

DEPARTMENT OF FINANCE

Finance Administration
FY 2016 Annual Report
July 1, 2015 – June 30, 2016

Administration

Ken M. Shimonishi, Director of Finance
Sally A. Motta, Deputy Director of Finance
Laurie Kelekoma, Private Secretary

I. MISSION STATEMENT

To provide effective and efficient financial services to the people of Kauai and to all that we serve by establishing and maintaining a financial system that can properly account for its activities.

II. DEPARTMENT/DIVISION GOALS

A. Department Duties/Functions

Administration

Under the authority of Section 10.04 of the County Charter, the Director of Finance or the Deputy Director of Finance in the absence of the Director of Finance shall be the chief accounting, risk management coordinator, fiscal and budget officer of the county.

B. Department Goals

1. To provide guidance and managerial oversight of various divisions within the Department of Finance.
2. To continue a fiscally sound approach of County finances to ensure that expenditures do not exceed the resources available.
3. To prepare the annual Operating and Capital budget ordinances within a structurally sustainable framework.
4. To administer the budget functions of the County in accordance with all applicable laws and regulations
5. To have the County operate in the most cost efficient manner possible, while maintaining adequate reserves for unanticipated circumstances.
6. Improve financial transparency within the County and to the general public.
7. Launch and implement Long Term Financial Plan for the County of Kaua'i.
8. To assist the independent auditor in providing documentation and information during the audit process.
9. Analyze potential risk and procure mitigating insurance coverage to limit the County's exposure to said risk.

III. PROGRAM DESCRIPTION

Overall financial management of the County, including monitoring and improvement upon the County's financial position, and the oversight and assistance to all County of Kaua'i departments with regard to their budgets, revenues, and expenditures.

a. **Objectives**

To ensure all funds received by the County of Kaua'i are managed in accordance to the special conditions of the appropriation/award of the funds by providing timely financial information in a user friendly format.

b. **Highlights**

Successfully launched financial transparency portal, contracted with Government Finance Officers Association (GFOA) to implement Long Term Financial Plan project, received financial outlook change from "negative" to "stable" from Standard & Poor's Rating Services.

IV. BUDGET

	FY 2016 <u>Budget</u>	FY 2016 <u>Actual</u> (unaudited)
Salaries	341,936	279,241
Employee Benefits	160,440	152,667
Special Projects	1,145,150	982,898
Travel/Training	22,450	1,993
Other	104,804	41,212
County-Wide Costs:		
Telephone	147,000	123,181
Liability Insurance	670,502	656,589
Property Insurance	400,403	394,672
Excess WC Liability Insurance	314,141	314,140
Auto	60,000	11,325
General Liability	1,703,347	793,695
Total	<u>5,070,176</u>	<u>3,751,613</u>
(*Actual = expenditures + encumbrance @ 06/30/2016)		

DEPARTMENT OF FINANCE

Risk Management Services

FY 2016 Annual Report

July 1, 2015 – June 30, 2016

I. MISSION STATEMENT

To protect the County's assets (human, physical, financial) through a comprehensive and cost effective insurance and risk management programs.

II. DEPARTMENT/DIVISION GOALS

Risk Management is an integral part of good management practices and County stewardship efforts. Efficient risk management is essential to the successful overall management of the County.

Goals and Objectives:

- Minimize potential risk relative to property, liability to third parties, and human resources.
- Promote risk management as a component of strategic planning and as a major budget item.
- Ensure a unified focus on cost reduction by all departments.
- Educate departments on risk management and gain support for risk management programs.

Functions of Risk Management Services:

- Purchase and administer Public Entity Excess Liability policy (comprehensive general liability, automobile liability, law enforcement liability, public official's errors & omissions, and employment practices liability), Cyber Liability, Property Insurance, Crime, Aircraft Liability, Excess Workers Compensation and Subsidized Police Auto Fleet Liability coverage.
- Reconcile the insurance fund and the departments' workers' comp funds with the general ledger and prepare financial reports to the external auditors at end of the fiscal year.
- Provide internal consulting services for departments and agencies operations on loss control, liability exposures and policy development.
- Review contracts for insurance requirements, indemnification agreements, and vendor certificate of insurance.
- Periodically update property and automobile schedules for insurance coverage.
- Coordinate with the Office of the County Attorney on reporting liability claims to insurance carriers and third-party administrators.
- Serve as the county's liaison to brokers, TPA, and governmental agencies on insurance and risk management services.

The Department of Finance/Risk Management Services shall actively work toward minimizing the loss exposures of the County by incorporating sound risk management practices in the everyday functions and operations within the departments and decision-making process. This can be accomplished through effective management of the County's property and liability insurance programs.

The County shall employ the following risk management techniques:

- Risk Identification: Determine the County’s exposure to unexpected losses.
- Risk Analysis: Evaluate impact of potential loss financially, or an ability of County to provide services.
- Risk Control: Select techniques, develop policies and procedures to minimize frequency and severity of potential losses.
- Risk Transfer: Contractually transfer risk to other parties.
- Risk Financing: Determine County’s ability to finance losses and purchase insurance.

Insurance Program:

- The insurance program continues to follow a dual strategy of self-insuring the “normal” operating recurring claims from third-parties and its employees, while purchasing excess insurance layers to protect the County from catastrophic losses.
- The various insurance policies purchased by the County have emphasized purchasing adequate limits to cover potential loss exposure(s) while employing a “risk vs. reward” analysis to determine the various programs premium outlay are an effective use of County assets.
- The public entity insurance marketplace has been trending upwards with underwriters demanding and receiving premium increases for excess workers compensation and law enforcement liability.

Insurance Program Last Two Fiscal Years
Actual Expenditures

Insurance Premiums and Other Fees:	FY2015	FY2016	\$ Change	%Change
Excess Workers’ Compensation	\$167,565	\$198,293	\$30,728	+18%
Excess General Liability	\$553,723	\$587,438	\$33,715	+6%
Property	\$355,912	\$355,912	(0)	0%
Government Crime	\$13,597	\$13,972	\$375	+2.8%
Aviation (Aircraft)	\$35,170	\$28,481	(6,689)	-19%
Cyber Liability	\$21,280	\$22,540	\$1,260	+5.9%
Subsidized Police Vehicles Liability	\$39,870 <i>30 units</i>	\$46,515 <i>35 units</i>	\$6,645 <i>+5 units</i>	+16% <i>+16%</i>
Total Insurance Expenditures	\$1,187,117	\$1,253,151	\$66,034	+5.5%

Insurance Chart for Policy Year: 11/1/2015-11/1/2016

INSURANCE	INSURER	POLICY #	LIMITS	COVERAGE	DEDUCTIBLE/SIR
Property \$25M	Ironshore (50%) Lloyds (50%) Starr Surplus (33.33%) Chubb Custom Underwriters (33.33%) General Security Indemnity Corp (33.33%)	1830102 PW0072615 SLSTPTY10789115 4473297502 T0234451502327	\$5M part of \$10M \$5M part of \$10M \$5M part of \$15M excess of \$10M \$5M part of \$15M excess of \$10M \$5M part of \$15M excess of \$10M \$5M part of \$15M excess of \$10M	Per Occurrence Per Occurrence Per Occurrence Earthquake and Flood Loss of Business Income	\$100K AOP 2% per unit with \$100K mini for named storm, earthquake, and flood.
Excess Liability \$20M	Allied World Ins Co Great American Ins. Co.	5110-0018-00/ 5111-0023-00 EXC4223440	\$10M \$10M excess of \$10M primary	Comprehensive General Liability; Errors and Omission for Public Officials; Law Enforcement; and Employment Practices Liability.	\$750K per Occurrence
Government Crime	National Union Fire Insurance Co. of Pittsburgh	023064365	\$5M	Employee Theft-Per Loss, Forgery Alteration, Inside Premises – Theft of Money and Securities, Inside Premises-Robbery or Safe Burglary of other property; Outside Premises; Computer Fraud, Funds Transfer Fraud, Money Order & Counterfeit; Credit, Debit or Charge Card; Forgery; Faithful Performance of Duty for Government Employees	\$25K per single loss
Excess WC/Employer's Liability	Safety National Casualty	SP4053992	\$25M (WC) \$2M (EL)	Per Occurrence Max Limit per Occurrence	SIR: \$500K per occurrence;

Aircraft Hull and Liability	QBE Insurance Co.	QAV000833	\$2.2M \$25M \$10M	Insured Value on Hull Single Limit BI including passengers and PD; Airport Premises Liability; Non-Owned Aircraft Liability Non-Owned Aircraft Physical Damage.	Hull: 2% of insured value in motion per occurrence, except \$1K Not in Motion
Cyber Liability	Syndicate Underwriters at Lloyds	W146BA140202	\$1M Policy Aggregate \$250K Aggregate Sublimit	Information Security and Privacy Privacy Notification Regulatory Defense Website Media Content PCFI Fines and Cost	\$50,000 SIR
Subsidized Police Vehicles	Crum & Forster Indemnity Co. Eff 4/10/16-17	1337385222	\$100K / \$300K \$100K \$50,000 \$100K / \$300K \$100K / \$300K	Bodily Injury Property Damage Personal Injury Protection Uninsured Motorist Underinsured Motorist (non-stacked)	First Dollar

Property Insurance: The property insurance policy is written on a Manuscript policy form with various carriers participating on a Quota Share basis. The coverage includes All Risk Direct Physical Damage or Loss including Equipment Breakdown. The primary \$10 Million limit is provided by Ironshore (50%) and Underwriters at Lloyd’s (50%). The \$15 Million layer excess of the \$10 Million primary is provided by Starr Surplus Insurance Co. (33.33%), Chubb Custom (33.33%) and General Security Indemnity Cop. Of Arizona (33.33%). The property program provides the County of Kauai with a \$25,000,000 per occurrence loss limit subject to a \$10,000 AOP (All Other Perils) deductible. The Catastrophic perils of Named Storm (Hurricane), Flood and Earthquake have a \$100,000 minimum occurrence deductible and are subject to a 2% of the values at damaged locations (whichever is greater). All covered perils have an Occurrence loss limit (the limit resets after each occurrence) with the exception of the perils of Flood and Earthquake which have a \$25,000,000 Annual Aggregate loss limit.

General Liability: The County purchases an Excess Liability policy designed for public entities and provides coverage for Public Entity Liability, Automobile Liability, Law Enforcement Liability, Employment Practices Liability and Public Officials Errors and Omissions. The program has a \$20,000,000 per Occurrence and Annual aggregate limit. The primary \$10 Million limit is provided by Allied World Insurance Company and Great American Insurance Company provides \$10 Million Excess of the primary \$10 Million. The program has a per occurrence or per wrongful act Self Insured Retention (SIR) of \$750,000.

Commercial Crime: The crime coverage has a \$5,000,000 limit of liability subject to a \$25,000 per occurrence deductible. The coverage is underwritten by National Union Fire Insurance Co. of Pittsburgh, Pa. The wrongful acts covered by the policy include Employee Theft; Forgery or Alteration; Inside premises – Theft of money & Securities; Inside Premises – Robbery or Safe Burglary of Other property; Outside the Premises; Computer Fraud; Funds Transfer Fraud; Money Orders and Counterfeit Money; Credit, Debit or Charge Card Forgery; and Faithful Performance of Duty Coverage for government employees.

Excess Workers Compensation: The County of Kauai is authorized by the State of Hawaii Department Labor to self-insure their Workers Compensation exposure. The County purchases an Excess Workers Compensation policy to protect against catastrophic losses to its employees. The program is underwritten by Safety National and provides a \$25 Million per occurrence and annual aggregate limit. Safety National also provides Employers Liability coverage with a \$2,000,000 each accident limit and policy limit. Both the Excess Workers Compensation and Employers Liability coverage are subject to a \$500,000 per Occurrence Self Insured Retention (SIR).

Aircraft Liability and Hull Physical Damage: The County insures its helicopter liability and hull exposures through QBE Insurance Co. The program provides a \$25 Million limit each Occurrence single limit liability for Bodily Injury and Property Damage, including Passengers Liability; \$25 Million Airport Premises Liability; \$25 Million No- Owned Aircraft Liability each occurrence; and \$10 Million Non-Owned Aircraft Physical Damage. Hull Physical Damage coverage is provided on values of \$2,210,000 and is subject to a 2% deductible per occurrence, except a \$1,000 Deductible when the aircraft is not in motion.

Cyber Liability: The County purchases Cyber Liability protection from the Beasley Syndicate of Lloyd’s. The coverage provide protection to the County claims arising from Information Security and Privacy, Website Media Content, Regulatory Defense and Penalties, PCI Fines and Costs and Cyber Extortion. The limit is \$1,000,000 on an annual aggregate basis with various sub-limits applicable to certain extensions of coverage. The deductible is \$50,000 per incident. The policy also provides coverage for Privacy Breach and Response Services up to 2 Million Notified Individuals subject to a retention of 100 Affected Individuals.

Business Automobile Liability for Subsidized Police Vehicle Fleet: The County purchases a Business Auto Liability policy from Crum & Forster Indemnity Company for the vehicles (approximately 35 vehicles) in the subsidized police fleet. The Program has Bodily injury limits of \$100,000 Each Person and \$300,000 Each Accident; Property Damage Liability of \$100,000 Each Accident; Personal Injury Protection of \$50,000 per Person per Accident, Uninsured Motorists \$100,000 Each Person and \$300,000 Each Accident; Underinsured Persons \$100,000 Each Person and \$300,000 Each Accident.

Self-Insured Workers’ Compensation Funds

Total Expenditures Charged to Departmental Budgets, (excluding TTD and TPA adjusting fees*)

Self-Insured Workers’ Compensation	FY2015	FY2016	Variance (\$/%)
Total Replenishments to TPA’s Trust Fund	\$1,272,730	\$1,524,893	\$ 252,163 (5.05%)

**TTD charged directly to payroll, TPA Adjusting Fees charged to Department of Personnel Services*

Department	Division/Location	Total Paid
Police	All Division/Location	\$443,334.51
Public Works	All Division/Location	\$378,248.26
Finance	Accounting/Water #590	\$144,846.82
Parks and Recreation	All Division/Location	\$91,330.45
Fire	All Division/Location	\$89,350.13
Transportation	All Section/Location	\$82,194.75
Housing	Housing Section 258	\$2,094.94
Prosecuting Attorney	Administration	\$1,405.40
County Clerk	Council Services	\$1,162.96
Personnel	Administration	\$143.08
Total Charges to Departments		\$1,234,066

Activities/Projects:

The Department of Finance/Risk Management Services, in coordination with its insurance broker, Atlas Insurance Agency has undertaken strategic initiatives to assist the County in managing risk exposures and cost of insurance:

1. Conduct training sessions for all County contracting personnel on insurance, risk management strategies, and contractual risk transfer.
2. Updated County contracts' insurance requirements with County Attorney and Purchasing.
3. Assisted County Attorney's office with an audit of all open liability claims.
4. Assist the departments and agencies in identifying and managing risks by facilitating resources and consultation to appropriate risk control techniques.
5. Coordinate with TPA and insurance broker in establishing yearly reserves for workers' compensation claims during quarterly claims reviews.
6. Perform risk control training activities for various County Departments.
7. Currently marketing a Pollution Liability policy for environmental claims against the County of Kauai.

DEPARTMENT OF FINANCE

FY JULY 1, 2015 – JUNE 30, 2016

Annual Report for Accounting Division

Renee M. Yadao, Accounting Systems Administrator
Sherri Silva, Fiscal Control Analyst
Ann Wooton, County Grants Program Manager
Kai Li Spanski, Central Accounting Analyst
Donna Gabriel, Accountant III
Marisa Bettencourt, Accountant III
Carla Garania, Accountant I [1]
Patrise Pancho, Accounting Technician
Melanie Luis, Accounting Technician

I. MISSION STATEMENT

To provide oversight and maintain the accuracy and integrity of the County's financial system.

II. DEPARTMENT/DIVISION GOALS

- To maintain the general ledger accounting system for 33 County funds.
- To assist the independent auditor in providing documentation and information during the audit process.
- To prepare and issue the annual "Comprehensive Annual Financial Report" as audited by an independent and qualified Certified Public Accounting firm.
- To provide guidance and oversight to the various departments and agencies.
- To provide central accounts payable services to all departments and agencies and process payment requests in a timely manner.
- To maintain County-wide capital asset records, including infrastructure and improvements.
- To maintain adequate internal controls of the general ledger accounting system.
- To implement and revise County-wide financial policies and procedures.
- To prepare and distribute monthly financial reports to all departments and agencies in a timely manner.
- To reconcile all bank statements and investments contained in the County's general ledger.
- To prepare adjusting budget, expenditure, and revenue entries to the general ledger.
- To prepare and submit a consolidated corrective action plan for all audit findings and recommendations, as applicable.

III. PROGRAM DESCRIPTION

The Accounting Division provides the centralized accounting and financial reporting for all County-wide operations. In addition, the Accounting Division administers all accounts receivable, account payable, and capital asset related transactions.

a. Objectives

The Accounting Division’s primary objectives are to:

- 1) Report accurately, all financial related information in a timely manner and
- 2) Strive to promote transparency, streamline processes to increase efficiencies, effectiveness, and consistency throughout County-wide operations.

b. Highlights

The Accounting Division has continued to streamline and improve processes to ensure timely payments are processed, financial reports are complete and accurate, and consistently provide departments with their respective Detail Budget Reports in a timely manner.

IV. PROGRAM MEASURES – ACCOMPLISHMENTS / EVALUATION

The Government Finance Officers Association (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the County of Kaua’i for its **Comprehensive Annual Financial Report** (CAFR) for the fiscal year ended June 30, 2015. The County has received this award for the 23rd consecutive year. This award signifies that the County’s 2015 CAFR has achieved the highest standards in financial reporting in accordance with Generally Accepted Accounting Principles (GAAP) and applicable legal requirements. We believe our current 2016 CAFR will continue to meet the requirements and plan to submit our CAFR in December 2016 to determine its eligibility.

V. BUDGET

	FY2016 (unaudited)	
	Budget	Actual
Equivalent Personnel		
Full-Time Permanent	9	9
Salaries	595,338	568,940
Employee Benefits	316,310	137,286
Other Services	114,189	76,320
Supplies	10,101	6,501
Equipment	4,408	3,387
Other	23,409	16,880

Note [1]: Employee started on 6.16.16.

DEPARTMENT OF FINANCE

Driver License Division

Fiscal Year 2016

July 1, 2015- June 30, 2016

Chief Licensing Examiner/Inspector – Vacant (November/2015)

Michael A. Drake, Supervising License Examiner/Inspector

Ivan D. Miller, Motor Vehicle Control Inspector

Dena Sumida, Motor Vehicle Program Technician

Randall I. Wilson, Driver License Examiner/Inspector

Jason H. Koga, Driver License Examiner

Colette Kawamura, Senior Financial Responsibility Clerk

Carolyn Inouye, Financial Responsibility Clerk

Marlene M. Moises, Driver License Clerk II

Priscilla Costa, Driver License Clerk II

Tami L. Compoc, Driver License Clerk II

Rosielily T. Omo, Driver License Clerk II

Cienna Barretto, Senior Clerk

I. MISSION STATEMENT

To provide a user-friendly system for the issuance of a learner's permit, driver's licenses, state identification cards, and other services by this department that will be up to standards and be able to give prompt and professional service to the public and other government agencies.

II. DEPARTMENT/DIVISION GOALS

- To filter out the incompetent and problem drivers, as well as applicants afflicted with mental or physical infirmities or disabilities that would make it unsafe for both the motoring public and the licensee to operate a motor vehicle.
- Continue to satisfy the Federal Commercial Motor Vehicle Safety Act of 1986 (Commercial Driver License or CDL).
- Satisfy the new Federal requirement, National Driver Register-Problem Driver Pointer System (NDR-PDPS), implemented on August 25, 1996.
- Continue to implement the 2005 AAMVA (American Association of Motor Vehicle Administration) new CDL Testing System Statewide.
- Install additional ADLKTS (Automatic Driver License Knowledge Testing System) to electronically administer knowledge tests for driver license types: 1, 2, and 3. VI - 11

- Amend the Administrative Rules and Regulations Chapters: 19-122 (Driver License) and 19-149 (Civil Identification).
- Successfully implement Act 172 - Limited Purpose Driver's License statewide on January 1, 2016.
- Completed the Installation of the required Real I.D. Security Floor Plan that was approved by the Real I.D. Assessment Team (RIDAT). Including the tempered safety glass partition between driver license's clerks and the applicants in which were designed and purchased by County of Kauai.
- Educate the Periodic Motor Vehicle Inspection (PMVI) station and inspectors of the new law (Act 082, signed by Governor Ige on June 21, 2016) regarding the acceptance of the Electronic Insurance Identification Cards, which started July 01, 2016
- Fill vacant positions that are vital for normal operations.

A. Duties/Functions

The Division of Driver Licensing is responsible for adherence to the following:

1. Administration of Highway Safety, Chapter 286, Hawaii Revised Statutes.
2. Administration of Chapter 19-122 of the Hawai'i Administrative Rules.
3. Administration of Chapter 19-149 of the Hawai'i Administrative Rules.
4. Administration of Chapter 19-133.2 of the Hawaii Administrative Rules.
5. Administration of Chapter 19-133.5 of the Hawaii Administration Rules.
6. Administration of Motor Vehicle Safety Responsibility Act, Chapter 287, Hawaii Revised Statutes.
7. Administration of the FMCSA (Federal Motor Carrier Safety Administration) regulations.
8. Continue to verify and establish Legal Presence for all applicants (Section 19-122-304 Hawai'i Administration Rules).
9. Examination of the qualifications and fitness of any person desiring to obtain a learner's permit, driver's license, provisional license, commercial driver's license or a Limited Purpose driver license

10. Issuance of permits, furnishing instructions and all forms, supervision and inspection, suspending or revoking permits issued to Periodic Motor Vehicle Inspection (PMVI) Stations/Inspectors, certified within the County of Kauai.
11. Issues written tests, annual taxi vehicle inspections, issues taxi drivers permits & taxi vehicle permits. Administration of the Kauai County Code, Relating to Taxis and the Rules & Regulations of the Director of Finance, Relating to Taxicabs.
12. Adhere to the Memorandum of Agreement (MOA) effective July 1, 2015 between the Disability and Communication Access Board (DCAB), and the County of Kauai.
13. Administer Chapter 11-219 of the Hawai'i Administration Rules – Parking for Persons with Disabilities.
14. Issuance of DCAB Placards for parking privileges for disabled persons.

III. PROGRAM DESCRIPTION

Driver improvement is still considered the heart of Traffic Safety. Therefore, we are conducting research to develop a good and systematic program with the aid of enforcement agencies, courts, medical advisory board and the general public.

A. Program Objectives

- Implement new legislation, procedures and computer system to meet the new requirements for the Real ID Act implemented by Congress.
- Implement the Digital Image Access Exchange Program (DIAEP) that allows participating states to access and retrieve an out-of-state applicant's information and photograph. All counties of the State of Hawai'i have a responsibility to ensure that a driver license is only issued to a person whose identity can be confirmed. The DIAEP will help to achieve that.
- Continue to implement Act 38, Legal Presence. Signed into law on 4/20/2010 by Governor Lingle. Act 38 requires an applicant for a driver license and instruction permit to submit proof of Legal Presence in the United States, and provides that immigrants and non-immigrants licenses expire no later than the date of their authorized legal stay in the U.S.
- Continue to implement Act 172 – Limited Purpose Driver License (LP) to those applicants that's unable to provide proof of legal presence within the United States. Administer the LP written test to obtain a LP permit, road test for their LP licenses. ***“NOT ACCEPTED FOR OFFICAL FEDERAL PURPOSES”*** labeled on the front of every LP permit or license. On the back of the LP permit or license states ***“THIS LICENSE IS ISSUED ONLY AS A LICENSE TO DRIVE A MOTOR VEHICLE. IT DOES NOT ESTABLISH ELIGIBILITY FOR EMPLOYEMENT, VOTER REGISTRATION, OR PUBLIC BENEFITS”***
- Continue to implement the Automatic Commercial Driver License Knowledge Testing System (ACDLKTS) which will meet and fulfill the new 2005 AAMVA

CDL testing requirements. The testing system will provide security, eliminate fraudulent activity, flexibility to meet the test applicant's needs, and will provide options to design or alter tests and reports.

B. Program Highlights

- The amendments to Chapter 19-122, Hawai‘i Administrative rules to address the driver license procedures affecting persons with disabilities that could affect driving was passed and currently in effect.
- Kauai’s Driver Licensing Division, as well as the other Hawai‘i Counties, are in full compliance with the Social Security Administration (SSA) system’s security requirements. VI - 13
- Continue to implement Ordinance #899, New Driver Licensing Fees on September 1, 2010.
- Legal Presence document requirements took effect on March 5, 2012.
- July 2, 2012 amendments to Chapter 11-122 of the Hawai‘i Administrative Rules - Parking for Persons with Disabilities took effect.
- Continue to issue Civil Identifications (effective 1/1/2013) successfully. July 9, 2012, Governor Abercrombie signed Act 310, SLH 2012 into law - transfer State I.D. to HDOT (Driver License Divisions).
- Installation and training for the ACDLKTS was completed on August 24, 2012.
- Completion of the departments Security Awareness Refresher Training (SART), in compliance to the Real ID Act of 2005 (valid for three years, expiring April 2019)

IV. STATISTICS

2015 DRIVER LICENSE and STATE IDENTIFICATION STATISTICS (calendar year)

TOTAL LICENSED DRIVERS	54,445
2014 Total Licensed Drivers	53,350
2015 Increase of:	1,095
2015 % Increase	2.05%
 TOTAL COMMERCIAL LICENSED DRIVERS	 1,369
2014 Commercial Driver License	1,456
2015 Decrease of:	-87
2015 % Decrease:	-5.98%
 TOTAL MOPED/MOTOR SCOOTER/MOTORCYCLE	 3,707
2014 Type 1 & 2 Drivers	3,619
2015 Increase of:	88
2015 % Increase:	2.43%
 TOTAL STATE IDENTIFICATION CARDS	 7,955
2014 State ID’s	7,391
2015 Increase of:	564
2015 % Increase:	7.63%

Department of Finance
Division of Purchasing
FY 2014 - 2015 Annual Report
June 1, 2014 – July 1, 2015

Ernest W. Barreira, M.S., Assistant Chief Procurement Officer/Budget Chief
Florence Kakuda, Procurement & Specification Specialist VI
Erwin Wright, Procurement & Specification Specialist VI
Kristi Mahi, Procurement & Specification Specialist IV
Wendy Takemoto, Procurement and Specifications Specialist IV
Hope Stem, Procurement and Specifications Specialist III
Jason Coloma, Procurement and Specifications Specialist III
Carrie Moses, Procurement Technician II
Raina Bautista, Procurement Technician II

I. MISSION STATEMENT

The Division of Purchasing is tasked with the responsibility to assume responsibility for all formal procurement of Construction and Goods and Services for the County of Kaua‘i. In addition, the Division is responsible for: Contract for services of independent contractors, purchase materials, supplies and equipment; purchase, lease, rent, or otherwise acquire or secure the use of real or personal property; maintain control of all surplus County equipment and process all inter-office and incoming/out-going mail, and postage.

II. DEPARTMENT GOALS

- A. Facilitate the acquisition of goods, services, and construction for the County of Kaua‘i in full adherence to the Hawai‘i State Procurement Code pursuant to HRS Chapter 103D and applicable Hawai‘i Administrative Rules.
- B. Provide guidance, training, and direction to the County administration and all departments, divisions, and agencies with regard to the requirements of procurement.
- C. Maintain an updated portal of all solicitation boilerplates and forms consistent with the changes in laws and rules so as to provide critical guidance and training to all County departments and personnel.
- D. Adopt and maintain an operational philosophy to acquire and implement technological resources available to improve operations, eliminate redundancies, achieve various levels of efficiencies and cost effectiveness, achieve timely processing of all work assigned to the Division, and maintain the highest level of quality in the delivery of services to the public.

III. PROGRAM DESCRIPTION

The Division of Purchasing, under the authority of Section 19.19 of the County Charter, is responsible for administering the centralized purchasing of all "materials, supplies, equipment and services" for the County.

In addition, further authority, duties, and responsibilities are provided by Hawaii Revised Statutes, Section 103D, and the related Hawaii Administrative Rules.

A. *Program Objectives*

The objective of the Division of Purchasing is to "promote economy, efficiency, and effectiveness" in the timely procurement of goods and services, and the construction of public works for the County of Kaua'i and to ensure maximum competition as intended by the Hawaii State Procurement Code. This involves a commitment of the Purchasing Division to work with the various agencies in reviewing their procurement objectives, special requirements, and specifications; advising them of options and other information resources; and informing them of the requirements of the Public Procurement Code.

The results of this commitment should reduce the number of protests filed and expedite the turn-around time for requisitions. Currently, the Division's goal for processing purchase orders is one (1) to two (2) days.

B. *Program Highlights*

During the one (1) year period beginning July 1, 2015 to June 30, 2016, the Division's work accomplishments were as follows:

Completion of all equipment procurement as approved by the Budget Ordinance B-2015-796 and grants. Said procurement totaled \$1,992,726.37.

Processing of the following top 10 bid solicitation/proposals/agreements/contracts:

1. Landfill Gas Collection and Control System Construction for Kekaha Landfill: \$4,168,643.00
2. Puhi Road Rehabilitation: \$3,608,475.00
3. Public Safety Software - CAD/RMS: \$2,256,890.64
4. Motorola Maintenance Upgrade Phase 3: \$2,100,000.00
5. Lease Financing FY 15-16: \$2,068,560.00
6. Repair/Reconstruction Moanakai Seawall: \$1,781,250.00

7. Kapahi Stream Bridge Replacement, Federal Aid Project No. BR-0700 (53), District Of Kapaa: \$1,268,000.00
8. Sungard Consolidated Major Services (5-year multi-term): \$1,090,036.53
9. Hanalei Courthouse ADA Improvements and Septic System Installation: \$975,948.00
- 10.** Island Wide bus Stop Improvements, Phase II: \$841,300.00

IV. PROGRAM MEASURES

ITEM	FY 2016		FY 2017	FY 2018
	TRANSACTION QUANTITY	DOLLAR AMOUNT	EST TRANS QUANTITY	EST TRANS QUANTITY
BID DEPOSITS AND REFUNDS: (Target refund time is twenty (20) days after contracts are fully executed.)				
Bid Deposits & Performance Guarantees, Plans & Specs.	1	\$5,350.00	8	8
Refunds	1	\$3,021.55	10	10
PURCHASE ORDERS:				
PROCESSED: ^a (Target turn-around time for processing of requisitions is 1 to 2 days.)	2334	\$6,935,882.96	2500c	2500c
INFORMAL & TELEPHONE BIDS PROCESSED:	155	\$1,525,342.21	150	150
Written Informal - (Prepare and solicit bids within two (2) weeks after receipt of requisition.)	14	\$273,399.16	15	15
Telephone Bids	141	\$1,251,943.05	135	135
ADVERTISED SOLICITATIONS:				
Bid/Proposals Advertised	52			
Awards ^b (construction, consultant, negotiated, price agreement, concessions)	145			
Goods (GDS)	24	\$3,899,457.17		
Equipment (E)	2	\$120,284.00		
Services (S)	96	\$17,350,088.86		
Construction (CIP)	18	\$15,799,490.89		
Open End (OE)	4	\$0.00		
Grants (G)	0	\$0.00		
MISC. (All Others) (M)	1	\$0.00		
TOTAL	145	\$37,169,320.92		
CONTRACTS BY METHOD:				
Invitation For Bids (IFB)	46	\$15,907,983.36		
Request For Proposal (RFP)	7	\$447,106.19		
PROF SVC (PS)	18	\$2,399,105.78		
Small Purchase (SM)	3	\$115,400.40		

Sole Source (SS)	14	\$3,860,622.79		
Emergency (EMG)	1	\$233,945.00		
Exempt (EX)	51	\$11,830,396.20		
Co-operative Purchase (CO-OP)	4	\$2,374,761.20		
Real Estate Lease (RL)	0	\$0.00		
Non-procurement (NP)	1	\$0.00		
TOTAL		\$37,169,320.92		
MAIL:				
(Mail is processed daily.)	68,194	\$72,843.16 ^d		
Estimated Hours Expended	620		620	620

^a Totals are inclusive of Contracts, Informal & Telephone Bids awarded by Purchase Order

^b Totals are inclusive of awards by purchase orders

^c The reduced projection is based on the continuing increase in the use of pCards for the purchase of goods and services under \$1,500 per transaction.

^d Mail expenditures continue to decrease as a result of electronic procurement and other paperless and technological initiatives.

V. BUDGET - PROGRAM FUNDING RESOURCES (GENERAL FUND)

Expense Type	FY 2015 Actual	FY 2016 Appropriation	FY 2017		Total
			Request	Expansion	
Equivalent Personnel (E/P)	10.0	10.0	0	0	10.0
Salaries and Wages	590,626	641,659	648,553	0	\$648,553
Operations	510,884	510,884	486,161	0	\$486,161
Equipment	5800	5800	\$8,640 (lease)	0	\$8,640
Program Total	798,912	871,318	1,127,730	\$256,412	\$1,143,354

VI. ACCOMPLISHMENTS/EVALUATION/FUTURE PROGRAM AND HOLO HOLO 2020 PROJECTS AND STATUS

A. Revision, Approval and Implementation of the General Provisions for Construction Contracts

In FY 16, the DoP successfully coordinated numerous discussions and groups meetings with various County stakeholders in order to amend the General Provisions for Construction Contracts. These provisions remained unchanged since 1973 and were substantially obsolete. Because of the absence of an update to these provisions, the County adopted utilization of special provisions which totaled some 70 pages. This was needed in order to address obsolete conditions within the 1973 document. An operational component of the update included the incorporation of the special provisions within the principle document. As such, the use of special provisions will only be utilized to customize conditions specifically applicable to a particular project.

The completion and update of the general provisions for construction contracts was a critical element for the division to advance its electronic procurement initiative for construction contracts. The following County departments and entities were critical in moving this initiative forward:

Division of Purchasing
Office of the County Attorney
Department of Public Works
Department of Parks and Recreation

The revised documents has since been published and is available electronically on the division of purchasing website.



B. Continued Expansion of Electronic Procurement and Paperless Initiatives

During the FY 16, after three years of various levels of research and development, the DoP launched its first phase of electronic procurement for construction projects. The new electronic procurement system, Public Purchase, through The Public Group, allows for complete electronic and paperless application of procurement solicitations for construction projects. The solicitations are let electronically and contractors are able to submit their offers electronically. It is a completely paperless application which has created a significant increase in division efficiency and effectiveness. This application has also been beneficial to the construction community in terms of time and cost. In addition, the electronic procurement system allows for bid openings to occur via the Internet. As such, traditional bid openings that occurred in the past which mandated the physical presence of contractors are no longer necessary. Bid openings and other procurement information are conveyed via the Internet.

As a component of the implementation of this initiative, the DoP held extensive training with both internal and external customers. The purpose of the training was to familiarize the construction community with the new paperless application to develop an understanding of the new system before implementation began. The training was attended by more than 100 persons from various segments of the construction industry. County project managers and various administrators were also provided internal customer training.

The implementation of the new initiative was seamless and has been utilized exclusively by the division for all of FY 16. The DoP extends our appreciation and thanks to the construction industry for the cooperation exercised to move this initiative forward. Special thanks is extended to the Contractor's Association of Kauai who offered its partnership and facilitation with the DoP for the past three years prior to the actual implementation of the electronic procurement initiative.



C. Completion of Initiative to Develop Technology Assignments and Delegation of Authority to All DoP Employees

All identified technology initiatives, roles, and responsibilities which the DoP has adopted as part of its operational platform have been specifically identified, documented, and delegated to all employees. A spreadsheet which documents these assigned duties and responsibilities has been developed and posted on the DoP shared access drive for management, and review. This initiative will ensure subject matter expertise in the various areas upon which the division relies for the harnessing of technologies in order to improve efficiencies and the level of service to our customers.

Employees who are primarily assigned to a specific technology task or tasks are expected to develop a functional level of expertise and are called upon when the specific areas are needed for the carrying out of various procurement requirements. These employees are also assigned the responsibility of training other employees who are assigned other areas of expertise so as to ensure broad knowledge of all functional areas among all employees. This level of knowledge and continuity is vital so as to ensure the reliable and uninterrupted delivery of services.



D. Succession Planning

The division's succession plan is in its third year of implementation. As we entered FY 16, all three upper-level managers within the division to include the two section supervisors and the head of the division have now qualified for retirement and could depart at any time. This transitional reality requires continued diligence in pursuing a succession strategy that will ensure organizational consistency and the responsible and effective delivery of services after upper-level managers enter into retirement.

The following significant activities have occurred in FY 16 relating to the succession plan:

Two specialists have met the minimum qualification and performance requirements for movement to the Procurement and Specification Specialist IV level. These reallocations are currently pending review. Two additional journey level specialists priced at the Procurement and Specifications Specialist III level will soon achieve the required minimum qualification and performance requirements to advance to the level of Procurement and Specifications Specialist IV. This is the “super-journeyman” level of specialist who is able to assume the full range of procurement duties and responsibilities to include the most complex matters. Requests for appropriate movement will occur in late FY 16 and into the new fiscal year.

The reallocation actions that have been pursued as a critical component of the succession plan have been based on the need for qualified specialists commensurate with the nature of the complex procurement work that the division is tasked to achieve. Comprehensive training and actual exposure to and performance of the work are all prerequisites of these actions. We believe that economic conditions will translate into a significant growth in workload for major construction and goods and services projects into the new fiscal year and beyond. As we all understand, every dollar that is spent for the purchase of goods, services and construction occurs at the DoP.

There is no doubt in terms of the difficulties in developing an effective succession plan in the presence of civil service system requirements. But something must be done to provide some assurance of operational and organizational continuity after the managers leave and to also create the mechanism to bring in new workers as attrition and internal movements impact lower level positions.

The creation of specialists over technicians as has been discussed in prior succession presentations is far more accurate based on the overwhelming majority of work performed by the division. In the presence of the significant movement toward electronic and paperless applications, there will be a related reduction in traditional clerical work. While still present in some reduced form, these will represent minimal tasks as opposed to the overwhelming majority of duties relating to the seven major forms of procurement and all of the complicated tasks with the associated contracts, amendments, etc.

The complexity of assignments that are being performed by the specialists are commensurate with the pricing changes and were pursued only after the required level of work was being effectively and capably carried out. The collateral benefit of the succession initiative will hopefully result in having a pool of well-trained and qualified senior specialists who will be able to fill managerial positions when retirements occur; to include the selection of a new Assistant Chief Procurement Officer (ACPO).



Department of Finance
Treasury/Motor Vehicle Registration
Fiscal Year 2015-2016

Treasury

David F. Spanski, Treasurer
Jean R. Kurosaki, Accountant III

Motor Vehicle Registration

Callie F. Gandeza, Motor Vehicle Registration. Officer
Natalie Konishi, Accounting Technician
Robert Roman, Vehicle. Titles & Registration. Technician
Annette Baptiste, Vehicle. Titles & Registration Technician
Lisa Yamaguchi, Vehicle Titles & Registration. Technician
Dawn D. Costa, Vehicle. Titles & Registration. Technician
Lynn Salvador, Vehicle. Titles & Registration. Technician
Tracie Sakamoto, Vehicle. Titles & Registration. Technician
Thaila Waiamau-Gonzales, Vehicle. Titles & Registration. Technician
Elena Gillespie, Senior Clerk

I. MISSION STATEMENT

To provide prudent financial management and services to the people of Kauai and to the departments and agencies of the County that we serve.

II. DIVISION GOALS/DUTIES

- a.
 - 1) Keeps accounts of receipts and disbursements
 - 2) Collects and accounts for the motor vehicle weight taxes, fees for licensing penalties, bicycle, business license and other revenues associated with these fees.
 - 3) Collects monies and or deposit slips from all county agencies.

III. PROGRAM DESCRIPTION

The Treasury function accounts for, receipts, protects, deposits, invests in authorized investments, and disburses upon proper authorization the public's monies due to or receivable by the County and State of an average portfolio of \$160-228 million. The Treasury function keeps accounts of receipts, disbursements, cash flow forecasting, investment of funds in authorized investments, issues and/or refinances debt and maintains the County's Long Term General Debt schedules of approximately \$167.4 million of which \$62.4 million is reimbursable by the Department of Water.

The Motor Vehicle Registration function registers motor vehicles, trailers, motorcycles, bicycles, and issues license plates, emblems or tags and business licenses. Also, collects and accounts for monies from the public and other County agencies.

a. Program Objectives

1. To insure deposits with financial institutions are fully collateralized.
2. To maintain sufficient liquidity to meet the County's cash requirements.
3. To generate a return on investments at or above the two year U.S. Treasury Note.
4. To minimize fees associated with borrowing.
5. To provide timely financial reporting to outside agencies, and establish and maintain effective internal controls and processes.
6. To collect and account for motor vehicle weight taxes, fees for licensing, penalties, bicycle, and business licenses.
7. To issue and collect monies for tipping fee coupons.
8. To issue and collect monies for bus passes
9. To collect payments for sewer, solid waste and sludge, plus commercial refuse.
10. To collect, and account for all monies due to or receivable fairly and uniformly.
11. To input all motor vehicle registration records directly into the State Data System operated by the City and County of Honolulu through Computer Terminals.
12. To provide courteous, effective and efficient service to the public.
13. To implement the process of having the sewer bills bar coded.

b. Program Highlights

The Motor Vehicle Registration function is supplemented with two positions funded by the State Department of Transportation to provide State mandated services to assist in the collection of State funds.

Credit card and E-check services was provided over the internet for Sewer Bill payments beginning April 2006, and for Real Property Tax payments beginning August 2006. The use rate for FY2009 was approximately 14% for sewer and 11.4% for real property tax payments. There were 3,491 sewer users and 6,805 real property tax users. In February 2009 online services was provided for Motor Vehicle Registration. The use rate for FY2016 was 3.8% for sewer, 8.8% for real property tax payments and 3.5% for MVR payments. There were 952 sewer users 4,785 real property tax users and 3,138 MVR users. The decline in users from FY2009 to FY2016 for sewer and real property payments is attributed to the County stopping the subsidy of online payment user fees as of December 31, 2009.

In December 2005, the County MVR Office instituted the Fleet Dealer Registration Program. This program is optional to new car dealers and rental car companies, to provide license plates, emblems, and registrations for their new vehicles. It provides the rental car companies with the ability to have their new vehicles available sooner to their customers without the necessity to stand in line at the MVR office. Current participants are Alamo,

National, Dollar, Enterprise, Hertz, Avis and Budget rental car companies.

In May 2011 the County MVR Office entered into a “Print on Demand” (POD) program. Whenever a registration is renewed and updated via Data Systems, a current registration and emblem will be printed out through this program. The emblem number printed out will be the license plate number of the vehicle being renewed. This saves time, emblems and discourages theft of emblems on license plates.

On July 07, 2011 the County issued the Series 2011A Bonds of \$26,110,000 (County portion \$20,985,000, DoW \$5,125,000) to current refund/refinance all of the County’s outstanding 2001ABonds of \$26,695,000 (County \$21,455,000, DoW \$5,240,000). The Series 2011A Bonds were sold at an interest rate of 2.93%. The refunding generated \$4.3 million in PV savings (16.2% of refunded par). On an annual basis the County will save \$270.0K on average through FY2026.

On 7/10/12 the County issued the Series 2012A Bonds of \$26,160,000 (County portion \$23,215,000, Water \$2,745,000) and Series 2012B (AMT) of \$8,215,000, which is allocable to the County’s landfill facility managed by a private contractor. The purpose of these issues was to advance refund a portion of the County’s outstanding Series 2005A Bonds for economic savings. The County was able to sell the Series 2012 Bonds at an interest cost of 2.96%. The refunding generated over \$1.9 million in PV savings (5.88% of refunded par). On an annual basis the County will save over \$155,000 on average through FY2030.

IV. PROGRAM MEASURES

Treasury Administration	FY13	FY14	FY15	FY16
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
Return on investment (all funds)	1.0%	.86%	.88%	1.0%
2 Year Treasury Note (FY)	.25%	.46%	.56%	.60%
Fees as a percentage of bonds issued	.83%	N/A	N/A	N/A
 Motor Vehicle Registration				
Sewer Bill Transactions + e-pmts.	24,472	24,868	24,693	25,713
Motor Vehicle Transactions (all types) + e-pmts.	90,182	92,765	93,914	96,246
Bicycle, business license transactions	4,087	3,862	3,283	1,866
tipping fees, T/F deposits, solid waste, sludge, firecracker; (Does not include outside agency deposits, phone inquiries, info requests, reject mail, filing, bus passes etc.)				

V. PROGRAM RESOURCES (General fund; without fringe costs, includes Treasury and MVR)

Expense Type	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Request
Equivalent Personnel	12	12	12	12	12
Salaries & Wages	463,801	505,711	504,765	521,602	557,281
Operations	238,778	199,844	199,406	190,569	186,168
Equipment	0	0	4,063	0	0
Program Total	702,579	705,556	708,324	712,171	743,449

**Department of Finance
Grant Revenue Motor Vehicle Registration**

II. Grant Revenue - Program Description

The Motor Vehicle Registration function is supplemented with two positions funded by the State Department of Transportation to provide State mandated services to assist in the collection of State funds.

a. Program Objectives

To provide effective and efficient motor vehicle registration.

b. Program Highlights

The State funded Motor Vehicle Registration function, two Veh. Titles and Registration Tech. positions, also assist the County funded positions in all other Treasury related functions in performance of their program objectives.

IV. Program Measures

Grant Revenue	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual
Motor Vehicle Transactions	68,174	70,751	71,059	73,280
State MV Weight Tax, Registration Fee, penalty EMED collected (\$)	8,924,737	9,159,995	9,235,430	9,674,025

V. Program Resources (State Grant Revenue; includes fringe)

Expense Type	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Request
Equivalent Personnel	2	2	2	2	2
Salaries & Wages	119,091	133,989	136,137	150,727	175,079
Operations	0	0	0	0	0
Equipment	0	0	0	0	0
Program Total	119,091	133,989	136,137	150,727	175,079

**DEPARTMENT OF FINANCE
INFORMATION TECHNOLOGY (IT) DIVISION
Fiscal Year 2015/2016**

Brandon Raines, IT Manager (Executive Assistant to the Mayor)
Mabel Antonio, Computer Systems Officer
Amanda Swanson, IT Specialist IV
Del Sherman, IT Specialist IV
Eric Inouye, IT Specialist IV
Nyree Norman, IT Specialist IV
Winston Yama, IT Specialist IV
Garrett Johnson, Senior GIS Analyst
Kelly Agena, IT Specialist III
Maxwell Klutke, IT Specialist III
Carlos Dela Cruz, IT Specialist I
Jolene Silva, IT Computer Support Technician II
Robin Lopez, Senior Clerk

I. MISSION STATEMENT

To provide the Mayor's Office, County Agencies, and the County Council with information technology solutions which enable them to serve the public in a cost-effective and efficient manner.

II. DEPARTMENT/DIVISION GOALS

The primary goal for our IT Division is to provide quality customer service and expert technical services that empower County employees through the availability of accessible and useful information, as well as the use of automated systems that improve their productivity.

III. PROGRAM DESCRIPTION

a. Objectives

- i. Provide County employees with easily accessible technical support and timely responses via a centralized Help Desk function.
- ii. Maintain and enhance the County's technical infrastructure to ensure reliable, efficient, and secure operations.
- iii. Assist County Agencies with the procurement and implementation of new systems that will increase operational efficiencies, as well as improve the services available to our citizens.
- iv. Recommend solutions and strategies that will leverage the power of technology to address countywide needs.

b. Highlights

The IT Division is organized into two primary service areas including:

- i. IT Infrastructure & Help Desk - Responsible for managing, procuring, and maintaining hardware/software/networking systems. Provides centralized Help

Desk function for all County agencies. Incorporates administrative support for division operations.

- ii. IT Development & Systems Analysis - Responsible for understanding and evaluating County agency system requirements, identifying requisite changes to core systems, and making changes to programs/systems. Includes GIS, Web, ERP (enterprise resource planning), CAMA (computer assisted mass appraisal), public safety CAD/RMS (computer aided dispatch/records management system), as well as other agency systems.

c. Activities

- i. Monitored infrastructure performance and implemented key improvements required to maintain reliable operations including workstations, servers, network components, and peripheral devices (e.g. printers, copiers, etc.).
- ii. Resolved incoming support issues from all County agencies based upon assigned type and priority.
- iii. Assisted all County agencies in the procurement of new hardware and software required for ongoing business operations.
- iv. Expanded use of GIS throughout the County, and increased web-based services/information for community members.
- v. Implemented functional upgrades for existing systems as warranted.
- vi. Provided system integration services for existing systems.
- vii. Provided technical consultation and implementation support on new system acquisitions.

IV. PROGRAM MEASURES - ACCOMPLISHMENTS/EVALUATION

a. Accomplishments

- i. Centralized Land Information Management Solution – Worked with the cross-departmental task force created in FY15 to move the County towards a centralized Land Information Management Solution (LIMS) that will meet the needs of all affected agencies. Secured professional facilitation services to help accelerate progress, formalize the process, and build consensus. As part of this, created several business process design teams to assist with defining current/desired states, identifying gaps, and establishing requirements with recommendations on how best to move forward. The result of the facilitation will be a “LIMS Roadmap and Requirements” report documenting agreed upon solutions to address all identified gaps. The report is scheduled for completion in Q3 2016, and will provide the County with tangible requirements that may be translated into an RFP for a future enterprise software purchase, and/or packaged into smaller more focused projects in the short-term.
- ii. Major Systems Upgrades - Completed hardware/software upgrades for the County’s ERP system including replacement of the end-of-life server platform, as well as a major level upgrade to the Sungard application software which provided key functionality to support on-line portal capabilities, along with

requirements for the Affordable Care Act. Additionally, completed hardware/software upgrades for the County's VOIP phone system required for ongoing stability and support of our phone-based communications, as well as the introduction of new productivity features to be rolled out in FY17.

- iii. Real Property Automation Initiatives – Managed project with Real Property to implement a new, cloud-based upgrade from their end-of-life client/server system to the next generation Tyler iasWorld solution. Additionally, provided technical support to assist Real Property with their implementation of the Assessment Analyst solution from Esri Canada. Both of these projects provide Real Property with the latest technology and tool sets required to perform their jobs at optimum levels.
- iv. Cloud-based Initiatives – Partnered with multiple agencies to provide technical assistance as needed to support their pursuit of new, cloud-based automation initiatives including: Financial Transparency Portal, Grants Management, and Electronic Procurement (phase 1 for construction). All of these initiatives are now in production and providing significant efficiency/transparency benefits as expected.
- v. GIS Initiatives for Public Safety – Assisted Civil Defense and other agencies in their efforts to improve public safety during disaster situations by developing maps and applications based upon GIS technology. Projects included: the Kauai Hazard Mitigation Plan Update for 2015-2020, the County Tsunami Evacuation Zone Update, and the Kauai Shelter Online Status Project. The Kauai Hazard Mitigation Plan Update was approved by FEMA and State Civil Defense receiving very positive reviews for the mapping portion of the plan. The County Tsunami Evacuation Zone Update involved working closely with NOAA and University of Hawaii tsunami scientists to create new/updated maps that will be published in our County phone books, as well as a new online GIS map for increased access/awareness. The Kauai Shelter Online Status project incorporated input from many government and local entities resulting in an online map to show shelter status in real time, along with general information on emergencies and evacuations.

b. Evaluation

The IT Division continues to meet daily operational requirements and achieve solid progress on several fronts. However, the automation needs of the County are great and it will be necessary to rethink the way we have traditionally done business in order to improve services/efficiencies while staying within current resource/budget constraints.

- i. Our staff-to-work ratio makes it challenging to provide quality customer service, while concurrently maintaining infrastructure and pursuing critical new projects. This is an issue that we will continue to face along with our other County agencies. In the face of this reality, we have worked closely with

Human Resources to re-describe and fill our open positions ensuring that we have the most appropriate staff possible to move County projects and priorities forward. We are also pursuing intern/volunteer programs to create additional capacity for County IT services without adding costs.

- ii. The County has many aging systems and paper-intensive processes that need to be addressed, but resource constraints will limit our ability to act quickly. We cannot expect to change things overnight, but proper planning and prioritization will allow us to realize short-term gains while we continue to strive toward mid and long-term goals. Focus will be placed on implementing significant efficiency gains for County operations and providing additional technology-based services for our residents while ensuring appropriate return on investment.
- iii. Current infrastructure and systems are resource-intensive requiring a transition to alternative solutions that leverage non-County assets. We will continue to evaluate our environment from top-to-bottom, and implement strategies that allow us to do more with less. This will require closer relationships with our existing technology partners, as well as the adoption of new partners and technologies. Strong consideration will be given to “cloud-based” services which utilize third-party infrastructure and expertise to deliver key application functions without requiring internal hardware/software, maintenance and monitoring. There will also be a focus on expanding use of server virtualization to realize efficiencies while minimizing overhead/cost.

V. BUDGET

Expense Type	FY 2015-2016 Budget	FY 2015-2016 Actual (unaudited)	Variance	Percentage
Equivalent Personnel	13	13	0	100%
Salaries & Wages	\$ 964,966	\$ 959,525	\$ (5,441)	99%
Employee Benefits	\$ 552,527	\$ 542,171	\$ (10,356)	98%
Operations & Equipment	\$ 1,854,989	\$ 1,813,240	\$ (41,749)	98%
Expense Totals	\$ 3,372,482	\$ 3,314,936	\$ (57,546)	98%

VI. STATISTICS

Left out per previous reports.

VII. HOLO HOLO 2020 PROJECTS & STATUS (Citizen Technology Survey Initiative)

Made excellent progress on all key projects identified by the Citizen Technology Survey that was developed in conjunction with the Mayor’s Holo Holo 2020 initiative for *Bringing County Services Closer to Home*. All projects have been completed except for the multi-phase project to provide New On-line Services. Updates for the last fiscal year are provided below for each project.

- On-line Services Awareness: Improve public awareness regarding what types of on-line services are available to them, and encourage use of those services by improving ease of access, visibility, communications, etc.
 - UPDATE: Completed as part of rolling out the new, overhauled County website.

- County Website Overhaul: Redesign Kauai.gov to make it more visual and easier to navigate with a concise, uncluttered menu system. Ensure that the updated user interface provides a simple process for all website users to access the information and services that they are interested in.
 - UPDATE: Completed September 2015.

- County Directory Plus: Create a centralized, on-line resource allowing citizens to easily contact key County personnel. Implement internal policies and procedures to ensure that this contact information is maintained on a consistent, timely basis so that it is as accurate as possible.
 - UPDATE: Completed as part of rolling out the new, overhauled County website.

- New On-line Services: Provide new on-line services to sign up for events, reserve parks/facilities, apply for camping permits, and pay for associated fees on-line using website transactions or smart phone applications. This is a multi-phase project with the initial phase being focused on event registration with on-line payments.
 - UPDATE: Implementation remains in progress. Phase 1 scheduled for completion in 2016 with subsequent phases to follow in 2017.

- Paratransit Management & Fleet Tracking System (PMFTS): Implement a real-time bus tracking system that will help the County to efficiently manage routes and dispatch buses. Work closely with the Transportation Agency to procure and implement the PMFTS based upon well-defined requirements and a phased implementation plan.
 - UPDATE: Completed April 2016.

DEPARTMENT OF FINANCE

REAL PROPERTY ASSESSMENT

Annual Report FY 2016

July 01, 2015 - June 30, 2016

Steven A. Hunt - Real Property Tax Manager
Kim Hester - Real Property Technical Officer
Mike Hubbard - Real Property Appraiser V
Sean Roche - Real Property Appraiser V
Brad Cone – Real Property Appraiser IV
Craig Arzadon - Real Property Appraiser III
Damien Ventura - Real Property Appraiser III
Kelsie Tone - Real Property Appraiser I
Megan Shimamoto - Real Property Appraisal Assistant I
Howard Uohara - Appraiser I (contract position)
Terry Phillips - Agricultural Land Use Inspector
Lita Mamaclay – Real Property Tax Services Supervisor
Leilani I-Lovell - Departmental Accounting Technician
Karl Hoffmeyer - Tax Clerk
Megan Shimamoto - Tax Clerk
Fran Hollinger - Abstractor II
Laurena Silva - Abstracting Assistant III
John A. P. Kruse - Real Property Drafting Technician II
(Vacant in FY16; hired for FY17) - GIS Analyst II

I. MISSION STATEMENT

Pursuant to Section 5A of the Kauai County Code, the purpose of the Real Property Assessment Division is to assess all real property within the County of Kaua'i, to produce and provide fair, accurate and uniform ad valorem tax assessments; maintain and update owner information; create and revise tax maps; administer current tax relief programs and provide educated and courteous customer service on an annual basis.

II. DEPARTMENT/DIVISION GOALS

A. Department Duties and Functions

The Real Property Assessment Division is responsible for: (1) providing Fair Market Value ad valorem tax assessments throughout the County of Kaua'i jurisdiction; (2) defending market assessed valuations before the Board of Review and/or State Tax Appeals Court; (3) maintaining accurate records pertaining to the transfer of title for real property; (4) creating and updating tax maps; (5) administering special tax relief programs, processing exemption and/or dedication applications, including but not limited to Home Use exemptions, agricultural dedications, long term affordable rental relief, Kuleana exemptions, alternative energy exemptions, charitable exemptions, disabled

veteran and disability exemptions, Hawaiian Homelands exemptions, Additional Income exemptions and tax credits for Very-Low Income owners, and exemptions for all government leases; (6) enforcing the compliance of the laws and administrative rules contained in Section 5A of the Kaua‘i County Code; and (7) providing real property information to both the public and other government agencies through written correspondence, personal interaction at the front counter, and through our RPA & RPC website: www.kauaipropertytax.com.

B. Division Goals

1. Staff Development

Last year’s goal of filling numerous vacant positions has been achieved. Now the staffing priority shifts away from recruitment and moves towards the training and education of the newly hired staff to ensure strong public trust and confidence in the methods employed for mass appraisal. Training will include on-the-job training provided by the more seasoned staff members, online courses and webinars, and formalized classroom education delivered by designated International Association of Assessing Officers (IAAO) instructors.

Focused “market modeling” training for the appraisal staff will help provide a greater understanding of the statistical process and multiple regression analysis that is the underlying basis for the residential assessments. This will allow the staff to make better decisions on neighborhood groupings and selection of coefficients. For those properties that cannot be modeled, additional training on the Cost Approach will also be conducted by our vendor, Marshall & Swift.

Implementation of the IAS World assessment software was completed during FY16, however navigating the new system has required ongoing training. The conversion to a web-based software that is hosted on an offsite server ensure data backup, but it has also meant business process changes.

Expanding the mapping capabilities by adding a GIS Analyst to the staff is an ongoing goal. This will also help with succession planning for the mapping section and allow tax maps to be created digitally in the near future. A GIS Analyst II position was hired near the end of FY16; however this new hire won’t start until early FY17.

2. Implement New Technologies

FY16 was a very busy year for implementing new technologies at Real Property Assessment. The conversion of the CAMA assessment software from a client-server based version to a hosted, web-based version was completed. This involved extensive testing, reviewing business processes, formatting the webpages, confirming security and access by user roles, and working closely with the vendor and our IT division. Additionally, the back-end cost tables within IAS World are being converted from estimates provided by a small, local cost estimator contracted

with the City & County of Honolulu, to cost tables from a nationally recognized leader in cost estimating, Marshall & Swift. Creating the accurate data mapping of these cost tables and reviewing the local grade factors has been and continues to be critical to making this transition successful.

During FY16, 3,651 residential parcels within the Līhu‘e district were reviewed using ESRI Canada’s Assessment Analyst software. Of those records reviewed, 2,983 were georeferenced on a GIS map layer and the sketches of the improvements were updated to actual dimensions without having to make physical site visits. The ETL process, which exports the data back to the IAS World CAMA software, is still undergoing quality control testing with the hopes of bringing forth the revised improvement records for 2017.

Continued use of ArcGIS and Pictometry images to perform quality control and enhance our mapping capabilities. This will include the development of new parcel layers, such as a CPR layer, layers relevant to sales analysis and neighborhood grouping accuracy and ag dedicated use areas, to better capture real property information that can be used the appraisers as well as the public and other government agencies.

Continued goals also include exploring an online application process for exemptions, tax appeals, and dedications; expanding e-mail delivery for assessment notices and taxpayer correspondences; and an improved website offering for greater access to public information related to assessments and property taxes.

3. Compliance and Enforcement

There are several areas of our work that require code enforcement and compliance checks. This includes, but is not limited to, dealing with homeowner exemption fraud, monitoring agricultural dedications, locating unpermitted construction, discovering illegal or unpermitted uses, and other actions that may affect a property’s value or tax classification. Compliance may also result in the creation of an amended notice of assessment, and ultimately rollback taxes.

To eliminate unnecessary rollback taxes due to an after-the-fact discovery of a change in property use, the RPA clerical staff now generates a new survey form for all transfers of ownership. This allows the new owner to affirm how their property is being used. In addition, escrow companies are now contacting RPA to determine if transfers of ownership affects the status of existing agricultural dedications, thereby protecting buyers from absorbing possible rollback taxes and penalties. RPA clerical is in process of publishing a standard form for new buyers to either state intent to continue existing use or change the existing agricultural use(s).

4. Space Management

Pursue the proposed enhancements to the RPA office space area by working closely with the Department of Public Works as they rollout their space plan for the Civic Center complex. There may soon be a shortage of desk space at RPA once the vacant positions are filled. Before committing to changes in the work space that

may require construction, however, it is important to check with the overall master plan for the Kapule Building so that any new construction would be consistent with the vision set forth in that plan. There is a current CIP project (W15105) in the FY16 budget to move the front counter forward so that additional desk area can be created.

Another goal is fireproofing the storage room that houses all of the historical mapping and abstracting documents along with field reports from prior property inspections.

III. PROGRAM DESCRIPTION

A. Program Objectives

The primary program objectives of Real Property Assessment are to accurately, fairly, and uniformly assess all taxable real property within the County of Kaua'i jurisdiction on an annual basis. This encompasses keeping the legal ownership, parcel data, and tax map records up to date; having the appropriate exemptions and tax relief measures applied; making sure the assessed values are representative of market values; and assuring the tax classification are correct based on actual use. Taxpayers must also be afforded the opportunity to appeal their assessments to either the Board of Review or Tax Court.

B. Highlights

The 2016 assessments, which are processed during FY16 but taxed in FY17, reflect 1,200 properties that benefitted the Long-Term Affordable Rental program. That's a decrease of 103 properties or 7.9% over the prior year which is likely attributable to increasing market rents. Additionally, there were 306 homeowners that qualified for the Very Low Income tax credit; however only 67 of these owners benefitted by paying 3% of their gross income as opposed to the calculated market taxes with the additional income exemption. The Commercialized Home Use tax category had 1,734 owner-occupied properties that also have income or non-qualified second dwellings.

C. Activities

The total number of exemptions within Kaua'i County grew from 17,844 to 17,989 between FY15 and FY16. This includes exemption for Home Use, Low Income, Totally Disabled Veterans, Disabled Owners, Government Properties, Hawai'ian Homes, Kuleanas, Public Utilities, Schools, Churches, Hospitals, Cemeteries, Charitable Uses, Credit Unions, Alternative Energy Facilities, Tree Farms, Low- to Moderate-Income Housing, Historic Residential Properties, and Roadways. The total estimated value of these exemptions is \$5,051,128,031.

For the 2016 assessment, there were 36,419 total parcels of which 33,503 were taxable. The number of properties classified as Homestead grew by 117 or 1.0% from 11,466 to 11,583. The Homestead classification represents approximately 34.6% of the total parcels by count and 30.1% in gross valuation.

There were 392 appeals filed for the 2016 year which represents only about 1.2% of the total taxable properties assessed. Of those appeals, 207 appeals or about 53% were from those properties that are within the Hotel & Resort tax classification. By comparison, in 2015 there were 442 appeals. It is reasonable to expect the appeal count to range between 1% and 3% of the total number of properties being assessed.

Real Property incorporated all legislated changes, described in prior year’s annual report and has tackled the additional legislative changes listed below:

Returned timeshare valuations to market approach using fee simple, wholly-owned condominium sales as basis rather than interval re-sales.

Completed the reviews and tax refunds or credits for the 2014 Tax Class Reconsideration.

Began coding the programing changes for the three percent (3%) assessment cap on properties that are owner-occupied or designated at Long-Term Affordable rentals.

IV. PROGRAM MEASURES

The primary program measure is the Assessment-to-Sales Ratio (ASR) that compares the assessments to actual sales that were validated. Whether valued by either the Market or Cost Approach, the vast majority of the assessments should be within 15% of the purchase prices paid and the mean and median ASR should be close to 100. For the 2016 assessments, the island-wide ASR showed a mean of 94.82 and a median of 94.61 based on 338 validated sales, with a standard deviation of 19.58.

V. BUDGET

A comparison of the FY15 and FY16 is shown below:

	FY 2015	FY 2016	% + or -
Salaries & Wages	942,973	960,706	17,733
Benefits	500,816	532,948	32,132
Utilities	720	1,120	400
Vehicle/Equipment, Lease	4,000	10,001	6,001
Operations	484,408	444,715	(39,693)
Total	1,932,917	1,949,490	16,573

The operating budget for Real Property Assessment grew by approximately 1% between FY15 and FY16. The largest increase was associated with the Benefits followed by Salaries & Wages. Controllable expenses within the Operations portion of the budget were reduced by approximately 8%.

VI. STATISTICS

See “Highlights” and “Activities” in Section III above.

VII. HOLO HOLO 2020 PROJECTS & STATUS

There are no Holo Holo 2020 projects currently assigned to Real Property Assessment.

DEPARTMENT OF FINANCE

REAL PROPERTY COLLECTIONS

Annual Report FY 2016

July 01, 2015 - June 30, 2016

Michelle Lizama - Tax Collection Supervisor

Karen Samiano - Tax Collection Assistant

Emma Iloreta - Tax Clerk

Mona Caldeira - Senior Account Clerk

Kathleen Singson - Account Clerk

Tax Clerk (Vacant)

I. MISSION STATEMENT

To provide prudent financial management and services to the people of Kauai and to the departments and agencies of the County that we serve. The Real Property Tax Collection function administers the tax collection system and assists with custodial responsibilities for all real property records.

II. DEPARTMENT/DIVISION GOALS

A. Department Duties and Functions

The Real Property Collections Division is responsible for: (1) billing all taxable properties throughout the County of Kaua'i jurisdiction; (2) collecting and processing tax payments, which now include trash fees and the Kukui'ula CFD; (3) establishing escrow trust accounts for tax appeals; (4) preparing refunds and tax adjustments; (5) accounting for all receipts and disbursements, which includes developing reports for both the Treasury and Accounting divisions; (6) moving monies appropriately between the general fund account and the trust account; (7) collecting on delinquent accounts; and (8) overseeing tax lien foreclosures when necessary.

B. Division Goals

1. Staff Development

With the status of a Senior Account Clerk position having been recently changed from a fulltime position to a contract position during FY16, the Real Property Collections division will need to redistribute some of the existing workload and could see slightly higher overtime costs to complete all of the tasks assigned. It remains to be seen whether the reduction of a 0.5 fulltime equivalent position will have any noticeable impact on operations; however, inasmuch as this position was a compliment to the Tax Collection Assistant and focused on delinquencies, this is potentially an area that may require reprioritizing responsibilities. With the imminent departure of the Tax Collection Assistant at the end of October 2016, and

no qualified applicant to replace this position as yet, this division will need to reconsider ways to address delinquencies.

2. Implement New Technologies

The Real Property Tax system began a new “web” based software program for their Billing and Collections – iasWorld that went live in July 2015.

Real Property Collections will also be upgrading to the latest version of the System Innovators Inc (SII) Cashiering System - iNovah. All agencies that process payments and report to Treasury will be required to convert to this new web-based program – iNovah, as SII no longer supports older Microsoft Windows versions.

3. Reduce Delinquencies

The Delinquency Rate as of June 30, 2016 was 3.24% with a total outstanding amount of \$3,928,659. Actively pursuing those accounts with the highest balances and pushing those taxpayers to subscribe to Payment Agreement plans would reduce the number of Liens and/or Foreclosures. The foreclosure process tends to be lengthy and requires not only a significant amount of staff time from RPC but also time allocated from the County Attorney’s office to review and prepare the legal documents necessary. Payment Agreements do not waive any accrued penalties or interest, but it does provide the County with a steady stream of monthly payments.

III. PROGRAM DESCRIPTION

A. Program Objectives

The primary program objectives of Real Property Collections are to accurately bill, collect, process payments, perform office adjustments, issue refunds for overpayment of Real Property Taxes, and to account for all property taxes within the County of Kaua’i and Niihau jurisdiction.

Secondary objectives include billing and collection of the Residential Refuse Collection Assessment (RRCA) for the Public Works Solid Waste Department and the billing and collection of the KKUCFD (Kukui‘ula Community Facilities District) for the Kukui‘ula Subdivision.

B. Highlights

- a. The convenience of tax payments with the implementation of credit card and ACH payments online.
- b. Increased efficiency and service to the general public
 - i. Daily updates to the website information at www.kauaipropertytax.com
 - ii. Accepting online payments via credit card and ACH at www.kauai.gov/paypropertytax

C. Activities

Total Billings for FY2016:

Beginning Tax Roll for FY 2015-16	
Real Property	114,228,867.18
RRCA	3,324,179.00
KKUCFD	880,189.81
Subtotal:	118,433,235.99
Tax Credits for FY2015-16	
PHU (Perm Home Use)	0.00
LIC (Low Income)	0.00
LTL (Long Term Lease)	0.00
HPL (Home Preservation Limit)	-51,310.10
VLI - (Very Low Income)	-108,665.61
Subtotal:	-159,975.71
Current Tax Balance:	118,273,260.28

Lock Box Vendor processed:

	AMOUNT
07/01/2015 to 12/31/2015	-26,999,940.95
01/01/2016 to 06/30/2016	-20,408,838.67
GRAND TOTAL:	-47,408,779.62

Agency billing program:

	AMOUNT
07/01/2015 to 12/31/2015	-18,054,209.02
01/01/2016 to 06/30/2016	-17,803,416.14
GRAND TOTAL:	-35,857,625.16

The Online Payment Program utilizes HIC (Hawai‘i Information Consortium) as a portal to allow taxpayers to pay their County of Kaua‘i Real Property Taxes via Credit Card and ACH (Automated Clearing House aka e-check). The Online Program launched in August 2006. The activity of users and amount collected via online are as follows:

	AMOUNT
07/01/2015 to 12/31/2015	-8,732,618.97
01/01/2016 to 06/30/2016	-7,098,562.09
GRAND TOTAL:	-15,831,181.06

- i. There was (1) Statements of Assessed Values and Real Property Taxes Due (Tax Searches) processed and certified.
- ii. There were (34) Bankruptcy Notices Received.
- iii. There were (33) Tax Clearances.
- iv. There were (22) Service Fee’s for dishonored checks.

IV. PROGRAM MEASURES

FISCAL YEAR 2015-16 COLLECTIONS (CURRENT YEAR)		
Beg Balance as of July 01, 2015		
RP	114,228,867.18	
RRCA	3,324,179.00	
KKUCFD	880,189.81	
HPL - (Home Preservation Limit)	(51,310.10)	
VLI - (Very Low Income)	(108,665.61)	
Subtotal	118,273,260.28	
Authorized Adjustments - P38 Debits		747,509.60
Other Debits		33,100.00
Pay Debits		1,923,377.41
TOTAL DEBITS		121,137,223.00
Authorized Adjustments - P38 Credits		(691,843.13)
Write-Offs (End of Fiscal Year - under \$1)		(20.51)
Other Credits		(182,923.20)
Pay Credits		(118,512,809.36)
TOTAL CREDITS		(119,387,596.20)
Outstanding Tax Balance		1,749,626.80
Refunds		(131,526.03)
Penalty		(455,864.68)
Interest		(101,758.17)
Other Fees		90.00
TOTAL		(689,058.88)
OUTSTANDING TAX BALANCE:	1,749,626.80	

Total Current Tax Collected	116,523,633.48
------------------------------------	----------------

FISCAL YEAR 2015-16 COLLECTIONS (PRIOR YEAR)		
Beg Balance as of July 01, 2015	3,112,034.58	
Authorized Adjustments - P38 Debits		1,151,292.72
Other Debits		2,128,405.67
TOTAL DEBITS		3,279,698.39
Authorized Adjustments - P38 Credits		(530,404.57)
Write Offs (End of Fiscal Year - under \$1)		-
Other Credits/Pay Credits		(3,682,275.65)
TOTAL CREDITS		(4,212,680.22)
		(932,981.83)
Outstanding Tax Balance		2,179,052.75
Refunds		(142,747.56)
Penalty		(156,952.90)
Interest		(305,871.32)
Other Fees		(9,336.25)
TOTAL		(614,908.03)
OUTSTANDING TAX BALANCE:	2,179,052.75	
Total Delinquent Tax Collected:	932,981.83	

V. BUDGET

A comparison of the FY15 and FY16 is shown below:

	FY 2015	FY 2016	% + or -
Salaries & Wages	228,608	221,491	(7,117)
Benefits	113,057	153,734	40,677
Utilities	0	0	0
Vehicle/Equipment, Lease	0	0	0
Operations	109,956	147,526	37,570
Total	451,621	522,751	71,130

The operating budget for Real Property Collections grew by 15.75% between FY15 and FY16. Despite reducing the Salaries and Wages, there was an increase in Benefits due to budgeted worker's compensation as well as increased operational costs.

VI. STATISTICS

The statistics of the program are adequately described in Section III above under "Highlights" and "Activities".

VII. HOLO HOLO 2020 PROJECTS & STATUS

There are no Holo Holo 2020 projects currently assigned to Real Property Collections.