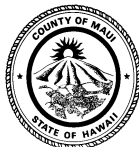


Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Nohelani U'u-Hodgins



Director of Council Services
David M. Raatz, Jr., Esq.

Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

October 10, 2025

Ms. Marcy Martin, Director
Department of Finance
County of Maui
Wailuku, Hawaii 96793

Dear Ms. Martin:

**SUBJECT: FISCAL YEAR 2025 ESTIMATED REVENUE
SHORTFALL FOR THE SEWER FUND (BFED-20(10))**

The Council's Budget, Finance, and Economic Development Committee is in receipt of the attached County Communication 177-25.

May I please request your response to the following:

1. Identify any conditions or limits on Section 20 transfers to enterprise or special funds. Do internal guidelines restrict using Countywide Costs to subsidize funds that are meant to be self-supporting? If none exists, would you recommend adopting such a guideline? Why or why not?
2. Explain the policy and reasoning for using the General Fund to cover Department of Water Supply enterprise-fund expenses.
 - a. Is the Department intended to be self-funding under County policy?
 - b. If so, what circumstances led to the FY 2025 support and is repayment to the General Fund planned? If no, why not?
 - c. Is this support a one-time need or is it indicative of a structural shortfall?

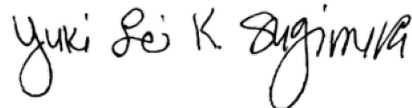
Ms. Marcy Martin
October 10, 2025
Page 2

- d. Is a supplemental transfer from the General Fund to the Water Fund needed for this transaction? Explain.
3. List all enterprise and special funds with FY 2025 shortfalls, including the fund and amount. Further, explain how shortfalls were handled.
4. List projected Carryover Savings by fund, by program for FY 2025, as of October 1, 2025. Are there still pending transactions for FY 2025 that may impact the Carryover Savings?

May I further request you transmit your response to bfed.committee@mauicounty.us by **October 15, 2025**. To ensure efficient processing, please include the Committee item number in the subject line.

Should you have any questions, please contact me or the Committee staff (Kirsten Szabo at ext. 7662, or Pauline Martins at ext. 8039).

Sincerely,



YUKI LEI K. SUGIMURA, Chair
Budget, Finance, and Economic
Development Committee

bfed:ltr:020(10)afn01:kes

Attachment

cc: Mayor Richard T. Bissen, Jr.

RICHARD T. BISSEN, JR.
Mayor

MARCY MARTIN
Director

MARIA E. ZIELINSKI
Deputy Director



DEPARTMENT OF FINANCE
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.maui-county.gov

September 10, 2025

RECEIVED
2025 SEP 11 AM 9:22
OFFICE OF THE
COUNTY CLERK

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

APPROVED FOR TRANSMITTAL


Acting Mayor 9-10-25 Date

For Transmittal to:

Honorable Alice Lee
Council Chair
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee:

SUBJECT: TRANSFER OF APPROPRIATIONS FROM COUNTYWIDE COSTS

Section 20 of the General Budget Provisions states, "The Director of Finance is authorized to transfer appropriations from programs under countywide costs to departments where generally accepted accounting principles require such transfer to properly reflect the financial accounting of such department; provided, however, that the total appropriation transferred shall not exceed the appropriation of the respective program in countywide costs; and provided, further, that the County Council shall receive notice of such transfer with an explanation of the action." As such, we hereby notify you of the transfer from Countywide Costs – Terminal Pay/Salary Adjustments (907774B) to the following departments:

Department of Finance – Purchasing Program (907055A) – \$13,014.00 for unbudgeted retroactive reallocations for two Contract Clerk positions.

Department of Fire and Public Safety – Ocean Safety Program (911777B) - \$8,750.27 due to a shortfall in operations.

Department of Fire and Public Safety – Plan Review, Processing, and Inspection Revolving Fund (101075A) - \$206.83 due to premium pay shortfalls.

Department of Water Supply – Department Expenses Program (953706B) - \$42,273.00 due to unbudgeted additional State Revolving Loan Fund (SRF) drawdowns resulting in an increase in debt service payments.

Department of Water Supply – Operations Program (953307A) - \$206,088.73 due to unbudgeted engineering personnel salary increases and the implementation of the Governmental Accounting Standards Board (GASB) Statement 101 – Compensated Absences that now require sick leave liability recognition.

Thank you for your attention to this matter. Should you have any questions, please feel free to contact me at Ext. 7474.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Martin', with a long horizontal stroke extending to the right.

MARCY MARTIN
Finance Director

cc: Kristina Toshikiyo, Deputy Corporation Counsel
Lesley Milner, Budget Director
Marci M. Sato, Accounting System Administrator

BFED Committee

From: BFED Committee
Sent: Friday, October 10, 2025 4:16 PM
To: Marcy Martin
Cc: Maria Zielinski; Stacey Vinoray; finance; Michelle Santos; Zeke Kalua
Subject: FISCAL YEAR 2025 ESTIMATED REVENUE SHORTFALL FOR THE SEWER FUND (BFED-20(10))
Attachments: Correspondence to Finance 10-10-2025.pdf