

**RICHARD T. BISSEN, JR.**  
Mayor

**JOSIAH K. NISHITA**  
Managing Director

**JOHN STUFFLEBEAN, P.E.**  
Director

**JAMES A. LANDGRAF**  
Deputy Director



**DEPARTMENT OF WATER SUPPLY**  
COUNTY OF MAUI  
200 SOUTH HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
<http://www.mauicounty.gov/water>

July 11, 2024

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

**APPROVED FOR TRANSMITTAL**

*[Signature]* 7-11-24  
\_\_\_\_\_  
Mayor Date

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: ANNUAL COMPREHENSIVE FINANCIAL REPORT, SINGLE AUDIT REPORT, AND DEPARTMENT OF WATER SUPPLY'S FINANCIAL AUDIT REPORTS (BFED-21(25))**

Thank you for your letter dated July 8, 2024. Department of Water Supply provides the following response to your letter:

1. Page 23 of the Department's Financial Audit Report notes the restricted equity in pooled cash and investments held in County Treasury. For customer deposits, there was a total of \$618,694 in 2022 but significantly increased to \$6,658,296 in 2023. Please explain why there is a significant difference in customer deposits from 2022 to 2023.

Response:

The increase in the Customer deposits was due to meter reservation for subdivisions development:

*"By Water All Things Find Life"*

Honorable Yuki Lei K. Sugimura, Chair  
Budget, Finance, and Economic  
Development Committee  
July 11, 2024  
Page 2

Lipoa Investments LLC, 2 deposits: \$1.6 million and \$1.7 million, total  
of \$3.3 million

State of Hawaii, DHHL: Deposit of \$2.0 million

Malaihi Road Associates: Deposit of \$0.3 million

GTH Land Company: Deposit of \$0.3 million

TOTAL = \$5.9M

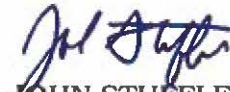
2. Has the Department audited the Water System Development Fund established in Chapter 3.92, Maui County Code? If not, please explain why and provide a timeline for the audit.

Response:

Yes, the Water System Development Fund has been audited as part of the annual audit of the Water fund.

If you have any further questions, please contact me.

Sincerely,



JOHN STUFFLEBEAN, P.E.  
Director

JS:kkk

## BFED Committee

---

**From:** Michelle Santos <Michelle.Santos@co.maui.hi.us>  
**Sent:** Thursday, July 11, 2024 1:42 PM  
**To:** BFED Committee  
**Cc:** Cynthia Sasada; James Landgraf; John Stufflebean; Josiah Nishita; Keanu LauHee; Leo Caires; Linda Kimura; Louise Batoon; Pili Nahooikaika  
**Subject:** MT#10671 Annual Comprehensive Financial Report, Single Audit Report, and Dept. of Water Supply's Financial Audit Reports  
**Attachments:** MT#10671-BFED Committee.pdf

**NOTE: PLEASE DO NOT FORWARD MY EMAIL TO ANYONE OUTSIDE OF THE COUNTY OF MAUI. YOU MAY CLICK ON THE ATTACHMENT ITSELF AND CREATE YOUR OWN EMAIL TO FORWARD THE DOCUMENT TO ANOTHER PERSON OUTSIDE OF THE COUNTY.**

*Michelle L. Santos*

## Office Operations Assistant

Office of the Mayor  
County of Maui  
200 S. High Street 9th Floor  
Wailuku, HI 96793  
phone: (808) 270-7855  
fax: (808) 270-7870