

MICHAEL P. VICTORINO
Mayor

SCOTT K. TERUYA
Director

MAY-ANNE A. ALIBIN
Deputy Director



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DEPARTMENT OF FINANCE 2019 APR 11 AM 11: 54
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
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COUNTY COUNCIL**

April 8, 2019

Ms. Michele Yoshimura *MJY*
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P Victorino 4/11/19

Mayor Date

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Keani Rawlins-Fernandez
Chair, Budget and Finance Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez:

**SUBJECT: REQUESTS/QUESTIONS FROM THE APRIL 4, 2019 MEETING
(FN-15)(EDB-1)**

Pursuant to your letter dated April 5, 2019, relating to the Requests/Questions from the April 4, 2019 Economic Development and Budget Committee meeting, below are the responses to the following:

1. The Department has a large amount of overtime hours. During your confirmation, you mentioned certain projects such as the IFAS upgrade were delayed because of personnel shortages. Are there sufficient personnel in the Department to support the HR/Payroll project and the IFAS upgrade? (YS)

The large amount of overtime hours can be attributed to the HR/Payroll Replacement project and completion of the recent Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. While the HR/Payroll project has gone live on April 1, 2019 for HR and payroll processing,

Phase IA - Time tracking has yet to be deployed. The success of Phase IA is dependent on adequate resources and capabilities that will extend way beyond the completion of the implementation. The Accountant IV - Time Tracking Lead position is necessary for us to stabilize and house the time tracking functions in the new Workday system. With the transition to Workday system, the time configuration responsibilities have shifted, from ADP to the County. Currently, the Department is in an open recruitment process for the Accountant IV position with limited term appointment through June 30, 2019. This position was temporarily transferred to Finance Department from the Police Department but will have to be transferred back effective July 1, 2019. Initially, the position was posted as Promotion Without Examination (PWOE) but with only one eligible applicant, who subsequently withdrew his/her application. There is an immediate need to fill the Accountant IV position and the Department anticipates that this position will reduce the overtime in the Accounts Division, particularly in Payroll Section. However, the Department also realizes that there may be some challenges in filling this position due of the nature of limited term appointments, and more specifically with a very short-term duration.

Once the Workday system has been fully implemented, the Department plans to assess whether the County needs to replace the current accounting system, Integrated Financial Accounting System (IFAS) with a new accounting system or upgrade IFAS to a newer version called OneSolution. If the assessment results into a replacement of IFAS, then further review and analysis will have to be completed to ensure that the Department has adequate resources to perform such project. If the determination is to upgrade to OneSolution, the Department anticipates to utilize its current personnel to complete this project but may need to increase the overtime budget.

2. Relating to the four equivalent personnel for DMVL Service Representative II Limited Term Appointment positions in Lahaina, Pukalani, Kihei, and Kahului (Budget Details, pages 6-13 and 6-14), will these positions be sufficient to meet the projected increases in volume for driver's license renewals and requests for Real ID-compliant credentials before October 1, 2020? If the four additional equivalent personnel are not provided, how will it impact the Department's ability to accommodate these anticipated increases? (YS)

The 4.0 equivalent personnel (E/P) LTA expansion positions included in the Mayor's Proposal will partially assist in meeting the demand but will still pose some significant challenges to the Department in accommodating the projected double increase in the demand for licenses, both new issues and renewals. As discussed in the Department of Finance's Pre-Budget Session Presentation during the Economic Development and Budget Committee meeting on March 14, 2019 beginning October 1, 2020, the Department of Homeland Security (DHS) will only accept credentials with a "Star" designation. Licenses issued (new and renewal)

from January 2013 through December 2017 are anticipated to apply for a Duplicate License to obtain the "Star" marking on their licenses.

While the Department respectfully supports the Mayor's Budget Proposal of 4.0 E/P (LTA), further consideration is requested to approve a total of 8.0 E/P (LTA), of which two E/P will be assigned at each of following locations: Service Center and Satellite Offices in Kihei, Pukalani and Lahaina. Without these limited term expansion positions, the impact will be longer customer wait times, increase in number of customer complaints, increase in the overtime hours, and lower employee morale due to extensive demand.

Additionally, the Department understands that the addition of these 8.0 E/P (LTA) will have significant budgetary impact and therefore recently completed the following analysis to further assist with determination on how to fund these additional positions:

Monthly Average	Duplicate License Fee	Monthly Revenue	Annual Revenue	Revenue Source
4,073	\$10.00	\$40,730	\$488,760	Present Rate/Fee
4,073	\$12.00	\$48,876	\$586,512	Potential Rate/Fee

Expansion Position	No. of Position	Annual Salary	Annual Salaries	Fringe 94.79%
DMVL SR II	4	\$36,732	\$146,928	\$139,273
DMVL SR II	8	\$36,732	\$293,856	\$278,546

Thank you for your attention to this matter. Should you have any questions, please feel free to contact me at Ext. 7474.

Sincerely,


 SCOTT K. TERUYA
 Finance Director