



DEPT. COMM. NO. 214

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GOVERNOR

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LIEUTENANT GOVERNOR

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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

December 24, 2024

The Honorable Ronald D. Kouchi
President and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura
Speaker and Members of the House of
Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki and Members of the Legislature:

For your information and consideration, I am transmitting copies of the State of Hawaii Department of Budget and Finance's Annual Report on Administratively Established Accounts and Funds for the Period July 1, 2023, through June 30, 2024, in accordance with Section 37-52.5 of the Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that these reports will be available for viewing electronically at:

<https://budget.hawaii.gov/budget/reports-to-the-legislature/department-of-budget-finance/>

Sincerely,

/S/

LUIS P. SALAVERIA
Director of Finance

Enclosure

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Department of Budget and Finance: DBFLeg.DIR@hawaii.gov

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Interest Earned - Investment Pool (T-907)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established as holding account to deposit interest earned from the State Treasury centralized pool investments before distribution to participating accounts.

Source of Revenues:

Interest earned on centralized investment pool investments.

Current Program Activities/Allowable Expenses:

JV's are generated each month to allocate interest earnings to the various appropriation accounts of departments participating in the investment pool. Interest is allocated monthly by the investment pool system, to approx. 2,500 accounts.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			5,918,140	26,258,439
Revenues			186,887,151	347,627,115
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
			(166,546,852)	(340,805,137)
Net Total Transfers			(166,546,852)	(340,805,137)
Ending Cash Balance			26,258,439	33,080,417
Encumbrances				
Unencumbered Cash Balance			26,258,439	33,080,417

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Interest Earned - Bond Investment Pool (T-908)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established as holding account to deposit interest earned from the State Treasury centralized Bond Investment Pool before distribution to participating accounts.

Source of Revenues:

Interest earned on centralized Bond Investment Pool investments.

Current Program Activities/Allowable Expenses:

JV's are generated each month to allocate interest earnings to the various appropriation accounts of departments participating in the Bond pool.

Interest is allocated monthly by the Bond Investment pool system.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			1,304,981	10,887,632
Revenues			11,686,992	17,358,488
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
			(2,104,341)	(26,314,476)
Net Total Transfers			(2,104,341)	(26,314,476)
Ending Cash Balance			10,887,632	1,931,644
Encumbrances				
Unencumbered Cash Balance			10,887,632	1,931,644

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: Budget and Finance
 Prog ID(s): BUF 101
 Name of Fund: Temporary Deposit - Donation (T-924)
 Legal Authority: Administratively Established

Intended Purpose:
 To hold temporary deposits related to a donation from the American Samoan Government for Maui Wildfire Relief
 Source of Revenues:
 Temporary deposit of a donation from the American Samoan Government.
 Current Program Activities/Allowable Expenses: No current activity. Funds to be disbursed based on directions from the Governor.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance				0
Revenues				500,000
Expenditures				0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			0	500,000
Encumbrances				
Unencumbered Cash Balance			0	500,000

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Temporary Deposits - Special Purpose Revenue Bond - Security Deposit (T-914)
 Legal Authority: Adminstratively established

Intended Purpose:
 To record non-refundable security deposits from project parties for the purpose of reimbursing the State for all the costs and expenses incurred relating to the issuance of special purpose revenue bonds.

Source of Revenues:
 Security deposits from the project parties.
 Current Program Activities/Allowable Expenses:
 Any balance remaining in the Trust Fund is to be transferred to General Fund.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			0	1,000
Revenues			1,000	2,000
Expenditures			0	0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
			0	
Net Total Transfers			0	0
Ending Cash Balance			1,000	3,000
Encumbrances				
Unencumbered Cash Balance			1,000	3,000

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Taxes Payable to Other State Agencies (T-916)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established to enable B&F to generate SWV's on-line for transmittal of tobacco tax collected by DoTax and distributed per statute to UH per Act 316/SLH2006. It serves as a clearing account for fuel tax revenues pending distribution.

Source of Revenues:

Tobacco Tax collections by state Dept. of Taxation (DoTax)

Current Program Activities/Allowable Expenses:

B&F processes JVs to transfer taxes into this account in order to pay UH for their statutory distribution of tobacco tax.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			1,146,169	700,129
Revenues			10,855,458	9,971,416
Expenditures			11,301,498	10,001,322
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			700,129	670,224
Encumbrances				
Unencumbered Cash Balance			700,129	670,224

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Taxes Payable to Counties/HTA - TAT (T-917)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established to enable B&F to generate SWV's on-line for transmittal of TAT distributed monthly to HTA and semi-annually to the counties. It serves as a clearing account for TAT revenues pending distribution per statute.

Source of Revenues:

Transient Accommodations Tax (TAT) collected by the DoTax.

Current Program Activities/Allowable Expenses:

B&F processes SWV's from this account for payment to HTA and the counties of their statutory distribution of TAT.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			0	0
Revenues			15,500,000	15,500,000
Expenditures			15,500,000	15,500,000
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			0	0
Encumbrances				
Unencumbered Cash Balance			0	0

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Taxes Payable to Counties - Fuel Tax (T-918)
 Legal Authority: Adminstratively established

Intended Purpose:
 Account was established to enable B7F to generate SWV's on-line for transmittal of liquid fuel tax distributed monthly to the counties.
 It serves as a clearing account for fuel tax revenues pending distribution per statute.

Source of Revenues:
 Liquid Fuel Tax collected by the DoTax.
 Current Program Activities/Allowable Expenses:
 B&F processes SWV's from this account for payment to the counties of their statutory distribution of fuel tax.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			7,540,502	7,772,654
Revenues			89,287,202	87,816,934
Expenditures			89,055,050	87,988,101
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			7,772,654	7,601,487
Encumbrances				
Unencumbered Cash Balance			7,772,654	7,601,487

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Taxes Payable to Counties - GETax surcharge (T-919)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established to enable B&F to generate SWV's on-line for transmittal of county GET surcharge collected by DoTax and distributed per statute HRS 248-2.6 to the City & County of Honolulu. It serves as a clearing account for the surcharge pending distribution.

Source of Revenues:

General Excise Tax collections by state Dept. of Taxation (DoTax)

Current Program Activities/Allowable Expenses:

B&F processes JVs to transfer taxes into this account in order to pay City & County of Honolulu for their statutory distribution of GETax

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			25,164,521	26,006,592
Revenues			514,274,312	569,355,282
Expenditures			513,432,241	547,335,647
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			26,006,592	48,026,227
Encumbrances				
Unencumbered Cash Balance			26,006,592	48,026,227

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Hawaii Children's Trust Fund (T-922)
 Legal Authority: Administratively established

Intended Purpose:
 Account was established to enable B&F to generate SWV's on-line for transmittal of taxes collected by DoTax and distributed per statute Act 228/SLH2004 to the Hawaii Children's Trust Fund at the Hawaii Community Foundation.

Source of Revenues:
 Income tax refund designation by taxpayer.
 Current Program Activities/Allowable Expenses:
 B&F processes JVs to transfer funds into this account in order to pay HI Community Foundation per income tax refund designation.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			125,225	36,770
Revenues			124,750	135,800
Expenditures			213,205	53,070
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			36,770	119,500
Encumbrances				
Unencumbered Cash Balance			36,770	119,500

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: BUF
 Prog ID(s): BUF115
 Name of Fund: Unclaimed Property Trust Fund (T-932)
 Legal Authority: Adminstratively established

Intended Purpose:

Account was established to deposit and disburse moneys in Unclaimed Property Program. All funds in excess of \$1.3 million remaining on balance at the end of the fiscal year will be transferred to the general fund.

Source of Revenues:

Property that is held, issued, or owing in the ordinary course of a holder's business and has remained unclaimed by the owner after it became payable or distributable is presumed abandoned.

Current Program Activities/Allowable Expenses:

Amounts received from abandoned property as Revenue and Claims verified and paid out as Expenditures.

Variances:

The variance is due to the increase in current, pending and anticipated claims filed by owners.

The UP program has no direct control over the number of claims submitted on an annual basis.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			31,190,930	32,856,724
Revenues			46,177,176	48,682,205
Expenditures			14,642,634	17,435,232
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
8/22/22 JM 600 TF to GF			(29,868,748)	
8/7/23 JM 443 TF to GF				(29,821,787)
Net Total Transfers			(29,868,748)	(29,821,787)
Ending Cash Balance			32,856,724	34,281,910
Encumbrances			46,584	48,895
Unencumbered Cash Balance			32,810,140	34,233,015

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: Budget and Finance
 Prog ID(s): BUF 101
 Name of Fund: Overpayment Collections to OHA-Ceded Lands (T-955)
 Legal Authority: Executive Order No. 06-06

Intended Purpose: Account is used to collect overpayments made to the Office of Hawaiian Affairs for ceded lands, and to make up shortage amounts due to OHA pursuant to Executive Order No. 06-06.

Source of Revenues: Account revenues are quarterly amounts paid to OHA in excess of the \$3,775,000, pursuant to Act 178, SLH 2006.

Current Program Activities/Allowable Expenses: Funds can be expended to make up shortfalls in payments to OHA per Executive Order No. 06-06.

Purpose of Proposed Ceiling Adjustment (if applicable): Not Applicable

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Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance			32,246,276	41,439,261
Revenues			25,317,985	29,095,768
Expenditures			16,125,000	26,875,000
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			41,439,261	43,660,029
Encumbrances				
Unencumbered Cash Balance			41,439,261	43,660,029

Report on Administratively Created Accounts and Funds
for Submittal to the 2025 Legislature

Department: Budget and Finance
 Prog ID(s): BUF 101
 Name of Fund: CMIA Interest Liability Clearing Account (T-961)
 Legal Authority: Administratively Established

Intended Purpose:
 To pay the U.S. Department of the Treasury for the State's Cash Management Improvement Act (CMIA) Annual Report Interest Liability
 Source of Revenues:
 NA
 Current Program Activities/Allowable Expenses:
 Program activity is anticipated in FY25.

Financial Data				
			FY 2023	FY 2024
			(actual)	(actual)
Beginning Cash Balance				0
Revenues				0
Expenditures				0
Transfers				
List each net transfer in/out/ or projection in/out; list each account number				
Net Total Transfers			0	0
Ending Cash Balance			0	0
Encumbrances				
Unencumbered Cash Balance			0	0