



Hawaii State Legislature



6 Year General Fund Financial Plan

NCSL / PEW Budget Working Group

December 7, 2023

Austin, TX

BWG - Committee on Budget Process

Scope of work to address:

1. Asset Management
2. Budget Stress Testing
3. Managing Federal Funds
4. Multi-Year Budget Outlooks
5. Recurring v. Non-recurring Budgeting
6. Revenue and/or Expenditure Forecasting Practices

Hawaii 6 Year General Fund Financial Plan provides opportunities for the following:

1. Revenue and Expenditure Forecasting
2. Budget Stress Testing
3. Multi-Year Budget Outlooks
4. Recurring v. Non-recurring Budgeting

6 Year Financial Plan – Framework

Constitutional and statutory framework

- **Hawaii Constitution: Revenue**
 - **Article 7; Section 7.** *“There shall be established by law a council on revenues which shall prepare revenue estimates of the state government ... The estimates shall be considered by the governor in preparing the budget, recommending appropriations and revenues and controlling expenditures. The estimates shall be considered by the legislature in appropriating funds and enacting revenue measures.”*
- **Hawaii Constitution: Expenditure**
 - **Article 7; Section 8.** *“...the governor shall submit to the legislature a budget in a form provided by law setting forth a complete plan of proposed expenditures of the executive branch, estimates as provided by law of the aggregate expenditures of the judicial and legislative branches, and anticipated receipts of the State ... with such other information as the legislature may require..”*

6 Year Financial Plan – Framework

Constitutional and statutory framework

- **Hawaii Revised Statutes (HRS):**
 - **Chapter 37, HRS, details how budget proposals are to be submitted to the Legislature**

https://www.capitol.hawaii.gov/hrscurrent/Vol01_Ch0001-0042F/HRS0037/HRS_0037-0069.htm

§37-69 The six-year program and financial plan. (a) The governor shall prepare a state six-year program and financial plan encompassing all state programs. Not fewer than thirty days before the legislature convenes in every odd-numbered year, the governor shall submit to the legislature and to each member thereof the six-year program and financial plan. The program and financial plan shall be annually and continually updated and maintained. The program and financial plan, in general, shall contain:

- (1) The state program structure;
 - (2) Statements of statewide objectives and program objectives;
 - (3) Program plans that describe the programs recommended to implement the statewide and program objectives and the manner in which the recommended programs are proposed to be implemented over the next six fiscal years; and
 - (4) A financial plan that shows the fiscal implications of the recommended programs for the next six fiscal years.
 - (a) The information contained in the program and financial plan shall be presented generally in the following manner:
 - (1) Information shall be displayed by programs, or groups of programs.
 - (2) Programs shall be appropriately crosswalked to expending agencies.
 - (3) Data shall be appropriately summarized at each level of the program structure.
 - (4) Program costs shall include all costs, including research and development, operating and capital, regardless of the means of financing except that the means of financing shall be expressly identified; all costs shall be displayed in the year of their anticipated expenditure, regardless of whether such costs have been authorized to be expended by prior appropriations acts or are authorized to be expended by existing law, or require new appropriations or authorizations.
 - (5) Cost data shall be presented in units of thousands of dollars or less.
 - (6) Comparative data for the last completed fiscal year and the fiscal year in progress shall be shown.
- (c) The financial plan for the ensuing six fiscal years shall more specifically include:
 - (1) Economic data for the State and the counties of the following kinds:
 - (A) Population: Including historical, current, and projected population count; population distribution by age and sex; estimated increases and decreases, including increases and decreases by immigration;
 - (B) Employment: Including magnitude of labor force by age and sex; labor force participation rates; employment by age and sex; industry and occupational surpluses and shortages; effects of government programs on employment rate;
 - (C) Income: Including per capita and per family income; disposable income; income distribution;
 - (D) Wages and prices: Including wages by industry and occupational groups; prices for government procurement items; construction costs; cost of living index; price indices for components of personal consumption;
 - (E) Industry and business trends; and
 - (F) Effects of national economic and financial policies and conditions;

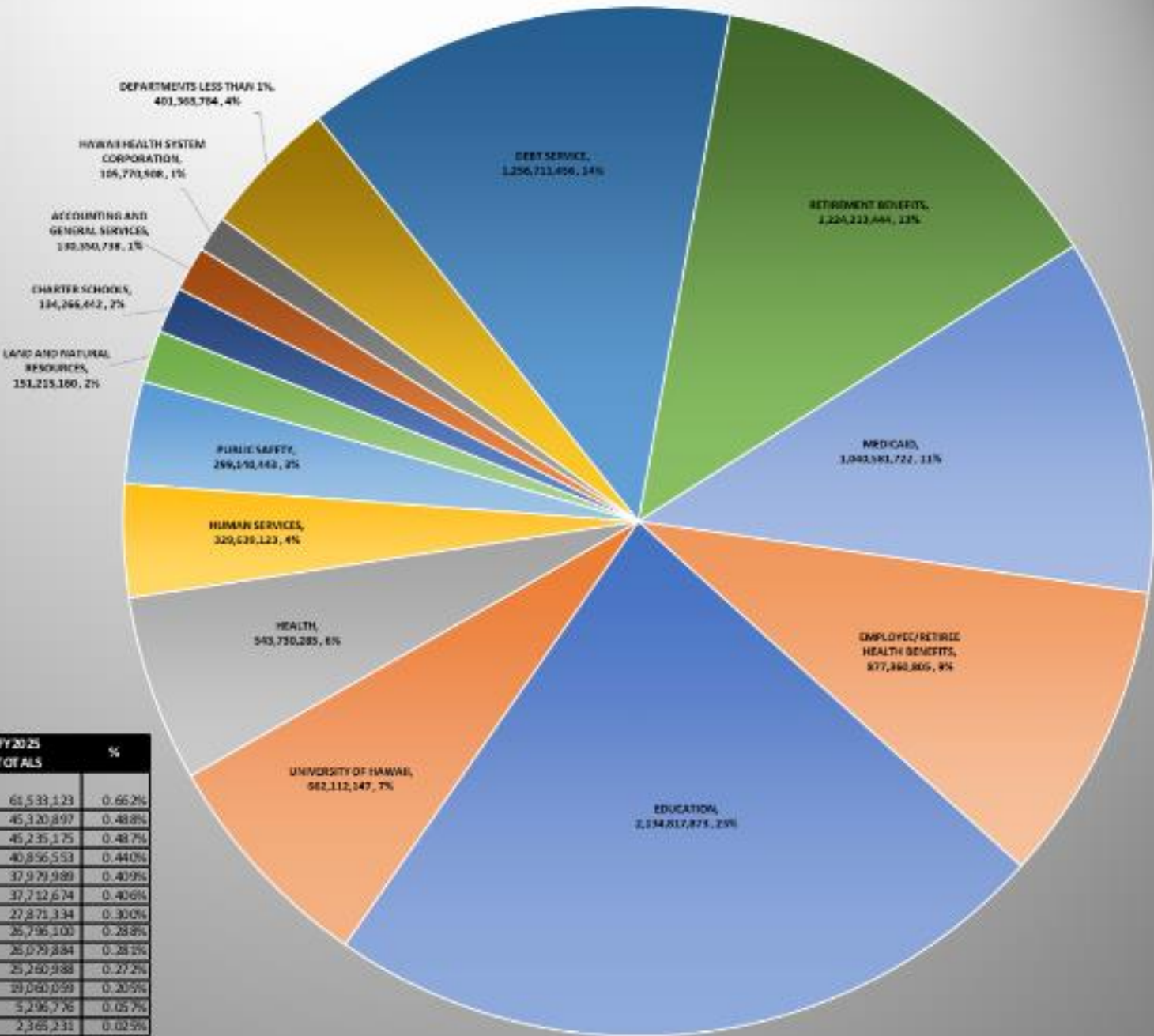
6 Year Financial Plan – Components

Financial Plan Components

- Revenue
 - Council on Revenues (COR) projection as adopted
 - Current COR = environmental professor; commercial real estate; economist; business manager; banking CFO; CPAs
 - Impacts of bills that affect revenues passed by the Legislature
- Expenditure
 - As reported by each branch during development
 - As appropriated by Legislature in final financial plan
 - Static assumption generally used for all agency budgets
 - Recurring v Non-recurring (separate appropriation bills)
 - Projections used for approximately 50% of general fund budget (47% in FY25) in the 4 years beyond biennium:
 - Medicaid
 - Employees' Retirement System (ERS)
 - Employer-Union Trust Fund (EUTF)
 - Other Post Employment Benefit (OPEB) Actuarially Required Contribution (ARC)
 - Debt Service

Fiscal Year 2025 General Funds

\$9,291,279,330



LESS THAN 1%	FY 2025 TOTALS	%
BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM	61,533,123	0.662%
PUBLIC LIBRARIES	45,320,897	0.488%
ATTORNEY GENERAL	45,235,175	0.487%
LAW ENFORCEMENT	40,856,553	0.440%
BUDGET AND FINANCE	37,979,989	0.409%
TAXATION	37,712,674	0.406%
DEFENSE	27,871,334	0.300%
HAWAIIAN HOME LANDS	26,796,100	0.288%
HUMAN RESOURCES DEVELOPMENT	26,079,884	0.281%
LABOR AND INDUSTRIAL RELATIONS	25,160,988	0.271%
AGRICULTURE	19,060,059	0.205%
OFFICE OF THE GOVERNOR	5,196,736	0.056%
OFFICE OF THE LIEUTENANT GOVERNOR	2,365,231	0.026%
COMMERCE AND CONSUMER AFFAIRS	1	0.000%
SUBSIDIES	0	0.000%
TOTAL	401,368,784	4.32%

6 Year Financial Plan – In Practice

MULTI-YEAR FINANCIAL SUMMARY GENERAL FUND FISCAL YEARS 22 - 29 (in millions of dollars)

	Adj.Act.* <u>FY 22</u>	Estimated <u>FY 23</u>	Estimated <u>FY 24</u>	Estimated <u>FY 25</u>	Estimated <u>FY 26</u>	Estimated <u>FY 27</u>	Estimated <u>FY 28</u>	Estimated <u>FY 29</u>
REVENUES:								
Executive Branch:	29.1%	6.5%	4.0%	3.5%	3.5%	3.5%	3.5%	3.5%
Tax revenues	9,358.8	9,967.2	10,365.9	10,728.7	11,104.2	11,492.8	11,895.1	12,311.4
Nontax revenues	823.4	727.9	742.4	760.5	776.3	790.8	792.8	792.7
Judicial Branch revenues	29.4	32.1	29.3	29.3	29.3	29.3	29.3	29.3
Other revenues	(0.1)	(314.1)	71.0	0.0	0.0	0.0	0.0	0.0
TOTAL REVENUES	10,211.5	10,413.1	11,208.6	11,518.4	11,909.7	12,312.9	12,717.1	13,133.4
EXPENDITURES								
Executive Branch:								
Operating	7,665.8	9,184.3	9,850.3	9,656.9	9,795.9	9,857.0	10,031.3	10,145.0
CIP	0.0	0.5	324.9	295.4	295.4	295.4	295.4	295.4
Specific appropriation/CB	1,079.2	1,767.6	-	-	-	-	-	-
Other expenditures/adjustments	0.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Sub-total - Exec Branch	8,745.0	10,957.4	10,180.1	9,957.3	10,096.3	10,157.4	10,331.7	10,445.4
Legislative Branch	42.4	44.6	44.9	44.9	44.9	44.9	44.9	44.9
Judicial Branch	166.0	174.1	184.7	188.9	188.9	188.9	188.9	188.9
OHA	66.3	2.3	3.0	3.0	3.0	3.0	3.0	3.0
Counties	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Lapses	(177.2)	(80.0)	(80.0)	(80.0)	(80.0)	(80.0)	(80.0)	(80.0)
TOTAL EXPENDITURES	8,842.4	11,098.5	10,332.8	10,114.2	10,253.2	10,314.3	10,468.6	10,602.2
REV. OVER (UNDER) EXPEND.	1,369.1	(685.5)	875.8	1,404.3	1,656.5	1,998.6	2,228.5	2,531.2
CARRY-OVER BALANCE (DEFICIT)								
Beginning	1,249.9	2,619.0	1,933.5	2,809.3	4,213.6	5,870.1	7,868.7	10,097.3
Ending	2,619.0	1,933.5	2,809.3	4,213.6	5,870.1	7,868.7	10,097.3	12,628.4
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EBRF (with \$90M in FY23, Jul 1/1/22, with \$90M in FY24 as included in the PD 23-25 Executive Budget Request)	325.8	972.8	1,502.2	1,552.2	1,602.4	1,654.2	1,707.4	1,762.2
EBRF fund balance as % of prior yr revenues	3.62%	9.53%	14.43%	13.85%	13.91%	13.89%	13.87%	13.85%

6 Year Financial Plan: FB 23-25 Executive Biennium

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

STATEWIDE

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
CURRENT LEASE PAYMENTS								
OTHER CURRENT EXPENSES	48,024,191	53,304,217	54,680,097	56,961,460	53,472	53,472	53,472	53,472
TOTAL CURRENT LEASE PAYMENTS COST	48,024,191	53,304,217	54,680,097	56,961,460	53,472	53,472	53,472	53,472
BY MEANS OF FINANCING								
GENERAL FUND	11,136,442	10,233,327	10,052,818	10,092,818	10,093	10,093	10,093	10,093
SPECIAL FUND	36,887,749	40,909,990	42,486,979	44,468,342	41,279	41,279	41,279	41,279
INTERDEPARTMENTAL TRANSFERS		2,100,300	2,100,300	2,100,300	2,100	2,100	2,100	2,100
OPERATING COST	46,007,63*	46,332,33*	47,655,58*	47,208,56*	47,209.5*	47,209.5*	47,209.5*	47,209.5*
	3,613.27**	3,586.55**	3,606.55**	3,587.05**	3,587.0**	3,587.0**	3,586.0**	3,586.0**
PERSONAL SERVICES	3,923,036,720	4,537,072,172	4,775,679,057	4,945,981,054	4,907,644	4,907,644	4,907,518	4,907,518
OTHER CURRENT EXPENSES	10,126,719,495	12,534,403,827	13,086,748,460	12,754,900,273	13,241,513	13,317,529	13,502,207	13,615,499
EQUIPMENT	71,224,800	99,070,782	95,654,271	92,401,915	91,403	91,403	91,403	91,403
MOTOR VEHICLES	6,322,652	22,465,937	10,445,758	11,956,951	10,960	10,960	10,960	10,960
TOTAL OPERATING COST	14,127,302,869	17,193,832,728	17,966,527,547	17,604,842,113	18,251,520	18,327,536	18,512,069	18,625,360
BY MEANS OF FINANCING								
	35,023.93*	35,809.09*	36,631.18*	36,302.16*	36,301.9*	36,301.9*	36,301.9*	36,301.9*
	2,677.36**	2,658.55**	2,694.04**	2,690.54**	2,690.4**	2,690.4**	2,689.4**	2,689.4**
GENERAL FUND	7,651,747,127	9,187,098,632	9,840,185,844	9,646,821,096	9,785,636	9,846,931	10,021,218	10,134,900
	7,362.48*	6,832.63*	7,290.63*	7,258.63*	7,259.9*	7,259.9*	7,259.9*	7,259.9*
	107.47**	89.25**	85.25**	85.25**	85.2**	85.2**	85.2**	85.2**
SPECIAL FUND	2,584,849,936	3,362,875,152	3,524,899,270	3,580,001,675	3,578,601	3,577,316	3,567,581	3,567,191
	2,362.42*	2,431.41*	2,345.47*	2,342.47*	2,343.4*	2,343.4*	2,343.4*	2,343.4*
	367.45**	379.36**	372.36**	368.36**	368.4**	368.4**	368.4**	368.4**
FEDERAL FUNDS	2,304,633,007	2,987,916,356	3,166,777,914	3,195,004,643	3,542,240	3,558,446	3,558,446	3,558,446
	412.33*	416.20*	431.30*	430.90*	430.1*	430.1*	430.1*	430.1*
	248.89**	278.30**	288.80**	287.30**	287.4**	287.4**	287.4**	287.4**
OTHER FEDERAL FUNDS	122,519,498	238,289,830	288,787,218	259,963,158	221,192	221,192	221,192	221,192
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
PRIVATE CONTRIBUTIONS	150,000	903,067	903,067	903,067	903	903	903	903
	20.00*	-	-	-	-	-	-	-
	3.00**	3.00**	3.00**	3.00**	3.0**	3.0**	3.0**	3.0**
COUNTY FUNDS	101,380	937,802	209,721	209,721	210	210	210	210

6 Year Financial Plan: FB 23-25 Executive Biennium

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

STATEWIDE

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
	89.90*	90.00*	90.00*	90.00*	90.0*	90.0*	90.0*	90.0*
	12.00**	10.00**	10.00**	10.00**	10.0**	10.0**	10.0**	10.0**
TRUST FUNDS	744,749,529	782,356,963	473,135,295	423,358,809	423,359	423,359	423,359	423,359
	264.60*	256.20*	399.20*	274.60*	274.6*	274.6*	274.6*	274.6*
	61.60**	41.60**	47.60**	37.10**	37.1**	37.1**	37.1**	37.1**
INTERDEPARTMENTAL TRANSFERS	58,783,790	80,343,188	82,670,001	84,599,056	84,599	84,599	84,599	84,599
	1.00*	*	*	*	*	*	*	*
	25.90**	1.00**	**	**	**	**	**	**
A R P FUNDS	208,674,271	844,900						
	340.90*	384.60*	402.60*	394.60*	394.6*	394.6*	394.6*	394.6*
	118.50**	125.50**	125.50**	125.50**	125.5**	125.5**	125.5**	125.5**
REVOLVING FUND	431,939,821	554,166,459	592,531,048	593,482,056	593,482	593,482	593,482	593,482
	112.90*	112.00*	115.00*	115.00*	115.0*	115.0*	115.0*	115.0*
	2.00**	2.00**	**	**	**	**	**	**
OTHER FUNDS	18,954,519	20,102,480	20,618,909	21,098,222	21,099	21,099	21,099	21,099
CAPITAL IMPROVEMENT COSTS:								
PLANS	63,116,000	69,184,000	41,011,000	21,054,000	4,765	5,154	379	379
LAND ACQUISITION	29,146,000	9,128,000	13,073,000	5,408,000	1	1	1	1
DESIGN	202,988,000	840,476,000	202,517,000	123,142,000	34,105	14,990	6,049	3,539
CONSTRUCTION	1,592,640,000	2,036,049,000	1,937,487,000	1,892,815,000	676,204	275,624	158,952	130,273
EQUIPMENT	11,212,000	28,242,900	6,062,000	15,045,000	584	131	3	3
TOTAL CAPITAL EXPENDITURES	1,899,282,000	2,783,079,000	2,200,150,000	2,057,467,000	915,599	295,860	165,384	143,195
BY MEANS OF FINANCING								
GENERAL FUNDS	9,001,000	2,749,000	249,814,000	298,272,000	54,859	31,280	15,001	7,496
SPECIAL FUND	11,960,000	40,360,000	15,000,000	6,956,000	6,928	6,928	4,428	4,428
G.O. BONDS	851,583,000	1,030,563,000	611,083,000	539,874,000	167,291	84,664	31,397	18,214
G.O. BONDS REIMBURSABLE		108,500,000	36,500,000	5,000,000				
REVENUE BONDS	723,559,000	657,268,000	753,492,000	521,030,000	258,261	172,690	114,400	112,900
FEDERAL FUNDS	199,075,000	736,734,000	428,586,000	349,385,000	419,603	1	1	
OTHER FEDERAL FUNDS	8,895,000	87,740,000	101,890,000	326,765,000				
PRIVATE CONTRIBUTIONS	5,357,000	1,183,000	899,000	3,028,000	2,500			
COUNTY FUNDS		850,000						
TRUST FUNDS	575,000	1,500,000						
A R P FUNDS		115,475,000						
REVOLVING FUND	1,199,000							
OTHER FUNDS	96,677,000	157,000	2,231,000	37,157,000	6,167	157	157	157
TOTAL PERM POSITIONS	46,007.88*	46,332.33*	47,605.59*	47,208.58*	47,209.5*	47,209.5*	47,209.5*	47,209.5*
TOTAL TEMP POSITIONS	3,613.27**	3,596.55**	3,606.55**	3,597.05**	3,597.0**	3,597.0**	3,596.0**	3,596.0**
TOTAL PROGRAM COST	18,074,699,050	20,030,215,945	20,223,357,544	19,918,970,573	19,220,591	18,676,868	18,730,944	18,822,947

6 Year Financial Plan: FB 23-25 Executive Biennium

OPERATING AND CAPITAL EXPENDITURES

REPORT: P61-A

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PROGRAM TITLE: STATEWIDE

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
CURRENT LEASE PAYMENTS								
OTHER CURRENT EXPENSES	48,024,191	53,304,217	54,680,097	56,961,460	53,472	53,472	53,472	53,472
TOTAL CURRENT LEASE PAYMENTS COST	48,024,191	53,304,217	54,680,097	56,961,460	53,472	53,472	53,472	53,472
BY MEANS OF FINANCING								
GENERAL FUND	11,136,442	10,293,927	10,062,818	10,062,818	10,063	10,063	10,063	10,063
SPECIAL FUND	36,867,749	40,909,990	42,486,879	44,468,342	41,279	41,279	41,279	41,279
INTERDEPARTMENTAL TRANSFERS		2,100,300	2,100,300	2,100,300	2,100	2,100	2,100	2,100
OPERATING COST	46,007.83*	46,332.33*	47,656.58*	47,208.58*	47,209.5*	47,209.5*	47,209.5*	47,209.5*
PERSONAL SERVICES	3,613.27**	3,586.55**	3,606.55**	3,587.05**	3,587.0**	3,587.0**	3,586.0**	3,585.0**
OTHER CURRENT EXPENSES	3,823,035,720	4,537,072,172	4,775,679,057	4,945,981,054	4,987,644	4,987,644	4,937,518	4,937,518
EQUIPMENT	10,128,719,495	12,534,403,827	13,086,748,480	12,754,500,273	13,241,515	13,317,529	13,502,207	13,815,466
MOTOR VEHICLES	71,224,800	99,870,792	95,854,271	92,401,915	91,403	91,403	91,403	91,403
	6,322,852	22,485,937	10,445,759	11,968,951	10,960	10,960	10,960	10,960
TOTAL OPERATING COST	14,127,302,865	17,193,832,728	17,968,527,547	17,804,842,113	18,251,520	18,327,535	18,512,088	18,625,380
BY MEANS OF FINANCING								
	35,023.83*	35,809.09*	36,631.18*	36,302.18*	36,301.9*	36,301.9*	36,301.9*	36,301.9*
	2,677.36**	2,658.55**	2,694.04**	2,690.54**	2,690.4**	2,690.4**	2,689.4**	2,689.4**
GENERAL FUND	7,851,747,127	9,187,098,832	9,646,165,844	9,646,621,036	9,785,636	9,846,931	10,021,218	10,134,900
	7,382.48*	6,832.63*	7,280.83*	7,259.83*	7,259.9*	7,259.9*	7,259.9*	7,259.9*
	107.47**	89.25**	85.25**	85.25**	85.2**	85.2**	85.2**	85.2**
SPECIAL FUND	2,584,849,905	3,362,875,132	3,524,659,270	3,580,001,675	3,576,601	3,577,316	3,657,581	3,657,191
	2,352.42*	2,431.41*	2,345.47*	2,342.47*	2,343.4*	2,343.4*	2,343.4*	2,343.4*
	367.45**	379.35**	372.36**	358.36**	368.4**	368.4**	368.4**	368.4**
FEDERAL FUNDS	2,304,633,607	2,987,915,356	3,166,777,914	3,195,004,843	3,542,240	3,558,446	3,558,446	3,558,446
	412.35*	416.20*	431.30*	430.90*	430.1*	430.1*	430.1*	430.1*
	248.89**	278.30**	268.80**	267.30**	267.4**	267.4**	267.4**	267.4**
OTHER FEDERAL FUNDS	122,619,495	236,259,639	266,787,218	259,363,156	221,192	221,192	221,192	221,192
	**	**	**	**	**	**	**	**
PRIVATE CONTRIBUTIONS	150,000	903,067	903,067	903,067	903	903	903	903
	20.00*	*	*	*	*	*	*	*
	3.00**	3.00**	3.00**	3.00**	3.0**	3.0**	3.0**	3.0**
COUNTY FUNDS	101,380	937,802	209,721	209,721	210	210	210	210

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TOTAL CURRENT LEASE PAYMENTS COST	48,024,191	53,304,217	54,680,097	56,961,460	53,472	53,472	53,472	53,472
BY MEANS OF FINANCING								
GENERAL FUND	11,136,442	10,293,927	10,062,818	10,062,818	10,063	10,063	10,063	10,063
SPECIAL FUND	36,867,749	40,909,990	42,486,879	44,468,342	41,279	41,279	41,279	41,279
INTERDEPARTMENTAL TRANSFERS		2,100,300	2,100,300	2,100,300	2,100	2,100	2,100	2,100
OPERATING COST	46,007.83*	46,332.33*	47,656.58*	47,208.58*	47,209.5*	47,209.5*	47,209.5*	47,209.5*
PERSONAL SERVICES	3,613.27**	3,586.55**	3,606.55**	3,587.05**	3,587.0**	3,587.0**	3,586.0**	3,586.0**
OTHER CURRENT EXPENSES	3,823,035,720	4,537,072,172	4,775,679,057	4,945,981,054	4,907,644	4,907,644	4,907,618	4,907,618
EQUIPMENT	10,128,719,495	12,534,403,827	13,086,748,480	12,754,500,273	13,241,515	13,317,529	13,502,207	13,815,466
MOTOR VEHICLES	71,224,800	99,870,792	95,854,271	92,401,915	91,403	91,403	91,403	91,403
TOTAL OPERATING COST	14,127,302,865	17,193,832,728	17,968,527,547	17,804,842,113	18,251,520	18,327,535	18,612,088	18,625,380
BY MEANS OF FINANCING								
GENERAL FUND	35,023.83*	35,809.09*	36,631.18*	36,302.18*	36,301.9*	36,301.9*	36,301.9*	36,301.9*
	2,677.36**	2,658.55**	2,694.04**	2,690.54**	2,690.4**	2,690.4**	2,689.4**	2,689.4**
SPECIAL FUND	7,382.48*	6,832.83*	7,280.83*	7,259.83*	7,259.9*	7,259.9*	7,259.9*	7,259.9*
	107.47**	89.25**	85.25**	85.25**	85.2**	85.2**	85.2**	85.2**
FEDERAL FUNDS	2,584,849,905	3,362,875,132	3,524,659,270	3,580,001,675	3,576,601	3,577,316	3,587,581	3,587,191
	2,352.42*	2,431.41*	2,345.47*	2,342.47*	2,343.4*	2,343.4*	2,343.4*	2,343.4*
	367.45**	379.35**	372.36**	358.36**	368.4**	368.4**	368.4**	368.4**
OTHER FEDERAL FUNDS	122,619,495	236,259,639	266,787,218	259,363,156	221,192	221,192	221,192	221,192
PRIVATE CONTRIBUTIONS	150,000	903,067	903,067	903,067	903	903	903	903
	20.00*							
COUNTY FUNDS	3.00**	3.00**	3.00**	3.00**	3.0**	3.0**	3.0**	3.0**
	101,380	937,802	209,721	209,721	210	210	210	210

6 Year Financial Plan: Medicaid

Medicaid Payments

- Projections based on analysis by Dept. of Human Services
 - Costs expected to drop after disenrollment (see budget narrative)

OPERATING AND CAPITAL EXPENDITURES

REPORT: P51-A

PROGRAM ID:
PROGRAM STRUCTURE NO:
PROGRAM TITLE:

HMS401
06020305
HEALTH CARE PAYMENTS

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
OTHER CURRENT EXPENSES	2,614,782,564	2,850,429,196	3,068,286,367	3,064,286,367	3,406,294	3,431,966	3,431,966	3,431,966
TOTAL OPERATING COST	2,614,782,564	2,850,429,196	3,068,286,367	3,064,286,367	3,406,294	3,431,966	3,431,966	3,431,966
BY MEANS OF FINANCING								
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
GENERAL FUND	972,512,304	1,004,309,293	1,019,462,246	1,024,462,246	989,272	998,738	998,738	998,738
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
SPECIAL FUND	73,522,361	1,376,660	1,376,660	1,376,660	1,377	1,377	1,377	1,377
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
FEDERAL FUNDS	1,565,243,958	1,824,486,527	2,015,866,976	2,015,866,976	2,393,064	2,409,270	2,409,270	2,409,270
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
OTHER FEDERAL FUNDS		13,474,795	15,798,564	15,798,564	15,799	15,799	15,799	15,799
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
INTERDEPARTMENTAL TRANSFERS	3,503,941	6,781,921	6,781,921	6,781,921	6,782	6,782	6,782	6,782
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
TOTAL PERM POSITIONS	*	*	*	*	*	*	*	*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	2,614,782,564	2,850,429,196	3,068,286,367	3,064,286,367	3,406,294	3,431,966	3,431,966	3,431,966

6 Year Financial Plan: Medicaid

Medicaid Payments

- Performance Measures

STATE OF HAWAII

PERFORMANCE MEASURES AND PROGRAM REVENUES

REPORT P02

PROGRAM ID: HMS401
 PROGRAM STRUCTURE: 06020306
 PROGRAM TITLE: HEALTH CARE PAYMENTS

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
MEASURES OF EFFECTIVENESS								
1. % MANAGD CARE PYMTS DEVOTD TO DIRECT HTH CARE SVCS	91	91	90	90	90	90	90	90
2. % LTC CLIENTS RECEIVING CARE UNDER HCBS PROGRAM	73.6	74.3	74	74	74	74	74	74
PROGRAM TARGET GROUPS								
1. # OF PEOPLE COVERED BY QUEST	449845	445000	430000	400000	400000	400000	400000	400000
2. # ELIGIBLE PERSONS FOR QUEST MANAGED CARE PRGM	449719	444900	429900	399900	399900	399900	399900	399900
3. # OF ELIGIBLE PERSONS FOR LTSS	9143	9143	9000	8500	8500	8500	8500	8500
PROGRAM ACTIVITIES								
1. AMOUNT PAID FOR QUALITY BONUSES TO MCOS (THOUS)	20478	17000	15000	15000	15000	15000	15000	15000
2. AMOUNT PAID TO MCOS FOR SERVICES (THOUS)	2794532	2700000	2600000	2600000	2600000	2600000	2600000	2600000
PROGRAM REVENUES BY TYPE (IN THOUSANDS of DOLLARS)								
REVENUE FROM OTHER AGENCIES: FEDERAL	2,100,661	1,544,052	1,904,074	1,904,074	1,904,073	1,904,073	1,904,073	1,860,412
REVENUE FROM OTHER AGENCIES: ALL OTHER	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000
CHARGES FOR CURRENT SERVICES		90,500	90,500	90,500	90,500	90,500	90,500	90,500
TOTAL PROGRAM REVENUES	2,173,661	1,707,552	2,067,574	2,067,574	2,067,573	2,067,573	2,067,573	2,023,912
PROGRAM REVENUES BY FUND (IN THOUSANDS of DOLLARS)								
SPECIAL FUNDS	2,173,661	1,707,552	2,067,574	2,067,574	2,067,573	2,067,573	2,067,573	2,023,912
TOTAL PROGRAM REVENUES	2,173,661	1,707,552	2,067,574	2,067,574	2,067,573	2,067,573	2,067,573	2,023,912

6 Year Financial Plan: Medicaid

Medicaid Payments

Program Plan Narrative

HMS401: HEALTH CARE PAYMENTS

06 02 03 05

A. Statement of Program Objectives

To ensure that qualified low-income and disabled individuals and families are provided appropriate health or long-term care services that meet their needs.

B. Description of Request and Compliance with Section 37-68(1)(A)(B)

Request for \$4,516,000 in general funds in FY 24 and FY 25 to fund payments for the Child Wellness Incentive Pilot Program.

Request for increases of \$5,636,953 in general funds and \$7,191,798 in federal funds in FY 24 and FY 25 to increase payments to nursing facilities.

Request for increases of \$5,000,000 in general funds in FY 24 and \$10,000,000 in general funds in FY 25 to increase payments to private professional services providers.

Request for federal fund ceiling increases of \$184,188,651 in federal funds and \$2,323,769 in other federal funds in FY 24 and FY 25.

C. Description of Activities Performed

The Med-QUEST Division (MQD) manages the Hawaii's Medicaid program QUEST. This includes procuring and closely monitoring QUEST Integration Health Plan contracts to ensure that all contractual requirements are fulfilled, including monitoring of access, quality, utilization, plan payment, and expenditures. The Customer Service Call Center and the Quality and Member Relations section respond to and resolve any Medicaid member or provider issues. Cost control management activities that contribute to overall expenditure cost containment include pursuing recoveries from liable third parties, and that to the extent possible, members qualifying for long-term supports and services do so in the least institutional setting. Finally, MQD partners with many other departments such as the Department of Health (DOH) to support community and population health strategies.

D. Statement of Key Policies Pursued

MQD strives to improve health outcomes and reduce healthcare expenditures, while complying with federal requirements to ensure receipt of federal funding. A foundational component is the implementation of managed care for all beneficiaries. Because long-term care is a substantial cost-driver, MQD has made extensive efforts to expand access to home- and community-based services to support aging in place and avoid institutionalization. QUEST Integration is a patient-centered managed care program that further expanded access to home and community-based services.

MQD is focusing on strategic initiatives of ensuring and improving access to health insurance and health care, investing in preventive and primary care, as well as in integrated physical and behavioral healthcare for individuals with complex health and social needs such as individuals facing chronic homelessness. A focus on better alignment of financial incentives and reimbursement models to support health outcomes with the healthcare delivery system of health plans, community health centers, hospitals, and provider groups.

E. Identification of Important Program Relationships

MQD contracts with private medical and behavioral health plans that administer the actual provision of coverage for Medicaid enrollees. These contracts must be monitored to ensure compliance with contract terms as well as with federal requirements. MQD also has key relationships with numerous other State agencies. MQD collaborates closely with DOH's Child and Adolescent Mental Health Division, Adult Mental Health Division, Early Intervention Program, and the Developmental Disabilities Division to ensure members' health needs are met. MQD works with other DOH divisions on strategic initiatives to improve maternal child health, chronic, and infectious disease. The Department of Education and the University of Hawaii's School of Nursing are key partners to help ensure the health of the child is met in school and at home. MQD also covers services that might otherwise be paid by all the above agencies as well as by the Department of Public Safety and the Executive Office on Aging. In addition, MQD has been able to leverage federal funding for information technology development that can be utilized by other Department of Human Services divisions and other State agencies.

6 Year Financial Plan: Medicaid

Medicaid Payments

Program Plan Narrative

HMS401: HEALTH CARE PAYMENTS

06 02 03 05

F. Description of Major External Trends Affecting the Program

Medicaid is a counter-cyclical entitlement program where enrollment demand for Medicaid tends to increase when the economy declines, such as during a recession, but levels off or declines when it improves. The COVID-19 pandemic has had a tremendous negative effect on our local economy and has resulted in increases in Medicaid enrollment. In addition, the continuous coverage requirement in the Families First Coronavirus Relief Act (FFCRA) has also resulted in more individuals being enrolled in Medicaid currently, as we are not able to disenroll anyone. Also, the overall costs of health care continue to rise which also impacts the costs of our health care expenditures. Based on the appropriations from the legislature, MQD will need to balance eligibility, benefits, and reimbursement.

finalization of the payment rates paid to managed care plans. The payment rates must be developed by an independent actuary and be approved by the federal regulatory agency, the Centers for Medicare and Medicaid Services. The final rates may be higher or lower than projected.

G. Discussion of Cost, Effectiveness, and Program Size Data

The program serves nearly one-third of all Hawaii residents, including half of all Hawaii's keiki. Quality has improved and costs have been controlled. MQD has cost-avoided over \$1 billion in general funds since the inception of QUEST.

H. Discussion of Program Revenues

The base Federal Medical Assistance Percentages (FMAP) rate was 53.64% until September 30, 2022 and increased to 56.06% on October 1, 2022. However, there is a temporary 6.2% increase to the base FMAP rate as part of the FFCRA, which makes the current FMAP rate at 62.26%. This FMAP applies to federal funding for program benefit costs for most Medicaid enrollees. FMAP for the Affordable Care Act Medicaid expansion group is currently at 90.00%. Administrative expenses are matched at 50.00%.

I. Summary of Analysis Performed

None.

J. Further Considerations

Budget projections for these expenditures are based on actual historical costs and actual enrollments adjusted for projected increases in utilization and enrollment. The projected costs were prepared prior to the

6 Year Financial Plan: Debt Service

Debt Service

- Based on actual debt service schedules and bond issuance plan with interest assumption of 6%
- Debt service attributable to lower and higher education are separated from all other State debt service requirements

		OPERATING AND CAPITAL EXPENDITURES								REPORT: P61-A
PROGRAM ID: 8UF725										
PROGRAM STRUCTURE NO: 07018396										
PROGRAM TITLE: DEBT SERVICE PAYMENTS - DDE										
PROGRAM EXPENDITURES	IN DOLLARS									
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	IN THOUSANDS				
						FY 2026-27	FY 2027-28	FY 2028-29		
OTHER CURRENT EXPENSES	432,852,729	414,210,429	389,711,179	436,740,072	496,821	551,870	593,590	611,167		
TOTAL OPERATING COST	432,852,729	414,210,429	389,711,179	436,740,072	496,821	551,870	593,590	611,167		
BY MEANS OF FINANCING										
GENERAL FUND	432,852,729	414,210,429	389,711,179	436,740,072	496,821	551,870	593,590	611,167		
TOTAL PERM POSITIONS	-	-	-	-	-	-	-	-	-	
TOTAL TEMP POSITIONS	-	-	-	-	-	-	-	-	-	
TOTAL PROGRAM COST	432,852,729	414,210,429	389,711,179	436,740,072	496,821	551,870	593,590	611,167		

		OPERATING AND CAPITAL EXPENDITURES								REPORT: P61-A
PROGRAM ID: 8UF726										
PROGRAM STRUCTURE NO: 07830566										
PROGRAM TITLE: DEBT SERVICE PAYMENTS - UH										
PROGRAM EXPENDITURES	IN DOLLARS									
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	IN THOUSANDS				
						FY 2026-27	FY 2027-28	FY 2028-29		
OTHER CURRENT EXPENSES	148,790,176	153,298,724	144,231,585	151,836,915	183,873	204,246	219,660	228,182		
TOTAL OPERATING COST	148,790,176	153,298,724	144,231,585	151,836,915	183,873	204,246	219,660	228,182		
BY MEANS OF FINANCING										
GENERAL FUND	148,790,176	153,298,724	144,231,585	151,836,915	183,873	204,246	219,660	228,182		
TOTAL PERM POSITIONS	-	-	-	-	-	-	-	-	-	
TOTAL TEMP POSITIONS	-	-	-	-	-	-	-	-	-	
TOTAL PROGRAM COST	148,790,176	153,298,724	144,231,585	151,836,915	183,873	204,246	219,660	228,182		

		OPERATING AND CAPITAL EXPENDITURES								REPORT: P61-A
PROGRAM ID: 8UF721										
PROGRAM STRUCTURE NO: 11609303										
PROGRAM TITLE: DEBT SERVICE PAYMENTS - STATE										
PROGRAM EXPENDITURES	IN DOLLARS									
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	IN THOUSANDS				
						FY 2026-27	FY 2027-28	FY 2028-29		
OTHER CURRENT EXPENSES	466,230,836	480,329,017	604,828,310	658,334,499	726,765	630,963	668,351	708,725		
TOTAL OPERATING COST	466,230,836	480,329,017	604,828,310	658,334,499	726,765	630,963	668,351	708,725		
BY MEANS OF FINANCING										
GENERAL FUND	466,230,836	480,329,017	604,828,310	658,334,499	726,765	630,963	668,351	708,725		
TOTAL PERM POSITIONS	-	-	-	-	-	-	-	-	-	
TOTAL TEMP POSITIONS	-	-	-	-	-	-	-	-	-	
TOTAL PROGRAM COST	466,230,836	480,329,017	604,828,310	658,334,499	726,765	630,963	668,351	708,725		

6 Year Financial Plan: ERS

Employees' Retirement System (ERS)

- Actuarially reviewed every fiscal year
- State contribution determined as a percentage of payroll

		OPERATING AND CAPITAL EXPENDITURES								REPORT: P61-A
PROGRAM ID:	BUF745									
PROGRAM STRUCTURE NO.:	07018192									
PROGRAM TITLE:	RETIREMENT BENEFITS - DGE									
		IN DOLLARS				IN THOUSANDS				
PROGRAM EXPENDITURES		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
OTHER CURRENT EXPENSES		489,337,723	488,052,784	510,296,475	528,567,329	540,670	551,484	562,513	573,794	
TOTAL OPERATING COST		489,337,723	488,052,784	510,296,475	528,567,329	540,670	551,484	562,513	573,794	
BY MEANS OF FINANCING										
GENERAL FUND		489,337,723	488,052,784	510,296,475	528,567,329	540,670	551,484	562,513	573,794	
TOTAL PERM POSITIONS		"	"	"	"	"	"	"	"	
TOTAL TEMP POSITIONS		"	"	"	"	"	"	"	"	
TOTAL PROGRAM COST		489,337,723	488,052,784	510,296,475	528,567,329	540,670	551,484	562,513	573,794	

		OPERATING AND CAPITAL EXPENDITURES								REPORT: P61-A
PROGRAM ID:	BUF746									
PROGRAM STRUCTURE NO.:	07030692									
PROGRAM TITLE:	RETIREMENT BENEFITS - UH									
		IN DOLLARS				IN THOUSANDS				
PROGRAM EXPENDITURES		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
OTHER CURRENT EXPENSES		199,541,901	198,582,490	205,849,964	220,436,922	225,796	230,312	234,918	239,616	
TOTAL OPERATING COST		199,541,901	198,582,490	205,849,964	220,436,922	225,796	230,312	234,918	239,616	
BY MEANS OF FINANCING										
GENERAL FUND		199,541,901	198,582,490	205,849,964	220,436,922	225,796	230,312	234,918	239,616	
TOTAL PERM POSITIONS		"	"	"	"	"	"	"	"	
TOTAL TEMP POSITIONS		"	"	"	"	"	"	"	"	
TOTAL PROGRAM COST		199,541,901	198,582,490	205,849,964	220,436,922	225,796	230,312	234,918	239,616	

		OPERATING AND CAPITAL EXPENDITURES								REPORT: P61-A
PROGRAM ID:	BUF741									
PROGRAM STRUCTURE NO.:	15036695									
PROGRAM TITLE:	RETIREMENT BENEFITS - STATE									
		IN DOLLARS				IN THOUSANDS				
PROGRAM EXPENDITURES		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	
OTHER CURRENT EXPENSES		437,438,890	434,181,014	496,526,547	497,824,254	509,947	519,964	530,190	540,601	
TOTAL OPERATING COST		437,438,890	434,181,014	496,526,547	497,824,254	509,947	519,964	530,190	540,601	
BY MEANS OF FINANCING										
GENERAL FUND		433,438,890	430,181,014	492,526,547	493,824,254	505,947	515,964	526,190	536,601	
INTERDEPARTMENTAL TRANSFERS		4,000,000	4,000,000	4,000,000	4,000,000	4,000	4,000	4,000	4,000	
TOTAL PERM POSITIONS		"	"	"	"	"	"	"	"	
TOTAL TEMP POSITIONS		"	"	"	"	"	"	"	"	
TOTAL PROGRAM COST		437,438,890	434,181,014	496,526,547	497,824,254	509,947	519,964	530,190	540,601	

6 Year Financial Plan: EUTF

Employer-Union Trust Fund (EUTF)

- Two parts –
 - Active
 - OPEB
- State contribution for actives determined on cost projects from various health plans

		OPERATING AND CAPITAL EXPENDITURES								REPORT: P61-A
PROGRAM ID: BUF765										
PROGRAM STRUCTURE NO: 07619194										
PROGRAM TITLE: HEALTH PREMIUM PAYMENTS - DOE										
PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS					
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29		
OTHER CURRENT EXPENSES	151,805,813	151,427,421	151,493,154	154,523,017	157,613	150,799	163,581	167,261		
TOTAL OPERATING COST	151,805,813	151,427,421	151,493,154	154,523,017	157,613	150,799	163,581	167,261		
BY MEANS OF FINANCING										
GENERAL FUND	151,805,813	151,427,421	151,493,154	154,523,017	157,613	150,799	163,581	167,261		
TOTAL PERM POSITIONS	"	"	"	"	"	"	"	"		
TOTAL TEMP POSITIONS	"	"	"	"	"	"	"	"		
TOTAL PROGRAM COST	151,805,813	151,427,421	151,493,154	154,523,017	157,613	150,799	163,581	167,261		

		OPERATING AND CAPITAL EXPENDITURES								REPORT: P61-A
PROGRAM ID: BUF766										
PROGRAM STRUCTURE NO: 07000994										
PROGRAM TITLE: HEALTH PREMIUM PAYMENTS - UH										
PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS					
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29		
OTHER CURRENT EXPENSES	56,262,093	54,663,063	56,217,718	57,342,073	59,499	59,659	60,852	62,069		
TOTAL OPERATING COST	56,262,093	54,663,063	56,217,718	57,342,073	59,499	59,659	60,852	62,069		
BY MEANS OF FINANCING										
GENERAL FUND	56,262,093	54,663,063	56,217,718	57,342,073	59,499	59,659	60,852	62,069		
TOTAL PERM POSITIONS	"	"	"	"	"	"	"	"		
TOTAL TEMP POSITIONS	"	"	"	"	"	"	"	"		
TOTAL PROGRAM COST	56,262,093	54,663,063	56,217,718	57,342,073	59,499	59,659	60,852	62,069		

		OPERATING AND CAPITAL EXPENDITURES								REPORT: P61-A
PROGRAM ID: BUF761										
PROGRAM STRUCTURE NO: 11639607										
PROGRAM TITLE: HEALTH PREMIUM PAYMENTS - STATE										
PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS					
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29		
OTHER CURRENT EXPENSES	125,941,276	124,258,598	130,755,603	133,370,715	136,036	138,759	141,534	144,365		
TOTAL OPERATING COST	125,941,276	124,258,598	130,755,603	133,370,715	136,036	138,759	141,534	144,365		
BY MEANS OF FINANCING										
GENERAL FUND	125,941,276	124,258,598	130,755,603	133,370,715	136,036	138,759	141,534	144,365		
TOTAL PERM POSITIONS	"	"	"	"	"	"	"	"		
TOTAL TEMP POSITIONS	"	"	"	"	"	"	"	"		
TOTAL PROGRAM COST	125,941,276	124,258,598	130,755,603	133,370,715	136,036	138,759	141,534	144,365		

6 Year Financial Plan: EUTF ARC

Employer-Union Trust Fund (EUTF)

- Two parts –
 - Active
 - OPEB

- OPEB actuarially reviewed every fiscal year

PROGRAM EXPENDITURES	IN DOLLARS				IN THOUSANDS			
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
OTHER CURRENT EXPENSES	464,088,000	839,445,000	821,954,000	857,193,000	899,147	931,055	956,009	1,002,548
TOTAL OPERATING COST	464,088,000	839,445,000	821,954,000	857,193,000	899,147	931,055	956,009	1,002,548
BY MEANS OF FINANCING								
	*	*	*	*	*	*	*	*
	**	**	**	**	**	**	**	**
GENERAL FUND	464,088,000	839,445,000	821,954,000	857,193,000	899,147	931,055	956,009	1,002,548
TOTAL PERM POSITIONS	*	*	*	*	*	*	*	*
TOTAL TEMP POSITIONS	**	**	**	**	**	**	**	**
TOTAL PROGRAM COST	464,088,000	839,445,000	821,954,000	857,193,000	899,147	931,055	956,009	1,002,548

6 Year Financial Plan: Progress Test

- Stress testing under separate report

- <https://ers.ehawaii.gov/wp-content/uploads/2022/12/Stress-Test-2022.pdf>

- Actuarially reviewed every fiscal year

- <https://ers.ehawaii.gov/wp-content/uploads/2023/01/2022-Actuarial-Valuation-Results-Presentation-GRS.pdf>
 - <https://eutf.hawaii.gov/wp-content/uploads/2023/01/Actuarial-Valuation-07012022-secured.pdf>

- Reports due in January, will be able to compare biennium budget submittal to actual

Pension and Other Post-Employment Benefit (OPEB) Liability
(in \$ millions)

	Pension Liability					
	7/1/2022	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2027
Unfunded actuarial accrued liability (UAAL)	14,316.0	14,377.0	14,406.0	14,402.0	14,360.0	14,276.0
Funded ratio (based on smoothed assets)	59.0%	60.8%	62.0%	63.3%	64.5%	65.8%
Funding period	23	22	21	20	19	18
Annual required contribution (all employers)	1,241	1,271	1,304	1,339	1,375	1,412
Annual required contribution budgeted (State)	837.5	848.8	848.8	848.8	848.8	848.8
Proposed supplemental budget adjustment			45.8	95.0	117.3	136.7
Net ARC budgeted (State)	837.5	848.8	894.6	943.8	966.1	985.5

Source: Employees' Retirement System of the State of Hawaii, Report to Board of Trustees on the 96th Annual Actuarial Valuation for the Year Ending June 30, 2021

Note: Actuarial Valuation for the fiscal year ending June 30, 2022 is pending

	OPEB Liability					
	7/1/2022	7/1/2023	7/1/2024	7/1/2025	7/1/2026	7/1/2027
Unfunded actuarial accrued liability (UAAL)	8,125.1	8,479.0	8,468.9	8,485.5	8,466.9	8,425.6
Funded ratio	30.0%	30.5%	33.9%	36.9%	39.8%	42.8%
Funding period	23	22	21	20	19	18
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Annual required contribution	877.2	839.4	822.0	867.2	899.1	931.1
Benefit Payment	455.0	488.2	527.2	568.5	610.4	653.4
UAAL prefunding balance (ARC - Benefit Paym)	-	351.2	294.8	298.7	288.7	277.7
UAAL prefunding contribution/appropriation*	-	351.2	294.8	298.7	288.7	277.7
Additional contribution	112.1					
Total prefunding contribution**	112.1	351.2	294.8	298.7	288.7	277.7
ELTF excess reserve trsf. for State OPEB req.						

Source: For FYs 22-27, source document is State of Hawaii Retiree Health Care Plan Actuarial Valuation Report as of July 1, 2021, "Scenario 2 - PAYGO contribution for FY 22, and ARC thereafter"

Note: Actuarial Valuation Report as of July 1, 2022, is pending

*The OPEB pre-funding requirement was suspended in FY 21 via Emergency Proclamation and in FYs 22-23 via Act 229, SLH 2021. No funds were appropriated for OPEB pre-funding in FY 22.

**UAAL and unfunded ratio does not reflect impact of accelerated ARC payments or delays.

PAU