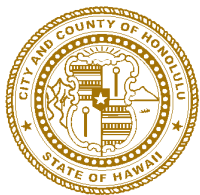


'24MAR19 AM 9:29 CITY CLERK



**HONOLULU CITY COUNCIL**  
**KE KANIHELA O KE KALANA O HONOLULU**  
530 S. KING ST. STE. 202, HONOLULU, HI 96813

**RADIANT CORDERO**  
FLOOR LEADER  
**HOPE LUNA HO'OMALU**  
HONOLULU CITY COUNCIL  
DISTRICT VII  
TELEPHONE: (808) 768-5007  
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March 18, 2024


Mr. Michael Formby, Managing Director  
Managing Director's Office  
530 South King Street, Room 306  
Honolulu, Hawaii 96813

SUBJECT: **BUDGET COMMUNICATION NO. 9**  
COMMITTEE ON BUDGET FOLLOW UP QUESTIONS TO  
DEPARTMENTAL BRIEFINGS

Dear Managing Director Formby,

On behalf of the Committee on Budget, attached to this communication as "Attachment A" is a compiled list of committee members' follow up questions to the departmental budget briefings. We respectfully request responses to these questions by the close of business Thursday, March 28, 2024. Thank you for your consideration and attention to this matter.

Sincerely,

  
Radiant Cordero, Chair  
Committee on Budget

Attachment

cc: Department of Budget and Fiscal Services

DISTRICT VII - KALIHI KAI, MĀPUNAPUNA, FORT SHAFTER, MOANALUA, SALT LAKE, AIRPORT, HICKAM, ĀLIAMANU,  
FOSTER VILLAGE, PEARL HARBOR, HĀLAWA, 'AIEA, PEARLRIDGE, MOKU'UME'UME, AND SAND ISLAND

**COUNCIL COM. 53**  
BUD

# Attachment A

DEPT/Agency	General Topic	Question
<b>All</b>	Federal Funding	What has your department done to seek federal funding? Do you have any positions assigned to that job?
	Federal Funding	This fiscal year, how many grants has your department applied for? How much money has your department received in federal funding?
	Federal Funding	Now that SLFRF positions are moving into the Operating Budget, what positions have moved and can we see the proposals for these positions?
	Vacancies	How many vacancies have you filled this year?
	Vacancies	If the funds attached to the positions could be repurposed to benefit your department or the city as a whole, are there vacant positions you think should be considered for abolishment?
	Overtime	Please provide the dollar amounts, to date, of how much each department has expended on Holiday Overtime and Non-Holiday Overtime in FY 24.  For the funds expended for overtime in FY 24, what is the dollar amount that came from salary savings?
<b>BFS</b>	Oahu Transient Accommodations Tax	Do the projects for salaries, FICA, retirement, and equipment in the OTAT Funding budget fall within the criteria under ordinance 21-33 for the 8.34% of the City's Transient Accommodation Tax collections?
	Debt Ratio	Page A-12 of Volume 1 – Operating Program & Budget for FY 25 states that debt service comprises 18.65% of the operating budget. Please provide the FY 25 debt service ratios as specified in Resolution 06-222, III.G.1 and III.G.2. Please clarify whether HART debt service is included in the above two debt service ratio calculations.
	Treasury, Budget Issues	Please provide the rationale of the addition of one (1) new FTE to "Assist the Fiscal Officer with the SLFRF Grant" when that grant source is winding down? What will be the duties and responsibilities of this position when the period in which the SLFRF monies must be expended or encumbered has expired?
	Procurement	How many City departments have their own procurement specialists? Could each City department have their own procurement specialists for "small purchases?" Please define the term "small purchases" for the purposes of City procurement.
	Real Property Assessment, Empty Homes Study	Please confirm the budget activity and OC for the \$20,000 requested appropriation for "community outreach and education related to the Empty Homes Tax Study." Please provide additional details regarding the type of tasks that is anticipated to be completed through this requested appropriation.
	Empty Homes Study	Please provide an update on the FY 24 appropriation of \$500,000 for the "Empty Homes Study relating to Bill 9 (22)".

<b>BFS (continued)</b>	Treasury, OC 3004	Please provide greater detail regarding the FY 25 requested appropriation of \$250,000 for a consultant. Per Mayor's Message 46 (2022) and Departmental Communication 217 (2023), BFS was going through the bid process and was about to commence the program to "maximize investment returns on the city idle cash." Please provide the current status of this program. Please provide the actual "incremental investment return" in FY 24 and an estimated schedule appropriation along with an estimated ROI schedule for FY 2025 through FY 2029 if this interest earning program is continued.
	Liquor Commission	Please provide a licensee fee schedule covering 2013 through 2024, in light of the requirement of HRS Sec. 281-17.5(e).
	Liquor Commission	May we have a table of costs/year and how the excess licensing fees reduce future license costs for applicants?
	Affordable Housing	What percentage of the budget (CIP and Operating) is going towards Affordable Housing?
	Vacant Funded Positions	Each year, departments say they are going to fill most of their vacant positions. Of those that are vacant and will not be realistically filled, which are funded by the General Fund?
	Vacant Funded Positions	Not all positions are hired at the beginning of the fiscal year. For this current fiscal year, please break out when general funds were released for hiring to each department—is it quarterly, monthly, twice a year?
	Vacant Funded Positions	How much of FY25 carryover is based on vacant positions that were not filled in FY24?
	Vacancies	Please explain the newly listed long-term vacancies in the Administration budget activity that were not listed in last year's report. Why were these vacancies not listed last year?
	Carryover	How much of the carryover in FY24 is due to vacancies?
<b>BFS/HESD</b>	Detailed Statement of Revenues & Surplus	<p>Act 208, Session Laws of Hawaii 2021, states, in part, that "Beginning with fiscal year 2021-2022, \$3,500,000 shall be distributed each fiscal year to a county operating a county emergency medical service system." Please explain why the revenue line item "Recov State-Emerg Amb Svc" states that \$41,106,272 was actually collected in FY 23 and FY 24 estimated revenues of \$8,400,000 (see pg C-7 of the Detailed Statement of Revenues and Surplus) exceed the \$3,500,00 payment required by Act 208, SLH 2021.</p> <p>Additionally, the Council appropriated \$32,487,835 for the Emergency Medical Services budget activity for FY 23. According to the latest BFS fiscal information, it appears that EMS encumbered/expended \$35,591,416. This amount <b>exceeds</b> the appropriation approved by Council by \$3,103,581. Please provide additional information as to how EMS was able to encumber/expend in excess of the approved appropriated amount.</p>

<b>COR</b>	Ethics Commission	Do the commissioners need a budget for training?
<b>CSD</b>	Motor Vehicle Licensing and Permits, OC 3049	Please provide a breakdown by task of the total \$6,082,367 appropriation to the Hawaii Humane Society for the "Animal Care and Control, Spay/Neuter and Other Services". For example: \$##,### is for rent of space, \$#,## is for cat sterilization, etc.
<b>DDC</b>	CIP – Civic Center Parking Structure	This pertains to the FY 25 CIP for the Civic Center Parking Structure – Reconstruction (2012077): \$10,510,000 (GI). Over the past 2 years, approximately \$30,900,000 was appropriated to this project. How much of those funds have you encumbered or expect to spend? How much do you expect to lapse? Is the projected lapse in funding the reason for this appropriation? What are the causes for the delay in the progression of this project? How is that expected to change in this upcoming year and the following fiscal year?
	CIP – Rehabilitation of Streets	This pertains to the FY 25 CIP for the Rehabilitation of Streets (1997502): \$50,000,000 (\$35,000,000-HI, \$12,000,000-FG, \$3,000,000-CP). What is the source of the federal grants for this line item? Is the money limited to certain types of projects? What are the requirements for receiving these grants?
<b>DHR</b>	Personal Services Contracts	In Departmental Communication 217 (2023), DLM stated that it would be utilizing "unbudgeted temporary positions/PSC's" to fill vacancies. Please define the term "unbudgeted temporary position" for the purposes of City hiring practices. Does the hiring of individuals through a personal services contract require that the personal services contract be tied to a vacant FTE count within a department's position count?
<b>DIT</b>	Google Docs	At the March 13 Departmental Budget Briefing, DIT Director recommended using Google Docs for co-authoring functions rather than the Microsoft software suite. Please provide details regarding the security of the data for City users when utilizing Google Docs for official City business. Additionally, please provide the steps that would be necessary to provide the Legislative branch with official City Google accounts and also training for legislative personnel on Google Docs software.
	Administration OC 3004 - Consultant Services	Please provide further detail in regards to the requested appropriation of \$4,412,611 for "Professional consultant services used to provide technical expertise in support of various critical IT projects," [see Department Communication 129 (2024)]. DIT requested a comparable amount (\$4,598,394), in FY 24 [see Department Communication 134 (2023)]. The largest component of this requested appropriation is to support ERP at an amount of \$4,352,611. Can these consultant services be provided "in-house" by DIT? Are these consultant services contracted on an annual basis?

<b>DIT (continued)</b>	Equipment	Please explain the increase of \$1,199,610 for equipment funds [see pg. B-136 of Mayor's Message 38 (2024)] for additional servers to allow the City's move to cloud computing. What is the timeline for this move and does DIT have sufficient expert personnel to install the additional network equipment required?
<b>DLM</b>	Asset Inventory List	Please provide a complete inventory list of all the City properties managed by DLM.
	Iwilei Resource Center, OC 3049	The Details of Line Items Over \$50,000 states that \$3,000,000 has been appropriated for "Homeless services to provide relocation, triage, medical care, respite, shelter and other wrap around services at the Iwilei Center." DLM and DCS stated that DCS will be the agency expending the \$3,000,000; however, the \$3,000,000 is in the DLM line item details. Will DLM be submitting for Council approval transfer resolutions in accordance with Section 2-17.2(c)(1), Revised Ordinances of Honolulu 2021?
	Organizational Chart	An organizational chart for the DLM has not been provided in the Executive Program and Operating Budget Book [Mayor's Message 38 (2024)]. Please provide an organizational chart relevant to the requested FY25 budget appropriations with the following parameters: categorize the chart by division and FTE Count and label each FTE with the: 1) Classification title; 2) Grade; 3) Filled or vacant status; 4) and Fund source. Please also denote which FTE is filled with a Personal Services Contract.
	Asset Development Division	DLM states that it is requesting an additional four permanent FTE positions [see pg. B-149 of Mayor's Message 38 (2024)] and have categorized them as a "budget issue," an item that requires special management attention. In FY 24, the Council approved two new FTEs over DLM's FY 23 position count; now, in FY 25, DLM is requesting an additional four new positions. What is the maximum number of FTEs that DLM anticipates over the next five years to be sufficient to meet their Charter mandated responsibilities? Additionally, please provide greater detail in regards to how these four new positions fit into DLM's reorganization plan.
	Detailed Statement of Revenues & Surplus	On page C-67, "Rental Units (City Prop)" revenues show a three fiscal year trend in decline: FY 23 actual revenue collected was \$917,048, FY 24 revenues is estimated to be \$641,388, and FY 25 estimated revenues is \$497,188. Please provide a brief explanation as to why this revenue line item is showing a declining trend. Additionally, please provide the schedule of property/assets that DLM derives rental income from, including the address and TMK, and indicate on this schedule the date that DLM acquired jurisdiction of each property/asset.
	CIP - Preservation and Conservation Lands	How much has been expended or encumbered for the purpose of acquiring land for preservation or conservation in the past two years? What projects or parcels have been considered? Is there an issue in the process or application procedures that make it difficult to expend funds?

<b>DLM/HOU</b>	Department of Land Management & Office of Housing	Will the MAY be moving the Office of Housing budget activity to the Department of Land Management in the <b>FY 25 budget</b> ?
<b>DPP</b>	Collection Agency	Please provide more details regarding DPP's utilization of "collection agencies to collect long-overdue debt to the City" (see pg B-202), including the commencement date of the collection agency contact. Specifically, please provide the budget activity and the object code.
	Vacancies and Salaries	The DPP's Planning division appears to be critically understaffed, with the division being described as "in survival mode." What are reasonable expectations that you can fill positions in this division to exit from survival mode? This branch works to implement growth policies for the City, including transit-oriented development. Would you describe the current implementation of development policies as haphazard (as it states in the new DHR Position Vacancies Report ) or are we not yet at that point?
	Contract Positions	What happened to the 22 contracted positions from FY24 that are not listed under current services? What were those contracts for?
	Salaries	Civil Beat reported on March 5, 2024, that many of the Department's employees hold second jobs due to the Department's salaries. Does the Department know how many or what percentage of its employees overall have second jobs? Does the Department have an idea of what types of employees (plans examiners, secretaries, etc.) are more likely to hold second jobs?
	Administration	The Department has identified a total of 399 positions for FY25, which includes 10 contract positions. The Department has also increased its salary appropriations for FY25 to \$37,976,068 (up from \$34,827,993 FY24 actual amount appropriated). With the amount of vacant positions within the Department, how do you justify this increased salary appropriation if there's limited actual power the Department has to give salary raises to positions that drastically need it? Where will this increased appropriation be spent? Are the funds merely lapsing year over year due to the high level of vacancies?
	Enforcement	Why is there such a large difference between the fines for short term rental civil penalties collected from FY23 (actual: \$152,986), FY24 (estimate: \$773,000), and FY25 (estimate: \$25,000)?
	Affordable Housing	In regards to the FY24 appropriation of \$3,000,000 for grants to spur development of affordable housing, how much was encumbered, how much was expended, and how many individual grants were approved?

<b>DPP (continued)</b>	Affordable Housing	How will the FY 25 request of \$5,000,000 for grants to spur affordable housing development be utilized? What are the qualifications for awarding the funds and how is success for the grant program measured? How many grants are anticipated to be issued?
<b>DPR</b>	Park Ranger Program	Please provide greater detail regarding the status of the Park Ranger Program and the FY 25 budget. Please provide the budget activity, character of expenditures, object codes, FTE counts (if applicable), and appropriated amounts.
<b>DTS</b>	Farebox Recovery Ratio	Per Resolution 19-10, the Farebox Recovery Ratio is bus fare revenues divided by total bus operations cost. Please clarify whether the Farebox Recovery Ratio calculations include revenues from both the Bus and Rail operations. Additionally, does the Farebox Recovery Ratio calculation also use OTS's operations costs for both Bus and Rail?
	Bus Revenue and Rail	Please provide a breakdown of "Bus Revenues" that is attributable to connector rides to get to and from Rail.
	Federal Grants	In FY24, The Council approved a \$90,670,774 Federal Grants (FG) appropriation, out of a total budget activity appropriation of \$318,040,535. For FY 25, DTS is requesting a \$31,000,000 appropriation in FG monies out of a total budget activity requested appropriation of \$333,569,993. Why has the proposed FG appropriation for the budget activity decreased in FY25 by over \$59 million while the total proposed appropriation for that activity has increased by over \$15 million?  How much of the requested FG appropriation of \$31,000,000 for FY25 is FRF funds, if any?
<b>ENV</b>	Vacancies	The new DHR Position Vacancies Report states that Wastewater Engineering and Construction has a 46% vacancy rate and that this results in projects not meeting deadlines. Do our vacancies in this division risk State or Federal sanctions or punishments? Are there any implications for public safety, especially regarding possible wastewater/sewage spills or other accidents?
<b>HESD</b>	Vacancies	For FY 24, the Council approved the creation of 14 new FTEs to "hire additional Water Safety Officers" to staff the "Dawn to Dusk" program. Now, in FY 25, EMS is requesting an additional 8 new FTEs for the "Dawn to Dusk" program (see page A-4 of the Budget Issues Document). However, as of 2/1/2024, there were 47 Water Safety Officer vacant FTEs (see pgs 14-15 of the List of Vacant Positions as of 2/1/2024 report). Please provide an update on the recruitment process to fill the current 47 vacancies.

<b>HESD (continued)</b>	New Department of Ocean Safety	What resources/funding would be necessary to establish a Department of Ocean Safety? For example, how many FTEs would be needed, would office or headquarter rental appropriations be necessary, etc.?
	EMS	What is the status of hiring a new Chief of EMS? The position has remained vacant since March 7, 2021.
<b>HPD</b>	Recruitment Incentives	Please confirm the budget activity, OCs, and character of expenditures where the \$1,000,000 recruitment incentives are budgeted in FY 25. Are recruitment incentives used for both sworn and civilian employees?
<b>MAY/MDO</b>	Incentive Payments Report	Section 16 of Ordinance 23-15 required the submission by the Mayor to the Council of a report providing certain information regarding incentive payments. Ordinance 23-15 required the submittal of this report with the FY 25 budget documents. Please provide the communication number that transmitted this report.
<b>MDO</b>	Organizational Chart	Please provide an organizational chart for the City Management budget activity that is reflective of all positions being budgeted for FY 25. The organizational chart should, at a minimum, denote for each FTE: 1) Position Classification; 2) Grade; 3) Whether the position is permanent, temporary, or contract; and 4) Vacancy Status. Additionally, the organizational chart should indicate which division within the MDO that the FTE falls in, e.g., Film Office.
	FTEs, Conversion from ARPA to GN	Please provide a schedule of FTEs within the MDO that are being budgeted in FY 25 to be converted from ARPA funding to GN funding. Please provide the schedule, which should take the form of a table, categorized by budget activity, and denote, at a minimum, the position classification, whether the position is P/T/C, and salary amount.
	Salary Increases for MOCA Executive Director, Office of Housing Executive Director, and Office of Housing Assistant Director	Please provide the proposed FY 25 salary amount for each of the three positions and the FY 24 current services amount for each of the positions.
	MOCA, Sister Cities	Please provide the object codes and amounts for Sister Cities appropriations budgeted for FY 25.
	MOCA	Please provide a copy of MOCA's strategic plan. If MOCA's strategic plan has not yet been finalized, please provide the estimated date by which this strategic plan will be finalized and distributed to the Council.



<b>MDO (continued)</b>	MOCA	Please break down FESPAC costs.
	OER, Organizational Chart	Please provide an organizational chart for the OER budget activity that is reflective of all positions being budgeted for FY 25. The organizational chart should, at a minimum, denote for each FTE: 1) Position Classification; 2) Grade; 3) Whether the position is permanent, temporary, or contract; and 4) Vacancy Status. Additionally, the organizational chart should indicate which division within the OER, if the OER has been subdivided for operational purposes.
	OER, Budget Issues, New positions	Please provide a brief rationale for the addition of five (5) new FTEs for the OER proposed for FY 25.
	OER, OC 3007 (Rent of Offices)	Please breakdown the FY 25 requested appropriation of \$151,669 compared to the FY 24 appropriation of \$122,414. Additionally, how long is OER's sub-lease with DTS at 711 Kapiolani Boulevard, provided that is still where OER is proposing to sublease office space in FY 25?
<b>MDO/BFS</b>	ERS & OPEB Unfunded Liability	Please provide the estimated unfunded liability for FY 24 & FY 25 for ERS and OPEB.
	FY 25 Departmental Budget Ceiling	The Medical Examiner stated at the March 12, 2024, Departmental Budget Briefing that BFS had given the Medical Examiner a budget ceiling when formulating the Medical Examiner's FY 25 budget. As such, please provide the FY 25 budget ceiling for each City Department.
	Overtime	How did BFS determine or approve the FY 25 overtime appropriations for all City departments? Please provide a list of City departments that were approved for FY 25 budgeted overtime budgeted appropriations. Please denote which overtime appropriations were directly related to collective bargaining agreement terms.
<b>PAT</b>	Budget Issues	Please explain how you would spend the \$195,000 for the HEA BU3 raises. And if you don't get the funds, how are you going to pay these CBA raises?
	Budget Issues	Weed and Seed, the nonprofit, is not funded in this year's budget. How will your department support their longstanding efforts in the community?
	Legislative Support	Who is the contact person at PAT for legislative support? We want to continue to work with your office on important policy and legislation.