

## LEGISLATIVE REPORT

- Subject:** Annual Report of the State Educational Facilities Improvement Special Fund
- Reference:** Section 36-32, Hawaii Revised Statutes
- Action Requested:** Annual report of the special fund's financial status and status of projects undertaken. The State Educational Facilities Improvement Special Fund and responsibility to prepare this report was transferred from the Department of Accounting and General Services to the Department of Education under Act 51, SLH 2004.
- DOE Report:** Attached is the annual report of the SEFI special fund.
- Fund Description:** The State Educational Facilities Improvement Special Fund (SEFI) is established through section 36-32, HRS. The fund's purpose is to finance the planning, design, land acquisition, construction and equipment for public school facilities. SEFI funding is authorized through section 237-31, HRS, which allows for the use of general obligation bond funds, supplemented by general exercise tax revenues. All expenditures must be used for projects that have been approved through Legislative appropriation. For fiscal years 2007 and 2008, a minimum of \$90 million per year is authorized by section 237-31, HRS, for the SEFI fund.
- Executive Summary:** The Annual Report of the State Educational Facilities Improvement Special Fund includes the following components:
- **Statement of Assets and Fund Balances**  
This report provides the fund's cash balance as of June 30, 2006. The cash balance as of June 30, 2006 was approximately \$10.8 million.
  - **Statement of Revenues, Expenditures, and Changes in Fund Balances**  
This report provides the fund's revenues and expenditures for FY2005-06 and since the beginning of the fund. Currently, funds are received from general obligation bond proceeds and funds were spent on Department of Education capital projects.
  - **Supplementary Schedule of Changes in Unreserved Fund Balance**  
This report provides the fund's revenue since the beginning of the fund and identifies all of the fund's appropriations and lapsed amounts.

STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
STATE EDUCATIONAL FACILITIES IMPROVEMENT SPECIAL FUND

Supplementary Schedule of Changes in Unreserved Fund Balance  
(from Inception to Date)  
As of June 30, 2006

Revenues:

General excise tax	\$ 270,000,000.00
General obligation bond proceeds	1,153,742,000.00
Interest earned	45,374,316.76
Prior years reimbursements	<u>6,994.64</u>
 Total revenues	 1,469,123,311.40

Less net appropriations:

	Authorized	Lapsed	
Act 316/SLH 1989	\$ 90,000,000.00	\$ 14,116,357.71	
Act 299/SLH 1990	90,000,000.00	13,508,190.21	
Act 296/SLH 1991	90,000,000.00	22,516,236.36	
Act 300/SLH 1992	100,218,000.00	34,369,954.54	
Act 289/SLH 1993	90,466,000.00	10,542,871.57	
Act 252/SLH 1994	147,155,000.00	17,371,240.64	
Act 218/SLH 1995	90,702,100.00	6,730,342.13	
Act 287/SLH 1996	102,174,000.00	13,619,432.48	
Act 328/SLH 1997	161,014,000.00	11,125,737.31	
Act 116/SLH 1998	154,222,000.00	16,715,861.29	
Act 91/SLH 1999	111,000,000.00	5,355,929.20	
Act 281/SLH 2000	80,981,000.00	2,144,604.49	
Act 259/SLH 2001	82,495,000.00	6,967,298.50	
Act 177/SLH 2002	88,412,000.00	8,632,948.49	
Act 200/SLH 2003	72,953,000.00	8,591,538.33	
Act 41/SLH 2004	134,101,000.00	42,531,804.53	
Act 51/SLH 2004	100,000,000.00	-	
Act 178/SLH 2005	212,114,000.00	-	
	<u>\$1,998,007,100.00</u>	<u>\$234,840,347.78</u>	1,763,166,752.22

Less transferred to the general fund	<u>45,374,316.76</u>
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Unreserved fund balances (deficit)	<u><u>\$ (339,417,757.58)</u></u>
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