

NEIL ABERCROMBIE
GOVERNOR



KALBERT K. YOUNG
DIRECTOR

LUIS P. SALAVERIA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

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

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF ECONOMIC RECOVERY
AND REINVESTMENT (ARRA)

July 3, 2013

FINANCE MEMORANDUM

MEMO NO. 13-06

TO: All Department Heads

FROM: Kalbert K. Young
Director of Finance

SUBJECT: Interim Fringe Benefit Rates for FY 14

Act 163, SLH 2011, establishes the pension accumulation contribution rate for FY 14 at 23.0% for police officers, firefighters, and corrections officers, and 16.0% for all other employees. Because we are already in the first quarter of FY 14, the interim rate is being transmitted to you for your information and records. Until new fringe benefit rates are approved by the U.S. Department of Health and Human Services, the following interim fringe benefit rates for FY 14 will be in effect:

	<u>Approved FY 13 Rate</u>	<u>Interim FY 14 Rate</u>
Pension Accumulation	15.50%	16.00%
Pension Administration	.01%	.01%
Retiree Health Insurance	10.35%	10.35%
Employees' Health Fund	6.84%	6.84%
Workers' Compensation	.88%	.88%
Unemployment Compensation	.31%	.31%
Social Security	6.20%	6.20%
Medicare	<u>1.45%</u>	<u>1.45%</u>
Composite Rate	41.54%	42.04%

Should you have any questions or require further information, please contact me, or your staff may contact Mr. Neal Miyahira, Administrator of this department's Budget, Program Planning and Management Division, at 586-1530.