

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

April 15, 2011

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on March 15, 2011 and March 28, 2011, makes reference to County Communication No. 11-67, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF TRANSPORTATION - HIGHWAY FUND; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The purpose of the proposed bill is to amend the Fiscal Year ("FY") 2011 Budget by increasing the appropriation for the Department of Transportation, Administration Program, Grants and disbursements for Paratransit services – Highway Fund, by \$425,000, from \$375,000 to \$800,000.

2. A Certification of Additional Revenues for FY 2011 dated February 10, 2011, for \$425,000 in Carryover/Savings from the Highway Fund.

By correspondence dated March 8, 2011, the Budget Director transmitted a revised proposed bill deleting various grants and disbursements and establishing new programs within the Department of Transportation. In particular, the revised proposed bill deleted the \$375,000 appropriation for grants and disbursements for Paratransit services and inserted an \$800,000 appropriation for a Paratransit Program.

Your Committee was uncertain about the intent of the revised proposed legislation. Therefore, your Committee requested that the Administration consider further revisions for clarification.

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By correspondence dated March 21, 2011, the Budget Director transmitted a further revised proposed bill deleting various grants and disbursements (including the \$375,000 appropriation for grants and disbursements for Paratransit services) and establishing new programs within the Department of Transportation; and increasing the appropriation for the Public Transit Program - Highway Fund, by \$790,000, from \$7,002,500 to \$7,792,500.

The Budget Director also transmitted a Certification of Additional Revenues for FY 2011 dated March 21, 2011, for \$415,000 in Carryover/Savings from the Highway Fund.

According to the Director of Transportation, the Department has expended a large percentage of its FY 2011 Budget appropriation sooner than anticipated due to a substantial increase in ridership. This increase is likely attributed to increased public awareness of these services as well as the popularity of the monthly bus pass program. The Director noted that the proposed budget amendment should provide the Department with adequate funds to continue operations through the remainder of FY 2011.

A Deputy Corporation Counsel reported on claims by Roberts Hawaii regarding alleged irregularities in the selection of the service provider for Paratransit services.

Your Committee voted to convene an executive meeting, closed to the public, to consult with legal counsel pursuant to Section 92-5(a)(4), Hawaii Revised Statutes.

Following the executive meeting, your Committee reconvened in regular session.

Your Committee decided to revise Section 2 of the revised proposed bill to accurately reflect the bill's purpose.

Your Committee voted 8-1 to recommend passage of the further revised proposed bill on first reading and filing of the communication. Committee Chair Pontanilla, and members Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White voted "aye". Committee Vice-Chair Hokama voted "no".

Your Committee is in receipt of a revised proposed bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating your Committee's recommended revision and nonsubstantive revisions that take into account prior amendments to the FY 2011 Budget.

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Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. _____ (2011), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF TRANSPORTATION - HIGHWAY FUND; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication No. 11-67 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



JOSEPH PONTANILLA, Chair

ORDINANCE NO. _____

BILL NO. _____ (2011)

A BILL FOR AN ORDINANCE AMENDING THE
FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
DEPARTMENT OF TRANSPORTATION - HIGHWAY FUND;
TOTAL OPERATING APPROPRIATIONS; AND
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 3751, as amended, "Fiscal Year 2011 Budget", is hereby amended as it pertains to Section 2., Estimated Revenues, by increasing Carryover/Savings from the Highway Fund in the amount of \$415,000; and by increasing Total Estimated Revenues in the amount of \$415,000, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes	215,186,317
Circuit Breaker Adjustment	(1,193,327)
Charges for Current Services	106,129,347
Transient Accommodations Tax	17,500,000
Public Service Company Tax	8,000,000
Licenses/Permits/Others	25,615,078
Fuel and Franchise Taxes	18,250,000
Special Assessments	7,333,196
Other Intergovernmental	23,463,000

FROM OTHER SOURCES:

Interfund Transfers	34,470,622
Bond/Lapsed Bond	53,200,000
Carryover/Savings:	
General Fund	9,719,156
Sewer Fund	4,221,775
Highway Fund	[4,429,085] <u>4,844,085</u>
Solid Waste Management Fund	4,900,555
Golf Fund	160,413
Liquor Fund	447,899
Bikeway Fund	0
Water Fund	<u>3,578,803</u>

TOTAL ESTIMATED REVENUES [535,411,919] 535,826,919

SECTION 2. Ordinance No. 3751, as amended, "Fiscal Year 2011 Budget", is hereby amended as it pertains to Section 3.B.16., Department of Transportation, by establishing programs within the Department of Transportation, deleting the appropriation for grants and disbursements for Paratransit Services, and increasing the appropriation for the Public Transit Program - Highway Fund by \$790,000, from \$7,002,500 to \$7,792,500, to read as follows:

"16. Department of Transportation	
a. Administration Program - <u>General Fund</u>	
(1) General	704,759
(i) Provided, that disbursement for salaries and premium pay is limited to 5.0 equivalent personnel.	
[(2) Grant to Maui Economic Opportunity, Inc., for Dialysis Transportation - General Fund	921,905
(3) Grant to Maui Economic Opportunity, Inc., for Transportation Services, including Ala Hou - General Fund	4,532,184
(4) Grants and disbursements for public transit program - General Fund	20,000
(5) Grants and disbursements for public transit program - Highway Fund	7,002,500
(6) Grants and disbursements for Paratransit services - Highway Fund	375,000
(i) Provided, that the Department issue a request for proposals for Paratransit services and execute a grant agreement.	
(7) Grants and disbursements for Air Ambulance Program - General Fund	672,215]
b. <u>Human Service Transportation Program - General Fund</u>	
(1) <u>Grant to Maui Economic Opportunity, Inc., for Dialysis Transportation</u>	<u>921,905</u>
(2) <u>Grant to Maui Economic Opportunity, Inc., for Transportation Services, including Ala Hou</u>	<u>4,532,184</u>
c. <u>Public Transit Program - General Fund</u>	<u>20,000</u>
d. <u>Public Transit Program - Highway Fund</u>	<u>7,792,500</u>
e. <u>Air Ambulance Program - General Fund</u>	<u>672,215"</u>

SECTION 3. The Total Operating Appropriations is amended to reflect an increase of \$415,000, to read as follows:

"TOTAL OPERATING APPROPRIATIONS	[434,704,116]	<u>435,119,116"</u>
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SECTION 4. The Total Appropriations (Operating and Capital Improvement Projects) is amended to reflect an increase of \$415,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[535,411,919]	<u>535,826,919"</u>
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SECTION 5. Material to be repealed is bracketed. New material is underscored.

SECTION 6. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:


ADRIANNE N. HEELY
Deputy Corporation Counsel

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