. According to the 2023 U.S. Census Bureau statistics, there are an estimated 989,408 residents in Honolulu, making up approximately 69.1% of the state's total population of 1,435,138 million people. Of Honolulu's total population, 193,924 residents (19.6%) were age 65 years and older. Tourism is the city's primary industry, followed by federal defense expenditures.

Our Government

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

Our Economy

O`ahu's economy continues to make strides in key industries like tourism. The arrival of Japanese travelers continues to lag, but increased spending by U.S. visitors has alleviated this difference due to visitor arrivals approaching pre-pandemic levels. Demand in Oahu's housing market remains high, with assessment values remaining stable. Military expenditures account for nearly 61,800 jobs in Honolulu, while defense contract and personnel spending totaled \$7.9 billion.

Selected Demographics

	2021	2022	2023
Population	1,000,890	995,638	989,408
Per Capita Personal Income	\$38,288	\$40,339	\$44,026
Unemployment Rate	8.6%	4.4%	3.1%
Households (Housing Units)	372,626	372,626	373,875
Homeownership Rate	57.5%	58.4%	58.9%

More demographics for the City and County of Honolulu can be found at: <https://www.census.gov/quickfacts/fact/table/honolulucountyhawaii/>



Sources: US Census Bureau, 2022 Citizen-Centric Report, and State of Hawai'i Department of Business, Economic Development & Tourism, and the Department of Labor and Industrial Relations.

This report is to promote accountability, fiscal integrity and openness in city government.



Our Progress

Citizen Centric Report for Fiscal Year 2023



FY 2023 Accomplishments

- ◆ The Office of Economic Revitalization awarded \$7.74 million in O’ahu Business Recovery grants to 401 small businesses that struggled financially due to the COVID-19 pandemic. 58% of these small businesses had less than \$1 million in annual revenue, 60% of businesses were owned by minority or unrepresented communities, including women, veterans, or LGTBQ. Ultimately, a total of \$10 million in grants will be awarded.
- ◆ The Department of Community Services collaborated with 24 coalitions, associations, and agencies to implement services or activities for young people and adults preparing for employment, advance job training, or college.
- ◆ The Department of Human Resources (DHR) modernized its online presence with streamlined job announcements and new pictures and videos, created a new Summer Student Employment Program website, and launched a contract application portal for departments. DHR websites generated 162,921 page views to its career pages with more than 1.2 million click-throughs to posted positions, an increase of 535,184 click-throughs to jobs as compared to FY 2022.
- ◆ The Department of Planning and Permitting launched a new website with expanded content and more user-friendly designs, and includes a subscription-based platform to disseminate building permit process updates.

Sources: City and County of Honolulu Department and Agency Report FY 2023 and City and County of Honolulu Annual Comprehensive Financial Report FY 2023

Honolulu Performance Measures

	2022 Actual	2023 Actual	1 Year Change
Financial Priorities			
General Fund expenditures (millions)	\$1,809	\$1,868	3%
General Fund revenues (less carry over) (millions)	\$2,674	\$2,899	8%
Community Design			
Availability of affordable housing (% excellent or good)	6%	6%	0%
Code enforcement (% excellent or good)	12%	11%	-1%
Overall quality of the transportation system in Honolulu (% excellent or good)	33%	37%	4%
Environmental Sustainability			
Sanitation capital expenditures (millions)	\$633	\$405	-36%
Diversion rate of waste diverted from landfill (Municipal Solid Waste)	84%	83%	-1%
Quality of recycling services	34%	44%	10%
Quality of open space (% excellent or good)	31%	36%	5%
Public Safety			
Police services (% excellent or good)	43%	44%	1%
Fire prevention services (% excellent or good)	62%	57%	-5%
Respond to 90% of suburban fire emergency calls within 9 minutes 30 seconds	80%	77%	-3%
Ambulance/EMS services (% excellent or good)	60%	71%	11%
Emergency preparedness (% excellent or good)	56%	44%	-12%
Recreation and Wellness			
Recreation services expenditures (millions)	\$22.83	\$25.36	11%
Recreational opportunities (% of excellent or good)	62%	67%	5%

Per Capita Spending by Department¹

Department	FY 2022	FY 2023	Department	FY 2022	FY 2023
Budget and Fiscal Services (BFS) ²	\$22	\$62	Information Technology	\$24	\$28
Community Services	\$124	\$125	Land Management	\$3	\$3
Corporation Counsel	\$10	\$11	Legislative Branch	\$24	\$25
Customer Services	\$24	\$25	Mayor ²	\$65	\$7
Design and Construction	\$17	\$22	Managing Director	\$37	\$26
Emergency Management	\$4	\$7	Royal Hawaiian Band	\$2	\$3
Emergency Services	\$54	\$59	Medical Examiner	\$3	\$4
Enterprise Services	\$27	\$25	Parks and Recreation	\$81	\$87
Environmental Services	\$258	\$276	Planning and Permitting	\$23	\$22
Facility Maintenance	\$91	\$101	Police	\$292	\$302
Fire	\$135	\$143	Prosecuting Attorney	\$23	\$24
Human Resources	\$7	\$7	Transportation Services	\$308	\$338

FY 2023 Total Per Capita Cost for City Operations = \$1,732

¹ Per Capita spending is the total operating expenditures of each department divided by the population of the City and County of Honolulu.

² The Mayor’s FY 2022 budget included the Federal Grants Fund, which is now with BFS in FY 2023.

Source: City & County of Honolulu Executive Operating Program and Budget FY 2023 and 2023 National Community Survey of Honolulu Residents published by the Honolulu Office of the City Auditor.



Our Finances

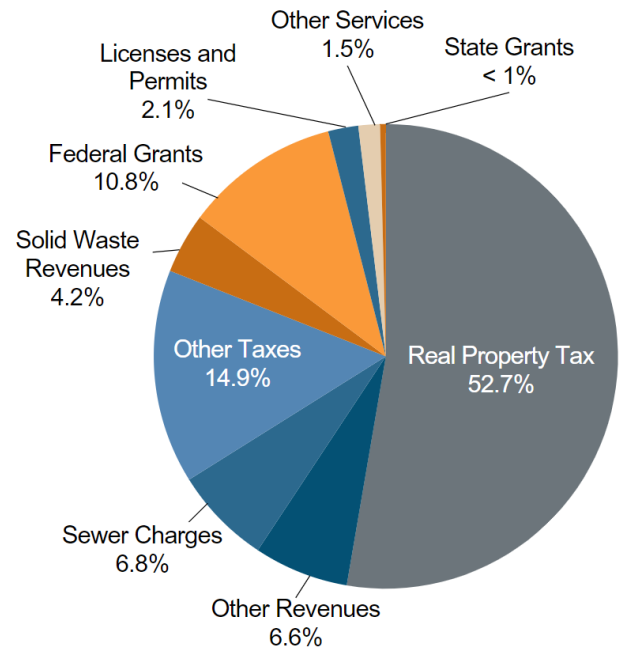
Revenues and Spending for Fiscal Year 2023

Like other cities, Honolulu uses various funds to track specific categories of activities. The General Fund is used for all general revenues and governmental functions, including, but not limited to, the Departments of Community Services, Design & Construction, Emergency Management, Fire, Information Technology, Parks & Recreation, and Police; the Legislative Branch; and other support services. These services are supported by general city revenues and program fees. Proprietary Funds are used for housing, sewer, public transportation, solid waste, water, and other enterprise services. These services are generally supported by charges paid by users. Revenue increased by over \$200 million from FY 2022, with a majority coming from real property tax, other taxes, sewer charges, and federal grants.

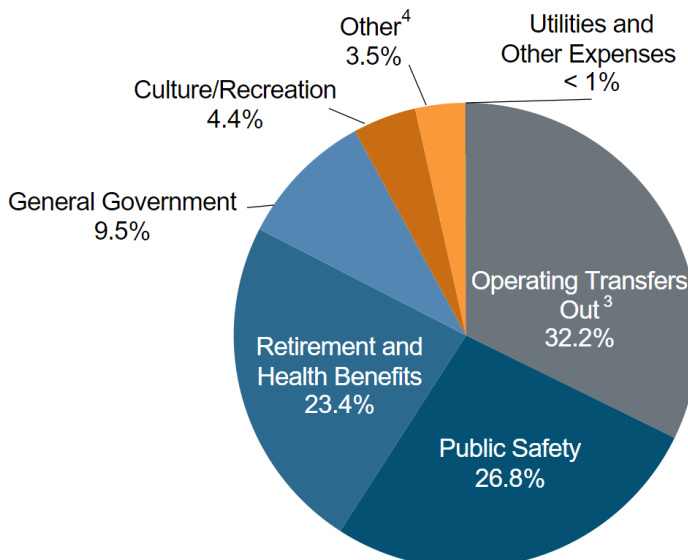
What are the Sources of Revenue?

Operating Resources	FY 2022 (\$ millions)	FY 2023 (\$ millions)
Real Property Tax	\$1,399.38	\$1,528.86
Other Revenues	\$124.31	\$192.43
Sewer Charges	\$255.61	\$196.05
Other Taxes	\$354.59	\$431.91
Solid Waste Revenues	\$141.80	\$121.06
Federal Grants	\$292.33	\$312.72
Licenses and Permits	\$56.29	\$60.30
Other Services	\$38.68	\$43.55
State Grants	\$11.16	\$11.95
Total	\$2,674.15	\$2,898.83

Sources: Executive Operating Program and Budgets FY 2024 and 2025.



Spending for FY 2023 remained consistent with FY 2022 spending at just over \$1.8 billion, which addressed affordable housing, modernizing and transforming City's operations and services, and providing relief programs to the public.



Where does the General Fund Dollar Go?

Function	FY 2022 (\$ millions)	FY 2023 (\$ millions)
Operating Transfers Out ³	\$576.94	\$602.31
Public Safety	\$460.39	\$483.98
Retirement and Health Benefits	\$444.84	\$436.92
General Government	\$159.25	\$177.43
Culture/Recreation	\$79.17	\$82.53
Other ⁴	\$74.61	\$84.22
Utilities and Other Enterprises	\$13.98	\$0.44
Total	\$1,809.18	\$1,867.83

Source: City and County of Honolulu's Annual Comprehensive Financial Report FY 2023.

³ Operating Transfers Out are transfers to other funds, including \$282.2 million to debt service, \$175 million to bus subsidy, and \$145.1 million to other.

⁴ Other includes: Other Miscellaneous, Human Services, Sanitation, Highways & Streets, and Capital Outlay.

The City and County of Honolulu's Annual Comprehensive Financial Report was issued in January 2023. Independent audits of the city's finances were conducted, resulting in clean opinions. Complete financial information can be found at: <http://www.honolulu.gov/cms-oca-menu/site-oca-sitearticles/1348-citizen-centric-reports.html>

What's Next?

Priorities and Challenges



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Priorities

Since being elected as the 15th Mayor of the City and County of Honolulu, Rick Blangiardi has focused on helping residents and supporting the business community as everyone continues on the long road to economic recovery. Listed below are the seven priorities that have remained the focus of the Mayor's administration:

- Public Safety
- Economic recovery
- Serve our unsheltered population with dignity
- Create affordable housing
- Modern city facilities and services
- Launch Skyline
- Counter climate change

The mayor is committed to keeping the public safe, improving efficiency for all, and making Oahu a great place to live, work, and play.

We want to hear from you!

Do you like this report? Would you like to see other information? Please let us know by contacting our office at oca@honolulu.gov. For more information on our services, visit our website at www.honolulu.gov/auditor.

Sources: City & County of Honolulu Executive Operating Program and Budget FY 2022 and 2023 National Community Survey of Honolulu Residents published by the Honolulu Office of the City Auditor.

National Community Survey

The Office of the City Auditor reported on Honolulu resident opinions about community and city services in the 2023 National Community Survey (NCS). The 2023 NCS ratings in Honolulu are generally mixed, with high approval in some areas and concern in others.

Facets of Livability

- The overall economic health was rated positively by 30% of respondents.
- The quality of the natural environment was rated positively by 61% of respondents.

Quality of Life

- 77% of respondents said they would remain in Honolulu for the next five years.

Governance

- Public information services in Honolulu were rated positively by 46% of respondents.

Economy

- The variety of business and service establishments in Honolulu was rated positively by 60% of respondents.

Mobility

- The ability to walk or bike instead of drive was rated positively by 58% of respondents.

Utilities

- Power (electric and/or gas) utility was rated favorably by 53% of respondents.

Safety

- Safety in neighborhoods during the day was rated favorably by 86% of respondents.

Natural Environment

- Air quality was rated positively by 75% of respondents.

Parks and Recreation

- Recreational opportunities earned a positive rating by 67% of respondents.

Information on other performance measures can be found in the 2023 National Community Survey. The report is available on the City Auditor Website: <http://www.honolulu.gov/auditor/reportsworkplans.html>.

For the Future

The City continues to focus on improving and maintaining excellent core services, planning and developing affordable housing and homelessness solutions, modernizing City operations and services for the public, developing climate change adaptation projects, investing in the City's infrastructure (including sewer, roadways, parks, and public/municipal facilities), developing intermodal transportation for the rail operations, and improving City communication with the residents of the City and County of Honolulu.

Upcoming Capital Improvement Projects

To improve the infrastructure and maintain the physical foundation of our city, upcoming projects include:

- Affordable Housing land acquisition, development, and construction
- Neal S. Blaisdell Center Redevelopment



FY24 budget includes \$170 million for housing and \$4 million for the Blaisdell Center.
Source: Department of Budget and Fiscal Services

