

RICHARD T. BISSEN, JR.
Mayor

MARCY MARTIN
Director

MARIA E. ZIELINSKI
Deputy Director



DEPARTMENT OF FINANCE
COUNTY OF MAUI
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January 14, 2026

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Richard Bissen 1/15/26
Mayor Date

For Transmittal to:

Honorable Yuki Lei K. Sugimura, Chair
Budget, Finance, and Economic Development Committee
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Sugimura and Members:

SUBJECT: DISCUSSION ON BILL (3) 2026, AMENDING FISCAL YEAR 2026 BUDGET: DEPARTMENT OF HOUSING; HOUSING, INTERIM FINANCING, AND BUY-BACK REVOLVING FUND; KOMOHANA HALE APRTMENTS REBUILD (BFED-20(23))

Pursuant to your letter dated January 8, 2026, regarding the above-referenced matter, please refer to our responses below:

May I please request you provide the following:

1. The date the proprietary fund, entitled "Housing, Interim Financing, and Buy-Back Revolving Fund," was established.

Response: Additional research is necessary to provide this information as it is not readily available.

2. The County Code or Charter provision, resolution, or other legal instrument that authorized the fund's creation.

Response: Additional research is necessary to provide this information as it is not readily available.

Received at BFED meeting on 1/15/26

3. The types of expenditures recorded into the fund, including the typical expenditure categories and transaction types.

Response: Typical expenditures recorded to this fund include, but are not limited to, administrative, utilities, operating and maintenance, taxes and insurance and depreciation expenses for County owned rental property.

4. The types of revenues, receipts, or deposits recorded into the fund, and the typical categories and transaction types.

Response: Typical revenues recorded to this fund include, but are not limited to, rental, interest, and miscellaneous revenues related to County rental property.

5. The legal or policy restrictions that apply to the fund's use. Please describe eligible uses and any limits on deposits and expenditures.

Response: Additional research is necessary to provide this information as it is not readily available.

6. Please explain the legal and accounting basis for depositing or crediting the insurance proceeds to this fund, instead of accounting for the proceeds in the General Fund.

Response: Governmental accounting financial reporting standards require the recognition of the insurance proceeds to the fund in which the capital asset impairment is recognized. As Komohana Hale was on the books as an asset in the Housing, Interim Financing, and Buyback Revolving Enterprise Fund the insurance proceeds were recorded as such.

7. How does the Department distinguish this fund from the fund with the same name in Appendix A, Part II? Please explain.

Response: The funds are distinguished by separate sub-fund and index code designations within the financial system.

8. Please explain why the fund names are similar and the Department's internal control steps used to prevent mis-postings or other errors between the funds.

Response: This Department cannot speak to the intent or reason of why the fund names at the time they were created, are similar. However separate sub-fund and index code designations are set up within the financial system to distinguish the two.

*Honorable Yuki Lei K. Sugimura, Chair
Budget, Finance, and Economic Development Committee
Response to BFED-20(23)
January 14, 2026
Page 2*

Should you have any questions, please feel free to contact me or Deputy Director Maria Zielinski at extension 7722.

Sincerely,



MARCY MARTIN
Director of Finance

BFED Committee

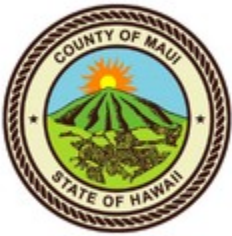
From: Estrelita B. Dahilig <Estrelita.B.Dahilig@co.maui.hi.us>
Sent: Thursday, January 15, 2026 9:07 AM
To: BFED Committee
Cc: Marcy L. Martin; Maria E. Zielinski; Stacey M. Vinoray; Josiah K. Nishita; Erin A. Wade; Didi A. Hamai; Kelii P. Nahooikaika; Lesley J. Milner
Subject: TRANSMITTAL: DISCUSSION ON BILL (3) 2026, AMENDING FISCAL YEAR 2026 BUDGET: DEPARTMENT OF HOUSING; HOUSING INTERIM FINANCING, AND BUY-BACK REVOLVING FUND; KOMOHANA HALE APARTMENTS REBUILD (bfed-20(23))
Attachments: MT#11356.BFED.Chair.Sugimura.Yuki.pdf

Aloha,

Please see attached transmittal dated January 14, 2026 from Director of Finance Marcy Martin regarding the above subject matter.

Thank you and have a great day!

Mahalo,
Lita



Lita B. Dahilig
Secretary

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