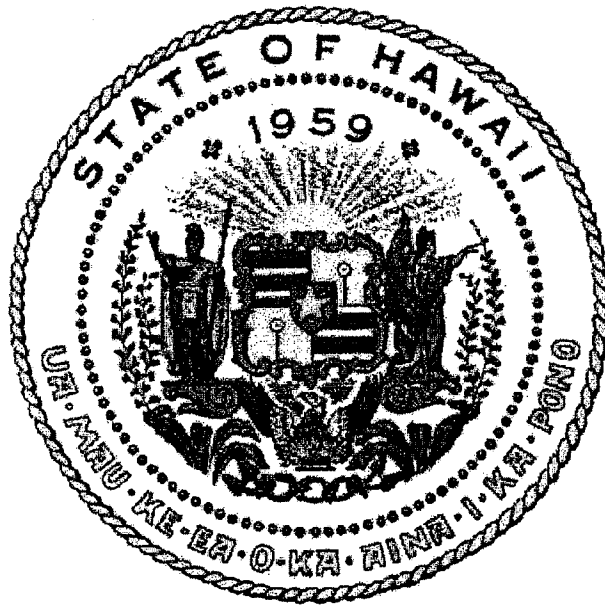


# STATE OF HAWAII

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2013



DEAN H. SEKI  
COMPTROLLER

# STATE OF HAWAII

## Management's Discussion and Analysis ("Unaudited")

June 30, 2013

services provided 16.1% of the total revenues. The State's expenses cover a range of services. The largest expenses were for higher and lower education, welfare, health, general government, and highways.

The following financial information was derived from the Government-Wide Statement of Activities and reflects how the State's net position changed during the fiscal year.

### Summary Schedule of Changes in Net Position For the Fiscal Years Ended June 30, 2013 and 2012 (Amounts in thousands)

	Primary Government					
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 494,647	\$ 421,145	\$ 1,154,047	\$ 1,149,559	\$ 1,648,694	\$ 1,570,704
Operating grants and contributions	2,589,537	2,370,437	-	-	2,589,537	2,370,437
Capital grants and contributions	96,184	97,322	64,313	85,899	160,497	183,221
General revenues:						
Taxes	5,796,549	5,358,622	-	-	5,796,549	5,358,622
Investment income and other	25,502	5,347	33,633	4,164	59,135	9,511
Total revenues	<u>9,002,419</u>	<u>8,252,873</u>	<u>1,251,993</u>	<u>1,239,622</u>	<u>10,254,412</u>	<u>9,492,495</u>
<b>Expenses:</b>						
General government	531,839	552,788	-	-	531,839	552,788
Public safety	451,946	502,002	-	-	451,946	502,002
Highways	490,091	516,924	-	-	490,091	516,924
Conservation of natural resources	52,208	96,349	-	-	52,208	96,349
Health	813,190	773,288	-	-	813,190	773,288
Welfare	2,798,053	2,464,582	-	-	2,798,053	2,464,582
Lower education	2,592,125	2,598,444	-	-	2,592,125	2,598,444
Higher education	654,611	672,716	-	-	654,611	672,716
Other education	20,086	16,753	-	-	20,086	16,753
Culture and recreation	94,679	111,628	-	-	94,679	111,628
Urban redevelopment and housing	173,677	23,888	-	-	173,677	23,888
Economic development and assistance	172,602	209,460	-	-	172,602	209,460
Interest expense	241,677	243,938	-	-	241,677	243,938
Airports	-	-	366,918	353,541	366,918	353,541
Harbors	-	-	90,548	84,826	90,548	84,826
Unemployment compensation	-	-	336,931	468,610	336,931	468,610
Nonmajor proprietary fund	-	-	66,119	169,166	66,119	169,166
Total expenses	<u>9,086,784</u>	<u>8,782,760</u>	<u>860,516</u>	<u>1,076,143</u>	<u>9,947,300</u>	<u>9,858,903</u>
Change in net position	(84,365)	(529,887)	391,477	163,479	307,112	(366,408)
Net position – beginning of year	1,329,901	1,859,788	3,175,892	3,012,413	4,505,793	4,872,201
Net position – end of year	<u>\$ 1,245,536</u>	<u>\$ 1,329,901</u>	<u>\$ 3,567,369</u>	<u>\$ 3,175,892</u>	<u>\$ 4,812,905</u>	<u>\$ 4,505,793</u>

**STATE OF HAWAII**

**STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(Amounts in thousands)**

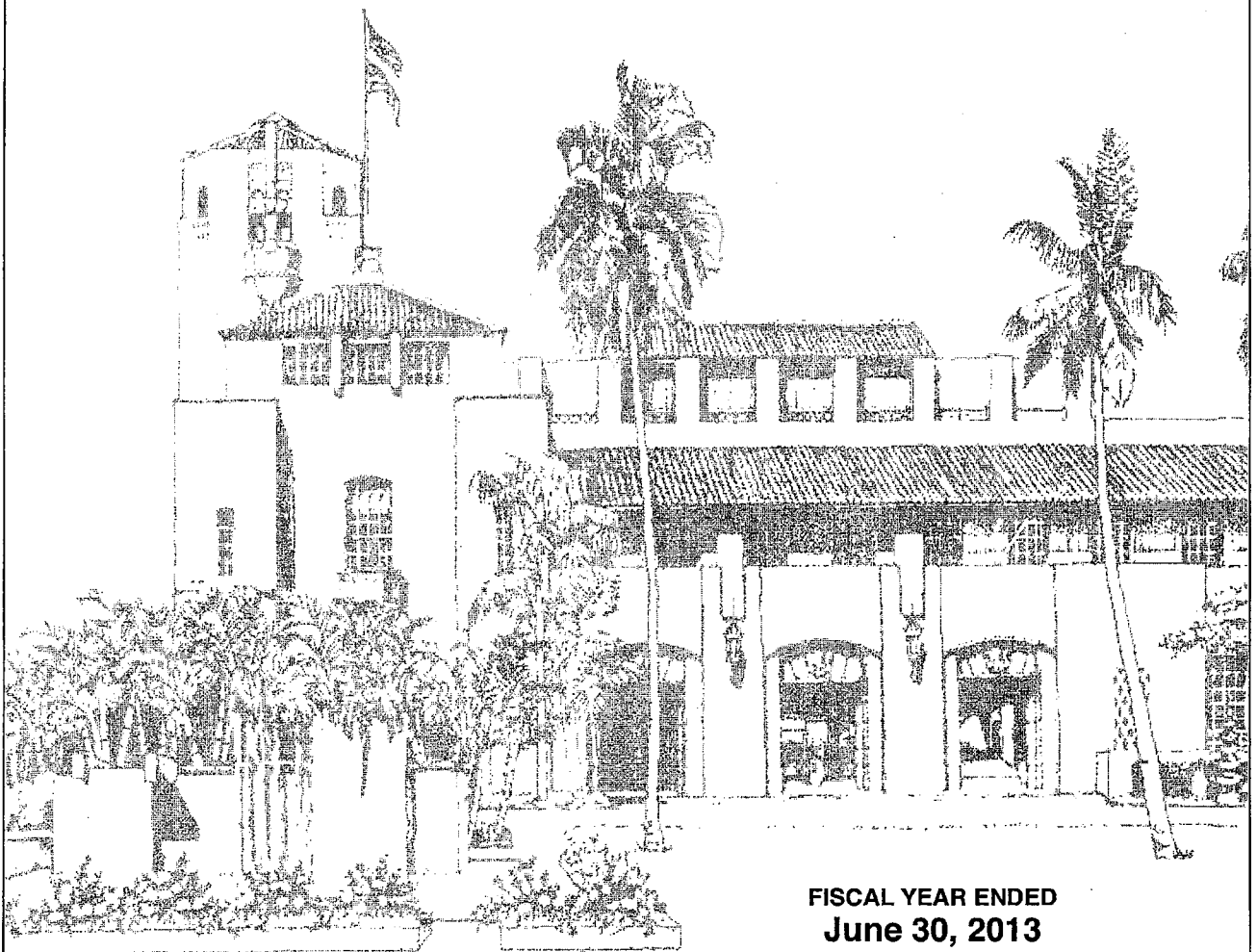
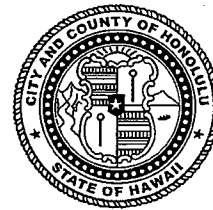
FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes In Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
<b>PRIMARY GOVERNMENT:</b>								
Governmental activities:								
General government	\$ 531,839	\$ 267,081	\$ 246,001	\$ -	\$ (18,757)	\$ -	\$ (18,757)	
Public safety	451,946	40,090	4,673	-	(407,183)	-	(407,183)	
Highways	490,091	7,856	72,525	96,184	(313,526)	-	(313,526)	
Conservation of natural resources	52,208	29,411	39,766	-	16,969	-	16,969	
Health	813,190	56,963	173,951	-	(582,276)	-	(582,276)	
Welfare	2,798,053	40,670	1,659,846	-	(1,097,537)	-	(1,097,537)	
Lower education	2,592,125	42,606	346,469	-	(2,203,050)	-	(2,203,050)	
Higher education	654,611	-	-	-	(654,611)	-	(654,611)	
Other education	20,086	-	-	-	(20,086)	-	(20,086)	
Culture and recreation	94,679	-	3,249	-	(91,430)	-	(91,430)	
Urban redevelopment and housing	173,677	4,559	27,535	-	(141,583)	-	(141,583)	
Economic development and assistance	172,602	5,411	15,522	-	(151,669)	-	(151,669)	
Interest expense	241,677	-	-	-	(241,677)	-	(241,677)	
Total governmental activities	9,086,784	494,647	2,589,537	96,184	(5,906,416)	-	(5,906,416)	
Business-type activities:								
Airports	366,918	431,708	-	30,619	-	95,409	95,409	
Harbors	90,548	112,060	-	4,115	-	25,627	25,627	
Unemployment compensation	336,931	507,096	-	-	-	170,165	170,165	
Nonmajor proprietary funds	66,119	103,183	-	29,579	-	66,643	66,643	
Total business-type activities	860,516	1,154,047	-	64,313	-	357,844	357,844	
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 9,947,300</b>	<b>\$ 1,648,694</b>	<b>\$ 2,589,537</b>	<b>\$ 160,497</b>	<b>(5,906,416)</b>	<b>357,844</b>	<b>(5,548,572)</b>	
<b>COMPONENT UNITS:</b>								
University of Hawaii	\$ 1,648,158	\$ 384,387	\$ 482,619	\$ -				\$ (781,152)
Hawaii Housing Finance and Development Corporation	52,770	49,985	12,570	-				9,785
Hawaii Public Housing Authority	125,850	18,014	72,422	12,466				(22,948)
Hawaii Health Systems Corporation	713,924	550,004	3,055	31,498				(129,367)
Hawaii Tourism Authority	105,672	9,462	-	-				(96,210)
Hawaii Community Development Authority	32,272	3,369	-	-				(28,903)
Hawaii Hurricane Relief Fund	5	-	-	-				(5)
Total component units	\$ 2,678,651	\$ 1,015,221	\$ 570,666	\$ 43,964				(1,048,800)
<b>GENERAL REVENUES:</b>								
Taxes:								
General excise tax					2,991,792	-	2,991,792	-
Net income tax — corporations and individuals					1,795,683	-	1,795,683	-
Public service companies tax					163,930	-	163,930	-
Transient accommodations tax					186,377	-	186,377	104,000
Tobacco and liquor taxes					161,066	-	161,066	-
Liquid fuel tax					87,645	-	87,645	-
Tax on premiums of insurance companies					133,585	-	133,585	-
Vehicle weight and registration tax					121,605	-	121,605	-
Rental motor/tour vehicle surcharge tax					52,112	-	52,112	-
Franchise tax					22,673	-	22,673	-
Other tax					80,081	-	80,081	-
Interest and investment income					25,502	14,633	40,135	34,154
Payments from the State — net					-	-	-	874,541
Other					-	19,000	19,000	39,421
Total general revenues					5,822,051	33,633	5,855,684	1,052,116
<b>CHANGE IN NET POSITION</b>					<b>(84,365)</b>	<b>391,477</b>	<b>307,112</b>	<b>3,316</b>
<b>NET POSITION — Beginning of year</b>					<b>1,329,901</b>	<b>3,175,892</b>	<b>4,505,793</b>	<b>3,180,800</b>
<b>NET POSITION — End of year</b>					<b>\$ 1,245,536</b>	<b>\$ 3,567,369</b>	<b>\$ 4,812,905</b>	<b>\$ 3,184,116</b>

See accompanying notes to basic financial statements.

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

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# **Comprehensive Annual Financial Report**



**FISCAL YEAR ENDED  
June 30, 2013**

**CITY AND COUNTY OF HONOLULU  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2013**

The following is a summary of the Statements of Activities for fiscal years 2013 and 2012:

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 264.9	\$ 263.1	\$ 564.1	\$ 564.6	\$ 829.0	\$ 827.7
Operating grants and contributions	116.4	122.1	27.3	21.0	143.7	143.1
Capital grants and contributions	54.2	55.4	26.9	58.7	81.1	114.1
General revenues:						
Property taxes	825.5	799.2	-	-	825.5	799.2
Other taxes	163.8	157.5	-	-	163.8	157.5
Other	48.7	47.7	1.6	1.2	50.3	48.9
Total revenues	<u>1,473.5</u>	<u>1,445.0</u>	<u>619.9</u>	<u>645.5</u>	<u>2,093.4</u>	<u>2,090.5</u>
<b>Expenses</b>						
General government	468.3	497.3	-	-	468.3	497.3
Public safety	393.2	407.3	-	-	393.2	407.3
Highways and streets	38.7	100.9	-	-	38.7	100.9
Sanitation	4.3	4.5	-	-	4.3	4.5
Human services	82.8	94.2	-	-	82.8	94.2
Culture and recreation	106.5	124.9	-	-	106.5	124.9
Utilities or other enterprises	84.8	38.8	-	-	84.8	38.8
Interest	76.9	93.1	-	-	76.9	93.1
Housing	-	-	11.7	12.2	11.7	12.2
Sewer	-	-	260.8	237.7	260.8	237.7
Solid waste	-	-	166.2	166.1	166.2	166.1
Public transportation	-	-	239.3	226.6	239.3	226.6
Total expenses	<u>1,255.5</u>	<u>1,361.0</u>	<u>678.0</u>	<u>642.6</u>	<u>1,933.5</u>	<u>2,003.6</u>
Increase (decrease) before contributions and transfers:	218.0	84.0	(58.1)	2.9	159.9	86.9
Special Item: Contribution to Component Unit	-	(749.3)	-	-	-	(749.3)
Transfers	(159.2)	(198.3)	159.2	198.3	-	-
Change in net position	58.8	(863.6)	101.1	201.2	159.9	(662.4)
Net position - beginning	187.9	1,051.5	1,494.0	1,292.8	1,681.9	2,344.3
Net position - ending	<u>\$ 246.7</u>	<u>\$ 187.9</u>	<u>\$ 1,595.1</u>	<u>\$ 1,494.0</u>	<u>\$ 1,841.8</u>	<u>\$ 1,681.9</u>

CITY AND COUNTY OF HONOLULU  
**STATEMENT OF ACTIVITIES**  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
 ( Amounts in thousands )

(Page 1 of 2)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government.....	\$ 468,295	\$ 194,451	\$ 7,179	\$ 228
Public safety.....	393,224	39,729	16,728	9,896
Highways and streets.....	38,683	347	--	6,950
Sanitation.....	4,298	49	--	--
Human services.....	82,806	405	64,019	13,417
Culture and recreation.....	106,457	29,100	458	106
Utilities or other enterprises.....	84,856	863	28,028	23,604
Interest.....	76,914	--	--	--
Total governmental activities....	<u>1,255,533</u>	<u>264,944</u>	<u>116,412</u>	<u>54,201</u>
Business-type activities:				
Housing.....	11,728	10,434	--	2,903
Sewer.....	260,806	377,970	--	1,244
Solid Waste.....	166,160	118,658	--	--
Public Transportation.....	239,351	57,049	27,279	22,747
Total business-type activities....	<u>678,045</u>	<u>564,111</u>	<u>27,279</u>	<u>26,894</u>
Total primary government.....	<u>\$ 1,933,578</u>	<u>\$ 829,055</u>	<u>\$ 143,691</u>	<u>\$ 81,095</u>
<b>Component units:</b>				
Board of Water Supply.....	\$ 186,687	\$ 180,505	\$ --	\$ 23,527
Honolulu Authority for Rapid Transportation.....	15,876	501	--	164,053
Total component units.....	<u>\$ 202,563</u>	<u>\$ 181,006</u>	<u>\$ --</u>	<u>\$ 187,580</u>

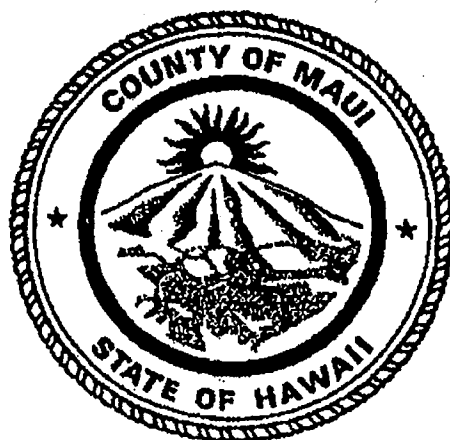
General revenues:

Property taxes.....	.....
Public service company tax.....	.....
Fuel tax .....	.....
Public utility franchise tax.....	.....
Investment earnings.....	.....
Unrestricted grants and contributions.....	.....
General Excise Tax Surcharge.....	.....
Other.....	.....
Transfers.....	.....
Total general revenues and transfers.....	.....
Change in net position.....	.....
Net position - beginning.....	.....
Net position - ending.....	.....

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

**COUNTY OF MAUI**

**STATE OF HAWAII**



**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2013**

**Prepared by:  
DEPARTMENT OF FINANCE  
Danilo F. Aagsalog, Director of Finance**

**COUNTY OF MAUI**

**Management's Discussion and Analysis  
June 30, 2013**

**CHANGES IN NET POSITION  
For the Years Ended June 30, 2013 and 2012  
(Dollars in Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	FY2013	FY2012	FY2013	FY2012	FY2013	FY2012
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 99,155	\$ 96,496	\$ 55,718	\$ 52,625	\$ 154,873	\$ 149,121
Operating grants and contributions	34,447	34,017	-	-	34,447	34,017
Capital grants and contributions	11,332	12,530	5,552	2,541	16,884	15,071
<b>General Revenues:</b>						
Property taxes	214,244	208,645	-	-	214,244	208,645
Other taxes	52,303	53,394	-	-	52,303	53,394
Interest and investment earnings, net	908	1,283	135	165	1,043	1,448
Other revenues	857	(3)	154	270	1,011	267
<b>Total Revenues</b>	<b>413,246</b>	<b>406,362</b>	<b>61,559</b>	<b>55,601</b>	<b>474,805</b>	<b>461,963</b>
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
General government	107,566	134,647	-	-	107,566	134,647
Public safety	85,261	84,585	-	-	85,261	84,585
Highway and streets	45,106	46,329	-	-	45,106	46,329
Sanitation	65,402	62,793	-	-	65,402	62,793
Social welfare	46,866	42,989	-	-	46,866	42,989
Culture and recreation	33,018	34,396	-	-	33,018	34,396
Legislative	5,539	5,251	-	-	5,539	5,251
Interest on long-term debt	8,960	8,926	-	-	8,960	8,926
<b>Business-Type Activities:</b>						
Water Supply	-	-	53,624	54,013	53,624	54,013
Housing	-	-	207	268	207	268
Golf Course	-	-	2,235	2,096	2,235	2,096
<b>Total Expenses</b>	<b>397,718</b>	<b>419,916</b>	<b>56,066</b>	<b>56,377</b>	<b>453,784</b>	<b>476,293</b>
<b>Increase (Decrease) in Net Position</b>						
Before Transfers	15,528	(13,554)	5,493	(776)	21,021	(14,330)
Transfers	(948)	(2,388)	948	2,388	-	-
<b>Change in Net Position</b>	<b>14,580</b>	<b>(15,942)</b>	<b>6,441</b>	<b>1,612</b>	<b>21,021</b>	<b>(14,330)</b>
Net Position - Beginning of Year	519,231	535,173	333,218	331,606	852,449	866,779
<b>Net Position - End of Year</b>	<b>\$533,811</b>	<b>\$519,231</b>	<b>\$339,659</b>	<b>\$333,218</b>	<b>\$873,470</b>	<b>\$852,449</b>



**COUNTY OF MAUI**  
**Statement of Activities**  
**For the Year Ended June 30, 2013**

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
							Governmental Activities	Business-Type Activities
<b>Primary Government:</b>								
Governmental Activities:								
General government	\$ 107,565,593	\$ 12,843,390	\$ 4,284,023	\$ 181,590	\$ (90,256,590)	\$ -	\$ (90,256,590)	
Public safety	85,260,731	458,247	7,119,415	-	(77,683,069)	-	(77,683,069)	
Highway and streets	45,105,834	21,272,213	89,481	6,946,266	(16,797,874)	-	(16,797,874)	
Sanitation	65,401,638	61,559,388	294,868	4,198,513	651,131	-	651,131	
Social welfare	46,866,029	2,402,750	21,649,901	-	(22,813,378)	-	(22,813,378)	
Culture and recreation	33,018,488	617,301	1,009,561	5,267	(31,386,359)	-	(31,386,359)	
Legislative	5,539,042	1,425	-	-	(5,537,617)	-	(5,537,617)	
Interest on long-term debt	8,960,111	-	-	-	(8,960,111)	-	(8,960,111)	
Total Governmental Activities	397,717,466	99,154,714	34,447,249	11,331,636	(252,783,867)	-	(252,783,867)	
Business-Type Activities:								
Department of Water Supply	53,624,590	54,438,890	-	5,551,828	-	6,366,128	6,366,128	
Housing, Interim Financing, and Buy-Back Revolving Fund	207,210	163,291	-	-	-	(43,919)	(43,919)	
Municipal Golf Course	2,235,318	1,116,056	-	-	-	(1,119,262)	(1,119,262)	
Total Business-Type Activities	56,067,118	55,718,237	-	5,551,828	-	5,202,947	5,202,947	
<b>Total Primary Government</b>	<b>\$ 453,784,584</b>	<b>\$ 154,872,951</b>	<b>\$ 34,447,249</b>	<b>\$ 16,883,464</b>	<b>(252,783,867)</b>	<b>5,202,947</b>	<b>(247,580,920)</b>	

**General Revenues:**

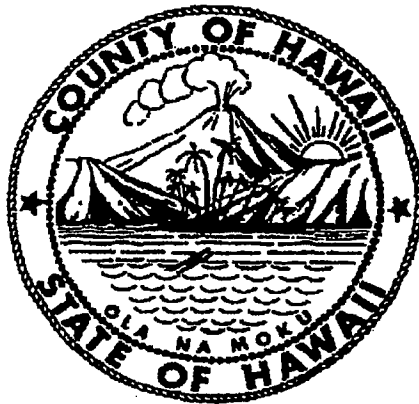
Taxes:							
Property taxes					214,243,623	-	214,243,623
Transient accommodation tax					21,204,000	-	21,204,000
Public service company tax					9,767,322	-	9,767,322
Franchise tax					10,714,153	-	10,714,153
Fuel tax					10,617,406	-	10,617,406
Interest and investment earnings, net (Note 2)					907,950	135,406	1,043,356
Other					857,240	153,931	1,011,171
Transfers (Note 4)					(947,689)	947,689	-
<b>Total General Revenues and Transfers</b>					<b>267,364,005</b>	<b>1,237,026</b>	<b>268,601,031</b>
					14,580,138	6,439,973	21,020,111
					519,231,326	333,218,597	852,449,923
					<b>\$ 533,811,464</b>	<b>\$ 339,658,570</b>	<b>\$ 873,470,034</b>

Change in Net Position  
Net Position, Beginning of Year  
Net Position, End of Year

*The accompanying notes are an integral part of the financial statements.*

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Fiscal Year Ended June 30, 2013**



## **COUNTY OF HAWAII Hilo, Hawaii**

William P. Kenoi  
Mayor

Walter Lau  
Managing Director

Prepared by  
The Department of Finance  
Nancy E. Crawford  
Director of Finance

**Condensed Statement of Activities**  
**For the Fiscal Years Ended June 30, 2013 and 2012**

	Primary Government					
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 34,930,495	\$ 34,875,798	\$ 432,057	\$ 393,464	\$ 35,362,552	\$ 35,269,262
Operating grants and contributions	44,410,353	45,767,655	123,800	131,227	44,534,153	45,898,882
Capital grants and contributions	107,584,670	86,754,033	-	-	107,584,670	86,754,033
<b>General revenues:</b>						
Property taxes	200,775,779	209,894,427	-	-	200,775,779	209,894,427
Other taxes	28,206,334	29,255,027	-	-	28,206,334	29,255,027
Grants and contributions, unrestricted	17,750,132	19,074,105	-	-	17,750,132	19,074,105
Investment earnings (loss)	(81,020)	230,804	1,416	5,641	(79,604)	236,445
Other	2,320,838	1,773,258	342,275	-	2,663,113	1,773,258
<b>Total revenues</b>	<b>435,897,581</b>	<b>427,625,107</b>	<b>899,548</b>	<b>530,332</b>	<b>436,797,129</b>	<b>428,155,439</b>
<b>Expenses:</b>						
General government	55,616,102	56,115,599	-	-	55,616,102	56,115,599
Public safety	151,975,049	152,288,979	-	-	151,975,049	152,288,979
Highways and streets	42,219,903	42,462,299	-	-	42,219,903	42,462,299
Health, education and welfare	28,001,020	28,127,691	496,017	517,052	28,497,037	28,644,743
Culture and recreation	22,121,336	23,412,948	-	-	22,121,336	23,412,948
Sanitation	38,505,086	35,049,546	-	-	38,505,086	35,049,546
Interest on long-term debt	13,885,003	14,519,382	-	-	13,885,003	14,519,382
<b>Total expenses</b>	<b>352,323,499</b>	<b>351,976,444</b>	<b>496,017</b>	<b>517,052</b>	<b>352,819,516</b>	<b>352,493,496</b>
Increase in net position	83,574,082	75,648,663	403,531	13,280	83,977,613	75,661,943
Net position at beginning of year	682,085,644	606,436,981	956,914	943,634	683,042,558	607,380,615
<b>Net position at end of year</b>	<b>\$ 765,659,726</b>	<b>\$ 682,085,644</b>	<b>\$ 1,360,445</b>	<b>\$ 956,914</b>	<b>\$ 767,020,171</b>	<b>\$ 683,042,558</b>

**Analysis of Changes in Net Position**

**Governmental activities.** Governmental activities increased the County's net position by \$83.6 million or basically all of the total growth in net position of the County.

Total revenues increased by \$8.3 million (2 percent). The combined total revenues for both the Operating and Capital grants and contributions also increased by approximately \$19.5 million, which related mostly to increases in highways and streets projects being netted with decreases in sanitation. This overall increase in grants and contributions revenue was offset by decreases in the other revenue sources. The most significant decrease of \$9.1 million was in real property taxes, which was due to a slight decline in the value of net taxable real property as evidenced in the accompanying statistical tables but is an improvement as compared to the decrease of \$15.2 million experienced in the prior year.

Total expenses increased by only \$347,055 (less than 0.5 percent).

COUNTY OF HAWAII

Statement of Activities

For the Fiscal Year Ended June 30, 2013

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 55,616,102	\$ 1,695,152	\$ 1,983,060	\$ 5,217,111
Public safety	151,975,049	5,117,102	19,664,648	25
Highways and streets	42,219,903	10,159,443	2,073,483	97,316,020
Health, education and welfare	28,001,020	570,312	19,562,429	3,194,290
Culture and recreation	22,121,336	1,794,553	59,213	640,400
Sanitation	38,505,086	15,593,933	1,067,520	1,216,824
Interest on long-term debt	<u>13,885,003</u>	-	-	-
Total governmental activities	352,323,499	34,930,495	44,410,353	107,584,670
Business-type activities:				
Health, education and welfare	<u>496,017</u>	<u>432,057</u>	<u>123,800</u>	-
Total primary government	<u>\$ 352,819,516</u>	<u>\$ 35,362,552</u>	<u>\$ 44,534,153</u>	<u>\$ 107,584,670</u>
<b>Component unit:</b>				
Water (note 14)	<u>\$ 51,575,668</u>	<u>\$ 48,406,240</u>	<u>\$ -</u>	<u>\$ 15,226,253</u>

General revenues:

Taxes:

  Property taxes, levied for general purposes

  Public service company taxes

  Public utility franchise taxes

  Fuel taxes

Grants and contributions not restricted to specific programs

Investment earnings (loss)

Other

Total general revenues

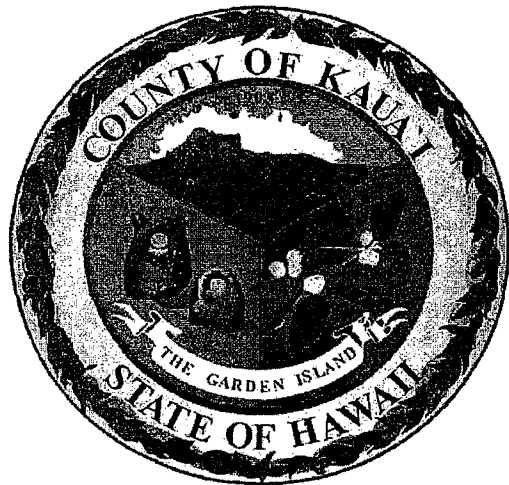
Change in net position

Net position, beginning of year

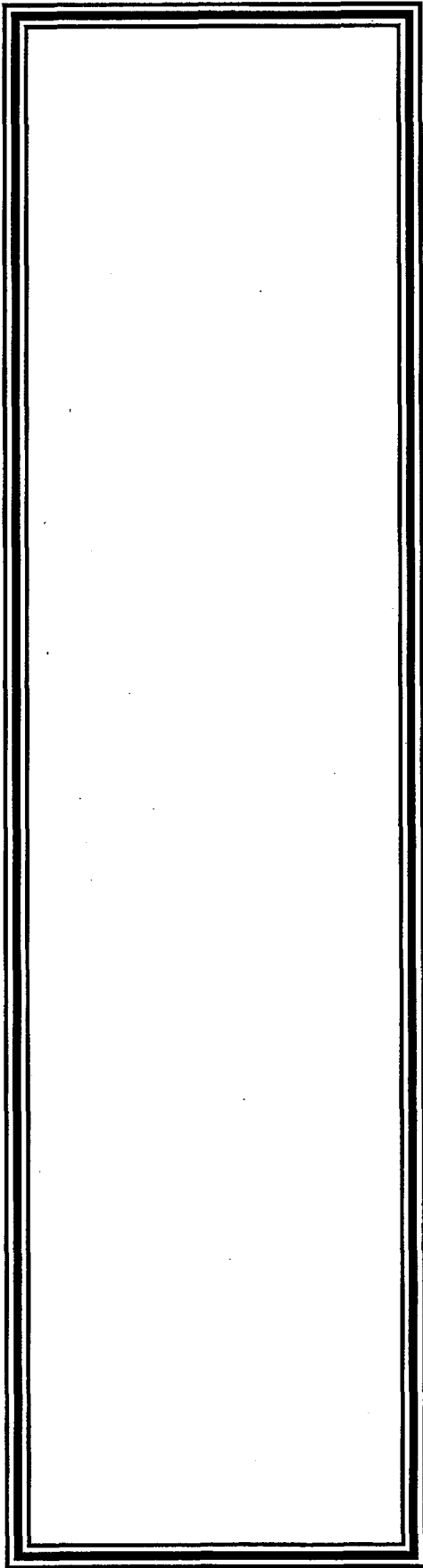
Net position, end of year

See accompanying notes to the basic financial statements.

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
of the  
County of Kaua'i, Hawai'i**



**For the Fiscal Year Ended  
June 30, 2013**



**COUNTY OF KAUAI, HAWAII**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**JUNE 30, 2013**

The following is a summary of the Statement of Activities for the fiscal years ended June 30, 2013 and 2012:

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 19.49	\$ 16.94	\$ 11.78	\$ 10.03	\$ 31.27	\$ 26.97
Operating grants and contributions	19.89	22.72	--	--	19.89	22.72
Capital grants and contributions	13.94	9.32	5.71	6.50	19.65	15.82
General revenues:						
Property taxes	82.01	80.87	--	--	82.01	80.87
Other taxes	12.92	12.77	--	--	12.92	12.77
Other	<u>15.78</u>	<u>16.58</u>	<u>0.01</u>	<u>0.05</u>	<u>15.79</u>	<u>16.63</u>
Total Revenues	<u>164.03</u>	<u>159.20</u>	<u>17.50</u>	<u>16.58</u>	<u>181.53</u>	<u>175.78</u>
<b>Expenses:</b>						
General government	36.91	32.78	--	--	36.91	32.78
Public safety	52.16	50.62	--	--	52.16	50.62
Public works	12.01	12.34	--	--	12.01	12.34
Highways and streets	20.00	17.91	--	--	20.00	17.91
Sanitation	25.68	22.20	--	--	25.68	22.20
Culture and recreation	10.79	10.43	--	--	10.79	10.43
Public welfare	22.62	20.39	--	--	22.62	20.39
Interest on long-term debt	5.24	5.03	--	--	5.24	5.03
Housing programs	--	--	2.35	2.18	2.35	2.18
Sewer	--	--	13.45	8.25	13.45	8.25
Golf	--	--	<u>2.26</u>	<u>2.22</u>	<u>2.26</u>	<u>2.22</u>
Total Expenses	<u>185.41</u>	<u>171.70</u>	<u>18.06</u>	<u>12.65</u>	<u>203.47</u>	<u>184.35</u>
<b>Increase (Decrease)</b>						
before Transfers	(21.38)	(12.50)	(0.56)	3.93	(21.94)	(8.57)
Transfers	<u>(0.62)</u>	<u>(4.06)</u>	<u>0.62</u>	<u>4.06</u>	--	--
Change in Net Position	(22.00)	(16.56)	0.06	7.99	(21.94)	(8.57)
Net Position - Beginning	<u>516.77</u>	<u>533.33</u>	<u>70.76</u>	<u>62.77</u>	<u>587.53</u>	<u>596.10</u>
Net Position - Ending	<u>\$ 494.77</u>	<u>\$ 516.77</u>	<u>\$ 70.82</u>	<u>\$ 70.76</u>	<u>\$ 565.59</u>	<u>\$ 587.53</u>

**COUNTY OF KAUAI, HAWAII  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Functions/Programs	Program Revenues			Net (Expense) Revenues and Changes in Net Position			Component Unit Department of Water
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Primary Government</b>							
<b>Governmental Activities:</b>							
General government	\$ 36,906,688	\$ 3,768,037	\$ 2,428,667	\$ 52,896	\$ (30,657,088)	\$ --	\$ (30,657,088)
Public safety	52,156,486	1,036,661	4,460,450	--	(46,659,375)	--	(46,659,375)
Public works	12,011,341	1,410,220	597	528,324	(10,072,200)	--	(10,072,200)
Highways and streets	19,996,535	4,613,966	500,288	12,855,835	(2,026,446)	--	(2,026,446)
Sanitation	25,685,902	6,563,506	339,504	--	(18,782,892)	--	(18,782,892)
Culture and recreation	10,791,475	672,755	20,664	500,000	(9,598,056)	--	(9,598,056)
Public welfare	22,624,202	1,427,164	12,142,664	--	(9,054,374)	--	(9,054,374)
Interest on long-term debt, unallocated	5,240,755	--	--	--	(5,240,755)	--	(5,240,755)
<b>Total Governmental Activities</b>	<b>185,413,384</b>	<b>19,492,309</b>	<b>19,892,834</b>	<b>13,937,055</b>	<b>(132,091,186)</b>	<b>--</b>	<b>(132,091,186)</b>
<b>Business-Type Activities</b>							
Housing programs	2,352,640	1,749,444	--	2,431,223	--	1,828,027	1,828,027
Sewer	13,447,969	8,664,282	--	3,280,686	--	(1,313,001)	(1,313,001)
Golf	2,262,578	1,171,155	--	--	--	(1,091,423)	(1,091,423)
<b>Total Business-type Activities</b>	<b>18,063,187</b>	<b>11,774,881</b>	<b>--</b>	<b>5,711,909</b>	<b>--</b>	<b>(576,397)</b>	<b>(576,397)</b>
<b>Total Primary Government</b>	<b>\$ 203,476,571</b>	<b>\$ 31,267,190</b>	<b>\$ 19,892,834</b>	<b>\$ 19,648,964</b>	<b>\$ (132,091,186)</b>	<b>\$ (576,397)</b>	<b>\$ (132,667,583)</b>
<b>Component Unit:</b>							
Department of Water	\$ 24,819,547	\$ 28,357,143	\$ --	\$ 3,483,083	--	--	7,020,679
<b>General Revenues:</b>							
Property taxes					82,008,842		82,008,842
Public service company tax					4,247,316		4,247,316
Franchise tax					4,746,998		4,746,998
Fuel taxes					3,929,570		3,929,570
Grants and contributions not restricted to specific programs					14,661,865		14,661,865
Unrestricted investment earnings					1,115,555	14,402	1,129,957
Transfers					(619,797)	619,797	--
<b>Total General Revenues and Transfers</b>					<b>110,090,349</b>	<b>634,199</b>	<b>110,724,548</b>
<b>Change in Net Position</b>					<b>(22,000,837)</b>	<b>57,802</b>	<b>(21,943,035)</b>
<b>Net Position - Beginning of Year July 1, 2012</b>					<b>516,764,377</b>	<b>70,764,377</b>	<b>587,528,653</b>
<b>Net Position - End of Year June 30, 2013</b>					<b>\$ 494,763,439</b>	<b>\$ 70,822,179</b>	<b>\$ 565,585,618</b>

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