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City and County of Honolulu
Fiscal Year 2027
Budget Communication #5

Andrew T. Kawano, Director

Department of Budget and Fiscal Services

March 9, 2026

DEPT. COM. 172(26)
BUD

The FY 2027 Budget was prepared with the following priorities:

- Public safety and public health
- Affordable housing
- Homelessness
- DPP modernization
- Multi-modal transit and transportation
- Government efficiencies and deregulation to provide essential core services within the City's financial means
- Climate change adaptation
- Coordinated planning and execution of disaster/risk mitigation and post-disaster recovery

Operating Budget Comparison by Source of Funds

Fund	FY 26	FY 27	% Change
General Fund	2,334,121,654	2,316,664,789	-0.7%
Highway Fund	163,284,004	161,099,223	-1.3%
Sewer Fund	444,680,214	485,592,533	9.2%
Transportation Fund	471,593,998	477,695,261	1.3%
Liquor Commission Fund	8,155,416	8,970,109	10.0%
Bikeway Fund	962,276	946,435	-1.6%
Highway Beautification, Abandoned Vehicle,and Tourism-Related Traffic Congestion Revolving Fund	6,790,628	4,985,793	-26.6%
Special Events Fund	13,790,007	14,699,066	6.6%
Honolulu Zoo Fund	13,559,845	14,030,756	3.5%
Golf Fund	17,922,428	19,353,942	8.0%
Solid Waste Special Fund	258,833,687	266,995,671	3.2%
Hanauma Bay Nature Preserve Fund	9,706,090	8,813,685	-9.2%
Rental Assistance Fund	233,000	233,000	0.0%

Budget Communication #5, question 2

Operating Budget Comparison by Source of Funds (continued)

Fund	FY 26	FY 27	% Change
Housing Development Special Fund	28,382	7,535	-73.5%
Clean Water and Natural Lands Fund	915,687	1,071,028	17.0%
Climate Resiliency Fund	8,871,465	9,357,930	5.5%
Affordable Housing Fund	375,015	471,419	25.7%
Patsy T. Mink Central Oahu Regional Park Fund	227,800	227,800	0.0%
Waipio Peninsula Soccer Park Fund	491,100	491,100	0.0%
Transit Construction Mitigation Fund	450,000	100,000	-77.8%
Grants in Aid Fund	11,317,707	11,002,346	-2.8%
Community Development Fund	3,165,713	3,149,170	-0.5%
Housing and Community Development Rehabilitation Loan Fund	2,000,000	2,000,000	0.0%
Housing and Community Development Section 8 Contract Fund	102,198,911	106,368,305	4.1%
Federal Grants Fund	43,397,089	43,576,566	0.4%
Special Projects Fund	18,511,060	16,121,765	-12.9%
TOTAL	**3,935,583,176**	**3,974,025,227**	**1.0%**

CIP Budget Comparison by Source of Funds

Fund	FY26	FY27	% Change
Sewer Revenue Bond Improvement Fund	324,054,000	78,100,000	-75.9%
General Improvement Bond Fund	404,570,040	203,281,400	-49.8%
Highway Improvement Bond Fund	187,459,380	163,453,000	-12.8%
Taxable General Improvement Bond Fund	10,000,000	80,000,000	700.0%
Solid Waste Improvement Bond Fund	50,357,000	106,150,000	110.8%
Affordable Housing Fund	10,382,000	26,800,222	158.1%
Bikeway Fund	1,290,000	1,160,000	-10.1%
Transportation Fund	-	665,000	n/a
Clean Water and Natural Lands Fund	29,301,000	40,917,715	39.6%
Capital Projects Fund	1,701,000	11,160,000	556.1%
General Fund	200,000	200,000	0.0%
Hanauma Bay Nature Preserve Fund	-	414,000	n/a
Pauahi Project Expend, HI R-15 Fund	-	1,183,009	n/a
Parks and Playgrounds Fund	2,760,727	2,275,183	-17.6%
Sewer Fund	101,490,900	270,351,000	166.4%
Community Development Fund	5,848,460	5,848,460	0.0%
Federal Grants Fund	156,337,151	121,706,958	-22.2%
TOTAL	**1,285,751,658**	**1,113,665,947**	**-13.4%**

Operating Budget Comparison by Function

Function	FY26	FY27	% Change
General Government	310,514,823	331,672,249	6.81%
Public Safety	645,493,360	674,076,523	4.43%
Highways and Streets	66,863,548	65,447,381	-2.12%
Sanitation	423,067,584	446,967,237	5.65%
Human Services	186,186,639	189,921,116	2.01%
Culture-Recreation	155,665,060	163,803,224	5.23%
Utilities or Other Enterprises	477,232,343	490,002,985	2.68%
Debt Service	696,782,000	725,564,000	4.13%
Miscellaneous	973,777,819	886,570,512	-8.96%
TOTAL	**3,935,583,176**	**3,974,025,227**	**0.98%**

CIP Budget Comparison by Function

Function	FY26	FY27	% Change
General Government	80,236,490	81,701,590	1.8%
Public Safety	113,951,930	68,381,810	-40.0%
Highways and Streets	234,119,000	213,410,000	-8.8%
Sanitation	475,901,900	454,601,000	-4.5%
Human Services	148,897,611	143,939,649	-3.3%
Culture-Recreation	146,632,727	106,369,898	-27.5%
Utilities or Other Enterprises	86,012,000	45,262,000	-47.4%
TOTAL	**1,285,751,658**	**1,113,665,947**	**-13.4%**

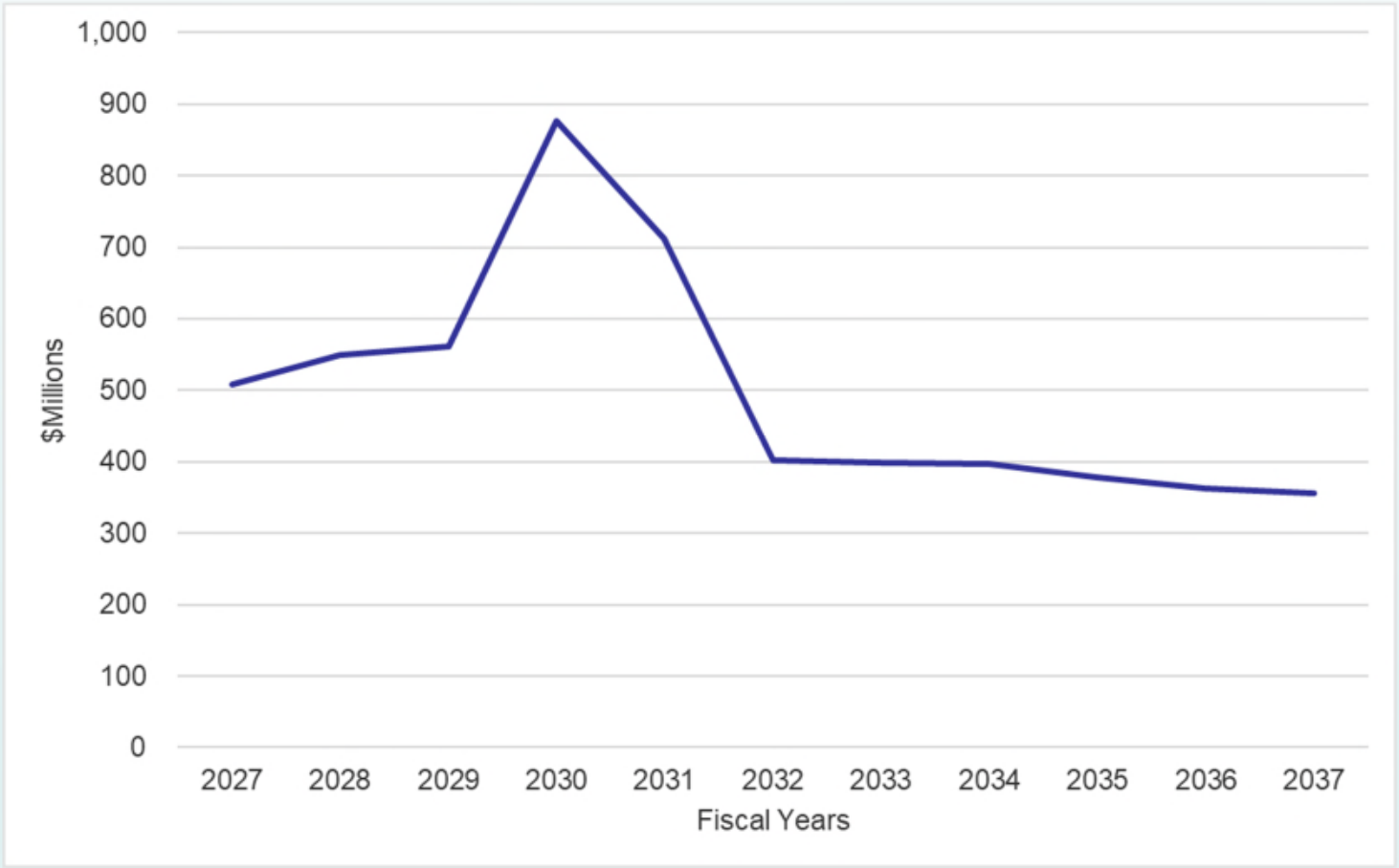
New G.O. Bond Issuances, Retirements and Net Debt Issuance Projections

Fiscal Year	G.O. Bond Issuance	(G.O. Bond Retirements)	Net Additional Debt
2027	629,166,000	346,655,000	282,511,000
2028	552,884,000	371,978,510	180,905,490
2029	433,583,000	373,092,088	60,490,912
2030	369,107,000	391,294,723	(22,187,723)
2031	334,234,000	388,304,539	(54,070,539)
2032	317,626,000	233,239,503	84,386,497
2033	317,626,000	227,907,085	89,718,915
2034	317,626,000	235,265,035	82,360,965
2035	317,626,000	227,321,903	90,304,097
2036	317,626,000	220,667,965	96,958,035
2037	317,626,000	224,128,711	93,497,289

Budget Communication #5, Question 3

G.O. Bond Debt Service Projections

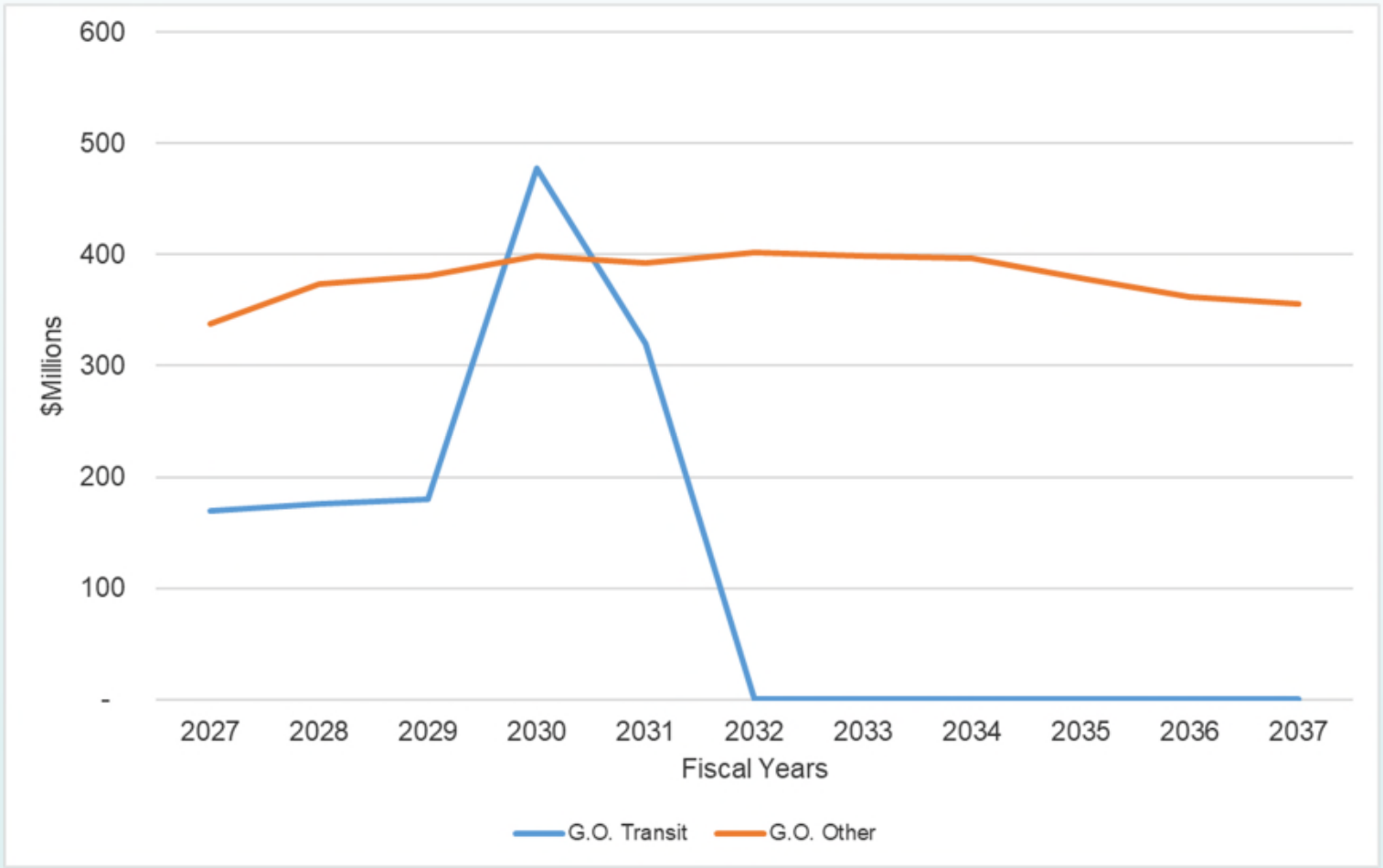
(In millions)



Assuming annual G.O. bond issue projection provided in Question 3. Includes G.O. bond debt service for Rail, which is paid by HART.

Budget Communication #5, Question 4

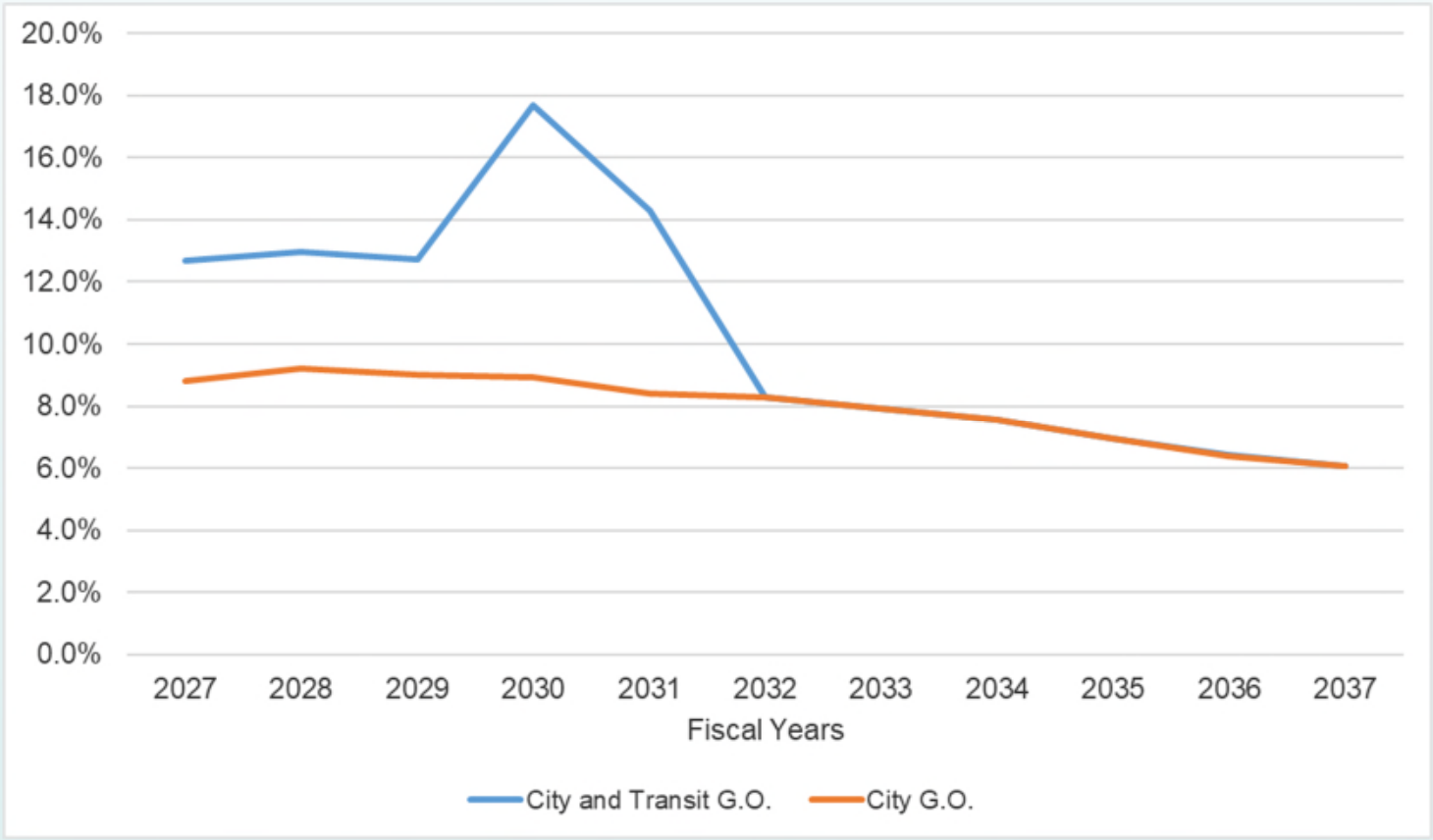
G.O. Bond Debt Service Projections



Assuming annual G.O. bond issue projection provided in Question 3.

Budget Communication #5, Question 4

G.O. Bond Debt Service as a Percentage of Operating Budget



Upper line is the percentage of total debt service to the City's operating budget but Transit debt service is paid with Transit revenues per Ordinance 07-001.
Budget Communication #5, question 4

City's Outstanding Debt

As of March 2, 2026

Gross funded indebtedness	$	6,978,027,173
Less Exclusions:		
G. O. for HART		733,005,000
G. O. for Sewer		158,102
State Loans Payable		374,002,173
Wastewater Revenue Bonds		2,605,010,000
Water Supply Revenue Bonds		380,435,000
G. O. for Solid Waste		172,918,988
G. O. for H-POWER		321,800,000
G. O. for Housing		5,866,660
Total Exclusions		4,593,195,923
Net Funded Debt	$	2,384,831,250

Budget Communication #5, question 5

City's Current Authorized, but Unissued Debt(a)

As of February 28, 2026

General Obligation Bonds	$	1,298,853,166
G.O. - HART		150,295,046
Sewer Improvement Revenue Bonds		819,189,380
	$	2,268,337,593

(a) Lapsed report cut-off date is February 28, 2026

Budget Communication #5, question 5

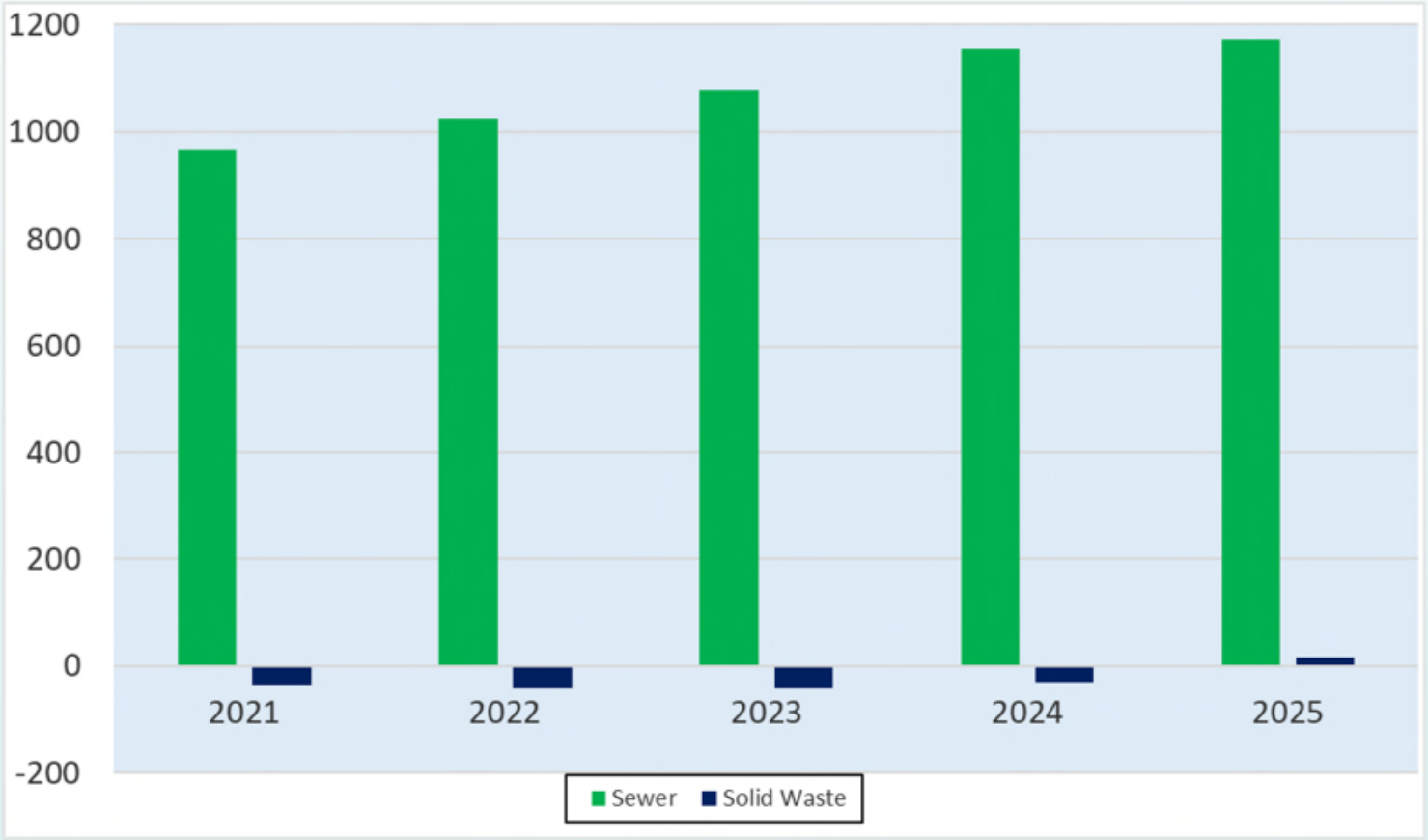
Bond Issuances and/or Restructuring Proposed for Fiscal Year 2027

	Sewer Revenue Bonds	State Revolving Fund	Tax Exempt General Obligation	Taxable General Obligation	Tax Exempt Commercial Paper (TECP) TR	GOB-TR
Issue amount	273,825,000	15,000,000	567,166,420	62,000,000	-	-
Estimated Interest Rate	5.25%	1.00%	4.25%	5.25%	4.50%	
Term	30 Years	20 Years	25 Years	25 Years		
Structure	Interest-only 20 years	Level Payment	Level Payment	Level Payment		
Projected Date of Issuance	First half of Fiscal Year	Various	Second half of fiscal year	Second half of fiscal year	Periodically through fiscal year based upon cash flow requirements.	No issuance planned
Projected Annual Debt Service Payment	$14,375,812 for 20 years; various amounts thereafter	996,836	37,271,071	4,509,921	Outstanding balance refunded in next bond issue	

Budget Communication #5, Question 6

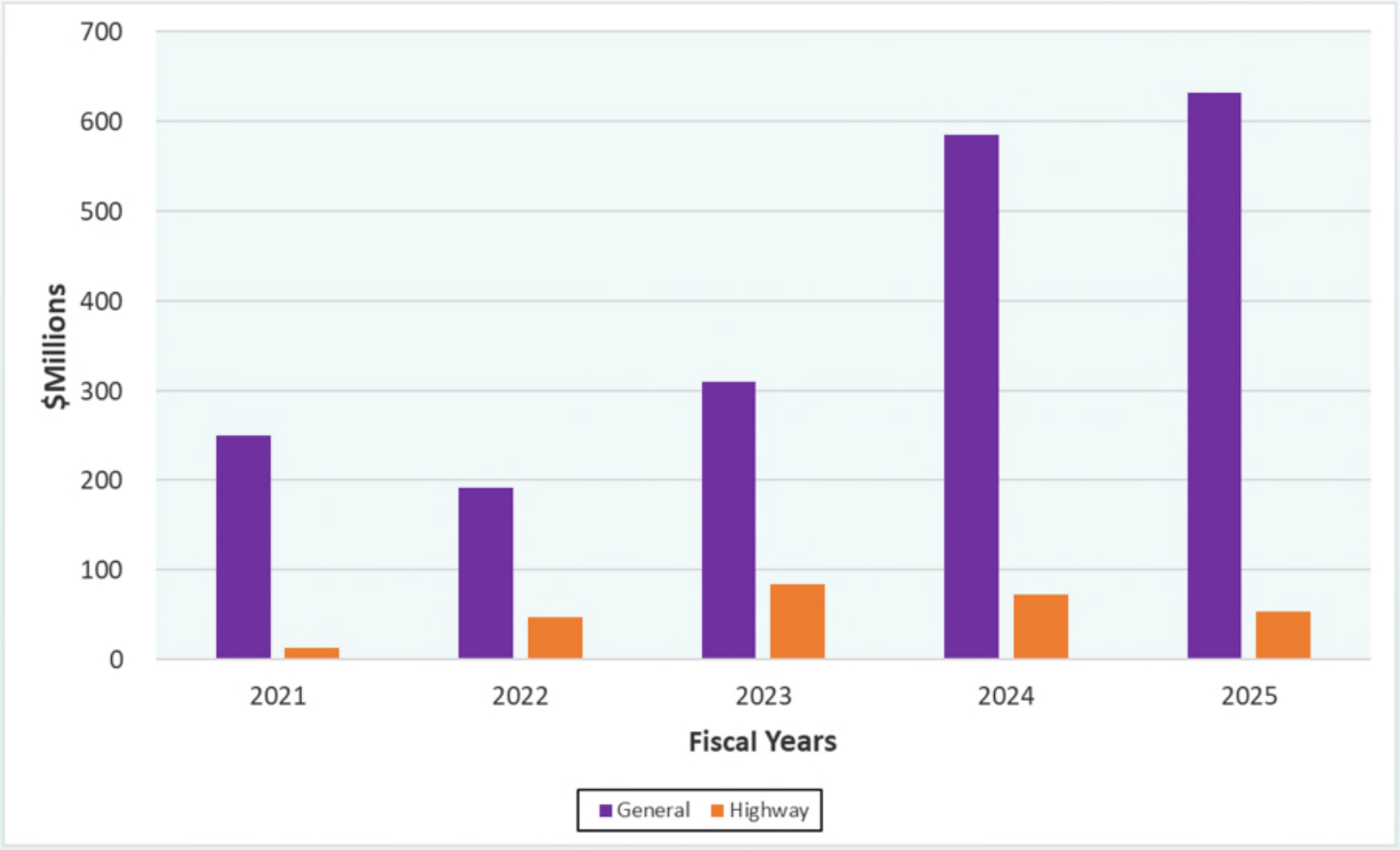
Sewer and Solid Waste Funds Unrestricted Net Assets

(In millions)



Budget Communication #5, Question 7

General and Highway Fund Unreserved, Undesignated Balance



Budget Communication #5, Question 7

Budget and Actual Resources Comparison

Type of Revenue	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	FY 2027 Proposed	Percent Change
Real Property Tax	1,714,171,440	1,750,892,451	1,760,694,942	1,780,283,667	1.1%
Fuel Tax	42,696,000	44,813,846	42,680,000	41,200,000	-3.5%
Motor Vehicle Weight Tax	184,824,810	192,613,770	185,000,000	188,875,000	2.1%
Public Utility Franchise Tax	61,800,000	60,591,280	60,700,000	57,500,000	-5.3%
Federal Grants	147,176,805	144,563,594	151,019,888	155,331,215	2.9%
State Grants	23,429,499	25,803,511	23,856,258	19,711,016	-17.4%
Transient Accommodations Tax	93,865,000	104,918,332	108,213,000	106,674,000	n/a
Public Service Company Tax	48,065,000	49,600,610	56,792,000	52,000,000	-8.4%
Licenses and Permits	64,645,473	70,221,798	66,213,354	64,772,030	-2.2%
Charges for Services	78,299,180	92,038,811	88,577,233	92,942,208	4.9%
Sewer Charges	246,371,200	379,741,059	356,619,100	252,759,000	-29.1%
Transportation Revenues	46,951,400	53,674,910	49,895,460	53,106,780	6.4%
Solid Waste Revenues	129,175,900	143,135,954	135,455,900	135,560,900	0.1%
Other Revenues	181,451,491	217,215,662	253,437,992	246,093,380	-2.9%
Carry-Over – Unrestricted*	368,899,038	658,390,345	452,263,676	410,122,547	-9.3%
Carry-Over – Restricted*	523,185,068	1,116,782,305	785,962,931	1,086,456,119	38.2%
TOTAL	3,955,007,304	5,104,998,238	4,577,381,734	4,743,387,862	3.6%

Budget and Actual Resources are for the operating budget only, consistent with page D-28 of the Executive Program and Budget Volume I.

*Unrestricted Carry-Over is comprised of General and Highway Fund Carry-Over. Restricted Carry-Over is comprised of Carry-Over in Special Funds.

Uncontrollable Cost Comparison

(in $millions)

SOURCE	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	Percent Change (1)	FY 2027 Proposed	Percent Change (2)
Operating Expenditures						
Executive Agency Budgets	2,111	$1,970	2,265	7.30%	2,362	4.28%
Debt Service	679	547	697	2.65%	726	4.16%
Fringe Benefits	565	455	697	23.36%	697	0.00%
Miscellaneous	273	228	277	1.47%	189	-31.77%
Total Operating Expenditures	3,628	3,200	3,936	8.49%	3,974	0.97%
(1) Percentage change between FY 2026 Budget and FY 2025 Budget						
(2) Percentage change between FY 2027 Proposed and FY 2026 Budget						
Fringe Benefits includes Retirement System Contributions, FICA and Pension, Health Benefits Contributions, and OPEB						

Budget Communication #5, Question 9