

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

March 5, 2004

Committee
Report No. 04-40

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 February 17, 2004, makes reference to the following:

1. County Communication No. 03-15, from the Budget Director, transmitting the Capital Improvement Program Implementation Status Report (CIP Status Report) as of September 30, 2002;
2. County Communication No. 04-31, from the Budget Director, transmitting the CIP Status Report as of September 30, 2003; and
3. County Communication No. 04-32, from the Budget Director, transmitting the CIP Status Report as of December 31, 2003.

By correspondence dated September 30, 2003, your Committee's Chair requested that the Budget Director provide copies of the CIP Status Reports for the second quarter (as of December 31, 2002), the third quarter (as of March 31, 2003), and the fourth quarter (as of June 30, 2003) for Fiscal Year (FY) 2003.

By correspondence dated October 19, 2003, the Budget Director requested additional time to submit the requested reports.

By correspondence dated October 22, 2003, the Budget Director transmitted CIP Status Reports for the second quarter, the third quarter, and the fourth quarter of FY 2003.

At its meeting, your Committee met with the Budget Director; the Director of Public Works and Environmental Management; the Director of Housing and Human Concerns; the Chief of the Parks Planning and Development Program, Department of Parks and Recreation; the Economic Development Coordinator; a

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Personnel Management Specialist, Department of Personnel Services; and the First Deputy Corporation Counsel.

There was no public testimony.

Your Committee proceeded to review the CIP Status Report as of December 31, 2003, focusing on specific projects of interest in the various community plan districts.

Your Committee expressed concerns regarding the accuracy of the financial information provided in the report. Your Committee noted the following discrepancies: (1) some projects described as "completed" showed that "0" funds were expended; (2) cash-funded projects in Fiscal Year (FY) 2002 were described as "completed", but showed an available balance two years later with "0" funds encumbered; and (3) a project funded by the Bond Fund in FY 2002 was noted as having an available balance, but the funds were reappropriated in the FY 2004 Budget as lapsed bond funds.

Your Committee expressed further concerns that the Budget Office, who supplies the financial information, and the County departments, who have responsibility over the individual projects and for providing the status of these projects, are not communicating.

The Budget Director informed your Committee that due to a miscommunication between the Budget Office and the departments responsible for each CIP project, the financial information included in the report was not current. He stated that the CIP Status Report as of March 31, 2004 would include the correct financial information.

Your Committee voted to recommend filing the communications.

Your Budget and Finance Committee RECOMMENDS the following:

1. That County Communication No. 03-15 be FILED;
2. That County Communication No. 04-31 be FILED; and
3. That County Communication No. 04-32 be FILED.

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Adoption of this report is respectfully requested.

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WAYNE K. NISHIKI **Vice-Chair**

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