



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

SABRINA NASIR
ACTING DIRECTOR

DEPT. COMM. NO. 61

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

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

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

December 1, 2025

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 Nakamura 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, 2024, through June 30, 2025, 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/departments-of-budget-finance/>

Sincerely,

SABRINA NASIR
Acting Director of Finance

Enclosure

c: Legislative Reference Bureau
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Department of Budget and Finance: DBFLeg.DIR@hawaii.gov

Report on Administratively Created Accounts and Funds

for Submittal to the 2026 Legislature

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

Intended Purpose:

To hold temporary deposits related to a donation from the American Somoan 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.

Expected activity in FY 2026.

| Financial Data | | | | |
|---|--|--|----------|----------|
| | | | FY 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 0 | 500,000 |
| Revenues | | | 500,000 | 0 |
| Expenditures | | | 0 | 0 |
| | | | | |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| | | | | |
| | | | | |
| Net Total Transfers | | | 0 | 0 |
| | | | | |
| Ending Cash Balance | | | 500,000 | 500,000 |
| | | | | |
| Encumbrances | | | | |
| | | | | |
| Unencumbered Cash Balance | | | 500,000 | 500,000 |
| | | | | |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 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:

| Financial Data | | | | |
|---|--|--|----------|-------------|
| | | | FY 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | | 0 |
| Revenues | | | | 0 |
| Expenditures | | | | 556,500 |
| | | | | |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| 1/6/2025 JM 3265 | | | | 1,500,000 |
| 3/27/2025 JT1308 | | | | 11,902 |
| 3/28/25 JM4947 | | | | 544,598 |
| 4/17/25 JM5478 to GF | | | | (1,500,000) |
| | | | | |
| Net Total Transfers | | | 0 | 556,500 |
| | | | | |
| Ending Cash Balance | | | 0 | 0 |
| | | | | |
| Encumbrances | | | | |
| | | | | |
| Unencumbered Cash Balance | | | 0 | 0 |
| | | | | |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 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):

Variances:

| Financial Data | | | | |
|---|--|--|------------|------------|
| | | | FY 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 41,439,261 | 43,660,029 |
| Revenues | | | 29,095,768 | 28,239,049 |
| Expenditures | | | 26,875,000 | 16,125,000 |
| | | | | |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| | | | | |
| | | | | |
| | | | | |
| Net Total Transfers | | | 0 | 0 |
| | | | | |
| Ending Cash Balance | | | 43,660,029 | 55,774,078 |
| | | | | |
| Encumbrances | | | | |
| | | | | |
| Unencumbered Cash Balance | | | 43,660,029 | 55,774,078 |
| | | | | |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 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.

Variances:

Variances are generally due to market interest rates, amounts of invested cash and timing of JV submittals between fiscal years.

| Financial Data | | | | |
|---|--|--|---------------|---------------|
| | | | FY 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 26,258,439 | 33,080,417 |
| Revenues | | | 347,627,115 | 402,818,275 |
| Expenditures | | | 0 | 0 |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| | | | (340,805,137) | (332,138,885) |
| | | | | |
| | | | | |
| Net Total Transfers | | | (340,805,137) | (332,138,885) |
| | | | | |
| Ending Cash Balance | | | 33,080,417 | 103,759,807 |
| | | | | |
| Encumbrances | | | | |
| | | | | |
| Unencumbered Cash Balance | | | 33,080,417 | 103,759,807 |
| | | | | |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 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.

Variances:

Variances are generally due to market interest rates, amounts of invested cash and timing of JV submittals between fiscal years.

| Financial Data | | | | |
|---|--|--|--------------|--------------|
| | | | FY 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 10,887,632 | 1,931,644 |
| Revenues | | | 17,358,488 | 23,796,501 |
| Expenditures | | | 0 | 0 |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| | | | (26,314,476) | (17,743,416) |
| | | | | |
| Net Total Transfers | | | (26,314,476) | (17,743,416) |
| Ending Cash Balance | | | 1,931,644 | 7,984,729 |
| Encumbrances | | | | |
| Unencumbered Cash Balance | | | 1,931,644 | 7,984,729 |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 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.

Variances:

The revenues and expenditures are based on the actual number of Special Purpose Revenue Bond applications (new money and refunding) received which are affected by project readiness and Legislative approval.

| Financial Data | | | | |
|---|--|--|----------|----------|
| | | | FY 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 1,000 | 3,000 |
| Revenues | | | 2,000 | 1,000 |
| 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 | | | 3,000 | 4,000 |
| | | | | |
| Encumbrances | | | | |
| | | | | |
| Unencumbered Cash Balance | | | 3,000 | 4,000 |
| | | | | |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 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.

Variances:

Variances are generally due to variances in taxes collected and timing of JV submittals between fiscal years.

| Financial Data | | | | |
|---|--|--|------------|-----------|
| | | | FY 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 700,129 | 670,224 |
| Revenues | | | 9,971,417 | 9,142,072 |
| Expenditures | | | 10,001,322 | 9,100,135 |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| | | | | |
| | | | | |
| Net Total Transfers | | | 0 | 0 |
| Ending Cash Balance | | | 670,224 | 712,161 |
| Encumbrances | | | | |
| Unencumbered Cash Balance | | | 670,224 | 712,161 |
| | | | | |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 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 2024 | FY 2025 |
| | | | (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 2026 Legislature

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

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 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 7,772,654 | 7,601,487 |
| Revenues | | | 87,816,934 | 87,761,235 |
| Expenditures | | | 87,988,101 | 87,610,799 |
| | | | | |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| | | | | |
| | | | | |
| | | | | |
| Net Total Transfers | | | 0 | 0 |
| | | | | |
| Ending Cash Balance | | | 7,601,487 | 7,751,923 |
| | | | | |
| Encumbrances | | | | |
| | | | | |
| Unencumbered Cash Balance | | | 7,601,487 | 7,751,923 |
| | | | | |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 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

Variances:

Variances are generally due to variances in taxes collected and timing of JV submittals between fiscal years.

| Financial Data | | | | |
|---|--|--|-------------|-------------|
| | | | FY 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 26,006,592 | 48,026,227 |
| Revenues | | | 569,355,282 | 644,014,134 |
| Expenditures | | | 547,335,647 | 640,189,318 |
| | | | | |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| | | | | |
| | | | | |
| | | | | |
| Net Total Transfers | | | 0 | 0 |
| | | | | |
| Ending Cash Balance | | | 48,026,227 | 51,851,043 |
| | | | | |
| Encumbrances | | | | |
| | | | | |
| Unencumbered Cash Balance | | | 48,026,227 | 51,851,043 |
| | | | | |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 Legislature

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

Variances:

Variances are generally due to variances in taxes collected and timing of JV submittals between fiscal years.

| Financial Data | | | | |
|---|--|--|----------|----------|
| | | | FY 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 36,770 | 119,500 |
| Revenues | | | 135,800 | 124,750 |
| Expenditures | | | 53,070 | 133,725 |
| | | | | |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| | | | | |
| | | | | |
| | | | | |
| Net Total Transfers | | | 0 | 0 |
| | | | | |
| Ending Cash Balance | | | 119,500 | 110,525 |
| | | | | |
| Encumbrances | | | | |
| | | | | |
| Unencumbered Cash Balance | | | 119,500 | 110,525 |
| | | | | |

Report on Administratively Created Accounts and Funds
for Submittal to the 2026 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 2024 | FY 2025 |
| | | | (actual) | (actual) |
| Beginning Cash Balance | | | 32,856,724 | 34,281,910 |
| Revenues | | | 48,682,205 | 56,690,723 |
| Expenditures | | | 17,435,232 | 10,722,259 |
| Transfers | | | | |
| List each net transfer in/out/ or projection in/out; list each account number | | | | |
| 8/7/23 JM 443 TF to GF | | | (29,821,787) | |
| 7/31/25 JH 373 TF to GF | | | | (38,605,602) |
| Net Total Transfers | | | (29,821,787) | (38,605,602) |
| Ending Cash Balance | | | 34,281,910 | 41,644,772 |
| Encumbrances | | | 48,895 | 38,512 |
| Unencumbered Cash Balance | | | 34,233,015 | 41,606,260 |