

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

August 5, 2016

**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 July 14, 2016, makes reference to County Communication 16-127, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF FINANCE, COUNTYWIDE COSTS; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)."

The purpose of the proposed bill is to amend the Fiscal Year 2017 Budget by: 1) decreasing Interfund Transfers by \$919,364; and 2) decreasing by \$919,364 the Department of Finance, Countywide Costs, Fringe Benefits, Category B - Operations, to accurately reflect fringe benefit reimbursements from the Plan Review, Processing, and Inspection Revolving Fund, and the Plan Review, Processing, and Inspection Revolving Fund (Fire), under Countywide Costs, Fringe Benefits appropriation, and not as Estimated Revenues, Interfund Transfers.

Your Committee notes the Plan Review, Processing, and Inspection Revolving Fund is defined in Section 16.26B.108.2.1, Maui County Code, and the Plan Review, Processing, and Inspection Revolving Fund (Fire), is defined in Section 16.04C.060, Maui County Code.

Your Committee notes fringe benefits for all departments are paid from the General Fund. Fringe benefits for positions not paid from the General Fund reimburse the General Fund by making a credit to Interfund Fringe Reimbursement.

The Budget Director informed your Committee the proposed amendment revises the Budget to accurately reflect payment of fringe

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benefits and does not result in any additional appropriations for fringe benefit payments.

Your Committee voted 7-0 to recommend passage of the proposed bill on first reading and filing of the communication. Committee Chair Hokama, Vice-Chair White, and members Baisa, Carroll, Cochran, Crivello, and Victorino voted "aye." Committee members Couch and Guzman were excused.

Your Committee is in receipt of a revised proposed bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions, including adjustments to reflect the expected passage of other pending legislation.

Your Budget and Finance Committee **RECOMMENDS** the following:

1. That Bill _____ (2016), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF FINANCE, COUNTYWIDE COSTS; 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 16-127 be FILED.

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



RIKI HOKAMA, Chair

ORDINANCE NO. _____

BILL NO. _____ (2016)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
DEPARTMENT OF FINANCE,
COUNTYWIDE COSTS;
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. 4334, Bill No. 62 (2016), Draft 1, as amended, "Fiscal Year 2017 Budget", is hereby amended as it pertains to Section 2, Estimated Revenues, by decreasing Interfund Transfers in the amount of \$919,364; and by decreasing Total Estimated Revenues in the amount of \$919,364, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes		273,887,388
Circuit Breaker Adjustment		(398,235)
Charges for Current Services		135,887,152
Transient Accommodations Tax		23,484,000
Public Service Company Tax		9,100,000
Licenses/Permits/Others		35,170,154
Fuel and Franchise Taxes		23,606,500
Special Assessments		5,975,000
Other Intergovernmental		32,775,000

FROM OTHER SOURCES:

Interfund Transfers	[46,486,467]	<u>45,567,103</u>
Bond/Lapsed Bond		38,129,000
Carryover/Savings:		
General Fund		17,578,419
Sewer Fund		3,800,945
Highway Fund		4,886,279
Solid Waste Management Fund		22,086
Golf Fund		458,756
Liquor Fund		797,883
Bikeway Fund		311,997
Water Fund		<u>7,751,766</u>

TOTAL ESTIMATED REVENUES [659,710,557] 658,791,193"

SECTION 2. Fiscal Year 2017 Budget is hereby amended as it pertains to Section 3.B.4.f.(1), Department of Finance, Countywide Costs, Fringe Benefits, by decreasing the B-Operations and Total appropriation by \$919,364, to read as follows:

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
"4. Department of Finance				
a. Administration Program	644,394	92,462	1,500	738,356
(1) Provided, that disbursement for salaries and premium pay is limited to 9.8 equivalent personnel.				
(2) Provided, that the Full Cost Allocation Plan and OMB A-87 Compliant Cost Allocation Plan are updated.				
b. Accounts Program	1,080,550	561,900	3,000	1,645,450
(1) Provided, that disbursement for salaries and premium pay is limited to 18.0 equivalent personnel.				
c. Financial Services Program				
(1) General	4,827,236	1,956,920	5,000	6,789,156
(i) Provided, that disbursement for salaries and premium pay is limited to 98.7 equivalent personnel.				
(2) Countywide Service Center – Annual Lease Costs	0	506,800	0	506,800
d. Purchasing Program	392,228	68,721	0	460,949
(1) Provided, that disbursement for salaries and premium pay is limited to 7.0 equivalent personnel.				
e. Treasury Program	693,998	413,600	5,435	1,113,033
(1) Provided, that disbursement for salaries and premium pay is limited to 14.0 equivalent personnel.				
f. Countywide Costs				
(1) Fringe Benefits	0	[57,966,774]	0	[57,966,744]
		<u>57,047,410</u>		<u>57,047,410</u>
(2) Bond Issuance and Debt Service	0	41,053,717	0	41,053,717
(3) Supplemental Transfer to the Golf Fund	0	2,767,331	0	2,767,331

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
(4) Supplemental Transfer to the Solid Waste Management Fund	0	11,428,064	0	11,428,064
(5) Insurance Programs and Self Insurance	0	12,700,000	0	12,700,000
(6) Transfer to the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund	0	2,734,892	0	2,734,892
(7) Transfer to the Affordable Housing Fund	0	5,469,783	0	5,469,783
(8) General Costs	0	936,126	0	936,126
(9) Overhead Reimbursement	0	(22,043,724)	0	(22,043,724)
(10) Transfer to the Emergency Fund	0	4,000,000	0	4,000,000
(11) Post-Employment Obligations (i) Provided, that the funds are paid to the State of Hawaii Employer-Union Health Benefits Trust Fund prior to September 30, 2016.	0	16,172,000	0	16,172,000"

SECTION 3. Fiscal Year 2017 Budget is hereby amended as it pertains to the Total Operating Appropriations to reflect a B-Operations and Total decrease of \$919,364, to read as follows:

"TOTAL OPERATING APPROPRIATIONS	174,988,440	[362,826,798]	8,025,405	[545,840,643]
		<u>361,907,434</u>		<u>544,921,279"</u>

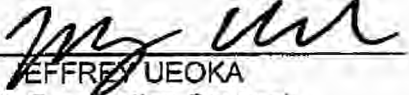
SECTION 4. Fiscal Year 2017 Budget is hereby amended as it pertains to the Total Appropriations (Operating and Capital Improvement Projects) to reflect a decrease of \$919,364, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)			[659,710,557]	<u>658,791,193"</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:



JEFFREY UEOKA
Deputy Corporation Counsel