

**COUNCIL OF THE COUNTY OF MAUI**

# **BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE**

December 15, 2023

**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 November 28, 2023, makes reference to Bill 123 (2023), entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, REVENUES; DEPARTMENT OF FINANCE, COUNTYWIDE COSTS; AND DEPARTMENT OF WATER SUPPLY, WATER OPERATIONS PROGRAM.”

Bill 123’s purpose is to amend the Fiscal Year 2024 Budget by:

- 1) amending Section 2, Estimated Revenues, by increasing Carryover/Savings from the General Fund and Interfund Transfers, each by \$9,200,000;
- 2) amending Section 3.B.5.g, Department of Finance, Countywide Costs, by adding a new appropriation entitled “Supplemental Transfer to the Water Fund” in the amount of \$9,200,000;
- 3) amending Section 3.B.18.c, Department of Water Supply, Water Operations Program - Water Fund, by increasing Category B (Operations & Equipment) and Total appropriations by \$9,200,000; and
- 4) adjusting the totals accordingly.

By correspondence dated November 15, 2023, the Budget Director transmitted a Certification of Additional Revenues for FY 2024, dated November 15, 2023, for \$9,200,000 in Carryover/Savings from the General Fund.

By correspondence dated November 27, 2023, the Director of Finance noted that the requested Carryover/Savings is derived from the unreserved general fund balance of Fiscal Year 2023’s financial statements. Although the Annual Comprehensive Financial Report for

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Fiscal Year 2023 is still subject to completion, a representative from the Department of Finance confirmed that these funds would be available.

By correspondence dated November 27, 2023, the Director of Water Supply confirmed that the requested \$9,200,000 will be used as follows:

- \$2,000,000 for waterline repairs and valve replacement service line repairs;
- \$300,000 for a mini excavator;
- \$460,000 for a potable water tanker truck;
- \$240,000 for six water buffalos;
- \$3,000,000 for portable generators;
- \$2,000,000 for water sample testing and electricity related to the August 2023 Maui wildfires;
- \$700,000 for digital infrastructure for wildfire-related data management; and
- \$500,000 for a temporary 12-inch waterline.

The Director explained that the mini excavator will be used to excavate waterlines in need of repair in the areas of Lahaina impacted by the wildfires. He also explained that the ongoing repairs of waterline infrastructure are necessary for the restoration of drinking water and should be considered emergency work, not a capital improvement project.

A representative from the Office of the Mayor informed your Committee that Bill 123 recognizes additional Carryover/Savings from the General Fund and an interfund transfer from the General Fund to the Water Fund. The Water Fund typically does not receive additional funding from the General Fund, but because of extenuating circumstances related to wildfire recovery, the need to expedite repairs to address public health concerns, and the lack of additional funding available in the Water Fund, the interfund transfer is appropriate.

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Your Committee voted 9-0 to recommend passage of Bill 123 (2023) on first reading. Committee Chair Sugimura, Vice-Chair Kama, and members Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins voted “aye.”

Your Committee is in receipt of Bill 123, CD1 (2023), approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions, including adjustments to reflect the passage of other pending legislation.

Your Budget, Finance, and Economic Development Committee RECOMMENDS that Bill 123, CD1 (2023), entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, REVENUES; DEPARTMENT OF FINANCE, COUNTYWIDE COSTS; AND DEPARTMENT OF WATER SUPPLY, WATER OPERATIONS PROGRAM,” 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.

  
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YUKI LEI K. SUGIMURA, Chair

ORDINANCE NO. \_\_\_\_\_

BILL NO. 123, CD1 (2023)

A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024  
BUDGET FOR THE COUNTY OF MAUI, REVENUES;  
DEPARTMENT OF FINANCE, COUNTYWIDE COSTS; AND  
DEPARTMENT OF WATER SUPPLY, WATER OPERATIONS PROGRAM

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

SECTION 1. Ordinance No. 5528, Bill No. 22, CD1, FD2 (2023), as amended, "Fiscal Year 2024 Budget", Section 2, Estimated Revenues, is amended to increase Carryover/Savings, General Fund in the amount of \$9,200,000, increase Interfund Transfers in the amount of \$9,200,000, and increase the total accordingly, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes		534,949,079
Circuit Breaker Adjustment		(325,398)
Transient Accommodations Tax		60,000,000
Charges for Current Services		172,264,662
Public Service Company Tax		7,000,000
Licenses/Permits/Others		45,268,317
Fuel and Franchise Taxes		23,500,000
Special Assessments		6,700,000
Other Intergovernmental		19,150,000

FROM OTHER SOURCES:

Interfund Transfers	[72,491,088]	<u>81,691,088</u>
Bond/Lapsed Bond		61,545,000
Carryover/Savings:		
General Fund	[54,591,201]	<u>63,791,201</u>
Sewer Fund		10,073,191
Highway Fund		8,000,039
Solid Waste Management Fund		4,945,233
Environmental Protection and Sustainability Fund		665,143
Liquor Fund		855,282
Bikeway Fund		199,760
Water Fund		<u>9,905,110</u>

TOTAL ESTIMATED REVENUES [1,091,777,707] 1,110,177,707"

SECTION 2. Fiscal Year 2024 Budget Section 3.B.5.g, Department of Finance, Countywide Costs, is amended to add a new appropriation entitled “Supplemental Transfer to the Water Fund” in the amount of \$9,200,000 in Category B – Operations & Equipment and Total, to read as follows:

<u>“FUNCTION AND PROGRAMS</u>	<u>A - Salaries</u>	<u>B – Operations &amp; Equipment</u>	<u>Total</u>
5. Department of Finance			
g. Countywide Costs			
(1) Fringe Benefits	0	149,958,463	149,958,463
(2) Fringe Benefits Reimbursement	0	(32,462,719)	(32,462,719)
(3) Bond Issuance and Debt Service	0	56,308,805	56,308,805
(4) Supplemental Transfer to the Environmental Protection and Sustainability Fund	0	6,549,383	6,549,383
(5) Supplemental Transfer to the Highway Fund	0	16,614,455	16,614,455
(6) Supplemental Transfer to the Solid Waste Fund	0	14,129,310	14,129,310
(7) Insurance Programs and Self Insurance	0	14,471,521	14,471,521
(8) Transfer to the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund	0	5,377,015	5,377,015
(9) Transfer to the Affordable Housing Fund	0	43,016,123	43,016,123
(10) General Costs	0	3,312,000	3,312,000
(11) Overhead Reimbursement	0	(25,955,695)	(25,955,695)
(12) Transfer to the Emergency Fund	0	28,213,408	28,213,408
(13) Post-Employment Obligations	0	20,228,767	20,228,767
(14) One Main Plaza Lease	0	500,000	500,000
(15) Transfer to the Managed Retreat Fund	0	12,000,000	12,000,000
(16) Maintenance costs for the Haggai Institute	0	2,000,000	2,000,000
<u>(17) Supplemental Transfer to the Water Fund</u>	<u>0</u>	<u>9,200,000</u>	<u>9,200,000”</u>

SECTION 3. Fiscal Year 2024 Budget Section 3.B.18.c, Department of Water Supply, Water Operations Program – Water Fund, is amended to increase the appropriation for Category B – Operations & Equipment in the amount of \$9,200,000, and adjust the total appropriation accordingly, to read as follows:

<u>“FUNCTION AND PROGRAMS</u>	<u>A - Salaries</u>	<u>B – Operations &amp; Equipment</u>	<u>Total</u>
18. Department of Water Supply			
c. Water Operations Program – Water Fund	11,240,223	[32,036,242]	[43,276,465]
(1) Disbursement for salaries and premium pay is limited to 151.0 equivalent personnel		<u>41,236,242</u>	<u>52,476,465”</u>

SECTION 4. Fiscal Year 2024 Budget, Total Operating Appropriations, is amended to reflect an increase of \$18,400,000 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 &amp; Equipment</u>	<u>Total</u>
TOTAL OPERATING APPROPRIATIONS	241,153,134	[697,021,239] <u>715,421,239</u>	[938,174,373] <u>956,574,373”</u>

SECTION 5. Fiscal Year 2024 Budget, Total Appropriations (Operating and Capital Improvement Projects), is amended to reflect an increase of \$18,400,000, to read as follows:

“TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[1,091,777,707]	<u>1,110,177,797”</u>
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SECTION 6. Material to be repealed is bracketed. New material is underscored.

SECTION 7. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:




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KRISTINA C. TOSHIKIYO  
Deputy Corporation Counsel

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Sheri Lee", written over a horizontal line.

Upon the request of the Mayor.