

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

February 17, 2017

**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 January 31, 2017, makes reference to County Communication 16-110, from Councilmember Hokama, relating to amendments to the Fiscal Year 2017 Budget to authorize transfers between categories of use that are within a program or department.

By correspondence dated January 17, 2017, the Budget Director transmitted a proposed resolution entitled "AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF PERSONNEL SERVICES, FISCAL YEAR 2017 BUDGET."

The purpose of the proposed resolution is to amend the Fiscal Year 2017 Budget within the Department of Personnel Services by transferring \$100,000 from the Personnel Administration and Management Support Services Program, Category A (Salaries) to Category B (Operations) to fund the projected shortfall in travel and professional services related to collective bargaining negotiations.

The proposed resolution references Section 7 of the General Budget Provisions in the Fiscal Year 2017 Budget, which restricts disbursements for each program by category of use, with allocations specified for: (a) salaries, premium pay, or reallocation pay (Category A); (b) operations or services (Category B); and (c) equipment (Category C).

The Budget Director said the request is for \$50,000 for travel related costs and \$50,000 for professional services, including the County's share for expert witness fees relating to the Hawaii Government Employees Association.

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The Deputy Director of Personnel Services informed your Committee the Department has savings of \$100,000 from Category A because of recent retirements resulting in vacant positions. She said two of the vacant positions were filled at a lower salary than the previous incumbents and the third position is expected to be filled in March.

Your Committee questioned whether the vacancies in the Department had an impact on any of the County departments in filling vacant positions. The Deputy Director said the vacancies in the Department did not impact filling vacant positions and a new applicant tracking system was implemented in April 2016. The system allows the Department to determine its efficiencies and how to better fill vacant positions.

The Deputy Director noted fourteen collective bargaining unit contracts will expire on June 30, 2017, of which eight of the contracts will affect the County. Negotiations are underway for Bargaining Unit 11, Hawaii Fire Fighters Association. The Hawaii Government Employees Association, which represents Bargaining Units 2, 3, 4, and 13, will start arbitration on February 8, 2017. She added three units are still in the "talking" stage.

The Deputy Director informed your Committee the funds are needed to cover travel costs relating to the contract matters for the Director or Deputy Director of Personnel Services, along with staff members.

Your Committee voted 7-0 to recommend adoption of the proposed resolution. Committee Chair Hokama, Vice-Chair White, and members Atay, Carroll, Crivello, King, and Sugimura voted "aye." Committee members Cochran and Guzman were excused.

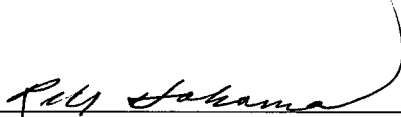
Your Budget and Finance Committee **RECOMMENDS** that Resolution _____, attached hereto, entitled "AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF PERSONNEL SERVICES, FISCAL YEAR 2017 BUDGET," be **ADOPTED**.

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



RIKI HOKAMA, Chair

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Resolution

No. _____

AUTHORIZING THE TRANSFER OF AN UNENCUMBERED
APPROPRIATION BALANCE WITHIN THE
DEPARTMENT OF PERSONNEL SERVICES,
FISCAL YEAR 2017 BUDGET

WHEREAS, Section 9-10(2) of the Revised Charter of the County of Maui (1983), as amended (“Charter”), provides that, upon written request of the Mayor, part or all of any unencumbered appropriation balance may be transferred within a department by resolution or from one department to another by ordinance; and

WHEREAS, Section 7 of the General Budget Provisions in Ordinance No. 4334, Bill No. 62 (2016), Draft 1, as amended, (“Fiscal Year 2017 Budget”), states that, unless otherwise provided, appropriations for each program may be disbursed for the following categories of use: (a) salaries, premium pay, or reallocation pay, (b) operations or services, and (c) equipment; provided the disbursement is within the program and category of use for which it was appropriated; and

WHEREAS, Section 3.B.11.a. of the Fiscal Year 2017 Budget, relating to the Department of Personnel Services, sets forth appropriations for the Personnel Administration and Management Support Services Program; and

WHEREAS, pursuant to Section 9-10(2) of the Charter, Mayor Alan M. Arakawa has submitted a written request to transfer an unencumbered appropriation balance of \$100,000 from the Personnel Administration and Management Support Services Program, Category A, to the Personnel

Resolution No. _____

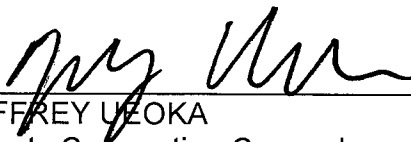
Administration and Management Support Services Program, Category B, in order to disburse \$100,000 for operations or services from the appropriate category; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That, pursuant to Section 9-10(2) of the Charter and Section 7 of the General Budget Provisions, and in accordance with the Fiscal Year 2017 Budget, it does hereby authorize the transfer of an unencumbered appropriation balance of \$100,000 from the Personnel Administration and Management Support Services Program, Category A, to the Personnel Administration and Management Support Services Program, Category B, for operations or services; and

2. That certified copies of this resolution be transmitted to the Mayor, Director of Finance, Budget Director and Director of Personnel Services.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UZOKA
Deputy Corporation Counsel
County of Maui