

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

April 7, 2006

Committee
Report No. 06-45

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 14, 2006, makes reference to County Communication No. 06-50, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2006 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, THE DEPARTMENT OF WATER SUPPLY, TOTAL OPERATING APPROPRIATIONS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The purposes of the proposed bill are to: (a) increase the Carryover/Savings in the Water Supply Fund by \$1,371,250; (b) decrease the appropriation for the Engineering Program-Water Supply Fund by \$175,000; (c) decrease the appropriation for the Water Resources and Planning Program-Water Supply Fund by \$153,750; (d) revise the grant to "The Nature Conservancy for East Maui Watershed Partnership" to a grant to "Tri-Isle RC&D for the East Maui Watershed Partnership's East Maui Watershed Protection Project"; (e) decrease the appropriation for the Water Treatment Plant Operations Program-Water Supply Fund by \$300,000; and (f) increase the appropriation for the Plant Operations Program-Water Supply Fund by \$2,000,000.

2. A Certification of Additional Revenues for Fiscal Year 2006 dated February 9, 2006, pursuant to Section 9-9.1, Revised Charter of the County of Maui (1983), as amended (Charter).

The document certifies that additional carryover/savings is available for appropriation in the amount of \$1,371,250 from the Water Supply Fund.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

April 7, 2006
Page 2

Committee
Report No. 06-45

At its meeting, your Committee met with the Budget Director; the Director of Water Supply; the Planning Program Manager, Water Resources and Planning Division, Department of Water Supply; and the First Deputy Corporation Counsel.

There was no public testimony.

The Director of Water Supply stated that an additional appropriation of \$2,000,000 in the Plant Operations Program is needed because of increased electrical costs required to pump water from underground water sources. He explained that the proposed bill transfers anticipated cost savings arising from vacant positions in the Engineering, Water Resources and Planning, and Water Treatment Plant Operations programs. The balance of the funds is provided through the additional \$1,371,250 of carryover/savings in the Water Supply Fund, which became available because the actual carryover/savings from Fiscal Year (FY) 2005 was more than budgeted for in the FY 2006 Budget.

The Director of Water Supply explained that the energy cost adjustment charged by Maui Electric Company, Inc. has risen from 3.3 cents per kilowatt-hour on June 30, 2003 to 10.1 cents per kilowatt-hour on September 1, 2005.

The Planning Program Manager stated that the proposed bill corrects an error in the FY 2006 Budget by revising a grant to “The Nature Conservancy for East Maui Watershed Partnership” to a grant to “Tri-Isle RC&D for the East Maui Watershed Partnership’s East Maui Watershed Protection Project”.

Your Committee recommended that the proposed bill be revised to incorporate housekeeping changes because of pending budget amendments.

Your Committee voted to recommend the passage of the proposed bill on first reading and filing of the communication.

Your Committee is in receipt of a revised proposed bill, from the Budget Director, incorporating your Committee’s recommendations.

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

1. That Bill No. _____ (2006), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

April 7, 2006
Page 3

Committee
Report No. 06-45

YEAR 2006 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, THE DEPARTMENT OF WATER SUPPLY, 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. 06-50 be FILED.


Adoption of this report is respectfully requested.

bf:cr:0669aa:ltt

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

April 7, 2006
Page 4

Committee
Report No. 06-45



DAIN P. KANE Chair

DANNY A. MATEO Member

G. RIKI HOKAMA Vice-Chair

MICHAEL J. MOLINA Member

MICHELLE ANDERSON Member

JOSEPH PONTANILLA Member

ROBERT CARROLL Member

CHARMAINE TAVARES Member

JO ANNE JOHNSON Member

ORDINANCE NO. _____

BILL NO. _____ (2006)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2006 BUDGET FOR THE
COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES,
THE DEPARTMENT OF WATER SUPPLY,
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. 3289, Bill No. 45 (2005), Draft 1, as amended ("Fiscal Year 2006 Budget"), is hereby amended as it pertains to Section 2, Estimated Revenues, by increasing the Carryover/Savings Water Supply Fund in the amount of \$1,371,250, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes	\$162,744,070
Circuit Breaker Adjustment	(\$1,043,009)
Charges for Current Services	\$71,680,657
Transient Accommodations Tax	\$18,840,000
Public Service Company Tax	\$4,600,000
Licenses/Permits/Others	\$19,456,904
Fuel and Franchise Taxes	\$19,048,142
Special Assessments	\$11,291,000
Other Intergovernmental	\$7,160,000

FROM OTHER SOURCES:

Interfund Transfers	\$24,082,891
Bond/Lapsed Bond	\$30,963,500
Carryover/Savings:	
General Fund	\$9,887,354
Wastewater Fund	\$1,207,821
Highway Fund	\$3,947,799
Solid Waste Fund	\$2,628,233
Golf Fund	\$10,200
Liquor Fund	\$588,330
Bikeway Fund	\$60,963
Water Supply Fund	[\$5,885,455]
	<u>\$7,256,705</u>

TOTAL ESTIMATED REVENUES [\$393,040,310] \$394,411,560"

SECTION 2. Ordinance No. 3289, Bill No. 45 (2005), Draft 1, as amended ("Fiscal Year 2006 Budget"), is hereby amended as it pertains to Section 3.B.16, Department of Water Supply, by revising the grantee from The Nature Conservancy for East Maui Watershed Partnership to Tri-Isle RC&D for the East Maui Watershed Partnership's East Maui Watershed Protection Project for the Water Resources and Planning Program - Water Supply Fund, by decreasing the appropriations for the Engineering Program - Water Supply Fund in the amount of \$175,000, for the Water Resources and Planning Program - Water Supply Fund in the amount of \$153,750, and for the Water Treatment Plant Operations Program - Water Supply Fund in the amount of \$300,000, and by increasing the appropriation for the Plant Operations Program - Water Supply Fund in the amount of \$2,000,000, to read as follows:

<u>"FUNCTIONS AND PROGRAMS</u>	<u>APPROPRIATION</u>
16. Department of Water Supply	\$1,321,160
a. Administration Program - Water Supply Fund	
(1) Provided, that disbursement for salaries and premium pay is limited to 8.3 equivalent personnel.	
b. Departmental Expenses - Water Supply Fund	\$6,056,425
(1) Debt Service	\$250,000
(2) Insurance	\$291,368
(3) Overhead Charges	\$3,457,423
(4) Employee Benefits	\$500,000
(5) Refund for Mainline Expenses	\$2,109,880
c. Fiscal/Customer Service Program - Water Supply Fund	
(1) Provided, that disbursement for salaries and premium pay is limited to 30.9 equivalent personnel.	
d. Engineering Program - Water Supply Fund	[\$1,684,331]
(1) Provided, that disbursement for salaries and premium pay is limited to 26.6 equivalent personnel.	<u>\$1,509,331</u>
e. Water Resources and Planning Program - Water Supply Fund	[\$1,274,722]
(1) Provided, that disbursement for salaries and premium pay is limited to 12.2 equivalent personnel.	<u>\$1,120,972</u>
(2) Grant to Leeward Haleakala Forest Restoration Partnership - Dry Forest Restoration	\$15,000
(3) Grant to Maui Nui Botanical Gardens	\$50,000
(4) Grant to [The Nature Conservancy for East Maui Watershed Partnership] <u>Tri-Isle RC&D for the East Maui Watershed Partnership's East Maui Watershed Protection Project</u>	\$100,000
(5) Grant to West Maui Partnership through University of Hawaii Watershed Management	\$75,000
(6) Grant to The Nature Conservancy for East Maui Watershed Protection	\$100,000
(7) Grant to East Molokai Watershed Partnership	\$40,000

(8) Grants and disbursements for Miconia Containment and Removal		\$250,000
f. Water Treatment Plant Operations Program - Water Supply Fund	[\$4,728,385]	<u>\$4,428,385</u>
(1) Provided, that disbursement for salaries and premium pay is limited to 24.0 equivalent personnel.		
g. Field Operations Program - Water Supply Fund		\$5,091,279
(1) Provided, that disbursement for salaries and premium pay is limited to 75.0 equivalent personnel.		
h. Plant Operations Program - Water Supply Fund	[\$8,796,012]	<u>\$10,796,012</u>
(1) Provided, that disbursement for salaries and premium pay is limited to 34.2 equivalent personnel."		

SECTION 3. The Total Operating Appropriations is amended to reflect an increase of \$1,371,250, to read as follows:

"TOTAL OPERATING APPROPRIATIONS	[\$318,973,983]	<u>\$320,345,233"</u>
---------------------------------	-----------------	-----------------------

SECTION 4. The Total Appropriations (Operating and Capital Improvement Projects) is amended to reflect an increase of \$1,371,250, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[\$393,040,310]	<u>\$394,411,560"</u>
--	-----------------	-----------------------

SECTION 5. Material to be repealed is bracketed. New material is underscored. In printing this ordinance, the County Clerk need not include the brackets, the bracketed materials or the underscoring.

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

APPROVED AS TO FORM AND LEGALITY:



 TRACI FUJITA VILLAROSA
 First Deputy Corporation Counsel

s:\mayor\budget\2006\ordinance amendments\fy06-bgtordrev-15-Water-Supplemental-rev.xls


CERTIFICATION OF ADDITIONAL
REVENUES FOR FISCAL YEAR 2006

I, ALAN M. ARAKAWA, Mayor of the County of Maui, State of Hawaii, pursuant to Section 9-9.1 of the Revised Charter of the County of Maui (1983), as amended, do hereby certify, that there is available for appropriation revenue received from anticipated sources but in excess of the budget estimates for Fiscal Year 2006. The amount available for appropriation is:

From the Carryover/Savings:

Water Supply Fund


\$1,371,250.00


ALAN M. ARAKAWA
Mayor, County of Maui

STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this day of FEB 9, 2006, before me appeared Alan M. Arakawa, to me personally known, who being by me duly sworn did say that he is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Section 9-18 of the Charter of the County of Maui; and the said ALAN M. ARAKAWA acknowledged the said instrument to be the free act and deed of said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.


LINDA K. TAMASHIRO
Notary Public, State of Hawaii
My commission expires: October 19, 2006

15