

**COMMITTEE OF THE WHOLE
FISCAL YEAR 2019-2020 DEPARTMENTAL BUDGET REVIEWS**

MINUTES

The Fiscal Year 2019-2020 Departmental Budget Reviews of the Committee of the Whole of the Council of the County of Kaua'i, was called to order by Arryl Kaneshiro, Chair, at the Council Chambers 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Thursday, March 28, 2019 at 9:00 a.m., after which the following Members answered the call of the roll:

Honorable Mason K. Chock
Honorable Felicia Cowden
Honorable Luke Evslin
Honorable KipuKai Kuali'i
Honorable Arryl Kaneshiro

Excused: Honorable Arthur Brun
Honorable Ross Kagawa

Committee Chair Kaneshiro: On the schedule, I, as the Committee of the Whole Chair, will go through some ground rules for the budget proceedings. Shortly thereafter, the Mayor and the Administration will be given time to present their Fiscal Year (FY) 2019-2020 budget submittal, followed by the Departmental Budget Reviews for the Office of the Mayor, which also includes the Youth Work Program, the Americans with Disabilities Act (ADA) Coordinator, and the Office of the Boards & Commissions. Each day of the budget proceedings, we will take public testimony at the beginning, 9:00 a.m. Is there anyone in the public wishing to testify this morning?

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order and proceeded as follows:

Committee Chair Kaneshiro: I would like to provide some ground rules and expectations for this year's budget presentation session. I do have a quick presentation.

Committee Chair's Budgetary Comments

Committee Chair Kaneshiro: These are the same rules we have always followed every budget. For the entire budget session, Council Rules will continue to be enforced with emphasis on Rule No. 6(f), which is "No member will speak longer than five (5) minutes on one (1) item," and we cannot speak more than two (2) times on that item. That typically comes into play at the Decision-Making day. When we are making a decision and voting up or down on certain items, we will be limited to the same rules that we are limited to here on our agenda items. Other than that, throughout the entire week and all the budget proceedings, we are free to ask as many questions as we want of the Administration. A memorandum dated December 24, 2018 was distributed to all members regarding the FY 2019-2020 budget expectations. Departmental Budget Reviews. Please review all the budget material and to the Councilmembers, prepare any questions pertaining to the budget prior to each scheduled review. If additional time will be needed to compile a response, please transmit your request in advance to limit the number of follow-up questions at the end of each session. I believe in the past...it is reduced. We have sent over probably well-over two hundred (200) or three hundred (300) questions to the Administration for them to answer during budget. If we can

and do his overview. If we have questions on his presentation, we can ask him, and then we are going to move right into the actual Mayor's budget. Thank you, Mayor, and you have the floor. How does it feel on that side of the room?

There being no objections, the rules were suspended.

Budget Overview

DEREK S.K. KAWAKAMI, Mayor: Scary. Good morning, Chair and Councilmembers. First and foremost, thank you very much for allowing us to present this year's upcoming budget. I want to thank Council Services Staff. This time last year, I was sitting on that side of the table and so I know the hard work that goes into everything. If our Office, if our Administration can be of any assistance to make the Council Services job easier, call us in to provide that assistance. All you have to do is ask. I am here today with our Budget Administrator Ken Shimonishi and my Managing Director Michael Dahilig in the audience; we have our Chief of Staff Sarah Blane, as well as our Boards & Commissions Administrator Ellen Ching. Before I hand it off to Ken to give a detailed fiscal overview, I would like to start by giving you a sense of our Administration's strategic initiatives for the upcoming year.

Like I said, this time last year I was sitting on the other side with you folks, so I appreciate the task that you have before you to balance the needs of our Administration, while maintaining fiscal responsibility for our hard working taxpayers. It is for that reason that our Administration worked hard to present a budget that is focused and sets clear goals for our first year in office. Further, it maintains the principles of a long-term financial plan, as it is a structurally balanced budget with a minimum reserve fund of thirty percent (30%) of the prior year's General Fund revenues. Before moving forward, I would be remiss if I did not thank the previous Administration as well as the previous Council for their fiscal responsibility. They positioned our Administration right off the bat in a good position to fulfil our mission and our visions, so I want to thank the previous Carvalho Administration, as well as the previous Council that was under Council Chair Rapozo at the time.

Our capital improvement program does not require us to borrow more money for the Capital Improvement Projects (CIP) and while it represents an overall decrease of four million five hundred thousand dollars (\$4,500,000), we will still invest in much needed projects, such as the Human Resources (HR) Records Management system, which will move us to an electronic timesheet and payroll system, while also offering better management of scheduling, on-boarding, and overtime across all County departments. Lastly, our proposed budget does not propose an increase in Real Property Tax rates or user fees; however, we understand that we need to continue to evaluate our fee revenues to match our increasing maintenance costs. As far as budget priorities, we mentioned during our State of the County Address that our budget is driven by two (2) simple guiding principles for our Administration; one is guardianship and two is innovation. When we are talking "guardianship," it means taking care of what we have. We believe that before we can spend money on new capital improvement projects, we need to prioritize fixing our aging infrastructure and facilities, and addressing our deferred maintenance needs. That also goes into every piece of equipment that we acquire. Every single Department Head meeting, every time we go to a baseyard, we are relaying the same message to our associates that we are the caretakers and the guardians of hard-working taxpayers, that these are their pieces of equipment, these are their vehicles,

Number four, roads and transportation. I think all of us in this building know that the condition of our roads, transportation, how we get people from point "A" to point "B" is a top priority for our constituents and our customers. Therefore, with the roughly twenty-four million three hundred fifty thousand dollars (\$24,350,000) in projected revenues from the General Excise Tax, which I want to thank the previous Council and previous Administration as well, we have dedicated roughly eighteen million dollars (\$18,000,000) to the Department of Public Works at the goal to repairing our ailing roads and get our islandwide resurfacing projects up and running. The remainder of the GET funds will be dedicated to our Transportation Agency to help implement our Short-Range Transit Plan and expand our bus service into areas with the highest demand. I want to make it clear to people that we are going to be moving as quickly as possible to fix our roads, but people need to realize that we are working on a complex schedule when it comes to the permanent fix. We are bound to working with the State as far as their schedule, which we have a say in, but when eighty percent (80%) of our funding comes to those long-term fixes, people are going to have to be patient. They are going to have to understand that this is a process, but in the meantime, we are putting a lot of attention and resources as to the temporary fix and those permanent fixes that people have been asking for.

Number five, park improvements. This is another thing that I think we have all heard. We have seen it on every level of medium is the desire to have clean, safe parks, and it is a top priority for you as well as for ourselves. This year's budget, we are investing in mowers, vehicles, and more so we can keep our parks clean and maintained. We cannot expect our associates to do good work if we are not giving them the tools needed to do the job. We have our new Parks & Recreation team lead by Pat Porter and Wally Rezentes. They went out to every baseyard and took an assessment as to, "are we equipping our people with the necessary tools to get the job done," and we have identified a number of pieces of equipment that we are going to have to go and purchase. Not only purchase, but also we have to make sure that we are maintaining them and take care them, which goes back to guardianship. We would also like to collaborate with our community members and the private industry to help us build and design new parks and playgrounds. We have talked about a skate park for our kids, an inclusive playground with equipment tailored to children with autism or other special needs. You know, there is not one (1) playground on this island where a child with a disability can feel like they are part of this community. I do not know about you folks, but that is simply not acceptable. That was brought to our attention by a group of mothers with children with special needs and it was something that I had not even been aware of. ADA compliancy is the base, that is the minimum requirements, but I think that our children on Kaua'i desire so much more than just the minimum baseline requirements, so we are committed to building a playground for all children to feel like they are part of this community. As far as the skate park, folks, I will be very honest with you, when you are taking a look at our suicide rate amongst our adolescent kids, something needs to be done. We have many baseball fields, soccer fields, basketball fields, but many of the kids that are falling through the cracks do not fit into that mold. We are focused on bringing something to west Kaua'i, so that these kids have some place safe where they can go and skate. Those are our part of our priorities as well.

Lastly, we would like to build a multi-generational playground so our *kūpuna* have a safe place to go outside and exercise. When you talked about the number one hazard with our aging population, a lot of trip and fall and a lot of it is loneliness. When you talk about the depression of our *kūpuna*, it is because many times they feel like they have been left behind, so what we want to do is we want to create a safe place where people of all ages can be

all of our County initiatives aim to improve customer service. We want to create more self-service opportunities for our customers such as a Motor Vehicle Registration kiosk, recently launched at Safeway, our LIMS and Kaua'i Police Department's (KPD) upcoming online crime reporting system, but the number one thing when it boils down to customer service is a change in culture and that takes time. Beyond all of the budgetary asks that we are asking for, the change of culture starts from on top and every single department head has been given the word that our number one priority is making sure that we know who our customers are and to always be cognizant that we are public servants. We are here to serve our people. That is the highest honor that any profession can be—that we are the stewards of this island, that we are the servants of our people, and we are instilling it from the top on down; we are investing in training for our Department Heads, we are investing in people that are out there that are the boots on the ground, so that they can get the job done, and it is going to take time, so we appreciate your patience as we undergo this transition into the next evolution with this Administration. These are just the highlights that we hope to accomplish, but you have the opportunity to have more detailed discussions with the Departments during the upcoming session. Together we can and will create a better home where our community is safe, our economy is vibrant, and our children are equipped for success. On behalf of our Administration, I would like to thank you for your continued partnership and we look forward to an open dialogue as we welcome your review and recommendations. I would just like to say one more thing, we are just a little over one hundred (100) days into this Administration. I know many times we can be caught up in the previous Administration. I would like to remind all of us that today is a new day. This is a new Administration. We need a chance to be able to fulfill our mission and vision and we are going to need to be able to work collaboratively with all of you as partners. Let us always stay focused on good policy, make sure we are getting good projects, and we just humbly ask that you give us an opportunity to fulfill our vision and our mission for this upcoming year. With that being said, I am going to turn this over to our Budget Administrator and he will give you a brief financial overview. Thank you so very much.

Committee Chair Kaneshiro: Thank you, Mayor.

KEN SHIMONISHI, Budget Analyst: *Aloha*, Ken Shimonishi, Budget Administrator. Similar to previous years, we have gone over the overview with the Council. We have passed out a handout of roughly eighteen (18) slides and hopefully they are large enough for you to see. If not, they are up on the screen. First, as the Mayor mentioned, the March Submittal of the Budget continues to adhere to the long-term financial planning policies that we have adopted, the Structurally-Balanced Budget Resolution, where recurring expenditures are covered by recurring revenues. We continue to maintain the Reserve Fund at thirty percent (30%) of the prior year's General Fund revenues or forty-five million six hundred thousand dollars (\$45,600,000). This year's submission does include the use of a Fund Balance that was an excess of the reserve for non-recurring CIP and deferred maintenance needs. On slide 3, this is how we support the use of the excess of reserves where five million six hundred thousand dollars (\$5,600,000) went to General Fund CIP projects. Six hundred thousand dollars (\$600,000) towards a Līhu'e Wastewater Treatment Plant Roof repair, KPD building security barriers of one hundred thirty thousand dollars (\$130,000), Halehaka Gas Collection Systems repairs of two hundred thousand dollars (\$200,000), and we also identified at least one hundred fifty thousand dollars (\$150,000) in replacement of electrical switches in the Parks generator room. The total of these items come up to six million seven hundred thousand dollars (\$6,700,000) and again, the use of the excess of the

percent (31%) to thirty-six percent (36%) of eligible salaries and compensation. Although that is only a five percent (5%) increase, five percent (5%) increase on thirty-one percent (31%) is actually a sixteen point one percent (16.1%) increase in that budget line item. Three percent (3%) increase in all other employees, so from nineteen percent (19%), it goes to twenty-two percent (22%) of eligible compensation for all other employees, and again, that three percent (3%) increase over nineteen percent (19%) is actually a fifteen point eight percent (15.8%) increase on that budgeted line item. This is a theme that you will see consistent with the departments' presentations, so keep that in mind. In addition, we have also embedded a small anti-spiking allowance. We are tasked back the excess pension expenses from the ERS to the Counties. I think you folks recently had discussions with the Executive Thomas Williams from the ERS on that. We have also embedded a collective bargaining allowance in the benefits as well. Our utilities show nominal increase primary due to sewer water usage and some telephone cost going up. Operations, the largest increase is the repair and maintenance (R&M) of eight million eight hundred fifty thousand dollars (\$8,850,000) in our roads and bridgework. Last year, I believe the total budget was eight million five hundred thousand dollars (\$8,500,000), this year it is seventeen million three hundred fifty thousand dollars (\$17,350,000), specially dedicated toward roads and bridge repair. Special projects went up by one million one hundred thousand dollars (\$1,100,000). Our equipment, we are investing more in our heavy equipment as well as our vehicles replacement, and those are noted there. Contribution to our Open Space, that is based on a minimum of one-half percent (.5%) of real property tax revenues. I believe there was actually an adjustment to that Open Space as part of the Councils decision-making that actually bumped it up in the final periods of the budget. Then a slight adjustment for our debt service in accordance with the amortization schedule for our bonds.

We have not contributed towards the reserve target. As I said earlier, we have met the reserve target, so there is no contribution necessary to increase that unless for some reason the Council or Administration felt we need to beef that up more. On slide 8, this just shows a side-by-side pie chart of the current budget versus last year. I think the thing to note here is you will see that the blue slice of the pie, Salaries and Related last year, represented sixty-two point four percent (62.4%) of the budget and this year that is actually slightly down at sixty point two percent (60.2%). The primary reasoning being that we have more money going towards our roads/bridge repair in terms of the G.E. Tax side and we have also put more money towards our equipment and so on.

Focusing-in on the salaries, utilities, and operations of the Departments, so not necessarily looking at the debt service and Open Space side, but more of the Departments' operations itself. You can see that the Department of Public Works is the largest department across all funds combined. That Department totals thirty-two point one percent (32.1%) and if you will note the Highway and G.E. Tax Fund, that this now represents thirteen point nine percent (13.9%) of the budget versus last year at ten point five percent (10.5%). Again, the increase in our roads improvement appropriations being recognized there. Also a slight increase in our transportation from four point four percent (4.4%) to five percent (5%).

Slide 10. This focuses in on the General Fund, our largest fund. You can see that the blue slice here; Salaries, Benefits, & Collective Bargaining, show a slight uptick, but still the vast majority of expenses in the General Fund at eighty-two percent (82%) relates to our associates, collective bargaining, ERS, and so on.

Mayor mentioned, goes to our Public Works Department and six million one hundred thousand dollars (\$6,100,000) is going towards the Transportation Agency. This is also available in a table format that you can download the pictures. If you wanted to see something of this slightly different where I clicked on filters, you see where it says, "Broken down by," instead of "Departments," I want to see it by "Expense type." So then it recalculates the chart and it shows you this data now—how much is going into all these different line items, services, dues consultant," so this is where our road and bridge repair will be budgeted in our other services. Last year, G.E. Tax, we had seven point six (7.6) and now we are at seventeen point four (17.4). At least at this account level total.

You can get in here and dig around, mess around with these things and try to abstract some of that information however you want. There is another report that we have added, which is the comparison of FY 2020 against FY 2019. Again, this is side-by-side revenues and expenses, so you can see our revenues, and how it went up, and our expenses and how it went up. Keep in mind that the variances are similar to what you see in a financial statement where variances that affect you positively are shown as a positive variance. Variances that affect you negatively are shown as a negative. So an increase in revenues is shown as a positive variance, an increase in expense is shown as a negative variance, and again, if you wanted to see something like some of the views we have here, total revenues by fund, total revenues by...so we click on that...again, it tells us what the makeup is between General Fund, G.E. Tax Highway. If you wanted to switch the chart, look, so again you can see a pie of the total revenues generated, the General Fund is one hundred sixty-seven million four hundred thousand dollars (\$167,400,000) at seventy-one point seven percent (71.7%) of the total revenue budget. If you wanted to see revenues by type, you can click on this view and it gives you a graphical look as well as by those various revenue line items. You can, again, drill down on any one of these things that you wanted to look at, filter out whatever and select. Just a little tidbit on how you might want to look at...I just messed up my slideshow now. We have provided the Operating and CIP Budgets, but as far as the Operating Budget, it is a very voluminous in front of you, as I said, three hundred (300) pages. In Section 2 of the document in the lower right corner, there is a master page number and that is sequential from the beginning of Section 2 up until the provisos. The reason why we embedded this master page number is that we put this together from a couple different reports, we insert excel worksheets and so on, so in order for you to be able to easily reference a page, we just sequentially number that. All the departments were given their own segments of this as well, so they should be seeing exactly what you are seeing and not using something that they generated on their own. In addition, on the portable document format (PDF) version of this, we have also embedded bookmarks, hopefully, that is what the version we have available, if not, and we can work on that. With that, that concludes our overview.

Committee Chair Kaneshiro: Thank you, Mayor Kawakami, for your presentation. Thank you, Ken, for your overall presentation on the status of where we are on our financials. I did not stress it enough, I think I probably sounded like a broken record every year talking about our fiscal responsibility, but we did pass that resolution regarding a structurally-balanced budget and establishing a Reserve Fund, and I would really like our Councilmembers to adhere to that. Providing a structurally-balanced budget is super important. In the past, sometimes Council would use Reserve Funds, which are as our savings fund to just balance the budget. If we add pet-projects, the budget is unbalanced, rather than increasing taxes, we would just pull our savings and fund it. It is not sustainable, it is not good practice, and I would just encourage us to stick to our guns on our fiscal responsibility. Also, just establishing the Reserve Fund was important, because in the past

Councilmember Kualii: I totally appreciate your overview and all of the sentiments that were expressed. I had a quick question about this Office of Human Concerns. Is this a new office or is it collapsing into the Housing Agency? What is actually happening? I know we will probably see it—where will we see it in the budget?

Mayor Kawakami: I will let Ken answer as to where you are going to see it in the budget. I can tell you that this is not growing government; this is just being more efficient with our existing resources. Like I said, oftentimes we take a look at society's complex issues and we work on them in silos and oftentimes it is a game of finger-pointing, because you have to understand a lot of these complex issues are responsibilities previously of what we say the State/Federal government, but we are taking a new approach. We have the leadership presence on-island, because we are the boots on the ground, we are saying that we want to address these upfront, on the front line, if we can be an agency of change, if we can be a conduit and a bridge-maker and bring people all to the table, we want to be that organization. Therefore, we are taking our Housing Agency, Life's Choices, and all of these different departments that are in charge of making Kaua'i a better place, we are putting them under one (1) roof so that they can begin to collaborate and think outside of their silos and as an organization holistically to address some of these very complex issues. It is going to be very challenging, so this is just a new approach, a new vision, a new philosophy as far as solving some of our problems that have existed for a very long time.

Committee Chair Kaneshiro: Ken, did you want to say anything about if there is any impact to the budget or where it is going to end up?

MICHAEL A. DAHILIG, Managing Director: Mike Dahilig, for the record. Just to answer Councilmember Kualii's question. There is not a proposal to add more resources or add positions at this time when it comes to the formulation of this Hale Kōkua. As the Mayor mentioned, it is largely a co-location of existing resources that have been spread across four (4) different departments throughout our County. In looking at the continuum of care approach when you are looking at wraparound services with housing, it is important that we try to take those resources that are spread across four (4) departments and try to focus them with a little more integration and collaboration, so that is where that co-location comes key right now. We do not know what the intake or demand is going to be based off this new approach and that is why we do not feel it appropriate to propose this as a "scaling up," in more devoted resources until we are able to have some numbers that show exactly what is the increased demand by doing this. Again, it is pulling-in resources from Economic Development, from the Housing Agency, from Elderly Affairs, and then as we get into our budget presentation, resources that are currently sitting in the Mayor's Office over to the Housing Agency, because they have the better accounting mechanisms to comply with a lot of the Federal and State grant requirements that fund Life's Choices.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I have a question about the Hale Kōkua area as well. I am really excited about it. It really overlaps deeply on both my commitments and my passion for the past ten (10) years, so there is a silo, I think, has been overlooked and that is cultural displacement. I am just hoping that we can figure out a way to feed that in there, because when we look at suicide, drug addiction, and all the challenges that

Mr. Dahilig: And the only real, if you were to characterize it as a structural consolidation in the budget would be moving Life's Choices from the Mayor's Office over to the Housing Agency.

Committee Chair Kaneshiro: Okay. Councilmember Kualii.

Councilmember Kualii: Another point you mentioned was park improvements and you talked about keeping the parks cleaned and maintained. I think added to that is probably a given and understood is also safe and functional and I hate to be really specific, but I am hearing from some *kūpuna* in Puhi that our park there and maybe it is not a fully functioning park like other parks, but they play softball and there is no shade, so they have to bring their own popup tents. To me what would be good in a big scope is to sort of have what the list of priorities is for the public and how the public can put their concern on the list. So, there is probably already a mechanism, but it would be good to put that out more to the public so that we do not have to hear from them and as Councilmembers, and only be able to try and make a difference at budget time, so that all year around the public can put in their concerns. I am sure that this investment means you are putting more money behind that so that we can probably see more of these improvements, but I just wonder what exists or what are you going to do so that the public can get their specific improvements addressed.

Mayor Kawakami: Sure. We can take a look at being very innovative as far as a...I guess a clearinghouse for our concerns for our parks and what some of the community's wishes are. Of course, the Council as elected by their constituents, you folks are always going to also be the first line of where people drop of their concerns and their wish list, and so that is not going to change. We can put things out there and collect some information. I think one of the things that our Planning Department does very well is engage themselves and immerse themselves into the community and so our Parks & Recreation Department, they are also going out there, talking to people, and realizing that every part of the island is unique. There are different needs. Hanalei has approached us to say that there is no playground equipment for little kids to go and play on monkey bars, there is nothing out there and that is one of the concerns that has come up. Ed Justice from Talk Story Book Store has for years been working on getting a skate park on the west side and we are finally moving on some of these initiatives. Take for example; we put in some money for a comfort station at the north Vidinha Soccer Fields. Right off the bat our director said, "We can work within our existing infrastructure to accomplish a safe way where children, adults, parents, and coaches can use our existing restroom facility and yet make it protected so that they are not running around all in Vidinha Stadium. We continue to always strive for excellence and whatever you may hear on the street, please present it to us. I cannot make any promises on whether we can do it, but we will certainly hear about and take a look as to where it is feasible to do some of these improvements as well. Shade, Councilmember Kualii, is a number one thing that people have asked for, I know it is. Kapahi Park is one of those parks where it is great to have soccer games because there is an abundance of shade and that is why everyone wants to play soccer games at Kapahi Park. You go to some of our other facilities, it can be very hot and if we have irrigation systems that prohibit us from putting pegs so that our popup tents will not blow away, it becomes further restrictive, so we are constantly taking a look at where we can create better amenities. Public safety goes without saying is a top priority. Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Mayor Kawakami: I will be honest we did not do a feasibility study. What we did is we took a look at best practices and when you take a look at 'ohana zones, one, we have heard proposals that maybe they should be located by Ahukini, around the outskirts, but that does not work. When you want to talk about addressing the homeless situation, we have to be cognizant that homelessness is not necessarily a housing issue as it is a mental health issue. Therefore, one, we are differentiating between the different sectors within homelessness, we have identified that we would like to prioritize it up-front families with children. This particular 'ohana zone came up really quick and it happened, like I said, just because the opportunity popped-up. We take a look at where 'ohana zones work and they are oftentimes located near jobs, they are located near transportation, they are located near services, and so one key location that we saw is that park by Pua Loke by the Water Department. We tried to get the whole parcel, but the State is willing to give us a portion of it. We have not sealed the deal on it, hopefully that can come in the near future, but we did that because we already have a homeless shelter. The County owns that facility right across the street. Two, I used to use that part as a child. We used to eat lunch there, but if you notice the majority of the park users are the homeless population as it is. Three, when you are talking about location to jobs, you have Kukui Grove, I think, a lot of those establishments are looking for good workers and four, we have a transient-oriented development (TOD) for moderate workforce housing that is going to be located in that parking lot behind the Kukui Grove Theater. Therefore, when you are talking about the stars aligning themselves, we see that property as being one that aligns itself. We did not need to do a feasibility study; we just looked at what the components are for a successful program and one location, location, location, so that is one factor, but two, we reached out to partners that do not necessarily have to reinvent the wheel because they already built the wheel. You may know of a project out on O'ahu that was spearheaded by a private sector businessperson Duane Kurisu. We reached out to him to help explain the business model, how the gears turn to make this thing work, and he is very willing to walk with us shoulder to shoulder as we begin this journey, so that in and of itself is a huge asset to get us on a track for success. One, the location and two, having that mentor who has already run through the challenges, run through what works and what does not, is very willing to work with us. We are looking, however, for a champion. In order to make this project work, we need to have someone basically willing to live and die for this project as the top priority. One of the things that they have identified is they cannot be from government. It has to be from someone who comes from the private/non-profit sector or the private/for profit sector, but it has to be someone that is unshackled from the bureaucracy of government. We are looking, we are constantly vetting through potential candidates and while we here out on the public domain, if someone fits that mold, we are open-minded. We look at this thing as a pilot. Oftentimes, government fails because we look at only being able to do things on a grand-scale and that in and of itself is a recipe for potential disaster, because if you cannot make it succeed, every project after that is going to be met with skepticism and resistance. Therefore, we are taking a look at how the private sector does it and we do it in small, little pilot projects. We set ourselves up with the greatest opportunity to succeed, so this project may not solve each single one of our problems, but it is a step in the right direction to show people that we can succeed and these types of models can work, as they have worked in other municipalities as well.

Councilmember Chock: I appreciate that. I think the model that (inaudible) provides and what they are doing is exemplary and coming from the right angle from the private sector...so if we were to look into this budget, are we targeting a certain amount of permanent housing for families and children within this next fiscal period?

Commission's recommended approval, by no means is an entitlement for you to get a bump in pay. Now, you have to perform under this Administration and it is warranted based on merit.

Councilmember Cowden: I have a follow-up on that. Yesterday, we were understanding, that if this approved the Salary Commission that it would really go into the FY 2020 budget. Is that partially also why we do not see any movement in here for that because that commitment would be solid?

Mr. Dahilig: We had the discussion yesterday, Councilmember Cowden, and it was with the understanding that because the Mayor's authority over certain departments only extends to thirteen (13) out of the thirty (30) position types. The salary-setting mechanisms are given for the other seventeen (17) position types to either Boards & Commissions or to the legislative branch. At least for the thirteen (13) position types that we were looking at because of the turnover in the Administrations, looking at, at least having people one-year around the job, which would come one-year from Inauguration, from last December would be something that is necessary, because we need to see someone's performance over that period of time. It would be a portion of that in this budget, if we were looking at the thirteen (13) of the thirty (30), but ultimately it depends on a legal read from the attorney on how to actually line out those increases in this year's budget. I would also suggest as a follow-up to the question to the Mayor that if it does increase, we would have to go back to each of the department heads and ask them, "Okay, if you were to end up with this increase, where in your budget would you provide room for accommodating this?" so it is not across-the-board question that we would predispose for everyone. We would have every department take a look at their budget and ask themselves, "If you are going to accommodate this, where would you look at it to accommodate?"

Committee Chair Kaneshiro: I do not want to get too much into the Salary Commission's Resolution because that conversation is going to come back up again, but if it does pass, I believe we had an County Attorney's opinion a few years ago that said we need to fund it in the budget at the complete salary. Whether the Mayor folks give that actual employee that entire salary is up to them, but in the budget, I believe the opinion said we need to fund the entire salary and if that is the case, yes, if the Salary Resolution passes then the supplemental budget that comes in will have to have all of those increases and there will need to be cuts within departments or wherever they are going to find the money.

Councilmember Cowden: Thank you. I just wanted that clarification because it certainly came up yesterday.

Committee Chair Kaneshiro: Are there any other questions for the Administration? Councilmember Kualii.

Councilmember Kualii: Ken, I really appreciated your presentation as well. It was very, very thorough and good information all around. It is a good way to look at the big picture. The last part when you talked about the budget analysis tool for financial transparency, I am just curious as to what is the period that this is live and available to the public?

Mr. Shimonishi: It is currently available right now.

looking in that direction for technological improvements going forward. Council Chair Kaneshiro, I do have another question that is separate.

Committee Chair Kaneshiro: Again, as far as OpenGov goes, you know, a lot of what we look at in our binder is probably a printout from OpenGov as far as year-to-year actuals, I believe Ken is pulling a lot of the graphs. OpenGov, you can do a lot of things, it is a good tool. Councilmember Chock.

Councilmember Chock: This is probably a "Ken" question and just for my clarity, which is one Slide 3, when you talked about the excess reserves. I am trying to get a handle on the General Fund versus the Reserves. I know that we have this resolution that states we need a certain amount in that reserve. It is apparent to me based on what we have done here with the budget that anything that ends up in the Reserve is basically General Fund and we can tap into it, and that is what we are doing here. I just wanted to clarify the process as it relates to reserves and what we can expect moving forward fiscally in terms of policy. We have an excess, for instance, of two hundred thousand dollars (\$200,000), but what should be the practice? Government Financial Officers Association (GFOA) give us this certain amount for how much we need in the reserves (inaudible) a percentage of thirty percent (30%), but what about the overages? Are there any best practices and needs for us to look at moving forward and how it is we manage these funds?

Mr. Shimonishi: In the adoption of the Reserve Resolution, and in fact the policy, we identified whenever we have an excess of reserves, it be communicated and also what is the allowed uses of that excess. You know it was like CIP projects, deferred maintenance, roads, pay down of debt, and I think there was something else, but again, you can get that off of the Resolution and the policy copy. So, as long as that criteria is met, we are saying, "This is what we already pre-identified our allowed uses. Whether or not it is a communication, an agreement between Council and the Administration as where we kind of have to have this discussion of what the priorities on the use of the excess, there is also a policy that if we fall below that, what do we fund in terms of the priority because the reserve is made up of certain priority items; disaster type of things, volatility, or liabilities or things like that. Again, when we adopted the policy, we said, "These are the rules that we should live by in order to ensure that we continue to main the reserve based on what the recommended percentage."

Councilmember Chock: Okay, so to clarify it is not General Fund. It clearly is Reserve funds and in this case, there is a specific guideline that we can use any overdrawn.

Mr. Shimonishi: Correct, but I would say it is General Fund...think of it as your General Fund savings account and you said, "I need to maintain this much in my savings account to be somewhat safe," I guess, "to address future needs," anything above that savings account amount is the excess of that reserve. It is General Fund money, it is just an equity holding position, I guess, I would say.

Councilmember Chock: Okay. The only reason I bring that up is as it relates to accountability on whatever excess moving forward, how it is we manage it and how we see it, so that is why I asked the question.

Mr. Shimonishi: Right.

on this side of the street, that is why I have to commend our Budget Team for being fleet-footed and very diligent when it comes to fiscal responsibility.

Committee Chair Kaneshiro: Thank you.

Mayor Kawakami: Thank you.

Committee Chair Kaneshiro: Are there any last comments? Councilmember Cowden.

Councilmember Cowden: I just really want to thank you and to emphasize how enthusiastic I am with supporting your list. I really, really feel good about that. I like how you highlighted guardianship and innovation. I am wondering who did all the work on your OpenGov? The person or those people really need a big thank you.

Councilmember Chock: Ken.

Councilmember Cowden: Okay, I have been looking at...

Mayor Kawakami: Yes, who did that? I have to thank them too.

Councilmember Cowden: Was it you? Because good job.

Mr. Shimonishi: OpenGov is just the platform and we subscribed. We take a data file and we upload it and it is their platform that does all of the interactive type of fun things. As the Mayor said, we are talking to them about sharing an additional feature with them as well to share more with the public, but yes, so it is not "me" or anyone, it is just that we subscribe and that is...

Councilmember Cowden: Well, somehow it got there.

Mr. Shimonishi: Yes.

Councilmember Cowden: And I just want to say, I have seen it for maybe a couple years or something like that and it is very good. Therefore, I am happy to be working with you all.

Mayor Kawakami: We are happy to work with all of you as well.

Committee Chair Kaneshiro: Okay. With that, we will get into the fun part and looking at the numbers. Thank you for the presentation on the overall budget and your message. With that, we are going to go into the Mayor's Budget, Administration. I do not want to move around. We are going to go through the entire Administration budget, once we are done, no more questions, we are going to move on to Youth Work Program. When we are done with that, we are going to move to ADA, when we are done with that, Office of Boards & Commissions, and then Human Resources (HR). We are not going backwards. We are going to move forward. If you do have a question that pops up later, that would probably be an E-mail question. With that, do we have any specific questions directly related to the budget of the Mayor's Administration? If not, I have a few to get us started and warmed up.

Councilmember Cowden: I have a question.

Committee Chair Kaneshiro: Okay.

Councilmember Cowden: Is that for both federal and state?
Mr. Dahilig: It is specifically just the state. Not to federal. We
reply on our D.C. Lobbyists to do the federal tracking for us and give us a heads-up when we
have appropriations or other types of acts of congress that could affect us locally.

Councilmember Cowden: And there the D.C. Lobbyists, they are paid for out
of what part of the budget?

Committee Chair Kaneshiro: It is right above that line item. Seventy thousand
dollars (\$70,000).

Mr. Dahilig: Yes, the seventy thousand dollars (\$70,000).

Committee Chair Kaneshiro: They come in every year and do a presentation to
the Council.

Councilmember Cowden: Yes, so I do not see where it says, "D.C. Lobbyists,"
but is that "Other Services"?

Committee Chair Kaneshiro: Page 6, "Consultant Services."

Councilmember Cowden: Alright.

Committee Chair Kaneshiro: Special Projects, the Cultural Protocol of
thirty-five thousand dollars (\$35,000), that is a new item also. Can you please explain what
that is?

Mr. Dahilig: Okay. As necessary, because the Mayor is the
head of the County, there are many situations where he is required to engage with other
heads of local governments and sometimes that may require let us a Native Hawaiian
protocol to be done, so that would handle honorarium in that situation or if we have situations
where Mayor from (inaudible) City or some of our sister-cities across internationally come in
that would help assist us with those costs. Those costs were previously borne by an actual
funded position in the Office of Economic Development and as there has been a retooling of
the mission of that office, some of the sister-city obligations are coming that way also.
Therefore, it includes just a number of protocol items that we may need to provide honoraria
for people to help us through that.

Committee Chair Kaneshiro: Okay. Councilmember Chock.

Councilmember Chock: Did we cover overtime already? The eighteen
thousand dollars (\$18,000).

Committee Chair Kaneshiro: Yes, that was a mistake.

Councilmember Chock: Okay.

Mr. Dahilig: Even before that, there was already predisposed allocations given to nonprofit and other external agency partners, and it looked at it as an entitlement. Again, it is not to say that the work that they are doing is not needed, because obviously it is needed, but for transparency sake, we want them to come and explain what they are going to use the money for so that when there is a question as to what the grant is being used for, there is at least a record through that application process to say, "Here, we have given this money for," let us say, "Project Grad, because they are going to use it to support *x*, *y*, and *z* to make sure is a safe graduation night for everyone." Those are the types of things that we want to have on record as part of a routine process before County resources are given out.

Committee Chair Kaneshiro: In the past even when I started, the grant line items were earmarked already with the different programs that the money was going to go to. Since my time here, the question was asked, "How does anyone else get a grant if they are all earmarked?" It was the Administration's prerogative to say, "Yes, we are going to stop earmarking it, we are going to set up a program where people can apply, and from that application process, we will award grants." So, it was not so much of an entitlement in the budget, but a more open process.

Councilmember Evslin: So, just as my first time looking at this, it is a little hard for me to understand and this is maybe more for OED's, but like, where is that money going towards; what organizations it has gone through in the past and maybe it will be helpful when we get there to find out. I am sorry if you gave an answer to Council Chair Kaneshiro already, but the one hundred ten thousand dollars (\$110,000) that you folks have here; who has that traditionally gone to?

Mr. Dahilig: There was a five hundred thousand dollar (\$500,000) grant to the Kaua'i Philippine Cultural Center that we did line out in the past, so we do not feel it is necessary to give another half million dollars to the Kaua'i Philippine Cultural Center. Other than that, the one hundred ten thousand dollars (\$110,000) reflects generally as the Chair briefly mentioned, fifty thousand dollars (\$50,000) went to Red Cross, one thousand five hundred dollars (\$1,500) went to each of the Project Grad programs with each of the high schools. There was money that went to the Kaua'i Food Bank and...

Committee Chair Kaneshiro: Yes, there are a few speckled ones, if I can remember, Kaua'i Community Players Theatre, and...

Mr. Dahilig: Yes.

Councilmember Evslin: Thank you.

Committee Chair Kaneshiro: Red Cross was probably the biggest one.

Mr. Dahilig: Yes.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I appreciate the actual...the way you are structuring moving forward, but it does bring up a question about process. Are we looking

Councilmember Evslin: Did there used to be a staff position dedicated to this in the past and no longer is and just so that I can kind of understand what it is, why is it not just part of the other Grants-In-Aids?

Mr. Dahilig: I think that is what it evolved from was a line item where it incurred salary cost, so then they just pushing it over to KEDB to just handle it through a directed grant versus having to do it and house it in-house. You will see that 2016 expenditure has that position and then migrated to then just providing direct support instead.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: So I am hearing it goes to Kaua'i Economic Development Board, is that who manages it?

Mr. Dahilig: Yes.

Councilmember Cowden: Okay.

Committee Chair Kaneshiro: Any further questions for Youth Work Program? If not, we will move on to the ADA Office, the Equal Access ADA Office. Any questions on that budget? It is pretty flat, besides benefits going up. If not, we will move on to the Office of Boards & Commissions. Any questions on the Office of Boards & Commissions? Councilmember Kualii.

Councilmember Kualii: Can you start with the overtime line item? What do you anticipate what positions for what period of time?

ELLEN CHING, Boards & Commissions Administrator: Good morning, for the record Ellen Ching, Boards & Commissions. Starting with the overtime, the majority or I would say the biggest impact to the budget are the contested-case hearings, which we inherited. Boards & Commissions handles all of the contested-case hearings. There are still some that is being managed by the Planning Department, but when I first came on, we were assigned eleven (11) and I started mid-December and now we are up to eighteen (18). Each contested-case hearing...I am getting more data on the time study for what involves to support a contested-case hearing, but a contested-case officer spends about fifty (50) hours per case and that does not include support staff. With the current staff that we have, we are supporting sixteen (16) boards and commissions and so we are not including any...we do not have any additional positions and we are required to manage these contested-case hearings.

Councilmember Kualii: Just for the general public, can you describe a little further what a contested-case hearing is? It must be different for different commissions.

Ms. Ching: It is extremely different. It is a quasi-judicial process. There is an attorney that is involved, who is the contested-case hearings officer, so that individuals that are appealing the Planning Commissioners' finding that they are an illegal TVR, is appealing and so the hearing officer is there and they rule on the proceedings as to whether...between the County of Kaua'i and the people that are appealing. At the end of it, our latest case was continued over two (2) days, so more than eight (8) hours for just one (1) hearing. That resulted in a thirty-page Findings of Fact and Conclusion of Law that

Councilmember Cowden: Okay. Thank you.

Councilmember Kualii: The next one was on training. So, the training budget of nineteen thousand three hundred seventy-three dollars (\$19,373)—it is a really large increase from the prior year.

Committee Chair Kaneshiro: Up from one thousand dollars (\$1,000).

Councilmember Kualii: From one thousand dollars (\$1,000) to nineteen thousand dollars (\$19,000). The biggest one is the...I do not know what that line item means—Restoring Fiscal 2019 Budget Request Increase, oh, that is also contested-case hearings, then? The ten thousand four hundred fifty dollars (\$10,450)? What part of contested-case hearing is that paying for?

Ms. Ching: I would not necessarily say it is directly relating to contested-case hearings. Out of my office, we are a small office of five (5) and three (3) of us are brand new, two (2) people are from before, and we support all of the Boards and Commissions. There are a couple of things that I am really interested in and it really has to do with customer service. I really believe that our customers are certainly the public, but it is also all of the commissioners, all of the committee members, and the board of directors. There are typically over one hundred (100) volunteers that we support. One of the key things that we are required to do is to make sure that they follow the Sunshine Law, Robert's Rules, and that is for all of the meetings. In my mind that is a critical piece that they need to get training on and I would like to see every single one of them be able to get intensive online training on Robert's Rules of Order. In addition to that, we are a kind of interesting office where we take customer/citizen complaints involving the police. Anyone that wants to make a complaint regarding the Police Department comes to our office. Many of them are, as you can imagine, quite agitated and so I feel that it is important that the staff really have very good training on how to interact with people who are already in crisis, perhaps, and already agitated and be able to do respectful, dignified intake, and really be able to handle those individuals with a lot of care. Especially, many of them come in and I would perceived that there is an issue with mental illness or any number of issues that they already have when they are trying to make a complaint. In my mind, coming from a health nonprofit, that is a very specialized area that needs really, really specialized approach and care.

Councilmember Kualii: My last question is on the "Other Services" and you kind of alluded to it already. So the line item that is "Contested-Case Hearing Officer, one hundred thousand dollars (\$100,000)," that is a consultant that you hire? What rate do you pay them and how do you hire them?

Ms. Ching: It is a procurement and it is a contract that I inherited. It is an attorney that is a contested-case hearings officer and the rate is one hundred seventy-five dollars (\$175) an hour.

Councilmember Kualii: One hundred seventy-five dollars (\$175) an hour and you said you inherited it, so what is the remainder of the contract that you inherited? When do you get to negotiate the next contract?

transcription is finalized, then it is made available to the Planning Department and the people that are appealing.

Committee Chair Kaneshiro: Oh, it is actual typing of the hearings.

Ms. Ching: Yes.

Committee Chair Kaneshiro: Any there any further questions? Councilmember Chock.

Councilmember Chock: It looks like the Cost Control Report is a new item and an expensive item. Can you explain the importance of it and the cost behind it?

Ms. Ching: One thing I saw in the prior years that there was a bigger budget to it and when I saw that this is a mandated report that really concerns me. One of the things that I am interested in is having things more available and having it distributed further. So, right now I know there are a lot of questions about audits, our budget message, and where this commission is going to go. I think given more of a clear direction on where the Administration wants to go and certainly, this is part of the process where the legislative branch and the Administration really sets the tone for the County fiscally. I think that is the time for the Cost Control Commission come in to say, "Okay, how can we partner with those efforts and how can we amplify those efforts?" Whatever we do let us make sure that it is distributed and it really has a wide breadth of distribution and discussion with the community because that the budget is one of the most important tools of what is accomplished with this County.

Councilmember Chock: How many reports are we distributing out of this printing?

Ms. Ching: I was basing it on what I am familiar with, which is a Comprehensive Economic Development Strategy (CEDS) report, which is an Economic Development report. It is pretty lengthy and it is a pretty involved process with stakeholders' groups because that is what I am familiar with. I wanted to put in a number that would not be limiting on what this report could do and possibly and how it could be distributed.

Councilmember Chock: Just so I am clear, what you are saying is that you want to have a hard copy available at the Office of Boards & Commissions, but that there may be an expansion to that accessibility...

Ms. Ching: Absolutely.

Councilmember Chock: ...in providing copies to others?

Ms. Ching: Yes.

Councilmember Chock: Thank you.

Committee Chair Kaneshiro: Are there any further questions for the Boards & Commissions? Councilmember Evslin.

me. It has been wonderful. It has been a great opportunity. Being able to work with this Administration is just absolutely a lot of fun, a lot of interesting things, and of course, at the top of the list is my whole career thus far has been about trying to make a difference and trying to help an individual or create community resources for the benefit of this place where we live. This is a great opportunity and I intend to respect it, honor it, and to always be cognizant of the privilege of this opportunity that I have been given. One of the directions that we received as new Department Heads or Administrators is to really take the Department through the mission-vision process. I am in the process of finalizing that. It was a great opportunity for me because even though being a small office, I have two (2) individuals who have a wealth of knowledge and I have three (3) people, myself included, who have never worked in government. Basically, the majority of the work has been in nonprofits from the private sector, so, it is knitting together the team. My goal is to have a high-performing team; definitely to look at efficiency, effectiveness, and looking at going digital wherever possible; and really cutting down on paper. Every Commission right now, gets a folder that is mailed to them with the agenda with the agenda packet, and that agenda is posted. Then on top of that, they are digitally sent those materials. The postings, the staff walk from our Office to here to post, as well as all of the conference rooms. There are a lot of efficiencies that I think could be increased. I am total agreement and total support about customer service. In my mind, customer service define really identifying who our customers are. Certainly, the public, but it is also the Council, internally, and also our Commissioners. Are we servicing them at the best level possible? Are we providing them the information that they need to make the best decisions possible? These Commissions, in some ways, I feel they are the best kept secret. We are really a bridge between the government and the public. They actually set many of the salaries. They are the ones that make the decisions on how much a Department Head is going to be paid, such as the Fire Chief, Chief of Police, and the Head of HR. They evaluate those people. Are they meeting objectives? Are they meeting their outcomes? It is the public's way of community government of having their input and their voice expressed through the Commission on what they think is important and how they want to express that within our government operations. It is amazing. It is incredible. I may not agree with all of the opinions of our Commissioners, but I can tell you one thing, I am absolutely incredibly impressed at how much they care and how dedicated they are and willing to put in the time and the effort with all of the Commissions that they are involved in. Their intention is absolutely stunning and amazing, honestly.

Councilmember Chock: Thank you very much.

Ms. Ching: Thank you.

Councilmember Chock: When you say that we are "the best kept secret," I think it is true because I almost consider our Boards and Commissions like the third branch of County government because they really have a lot of power that I think most of our public does not realize. The direction that you mentioned in terms of community engagement, I think, is really key and something that I think we get feedback from around the table as to how we can improve that. So anything else that you can do in that venue, I would be fully supportive of. Thank you.

Ms. Ching: Thank you.

Committee Chair Kaneshiro: Again, sorry, Ellen. I should have allowed you, the Office of the Mayor and you put together a budget and operation synopsis, and I think we

Ms. Ching: I am very pleased that they are willing to come to the Office because there is a huge training component that I think can be really improved and hopefully, again, it is about customer service and also knowing that the better quality of training, the better functioning, the better decisions that these Commissioners can get.

Councilmember Cowden: I have one (1) other question that is a budget item. That is with the physical proxemics of your Office. It feels the same as maybe when you go to pay for property taxes where the type of customer that you are going to have coming in, depending upon whether they are coming in with whatever challenge, very often, they are coming there either exuberant about an idea, frightened from a bad experience, or high anxiety. My experience in the past is that the proxemics of that Office is very difficult for people to come away and feel heard and unfrightened. Have you given any kind of consideration of managing that challenge?

Ms. Ching: Oh, I have given a lot of consideration. Coming from where...

Councilmember Cowden: Where did you come from, by the way? You did not say.

Ms. Ching: I was the Executive Director for a nonprofit organization for twenty-nine (29) years working with people with disabilities, so you have individuals that can vocalize, but cannot speak or they may not be able to see. There is any number of conditions that they may have. One of the big things that we always look at is how environment affects behavior. For me, walking into that Office, it was very institutional. We have already started to change that. We have huge plans for changing the color, changing the way the desks are situated and composed, and really trying to create a separate space that is inviting and welcoming. In particular, for what I talked about earlier, when people are coming in and they are in crisis, they should have a private place or some privacy that they can talk about something that is traumatic to them and they want to make a complaint.

Councilmember Cowden: Is that space or those costs evaluated into this budget?

Ms. Ching: Right now, we are doing it without additional costs.

Councilmember Cowden: Okay. Do you feel you can address that?

Ms. Ching: For what we want to do at this point, yes.

Councilmember Cowden: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: Just a short quick one. I missed earlier under Other Services, there is a line item called "Legislative Tracking Website." What is that?

Ms. Ching: That actually is a carryover. I think that Managing Director Dahilig talked about it earlier, that contract was with the Boards &

Committee Chair Kaneshiro: So that does not need to be in the Boards & Commission's budget anymore?

Mr. Dahilig: No, it does not.

Committee Chair Kaneshiro: Okay.

Ms. Ching: We can use it for something else. I will let you know.

Committee Chair Kaneshiro: Are there any further questions?

Councilmember Kualii: I just have one (1).

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: Under Other Small Equipment, it is going up from \$2,900 to about \$10,000 and you list headphones, laminators, scanner, and desk partitions. Are you replacing old equipment and furniture? How does the \$9,500 break down?

Ms. Ching: I want to tell you a story when I first walked into the Office. It really freaked me out, quite frankly. You walk in, and every single desk was in a row and you walk past it. It was like something out of a crazy movie, honestly. Just one, two, three, everyone in a row facing that way. I thought, "Oh, my gosh." It is just really not a working environment that I feel is conducive to a high-performing team. On top of that, if you think about transcription where you are plugged in, I have to say, and an interesting thing about working with the government or having a brand-new experience is, I can say that staff they come in the morning, sit down, they plug in, and the only time they get up is to go to the restroom. They were eating at their desk. They stay there until the end of the day. I thought, "holy crackers." Now, two (2) of the new people were having a hard time with the ear buds because it was actually painful, and that is a huge part of their job. On top of that, it is transcription, so any kind of interruption with the phone or people coming in. We are the first office to the right, so everyone comes in, just to ask the question, "Where is this" and "where is that?" It is just a natural thing. It is trying to create an environment where they can have high performance with reducing sound and being able to really focus and creating a better environment for them, and a better environment, I believe, for the public because to come in and see this really one desk after another, it was just really so institutional, honestly.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Are there any further questions for Boards & Commissions? If not, thank you.

Ms. Ching: Thank you.

Human Resources Reports:

Committee Chair Kaneshiro: Our final item for today is Human Resources and their Report, their Vacancy Report that they sent to us. Do we have any questions for HR? Again, this is a Vacancy Report that line items each Department's vacancies. If we have a

Ms. Rapozo: Yes. We can do that. It is a fluid document. Since we submitted it on March 14th, we already have changes.

Councilmember Kualii: Sure, that is why we have it updated in May.

Ms. Rapozo: Yes.

Councilmember Kualii: Okay. Thank you.

Committee Chair Kaneshiro: Are there any other questions from the members regarding the Vacancy Report? Do you want to take a break and look at it?

Councilmember Cowden: I will just look at it right here. No worries.

Committee Chair Kaneshiro: It is basically a report that shows us all of the vacancies in every Department, how long they have been vacant, and whether or not they have been budgeted for or dollar-funded. We use this report a lot of times when the Departments come up. We will to ask them what the status of certain positions. Maybe positions that have not been filled for a while, we will ask, "Why has it not been filled?" They will also give us maybe an update, maybe they did hire in certain positions. Councilmember Chock.

Councilmember Chock: Council Chair Kaneshiro, I am going to follow suit and look at it department-by-department as well, but since we have our Acting Director of Human Resources here, I guess I would just ask what progress, in general, you have seen in terms of vacancies and the Vacancy Committee's role, and what you foresee moving forward.

Ms. Rapozo: The Vacancy Committee is no longer in existence. That was a Mayor Carvalho initiative, so that is no longer in existence. We are not meeting. However, there has been a lot of progress. I think the report looks kind of overwhelming because of all of the Police vacancies, which has grown from before. But if you look at the other Departments, it is not as much as before. There are some positions that are really hard to fill and you will see that is why they are one thousand (1,000) days or whatever. That is some of our trades; our plumbers, electricians, and of course, the police officers are in there, too, and some of our engineers. We are looking at doing different ways of trying to attract more people for that. We have been hiring above the minimum. That has not really been working. We recently met with State to see if there is a way to offer shortage differentials, so if there is a shortage in that category to hire, you can over a differential, which would be a monetary amount in addition to the base pay. We are looking at doing that for some of our positions that have been hard to fill for a long time. Those are some of the things we are doing to try to get these lists down. We are trying to work with Departments. A lot of it, too, is if you are looking at a higher-level position, we are going to promote, and so there is this domino effect. That one takes ten (10) days and then the next one takes another ten (10) days or even more. By the time you finally get down to the lowest-level position, that may take a few months to actually totally get rid of the vacancy. But that is just the nature of the beast that we have to do. Other than there, there are some other hard-to-fill ones that we have been working with. The Park Security Officer, you will see there are four (4) vacancies right now out of seven (7) positions, I believe, or there are seven (7) or something like that. That one, we are working with Parks to try to look at the test itself to see if we are testing correctly on what would be needed for that particular position. We are working with various

would have been throughout the year with the vacancies, and so that is why at the end, you see that, as well as looking at if the vacancy has been there for a while, is that a position that still needs to be budgeted in next year? So, those are the different numbers there.

Committee Chair Kaneshiro: If you look at it, you may see dollar-funded positions, budgeted amount or dollar-fund, that basically means that they are not planning on filling that position at that time.

Councilmember Cowden: Okay, that was a question that I had. That is what \$1 means. We need to keep \$1 there to keep the place of that position. There may be three (3) or four (4) vacant Plumbers, they are thinking that we are never going to fill all four (4) within the next year, they may dollar-fund a Plumber or two (2), and then try and fill the Plumber, just as an example, so you will see a dollar-funded position. Again, as far as estimated salary savings and budget, you will sometimes see the total budget for a position and then our actual budget is maybe half. That is the Administration trying to anticipate that the reality of hiring this employee on July 1st is not realistic, and we are going to half-fund it, three-quarter-fund it, or quarter-fund the position because that is when we think that we will actually get the employee in there. You will see a variation of it.

Councilmember Evslin: It shows estimated salary savings, do the Departments do an estimate of how much overtime accrued because of these vacancies?

Ms. Rapozo: I am not sure they do that. Some of the estimated salary savings may not be as much because what they may do is, even if the position is vacant, they may hire a short-term person to fill that, so there are some salaries that are being accrued and taken out. But I do not know if they do that analysis as far as how much overtime.

Committee Chair Kaneshiro: Are there any other questions regarding this report? Councilmember Kualii.

Councilmember Kualii: This is just one (1) little thing I stumbled upon and just wondered if this has anything do with what you talked about the shortage differential. When I opened it in Excel, I saw a hidden column and it just says, "Short-Funded Number of Months or Part-Time Status," and they all have twelve (12) in it. Was that just for calculations or something?

Ms. Rapozo: I do not do the calculation part, so I am not sure what the hidden column was there for.

Councilmember Kualii: I guess it was probably just for calculations. That is what I figure.

Councilmember Evslin: Can I just compliment Councilmember Kualii for his attention to detail on finding hidden columns in this spreadsheet?

Councilmember Kualii: Well, this exists for the Council so I thought it was important that we take the responsibility to tighten the budget. That is why the Vacancy Review Committee existed with Mayor Carvalho. I am glad he did that, but HR has obviously been improving, too, so I appreciate that.

that and change it already. Your budget from FY 2019 may be different from what is actually on here.

Councilmember Kualii: Right. So, we are going to see new information?

Ms. Rapozo: Yes.

Councilmember Kualii: But not yet from the May report, right?

Ms. Rapozo: We are taking action every day on classifications.

Councilmember Kualii: Right.

Ms. Rapozo: So, if any happened from March, then...

Councilmember Kualii: Will the May report be the latest whatever?

Ms. Rapozo: Yes, it will take out any positions that were hired, because that will be gone; any vacancies, because people left; as well as any allocations to the actual positions.

Councilmember Kualii: Okay. Thank you.

Committee Chair Kaneshiro: Are there any further questions? If not, this is the last item for today. Thank you, Janine. Thank you for that. Again, thank you everyone. Thank you to the Mayor's Office for your presentation and getting this whole budget document together for us to review. I know budgets are never a fun time for anyone, but it is probably the most important job that we have throughout the entire year, so we do all take it seriously. At this time, I would like to recess the Departmental Budget Reviews. We will reconvene at 9:00 a.m. tomorrow, Friday, March 29th, where we will hear from the Department of Public Works.

There being no objections, the Committee recessed at 11:57 a.m.