

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

April 4, 2008

Committee
Report No.

08-50

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 10, 2008, makes reference to County Communication No. 08-58, from the Budget Director, transmitting the following:

1. A proposed bill entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2008 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, TOTAL OPERATING APPROPRIATIONS, AND TOTAL APPROPRIATIONS (OPERATIONS AND CAPITAL IMPROVEMENT PROJECTS)”.

The purpose of the proposed bill is to amend the Fiscal Year (FY) 2008 Budget by: (1) decreasing Charges for Current Services by \$3,800,000; (2) increasing Carryover/Savings in the Solid Waste Fund by \$3,100,000; (3) decreasing Total Estimated Revenues by \$700,000; and (4) decreasing the appropriation for the Hana Landfill scrap metal clean-up project, Landfill Disposal Program-Solid Waste Fund, by \$700,000.

2. A document entitled “Certification of Additional Revenues for Fiscal Year 2008” dated February 12, 2008, pursuant to Section 9-9.1, Revised Charter of the County of Maui (1983), as amended.

At its meeting, your Committee met with the Budget Director; the Director of Finance; the Director of Environmental Management; the Solid Waste Division Chief, Department of Environmental Management; and the First Deputy Corporation Counsel.

There was no public testimony.

The Director of Finance stated that an evaluation of the Solid Waste Fund revenues, as of January 31, 2008, disclosed that actual revenues are significantly less than

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the amount budgeted, and a shortfall in the Solid Waste Fund is projected by the end of the fiscal year.

The Director of Environmental Management explained that the Solid Waste Division has improved their tracking of the amount of waste entering the County's landfills. Based on the information to date, it appears that there are significantly less tons of waste entering the landfill, which results in less actual revenues from tipping fees than the amount budgeted.

The Solid Waste Division Chief stated that the Solid Waste Division increased its enforcement efforts to prohibit construction debris from entering the landfill. This resulted in a reduction of commercial waste entering the landfill and a decrease in tipping fees. He further stated that there is a reduction in the amount of green waste entering the landfill from commercial haulers due to the \$29 per ton increase in the fees for FY 2008.

The Director of Environmental Management explained that the Solid Waste Division charged its residential refuse collection customers in May and June 2007 for refuse collection from July 1, 2007 to December 31, 2007. The amounts collected in May and June 2007 were reported in the fiscal year ending June 30, 2007.

The Director of Finance stated that an estimated \$872,000 of FY 2008 residential collection fee revenues were reported in FY 2007. This revenue is part of the \$3,100,000 of Carryover/Savings that has been certified by the Mayor for this proposed budget amendment.

The Solid Waste Division Chief stated that \$700,000 of the \$2,200,000 budget appropriation in FY 2008 for the "Hana Landfill scrap metal clean-up" is not required because the County has received a bid lower than anticipated in the FY 2008 Budget.

Your Committee recommended that the proposed bill be revised to incorporate pending budget amendments and make any nonsubstantive revisions as required.

Your Committee voted to recommend passage of the revised proposed bill and filing of the communication.

Your Committee is in receipt of a revised proposed bill incorporating your Committee's recommendations.

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Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. _____ (2008), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2008 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, TOTAL OPERATING APPROPRIATIONS, AND TOTAL APPROPRIATIONS (OPERATIONS AND CAPITAL IMPROVEMENT PROJECTS)", be PASSED ON FIRST READING and be ORDERED TO PRINT; and

2. That County Communication No. 08-58 be FILED.

Adoption of this report is respectfully requested.

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JOSEPH PONTANILLA **Chair**

DANNY A. MATEO **Member**

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