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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

August 30, 2024

Ms. Lesley Milner, Budget Director
Office of the Mayor
County of Maui
Wailuku, Hawaii 96793

Dear Ms. Milner:

SUBJECT: BILL 124 (2024), AMENDING THE FISCAL YEAR 2025 BUDGET: ESTIMATED REVENUES; DEPARTMENT OF MANAGEMENT (MANAGEMENT PROGRAM); AND CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF MANAGEMENT (WAILUKU-KAHULUI COMMUNITY PLAN AREA, FITNESS COURTS) (BFED-100)

The Budget, Finance, and Economic Development Committee is in receipt of Bill 124 (2024), which amends the Fiscal Year ("FY") 2025 Budget to appropriate \$865,000 for the Department of Management for various uses. I am considering scheduling this matter for the Committee's meeting on September 10, 2024.

May I please request your response to the following:

- 1) Provide the unaudited Carryover/Savings, by fund, for FY 2024. Further, identify the amount, by fund, that is available for budget amendments for the FY 2025 Budget.
- 2) Attached is a response from the Director of Finance explaining the unaudited actual revenue from the General Excise and Use Tax ("GET") surcharge and the County Transient Accommodations Tax ("TAT"). The Committee is also aware of other FY 2025 Budget adjustments for which Carryover/Savings may be used, such as the approximate \$2.3 million Johnson Controls, Inc. ("JCI") equipment

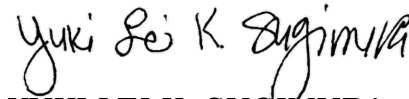
Ms. Lesley Milner
August 30, 2024
Page 2

lease payment to Bank of Hawaii. Is there enough Carryover/Savings available to cover Bill 124 (2024), Bill 125 (2024), any needed adjustments to comply with Code-required special fund deposits for County TAT and GET surcharge revenue, and other major budgetary adjustments like the JCI equipment lease payment? Please explain.

May I further request you transmit your response to bfed.committee@mauicounty.us by **3:00 p.m. on September 3, 2024**. 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 (James Krueger at ext. 7761, or Maria Leon at ext. 7866).

Sincerely,



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

bfed:ltr:100abd01:jgk

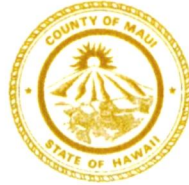
Attachment

cc: Mayor Richard T. Bissen, Jr.
Budget Director

RICHARD T. BISSEN, JR.
Mayor

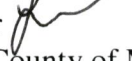
MARCY MARTIN
Director

MARIA E. ZIELINSKI
Deputy Director



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

August 20, 2024

Ms. Lesley Milner 
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL


Mayor 8-20-24
Date

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

RECEIVED

By Cara.Bolte at 9:46 am, Aug 21, 2024

For Transmittal to:

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

Dear Chair Sugimura:

SUBJECT: CODE-MANDATED DEPOSITS FROM COUNTY TRANSIENT ACCOMMODATIONS TAX AND GENERAL EXCISE TAX SURCHARGE (PAF 24-186)

Pursuant to your letter dated August 14, 2024, regarding the subject matter, below are the responses to the following:

Section 3.97.040, Maui County Code, requires 20 percent of County Transient Accommodations Tax ("TAT") revenue to be deposited into the Managed Retreat Revolving Fund, except during Fiscal Years ("FY") 2025-2027. The Council appropriated \$12 million in the FY 2024 Budget for this mandated deposit based on estimated TAT revenue of \$60 million.

- 1. What was the actual amount of County TAT revenue collected in FY2024? How did that compare to the estimated revenue in 2024?**

Response: Unaudited TAT collections in FY2024 amounted to \$69,622,435.21. This is an increase of \$9,622,435.21 over the estimated revenue of \$60,000,000 included in the FY2024 budget.

- 2. Did the \$12 million appropriation satisfy the Code mandate? If the answer is no, what adjustments does the Administration intend to propose?**

Response: The Budget Office will provide a response to this question.

Section 3.100.040(C), Maui County Code, requires that 20 percent of all revenue generated by the General Excise Tax surcharge be used on projects that support the Department of Hawaiian Home Lands' homestead development. By Ordinance 5671, the Council appropriated \$5,767,148 to the General Excise Tax Fund – Department of Hawaiian Home Lands in the FY 2024 Budget for this mandated deposit based on estimated GET-surcharge revenue of \$28,835,741.

- 1. What was the actual amount of GET surcharge revenue collected in FY2024? How did that compare to the estimated revenue in 2024?**

Response: Unaudited actual GET surcharge revenue collected in FY2024 amounted to \$34,498,300.04. This is an increase of \$5,662,559.04 over the estimated revenue of \$28,835,741 included in the FY2024 budget.

- 3. Did the \$5,767,148 appropriation satisfy the Code mandate? If the answer is no, what adjustments does the Administration intend to propose?**

Response: The Budget Office will provide a response to this question.

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

Sincerely,



MARCY MARTIN
Director of Finance

BFED Committee

From: BFED Committee
Sent: Friday, August 30, 2024 8:53 AM
To: Lesley Milner
Cc: 'kristina.cabbat@co.maui.hi.us'; 'Michelle Santos'; 'Zeke Kalua'; BFED Committee
Subject: Bill 124 (2024), Amending the Fiscal Year 2025 Budget: Department of Management (Management Program) and CIP (Wailuku-Kahului Community Plan Area, Fitness Courts (BFED-100))
Attachments: 100abd01.pdf
Categories: Processed

Ms. Milner: Please refer to the attached letter from BFED Committee Chair dated 08/30/2024. **Please respond by 3:00 p.m. on 09/03/2024.**

Mayor's Office: Please forward the attached letter to Mayor Bissen for his information.

Thank you,
BFED Committee Staff