

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

August 18, 2020

Committee
Report No. _____

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

Chair and Members:

Your Economic Development and Budget Committee, having met on August 4, 2020, makes reference to County Communication 20-321, from the Director of Finance, relating to the estimated revenue shortfall of \$1,957,000 in Transient Accommodation Tax (TAT) revenue allocated to the County for Fiscal Year 2020 due to the suspension of TAT collection after April 2020, resulting in an estimated revenue shortfall of \$1,957,000 to the General Fund; and \$2,600,000 to the Solid Waste Management Fund, Charges for Current Services, Solid Waste Division, Department of Environmental Management, due to less tonnage received at the landfills, particularly Central Maui Landfill, for Fiscal Year 2020.

The Deputy Director of Finance explained the TAT revenue for Fiscal Year 2020 was further reduced by the Governor to \$19,500,000, creating total TAT shortfall of \$3,984,000. However, because other areas of revenue collection were higher than anticipated, the County collected a total of \$469,600,000 in revenue compared to the budgeted amount of \$471,200,000, for an overall General Fund deficit of \$1,600,000. The Deputy Director also stated the Solid Waste Fund was on track with the estimates provided in the report, as the Department is estimating a shortfall of about \$2,700,000.

The Deputy Director further informed your Committee that remedial action was not necessary because sufficient carryover savings existed to cover the anticipated shortfall in both the General Fund and the Solid Waste Fund.

As no remedial action is necessary related to these shortfalls, your Committee chose to recommend filing of the communication.

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Your Committee voted 7-0 to recommend filing of the communication. Committee Chair Rawlins-Fernandez, Vice-Chair King, and members Lee, Molina, Paltin, Sinenci, and Sugimura voted "aye." Committee members Hokama and Kama were excused.

Your Economic Development and Budget Committee **RECOMMENDS** that County Communication 20-321 be FILED.

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



KEANI N.W. RAWLINS-FERNANDEZ, Chair