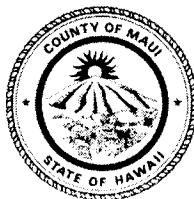


ALAN M. ARAKAWA
MAYOR



GLENN MUKAI
DIRECTOR

MARK T. HONDA
DEPUTY DIRECTOR

DEPARTMENT OF LIQUOR CONTROL
C O U N T Y O F M A U I


2145 KAOHU STREET, ROOM 105 • WAILUKU, MAUI, HAWAII 96793
PHONE (808) 243-7753 • FAX (808) 243-7558

OFFICE OF THE
COUNTY COUNCIL

2017 APR 21 10 36


RECEIVED

April 21, 2017

Ms. Lynn A.S. Araki-Regan 
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

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

APPROVED FOR TRANSMITTAL

 4/21/17
Mayor Date

For Transmittal to:

Honorable G. Riki Hokama
Chair, Budget and Finance Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Hokama:

SUBJECT: REQUESTS/QUESTIONS FROM THE APRIL 19, 2017 MEETING (LC-1) (BF-1)

1. According to a vacancy log dated March 28, 2017, from the Department of Personnel Services, the following positions are listed as "NRF" (no request to fill) by your Department:

- a. LC-0003 Chief Liquor Control Officer
- b. LC-0010 Liquor Control Officer IV
- c. LC-0023 Liquor Control Auditor II
- d. LC-0026 Liquor Control Officer I

Explain why these positions appear in the Mayor's Proposed Fiscal Year 2018 Budget under Liquor Control Administration Salaries (pages 9-3 and 9-4 of the Budget Details) as fully funded.

The Department's mission is to protect the health, safety and welfare of the general public by regulating and controlling the liquor industry in the importation, manufacture, sale and service of alcoholic beverages to provide a safe and healthy environment for the people of Maui County.

The Department is responsible for regulating an industry, covering three islands, that generated over \$353 million in FY 2016 alone. The industry continues to consistently increase by over \$12 million each year.

These positions are an integral part in the Department accomplishing its mission. The Department anticipates filling these positions prior to FY2018 or during FY2018.

LC-0003, Chief Liquor Control Officer and LC-0010, Liquor Control Officer IV, are currently being re-described to fit the current needs of the Department.

LC-0023, Liquor Control Auditor II, went vacant on 1/31/17, and is currently being re-described to a Liquor Control Auditor I. This position is mainly responsible for the renewal of all liquor licenses and the auditing of gross liquor sales to ensure each licensee pays their fair share through the percentage fee calculations and process.

All of the Department's funding will be derived through this process.

LC-0026, Liquor Control Officer I, should not have read "NRF". DPS was informed of this because it is currently in recruitment under Req. No. 01064.

This position is a limited term position due to a permanent employee having return rights.

2. Provide an approximate cost breakdown to purchase and install a surveillance camera for cash transactions in your Department.

Cost breakdown to be provided by the Department of Management.

3. Under Liquor Control Administration Operations, provide a cost breakdown of the \$190,492 for Rentals (index code 913012B, sub-object 6235, page 9-8 of the Budget Details), by office location and square footage.

Wailuku Office, David Trask Building: Premises consisting of approximately 4,896 square feet (of which 4,546 square feet shall be considered rentable area that shall be subject to rent and other charges provided therein, but 350 square feet shall be leased at no charge).

Honorable G. Riki Hokama
April 21, 2017
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July 1, 2017 to June 30, 2018: \$13,410.70, based on a rate of \$2.95 per square foot, per month = \$160,928.40

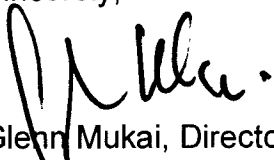
Lahaina Office, West Maui Senior Center: Premises consisting of approximately 437 square feet.

July 1, 2017 to June 30, 2018: \$1,750, based on a rate of \$4.00 per square foot per month = \$21,000.00

4. Regarding Liquor Overhead Charges Operation of \$1,178,034 (index code 913020B, sub-object 6350, page 9-8 of the Budget Details), please confirm if this money is paid back to the General Fund. If not the General Fund, where is this money paid back to?

According to the Budget Office, as in past years, the Department of Liquor Control pays for overhead charges/admin cost to the General Fund. Said funds are deposited into the Countywide Costs and are reflected under "Overhead Reimbursements" referenced on page 6-51 of the Budget Details.

Sincerely,



Glenn Mukai, Director
Department of Liquor Control

GM/gcrt