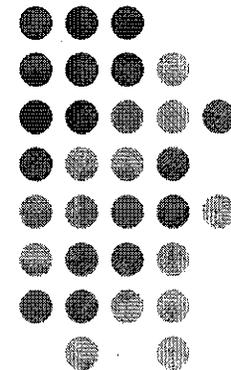

State Receipt and Revenue Plans



MULTI-YEAR FINANCIAL SUMMARY
TOTAL EXPENDITURES AND REVENUES
FISCAL YEARS 12 - 19
(in millions of dollars)

	Estimated <u>FY 12</u>	Estimated <u>FY 13</u>	Estimated <u>FY 14</u>	Estimated <u>FY 15</u>	Estimated <u>FY 16</u>	Estimated <u>FY 17</u>	Estimated <u>FY 18</u>	Estimated <u>FY 19</u>
REVENUES:								
Executive Branch:								
Tax Revenues	5,690.8	5,980.0	6,192.1	6,417.3	6,537.9	6,794.8	7,116.7	7,414.6
Nontax Revenues	3,956.9	3,940.3	3,603.4	3,709.3	3,719.4	3,707.7	3,752.0	3,764.5
Federal Funds	2,819.2	2,682.0	2,679.9	2,751.5	2,781.3	2,937.5	2,937.5	2,937.5
Judicial Branch Revenues	46.9	48.9	49.8	50.6	51.5	52.4	53.3	54.2
OHA Revenues	21.8	21.2	21.2	15.2	15.2	15.2	15.2	15.2
Other	-	97.6	43.9	85.9	343.3	379.8	399.3	419.4
Bond Receipts	1,817.6	1,365.1	1,261.3	1,110.0	1,174.8	946.7	730.0	650.0
TOTAL REVENUES	14,353.1	14,135.2	13,851.5	14,139.8	14,623.5	14,834.0	15,003.9	15,255.3
EXPENDITURES:								
Executive Branch:								
Operating	10,823.9	11,194.1	11,782.9	12,155.7	12,317.0	12,570.1	13,229.0	13,404.3
Capital Investment	1,241.6	1,835.2	2,267.9	1,136.9	624.3	249.7	138.8	121.4
Other	30.5	43.2	5.0	5.0	5.0	5.0	5.0	5.0
Sub-total	12,096.0	13,072.5	14,055.7	13,297.6	12,946.3	12,824.8	13,372.8	13,530.6
Legislative Branch	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2
Judicial Branch	144.5	145.8	157.5	158.3	158.3	158.3	158.3	158.3
OHA	44.3	44.1	45.0	45.8	45.8	45.8	45.8	45.8
Lapses	(129.9)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)
TOTAL EXPENDITURES	12,187.1	13,229.6	14,225.4	13,468.8	13,117.6	12,996.1	13,544.1	13,701.9
REVENUES OVER EXPEND.	2,166.1	905.6	(374.0)	671.0	1,505.9	1,838.0	1,459.8	1,553.4
CARRY-OVER BALANCE (DEFICIT)								
Beginning	3,848.2	6,014.3	6,919.9	6,545.9	7,216.9	8,722.7	10,560.7	12,020.5
Ending	6,014.3	6,919.9	6,545.9	7,216.9	8,722.7	10,560.7	12,020.5	13,573.9

MULTI-YEAR FINANCIAL SUMMARY
GENERAL FUND
FISCAL YEARS 12 - 19
(in millions of dollars)

	Actual* <u>FY 12</u>	Estimated <u>FY 13</u>	Estimated <u>FY 14</u>	Estimated <u>FY 15</u>	Estimated <u>FY 16</u>	Estimated <u>FY 17</u>	Estimated <u>FY 18</u>	Estimated <u>FY 19</u>
REVENUES:								
Executive Branch:								
Tax Revenues	4,972.5	5,223.1	5,427.2	5,698.2	5,767.2	6,010.4	6,315.9	6,608.5
Nontax Revenues	651.0	514.5	512.3	512.3	502.1	506.5	508.4	508.4
Judicial Branch Revenues	37.2	38.0	38.7	39.3	40.0	40.7	41.4	42.1
Other		97.6	43.9	85.9	343.3	379.8	399.3	419.4
TOTAL REVENUES	5,660.6	5,873.2	6,022.1	6,335.7	6,652.7	6,937.3	7,264.9	7,578.3
EXPENDITURES:								
Executive Branch:								
Operating	5,443.5	5,598.8	6,101.3	6,288.4	6,453.6	6,623.9	6,779.9	6,959.5
Specific Appropriations	30.5	43.2	5.0	5.0	5.0	5.0	5.0	5.0
Other		10.4	25.0	75.0	25.0	25.0	425.0	425.0
Sub-total	5,474.0	5,652.3	6,131.3	6,368.4	6,483.6	6,653.9	7,209.9	7,389.5
Legislative Branch	32.2	32.2	32.2	32.2	32.2	32.2	32.2	32.2
Judicial Branch	132.7	134.5	145.3	146.1	146.1	146.1	146.1	146.1
OHA	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Lapses	(129.9)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)	(65.0)
TOTAL EXPENDITURES	5,511.3	5,756.5	6,246.2	6,484.1	6,599.2	6,769.6	7,325.6	7,505.2
REVENUES OVER EXPEND.	149.3	116.7	(224.1)	(148.3)	53.5	167.8	(60.7)	73.1
CARRY-OVER BALANCE (DEFICIT)								
Beginning	126.0	275.3	392.1	167.9	19.6	73.1	240.8	180.1
Ending	275.3	392.1	167.9	19.6	73.1	240.8	180.1	253.3
<i>Emerg. & Budget Reserve Fund**</i>	<i>24.2</i>	<i>24.2</i>	<i>31.7</i>	<i>64.2</i>	<i>76.5</i>	<i>88.8</i>	<i>101.0</i>	<i>113.3</i>

* unaudited

** reflects proposed recapitalization of EBRF in FY 15

**SUMMARY STATEMENT OF GENERAL FUND
EXPENDITURE CEILING AND APPROPRIATIONS**

A. Total State Personal Income and State Growth

1. Total State Personal Income (in \$ millions)	
Calendar Year 2009	54,194
Calendar Year 2010	55,832
Calendar Year 2011	59,014
Calendar Year 2012*	61,611
Calendar Year 2013*	64,506
* As estimated by the Council on Revenues	
2. State Growth	
Fiscal Year 2014	4.37%
Fiscal Year 2015	4.93%

B. All Branches of State Government

1. General Fund Appropriations	
Fiscal Year 2012 (proposed)	5,641,240,162
Fiscal Year 2013 (incl. proposed)	5,838,144,577
Fiscal Year 2014 (proposed)	6,305,554,095
Fiscal Year 2015 (proposed)	6,545,686,328
2. General Fund Expenditure Ceiling	
Fiscal Year 2014	7,718,800,141
Fiscal Year 2015	8,099,561,541

C. Executive Branch

1. Recommended General Fund Appropriations	
Fiscal Year 2014	6,131,349,008
Fiscal Year 2015	6,370,717,901
2. Actual General Fund Appropriations	
Fiscal Year 2012	5,474,003,861
Fiscal Year 2013	5,634,239,551
3. Proposed Add'l Appropriations FY 13	
	50,000,000
Total FY 2013	
	5,684,239,551
4. General Fund Appropriation Ceiling	
Fiscal Year 2013	5,596,200,260
Fiscal Year 2014	5,932,875,125
Fiscal Year 2015	6,433,802,886

MULTI-YEAR FINANCIAL SUMMARY
 FUND BALANCES OF SPECIAL FUNDS
 FISCAL YEARS 12 - 19
 (in millions of dollars)

	Actual** <u>FY 12</u>	Estimated <u>FY 13</u>	Estimated <u>FY 14</u>	Estimated <u>FY 15</u>	Estimated <u>FY 16</u>	Estimated <u>FY 17</u>	Estimated <u>FY 18</u>	Estimated <u>FY 19</u>
Transportation:								
Highways *	242.5	158.6	(12.9)	(83.6)	(153.9)	(190.7)	(160.6)	(103.2)
Airports	889.8	562.7	126.1	49.5	76.7	122.8	137.5	214.1
Harbors	222.4	203.3	194.4	200.8	198.6	206.0	218.3	233.2
Agriculture *	19.0	15.0	(1.0)	(12.4)	(27.5)	(42.6)	(57.7)	(72.8)
Business, Econ. Dev. & Tourism *	57.7	27.4	6.1	(13.1)	11.5	40.8	75.3	114.7
Commerce & Consumer Affairs *	45.3	41.1	30.3	22.8	14.0	5.2	(4.1)	(13.8)
Education *	50.1	66.1	(2.0)	(9.4)	7.9	25.2	42.5	59.8
Health *	195.2	127.9	85.3	37.0	2.4	(32.1)	(66.7)	(101.3)
Labor & Industrial Relations *	68.0	55.5	34.4	(33.8)	(90.0)	(137.1)	(175.3)	(213.5)
Land and Natural Resources *	53.8	40.1	16.6	(5.1)	(24.6)	(43.2)	(61.8)	(76.0)
University of Hawaii	256.0	236.0	193.9	140.1	103.6	69.8	36.1	2.8
Others	118.5	117.0	118.1	122.4	130.2	141.0	152.3	163.9
TOTAL	2,218.3	1,650.9	789.3	415.2	248.9	164.9	135.9	207.9

* Revenue and expenditure projections will be reviewed.

** unaudited

MULTI-YEAR FINANCIAL SUMMARY
SPECIAL FUNDS
FISCAL YEARS 12 - 19
(in millions of dollars)

	Actual* <u>FY 12</u>	Estimated <u>FY 13</u>	Estimated <u>FY 14</u>	Estimated <u>FY 15</u>	Estimated <u>FY 16</u>	Estimated <u>FY 17</u>	Estimated <u>FY 18</u>	Estimated <u>FY 19</u>
REVENUES:								
Executive Branch:								
Tax Revenues	706.4	746.4	754.4	708.7	760.3	773.9	790.4	795.7
Nontax Revenues	1,913.7	2,010.4	1,821.4	1,869.5	1,914.9	1,938.5	1,959.9	1,977.9
Federal Funds	426.4	312.3	300.6	300.6	300.6	300.6	300.6	300.6
Judicial Branch Revenues	9.7	10.9	11.1	11.3	11.5	11.7	11.9	12.1
TOTAL REVENUES	3,056.3	3,080.0	2,887.5	2,890.1	2,987.3	3,024.7	3,062.8	3,086.3
EXPENDITURES:								
Executive Branch:								
Operating	2,684.6	2,871.5	2,938.2	2,983.9	2,988.0	3,008.5	3,061.2	2,996.4
Capital Investment	272.8	764.9	799.0	268.3	153.7	88.3	18.7	6.0
Sub-total	2,957.4	3,636.4	3,737.2	3,252.2	3,141.7	3,096.8	3,079.9	3,002.4
Judicial Branch	11.8	10.9	11.9	11.9	11.9	11.9	11.9	11.9
Total Expenditures	2,969.2	3,647.3	3,749.1	3,264.1	3,153.6	3,108.7	3,091.8	3,014.3
REVENUES OVER EXPEND.	87.1	(567.3)	(861.6)	(374.0)	(166.3)	(84.0)	(29.0)	72.0
CARRY-OVER BALANCE (DEFICIT)								
Beginning	2,131.2	2,218.3	1,650.9	789.3	415.2	248.9	164.9	135.9
Ending	2,218.3	1,650.9	789.3	415.2	248.9	164.9	135.9	207.9

* unaudited

GENERAL FUND
MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAXES
FISCAL YEARS 12 - 19
(in thousands of dollars)

<u>Source</u>	Actual* <u>FY 12</u>	Estimated <u>FY 13</u>	Estimated <u>FY 14</u>	Estimated <u>FY 15</u>	Estimated <u>FY 16</u>	Estimated <u>FY 17</u>	Estimated <u>FY 18</u>	Estimated <u>FY 19</u>
Licenses & Permits	6,003	5,813	5,813	1,013	1,013	1,013	1,013	1,013
Revenues From Use of Money and Property	22,638	26,999	26,131	25,168	24,227	24,227	24,227	24,227
Federal	13,457	4,488	4,488	4,488	4,488	4,488	4,488	4,488
Other Agencies	25,354	27,682	16,180	16,180	2,538	2,538	2,538	2,538
Charges for Current Services	272,039	261,841	265,401	268,458	271,498	273,853	275,735	275,731
Fines, Forfeits & Penalties	650	445	435	445	435	435	435	435
Repaymnt of Loans & Advances	23,045	19,638	19,662	20,319	19,738	19,738	19,738	19,738
Other Revenues	287,791	167,620	174,233	176,196	178,177	180,182	180,182	180,182
Sub-total	650,978	514,525	512,343	512,267	502,114	506,474	508,356	508,352
Judicial Branch Revenues	37,175	38,024	38,661	39,316	39,985	40,668	41,364	42,073
TOTAL	688,153	552,549	551,004	551,583	542,099	547,142	549,720	550,425

* unaudited

SPECIAL REVENUE FUNDS
MULTI-YEAR REVENUES FROM TAXES
FISCAL YEARS 12 - 19
(in thousands of dollars)

<u>Source</u>	<u>Actual*</u> <u>FY 12</u>	<u>Estimated</u> <u>FY 13</u>	<u>Estimated</u> <u>FY 14</u>	<u>Estimated</u> <u>FY 15</u>	<u>Estimated</u> <u>FY 16</u>	<u>Estimated</u> <u>FY 17</u>	<u>Estimated</u> <u>FY 18</u>	<u>Estimated</u> <u>FY 19</u>
Transfer of Tobacco Tax	19,117	19,114	35,237	35,237	35,237	35,237	35,237	35,237
Liquid Fuel:								
Highway	87,230	87,230	87,665	88,102	88,542	88,983	89,427	89,873
Aviation	4,353	3,549	3,549	3,549	3,549	3,549	3,549	3,549
Small Boats	1,611	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Sub-total	93,195	92,379	92,814	93,251	93,691	94,132	94,576	95,022
Transfer of Trans. Accom. Tax	104,637	105,000	105,000	105,000	146,373	148,732	153,705	158,538
Motor Vehicle Weight Tax	58,679	66,846	67,681	68,527	69,384	70,251	71,129	71,129
Vehicle Registration Fee Tax	39,508	47,303	47,720	48,142	48,566	48,995	49,429	49,429
Vehicle Surcharge:								
Rental/Tour Vehicles	44,987	45,632	46,315	47,007	47,710	48,419	49,139	49,139
Environmental Response Tax	9,203	8,940	16,090	16,090	12,390	12,390	12,390	12,390
Unemployment Comp. Tax	320,669	342,000	326,000	277,000	288,000	296,000	305,000	305,000
Employment and Training	1,223	150	800	800	800	800	800	800
Election Campaign Contrib. T.F.	16	200	150	100	100	100	100	100
Transfer of Banks & fin. Corp. Tax	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Transfer of Conveyance Tax	23,189	25,475	23,200	24,100	24,600	25,475	25,475	25,475
Transfer of Ins. Premium Tax	1,855	1,850	1,850	1,850	1,850	1,850	1,850	1,850
TOTAL	718,278	756,890	764,858	719,104	770,701	784,381	800,830	806,109

* unaudited

SPECIAL FUNDS
MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAXES
FISCAL YEARS 11 - 17
(in thousands of dollars)

<u>Source</u>	Actual* <u>FY 12</u>	Estimated <u>FY 13</u>	Estimated <u>FY 14</u>	Estimated <u>FY 15</u>	Estimated <u>FY 16</u>	Estimated <u>FY 17</u>	Estimated <u>FY 18</u>	Estimated <u>FY 19</u>
Licenses & Permits	20,028	20,365	20,170	20,922	20,129	20,585	20,260	20,021
Revenues From Use of Money and Property	56,076	52,060	59,809	62,484	64,710	66,314	66,725	66,900
Federal	426,449	312,280	300,604	300,608	300,608	300,608	300,608	300,608
Other Agencies	28,987	41,610	40,362	40,361	54,003	54,003	54,003	54,003
Charges for Current Services: Utilities & Other Enterprises	457,338	493,157	514,015	542,837	576,709	593,057	613,462	626,358
Others	635,716	1,050,182	1,063,365	1,070,363	1,076,096	1,080,986	1,081,776	1,086,853
Fines, Forfeits & Penalties	7,499	8,706	4,198	4,346	4,502	4,613	4,729	4,851
Non-Revenue Receipts	708,090	344,345	119,466	128,163	118,775	118,926	118,925	118,931
Judicial Branch Revenues	9,715	10,917	11,108	11,304	11,500	11,707	11,913	12,122
TOTAL	2,349,899	2,333,620	2,133,095	2,181,389	2,227,032	2,250,799	2,272,401	2,290,647

* unaudited

SPECIAL REVENUE FUNDS - OTHER THAN SPECIAL FUNDS
MULTI-YEAR REVENUES FROM SOURCES OTHER THAN TAXES
FISCAL YEARS 12 - 19
(in thousands of dollars)

<u>Source</u>	<u>Estimated FY 12</u>	<u>Estimated FY 13</u>	<u>Estimated FY 14</u>	<u>Estimated FY 15</u>	<u>Estimated FY 16</u>	<u>Estimated FY 17</u>	<u>Estimated FY 18</u>	<u>Estimated FY 19</u>
Licenses & Permits	488	600	600	599	599	599	599	599
Revenues From Use of Money and Property	74,316	68,724	68,327	68,220	68,854	68,888	68,459	68,227
Federal	2,260,075	2,318,618	2,351,677	2,424,283	2,476,155	2,632,404	2,632,404	2,632,404
Federal - American Recovery & Reinvestment Act	119,239	46,615	23,140	22,063	-	-	-	-
Other Agencies	19,311	19,832	19,283	19,283	19,283	19,083	19,083	19,083
Charges for Current Services	112,389	119,456	92,689	93,762	96,160	91,116	89,718	89,455
Fines, Forfeits & Penalties	1,038	868	868	868	868	868	868	868
Repayment of Loans & Advances	41,153	72,286	46,507	101,817	74,553	39,076	62,770	56,710
Non-Revenue Receipts	1,156,968	1,138,097	1,045,817	1,047,480	1,046,624	1,047,606	1,046,724	1,047,711
OHA Revenues	21,751	21,207	21,207	15,207	15,207	15,207	15,207	15,207
TOTAL	3,806,728	3,806,303	3,670,115	3,793,582	3,798,303	3,914,847	3,935,832	3,930,264

**SCHEDULE OF PROJECTED DEBT SERVICE CHARGES FOR GENERAL OBLIGATION BONDS
ISSUED AND TO BE ISSUED BY JUNE 30, 2019**

(IN THOUSANDS)

Fiscal Year	Debt Service On Bonds Outstanding As of June 30, 2012			Debt Service On Bonds To Be Issued Through June 30, 2019			Total Estimated Debt Service		
	Direct From General Fund	Reimbursable Debt Service	Total	Direct From General Fund	Reimbursable Debt Service	Total	Direct From General Fund	Reimbursable Debt Service	Total
2012-2013	604,670	35,939	640,609	0	0	0	604,670	35,939	640,609
2013-2014	658,577	35,015	693,592	23,862	2,651	26,513	682,439	37,666	720,105
2014-2015	622,070	34,709	656,779	61,661	6,851	68,512	683,731	41,560	725,291
2015-2016	597,438	33,124	630,562	98,870	10,986	109,856	696,308	44,110	740,418
2016-2017	597,813	32,728	630,541	130,174	14,464	144,638	727,987	47,192	775,179
2017-2018	559,225	31,485	590,710	173,439	19,271	192,710	732,664	50,756	783,420
2018-2019	518,869	30,417	549,286	231,212	25,690	256,902	750,081	56,107	806,188

Schedule of General Obligation Bond Sales:

Fiscal Year 2013-2014

First Half \$400,000,000

Second Half \$400,000,000

Fiscal Year 2014-2015

First Half \$400,000,000

Second Half \$400,000,000

Maturities of Bonds to be issued:

 20 year serial bonds with principal repayment beginning the fifth year.

Method of Retirement:

 Maturing in substantial equal installment of debt service (principal and interest)

 Assumed Interest Rate: 5.25%

*Note: GO of 2012 Series EE (\$444M), Refunding Series EF (\$397M), and Taxable Series EG (\$26M) closed on December 4, 2012

TENTATIVE SCHEDULE BY QUARTER AND FISCAL YEAR
OF THE AMOUNT OF GENERAL OBLIGATION BONDS
TO BE ISSUED FROM FISCAL YEAR 2013 TO FISCAL YEAR 2019

GENERAL OBLIGATION BONDS

<u>FY</u>	<u>Quarter</u>	<u>Description</u>	<u>Amount</u>	<u>Total</u>
Actual:				
FY 2011-2012	Second	GO 2011 Series DZ (\$800M), Refunding Series EA,EB,EC, & ED (\$486.2M)	<u>\$ 1,286,230,000</u>	\$ 1,286,230,000
FY 2012-2013	Second	GO 2012 Series EE (\$444M), Refunding Series EF (\$397M), & Taxable Series EG (\$26M)	<u>\$ 866,990,000</u>	<u>\$ 866,990,000</u>
Total General Obligation Bonds - Actual				<u>\$ 2,153,220,000</u>
Projected:				
FY 2012-2013	Fourth		<u>305,000,000</u>	\$ 305,000,000
FY 2013-2014	Second Fourth		\$ 400,000,000 <u>400,000,000</u>	800,000,000
FY 2014-2015	Second Fourth		\$ 400,000,000 <u>400,000,000</u>	800,000,000
FY 2015-2016	Second Fourth		\$ 375,000,000 <u>300,000,000</u>	675,000,000
FY 2016-2017	Second Fourth		\$ 350,000,000 <u>350,000,000</u>	700,000,000
FY 2017-2018	Second Fourth		\$ 300,000,000 <u>300,000,000</u>	600,000,000
FY 2018-2019	Second Fourth		\$ 300,000,000 <u>300,000,000</u>	<u>600,000,000</u>
Total General Obligation Bonds-Projected				<u>\$ 4,480,000,000</u>

TENTATIVE SCHEDULE BY QUARTER AND FISCAL YEAR
OF THE AMOUNT OF REVENUE BONDS
TO BE ISSUED FROM FISCAL YEAR 2013 TO FISCAL YEAR 2019

REVENUE BONDS

<u>FY</u>	<u>Quarter</u>	<u>Description</u>	<u>Amount</u>	<u>Total</u>
Actual:				
FY 2011-2012	Second	DOT - Airports Refunding Series 2011	\$ 300,885,000	
	Second	Hawaii Housing Finance & Development Corp. (Hale Mohalu Hawaii Housing Finance & Development Corp. (Single Family Mortgage Purchase Revenue Bonds) Series 2011 A&B, and Series 2009 A-1	21,534,699	
	Second	DOT - Highways Series 2011 A & B	50,000,000	
	Second	University of Hawaii Refunding Series 2012 A	117,365,000	
	Third	Hawaii Housing Finance & Development Corp. (Ko'oloa'ula Apartments Phase I) Series 2012 A&B	8,575,000	
	Fourth	Hawaii Housing Finance & Development Corp. (Kukui Gardens Conversion)	17,700,000	
	Fourth	Hawaii Housing Finance & Development Corp. (Wiilikina Apartment) Series 2012 A&B	3,270,000	
			<u>12,000,000</u>	\$ 531,329,699
FY 2012-2013	First	Hawaii Housing Finance & Development Corp. (Senior Residence at Iwilei) Series 2012 A	\$ 33,000,000	
	First	Hawaii Health Systems Corporation-Maui Region Series 2012A&B	9,001,000	
	Second	Hawaii Housing Finance & Development Corp. (Hale Makana O Nanakuli Apartments Project) Series 2012	7,350,000	\$ 49,351,000
Total Revenue Bonds - Actual				<u>\$ 580,680,699</u>
Projected:				
FY 2012-2013	Second	Hawaii Housing Finance & Development Corp.	40,000,000	
	Third	Hawaii Housing Finance & Development Corp.	78,800,000	
	Fourth	Hawaii Housing Finance & Development Corp.	25,000,000	\$ 143,800,000
FY 2013-2014	Second	DOT - Airports	\$ 200,270,000	
	Second	DOT - Highways	80,000,000	
	Second	Hawaii Housing Finance & Development Corp.	25,000,000	
	Second	University of Hawaii	122,000,000	
	Third	Hawaii Health Systems Corporation - Maui Region	9,001,000	
	Fourth	Hawaii Housing Finance & Development Corp.	<u>25,000,000</u>	\$ 461,271,000
FY 2014-2015	Second	Hawaii Housing Finance & Development Corp.	\$ 25,000,000	
	Second	University of Hawaii	\$ 60,000,000	
	Third	DOT - Harbors	200,000,000	
	Fourth	Hawaii Housing Finance & Development Corp.	25,000,000	\$ 310,000,000
FY 2015-2016	Second	DOT - Airports	\$ 369,805,000	
	Second	DOT - Highways	80,000,000	
	Second	Hawaii Housing Finance & Development Corp.	25,000,000	
	Fourth	Hawaii Housing Finance & Development Corp.	<u>25,000,000</u>	\$ 499,805,000
FY 2016-2017	Second	DOT - Airports	\$ 196,683,000	
	Second	Hawaii Housing Finance & Development Corp.	25,000,000	
	Fourth	Hawaii Housing Finance & Development Corp.	<u>25,000,000</u>	\$ 246,683,000
FY 2017-2018	Second	DOT - Highways	\$ 80,000,000	
	Second	Hawaii Housing Finance & Development Corp.	25,000,000	
	Fourth	Hawaii Housing Finance & Development Corp.	<u>25,000,000</u>	\$ 130,000,000
FY 2018-2019	Second	Hawaii Housing Finance & Development Corp.	\$ 25,000,000	
	Fourth	Hawaii Housing Finance & Development Corp.	<u>25,000,000</u>	\$ 50,000,000
Total Revenue Bonds - Projected				<u>\$ 1,841,559,000</u>

TENTATIVE SCHEDULE BY QUARTER AND FISCAL YEAR
OF THE AMOUNT OF GENERAL OBLIGATION BONDS AND REVENUE BONDS
TO BE ISSUED IN THE FISCAL BIENNIUM

GENERAL OBLIGATION BONDS

		<u>AMOUNT</u>	<u>TOTAL</u>
FY 2013-2014 Quarters	Second	\$ 400,000,000	
	Fourth	<u>400,000,000</u>	\$ 800,000,000
FY 2014-2015 Quarters	Second	\$ 400,000,000	
	Fourth	<u>400,000,000</u>	<u>800,000,000</u>
TOTAL GENERAL OBLIGATION BONDS			<u><u>\$ 1,600,000,000</u></u>

REVENUE BONDS

FY 2013-2014 Quarters	Second	DOT-Airports	\$ 200,270,000	
	Second	DOT-Highways	80,000,000	
	Second	Hawaii Housing Finance & Development Corp.	25,000,000	
	Second	University of Hawaii	122,000,000	
	Third	Hawaii Health Systems Corporation - Maui Region	9,001,000	
	Fourth	Hawaii Housing Finance & Development Corp.	<u>25,000,000</u>	\$ 461,271,000
FY 2014-2015 Quarters	Second	Hawaii Housing Finance & Development Corp.	\$ 25,000,000	
	Second	Univesity of Hawaii	\$ 60,000,000	
	Third	DOT - Harbors	200,000,000	
	Fourth	Hawaii Housing Finance & Development Corp.	<u>25,000,000</u>	310,000,000
TOTAL REVENUE BONDS				<u><u>\$ 771,271,000</u></u>

DECLARATION OF FINDINGS

Pursuant to Section 37-71(d)(6) of the Hawaii Revised Statutes, the Director of Finance finds and declares that with respect to the proposed capital improvement appropriations for the budget period 2013-2015 for which the source of funding is general obligation bonds:

(1) Limitation on general obligation debt. Article VII, Section 13, of the State Constitution, states in part: "General obligation bonds may be issued by the State; provided that such bonds at the time of issuance would not cause the total amount of principal and interest payable in the current or any future fiscal year, whichever is higher, on such bonds and on all outstanding general obligation bonds to exceed ... a sum equal to eighteen and one-half percent of the average of the general fund revenues of the State in the three fiscal years immediately preceding such issuance." Article VII, Section 13, also provides that in determining the power of the State to issue general obligation bonds, certain bonds are excludable, including "reimbursable general obligation bonds issued for a public undertaking, improvement or system but only to the extent that reimbursements to the general fund are in fact made from the net revenue, or net user tax receipts, or combination of both, as determined for the immediately preceding fiscal year."

(2) Actual and estimated debt limits. The limit on principal and interest of general obligation bonds issued by the State, actual for fiscal year 2012-2013 and estimated for each fiscal year from fiscal year 2013-2014 to 2016-2017, is as follows:

<u>Fiscal Year</u>	<u>Net General Fund Revenues</u>	<u>Debt Limit</u>
2009-2010	4,841,194,658	
2010-2011	5,102,646,283	
2011-2012	5,648,800,650	
2012-2013	5,768,123,000	961,546,231
2013-2014	5,971,550,000	1,018,706,813
2014-2015	6,243,468,000	1,072,289,208
2015-2016	6,304,466,000	1,108,960,362
2016-2017	(not applicable)	1,142,034,847

For fiscal years 2012-2013, 2013-2014, 2014-2015, 2015-2016 and 2016-2017 respectively, the debt limit is derived by multiplying the average of the net general fund revenues for the three preceding fiscal years by eighteen and one-half percent. The net general fund revenues for fiscal years 2009-2010, 2010-2011 and 2011-2012 are actual, as certified by the Director of Finance in the Statement of the Debt Limit of the State of Hawaii as of July 1, 2012, dated October 18, 2012. The net general fund revenues for fiscal years 2012-2013 to 2015-2016 are estimates, based on general fund revenue estimates made as of September 10, 2012, by the Council On Revenues, the body assigned by Article VII, Section 7, of the State Constitution to make such estimates, and based on estimates made by the Department of Budget and Finance of those receipts which cannot be included as general fund revenues for the purpose of calculating the debt limit, all of which estimates the Director of Finance finds to be reasonable.

(3) Principal and interest on outstanding bonds applicable to the debt limit. In determining the power of the State to issue general obligation bonds for the fiscal years 2012-2013 to 2031-2032, the total amounts of principal and interest on outstanding general obligation bonds are as follows:

Fiscal Year Ending June 30	Gross			Excludable			Net Debt Service		
	Principal Payable	Interest Payable	Debt Service Payable	Principal Payable	Interest Payable	Debt Service Payable	Principal Payable	Interest Payable	Debt Service Payable
2013	374,030,000	266,578,510	640,608,510	6,393,408	2,036,478	8,429,886	367,636,592	264,542,032	632,178,624
2014	432,315,000	261,277,175	693,592,175	5,765,774	1,853,218	7,618,992	426,549,226	259,423,957	685,973,183
2015	413,960,000	242,818,547	656,778,547	5,684,380	1,694,914	7,379,294	408,275,620	241,123,632	649,399,252
2016	408,405,000	222,156,768	630,561,768	4,392,997	1,540,729	5,933,726	404,012,003	220,616,039	624,628,042
2017	428,200,000	202,341,084	630,541,084	4,162,432	1,409,788	5,572,219	424,037,568	200,931,297	624,968,865
2018	409,695,000	181,014,522	590,709,522	3,111,048	1,274,682	4,385,731	406,583,952	179,739,840	586,323,791
2019	385,655,000	163,630,679	549,285,679	2,230,352	1,153,278	3,383,630	383,424,648	162,477,401	545,902,049
2020	334,165,000	145,472,267	479,637,267	2,339,328	1,044,279	3,383,607	331,825,672	144,427,988	476,253,659
2021	285,370,000	130,334,512	415,704,512	2,453,591	930,000	3,383,591	282,916,409	129,404,511	412,320,920
2022	301,675,000	116,361,465	418,036,465	2,572,569	808,089	3,380,658	299,102,431	115,553,375	414,655,807
2023	297,825,000	101,672,187	399,497,187	2,700,670	680,029	3,380,698	295,124,330	100,992,158	396,116,488
2024	304,080,000	86,878,432	390,958,432	2,835,234	545,738	3,380,972	301,244,766	86,332,694	387,577,460
2025	276,425,000	73,400,896	349,825,896	2,976,674	404,301	3,380,975	273,448,326	72,996,594	346,444,921
2026	266,375,000	60,648,045	327,023,045	3,124,957	255,885	3,380,842	263,250,043	60,392,160	323,642,203
2027	228,965,000	47,643,799	276,608,799	1,135,554	100,184	1,235,738	227,829,446	47,543,614	275,373,061
2028	209,775,000	35,945,048	245,720,048	893,484	43,869	937,352	208,881,516	35,901,179	244,782,695
2029	187,545,000	25,179,997	212,724,997	0	0	0	187,545,000	25,179,997	212,724,997
2030	143,920,000	15,736,839	159,656,839	0	0	0	143,920,000	15,736,839	159,656,839
2031	104,420,000	8,669,671	113,089,671	0	0	0	104,420,000	8,669,671	113,089,671
2032	109,035,000	4,057,583	113,092,583	0	0	0	109,035,000	4,057,583	113,092,583
2033	40,050,000	797,231	40,847,231	0	0	0	40,050,000	797,231	40,847,231

Additionally, the outstanding principal amount of bonds constituting instruments of indebtedness in which the State has incurred a contingent liability as a guarantor is \$233,500,000, all or a portion of which pursuant to Article VII, Section 13 of the State Constitution, is excludable in determining the power of the State to issue general obligation bonds.

(4) Amount of authorized and unissued general obligation bonds and proposed bonds. As calculated from the State Comptroller's bond fund report as of October 31, 2012, the total amount of authorized and unissued general obligation bonds is \$2,421,000,097. The amount of general obligation bonds proposed in THE MULTI-YEAR PROGRAM AND FINANCIAL PLAN AND EXECUTIVE BUDGET FOR THE PERIOD 2013-2019 [Budget Period: 2013-2015] (referred to as the "Budget") is \$1,323,000,000 (but does not include capital improvement appropriations to be funded through the issuance of general obligation bonds proposed by the Judiciary). The total amount of general obligation bonds previously authorized and unissued and the general obligation bonds proposed in the Budget is \$3,744,000,097.

(5) Proposed general obligation bond issuance. As reported in the Budget, as it applies to the fiscal period 2012-2013 to 2016-2017, the State proposed to issue \$305,000,000 in general obligation bonds during the second half of fiscal year 2012-2013, \$400,000,000 in general obligation bonds semiannually during fiscal years 2013-2014 and 2014-2015, \$375,000,000 in general obligation bonds during the first half of fiscal year 2015-2016, \$300,000,000 in general obligation bonds during the second half of fiscal year 2015-2016, and \$350,000,000 in general obligation bonds semiannually during fiscal year 2016-2017. It is the practice of the State to issue twenty-year serial bonds with principal repayments beginning the fifth year, payable in substantially equal annual installments of principal and interest payment with interest payments commencing six months from the date of issuance and being paid semi-annually thereafter. It is assumed that this practice will continue to be applied to the bonds which are proposed to be issued.

(6) Sufficiency of proposed general obligation bond issuance to meet the requirements of authorized and unissued bonds and the bonds proposed in the Budget. From the schedule reported in paragraph (5), the total amount of general obligation bonds, which the State proposes to issue during this fiscal year and in fiscal years 2013-2014, 2014-2015, 2015-2016, and 2016-2017, is \$3,750,000,000. The total amount of \$3,750,000,000 which is proposed to be issued through fiscal year 2016-2017 is sufficient to meet the requirements of the previously authorized and unissued bonds and the bonds proposed in the Budget, the total amount of which is \$3,744,000,097, as reported in paragraph (4). Thus, taking the Budget into account the amount of previously authorized and unissued bonds and bonds proposed versus the amount of bonds which is proposed to be issued by June 30, 2017, the Director of Finance finds that in the aggregate, the amount of bonds is sufficient to meet these requirements.

(7) Bonds excludable in determining the power of the State to issue bonds. As noted in paragraph (1), certain bonds are excludable in determining the power of the State to issue general obligation bonds. (A) General obligation reimbursable bonds can be excluded under certain

conditions. It is not possible to make a conclusive determination as to the amount of reimbursable bonds which are excludable from the amount of each proposed bond issuance because:

(i) It is not known exactly when projects for which reimbursable bonds have been authorized in prior acts and in the Budget will be implemented and will require the application of proceeds from a particular bond issue; and

(ii) Not all reimbursable general obligation bonds may qualify for exclusion.

However, the Director of Finance notes that with respect to the principal and interest on outstanding general obligation bonds, as reported in Section 3 herein, the average proportion of principal and interest which is excludable each year from calculation against the debt limit is 0.93 percent for the ten years from fiscal year 2012-2013 to fiscal year 2021-2022. For the purpose of this declaration, the assumption is made that 0.75 percent of each bond issue will be excludable from the debt limit, an assumption which the Director of Finance finds to be reasonable and conservative. (B) Bonds constituting instruments of indebtedness under which the State incurs a contingent liability as a guarantor can be excluded but only to the extent the principal amount of such guaranties does not exceed seven percent of the principal amount of outstanding general obligation bonds not otherwise excluded under subparagraph (A) of this paragraph (7) and provided that the State shall establish and maintain a reserve in an amount in reasonable proportion to the outstanding loans guaranteed by the State as provided by law. According to the Department of Budget and Finance and the assumptions presented herein, the total principal amount of outstanding general obligation bonds and general obligation bonds proposed to be issued, which are not otherwise excluded under Article VII, Section 13 of the State Constitution for the fiscal years 2012-2013, 2013-2014, 2014-2015, 2015-2016 and 2016-2017 are as follows:

<u>Fiscal Year</u>	<u>Total amount of General Obligation Bonds not otherwise excluded by Article VII, Section 13 of the State Constitution</u>
2012-2013	6,142,920,000
2013-2014	6,936,920,000
2014-2015	7,730,920,000
2015-2016	8,400,860,000
2016-2017	9,095,610,000

Based on the foregoing and based on the assumption that the full amount of a guaranty is immediately due and payable when such guaranty changes from a contingent liability to an actual liability, the aggregate principal amount of the portion of the outstanding guaranties and the guaranties proposed to be incurred, which does not exceed seven percent of the average amount set forth in the last column of the above table and for which reserve funds have been or will have been established as heretofore provided by, can be excluded in determining the power of the State

to issue general obligation bonds. As it is not possible to predict with a reasonable degree of certainty when a guaranty will change from a contingent liability to an actual liability, it is assumed in conformity with fiscal conservatism and prudence, that all guaranties not otherwise excluded pursuant to Article VII, Section 13 of the State Constitution will become due and payable in the same fiscal year in which the greatest amount of principal and interest on general obligation bonds, after exclusions, occurs. Thus, based on such assumptions and on the determination in paragraph (8), the aggregate principal amount of the portion of the outstanding guaranties; which must be included in determining the power of the State to issue general obligation bonds, is \$0.

(8) Determination whether the debt limit will be exceeded at the time of issuance. From the foregoing and on the assumption that the bonds identified in paragraph (5) will be issued at an interest rate of 5.25 percent thereafter, as reported in the Budget, it can be determined from the following schedule that the bonds which are proposed to be issued, which includes all bonds issued and outstanding, bonds previously authorized and unissued and the bonds proposed in the Budget, will not cause the debt limit to be exceeded at the time of each bond issuance:

<u>Time of Issue and Amount of Issue to be Counted Against Debt Limit</u>	<u>Debt Limit at Time of Issuance</u>	<u>Greatest Amount & Year of Principal & Interest</u>
2nd half FY 2012-2013 \$302,715,000	961,546,231	693,592,175 (2013-2014)
1st half FY 2013-2014 \$397,000,000	1,018,706,813	693,592,175 (2013-2014)
2nd half FY 2013-2014 \$397,000,000	1,018,706,813	693,592,175 (2013-2014)
1st half FY 2014-2015 \$397,000,000	1,072,289,208	708,961,122 (2016-2017)
2nd half FY 2014-2015 \$397,000,000	1,072,289,208	729,803,622 (2016-2017)
1st half FY 2015-2016 \$372,190,000	1,108,960,362	739,573,609 (2016-2017)
2nd half FY 2015-2016 \$297,750,000	1,108,960,362	739,573,609 (2016-2017)
1st half FY 2016-2017 \$347,375,000	1,142,034,847	748,042,254 (2018-2019)
2nd half FY 2016-2017 \$347,375,000	1,142,034,847	766,279,442 (2018-2019)

(9) Overall and concluding finding. From the facts, estimates, and assumptions stated in this declaration of findings, the conclusion is reached that the total amount of principal and interest estimated for the general obligation bonds proposed in the Budget and for all bonds previously authorized and unissued and calculated for all bonds issued and outstanding and guaranties, will not cause the debt limit to be exceeded at the time of issuance.

The Director of Finance hereby finds that the bases for the declaration of findings set forth herein are reasonable. The assumptions set forth in this declaration with respect to the principal amount of general obligation bonds which will be issued, the amount of principal and interest on reimbursable general obligation bonds which are assumed to be excludable and the assumed maturity structure shall not be deemed to be binding, it being the understanding that such matters must remain subject to substantial flexibility.



Director of Finance
State of Hawaii