

October 2, 2024

MEMO TO: BFED-21(30) File

F R O M: Yuki Lei K. Sugimura, Chair *Yuki Lei K. Sugimura*
Budget, Finance, and Economic Development Committee

SUBJECT: **TRANSMITTAL OF INFORMATIONAL DOCUMENT RELATING TO
FISCAL IMPACT ANALYSIS OF PROPOSED AMENDMENTS TO
THE MAUI COUNTY CHARTER** (BFED-21(30))

The attached informational document pertains to Item 21(30) on the Committee's agenda.

bfed:ltr:21(030)afile01:jgk

Attachment

RECEIVED
2024 OCT -2 AM 10:46
OFFICE OF THE
COUNTY COUNCIL



RECEIVED

2024 SEP -6 AM 10:39

OFFICE OF THE COUNTY AUDITOR

COUNTY OF MAUI
2145 WELLS STREET, SUITE 303
WAILUKU, MAUI, HAWAII 96793
<http://www.mauiCounty.gov/auditor>

OFFICE OF THE
COUNTY CLERK

September 6, 2024

Honorable Alice L. Lee, Chair
and Members of the Council
County of Maui
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members:

**SUBJECT: FISCAL IMPACT ANALYSIS OF PROPOSED AMENDMENTS
TO THE MAUI COUNTY CHARTER (PROJECT NO. 24-02)**

Section 3-9.2(5) of the Revised Charter of the County of Maui (1983), as amended (“Charter”), states the Office of the County Auditor shall assess the fiscal impact of any proposed amendment to the Charter.

The 2024 General Election ballot for Maui County voters will contain three (3) proposed amendments to the Charter. The attached “Exhibit 1” is my Office’s independent evaluation of the potential fiscal impacts of each of the proposed Charter amendments, listing the additional annual estimated costs for each proposal.

This evaluation is not an audit and purposely does not include conclusions and explanatory language within Exhibit 1 in order to avoid any perception that my Office is advocating for or against any of the proposed Charter amendments. That format—while less than ideal—is intended to avoid the loss of public trust, the possible violation of campaign finance laws, and the use of government funds to advocate for or against a ballot initiative.

Should you have any questions, please contact me at (808) 463-3192.

Sincerely,

A handwritten signature in black ink, appearing to read "Lance T. Taguchi".

LANCE T. TAGUCHI, CPA
County Auditor

i:\projects\24-02_charter amendments\report\ 240906amc01.docx:ltt

Enclosure

cc: Mayor

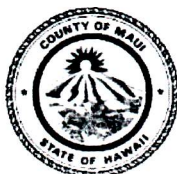
Exhibit 1

Fiscal Impact Analysis of Proposed Charter Amendments to the Maui County Charter on the 2024 General Election Ballot

Charter Amendment Proposals	Additional Estimated Annual Fiscal Impact
Shall the Charter be amended to require the Salary Commission to determine ‘salaries’ instead of ‘compensation’ for elected officials and appointed directors and deputy directors to maintain consistency with the Constitution of the State of Hawai‘i and remove fiscal barriers to create equity through benefits such as reimbursement of travel costs?	<\$25,000
Shall the Charter be amended, effective July 1, 2025, to authorize the Board of Ethics of the County of Maui to hire independent staff?	\$1,100,000
Shall the Charter be amended, effective July 1, 2025, to minimize the risk of vacancies on boards and commissions generally, and specifically with regard to dedicated seats for members residing in less populous areas, by allowing the appointment of members of boards and commissions for two consecutive full terms or ten consecutive years, whichever is greater?	<\$25,000

Office of the County Auditor’s Disclaimer

This independent evaluation of fiscal impacts of proposed amendments to the Maui County Charter does not advocate for or against certain outcomes. This evaluation does not reflect the full text of the amendments. Fiscal projections use figures from unaudited sections of Maui County’s fiscal year budget documents. As with any projection, past performance does not guarantee future results. Environmental, social, and governance impacts are not readily measurable for this evaluation and, therefore, were not considered.



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