

FINANCE COMMITTEE MEETING

Tuesday, April 20, 2021

Committee Members Present: Finance Committee Chair Lawrence Dill, Lester Calipjo and Kaaina Hull.

Board Members Present: Gregory Kamm and Troy Tanigawa.

Staff Present: Michael Hinazumi, Carl Arume, Michael Hinazumi, Marcelino Soliz, Valentino Reyna, Marites Yano, Jonell Kaohelaulii, Jaspreet Banwait, Mary-jane Akuna, Deputy County Attorney, Mahealani M. Krafft

There were no members from the public that joined the meeting.

Finance Chair Dill called the meeting to order at 8 a.m. and quorum was established.

E. NEW BUSINESS

1. Draft Budget for Fiscal Year 2021-2022
 - a. Fiscal Year 2021 - 2022 – Draft Operating Budget
 - b. Fiscal Year 2021 - 2022 – Draft Capital Outlay Budget

BACKGROUND

Chair Dill thanked Ms. Yano everyone at the Department for their work at the last meeting by managing to go through the entire budget review in a single meeting. The expectation for today is to go over action items from the last meeting and to update all the numbers. The budget actuals should be updated as of February 28, 2021.

There are items that are received for the record and reflected on the website.

Ms. Yano explained that page 1, receive for the record is a summary of the reflected changes in the budget packet. The Manager's report, year to date actuals and operating expenses were updated. The changes reflect a decrease in the total operating budget by \$770K.

Ms. Yano will be toggling between the previously submitted packet and the updated Manager's report.

Page 3 Comparative Water Usage charts have been updated as of March 31, 2021 actuals and the estimated projections decreased from 3.352 billion gallons to 3.35 billion gallons. The projected usage for 2022 also decreased to 3.383 billion gallons from 3.385 billion gallons.

The Operating expenses decreased to \$29,407,362 from \$29,940,733 (*page 9 of previous packet*).

The new capital outlay included the \$14.5M in SRF and \$17.3M in state grants. Comparing it with the last budget submitted on *page 12*, the DOW indicated the \$12.8 in state grants and the SRF was not initially included.

Page 15 original fund balance projection are as of June 30, 2022 has now changed to \$13,042,242 shown on *Page 12*.

Page 1 year to date has been updated and the Department included the vehicles & equipment summary found on *pages 185-189*. Ms. Yano explained that the only changes were in the Operating expenses on *Page 1*.

Page 24 highlighted items outlines all of the new capital improvement projects.

Board Member Hull joined the meeting at approximately 8:08 a.m.

The Department went over a brief overview of the action items from the last meeting:

- *Page 207* Manager Knoff will work with Grove Farm based on the agreement.
- *Page 208* Remove workers compensation settlement line item for \$150K.
- *Page 240* CMDP line item to purchase two laptops totaling \$3K will be added to FY 2021-2022.
- *Page 339* The Department was tasked to explain how accounting indicates what's in inventory and how it's zeroed out at the end of the year and shift it to the other budget.

Ms. Yano explained that she has a worksheet but has not include it in this packet.

- *Page 346* Chair Dill requested to indicate the age on the capital items and when it was acquired.

Manager Knoff explained that he has included the list in the updated budget packet at the end which includes the department and disposition. The problem that the Department is finding is that the year it was acquired and what is the year of the asset. Currently, the Department is working on that along with the serial numbers and vehicle vin numbers. Manager Knoff confirmed that the skid sprayer was acquired in 2012. Mr. Reyna confirmed that the mini excavator was acquired in 2009 and received in 2011.

- *Page 353* The Department will 100% fund the Deputy Manager-Engineer and Secretary position.

Board Member Hull inquired on the Secretary position.

Manager Knoff explained that in the organization chart, both the Manager and the Deputy Manager have Private Secretaries. The Manager's Private Secretary is filled and the Deputy Manager's Private Secretary has not been filled. This will also allow the front office to have back-up if Mj is gone, they can cover. Right now, the Department has one person doing all of the administrative work for the entire department. Mj is operating at the Private Secretary, the Board's Commission Support Clerk, Senior Clerk, and Program Support Technician.

Board Member Hull added that they wouldn't want to see that Private Secretary position filled without the Deputy being there. This position generally rides with the Deputy position and allowing the ability for the Deputy to hire as oppose using that position to

fill holes instead of using specific staff members for that. Board Member Hull inquired if that position is appointed.

Manager Knoff explained that the Deputy's Private Secretary position is appointed.

- *Page 37* Ms. Yano was going to remove the \$4.9M line item. Ms. Yano explained that it got changed to \$14.3M.
- Board Member Calipjo inquired on the percentage of commercial accounts compared to the total accounts with the Department.

Ms. Yano responded that commercial customers are 24% of the total accounts.

Chair Dill recommended for the committee to submit approval of the Department's proposed budget for fiscal year 2021-2022 to the full board for review and approval. Recommendation was motioned by Board member Hull; seconded by Mr. Calipjo. With no objections, motion was carried by all committee members present.

F. ADJOURNMENT

Board Member Hull motioned to adjourn the meeting at 8:57 a.m. and to cancel April 21, 2021 meeting scheduled for 8 a.m. With no objections, motion was carried.

Respectfully submitted,



Mary-jane Akuna
Private Secretary

Approved,


Julie Simonton (May 26, 2021 11:27 HST)

Julie Simonton
Secretary – Board of Water






FCM 04-20-21 Minutes - Final

Final Audit Report

2021-05-26

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