HONOLULU CITY COUNCIL

KE KANIHELA O KE KALANA O HONOLULU

CITY AND COUNTY OF HONOLULU

No. 25-4

RESOLUTION

REQUESTING THE CITY AUDITOR TO CONDUCT A PERFORMANCE AUDIT OF THE FIRE PLANS REVIEW REVOLVING FUND.

WHEREAS, Section 3-501 of the Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended ("Charter"), establishes the Office of the City Auditor; and

WHEREAS, Charter Section 3-114 authorizes the City Council ("Council"), at any time by adoption of a resolution, to "provide for and direct the [C]ity [A]uditor to conduct or cause to be conducted a performance audit of any agency or operation of the [C]ity"; and

WHEREAS, Section 20-1.1(3), Revised Ordinance of Honolulu 2021 ("ROH"), establishes the Fire Plans Review Revolving Fund ("FPRRF") as a repository for fees collected from the Fire Department's review of certain plans required by the City's Building Code and provides that the FPRRF monies may be expended for fire prevention activities relating to public education, fire investigations, plans checking, permit processing, fire inspections, and certifications; and

WHEREAS, on October 24, 2024, and November 19, 2024, the Council, through its Committee on Public Safety, discussed matters relating to the FPRRF with the Honolulu Fire Department; and

WHEREAS, the Committee on Public Safety received Departmental Communication 795 (2024) as well as oral testimony from the Honolulu Fire Department attesting to the impact and importance of the FPRRF; and

WHEREAS, according to the Departmental Revenue Summary of the Mayor's Executive Program and Budget Fiscal Year 2025 ("Mayor's FY 2025 Program Book"), transmitted to the Council as Mayor's Message 38 (2024), the Honolulu Fire Department collected $1,116,865 in "Plan Review Fee" revenues in fiscal year 2023, and projected "Plan Review Fee" revenues of $837,074 and $1,515,600 for fiscal year 2024 and fiscal year 2025, respectively; and

WHEREAS, according to the Detailed Statement of Revenues and Surplus of the Mayor's FY 2025 Program Book, the City has been depositing the "Plan Review Fee" revenues into the Special Projects Fund, a fund that is typically used to account for monies received under special contracts entered into, by and between the City and the State of Hawai'i; and

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WHEREAS, Ordinance 24-9, the Executive Operating Budget and Program for Fiscal Year 2025, included no FPRRF or Special Projects Fund appropriations for the Honolulu Fire Department; and

WHEREAS, while ROH Section 20-1.1(3) provides that the revenue from fire plans review fees deposited into the FPRRF are deemed appropriated upon receipt, Charter Section 9-102.3 states that "[a]ppropriations to fund the activities of the executive branch shall only be made through the annual budget ordinances for the executive branch and amendments or supplements thereto"; and

WHEREAS, in light of concerns about FPRRF appropriations made outside of annual budget ordinances for the executive branch, the Council believes it is appropriate to ensure that there are adequate safeguards to prevent the loss of public funding through waste, fraud, or error; promote efficient operations; and to encourage adherence to prescribed management policies as outlined in Charter Section 3-114.2(b); now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the City Auditor is requested to perform a performance audit of the Fire Plans Review Revolving Fund, including a review of the receipt of fees and the detailed expenditure of funds for salaries, current expenses, and equipment; and

BE IT FURTHER RESOLVED that the Council requests the City Auditor to complete the performance audit within one calendar year after the adoption of this resolution and file the completed audit report with the City Clerk, in accordance with Charter Section 3-114.2; and

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BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Mayor, the Managing Director, the Director of Budget and Fiscal Services, the Fire Chief, and the City Auditor.

INTRODUCED BY:

Val Ca Oku

DATE OF INTRODUCTION:

JAN 6 2025

Honolulu, Hawai'i

Councilmembers

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

CERTIFICATE

RESOLUTION 25-4

Introduced: 01/06/25 By: VAL OKIMOTO Committee: BUDGET (BUD)

Title: REQUESTING THE CITY AUDITOR TO CONDUCT A PERFORMANCE AUDIT OF THE FIRE PLANS REVIEW REVOLVING FUND.

Voting Legend: * = Aye w/Reservations

01/06/25	INTRO	Introduced.
01/14/25	BUD	Reported out for adoption. CR-3 5 AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, NISHIMOTO, WEYER*
01/29/25	CCL	Committee report and Resolution were adopted. 9 AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, NISHIMOTO, OKIMOTO, TULBA, TUPOLA, WATERS, WEYER

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

GLEN I. TAKAHASHI, CITY CLERK

TOMMY WATERS, CHAIR AND PRESIDING OFFICER