

## **BF Committee**

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**From:** Gomes, Kerrey <Kerrey.Gomes@redcross.org>  
**Sent:** Tuesday, March 28, 2017 8:12 AM  
**To:** BF Committee  
**Subject:** Red Cross - written testimony for budget hearings  
**Attachments:** FY18 Maui County Written Testimony (Red Cross).pdf

Hi,

Attached is written testimony the American Red Cross would like to submit for the FY18 budget hearings, the first of which is on 3/30.

Thank you,  
Kerrey Gomes  
Major Gifts Officer  
American Red Cross of Hawaii  
4155 Diamond Head Road  
Honolulu, HI 96816  
Phone: (808) 739.8140  
[Kerrey.Gomes@redcross.org](mailto:Kerrey.Gomes@redcross.org)





## American Red Cross Hawaii

March 28, 2017

Riki Hokama  
Chair, Budget & Finance Committee  
Maui County Council  
Kalana O Maui Building, 8th Floor  
200 South High Street  
Wailuku, HI 96793

Re: **FY2017-18 Budget – Maui Red Cross**

Dear Chair Hokama and Committee Members:

The American Red Cross of Hawaii requests your support in appropriating \$25,000 of FY2017-2018 County funding to support our Disaster Preparedness & Response Program in the County of Maui. Since its founding, the Red Cross has been the nation's premier emergency response organization, and the Red Cross is committed to helping people through the entire disaster cycle—preparedness, response and recovery. Each year, the American Red Cross of Hawaii delivers help, hope and healing to people affected by disasters by transforming donors' generous funding into shelter, food and emotional support. Twenty-four hours a day, seven days a week, the Red Cross assists victims of house and apartment fires, floods and other natural or man-made disasters.

The mission of the Red Cross is to prevent and alleviate human suffering in the face of emergencies by mobilizing the power of volunteers and the generosity of donors. Founded in 1917, the Hawaii Red Cross has assisted victims of every major disaster in the island's history, including the: bombing of Pearl Harbor, Hilo tsunami, volcanic eruptions, Big Isle earthquake, Hurricanes Iwa, Iniki and Iselle, New Year's & Manoa floods, Kaloko Dam burst, Sacred Falls landslide, Xerox shooting, air transportation crashes, and hostage situations. The Red Cross fulfills its humanitarian mission by coming to the aid of disaster victims, teaching people how to save lives, and providing emergency communication between deployed military service members and their families in times of crisis.

Although the Red Cross is not a government agency, it is mandated by Congress to provide disaster relief assistance. This is an unfunded responsibility that stipulates the American Red Cross must provide emergency mass care and assistance for individuals with urgent and verified disaster-caused needs. The Red Cross is also designated as the lead primary organization by all Counties to plan and execute disaster shelter operations. In August 2015, the Red Cross signed an agreement with FEMA that renewed the Red Cross' role through 2020, as the co-lead for provision of mass care under the National Response Framework, along with the Department of

Homeland Security/FEMA. As a co-lead, the Red Cross is responsible for fulfilling the mass care portion of Emergency Support Function 6 (ESF-6), to include feeding, sheltering, bulk distribution and family reunification. The Red Cross continues to be a support agency to the other components of ESF-6, which includes Emergency Assistance, Housing and Human Services. In addition, the agreement was expanded to ensure the partnership covered the entire disaster cycle—preparedness, response and recovery.

The Disaster Preparedness and Response Program address both our humanitarian mission and our federal mandate. This mission is to ensure that victims of disasters have a safe place to stay, food to eat, assistance or referrals to help replace essential items, and support from trained professionals to aid in recovery planning. In a major disaster, crisis counseling, sheltering, feeding, disaster welfare information, emergency first aid and other support services are also provided to those affected. In preparation for a major disaster, the following are ongoing Red Cross efforts:

- Identifying necessary supplies, equipment, staff and volunteers to better serve vulnerable populations and at-risk communities;
- Developing preparedness strategies for diverse communities, including multilingual educational materials;
- Signing sheltering agreements with large capacity facilities;
- Forging agreements with large-scale food distributors and developing plans for both mobile and bulk distribution of food;
- Strategically pre-positioning disaster relief supplies across the state; and
- Participating in disaster preparedness drills with community partners to assess readiness.

The goals of our Disaster Preparedness and Response Program are twofold: 1) to recruit, train, and coordinate volunteers to be on call to provide disaster relief assistance to victims of disasters big and small, anytime, anywhere throughout the state; 2) to provide individuals, families, schools, businesses and communities with knowledge and skills to better prepare themselves and others before emergencies occur. We respond every four days to disasters here in Hawaii, and our immediate and compassionate services reduce the harsh physical and emotional distress that prevents people from meeting their own basic needs following a disaster.

According to the U.S. Census Bureau, from 2010 to 2014, 13.1% of Maui County's population lived below the poverty level. Our records indicate that in FY15, at least 19% of the disaster families the American Red Cross of Hawaii served statewide were below the poverty guidelines set by the U.S. Department of Housing & Urban Development. This poor and needy population is particularly vulnerable to disasters and is dependent on Red Cross services when affected by a disaster. The Red Cross serves as a safety net for victims of every day disasters who have nowhere else to turn. Following our principle of impartiality, all Red Cross disaster services are available free of charge to anyone in the state of Hawaii who falls victim to natural and man-made disasters.

During FY16 (7/1/15 – 6/30/16), the Maui Red Cross delivered help, hope and healing to the people of Maui County: we responded to 14 incidents and assisted 45 individuals with their immediate emergency needs. We shared vital disaster preparedness information via community disaster education outreach with 2,703 individuals, including children who through the Pillowcase Project learned about disaster preparedness, coping skills and the science behind disasters. We issued 104 disaster training certificates, and we currently have 151 trained and active disaster volunteers in Maui County equipped to assist with disaster relief efforts. Through the Home Fire Campaign we visited 28 homes and installed 78 smoke alarms and helped residents formulate their fire safety plan to prevent and prepare for the most common disaster – a home fire; in total, we reached 86 people through this campaign.

Response is only the tip of the spear. It takes preparation, resources and infrastructure to be able to respond everyday throughout the year. We accomplish this was a small staff and hundreds of volunteers who work 12-hour shifts, morning, noon and night. Volunteers need to be recruited beforehand and trained, put on call and deployed at a moment's notice whenever there is a disaster. Maintaining a large volunteer workforce requires resources for recruitment, screening, training and retention. To ensure quality and consistency of service, volunteers require supervision and coordination. Your support will provide the Red Cross with the resources required to galvanize, train and support a robust disaster volunteer force.

Since disasters impact entire communities, effective disaster preparedness requires the involvements of everyone in the area. The geographic remoteness of the Hawaiian Islands makes community preparedness and resiliency not only relevant, but vital. Following a major disaster, our logistics bridge could become compromised and critical resupply of items such as fuel, food and medical supplies could be delayed for weeks. Today, emergency management experts believe preparing is only part of the solution. Experts now emphasize the importance of resilience, which is the ability for a community to not just survive, but to adapt and bounce back. Time and again, we have seen that well-prepared communities fare better following disasters: more lives are saved, less money is required for recovery and everyone stabilizes more quickly when a community is resilient (*Disaster Resilience: A National Imperative*, National Research Council, Washington D.C.: National Academies Press, 2012). Every dollar invested in pre-disaster preparedness and risk reduction activities saves over \$4 in post-disaster response and recovery expenses (Multihazard Mitigation Council 2005).

On Maui, we have collaborative relationships on disaster response with all levels of government, military, and non-governmental organizations, such as the Maui Police Department, Fire Department, and Civil Defense. Red Cross Maui County Director Michele Liberty reports directly to the Red Cross Regional Disaster Officer, Maria Lutz, located at the Hawaii Red Cross headquarters on Oahu. The direct support of the state and national Red Cross, coupled with the close working relationship of our volunteer leadership, ensure Ms. Liberty has a clear channel for communications and support, while also having the autonomy to serve Maui County in emergency preparedness and response.

Here is the dilemma. Most funders want to donate money to buy tangible items like cots and blankets, but don't think about the cost to rent space to store the cots, or how the cots and blankets will get transported to shelters when needed. County of Maui funding would help support the basic infrastructure of the Red Cross Disaster Preparedness & Response Program so the Maui Red Cross is able to respond and prepare the community beforehand to mitigate the loss of life and property. The goals of the Red Cross Disaster Preparedness & Response Program on Maui County complement those of Maui Civil Defense and benefit Maui County and its people.

If granted, funding would be used to train volunteer disaster responders and share disaster preparedness information through community disaster education outreach. Specifically, it would support the partial salary and benefits of our only paid staff person in Maui County. This expense is necessary and directly related to our disaster preparedness and response efforts in Maui County. Whether a disaster happens or not, the Red Cross must constantly recruit and train volunteers to be ready to respond and educate the community about disaster preparedness. Without support of these fixed costs, we couldn't operate and would not be able to respond when needed and would not be able to train as many volunteers.

Our sole staff person on Maui County is Ms. Liberty, whose primary responsibility (85% of her time) is to implement our Disaster Preparedness and Response Program in Maui County, including Molokai and Lanai. Ms. Liberty's internal organizational title is Disaster Program Manager, but since she serves as the face of the Red Cross on Maui, her external title is Maui County Director. This position does not handle administrative duties, such as accounting, fundraising, IT, HR, or communications. Rather, these functions are handled by headquarters staff on Oahu and as such are not included in this funding request.

Ms. Liberty coordinates all facets of the Disaster Preparedness & Response Program for Maui County. She recruits volunteers, schedules their training, arranges for volunteer instructors to conduct courses, works with volunteers to secure, inventory, and pre-position disaster supplies, and ensures that volunteers are mobilized to help disaster victims anytime and anywhere in Maui County. She also organizes volunteers to conduct community disaster education outreach, engages the community in disaster preparedness planning, and works with government agencies and other non-profit organizations to plan and exercise for disasters. All of these duties entail direct program (not administrative) expenses.

Ms. Liberty has served in this position since November 2009, and is familiar with Maui County and its needs. She has a number of long-time disaster volunteers who are experienced and knowledgeable about responding to disasters in Maui County and who have deployed to disasters outside of Hawaii to gain invaluable experience to be used when the next major disaster strikes our islands. Even volunteers from Molokai and Lanai have deployed to the mainland because each island will have to stand on its own until outside help can arrive. Ms. Liberty works in cooperation with the volunteer leadership in Maui County to recruit and retain volunteers, oversee the program, and set an example of a strong paid and volunteer partnership.

Having volunteers play such a vital role in carrying out our mission makes the Red Cross unique. Whereas other organizations might pay for drug counselors or child care workers to provide services, we leverage the free services of Red Cross volunteers to fulfill our mission. Just as the County would fund contracts/salaries of drug counselors or child care workers as a program expense, the salary of our Red Cross staff person, who enables us to use volunteers to provide services, is a program expense. The fact that we don't have to pay our volunteers to do the work demonstrates the Red Cross is indeed, a very wise investment.

For the past 100 years, the Hawaii Red Cross has helped Hawaii families and communities build their capacity to be ready for emergencies and respond to disasters. We really need and appreciate the County of Maui's help to fund our vital Disaster Preparedness & Response Program in Maui County, and humbly ask for your continued support. If you have any questions, please do not hesitate to contact me at (808) 739-8103 or [Coralie.Matayoshi@redcross.org](mailto:Coralie.Matayoshi@redcross.org).

Sincerely,



Coralie Matayoshi  
Chief Executive Officer



Michele Liberty  
Maui County Director

## **BF Committee**

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**From:** Greg Oczkus <gregmgolawoffice@yahoo.com>  
**Sent:** Tuesday, March 28, 2017 11:38 AM  
**To:** BF Committee  
**Subject:** Fw: Kihei Youth Center funding (FY18)

M. Gregory Oczkus 4325 Laurel Street, Suite 270 Anchorage, Alaska 99503 TEL: 907-276-6550 FAX: 907-258-6902

----- Forwarded Message -----

**From:** Greg Oczkus <gregmgolawoffice@yahoo.com>  
**To:** Greg Oczkus <gregmgolawoffice@yahoo.com>  
**Sent:** Tuesday, March 28, 2017 1:18 PM  
**Subject:** Kihei Youth Center funding (FY18)

I strongly support continued funding of the Kihei Youth Center. This opinion is based on my personal experience and involvement. I am currently volunteering two days a week from 3 to 5 pm to assist elementary children doing their homework. The KYC organization accomplishes a great deal on a very limited budget. On any day there are between 85-125 walk in children who are fed, supervised and monitored at their inside and outdoor activities. The center provides estate a safe and structured environment which is a very positive influence on their lives.

Greg Oczkus  
808-874-5006

## **BF Committee**

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**From:** Heather Alvarado-Smith <heatherhapa@gmail.com>  
**Sent:** Wednesday, March 29, 2017 7:58 PM  
**To:** BF Committee  
**Subject:** Kihei Youth Center Advocacy

Aloha Maui County,

I understand that the Budget and Finance Committee will be discussing a budget allotment for Kihei Youth Center (KYC) soon. I respectfully request that this email be admitted on behalf of KYC.

As a single, full-time, blue collar parent of two elementary age children, the services of KYC are of great importance to my family. Aside from the after school program itself, Lehua and her team have made a beautiful, everlasting impact on my family. They have shown time and time again that it really does take a village to raise a child. They are part of my village.

My children are far from perfect in and out of school. KYC has handled my family's academic and behavioral issues in the most compassionate and professional manner. I am beyond thankful for KYC.

I kindly request that Maui County provide funds for KYC the next fiscal year. I am one of many that are grateful for KYC.

Thank you,

Heather Alvarado-Smith

## BF Committee

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**From:** Mark Hyde <hydem001@hawaii.rr.com>  
**Sent:** Wednesday, March 29, 2017 1:18 PM  
**To:** BF Committee  
**Subject:** Unfunded Liabilities - Pension and Health Care

I am deeply concerned about the amount of Maui County's unfunded pension and health care liabilities for retirees. In addition to my remarks this morning, please consider the following:

1. The unfunded liability for both retire pensions and health care = \$700 million, more than the entire county budget.
2. Actuarial assessments can be manipulated to produce an array of different outcomes based on assumptions embraced.
  - a. Did you notice that over the past 15 years the pension fund's investment return, on average, is 5.6%? This is a sufficiently long period of time to establish a rate of return that should be used for forward projections. In light of this, even the reduced 7% return on investment is unsustainable. 7% may be legally defensible based on various third party inputs, but real experience is best = 5.6%.
  - b. Asked the pension system to re-run projections based on an assumed 5.6% return on investment. You will find that the retirement system may already be in an unsalvageable death spiral.
3. Where is leadership on this critical issue from the mayor, the managing director and the finance department?
  - a. After all, this the biggest financial crisis to visit the county, perhaps ever.
  - b. If this is not addressed in the mayor's proposed budget, is that acceptable to you?
  - c. Shouldn't you return the proposed budget to the executive branch and demand leadership and co-ownership with the council + solutions?
4. Where can information about these unfunded liabilities be found on the county web site?
  - a. Why don't we have a county dashboard - particularly a dashboard of critical financial indicators?
  - b. Since we value transparency in government, this data should be readily accessible to citizens. Why isn't it?
5. When bond rating agencies understand the immensity of the county's unfunded pension and health care liabilities, our bond ratings will likely be downgraded, pushing up credit costs for the county.
  - a. Who will bear responsibility when this happens? The mayor? The council? Citizens will have to pay the price literally. Who should be held accountable?
6. Let's not lose sight of the fact that Hawaii has sunk not just to the bottom quartile of states in terms of pension funding, it is in the bottom 20%, and that was *before* the 6/30/16 disastrous results were realized.

7. Retiree pension and health care liabilities have a way of spiraling out of control if prudent oversight and control are not applied, and that is what is happening here. Hoping things will get better by tinkering around the edges will not solve a growing \$700 million problem.

8. Did you notice that increased funding proposals are stacked so that the immediate effect is lower than in out years? While this may give counties time to get ready for the balloon to come, a better explanation may be an unwillingness to call a spade a spade, thus deferring the bad news to others down the line. Those other are - us.

9. This is a crisis. Yes, it has been building over time, but the fact remains that the chickens have come home to roost. The council and executive branch own the situation and must act with speed, intelligence and courage.

10. Summary from the 2016 actuarial report:

#### Summary and Closing Comments

To summarize the results of the actuarial valuation of the Employees' Retirement System as of June 30, 2016, it is our opinion that if all assumptions are met going forward, the present assets plus future required contributions will be sufficient to provide the benefits specified in the law. However, the new actuarial assumptions have resulted in pushing out the year at which the plan is expected to be fully funded. Last year the ERS was expected to eliminate the unfunded liability of the System (be fully funded) in 2041 which was 26 years from the valuation date. This year's valuation shows that the ERS is expected to be fully funded in 2082, which is forty-one years later than last year (66 years from this year's valuation date).

Thus, the current contribution rates are not sufficient to eliminate the UAAL over a period of 30 years or less as specified by Hawaii Revised Statute 88-122(e)(1).

**Based on our professional experience and current industry standards, 66 years is an inappropriate amount of time to allow for amortizing the current UAAL. This amount of time would push significant costs into several future generations, and does not allow for any future adverse experience that may arise. We recommend the contribution rates be increased to bring the funding period into a more appropriate range, with a target of at least 25 years.**

Mark Hyde

RECEIVED

March 27, 2017

2017 MAR 29 PM 3:36



Maui County Council  
County of Maui  
200 South High Street  
Kalana O Maui Building, 8<sup>th</sup> Floor  
Wailuku, HI 96793

OFFICE OF THE  
COUNTY COUNCIL

Re: **FY2017-18 Maui County Funding Request**

Dear Maui County Council:

We are writing in support of the American Red Cross of Hawaii for FY2017-2018 County of Maui funding of \$25,000 for local disaster preparedness and response efforts in Maui County. The Red Cross recruits, trains and coordinates volunteers to be on call to provide immediate disaster relief assistance to disaster victims anytime and anywhere, and to also conduct community disaster education outreach to share vital disaster preparedness information with the public.

The Red Cross is not a government agency, yet they are always there. The American Red Cross celebrates its centennial anniversary this year! The Maui County office of the Red Cross needs funding to support this critical program that serves the people of Maui County. As members of the Maui Red Cross Advisory Council, and as local business leaders and community representatives, we are asking the County Council to support the Hawaii Red Cross on Maui County.

County of Maui grant funding support has enabled the Hawaii Red Cross to make a positive difference in our community. The County of Maui and the Red Cross share a spirit of responsibility and dedication to the Maui County community, and we thank you for your generous support and consideration of our request.

With Warm Aloha,  
Maui Advisory Council  
Chad Goodfellow  
Roger J. Dixon  
Steven Eisen  
Tivoli Faamu  
O.K. Buzz Fernandez  
Anna Foust  
Lui Hokoana  
Walter Lott

Jeff Murray  
Lorrin Pang, M.D.  
Sharon Suzuki  
Craig Tanaka  
Pam Tumpap  
Ronald Vaught

## **BF Committee**

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**From:** Michelle Steigmeyer <msteigmeyer1966@gmail.com>  
**Sent:** Tuesday, March 28, 2017 4:02 PM  
**To:** BF Committee  
**Subject:** Maui Humane Society

I'm writing in reference to the work being done at Maui Humane Society.

My husband and I moved here two years ago and I began volunteering and fostering at MHS. I learned about the many programs like Wings Of Aloha, the Hope Fund, the MASH clinics, and Beach Buddies. Recently they added Play Groups in order to allow the dogs to socialize and to better judge the temperaments and personalities of the dogs. The entire staff treats each dog as though it's a beloved family member just waiting for its family to reclaim it.

I donated the funds for Cruise's Play Yard, the Agility Yard and new agility equipment, Freddie's Yard, and a few other smaller projects. My favorite program is the Wings Of Aloha which was run completely by volunteers. In order to continue relocating dogs off the island to empty shelters and rescues on the mainland I decided to fund the Transfer Coordinator's salary for five years.

I can donate to hundreds of non profits both in Hawaii or on the mainland but I choose to support Maui Humane Society based on what I've seen in person on a regular basis.

I own a dog training facility in Indiana and my staff works with two local open admission shelters. They're light years behind MHS in every area.

Jerleen Bryant is a great leader and I feel that MHS will continue its life saving efforts under her watch but she needs all of us to support her work.

Thanks in advance for your time,

Michelle Steigmeyer  
[808-856-6277](tel:808-856-6277)

## **BF Committee**

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**From:** paulalee <paulalee@hawaii.rr.com>  
**Sent:** Wednesday, March 15, 2017 9:45 PM  
**To:** BF Committee  
**Subject:** Budget item for consideration  
**Attachments:** photo 1.JPG; photo 5.JPG

Aloha BF Committee,

I have been writing to you for years and attending meetings and met with the mayor and I still do not see that the sidewalk between Haiku School and Haiku town will be repaired any time in the near future. It is a safety hazard and so many people of all ages use it daily to walk to and from school, to get exercise...I know you had put aside money 2 years ago for the Safe Routes to School for Paia. Can you please do this for Haiku this year?

This is really the only sidewalk in Haiku to walk and not get muddy and actually be off the road (except on the parts that are falling apart and you have to step into the street. Please see the attached photos and feel free to call me if you have any questions.

FYI: We also have two new large subdivisions coming into Haiku which will mean even more traffic, making walking on the sidewalk even more dangerous.

Mahalo,

Paula Phillips  
575-2952  
269-0144  
28 Laupapa Place  
Haiku  
paulalee@hawaii.rr.com

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This email has been checked for viruses by Avast antivirus software.  
<https://www.avast.com/antivirus>



