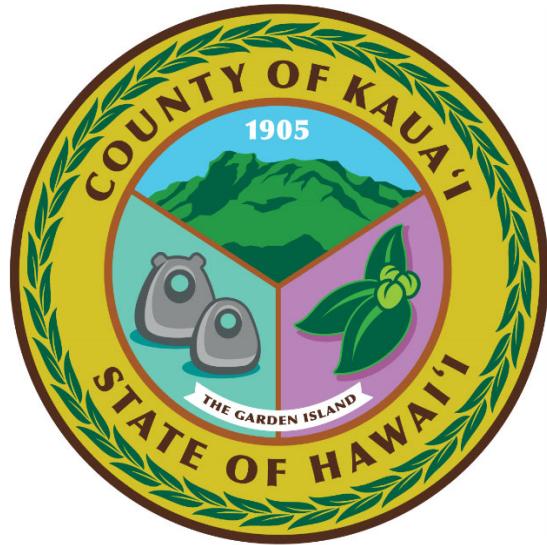


ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
County of Kaua‘i, Hawai‘i

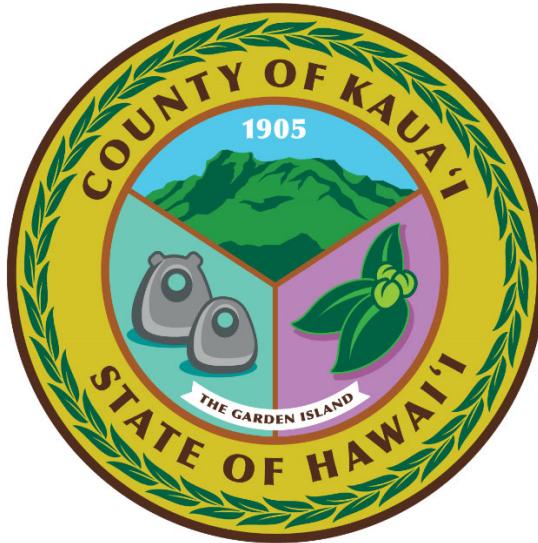


For the Fiscal Year Ended
June 30, 2024

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024

COUNTY OF KAUA'I, HAWAI'I



**Derek S.K. Kawakami
Mayor**

**Chelsie Sakai
Director of Finance**

**Prepared by:
The Department of Finance,
Accounting Division**

**COUNTY OF KAUAI
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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INTRODUCTORY SECTION

DEPARTMENT OF FINANCE

CHELSIE A. SAKAI, DIRECTOR OF FINANCE

MICHELLE L. LIZAMA, DEPUTY DIRECTOR OF FINANCE



DEREK S.K. KAWAKAMI, MAYOR
REIKO MATSUYAMA, MANAGING DIRECTOR

September 23, 2025

Honorable Mayor Derek S.K. Kawakami,
Honorable Mel Rapozo, Council Chair
And Members of the Kaua'i County Council
County of Kaua'i
4444 Rice Street
Līhu'e, Hawai'i 96766

Dear Mayor Kawakami, Chairman Rapozo, and Members of the Council:

The Annual Comprehensive Financial Report (ACFR) of the County of Kaua'i (County), State of Hawai'i (State) for the fiscal year ended June 30, 2024 is hereby submitted.

The ACFR was prepared by the Department of Finance, Accounting Division (Accounting Division). The accuracy of the financial statements and the completeness and fairness of their presentation are the responsibility of the County government. We believe the data presented in the ACFR are complete and accurate in all material respects and are provided in a manner designed to present the financial position and results of operations of the County. All disclosures necessary to convey the maximum understanding of the County's financial activities have been included.

The Department of Finance is tasked with the responsibility of establishing and maintaining an internal control structure and process that is designed to ensure that the assets of the County are protected from loss, theft, or misuse. Furthermore, it is the responsibility of the Accounting Division to compile adequate accounting data to allow for the accurate preparation of the financial statements in conformity with generally accepted accounting principles (GAAP).

Management is required to make decisions and judgments as to the concept of what constitutes reasonable assurance in reviewing the internal control mechanisms. Management must also weigh the cost of the control against the benefit that will likely be attained.

This report includes all funds of the County, including its component unit, the Department of Water (Department), established by the County Charter as a semi-autonomous body of the County government. This component unit is included in the County's reporting entity for fair presentation of the basic financial statements and to be in conformity with GAAP. The Board of Water Supply is appointed by the Mayor and is accountable for the activities of the Department. It would be potentially misleading if omitted in the County's financial reports because of its existing debt issuance, common employee benefits, and other fiscal dependence.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

www.kauai.gov

4444 Rice Street Suite 280 • Līhu'e, Hawai'i 96766 • (808) 241-4200 (b) • (808) 241-6529 (f)
An Equal Opportunity Employer



The Reporting Entity

The County of Kaua'i, commonly known as the "Garden Island", includes the populated island of Kaua'i and Ni'iuhau and has over 73,800 residents, with approximately 99% of the County's population residing on island. The island of Kaua'i has an area of 550 square miles and approximately 137 miles of coastline. Ni'iuhau is a privately owned island encompassing approximately 70 square miles and is inhabited primarily by native Hawaiians. Substantially all the land on Ni'iuhau is dedicated to farming and the raising of cattle and sheep.

Kaua'i is the fourth largest island and is the smallest in size, population, and operating budget amongst the State's four counties. The island of Kaua'i is roughly circular in shape, having a diameter of approximately 32 miles. The population of this island is scattered through a series of coastal towns, extending around three-quarters of its circumference. The mountainous central area (made up of extremely wet uplands and deep canyons) is largely uninhabited.

The County has operated under the Mayor-County Council form of government since 1969. The executive branch of the County is headed by the Mayor who is elected on a non-partisan basis for a four-year term, with a two-term limit. The legislative branch is the County Council which is composed of seven members who are elected at-large on a non-partisan basis, with a limit of four consecutive two-year terms.

There are no subordinate or separate municipal entities within the County's jurisdiction. All powers of the County shall be carried into execution as provided by its Charter or by ordinance of the County Council and Mayor. The State's constitution sets limits on total bonded indebtedness of the County. Under the Constitution and laws of the State, the full faith and credit of the County are pledged to the payment of the general obligation bonds issued. For the payment of the principal and interest on the bonds, the County has the power and is obligated to levy ad valorem taxes.

The County provides a full range of municipal services. These services include Public Safety (police, fire, emergency management, animal welfare, outreach program, highway safety grants, drug related grants, liquor control, lifeguards), Sanitation (wastewater, recycling and solid waste operations), Public Works (engineering, building and construction inspections and approvals), Culture and Recreation (public pools, parks and beaches, golf course, neighborhood centers, recreation programs, beautification program, auditorium, stadium, janitorial, and repair and maintenance of its facilities), Public Welfare (elderly affairs, transportation, housing, community development and assistance programs), Highways and Streets (highway repairs and maintenance, street lights), and General Government (mayor's office, council services, finance, prosecuting attorney, planning, human resources, economic development, and county attorney). The proprietary funds are accounted for separately from the above expense functions because combining the costs would obscure the matching of revenues and expenses of their required fund classification. The ACFR includes all funds of the County.

Services provided by the State are excluded from this report. The State provides the following services: educational, health and welfare benefits, airport and harbor functions, hospitals, State highway system and the judicial system.

The Reporting Entity (continued)

The major revenue sources of the County consist of the following: real property tax, county transient accommodations tax, county surcharge on general excise and use tax, public service company tax, fuel tax, franchise tax, motor vehicle weight tax, commercial and residential refuse fees, and landfill disposal fees. Other revenue sources include Federal and State grants, construction fees, development and impact fees, golf, and wastewater user fees. There are no personal taxes levied by the County.

Economic Conditions and Outlook

Growth prospects for Kaua'i reflect the outlook for the state but with some important differences. Understanding Kaua'i's economic outlook is crucial to navigate the evolving economic landscape. This forecast aims to illuminate key sectors, emerging trends, and potential challenges that influence Kaua'i's economic outlook. Like the other Neighbor Islands, Kaua'i's economy is more specialized in tourism than the state overall. But Kaua'i's economy is also more dependent on US visitors than the other islands. While Kaua'i recently received a small boost in visitors due to substitution effects away from Maui, as it suffers through the wildfire aftermath, a softening US visitor market will limit economic growth on Kaua'i. Housing continues to be a major economic issue on the Garden Island, with cost-of-living pressures and a declining labor force adding to an already very tight labor market. Yet, the entrepreneurial spirit of Kaua'i's residents continues to look for alternative sources of prosperity to diversify its economy, such as a small, but growing, manufacturing sector, and thriving construction and transportation sectors.

Rapid labor force growth has facilitated economic growth, driven by a large increase in the US foreign-born population. This reflects both a rebound in the number of applicants receiving Green Cards and undocumented immigration, although the precise impact of the latter is hard to determine. Labor force growth has allowed the economy to expand at a rapid pace without spurring an acceleration of wages.

Kaua'i County's labor market has seen limited economic growth over the past year. With the labor force down 0.7% from March of 2023, job growth has been limited. Growth in payrolls has been essentially flat over the past year, with year-over-year growth landing at 0.3%. The unemployment rate remains low by historical standards at 2.6% (seasonally adjusted), the lowest rate of all the counties if still higher than before the pandemic began. The sluggish job growth on Kaua'i can be attributed to the decline in its labor force. Since the onset of the COVID-19 pandemic, Kaua'i's labor force has shrunk by 2.5%, a reduction of approximately 1,200 persons. This decrease in the labor force has in turn limited the potential for employment growth.

The construction industry is the only sector that has seen strong growth, with jobs 9% higher than the January 2020 level. The transportation and utilities sector has seen gains of 6% over the same time period. Aside from these industries, most of Kaua'i's job sectors continue to lag significantly behind their pre-COVID levels. These deficits range from 4.5% in the retail trade industry to 17% in the finance and real estate industry.

Home insurance costs are rising substantially across the US due to an increasing number of catastrophic events. Data is not available specifically for Kaua'i or the state, but since November of last year, the rate of increase for tenants and household insurance as measured in the US CPI has exceeded the overall inflation rate by a substantial margin. While some of this increase could be due to higher assessments of risk, part could simply reflect past cost increases that have not previously been passed on to consumers.

Tourism

Several measures of tourism industry performance hit new highs on Kaua'i last year. Following the Maui fires, some visitors who would have gone to Maui chose to visit other counties instead, including Kaua'i. On Kaua'i, visitor arrivals and real (inflation-adjusted) spending hit new highs in the third quarter. However, the recent softness in the US visitor market has led to a pullback from these highs.

In March of 2024, total visitor arrivals to the Garden Island were 5% lower than in March 2023. The average daily visitor census, accounting for the length of stay, was 2.8% below the 2019 level. As noted above, Kaua'i relies more heavily on the US visitor market than does the state overall.

Kaua'i maintains one of the highest per-person visitor spending rates, primarily driven by elevated accommodation costs, which rank just behind Maui. The island's total visitor spending has seen a boost from increasing room rates coupled with a steady influx of US visitors. Inflation-adjusted visitor spending in March was only 1% higher than in March 2023, but 24% higher than in 2019. Even though limited international travelers visit Kaua'i, the strong US dollar further limits their numbers, since the exchange rate acts as a tax, reducing the local purchasing power of foreign tourists.

Real (inflation-adjusted) room rates on the island have remained essentially flat over the past two years, mirroring the pattern seen across the state. But they are substantially higher than before the pandemic: in March 2023 real room rates were 28% above their 2019 levels. Hotel occupancy rates on Kaua'i have also remained quite stable near 75% for the past year. Vacation rentals are seeing much lower occupancy rates around 55%.

The recently approved Senate Bill 2919 aims to address Hawaii's housing crisis by empowering counties to regulate short-term rentals through zoning ordinances. The legislation grants counties the authority to prohibit vacation rentals in residential areas altogether, potentially increasing housing availability for local residents. While there are concerns about the impact on the vacation rental industry, especially given recent controversies on Oahu, Kaua'i already has strict regulations that limit short-term rentals to specific Visitor Destination Areas but allow legally operating rentals outside these zones to be grandfathered in.

Kaua'i's economic landscape remains closely linked with broader state dynamics, and it is heavily influenced by the US visitor market. The Garden Island's economy is expected to face challenges from slowing US tourism and continuing high interest rates. Visitor arrivals will decelerate in the near term, limiting Kaua'i's economic expansion over the forecast horizon.

Housing continues to be a significant challenge on Kaua'i, with high interest rates dampening transactions and creating a "lock-in" effect for existing homeowners. Rising costs, particularly shelter-driven inflation, are concerning and reflect statewide issues that are likely to persist. High housing costs add to recruitment difficulties in an already tight labor market. Legislative efforts aimed at regulating short-term rentals might alleviate some housing pressures, but the high cost of living remains a formidable barrier to economic growth on Kaua'i.

Looking toward the long run, Hawaii, and by extension Kaua'i, faces the prospect of slower economic growth than we have seen in the past. The service-based nature of Hawaii's economy, centered on tourism, limits gains in worker productivity and, consequently, earnings growth. While efforts to diversify the economy may provide some relief, the fundamental

Tourism (continued)

challenges of an aging population and a shrinking labor force loom large. These demographic trends will restrict Kaua'i's labor market expansion and increase fiscal pressures to support social benefits. The community's resilience and ongoing diversification efforts are crucial as Kaua'i seeks to balance immediate economic gains with strategic planning for future stability.

As Kaua'i moves forward, the Island must navigate the delicate balance between leveraging its current economic strengths and preparing for future challenges. The lessons from Maui's recovery and statewide economic policies will be instrumental in shaping Kaua'i's approach to achieving sustainable growth and maintaining its cherished community spirit amidst evolving economic landscapes.

Agriculture / Energy

The island of Kaua'i, known as the "Garden Isle", is ideally suited for agriculture with its fertile volcanic soil, abundant rainfall, and year-around tropical climate. Coupled with a rich agricultural history and strong political and community support, the island offers an excellent environment for diverse, income-producing agricultural enterprises.

Kaua'i Coffee Company, with over 4 million coffee trees on 3,100 acres, is the largest coffee grower in the United States. Although relatively new to the global coffee scene, Kaua'i Coffee is at the forefront of coffee production technology. The company utilizes remote sensing technology to inform farm practices and continuously improves efficiencies throughout the coffee production chain. The company demonstrates a strong commitment to environmentally friendly and sustainable farming. With over 2,500 miles of drip tubing, Kaua'i Coffee is the largest drip irrigation coffee estate in the world. The company has instituted an orchard sustainability program that includes farm-wide cover cropping and an engineered composting program. These measures will improve soil health, reduce synthetic herbicide and fertilizer use, reduce irrigation demands, and produce better coffee cup profiles for many years to come. Kaua'i Coffee Company is owned by Massimo Zanetti 52 Beverage USA, the North American operating unit of the global coffee company, Massimo Zanetti Beverage Group.

Kaua'i Shrimp is an impressive, vertically integrated shrimp farming operation that spans 258 acres on the County's west side, previously used for sugar cane cultivation.

Located adjacent to the ocean, this facility boasts a Specific Pathogen Free (SPF) certified breeding center, hatchery, and farm. Annually, it produces over half a million pounds of premium Pacific White Leg shrimp certified by the World Organization of Animal Health as free from notifiable viruses, bacteria, and parasites—a testament to its high standards and innovative practices.

Corteva Agriscience is a global leader in the development and supply of non-GMO seeds, offering unique and high-quality corn seed varieties to farmers worldwide. Operating from the Waimea Research Center and spanning approximately 1,200 acres on the County's west side.

Agriculture / Energy (continued)

Corteva Agriscience's research and development team is dedicated to creating seed varieties poised to significantly advance global agriculture. Beyond seed corn, they also facilitate special incubator projects focused on sustainably growing crops like taro and cassava, aiming to enhance food security both domestically and internationally. With over 140 full-time employees and an additional 60 employees during peak season, Corteva Agriscience demonstrates a strong commitment to a sustainable agriculture industry. The company invests in initiatives that enhance sustainability and environmental stewardship, including the installation of photovoltaic systems, incorporation of cover crops, implementation of erosion control measures, and development of water conservation infrastructure. In recognition of these efforts, Corteva Agriscience was recently honored as the West Kaua'i Soil and Water Conservation District's Water Conservationist of the Year.

Hartung Brothers, Inc. is a family owned and operated business that specializes in contract growing, processing, and distributing various agricultural products. Situated in Kekaha, they work with a wide range of crops, including vegetables, field crops, and specialty crops. Their seed research and development operations enable them to offer end-to-end turn-key services, including contract research and development, foundation seed production, pilot hybrids, and hybrid production, processing, warehousing, and distribution. In recent years, Hartung Brothers has expanded production to include alfalfa for livestock feed. Already growing hay for livestock, Hartung Brothers hopes to help improve food security and offers customers alfalfa cubes as a sustainable and affordable feed alternative for Hawaii's livestock industry.

Aloun Farms, one of the State's largest commercial vegetable growers, recently began expansion of their farm business from Oahu to Kaua'i. Their long-term vision includes transitioning the bulk of their growing and processing operation to the County, where land access, water access, and political support better foster an economically feasible agriculture model. The family farm operation continues to maintain its strong distribution network across the State and is committed to reducing the State's dependence on imported food. The move to the County is another step to realizing food security for the State. The arrival of this large food producer is expected to drive investments in aging ag-support infrastructure, attract agricultural supply and ancillary service businesses, and improve market access opportunities for the entire County's agricultural industry.

Pacific Biodiesel is the nation's longest operating biodiesel producer whose mission is to promote clean sustainable energy through community-based production of renewable fuels. Founded on Maui in 1995, the company has recently expanded their agriculture-based biofuel operation to the County to support the U.S. Army's climate strategy and the State's circular economy. Pacific Biodiesel's Kaua'i operation grows oilseed crops for energy security, food security and supply chain resiliency. Building on a 2011 biofuel crop project, this expansion to the County includes expanding their crop production to a goal of minimum 1,000 acres and will include production of biofuel with food crop rotations included. The production model includes expanded production of high value culinary oils and other value-added food products such as animal feed, glycerin, and potassium salt cakes that may be substituted for petroleum-based fertilizers. Their holistic approach to farming 53 and energy production for a circular economy will continue to utilize local resources and build local jobs, ultimately accelerating the County's pathway to 100 percent renewable electricity production by 2033 and supporting community resiliency as the world continues to feel the effects of climate change.

Agriculture / Energy (continued)

The County grows nearly all the State's wetland taro. A 2021 paper published by the Hawaii Department of Agriculture measured that wetland taro accounts for 269 planted acres with 189 acres harvested, resulting in 2,632,000 pounds, respectively 13,926 pounds per acre. This translates to \$3,275,000, equivalent to \$1.24 per pound.

The County hosts 20 percent of the State's USDA GAP certified farms, highlighting the County's commitment to enhancing food safety and expanding market access for its agriculture industry. This achievement underscores the County's leading role in building robust food safety assurances and driving the growth of its agricultural sector.

The County's strong agricultural industry is stable and diversified and expected to grow for years to come.

High Technology

Technology and defense play an important role in Kaua'i's economy with the Pacific Missile Range Facility ("PMRF"), a major employer at Barking Sands Airport on Kaua'i's west side. PMRF is the world's largest instrumented multi-environment range facility for supporting, testing and training battle operations and national defense objectives for the Department of Defense and other government agencies. Additionally, PMRF provides fleet training for the U.S. Navy and the navies of allied nations and plays a significant role in the testing and evaluation of future systems, including the AEGIS ballistic missile defense system and upcoming Terminal High Altitude Air Defense system. PMRF is one of Kaua'i's largest employers with nearly 900 active-duty Navy, Hawaii Air National Guard members, defense civilians, and civilian contractors. PMRF's prime contractor is Manu Kai, LLC, providing base support as well as high-tech range safety and scheduling operations. Numerous other contractors, both on and off Kaua'i, are associated with PMRF.

PMRF's annual impact to the County's economy exceeds \$150 million. This amount does not include an additional estimated \$3 to \$4 million spent each year in visitor industry dollars associated with the surge populations experienced during large test events. In the very near future, test and evaluation programs such as directed energy, electric weapons, hypersonic weapons, and unmanned vehicle systems will further diversify PMRF and the County's high technology industry.

With the advancement of internet and broadband technology, Kaua'i's tech workforce is diverse specifically in the fields of science, software, engineering, techno-tourism and agribusiness. Kaua'i Community College continues to provide education and training for advanced technology careers. Long-time tech employer Advanced Silicon Carbide Materials continues to expand its employee base. Two new co-working spaces provide the right environment to seed technology companies and organizations such as Kaua'i Community Science Center are preparing our young workforce for STEM careers. The emerging industries are in the areas of innovation, energy and ag-tech.

Major Initiatives and Achievements

The County's capital improvement projects that are in-progress, completed, or substantially completed during the year include the 'Ōpaeka'a Bridge replacement, Pu'u'opae Bridge

Major Initiatives and Achievements (continued)

Replacement, Lydgate/Kapa'a bike and pedestrian path, Koloa Road Improvements, Līhu'e Wastewater Improvements, Yasutake Bridge Replacement, Lima Ola Preliminary Infrastructure, Lima Ola Supportive Housing, Kilauea Land Purchase, Laukona Park Improvement Design, Brian J. Baptiste Sports Complex Stadium improvements, 'Aliomanu Road Repavement, Oloheña, Kukui and Ulu Road improvements, Waimea Levee Pump Station, Ele'ele Subdivision Wastewater Collection System Rehabilitation, Hanapepe Stadium Improvements, and Waimea Canyon Park ADA Improvements.

The Department of Public Works administers the sewer credit relief program for qualified low-income residential users. A total of 4,520 credits at \$20.00 per month were issued to eligible residential users that amounted to \$100K in savings for households in fiscal year 2024. The General Fund subsidized the sewer credit relief program.

Long-term Financial Planning

No new General Obligations Bonds (GO Bonds) were issued during the current fiscal year. The appropriated balance in the Bond Fund amounted to \$4.2 million. The following major projects have been appropriated for:

- Land Information Management Plan	- Helicopter Hanger (Construction)
- Niumalu Bridge Replacement	- BMPS Refuse Station upgrades
- Kawaihau, Haualla, and Maluhia Road improvements	- Kapa'a Police Sub-station

Budgeting Controls

The County maintains a budgetary control system that enables County departments to comply with legal provisions incorporated in the annual budget ordinance and capital improvement budgets as approved by the County Council.

The County Charter requires that the annual operating budget ordinance be balanced. Financial reports or "Detail Budget Reports" are provided monthly to each department, enabling management to monitor the enacted budget appropriations, including current budget amendments with the expenditures and encumbrances that were charged to the appropriation. The County does not perform formal multi-year forecasts and budgeting. Certain budget amendments need Council approval and are detailed in the operating budget ordinance and charter provisions.

Employee Union Contracts

Public Safety:

State of Hawai'i Organization of Police Officers (SHOPO) – July 1, 2021 to June 30, 2024:
Arbitrated across the board increases (ATB) as follows:

July 1, 2021: Continue step movement plan.
July 1, 2022: 5% ATB increase; continue step movement plan.
July 1, 2023: 5% ATB; continue step movement plan.
July 1, 2024: 5% ATB; continue step movement plan; lump sum bonus (\$1,800 - \$2,000).

Hawai'i Fire Fighters Association (HFFA) – July 1, 2021 to June 30, 2024

July 1, 2021: Continue step movement plan.
July 1, 2022: 3% ATB; continue step movement plan.
July 1, 2023: 4% ATB; continue step movement plan.
July 1, 2024: 4% ATB; continue step movement plan.

Clerical and Professional:

Bargaining Unit 2 – July 1, 2021 to June 30, 2024

July 1, 2021: 1% lump sum.
July 1, 2022: 3.72% ATB.
July 1, 2023: 5% ATB.
July 1, 2024: 5% ATB.

Clerical and Professional:

Bargaining Unit 3 – July 1, 2021 to June 30, 2024

July 1, 2021: \$1,000 lump sum.
October 1, 2022: 3.72% ATB.
July 1, 2023: 5% ATB.
July 1, 2024: 5% ATB.

Bargaining Unit 4 – July 1, 2021 to June 30, 2024

July 1, 2021: 1% lump sum.
July 1, 2022: 3.72% ATB.
July 1, 2023: 4.96% ATB.

<u>Uniform maintenance allowance:</u>	<u>Meal allowance:</u>
- Full uniform \$25	- Breakfast \$8
- Button shirt, trousers, or jacket \$15	- Lunch \$10
- T-shirt and/or shorts \$10	- Dinner \$12

July 1, 2024: 5% ATB.

Bargaining Unit 13 – July 1, 2021 to June 30, 2024:

July 1, 2021: 2% lump sum for employees on step M; continue step movement plan.
July 1, 2022: 2% ATB; continue step movement plan.
July 1, 2023: 4% ATB; continue step movement plan; Step C is eliminated.
July 1, 2024: 3.59% ATB; continue step movement plan.

Employee Union Contracts (continued)

Bargaining Unit 15 – July 1, 2021 to June 30, 2024:

July 1, 2021:	1% lump sum; continue step movement plan.
July 1, 2022:	3% ATB; continue step movement plan.
July 1, 2023:	4% ATB; continue step movement plan.
July 1, 2024:	4% ATB; continue step movement plan.

Utility and Janitorial:

United Public Workers (UPW) – July 1, 2021 to June 30, 2024:

July 1, 2021:	\$1,000 lump sum.
October 1, 2022:	3.72% ATB.
July 1, 2023:	5% ATB.
July 1, 2024:	5% ATB.

Independent Audit

The County Charter requires an annual financial audit by licensed and independent certified public accountants at least once every two years, or as deemed necessary. The financial statements are audited on an annual basis. The basic financial statements in this report have been audited by N&K CPAs, Inc., which includes the financial statements of the Department, an enterprise fund included in the government-wide financial statements as a discretely presented component. The County is also required to have an annual “single audit” in conformity with the requirements of Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information pertaining to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the report of the independent auditors on the internal controls and compliance with all applicable laws and regulations are included in a separate report and has been audited by N&K CPAs, Inc.

Acknowledgments

The preparation of the ACFR could not have been accomplished without the commitment, dedication, and efforts of the Accounting Division. We extend our appreciation to the other divisions within the Finance Department and the assistance provided from fiscal personnel in other County departments. We also thank the Mayor and the County Council for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

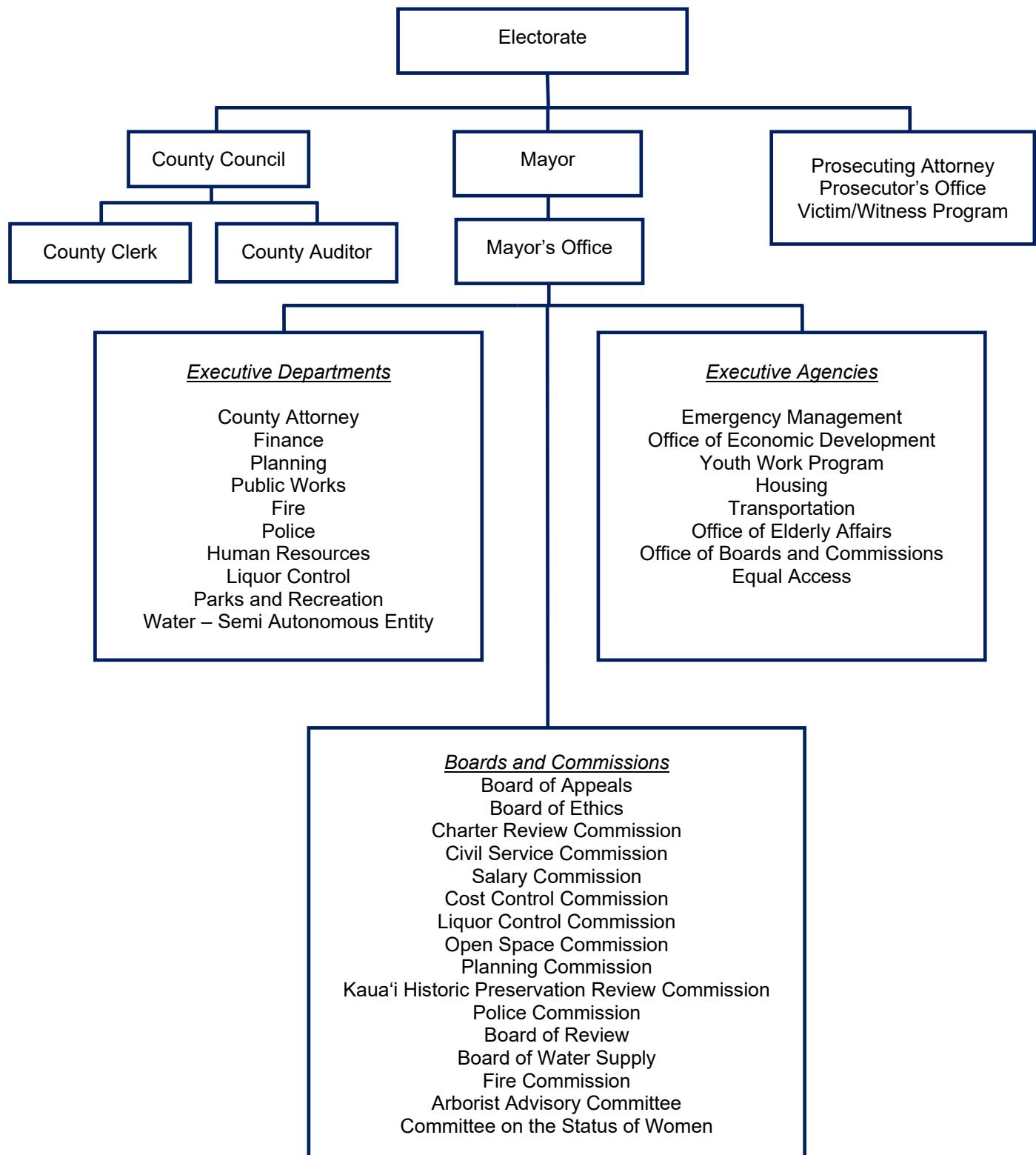
Respectfully submitted,



Chelsie Sakai
Director of Finance

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County of Kaua'i Organization Chart



**COUNTY OF KAUAI
PRINCIPAL ELECTED OFFICIALS
2022 - 2024 TERM**

County Council Members

Mel Rapozo	Chair
KipuKai Kuali'i	Vice-Chair
Addison Bulosan	Member
Bernard P. Carvalho, Jr.	Member
Felicia Cowden	Member
Bill DeCosta	Member
Ross Kagawa	Member

Mayor

Derek S.K. Kawakami

Prosecuting Attorney

Rebecca V. Like

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Chair and Members of the County Council
County of Kaua'i
Lihue, Kaua'i, Hawai'i

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the discretely presented component unit, and the aggregate remaining fund information of the County of Kaua'i, State of Hawai'i (County), as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Kaua'i, State of Hawai'i, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the General Excise Tax Fund, the Housing and Community Development Revolving Fund and the Solid Waste Disposal Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Adjustment to Prior Period Financial Statements

As discussed in Note 20 to the financial statements, errors related to government liabilities and an investment account for the fiscal year ending June 30, 2023 were determined by management of the County. Accordingly, the accompanying financial statements have been restated to correct these errors. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 18 through 30, the schedule of the County's proportionate share of the net pension liability on page 117 and 118, the schedule of employer pension contributions on page 119 and 120, schedule of changes in the net OPEB liability and related ratios on page 122, and the schedule of contributions (OPEB) on page 123 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual fund financial statements and the schedules of revenues, expenditures, and changes in fund balance - budget and actual (Non-GAAP budgetary basis) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and the schedules of revenues, expenditures, and changes in fund balance - budget and actual (Non-GAAP budgetary basis) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2025 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

N&K CPAs, Inc.

Honolulu, Hawai'i
September 23, 2025

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The management of the County of Kauai (the County) offers to readers a narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-10 of this report and the financial statements that follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$544.79 million (net position).
- The County's total net position increased by \$125.64 million during the current fiscal year.
- At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$76.41 million, 43.65% of total General Fund expenditures.
- The County recorded a prior period adjustment to beginning net position in business-type activities of \$8.81 million. The prior period adjustment was due to an overstatement of sewer fund liabilities and an understatement of capital contributions to sewer fund. The adjustment resulted in an overall increase to net position in business-type activities.

Additional information can be found in Note 20 in the notes to the basic financial statements.

Governmental Activities

The assets and deferred outflows of the governmental activities exceeded its liabilities and deferred inflows at the close of the fiscal year by \$414.13 million in its government-wide financial statements; an increase of \$92.65 million from the prior year. Restricted net position increased by \$34.05 million, ending at \$82.64 million. Unrestricted net position is reported as a deficit of (\$160.35) million, improving by a positive \$39.25 million from the prior year.

The following explains the significant changes in net position in governmental activities:

- Expenses increased by \$38.3 million and ended at \$298.4 million as compared to \$260.1 million from the prior year.
- Program revenues increased by \$21.4 million and ended at \$138.4 million or 15.5% from the prior year.
- General revenues and transfers increased by \$24.1 million and ended at \$252.7 million or 10.5% from the prior year.
- Total revenues and transfers exceeded expenses by \$92.7 million, increasing net position.
- Assets, including capital assets, ended at \$1.04 billion; an increase of \$84.1 million or 8.8% from the prior year.

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Business-type Activities

The assets and deferred outflows of the business-type activities exceeded its liabilities and deferred inflows at the close of the fiscal year by \$130.7 million in its government-wide financial statements, an increase of \$33 million from the prior year. Restricted net position remained relatively flat, ending at \$1.2 million. Unrestricted net position was \$5.5 million, increasing by \$4 million from the prior year. The business-type activities recorded in the government-wide financial statements are identical to the proprietary funds except for some consolidation of inter-fund receivables and payables within the primary government.

The following explains the significant changes in net position in business-type activities:

- Expenses increased to \$24.6 million, up \$4.6 million from the prior year.
- Program revenues increased to \$34.5 million, up \$11.7 million from the prior year.
- Revenues and transfers exceeded total expenses by \$33 million, increasing net position.
- Assets, including capital assets, ended at \$178.5 million; an increase of \$24 million or 15.6% from the prior year.

Governmental Funds

As of the close of the fiscal year, the County's governmental fund financial statements reported a combined ending fund balance of \$313.34 million, an increase of \$57.4 million from the prior year.

The General Fund balance at June 30, 2024 amounted to \$119.5 million, an increase of \$13.7 million from the prior year. The General Fund balance consisted of \$0.5 million in restricted fund balance, \$40 million in committed fund balance, \$2.6 million in assigned fund balance, and \$76.4 million in unassigned fund balance. In December 2011, the County established a Reserve Fund Policy maintained within the General Fund. At June 30, 2024, the reserve fund balance amounted to \$70.3 million and is currently reported in committed fund balance (\$22.9 million) and unassigned fund balance (\$47.4 million).

Additional information can be found in Note 16 in the notes to the basic financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A serves as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. Accordingly, it presents the financial picture of the County from the economic resources measurement focus using the accrual basis of accounting.

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Government-wide Financial Statements (continued)

The Statement of Net Position presents information on all the County's assets (including capital and infrastructure assets), plus deferred outflows of resources, less liabilities (including long-term debt), less deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. As such, revenues and expenses, including depreciation expenses, are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are primarily supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include General Government, Public Safety, Public Works, Highways and Streets, Sanitation, Culture and Recreation, and Public Welfare. The business-type activities of the County include three enterprises: Public Housing Fund, Sewer Fund, and Golf Fund.

The government-wide financial statements include the governmental activities and business-type activities of the County (known as the primary government) and the Department of Water (Department), which is a semi-autonomous entity, and is reported separately from the primary government as a discretely presented component unit. Complete financial statements of the Department, which include its MD&A, may be obtained from the Department of Water at 4398 Pua Loke, Lihu'e, Kauai, Hawaii, 96766.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and GASB Statement No. 54 to define and classify the existing governmental fund types. All funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. These funds are reported using the modified-accrual basis of accounting.

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Governmental Funds (continued) - Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

The Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities which is required for Generally Accepted Accounting Principles (GAAP) reporting.

The County's governmental fund types are the General, Special Revenue, Debt Service and Capital Improvement Funds. Governmental fund financial statements include a Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances. The General Fund, General Excise Tax Fund, Housing and Community Development Revolving Fund, Solid Waste Disposal Fund, Bond Fund, Federal Grants Fund, State Grants Fund, Grants Capital Improvement Fund, and General Capital Improvement Fund are considered major funds. Balances from the remaining 17 non-major governmental funds are combined into a single, aggregated presentation as Other Governmental Funds. Budgetary comparisons have been provided for the General Fund and major Special Revenue Funds (General Excise Tax Fund, Housing and Community Development Revolving Fund, and Solid Waste Disposal Fund) to demonstrate compliance with its annual appropriated budget as required for GAAP financial statements.

Proprietary Funds - Services for which the County charges fees to customers are reported as proprietary funds. Similar to the government-wide financial statements, the proprietary fund statements report both long-term and short-term financial information. The County's proprietary funds include the Public Housing Fund, Sewer Fund, and Golf Fund.

Fiduciary Funds - Fiduciary funds are custodial in nature and used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and is part of the basic financial statements. The notes to the financial statements can be found on pages 51 - 115 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension and postemployment benefits other than pension (OPEB) to its employees. Required supplementary information can be found on page 117 -124 of this report.

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Other Supplementary Information

The combining statements referred to earlier in connection with non-major governmental funds and budgetary comparison schedules (including Capital Improvement Funds and Bond Fund) for legally adopted annual budgets are presented immediately following the required supplementary information on pensions and OPEB. Other supplementary information can be found starting on page 125.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of the Statement of Net Position as of June 30, 2024 and 2023:

Summary Statement of Net Position (Amount in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023 (as restated)	2024	2023 (as restated)
Current and other assets	\$ 448.64	\$ 374.44	\$ 28.76	\$ 26.62	\$ 477.40	\$ 401.06
Capital assets	591.90	581.96	149.76	127.86	741.66	709.82
Total Assets	<u>1,040.54</u>	<u>956.40</u>	<u>178.52</u>	<u>154.48</u>	<u>1,219.06</u>	<u>1,110.88</u>
Deferred Outflows of Resources	64.45	59.19	2.25	2.34	66.70	61.53
Non-current liabilities	507.29	501.47	41.05	47.09	548.34	548.56
Other liabilities	132.66	115.79	2.99	4.62	135.65	120.41
Total Liabilities	<u>639.95</u>	<u>617.26</u>	<u>44.04</u>	<u>51.71</u>	<u>683.99</u>	<u>668.97</u>
Deferred Inflows of Resources	50.91	76.84	6.08	7.45	56.99	84.29
Net position:						
Net investment in capital assets	491.84	472.49	124.01	94.91	615.85	567.40
Restricted	82.64	48.59	1.16	1.16	83.80	49.75
Unrestricted	(160.35)	(199.60)	5.49	1.59	(154.86)	(198.01)
Total Net Position	<u>\$ 414.13</u>	<u>\$ 321.48</u>	<u>\$ 130.66</u>	<u>\$ 97.66</u>	<u>\$ 544.79</u>	<u>\$ 419.14</u>

As noted earlier, net position may serve over time as a useful indicator of the County's financial condition. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$544.8 million at the close of the fiscal year.

The largest portion of the County's net position reflects its net investment in capital assets, ending at \$615.9 million or 113.0% of net position. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

The County's restricted net position category represents \$83.8 million or 15.4% of net position. These restrictions on net position are imposed by enabling legislation or parties outside the government (such as creditors, grantors, contributors, laws or regulations of other governments).

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The difference between total net position and the two categories just discussed (net investment in capital assets and restricted net position) is the unrestricted net position. As of June 30, 2024, the County's governmental and business-type activities have significant unfunded liabilities for pension and OPEB liabilities totaling \$276.2 million and \$70.4 million, respectively. These unfunded liabilities contributed to a deficit of (\$154.8) million or (28.4%) of unrestricted net position.

The following is a summary of the Statement of Activities for the fiscal years ended June 30, 2024 and 2023:

	Summary Statement of Activities (Amount in millions)						Total Primary Government	
	Governmental Activities		Business-type Activities		2023 (as restated)	2024		
	2024	2023	2024	2023	2024	2023 (as restated)		
Revenues:								
Program revenues:								
Charges for services	\$ 27.40	\$ 26.90	\$ 15.51	\$ 12.99	\$ 42.91	\$ 39.89		
Operating grants and contributions	99.43	77.00	--	--	99.43	77.00		
Capital grants and contributions	11.54	13.06	18.97	9.75	30.51	22.81		
General revenues:								
Property taxes	217.92	190.74	--	--	217.92	190.74		
Other taxes	43.78	42.88	--	--	43.78	42.88		
Other	14.09	2.91	(0.03)	0.28	14.06	3.19		
Total Revenues	414.16	353.49	34.45	23.02	448.61	376.51		
Expenses:								
General government	49.24	37.98	--	--	49.24	37.98		
Public safety	88.69	74.23	--	--	88.69	74.23		
Public works	10.18	17.87	--	--	10.18	17.87		
Highways and streets	30.95	31.50	--	--	30.95	31.50		
Sanitation	34.16	29.28	--	--	34.16	29.28		
Culture and recreation	26.21	22.07	--	--	26.21	22.07		
Public welfare	54.97	42.96	--	--	54.97	42.96		
Interest on long-term debt	4.00	4.22	--	--	4.00	4.22		
Housing programs	--	--	4.51	4.04	4.51	4.04		
Sewer	--	--	16.68	13.18	16.68	13.18		
Golf	--	--	3.38	2.77	3.38	2.77		
Total Expenses	298.40	260.11	24.57	19.99	322.97	280.10		
Increase (Decrease) before transfers	115.76	93.38	9.88	3.03	125.64	96.41		
Transfers	(23.11)	(7.97)	23.11	7.97	--	--		
Change in Net Position	92.65	85.41	32.99	11.00	125.64	96.41		
Net Position, July 1	321.49	236.08	97.66	86.66	419.15	322.74		
Net Position - Ending	\$ 414.14	\$ 321.49	\$ 130.65	\$ 97.66	\$ 544.79	\$ 419.15		

In the current fiscal year, total government-wide revenues increased from the prior year by approximately \$72.1 million and government-wide expenses increased by approximately \$42.9 million. Total revenues exceeded expenditures and transfers, ultimately increasing net position by \$125.6 million.

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The major components of the changes in government-wide revenue were:

Governmental Activities

Operating grants and contributions increased by \$22.4 million from the prior year. Increases in operating grants and contributions were primarily attributable to an increase in activity for Section 8 grants, as well as an increase in State Transportation Program (STP) expenditures for road improvements. Capital grants and contributions slightly decreased by \$1.5 million from the prior year. The slight decrease was due to the increase in federal grant funding more road improvements projects.

The County's real property taxes billed (revenues on full accrual basis) increased by \$31.3 million or 14.3%. This revenue growth was once again primarily attributable to new construction, a slight increase in number of taxable properties, and a rebound in Hotel & Resort values post COVID-19. In the current fiscal year, the total amount billed was \$218 million as compared to \$191 million in the prior year. The gross assessed values increased by approximately \$4.8 billion (or 16.1%) from \$29.9 billion to \$34.7 billion in the current year, while the net taxable values increased by approximately \$4.5 billion (or 16.9%) from \$26.3 billion to \$30.8 billion in the current year. There was a total of 1,426 appeals as compared to 328 appeals in the previous year. Most of the appeals were from the Hotel & Resort (44.5%) tax class whereas the prior year appeals were concentrated in the Agricultural (40.2%) tax class. The total assessed value being contested was approximately \$799.9 million, compared to \$425.6 million in the prior year. Tax credits for the two tax relief programs, Very Low Income and Home Preservation Limit, amounted to approximately \$0.3 million and were awarded to 267 recipients.

Business-type Activities

Capital grants and contributions increased by \$9.2 million from the prior year. The increase in capital grants and contributions were primarily attributable to an increase in construction of various affordable housing development projects in the prior year, including the Lima Ola housing development and the Kilauea land purchase

The major components of the changes in government-wide expenses were:

Governmental Activities

Overall, expenses increased by approximately \$38.3 million from \$260.1 million to \$298.4 million in current year. Current year increase in expenses was partially attributable to the accrual of the Temporary Hazard Pay (THP) expenses of \$15.8 million, which was settled prior to the issuance of the ACFR. Current year increase in expenses were also due to increases in payroll and payroll related expenditures such as pension and OPEB. A large expense came from the funding of OPEB; whereby, qualified employees are promised specific healthcare benefits upon separation or retirement. The County paid 100% of its annual required contribution (ARC), amounting to \$17.6 million in the current fiscal year. The County's ARC is calculated by the actuary contracted by the Hawai'i Employer-Union Health Benefits Trust Fund (EUTF). The actuary also provided the information needed for financial statement reporting and footnote disclosures. EUTF administers the healthcare benefit plan and develops the annual funding requirements based on the present value of benefits of the actuarial accrued liability using the entry age normal method for calculation.

Additional information can be found in Note 13 in the notes to the basic financial statements and required supplementary information other than MD&A.

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Business-type Activities

Overall expenses increased slightly from the prior year by \$4.6 million. Current year expenses were primarily attributable wastewater operations and improvements.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. The County follows GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which primarily establishes a hierarchy of fund balance classifications based on constraints placed on the use of these resources.

As of the end of the current fiscal year, the County's governmental fund balances increased by \$57.4 million, ending at \$313.3 million. The increase in fund balances is primarily attributable to a combination of factors including increases in expenditures related to various construction projects and land acquisitions, along with current year increases in finance purchases and loans; offset by increased revenues from County TAT and improved real property tax collections. Fund balances are reserved to indicate that it is not available for new spending because it is in non-spendable form (\$0.9 million), has already been committed to liquidate contracts and purchase orders (\$61.4 million), pay debt service (\$1.6 million), and/or certain other restricted and/or designated purposes (\$152.8 million).

The following table summarizes the changes in fund balances of the County's governmental funds as of June 30, 2024 in comparison to fiscal year 2023:

	Changes in Fund Balances (Amount in millions)			Totals	
	General Fund	Major Governmental Funds	Non-major Governmental Funds	2024	2023
Revenues					
Taxes	\$ 251.96	\$ --	\$ 9.74	\$ 261.70	\$ 233.47
Other	<u>15.43</u>	<u>111.14</u>	<u>26.16</u>	<u>152.73</u>	<u>119.90</u>
Total Revenues	<u>267.39</u>	<u>111.14</u>	<u>35.90</u>	<u>414.43</u>	<u>353.37</u>
Expenditures	<u>175.06</u>	<u>120.60</u>	<u>44.56</u>	<u>340.22</u>	<u>285.27</u>
Excess (deficiency) of Revenues over Expenditures					
	92.33	(9.46)	(8.66)	74.21	68.10
Transfers and others	<u>(78.58)</u>	<u>31.31</u>	<u>30.45</u>	<u>(16.82)</u>	<u>0.93</u>
Net Changes in Fund Balances	<u>\$ 13.75</u>	<u>\$ 21.85</u>	<u>\$ 21.79</u>	<u>\$ 57.39</u>	<u>\$ 69.03</u>

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position can be found on page 35. The major differences relate to certain financial resources and expenditures such as debt financing and capital outlays that are included in the changes in governmental fund balances but are not reported in the changes in net position.

General Fund - The General Fund is the chief operating fund of the County. Total revenues in the General Fund amounted to \$267.4 million, or an increase of \$33 million as compared to the prior year. As noted previously, the County reported an unassigned fund balance of \$76.4 million; of which, \$70.3 million represents the County's Reserve Fund. The unassigned fund balance decreased by \$0.8 million, as compared to the prior year and may be attributable to the cumulative effect of the following key factors:

- An increase of \$10.2 million of expenditures due to the THP payment for HGEA, UPW and SHOPO unions.
- An increase of \$27.3 million or 14.3% in property tax revenue, primarily due to increasing values and hotel and resort taxes post COVID-19.
- An increase of \$4.7 million or 94% in investment income, primarily due to the favorable market during the fiscal year.
- Total expenditures increased by \$23.2 million or 15.3%, ending at \$174.8 million, primarily due to increases in salaries and wages, which inherently increased Pension expenses and OPEB expenses. Expenditures primarily increased due to the aforementioned THP payment.

Major Governmental Funds - In the current fiscal year, the General Excise Tax Fund, Housing and Community Development Revolving Fund, Solid Waste Disposal Fund, Bond Fund, Federal Grants Fund, State Grants Fund, Grants CIP Fund and General CIP Fund, is presented as major governmental funds versus other governmental fund, as reported in the prior fiscal year. The threshold criteria to be classified and presented as a major governmental fund were met, due to the amounts reported on its Balance Sheet. Major governmental fund revenues increased by \$26 million from \$85.1 million to \$111.1 million in the current fiscal year. The increase was primarily attributable to a combination of the following:

- General Excise Tax Fund revenues increased by \$3.5 million over the prior year due to increases in spending activity from visitor arrivals and overall increases in prices of goods and services.
- Solid Waste Fund revenues increased by \$4 million from the prior year due to a significant increase in investment income, attributed to the favorable market.
- State Grants Fund overall revenues increased by \$7.8 million over the prior year due to increases in emergency management grant in aid received for public safety, public works, and public welfare Act 35 emergency disaster projects received from the State
- Federal Grants Fund overall revenues increased by \$12.4 million due to increases in capital outlay as well as increases in Surface Transportation Program (STP) grants expended.

Total expenditures increased by \$27.5 million from \$93 million to \$120.6 million in the current fiscal year. The increase was primarily attributable a combination of the following:

- Solid Waste Disposal Fund expenditures increased by \$5 million. The increase was attributed to an increase in capital outlay in the current year. Expenditures exceeded revenues by \$14.1 million; however, the deficiency was offset by increases due to the

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Major Governmental Funds (continued)

issuance of new leases, additional loans, and transfers from the General Fund of approximately \$20.4 million. The overall result was a positive net change in fund balance of \$6.7 million.

- Federal Grants Fund expenditures increased by \$12.4 million due to increases in capital outlay as well as increases in Surface Transportation Program (STP) grants expended.
- State Grants Fund expenditures increased by \$7.8 million from the prior year due to increases in emergency management grant in aid received for public safety, public works, and public welfare Act 35 emergency disaster projects received from the State
- General Capital Improvement Fund expenditures increased by \$5.8 million, primarily due to the start of major construction projects in the current year.

Budgetary Highlights

The General Fund exceeded its estimate of budgeted revenues by \$17.1 million. The General Fund lapsed \$5.3 million of budgeted appropriations at year end. General Fund contribution to other funds amounted to \$82.8 million in the current fiscal year, an increase of \$22.5 million as compared to the prior year. Fund budgetary expenditures differ from the fund expenditures in that the encumbrances at year end are accounted for as expenditures for budgetary purposes. The original budget amount in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) include re-appropriated and committed prior-period encumbrances.

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) provides the reader the assurance of compliance to the budget ordinance. Only budgeted funds have this type of financial statements.

Estimated budgeted General Fund revenues for the fiscal year ended June 30, 2024 was \$250.2 million as compared to \$215 million in the prior year, an increase of \$35.2 million. As noted previously, County RPT significantly increased during the current fiscal year. County taxes was originally budgeted at \$245.4 million; however, actual tax revenue collected was \$252 million. Interest from investments was budgeted at \$0.2 million; however, ended in a \$9.7 million variance primarily favorable investment market performance.

Final amended budgeted expenditures in the General Fund for fiscal year ended June 30, 2024 increased by \$23.9 million, ending at \$193.9 million. The general government function budget increased by 18.6%, public safety function increased by 11.4%, public works function increased by 10.6%, culture and recreation function increased by 8.4%, and public welfare function increased by 12.1%. Overall increases are primarily due to increased spending on capital outlay as well as increases related to salaries, overtime, and fringe related benefit costs with the continued growth of the County.

The following represent major variances in the final amended budget to actual expenditures in the General Fund:

- Council Services had a favorable variance of approximately \$1.6 million, of which, were primarily attributable to unexpended salaries, fringe and benefits, unexpended other services.

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Budgetary Highlights (continued)

- Administration department had an unfavorable variance of \$2.1 million, which was primarily due to the THP payments as mentioned previously
- Less than anticipated claims were paid out of the self-insurance account in the current fiscal year, creating a favorable variance of \$1.8 million. The purpose of this account is to prepare for unanticipated and unpredictable future claims.
- Finance department had a favorable variance of \$3 million, which was primarily attributable to unexpended salaries, fringe and benefits and a favorable variance of \$1.7 million for contribution and refunds for real property taxes.
- Human Resources department had an unfavorable variance of \$2.1 million, which was attributable to the THP payments as mentioned previously.
- Police department had an unfavorable variance of \$3 million, which was attributable to the THP payments as mentioned previously.
- Fire department had a favorable variance of \$1.8 million, of which, were primarily attributable to unexpended salaries, fringe and benefits, unexpended travel, certain medical services under contract, and other miscellaneous items.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The County's capital assets for its governmental and business-type activities as of June 30, 2024, amounted to \$735.7 million, an increase of \$32.6 million, which is primarily attributed to the increase of construction in progress and land additions. Capital assets include land, buildings and improvements, machinery and equipment, infrastructure (e.g., roadways, bridges, and sewer), finance purchases, right-to-use, and construction-in-progress, less accumulated depreciation and amortization. Most capital projects pass through construction-in-progress before being capitalized because of the multi-year completion process.

Major capital asset activity during the current fiscal year included the following:

- Purchase of the Kilauea land parcel for housing development.
- Completion of Play Court surfacing for island-wide tennis courts.
- Improvements to the Aliomanu Road and Olohe Road.
- Improvements to Kawaihau Road safety improvements.
- Improvements to the 'Ele'ele Subdivision wastewater collection system rehabilitation.
- Improvements to Wailua Manhole upgrades and Coco Palms emergency generator.
- Improvements to Hanapepe Stadium and Waimea Canyon park ADA improvements.
- Improvements to Lima Ola Housing Project, Lima Ola family apartments and Lima Ola senior apartments.

**COUNTY OF KAUAI, HAWAII
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The following is a summary of Capital Assets as of June 30, 2024 in comparison to fiscal year 2023:

Summary of Capital Assets, Right-to-Use Assets, and Subscription Assets									
(Amount in millions)									
	Governmental Activities		Business-type Activities		Total Primary Government				
	2024	2023	2024	2023	2024	2023			
Non-depreciable assets:									
Land	\$ 193.36	\$ 192.09	\$ 31.50	\$ 24.51	\$ 224.86	\$ 216.60			
CIP	64.45	41.72	37.71	17.22	102.16	58.94			
Depreciable assets:									
Buildings and improvements	173.30	172.13	124.72	124.72	298.02	296.85			
Equipment	125.43	122.04	27.06	26.53	152.49	148.57			
Infrastructure	770.53	770.04	20.62	20.62	791.15	790.66			
Less: Accumulated depreciation	(741.15)	(722.78)	(91.85)	(85.74)	(833.00)	(808.52)			
Total Capital Assets, Net	\$ 585.92	\$ 575.24	\$ 149.76	\$ 127.86	\$ 735.68	\$ 703.10			

**COUNTY OF KAUA'I, HAWAI'I
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances. Questions surrounding any information provided in this report or requests for additional information should be addressed to the Director of Finance, 4444 Rice Street, Suite 280, Līhu'e, Kaua'i, Hawai'i 96766.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

COUNTY OF KAUAI, HAWAII
STATEMENT OF NET POSITION
JUNE 30, 2024

	Primary Government			Component Unit	
	Governmental Activities	Business-type Activities	Total	Department of Water	
Assets:					
Cash and cash equivalents	\$ 80,785,956	\$ 20,906,875	\$ 101,692,831	\$ 12,834,771	
Investments	281,888,895	2,861,723	284,750,618	35,390,666	
Receivables, net	22,132,081	3,676,201	25,808,282	4,535,328	
Internal balances	211,437	(211,437)	--	--	
Due from other governments	41,907,955	--	41,907,955	--	
Materials and supplies	--	--	--	1,296,642	
Prepaid items and other	1,245,024	146,240	1,391,264	19,505	
Restricted Assets:					
Cash and cash equivalents	--	162,289	162,289	7,957,845	
Investments	--	--	--	8,567,773	
Other	--	--	--	1,642,872	
Noncurrent Assets:					
Leases receivable	--	220,045	220,045	--	
Loans receivable	20,473,047	1,000,000	21,473,047	--	
Right-to-use lease and subscription assets (net of accumulated amortization)	5,980,502	--	5,980,502	612,039	
Capital assets, not being depreciated					
Land and construction in progress	257,812,166	69,205,227	327,017,393	20,134,001	
Capital assets (net of accumulated depreciation)					
Buildings and improvements, infrastructure, and machinery and equipment	328,105,593	80,551,042	408,656,635	225,614,871	
Total Assets	1,040,542,656	178,518,205	1,219,060,861	318,606,313	
Deferred Outflows of Resources:					
Deferred outflows of resources on net pension liability	40,984,287	1,415,585	42,399,872	5,626,927	
Deferred outflows of resources on net other postemployment benefits liability	23,465,174	837,818	24,302,992	1,467,973	
Total Deferred Outflows of Resources	64,449,461	2,253,403	66,702,864	7,094,900	
Total Assets and Deferred Outflows of Resources	1,104,992,117	180,771,608	1,285,763,725	325,701,213	
Liabilities:					
Accounts payable and accrued liabilities	67,312,711	2,577,302	69,890,013	13,143,321	
Contracts payable	2,215,014	57,427	2,272,441	832,891	
Customer deposits	191,289	162,289	353,578	993,898	
Unearned revenue	61,444,945	102,335	61,547,280	--	
Interest payable	1,494,379	88,941	1,583,320	--	
Long-term liabilities due within one year	19,418,822	3,420,913	22,839,735	6,780,512	
Noncurrent Liabilities:					
Long-term liabilities due in more than one year	155,256,184	23,632,702	178,888,886	46,477,313	
Net pension liability	265,446,673	10,742,121	276,188,794	17,335,567	
Net other postemployment benefits liability	67,165,232	3,255,467	70,420,699	3,650,143	
Total Liabilities	639,945,249	44,039,497	683,984,746	89,213,645	
Deferred Inflows of Resources:					
Deferred inflows of resources related to leases	--	561,561	561,561	--	
Deferred gain on refunding	1,661,505	--	1,661,505	72,865	
Deferred inflows of resources on net pension liability	15,795,851	4,608,759	20,404,610	4,054,013	
Deferred inflows of resources on net other postemployment benefits liability	33,454,366	904,885	34,359,251	2,353,402	
Total Deferred Inflows of Resources	50,911,722	6,075,205	56,986,927	6,480,280	
Total Liabilities and Deferred Inflows of Resources	690,856,971	50,114,702	740,971,673	95,693,925	
Net Position:					
Net investment in capital assets	491,841,022	124,005,755	615,846,777	205,570,673	
Restricted for capital activity and other	81,054,300	162,289	81,216,589	5,626,321	
Restricted for debt service	1,588,525	--	1,588,525	--	
Restricted for housing program	--	1,000,000	1,000,000	--	
Unrestricted	(160,348,694)	5,488,862	(154,859,832)	18,810,294	
Total Net Position	\$ 414,135,153	\$ 130,656,906	\$ 544,792,059	\$ 230,007,288	

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

**COUNTY OF KAUAI, HAWAII
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position			Component Unit	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government				
					Governmental Activities	Business-type Activities	Total		
Primary Government:									
Governmental Activities:									
General government	\$ 49,244,254	\$ 5,700,030	\$ 2,876,426	\$ 446,542	\$ (40,221,256)	\$ --	\$ (40,221,256)	\$ --	
Public safety	88,686,266	1,429,818	10,079,327	--	(77,177,121)	--	(77,177,121)	--	
Public works	10,181,807	292,560	2,523,326	146	(7,365,775)	--	(7,365,775)	--	
Highways and streets	30,947,590	9,743,051	36,763,854	7,496,269	23,055,584	--	23,055,584	--	
Sanitation	34,163,854	9,852,931	888,990	3,288,159	(20,133,774)	--	(20,133,774)	--	
Culture and recreation	26,206,306	23,589	1,766,784	311,901	(24,104,032)	--	(24,104,032)	--	
Public welfare	54,966,301	355,781	44,535,322	--	(10,075,198)	--	(10,075,198)	--	
Interest on long-term debt, unallocated	4,006,531	--	--	--	(4,006,531)	--	(4,006,531)	--	
Total Governmental Activities	<u>298,402,909</u>	<u>27,397,760</u>	<u>99,434,029</u>	<u>11,543,017</u>	<u>(160,028,103)</u>	<u>--</u>	<u>(160,028,103)</u>	<u>--</u>	
Business-type Activities									
Housing programs	4,507,715	2,937,292	--	18,971,397	--	17,400,974	17,400,974	--	
Sewer	16,677,714	10,665,210	--	--	--	(6,012,504)	(6,012,504)	--	
Golf	3,384,646	1,910,289	--	--	--	(1,474,357)	(1,474,357)	--	
Total Business-type Activities	<u>24,570,075</u>	<u>15,512,791</u>	<u>--</u>	<u>18,971,397</u>	<u>--</u>	<u>9,914,113</u>	<u>9,914,113</u>	<u>--</u>	
Total Primary Government	<u>\$ 322,972,984</u>	<u>\$ 42,910,551</u>	<u>\$ 99,434,029</u>	<u>\$ 30,514,414</u>	<u>\$ (160,028,103)</u>	<u>\$ 9,914,113</u>	<u>\$ (150,113,990)</u>	<u>\$ --</u>	
Component Unit:									
Department of Water	<u>\$ 34,673,896</u>	<u>\$ 29,070,094</u>	<u>\$ --</u>	<u>\$ 15,040,056</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>9,436,254</u>	
General Revenues:									
Property taxes					217,917,443	--	217,917,443	--	
County transient accommodations tax					30,203,040	--	30,203,040	--	
Public service company tax					3,835,097	--	3,835,097	--	
Franchise tax					4,292,134	--	4,292,134	--	
Fuel taxes					5,450,917	--	5,450,917	--	
Grants and contributions not restricted to specific programs					867,151	--	867,151	--	
Interest and investment earnings (losses), net					13,221,012	(31,204)	13,189,808	(255,374)	
Transfers					(23,109,083)	23,109,083	--	--	
Total General Revenues and Transfers					<u>252,677,711</u>	<u>23,077,879</u>	<u>275,755,590</u>	<u>(255,374)</u>	
Change in Net Position					92,649,608	32,991,992	125,641,600	9,180,880	
Net Position - Beginning of Year July 1, 2023, as previously stated					321,485,545	88,854,644	410,340,189	220,826,408	
Prior period adjustment (Note 20)					--	8,810,270	8,810,270	--	
Net Position - Beginning of Year July 1, 2023, as restated					<u>321,485,545</u>	<u>97,664,914</u>	<u>419,150,459</u>	<u>220,826,408</u>	
Net Position - End of Year June 30, 2024					<u>\$ 414,135,153</u>	<u>\$ 130,656,906</u>	<u>\$ 544,792,059</u>	<u>\$ 230,007,288</u>	

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

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUND FINANCIAL STATEMENTS

MAJOR FUNDS

General Fund

Accounts for all financial resources traditionally associated with the government which are not required legally, or by sound financial management, to be accounted for in another fund.

Special Revenue Funds

General Excise Tax Fund

Accumulates one-half percent (0.5%) of the County's surcharge on State General Excise and Use Tax collected by the State for the purpose of funding operational and capital costs of public transportation systems.

Housing and Community Development Revolving Fund

Monies collected from the Home Disaster grant loans, Housing Preservation grant loans and Special Purpose grant loans fund the Housing and Community Development Revolving Fund. This fund supports administrative costs for the Development staff and also supports the "Homebuyer Loan Program" for eligible homebuyers and future project development costs.

Solid Waste Disposal Fund

Accounts for the costs of operating the County's solid waste disposal system. Financing is provided by charges to commercial users for solid waste disposal services and General Fund contributions for other users.

Federal Grants Fund

Accounts for federal grant revenues and related expenditures.

State Grants Fund

Accounts for expenditures of state and county grants.

Capital Project Funds

Grants Capital Improvement Fund

Accounts for revenues and capital improvements financed by federal and state grants.

General Capital Improvement Fund

Accounts for the costs of capital projects financed by the General Fund.

Bond Fund

Accounts for proceeds from and the costs of constructing County capital improvements financed by general obligation bond proceeds.

COUNTY OF KAUAI, HAWAII
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2024

	General Fund	General Excise Tax Fund	Housing and Community Development Revolving Fund	Solid Waste Disposal Fund	Bond Fund	Federal Grants Fund	State Grants Fund	Grants Capital Improvement Fund	General Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets:											
Cash and cash equivalents	\$ 21,735,129	\$ --	\$ 278,388	\$ 5,933,743	\$ 250,000	\$ 14,312,495	\$ 684,032	\$ --	\$ 5,982,169	\$ 31,610,000	\$ 80,785,956
Investments	203,814,346	43,191,494	2,500,000	16,673,246	8,906,442	--	--	--	--	6,803,367	281,888,895
Accounts receivable, net	265,948	--	--	1,231,888	--	--	--	--	6,875,989	61,259	8,435,084
Taxes receivable	9,876,731	--	--	--	--	--	--	--	--	--	9,876,731
Interest receivable	1,140,241	233,419	1,563,442	156,668	61,929	638,057	--	--	--	26,511	3,820,267
Due from other funds	445,383	--	--	11,332,163	1,557,130	--	33,149,999	4,753,055	40,000,000	26,120,565	117,358,295
Due from other governments	--	12,592,417	--	--	--	11,023,618	1,987,301	15,841,431	--	463,189	41,907,956
Loans receivable	--	--	5,999,655	--	--	14,473,392	--	--	--	--	20,473,047
Prepaid items	93,462	--	--	1,961	--	8,414	--	--	--	1,141,187	1,245,024
Total Assets	\$ 237,371,240	\$ 56,017,330	\$ 10,341,485	\$ 35,329,669	\$ 10,775,501	\$ 40,455,976	\$ 35,821,332	\$ 20,594,486	\$ 52,858,158	\$ 66,226,078	\$ 565,791,255
Liabilities, Deferred Inflows of Resources and Fund Balances:											
Liabilities:											
Accounts payable	\$ 40,468,798	\$ 6,657,546	\$ 10,245	\$ 2,582,315	\$ 151,329	\$ 5,328,227	\$ 606,314	\$ 7,903,705	\$ 1,212,246	\$ 2,391,986	\$ 67,312,711
Contracts payable	123,275	1,091,669	--	4,668	134,879	292,825	116,430	110,727	269,720	70,821	2,215,014
Due to other funds	73,149,999	2,789,946	--	4,510,750	3,707,419	72,063	21,162,965	9,128,174	177	2,625,365	117,146,858
Due to customers	--	--	--	--	--	--	--	--	--	191,289	191,289
Unearned revenue	--	--	7,226,059	28,236	--	34,762,861	13,935,623	3,451,880	--	2,040,286	61,444,945
Total Liabilities	113,742,072	10,539,161	7,236,304	7,125,969	3,993,627	40,455,976	35,821,332	20,594,486	1,482,143	7,319,747	248,310,817
Deferred Inflows of Resources:											
Unavailable revenues	4,141,441	--	--	--	--	--	--	--	--	--	4,141,441
Total Deferred Inflow of Resources	4,141,441	--	--	--	--	--	--	--	--	--	4,141,441
Fund Balance:											
Nonspendable	--	--	--	--	--	--	--	--	--	917,405	917,405
Restricted	490,000	--	394,874	17,888,488	--	--	--	--	--	1,811,888	20,585,250
Committed	39,992,570	25,426,499	189,275	9,576,111	2,512,829	--	--	--	18,667,935	10,651,496	107,016,715
Assigned	2,594,825	1,473,844	2,521,032	--	4,269,045	--	--	--	32,708,080	45,525,542	89,092,368
Unassigned	76,410,332	18,577,826	--	739,101	--	--	--	--	--	--	95,727,259
Total Fund Balance	119,487,727	45,478,169	3,105,181	28,203,700	6,781,874	--	--	--	51,376,015	58,906,331	313,338,997
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 237,371,240	\$ 56,017,330	\$ 10,341,485	\$ 35,329,669	\$ 10,775,501	\$ 40,455,976	\$ 35,821,332	\$ 20,594,486	\$ 52,858,158	\$ 66,226,078	\$ 565,791,255

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

COUNTY OF KAUAI, HAWAII
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total Fund Balances - Governmental Funds \$ 313,338,997

Amounts reported for governmental activities in the Statement of Net Position are different due to:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Land	\$ 193,361,882
Construction in progress	64,450,284
Buildings and improvements	173,302,775
Equipment	125,427,301
Infrastructure	770,527,696
Accumulated depreciation	(741,152,179)
Total Capital Assets, net	585,917,759

Right to use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Right-to-use assets	\$ 11,672,473
Accumulated amortization	(5,691,971)
	5,980,502

Some of the County's revenues will be collected after the year end but are not available soon enough to pay for the current period's expenditures and, therefore, are unavailable in the funds.

4,141,446

Deferred amounts on refunding are reported as deferred outflows/inflows of resources in the government-wide financial statements but are not reported in the governmental fund statements.

(1,661,505)

Deferred amounts related to pensions reported as deferred outflows/inflows of resources in the government-wide financial statements but are not reported in the governmental fund statements.

25,188,436

Deferred amounts related to other postemployment benefits reported as deferred outflows/inflows of resources in the government-wide financial statements but are not reported in the governmental fund statements.

(9,989,192)

Interest payable on outstanding bonds and finance purchases are expensed on the government-wide statement of activities.

(1,494,379)

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities consist of:

Bonds and loans payable	(96,349,359)
Finance purchases	(7,761,970)
Lease liability	(5,059,906)
Compensated absences	(17,884,764)
Claims and judgments	(7,555,038)
Landfill closure and post-closure	(40,063,969)
Net pension liability	(265,446,673)
Net other postemployment benefits liability	(67,165,232)
Total Long-term Liabilities	(507,286,911)

Net Position of Governmental Activities \$ 414,135,153

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

COUNTY OF KAUAI, HAWAII
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Fund	General Excise Tax Fund	Housing and Community Development Revolving Fund	Solid Waste Disposal Fund	Bond Fund	Federal Grants Fund	State Grants Fund	Grants Capital Improvement Fund	General Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:											
Taxes	\$ 251,955,579	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 9,743,051	\$ 261,698,630
Licenses and permits	2,462,987	--	--	--	--	--	--	--	--	10,075,174	12,538,161
Rents and concessions	161,646	--	--	2,495	--	--	--	--	--	--	164,141
Interest and investment earnings (losses)	9,700,598	2,691,197	186,217	904,994	(1,110,885)	--	--	--	--	848,891	13,221,012
Intergovernmental revenues	30,951	36,314,692	59,296	--	--	33,104,094	16,221,620	11,678,881	--	13,734,325	111,143,859
Charges for current services	2,489,193	--	--	9,850,436	--	--	--	--	--	1,070,340	13,409,969
Bond subsidy	--	--	--	--	843,550	--	--	--	--	--	843,550
Miscellaneous	586,204	--	--	25,972	--	--	--	--	367,253	435,159	1,414,588
Total Revenues	267,387,158	39,005,889	245,513	10,783,897	(267,335)	33,104,094	16,221,620	11,678,881	367,253	35,906,940	414,433,910
Expenditures:											
General government	44,601,255	--	--	--	90,515	1,308,578	1,567,848	582,406	1,424,393	858,347	50,433,342
Public safety	85,087,257	--	--	--	--	933,426	8,245,880	--	40,640	1,136,426	95,443,629
Public works	7,234,387	--	--	--	30,425	23,534	131,048	146	359,044	166,191	7,944,775
Highways and streets	836,120	9,973,169	--	48,977	1,275	--	11,859	516,623	--	12,689,025	24,077,048
Sanitation	--	--	--	19,854,536	975,627	419,937	323,024	1,316,385	3,844,458	--	26,733,967
Culture and recreation	23,286,987	--	--	--	--	195,974	13,366	--	529,309	1,900	24,027,536
Public welfare	3,544,577	7,038,083	96,389	--	145,207	26,155,438	1,622,391	--	--	16,962,065	55,564,150
Capital outlay	6,509,980	4,950,940	379,392	1,936,393	155,675	4,067,207	4,306,204	9,263,321	4,494,066	1,542,260	37,605,438
Debt Service:											
Principal	3,782,113	184,749	--	2,776,809	--	--	--	--	--	7,625,729	14,369,400
Interest and debt issuance cost	176,940	3,005	--	258,674	--	--	--	--	--	3,577,268	4,015,887
Total Expenditures	175,059,616	22,149,946	475,781	24,875,389	1,398,724	33,104,094	16,221,620	11,678,881	10,691,910	44,559,211	340,215,172
Excess (Deficiency) of Revenues Over (Under) Expenditures	92,327,542	16,855,943	(230,268)	(14,091,492)	(1,666,059)	--	--	--	(10,324,657)	(8,652,271)	74,218,738
Other Financing Sources (Uses):											
Finance purchases	1,558,031	--	--	1,374,830	--	--	--	--	--	281,984	3,214,845
Issuance of lease and subscription assets	1,611,735	--	--	--	--	--	--	--	--	--	1,611,735
Issuance of loans	--	--	--	1,459,278	--	--	--	--	--	--	1,459,278
Transfers in	907,021	--	--	18,867,771	--	--	--	--	29,957,483	30,169,692	79,901,967
Transfers out	(82,661,108)	(18,488,960)	--	(953,961)	(907,021)	--	--	--	--	--	(103,011,050)
Total Other Financing Sources (Uses)	(78,584,321)	(18,488,960)	--	20,747,918	(907,021)	--	--	--	29,957,483	30,451,676	(16,823,225)
Net Change in Fund Balances	13,743,221	(1,633,017)	(230,268)	6,656,426	(2,573,080)	--	--	--	19,632,826	21,799,405	57,395,513
Fund Balance - Beginning of the year, as previously reported July 1, 2023	108,997,232	47,111,186	3,335,449	18,294,548	9,354,954	--	--	--	31,743,189	37,106,926	255,943,484
Prior period adjustment	(3,252,726)	--	--	3,252,726	--	--	--	--	--	--	--
Fund Balance - Beginning of the year, as restated July 1, 2023	105,744,506	47,111,186	3,335,449	21,547,274	9,354,954	--	--	--	31,743,189	37,106,926	255,943,484
Fund Balance - End of Year June 30, 2024	\$ 119,487,727	\$ 45,478,169	\$ 3,105,181	\$ 28,203,700	\$ 6,781,874	\$ --	\$ --	\$ --	\$ 51,376,015	\$ 58,906,331	\$ 313,338,997

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

COUNTY OF KAUAI, HAWAII
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 57,395,513

Amounts reported for governmental activities in the Statement of Activities are different due to:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period:

Capital outlay	\$ 37,605,438
Depreciation expense	<u>(24,936,812)</u>
Net Capital Outlay	12,668,626

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, CIP closures/transfers, contributed/donated capital assets) is to increase net position. (174,121)

Finance purchases and leases are recorded as current financial sources in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances. However, in the Statement of Net Position, finance purchases and leases are recorded as long-term debt and capital assets. (4,826,580)

Real property taxes in the Statement of Activities includes all billed amounts which differ from the current financial resource measurement of the governmental funds. This is the net difference of both measurement focuses. (148,236)

The County's proportionate share of pension expense requiring immediate recognition, but not reported as expenditures in the governmental funds. This is the net difference between FY24 employer paid contributions, recorded as deferred outflows in the current year, FY23 employer paid contributions being expensed, and FY24 pension expense in the Statement of Activities. 8,143,425

The County's OPEB expense requiring immediate recognition, but not reported as expenditures in the governmental funds. This is the net difference between FY24 employer paid contributions, recorded as deferred outflows in the current year, FY23 employer paid contributions being expensed, and FY24 OPEB expense in the Statement of Activities. 13,807,411

Bond and loan proceeds are reported as other financing sources in governmental funds and contribute to the increase in fund balance. Bond, loan, and finance purchases principal payments are reported as an expenditure in governmental funds and reduce fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities while debt repayment reduces long-term liabilities and affects the Statement of Activities.

Bond principal retirement and loan payments	7,910,690
Loan proceeds	<u>(1,459,278)</u>
Lease principal payments	2,774,137
Finance purchases principal payments	<u>3,764,547</u>
Net Long-term Debt Repayment	12,990,096

Some items reported in the Statement of Activities do not involve current financial resources and, therefore, are not reported as expenditures in the governmental funds. These activities are:

Amortization of premium from bond issuance	125,836
Amortization of deferred refunding costs	<u>(210,260)</u>
Amortization of right-to-use lease and subscription assets	(2,465,523)
Net increase in compensated absences	<u>(547,705)</u>
Net increase in claims and judgments	(85,873)
Net increase in landfill closure and post-closure care	<u>(4,116,782)</u>
Decrease in accrued interest payable	93,781
Net Increase in Expenditures	<u>(7,206,526)</u>

Change in Net Position - Governmental Activities \$ 92,649,608

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

**COUNTY OF KAUAI, HAWAII
GENERAL FUND**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts				Budgetary Basis			Variance with Final Budget- Positive (Negative)	
	Original (Note A)		Actual Amounts (Note B)		Encumbrances	Non-GAAP			
	Original (Note A)	Final	Actual Amounts (Note B)	Non-GAAP					
Revenues:									
Taxes:									
Real property taxes	\$ 218,860,356	\$ 218,860,356	\$ 217,917,443	\$	--	\$ 217,917,443	\$	(942,913)	
Transient accommodations tax	23,000,000	23,000,000	30,203,040		--	30,203,040		7,203,040	
Payment in lieu of property taxes	--	--	92,366		--	92,366		92,366	
Public services company taxes	<u>3,500,000</u>	<u>3,500,000</u>	<u>3,742,730</u>		--	<u>3,742,730</u>		<u>242,730</u>	
Total Taxes	<u>245,360,356</u>	<u>245,360,356</u>	<u>251,955,579</u>		--	<u>251,955,579</u>		<u>6,595,223</u>	
Licenses and Permits:									
Street use	181,100	181,100	242,533		--	242,533		61,433	
Business licenses and fees	1,690	1,690	1,540		--	1,540		(150)	
Non-business licenses and fees	<u>1,876,000</u>	<u>1,876,000</u>	<u>2,218,914</u>		--	<u>2,218,914</u>		<u>342,914</u>	
Total Licenses and Permits	<u>2,058,790</u>	<u>2,058,790</u>	<u>2,462,987</u>		--	<u>2,462,987</u>		<u>404,197</u>	
Rents and Concessions	<u>82,280</u>	<u>82,280</u>	<u>161,646</u>		--	<u>161,646</u>		<u>79,366</u>	
Interest and Investment Earnings	<u>200,500</u>	<u>200,500</u>	<u>9,700,598</u>		--	<u>9,700,598</u>		<u>9,500,098</u>	
Intergovernmental Revenues - Other State Grants	<u>30,000</u>	<u>30,000</u>	<u>30,951</u>		--	<u>30,951</u>		<u>951</u>	
Charges for Current Services	<u>2,135,750</u>	<u>2,135,750</u>	<u>2,489,193</u>		--	<u>2,489,193</u>		<u>353,443</u>	
Miscellaneous	<u>423,424</u>	<u>423,424</u>	<u>586,204</u>		--	<u>586,204</u>		<u>162,780</u>	
Total Revenues	<u>\$ 250,291,100</u>	<u>\$ 250,291,100</u>	<u>\$ 267,387,158</u>	<u>\$</u>	--	<u>\$ 267,387,158</u>	<u>\$</u>	<u>17,096,058</u>	

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

**COUNTY OF KAUAI, HAWAII
GENERAL FUND**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Basis					Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)				
	Original (Note A)	Final	Encumbrances	Non-GAAP			
Expenditures:							
General Government:							
Council Services and County Clerk	\$ 5,152,072	\$ 5,120,672	\$ 3,424,837	\$ 57,849	\$ 3,482,686	\$ 1,637,986	
Elections	1,052,662	1,052,662	679,767	96,244	776,011	276,651	
Office of the County Auditor	300,040	331,440	311,400	20,000	331,400	40	
Office of the Mayor:							
Administration	2,475,632	2,475,632	4,539,056	40,766	4,579,822	(2,104,190)	
Youth Work Program	20,000	20,000	9,996	--	9,996	10,004	
Boards and commissions	1,148,021	1,148,021	853,639	201,402	1,055,041	92,980	
Office of the County Attorney	4,514,695	4,514,695	3,623,604	671,576	4,295,180	219,515	
Office of the Prosecuting Attorney	7,299,467	7,299,467	5,638,217	513,775	6,151,992	1,147,475	
Department of Finance:							
Administration	963,978	1,038,630	829,250	3,747	832,997	205,633	
Accounting	1,477,630	1,572,226	1,366,314	128,975	1,495,289	76,937	
Treasury	745,607	762,832	592,744	18,539	611,283	151,549	
Motor vehicle	2,068,433	2,067,526	1,495,887	113,542	1,609,429	458,097	
Real property assessment	6,040,478	4,724,283	2,804,286	218,038	3,022,324	1,701,959	
Real property collections	510,163	506,085	370,414	59,935	430,349	75,736	
Purchasing	1,130,315	1,130,315	1,006,838	86,717	1,093,555	36,760	
Information technology	5,085,349	5,084,921	4,613,189	165,098	4,778,287	306,634	
County-wide Costs:							
Insurance:							
Liability insurance	1,516,202	1,525,702	1,436,197	--	1,436,197	89,505	
Fire insurance	1,137,886	1,584,886	1,500,454	--	1,500,454	84,432	
Self insurance (Note D)	1,563,398	1,563,398	--	--	--	1,563,398	
Excess workers compensation	411,566	411,566	341,170	--	341,170	70,396	
Other County-wide Costs:							
Central services cost	(2,680,000)	(2,680,000)	(2,680,000)	--	(2,680,000)	--	
Special projects	1,530,349	1,687,873	1,368,637	181,906	1,550,543	137,330	
Claims	600,001	1,108,501	997,852	--	997,852	110,649	
Training	4,747	6,747	1,560	--	1,560	5,187	
Telephone services	110,000	122,000	115,320	--	115,320	6,680	
Computers and accessories	574,560	574,060	565,507	7,046	572,553	1,507	
Repair and maintenance, financial system	214,497	213,608	170,307	43,149	213,456	152	
Human Resources	4,224,352	4,224,351	6,127,350	324,247	6,451,597	(2,227,246)	
Planning	3,915,511	3,915,511	3,297,569	216,984	3,514,553	400,958	
Office of Economic Development	4,332,768	4,332,767	3,145,450	588,893	3,734,343	598,424	
Total General Government	\$ 57,440,379	\$ 57,440,377	\$ 48,546,811	\$ 3,758,428	\$ 52,305,239	\$ 5,135,138	

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

**COUNTY OF KAUAI, HAWAII
GENERAL FUND**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgetary Basis					Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)				
	Original (Note A)	Final	Encumbrances	Non-GAAP			
Public Safety:							
Police Department	\$ 47,877,081	\$ 47,877,082	\$ 47,419,095	\$ 3,419,161	\$ 50,838,256	\$ (2,961,174)	
Fire Department	42,093,569	43,093,568	37,578,181	3,695,363	41,273,544	1,820,024	
Emergency Management	2,390,032	2,390,033	2,175,573	122,248	2,297,821	92,212	
Total Public Safety	<u>92,360,682</u>	<u>93,360,683</u>	<u>87,172,849</u>	<u>7,236,772</u>	<u>94,409,621</u>	<u>(1,048,938)</u>	
Public Works:							
Administrative	1,265,951	1,319,960	1,809,365	--	1,809,365	(489,405)	
Fiscal and clerical	465,201	585,201	429,526	30,342	459,868	125,333	
Plans, survey and construction	2,631,999	2,625,548	1,757,266	109,422	1,866,688	758,860	
Auto maintenance and fuel	1,887,979	1,802,979	699,844	935,431	1,635,275	167,704	
Roads maintenance	709,336	649,336	136,275	58,813	195,088	454,248	
Building division:							
Inspection	<u>3,755,526</u>	<u>3,732,968</u>	<u>3,238,231</u>	--	<u>3,238,231</u>	<u>494,737</u>	
Total Public Works	<u>10,715,992</u>	<u>10,715,992</u>	<u>8,070,507</u>	<u>1,134,008</u>	<u>9,204,515</u>	<u>1,511,477</u>	
Culture and Recreation:							
Administrative and fiscal	6,759,846	7,229,650	5,272,667	2,460,026	7,732,693	(503,043)	
Planning & development	743,332	863,974	740,175	23,556	763,731	100,243	
Facilities maintenance	6,314,961	6,133,335	6,933,260	571,674	7,504,934	(1,371,599)	
Recreation	2,838,752	2,713,103	2,083,256	262,221	2,345,477	367,626	
Maintenance	9,157,359	8,788,746	6,810,839	1,449,583	8,260,422	528,324	
Beautification	1,549,024	1,555,628	1,287,185	--	1,287,185	268,443	
Auditorium	438,277	440,737	417,633	--	417,633	23,104	
Stadiums	<u>1,270,226</u>	<u>1,346,605</u>	<u>1,010,091</u>	<u>147,967</u>	<u>1,158,058</u>	<u>188,547</u>	
Total Culture and Recreation	<u>\$ 29,071,777</u>	<u>\$ 29,071,778</u>	<u>\$ 24,555,106</u>	<u>\$ 4,915,027</u>	<u>\$ 29,470,133</u>	<u>\$ (398,355)</u>	

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

**COUNTY OF KAUAI, HAWAII
GENERAL FUND**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Basis				Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)			
	Original (Note A)	Final	Encumbrances	Non-GAAP		
Public Welfare:						
Housing	\$ 1,611,297	\$ 1,611,297	\$ 1,402,842	\$ --	\$ 1,402,842	
Elderly Affairs	<u>1,680,994</u>	<u>1,680,994</u>	<u>2,141,735</u>	<u>27,150</u>	<u>2,168,885</u>	
Total Public Welfare	<u>3,292,291</u>	<u>3,292,291</u>	<u>3,544,577</u>	<u>27,150</u>	<u>3,571,727</u>	
Total General Fund Expenditures	<u>192,881,121</u>	<u>193,881,121</u>	<u>171,889,850</u>	<u>17,071,385</u>	<u>188,961,235</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>57,409,979</u>	<u>56,409,979</u>	<u>95,497,308</u>	<u>(17,071,385)</u>	<u>78,425,923</u>	
Other Financing Sources (Uses):						
Transfers In	1,057,021	1,057,021	1,057,021	--	1,057,021	
Transfers Out	<u>(82,851,255)</u>	<u>(82,851,255)</u>	<u>(82,811,108)</u>	<u>--</u>	<u>(82,811,108)</u>	
Total Other Financing Sources (Uses)	<u>(81,794,234)</u>	<u>(81,794,234)</u>	<u>(81,754,087)</u>	<u>--</u>	<u>(81,754,087)</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Source (Note C)	<u>\$ (24,384,255)</u>	<u>\$ (25,384,255)</u>	<u>13,743,221</u>	<u>\$ (17,071,385)</u>	<u>\$ (3,328,164)</u>	
Fund Balance - Beginning of Year July 1, 2023			<u>108,997,232</u>			
Fund Balance - End of Year June 30, 2024			<u>\$ 122,740,453</u>			

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances, as applicable.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Deficiency of budgeted revenues and other financing sources over final budgeted expenditures and other financing uses is balanced with available fund balance.

Note D: General Fund includes the General Fund (001) and the Self Insurance Fund (002).

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

COUNTY OF KAUAI, HAWAII
GENERAL EXCISE TAX FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Budgetary Basis			Variance with Final Budget- Positive (Negative)
	Original (Note A)	Final	Actual Amounts (Note B)	Encumbrances	Non-GAAP	
Revenues:						
Interest	\$ 32,475,000	\$ 32,475,000	\$ 2,691,197	\$ --	\$ 2,691,197	\$ 2,691,197
General excise tax surcharge	<u>32,475,000</u>	<u>32,475,000</u>	<u>36,314,692</u>	<u>--</u>	<u>36,314,692</u>	<u>3,839,692</u>
Total Revenues	<u>32,475,000</u>	<u>32,475,000</u>	<u>39,005,889</u>	<u>--</u>	<u>39,005,889</u>	<u>6,530,889</u>
Expenditures:						
Highway and Streets-Road Maintenance:						
Salaries and wages	272,541	291,041	288,129	--	288,129	2,912
Social security taxes	20,817	20,817	20,599	--	20,599	218
Public employees' health fund	8,056	17,056	17,009	--	17,009	47
Workers' compensation	2	2	--	--	--	2
Unemployment compensation	1	1	--	--	--	1
Mileage	1	1	--	--	--	1
Employees' retirement system	65,308	65,308	62,387	--	62,387	2,921
Employees' other post employment benefits	50,950	50,950	49,130	--	49,130	1,820
Other services	36,891,745	36,815,222	14,062,044	19,909,648	33,971,692	2,843,530
Other supplies and travel	11,589	11,589	5,299	--	5,299	6,290
Automobiles	169,501	183,476	--	180,398	180,398	3,078
Equipment	876,500	876,500	58,639	511,728	570,367	306,133
Hanapepe baseyard -supplies	3,612	3,612	--	--	--	3,612
Kapa'a baseyard - supplies	723	723	--	--	--	723
Hanalei baesyard - supplies	7,733	732	--	--	--	732
Sign & road marking - supplies	1	1	--	--	--	1
Total Expenditures - Highways and Streets	<u>38,379,080</u>	<u>38,337,031</u>	<u>14,563,236</u>	<u>20,601,774</u>	<u>35,165,010</u>	<u>3,172,021</u>
Public Welfare-Transportation:						
Administration Division	3,141,644	6,090,283	1,390,427	4,686,352	6,076,779	13,504
Operations Division:						
Salaries and wages	3,753,943	2,347,690	3,845,875	--	3,845,875	(1,498,185)
Social security taxes	293,742	205,801	205,801	--	205,801	--
Public employees' health fund	365,935	339,184	339,184	--	339,184	--
Workers' compensation	2	107,233	104,496	--	104,496	2,737
Unemployment compensation	2,000	2,000	--	--	--	2,000
Mileage	6,559	6,559	478	--	478	6,081
Employees' retirement system	880,215	582,306	582,306	--	582,306	--
Employees' other post employment benefits	757,236	516,968	402,301	--	402,301	114,667
Utilities	272,047	180,881	174,816	--	174,816	6,065
Other services	16,218	18,818	18,607	36	18,643	175
Dues and subscriptions	16,100	210,770	114,453	74,272	188,725	22,045
Building repair and maintenance	492,248	284,743	260,933	15,291	276,224	8,519
Printing	20,000	8,600	8,374	--	8,374	226
Other Supplies	35,000	36,992	34,361	1,630	35,991	1,001
Equipment	79,724	53,347	2,753	47,144	49,897	3,450
Collective bargaining	20,000	28,000	26,984	--	26,984	1,016
Fuels	1,014,000	146,438	74,561	--	74,561	71,877
Total Expenditures - Public Welfare	<u>11,166,613</u>	<u>11,166,613</u>	<u>7,586,710</u>	<u>4,824,725</u>	<u>12,411,435</u>	<u>(1,244,822)</u>
Total General Excise Tax Fund Expenditures	<u>49,545,693</u>	<u>49,503,644</u>	<u>22,149,946</u>	<u>25,426,499</u>	<u>47,576,445</u>	<u>1,927,199</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(17,070,693)</u>	<u>(17,028,644)</u>	<u>16,855,943</u>	<u>(25,426,499)</u>	<u>(8,570,556)</u>	<u>8,458,088</u>
Other Financing Sources (Uses)						
Transfers in	--	--	--	--	--	--
Transfers out	<u>(18,488,960)</u>	<u>(18,488,960)</u>	<u>(18,488,960)</u>	<u>--</u>	<u>(18,488,960)</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>(18,488,960)</u>	<u>(18,488,960)</u>	<u>(18,488,960)</u>	<u>--</u>	<u>(18,488,960)</u>	<u>--</u>
Excess (Deficiency) of Revenues and Other Financing Uses Over (Under) Expenditures (Note C)	<u>\$ (35,559,653)</u>	<u>\$ (35,517,604)</u>	<u>(1,633,017)</u>	<u>\$ (25,426,499)</u>	<u>\$ (27,059,516)</u>	<u>\$ 8,458,088</u>
Fund Balance - Beginning of Year July 1, 2023			47,111,186			
Fund Balance - End of Year June 30, 2024			<u>\$ 45,478,169</u>			

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances, as applicable.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Deficiency of budgeted revenues and other financing sources over final budgeted expenditures and other financing uses is balanced with available fund balance.

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

COUNTY OF KAUAI, HAWAII
HOUSING AND COMMUNITY DEVELOPMENT REVOLVING FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Basis					Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)	Encumbrances	Non-GAAP		
	Original (Note A)	Final					
Revenues:							
Interest	\$ 122,000	\$ 122,000	\$ 186,217	\$ --	\$ 186,217	\$ 64,217	
Intergovernmental	69,000	69,000	59,296	--	59,296	(9,704)	
Miscellaneous	--	--	--	--	--	--	
Total Revenues	191,000	191,000	245,513	--	245,513	54,513	
Expenditures - Public Welfare:							
Travel expenses	6,081	6,081	--	--	--	6,081	
Other expenses	1,008	1,008	--	--	--	1,008	
Central services cost	25,000	25,000	25,000	--	25,000	--	
Loans	1	1	--	--	--	1	
Special projects	1,210,640	1,210,639	450,781	189,275	640,056	570,583	
Total Expenditures - Public Welfare	1,242,730	1,242,729	475,781	189,275	665,056	577,673	
Excess (Deficiency) of Revenues Over (Under) Expenditures (Note C)	\$ (1,051,730)	\$ (1,051,729)	\$ (230,268)	\$ (189,275)	\$ (419,543)	\$ 632,186	
Fund Balance - Beginning of Year July 1, 2023			<u>3,335,449</u>				
Fund Balance - End of Year June 30, 2024			<u>\$ 3,105,181</u>				

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances, as applicable.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Deficiency of budgeted revenues and other financing sources over final budgeted expenditures and other financing uses is balanced with available fund balance.

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

COUNTY OF KAUAI, HAWAII
SOLID WASTE DISPOSAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

						Budgetary Basis			Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)		Encumbrances	Non-GAAP				
	Original (Note A)	Final								
Revenues:										
Rents and concessions	\$ 500	\$ 500	\$ 2,495	\$ --	\$ 2,495	\$ 1,995				
Interest and investment earnings (losses)	36,500	36,500	904,994	--	904,994	868,494				
Miscellaneous	--	--	25,972	--	25,972	25,972				
Charges for current services:										
Tipping fees	5,327,500	5,327,500	5,404,719	--	5,404,719	77,219				
Disposal fees	4,200,000	4,200,000	4,445,717	--	4,445,717	245,717				
Total Revenues	9,564,500	9,564,500	10,783,897	--	10,783,897	1,219,397				
Expenditures - Sanitation:										
Salaries, solid waste disposal	2,144,459	2,320,037	2,453,351	--	2,453,351	(133,314)				
Other expenses, solid waste disposal	203,290	183,035	103,418	14,507	117,925	65,110				
Special projects, solid waste disposal	6,757,022	6,584,785	4,477,227	1,521,959	5,999,186	585,599				
Salaries, solid waste collections	2,805,737	2,876,659	3,866,135	--	3,866,135	(989,476)				
Other expenses, solid waste collections	1,168,644	1,055,745	416,623	343,089	759,712	296,033				
Salaries, Kauai recycling center	71,107	72,307	67,069	--	67,069	5,238				
Other expenses, Kauai recycling center	59,691	35,621	22,083	533	22,616	13,005				
Recycling programs	6,610,109	5,718,115	3,995,804	1,629,213	5,625,017	93,098				
Salaries, roads maintenance	132,430	176,930	128,809	--	128,809	48,121				
Salaries, auto maintenance	149,302	154,302	105,228	--	105,228	49,074				
Auto maintenance and repair	424,623	638,304	560,480	77,658	638,138	166				
Central services cost	1,330,185	1,317,285	1,206,306	17,286	1,223,592	93,693				
Equipment including leases	8,017,139	8,555,613	2,381,110	5,971,864	8,352,974	202,639				
Fuel	593,190	609,190	590,201	--	590,201	18,989				
Social security taxes	381,971	381,971	355,272	--	355,272	26,699				
Public employees' health fund	609,983	585,183	524,447	--	524,447	60,736				
Worker's compensation	6	248,104	247,796	--	247,796	308				
Unemployment compensation	3	3	--	--	--	3				
Employees' retirement system	1,198,340	1,144,042	1,127,294	--	1,127,294	16,748				
Employees' other post employment benefits	1,050,625	1,050,625	871,906	--	871,906	178,719				
Total Expenditures - Sanitation	33,707,856	33,707,856	23,500,559	9,576,109	33,076,668	631,188				
Deficiency of Revenues Under Expenditures	(24,143,356)	(24,143,356)	(12,716,662)	(9,576,109)	(22,292,771)	1,850,585				
Other Financing Sources (Uses):										
Issuance of loans	--	--	1,459,278	--	1,459,278	1,459,278				
Transfers in	18,867,771	18,867,771	18,867,771	--	18,867,771	--				
Transfers out	(953,961)	(953,961)	(953,961)	--	(953,961)	--				
Total Other Financing Sources (Uses)	17,913,810	17,913,810	19,373,088	--	19,373,088	1,459,278				
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Note C)	\$ (6,229,546)	\$ (6,229,546)	\$ 6,656,426	\$ (9,576,109)	\$ (2,919,683)	\$ 3,309,863				
Fund Balance - Beginning of Year July 1, 2023				18,294,548						
Fund Balance - End of Year June 30, 2024				\$ 24,950,974						

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances, as applicable.
Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.
Note C: Deficiency of budgeted revenues and other financing sources over final budgeted expenditures and other financing uses is balanced with available fund balance.

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

PROPRIETARY FUND FINANCIAL STATEMENTS

MAJOR FUNDS

Public Housing Enterprise Fund

Accounts for the acquisition, development, sale, and rental of low-income housing. Financing is provided by low-income housing sales and operating contributions.

Sewer Enterprise Fund

Accounts for the costs of operating the County's sewer system. Financing is provided by charges to users for services.

Golf Enterprise Fund

Accounts for the costs of operating the County's golf course. Financing is provided primarily by golf fees, rents, and concessions.

COUNTY OF KAUAI, HAWAII
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2024

	Business-type Activities: Enterprise Funds			
	Public Housing	Sewer	Golf	Total
Assets:				
Current Assets:				
Cash and cash equivalents	\$ 16,844,732	\$ 668,269	\$ 3,393,874	\$ 20,906,875
Restricted cash and cash equivalents	162,289	--	--	162,289
Investments	2,861,723	--	--	2,861,723
Receivables, net:				
Accounts	242,230	3,389,894	--	3,632,124
Lease receivable, current portion	--	--	146,240	146,240
Interest	44,077	--	--	44,077
Total Current Assets	<u>20,155,051</u>	<u>4,058,163</u>	<u>3,540,114</u>	<u>27,753,328</u>
Noncurrent Assets:				
Lease receivable, non-current portion	153,235	--	66,810	220,045
Loans receivable	1,000,000	--	--	1,000,000
Capital assets:				
Land	30,272,053	1,226,600	--	31,498,653
Construction in progress	15,835,640	21,870,934	--	37,706,574
Buildings	47,538,339	74,399,592	2,776,243	124,714,174
Equipment	645,766	24,835,637	1,578,595	27,059,998
Infrastructure	5,284,941	12,599,329	2,739,725	20,623,995
Intangible assets	--	6,958	--	6,958
Less: accumulated depreciation and amortization	(20,759,613)	(66,736,660)	(4,357,810)	(91,854,083)
Total Noncurrent Assets	<u>79,970,361</u>	<u>68,202,390</u>	<u>2,803,563</u>	<u>150,976,314</u>
Total Assets	<u>100,125,412</u>	<u>72,260,553</u>	<u>6,343,677</u>	<u>178,729,642</u>
Deferred Outflows of Resources:				
Deferred outflows of resources on net pension liability	--	988,242	427,343	1,415,585
Deferred outflows of resources on net other postemployment benefits	--	649,230	188,588	837,818
Total Deferred Outflows of Resources	<u>--</u>	<u>1,637,472</u>	<u>615,931</u>	<u>2,253,403</u>
Total Assets and Deferred Outflows of Resources	<u>100,125,412</u>	<u>73,898,025</u>	<u>6,959,608</u>	<u>180,983,045</u>
Current Liabilities:				
Accounts payable and accrued liabilities	510,100	1,638,804	428,398	2,577,302
Contracts payable	--	57,427	--	57,427
Interest payable	--	85,564	3,377	88,941
Internal balances	2,942	148,978	59,517	211,437
Security deposits payable	162,289	--	--	162,289
Unearned revenue	29,743	72,592	--	102,335
Compensated absences, current portion	--	177,062	61,417	238,479
Claims and judgements, current portion	--	67,426	52,503	119,929
Notes payable, current portion	--	3,005,579	56,926	3,062,505
Total Current Liabilities	<u>705,074</u>	<u>5,253,432</u>	<u>662,138</u>	<u>6,620,644</u>
Noncurrent Liabilities:				
Notes payable, non-current portion	--	22,664,617	23,392	22,688,009
Compensated absences, non-current portion	--	531,185	184,252	715,437
Claims and judgements, non-current portion	--	128,891	100,365	229,256
Net pension liability	--	7,389,658	3,352,463	10,742,121
Net other postemployment benefits liability	--	2,293,867	961,600	3,255,467
Total Noncurrent Liabilities	<u>--</u>	<u>33,008,218</u>	<u>4,622,072</u>	<u>37,630,290</u>
Total Liabilities	<u>705,074</u>	<u>38,261,650</u>	<u>5,284,210</u>	<u>44,250,934</u>
Deferred Inflows of Resources:				
Deferred inflows of resources related to leases	347,869	--	213,692	561,561
Deferred inflows of resources on net pension liability	--	3,331,988	1,276,771	4,608,759
Deferred inflows of resource on net other postemployment benefits liability	--	635,388	269,497	904,885
Total Deferred Inflows of Resources	<u>347,869</u>	<u>3,967,376</u>	<u>1,759,960</u>	<u>6,075,205</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,052,943</u>	<u>42,229,026</u>	<u>7,044,170</u>	<u>50,326,139</u>
Net Position:				
Net investment in capital assets	78,817,126	42,532,194	2,656,435	124,005,755
Restricted assets:				
Nonexpendable - cash	162,289	--	--	162,289
Housing program	1,000,000	--	--	1,000,000
Unrestricted	19,093,054	(10,863,195)	(2,740,997)	5,488,862
Total Net Position	<u>\$ 99,072,469</u>	<u>\$ 31,668,999</u>	<u>\$ (84,562)</u>	<u>\$ 130,656,906</u>

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

COUNTY OF KAUAI, HAWAII
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Business-type Activities Enterprise Funds			Total
	Public Housing	Sewer	Golf	
Operating Revenues:				
Pa'anau rents	\$ 878,469	\$ --	\$ --	\$ 878,469
Rents and concessions	1,455,703	--	276,210	1,731,913
Charges for current services	--	10,641,553	1,421,006	12,062,559
Other	603,120	23,657	213,073	839,850
Total Operating Revenues	<u>2,937,292</u>	<u>10,665,210</u>	<u>1,910,289</u>	<u>15,512,791</u>
Operating Expenses:				
Public housing	2,863,567	--		2,863,567
Sewer	--	12,137,114	--	12,137,114
Golf	--	--	3,143,577	3,143,577
Depreciation and amortization	1,566,809	4,346,142	241,069	6,154,020
Total Operating Expenses	<u>4,430,376</u>	<u>16,483,256</u>	<u>3,384,646</u>	<u>24,298,278</u>
Operating Loss	<u>(1,493,084)</u>	<u>(5,818,046)</u>	<u>(1,474,357)</u>	<u>(8,785,487)</u>
Nonoperating Revenues (Expenses):				
Interest and investment earnings (losses)	(78,800)	47,596	--	(31,204)
Interest expense on long-term debt	<u>(77,339)</u>	<u>(194,459)</u>	<u>--</u>	<u>(271,798)</u>
Total Nonoperating Revenues (Expenses)	<u>(156,139)</u>	<u>(146,863)</u>	<u>--</u>	<u>(303,002)</u>
Loss Before Transfers and Contributions	<u>(1,649,223)</u>	<u>(5,964,909)</u>	<u>(1,474,357)</u>	<u>(9,088,489)</u>
Capital contributions	18,971,398	--	--	18,971,398
Transfers In	14,861,727	6,530,598	2,416,653	23,808,978
Transfers Out	--	(699,895)	--	(699,895)
Change in Net Position	<u>32,183,902</u>	<u>(134,206)</u>	<u>942,296</u>	<u>32,991,992</u>
Net Position - Beginning of Year July 1, 2023, as previously stated	66,888,567	22,992,935	(1,026,858)	88,854,644
Prior period adjustment	--	8,810,270	--	8,810,270
Net Position - Beginning of Year July 1, 2023, as restated	<u>66,888,567</u>	<u>31,803,205</u>	<u>(1,026,858)</u>	<u>97,664,914</u>
Net Position - Ending of Year June 30, 2024	<u>\$ 99,072,469</u>	<u>\$ 31,668,999</u>	<u>\$ (84,562)</u>	<u>\$ 130,656,906</u>

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

COUNTY OF KAUAI, HAWAII
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Business-type Activities: Enterprise Funds				Totals
	Public Housing	Sewer	Golf		
Cash Flows from Operating Activities:					
Receipts from customers	\$ 2,899,292	\$ 9,782,010	\$ 1,909,340	\$ 14,590,642	
Payments to employees	(93,239)	(5,313,597)	(2,270,467)	(7,677,303)	
Payments to suppliers	(3,879,723)	(6,541,765)	(534,730)	(10,956,218)	
Net Cash Used in Operating Activities	<u>(1,073,670)</u>	<u>(2,073,352)</u>	<u>(895,857)</u>	<u>(4,042,879)</u>	
Cash Flows from Non-capital Financing Activities:					
Transfers from other funds	14,861,727	6,530,598	2,416,653	23,808,978	
Transfers to other funds	--	(699,895)	--	(699,895)	
Changes in amounts due to other funds	124	(139,037)	(1,752)	(140,665)	
Net Cash Provided by Non-capital Financing Activities	<u>14,861,851</u>	<u>5,691,666</u>	<u>2,414,901</u>	<u>22,968,418</u>	
Cash Flows from Capital and Related Financing Activities:					
Acquisition and construction of capital assets	(1,634,530)	(7,397,486)	(44,901)	(9,076,917)	
Proceeds from loans	--	8,469,566	--	8,469,566	
Due to other government	--	(1,258,289)	--	(1,258,289)	
Principal payments - bonds and loans	(13,000,000)	(2,113,082)	--	(15,113,082)	
Principal payments - finance purchases	--	(501,368)	(56,119)	(557,487)	
Interest payments - bonds and loans	(156,966)	(196,982)	(2,649)	(356,597)	
Net Cash Used in Capital and Related Financing Activities	<u>(14,791,496)</u>	<u>(2,997,641)</u>	<u>(103,669)</u>	<u>(17,892,806)</u>	
Cash Flows from Investing Activities:					
Interest received from investments	1,126	47,596	--	48,722	
Changes in investments, net	<u>(178,292)</u>	<u>--</u>	<u>--</u>	<u>(178,292)</u>	
Net Cash Provided by (Used in) Investing Activities	<u>(177,166)</u>	<u>47,596</u>	<u>--</u>	<u>(129,570)</u>	
Net Increase (Decrease) in Cash and Cash Equivalents	(1,180,481)	668,269	1,415,375	903,163	
Cash and Cash Equivalents, Beginning of Year July 1, 2023	<u>18,187,502</u>	<u>--</u>	<u>1,978,499</u>	<u>20,166,001</u>	
Cash and Cash Equivalents, End of Year June 30, 2024 (including \$162,289 for Public Housing reported in restricted accounts)	<u>\$ 17,007,021</u>	<u>\$ 668,269</u>	<u>\$ 3,393,874</u>	<u>\$ 21,069,164</u>	
Reconciliation of Operating Loss to Net Cash					
Used in Operating Activities:					
Operating loss	\$ (1,493,084)	\$ (5,818,046)	\$ (1,474,357)	\$ (8,785,487)	
Adjustments to reconcile operating loss to net cash used in operating activities:					
Depreciation and amortization	1,566,809	4,346,142	241,069	6,154,020	
Change in assets, deferred outflows, liabilities and deferred inflows:					
Accounts receivable	(39,550)	(890,343)	(76,024)	(1,005,917)	
Deferred outflows of resources on net pension liability	--	50,093	4,367	54,460	
Deferred outflows of resources on net other postemployment benefits	--	(41,500)	78,585	37,085	
Accounts payable and accrued liabilities	(1,109,395)	628,591	375,668	(105,136)	
Operating lease liability	--	(1,208)	--	(1,208)	
Security deposits payable	(950)	--	--	(950)	
Contracts payable	--	19,786	--	19,786	
Unearned revenue	(197,799)	7,143	--	(190,656)	
Net pension liability	--	151,109	528,282	679,391	
Net other postemployment pension liability	--	285,041	81,137	366,178	
Deferred inflows of leases	200,299	--	75,075	275,374	
Deferred inflows of resources on net pension liability	--	(223,594)	(501,805)	(725,399)	
Deferred inflows of resources on net other postemployment benefits liability	--	(670,521)	(251,716)	(922,237)	
Compensated absences	--	83,955	23,862	107,817	
Net Cash Used in Operating Activities	<u>\$ (1,073,670)</u>	<u>\$ (2,073,352)</u>	<u>\$ (895,857)</u>	<u>\$ (4,042,879)</u>	
Supplemental Disclosure of Noncash Capital and Related Financing Activities					
Capital Contributions	\$ 18,971,398	\$ --	\$ --	\$ --	\$ 18,971,398

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

FIDUCIARY FUNDS FINANCIAL STATEMENTS

**COUNTY OF KAUAI, HAWAII
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024**

	<u>Custodial Funds</u>
Assets:	
Cash and cash equivalents	\$ <u>2,125,107</u>
Total Assets	<u>2,125,107</u>
Liabilities:	
Due to other governments	<u>2,071,107</u>
Total Liabilities	<u>2,071,107</u>
Net Position	
Restricted for:	
Individuals and organizations	<u>54,000</u>
Total Net Position	\$ <u>54,000</u>

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

**COUNTY OF KAUAI, HAWAII
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Custodial Funds</u>
Additions:	
Taxes and fees collected for other governments	\$ 13,676,611
Miscellaneous	<u>15,000</u>
Total Additions	<u>13,691,611</u>
Deductions:	
Payments of taxes and fees to other governments	13,676,611
Payments in accordance with other agreement	<u>15,000</u>
Total Deductions	<u>13,691,611</u>
Net Increase in Fiduciary Net Position	--
Net position:	
Net position – Beginning of Year July 1, 2023	<u>54,000</u>
Net Position – End of Year June 30, 2024	\$ <u>54,000</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Reporting Entity

The County of Kauai (County) is a municipal corporation governed by an elected Mayor and a seven-member County Council. The County operates under a County Charter, which was originally adopted in 1969 and last amended in 2022.

The accompanying financial statements present the operations of the County, the primary government, as well as its discretely presented component unit, the Department of Water (Department). The County's operations are organized into the following general functions: general government, public safety, public works, highways and streets, sanitation, culture and recreation, public welfare, housing, sewer, and other enterprises. For financial reporting purposes, the County includes all funds, agencies, boards, commissions, and authorities that are fiscally dependent upon the County and for which the County is financially accountable.

State of Hawai'i (State) agencies assume responsibility for several major functions often performed by local governments; including education, welfare, health, and judiciary functions. State agencies are not fiscally dependent on the County and, therefore, are not included in these financial statements. There are no separate city, county or township governments, nor any school districts, special districts, authorities, nor public corporations with overlapping authority presented in the accompanying financial statements.

The financial statements of the County have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its Codification of existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (*Statement and Interpretations*), constitutes GAAP for governmental units. The County's more significant accounting policies are described below.

The County follows GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus – An Amendment of GASB Statements No. 21 and No. 34*, GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position*, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement*

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Date - An Amendment of GASB Statement No. 68, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, GASB Statement No. 77, Tax Abatement Disclosures, GASB Statement No. 84, Fiduciary Activities, GASB Statement No. 87, Leases, and GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The statements contained herein reflect the changes in reporting and presentation.

Discretely Presented Component Unit

The component unit column in the financial statements includes the financial data of the County's discretely presented component unit, the Department, which is a semi-autonomous proprietary agency of the County. It is reported in a separate column to emphasize that it is legally separate from the County.

A majority of the members of the Department's governing body are appointed by the Mayor and confirmed by the County Council. The Department is granted corporate powers by the County Charter. The County Council does not have the authority to modify or approve the Department's budgets. Revenue bonds and loans payable of the Department are general obligations of the County. As the County would be obligated to repay these bonds in the event of default by the Department, the County is financially accountable for the debts of the Department. The Department is audited separately. Complete financial statements of the Department may be obtained from:

Department of Water
County of Kauai
4398 Pua Loke Street
Lihu'e, Kauai, Hawaii 96766

Government-wide Statements

The basic financial statements include both government-wide and fund financial statements. The reporting model under GASB Statement No. 34 focuses on the County as a whole in the government-wide financial statements and major individual funds in the fund financial statements. Both types of statements categorize primary activities as governmental or business-type. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The government-wide financial statements (i.e., the *Statement of Net Position* and the *Statement of Activities*) report information on all of the non-fiduciary activities of the County and the Department. For the most part, the effect of interfund activity has been removed from these statements. Internal activities are treated as reimbursements (reductions and increases in expenses) from various functional categories and accordingly adjusted in the *Statement of*

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Activities. Charges to governmental functions for centralized services are made to recover administrative costs incurred by the general government function as outlined in the operating budget ordinance and are also treated as reimbursements. Certain capital asset payments from governmental activities are treated as capital contributions in the business-type activities and, therefore, are capitalized. Interfund contributions are eliminated among governmental activities but are recorded as transfers in the fund financial statements if between governmental and business-type activities. Interfund payables and reported receivables have been eliminated among governmental activities but are recorded as internal balances between governmental and business-type activities. In the *Statement of Net Position*, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column and (b) are on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The *Statement of Activities* reflects the direct expenses of each functional category or identifiable activity, which are supported by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Taxes and other items not properly included in program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

Fund Financial Statements

The financial transactions of the County are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that is comprised of assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The County reports the following major governmental funds:

General Fund - Accounts for all financial resources traditionally associated with the government which are not required legally, or by sound financial management, to be accounted for in another fund.

General Excise Tax Fund - Accumulates one-half percent (0.5%) of the County's surcharge on State General Excise and Use Tax collected by the State for the purpose of funding operational and capital costs of public transportation systems.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Housing and Community Development Revolving Fund - Monies collected from the Home Disaster grant loans, Housing Preservation grant loans, and Special Purpose grant loans fund the Housing and Community Development Revolving Fund. This fund supports administrative costs for the Development staff and supports the "Homebuyer Loan Program" for eligible homebuyers and future project development costs.

Solid Waste Disposal Fund - Accounts for the costs of operating the County's solid waste disposal system. Financing is provided by charges to commercial users for solid waste disposal services and General Fund contributions for other users.

Federal Grants Fund - Accounts for federal grant revenues and related expenditures.

State Grants Fund - Accounts for expenditures of state and county grants.

Grants Capital Improvement Fund - Accounts for revenues and capital improvements financed by federal and state grants.

General Capital Improvement Fund - Accounts for the costs of capital projects financed by the General Fund.

Bond Fund - Accounts for proceeds from and the costs of constructing County capital improvements financed by general obligation bond proceeds.

The County reports the following major proprietary funds:

Public Housing Enterprise Fund - Accounts for the acquisition, development, sale, and rental of low-income housing. Financing is provided by low-income housing sales and operating contributions.

Sewer Enterprise Fund - Accounts for the costs of operating the County's sewer system. Financing is provided by charges to users for services.

Golf Enterprise Fund - Accounts for the costs of operating the County's golf course. Financing is provided primarily by golf fees, rents, and concessions.

The County's fiduciary funds are custodial in nature and are accounted for using the economic resources measurement focus and the accrual basis of accounting. Custodial funds account for taxes collected and deposits held by the County, pending distribution to other governments, individuals, and organizations.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County has adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB Statement No. 54 establishes the criteria for classifying governmental fund balances, to the extent to which a government entity is bound to honor constraints on the specific purposes for which amount in that fund can be spent. The fund balances reported on the governmental fund financial statements consist of the following categories:

Nonspendable Fund Balance - This includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance - This includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Sources of these externally enforceable legal restrictions include creditors, grantors, contributors, federal regulations, the State Constitution, State Statutes, and/or County Charter.

Committed Fund Balance - This includes amounts that are subject to constraint created by the County's highest level of formal action and can only be changed by the County's highest level of formal action. The County Council and Mayor of the County of Kauai are the highest decision-making authorities. The formal action to constrain resources is ordinances passed by the County Council and signed by the Mayor.

Assigned Fund Balance - This includes amounts that are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. The Director of Finance is authorized to assign amounts for specific purposes and permit disbursements to be made pursuant to policies established by the County Council.

Unassigned Fund Balance - This is the residual classification that includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the County's policy is to apply restricted fund balances first.

When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the County's policy is to apply committed fund balance first, then assigned fund balance and finally unassigned fund balance.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgements, and landfill post-closure care costs are recognized only when payment is due. General capital asset acquisitions are reported as capital outlay in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Significant revenues that are susceptible to accrual are as follows:

- *Property taxes collected within sixty days after year end*
- *County transient accommodation taxes collected within sixty days after year end*
- *Rents and concessions*
- *Federal and State financial assistance (to the extent that related expenditures that are eligible for reimbursements have been incurred)*
- *Interest*
- *Revenues collected by the State on behalf of the County, such as fuel taxes and general excise tax surcharges.*

All other revenue items are considered to be measurable and available only when cash is received.

Intergovernmental revenues are susceptible to accrual based on the compliance, legal, and contractual requirements of the individual programs. There are essentially two types of these revenues. For one type of revenues, monies must be expended for a specific purpose or project and revenues are recognized to the extent of such expenditures. Revenues of this type are deferred for monies received in advance of expenditures and accrued for expenditures in advance of monies received. For the other type of revenues, monies are virtually unrestricted as to the purpose of the expenditure. These resources are recognized as revenues when received, or earlier if susceptible to the accrual criteria.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County and the Department has implemented GASB Statement No. 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* and its subsequent amendment, GASB Statement No. 66, *Technical Corrections - 2012 – an amendment of GASB Statements No. 10 and No. 62*. GASB No. 62 incorporates Financial Standards Board pronouncements, not conflicting with GASB pronouncements, and issued on or before November 30, 1989, into the GASB authoritative literature. GASB No. 66 resolved any conflicting guidance resulting from the issuance of GASB No. 62. Proprietary funds are reported using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County's fiduciary fund is comprised of a custodial fund. The custodial funds are used to account for miscellaneous assets held by the County. Collection of State motor vehicle fees and taxes are the major miscellaneous assets accounted for in the custodial fund.

Cash and Cash Equivalents

The County's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash on deposit with financial institutions is collateralized in accordance with State statutes.

Investments

The County generally invests in certificates of deposit, repurchase agreements, money market funds, and government agency securities with federally insured financial institutions. Investments are reported at fair value. The County's investments are consistent with the investment guidelines contained in the Hawai'i Revised Statutes (HRS).

HRS authorizes the County to invest, with certain restrictions, in obligations of the State of Hawai'i, the United States or agencies of the United States, time certificates of deposit and repurchase agreements with federally insured banks and savings and loan associations authorized to do business in the State of Hawai'i.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Real Property Taxes

Real property taxes are assessed and billed annually. The County's real property taxes, which are levied on July 1 and billed on July 20 of each year, are based on assessed valuations as of the previous January 1. Real property taxes are due in two equal installments on August 20 and February 20. Accordingly, all real property taxes receivable as of June 30 are delinquent and are reported as deferred revenue for amounts not collected within 60 days after the fiscal year end in the fund financial statements. A lien for real property taxes attaches as of July 1 of each year.

County Transient Accommodation Taxes

Chapter 5A, Article 4 of the Kauai County Code (K.C.C.) authorizes the County to establish and administer transient accommodations tax and transient occupancy tax (County TAT) of 3%. County TAT is assessed on the gross rental or gross rental proceeds and fair market value derived from furnishing transient accommodations. Taxpayers are requested to file on a monthly, quarterly, or semi-annual basis. Payments are due on or before the 20th day of the calendar month following the close of the filing period.

Real Property Tax Abatement Programs

The County provides four real property tax abatement programs –

Commercial Alternative Energy Improvement Exemption – Section 5A-11.30 of the K.C.C. provides abatement for properties that produce electricity from renewable sources and sell at least 25% of the onsite electricity produced to the public utility. The exemption application must show the land area where energy production occurs as well as details about the improvements installed to produce the energy. Sources of energy may include, but are not limited to, solid wastes, hydroelectric, solar, fuel cells, biomass, or tides or currents. Under this exemption, all improvements that are directly related to the production of energy are 100% exempt and the land underlying the commercial alternative energy facility is assessed as though zoned industrial with a 50% exemption applied to the land. Although no annual application is required by the taxpayer after the initial petition has been submitted, after one year of being fully operational the applicant may elect to re-petition to have both the land and the improvements fully exempt, and rather pay the in-lieu of tax which is based on 1% of the gross revenue generated from the energy facility. (Ordinances 916, 920, and 932).

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Historic Residential Dedication Exemption - Section 5A-11.22 of the K.C.C. provides abatements to encourage the preservation of residential structures that have been places on the Hawai'i Register of Historic Places and which are more than fifty years old. The property owner must provide visual access on a year-round basis or open the property to the public for twelve days per year. The improvements must meet or exceed average condition and must be maintained structurally sound and weather tight throughout the ten-year dedication period. The owner must attest to the soundness and integrity of the historical improvements by submitting a certification of the structural soundness and weather tightness every 5 years. Historic residential properties that are used as the owner's primary residence receive an abatement of 100% of the assessed value for the qualified area and structures, but not less than the minimum tax of \$150.00 (or \$75.00 if receiving the additional low-income exemption). Non-owner-occupied historic residential properties receive an exemption of 75% for the qualifying area and structures. Dedications must be recorded at the Bureau of Conveyances and renewed every ten years. (Ordinances 434, 467, 564, 637, and 920).

Low and Moderate-Income Housing Exemption - Section 5A-11.20 of the K.C.C. provides abatement to property owners that participate in long-term housing projects that have regulatory agreements mandating rent levels. Applicants must submit an application form along with a copy of the recorded regulatory agreement. Abatement is equal to 100% of the assessed value for the portion of the real property that is dedicated as low- and moderate-income rentals. If the entire property is dedicated, then the net taxable is zero but the property is still subject to the minimum tax of \$150.00. The application is a one-time filing and runs concurrent with the termination of the regulatory agreement. If the rental units do not comply with the regulatory conditions, the property would be subject to roll back taxes, including penalty and interest. (Ordinances 394 and 954, Section 53-38 H.R.S.).

Agricultural Use Dedication - Section 5A-9.1 of the K.C.C. provides reduced assessments to encourage local agricultural production as well as the preservation of agricultural lands that could otherwise be further developed, by valuing the dedicated lands at the agricultural use value as opposed to the market value. An application form must be filed along with a plot plan, a management plan, and a marketing plan that provide details as to what agricultural activities will be conducted on the property. Upon review and approval, the owner is required to record the dedication at the Bureau of Conveyances. There are two available dedication lengths, 10 years or 20 years, and the dedications do not automatically renew. Valuation consideration is given to both the type of agricultural activity, diversified agriculture or pasturing of livestock, as well as the length of the dedication. Those that dedicate for 20 years receive 50% of the agricultural value ascribed to 10 year dedications. Any breach to the terms of the recorded dedication would result in the cancellation of the dedication, or portion thereof, and the immediate rollback on taxes abated plus penalties and interest. (Ordinances 394, 464, 520, 547, 679, 741, 822, 915, 920, and 932).

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The gross amount by which the County's tax revenues were reduced during the year as a result of the tax abatement programs were as follows:

	<u>Amount</u>
Agricultural Use	\$ 10,085,762
Historic Residential Dedication	537,896
Low and Moderate Income Housing	836,553
Other	<u>115,432</u>
Total	<u>\$ 11,575,643</u>

Receivables

Receivables in all funds represent amounts that have arisen in the ordinary course of business and are shown net of allowances for uncollectible amounts. During the fiscal year, the County had four lessor lease agreements for the use of buildings and land. The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. The terms of these lease agreements range between 3 and 74 years with a weighted average interest rate of 2.48%. The County recognized \$209,901 in lease revenue during the current fiscal year related to leases. As of June 30, 2024, the receivable for lease payments was approximately \$366,285.

The County's loans receivable consists of housing rehabilitation loans made with federal funds by the Housing and Community Development Revolving Fund (HCDRF), Federal Grants Fund, and special revenue funds. The loans are partially offset by an unearned revenue account. Revenue is recognized and included in intergovernmental revenues when the loans made with federal funds are collected. Receivables for federal and state financial assistance are recognized as revenue, in all fund types, as related expenditures are made.

Inventories

Inventories consist of general supplies and materials and are valued at cost using the first-in first-out (FIFO) method. Inventories are recorded as expenditures when consumed rather than when purchased.

Materials and Supplies

Materials and supplies are stated at the lower of average cost (which approximates the first-in, first-out method) or market. The cost of materials and supplies is recorded as an expense when consumed rather than when purchased.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The County utilizes the consumption method to account for prepaid items.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include property, plant, machinery and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of more than one year. The Department defines capital assets as assets with an initial, individual cost of more than \$1,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

The County has recorded right-to-use lease assets as a result of implementing GASB 87. The right-to-use assets are initially measured at an amount equal to the initial measurement of the related leased liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. A lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Primary Government

Motor vehicles	3 to 15 years
Furniture and equipment	5 to 20 years
Building and improvements	20 to 50 years
Transmission and distribution equipment	25 to 40 years
Infrastructure	30 to 60 years
Right-to-use leased machinery and equipment	2 to 5 years

Component Unit

Motor vehicles	7 to 10 years
Furniture and equipment	5 to 20 years
Building and improvements	40 to 50 years
Transmission and distribution equipment	18 to 63 years

Leases

A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. A lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County routinely engages in lease agreements to meet operational needs or serve the general public and are classified as finance purchases and right-to-use leases. Lease contracts generally relate to land, buildings, vehicles, machinery, and/or equipment.

Lessee

Finance purchase

Leases that substantially transfer all risks and benefits of ownership are accounted for as a finance purchase. Finance purchases are included in capital assets and, where appropriate, are amortized over the shorter of their economic useful lives or lease terms. The related finance purchase assets are reported with capital assets, and lease liabilities are reported as long-term liabilities in the statement of net position.

Right-to-use

For short term lease contracts, the County recognizes periodic revenue or expense based on the provisions of the lease contracts. For all lease contracts that meet the financial reporting requirements under GASB 87 lease standards where the County is the lessee, the County recognizes a lease liability and an intangible right-to-use lease asset based on the present value of future lease payments over the non-cancellable period of the lease contract. The County uses an estimated incremental borrowing rate as the discount rate for leases unless the rate the lessor charges is known. If amendments or other certain circumstances occur that are expected to significantly affect the terms of the lease contract, the present value is re-measured and corresponding adjustments are made.

Payments based on future performance are not included in the measurement of the lease liability or lease receivable but recognized as revenue or expense in the period performed. Residual value guarantees and exercise options are included in the measurement if they are reasonably certain to be paid or exercised.

The related right-to-use assets are reported with capital assets, and lease liabilities are reported as long-term liabilities in the statement of net position. The right-to-use lease assets are amortized using straight-line basis over the term of the lease or the useful life, if different from the lease term. The lease liability is reduced by the principal portion of the lease payments made.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subscription Based Information Technology Arrangements

A subscription based information technology arrangement (SBITA) is a contract that conveys control of the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

The County has a policy to recognize a subscription liability and a right-to-use subscription asset (subscription asset) in the government-wide financial statements and its proprietary fund financial statements. The County recognizes subscription liabilities with an initial, individual value of \$5,000 or more with a subscription term greater than one year. Variable payments based on future performance of the County, usage of the underlying IT asset, or number of user seats are not included in the measurement of the subscription liability, rather, those variable payments are recognized as outflows of resources (expenses) in the period the obligation for those payments is incurred.

At the commencement of a SBITA, the County initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

Subscription assets are recorded at the amount of the initial measurement of the subscription liabilities, less any payments made to the SBITA vendor before the commencement of the subscription term, and capitalizable initial implementation cost, less any incentives received from the SBITA vendor at or before the commencement of the subscription term.

Costs associated with a SBITA, other than the subscription payments, are accounted for as follows:

- ***Preliminary Project Stage:*** Outlays are expensed as incurred.
- ***Initial Implementation Stage:*** Outlays are capitalized as an addition to the subscription asset.
- ***Operation and Additional Implementation Stage:*** Outlays are expensed as incurred unless they meet specific capitalization criteria.

Subscription assets are reported in capital assets and subscription liabilities are reported with long-term liabilities on the statement of net position. Subscription assets are amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying IT asset, unless the subscription contains a purchase option that the County has determined is reasonably certain of being exercised. In this case, the subscription asset is amortized over the useful life of the underlying IT asset.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Key estimates and judgments related to SBITA include how the County determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The County uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for SBITA.
- The subscription term includes the noncancellable period of the SBITA. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.
- The County monitors changes in circumstances that would require a remeasurement of its subscription liability.

Lessor

The County also serves as a lessor providing leases of County-owned assets. The Proprietary fund financial statements recognize a lease receivable and a deferred inflow of resources, based on the present value of the future lease payments expected to be received during non-cancellable period of the lease contract, and the deferred inflow of resources is amortized evenly over the life of the lease. The lease receivable is reduced by the principal portion of the fixed lease payments received.

Restricted Assets

The Department sets aside certain resources to fund future capital improvements of the water supply system. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted funds first, then unrestricted resources as they are needed.

Interfund Transactions

Interfund receivables and payables are reported in each fund. Transfers of financial resources between agencies and activities within the same fund, which are recorded as revenues by the transferee and expenditures by the transferor have been eliminated. Transactions that represent reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed.

Transfers include subsidies and authorized transfers from funds receiving revenues to funds that will expend those resources.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund receivables and payables represent borrowing arrangements between governmental fund types that are current interfund loans and expected to be paid off within one year. Advances to and from other funds represent borrowing arrangements between nongovernmental fund types that are noncurrent. All other outstanding current balances between funds are reported as "Due To/From Other Funds."

Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense or expenditure) until that time. The County and Department has items that qualifies for reporting in this category. The County and Department reports the deferred loss on refunding and contributions to the pension and other postemployment benefits (OPEB) plans from the employer subsequent to the measurement date of the net pension liability and OPEB liability, respectively, and before the end of the reporting period. Deferred outflows of resources are reported on the government-wide Statement of Net Position in the applicable columns for governmental activities, business-type activities, or component unit. Deferred outflows of resources for governmental funds, proprietary funds, and component unit are reported in detail in the respective fund statements.

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The County has items that qualifies for reporting in this category. Property taxes, transient accommodations taxes, and fees collected in the fiscal year, for the ensuing fiscal year. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available. The County also reports deferred inflows of resources related to leases, deferred gain on refunding, deferred inflows of resources related to pensions and OPEB. Deferred inflows of resources are reported on the government-wide Statement of Net Position in the applicable columns for governmental activities, business-type activities, or component unit. Deferred inflows of resources for governmental funds, proprietary funds, and component unit are reported in detail in the respective fund statements.

Net Position

The County's net position is comprised of the various net earnings (losses) from operating and nonoperating revenues, expenses, transfers, and contributed capital. The County's net position is classified in the following three components: net investment in capital assets; restricted; and unrestricted. Net investment in capital assets, consists of capital assets, net of accumulated depreciation and outstanding debt attributable to the acquisition, construction or improvement of those assets. Debt related to unspent proceeds or other restricted cash and investments at year end is not included in the calculation of the amount of net investment in capital assets. Restricted net position consists of the County's net position thereon by external parties, such as lenders, grantors, contributors, laws, regulations, and enabling legislation, including self-imposed legal mandates. Restricted net position is based on the same criteria used to report restricted governmental fund balances. Unrestricted net position consist of all other net position not included in the above categories.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

Vacation leave and other compensated absences are accrued as a liability as the benefits are earned if the leave is attributable to past service and it is probable that the employees will be compensated for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

Vacation pay is recognized as an expenditure in the governmental fund types when the amounts, if any, are due and payable. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured as a result of employee retirement or termination. Vacation credit payout is recorded in the respective funds where the employees' salary is incurred.

Sick Leave

Permanent full-time County employees accrue sick leave. Sick leave is calculated based upon current compensation levels. Sick pay can be taken only in the event of illness and is not convertible to pay upon termination of employment. Sick pay is recognized when leave is taken because it does not vest when earned. As a result, no liability for sick pay is recognized in the accompanying financial statements. Accumulated sick leave (including the Department) was approximately \$41 million at June 30, 2024.

Long-term Obligations

In the government-wide financial statements, proprietary fund financial statements, and component unit financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, proprietary fund, or component unit's statement of net position. Initial-issue bond premiums and discounts are deferred and amortized over the life of the bonds using the effective-interest method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the life of the refunding debt or the remaining life of the refunded debt. Amortization of bond premiums or discounts, and deferred amounts on refunding are included in interest expense. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums, discounts, and issuance costs during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions

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

Postemployment Benefits Other Than Pensions

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

Facility Reserve Charges

The Department assesses a fee to commercial and residential developers based upon the number and size of water meters installed at the respective projects. These fees are restricted to fund the capital improvements of the water supply system and recorded as contributions in the Department's *Statement of Revenues, Expenses and Changes in Net Position*.

Use of Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, expenses/expenditures, and other financing sources and uses during the reported period. Actual results could differ from these estimates.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING

Annual appropriated budgets are adopted for the following funds:

General	Public Access
Housing and Community Development Revolving	Sewer Trust
General Excise Tax	Development Capital Improvement
Solid Waste Disposal	Bikeway Capital Improvement
Highway	Highway Capital Improvement
Liquor	Public Housing Enterprise
Beautification	Sewer Enterprise
Criminal Asset Forfeiture	Golf Enterprise
Parks and Playground Capital Improvement	
General Excise Tax Capital Improvement	

Budgets are adopted on a basis consistent with GAAP except that expenditures include encumbrances as budgetary expenditures in the year the commitments are made and exclude claims and judgments and landfill closure and postclosure liabilities. Annual appropriations, except enterprise funds, lapse at fiscal year-end. Project ordinances are adopted for capital projects funds.

The County uses the following procedures in establishing the budgetary data reflected in the financial statements:

- On or before March 15, the Mayor submits a proposed operating and capital projects budget for the year commencing the following July 1 to the County Council. The operating and capital project budgets include proposed expenditures and the means to finance them.
- Public hearings are conducted to obtain citizen comments. The Council may amend the Mayor's budget. On or before June 7 of the fiscal year currently ending, the Council legally enacts the budget through the passage of a budget ordinance.
- Amendments to the enacted budget ordinances may be proposed by the Mayor and enacted by the Council (under the same procedures prescribed for the enactment of the annual budget ordinance), provided that no amendment increases the aggregate of authorized expenditures to an amount greater than the estimate of available financial resources for the fiscal year.
- The Mayor is authorized to transfer appropriations between programs within a department without Council approval; however, any transfer that alters the total expenditures of any department must be approved by the Council.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING (Continued)

Formal budgetary integration is employed in the annual operating budgets as a management control device during the year for the General Fund and Special Revenue Funds (except for Section 8, Plans and Permits, Federal, and State Grants). Accordingly, budget figures are included in the respective *Statement/Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*. The Capital Projects Funds budgets were adopted on a project basis and they are included in this presentation.

Formal budgetary integration is also employed for the Public Housing, Sewer, and Golf Funds. Accordingly, budget figures are included as additional information in the respective *Schedules of Revenues, Expenditures, and Changes in Fund Equity - Budget and Actual* for these funds.

Formal budgetary integration is not employed for the Debt Service Fund, Bond Fund, Agency Funds, certain Special Revenue Funds, and Capital Projects Funds, as noted above. Budgetary control for these funds is achieved through bond indentures, contractual or grant provisions, project oversight, and legislation.

Flexible budgeting is employed by the Department. Expenditures may not exceed appropriations at the departmental level. Individual fund budgetary comparisons (by object code and by year of appropriation) are reported in separate budgetary reports, which can be obtained from the County's Director of Finance.

The final budget figures presented include all amendments during the year. Amendments to the budget ordinance for the fiscal year were made in compliance with the procedures described above. Several budget amendments were made during the year.

NOTE 3 - BUDGET TO GAAP RECONCILIATION

Encumbrance accounting is employed as an extension of formal budgetary integration in the General Fund and budgeted Special Revenue Funds. Capital Projects Funds also employ encumbrance accounting to reserve for construction contracts. Actual expenditures on a budgetary basis include current year reserves for encumbrances and exclude payments on prior year encumbrances. Encumbrances outstanding at year end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Budgeted deficiencies are funded by the estimated unencumbered unassigned fund balances as of June 30, 2024.

The County's budget is prepared differently from GAAP. Therefore, the *Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund, General Excise Tax Fund, Housing and Community Development Revolving Fund, and Solid Waste Disposal Fund* are presented on the budgetary basis, using budgetary expenditure categories.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 - BUDGET TO GAAP RECONCILIATION (Continued)

The following is a reconciliation of the differences between the budgetary basis and GAAP basis for the excess of revenues and other sources over expenditures and other uses for the aforementioned financial statements:

	General Fund	General Excise Tax Fund	Housing and Community Development Revolving Fund	Solid Waste Disposal Fund
GAAP excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 13,743,221	\$ (1,633,017)	\$ (230,268)	\$ 6,656,426
Encumbrances and unexpended allotments, current year	<u>(17,071,385)</u>	<u>(25,426,499)</u>	<u>(189,275)</u>	<u>(9,576,109)</u>
Non-GAAP budgetary basis excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,328,164)</u>	<u>\$ (27,059,516)</u>	<u>\$ (419,543)</u>	<u>\$ (2,919,683)</u>

NOTE 4 - DEPOSITS AND INVESTMENTS

The County maintains a cash and investment pool that is used by all funds, including the Department. Each of the fund's and component unit's portion of this pool are displayed in the accompanying financial statements.

Deposits

The deposits of the County and Department consist of cash and cash equivalents, money market accounts, and negotiable and non-negotiable certificates of deposit. At year end, the carrying values (book balances) of these deposits with banks and savings institutions approximated \$105,694,000 and the balances carried by the bank were approximately \$110,236,000. All of these deposits are covered by federal depository insurance or collateralized by securities held by financial institutions in the County's name.

Investments

As of June 30, 2024, the County and the Department held approximately \$154,143,227 and \$38,294,376, respectively, or 54% and 87% of their investments in Federal Government Sponsored Entities and Government Securities.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, State law limits the County from holding investments with maturities in excess of five years.

As of June 30, 2024, the County and the Department had the following investments:

County

	<u>Reported Value</u>	<u>Maturity (in years)</u>		<u>1- 5</u>
		<u>Less than 1</u>	<u>1- 5</u>	
U.S. treasury obligations	\$ 40,078,004	\$ 16,940,635	\$ 23,137,369	
U.S. government agencies	114,065,223	21,809,377	92,255,846	
Municipal bonds	31,271,533	6,967,326	24,304,207	
Certificates of deposit	<u>81,800,500</u>	<u>26,749,677</u>	<u>55,050,823</u>	
	267,215,260	\$ <u>72,467,015</u>	\$ <u>194,748,245</u>	
Money market mutual funds		<u>17,535,358</u>		
Total	\$ <u>284,750,618</u>			

Department

	<u>Reported Value</u>	<u>Maturity (in years)</u>		<u>1- 5</u>
		<u>Less than 1</u>	<u>1- 5</u>	
U.S. treasury obligations	\$ 996,650	\$ 996,650	\$ --	
U.S. government agencies	37,297,726	7,190,990	30,106,736	
Municipal bonds	1,257,120	560,164	696,956	
Certificates of deposit	<u>3,742,000</u>	<u>2,995,000</u>	<u>747,000</u>	
	43,293,496	\$ <u>11,742,804</u>	\$ <u>31,550,692</u>	
Money market mutual funds		<u>664,943</u>		
Total	\$ <u>43,958,439</u>			

Credit Risk

State law limits investments to the top rating issued by nationally recognized statistical rating organizations (NRSRO's) or investments that have the faith and credit of the United States pledged for the payment of principal and interest. The County and Department's investment policy limits to those in accordance with HRS. As of June 30, 2024, with the exception of the County and Department's investment in certain fixed income and money market funds which were not rated, the County and Department's investments had an AA or greater rating.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the County and Department's investments are held in its name.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

Concentration of Credit Risk

The County places no limit on the amount which may be invested in any one issuer. As of June 30, 2024, the County and the Department held more than 5% of their investments in the following:

	<u>County</u>	
FHLB - Federal Home Loan Bank	\$ 87,290,165	30.6%
U.S. Treasury obligations	40,078,004	14.1%
Central Pacific Bank	16,000,000	5.6%
State municipal bonds	<u>30,188,740</u>	<u>10.6%</u>
 Total	 <u>\$ 173,556,909</u>	 <u>60.9%</u>

As of June 30, 2024, more than 5% of the Department's investments are held in the following: Federal Home Loan Bank (60%), Federal Farm Credit Bank (17%), and Federal Home Loan Mortgage (14%).

NOTE 5 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for an asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a level 2 input must be observable for most of the full term of the asset or liability. Level 2 inputs include:

- Quoted prices for similar assets or liabilities in active markets,
- Quoted prices for identical assets or liabilities in markets that are not active,
- Inputs other than quoted prices that are observable for the asset or liability,
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 - FAIR VALUE MEASUREMENTS (Continued)

Level 3 - Inputs are observable for an asset or liability.

Following is a description of the valuation techniques used by the County and Department to measure fair value:

U.S. treasury obligations and money market mutual funds: Valued using quoted prices in active markets for identical assets.

U.S. government agency obligations, municipal bonds, and certificates of deposit: Valued using quoted prices for identical or similar assets in markets that are not active.

Primary Government:

	Assets at Fair Value at June 30, 2024			
	Total	Level 1	Level 2	Level 3
Investments by fair value level				
U.S. treasury obligations	\$ 40,078,004	\$ 40,078,004	\$ --	\$ --
U.S. government agencies	114,065,223	--	114,065,223	--
Municipal bonds	31,271,533	--	31,271,533	--
Certificates of deposit	81,800,500	--	81,800,500	--
Money market mutual funds	<u>17,535,358</u>	<u>17,535,358</u>	<u>--</u>	<u>--</u>
	<u>\$ 284,750,618</u>	<u>\$ 57,613,362</u>	<u>\$ 227,137,256</u>	<u>\$ --</u>

Department:

	Assets at Fair Value at June 30, 2024			
	Total	Level 1	Level 2	Level 3
Investments by fair value level				
U.S. treasury obligations	\$ 996,650	\$ 996,650	\$ --	\$ --
U.S. government agencies	37,297,726	--	37,297,726	--
Municipal bonds	1,257,120	--	1,257,120	--
Certificates of deposit	3,742,000	3,742,000	--	--
Money market mutual funds	<u>664,943</u>	<u>664,943</u>	<u>--</u>	<u>--</u>
	<u>\$ 43,958,439</u>	<u>\$ 5,403,593</u>	<u>\$ 38,554,846</u>	<u>\$ --</u>

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 - RECEIVABLES

Receivables as of June 30, 2024, for the County's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Funds:

	General Fund	Excise Tax Fund	Revolving Fund	Housing and Community Development		Solid Waste Disposal Fund	Bond Fund	Subtotal
Receivables, net:								
Taxes receivable	\$ 7,010,129	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 7,010,129
Transient accommodations tax receivable	2,866,602	--	--	--	--	--	--	2,866,602
Accounts receivable, net	265,948	--	--	--	1,231,888	--	--	1,497,836
Due from other governments	--	12,592,417	--	--	--	--	--	12,592,417
Loans receivable	--	--	5,999,655	--	--	--	--	5,999,655
Interest receivable	1,140,241	233,419	1,563,442	156,668	61,929	61,929	61,929	3,155,699
Total Receivables, net:	\$ 11,282,920	\$ 12,825,836	\$ 7,563,097	\$ 1,388,556	\$ 61,929	\$ 61,929	\$ 61,929	\$ 33,122,338

	Federal Grants Fund	State Grants Fund	Grants Capital Improvement Fund	General Capital Improvement Fund		Other Governmental Funds	Total
Receivables, net:							
Taxes receivable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 7,010,129
Transient accommodations tax receivable	--	--	--	--	--	--	2,866,602
Accounts receivable, net	--	--	--	6,875,989	61,259	61,259	8,435,084
Due from other governments	11,023,618	1,987,301	15,841,431	--	463,189	463,189	41,907,956
Loans receivable	14,473,392	--	--	--	--	--	20,473,047
Interest receivable	638,057	--	--	--	26,511	26,511	3,820,267
Total Receivables, net:	\$ 26,135,067	\$ 1,987,301	\$ 15,841,431	\$ 6,875,989	\$ 550,959	\$ 550,959	\$ 84,513,085

Proprietary Funds:

	Proprietary Funds
Receivables, net:	
Accounts receivable	\$ 3,755,620
Lease receivable	366,285
Interest receivable	44,077
Loans receivable	1,000,000
Less: allowance for uncollectible accounts	(123,496)
Total Receivables, net:	\$ 5,042,486

The only receivables without an allowance not expected to be collected within one year are approximately \$20.5 million of loans receivable for the governmental activities and business-type activities which are generally due to the County on various dates through 2066.

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	Primary Government			Balance June 30, 2024
	Balance July 1, 2023	Increases	Decreases	
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 192,088,349	\$ 1,823,533	\$ (550,000)	\$ 193,361,882
Construction in progress	<u>41,725,323</u>	<u>24,833,220</u>	<u>(2,108,259)</u>	<u>64,450,284</u>
Total Capital Assets, Not Being Depreciated	<u>233,813,672</u>	<u>26,656,753</u>	<u>(2,658,259)</u>	<u>257,812,166</u>
Capital Assets, Being Depreciated:				
Buildings and improvements	172,126,891	1,175,884	--	173,302,775
Machinery and equipment	122,041,239	9,953,607	(6,567,545)	125,427,301
Infrastructure	<u>770,043,194</u>	<u>484,502</u>	<u>--</u>	<u>770,527,696</u>
Total Capital Assets, Being Depreciated	<u>1,064,211,324</u>	<u>11,613,993</u>	<u>(6,567,545)</u>	<u>1,069,257,772</u>
Less: Accumulated Depreciation:				
Buildings and improvements	(90,705,601)	(2,357,582)	--	(93,063,183)
Machinery and equipment	(92,660,009)	(7,094,612)	6,567,545	(93,187,076)
Infrastructure	<u>(539,417,302)</u>	<u>(15,484,618)</u>	<u>--</u>	<u>(554,901,920)</u>
Total Accumulated Depreciation	<u>(722,782,912)</u>	<u>(24,936,812)</u>	<u>6,567,545</u>	<u>(741,152,179)</u>
Right-to-use lease assets:				
Machinery and equipment	<u>2,162,870</u>	<u>93,745</u>	<u>--</u>	<u>2,256,615</u>
Accumulated amortization	<u>(1,642,090)</u>	<u>(222,137)</u>	<u>--</u>	<u>(1,864,227)</u>
Subscription assets:				
Subscription assets:	<u>7,779,618</u>	<u>1,636,240</u>	<u>--</u>	<u>9,415,858</u>
Accumulated amortization	<u>(1,584,358)</u>	<u>(2,243,386)</u>	<u>--</u>	<u>(3,827,744)</u>
Governmental Activities - Capital Assets, net	<u>\$ 581,958,124</u>	<u>\$ 12,598,396</u>	<u>\$ (2,658,259)</u>	<u>\$ 591,898,261</u>

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - CAPITAL ASSETS (Continued)

	Primary Government			
	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 24,508,545	\$ 6,990,108	\$ --	\$ 31,498,653
Construction in progress	<u>17,220,098</u>	<u>23,423,697</u>	<u>(2,937,221)</u>	<u>37,706,574</u>
Total Capital Assets, Not Being Depreciated	<u>41,728,643</u>	<u>30,413,805</u>	<u>(2,937,221)</u>	<u>69,205,227</u>
Capital Assets, Being Depreciated:				
Buildings and improvements	124,714,174	--	--	124,714,174
Machinery and equipment	26,533,052	572,795	(45,847)	27,060,000
Infrastructure	<u>20,623,995</u>	<u>--</u>	<u>--</u>	<u>20,623,995</u>
Total Capital Assets, Being Depreciated	<u>171,871,221</u>	<u>572,795</u>	<u>(45,847)</u>	<u>172,398,169</u>
Less: Accumulated Depreciation:				
Buildings and improvements	(62,026,877)	(3,617,928)	--	(65,644,805)
Machinery and equipment	(12,879,724)	(1,983,886)	45,847	(14,817,763)
Infrastructure	<u>(10,833,417)</u>	<u>(551,142)</u>	<u>--</u>	<u>(11,384,559)</u>
Total Accumulated Depreciation	<u>(85,740,018)</u>	<u>(6,152,956)</u>	<u>45,847</u>	<u>(91,847,127)</u>
Right-to-use lease assets:				
Machinery and equipment	6,958	--	--	6,958
Accumulated amortization	<u>(5,894)</u>	<u>(1,064)</u>	<u>--</u>	<u>(6,958)</u>
Business-type Activities - Capital Assets, net	<u>\$ 127,860,910</u>	<u>\$ 24,832,580</u>	<u>\$ (2,937,221)</u>	<u>\$ 149,756,269</u>

Depreciation and amortization expense was charged to functions of the primary government as follows:

Governmental Activities:

General government	\$ 3,632,962
Public safety	3,150,583
Public works	3,054,665
Highways and streets	8,056,906
Public welfare	1,126,564
Culture and recreation	4,083,162
Sanitation	<u>4,297,493</u>

Total Depreciation and Amortization Expense - Governmental Activities \$ 27,402,335

Business-type Activities:

Public housing	\$ 1,566,809
Sewer	4,346,142
Golf	<u>241,069</u>

Total Depreciation and Amortization Expense - Business-type Activities \$ 6,154,020

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - CAPITAL ASSETS (Continued)

	Component Unit			Balance June 30, 2024
	Balance July 1, 2023	Increases	Decreases	
Discretely Presented Component Unit:				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,307,422	\$ --	\$ --	\$ 1,307,422
Construction in progress	<u>8,489,135</u>	<u>11,004,205</u>	<u>(666,761)</u>	<u>18,826,579</u>
Total Capital Assets, Not Being Depreciated	<u>9,796,557</u>	<u>11,004,205</u>	<u>(666,761)</u>	<u>20,134,001</u>
Capital Assets, Being Depreciated:				
Buildings and improvements	16,689,211	8,978	--	16,698,189
Machinery and equipment	10,976,058	688,271	(658,175)	11,006,154
Infrastructure	<u>339,663,936</u>	<u>472,224</u>	<u>(32,249)</u>	<u>340,103,911</u>
Total Capital Assets, Being Depreciated	<u>367,329,205</u>	<u>1,169,473</u>	<u>(690,424)</u>	<u>367,808,254</u>
Less: Accumulated Depreciation:				
Buildings and improvements	(5,091,982)	(399,957)	--	(5,491,939)
Machinery and equipment	(8,395,194)	(588,207)	658,175	(8,325,226)
Infrastructure	<u>(122,743,645)</u>	<u>(5,664,822)</u>	<u>32,249</u>	<u>(128,376,218)</u>
Total Accumulated Depreciation	<u>(136,230,821)</u>	<u>(6,652,986)</u>	<u>690,424</u>	<u>(142,193,383)</u>
Right-to-use lease assets:				
Equipment	--	61,120	--	61,120
Accumulated amortization	--	--	--	--
Subscription assets:				
Accumulated amortization	--	600,499	--	600,499
Component Unit - Capital Assets, net	<u>\$ 240,894,941</u>	<u>\$ 6,132,731</u>	<u>\$ (666,761)</u>	<u>\$ 246,360,911</u>

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 - INTERFUND RECEIVABLES/PAYABLES

The Interfund Due From/To Other Funds consist of the following as of June 30, 2024:

Receivable Fund	Payable Fund	Amount
General Fund	General Excise Tax Fund	\$ 255,312
General Fund	Bond Fund	2,064
General Fund	Federal Grants Fund	72,063
General Fund	General Capital Improvement Fund	177
General Fund	Other Governmental Funds	47,377
Solid Waste Disposal Fund	State Grants Fund	11,162,965
Solid Waste Disposal Fund	Other Governmental Funds	26,151
Bond Fund	Other Governmental Funds	1,557,130
State Grants Fund	General Fund	33,149,999
Grants Capital Improvement Fund	Solid Waste Disposal Fund	4,510,750
Grants Capital Improvement Fund	Other Governmental Funds	242,305
General Capital Improvement Fund	General Fund	40,000,000
Other Governmental Funds	General Excise Tax Fund	2,534,634
Other Governmental Funds	Bond Fund	3,705,355
Other Governmental Funds	State Grants Fund	10,000,000
Other Governmental Funds	Grants Capital Improvement Fund	9,128,174
Other Governmental Funds	Other Governmental Funds	752,402
Total, All Funds		<u>\$ 117,146,858</u>

The primary purpose for interfund receivables/payables are interfund loans and cash not transferred before the end of the fiscal year. All interfund balances are expected to be repaid by June 30, 2025.

Internal balances consist of the following at June 30, 2024:

Receivable Fund	Payable Fund	Amount
General Fund	Public Housing Enterprise Fund	\$ 2,942
General Fund	Sewer Enterprise Fund	\$ 5,931
General Fund	Golf Enterprise Fund	\$ 59,517
Solid Waste Disposal Fund	Sewer Enterprise Fund	\$ 143,047

Transfers for the fiscal year ended June 30, 2024, consisted of the following:

	Transfers out:					Total
	General Fund	General Excise Tax Fund	Solid Waste Disposal Fund	Bond Fund	Sewer Enterprise Fund	
Transfers in:						
General Fund	\$ --	\$ --	\$ --	\$ 907,021	\$ --	\$ 907,021
Solid Waste Disposal Fund	18,867,771	--	--	--	--	18,867,771
General Capital Improvement Fund	29,957,483	--	--	--	--	29,957,483
Other Governmental Funds	10,026,876	18,488,960	953,961	--	699,895	30,169,692
Public Housing Enterprise Fund	14,861,727	--	--	--	--	14,861,727
Sewer Enterprise Fund	6,530,598	--	--	--	--	6,530,598
Golf Enterprise Fund	2,416,653	--	--	--	--	2,416,653
	<u>\$ 82,661,108</u>	<u>\$ 18,488,960</u>	<u>\$ 953,961</u>	<u>\$ 907,021</u>	<u>\$ 699,895</u>	<u>\$ 103,710,945</u>

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 - INTERFUND RECEIVABLES/PAYABLES (Continued)

Significant transfers during the year ended June 30, 2024 consist of the following:

- The General Fund transferred \$82,661,108 to subsidize various Special Revenue, Capital, and Enterprise Fund programs.
- The General Excise Tax Fund transferred \$18,488,960 to the General Excise Tax Capital Improvement Fund to finance capital projects.
- The Solid Waste Disposal Fund transferred \$953,961 to the Debt Service Fund, to finance subsidized debt service payments.
- The Bond Fund transferred \$907,021 of bonds subsidy interest to the General Fund.
- The Sewer Enterprise Fund transferred \$699,895 to the Debt Service Fund to subsidize debt service payments.

NOTE 9 - NET POSITION

At June 30, 2024, the County and Department's net position consisted of the following:

	Governmental Activities	Business-type Activities	Component Unit
Net investment in Capital Assets:			
Net property, plant, and equipment	\$ 591,898,261	\$ 149,756,269	\$ 246,360,911
Less: Long-term debt	(96,349,359)	(25,131,477)	(50,400,453)
Less: Finance purchase obligation	(7,761,970)	(619,037)	--
Less: Lease liability	(5,059,906)	--	--
Less: Accounts and contracts payable attributable to capital assets	--	--	(2,859,089)
Add: Deferred outflows - deferred refunding costs	--	--	--
Less: Deferred inflows - deferred gain on refunding costs	(1,661,505)	--	(72,865)
Add: Unspent debt proceeds	<u>10,775,501</u>	<u>--</u>	<u>12,542,169</u>
Subtotal	<u>491,841,022</u>	<u>124,005,755</u>	<u>205,570,673</u>
Restricted:			
Capital projects	93,324,180	--	--
Less: Unspent debt proceeds	(10,775,501)	--	(12,542,169)
Less: Accrued interest payable	(1,494,379)	--	--
Less: Restricted liabilities	--	--	--
Other - debt service	1,588,525	--	--
Housing program	--	1,000,000	--
Accounts receivable and other	--	--	--
Other - restricted cash and investments	<u>--</u>	<u>162,289</u>	<u>18,168,490</u>
Subtotal	<u>82,642,825</u>	<u>1,162,289</u>	<u>5,626,321</u>
Unrestricted	<u>(160,348,694)</u>	<u>5,488,862</u>	<u>18,810,294</u>
Total Net Position	\$ 414,135,153	\$ 130,656,906	\$ 230,007,288

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 - FINANCE PURCHASES AND RIGHT-TO-USE LEASES

The County and Department lease machinery and equipment expiring at various dates through June 2030. The County leases are financed primarily from General Fund, Highway Fund, General Excise Tax Fund, Solid Waste Disposal Fund, Sewer Fund and Golf Fund resources.

Finance Purchases:

The future minimum obligations under finance purchases at June 30, 2024, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 3,164,313	\$ 238,789	\$ 3,403,102
2026	2,135,501	171,162	2,306,663
2027	1,699,577	111,523	1,811,100
2028	1,104,938	57,933	1,162,871
2029	210,459	15,259	225,718
Thereafter	66,219	5,944	72,163
Totals	\$ 8,381,007	600,610	\$ 8,981,617

Right-to-Use Leases:

The future minimum obligations under right-to-use leases at June 30, 2024, are as follows:

County:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 185,899	\$ 3,603	\$ 189,502
2026	170,224	1,528	171,752
2027	29,959	255	30,214
2028	14,948	98	15,046
2029	1,693	13	1,706
Totals	\$ 402,723	\$ 5,497	\$ 408,220

Department:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 13,345	\$ 1,559	\$ 14,904
2026	15,001	1,258	16,259
2027	15,468	791	16,259
2028	17,306	308	17,614
Totals	\$ 61,120	\$ 3,916	\$ 65,036

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 - LONG-TERM LIABILITIES

Long-term liability activity for the fiscal year ended June 30, 2024, was as follows:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Approximate amounts due within one year
<i>Governmental Activities:</i>					
Bonds Payable:					
General obligation bonds	\$ 87,559,200	\$ --	\$ 7,028,400	\$ 80,530,800	\$ 7,244,600
Total Bonds Payable	<u>87,559,200</u>	<u>--</u>	<u>7,028,400</u>	<u>80,530,800</u>	<u>7,244,600</u>
Direct borrowings - Loans payable to State	15,241,571	1,459,278	882,290	15,818,559	938,669
Claims and judgments	7,469,165	2,172,973	2,087,100	7,555,038	1,818,112
Landfill closure and postclosure	35,947,187	4,596,431	479,649	40,063,969	479,649
Right-to-use lease liability	528,422	93,745	219,444	402,723	185,899
SBITA leases	5,600,141	1,611,735	2,554,693	4,657,183	1,619,918
Finance purchases	8,311,672	3,214,845	3,764,547	7,761,970	2,660,784
Compensated absences	<u>17,337,059</u>	<u>5,591,297</u>	<u>5,043,592</u>	<u>17,884,764</u>	<u>4,471,191</u>
Governmental Activities, Long-term Liabilities	<u><u>177,994,417</u></u>	<u><u>18,740,304</u></u>	<u><u>22,059,715</u></u>	<u><u>174,675,006</u></u>	<u><u>19,418,822</u></u>
<i>Business-type Activities:</i>					
Direct borrowings - Loans payable to State	\$ 31,774,993	\$ 8,469,566	\$ 15,113,082	\$ 25,131,477	\$ 2,558,975
Claims and judgments	335,888	95,626	82,329	349,185	119,930
Right-to-use lease liability	1,208	--	1,208	--	--
Finance purchases	1,176,524	--	557,487	619,037	503,529
Compensated absences	<u>846,099</u>	<u>305,752</u>	<u>197,935</u>	<u>953,916</u>	<u>238,479</u>
Business-type Activities, Long-term Liabilities	<u><u>34,134,712</u></u>	<u><u>8,870,944</u></u>	<u><u>15,952,041</u></u>	<u><u>27,053,615</u></u>	<u><u>3,420,913</u></u>
<i>Discretely Presented Component Unit:</i>					
Bonds Payable:					
General obligation bonds	\$ 41,025,800	\$ --	\$ 3,331,600	\$ 37,694,200	\$ 3,490,400
Deferred Costs:					
For issuance premiums	117,649	--	45,915	71,734	--
Total Bonds Payable	<u>41,143,449</u>	<u>--</u>	<u>3,377,515</u>	<u>37,765,934</u>	<u>3,490,400</u>
Direct borrowings - Loans payable to State	10,685,306	3,717,581	1,768,368	12,634,519	1,844,274
Compensated absences	1,380,798	843,367	563,702	1,660,463	682,149
Right-to-use lease liability	--	61,120	--	61,120	--
SBITA leases	--	600,499	76,667	523,832	151,732
Pollution remediation obligation	<u>1,270,458</u>	<u>--</u>	<u>658,501</u>	<u>611,957</u>	<u>611,957</u>
Component Unit, Long-term Liabilities	<u><u>54,480,011</u></u>	<u><u>5,222,567</u></u>	<u><u>6,444,753</u></u>	<u><u>53,257,825</u></u>	<u><u>6,780,512</u></u>

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 - LONG-TERM LIABILITIES (Continued)

General Obligation Bonds - The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. These bonds have been issued by the County for both primary government and component unit activities.

General obligation bonds are direct obligations of the County. The County has pledged its full faith and credit. Additionally, the Department has pledged to maintain and collect revenues sufficient to pay all operating costs and to pay the principal and interest on such bonds as they become due.

The County and the Department issued general obligation bonds through the Build America Bonds and Recovery Zone Economic Development Bonds programs that provide 35% and 45%, respectively, in federal subsidies on the total interest requirements. The interest is paid to the County and the Department on a semi-annual basis corresponding with the interest payment dates to the bondholders. Subsidy payments of \$534,930 and \$308,620 were received in fiscal year 2024 for Build America Bonds and Recovery Zone Economic Development Bonds, respectively.

Claims and judgments - Claims and lawsuits have been filed against the County in the normal course of its operations and are paid from the General Fund. The liability for probable losses has been accrued in the government-wide Statement of Net Position.

Landfill closure and post-closure - The County recognizes a portion of the closure and postclosure care costs each operating period in the Solid Waste Disposal Fund. The liability for these costs is included in the government-wide Statement of Net Position and is based on the landfill capacity used as of the balance sheet date.

Compensated absences - Compensated absences consist of accrued vacation leave and compensated time earned. The liability for the accumulated unpaid portion has been accrued for in the government-wide Statement of Net Position.

Lease Liability

The County, as lessee has both finance purchases and right-to-use leases. The related obligations are presented in the amounts equal to the present value of lease payments, payable during the remaining lease term. The County recognizes a lease liability, and the associated capital asset and right-to-use lease asset, respectively, on the government-wide Statement of Net Position.

The County did not incur expenses related to its leasing activities related to residual value guarantees, lease termination penalties or losses due to impairment. As a lessee, the County has no agreements that include sale-leaseback and lease-leaseback transactions.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 - LONG-TERM LIABILITIES (Continued)

General obligation bonds payable reported on the government-wide *Statement of Net Position* at June 30, 2024, are comprised of the following individual issues:

	<u>Amount</u>
Governmental Activities:	
General obligation bonds, 2010 Series A, original amount \$47,835,000, due in annual installments of \$2,290,000 to \$3,570,000 through August 2033, interest payments semi-annually from 1.955% to 5.763% (before the federal subsidy).	\$ 28,280,000
General obligation bonds, 2010 Series A, original amount \$12,165,000, due in annual installments of \$3,140,000 to \$9,025,000 through August 2034, interest payments semi-annually from 5.863% to 5.913% (before the federal subsidy).	12,165,000
General obligation bonds, 2017 Series A, original amount \$24,015,000, due in annual installments of \$715,000 to \$1,455,000 through August 2042, interest payments semi-annually from 2.50% to 5.00%.	20,275,000
General obligation bonds, 2021 Series A, original amount \$6,040,000, due in annual installments of \$1,544,000 to \$1,624,000 through August 2025, interest payments semi-annually of 5.00%.	3,168,000
General obligation bonds, 2021 Series B, original amount \$19,329,200, due in annual installments of \$2,695,600 to \$2,875,000 through August 2029, interest payments semi-annually of 0.32% to 1.875%.	<u>16,642,800</u>
Total Governmental Activities	<u>\$ 80,530,800</u>

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 - LONG-TERM LIABILITIES (Continued)

Annual debt service requirements of the primary government general obligation bonds payable (without regard to the interest subsidies previously identified) as of June 30, 2024, are approximately as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 7,244,600	\$ 3,332,000	\$ 10,576,600
2026	7,497,600	3,083,000	10,580,600
2027	6,076,200	2,843,500	8,919,700
2028	6,293,000	2,623,500	8,916,500
2029	6,529,400	2,384,100	8,913,500
2030-2034	26,435,000	8,238,200	34,673,200
2035-2039	14,945,000	1,798,500	16,743,500
2040-2043	<u>5,510,000</u>	<u>446,500</u>	<u>5,956,500</u>
 Totals	 <u>\$ 80,530,800</u>	 <u>\$ 24,749,300</u>	 <u>\$ 105,280,100</u>

Component Unit:	<u>Amount</u>
Build America Bonds - County Series 2010A, original amount of \$60,000,000, due in annual installments of \$2,870,000 to \$4,470,000 through August 2033, interest payments semi-annually from 4.76% to 5.76%.	\$ 35,455,000
General Obligation Bonds - County Series 2021A, original amount \$1,510,000, due in annual installments of \$386,000 to \$406,000 through August 2025, interest payments semi-annually from 3% to 5%.	792,000
General Obligation Bonds - County Series 2021B, original amount \$1,680,000, due in annual installments of \$234,400 to \$250,000 through August 2029, interest payments semi-annually from 3% to 5%.	<u>1,447,200</u> 37,694,200 <u>71,734</u>
Premium on bond issuance	
Total Component Unit	\$ <u>37,765,934</u>

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 - LONG-TERM LIABILITIES (Continued)

Annual debt service requirements of the Component Unit general obligation bonds payable (without regard to the interest subsidies previously identified) as of June 30, 2024, are approximately as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 3,490,000	\$ 1,949,000	\$ 5,439,000
2026	3,667,000	1,775,000	5,442,000
2027	3,429,000	1,596,000	5,025,000
2028	3,612,000	1,414,000	5,026,000
2029	3,806,000	1,218,000	5,024,000
<u>2030 - 2034</u>	<u>19,690,000</u>	<u>2,727,000</u>	<u>22,417,000</u>
Total	\$ 37,694,000	\$ 10,679,000	\$ 48,373,000

At June 30, 2024, approximately \$43.3 million of primary government and \$5.4 million of component unit general obligation bonds outstanding are considered defeased.

Conduit Debt Obligations - Special District Bonds

The following Special District Bonds bearing the County's name were issued to finance the Kukui'ula Development Project. Neither the full faith and credit nor the general taxing powers of the County or the State of Hawai'i is pledged to the payment of the bonds. Furthermore, neither the County nor State of Hawai'i has any obligation for the payment of the bonds in the case of default.

<u>Issuer</u>	<u>Date of Issuance</u>	<u>Amount of Issue</u>	<u>Balance at June 30, 2024</u>
County of Kauai Community Facilities District No. 2008-1	December 17, 2019	\$ 20,320,000	\$ 20,320,000
	April 28, 2022	\$ 30,810,000	\$ 30,310,000

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 - LONG-TERM LIABILITIES (Continued)

The County's and Department's outstanding loan obligations contain provisions that, in event of default, an interest penalty will be assessed on the outstanding loan repayment amounts beginning on the first day following the repayment due date and ending on the date the default balances are paid. Loans payable reported on the government-wide *Statement of Net Position* at June 30, 2024, are comprised of the following:

	<u>Amount</u>
Loans Payable: Governmental Activities	
During fiscal year 2017, the County entered into a construction agreement with the State totaling approximately \$4.5 million to fund a gas collection system. Principal, interest and loan fee payments are due in semi-annual installments of \$128,424 (\$256,848 annually). A loan fee is assessed at 0.75% of the outstanding principal balance. Interest is accrued at 0.25% per annum.	\$ 3,235,996
During fiscal year 2019, the County entered into a construction agreement with the State totaling approximately \$13.3 million to fund the landfill expansion. Principal, interest and loan fee payments are due in semi-annual installments of \$377,785 (\$755,570 annually). A loan fee is assessed at 0.75% of the outstanding principal balance. Interest is accrued at 0.25% per annum.	11,143,423
During fiscal year 2024, the County entered into a construction agreement with the State totaling approximately \$1.59 million to fund refuse transfer station improvements. Principal, interest, and loan fee payments are due in semi-annual installments of \$42,665 (\$85,330 annually). A loan fee is assessed at 1.00% of the outstanding principal balance. Interest is accrued at 0.25% per annum.	1,439,140
Total Governmental Activities	<u>\$ 15,818,559</u>
Loans Payable: Business-type Activities	
Direct Borrowings - State Revolving Fund Loans	
During fiscal year 2006, the County entered into a construction agreement with the State to fund a cesspool conversion project. The agreement allows the County to request reimbursement for project related expenditures from the State. Principal and interest payments are due in semi-annual installments of \$50,750 (\$101,500 annually). A loan fee is assessed at 1.00% of the outstanding principal balance. Interest is accrued at 2.13% per annum.	\$ 149,143
Balance forward	\$ 149,143

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 - LONG-TERM LIABILITIES (Continued)

	<u>Amount</u>
Loans Payable: Business-type Activities	
Balance carried forward	\$ 149,143
During fiscal year 2007, the County entered into a construction agreement with the State totaling approximately \$2.7 million to fund a wastewater effluent system. Principal and interest payments are due in semi-annual installments of \$58,425 (\$116,850 annually). A loan fee is assessed at .25% of the outstanding principal balance. Interest is accrued at .50% per annum.	233,473
During fiscal year 2009, the County entered into a construction agreement with the State totaling approximately \$2.1 million to continue to fund the wastewater effluent system. Principal and interest payments are due in semi-annual installments of \$55,611 (\$111,222 annually). A loan fee is assessed at .25% of the outstanding principal balance. Interest is accrued at .50% per annum.	330,434
During fiscal year 2009, the County entered into a construction agreement with the State totaling approximately \$3.9 million to fund sewer system improvements. Principal and interest payments are due in semi-annual installments of \$108,486 (\$216,972 annually). A loan fee is assessed at .25% of the outstanding principal balance. Interest is accrued at .50% per annum.	645,311
During fiscal year 2009, the County entered into a construction agreement with the State totaling approximately \$436,000 to fund wastewater pump station improvements. Principal and interest payments are due in semi-annual installments of \$12,051 (\$24,102 annually). A loan fee is assessed at .25% of the outstanding principal balance. Interest is accrued at .50% per annum.	83,304
During fiscal year 2010, the County entered into a construction agreement with the State totaling approximately \$4.9 million to fund the wastewater plant digester repair. Principal and interest payments are due in semi-annual installments of \$137,553 (\$275,106 annually). A loan fee is assessed at 0.25% of the outstanding principal balance. Interest is accrued at 0.50% per annum.	<u>1,217,014</u>
Balance forward	\$ <u>2,658,679</u>

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 - LONG-TERM LIABILITIES (Continued)

	<u>Amount</u>
Balance carried forward	\$ 2,658,679
During fiscal year 2011, the County entered into a construction agreement with the State totaling approximately \$9.7 million to fund Phase I of the Waimea Wastewater Treatment Plant Expansion. Principal and interest payments are due in semi-annual installments of \$294,994 (\$589,988 annually). A loan fee is assessed at 0.25% of the outstanding principal balance. Interest is accrued at 0.50% per annum.	3,483,579
During fiscal year 2014, the County entered into a construction agreement with the State totaling approximately \$1.9 million to fund Phase I of the Wailua Wastewater Treatment Plant Improvement. Principal and interest payments are due in semi-annual installments of \$51,518 (\$103,036 annually). A loan fee is assessed at 0.25% of the outstanding principal balance. Interest is accrued at 0.25% per annum.	1,016,963
During fiscal year 2016, the County entered into a new construction agreement with the State totaling approximately \$5.2 million to fund Ele'ele Wastewater Treatment Plant Improvements. Principal and interest payments are due in semi-annual installments of \$125,940 (\$251,880 annually). A loan fee is assessed at 0.50% of the outstanding principal balance. Interest is accrued at 0.25% per annum.	2,608,732
During fiscal year 2021, the County entered into a new construction agreement with the State totaling approximately \$3.9 million to fund Hanamaulu and Kapaia Sewage Pump Station Renovations. Principal, interest and loan fee payments are due in semi-annual installments of \$118,135 (\$236,269 annually). A loan fee is assessed at 1.0% of the outstanding principal balance. Interest is accrued at 0.25% per annum.	3,416,383
During fiscal year 2022, the County entered into a new construction agreement with the State totaling approximately \$4.2 million to fund Lihue Wastewater Treatment Plant Process Improvements. Principal, interest and loan fee payments are due in semi-annual installments of \$126,594 (\$253,188 annually). A loan fee is assessed at 1.0% of the outstanding principal balance. Interest is accrued at 0.25% per annum.	<u>3,866,786</u>
Balance forward	<u>\$ 17,051,122</u>

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 - LONG-TERM LIABILITIES (Continued)

	<u>Amount</u>
Balance carried forward	\$ 17,051,122
During fiscal year 2023, the County entered into a new construction agreement with the State totaling approximately \$6.9 million to fund Waimea Wastewater Distribution System Upgrades. Principal, interest and loan fee payments are due in semi-annual installments of \$177,995 (\$355,990 annually). A loan fee is assessed at 1.0% of the outstanding principal balance. Interest is accrued at 0.25% per annum.	5,579,940
During fiscal year 2024, the County entered into a new construction agreement with the State totaling approximately \$2.6 million to fund Wailua Sewage Pump Rehabilitation. Principal, interest and loan fee payments are due in semi-annual installments of \$75,906 (\$151,811 annually). A loan fee is assessed at 1.0% of the outstanding principal balance. Interest is accrued at 0.25% per annum.	<u>2,500,415</u>
Total Business-type Activities	\$ <u>25,131,477</u>

Annual requirements to retire loans payable from direct borrowings as of June 30, 2024, are approximately as follows:

Fiscal Year Ending June 30,	Direct borrowing loans payable to State						Total	
	Governmental Activities		Business-type Activities		Principal	Interest		
	Principal	Interest	Principal	Interest				
2025	\$ 939,000	\$ 159,000	\$ 2,559,000	\$ 262,000	\$ 3,498,000	\$ 421,000		
2026	948,000	150,000	2,529,000	237,000	3,477,000	387,000		
2027	958,000	140,000	2,378,000	214,000	3,336,000	354,000		
2028	967,000	130,000	2,054,000	192,000	3,021,000	322,000		
2029	977,000	120,000	1,915,000	173,000	2,892,000	293,000		
2030-2034	5,038,000	451,000	6,757,000	623,000	11,795,000	1,074,000		
2035-2039	4,913,000	190,000	4,817,000	296,000	9,730,000	486,000		
2040-2043	1,078,559	15,000	2,122,477	39,000	3,201,036	54,000		
Totals	\$ 15,818,559	\$ 1,355,000	\$ 25,131,477	\$ 2,036,000	\$ 40,950,036	\$ 3,391,000		

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 - LONG-TERM LIABILITIES (Continued)

Component Unit:

	<u>Amount</u>
Direct Borrowings - State Revolving Fund Loan -	
Lihu'e Steel Tanks 1 and 2, last installment 2025. Interest rate - 0.46%. Semi-annual loan fee rate - 1.625%. Date issued - January 15, 2004. Original amount - \$1,243,017.	\$ 69,010
Ornellas 0.2 MG Tank, last installment 2025. Interest rate - 0.58%. Semi-annual loan fee rate - 1.625%. Date issued - January 15, 2005. Original amount - \$809,398.	44,367
16" Waterline replacement along Kuhio Highway, last installment 2026. Interest rate - 0.16%. Semi-annual loan fee rate - 1.625%. Date issued - August 15, 2005. Original amount - \$2,305,093.	245,999
Poipu Road 16" Main Replacement, last installment 2027. Interest rate - 0.16%. Semi-annual loan fee rate - 1.625%. Date issued - January 15, 2007. Original amount - \$5,158,886.	805,492
Stable 1.0 MG Tank, last installment 2029. Interest rate - 0.26%. Semi-annual loan fee rate - 1.625%. Date issued - March 15, 2009. Original amount - \$7,274,998.	1,940,602
Kaumualii Highway 12" Main Replacement, last installment 2029. Interest rate - 0.32%. Semi-annual loan fee rate - 1.625%. Date issued - August 15, 2009. Original amount - \$3,989,537.	1,153,800
Waha, Wawae and Niho Roads Main Replacement, last installment 2029. Interest rate - 0.32%. Semi-annual loan fee rate - 1.625%. Date issued - August 15, 2009. Original amount - \$1,936,018.	<u>562,145</u>
Balance forward	<u>\$ 4,821,415</u>

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 - LONG-TERM LIABILITIES (Continued)

	<u>Amount</u>
Balance carried forward	\$ 4,821,415
Kapilima 0.5 MG Tank, last installment 2030. Interest rate - 0.42%. Semi-annual loan fee rate - 1.625%. Date issued - January 15, 2010. Original amount - \$3,793,779.	1,222,258
Wailua Houselots Main Replacement, last installment 2033. Interest rate - 0.50%. Semi-annual loan fee rate - 0.50%. Date issued - April 15, 2013. Original amount - \$4,463,084.	1,777,375
Lihue Baseyard Improvements, last installment 2034. Interest rate - 0.50%. Semi-annual loan fee rate - 0.50%. Date issued - December 15, 2014. Original amount - \$4,000,000.	1,095,889
Kalaheo Water Systems Improvements, last installment 2045. Interest rate - 0.65%. Semi-annual loan fee rate - 0.75%. Date issued - January 15, 2023. Original amount - \$13,000,000.	376,082
Kauai DOW Pro-Fi SFY 2024, last installment 2043. Interest rate - 0.25%. Semi-annual loan fee rate - 0.75%. Date issued - April 15, 2024. Original amount - \$5,000,000	<u>3,341,500</u>
Total Component Unit	<u>\$ 12,634,519</u>

Annual requirements to retire the component unit loans payable as of June 30, 2024, are approximately as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Direct Borrowing Loans Payable to State</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,844,000	\$ 308,000	\$ 2,152,000
2026	1,745,000	254,000	1,999,000
2027	1,637,000	203,000	1,840,000
2028	1,375,000	156,000	1,531,000
2029	1,382,000	212,000	1,594,000
2030-2034	2,600,000	286,000	2,886,000
2035-2039	1,045,000	141,000	1,186,000
2040-2044	983,000	48,000	1,031,000
2045	<u>24,000</u>	<u>--</u>	<u>24,000</u>
Totals	<u>\$ 12,635,000</u>	<u>\$ 1,608,000</u>	<u>\$ 14,243,000</u>

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 - LONG-TERM LIABILITIES (Continued)

Subscription Liability

The County and Department have entered into SBITAs for various administrative and operational purposes. These subscriptions include services related to a geospatial technology system, various desktop and server software subscriptions, cloud back up services software, computer-aided dispatch software and payroll and human resources software. The County leases are financed from the General Fund.

The future minimum obligations under SBITA arrangements at June 30, 2024, are approximately as follows:

County:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 1,619,900	\$ 130,000	\$ 1,749,900
2026	920,300	86,200	1,006,500
2027	823,100	61,500	884,600
2028	467,900	38,900	506,800
2029	480,000	24,600	504,600
Thereafter	<u>345,983</u>	<u>10,600</u>	<u>356,583</u>
Totals	<u>\$ 4,657,183</u>	<u>\$ 351,800</u>	<u>\$ 5,008,983</u>

Department:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 151,732	\$ 13,969	\$ 165,701
2026	149,536	9,178	158,714
2027	110,329	5,296	115,625
2028	<u>112,235</u>	<u>1,835</u>	<u>114,070</u>
Totals	<u>\$ 523,832</u>	<u>\$ 30,278</u>	<u>\$ 554,110</u>

NOTE 12 - EMPLOYEE BENEFIT PLANS

Pension Plan

Pension Plan Description - Generally, all full-time employees of the State and counties are required to be members of the ERS, a cost-sharing multiple-employer defined benefit pension plan that administers the State's pension benefits program. Benefits, eligibility, and contribution requirements are governed by HRS Chapter 88 and can be amended through legislation. The ERS issues publicly available annual financial reports that can be obtained at ERS' website: <https://www.ers.ehawaii.gov>.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 - EMPLOYEE BENEFIT PLANS (Continued)

Benefits Provided - The ERS Pension Trust is comprised of three pension classes for membership purposes and considered to be a single plan for accounting purposes since all assets of the ERS may legally be used to pay the benefits of any of the ERS members or beneficiaries. The ERS provides retirement, disability and death benefits with three membership classes known as the noncontributory, contributory and hybrid retirement classes. The three classes provide a monthly retirement allowance equal to the benefit multiplier (generally 1.25% to 2%) multiplied by the average final compensation multiplied by years of credited service. Average final compensation for members hired prior to July 1, 2012 is an average of the highest salaries during any three years of credited service, excluding any salary paid in lieu of vacation for members hired January 1, 1971 or later and the average of the highest salaries during any five years of credited service including any salary paid in lieu of vacation for members hired prior to January 1, 1971. For members hired after June 30, 2012, average final compensation is an average of the highest salaries during any five years of credited service excluding any salary paid in lieu of vacation.

Each retiree's original retirement allowance is increased on each July 1 beginning the calendar year after retirement. Retirees first hired as members prior to July 1, 2012 receive a 2.5% increase each year of their original retirement allowance without a ceiling (2.5% of the original retirement allowance the first year, 5.0% the second year, 7.5% the third year, etc.). Retirees first hired as members after June 30, 2012 receive a 1.5% increase each year of their original retirement allowance without a ceiling (1.5% of the original retirement allowance the first year, 3.0% the second year, 4.5% the third year, etc.).

The following summarizes the provisions relevant to the largest employee groups of the respective membership class. Retirement benefits for certain groups, such as police officers, firefighters, some investigators, sewer workers, judges, and elected officials, vary from general employees.

Noncontributory Class

Retirement Benefits - General employees' retirement benefits are determined as 1.25% of average final compensation multiplied by the years of credited service. Employees with 10 years of credited service are eligible to retire at age 62. Employees with 30 years of credited service are eligible to retire at age 55.

Disability Benefits - Members are eligible for service-related disability benefits regardless of length of service and receive a lifetime pension of 35% of their average final compensation. 10 years of credited service is required for ordinary disability. Ordinary disability benefits are determined in the same manner as retirement benefits but are payable immediately, without an actuarial reduction, and at a minimum of 12.5% of average final compensation.

Death Benefits - For service-connected deaths, the surviving spouse/reciprocal beneficiary receives a monthly benefit of 30% of the average final compensation until remarriage or re-entry into a new reciprocal beneficiary relationship. Additional benefits are payable to surviving dependent children up to age 18. If there is no spouse/reciprocal beneficiary or dependent children, no benefit is payable.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 - EMPLOYEE BENEFIT PLANS (Continued)

Ordinary death benefits are available to employees who were active at time of death with at least 10 years of credited service. The surviving spouse/reciprocal beneficiary (until remarriage/re-entry into a new reciprocal beneficiary relationship) and dependent children (up to age 18) receive a benefit equal to a percentage of member's accrued maximum allowance unreduced for age or, if the member was eligible for retirement at the time of death, the surviving spouse/reciprocal beneficiary receives 100% joint and survivor lifetime pension and the dependent children receive a percentage of the member's accrued maximum allowance unreduced for age.

Contributory Class for Employees Hired Prior to July 1, 2012

Retirement Benefits - General employees' retirement benefits are determined as 2% of average final compensation multiplied by the years of credited service. General employees with 5 years of credited service are eligible to retire at age 55.

Police and firefighters' retirement benefits are determined using the benefit multiplier of 2.5% for qualified service, up to a maximum of 80% of average final compensation. Police officers and firefighters with five years of credited service are eligible to retire at age 55. Police officers and firefighters with 25 years of credited service are eligible to retire at any age, provided the last five years is service credited in these occupations.

Disability Benefits - Members are eligible for service-related disability benefits regardless of length of service and receive a one-time payment of the member's contributions and accrued interest plus a lifetime pension of 50% of their average final compensation. 10 years of credited service is required for ordinary disability. Ordinary disability benefits are determined as 1.75% of average final compensation multiplied by the years of credited service but are payable immediately, without an actuarial reduction, and at a minimum of 30% of average final compensation.

Death Benefits - For service-connected deaths, the surviving spouse/reciprocal beneficiary receives a lump sum payment of the member's contributions and accrued interest plus a monthly benefit of 50% of the average final compensation until remarriage or re-entry into a new reciprocal beneficiary relationship. If there is no surviving spouse/reciprocal beneficiary, surviving dependent children (up to age 18) or dependent parents are eligible for the monthly benefit. If there is no spouse/reciprocal beneficiary or dependent children/parents, the ordinary death benefit is payable to the designated beneficiary.

Ordinary death benefits are available to employees who were active at time of death with at least one year of service. Ordinary death benefits consist of a lump sum payment of the member's contributions and accrued interest plus a percentage of the salary earned in the 12 months preceding death, or 50% joint and survivor lifetime pension if the member was not eligible for retirement at the time of death but was credited with at least 10 years of service and designated one beneficiary, or 100% joint and survivor lifetime pension if the member was eligible for retirement at the time of death and designated one beneficiary.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 - EMPLOYEE BENEFIT PLANS (Continued)

Contributory Class for Employees Hired After June 30, 2012

Retirement Benefits - General employees' retirement benefits are determined as 1.75% of average final compensation multiplied by the years of credited service. General employees with 10 years of credited service are eligible to retire at age 60.

Police officers and firefighters' retirement benefits are determined using the benefit multiplier of 2.25% for qualified service, up to a maximum of 80% of average final compensation. Police officers and firefighters with 10 years of credited service are eligible to retire at age 60. Police officers and firefighters with 25 years of credited service are eligible to retire at age 55, provided the last five years is service credited in these occupations.

Disability and Death Benefits - Members are eligible for service-related disability benefits regardless of length of service and receive a lifetime pension of 50% of their average final compensation plus refund of contributions and accrued interest. 10 years of credited service is required for ordinary disability.

For police officers and firefighters, ordinary disability benefits are 1.75% of average final compensation for each year of service and are payable immediately, without an actuarial reduction, at a minimum of 30% of average final compensation.

Death benefits for contributory members hired after June 30, 2012 are generally the same as those for contributory members hired June 30, 2012 and prior.

Hybrid Class for Employees Hired Prior to July 1, 2012

Retirement Benefits - General employees' retirement benefits are determined as 2% of average final compensation multiplied by the years of credited service. General employees with five years of credited service are eligible to retire at age 62. General employees with 30 years of credited service are eligible to retire at age 55.

Disability Benefits - Members are eligible for service-related disability benefits regardless of length of service and receive a lifetime pension of 35% of their average final compensation plus refund of their contributions and accrued interest. 10 years of credited service is required for ordinary disability. Ordinary disability benefits are determined in the same manner as retirement benefits but are payable immediately, without an actuarial reduction, and at a minimum of 25% of average final compensation.

Death Benefits - For service-connected deaths, the surviving spouse/reciprocal beneficiary receives a lump sum payment of the member's contributions and accrued interest plus a monthly benefit of 50% of the average final compensation until remarriage or re-entry into a new reciprocal beneficiary relationship. If there is no surviving spouse/reciprocal beneficiary, surviving dependent children (up to age 18) or dependent parents are eligible for the monthly benefit. If there is no spouse/reciprocal beneficiary or dependent children/parents, the ordinary death benefit is payable to the designated beneficiary.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 - EMPLOYEE BENEFIT PLANS (Continued)

Ordinary death benefits are available to employees who were active at time of death with at least five years of service. Ordinary death benefits consist of a lump sum payment of the member's contributions and accrued interest plus a percentage multiplied by 150%, or 50% joint and survivor lifetime pension if the member was not eligible for retirement at the time of death but was credited with at least 10 years of service and designated one beneficiary, or 100% joint and survivor lifetime pension if the member was eligible for retirement at the time of death and designated one beneficiary.

Hybrid Class for Employees Hired After June 30, 2012

Retirement Benefits - General employees' retirement benefits are determined as 1.75% of average final compensation multiplied by the years of credited service. General employees with 10 years of credited service are eligible to retire at age 65. Employees with 30 years of credited service are eligible to retire at age 60. Sewer workers, water safety officers, and emergency medical technicians may retire with 25 years of credited service at age 55.

Disability and Death Benefits - Provisions for disability and death benefits generally remain the same except for ordinary death benefits. Ordinary death benefits are available to employees who were active at time of death with at least 10 years of service. Ordinary death benefits consist of a lump sum payment of the member's contributions and accrued interest, plus a percentage multiplied by 50% joint and survivor lifetime pension if the member was not eligible for retirement at the time of death but was credited with at least 10 years of service and designated one beneficiary, or 100% joint and survivor lifetime pension if the member was eligible for retirement at the time of death and designated one beneficiary.

Contributions - Contributions are established by HRS Chapter 88 and may be amended through legislation. The employer rate is set by statute based on the recommendations of the ERS actuary resulting from an experience study conducted every five years. Since July 1, 2005, the employer contribution rate is a fixed percentage of compensation, including the normal cost plus amounts required to pay for the unfunded actuarial accrued liabilities. Contributions to the pension plan from the County and the Department were approximately \$29,229,000 and \$2,348,000, respectively, for the fiscal year ended June 30, 2024.

The employer is required to make all contributions for noncontributory members. Contributory members hired prior to July 1, 2012, are required to contribute 7.8% of their salary and police officers and firefighters are required to contribute 12.2% of their salary. Contributory members hired after June 30, 2012, are required to contribute 9.8% of their salary, except for police officers and firefighters who are required to contribute 14.2% of their salary. Hybrid members hired prior to July 1, 2012 are required to contribute 6.0% of their salary. Hybrid members hired after June 30, 2012 are required to contribute 8.0% of their salary.

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - EMPLOYEE BENEFIT PLANS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2024, the County and Department reported a liability of \$276,188,794 and \$17,335,567 respectively, for their proportionate share of net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County and Department's proportion of the net pension liability was based on a projection of the County and Department's long-term share of contributions to the pension plan relative to projected contributions of all participants, actuarially determined. At June 30, 2024, the County's proportion was 2.00% which was a decrease of 0.04% from its proportionate share measured as of June 30, 2023. At June 30, 2024, the Department's proportion was 0.15% which was a decrease of approximately 0.02% from its proportionate share measured as of June 30, 2023. The County's pension liability is liquidated by the County's General Fund.

There were no significant changes in actuarial assumptions in 2023. There were no other changes between the measurement date, June 30, 2023, and the reporting date, June 30, 2024, that are expected to have a significant effect on the proportionate share of the net pension liability.

For the fiscal year ended June 30, 2024, the County and the Department recognized pension expense of approximately \$21,185,000 and \$1,524,000, respectively. At June 30, 2024, the County and the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

County:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,305,471	\$ 7,303,321
Changes in assumptions	548,763	1,501,504
Net difference between projected and actual earnings on pension plan investments	3,538,468	--
Changes in proportion and difference between County contributions and proportionate share of contributions	3,778,605	11,599,785
County contributions subsequent to the measurement date	<u>29,228,565</u>	<u>--</u>
	<u>\$ 42,399,872</u>	<u>\$ 20,404,610</u>

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - EMPLOYEE BENEFIT PLANS (Continued)

The County reported \$29,228,565 as deferred outflows of resources related to pension contributions made after the measurement date, but before June 30, 2024, will be recognized as a reduction of the net pension liability in the subsequent period rather than in the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30.</u>	<u>Net Deferred Outflows (Inflows)</u>
2025	\$ (5,610,998)
2026	(8,573,963)
2027	4,871,497
2028	2,184,210
2029	<u>(104,049)</u>
Total	<u>\$ (7,233,303)</u>

Department:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 341,561	\$ 177,912
Changes in assumptions	5,708	155,880
Net difference between projected and actual earnings on pension plan investments	188,687	--
Changes in proportion and difference between Department contributions and proportionate share of contributions	2,743,115	3,720,221
Department contributions subsequent to the measurement date	<u>2,347,856</u>	<u>--</u>
	<u>\$ 5,626,927</u>	<u>\$ 4,054,013</u>

The Department reported \$2,347,856 as deferred outflows of resources related to pension contributions made after the measurement date, but before June 30, 2024, will be recognized as a reduction of the net pension liability in the subsequent period rather than in the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30.</u>	<u>Net Deferred Outflows (Inflows)</u>
2025	\$ (665,430)
2026	(755,549)
2027	783,192
2028	(86,824)
2029	<u>(50,331)</u>
Total	<u>\$ (774,942)</u>

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 - EMPLOYEE BENEFIT PLANS (Continued)

Actuarial Assumptions - The total pension liability in the June 30, 2023 actuarial valuation was based on the results of an experience study as of June 30, 2021, with most of the assumptions based on the period from July 1, 2016 through June 30, 2021 as follows:

Inflation rate	2.50%
Investment rate of return, including inflation	7.00%
Salary increases, including inflation	
Police and fire employees	5.00% to 6.00%
General employees	3.75% to 6.75%
Teachers	3.75% to 6.75%

There were no changes to ad hoc postemployment benefits including cost of living allowances.

Mortality rates used in the actuarial valuation as of June 30, 2023 were based on the following:

Active members - Multiples of the RP 2010 mortality table for active employees based on the occupation of the member.

Healthy retirees - The 2022 Public Retirees of Hawaii mortality table, generational projection using the BB projection table from the year 2022 and with multipliers based on plan and group experience.

Disabled retirees - Base table for healthy retirees' occupation, set forward five years, generational projection using the BB projection table from year 2022. Minimum mortality rate of 3.5% for males and 2.5% for females.

The long-term expected rate of return on pension plan investments was determined using a "top down approach" of the Bespoke Client Constrained Simulation-based Optimization Model (a statistical technique known as "re-sampling with replacement" that directly keys in on specific plan-level risk factors as stipulated by the ERS Board of Trustees) in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are then combined to produce the long-term expected rate of return by weighting the expected future nominal rates of return (real returns and inflation) by the target asset allocation percentage. The target allocation and best estimates of geometric real rates of return for each major asset class used in the actuarial valuation are summarized in the following table:

Strategic Allocation (risk-based classes)	Strategic class weights	Expected long-term geometric average strategic rate
Broad growth	65.00 %	8.70%
Diversifying strategies	35.00 %	5.20%
	<u>100.00</u> %	

*Uses an expected inflation of 2.60%

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 - EMPLOYEE BENEFIT PLANS (Continued)

Discount Rate - The discount rate used to measure the net pension liability at June 30, 2023 was 7.00%, consistent with the rate used at the prior measurement period. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the County will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Sensitivity of the County and Department's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the County and Department's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the County and Department's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County's proportionate share of the net pension liability	\$ <u>377,004,250</u>	\$ <u>276,188,794</u>	\$ <u>192,696,241</u>
Department's proportionate share of the net pension liability	\$ <u>23,060,287</u>	\$ <u>17,335,567</u>	\$ <u>12,594,513</u>

Pension Plan Fiduciary Net Position - The pension plan's fiduciary net position is determined on the same basis used by the pension plan. The ERS's financial statements are prepared using the accrual basis of accounting under which expenses are recorded when the liability is incurred, and revenues are recorded in the accounting period in which they are earned and become measurable. Employer and member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded as of their trade date. Administrative expenses are financed exclusively with investment income.

There were no significant changes after the report measurement date. Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report. ERS's complete financial statements are available at <https://www.ers.ehawaii.gov>.

Payables to the Pension Plan

As of June 30, 2024, the County and the Department had payables to the pension plan of \$4,533,759 and \$626,568, respectively.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13 - POST EMPLOYMENT HEALTHCARE PLAN

Postemployment Benefits Other Than Pensions (OPEB)

Plan Description - The County provides certain healthcare and life insurance benefits to all qualified employees through the Hawai'i Employer - Union Health Benefit Trust Fund (EUTF), an agent multiple-employer defined benefit plan that replaced the Hawaii Public Employees Health Fund effective July 1, 2003. The EUTF was established to provide a single delivery system of health benefits for state and county workers, retirees, and their dependents. As an agency of the State, the EUTF contracts with providers of medical, dental, vision, and life insurance plans. The EUTF plan currently provides medical, dental, vision, and life insurance benefits. The EUTF issues an annual financial report that is available to the public. That report is available at <https://eutf.hawaii.gov>.

For employees hired before July 1, 1996, the County pays the entire base monthly contribution for employees retiring with 10 years or more of credited service and 50% of the base monthly contribution for employees retiring with fewer than 10 years of credited service. A retiree can elect a family plan to cover dependents.

For employees hired after June 30, 1996 but before July 1, 2001, and who retire with less than 10 years of service, the County makes no contributions. For those retiring with at least 10 years but fewer than 15 years of service, the County pays 50% of the base monthly contribution. For those retiring with at least 15 years but fewer than 25 years of service, the County pays 75% of the base monthly contribution. For those employees retiring with at least 25 years of service, the County pays 100% of the base monthly contribution. Retirees in this category can elect a family plan to cover dependents.

For employees hired on or after July 1, 2001, and who retire with less than 10 years of service, the County makes no contributions. For those retiring with at least 10 years but fewer than 15 years of service, the County pays 50% of the base monthly contribution. For those retiring with at least 15 years but fewer than 25 years of service, the County pays 75% of the base monthly contribution. For those employees retiring with at least 25 years of service, the County pays 100% of the base monthly contribution. Only single plan coverage is provided for retirees in this category. Retirees can elect family coverage but must pay the difference.

The following table provides a summary of the number of employees covered by the benefits terms as of July 1, 2023:

County:

Inactive employees or beneficiaries currently receiving benefits	923
Inactive employees entitled but not yet receiving benefit payments	117
Active employees	<u>1,156</u>
	<u>2,196</u>

Department:

Inactive employees or beneficiaries currently receiving benefits	66
Inactive employees entitled but not yet receiving benefit payments	8
Active employees	<u>83</u>
	<u>157</u>

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13 - POST EMPLOYMENT HEALTHCARE PLAN (Continued)

Contributions - The County's contribution levels are established by Chapter 87A of the HRS and may be amended through legislation. For the fiscal year ended June 30, 2024 contributions to the OPEB plan from the County and the Department were \$17,553,000 and \$1,074,000, respectively. The employer is required to make all contributions for members.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB - At June 30, 2024 the County and Department reported a net OPEB liability of \$70,420,699 and \$3,650,143, respectively. The net OPEB liability was measured as of July 1, 2023 and the total OPEB liability to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County's OPEB liability is liquidated by the County's General Fund.

There were no changes between the measurement date, July 1, 2023, and the reporting date, June 30, 2024, that are expected to have a significant effect on the net OPEB liability.

For the fiscal year ended June 30, 2024, the County and Department recognized OPEB expense of approximately \$3,227,000 and \$124,000, respectively. At June 30, 2024, the County and Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

County:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ 4,295,489	\$ --
Changes in assumptions	561,601	5,742,024
Difference in expected and actual experience	1,892,902	28,617,227
Employer contributions subsequent to the measurement date	<u>17,553,000</u>	--
	<u>\$ 24,302,992</u>	<u>\$ 34,359,251</u>

Department:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ 309,946	\$ --
Changes in assumptions	58,845	523,879
Difference in expected and actual experience	25,182	1,829,523
Employer contributions subsequent to the measurement date	<u>1,074,000</u>	--
	<u>\$ 1,467,973</u>	<u>\$ 2,353,402</u>

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13 - POST EMPLOYMENT HEALTHCARE PLAN (Continued)

The County and Department reported \$17,553,000 and \$1,074,000, respectively, as deferred outflows of resources related to OPEB resulting from County and Department contributions subsequent to the measurement date, but before June 30, 2024, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period rather than in the current fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year <u>Ended June 30:</u>	County:		Department:	
	Net Deferred Outflows (Inflows)		Net Deferred Outflows (Inflows)	
2025	\$ (7,852,781)		\$ (518,492)	
2026	(9,848,501)		(640,758)	
2027	(3,054,105)		(218,597)	
2028	(4,629,534)		(296,404)	
2029	(2,349,139)		(288,367)	
Thereafter	124,801		3,189	
	<u>\$ (27,609,259)</u>		<u>\$ (1,959,429)</u>	

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13 - POST EMPLOYMENT HEALTHCARE PLAN (Continued)

Actuarial assumptions - The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions adopted by the EUTF's Board of Trustees, based on the 2022 experience study as conducted for the ERS:

Valuation date	July 1, 2022
Actuarial Cost Method	Entry Age Normal
Discount Rate	7.00%
Inflation	2.50%
Salary increases	3.75% to 6.75%, including inflation
Demographic Assumptions	Based on the 2022 actuarial experience study conducted for the ERS as of June 30, 2021
Mortality	System-specific mortality tables utilizing scale BB to project generational mortality improvement
Participation Rates	98% healthcare participation assumption for retirees that receive 100% of the Base Monthly Contribution (BMC). Healthcare participation rates of 25%, 65%, and 90% for retirees that receive 0%, 50%, or 75% of the BMC, respectively. 100% for Life insurance and 98% for Medicare Part B.
Healthcare cost trend rates	
PPO*	Initial rates of 6.30%; declining to a rate of 4.25% after 21 years
HMO**	Initial rate of 6.30%; declining to a rate of 4.25% after 21 years
Part B & Base Monthly Contribution	Initial rate of 5.00%, declining to a rate of 4.25% after 21 years
Dental	4.00%
Vision	2.50%
Life insurance	0.00%

* Blended rates for medical and prescription drug.

** Includes prescription drug assumptions.

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13 - POST EMPLOYMENT HEALTHCARE PLAN (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of July 1, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	27.50%	7.60%
Private equity	15.00%	10.00%
Real assets	12.00%	4.30%
Private credit	10.00%	7.80%
Trend following	10.00%	2.40%
Long treasuries	5.50%	2.40%
Reinsurance	5.00%	3.40%
Alternative risk premia	5.00%	3.30%
TIPS	5.00%	2.00%
U.S. microcap	3.00%	8.70%
Tail risk / long volatility	2.00%	-1.10%
Global options	0.00%	4.90%
	<hr/> 100.00%	

Single Discount Rate - The discount rate used to measure the total OPEB liability was 7.00% based on the expected rate of return on OPEB plan investments of 7.00%. Beginning with the fiscal year 2019 contribution, the funding policy of the County is to pay the recommended actuarially determined contribution, which is based on layered, closed amortization periods. In July 2020, the Governor's office issued the Tenth Proclamation related to the COVID-19 emergency, allowing employers of the EUTF to suspend Act 268 contributions for the fiscal year ended June 30, 2021 and instead limit their contributions to the amounts of OPEB benefits due. The relief provision related to OPEB funding was extended to the fiscal year ended June 30, 2022 and 2023 by Act 229, Session Laws of Hawaii 2021. The EUTF's fiduciary net position is still expected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

OPEB Plan Fiduciary Net Position - The OPEB plan's fiduciary net position has been determined on the same basis used by the OPEB plan. The EUTF's financial statements are prepared using the accrual basis of accounting under which revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of the cash flows. Employer contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded on a trade-date basis. Administrative expenses are financed exclusively with investment income.

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13 - POST EMPLOYMENT HEALTHCARE PLAN (Continued)

There were no significant changes after the report measurement date. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued EUTF financial report. The EUTF's complete financial statements are available at <https://eutf.hawaii.gov/reports/>.

Changes in the Net OPEB Liability -The following schedule presents the changes in the net OPEB liability for the fiscal year ending June 30, 2024. The ending balances are as of the measurement date, July 1, 2023:

	<u>Liability</u>	<u>Net Position</u>	<u>Liability</u>
Balance at June 30, 2023	<u>\$ 273,812,579</u>	<u>\$ 202,507,888</u>	<u>\$ 71,304,691</u>
Changes for the fiscal year:			
Service cost	5,695,897	--	5,695,897
Interest on the total OPEB liability	18,992,380	--	18,992,380
Difference between expected and actual experience	1,150,825	--	1,150,825
Changes of assumptions	--	--	--
Contributions - employer	--	17,294,000	(17,294,000)
Net investment income	--	9,394,935	(9,394,935)
Benefit payments	(10,681,640)	(10,681,640)	--
Administrative expense	--	(13,586)	13,586
Other	--	47,745	(47,745)
Net changes	<u>15,157,462</u>	<u>16,041,454</u>	<u>(883,992)</u>
Balance at June 30, 2024	<u>\$ 288,970,041</u>	<u>\$ 218,549,342</u>	<u>\$ 70,420,699</u>

Department:

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balance at June 30, 2023	<u>\$ 18,530,589</u>	<u>\$ 14,794,926</u>	<u>\$ 3,735,663</u>
Changes for the fiscal year:			
Service cost	364,655	--	364,655
Interest on the total OPEB liability	1,287,176	--	1,287,176
Difference between expected and actual experience	18,693	--	18,693
Changes of assumptions	--	--	--
Contributions - employer	--	1,058,000	(1,058,000)
Net investment income	--	688,478	(688,478)
Benefits payments	(649,372)	(649,372)	--
Administrative expense	--	(993)	993
Other	--	10,559	(10,559)
Net changes	<u>1,021,152</u>	<u>1,106,672</u>	<u>(85,520)</u>
Balance at June 30, 2024	<u>\$ 19,551,741</u>	<u>\$ 15,901,598</u>	<u>\$ 3,650,143</u>

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13 - POST EMPLOYMENT HEALTHCARE PLAN (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount rate. The following presents the net OPEB liability of the County and Department, as well as what the County's and Department's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County:			
Net OPEB Liability	\$ <u>114,129,926</u>	\$ <u>70,420,699</u>	\$ <u>35,832,315</u>
Department:			
Net OPEB Liability	\$ <u>6,601,631</u>	\$ <u>3,650,143</u>	\$ <u>1,300,872</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability of the County and Department, as well as what the County's and Department's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
County:			
Net OPEB Liability	\$ <u>31,992,669</u>	\$ <u>70,420,699</u>	\$ <u>119,832,546</u>
Department:			
Net OPEB Liability	\$ <u>1,038,878</u>	\$ <u>3,650,143</u>	\$ <u>6,998,737</u>

Payables to the OPEB Plan - At June 30, 2024, the County and Department had no payables to the EUTF.

OPEB plan fiduciary net position - Detailed information about the OPEB plan's fiduciary net position is available in the EUTF's separately issued annual financial report.

Deferred Compensation Plan

The County participates in a deferred compensation plan established by the State of Hawaii in accordance with Internal Revenue Code Section 457. The plan is available to all the County employees, and permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All plan assets are held in a trust fund to protect them from claims of general creditors. The County has no responsibility for loss due to the investment or failure of investment of funds and assets in the plans, but does have the duty of due care that would be required of an ordinary prudent investor.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13 - POST EMPLOYMENT HEALTHCARE PLAN (Continued)

The County has met the requirements for the Small Business Job Protection Act of 1996 for its Internal Revenue Code Section 457 Plan, and in accordance with the criteria set forth in the GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the County has excluded the plan assets and liabilities from the government-wide financial statements because the County does not have significant administrative involvement in the Plan or perform the investment function for the Plan. All such amounts are not subject to the claims of the County's general creditors.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Claims and Judgments

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains certain comprehensive general liability and property insurance, public official and law enforcement liability insurance, and excess auto liability insurance for claims. It is the opinion of management and legal counsel that such claims and lawsuits are either covered by the County's insurance policies, or if they should exceed the County's retained risk, are recorded in the government-wide financial statements. There was no reduction in insurance coverage during the year from coverage in the prior year. During the past four fiscal years, the amount of settlements in cases covered by insurance have not exceeded the insurance coverage. The County is substantially self-insured for its vehicles as well as for all other perils including workers' compensation and general liability below \$550,000. Claims against the County are paid out of the General Fund.

Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claims liabilities, including IBNR, are based on the estimated ultimate cost of settling the claims, and include incremental costs for the hiring of special counsel and expert witnesses. Claims liabilities are estimated on a case-by-case review of all claims and the application of historical experience to outstanding claims.

Estimates of IBNR are based on historical experience. The liability for claims and judgments is reported on the government-wide *Statement of Net Position*. At June 30, 2024, the amount of this liability was approximately \$7.9 million. This is the County's best estimate based on available information. Changes in the reported liability, are given below:

Fiscal Year	Liability at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments and Adjustments	Liability at End of Year
2023	\$ 7,765,050	\$ 1,686,210	\$ (1,646,207)	\$ 7,805,053
2024	\$ 7,805,053	\$ 2,268,599	\$ (2,169,429)	\$ 7,904,223

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

Puhi Metals Recycling Center

The County of Kauai is facing potential contingent liability for contracting the operation and management of the Puhi Metals Recycling Center (PMRC) from October 11, 2001 to October 11, 2011 to a private contractor. The County leased the property comprising the PMRC from land owner Grove Farm, Inc. for the aforementioned ten (10) year period. Under its contract with the contracted operator, the County was to be defended, indemnified and held harmless for any and all damages to persons and or property during the operation, including its obligations under the land license between the County and Grove Farm, Inc. After the expiration of the contract with the contracted operator, the County was informed by the Grove Farm, Inc. that their property was allegedly damaged by the contracted operator. The County has since procured and obtained environmental studies on the property and based upon the recommendation by the County's consultant, the County began to implement an environmental remediation plan. At June 30, 2024, the remaining outstanding liability accrued by the County was approximately \$2 million.

Purchase Commitments

The outstanding portion of contractual commitments for capital projects, supplies, and other expenditures at June 30, 2024, was approximately \$84.1 million. Contractual commitments are generally reflected in the governmental fund financial statements as committed fund balance.

NOTE 15 - LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, which is based on the October 9, 1991 United States Environmental Protection Agency (EPA) rule, "Solid Waste Disposal Facility Criteria," establishes closure requirements for all municipal solid waste landfills that receive waste after October 9, 1991. In accordance with GASB Statement No. 18, the County estimates in advance the total cost of closure and post-closure care during the life of those landfills rather than after their closings. Federal and State laws and regulations require the County to place final covers on certain landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Annual additions to the liability for closure and post-closure care costs are based on landfill capacity used as of each balance sheet date.

The County has three landfill sites - Kekaha Landfill Phases I and II, and Halehaka Landfill. The County has closed the Kekaha Landfill Phase I and Halehaka Landfill. The County estimates the closure costs for the Kekaha Landfill Phase II to be approximately \$22.8 million based on estimates provided by project engineers. At June 30, 2024, approximately 80.76% of the total capacity of the Kekaha Landfill Phase II had been used, and the estimated remaining landfill life is approximately 77 months.

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 15 - LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS (Continued)

The total estimated closure costs accrued in the government-wide financial statements for the Kekaha Landfill Phase II, and the remaining post-closure costs for the Kekaha Landfill Phases I and II, and Halehaka Landfill was approximately \$40.1 million, which may change due to inflation, technology or applicable laws or regulations. This amount is fully accrued in the government-wide financial statements.

The County has provided for financial resources that will be available to provide for closure, post-closure care and remediation or containment of environmental hazards at the above landfills. The Environmental Protection Agency's financial assurance rules include a local government financial test consisting of a financial component, a public notice component, and a recordkeeping component. Local governments are required to satisfy each of the three components to pass the annual test. Management believes that the County has satisfied each of the components of the local government financial assurance requirements.

NOTE 16 - FUND BALANCE CONSTRAINTS

Stabilization Arrangements - The County Resolution 2011-77 established the Reserve Fund and Reserve Fund Policy which was amended by County Resolution 2017-28, and subsequently County Resolution 2022-36. The County intends to maintain the Reserve Fund within the General Fund in the range of 30% of the previous year's actual operating general fund revenues. The Reserve Fund was established for the following purposes: Extreme events / natural disasters (10.0%), revenue volatility (18.5%) and expenditure volatility (1.5%). The Reserve Fund can only be used to provide a short-term solution to maintain necessary services until revenue growth and/or expenditure reductions are instituted to balance the budget and normalize cash flow. In the event that the funds from the Reserve Fund are utilized, the County Council and Administration shall timely propose and approve a financial plan to replenish the Reserve Fund to prescribed policy levels, not to exceed 3 years, with exception that amounts used for affordable housing projects be restored in 2 years.

The balance of the Reserve Fund is reported in the fund balance in the General Fund as follows:

	<u>Amount</u>
Committed fund balance	\$ 22,921,185
Unassigned fund balance	<u>47,391,218</u>
Total	<u>\$ 70,312,403</u>

COUNTY OF KAUAI, HAWAI'I
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - FUND BALANCE CONSTRAINTS (Continued)

The constraints on fund balance as listed in aggregate in the governmental funds *Balance Sheet* are detailed according to balance classification and fund.

	Major Special Revenue Funds						Major Capital Projects Funds				Total
	General Fund	General Excise Tax Fund	Housing and Community Development Revolving Fund	Solid Waste Disposal Fund	Federal Grants Fund	State Grants Fund	Grants Capital Improvement Fund	General Capital Improvement Fund	Bond Fund	Other Governmental Funds	
Fund Balances:											
Nonspendable:											
Prepads	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 917,405	\$ 917,405
Total - Nonspendable	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>917,405</u>	<u>917,405</u>
Restricted:											
Liquor control	--	--	--	--	--	--	--	--	--	223,363	223,363
Debt service reserve	--	--	--	--	--	--	--	--	--	1,588,525	1,588,525
Loans receivable	--	--	394,874	--	--	--	--	--	--	--	394,874
Landfill closure and post closure costs	490,000	--	--	17,888,488	--	--	--	--	--	--	18,378,488
Total - Restricted	<u>490,000</u>	<u>--</u>	<u>394,874</u>	<u>17,888,488</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,811,888</u>	<u>20,585,250</u>
Committed:											
Non-routine emergency events reserve	22,921,185	--	--	--	--	--	--	--	--	--	22,921,185
Administrative	2,396,203	--	--	--	--	--	689,618	--	--	--	3,085,821
County-wide costs	232,101	--	--	--	--	--	--	--	--	--	232,101
Human resources	324,247	--	--	--	--	--	43,274	213,842	--	--	581,363
Planning	216,984	--	--	--	--	--	447,822	--	863,969	1,528,775	
Economic development	588,893	--	--	--	--	--	--	--	--	--	588,893
Police services	3,419,161	--	--	--	--	--	19,735	36,632	--	--	3,475,528
Fire control	3,695,363	--	--	--	--	--	693,196	498,486	--	--	4,887,045
Emergency management	122,248	--	--	--	--	--	--	--	--	--	122,248
Liquor control	--	--	--	--	--	--	--	--	--	2,307	2,307
Building repair and maintenance	1,075,195	--	--	--	--	--	691,694	130,464	3,265	1,900,618	
Parks and recreation	4,915,027	--	--	--	--	--	8,780,929	135,052	713,663	14,544,671	
Community services	27,150	--	189,275	--	--	--	61,606	95,982	3,808	377,821	
Waste disposal and collection	--	--	--	9,576,111	--	--	7,162,182	823,026	--	--	17,561,319
Road maintenance	58,813	25,426,499	--	--	--	--	77,879	579,345	9,064,484	35,207,020	
Total - Committed	<u>39,992,570</u>	<u>25,426,499</u>	<u>189,275</u>	<u>9,576,111</u>	<u>--</u>	<u>--</u>	<u>18,667,935</u>	<u>2,512,829</u>	<u>10,651,496</u>	<u>107,016,715</u>	
Assigned:											
Balancing future budget shortfalls	--	--	--	--	--	--	--	--	--	4,511,355	4,511,355
Self insurance provisions	1,877,835	--	--	--	--	--	--	--	--	--	1,877,835
Capital improvement projects	--	--	--	--	--	--	32,708,080	3,745,140	30,407,478	66,860,698	
Other purposes	716,990	1,473,844	2,521,032	--	--	--	--	--	523,905	10,606,709	15,842,480
Total - Assigned	<u>2,594,825</u>	<u>1,473,844</u>	<u>2,521,032</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>32,708,080</u>	<u>4,269,045</u>	<u>45,525,542</u>	<u>89,092,368</u>	
Unassigned:											
Total Fund Balances	\$ 119,487,727	\$ 45,478,169	\$ 3,105,181	\$ 28,203,700	\$ --	\$ --	\$ 51,376,015	\$ 6,781,874	\$ 58,906,331	\$ 313,338,997	

**COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 16 - FUND BALANCE CONSTRAINTS (Continued)

Encumbrance accounting is employed in the governmental funds. Under this method, purchase orders, contracts, and other commitments outstanding at the fiscal-year end do not constitute expenditures or liabilities. These amounts generally will become liabilities in future periods as the services are rendered or goods purchased.

Encumbrances at June 30, 2024 include:

General Fund	\$ 17,071,385
General Excise Tax Fund	25,426,499
Housing and Community Development Revolving Fund	189,275
Solid Waste Disposal Fund	9,576,111
Bond Fund	2,512,829
General Capital Improvement Fund	18,667,935
Other Governmental Funds	<u>10,651,496</u>
	<u>\$ 84,095,530</u>

NOTE 17 - COMPONENT UNIT DISCLOSURES

Safe Drinking Water Act - The Department is subject to the requirements of the Safe Drinking Water Act (the Act) which is administered by the State of Hawai'i Department of Health on behalf of the United States Environmental Protection Agency. Management indicated that the Department is in full compliance with the requirements of the Act and is not aware of any matters under the Act that materially affected or are currently affecting the Department's customer service area.

Other - Other commitments, primarily for utility plan construction, approximated \$60,495,000 at June 30, 2024.

NOTE 18 - RELATED PARTY TRANSACTIONS

The Department charges the County for fire protection services (hydrant use) at agreed-to rates that approximate the costs for such services. The County provides certain services to the Department and charges the Department for these services at an amount equal to the charge for fire protection services. The amounts charged approximated \$2,228,166 for the fiscal year ended June 30, 2024.

The County initially pays for the Department's payroll and payroll related expenses and is subsequently reimbursed by the Department. As of June 30, 2024, the amount due to the County was \$4,918,725.

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 19 - NEW ACCOUNTING PRONOUNCEMENTS

The GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Management has determined that the implementation of this statement did not have a material impact on the County's financial statements.

The GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 19 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

This Statement is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Management has not yet determined the effect this Statement will have on the County's financial statements.

The GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management has not yet determined the effect this Statement will have on the County's financial statements.

The GASB issued Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement establishes new accounting and financial reporting requirements (or modifies existing requirements) related to the following:

- Management's discussion and analysis (MD&A)
- Unusual or infrequent items
- Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position
- Budgetary comparison information
- Financial trends information in the statistical section

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management has not yet determined the effect this Statement will have on the County's financial statements.

The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management has not yet determined the effect this Statement will have on the County's financial statements.

Earlier application of these statements is encouraged. For the original pronouncements and the implementation guides, please visit the GASB's website, www.gasb.org.

COUNTY OF KAUAI, HAWAII
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 20 - RESTATEMENT

The government-wide Statement of Activities and the proprietary funds Statement of Revenues, Expenses, and Changes in Net Position reflect prior period adjustments and restatements of beginning net position as of June 30, 2023. Beginning balances of the Business-type Activities and the sewer enterprise fund have been restated for an overstatement of liabilities. Due to other government liabilities were overstated as of June 30, 2023, resulting in an understatement of net position by approximately \$8.8 million at June 30, 2023.

The governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances reflect prior period adjustments and restatement of beginning fund balances as of June 30, 2023. Beginning balances of the general and solid waste disposal funds have been restated due to an investment account being accounted for in the incorrect fund as of June 30, 2023. Investments and interest receivable were overstated and understated by approximately \$3.25 million on the general fund and the solid waste disposal fund, respectively.

The effect of correcting these errors is shown in the table below.

	June 30, 2023			June 30, 2023
	As Previously Reported	Error Correction		As Restated
Government-Wide				
Business-Type Activities	\$ 88,854,644	\$ 8,810,270	\$	<u>97,664,914</u>
Total Primary Government	<u>\$ 88,854,644</u>	<u>\$ 8,810,270</u>	<u>\$</u>	<u>97,664,914</u>
Governmental Funds				
Major Funds:				
General Fund	\$ 108,997,232	\$ (3,252,726)	\$	105,744,506
Solid Waste Disposal Fund	<u>18,294,548</u>	<u>3,252,726</u>	<u>\$</u>	<u>21,547,274</u>
Total Governmental Funds	<u>\$ 127,291,780</u>	<u>\$ --</u>	<u>\$</u>	<u>127,291,780</u>
Proprietary Funds				
Major Funds:				
Sewer Enterprise Fund	\$ 22,992,935	\$ 8,810,270	\$	31,803,205
Total Proprietary Funds	<u>\$ 22,992,935</u>	<u>\$ 8,810,270</u>	<u>\$</u>	<u>31,803,205</u>

NOTE 21 - SUBSEQUENT EVENTS

On January 3, 2025, the County issued \$62.4 million of par value and premium in General Obligation Refunding Bonds to advance refund \$62 million of outstanding Series 2010A General Obligation Bonds. The refunding will reduce total debt service payments. Because the transaction occurred subsequent to year-end, it is not reflected in the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

COUNTY OF KAUAI, HAWAII
SCHEDULE OF COUNTY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
County:					
County's proportion of the Net Pension Liability	2.001 %	2.044 %	2.100 %	2.111 %	2.133 %
County's proportionate share of the Net Pension Liability	\$ 276,188,794	\$ 265,119,830	\$ 256,450,401	\$ 323,152,133	\$ 302,214,383
County's Covered Payroll	\$ 88,499,700	\$ 84,782,000	\$ 86,958,000	\$ 83,089,000	\$ 80,573,000
Proportionate Share of the Net Pension as a percentage of Covered Payroll	312.08 %	312.71 %	294.91 %	388.92 %	375.08 %
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	61.91 %	62.76 %	68.08 %	53.18 %	54.87 %
Department:					
Department's proportion of the Net Pension Liability	0.15 %	0.170 %	0.110 %	0.140 %	0.160 %
Department's proportionate share of the Net Pension Liability	\$ 17,335,567	\$ 17,948,894	\$ 13,195,469	\$ 20,785,838	\$ 21,971,493
Department's Covered Payroll	\$ 6,301,000	\$ 6,332,000	\$ 6,382,000	\$ 5,966,000	\$ 5,840,000
Proportionate Share of the Net Pension as a percentage of Covered Payroll	275.12 %	283.46 %	206.76 %	348.40 %	376.22 %
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	61.91 %	62.76 %	64.25 %	53.18 %	54.87 %

COUNTY OF KAUAI, HAWAII
SCHEDULE OF COUNTY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County:					
County's proportion of the Net Pension Liability	2.252 %	2.104 %	2.040 %	2.044 %	1.913 %
County's proportionate share of the Net Pension Liability	\$ 299,878,624	\$ 272,428,212	\$ 272,758,303	\$ 178,458,402	\$ 153,368,723
County's Covered Payroll	\$ 79,133,000	\$ 77,341,000	\$ 73,365,000	\$ 75,544,000	\$ 71,201,000
Proportionate Share of the Net Pension as a percentage of Covered Payroll	378.96 %	352.24 %	371.78 %	236.23 %	215.40 %
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	55.48 %	54.80 %	51.28 %	62.42 %	63.92 %
Department:					
Department's proportion of the Net Pension Liability	0.120 %	0.120 %	0.130 %	0.130 %	0.120 %
Department's proportionate share of the Net Pension Liability	\$ 16,156,668	\$ 15,423,518	\$ 16,921,133	\$ 11,310,002	\$ 9,317,991
Department's Covered Payroll	\$ 5,633,000	\$ 5,515,000	\$ 5,110,000	\$ 4,836,000	\$ 4,645,000
Proportionate Share of the Net Pension as a percentage of Covered Payroll	286.82 %	279.66 %	331.14 %	233.87 %	200.60 %
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	55.48 %	54.80 %	51.28 %	62.42 %	63.92 %

COUNTY OF KAUAI, HAWAII
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<i>County:</i>					
Statutorily Required Contribution	\$ 29,228,565	\$ 26,734,184	\$ 27,255,661	\$ 25,636,021	\$ 23,625,374
Actual County Contributions Recognized by the Plan	\$ 29,228,565	\$ 26,734,184	\$ 27,255,661	\$ 25,636,021	\$ 23,625,374
Contribution Deficiency (Excess)	\$ --	\$ --	\$ --	\$ --	\$ --
County's Covered Payroll	\$ 89,069,400	\$ 88,500,000	\$ 84,781,000	\$ 86,958,000	\$ 83,089,000
Contributions as a percentage of Covered Payroll	32.82 %	30.21 %	32.15 %	29.48 %	28.43 %
<i>Department:</i>					
Statutorily Required Contribution	\$ 2,348,000	\$ 1,873,000	\$ 1,792,000	\$ 1,532,000	\$ 1,325,000
Actual Department Contributions Recognized by the Plan	\$ 2,348,000	\$ 1,873,000	\$ 1,792,000	\$ 1,532,000	\$ 1,325,000
Contribution Deficiency (Excess)	\$ --	\$ --	\$ --	\$ --	\$ --
Department's Covered Payroll	\$ 7,172,000	\$ 6,301,000	\$ 6,332,000	\$ 6,382,000	\$ 5,966,000
Contributions as a percentage of Covered Payroll	32.74 %	29.73 %	28.30 %	24.01 %	22.21 %

COUNTY OF KAUAI, HAWAII
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS (Continued)
LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<i>County:</i>					
Statutorily Required Contribution	\$ 20,075,943	\$ 19,454,923	\$ 15,390,688	\$ 14,600,137	\$ 13,643,255
Actual County Contributions Recognized by the Plan	\$ 20,075,943	\$ 19,454,923	\$ 15,390,688	\$ 14,600,137	\$ 13,643,255
Contribution Deficiency (Excess)	\$ --	\$ --	\$ --	\$ --	\$ --
County's Covered Payroll	\$ 80,573,000	\$ 79,133,000	\$ 77,341,000	\$ 73,365,000	\$ 75,544,000
Contributions as a percentage of Covered Payroll	24.92 %	24.59 %	19.90 %	19.90 %	18.06 %
<i>Department:</i>					
Statutorily Required Contribution	\$ 1,109,000	\$ 1,016,000	\$ 938,000	\$ 911,000	\$ 798,000
Actual Department Contributions Recognized by the Plan	\$ 1,109,000	\$ 1,016,000	\$ 938,000	\$ 911,000	\$ 798,000
Contribution Deficiency (Excess)	\$ --	\$ --	\$ --	\$ --	\$ --
Department's Covered Payroll	\$ 5,840,000	\$ 5,633,000	\$ 5,515,000	\$ 5,110,000	\$ 4,836,000
Contributions as a percentage of Covered Payroll	18.99 %	18.04 %	17.01 %	17.83 %	16.50 %

COUNTY OF KAUAI, HAWAII
NOTES REQUIRED SUPPLEMENTARY INFORMATION
REQUIRED BY GASB STATEMENT NO. 68
FISCAL YEAR ENDED JUNE 30, 2024

NOTE A - SIGNIFICANT METHODS AND ASSUMPTIONS

There were no changes of assumptions or other inputs that significantly affected the measurement of the total pension liability since the measurement period ended June 30, 2021.

Amounts reported in the schedule of proportionate share of the net pension liability as of the measurement period ended June 30, 2021 (fiscal year ended June 30, 2022) were significantly impacted by the following changes of actuarial assumptions:

- Mortality rates generally decreased due to the continued improvements in using a fully generational approach and Scale BB.
- Pre-retirement mortality rates increased for Police and Firefighters
- Retiree mortality is updated to the 2022 Public Retirees of Hawaii mortality tables. The rates are projected on a fully generational basis by the long-term rates of scale UMP from the year 2022 and with multiplier and setbacks based on plan and group experience.

Amounts reported in the schedule of proportionate share of the net pension liability as of the measurement period ended June 30, 2019 (fiscal year ended June 30, 2020) were significantly impacted by the following changes of actuarial assumptions:

- Mortality rates generally decreased due to the continued improvements in using a fully generational approach and Scale BB.
- The rates of disability of active employees increased for all General Employees and Teachers, and for Police and Firefighters from duty-related reasons.
- There were minor increases in the retirement rates for members in certain groups based on age, employment group and/or membership class.

Amounts reported in the schedule of proportionate share of the net pension liability as of the measurement period ended June 30, 2016 (fiscal year ended June 30, 2017) were significantly impacted by the following changes of actuarial assumptions:

- The investment return assumption decreased from 7.65% to 7.00%
- Mortality assumptions were modified to assume longer life expectancies as well as to reflect continues mortality improvement

Prior to the measurement period ended June 30, 2016 (fiscal year ended June 30, 2017), there were no other factors, including the use of different assumptions that significantly affect trends reported in these schedules.

COUNTY OF KAUAI, HAWAII
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS
LAST TEN FISCAL YEARS *

	2024		2023		2022		2021		2020		2019		2018	
	County	Department												
Total OPEB liability														
Service cost	\$ 5,695,897	\$ 364,655	\$ 6,246,785	\$ 438,674	\$ 5,976,462	\$ 432,883	\$ 6,217,396	\$ 426,197	\$ 5,857,253	\$ 406,353	\$ 5,745,514	\$ 380,070	\$ 5,623,361	\$ 380,075
Interest on the total OPEB liability	18,992,380	1,287,176	20,186,664	1,349,585	19,651,492	1,302,575	19,699,816	1,307,741	18,269,822	1,221,753	17,085,078	1,144,135	16,134,981	1,073,630
Difference between expected and actual experience of the total OPEB liability	1,150,825	18,693	(25,679,038)	(1,388,028)	(8,744,300)	(544,543)	(15,714,058)	(1,183,289)	3,844,516	33,498	(815,794)	(135,272)	--	--
Changes in assumptions	--	--	(7,400,629)	(668,033)	--	--	(1,609,747)	(109,324)	1,242,842	83,252	3,438,804	237,370	--	--
Benefit payments	(10,681,640)	(649,372)	(9,597,454)	(524,110)	(9,149,546)	(520,381)	(9,177,012)	(516,535)	(8,755,019)	(536,228)	(8,414,118)	(525,000)	(8,079,087)	(368,000)
Net change in total OPEB liability	15,157,462	1,021,152	(16,243,672)	(791,912)	7,734,108	670,534	(583,605)	(75,210)	20,459,414	1,208,628	17,039,484	1,101,303	13,679,255	1,085,705
Total OPEB liability - Beginning	273,812,579	18,530,589	290,056,251	19,322,501	282,322,143	18,651,967	282,905,748	18,727,177	262,446,334	17,518,549	245,406,850	16,417,246	231,727,595	15,331,541
Total OPEB liability - Ending	\$ 288,970,041	\$ 19,551,741	\$ 273,812,579	\$ 18,530,589	\$ 290,056,251	\$ 19,322,501	\$ 282,322,143	\$ 18,651,967	\$ 282,905,748	\$ 18,727,177	\$ 262,446,334	\$ 17,518,549	\$ 245,406,850	\$ 16,417,246
Plan fiduciary net position														
Contributions - employer	\$ 17,294,000	\$ 1,058,000	\$ 18,309,000	\$ 1,143,000	\$ 17,842,000	\$ 1,077,000	\$ 17,238,000	\$ 1,041,000	\$ 23,927,882	\$ 1,011,000	\$ 15,688,031	\$ 948,000	\$ 15,847,977	\$ 1,287,000
Net investment income	9,394,935	688,478	(3,658,484)	(283,267)	40,280,548	2,973,978	2,674,371	199,294	5,295,444	399,132	7,579,849	588,700	8,310,839	654,929
Benefit payments	(10,681,640)	(649,372)	(9,597,454)	(524,110)	(9,149,546)	(520,381)	(9,177,012)	(516,535)	(8,755,019)	(536,228)	(8,414,118)	(525,000)	(8,079,087)	(368,000)
OPEB plan administrative expense	(13,586)	(993)	(16,657)	(1,242)	(20,762)	(1,541)	(21,303)	(1,598)	(38,185)	(2,874)	(22,893)	(1,803)	(18,934)	(1,485)
Other	47,745	10,559	14,807	4,335	37,755	1,919	58,952	1,781	4,059,474	271,018	--	--	126,295	8,474
Net change in plan fiduciary net position	16,041,454	1,106,672	5,051,212	338,716	48,989,995	3,530,975	10,773,008	723,942	24,489,596	1,142,048	14,830,869	1,009,897	16,187,090	1,580,918
Plan fiduciary net position - Beginning	202,507,888	14,794,926	197,456,676	14,456,210	148,466,681	10,925,235	137,693,673	10,201,293	113,204,077	9,059,245	98,373,208	8,049,348	82,186,118	6,468,430
Plan fiduciary net position - Ending	\$ 218,549,342	\$ 15,901,598	\$ 202,507,888	\$ 14,794,926	\$ 197,456,676	\$ 14,456,210	\$ 148,466,681	\$ 10,925,235	\$ 137,693,673	\$ 10,201,293	\$ 113,204,077	\$ 9,059,245	\$ 98,373,208	\$ 8,049,348
Net OPEB liability	\$ 70,420,699	\$ 3,650,143	\$ 71,304,691	\$ 3,735,663	\$ 92,599,575	\$ 4,866,291	\$ 133,855,462	\$ 7,726,732	\$ 145,212,075	\$ 8,525,884	\$ 149,242,257	\$ 8,459,304	\$ 147,033,642	\$ 8,367,898
Plan fiduciary net position as a percentage of the total OPEB liability	75.63%	81.33%	73.96%	79.84%	68.08%	74.82%	52.59%	58.57%	48.67%	54.47%	43.13%	51.71%	40.09%	49.03%
Covered-employee payroll	\$ 88,500,000	\$ 6,301,000	\$ 84,781,000	\$ 6,332,000	\$ 86,958,000	\$ 6,382,000	\$ 83,089,000	\$ 5,966,000	\$ 80,573,000	\$ 5,840,000	\$ 77,340,000	\$ 5,787,000	\$ 65,885,000	\$ 5,700,000
Net OPEB Liability as a Percentage of Covered-employee Payroll	79.57%	57.93%	84.10%	59.00%	106.49%	76.25%	161.09%	129.51%	180.22%	145.99%	192.97%	146.18%	223.17%	146.81%

* This schedule is intended to present information for ten years for each respective fiscal year. Additional years will be built prospectively as information becomes available.

COUNTY OF KAUAI, HAWAII
SCHEDULE OF CONTRIBUTIONS (OPEB)
LAST TEN FISCAL YEARS *

County						
Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a %age of Covered-Employee Payroll	
June 30, 2024	\$ 17,553,000	\$ 17,553,000	\$ --	\$ 89,069,400	19.71%	
June 30, 2023	\$ 17,294,000	\$ 17,294,000	\$ --	\$ 88,500,000	19.90%	
June 30, 2022	\$ 18,309,000	\$ 18,309,000	\$ --	\$ 84,781,000	21.60%	
June 30, 2021	\$ 17,842,000	\$ 17,842,000	\$ --	\$ 86,958,000	20.52%	
June 30, 2020	\$ 17,238,000	\$ 17,238,000	\$ --	\$ 83,089,000	20.75%	
June 30, 2019	\$ 16,595,000	\$ 23,927,882	\$ (7,332,882)	\$ 80,573,000	29.70%	
June 30, 2018	\$ 16,272,000	\$ 15,688,031	\$ 583,969	\$ 77,340,000	20.28%	
June 30, 2017	\$ 15,721,000	\$ 15,721,000	\$ --	\$ 65,885,000	23.86%	
June 30, 2016	\$ 15,468,000	\$ 15,468,000	\$ --	\$ 66,400,000	23.30%	
June 30, 2015	\$ 14,945,000	\$ 14,945,000	\$ --	\$ 74,148,000	20.16%	
Department						
Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a %age of Covered-Employee Payroll	
June 30, 2024	\$ 1,074,000	\$ 1,074,000	\$ --	\$ 7,172,000	14.97%	
June 30, 2023	\$ 1,058,000	\$ 1,058,000	\$ --	\$ 6,301,000	16.79%	
June 30, 2022	\$ 1,143,000	\$ 1,143,000	\$ --	\$ 6,332,000	18.05%	
June 30, 2021	\$ 1,077,000	\$ 1,077,000	\$ --	\$ 6,382,000	16.88%	
June 30, 2020	\$ 1,041,000	\$ 1,041,000	\$ --	\$ 5,966,000	17.45%	
June 30, 2019	\$ 1,011,000	\$ 1,011,000	\$ --	\$ 5,840,000	17.31%	
June 30, 2018	\$ 1,002,000	\$ 948,000	\$ 54,000	\$ 5,787,000	16.38%	
June 30, 2017	\$ 968,000	\$ 968,000	\$ --	\$ 5,700,000	16.98%	
June 30, 2016	\$ 914,000	\$ 883,000	\$ 31,000	\$ 5,269,000	16.76%	
June 30, 2015	\$ 884,000	\$ 885,000	\$ (1,000)	\$ 5,068,000	17.46%	

* This schedule is intended to present information for ten years for each respective fiscal year. Additional years will be built prospectively as information becomes available.

COUNTY OF KAUAI, HAWAII
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
REQUIRED BY GASB NO. 75
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE A - SIGNIFICANT METHODS AND ASSUMPTIONS

The following summarizes the significant methods and assumptions used to determine the actuarially determined contribution:

Valuation date	The Actuarially determined contribution for fiscal year ended June 30, 2024 was developed in the 2021 valuation.
Actuarial cost method	Entry Age Normal
Discount rate	7.00%
Inflation	2.50%
Amortization method	Level percent. Closed bases are established each valuation for new unfunded liabilities.
Equivalent single amortization period	14.3 as of fiscal year ended June 30, 2024
Asset valuation method	4-year smoothed market
Payroll growth	3.50%
Salary increases	3.50% to 7.00% including inflation
Demographic assumptions	Based on the experience study covering the five year period ending June 30, 2018 as conducted for the Hawaii Employee's Retirement System (ERS) System-specific mortality tables utilizing scale BB to project generational mortality improvement
Mortality	
Participation rates	98% healthcare participation assumption for retirees that receive 100% of the Base Monthly Contribution (BMC). Healthcare participation rates of 25%, 65%, and 90% for retirees that receive 0%, 50%, or 75% of the BMC, respectively. 100% for Life insurance and 98% for Medicare Part B
Healthcare cost trend rates	
PPO*	Initial rate of 7.25%; declining to a rate of 4.70% after 12 years
HMO*	Initial rate of 7.25%; declining to a rate of 4.70% after 12 years
Part B	Initial rates of 5.00%, declining to a rate of 4.70% after 9 years
Dental	4.00%
Vision	2.50%
Life insurance	0.00%

* Blended rates for medical and prescription drug.

OTHER SUPPLEMENTARY INFORMATION

**COUNTY OF KAUAI, HAWAII
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Special Revenue Funds

Highway Fund

Accounts for the costs of maintaining the County's highways and streets. Financing is provided primarily by fuel, motor vehicle weight and public utility franchise taxes, licenses, and permits.

Liquor Fund

Accounts for the costs of operating the County's Liquor Department. Financing is provided by liquor licenses and permits.

Beautification Fund

Accumulates monies for the beautification of highways and streets and defrays the cost of disposing of abandoned vehicles. Financing is provided by motor vehicle registration fees. This fund was established for financing projects planned by the Mayor's Committee on Beautification.

Criminal Assets Forfeiture Fund

Accounts for monies or forfeited non-cash or tangible property received to be used solely for the Kauai Police Department for law enforcement purposes as delineated in the Comprehensive Crime Control Act of 1984 and The Attorney General's Guidelines on Seized and Forfeited property.

Plans and Permits Revolving Fund

Accounts for monies collected from new permits and penalties.

Section 8 Fund

Accounts for a contract with the federal government pursuant to Section 8 of the Housing and Community Development Act of 1974. Funds are to be expended for housing assistance payments for lower-income families and for administrative costs.

Public Access Fund

Accumulates monies for the acquisition of land or property entitlements for land conservation purposes. This fund is appropriated at a minimum of .5% of the certified real property tax revenues for public access, open space, and natural resources preservation.

Park Maintenance and Improvements Fund

Accounts for monies collected and expended for parks.

**COUNTY OF KAUAI, HAWAII
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES
(CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Debt Service Fund

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs.

Capital Projects Funds

Parks and Playground Capital Improvement Fund

Accounts for the costs of developing County parks and playgrounds financed by assessments to developers of residential projects.

Sewer Trust Fund

Accounts for the costs of expanding the County's sewer system financed by assessments to developers of subdivisions. Construction of the sewer system improvements is financed by general obligation debt that covers multiple public improvements. Repayment of the debt applicable to the sewer system will be made from General Fund sources. Accordingly, all sewer trust fund capital improvements are accounted for in the Capital Projects Fund and recorded as contributed capital in the Sewer Enterprise Fund upon completion.

Development Capital Improvement Fund

Accounts for capital improvements financed by assessments to developers of residential, hotel, commercial or industrial projects.

Bikeway Capital Improvement Fund

Accumulates monies for the construction and maintenance of bikeways and related activities financed by bicycle license fees.

Special State Capital Improvement Fund

Accounts for the costs of capital projects financed by State of Hawaii.

Highway Capital Improvement Fund

Accounts for the costs of projects financed by the Highway Fund.

COUNTY OF KAUAI, HAWAII
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES
(CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Open Space Capital Improvement Fund

Accumulates monies for the acquisition of land or property entitlements for public recreation, preservation, protection and conservation of important areas.

General Excise Tax Capital Improvement Fund

Accounts for the capital costs of public transportation system improvements to comply with the Americans with Disabilities Act of 1990 and is financed by the County's surcharge of 0.5% on State general excise and use tax.

COUNTY OF KAUAI, HAWAII
COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue Funds									Park Maintenance and Improvements	
				Criminal Assets	Plans and Permits Revolving	Section 8	Public Access				
	Highway	Liquor	Beautification	Forfeiture							
Assets:											
Cash and cash equivalents	\$ 10,316,973	\$ 625,242	\$ 1,361,045	\$ 477,607	\$ 493,872	\$ 1,680,954	\$ 2,169,339	\$ 63,925			
Investments	2,156,732	469,825	--	244,123	--	--	--	--			
Accounts receivable, net	40,190	--	--	--	--	21,069	--	--			
Interest receivable	9,017	3,333	--	555	--	--	--	--			
Due from other funds	2,534,634	--	--	--	--	--	--	752,403			
Due from other governments	463,189	--	--	--	--	--	--	--			
Prepaid items	96,960	--	--	--	--	1,044,227	--	--			
Total Assets	\$ 15,617,695	\$ 1,098,400	\$ 1,361,045	\$ 722,285	\$ 493,872	\$ 2,746,250	\$ 2,921,742	\$ 63,925			
Liabilities:											
Accounts payable	\$ 2,142,944	\$ 27,044	\$ 2,471	\$ --	\$ 4,709	\$ 34,447	\$ --	\$ --			
Contracts payable	17,379	--	--	--	--	--	--	--			
Due to other funds	254,365	26,150	--	--	4,122	31,195	--	--			
Due to customers	--	--	--	--	--	191,289	--	--			
Unearned revenue	--	106,584	--	--	--	31,000	--	--			
Total Liabilities	2,414,688	159,778	2,471	--	8,831	287,931	--	--			
Fund Balance:											
Nonspendable	--	--	--	--	--	917,405	--	--			
Restricted	--	223,363	--	--	--	--	--	--			
Committed	5,770,203	2,307	83,402	--	3,265	3,808	--	29,698			
Assigned	7,432,804	712,952	1,275,172	722,285	481,776	1,537,106	2,921,742	34,227			
Total Fund Balance	13,203,007	938,622	1,358,574	722,285	485,041	2,458,319	2,921,742	63,925			
Total Liabilities and Fund Balance	\$ 15,617,695	\$ 1,098,400	\$ 1,361,045	\$ 722,285	\$ 493,872	\$ 2,746,250	\$ 2,921,742	\$ 63,925			

COUNTY OF KAUAI, HAWAII
COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024

	Debt Service	Capital Projects Funds									General Excise Tax Capital Improvement	Total Other Governmental Funds
		Parks and Playgrounds Capital Improvement	Sewer Trust	Development Capital Improvement	Bikeway Capital Improvement	Special State Capital Improvement	Highway Capital Improvement	Open Space Capital Improvement				
Assets:												
Cash and cash equivalents	\$ 3,145,655	\$ --	\$ 93,263	\$ 3,620,512	\$ 246,939	\$ --	\$ 193,206	\$ 1,524,936	\$ 5,596,532	\$ 31,610,000		
Investments	--	\$ 2,697,156	--	\$ 1,235,531	--	--	--	--	--	--	6,803,367	
Accounts receivable, net	--	--	--	--	--	--	--	--	--	--	61,259	
Interest receivable	--	6,760	--	6,846	--	--	--	--	--	--	26,511	
Due from other funds	--	--	--	--	--	--	3,705,355	--	19,128,173	26,120,565		
Due from other governments	--	--	--	--	--	--	--	--	--	--	463,189	
Prepaid items	--	--	--	--	--	--	--	--	--	--	1,141,187	
Total Assets	\$ 3,145,655	\$ 2,703,916	\$ 93,263	\$ 4,862,889	\$ 246,939	\$ --	\$ 3,898,561	\$ 1,524,936	\$ 24,724,705	\$ 66,226,078		
Liabilities:												
Accounts payable	\$ --	\$ 8,980	\$ --	\$ --	\$ --	\$ --	\$ 74,526	\$ --	\$ 96,865	\$ 2,391,986		
Contracts payable	--	2,941	13,480	2,028	--	--	34,993	--	--	70,821		
Due to other funds	1,557,130	752,403	--	--	--	--	--	--	--	2,625,365		
Due to customers	--	--	--	--	--	--	--	--	--	191,289		
Unearned revenue	--	--	--	1,902,702	--	--	--	--	--	2,040,286		
Total Liabilities	1,557,130	764,324	13,480	1,904,730	--	--	109,519	--	96,865	7,319,747		
Fund Balance:												
Nonspendable	--	--	--	--	--	--	--	--	--	--	917,405	
Restricted	1,588,525	--	--	--	--	--	--	--	--	--	1,811,888	
Committed	--	180,507	--	--	7,500	--	2,255,388	--	2,315,418	10,651,496		
Assigned	--	1,759,085	79,783	2,958,159	239,439	--	1,533,654	1,524,936	22,312,422	45,525,542		
Total Fund Balance	1,588,525	1,939,592	79,783	2,958,159	246,939	--	3,789,042	1,524,936	24,627,840	58,906,331		
Total Liabilities and Fund Balance	\$ 3,145,655	\$ 2,703,916	\$ 93,263	\$ 4,862,889	\$ 246,939	\$ --	\$ 3,898,561	\$ 1,524,936	\$ 24,724,705	\$ 66,226,078		

COUNTY OF KAUAI, HAWAII
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Special Revenue Funds								Park Maintenance and Improvements
					Criminal Assets Forfeiture	Plans and Permits Revolving	Section 8	Public Access	
	Highway	Liquor	Beautification						
Revenues:									
Taxes	\$ 9,743,051	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Licenses and permits	7,988,302	1,374,029	418,843	--	292,560	--	--	--	--
Charges for current services	1,070,340	--	--	--	--	--	--	--	--
Interest and investment earnings	359,774	20,953	--	17,469	--	1,971	--	--	--
Intergovernmental revenues	23,940	--	--	--	--	13,710,385	--	--	--
Miscellaneous	--	14,500	--	41,289	--	355,782	--	--	--
Total Revenues	<u>19,185,407</u>	<u>1,409,482</u>	<u>418,843</u>	<u>58,758</u>	<u>292,560</u>	<u>14,068,138</u>	<u>--</u>	<u>--</u>	<u>--</u>
Expenditures:									
General government	--	--	--	--	--	--	858,347	--	--
Public safety	--	1,136,426	--	--	--	--	--	--	--
Public works	--	--	--	--	164,526	--	--	--	--
Highways and streets	12,332,134	--	300,000	--	--	--	--	--	--
Culture and recreation	--	--	--	--	--	--	--	--	--
Public welfare	3,309,924	--	--	--	--	13,652,141	--	--	--
Capital outlay	956,805	--	--	--	--	--	--	--	--
Debt Service:									
Principal	595,346	1,983	--	--	--	--	--	--	--
Interest and debt issuance cost	19,212	26	--	--	--	--	--	--	--
Total Expenditures	<u>17,213,421</u>	<u>1,138,435</u>	<u>300,000</u>	<u>--</u>	<u>164,526</u>	<u>13,652,141</u>	<u>858,347</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,971,986</u>	<u>271,047</u>	<u>118,843</u>	<u>58,758</u>	<u>128,034</u>	<u>415,997</u>	<u>(858,347)</u>	<u>--</u>	<u>--</u>
Other Financing Sources:									
Finance purchases	281,984	--	--	--	--	--	--	--	--
Transfers in	--	--	--	--	--	--	1,094,302	--	--
Total Other Financing Sources	<u>281,984</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,094,302</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	2,253,970	271,047	118,843	58,758	128,034	415,997	235,955	--	--
Fund Balance - Beginning of Year July 1, 2023	<u>10,949,037</u>	<u>667,575</u>	<u>1,239,731</u>	<u>663,527</u>	<u>357,007</u>	<u>2,042,322</u>	<u>2,685,787</u>	<u>63,925</u>	
Fund Balance - End of Year June 30, 2024	<u>\$ 13,203,007</u>	<u>\$ 938,622</u>	<u>\$ 1,358,574</u>	<u>\$ 722,285</u>	<u>\$ 485,041</u>	<u>\$ 2,458,319</u>	<u>\$ 2,921,742</u>	<u>\$ 63,925</u>	

COUNTY OF KAUAI, HAWAII
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Debt Service	Capital Projects Funds									General Excise Tax Capital Improvement	Total Other Governmental Funds
		Parks and Playgrounds Capital Improvement	Sewer Trust	Development Capital Improvement	Bikeway Capital Improvement	Special State Capital Improvement	Highway Capital Improvement	Open Space Capital Improvement				
Revenues:												
Taxes	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 9,743,051
Licenses and permits	--	--	--	--	--	--	--	--	--	--	--	10,075,174
Charges for current services	--	--	--	--	--	--	--	--	--	--	--	1,070,340
Interest and investment earnings	--	389,679	--	59,045	--	--	--	--	--	--	--	848,891
Intergovernmental revenues	--	--	--	--	--	--	--	--	--	--	--	13,734,325
Miscellaneous	--	7,349	--	16,239	--	--	--	--	--	--	--	435,159
Total Revenues	--	397,028	--	75,284	1,440	--	--	--	--	--	--	35,906,940
Expenditures:												
General government	--	--	--	--	--	--	--	--	--	--	--	858,347
Public safety	--	--	--	--	--	--	--	--	--	--	--	1,136,426
Public works	--	--	--	--	--	--	1,665	--	--	--	--	166,191
Highways and streets	--	--	--	--	--	--	2,183	4,692	50,016	--	--	12,689,025
Culture and recreation	--	--	--	--	1,900	--	--	--	--	--	--	1,900
Public welfare	--	--	--	--	--	--	--	--	--	--	--	16,962,065
Capital outlay	--	104,362	--	--	--	--	208,573	--	272,520	--	--	1,542,260
Debt Service:												
Principal	7,028,400	--	--	--	--	--	--	--	--	--	--	7,625,729
Interest and debt issuance cost	3,558,030	--	--	--	--	--	--	--	--	--	--	3,577,268
Total Expenditures	10,586,430	104,362	--	--	1,900	--	212,421	4,692	322,536	--	--	44,559,211
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,586,430)	292,666	--	75,284	(460)	--	(212,421)	(4,692)	(322,536)	--	--	(8,652,271)
Other Financing Sources:												
Finance purchases	--	--	--	--	--	--	--	--	--	--	--	281,984
Transfers in	10,586,430	--	--	--	--	--	--	--	--	18,488,960	30,169,692	
Total Other Financing Sources	10,586,430	--	--	--	--	--	--	--	--	18,488,960	30,451,676	
Net Change in Fund Balances	--	292,666	--	75,284	(460)	--	(212,421)	(4,692)	18,166,424	--	--	21,799,405
Fund Balance - Beginning of Year July 1, 2023	1,588,525	1,646,926	79,783	2,882,875	247,399	--	4,001,463	1,529,628	6,461,416	--	--	37,106,926
Fund Balance - End of Year June 30, 2024	\$ 1,588,525	\$ 1,939,592	\$ 79,783	\$ 2,958,159	\$ 246,939	\$ --	\$ 3,789,042	\$ 1,524,936	\$ 24,627,840	\$ --	\$ 58,906,331	

**COUNTY OF KAUAI, HAWAII
HIGHWAY FUND**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Basis					Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)	Encumbrances	Non-GAAP		
	Original (Note A)	Final					
Revenues:							
Taxes:							
Utility franchise tax	\$ 4,375,000	\$ 4,375,000	\$ 4,292,134	\$ --	\$ 4,292,134	\$ (82,866)	
Fuel tax	5,400,000	5,400,000	5,450,917	--	5,450,917	50,917	
Total Taxes	<u>9,775,000</u>	<u>9,775,000</u>	<u>9,743,051</u>	<u>--</u>	<u>9,743,051</u>	<u>(31,949)</u>	
Licenses and Permits:							
Motor vehicle weight tax	7,575,000	7,575,000	7,988,302	--	7,988,302	413,302	
Interest and investment earnings (losses)	15,000	15,000	359,774	--	359,774	344,774	
Intergovernmental revenues	25,000	25,000	23,940	--	23,940	(1,060)	
Charges for current services:							
Public welfare / safety	850,000	850,000	1,070,340	--	1,070,340	220,340	
Miscellaneous	474	474	--	--	--	(474)	
Total Revenues	<u>18,240,474</u>	<u>18,240,474</u>	<u>19,185,407</u>	<u>--</u>	<u>19,185,407</u>	<u>944,933</u>	
Expenditures:							
Highways and Streets-Road Maintenance:							
Administration	267,623	267,624	3,066	196,122	199,188	68,436	
Administration - salaries and overtime	58,459	58,459	48,456	--	48,456	10,003	
Hanapēpē baseyard	296,510	284,310	108,984	99,839	208,823	75,487	
Hanapēpē baseyard - salaries and overtime	1,604,503	1,452,389	2,667,259	--	2,667,259	(1,214,870)	
Kapa'a baseyard	294,616	284,616	51,875	99,865	151,740	132,876	
Kapa'a baseyard - salaries and overtime	1,175,793	1,194,093	1,113,988	--	1,113,988	80,105	
Hanalei baseyard	230,411	215,411	75,169	101,159	176,328	39,083	
Hanalei baseyard - salaries and overtime	718,928	751,928	747,720	--	747,720	4,208	
Road signs and marking	500,336	533,336	237,406	180,810	418,216	115,120	
Road signs and marking - salaries and overtime	944,510	781,470	726,267	--	726,267	55,203	
Auto maintenance and motor pool (AMMP)	1,727,984	1,745,484	743,035	302,499	1,045,534	699,950	
AMMP - salaries and overtime	1,185,243	1,152,130	788,081	--	788,081	364,049	
Maintenance - street lights	500,000	552,500	552,118	--	552,118	382	
Equipment	389,359	444,345	143,408	266,629	410,037	34,308	
Leases	2,908,672	2,908,672	614,558	2,162,234	2,776,792	131,880	
Social security taxes	441,981	441,981	351,805	--	351,805	90,176	
Public employees' health fund	740,934	732,534	660,182	--	660,182	72,352	
Public employees' other post employment benefits	1,106,589	1,182,127	853,267	--	853,267	328,860	
Workers' compensation	12	62,312	59,146	--	59,146	3,166	
Unemployment compensation	7	2,507	1,367	--	1,367	1,140	
Employees' retirement system	1,386,608	1,461,108	1,329,401	--	1,329,401	131,707	
Collective bargaining raises	45,040	44,040	14,839	--	14,839	29,201	
Vacation pay	1	83,030	83,029	--	83,029	1	
Central services cost	1,000,000	1,000,000	1,000,000	--	1,000,000	--	
Transportation agency	5,505,194	5,505,194	3,875,405	1,627,529	5,502,934	2,260	
Highway administrative overhead	1,710,510	1,598,223	81,606	733,517	815,123	783,100	
Total Expenditures - Highways and Streets - Road Maintenance	<u>24,739,823</u>	<u>24,739,823</u>	<u>16,931,437</u>	<u>5,770,203</u>	<u>22,701,640</u>	<u>2,038,183</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,499,349)</u>	<u>(6,499,349)</u>	<u>2,253,970</u>	<u>(5,770,203)</u>	<u>(3,516,233)</u>	<u>2,983,116</u>	
Other Financing Sources (Uses)							
Transfers out	(478,783)	(478,783)	--	--	--	(478,783)	
Total Other Financing Sources (Uses)	<u>(478,783)</u>	<u>(478,783)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(478,783)</u>	
Excess (Deficiency) of Revenues and Other Financing Uses Over (Under) Expenditures (Note C)	<u>\$ (6,978,132)</u>	<u>\$ (6,978,132)</u>	<u>2,253,970</u>	<u>\$ (5,770,203)</u>	<u>\$ (3,516,233)</u>	<u>\$ 2,504,333</u>	
Fund Balance - Beginning of Year July 1, 2023				10,949,037			
Fund Balance - End of Year June 30, 2024				<u>\$ 13,203,007</u>			

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances as applicable.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Deficiency of budgeted revenues and other financing sources over final budgeted expenditures and other financing uses is balanced with available fund balance.

COUNTY OF KAUAI, HAWAII
LIQUOR FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgetary Basis					Variance with Final Budget- Positive (Negative)
	Budgeted Amounts		Actual Amounts (Note B)		Encumbrances	
	Original (Note A)	Final	Original (Note A)	Final		
Revenues:						
Licenses and Permits:						
Business licenses, alcoholic beverage, and liquor licenses	\$ 1,409,783	\$ 1,409,783	\$ 1,374,029	\$ --	\$ 1,374,029	\$ (35,754)
Interest and investment earnings (losses)	13,000	13,000	20,953	--	20,953	7,953
Miscellaneous	8,000	8,000	14,500	--	14,500	6,500
Total Revenues	<u>1,430,783</u>	<u>1,430,783</u>	<u>1,409,482</u>	<u>--</u>	<u>1,409,482</u>	<u>(21,301)</u>
Expenditures - Public Safety:						
Salaries and wages	622,710	622,710	579,389	--	579,389	43,321
Social security taxes	47,779	47,779	43,125	--	43,125	4,654
Public employees' health fund	84,548	84,548	64,852	--	64,852	19,696
Workers' compensation	2	2	--	--	--	2
Unemployment compensation	2,500	2,500	--	--	--	2,500
Employees' retirement system	149,893	149,893	129,112	--	129,112	20,781
Employees' other post employment benefits	118,086	118,086	101,647	--	101,647	16,439
Other expenses	170,247	175,247	70,323	2,307	72,630	102,617
Equipment	14,130	14,130	312	--	312	13,818
Travel	98,195	93,195	24,675	--	24,675	68,520
Indirect cost	125,000	125,000	125,000	--	125,000	--
Total Expenditures - Public Safety	<u>1,433,090</u>	<u>1,433,090</u>	<u>1,138,435</u>	<u>2,307</u>	<u>1,140,742</u>	<u>292,348</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures (Note C)	\$ <u>(2,307)</u>	\$ <u>(2,307)</u>	\$ 271,047	\$ <u>(2,307)</u>	\$ <u>268,740</u>	\$ <u>271,047</u>
Fund Balance - Beginning of Year July 1, 2023			667,575			
Fund Balance - End of Year June 30, 2024			<u>938,622</u>			

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances as applicable.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Deficiency of budgeted revenues and other financing sources over final budgeted expenditures and other financing uses is balanced with available fund balance.

**COUNTY OF KAUAI, HAWAII
BEAUTIFICATION FUND**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Basis					Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)	Encumbrances	Non-GAAP		
	Original (Note A)	Final					
Revenues:							
Licenses and permits	\$ 385,000	\$ 385,000	\$ 418,843	\$ --	\$ 418,843	\$ 33,843	
Total Revenues	<u>385,000</u>	<u>385,000</u>	<u>418,843</u>	<u>--</u>	<u>418,843</u>	<u>33,843</u>	
Expenditures - Highways and Streets:							
Disposal of abandoned vehicles	300,000	300,000	300,000	--	300,000	--	
Beautification projects	<u>186,062</u>	<u>186,062</u>	<u>--</u>	<u>83,402</u>	<u>83,402</u>	<u>102,660</u>	
Total Expenditures - Highways and Streets	<u>486,062</u>	<u>486,062</u>	<u>300,000</u>	<u>83,402</u>	<u>383,402</u>	<u>102,660</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures (Note C)	<u>\$ (101,062)</u>	<u>\$ (101,062)</u>	<u>118,843</u>	<u>\$ (83,402)</u>	<u>\$ 35,441</u>	<u>\$ 136,503</u>	
Fund Balance - Beginning of Year July 1, 2023			<u>1,239,731</u>				
Fund Balance - End of Year June 30, 2024			<u>\$ 1,358,574</u>				

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances as applicable.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Deficiency of budgeted revenues and other financing sources over final budgeted expenditures and other financing uses is balanced with available fund balance.

COUNTY OF KAUAI, HAWAII
CRIMINAL ASSETS FORFEITURE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgetary Basis					Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)				
	Original (Note A)	Final	Encumbrances	Non-GAAP			
Revenues:							
Interest and investment earnings (losses)	\$ 15,000	\$ 15,000	\$ 17,469	\$ --	\$ 17,469	\$ 2,469	
Miscellaneous	<u>30,000</u>	<u>30,000</u>	<u>41,289</u>	<u>--</u>	<u>41,289</u>	<u>11,289</u>	
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>58,758</u>	<u>--</u>	<u>58,758</u>	<u>13,758</u>	
Expenditures - Public Safety:							
Police special fund	100,008	100,008	--	--	--	100,008	
Total Expenditures - Public Safety	<u>100,008</u>	<u>100,008</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>100,008</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures (Note C)	\$ <u>(55,008)</u>	\$ <u>(55,008)</u>	\$ 58,758	\$ --	\$ <u>58,758</u>	\$ <u>113,766</u>	
Fund Balance - Beginning of Year July 1, 2023			<u>663,527</u>				
Fund Balance - End of Year June 30, 2024			<u>722,285</u>				

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances as applicable.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Deficiency of budgeted revenues and other financing sources over final budgeted expenditures and other financing uses is balanced with available fund balance.

**COUNTY OF KAUAI, HAWAII
PUBLIC ACCESS FUND**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgetary Basis					Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)	Encumbrances	Non-GAAP		
	Original (Note A)	Final					
Revenues:							
Interest	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	
Total Revenues	<u> --</u>	<u> --</u>	<u> --</u>	<u> --</u>	<u> --</u>	<u> --</u>	
Expenditures - General Government							
Special Projects	953,064	953,064	858,347	--	858,347	94,717	
Total Expenditures - General Government	<u>953,064</u>	<u>953,064</u>	<u>858,347</u>	<u>--</u>	<u>858,347</u>	<u>94,717</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(953,064)</u>	<u>(953,064)</u>	<u>(858,347)</u>	<u>--</u>	<u>(858,347)</u>	<u>94,717</u>	
Other Financing Sources (Uses)							
Transfers In	1,094,302	1,094,302	1,094,302	--	1,094,302	--	
Total Other Financing Sources (Uses)	<u>1,094,302</u>	<u>1,094,302</u>	<u>1,094,302</u>	<u>--</u>	<u>1,094,302</u>	<u>--</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Note C)	\$ 141,238	\$ 141,238	235,955	\$ --	\$ 235,955	\$ 94,717	
Fund Balance - Beginning of Year July 1, 2023			2,685,787				
Fund Balance - End of Year June 30, 2024			\$ 2,921,742				

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances as applicable.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Deficiency of budgeted revenues and other financing sources over final budgeted expenditures and other financing uses is balanced with available fund balance.

COUNTY OF KAUAI, HAWAII
PARKS AND PLAYGROUND CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Revenues:							
Interest and investment earnings (losses)			\$ 389,679				
Other revenues			7,349				
Total Revenues			397,028				
Expenditures:							
Waimea District:							
Kato Park Comfort Station	R14011	\$ 25,107	\$ 24,893	\$ 50,000	\$ --	\$ 50,000	\$ --
Total Waimea District		25,107	24,893	50,000	--	50,000	--
Kōloa District:							
Park Improvements and Equipment	W93086	442,123	--	442,123	--	451,391	9,268
Park Improvement Grant, Kōloa District	W96087	79,887	--	79,887	--	90,887	11,000
Kalawai Basketball Court	R15104	153,875	--	153,875	--	200,000	46,125
Kalaheo Gym Improvements	R15105	149,434	--	149,434	--	150,000	566
Kōloa Parking Lot/Playground	R15108	249,999	--	249,999	--	250,000	1
Poipu Management Parking	R24035	--	--	--	--	65,000	65,000
Total Kōloa District		1,075,318	--	1,075,318	--	1,207,278	131,960
Līhu'e District:							
Park Improvements and Equipment	W93100	317,717	--	317,717	4,400	322,117	--
Park Improvement Grant, Līhu'e District	W96102	61,664	--	61,664	--	87,686	26,022
Kamalani Playground Resurfacing	R18003	68,629	--	68,629	--	68,629	--
KWMCH Improvements	R18004	119,987	68,888	188,875	239	200,046	10,932
Lydgate Management Parking	R24045	--	--	--	--	60,000	60,000
Total Līhu'e District		567,997	68,888	636,885	4,639	738,478	96,954
Kawaihau District:							
Park Improvements & Equipment	W93116	455,195	--	455,195	24,460	479,656	1
Park Improvement Grant, Kawaihau District	W96118	60,755	--	60,755	--	60,755	--
Kapaa Stadium Improvements	R10010	26,934	--	26,934	--	150,000	123,066
Wailua Playground Equipment	R16003	30,755	--	30,755	--	30,755	--
Total Kawaihau District		573,639	--	573,639	24,460	721,166	123,067

COUNTY OF KAUAI, HAWAII
PARKS AND PLAYGROUND CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Hanalei District:							
Anini Beach Improvements	R16004	44,720	10,581	55,301	143,800	200,000	899
Park Improvements & Equipment	W93383	564,962	--	564,962	7,608	604,682	32,112
Blackpot Management Parking	R24045	--	--	--	--	55,000	55,000
Total Hanalei District		<u>609,682</u>	<u>10,581</u>	<u>620,263</u>	<u>151,408</u>	<u>859,682</u>	<u>88,011</u>
Total Expenditures		\$ <u>2,851,743</u>	<u>104,362</u>	\$ <u>2,956,105</u>	\$ <u>180,507</u>	\$ <u>3,576,604</u>	\$ <u>439,992</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures			292,666				
Fund Balance - Beginning of Year, July 1, 2023			<u>1,646,926</u>				
Fund Balance - End of Year, June 30, 2024			\$ <u>1,939,592</u>				

**COUNTY OF KAUAI, HAWAI'I
SEWER TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Revenues:							
Interest		\$ --					
Other revenues		---					
Total Revenues		---					
Expenditures:							
Total Expenditures		\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Excess (Deficiency) of Revenues Over (Under) Expenditures				--			
Fund Balance - Beginning of Year, July 1, 2023				79,783			
Fund Balance - End of Year, June 30, 2024		\$ --	\$ --				

COUNTY OF KAUAI, HAWAII
DEVELOPMENT CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Revenues:							
Interest and investment earnings (losses)		\$ 59,045					
Other revenues			16,239				
Total Revenues				<u>75,284</u>			
Expenditures:							
Wailua Area Bus Stop	T16100	\$ 3,421	\$ --	\$ 3,421	\$ --	\$ 10,000	\$ 6,579
Islandwide Bus Stops/Shelters	T19000	\$ 14,400	\$ --	\$ 14,400	\$ --	\$ 42,000	\$ 27,600
Project Contingency	W08002	\$ --	\$ --	\$ --	\$ --	\$ 35,568	\$ 35,568
Poipu Rd Stp	W16007	\$ --	\$ --	\$ --	\$ --	\$ 72,000	\$ 72,000
Dev-Koloa/Poipu Inter Imp	W16009	\$ --	\$ --	\$ --	\$ --	\$ 46,250	\$ 46,250
Koloa/Poipu Inter Imp	Z15105	\$ --	\$ --	\$ --	\$ --	\$ 6,500	\$ 6,500
Total Expenditures		\$ <u>17,821</u>	\$ --	\$ <u>17,821</u>	\$ --	\$ <u>212,318</u>	\$ <u>194,497</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				<u>75,284</u>			
Fund Balance - Beginning of Year, July 1, 2023				<u>2,882,875</u>			
Fund Balance - End of Year, June 30, 2024				\$ <u>2,958,159</u>			

COUNTY OF KAUAI, HAWAI'I
BIKEWAY CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Revenues:							
Licenses and permits			\$ 1,440				
Other revenues			---				
Total Revenues			<u>1,440</u>				
Expenditures:							
Island Wide Bike/Pedestrian Path	W05182	\$ 109,378	\$ 1,900	\$ 111,278	\$ 7,500	\$ 120,785	\$ 2,007
Total Expenditures		<u>\$ 109,378</u>	<u>1,900</u>	<u>\$ 111,278</u>	<u>\$ 7,500</u>	<u>\$ 120,785</u>	<u>\$ 2,007</u>
1	Excess (Deficiency) of Revenues Over (Under) Expenditures			(460)			
Fund Balance - Beginning of Year, July 1, 2023			<u>247,399</u>				
Fund Balance - End of Year, June 30, 2024		\$ 246,939					

COUNTY OF KAUAI, HAWAII
HIGHWAY CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Revenues:							
Interest		\$ --					
Other revenues		---					
Total Revenues		---					
Expenditures:							
Repair Shop Phase I (County Match) HI-2019-002	T21030	\$ --	\$ --	\$ --	\$ --	\$ 37,500	\$ 37,500
Electric Bus Charging Stations HI-2019-008	T23000	\$ --	\$ --	\$ --	\$ 90,205	\$ 126,283	\$ 36,078
Kapahi Bridge Replacement, Design	W05368	\$ 309,936	\$ --	\$ 309,936	\$ --	\$ 620,812	\$ 310,876
Resurfacing Various Collector Roads FHWA	W07008	\$ 282,342	\$ --	\$ 282,342	\$ --	\$ 284,459	\$ 2,117
Puupae Bridge-Design (County Match)	W10003	\$ 701,420	\$ --	\$ 701,420	\$ 8,546	\$ 755,103	\$ 45,137
Puhi Road Construction Match	W12010	\$ 367,091	\$ --	\$ 367,091	\$ --	\$ 391,711	\$ 24,620
Hanapēpē Road	W12067	\$ 35,446	\$ 2,514	\$ 37,960	\$ 24,448	\$ 50,000	\$ (12,408)
Hanapēpē Bridge Ped	W12069	\$ 63	\$ --	\$ 63	\$ --	\$ 24,511	\$ 24,448
Comprehensive Road Maintenance Plan	W13011	\$ 257,457	\$ --	\$ 257,457	\$ --	\$ 257,458	\$ 1
Hanapēpē Moi Road Pedestrian Safety Impv.	W17000	\$ --	\$ --	\$ --	\$ --	\$ 375,000	\$ 375,000
Pua Nani Road Drain Repair	W18004	\$ 1,779,572	\$ --	\$ 1,779,572	\$ --	\$ 1,779,573	\$ 1
Olohena Road Improvements	W19002	\$ 436,492	\$ 209,907	\$ 646,399	\$ 1,952,758	\$ 2,620,000	\$ 20,843
Maluhia / Kōloa Rd	W19021	\$ 1,578,689	\$ --	\$ 1,578,689	\$ 175,573	\$ 1,771,207	\$ 16,945
County Bridge Inspections	W20020	\$ 294,859	\$ --	\$ 294,859	\$ 3,858	\$ 400,000	\$ 101,283
Bridge Maintenance (County Match)	W96388	\$ 301,595	\$ --	\$ 301,595	\$ --	\$ 783,892	\$ 482,297
Speed Hump Program	W98364	\$ 74,443	\$ --	\$ 74,443	\$ --	\$ 142,523	\$ 68,080
Total Expenditures		\$ 6,419,405	\$ 212,421	\$ 6,631,826	\$ 2,255,388	\$ 10,420,032	\$ 1,532,818
Excess (Deficiency) of Revenues Over (Under) Expenditures				(212,421)			
Other Financing Sources:							
Transfers In				---			
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				(212,421)			
Fund Balance - Beginning of Year, July 1, 2023				4,001,463			
Fund Balance - End of Year, June 30, 2024				\$ 3,789,042			

COUNTY OF KAUAI, HAWAII
GENERAL CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Revenues:							
Other revenues		\$ 367,253					
Total Revenues		<u>367,253</u>					
Expenditures:							
Public Safety Communication System	C23000	\$ --	\$ 40,640	\$ 40,640	\$ 61,606	\$ 3,000,000	\$ 2,897,754
Waste to Energy Project	D21005	\$ 218,292	\$ 81,708	\$ 300,000	\$ --	\$ 300,000	\$ --
KFD Clean Emmissions	F22000	\$ 193,611	\$ --	\$ 193,611	\$ --	\$ 193,612	\$ 1
Kapaa Fire Station Renovation	F24000	\$ --	\$ --	\$ --	\$ 533,848	\$ 575,000	\$ 41,152
Wanini Lifeguard Towers	F24005	\$ --	\$ --	\$ --	\$ --	\$ 120,000	\$ 120,000
Waimea Theater Improvement	H23000	\$ --	\$ --	\$ --	\$ --	\$ 125,000	\$ 125,000
HRMS, Payroll & Personnel	J20000	\$ 2,066,725	\$ --	\$ 2,066,725	\$ 43,274	\$ 2,110,000	\$ 1
Salt Pond Beach Park	R12002	\$ --	\$ --	\$ --	\$ --	\$ 35,000	\$ 35,000
KWMCH Improvement	R18004	\$ --	\$ 421,665	\$ 421,665	\$ 592,960	\$ 2,626,000	\$ 1,611,375
Waimea / Kekaha ADA Improvements	R18015	\$ 545,510	\$ 1,629,799	\$ 2,175,309	\$ 137,035	\$ 3,605,303	\$ 1,292,959
Historic County Building Security & Grounds Imprv	R20000	\$ 6,232	\$ --	\$ 6,232	\$ --	\$ 6,233	\$ 1
Islandwide Playground Equipment	R20005	\$ 965,010	\$ 328,254	\$ 1,293,264	\$ 5,243	\$ 1,399,894	\$ 101,387
Islandwide Playcourt Resurfacing	R20010	\$ 989,393	\$ 11,532	\$ 1,000,925	\$ 1,770,428	\$ 3,030,000	\$ 258,647
Skateboard Parks (Design & Development)	R20015	\$ 256,838	\$ --	\$ 256,838	\$ --	\$ 400,000	\$ 143,162
Inclusive Playground Development	R20020	\$ 318,629	\$ --	\$ 318,629	\$ 225,000	\$ 543,629	\$ --
Kapaa Pool Renovation	R20030	\$ 519,534	\$ 106,414	\$ 625,948	\$ 2,585	\$ 1,000,000	\$ 371,467
Hanapepe Stadium (County Match)	R22000	\$ 404,449	\$ 78,811	\$ 483,260	\$ 16,739	\$ 500,000	\$ 1
Kilauea Gymnasium (County Match)	R22005	\$ 264,862	\$ 18,706	\$ 283,568	\$ 736,433	\$ 1,020,000	\$ (1)
Waimea Tennis Court Lights	R22010	\$ --	\$ 16,842	\$ 16,842	\$ --	\$ 175,000	\$ 158,158
Black Pot Park Improvement	R23005	\$ --	\$ --	\$ --	\$ 500,000	\$ 500,000	\$ --
DMV Satellite Office	R23010	\$ --	\$ 70,000	\$ 70,000	\$ --	\$ 70,000	\$ --
Hanapepe Stadium Improvements	R23015	\$ 332,848	\$ (132,848)	\$ 200,000	\$ --	\$ 700,000	\$ 500,000
Kalena Park Improvements	R23020	\$ --	\$ --	\$ --	\$ --	\$ 75,000	\$ 75,000
Lihii Park Wastewater Improvements	R23025	\$ --	\$ --	\$ --	\$ --	\$ 125,000	\$ 125,000
Replace/Improve Comfort Stations Various	R23035	\$ --	\$ --	\$ --	\$ 1,768,264	\$ 2,000,000	\$ 231,736

COUNTY OF KAUAI, HAWAII
GENERAL CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Vidinha Stadium Structure	R23040	\$ --	\$ --	\$ --	\$ 105,000	\$ 105,000	\$ --
Wailua Golf Course #10 Tee Pump	R23045	--	--	--	--	525,000	525,000
Captain Cook Field (County Match)	R24005	--	77,767	77,767	(77,767)	650,000	650,000
Hanapepe Stadium (County Match)	R24010	--	684,307	684,307	92,357	1,883,000	1,106,336
Lighted Skatepark/Pickleball	R24015	--	5,368	5,368	555,906	1,400,000	838,726
Morgan's Pond Repairs, Planning, Permitting	R24020	--	23,110	23,110	426,190	450,000	700
Vidinha Stadium Improvements (County Match)	R24025	--	71,157	71,157	1,444,078	6,500,000	4,984,765
Wailua Golf Course Path Improvement	R24030	--	--	--	343,800	1,500,000	1,156,200
Electrical Upgrades and Repairs Various	R24050	--	--	--	136,678	150,000	13,322
Regional Park Improvement	W06041	80,517	--	80,517	--	80,517	--
Neighborhood Centers Improvements	W07013	149,378	--	149,378	--	149,378	--
Habitat Conservation Plan	W08012	189,526	--	189,526	--	230,000	40,474
Aliomanu Road Revetment (Planning/Permits)	W08016	240,446	--	240,446	683	241,129	--
Host Community Benefits-Kekaha	W09012	2,805,451	299,808	3,105,259	--	3,395,713	290,454
Koloa Fire Station Improvements	W12012	85,695	116,362	202,057	87,473	350,000	60,470
Piikoi Interior II	W12053	8,665	--	8,665	15,630	24,295	--
CFD Complete Streets projects in Koloa/Poipu Area	W13014	182,633	71,927	254,560	77,196	2,518,334	2,186,578
Police Training Building KPAL	W16010	58,750	--	58,750	6,935	65,685	--
Lihu'e WWTP Improvements Phase II	W17001	369,596	--	369,596	--	369,596	--
Helicopter Hangar	W18018	19,497	--	19,497	71,875	120,000	28,628
Kilauea / Kolo Road	W19001	50,000	--	50,000	--	50,000	--
KPAL / Police Training	W19005	113,200	--	113,200	12,800	126,000	--
Kapule Counters RPA / Plan	W19105	50,094	--	50,094	--	50,093	(1)
CIP Contingency	W20B00	--	--	--	--	241,487	241,487
Wastewater Facility Plan Update	W20005	--	151,765	151,765	--	200,000	48,235
Wailua WWTP Improvements/Renovation	W20025	173,296	47,021	220,317	166,340	386,657	--
Wailua Emergency Manhole Upgrades	W20030	75,404	72,881	148,285	--	200,000	51,715
Wastewater Billing System Upgrades	W20035	2,006	--	2,006	--	4,016	2,010
Eleele Collection System Environmental Requirement	W21005	1,477	3,801	5,278	--	5,278	--
Hoonani Road/Sidewalk	W21011	--	--	--	--	450,000	450,000
Lawai Road/Sidewalk	W21012	--	--	--	--	400,000	400,000
Paanau Phase I Energy	W21013	636,000	--	636,000	--	636,000	--
Poipu Beach Ped/Bicycle	W21014	--	--	--	--	2,000,000	2,000,000
BMPs Refuse Transfer Stations Islandwide	W22000	419,038	126,351	545,389	954,611	1,500,000	--
Lihu'e Sewer Pump Station Improvements	W22010	8,469	--	8,469	--	8,469	--

COUNTY OF KAUAI, HAWAI'I
GENERAL CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Wailua Manhole Upgrades	W22015	\$ --	\$ 145,993	\$ 145,993	\$ --	\$ 250,000	\$ 104,007
Coco Palms/KS SPS Building Modifications	W23020	--	1,403,153	1,403,153	68,398	1,500,000	28,449
Halehaka Landfill Gas System	W23025	--	114,295	114,295	--	200,000	85,705
Kekaha Landfill Maintenance Monitoring Wells	W23030	--	300,000	300,000	--	400,000	100,000
Lihu'e WWTP Process Upgrade	W23035	48,097	801,027	849,124	108,125	957,249	--
New Landfill Development and Engineering	W23040	--	--	--	1,679,209	2,600,000	920,791
Sewer Pump Station Renovation	W23045	5,267	178,552	183,819	600,441	800,000	15,740
Solid Waste Solutions	W23050	--	31,892	31,892	135,300	200,000	32,808
Wailua WWTP Facility Update	W23055	--	628,995	628,995	587,261	1,250,000	33,744
Wailua WWTP Headwork Improvement	W23060	53,733	632,938	686,671	854,098	1,542,751	1,982
IT Infrastructure Improvements/Emergency Power	W23100	--	--	--	248,234	250,000	1,766
Piikoi Renovation	W23105	--	363,704	363,704	427,830	800,000	8,466
KPD HVAC and Electrical Repairs	W23110	--	--	--	--	5,725,000	5,725,000
Kekaha Landfill Expansion	W24070	--	--	--	525,000	525,000	--
Recycling Center Roof Structural and Replacement	W24075	--	73,028	73,028	269,372	950,000	607,600
Waimea WWTP Technical Studies	W24080	--	10,000	10,000	989,505	1,000,000	495
WWTP Office and Restroom Renewal	W24085	--	--	--	224,522	225,000	478
Park Improvement Waimea District	W96073	31,491	--	31,491	--	31,491	--
IT Infrastructure Improvements	X10006	375,000	--	375,000	--	375,000	--
Land Information Management System	X18001	50,000	110,000	160,000	--	160,000	--
County Computer Servers and Storage	X23100	929,998	172,303	1,102,301	--	1,150,000	47,699
County Network Infrastructure	X23105	64,679	541,186	605,865	211,101	980,000	163,034
County Video Conferencing	X23110	--	--	--	86,404	514,000	427,596
Finance and Accounting ERP	X23115	--	190,737	190,737	392,113	600,000	17,150
West Kauai Development Plan	Z18004	21,799	--	21,799	--	21,800	1
East Kauai Development Plan	Z23000	--	176,741	176,741	443,740	625,000	4,519
Waimea 400 Drainage Study	Z23005	--	394,218	394,218	4,082	400,000	1,700
Total Expenditures		\$ 14,381,135	10,691,910	\$ 25,073,045	\$ 18,667,935	\$ 75,232,609	\$ 31,491,629
Excess (Deficiency) of Revenues Over (Under) Expenditures			(10,324,657)				
Other Financing Sources:							
Transfers In				29,957,483			
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				19,632,826			
Fund Balance - Beginning of Year, July 1, 2023				31,743,189			
Fund Balance - End of Year, June 30, 2024				\$ 51,376,015			

**COUNTY OF KAUAI, HAWAI'I
BOND FUND**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Revenues:							
Interest and investment earnings (losses)		\$ (1,110,885)					
Bond subsidies		<u>843,550</u>					
Total Revenues		<u>(267,335)</u>					
Expenditures:							
Alternative Energy Projects	D10106	\$ 1,209,370	\$ --	\$ 1,209,370	\$ 76	\$ 1,209,446	\$ --
KFD Helicopter Hanger Pad	F14001	135,526	--	135,526	10,207	145,733	--
KFD Utilization STD	F20000	121,519	--	121,519	--	121,519	--
Lima Ola Onsite Phase I	H18001	4,760,042	145,207	4,905,249	95,982	6,000,000	998,769
Waimea Land Acquire	H20000	3,900,000	--	3,900,000	--	3,900,000	--
HRMS, Payroll & Personnel	J2000A	24,829	52,099	76,928	50,205	127,411	278
HRMS, Payroll & Personnel	J2000B	89,458	3,931	93,389	4,200	97,589	--
HRMS, Payroll & Personnel	J20000	774,401	34,485	808,886	159,437	1,000,000	31,677
Veterans Cemetery Upgrade	R10013	163,782	--	163,782	54,776	251,274	32,716
Salt Pond Beach Park Facility Improvements	R12002	36,963	9,000	45,963	27,037	73,000	--
Wailua Golf Course Replace Existing Water Lines	R13A09	14,455	--	14,455	--	14,455	--
Wailua Golf Course Replace Existing Water Lines	R13B09	2,946	--	2,946	--	2,946	--
Kapaa Pool Restroom Reconstruction	R14002	420,336	--	420,336	--	420,336	--
Salt Pond Beach Park Facility Improvements	R16001	7,000	--	7,000	42,955	50,000	45
Hanapēpē Stadium Improvements	R17001	85,379	14,621	100,000	--	100,000	--
Kapaa Stadium Improvements	R18002	150,000	--	150,000	--	150,000	--
Black Pot Improvements	R18007	99,906	--	99,906	94	100,000	--
Wailua Golf Course #10 Tee	R23B45	--	--	--	--	6,126	6,126
Wailua Golf Course #10 Tee	R23C45	--	--	--	--	36,473	36,473
Regional Parks Improvements	W06041	1,095,818	--	1,095,818	4,182	1,100,000	--
Kekaha Gardens Park	W06044	897,269	--	897,269	5,907	903,176	--
Aliomanu Road Revetment (Planning/Permits)	W08016	8,786	--	8,786	101	8,887	--
Kanaele Road Slope Stabilization	W09005	137,675	--	137,675	102,574	290,550	50,301
Hanapēpē Bridge Reconstruction	W09007	42,185	16,407	58,592	49,694	111,958	3,672
Wailua WWTP Improvement	W10A14	--	126,000	126,000	4,000	130,000	--
Twin Reserve EQ	W10A46	7,736	--	7,736	2,264	10,000	--
Opaekaa Bridge-Design	W10002	99,989	--	99,989	--	99,989	--

**COUNTY OF KAUAI, HAWAI'I
BOND FUND**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Piikoi Building Renovation	W10011	\$ 2,428,940	\$ --	\$ 2,428,940	\$ 60	\$ 2,429,000	\$ --
Wailua WWTP Improvements/Renovation	W10014	973,835	171,164	1,144,999	205,001	1,350,000	--
Island Wide SCADA System Construction	W10015	4,931,408	--	4,931,408	--	4,931,408	--
Rice Street Crossing Improvements	W10032	157,532	--	157,532	--	157,534	2
New Landfill Site Acquisition	W10037	2,487,760	--	2,487,760	--	2,487,761	1
Safe Route Kawaihau	W10045	204,038	35	204,073	81,462	263,000	(22,535)
Twin Reserve EQ	W10046	93,361	--	93,361	6,639	100,000	--
CIP Management System	W10051	170,002	--	170,002	--	170,002	--
Puhi Road Construction (County Match)	W12010	260,219	--	260,219	--	260,219	--
Kōloa Fire Station Improvements	W12012	74,378	20,744	95,122	105,664	200,786	--
Piikoi Interior Renovation Phase II	W12053	670,205	--	670,205	130,328	841,531	40,998
Kōloa Road Safety Improvements (County Match)	W12065	91,566	--	91,566	--	91,566	--
Hanapēpē Road	W12067	--	--	--	--	47,000	47,000
Material Recovery Facility (MRF)	W13001	248,012	--	248,012	--	248,012	--
Aliomanu Road	W13004	313,171	--	313,171	4,096	317,268	1
Fuel Management System	W13007	177,677	--	177,677	--	177,678	1
NPDES Compliance	W13A10	600,000	--	600,000	--	600,000	--
NPDES Compliance	W13010	176,608	--	176,608	--	176,608	--
Anini Bridge	W14001	617,286	--	617,286	--	618,640	1,354
Salt Pond Wastewater Improvements	W14005	839,543	--	839,543	660	840,204	1
Complete Street Safety Improvements/Traffic Mitigation	W14009	126,664	--	126,664	--	150,000	23,336
Eiwa Street (Mall)	W15100	207,762	--	207,762	--	210,438	2,676
Niumalu Bridge Replacement	W15104	--	--	--	--	50,000	50,000
RPA Counter Renovation	W15105	30,060	--	30,060	--	30,061	1
Puhi Road Phase II Match	W16A04	5,633	2,901	8,534	7,416	20,000	4,050
Puhi Road Phase II Match	W16004	49,439	--	49,439	561	50,000	--
TIGER Grant Project (County Match)	W17TGR	1,997,386	--	1,997,386	2,613	2,000,000	1
Lihue WWTP Improvements Phase II	W17001	132,542	--	132,542	--	132,542	--
KPD Kapaa Station	W18A13	--	--	--	--	103,845	103,845
KPD Kapaa Station	W18B13	--	--	--	--	596,155	596,155

**COUNTY OF KAUAI, HAWAI'I
BOND FUND**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Collector Road Improvements	W18002	\$ --	\$ --	\$ --	\$ --	\$ 192,432	\$ 192,432
Islandwide Road Safety Program	W18003	\$ 67,519	\$ --	\$ 67,519	\$ --	\$ 100,000	\$ 32,481
Collector Road Improvements	W18006	\$ --	\$ --	\$ --	\$ --	\$ 5,618	\$ 5,618
Wailua NPDES Effluent Modification (Design)	W18011	\$ 498,661	\$ --	\$ 498,661	\$ 1,339	\$ 500,000	\$ --
Aliomanu Road Improvements	W18012	\$ 75,251	\$ 7,865	\$ 83,116	\$ 7,809	\$ 100,077	\$ 9,152
Kapaa Police Sub-Station	W18013	\$ 220,045	\$ --	\$ 220,045	\$ 21,955	\$ 507,000	\$ 265,000
Niumalu Bridge Replacement	W18014	\$ 267,929	\$ 7,020	\$ 274,949	\$ 124,694	\$ 650,000	\$ 250,357
Opaeka'a Bridge Replacement (County Match)	W18015	\$ 604,555	\$ --	\$ 604,555	\$ 55,445	\$ 660,000	\$ --
Puhi Road Phase II (County Match)	W18016	\$ 19,722	\$ --	\$ 19,722	\$ 2,585	\$ 50,000	\$ 27,693
Waimea WWTP R-1 (Design)	W18017	\$ 534,180	\$ 10,815	\$ 544,995	\$ --	\$ 544,997	\$ 2
Helicopter Hangar (Construction)	W18018	\$ --	\$ --	\$ --	\$ 382,615	\$ 583,770	\$ 201,155
Kawaihau, Haualla, Maluhia	W19000	\$ 130,469	\$ 78	\$ 130,547	\$ 109,549	\$ 637,000	\$ 396,904
Kilauea, Kolo Rd Improvements	W19001	\$ 200,000	\$ --	\$ 200,000	\$ --	\$ 200,000	\$ --
Olohena Road Improvements	W19002	\$ 393,598	\$ --	\$ 393,598	\$ 6,402	\$ 400,000	\$ --
KPAL, Police Training	W19005	\$ 261,318	\$ 24,005	\$ 285,323	\$ 14,677	\$ 300,000	\$ --
Wailua SPS3 Rehabilitation	W19007	\$ --	\$ --	\$ --	\$ 40,000	\$ 40,000	\$ --
Maluhia, Kōloa Rd	W19021	\$ 1,950,000	\$ --	\$ 1,950,000	\$ --	\$ 1,950,000	\$ --
CIP Contingency	W20A00	\$ 20,461	\$ 9,569	\$ 30,030	\$ 24,445	\$ 94,066	\$ 39,591
Wastewater Facility	W20A05	\$ 204,243	\$ --	\$ 204,243	\$ 13,441	\$ 217,684	\$ --
Wastewater Facility	W20B05	\$ 193,921	\$ --	\$ 193,921	\$ --	\$ 193,921	\$ --
BON1R-CIP CONTINGENCY	W20C00	\$ --	\$ --	\$ --	\$ --	\$ 18,594	\$ 18,594
BON17-CIP CONTINGENCY	W20D00	\$ --	\$ --	\$ --	\$ --	\$ 23,620	\$ 23,620
CIP Contingency	W20000	\$ 93,273	\$ --	\$ 93,273	\$ --	\$ 102,841	\$ 9,568
Wastewater Facility	W20005	\$ 197,884	\$ (17,460)	\$ 180,424	\$ 52,671	\$ 233,095	\$ --
Sewer Collection Upgrade	W20010	\$ 242,120	\$ --	\$ 242,120	\$ --	\$ 242,120	\$ --
Waimea R-1 Environmental Requirement	W21000	\$ 109,083	\$ --	\$ 109,083	\$ 4,819	\$ 113,902	\$ --
Eelele Collection System Environmental Requirement	W21005	\$ --	\$ 20,280	\$ 20,280	\$ 4,942	\$ 25,222	\$ --
Lihue SPS Improvements	W22A10	\$ 12,013	\$ --	\$ 12,013	\$ --	\$ 12,013	\$ --
Wailua Manhole Upgrade	W22A15	\$ --	\$ 64,954	\$ 64,954	\$ --	\$ 64,954	\$ --
Wailua Manhole Upgrade	W22B15	\$ --	\$ 50,000	\$ 50,000	\$ --	\$ 50,000	\$ --
BMPS Refuse Transf	W22000	\$ --	\$ 12,750	\$ 12,750	\$ 487,250	\$ 500,000	\$ --
Landfill Vertical	W22005	\$ 272,819	\$ 62,381	\$ 335,200	\$ --	\$ 335,200	\$ --
Lihue SPS Improvements	W22010	\$ 22,802	\$ --	\$ 22,802	\$ --	\$ 22,802	\$ --

**COUNTY OF KAUAI, HAWAI'I
BOND FUND**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Wailua Manhole Upgrade	W22015	\$ --	\$ 549,873	\$ 549,873	\$ --	\$ 549,873	\$ --
Biennial Bridge Inspections (County Match)	W96388	43,872	--	43,872	--	50,228	6,356
800 MHZ Radio System Upgrade Phase II	X14001	2,964,975	--	2,964,975	--	2,964,976	1
Cashiering System Upgrade	X15100	178,166	--	178,166	--	178,167	1
Land Information Management Plan	X18001	1,499,271	--	1,499,271	--	1,499,272	1
West Kauai Development Plan	Z18002	56,750	--	56,750	--	56,750	--
West Kauai Development Plan	Z18004	499,966	--	499,966	--	499,967	1
Total Expenditures		\$ 44,185,263	\$ 1,398,724	\$ 45,583,987	\$ 2,512,829	\$ 51,582,287	\$ 3,485,471
Excess (Deficiency) of Revenues Over (Under) Expenditures				(1,666,059)			
Other Financing Sources (Uses):							
Transfers out				(907,021)			
Total Other Financing Sources (Uses)				(907,021)			
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				(2,573,080)			
Fund Balance - Beginning of Year, July 1, 2023				9,354,954			
Fund Balance - End of Year, June 30, 2024				\$ 6,781,874			

COUNTY OF KAUAI, HAWAII
OPEN SPACE CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Revenues:							
Interest		\$ --					
Other revenues		---					
Total Revenues		---					
Expenditures:							
Kekaha Coastal Property	X18010	\$ 553,649	\$ --	\$ 553,649	\$ --	\$ 553,650	\$ 1
Kaumunene Coastal Access	X22010	\$ 15,723	\$ 4,692	\$ 20,415	\$ --	\$ 1,500,000	\$ 1,479,585
Total Expenditures		\$ 569,372	\$ 4,692	\$ 574,064	\$ --	\$ 2,053,650	\$ 1,479,586
Excess (Deficiency) of Revenues Over (Under) Expenditures				(4,692)			
Fund Balance - Beginning of Year, July 1, 2023				1,529,628			
Fund Balance - End of Year, June 30, 2024				\$ 1,524,936			

COUNTY OF KAUAI, HAWAII
GENERAL EXCISE TAX CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Project No.	Prior Year Expenditures	Current Year	Project-To-Date Expenditures	Encumbrances	Project Authorization	Balance
Revenues:							
Interest		\$ --					
Other revenues		---					
Total Revenues		---		---			
Expenditures:							
Waimea/Kekaha Shared Path	R23000	\$ --	\$ --	\$ --	\$ --	\$ 275,000	\$ 275,000
Realignment Ke Ala Hele Makalae	R24000	--	178,877	178,877	--	181,000	2,123
Bus Transit Facility Utilization Study	T20000	64,000	--	64,000	61,000	125,000	--
Kauai Bus Facility Expansion Project (20% Match)	T24000	--	--	--	--	2,000,000	2,000,000
Kapahi Bridge Replacement (County Match)	W05368	--	--	--	--	667,134	667,134
Hanapepe Bridge Reconstruction (County Match)	W09007	--	805	805	20,552	297,166	275,809
Hanapepe Road Resurfacing (County Match)	W12067	80,873	92,837	173,710	78,570	878,000	625,720
Puhi Road Ph II (County Match)	W16A04	--	--	--	1,076,700	1,076,700	--
Expansion of Bus Facility	W20040	113,754	--	113,754	78,184	225,000	33,062
Lihu'e Culvert Repairs	W22025	16,000	--	16,000	--	445,000	429,000
Minor Bridge Upgrades & Repairs	W22030	--	--	--	--	6,769,000	6,769,000
Anini Bridge #2 Replacement	W23000	--	--	--	--	500,000	500,000
Kamalu Road Improvements	W23005	--	--	--	--	900,000	900,000
Kapahi Bridge Repairs	W23010	83,957	50,017	133,974	350,412	700,000	215,614
Kilauea/Kolo Road	W23015	--	--	--	--	1,800,000	1,800,000
Culvert Assessment	W24000	--	--	--	--	800,000	800,000
Halekō Road Improvements	W24005	--	--	--	--	500,000	500,000
Hanalei District Culvert Upgrades and Repairs	W24010	--	--	--	--	200,000	200,000
Ho'olako Street Drainage System	W24015	--	--	--	--	1,750,000	1,750,000
Kawaihau District Culvert Upgrades and Repairs	W24020	--	--	--	--	200,000	200,000
Kawaihau Road Improvements	W24025	--	--	--	--	500,000	500,000
Kekaha Road and 'Akialoa Road	W24030	--	--	--	650,000	650,000	--
Kilauea Access Road	W24035	--	--	--	--	450,000	450,000
Kipū Bridge Repairs	W24040	--	--	--	--	700,000	700,000
Kōloa District Culvert Upgrades and Repairs	W24045	--	--	--	--	200,000	200,000
Moi Road Sidewalks	W24050	--	--	--	--	300,000	300,000
Poipū Road Safety and Mobility Project	W24055	--	--	--	--	1,989,960	1,989,960
Waimea District Culvert Upgrades Repairs	W24060	--	--	--	--	200,000	200,000
Total Expenditures		\$ 358,584	322,536	\$ 681,120	\$ 2,315,418	\$ 25,278,960	\$ 22,282,422
Excess (Deficiency) of Revenues Over (Under) Expenditures			(322,536)				
Other Financing Sources:							
Transfers in				18,488,960			
Total Other Financing Sources (Uses)				18,488,960			
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				18,166,424			
Fund Balance - Beginning of Year, July 1, 2023				6,461,416			
Fund Balance - End of Year, June 30, 2024				\$ 24,627,840			

COUNTY OF KAUAI, HAWAII
PUBLIC HOUSING ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgetary Basis					Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)	Encumbrances	Non-GAAP		
	Original (Note A)	Final					
Revenues:							
Rents and Concessions:							
Pa'anau housing project	\$ 837,700	\$ 837,700	\$ 888,341	\$ --	\$ 888,341	\$ 50,641	
Kalepa housing project	1,218,840	1,218,840	1,248,117	--	1,248,117	29,277	
Other revenues	252,200	252,200	1,066,909	--	1,066,909	814,709	
Total Revenues	<u>2,308,740</u>	<u>2,308,740</u>	<u>3,203,367</u>	<u>--</u>	<u>3,203,367</u>	<u>894,627</u>	
Other Financing Sources (Uses):							
Operating transfers from General Fund	14,861,727	14,861,727	14,861,727	--	14,861,727	--	
Total Other Financing Sources (Uses)	<u>14,861,727</u>	<u>14,861,727</u>	<u>14,861,727</u>	<u>--</u>	<u>14,861,727</u>	<u>--</u>	
Total Revenues and Other Financing Sources (Uses)	<u>17,170,467</u>	<u>17,170,467</u>	<u>18,065,094</u>	<u>--</u>	<u>18,065,094</u>	<u>894,627</u>	
Expenditures - Public Welfare:							
Revolving buy back account	18,338,536	18,338,536	14,441,489	1,199,752	15,641,241	2,697,295	
Kalepa housing operating cost	2,267,744	2,267,744	739,959	85,216	825,175	1,442,569	
Pa'anau housing operating cost	1,587,092	1,587,091	759,457	67,374	826,831	760,260	
Total Expenditures	<u>22,193,372</u>	<u>22,193,371</u>	<u>15,940,905</u>	<u>1,352,342</u>	<u>17,293,247</u>	<u>4,900,124</u>	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures (Note C)	\$ <u>(5,022,905)</u>	\$ <u>(5,022,904)</u>	\$ <u>2,124,189</u>	\$ <u>(1,352,342)</u>	\$ <u>771,847</u>	\$ <u>5,794,751</u>	
Fund Balance - Beginning of Year July 1, 2023			<u>23,148,552</u>				
Fund Balance - End of Year June 30, 2024			<u>\$ 25,272,741</u>				

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Excess of expenditures over revenues is balanced with available fund balance.

Note D: Public Enterprise Housing Fund is comprised of three (3) funds: Housing Revolving Fund, Kalepa Housing Fund, and Paanau Housing Fund.

**COUNTY OF KAUAI, HAWAII
SEWER ENTERPRISE FUND**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgetary Basis						Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)					
	Original (Note A)	Final		Encumbrances	Non-GAAP			
Revenues:								
Interest	\$ 34,000	\$ 34,000	\$ 47,596	\$ --	\$ 47,596	\$ 13,596		
Charges for Services:								
Sewer Charges:								
Residential	3,715,600	3,715,600	4,088,266	--	4,088,266	372,666		
Commercial	6,968,178	6,968,178	5,285,977	--	5,285,977	(1,682,201)		
Connection charge	--	--	4,030	--	4,030	4,030		
Sludge disposal	267,185	267,185	491,994	--	491,994	224,809		
Capacity assessment	239,452	239,452	32,360	--	32,360	(207,092)		
Other revenues/miscellaneous	--	--	23,657	--	23,657	23,657		
Total Revenues	<u>11,224,415</u>	<u>11,224,415</u>	<u>9,973,880</u>	<u>--</u>	<u>9,973,880</u>	<u>(1,250,535)</u>		
Other Financing Sources (Uses):								
Transfers out	(699,895)	(699,895)	(699,895)	--	(699,895)	--		
Operating transfers from General Fund	<u>6,530,598</u>	<u>6,530,598</u>	<u>6,530,598</u>	<u>--</u>	<u>6,530,598</u>	<u>--</u>		
Total Other Financing Sources (Uses)	<u>5,830,703</u>	<u>5,830,703</u>	<u>5,830,703</u>	<u>--</u>	<u>5,830,703</u>	<u>--</u>		
Total Revenues and Other Financing Sources (Uses)	<u>17,055,118</u>	<u>17,055,118</u>	<u>15,804,583</u>	<u>--</u>	<u>15,804,583</u>	<u>(1,250,535)</u>		
Expenditures - Sanitation:								
Sanitation and Waste Removal:								
Salaries, including overtime	3,188,321	3,116,474	3,230,712	--	3,230,712	(114,238)		
Vacation credit payout	1	1	--	--	--	1		
Operational and administrative	4,888,498	5,241,849	3,756,837	1,314,319	5,071,156	170,693		
Central services cost	500,000	500,000	500,000	--	500,000	--		
Capital costs	2,780,402	2,612,572	1,012,927	1,580,405	2,593,332	19,240		
SRF loan payments	2,187,693	2,251,938	2,251,934	--	2,251,934	4		
FICA taxes	240,493	240,493	231,347	--	231,347	9,146		
Public employees' health fund	316,885	320,055	319,810	--	319,810	245		
Workers' compensation	17,000	17,000	7,776	--	7,776	9,224		
Unemployment compensation	1	1	(597)	--	(597)	598		
Pension contributions	754,498	754,498	695,041	--	695,041	59,457		
Other employee benefits	2	2	--	--	--	2		
Public employees' other post-employment benefit	629,102	613,752	519,479	--	519,479	94,273		
Repair and maintenance reserve	<u>4,127,953</u>	<u>3,979,649</u>	<u>2,458,645</u>	<u>1,503,099</u>	<u>3,961,744</u>	<u>17,905</u>		
Total Expenditures - Sanitation	<u>19,630,849</u>	<u>19,648,284</u>	<u>14,983,911</u>	<u>4,397,823</u>	<u>19,381,734</u>	<u>266,550</u>		
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures (Note C)	\$ (2,575,731)	\$ (2,593,166)	\$ 820,672	\$ (4,397,823)	\$ (3,577,151)	\$ (983,985)		
Fund Balance - Beginning of Year July 1, 2023					1,383,338			
Fund Balance - End of Year June 30, 2024					<u>2,204,010</u>			

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Excess of expenditures over revenues is balanced with available fund balance.

**COUNTY OF KAUAI, HAWAII
GOLF ENTERPRISE FUND**
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

						Budgetary Basis			Variance with Final Budget- Positive (Negative)	
	Budgeted Amounts		Actual Amounts (Note B)	Encumbrances	Non-GAAP					
	Original (Note A)	Final								
Revenues:										
Rents and Concessions:										
Food and beverage	\$ 8,000	\$ 8,000	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ (8,000)	
Pro shop	26,400	26,400	53,500	--	--	53,500			27,100	
Range balls	--	--	--	--	--	--			--	
Golf carts	200,000	200,000	222,710	--	--	222,710			22,710	
Other	500	500	(20)	--	--	(20)			(520)	
Charges for Services:										
Green fees and locker fees	750,000	750,000	1,421,006	--	--	1,421,006			671,006	
Total Revenues	984,900	984,900	1,697,196	--	--	1,697,196			712,296	
Other Financing Sources:										
Operating transfers from General Fund	1,722,345	1,722,345	2,416,653	--	--	2,416,653			694,308	
Total Revenues and Other Financing Sources	2,707,245	2,707,245	4,113,849	--	--	4,113,849			1,406,604	
Expenditures - Culture and Recreation:										
Salaries, including overtime	1,257,989	1,253,281	1,488,495	--	--	1,488,495			(235,214)	
Operational and administrative	776,537	756,848	624,764	95,675	--	720,439			36,409	
Central services cost	130,000	130,000	130,000	--	--	130,000			--	
Capital costs	670,373	686,810	102,810	590,250	--	693,060			(6,250)	
Debt service payments	--	--	--	--	--	--			--	
FICA taxes	96,236	96,236	86,390	--	--	86,390			9,846	
Public employees' health fund	181,552	173,552	135,645	--	--	135,645			37,907	
Workers' compensation	2	15,962	15,884	--	--	15,884			78	
Unemployment compensation	1,967	1,967	--	--	--	--			1,967	
Public employees' other post-employment benefit	255,882	255,882	212,443	--	--	212,443			43,439	
Pension contributions	299,469	299,469	269,594	--	--	269,594			29,875	
Total Expenditures - Culture and Recreation	3,670,007	3,670,007	3,066,025	685,925	3,751,950	3,751,950			(81,943)	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures (Note C)	\$ (962,762)	\$ (962,762)	\$ 1,047,824	\$ (685,925)	\$ 361,899	\$ 1,324,661				
Fund Balance - Beginning of Year July 1, 2023									1,860,411	
Fund Balance - End of Year June 30, 2024									\$ 2,908,235	

Note A: Original budgeted expenditure amounts include reappropriated and committed prior-period encumbrances.

Note B: Actual expenditures and revenues are reported on the modified accrual basis of accounting.

Note C: Excess of expenditures over revenues is balanced with available fund balance.

**STATISTICAL SECTION
(UNAUDITED)**

**COUNTY OF KAUAI, HAWAII
STATISTICAL SECTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

This part of the County of Kauai's annual comprehensive financial report represents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information.

Contents		Page
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed.		155
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.		162
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.		169
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.		172
Operating Information These schedules contain service, and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.		174

**COUNTY OF KAUAI, HAWAII
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (UNAUDITED)
(ACCRAUL BASIS OF ACCOUNTING) NOTES 1 - 9**

TABLE 1

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities:										
Net investment in capital assets	\$ 447,353,524	\$ 438,181,870	\$ 439,215,376	\$ 442,105,705	\$ 455,387,859	\$ 472,677,653	\$ 477,850,063	\$ 474,838,061	\$ 472,494,990	\$ 491,841,022
Restricted	10,177,669	14,439,009	8,533,459	14,864,441	9,955,466	18,915,146 (6)	17,004,544 (7)	35,296,612 (8)	48,593,045	82,642,825
Unrestricted (2), (4)	(136,593,717)	(132,390,722)	(252,967,511) (3)	(284,520,607)	(279,297,890) (5)	(282,199,326) (6)	(296,400,141) (7)	(274,050,552)	(199,602,490)	(160,348,694)
Total Governmental Activities Net Position	320,937,476	320,230,157	194,781,324 (3)	172,449,539	186,045,435 (5)	209,393,473 (6)	198,454,466 (7)	236,084,121 (8)	321,485,545	414,135,153
Business-type Activities:										
Net investment in capital assets	77,610,041	74,780,858	74,662,355	73,528,939	74,870,040	83,850,392 (6)	92,272,689	89,781,076	94,908,174	124,005,755
Restricted	356,210	362,635	356,730	362,670	1,368,740	1,370,195	1,149,374	1,146,384	1,163,239	1,162,289
Unrestricted (2), (4)	1,457,020	6,926,493 (1)	(708,815) (3)	(4,138,176)	(6,859,867) (5)	(9,987,468)	(14,462,036)	(4,268,334)	1,593,501 (9)	5,488,862
Total Business-type Activities Net Position	79,423,271	82,069,986 (1)	74,310,270 (3)	69,753,433	69,378,913 (5)	75,233,119 (6)	78,960,027	86,659,126	97,664,914 (9)	130,656,906
Primary Government:										
Net investment in capital assets	524,963,565	512,962,728	513,877,731	515,634,644	530,257,899	556,528,045	570,122,752	564,619,137	567,403,164	615,846,777
Restricted	10,533,879	14,801,644	8,890,189	15,227,111	11,324,206	20,285,341 (6)	18,153,918 (7)	36,442,996 (8)	49,756,284	83,805,114
Unrestricted (2), (4)	(135,136,697)	(125,464,229) (1)	(253,676,326) (3)	(288,658,783)	(286,157,757) (5)	(292,186,794) (6)	(310,862,177) (7)	(278,318,886)	(198,008,989) (9)	(154,859,832)
Total Primary Government Activities Net Position	\$ 400,360,747	\$ 402,300,143 (1)	\$ 269,091,594 (3)	\$ 242,202,972	\$ 255,424,348 (5)	\$ 284,626,592 (6)	\$ 277,414,493 (7)	\$ 322,743,247 (8)	\$ 419,150,459 (9)	\$ 544,792,059

Note (1): Net Position for 2016 was restated.

Note (2): Balances prior to FY 2015 have not been adjusted for the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.

Note (3): Net Position for 2017 was restated.

Note (4): Balances prior to FY 2017 have not been adjusted for the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB). The Statement replaces GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, and GASB Statement No. 57, OPEB Measurements by Agent Employers and Agent Multi-Employer Plans.

Note (5): Net position for 2019 was restated.

Note (6): Net position for 2020 was restated.

Note (7): Net position for 2021 was restated.

Note (8): Net position for 2022 was restated.

Note (9): Net position for 2023 was restated.

Source: Department of Finance

**COUNTY OF KAUAI, HAWAII
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (UNAUDITED)
(ACCURAL BASIS OF ACCOUNTING) NOTES 1 - 7**

TABLE 1A

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses (2), (3):										
Governmental Activities:										
General government	\$ 34,845,724	\$ 31,124,910	\$ 35,907,652	\$ 36,748,751	\$ 39,752,275	\$ 41,191,065	\$ 62,394,687 (5)	\$ 39,461,041	\$ 37,979,817	\$ 49,244,254
Public safety	59,779,065	63,996,769	77,626,223	78,984,670	87,814,650	85,764,334	97,470,653 (5)	73,696,742	74,231,895	88,686,266
Public works	13,187,394	13,031,167	7,759,049	10,477,006	11,530,773	12,273,793	13,081,015 (5)	27,191,292	17,867,920	10,181,807
Highways and streets	20,169,211	21,389,331	19,449,532	24,405,041	25,189,019	31,193,348	30,095,579 (5)	33,208,619	31,503,037	30,947,590
Sanitation	18,081,944	22,784,661	9,433,463	29,455,273	24,223,172	8,157,902	25,857,356 (5)	23,950,005 (6)	29,282,611	34,163,854
Culture and recreation	12,560,842	12,635,604	19,895,665	21,223,972	22,827,870	23,142,666	27,442,570 (5)	22,850,462	22,073,104	26,206,306
Public welfare	20,347,498	22,066,721	25,216,739	27,640,479	28,476,112	36,135,020	49,366,618 (5)	54,141,922	42,961,775	54,966,301
Unallocated interest	5,254,055	5,100,848	4,921,648	5,266,323	5,368,320	5,154,183	5,344,812 (5)	4,432,027	4,219,310	4,006,531
Total Governmental Activities Expenses	184,225,733	192,130,011	200,209,971	234,201,515	245,182,191	243,012,311	311,053,290 (5)	278,932,110 (6)	260,119,469	298,402,909
Business-type Activities:										
Housing	2,170,580	2,486,232	2,842,953	2,534,963	2,190,691	2,379,496	2,941,152	2,526,350	4,035,153	4,507,715
Sewer	9,305,181	9,555,472 (1)	11,358,672	12,603,995	13,303,075	13,845,522	13,434,268	13,197,472	13,183,232	16,677,714
Golf	2,516,583	2,326,087	2,896,789	3,067,420	3,122,652	3,085,392	2,924,300	2,689,354	2,773,451	3,384,646
Total Business-type Activities Expenses	13,992,344	14,367,791 (1)	17,098,414	18,206,378	18,616,418	19,310,410	19,299,720	18,413,176	19,991,836	24,570,075
Total Primary Government Expenses	198,218,077	206,497,802 (1)	217,308,385	252,407,893	263,798,609	262,322,721	330,353,010 (5)	297,345,286 (6)	280,111,305	322,972,984
Program Revenues:										
Governmental Activities:										
Charges for services:										
General government	6,925,672	6,456,304	6,047,464	6,356,815	5,424,926	7,224,076 (4)	5,946,337	8,836,618	5,760,405	5,700,030
Public safety	976,639	1,059,842	603,963	883,768	928,787	893,593	1,420,365	419,261	1,426,361	1,429,818
Public works	413,159	432,238	370,243	245,982	403,990	437,061	358,168	387,669	319,145	292,560
Highways and streets	5,680,943	6,914,101	7,006,020	7,280,113	8,394,168	8,130,234	7,961,300	8,545,500	9,275,849	9,743,051
Sanitation	8,037,799	8,838,362	8,923,679	9,412,169	9,547,468	8,801,077	8,537,498	9,536,387	9,473,613	9,852,931
Culture and recreation	886,203	691,189	692,092	667,076	644,013	570,656	412,146	414,107	38,380	23,589
Public welfare	264,652	282,196	674,476	372,246	395,253	360,100	429,601	434,293	603,203	355,781
Operating grants and contributions	21,787,905	17,719,967	20,154,402	23,989,238	46,276,953	50,605,882	93,563,863	106,676,827	77,004,130	99,434,029
Capital grants and contributions	5,696,219	6,273,146	10,609,093	5,488,448	14,711,229	15,082,846 (4)	21,122,222	6,980,921	13,061,362	11,543,017
Total Governmental Activities Program Revenues	50,669,191	48,667,345	55,081,432	54,695,855	86,726,787	92,105,525 (4)	139,751,500	142,231,583	116,962,448	138,374,806
Business-type Activities:										
Charges for services:										
Housing	2,285,109	2,444,866	2,089,316	1,925,022	1,877,337	2,099,455	3,608,685	2,286,405	2,501,306	2,937,292
Sewer	9,586,721	9,545,888	9,532,589	9,561,674	9,465,263	8,656,233	8,149,174	8,893,140	8,930,004	10,665,210
Golf	1,142,667	1,210,762	1,193,254	1,171,011	1,254,562	1,020,877	940,182	1,489,753	1,562,231	1,910,289
Capital grants and contributions	7,954,930	1,559,608	1,246,127	1,050,457	2,011,556	8,315,374 (4)	1,600,125	5,038,634	9,747,776 (7)	18,971,397
Total Business-type Activities Program Revenues	20,969,427	14,761,124	14,061,286	13,708,164	14,608,718	20,091,939 (4)	14,298,166	17,707,932	22,741,317 (7)	34,484,188
Total Primary Government Program Revenues	\$ 71,638,618	\$ 63,428,469	\$ 69,142,718	\$ 68,404,019	\$ 101,335,505	\$ 112,197,464	\$ 154,049,666	\$ 159,939,515	\$ 139,703,765 (7)	\$ 172,858,994

Note (1): Total government expenses for 2016 was restated.

Note (2): Balances prior to FY 2015 have not been adjusted for the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.

Note (3): Balances prior to FY 2017 have not been adjusted for the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB). The Statement replaces GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, and GASB Statement No. 57, OPEB Measurements by Agent Employers and Agent Multi-Employer Plans.

Note (4): Total government expenses for 2020 was restated.

Note (5): Total government expenses for 2021 was restated.

Note (6): Total government expenses for 2022 was restated.

Note (7): Total government revenues for 2023 was restated.

**COUNTY OF KAUAI, HAWAII
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS (UNAUDITED)
(ACCRUAL BASIS OF ACCOUNTING) NOTES 1 - 7**

TABLE 1A

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net Revenue (Expense) (2), (3):										
Governmental activities	\$ (133,556,542)	\$ (143,462,666)	\$ (145,128,539)	\$ (179,505,660)	\$ (158,455,404)	\$ (150,906,786) (4)	\$ (171,301,790) (5)	\$ (136,700,527) (6)	\$ (143,157,021) (7)	\$ (160,028,103) (8)
Business-type activities	6,977,083	393,333 (1)	(3,037,128)	(4,498,214)	(4,007,700)	781,529 (4)	(5,001,554)	(705,244)	2,749,481 (7)	9,914,113 (8)
Total Primary Government Net Revenue (Expense):	<u>(126,579,459)</u>	<u>(143,069,333) (1)</u>	<u>(148,165,667)</u>	<u>(184,003,874)</u>	<u>(162,463,104)</u>	<u>(150,125,257) (4)</u>	<u>(176,303,344) (5)</u>	<u>(137,405,771) (6)</u>	<u>(140,407,540) (7)</u>	<u>(150,113,990) (8)</u>
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
General Revenues:										
Property taxes	106,772,994	114,230,704	119,362,633	127,476,566	138,127,982	148,586,519	156,007,206	158,967,737	190,735,660	217,917,443
County transient accommodations tax										
Public service company tax	4,243,704	3,993,523	3,173,170	3,497,888	3,442,407	3,754,911	3,277,052	3,217,792	29,316,826	30,203,040
Franchise tax	4,518,532	3,612,148	3,610,262	3,722,949	4,101,541	3,907,706	3,653,750	4,002,509	3,645,158	3,835,097
Fuel tax	5,168,937	5,459,139	5,636,105	5,718,221	5,729,166	5,227,648	4,404,461	5,402,477	5,508,246	5,450,917
Unrestricted grants and contributions	16,007,524	15,983,809	16,481,037	15,958,575	15,953,540	13,438,043	661,375	941,950	753,313	867,151
Investments earnings	933,116	1,664,777	355,446	712,245	5,220,651	4,468,452	827,365	(5,715,804)	2,158,618	13,221,012
Transfers	(471,508)	(2,188,753)	(794,150)	87,431	(3,129,407)	(5,128,455)	(8,468,426)	(8,535,055)	(7,973,701)	(23,109,083)
Total Governmental Activities General Revenues and Transfers	<u>137,173,299</u>	<u>142,755,347</u>	<u>147,824,503</u>	<u>157,173,875</u>	<u>169,445,880</u>	<u>174,254,824</u>	<u>160,362,783</u>	<u>174,330,182</u>	<u>228,558,445</u>	<u>252,677,711</u>
Business-type Activities:										
General Revenues:										
Investment earnings	19,709	64,629	31,965	28,808	186,934	(55,778)	260,036	(130,712)	282,606	(31,204)
Transfers	471,508	2,188,753	794,150	(87,431)	3,129,407	5,128,455	8,468,426	8,535,055	7,973,701	23,109,083
Total Business-type Activities General Revenues and Transfers	<u>491,217</u>	<u>2,253,382</u>	<u>826,115</u>	<u>(58,623)</u>	<u>3,316,341</u>	<u>5,072,677</u>	<u>8,728,462</u>	<u>8,404,343</u>	<u>8,256,307</u>	<u>23,077,879</u>
Total Primary Government Program Revenues	<u>137,664,516</u>	<u>145,008,729</u>	<u>148,650,618</u>	<u>157,115,252</u>	<u>172,762,221</u>	<u>179,327,501</u>	<u>169,091,245</u>	<u>182,734,525</u>	<u>236,814,752</u>	<u>275,755,590</u>
Changes in Net Position (2), (3):										
Governmental activities	3,616,757	(707,319)	2,695,964	(22,331,785)	10,990,476	23,348,038 (4)	(10,939,007) (5)	37,629,655 (6)	85,401,424	92,649,608
Business-type activities	7,468,300	2,646,715 (1)	(2,211,013)	(4,556,837)	(691,359)	5,854,206 (4)	3,726,908	7,699,099	11,005,788 (7)	32,991,992
Total Primary Government Changes in Net Position	<u>\$ 11,085,057</u>	<u>\$ 1,939,396 (1)</u>	<u>\$ 484,951</u>	<u>\$ (26,888,622)</u>	<u>\$ 10,299,117</u>	<u>\$ 29,202,244 (4)</u>	<u>\$ (7,212,099) (5)</u>	<u>\$ 45,328,754 (6)</u>	<u>\$ 96,407,212 (7)</u>	<u>\$ 125,641,600</u>

Note (1): Net Revenue (Expense) for 2016 was restated.

Note (2): Balances prior to FY 2015 have not been adjusted for the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.

Note (3): Balances prior to FY 2017 have not been adjusted for the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB). The Statement replaces GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, and GASB Statement No. 57, OPEB Measurements by Agent Employers and Agent Multi-Employer Plans.

Note (4): Net Revenue (Expense) for 2020 was restated.

Note (5): Net Revenue (Expense) for 2021 was restated.

Note (6): Net Revenue (Expense) for 2022 was restated.

Note (7): Net Revenue (Expense) for 2023 was restated.

Source: Department of Finance

**COUNTY OF KAUAI, HAWAII
GOVERNMENT – WIDE NET POSITION
LAST TEN FISCAL YEARS (UNAUDITED)
(ACCRAUL BASIS OF ACCOUNTING) NOTES 1 - 9**

TABLE 1B

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assets and deferred outflows of resources (2), (4):										
Governmental activities	\$ 729,292,205	\$ 733,284,039	\$ 814,871,079	\$ 859,412,201	\$ 876,772,507	\$ 916,002,636	(6) \$ 979,476,937	(7) \$ 959,509,804	\$ 1,015,584,437	\$ 1,104,992,117
Business-type activities	<u>110,605,113</u>	<u>114,789,409</u>	<u>115,906,505</u>	<u>109,817,108</u>	<u>110,216,012</u>	<u>119,389,346</u>	(6) <u>133,681,505</u>	<u>150,441,384</u>	<u>156,819,684</u>	<u>180,771,608</u>
Total Assets - Primary Government	<u>839,897,318</u>	<u>848,073,448</u>	<u>930,777,584</u>	<u>969,229,309</u>	<u>986,988,519</u>	<u>1,035,391,982</u>	(6) <u>1,113,158,442</u>	(7) <u>1,109,951,188</u>	<u>1,172,404,121</u>	<u>1,285,763,725</u>
Liabilities and deferred inflows of resources (2), (4):										
Governmental activities	408,354,729	413,053,882	491,944,958	686,962,662	693,332,492	706,609,163	781,022,471	723,425,683	(8) 694,098,892	690,856,971
Business-type activities	<u>31,181,842</u>	<u>32,719,423</u>	<u>36,047,532</u>	<u>40,063,675</u>	<u>41,153,938</u>	<u>44,156,227</u>	<u>54,721,478</u>	<u>63,782,258</u>	(9) <u>59,154,770</u>	<u>50,114,702</u>
Total Liabilities - Primary Government	<u>439,536,571</u>	<u>445,773,305</u>	<u>527,992,490</u>	<u>727,026,337</u>	<u>734,486,430</u>	<u>750,765,390</u>	<u>835,743,949</u>	<u>787,207,941</u>	<u>753,253,662</u>	<u>740,971,673</u>
Net Position:										
Net investment in capital assets										
Governmental activities	447,353,524	438,181,870	439,215,376	442,105,705	455,387,859	472,677,653	477,850,063	474,838,061	472,494,990	491,841,022
Business-type activities	77,610,041	74,780,858	74,662,355	73,528,939	74,870,040	83,850,392	(6) 92,272,689	89,781,076	94,908,174	124,005,755
Restricted by enabling legislation:										
Governmental activities	--	--	8,533,459	14,864,441	9,955,466	18,915,146	(6) 17,004,544	(7) 35,296,612	(8) 48,593,045	82,642,825
Business-type activities	356,210	362,635	356,730	362,670	1,368,740	1,370,195	1,149,374	1,146,384	1,163,239	1,162,289
Restricted, other:										
Governmental activities	10,177,669	14,439,009	--	--	--	--	--	--	--	--
Business-type activities	--	--	--	--	--	--	--	--	--	--
Unrestricted net position (2), (4):										
Governmental activities	(136,593,717)	(132,390,722)	(252,967,511)	(3) (284,520,607)	(279,297,890)	(5) (282,199,326)	(6) (296,400,141)	(7) (274,050,552)	(8) (199,602,490)	(9) (160,348,694)
Business-type activities	1,457,020	6,926,493	(1) (708,815)	(3) (4,138,176)	(6,859,867)	(5) (9,987,468)	(14,462,036)	(4,268,334)	1,593,501	(9) 5,488,862
Total Net Position - Primary Government	\$ 400,360,747	\$ 402,300,143	(1) \$ 269,091,594	(3) \$ 242,202,972	\$ 255,424,348	(5) \$ 284,626,592	(6) \$ 277,414,493	(7) \$ 322,743,247	(8) \$ 419,150,459	(9) \$ 544,792,059

Note (1): Total Liabilities and Net Position for 2016 was restated.

Note (2): Balances prior to FY 2015 have not been adjusted for the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.

Note (3): Net Position for 2017 was restated.

Note (4): Balances prior to FY 2017 have not been adjusted for the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB). The Statement replaces GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, and GASB Statement No. 57, OPEB Measurements by Agent Employers and Agent Multi-Employer Plans.

Note (5): Net Position for 2019 was restated.

Note (6): Net Position for 2020 was restated.

Note (7): Net Position for 2021 was restated.

Note (8): Net Position for 2022 was restated.

Note (9): Net Position for 2023 was restated.

Source: Department of Finance

**COUNTY OF KAUAI, HAWAII
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (UNAUDITED) NOTES 1-2
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

TABLE 2

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund:										
Nonspendable	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Restricted	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000
Committed	9,959,330	9,473,469	20,537,307	20,949,918	23,069,304	26,591,384	26,960,141	28,214,942	29,620,931	39,992,570
Assigned	927,398	1,513,398	3,329,023	1,583,885	7,190,271	8,486,832	17,049,197	1,563,398	1,713,398	2,594,825
Unassigned	27,950,825	36,540,570	32,456,369	36,263,191	44,345,145	45,617,103	24,409,886	47,217,022	73,920,177 (2)	76,410,332
Total General Fund	39,327,553	48,017,437	56,812,699	59,286,994	75,094,720	81,185,319	68,909,224	77,485,362	105,744,506 (2)	119,487,727
All Other Governmental Funds:										
Nonspendable	1,555,424	2,498,625	2,204,479	528,280	601,440	678,358	943,469	917,405	917,405	917,405
Restricted	9,590,391	5,730,865	11,443,165	13,940,646	14,411,818	14,908,235	15,910,961	16,948,713	18,496,516	20,095,250
Committed	22,775,602	14,898,454	14,223,775	19,807,870	24,164,548	36,297,596	40,606,098	38,022,965	70,212,470	67,024,145
Assigned	45,053,079	47,543,497	41,001,434	55,229,499	50,992,632	45,676,473	38,994,025	56,121,188	61,544,613	86,497,543
Unassigned	--	--	--	--	--	(14,228,141)	(1,908,772)	(2,580,551)	(972,026) (2)	19,316,927
Total All Other Governmental Funds	78,974,496	70,671,441	68,872,853	89,506,295	90,170,438	83,332,521 (1)	94,545,781	109,429,720	150,198,978 (2)	193,851,270
Total Fund Balances	\$ 118,302,049	\$ 118,688,878	\$ 125,685,552	\$ 148,793,289	\$ 165,265,158	\$ 164,517,840 (1)	\$ 163,455,005	\$ 186,915,082	\$ 255,943,484	\$ 313,338,997

Note (1): The June 30, 2020 ACFR All Other Governmental Funds balances for 2020 was restated.

Note (2): The June 30, 2023 ACFR General Fund and All Other Governmental Funds balances were restated.

Source: Department of Finance

TABLE 2A

COUNTY OF KAUAI, HAWAII
CHANGES IN GOVERNMENTAL FUND BALANCES
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes	\$ 120,492	\$ 126,945	\$ 133,065	\$ 140,107	\$ 151,019	\$ 160,809	\$ 166,141	\$ 187,696	\$ 233,469	\$ 261,699
Licenses and permits	9,953	10,952	10,582	11,108	11,221	10,915	12,317	11,336	12,298	12,538
Rents and concessions	488	500	486	422	386	290	96	105	147	164
Interest and investment earnings (losses)	933	1,665	355	712	5,220	4,469 (1)	827	(5,715)	2,159	13,221
Intergovernmental revenue	42,308	38,715	45,231	44,173	75,776	78,021 (1)	114,351	113,635	90,114	111,144
Charges for current services	11,567	11,788	12,029	12,622	12,741	11,675	11,168	12,725	13,006	13,410
Bond subsidy	1,042	1,029	1,015	997	979	958	631	907	705	843
Miscellaneous	1,177	1,433	1,220	1,066	1,391	3,537 (1)	1,485	4,407	1,468	1,415
Total Revenues	187,960	193,027	203,983	211,207	258,733	270,674 (1)	307,016	325,096	353,366	414,434
Expenditures:										
General government	33,921	30,858	32,313	31,915	36,260	35,913	55,915	40,215	39,091	50,433
Public safety	55,961	60,219	64,135	68,920	69,974	73,478	87,533	79,124	79,080	95,444
Public works	10,275	10,173	4,812	6,629	7,932	8,175	7,531	22,813	7,142	7,945
Highways and streets	14,144	15,352	12,095	16,569	16,755	22,972	21,909	25,475	24,455	24,077
Sanitation	16,282	16,086	15,566	17,790	20,207	19,335	18,128	19,453	22,669	26,734
Culture and recreation	10,512	10,465	16,642	17,437	18,078	18,478	21,600	19,781	20,089	24,028
Public welfare	18,924	19,476	22,790	24,541	25,735	32,491	44,856	51,088	42,647	55,564
Capital outlay	15,890	18,012	22,484	21,524	34,712	45,962	42,019	27,359	31,876	37,605
Debt Service:										
Principal	6,830	6,401	7,185	7,626	8,910	9,659	11,264	13,048	13,946	14,369
Interest	5,300	5,130	4,962	5,011	5,532	5,324	5,127	4,355	4,283	4,016
Total Expenditures	188,039	192,172	202,984	217,962	244,095	271,787	315,882	302,711	285,278	340,215
Excess of Revenues										
Over (Under) Expenditures	\$ (79)	\$ 855	\$ 999	\$ (6,755)	\$ 14,638	\$ (1,113) (1)	\$ (8,866)	\$ 22,385	\$ 68,088	\$ 74,219
Other Financing Sources (Uses):										
Transfers in	\$ 20,251	\$ 26,184	\$ 30,770	\$ 39,737	\$ 24,610	\$ 48,051 (1)	\$ 31,403	\$ 36,177	\$ 58,688	\$ 79,901
Transfers out	(20,722)	(28,372)	(31,564)	(39,650)	(27,739)	(53,179) (1)	(39,871)	(44,712)	(66,662)	(103,011)
Refunding bonds issued	--	--	--	--	--	--	--	--	--	--
Bonds issued	--	--	--	26,001	--	--	--	--	--	--
Premium on bonds issued	--	--	--	--	--	--	--	--	--	--
Payments to refunded bond escrow agency	--	--	--	--	--	--	--	--	--	--
Finance purchases	--	--	--	--	--	--	--	4,201	920	3,215
Issuance of leases	1,814	1,720	2,516	3,223	4,594	5,494	6,695	1,956	7,994	1,612
Issuance of loans	--	--	3,775	551	369	--	9,576	3,453	--	1,459
Insurance proceeds	--	--	500	--	--	--	--	--	--	--
Claims proceeds	--	--	--	--	--	--	--	--	--	--
Sale of capital assets	--	--	--	--	--	--	--	--	--	--
Total Other Financing Sources (Uses)	1,343	(468)	5,997	29,862	1,834	366	7,803	1,075	940	(16,824)
Net Change in Fund Balances	\$ 1,264	\$ 387	\$ 6,996	\$ 23,107	\$ 16,472	\$ (747) (1)	\$ (1,063)	\$ 23,460	\$ 69,028	\$ 57,395
Debt Service as a Percentage of Noncapital Expenditures	7.05%	6.62%	6.73%	6.43%	6.90%	6.63% (1)	5.99%	6.32%	7.19%	6.08%

Note (1): Revenues, Other Financing Sources (Uses), Net Change in Fund Balance and percentage for 2020 was restated.

COUNTY OF KAUAI, HAWAII
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

TABLE 2B

Fiscal Year	General Government		Public Safety		Public Works		Highways and Streets		Sanitation		Culture and Recreation		Public Welfare		Capital Outlay		Debt Service		Total (1)
2015	\$ 33,920,947		\$ 55,961,380		\$ 10,274,971		\$ 14,144,217		\$ 16,281,938		\$ 10,511,496		\$ 18,923,802		\$ 15,890,238		\$ 12,130,333		\$ 188,039,322
2016	30,858,262		60,219,227		10,172,962		15,351,967		16,086,176		10,464,345		19,476,213		18,012,046		11,531,008		192,172,206
2017	32,313,282		64,135,017		4,811,325		12,095,104		15,566,715		16,641,960		22,789,901		22,484,510		12,146,737		202,984,551
2018	31,914,909		68,919,964		6,629,002		16,568,690		17,790,341		17,436,755		24,541,374		21,524,363		12,636,578		217,961,976
2019	36,259,437		69,974,055		7,931,870		16,755,336		20,207,250		18,078,046		25,735,298		34,711,974		14,442,058		244,095,324
2020	35,912,985		73,477,679		8,174,885		22,972,041		19,334,589		18,478,077		32,490,504		45,962,289		14,983,965		271,787,014
2021	55,915,346		87,532,882		7,530,906		21,908,809		18,128,030		21,600,054		44,855,676		42,018,683		16,391,743		315,882,129
2022	40,215,346		79,123,594		22,813,211		25,474,825		19,452,948		19,780,608		51,088,166		27,358,671		17,404,490		302,711,859
2023	39,083,320	(2)	79,079,865		7,142,059		24,455,438		22,668,535		20,088,667		42,647,078		31,875,951		18,237,280	(2)	285,278,193 (2)
2024	50,433,342		95,443,629		7,944,775		24,077,048		26,733,967		24,027,536		55,564,150		37,605,438		18,385,287		340,215,172

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Note (1): Includes general, special revenue, capital projects and debt service funds.
Note (2): Fiscal Year 2023 General Government expenditures has been corrected.

Source: Department of Finance

**COUNTY OF KAUAI, HAWAII
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1**

TABLE 3

Fiscal Year	Total Tax Levy	Tax Levy				Collected within the Fiscal Year of the Levy		Collections in Subsequent Years			Total Collections to Date	
		Adjustments in Subsequent Years		Total Tax Levy After Adjustments		Tax Collections (1)	Percent of Levy	Tax Collections (1)	Percent of Levy			
162	2015	\$ 107,139,250	\$ 103,384	\$ 107,242,634	\$ 105,651,792	98.4 %	\$ 1,520,954	\$ 107,172,746	99.929 %			
	2016	114,123,756	77,950	114,201,706	112,470,903	98.4	1,646,345	114,117,248	99.921			
	2017	119,896,735	407,237	120,303,972	118,625,976	98.6	1,591,471	120,217,447	99.921			
	2018	126,320,307	276,505	126,596,812	124,910,655	98.6	1,580,048	126,490,703	99.906			
	2019	136,411,503	176,249	136,587,752	134,812,392	98.7	1,573,184	136,385,576	99.817			
	2020	145,463,974	(33,883)	145,430,091	143,585,981	98.7	1,527,030	145,113,011	99.734			
	2021	156,655,307	228,982	156,884,289	153,637,937	97.9	2,874,254	156,512,191	99.613			
	2022	158,756,720	20,079	158,776,799	156,245,224	98.3	2,009,961	158,255,185	99.358			
	2023	189,048,314	(506,435)	188,541,879	185,948,419	98.4	1,460,190	187,408,609	98.360			
	2024	219,650,207	--	219,650,207	215,760,960	98.2	--	215,760,960	98.229			

Note (1): Current and delinquent tax collections do not include penalties and interest.

Source: Department of Finance

TABLE 4

**COUNTY OF KAUAI, HAWAII
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS (VALUED IN THOUSANDS - UNAUDITED) NOTE 1**

Fiscal Year	Gross Assessed Value (1)	Exemptions	Net Taxable Value	Total Direct Tax Rate	Ratio (%) of Net Taxable to Estimated Actual Value
2015	\$ 19,040,292	\$ 2,927,020	\$ 16,113,272	\$ 6.70	84.0
2016	20,420,263	3,026,948	17,393,315	6.54	84.5
2017	21,293,260	3,045,295	18,247,965	6.57	85.1
2018	22,198,177	3,092,685	19,105,492	6.59	85.6
2019	23,150,723	3,147,021	20,003,702	6.81	86.4
2020	24,449,483	3,184,588	21,264,895	6.84	87.0
2021	25,798,988	3,277,237	22,521,751	6.96	87.3
2022	26,523,060	3,348,735	23,174,325	6.85	87.3
2023	29,928,669	3,395,623	26,533,046	7.14	88.7
2024	34,758,164	3,577,812	31,180,352	7.03	89.7

Note (1):
 Personal property is not taxed in the County of Kauai.
 Taxable properties are assessed at 100% of estimated fair market value.
 Values presented exclude government exemptions.
 The total direct tax rate represents the weighted average of all the individual direct rates applied by the County of Kauai.

Source: Department of Finance, Real Property Tax Division

COUNTY OF KAUAI, HAWAII
REAL PROPERTY NET VALUATION BY CLASSIFICATION AND TAX RATES
LAST TEN FISCAL YEARS (VALUED IN THOUSANDS - UNAUDITED) NOTE 1

TABLE 5

Fiscal Year	Class of Property	Net Valuation		Tax Rates Per \$1,000
		for Tax Rate (1)		
2015	Residential	\$	5,593,126	\$6.05
	Vacation Rental		2,631,776	8.85
	Commercial		986,307	8.10
	Industrial		344,376	8.10
	Agriculture		766,282	6.75
	Conservation		76,791	6.75
	Hotel/Resort		2,222,843	10.85
	Homestead		<u>3,491,771</u>	3.05
	Total	\$	<u>16,113,272</u>	
2016	Residential	\$	4,307,877	\$6.05
	Vacation Rental		2,754,556	8.85
	Commercial		988,391	8.10
	Industrial		349,909	8.10
	Agriculture		848,806	6.75
	Conservation		88,214	6.75
	Hotel/Resort		2,118,758	10.85
	Homestead		4,176,046	3.05
	Residential Investor		907,267	7.05
	Commercialized Home Use		<u>853,491</u>	5.05
	Total	\$	<u>17,393,315</u>	
2017	Residential	\$	4,453,922	\$6.05
	Vacation Rental		2,808,807	8.85
	Commercial		1,212,005	8.10
	Industrial		359,921	8.10
	Agriculture		879,941	6.75
	Conservation		91,586	6.75
	Hotel/Resort		2,235,772	10.85
	Homestead		4,244,917	3.05
	Residential Investor		1,045,051	7.05
	Commercialized Home Use		<u>916,043</u>	5.05
	Total	\$	<u>18,247,965</u>	

COUNTY OF KAUAI, HAWAII
REAL PROPERTY NET VALUATION BY CLASSIFICATION AND TAX RATES (Continued)
LAST TEN FISCAL YEARS (VALUED IN THOUSANDS - UNAUDITED) NOTE 1

TABLE 5

Fiscal Year	Class of Property	Net Valuation		Tax Rates Per \$1,000
		for Tax Rate (1)		
2018	Residential	\$	4,691,366	\$6.05
	Vacation Rental		2,977,607	8.85
	Commercial		1,222,247	8.10
	Industrial		375,295	8.10
	Agriculture		873,711	6.75
	Conservation		91,571	6.75
	Hotel/Resort		2,342,462	10.85
	Homestead		4,349,444	3.05
	Residential Investor		1,132,498	7.05
	Commercialized Home Use		<u>1,049,291</u>	5.05
Total		\$	<u>19,105,492</u>	
2019	Residential	\$	4,874,612	\$6.05
	Vacation Rental		3,049,664	9.85
	Commercial		1,255,140	8.10
	Industrial		386,635	8.10
	Agriculture		857,499	6.75
	Conservation		96,924	6.75
	Hotel/Resort		2,462,961	10.85
	Homestead		4,558,352	3.05
	Residential Investor		1,384,519	8.05
	Commercialized Home Use		<u>1,077,396</u>	5.05
Total		\$	<u>20,003,702</u>	
2020	Residential	\$	5,019,571	\$6.05
	Vacation Rental		3,455,979	9.85
	Commercial		1,241,513	8.10
	Industrial		388,862	8.10
	Agriculture		857,968	6.75
	Conservation		89,774	6.75
	Hotel/Resort		2,532,284	10.85
	Homestead		4,818,821	3.05
	Residential Investor		1,680,282	8.05
	Commercialized Home Use		<u>1,179,841</u>	5.05
Total		\$	<u>21,264,895</u>	

COUNTY OF KAUAI, HAWAII
REAL PROPERTY NET VALUATION BY CLASSIFICATION AND TAX RATES (Continued)
LAST TEN FISCAL YEARS (VALUED IN THOUSANDS - UNAUDITED) NOTE 1

TABLE 5

Fiscal Year	Class of Property	Net Valuation		Tax Rates Per \$1,000
		for	Tax Rate (1)	
2021	Residential	\$	5,142,259	\$6.05
	Vacation Rental		3,836,273	9.85
	Commercial		1,247,584	8.10
	Industrial		405,945	8.10
	Agriculture		910,770	6.75
	Conservation		111,336	6.75
	Hotel/Resort		2,705,442	10.85
	Homestead		5,223,396	3.05
	Residential Investor		1,730,476	9.40
	Commercialized Home Use		1,208,270	5.05
Total		\$	<u>22,521,751</u>	
2022	Residential	\$	5,385,091	\$6.05
	Vacation Rental		3,796,415	9.85
	Commercial		1,301,240	8.10
	Industrial		413,920	8.10
	Agriculture		1,065,803	6.75
	Conservation		109,560	6.75
	Hotel/Resort		2,484,204	10.85
	Homestead		5,552,848	3.05
	Residential Investor		1,801,571	9.40
	Commercialized Home Use		1,263,673	5.05
Total		\$	<u>23,174,325</u>	
2023	Residential	\$	5,022,796	\$6.05
	Vacation Rental		4,523,864	9.85
	Commercial		1,550,591	8.10
	Industrial		518,381	8.10
	Agriculture		1,309,229	6.75
	Conservation		134,687	6.75
	Hotel/Resort		2,789,278	10.85
	Homestead		5,815,248	3.05
	Residential Investor		3,592,464	9.40
	Commercialized Home Use		1,276,508	5.05
Total		\$	<u>26,533,046</u>	

COUNTY OF KAUAI, HAWAII
REAL PROPERTY NET VALUATION BY CLASSIFICATION AND TAX RATES (Continued)
LAST TEN FISCAL YEARS (VALUED IN THOUSANDS - UNAUDITED) NOTE 1

TABLE 5

Fiscal Year	Class of Property	Net Valuation		Tax Rates Per \$1,000
		for Tax Rate (1)		
2024	Residential	\$	5,473,794	\$5.45
	Vacation Rental		5,399,220	9.85
	Commercial		1,803,426	8.10
	Industrial		624,054	8.10
	Agriculture		1,597,253	6.75
	Conservation		126,172	6.75
	Hotel/Resort		3,610,059	10.85
	Homestead		6,258,850	2.59
	Residential Investor		4,877,380	9.40
	Commercialized Home Use		1,410,144	5.05
Total		\$	<u>31,180,352</u>	

Note (1): Amounts presented net of real property tax exemption and 50% appeals.

Source: Department of Finance, Real Property Tax Division

**COUNTY OF KAUAI, HAWAII
COMPARISON OF PRINCIPAL TAXPAYERS
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND JUNE 30, 2015 (UNAUDITED)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

TABLE 6

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Rank	Taxpayer	Type of Business	FISCAL YEAR 2024		Percent of County's Total Taxable Assessed Valuation
			Taxable Assessed Valuation	Amount of Taxes	
1	Kawaiola Development (Grand Hyatt Poipu)	Resort Development	\$ 375,078,500	\$ 4,025,546	1.2 %
2	Marriott Ownership Resorts (Waiokai Beach Club)	Resort Development	263,559,200	2,859,656	0.8
3	Poipu Resort Partners (Pointe at Poipu)	Resort Development	239,248,000	2,595,841	0.8
4	Bali Hai Villas LTD Partnership (Bali Hai Villas)	Resort Development	219,773,000	2,380,190	0.7
5	Poipu Beach Partners LLC (Koloa Landing)	Resort Development	203,532,000	2,087,033	0.7
6	SVO Pacific Inc.	Resort Development	191,070,700	2,073,117	0.6
7	SOF-XI Kauai PV Hotel LP	Resort Development	169,706,600	1,841,317	0.5
8	HPTMI Hawaii Inc (Marriott Kauai Beach Club)	Resort Development	142,919,000	1,550,673	0.5
9	Kauai Lagoons	Resort Development	126,546,100	1,373,025	0.4
10	Metropolitan Mortgage HI Inc (Lawai Beach Resort - TS)	Resort Development	123,125,500	1,335,912	0.4
			\$ 2,054,558,600	\$ 22,122,310	6.6 %

Rank	Taxpayer	Type of Business	FISCAL YEAR 2015		Percent of County's Total Taxable Assessed Valuation
			Taxable Assessed Valuation	Amount of Taxes	
1	Marriott	Resort Development	\$ 444,232,900	\$ 4,819,928	2.7 %
2	Kawaiola Development (Grand Hyatt Poipu)	Resort Development	226,299,500	2,455,349	1.4
3	SVO Pacific Inc.	Resort Development	217,308,100	2,357,792	1.3
4	Kauai Lagoons	Real Estate Development	215,668,900	2,174,812	1.3
5	Kukui'ula	Real Estate Development	241,995,000	1,930,969	1.5
6	Princeville	Real Estate Development	136,732,800	1,518,727	0.8
7	Grove Farm	Real Estate Development	189,989,300	1,423,132	1.1
8	Poipu Resort Partners (Pointe at Poipu)	Resort Development	123,084,000	1,335,461	0.7
9	Princeville Hotel LP	Resort Development	108,149,900	1,172,683	0.6
10	Poipu Beach Partners LLC (Koloa Landing)	Resort Development	114,339,700	960,836	0.7
			\$ 2,017,800,100	\$ 20,149,689	12.2 %

Source: Department of Finance, Real Property Tax Division

COUNTY OF KAUAI, HAWAII
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS (UNAUDITED) NOTES 1-3
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

TABLE 7

Fiscal Year	Governmental Activities (1)					Business-type Activities (1)					Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds		Finance Purchases		Leases (3)	Loans Payable	General Obligation Bonds		Finance Purchases		Leases (3)	Sewer Loans	
	General	Obligation Bonds	Finance	Purchases	Leases (3)	Loans Payable	General	Obligation Bonds	Finance	Purchases	Leases (3)	Sewer Loans	
2015	\$ 108,745,000	\$ --	\$ 4,878,543	\$ --	\$ 540,000	\$ --	\$ 550,168	\$ 18,871,239	\$ 133,584,950	4.42 %	\$ 1,862		
2016	104,685,000	--	4,257,981	--	370,000	--	365,549	22,704,977	132,383,507	4.21	1,838		
2017	99,740,000	--	4,535,346	3,774,589	190,000	--	273,180	21,503,043	130,016,158	3.86	1,802		
2018	118,610,000	--	5,277,700	4,325,676	--	--	210,614	19,831,135	148,255,125	4.15	2,055		
2019	112,620,000	--	7,159,134	4,487,464	--	--	175,867	18,150,431	142,592,896	3.82	1,977		
2020	106,375,000	--	9,453,137	4,273,363	--	--	359,403	16,677,640	137,138,543	3.53	1,908		
2021	100,504,200	--	11,843,739	13,404,808	--	--	1,887,694	23,830,197	151,470,638	3.60	2,053		
2022	93,889,200	11,437,756	892,314	16,095,167	--	1,608,848	4,083	33,061,480	156,988,848	3.75	2,127		
2023	87,559,200	8,311,672	6,128,563	15,241,571	--	1,176,524	1,208	31,774,993	150,193,731	3.32	2,035		
2024	80,530,800	7,761,970	5,059,906	15,818,559	--	619,037	--	25,131,477	134,921,749	n/a	n/a		

Note (1): Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Note (2): See the Schedule of Demographic Statistics for personal income and population data.

Note (3): Leases for fiscal years 2015 through 2021 represent capital leases which effective fiscal year 2022 no longer apply pursuant to GASB 87, Leases. Leases for fiscal years beginning 2022 represent Right to use leases.

(n/a): Indicates information currently not available.

**COUNTY OF KAUAI, HAWAII
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS (UNAUDITED) NOTES 1-3
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

TABLE 7A

Fiscal Year	Governmental		Business-type					Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita (3)		
	Activities		Activities		Less: Amounts						
	General Obligation Bonds (1)	General Obligation Bonds (1)	General Obligation Bonds (1)		Available in Debt Service Fund	Total					
2015	\$ 108,745,000	\$ 540,000	\$ 161,837	\$ 109,123,163	0.67 %	\$ 1,521					
2016	104,685,000	370,000	161,837	104,893,163	0.60	1,456					
2017	99,740,000	190,000	306,837	99,623,163	0.55	1,380					
2018	118,610,000	--	1,588,524	117,021,476	0.61	1,622					
2019	112,620,000	--	1,588,524	111,031,476	0.55	1,535					
2020	106,375,000	--	1,588,524	104,786,476	0.49	1,458					
2021	100,504,200	--	1,588,524	98,915,676	0.43	1,340					
2022	93,889,200	--	1,588,525	92,300,675	0.39	1,251					
2023	87,559,200	--	1,588,525	85,970,675	0.32	1,164					
2024	80,530,800	--	1,588,525	78,942,275	0.25	n/a					

Note (1): Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Note (2): See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

Note (3): See the Schedule of Demographic Statistics for personal income and population data.

(n/a): Indicates information currently not available.

**COUNTY OF KAUAI, HAWAII
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS (UNAUDITED) NOTES 1 - 2**

TABLE 8

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit (1)	\$ 2,416,990,800	\$ 2,608,997,250	\$ 2,737,194,750	\$ 2,865,823,800	\$ 3,000,555,000	\$ 3,189,734,250	\$ 3,378,262,650	\$ 3,476,148,750	\$ 3,979,957,050	\$ 4,677,052,800
Debt applicable to limit	108,745,000	104,685,000	99,740,000	118,610,000	112,620,000	106,375,000	100,504,200	93,889,200	87,559,200	80,530,800
Legal debt margin (2)	\$ 2,308,245,800	\$ 2,504,312,250	\$ 2,637,454,750	\$ 2,747,213,800	\$ 2,887,935,000	\$ 3,083,359,250	\$ 3,277,758,450	\$ 3,382,259,550	\$ 3,892,397,850	\$ 4,596,522,000
Debt applicable to the limit as a percentage of debt limit	4.49%	4.01%	3.64%	4.13%	3.75%	3.33%	2.98%	2.70%	2.20%	1.72%

Note (1): State finance statutes limit the County's outstanding general debt to no more than 15 percent of the net assessed value of property.

Note (2): The legal debt margin is the County's available borrowing authority under State finance statutes and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit.

Source: Department of Finance

Legal Debt Margin Calculation for Fiscal Year 2024

Net assessed value	\$ 31,180,352,000
Debt limit (15% of net assessed value)	4,677,052,800
Debt applicable to limit	80,530,800

Debt limit (15% of net assessed value)

\$ 31,180,352,000

Debt applicable to limit

80,530,800

Legal debt margin

\$ 4,596,522,000

**COUNTY OF KAUAI, HAWAII
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS (UNAUDITED) NOTES 1-3**

TABLE 9

Fiscal Year	Population (1)	Per Capita Personal Income (1)	Personal Income (1) (millions of dollars)	School Enrollment (2)	Unemployment Rate (3)
2015	71,735	\$ 42,070	\$ 3,017	9,381	3.8 %
2016	72,029	43,585	3,139	9,402	4.0
2017	72,159	46,596	3,362	9,417	2.1
2018	72,133	49,416	3,564	9,293	2.5
2019	72,293	51,545	3,726	9,289	2.7
2020	71,851	54,089	3,886	9,056	16.2
2021	73,791	56,983	4,205	8,991	7.8
2022	73,810	56,697	4,184	8,807	3.6
2023	73,851	61,257	4,523	8,658	3.7
2024	n/a	n/a	n/a	8,814	2.3

Note (1): U.S. Department of Commerce, Bureau of Economic Analysis

Note (2): State of Hawaii Department of Education.

Note (3): U.S. Department of Labor Bureau of Labor Statistics. Fiscal Year 2023 has been updated to reflect 2023 Annual Average Unemployment Rate. Fiscal Year 2024 data is for September 2023 to October 2024.

Population includes Armed Forces and their dependents.

(n/a): Indicates information currently not available.

**COUNTY OF KAUAI, HAWAII
JOBS BY INDUSTRY
LAST TEN FISCAL YEARS (UNAUDITED)**

TABLE 10

Fiscal Year	Construction	Transportation	Communication	Wholesale & Retail Trade	Services	Lodging	Medical	Finance	Insurance	Agriculture	Government
			Utilities					Real Estate			
2015	1,500	1,500	4,400	11,700	4,200	2,500	1,400	n/a	4,600		
2016	1,700	1,500	4,500	12,000	4,200	2,700	1,200	n/a	4,600		
2017	1,800	1,500	4,500	12,500	4,400	2,700	1,100	n/a	4,600		
2018	1,900	1,600	4,500	12,600	4,500	2,700	1,200	n/a	4,700		
2019	2,100	1,700	4,500	17,800	4,700	2,900	1,200	n/a	5,100		
2020	1,900	1,700	3,900	12,300	2,400	3,000	900	n/a	5,000		
2021	2,100	1,400	4,100	13,500	2,800	3,100	1,000	n/a	5,000		
2022	2,100	1,700	4,300	15,500	3,900	2,900	1,100	n/a	4,900		
2023	2,100	1,700	4,300	14,200	4,300	2,700	1,100	n/a	4,900		
2024	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		

(n/a): Indicates information currently not available.

Source: State of Hawai'i Data Book.

**COUNTY OF KAUAI, HAWAII
REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS (UNAUDITED) NOTES 1-3
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

TABLE 11

Fiscal Year	Net Receipts			Debt Service Requirement (1)			Coverage
	Gross Receipts (2)	Operating Expenses (3)	Available for Debt Service	Principal	Interest	Total	
2015	\$ 2,285,109	\$ 1,387,091	\$ 898,018	--	\$ --	\$ --	\$ 898,018
2016	2,444,866	1,702,743	742,123	--	--	--	742,123
2017	2,089,316	2,059,464	29,852	--	--	--	29,852
2018	1,925,022	1,751,474	173,548	--	--	--	173,548
2019	1,877,337	1,407,202	470,135	--	--	--	470,135
2020	2,099,455	1,596,007	503,448	--	--	--	503,448
2021	3,608,685	2,109,197	1,499,488	--	--	--	1,499,488
2022	2,286,405	1,594,474	691,931	--	--	--	691,931
2023	2,501,303	2,246,361	254,942	--	--	--	254,942
2024	2,937,292	1,296,758	1,640,534	--	--	--	1,640,534

Note (1): Includes principal and interest of revenue bonds only. It does not include the general obligation or public improvement bonds.

Note (2): Receipts include contribution from HOME Investment Partnership Program Grant fund and residual bond proceeds used for the redemption of outstanding bond principal.

Note (3): Operating expenses do not include depreciation expense.

Source: Department of Finance

**COUNTY OF KAUAI, HAWAII
MISCELLANEOUS STATISTICS
FISCAL YEAR ENDED JUNE 30, 2024 (UNAUDITED)**

TABLE 12

Date of incorporation	January 4, 1905
Date first charter adopted	January 2, 1969
Form of government	Mayor/Council
Number of employees (excluding fire and police):	
Permanent	652
Temporary	24
Exempt	177
Contract	35
Area in square miles	620
County facilities and services:	
Miles of streets	310.72
Number of streetlights	3,000
Number of County facilities:	
Neighborhood centers	10
Community centers	4
Camping parks	4
Recreational parks	68
Gymnasiums	3
Swimming pools	2
Golf courses	1
Tennis courts	23
Pickleball Courts	9
Baseball and softball fields	17
Basketball courts	23
Volleyball courts	5
Soccer fields	18
Auditoriums	1
Stadiums	3
Fire protection:	
Number of stations	8
Number of fire personnel and officers	225
Number of calls answered	7,799
Number of inspections conducted	7,977
Police protection:	
Number of stations	3
Number of police personnel	175
Number of patrol units	77
Number of police officers	130
Number of law violations:	
Physical arrest	3,111
Traffic violations	16,054
Parking violations	2,099

**COUNTY OF KAUAI, HAWAII
MISCELLANEOUS STATISTICS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024 (UNAUDITED)**

TABLE 12

Sewage system:	
Number of treatment plants	4
Number of service connections:	
Residential	5,221
Commercial	575
Daily average treatment in gallons	2,400,000
Maximum daily capacity of treatment plant in gallons	5,000,000
Water system:	
Miles of water mains	319.9
Number of service connections	23,055
Number of fire hydrants	3,170
Annual water consumption in gallons	4.124
Maximum daily capacity of plant in gallons	28.75 million
Facilities and services not included in the reporting entity:	
Education School Year 23-24:	
Number of elementary schools	9
Number of students enrolled	4,258
Number of elementary school instructors	349
Number of middle schools	3
Number of students enrolled	1,816
Number of middle school instructors	134
Number of secondary schools	3
Number of students enrolled	2,720
Number of secondary school instructors	192
Number of community colleges	1
Hospitals:	
Number of hospitals	3
Number of licensed patient beds	197
Elections - 2023 general election:	
Number of registered voters	48,494
Number of votes cast	24,908
Percentage of registered voters voting	51.4%

**COUNTY OF KAUA'I, HAWAII
MISCELLANEOUS STATISTICS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024 (UNAUDITED)**

TABLE 12

Building Permits:

Fiscal Year	Number of Permits Issued	Value of Permits
2015	2,176	394,773,361
2016	4,406	217,945,537
2017	1,358	217,384,045
2018	1,149	278,920,948
2019	1,407	246,222,661
2020	1,430	310,488,174
2021	2,164	391,309,902
2022	1,403	305,743,942
2023	1,634	497,837,887
2024	1,465	362,318,436

Source: Building Division, County of Kaua'i

**COUNTY OF KAUAI, HAWAII
MISCELLANEOUS STATISTICS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024 (UNAUDITED)**

TABLE 12

Tourism Sector:

<u>Fiscal Year</u>	<u>Total Visitors (000)</u>	<u>Avg. Length of Stay (days)</u>	<u>Total room stock (000)</u>	<u>Avg. Daily Census (000)</u>
2015	1,173.7	7.2	8.5	24.5
2016	1,187.2	7.6	8.4	24.8
2017	1,279.9	7.5	8.8	26.3
2018	1,389.3	7.5	9.0	28.5
2019	1,370.0	7.4	9.0	27.7
2020	330.9	8.9	9.2	8.5
2021	711.9	8.6	9.1	18.3
2022	1,223.6	7.8	9.3	28.5
2023	1,296.6	7.4	9.3	28.8
2024	1,142.9	7.4	n/a	27.8

(n/a): Indicates information currently not available.

Sources: 1. State of Hawai'i Department of Business and Economic Development & Tourism, Hawai'i Tourism Authority, Visitor Research Annual Reports, Fiscal Years 2015 - 2023
2. State of Hawai'i Department of Business and Economic Development & Tourism, Hawai'i Tourism Authority, Visitor Research Preliminary data, Fiscal Year 2024, Jan-Oct

**COUNTY OF KAUAI, HAWAII
PRINCIPAL NON-GOVERNMENT EMPLOYERS
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1**

TABLE 13

Principal Non-Government Employers as of 2023

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	Grand Hyatt Kauai Resort & Spa	HOTEL	843	3.13%
2	Wilcox Health	HOSPITAL	797	2.96%
3	Sheraton Kauai Resort	HOTEL	250	0.93%
4	Koa Kea Hotel & Resort	HOTEL	150	0.56%
5	Kauai Island Utility Cooperative	UTILITY	140	0.52%
6	The Parrish Collection	HOTEL	140	0.52%
7	Keoki's Paradise	RESTAURANT	130	0.48%
8	Shioi Construction Inc.	CONSTRUCTION	124	0.46%
9	Unlimited Construction Services Inc.	CONSTRUCTION	92	0.34%
10	Kauai Nursery & Landscaping Inc.	NURSERY AND LANDSCAPE	90	0.33%

Source: Pacific Business News, June 21, 2024 Publication
State of Hawai'i Data Book 2023

Principal Non-Government Employers as of 2022

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	Grand Hyatt Kauai Resort & Spa	HOTEL	844	3.27%
2	Wilcox Health	HOSPITAL	827	3.21%
3	Sheraton Kauai Resort	HOTEL	400	1.55%
4	Koa Kea Hotel & Resort	HOTEL	156	0.60%
5	The Parrish Collection	HOTEL	140	0.54%
6	Kauai Island Utility Cooperative	UTILITY	134	0.52%
7	Shioi Construction Inc.	CONSTRUCTION	131	0.51%
8	Keoki's Paradise	RESTAURANT	123	0.48%
9	Kauai Nursery & Landscaping Inc.	NURSERY AND LANDSCAPE	90	0.35%
10	Gather FCU	CREDIT UNION	82	0.32%

Source: Pacific Business News, September 1-7, 2023 Publication
State of Hawai'i Data Book 2022

**COUNTY OF KAUAI, HAWAII
PRINCIPAL NON-GOVERNMENT EMPLOYERS (CONTINUED)
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1**

TABLE 13

Principal Non-Government Employers as of 2021

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	Wilcox Health	HOSPITAL	846	3.03%
2	Grand Hyatt Kauai Resort & Spa	HOTEL	810	2.90%
3	Ohana Pacific Management Co. (Kauai)	INPATIENT REHAB, SKILLED NURSING, LONG-TERM CARE	371	1.33%
4	Kauai Veterans Memorial Hospital	HOSPITAL	275	0.99%
5	Kauai Beach Resort	HOTEL	160	0.57%
6	Samuel Mahelona Memorial Hospital	HOSPITAL	148	0.53%
7	Kauai Island Utility Cooperative	UTILITY	140	0.50%
8	Kauai Nursery & Landscaping Inc.	NURSERY AND LANDSCAPE	97	0.35%
9	Gather FCU	CREDIT UNION	88	0.32%
10	The Parrish Collection	VACATION RENTAL	85	0.30%

Source: Pacific Business News, September 2-8, 2022 Publication
State of Hawaii Data Book 2021

Principal Non-Government Employers as of 2020

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	WILCOX HEALTH	HOSPITAL	897	4.29%
2	GRAND HYATT KAUAI RESORT & SPA	HOTEL	864	4.13%
3	'OHANA PACIFIC MANAGEMENT CO.	INPATIENT REHAB, SKILLED NURSING, LONG-TERM CARE	371	1.78%
4	KAUAI VETERANS MEMORIAL HOSPITAL	HOSPITAL	247	1.18%
5	THE CLUB AT KUKUIULA	REAL ESTATE DEVELOPMENT	175	0.84%
6	KAUAI BEACH RESORT	HOTEL	160	0.77%
7	SAMUEL MAHELONA MEMORIAL HOSPITAL	HOSPITAL	145	0.69%
8	KAUAI ISLAND UTILITY COOPERATIVE	UTILITY	140	0.67%
9	SECURITAS SECURITY SERVICES USA INC	SECURITY	132	0.63%
10	KAUAI NURSERY & LANDSCAPING INC.	NURSERY AND LANDSCAPE	100	0.48%

Source: Pacific Business News, September 23, 2021 Publication
State of Hawaii Data Book 2020

**COUNTY OF KAUAI, HAWAII
PRINCIPAL NON-GOVERNMENT EMPLOYERS (CONTINUED)
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1**

TABLE 13

Principal Non-Government Employers as of 2019

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	GRAND HYATT KAUAI RESORT & SPA	HOTEL	927	2.42%
2	WILCOX HEALTH	HOSPITAL	749	1.96%
3	'OHANA PACIFIC MANAGEMENT CO.	INPATIENT REHAB, SKILLED NURSING, LONG-TERM CARE	371	0.97%
4	KAUAI VETERANS MEMORIAL HOSPITAL	HOSPITAL	289	0.75%
5	SHIOI CONSTRUCTION INC.	HOTEL	167	0.44%
6	KOA KEA HOTEL & RESORT	HOTEL	160	0.42%
7	KAUAI ISLAND UTILITY COOPERATIVE	UTILITY	140	0.37%
8	SAMUEL MAHELONA MEMORIAL HOSPITAL	HOSPITAL	138	0.36%
9	SECURITAS SECURITY SERVICES USA INC	SECURITY	131	0.34%
10	KEOKI'S PARADISE	RESTAURANT	125	0.33%

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Source: Pacific Business News, October 9, 2020 Publication
State of Hawai'i Data Book 2019

Principal Non-Government Employers as of 2018

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	GRAND HYATT KAUAI RESORT & SPA	HOTEL	927	3.43%
2	WILCOX MEDICAL CENTER	HOSPITAL	917	3.40%
3	PRINCEVILLE RESORT KAUAI	HOTEL	500	1.85%
4	'OHANA PACIFIC MANAGEMENT CO.	INPATIENT REHAB, SKILLED NURSING, LONG-TERM CARE	382	1.41%
5	KAUAI VETERANS MEMORIAL HOSPITAL	HOSPITAL	289	1.07%
6	AQUA-ASTON HOSPITALITY	HOTEL	287	1.06%
7	KAUAI BEACH RESORT	HOTEL	240	0.89%
8	SHERATON KAUAI RESORT	HOTEL	236	0.87%
9	KOA KEA HOTEL & RESORT	HOTEL	170	0.63%
10	PIONEER HI-BRED INTERNATIONAL INC.	SEED BIOTECHNOLOGY COMPANY	165	0.61%

Source: Pacific Business News, July 19, 2019 Publication
State of Hawai'i Data Book 2018

**COUNTY OF KAUAI, HAWAII
PRINCIPAL NON-GOVERNMENT EMPLOYERS (CONTINUED)
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1**

TABLE 13

Principal Non-Government Employers as of 2017

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	GRAND HYATT KAUAI RESORT & SPA	HOTEL	914	3.45%
2	WILCOX HEALTH	HOSPITAL	826	3.12%
3	THE ST. REGIS PRINCEVILLE RESORT	HOTEL	502	1.89%
4	MANU KAI	CONTRACTOR, OPERATES PACIFIC MISSILE RANGE	500	1.89%
5	'OHANA PACIFIC MANAGEMENT CO.	INPATIENT REHAB, SKILLED NURSING, LONG-TERM CARE	335	1.26%
6	AQUA-ASTON HOSPITALITY	HOTEL	294	1.11%
7	WEST KAUAI MEDICAL CENTER	HOSPITAL	283	1.07%
8	SHERATON KAUAI RESORT	HOTEL	255	0.96%
9	THE WESTIN PRINCEVILLE OCEAN RESORT VILLAS	HOTEL	207	0.78%
10	SHIOI CONSTRUCTION INC.	CONSTRUCTION	174	0.66%

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Source: Pacific Business News, July 27, 2018 Publication
State of Hawai'i Data Book 2017

Principal Non-Government Employers as of 2016

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	GRAND HYATT KAUAI RESORT & SPA	HOTEL	946	3.68%
2	WILCOX HEALTH	HOSPITAL	787	3.06%
3	THE ST. REGIS PRINCEVILLE RESORT	HOTEL	508	1.98%
4	MANU KAI	CONTRACTOR, OPERATES PACIFIC MISSILE RANGE	504	1.96%
5	'OHANA PACIFIC MANAGEMENT CO.	INPATIENT REHAB, SKILLED NURSING, LONG-TERM CARE	335	1.30%
6	SHERATON KAUAI RESORT	HOTEL	288	1.12%
7	SAFEWAY INC.	RETAIL GROCER	281	1.09%
8	THE WESTIN PRINCEVILLE OCEAN RESORT VILLAS	HOTEL	170	0.66%
9	PIONEER HI-BRED INTERNATIONAL INC.	SEED BIOTECHNOLOGY COMPANY	165	0.64%
10	SHIOI CONSTRUCTION INC.	CONSTRUCTION	158	0.61%

Source: Pacific Business News, July 28, 2017 Publication
State of Hawai'i Data Book 2016

**COUNTY OF KAUAI, HAWAII
PRINCIPAL NON-GOVERNMENT EMPLOYERS (CONTINUED)
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1**

TABLE 13

Principal Non-Government Employers as of 2015

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	GRAND HYATT KAUAI RESORT & SPA	HOTEL	907	3.58%
2	WILCOX HEALTH	HOSPITAL	771	3.04%
3	MANU KAI'	CONTRACTOR, OPERATES PACIFIC MISSILE RANGE	550	2.17%
4	THE ST. REGIS PRINCEVILLE RESORT	HOTEL	499	1.97%
5	'OHANA PACIFIC MANAGEMENT CO.	INPATIENT REHAB, SKILLED NURSING, LONG-TERM CARE	344	1.35%
6	SHERATON KAUAI RESORT	HOTEL	296	1.16%
7	SYNGENTA CORP	AGRICULTURE	260	1.02%
8	PIONEER HI-BRED INTERNATIONAL INC.	SEED BIOTECHNOLOGY COMPANY	210	0.83%
9	AQUA-ASTON HOSPITALITY	HOTEL	208	0.82%
10	THE WESTIN PRINCEVILLE OCEAN RESORT VILLAS	HOTEL	205	0.81%

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Source: Pacific Business News, August 19, 2016 Publication
State of Hawai'i Data Book 2015

Principal Non-Government Employers as of 2014

RANK	BUSINESS NAME	TYPE OF BUSINESS	TOTAL EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
1	GRAND HYATT KAUAI RESORT & SPA	HOTEL	881	3.55%
2	WILCOX HEALTH	HOSPITAL	832	3.35%
3	MANU KAI'	CONTRACTOR, OPERATES PACIFIC MISSILE RANGE	550	2.21%
4	THE ST. REGIS PRINCEVILLE RESORT	HOTEL	499	2.01%
5	'OHANA PACIFIC MANAGEMENT CO.	INPATIENT REHAB, SKILLED NURSING, LONG-TERM CARE	344	1.38%
6	SHERATON KAUAI RESORT	HOTEL	296	1.19%
7	SYNGENTA CORP	AGRICULTURE	260	1.04%
8	AQUA KAUAI BEACH RESORT	HOTEL	200	0.80%
9	SHIOI CONSTRUCTION	CONSTRUCTION	179	0.72%
10	PIONEER HI-BRED INTERNATIONAL INC.	SEED BIOTECHNOLOGY COMPANY	168	0.67%

Source: Pacific Business News, August 14, 2015 Publication
State of Hawai'i Data Book 2014

Note (1): Statistical information not available for 2024

TABLE 14

COUNTY OF KAUAI, HAWAII
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS (UNAUDITED)

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Function:	Full-time Equivalent Employees as of June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities:										
General government	327	333	322	328	332	335	339	340	356	349
Public safety:										
Police	210	200	202	200	194	208	208	199	184	182
Fire	196	201	202	201	204	202	194	201	202	215
Emergency Management	4	4	6	6	6	7	8	9	7	7
Public works	94.5	92	44	51	57	52	44	43	42	49
Highway and streets	77	77	77	77	76	76	76	74	76	71
Sanitation	75.5	75	73	73	72	71	72	72	72	73
Culture and recreation	109.5	111	154	160	154	159	148	163	163	158
Public welfare	114	113	146	99	101	124	104	108	93	91
Total Governmental Activities Employees	1,207.5	1,206.0	1,226.0	1,195.0	1,196.0	1,234.0	1,193.0	1,209.0	1,195.0	1,195.0
Business-type Activities:										
Housing	25	28	37	23	22	28	28	26	28	29
Sewer	39	37	37	37	37	37	38	38	38	39
Golf	20.5	21	21	21	21	21	22	22	22	22
Total Business-type Employees	84.5	86.0	95.0	81.0	80.0	86.0	88.0	86.0	88.0	90.0
Total Primary Government Employees	1,292	1,292	1,321	1,276	1,276	1,320	1,281	1,295	1,283	1,285

Sources: County of Kauai Department of Personnel Services
 County of Kauai Department of Public Works
 County of Kauai Department of Finance

**COUNTY OF KAUAI, HAWAII
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1**

TABLE 15

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Function:										
Police:										
Physical arrests	3,998	4,012	5,124	5,197	3,773	4,311	3,505	3,411	3,205	3,111
Parking violations	2,594	2,659	4,215	3,558	2,235	1,589	839	1,730	2,794	2,099
Traffic violations	20,805	14,203	16,918	16,569	14,922	16,918	12,789	19,220	16,619	16,054
Fire:										
Number of calls answered	5,924	5,914	6,194	6,338	6,462	6,379	5,706	6,680	7,294	7,799
Inspections	3,049	2,707	2,696	2,621	2,271	2,238	2,657	6,451	5,667	7,977
Highways and Streets:										
Street resurfacing (miles)	-	4.99	3.98	6.59	14.48	32.61	32.11	29.83	31.92	17.1
Sanitation:										
Waste Disposed at Landfill (tons/year)	81,500	83,740	86,889	91,425	91,804	87,716	88,444	90,241	88,242	89,535
Waste Diverted from Landfill (est. tons/year)	64,036	64,300	65,474	68,970	69,256	66,172	66,721	68,077	66,000	66,500
Culture and Recreation:										
Athletic field permits issued	25,307	24,176	8,969	6,172	6,684	5,817	3,084	4,385	12,707	- (1)
Community and neighborhood center admissions	113,320	118,480	153,380	298,099	304,731	225,331	95,380	54,766	127,566	-
Water:										
Number of service connections	21,669	21,740	21,821	21,857	22,196	22,356	22,401	22,646	22,916	23,055
Annual water consumption in gallons	4,002	4,048	4,034	4,015	3,921	3,767	3,518	4,054	4,105	4,124
Wastewater:										
Average daily sewage treatment in gallons	2,300,000	2,300,000	2,300,000	2,300,000	2,360,000	1,850,000	1,850,000	2,100,000	2,400,000	2,400,000

Note (1): Athletic field permits issued and Community neighborhood admissions are not available for fiscal year 2024.
Indicators are not available for the general government function.

Source: County of Kauai

**COUNTY OF KAUAI, HAWAII
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS (UNAUDITED) NOTE 1**

TABLE 16

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Function: (1)										
Public Safety:										
Police:										
Stations	5	5	5	5	5	5	5	5	5	3
Patrol units	93	89	83	86	75	86	95	86	91	77
Fire stations	8	8	8	8	8	8	8	8	8	8
Sanitation:										
Collection trucks	8	8	8	8	8	8	14	16	15	20
Highways and Streets:										
Streets (miles)	309.5	309.6	309.6	310.1	310.2	310.7	310.7	310.7	310.7	310.72
Streetlights	2,936	2,941	3,042	3,044	3,048	3,000	3,000	3,000	3,000	3,000
Traffic signals - Flashers	3	5	7	8	6	6	6	6	6	6
Culture and Recreation:										
Parks acreage	487.04	487.04	487.04	487.04	488.02	488.02	488.02	488.02	488.02	488.02
Parks - Camping	7	7	7	7	7	7	7	4	4	4
Parks - Recreational	67	67	67	67	68	68	68	68	68	68
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis court locations	10	10	10	10	10	10	10	10	10	10
Tennis courts	24	24	24	24	24	24	24	24	23	23
Community centers	4	4	4	4	4	4	4	4	4	4
Neighborhood centers	10	10	10	10	10	10	10	10	10	10
Water:										
Water mains (miles)	443	443	443	443	443.41	443.41	443.41	443.41	443.41	419.9
Fire hydrants	2,778	2,918	2,918	2,936	2,983	2,983	3,017	3,034	3,100	3,170
Maximum daily capacity (thousands of gallons)	26,200,000	26,200,000	26,200,000	28,750,000	28,750,000	28,750,000	28,750,000	28,750,000	28,750,000	28,750,000
Sewer:										
Sanitary sewers (miles)	50	50	50	50	50	50	50	50	50	50
Maximum daily treatment capacity (thousands of gallons)	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,000,000	5,000,000

Note (1): Indicators are not available for the general government function.

Source: County of Kauai