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March 2, 2006

TO: COUNCIL CHAIR DONOVAN M. DELA CRUZ
COUNCILMEMBER TODD APO
COUNCILMEMBER ROMY M. CACHOLA
COUNCILMEMBER CHARLES DJOU
COUNCILMEMBER NESTOR GARCIA
COUNCILMEMBER ANN KOBAYASHI
COUNCILMEMBER BARBARA MARSHALL
COUNCILMEMBER GARY OKINO
COUNCILMEMBER ROD TAM

SUBJECT: ISSUE PROFILE – STATUS OF THE CITY’S FINANCES (MARCH 2006)

Transmitted herewith are copies of a new report prepared by the Office of Council Services, "Issue Profile – Status of the City’s Finances (March 2006)." The report contains an overview of certain financial and budget trends and a review of the prior year’s revenues and expenditures, which we report to the Council annually.

I hope you find the report useful in considering the new city budget.

IVAN KAISAN
Legislative Auditor

FORWARDED BY:

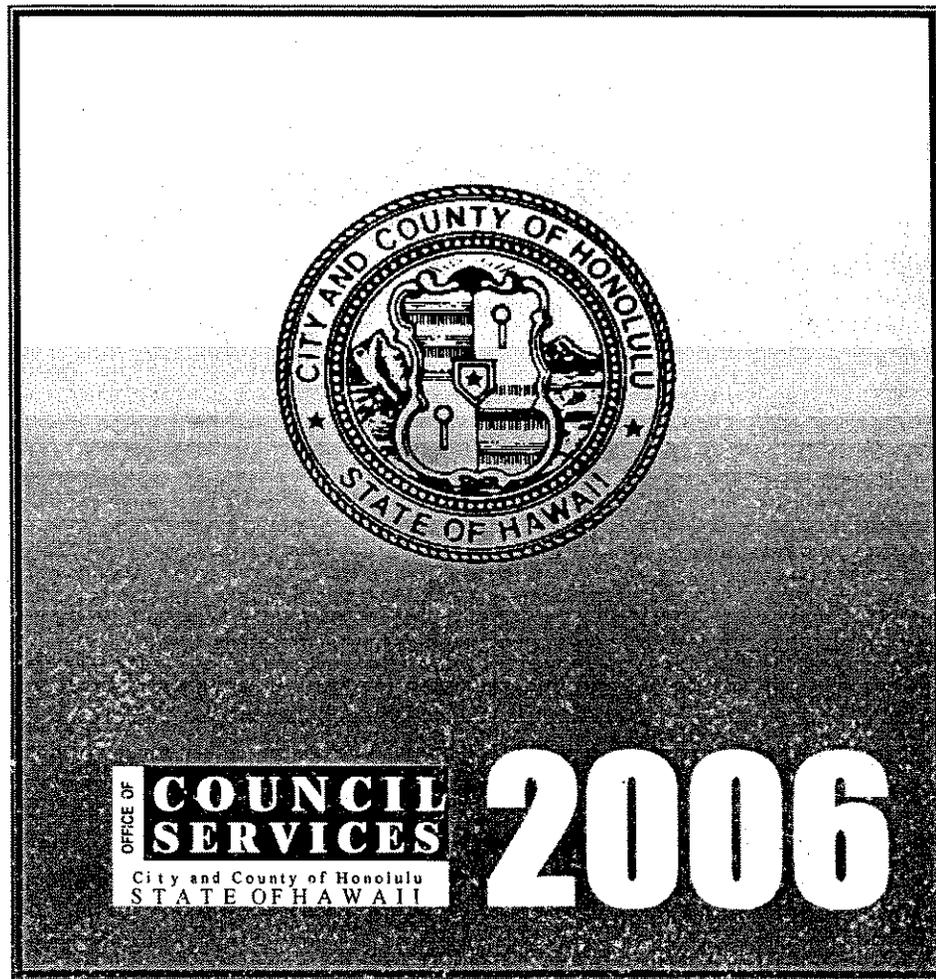
DIANE E. HOSAKA, Esq.
Director

Attachment

cc: City Auditor (3)
✓ City Clerk (Info. Office) – 2 (2 days later)
Budget Comm. Clerk – 1 (2 days later)

ISSUE PROFILE

Status of the City's Finances



ISSUE PROFILE

Status of the City's Finances

March 2006

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I. Introduction

We are pleased to issue another annual report on the status of the city's finances and budget. As in the previous report, there is an overview of certain fiscal trends which are intended to provide a historical and comparative context to review the upcoming city budget (see Chapter II). We have also reviewed the prior year's revenues and expenditures for the operating budget and the mid-year status of the current year's major revenue assumptions and major operating budget expenditure items (see Chapter III), and the status of the prior year's capital budget appropriations (see Chapter IV).

These reports are based on the audited financial report of the city, the executive operating and capital budget ordinances and any amendments thereto, the executive program and budget documents, the legislative budget ordinance, as well as the monthly accounting reports from the department of budget and fiscal services. Other sources are referenced in the Appendix.

We hope you find this report useful in considering the city's proposed budget for the coming fiscal year.

II. Budget Trends

In this section, we provide a brief overview of the city's budget and financial status, as reflected in certain key statistics, and compare the city with other jurisdictions. This is intended to provide a historical and comparative perspective that may be useful for evaluating the specifics about the next fiscal year's city budget. For more detail on specific subjects, please consult the data sources listed in Chapter V.

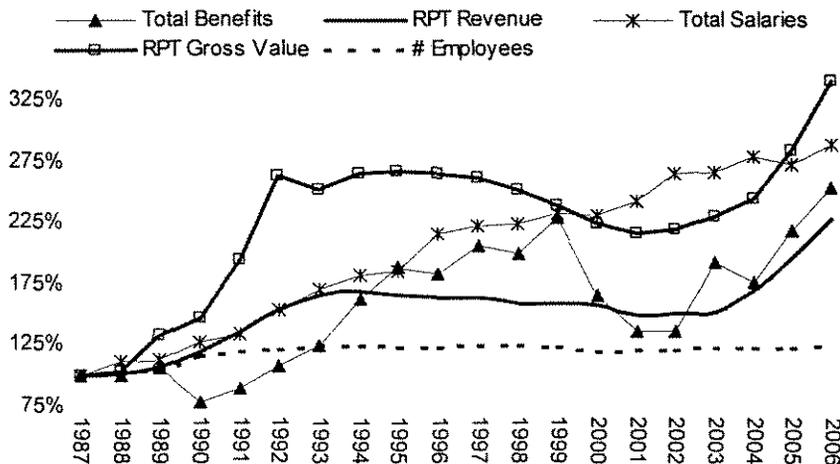
A. Special Focus Section

- **Salaries and Benefits Have Grown Faster than Property Taxes, Causing Recurring Shortfalls**

Figure A-1. In recent years, each upcoming city budget has been forecast to have large revenue shortfalls to meet current service levels. That is largely because of divergent growth rates between expenses versus revenues. The biggest cost items in the city's operating budget are salaries and benefits for city employees (benefits are for current and retired employees), together representing over half of the budget. On the revenue side, the largest single revenue source is the property tax, accounting for over a third of operating budget resources. As shown in the chart, since the mid-1990's, the number of city employees has remained steady or fallen, while salary and benefit costs have increased above the rate of property tax revenues. That is true even though the gross value of property assessments has mostly surpassed salary and benefit raises. Lower tax rates, which have shielded many taxpayers from soaring property values, have constrained tax revenue growth below that of approved increases in salaries and benefits.

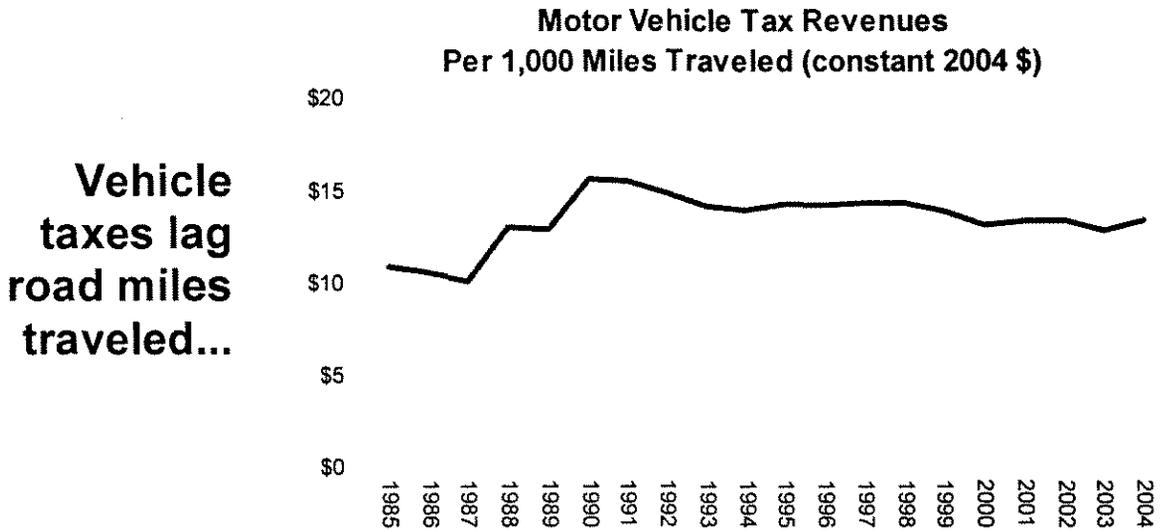
When salaries and benefits increase faster than property tax revenues, structural deficits result

**RPT Revenues vs Employee Costs
(1987 = 100%)**



- **Funding and Spending for Road Maintenance Has Not Kept Pace With Miles Driven**

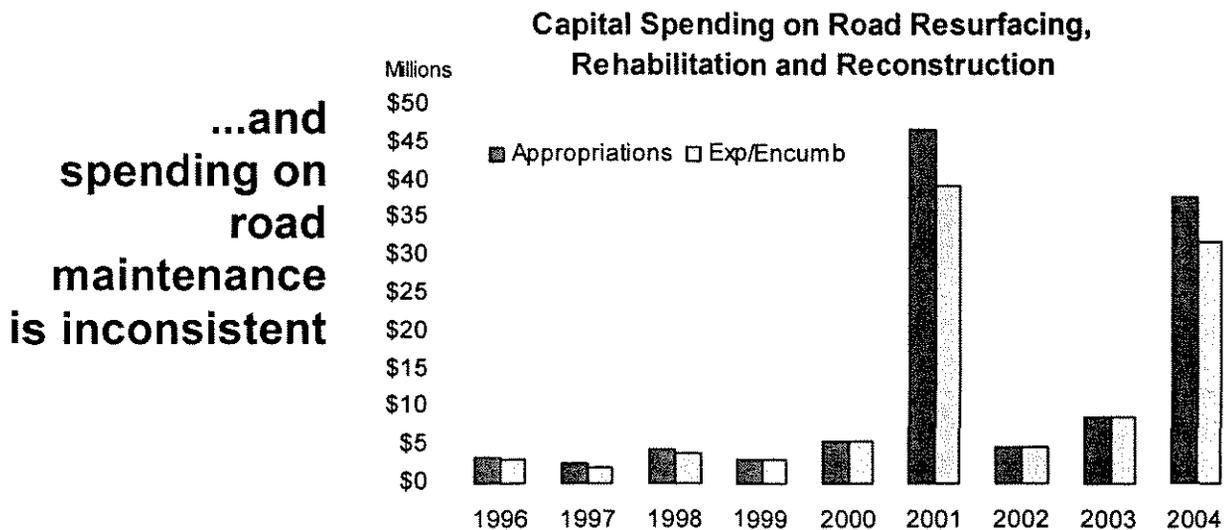
About two-thirds of revenues for road maintenance and improvements come from taxes the city imposes on motor vehicles: the weight tax and fuel tax. Bigger, heavier, and more gas-consuming vehicles have resulted in higher tax collections. But the number of miles traveled on city streets have also increased, which hikes the need for road maintenance. We analyzed the data on road taxes, miles driven, and spending on road maintenance to determine how these various trends compare.



Vehicle taxes lag road miles traveled...

Figure A-2. The net impact on city road maintenance operations of these trends is shown in the chart. Over the last 20 years, tax revenues (adjusted for inflation) per 1,000 vehicle miles traveled initially climbed. Since 1990, however, real vehicle tax revenues per mile have slowly but steadily declined (adjusting for inflation), placing greater financial stress on the city’s road maintenance program. According to the data, vehicles taxes peaked in 1990 at \$15.72 per 1,000 miles traveled. By 2004, taxes had waned to \$13.53 per 1,000 miles traveled.

Figure A-3. Even if revenues per mile driven had remained steady, that would not have ensured that actual road maintenance spending would have kept up with the ongoing rise in vehicular mileage. The chart below of capital appropriations versus amounts expended and encumbered on road maintenance capital projects shows the spending has been inconsistent, from a typical range between \$5 and 9 million to nearly \$47 million and \$38 million for FY 2001 and 2004, respectively. Although data on the city’s in-house road maintenance program could not be obtained, such spending is expected to be relatively constant and would not significantly alter the degree of fluctuation displayed in the chart.



...and spending on road maintenance is inconsistent

B. Financial Position – Net Assets

- **The City's Finances Continue to Worsen, Though Not as Quickly**

In its annual accounting reports, the city's financial position is reported as a computation of "net assets". The amount of net assets is what results after comparing what the city owns (termed "assets", such as cash, investments, and the value of land, buildings, and infrastructure) after subtracting what it owes (termed "liabilities", such as outstanding bills, bonds, and claims and judgments against the city). The size of the net asset figure can be interpreted as representing the city's ability to cover its costs and continue to pay for services in the future, while increases or decreases in net assets over time indicate whether the city's financial position is improving or deteriorating.

The city's net assets are divided into those supported primarily by taxes, termed governmental activities, versus those that are primarily or at least somewhat supported by user fees, termed business activities. The city's enterprise funds for housing and the bus, solid waste, and sewer systems are classified as the business activities of the city.

The fall in the city's finances has slowed...

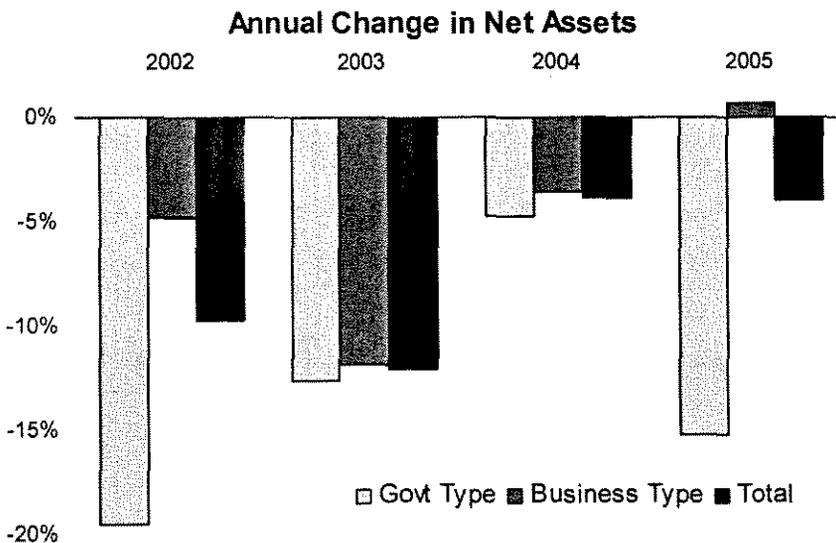
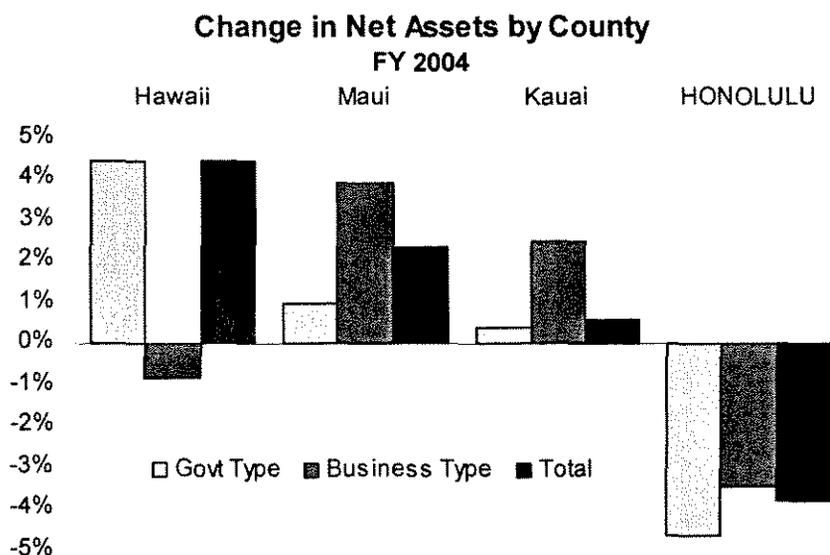


Figure B-1. Since the city began reporting its net assets in FY 2002, its performance has been negative in every year, even though the results have improved. Over the past four years, revenues have been less than expenses, leading to a fall in net asset values. However, that shortfall has been shrinking, slowing the fall in net asset values. Despite the year-to-year declines, total net assets of the city in FY 2005 was still in positive territory at \$976 billion, composed of \$252 million in governmental assets and \$724 million in business assets. Business assets gained for the first time in FY 2005, up \$6 million from the prior year.

Figure B-2. In comparison to the city's declining net asset trend, the net assets of the neighbor islands recorded improvement in FY 2004. Hawaii County's net assets rose four percent, while Maui showed a two percent rise. Kauai's net assets grew less than one percent. For all neighbor island counties, FY 2004 recorded much weaker but still positive results compared to the previous year. In contrast, the city's continued to decline in FY 2004, but less than the year before.

...but the city still underperforms the neighbor islands



C. Total Government Spending for Operations

- **Spending Growth is Low; Spending is Less Than Most Neighbor Islands**

One way to measure the size and level of activity of a government entity is by examining the amount of government spending. Spending can be viewed as the most basic measure of government, since the level of spending drives tax policy, debt policy, and employment policy.

Government spending on operations is controlled through the operating budget. In this section, spending on operations is examined to see how the City and County of Honolulu's spending has grown over time, and how it compares to other jurisdictions.

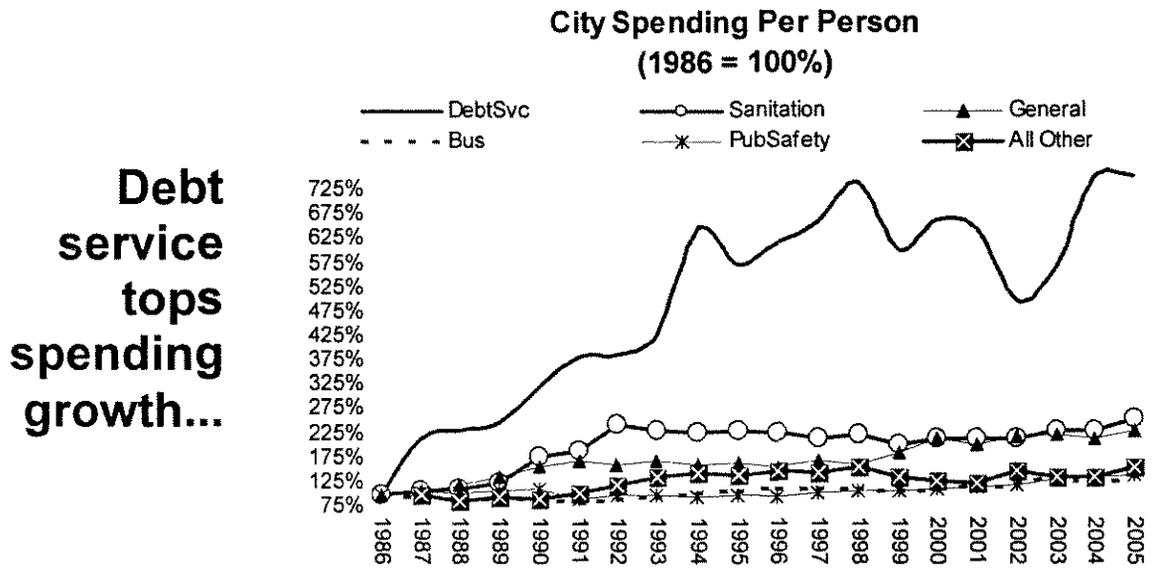
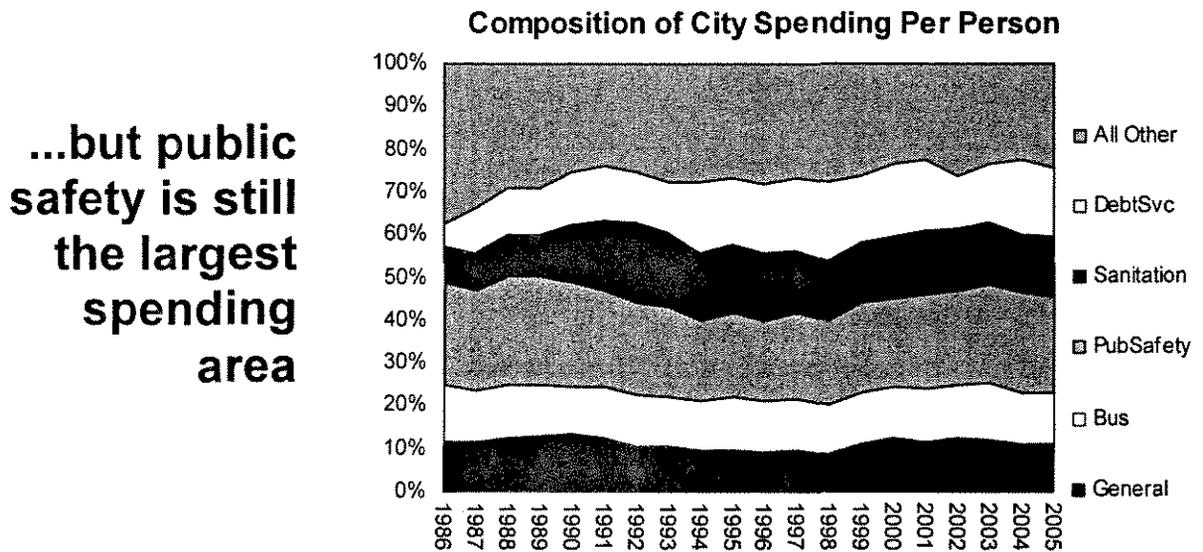


Figure C-1. City spending on operations, measured on a per-resident basis, has grown slowly, up only 51 percent in 20 years, or 25 percentage points less than the rise in inflation over the period. But components of spending experienced different increases. Among the major functional divisions in the budget, debt service has grown at the fastest rate, more than seven times over the past 20 years (such spending dipped in 1986, making subsequent years larger in comparison). Public safety and the bus system have grown the slowest over 20 years, up 41 percent and 33 percent, respectively.

Figure C-2. Despite its slow growth rate, public safety dominates city spending on operations, measured on a per-resident basis. In FY 2005, it accounted for 22 percent of per-person costs. The next largest cost area in FY 2005 was debt service, accounting for 16 percent. In the chart, “all other” represents a mix of all other cost areas including employee benefits. Viewed as a single group, “all other” is large, accounting for 24 percent of spending in FY 2005.



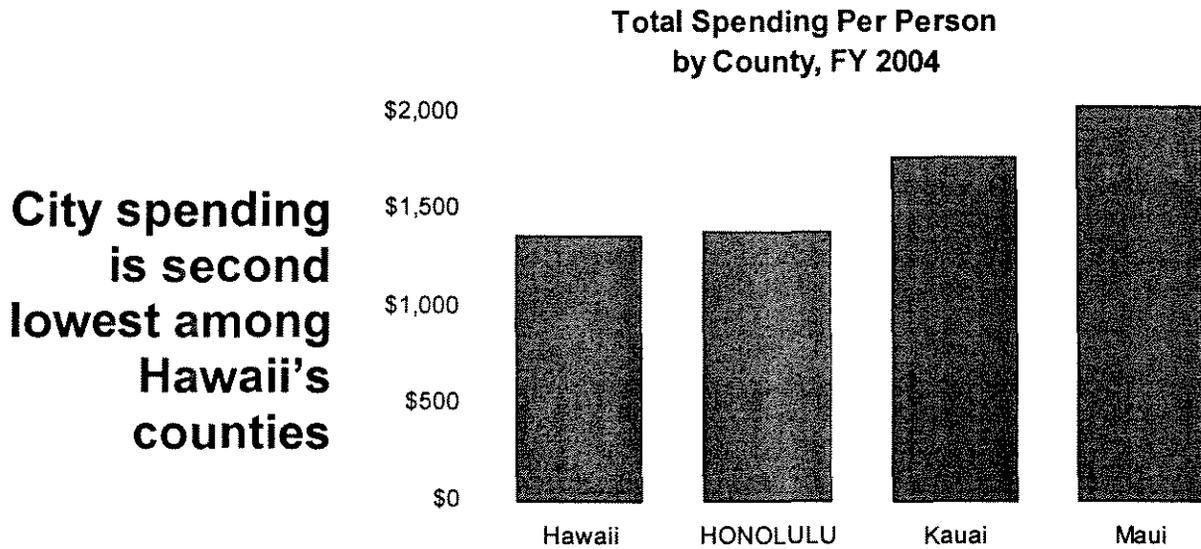


Figure C-3. In FY 2004, among Hawaii counties, Honolulu was the second lowest amount of spending on operations per resident. Honolulu's \$1,393 edged Hawaii's \$1,371, but was significantly under Kauai's \$1,772, and Maui's \$2,025.

Honolulu's relatively low rank in per capita spending compared to the other counties may be due to the economies of scale the city enjoys in providing services for a large, mostly urban population, which contrasts with the smaller, more dispersed populations of the neighbor islands.

D. Debt Service and Total Debt

- **City Debt Is Growing And Exceeds the Neighbor Island Burden**

Most spending on construction and other long-lived assets in the capital budget is financed by bonds and other debt instruments. The repayment of the principal and interest on those debt instruments is called debt service.

Typically, most but not all of the capital budget results in expenditures. A portion of the budget, usually between 10 and 20 percent, lapses, meaning certain projects or parts thereof were not implemented because priorities changed, projects were found to be unaffordable, or appropriations were not used because actual funding requirements were less than expected. Of the amount that is expended, most is funded by the issuance of bonds and other debt instruments. A portion of the rest of the budget is funded by cash from federal or state grant funds, or from the sewer fund.

The debt that is authorized to be incurred by the city is composed of bonds already issued and bonds not yet issued. The amount of unissued bonds represents past capital budget appropriations that have not lapsed and are to be financed by bonds that have not yet been issued. It thus represents a backlog of debt to be incurred if the appropriations for capital projects contained in those past budgets are to be expended.

Relationship to construction spending. Spending on debt service as part of operations is distinct but related to spending on construction projects. Construction spending occurs first, and is authorized in the capital budget, and is mostly financed by incurring debt in the form of bonds, notes and commercial paper. A few years after the capital budget takes effect, repayment of the principal amount of the debt to finance the budget begins. Debt service payments come from the operating budget. The debt service for any particular municipal bond issued by the city is paid over a long period, typically 30 years or more.

Construction spending information is recorded and reported in the city's financial reports in several ways: as an initial capital budget appropriation, as expenditures pursuant to the appropriation, as a yearly stream of repayments included in the operating budget to retire the debt that financed the initial outlay, and as an addition to the city's capital assets when a facility is completed followed by annual reductions thereto to record depreciation of the facility. Care must be taken to avoid confusing these numbers.

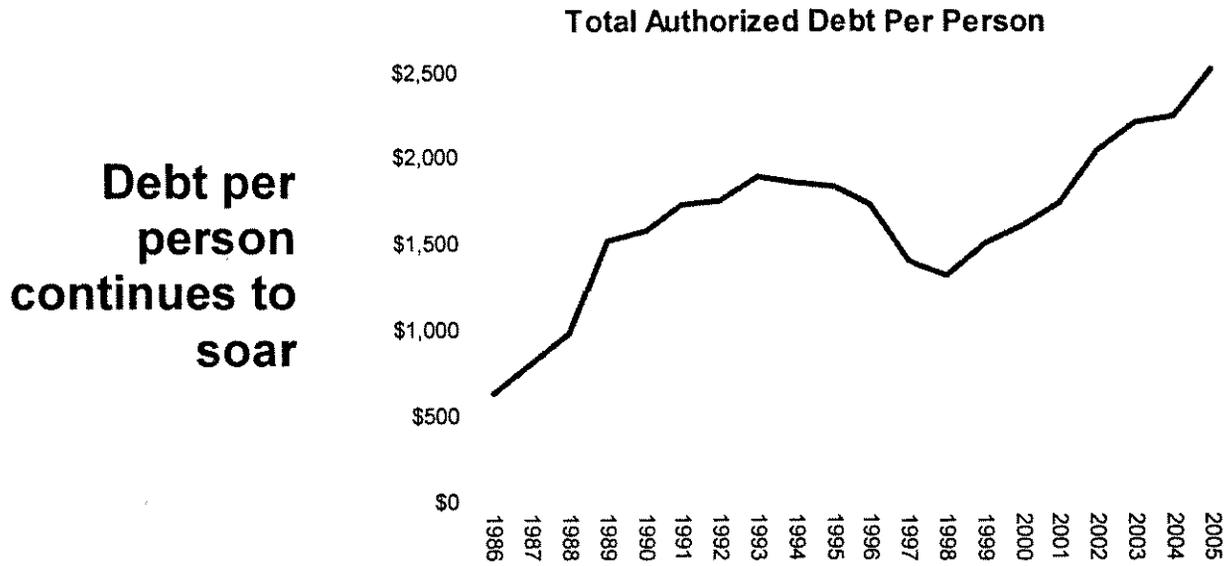
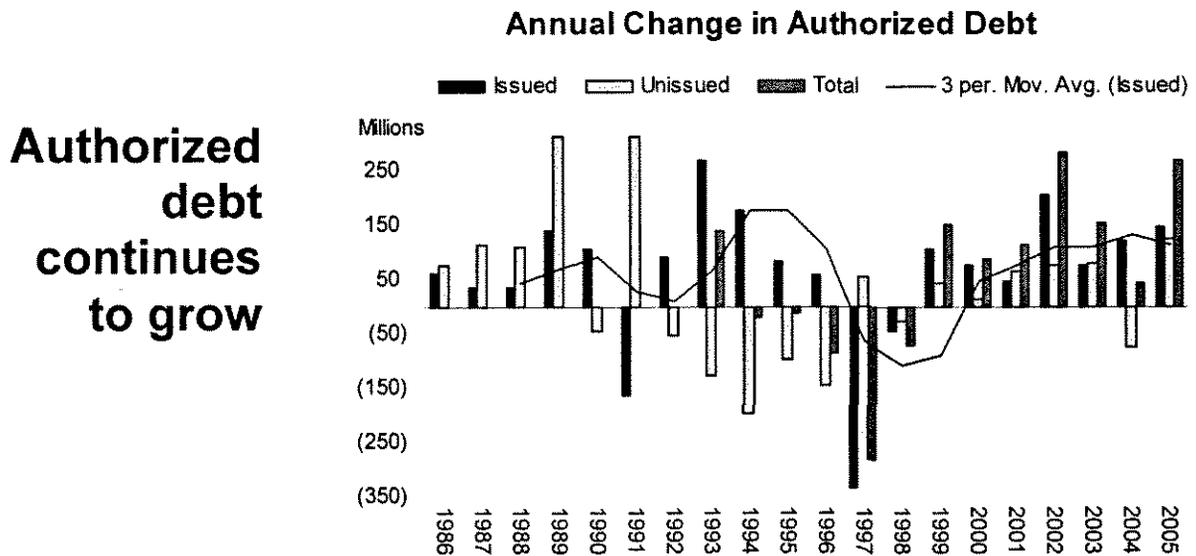


Figure D-1. The chart reflects the total amount of debt authorized per Honolulu resident. The city's authorized debt per person has climbed steeply since the previous low in FY 1998. In FY 2005, authorized debt reached a new high of \$2,516 per resident.

Figure D-2. This chart shows how the amount of debt authorized has changed from the previous year. In FY 2005, the amount of authorized debt that was issued increased by \$146 million over the previous year, while the amount unissued rose by \$123 million compared to the year before. Over the past three years, the amount of authorized debt that was issued by the city has increased an average of roughly \$120 million per year.



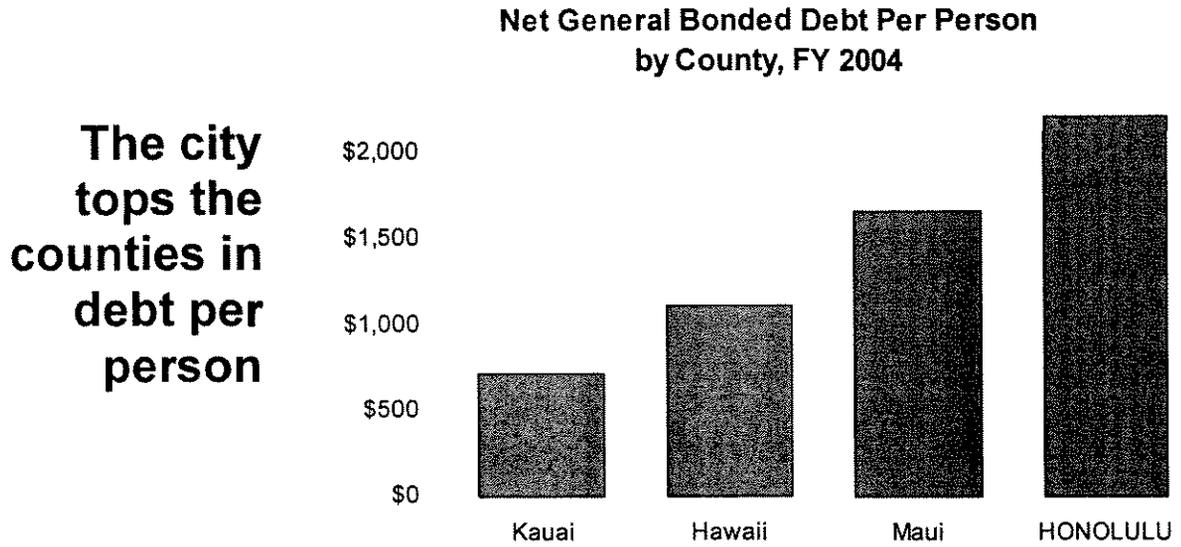


Figure D-3. Issued debt whose debt service payments are to be paid with property tax revenues is called net general bonded debt. In FY 2004, Honolulu once again ranked at the top of Hawaii's four counties in the amount of such debt when calculated on a per-resident basis. Honolulu's \$2,212 was followed by Maui at \$1,668, Hawaii at \$1,113, and Kauai at \$725.

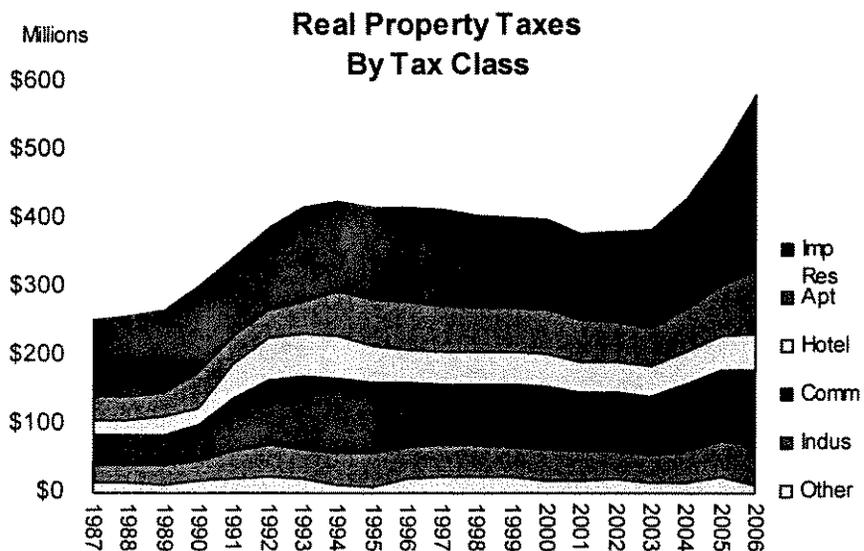
E. Real Property Taxes

- **Tax Collections Continue to Soar**

Property taxes remain the city's largest single source of operating revenues, although the share that it represents has fallen over time as user fees have risen. That share was 37 percent for FY 2005. Property tax revenues are generated by applying tax rates, which are set annually by the City Council for each of the nine classes of real property, to the assessed value of each parcel of taxable real property. That value is established by the city's real property assessment division according to prevailing market values for land and replacement cost for improvements.

Figure E-1. Real property tax collections have begun to sharply rise over the last two years, due mostly to robust collections from the improved residential class. That growth has increased the share of total tax revenues obtained from residential properties (improved residential and apartment classes) compared to the share from business properties (hotel/resort, commercial, industrial, and other classes). The largest contributors of property tax revenues overall continue to be the improved residential and commercial property tax classes.

Property tax revenues grow from residential tax payers



Tax exemptions climb for improved residential

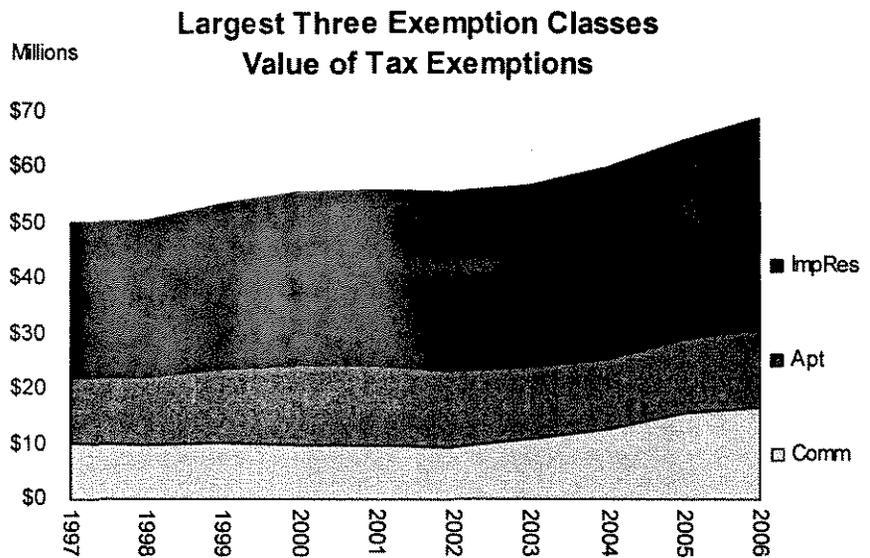
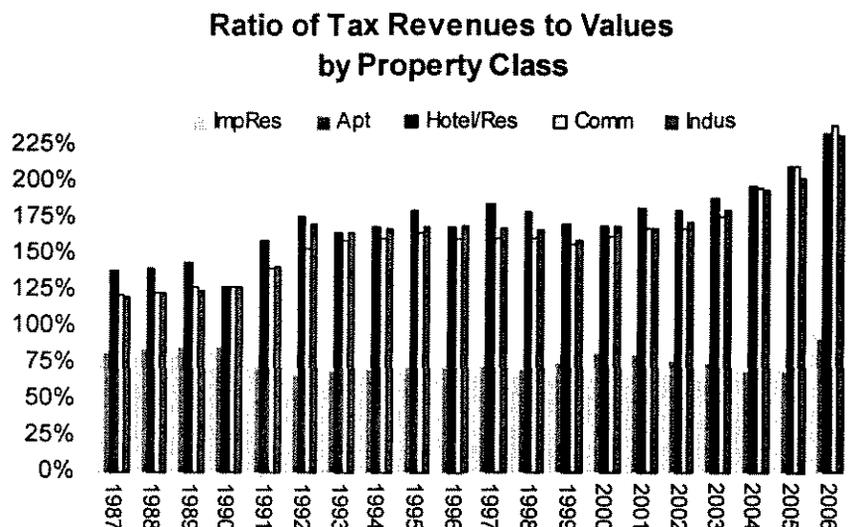


Figure E-2. The value of property tax exemptions (i.e. value of exemptions multiplied by applicable tax rate) has risen over the last ten years. Nearly all tax exemptions (90 percent of total value) benefit the improved residential, apartment, and commercial class properties, with improved residential accounting for the greatest share. In FY 2006, improved residential property exemptions represented foregone revenues of \$38 million, apartment properties \$14 million, and commercial properties \$17 million, for a total of \$69 million in foregone revenues from those properties. All other properties represented another \$7.7 million in foregone revenues in FY 2006.

Figure E-3. Because the city has long adopted lower rates for residential properties as compared to business properties, residential properties have had a much lower ratio of revenue share to value share. That ratio is a measure of relative tax burden between such properties. (A class of property that generated 10 percent of total tax revenues and represented 20 percent of total property value would have a 50 percent ratio of revenue share to value share.) The gap in tax shares between the two types of properties reached a new high in FY 2006. In that year, improved residential properties provided 44 percent of tax revenues while representing 46 percent of assessments, producing a share ratio of 97 percent. In contrast, commercial properties provided 19 percent of revenues while representing just 8 percent of assessments, a share ratio of 238 percent.

Gap between residential and business tax payers grows



Tax bills still soaring for residential properties...

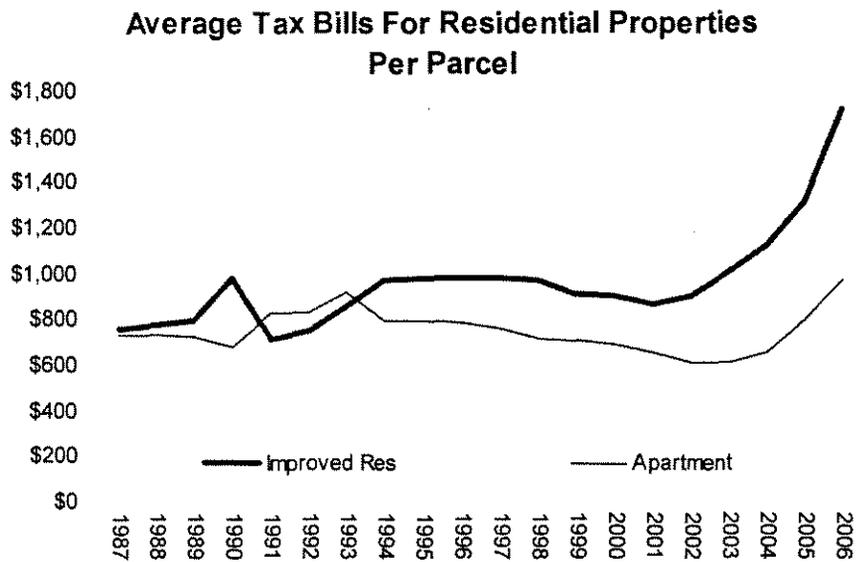
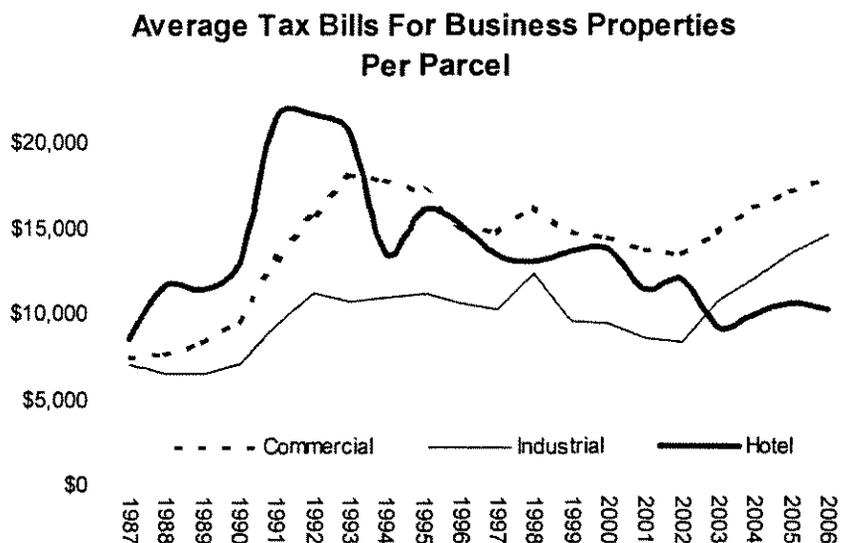


Figure E-4. The average tax bill for residential properties has soared, led strikingly by the bills for improved residential properties. In FY 2006, single family properties paid an average tax bill of \$1,730, up 30 percent or over \$400 more than the prior year, while apartment properties paid an average bill of \$978, up 21 percent or \$171. Because the two residential tax rates have recently converged, the difference in average tax bills and the slight divergence in trends are due to the underlying valuation differences between single family versus multi-family properties.

Figure E-5. Trends in the average tax bill for commercial, industrial and hotel properties have diverged from those for residential properties. In FY 2006, the average property tax bill for hotel and resort properties was \$10,319, a slight decline from the previous year. Commercial properties saw average tax bills rise five percent over the previous year to \$18,016, nearly the amount reached in the early 1990's. The average tax bill for industrial properties rose eight percent over the previous year to \$14,723, a new high from the low of \$8,456 in FY 2002.

...with smaller increases for businesses



The city's residential tax bills occupy the extremes among the counties...

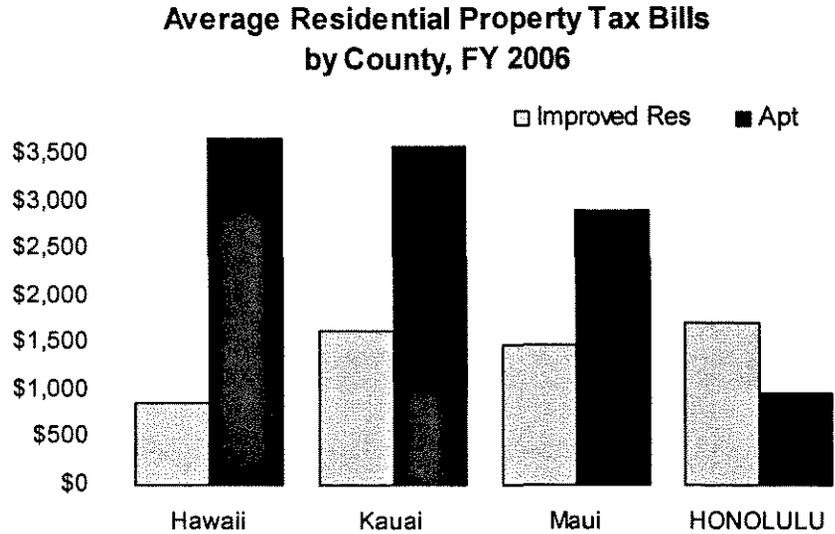
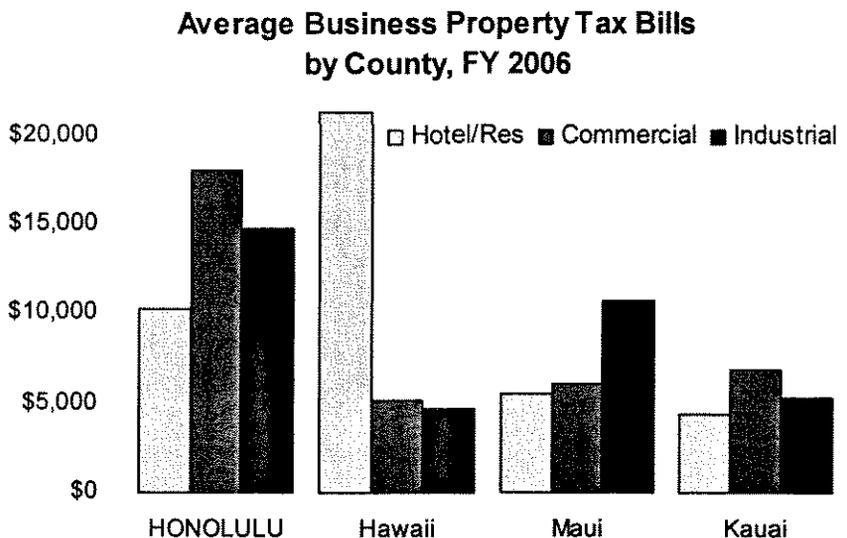


Figure E-6. In FY 2006, Honolulu's average property tax bill for improved residential properties edged those of the neighbor islands (adding their homeowner or homestead classes together with their improved residential class). For example, Honolulu's average improved residential property tax of \$1,730 exceeded Maui's effective average tax of \$1,645. (Note: there are minor comparability issues because of the neighbor islands' unique homeowner and homestead tax classes.) For apartment properties, Honolulu's average apartment tax of \$978 showed the effect of its average apartment property value of \$261,000 and tax rate of \$3.75 per \$1,000. Compare this to Maui's average apartment property value of \$496,000 and tax rate of \$5.86 per \$1,000, resulting in an average apartment tax of \$2,908.

Figure E-7. In FY 2005, Honolulu's average property tax bills for hotel/resort, commercial, and industrial parcels exceeded those of the neighbor island counties, primarily because of Honolulu's higher tax rates. The exception was Hawaii's hotel tax bills, which exceeded Honolulu's primarily because of the Hawaii County's high average hotel value of nearly \$2.2 million, versus Honolulu's average hotel value of \$907,000. Hawaii's higher property values overcame the effect of its lower hotel tax rate, \$9.85 per \$1,000, compared to Honolulu's \$11.37 per \$1,000.

...while the city's tax bills for businesses are mostly higher



F. Fund Balance

- **City's Budgeting for Reserves is Questionable**

The general fund is the primary fund in the operating budget. It is a recommended budget practice and advantageous for bond ratings to maintain a general fund reserve to pay for unexpected costs. However, the city's practice has been to budget practically all of the revenues of the fund for expenditure each fiscal year, thereby providing for no reserve or fund balance.

Although no reserve is budgeted each fiscal year, by year's end, the city's general fund ends up with a large balance that is carried over to the next fiscal year. In fact, this carryover amount from the previous year is usually the second largest anticipated revenue source for the operating budget, next to property taxes. In FY 2006, the carryover from the previous year was forecasted to account for seven percent of operating revenues.

While positive and reasonable balances in the general fund are desirable, wide disparities between budgeted and actual balances in the general fund are not. They indicate that substantial amounts of appropriations in the operating budget are not being implemented, perhaps systematically, or that revenues are being substantially, and perhaps systematically, under-estimated, or both.

**Unbudgeted
year-end
general fund
reserves are
in the millions**

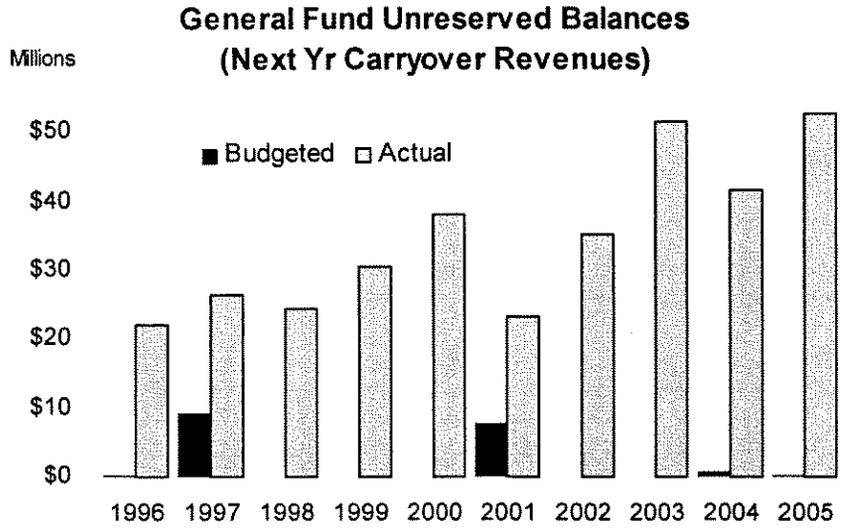
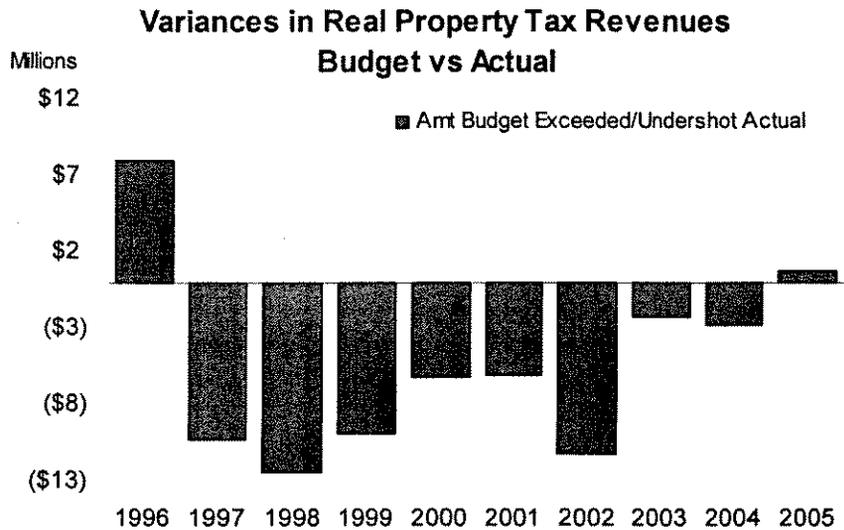


Figure F-1. The long-term trend in unbudgeted fund balances continues upward. The city’s actual year-end general fund unreserved balances have been as much as \$51 million (in FY 2003), despite a budget that usually allocates **no** moneys for that purpose. (In the chart, the absence of a bar for the fiscal year means the budgeted amount for general fund balance was near zero.) In FY 2004, the actual unreserved balance in the general fund topped \$41 million.

Figure F-2. Over the last ten years, the amount of revenues anticipated in the budget to be obtained from real property taxes have varied from actual receipts, from as much as \$8 million over actual in FY 1996 to \$12 million under actual in FY 1998. Since FY 1997, the disparity has narrowed considerably. In FY 2005, the budgeted amount was \$823,000 more than actual receipts, reversing a years-long pattern of under-estimation.

**Property tax
revenue
estimates
are more
accurate**



G. Enterprise Funds

- **Enterprise Funds Show Mixed Results**

Enterprise funds are used to account for certain government activities that are run like businesses and that charge fees to offset operating costs. The city has four enterprise funds: one each for the bus system, the solid waste collection and disposal system (including the H-Power garbage to energy plant), housing projects, and the sewer system. The significance of an enterprise fund's net asset amount is that it shows the financial position of the activity if operations ceased at the end of the period. For example, a positive net asset amount for the year ending June 30 would indicate that as of that date, the city could repay all outstanding debts of the activity and still fully own the buildings and equipment used by the activity. In contrast, a negative net asset amount would indicate that as of that date, the city would owe money to others even after operations ceased. The annual change in net assets shows whether the fund financially improved or deteriorated during the subject year.

Solid Waste Fund Still Worst Performer Among Enterprise Funds...

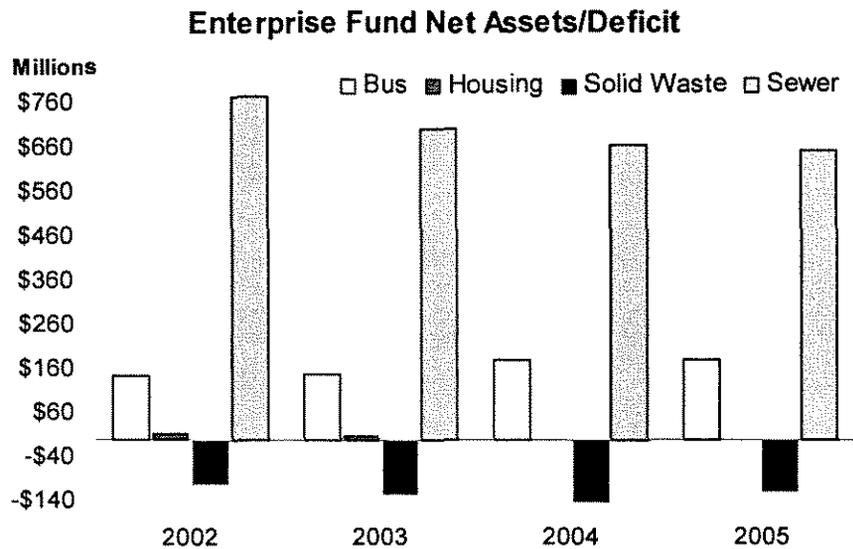
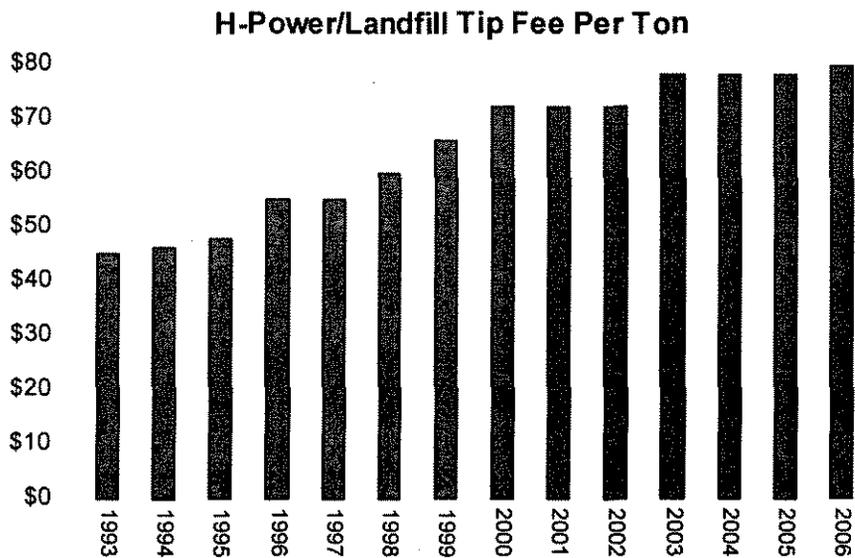


Figure G-1. The net assets of the city’s enterprise funds have recorded mixed results. Improvement in the bus fund has been accompanied by poor results in the solid waste and sewer funds. In FY 2005, the bus fund recorded a \$2 million gain in net assets. While the net assets of the solid waste fund posted the seventh straight year of negative net assets at -\$117 million in FY 2005, that was \$21 million better than the year before. Net assets for the housing fund in FY 2005 were -\$192,000 (not visible in the chart’s scale), down \$1.7 million from the previous year and pointing to bigger deficits next year. While the sewer fund continued the strongest posting among the funds at \$656 million, that was down \$16 million from the prior year.

Figure G-2. Although the solid waste fund has had the weakest financial position among the city’s enterprise funds over the past years, there have been substantial hikes over time in its primary revenue source, the H-Power and landfill tip fees charged for refuse disposal at such facilities. In the 14 years since fees were charged at H-Power, tip fees have climbed nearly 80 percent.

...Even Though Refuse Disposal Fees Have Climbed Steadily



**Residential
sewer bills
to double in
nine years**

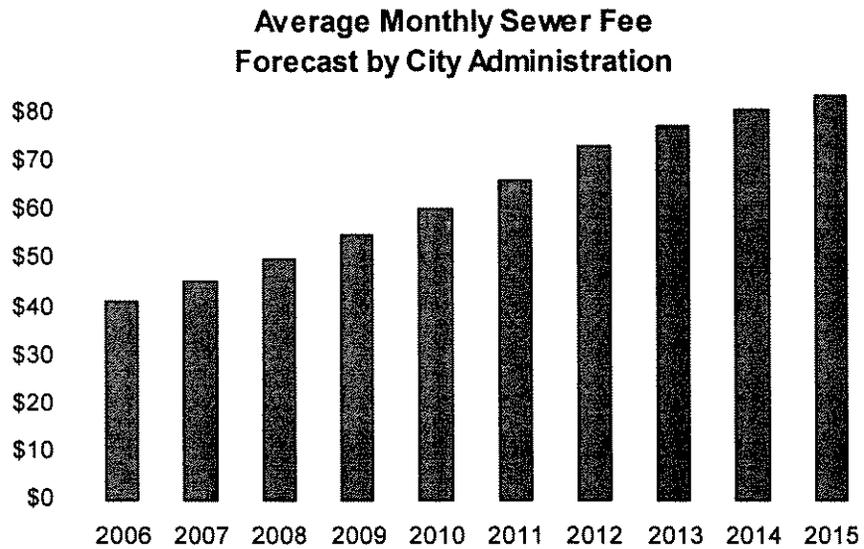


Figure G-3. As previously shown, while the sewer fund has had the strongest financial position among the city's enterprise funds over the past years, the fund has seen its net assets steadily decline. This decline has occurred even as average user fees have escalated and are expected to continue to rise. In the forecast of average monthly sewer bills prepared for the 2005 issuance of wastewater revenue bonds, sewer fees are expected to more than double by 2015, from \$41.31 in 2006 to \$83.91 by 2015.

III. Executive Operating Budget

Actual Versus Budgeted Revenues And Expenditures, FY 2005 And FY 2006

This is a comparison of actual versus budgeted revenues and expenditures for the executive operating budget. The review covered all of FY 2005 and six months of FY 2006 through December 31, 2005. Our review is based on the information in the FY 2005 and FY 2006 Executive Program and Budget documents, the executive operating budget ordinances (Ordinances 04-24 and 05-11 for FY 2005, and Ordinance 05-14 for FY 2006), unaudited financial statements for FY 2005, and the December 2005 accounting reports from the department of budget and fiscal services. Our review of expenditures includes all fund sources, while the review of revenues only covers the general fund.

A. Review of FY 2005

1. General Fund Overview

- **Actual 2005 Revenues Exceed Budget Estimate By \$26 Million**
- **Actual 2005 Expenditures Below Budget By \$26 Million**
- **Actual 2005 Ending Fund Balance Exceeds Budget Estimate By \$9 Million**

Overall, for FY 2005, actual general fund revenues totaled \$844 million, which was \$26 million more than the \$818 million estimated in the budget (these figures include revenues, other financing sources (i.e. sale of assets), transfers in, and unreserved fund balance from prior year). Actual general fund expenditures for executive and legislative departments, miscellaneous expenses and debt service totaled \$791 million, which was \$26 million lower than the \$818 million budgeted (these figures include expenditures from departments, miscellaneous and debt service; other financing uses; and transfers out). The actual unreserved and undesignated fund balance for FY 2005, an amount which is carried over into FY 2006, totaled \$57 million, which was over \$9 million more than the budgeted fund balance of \$48 million.

2. Significant Revenue Variances for General Fund, FY 2005

The following table shows general fund revenue sources with a variance of \$1 million and five percent or more between actual and budgeted revenue amounts for FY 2005. Negative amounts mean actual revenues were below the amounts budgeted.

**Table III-1. FY 2005 Major
General Fund Revenue Variances**

| General Fund Revenue Source | Variance From Budget | Percent of Budgeted Amt |
|--|----------------------|-------------------------|
| Public Service Company Tax | \$4,616,319 | 18.8% |
| Transient Accomodations Tax | \$2,124,973 | 5.8% |
| Recoveries – State Emergency Ambulance Service | \$1,462,988 | 7.5% |
| Investments | -\$3,527,318 | -46.4% |

3. Significant Expenditure Variances for FY 2005

The following table summarizes major general fund expenditure variances by function and department. Since expenditures cannot exceed the amount appropriated, variances reflect the amount by which actual expenditures were less than budgeted amounts. For the purposes of this summary, we only included variances at least \$1 million and five percent below budgeted amounts, and only included budgeted activities.

**Table III-2. FY 2005 Major
General Fund Expenditure Variances**

| Function/Department/Activity | Variance from Budget | Percent of Budgeted Amt |
|---|----------------------|-------------------------|
| General Government/ Prosecuting Attorney/ Prosecution | -\$1.2 million | -10.2% |
| Public Safety/EMS/ Emergency Medical Services | -\$2.0 million | -11.6% |
| Human Services/Community Services/Administration | -\$4.2 million | -52.4% |
| Human Services /Community Services/Community Assistance | -\$2.8 million | -6.6% |
| Human Services /Community Services/Elderly Services | -\$1.5 million | -19.1% |
| Human Services /Community Services/Community Based Devel. | -\$1.1 million | -39.8% |
| Human Services /Community Services/Job Development | -\$2.7 million | -33.6% |
| Culture Rec/Enterprise Services/Golf Courses | -\$1.1 million | -13.9% |
| Sanitation/Environmental Services/Refuse Collection & Disp. | -\$8.2 million | -6.9% |
| Sanitation/Environmental Services/Environmental Quality | -\$1.6 million | -22.2% |
| Sanitation/Environmental Services/Sewer Maintenance | -\$1.4 million | -15.7% |
| Misc/Other Miscellaneous/ Workers' Compensation | -\$2.3 million | -16.9% |
| Misc /Other Miscellaneous/ Judgments and Losses | -\$1.6 million | -38.7% |

4. Major Appropriation Lapses by Activity, FY 2005

In Table III-3 below, we have highlighted the major appropriation lapses for FY 2005, by budgeted activity, based on the detailed information in Table IV-2 that follows. We included lapses that were at least \$1 million and five percent of adjusted appropriations, and only included budgeted activities.

**Table III-3. FY 2005 Major
Appropriation Lapses by Activity**

| Dept/Activity | Adjusted Appropriation | Lapsed Amt | Percent of Appropriation |
|---|---------------------------|-------------|-----------------------------|
| Prosecuting Atty/Prosecution | \$12,209,726 | \$1,242,550 | 10.2% |
| Emergency Services/ Emergency Medical Services | \$17,512,652 | \$2,032,999 | 11.6% |
| Community Services/Administration | \$7,940,297 | \$4,159,427 | 52.4% |
| Community Services/Community Assistance | \$42,976,435 | \$2,847,098 | 6.6% |
| Community Services/Elderly Services | \$7,921,673 | \$1,513,885 | 19.1% |
| Community Services/ Community Based Development | \$2,825,235 | \$1,125,758 | 39.8% |
| Community Services/Job Development | \$8,051,683 | \$2,701,740 | 33.6% |
| Enterprise Services/Golf Courses | \$7,808,096 | \$1,082,541 | 13.9% |
| Environmental Services/ Refuse Collection and Disposal | \$118,692,595 | \$8,182,595 | 6.9% |
| Environmental Services/Environmental Quality | \$7,118,787 | \$1,581,716 | 22.2% |
| Environmental Services/Sewer Maintenance | \$9,108,804 | \$1,431,801 | 15.7% |
| Workers' Compensation | \$13,429,549 | \$2,265,815 | 16.9% |
| Judgment and Losses | \$4,200,000 | \$1,627,002 | 38.7% |

5. Detailed Expenditure Results by Activity, FY 2005

Table III-4 displays expenditure results of activities in the FY 2005 executive operating budget ordinance, listed by agency in the order it appears in the ordinance. In addition, the activity “Other Grants”, which is an item found occasionally only in the accounting reports, is added under the appropriate agency. For each activity, the amounts appropriated, expended/encumbered, and lapsed in the fiscal year are shown. Included is the percentage of the activity’s appropriation that the lapsed amount represents. Activities where the lapsed amount equaled or exceeded \$1 million and five percent of the adjusted appropriation are highlighted. For each activity, the following information is provided regarding its status at the end of the fiscal year:

- (1) Total appropriated amount as shown in the budget ordinance.
- (2) The total appropriated amount as may be adjusted by any transfers and grants, whether from state or federal sources. The adjusted amount may be higher than the initial appropriation if a transfer or grant added to the amount appropriated. Alternatively, the adjusted amount may be lower than the initial appropriation if a transfer reduced the amount appropriated to that activity or if a grant was less than budgeted.
- (3) The amount of the adjusted appropriation that was expended or encumbered during the fiscal year.
- (4) The amount that lapsed at the end of the fiscal year and its percentage of the adjusted appropriation.

Table III-4
EXECUTIVE OPERATING BUDGET
Appropriations for FY 2005, All Funds

| Budgeted Activity | Approp. | Adjusted Approp. | Expend./ Encumb. | Lapsed | % Lapsed |
|---|--------------|---------------------|---------------------|-----------|-------------|
| <u>Mayor</u> | | | | | |
| Administration | \$444,226 | \$567,070 | \$567,070 | \$0 | 0.0% |
| Contingency | \$32,069 | \$32,069 | \$32,040 | \$29 | 0.1% |
| <u>Managing Director</u> | | | | | |
| City Management | \$1,637,062 | \$2,537,062 | \$2,281,598 | \$255,464 | 10.1% |
| Culture and the Arts | \$639,844 | \$734,844 | \$669,953 | \$64,891 | 8.8% |
| Neighborhood Commission | \$928,612 | \$1,059,612 | \$905,613 | \$153,999 | 14.5% |
| Royal Hawaiian Band | \$1,637,683 | \$1,712,683 | \$1,710,914 | \$1,769 | 0.1% |
| <u>Department of Customer Services</u> | | | | | |
| Administration | \$418,143 | \$545,943 | \$504,886 | \$41,057 | 7.5% |
| Public Communication | \$1,870,792 | \$1,977,692 | \$1,807,731 | \$169,961 | 8.6% |
| Satellite City Hall | \$3,043,847 | \$3,105,227 | \$2,998,564 | \$106,663 | 3.4% |
| Motor Vehicle, Licensing and Permits | \$12,833,451 | \$12,800,451 | \$12,543,888 | \$256,563 | 2.0% |
| <u>Department of Budget and Fiscal Services</u> | | | | | |
| Administration | \$601,614 | \$660,614 | \$645,256 | \$15,358 | 2.3% |
| Internal Control | \$387,192 | \$407,992 | \$406,665 | \$1,327 | 0.3% |
| Fiscal/CIP Administration | \$982,484 | \$977,484 | \$888,432 | \$89,052 | 9.1% |
| Budgetary Administration | \$705,482 | \$803,482 | \$758,321 | \$45,161 | 5.6% |
| Accounting and Fiscal Services | \$3,724,528 | \$3,855,528 | \$3,699,635 | \$155,893 | 4.0% |
| Purchasing and General Services | \$1,302,714 | \$1,302,714 | \$1,229,778 | \$72,936 | 5.6% |
| Real Property | \$4,412,212 | \$4,391,212 | \$4,277,008 | \$114,204 | 2.6% |
| Treasury | \$1,648,920 | \$1,648,920 | \$1,413,633 | \$235,287 | 14.3% |
| Liquor Commission | \$2,696,166 | \$2,696,166 | \$2,096,557 | \$599,609 | 22.2% |
| <u>Department of Information Technology</u> | | | | | |
| Administration | \$6,340,794 | \$6,251,294 | \$5,764,479 | \$486,815 | 7.8% |
| Applications | \$3,280,598 | \$3,408,678 | \$3,311,209 | \$97,469 | 2.9% |
| Technical Support | \$1,444,742 | \$1,510,242 | \$1,464,781 | \$45,461 | 3.0% |
| Operations | \$1,305,168 | \$1,355,168 | \$1,331,713 | \$23,455 | 1.7% |
| <u>Department of the Corporation Counsel</u> | | | | | |
| Legal Services | \$6,910,936 | \$6,910,936 | \$6,343,724 | \$567,212 | 8.2% |
| Family Support | \$881,528 | \$881,528 | \$749,672 | \$131,856 | 15.0% |
| Ethics Commission | \$158,784 | \$158,784 | \$148,001 | \$10,783 | 6.8% |

Table III-4 (continued)
EXECUTIVE OPERATING BUDGET
 Appropriations for FY 2005, All Funds

| Budgeted Activity | Approp. | Adjusted Approp. | Expend./ Encumb. | Lapsed | % Lapsed |
|---|--------------|------------------|------------------|-------------|----------|
| <u>Department of the Prosecuting Attorney</u> | | | | | |
| Administration | \$3,142,488 | \$3,172,488 | \$2,914,846 | \$257,642 | 8.1% |
| Prosecution | \$11,675,349 | \$12,209,726 | \$10,967,176 | \$1,242,550 | 10.2% |
| Victim/Witness Assistance | \$1,889,500 | \$1,989,500 | \$1,590,420 | \$399,080 | 20.1% |
| <u>Department of Human Resources</u> | | | | | |
| Administration | \$487,348 | \$537,348 | \$536,132 | \$1,216 | 0.2% |
| Employment and Personnel Services | \$1,181,685 | \$1,204,665 | \$1,202,256 | \$2,409 | 0.2% |
| Classification and Pay | \$627,926 | \$659,926 | \$658,444 | \$1,482 | 0.2% |
| Health Services | \$518,049 | \$528,069 | \$527,471 | \$598 | 0.1% |
| Industrial Safety and Workers' Compensation | \$884,662 | \$915,662 | \$915,133 | \$529 | 0.1% |
| Labor Relations and Training | \$784,662 | \$831,662 | \$797,117 | \$34,545 | 4.2% |
| <u>Department of Planning and Permitting</u> | | | | | |
| Administration | \$1,597,241 | \$1,612,241 | \$1,571,692 | \$40,549 | 2.5% |
| Site Development | \$2,366,056 | \$2,366,056 | \$2,292,441 | \$73,615 | 3.1% |
| Land Use Permits | \$1,353,249 | \$1,375,198 | \$1,367,114 | \$8,084 | 0.6% |
| Planning | \$1,330,881 | \$1,380,881 | \$1,361,820 | \$19,061 | 1.4% |
| Customer Service Office | \$2,224,778 | \$2,266,542 | \$2,219,824 | \$46,718 | 2.1% |
| Building | \$4,408,489 | \$4,411,489 | \$4,115,848 | \$295,641 | 6.7% |
| <u>Department of Facility Maintenance</u> | | | | | |
| Administration | \$942,756 | \$1,082,756 | \$1,078,830 | \$3,926 | 0.4% |
| Roads Maintenance | \$14,596,653 | \$14,664,653 | \$14,635,521 | \$29,132 | 0.2% |
| Pub Building and Electrical Maint | \$13,823,716 | \$13,921,316 | \$13,864,131 | \$57,185 | 0.4% |
| Automotive Equipment Services | \$11,500,679 | \$11,500,679 | \$11,337,194 | \$163,485 | 1.4% |
| <u>Department of Design and Construction</u> | | | | | |
| Administration | \$820,429 | \$695,429 | \$677,714 | \$17,715 | 2.5% |
| Project and Construction Mgmt | \$10,815,321 | \$11,053,921 | \$10,633,738 | \$420,183 | 3.8% |
| Land Services | \$1,950,116 | \$1,845,116 | \$1,740,911 | \$104,205 | 5.6% |

Table III-4 (continued)
EXECUTIVE OPERATING BUDGET
Appropriations for FY 2005, All Funds

| Budgeted Activity | Approp. | Adjusted Approp. | Expend./ Encumb. | Lapsed | % Lapsed |
|---|--------------|------------------|------------------|--------------|----------|
| <u>Police Department</u> | | | | | |
| Police Commission | \$408,246 | \$408,246 | \$395,631 | \$12,615 | 3.1% |
| Office of the Chief of Police | \$6,011,222 | \$6,011,222 | \$5,566,523 | \$444,699 | 7.4% |
| Patrol | \$84,496,456 | \$84,496,456 | \$83,194,079 | \$1,302,377 | 1.5% |
| Traffic | \$8,273,144 | \$8,273,144 | \$7,705,443 | \$567,701 | 6.9% |
| Specialized Services | \$5,482,616 | \$5,482,616 | \$5,124,241 | \$358,375 | 6.5% |
| Central Receiving | \$5,255,103 | \$5,255,103 | \$4,746,248 | \$508,855 | 9.7% |
| Criminal Investigation | \$10,177,467 | \$10,177,467 | \$9,782,530 | \$394,937 | 3.9% |
| Juvenile Services | \$4,020,394 | \$4,020,394 | \$3,667,481 | \$352,913 | 8.8% |
| Narcotics/Vice | \$6,627,022 | \$6,627,022 | \$6,374,125 | \$252,897 | 3.8% |
| Scientific Investigation | \$2,516,734 | \$2,588,020 | \$2,459,703 | \$128,317 | 5.0% |
| Communications | \$7,991,112 | \$7,991,112 | \$7,804,880 | \$186,232 | 2.3% |
| Records and Identification | \$4,674,260 | \$4,674,260 | \$4,583,598 | \$90,662 | 1.9% |
| Telecommunications Systems | \$1,942,252 | \$1,942,252 | \$1,862,011 | \$80,241 | 4.1% |
| Vehicle Maintenance | \$2,079,394 | \$2,079,394 | \$1,986,593 | \$92,801 | 4.5% |
| Human Resources | \$2,262,226 | \$2,262,226 | \$2,188,232 | \$73,994 | 3.3% |
| Training | \$10,455,820 | \$10,455,820 | \$10,199,416 | \$256,404 | 2.5% |
| Finance | \$5,181,306 | \$5,181,306 | \$5,157,414 | \$23,892 | 0.5% |
| Information Technology | \$2,633,202 | \$2,633,202 | \$2,547,345 | \$85,857 | 3.3% |
| Other Grants | | \$6,512,119 | \$4,577,494 | \$1,934,625 | 29.7% |
| <u>Fire Department</u> | | | | | |
| Fire Commission | \$7,868 | \$7,868 | \$5,860 | \$2,008 | 25.5% |
| Administration | \$2,820,198 | \$2,820,198 | \$2,800,033 | \$20,165 | 0.7% |
| Fire Communication Center | \$1,376,575 | \$1,376,575 | \$1,349,174 | \$27,401 | 2.0% |
| Fire Prevention | \$2,620,496 | \$2,595,496 | \$2,401,431 | \$194,065 | 7.5% |
| Mechanic Shop | \$1,165,724 | \$1,265,724 | \$1,252,220 | \$13,504 | 1.1% |
| Training and Research | \$1,639,485 | \$1,614,485 | \$1,341,365 | \$273,120 | 16.9% |
| Radio Shop | \$181,622 | \$181,622 | \$179,455 | \$2,167 | 1.2% |
| Fire Operations | \$57,138,121 | \$57,088,121 | \$56,018,694 | \$1,069,427 | 1.9% |
| Fireboat | \$1,395,264 | \$1,395,264 | \$1,234,502 | \$160,762 | 11.5% |
| City Radio System | \$197,294 | \$197,294 | \$196,467 | \$827 | 0.4% |
| Other Grants | | \$1,398,743 | \$1,246,096 | \$152,647 | 10.9% |
| <u>Department of Emergency Services</u> | | | | | |
| Administration | \$448,984 | \$470,984 | \$441,325 | \$29,659 | 6.3% |
| Emergency Medical Services | \$17,512,652 | \$17,512,652 | \$15,479,653 | \$2,032,999 | 11.6% |
| Ocean Safety | \$6,263,512 | \$6,226,520 | \$6,147,488 | \$79,032 | 1.3% |
| Other Grants | | \$873,412 | \$872,738 | \$674 | 0.1% |
| <u>Civil Defense Agency</u> | | | | | |
| Civil Defense Coordination | \$701,356 | \$613,367 | \$588,117 | \$25,250 | 4.1% |
| Other Grants | | \$19,994,219 | \$8,527,682 | \$11,466,537 | 57.3% |

Table III-4 (continued)
EXECUTIVE OPERATING BUDGET
Appropriations for FY 2005, All Funds

| Budgeted Activity | Approp. | Adjusted Approp. | Expend./ Encumb. | Lapsed | % Lapsed |
|--|---------------|------------------|------------------|-------------|----------|
| <u>Department of the Medical Examiner</u> | | | | | |
| Investigation of Deaths | \$1,059,368 | \$1,107,368 | \$1,100,445 | \$6,923 | 0.6% |
| <u>Department of Community Services</u> | | | | | |
| Administration | \$5,775,374 | \$7,940,297 | \$3,780,870 | \$4,159,427 | 52.4% |
| Community Assistance | \$42,169,935 | \$42,976,435 | \$40,129,337 | \$2,847,098 | 6.6% |
| Elderly Services | \$7,901,173 | \$7,921,673 | \$6,407,788 | \$1,513,885 | 19.1% |
| Community Based Development | \$2,825,235 | \$2,825,235 | \$1,699,477 | \$1,125,758 | 39.8% |
| Job Development | \$5,563,063 | \$8,051,683 | \$5,349,943 | \$2,701,740 | 33.6% |
| Other Grants | | \$584,117 | \$480,196 | \$103,921 | 17.8% |
| <u>Department of Parks and Recreation</u> | | | | | |
| Administration | \$1,556,424 | \$1,613,424 | \$1,526,558 | \$86,866 | 5.4% |
| Urban Forestry | \$5,694,836 | \$5,888,159 | \$5,782,609 | \$105,550 | 1.8% |
| Maintenance Support Services | \$4,149,338 | \$4,149,338 | \$3,937,887 | \$211,451 | 5.1% |
| Grounds Maintenance | \$18,039,921 | \$17,800,614 | \$17,536,266 | \$264,348 | 1.5% |
| Recreation Services | \$17,843,237 | \$18,316,237 | \$17,981,902 | \$334,335 | 1.8% |
| <u>Department of Enterprise Services</u> | | | | | |
| Administration | \$482,284 | \$599,608 | \$511,392 | \$88,216 | 14.7% |
| Auditoriums | \$4,090,563 | \$4,155,563 | \$3,778,721 | \$376,842 | 9.1% |
| Honolulu Zoo | \$3,580,732 | \$3,783,749 | \$3,672,636 | \$111,113 | 2.9% |
| Golf Courses | \$7,721,190 | \$7,808,096 | \$6,725,555 | \$1,082,541 | 13.9% |
| <u>Department of Transportation Services</u> | | | | | |
| Administration | \$495,654 | \$495,654 | \$466,947 | \$28,707 | 5.8% |
| Transportation Planning | \$855,753 | \$863,639 | \$859,036 | \$4,603 | 0.5% |
| Traffic Engineering | \$1,631,026 | \$1,624,526 | \$1,384,130 | \$240,396 | 14.8% |
| Traffic Signals and Technology | \$2,526,291 | \$2,526,291 | \$2,213,013 | \$313,278 | 12.4% |
| Public Transit | \$147,289,112 | \$147,318,705 | \$147,036,349 | \$282,356 | 0.2% |
| Other Grants | | \$2,630,369 | \$798,690 | \$1,831,679 | 69.6% |

Table III-4 (continued)
EXECUTIVE OPERATING BUDGET
Appropriations for FY 2005, All Funds

| Budgeted Activity | Approp. | Adjusted Approp. | Expend./ Encumb. | Lapsed | % Lapsed |
|---|------------------------|------------------------|------------------------|---------------------|-------------|
| <u>Department of Environmental Services</u> | | | | | |
| Refuse Collection and Disposal | \$118,692,595 | \$118,692,595 | \$110,510,000 | \$8,182,595 | 6.9% |
| Administration | \$2,903,946 | \$2,975,150 | \$2,462,721 | \$512,429 | 17.2% |
| Environmental Quality | \$7,225,749 | \$7,118,787 | \$5,537,071 | \$1,581,716 | 22.2% |
| Sewer Maintenance | \$9,108,804 | \$9,108,804 | \$7,677,003 | \$1,431,801 | 15.7% |
| Treatment and Disposal | \$36,299,214 | \$36,428,488 | \$35,321,809 | \$1,106,679 | 3.0% |
| Other Grants | | \$200,000 | \$0 | \$200,000 | 100.0% |
| <u>Debt Service and Miscellaneous</u> | | | | | |
| Bond Principal and Interest | \$190,126,702 | \$190,126,702 | \$184,430,508 | \$5,696,194 | 3.0% |
| Other Debt Principal and Interest | \$359,221 | \$359,221 | \$359,220 | \$1 | 0.0% |
| Tax Exempt Commercial Paper | \$2,927,165 | \$2,927,165 | \$2,918,165 | \$9,000 | 0.3% |
| County Pension | \$79,000 | \$79,000 | \$44,596 | \$34,404 | 43.5% |
| Retirement System | \$46,644,512 | \$46,644,512 | \$45,680,192 | \$964,320 | 2.1% |
| FICA | \$18,039,759 | \$18,577,759 | \$18,048,241 | \$529,518 | 2.9% |
| Health Fund | \$75,577,721 | \$75,577,721 | \$72,011,662 | \$3,566,059 | 4.7% |
| Workers' Compensation | \$13,429,549 | \$13,429,549 | \$11,163,734 | \$2,265,815 | 16.9% |
| Unemployment Compensation | \$430,551 | \$605,551 | \$455,989 | \$149,562 | 24.7% |
| Salary Adj and Accumulated Vac | \$8,609,052 | \$4,421,500 | \$0 | \$4,421,500 | 100.0% |
| Judgment and Losses | \$4,200,000 | \$4,200,000 | \$2,572,998 | \$1,627,002 | 38.7% |
| Risk Management | \$6,743,454 | \$6,743,454 | \$6,389,661 | \$353,793 | 5.2% |
| Real Property Tax Refund | \$150,000 | \$150,000 | \$24,129 | \$125,871 | 83.9% |
| Deferred Compensation Plan | \$304,200 | \$304,200 | \$285,581 | \$18,619 | 6.1% |
| TOTAL EXECUTIVE APPROPRIATIONS | \$1,236,250,454 | \$1,274,873,581 | \$1,194,615,208 | \$80,258,373 | 6.3% |

**Table III-5
LEGISLATIVE BUDGET
Appropriations for FY 2005, All Funds**

| Budgeted Activity | Approp. | Adjusted Approp. | Expend./ Encumb. | Lapsed | % Lapsed |
|---|------------------------|------------------------|------------------------|---------------------|-------------|
| <u>City Council</u> | | | | | |
| Administration | \$4,167,065 | \$4,472,065 | \$4,240,553 | \$231,512 | 5.2% |
| Council Allotment | \$103,545 | \$105,545 | \$68,671 | \$36,874 | 34.9% |
| Salary Commission | \$13,300 | \$13,300 | \$12,044 | \$1,256 | 9.4% |
| <u>Office of Council Services</u> | | | | | |
| Administration | \$409,549 | \$417,249 | \$413,426 | \$3,823 | 0.9% |
| Legal Assistance | \$343,225 | \$351,225 | \$346,023 | \$5,202 | 1.5% |
| Organized Research and Analysis | \$428,670 | \$409,970 | \$407,875 | \$2,095 | 0.5% |
| Revisor of Ordinances | \$44,438 | \$47,438 | \$47,340 | \$98 | 0.2% |
| <u>City Clerk</u> | | | | | |
| Administration | \$289,919 | \$319,919 | \$304,886 | \$15,033 | 4.7% |
| Support Services | \$227,518 | \$227,518 | \$191,724 | \$35,794 | 15.7% |
| Council Assistance | \$807,850 | \$807,850 | \$733,814 | \$74,036 | 9.2% |
| Elections | \$1,994,534 | \$1,964,534 | \$1,668,037 | \$296,497 | 15.1% |
| <u>City Auditor</u> | | | | | |
| Administration | \$532,496 | \$532,496 | \$412,906 | \$119,590 | 22.5% |
| Financial Audt | \$360,000 | \$360,000 | \$360,000 | \$0 | 0.0% |
| <u>Miscellaneous</u> | | | | | |
| Retirement System | \$600,000 | \$600,000 | \$600,000 | \$0 | 0.0% |
| FICA | \$481,000 | \$415,000 | \$414,090 | \$910 | 0.2% |
| Health Fund | \$885,000 | \$885,000 | \$885,000 | \$0 | 0.0% |
| Accumulated Vacation Leave | \$150,000 | \$0 | \$0 | \$0 | 0.0% |
| Workers' Compensation | \$30,000 | \$0 | \$0 | \$0 | 0.0% |
| Unemployment Compensation | \$75,000 | \$14,000 | \$13,930 | \$70 | 0.5% |
| Collective Bargaining | \$100 | \$100 | \$0 | \$100 | 100.0% |
| Salary Adjustment (Included | \$100 | \$100 | \$0 | \$100 | 100.0% |
| Salary Adjustment (Excluded | \$100 | \$100 | \$0 | \$100 | 100.0% |
| TOTAL LEGISLATIVE APPROPRIATIONS | \$11,943,409 | \$11,943,409 | \$11,120,319 | \$823,090 | 6.9% |
| TOTAL CITY APPROPRIATIONS | \$1,248,193,863 | \$1,286,816,990 | \$1,205,735,527 | \$81,081,463 | 6.3% |

6. Major Appropriation Lapses by Fund, FY 2005

In Table III-6 below, we display the amounts appropriated, expended/encumbered, and lapsed by fund source. We have put in bold the major fund lapses for FY 2005 that were at least \$5 million and ten percent of adjusted appropriations.

Table III-6
EXECUTIVE AND LEGISLATIVE BUDGET, FY 2005
Summary of Results by Fund

| Fund | Approp. | Adjusted Approp. | Expend./ Encumb. | Lapsed | % Lapsed |
|-------------------------------------|------------------------|------------------------|------------------------|---------------------|--------------|
| General Fund | \$708,847,404 | \$708,847,404 | \$681,067,884 | \$27,779,520 | 3.9% |
| Highway Fund | \$63,588,598 | \$63,588,598 | \$60,770,502 | \$2,818,096 | 4.4% |
| Sewer Fund | \$95,158,069 | \$95,158,069 | \$87,691,933 | \$7,466,136 | 7.8% |
| Bus Transportation Fund | \$119,079,154 | \$119,079,154 | \$118,822,327 | \$256,826 | 0.2% |
| Liquor Commission Fund | \$3,490,458 | \$3,490,458 | \$2,733,598 | \$756,860 | 21.7% |
| Bikeway Fund | \$400,188 | \$400,188 | \$283,374 | \$116,813 | 29.2% |
| Highway Beautification and Disposal | \$2,907,720 | \$2,907,720 | \$2,853,943 | \$53,777 | 1.8% |
| Special Events Fund | \$10,483,910 | \$10,483,910 | \$9,711,299 | \$772,611 | 7.4% |
| Golf Fund | \$9,941,870 | \$9,941,870 | \$8,593,618 | \$1,348,252 | 13.6% |
| Solid Waste Fund | \$134,194,653 | \$134,194,653 | \$124,453,009 | \$9,741,643 | 7.3% |
| Zoo Animal Purchase Fund | \$15,000 | \$15,000 | \$487 | \$14,513 | 96.8% |
| Hanauma Bay Nature Preserve Fund | \$2,713,147 | \$2,713,147 | \$2,609,295 | \$103,852 | 3.8% |
| Rental Assistance Fund | \$233,000 | \$233,000 | \$161,824 | \$71,176 | 30.5% |
| Housing Development Special Fund | \$410,815 | \$410,815 | \$398,000 | \$12,815 | 3.1% |
| Community Development Fund | \$2,730,994 | \$2,730,994 | \$2,516,231 | \$214,762 | 7.9% |
| Rehabilitation Loan Fund | \$2,448,500 | \$2,448,500 | \$2,448,500 | \$0 | 0.0% |
| Section 8 Contract Fund | \$35,695,428 | \$36,471,428 | \$36,251,769 | \$219,658 | 0.6% |
| Federal Grants Fund | \$45,754,526 | \$80,202,397 | \$56,613,562 | \$23,588,835 | 29.4% |
| Leasehold Conversion Fund | \$300,568 | \$300,568 | \$94,601 | \$205,967 | 68.5% |
| Special Projects Fund | \$9,799,861 | \$13,199,119 | \$7,659,775 | \$5,539,344 | 42.0% |
| TOTAL | \$1,248,193,863 | \$1,286,816,992 | \$1,205,735,531 | \$81,081,456 | 6.3% |

B. Review of FY 2006 Through 12/31/05

- **Actual Property Tax Collections and Recovery from State for Emergency Ambulance Services To Date Are Dramatically Less Than Budgeted**

We reviewed the status of the operating budget for FY 2006 as of 12/31/05. The review covered major general fund revenue assumptions and major program changes in budgeted expenditures for all funds. The revenue assumptions and program changes were found in the budget ordinance or executive operating program and budget.

Please note that the review of FY 2006 revenues and expenditures covers only the first half of the fiscal year, and that substantial changes in revenues and expenditures can occur during the last six months of the fiscal year. Because the review covers only the first half of the fiscal year, no overall budget results can be determined.

1. Status of FY 2006 General Fund Revenue Assumptions

The following table describes the status as of 12/31/05 of major general fund revenue assumptions for FY 2006. For the purpose of this summary, we define major revenue assumptions as those that involve an amount exceeding \$1 million and concern either new sources to the city or a significant increase in existing sources. As an example, changes in transfers between funds were not part of this review.

Table III-7. FY 2006 Major General Fund Revenue Assumptions

| General Fund Revenue Assumption | Amount Budgeted | Status As of 12/31/05 |
|--|-----------------|------------------------|
| Real Property Taxes – Current Year. Budgeted amount increased by \$85 million or 17% from prior fiscal year. | \$581,801,000 | \$88,657,859 collected |
| Real Property Taxes – Omitted Properties. Budgeted amount decreased by \$1 million or 50% from prior fiscal year. | \$1,000,000 | \$0 collected |
| Building Permits. Budgeted amount increased by \$1.5 million or 12% from prior fiscal year. | \$13,800,000 | \$6,714,136 collected |
| Transient Accommodations Tax. Budgeted amount increased by \$2.9 million or 7% from prior fiscal year. | \$42,346,000 | \$21,484,905 received |
| Investments. Budget amount increased by \$1.6 million or 35% from prior fiscal year. | \$6,161,000 | \$3,604,826 received |
| Recovery – State Emergency Ambulance Service. Budgeted amount increased by \$1.8 million or 9% from prior fiscal year. | \$21,426,963 | \$108,911 received |
| Carryover (from prior year). Budgeted amount increased by \$6.3 million or 15% from prior fiscal year. | \$47,822,112 | \$57,364,000 received |

2. FY 2006 Status of Program Changes in Budgeted Expenditures, All Funds

The following table describes the status as of 12/31/05 of major program changes contained in the FY 2006 budget. We defined major program changes as new or increased expenditures that exceeded \$1 million and increased the prior year's appropriation by at least 10 percent. Further, we defined major program changes as those that represent policy changes rather than cost increases due to inflation, negotiated salary increases or similar nonpolicy-related changes. All major program changes in the budget are listed, even where the status cannot be determined from reports that we reviewed.

Table III-8. FY 2006 Major Program Changes (All Funds)

| Item | Amount Budgeted | Status As Of 12/31/05 |
|--|-----------------|---|
| Department of Environmental Services/ Administration. Budgeted amount increased current expense funds. | \$4,570,559 | Cannot determine the status of this program change from monthly accounting reports. |
| Department of Environmental Services/ Treatment and Disposal. Budgeted amount increased salary and current expense funds. | \$43,268,863 | \$15,473,033 expended. |
| Department of Facility Maintenance/ Automotive Equipment Services. Budgeted amount increased current expense funds. | \$7,118,965 | Cannot determine the status of this program change from monthly accounting reports. |
| Department of Facility Maintenance/Road Maintenance. Budgeted amount increased current expense funds. | \$4,340,580 | Cannot determine the status of this program change from monthly accounting reports. |
| Department of Transportation Services/ Public Transit. Budgeted amount increased current expense funds. | \$67,296,956 | Cannot determine the status of this program change from monthly accounting reports. |
| Debt Service/Tax Exempt Commercial Paper Payments. Budgeted amount increased funding. | \$6,354,630 | \$1,550,000 expended. |
| Miscellaneous/Provision for Salary Adjustments and Accrued Vacation Pay. Budgeted amount increased funding to pay for anticipated negotiated pay raises. | \$24,921,211 | \$6,417,965 transferred to department budgets. |

IV. Executive Capital Budget

Fiscal Year 2005 Fund Expenditure Status 18-Month Period Ending 12/31/05

This is a comparison of actual versus budgeted expenditures for the executive capital budget. The review covers the effective appropriation period for the FY 2005 capital budget that runs from July 1, 2004 through December 31, 2005, beyond which date appropriations that were not yet encumbered or expended lapsed pursuant to charter. The review is based on information in the executive capital budget ordinance (Ordinance 04-25) and amendments thereto (Ordinance 05-12), federal funds reprogramming resolutions (Resolutions 04-347, CD1, FD1; 04-388, and 05-052, CD1, FD1); and a December 2005 accounting report from the department of budget and fiscal services.

Overview:

- **The project that experienced the largest lapse amount in FY 2005 was the Wastewater Treatment Plant and Pump Station Projects (\$10 million lapsed)**
- **The budget function that experienced the highest rate of lapses in FY 2005 was Culture-Recreation (37.5 percent of adjusted appropriations lapsed)**
- **The source of funding that experienced the highest rate of lapses in FY 2005 was the Capital Projects Fund (30.1 percent of adjusted appropriations lapsed)**

A. Major Project Lapses and New Appropriations

In Table IV-1 below, we have highlighted the major project lapses for FY 2005, based on the detailed information in Table IV-2 that follows. The criteria were:

- (1) Projects having adjusted appropriations of \$1 million or more; and
- (2) Lapses of 60 percent or more of the adjusted appropriation that were incurred at the end of the 18-month period.

We also highlighted new unbudgeted appropriations of \$1 million or more (shaded and marked "NEW" in the table). The following projects met the above criteria:

Table IV-1. Major Project Lapses and New Appropriations

| Function | Project | Adjusted Approp | Lapsed Amount | Percent of Approp |
|----------------------|--|-----------------|---------------|-------------------|
| General Government | Integrated Workforce Management System | \$1,100,000 | \$976,192 | 88.7% |
| Public Safety | Bayview Street Relief Drain | 1,300,000 | 1,300,000 | 100% |
| Public Safety | Rockfall Potential Improvements | 2,400,000 | 2,394,228 | 99.8% |
| Highways and Streets | Salt Lake Boulevard Widening (NEW) | 1,328,524 | 20,409 | 1.6% |
| Sanitation | Waimanalo Wastewater Treatment Plant | 2,000,000 | 1,225,171 | 61.3% |
| Sanitation | Wastewater Treatment Plant and Pump Stations | 11,501,000 | 10,002,732 | 87.0% |
| Culture-Recreation | Honolulu Zoo – Discovery Zone Center | 2,000,000 | 2,000,000 | 100% |
| Utilities | Dillingham Boulevard Transit Improvements | 1,300,000 | 1,300,000 | 100% |

B. Detailed Results by Function

Table IV-2 displays all of the projects in the FY 2005 executive capital budget ordinance. For each project, the following information is provided regarding its status at the end of the 18-month period:

- (1) Total appropriated amount as shown in the budget ordinance, as amended.
- (2) The total appropriated amount as may be adjusted by any applicable grants for the project, whether from state or federal sources. The adjusted amount may be higher than the initial appropriation if the grant adds to the amount appropriated. In rare instances, the adjusted amount may be lower than the appropriation. That may occur if a grant was anticipated at the time of appropriation but the amount received was less.
- (3) The amount of the adjusted appropriation expended during the 18-month period.
- (4) The amount of the adjusted appropriation encumbered at the end of the 18-month period.
- (5) The amount of the adjusted appropriation that lapsed at the end of the 18-month period.

We have shown in bold the major project lapses for FY 2005, based on the following:

- (1) Projects having adjusted appropriations of \$1 million or more; and
- (2) Lapses of 60 percent or more of the adjusted appropriation that were incurred at the end of the 18-month period.

We also highlighted any new adjusted appropriations of \$1 million or more that were not in the budget ordinance.

Table IV-2
EXECUTIVE CAPITAL BUDGET FOR FY 2005
18 Month Period Ending December 31, 2005

| Proj. Num. | Project Title | Fund | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|---|--|------|-------------------|-------------------|----------------------|------------------|----------------|
| GENERAL GOVERNMENT | | | | | | | |
| STAFF AGENCIES | | | | | | | |
| | ELECTRONIC WORKFLOW SYS EQUIPMENT ACQ | GI | 1,235,000 | 1,235,000 | 1,220,021 | 14,979 | 1.2% |
| 2002750 | INTEGRATED FIN & HUMAN RESOURCE SYS (FIN ACCT SYS | GI | 250,000 | 250,000 | 238,245 | 11,755 | 4.7% |
| | INTEGRATED WORKFORCE MGMT SYSTEM | GI | 1,100,000 | 1,100,000 | 123,808 | 976,192 | 88.7% |
| 1998602 | PROCUREMENT OF MAJOR EQUIPMENT | GI | 2,183,019 | 2,183,019 | 2,103,709 | 79,310 | 3.6% |
| 1998602 | PROCUREMENT OF MAJOR EQUIPMENT | WB | 6,000,000 | 6,000,000 | 5,893,876 | 106,124 | 1.8% |
| 1979110 | PROJECT ADJUSTMENTS ACCOUNT | SR | 1,000 | 301,353 | - | 301,353 | 100.0% |
| 1979110 | PROJECT ADJUSTMENTS ACCOUNT | GI | 1,000 | 659,463 | - | 659,463 | 100.0% |
| 1979110 | PROJECT ADJUSTMENTS ACCOUNT | HI | 1,000 | 1,000 | - | 1,000 | 100.0% |
| 1979110 | PROJECT ADJUSTMENTS ACCOUNT | SW | 1,000 | 1,000 | - | 1,000 | 100.0% |
| PUBLIC FACILITIES--ADDITIONS AND IMPROVEMENTS | | | | | | | |
| 1994009 | ADA (AM WITH DISABILITIES ACT) IMPR TO PUB BLDGS | GI | 500,000 | 557,900 | 557,711 | 189 | 0.0% |
| | AIEA TOWN CENTER, AIEA | CP | - | 387,611 | 264,100 | 123,511 | 31.9% |
| 1996611 | ART IN PUBLIC FACILITIES | GI | 34,000 | 34,000 | 33,160 | 840 | 2.5% |
| 2002190 | EARLY EDUCATION CENTER | GI | 80,000 | 80,000 | - | 80,000 | 100.0% |
| 1998007 | ENERGY CONSERV IMPROV AND SOLAR ENERGY INIT | GI | 7,850,000 | 7,850,000 | 7,849,730 | 270 | 0.0% |
| | EWA VILLAGES ENVIRONMENTAL REMEDIATION | GI | 3,000 | 3,000 | - | 3,000 | 100.0% |
| 1989006 | FUEL STOR AND PIPING SYS REPLAC AND RENOV AT VAR | GI | 270,000 | 270,000 | 55,050 | 214,950 | 79.6% |
| 2005009 | HON MUN BLDG - INST OF FIRE SPRINKLER SYS | GI | 275,000 | 275,000 | 275,000 | - | 0.0% |
| 1995006 | KAPOLEI CONSOLIDATED CORPORATION YARD | GI | 230,000 | 230,000 | 229,772 | 228 | 0.1% |
| 1995512 | KEWALO CORPORATION YARD | GI | 400,000 | 400,000 | 304,540 | 95,460 | 23.9% |
| 1971153 | LAND EXPENSES | GI | 625,000 | 625,000 | 599,910 | 25,090 | 4.0% |
| 2002009 | LOLIANA TRANSITIONAL HOUSING | CD | 25,000 | 25,000 | 24,950 | 50 | 0.2% |
| 2004050 | NATL POL DISCH ELIM SYS (NPDES) MOD FOR CORP YDS | HI | 550,000 | 550,000 | 549,950 | 50 | 40.3% |
| 1987042 | PUBLIC BUILDING FACILITIES IMPROVEMENTS | GI | 2,310,000 | 2,410,000 | 1,795,043 | 614,957 | 25.5% |
| 2005014 | PUBLIC BUILDING FACILITIES IMPROVEMENTS | GI | 650,000 | 650,000 | 388,274 | 261,726 | 40.3% |
| 2002080 | TELECOMMUNICATIONS FACILITIES UPGRADE | GI | 2,000,000 | 2,000,000 | 1,975,200 | 24,800 | 1.2% |
| 2005017 | WATER SYSTEM FACILITIES DEVELOPMENT EXPENSE | HD | 301,000 | 301,000 | 300,393 | 607 | 0.2% |
| PUBLIC FACILITIES-IMPROVEMENTS--LAND ACQUISITIONS | | | | | | | |
| | MCCULLY MASTER PLAN | GI | 95,000 | 95,000 | - | 95,000 | 100.0% |
| | POAMOHO AGRICULTURE PARK | GI | 3,000 | 3,000 | - | 3,000 | 100.0% |
| | WAIMEA FALLS PARK | GI | 1,000 | 1,000 | - | 1,000 | 100.0% |
| | WAIPAHU SATELLITE CITY HALL START UP AND BUILD OUT | GI | 200,000 | 200,000 | - | 200,000 | 100.0% |
| | TOTAL GENERAL GOVERNMENT | | 27,174,019 | 28,678,346 | 24,782,441 | 3,895,905 | 13.6% |

Table IV-2 (continued)
EXECUTIVE CAPITAL BUDGET FOR FY 2005
18 Month Period Ending December 31, 2005

| Proj. Num. | Project Title | Fund | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|--------------------------------------|---|------|------------------|------------------|----------------------|------------------|----------------|
| PUBLIC SAFETY | | | | | | | |
| HONOLULU POLICE DEPARTMENT | | | | | | | |
| | HONOLULU POLICE DEPARTMENT EQUIPMENT ACQ | GI | 2,650,981 | 2,650,981 | 2,650,981 | - | 0.0% |
| POLICE STATIONS AND BUILDINGS | | | | | | | |
| 2004037 | POLICE HEADQUARTERS - CORRECT BUILDING LEAKS | GI | 800,000 | 800,000 | 799,600 | 400 | 0.1% |
| 2002068 | POLICE HEADQUARTERS COMMUNICATIONS CENTER | GI | 1,560,000 | 1,560,000 | 1,559,492 | 508 | 0.0% |
| 2004034 | POLICE HEADQUARTERS-CRIME LAB EXPANSION | GI | 450,000 | 450,000 | 449,734 | 266 | 0.1% |
| 2002025 | POLICE STATIONS AND BUILDINGS IMPROVEMENTS | GI | 1,000,000 | 719,114 | 691,040 | 28,074 | 3.9% |
| 2005026 | WAHIAWA POLICE STATION - CELL BLOCK | GI | 500,000 | 378,400 | 377,647 | 753 | 0.2% |
| HONOLULU FIRE DEPARTMENT | | | | | | | |
| | HONOLULU FIRE DEPARTMENT EQUIPMENT ACQUISITION | GI | 974,000 | 974,000 | 964,070 | 9,931 | 1.0% |
| FIRE STATIONS AND BUILDINGS | | | | | | | |
| | EQUIPMENT ACQUISITION | GI | 23,000 | 23,000 | 18,602 | 4,398 | 19.1% |
| 1998021 | FIRE STATION BUILDING IMPROVEMENTS | GI | 1,003,000 | 1,003,000 | 1,002,162 | 838 | 0.1% |
| | HAUULA FIRE STATION RELOCATION | GI | 500,000 | 500,000 | 360,500 | 139,500 | 27.9% |
| | HONOLULU FIRE DEPARTMENT HEADQUARTERS | GI | 1,100,000 | 1,100,000 | 1,100,000 | - | 0.0% |
| | MCCULLY FIRE STATION REPLACEMENT | GI | 3,880,000 | 3,980,000 | 3,964,500 | 15,500 | 0.4% |
| | MOANALUA FIRE STATION | GI | 277,000 | 140,074 | 138,483 | 1,591 | 1.1% |
| | WAIALUA FIRE STATION RELOCATION | GI | 50,000 | 50,000 | 50,000 | - | 0.0% |
| TRAFFIC IMPROVEMENTS | | | | | | | |
| 1999311 | COMPUTERIZED TRAFFIC CONTROL SYSTEM | HI | 441,000 | 441,000 | 426,470 | 14,530 | 3.3% |
| | CONCEPT OF OPERATIONS PLAN | FG | - | 7,422 | 1,525 | 5,897 | 79.4% |
| 2003194 | KAONOHI ST/MOANALUA RD INTERSECTION IMPROV | HI | 450,000 | 10,000 | - | 10,000 | 100.0% |
| | TRAFFIC SIGNAL ON KAM HWY AT KING INTERM SCHOOL | HI | 250,000 | 250,000 | 250,000 | - | 0.0% |
| | TRAFFIC SIGNALS AT VARIOUS LOCATIONS | FG | - | 939,836 | 823,308 | 116,528 | 12.4% |
| 1999312 | TRAFFIC SIGNALS AT VARIOUS LOCATIONS | HI | 200,000 | 200,000 | 195,000 | 5,000 | 2.5% |
| 2005020 | WAIMANO HM RD/MOANALUA RD/KUALA ST INTERS IMPR | HI | 260,000 | 260,000 | 259,250 | 750 | 0.3% |
| FLOOD CONTROL | | | | | | | |
| | BAYVIEW STREET RELIEF DRAIN | GI | 1,300,000 | 1,300,000 | - | 1,300,000 | 100.0% |
| 2000101 | FLOOD CONTROL IMPROVEMENTS AT VARIOUS LOCATION: | GI | 1,975,000 | 1,975,000 | 1,975,000 | - | 0.0% |
| 1995522 | HAKIMO RD IMPROVEMENTS | GI | 1,101,000 | 1,101,000 | 977,857 | 123,143 | 11.2% |
| | KAPUNAHALA STREAM FLOOD CONTROL PROJECT | FG | - | 400,000 | 380,000 | 20,000 | 5.0% |
| | KAWAI NUI STREAM MANGROVE REMOVAL | GI | 100,000 | 100,000 | 100,000 | - | 0.0% |
| 2004049 | KULIOUOU FLOOD CONTROL | GI | 200,000 | 200,000 | - | 200,000 | 100.0% |
| | MAKIKI STREAM IMPROVEMENT | GI | 50,000 | 50,000 | - | 50,000 | 100.0% |
| | MANOA STREAM - BANK REPAIRS | FG | - | 744,096 | 744,096 | - | 0.0% |
| | MANOA VALLEY DRAINAGE IMPROVEMENTS | GI | 65,000 | 65,000 | 65,000 | - | 0.0% |
| | MCCULLY FLOOD CONTROL | GI | 50,000 | 50,000 | 50,000 | - | 0.0% |
| | PAAKEA ROAD AREA DRAINAGE IMPROVEMENTS | GI | 500,000 | 500,000 | - | 500,000 | 100.0% |
| | WAIHOLE-WAIKANE WATERSHED | GI | 250,000 | 250,000 | 55,000 | 195,000 | 78.0% |
| 2000033 | WAIMALU STREAM DREDGING | GI | 470,000 | 470,000 | 470,000 | - | 0.0% |
| | WAIPAHU STREET DRAINAGE IMPROVEMENTS, TMK: 9-4-59 | GI | 900,000 | 900,000 | 900,000 | - | 0.0% |

| Proj. Num. | Project Title | Fund | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|---------------------------------------|---|------|------------|------------------|----------------------|-----------|----------------|
| OTHER PROTECTION | | | | | | | |
| | KALAMA BEACH PK SURVEYOR JR LIFEGUARD TOWER | GI | 21,000 | 21,000 | - | 21,000 | 100.0% |
| 2002180 | OCEAN SFTY & LIFEGLD SVS DIST. IV - (GUARD EST BLDG.) | GI | 250,000 | 250,000 | 5,479 | 244,521 | 97.8% |
| OTHER PROTECTION-MISCELLANEOUS | | | | | | | |
| 2005002 | DRAINAGE OUTFALL IMPROVEMENTS | GI | 150,000 | 150,000 | 150,000 | - | 0.0% |
| 2004015 | HIGHWAY STRUCTURE IMPROVEMENTS | GI | 900,000 | 900,000 | 837,197 | 62,803 | 7.0% |
| 2003059 | MOANALUA STREAM LINING RECONSTRUCTION | GI | 356,000 | 356,000 | 356,000 | - | 0.0% |
| 2001154 | ROCKFALL POTENTIAL & OTH EARTH STAB HAZ | HI | 2,400,000 | 2,400,000 | 5,772 | 2,394,228 | 99.8% |
| TOTAL PUBLIC SAFETY | | | 27,406,981 | 28,618,923 | 23,153,764 | 5,465,159 | 19.1% |

Table IV-2 (continued)
EXECUTIVE CAPITAL BUDGET FOR FY 2005
18 Month Period Ending December 31, 2005

| Proj. Num. | Project Title | Fund | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|--|--|------|-------------------|-------------------|----------------------|------------------|----------------|
| HIGHWAYS AND STREETS | | | | | | | |
| BIKEWAYS AND BIKE PATHS | | | | | | | |
| 1979063 | BICYCLE PROJECTS | HI | 997,000 | 997,000 | 428,600 | 568,400 | 57.0% |
| 1979063 | BICYCLE PROJECTS | CP | 123,000 | 123,000 | - | 123,000 | 100.0% |
| HIGHWAYS, STREETS AND ROADWAYS | | | | | | | |
| | CANE HAUL ROAD | HI | 575,000 | 575,000 | - | 575,000 | 100.0% |
| 1988001 | CURB RAMPS AT VARIOUS LOCATIONS, OAHU | HI | 3,600,000 | 3,600,000 | 3,600,000 | - | 0.0% |
| | EWA REGION ROADWAY INTERCON SYSTEM STUDY | HI | 75,000 | 75,000 | 75,000 | - | 0.0% |
| 1998515 | GUARDRAIL IMPROVEMENTS | HI | 175,000 | 175,000 | 147,471 | 27,529 | 15.7% |
| | HIHIMANU STREET SIDEWALK IMPROVEMENTS | FG | - | 239,000 | 189,000 | 50,000 | 20.9% |
| | KAHUKU VILLAGES ASSOCIATION | HI | 40,000 | 40,000 | - | 40,000 | 100.0% |
| | KAMILONUI ROAD IMPROVEMENTS | HI | 88,000 | 88,000 | - | 88,000 | 100.0% |
| 2005024 | KAMOKILA BOULEVARD EXTENSION | HI | 400,000 | 400,000 | 400,000 | - | 0.0% |
| | KAMOKILA BOULEVARD EXTENSION | FG | - | 240,000 | 200,000 | 40,000 | 16.7% |
| | KAONOHI ST/MOANALUA RD INTERSEC IMPROVEMENTS | HI | - | 440,000 | 435,000 | 5,000 | 1.1% |
| 1993099 | LUALUALEI HOMESTEAD ROAD IMPROVEMENTS | HI | 250,000 | 250,000 | 126,350 | 123,650 | 49.5% |
| | LUNALILO HOME ROAD IMPROVEMENTS | HI | 50,000 | 50,000 | 40,000 | 10,000 | 20.0% |
| | MAKAKILO DRIVE EXTENSION | HI | 75,000 | 75,000 | 75,000 | - | 0.0% |
| 1998523 | NORTH-SOUTH RD/PARK ROW RDWY (KAPOLEI PKWY/PARI | HI | 601,000 | 601,000 | 600,000 | 1,000 | 0.2% |
| | PARKING METER CONVERSION | HI | 300,000 | 300,000 | 298,689 | 1,311 | 0.4% |
| | SALT LAKE BOULEVARD WIDENING | FG | - | 1,328,524 | 1,308,115 | 20,409 | 1.5% |
| 1998537 | SIDEWALK IMPROVEMENTS | HI | 3,807,000 | 3,807,000 | 2,967,420 | 839,580 | 22.1% |
| 1997502 | STREET AND PARKING LOT IMPROVEMENTS | HI | 40,000,000 | 40,000,000 | 39,999,447 | 553 | 0.0% |
| 1991064 | UTILITY SHARE EXPENSES | CP | 100,000 | 100,000 | - | 100,000 | 100.0% |
| BRIDGES, VIADUCTS, AND GRADE SEPARATION | | | | | | | |
| 2000060 | BRIDGE INSPECTION, INVENTORY AND APPRAISAL | HI | 200,000 | 200,000 | 50,000 | 150,000 | 75.0% |
| 1998520 | BRIDGE REHABILITATION AT VARIOUS LOCATIONS | HI | 1,000,000 | 1,000,000 | 1,000,000 | - | 0.0% |
| 2004136 | REHABILITATION OF MAUANWILI ROAD BRIDGE #2 | HI | 663,000 | 663,000 | 663,000 | - | 0.0% |
| 1998517 | SEISMIC RETROFIT AT BRIDGES | HI | 200,000 | 200,000 | - | 200,000 | 100.0% |
| STORM DRAINAGE | | | | | | | |
| 2005066 | ALA WAI WATERSHED RESTORATION STUDY | HI | 200,000 | 200,000 | 200,000 | - | 0.0% |
| 2000052 | DRAINAGE IMPROVEMENTS AT VARIOUS LOCATIONS | HI | 611,000 | 611,000 | 611,000 | - | 0.0% |
| 2003253 | KAMEHAME RIDGE/MOKUHANO STREET | HI | 250,000 | 250,000 | - | 250,000 | 100.0% |
| 1999507 | PAHEMO STREET RELIEF DRAIN, WAIMALU | HI | 50,000 | 50,000 | 50,000 | - | 0.0% |
| 2004004 | PROTECTIVE CHAIN-LINK FENCING AT VARIOUS LOCATION: | HI | 50,000 | 50,000 | 50,000 | - | 0.0% |
| 2001020 | STORM DRAINAGE BMP'S: SALT LAKE DR SYS (TMK: 1-1-63) | HI | 50,000 | 50,000 | 50,000 | - | 0.0% |
| 2001021 | STORM DRAINAGE BMP'S: KAELEPULU PD (TMK: 4-2) | HI | 70,000 | 70,000 | 70,000 | - | 0.0% |
| 2001022 | STORM DRAINAGE BMP'S: KUAPA POND | HI | 70,000 | 70,000 | 70,000 | - | 0.0% |
| 2005065 | STORM DRAINAGE BMP'S: WAHIAWA RESERVOIR | HI | 60,000 | 60,000 | 60,000 | - | 0.0% |
| 2000117 | STORM DRAINAGE IMPROVEMENTS | HI | 702,000 | 702,000 | 492,878 | 209,122 | 29.8% |
| STREET LIGHTING | | | | | | | |
| 2004064 | CHINATOWN ST LIGHT STD REPLAC/IMPROVEMENTS | HI | 165,000 | 165,000 | - | 165,000 | 100.0% |
| 2005038 | FARRINGTON HWY ST LIGHTING IMPROVEMENTS | HI | 230,000 | 230,000 | 90,670 | 139,330 | 60.8% |
| 2002060 | MILILANI-REPLAC OF EXISTING ST LIGHT SYSTEM | HI | 475,000 | 475,000 | 475,000 | - | 0.0% |
| 2003066 | WEST LOCH EST - REPLAC OF WALKWAY LIGHTS | HI | 425,000 | 425,000 | 135,899 | 289,101 | 68.0% |
| 1998300 | WEST LOCH EST AND WEST LOCH FAIRWAYS STLIGHTS | HI | 200,000 | 200,000 | - | 200,000 | 100.0% |
| TOTAL HIGHWAYS AND STREETS | | | 56,927,000 | 59,174,524 | 54,958,539 | 4,215,985 | 7.1% |

Table IV-2 (continued)
EXECUTIVE CAPITAL BUDGET FOR FY 2005
18 Month Period Ending December 31, 2005

| Proj. Num. | Project Title | Fund | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|---------------------------------------|--|------|--------------------|--------------------|----------------------|------------------|----------------|
| SANITATION | | | | | | | |
| WASTE COLLECTION AND DISPOSAL | | | | | | | |
| 2005062 | KEEHI TRANSFR STN - WORKPLACE HEALTH/SAFETY IMPR | WB | \$260,000 | 260,000 | 164,877 | 95,123 | 36.6% |
| 2005061 | NEW MUNICIPAL SOLID WASTE LANDFILL | WB | 301,000 | 301,000 | 300,000 | 1,000 | 0.3% |
| 1993010 | WAIPAHU ASH LANDFILL CLOSURE | WB | 2,800,000 | 2,800,000 | 2,800,000 | - | 0.0% |
| IMPROVEMENT DISTRICT-SEWERS | | | | | | | |
| 2005064 | KAMEHAMEHA HIGHWAY SEWERS, ID, KANEOHE | SR | 61,000 | 61,000 | 61,000 | - | 0.0% |
| | LAIE SEWER IMPROVEMENT DISTRICT | CP | - | 67,887 | 67,887 | - | 0.0% |
| SEWAGE COLLECTION AND DISPOSAL | | | | | | | |
| 2005071 | ALA MOANA BLVD/AUAHI ST SEWER REHABILITATION | SR | 251,000 | 251,000 | 251,000 | - | 0.0% |
| 2004088 | ALIAMANU 1 & 2 WW PUMP STN UPGR & SEWER RELIEF | SR | 80,000 | 80,000 | 80,000 | - | 0.0% |
| 2005070 | FT DERUSSY WW PUMP STN MOD AND FORCE MAIN EXT | SR | 3,001,000 | 3,001,000 | 3,000,000 | 1,000 | 0.0% |
| 2000069 | FT WEAVER RD RECON SEWER, EWA BEACH | SR | 3,501,000 | 3,501,000 | 3,500,000 | 1,000 | 0.0% |
| 2005073 | FOSTER VIL SEWER REHAB/RECONSTRUCTION | SR | 321,000 | 321,000 | 321,000 | - | 0.0% |
| 1995812 | HART ST WW PUMP STATION ALTERNATIVE | SR | 252,000 | 252,000 | 250,000 | 2,000 | 0.8% |
| 2000067 | HONOLULU WW TRTMT PLANT SOLIDS HANDLING SYSTEM | SR | 11,000,000 | 11,000,000 | 10,998,000 | 2,000 | 0.0% |
| 2005072 | KAHALA AVENUE SEWER REHABILITATION | SR | 81,000 | 81,000 | 74,600 | 6,400 | 7.9% |
| 2002041 | KAHANAHOU CIRCLE SEWER REHABILITATION | SR | 1,501,000 | 900,647 | 899,647 | 1,000 | 0.1% |
| 2004085 | KAHANAHOU WW PUMP STN FORCE MAIN RECON | SR | 671,000 | 671,000 | 379,000 | 292,001 | 43.5% |
| 2005074 | KAILUA/KANEOHE SWR MNHOLE AND PIPE STRUC REHAB | SR | 181,000 | 181,000 | 181,000 | - | 0.0% |
| 2003127 | KAILUA/KANEOHE SEWER REHABILITATION | SR | 701,000 | 701,000 | 701,000 | - | 0.0% |
| 1986018 | KALAHEO AVENUE RECONSTRUCTED SEWER, KAILUA | SR | 1,101,000 | 1,101,000 | 1,100,000 | 1,000 | 0.1% |
| 2005075 | KALIHU/NUUANU AREA SEWER REHABILITATION | SR | 1,501,000 | 1,501,000 | 1,501,000 | - | 0.0% |
| 2001124 | PROJECT MANAGEMENT FOR WASTEWATER PROJECTS | SW | 5,243,160 | 5,243,160 | 4,961,244 | 281,915.52 | 5.4% |
| 2002039 | SAND ISLAND BASIN MISC. SEWER REHABILITATION | SR | 3,501,000 | 3,601,000 | 3,600,000 | 1,000 | 0.0% |
| 2005069 | SAND ISL WW TREATMENT PLANT CONSTR SOIL MGMT | SR | 4,501,000 | 4,601,000 | 4,600,000 | 1,000 | 0.0% |
| 1994511 | SAND ISL WW TRTMT PLANT EXP, PRIMARY TRTMT, 90 | SR | 47,302,000 | 47,302,000 | 47,300,000 | 2,000 | 0.0% |
| 1989071 | SAND ISL WW TRTMT PLANT, UNIT1, PH 2A (HDWKS) | SR | 8,702,000 | 8,702,000 | 8,667,248 | 34,752 | 0.4% |
| 1992017 | SAND ISL WWTP DISINFEC FAC AND EFF PUMP STN | SR | 4,502,000 | 4,502,000 | 4,501,000 | 1,000 | 0.0% |
| 2000071 | SMALL SEWER MAINLINE AND LATERAL PROJECTS | SR | 2,001,000 | 2,101,000 | 2,073,772 | 27,228 | 1.3% |
| | WAIMANALO WW TRTMT PLANT & COLL SYS UPGR | SR | 2,000,000 | 2,000,000 | 774,829 | 1,225,171 | 61.3% |
| 2000038 | WASTEWATER EQUIPMENT | SW | 4,000,000 | 4,000,000 | 3,022,189 | 977,810.64 | 24.4% |
| 1998806 | WASTEWATER FACILITIES REPLACEMENT RESERVE | SR | 3,000,000 | 3,000,000 | 2,816,162 | 183,838 | 6.1% |
| 2003151 | WASTEWATER PLANNING AND PROGRAMMING | SR | 200,000 | 200,000 | 199,560 | 440.30 | 0.2% |
| 2003151 | WASTEWATER PLANNING AND PROGRAMMING | SW | 190,000 | 190,000 | - | 190,000.00 | 100.0% |
| 2001062 | WW TRTMT PLANT AND PUMP STATION PROJ | SR | 11,501,000 | 11,501,000 | 1,498,268 | 10,002,732 | 87.0% |
| TOTAL SANITATION | | | 124,208,160 | 123,975,694 | 110,644,282 | 3,328,239 | 2.7% |

Table IV-2 (continued)
EXECUTIVE CAPITAL BUDGET FOR FY 2005
18 Month Period Ending December 31, 2005

| Proj. Num. | Project Title | Fund | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|-----------------------|--|------|-----------|------------------|----------------------|---------|----------------|
| HUMAN SERVICES | | | | | | | |
| HUMAN SERVICES | | | | | | | |
| | ADULT FRIENDS FOR YOUTH - PS | CD | 50,000 | 50,000 | 50,000 | - | 0.0% |
| | CATHOLIC CHARITIES ELDERLY SERVICES | CD | 75,000 | 75,000 | 75,000 | - | 0.0% |
| 2005077 | CHILD AND FAMILY SERVICE - LEARNING CENTER | CD | 330,000 | 330,000 | 330,000 | - | 0.0% |
| | CHILDREN'S JUSTICE CENTER | CD | 3,500,000 | 3,500,000 | 3,498,818 | 1,183 | 0.0% |
| 1995204 | COM HSG DEV ORGANIZATION (CHDO SET-ASIDE) | FG | 748,759 | 748,759 | 748,759 | - | 0.0% |
| | DOMESTIC VIOLENCE CLRNGHSE AND LEGAL HOTLINE | CD | 160,000 | 160,000 | 160,000 | - | 0.0% |
| | DREAM TEAM HAWAII, INC. - PS | CD | 65,750 | 65,750 | - | 65,750 | 100.0% |
| 1995207 | EMERGENCY SHELTER GRANTS PROGRAM - PS | CD | 442,685 | | | | |
| 1995207 | EMERGENCY SHELTER GRANTS PROGRAM - PS | FG | 442,685 | | | | |
| | CDBG CLERK SALARY | CD | - | 34,064 | 34,064 | - | 0.0% |
| | HALE KIPA INC | CD | - | 48,000 | 48,000 | - | 0.0% |
| | HOMELESS SOLUTIONS LOLIANA | CD | - | 20,000 | 20,000 | - | 0.0% |
| | HOMELESS SOLUTIONS VANCOUVER | CD | - | 10,000 | 10,000 | - | 0.0% |
| | IHS | CD | - | 62,468 | 62,468 | - | 0.0% |
| | MENTAL HEALTH KOKUA SAFE HAVEN | CD | - | 188,153 | 188,153 | - | 0.0% |
| | OHANA OLA O KAHUMANA | CD | - | 40,000 | 40,000 | - | 0.0% |
| | WAIANA E OUTREACH | CD | - | 40,000 | 40,000 | - | 0.0% |
| | CATHOLIC CHARITIES | FG | - | 55,000 | 55,000 | - | 0.0% |
| | CHILD AND FAMILY SERVICE | FG | - | 20,000 | 20,000 | - | 0.0% |
| | COMMUNITY ASSISTANCE CENTER | FG | - | 10,000 | 10,000 | - | 0.0% |
| | HALE KIPA, INC. | FG | - | 12,000 | 12,000 | - | 0.0% |
| | HOMELESS SOLUTIONS VANCOUVER | FG | - | 30,000 | 30,000 | - | 0.0% |
| | HOOMAU KE OLA | FG | - | 36,000 | 36,000 | - | 0.0% |
| | IHS | FG | - | 135,685 | 135,685 | - | 0.0% |
| | KALIHI PALAMA HEALTH CENTER | FG | - | 74,000 | 74,000 | - | 0.0% |
| | OHANA OLA KAHUMANA | FG | - | 25,000 | 25,000 | - | 0.0% |
| | SALVATION ARMY FAMILY SERVICES | FG | - | 45,000 | 45,000 | - | 0.0% |
| 2003142 | GOOD BEGINNINGS OAHU COUNCIL - PS | CD | 63,787 | 63,787 | 63,787 | - | 0.0% |
| 2002795 | GREGORY HOUSE PROGRAMS - MICHAEL'S PLACE | FG | 862,436 | 862,436 | - | 862,436 | 100.0% |
| | HALE KIPA PREGNANT AND PARENTING GIRL'S HOME - PS | CD | 25,000 | 25,000 | 25,000 | - | 0.0% |
| | HI HMOWNRSH P CTR HMBUYER ED PROG - PS | CD | 70,000 | 70,000 | 70,000 | - | 0.0% |
| | HI HSG DEV AUTHORITY - TUSITALA VISTA | FG | 1,900,000 | 1,900,000 | 1,900,000 | - | 0.0% |
| 2005102 | HI HSG DEV CORPORATION - PIIKOI VISTA | FG | 351,241 | 351,241 | 351,241 | - | 0.0% |
| | HI HSG DEV CORPORATION - TUSITALA VISTA | CD | 1,000,000 | 1,000,000 | 1,000,000 | - | 0.0% |
| | HELPING HANDS HAWAII - PS | CD | 75,000 | 75,000 | 75,000 | - | 0.0% |
| | HINA MAUKA | CD | 250,000 | 250,000 | 250,000 | - | 0.0% |
| 2001791 | HO'OLANA - ACAD ENRICH & CAREER DEV SVS (FACILITY) | CD | 250,000 | 250,000 | 250,000 | - | 0.0% |
| 2005135 | HO'OLANA ENRICH AND CAREER DEV SVS - PS | CD | 50,000 | 50,000 | 50,000 | - | 0.0% |
| 2005085 | HO'OMAU KE OLA - CTR FOR RECOV ICE ADDICTS - PS | CD | 150,000 | 150,000 | 150,000 | - | 0.0% |
| 2000119 | HSG OPPORT FOR PERSONS WITH AIDS (HOPWA) | FG | 467,223 | | | | |
| | DCS ADMINISTRATIVE EXPENSES | FG | - | 13,560 | 10,000 | 3,560 | 26.3% |
| | GREGORY HOUSE PROGRAMS | FG | - | 350,207 | 350,207 | - | 0.0% |
| | LIFE FOUNDATION | FG | - | 103,456 | 103,456 | - | 0.0% |

| Proj. Num. | Project Title | Fund | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|-----------------------------|---|------|-------------------|-------------------|----------------------|------------------|----------------|
| | HUI KAHALE, INC. | FG | 2,000,000 | 2,000,000 | 2,000,000 | - | 0.0% |
| | INSTITUTE FOR HUMAN SERVICES-KA'AAHI STREET | CD | 224,000 | 224,000 | 224,000 | - | 0.0% |
| | INSTITUTE FOR HUMAN SERVICES-SUMNER STREET | CD | 293,000 | 293,000 | 109,110 | 183,890 | 62.8% |
| | KAHUKU MULTI-PURPOSE COMMUNITY CENTER | CD | 150,000 | 150,000 | - | 150,000 | 100.0% |
| | KALIHI YOUNG MEN'S CHRISTIAN ASSOCIATION | CD | 1,500,000 | 1,500,000 | 1,500,000 | - | 0.0% |
| | KALIHI-PALAMA HEALTH CENTER | CD | 680,000 | 680,000 | 680,000 | - | 0.0% |
| 2005086 | KAPAHULU CENTER | CD | 250,000 | 250,000 | 250,000 | - | 0.0% |
| | KAPAHULU SENIOR CENTER | CD | 100,000 | 100,000 | 100,000 | - | 0.0% |
| | LANAKILA REHAB CTR MEALS ON WHEELS PRG - WAHIAW/ | CD | 250,000 | 250,000 | 250,000 | - | 0.0% |
| 2003154 | LANAKILA REHAB CTR MEALS ON WHEELS PRG RENOV | CD | 600,000 | 600,000 | 600,000 | - | 0.0% |
| 2004120 | LEEWARD YOUNG MEN'S CHRISTIAN ASSOCIATION | CD | 750,000 | 750,000 | 750,000 | - | 0.0% |
| | MOILILI COMMUNITY CENTER - PS | CD | 100,000 | 100,000 | 100,000 | - | 0.0% |
| | NEW LIFE BODY OF CHRIST CHRISTIAN CHURCH - PS | CD | 75,000 | 75,000 | 75,000 | - | 0.0% |
| | OHANA CARE - DOCT ORS TO YOUR DOOR - PS | CD | 80,000 | 80,000 | - | 80,000 | 100.0% |
| 2001788 | ORI, ANUENUE HALE, INC. (FACILITY) | CD | 2,090,000 | 2,090,000 | 2,090,000 | - | 0.0% |
| 2005166 | PACIFIC GATEWAY CENTER | CD | 1,000,000 | 1,000,000 | 1,000,000 | - | 0.0% |
| 2005119 | PAC GATEWAY CTR - REHAB, PHASES 1, 2 AND 3 | CD | 1,700,000 | 1,700,000 | 1,700,000 | - | 0.0% |
| 2004103 | PALOLO CHINESE HOME - FOOD SERVICE COMPLEX | CD | 1,000,000 | 1,000,000 | 1,000,000 | - | 0.0% |
| 2005136 | PARENTS AND CHILDREN TOGETHER | CD | 117,672 | 117,672 | 117,672 | - | 0.0% |
| 2005125 | PEARL CITY FOUNDATION - DAYCARE CENTER | CD | 500,000 | 500,000 | 500,000 | - | 0.0% |
| | RONALD MCDONALD HOUSE | CD | 890,000 | 890,000 | 890,000 | - | 0.0% |
| | SEA OF DREAMS FOUNDATION - PS | CD | 100,000 | 100,000 | 10,523 | 89,477 | 89.5% |
| 1993043 | SISTERS OFFERING SUPPORT - PS | CD | 25,000 | 25,000 | 25,000 | - | 0.0% |
| 2003159 | ST. FRANCIS HTHCR SYS RES CARE COMM F/T ELDERLY | CD | 1,000,000 | 250,000 | - | 250,000 | 100.0% |
| | ST. FRNCS HTHCR SYS RES CARE COMM F/T ELDRLY | FG | - | 750,000 | - | 750,000 | 100.0% |
| | THE 'PATH' PROJECT: PROVIDING ACCESS TO HELP - PS | CD | 95,000 | 95,000 | 95,000 | - | 0.0% |
| 2005099 | WAIANAE COAST COMM ALT DEV CORP | CD | 200,000 | 200,000 | - | 200,000 | 100.0% |
| 1999013 | WAIANAE COMPREHENSIVE HEALTH CENTER | CD | 1,200,000 | 1,200,000 | 1,200,000 | - | 0.0% |
| 2003112 | WAIKIKI HEALTH CTR - NORTH SHORE OUT RCH PRG - PS | CD | 50,000 | 50,000 | 50,000 | - | 0.0% |
| 2001130 | WAIMANALO CONSTRUCTION COALITION - PS | CD | 75,000 | 75,000 | 57,000 | 18,000 | 24.0% |
| 2005127 | WINDWARD SPOUSE ABUSE SHELTER - OPERATIONS-PS | CD | 100,000 | 100,000 | 100,000 | - | 0.0% |
| | WORKFORCE INVESTMENTS - PS | CD | 150,000 | 150,000 | 150,000 | - | 0.0% |
| | WORLD YOUTH NETWORK - PS | CD | 125,000 | 125,000 | 125,000 | - | 0.0% |
| 2005106 | YMCA OF HON-WEED AND SEED PROGRAM - PS | CD | 225,000 | 225,000 | 225,000 | - | 0.0% |
| | YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF OAHU | CD | 250,000 | 250,000 | 250,000 | - | 0.0% |
| TOTAL HUMAN SERVICES | | | 29,274,238 | 29,274,238 | 26,619,942 | 2,654,296 | 9.1% |

Table IV-2 (continued)
 EXECUTIVE CAPITAL BUDGET FOR FY 2005
 18 Month Period Ending December 31, 2005

| Proj. Num. | Project Title | Fund | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|--|---|------|-------------------|-------------------|----------------------|------------------|----------------|
| CULTURE-RECREATION | | | | | | | |
| PARTICIPANT, SPECTATOR AND OTHER RECREATION | | | | | | | |
| 1993072 | ADA (AMERICANS WITH DISABILITIES ACT) IMPROVEMENTS | GI | 800,000 | 800,000 | 542,204 | 257,796 | 32.2% |
| | AIEA DISTRICT PARK | GI | 330,000 | 330,000 | - | 330,000 | 100.0% |
| 2005029 | ENERGY CONSERVATION IMPR AT VAR PKS FACILITIES | GI | 235,000 | 235,000 | 11,748 | 223,252 | 95.0% |
| | HAIKU VALLEY NATURE PRESERVE | GI | 3,000 | 3,000 | - | 3,000 | 100.0% |
| | KAHALUU COMMUNITY PARK | GI | 510,000 | 510,000 | 491,000 | 19,000 | 3.7% |
| | KAHALUU REGIONAL PARK | GI | 500,000 | 500,000 | - | 500,000 | 100.0% |
| | KAHALUU REGIONAL PARK | GI | 460,000 | 460,000 | 460,000 | - | 0.0% |
| | KAILUA DISTRICT PARK | GI | 100,000 | 100,000 | - | 100,000 | 100.0% |
| | KAMOKILA COMMUNITY PARK | GI | 275,000 | 275,000 | - | 275,000 | 100.0% |
| | KE NUI ROAD BEACH ACCESS-TMK: 5-9-19: BETWEEN 26 & 3 | GI | 170,000 | 170,000 | - | 170,000 | 100.0% |
| 1971364 | KOKO HEAD DISTR PK RENOVATIONS (TMK: 3-9-12:01; 40) | GI | 500,000 | 500,000 | - | 500,000 | 100.0% |
| | MAKAHA COMMUNITY PARK | GI | 35,000 | 35,000 | - | 35,000 | 100.0% |
| | MAKALAPA NEIGHBORHOOD PARK (TMK: 9-9-003:039) | GI | 275,000 | 275,000 | 95,000 | 180,000 | 65.5% |
| | MAKIKI LIBRARY RENOVATIONS | GI | 75,000 | 75,000 | 75,000 | - | 0.0% |
| | MANANA KAI NEIGHBORHOOD PARK | GI | 120,000 | 120,000 | - | 120,000 | 100.0% |
| | MAUNA LAHILAH BEACH PK PROTEC BREAKWATER | GI | 365,000 | 365,000 | 99,000 | 266,000 | 72.9% |
| 2005059 | MAUNALANI COMMUNITY PARK | GI | 1,050,000 | 1,050,000 | 1,050,000 | - | 0.0% |
| | MEM PLAQUES FOR HERB K. PILILAAU COMM PK & WAIANA | GI | 7,000 | 7,000 | 6,331 | 669 | 9.6% |
| | MILILANI MAUKA DISTRICT PARK | GI | 80,000 | 60,000 | 60,000 | - | 0.0% |
| 2002110 | MILILANI MAUKA D PK (MIL MAUKA DIST PK-PLYCTS & GYM) | GI | 600,000 | 650,320 | 650,320 | - | 0.0% |
| | MILILANI-MAUKA COMMUNITY PARK | GI | 50,000 | 50,000 | 50,000 | - | 0.0% |
| | OAHU PARKS AND PLAYGROUND IMPROVEMENTS | CP | 1,000,000 | 1,000,000 | 841,573 | 158,427 | 15.8% |
| 1998028 | PALI GOLF CRS - MAINT FAC, KANEOHE, TMK: 4-5-35-1 (215.1) | GI | 100,000 | 100,000 | 51,000 | 49,000 | 49.0% |
| 2005055 | PUPUKEA PAUMALU NATURE PRESERVE | GI | 1,000,000 | 1,000,000 | 1,000,000 | - | 0.0% |
| 1998105 | RECONSTRUCT WASTEWATER SYSTEMS FOR PARKS | GI | 1,725,000 | 1,179,729 | 1,179,533 | 196 | 0.0% |
| 1999115 | REC/REFURB PLYCTS RD1, PLAY APP/AREAS, PAVED | GI | 250,000 | 250,000 | 131,080 | 118,920 | 47.6% |
| 1999116 | REC/REFURB PLYCTS RD2, PLAY APP/AREAS, PAVED | GI | 400,000 | 400,000 | 313,113 | 86,887 | 21.7% |
| 1999117 | REC/REFURB PLYCTS RD3, PLAY APP/AREAS, PAVED | GI | 250,000 | 250,000 | 210,678 | 39,322 | 15.7% |
| 1999118 | REC/REFURB PLYCTS RD4, PLAY APP/AREAS, PAVED | GI | 310,000 | 310,000 | 257,567 | 52,433 | 16.9% |
| 1998128 | RECREATION DISTRICT NO. 1 IMPROVEMENTS | GI | 500,000 | 500,000 | 452,579 | 47,421 | 9.5% |
| 1998129 | RECREATION DISTRICT NO. 2 IMPROVEMENTS | GI | 800,000 | 878,000 | 860,649 | 17,351 | 2.0% |
| 1998130 | RECREATION DISTRICT NO. 3 IMPROVEMENTS | GI | 500,000 | 550,000 | 539,740 | 10,260 | 1.9% |
| 1998131 | RECREATION DISTRICT NO. 4 IMPROVEMENTS | GI | 500,000 | 500,000 | 494,706 | 5,294 | 1.1% |
| | SUNSET BEACH RECREATION CENTER | GI | 350,000 | 350,000 | - | 350,000 | 100.0% |
| 2003056 | UPGRADE OF FIRE ALARM SYSTEMS AT VARIOUS PARKS | GI | 575,000 | 575,000 | 293,200 | 281,800 | 49.0% |
| | WAHIAWA DISTRICT PARK | GI | 100,000 | 110,000 | 110,000 | - | 0.0% |
| | WAHIAWA DISTRICT PARK | GI | 26,000 | 26,000 | 26,000 | - | 0.0% |
| | WAIALAE BEACH PARK IMPROVEMENTS | GI | 35,000 | 35,000 | - | 35,000 | 100.0% |
| 1995122 | WAIANA E DISTRICT PARK (TMK: 8-5-02:01, 49; 22.92 ACRES) | GI | 500,000 | 500,000 | 248,966 | 251,034 | 50.2% |
| | WAIMANALO DISTRICT PARK | GI | 750,000 | 750,000 | 676,357 | 73,643 | 9.8% |
| 1998031 | WAIPI'O PEN REC COMPLEX, WAIPIO PENINSULA | GI | 580,000 | 580,000 | 450,000 | 130,000 | 22.4% |
| 1994103 | WEST LOCH SHORELINE PARK, TMK 9-4-48: 74 (6.025 ACRES) | GI | 250,000 | 250,000 | 200,000 | 50,000 | 20.0% |
| | WINDWARD DOG PARK | GI | 10,000 | 10,000 | - | 10,000 | 100.0% |
| SPECIAL RECREATION FACILITIES | | | | | | | |
| 1999012 | ENTERPRISE FACILITIES IMPROVEMENTS | GI | 206,000 | 206,000 | 202,756 | 3,244 | 1.6% |
| 2001053 | GOLF COURSE IMPROVEMENTS | GI | 300,000 | 300,000 | 293,292 | 6,708 | 2.2% |
| | HONOLULU ZOO - DISCOVERY ZONE CENTER | GI | 2,000,000 | 2,000,000 | - | 2,000,000 | 100.0% |
| 2001097 | HONOLULU ZOO IMPROVEMENTS | GI | 250,000 | 250,000 | 224,997 | 25,003 | 10.0% |
| | KAHUKU GOLF COURSE EXPANSION | GI | 800,000 | 800,000 | - | 800,000 | 100.0% |
| TOTAL CULTURE-RECREATION | | | 20,607,000 | 20,230,049 | 12,648,388 | 7,581,661 | 37.5% |

Table IV-2 (continued)
 EXECUTIVE CAPITAL BUDGET FOR FY 2005
 18 Month Period Ending December 31, 2005

| Proj. Num. | Project Title | Fund | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|---------------------------------------|---|------|-------------------|-------------------|----------------------|------------------|----------------|
| UTILITIES OR OTHER ENTERPRISES | | | | | | | |
| MASS TRANSIT | | | | | | | |
| 1978005 | BUS AND HANDI-VAN ACQUISITION PROGRAM | HI | 6,380,000 | 6,380,000 | 5,717,877 | 662,123 | 10.4% |
| | BUS AND HANDI-VAN ACQUISITION PROGRAM | FG | - | 6,883 | 6,883 | - | 0.0% |
| 2001120 | BUS BAY IMPROVEMENTS | HI | 340,000 | 340,000 | 340,000 | - | 0.0% |
| | BUS SHELTER IMPROVEMENTS | HI | 50,000 | 50,000 | - | 50,000 | 100.0% |
| | BUS STOP SITE IMPROVEMENTS | HI | 250,000 | 250,000 | 184,640 | 65,360 | 26.1% |
| 1999300 | BUS/PARATRANSIT SUPPORT EQUIPMENT UPGRADE | HI | 250,000 | 250,000 | 191,839 | 58,161 | 23.3% |
| | BUS/PARATRANSIT SUPPORT EQUIPMENT UPGRADE | FG | - | 96,100 | 96,100 | - | 0.0% |
| 2005022 | DILLINGHAM BLVD TRANSIT IMPROVEMENTS | HI | 1,300,000 | 1,300,000 | - | 1,300,000 | 100.0% |
| 1994523 | HIGH TECH BUS PASS | HI | 125,000 | 125,000 | 17,492 | 107,508 | 86.0% |
| 1999317 | MIDDLE STREET INTERMODAL CENTER | HI | 6,650,000 | 6,650,000 | 5,958,298 | 691,702 | 10.4% |
| | MIDDLE STREET INTERMODAL CENTER | HI | 350,000 | 350,000 | 325,478 | 24,522 | 7.0% |
| | MIDDLE STREET TRANSIT PROJECT | FG | - | 79,721 | 79,721 | - | 0.0% |
| | MILILANI TRANSIT CENTER | FG | - | 996,080 | 996,080 | - | 0.0% |
| | PRIMARY CORRIDOR TRANSPORTATION SYSTEM STUDY | FG | - | 13,835 | 13,835 | - | 0.0% |
| 2003038 | TRANSPORTATION PLANNING PROGRAM | HI | 20,000 | 20,000 | - | 20,000 | 100.0% |
| | WAHIAWA TRANSIT CENTER | HI | 2,000,000 | 2,000,000 | 1,733,113 | 266,887 | 13.3% |
| 2005023 | WORK PLAN DEVELOPMENT FOR A FIXED RAIL SYSTEM | HI | 50,000 | 50,000 | - | 50,000 | 100.0% |
| | TOTAL UTILITIES OR OTHER ENTERPRISES | | 17,765,000 | 18,957,619 | 15,661,356 | 3,296,263 | 17.4% |

C. Summary of Results

In Table IV-3 below, the results are summarized by budget function (e.g. General Government, Public Safety, etc.) and by fund source. Among other things, this summary reveals which budget functions and fund sources are subject to large lapses in appropriations. We have highlighted those functions and funds whose lapses exceed \$5 million and 10 percent of appropriations.

As shown in the table, among budget function areas, the culture-recreation function had the largest relative lapses at 37.5 percent of adjusted appropriations. Among fund sources, the capital projects fund had the largest relative lapse of all of the fund sources at 30.1 percent. The capital projects fund accounts for monies for capital projects from various city sources including the bikeway fund, parks and playgrounds fund, and improvement district fund.

Table IV-3
Executive Capital Budget FY 2005
Summary of Results by Function and Fund

| Function | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|-------------------------------------|--------------------|--------------------|----------------------|-------------------|----------------|
| General Government | | | | | |
| Community Development Fund | 25,000 | 25,000 | 24,950 | 50 | 0.2% |
| Capital Projects Fund | - | 387,611 | 264,100 | 123,511 | 31.9% |
| Federal Grants Fund | - | - | - | - | n/a |
| General Improvement Bond Fund | 19,060,019 | 19,876,382 | 16,529,150 | 3,347,232 | 16.8% |
| Housing Development Special Fund | 301,000 | 301,000 | 300,393 | 607 | 0.2% |
| Highway Improvement Bond Fund | 551,000 | 551,000 | 549,950 | 1,050 | 0.2% |
| Sewer Revenue Improvement Bond Fund | 1,000 | 301,353 | - | 301,353 | 100.0% |
| Sewer Fund | 1,000 | 1,000 | - | 1,000 | 100.0% |
| Solid Waste Improvement Bond Fund | 6,000,000 | 6,000,000 | 5,893,876 | 106,124 | 1.8% |
| Total | 25,939,019 | 27,443,346 | 23,562,420 | 3,880,926 | 14.1% |
| Public Safety | | | | | |
| Community Development Fund | - | - | - | - | n/a |
| Capital Projects Fund | - | - | - | - | n/a |
| Federal Grants Fund | - | 2,091,354 | 1,948,929 | 142,425 | 6.8% |
| General Improvement Bond Fund | 23,405,981 | 22,966,569 | 20,068,343 | 2,898,226 | 12.6% |
| Housing Development Special Fund | - | - | - | - | n/a |
| Highway Improvement Bond Fund | 4,001,000 | 3,561,000 | 1,136,492 | 2,424,508 | 68.1% |
| Sewer Revenue Improvement Bond Fund | - | - | - | - | n/a |
| Sewer Fund | - | - | - | - | n/a |
| Solid Waste Improvement Bond Fund | - | - | - | - | n/a |
| Total | 27,406,981 | 28,618,923 | 23,153,764 | 5,465,159 | 19.1% |
| Highways and Streets | | | | | |
| Community Development Fund | - | - | - | - | n/a |
| Capital Projects Fund | 223,000 | 223,000 | - | 223,000 | 100.0% |
| Federal Grants Fund | - | 1,807,524 | 1,697,115 | 110,409 | 6.1% |
| General Improvement Bond Fund | - | - | - | - | n/a |
| Housing Development Special Fund | - | - | - | - | n/a |
| Highway Improvement Bond Fund | 56,704,000 | 57,144,000 | 53,261,424 | 3,882,576 | 6.8% |
| Sewer Revenue Improvement Bond Fund | - | - | - | - | n/a |
| Sewer Fund | - | - | - | - | n/a |
| Solid Waste Improvement Bond Fund | - | - | - | - | n/a |
| Total | 56,927,000 | 59,174,524 | 54,958,539 | 4,215,985 | 7.1% |
| Sanitation | | | | | |
| Community Development Fund | - | - | - | - | n/a |
| Capital Projects Fund | - | 67,887 | 67,887 | - | 0.0% |
| Federal Grants Fund | - | - | - | - | n/a |
| General Improvement Bond Fund | - | - | - | - | n/a |
| Housing Development Special Fund | - | - | - | - | n/a |
| Highway Improvement Bond Fund | - | - | - | - | n/a |
| Sewer Revenue Improvement Bond Fund | 111,414,000 | 111,113,647 | 99,328,085 | 11,785,562 | 10.6% |
| Sewer Fund | 9,433,160 | 9,433,160 | 7,983,434 | 1,449,726 | 15.4% |
| Solid Waste Improvement Bond Fund | 3,361,000 | 3,361,000 | 3,264,877 | 96,123 | 2.9% |
| Total | 124,208,160 | 123,975,694 | 110,644,282 | 13,331,412 | 10.8% |

| Function | Approp. | Adjusted Approp. | Expended/ Encumbered | Lapsed | Percent Lapsed |
|---------------------------------------|--------------------|--------------------|----------------------|-------------------|----------------|
| Human Services | | | | | |
| Community Development Fund | 22,501,894 | 21,751,894 | 20,713,594 | 1,038,300 | 4.8% |
| Capital Projects Fund | - | - | - | - | n/a |
| Federal Grants Fund | 6,772,344 | 7,522,344 | 5,906,348 | 1,615,996 | 21.5% |
| General Improvement Bond Fund | - | - | - | - | n/a |
| Housing Development Special Fund | - | - | - | - | n/a |
| Highway Improvement Bond Fund | - | - | - | - | n/a |
| Sewer Revenue Improvement Bond Fund | - | - | - | - | n/a |
| Sewer Fund | - | - | - | - | n/a |
| Solid Waste Improvement Bond Fund | - | - | - | - | n/a |
| Total | 29,274,238 | 29,274,238 | 26,619,942 | 2,654,296 | 9.1% |
| Culture-Recreation | | | | | |
| Community Development Fund | - | - | - | - | n/a |
| Capital Projects Fund | 1,000,000 | 1,000,000 | 841,573 | 158,427 | 15.8% |
| Federal Grants Fund | - | - | - | - | n/a |
| General Improvement Bond Fund | 19,607,000 | 19,230,049 | 11,806,816 | 7,423,233 | 38.6% |
| Housing Development Special Fund | - | - | - | - | n/a |
| Highway Improvement Bond Fund | - | - | - | - | n/a |
| Sewer Revenue Improvement Bond Fund | - | - | - | - | n/a |
| Sewer Fund | - | - | - | - | n/a |
| Solid Waste Improvement Bond Fund | - | - | - | - | n/a |
| Total | 20,607,000 | 20,230,049 | 12,648,388 | 7,581,661 | 37.5% |
| Utilities or Other Enterprises | | | | | |
| Community Development Fund | - | - | - | - | n/a |
| Capital Projects Fund | - | - | - | - | n/a |
| Federal Grants Fund | - | 1,192,619 | 1,192,619 | - | 0.0% |
| General Improvement Bond Fund | - | - | - | - | n/a |
| Housing Development Special Fund | - | - | - | - | n/a |
| Highway Improvement Bond Fund | 17,765,000 | 17,765,000 | 14,468,737 | 3,296,263 | 18.6% |
| Sewer Revenue Improvement Bond Fund | - | - | - | - | n/a |
| Sewer Fund | - | - | - | - | n/a |
| Solid Waste Improvement Bond Fund | - | - | - | - | n/a |
| Total | 17,765,000 | 18,957,619 | 15,661,356 | 3,296,263 | 17.4% |
| Fund | | | | | |
| Community Development Fund | 22,526,894 | 21,776,894 | 20,738,544 | 1,038,350 | 4.8% |
| Capital Projects Fund | 1,223,000 | 1,678,498 | 1,173,559 | 504,939 | 30.1% |
| Federal Grants Fund | 6,772,344 | 12,613,841 | 10,745,011 | 1,868,830 | 14.8% |
| General Improvement Bond Fund | 62,073,000 | 62,073,000 | 48,404,309 | 13,668,691 | 22.0% |
| Housing Development Special Fund | 301,000 | 301,000 | 300,393 | 607 | 0.2% |
| Highway Improvement Bond Fund | 79,021,000 | 79,021,000 | 69,416,603 | 9,604,397 | 12.2% |
| Sewer Revenue Improvement Bond Fund | 111,415,000 | 111,415,000 | 99,328,085 | 12,086,915 | 10.8% |
| Sewer Fund | 9,434,160 | 9,434,160 | 7,983,434 | 1,450,726 | 15.4% |
| Solid Waste Improvement Bond Fund | 9,361,000 | 9,361,000 | 9,158,753 | 202,247 | 2.2% |
| Fund Total | 302,127,398 | 307,674,393 | 267,248,692 | 40,425,701 | 13.1% |

V. Appendix: Data Sources

Chapter II

- Figure A-1. RPT Revenues vs Employee Costs. RPT: Detailed Statement of Revenues. Salaries, benefits, employee count: Budget Summaries. Both from Executive Program and Budget, City and County of Honolulu (budgeted year, current year-estimated, prior years-actual).
- Figure A-2. Motor Vehicle Tax Revenue Per 1,000 Miles Traveled. Motor Vehicle Weight Tax and Fuel Tax: Executive Operating Budget (Highway Fund—prior year actual); Motor Vehicle Miles by County and Consumer Price Index: Hawaii Data Book.
- Figure A-3. Capital Spending on Road Resurfacing, Rehabilitation, and Reconstruction: CIFIS 99-PQ.
- Figure B-1. Change in Net Assets. Management’s Discussion and Analysis, Changes in Net Assets, Comprehensive Annual Financial Report, City and County of Honolulu.
- Figure B-2. Change in Net Assets by County. Management’s Discussion and Analysis, Changes in Net Assets, Comprehensive Annual Financial Report, City and County of Honolulu, Hawaii County, Maui County, Kauai County.
- Figure C-1. City Spending Per Person. Budget Summaries, Executive Program and Budget (budgeted year, current year-estimated, prior years-actual). Resident Population: Hawaii Data Book (prior and current year-projected).
- Figure C-2. Composition of City Spending Per Person. Budget Summaries, Executive Program and Budget (budgeted year, current year-estimated, prior years-actual). Resident Population: Hawaii Data Book (prior and current year-projected).
- Figure C-3. Total Spending Per Person by County. Statement of Activities, Comprehensive Annual Financial Report, City and County of Honolulu, Maui County, Hawaii County, Kauai County. Resident Population: Hawaii Data Book (prior and current year-projected).
- Figure D-1. Total Authorized Debt Per Person. Computation of Legal Debt Margin, Comprehensive Annual Financial Report, City and County of Honolulu. Resident Population: Hawaii Data Book (prior year-projected).
- Figure D-2. Annual Change in Authorized Debt. Computation of Legal Debt Margin, Comprehensive Annual Financial Report, City and County of Honolulu.
- Figure D-3. Net General Bonded Debt Per Person by County. Computation of Legal Debt Margin, Comprehensive Annual Financial Report, City and County of Honolulu, Maui County, Hawaii County, Kauai County; Resident Population: Hawaii Data Book.
- Figure E-1. Real Property Taxes By Tax Class. City and County of Honolulu Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii.
- Figure E-2. Largest Three Exemption Classes. City and County of Honolulu Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii.
- Figure E-3. Ratio of Tax Revenues to Values by Property Class. City and County of Honolulu Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii..

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| Figure E-4. Average Tax Bills For Residential Properties. Taxes From Real Property By Tax Class. City and County of Honolulu Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii. | Engineers Report, City and County of Honolulu. |
| Figure E-5. Average Tax Bills For Business Properties. Taxes From Real Property By Tax Class. City and County of Honolulu Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii. | Chapter III |
| Figure E-6. Average Residential Property Tax Bills by County. City and County of Honolulu, Maui County, Hawaii County, Kauai County Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii. | Section A1. General Fund Overview. General Fund, Schedule of Revenues, Expenditures, and Changes in Fund Balance; and Balance Sheet; both from Comprehensive Annual Financial Report, City and County of Honolulu. Detailed Statement of Revenues, Executive Program and Budget. Amendment to General Fund Detailed Statement of Revenues, executive operating budget ordinance. |
| Figure E-7. Average Business Property Tax Bills by County. City and County of Honolulu, Maui County, Hawaii County, Kauai County Real Property Tax Valuation, Real Property Tax Valuations, Tax Rates and Exemptions, State of Hawaii. | Table III-1. Major General Fund Revenue Variances. CIFIS 08P. |
| Figure F-1. General Fund Unreserved Balances. General Fund Schedule of Revenues, Expenditures and changes in Fund Balance, Budget and Actual, Comprehensive Annual Financial Report, City and County of Honolulu. | Table III-2. Major General Fund Expenditure Variances. General Fund, Schedule of Revenues, Expenditures, and Changes in Fund Balance, Comprehensive Annual Financial Report, City and County of Honolulu. |
| Figure F-2. Variances in Real Property Tax Revenues. Budgeted: General Fund Detailed Statement of Revenue, Executive Program and Budget, City and County of Honolulu (as may be amended by operating budget ordinance); Actual: Tax Revenues by Source, Statistical Section, Comprehensive Annual Financial Report, City and County of Honolulu. | Table III-3. Major Appropriation Lapses by Activity. Excerpts from Table III-4. |
| Figure G-1. Enterprise Fund Net Assets/Deficit. Proprietary Funds, Statement of Net Assets, Comprehensive Annual Financial Report, City and County of Honolulu. | Table III-4. Executive Operating Budget. Executive operating budget ordinance, CIFIS 99-PA, 99-PQ. |
| Figure G-2. H-Power/Landfill Tip Fee Per Ton. Tip fee ordinances, various years. | Table III-5. Legislative Budget. Legislative budget ordinance, CIFIS 99-PQ. |
| Figure G-3. Average Monthly Sewer Fee. 2005 Wastewater System Revenue Bonds | Table III-6. Executive and Legislative Budget Summary of Results by Fund. Executive operating and legislative budget ordinances, CIFIS 99-PQ. |
| | Table III-7. Major General Fund Revenue Assumptions. Executive Program and Budget, Volume I; Executive operating budget ordinance; CIFIS 99-08P. |
| | Table III-8. Major Program Changes (All Funds). Executive Program and Budget, Volume I; Executive operating budget ordinance; CIFIS 99-PQ. |

Chapter IV

- Table IV-1. Major Project Lapses. Excerpts from Table IV-2 and -3.
- Table IV-2. Executive Capital Budget. Executive capital budget ordinance; CIFIS 99-PA, 99-PQ.
- Table IV-3. Executive Capital Budget. Summary of Results by Function and Fund. Executive capital budget ordinance; CIFIS 99-PQ.