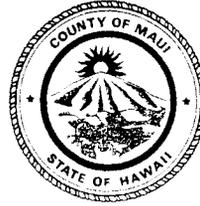


ALAN M. ARAKAWA
MAYOR



RECEIVED

KEITH A. REGAN
MANAGING DIRECTOR

2017 JUN -1 AM 9:18

OFFICE OF THE MAYOR

Ke'ena O Ka Meia

COUNTY OF MAUI – Kalana O Maui

OFFICE OF THE
COUNTY COUNCIL

REFERENCE NO. BD-BA 17-107b

June 1, 2017

Honorable Alan Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Riki Hokama, Chair
Budget and Finance Committee
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Hokama:

Alan Arakawa 6/1/17

SUBJECT: REVISED AMENDMENT TO THE FISCAL YEAR 2017 BUDGET TO AUTHORIZE TRANSFERS RELATING TO CATEGORIES OF USE BUT WITHIN A PROGRAM OR DEPARTMENT (BF-121)

On behalf of the Department of Finance, I am transmitting the revised attached proposed resolution for the purpose of transferring a total of \$880,000 within Countywide Costs, from "Insurance Programs and Self Insurance" to "Fringe Benefits" instead of the \$400,000 that was previously requested to make additional funding available for a projected budgetary shortfall in Fringe Benefits.

In the Mayor's Proposed and Council Approved FY 2017 Budget, the Fringe Benefits line item under Countywide Costs was a net of "Fringe Benefits" and "Fringe Benefit Reimbursements." In contrast, in previous fiscal years, the Budget Office separated "Fringe Benefits" from "Fringe Benefit Reimbursements."

As a result of the "netting" done in Fiscal Year 2017, it has come to our attention that there will be a budgetary shortfall under "Fringe Benefits" due to "Fringe Benefit Reimbursements" being less than anticipated.

The Department of Finance is requesting that the proposed resolution be considered as soon as possible. I respectfully request expeditious review, discussion and appropriate action by the Budget and Finance Committee.

Honorable Riki Hokama, Chair
Budget and Finance Committee
June 1, 2017
Page 2

Thank you for your attention in this matter. Should you have any questions, please feel free to contact me at ext. 7212.

Sincerely,



LYNN ARAKI-REGAN
Budget Director

Attachment

cc: Keith Regan, Managing Director
Danny Agsalog, Director of Finance
Patrick Wong, Corporation Counsel

Resolution

No. _____

AUTHORIZING THE TRANSFER OF AN UNENCUMBERED
APPROPRIATION BALANCE WITHIN THE
DEPARTMENT OF FINANCE,
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.4.f. of the Fiscal Year 2017 Budget, relating to the Department of Finance, sets forth appropriations for Countywide Costs, Fringe Benefits, and Insurance Programs and Self Insurance; 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 \$880,000 from Countywide Costs, Insurance Programs and Self Insurance, Category B, to Countywide Costs, Fringe Benefits, Category B,

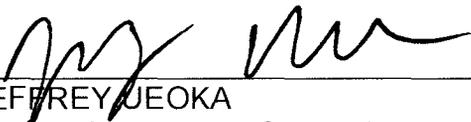
Resolution No. _____

due to a projected budgetary shortfall under Countywide Costs, Fringe Benefits;
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 \$880,000 from Countywide Costs, Insurance Programs and Self Insurance, Category B, to Countywide Costs, Fringe Benefits, Category B; and
2. That certified copies of this resolution be transmitted to the Mayor, Director of Finance, Budget Director and Corporation Counsel.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY JEOKA
Deputy Corporation Counsel
County of Maui