

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

JUNE 18, 2012

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Rodney K. M. Lau, Administrative Services Officer *Rodney Lau*
SUBJECT: Approval of Fiscal Year 2013 Operating Budget for the
Department of Hawaiian Home Lands

RECOMMENDED MOTION/ACTION

1. That the Commission approve Fiscal Year 2013 Operating Budget for the Department of Hawaiian Home Lands and authorize the Chairman to shift funding of expenditures between cost elements and funds as warranted but not to exceed the total budget.
2. That the Commission approve the transfer of \$3,000,000 from the Hawaiian Home Administration Account to the Hawaiian Home Operating Fund.

DISCUSSION

1. Recommended Motion No. 1. Fiscal year 2013 Operating Budget sets forth the financial requirements for the coming biennium period to carry out recommended programs of the department. The planned expenditures by cost elements are as follows:

'A' Personal Services	\$15,166,004
'B' Other Current Expenses	36,974,456
'C' Equipment	198,830
'M' Motor Vehicles	25,000

TOTAL \$ 52,364,290

Explanation of Cost Elements

'A': Includes costs for personnel salaries and wages; employee fringe benefits. The operating budget reflects funding for 211 positions, which includes 86 permanent positions, 114 exempt positions and 11 temporary positions.

- 'B': Includes all other costs, excluding personnel, equipment and motor vehicle costs.
- 'C': Includes costs for equipment, such as office furniture and computer related purchases.
- 'M': Includes costs for motor vehicles.

Attachment "A" provides the Means of Finance of the recommended Operating Budget for Fiscal Year 2013.

Because the operating budget is based on estimates, the department, with Chairman's approval, may need to shift funding of expenditures between cost elements and funds as warranted but in no event will any expenditure be funded if the total budget is exceeded.

2. Recommended Motion No. 2. Pursuant to Section 213(f)(3) of the HHCA, monies in excess of the amount approved by the Legislature or made available for the fiscal period may be transferred to the Hawaiian Home Operating Fund. It is recommended that \$3,000,000 be transferred from the Hawaiian Home Administration Account to the Hawaiian Home Operating Fund to finance operating costs of the department.

The Commission's approval of above recommended motions is respectfully requested.

Department of Hawaiian Home Lands
Development Budget Fiscal Year 2012-2013 FINAL (For HHC)
(000's omitted)

	Project/ Description	NAHASDA Federal Funds 270	Leg/ Fed Funds/ NKK	HHL Trust Fund	Grand Total
	LAND DEVELOPMENT DIVISION (Homestead Projects)				
	<u>OAHU</u>				
1	East Kapolei I (Kanehili)			2,188	2,188
2	East Kapolei II Offsite			7,672	7,672
3	East Kapolei IIA			1	1
4	East Kapolei IIB			1	1
5	East Kapolei IIC			1	1
6	East Kapolei II East-West Road			300	300
7	East Kapolei II Pesticide Plant Remediation			1,820	1,820
8	Kaupea			1	1
9	Kaupuni House Construction			1	1
10	Lualualei Subdivision			20	20
11	Kumuhau Site Construction			1	1
12	Kumuhau/Kakaina Subdivision (Map)			1	1
13	Kakaina Site Construction			585	585
14	Kakaina House Construction			1	1
	<u>MAUI</u>				
15	Keokea-Waiohuli - Phase 1			970	970
16	Keokea-Waiohuli - Phase 2			1	1
17	Keokea-Waiohuli - Phase 3			1	1
18	Keokea-Waiohuli - Phase 4			1	1
19	Maui Scattered Lots (Waiohuli Undivided Interest Relocations)			500	500
20	Lower Kula Bypass Waterline			300	300
21	Kula/Waiohuli County Water Fees			150	150
22	Leialii 1A			50	50
23	Leialii 1B			300	300
24	Leialii Water Source Development (Honokowai)			1	1
	<u>MOLOKAI</u>				
25	Molokai Water System Improvement Design		750	750	1,500
26	West Hoolehua Ag Lots			1	1
	<u>LANAI</u>				
27	Lanai Residence Lots Phase 1 and 2A Subdivisions			50	50
	<u>BIG ISLAND</u>				
28	Makuu Offsite Water System Improvements Phase 2	1,800	5,248	1,817	8,865
29	Laiopua Village 4			1	1
30	Laiopua Village 4 School Zone Improvements (Keanalehu Dr.)			45	45
31	Laiopua Village 4 & 5 Mass-Grading			1	1
32	Laiopua Village 5			1	1
33	Laiopua Village 1			1	1
34	Laiopua Village 2			1	1
35	Honokaia Pastoral Lots			1	1
36	Kawaihae Water Source Feasibility Assessment			250	250
37	Kaumana Scattered Lots			1	1
38	Lalamilo Phase 1			1,000	1,000
39	Lalamilo Phase 2A, Increment I			991	991
40	Lalamilo Phase 2A, Increment II			900	900
41	Puukapu Water			2,156	2,156
42	Kau Water Assessment			100	100
	<u>KAUAI</u>				
43	Piilani Mai Ke Kai Home Construction Phase 1			1	1
44	Piilani Mai Ke Kai Phase 2	1,238	810	4,952	7,000

Department of Hawaiian Home Lands
 Development Budget Fiscal Year 2012-2013 FINAL (For HHC)
 (000's omitted)

	Project/ Description	NAHASDA Federal Funds 270	Leg/ Fed Funds/ NKK	HHL Trust Fund	Grand Total
45	Wailua Well Development			500	500
46	Kekaha Environmental Assessment			250	250
	STATEWIDE PROJECTS				
47	Maintenance of Common Areas (Public Works)			2,739	2,739
48	Infrastructure and Home Repairs for Existing Homesteads and Emergency Repair			6,660	6,660
49	Rock Fall Mitigation			1	1
50	Scattered Lots Program (Islandwide)			2	2
51	UH Model Home Project			450	450
52	HCDCH Payment			2,990	2,990
53	New Parcel Feasibility Rev & Plng			250	250
54	Water Inventory Assessment & Plans			250	250
55	NAHASDA Fund Reimbursements			100	100
56	Legal Services - General			250	250
	LAND DEVELOPMENT DIVISION SUBTOTAL	3,038	6,808	42,329	52,175
	OFFICE OF THE CHAIRMAN				
57	Investment Services			250	250
	OFFICE OF THE CHAIRMAN SUBTOTAL	0	0	250	250
	PLANNING OFFICE				
58	Guidelines & Rules - Planning System			400	400
59	Land Appraisals			100	100
60	Legal Services			250	250
	PLANNING OFFICE SUBTOTAL	0	0	750	750
	HOMESTEAD SERVICES DIVISION (HSD)				
61	Ag Lots			1	1
62	Wait List Assessment			1	1
	HOMESTEAD SERVICES DIVISION SUBTOTAL	0	0	2	2
	LAND MANAGEMENT DIVISION				
63	Due Diligence/Income			225	225
64	Gorse containment project			300	300
65	Kahikinui Road Repair			50	50
66	Fencing Statewide			100	100
67	Chapter 343 Compliance			150	150
68	Legal Services			150	150
69	Professional Services - Experts/studies (Market studies & other necessary reports)			50	50
70	Natural Resources - Seeds/Studies/volunteers, etc.			50	50
71	Waiohuli-Hawaiian Homesteaders Association		660	0	660
72	Signage			50	50
	LAND MANAGEMENT DIVISION SUBTOTAL	0	660	1125	1785
	TOTAL DEVELOPMENT BUDGET	3,038	7,468	44,456	54,962