

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

April 10, 2007

Committee
Report No.

_____ 07-36 _____

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 12, 2007, makes reference to County Communication No. 07-86, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2007 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, THE DEPARTMENT OF WATER SUPPLY, TOTAL OPERATING APPROPRIATIONS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The purpose of the proposed bill is to amend the Fiscal Year (FY) 2007 Budget by increasing Carryover/Savings in the Water Supply Fund by \$800,000 (from \$5,132,821 to \$5,932,821); decreasing the appropriation for the Engineering Program – Water Supply Fund, Department of Water Supply, by \$200,000 (from \$1,760,977 to \$1,560,977); and increasing the appropriation for Plant Operations Program – Water Supply Fund, Department of Water Supply, by \$1,000,000 (from \$12,272,713 to \$13,272,713).

2. A "Certification of Additional Revenues for Fiscal Year 2007" dated February 22, 2007, pursuant to Section 9-9.1, Revised Charter of the County of Maui (1983), as amended.

The document certifies that \$800,000 of additional carryover/savings is available from the Water Supply Fund.

At its meeting, your Committee met with the Budget Director, the Director of Water Supply, the Director of Finance, and the First Deputy Corporation Counsel.

There was no public testimony.

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The Budget Director stated that as of January 31, 2007, the plant operations program in the Department of Water Supply has expended \$6,100,000 of the \$9,200,000 appropriated for electricity in the FY 2007 Budget. He further stated that the Department projects that an additional \$1,000,000 is required to ensure plant operations for the remainder of the year.

The Director of Water Supply stated that increases in electricity rates and the amount of pumping required during times of drought were greater than anticipated in the FY 2007 Budget. He further stated that the Department intends to improve its management of the Upcountry water system by closely monitoring water levels and pumping into the reservoir.

The Director of Water Supply further stated that the proposed funding for additional electricity is from increased carryover/savings from actual revenues in excess of budget revenues and cost savings because the Department has not been able to hire qualified engineers.

Your Committee voted to recommend passage of the proposed bill and filing of the communication.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. _____ (2007), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2007 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, THE DEPARTMENT OF WATER SUPPLY, 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 No. 07-86 be FILED.

Adoption of this report is respectfully requested.

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DANNY A. MATEO **Member**

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