

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

June 2, 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 May 16, 2017, makes reference to County Communication 16-110, from Councilmember Riki 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 May 9, 2017, the Budget Director transmitted a proposed resolution entitled "AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF PARKS AND RECREATION, FISCAL YEAR 2017 BUDGET."

The purpose of the proposed resolution is to amend the Fiscal Year 2017 Budget within the Department of Parks and Recreation, Recreation and Support Services Program, by transferring \$426,000 from Category A (Salaries) to Category B (Operations), for a projected shortfall in sewer, water delivery, cesspool pumping, and pool chemical expenditures.

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 Director of Parks and Recreation said the savings in salaries and wages are from vacant positions because of retirements and in-house promotions. He also said the Department is currently in the process of reorganizing.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

Page 2

Committee
Report No. _____

He said the Department is working on filling all vacant positions; however, the process is long and difficult. He said although the Department currently has vacancies, every position needs to be filled to provide quality park services.

The Director said because pool guard positions are difficult to fill, the Department maintains continuous recruitment for the positions. He also said it takes a minimum of three months to fill a park caretaker position. He said the Department does internal movements and promotions before publicly posting a vacant position.

Your Committee asked whether appropriations for water delivery, sewer, electricity, and pool chemicals are sufficient in the proposed Fiscal Year 2018 Budget. The Director said estimates for the Budget were based on historical expenditures. However, year-round use of parks and facilities instead of seasonal play, as well as new parks, such as the Maui Lani Park and Central Maui Regional Sports Complex, have caused costs to increase. These components were not factored into the Fiscal Year 2018 Budget.

The Director also said heavy usage of swimming pools throughout the County resulted in higher costs to maintain facilities. He said contracts for pool chemicals such as chlorine were underestimated by \$80,000. He also said sewer costs were underestimated by \$60,000, possibly because of increased shower and restroom facility use attributed to homeless issues.

Your Committee questioned the use of R-1 water at County parks. The Director responded less than 20 percent of the parks utilize R-1 water, but the Department is exploring the implementation of R-1 water sources where possible. He said R-1 water is currently used for irrigation at Kalama Park and parts of Keopuolani Park. Installation of an R-1 waterline is near completion at Waipuilani Park. He further said Central Maui Regional Sports Complex has its own water source for irrigation.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE


Page 3

**Committee
Report No.** _____

Your Committee voted 9-0 to recommend adoption of the proposed resolution. Committee Chair Hokama, Vice-Chair White, and members Atay, Carroll, Cochran, Crivello, Guzman, King, and Sugimura voted "aye."

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

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 PARKS AND RECREATION,
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.10.c of the Fiscal Year 2017 Budget, relating to the Department of Parks and Recreation, sets forth appropriations for the Recreation and 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 \$426,000 from the Recreation and Support Services Program, Category A, to the Recreation and Support Services Program, Category

Resolution No. _____


B, in order to disburse \$426,000 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 \$426,000 from the Recreation and Support Services Program, Category A, to the Recreation and Support Services, Category B, in order to disburse \$426,000 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 Parks and Recreation.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY HEOKA
Deputy Corporation Counsel
County of Maui