

COUNCIL OF THE COUNTY OF MAUI

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

November 15, 2024

**Committee
Report No.** _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget, Finance, and Economic Development Committee, having met on October 8, 2024, and October 22, 2024, makes reference to Bill 138 (2024), entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2025 BUDGET FOR THE COUNTY OF MAUI, ESTIMATED REVENUES AND OFFICE OF THE MAYOR, ECONOMIC DEVELOPMENT PROGRAM, GRANTS AND DISBURSEMENTS FOR CULTURE, ARTS, AND TOURISM.”

Bill 138’s purpose is to amend the Fiscal Year (“FY”) 2025 Budget, by: 1) amending Section 2, Estimated Revenues, by increasing Carryover/Savings from the General Fund by \$55,285; 2) amending Section 3.B.12.c.(3), Office of the Mayor, Economic Development Program, Grants and disbursements for culture, arts, and tourism, by adding a new appropriation entitled “Alexander Academy” in the amount of \$55,285; and 3) adjusting the totals accordingly.

The Executive Director of Alexander Academy Performing Company testified that grant funds are needed for renovation work at the Academy’s Queen Ka’ahumanu Center (“QKC”) location. The Academy has already invested into renovation work but requires additional funds to continue the project.

Your Committee notes the Academy had leased a studio space from Maui Land & Pineapple Company, Inc. in Hāli’imaile since 2017. However, the Academy was asked to move earlier this year. As of September 2024, the Academy relocated to QKC.

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The Executive Director confirmed that should the Academy need to relocate again after the QKC lease expires in 13 months, the newly renovated flooring, and possibly the mirrors and walls, could be reinstalled in another space.

By correspondence dated October 18, 2024, the Mayor's Chief of Staff confirmed the following:

- Grantees intending to use funds for construction involving a load-bearing wall must comply with Chapter 103D, Hawai'i Revised Statutes and County procurement policies.
- Grantees must ensure "all procurement transactions for construction of non-structures" as defined in the grant agreement and "all procurement transactions for goods and services are conducted in a manner to provide, to the maximum extent possible, open and free competition."

The Budget Director further confirmed that under Subsection 3.36.100.(A), Maui County Code, only expenditures made after acceptance of the grant application will be reimbursable. The Academy has not yet submitted an application.

The Budget Director explained that while the Academy could have applied for competitive grant funds, approval of the proposed budget amendment would allow the Academy to access the grant funds sooner.

Your Committee voted 8-0 to recommend passage of Bill 138 (2024), on first reading. Committee Chair Sugimura, Vice-Chair Kama, and members Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, and Sinenci voted "aye." Committee member U'u-Hodgins was excused.

COUNCIL OF THE COUNTY OF MAUI

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

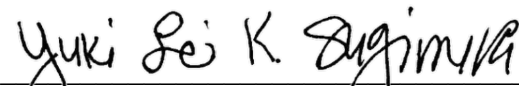
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Your Committee is in receipt of Bill 138, CD1 (2024), approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Budget, Finance, and Economic Development Committee RECOMMENDS that Bill 138, CD1 (2024), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2025 BUDGET FOR THE COUNTY OF MAUI, ESTIMATED REVENUES AND OFFICE OF THE MAYOR, ECONOMIC DEVELOPMENT PROGRAM, GRANTS AND DISBURSEMENTS FOR CULTURE, ARTS, AND TOURISM," be PASSED ON FIRST READING and be ORDERED TO PRINT.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



YUKI LEI K. SUGIMURA, Chair

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ORDINANCE NO. _____

BILL NO. 138, CD1 (2024)

A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2025
BUDGET FOR THE COUNTY OF MAUI, ESTIMATED REVENUES AND
OFFICE OF THE MAYOR, ECONOMIC DEVELOPMENT PROGRAM,
GRANTS AND DISBURSEMENTS FOR CULTURE, ARTS,
AND TOURISM

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 5657, Bill No. 60, CD1, FD2 (2024), as amended "Fiscal Year 2025 Budget", Section 2, Estimated Revenues, is amended to increase Carryover/Savings, General Fund, in the amount of \$55,285, and increase the total accordingly, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes	586,905,349
Circuit Breaker Adjustment	(293,838)
Transient Accommodations Tax	60,000,000
General Excise Tax	60,000,000
Charges for Current Services	167,395,404
Public Service Company Tax	7,000,000
Licenses/Permits/Others	46,353,332
Fuel and Franchise Taxes	24,500,000
Special Assessments	9,866,000

Other Intergovernmental	10,750,000
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FROM OTHER SOURCES:

Interfund Transfers	78,707,485
Bond/Lapsed Bond	107,785,000
Carryover/Savings:	
General Fund	[51,870,068] <u>51,925,353</u>
Sewer Fund	10,229,492
Highway Fund	17,365,696
Solid Waste Management Fund	3,313,077
Environmental Protection and Sustainability Fund	920,551
Liquor Fund	854,621
Water Fund	25,716,394

TOTAL ESTIMATED REVENUES	[1,269,238,631]	<u>1,269,293,916"</u>
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SECTION 2. Fiscal Year 2025 Budget Section 3.B.12.c.(3), Office of the Mayor, Economic Development Program, Grants and disbursements for culture, arts, and tourism, is amended to add a new appropriation for Alexander Academy Performing Company in the amount of \$55,285, to read as follows:

<u>"FUNCTION AND PROGRAMS</u>	<u>A - Salaries</u>	<u>B – Operations & Equipment</u>	<u>Total</u>
12. Office of the Mayor			
c. Economic Development Program			
(3) Grants and disbursements for culture, arts, and tourism			
(i) Cultural and Arts Program	0	520,000	520,000
(a) Up to \$40,000 must be for the Lānaʻi Community Association for the Pineapple Festival.			
(ii) Festival's of Aloha	0	114,000	114,000
(iii) Hui Noʻeau Visual Art Center, Art with Aloha	0	47,500	47,500
(iv) Hui Noʻeau Visual Art Center, Youth Family Art Outreach Program	0	47,500	47,500
(v) Maui Arts & Cultural Center	0	302,100	302,100
(vi) Maui Arts & Cultural Center for Arts in Education and Innovative Programs	0	403,142	403,142
(vii) Maui Community Theater	0	52,250	52,250
(viii) Maui Film Festival	0	90,250	90,250
(ix) Sister City Foundation	0	14,250	14,250
(x) <u>Alexander Academy Performing Company</u>	<u>0</u>	<u>55,285</u>	<u>55,285"</u>

SECTION 3. Fiscal Year 2025 Budget, Total Operating Appropriations, is amended to reflect an increase of \$55,285 in Category B – Operations & Equipment and to adjust the total accordingly, to read as follows:

<u>"FUNCTION AND PROGRAMS</u>	<u>A - Salaries</u>	<u>B – Operations & Equipment</u>	<u>Total</u>
TOTAL OPERATING APPROPRIATIONS	255,927,057	[802,990,574] <u>803,045,859</u>	[1,058,917,631] <u>1,058,972,916"</u>

SECTION 4. Fiscal Year 2025 Budget, Total Appropriations (Operating and Capital Improvement Projects), is amended to reflect an increase of \$55,285, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[1,269,238,631]	<u>1,269,293,916"</u>
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SECTION 5. Material to be repealed is bracketed. New material is underscored.

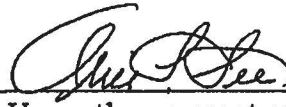
SECTION 6. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:



Deputy Corporation Counsel

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Mrs. Lee", is written above a horizontal line.

Upon the request of the Mayor.