

TO: Honolulu Charter Commission

FROM: Natalie Iwasa, 395-3233

DATE: Thursday, July 7, 2016

RE: Discussion Related to Proposal C-3, Establishing a Honolulu Zoo Fund - **OPPOSE**

Aloha Commissioners,

Thank you for considering my testimony regarding the proposal to establish mandatory funding for the Honolulu Zoo at .5% of annual real property tax revenues. Special funds such as this are not good fiscal policy, because they reduce budget flexibility. In the case of the zoo, the council had the opportunity to increase funding this year, but they did not. I was told the reason is that the zoo would not be able to use the additional funding. If that is the case in future years, under a mandatory fund we would be setting aside money that could be used for other things.

In addition, special funds increase the cost of day-to-day accounting and bookkeeping as well as the annual audit. Attached is a schedule of other revenue from the Transit Fund from fiscal year 2011. Note the small amounts that are posted. It takes extra time to record transactions such as this as well as allocate other costs that benefit different programs.

Following is part of the testimony I submitted in April as additional reasons for opposing this proposal:

- In 2013, the mayor budgeted about \$5.4 million for the zoo (page 10, Bill 11). The council cut the zoo's budget by about \$242,000 (page 10, Bill 11, CD2, FD1);
- In 2014, the mayor budgeted almost \$5.3 million for the zoo (page 11 of Bill 12). The council again cut the budget, this time by about \$130,000 (page 10, Bill 12, CD2, FD1);
- In 2015, the mayor budgeted a little more than \$6 million for the zoo (page 11, Bill 13). There were no cuts *or increases*; and
- The budget proposed for next fiscal year includes \$6.8 million for the zoo (page 11, Bill 14). Councilmember Ozawa had introduced cuts of approximately \$164,000. The cuts have been deferred. *No one has proposed increasing funding for the zoo.*

The public already has the opportunity to provide input regarding zoo funding, and the council has the option, whether the public testifies or not, to increase zoo funding. They simply have not done that.

I oppose this request and ask you to not move it forward.

Fiscal Year	Run Date	Record Date	Accounting Line Desc	Collected Amount
2011	8/5/2010	8/5/2010	RTD Receipt #167832Xerox Copy	0.75
2011	1/11/2011	1/11/2011	Copy of records RTD receipts #167834 & 167835	118.00
2011	4/28/2011	4/28/2011	Accumulated Vacation Deposit	8,182.96
2011	5/19/2011	5/19/2011	RTD - purchase/copy of EIS document for Jan 2011 - April 2011 paid in Cash	12.25
2011	6/5/2011	6/5/2011	RTD - purchase/copy of EIS document for May 2011	377.25
2011	6/1/2011	6/1/2011	Accumulated Vacation Deposit	18,397.71
2011	6/29/2011	6/29/2011	Reimbursement for Rail - FTA Grant HI-03-0047	12,992,803.00
2011	6/30/2011	6/30/2011	RTD - purchase/copy of EIS document for June 2011	207.50
Total				13,020,099.42