

COUNCIL OF THE COUNTY OF MAUI  
**BUDGET AND FINANCE COMMITTEE**

February 21, 2014

**Committee  
Report No.** \_\_\_\_\_

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

Chair and Members:

Your Budget and Finance Committee, having met on February 4, 2014, makes reference to County Communication 13-275, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2014 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF FINANCE, TREASURY PROGRAM; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The purpose of the proposed bill is to amend the Fiscal Year ("FY") 2014 Budget by (1) increasing the estimated revenue amount for Carryover/Savings in the General Fund by \$86,400, from \$27,764,126 to \$27,850,526; and (2) increasing the appropriation for the Department of Finance ("Department"), Treasury Program, by \$86,400, from \$873,481 to \$959,881.

2. A Certification of Additional Revenues for FY 2014, dated August 30, 2013, for \$86,400 in Carryover/Savings from the General Fund.

The Director of Finance stated the requested funds will be used for unanticipated expenditures related to the Circuit Breaker program. Because of revisions to the Circuit Breaker procedures for processing applications, the Department has expended \$5,000 on mail-outs, \$5,200 for premium pay, and \$12,000 to implement technical changes to the Real Property software. The Department anticipates future expenditures if there are additional changes to the Circuit Breaker program.

He noted the average number of applications for Circuit Breaker tax relief is about 1,050 per year. To date, of the 873 applications received, 364 have been approved,

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372 have been denied, and 137 are still under review. Currently, there is no appeal process if an application is denied.

The Budget Director informed your Committee the cost to the County of the Circuit Breaker tax credit for FY 2014 was \$1.3 million. For FY 2015, the cost is projected to be about \$300,000.

Your Committee voted 5-0 to recommend passage of the proposed bill on first reading and filing of the communication. Committee Chair White and members Baisa, Cochran, Couch, and Crivello voted "aye". Committee Vice-Chair Hokama and members Carroll, Guzman, and Victorino were excused.

Your Committee is in receipt of a revised proposed bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions that take into account prior amendments to the FY 2014 Budget.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill \_\_\_\_\_ (2014), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2014 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF FINANCE, TREASURY PROGRAM; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)" be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication 13-275 be FILED.

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

  
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MIKE WHITE, Chair

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

BILL NO. \_\_\_\_\_ (2014)

A BILL FOR AN ORDINANCE AMENDING  
THE FISCAL YEAR 2014 BUDGET FOR THE COUNTY OF MAUI  
AS IT PERTAINS TO ESTIMATED REVENUES;  
DEPARTMENT OF FINANCE, TREASURY PROGRAM;  
TOTAL OPERATING APPROPRIATIONS; AND  
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

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

SECTION 1. Ordinance No. 4044, Bill No. 43 (2013), Draft 1, as amended, ("Fiscal Year 2014 Budget"), is hereby amended as it pertains to Section 2, Estimated Revenues by increasing Carryover/Savings from the General Fund in the amount of \$86,400; and by increasing Total Estimated Revenues in the amount of \$86,400, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes	224,621,653
Circuit Breaker Adjustment	(1,303,505)
Charges for Current Services	115,863,840
Transient Accommodations Tax	21,000,000
Public Service Company Tax	9,000,000
Licenses/Permits/Others	28,996,770
Fuel and Franchise Taxes	20,400,000
Special Assessments	4,983,000
Other Intergovernmental	20,772,277

FROM OTHER SOURCES:

Interfund Transfers	36,383,088
Bond/Lapsed Bond	34,968,000
Carryover/Savings:	
General Fund	[29,028,504] <u>29,114,904</u>
Sewer Fund	8,361,170
Highway Fund	8,280,953
Solid Waste Management Fund	3,720,286
Golf Fund	220,916
Liquor Fund	631,979
Bikeway Fund	(243,554)
Water Fund	<u>12,164,962</u>

TOTAL ESTIMATED REVENUES [577,850,339] 577,936,739"

SECTION 2. Fiscal Year 2014 Budget is hereby amended as it pertains to Section 3.B.4.e., Department of Finance, Treasury Program, to increase the appropriation by \$86,400, to read as follows:

"4. Department of Finance		
e. Treasury Program	[873,481]	<u>959,881</u>
(1) Provided, that disbursement for salaries and premium pay is limited to 13.0 equivalent personnel."		

SECTION 3. Fiscal Year 2014 Budget is hereby amended as it pertains to the Total Operating Appropriations to reflect an increase of \$86,400, to read as follows:

"TOTAL OPERATING APPROPRIATIONS	[473,911,318]	<u>473,997,718"</u>
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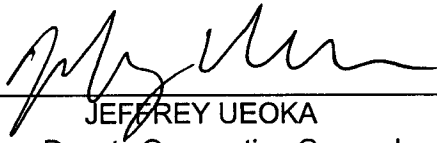
SECTION 4. Fiscal Year 2014 Budget is hereby amended as it pertains to the Total Appropriations (Operating and Capital Improvement Projects) to reflect an increase of \$86,400, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[577,850,339]	<u>577,936,739"</u>
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SECTION 5. Material to be repealed is bracketed. New material is underscored.

SECTION 6. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



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JEFFREY UEOKA  
Deputy Corporation Counsel

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