

PRELIMINARY OFFICIAL STATEMENT DATED JULY 11, 2025

NEW ISSUE – FULL BOOK-ENTRY

**RATINGS: Moody's: "Aa2"
S&P: "AA+"
Fitch: "AA+"
(See "RATINGS" herein)**

In the opinion of Hawkins Delafield & Wood LLP, San Francisco, California, Bond Counsel, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Bonds (as defined herein) is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, in the opinion of Bond Counsel, under existing statutes, interest on the Bonds is exempt from all taxation by the State of Hawai'i or any county or other political subdivision thereof, except inheritance, transfer and estate taxes. See "TAX MATTERS" herein.



\$301,810,000*
COUNTY OF MAUI
GENERAL OBLIGATION BONDS
SERIES 2025

Dated: Date of Delivery

Due: September 1, as shown on inside cover

The County of Maui General Obligation Bonds, Series 2025 (the "Bonds") are being issued by the County of Maui (the "County") only as fully registered bonds under a book-entry system, initially registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), which will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in the principal amount of \$5,000 or any integral multiple thereof within a single maturity through brokers or dealers who are, or who act through, participants of DTC ("Participants"). Purchasers of beneficial interests in the Bonds will not receive certificates representing their interest in the Bonds. See APPENDIX D – "BOOK-ENTRY SYSTEM" in this Official Statement.

Interest on the Bonds will be paid on March 1 and September 1 of each year, commencing March 1, 2026, until maturity, by The Bank of New York Mellon Trust Company, N.A., as registrar (the "Registrar") and paying agent (the "Paying Agent"), to DTC. DTC will disburse payments of interest on and principal of the Bonds to Participants for subsequent disbursement to Beneficial Owners of the Bonds. Disbursement of such payments to Beneficial Owners is the sole responsibility of Participants. See APPENDIX D – "BOOK-ENTRY SYSTEM" in this Official Statement.

The Bonds are subject to redemption prior to maturity as described herein.* See "THE BONDS" in this Official Statement.

The Bonds are the absolute and unconditional general obligations of the County. The principal and interest payments on the Bonds, together with the principal of and interest payments on any other general obligation bonds of the County presently outstanding or issued after the date of issuance and delivery of the Bonds, are a first charge upon the General Fund of the County. The full faith and credit of the County are pledged to the punctual payment of the principal of and interest on the Bonds. For the payment of the principal and interest on the Bonds, the County under the Constitution and laws of the State of Hawai'i has the power and is obligated to levy ad valorem taxes without limitation as to rate or amount on all real property subject to taxation by the County. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Security for the Bonds" and "COUNTY FINANCIAL INFORMATION – General Fund" in this Official Statement.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed decision.

BIDS FOR THE PURCHASE OF THE BONDS WILL BE RECEIVED BY THE COUNTY AT 11:30 A.M.* EASTERN TIME ON JULY 23, 2025*, AS PROVIDED IN THE OFFICIAL NOTICE OF SALE INVITING BIDS DATED JULY 11, 2025, UNLESS POSTPONED AS SET FORTH IN SUCH OFFICIAL NOTICE OF SALE. See "SALE OF BONDS" herein.

The Bonds are offered when, as and if issued by the County and accepted by the initial purchaser, subject to the approval of validity by Hawkins Delafield & Wood LLP, Bond Counsel to the County, and certain other conditions. Hawkins Delafield & Wood LLP is also serving as Disclosure Counsel to the County. Certain legal matters will be passed upon for the County by its Corporation Counsel. It is expected that the Bonds will be available for delivery to DTC on or about August 13, 2025.*

Dated: July __, 2025.

* Preliminary, subject to change.

MATURITY SCHEDULE*

\$301,810,000*
COUNTY OF MAUI
GENERAL OBLIGATION BONDS
SERIES 2025

Due (September 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP[†] (Base: _____)
2026	\$8,515,000				
2027	9,660,000				
2028	10,140,000				
2029	10,650,000				
2030	11,180,000				
2031	11,740,000				
2032	12,325,000				
2033	12,940,000				
2034	13,590,000				
2035	14,270,000				
2036	14,985,000				
2037	15,730,000				
2038	16,520,000				
2039	17,345,000				
2040	18,210,000				
2041	19,120,000				
2042	19,910,000				
2043	20,755,000				
2044	21,640,000				
2045	22,585,000				

* Preliminary, subject to change.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2025 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP service. CUSIP numbers are provided for reference only. Neither the County nor its agents or counsel take any responsibility for the accuracy of such numbers.

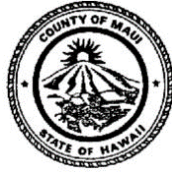
This Official Statement, which includes the cover page, the inside front cover page and appendices, does not constitute an offer to sell the Bonds in any state to any person to whom it is unlawful to make such offer in such state. No dealer, salesman or other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and if given or made, such information or representations must not be relied upon. The information contained herein is subject to change without notice and neither the delivery of this Official Statement nor any sale hereunder at any time implies that the information contained herein is correct as of any time subsequent to its date.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE. IN CONNECTION WITH THIS OFFERING THE INITIAL PURCHASER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

For purposes of compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), and in effect on the date hereof, this Preliminary Official Statement constitutes an official statement for which the County was an obligated person and that was deemed final by the County as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

The County maintains a website and social media accounts; however, the information presented there is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Rule 15c2-12, and in effect on the date hereof.

COUNTY OF MAUI
200 South High Street
Wailuku, Maui, Hawai'i 96793
(808) 270-7844



Richard T. Bissen, Jr.
Mayor

COUNTY COUNCIL

Alice L. Lee
Chair

Yuki Lei K. Sugimura
Vice Chair

Natalie A. Kama
Presiding Officer Pro Tempore

Tom Cook
Councilmember

Gabriel Johnson
Councilmember

Tamara A.M. Paltin
Councilmember

Keani N.W. Rawlins-Fernandez
Councilmember

Shane M. Sinenci
Councilmember

Nohelani U'u-Hodgins
Councilmember

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Budget Director

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County Treasurer

Moana Lutey
County Clerk

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Carlsbad, California

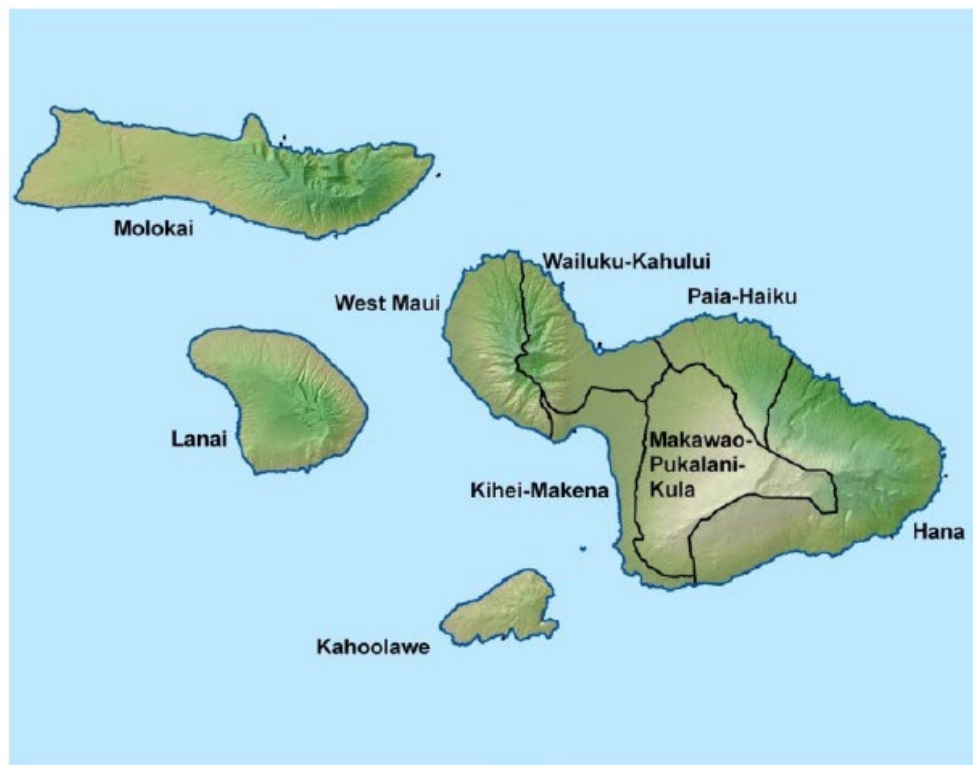
REGISTRAR AND PAYING AGENT

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

STATE OF HAWAII



COUNTY OF MAUI



ISLAND OF MAUI



TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
PLAN OF FINANCE.....	1
ESTIMATED SOURCES AND USES OF FUNDS	2
THE BONDS	2
General Terms	2
Authorization	2
Transfer and Exchange	3
Redemption.....	3
Selection for Redemption	3
Notice of Redemption.....	3
Open Market Purchase.....	4
OUTSTANDING GENERAL OBLIGATIONS OF THE COUNTY	4
DEBT SERVICE SCHEDULE.....	6
DEBT INFORMATION	7
General.....	7
Outstanding Obligations	10
Special Assessment Indebtedness; Community Facilities Districts; Tax Increment Districts	10
SECURITY AND SOURCES OF PAYMENT FOR THE BONDS	11
Security for the Bonds	11
THE COUNTY OF MAUI	12
General Information.....	12
Government	12
Elected Officials	13
Other County Officials	14
Maui Wildfires.....	15
COUNTY FINANCIAL INFORMATION	15
Accounting.....	15
General Fund	16
Real Property Taxation and Assessed Values.....	16
Transient Accommodations Tax.....	27
General Excise Tax Surcharge.....	28
Other General Fund Revenues.....	28
General Fund Performance	29
Interim Financial Results.....	32
Special Revenue Funds.....	32
Highway Fund	33
Sewer Fund	35
Solid Waste Fund.....	39
Environmental Protection and Sustainability Fund	40
Water Supply Fund.....	40
Deposits and Investments	43
Cash Management and Liquidity	43
Reserve and Other Funds.....	44
Budgeted Financial Information	45
Capital Improvement Program.....	47
Budget Process.....	48
Debt Management and Related Policy and Practices.....	49
Employee Relations	49
State Employees' Retirement System.....	50

Health Care Benefits.....	60
Other Post-Employment Benefits (OPEB)	61
ECONOMIC AND DEMOGRAPHIC INFORMATION	64
Demographic Information.....	64
General Economic Information	65
Visitor Industry	66
Construction.....	67
Sporting Events, Cultural Events and Entertainment.....	68
Agriculture	68
High-Technology	69
Renewable Energy	70
Other Data.....	71
MAUI WILDFIRES	72
Overview	72
Federal, State, and County Response.....	72
Economic and Fiscal Impact.....	76
Claims and Pending Litigation	76
OTHER INVESTOR CONSIDERATIONS.....	77
Climate Change and Other Natural Events.....	77
Market Risk	78
Public Health Emergencies	78
Federal Government	78
Cybersecurity	79
Remedies	79
INSURANCE AND PENDING LITIGATION.....	79
FINANCIAL STATEMENTS	80
TAX MATTERS.....	80
Opinion of Bond Counsel	80
Certain Ongoing Federal Tax Requirements and Covenants.....	81
Certain Collateral Federal Tax Consequences.....	81
Original Issue Discount	81
Bond Premium.....	82
Information Reporting and Backup Withholding	82
Miscellaneous	83
APPROVAL OF LEGAL PROCEEDINGS.....	83
FORWARD-LOOKING STATEMENTS	83
MUNICIPAL ADVISOR	83
RATINGS	84
SALE OF THE BONDS	84
CONTINUING DISCLOSURE.....	84
MISCELLANEOUS	84
APPENDIX A:	ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024
APPENDIX B:	PROPOSED FORM OF BOND COUNSEL OPINION
APPENDIX C:	FORM OF CONTINUING DISCLOSURE CERTIFICATE
APPENDIX D:	BOOK-ENTRY SYSTEM

OFFICIAL STATEMENT
\$301,810,000*
COUNTY OF MAUI
GENERAL OBLIGATION BONDS
SERIES 2025

INTRODUCTION

This Official Statement, including the cover hereof and appendices hereto (the “Official Statement”), was prepared to provide information relating to the sale by the County of Maui (the “County” or “Maui”) of its General Obligation Bonds, Series 2025 (the “Bonds”). The proceeds of the Bonds will be used to provide funds for certain capital improvement projects of the County and to pay costs of issuance in connection with the issuance and sale of the Bonds, as described under “PLAN OF FINANCE” herein.

The Bonds will be absolute and unconditional general obligations of the County. The interest and principal payments on the Bonds, together with the principal and interest payments on any other general obligation bonds of the County currently outstanding or issued after the date of this Official Statement, are a first charge on the General Fund of the County. The full faith and credit of the County are irrevocably pledged to the payment of the principal of and interest on the Bonds. For the payment of the principal and interest on the Bonds, the County will levy ad valorem taxes without limitation as to rate or amount on all real property subject to taxation by the County. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Security for the Bonds” and “COUNTY FINANCIAL INFORMATION – General Fund” herein.

This introduction is not a summary of this Official Statement. It is only a brief description of, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, the inside front cover page and appendices hereto.

All summaries of the provisions of the Constitution (the “Constitution”) and other laws of the State of Hawai‘i (the “State”), ordinances of the County and other documents contained in this Official Statement are qualified in their entirety by reference to the complete provisions of such laws and documents and do not purport to be complete statements of such laws or documents, copies of which may be obtained from the County upon request. Certain financial information regarding the County, has been taken from the County’s Annual Comprehensive Financial Report, and other audits, budgets and financial reports, and their accompanying notes. Prospective purchasers of the Bonds should read this entire Official Statement, including the cover page, the inside front cover page and appendices hereto.

PLAN OF FINANCE

A portion of the proceeds of the Bonds is expected to be used to pay or reimburse the costs of various capital improvements in accordance with appropriations in the Budget Ordinances (as defined herein) authorizing the use of bonds for the County’s fiscal years ending June 30, 2022 through 2026. The County expects to use approximately \$101.9 million* of the Bond proceeds to reimburse authorized General Fund advances as of May 31, 2025 for costs already incurred and approximately \$218.1 million* for costs to-be-incurred for projects throughout the County. Projects include those benefitting the departments of Agriculture, Fire and Public Safety, Parks and Recreation, Public Works, Environmental Management, Transportation, and Department of Water Supply. A portion of the proceeds of the Bonds is also expected to be used to pay certain costs of issuance in connection with the issuance and sale of the Bonds.

* Preliminary, subject to change.

ESTIMATED SOURCES AND USES OF FUNDS

The following table presents the estimated sources and uses of moneys realized upon the sale of the Bonds:

Table 1
COUNTY OF MAUI
ESTIMATED SOURCES AND USES OF FUNDS

ESTIMATED SOURCES:

Principal Amount of Bonds

Original Issue Premium

Total Estimated Sources:

ESTIMATED USES:

Reimbursement of General Fund Advances

Capital Project Fund Deposit

Costs of Issuance ⁽¹⁾

Total Estimated Uses:

⁽¹⁾ Includes the initial purchaser's discount. See "SALE OF THE BONDS" herein.

THE BONDS

General Terms

The Bonds will be issued in the aggregate principal amount set forth on the cover page of this Official Statement, will be dated and bear interest from the date of their delivery, will mature on the dates and in the principal amounts and will bear interest (computed on the basis of a 360-day year) payable on March 1 and September 1 of each year, commencing on March 1, 2026, at the respective rates set forth on the inside front cover of this Official Statement, in each case to the registered holder of the Bonds in whose name this bond is registered upon the bond register as of the close of business on the 15th day (whether or not a business day) next preceding an interest payment date (the "Record Date").

The Bonds will be issued in fully registered form in authorized denominations of \$5,000 or integral multiples thereof. The form and terms of the Bonds are as provided in the Bond Ordinances (as defined below) and the Certificate (as defined below).

The Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will act as Securities Depository for the Bonds (in such capacity, the "Securities Depository"). So long as the Securities Depository or its nominee is the registered owner of the Bonds, individual purchases of the Bonds will be made in book-entry form only (the "Book-Entry System"), in authorized denominations. Purchasers will not receive certificates representing their interest in the Bonds. Principal of and interest on the Bonds will be paid to the Securities Depository by The Bank of New York Mellon Trust Company, N.A., as paying agent for the Bonds (the "Paying Agent"), and the Securities Depository will in turn remit such principal and interest to its Participants (as defined in Appendix D), for subsequent distribution to the Beneficial Owners (as defined in Appendix D) of the Bonds. See APPENDIX D – "BOOK-ENTRY SYSTEM."

Authorization

The Bonds are issued under the provisions of the Constitution and laws of the State, including Chapter 47, Hawai'i Revised Statutes, as amended ("HRS"), the Charter of the County of Maui (1983), as amended (the "Charter"), and proceedings of the Council of the County of Maui (the "County Council"). The Bonds have been

approved by bond ordinances enacted by the County Council and approved by the Mayor of the County (collectively, the “Bond Ordinances”) as part of the approval of the annual budget for fiscal years ending June 30, 2022 through 2026, as amended, and the Certificate executed by the Director of Finance of the County (the “Certificate”) pursuant to the Bond Ordinances.

Transfer and Exchange

DTC, through its nominee Cede & Co., will initially be the sole registered holder of the Bonds. The County and The Bank of New York Mellon Trust Company, N.A., as registrar (in such capacity, the “Registrar”) and Paying Agent, may deem and treat the person in whose name a Bond is registered upon the Bond registration books (the “Bond Register”), initially DTC through its nominee Cede & Co., as the absolute owner of such Bond for the purpose of receiving payment of the principal thereof, premium, if any, and interest thereon and for all other purposes, and shall not be affected by any notice to the contrary.

Each Bond will be transferable or exchangeable only upon the Bond Register. For so long as the Book-Entry System is in effect with respect to the Bonds, beneficial ownership interests in the Bonds may be transferred or exchanged as discussed in APPENDIX D – “BOOK-ENTRY SYSTEM.”

Redemption*

The Bonds maturing on or before September 1, 2035 are not subject to redemption prior to maturity. The Bonds maturing on or after September 1, 2036 are subject to redemption at the option of the County on or after September 1, 2035, in whole or in part at any time, from any maturities selected by the County, at a redemption price equal to 100% of the principal amount of the Bonds or portions thereof to be redeemed plus accrued interest to the date of redemption.

Selection for Redemption

If fewer than all of the Bonds of a series shall be called for redemption, the Registrar shall designate the maturities from which the Bonds of such series are to be redeemed. For so long as the Bonds are registered in book-entry form and DTC or a successor securities depository is the sole registered owner of such Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds to be redeemed shall be selected by lot; provided that, so long as the Bonds are held in book-entry form, the selection for redemption of the Bonds shall be made in accordance with the operational arrangements of DTC then in effect; and, provided further that any such redemption must be performed such that all Bonds remaining outstanding will be in authorized denominations. See APPENDIX D – “BOOK-ENTRY SYSTEM.”

If the Bonds are not registered in book-entry form and if fewer than all of such Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate to be redeemed will be selected by lot, provided that any such redemption must be performed such that all Bonds remaining outstanding will be in authorized denominations.

Notice of Redemption

Notice of redemption shall be given not less than thirty (30) days prior to the date fixed for redemption by first-class mail to each holder of a Bond in whose name the Bond is registered upon the Bond Register (initially DTC through its nominee Cede & Co.) as of the close of business on the forty-fifth (45th) day (whether or not a business day) next preceding the date fixed for the redemption of the Bond. Notice of redemption of any Bond to be redeemed shall state the designation, date, number and maturity of such Bond to be redeemed, the portion of the principal sum of such Bond to be redeemed, the date fixed for redemption thereof, the premium

* Preliminary, subject to change.

payable upon such redemption, and that from and after such redemption date interest on the principal amount of such Bond so redeemed shall cease to accrue and become payable. If less than the entire principal sum of such Bond is to be redeemed, the notice shall also state that such Bond must be surrendered in exchange for the principal amount thereof to be redeemed and the issuance of a new Bond equaling in principal amount that portion of the principal sum thereof not redeemed. The failure of the registered holder of the Bonds to receive such notice, or any defect in such notice, shall not affect the sufficiency of the proceedings for the redemption of the Bonds. See APPENDIX D – “BOOK-ENTRY SYSTEM,” for a discussion of the notice of redemption to be given to Beneficial Owners of the Bonds while the book-entry system for the Bonds is in effect.

If on or before the redemption date there shall be deposited with the Paying Agent funds sufficient for, and set aside solely for, the payment of the principal amount of the Bonds to be redeemed, the then applicable redemption premium and the interest accrued on the principal amount to be redeemed to the date of redemption, the Bonds so called for redemption shall become due and payable upon such redemption date and interest on the Bonds (or any portion thereof) so called for redemption shall cease to accrue from and after the date fixed for redemption.

Any notice of optional redemption may state that such redemption may be conditional upon the receipt by the Paying Agent on the date fixed for redemption of moneys sufficient to pay in full the redemption price of the Bonds proposed to be redeemed. If the notice contains such condition, and moneys sufficient to pay in full the redemption price of the Bonds proposed to be redeemed shall not be received on or prior to the date fixed for redemption, such notice of redemption shall be null and void and of no force and effect, the County shall not redeem or be obligated to redeem any Bonds, and the Paying Agent at the County’s direction shall give notice, in the same manner as notice of redemption is given, that moneys sufficient to pay in full the redemption price of the Bonds proposed to be redeemed were not received on or prior to the date fixed for redemption and such redemption did not occur. In the event of the failure to redeem, all Bonds surrendered for redemption shall be promptly returned to the holder or holders by the Paying Agent.

For so long as a book-entry system is in effect with respect to the Bonds, notice of redemption, or notice of rescission of any conditional notice of redemption, of Bonds to be redeemed is to be mailed by the Paying Agent to DTC or its nominee or its successor. Any failure of DTC or of its nominee or successor, or of a direct or indirect participant, to notify a beneficial owner of Bonds of any redemption will not affect the sufficiency or validity of the redemption of the Bonds to be redeemed. See APPENDIX D – “BOOK-ENTRY SYSTEM.” Neither the County nor the Paying Agent can give any assurance that DTC or its successor, or direct or indirect DTC participants, will distribute such redemption notices to the beneficial owners of the Bonds, or that they will do so on a timely basis.

Open Market Purchase

The County has reserved the right to purchase any of the Bonds in the open market at any time at any price. Bonds so purchased will be canceled.

OUTSTANDING GENERAL OBLIGATIONS OF THE COUNTY

The following table sets forth the amount of general obligation bonds, reimbursable general obligation bonds and State Revolving Fund (“SRF”) Loans of the County outstanding as of June 30, 2024 and 2025 (unaudited).

Table 2
COUNTY OF MAUI
OUTSTANDING INDEBTEDNESS

<u>GENERAL OBLIGATION BONDS⁽¹⁾</u>	Interest Rate	Final Maturity	Original Issue Amount	Amount Outstanding (as of June 30, 2024)	Amount Outstanding (as of June 30, 2025) (Unaudited)
Series 2012	2.00-5.00%	2032	\$70,250,000	\$22,390,000	\$18,745,000
Series 2014	2.00-5.00	2034	68,670,000	29,630,000	25,305,000
Series 2015	3.00-5.00	2035	60,155,000	23,030,000	18,945,000
Series 2018	3.00-5.00	2038	106,315,000	77,505,000	72,625,000
Series 2020	2.00-5.00	2040	74,420,000	66,600,000	63,730,000
Series 2021	2.00-5.00	2041	84,740,000	75,830,000	72,850,000
Series 2022	2.00-5.00	2042	60,875,000	55,180,000	53,220,000
Total – General Obligation Bonds			\$525,425,000	\$350,165,000	\$325,420,000
Portion Reimbursable from Department of Water Supply				\$13,564,621	\$12,147,368
<u>SRF LOANS⁽²⁾</u>	Interest Rate	Final Maturity	Original Issue Amount	Amount Outstanding (as of June 30, 2024)	Amount Outstanding (as of June 30, 2025) Unaudited)
Total of 53 ⁽³⁾ State Revolving Fund Loans	0.25-1.25%	2044	\$172,094,767	\$125,026,018	\$115,866,518
Portion Reimbursable from Department of Water Supply				\$38,111,746	\$35,388,266
TOTAL BOND AND SRF LOANS⁽⁴⁾				\$475,191,019	\$441,286,518
Total Reimbursable from Department of Water Supply				\$51,676,367	\$47,535,634

(1) A portion of certain of these general obligation bond issues are reimbursable general obligation bonds which are paid from net revenues from the County's Department of Water Supply ("DWS"). Further, other portions of these general obligation bond issues are paid from funds of the County other than DWS. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Security for the Bonds."

(2) Reflects total amount authorized to be drawn under these loans. The full faith and credit of the County are pledged to the punctual payment of the principal of and interest on SRF Loans; historically, however, these amounts have been paid from net revenues from the County's DWS and Sewer Fund.

(3) Reflects the number of projects as of June 30, 2024.

(4) Totals may not add up due to independent rounding of individual components.

Source: County of Maui Department of Finance.

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DEBT SERVICE SCHEDULE

The following table sets forth the principal and interest requirements for the Bonds and all other outstanding general obligation bonds of the County after issuance of the Bonds (assuming no optional redemption). Figures are rounded to the nearest dollar.

Table 3
COUNTY OF MAUI
AGGREGATE DEBT SERVICE

Fiscal Year Ending (June 30)	Outstanding General Obligation Bond Debt Service⁽¹⁾⁽²⁾	State Revolving Fund Debt Service⁽¹⁾⁽²⁾	Series 2025 Bond Debt Service	Total Debt Service⁽¹⁾
2026	\$37,641,556	\$11,770,004		
2027	34,217,356	11,567,096		
2028	31,021,431	11,445,803		
2029	31,015,156	10,288,701		
2030	31,001,306	9,468,956		
2031	30,347,806	9,359,039		
2032	30,358,838	9,314,823		
2033	26,961,263	9,164,140		
2034	26,962,563	8,063,658		
2035	23,959,169	7,180,382		
2036	23,956,469	7,030,117		
2037	22,893,031	6,661,514		
2038	22,879,025	5,986,747		
2039	22,880,300	4,917,427		
2040	16,605,150	971,348		
2041	10,808,150	503,820		
2042	4,719,750	420,112		
2043	-	293,200		
2044	-	98,246		
2045	-	-		
2046	-	-		
Total ⁽¹⁾	\$428,228,319	\$124,505,133		

⁽¹⁾ Unaudited. Totals may not add due to rounding.

⁽²⁾ Figures as of June 30, 2025.

Source: County of Maui Department of Finance.

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DEBT INFORMATION

General

The issuance of bonds and incurrence of debt by the counties in the State is governed by the Constitution of the State, the applicable provisions of the HRS and, in the case of the County, by the Charter.

The Constitution establishes a limit of the funded debt of each county that is outstanding and unpaid at any time equal to 15% of the total of the assessed values (i.e., for the County, total assessed value is approximately \$83.7 billion as of January 1, 2025) for tax rate purposes of real property in any county, as determined by the last tax assessment rolls pursuant to law. The Constitution provides that all general obligation bonds with a term of more than two years shall be in serial form maturing in substantially equal installments of principal, or maturing in substantially equal installments of both principal and interest. The first installment of principal must mature not later than five years from the date of issue of such series, and the last installment must mature not later than twenty-five years from the date of such issue; except that the last installment on general obligation bonds sold to the Federal Government, on reimbursable general obligation bonds, and on bonds constituting instruments of indebtedness under which a county incurs a contingent liability as a guarantor, must mature not later than thirty-five years from the date of issue of such bonds.

The Constitution provides that the payments of principal and interest on general obligation bonds of a county are a first charge on the General Fund of such county. In determining the funded debt of the State or any political subdivision, the Constitution provides for the following exclusions:

1. Bonds that have matured, or that mature in the then current fiscal year, or that have been irrevocably called for redemption and the redemption date has occurred or will occur in the then fiscal year, or for the full payment of which moneys or securities have been irrevocably set aside.
2. Revenue bonds, if the issuer thereof is obligated by law to impose rates, rentals and charges for the use and services of the public undertaking, improvement or system or the benefits of a loan program or a loan thereunder or to impose a user tax, or to impose a combination of rates, rentals and charges and user tax, as the case may be, sufficient to pay the cost of operation, maintenance and repair, if any, of the public undertaking, improvement or system or the cost of maintaining a loan program or a loan thereunder and the required payments of the principal of and interest on all revenue bonds issued for the public undertaking, improvement or system or loan program, and if the issuer is obligated to deposit such revenues or tax or a combination of both into a special fund and to apply the same to such payments in the amount necessary therefor.
3. Special purpose revenue bonds, if the issuer thereof is required by law to contract with a person obligating such person to make rental or other payments to the issuer in an amount at least sufficient to make the required payment of the principal of and interest on such special purpose revenue bonds.
4. Bonds issued under special improvement statutes when the only security for such bonds is the properties benefited or improved or the assessments thereon.
5. General obligation bonds issued for assessable improvements, but only to the extent that reimbursements to the General Fund for the principal and interest on such bonds are in fact made from assessment collections available therefor.
6. Reimbursable general obligation bonds issued for a public undertaking, improvement or system but only to the extent that reimbursements to the General Fund are in fact made from the net

revenue, or net user tax receipts, or combination of both, as determined for the immediately preceding fiscal year.

7. Reimbursable general obligation bonds issued by the State for a county, but only for as long as reimbursement by the county to the State for the payment of principal and interest on such bonds is required by law; provided that in the case of bonds issued after November 7, 1978 (the date of ratification of Constitutional amendments), the consent of the governing body of the county has first been obtained; and provided further that during the period that such bonds are excluded by the State, the principal amount then outstanding shall be included within the funded debt of such county.
8. Bonds constituting instruments of indebtedness under which the State or any county incurs a contingent liability as a guarantor, but only to the extent the principal amount of such bonds does not exceed seven percent of the principal amount of outstanding general obligation bonds not otherwise excluded by the Constitution; provided that the State or such county shall establish and maintain a reserve in an amount in reasonable proportion to the outstanding loans guaranteed by the State or such county as provided by law.
9. Bonds issued by or on behalf of the State or by any county to meet appropriations for any fiscal period in anticipation of the collection of revenues for such period or to meet casual deficits or failures of revenue, if required to be paid within one year.

The Constitution provides that the legislature by general law shall authorize political subdivisions to issue general obligation bonds and shall prescribe the manner and procedure for such issuance. The Constitution defines general obligation bonds as bonds for the payment of the principal and interest of which the full faith and credit of a political subdivision are pledged. Chapter 47, HRS, is the general law for the issuance of general obligation bonds of counties, and sets forth the provisions relating to the issuance and sale of general obligation bonds, inclusive of details such as method of authorization, unlimited tax levy, maximum maturities, maximum interest rates, denominations, method of sale, form and execution of such bonds, prior redemptions, refunding, and other matters.

The Constitution provides that a political subdivision shall annually determine and certify the amount of exclusions from its funded debt. The State Legislature has provided for the annual determination and certification as of each July 1. Table 4 below presents the County's funded debt as of June 30, 2025 and the exclusions therefrom as of that date.

Whenever the County proposes to issue bonds, Section 47C-3, HRS, as amended, requires that the Director of Finance of the County must prepare a supplemental summary of the indebtedness of the County as of a date within 30 days of the delivery of such bonds. The County will prepare a supplemental summary of the funded debt in connection with the issuance of the Bonds.

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Table 4
COUNTY OF MAUI
STATEMENT OF FUNDED DEBT
As of June 30, 2025 (Unaudited)
(in Thousands)

General Obligation Bonds	\$325,420
Loans Payable: SRF	115,866
Total	\$441,266

Less Exclusions:

General Obligation Bonds for which reimbursement is required from DWS	\$12,147
Loans Payable for which reimbursement is required.	35,388
General Obligation Bonds and SRF Loans for which reimbursement is required from DWS	47,535

Net Principal Amount of Bonds and Loans Outstanding	\$393,731
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Debt Margin:

15% of total assessed values for tax rate purposes as of January 1, 2025 ⁽¹⁾	\$12,559,209
Less: Net funded debt of the County	393,731

Net Legal Debt Margin	\$12,165,478
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⁽¹⁾ Total assessed value as of January 1, 2025 was approximately \$83.7 billion. See "COUNTY FINANCIAL INFORMATION – Real Property Taxation and Assessed Valued" herein.
Source: County of Maui Department of Finance.

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Outstanding Obligations

The following table sets forth the County's outstanding obligations for the fiscal years ended June 30, 2016 through 2025.

Table 5
COUNTY OF MAUI
OUTSTANDING OBLIGATIONS

Date	General Obligation Bonds Outstanding⁽¹⁾⁽²⁾	State Revolving Fund Loans Outstanding⁽¹⁾⁽²⁾	Total⁽¹⁾	Population⁽³⁾	Debt per Capita⁽⁴⁾
6/30/16	\$242,995	\$69,061	\$312,056	165,386	1,895
6/30/17	218,120	83,305	301,425	166,146	1,814
6/30/18	195,245	108,245	303,490	166,972	1,817
6/30/19	269,990	132,915	402,905	167,417 ⁽⁵⁾	2,406
6/30/20	240,620	143,838	384,458	164,848 ⁽⁶⁾	2,332
6/30/21	277,525	141,164	418,689	164,878 ⁽⁶⁾	2,539
6/30/22	338,665	132,562	471,227	164,440 ⁽⁶⁾	2,866
6/30/23	373,830	123,739	497,569	164,264 ⁽⁶⁾	3,029
6/30/24	350,165	125,026	475,191	163,688 ⁽⁷⁾	2,903
6/30/25	325,420	115,866	441,286	163,831 ⁽⁸⁾	2,694

⁽¹⁾ Figures shown in thousands of dollars.

⁽²⁾ Includes portion reimbursable by DWS. General Obligation Bonds Outstanding amount does not include unamortized premium.

⁽³⁾ Tourism is the primary driver of the County's local economy and it receives high amounts of visitors. The County's actual population at any one time may be significantly higher than shown due to visitors. See "ECONOMIC AND DEMOGRAPHIC INFORMATION" herein.

⁽⁴⁾ Amount may differ if the portion reimbursable by DWS is excluded from the outstanding amount of the General Obligation Bonds and State Revolving Fund Loans.

⁽⁵⁾ Based on U.S. Census Population Estimates as of July 1, 2019.

⁽⁶⁾ Based on U.S. Census Population compiled in State of Hawaii DBEDT Data – Vintage 2023 County Population Estimates – As of July 1 for Years: 2020, 2021, 2022, and 2023.

⁽⁷⁾ United States Census – QuickFacts, Maui County Hawaii.

⁽⁸⁾ World Population Review – Maui County – 2025 Estimate.

Source: County of Maui Department of Finance.

Special Assessment Indebtedness; Community Facilities Districts; Tax Increment Districts

The HRS provides that whenever in the opinion of the County Council it is desirable to make a special improvement in the County the cost thereof shall be assessed against the land specifically benefited. Each assessment constitutes a lien against each lot or parcel of land assessed until paid. Such lien has priority over all other liens, except that it is on a parity with the lien of property taxes and liens for other public purposes. There are no such special assessments in the County at this time. The HRS also authorize counties to enact ordinances providing for the creation of community facilities districts and tax increment districts to finance special improvements in the counties. The County has enacted enabling legislation authorizing community facilities districts but has not established any such districts at this time. The County has not enacted enabling legislation authorizing tax increment districts at this time but may do so in the future.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

Security for the Bonds

The Bonds are the absolute and unconditional general obligations of the County. The principal and interest payments on the Bonds, together with the principal of and interest payments on any other general obligation bonds of the County presently outstanding or issued after the date of issuance and delivery of the Bonds, are a first charge upon the General Fund of the County. The full faith and credit of the County are pledged to the punctual payment of the principal of and interest on the Bonds. For the payment of the principal and interest on the Bonds, the County under the Constitution and laws of the State of Hawai'i has the power and is obligated to levy ad valorem taxes without limitation as to rate or amount on all real property subject to taxation by the County. The rights and remedies of anyone seeking enforcement of the Bonds are subject to applicable bankruptcy laws and other laws affecting creditors' rights, to principles of equity if equitable remedies are sought, to judicial discretion, and to limitations on legal remedies against counties in the State of Hawai'i.

Pursuant to the Constitution, the General Fund may be reimbursed for debt service paid on bonds specifically designated as reimbursable general obligation bonds. As of June 30, 2024, the County had approximately \$13.6 million in aggregate principal amount outstanding of reimbursable general obligation bonds. These outstanding reimbursable general obligation bonds are repaid from net revenues from the County's DWS. The amounts of the County's outstanding general obligation bonds described in the table below have been designated as reimbursable general obligation bonds. In addition, the County has SRF Loans currently outstanding in the aggregate principal amount of approximately \$125 million, each secured by the full faith and credit of the County, of which approximately \$38.1 million will be repaid from net revenues from the DWS.

Series	Original Amount Designated as Reimbursable GOs from DWS	Outstanding Amount Designated as Reimbursable GOs from DWS As of June 30, 2024
Series 2012	\$10,936,302	\$2,043,149
Series 2014	6,795,000	4,045,000
Series 2015	5,428,236	1,252,104
Series 2018	4,040,000	2,765,000
Series 2020	352,759	257,678
Series 2021	-	-
Series 2022	3,532,128	3,201,690
Total	\$31,084,425	\$13,564,621

Source: County of Maui Department of Finance

The DWS and several other County funds (other than the General Fund) budget and contribute towards County general obligation bond and SRF debt service in connection with projects related to such funds. The County is obligated to continue this practice with respect to the DWS reimbursed debt and expects to continue this current budgetary practice with respect to the other funds; however, the County may change this practice with respect to the other funds at any time. The County has budgeted to contribute the amounts from the various funds set forth below for fiscal years 2024-25 and 2025-26:

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Source of Payment	Original Budget Contribution to Fiscal Year 2024-25 Debt Service⁽¹⁾	% of Fiscal Year 2024-25 Debt Service⁽¹⁾	Original Budget Contribution to Fiscal Year 2025-26 Debt Service⁽¹⁾	% of Fiscal Year 2025-26 Debt Service⁽¹⁾
DWS Fund	\$5,299,299	9.00%	\$5,312,379	7.08%
Sewer Fund	11,626,602	19.75	14,896,530	19.85
Highway Fund	8,321,393	14.14	13,084,247	17.44
Solid Waste Fund	6,604,042	11.22	8,722,931	11.62
Total	\$31,851,336	54.11%	\$42,016,088	55.99%

(1) Final results may vary from budgeted amounts.

Source: County of Maui Department of Finance.

THE COUNTY OF MAUI

General Information

The County consists of the inhabited islands of Maui, Molokaʻi and Lanaʻi and the uninhabited island of Kahoolawe. The County is the second largest of the four Counties in the State in area. Its land area (including the uninhabited Island of Kahoolawe) is 1,162 square miles (approximately the size of Rhode Island), or 18% of the land area of the State. Based on U.S. Census data, the County's resident population grew from 101,588 in 1990 to 128,241 in 2000, representing the highest growth rate (26.2%) in the State over this period. Based on U.S. Census data, by 2010 and 2020, the County's resident population grew to 154,834 and 164,754, respectively. The U.S. Census Bureau estimates the County's population as of July 1, 2024 to be 163,688. The County's official website address is www.co.maui.hi.us/. The information presented on such website is not incorporated by reference as part of this Official Statement.

Government

The County provides a broad range of municipal services. These services include public safety (police, fire, emergency management, and public prosecutor), construction and maintenance of highways and streets, sanitation, social services, culture and recreation, public improvements, planning and zoning, water supply and general administrative service. Because there are no separate city or township governments or school districts in the County, there are no general overlapping taxes at the local government level. Government in the State is highly centralized, with the State assuming responsibility for many functions which in many other parts of the United States are performed by local governments. Chief among these are health, education and welfare. For example, the public schools and hospitals in the County are administered and funded by the State.

The County is governed by the provisions of its charter (the "Charter"). The Charter was originally adopted by the electorate in September 1967 and revised in 1976. On January 1, 1983, a new charter became effective after being adopted by the electorate on November 2, 1982. The Charter was first amended in 1984 and its most recent amendment was January 1, 2025. Pursuant to the Charter, at intervals of ten (10) years, the Mayor and the County Council appoint a charter commission composed of eleven members, with two members appointed by the Mayor, and nine members appointed by the County Council, with each councilmember nominating one of the nine members, to study and review the operation of the government of the County. The commission may propose amendments to the Charter or draft a new Charter.

Elected Officials

Mayor. Under the provisions of the Charter the executive power of the County is vested in and exercised by the executive branch, which is headed by the Mayor. The Mayor directly supervises all departments and administrative activities except police, liquor control, personnel services and fire and public safety. The Mayor serves a four-year term and is limited to two full terms. The Mayor has the authority to appoint certain County officials, including, with the approval of the County Council, department heads.

Richard T. Bissen Jr. serves as the ninth Mayor of the County, bringing more than three decades of public service, deep cultural connections, and a strong commitment to community-centered leadership. A lifelong resident of Maui Nui and former Chief Judge of the Second Circuit Court of Hawaiʻi, his leadership priorities focus on securing housing for kamaʻāina, enhancing community well-being, ensuring water access, strengthening infrastructure, bolstering emergency preparedness and protecting cultural and natural resources.

Mayor Bissen played a pivotal role in Maui's recovery after the 2023 wildfires by leading the County's efforts, providing direction to responding State and Federal agencies, creating the County of Maui's Office of Recovery, and securing over \$2 billion in federal disaster relief through the Community Development Block Grant Disaster Recovery funds and other sources. He established the Lahaina Advisory Team to elevate the voices of everyday heroes shaping Maui's future and led a culturally grounded recovery plan that reflects local values and preserves Maui's heritage. Through the Holomua Kākou initiative, he expanded government transparency and engagement, bringing County leadership and services to remote communities. He also led the creation of the East Maui Water Authority to ensure community-based management of Maui's vital water resources.

Before becoming mayor, Richard T. Bissen Jr. served in several key leadership roles, including Maui County Prosecuting Attorney, First Deputy Attorney General, Acting Director of the State Department of Public Safety and Chief Judge of the Second Circuit Court. He was a founding member of Maui's Drug Court and was appointed as the Second Circuit's first Mental Health Court judge, championing a compassionate, holistic approach to justice. In recognition of his exceptional service, Mayor Bissen has received numerous awards, including the 1999 Citizen of the Year Award for his work in domestic violence from the Men's March Against Violence, the 2001 Lawyer of the Year Award from the Maui County Bar Association and the prestigious 2021 Hawaiʻi Jurist of the Year honor. Mayor Bissen graduated from St. Anthony High School in Wailuku, where he was later inducted into the school's Hall of Fame in 2001 for outstanding community service. He went on to earn a bachelor's degree in political science from Santa Clara University and a Juris Doctor from the William S. Richardson School of Law at the University of Hawaiʻi at Mānoa where he was honored in 2013 as the first neighbor island recipient of the Outstanding Alumnus of the Year Award. He is an active member of the Hale Mua cultural group and the Royal Order of Kamehameha I, Kahekili Chapter IV.

County Council. The County Council is the legislative body of the County. The County Council consists of nine members, all of whom are elected at-large and serve concurrent two-year terms. County Council members are not permitted to serve more than five full terms of office. In order to be eligible for election or appointment to the County Council, a person must be a U.S. citizen and a voter registered in the County. A nominee must also be a resident of the area of the County from which the person seeks to be elected for one year preceding the filing of nomination papers. The nine-member council is required to be comprised of one resident from each of nine different regions of the County. These residency areas are: Makawao-Haiku-Paia; East Maui; South Maui; West Maui; Molokaʻi; Lanaʻi; Kahului; Wailuku-Waihee-Waikapu; and "Upcountry" (Pukalani-Kula-Ulupalakua).

The County Council is the policy-making body of the County. Its major functions include approval of the County budget; establishment of all fees, rates, assessments and taxes; appropriation of funds; establishment of development controls including adoption of general plan, community plans and zoning; confirming appointment by Mayor of department heads; and other related functions.

Other County Officials

Josiah K. Nishita, Managing Director, was appointed as the Managing Director in January 2024. Mr. Nishita formerly served as Deputy Managing Director for four years and the Maui County Clerk and Deputy County Clerk for seven years. Prior to that, he served as a legislative analyst with the Maui County Council. He holds a master's degree in Business Administration from the University of Hawai'i at Manoa Shidler College of Business, and a bachelor's degree in Sociology from George Fox University.

Erin Wade, Deputy Managing Director, was appointed as the Deputy Managing Director in January 2025. Ms. Wade formerly served as Executive Assistant II and the Planning and Development Chief in the Department of Management. Ms. Wade earned her Master's Degree in Urban and Regional Planning from the University of Hawai'i at Manoa and her Bachelor's Degree in Planning from Michigan State University.

Marcy Martin, Director of Finance, has served as the Director of Finance since June 2024. Ms. Martin has nearly 25 years of experience in the County Finance Department's Real Property Assessment Division, where she started as a valuation analyst in 1995. From 2019 to 2024, she served as County Real Property Tax Administrator. Ms. Martin received her Assessment Administration Specialist designation from the International Association of Assessing Officers ("IAAO") in 2013 and was elected to the IAAO Board of Directors from 2021-23 representing region 1. Ms. Martin is a Hawai'i Certified Residential Appraiser and earned her Bachelor of Arts Degree in Mathematics from San Diego State University.

Maria Zielinski, Deputy Director of Finance, became the Deputy Director of Finance in June 2024. Prior to becoming Deputy Director of Finance, she served as the County Budget Director since January 2023, and previously served as Director of the Maui County Office of Council Services, was Director of Taxation under Governor Ige and Deputy Comptroller under Governor Abercrombie for the State of Hawai'i, Chief Financial Officer for the California School Employees Association, Chief Financial Officer for Haleakala Ranch and Haleakala Dairy, and Senior Vice President for Federal Farm Credit Banks Funding Corporation in New York City. She is a Certified Public Accountant in the State of New York and earned a Bachelor of Arts degree from the City University of New York Brooklyn College.

Lesley Milner, Budget Director, was appointed as the Budget Director in June 2024. Previously, she has served as a Budget Specialist in the Budget Office in the Office of the Mayor since June 2023. Before joining the County Budget Office, Ms. Milner was Senior Committee Analyst in the Maui County Office of Council Services starting in November 2019. She previously worked as manager of Departmental Research Administration at Portland State University in Oregon and as project manager for the International Association of Chiefs of Police in Alexandria, Virginia. Ms. Milner has a Bachelor of Arts degree from Trinity College in Hartford, Connecticut, and a Juris Doctorate from The Catholic University of America, Columbus School of Law in Washington, D.C.

Victoria J. Takayesu, Esq., Corporation Counsel, assumed her role as the Corporation Counsel in January 2023. For over 20 years, Ms. Takayesu has worked at the State of Hawai'i's Department of the Attorney General where she has led the Child Support Enforcement Branch on Maui. She previously had a private law practice and served in the County of Maui as a Deputy Prosecuting Attorney before becoming a Deputy Corporation Counsel for the County. She earned a Bachelor of Arts degree from the City College of the City University of New York and received her Juris Doctor from Benjamin N. Cardozo School of Law, New York.

John C. Kulp, Treasurer, assumed office as Treasurer in January 2019 after serving as Deputy Director of Finance from July 2018 until December 2018. Mr. Kulp joined the Treasury Division in March 2012; prior to that Mr. Kulp served eighteen months as Managing Director for the County.

Mr. Kulp earned a B.S. and an M.S. in Mineral Economics – Energy Specialization from the Pennsylvania State University. He also earned an M.B.A. and Graduate Certificate in Accounting from the University of Hawai'i. In 2010, Mr. Kulp sat for and passed the CPA exam.

Maui Wildfires

On August 8, 2023, a series of wildfires broke out in the County (the “Maui Wildfires”) causing widespread damage in the town of Lahaina and certain areas of Upcountry Maui. The Maui Wildfires resulted in 102 fatalities, with two individuals remaining listed as missing, caused an estimated \$5 billion in damage, including the destruction of over 2,000 residential homes, and displaced over 8,000 residents. The County’s immediate and ongoing response to the Maui Wildfires, its access to Federal and State assistance, its participation in a litigation settlement and various direct and indirect impacts to the County’s finances are detailed in “MAUI WILDFIRES” herein.

COUNTY FINANCIAL INFORMATION

The taxes and other revenues discussed below comprise the more significant sources of revenue for the County. The County’s general obligation indebtedness, including the Bonds, are secured by the full faith and credit of the County and are payable from the General Fund. The General Fund may be reimbursed for debt service for water improvements from Water Supply Fund of DWS. Furthermore, several other County Funds, such as the Sewer Fund, the Highway Fund and the Solid Waste Management Fund, contribute towards County general obligation bond and SRF debt service in connection with projects related to such Funds. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

Accounting

Pursuant to Section 9-13 of the Charter, the County Council is required once every year to obtain an independent audit of all of the various funds and accounts of the County for the immediately preceding fiscal year. The audit is to be made by a certified public accountant or a firm of certified public accountants designated by the County Council. The audit of the financial statements for the year ended June 30, 2024, was performed by N&K CPAs, Inc.

The accounts of the County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the County’s financial statements, into the following three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. Most of the County’s basic services are reported in one of twelve governmental funds. The major governmental funds are as follows: General, Highway, Grant Revenue, Debt Service, and Capital Improvement Projects. There are seven non-major governmental funds (i.e., the Liquor Fund, County Fund, Sewer Fund, Bikeway Fund, Solid Waste Management Fund, Environmental Protection and Sustainability (“EP&S”) Fund and Other Assessment Fund) that are combined into a single, aggregate presentation in the County’s financial statements. The County classifies certain governmental funds as “Special Revenue Funds,” to account for revenues derived from specific sources or used for specific activities. See “Special Revenue Funds” below.

Proprietary Funds. Services for which the County operates similar to a business-type activity are generally reported in proprietary funds. The County’s proprietary funds currently consist of DWS and the Housing, Interim Financing and Buy-Back Revolving Fund, each of which are considered to be major monetary funds of the County. Prior to July 1, 2019, the Golf Course Fund was included as part of the Proprietary Funds. The Golf Course Fund has since been repealed.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements of the County because the resources of these funds are not available to support the County’s own programs.

The Water Supply Fund, Highway Fund, and Sewer Fund are self-sustaining funds, such that revenues from rates and charges generated by each fund are sufficient to cover the costs of such funds, including allocated debt service and overhead expenses.

The Government Finance Officers Association of the United States and Canada has awarded the County a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report (“ACFR”) for the fiscal year ended June 30, 2024. The County has received this award for 41 consecutive years.

General Fund

The General Fund is utilized to account for all financial resources except those required to be accounted for in another fund. The primary source of revenues of the General Fund is taxes on real property and transient accommodations tax. As of June 30, 2024, General Fund revenues came from the following sources:

Table 6
COUNTY OF MAUI
GENERAL FUND REVENUE SOURCES
(Fiscal Year 2023-24)

	<u>Amount</u>	<u>Percentage</u>
Taxes	\$619,942,617	91.45%
Licenses & Permits	10,329,672	1.52
Intergovernmental Revenues	32,272	0.00
Charges for Current Services	3,569,516	0.53
Fines & Forfeitures	4,908,283	0.72
Interest and Investment Earnings	32,662,466	4.82
Other	6,472,074	0.95
Total	<u>\$677,916,900</u>	<u>100.00%⁽¹⁾</u>

⁽¹⁾ Total does not add up due to rounding of individual components.

Source: County of Maui Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.

Real Property Taxation and Assessed Values

Collections and Assessed Values. Real property taxes are the most significant revenue source for the County and the largest revenue component of the General Fund. State law allows for counties to retain 100% of the real property tax levied in their jurisdiction. In fiscal year 2024-25 real property assessed values were approximately \$73.3 billion, which represented an increase in real property assessed values of approximately 4.2% from fiscal year 2023-24 despite negative impacts from the Maui Wildfires. Real property taxes represented approximately 62% of the County’s adopted budgeted General Fund revenues in fiscal year 2024-25. The County’s estimated real property tax revenues of approximately \$587 million in the adopted budget for fiscal year 2024-25 represented an increase of approximately \$52.6 million or 9.8% from the estimated real property tax revenues in the County’s adopted budget for fiscal year 2023-24; this increase was primarily due to increasing real estate sales prices and tax rate increases for the non-owner-occupied, commercialized residential, and transient vacation rental/short-term rental home (“TVR-STRH”) classifications.

Following the Maui Wildfires in August 2023, the County Council passed Ordinance 5582 (“Ordinance 5582”) in December 2023, which provided real property tax relief to properties where improvements were totally

destroyed or where access was restricted. Specifically, Ordinance 5582 provided \$22.8 million in tax relief to 3,308 properties for fiscal year 2023-24, and \$21.2 million in tax relief to 3,260 properties in fiscal year 2024-25. In addition, the County Council passed Ordinance 5589 (“Ordinance 5589”) in December 2023, which provided real property tax relief to properties providing rental housing to those displaced by the Maui Wildfires. Specifically, Ordinance 5589 provided 907 parcels with \$2.8 million in tax relief for fiscal year 2023-24 and, together with Ordinance 5582, provided \$14.3 million in tax relief to 1,928 properties providing rental housing to those displaced by the Maui Wildfires for fiscal year 2024-25. Many of the properties provided with tax relief for providing rental housing to those displaced by the Maui Wildfires under these two ordinances were previously vacation rental properties. In November 2024, County Council passed Ordinance 5727, which extended the real property tax relief through fiscal year 2025-26. The estimated fiscal year 2025-26 real property tax impact is currently expected to be \$21.6 million. See “MAUI WILDFIRES” herein.

The certified tax levy in fiscal year 2023-24 did not reflect the wildfire property tax relief measures described above, but the collections in fiscal year 2023-24 reflect, in part, the relief granted. The real property tax levies in fiscal year 2024-25 and fiscal year 2025-26 are adjusted for the expected property tax relief. Historically the property tax delinquency rate in the County has been under 3%. The Maui Wildfires have not materially impacted property tax collection outside areas subject to property tax relief.

For fiscal year 2025-26, real property assessed values are approximately \$83.7 billion, which represented an increase in real property assessed values of approximately 14.3% from fiscal year 2024-25. After adjusting for real property tax relief for fiscal year 2025-26, the County has estimated real property tax revenues of approximately \$660.2 million in its adopted budget for fiscal year 2025-26, which represents an increase of approximately \$72.9 million or 12% from the estimated real property tax revenues in the County’s adopted budget for fiscal year 2024-25.

As of June 18, 2025 (unaudited), the County collected approximately \$580.7 million or 98.9%, of the budgeted property tax revenues, which includes adjustments for tax relief, for fiscal year 2024-25. Beginning in fiscal year 2026-27, wildfire property tax adjustments are expected to phase out and property tax is expected to increase as those areas impacted by the Maui Wildfires are rebuilt.

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Table 7 below summarizes certified values, levies, average tax rates and tax collections for fiscal years 2020-21 through 2025-26 (unaudited).

Table 7
COUNTY OF MAUI
REAL PROPERTY CERTIFIED VALUES FOR TAX RATE PURPOSES,
TAX RATE, LEVY AND COLLECTIONS

Fiscal Year Ended June 30	Real Property Certified Values for Tax Rate Purposes⁽¹⁾ (in Thousands)	Property Tax Rate⁽²⁾ Per \$1,000	Real Property Tax Levy⁽³⁾ (in Thousands)	Fiscal Year Tax Collections⁽⁴⁾ (in Thousands)	Amount of Tax Levy Collected in Fiscal Year⁽⁶⁾	Prior Year Tax, Penalty & Interest Collections as of June 30 (in Thousands)
2021	\$54,758,991	\$6.83	\$375,925	\$369,347	98.3%	\$15,261
2022	54,115,157	7.08	384,970	381,131	99.0	13,439
2023	58,699,851	7.34	432,476	431,325	99.7	12,830
2024	70,342,064	7.58	534,624	504,482	94.4 ⁽⁷⁾	12,062
2025	73,268,638	7.99	587,262	580,691 ⁽⁵⁾	98.9	7,062
2026	83,728,058	7.87	660,187	N/A	N/A	N/A

(1) Certified value for tax rate purposes is equal to the County's net taxable value less 50% of the difference between the County's net taxable value and the value claimed by taxpayers who have filed an appeal.

(2) Average tax rate does not include adjustments for circuit breaker and minimum tax.

(3) Amounts reflect numbers from the respective adopted budget ordinance, includes minimum tax, and are net of "circuit breaker" credits.

(4) Reflects then current collections within the fiscal year of the levy, does not include amounts collected from prior fiscal year levies that were initially delinquent. Except for fiscal year 2024-25 which reflects unaudited estimates, collections are based on actual revenues in the Schedule of Revenues – Budget and Actual, of the Annual Comprehensive Financial Report.

(5) Unaudited collections as of June 18, 2025.

(6) Reflects current fiscal year collections as a percentage of real property tax levy for such fiscal year shown.

(7) Reflects \$25.6 million in wildfire tax waivers not included in the fiscal year 2023-24 budget (Ordinances 5582 and 5589)

Source: County of Maui Real Property Assessment Division and Annual Comprehensive Financial Reports.

Appeals. On or before March 15, preceding each tax year, the County Assessor will mail a "Notice of Property Assessment" for each taxable property. If the taxpayer does not agree with the value of the property or if the taxpayer was not allowed an exemption to which they were entitled, the taxpayer may either discuss the matter with the Assessor's Appraiser or file an appeal with the Board of Review ("BOR") by April 9 of the same year to appeal the assessment and/or classification. Taxpayers who disagree with the decision of the BOR may appeal to the State of Hawaii Tax Appeal Court ("TAC").

For fiscal year 2023-24, a total of 1,467 BOR appeals were filed at an aggregate assessed value in dispute of approximately \$1.29 billion, resulting in a total tax in dispute of approximately \$14.3 million. The BOR granted a total tax reduction of \$1 million. For fiscal year 2023-24, a total of 616 TAC appeals were filed at an aggregate total tax in dispute of approximately \$14.6 million. The TAC granted no reduction for 538 appeals and, as of June 30, 2025, 78 appeals are still open with a total tax in dispute of \$6.6 million (most relating to hotel appeals).

For fiscal year 2024-25, a total of 1,328 BOR appeals were filed at an aggregate assessed value in dispute of approximately \$1.24 billion, resulting in a total tax in dispute of approximately \$13.2 million. The BOR granted a total tax reduction of \$0.7 million. For fiscal year 2024-25, a total of 138 TAC appeals were filed with an aggregate total tax in dispute of approximately \$6.5 million. As of June 30, 2025, all but one of the TAC appeals were active (most constituting classification and hotel appeals).

For fiscal year 2025-26, a total of 1,009 BOR appeals were filed at an aggregate assessed value in dispute of approximately \$1.68 billion, resulting in a total tax in dispute of approximately \$19.5 million.

Tax relief compliance efforts during the fiscal year add to real property tax revenue collections. For fiscal year 2023-24, 304 exemptions were disallowed resulting in additional revenue of approximately \$1.7 million (unaudited). For fiscal year 2024-25, 116 exemptions were disallowed resulting in additional revenue of approximately \$578,000 (unaudited).

Certain Legislation and Administration. Under the Constitution of the State, all functions, powers and duties relating to taxation of real property are vested in the counties. As part of the County's annual budget process, the tax rates and tiers are reviewed. From time to time the County Council considers modifications to the real property tax program, including tax relief proposals such as exemptions, use values, circuit breaker tax credits and tax rate classifications. No assurance can be given as to whether or in what form any such proposals may be enacted, or as to the potential effects of such proposals, if enacted, on the County's real property tax revenues. Property tax rates and tiers can be amended by a vote of the County Council as part of the annual approval of the County Budget. The County Council adopts a resolution setting the real property tax rates and tiers for each classification for the fiscal year.

Chapter 3.48, Maui County Code ("MCC") governs the County's administration, setting of tax rates, assessments and collection of real property tax, including exemption therefrom, dedication of land, and appeals. All real property in the County, except as exempted or otherwise taxed, is subject each year to a tax upon the fair market value thereof. Real property (as of January 1, 2025) is classified and taxed as: (1) non-owner-occupied; (2) apartment; (3) hotel and resort; (4) time share; (5) commercial; (6) industrial; (7) agricultural; (8) conservation; (9) owner-occupied; (10) commercialized residential; (11) TVR-STRH, and; (12) long-term rental. The tiered real property tax rates apply to the non-owner-occupied, commercialized residential, TVR-STRH, owner-occupied, and long-term rental classifications.

For all property classifications, in determining the value of land, other than land classified and used as agricultural, consideration is given to its highest and best use, selling prices, productivity, actual and potential use, advantage or disadvantage of factors such as view, location, accessibility, availability of water and its cost, easements, zoning, dedication as to usage, and other influences which fairly and reasonably bear upon the question of values. The value of buildings is the cost of replacement less depreciation, with consideration given to size of improvements, quality of construction, age, condition, utility, entrepreneurial incentives, and obsolescence. The sales comparison approach to value is used for total value assessments when there is an adequate number of recent, similar sales from which values can be derived. Real property owned by the respective governments of the United States, the State of Hawai'i and the several counties of the State is exempt from taxation.

The real property tax base for the County is 100% of fair market value. The amount of net taxable real property is the amount of assessed real property value less the amount of the real property exempted and excluded from taxation. For budget purposes, an additional deduction of 50% of the assessed value of real property under appeal is made.

Real property owned as operating property by hospitals, schools, churches and nonprofit corporations is fully exempt and pays the minimum tax. Real property owned as operating property by public utilities is excluded from real property taxation. In the case of public utilities, however, counties are authorized to impose, "in lieu of county real property taxes," a tax on "public service companies." See "Other General Fund Revenues" below.

In addition, real property for which the owner has applied for and been granted a homeowner exemption, and which is occupied as the principal residence of the owner, is exempt from taxation up to the amount of \$300,000 and is classified for tax rate purposes in the favorable tax rate category owner-occupied. The current minimum tax is \$300 and it is estimated that 38% of the owner-occupied class will pay the minimum tax for fiscal year 2025-26.

For tax years beginning on or after July 1, 2022, real property occupied as a long-term rental under a signed contract to lease for twelve consecutive months or more to the same tenant, as of the date of assessment, is eligible for an exemption of up to \$200,000 and the long-term rental favorable tax rate classification. Real property with a home exemption that also qualifies for the long-term rental exemption is eligible for an additional \$100,000 exemption and is classified as owner-occupied.

Ordinance 2307, Bill No. 118 was adopted effective December 6, 2021, which created Section 3.48.361, Maui County Code (“MCC”), relating to real property dedicated as ‘aina kupuna starting for fiscal year ending June 30, 2023. The dedication provides tax relief to property owners who are descendants of the person who owned the property at least eighty years prior to the application. There are several other qualification conditions such as the following: (1) property’s location must be in a special management area as defined by HRS; (2) the aggregate real property taxes for the ten tax years prior to the application must have exceeded \$10,000, and; (3) the property must not be used for commercial purposes or conveyed to a non-descendant for the duration of the ten-year dedication. Dedicated properties pay the minimum tax of \$300. As of January 1, 2025, there were approximately 33 taxpayers qualified for the ‘aina kupuna dedication receiving an estimated \$967,400 in annual tax relief.

County homeowners can apply for tax relief under the County’s Circuit Breaker program, which limits a homeowner’s real property taxes to 2% of the household’s federal adjusted gross income if certain criteria are met. The Circuit Breaker Program is available to qualifying properties with a homeowner exemption and reduces real property taxes by the application of a credit based upon the prior year’s taxes. For fiscal year 2023-24, a total of 442 homeowners qualified for the Circuit Breaker Program in the amount of \$316,318. For fiscal year 2024-25, a total of 400 homeowners qualified for the Circuit Breaker Program in the amount of \$293,838. For fiscal year 2025-26, the County estimates 405 homeowners will qualify for the Circuit Breaker Program in the amount of \$385,718.

Additionally, to encourage agriculture, the value of land classified and used for agriculture, whether dedicated or not, is the value of such land for such use without regard to its value for its highest and best use. An owner of land, regardless of whether such land is situated in an agricultural, rural, conservation, or urban district, may elect to dedicate the land for ranching or other agricultural use for periods of 10 or 20 years, provided that the land is used for such purpose at the time of dedication, among other requirements. If the dedication is approved, the land will be taxed at the agriculture use value as agricultural land.

Under the current provisions of the Charter, a minimum of 3% of the County’s certified real property tax revenues are required to be appropriated for the purposes of providing affordable housing and suitable living environments for persons of very low to moderate income. Prior to July 1, 2021, the minimum percentage to be appropriated was 2%. For fiscal year 2024-25, the County’s adopted budget included a \$61.4 million appropriation to the Affordable Housing Fund. This represents 10% of certified real property tax revenue.

The administration has announced that it plans to introduce legislation, by the end of calendar year 2025, which will clarify that vacant land leased under section 207 of the Hawaiian Homes Commission Act, 1920 is not subject to real property taxation including the minimum tax. Further, improved real property leased under section 207 of the Hawaiian Homes Commission Act, 1920 would be exempt from real property taxation except for the minimum tax beginning the eighth year of the original lease term. Hawaiian Homestead Leases, improved with a dwelling, have an owner-occupied requirement. The proposed program would provide tax relief to Native Hawaiian owner-occupants. Many of these property owners already pay minimum tax hence the measure impacts about 600 owners at an annual cost of about \$450,000.

Minatoya List Proposal. In response to the Maui Wildfires, which exacerbated the Maui housing shortage, Mayor Bissen has proposed a plan to change the zoning of more than 7,100 units that currently may be used for short-term rentals into long-term housing by July 1, 2028. The mayor’s proposal includes legislation to amend the Maui County Code to remove zoning exceptions for pre-1989 properties known as the “Minatoya list.” Mayor Bissen’s plan includes a three-year phase-in period during which time affected property owners

that wish to continue operating as transient vacation rentals could seek rezoning as hotels. Based upon January 1, 2025 real property data, about 6,000 of these units are used as transient vacation rentals (“TVR”). The TVR parcels are assessed at about \$6.4 billion. As the units transition to second home, long-term rental and owner occupied use, they will be reclassified for real property tax purposes. The Economic Research Organization at the University of Hawai‘i (“UHERO”) estimates the annual real property tax impact to be about \$61 million and the County’s Department of Finance estimates the real property tax impact to be about \$60 million or 9% of fiscal year 2025-26 real property tax revenues. In addition to real property tax revenue, both UHERO and the Department of Finance estimate a decrease of about \$15 million annually in general excise tax and transient occupancy tax, resulting in a combined total tax reduction estimate of \$75 million. Assuming no changes in assessments and tax rates, a \$75 million reduction in total tax revenues would revert fiscal year 2026-27 tax revenues to about fiscal year 2024-25 levels. To incentivize conversion of these 6,000 parcels to long-term residential use, the County Council may off set real property tax reductions with rate increases to other rate classifications. In March 2025, UHERO published a study entitled “An Economic Analysis of the Proposal to Phase Out Transient Vacations Rentals in Maui County Apartment Districts,” finding that, among other things, while eliminating such short-term rentals could improve long-term housing stock and housing affordability, it may significantly reduce household wealth, property tax revenues, visitor accommodations and visitor spending, and real GDP. The County cannot predict whether this legislation will pass or in what form and if it is passed cannot predict with any certainty what its ultimate impact would be on the finances of the County or the local economy.

Tax Rates and Classifications. The average real property tax rates for the County and other counties in the State of Hawaii for fiscal years 2022-23, 2023-24 and 2024-25 are shown in the following table:

Table 8
AVERAGE REAL PROPERTY TAX RATE
IN COMPARISON TO OTHER HAWAII COUNTIES
Average Real Property Tax Rate⁽¹⁾
(per \$1,000 of Assessed Valuation)

County	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25
Hawai‘i	\$10.12	\$10.01	\$9.88
Maui	7.34	7.58	7.99
Kauai	7.13	7.12	7.31
Honolulu	5.67	5.72	5.77

⁽¹⁾ Average tax rate does not include adjustments for circuit breaker and minimum tax.
Source: County of Maui Real Property Assessment Division.

Table 9 presents the certified values for tax rate purposes for each class of property within the County and the tax rates applicable thereto for the past five fiscal years through the fiscal year 2024-25. Table 9-A presents tax rate history by property class within the County for the past five fiscal years through the fiscal year 2024-25, and projected for fiscal year 2025-26. Table 9-B presents certified revenue history by property class within the County for the past five fiscal years through the fiscal year 2024-25, and projected for fiscal year 2025-26. Table 10 presents the County’s ten largest taxpayers based on tax levy for the fiscal year 2023-24 and fiscal year 2024-25. Table 11 presents the County’s ten largest taxpayers based on assessed value for the fiscal year 2023-24 and fiscal year 2024-25.

Table 9
COUNTY OF MAUI
CERTIFIED VALUES FOR TAX RATE PURPOSES AND TAX RATE BY CLASSES OF PROPERTY
Fiscal Years 2020-21 through 2024-25
(Values in Thousands)

	2020-21		2021-22		2022-23		2023-24		2024-25	
	<u>Value</u>	<u>Rate</u>	<u>Value</u>	<u>Rate</u>	<u>Value</u>	<u>Rate</u>	<u>Value</u>	<u>Rate</u>	<u>Value</u>	<u>Rate</u>
Net Taxable Real Property										
Time Share	\$2,768,776	14.40	\$2,578,459	14.60	\$2,812,982	14.60	\$3,745,183	14.60	\$3,905,410	14.60
Improved Residential	--	--	--	--	--	--	--	--	--	--
Non-Owner-Occupied	18,497,670		15,930,314		15,536,933					
Tier 1: up to \$800,000		5.45		5.45						
Tier 2: \$800,001 to \$1,500,000		6.05		6.05						
Tier 3: More than \$1,500,000		6.90		8.00						
Tier 1: up to \$1,000,000						5.85				
Tier 2: \$1,000,001 to \$4,500,000						8.00				
Tier 3: More than \$4,500,000						12.50				
Tier 1: up to \$1,000,000							10,733,245	5.85	10,069,657	5.87
Tier 2: \$1,000,001 to \$3,000,000							4,871,566	8.0	4,345,140	8.50
Tier 3: more than \$3,000,000							2,069,556	12.50	3,249,575	14.00
Apartment	373,361	5.55	355,348	5.55	377,822	3.50	516,863	3.5	595,055	3.50
Hotel/Resort	3,091,738	10.70	2,492,610	11.75	3,704,722	11.75	4,345,299	11.75	4,383,911	11.75
Commercial	2,830,069	6.29	2,633,773	6.29	2,669,120	6.05	2,890,934	6.05	2,419,886	6.05
Industrial	2,129,757	7.20	2,067,234	7.20	2,074,671	7.05	2,282,247	7.05	2,240,513	7.05
Agricultural	1,187,254	5.94	1,241,743	5.94	1,310,192	5.74	1,643,754	5.74	1,742,187	5.74
Conservation	225,172	6.43	216,742	6.43	312,646	6.43	322,875	6.43	317,376	6.43
Owner-Occupied	13,134,122		13,568,904		15,102,919					
Tier 1: up to \$800,000		2.51		2.41						
Tier 2: \$800,001 to \$1,500,000		2.56		2.51						
Tier 3: more than \$1,500,000		2.61		2.71						
Tier 1: up to \$1,000,000						2.00	14,387,461	1.90	15,575,670	1.80
Tier 2: \$1,000,001 to \$3,000,000						2.10	1,796,575	2.00	2,474,448	2.00
Tier 3: more than \$3,000,000						2.71	616,807	2.75	704,443	3.25
Commercialized Residential	241,937	4.40	238,270	4.40	231,435	4.40	286,817	4.40		
Tier 1: up to \$1,000,000									147,885	4.00
Tier 2: \$1,000,001 to \$3,000,000									103,637	5.00
Tier 3: more than \$3,000,000									35,301	8.00
Short-Term Rental	10,279,135	11.08	12,791,760		13,455,886		17,931,359	11.85		
Tier 1: up to \$800,000				11.11		11.85				
Tier 2: \$800,001 to \$1,500,000				11.15		11.85				
Tier 3: more than \$1,500,000				11.20		11.85				
Tier 1: up to \$1,000,000									10,699,460	12.50
Tier 2: \$1,000,001 to \$3,000,000									4,943,438	13.50
Tier 3: more than \$3,000,000									3,053,846	15.00
Long-Term Rental	--	--	--	--	1,110,523					
Tier 1: up to \$1,000,000						3.00	1,676,759	3.00	1,902,773	3.00
Tier 2: \$1,000,001 to \$3,000,000						5.00	170,928	5.00	266,089	5.00
Tier 3: more than \$3,000,000						8.00	53,836	8.00	92,938	8.00
Total All Classes ^{(1), (2), (3)}	<u>\$54,758,991</u>	<u>\$6.83</u>	<u>\$54,115,157</u>	<u>\$7.08</u>	<u>\$58,699,851</u>	<u>\$7.34</u>	<u>\$70,342,064</u>	<u>\$7.58</u>	<u>\$73,268,638</u>	<u>\$7.99</u>

⁽¹⁾ Totals may not agree due to rounding.

⁽²⁾ Tax rates represent weighted average of the various individual tax rates and are per \$1,000 of net taxable value.

⁽³⁾ Average tax rate does not include adjustments for circuit breaker and minimum tax.

Source: County of Maui Real Property Assessment Division.

Table 9-A
COUNTY OF MAUI
TAX RATE HISTORY BY CLASSES OF PROPERTY
Fiscal Years 2020-21 through 2025-26 (Projected)

CLASSIFICATION	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26*
TIME SHARE	\$14.40	\$14.60	\$14.60	\$14.60	\$14.60	\$14.70
NON-OWNER-OCCUPIED	\$5.89**	\$6.13**	\$7.07**	\$7.22**	\$8.01**	\$8.83**
Tier 1 - up to \$800,000	\$5.45	\$5.45				
Tier 2 - \$800,001 to \$1,500,000	\$6.05	\$6.05				
Tier 3 - more than \$1,500,000	\$6.90	\$8.00				
Tier 1 - up to \$1,000,000			\$5.85	\$5.85	\$5.87	\$5.87
Tier 2 - \$1,000,001 to \$4,500,000			\$8.00	\$8.00		
Tier 3 - more than \$4,500,000			\$12.50	\$12.50		
Tier 2 - \$1,000,001 to \$3,000,000					\$8.50	\$8.60
Tier 3 - more than \$3,000,000					\$14.00	\$17.00
COMMERCIALIZED RES.	\$4.40	\$4.40	\$4.40	\$4.40	4.85**	3.54**
Tier 1 - up to \$1,000,000					\$4.00	\$2.00
Tier 2 - \$1,000,001 to \$3,000,000					\$5.00	\$3.00
Tier 3 - more than \$3,000,000					\$8.00	\$10.00
TVR-STRH	\$11.08	\$11.13**	\$11.85	\$11.85	13.17**	13.42**
Tier 1 - up to \$800,000		\$11.11				
Tier 2 - \$800,001 to \$1,500,000		\$11.15				
Tier 3 - more than \$1,500,000		\$11.20				
Tier 1 - up to \$1,000,000					\$12.50	\$12.50
Tier 2 - \$1,000,001 to \$3,000,000					\$13.50	\$14.00
Tier 3 - more than \$3,000,000					\$15.00	\$15.55
LONG-TERM RENTAL	N/A	N/A	\$3.31**	\$3.32**	\$3.44**	\$3.32*
Tier 1 - up to \$1,000,000			\$3.00	\$3.00	\$3.00	
Tier 2 - \$1,000,001 to \$3,000,000			\$5.00	\$5.00	\$5.00	
Tier 3 - more than \$3,000,000			\$8.00	\$8.00	\$8.00	\$8.50
Tier 1 - up to \$1,300,000						\$2.95
Tier 2 - \$1,300,001 to \$3,000,000						\$5.00
APARTMENT	\$5.55	\$5.55	\$3.50	\$3.50	\$3.50	\$3.50
COMMERCIAL	\$6.29	\$6.29	\$6.05	\$6.05	\$6.05	\$6.05
INDUSTRIAL	\$7.20	\$7.20	\$7.05	\$7.05	\$7.05	\$7.05
AGRICULTURAL	\$5.94	\$5.94	\$5.74	\$5.74	\$5.74	\$5.74
CONSERVATION	\$6.43	\$6.43	\$6.43	\$6.43	\$6.43	\$6.43
HOTEL/RESORT	\$10.70	\$11.75	\$11.75	\$11.75	\$11.75	\$11.80
OWNER-OCCUPIED	\$2.52**	\$2.44**	\$2.03**	\$1.94**	\$1.88**	\$1.77**
Tier 1 - up to \$800,000	\$2.51	\$2.41				
Tier 2 - \$800,001 to \$1,500,000	\$2.56	\$2.51				
Tier 3 - more than \$1,500,000	\$2.61	\$2.71				
Tier 1 - up to \$1,000,000			\$2.00	\$1.90	\$1.80	
Tier 2 - \$1,000,001 to \$3,000,000			\$2.10	\$2.00	\$2.00	
Tier 3 - more than \$3,000,000			\$2.71	\$2.75	\$3.25	
Tier 1 - up to \$1,300,000						\$1.65
Tier 2 - \$1,300,001 to \$4,500,000						\$1.80
Tier 3 - more than \$4,500,000						\$5.75

* Shows fiscal year 2025-26 proposed tax rates

**Overall effective rate for class

Source: County of Maui Real Property Assessment Division.

Table 9-B
COUNTY OF MAUI
CERTIFIED REVENUE HISTORY BY CLASSES OF PROPERTY⁽¹⁾
Fiscal Years 2020-21 through 2025-26 (Projected)

CLASS	CLASSIFICATION	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26⁽²⁾
0	TIME SHARE	\$ 39,870,373	\$ 37,645,505	\$ 41,069,538	\$ 54,679,672	\$ 57,019,000	\$ 61,774,721
1	NON-OWNER-OCCUPIED	109,019,605	97,590,378	109,771,900	127,631,457	141,536,630	173,968,757
10	COMMERCIALIZED RES.	1,064,520	1,048,388	1,018,316	1,261,997	1,392,135	1,117,435
11	TVR-STRH	113,892,813	142,417,853	159,452,253	212,486,602	246,287,352	264,661,563
12	LONG-TERM RENTAL	N/A	N/A	3,671,819	6,315,607	7,782,265	11,585,508
2	APARTMENT	2,072,152	1,972,182	1,322,376	1,809,019	2,082,693	2,520,600
3	COMMERCIAL	17,801,138	16,566,434	16,148,181	17,490,148	14,640,310	16,473,568
4	INDUSTRIAL	15,334,252	14,884,084	14,626,431	16,089,838	15,795,614	17,101,163
5	AGRICULTURAL	7,052,291	7,375,951	7,520,499	9,435,150	10,000,152	11,625,809
6	CONSERVATION	1,447,858	1,393,652	2,010,312	2,076,087	2,040,724	2,207,609
7	HOTEL/RESORT	33,081,599	29,288,165	43,530,478	51,057,262	51,510,957	54,648,977
9	OWNER-OCCUPIED	33,093,948	33,053,215	30,606,535	32,625,547	35,274,540	41,392,002
	TOTAL	\$373,730,549	\$ 383,235,806	\$ 430,748,637	\$ 532,958,387	\$585,362,373	\$659,077,712

⁽¹⁾ All amounts are before Circuit Breaker Tax Credit, Minimum Tax Adjustment and an Adjustment for fiscal year 2025-26 Wildfire LTR Exemption.

⁽²⁾ Based on fiscal year 2025-26 proposed tax rates.

Source: County of Maui Real Property Assessment Division.

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Table 10
COUNTY OF MAUI
PRINCIPAL REAL PROPERTY TAXPAYERS
BY AMOUNT OF TAX LEVIED

Fiscal Year 2023-24				Fiscal Year 2024-25			
Taxpayer	Type of Business	Real Property Taxes	% of Levy	Taxpayer	Type of Business	Real Property Taxes	% of Levy
Ocean Resort Villas Vacation Owners Ass'n., VSE Pacific, Inc., SVO Pacific, Inc.	Time Share	\$ 20,716,881	3.83%	Ocean Resort Villas Vacation Owners Ass'n., VSE Pacific, Inc., SVO Pacific, Inc.	Time Share	\$ 21,368,939	3.61%
HMC Maui LP, HMC Kea Lani LP, HMC Maui LLC, HHR AMW LLC, HHR Maui Golf LLC	Hotel	13,510,053	2.50	HMC Maui LP, HMC Kea Lani LP, HMC Maui LLC, HHR AMW LLC, HHR Maui Golf LLC	Hotel	13,404,136	2.27
Bre Iconic GWR Owner LLC, Bre RC Maui Kapalua, LLC	Hotel	11,568,783	2.14	Bre Iconic GWR Owner LLC, Bre RC Maui Kapalua, LLC, Bre RC Maui Steeple House LLC	Hotel	11,403,114	1.93
Marriott Ownership Resorts	Time Share	10,704,314	1.98	Marriott Ownership Resorts	Time Share	11,239,261	1.90
West Maui Resort Partners LP, Kupono Partners LLC	Time Share Hotel	6,209,843	1.15	Lanai Resorts LLC, Lanai Developers LLC	Hotel, Golf Course, Development	6,535,886	1.11
Lanai Resorts LLC, Lanai Developers LLC	Hotel, Golf Course, Development	5,904,383	1.09	West Maui Resort Partners LP, Kupono Partners LLC	Time Share/Hotel	6,429,968	1.09
Maui Beach, Maui Banyan, Gardens at West Maui, Hono Koa, Kahana Beach, Sands of Kahana, Kahana Villa Vacation Clubs	Time Share	4,819,890	0.89	Maui Beach, Maui Banyan, Gardens at West Maui, Hono Koa, Kahana Beach, Sands of Kahana, Kahana Villa Vacation Club	Time Share	5,202,998	0.88
HV Global Management Corp., Maui Timeshare Venture LLC,	Time Share	4,232,903	0.78	HV Global Management Corp., Maui Timeshare Venture LLC,	Time Share	4,444,479	0.75
3900 WA Associates LLC	Hotel	4,055,839	0.75	3900 WA Associates LLC	Hotel	4,045,644	0.68
WM Lessee LLC (Leasehold)	Hotel	3,831,398	0.71	WM Lessee LLC (Leasehold)	Hotel	3,841,326	0.65
		\$ 85,554,288	15.82%			\$ 87,915,751	14.87%

Source: County of Maui Department of Finance.

Table 11
COUNTY OF MAUI
PRINCIPAL REAL PROPERTY TAXPAYERS
BY ASSESSED VALUE

Fiscal Year 2023-24			Fiscal Year 2024-25		
Taxpayer	Type of Business	Assessed Value	Taxpayer	Type of Business	Assessed Value
Ocean Resort Villas Vacation Owners Assn., VSE Pacific, Inc., SVO Pacific, Inc.	Time Share	\$ 1,418,822,900	Ocean Resort Villas Vacation Owners Assn., VSE Pacific, Inc., SVO Pacific, Inc.	Time Share	\$1,463,484,400
HMC Maui LP, HMC Kea Lani LP, HMC Maui LLC, HHR AMW LLC, HHR Maui Golf LLC	Hotel, Golf Course	1,169,885,100	HMC Maui LP, HMC Kea Lani LP, HMC Maui LLC, HHR AMW LLC, HHR Maui Golf LLC	Hotel, Golf Course	1,161,126,700
Bre Iconic GWR Owner LLC, Bre RC Maui Kapalua, LLC	Hotel	1,021,691,000	Bre Iconic GWR Owner LLC, Bre RC Maui Kapalua, LLC	Hotel	1,007,733,500
Marriott Ownership Resorts	Time Share	732,868,500	Marriott Ownership Resorts	Time Share	769,508,700
Lanai Resorts LLC, Lanai Developers LLC	Hotel, Golf Course, Development	660,552,400	Lanai Resorts LLC, Lanai Developers LLC	Hotel, Golf Course, Development	702,637,900
West Maui Resort Partners LP, Kupono Partners LLC	Time Share/Hotel	427,747,000	West Maui Resort Partners LP, Kupono Partners LLC	Time Share/Hotel	442,865,400
Alexander & Baldwin, A&B, East Maui Irrigation	Development, Property Management	370,459,100	3900 WA Associates LLC	Hotel	357,543,400
3900 WA Associates LLC	Hotel	358,393,700	Maui Beach, Maui Banyan, Gardens at West Maui, Hono Koa, Kahana Beach, Sands of Kahana, Kahana Villa Vacation Clubs	Timeshare	356,404,000
Maui Beach, Maui Banyan, Gardens at West Maui, Hono Koa, Kahana Beach, Sands of Kahana, Kahana Villa Vacation Clubs	Timeshare	330,174,800	WM Lessee LLC (Leasehold)	Hotel	326,921,400
WM Lessee LLC (Leasehold)	Hotel	326,076,400	Alexander & Baldwin, A&B, East Maui Irrigation	Development, Property Management	324,921,400
		\$ 6,816,670,900			\$6,912,958,900

Source: County of Maui Department of Finance.

Transient Accommodations Tax

The State Transient Accommodations Tax (the “State TAT”) was levied under HRS Chapter 237D on the furnishing of a room, apartment, suite or the like customarily occupied by the transient for less than 180 consecutive days for each letting by a hotel, apartment, motel, condominium property regime or cooperative apartment, rooming house or other place in which lodgings are regularly furnished to transients for consideration, including the fair market rental value of time share vacation units and the gross receipts of transient accommodations brokers, travel agents and tour packagers. Prior to April 2020, each county in the State, including the County, received a portion of the State TAT revenues under a distribution formula prescribed by statute. Prior to the COVID-19 pandemic, State TAT was the County’s second largest source of General Fund revenues, representing approximately 6.2% of General Fund revenues for fiscal year 2018-19.

In April 2020, under the Sixth Supplementary Proclamation, Section 237D-6.5(b), the State suspended distribution of the State TAT to the counties, resulting in the counties’ share of State TAT allocation falling short for fiscal year 2019-20. This suspension of distribution of the State TAT to the County resulted in a decrease of \$3.9 million, or approximately 0.9% of total General Fund revenues in fiscal year 2019-20, compared to the prior years’ actual collections and the suspension eliminated State TAT revenues to the County in fiscal year 2020-21. The State Legislature, in its 2021 regular session, approved HB 862 abolishing the counties’ allocated share of the State’s TAT effective July 1, 2021, and authorized the counties to impose a county TAT of up to 3% of gross rental proceeds. On October 1, 2021, County Council passed Ordinance No. 5273, Bill No. 101 (2021), establishing a rate of 3% on all gross rental, gross rental proceeds, and fair market rental value considered taxable (the “County TAT”). The County TAT became effective on November 1, 2021. In May 2025, State Governor Josh Green signed into law SB 1396, which, starting January 1, 2026, will increase the State TAT by 0.75%, the revenues of which will be used by the State to mitigate the impacts of climate change.

The following table presents the County’s receipts from the State TAT and County TAT by fiscal year.

Table 12
COUNTY OF MAUI
TRANSIENT ACCOMMODATIONS TAX
(in Thousands)

<u>Fiscal Year</u>	<u>Receipts</u>
2019-20	\$19,570 ⁽¹⁾
2020-21 ⁽¹⁾	0 ⁽²⁾
2021-22	47,262 ⁽³⁾
2022-23	85,845 ⁽⁴⁾
2023-24	66,982 ⁽⁵⁾
2024-25	60,000 ⁽⁶⁾

⁽¹⁾ Reflects amounts received under State TAT, refer to the narrative above.

⁽²⁾ Variance from prior year due to State eliminating State TAT revenues to the counties, to solve the State’s fiscal crisis during the pandemic without raising State taxes.

⁽³⁾ Variance from prior year due to introduction of County TAT mid fiscal year on November 1, 2021.

⁽⁴⁾ Variance from prior year due to twelve months of collections versus eight months.

⁽⁵⁾ Variance due to the downward trend in tourism from the Maui Wildfires. See “MAUI WILDFIRES” herein.

⁽⁶⁾ Estimated based on fiscal year 2024-25 adopted budget.

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

The County estimates \$60 million in County TAT revenues in the County’s adopted budget for fiscal year 2024-25, representing 8.2% of the General Fund and 6.24% of all County funds revenues budgeted for fiscal year 2024-25. The estimated revenues in the adopted budget for fiscal year 2024-25 returns transient accommodations tax revenues, along with the general excise tax surcharge to the County’s second largest source of General Fund revenues. See “ – General Excise Tax Surcharge,” below. The County estimates \$65 million

in County TAT revenues in the County’s adopted budget for fiscal year 2025-26, representing 7.8% of the General Fund and 5.9% of all County funds revenues budgeted for fiscal year 2025-26.

General Excise Tax Surcharge

The County’s general excise tax surcharge of 0.5% was introduced by the administration and approved by the County Council on July 19, 2023 (Ordinance No. 5551) and became effective on January 1, 2024. The general excise tax is levied on the gross receipts of a business, including amounts that are passed on and collected as a general excise tax from customers. The County surcharge of 0.5% on the States general excise tax of 4% is now the same rate as the other counties in the State. The County surcharge only applies to transactions where the retail rate of 4% applies; the County surcharge does not apply to wholesale sales or insurance commission where the general excise tax rates are 0.5% and 0.15%, respectively. The County general excise tax surcharge is scheduled to end on December 31, 2030. Under the related ordinance, revenue generated from the County’s general excise tax surcharge must be used toward housing infrastructure, including pedestrian paths or sidewalks on a County road near or around a public school, water, drainage, sewer, water reuse, waste disposal, and waste treatment systems that connect to the infrastructure of the County.

For fiscal year ended June 30, 2024, the County recognized approximately \$34.5 million in general excise tax revenues. The County estimates \$60 million in general excise tax surcharge revenues in the County’s adopted budget for fiscal year 2024-25. The budgeted increase compared to the prior year actual result is due to expected full year collections due to the effective date of the surcharge on January 1, 2024. The County estimates \$70.0 million in general excise tax surcharge in the County’s adopted budget for fiscal year 2025-26, representing 8.4% of the General Fund and 6.3% of all County funds revenues budgeted for fiscal year 2025-26.

Other General Fund Revenues

During the past five fiscal years, the County’s real property tax, discussed above, has been the primary source of revenue for the General Fund. After the County TAT and the general excise tax surcharge, the remaining revenues for the General Fund consist of receipts derived from public service company tax, licenses, permits, charges for current services, and other miscellaneous revenues.

Real property owned by public utilities (referred to as “public service companies”) is exempt from real property taxation by the County. Under Chapter 239, HRS, if a county exempts real property owned or leased (if the lessee is required to pay any real property taxes) by a public service company from real property taxes, the county is entitled to collect a public service company tax on the gross income of the company allocable to operations within that county. The County imposes a public service company tax at a rate of 1.885% of each public service company’s gross income. The following table presents the County’s receipts from the Public Service Company Tax by fiscal year.

Table 13
COUNTY OF MAUI
PUBLIC SERVICE COMPANY TAX

<u>Fiscal Year</u>	<u>Receipts</u>
2019-20	\$8,283,871
2020-21	7,639,279
2021-22	7,168,476
2022-23	8,797,603
2023-24	9,534,350

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

The County estimated public service company tax revenues of \$7 million in the adopted budget for fiscal year 2024-25, which represents no change from the estimated public service company tax revenues in the

County's adopted budget for fiscal year 2023-24. The County has estimated public service company tax revenues of \$8 million in its adopted budget for fiscal year 2025-26, which represents an increase of \$1 million or 14.3% from the estimated public service company tax revenues in the County's adopted budget for fiscal year 2024-25. The public service company tax revenues in the County's adopted budget for fiscal year 2024-25 represented 1% of the total General Fund revenues and 0.7% of the total County Fund revenues. The estimated public service company tax revenues in the County's adopted budget for fiscal year 2025-26 also represents 1% of the total General Fund revenues and 0.7% of the total County Fund revenues.

Businesses or services requiring licenses or permits to operate in the County pay a fee as set by State and County laws. The primary revenue sources for the General Fund's Licenses, Permits & Others are derived from building permit review fees and motor vehicles license fees. The following table presents the County's receipts from the Licenses, Permits & Others by fiscal year.

Table 14
COUNTY OF MAUI
LICENSES, PERMITS & OTHERS

<u>Fiscal Year</u>	<u>Receipts</u>
2019-20	\$10,966,109
2020-21	11,593,710
2021-22	13,395,112
2022-23	17,580,681
2023-24	16,799,746

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

The County's estimated licenses, permits & others revenues of \$10.3 million in the adopted budget for fiscal year 2024-25 represented an increase of \$500,000 or 5.2% from the estimated licenses, permits & others revenues in the County's adopted budget for fiscal year 2023-24. The estimated licenses, permits & others revenues in the County's adopted budget for fiscal year 2024-25 represented 1.4% of the total General Fund revenues and 1.1% of the total County Fund revenues. The County has estimated licenses, permits & others revenues of \$10.8 million in its adopted budget for fiscal year 2025-26, which represents an increase of \$500,000 or 5.0% from the estimated licenses, permits & others revenues in the County's adopted budget for fiscal year 2024-25. The estimated licenses, permits & others revenues in the County's adopted budget for fiscal year 2025-26 represents 1.3% of the total General Fund revenues and 1.0% of the total County Fund revenues.

General Fund Performance

Historical Financial Information. Tables 15 and 16 on the following pages present historical financial information regarding the operation of the County's General Fund for the past five fiscal years.

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Table 15
COUNTY OF MAUI
GENERAL FUND BALANCE SHEET

	Fiscal Year Ended June 30,				
	2020	2021	2022	2023	2024
ASSETS					
Cash and Investments	\$165,522,934	\$239,888,261	\$292,606,359	\$402,197,413	\$449,418,467
Receivables:					
Property taxes	11,741,734	14,574,133	13,646,285	12,619,172	16,513,692
Transient accommodations tax	—	—	16,694,480	17,103,959	12,682,681
State of Hawaii	—	—	—	—	20,662,559
Note	5,652,156	5,552,156	5,502,156	5,402,156	5,302,156
Prepaid expense	—	—	—	5,000	14,115
Due from other funds	42,022,865	42,081,731	28,489,144	26,424,647	60,167,496
Total Assets	<u>\$224,939,689</u>	<u>\$302,096,281</u>	<u>\$356,938,424</u>	<u>\$463,752,347</u>	<u>\$564,761,166</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Vouchers and accounts payable	\$16,305,901	\$21,448,250	\$17,471,217	\$20,417,240	\$27,758,500
Contract retention payable	32,716	11,432	5,575	10,598	5,934
Refundable Deposits	—	22,054,248	22,564,123	22,785,633	23,296,807
Deposits Payable	—	5,079,176	7,089,450	13,658,206	21,894,578
Deduction	—	—	138,802	—	—
Other/accrued wages payable	7,708,223	5,933,426	6,849,409	11,132,464	7,234,674
Total Liabilities	<u>\$24,046,840</u>	<u>\$54,526,532</u>	<u>\$54,118,576</u>	<u>\$68,004,141</u>	<u>\$80,190,493</u>
Deferred Inflows of Resources:	<u>\$9,532,261</u>	<u>\$11,525,412</u>	<u>\$21,131,015</u>	<u>\$22,132,152</u>	<u>\$22,915,867</u>
Fund Balances:					
Restricted	\$10,099,487	\$48,529,152	\$72,098,861	\$93,149,412	\$145,129,439
Committed	220,000	448,501	3,031,885	1,311,053	1,180,110
Assigned	31,138,665	34,472,044	40,640,213	56,722,730	71,055,359
Unassigned	149,902,436	152,594,640	165,917,874	222,432,859	244,289,898
Total Fund Balances	<u>\$191,360,588</u>	<u>\$236,044,337</u>	<u>\$281,688,833</u>	<u>\$373,616,054</u>	<u>\$461,654,806</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$224,939,689</u>	<u>\$302,096,281</u>	<u>\$356,938,424</u>	<u>\$463,752,347</u>	<u>\$564,761,166</u>

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

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Table 16
COUNTY OF MAUI
GENERAL FUND CONSECUTIVE STATEMENT
OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	Fiscal Year Ended June 30,				
	2020	2021	2022	2023	2024
REVENUES					
Taxes	\$365,036,934	\$381,917,289	\$440,187,225	\$528,238,918	\$619,942,617
Licenses and permits	9,794,822	9,384,088	11,708,811	12,021,858	10,329,672
Intergovernmental revenues	19,599,207	75,645	127,456	-	32,272
Charges for current services	3,981,360	4,391,005	3,528,486	3,978,476	3,569,516
Fines and forfeitures	2,626,693	1,939,530	3,531,058	4,239,652	4,908,283
Interest and investment earnings	11,865,148	1,556,269	(11,339,467)	6,329,418	32,662,466
Other	1,171,287	2,209,622	1,686,301	5,558,823	6,470,074
Assessments	-	-	-	-	2,000
Total Revenues	\$414,075,451	\$401,473,448	\$ 449,429,870	\$560,367,145	\$677,916,900
EXPENDITURES					
Current:					
General government	\$157,057,348	\$169,518,366	\$171,792,361	\$201,972,865	\$241,078,829
Public safety	102,014,408	107,138,712	104,755,234	111,404,862	133,838,768
Highways & Streets	8,463,879	7,021,823	7,607,567	8,367,086	9,223,458
Sanitation	590,290	611,882	573,337	510,372	531,534
Social welfare	23,403,542	33,086,709	27,506,877	48,759,636	27,403,759
Culture and recreation	30,940,200	30,968,581	36,851,823	34,560,722	43,125,828
Legislative	6,940,511	8,213,952	8,162,122	9,225,382	9,704,287
Capital Outlay	457,058	2,322,404	5,292,209	10,487,644	2,711,101
Debt Service (Principal+Interest)	-	-	1,219,863	3,913,404	4,213,984
Total Expenditures	\$329,867,236	\$358,882,429	\$363,761,393	\$429,201,973	\$471,831,548
Excess (Deficiency) of Revenues Over Expenditures	\$84,208,215	\$42,591,019	\$ 85,668,477	\$131,165,172	\$206,085,352
OTHER FINANCING SOURCES (USES)					
Insurance Recoveries	-	-	-	-	\$9,283,440
Issuance of Debt					
Leases	-	-	\$3,979,016	\$1,687,666	1,370,020
Subscription-based IT arrangements	-	-	-	8,479,87	372,158
Transfers In:					
Special Revenue Funds	\$23,191,107	\$13,171,235	-	-	-
Capital Projects Fund	1,353,304	1,822,936	\$2,258,131	\$2,061,898	\$5,178,131
Other Governmental Funds	4,970,006	34,707,668	17,984,365	24,778,079	25,415,023
Proprietary Funds	1,435,775	-	-	69,786	-
Transfers Out:					
Special Revenue Funds	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Highway Fund	-	-	-	-	(16,614,455)
Debt Service Fund	(42,424,351)	(33,169,644)	(41,573,615)	(45,315,203)	(45,266,743)
Capital Projects Fund	(12,635,000)	(8,401,334)	(10,882,229)	(19,031,405)	(38,290,740)
Other Governmental Funds	(19,115,882)	(5,963,131)	(8,131,860)	(11,893,651)	(50,218,434)
Proprietary Fund	(34,866)	-	(3,582,789)	-	(9,200,000)
Total Other Financing Sources and Uses	\$(43,334,907)	\$2,092,730	\$(40,023,981)	\$(39,237,951)	\$(118,046,600)
Net Change in Fund Balances	\$40,873,308	\$44,683,749	\$45,644,496	\$91,927,221	\$88,038,752
Fund Balances, Beg. of Period	\$150,487,280	\$191,360,588	\$236,044,337	\$281,688,833	\$373,616,054
Prior Period Adjustment	-	-	-	-	-
Fund Balances, End of Period	\$191,360,588	\$236,044,337	\$281,688,833	\$373,616,054	\$461,654,806

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

Interim Financial Results

Pursuant to the Charter and the MCC, the Director of Finance prepares quarterly reports summarizing the financial results of the County. On May 13, 2025, the Director of Finance released the report for the nine months ended March 31, 2025 (the “2025 Third Quarter Report”) which is available on the County’s website: <https://www.mauicounty.gov/1852/Finance-Directors-Quarterly-Report>. The information on such website *is not* incorporated herein by reference. Information for the fourth quarter is not yet available. Based on the 2025 Third Quarter Report, the total County revenues (excluding carryover/savings, bond/lapsed bond proceeds, SRF loan) collected for the nine months ended March 31, 2025 were approximately \$982.3 million (the General Fund portion of which is approximately \$731.8 million) or 76.1% of the fiscal year 2024-25 adopted budget’s total County revenue of \$1.0 billion. Total County expenditures (not including capital expenditures) were approximately \$754.8 million (the General Fund portion of which is approximately \$569.2 million), which is approximately 71.7% of the fiscal year 2024-25 budgeted (adopted, without amendments) total County expenditures of \$1.1 billion. The total General Fund balance for fiscal 2024-25 cannot be estimated at this time; however, it is currently anticipated that expenditures will be less than the budget primarily due to staff vacancies. These interim numbers are unaudited and may be subject to accounting adjustments.

Special Revenue Funds

The County classifies certain governmental funds as “Special Revenue Funds.” The Special Revenue Funds are utilized to account for the revenues derived from a specific source (other than special assessments) or which are applied to finance specified activities as required by law or administrative regulation. The Special Revenue Funds are used to pay for the cost of providing certain County services, including highway improvements and operations, sewer, solid waste management, environmental protection and public safety, law enforcement programs and certain social services programs.

The following is a brief summary of the County’s Special Revenue Funds:

Highway Fund. The Highway Fund was established to deposit fuel taxes, public utility franchise taxes, public transit fares, and motor vehicle weight taxes. These revenues are used to account for acquisition, design, construction, improvement, and repair and maintenance of County highways, streets, street lights, public transit, storm drains, and bridges. Revenues are also used for purposes and functions connected with mass transit, including paying debt service related to such improvements. See “Highway Fund” below.

Sewer Fund. The Sewer Fund was established to receive all revenue derived from the monthly sewer charges, sewer assessments, and for certain other services. Revenues in the Sewer Fund are expended for the repair, operation, and maintenance of the wastewater facilities/sewer public systems within the County, including debt service for such sewer improvements.

Grant Fund. The Grant Fund is legally restricted to expenditures for specific purposes and provides a cost sharing alternative for programs and projects. The major programs for this fund include Community Development Block Grant funds, Section 8 Rental Subsidy Program, other public housing funds, human services funds, and various other smaller grant allocations.

Liquor Control Fund. The Liquor Control Fund receives revenue from all liquor license fees. Fund revenues are expended for the operation and administration of the Liquor Control Commission, Liquor Control Adjudication Board, and the Department of Liquor Control.

Bikeway Fund. The Bikeway Fund was established to collect revenue from bicycle licenses. The revenue is expended for bikeway construction and maintenance.

Solid Waste Fund. The Solid Waste Fund was established to receive all refuse collection fees and landfill disposal charges. The fund is used for the operation and maintenance of the County’s collections and

disposal program. In March 2018, Chapter 3.54, MCC, was amended concurrently with enactment of Chapter 3.55, MCC, relating to the establishment of the Environmental Protection and Sustainability Fund. Effective July 1, 2018, the Solid Waste Management Fund is used for the operation and maintenance of the solid waste collection and disposal and landfill operations and no longer includes refuse disposal and diversion programs.

Environmental Protection and Sustainability Fund. On March 27, 2018, Ordinance No. 4820, Bill No. 16 (2018) was enacted establishing a new Chapter 3.55, MCC, relating to the EP&S Fund. The EP&S Fund was established for the purpose of funding efforts of the Department of Environmental Management’s EP&S Program to optimize opportunities for environmental and natural resource protection, sustainability, conservation, and restoration as well as for diversion programs such as resource recovery and recycling programs. The EP&S Fund is used for the operation and maintenance of the County’s diversion program, recycling, and sewage sludge disposal.

Highway Fund

The Highway Fund is budgeted to contribute approximately \$8.3 million or 14.2% and \$13.1 million or 17.1% toward the County’s general obligation debt service payment in fiscal years 2024-25 and 2025-26, respectively. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Security for the Bonds.”

The primary sources of revenue for the Highway Fund are described below.

Motor Vehicle Weight Tax. Chapter 249, HRS, authorizes the counties to impose an annual tax on the net weight of all vehicles used on the public highways. The proceeds from the vehicle weight tax are restricted by Section 249-18, HRS, to highway and related expenditures, and are available only for payment of debt service on general obligation bonds issued to finance highway construction. Section 249-33, HRS, provides that the tax shall be levied by the county director of finance at the rate of 1.75 cents a pound according to the net weight of each vehicle as the “net weight” is defined in section 249-1, HRS, up to and including four thousand pounds net weight; vehicles over, four thousand pounds and up to and including seven thousand pounds net weight shall be taxed at the rate of 2.00 cents a pound; vehicles over seven thousand pounds and up to and including ten thousand pounds net weight shall be taxed at the rate of 2.25 cents a pound; vehicles over ten thousand pounds net weight shall be taxed at a flat rate of \$300.

Section 249-13, HRS, states that the Council shall determine the rate and the minimum tax at which all vehicles and motor vehicles in each respective County shall be taxed. For Fiscal Year 2026, the motor vehicle weight taxes established for the County of Maui are \$0.035 per pound of net weight for passenger vehicles, and trucks and noncommercial vehicles not exceeding 6,500 pounds and \$0.0591 per pound of net weight for all other motor vehicles. The minimum tax for any motor vehicle is \$15 and the penalty for delinquent tax is \$8 per passenger vehicle and \$20 for other vehicles.

The following table presents the County’s receipts from the Motor Vehicle Weight Tax by fiscal year.

Table 17
COUNTY OF MAUI
MOTOR VEHICLE WEIGHT TAX

<u>Fiscal Year</u>	<u>Receipts</u>
2019-20	\$25,636,561
2020-21	26,651,998
2021-22	27,352,420
2022-23	28,149,855
2023-24	27,696,778

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

The County's estimated motor vehicle weight tax revenues of \$26.8 million in the adopted budget for fiscal year 2024-25 represented an increase of \$0.3 million from estimated motor vehicle weight tax revenues in the County's adopted budget for fiscal year 2023-24. The estimated motor vehicle weight tax revenues in the County's adopted budget for fiscal year 2024-25 represented 51.8% of the total Highway Fund revenues and 2.8% of the total County Fund revenues. The County has estimated motor vehicle weight tax revenues of \$27.0 million in its adopted budget for fiscal year 2025-26, which represents an increase of \$200,000 or 0.01% from the estimated motor vehicle weight tax revenues in the County's adopted budget for fiscal year 2024-25. The estimated motor vehicle weight tax revenues in the County's adopted budget for fiscal year 2025-26 represents approximately 50.5% of the total Highway Fund revenues and 2.4% of the total County Fund revenues.

County Fuel Taxes. In addition to the taxes on liquid fuel imposed by the State, each county is authorized by Section 243-5, HRS, to impose a tax on liquid fuels sold or used within its jurisdiction, excluding aviation fuel. The county fuel taxes are imposed on gasoline, alcohol fuels, diesel oil, biodiesel fuel, and liquefied petroleum gas for highway use. The amount of tax on each fuel in each county is determined by the respective county's governing body. Currently, the County assesses an additional fuel tax of 24 cents per gallon on gasoline, and diesel oil, 6 cents per gallon on biodiesel blend (other than B100), 11.5 cents per gallon on ethanol, 11.5 cents per gallon on methanol, and 11.5 cents per gallon on liquefied petroleum gas.

The proceeds from the county fuel tax are restricted by Section 243-6, HRS, to highway and related expenditures, and are available for payment of debt service on general obligation bonds issued only to finance highway construction. The following table presents the County's receipts from the Fuel Tax by fiscal year.

Table 18
COUNTY OF MAUI
FUEL TAX

<u>Fiscal Year</u>	<u>Receipts</u>
2019-20	\$15,207,234
2020-21	13,549,266
2021-22	16,426,325
2022-23	16,690,872
2023-24	15,558,344

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

The County's estimated fuel tax revenues of \$15.5 million in the adopted budget for fiscal year 2024-25 represented no change from the County's adopted budget for fiscal year 2023-24. The estimated fuel tax revenues in the County's adopted budget for fiscal year 2024-25 represented 29.4% of the total Highway Fund revenues and 1.61% of the total County Fund revenues. The County did not change its estimated fuel tax revenues in its adopted budget for fiscal year 2025-26 and remains at \$15.5 million. The estimated fuel tax revenues in the County's adopted budget for fiscal year 2025-26 represents 29.0% of all Highway Fund revenues and 1.4% of the total County Fund revenues.

Public Utility Franchise Tax. Electric power and gas companies (but not telephone companies) operating as public utilities are required by Section 240-1, HRS, to pay each county in which their businesses are conducted a tax equal to 2.5% of the companies' gross receipts for sales in such county, unless such county has agreed to a lower rate of tax. The County has not agreed to a lower rate of tax for any such utility. This tax on electric power and gas companies is in addition to the tax on public service companies described under "GENERAL FUND – Other General Fund Revenues." The following table presents the County's receipts from the Public Utility Franchise Tax by fiscal year.

Table 19
COUNTY OF MAUI
PUBLIC UTILITY FRANCHISE TAX

<u>Fiscal Year</u>	<u>Receipts</u>
2019-20	\$9,645,755
2020-21	7,837,333
2021-22	8,854,494
2022-23	11,615,285 ⁽¹⁾
2023-24	11,038,462

⁽¹⁾ In fiscal year 2022-23, the public utility franchise tax increased approximately \$2.8 million over fiscal year 2021-22, or 31%, due to increased revenues reported by Hawaiian Electric Company.

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

The County estimated public utility franchise tax revenues of \$9 million in its adopted budget for fiscal year 2024-25, which represents an increase of \$1 million from its adopted budget for fiscal year 2023-24. The estimated public utility franchise tax revenues in the County's adopted budget for fiscal year 2024-25 represented 17.4% of the total budgeted Highway Fund revenues and 0.9% of total County Funds revenues for fiscal year 2024-25. The County estimated public utility franchise tax revenues of \$8 million in its adopted budget for fiscal year 2025-26. Which represents a decrease of \$1 million from its adopted budget for fiscal year 2024-25. The estimated public utility franchise tax revenues in the County's adopted budget for fiscal year 2025-26 represented 15.5% of the total budgeted Highway Fund revenues and 0.8% of total County Funds' revenues for fiscal year 2025-26. Alternative energy projects such as wind turbines and solar panels implemented by businesses and homeowners may reduce power demand from public utilities, thus contributing to lower public utility franchise tax income in the future years. See "ECONOMIC AND DEMOGRAPHIC INFORMATION – Renewable Energy."

Sewer Fund

The Sewer Fund is a self-sustaining fund and is budgeted to contribute approximately \$10.7 million or 20.4% and \$15 million or 19.6 to the County's general obligation debt service payments in fiscal years 2024-25 and 2025-26, respectively. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Security for the Bonds."

The 2024-25 adopted budget estimated revenue for the Sewer Fund is \$84 million representing a \$1.4 million increase or 1.7% from the 2023-24 adopted budget. The Sewer Fund represents 6.56% of the total County Funds' estimated revenues.

The Sewer Fund's main revenue source is from sewer and cesspool fees, which are directly tied to water supply billing. The sewer and cesspool fees are collected as charges for current services and used to fund the operations and capital improvement projects of the Department of Environmental Management, Wastewater Division. Residential users are charged a monthly base charge and a metered water usage charge per dwelling unit, in accordance with amounts set in the annual budget. Non-residential wastewater system service charges are also charged a monthly base charge plus a variable charge based on the total amount of water used each billing period.

The following table presents the County's receipts from the Sewer Fund's charges from Sewer and Cesspool Fees by fiscal year.

Table 20
COUNTY OF MAUI
SEWER AND CESSPOOL FEES

<u>Fiscal Year</u>	<u>Receipts</u>
2019-20	\$57,555,745
2020-21	52,192,007
2021-22	59,419,673
2022-23	60,989,715
2023-24	58,058,419

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

The County’s estimated sewer and cesspool fees revenues of \$63.1 million in the adopted budget for fiscal year 2024-25 represented a decrease of \$0.3 million or 0.5% from the estimated sewer and cesspool fees revenues in the County’s adopted budget for fiscal year 2023-24. The projected decrease in sewer user fees primarily reflects the revenue impact from the Maui Wildfires. See “MAUI WILDFIRES” herein. Sewer user fees comprise approximately 100% of total Sewer Fund revenue and 6.6% of the total County Funds’ revenue contained in the 2024-25 adopted budget. The projected sewer user fees’ revenues include a 9% rate increase.

The County has estimated sewer and cesspool fees revenues of \$65.8 million in its adopted budget for fiscal year 2025-26, which represents an increase of \$2.7 million or 4.3% from the estimated sewer and cesspool fees revenues in the County’s adopted budget for fiscal year 2024-25. The estimated sewer and cesspool fees revenues in the County’s adopted budget for fiscal year 2025-26 represents 100% of the Sewer Fund revenues and 5.93% of the total County Fund revenues.

Tables 21 and 22 set forth summarized financial information regarding the operations of the Highway Fund and the Sewer Fund for the fiscal year ended June 30, 2024. A description of the other governmental funds is provided in the Management’s Discussion and Analysis section of APPENDIX A – “ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024” attached hereto.

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Table 21
COUNTY OF MAUI
HIGHWAY FUND AND SEWER FUND
BALANCE SHEET
(Fiscal Year Ended June 30, 2024)

	<u>Highway Fund</u>	<u>Sewer Fund</u>
ASSETS		
Cash and Investments	\$40,535,808	\$17,186,202
Receivables:	-	-
Trade accounts	258,152	3,800,521
Federal Government	-	-
State of Hawai'i	1,357,025	-
Others	-	-
Total Assets	<u>\$42,150,985</u>	<u>\$20,386,723</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$3,718,334	\$1,032,025
Contract retention payable	-	4,035
Due to Other Funds	-	-
Deposits Payable	-	-
Accrued Wages Payable	417,143	330,061
Deposits and unearned revenue	-	-
Advance collections	-	-
Total Liabilities	<u>\$4,135,477</u>	<u>\$1,366,121</u>
 Deferred inflows		
Deferred inflows – unavailable revenues	-	-
Deferred inflows – nonexchange	-	\$148,170
Total Deferred Inflows of Resources	<u>-</u>	<u>\$148,170</u>
 Fund Balances:		
Restricted	\$38,015,508	-
Committed	-	\$19,472,432
Total Fund Balances	<u>\$38,015,508</u>	<u>\$19,472,432</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$42,150,985</u>	<u>\$20,986,723</u>

Source: County of Maui Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.

Table 22
COUNTY OF MAUI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
HIGHWAY FUND AND SEWER FUND
(Fiscal Year Ended June 30, 2024)

	<u>Highway Fund</u>	<u>Sewer Fund</u>
REVENUES		
Taxes	\$26,596,806	-
Licenses and permits	27,696,778	\$42,865
Intergovernmental revenues	-	-
Charges for current services	586,208	58,058,419
Fines and forfeitures	-	-
Interest and investment earnings	-	-
Other revenues	(340,396)	26,688
Assessments	-	-
Total Revenues	<u>\$54,539,396</u>	<u>\$58,127,972</u>
EXPENDITURES		
Current:		
General government	-	-
Public safety	-	-
Highways and streets	\$51,813,984	-
Sanitation	-	\$33,285,497
Social welfare	-	-
Culture and recreation	-	-
Capital outlay	2,188	-
Debt Service	-	-
Principal	9,139	132,174
Interest and Other Issuance Cost	2,539	26,460
Total Expenditures	<u>\$51,827,850</u>	<u>\$33,444,131</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$2,711,546</u>	<u>\$24,683,841</u>
OTHER FINANCING SOURCES (USES)		
Transfers In:		
General Fund	\$16,689,455	-
Special Revenue Funds	-	-
Capital Improvement Projects Fund	1,318,340	\$4,641,755
Other Governmental Funds	10,074,730	-
Transfers Out:		
General Fund	(8,326,280)	(10,494,000)
Special Revenue Funds	-	-
Capital Improvement Projects Fund	(15,428,334)	(18,847,555)
Other Governmental Funds	-	(3,944,886)
Total Other Financing Sources (Uses)	<u>\$4,327,911</u>	<u>\$(28,644,686)</u>
Net Change in Fund Balances	<u>\$7,039,457</u>	<u>\$(3,960,845)</u>
Fund Balances, Beginning of Year	<u>\$30,976,051</u>	<u>\$23,433,277</u>
Fund Balances, End of Year	<u>\$38,015,508</u>	<u>\$19,472,432</u>

Source: County of Maui Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.

Solid Waste Fund

The major sources of revenue for the Solid Waste Fund are fees associated with landfill disposal and residential refuse collection. The County's collected landfill disposal and residential refuse collection revenues in fiscal year 2023-24 for the Solid Waste Fund of \$24.9 million decreased by \$1.7 million or 6.4% from the landfill disposal and residential refuse collection revenues in fiscal year 2022-23.

The landfill disposal fees (landfill tipping and permit fees) are collected as charges for current services. The County collected \$14.3 million in landfill disposal fees for fiscal year 2023-24, which was a decrease of \$1.08 million or 7% from the landfill disposal fees revenues collected in fiscal year 2022-23. The landfill disposal fees in fiscal year 2023-24 represented 57% of the total Solid Waste Fund revenues collected in fiscal year 2023-24. The following table presents the County's receipts from the Solid Waste Fund's Charges from Services, Landfill Disposal Fees by fiscal year.

Table 23
COUNTY OF MAUI
LANDFILL DISPOSAL

<u>Fiscal Year</u>	<u>Receipts</u>
2019-20	\$13,272,709
2020-21	11,663,200
2021-22	13,987,335
2022-23	15,344,469
2023-24	14,266,059

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

The County's estimated landfill disposal fees revenues of \$14 million in the adopted budget for fiscal year 2024-25 represented a decrease of \$146,200 or 1% from the estimated landfill disposal fees revenues in the County's adopted budget for fiscal year 2023-24. The estimated landfill disposal fees revenues in the County's adopted budget for fiscal year 2024-25 represented 57.1% of the total Solid Waste Fund revenues and 1.45% of the total County Fund revenues. The County has estimated landfill disposal fees revenues of \$15.3 million in its adopted budget for fiscal year 2025-26, which represents an increase of \$1.3 million or 9.3% from the estimated landfill disposal fees revenues in the County's adopted budget for fiscal year 2024-25.

Residential refuse collection fees are collected as charges for current services. The rate for fiscal year 2025-26 for this service is \$36 per refuse collection unit per month on the islands of Maui and Moloka'i, where once or twice-a-week service is provided. On the island of Lana'i, the rate is \$18 per refuse collection unit per month or one half the rate of Maui and Moloka'i. The County collected \$10.7 million of residential refuse collection fees revenues in fiscal year 2023-24, which was a slight decrease of \$500,000 or 5.4% from the residential refuse collection fees revenues collected in fiscal year 2022-23. The County has estimated residential refuse collection fees revenues of \$11.1 million in its adopted budget for fiscal year 2025-26, which is an increase of \$400,000, or 3.7% from the estimated residential refuse collection fees revenues in the County's adopted budget for fiscal year 2024-25.

In the aftermath of the Maui Wildfires, the County created a temporary disposal site in Olowalu, Maui. Beginning in June of 2025, the debris at this temporary site will be relocated to the permanent disposal site in Kahului, Maui at the Central Maui Landfill. The U.S. Army Corps of Engineers will be paying tipping fees for this debris for estimated additional revenues of \$46 million. This will assist in covering the costs for the permanent disposal site, which is currently estimated to cost approximately \$60 million.

The following table presents the County’s receipts from the Solid Waste Fund’s Charges from Services, Residential Refuse Collection Fees by fiscal year.

Table 24
COUNTY OF MAUI
RESIDENTIAL REFUSE COLLECTION FEES

<u>Fiscal Year</u>	<u>Receipts</u>
2019-20	\$10,616,484
2020-21	10,760,715
2021-22	11,026,295
2022-23	11,286,933
2023-24	10,680,799

Source: County of Maui Annual Comprehensive Financial Reports (2020-24).

Environmental Protection and Sustainability Fund

The EP&S Fund was established in 2016 to account for the funding efforts by the environmental protection and sustainability division of the Department of Environmental Management, to optimize opportunities for environmental and natural resource protection, sustainability, conservation, and restoration.

The revenues for the EP&S Fund are derived from uncontaminated green waste, grease trap waste contaminated cooking oil, bio solids, and sewage sludge landfill disposal fees and recycling surcharge fees. The County collected \$2.8 million in EP&S Fund revenues in fiscal year 2023-24. The County’s fiscal year 2024-25 adopted budget and fiscal year 2025-26 adopted budget, estimated EP&S Fund revenues at \$2.5 million and \$2.9 million, respectively, from services relating to landfill disposal and recycling surcharge fees. The estimated EP&S Fund revenues in the County’s adopted budget for fiscal year 2025-26 represents 0.3% of the total County Fund revenues.

Water Supply Fund

The Water Supply Fund was established to receive revenues collected by DWS. The department was created to support the development of adequate water sources, storage and transmission for both urban and agricultural uses for the County. Revenues are expended for the operation, maintenance and capital improvement projects of DWS. The Water Supply Fund is a self-sustaining fund.

Historical Financial Information. Tables 25 and 26 present certain summary financial information regarding the operation of DWS for fiscal year ended June 30, 2022, 2023 and 2024. For more information, see APPENDIX A – “ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024” attached hereto.

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Table 25
COUNTY OF MAUI
DEPARTMENT OF WATER SUPPLY BALANCE SHEET
(Fiscal Years Ended June 30, 2022, 2023 and 2024)

	2022	2023	2024
ASSETS			
Unrestricted Current Assets	\$92,671,404	\$85,462,895	\$79,198,862
Restricted Current Assets	37,270,501	60,795,628	38,129,526
Total Current Assets	129,941,905	\$146,258,523	\$117,328,388
Restricted Non-current Asset			28,076,403
Capital Assets:			
Non-depreciable Assets	\$37,229,999	\$42,244,532	\$56,406,519
Depreciable Assets	683,393,486	696,707,708	705,294,547
Lease Asset	411,852	411,852	411,852
Accumulated Depreciation	(369,459,532)	(386,388,937)	(398,551,933)
Total Assets	\$481,517,710	\$499,233,678	\$508,965,776
DEFERRED OUTFLOW OF RESOURCES			
Total Deferred Outflows of Resources	10,737,019	10,085,291	16,166,762
Total Assets and Deferred Outflows of Resources	\$492,254,729	\$509,318,969	\$525,132,538
LIABILITIES AND NET ASSETS			
Liabilities:			
Current Liabilities	\$18,774,076	\$36,439,113	\$25,018,038
Noncurrent Liabilities:			
Bonds Payable	12,891,498	15,544,422	13,934,201
Notes Payable	39,003,814	37,053,447	35,310,386
Accrued Vacation	1,195,690	1,054,491	977,300
Net Pension Liability	40,831,743	43,776,419	49,911,788
Net OPEB Liability	14,589,145	10,666,568	9,978,567
Lease Liability Less Current Portion	294,377	228,612	157,812
Finance Purchase less Current Portion	-	-	854,533
	\$127,580,343	\$144,763,072	\$111,124,587
Restricted			
Customer Deposit	-	-	6,343,425
Total Non-current Liabilities	-	-	117,468,012
Total Liabilities	\$ 127,580,343	\$144,763,072	\$142,486,050
DEFERRED INFLOWS OF RESOURCES			
Total Deferred Inflows of Resources	11,719,891	\$8,996,562	\$6,665,502
Total Liabilities and Deferred Inflows of Resources	\$139,300,234	\$153,759,634	\$149,151,552
Net Position:			
Invested in capital assets, net of related debt	\$296,836,712	\$299,004,725	\$307,580,046
Restricted – Water	34,338,612	51,247,937	44,108,661
Unrestricted	21,779,171	5,306,673	24,292,279
Total Net Position	\$352,954,495	\$355,559,335	\$375,980,986

Source: County of Maui Annual Comprehensive Financial Reports (2022-24).

Table 26
COUNTY OF MAUI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
(Fiscal Year Ended June 30, 2022, 2023 and 2024)

	2022	2023	2024
OPERATING REVENUES:			
Charges for Services	\$69,677,398	\$67,198,149	\$72,432,031
Total Operating Revenues	\$69,677,398	\$67,198,149	\$72,432,031
EXPENSES			
Operating Expenses:			
Salaries and personnel services	\$19,257,862	\$18,815,080	\$23,470,748
Other operating expenses	35,193,205	34,876,344	38,346,542
Depreciation and amortization	17,126,854	17,333,939	17,053,359
Total Operating Expenses	\$71,577,921	\$71,025,363	\$78,870,649
Operating Income (Loss)	\$(1,900,523)	\$(3,827,214)	\$(6,438,618)
Non-operating Revenues (Expenses):			
Interest and investment earnings, net	\$(2,767,330)	\$1,352,987	\$5,495,001
Interest expense, net of capitalized interest	(897,868)	(945,713)	(975,288)
Other income	521,160	268,968	205,869
Total Non-operating Revenues	\$(3,144,041)	\$676,242	\$4,725,582
Income (Loss) Before Contributions and Transfers	(5,044,564)	(3,150,972)	(1,713,036)
Capital Contributions	6,986,933	5,825,598	12,934,687
Transfers In (Out) – General Fund	3,582,789	(69,786)	9,200,000
Change in Net Position			
Net Position, Beginning of Year (as previously reported)	\$5,525,158	\$2,604,840	\$20,421,651
	\$347,429,337	\$352,954,495	\$355,559,335
Restatement adjustment	-	-	-
Net Position, Beginning of Year, as restated	\$347,429,337	\$352,954,495	\$355,559,335
Net Position, End of Year	\$352,954,495	\$355,559,335	\$375,980,986

Source: County of Maui Annual Comprehensive Financial Reports (2022-24).

Budgeted Financial Information. The County estimated revenues in the adopted budget for fiscal year 2024-25 was \$107 million for the Water Supply Fund to fund its operations and capital improvement projects, reflecting an increase of \$14.7 million or 15.9% from the adopted budget for fiscal year 2023-24. The estimated Water Supply Fund revenues in the County’s adopted budget for fiscal year 2024-25 represented 9.3% of the total County Fund revenues.

The County has estimated Water Supply Fund revenues from all sources of \$142.1 million in its adopted budget for fiscal year 2025-26. The estimated Water Supply Fund revenues from all sources in the County’s adopted budget for fiscal year 2025-26 represents 12.82% of the total County Fund revenues.

Water service fees are the primary source of revenue for DWS. This fee is charged to customers on a monthly basis for water usage, and an accrual for unbilled water revenue is made based on the estimated usage from the meter reading date nearest June 30th to the end of the fiscal period.

The County collected \$72.4 million in water service fees revenues in fiscal year 2023-24. The County has estimated water service fees revenues of \$74.2 million in its adopted budget for fiscal year 2024-25. The County has estimated water service fees revenues of \$88.7 million in its adopted budget for fiscal year 2025-26, which represents an increase of \$14.5 million or 16.4% from the estimated water service fees revenues in the County's adopted budget for fiscal year 2024-25. The projected water service fees revenue for fiscal years 2025-26 include a residential rate increases of 7.5% for Tier 2, 15% for Tier 3, and 25% for Tier 4. In addition, there will be a 10% increase for general customers and multi-family customers, a 24% increase for hotels and resorts, and a 5% increase for agricultural and non-potable customers.

Deposits and Investments

The County maintains a cash and investment pool that is used by all funds except the Employee Retirement System and the employee deferred compensation fund, each of which are established and administered separately by the State.

The County maintains an investment policy which among other things limits investment maturities to no more than five years. HRS 46-50 authorizes the County to invest in obligations of the U.S. Treasury and U.S. government agencies, municipal securities, auction rate securities collateralized by student loan bank repurchase agreements, commercial paper, bankers' acceptances, and money market funds. The County's investment policy limits investments in municipal securities, U.S. Treasury securities, negotiable time certificates of deposit, U.S. government agency obligations, repurchase agreements, commercial paper, bankers' acceptances, money market funds, and auction rate securities collateralized by student loans maintaining a Triple-A rating. Furthermore, the Investment Policy requires that all approved security types be limited by both allocation type and issuer concentration; with the exception of U.S. Treasury securities where there is no limitation. Meeder Public Funds provides investment advisory and management services for the County. Additionally, the County has retained The Bank of New York Mellon Trust Company, N.A. as bank custodian for the safekeeping of its securities. The County's unaudited investment balances as of June 30, 2024 are presented in Table 27 below.

Table 27
COUNTY OF MAUI
INVESTMENT BALANCES
(As of June 30, 2024)⁽¹⁾
(Dollar amounts in Millions)

<u>Type of Security</u>	<u>Book Value</u>	<u>% of Portfolio</u>
Federal Agency	\$355.5	48.6%
Treasury	344.0	47.0
Certificate of Deposits	31.8	4.3
Money Market Fund	0.4	0.1
Total	\$731.7	100.0%

⁽¹⁾ Audited

Source: County of Maui, Division of Treasury.

Cash Management and Liquidity

The primary objectives of the County's cash management and investment programs are to (1) ensure the safety and preservation of principal, (2) adequate liquidity to service obligations in a timely manner, and (3) generate returns comparable to the earnings of short-term Treasury market securities. The County employs multiple bank accounts with several institutions to facilitate receiving funds, satisfying obligations, and investing

in securities. As of June 30, 2024, the County had approximately \$187.3 million cash in its operating bank accounts and \$731.7 million in its investment account. At the June 2024 cash utilization rate of \$78.6 million per month, the available cash on hand as of June 30, 2024 was sufficient to pay the County's obligations for more than two months assuming no revenues. Revenues, in months without real property tax receipts such as June 2024, were roughly \$31.4 million. As of June 2024, the value of the investment portfolio, if liquidated, was estimated at approximately \$719 million in cash which, when combined with the County's available cash in various other accounts, was estimated at approximately 11.5 months of liquidity assuming, no other revenues were collected. Having close to one year of liquid or highly liquid assets available to pay obligations (assuming no additional revenues) enables the County to be resilient to fluctuations in its tourist economy.

Reserve and Other Funds

The County maintains reserves in its General Fund and Emergency Fund. In general, any unappropriated surplus and any unencumbered balances of any appropriations in any fund at the end of any fiscal year will be available for appropriation for the succeeding fiscal years. All or a portion of the surplus may be transferred to any emergency fund or to a capital improvement reserve fund. No amounts transferred into emergency reserve or capital improvement reserve funds are deducted from amounts to be raised by taxes for ensuing years. The County's unassigned General Fund and Emergency Fund balances for the last five fiscal years are summarized below. See "COUNTY FINANCIAL INFORMATION – General Fund Performance – Budgeted and Actual Financial Information" herein.

Table 28
COUNTY OF MAUI
UNASSIGNED GENERAL FUND AND EMERGENCY FUND BALANCES
(as of dates shown)
(in Millions)

<u>As of June 30</u>	<u>Unassigned General Fund Balance</u>	<u>Emergency Fund Balance</u>	<u>Total</u>
2020	\$105.9	\$44.0	\$149.9
2021	103.3	49.3	152.6
2022	113.2	52.7	165.9
2023	166.4	56.0	222.4
2024	172.6	71.7	244.3

Source: County of Maui, Department of Finance.

Emergency Fund. In 2004, the County established an Emergency Fund for the purpose of funding costs associated with a public emergency threatening life, health, property, or the economic viability of the County. The fund is maintained separately from the General Fund and is available for appropriation only in the event of a declared emergency by the Mayor through a proclamation. Balances remaining in the fund at the end of a fiscal year do not lapse but accumulate from year to year. In 2012, the Mayor set a policy to increase the Emergency Fund to 20% of General Fund revenue, based on the Government Finance Officers Association best practice recommendation to have at least two months' worth of funds available in reserves. Such policy has not been approved by the County Council and could be changed.

The County has appropriated amounts from the Emergency Fund in connection with mitigation efforts relating generally to storm, flooding, the COVID-19 events and the Maui Wildfires. In September 2016, the County experienced heavy rains and major flooding and has appropriated \$5.9 million from the Emergency Fund, of which \$1.4 million was expended for damage repairs. In March 2020, in response to the COVID-19 pandemic, the County appropriated \$4.0 million from the Emergency Fund and expended a total of \$0.9 million for the purchase of personal protective equipment/supplies, grants to non-profit agencies to administer business

loan programs to small businesses, and janitorial, custodial and grounds maintenance services for various County facilities. In March 2021, due to the heavy rains and flooding, the County appropriated \$9.0 million from the Emergency fund.

As a result of the Maui Wildfires, the Mayor issued an Emergency Proclamation. In order to immediately respond to the needs of residents and mitigate further injuries and damages, the County transferred \$20 million from the Emergency Fund to the General Fund. While the County expects that many of its expenditures incurred for this emergency event will be reimbursed by Federal Emergency Management Administration (“FEMA”), the timing and amount of federal reimbursements is uncertain at this time. See “MAUI WILDFIRES” herein.

As of June 30, 2024, the balance in the Emergency Fund was approximately \$71.6 million. The County’s fiscal year 2024-25 adopted budget proposes increasing the Emergency Fund by \$20 million to bring it back to the same approximately funding level as it was prior to the August 2023 Wildfires. As of June 30, 2025 (unaudited), the County’s Emergency Fund balance is projected to be approximately \$88.3 million, which included appropriated but unspent amounts of approximately \$6.7 million. For fiscal year 2025-26, the County has budgeted an additional \$21.8 million into the Emergency Fund and estimates an ending balance of \$110.1 million.

Budgeted Financial Information

Table 29 below sets forth the County’s adopted budgets for the General Fund for fiscal years 2024-25 through 2025-26. In general, adopted budgets differ significantly from financial statements prepared in accordance with GAAP because they are prepared on a cash basis and may include other items not included in audited financial statements.

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Table 29
COUNTY OF MAUI
GENERAL FUND
ADOPTED BUDGETS FOR THE FOR FISCAL YEARS 2024-25 THROUGH 2025-26
(in Thousands)

	Adopted 2024-25	Adopted 2025-26
<u>REVENUES SOURCE:</u>	<u>County Budget</u>	<u>County Budget</u>
Taxes, Fees and Assessments		
Charges for current services	\$2,615.0	\$3,200.0
Fines, forfeits & penalties	2,000.0	3,000.0
General excise tax	60,000.0	70,000.0
Licenses, permits and other	9,022.0	9,522.0
Miscellaneous	800.0	800.0
Other intergovernmental	50.0	50.0
Public service company tax	7,000.0	8,000.0
Real property taxes	586,611.5	660,186.9
Special assessments	276.0	1,400.0
Transient accom. tax	60,000.0	65,000.0
Use of money & property	3,468.0	15,494.0
From Other Sources	-	
Bond/lapsed bond	59,850.0	17,680.0
Carryover savings	50,732.6	137,640.2
Interfund transfers	31,863.7	42,134.8
Total Revenues⁽¹⁾	\$874,288.8	\$1,034,107.9
 <u>EXPENDITURES:</u>		
Operating Expenditures		
Culture and recreation	42,033.9	42,939.9
General government	509,463.4	622,926.4
Highways, streets, transportation	11,505.1	14,448.2
Legislative	14,267.6	16,621.7
Public safety	168,491.8	181,191.1
Social welfare	35,516.0	76,491.7
Capital Expenditures	93,011.0	79,488.9
Total Expenditures	\$874,288.8	\$1,034,107.9

Source: County of Maui Budget Office.

The recovery from the Maui Wildfires has impacted the fiscal year 2025-26 general fund operating budget primarily through the funds included for the County's Office of Recovery (the "Office of Recovery"). According to the County's adopted budgets, the Office of Recovery was funded at \$53,355,397 in fiscal year 2025-26 compared to \$32,675,982 in fiscal year 2024-25, an increase of \$20,679,415. These funds are expected to be allocated to professional services to support management of federal funds, recovery planning, and recovery project implementation to supplement federal funds or to fund projects that do not receive federal funds. Office of Recovery funds are also expected to be used for grants to entities assisting in the recovery process, land acquisition, debris relocation from the temporary debris site to the permanent debris site, security, and others. The Office of Recovery expects to expand from eight positions to 15 funded positions in fiscal year 2025-26 to support ramping up recovery operations. These numbers do not include funds or staff associated with the CDBG-DR (as defined herein) allocation awarded to the county through the U.S. Department of Housing and Urban Development. See "MAUI WILDFIRES" herein.

Capital Improvement Program

The County updates its six-year capital improvement program (“CIP”) annually, developing the projects from plans and studies that guide the overall growth of the County. See Tables 30 and 31. The fiscal year 2026-31 capital improvement program identifies \$2.28 billion of capital projects, \$459 million of which are anticipated to arise in 2026. These projects are expected to be funded by bond proceeds, County funds, SRF loans, and grants. Tables 30 and 31 show major improvements by project types and community plan district expenditures as adopted for the fiscal year ending June 30, 2026 and the ensuing five fiscal years. The capital improvement program contemplates \$153.1 million of projects to be financed with general obligation bonds or SRF loans in fiscal year 2025-26 and \$340.0 million in fiscal years 2026-27 through 2030-31.

Table 30
COUNTY OF MAUI
SIX-YEAR CAPITAL IMPROVEMENTS BY PROJECT TYPE

Project Type	Fiscal Year 2026	Fiscal Year 2027-31	Total Cost
Drainage	\$22,200,000	\$63,350,000	\$85,550,000
Government Facilities	64,069,869	332,665,000	396,735,869
Other Projects	25,900,000	81,500,000	107,400,000
Parks and Recreation	22,350,000	172,300,000	194,650,000
Road Improvements	153,980,251	420,998,200	574,978,451
Sanitation	9,124,100	19,050,000	28,174,100
Wastewater	92,900,000	235,900,000	328,800,000
Water Supply	68,719,964	494,800,000	563,519,964
Total	459,244,184	1,820,563,200	2,279,807,384

Source: County of Maui Budget Office.

Table 31
COUNTY OF MAUI
SIX-YEAR CAPITAL IMPROVEMENTS BY DISTRICT

Community Plan District	Fiscal Year 2026	Fiscal Years 2027-31	Total Cost
Countywide	\$188,048,220	\$783,607,200	\$971,655,420
Hana	2,250,000	1,000,000	3,250,000
Kihei-Makena	29,350,000	124,137,000	153,487,000
Lana`i	1,775,000	750,000	2,525,000
Makawao-Pukalani-Kula	10,830,000	79,900,000	90,730,000
Moloka`i	14,169,964	44,190,000	58,359,964
Paia-Haiku	20,281,000	33,600,000	53,881,000
Wailuku-Kahului	138,290,000	442,223,000	580,513,000
West Maui	54,250,000	311,156,000	365,406,000
Total	459,244,184	1,820,563,200	2,279,807,384

Source: County of Maui Budget Office.

The CIP tables above include many recovery-related CIP projects identified and budgeted for to-date. These recovery-related CIP projects may be funded using federal recovery funds, including Community Development Block Grant – Disaster Recovery (“CDBG-DR”) funds, Hazard Mitigation Grant Program (“HMGP”) funds, disaster supplemental SRF funds, and Public Assistance (“PA”) funds. At this time the County is unaware of how much federal funding it will receive in total, but the table below gives funds encumbered to date, as well as expected minimum funds by source. The table only includes federal inflows to the County, and

does not include state and federal funds for recovery that did not or will not pass through the County. Also see “MAUI WILDFIRES” herein.

Table 32
COUNTY OF MAUI
RECOVERY RELATED FEDERAL INFLOWS AS OF JUNE 10, 2025

Funding Source	Federal Agency	Obligated	Expected Minimum
CDBG-DR ⁽¹⁾	HUD	\$1,639,381,000	\$1,639,381,000
HMGP ⁽²⁾	FEMA	-	24,695,657
SRF	EPA	-	86,804,173
PA ⁽³⁾	FEMA	\$30,854,888	100,000,000
RAISE Grant	USDOT	-	15,430,000
Title XVI Grant	DOI-BOR	-	15,622,013
Total		\$1,670,235,888	\$1,881,932,843

⁽¹⁾ Only a portion of CDBG-DR funds will be allocated to CIP projects. The HUD approved Action Plan identifies \$400,000,000 for Infrastructure and \$213,832,000 for Hazard Mitigation, which will primarily go towards CIP projects. Smaller amounts of other funding categories may also go toward funding CIP projects. For more details, see the Action Plan at www.mauirecovers.org/cdbgdr.

⁽²⁾ Applications for funding being reviewed by FEMA as of June 10, 2025.

⁽³⁾ Only a portion of PA funds will be allocated to CIP projects.

Budget Process

The Charter requires the Mayor on or before March 25 of each year to submit to the County Council an operating budget for the ensuing fiscal year, along with a capital program and an accompanying message. The operating budget and the capital program are prepared by the Mayor and Budget Office with the assistance of the Department of Finance. The operating budget presents a complete financial plan for the current operations of the County and its departments. The capital program contains capital improvements pending or proposed to be undertaken within the ensuing fiscal year and ensuing five fiscal years, together with the estimated cost of each improvement and pending or proposed method of financing. Chapter 46, HRS, was amended in 1993 to permit counties to prepare budgets on a one or two-year period. The Charter provides for one-year budgets.

The County maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget ordinance approved by the County Council. Activities of the General Fund, special revenue funds (except for special revenue – County funds), debt service fund, and capital projects fund are included in the annual budget ordinance.

Public hearings are required to be held by the County Council between April 1 and April 30 in the year of submission. The proposed operating budget and capital program are subject to review and amendment by the County Council. If, however, the County Council fails to pass an operating budget on or before June 10 of a given year, the Charter provides that the operating budget submitted by the Mayor will be deemed enacted as the operating budget for the ensuing fiscal year. The Charter further states that the Mayor may approve, disapprove, or line item veto the budget bill passed by the County Council within 10 days from the Mayor’s receipt of such bill. Thereafter, the County Council may, within 10 days after the bill is returned by the Mayor, override the Mayor’s veto by a two-thirds vote of the County Council’s entire membership. The Charter further states that the estimated revenues, proposed expenditures and total appropriations for the ensuing fiscal year shall be equal in amount.

Every appropriation, except an appropriation for a capital improvement or a grant, lapses at the close of the fiscal year to the extent the same has not been expended or encumbered by a written contract. An appropriation for a capital improvement remains in force until the purpose for which it was made has been accomplished or abandoned. Under the current Charter, an appropriation for a capital improvement will be

deemed abandoned six months after the close of the fiscal year to the extent that it has not been expended or encumbered by a written contract. Grant appropriations do not lapse until the end of the grant performance period.

The Charter provides that no payment may be authorized or made and no obligation incurred against the County except in accordance with appropriations duly made.

Debt Management and Related Policy and Practices

In addition to the practices required by State law, the County has a comprehensive Debt Management Policy that among other things requires unassigned fund balance and emergency reserves shall be maintained at 20% or higher of General Fund expenditures, limits the ratio of annual governmental debt service to general governmental expenditures to not more than 12%, the ratio of net bonded debt to assessed property value to not more than 3%, the ratio of total debt outstanding to not exceed 150% of Governmental revenues, and requires the County maintain a 10 year debt principal pay down ratio of 50%. These policies may be amended at any time and the County may decide to take actions that are exceptions to such policies. The County also requires the County Treasurer to prepare an annual Debt Report to confirm compliance with the Debt Management Policy. Quarterly financial reports are also provided to County Council.

The County Debt Management Policy also allows for temporary interfund loans or transfers from the County General Fund to the Bond Fund to fund approved capital improvement projects if financially advantageous to the County with the following limitations: actual expenditures up to \$150 million shall be reimbursed or repaid from future bond proceeds within eighteen months after the later of the date of the transfer or the date that the public improvement funded by the transfer or loan was placed in service, but in no event later than three years after the expenditure has been made. The amount of such temporary transfers or loans will not exceed the amount of general obligation bonds or notes authorized but not issued.

Employee Relations

The State Constitution grants public employees the right to organize for the purpose of collective bargaining as provided by law. Chapter 89, HRS, provides for 15 recognized bargaining units for all public employees throughout the State, including County employees. Eight of these bargaining units represent County employees, each of which designates an employee organization as the exclusive representative of all employees of such unit in negotiations with the public employer. The State and the counties are required to bargain jointly with all eight of these bargaining units. Decisions by the employer representatives are determined by a majority of the votes cast. Under statutes, the governor holds a number of votes sufficient to ensure that the governor cannot be outvoted. Thus, by way of example, where the employer representatives consist of the governor and the mayors of the State's four counties, the governor holds four votes, and each of the four mayors holds one vote.

In the event of an impasse, the only union permitted by law to conduct an employee strike against the County is bargaining unit 1, which represents the County's non-supervisory employees in blue collar positions. In the case of all other bargaining units (as identified on Table 33 on the next page), an impasse is required to be resolved through mediation, fact finding, and compulsory "final and binding arbitration." Although HRS Chapter 89 characterizes arbitration as "final and binding," it also provides that all cost items are subject to approval by the respective legislative bodies of the State and each county.

As of June 30, 2025, 2,271 County employees are represented by eight public employee bargaining units, as set forth in Table 33 on the next page. These do not include elected and appointed officials, exempt attorneys, Play and Learn Sessions program's seasonal employees, school crossing guards, and contractual hires as well as other excluded personnel.

Table 33
COUNTY OF MAUI
BARGAINING UNITS
as of June 30, 2025

Bargaining Unit	Number of Employees Covered	Contract Expiration Date
Unit 1-blue collar (nonsupervisory)	693	6/30/2029
Unit 2-blue collar (supervisory)	44	6/30/2029
Unit 3-white collar (nonsupervisory)	475	6/30/2029
Unit 4-white collar (supervisory)	28	6/30/2029
Unit 11-firefighters	316	6/30/2025 ⁽¹⁾
Unit 12-police	299	6/30/2025 ⁽¹⁾
Unit 13-professional and scientific	331	6/30/2029
Unit 15-ocean safety officers	<u>85</u>	6/30/2025 ⁽¹⁾
Total	2,271	

⁽¹⁾ The County is currently negotiating, or expects to negotiate, new labor agreements; however, the County is unable to predict when a new labor agreement will be executed.

Source: County of Maui, Department of Finance.

The County Salary Commission approved increases for all appointed and elected officials effective July 1, 2025.

From time to time, grievances are filed by bargaining units against the County. While there are currently several grievances outstanding, the County does not consider them material. The County recently negotiated a settlement of certain temporary hazard pay issues; the funds have been allocated in the fiscal year 2025-26 budget.

State Employees' Retirement System

This section contains certain information relating to the Employees' Retirement System of the State of Hawai'i (the "System" or "ERS"), derived primarily from information produced by the System, its independent accountant, and its actuary. The County has not independently verified the information provided by the System, its independent accountant, and its actuary, and makes no representations nor expresses any opinion as to the accuracy of such information. The comprehensive annual financial report of the System and most recent valuation report of the System may be obtained by contacting the System. The comprehensive annual financial reports of the System are also available on the State's website at <http://portal.eHawaii.gov>, and other information about the System is available on the System's website at <http://ers.eHawaii.gov>. Such documents and other information are not incorporated herein by reference.

All eligible employees of the County are covered under the ERS, a cost-sharing, multiple-employer defined benefit pension plan that provides retirement, disability and death benefits funded by employee contributions and by employer contributions determined on an actuarial reserve basis. Employees are covered under a contributory plan, a noncontributory plan, or a hybrid plan. Actuarial valuations are prepared annually by the consulting actuary to the ERS's Board of Trustees to determine the employer contribution requirement. In a cost-sharing, multiple employer arrangement, the plan's assets can be used to pay the benefits for the retirees of any participating employer.

The System uses a variety of assumptions to calculate the total pension liability, net pension liability, annual pension expense and other actuarial calculations and valuations of the System and, in turn, to attribute a share of its liabilities and costs to participating employers, including the County. No assurance can be given that any of the assumptions underlying such calculations and valuations will reflect the actual results experienced by

the System. Actuarial assessments are “forward-looking” information that reflect the judgment of the fiduciaries of the pension plans, and variances between the assumptions and actual results may cause an increase or decrease in, among other things, the System’s total pension liability, net pension liability or funded ratio and, in turn, the County’s share of the System’s costs and liabilities. Actuarial assessments will change with the future experience of the pension plans. See “—General Information on the System” and “—Actuarial Valuation” herein for more information on the actuarial assumptions used by the System.

General Information on the System. The statutory provisions of HRS Chapter 88 govern the operation of the System. Responsibility for the general administration of the System is vested in a Board of Trustees, with certain areas of administrative control being vested in the State Department of Budget and Finance. The Board of Trustees consists of eight members: Director of Finance of the State, ex officio; four members of the System (two general employees, one teacher, and one retiree) who are elected by the members of the System; and three citizens of the State (one of whom shall be an officer of a bank authorized to do business in the State, or a person of similar experience) who are appointed by the Governor and may not be employees of the State or any county. All contributions, benefits and eligibility requirements are established by statute, under HRS Chapter 88, and may only be amended by legislative action.

The ERS provides retirement, disability, and death benefits that are covered by the provisions of the noncontributory, contributory, and hybrid retirement plans.

The three plans provide a monthly retirement allowance equal to the benefit multiplier (generally 1.25% or 2%) multiplied by the average final compensation (“AFC”) multiplied by years of credited service. The benefit multiplier decreased by 0.25% for new hybrid and contributory plan members hired after June 30, 2012. For members hired before January 1, 1971, AFC is the higher of the average salary earned during five highest paid years of service, including the payment of salary in lieu of vacation, or the three highest paid years of service excluding the payment of salary in lieu of vacation. For members hired on or after January 1, 1971 and before July 1, 2012, AFC is based on the three highest paid years of service, excluding the payment of salary in lieu of vacation. For members hired after June 30, 2012, AFC is based on the five highest paid years of service, excluding the payment of salary in lieu of vacation.

For members hired before July 1, 2012, the original retirement allowance is increased by 2.5% each July 1 following the calendar year of retirement. This cumulative benefit is not compounded and increases each year by 2.5% of the original retirement allowance without a ceiling (2.5% of the original retirement allowance the first year, 5.0% the second year, 7.5% the third year, etc.). For members hired after June 30, 2012, members receive a 1.5% increase each year of their original retirement allowance without a ceiling (1.5% of the original retirement allowance the first year, 3.0% the second year, 4.5% the third year, etc.)

Retirement benefits for certain groups, such as police officers, firefighters, some investigators, sewer workers, judges, and elected officials, vary from general employees. Further details of the benefits provisions of the pension plans may be found in the County’s Annual Comprehensive Financial Report and in the financial and actuarial reports of the System. The System is funded from contributions by employers and, for the contributory and hybrid plans, by employees as well. Employer contribution rates are set by statute.

The County’s pension expense and liability is directly dependent on the overall performance and condition of the ERS. This section provides additional information on the System. While the ERS has adopted Governmental Accounting Standards Board (“GASB”) Statement No. 67 (“GASB 67”), and all of its participating employers, including the County, have adopted GASB Statement No. 68 (“GASB 68”), the System’s actuary continues to provide an annual actuarial valuation report that is based on the provisions of Chapter 88, HRS, and the actuarial assumptions adopted by the ERS Board of Trustees. This actuarial valuation report determines whether current employer contribution rates are adequate to ensure that the System’s Unfunded Actuarial Accrued Liability (“UAAL”) can be funded over a period not exceeding 30 years, describes the financial condition of the ERS, and analyzes changes in the ERS’s condition. The information presented in this section is derived from the 2024 Valuation Report, presenting the actuarial position of the ERS as of June 30,

2024. The valuations are prepared on an annual basis, as of June 30th of each year, which is the last day of ERS's plan year and fiscal year.

Member data for retired, active, and inactive participants was supplied by ERS's staff and have not been subjected to any auditing procedures. Based on the 2024 Valuation Report, the System's membership comprised approximately 65,337 active employees. As of January 31, 2025, 6,937 were living in the County, 9,804 inactive members and 5,037 retirees and beneficiaries. For the State of Hawaii the number of active members increased by 1,094 members from 64,243 in the prior fiscal year. These 65,337 active members are categorized as follows:

Category	Number	% of Total
Police & Fire	4,791	7.3%
Contributory	407	0.6
Noncontributory	8,015	12.3
Hybrid	52,124	79.8

Average age of the active members decreased from 48.0 last year to 47.9 this valuation and the average service decreased from 13.1 to 12.9 years.

Funded Status. The statutory employee and employer contribution rates are intended to provide for the normal cost plus the amortization of the UAAL over a period not in excess of 30 years. Based on the current employer contribution rates of 41.00% for police and fire employees and 24.00% for all other employees, the future contribution rates established in statute (See "—Funding Policy" below), and the new benefit tier for employees hired after June 30, 2012, the actuary has determined that, as of the 2024 Valuation Report, the remaining amortization period is 22 years.

Based on the 2024 Valuation Report, the UAAL increased to \$14,008 million, compared to \$13,710 million in 2023. The financial market performance fell short of the 7.00% projected rate of return, resulting in 6.55% on the market value of assets for fiscal year 2024, compared to 3.81% in fiscal year 2023. The funded ratio was 63.0% in fiscal year 2021 based on smoothed assets and is higher than the funded ratio in the previous valuation of 62.2%. Based on the assumptions used in preparing the 2024 Valuation Report, the actuary determined that, as of the 2024 Valuation Report, the remaining amortization period was 22 years, a decrease of 1 year from the valuation as of June 30, 2023. See "Actuarial Valuation" below.

Funding Policy. Act 17, SLH 2017, which became effective July 1, 2017, established the employer contribution rates set forth below. These contributions rates were increased to bring the System's funding period within 30 years. The employer contribution rate for police officers and firefighters was 41% of total payroll, while all other employees was 24% of total payroll. These employer contribution rates have been unchanged since July 1, 2020.

Under the contributory plan, police officers, firefighters, and corrections officers are required to contribute 12.2% of their salary to the plan and most other covered employees are required to contribute 7.8% of their salary. Under the hybrid plan, covered employees are generally required to contribute 6.0% of their salary to the plan, with sewer workers in specified classifications, water safety officers and emergency medical technicians required to contribute 9.75% of their salary. Effective July 1, 2012, contribution rates for newly hired employees covered under the contributory and hybrid plan increased by 2% pursuant to Act 163, SLH 2011, such that the corresponding contribution rates for new employees as discussed in this paragraph became 14.2%, 9.8%, 8.0% and 11.75%, respectively. Employees covered under the noncontributory plan do not make contributions.

Actuarial Methods. The System's actuary uses the individual entry age normal cost method. The most recent valuation was performed for the fiscal year beginning July 1, 2023 and ending June 30, 2024.

Since the State statutes governing the System establish the current employee and employer contribution rates, the actuarial valuation determines the number of years required to amortize (or fund) the UAAL. For the June 30, 2024 valuation, this determination was made using an open group projection to reflect both the increasing contribution rates and the changes in benefits for members hired after June 30, 2012.

Because of this amortization procedure, any change in the unfunded actuarial accrued liability due to (i) actuarial gains and losses, (ii) changes in actuarial assumptions or (iii) amendments, affects the funding period.

A part of the normal cost is paid by the employee contributions of 12.82% of pay for Police and Firefighters, leaving 14.30% of pay to be funded by the employers. Thus, the current year's employer normal cost for Police and Firefighters is deemed to be 14.30% of the valuation payroll. As for the All Other Employees group, the average weighted effective employee contribution rate is 6.08% of pay, leaving 6.85% of pay to be funded by the employers. Because of the changes enacted in 2011 (increases in the employer contribution rates and new benefits and contribution rates for members hired after June 30, 2012), the percentage of payroll available to amortize the unfunded actuarial liabilities is expected to increase each year for the foreseeable future.

Actuarial Valuation. The actuarial value of assets is equal to the market value, adjusted for a four-year phase-in of actual investment return in excess of or below expected investment return. The actual return is calculated net of investment and administrative expenses, and the expected investment return is equal to the assumed investment return rate multiplied by the prior year's market value of assets, adjusted for contributions, benefits paid, and refunds. The actuarial value of assets has been based on a four-year smoothed valuation that recognizes the excess or shortfall of investment income over or under the actuarial investment yield rate assumption. The actuarial asset valuation method is intended to smooth out year to year fluctuations in the market return. The excess or shortfall in the actual return during the year, compared to the investment yield rate assumption, is spread over this valuation and the next three valuations.

The System's actuary uses certain assumptions (including rates of salary increase, probabilities of retirement, termination, death and disability, and an investment yield rate assumption) to determine the amount that an employer must contribute in a given year to provide sufficient funds to the System to pay benefits when due. The Board of Trustees periodically evaluates and revises the assumptions used by the System for actuarial valuations, including by commissioning experience studies to evaluate the actuarial assumptions to be used by the System. The actuarial assumptions used in the 2024 Valuation Report were adopted by the Board of Trustees in August of 2022 based on the recommendations provided by the System's actuary in the most recent experience study dated June 14, 2022.

Table 34
INVESTMENT RETURNS

<u>Fiscal Year</u>	<u>Percentage</u>
2013	12.6%
2014	17.9
2015	4.0
2016	-1.2
2017	13.7
2018	7.8
2019	5.7
2020	2.1
2021	26.9
2022	0.8
2023	3.8

Source: System's Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2023.

The employee and employer contribution rates have been set by law and are intended to provide for the normal costs of the System and to amortize the UAAL over a reasonable amount of time, which will ensure benefit security and intergenerational equity. The funding period is the number of years until the UAAL is fully amortized. HRS 88-122(e)(1) state that the employer contribution rates are subject to adjustment when the funding period is greater than the maximum funding period. The statutes were modified by the 2024 Hawaii Legislature to decrease the maximum funding period from 30 years to 25 years in 2024. In addition, the maximum funding period will decrease by 1 each year in the future until the maximum funding period reaches 20 years, at which point it will continue to be 20 years for all future years.

As was realized in the 2022 Valuation Report, the contributions into System are directly tied to the covered payroll of the active membership and the projection of that payroll is used in determining the funding period. If the headcount were to decline, it would be difficult for the amount of future revenue to meet the current expectations and thus it would likely take more than 22 years to fully amortize the UAAL.

Table 35 shows the System's funding progress for the ten most recent actuarial valuation dates. Table 36 shows the System's projected funding progress through the fiscal year ending June 30, 2050. The projection assumes no actuarial gains or losses in the actuarial liabilities or the actuarial value of assets. In addition, the projection reflects the changes made to the benefits and member contribution rates of employees hired after June 30, 2012, but does not consider the increased employer contributions required by Act 17, SLH 2017.

Table 35
SCHEDULE OF FUNDING PROGRESS
(Dollar amounts in Millions)

Fiscal Year (June 30)	Actuarial Value of Assets (a)	Actuarial Value of Liability (b)	Unfunded Actuarial Accrued Liability (b)-(a)	Funded Ratio (a)/(b)	Annual Covered Payroll (c)	UAAL as a Percentage of Payroll ((b)-(a))/(c)
2015*	\$14,463.7	\$23,238.4	\$8,774.7	62.2%	\$4,171.4	210.4%
2016*	14,998.7	27,439.2	12,440.5	54.7	4,258.9	292.1
2017	15,720.6	28,648.6	12,928.0	54.9	4,265.0	303.1
2018	16,512.7	29,917.4	13,404.7	55.2	4,383.7	305.8
2019*	17,322.2	31,396.4	14,074.3	55.2	4,519.7	311.4
2020	18,084.4	32,691.8	14,907.4	55.3	4,630.2	315.5
2021	19,909.8	34,139.2	14,229.4	58.3	4,783.8	297.5
2022*	21,317.8	34,822.8	13,504.9	61.2	4,614.0	292.7
2023	22,514.9	36,224.6	13,709.7	62.2	4,805.3	285.3
2024	23,841.0	37,849.5	14,008.5	63.0	5,084.7	275.5

* New assumption effective on valuation date.

Source: 2024 Valuation Report.

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Table 36
PROJECTED FUNDING PROGRESS*
(Dollar amounts in Millions)

Fiscal Year (ending June 30)	Employer Contributions	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio
2024	\$1,315	\$37,850	\$23,841	\$14,008	63.0%
2025	1,345	39,170	25,140	14,030	64.2
2026	1,383	40,479	26,460	14,019	65.4
2027	1,420	41,784	27,814	13,970	66.6
2028	1,459	43,083	29,204	13,880	67.8
2029	1,500	44,380	30,637	13,743	69.0
2030	1,541	45,673	32,116	13,557	70.3
2031	1,582	46,962	33,646	13,316	71.6
2032	1,629	48,247	35,231	13,016	73.0
2033	1,676	49,526	36,878	12,649	74.5
2034	1,724	50,801	38,591	12,210	76.0
2035	1,774	52,073	40,381	11,692	77.5
2036	1,825	53,342	42,253	11,088	79.2
2037	1,879	54,609	44,217	10,392	81.0
2038	1,935	55,877	46,283	9,594	82.8
2039	1,993	57,150	48,463	8,687	84.8
2040	2,053	58,431	50,771	7,660	86.9
2041	2,116	59,728	53,223	6,505	89.1
2042	2,181	51,043	55,833	5,209	91.5
2043	2,248	62,380	58,616	3,763	94.0
2044	2,318	63,744	61,590	2,154	96.6
2045	2,390	65,140	64,773	367	99.4
2046	2,465	66,573	68,181	(1,609)	102.4
2047	2,542	68,047	71,837	(3,789)	105.6
2048	2,662	69,571	75,761	(6,191)	108.9
2049	2,704	71,149	79,979	(8,830)	112.4
2050	2,789	72,785	84,512	(11,727)	116.1
2051	2,876	74,484	89,383	(14,900)	120.0
2052	2,966	76,248	94,617	(18,370)	124.1
2053	3,059	78,080	100,240	(22,160)	128.4

* Assumes all actuarial assumptions exactly met, including a 7.00% annual return on the current actuarial value of assets. No assurance can be given that any of such assumptions will reflect the actual results experienced by the System. Actuarial assessments are “forward-looking” information that reflect the judgment of the fiduciaries of the System, and variances between the assumptions and actual results may cause an increase or decrease in, among other things, the System’s actuarial accrued liability, actuarial value of assets or funded ratio.

Source: 2024 Valuation Report.

The total assets of the System on a market value basis available for benefits amounted to approximately \$15.7 billion as of June 30, 2017, \$16.6 billion as of June 30, 2018, \$17.2 billion as of June 30, 2019, \$17.385 billion as of June 30, 2020, and \$21.9 billion as of June 30, 2024. Actuarial certification of assets as of June 30, 2017 was \$15.7 billion, as of June 30, 2018 was \$16.5 billion, as of June 30, 2019 was \$17.3 billion, as of June 30, 2020 was \$18.1 billion, and as of June 30, 2024 was 19.9 billion.

The following table shows a comparison of the actuarial value of assets (“AVA”) to the market values, the ratio of the AVA to market value and the funded ratio based on AVA compared to funded ratio based on market value assets:

Table 37
ACTUARIAL VALUE OF ASSETS
(Dollar amounts in Millions)

Fiscal Year (ending June 30)	Actuarial Value of Assets	Market Value of Assets	Market Value as Percentage of AVA	Funded Ratio (AVA)	Funded Ratio (Market Value)
2014	\$13,642	\$14,203	104.1%	61.4%	63.9%
2015	14,464	14,506	100.3	62.2	62.4
2016	14,999	14,070	93.8	54.7	51.3
2017	15,721	15,698	99.9	54.9	54.8
2018	16,513	16,598	100.5	55.2	55.5
2019	17,322	17,227	99.5	55.2	54.9
2020	18,084	17,386	96.1	55.3	53.2
2021	19,910	21,936	110.2	58.3	64.3
2022	21,318	21,855	102.5	61.2	62.8
2023	22,515	22,425	99.6	62.2	61.9
2024	23,841	22,515	94.4	63.0	62.6

Source: 2014-24 Valuation Reports.

As of June 30, 2024, the UAAL of the System was \$14.008 billion, an increase from \$13.710 billion as of June 30, 2023. The following table shows the normal cost (which means the annual cost of providing retirement benefits for services performed by today's members) as a percentage of payroll, employee contribution rate and effective employer normal cost rate for the two groups of covered employees for fiscal years 2023 and 2024:

Table 38
NORMAL COST

	June 30					
	2023			2024		
	Police and Firefighters	Other Employees	All Employees	Police and Firefighters	Other Employees	All Employees
Normal cost as % of payroll:	27.21%	12.94%	14.57%	27.12%	12.93%	14.51%
Employee contribution rate:	12.78	5.92	6.71	12.82	6.08	6.83
Effective employer normal cost rate:	14.43	7.02	7.86	14.30	6.85	7.68

Source: 2024 Valuation Report.

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The following table shows the annual actual contributions as of the last ten valuation dates. Employer contribution rates are set prospectively by the statute and, accordingly, may be greater or less than the ARC in any given year.

Table 39
SCHEDULE OF EMPLOYER CONTRIBUTIONS
(in Thousands)

June 30	Actual Contribution⁽¹⁾
2015	\$717,793
2016	756,558
2017	781,244
2018	847,595
2019	922,635
2020	1,098,589
2021	1,281,559
2022	1,242,139
2023	1,274,221
2024	1,396,332

⁽¹⁾ Excludes County-paid employee contributions classified as employer contributions pursuant to IRC Section 414(h)(2).
Source: 2024 Valuation Report.

Asset Allocation. The following table shows the allocation of cash and investments of the System as of June 30, 2024 and June 30, 2023.

Table 40
ALLOCATION OF CASH AND INVESTMENTS

Type	June 30, 2024	June 30, 2023
Cash and short-term equivalents	3.5%	2.2%
Fixed income securities	22.1	15.7
Equity securities	22.3	23.6
Real estate	18.1	16.8
Other	34.0	41.7
Total Investment	100.0	100.0

Source: 2024 Valuation Report.

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Employer Contribution Rate. Table 41 provides the total actuarially determined employer contribution rate for all employees based on the last five annual actuarial valuations.

Table 41
EMPLOYER CONTRIBUTION RATES

Actuarial Valuation as of June 30	Total Calculated Employer Contribution Rate for all Employees (% of total payroll)*	Funding Period (Years)
2020	26.00%	26
2021	25.94	24
2022	25.92	24
2023	25.89	23
2024	25.85	22

* Reflects Sections 88-105, 88-122, 88-123, 88-124, 88-125, 88-126, HRS, as amended.

Source: 2024 Valuation Report.

The decrease in the funding period was due in part to gains on the investments and expected increases in future contributions caused by increase in covered payroll. The 2024 Hawaii Legislature to decrease the maximum funding period from 30 years to 25 years in 2024. In addition, the maximum funding period will decrease by 1 each year in the future until the maximum funding period reaches 20 years, at which point it will continue to be 20 years for all future years.

Summary of Actuarial Certification Statement. A summary of the actuarial certification of the System as of June 30, 2023 and June 30, 2024 is set forth below:

Table 42
EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII
Summary of Actuarial Certification as of June 30, 2023 and 2024
(Includes all counties)

ASSETS	2023	2024
Total current assets	\$22,514,931,693	\$23,841,039,344
Present value of future employee contributions	3,157,666,999	3,408,930,058
Present value of future employer normal cost contributions	2,952,738,757	3,023,972,971
Unfunded actuarial accrued liability	13,709,685,560	14,008,478,391
Present value of future employer Early Incentive Retirement Program contribution	N/A	N/A
TOTAL ASSETS	\$42,335,023,009	\$44,282,420,764
LIABILITIES		
Present value of benefits to current pensioners and beneficiaries	\$20,428,643,371	\$21,210,723,793
Present value of future benefits to active employees and inactive members	\$21,906,379,638	\$23,071,696,971
TOTAL LIABILITIES	\$42,335,023,009	\$44,282,420,764

Source: 2023 and 2024 Valuation Reports.

County Pension Obligations. Each employer’s (i.e., the State’s or a county’s) annual contribution to the ERS is determined by multiplying (1) the total employer contribution requirement derived from the annual actuarial valuation as of the next preceding June 30, by (2) the ratio of that employer’s (i.e., the State’s and each of the respective county’s) payroll over the total covered payroll included in the actuarial valuation. For example, the County’s contribution requirement for the 2024-25 fiscal year is based on the June 30, 2024 actuarial valuation and the payroll used in that valuation.

Gabriel, Roeder, Smith & Company (“GRS&C”) prepared reports to the ERS in connection with the GASB 67 “Financial Reporting for Pension Plans” and Statement No. 68 “Accounting and Financial Reporting for Pensions”. The GASB 68 information shown in the 2023 GASB 67/68 Report (the “2023 GASB 67/68 Report”) and the 2022 GASB 67/68 Report (the “2022 GASB 67/68 Report”) was determined as of June 30, 2023 and June 30, 2024, respectively, but employers such as the County have used this information in its audited financial statements for the fiscal year ended June 30, 2024 and the fiscal year ending June 30, 2023, respectively. A summary of the County’s proportionate share of the net pension liability (based on a 7.0% investment rate) and net pension expense as of June 30, 2023 and June 30, 2024 is provided below:

Table 43
COUNTY OF MAUI
PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND NET PENSION EXPENSE

June 30	% Proportionate Share	Proportionate Share of Net Pension Liability	Proportionate Share of Pension Expense
2023	4.41%	\$572,349,949	\$ 42,484,915
2024	4.75	655,832,887	67,226,133

Source: County of Maui Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2024.

The following table presents the County’s contribution to the ERS costs for the last five fiscal years:

Table 44
COUNTY OF MAUI
ANNUAL PENSION COSTS

June 30	Contribution to State Retirement System Cost (in Millions)
2020	\$48.4
2021	55.8
2022	54.1
2023	64.3
2024	69.4

Source: County of Maui Annual Comprehensive Financial Report.

In 2016, GASB voted to approve Statement No. 82 (“GASB 82”), addressing issues regarding (1) the presentation of payroll-related measures in required supplementary information included in the County’s audited financial statements, and (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee contribution requirements. The requirements of GASB 82 were effective for the County’s reporting periods beginning after June 15, 2016. The County has adopted certain requirements of GASB 82, resulting in the reclassification of payments made by the County to satisfy employee contribution

requirements that were previously deferred in the period for which the contributions were assessed and recorded as expenses in the subsequent fiscal year.

Recent Developments. Act 19 Session Laws of Hawaii, 2018 (“Act 19”) signed into law by then-Governor Ige on June 6, 2018, allows the State and counties to pay employer contributions to the ERS in advance of the fiscal year in which the contributions are required and to receive credit against future required payments. Act 19 does not require separate accounts to be established or maintained for each contributing entity that would restrict the use of such funds to only the particular employees of the contributing entity. Act 19 acknowledges that for purposes of the standards of the Government Accounting Standards Board, the ERS is a cost-sharing multiple-employer pension plan in which the pension obligations to the employees of the State and the counties are pooled and the assets of the ERS can be used to pay the pensions of all State and county employees who are members of the system.

The COVID-19 pandemic resulted in a significant decline in ERS’ asset values in the first quarter of 2020, which was the worst first quarter in history. Beginning in the second calendar quarter of 2020 financial markets and asset values appreciably recovered in 2020 and have surpassed previous high levels through 2021. The ERS finished the Fiscal Year ended June 30, 2020, positive 1.26%. In Fiscal Year 2021, the financial markets returned a very positive result of 26.90% on the System’s market value of assets, significantly above the benchmark of 7.0%. This large gain resulted in a decrease in the UAAL for the first time since 2007. However since January 2022, the economy and the financial markets have underperformed compared to the benchmark.

As discussed above, HRS 88-122(e)(1) state that the employer contribution rates are subject to adjustment when the funding period is greater than the maximum funding period. The statutes were modified by the 2024 Hawaii Legislature to decrease the maximum funding period from 30 years to 25 years in 2024. In addition, the maximum funding period will decrease by 1 each year in the future until the maximum funding period reaches 20 years, at which point it will continue to be 20 years for all future years.

The County cannot predict the future investment returns of ERS and its assets, or the County’s future funding obligations to ERS. The ERS issues a Comprehensive Annual Financial Report that may be obtained by writing to the Employees’ Retirement System of the State of Hawai‘i, 201 Merchant Street, Suite 1400, Honolulu, Hawai‘i 96813.

Health Care Benefits

All regular employees of the County are eligible for coverage under health plans provided through the State of Hawai‘i Public Employer-Union Health Benefit Trust Fund (the “Trust Fund”), which was established in 2003 to design, provide and administer health and other benefit plans for State and county employees, retirees and their dependents. The Trust Fund is administered by a ten-member Board of Trustees appointed by the Governor (the “Board”) comprised of five union representatives and five management representatives. The Board is responsible for determining the nature and scope of health plans offered by the Trust Fund, negotiating and entering into contracts with insurance carriers, ruling on eligibility and establishing management policies for the Trust Fund and overseeing Trust Fund activities. The Trust Fund currently provides medical, prescription drug, dental, vision, chiropractic and group life benefits. Benefits with respect to regular employees are funded by a combination of employer contributions set by collective bargaining agreement or by executive order (with respect to non-union employees) and employee contributions through payroll deductions. Benefits for retirees are funded by a statutory formula.

In recent years, public and private health plan providers nationwide and in Hawai‘i, including the Trust Fund, have experienced substantial increases in health care costs. In the case of the Trust Fund, the current fiscal situation faced by the State and county employers has made it extremely difficult for the employers to increase employer contributions for health benefits in order to maintain the historical employer- employee contribution ratio. In the past, the Board has attempted to mitigate health plan rate increases by modifying benefits, and employees have been required to bear a larger share of the increased rates. The County cannot predict what

actions will be taken (including changes to future plan benefits or employer-employee contribution rates) to address the impact of rising health care costs on the Trust Fund or what financial effects such changes may have on the County.

Other Post-Employment Benefits (OPEB)

The following section contains information obtained from (1) the actuarial report dated January 15, 2025 (the “OPEB Actuarial Report”), of GRS&C relating to the EUTF (as defined below), and (2) a GASB Statement No. 75 report relating to the County’s OPEB, dated September 5, 2024, also prepared by GRS&C (the “GASB 75 Report”). GRS&C has performed an actuarial analysis of the County’s OPEB as of July 1, 2024. The County has reviewed the information provided below and has no reason to believe that such information is not accurate; however actuarial valuations include significant assumptions as to future events and actual results are likely to vary from those assumptions. Reference is made to Note 12 to the County’s audited financial statements attached as Appendix A for additional information regarding other postemployment benefits because of County employees, and this Section should be read in conjunction with such information.

The State and its subdivisions (including the County) provide healthcare benefits to public employees, retirees, and their dependents through the Hawaiʻi Employer-Union Health Benefits Trust Fund (the “EUTF”). As an agency of the State, the EUTF contracts with providers of medical, dental, vision, and life insurance plans.

The provisions for coverage and eligibility of benefits are set forth in Chapter 87A, HRS. Generally, retirees and their dependents may receive health care coverage if they are eligible for their employer’s public pension system. Employers make contributions to the EUTF based on an employee’s hire date and years of service. Retirees pay the portion of the premium not paid by the employer. These retiree healthcare benefits constitute other postemployment benefits (“OPEB”). For active employees, the employee’s contributions are based upon negotiated collective bargaining agreements. Employer contributions for employees not covered by collective bargaining agreements and for retirees are prescribed by the HRS.

The plan is an agent multiple-employer plan, which means that the assets of the County deposited with the EUTF can only be used to pay benefits for the County’s retirees. Additionally, the County’s unfunded actuarial accrued liability and annual required contribution for retiree medical benefits are determined based solely on the County’s membership and assets.

The County, along with most other governments, previously followed a “pay as you go” accounting approach in which the cost of benefits was not reported until after employees retire. GASB now requires the development of an Annual Required Contribution (“ARC”) each year based on a plan’s assets and liabilities. The ARC is the basis for determining the Annual OPEB Cost (“AOC”), which is the amount employers recognize as annual expense. Although GASB does not actually require pre-funding, the portion of the ARC that is not funded each year accumulates as a liability on an employer’s financial statements. The ARC represents the level of funding which, if paid on an ongoing basis, is projected to cover current costs annually (or the normal cost) and to amortize the unfunded Actuarial Accrued Liabilities (“AAL”) over a period not to exceed 30 years.

The County contributed 100% of the ARC to the Trust Fund for fiscal years 2007-08 and 2008-09 (the ARC for fiscal year 2008-09 was paid in fiscal year 2009-10), including the current costs for such years and the additional amount to provide for the amortization of the unfunded AAL. In April 2010, certain information became available from the State’s actuary concluding that the Trust Fund was not in compliance with GASB 43. In light of the implications, the County did not contribute its net OPEB obligation funds to the Trust Fund from fiscal year 2009-10 through fiscal year 2012-13, opting to allow the Trust Fund to resolve the actuary’s concerns. Instead, for fiscal years 2009-10 through 2012-13, the County deposited amounts into its internally-held Post Employment Obligations Fund, where the funds accrued interest until such funds were transferred to the Trust Fund.

In July 2013, Governor Abercrombie signed Act 268 into law. Act 268 created a separate trust fund (the “OPEB Trust”) as of June 30, 2013, specifically for prefunding a participating employer’s OPEB benefits. Previous prefunding contributions and related net investment earnings were transferred to each employer’s respective OPEB Trust account. Employer contributions to the OPEB Trust are irrevocable, and all assets of the fund will be dedicated exclusively to providing health and other benefits to retirees and their beneficiaries. The assets of the OPEB Trust will not be subject to appropriation for any other purpose and will not be subject to claims by creditors of the employers or the trustees of the fund or the plan administrator.

In June 2014, the County transferred approximately \$97.2 million to the OPEB Trust from the County’s internally-held Post Employment Obligations Fund. The contribution increased the assets of the plan by over 300%. As of the July 1, 2024 valuation date, the County’s assets in the Trust Fund were valued at \$538.1 million.

Act 268 establishes an ARC equal to (a) the normal cost, plus (b) an amortization payment to fund the AAL over a period of 30 years (the ARC prefunding portion). Moreover, Act 268 requires employers to contribute 100% of the ARC prefunding portion starting in fiscal year 2018-19. As further described below, the County has contributed more than the minimum amounts required under Act 268.

For fiscal year 2023-24, the County appropriated and paid the full ARC payment of \$38.4 million in addition to \$20.2 million in pre-funding. The County paid the ARC of \$38.1 million plus \$2.6 million in pre-funding in fiscal year 2024-25. Likewise, the County has budgeted \$38.1 million plus \$2.6 million in supplemental funding for fiscal year 2025-26.

OPEB Actuarial Report. GRS&C prepared the actuarial calculation to determine the County’s ARC for fiscal year ending June 30, 2024 to satisfy the requirements of Act 268, indicating that the contribution determined by of its reports will be applicable for the fiscal year which begins two years after the valuation date. The July 1, 2024 valuation report provides the ARC for the fiscal year ending June 30, 2024. The ARC for fiscal year ending June 30, 2024 of \$35.8 million is \$2.3 million lower than the projected ARC from the previous valuation.

The valuation report also quantifies the AAL of the County based on a 7.0% discount rate. The discount rate can have a considerable impact on the magnitude of the liabilities, with lower discount rates resulting in higher liabilities. As guidance in selecting an appropriate discount rate, GASB states that the discount rate should be based on the long-term yield of investments used to finance the benefits. The 7% return assumption is based on the OPEB Trust’s investment policy. GRS&C believes the assumption is consistent with the target asset allocation.

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The table below sets forth the schedule of funding progress relating to the County's OPEB obligations:

Table 45
COUNTY OF MAUI
SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFITS⁽¹⁾
(Dollar amounts in Thousands)

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (c)	Funded Ratio (a)/(b)	Covered Payroll (d)	UAAL as a % of Covered Payroll (c)/(d)
7/1/15	\$148,983 ⁽¹⁾	\$445,986	\$297,003	33.4%	\$165,229	179.8%
7/1/17	205,190	522,749	317,559	39.3	173,155	183.4
7/1/18	237,272	553,585	316,313	42.9	173,448	182.4
7/1/19	272,785	594,048	320,263	46.0	183,397	174.6
7/1/20	311,362	593,392	282,030	52.5	181,724	155.2
7/1/21	366,984	610,050	246,066	60.2	189,311	128.4
7/1/22	416,815	577,215	160,400	72.2	182,724	87.8
7/1/23	463,771	608,261	144,490	76.2	192,109	75.2
7/1/24	534,794	609,114	74,320	87.8	204,595	36.3

(1) In June 2014, the County transferred approximately \$97.2 million to the OPEB Trust from the County's internally-held Post Employment Obligations Fund. The contribution increased the assets of the plan by over 300%.

Source: Gabriel, Roeder, Smith & Company, County of Maui Retiree Health Care Plan Actuarial Valuation Report as of July 1, 2024.

The GASB 75 Report. GRS&C prepared the GASB 75 Report to provide information on behalf of the County in connection with the Governmental Accounting Standards Board Statement No. 75. ("GASB 75"). GASB 75, which replaces the requirements of GASB 45 and GASB 57, requires state and local government employers to recognize the net OPEB liability and the OPEB expense on their financial statements, along with the related deferred outflows and inflows of resources. The net OPEB liability is the difference between the total OPEB liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the market value of assets. The OPEB expense recognized each fiscal year is equal to the change in the net OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of the liability and investment experience.

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The table below sets forth the schedule of changes in net OPEB liability relating to the County's OPEB obligations:

Table 46
COUNTY OF MAUI
SCHEDULE OF CHANGES IN NET OPEB LIABILITY
FISCAL YEAR ENDED JUNE 30, 2024⁽¹⁾

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Beginning balance	\$577,215,493	\$433,445,641	\$143,769,852
Service cost	\$11,778,440	-	\$11,778,440
Interest on the total OPEB Liability	40,041,773	-	40,041,773
Changes of benefit terms	-	-	-
Difference between expected and actual experience	1,384,420	-	1,384,420
Changes of assumptions	-	-	-
Employer Contributions	-	\$41,344,000	(41,344,000)
Net investment income	-	20,647,219	(20,647,219)
Benefit payments	(22,158,770)	(22,158,770)	-
Administrative expense	-	(31,122)	31,122
Other	-	133,408	(133,408)
Net changes	\$31,045,863	\$39,934,735	\$(8,888,872)
Ending balance⁽¹⁾	\$608,261,356	\$473,380,376	\$134,880,980

⁽¹⁾ Ending balances are as of the measurement date, July 1, 2023, and reported as of June 30, 2024.

Source: County of Maui Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Demographic Information

The Island of Maui is the second largest island in the Hawaiian archipelago, with a land area of 729 square miles, and the largest of the four islands making up the County. The island is also the seat of County government and the center of trade, commerce and industrial activity within the County. Traditionally, pineapple and sugar have been the major industries of the County; however, tourism, construction and scientific research facilities are the major components of the County's current economy. Major resort facilities are located on the Island of Maui, primarily along the south (Kihei-Wailea) and west (Lahaina-Kaanapali-Kapalua) shores.

The 261 square mile Island of Moloka'i is the second largest of the inhabited islands of the County. According to the U.S. Census, Molokai had a 2020 population of 7,287. Moloka'i is known as the "Friendly Isle" and has a reputation as a reservoir of the aloha of "Old Hawai'i" which has contributed to making the island a tourist attraction. Moloka'i is the least developed of the major Hawaiian Islands.

The Island of Lana'i, with a 2020 population of 3,367, was formerly known as the "Pineapple Isle" because historically most of its 140 square miles were devoted to production of that fruit. In June 2012, Larry Ellison, founder of the Oracle Corporation, bought approximately 98% of the island and has announced plans to develop the island as a "sustainable leadership retreat," and to host various international festivals and establish a wellness center.

There is only one governmental unit in the County, that being the County itself. For statistical purposes, however, various areas of the County are considered as communities or districts. Wailuku (2020 population, 17,697), the county seat of the County, and Kahului (2020 population, 28,210), the principal seaport of the Island of Maui, are "twin cities" being virtually adjacent and connected by a short arterial highway. Approximately

27.9% of the population of the County lives in the Wailuku-Kahului area. The other principal population centers on the Island of Maui are Lahaina with a 2020 population of 12,702, and Kihei with a 2020 population of 21,423.

The County's population is composed of varied ethnic backgrounds including Japanese, Caucasian, Filipino and Hawaiian, among others. As the following table indicates, the resident population of the County increased from 100,504 in 1990, to 128,090 in 2000, to 154,834 in 2010, to 164,754 in 2020. The U.S. Census Bureau estimates the County's 2024 population to be 163,688.

Table 47
COUNTY OF MAUI
COMPARATIVE POPULATION STATISTICS

	2000 Census⁽¹⁾	2010 Census⁽²⁾	2020 Census⁽³⁾	Change since 2000	% Change since 2000	2024 Estimate⁽⁴⁾	Change since 2020	% Change since 2020
County of Maui	128,090	154,834	164,754	36,664	28.6%	163,688	(1,066)	(0.7)%
City & County of Honolulu	876,159	953,207	1,016,508	140,349	16.0	998,747	(17,761)	(1.8)
County of Hawai'i	148,641	185,079	200,629	51,988	34.9	209,790	9,161	4.6
County of Kauai	58,460	67,091	73,298	14,838	25.4	73,840	542	0.7
State of Hawai'i	1,211,497	1,360,301	1,455,271	243,774	20.1	1,446,146	(9,125)	(0.6)

(1) April 1, 2000 Population Estimates base reflects changes to the Census 2000 population from the Count Question Resolution program, legal boundary updates, and other geographic program revisions.

(2) As of April 1, 2010. Based on 2010 Census count.

(3) As of April 1, 2020. Based on 2020 Census count.

(4) Population estimates, July 1, 2024.

Source: U.S. Census Bureau.

General Economic Information

As illustrated by Table 48 below, Maui County's economy is diversified, and driven by several different sectors of employment. The primary economic sectors are visitor-related; however, government employment also serves as a key economic driver. The County's unemployment rate (seasonally adjusted) of 3.0% in the first quarter of 2025 was higher than the 2.4% unemployment rate for the State. In March 2025, the County's unemployment rate was 3.0%, which is 1.7% lower than the 4.7% at the same time last year. At the State level, the unemployment rate in March 2025 was 2.4%, which is down from 2.7% at the same time last year.

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Table 48
COUNTY OF MAUI
EMPLOYMENT BREAKDOWN
CLASSIFIED BY INDUSTRY
(2020-2024)⁽¹⁾

	2020	2021	2022	2023	2024
Labor force, Civilian	81,600	83,250	83,150	83,050	81,550
Employed, Civilian	66,700	76,750	80,400	79,400	78,000
Unemployed, Civilian	14,900	6,500	2,750	3,700	3,550
Unemployment rate, Civilian (%)	18.2%	7.8%	3.3%	4.4%	4.4%
<u>Total wage and salary jobs</u>					
Total non-agriculture wage & salary jobs	61,300	69,800	74,700	74,300	73,300
Natural resources, mining & construction jobs	4,400	4,300	4,600	4,700	4,800
Manufacturing jobs	1,000	1,100	1,200	1,200	1,100
Wholesale trade jobs	1,400	1,400	1,400	1,400	1,400
Retail trade jobs	8,400	8,900	9,100	9,000	8,600
Transportation, warehousing & utilities jobs	3,000	3,800	4,300	4,200	4,100
Information jobs	400	600	700	700	600
Financial activities jobs	2,400	2,700	2,900	2,800	2,700
Professional & business services jobs	5,500	6,500	7,000	6,800	6,900
Educational services jobs	1,000	1,200	1,300	1,300	1,300
Health care & social assistance jobs	8,000	7,900	7,900	8,000	8,300
Accommodation jobs	7,100	10,000	11,300	10,900	10,600
Food services & drinking places jobs	5,900	8,100	9,200	9,100	8,900
Other services jobs	2,700	3,000	3,300	3,200	3,200
Government jobs	8,800	8,700	8,600	8,900	8,900
Federal government jobs	900	900	900	900	900
State government jobs	5,200	5,200	5,100	5,200	5,300
Local government jobs	2,600	2,600	2,600	2,700	2,700

⁽¹⁾ Numbers are rounded.

Source: State of Hawai'i Department of Business, Economic Development and Tourism.

According to the Realtors Association of Maui, Inc., as of February 2025, the median sale price for single-family homes in the County was \$1.39 million, representing a 9.7% increase versus February 2024. As of February 2025, the median sale price for condominiums was \$945,000, an increase of 27.7% compared to February 2024.

Visitor Industry

Tourism is the primary driver of the local economy. The County attracts largely affluent visitors and tourists and has established a high-end brand and image. However, both the COVID pandemic and the Maui Wildfires negatively impacted tourism in the County after each event. Tourism had virtually returned to pre-COVID-19 levels by the summer of 2023 when the Maui Wildfires occurred. In September 2023, the month following the Maui Wildfires, 94,221 tourists visited Maui representing a decline of 57.1% from 219,667 visitors in September 2022. Likewise, visitor spending decreased by \$225.1 million from \$428.3 million in September 2022 to \$203.2 million in September 2023.

According to preliminary statistics from the State Department of Business, Economic Development and Tourism, twenty-one months after the Maui Wildfires, there were 207,522 visitors to Maui in April 2025 compared to 177,226 visitors in April 2024 and 247,984 visitors in April 2019 (pre-COVID). Visitor spending was \$442.0 million in April 2025 as compared to \$396.0 million in April 2024 and \$398.6 million in April 2019.

(pre-COVID). In first four months of 2025, total visitor spending was \$2.04 billion compared to \$1.82 billion in the first four months of 2024 and \$1.73 billion in the first four months of 2019. See “MAUI WILDFIRES” herein.

Table 49
COUNTY OF MAUI
TOURISM INFORMATION
(Years Ended December 31)

	2019	2020	2021	2022	2023	2024
Total Visitors (<i>in thousands</i>)	3,111	807	2,336	2,321	2,495	2,345
Domestic Visitors	2,651	706	2,296	2,673	2,223	2,310
International Visitors	460	101	40	248	272	35 ⁽¹⁾
Occupancy Rate	77.7%	34.6%	60.3%	67.6%	66.1%	61.6%
Average Daily Room Rate	\$401.10	\$409.19	\$540.61	\$603.15	\$591.09	\$544.04

⁽¹⁾ Decrease in international visitors due to the Maui Wildfires and resulting reduction in air capacity.

Source: State of Hawai‘i Department of Business, Economic Development and Tourism and Hospitality Advisors, LLC.

In 2024, Maui County had 2,389,738 visitor arrivals by air, compared to 2,531,196 in 2023 representing a decrease of 5.6%, due primarily to the Maui Wildfires. See “MAUI WILDFIRES” herein. Below is a summary of the month to month change in visitor arrivals for 2023 through April 2025.

Table 50
COUNTY OF MAUI
MONTH TO MONTH CHANGE IN VISITOR ARRIVALS BY AIR
(2023-April 2025)
(Not Seasonally Adjusted)

	2023	2024	% Change	2025	% Change
January	234,630	178,679	(23.9)%	205,378	14.9%
February	223,606	185,054	(17.3)	202,473	9.4
March	282,035	214,612	(23.9)	235,035	9.5
April	248,666	179,336	(27.9)	210,200	17.2
May	244,298	182,124	(25.5)	-	-
June	281,464	221,703	(21.2)	-	-
July	300,128	240,333	(19.9)	-	-
August	118,201 ⁽¹⁾	207,115	75.2	-	-
September	95,831	167,017	74.3	-	-
October	136,928	182,883	33.6	-	-
November	164,941	200,084	21.3	-	-
December	200,468	230,798	15.1	-	-
Total	2,531,196	2,389,738	(5.6)%	N/A	N/A

⁽¹⁾ Denotes the occurrence of the Maui Wildfires in August 2023.

Source: Hawai‘i Department of Business, Economic Development and Tourism (Data Warehouse).

Construction

Construction remains one of the strongest sectors of the County’s economy. Building permit valuations decreased slightly by \$18.4 million or 2.3% from \$774.7 million in fiscal year 2022-23 to \$756.3 million in fiscal year 2023-24. This follows a 35.4% increase in permit valuations between fiscal year 2021-22 and fiscal year 2022-23. The construction industry anticipates additional growth due to the destruction caused by the Maui Wildfires. See “MAUI WILDFIRES” herein.

Significant construction projects currently in progress (in varying phases of development) include the following:

Private Sector Projects

- Makena Beach Club & Resort
- Hope Chapel Senior Housing
- Hampton Inn
- Airport Industrial Distribution Center
- Hilton Grand Vacation
- Hale O Pi'ikea Apartments
- Maui Coast Hotel
- Kaiāulu O Kuku'ia Apartments

Public Sector Projects

- State of Hawaii – Kulanihako'i High School
- County of Maui – War Memorial Complex
- County of Maui – Lahaina Wastewater Reclamation Facility
- State of Hawaii – Honoapi'ilani Highway Refurbishment
- Department of Hawaiian Home Lands – Pu'unani Homesteads
- Hawaiian Community Development Board/Ikenakea Pi'ikea Apartments

Sporting Events, Cultural Events and Entertainment

The County usually hosts a number of major national and international sporting events, including the PGA's Sentry Tournament of Champions at Kapalua, the Maui Jim Invitational collegiate basketball tournament that annually hosts many of the best men's basketball teams in the nation, Maui Marathon and Maui Half Marathon, the largest rodeo in the State – the Makawao Rodeo, the Molokai Hoe Outrigger Canoe race from Molokai to Oahu, and the World Surf League Pe'ahi Challenge at Jaw's. While the Maui Jim Invitational was canceled in 2023 due to the Maui Wildfires and the Sentry Tournament had limited access in January 2024, all major sporting events are back to normal following the fires.

The County also serves as a popular location for the television and film industries. Over the last year, numerous productions have filmed in the County, including "Temptation Island" (Season 3 and 4), "The White Lotus", "Aloha with Love", "Diner's, Drive-ins & Dives", "Guy & Ryder's Big Hawaii", "Paradise City", "The Oprah Conversations", and "Good Morning America". These productions have provided direct benefits to a wide range of local businesses, employment opportunities for local residents, and educational programs through local schools totaling over \$50,000,000 spent in the County.

Agriculture

Agriculture remains a vital component of the County's economy and represents approximately \$2.03 billion or 2.4% of the County's real property assessed values for fiscal year 2025-26. Land in active agriculture is assessed based upon its actual use which will provide farmers about \$20.23 million in FY 2025-26 real property tax relief. The State Land Use Commission has classified all land in the State as conservation, agricultural, rural or urban. The counties are allowed to designate permitted uses in the urban, rural and agricultural districts as provided by State law. The Island of Maui has approximately 125,500 acres in active agriculture production. Moloka'i and Lana'i have 278 and 61,175 acres, respectively, in active agriculture production. Most of these lands were for sugar cane and pineapple cultivation but have since been repurposed by local farmers and ranchers. Agricultural zoned land occupies more than 50% of the land area in the county. The next largest designation of land use is conservation land, followed by more densely populated urban and rural areas.

In recognition of the importance of agriculture to the local economy, the County continues to work with the agricultural community, through the newly created Department of Agriculture, in developing a long-range plan for the County's agricultural sector. In this regard, the County recently purchased 262 acres for an Upcountry Maui Agriculture Park offering smaller sized lots for long term agricultural leases. The purchase price of the property was \$5.9 million, with \$5.0 million being provided by the State of Hawaii. In addition, the County is in the process of expanding water resources as the 31 lot Kula Agriculture Park. Agricultural grants offered by the county help diversify and advance the industry and economy. Through its agricultural specialist,

the County works closely with the Maui County Farm Bureau, Hawaii Farmers Union United, the local Cattlemen's Association, the Agriculture Working Group, and the University of Hawaii's College of Tropical Agriculture and Human Resources, Cooperative Extension Services, and assists the agriculture community with marketing and development efforts and support in the emerging agri-tourism market.

County of Maui agricultural products include, but are not limited to, cut flowers such as protea and tropical for export to the mainland, lettuce including hydroponic, salad greens, cabbage, onions, herbs and micro-greens, coffee, citrus, macadamia nuts, avocados, strawberries, sweet potatoes, watermelon, tomatoes, papaya, persimmons, ogo (an edible seaweed), pineapples, and shrimp. Organic farming has also become an important niche.. Maui is also home to a number of businesses engaged in agri-biotech and biodiesel work.

Mahi Pono, established in 2018, is the County's largest farming company. To date, they have planted more than 2 million trees on over 13,000 acres of former sugarcane fields. In addition, they maintain over 9,000 acres of pasture to support their Maui Cattle Company grass-fed beef operations. Mahi Pono crop include onion, citrus, avocado, macadamia nuts, avocado, banana and coffee.

Pursuant to Charter amendments approved by County voters at the 2020 election, effective July 1, 2022, the County has established a Department of Agriculture with the primary purpose of providing advocacy on all matters related to agriculture. The County has become the first county in the State of Hawaii to establish its own Department of Agriculture. The mission of the Department of Agriculture is to support the development and continued management of a sustainable regional agricultural system for Maui County, to promote resident and ecosystem health and well-being and create a thriving circular agro-economic system that can be a model for the rest of the world.

The responsibilities of the Department of Agriculture include: (i) development of a sustainable regional agricultural system for the County; (ii) building the economic resiliency of the County's communities by increasing opportunities in the agricultural sector; (iii) boosting resident health and food security through ensuring access to locally grown agricultural products; (iv) promotion of healthy ecosystems through natural-resource regeneration and protection, including through advising other agencies and the council on all programs and projects that affect the agricultural section; (v) development and implementation of programs to diversity and expand sustainable forms of agriculture; (vi) report to the mayor and council annually on the County's overall performance in meeting agriculture objectives and any barriers that could be addressed by ordinance; and (vii) perform other duties and functions as assigned by the mayor or managing director.

High-Technology

The County is committed to investing in technology to diversify the economy and enable a technologically advanced business sector in Maui to become more competitive on a global scale. With up-to-date technology, local businesses are able to compete with counterparts from other regions thereby attracting investment and fostering economic growth. Likewise, technology- driven businesses are more likely to attract and retain a skilled workforce thereby contributing to long- term economic stability. In the aftermath of the 2023 Wildfires, the County included the "Economic Innovation and Development" project in its Long Term Recovery Plan. This project is comprised of four specific State recovery efforts, and will funnel state funding and training into the technology sector in the County.

The County's Office of Economic Development ("OED") continues to support organizations such as Maui Economic Development Board and the University of Hawai'i Maui College, whose focus is to support innovation, workforce and business development, and economic growth in Maui County. OED recognizes the importance of high technology and aims to develop talent, provide quality, high-paying jobs, and foster an environment to accelerate Maui County's technology industry.

In recent years, high technology has emerged as a growing sector of the County's economy. Notably, because of COVID-19, the County is looking to expand and diversify the economy and workforce by bringing

in more high technology companies, increasing co-working hubs, and exploring remote work opportunities. The centerpiece of Maui's high technology sector is LĪPOA, Maui's Research and Technology Park in Kihei. LĪPOA is a 400-acre master-planned community that embraces innovation as it responds to the pursuit of a diversified economic future for Maui. World class research and development have always anchored and continue to be at the core of innovation work and workforce at LĪPOA. Space domain awareness, astronomy, sensor development, disaster mitigation, artificial intelligence, supercomputing, software development, and creative arts are all part of the existing and emerging fields on site. Nearly 800 residents work as contractors, specialists, entrepreneurs, academics, and service providers.

Among the companies at LĪPOA is a State project which acts as an "incubator" for start-up companies. Other high-technology projects include the Maui High Performance Computing Center as well as Maui Space Surveillance Complex, a state-of-the-art electro-optical facility combining operational satellite tracking facilities with research and development capacity. The technology park will also be the home of a new 55,000 sq. ft. facility for the United States Space Force. Other innovators at LĪPOA are L3 Harris, Boeing, Privateer, and Pacific Disaster Center, to name a few. The LĪPOA masterplan adds more commercial and business opportunities, planned residential options, walkable tree-lined streets, and bikeable greenways where Maui's residents can live, work, play, and innovate.

Renewable Energy

The County has significant clean energy resources and opportunities, which include renewable energy, energy efficiency and energy storage that exceed the projected energy demand, in wind, solar, biofuels, hydrogen, and other clean energy resources necessary to transition it to 100% renewable energy in both the electrical and ground transportation sectors. The County is on schedule to meet the State's 100% Renewable Portfolio Standard ("RPS") law, which aims to stabilize energy prices and reduce the islands' financial dependence and associated commodity risks of imported fossil fuels, by 2045. According to Hawaiian Electric Company, Inc., the RPS for the County in 2024 was 53.6%. Existing renewable energy facilities in the County include the following:

- Kūihelani Solar-Plus-Storage is located in Central Maui and provides 60 megawatts ("MW") solar with 240 MWh battery storage. It was developed by AES Hawai'i and has been operational since May 31, 2024. The solar project supplies approximately 15% of Maui's electricity needs, reducing reliance on imported oil by nearly 2 million barrels over 25 years.
- The Kaheawa Wind Power project is one of the largest wind farms in Hawai'i with 34 turbines producing 51MW of electricity or enough capacity to power approximately 18,700 Maui homes, with approximately 10MW of battery energy storage. The developer of this project is First Wind (now part of Terraform), and the project has been operational since 2006.
- Auwahi Wind is another Maui wind project that generates 21MW of power from 8 turbines. The battery storage component of this project includes state-of-the-art monitoring and safety controls with approximately 11MW of battery energy storage. The project was developed by Semptra U.S. Gas & Power, and has been operational since 2012.
- La Ola is a 1.2MW clean solar energy project on the Island of Lanai. The renewable energy generated by La Ola helps to stabilize electric rates on Lanai and reduces Lanai's importation and burning of foreign oil. La Ola was the world's first utility-grade photovoltaic project to incorporate battery storage.

Renewable energy facilities under development in the County will provide 170 MW of additional electricity generation and 400MWh of battery storage through solar, wind, and renewable fuels generators. These projects include the following:

- Kūihelani Solar-Plus-Storage Phase 2 is located in Central Maui and will provide an additional 40 MW solar with 160 MWh battery storage. It is being developed by AES Hawai‘i and targeted operational date is 2027. It is expected to supply up to 10% of Maui’s annual electricity needs.
- Pūlehu Solar & Storage is located in Pūlehu, Maui and will provide 20 MW solar with 80 MWh battery storage. It is being developed by Longroad Energy and targeted operational date is 2027. It is expected to supply up to 5% of Maui’s annual electricity needs.
- ‘Ūkiu Energy is located in Central Maui and will provide 40 MW of firm renewable energy using dual-fuel engines run off of biofuel and renewable natural gas. It is being developed by Ameresco, and targeted operational date is 2027. The project provides consistent, dispatchable power and enhances grid stability, including black start capabilities. It is expected to supply up to 10% of Maui’s annual electricity needs.
- Waena Battery Energy Storage System (BESS) is located in Kahului, Maui and will provide 40MW solar with 160 MWh battery storage. It is being developed by Hawaiian Electric, and targeted operational date is 2026. It is expected to supply up to 10% of Maui’s annual electricity needs.
- Kaheawa Wind 1 Repowering is located in the West Maui Mountains and will repower existing wind infrastructure to provide 30MW. It is being developed by Terraform US and targeted operational date is 2026. It is expected to supply up to 7% of Maui’s annual electricity needs.
- The County is actively pursuing the upgrading and expansion of its electric vehicle (“EV”) public charging infrastructure network. Sixteen Level 2 public EV charging stations are being installed under a contract with the Office of Economic Development.
- The County is actively pursuing the deployment of increased on-site clean power generation, energy storage and back-up power systems, and energy efficiency measures at County owned facilities. This includes an estimated potential of 33MW to 40MW of renewable power generation coupled with battery energy storage that is being assessed for installation at County facilities. This also includes ongoing feasibility assessment for establishing a network of community resilience hubs across Maui County.

Other Data

The following table presents personal income and per capita personal income of the County as reported by the US Bureau of Economic Analysis.

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Table 51
COUNTY OF MAUI
PERSONAL INCOME

Calendar Year	Total Personal Income (in Millions)	Per Capita Personal Income
2014	\$6,535	\$40,382
2015	6,902	42,502
2016	7,182	43,885
2017	7,561	46,042
2018	7,849	47,625
2019	8,457	51,322
2020	8,708	51,838
2021	9,879	59,914
2022	9,949	60,502
2023	10,318	62,816

Source: US Bureau of Economic Analysis.

MAUI WILDFIRES

Overview

On August 8, 2023, the Maui Wildfires broke out in the County causing widespread damage in the town of Lahaina and certain areas of Upcountry Maui. Lahaina is on the northwest coast of the island of Maui, and is part of the general area known as West Maui (which includes Lahaina and impacted areas of Kapalua, Napili and Kaanapali). As of the 2020 census, Lahaina had a population of 12,702.

According to State data, the Maui Wildfires resulted in 102 fatalities, with two individuals remaining listed as missing, caused an estimated \$5 billion in damage, including the destruction of over 2,000 residential homes, and displaced over 8,000 residents. The Maui Wildfires impacted approximately 700 business establishments, resulting in an immediate loss of approximately 10,000 jobs, equating to approximately \$2.9 million in lost household income per day.

Immediately following the Maui Wildfires, the federal government, the State, the County and private groups came together to provide assistance to affected residents, including providing temporary housing, restoring critical services such as power and water, debris cleanup, providing financial assistance, addressing school closures, and addressing critical infrastructure.

As of April 2025, significant progress has been made toward recovery from the Maui Wildfires. Over 1,300 temporary and permanent residential units are under construction or completed. All water and wastewater infrastructure has been restored, and all debris has been cleared. In January 2025, the US Department of Housing and Urban Development (“HUD”) awarded \$1.639 billion to the County for long-term recovery, and the County plans to start distributing these funds in 2025. While the County provided property tax exemption for affected properties, the County’s property tax revenue has continued to rise following the fire due to the rise in property value across the County, and total County revenue has not declined following the disaster. Finally, while numbers of tourists visiting Maui have not yet reached pre-fire levels, total tourist spending has reached pre-fire levels.

Federal, State, and County Response

General. The federal government, the State, the County, and private groups worked closely in the aftermath of the Maui Wildfires to provide an aligned and effective response to the emergency. The County

created a new Maui County Office of Recovery to address intermediate and long-term disaster recovery needs and serve as the center of coordination for community planning; housing; infrastructure; natural, historical and cultural resources; economic resiliency; and health and social service systems. The County is working closely with the State to coordinate recovery and rebuilding efforts.

Housing. Immediately following the Maui Wildfires, the federal government, the State, the County, and private groups helped arrange for temporary housing for approximately 8,000 displaced residents in hotels and vacation rentals. By January 2025, no displaced households remained in temporary hotel housing.

FEMA agreed to provide 100% funding of temporary housing for displaced residents initially through September 29, 2023, 100% funding for non-congregate housing for three months, and 90% funding for non-congregate housing (with a 10% match by the State) for at least 18 months. According to FEMA, the average qualified applicant on Maui was expected to receive approximately \$3,500 per month in FEMA rental assistance. The initial period of assistance for FEMA's Individuals and Households Program, including financial assistance and direct temporary housing assistance, was set to end in February 2025; however, on October 10, 2024, FEMA approved the State's request to extend the program to February 10, 2026 due to extraordinary circumstances and unprecedented damages to the disaster area. As of April 2025, FEMA reported 992 households occupying FEMA-provided housing units.

Approximately 1,300 housing units are under construction or completed, including a number of interim and permanent housing sites that are in various stages of acquisition and development. The State acquired a former 175-room hotel for the purpose of providing temporary housing to individuals and families displaced by the fires. The Hawaii Housing Finance and Development Corporation acquired a property for redevelopment to include approximately 200 units when completed. In July 2024 the Governor announced Maui residents displaced by the Maui Wildfires could apply for the State of Hawaii Interim Housing Program ("HIHP"), which would provide access to properties having a mix of studio and one-, two- and three-bedroom units and modular homes, and those placed in interim housing would not be required to pay rent or utility bills through August 2025. The program includes State-sponsored interim housing sites dedicated to Maui wildfire recovery, including a site containing 150 units, and a site under construction to include 450 modular homes once completed. The State's housing-related assistance to households displaced by the Maui Wildfires also includes case management and rental assistance programs. As of March 2025, more than 1,200 wildfire survivors are being housed by HIHP in over 480 housing units across Maui.

Following the fires, the County partnered with 4LEAF Inc. to expand its permitting capacity. As of June 2025, 429 residential building permits in the burn zone had been issued, 327 permits were being processed, and 22 permitted residential structures had been completed. Of these approved permits, at least 407 homes were under construction. As of June 2025, 28 non-residential permits had been issued, and 183 non-residential permits were being processed (non-residential includes commercial properties and properties with four or more dwelling units).

Following passage of new State legislation in 2024 giving counties greater authority over short-term rentals, the County has taken steps toward phasing out the use of approximately 7,100 units as short-term rental properties in certain districts, including approximately 2,200 units in West Maui, in an effort to increase the supply of permanent housing. See "COUNTY FINANCIAL INFORMATION – Real Property Taxation and Assessed Values – Minatoya List Proposal" herein.

Debris Cleanup. Debris cleanup was a coordinated effort among the federal government, the State, the County, through FEMA, the U.S. Environmental Protection Agency (the "EPA"), and the U.S. Army Corps of Engineers ("USACE"). On September 22, 2023, President Biden issued an order, pursuant to which federal funds for debris removal were authorized at 100% of the total eligible costs for a continuous 180-day period of the State's choosing within the first nine months from the start of the incident period, and federal funds for emergency protective measures, including direct federal assistance, were authorized at 100% of the total eligible

costs for a continuous 90-day period of the State's choosing within the first six months from the start of the incident period

Debris cleanup began in late August 2023, and as of April 2025, residential and commercial debris removal within USACE's scope is complete. There is minimal debris cleanup ongoing in the harbor and on historical sites.

Financial Assistance. Funding for the recovery has come from a combination of federal, State, County and other local agencies, with the majority contributed by the federal government. As of June 15, 2025, FEMA has provided approximately \$2.6 billion in funding. The County has identified intended use for a vast majority of these funds in its CDBG-DR Action Plan. The State has spent approximately \$407 million on recovery efforts (including amounts billed to FEMA), and is expected to contribute approximately \$633 million in total, excluding its contribution to the legal settlement discussed below. Victims of the Maui Wildfires reached a \$4 billion legal settlement that will lead to a payout from HECO, Kamehameha Schools, and the State, among other parties, to victims. See "INSURANCE AND PENDING LITIGATION" herein

Total County spending on the wildfires has not been summarized to date as recovery is intertwined with almost every aspect of County operations. For example, many recovery related CIP projects are included in the County's CIP (see Table 31), and are incorporated into departments' CIP budgets. The County has identified approximately \$215 million of projects that it is executing or has executed that are directly tied to fire recovery and may qualify for public assistance, and the County estimates will include an additional \$300 million in its recovery-related budget through fiscal year 2029-30. Much of this \$515 million may be eligible for federal reimbursement from funds identified in Table 32, but the County cannot estimate reimbursement at this time.

In the aftermath of the fire, the State provided tax relief, including extensions and waivers, for taxpayers who experienced losses as a result of the Maui Wildfires, and provided \$15 million of forgivable loans to businesses. The State, through the Department of Human Services, offered financial assistance to survivors through federally funded programs including the Supplemental Nutrition Assistance Program and the Disaster Supplemental Nutrition Assistance Program. The State also used \$100 million of Temporary Assistance for Needy Families reserve funds to provide assistance for impacted families. Over \$450 million of private donations were also raised by individuals and organizations such as the American Red Cross, the Hawaii Community Foundation's Maui Strong Fund, GoFundMe, Maui United Way, and the People's Fund of Maui. As of January 2025, the U.S. Small Business Administration had approved over \$426 million in recovery loans for residents and businesses. As of April 2025, according to FEMA, FEMA had disbursed over \$72 million to assist 7,163 individuals through its Individuals and Households Program, including over \$49.1 million for housing assistance and over \$23.6 million for other needs assistance paid directly to survivors. Separately, over \$25.6 million had been approved by FEMA for continued Temporary Housing Assistance.

Infrastructure. The State and the County are in various stages of planning for the remediation and reconstruction of various infrastructure facilities that were damaged by the Maui Wildfires, including schools, the library, housing facilities, roads, water infrastructure, and wastewater infrastructure. The State is working with the County to repair and reconstruct critical power infrastructure in Lahaina. In September 2024, the County's Department of Planning began taking applications for an expedited permit review process for projects in the Lahaina disaster area. As of March 2025 100% of potable water systems were restored, and as of April 2025 100% of wastewater systems were restored. These systems have been restored to basic functioning service but still require additional capital improvement projects to ensure long-term reliability.

On August 30, 2023, the Biden Administration pledged \$95 million in Bipartisan Infrastructure Law funding to strengthen the State's electrical grid and position the State to better withstand future storms. Further, for State-owned facilities damaged by the Maui Wildfires, FEMA has agreed to provide 100% funding through the Public Assistance Program to restore such damaged facilities for 180 days, and 90% funding thereafter (with a 10% match by the State), after State insurance funds are utilized. As of May 2025, according to FEMA, FEMA

had obligated over \$30.8 million in public assistance funding to assist with rebuilding of infrastructure, including drinking water and wastewater infrastructure.

Educational Facilities. The Maui Wildfires caused significant damage to several public schools in the Lahaina area. King Kekaulike High School, Princess Nahi'ena'ena Elementary School, Lahaina Intermediate School, and Lahainaluna High School were all damaged by the fires, and King Kamehameha III Elementary School was damaged beyond repair. Students were initially transported by bus to other schools on Maui or were offered distance learning. After extensive air, water and soil quality testing and debris removal, Lahainaluna High School, Lahaina Intermediate School and Princess Nahi'ena'ena Elementary School reopened in October 2023. The displaced students and staff of King Kamehameha III Elementary School temporarily shared facilities with Princess Nahi'ena'ena Elementary School while the U.S. Army Corps of Engineers in coordination with FEMA constructed a temporary campus for the school at Pulelehua, a proposed development north of Kaanapali. The temporary campus was opened to students on April 1, 2024, at a cost of approximately \$78 million, which was covered by FEMA. Site selection for a permanent campus for King Kamehameha III Elementary School remains underway; the school will not be rebuilt at the original location.

Lahaina Long-Term Recovery Plan. Following the Maui Wildfires, the Lahaina Long-Term Recovery Plan ("LTRP") was drafted to guide the rebuilding and recovery of Lahaina. This LTRP defines recovery as a series of interconnected activities that help the Lahaina community advance its shared post-fire goals. This plan builds on previous plans by identifying key gaps and challenges, such as the resilience of public utility systems, access to affordable housing, economic recovery, and the need for improved health and social services. The plan is built on several key principles: prioritizing repopulation, protecting historic and cultural resources, honoring community voices, developing hazard mitigation and response strategies, and promoting sustainable and resilient rebuilding practices.

The LTRP identifies 40 priority projects that are deemed vital to long-term recovery and were elevated by the County, State and community members. These projects range from immediate actions, like enhancing emergency communication networks and launching affordable rental housing programs, to ambitious initiatives, such as the Creation of a Royal Complex, including the Restoration of Malu 'Ulu o Lele, Moku'ula and the Loko o Mokuhinia Complex, and the development of the West Maui Greenway. The plan also integrates the work of the Maui Economic Recovery Commission ("ERC"). To assist in Lahaina's recovery, municipal partners formed the ERC, a joint State-County group comprised of more than 100 members focused on building foundations, bringing focus, and taking action. ERC members participated in meetings from early January through mid-September 2024 to identify 11 priority projects that are important to long-term recovery. The LTRP is designed to evolve as the recovery progresses and aims to ensure that Lahaina's recovery is community-driven, resilient and sustainable, honoring the town's rich history while building a brighter future.

LTRP projects commenced or planned to be commenced by the Office of Recovery or other county departments include: Rebuild Lahaina Plan, National Historic Landmark District Update, Asset Management and Acquisition Program, Enhance Emergency Communications Networks, Infrastructure Assessment and Improvement Studies, Creation of a Lahaina Memorial, Affordable Rental Housing Program, Homeowner Support Programs, West Maui Business Center, Comprehensive Environmental Monitoring and Sampling Plan, Maui Emergency Management Agency Advancement Program, Street Connectivity and Extensions, Kuhua Street Extension, One Water Vision and Action Plan, Wildfire Risk Reduction and Mitigation, and Royal Complex Master Plan.

Community Development Block Grant – Disaster Recovery Funding. On December 23, 2024 the U.S. Congress appropriated \$1,639,381,000 in HUD Community Development Block Grant - Disaster Recovery ("CDBG-DR") funding to support the County's recovery efforts. The HUD allocation was published in the Federal Register on January 16, 2025 (90 FR 4759). CDBG-DR funds will be administered by the County Department of Management, Office of Recovery. CDBG-DR funding is designed to address needs that remain after all other assistance has been exhausted.

CDBG-DR is a responsive funding source intended to repair, restore, and rehabilitate communities after major disasters. On April 22, 2025 the County submitted the CDBG-DR action plan to HUD, which outlines how funds will be used to address remaining unmet need in the County following the Maui Wildfires. The CDBG-DR action plan provides that funds will be spent in the following categories:

Eligible Cost Category	Allocation Amount
Administration	\$81,969,050
Housing	903,579,950
CDBG-DR Mitigation Set-Aside	213,832,000
Economic Revitalization	15,000,000
Infrastructure	400,000,000
Public Services	25,000,000
Total	\$1,639,381,000

The programs outlined in CDBG-DR Action Plan will distribute CDBG-DR funding in a way that ensures disaster-affected populations with economic and housing challenges are prioritized. This funding is planned to be expended over a six-year period and is expected add significant economic activity to the County.

Economic and Fiscal Impact

Tourism, a main driver of County’s economy, was significantly negatively impacted in the weeks immediately following the Maui Wildfires. Tourism had virtually returned to pre-COVID-19 levels by the summer of 2023 when the Maui Wildfires occurred. In September 2023, the month following the Maui Wildfires, 94,221 tourists visited Maui representing a decline of 57.1% from 219,667 visitors in September 2022. Likewise, visitor spending decreased by \$225.1 million from \$428.3 million in September 2022 to \$203.2 million in September 2023.

According to preliminary statistics from the Department of Business, Economic Development and Tourism, twenty-one months after the Maui Wildfires, there were 207,522 visitors to Maui in April 2025 compared to 177,226 visitors in April 2024 and 247,984 visitors in April 2019 (pre-COVID). Visitor spending was \$442.0 million in April 2025 as compared to \$396.0 million in April 2024 and \$398.6 million in April 2019 (pre-COVID). In first four months of 2025, total visitor spending was \$2.04 billion compared to \$1.82 billion in the first four months of 2024 and \$1.73 billion in the first four months of 2019.

For additional information on the County’s visitor industry, see “ECONOMIC AND DEMOGRAPHIC INFORMATION – Visitor Industry” above.

Claims and Pending Litigation

In August 2024, Governor Green announced a Global Settlement (“GS”) to resolve all tort claims arising from the Maui wildfires that occurred in August 2023. The County is a party to the Individual Settlement Agreement and Class Settlement Agreement (“Settlement Agreements”) as part of the GS. Under the settlement, certain defendants will pay a total amount slightly in excess of \$4 billion in exchange for liability releases in all current lawsuits and future claims from those plaintiffs who have filed or will join an impending class action lawsuit. The County is not contributing to the settlement fund as it previously paid \$10 million into the One Ohana Fund. The state budget for the next two fiscal years included funding for the State’s agreed to portion of \$807.5 million. Other major contributors to the settlement include HECO, Kamehameha Schools, and others.

The Hawaii Supreme Court has ruled that any insurance carriers seeking subrogation reimbursement from insureds which received payments must use a court lien process. Based on this ruling, certain insurance carriers may attempt to recoup their payments to the County in its position as a Plaintiff through the lien process. In addition, certain claimants may not participate in the Global Settlement and proceed independently.

Safety National is providing the County’s defense and potential indemnification to the County. The County’s estimate of its share of possible loss, if any, for such claims, as well as the recoupment of payments made by the insurance carriers, cannot be made with reasonable certainty at this time.

OTHER INVESTOR CONSIDERATIONS

Climate Change and Other Natural Events

General. Climate change continues to pose serious and evolving challenges for the County. Scientific consensus confirms that rising global temperatures are leading to sea level rise, largely driven by ocean thermal expansion and the melting of land-based ice. Coastal regions like the County face increasing risks from shoreline erosion, chronic flooding, and storm surge. These threats place both private property and public infrastructure—including roads, utilities, emergency services, schools, and parks—at substantial long-term risk.

In addition to sea level rise, the County is vulnerable to a range of natural hazards including wildfires, hurricanes, drought, earthquakes, tsunamis, and volcanic activity. The fiscal and social impacts of these events are unpredictable and often influenced by factors outside the County’s control, such as federal and state policies and global climate conditions.

The County geologically defined by two volcanoes: Haleakalā (East Maui) and Mauna Kahalawai (West Maui Mountains). Haleakalā, which makes up more than 75% of the island’s landmass, is classified by the United States Geological Survey (USGS) as an active volcano. While its last eruption occurred between A.D. 1480 and 1600, the USGS continues to monitor it under a “normal” alert level, indicating no current signs of eruptive activity but acknowledging the potential for future activity within the next century.

Policy Framework and Institutional Response. In 2017, Hawai‘i demonstrated national leadership by enacting the Climate Change Act (Act 32, SLH 2017), which incorporated elements of the Paris Agreement into state law. This landmark legislation created the Hawai‘i Climate Change Mitigation and Adaptation Commission (State Climate Commission), charged with coordinating interagency efforts across federal, state, and county levels to reduce greenhouse gas emissions and implement climate resilience strategies. These include sea level rise adaptation, water and agricultural security, and ecosystem conservation.

The County advanced its commitment to climate action in 2019 with the passage of Resolution No. 19-209, formally acknowledging a climate emergency and committing to an immediate, just transition. This resolution led to the establishment of the Climate Action and Resilience Committee within the County Council and affirmed the County’s commitment to community-based solutions rooted in equity, self-determination, cultural values, and environmental justice.

Building on this foundation, in 2022 the County completed its Climate Action & resilience Plan (“CARP”). In 2024, the County Council adopted the CARP as the official climate plan of the County. The plan will help guide policy and outlines nearly 170 actions for the county to mitigate and adapt to climate-change effects, transition to 100 percent renewable energy, and achieve net-negative emissions.

Simultaneous to the development and adoption of the CARP, the County has established and enhanced several departments to focus on subject matter expertise and implement key climate resilience strategies. These include the Department of Agriculture, the Environmental Protection & Sustainability Division within the Department of Environmental Management, the Department of Water Supply, the East Maui Water Authority, and the Office of ‘Ōiwi Resources. Together, these departments are responding to climate change pressures through targeted programs, initiatives, and grantmaking efforts aimed at increasing sustainability and resilience across Maui Nui.

In parallel, the County has expanded its hazard mitigation planning, engaging a wide range of departments and stakeholders. This cross-agency coordination has been strengthened by increased state and

federal funding, enabling the County to build capacity, provide leadership, and implement proactive strategies to address the growing threats of climate change and natural disasters.

Recent Developments and Ongoing Initiatives. The County continues to expand its climate strategy:

Wildfire and Emergency Resilience: Following the devastating August 2023 Lahaina wildfires, the County has prioritized climate-smart recovery and hazard mitigation strategies, including reforestation, green infrastructure, and defensible space planning.

Clean Energy & Emissions Reduction: The County has installed solar and battery systems at dozens of county facilities and is advancing projects focused on beneficial reuse of landfill gas, EV infrastructure, and energy efficiency upgrades.

Department of ‘Ōiwi Resources: Established in 2025, this department is working to integrate Indigenous knowledge systems into land and environmental stewardship, supporting long-term resilience grounded in cultural practice.

Grants & Policy Integration: The County is investing in countywide grant management systems to streamline climate-related funding and improve accountability, while deepening alignment with the State Climate Commission’s adaptation priorities.

While the County cannot predict the exact financial or operational impacts of future climate events, it remains committed to proactive planning, sustainable investment, and community-based adaptation. The County continues to build partnerships at the local, state, and federal levels to strengthen resilience, safeguard critical infrastructure, and protect the natural and cultural resources that define Maui Nui.

Market Risk

The market value of municipal securities, including the Bonds, can be affected by such factors as general economic conditions in the world and the United States and in the State of Hawai‘i and the County, adverse events affecting the County, inflation rate levels or trends, County finances, future State legislative actions or local initiatives and other changes in law, and the ratings on the Bonds. Consequently, there can be no assurance of continued marketability of the Bonds at their originally offered price level.

Public Health Emergencies

In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats, including the outbreak and spread of COVID-19. The spread of COVID-19 and actions to contain its spread had significant adverse health and financial impacts throughout the world, including the County.

While the national and local economy has been improving, the economic effects of the COVID-19 pandemic are uncertain in many respects. The COVID-19 pandemic has had and may continue to have material adverse impacts on the County’s economy and certain aspects of the County’s financial condition. Further, there could be future COVID-19 outbreaks or other public health emergencies that could have material adverse effects on the County’s operations and finances.

Federal Government

The County receives federal funds for, among others, various federally assisted grant programs, and a portion of the County’s assets are also invested in securities of the United States government. The President has recently issued a series of executive orders, including guidance from the Office of Management and Budget, that purport to suspend or limit federal government funding to state and local governments. Certain of these actions

have been challenged in court, and in some cases enjoined. The County cannot predict the outcome of current or future federal executive orders, administrative actions, budgets or legislation and the ultimate impact that such matters will have on the County's finances and operations.

Cybersecurity

General. The County, like many other large public and private entities, relies on a large and complex technology environment to conduct its operations, and faces multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, "Systems Technology"). As a recipient and provider of personal, private, or sensitive information, the County could be subject to cybersecurity incidents that could result in adverse consequences to the County's Systems Technology.

Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the County's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations, impact and/or damage from cybersecurity incidents or cyber-attacks, the County invests in multiple forms of cybersecurity and operational safeguards and threat detection systems.

In April 2022, the County reported a cybersecurity attack, which was identified and contained. This incident was immediately communicated with the relevant federal and state agencies. The investigation was completed in May 2022 and no data was found to have been exfiltrated.

While County cybersecurity and operational safeguards are periodically tested, no assurances can be given by the County that such measures will ensure against other cybersecurity threats and attacks. Cybersecurity breaches could damage the County's Systems Technology and cause material disruption to the County's operations and the provision of County services. The costs of remedying any such damage or protecting against future attacks could be substantial. Further, cybersecurity breaches could expose the County to material litigation and other legal risks, which could cause the County to incur material costs related to such legal claims or proceedings.

Remedies

Neither a Bond owner nor any Bond owner's representative has the right to accelerate the payment of debt service on the Bonds upon any default in the payment of the Bonds or otherwise. The State currently has no laws authorizing a County to declare bankruptcy. There can be no assurance that such laws may be enacted in the future.

INSURANCE AND PENDING LITIGATION

General. The County holds a \$10 million excess workers' compensation policy with self-insured retentions ("SIR") of \$750,000 for police officers, fire fighters, and aircraft exposures, and \$500,000 for all other employees. The policy takes effect once the per claim SIR is exceeded. The County also carries \$10 million in Public Entity Liability insurance affording third party bodily injury and property damage, errors and omissions, and employer's practices liability coverage, with a \$750,000 per occurrence deductible, except for law enforcement liability which has a \$1,000,000 per occurrence deductible. The County's physical assets are insured through a tiered program which covers buildings and other scheduled property. This policy has a \$100,000 deductible and \$75 million in total limits.

As of June 30, 2024, the County's estimated total liability with respect to claims and judgments is \$10.5 million, including claims incurred but not reported by the claimant and settled claims for which funds have not yet been appropriated. Changes in the claims and judgments liability account as of June 30, 2024 were as follows:

Table 52
COUNTY OF MAUI
CURRENT YEAR CLAIMS AND CHANGES IN ESTIMATES

	Balance July 1, 2023	Change to Estimate Additions/ (Reductions)	Claim Payments	Balance June 30, 2024
Governmental Activities	\$ 19,688,696	\$ 17,944,515	\$ 27,285,543	\$ 10,347,668
Business-type Activities	741,171	172,362	749,210	164,323
Total	<u>\$ 20,429,867</u>	<u>\$ 18,116,877</u>	<u>\$ 28,034,753</u>	<u>\$ 10,511,991</u>

Source: County of Maui Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024.

The estimated total liability has been determined through case-by-case analysis and from historical experience performed by the County’s risk management division. Estimated expenditures for such claims are appropriated annually in the General Fund with the exception of workers’ compensation, which is appropriated annually from the fund that employed the injured worker.

Claims and lawsuits are filed against the County in the normal course of its operations. Although the precise outcome of these claims and lawsuits is not currently determinable, in the opinion of the County’s attorneys, the resolution of such matters will not have a material adverse effect on the financial condition of the County.

The County’s Corporation Counsel reports that there is no controversy of any nature now pending or threatened against the County seeking to restrain or enjoin the issuance, sale or execution of the Bonds or any proceedings of the County taken with respect to the issuance or sale of the Bonds.

For a discussion of claims and litigation relating to the Maui Wildfires, see “MAUI WILDFIRES – Claims and Litigation” herein.

FINANCIAL STATEMENTS

The County’s Annual Comprehensive Financial Report, including the financial statements of the County as of and for the fiscal year ended June 30, 2024, are set forth in Appendix A to this Official Statement. These financial statements have been audited by N&K CPAs, Inc. The County has neither requested nor obtained the consent of such firm to include its report on the County’s financial statements in this Official Statement, and such firm has not reviewed this Official Statement or performed any procedures subsequent to rendering their report.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the County in connection with the Bonds, and Bond Counsel has assumed compliance by the County with certain ongoing covenants to comply

with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel, under existing statutes, interest on the Bonds is exempt from all taxation by the State of Hawaii or any county or other political subdivision thereof, except inheritance, transfer and estate taxes.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The County has covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

Prospective owners of the Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

“Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a Bond (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10% of such maturity

was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Bonds. In general, the issue price for each maturity of Bonds is expected to be the initial public offering price set forth on the inside front cover page of the Official Statement. Bond Counsel further is of the opinion that, for any Bonds having OID (a “Discount Bond”), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner’s adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

Bond Premium

In general, if an owner acquires a bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the bond after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that bond (a “Premium Bond”). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner’s yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In

any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

APPROVAL OF LEGAL PROCEEDINGS

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the County. A complete copy of the proposed form of Bond Counsel opinion is contained in Appendix B hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Hawkins Delafield & Wood LLP, as Disclosure Counsel, will provide certain other legal services for the County. Certain legal matters will be passed on for the County by its Corporation Counsel.

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend," "projection" or other similar words. Projections, forecasts, expressions of opinions, estimates and other forward-looking statements are not to be construed as representations of fact and are qualified in their entirety by the cautionary statements set forth in this Official Statement.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE COUNTY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED, OCCUR OR DO NOT OCCUR.

MUNICIPAL ADVISOR

Columbia Capital Management, LLC (the "Municipal Advisor") is serving as municipal advisor to the County with respect to its role as issuer of the Bonds. The Municipal Advisor does not underwrite or trade bonds and will not engage in any underwriting activities with regard to the issuance and sale of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification, or to assume responsibility for the accuracy, completeness or fairness, of the information contained in this Official Statement and is not obligated to review or ensure compliance with continuing disclosure undertakings.

RATINGS

Moody's Ratings ("Moody's"), S&P Global Ratings ("S&P"), and Fitch Ratings ("Fitch") have assigned ratings of "Aa2," "AA+" and "AA+," respectively, to the Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's, 7 World Trade Center, New York, New York 10007; S&P, 55 Water Street, New York, New York 10041; and Fitch, One State Street Plaza, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

SALE OF THE BONDS

The Bonds are scheduled to be sold at competitive bid on July 23, 2025*, as provided in the Official Notice of Sale, dated July 11, 2025 (the "Official Notice of Sale"). The Official Notice of Sale provides that all Bonds would be purchased if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in the Official Notice of Sale, the approval of certain legal matters by Bond Counsel and certain other conditions. The initial purchaser will represent to the County that the Bonds have been reoffered to the public at the prices and/or yields to be stated on the inside cover page hereof.

CONTINUING DISCLOSURE

The County will execute a Continuing Disclosure Certificate (the "Disclosure Certificate") for the benefit of the holders and beneficial owners of the Bonds, to provide certain financial information and operating data relating to the County (the "Annual Report") to the Municipal Securities Rulemaking Board ("MSRB") annually and to provide notice to the MSRB of the occurrence of certain enumerated events pursuant to the requirements of Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. § 240.15c2-12) (the "Rule"). The County has appointed Digital Assurance Certification, L.L.C. ("DAC" or the "Dissemination Agent") as the initial dissemination agent under the Disclosure Certificate. See APPENDIX C – "FORM OF CONTINUING DISCLOSURE CERTIFICATE." The County's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021 was filed one business day late.

The County has engaged DAC for the purpose of reviewing its continuing disclosure filings and assisting with ongoing compliance with its continuing disclosure filing requirements. Additional information regarding DAC may be obtained by contacting DAC at 315 E. Robinson Street, Suite 300, Orlando, Florida 32801, or on-line at www.dacbond.com. The information on DAC's website is not incorporated herein by reference.

MISCELLANEOUS

Additional information may be obtained, upon request, from the Director of Finance of the County.

All quotations from, and summaries and explanations of, the Constitution and laws of the State and the Charter referred to herein do not purport to be complete, and reference is made to the Constitution and laws of the State and the Charter for full and complete statements of their provisions. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the Owners of any of the Bonds.

* Preliminary, subject to change.

The County has authorized the execution and distribution of this Official Statement.

COUNTY OF MAUI

By: _____
Marcy Martin
Director of Finance

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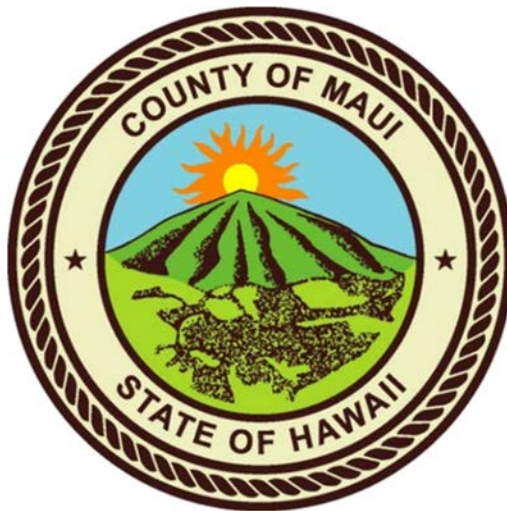
APPENDIX A

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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COUNTY OF MAUI

STATE OF HAWAII



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

**Prepared by:
DEPARTMENT OF FINANCE
Marcy Martin, Director of Finance**

**COUNTY OF MAUI
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

TABLE OF CONTENTS

	<u>Page</u>
PART I INTRODUCTORY SECTION	
Director of Finance's Letter of Transmittal	1
Certificate of Achievement for Excellence in Financial Reporting	13
Elected Officials and Appointed Department Heads	14
Organization Chart	15
Directory of County Officials	16
 PART II FINANCIAL SECTION	
Independent Auditor's Report	19
Management's Discussion and Analysis (MD&A)	23
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	39
Statement of Activities	40
Fund Financial Statements:	
Balance Sheet - Governmental Funds	41
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position	42
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	43
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	44
Statement of Net Position - Proprietary Funds	45
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	47

**COUNTY OF MAUI
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

TABLE OF CONTENTS

	<u>Page</u>
PART II FINANCIAL SECTION (Continued)	
Statement of Cash Flows - Proprietary Funds	48
Statement of Fiduciary Net Position - Fiduciary Funds	49
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	50
Notes to the Basic Financial Statements	51
Required Supplementary Information Other Than MD&A	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	99
General Fund - Budgetary Basis	
Highway Fund - Budgetary Basis	
Grant Fund - Budgetary Basis	
Notes to the Budgetary Comparison Schedules	102
Schedule of Proportionate Share of the Net Pension Liability	104
Schedule of Contributions (Pension)	105
Notes to Required Supplementary Information Required by GASB Statement No. 68	106
Schedule of Changes in Net OPEB Liability and Related Ratios	107
Schedule of Contributions (OPEB)	108
Notes to Required Supplementary Information Required by GASB Statement No. 75	109
Other Supplementary Information:	
Non-major Governmental Funds	111
Combining Balance Sheet - Non-major Governmental Funds	112
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Non-major Governmental Funds	113
Combining Statement of Fiduciary Net Position - Custodial Funds	114

**COUNTY OF MAUI
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

TABLE OF CONTENTS

	<u>Page</u>
PART II FINANCIAL SECTION (Continued)	
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	115
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Debt Service Fund - Budgetary Basis	116
Schedule of Revenues - Budget and Actual - General Fund	117
Schedule of Appropriations, Expenditures, and Encumbrances - General Fund	120
Schedule of Revenues - Budget and Actual - Highway Fund	128
Schedule of Appropriations, Expenditures, and Encumbrances - Highway Fund	129
Schedule of Revenues - Budget and Actual - Sewer Fund	130
Schedule of Appropriations, Expenditures, and Encumbrances - Sewer Fund	131
Schedule of Revenues - Budget and Actual - Grant Fund	132
Schedule of Appropriations, Expenditures, and Encumbrances - Grant Fund	134
Schedule of Revenues - Budget and Actual - Solid Waste Fund	147
Schedule of Appropriations, Expenditures, and Encumbrances - Solid Waste Fund	148
Schedule of Revenues - Budget and Actual - Liquor Control Fund	149
Schedule of Appropriations, Expenditures, and Encumbrances - Liquor Control Fund	150
Schedule of Revenue - Budget and Actual - Environmental Protection and Sustainability Fund	151
Schedule of Appropriations, Expenditures, and Encumbrances - Environmental Protection and Sustainability Fund	152
Schedule of Revenues - Budget and Actual - Capital Improvement Projects Fund	153

**COUNTY OF MAUI
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

TABLE OF CONTENTS

	<u>Page</u>
PART II FINANCIAL SECTION (Continued)	
Schedule of Appropriations and Expenditures - Capital Improvements Projects Fund	154
Capital Assets Used in Operations of Governmental Activities:	
Comparative Schedule by Type	155
Schedule by Function and Department	156
Schedule of Changes by Function and Department	157
PART III STATISTICAL SECTION (UNAUDITED)	
Table 1 Net Position by Component Last Ten Fiscal Years	159
Table 2 Changes in Net Position Last Ten Fiscal Years	160
Table 3 Governmental Activities Tax Revenues by Source Last Ten Fiscal Years	161
Table 4 Fund Balances of Governmental Funds Last Ten Fiscal Years	162
Table 5 Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years	163
Table 6 Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years	164
Table 7 Principal Taxpayers Fiscal Years 2024 and Nine Years Ago	165
Table 8 Property Tax Levies and Collections Last Ten Fiscal Years	166
Table 9 Ratios of Outstanding Debt by Type Last Ten Fiscal Years	167
Table 10 Ratios of General Obligations Bond Debt Outstanding Last Ten Fiscal Years	168
Table 11 Legal Debt Margin Information Last Ten Fiscal Years	169
Table 12 Demographics and Economic Statistics Last Ten Fiscal Years	170
Table 13 Principal Employers - Fiscal Years 2024 and Nine Years Ago	171

TABLE OF CONTENTS

		<u>Page</u>
PART III	STATISTICAL SECTION (UNAUDITED)	
Table 14	Full-Time Equivalent County Government Employees by Function Last Ten Fiscal Years	172
Table 15	Operating Indicators by Function Last Ten Fiscal Years	173
Table 16	Capital Asset Statistics by Function Last Ten Fiscal Years	174

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COUNTY OF MAUI
INTRODUCTORY SECTION

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
PHONE: (808) 270-7722
www.MauiCounty.gov

December 23, 2024

Honorable Mayor Richard T. Bissen, Jr.
Honorable Alice Lee, Chair
Members of the Maui County Council
and Citizens of Maui County
200 South High Street
Wailuku, Hawaii 96793

Dear Mayor Bissen, Chair Lee, Members of the Maui County Council, and Citizens of Maui County:

Pursuant to the requirements of the Charter of the County of Maui (1983), as amended ("Charter"), Section 9-13. Audit of Accounts, states:

"Within six (6) months after the beginning of each fiscal year, the county auditor shall conduct or cause to be conducted an independent financial audit of the funds, accounts, and other evidences of financial transactions of the county and of all operations for which the county is responsible for the audited fiscal year. The audit shall be conducted by a certified public accountant or firm of certified public accountants who have no personal interest, direct or indirect, in the fiscal affairs of the county or any of its operations. The audit shall include both financial accountability and adequacy of the financial and accounting system. If the State makes such an audit, the county auditor may accept it as satisfying the requirements of this section. The scope of the audit shall be in accordance with the terms of a written contract recommended by the county auditor and signed by the council chair as the contracting officer for the legislative branch, which contract shall encourage recommendations for better financial controls and procedures and shall provide for the completion of the audit within a reasonable time after the close of the previous fiscal year. A copy of the audit reports shall be filed with the county clerk and shall be a public record, unless otherwise provided by law.

In the case of the death, resignation, or removal of the director of finance, the council shall cause an independent audit to be made of the finance director's accounts."

The Annual Comprehensive Financial Report (“ACFR”) of the County of Maui (“County”) for the Fiscal Year (FY) ended June 30, 2024, is hereby submitted. This report consists of management’s representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County’s assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County’s financial statements in conformity with Generally Accepted Accounting Principles (“GAAP”). Because the cost of internal controls should not outweigh their benefits, the County’s comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurances that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

As required by the Charter, the County’s financial statements have been audited by a firm of licensed certified public accountants, N&K CPAs, Inc. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the FY ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County’s financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

Since FY 2002, the County has prepared the ACFR using the financial reporting requirements as prescribed by the Governmental Accounting Standards Board (“GASB”) Statement No. 34, Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments. This GASB Statement requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management’s Discussion & Analysis (“MD&A”). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it.

THE REPORTING ENTITY AND ITS SERVICES

The County consists of the inhabited islands of Maui, Molokaʻi and Lanai, and the uninhabited island of Kahoʻolawe. The County is the second largest of the four counties in the State of Hawaiʻi, with land area of 1,162 square miles (approximately the size of Rhode Island), or 18% of the land area of the State. Based on U.S. Census data, the County’s resident population remained static from 164,754 in 2020 to 164,765 in 2022. Given the impact of the Maui wildfires, with some residents moving to the mainland, the County’s estimated population for 2024 is expected to decline slightly.

The County provides a broad range of municipal services. These services include public safety (police, fire, emergency management, and public prosecutor), sanitation, social services, culture and recreation, public improvements, transportation, planning and zoning, water supply, general administrative services, and the construction and maintenance of streets and highways. This ACFR includes all funds of the County.

The County has operated under the Mayor - County Council form of government since 1969, which is the same form of government as the counties of Kauai and Hawaii, and the City and County of Honolulu. The executive branch of the County is headed by the Mayor, who is elected on a non-partisan basis for a four-year term, and limited to serving two consecutive full terms. The Mayor is the chief executive officer of the County, is responsible for overseeing the day-to-day operations, and has the authority to appoint certain County officials, including department heads. The legislative branch is led by the County Council, which is composed of nine members who are elected at-large, to serve concurrent two-year terms and not exceeding more than five consecutive full terms of office. The County Council appoints the County Clerk. Each of the nine council members has residency requirements, one each from the islands of Lanai and Moloka'i, and seven from the various districts on the island of Maui. The County Council is the policy-making body of the County. Its major functions include approval of the County budget, establishment of all fees, rates, assessments, and taxes, appropriation of funds, establishment of development controls including adoption of general plan, community plans and zoning, confirming appointment by Mayor of department heads, and other related functions.

In the County, as well as in the other counties within the State, there are no subordinate or separate municipal entities. The State government administers the school system, airports, harbors, hospitals, judicial system, and the State highway system. Most non-Federal taxes are administered and collected by the State under Hawaii's highly centralized tax system. The major sources of State revenue are the general excise tax, and corporate and personal income taxes. There are no State personal or property taxes, local levies for school districts, or special assessments.

The annual budget serves as the foundation for the County of Maui's financial planning and expenditures control. The County Charter ("Charter") requires the Mayor to submit to the County Council, on or before March 25 of each year, an operating budget for the ensuing fiscal year, a capital program, and an accompanying message. The operating budget and the capital program are prepared by the Mayor and Budget Director with the assistance of the Department of Finance. The operating budget presents a complete financial plan for the current operations of the County and its departments. The capital program contains capital improvements pending or proposed to be undertaken within the ensuing fiscal year and ensuing five fiscal years, together with the estimated cost of each improvement and pending or proposed method of financing. Chapter 46, Hawaii Revised Statutes was amended in 1993 to permit counties to prepare budgets on a one or two-year period. The Charter provides for one-year budgets.

The County maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget ordinance approved by the County Council. Activities of the General Fund, special revenue funds, grant revenue, debt service fund, and capital projects fund are included in the annual budget ordinance.

The Mayor holds community meetings to receive input from citizens in the eight community plan areas throughout the County prior to preparing the Mayor's Proposed Budget for the ensuing fiscal year. Upon submission of the proposed budget in March, additional public meetings and hearings are held with the community by the County Council between March and April in the year of submission. The proposed operating budget and capital program are subject to review and amendment by the County Council. If, however, the County Council fails to adopt an operating budget on or before June 10 of a given year, the Charter provides that the operating budget submitted by the Mayor will be deemed enacted as the operating budget for the ensuing fiscal year. The Charter further states that the estimated revenues, proposed expenditures and total appropriations for the ensuing fiscal year shall be equal in amount.

The appropriated budget is prepared by fund, function, department, program, and/or activity. Every appropriation, except for capital improvement projects and grants, lapses at the close of the fiscal year. An appropriation for a capital improvement remains in force until the purpose for which it was made has been accomplished or abandoned. Pursuant to the Charter, an appropriation for a capital improvement will be deemed abandoned six months after the close of the fiscal year to the extent that it has not been expended or encumbered by a written contract. Appropriations for grants based on grant revenue remains in force until the end of the grant performance period as dictated by a grant agreement. The Charter provides that no payment may be authorized or made and no obligation incurred against the County except in accordance with appropriations duly made.

Budgets are monitored at varying levels of classification detail. However, as a budgetary control policy, expenditures cannot exceed total appropriations at the program and cost category levels for budgeted funds. The budget is controlled at the following levels:

- Unless otherwise provided by the General Budget Provisions, operating appropriations for each program are disbursed for the following categories of use: (a) salaries, premium pay, or reallocation pay; (b) operations or services and equipment. These cost categories are the legal level of budgetary control for the County's operating appropriations.
- Unless otherwise provided by the General Budget Provisions, capital improvement projects are appropriated by fund at the project level and as described in Appendix C of the annual budget ordinance. Capital improvement project funding may not be used for any purpose other than as described in Appendix C. The total amount appropriated for a project may be used for the work phases provided in the project description in Appendix C. A budget amendment is needed if the total amount appropriated will be insufficient to complete all work phases set forth in the project description or if the project description does not clearly represent the work to be performed in Appendix C. This is the legal level of budgetary control for the County's capital improvements projects.
- County Council must authorize by resolution any transfer of appropriations from one cost category to another and/or one program to another within the department.
- County Council must authorize all budget amendments that alter the total appropriations of a particular program, line-item provision, or cost category from one program to another not within the department, by ordinance.

Budget-to-actual comparisons for each required governmental fund for which an appropriated annual budget has been adopted are provided in this report under the Required Supplementary Information (RSI) and Other Supplemental Information (OSI) sections. Detailed revenue and appropriation schedules for major and non-major funds are presented in the Other Supplementary Information section of the report. Additionally, the County has prepared a separate Supplemental Information to the ACFR Report, which contain amounts traceable to the related amounts in the schedules presented in the RSI and OSI sections of the ACFR, at the legal level of budgetary control. The Supplemental Information to the ACFR Report is accessible through the County's website, <https://mauicounty.gov/1827/Annual-Comprehensive-Financial-Report-AC>.

ECONOMIC CONDITION AND OUTLOOK

While Maui County's economy is somewhat diversified and driven by several different sectors of employment, the primary economic drivers are visitor industry-related. Government employment, however, also serves as a key economic driver.

Maui Wildfires

Maui continues to recover from the impacts of the August 2023 wildfires as well as the COVID-19 pandemic. However, the impact the August 2023 wildfires have had on Maui is significantly relative to its effect on visitor arrivals, jobs, and unemployment. Maui County lost 5,600 or 7.3% of non-agricultural wage and salary jobs from June 30, 2023, to June 30, 2024. The decrease in the number of jobs was largest in the food and drink service industry which lost 1,900 jobs followed by professional and business services which lost 1,100 jobs. These decreases were partially offset by the government sector which added 600 jobs.

On a positive note, with debris removal completed for all residential properties destroyed by the wildfires, rebuilding has already started in Lahaina and Kula. Construction activity is anticipated to be increasing significantly as both residential and commercial properties are rebuilt.

It is anticipated that the County of Maui will receive Community Development Block Grant – Disaster Relief ("CDBG-DR") funding from the Federal government to be used for the long-term recovery and restoration of infrastructure and housing, economic revitalization and mitigation in most impacted and distressed areas ("MIDs"). Congress is expected to vote for an appropriation of CDBG-DR funds to the County of Maui in December 2024 or January 2025.

Although the path to recovery will be long and difficult, with coordinated efforts among varying agencies, significant community involvement, input from subject matter experts, and robust governance, Maui will recover from the tragic wildfires and emerge more resilient.

Tourism

Tourism is the primary driver of Maui County's economy which was significantly impacted by the August 2023 wildfires. While the visitor metrics for Maui County have not returned to pre-wildfire levels, there has been improvement since the disaster.

In the first eight months of calendar year 2024, visitors to Maui decreased 17.5% from 1,907,527 in August 2023, to 1,574,325 in August 2024. The reduced tourist volume resulted in \$0.89 billion or 20.3% reduction in dollars spent by tourists.

While the long-term effects of tourism resulting from the Maui wildfires has yet to be determined, visitation to Maui County has continued to improve. As of August 2024, tourism is at an 82.5% recovery rate.

Construction

Construction remains one of the strongest sectors of the County's economy. Building permit valuations decreased slightly by \$18.4 million or 2.3% from \$774.7 million in FY2023 to \$756.3 million in FY2024. This follows a 35.4% increase in permit valuations between FY2022 and FY2023. The construction industry anticipates additional growth due to the destruction caused by the Maui wildfires.

Significant construction projects currently in progress (in varying phases of development) include the following:

Private Sector Projects

Makena Beach Club & Resort
Hope Chapel Senior Housing
Hampton Inn
Airport Industrial Distribution Center
Hilton Grand Vacation
Hale O Pi'ikea Apartments
Maui Coast Hotel
Kaiāulu O Kūku'ia Apartments

Public Sector Projects

State of Hawaii – Kulanihako'i High School
County of Maui – War Memorial Complex
County of Maui – Lahaina Wastewater Reclamation Facility ("WWRF")
State of Hawaii – Honoapi'ilani Highway Refurbishment
Department of Hawaiian Home Lands – Pu'unani Homesteads
Hawaiian Community Development Board/Ikenakea Pi'ikea Apartments

Jobs and Wages

While Maui County's economy is diversified and driven by several different sectors of employment, the primary economic sectors are visitor industry-related followed by government employment. According to the State of Hawaii's Department of Business, Economic, Development, and Tourism ("DBEDT") Economic Data Warehouse, the County's total non-agriculture wage and salary jobs decreased 5,600 or 7.3% in July 2024 as compared to the same period in the previous year. The County's unemployment rate (seasonally adjusted) of 4.0% in August 2024 was higher than the 3.2% unemployment rate for the State for the same period but lower than the County's rate of 8.5% in August 2023 (immediately post-wildfires).

Real Estate

According to the Realtors Association of Maui's August 2024 Monthly Indicators, national existing home sales increased 1.3% from the previous month ending the downward trend of recent months. Lower mortgage rates and rising supply helped boost market activity of home sales.

On Maui, new listings in August were up 40.7% for Single Family homes and 74.7% for Condominium homes from the previous year. The median sales price for Single Family homes increased 10.4% from \$1,200,000 in August 2023 to \$1,325,000 in August 2024. Single family homes were on the market for 124 days as compared to 99 days in August 2023 representing an increase in days on the market of 25.3%. Likewise, the median condominium home price increased from \$750,000 in August 2023 to \$1,000,000 in August 2024 while days on the market also increase 47.2%.

MAJOR INITIATIVES AND ACHIEVEMENTS

For The Year. During FY2024, the County saw a 55.3% increase in the net position of governmental activities mainly due to revenue increases of \$121.6 million from FY2023. Revenue increases were primarily due to higher real property taxes resulting from market value increases, higher interest and investment earnings, and the new general excise tax surcharge.

Below are the County's achievements in FY 2024 as aligned to the Administration's five strategic goals.

An Affordable, Healthy, and Thriving Community. Collaborative efforts and innovative planning continue to lead to action and progress in addressing Maui's lack of attainable housing for working families. Additionally, the Administration prioritizes the need for quality recreational opportunities to support a healthy and thriving community. This responsibility touches many areas and departments of County government such as the following:

- In the aftermath of the Lahaina wildfire, the Early Childhood Resource Center played a pivotal role in securing critical funds and resources from various organizations to ensure vital support for affected early childhood providers and families. *(Housing and Human Concerns)*.
- Housing of 832 individuals and family household members through the Coordinated Entry System (CES) process administered by the Homeless Program Division. *(Housing and Human Concerns)*
- Although Kaunoa's West Maui Senior Center ("WMSC") was destroyed in the Lahaina fire, daily staffing support to seniors was provided through Kaunoa at the Disaster Recovery Center.
 - Staff-assisted transportation and home delivered meals once roads were opened. *(Housing and Human Concerns)*
 - Delivery of fresh meals to former WMSC Congregate participants who became homebound post fire. Fifteen West Maui seniors received a hot meal along with face-to-face wellness checks and socialization time twice a week. *(Housing and Human Concerns)*
- Completion of various projects to maintain the safety, enjoyment and upkeep of parks and facilities including the Iron Maehara Stadium Phase 2 renovations, and Honokowai Beach Park Playground. Construction also started on the War Memorial Gym Emergency Shelter upgrades, Velma Santos Community Center Improvements, and the new Lanai Youth Center. *(Parks and Recreation)*.
- Contracted by the County through the Animal Management Program, the Maui Humane Society responded to the August 2023 wildfires to rescue lost and injured animals, provide life-saving food, water and veterinary care, search tirelessly for their owners and reunite families and ensure that every single animal received shelter, loving care, a chance at life and a positive outcome. *(Housing and Human Concerns)*

A Strong, Diversified Economy. Maui County's main economic engine is tourism, and ongoing efforts are continuous in managing its economic growth and impacts while ensuring that those impacted by the August 2023 wildfires remain a priority and top focus. The County addresses diversifying the economy through supporting existing businesses and being innovative in a global hyper-connected community, as well as supporting growth in the technology and agriculture sectors. Financial highlights include the following:

- Transient Accommodations Tax Office reported \$64.8 million in General Fund Revenues from July 1, 2023, to June 30, 2024. *(Finance)*
- Engaged in Energy Savings Performance Contracting program to aggressively pursue energy efficiency measure, energy generation and storage, and electric vehicle charging infrastructure which is anticipated to result in significant savings *(Management)*.

An Environmentally Responsible and Sustainable Community. Mayor Bissen's vision guides stewardship of Maui County for our residents and visitors – and for future generations to come. Protecting our environment and planning for a sustainable future promotes health and well-being of residents and the economy.

- Environmental Protection and Sustainability Division ("EP&S") Abandoned Vehicles & Metals ("AVM") Program developed, launched, and executed the disaster vehicle management program for the County's response to the Maui wildfires which managed 2,700+ disaster vehicles. *(Environmental Management)*
- AVM managed the abandoned vehicles program administering 2,129 reports resulting in 1,225 vehicles towed from public areas. A total of 1,399 junk vehicles were recycled under County programs. *(Environmental Management)*
- The EP&S Environmental Programming ("EP") Section supported wildfire recovery response by launching the White Goods Collection Program to support fire impacted households in the burn zone. A total of 330 appliances were collected and recycled and over a dozen illegal dump sites were addressed. *(Environmental Management)*
- The White Goods Collection Program resulted in 8,043 units (643 tons) diverted from Central Maui Landfill; 824 units (65.9 tons) diverted from Hana Landfill; 1,325 units (106 tons) diverted from Moloka'i Landfill; 208 units (16.7 tons) diverted from Lanai Landfill. *(Environmental Management)*
- The EP Section successfully funded seven (7) new environmental stewardship projects through the Green Grants Program as well as received \$5M in additional grant funding transferred from the Office of Economic Development ("OED") to administer projects related to Environmental Protection & Restoration. *(Environmental Management)*
- Solid Waste Division ("SWD") continued the Phase I/II slope interface construction at the Central Maui Landfill ("CML"), which provided the planned airspace in the Phase IIIA area. *(Environmental Management)*
- The SWD began the bidding and contracting process for the construction of Phase IIIB, which will add approximately 4-5 years of additional airspace at CML. *(Environmental Management)*
- Developed geographic information system data and meter data analyses to identify services associated with burn structures and located within Unsafe Water Advisory areas. *(Water Supply)*

Well-Planned Public Infrastructure. The County's strategic goal is to build and maintain infrastructure owned and/or managed by the County to effectively serve future generations. The Administration effectively prioritizes infrastructure improvements to be forward-thinking and fiscally responsible. A sampling of these far-ranging projects is highlighted below:

- Completion of \$24.9 million construction projects and \$96.2 million of projects pending and actively in construction. *(Public Works)*
- Successful resurfacing and preservation of 56 lane miles of roadway through the County's Pavement Preservation Program. *(Public Works)*
- 1,329 building permits issued. *(Public Works)*
- Completion of various wastewater infrastructure maintenance projects including the construction of a third UV channel at the Kihei WWRF, replacement of the recycled water reservoir cover and liner as well as the renovation of the adjacent recycled water pump station. These projects provide a more reliable recycled water system and will provide an opportunity to expand service to more users. *(Environmental Management)*
- Construction continues on a new recycled water pump station and storage basin at the Lahaina WWRF that will be used to convey water to the Honokowai Reservoir Site. Construction should be completed in mid- FY 2025. *(Environmental Management)*

A Prepared, Safe and Livable County. The County has committed to being “prepared, safe, and livable.” Hardworking leadership and employees, including public works, police, fire and emergency management, continue to uphold this commitment. Whether it is responding to a natural disaster, creating policies and plans for the future, or providing guidance and information to the public, Maui County is committed to ensuring the safety and well-being of its citizens.

- Graduated 11 new recruits from the Police 94th recruit class and 9 from the 95th recruit class. *(Police)*
- Maui Police Activities League (“MPAL”) dedicated to providing the youth of Maui County with positive alternatives had approximately 200 participants in 2023. *(Police)*
- Launched *Live in Your Truth* in collaboration with numerous community partners to assist young individuals, ages 14 to 24, who may or may not be unsheltered in dealing with mental illness, substance abuse and may be at-risk. *(Police)*
- Conducted a 100% Personal Protection Ensemble (“PPE”) Inventory of the entire department enabling the development of a PPE Procurement Program. *(Fire & Public Safety)*
- Assisted in the development of the Mental Resilience and Wellness Team, uniting Peer Support and Critical Incident Stress Management Programs. *(Fire & Public Safety)*

For The Future. The County has a long history of fiscal prudence with a cost of government lower than many comparable municipalities. The County continues to strive towards its goal of long-term financial stability and sustainability while maintaining the necessary levels of service for the community. This conservative and responsible approach has paid dividends as the County's financial strength has led to bond ratings that are the highest of any governmental agency in the State of Hawaii, despite the economic downturn due to the COVID-19 pandemic and the August 2023 wildfires.

Included in the Department of Finance's objectives is to work with the Administration, the Budget Office, and the County Council to support initiatives relating to contingency planning as it may relate to emergencies and unforeseen events. It is the County's goal to fund its Emergency Fund to a level equal to 20.0% of annual General Fund revenues through the prudent management of its fiscal resources. As of June 30, 2024, the Emergency Fund balance was \$71.8 million, 10.6% of the General Fund revenues. Additionally, the County continued with its responsible strategy through its appropriation of \$43.0 million to the Affordable Housing Fund and \$20.3 million to the State of Hawaii Employer-Union Health Benefits Trust Fund (EUTF) for the Other Post-Employment Obligations (OPEB) in FY2024.

In consideration of the County's current and future needs, strategic and long-range plans are being developed and continue to be reviewed and modified as required. Many factors are evaluated in the development of these plans, including revenue forecasting, rate of growth, inflationary factors, debt levels and costs, aging infrastructure replacement and expanding community needs.

The County's annual budget continues to focus on performance measures and the alignment of department strategies and program activities with the Strategic Vision. The objectives and measures outlined in the departments' program descriptions state the specific contributions each department will make towards accomplishing its mission and goals for the ensuing fiscal year. Program goals and objectives are reviewed and updated annually by departments in consultation with the Department of Management and in response to changing community needs and the availability of resources.

OTHER FINANCIAL INFORMATION

Debt Management. The County's debt management policy is a written guideline for the amount and type of debt issued by a state or local government, the issuance process, and the management of a debt portfolio. An effective debt management policy improves the quality of decisions, provides justification for the structure of debt issuance, identifies policy goals, and demonstrates a commitment to long-term financial planning, including a multi-year capital plan. Adherence to a debt management policy signal to taxpayers, rating agencies, and the capital markets that a government is well managed and should meet its financial obligations in a timely manner. The County's fiscal and debt policies have allowed the County to maintain its financial stability by receiving the next-to-highest ratings from two qualified bond-rating agencies and one step lower from the third rating agency. Fitch Global Ratings on May 29, 2024, and S&P Global Ratings on March 6, 2024 assigned ratings of AA+ (stable outlook) while Moody's Investor Service on December 11, 2023 affirmed a rating of Aa1 (stable outlook). The County's debt policy is compliant with the Hawaii Revised Statutes (Chapter 47) and the Maui County Charter. The general intent of the County's debt policy is that debt is only to be incurred when necessary. The County will confine long-term borrowing to capital assets or equipment that cannot be financed from current financial resources. The County shall borrow only when necessary and utilize pay-as-you-go financing to the extent possible in order to conserve debt capacity.

Furthermore, the County does not use debt for operational needs. Beginning in FY2013, to ensure accuracy and improve efficiency the County engaged the Bank of New York Mellon to act as its paying agent for debt service payments.

Investment Management. The County maintains an investment policy which governs all financial assets of the County. These funds are accounted for in the County's basic financial statements and include the General Fund, Special Revenue Funds, Capital Improvement Projects Funds, Enterprise Funds, Agency Funds, Debt Service Fund, and any new funds unless specifically exempted. The key objectives for the County's Investment Policy includes: 1) Safety – investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio; the objective will be to mitigate credit risk and interest rate risk; 2) Liquidity – the investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated; and 3) Yield – the investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risks constraints and liquidity needs. The County's Investment Policy is in conformance with Hawaii Revised Statutes, Chapter 46-50. In addition, Chapter 3.08 of the Maui County Code requires the County to retain a third-party investment advisor to manage the non-liquid portion of the County's investment portfolio.

Cash Management. The primary objectives of the County's cash management and investment program are safety, defined as the preservation of principal; liquidity; and yield. The County employs multiple bank accounts in several different banks for cash management. This General Investment Portfolio ("GIP") is comprised of five separate accounts holding proceeds from five general obligation bonds, one high-interest rate savings account that has no withdrawal restrictions, and four certificates of deposit in three banks. Combining these investment accounts with our general operating and sub-accounts creates a financial network that provides the County with flexibility and transparency.

To ensure that the County's GIP receives the most competitive rates possible, cash from various County funds are combined to form a pool of cash and investments which are invested over a maturity horizon not to exceed five (5) years. The GIP is composed of obligations of the U.S. government and its agencies, negotiable time certificates of deposit, and repurchase agreements fully collateralized by obligations of the U.S. government or its agencies, and short-term notes. The County's GIP investment portfolio earned \$22.4 million in FY2024, an increase of \$11.9 million over FY2023. Average monthly portfolio yield increased 0.89% rising from 2.78% in June 2023 to 3.67% in June 2024. The increase in portfolio yield can be attributed to the following three factors: 1) Increase of the Federal Reserve Overnight Rate driving short-term rates up resulting in an inverted yield curve, 2) Shortening of the GIP investment horizon to increase liquidity to meet possible wildfire recovery needs, and 3) Maturity of low yield securities purchased before COVID-19 whose proceeds were reinvested at higher short-term market rates.

Real Property Tax. Real Property Tax is the most significant revenue source for the County and is the largest revenue component of the General Fund. Unlike many other states, Hawai'i State law allows for the counties to retain 100 percent of the real property tax levied in their jurisdiction. Real Property Tax is based on valuations applied to real property with tax rates assigned to each of the twelve classifications. Real property assessed values in FY2024 was \$70.3 billion due to an increase of \$11.6 billion from the FY2023 assessed value of \$58.7 billion. For FY2024, the County recorded approximately \$510.9 billion, which is an increase of \$75.5 million from the prior fiscal year.

The destruction and damage to properties caused by the August 8, 2023 wildfires reduced real property tax revenue for FY2024 by \$22.8 million.

AWARDS AND ACKNOWLEDGMENTS

Award. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its ACFR for the fiscal year ended June 30, 2023. This is the forty-first consecutive year that the County has received this prestigious award.

To receive the Certificate of Achievement, the government entity must publish an easily readable and efficiently organized ACFR whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We have ensured that the GFOA standards have been adhered to and believe that the current report, which will be submitted to the GFOA, continues to conform to the Certificate of Achievement Program requirements.

The Real Property Assessment Division recertified their Certificate of Excellence in Assessment Administration ("CEAA") designation from the International Association of Assessing Officers ("IAAO") in May 2024 and received the award in September 2024. The CEAA recognizes jurisdictions that use the best appraisal and assessment practices in their office.

Acknowledgements. The preparation of this report could not have been accomplished without the commitment and dedicated service of the entire staff of the Department of Finance, and the cooperation of the other County agencies and departments. I wish to express my appreciation to all members of the Department of Finance and to the auditors, N&K CPAs, Inc. who assisted and contributed to its efficient preparation and extensive compilation. We also thank the Honorable Mayor Richard T. Bissen, Jr. and the Maui County Council for their interest, trust, and support in the progressive strategic planning and conduct of the financial operations of the County.

Respectfully Submitted,



MARCY MARTIN
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Maui
Hawaii**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrell

Executive Director/CEO

COUNTY OF MAUI

ELECTED OFFICIALS AND DEPARTMENT HEADS

As of June 30, 2024

ELECTED OFFICIALS

ADMINISTRATIVE

Mayor

Richard T. Bissen, JR.

LEGISLATIVE

County Council

Council Chair
Alice L. Lee

Council Vice-Chair
Yuki Lei Sugimura

Presiding Officer Pro Tempore
Natalie "Tasha" Kama

Councilmember Tom Cook
Councilmember Gabe Johnson
Councilmember Tamara A.M. Paltin

Councilmember Keani N.W. Rawlins-Fernandez
Councilmember Shane M. Sinenci
Councilmember Nohe U'U-Hodgins

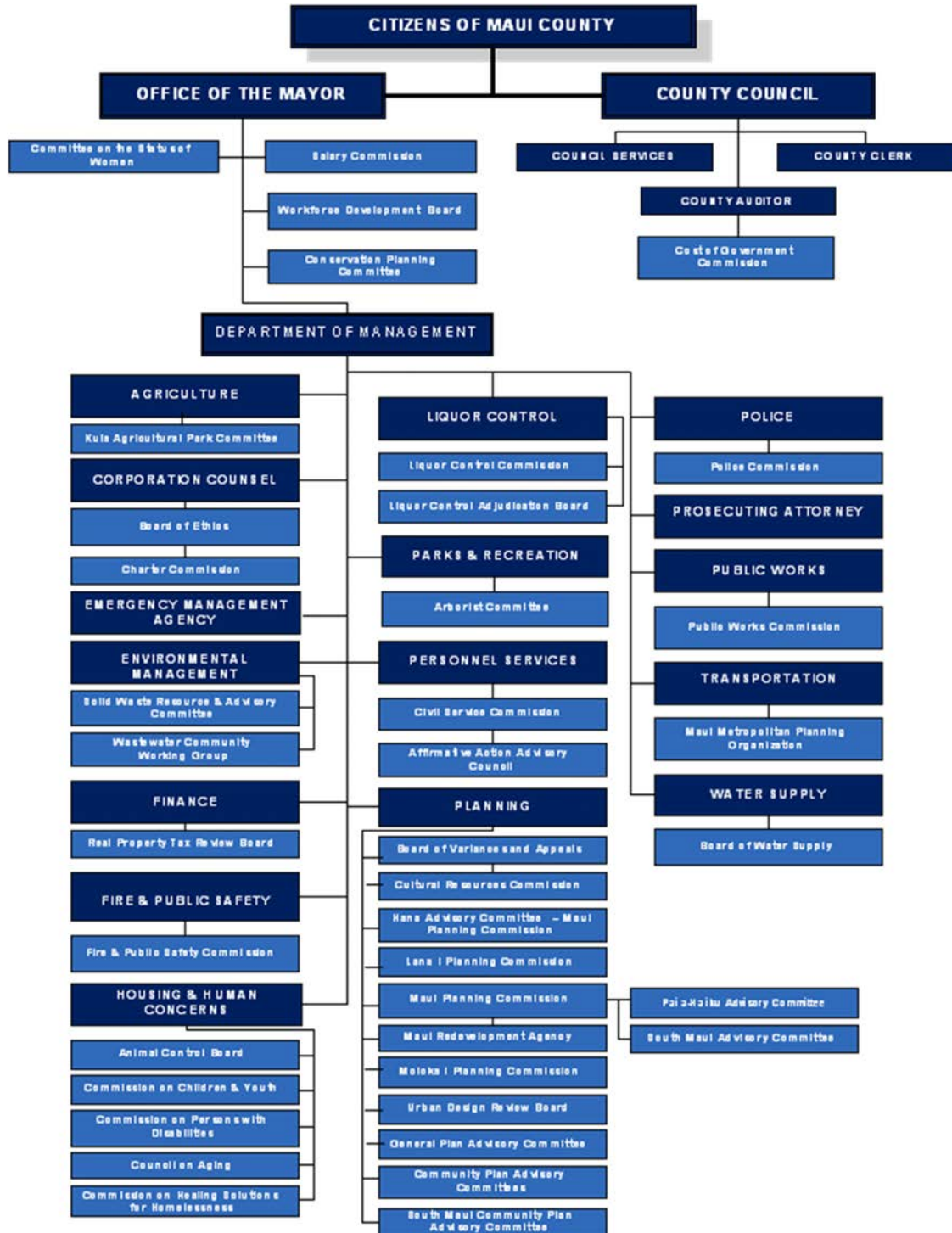
Director of Council Services
County Auditor
County Clerk

David Raatz
Lance Taguchi
Moana M. Lutey

APPOINTED DEPARTMENT HEADS

Managing Director	Josiah Nishita
Corporation Counsel	Victoria J. Takayesu
Prosecuting Attorney	Andrew Martin
Director of Finance	Marcy Martin
Director of Environmental Management	Shayne Agawa
Director of Public Works	Jordan Molina
Director of Parks & Recreation	Patrick McCall
Fire Chief	Bradford Ventura
Planning Director	Kate Blystone
Director of Personnel Services	Cynthia Razo-Porter
Director of Housing & Human Concerns	Lori Tsuhako
Director of Transportation	Marc Takamori
Director of Water Supply	John Stufflebean
Chief of Police	John Pelletier
Director of Liquor Control	Layne Silva
Director of Agriculture	Rogerene Arce

ORGANIZATION CHART



DIRECTORY OF COUNTY OFFICIALS



RICHARD T. BISSEN, JR.
MAYOR



JOSIAH NISHITA
Managing Director



LEO CAIRES
Chief of Staff



MAHINA MARTIN
Director of Public
Affairs



LAKSMI ABRAHAM
Director of
Communications and
Government Affairs



KEANUKAPULANI LAU HEE
Deputy Managing Director



LESLEY MILNER
Budget Director



LUANA MAHI
Economic Development
Director



LOIS WHITNEY
Deputy Director of
Communications and
Government Affairs



AMOS LONOKAILUA-HEWETT
Maui Emergency Management
Agency Administrator

Department of Agriculture	Department of the Corporation Counsel	Department of Environmental Management	Department of Finance	Department of Fire and Public Safety	Department of Housing and Human Concerns	Department of Liquor Control	Department of Parks and Recreation
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ROGERENE ARCE
Director



VICTORIA J. TAKAYESU
Corporation Counsel



SHAYNE AGAWA P. E.
Director



MARCY MARTIN
Director



BRADFORD VENTURA
Fire Chief



LORI TSUHAKE
Director



LAYNE SILVA
Director



PATRICK MCCALL
Director



KOA HEWAHEWA
Deputy Director



MIMI DESJARDINS
First Deputy



ROBERT SCHMIDT
Deputy Director



MARIA ZIELINSKI
Deputy Director



GAVIN FUJIOKA
Deputy Fire Chief



SAUMALU MATAAFA
Deputy Director



**JARETT
KAHO'OHANOHANO**
Deputy Director



SHANE DUDOIT
Deputy Director

Department of Personnel Services	Department of Planning	Department of Police	Department of the Prosecuting Attorney	Department of Public Works	Department of Transportation	Department of Water Supply
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CYNTHIA RAZO-PORTER
Director



KATE BLYSTONE
Director



JOHN PELLETIER
Police Chief



ANDREW MARTIN
Prosecuting attorney



JORDAN MOLINA
Director



MARC TAKAMORI
Director



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



KAINEA AIWOHI-ALO
Deputy Director



ANA LILLIS
Deputy Director



WADE MAEDA
Deputy Police Chief



SHELLY C. MIYASHIRO
First Deputy



WENDY TAOMOTO, P. E.
Deputy Director



KAUANOE BATANGAN
Deputy Director



JAMES LANDGRAF
Deputy Director



ALICE L. LEE
COUNCIL CHAIR
WAILUKU DISTRICT



YUKI LEI SUGIMURA
VICE CHAIR
PUKALANI-KULA-ULUPALAKUA
DISTRICT



TASHA KAMA
PRESIDING OFFICER PRO TEMPORE
KAHULUI DISTRICT



TOM COOK
COUNCILMEMBER
SOUTH MAUI DISTRICT



GABE JOHNSON
COUNCILMEMBER
LANAI DISTRICT



TAMARA PALTIN
COUNCILMEMBER
WEST MAUI DISTRICT



KEANI N. W. RAWLINS-
FERNANDEZ
COUNCILMEMBER
MOLOKAI DISTRICT



SHANE M. SINENCI
COUNCILMEMBER
EAST MAUI DISTRICT



NOHE U'U-HODGINS
COUNCILMEMBER
MAKAWAO-PAIA-HAIKU DISTRICT

OFFICE OF COUNCIL SERVICES
David Raatz, Director
Richelle Kawasaki, Deputy Director

OFFICE OF THE COUNTY AUDITOR
Lance Taguchi, County Auditor

OFFICE OF THE COUNTY CLERK
Moana M. Lutey, County Clerk
Richelle M. Thomson, Deputy County Clerk

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COUNTY OF MAUI
FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Alice L. Lee, Chair
and the Members of the Council
County of Maui
Wailuku, Hawai'i

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Maui, State of Hawai'i (County), as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 23 through 38), the budgetary comparison schedules for the general fund, highway fund, and grant fund (pages 99 through 101), and the schedules of proportionate share of the net pension liability (page 104), contributions (pension) (page 105), changes in net OPEB liability and related ratios (page 107), and contributions (OPEB) (page 108) be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The other supplementary information, as identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

N&K CPAs, Inc.

Honolulu, Hawai'i
December 23, 2024

**COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

This discussion and analysis of the County of Maui's (the County) basic financial statements provides a narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, the basic financial statements, and the accompanying notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$1.1 billion (*net position*).
- The County's total net position increased by \$267.0 million during the current fiscal year.
- As of the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$729.5 million, which is an increase of \$102.9 million or 16.4% from prior year.
- At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$244.3 million, 51.8% of total General Fund expenditures.
- The County's total amount of General Obligation (GO) bonds and State Revolving Fund (SRF) loans decreased by \$22.4 million during the current fiscal year. This decrease is reflective of the \$23.7 million decrease in GO Bonds and the increase of \$1.3 million in SRF loans, net of principal payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

Basic Financial Statements

Government-Wide Financial Statements. The two government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business. They provide a financial overview of the County from the economic resources measurement focus using the accrual basis of accounting.

The ***Statement of Net Position*** presents information on all of the County's assets (including capital assets) and deferred outflows of resources and liabilities (including long-term obligations) and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The ***Statement of Activities*** presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, sanitation, social welfare, highways and streets, culture and recreation, and legislative. The County's business-type activities include the Department of Water Supply and the Housing, Interim Financing, and Buy-Back Revolving Fund.

These government-wide financial statements can be found in the first section of the basic financial statements.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the County's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements. These funds are reported using an accounting method called modified accrual.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

The County accounts for fund balance classifications in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes five fund balance classifications based upon the extent to which a governmental entity is bound to honor constraints on the specific purposes for which amounts in that fund can be spent. The fund balance categories are nonspendable, restricted, committed, assigned, and unassigned.

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Restricted fund balance includes amounts that are subject to constraint imposed or legally enforceable by external parties. Funds with restrictions imposed by the Hawaii Revised Statutes and the Maui County Charter are examples of such funds of the County. Committed fund balance includes amounts that are subject to constraint created by the County and can only be changed by the County's highest level of formal action. Assigned fund balance includes amounts constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. Lastly, unassigned fund balance includes amounts that have no constraints whatsoever and are available for spending at the County's discretion.

GASB Statement No. 54 also states that governments should discontinue reporting a special revenue fund and instead report the fund's remaining resources in the general fund, if the government no longer expects that a substantial portion of the inflows will derive from restricted or committed revenue sources.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Most of the County's basic services are reported in the governmental funds. The County maintains twelve individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for General, Highway, Grant, Debt Service, and Capital Improvement Projects, all of which are considered to be major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation. Individual fund data from each of these non-major governmental funds is provided in the form of combining statements in the other supplementary information section.

The governmental funds financial statements are located immediately after the government-wide financial statements in the basic financial statements section. The two fund financial statements are the balance sheet and the statement of revenues, expenditures, and changes in fund balances of the governmental funds.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

Proprietary funds. Services for which the County operates similar to a business-type activity are generally reported in proprietary funds. These proprietary funds provide the same type of financial information (long and short-term) as the government-wide financial statements, only in more detail. The County's *enterprise funds* (one type of proprietary fund) are the same as its *business-type activities* reported in the government-wide financial statements.

The financial statements of the two proprietary funds include the statement of net position, the statement of revenues, expenses, and changes in net position, and the statement of cash flows. The proprietary fund financial statements provide separate information for the Department of Water Supply (DWS) and the Housing, Interim Financing, and Buy-Back Revolving Funds.

The proprietary funds financial statements are the second set of fund financial statements and follow governmental funds financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The statement of fiduciary net position and the statement of changes in fiduciary net position of the custodial funds are the last of the fund financial statements and are found after the proprietary fund financial statements.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements are the last section of the basic financial statements.

Required Supplementary Information (RSI)

The Supplemental Information to the Annual Comprehensive Financial Report provides detail support for the budgetary schedules presented as required supplementary information in the Annual Comprehensive Financial Report for the General Fund, Highway Fund, and Grant Fund. For the County of Maui, the level of legal control is at the program and category level unless otherwise provided by the General Budget Provisions. Due to the County's large amount of appropriated line items, the budgetary schedules presented in the Annual Comprehensive Financial Report are displayed at a summary level.

The County is a participating employer in a cost-sharing multi-employer pension plan providing pension benefits to all qualified employees administered by the State of Hawaii Employees' Retirement System. A schedule of the County's proportionate share of the net pension liability and a schedule of contributions (pension) is provided for this pension obligation.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

The County is a participating employer in an agent, multiple-employer defined benefit plan providing health care and insurance benefits to all qualified employees and retirees. As described in Note 10, legislation has been enacted to set up an irrevocable trust for the Employer-Union Health Benefits Trust Fund. A schedule of changes in the net other postemployment benefits other than pensions liability (OPEB) and related ratios and schedule of contributions (OPEB) is provided for this postemployment obligation.

These schedules are presented as RSI, which follows the basic financial statements section.

Other Supplementary Information (OSI)

This section follows the RSI and displays the individual fund data of the seven other non-major governmental funds in combining statements for the balance sheet and statement of revenues, expenditures, and changes in fund balances. These non-major governmental funds are the Liquor Control, County, Sewer, Bikeway, Solid Waste, Environmental Protection and Sustainability, and Other Assessment Funds. The total of these seven non-major funds is included in the *Other Governmental Funds* column in both the balance sheet and the statement of revenues, expenditures, and changes in fund balances for the governmental funds, which are the first two fund financial statements of the basic financial statements section.

Included in the OSI section is the combining statements of fiduciary position - custodial funds and changes in fiduciary net position - custodial funds. In addition, the OSI section includes the budgetary comparison schedule for the Debt Service Fund, as well as the detail fund schedules of revenues - budget and actual and schedules of appropriations, expenditures, and encumbrances for the General, Highway, Sewer, Grant, Solid Waste, Liquor Control, Environmental Protection and Sustainability Fund, and Capital Improvement Projects Fund.

The last part of the OSI section includes three schedules relating to capital assets used in governmental activities. The first schedule is by type of capital assets and the next two schedules provide details of capital assets and changes in capital assets by function and department.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

STATEMENT OF NET POSITION
June 30, 2024 and 2023
(Dollars in Thousands)

	Governmental Activities		Business-type Activities		Total	
	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023
Assets and Deferred Outflows of Resources:						
Current and other assets	\$ 902,057	\$ 790,618	\$ 154,392	\$ 149,863	\$ 1,056,449	\$ 940,481
Capital assets, net	1,196,197	1,125,669	389,228	386,412	1,585,425	1,512,081
Total Assets	2,098,254	1,916,287	543,620	536,275	2,641,874	2,452,562
Deferred outflows of resources	194,731	131,741	16,167	10,085	210,898	141,826
Total Assets and Deferred Outflows of Resources	2,292,985	2,048,028	559,787	546,360	2,852,772	2,594,388
Liabilities and Deferred Inflows of Resources:						
Long-term liabilities	607,003	629,313	56,971	59,775	663,974	689,088
Other liabilities	152,470	144,817	25,780	30,733	178,250	175,550
Net pension liability	605,921	528,574	49,911	43,776	655,832	572,350
Net OPEB liability	124,902	133,103	9,978	10,666	134,880	143,769
Total Liabilities	1,490,296	1,435,807	142,640	144,950	1,632,936	1,580,757
Deferred inflows of resources	103,356	161,796	6,666	8,997	110,022	170,793
Total Liabilities and Deferred Inflows of Resources	1,593,652	1,597,603	149,306	153,947	1,742,958	1,751,550
Net Position:						
Net investment in capital assets	740,170	736,549	333,247	332,442	1,073,417	1,068,991
Restricted	172,034	127,750	44,109	51,248	216,143	178,998
Unrestricted	(212,871)	(413,874)	33,125	8,723	(179,746)	(405,151)
Total Net Position	\$ 699,333	\$ 450,425	\$ 410,481	\$ 392,413	\$ 1,109,814	\$ 842,838

At the end of the current fiscal year, the County reported positive balances in two of the three categories of net position both for the government as a whole, as well as for its governmental type activities. Business-type activities reported positive balances in all three categories of net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, net position was \$1.1 billion at the close of the current fiscal year. This compares with the net position of \$842.8 million from the prior year. Total net position increased by \$267.0 million during the current fiscal year. The governmental activities reflected an increase in net position of \$248.9 million. The business-type activities increased net position by \$18.1 million.

By far, the largest portion of the County's net position is its net investment in capital assets, which is comprised of the County's capital assets (e.g., land, buildings, machinery, equipment, lease assets and subscription assets) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources as the capital assets themselves cannot be used to service these liabilities.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

An additional portion of the County's net position, 19.5%, represents resources that are subject to external restrictions on how they may be used.

Unrestricted net position amounted to a deficit of \$179.7 million at the end of the current fiscal year, with a deficit of \$212.9 million derived from governmental activities and \$33.1 million from business-type activities. The County's unrestricted net position increased by \$225.4 million as compared to last year.

The County's net capital assets increased by \$73.3 million mainly due to an increase in capital assets of \$149.0 million offset by an increase in accumulated depreciation and amortization for these assets of \$75.6 million. Further discussion on the County's capital assets is provided in the *Capital Assets* within this section.

The County's total amount of GO bonds and SRF loans outstanding decreased by \$22.4 million during the current fiscal year. The decrease is reflective of a \$23.7 million decrease in GO bonds, excluding unamortized premiums and deferrals and an increase of \$1.3 million in SRF loans, net of principal payments.

Other long-term obligations increased by \$71.4 million, from \$805.6 million in fiscal year 2023, to \$877.0 million in fiscal year 2024 for governmental activities, and increased by \$5.9 million from \$57.5 million in the prior fiscal year to \$63.4 million in fiscal year 2024 for business-type activities. The increase in governmental activities is primarily due to increases of \$77.3 million in accrued pension liability, \$5.2 million in financed purchases, \$3.0 million in landfill closure and post-closure costs, and \$2.1 million in accrued vacation, offset by decreases of \$9.3 million in claims and judgments, and \$8.2 million in accrued OPEB liability.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

STATEMENT OF ACTIVITIES
For the Fiscal Years Ended June 30, 2024 and 2023
(Dollars in Thousands)

	Governmental Activities		Business-type Activities		Total	
	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023
Revenues:						
Program Revenues:						
Charges for services	\$ 150,704	\$ 157,830	\$ 73,472	\$ 68,414	\$ 224,176	\$ 226,244
Operating grants and contributions	88,953	75,814	--	--	88,953	75,814
Capital grants and contributions	7,321	16,573	13,000	16,826	20,321	33,399
General Revenues:						
Property taxes	510,948	435,406	--	--	510,948	435,406
Transient accommodations tax	64,827	85,845	--	--	64,827	85,845
General excise tax	34,498	--	--	--	34,498	--
Other taxes	36,132	37,104	--	--	36,132	37,104
Interest and investment earnings, net	37,277	8,140	5,600	1,380	42,877	9,520
Other revenues	8,404	751	4,753	269	13,157	1,020
Total Revenues	<u>939,064</u>	<u>817,463</u>	<u>96,825</u>	<u>86,889</u>	<u>1,035,889</u>	<u>904,352</u>
Expenses:						
Governmental Activities:						
General government	259,821	182,455	--	--	259,821	182,455
Public safety	119,893	90,054	--	--	119,893	90,054
Social welfare	69,478	90,612	--	--	69,478	90,612
Sanitation	95,131	88,572	--	--	95,131	88,572
Highways and streets	72,478	68,357	--	--	72,478	68,357
Culture and recreation	44,068	35,841	--	--	44,068	35,841
Legislative	8,146	7,747	--	--	8,146	7,747
Capital outlay	--	11,356	--	--	--	11,356
Interest on long-term debt	11,941	12,005	--	--	11,941	12,005
Business-type Activities:						
Water supply	--	--	79,846	71,971	79,846	71,971
Housing	--	--	8,111	1,543	8,111	1,543
Total Expenses	<u>680,956</u>	<u>586,999</u>	<u>87,957</u>	<u>73,514</u>	<u>768,913</u>	<u>660,513</u>
Increase in Net Position						
Before Transfers	258,108	230,464	8,868	13,375	266,976	243,839
Transfers	<u>(9,200)</u>	<u>70</u>	<u>9,200</u>	<u>(70)</u>	<u>--</u>	<u>--</u>
Change in Net Position	248,908	230,534	18,068	13,305	266,976	243,839
Net Position - Beginning of Year	<u>450,425</u>	<u>219,891</u>	<u>392,413</u>	<u>379,108</u>	<u>842,838</u>	<u>598,999</u>
Net Position - End of Year	<u>\$ 699,333</u>	<u>\$ 450,425</u>	<u>\$ 410,481</u>	<u>\$ 392,413</u>	<u>\$ 1,109,814</u>	<u>\$ 842,838</u>

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

Governmental Activities. Governmental activities increased the County's net position by \$248.9 million. The increase of \$18.4 million of change in net position over last year is primarily attributable to revenue increases of \$75.5 million in property taxes, \$29.1 million in interest and investment earnings, \$13.1 million in operating grants and contributions, \$12.5 million in other taxes, and \$7.7 million in other revenues; offset by revenue decreases of \$9.3 million in capital grants and contributions, \$7.1 million in charges for services, and an increase of \$94.0 million in governmental activities expenditures.

The increase of \$75.5 million in property taxes is primarily due to an increase in assessed values. Interest and investment earnings increased \$29.1 million due to a more favorable market. The \$12.5 million increase in other taxes includes the collection of the new general excise tax of \$33.5 million; offset by a decrease of \$21.0 million in the transient accommodation tax. The \$7.7 million increase in other revenues is primarily due to insurance recovery from assets destroyed in the wildfire. Charges for services decreased \$7.1 million mainly due to decreases of \$4.5 million in sanitation collections and landfill revenue, and \$1.2 million in public transit fares.

The increase of \$94.0 million in governmental activities expenditures is mainly due to increases of \$30.6 million in personnel and related fringe benefit costs, \$23.6 million in operational expenditures and \$17.6 million in equipment and capital project expenditures.

Business-type Activities. The business-type activities increased the County's net position by \$18.1 million, compared with last year's increase of net position by \$13.3 million. The increase of \$4.8 million of change in net position over last year is primarily attributable to an increase in charges for service of \$5.1 million, \$4.5 million in other revenues, \$4.2 million in interest and investment earnings, and \$9.3 million in transfers in; offset by \$3.8 million decrease in capital grants and contributions and an increase of \$14.4 million in expenditures.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$729.5 million, representing an increase of \$103.0 million or 16.4% as compared to the prior year. The increase in the governmental funds balance can be attributed to increases in the General Fund by \$88.0 million, Grant Fund by \$1.7 million, Other Governmental Funds by \$31.4 million, and Highway Fund by \$7.0 million, offset by a decrease in the Capital Improvement Project Fund by \$25.2 million.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

Approximately \$244.3 million or 33.5% of the total fund balances of the governmental funds is comprised of unassigned funds. Included in unassigned funds is the Emergency Fund balance of \$71.7 million. The remainder of total governmental fund balances of \$485.2 million is comprised of \$201.9 million in restricted funds, \$108.0 million in committed funds, and \$175.3 million in assigned funds. There was a total of \$552.5 million in encumbered governmental funds comprised of \$536.2 million in the major funds and \$16.3 million in the non-major funds.

General Fund. The General Fund is the chief operating fund for the County. At the end of the current fiscal year, the fund balance of the General Fund was \$461.7 million, which included \$145.1 million in restricted funds, \$1.2 million in committed, \$71.1 million in assigned, and \$244.3 million in unassigned funds. The unassigned fund balance represents 51.8% of total General Fund expenditures, while the total fund balance of the General Fund represents 97.8% of the expenditures. There was a total of \$165.1 million in encumbrances in the General Fund at the end of fiscal year 2024.

The fund balance for the General Fund increased by \$88.0 million during the current fiscal year. This compares with an increase of \$91.9 million during the prior year. Key factors for the increase of \$88.0 million in the General Fund balance this year compared to the prior year are as follows:

- Total revenues increased by \$117.5 million or 21.0% from prior year, largely reflective of increased revenues from taxes of \$91.7 million and \$26.3 million from interest and investment earnings.
- Total expenditures increased by \$42.6 million or 9.9% from prior year. The increase is largely due to increased expenditures of \$39.1 million in General government, \$22.4 million in Public safety, and \$8.6 million in Culture and recreation; offset by decreases in expenditures of \$21.4 million in Social welfare and \$7.8 million in Capital outlays.
- Other financing sources net decreased by \$78.8 million from the prior year primarily due to increases in transfers out to Other Governmental Funds of \$38.3 million, Capital Improvement Projects Fund of \$19.3 million, Highway Fund of \$16.6 million, and Proprietary Funds of \$9.2 million, offset by an increase in transfers in from Capital Improvement Project Fund of \$3.1 million. Insurance recovery increased by \$9.3 million and lease asset financing decreased by \$8.8 million.

Revenues from taxes increased by \$91.7 million from \$528.2 million in fiscal year 2023 to \$619.9 million in fiscal year 2024.

Real property tax is the most significant revenue source for the County. This fiscal year's collection of \$508.9 million represents 54.6% of all the revenues for the County governmental funds. This year's collection increased by \$74.1 million or 17.0% from last year's collection of \$434.9 million. The increase in real property tax collection in fiscal year 2024 was primarily due to the increase in assessed gross valuation.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

The property tax valuations for tax rate purposes (tax base) increased from \$58.7 billion in fiscal year 2023 to \$70.3 billion in fiscal year 2024, representing an increase of 19.8%. The three value-based tiers in the Owner-occupied classification, were adjusted in FY2024 as follows; <= \$1,000,000 decreased from \$2.00 to \$1.90, \$1,000,001 - \$3,000,000 decreased from \$2.10 to \$2.00, and >= \$3,000,000 increased from \$2.71 to \$2.75.

All other rate classifications remained unchanged from the prior year.

Tax rate classifications are codified in Maui County Code 3.48.305. Currently there are twelve tax rate classifications. Per Maui County Code 3.48.561, six of the classifications can have three value based tiered tax rates. Each year, the County of Maui Council establishes tax rates and tiers. For fiscal year 2023-24, three of the tax rate classifications had three-tiered tax rates.

Included in the Taxes category for the General Fund is the new County surcharge on general excise tax. Maui County enacted Ordinance No. 5551 which authorizes the imposition of a county surcharge on general excise tax at the rate of 0.5%, effective January 1, 2024. Collection for the General Excise Tax was \$34.5 million in 2024.

Also included in the Taxes category for the General Fund is the Maui County Transient Accommodations Tax (MCTAT). Act 1, 1st Special Session 2021 (House Bill 862, H.D. 2, S.D. 2, C.D. 1), which became law on July 8, 2021, authorizes the four Hawaii counties to establish and administer their own transient accommodations tax (TAT) at a maximum rate of 3 percent. MCTAT collections decreased from \$84.5 million in fiscal year 2023 to \$67.0 million in fiscal year 2024.

Public service company tax is also included in the Taxes category for the General Fund. This tax, which is levied against public utilities, provides for a tax of 1.885% of the gross income in lieu of real property tax. Collections for the Public Service Company tax was \$9.5 million, representing an increase of \$0.7 million over the prior fiscal year.

Highway Fund. At the end of the current fiscal year, the fund balance of the Highway Fund was \$38.0 million, of which the entire amount was restricted. A total of \$11.7 million in the Highway Fund was encumbered at the end of fiscal year 2024.

The revenues in the Highway Fund were primarily derived from the Fuel tax (\$15.6 million), Franchise tax (\$11.0 million), Motor vehicle weight tax (\$27.7 million), and Public transit bus fare (\$0.6 million) which collectively made up 5.9% (\$54.9 million) of the revenues in the governmental funds. The fiscal year 2024 revenue collection was \$4.6 million less than the previous year primarily due to decreased revenues from fuel tax of \$1.1 million, public transit fares of \$1.2 million, and other revenues of \$1.3 million.

The expenditures of \$51.8 million for the Highway Fund was an increase of \$17.5 million or 50.9% from the prior fiscal year primarily due to the increase in Maui Bus transportation services cost that were previously supplemented with federal grants in the prior year.

The total other financing sources (uses) for the Highway Fund increased from (\$21.9) million in fiscal year 2023 to \$4.3 million in fiscal year 2024. With a beginning fund balance of \$31.0 million, the Highway Fund ended with a fund balance of \$38.0 million, an increase in fund balance of \$7.0 million.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

Grant Fund. Total revenue for the Grant Fund was \$89.1 million, representing an increase of \$13.5 million over last year. The revenue increase is primarily attributable to COVID-19 related aid under the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and the Homeowner Assistance Fund under the American Rescue Plan Act of 2021 (ARPA).

The Grant Fund expenditures in the current fiscal year increased by \$1.7 million compared to the prior year primarily due to the COVID-19 related aid previously mentioned.

Capital Improvement Projects Fund. At the end of the current fiscal year, the fund balance of the Capital Improvement Projects (CIP) Fund was \$104.3 million, of which the entire amount was assigned. A total of \$326.9 million in the Capital Improvement Projects Fund was encumbered at the end of the current fiscal year.

Expenditures for capital improvement projects for fiscal year 2024 were \$123.9 million. This amount, compared with last year's expenditures of \$118.7 million (excluding bond issuance costs), represents an increase of \$5.2 million or 4.4%.

The largest expenditures were reflected in the Government Facilities category of \$28.4 million, which comprised 22.9% of the total CIP Fund expenditures. Major projects under this category include the Wailuku Civic Complex and Hub in the amount of \$6.5 million, acquisition of 2145 Kaohu Street building in the amount of \$3.8 million, 60 South Church St. Building renovations in the amount of \$3.5 million, Fire Facilities Improvement projects in the amount of \$3.2 million, various improvements at the Kalana O Maui building in the amount of \$3.1 million, and the Central Maui Transit Hub in the amount of 1.4 million.

The Roads category had expenditures of \$26.3 million or 21.2% of total expenditures of the CIP Fund. The major projects under this category primarily consisted of various road resurfacing projects in the amount of \$8.2 million, various pavement rehab and reconstruction projects in the amount of \$5.2 million, various slope repairs of \$3.1 million, the Kahana Nui Bridge Replacement in the amount of \$2.6 million, Onehee Avenue Improvements in the amount of \$2.4 million, and various traffic and safety improvements in the amount of \$1.7 million.

The Sewer Systems category had expenditures of \$24.7 million or 19.9% of the total expenditures in the CIP Fund. The Lahaina R-1 Process Expansion in the amount of \$7.2 million, West Maui Recycled Water System Expansion in the amount of \$6.0 million, and Kihei-Makena Sewer Expansion in the amount of \$3.0 million were the major projects in this category.

Expenditures in the Parks category of \$22.0 million comprised 17.7% of the total expenditures in the CIP Fund. Major projects in this category were the Lanai Youth Center and Skate Park in the amount of \$6.8 million, War Memorial Gym, Field, and Track improvements in the amount of \$6.3 million, improvements to the Velma McWayne Santos Community Center in the amount of \$3.7 million, and the Lahaina Civic Center rehabilitation project in the amount of \$1.3 million.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

Expenditures in the Solid Waste category of \$10.0 million comprised 8.1% of the total expenditures in the CIP Fund. The major projects in this category were the Central Maui Landfill Phase IIIB Lateral Expansion in the amount of \$5.2 million, Integrated County of Maui Green waste and Biosolid Facility in the amount of \$1.0 million, and Central Maui Landfill Gas Collection System in the amount of \$1.0 million.

Expenditures in the Other Projects category of \$7.3 million comprised 5.9% of the total expenditures in the CIP Fund. The major projects in this category were Solid Waste equipment purchases in the amount of \$5.0 million and Halau of Oiwai Arts project in the amount of \$1.4 million.

Expenditures in the Drainage category of \$5.2 million comprised 4.1% of the total expenditures in the CIP Fund. The Emergency Repair of Okolani Drive for \$1.6 million, Awalau Road repair in the amount of \$0.7 million, and the Kaupakalua Bridge in the amount of \$0.7 million were the major projects in this category.

BUDGETARY HIGHLIGHTS

The General Fund budget amendments for fiscal year 2024 resulted in an increase of \$28.8 million to the original budget for the general government function.

There were positive budget variances for revenues (final amended budget vs actual amounts) in the General Fund for interest and investment of \$29.3 million, \$5.6 million in other revenues, \$2.9 million in fines and forfeitures, and \$1.3 million in license and permits category. There was a negative budget variance of \$10.5 million in taxes.

The major positive budget variance for expenditures in the General Fund was in the General government category of \$40.8 million substantially due to \$12.1 million savings for Countywide costs budgeted within the Finance Department, \$21.2 million in Culture and recreation, \$19.3 million for Public safety due to operational savings in the Police Department of \$9.7 million, the Fire Department of \$7.3 million, and Prosecuting Attorney of \$1.8 million; \$5.3 million in Social welfare, and \$2.9 million in Legislative.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

CAPITAL ASSETS
(Dollars in Thousands)

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>
Non-Depreciable Assets:						
Land	\$ 213,272	\$ 212,127	\$ 19,076	\$ 19,076	\$ 232,348	\$ 231,203
Construction in progress	<u>237,508</u>	<u>201,414</u>	<u>47,538</u>	<u>33,376</u>	<u>285,046</u>	<u>234,790</u>
	<u>450,780</u>	<u>413,541</u>	<u>66,614</u>	<u>52,452</u>	<u>517,394</u>	<u>465,993</u>
Depreciable Assets:						
Buildings and systems	309,504	249,696	221,095	226,930	530,599	476,626
Improvements other than buildings	198,483	192,944	--	--	198,483	192,944
Machinery and equipment	230,074	216,732	489,406	484,358	719,480	701,090
Infrastructure	1,461,335	1,444,303	12,940	12,604	1,474,275	1,456,907
Lease assets	9,323	7,440	412	412	9,735	7,852
SBITA assets	<u>10,354</u>	<u>9,943</u>	<u>--</u>	<u>--</u>	<u>10,354</u>	<u>9,943</u>
	<u>2,219,073</u>	<u>2,121,058</u>	<u>723,853</u>	<u>724,304</u>	<u>2,942,926</u>	<u>2,845,362</u>
Accumulated Depreciation	<u>(1,465,662)</u>	<u>(1,405,155)</u>	<u>(401,033)</u>	<u>(390,207)</u>	<u>(1,866,695)</u>	<u>(1,795,362)</u>
Accumulated Amortization	<u>(7,994)</u>	<u>(3,775)</u>	<u>(206)</u>	<u>(137)</u>	<u>(8,200)</u>	<u>(3,912)</u>
Total Capital Assets, Net	\$ <u>1,196,197</u>	\$ <u>1,125,669</u>	\$ <u>389,228</u>	\$ <u>386,412</u>	\$ <u>1,585,425</u>	\$ <u>1,512,081</u>

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounted to \$1.6 billion (net of accumulated depreciation of \$1.9 billion, and accumulated amortization of \$8.2 million). This investment of capital assets includes land, buildings and systems, improvements other than buildings, machinery and equipment, infrastructure (roadway systems, bridges, landfills and sewer systems) construction in progress, lease assets, and subscription-based information technology arrangements.

During fiscal year 2024, capital assets relating to governmental activities reflected additions of \$242.3 million, depreciation expense of \$68.7 million, amortization expense of \$4.2 million and transfers/retirements of \$98.5 million (net), resulting in capital assets, net of \$1.2 billion. Capital assets relating to business-type activities reflected additions of \$36.3 million, depreciation expense of \$17.5 million, amortization expense of \$0.07 million and transfers/retirements of \$16.0 million (net) resulting in capital assets, net of \$389.2 million.

Capital asset additions relating to governmental activities were primarily attributable to road, bikeway and bridge improvements, sewer and solid waste infrastructures, and government facilities. Capital assets additions related to business-type activities were primarily attributable to DWS infrastructure projects (waterlines, reservoirs, and replacement of pumping equipment).

Contractual commitments for capital assets at June 30, 2024 for the governmental and business-type activities amounted to \$326.9 million and \$33.7 million, respectively.

Additional information on the County's capital assets can be found in Note 6 to the basic financial statements of this report.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

LONG-TERM DEBT
(Dollars in Thousands)

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>
General Obligation Bonds (excluding unamortized premiums and deferrals)	\$ 336,158	\$ 358,452	\$ 14,007	\$ 15,378	\$ 350,165	\$ 373,830
State Revolving Fund Loans from direct borrowings	<u>86,914</u>	<u>83,965</u>	<u>38,112</u>	<u>39,774</u>	<u>125,026</u>	<u>123,739</u>
Total Long-Term Debt	\$ <u>423,072</u>	\$ <u>442,417</u>	\$ <u>52,119</u>	\$ <u>55,152</u>	\$ <u>475,191</u>	\$ <u>497,569</u>

Long-Term Debt. At the end of the current fiscal year, the County had total long-term debt outstanding of \$475.2 million (\$423.1 million related to governmental activities and \$52.1 million related to business-type activities). Of this amount, \$350.2 million is comprised of debt backed by the full faith and credit of the government GO bonds, while \$125.0 million represents SRF loans. The SRF loans are used for construction of wastewater facilities and projects relating to compliance with drinking water standards, and protection of public health and environment.

The County's total GO bonds and SRF loans decreased by \$22.4 million during the current fiscal year. The decrease is reflective of a \$23.7 million decrease in GO bonds and an increase of \$1.3 million in SRF loans.

The State Constitution limits the amount of general obligation debt a governmental entity may issue to 15 percent of its total assessed valuation. The current debt limitation for the County of Maui is \$10.6 billion, which is significantly in excess of the County's outstanding general obligation debt. As of June 30, 2024, the County's current outstanding debt applicable to the limit of \$336.2 million represents only 3.19% of the County's debt limitation.

Additional information on the County's long-term debt can be found in Note 7 in the notes to the basic financial statements.

COUNTY OF MAUI
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
JUNE 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

After the August 2023 wildfires, the three qualified bond-rating agencies of Moody's Investors Service, Standard & Poor's, and Fitch Ratings highlighted Maui County's rebound of tourism, strong financial management and proactive reduction of long-term liabilities. All three agencies reflected a rating outlook of Stable with ratings of Aa1 by Moody's Investor Service and AA+ by both Standard & Poor's and Fitch Ratings.

The real property tax base for fiscal year 2024 of \$70.3 billion is an increase of \$11.6 billion or 19.8% from the fiscal year 2023. The real property tax rates (per \$1,000 assessed valuation) for fiscal year 2024 increased for one classification of property and remained the same for the balance of classifications. The budgeted real property tax levy of \$534.9 million for fiscal year 2024 is an increase of \$101.9 million or 23.5% from fiscal year 2023.

The fiscal year 2025 budget appropriated \$2.6 million to satisfy the annual required contribution towards its health benefits for its unfunded actuarial liability.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Director of Finance, 200 South High Street, Wailuku, Hawaii 96793.

**COUNTY OF MAUI
STATEMENT OF NET POSITION
JUNE 30, 2024**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS:			
Unrestricted:			
Equity in pooled cash and investments held in County Treasury (Notes 2 and 16)	\$ 830,599,251	\$ 87,502,141	\$ 918,101,392
Receivables (Note 4):			
Property taxes	16,513,692	--	16,513,692
Transient accommodations taxes, net	12,682,681	--	12,682,681
Trade accounts, net	6,704,893	9,937,509	16,642,402
State of Hawaii	29,909,751	--	29,909,751
Note	5,302,156	--	5,302,156
Other	331,193	--	331,193
Inventory	--	2,555,309	2,555,309
Other assets	14,115	630,645	644,760
Restricted:			
Equity in pooled cash and investments held in County Treasury (Notes 2 and 16)	--	53,766,626	53,766,626
	--	53,766,626	53,766,626
Capital assets (Note 6):			
Non-depreciable assets	450,780,340	66,613,521	517,393,861
Depreciable assets	2,199,396,551	723,441,466	2,922,838,017
Lease assets	9,322,756	411,852	9,734,608
Subscription assets	10,353,549	--	10,353,549
Accumulated depreciation and amortization	(1,473,656,393)	(401,238,487)	(1,874,894,880)
Total capital assets, net	1,196,196,803	389,228,352	1,585,425,155
Total Assets	2,098,254,535	543,620,582	2,641,875,117
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows related to pensions (Note 12)	128,537,778	10,659,001	139,196,779
Deferred outflows related to other postemployment benefits other than pensions (OPEB) (Note 12)	65,537,383	5,472,479	71,009,862
Unamortized loss on advanced refunding	655,955	35,282	691,237
Total Deferred Outflows of Resources	194,731,116	16,166,762	210,897,878
Total Assets and Deferred Outflows of Resources	2,292,985,651	559,787,344	2,852,772,995
LIABILITIES:			
Accounts payable and accrued liabilities	69,261,320	7,857,993	77,119,313
Unearned revenue	29,240,468	82,323	29,322,791
Advanced collections	3,983,535	952,333	4,935,868
Interest payable	4,347,699	332,731	4,680,430
Deposits	45,636,568	--	45,636,568
Long-term obligations (Note 7):			
Due within one year	67,721,407	5,737,148	73,458,555
Due in more than one year	539,282,030	51,234,232	590,516,262
Net pension liability (Note 12)	605,921,099	49,911,788	655,832,887
Net OPEB liability (Note 12)	124,902,413	9,978,567	134,880,980
Total Liabilities	1,490,296,539	126,087,115	1,616,383,654
Restricted:			
Construction contracts payable, including retainages	--	1,837,259	1,837,259
Customer deposits	--	6,673,388	6,673,388
Refundable advances	--	8,042,936	8,042,936
	--	16,553,583	16,553,583
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows related to pensions (Note 12)	34,108,889	1,006,641	35,115,530
Deferred inflows related to OPEB (Note 12)	68,060,461	5,658,861	73,719,322
Deferred inflows - nonexchange transactions (Note 4)	1,186,830	--	1,186,830
Total Deferred Inflows of Resources	103,356,180	6,665,502	110,021,682
Total Liabilities and Deferred Inflows of Resources	1,593,652,719	149,306,200	1,742,958,919
NET POSITION:			
Net investment in capital assets	740,169,607	333,247,413	1,073,417,020
Restricted for:			
Water and other assessments (Note 16)	6,479,428	44,108,661	50,588,089
Highways and streets	38,015,508	--	38,015,508
Affordable housing	108,517,899	--	108,517,899
Open space and resources	19,021,648	--	19,021,648
Unrestricted	(212,871,158)	33,125,070	(179,746,088)
Total Net Position	\$ 699,332,932	\$ 410,481,144	\$ 1,109,814,076

The notes to the financial statements are an integral part of this statement.

**COUNTY OF MAUI
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Charges for Services	Operating	Capital	Primary Government		
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 259,821,479	\$ 24,489,485	\$ 39,544,118	\$ 114,154	\$ (195,673,722)	\$ --	\$ (195,673,722)
Public safety	119,892,962	887,781	5,311,623	--	(113,693,558)	--	(113,693,558)
Social welfare	69,477,626	2,945,391	42,815,839	--	(23,716,396)	--	(23,716,396)
Sanitation	95,130,740	91,926,250	170,590	22,069	(3,011,831)	--	(3,011,831)
Highways and streets	72,478,324	28,364,595	1,001,930	7,172,289	(35,939,510)	--	(35,939,510)
Culture and recreation	44,068,132	2,086,935	108,730	12,600	(41,859,867)	--	(41,859,867)
Legislative	8,145,545	3,947	--	--	(8,141,598)	--	(8,141,598)
Interest on long-term debt	11,941,145	--	--	--	(11,941,145)	--	(11,941,145)
Total Governmental Activities	<u>680,955,953</u>	<u>150,704,384</u>	<u>88,952,830</u>	<u>7,321,112</u>	<u>(433,977,627)</u>	<u>--</u>	<u>(433,977,627)</u>
Business-type Activities:							
Department of Water Supply	79,845,937	72,432,031	--	12,934,687	--	5,520,781	5,520,781
Housing, Interim Financing and Buy-Back Revolving Fund	<u>8,111,209</u>	<u>1,039,815</u>	<u>--</u>	<u>65,857</u>	<u>--</u>	<u>(7,005,537)</u>	<u>(7,005,537)</u>
Total Business-type Activities	<u>87,957,146</u>	<u>73,471,846</u>	<u>--</u>	<u>13,000,544</u>	<u>--</u>	<u>(1,484,756)</u>	<u>(1,484,756)</u>
	<u>\$ 768,913,099</u>	<u>\$ 224,176,230</u>	<u>\$ 88,952,830</u>	<u>\$ 20,321,656</u>	<u>\$ (433,977,627)</u>	<u>\$ (1,484,756)</u>	<u>\$ (435,462,383)</u>
General Revenues:							
Taxes:							
Property taxes					510,947,815	--	510,947,815
Transient accommodations tax					64,827,219	--	64,827,219
Fuel taxes					15,558,343	--	15,558,343
Franchise tax					11,038,462	--	11,038,462
Public service company tax					9,534,350	--	9,534,350
General excise tax					34,498,300	--	34,498,300
Interest and investment earnings, net					37,277,032	5,599,652	42,876,684
Other					8,403,527	4,753,486	13,157,013
Transfers					(9,200,000)	9,200,000	--
Total General Revenues and Transfers					<u>682,885,048</u>	<u>19,553,138</u>	<u>702,438,186</u>
				Change in Net Position	248,907,421	18,068,382	266,975,803
				Net Position - Beginning of Fiscal Year	<u>450,425,511</u>	<u>392,412,762</u>	<u>842,838,273</u>
				Net Position - End of Fiscal Year	<u>\$ 699,332,932</u>	<u>\$ 410,481,144</u>	<u>\$ 1,109,814,076</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF MAUI
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	General Fund	Highway Fund	Grant Fund	Debt Service Fund	Capital Improvement Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:							
Equity in pooled cash and investments held in County Treasury (Note 2)	\$ 449,418,467	\$ 40,535,808	\$ 31,097,413	\$ --	\$ 126,305,448	\$ 119,510,851	\$ 766,867,987
Cash with fiscal agent	--	--	--	--	63,731,264	--	63,731,264
Receivables (Note 4):							
Property taxes	16,513,692	--	--	--	--	--	16,513,692
Transient accommodations taxes, net	12,682,681	--	--	--	--	--	12,682,681
Trade accounts, net	--	258,152	--	--	--	6,446,741	6,704,893
State of Hawaii	20,662,559	1,357,025	2,308,400	--	5,581,767	--	29,909,751
Note	5,302,156	--	--	--	--	--	5,302,156
Other	--	--	42,464	--	288,729	--	331,193
Prepaid items	14,115	--	--	--	--	--	14,115
Due from other funds (Note 5)	60,167,496	--	--	--	--	--	60,167,496
Total Assets	<u>\$ 564,761,166</u>	<u>\$ 42,150,985</u>	<u>\$ 33,448,277</u>	<u>\$ --</u>	<u>\$ 195,907,208</u>	<u>\$ 125,957,592</u>	<u>\$ 962,225,228</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:							
Liabilities:							
Accounts payable	\$ 27,758,500	\$ 3,718,334	\$ 1,870,838	\$ --	\$ 19,759,776	\$ 3,763,546	\$ 56,870,994
Contract retentions payable	5,934	--	124,537	--	3,897,974	4,035	4,032,480
Deposits payable	21,894,578	--	411,898	--	--	33,285	22,339,761
Due to other funds (Note 5)	--	--	--	--	60,167,496	--	60,167,496
Unearned revenues	--	--	21,451,036	--	7,789,432	--	29,240,468
Refundable deposits	23,296,807	--	--	--	--	--	23,296,807
Accrued wages payable	7,234,674	417,143	--	--	--	706,029	8,357,846
Advance collections	--	--	--	--	--	3,983,535	3,983,535
Total Liabilities	<u>80,190,493</u>	<u>4,135,477</u>	<u>23,858,309</u>	<u>--</u>	<u>91,614,678</u>	<u>8,490,430</u>	<u>208,289,387</u>
Deferred Inflows of Resources:							
Deferred inflows - unavailable revenues (Note 4)	21,964,857	--	--	--	--	1,266,317	23,231,174
Deferred inflows - nonexchange	951,010	--	--	--	--	235,820	1,186,830
Total Deferred Inflows of Resources	<u>22,915,867</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,502,137</u>	<u>24,418,004</u>
Fund Balances (Note 15):							
Restricted	145,129,439	38,015,508	9,589,968	--	--	9,186,910	201,921,825
Committed	1,180,110	--	--	--	--	106,778,115	107,958,225
Assigned	71,055,359	--	--	--	104,292,530	--	175,347,889
Unassigned	244,289,898	--	--	--	--	--	244,289,898
Total Fund Balances	<u>461,654,806</u>	<u>38,015,508</u>	<u>9,589,968</u>	<u>--</u>	<u>104,292,530</u>	<u>115,965,025</u>	<u>729,517,837</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 564,761,166</u>	<u>\$ 42,150,985</u>	<u>\$ 33,448,277</u>	<u>\$ --</u>	<u>\$ 195,907,208</u>	<u>\$ 125,957,592</u>	<u>\$ 962,225,228</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF MAUI
RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION
JUNE 30, 2024

Fund Balances - Governmental Funds	\$	729,517,837
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		1,196,196,803
Revenue is deferred for governmental fund purposes but recorded as revenue in the statement of activities.		23,231,174
Interest payable is not reported in the governmental funds.		(4,347,699)
Deferred amounts on refunding are reported as deferred outflows of resources in the government-wide financial statements but are not reported in the governmental fund statements.		655,955
Deferred amounts related to pensions reported as deferred outflows and inflows of resources in the government-wide financial statements but are not reported in the governmental fund statements.		94,428,889
Deferred amounts related to OPEB reported as deferred outflows and inflows of resources in the government-wide financial statements but are not reported in the governmental fund statements.		(2,523,078)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds. These liabilities consist of:		
Landfill closure/post-closure costs	(54,865,237)	
Accrued vacation	(37,319,713)	
Claims and judgments	(10,347,668)	
Accrued compensatory time off	(5,223,786)	
Net pension liability	(605,921,099)	
Net OPEB liability	(124,902,413)	
General obligation bonds	(373,908,637)	
SRF loans from the State of Hawaii	(86,914,273)	
Financed purchases	(25,653,997)	
Lease liability	(5,266,990)	
Subscription liability	(5,012,753)	
Arbitrage liability	(2,490,383)	
Total Long-term Liabilities		<u>(1,337,826,949)</u>
Net Position of Governmental Activities	\$	<u>699,332,932</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF MAUI
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	General Fund	Highway Fund	Grant Fund	Debt Service Fund	Capital Improvement Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:							
Taxes							
Property taxes	\$ 508,927,947	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 508,927,947
Transient accommodations tax	66,982,020	--	--	--	--	--	66,982,020
Franchise tax	--	11,038,462	--	--	--	--	11,038,462
Fuel tax	--	15,558,344	--	--	--	--	15,558,344
Public service company tax	9,534,350	--	--	--	--	--	9,534,350
General excise tax	34,498,300	--	--	--	--	--	34,498,300
Licenses and permits	10,329,672	27,696,778	--	--	--	2,904,213	40,930,663
Intergovernmental revenues	32,272	--	88,664,090	--	7,284,442	--	95,980,804
Charges for current services	3,569,516	586,208	--	--	--	90,264,285	94,420,009
Fines and forfeitures	4,908,283	--	--	--	--	69,007	4,977,290
Interest and investment income, net	32,662,466	--	240,140	--	4,704,229	--	37,606,835
Other	6,470,074	(340,396)	204,145	--	--	4,644,155	10,977,978
Assessments	2,000	--	--	--	--	34,669	36,669
Total Revenues	<u>677,916,900</u>	<u>54,539,396</u>	<u>89,108,375</u>	<u>--</u>	<u>11,988,671</u>	<u>97,916,329</u>	<u>931,469,671</u>
EXPENDITURES:							
Current:							
General government	241,078,829	--	25,557,165	--	--	1,122,878	267,758,872
Public safety	133,838,768	--	5,065,613	--	--	306,504	139,210,885
Highways and streets	9,223,458	51,813,984	512,288	--	--	213,225	61,762,955
Sanitation	531,534	--	170,590	--	--	69,462,961	70,165,085
Social welfare	27,403,759	--	41,225,892	--	--	2,988,366	71,618,017
Culture and recreation	43,125,828	--	108,730	--	--	97,776	43,332,334
Legislative	9,704,287	--	--	--	--	--	9,704,287
Capital outlay	2,711,101	2,188	4,928,378	--	123,858,894	1,056,685	132,557,246
Debt Service:							
Principal	3,466,887	9,139	154,037	29,701,344	--	371,522	33,702,929
Interest and other issuance cost	747,097	2,539	35,666	15,565,399	--	91,122	16,441,823
Total Expenditures	<u>471,831,548</u>	<u>51,827,850</u>	<u>77,758,359</u>	<u>45,266,743</u>	<u>123,858,894</u>	<u>75,711,039</u>	<u>846,254,433</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>206,085,352</u>	<u>2,711,546</u>	<u>11,350,016</u>	<u>(45,266,743)</u>	<u>(111,870,223)</u>	<u>22,205,290</u>	<u>85,215,238</u>
OTHER FINANCING SOURCES (USES):							
Insurance recoveries	9,283,440	--	--	--	--	--	9,283,440
Issuance of debt (Note 7):							
State revolving funds	--	--	--	--	10,356,549	--	10,356,549
Leases	1,370,020	--	371,363	--	--	--	1,741,383
Subscription-based IT arrangements	372,158	--	--	--	--	--	372,158
Financed purchase	--	--	--	--	5,191,982	--	5,191,982
Transfers in (Note 5)							
General Fund	--	16,689,455	--	45,266,743	38,290,740	50,218,434	150,465,372
Special Revenue Funds	--	--	--	--	17,225,889	--	17,225,889
Capital Improvement Projects Fund	5,178,131	1,318,340	--	--	--	6,185,609	12,682,080
Other Governmental Funds	25,415,023	10,074,730	--	--	28,274,760	4,544,886	68,309,399
Transfers out (Note 5)							
General Fund	--	(8,326,280)	--	--	(5,178,131)	(17,088,743)	(30,593,154)
Highway Fund	(16,614,455)	--	(10,000,000)	--	--	--	(26,614,455)
Special Revenue Funds	(75,000)	--	--	--	(5,960,096)	--	(6,035,096)
Capital Improvement Projects Fund	(38,290,740)	(15,428,334)	--	--	--	(30,072,315)	(83,791,389)
Other Governmental Funds	(50,218,434)	--	--	--	(1,543,854)	(4,619,615)	(56,381,903)
Proprietary Funds	(9,200,000)	--	--	--	--	--	(9,200,000)
Debt Service Fund	<u>(45,266,743)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(45,266,743)</u>
Total Other Financing Sources (Uses)	<u>(118,046,600)</u>	<u>4,327,911</u>	<u>(9,628,637)</u>	<u>45,266,743</u>	<u>86,657,839</u>	<u>9,168,256</u>	<u>17,745,512</u>
Net Change in Fund Balances	88,038,752	7,039,457	1,721,379	--	(25,212,384)	31,373,546	102,960,750
Fund Balances, Beginning of Fiscal Year	373,616,054	30,976,051	7,868,589	--	129,504,914	84,591,479	626,557,087
Fund Balances, End of Fiscal Year	<u>\$ 461,654,806</u>	<u>\$ 38,015,508</u>	<u>\$ 9,589,968</u>	<u>\$ --</u>	<u>\$ 104,292,530</u>	<u>\$ 115,965,025</u>	<u>\$ 729,517,837</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF MAUI
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN
THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Net change in Fund Balances - Total Governmental Funds	\$ 102,960,750
Amounts reported for governmental activities in the statement of activities are different due to:	
Governmental funds report capital outlays as expenditures and do not report depreciation expense. However, in the statement of activities the cost of those assets are depreciated over their estimated useful lives as depreciation expense.	
Capitalized capital outlay expenditures and other miscellaneous items involving capital assets to increase net position	143,404,115
Depreciation expense	(68,656,160)
For leases and subscription-based information technology arrangements (SBITAs) in which the County is the lessee, an expenditure is recorded in the governmental funds for the amount of the present value of the future lease (or subscription) payments (PVFLP). However, in the statement of activities, the PVFLP is recognized as an intangible asset and amortized over the lease term.	(4,219,716)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes current financial resources: This is the amount by which bond principal payments exceed bond proceeds.	22,294,009
This is the amount by which loan proceeds exceed principal payments.	(2,949,229)
Certain expenses reported in the statement of activities are not current financial resources and, therefore, are not expenditures in the governmental funds:	
Change in landfill closure accrual.	(2,990,125)
Change in vacation accrual.	(2,108,918)
Change in claims and judgments accrual.	9,341,028
Change in compensatory time off accrual.	(456,397)
Change in lease liability	(482,298)
Change in subscription liability	2,171,378
Change in financed purchases liability	(5,191,982)
Change in arbitrage liability	(2,490,383)
Net pension activity	3,606,221
Net OPEB activity	49,906,846
Accrued interest reported is an expense in the statement of activities but not reported as an expenditure in the governmental funds.	(381,380)
Unavailable revenues are recognized in the statement of activities which differs from the current financial resource measurement of the governmental funds.	280,655
Bond premiums are deferred and amortized in the government-wide financial statement but recorded as bond proceeds when received in the governmental funds. This is the current year deferrals, net of current year amortization of bond premiums.	5,172,119
Losses on early retirement of bonds outstanding are capitalized and amortized in the statement of activities over the life of the debt. This is the current year additions, net of current year amortization of losses on early retirement of bonds.	(303,112)
Change in Net Position of Governmental Activities	\$ <u>248,907,421</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF MAUI
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024**

	Department of Water Supply	Housing, Interim Financing, and Buy-Back Revolving Fund	Total
ASSETS:			
Current Assets:			
Unrestricted:			
Equity in pooled cash and investments held in County Treasury (Notes 2 and 16)	\$ 79,198,862	\$ 8,303,279	\$ 87,502,141
Restricted:			
Equity in pooled cash and investments held in County Treasury (Notes 2 and 16)	25,690,223	--	25,690,223
Trade accounts, net (Note 4)	9,877,570	59,939	9,937,509
Inventory	2,555,309	--	2,555,309
Other assets	6,424	624,221	630,645
Total Current Assets	<u>117,328,388</u>	<u>8,987,439</u>	<u>126,315,827</u>
Restricted:			
Equity in pooled cash and investments held in County Treasury (Notes 2 and 16)	28,076,403	--	28,076,403
	<u>28,076,403</u>	<u>--</u>	<u>28,076,403</u>
Capital assets (Note 6):			
Non-depreciable assets	56,406,519	10,207,002	66,613,521
Depreciable assets	705,294,547	18,146,919	723,441,466
Lease asset	411,852	--	411,852
Accumulated depreciation and amortization	(398,551,933)	(2,686,554)	(401,238,487)
Total capital assets, net	<u>363,560,985</u>	<u>25,667,367</u>	<u>389,228,352</u>
Total Non-current Assets	<u>391,637,388</u>	<u>25,667,367</u>	<u>417,304,755</u>
Total Assets	<u>508,965,776</u>	<u>34,654,806</u>	<u>543,620,582</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows related to pensions (Note 12)	10,659,001	--	10,659,001
Deferred outflows related to OPEB (Note 12)	5,472,479	--	5,472,479
Unamortized loss on advanced refunding	35,282	--	35,282
Total Deferred Outflows of Resources	<u>16,166,762</u>	<u>--</u>	<u>16,166,762</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 525,132,538</u>	<u>\$ 34,654,806</u>	<u>\$ 559,787,344</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF MAUI
STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS
JUNE 30, 2024

	<u>Department of Water Supply</u>	<u>Housing, Interim Financing, and Buy-Back Revolving Fund</u>	<u>Total</u>
LIABILITIES:			
Current Liabilities:			
Unrestricted:			
Accounts payable and accrued liabilities	\$ 7,785,668	\$ 72,325	\$ 7,857,993
Unearned revenue	--	82,323	82,323
Advanced collections	952,333	--	952,333
Interest payable	332,731	--	332,731
Bonds payable - current portion (Note 7)	1,432,960	--	1,432,960
Notes payable - current portion (Note 7)	2,801,360	--	2,801,360
Claims and judgments - current portion (Note 7 and 13)	164,323	--	164,323
Accrued vacation - current portion (Note 7)	1,041,098	--	1,041,098
Accrued compensatory time off - current portion (Note 7)	167,882	--	167,882
Lease liability - current portion (Note 7 and 8)	70,799	--	70,799
Financed purchase - current portion (Note 7 and 10)	58,726	--	58,726
	<u>14,807,880</u>	<u>154,648</u>	<u>14,962,528</u>
Restricted:			
Construction contracts payable, including retainages	1,837,259	--	1,837,259
Customer deposits	329,963	--	329,963
Refundable advances	8,042,936	--	8,042,936
	<u>10,210,158</u>	<u>--</u>	<u>10,210,158</u>
Total Current Liabilities	<u>25,018,038</u>	<u>154,648</u>	<u>25,172,686</u>
Noncurrent Liabilities:			
Bonds payable - less current portion (Note 7)	13,934,201	--	13,934,201
Notes payable - less current portion (Note 7)	35,310,386	--	35,310,386
Accrued vacation - less current portion (Note 7)	977,300	--	977,300
Net pension liability (Note 12)	49,911,788	--	49,911,788
Net OPEB liability (Note 12)	9,978,567	--	9,978,567
Lease liability - less current portion (Note 7 and 8)	157,812	--	157,812
Financed purchase - less current portion (Note 7 and 10)	854,533	--	854,533
	<u>111,124,587</u>	<u>--</u>	<u>111,124,587</u>
Restricted:			
Customer deposits	6,343,425	--	6,343,425
	<u>6,343,425</u>	<u>--</u>	<u>6,343,425</u>
Total Noncurrent Liabilities	<u>117,468,012</u>	<u>--</u>	<u>117,468,012</u>
Total Liabilities	<u>142,486,050</u>	<u>154,648</u>	<u>142,640,698</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows related to pensions (Note 12)	1,006,641	--	1,006,641
Deferred inflows related to OPEB (Note 12)	5,658,861	--	5,658,861
Total Deferred Inflows of Resources	<u>6,665,502</u>	<u>--</u>	<u>6,665,502</u>
Total Liabilities and Deferred Inflows of Resources	<u>149,151,552</u>	<u>154,648</u>	<u>149,306,200</u>
NET POSITION:			
Net investment in capital assets	307,580,046	25,667,367	333,247,413
Restricted - water (Note 16)	44,108,661	--	44,108,661
Unrestricted	24,292,279	8,832,791	33,125,070
Total Net Position	<u>\$ 375,980,986</u>	<u>\$ 34,500,158</u>	<u>\$ 410,481,144</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF MAUI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Department of Water Supply	Housing, Interim Financing, and Buy-Back Revolving Fund	Total
Operating Revenues:			
Charges for services	\$ 72,432,031	\$ 1,039,815	\$ 73,471,846
Total Operating Revenues	<u>72,432,031</u>	<u>1,039,815</u>	<u>73,471,846</u>
Operating Expenses:			
Salaries and personnel services	23,470,748	--	23,470,748
Other operating expenses	38,346,542	7,627,442	45,973,984
Depreciation and amortization (Note 6)	<u>17,053,359</u>	<u>483,767</u>	<u>17,537,126</u>
Total Operating Expenses	<u>78,870,649</u>	<u>8,111,209</u>	<u>86,981,858</u>
Operating Loss	<u>(6,438,618)</u>	<u>(7,071,394)</u>	<u>(13,510,012)</u>
Nonoperating Revenues (Expenses):			
Interest and investment revenue	5,495,001	104,651	5,599,652
Interest expense	(975,288)	--	(975,288)
Other income	<u>205,869</u>	<u>4,547,617</u>	<u>4,753,486</u>
Total Nonoperating Loss	<u>4,725,582</u>	<u>4,652,268</u>	<u>9,377,850</u>
Loss Before Capital Contributions and Transfers	(1,713,036)	(2,419,126)	(4,132,162)
Capital Contributions	12,934,687	65,857	13,000,544
Transfers in - General Fund (Note 5)	<u>9,200,000</u>	<u>--</u>	<u>9,200,000</u>
Change in Net Position	<u>20,421,651</u>	<u>(2,353,269)</u>	<u>18,068,382</u>
Net Position, Beginning of Fiscal Year	<u>355,559,335</u>	<u>36,853,427</u>	<u>392,412,762</u>
Net Position, End of Fiscal Year	<u>\$ 375,980,986</u>	<u>\$ 34,500,158</u>	<u>\$ 410,481,144</u>

The notes to the financial statements are an integral part of this statement.

**COUNTY OF MAUI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	Department of Water Supply	Housing, Interim Financing, and Buy-Back Revolving Fund	Total
Cash Flows from Operating Activities:			
Receipts from customers and others	\$ 63,916,032	\$ 969,993	\$ 64,886,025
Payments to suppliers for goods and services	(37,008,508)	(735,282)	(37,743,790)
Payments to employees	(26,248,924)	(17,525)	(26,266,449)
Refunds of utility construction advances	(235,187)	--	(235,187)
Net cash provided by operating activities	<u>423,413</u>	<u>217,186</u>	<u>640,599</u>
Cash Flows from Noncapital Financing Activities:			
Transfers from other funds	4,700,000	--	4,700,000
Net cash provided by noncapital financing activities	<u>4,700,000</u>	<u>--</u>	<u>4,700,000</u>
Cash Flows from Capital and Related Financing Activities:			
Cash paid for the acquisition and construction of capital assets	(23,234,815)	--	(23,234,815)
Insurance recoveries	--	5,049,056	5,049,056
Principal paid on lease liability	(65,766)	--	(65,766)
Principal paid on bonds and notes payable	(4,119,941)	--	(4,119,941)
Proceeds from bonds and notes payable	1,086,502	--	1,086,502
Cash received from capital contributions and other	9,487,770	--	9,487,770
Interest paid on bonds and notes payable	(1,159,508)	--	(1,159,508)
Transfers from other funds	4,500,000	--	4,500,000
Net cash provided by (used in) capital and related financing activities	<u>(13,505,758)</u>	<u>5,049,056</u>	<u>(8,456,702)</u>
Cash Flows from Investing Activities:			
Interest and investment income, net	5,495,001	104,651	5,599,652
Net cash provided by investing activities	<u>5,495,001</u>	<u>104,651</u>	<u>5,599,652</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,887,344)	5,370,893	2,483,549
Cash and Cash Equivalents, Beginning of Fiscal Year	<u>135,852,832</u>	<u>2,932,386</u>	<u>138,785,218</u>
Cash and Cash Equivalents, End of Fiscal Year	\$ <u>132,965,488</u>	\$ <u>8,303,279</u>	\$ <u>141,268,767</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position*			
Unrestricted	\$ 79,198,862	\$ 8,303,279	\$ 87,502,141
Restricted	<u>53,766,626</u>	<u>--</u>	<u>53,766,626</u>
	\$ <u>132,965,488</u>	\$ <u>8,303,279</u>	\$ <u>141,268,767</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:			
Operating Loss	\$ (6,438,618)	\$ (7,071,394)	\$ (13,510,012)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation and amortization	17,053,359	483,767	17,537,126
Provision for doubtful accounts	341,514	--	341,514
Loss on disposal of capital assets	161,671	6,850,425	7,012,096
Net decrease in receivables, inventory, other current assets, and deferred outflows	(8,472,881)	(12,342)	(8,485,223)
Net decrease in accounts payable, accrued vacation other current liabilities, and deferred inflows	<u>(2,221,632)</u>	<u>(33,270)</u>	<u>(2,254,902)</u>
Net Cash Provided by Operating Activities	\$ <u>423,413</u>	\$ <u>217,186</u>	\$ <u>640,599</u>
Noncash Capital and Financing Activities			
Capital contributions	\$ 3,652,786	\$ 65,857	\$ 3,718,643
Acquisition of capital assets through financed purchase	\$ 913,259	\$ --	\$ 913,259
Amortization of deferred loss on refunding	\$ 16,284	\$ --	\$ 16,284
Amortization of bond premium	\$ 177,261	\$ --	\$ 177,261

* - Includes all equity pooled in cash and investments held in County Treasury.

The notes to the financial statements are an integral part of this statement.

**COUNTY OF MAUI
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024**

	<u>Custodial Funds</u>
ASSETS:	
Equity in pooled cash and investments held in County Treasury (Note 2)	\$ <u>1,943,974</u>
Total Assets	<u>1,943,974</u>
LIABILITIES:	
Due to other governments	<u>1,927,217</u>
Total Liabilities	<u>1,927,217</u>
NET POSITION:	
Restricted for:	
Other governments	15,237
Organizations	<u>1,520</u>
Total Net Position	\$ <u><u>16,757</u></u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF MAUI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Custodial Funds</u>
ADDITIONS:	
Taxes and fees collected for other governments	\$ 22,500,045
Fees collected for organizations	<u>72,090</u>
Total Additions	<u>22,572,135</u>
DEDUCTIONS:	
Payments of taxes and fees to other governments	22,667,341
Payments of fees to organizations	<u>105,676</u>
Total Deductions	<u>22,773,017</u>
Change in Net Position	<u>(200,882)</u>
Net Position - Beginning of Fiscal Year	<u>217,639</u>
Net Position - End of Fiscal Year	\$ <u><u>16,757</u></u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Maui, State of Hawaii (the County) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the financial reporting entity, financial statement presentation and the more significant accounting policies.

The Financial Reporting Entity -

County of Maui - The County is a municipal corporation governed by an elected mayor and a nine-member County Council. The County operates under the Charter of the County of Maui that was last amended in 2023.

The accompanying basic financial statements present all operations of the County as the primary government. The County's governmental activities are organized by the following general functions: general government, public safety, sanitation, social welfare, highways and streets, culture and recreation, and legislative. The County's business-type activities include the Department of Water Supply (Department) and Housing, Interim Financing, and Buy-Back Revolving Fund.

State of Hawaii agencies assume full responsibility for the administration of several major functions usually performed by local governments such as education, welfare, health, and judicial functions. These agencies are not dependent on the County, and therefore, are not included in these basic financial statements. There are no separate city, county, or township governments nor any school district, special districts, authorities, public corporations, or component units for which the County is financially accountable.

Financial Statement Presentation -

Accounting Standards Applied - The financial statements of the County have been prepared in conformity with GAAP. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County follows all applicable GASB pronouncements.

The accounts of the County are organized and operated on the basis of funds, each of which is considered a separate fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund balances, net position, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements - The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the primary government (the County). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. For example, the direct expenses charged based on actual use are not eliminated, whereas indirect expense allocations made in the funds are eliminated. These statements distinguish between the *governmental* and *business-type* activities of the County. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The statement of activities, which is included in the government-wide financial statements, presents a comparison between the direct expenses and program revenues for each business-type activity of the County and each function of the County's governmental activities. Direct expenses are those that are specifically associated with a business-type activity or function. Program revenues include 1) fees, fines, and charges paid by the recipients of goods and services offered by the programs, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are instead presented as general revenues.

Fund Financial Statements - The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category, such as governmental, proprietary, and fiduciary are presented. The emphasis of fund financial statements are on the major governmental and enterprise funds of the County and are reported separately in the accompanying financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental Fund Financial Statements - Governmental fund financial statements include a balance sheet and statement of revenues, expenditures, and changes in fund balances.

The following is a brief summary of the County's major governmental funds -

General Fund - This is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Highway Fund - This fund accounts for operations and maintenance of the County's highways and streets. Funding is provided by the County's fuel tax, public utility franchise tax, and the motor vehicle weight tax. These taxes must be used for highway-related purposes.

Grant Fund - This fund accounts for the administration of various Federal and State of Hawaii grants.

Debt Service Fund - This fund accounts for the accumulation of resources for, and the payment of general long-term principal and interest and related costs.

Capital Improvement Projects Fund - This fund accounts for the financial resources to be used for the acquisition or construction of various major capital facilities.

Governmental funds are those through which most governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. Governmental funds are accounted for using a "current financial resources" measurement focus. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet. Fund balance is considered a measure of expendable available financial resources. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) as a net increase or decrease in the respective fund balance.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Fund Financial Statements - Proprietary fund financial statements include a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows.

The following is a brief summary of the County's major proprietary funds:

Department of Water Supply - The Department was created to develop adequate water sources, storage, and transmission for both urban and agricultural uses for the County.

Housing, Interim Financing, and Buy-Back Revolving Fund - This fund was established to account for the developing and selling of housing units on land acquired by the County to moderate and low-income residents, and to account for financing and operation of low-income rental projects developed by the County.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the statement of net position. The statement of revenues, expenses, and changes in net position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Proprietary funds distinguish between operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Fund Financial Statements - Fiduciary fund financial statements include a statement of fiduciary net position and statement of changes in fiduciary net position. The County's fiduciary funds are used to account for monies collected, held and disbursed in a custodial capacity for other governments and organizations. Motor vehicle registration fees collected on behalf of the State of Hawaii account for majority of assets included within the fiduciary fund financial statements. The custodial funds are accounted for under the accrual basis of accounting as are the proprietary funds explained above.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies -

Measurement Focus and Basis of Accounting - The basis of accounting determines when transactions are reported on the financial statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes recognized in the fiscal year for which the taxes are levied. Revenues from sales and use, transient occupancy, and utility user tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus. This focus is on the determination of, and changes in financial resources, and generally only current assets and current liabilities are included in the balance sheet. All governmental funds are accounted for on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except those revenues subject to accrual (generally received within 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the County, are real property taxes, transient accommodations tax, general excise tax, fuel and franchise taxes, assessments, rents and concessions, sewer charges, landfill usage charges, certain state and federal grants, and interest from investments. Licenses and permits, forfeitures, penalties, and other miscellaneous revenues are not susceptible to accrual, because they are not measurable until received in cash. Expenditures are recorded in the accounting period in which the related fund liability is incurred except for debt service expenditures, as well as expenditures related to vacation, compensatory time off, landfill closure and post-closure costs, claims and judgments, and arbitrage which are recorded only when payment is due.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the County's policy to first apply restricted cost-reimbursement grant resources to such programs, followed by restricted categorical block grants, and then by unrestricted general revenues.

Cash and Investments - Cash balances of the County's funds are pooled and invested by the County Treasury unless otherwise dictated by legal or contractual requirements. Income and losses arising from the investment activity of pooled cash are allocated to participating funds on a periodic basis, based on their proportionate shares of the average cash balances.

Cash includes amounts in demand and time deposits primarily with various financial institutions in Hawaii, with fiscal agents, and in imprest and change funds. Cash on deposit with financial institutions are collateralized in accordance with State statutes (see Note 2).

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For purposes of the statement of cash flows, the proprietary funds consider all equity in pooled cash and investments held in County Treasury (including restricted cash) to be cash equivalents.

Investments in negotiable time certificates of deposits and repurchase agreements, U.S. Treasury obligations and U.S. government agency obligations, are carried at fair value.

Real Property Taxes - Real property taxes are assessed and billed annually. The County's real property taxes, which are levied on July 1st and billed by July 20th of each year based on assessed valuations as of January 1st, are due in two equal installments on the following August 20th and February 20th. Accordingly, real property tax receivables at June 30, 2024 are delinquent and amounts, if not collected within sixty days after year-end, are reported as deferred inflows in the General Fund. A lien for real property tax is attached as of July 1st of each year.

Real Property Tax Abatement Programs - The County provides for various tax abatement programs under Maui County Code, Chapter 3.48, Real Property Tax. However, the Dedicated Lands tax abatement program, under section 3.48.350, accounts for approximately 99% of tax abatements in both number and dollars.

Dedicated Lands - Section 3.48.350 of the Maui County Code provides an abatement to encourage the dedication of land for a specific ranching or other agricultural use. Taxpayers must file a petition providing for a dedication request with the Director of Finance and the Director must approve such petition to receive the abatement. The abatement for dedicated lands for a specific ranching or other agricultural use provides for land taxed at its assessed value in this use or fifty percent of its assessed value for ten or twenty years, respectively. The amount of the abatement is shown as a reduction of the assessed value of the property and the property tax is calculated based on the net taxable value of the property. Dedication of land is for a minimum of either ten or twenty years. The petition is automatically renewable indefinitely, subject to varying cancellations under the ten-and twenty-year dedications. Changes in dedication of land use must also be approved by the Director of Finance.

The gross amount by which the County tax revenues were reduced during the year because of the Dedicated Lands tax abatement program was approximately \$2.5 million.

Inventory - Inventory is stated at weighted average cost (which approximates the first-in, first-out method).

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, sewer systems, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 for equipment and an estimated useful life in excess of one year. For capital improvement projects, capital assets are defined as capital improvements with initial, individual costs of more than \$250,000, while cost for improvements to existing capital improvement projects greater than \$100,000 are capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets or donated works of art and similar items are reported at their estimated acquisition value at the date of donation. Capital assets received in service concession arrangements are reported at acquisition value.

**COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized but charged to operations as incurred. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the primary government are depreciated using the straight-line method over the following useful lives:

Bridges	50 - 75 years
Building and land improvements	20 - 45 years
Drainage systems	50 years
Equipment	5 - 10 years
Landfill infrastructure	5 years
Roadway systems	15 - 20 years
Sewer systems	20 - 50 years
Transportation and construction equipment	5 - 10 years

Sales and retirements of depreciable property are recorded by removing the related cost and accumulated depreciation from the accounts. Gains or losses on sales and retirements of property are reflected in the statement of activities and proprietary funds' statement of revenues, expenses, and changes in net position.

Leases - A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

Lessee:

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County uses its estimated incremental borrowing rate as the discount rate for leases. The County's estimated incremental borrowing rate is based on historical market data and credit spread based on market data points compared to the lease commencement date.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Lease assets are reported with other capital assets and lease liabilities are reported with long-term obligations on the statement of net position.

Financed purchase:

Leases that substantially transfer all risks and benefits of ownership are accounted for as a financed purchase. Financed purchases are included in capital assets and, where appropriate, are amortized over the shorter of their economic useful lives or lease terms. The related financed purchase assets are reported with capital assets, and lease liabilities are reported as long-term obligations in the government-wide statement of net position.

Deferred Outflows of Resources and Deferred Inflows of Resources - Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense or expenditure) until that time. The County reports the deferred loss on advanced refunding and deferred items related to pensions and other postemployment benefits other than pensions (OPEB) as deferred outflows of resources in its statement of net position.

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The County reports real property taxes, transient accommodations tax, fees and other non-exchange transactions received in the current fiscal year for the ensuing fiscal year as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County also reports deferred inflows of resources for items related to pensions and OPEB.

Internal Balances - Significant transfers of financial resources between departments and activities included within the same fund, which are recorded as revenues by the transferee and expenditures or expenses by the transferor, have been eliminated. Transfers of revenues from funds authorized to receive them to funds authorized to expend them have been recorded as transfers in the fund financial statements.

All inter-fund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net position, except for those amounts due between governmental and business-type activities, which are presented as internal balances.

Long-Term Debt - In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type financial statements.

Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

For advanced refunding resulting in the defeasance of debt, the difference between the reacquisition price and the carrying amount of the old debt is deferred. The amount deferred is reported as a deferred inflow of resources or outflow of resources and recognized as a component of interest expense over the remaining life of the old debt or the new debt, whichever is shorter.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences - In the governmental fund financial statements, vacation pay and compensatory time off are recorded as expenditures when liquidated with expendable available financial resources. Vested or accumulated vacation leave and compensatory time off of proprietary funds and in the government-wide financial statements are recorded as an expense and liability of those funds and activities as the benefits accrue to employees. Vacation benefits accrue at one and three-quarters working days for each month. Each employee is allowed to accumulate a maximum of 90 days of vacation as of the end of the calendar year. Employees earn compensatory time off at the rate of one and a half hours for each hour of overtime worked. Unused compensatory time off is converted to pay upon termination of employment.

Sick leave accumulates at the rate of one and three-quarters working days for each month, without limit. Sick leave is taken only in the event of illness and is not convertible to pay; accordingly, sick leave is not accrued on either the government-wide or fund financial statements. Employees who retire or leave government service in good standing with sixty or more unused sick leave days are entitled to an additional service credit in the retirement system. At June 30, 2024, accumulated sick leave amounted to approximately \$82.1 million.

Claims and Judgments - Liabilities for claims and judgments are estimated by a combination of case-by-case review of all claims and the application of historical experience to the outstanding claims. The County's policy is to record claims and judgments as expenditures in its governmental fund financial statements when they are due and payable.

Liabilities for claims and judgments are accrued and expensed in the government-wide and proprietary fund financial statements based on the County's exposure to loss.

Net Position - The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets - This is intended to reflect the portion of net position which is associated with non-liquid capital assets less outstanding debt related to these assets.

Restricted Net Position - Restricted net position has third party (statutory, bond covenant or granting agency) limitations on its use or has restrictions imposed by law through enabling legislation and includes unspent proceeds of bonds issued to acquire or construct assets. The County's policy is generally to use restricted net position first, as appropriate opportunities arise.

Unrestricted Net Position - Unrestricted net position represents all other net position not accounted for in the two categories noted above.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Policies - Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Fund balances for government funds are comprised of the following:

Nonspendable Fund Balance - includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance - includes amounts that are subject to constraints imposed or legally enforceable by external parties. Funds with restrictions imposed by the Hawaii Revised Statutes and the Maui County Charter are examples of such funds of the County.

Committed Fund Balance - includes amounts that are subject to constraints created by the County and can only be changed by the County's highest level of formal action. The County Council and the Mayor of the County of Maui act in concert as the County's highest decision-making authorities. Bills passed by the County Council and approved by the Mayor are designated as ordinances and become part of the Maui County Code.

Assigned Fund Balance - includes fund balances that have been encumbered for purchasing commitments by the Chief Procurement Officer or delegate in accordance with the Finance and Budget policies and are considered neither restricted nor committed.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, a negative unassigned fund balance is reported.

The County has established a policy relative to the order of the allocation of expenditures. The County's policy is to use resources in all funds in the following order: (1) Restricted, (2) Committed, (3) Assigned and (4) Unassigned.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Employees' Retirement System of the State of Hawaii (ERS) and additions to/deductions from the ERS's fiduciary net position have been determined on the same basis as they are reported by the ERS. For this purpose, employer and employee contributions are recognized in the period in which the contributions are legally due and benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at their fair value.

Postemployment Benefits Other Than Pensions - For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Hawaii Employer-Union Health Benefits Trust Fund ("EUTF") and additions to/deductions from EUTF's fiduciary net position have been determined on the same basis as they are reported by EUTF. For this purpose, EUTF recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for investments in commingled and money market funds, which are reported at net asset value (NAV). The NAV is based on the fair value of the underlying assets held by the respective fund less its liabilities.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates - The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, as well as disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures or expenses, and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements - The GASB issued Statement No. 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting - understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Management has determined that the implementation of this statement did not have a material impact on the County's financial statements.

The GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave - not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - REPORTING ENTITY, FINANCIAL STATEMENT PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. This Statement is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Management has not yet determined the effect this Statement will have on the County's financial statements.

The GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Management has not yet determined the effect this Statement will have on the County's financial statements.

The GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement establishes new accounting and financial reporting requirements (or modifies existing requirements) related to the following:

- Management's discussion and analysis (MD&A)
- Unusual or infrequent items
- Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position
- Budgetary comparison information
- Financial trends information in the statistical section

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management has not yet determined the effect this Statement will have on the County's financial statements.

The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management has not yet determined the effect this Statement will have on the County's financial statements.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 - CASH, DEPOSITS, AND INVESTMENTS

Pooled Cash and Investments Held in County Treasury

Total County and fiduciary funds cash, deposits, and investments as of June 30, 2024, at fair value, are as follows:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Fair Value
Equity in pooled cash and investments	\$ 830,599,251	\$ 87,502,141	\$ 1,943,974	\$ 920,045,366
Restricted investments - equity in pooled cash and investments	<u>--</u>	<u>53,766,626</u>	<u>--</u>	<u>53,766,626</u>
Total equity in pooled cash and investments	\$ <u>830,599,251</u>	\$ <u>141,268,767</u>	\$ <u>1,943,974</u>	\$ <u>973,811,992</u>
		Cash on hand and deposits		\$ 286,127,490
		Certificates of deposit		983,758
		Investments		<u>686,700,744</u>
		Total equity in pooled cash and investments		\$ <u>973,811,992</u>

The County maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the accompanying statement of net position and balance sheets as "Equity in pooled cash and investments held in County Treasury."

County's Investment Policy

The County's investment policy conforms with the State of Hawaii statutes (Chapter 46, Section 50), which authorize the County to invest in obligations of the U.S. Treasury and U.S. government agencies, municipal securities, auction rate securities collateralized by student loans, bank repurchase agreements, commercial paper, banker's acceptances, and money market funds.

Specific requirements under the County's investment policy are as follows:

- With the exception of U.S. Treasury securities and bank certificates of deposit fully insured by the Federal Deposit Insurance Corporation (FDIC) not to exceed \$250,000 per banking institution, no more than 30% of the County's investment portfolio will be invested in a single type of security, a single issuer, or financial institution.
- Investment maturities are not to exceed five years.

Investment Risk - The investments are subject to certain types of risk, including interest rate risk, credit quality risk, concentration of credit risk, and custodial credit risk.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County has a formal investment policy that follows State of Hawaii statutes, which limits investment maturities to five years as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Quality Risk - Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligation. The County's investment policy limits investments in municipal securities, U.S. Treasury securities, negotiable time certificates of deposit, U.S. government agency obligations, repurchase agreements, commercial paper, banker's acceptances, money market funds, and auction rate securities collateralized by student loans maintaining a Triple-A rating.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 - CASH, DEPOSITS, AND INVESTMENTS (Continued)

The bond ratings for the County's investments in U.S. agency obligations (government sponsored enterprises) at June 30, 2024 were as follows:

	Rating
AA+	\$ 534,506,046
A-1+	132,194,102
Not rated	<u>20,000,596</u>
	<u>\$ 686,700,744</u>

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributable to the magnitude of the County's investments in a single issuer or investment. The County diversifies its investments to minimize such risk and with the exception of U.S. Treasury securities, no more than 30% of the investment portfolio can be invested in a single type of security or financial institution.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of failure of the counterparty to an investment, the County would not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All of the County's investments are either insured or held by an agent in the name of the County, including the investment collateral underlying the repurchase agreements.

Custodial credit risk for bank depository accounts is the risk that in the event of a bank failure, the County's deposits may not be returned. It is the County's policy to place its bank deposits with State of Hawaii high credit quality financial institutions that are able to meet the collateral requirements for the County's deposits. As of June 30, 2024, substantially all of the County's cash balance of approximately \$286.1 million and negotiable time certificates of deposit of approximately \$984,000 were insured or collateralized.

Investments

As of June 30, 2024, the County and fiduciary fund's investments were as follows:

Type of Investment	% Yield	Maturity				Premiums (Discounts)	Fair Value
		Under 30 Days	31 - 180 Days	181 - 365 Days	1 - 5 Years		
Federal National Mortgage Association Coupon Notes	0.61 - 3.82	\$ --	\$ 9,000,000	\$ 5,000,000	\$ 24,300,000	\$ (2,080,760)	\$ 36,219,240
Federal Home Loan Bank Notes	0.81 - 4.72	--	6,000,000	20,000,000	92,900,000	(5,617,709)	113,282,291
Federal Farm Credit Bank Notes	1.88 - 5.34	7,000,000	15,000,000	10,000,000	98,500,000	(2,082,372)	128,417,628
Federal Agricultural Mortgage Corporation Notes	0.88 - 1.77	--	--	--	21,200,000	(1,199,404)	20,000,596
Federal Home Loan Mortgage Corporation Notes	0.70 - 5.00	--	--	9,000,000	41,400,000	(1,430,074)	48,969,926
U.S. Treasury Notes	0.60 - 5.23	--	40,200,000	26,500,000	147,300,000	(6,383,039)	207,616,961
U.S. Treasury Bills	5.28 - 5.44	25,000,000	108,800,000	--	--	(1,605,898)	132,194,102
Negotiable Time Certificates of Deposit	1.65 - 5.05	--	250,000	250,000	490,000	(6,242)	983,758
Total investments and certificates of deposit		\$ <u>32,000,000</u>	\$ <u>179,250,000</u>	\$ <u>70,750,000</u>	\$ <u>426,090,000</u>	\$ <u>(20,405,498)</u>	687,684,502
						Cash on hand and deposits	<u>286,127,490</u>
						Total equity in pooled cash and investments	\$ <u>973,811,992</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for an asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a level 2 input must be observable for most of the full term of the asset or liability. Level 2 inputs include:

- Quoted prices for similar assets or liabilities in active markets,
- Quoted prices for identical or similar assets or liabilities in markets that are not active,
- Inputs other than quoted prices that are observable for the asset or liability,
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs are unobservable for an asset or liability.

Following is a description of the valuation techniques used by the County to measure fair value:

U.S. Treasury obligations: Valued using quoted prices in active markets for identical assets.

U.S. government agency obligations: Valued using quoted prices for identical or similar assets in markets that are not active.

Negotiable time certificates of deposit: Valued using quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Assets at Fair Value at June 30, 2024				
	Total	Level 1	Level 2	Level 3
U. S. Treasury obligations	\$ 339,811,063	\$ 339,811,063	\$ --	\$ --
U. S. government agency obligations	346,889,681	--	346,889,681	--
Negotiable time certificates of deposit	983,758	--	983,758	--
	<u>\$ 687,684,502</u>	<u>\$ 339,811,063</u>	<u>\$ 347,873,439</u>	<u>\$ --</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 - RECEIVABLES

Receivables as of June 30, 2024, for the County's governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Highway Fund	Grant Fund	Capital Improvement Projects Fund	Other Governmental Funds	Total Governmental Funds
Receivables, net:						
Property taxes	\$ 16,513,692	\$ --	\$ --	\$ --	\$ --	\$ 16,513,692
Transient accommodations tax	21,929,976	--	--	--	--	21,929,976
Trade accounts	--	258,152	--	--	7,973,995	8,232,147
State of Hawaii	20,662,559	1,357,025	2,308,400	5,581,767	--	29,909,751
Note	5,302,156	--	--	--	--	5,302,156
Other	--	--	42,464	288,729	--	331,193
Less: allowance for uncollectible accounts	(9,247,295)	--	--	--	(1,527,254)	(10,774,549)
Total Receivables, net:	\$ <u>55,161,088</u>	\$ <u>1,615,177</u>	\$ <u>2,350,864</u>	\$ <u>5,870,496</u>	\$ <u>6,446,741</u>	\$ <u>71,444,366</u>

Receivables included in the County's proprietary funds as of June 30, 2024 were as follows:

	Department of Water Supply	Housing, Interim Financing, and Buy-Back Revolving Fund	Total Business-type Activities
Receivables, net:			
Customer receivables	\$ 10,040,614	\$ 59,939	\$ 10,100,553
Less: allowance for uncollectible accounts	(163,044)	--	(163,044)
Total Receivables, net:	\$ <u>9,877,570</u>	\$ <u>59,939</u>	\$ <u>9,937,509</u>

The only receivable without an allowance not expected to be collected within one year is the General Fund note receivable totaling approximately \$5.3 million as of June 30, 2024. Principal payments of \$25,000 are due quarterly with maturity in 2077.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 - RECEIVABLES (Continued)

Governmental funds report unearned revenues in connection with receivables for revenues not considered available to liquidate liabilities of the current period. Governmental and enterprise funds report unearned revenue in connection with resources that have been received, but not yet earned.

At June 30, 2024, the various components of deferred inflows of resources were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent real property and transient accommodations tax receivables not collected within 60 days of year end (General Fund)	\$ 21,964,857	\$ --
Real property tax collections received in advance (General Fund)	--	951,010
Sewer and landfill fees not collected within 60 days of year (Non-Major Funds)	1,266,317	--
Fees collected in advance for liquor licenses (Non-Major Fund)	<u>--</u>	<u>235,820</u>
	\$ <u>23,231,174</u>	\$ <u>1,186,830</u>

NOTE 5 - INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS BALANCES

Amounts due from and due to other funds as of June 30, 2024 were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Governmental Funds:		
General Fund	\$ 60,167,496	\$ --
Capital Improvement Project Fund	<u>--</u>	<u>60,167,496</u>
	\$ <u>60,167,496</u>	\$ <u>60,167,496</u>

Pursuant to Budget Ordinance, the General Fund advances funds for bond-funded projects for which proceeds have not yet been received. These amounts are intended to be repaid in one year.

A summary of the inter-fund transfers for the fiscal year ended June 30, 2024 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 30,593,154	\$ 159,665,372
Highway Fund	28,082,525	23,754,614
Grant Fund	--	10,000,000
Debt Service Fund	45,266,743	--
Capital Improvement Project Fund	83,791,389	12,682,081
Department of Water Supply	9,200,000	--
Non-Major Governmental Funds	<u>60,948,929</u>	<u>51,780,673</u>
	\$ <u>257,882,740</u>	\$ <u>257,882,740</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 - INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS BALANCES (Continued)

The County routinely transfers amounts from the General Fund to the Debt Service Fund, Open Space Revolving Fund, and Affordable Housing Fund in accordance with the annual budget ordinance appropriations. The amounts transferred to the Solid Waste Fund and Environmental Protection and Sustainability Fund are required to balance the fund's revenues and expenditures. The transfer to the Capital Improvements Projects Fund is for various construction projects and major equipment purchases. Most transfers into the General Fund relate to allocations of debt service for bond-funded projects, employee benefit costs from special revenue funds, and affordable housing funds from other governmental funds. During the fiscal year ended June 30, 2024, the County made a non-routine, one-time transfer of \$9,200,000 from the General Fund to the Department of Water Supply Fund to subsidize expenditures resulting from the August 2023 Lahaina wildfires.

NOTE 6 - CAPITAL ASSETS

A summary of capital asset activity during the fiscal year ended June 30, 2024, was as follows:

	Balance July 1, 2023	Additions	Reductions/ Retirements	Balance June 30, 2024
Governmental Activities:				
Non-depreciable assets:				
Land	\$ 212,127,368	\$ 1,145,101	\$ --	\$ 213,272,469
Construction in progress	201,413,781	132,555,056	(96,460,966)	237,507,871
	<u>413,541,149</u>	<u>133,700,157</u>	<u>(96,460,966)</u>	<u>450,780,340</u>
Depreciable assets:				
Buildings and systems	249,696,121	63,785,342	(3,976,812)	309,504,651
Improvements other than buildings	192,944,047	5,835,734	(296,556)	198,483,225
Machinery and equipment	216,732,234	19,405,766	(6,064,127)	230,073,873
Infrastructure	1,444,302,933	17,337,824	(305,955)	1,461,334,802
	<u>2,103,675,335</u>	<u>106,364,666</u>	<u>(10,643,450) *</u>	<u>2,199,396,551</u>
Accumulated depreciation:				
Buildings and systems	(140,566,986)	(10,066,775)	3,397,352	(147,236,409)
Improvements other than buildings	(126,761,762)	(6,071,298)	10,834	(132,822,226)
Machinery and equipment	(176,035,454)	(16,406,710)	4,741,478	(187,700,686)
Infrastructure	(961,791,380)	(36,111,449)	--	(997,902,829)
	<u>(1,405,155,582)</u>	<u>(68,656,232)</u>	<u>8,149,664</u>	<u>(1,465,662,150)</u>
Lease assets:				
Land	267,916	--	--	267,916
Buildings and systems	6,598,613	1,549,681	--	8,148,294
Machinery and equipment	572,940	333,606	--	906,546
	<u>7,439,469</u>	<u>1,883,287</u>	<u>--</u>	<u>9,322,756</u>
Accumulated amortization:				
Land	(47,059)	(23,486)	--	(70,545)
Buildings and systems	(2,556,886)	(1,341,456)	--	(3,898,342)
Machinery and equipment	(255,622)	(162,722)	--	(418,344)
	<u>(2,859,567)</u>	<u>(1,527,664)</u>	<u>--</u>	<u>(4,387,231)</u>
Subscription assets	9,942,720	410,829	--	10,353,549
Accumulated amortization	(914,960)	(2,692,052)	--	(3,607,012)
	<u>9,027,760</u>	<u>(2,281,223)</u>	<u>--</u>	<u>6,746,537</u>
Total Governmental Activities - Capital Assets, Net	\$ 1,125,668,564	\$ 169,482,991	\$ (98,954,752)	\$ 1,196,196,803

*Includes asset impairments for the various categories of approximately \$1.2 million due to the August 2023 wildfires.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 - CAPITAL ASSETS (Continued)

	Balance July 1, 2023	Additions	Reductions/ Retirements	Balance June 30, 2024
Business-type Activities:				
Non-depreciable assets:				
Land	\$ 19,075,811	\$ --	\$ --	\$ 19,075,811
Construction in progress	<u>33,375,723</u>	<u>22,619,382</u>	<u>(8,457,395)</u>	<u>47,537,710</u>
	<u>52,451,534</u>	<u>22,619,382</u>	<u>(8,457,395)</u>	<u>66,613,521</u>
Depreciable assets:				
Buildings and systems	226,929,711	3,270,118	(9,104,468) *	221,095,361
Machinery and equipment	484,358,646	9,893,595	(4,846,183)	489,406,058
Infrastructure	<u>12,604,881</u>	<u>541,017</u>	<u>(205,851)</u>	<u>12,940,047</u>
	<u>723,893,238</u>	<u>13,704,730</u>	<u>(14,156,502)</u>	<u>723,441,466</u>
Accumulated depreciation:				
Buildings and systems	(102,296,003)	(4,690,202)	1,752,603	(105,233,602)
Machinery and equipment	(281,913,324)	(12,530,933)	4,779,994	(289,664,263)
Infrastructure	<u>(5,997,717)</u>	<u>(247,349)</u>	<u>110,370</u>	<u>(6,134,696)</u>
	<u>(390,207,044)</u>	<u>(17,468,484)</u>	<u>6,642,967</u>	<u>(401,032,561)</u>
Lease asset:				
Buildings and systems	411,852	--	--	411,852
Accumulated amortization:				
Buildings and systems	<u>(137,284)</u>	<u>(68,642)</u>	<u>--</u>	<u>(205,926)</u>
	<u>274,568</u>	<u>(68,642)</u>	<u>--</u>	<u>205,926</u>
Business-type Activities - Capital Assets, Net	<u>\$ 386,412,296</u>	<u>\$ 18,786,986</u>	<u>\$ (15,970,930)</u>	<u>\$ 389,228,352</u>

*Includes asset impairments of approximately \$501,000 due to the August 2023 wildfires.

Depreciation and amortization expense for the fiscal year ended June 30, 2024 was charged to functions of the primary government as follows:

Governmental Activities:	
General government	\$ 8,996,355
Public safety	9,914,401
Sanitation	27,611,849
Social welfare	863,138
Highways and streets	17,467,706
Culture and recreation	7,969,406
Legislative	<u>53,093</u>
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 72,875,948</u>
Business-type Activities:	
Department of Water Supply	\$ 17,053,359
Housing, Interim Financing, and Buy-Back Revolving Fund	<u>483,767</u>
Total Depreciation and Amortization Expense - Business-type Activities	<u>\$ 17,537,126</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 - CAPITAL ASSETS (Continued)

Construction in progress is comprised of the following as of June 30, 2024:

	Project Authorized (Appropriated)	Expended to June 30, 2024	Committed (Encumbered)
Governmental Activities:			
Government facilities	\$ 128,855,122	\$ 47,744,310	\$ 37,463,282
Roadway systems	281,076,709	76,385,909	79,961,200
Sewer systems	234,394,026	37,142,964	78,557,134
Sanitation	44,530,978	11,540,959	14,958,184
Parks and recreation	153,802,654	34,423,901	60,258,544
Drainage	67,078,922	7,894,381	17,491,746
Other	<u>92,887,346</u>	<u>22,375,447</u>	<u>59,008,688</u>
Total	\$ <u>1,002,625,757</u>	\$ <u>237,507,871</u>	\$ <u>347,698,778</u>
Business-type Activities:			
Department of Water Supply	\$ <u>116,115,721</u>	\$ <u>47,537,710</u>	\$ <u>8,055,395</u>

As a result of the Maui wildfires that occurred in August 2023, the County incurred damage to some of its buildings, vehicles, and infrastructure. Included in "Other" General Revenues for governmental activities and business-type activities are insurance recoveries in the amounts of \$8,052,543 and \$4,547,617, respectively. These amounts are shown net of the related impairment losses included in its governmental activities and business-type activities which amounted to \$1,230,897 and \$501,438, respectively.

NOTE 7 - LONG-TERM DEBT AND OTHER GENERAL OBLIGATIONS

A summary of long-term debt activity during the fiscal year ended June 30, 2024 is as follows:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
General obligation bonds	\$ 401,374,765	\$ --	\$ 27,466,128	\$ 373,908,637	\$ 23,312,040
State revolving fund loans from direct borrowings	<u>83,965,046</u>	<u>10,356,564</u>	<u>7,407,337</u>	<u>86,914,273</u>	<u>7,567,744</u>
Total	\$ <u>485,339,811</u>	\$ <u>10,356,564</u>	\$ <u>34,873,465</u>	\$ <u>460,822,910</u>	\$ <u>30,879,784</u>
Business-type Activities:					
General obligation bonds	\$ 16,915,413	\$ --	\$ 1,548,252	\$ 15,367,161	\$ 1,432,960
Notes payable from direct borrowings	<u>39,774,194</u>	<u>1,086,502</u>	<u>2,748,950</u>	<u>38,111,746</u>	<u>2,801,360</u>
Total	\$ <u>56,689,607</u>	\$ <u>1,086,502</u>	\$ <u>4,297,202</u>	\$ <u>53,478,907</u>	\$ <u>4,234,320</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT AND OTHER GENERAL OBLIGATIONS (Continued)

Governmental Activities - General Obligation Bonds

General Obligation Bonds

The County issues general obligation bonds for the construction of major capital facilities. General obligation bonds are direct obligations of the County for which its full faith and credit are pledged. Debt service is paid from the Debt Service Fund.

General obligation bonds payable reported in the governmental activities column of the statement of net position at June 30, 2024 are comprised of the following individual issues:

<u>Year</u>	<u>Description</u>	<u>Interest Rates</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Outstanding Balance June 30, 2024</u>
2012	Series A,B and D GO and Refunding	2.00%-5.00%	\$ 70,250,000	2032	\$ 20,346,850
2014	Series A,B,D and E GO and Refunding	2.00%-5.00%	68,670,000	2034	25,585,000
2015	Series A,B,C and D GO and Refunding	3.00%-5.00%	60,155,000	2035	21,777,896
2018	Series A,B,D and E GO and Refunding	3.00%-5.00%	106,315,000	2038	74,740,000
2020	Series A,B GO and Refunding	2.00%-5.00%	74,420,000	2040	66,342,323
2021	Series A GO	2.00%-5.00%	84,740,000	2041	75,830,000
2022	Series A GO	2.00%-5.00%	60,875,000	2042	51,536,080
Total general obligation bonds			\$ <u>525,425,000</u>		336,158,149
Unamortized premium					<u>37,750,488</u>
Net general obligation bonds outstanding					\$ <u>373,908,637</u>

In the government-wide financial statements, bond discounts and premiums, and the difference between the reacquisition price and the carrying amount of old debt in advance of refunding resulting in a defeasance of debt, are deferred and amortized.

Governmental Activities - State Revolving Fund

State Revolving Fund Loans

The State Revolving Fund (SRF) Loans are for the construction of necessary water treatment works, and for wastewater reclamation projects. The notes' original issue amounted to approximately \$151.7 million and outstanding principal amounted to approximately \$86.9 million at June 30, 2024, and bear interest between 0.25% and 1.25%. The loans require semi-annual principal and interest payments, and loan fees through fiscal year 2043. The County has 35 projects funded with these SRF loans.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT AND OTHER GENERAL OBLIGATIONS (Continued)

The schedule below shows the State Revolving Fund Loans outstanding as of June 30, 2024:

Year	Description	Loan Number	Original Issue Amount	Final Maturity	Outstanding Balance June 30, 2024
State Revolving Fund Loans:					
2004	Lahaina Pump Station Nos. 5 & 6	C150054-12	\$ 3,300,000	2026	\$ 357,295
2006	Lahaina Pump Station No. 4	C150054-09	1,700,000	2027	278,612
2008	Wailuku-Kahului Wastewater Pump Station	C150052-19	9,931,786	2028	2,127,231
2009	Wailuku-Kahului Wastewater Reclamation	C150052-32	2,000,000	2029	477,386
2009	Lahaina Wastewater Pump Station No. 1	C150054-06	7,050,000	2029	1,709,477
2009	Central Maui Landfill Gas Collection	NPS0052-39	3,502,173	2029	840,033
2009	Islandwide EPA Consent Decree	C150052-31	8,438,770	2029	2,036,652
2009	Molokai Integrated Solid Waste Facility	NPS0041-07	3,241,038	2029	876,145
2010	Front Street Sewer Line Rehabilitation	C150054-11	447,454	2029	124,692
2010	Hyatt/Kaanapali Force Main Replacements	C150054-25	1,737,541	2030	551,184
2010	Countywide Pump Station Renovations	C150052-28	928,608	2029	253,429
2011	Kihei No. 2 Force Main Replacement	C150077-20	1,022,919	2032	388,749
2013	Alamaha Force Main Replacement	C150052-40	1,128,000	2033	504,449
2013	West Maui Recycled Water	C150054-23	3,205,090	2033	588,722
2012	Wailuku-Kahului Force Main Replacement	C150052-35	3,621,040	2034	1,806,077
2012	Countywide Pump Station Renovations	C150054-34	4,023,751	2034	2,129,432
2010	Central Operations and Maintenance Facility	C150052-33	500,000	2034	246,818
2013	Lahaina No. 3 Force Main Replacement	C150054-28	4,719,007	2034	2,346,570
2013	Lahaina Wastewater Pump Station No. 2	C150054-10	4,478,103	2034	2,250,907
2013	South Maui Recycled Water Distribution System	C150077-17	2,543,970	2035	1,389,470
2015	Paia Force Main Replacement	C150052-48	1,734,738	2036	1,106,037
2014	Kihei Force Main Replacement	C150077-22	1,620,000	2036	1,033,703
2016	Kahului-Wailuku Wastewater Reclamation Facility Filter Modification	C150052-61	4,594,179	2037	3,046,493
2017	Waiehu Wastewater Pump Station Force Main Replacement	C150052-50	827,136	2037	568,936
2017	Kulanihakoi Street Recycled Water Line Extension	C150077-25	1,473,064	2037	1,020,942
2017	Lahaina Wastewater Reclamation Facility Modifications, Stage 1A	C150054-22	49,520,832	2039	39,673,893
2017	Central Maui Landfill (CML) Phase V Gas Collection System Expansion	NPS0052-62	1,683,238	2037	1,129,186
2017	Hawaiian Homes Force Main Replacement	C150054-31	2,240,000	2037	1,554,754
2017	Wailuku Kahului WWRF Solids Bldg Renovation	C150052-60	657,606	2040	533,588
2016	Kihei No.16 Pump Station Rehabilitation	C150077-24	5,409,243	2040	4,407,433
2018	South Maui Recycled Water System 2nd Tank	C150077-16	5,023,000	2041	3,061,375
2018	CML Phase V-B Extension	NPS0052-64	3,337,611	2039	2,617,485
2024	SRF Kihei No. 8 FM Replacement 77-28	C150077-28	2,125,000	2042	2,026,375
2024	SRF Kihei No. 7 FM Replacement 77-32	C150077-32	2,096,575	2042	2,026,509
2024	SRF Napili Wastewater PS #4 MOD 54-48	C150054-48	1,824,234	2043	1,824,234
			<u>\$ 151,685,706</u>		<u>\$ 86,914,273</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT AND OTHER GENERAL OBLIGATIONS (Continued)

Annual debt service requirements to maturity for the general obligation bonds and the State Revolving Fund Loans at June 30, 2024, were as follows:

<u>Year Ending June 30,</u>	Governmental Activities - General Obligation Bonds		
	Principal	Interest	Total
2025	\$ 23,312,040	\$ 13,654,468	\$ 36,966,508
2026	23,026,779	12,626,283	35,653,062
2027	20,564,643	11,661,333	32,225,976
2028	18,660,111	10,814,652	29,474,763
2029	19,481,581	9,984,276	29,465,857
2030-2034	102,647,453	36,860,194	139,507,647
2035-2039	99,119,117	15,890,272	115,009,389
2040-2042	<u>29,346,425</u>	<u>1,851,806</u>	<u>31,198,231</u>
Total	\$ <u>336,158,149</u>	\$ <u>113,343,284</u>	\$ <u>449,501,433</u>

<u>Year Ending June 30,</u>	Governmental Activities - SRF Loans		
	Principal	Interest	Total
2025	\$ 7,567,744	\$ 841,343	\$ 8,409,087
2026	7,624,645	771,027	8,395,672
2027	7,502,294	700,433	8,202,727
2028	7,460,959	630,479	8,091,438
2029	6,382,867	561,515	6,944,382
2030-2034	27,641,735	1,946,979	29,588,714
2035-2039	21,160,060	670,571	21,830,631
2040-2043	<u>1,573,969</u>	<u>36,896</u>	<u>1,610,865</u>
Total	\$ <u>86,914,273</u>	\$ <u>6,159,243</u>	\$ <u>93,073,516</u>

Some of the general obligation bonds may be subject to early redemption at the option of the County during specific years at 100% of their face value.

Business-type Activities - General Obligation Bonds

The Department issues general obligation bonds for the construction of major capital facilities. These general obligation bonds are considered reimbursable bonds to be repaid from the net revenues of the Department, and accordingly, are excluded from funded debt pursuant to the State Constitution.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT AND OTHER GENERAL OBLIGATIONS (Continued)

General obligation bonds payable reported in the business-type activities column of the statement of net position at June 30, 2024 are comprised of the following individual issues:

Year	Description	Interest Rates	Final Maturity	Outstanding Balance June 30, 2024
2012	Series B and C GO and Refunding	2.00%-5.00%	6/1/2034	\$ 2,043,149
2014	Series C GO Bonds	2.00%-5.00%	6/1/2034	4,045,000
2015	Series B and D GO Refunding Bonds	3.00%-5.00%	9/1/2026	1,252,104
2018	Series C GO Bonds	3.00%-5.00%	9/1/2028	2,765,000
2020	Series B GO Refunding Bonds	2.00%-5.00%	3/1/2030	257,678
2022	Series B GO Refunding Bonds	5.00%	3/1/2042	3,643,920
	Total general obligation bonds			14,006,851
	Unamortized premium			1,360,310
	Net general obligation bonds outstanding			\$ 15,367,161

In the government-wide and proprietary fund financial statements, bond discounts and premiums, and the difference between the reacquisition price and the carrying amount of old debt in advance refunding resulting in a defeasance of debt, are deferred and amortized.

Annual debt service requirements to maturity for these general obligation bonds and at June 30, 2024, were as follows:

Year Ending June 30,	Business-type Activities - General Obligation Bonds		
	Principal	Interest	Total
2025	\$ 1,432,960	\$ 556,188	\$ 1,989,148
2026	1,493,221	495,273	1,988,494
2027	1,555,357	436,024	1,991,381
2028	1,164,889	381,779	1,546,668
2029	1,213,419	335,880	1,549,299
2030-2034	5,132,546	991,581	6,124,127
2035-2039	1,165,883	392,722	1,558,605
2040-2042	848,576	86,244	934,820
Total	\$ 14,006,851	\$ 3,675,691	\$ 17,682,542

Some of the general obligation bonds may be subject to early redemption at the option of the County during specific years at 100% of their face value.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT AND OTHER GENERAL OBLIGATIONS (Continued)

Business-type Activities - Notes Payable - State Revolving Fund Loans -

At June 30, 2024, notes payable from direct borrowings reported in the business-type activities column of the statement of net position consisted of the following:

	<u>Amount</u>
Notes payable to State of Hawaii, Department of Health	
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.00%, and loan fee rate of 1.00%, maturing in 2032.	\$ 103,706
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 0.50%, and loan fee rate of 1.00%, maturing in 2033.	1,009,471
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.00%, and loan fee rate of 1.00%, maturing in 2033.	411,352
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 0.00%, and loan fee rate of 1.00%, maturing in 2033.	3,712,288
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 0.50%, and loan fee rate of 1.00%, maturing in 2034.	2,151,018
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.00%, and loan fee rate of 1.00%, maturing in 2034.	1,080,093
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.00%, and loan fee rate of 1.00%, maturing in 2035.	402,746
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.00%, and loan fee rate of 1.00%, maturing in 2035.	438,931
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.00%, and loan fee rate of 1.00%, maturing in 2034.	80,278
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.00%, and loan fee rate of 1.00%, maturing in 2038.	<u>1,367,947</u>
Balance forward	\$ <u>10,757,830</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT AND OTHER GENERAL OBLIGATIONS (Continued)

	<u>Amount</u>
Notes payable to State of Hawaii, Department of Health	
Balance forward	\$ 10,757,830
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 0.50%, and loan fee rate of 1.00%, maturing in 2037.	1,560,457
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.00%, and loan fee rate of 1.00%, maturing in 2037.	852,098
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.00%, and loan fee rate of 1.00%, maturing in 2037.	355,038
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 0.00%, and loan fee rate of 1.00%, maturing in 2039.	16,373,578
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 0.50%, and loan fee rate of 1.00%, maturing in 2038.	3,101,187
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 0.75%, and loan fee rate of 1.00%, maturing in 2040.	2,868,482
Note payable to State Revolving Loan Fund for a capital improvement project, payable in semi-annual installments of principal, interest at a rate of 1.15%, and loan fee rate of 1.00%, maturing in 2041.	<u>2,243,076</u>
	38,111,746
Less current portion	<u>(2,801,360)</u>
	<u>\$ 35,310,386</u>

As of June 30, 2024, future principal and interest payments from direct borrowings for notes payable related to business-type activities are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,801,360	\$ 508,790	\$ 3,310,150
2026	2,829,193	471,034	3,300,227
2027	2,857,630	432,634	3,290,264
2028	2,886,416	393,844	3,280,260
2029	2,915,702	354,512	3,270,214
2030 - 2034	14,240,175	1,171,206	15,411,381
2035 - 2039	9,238,289	336,745	9,575,034
2040 - 2041	<u>342,981</u>	<u>6,050</u>	<u>349,031</u>
Total	\$ <u>38,111,746</u>	\$ <u>3,674,815</u>	\$ <u>41,786,561</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT AND OTHER GENERAL OBLIGATIONS (Continued)

Line of Credit

The County has a line of credit agreement with a bank with a total authorized balance of \$1 million. There were no outstanding balances as of June 30, 2024. The line of credit agreement requires interest-only payments at 0.90% of the bank's prime rate (7.75% at June 30, 2024), with all unpaid principal due at the maturity date. The line of credit expired on July 30, 2024, and the County is in the process of renewing the agreement.

Legal Debt Limit and Margin

The County's legal debt limit and margin (as defined in Chapter 47, Hawaii Revised Statutes) as of June 30, 2024, are approximately \$336.2 million and \$10.2 billion, respectively.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebate liabilities are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the County performed calculations to determine the rebate liabilities for the tax-exempt bond issues listed above. Based on these calculations, arbitrage rebate liability totaled \$2,490,383 as of June 30, 2024.

Refunded Bonds

In prior years, the County issued refunding bonds, namely the 2010B, 2012A, 2012C, 2012D, 2014E, 2015C, 2015D, 2018C, 2020B and 2020C general obligation bonds, which proceeds were placed in an irrevocable redemption fund, to repay all future debt service payments on the 1998A, 2001A, 2001C, 2002C, 2005A, 2006B, 2006C, 2008A, 2010A, and 2010B general obligation bonds and other long-term debt. As of June 30, 2024, the outstanding balance of the unpaid defeased debt was approximately \$32.2 million. Accordingly, the assets of the irrevocable fund and the liability for the defeased bonds are not included in the County's basic financial statements.

Other Obligations

Other long-term general obligations consist of accrued vacation, accrued compensatory time off, accrued landfill closure, post-closure care costs, claims and judgments, and arbitrage liability. The accrued vacation and accrued compensatory time off liabilities are typically liquidated by the General, Highway, Sewer, Grant, and Other Governmental Funds. The accrued landfill closure and post-closure care costs liability is typically liquidated by the Capital Improvement Projects and Other Governmental Funds. Claims and judgments liability is typically liquidated by the General Fund.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 - LONG-TERM DEBT AND OTHER GENERAL OBLIGATIONS (Continued)

A summary of long-term debt and other general obligations activity for the fiscal year ended June 30, 2024 is as follows:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
Accrued landfill closure					
and postclosure costs (Note 11)	\$ 51,875,112	\$ 3,605,137	\$ 615,012	\$ 54,865,237	\$ 689,767
Accrued vacation	35,210,795	18,771,927	16,663,009	37,319,713	16,663,009
Claims and judgments (Note 13)	19,688,696	17,944,515	27,285,543	10,347,668	10,347,668
Accrued compensatory time off	4,767,389	3,364,065	2,907,668	5,223,786	2,907,668
Arbitrage liability	--	2,490,383	--	2,490,383	--
Total Other General Obligations	111,541,992	46,176,027	47,471,232	110,246,787	30,608,112
Long-term debt	485,339,811	10,356,564	34,873,465	460,822,910	30,879,784
Lease liability (Note 8)	4,784,692	1,741,383	1,259,085	5,266,990	1,746,671
Subscription liability (Note 9)	7,184,130	416,515	2,587,892	5,012,753	2,837,194
Financed purchase (Note 10)	20,462,015	5,191,982	--	25,653,997	1,649,646
Total Long-Term Obligations	\$ 629,312,640	\$ 63,882,471	\$ 86,191,674	\$ 607,003,437	\$ 67,721,407
Business-type Activities:					
Accrued vacation	\$ 1,905,531	\$ 1,095,748	\$ 982,881	\$ 2,018,398	\$ 1,041,098
Claims and judgments (Note 13)	741,171	172,362	749,210	164,323	164,323
Accrued compensatory time off	144,200	247,137	223,455	167,882	167,882
Total Other General Obligations	2,790,902	1,515,247	1,955,546	2,350,603	1,373,303
Long-term debt	56,689,607	1,086,502	4,297,202	53,478,907	4,234,320
Lease liability (Note 8)	294,377	--	65,766	228,611	70,799
Financed purchase (Note 10)	--	913,259	--	913,259	58,726
Total Long-Term Obligations	\$ 59,774,886	\$ 3,515,008	\$ 6,318,514	\$ 56,971,380	\$ 5,737,148

NOTE 8 - LEASE LIABILITY

The County has entered into lease agreements for land, building space and equipment use.

Principal and interest payments to maturity for governmental activities are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 1,746,671	\$ 271,104	\$ 2,017,775
2026	1,558,521	171,099	1,729,620
2027	1,343,135	86,876	1,430,011
2028	251,263	35,158	286,421
2029	210,683	16,718	227,401
2030-2034	86,478	27,864	114,342
2035-2038	70,239	6,481	76,720
Total	\$ 5,266,990	\$ 615,300	\$ 5,882,290

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 - LEASE LIABILITY (Continued)

Principal and interest payments to maturity for business-type activities are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 70,799	\$ 7,915	\$ 78,714
2026	76,108	4,964	81,072
2027	<u>81,704</u>	<u>1,794</u>	<u>83,498</u>
Total	\$ <u>228,611</u>	\$ <u>14,673</u>	\$ <u>243,284</u>

NOTE 9 - SUBSCRIPTION LIABILITY

The County has entered into Subscription-Based Information Technology Arrangements (SBITA) involving the following: a geospatial technology system, various desktop and server software subscriptions, cloud back up services software, computer-aided dispatch software and payroll and human resources software.

Principal and interest payments to maturity for governmental activities are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,837,194	\$ 430,450	\$ 3,267,644
2026	1,485,259	186,483	1,671,742
2027	346,996	59,183	406,179
2028	<u>343,304</u>	<u>29,518</u>	<u>372,822</u>
Total	\$ <u>5,012,753</u>	\$ <u>705,634</u>	\$ <u>5,718,387</u>

NOTE 10 - FINANCED PURCHASE

The County entered into an equipment lease purchase agreement (Agreement) with a financial institution for financing energy efficient improvements in various buildings, with an interest rate of 3.83%. The financed purchase liability equals the cost of the related assets and is included in construction work in progress on the Statement of Net Position. Construction was completed in September 2024, and payments commenced in October 2024. The County will own the assets at the end of the Agreement for a purchase price of \$1 after the final payment is made, and there is no termination option.

Principal and interest payments to maturity for governmental activities are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,649,646	\$ --	\$ 1,649,646
2026	665,589	893,719	1,559,308
2027	774,527	868,227	1,642,754
2028	883,505	838,563	1,722,068
2029	996,203	804,725	1,800,928
2030-2034	6,894,456	766,570	7,661,026
2035-2039	10,988,680	723,970	11,712,650
2040	<u>2,801,391</u>	<u>676,608</u>	<u>3,477,999</u>
Total	\$ <u>25,653,997</u>	\$ <u>5,572,382</u>	\$ <u>31,226,379</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 - FINANCED PURCHASE (Continued)

Principal and interest payments to maturity for business-type activities are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 58,726	\$ --	\$ 58,726
2026	23,694	31,816	55,510
2027	27,572	30,908	58,480
2028	31,452	29,852	61,304
2029	35,464	28,647	64,111
2030-2034	245,436	119,525	364,961
2035-2039	391,187	62,094	453,281
2040	<u>99,728</u>	<u>2,907</u>	<u>102,635</u>
Total	\$ <u>913,259</u>	\$ <u>305,749</u>	\$ <u>1,219,008</u>

NOTE 11 - SOLID WASTE LANDFILL CLOSURE, POST-CLOSURE CARE COSTS AND POLLUTION REMEDIATION OBLIGATION

The County recognizes closure and post-closure care costs over the life of the landfill. The County owns and operates four active landfills. State and federal laws require the County to monitor and maintain each site for thirty years after the facility is closed. Although the closure and post-closure care costs will be paid only near and after the date that the landfill stops accepting waste, the County recognizes a portion of the closure and post-closure care costs in each operating period. The liability for these costs is included in the governmental activities column of the government-wide financial statements. The amount recognized each year is based on the landfill capacity used as of the statement of net position date.

Approximately \$54.9 million in accrued landfill closure and post-closure care costs at June 30, 2024 represents the cumulative amount reported to date based on the estimated capacity used at each landfill. The County will recognize the remaining estimated cost of closure and post-closure care cost of approximately \$12.9 million as the remaining estimated capacity of each landfill is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2024. Actual costs may be different due to inflation, changes in technology, or changes in regulations.

**COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 - SOLID WASTE LANDFILL CLOSURE, POST-CLOSURE CARE COSTS AND POLLUTION REMEDIATION OBLIGATION (Continued)

The capacity used to date and the estimated remaining life of each landfill is as follows:

<u>Landfill</u>	<u>Capacity Used</u>	<u>Remaining Life (Years)</u>
Central Maui Phase I and II	100%	0.00
Central Maui Phase III	78%	0.45
Central Maui Phase IV	100%	0.00
Central Maui Phase V	100%	0.00
Hana	47%	45.20
Molokai	83%	6.30
Lanai	79%	14.90

Federal regulations require owners and operators of landfills to demonstrate financial assurance for the costs of closure and post-closure care. Under the proposed federal rules for financial assurance mechanism available to local governments, the County's current investment grade bond ratings of "Aa1", "AA+", and "AA+" by Moody's, Standard & Poor's and Fitch, respectively, exceed the required rating.

NOTE 12 - RETIREMENT BENEFITS

Pension Plan

Pension Plan Description - Generally, all full-time employees of the State and counties are required to be members of the ERS, a cost-sharing multiple-employer defined benefit pension plan that administers the State's pension benefits program. Benefits, eligibility, and contribution requirements are governed by HRS Chapter 88 and can be amended through legislation. The ERS issues publicly available annual financial reports that can be obtained at ERS' website: <https://www.ers.ehawaii.gov>.

Benefits Provided - The ERS Pension Trust is comprised of three pension classes for membership purposes and considered to be a single plan for accounting purposes since all assets of the ERS may legally be used to pay the benefits of any of the ERS members or beneficiaries. The ERS provides retirement, disability and death benefits with three membership classes known as the noncontributory, contributory and hybrid retirement classes. The three classes provide a monthly retirement allowance equal to the benefit multiplier (generally 1.25% or 2.00%) multiplied by the average final compensation multiplied by years of credited service. Average final compensation for members hired prior to July 1, 2012 is an average of the highest salaries during any three years of credited service, excluding any salary paid in lieu of vacation for members hired January 1, 1971 or later and the average of the highest salaries during any five years of credited service including any salary paid in lieu of vacation for members hired prior to January 1, 1971. For members hired after June 30, 2012, average final compensation is an average of the highest salaries during any five years of credited service excluding any salary paid in lieu of vacation.

Each retiree's original retirement allowance is increased on each July 1 beginning the calendar year after retirement. Retirees first hired as members prior to July 1, 2012 receive a 2.5% increase each year of their original retirement allowance without a ceiling (2.5% of the original retirement allowance the first year, 5.0% the second year, 7.5% the third year, etc.). Retirees first hired as members after June 30, 2012 receive a 1.5% increase each year of their original retirement allowance without a ceiling (1.5% of the original retirement allowance the first year, 3.0% the second year, 4.5% the third year, etc.).

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

The following summarizes the provisions relevant to the largest employee groups of the respective membership class. Retirement benefits for certain groups, such as police officers, firefighters, some investigators, sewer workers, judges, and elected officials, vary from general employees.

Noncontributory Class

Retirement Benefits - General employees' retirement benefits are determined as 1.25% of average final compensation multiplied by the years of credited service. Employees with 10 years of credited service are eligible to retire at age 62. Employees with 30 years of credited service are eligible to retire at age 55.

Disability Benefits - Members are eligible for service-related disability benefits regardless of length of service and receive a lifetime pension of 35% of their average final compensation. 10 years of credited service is required for ordinary disability. Ordinary disability benefits are determined in the same manner as retirement benefits but are payable immediately, without an actuarial reduction, and at a minimum of 12.5% of average final compensation.

Death Benefits - For service-connected deaths, the surviving spouse/reciprocal beneficiary receives a monthly benefit of 30% of the average final compensation until remarriage or re-entry into a new reciprocal beneficiary relationship. Additional benefits are payable to surviving dependent children up to age 18. If there is no spouse/reciprocal beneficiary or dependent children, no benefit is payable.

Ordinary death benefits are available to employees who were active at time of death with at least 10 years of credited service. The surviving spouse/reciprocal beneficiary (until remarriage/re-entry into a new reciprocal beneficiary relationship) and dependent children (up to age 18) receive a benefit equal to a percentage of member's accrued maximum allowance unreduced for age or, if the member was eligible for retirement at the time of death, the surviving spouse/reciprocal beneficiary receives 100% joint and survivor lifetime pension and the dependent children receive a percentage of the member's accrued maximum allowance unreduced for age.

Contributory Class for Employees Hired Prior to July 1, 2012

Retirement Benefits - General employees' retirement benefits are determined as 2% of average final compensation multiplied by the years of credited service. General employees with 5 years of credited service are eligible to retire at age 55.

Police and firefighters' retirement benefits are determined using the benefit multiplier of 2.5% for qualified service, up to a maximum of 80% of average final compensation. Police officers and firefighters with five years of credited service are eligible to retire at age 55. Police officers and firefighters with 25 years of credited service are eligible to retire at any age, provided the last five years is service credited in these occupations.

Disability Benefits - Members are eligible for service-related disability benefits regardless of length of service and receive a one-time payment of the member's contributions and accrued interest plus a lifetime pension of 50% of their average final compensation. 10 years of credited service is required for ordinary disability. Ordinary disability benefits are determined as 1.75% of average final compensation multiplied by the years of credited service but are payable immediately, without an actuarial reduction, and at a minimum of 30% of average final compensation.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

Death Benefits - For service-connected deaths, the surviving spouse/reciprocal beneficiary receives a lump sum payment of the member's contributions and accrued interest plus a monthly benefit of 50% of the average final compensation until remarriage or re-entry into a new reciprocal beneficiary relationship. If there is no surviving spouse/reciprocal beneficiary, surviving dependent children (up to age 18) or dependent parents are eligible for the monthly benefit. If there is no spouse/reciprocal beneficiary or dependent children/parents, the ordinary death benefit is payable to the designated beneficiary.

Ordinary death benefits are available to employees who were active at time of death with at least one year of service. Ordinary death benefits consist of a lump sum payment of the member's contributions and accrued interest plus a percentage of the salary earned in the 12 months preceding death, or 50% joint and survivor lifetime pension if the member was not eligible for retirement at the time of death but was credited with at least 10 years of service and designated one beneficiary, or 100% joint and survivor lifetime pension if the member was eligible for retirement at the time of death and designated one beneficiary.

Contributory Class for Employees Hired After June 30, 2012

Retirement Benefits - General employees' retirement benefits are determined as 1.75% of average final compensation multiplied by the years of credited service. General employees with 10 years of credited service are eligible to retire at age 60.

Police officers and firefighters' retirement benefits are determined using the benefit multiplier of 2.25% for qualified service, up to a maximum of 80% of average final compensation. Police officers and firefighters with 10 years of credited service are eligible to retire at age 60. Police officers and firefighters with 25 years of credited service are eligible to retire at age 55, provided the last five years is service credited in these occupations.

Disability and Death Benefits - Members are eligible for service-related disability benefits regardless of length of service and receive a lifetime pension of 50% of their average final compensation plus refund of contributions and accrued interest. 10 years of credited service is required for ordinary disability.

For police officers and firefighters, ordinary disability benefits are 1.75% of average final compensation for each year of service and are payable immediately, without an actuarial reduction, at a minimum of 30% of average final compensation.

Death benefits for contributory members hired after June 30, 2012 are generally the same as those for contributory members hired June 30, 2012 and prior.

Hybrid Class for Employees Hired Prior to July 1, 2012

Retirement Benefits - General employees' retirement benefits are determined as 2% of average final compensation multiplied by the years of credited service. General employees with five years of credited service are eligible to retire at age 62. General employees with 30 years of credited service are eligible to retire at age 55.

Disability Benefits - Members are eligible for service-related disability benefits regardless of length of service and receive a lifetime pension of 35% of their average final compensation plus refund of their contributions and accrued interest. 10 years of credited service is required for ordinary disability. Ordinary disability benefits are determined in the same manner as retirement benefits but are payable immediately, without an actuarial reduction, and at a minimum of 25% of average final compensation.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

Death Benefits - For service-connected deaths, the surviving spouse/reciprocal beneficiary receives a lump sum payment of the member's contributions and accrued interest plus a monthly benefit of 50% of the average final compensation until remarriage or re-entry into a new reciprocal beneficiary relationship. If there is no surviving spouse/reciprocal beneficiary, surviving dependent children (up to age 18) or dependent parents are eligible for the monthly benefit. If there is no spouse/reciprocal beneficiary or dependent children/parents, the ordinary death benefit is payable to the designated beneficiary.

Ordinary death benefits are available to employees who were active at time of death with at least five years of service. Ordinary death benefits consist of a lump sum payment of the member's contributions and accrued interest plus a percentage multiplied by 150%, or 50% joint and survivor lifetime pension if the member was not eligible for retirement at the time of death but was credited with at least 10 years of service and designated one beneficiary, or 100% joint and survivor lifetime pension if the member was eligible for retirement at the time of death and designated one beneficiary.

Hybrid Class for Employees Hired After June 30, 2012

Retirement Benefits - General employees' retirement benefits are determined as 1.75% of average final compensation multiplied by the years of credited service. General employees with 10 years of credited service are eligible to retire at age 65. Employees with 30 years of credited service are eligible to retire at age 60. Sewer workers, water safety officers, and emergency medical technicians may retire with 25 years of credited service at age 55.

Disability and Death Benefits - Provisions for disability and death benefits generally remain the same except for ordinary death benefits. Ordinary death benefits are available to employees who were active at time of death with at least 10 years of service. Ordinary death benefits consist of a lump sum payment of the member's contributions and accrued interest, plus a percentage multiplied by 50% joint and survivor lifetime pension if the member was not eligible for retirement at the time of death but was credited with at least 10 years of service and designated one beneficiary, or 100% joint and survivor lifetime pension if the member was eligible for retirement at the time of death and designated one beneficiary.

Contributions - Contributions are governed by HRS Chapter 88 and may be amended through legislation. The employer rate is set by statute based on the recommendations of the ERS actuary resulting from an experience study conducted every five years. Since July 1, 2005, the employer contribution rate has been a fixed percentage of compensation, including the normal cost plus amounts required to pay for the unfunded actuarial accrued liabilities. Contributions to the pension plan from the County were \$69,439,662 for the fiscal year ended June 30, 2024. The contribution rates for fiscal year 2024 were 41% for police officers and firefighters and 24% for all other employees.

The employer is required to make all contributions for noncontributory members. Contributory members hired prior to July 1, 2012, are required to contribute 7.8% of their salary and police officers and firefighters are required to contribute 12.2% of their salary. Contributory members hired after June 30, 2012, are required to contribute 9.8% of their salary, except for police officers and firefighters who are required to contribute 14.2% of their salary. Hybrid members hired prior to July 1, 2012 are required to contribute 6.0% of their salary. Hybrid members hired after June 30, 2012 are required to contribute 8.0% of their salary.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2024, the County reported a liability of \$655,832,887, for the County's proportionate share of net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to projected contributions of all participants, actuarially determined. At June 30, 2023, the County's proportion was 4.7527% which was an increase of 0.3391% from its proportion measured as of June 30, 2022. The County's pension liability is liquidated by the County's General Fund and the Department of Water Supply.

There were no other changes between the measurement date, June 30, 2023, and the reporting date, June 30, 2024, that are expected to have a significant effect on the proportionate share of the net pension liability.

For the fiscal year ended June 30, 2024, the County recognized pension expense of \$66,911,061. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,580,368	\$ 17,929,636
Net difference between projected and actual earnings on pension plan investments	8,472,345	--
Changes in proportion and difference between County contributions and proportionate share of contributions	47,341,154	13,749,501
Changes in assumptions	1,363,250	3,436,393
County contributions subsequent to the measurement date	<u>69,439,662</u>	<u>--</u>
	<u>\$ 139,196,779</u>	<u>\$ 35,115,530</u>

The \$69,439,662 reported as deferred outflows of resources related to pensions as of June 30, 2024 resulting from contributions made subsequent to the measurement date of the net pension liability will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

Other amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Net Deferred Outflows</u>
2025	\$ 1,577,163
2026	(10,760,018)
2027	24,770,016
2028	17,273,477
2029	<u>1,780,949</u>
Total	\$ <u>34,641,587</u>

Actuarial Assumptions - The total pension liability in the June 30, 2023 actuarial valuation were based on the results of an experience study as of June 30, 2021. The following actuarial assumptions were used in the June 30, 2023 actuarial valuation:

Inflation rate	2.50%
Investment rate of return, including inflation	7.00%
Salary increases, including inflation	
Police and fire employees	5.00% to 6.00%
General employees	3.75% to 6.75%
Teachers	3.75% to 6.75%

There were no changes to ad hoc postemployment benefits including cost of living allowances.

Mortality rates used in the actuarial valuation as of June 30, 2023 were based on the following:

Active members - Multiples of the Pub-2010 mortality table for active employees based on the occupation of the member.

Healthy retirees - The 2022 Public Retirees of Hawaii mortality tables. The rates are projected on a fully generational basis by Scale MP from the year 2022 (with immediate convergence) and with multiplier and setbacks based on plan and group experience.

Disabled retirees - Base Table for healthy retirees' occupation, set forward three years, generational projection using the MP projection table from the year 2022 with immediate convergence. Minimum mortality rate of 3.5% for males and 2.5% for females.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

The long-term expected rate of return on pension plan investments was determined using a “top down approach” of the Client Constrained Simulation-based Optimization Model (a statistical technique known as “re-sampling with replacement” that directly keys in on specific plan-level risk factors as stipulated by the ERS Board of Trustees) in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future nominal rates of return (real returns and inflation) by the target asset allocation percentage. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Strategic Allocation (Risk-Based Classes)</u>	<u>Target Allocation</u>	<u>Expected Long-Term Geometric Average Return*</u>
Broad growth	65.00%	8.70%
Diversifying Strategies	35.00%	5.20%
	<u>100.00%</u>	

* Uses an expected inflation of 2.60%

Discount Rate - The discount rate used to measure the net pension liability at June 30, 2023 was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the County will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County’s proportionate share of the net pension liability	\$ <u>896,490,357</u>	\$ <u>655,832,887</u>	\$ <u>456,527,074</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

Pension Plan Fiduciary Net Position

The pension plan's fiduciary net position is determined on the same basis used by the pension plan. The ERS's financial statements are prepared using the accrual basis of accounting under which expenses are recorded in the accounting period in which they are earned and become measurable. Employer and member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded as of their trade date. Administrative expenses are financed exclusively with investment income.

There were no significant changes after the report measurement date. Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report. ERS' complete financial statements are available at <https://www.ers.ehawaii.gov>.

Payables to the Pension Plan

As of June 30, 2024, the County had \$12,141,658 payable to the pension plan.

Postemployment Benefits Other Than Pensions (OPEB)

Plan description - The State provides certain health care and life insurance benefits to all qualified employees. Pursuant to Act 88, SLH 2001, the State contributes to the EUTF, an agent multiple-employer defined benefit plan that replaced the Hawaii Public Employees Health Fund effective July 1, 2003. The EUTF was established to provide a single delivery system of health benefits for state and county workers, retirees and their dependents. The EUTF issues an annual financial report that is available to the public that can be obtained on EUTF's website at <https://eutf.hawaii.gov/reports>.

For employees hired before July 1, 1996, the County pays the entire base monthly contribution for employees retiring with 10 years or more of credited service, and 50% of the base monthly contribution for employees retiring with fewer than 10 years of credited service. A retiree can elect a family plan to cover dependents.

For employees hired after June 30, 1996 but before July 1, 2001, and who retire with less than 10 years of service, the County makes no contributions. For those retiring with at least 10 years but fewer than 15 years of service, the County pays 50% of the base monthly contribution. For employees retiring with at least 15 years but fewer than 25 years of service, the County pays 75% of the base monthly contribution. For those retiring with at least 25 years of service, the County pays 100% of the base monthly contribution. A retiree can elect a family plan to cover dependents.

For employees hired after on or after July 1, 2001, and who retire with fewer than 10 years of service, the County makes no contributions. For those retiring with at least 10 years but fewer than 15 years of service, the County pays 50% of the base monthly contribution. For those retiring with at least 15 years but fewer than 25 years of service, the County pays 75% of the base monthly contribution. For those retiring with at least 25 years of service, the County pays 100% of the base monthly contribution. Only single plan coverage is provided for retirees in this category. Retirees can elect family coverage but must pay the difference.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

Employees Covered by Benefit Terms - At July 1, 2023, the following number of plan members were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	1,849
Inactive plan members entitled but not yet receiving benefits	272
Active plan members	<u>2,448</u>
Total	<u>4,569</u>

Contributions - Contributions are governed by HRS Chapter 87A and may be amended through legislation. Contributions to the OPEB plan from the County totaled \$58,627,767 for the fiscal year ended June 30, 2024. The employer is required to make all contributions for members.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - At June 30, 2024, the County reported a net OPEB liability of \$134,880,980. The net OPEB liability was measured as of July 1, 2023, and the total OPEB liability to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County's OPEB liability is liquidated by the County's General Fund.

There were no changes between the measurement date, July 1, 2023, and the reporting date, June 30, 2024, that are expected to have a significant effect on the net OPEB liability.

For the fiscal year ended June 30, 2024, the County recognized OPEB expense of \$4,559,487. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,186,518	\$ 61,973,431
Net difference between projected and actual earnings on OPEB plan investments	8,451,126	--
Changes in assumptions	1,744,451	11,745,891
County contributions subsequent to the measurement date	<u>58,627,767</u>	<u>--</u>
	<u>\$ 71,009,862</u>	<u>\$ 73,719,322</u>

The \$58,627,767 reported as deferred outflows of resources related to OPEB as of June 30, 2024 resulting from contributions made subsequent to the measurement date of the net OPEB liability will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Net Deferred Inflows</u>
2025	\$ (17,541,897)
2026	(20,460,512)
2027	(7,006,819)
2028	(9,944,077)
2029	(6,543,550)
Thereafter	<u>159,628</u>
Total	<u>\$ (61,337,227)</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

Actuarial assumptions - The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, based on the 2022 actuarial experience study conducted for ERS as of June 30, 2021:

Actuarial cost method	Entry age normal
Investment rate of return	7.00%
Inflation	2.50%
Salary increases	3.75% to 6.75%, including inflation
Demographic assumptions	Based on the 2022 actuarial experience study conducted for the ERS as of June 30, 2021.
Mortality	System-specific mortality tables utilizing ultimate scale MP 2021 to project generational mortality improvement
Participation rates	98% healthcare participation assumption for retirees that receive 100% of the base monthly contribution (BMC). Healthcare participation rates of 25%, 65%, and 90% for retirees that receive 0%, 50%, or 75% of the BMC, respectively. 100% for life insurance and 98% for Medicare Part B
Healthcare cost trend rates	
PPO*	Initial rates of 6.30%, declining to a rate of 4.25% after 21 years
HMO**	Initial rates of 6.30%; declining to a rate of 4.25% after 21 years
Part B & Base Monthly Contribution (BMC)	Initial rates of 5.00%; declining to a rate of 4.25% after 21 years
Dental	4.00%
Vision	2.50%
Life insurance	0.00%

* Blended rates for medical and prescription drugs

** Includes prescription drug assumptions

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of July 1, 2023 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	27.50%	7.60%
Private equity	15.00%	10.00%
Real assets	12.00%	4.30%
Private credit	10.00%	7.80%
Trend following	10.00%	2.40%
Long treasuries	5.50%	2.40%
TIPS	5.00%	2.00%
Reinsurance	5.00%	3.40%
Alternative risk premia	5.00%	3.30%
U.S. microcap	3.00%	8.70%
Tail risk / long volatility	2.00%	-1.10%
Global options	0.00%	4.90%
	100.00%	

Single Discount rate - The discount rate used to measure the total OPEB liability was 7.00%, based on the expected rate of return on OPEB plan investments of 7.00% and the municipal bond rate of 3.86% (based on the daily rate closest to but not later than the measurement date of the Fidelity 20-year municipal GO AA Index). Beginning with the fiscal year 2019 contribution, the funding policy of the County of Maui is to pay the recommended actuarially determined contribution, which is based on layered, closed amortization periods. The EUTF's fiduciary net position is expected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the EUTF's investments was applied to all periods of projected benefits payments to determine the total OPEB liability.

OPEB Plan Fiduciary Net Position - The OPEB plan's fiduciary net position has been determined on the same basis used by the OPEB plan. The EUTF's financial statements are prepared using the accrual basis of accounting under which revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of the cash flows. Employer contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded on a trade-date basis. Administrative expenses are financed exclusively with investment income.

There were no significant changes after the report measurement date. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued EUTF financial report. The EUTF's complete financial statements are available at <https://eutf.hawaii.gov>.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

Changes in the Net OPEB Liability

The following schedule presents the changes in the net OPEB liability for the fiscal year ended June 30, 2024. The ending balances are as of the measurement date, July 1, 2023.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2023	\$ 577,215,493	\$ 433,445,641	\$ 143,769,852
Changes for the fiscal year:			
Service cost	11,778,440	--	11,778,440
Interest on the total OPEB liability	40,041,773	--	40,041,773
Differences between expected and actual experience	1,384,420	--	1,384,420
Employer contributions	--	41,344,000	(41,344,000)
Net investment income	--	20,647,219	(20,647,219)
Benefit payments	(22,158,770)	(22,158,770)	--
Administrative expense	--	(31,122)	31,122
Other	--	133,408	(133,408)
Net changes	31,045,863	39,934,735	(8,888,872)
Balance at June 30, 2024	\$ 608,261,356	\$ 473,380,376	\$ 134,880,980

Payables to the OPEB Plan

At June 30, 2024, the County had no payables to the EUTF.

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following presents the County's proportionate share of the net OPEB liability calculated using the discount rate, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net OPEB liability	\$ 228,806,483	\$ 134,880,980	\$ 60,336,314

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 - RETIREMENT BENEFITS (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
County's proportionate share of the net OPEB liability	\$ <u>52,124,690</u>	\$ <u>134,880,980</u>	\$ <u>240,984,742</u>

Deferred Compensation Plan

The County participates in a deferred compensation plan established by the State of Hawaii in accordance with Internal Revenue Code Section 457. The plan is available to all the County employees, and permits employees to defer a portion of their salary until future years by contributing to a fund managed by a plan administrator. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All plan assets are held in a trust fund to protect them from claims of general creditors and from diversion to any uses other than paying benefits to participants and beneficiaries. The County has no responsibility for loss due to the investment or failure of investment of funds and assets in the plan but does have the duty of due care that would be required of an ordinary prudent investor. Therefore, in accordance with GASB Statement No.32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, deferred compensation plan assets are not reported in the accompanying basic financial statements.

NOTE 13 - CLAIMS AND JUDGMENTS

The County is self-insured for workers' compensation based on a \$500,000 self-insured retention. Thereafter, an excess workers' compensation policy takes effect. In addition, the County also has insurance for errors and omissions and employer's practice liability, with a \$500,000 deductible per occurrence up to \$25 million in the aggregate. Further, the County is afforded bodily injury and property damage coverage for third party claims in excess of the aforementioned retention on a per occurrence basis. Property policies are layered providing \$100 million in total for building and any form of structures.

Settled claims have not exceeded these coverages in any of the past three fiscal years. The estimated total liability of the County of approximately \$10.5 million, with respect to claims and judgments, including claims incurred but not reported and related loss adjustment expenses by the claimant and settled claims is presented on the statement of net position on the government-wide financial statements.

Claim liabilities are calculated and periodically re-evaluated taking into consideration the effect of inflation, recent claim settlement trends, including frequency and amount of compensation subject to settlements, and other economic and social factors. Changes in the claims and judgments liability account for the fiscal years ended June 30, 2024 and 2023 were as follows:

	<u>Balance July 1, 2023</u>	<u>Change to Estimate Additions/ (Reductions)</u>	<u>Claim Payments</u>	<u>Balance June 30, 2024</u>	<u>Due Within One Year</u>
Governmental Activities	\$ 19,688,696	\$ 17,944,515	\$ 27,285,543	\$ 10,347,668	\$ 10,347,668
Business-type Activities	<u>741,171</u>	<u>172,362</u>	<u>749,210</u>	<u>164,323</u>	<u>164,323</u>
	\$ <u>20,429,867</u>	\$ <u>18,116,877</u>	\$ <u>28,034,753</u>	\$ <u>10,511,991</u>	\$ <u>10,511,991</u>

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13 - CLAIMS AND JUDGMENTS (Continued)

	Balance July 1, 2022	Change to Estimate Additions/ (Reductions)	Claim Payments	Balance June 30, 2023	Due Within One Year
Governmental Activities	\$ 33,762,566	\$ 18,847,093	\$ 32,920,936	\$ 19,688,696	\$ 19,688,696
Business-type Activities	<u>3,753,639</u>	<u>993,091</u>	<u>4,005,559</u>	<u>741,171</u>	<u>741,171</u>
	<u>\$ 37,516,205</u>	<u>\$ 19,840,184</u>	<u>\$ 36,926,495</u>	<u>\$ 20,429,867</u>	<u>\$ 20,429,867</u>

The estimated total liability has been determined through case-by-case analysis and from historical experience performed by the County's risk management division. Those historical results, combined with the evaluation of pending claims against the County by the County's Corporation Counsel, aid in this evaluation. Estimated expenditures for such claims are appropriated annually in the General Fund with the exception of workers' compensation for injured workers within the Department of Water Supply. Because of the inherent uncertainties in estimating future projected liabilities of claims and judgments, it is at least reasonably possible that the estimates used may change within the near term.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Contractual Commitments

Contractual commitments for capital projects, expenditures, and supplies for the governmental funds amounted to approximately \$552.5 million at June 30, 2024. Contractual commitments for the proprietary funds amounted to approximately \$33.7 million at June 30, 2024.

Claims

Numerous claims and lawsuits have been filed against the County in the normal course of its operations. Although the outcome of the various claims and lawsuits is not presently determinable, in the opinion of the County's Corporation Counsel, the resolution of such matters will not have a material adverse effect on the financial condition of the County.

In August 2024, Governor Green announced a Global Settlement (GS) to resolve all tort claims arising from the Maui wildfires that occurred in August 2023. The County is a party to the Individual Settlement Agreement and Class Settlement Agreement (Settlement Agreements) which would result in a GS intending to resolve all tort claims arising from the Maui wildfires. Under the terms of the Settlement Agreements, which remain subject to a pending determination by the Hawaii Supreme Court on how subrogation claims are treated, certain defendants will pay a total amount slightly in excess of \$4 billion in exchange for liability releases in all current lawsuits and future claims from those plaintiffs who have filed or will join an impending class action lawsuit. However, the County is not expected to incur any additional liability from these Settlement Agreements.

The Settlement Agreements anticipate that there may be some additional lawsuits filed by those plaintiffs who decline to participate in either of the Settlement Agreements, and a certain amount of money is earmarked to address those cases. The County's estimate of its share of possible loss, if any, for such claims cannot be made with reasonable certainty at this time.

**COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 14 - COMMITMENTS AND CONTINGENCIES (Continued)

Federal Financial Assistance Programs

The County participates in a number of federally assisted grant programs, primarily with the Department of Housing and Urban Development, the Department of Transportation, the Department of Interior, the Department of Labor, and the Department of Justice. These programs are subject to program compliance audits by the grantors or their representatives.

Although the County's grant programs will be subject to be audited in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) for the fiscal year ended June 30, 2024, these programs are still subject to financial and compliance audits by federal auditors. In the opinion of management of the County, disallowed costs, if any, would not be material.

State Grants

The County has received state grants for specific purposes that are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. In the opinion of management of the County, disallowed costs, if any, would not be material.

NOTE 15 - FUND BALANCES

The County's General Fund classifications of fund balance are listed below with the June 30, 2024 balances:

Restricted		
Affordable Housing Fund	\$	108,517,899
Homeowner programs revolving fund		5,589,891
Open space, natural resources, cultural resources and scenic views preservation fund		19,021,649
Managed retreat		12,000,000
Committed		
Economic development fund		1,180,110
Assigned		71,055,359
Unassigned		<u>244,289,898</u>
	\$	<u>461,654,806</u>

Affordable housing fund - This classification is to fund the provision, protection, and expansion of affordable housing and suitable living environments for persons of very low to gap income, as defined by ordinance. In adopting each fiscal year's budget and capital program, the Council appropriates a minimum of three percent of the certified real property tax revenues to the affordable housing fund. Any unencumbered balance in this fund at the end of each fiscal year shall not lapse, but shall remain in the fund, and accumulate from year to year.

Homeowner programs revolving fund - This classification is to fund opportunities that maintain and expand existing homeowner programs and to create new programs to meet the housing opportunity needs of Maui County residents. Additions to this fund are appropriated by the County Council, granted or donated to the County, or repaid by previous recipients of homeowner programs. Any balance remaining in this fund at the end of the fiscal year does not lapse, but shall remain in the fund, and accumulates from year to year.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 - FUND BALANCES (Continued)

Open space, natural resources, cultural resources, and scenic views preservation fund - This classification is to fund acquiring lands or property entitlements for land conservation. In adopting each fiscal year's budget and capital program, the Council appropriates a minimum of one percent of the certified real property tax revenues to the open space, natural resources, cultural resources, and scenic views preservation fund. Any balance remaining in this fund at the end of the fiscal year does not lapse, but shall remain in the fund, and accumulates from year to year.

Managed retreat fund - This classification is to fund projects and initiatives to move people, buildings, and other assets away from areas that are vulnerable to natural hazards and climate change along the coastlines. In adopting each fiscal year's budget and capital program, the Council appropriates a minimum of twenty percent of the Maui County transient accommodations tax to the managed retreat fund. Any balance remaining in this fund at the end of the fiscal year does not lapse, but shall remain in the fund, and accumulates from year to year.

Economic development fund - This classification provides funds for economic development programs.

Emergency fund - This classification is to fund a public emergency threatening life, health, property, or economic viability of the County. Additions to this fund are appropriated by the County Council. Any balance remaining in this fund at the end of the fiscal year does not lapse but shall remain in the fund. The balance of the emergency fund reported as part of the unassigned fund balance as of June 30, 2024 was \$71,673,512. The available balance of the Emergency Fund is subject to change based on final determinations of allowable expenditures and reimbursements from the Federal Emergency Management Agency.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 - FUND BALANCES (Continued)

Fund balances for all the major and other governmental funds as of June 30, 2024, are distributed as follows:

	General Fund	Highway Fund	Grant Fund	Capital Improvements Project Fund	Other Governmental Funds	Total
Restricted for:						
Administrative	\$ --	\$ --	\$ 579,137	\$ --	\$ --	\$ 579,137
Bikeway service	--	--	--	--	131,071	131,071
Environmental protection and sustainability	--	--	938,418	--	2,950,816	3,889,234
Highway and transportation services	--	38,015,508	474,379	--	--	38,489,887
Housing and human concerns	114,107,790	--	7,279,575	--	--	121,387,365
Liquor control	--	--	--	--	1,698,480	1,698,480
Open space preservation	19,021,649	--	--	--	--	19,021,649
Other expenditures	12,000,000	--	318,459	--	42,850	12,361,309
Parks and recreation	--	--	--	--	2,408,521	2,408,521
Wastewater services	--	--	--	--	1,955,172	1,955,172
Subtotal	<u>145,129,439</u>	<u>38,015,508</u>	<u>9,589,968</u>	<u>--</u>	<u>9,186,910</u>	<u>201,921,825</u>
Committed to:						
Administrative	--	--	--	--	30,276,233	30,276,233
Countywide Costs	--	--	--	--	315,732	315,732
Economic development	1,180,110	--	--	--	--	1,180,110
Environmental services	--	--	--	--	15,514,413	15,514,413
Fire control	--	--	--	--	1,856,446	1,856,446
Highway and transportation services	--	--	--	--	8,488,901	8,488,901
Housing and human concerns	--	--	--	--	523,475	523,475
Parks and recreation	--	--	--	--	2,029,001	2,029,001
Planning	--	--	--	--	1,565,106	1,565,106
Police services	--	--	--	--	598,590	598,590
Solid waste services	--	--	--	--	14,020,224	14,020,224
Wastewater services	--	--	--	--	31,589,994	31,589,994
Subtotal	<u>1,180,110</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>106,778,115</u>	<u>107,958,225</u>
Assigned to:						
Administrative	20,361,477	--	--	--	--	20,361,477
Agriculture	3,254,144	--	--	--	--	3,254,144
Capital improvement projects	--	--	--	104,292,530	--	104,292,530
Civil defense	176,370	--	--	--	--	176,370
Countywide costs	5,127,647	--	--	--	--	5,127,647
Economic development	9,139,535	--	--	--	--	9,139,535
Environmental services	110,809	--	--	--	--	110,809
Fire control	1,620,831	--	--	--	--	1,620,831
Highway and transportation services	3,245,155	--	--	--	--	3,245,155
Housing and human concerns	9,181,758	--	--	--	--	9,181,758
Legislative	1,876,580	--	--	--	--	1,876,580
Parks and recreation	6,696,407	--	--	--	--	6,696,407
Personnel	21,520	--	--	--	--	21,520
Planning	1,323,715	--	--	--	--	1,323,715
Police services	5,759,577	--	--	--	--	5,759,577
Public works	3,159,834	--	--	--	--	3,159,834
Subtotal	<u>71,055,359</u>	<u>--</u>	<u>--</u>	<u>104,292,530</u>	<u>--</u>	<u>175,347,889</u>
Unassigned	<u>244,289,898</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>244,289,898</u>
Total	<u>\$ 461,654,806</u>	<u>\$ 38,015,508</u>	<u>\$ 9,589,968</u>	<u>\$ 104,292,530</u>	<u>\$ 115,965,025</u>	<u>\$ 729,517,837</u>

**COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 15 - FUND BALANCES (Continued)

Encumbrances

Encumbrance accounting is employed in the governmental funds. Under this method, purchase orders, contracts, and other commitments outstanding at year-end do not constitute expenditures or liabilities. Encumbrances of balances within the General Fund are classified as assigned. Encumbrances of the other governmental funds are classified as restricted, committed, or assigned.

These encumbrances at June 30, 2024 are not separately classified in the financial statements, and are summarized as follows:

Encumbrances

General Fund	\$ 165,074,049
Highway Fund	11,656,566
Grant Fund	32,567,719
Capital Improvement Projects Fund	326,862,910
Non-Major Governmental Funds	<u>16,340,792</u>
	<u>\$ 552,502,036</u>

NOTE 16 - PROPRIETARY FUND - DEPARTMENT OF WATER SUPPLY

The Charter of the County of Maui provides that the Department is a regular County of Maui agency subject to the Mayor's executive management and Council's legislative oversight.

Unrestricted Cash and Investments

Unrestricted cash, cash equivalents, and investments at June 30, 2024 include funds for the following purposes:

Board-designated	
Capital improvements	\$ 24,962,906
Debt service	<u>2,163,177</u>
Total board-designated	27,126,083
Undesignated	<u>52,072,779</u>
Total	<u>\$ 79,198,862</u>

At June 30, 2024, construction contract payables, including retentions, to be paid with board-designated funds were approximately \$2.6 million. Construction contract commitments as of June 30, 2024, to be paid with board-designated funds, aggregated approximately \$17.9 million.

COUNTY OF MAUI
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - PROPRIETARY FUND - DEPARTMENT OF WATER SUPPLY (Continued)

Restricted Cash and Investments

Restricted cash and investments consisted of the following at June 30, 2024:

Water system development fee	\$ 22,857,974
Federal funds	8,840,085
State funds	11,983,339
Bond funds	3,055,918
Customer deposits	6,673,488
Special assessment fund for storage	273,829
Source development fund assessments	<u>81,993</u>
Total	\$ <u>53,766,626</u>

At June 30, 2024, construction voucher and contract payables, including retentions, to be paid with restricted assets were approximately \$1.8 million. The construction contract commitments as of June 30, 2024, to be paid with restricted assets, aggregated approximately \$12.5 million.

Restricted Net Position

At June 30, 2024, restricted net position consisted of the following:

Water system development fee	\$ 22,857,974
Federal funds	8,840,085
Special assessment fund for storage	273,829
Source development fund assessments	81,993
Other restricted funds	<u>12,054,780</u>
Total	\$ <u>44,108,661</u>

COUNTY OF MAUI
REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

Required Supplementary Information	<u>Pages</u>
Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual	99 - 101
- General Fund - Budgetary Basis	
- Highway Fund - Budgetary Basis	
- Grant Fund - Budgetary Basis	
Notes to the Budgetary Comparison Schedules	102 - 103
Schedule of Proportionate Share of the Net Pension Liability	104
Schedule of Contributions (Pension)	105
Notes to Required Supplementary Information Required by GASB Statement No. 68	106
Schedule of Changes in Net OPEB Liability and Related Ratios	107
Schedule of Contributions (OPEB)	108
Notes to Required Supplementary Information Required by GASB Statement No. 75	109

COUNTY OF MAUI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 601,623,681	\$ 630,459,422	\$ 619,942,617	\$ (10,516,805)
Licenses and permits	9,022,000	9,022,000	10,329,672	1,307,672
Intergovernmental revenues	50,000	50,000	32,272	(17,728)
Charges for services	3,200,000	3,200,000	3,569,516	369,516
Fines and forfeitures	2,000,000	2,000,000	4,908,283	2,908,283
Interest and investment earnings, net	3,363,500	3,363,500	32,662,466	29,298,966
Other revenues	831,500	831,500	6,472,074	5,640,574
Total Revenues	<u>620,090,681</u>	<u>648,926,422</u>	<u>677,916,900</u>	<u>28,990,478</u>
EXPENDITURES:				
Current:				
General government	245,434,501	297,614,271	256,812,148	40,802,123
Public safety	139,567,886	155,317,886	135,978,826	19,339,060
Highways and streets	13,164,335	13,164,335	9,673,903	3,490,432
Sanitation	680,717	680,717	596,663	84,054
Social welfare	86,815,581	81,642,475	76,360,334	5,282,141
Culture and recreation	57,847,353	57,847,353	36,607,764	21,239,589
Legislative	13,332,834	13,272,834	10,340,581	2,932,253
Capital outlay	--	--	(1,383,774)	1,383,774
Debt service	--	--	4,213,984	(4,213,984)
Total Expenditures	<u>556,843,207</u>	<u>619,539,871</u>	<u>529,200,429</u>	<u>90,339,442</u>
Excess of Revenues over Expenditures	<u>63,247,474</u>	<u>29,386,551</u>	<u>148,716,471</u>	<u>119,329,920</u>
OTHER FINANCING SOURCES (USES):				
Other revenues:				
Insurance recoveries	--	--	9,283,440	9,283,440
Issuance of debt:				
Lease asset financing	--	--	1,742,178	1,742,178
Transfers in:				
Capital Improvement Projects Fund	--	--	5,178,131	5,178,131
Other Governmental Funds	6,594,743	6,594,743	25,415,023	18,820,280
Proprietary Funds	38,688	38,688	--	(38,688)
Transfers out:				
Special Revenue Funds	(75,000)	(75,000)	(75,000)	--
Debt Service Fund	(45,231,578)	(45,231,578)	(45,266,743)	(35,165)
Capital Improvement Projects Fund	--	--	(38,290,740)	(38,290,740)
Other Governmental Funds	(88,109,271)	(122,849,012)	(66,832,889)	56,016,123
Proprietary Funds	--	(9,200,000)	(9,200,000)	--
Total Other Financing Uses	<u>(126,782,418)</u>	<u>(170,722,159)</u>	<u>(118,046,600)</u>	<u>52,675,559</u>
Net Change in Fund Balance	\$ <u>(63,534,944)</u>	\$ <u>(141,335,608)</u>	\$ <u>30,669,871</u>	\$ <u>172,005,479</u>

See accompanying notes to budgetary comparison schedules.

COUNTY OF MAUI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
HIGHWAY FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 23,500,000	\$ 23,500,000	\$ 26,596,806	\$ 3,096,806
Licenses and permits	26,500,000	26,500,000	27,696,778	1,196,778
Charges for services	1,386,400	1,386,400	586,208	(800,192)
Other revenues	--	--	(340,396)	(340,396)
Total Revenues	<u>51,386,400</u>	<u>51,386,400</u>	<u>54,539,396</u>	<u>3,152,996</u>
EXPENDITURES:				
Current:				
Highways and streets	62,471,217	62,471,217	55,484,952	6,986,265
Debt service	--	--	11,676	(11,676)
Total Expenditures	<u>62,471,217</u>	<u>62,471,217</u>	<u>55,496,628</u>	<u>6,974,589</u>
Deficiency of Revenues over Expenditures	<u>(11,084,817)</u>	<u>(11,084,817)</u>	<u>(957,232)</u>	<u>10,127,585</u>
OTHER FINANCING SOURCES (USES):				
Transfers in:				
General Fund	26,689,455	26,689,455	16,689,455	(10,000,000)
Capital Improvement Projects Fund	--	--	1,318,340	1,318,340
Other Governmental Funds	150,000	150,000	10,074,730	9,924,730
Transfers out:				
General Fund	(8,326,343)	(8,326,343)	(8,326,280)	63
Capital Projects Fund	--	--	(15,428,334)	(15,428,334)
Total Other Financing Sources	<u>18,513,112</u>	<u>18,513,112</u>	<u>4,327,911</u>	<u>(14,185,201)</u>
Net Change in Fund Balance	\$ <u>7,428,295</u>	\$ <u>7,428,295</u>	\$ <u>3,370,679</u>	\$ <u>(4,057,616)</u>

See accompanying notes to budgetary comparison schedules.

COUNTY OF MAUI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GRANT FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget-Positive</u>
				<u>(Negative)</u>
REVENUES:				
Intergovernmental revenues	\$ 67,294,138	\$ 99,671,955	\$ 88,664,090	\$ (11,007,865)
Interest and investment earnings, net	--	--	240,140	240,140
Other revenues	264,000	402,683	204,145	(198,538)
Total Revenues	<u>67,558,138</u>	<u>100,074,638</u>	<u>89,108,375</u>	<u>(10,966,263)</u>
EXPENDITURES:				
Current:				
General government	17,688,277	39,759,639	42,112,229	(2,352,590)
Public safety	8,818,234	8,337,704	4,966,814	3,370,890
Highways and streets	8,436,345	7,225,953	3,899,552	3,326,401
Sanitation	180,000	170,590	--	170,590
Social welfare	33,367,523	52,640,121	47,455,566	5,184,555
Culture and recreation	100,000	108,730	108,730	--
Capital outlay	--	--	--	--
Debt service	--	--	189,703	(189,703)
Total Expenditures	<u>68,590,379</u>	<u>108,242,737</u>	<u>98,732,594</u>	<u>9,510,143</u>
Deficiency of Revenues over Expenditures	<u>(1,032,241)</u>	<u>(8,168,099)</u>	<u>(9,624,219)</u>	<u>(1,456,120)</u>
OTHER FINANCING SOURCES (USES):				
Issuance of debt:				
Lease asset financing	--	--	371,363	371,363
Transfers in:				
Special Revenue Funds	--	2,394,852	3,327,678	932,826
Transfers out:				
Special Revenue Funds	--	(3,330,046)	(3,327,678)	2,368
Other Governmental Funds	--	(20,000,000)	(10,000,000)	10,000,000
Total Other Financing Uses	<u>--</u>	<u>(20,935,194)</u>	<u>(9,628,637)</u>	<u>11,306,557</u>
Net Change in Fund Balance	\$ <u>(1,032,241)</u>	\$ <u>(29,103,293)</u>	\$ <u>(19,252,856)</u>	\$ <u>9,850,437</u>

See accompanying notes to budgetary comparison schedules.

COUNTY OF MAUI
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Budgets and Budgetary Accounting - On or before March 25th, the Mayor submits to the County Council a proposed operating budget and capital program for the fiscal year commencing the following July 1st. Upon submission, the budget and capital program are available as public record in the Office of the County Clerk for open inspection. A public hearing is held by the County Council between April 1st and 30th in the year of submission. After the public hearing, the County Council shall pass the budget by ordinance with or without amendment on or before June 10th. If the Council fails to do so, the budget, as submitted by the Mayor, is deemed legally enacted as the budget for the ensuing fiscal year.

Budgets are monitored at varying levels of classification detail. However, as a budgetary control policy, expenditures cannot exceed total appropriations at the program and cost category levels for budgeted funds. The budget is controlled at the following levels:

- Unless otherwise provided by the General Budget Provisions, operating appropriations for each program are disbursed for the following categories of use: (a) salaries, premium pay, or reallocation pay; (b) operations or services and equipment. These cost categories are the legal level of budgetary control for the County's operating appropriations.
- Unless otherwise provided by the General Budget Provisions, capital improvement projects are appropriated by fund at the project level and as described in Appendix C of the annual budget ordinance. Capital improvement projects funding may not be used for any purpose other than as described in Appendix C. The total amount appropriated for a project may be used for the work phases provided in the project description in Appendix C. A budget amendment is needed if the total amount appropriated will be insufficient to complete all work phases set forth in the project description or if the project description does not clearly represent the work to be performed in Appendix C. This is the legal level of budgetary control for the County's capital improvements projects.
- As provided by the General Budget Provisions, Grant Fund revenues that include revenues from grants and revenues with restricted uses, are appropriated in the amounts set forth in Part I of Appendix A to the programs and uses identified in the budget ordinance. This is the legal level of budgetary control for the County's grant appropriations. Additionally, grant revenues are subject to the following conditions:
 - The Administration must be in receipt of notification from the grantor:
 - providing a grant award or a statement that the grant award will be forthcoming; and
 - that the County is authorized to incur costs in accordance with the grant award; and
 - The Administration must provide written notice to the County Council, attaching a copy of the notification from the grantor.

Budgets for grant appropriations and revenues are updated when the preceding conditions are met.

- County Council must authorize by resolution any transfer of appropriations from one cost category to another and/or one program to another within the department.
- County Council must authorize all budget amendments that alter the total appropriations of a particular program, line-item provision, or cost category from one program to another not within the department, by ordinance.

COUNTY OF MAUI
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Legally adopted budgets include the General Fund, Highway Fund, Grant Fund, Sewer Fund, Debt Service Fund, Capital Improvement Projects Fund, Liquor Control Fund, Solid Waste Fund, Environmental Protection and Sustainability Fund, and the Department of Water Supply.

Appropriations - The appropriated budget is prepared by fund, function, department, program, and/or activity. Every appropriation, except for capital improvement projects and grants, lapses at the close of the fiscal year. An appropriation for a capital improvement remains in force until the purpose for which it was made has been accomplished or abandoned. An appropriation for a capital improvement will be deemed abandoned six months after the close of the fiscal year to the extent that it has not been expended or encumbered by a written contract. Appropriations for grants based on grant revenue remains in force until the end of the grant performance period as dictated by a grant agreement.

Formal budgetary integration is employed as a management control device during the year. All budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of American (GAAP basis); except that encumbrances are treated as budgetary expenditures in the year commitments were made; and reporting differences for the treatment of funds budgeted as special revenue funds that may not qualify under GAAP. The required supplementary information reflects the budgeted and actual amounts (non-GAAP budgetary basis) for the General Fund and major Special Revenue Funds that have legally adopted annual operating budgets. Due to the County's large amount of appropriated line items, the budgetary schedules presented in the Annual Comprehensive Financial Report are displayed at a summary level. A separate Supplemental Information to the Annual Comprehensive Financial Report provides detail support for the budgetary schedules presented as required supplementary information and other supplementary information and is available on the County's website; <https://www.mauicounty.gov/1827/Annual-Comprehensive-Financial-Report-AC>.

The following is a summary of the adjustments necessary to convert major funds from the GAAP basis to the non-GAAP budgetary basis for the fiscal year ended June 30, 2024:

	General Fund	Highway Fund	Grant Fund
	<u> </u>	<u> </u>	<u> </u>
GAAP Basis - Net change in fund balances	\$ 88,038,752	\$ 7,039,457	\$ 1,721,379
Less encumbrances of budgeted funds			
June 30, 2024	(165,074,049)	(11,656,565)	(32,567,719)
Less unexpended appropriations of			
budgeted funds June 30, 2023	--	--	(77,952,286)
Add encumbrances of budgeted funds			
June 30, 2023	<u>107,705,168</u>	<u>7,987,787</u>	<u>89,545,770</u>
Non-GAAP Budgetary Basis - Net change			
in fund balances	\$ <u>30,669,871</u>	\$ <u>3,370,679</u>	\$ <u>(19,252,856)</u>

**COUNTY OF MAUI
SCHEDULE OF PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS**

Measurement Period Ended	Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a %age of Covered Payroll	Plan Fiduciary Net Position as a %age of the Total Pension Liability
June 30, 2023	4.75%	\$ 655,832,887	\$ 199,115,175	329.37%	61.91%
June 30, 2022	4.41%	\$ 572,349,949	\$ 180,843,264	316.49%	62.76%
June 30, 2021	4.80%	\$ 546,192,128	\$ 186,710,021	360.88%	64.25%
June 30, 2020	4.67%	\$ 715,237,490	\$ 177,926,729	239.84%	53.18%
June 30, 2019	4.58%	\$ 648,357,345	\$ 174,530,259	371.49%	54.87%
June 30, 2018	4.48%	\$ 597,668,394	\$ 177,312,000	337.07%	55.48%
June 30, 2017	4.62%	\$ 598,462,510	\$ 173,094,000	345.74%	54.80%
June 30, 2016	4.43%	\$ 592,379,381	\$ 164,147,000	360.88%	51.28%
June 30, 2015	4.37%	\$ 381,379,245	\$ 159,017,000	239.84%	62.42%
June 30, 2014	4.21%	\$ 337,749,364	\$ 144,037,000	234.49%	63.92%

See accompanying notes to required supplementary information.

**COUNTY OF MAUI
SCHEDULE OF CONTRIBUTIONS (PENSION)
LAST TEN FISCAL YEARS**

Fiscal Year Ended	Statutorily Required Contribution	Contributions in Relation to Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a %age of Covered Payroll
June 30, 2024	\$ 69,439,662	\$ 69,439,662	\$ --	\$ 207,878,931	33.404%
June 30, 2023	\$ 64,348,892	\$ 64,348,892	\$ --	\$ 199,115,175	32.317%
June 30, 2022	\$ 54,137,841	\$ 54,137,841	\$ --	\$ 180,843,264	29.936%
June 30, 2021	\$ 55,845,893	\$ 55,845,893	\$ --	\$ 186,710,021	29.910%
June 30, 2020	\$ 48,426,238	\$ 48,426,238	\$ --	\$ 177,926,729	27.217%
June 30, 2019	\$ 40,882,584	\$ 40,882,584	\$ --	\$ 174,530,259	23.424%
June 30, 2018	\$ 37,124,777	\$ 37,124,777	\$ --	\$ 177,312,000	20.938%
June 30, 2017	\$ 33,722,504	\$ 33,722,504	\$ --	\$ 173,094,000	19.482%
June 30, 2016	\$ 32,454,694	\$ 32,454,694	\$ --	\$ 164,147,000	19.772%
June 30, 2015	\$ 30,239,157	\$ 30,239,157	\$ --	\$ 159,017,000	19.016%

See accompanying notes to required supplementary information.

COUNTY OF MAUI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
REQUIRED BY GASB STATEMENT NO. 68
FISCAL YEAR ENDED JUNE 30, 2024

NOTE A - CHANGES OF ASSUMPTIONS

There were no changes of assumptions or other inputs that significantly affected the measurement of the total pension liability since the measurement period ended June 30, 2021.

Amounts reported in the schedule of the proportionate share of the net pension liability as of the measurement period ended June 30, 2021 (fiscal year ended June 30, 2022) were significantly impacted by the following changes of actuarial assumptions:

- Mortality rates generally decreased due to the continued improvements in using a fully generational
- Pre-retirement mortality rates increased for Police and Firefighters
- Retiree mortality is updated to the 2022 Public Retirees of Hawaii mortality tables. The rates are projected on a fully generational basis by the long-term rates of scale UMP from the year 2022 and with multiplier and setbacks based on plan and group experience.

Amounts reported in the schedule of the proportionate share of the net pension liability as of the measurement period ended June 30, 2019 (fiscal year ended June 30, 2020) were significantly impacted by the following changes of actuarial assumptions:

- Mortality rates generally decreased due to the continued improvements in using a fully generational approach and Scale BB.
- The rates of disability of active employees increased for all General Employees and Teachers, and for Police and Firefighters from duty-related reasons.
- There were minor increases in the retirement rates for members in certain groups based on age, employment group and/or membership class.

Amounts reported in the schedule of the proportionate share of the net pension liability as of the measurement period ended June 30, 2016 (fiscal year ended June 30, 2017) were significantly impacted by the following changes of actuarial assumptions:

- The investment return assumption decreased from 7.65% to 7.00%
- Mortality assumptions were modified to assume longer life expectancies as well as to reflect continuous mortality improvement

Prior to the measurement period ended June 30, 2016 (fiscal year ended June 30, 2017), there were no other factors, including the use of different assumptions that significantly affect trends reported in these schedules.

**COUNTY OF MAUI
SCHEDULE OF CHANGES IN NET OPEB LIABILITY
AND RELATED RATIOS
LAST TEN FISCAL YEARS***

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ 11,778,440	\$ 12,929,059	\$ 12,653,194	\$ 12,967,049	\$ 12,498,568	\$ 12,226,377	\$ 12,045,593
Interest on the total OPEB liability	40,041,773	42,478,059	41,329,165	41,302,904	38,555,038	36,426,483	34,318,637
Difference between expected and actual experience of the total OPEB liability	1,384,420	(54,117,123)	(18,720,890)	(31,423,659)	3,671,170	(7,224,043)	--
Change of assumptions	--	(14,754,349)	--	(3,522,434)	2,834,167	6,374,906	--
Benefit payments	<u>(22,158,770)</u>	<u>(19,370,062)</u>	<u>(18,603,206)</u>	<u>(18,980,360)</u>	<u>(18,095,542)</u>	<u>(16,968,244)</u>	<u>(15,716,815)</u>
Net change in total OPEB liability	31,045,863	(32,834,416)	16,658,263	343,500	39,463,401	30,835,479	30,647,415
Total OPEB liability - Beginning	<u>577,215,493</u>	<u>610,049,909</u>	<u>593,391,646</u>	<u>593,048,146</u>	<u>553,584,745</u>	<u>522,749,266</u>	<u>492,101,851</u>
Total OPEB liability - Ending	<u>\$ 608,261,356</u>	<u>\$ 577,215,493</u>	<u>\$ 610,049,909</u>	<u>\$ 593,391,646</u>	<u>\$ 593,048,146</u>	<u>\$ 553,584,745</u>	<u>\$ 522,749,266</u>
Plan fiduciary net position							
Contributions - employer	\$ 41,344,000	\$ 44,547,000	\$ 41,984,000	\$ 43,849,711	\$ 37,446,930	\$ 33,968,244	\$ 31,888,815
Net investment income (loss)	20,647,219	(8,234,718)	86,585,392	5,569,609	10,346,671	15,676,708	17,298,733
Benefit payments	(22,158,770)	(19,370,062)	(18,603,206)	(18,980,360)	(18,095,542)	(16,968,244)	(15,716,815)
Administrative expense	(31,122)	(36,607)	(44,523)	(44,376)	(78,401)	(47,981)	(39,167)
Other	<u>133,408</u>	<u>38,887</u>	<u>104,209</u>	<u>73,932</u>	<u>8,568,122</u>	<u>--</u>	<u>254,535</u>
Net change in plan fiduciary net position	39,934,735	16,944,500	110,025,872	30,468,516	38,187,780	32,628,727	33,686,101
Plan fiduciary net position - Beginning	<u>433,445,641</u>	<u>416,501,141</u>	<u>306,475,269</u>	<u>276,006,753</u>	<u>237,818,973</u>	<u>205,190,246</u>	<u>171,504,145</u>
Plan fiduciary net position - Ending	<u>\$ 473,380,376</u>	<u>\$ 433,445,641</u>	<u>\$ 416,501,141</u>	<u>\$ 306,475,269</u>	<u>\$ 276,006,753</u>	<u>\$ 237,818,973</u>	<u>\$ 205,190,246</u>
Net OPEB liability	<u>\$ 134,880,980</u>	<u>\$ 143,769,852</u>	<u>\$ 193,548,768</u>	<u>\$ 286,916,377</u>	<u>\$ 317,041,393</u>	<u>\$ 315,765,772</u>	<u>\$ 317,559,020</u>
Plan fiduciary net position as a percentage of the total OPEB liability	77.83%	75.09%	68.27%	51.65%	46.54%	42.96%	39.25%
Covered-employee payroll	\$ 222,237,865	\$ 193,249,475	\$ 198,129,232	\$ 189,482,744	\$ 185,844,166	\$ 178,910,519	\$ 174,164,911
Net OPEB Liability as a Percentage of Covered-Employee Payroll	60.69%	74.40%	97.69%	151.42%	170.60%	176.49%	182.33%

* The schedule is intended to present information for ten years for each respective fiscal year. Additional years will be built prospectively as information becomes available.

See accompanying notes to required supplementary information.

**COUNTY OF MAUI
SCHEDULE OF CONTRIBUTIONS (OPEB)
LAST TEN FISCAL YEARS**

Fiscal Year Ended	Actuarially Determined Contribution (ADC)	Contributions in Relation to the ADC	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a %age of Covered- Employee Payroll
June 30, 2024	\$ 38,399,000	\$ 58,627,767	\$ (20,228,767)	\$ 228,215,446	25.69%
June 30, 2023	\$ 38,344,000	\$ 41,344,000	\$ (3,000,000)	\$ 222,237,965	18.60%
June 30, 2022	\$ 38,547,000	\$ 44,547,000	\$ (6,000,000)	\$ 193,249,475	23.05%
June 30, 2021	\$ 36,984,000	\$ 41,984,000	\$ (5,000,000)	\$ 198,129,232	21.19%
June 30, 2020	\$ 35,732,000	\$ 43,849,711	\$ (8,117,711)	\$ 189,482,744	23.14%
June 30, 2019	\$ 34,967,000	\$ 37,446,930	\$ (2,479,930)	\$ 185,844,166	20.15%
June 30, 2018	\$ 32,891,000	\$ 33,968,244	\$ (1,077,244)	\$ 178,910,519	18.99%
June 30, 2017	\$ 31,778,000	\$ 31,911,818	\$ (133,818)	\$ 174,164,911	18.32%
June 30, 2016	\$ 29,229,000	\$ 29,108,882	\$ 120,118	\$ 165,059,718	17.64%
June 30, 2015	\$ 28,241,000	\$ 28,046,371	\$ 194,629	\$ 159,017,000	17.64%

See accompanying notes to required supplementary information.

COUNTY OF MAUI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
REQUIRED BY GASB STATEMENT NO. 75
FISCAL YEAR ENDED JUNE 30, 2024

NOTE A - SIGNIFICANT METHODS AND ASSUMPTIONS

Valuation Date The actuarially determined contribution for fiscal year ending June 30, 2024 was developed in the July 1, 2023 valuation.

Methods and Assumptions:

Actuarial Cost Method	Entry Age Normal
Discount Rate	7.00%
Inflation	2.50%
Amortization Method	Level percent. Closed bases are established at each valuation for new unfunded liabilities.
Equivalent Single Amortization Period	12 year as of fiscal year ending June 30, 2026
Asset Valuation Method	Smoothed
Wage Inflation	3.50%
Salary Increases	3.75% to 6.75% including inflation (per p.89)
Demographic Assumptions	Based on the 2022 actuarial experience study conducted for the ERS as of June 30, 2021
Mortality	System-specific mortality tables utilizing ultimate scale MP 2021 to project generational mortality improvement
Participation Rates	98% healthcare participation assumption for retirees that receive 100% of the base monthly contribution (BMC). Healthcare participation rates of 25%, 65%, and 90% for retirees that receive 0%, 50%, or 75% of the BMC, respectively. 100% for life insurance and 98% for Medicare Part B
Healthcare Cost Trend Rates	
PPO*	Initial rate of 6.30%, declining to a rate of 4.25% after 21 years
HMO**	Initial rate of 6.30%, declining to a rate of 4.25% after 21 years
Part B & Base Monthly Contribution (BMC)	Initial rates of 5.00%, declining to a rate of 4.25% after 21 years
Dental	4.00%
Vision	2.50%
Life Insurance	0.00%

* Blended rates for medical and prescription drug

** Includes prescription drug assumptions

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COUNTY OF MAUI
OTHER SUPPLEMENTARY INFORMATION

	<u>Pages</u>
Other Supplementary Information	111 - 157

COUNTY OF MAUI
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

Liquor Control Fund - The liquor control fund receives revenues from all liquor license fees. Fund revenues are expended for the operation and administration of the Liquor Control Commission, Liquor Control Adjudication Board, and the Department of Liquor Control.

County Funds - These funds were established to account for various county purposes, including animal management, public emergency, and land conservation. For external reporting purposes these funds are considered a single fund rather than multiple funds.

Sewer Fund - This fund accounts for the operations and maintenance of the County's sewer system. Funding is provided by sewer assessment fees.

Bikeway Fund - The bikeway fund was established to collect revenue from bicycle licenses. The revenue is expended for bikeway construction and maintenance.

Solid Waste Fund - The solid waste fund was established to receive all refuse collection fees and landfill disposal charges. The fund is used for the operation and maintenance of the County's collections and disposal program as well as for diversion programs such as resource recovery and recycling programs.

Environmental Protection and Sustainability Fund - The environmental protection and sustainability fund was established to account for the funding efforts by the environmental protection and sustainability division of the department of environment management to optimize opportunities for environmental and natural resource protection, sustainability, conservation, and restoration.

Other Assessment Funds - These funds were established to account for special assessments to developers and others for which the funds are to be used for sewer and park improvements in a designated community or district, as well as to account for road assessments. For external financial reporting purposes these funds are considered a single fund rather than multiple funds.

**COUNTY OF MAUI
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Liquor Control Fund	County Funds	Sewer Fund	Bikeway Fund	Solid Waste Fund	Environmental Protection and Sustainability Fund	Other Assessment Funds	Total Non-Major Governmental Funds
Assets:								
Equity in pooled cash and investments held in County Treasury	\$ 1,879,166	\$ 75,334,067	\$ 17,186,202	\$ 131,071	\$ 16,797,182	\$ 3,776,619	\$ 4,406,544	\$ 119,510,851
Trade accounts, net	--	--	3,800,521	--	2,646,220	--	--	6,446,741
Total Assets	<u>\$ 1,879,166</u>	<u>\$ 75,334,067</u>	<u>\$ 20,986,723</u>	<u>\$ 131,071</u>	<u>\$ 19,443,402</u>	<u>\$ 3,776,619</u>	<u>\$ 4,406,544</u>	<u>\$ 125,957,592</u>
Liabilities:								
Accounts payable	\$ 29,457	\$ 647,333	\$ 1,032,025	\$ --	\$ 1,230,272	\$ 824,459	\$ --	\$ 3,763,546
Accrued wages payable	50,351	44,283	330,061	--	279,989	1,345	--	706,029
Contract retentions payable	--	--	4,035	--	--	--	--	4,035
Advance collections	--	--	--	--	3,983,535	--	--	3,983,535
Deposits payable	8,242	25,043	--	--	--	--	--	33,285
Total Liabilities	<u>88,050</u>	<u>716,659</u>	<u>1,366,121</u>	<u>--</u>	<u>5,493,796</u>	<u>825,804</u>	<u>--</u>	<u>8,490,430</u>
Deferred Inflows of Resources:								
Deferred inflows - unavailable revenues	--	--	148,170	--	1,118,147	--	--	1,266,317
Deferred inflows - nonexchange	235,820	--	--	--	--	--	--	235,820
Total Deferred Inflows of Resources	<u>235,820</u>	<u>--</u>	<u>148,170</u>	<u>--</u>	<u>1,118,147</u>	<u>--</u>	<u>--</u>	<u>1,502,137</u>
Fund Balances:								
Restricted	1,555,296	143,184	--	131,071	--	2,950,815	4,406,544	9,186,910
Committed	--	74,474,224	19,472,432	--	12,831,459	--	--	106,778,115
Total Fund Balances	<u>1,555,296</u>	<u>74,617,408</u>	<u>19,472,432</u>	<u>131,071</u>	<u>12,831,459</u>	<u>2,950,815</u>	<u>4,406,544</u>	<u>115,965,025</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,879,166</u>	<u>\$ 75,334,067</u>	<u>\$ 20,986,723</u>	<u>\$ 131,071</u>	<u>\$ 19,443,402</u>	<u>\$ 3,776,619</u>	<u>\$ 4,406,544</u>	<u>\$ 125,957,592</u>

COUNTY OF MAUI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Liquor Control Fund	County Funds	Sewer Fund	Bikeway Fund	Solid Waste Fund	Environmental Protection and Sustainability Fund	Other Assessment Funds	Total Non-Major Governmental Funds
REVENUES:								
Licenses and permits	\$ 2,666,992	\$ 139,318	\$ 42,865	\$ 55,038	\$ --	\$ --	\$ --	\$ 2,904,213
Charges for current services	--	4,457,876	58,058,419	--	24,946,858	2,801,132	--	90,264,285
Fines and forfeitures	--	69,007	--	--	--	--	--	69,007
Other revenues	120	4,598,696	26,688	--	18,651	--	--	4,644,155
Assessments	--	--	--	--	--	--	34,669	34,669
Total Revenues	<u>2,667,112</u>	<u>9,264,897</u>	<u>58,127,972</u>	<u>55,038</u>	<u>24,965,509</u>	<u>2,801,132</u>	<u>34,669</u>	<u>97,916,329</u>
EXPENDITURES:								
General government	--	1,122,878	--	--	--	--	--	1,122,878
Public safety	--	306,504	--	--	--	--	--	306,504
Highways and streets	--	213,225	--	--	--	--	--	213,225
Sanitation	--	1,897,270	33,285,497	--	25,444,857	8,835,337	--	69,462,961
Social welfare	2,821,019	167,347	--	--	--	--	--	2,988,366
Culture and recreation	--	97,776	--	--	--	--	--	97,776
Capital outlay	--	1,056,685	--	--	--	--	--	1,056,685
Debt service								
Principal	4,154	66,210	132,174	--	123,451	45,533	--	371,522
Interest	784	33,788	26,460	--	24,229	5,861	--	91,122
Total Expenditures	<u>2,825,957</u>	<u>4,961,683</u>	<u>33,444,131</u>	<u>--</u>	<u>25,592,537</u>	<u>8,886,731</u>	<u>--</u>	<u>75,711,039</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(158,845)</u>	<u>4,303,214</u>	<u>24,683,841</u>	<u>55,038</u>	<u>(627,028)</u>	<u>(6,085,599)</u>	<u>34,669</u>	<u>22,205,290</u>
OTHER FINANCING SOURCES (USES):								
Transfers In:								
General Fund	--	28,885,741	--	--	14,783,310	6,549,383	--	50,218,434
Capital Improvement Projects Fund	--	--	4,641,755	7,995	264,684	--	1,271,175	6,185,609
Other Governmental Funds	--	2,240,299	--	--	1,556,258	748,329	--	4,544,886
Transfers Out:								
General Fund	--	--	(10,494,000)	--	(6,594,743)	--	--	(17,088,743)
Capital Improvement Projects Fund	--	--	(18,847,555)	(199,760)	(8,225,000)	--	(2,800,000)	(30,072,315)
Other Governmental Funds	--	--	(3,944,886)	--	(74,729)	(600,000)	--	(4,619,615)
Total Other Financing Sources (Uses)	<u>--</u>	<u>31,126,040</u>	<u>(28,644,686)</u>	<u>(191,765)</u>	<u>1,709,780</u>	<u>6,697,712</u>	<u>(1,528,825)</u>	<u>9,168,256</u>
Net Change in Fund Balances	(158,845)	35,429,254	(3,960,845)	(136,727)	1,082,752	612,113	(1,494,156)	31,373,546
Fund Balance - Beginning of Fiscal Year	<u>1,714,141</u>	<u>39,188,154</u>	<u>23,433,277</u>	<u>267,798</u>	<u>11,748,707</u>	<u>2,338,702</u>	<u>5,900,700</u>	<u>84,591,479</u>
Fund Balance - End of Fiscal Year	<u>\$ 1,555,296</u>	<u>\$ 74,617,408</u>	<u>\$ 19,472,432</u>	<u>\$ 131,071</u>	<u>\$ 12,831,459</u>	<u>\$ 2,950,815</u>	<u>\$ 4,406,544</u>	<u>\$ 115,965,025</u>

COUNTY OF MAUI
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2024

	<u>Tax Collections</u>	<u>Custodial and Clearance</u>	<u>Total Custodial Funds</u>
Assets:			
Equity in pooled cash and investments held in County Treasury	\$ 1,925,935	\$ 18,039	\$ 1,943,974
Total Assets	\$ <u>1,925,935</u>	\$ <u>18,039</u>	\$ <u>1,943,974</u>
Liabilities:			
Due to other governments	\$ 1,924,415	\$ 2,802	\$ 1,927,217
Total Liabilities	<u>1,924,415</u>	<u>2,802</u>	<u>1,927,217</u>
Net Position:			
Restricted for organizations	--	15,237	15,237
Restricted for other governments	<u>1,520</u>	<u>--</u>	<u>1,520</u>
Total Net Position	<u>1,520</u>	<u>15,237</u>	<u>16,757</u>
Total Liabilities and Net Position	\$ <u>1,925,935</u>	\$ <u>18,039</u>	\$ <u>1,943,974</u>

COUNTY OF MAUI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Tax Collections</u>	<u>Custodial and Clearance</u>	<u>Total Custodial Funds</u>
Additions:			
Taxes and fees collected for other governments	\$ 22,500,045	\$ --	\$ 22,500,045
Fees collected for organizations	<u>--</u>	<u>72,090</u>	<u>72,090</u>
Total Additions	22,500,045	72,090	22,572,135
Deductions:			
Payments of taxes and fees to other governments	22,667,341	--	22,667,341
Payments of fees to organizations	<u>--</u>	<u>105,676</u>	<u>105,676</u>
Total Deductions	22,667,341	105,676	22,773,017
Change in Net Position	<u>(167,296)</u>	<u>(33,586)</u>	<u>(200,882)</u>
Net Position - Beginning of Fiscal Year	<u>168,816</u>	<u>48,823</u>	<u>217,639</u>
Net Position - End of Fiscal Year	\$ <u><u>1,520</u></u>	\$ <u><u>15,237</u></u>	\$ <u><u>16,757</u></u>

COUNTY OF MAUI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
DEBT SERVICE FUND - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Positive (Negative)</u>
EXPENDITURES:				
Current:				
Principal payments	\$ 29,701,344	\$ 29,701,344	\$ 29,701,344	\$ --
Interest and other issuance cost	15,565,399	15,565,399	15,565,399	--
Total Expenditures	<u>45,266,743</u>	<u>45,266,743</u>	<u>45,266,743</u>	<u>--</u>
Deficiency of Revenues over Expenditures	<u>(45,266,743)</u>	<u>(45,266,743)</u>	<u>(45,266,743)</u>	<u>--</u>
OTHER FINANCING SOURCES:				
Transfers in:				
General Fund	<u>45,266,743</u>	<u>45,266,743</u>	<u>45,266,743</u>	<u>--</u>
Total Other Financing Sources	<u>45,266,743</u>	<u>45,266,743</u>	<u>45,266,743</u>	<u>--</u>
Net Change in Fund Balance	\$ <u> --</u>	\$ <u> --</u>	\$ <u> --</u>	\$ <u> --</u>

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Taxes:					
General revenues:					
Real property taxes	\$ 534,623,681	\$ --	\$ 534,623,681	\$ 508,927,947	\$ (25,695,734)
Public service company tax	7,000,000	--	7,000,000	9,534,350	2,534,350
General excise tax	--	28,835,741	28,835,741	34,498,300	5,662,559
Transient accommodations taxes	60,000,000	--	60,000,000	66,982,020	6,982,020
Total - General revenue	601,623,681	28,835,741	630,459,422	619,942,617	(10,516,805)
Total - Taxes	601,623,681	28,835,741	630,459,422	619,942,617	(10,516,805)
Licenses and permits:					
General government:					
Business licenses and permits	22,000	--	22,000	18,728	(3,272)
Other licenses and permits	4,500,000	--	4,500,000	5,474,153	974,153
Motor vehicle licenses and fees	4,500,000	--	4,500,000	4,836,791	336,791
Total - General government	9,022,000	--	9,022,000	10,329,672	1,307,672
Public safety:					
Business licenses and permits	--	--	--	--	--
Total - Licenses and permits	9,022,000	--	9,022,000	10,329,672	1,307,672
Intergovernmental revenues:					
General revenue:					
Federal payment in lieu of taxes	--	--	--	32,272	32,272
Total - General revenue	--	--	--	32,272	32,272
Public safety:					
Federal grants passed through the state	50,000	--	50,000	--	(50,000)
Total - Intergovernmental revenues	50,000	--	50,000	32,272	(17,728)
Charges for current services:					
General government:					
General government	362,950	--	362,950	380,860	17,910
Safety	1,613,810	--	1,613,810	1,422,980	(190,830)
Landfill disposal Fee	--	--	--	4,856	4,856
Recreation	--	--	--	(90)	(90)
Total - General government	1,976,760	--	1,976,760	1,808,606	(168,154)

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Public safety:					
General government	\$ 128,050	\$ --	\$ 128,050	\$ 17,963	\$ (110,087)
Safety	85,510	--	85,510	50,715	(34,795)
Total - Public safety	<u>213,560</u>	<u>--</u>	<u>213,560</u>	<u>68,678</u>	<u>(144,882)</u>
Social welfare:					
Safety	680	--	680	50	(630)
Total - Social welfare	<u>680</u>	<u>--</u>	<u>680</u>	<u>50</u>	<u>(630)</u>
Culture and recreation:					
Waste management	--	--	--	(323)	(323)
Recreation	1,000,000	--	1,000,000	1,688,618	688,618
Total - Culture and recreation	<u>1,000,000</u>	<u>--</u>	<u>1,000,000</u>	<u>1,688,295</u>	<u>688,295</u>
Legislative:					
General government	9,000	--	9,000	3,887	(5,113)
Total - Charges for current services	<u>3,200,000</u>	<u>--</u>	<u>3,200,000</u>	<u>3,569,516</u>	<u>369,516</u>
Fines and forfeitures:					
General government:					
Penalties and interest	2,000,000	--	2,000,000	4,885,423	2,885,423
Public safety:					
Unclaimed monies	--	--	--	22,860	22,860
Total - Fines and forfeitures	<u>2,000,000</u>	<u>--</u>	<u>2,000,000</u>	<u>4,908,283</u>	<u>2,908,283</u>
Interest and investment earnings:					
General revenue:					
Interest on investments	--	--	--	(965,904)	(965,904)
General government:					
Interest on investments	3,000,000	--	3,000,000	33,298,566	30,298,566
Rental income	40,500	--	40,500	33,404	(7,096)
Culture and recreation:					
Rental income	323,000	--	323,000	296,400	(26,600)
Total - Interest and investment earnings	<u>3,363,500</u>	<u>--</u>	<u>3,363,500</u>	<u>32,662,466</u>	<u>29,298,966</u>
Other revenues:					
General government:					
Rental income	31,500	--	31,500	346,089	314,589
Miscellaneous general receipts	40,000	--	40,000	862,119	822,119
Miscellaneous program receipts	760,000	--	760,000	4,400,731	3,640,731
Insurance recovery	--	--	--	449,047	449,047
Total - General government	<u>831,500</u>	<u>--</u>	<u>831,500</u>	<u>6,057,986</u>	<u>5,226,486</u>

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Public safety:					
Miscellaneous general receipts	\$ --	\$ --	\$ --	\$ 222,180	\$ 222,180
Miscellaneous program receipts	--	--	--	2,920	2,920
Highways and streets:					
Miscellaneous program receipts	--	--	--	32,043	32,043
Sanitation:					
Miscellaneous general receipts	--	--	--	(170)	(170)
Social welfare:					
Miscellaneous income revolving	--	--	--	124,650	124,650
Miscellaneous general receipts	--	--	--	907	907
Miscellaneous program receipts	--	--	--	24,064	24,064
Culture and recreation:					
Miscellaneous general receipts	--	--	--	5,424	5,424
Miscellaneous program receipts	--	--	--	10	10
Legislative:					
Miscellaneous program receipts	--	--	--	60	60
Total - Other revenues	<u>831,500</u>	<u>--</u>	<u>831,500</u>	<u>6,470,074</u>	<u>5,638,574</u>
Assessments:					
General government:					
Assessment revenue	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,000</u>	<u>2,000</u>
Total - Assessments	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,000</u>	<u>2,000</u>
Total General Fund Revenues	\$ <u>620,090,681</u>	\$ <u>28,835,741</u>	\$ <u>648,926,422</u>	\$ <u>677,916,900</u>	\$ <u>28,990,478</u>

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
General government:							
Office of the Mayor:							
Economic Dev't Revolving Fund	\$ 507,872	\$ 100,000	\$ --	\$ 607,872	\$ 111,163	\$ 253,306	\$ 243,403
Molokai Diversified	6,966	--	206,725	213,691	50,000	6,966	156,725
Emergency Fund	--	--	18,640,501	18,640,501	12,420,106	3,242,568	2,977,827
Office of Mayor Administration	4,208,998	7,716,960	(223,290)	11,702,668	5,354,471	2,133,008	4,215,189
Lahaina Town Action Committee	20,000	75,000	10,000	105,000	20,000	85,000	--
Council for Native Hawaiians	235,128	175,000	--	410,128	149,857	260,271	--
Sports and Events	100,000	750,000	(111,032)	738,968	441,949	293,855	3,164
Economic Development	69,387	1,691,205	--	1,760,592	1,336,302	91,486	332,804
Molokai Economic Development & Cultural	211,283	140,000	--	351,283	189,381	115,283	46,619
Agriculture Promotion	572,506	--	--	572,506	456,276	116,230	--
Film Industry Promotions	36,367	125,000	--	161,367	88,720	3,000	69,647
Maui County Farm Bureau	202,552	--	--	202,552	202,505	--	47
Maui Economic Development Board	668,419	975,000	--	1,643,419	668,419	975,000	--
Small Business & High Tech Promo	189,159	675,000	--	864,159	353,586	467,817	42,756
Maui Arts & Cultural Center	49,905	318,000	--	367,905	367,905	--	--
Business Research Library	70,000	70,000	--	140,000	128,749	11,251	--
Environmental Protection	2,691,361	1,550,000	--	4,241,361	2,781,299	680,040	780,022
East Maui Econ Development & Cultural	72,935	140,000	--	212,935	143,864	68,603	468
UH Tropical ag/human resources	150,000	--	--	150,000	97,365	52,635	--
MEO Bus Development CP Microenterprise	150,926	375,000	--	525,926	380,080	142,458	3,388
Maui Nui Botanical Gardens	28,595	--	--	28,595	28,595	--	--
Maui Arts & Cultural Capital	1,703,484	--	--	1,703,484	1,208,484	495,000	--
Grant - Maui Comm Theater - Iao Improvement	--	55,000	--	55,000	13,750	41,250	--
Maui Soil & Water Conservation	78,438	411,000	--	489,438	130,968	358,470	--
Soil & Water Conservation - Molokai	15,000	30,000	--	45,000	30,000	15,000	--
Culture & Arts Program	137,850	550,000	--	687,850	444,861	240,037	2,952
Molokai Livestock Cooperative	111,250	--	--	111,250	103,750	7,500	--
Ka Ipu Kukui Fellows Leadership	4,500	50,000	--	54,500	43,841	10,659	--
Renewable Energy Programs	260,257	300,000	--	560,257	76,898	283,359	200,000
Grants Friends of Maui High School	19,235	60,000	--	79,235	42,059	37,176	--
Maui Economic Development Board - Maui HS Program	43,860	60,000	--	103,860	58,684	45,176	--
Coqui Frog Eradication Project	883,064	--	--	883,064	883,064	--	--
Hai-Mak-Pai Economic Development & Cultural Programs	73,540	140,000	(5,000)	208,540	102,149	86,447	19,944
Ma Ka Hana Ka Ike - OED	--	350,000	--	350,000	297,599	52,401	--
SMAui Economic Development & Cultural Programs	54,300	140,000	(50,000)	144,300	70,523	45,000	28,777
Festivals of Aloha	--	120,000	--	120,000	120,000	--	--
WMAui Economic Development & Cultural Programs	112,930	140,000	(5,000)	247,930	61,568	113,862	72,500
Lanai Economic Development & Cultural Programs	60,027	140,000	--	200,027	104,369	80,659	14,999
Sister City Program	9,555	15,000	--	24,555	13,786	10,769	--

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Maui Film Festival	\$ 95,000	\$ 95,000	\$ --	\$ 190,000	\$ 118,750	\$ 71,250	\$ --
Lahaina Boat Day	--	10,000	(10,000)	--	--	--	--
Made in Maui County Festival	--	110,000	--	110,000	109,120	--	880
Kahului Eco Development & Cultural Program	327,538	130,000	(65,000)	392,538	67,538	305,000	20,000
Maui Eco Development Board Healthcare	57,035	60,000	--	117,035	57,035	60,000	--
Puk-Kula-Ulu Eco Development & Cultural Program	86,995	140,000	(30,000)	196,995	77,678	100,986	18,331
Hui No'Eau Visual Art/Aloha	31,151	50,000	--	81,151	60,575	20,576	--
Hui No'Eau Visual Art Youth/FAM	13,243	50,000	--	63,243	36,259	26,984	--
MEDB StemWorks After School	206,869	225,000	--	431,869	206,869	225,000	--
Technology Business Promotion	316,315	550,000	(388,968)	477,347	229,961	242,449	4,937
Wailuku Eco Development & Cultural	84,485	150,000	--	234,485	139,023	74,000	21,462
Maui Nui Marine Resource	61,263	--	--	61,263	61,263	--	--
Arts Education/Innovative Program	85,262	424,360	--	509,622	509,622	--	--
MEO Agri Micro Grants Program	399,951	--	--	399,951	389,497	--	10,454
Tourism Management Grant Fund	177,756	550,000	--	727,756	262,414	150,342	315,000
Agriculture Promotion/Technology	969,419	--	--	969,419	701,181	268,238	--
Agriculture Education/Apprenticeship	35,924	--	--	35,924	29,254	6,670	--
Garden & Farm Installation Fund	104,980	--	--	104,980	104,980	--	--
Royal Order/Kamehameha CC	17,500	--	--	17,500	--	17,500	--
Feral Animal Control	32,676	40,000	--	72,676	32,676	40,000	--
Molokai Rural Health Association	450,000	600,000	--	1,050,000	--	1,050,000	--
Kula Agriculture Park	337,500	--	--	337,500	277,016	60,484	--
Adaptations Dance Theater	11,878	25,000	--	36,878	18,128	18,750	--
Feral Animal Recovery	1,445,000	600,000	--	2,045,000	888,631	1,156,369	--
Economic Diversification	283,750	320,000	--	603,750	277,811	325,939	--
South Maui Wetlands	356,678	600,000	--	956,678	517,624	439,054	--
Hawaii Construction Career Day	--	30,000	--	30,000	--	--	30,000
Workforce Development	--	550,000	--	550,000	139,801	377,035	33,164
Kohala Coast Urgent Care	--	250,000	--	250,000	220,000	30,000	--
Safe Zone for Houseless People	--	200,000	--	200,000	--	--	200,000
UH Maui Grants	--	300,000	--	300,000	--	--	300,000
Maui Epic Swim	--	300,000	--	300,000	150,000	150,000	--
Hawaiian Land Trust	--	150,000	--	150,000	--	150,000	--
Hone Heke Corp	--	--	500,000	500,000	328,204	171,796	--
Budget	15,580	666,349	--	681,929	477,034	15,817	189,078
Hale mahalou	--	--	155,000	155,000	8,750	121,250	25,000
Total Office of the Mayor	19,813,397	24,612,874	18,623,936	63,050,207	36,073,639	16,597,031	10,379,537
Management:							
Maui economic opportunity Inc.	--	50,500	--	50,500	5,944	44,556	--
Management	1,069,172	5,518,856	(40,000)	6,548,028	3,956,178	1,106,209	1,485,641
Maui County Veterans Council	41,881	20,000	40,000	101,881	54,918	46,963	--

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Molokai Veterans Caring	\$ 12,000	\$ 15,000	\$ --	\$ 27,000	\$ 11,795	\$ 15,205	\$ --
West Maui Veterans Club	--	5,000	--	5,000	5,000	--	--
Management Information Systems	3,763,927	21,673,488	--	25,437,415	15,146,019	4,996,036	5,295,360
Geographic Information Systems	2,202	--	--	2,202	--	2,202	--
Grant to Lokahi Pacific	120,490	--	--	120,490	79,477	41,013	--
Office of Recovery	--	--	15,403,895	15,403,895	5,440,760	9,523,331	439,804
Total Management	5,009,672	27,282,844	15,403,895	47,696,411	24,700,091	15,775,515	7,220,805
Corporation Counsel:							
Legal Services	99,709	4,823,304	--	4,923,013	4,585,856	15,626	321,531
Prosecuting Attorney:							
General Prosecution	--	--	--	--	197,934	--	(197,934)
Finance:							
Finance Administration	142,788	2,042,029	--	2,184,817	1,138,804	108,066	937,947
Treasury	93,274	1,854,402	--	1,947,676	1,524,048	152,702	270,926
Accounts	75,861	1,751,026	--	1,826,887	1,417,637	72,410	336,840
Purchasing	14,918	489,927	--	504,845	438,996	12,867	52,982
Motor vehicle & licensing program	166,870	5,046,147	--	5,213,017	4,123,836	168,090	921,091
Real Property & assessment program	51,828	3,387,664	--	3,439,492	2,886,625	30,538	522,329
Countywide Fringe Benefits	5,729	149,958,463	--	149,964,192	140,762,851	9,319	9,192,022
Interfund Fringe Reimbursement	--	(32,462,719)	--	(32,462,719)	(28,929,627)	--	(3,533,092)
Bond Issuance & Debt Services	47,925	5,773,268	--	5,821,193	169,394	37,000	5,614,799
Insurance & Self Insurance	414,291	14,471,521	20,000,000	34,885,812	31,182,857	517,066	3,185,889
Countywide General Costs	12,795	3,312,000	--	3,324,795	858,246	43,901	2,422,648
Overhead Reimbursement	--	(25,955,695)	--	(25,955,695)	(23,116,421)	--	(2,839,274)
Post-Employment Obligations Fund	--	20,228,767	--	20,228,767	20,228,767	--	--
COVID-19	2,326,579	--	--	2,326,579	--	2,326,579	--
Climate Change Resiliency/Sustain	218,743	--	--	218,743	25,000	193,743	--
One Main Plaza Lease	39	500,000	--	500,039	183,727	39	316,273
CW Haggai Institute	--	2,000,000	--	2,000,000	--	2,000,000	--
Total Finance	3,571,640	152,396,800	20,000,000	175,968,440	152,894,740	5,672,320	17,401,380
Personnel Services:							
Personnel Services	94,237	2,092,317	--	2,186,554	1,693,879	21,520	471,155
Planning:							
Planning	1,608,423	8,087,379	(26,092)	9,669,710	5,646,084	1,240,047	2,783,579
Maui Redevelopment Agency	12,000	--	--	12,000	--	12,000	--
UH-Maui Sea Grant	51,708	130,601	12,695	195,004	141,262	41,047	12,695
Dune & Shoreline Management	103,683	104,196	13,397	221,276	190,624	30,622	30
Pioneer Mill Office Rehabilitation	2,567	--	--	2,567	2,567	--	--
Total Planning	1,778,381	8,322,176	--	10,100,557	5,980,537	1,323,716	2,796,304

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Public Works:							
Public Works Administration	\$ --	\$ 688,050	\$ --	\$ 688,050	\$ 654,414	\$ --	\$ 33,636
Engineering	809,359	5,548,835	--	6,358,194	4,723,713	704,109	930,372
Special Maintenance	1,551,730	7,637,536	--	9,189,266	5,157,410	2,455,724	1,576,132
Development Services Administration	<u>468</u>	<u>2,822,519</u>	<u>--</u>	<u>2,822,987</u>	<u>2,439,821</u>	<u>--</u>	<u>383,166</u>
Total Public Works	<u>2,361,557</u>	<u>16,696,940</u>	<u>--</u>	<u>19,058,497</u>	<u>12,975,358</u>	<u>3,159,833</u>	<u>2,923,306</u>
Agriculture:							
Agriculture promotion	--	900,000	906,339	1,806,339	404,977	1,401,325	37
UH tropical ag/human resources	--	150,000	--	150,000	--	150,000	--
Maui Nui Botanical Gardens	--	150,000	--	150,000	--	150,000	--
Hawaii Farmers Union United	--	375,000	--	375,000	152,537	222,463	--
Meo Agri Micro Grant PRG	--	3,000,000	--	3,000,000	2,700,000	300,000	--
Agri Educ/Apprenticeship	--	375,000	(51,600)	323,400	79,044	244,356	--
Kula Agriculture Park	--	450,000	--	450,000	--	--	450,000
Feral Animal Recovery	--	1,000,000	(781,500)	218,500	87,500	131,000	--
Infrastructure/transportation	--	750,000	(45,000)	705,000	125,000	580,000	--
Agriculture	659,106	1,937,081	(28,239)	2,567,948	1,053,583	675,479	838,886
Molokai Livestock Cooperative	--	10,000	--	10,000	--	--	10,000
Hawaii Agriculture Research CT	--	<u>75,000</u>	<u>--</u>	<u>75,000</u>	<u>--</u>	<u>75,000</u>	<u>--</u>
Total Agriculture	<u>659,106</u>	<u>9,172,081</u>	<u>--</u>	<u>9,831,187</u>	<u>4,602,641</u>	<u>3,929,623</u>	<u>1,298,923</u>
East Maui Water Authority:							
East Maui Water Authority	<u>--</u>	<u>--</u>	<u>223,290</u>	<u>223,290</u>	<u>--</u>	<u>--</u>	<u>223,290</u>
Total General Government	<u>33,387,699</u>	<u>245,399,336</u>	<u>54,251,121</u>	<u>333,038,156</u>	<u>243,704,675</u>	<u>46,495,184</u>	<u>42,838,297</u>
Public safety:							
Prosecuting Attorney:							
General prosecution	<u>37,782</u>	<u>9,371,364</u>	<u>--</u>	<u>9,409,146</u>	<u>7,540,780</u>	<u>71,046</u>	<u>1,797,320</u>
Total Prosecuting Attorney	<u>37,782</u>	<u>9,371,364</u>	<u>--</u>	<u>9,409,146</u>	<u>7,540,780</u>	<u>71,046</u>	<u>1,797,320</u>
Police:							
Police Administration	160,486	6,950,383	--	7,110,869	6,260,839	171,958	678,072
Investigative Service	327,983	13,994,226	--	14,322,209	9,264,234	428,272	4,629,703
Uniformed Patrol Services	150,079	34,105,145	--	34,255,224	32,884,854	147,989	1,222,381
Technical and Support Services	<u>3,614,601</u>	<u>18,243,869</u>	<u>1,300,000</u>	<u>23,158,470</u>	<u>14,690,676</u>	<u>5,011,357</u>	<u>3,456,437</u>
Total Police	<u>4,253,149</u>	<u>73,293,623</u>	<u>1,300,000</u>	<u>78,846,772</u>	<u>63,100,603</u>	<u>5,759,576</u>	<u>9,986,593</u>

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Fire and Public Safety:							
Fire Control Administration and Maintenance	\$ 414,496	\$ 3,066,355	\$ (82,884)	\$ 3,397,967	\$ 2,769,763	\$ 253,193	\$ 375,011
Fire Control Training	126,737	2,395,874	82,884	2,605,495	2,002,548	341,095	261,852
Fire Rescue Operations	537,209	42,054,208	2,000,000	44,591,417	38,057,747	980,721	5,552,949
Fire Prevention	6,594	1,493,093	(50,000)	1,449,687	1,292,974	177	156,536
Ocean Safety Admin/Ocean Safety	75,267	6,686,590	--	6,761,857	5,691,033	45,645	1,025,179
Total Fire and Public Safety	1,160,303	55,696,120	1,950,000	58,806,423	49,814,065	1,620,831	7,371,527
Emergency Management Agency:							
Maui Search & Rescue	--	10,000	--	10,000	--	--	10,000
Civil Air Patrol	--	10,000	--	10,000	--	--	10,000
Civil Defense	61,259	1,121,779	12,500,000	13,683,038	13,328,320	176,370	178,348
Grant American Red Cross	--	55,000	--	55,000	55,000	--	--
Grant to Vol Organizations Act	--	10,000	--	10,000	--	--	10,000
Total Emergency Management Agency	61,259	1,206,779	12,500,000	13,768,038	13,383,320	176,370	208,348
Total Public Safety	5,512,493	139,567,886	15,750,000	160,830,379	133,838,768	7,627,823	19,363,788
Highways and Streets:							
Transportation:							
Transportation Administration/General Fund	211,446	1,912,513	--	2,123,959	501,210	773,303	849,446
Park Maui Program	1,907,784	3,754,945	--	5,662,729	1,225,371	1,796,373	2,640,985
Human Service Transportation/General Fund	--	6,824,662	--	6,824,662	6,824,662	--	--
Air Ambulance Program/General Fund	--	672,215	--	672,215	672,215	--	--
Total Transportation	2,119,230	13,164,335	--	15,283,565	9,223,458	2,569,676	3,490,431
Total Highways and Streets	2,119,230	13,164,335	--	15,283,565	9,223,458	2,569,676	3,490,431
Sanitation:							
Environmental Management Administration	45,679	680,717	--	726,396	531,534	110,809	84,053
Total Sanitation	45,679	680,717	--	726,396	531,534	110,809	84,053
Social Welfare:							
Housing and Human Concerns:							
Affordable Housing Fund	37,604,597	50,117,586	(4,261,056)	83,461,127	1,400,462	81,882,916	177,749
Home ACQ and Ownership PRGS	--	3,750,000	(912,050)	2,837,950	87,950	2,750,000	--
Housing and Human Concerns Administration	5,231	611,937	--	617,168	530,390	11,175	75,603
Housing	50,263	2,798,273	--	2,848,536	862,002	704,247	1,282,287
Affordable Rental Housing Program	321,507	3,348,000	--	3,669,507	2,978,400	573,500	117,607
Hale Mahaolu - Homeownership/Housing	--	190,000	--	190,000	190,000	--	--
Hawaii Community Foundation/Housing	2,500,000	--	--	2,500,000	260,382	2,239,618	--
Human Concerns - General	823,183	7,031,722	--	7,854,905	5,186,298	1,145,713	1,522,894

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Hana Youth Center, Inc.	\$ --	\$ 154,393	\$ --	\$ 154,393	\$ 154,393	\$ --	\$ --
Women Helping Women	--	228,000	--	228,000	228,000	--	--
Early Childhood	50,032	1,173,500	--	1,223,532	1,057,539	118,071	47,922
Substance Abuse	215,137	530,050	--	745,187	362,611	168,620	213,956
Homelessness Programs	590,358	2,041,306	--	2,631,664	1,353,915	673,068	604,681
Maui Adult Day Care Center	--	454,740	--	454,740	454,740	--	--
MEO Headstart After School	--	278,265	--	278,265	257,434	20,831	--
MEO Headstart Summer	93,965	194,940	--	288,905	257,017	31,888	--
Lanai Youth Center	10,729	269,259	--	279,988	269,259	--	10,729
Kihei Youth Center	46,964	332,722	--	379,686	265,733	--	113,953
Youth	37,207	484,677	--	521,884	178,115	190,000	153,769
Maui Family Support Services	--	115,000	--	115,000	115,000	--	--
J. Walter Cameron Center Expansion	195,000	--	--	195,000	159,370	35,630	--
Big Brothers and Big Sisters	--	195,000	--	195,000	175,500	19,500	--
Mental Health Association	--	110,000	--	110,000	99,000	11,000	--
Self Sufficiency	4,225	95,000	--	99,225	90,000	9,225	--
Hana Community Association	11,479	120,612	--	132,091	122,152	--	9,939
MEO Infant Toddler Care	26,971	--	--	26,971	--	26,971	--
Grant to PACT	1,868	--	--	1,868	1,868	--	--
Maui Community Food Bank	--	400,000	--	400,000	200,000	200,000	--
Hui Malama Learning Center	--	297,000	--	297,000	287,730	--	9,270
Boy Scouts of America	390,938	--	--	390,938	--	390,938	--
Salvation Army	27,914	200,000	--	227,914	110,824	117,090	--
Grant for Molokai Youth Center	280,500	--	--	280,500	--	280,500	--
Imua Family Services	446,999	--	--	446,999	446,999	--	--
Paia Youth Council, Inc.	--	350,000	--	350,000	350,000	--	--
Boys and Girls Club of Maui, Inc.	8,226	1,430,100	--	1,438,326	1,368,983	--	69,343
Maui Farm	--	259,666	--	259,666	236,699	22,967	--
Youth Alcohol Education Awareness	30,523	123,500	--	154,023	70,033	88,289	(4,299)
Habitat for Humanity	22,137	250,000	--	272,137	161,711	87,630	22,796
MEO Enlace Hispano Program	60,747	107,532	--	168,279	80,649	--	87,630
Volunteer Center Project Graduation	10,328	47,741	--	58,069	43,771	--	14,298
Aloha house	2,917	--	--	2,917	2,917	63,555	(63,555)
Grants/Disability Services - Frail/Elderly	49,308	900,000	--	949,308	885,753	--	63,555
MEO Underage Drinking	5,517	56,092	--	61,609	50,483	20,653	(9,527)
Lanai Community Health Center Fac	--	82,610	--	82,610	61,958	--	20,652

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
MEO Planning & Coordinating	\$ 546	\$ 89,465	\$ --	\$ 90,011	\$ 82,380	\$ --	\$ 7,631
Grants - Best Buddies Program	--	85,000	--	85,000	85,000	--	--
MEO B.E.S.T. Reintegration	32,740	320,865	--	353,605	131,097	--	222,508
Hale Makua	--	100,000	--	100,000	100,000	--	--
Hawaiian Kamalii Inc.	--	18,672	--	18,672	--	18,672	--
MEO Youth Services	31,032	232,550	--	263,582	213,148	--	50,434
Feed My Sheep	--	100,000	--	100,000	100,000	--	--
Hale Mahaolu Personal Care Program	--	150,000	--	150,000	150,000	--	--
Hana Health Rehabilitation CTR	--	500,000	--	500,000	--	500,000	--
Special Olympics Hawaii Grants	8,750	--	--	8,750	--	8,750	--
Mental Health Kokua	94,099	192,337	--	286,436	192,337	94,099	--
Partners in Development Foundation	--	43,697	--	43,697	43,697	--	--
Food, Shelter, & Safety Grants	267,879	857,750	--	1,125,629	712,052	246,188	167,389
Molokai Child Abuse Prevention	--	97,022	--	97,022	75,850	21,172	--
Lanai Kinaole	--	425,000	--	425,000	175,000	250,000	--
Suicide Prevention Molokai	8,399	50,000	--	58,399	47,500	10,899	--
Aloha House Enhanced CC Program	39,492	323,000	--	362,492	256,994	--	105,498
Aloha House Construction	--	350,000	--	350,000	--	350,000	--
HARF	--	150,000	--	150,000	--	--	150,000
Animal Management	--	125,000	--	125,000	112,500	12,500	--
Maui Humane Society	--	282,000	--	282,000	--	282,000	--
Animal Sheltering Program	--	2,033,000	--	2,033,000	2,033,000	--	--
Hawaii Animal Rescue Foundation	225,000	--	--	225,000	192,801	32,199	--
Animal Enforcement Program	125,176	1,061,000	--	1,186,176	1,173,445	--	12,731
Lokahi Pacific	75,517	100,000	--	175,517	70,918	104,599	--
Total Housing and Human Concerns	<u>44,833,400</u>	<u>86,815,581</u>	<u>(5,173,106)</u>	<u>126,475,875</u>	<u>27,403,759</u>	<u>93,814,673</u>	<u>5,257,443</u>
Total Social Welfare	<u>44,833,400</u>	<u>86,815,581</u>	<u>(5,173,106)</u>	<u>126,475,875</u>	<u>27,403,759</u>	<u>93,814,673</u>	<u>5,257,443</u>
Culture and Recreation:							
Office of the Mayor:							
Open Space-Natural Resources	8,295,183	14,850,000.00	--	23,145,183	7,749,349	545,183	14,850,651

**COUNTY OF MAUI
GENERAL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Parks and Recreation:							
Open Space-Natural Resources-C	\$ 107,229	\$ --	\$ --	\$ 107,229	\$ --	\$ 107,229	\$ --
Boys & Girls Club Wailuku	--	45,000	--	45,000	42,861	--	2,139
Parks & Recreation administrat	147,209	2,696,141	--	2,843,350	1,967,018	195,366	680,966
MCCC workline	--	117,000	--	117,000	--	--	117,000
Lahaina Restoration Foundation	40,436	191,000	--	231,436	97,224	--	134,212
Parks Program	3,154,558	9,088,297	--	12,242,855	7,671,613	3,604,368	966,874
Recreation and Support Services	2,122,254	30,859,915	--	32,982,169	25,597,763	2,896,673	4,487,733
Total Parks and Recreation	5,571,686	42,997,353	--	48,569,039	35,376,479	6,803,636	6,388,924
Total Culture and Recreation	13,866,869	57,847,353	--	71,714,222	43,125,828	7,348,819	21,239,575
Legislative:							
County Council:							
Council Services	600,300	9,378,765	(60,000)	9,919,065	7,239,265	783,091	1,896,709
Sustainable Molokai	200,000	--	--	200,000	--	200,000	--
County Auditor Program	297,861	1,576,947	--	1,874,808	981,573	349,740	543,495
Total County Council	1,098,161	10,955,712	(60,000)	11,993,873	8,220,838	1,332,831	2,440,204
County Clerk:							
County Clerk	142,123	2,377,122	--	2,519,245	1,359,953	543,749	615,543
County Auditor:							
County Auditor	--	--	--	--	123,496	--	(123,496)
Total Legislative	1,240,284	13,332,834	(60,000)	14,513,118	9,704,287	1,876,580	2,932,251
Capital Improvement Projects:							
Public Works:							
Emergency Fund	6,699,514	--	--	6,699,514	85,255	5,230,485	1,383,774
Total Capital improvement projects	6,699,514	--	--	6,699,514	85,255	5,230,485	1,383,774
Debt Service:							
Debt service	--	--	--	--	4,213,984	--	(4,213,984)
Total Debt Service	--	--	--	--	4,213,984	--	(4,213,984)
Totals for the General Fund	\$ 107,705,168	\$ 556,808,042	\$ 64,768,015	\$ 729,281,225	\$ 471,831,548	\$ 165,074,049	\$ 92,375,628

**COUNTY OF MAUI
HIGHWAY FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Taxes:					
General revenues:					
Franchise tax	\$ 8,000,000	\$ --	\$ 8,000,000	\$ 11,038,462	\$ 3,038,462
Fuel tax	<u>15,500,000</u>	<u>--</u>	<u>15,500,000</u>	<u>15,617,238</u>	<u>117,238</u>
Total - General revenue	23,500,000	--	23,500,000	26,655,700	3,155,700
Highways and streets:					
Fuel tax	<u>--</u>	<u>--</u>	<u>--</u>	<u>(58,894)</u>	<u>(58,894)</u>
Total - Taxes	<u>23,500,000</u>	<u>--</u>	<u>23,500,000</u>	<u>26,596,806</u>	<u>3,096,806</u>
Licenses and permits:					
Highways and streets:					
Motor vehicle licenses and fees	<u>26,500,000</u>	<u>--</u>	<u>26,500,000</u>	<u>27,696,778</u>	<u>1,196,778</u>
Total - Licenses and permits	<u>26,500,000</u>	<u>--</u>	<u>26,500,000</u>	<u>27,696,778</u>	<u>1,196,778</u>
Charges for current services:					
Highways and streets:					
Public transit bus fare	<u>1,386,400</u>	<u>--</u>	<u>1,386,400</u>	<u>586,208</u>	<u>(800,192)</u>
Total - Charges for current services	<u>1,386,400</u>	<u>--</u>	<u>1,386,400</u>	<u>586,208</u>	<u>(800,192)</u>
Other revenues:					
General revenue:					
Miscellaneous program receipts	<u>--</u>	<u>--</u>	<u>--</u>	<u>(340,396)</u>	<u>(340,396)</u>
Total - Other revenues	<u>--</u>	<u>--</u>	<u>--</u>	<u>(340,396)</u>	<u>(340,396)</u>
Total Highway Fund Revenues	\$ <u>51,386,400</u>	\$ <u>--</u>	\$ <u>51,386,400</u>	\$ <u>54,539,396</u>	\$ <u>3,152,996</u>

**COUNTY OF MAUI
HIGHWAY FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Highways and streets:							
Public Works:							
Highway Administration	\$ 9,467	\$ 1,057,292	\$ --	\$ 1,066,759	\$ 710,437	\$ 264,043	\$ 92,279
Highway ERS & FICA	--	3,801,145	--	3,801,145	3,237,822	--	563,323
Highway Health Fund	--	1,319,893	--	1,319,893	1,085,691	--	234,202
Highway Admin Overhead	--	8,250,259	--	8,250,259	6,970,757	--	1,279,502
Highway Contribution to OPEB	--	2,954,445	--	2,954,445	2,324,125	--	630,320
Road/Bridge/Drain Maintenance	6,559,179	19,733,480	--	26,292,659	16,995,731	7,082,611	2,214,317
Traffic Signs & Marking	<u>388,016</u>	<u>2,389,703</u>	<u>--</u>	<u>2,777,719</u>	<u>2,055,455</u>	<u>662,581</u>	<u>59,683</u>
Total Public Works	<u>6,956,662</u>	<u>39,506,217</u>	<u>--</u>	<u>46,462,879</u>	<u>33,380,018</u>	<u>8,009,235</u>	<u>5,073,626</u>
Transportation:							
Transportation Admin/Hwy Fund	131,410	2,850,000	--	2,981,410	19,646	1,660,410	1,301,354
Public Transit-Highway Funds	<u>899,715</u>	<u>20,115,000</u>	<u>--</u>	<u>21,014,715</u>	<u>18,416,508</u>	<u>1,986,920</u>	<u>611,287</u>
Total Transportation	<u>1,031,125</u>	<u>22,965,000</u>	<u>--</u>	<u>23,996,125</u>	<u>18,436,154</u>	<u>3,647,330</u>	<u>1,912,641</u>
Total Highways and streets	<u>7,987,787</u>	<u>62,471,217</u>	<u>--</u>	<u>70,459,004</u>	<u>51,816,172</u>	<u>11,656,565</u>	<u>6,986,267</u>
Debt Service:							
Debt Service	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>11,678</u>	<u>--</u>	<u>(11,678)</u>
Total Debt Service	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>11,678</u>	<u>--</u>	<u>(11,678)</u>
Totals for the Highway Fund	\$ <u>7,987,787</u>	\$ <u>62,471,217</u>	\$ <u>--</u>	\$ <u>70,459,004</u>	\$ <u>51,827,850</u>	\$ <u>11,656,565</u>	\$ <u>6,974,589</u>

**COUNTY OF MAUI
SEWER FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Licenses and permits:					
Sanitation:					
Other licenses and permits	\$ --	\$ --	\$ --	\$ 42,865	\$ 42,865
Total - Licenses and permits	--	--	--	42,865	42,865
Charges for current services:					
Sanitation:					
Waste management	63,421,315	--	63,421,315	58,058,419	(5,362,896)
Total - Charges for current services	63,421,315	--	63,421,315	58,058,419	(5,362,896)
Other revenues:					
Sanitation:					
Miscellaneous program receipts	--	--	--	26,688	26,688
Total - Other revenues	--	--	--	26,688	26,688
Total Sewer Fund Revenues	\$ 63,421,315	\$ --	\$ 63,421,315	\$ 58,127,972	\$ (5,293,343)

**COUNTY OF MAUI
SEWER FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Sanitation:							
Environmental Management:							
Wastewater Administration	\$ 56,184	\$ 3,701,226	\$ 58,472	\$ 3,815,882	\$ 2,908,006	\$ 100,000	\$ 807,876
Wastewater ERS & FICA	--	3,200,423	--	3,200,423	2,736,829	--	463,594
Wastewater Health Fund	--	1,111,300	--	1,111,300	917,788	--	193,512
Wastewater Admin Overhead	--	7,265,414	--	7,265,414	6,212,992	--	1,052,422
Wastewater contribution to OPEB	--	2,487,532	--	2,487,532	1,964,905	--	522,627
Wastewater Reclamation	3,163,208	23,363,940	(58,472)	26,468,676	18,544,977	4,672,878	3,250,821
Total Environmental Management	3,219,392	41,129,835	--	44,349,227	33,285,497	4,772,878	6,290,852
Total Sanitation	3,219,392	41,129,835	--	44,349,227	33,285,497	4,772,878	6,290,852
Debt Service:							
Debt Service	--	--	--	--	158,634	--	(158,634)
Total Debt Service	--	--	--	--	158,634	--	(158,634)
Totals for the Sewer Fund	\$ 3,219,392	\$ 41,129,835	\$ --	\$ 44,349,227	\$ 33,444,131	\$ 4,772,878	\$ 6,132,218

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Intergovernmental revenues:					
General government:					
Federal grants	\$ 12,929,334	\$ 180,000	\$ 13,109,334	\$ 1,444,577	\$ (11,664,757)
State grants	1,776,890	23,079	1,799,969	1,588,450	(211,519)
Federal grants passed through the state	<u>2,982,053</u>	<u>12,564,989</u>	<u>15,547,042</u>	<u>36,511,091</u>	<u>20,964,049</u>
Total - General government	<u>17,688,277</u>	<u>12,768,068</u>	<u>30,456,345</u>	<u>39,544,118</u>	<u>9,087,773</u>
Public Safety:					
Federal grants	641,745	(263,323)	378,422	612,868	234,446
State grants	4,491,278	(441,661)	4,049,617	2,351,335	(1,698,282)
Federal grants passed through the state	<u>3,630,211</u>	<u>213,455</u>	<u>3,843,666</u>	<u>2,338,195</u>	<u>(1,505,471)</u>
Total - Public safety	<u>8,763,234</u>	<u>(491,529)</u>	<u>8,271,705</u>	<u>5,302,398</u>	<u>(2,969,307)</u>
Highways and streets:					
Federal grants	--	--	--	14,896	14,896
State grants	--	100,000	100,000	100,000	--
Federal grants passed through the state	<u>8,436,345</u>	<u>(1,310,392)</u>	<u>7,125,953</u>	<u>887,039</u>	<u>(6,238,914)</u>
Total - Highways and streets	<u>8,436,345</u>	<u>(1,210,392)</u>	<u>7,225,953</u>	<u>1,001,935</u>	<u>(6,224,018)</u>
Sanitation:					
Federal grants	180,000	(9,410)	170,590	--	(170,590)
State grants	<u>--</u>	<u>--</u>	<u>--</u>	<u>170,590</u>	<u>170,590</u>
Total - Sanitation	<u>180,000</u>	<u>(9,410)</u>	<u>170,590</u>	<u>170,590</u>	<u>--</u>
Social welfare:					
Federal grants	29,572,963	155,971	29,728,934	30,775,376	1,046,442
State grants	2,000,000	1,031,710	3,031,710	2,116,936	(914,774)
Federal grants passed through the state	<u>553,320</u>	<u>20,124,669</u>	<u>20,677,989</u>	<u>9,605,360</u>	<u>(11,072,629)</u>
Total - Social welfare	<u>32,126,283</u>	<u>21,312,350</u>	<u>53,438,633</u>	<u>42,497,672</u>	<u>(10,940,961)</u>
Culture and recreation:					
Federal grants passed through the state	<u>100,000</u>	<u>8,730</u>	<u>108,730</u>	<u>108,730</u>	<u>--</u>
Total - Culture and recreation	<u>100,000</u>	<u>8,730</u>	<u>108,730</u>	<u>108,730</u>	<u>--</u>
Capital improvement projects:					
State grants	<u>--</u>	<u>--</u>	<u>--</u>	<u>38,647</u>	<u>38,647</u>
Total - Capital improvement projects	<u>--</u>	<u>--</u>	<u>--</u>	<u>38,647</u>	<u>38,647</u>
Total - Intergovernmental revenues	<u>67,294,139</u>	<u>32,377,817</u>	<u>99,671,956</u>	<u>88,664,090</u>	<u>(11,007,866)</u>

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Interest and investment earnings:					
Social welfare:					
Interest on investments	\$ --	\$ --	\$ --	\$ 240,140	\$ 240,140
Total - Interest and investment earnings	--	--	--	240,140	240,140
Other revenues:					
General government:					
Operating contributions	--	200,000	200,000	--	(200,000)
Total - general government	--	200,000	200,000	--	(200,000)
Public safety:					
Operating contributions	55,000	11,000	66,000	9,225	(56,775)
Total - Public safety	55,000	11,000	66,000	9,225	(56,775)
Social welfare:					
Operating contributions	209,000	(72,317)	136,683	194,920	58,237
Total - Social welfare	209,000	(72,317)	136,683	194,920	58,237
Total - Other revenues	264,000	138,683	402,683	204,145	(198,538)
Total Grant Fund Revenues	\$ 67,558,139	\$ 32,516,500	\$ 100,074,639	\$ 89,108,375	\$ (10,966,264)

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
General Government:						
Office of the Mayor:						
Khako renewal project ph-ii	\$ 46,170	\$ --	\$ 46,170	\$ --	\$ --	\$ 46,170
Ho'olehua fire mini pumper	28,543	--	28,543	28,543	--	--
Wioa Rapid Response PY18	1,574	--	1,574	--	--	1,574
Hale Mahaolu Lah Surf Prsvtn	1,550	--	1,550	--	--	1,550
Hitachi Adv Clean Energy Corp	98,650	--	98,650	--	--	98,650
CDBG-cv program administration	10,822	--	10,822	10,822	--	--
Interior Rehab MFSS Bldg	67,518	--	67,518	--	--	67,518
Family Life Center CDBG-CV3	833,059	(833,059)	--	--	--	--
Maui Eco Opportunity-CV3	896,568	(893,143)	3,425	3,425	--	--
Hana Fire Mini Pumper	3,504	--	3,504	--	--	3,504
WIOA Dislocated Worker	91,489	--	91,489	(59)	88,897	2,651
WIOA Youth Activities	20,564	--	20,564	(59)	15,548	5,075
Ho'olehua fire mini pumper	119,629	--	119,629	119,629	--	--
WIOA Rapid Response & layoff a	75,953	--	75,953	15,846	--	60,107
Hana Fire Rescue Pumper	566,385	--	566,385	557,860	--	8,525
Wioa adult prg py21	131,079	--	131,079	(59)	114,874	16,264
Wioa admin py2021	11,141	--	11,141	8,910	--	2,231
Hale makua kah freezer inst	120,151	--	120,151	115,502	--	4,649
Fema-4639 Hawaii Storms Dec 2021	2,891,472	--	2,891,472	(340,396)	--	3,231,868
Hale Makua Wai Rehabilitation	311,750	(311,750)	--	--	--	--
Molokai Fire Jet Ski 4	1,098	--	1,098	--	--	1,098
Hale Makana Mentor Center Restoration	48,000	(48,000)	--	--	--	--
MEO Molokai Bus	199,000	(199,000)	--	--	--	--
Molokai 1F Wood Hog Grinder	910,805	(910,805)	--	--	--	--
CDBG Program Admin PY22	152,139	--	152,139	152,139	--	--
USDA Kula AG Fencing	600,000	--	600,000	28,300	--	571,700
WIOA Youth Activities	353,948	--	353,948	265,325	64,795	23,828
WIOA Dislocated Worker	326,174	--	326,174	127,447	175,797	22,930
WIOA Adult Program PY22	419,572	--	419,572	184,127	198,568	36,877
WIOA Admin PY2022	122,193	--	122,193	93,944	--	28,249
WIOA Quest Maui County	--	1,106,400	1,106,400	153,262	838,452	114,686
FEMA-4510 COVID-19	--	3,965,089	3,965,089	3,965,089	--	--
Khako ph iv, building iv	--	296,554	296,554	--	296,554	--
CDBG Program Admin PY23	--	365,867	365,867	157,677	--	208,190
Coronavirus st fiscal recov fd	--	12,500,000	12,500,000	9,050,000	3,450,000	--

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
Bread program	\$ --	\$ 100,000	\$ 100,000	\$ --	\$ --	\$ 100,000
FEMA-4724 hawaii wildfires	--	5,138,204	5,138,204	5,138,204	--	--
Admin iv cdbg-cv	--	357,934	357,934	194,775	--	163,159
WIOA Youth Activities	--	--	--	269	--	(269)
WIOA Dislocated Worker	--	--	--	537	--	(537)
WIOA Adult Program PY23	--	--	--	537	--	(537)
2016 Hawaii Severe Storms	458,306	--	458,306	--	--	458,306
2019 Hurricane Lane	456,703	--	456,703	--	--	456,703
Molokai If Wheel Loader	23,627	--	23,627	--	--	23,627
WIOA Youth Activities	24,634	--	24,634	--	--	24,634
Hale Makua Kahului Fire Alarm	910	--	910	--	--	910
WIOA Adult Program	44,978	--	44,978	--	--	44,978
WIOA Dislocated Worker	14,628	--	14,628	--	--	14,628
Grant CDBG Program Admin PY2022	--	--	--	321,989	--	(321,989)
Total Office of the Mayor	<u>10,484,286</u>	<u>20,634,291</u>	<u>31,118,577</u>	<u>20,353,585</u>	<u>5,243,485</u>	<u>5,521,507</u>
Management:						
Byrne discretionary grant	--	180,000	180,000	--	--	180,000
Hud community project funding	--	11,000,000	11,000,000	--	11,000,000	--
Private donations -mgmt	--	200,000	200,000	--	--	200,000
Dhs emergency oper ctr grant	--	<u>1,467,671</u>	<u>1,467,671</u>	--	--	<u>1,467,671</u>
Total Management	--	<u>12,847,671</u>	<u>12,847,671</u>	--	<u>11,000,000</u>	<u>1,847,671</u>
Finance:						
State Disability & Comm	13,755	--	13,755	--	--	13,755
Periodic Mtr Veh Insptn FY22	68,072	--	68,072	--	--	68,072
State Identification FY22	55,753	--	55,753	--	--	55,753
State Motor Veh Regis FY22	35,906	--	35,906	(5,417)	--	41,323
Commercial Driver's License FY22	96,416	--	96,416	--	--	96,416
State Disability & Comm	1,794	22,083	23,877	5,383	--	18,494
Coronavirus s&l fiscal recovery f	4,368,931	--	4,368,931	--	--	4,368,931
Cslfrf-public health	2,582,500	--	2,582,500	1,817,035	765,465	--
Cslfrf-negative eco impacts	1,717,995	--	1,717,995	1,381,098	607,297	(270,400)
Cslfrf-administrative	--	--	--	110,127	27,962	(138,089)

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
Cslfrf-natural disasters	\$ --	\$ --	\$ --	\$ --	\$ 498,270	\$ (498,270)
Emergency arpa sec 9901	95,650	--	95,650	--	--	95,650
Coronavirus slfrf/neu	17,523,295	--	17,523,295	--	--	17,523,295
Cslfrf/neu-administrative	--	--	--	97,404	--	(97,404)
Periodic Mtr Veh Insptn FY23	65,321	--	65,321	(336)	--	65,657
State Motor Veh Regis FY23	14,535	--	14,535	1,292	--	13,243
Commercial Driver's License FY23	44,073	--	44,073	(168)	--	44,241
Local Asst & tribal consist fd	100,000	--	100,000	--	--	100,000
State identification Prg FY23	40,886	--	40,886	(161)	--	41,047
Periodic mtr Veh Insptn FY24	--	562,859	562,859	431,062	--	131,797
State Motor Veh Regist FY24	--	354,386	354,386	339,348	--	15,038
CommI driver's license FY24	--	617,662	617,662	558,058	--	59,604
State identification Prg FY24	--	242,979	242,979	214,954	--	28,025
Total Finance	<u>26,824,882</u>	<u>1,799,969</u>	<u>28,624,851</u>	<u>4,949,679</u>	<u>1,898,994</u>	<u>21,776,178</u>
Planning:						
Transit Oriented Dev't Prg	500,000	--	500,000	--	--	500,000
SOH Important Agricult Lands	125,000	--	125,000	--	--	125,000
Coastal Zone Management FY20	77,543	--	77,543	--	--	77,543
Coastal Zone Management FY21	373,935	--	373,935	--	--	373,935
Certified Local Govt Prg	24,826	--	24,826	--	--	24,826
Coastal Zone Management FY22	3,196	--	3,196	1,511	--	1,685
Coastal Zone Management FY23	439,492	--	439,492	--	--	439,492
Coastal Zone Management FY24	--	472,971	472,971	252,390	--	220,581
SOH DOH Complete Streets Trng	20,000	--	20,000	--	--	20,000
Coastal Zone Management FY19	<u>110,341</u>	<u>--</u>	<u>110,341</u>	<u>--</u>	<u>--</u>	<u>110,341</u>
Total Planning	<u>1,674,333</u>	<u>472,971</u>	<u>2,147,304</u>	<u>253,901</u>	<u>--</u>	<u>1,893,403</u>
Public Works:						
FHWA Projects State Reviews	47,080	--	47,080	--	--	47,080.00
FHWA Various Projects County	<u>748</u>	<u>--</u>	<u>748</u>	<u>--</u>	<u>--</u>	<u>748</u>
Total Public Works	<u>47,828</u>	<u>--</u>	<u>47,828</u>	<u>--</u>	<u>--</u>	<u>47,828</u>
Total General Government	<u>39,031,329</u>	<u>35,754,902</u>	<u>74,786,231</u>	<u>25,557,165</u>	<u>18,142,479</u>	<u>31,086,587</u>

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
Public safety:						
Prosecuting Attorney:						
Asset Forfeitures State	\$ 24,597	\$ --	\$ 24,597	\$ --	\$ --	\$ 24,597
Special Needs Advocacy Program	90,960	--	90,960	--	--	90,960
Victim/Witness Assistance Program	22,846	--	22,846	--	--	22,846
Career Criminal Program	43,422	--	43,422	--	--	43,422
DPA 2020 Traffic Records	5,499	--	5,499	--	--	5,499
Domestic Violence Investigation	13,300	--	13,300	--	--	13,300
Prosecutor's Impaired Driving	62,275	--	62,275	--	--	62,275
Spcl Needs Advocacy Prj	87,266	--	87,266	--	--	87,266
Narip 2020 grant	264,750	--	264,750	264,750	--	--
Defendant/Witness Trial Program	441	--	441	--	--	441
Domestic Violence Investigation	441	--	441	--	--	441
E Bryne Memorial Jag FY21	61,557	--	61,557	42,843	15,000	3,714
Special Needs Advocacy Program	64,824	--	64,824	--	--	64,824
Defendant/Witness Trial Program	19,405	--	19,405	--	--	19,405
DPA 2022 Traffic Records	5,225	--	5,225	--	--	5,225
Domestic Violence Investigation	34,317	--	34,317	--	--	34,317
Prosecutor's Impaired Driving	33,757	--	33,757	--	--	33,757
Natl Crime Victims Right Wk Co	1,293	--	1,293	--	--	1,293
Highway Safety Grant	5,228	--	5,228	--	--	5,228
Spcl Needs Advocacy Prj	266,316	--	266,316	121,278	8,166	136,872
Asset Forfeitures Prog/Fed	919	--	919	--	--	919
Victim/Witness Assistance Program	64,864	--	64,864	--	--	64,864
Career Criminal Program	14,474	--	14,474	--	--	14,474
Defendant/Witness Trial Program	356	--	356	--	--	356
Domestic Violence Investigation	14,817	--	14,817	(796)	--	15,613
Prosecutor's Impaired Driving	30,021	--	30,021	1,809	--	28,212
Edward byrne mem jas program	--	84,310	84,310	58,986	--	25,324
Maui pros traffic records	--	14,462	14,462	3,712	--	10,750
Maui pros impaired driving	--	26,764	26,764	4,549	--	22,215
FY24 spcl needs advocacy prk	--	429,926	429,926	323,530	--	106,396
Victim/witness assistance Prg	--	353,094	353,094	188,524	--	164,570
Career Criminal Program	--	257,548	257,548	250,752	--	6,796
Defendant/Witness Trial Program	--	100,000	100,000	98,707	--	1,293
Ncvrw - community awareness pr	--	5,000	5,000	4,801	--	199
Domestic Violence Investigation	--	52,915	52,915	35,277	--	17,638
Total Prosecuting Attorney	1,233,170	1,324,019	2,557,189	1,398,722	23,166	1,135,301

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
Finance:						
DPA COVID-19 Coordinated Resp	\$ 25,081	\$ --	\$ 25,081	\$ 25,081	\$ --	\$ --
MPD COVID-19 Coordinated Resp	17,740	--	17,740	15,440	--	2,300
Total Finance	42,821	--	42,821	40,521	--	2,300
Police:						
Cops Hiring Program	181,512	--	181,512	--	--	181,512
Domestic Violence: Strangulation/Hom	5,291	--	5,291	--	--	5,291
MPD Speed Enforcement	16,870	--	16,870	--	--	16,870
Cybercrime Unit Enhancement	37	--	37	--	--	37
Prohibit tobacco sales to m	7,594	--	7,594	--	--	7,594
FFY18 Jag Program	16,059	--	16,059	--	--	16,059
Positive Outreach Intervention	1,641	--	1,641	--	--	1,641
SW Multi Jurisdictional Drug	431	--	431	--	--	431
Update drug analysis communication	--	--	--	--	--	--
911 EMS Dispatch Communication	4,616	--	4,616	--	--	4,616
Combating dom violnc & sexual	37,450	--	37,450	--	--	37,450
Kalo Program	13,660	--	13,660	--	--	13,660
MPD Traffic Services	20,667	--	20,667	--	--	20,667
MPD Traffic Data Records	56,223	--	56,223	--	--	56,223
MPD Speed Enforcement	38,988	--	38,988	--	--	38,988
Distracted Driving Enforcement	45,120	--	45,120	--	--	45,120
MPD Roadblock Program	71,792	--	71,792	--	--	71,792
MPD Seat Belt Enforcement	67,861	--	67,861	--	--	67,861
High Intensity Drug Trafficking	35,775	--	35,775	(11,225)	--	47,000
Maui Child Restraint Program	51,416	--	51,416	--	--	51,416
State e911 Wireless Commission	47,281	--	47,281	(23,830)	--	71,111
MPD Traffic Drone Program	1,549	--	1,549	1,290	--	259
Prohibit Tobacco Sales to M	11,000	--	11,000	--	--	11,000
Focus on domestic violence/sexual assault	27,430	--	27,430	--	--	27,430
Kalo Program	52,375	--	52,375	--	--	52,375
MPD Traffic Services	161,971	--	161,971	--	--	161,971
MPD Traffic Data Records	96,072	--	96,072	--	--	96,072
MPD Speed Enforcement	14,922	--	14,922	--	--	14,922
MPD Roadblock Program	245,270	--	245,270	--	--	245,270
MPD Seat Belt Enforcement	35,887	--	35,887	--	--	35,887

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
High Intensity Drug Trafficking	\$ 181,039	\$ --	\$ 181,039	\$ 89,114	\$ --	\$ 91,925
Maui Child Restraint Program	51,058	--	51,058	--	--	51,058
State e911 Wireless Commission	437,124	--	437,124	--	--	437,124
Prohibit Tobacco Sales to M	11,658	--	11,658	--	--	11,658
Positive Outreach Intervention	24,749	--	24,749	2,554	655	21,540
SW Multi Jurisdictional Drug	2,407	--	2,407	--	--	2,407
911 EMS Dispatch Communication	144,385	--	144,385	141,747	--	2,638
MPD Child Restraint Prog	132,135	--	132,135	49,455	--	82,680
Violence against women grant	382	--	382	--	--	382
Kalo program	81,014	--	81,014	--	--	81,014
MPD traffic services	470,307	--	470,307	192,939	9,849	267,519
MPD traffic data records	81,827	--	81,827	20,509	--	61,318
Cybercrime unit enhancement	26,795	--	26,795	(531)	--	27,326
Distracted driving enforcement	62,355	--	62,355	--	--	62,355
Latent fingerprint backlog re	46,100	--	46,100	46,100	--	--
MPD roadblock program	446,706	--	446,706	79,626	--	367,080
High intensity drug trafficking	417,513	--	417,513	104,375	2,027	311,111
State e911 wireless commission	535,658	--	535,658	644	--	535,014
SW multi-jurisdictional drug	3,230	--	3,230	--	--	3,230
Arra2022 E Byrne Memorial Jag	63,057	--	63,057	37,354	--	25,703
CDC Prevention Grant	4,125	--	4,125	4,125	--	--
High intensity drug trafficking	--	199,800	199,800	84,252	--	115,548
Traffic Data Records	--	207,863	207,863	111,690	--	96,173
Selective Traffic Enforcement	--	680,227	680,227	71,335	23,650	585,242
Mpd impaired driving	--	460,111	460,111	56,643	--	403,468
Hmsa - live in your truth	--	11,000	11,000	6,104	--	4,896
Enhancing field testing capabi	--	159,060	159,060	159,056	--	4
Fy22 local jag program	--	72,645	72,645	12,720	--	59,925
State e911 wireless commission	--	1,589,338	1,589,338	1,044,338	131,202	413,798
Prohibit tobacco sales to m	--	11,000	11,000	--	--	11,000
Occupant Protection Grant	--	153,955	153,955	8,045	611	145,299
Positive outreach intervention	--	93,789	93,789	4,672	3,301	85,816
SW multi-jurisdictional drug	--	54,927	54,927	52,611	--	2,316
Accreditation/safety improvmt	--	63,132	63,132	17,941	8,970	36,221
Address intimate prtnr violenc	--	52,915	52,915	47,560	4,697	658

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
911 ems dispatch communication	\$ --	\$ 485,916	\$ 485,916	\$ 472,419	\$ --	\$ 13,497
Training grants	57,931	--	57,931	9,824	--	48,107
Fy16 jag program	13	--	13	--	--	13
State e911 wireless commission	340,805	--	340,805	(908,557)	--	1,249,362
State Forfeiture	44	--	44	--	--	44
Federal justice forfeiture	21,300	--	21,300	--	--	21,300
Prohibit tobacco sales to minors	4,394	--	4,394	--	--	4,394
Grant mpd admin	--	--	--	(161,796)	--	161,796
Mpd traffic data records	--	--	--	(14,222)	--	14,222
Total Police	<u>5,014,871</u>	<u>4,295,678</u>	<u>9,310,549</u>	<u>1,808,881</u>	<u>184,962</u>	<u>7,316,706</u>
Fire and Public Safety:						
EMS (Fire) Training (PVT) IAAI	12	--	12	--	--	12
Fire/LEPC (DOH) HMEP	55,826	--	55,826	4,638	--	51,188
Fema-5294 fire mgmt assistance grant	468	--	468	--	--	468
Private Donations - Fire Department	30,487	--	30,487	--	--	30,487
Auto Extrication Equipment	44	--	44	--	--	44
MFD Extrication Equipment	--	--	--	--	--	--
Makena Lifeguard Services	718,856	--	718,856	--	--	718,856
FEMA AFG prog operations/safety	219,332	--	219,332	145,000	74,332	--
MFD extrication tools	45,474	--	45,474	45,474	--	--
Makena Lifeguard Services	957,681	--	957,681	20,148	--	937,533
Fps - smoke alarms	--	16,667	16,667	--	3,039	13,628
Private Donations - Fire Department	--	30,000	30,000	1,832	--	28,168
Private Donations - ocean safety	--	25,000	25,000	--	--	25,000
Mfd extrication tools	--	96,766	96,766	96,766	--	--
Makena lifeguard services	--	1,769,574	1,769,574	750,812	127,397	891,365
Fire Training Grant (Chevron)	508	--	508	--	--	508
FEMA Fire Training Funds	12,978	--	12,978	--	--	12,978
Hawaii Tourism Authority	<u>774</u>	<u>--</u>	<u>774</u>	<u>--</u>	<u>--</u>	<u>774</u>
Total Fire and Public Safety	<u>2,042,440</u>	<u>1,938,007</u>	<u>3,980,447</u>	<u>1,064,670</u>	<u>204,768</u>	<u>2,711,009</u>

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
Emergency Management Agency:						
State Homeland Security	\$ 337,452	\$ --	\$ 337,452	\$ 151,375	\$ --	\$ 186,077
Emergency Mgt Performance Grant	994	--	994	--	--	994
State Homeland Security	757,000	--	757,000	259,209	75,747	422,044
Ffy2020 empg-supplement	13,768	--	13,768	--	--	13,768
Emergency Mgt Performance Grant	37,738	--	37,738	--	--	37,738
State Homeland Security	590,283	--	590,283	120,000	13,920	456,363
Hazard Mitigation Grant Program	13,744	--	13,744	13,744	--	--
Emergency Mgt Performance Grant	125,000	--	125,000	28,408	--	96,592
State Homeland Security	610,000	--	610,000	180,083	19,439	410,478
State Homeland Security	--	780,000	780,000	--	--	780,000
Emergency Mgt Performance Grant	12,254	--	12,254	--	--	12,254
Emergency Mgt Performance Grant	59,696	--	59,696	--	--	59,696
St Homeland Security	150,319	--	150,319	--	--	150,319
Total Emergency Management Agency	2,708,248	780,000	3,488,248	752,819	109,106	2,626,323
Total Public Safety	11,041,550	8,337,704	19,379,254	5,065,613	522,002	13,791,639
Highways and Streets:						
Finance:						
COVID Cares Act Fta Sec 5307	985,616	--	985,616	93,427	117,053	775,136
Total Finance	985,616	--	985,616	93,427	117,053	775,136
Transportation:						
FHWA Maui MPO FY21 upwp	894	--	894	--	--	894
FTA Sec5311 Non-Urbanized	178,876	--	178,876	8,122	--	170,754
FTA Maui MPO FY22 UPWP	7,548	--	7,548	--	--	7,548
FHWA Maui MPO FY22 UPWP	200,992	--	200,992	135,226	65,751	15
FTA Sec5339 Bus/Bus Fac Prg	298,685	--	298,685	--	--	298,685
FTA Sec5339 Bus/Bus Fac Prg	558,000	--	558,000	--	--	558,000
ARP Sec 5307 Urbanized Area	1,321,434	--	1,321,434	--	--	1,321,434
FTA Sec 5307 Urbanized Area	45,574	--	45,574	--	--	45,574
FTA Maui MPO FY23 UPWP	200,000	--	200,000	158,634	--	41,366
FHWA Maui MPO FY23 UPWP	148,501	--	148,501	67,717	16,005	64,779
FTA Sec5311 Non-Urbanized Frml	--	1,616,620	1,616,620	84,000	--	1,532,620
FTA Sec 5339 eletrc replcmnt b	--	810,000	810,000	--	810,000	--
FTA Sec 5339 low/no supp	--	3,626,345	3,626,345	--	3,626,345	--
FTA Sec 5339 Program	--	872,988	872,988	--	103,560	769,428
State matching fund -mpo	--	100,000	100,000	14,892	85,108	--

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
FHWA Maui MPO FY24 UPWP	\$ --	\$ 200,000	\$ 200,000	\$ --	\$ 105,485	\$ 94,515
FTA Sec5339 Bus/Bus Fac Form	323,279	--	323,279	--	220,664	102,615
FTA Sec5311 Non-Urbanized	121	--	121	--	--	121
FHWA Maui Metro Planning Org	142	--	142	--	--	142
FTA SEC 5311 Non-Urbanized	5,235	--	5,235	--	--	5,235
FHWA Maui MPO FY18 UPWP	--	--	--	--	--	--
Sec5307 Urbanized Area Formula	--	--	--	--	--	--
Sec5307 Urbanized Area Formula	240,410	--	240,410	--	--	240,410
FHWA Maui MPO FY19 UPWP	37,501	--	37,501	--	--	37,501
Grant fund FHWA Maui MPO	--	--	--	(49,730)	--	49,730
Total Transportation	3,567,192	7,225,953	10,793,145	418,861	5,032,918	5,341,366
Total Highways and Streets	4,552,808	7,225,953	11,778,761	512,288	5,149,971	6,116,502
Sanitation:						
Environmental Management:						
Advance Glass Disp Fee	8	--	8	--	--	8
Electronic Waste Collection	23,716	--	23,716	--	23,716	--
Advance Glass Disp Fee	170,590	--	170,590	170,590	--	--
Advance Glass Disp Fee	--	170,590	170,590	--	--	170,590
State of Hawaii DOH 604b Grant	29,025	--	29,025	--	--	29,025
Total Environmental Management	223,339	170,590	393,929	170,590	23,716	199,623
Total Sanitation	223,339	170,590	393,929	170,590	23,716	199,623
Social Welfare:						
Office of the Mayor:						
Hawaii St Comm/Status Women	17	--	17	--	--	17
Total Office of the Mayor	17	--	17	--	--	17
Finance:						
COVID-19 Sec 8 Housing Choice	4,256	--	4,256	--	--	4,256
COVID-19 Sec 8 Housing Choice	107,362	--	107,362	--	13,200	94,162
COVID-19 Sec 8 Housing Choice	191	--	191	--	--	191
Cares act/covid-10	--	--	--	(93,925)	93,925	--
Total Finance	111,809	--	111,809	(93,925)	107,125	98,609

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
Housing and Human Concerns:						
Kupuna Care Program	\$ 97,470	\$ --	\$ 97,470	\$ 97,240	\$ --	\$ 230
Aging Title IIIB	24,578	--	24,578	(4,671)	--	29,249
Nutrition Services Incentive	--	--	--	--	--	--
Aging Title IIIC-1	106,069	--	106,069	--	--	106,069
Aging Title IIIC-2	492,802	(333,095)	159,707	93,811	--	65,896
Aging Title IIID	8,638	--	8,638	7,913	696	29
Aging Title IIIE	8,388	--	8,388	8,250	138	--
Aging & Disability Resource	1,357,710	233,244	1,590,954	555,739	1,027	1,034,188
Home FFY20 Administration	150,000	--	150,000	57,658	88,992	3,350
Ohana Zone Kah/Homeless Fam	288,513	--	288,513	--	224,971	63,542
CRRSA Emergency Rental Assist	--	(85,966)	(85,966)	(85,966)	--	--
PY19 HTF Administration	530	--	530	--	--	530
PY20 HTF Halelea 64-PH1-a	109,982	--	109,982	50,182	1,246	58,554
Aging III DHHS FY11 Ma201103	190	--	190	--	190	--
Assisted Transportation PVT Contrib	15,500	--	15,500	--	--	15,500
Sec 8 Housing Voucher FY21	651,943	--	651,943	--	--	651,943
Sec 8 Housing Admin FY21	112,741	--	112,741	--	9,125	103,616
Homeowner assistance fund	8,060,550	16,425,000	24,485,550	4,030,275	4,030,275	16,425,000
Aging Title IIIB	295,169	144,040	439,209	392,244	46,199	766
Strategic Prevention Framework	94,954	--	94,954	--	--	94,954
Nutrition Services Incentive	123,517	--	123,517	96,235	27,282	--
Aging Title IIIC-1	309,437	(238,868)	70,569	--	--	70,569
Aging Title IIIC-2	390,806	(111,980)	278,826	--	--	278,826
Aging Title IIID	30,209	23	30,232	20,114	5,410	4,708
Aging Title IIIE	172,897	859	173,756	171,280	2,476	--
Emergency ARPA Rent Assistance	6,432,766	322,248	6,755,014	3,374,611	2,750,000	630,403
Sec 8 Housing Voucher FY22	1,344,228	(202,518)	1,141,710	--	--	1,141,710
Sec 8 Housing Admin FY22	1,063,546	(1,061,843)	1,703	--	1,703	--
FSS Coordinator Grant	22,926	--	22,926	--	--	22,926
Emergency Housing Voucher	833,167	1,249,005	2,082,172	1,315,299	--	766,873
FY22 EHV Preliminary Fees	30,400	--	30,400	--	--	30,400
FY22 EHV Admin Fees	89,832	--	89,832	60,535	--	29,297
FY22 EHV Service Fees	252,543	--	252,543	35,014	--	217,529
FY21 home arp-administration	--	30,000	30,000	2,756	27,244	--
FY21 home arp-affordbl rental	--	1,947,568	1,947,568	--	--	1,947,568

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
Nutrition Services Incentive	\$ 33,712	\$ 130,847	\$ 164,559	\$ --	\$ --	\$ 164,559
Coc proh unsheltered homelessn	--	195,000	195,000	45,356	149,644	--
Asstd transport PVT contribution	3,514	(3,514)	--	--	--	--
Congregate mls pvt donation	30,674	(30,674)	--	--	--	--
Kupuna care program	415,213	712,291	1,127,504	986,555	40,816	100,133
Home del meals pvt donation	19,523	(19,523)	--	--	--	--
Assist transport kupuna	39,218	(39,218)	--	--	--	--
Retired & Sr Vol Prg FY2023	71,105	--	71,105	71,105	--	--
Strategic Prevention Framework	210,488	--	210,488	49,400	4,250	156,838
Sec 8 Housing Voucher FY23	264,696	(281,636)	(16,940)	(16,940)	--	--
Sec 8 Housing Admin FY23	1,112,006	--	1,112,006	12,605	27,718	1,071,683
FSS Coordinator Grant	23,906	--	23,906	23,906	--	--
COVID-19/Influenza Vaccine	766,950	--	766,950	--	--	766,950
Nsip nutrition svcs incentive	--	84,992	84,992	--	--	84,992
Natl hsg trust fund fy23 admin	--	153,320	153,320	4,410	80,458	68,452
Home fy23 admin	--	150,000	150,000	--	71,455	78,545
Federal disaster relief grant	--	1,081,528	1,081,528	153,711	64,744	863,073
Priv donation-us aging disaster	--	15,000	15,000	14,460	--	540
Sec 8 fss escrow forfeitures	--	355	355	--	--	355
Ohana zone kah/homeless fam	--	2,000,000	2,000,000	414,269	783,212	802,519
A&b kokua giving contribution	--	20,000	20,000	20,000	--	--
Asstd transport PVT contribution	--	11,634	11,634	11,634	--	--
Congregate mls pvt donation	--	54,021	54,021	54,021	--	--
Home del meals pvt donation	--	89,739	89,739	89,739	--	--
Assist transport kupuna	--	86,175	86,175	86,175	--	--
Congregate meals title iii	--	204,399	204,399	204,399	--	--
Home delivered mls title iii	--	338,392	338,392	338,392	--	--
Retired & Sr Vol Prg FY2024	--	75,850	75,850	15,133	--	60,717
FSS Coordinator Grant	--	49,086	49,086	--	--	49,086
Aging title iiib	--	137,106	137,106	30,512	--	106,594
Aging title iiic-1	--	128,532	128,532	--	--	128,532
Aging title iiic-2	--	106,439	106,439	--	--	106,439
Aging title iiid	--	8,210	8,210	--	--	8,210
Aging title iiie	--	54,395	54,395	--	--	54,395
Sec 8 housing voucher fy24	--	25,714,097	25,714,097	25,599,027	--	115,070
Sec 8 housing admin fy24	--	2,200,000	2,200,000	1,226,558	13,945	959,497

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
Sec 8 hs stability vouch award	\$ --	\$ 157,495	\$ 157,495	\$ 16,939	\$ --	\$ 140,556
Sec 8 hs stability vouch admn f	--	5,000	5,000	--	--	5,000
Aging & Disability Resource	214,045	--	214,045	--	--	214,045
Healthy Aging Vol Contribution	8,761	--	8,761	--	--	8,761
Home FFY14 Administration	9,563	--	9,563	--	--	9,563
Strategic Prevention Framework	169,217	--	169,217	--	--	169,217
Leisure Activities FY17	5,066	--	5,066	5,066	--	--
Sec. 8 Family Self-Sufficient	40,313	249,228	289,541	79,965	--	209,576
Home FFY17 Administration	35,846	--	35,846	19,035	626	16,185
NATL HTF Administration	66,990	--	66,990	--	--	66,990
Leisure Activities FY18	82,958	--	82,958	--	--	82,958
State Health Insurance Assistance Program	776	--	776	--	--	776
Elder Abuse Prevention SY19	7,852	--	7,852	--	--	7,852
FSS Coordinator Grant	3,114	--	3,114	--	--	3,114
Sec 8 Housing Asst Payments (HAP)-NRA	1,195,992	483,839	1,679,831	1,189,738	--	490,093
Sec 8 Housing Asst Payments (ADM)-NRA	3,672,444	--	3,672,444	296,128	--	3,376,316
Total Housing and Human Concerns	31,475,943	52,640,122	84,116,065	41,319,817	8,453,842	34,342,406
Total Social Welfare	31,587,769	52,640,122	84,227,891	41,225,892	8,560,967	34,441,032
Culture and Recreation:						
Parks and Recreation:						
Play & Learn Sessions (PALS)	171,647	--	171,647	--	--	171,647
St/Hi Nahiku Community Center	250,000	--	250,000	--	--	250,000
Play & Learn Sessions (PALS)	77,084	--	77,084	--	--	77,084
Play & Learn Sessions (PALS)	--	108,730	108,730	108,730	--	--
War Memorial Stadium	829,855	--	829,855	--	--	829,855
No Kid Hungry	66	--	66	--	--	66
Total Parks and Recreation	1,328,652	108,730	1,437,382	108,730	--	1,328,652
Total Culture and Recreation	1,328,652	108,730	1,437,382	108,730	--	1,328,652
Legislative:						
County Clerk:						
Impl of election by mail	1,752	--	1,752	--	--	1,752
Center for tech and civic life	21,051	--	21,051	--	--	21,051
State election cares-hava	11,274	--	11,274	--	--	11,274
Impl of election by mail	1	--	1	--	--	1
Total County Clerk	34,078	--	34,078	--	--	34,078
Total Legislative	34,078	--	34,078	--	--	34,078

**COUNTY OF MAUI
GRANT FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations and Amendments	Total	Expenditures	Reserves and Encumbrances	Unexpended Appropriations
Capital Improvement Projects:						
Office of the Mayor:						
Fema-4604 hawaii storms	\$ 1,558,795	\$ --	\$ 1,558,795	\$ 1,383,774	\$ --	\$ 175,021
Com cdbg-cv senior housing	--	1,368,268	1,368,268	1,020,376	--	347,892
Com cdb senior housing	--	2,636,468	2,636,468	2,505,530	--	130,938
Total Office of the Mayor	<u>1,558,795</u>	<u>4,004,736</u>	<u>5,563,531</u>	<u>4,909,680</u>	<u>--</u>	<u>653,851</u>
Housing and Human Concerns:						
Kahului Emergency Housing	<u>187,450</u>	<u>--</u>	<u>187,450</u>	<u>18,698</u>	<u>168,584</u>	<u>168</u>
Total Housing and Human Concerns	<u>187,450</u>	<u>--</u>	<u>187,450</u>	<u>18,698</u>	<u>168,584</u>	<u>168</u>
Total Capital Improvement Projects	<u>1,746,245</u>	<u>4,004,736</u>	<u>5,750,981</u>	<u>4,928,378</u>	<u>168,584</u>	<u>654,019</u>
Debt Service:						
Debt Service	<u>--</u>	<u>--</u>	<u>--</u>	<u>189,703</u>	<u>--</u>	<u>(189,703)</u>
Total Debt Service	<u>--</u>	<u>--</u>	<u>--</u>	<u>189,703</u>	<u>--</u>	<u>(189,703)</u>
Totals for the Intergovernmental Grants Fund	\$ <u>89,545,770</u>	\$ <u>108,242,737</u>	\$ <u>197,788,507</u>	\$ <u>77,758,359</u>	\$ <u>32,567,719</u>	\$ <u>87,462,429</u>

**COUNTY OF MAUI
SOLID WASTE FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Charges for current services:					
Sanitation:					
Refuse	\$ 11,100,000	\$ --	\$ 11,100,000	\$ 10,680,799	\$ (419,201)
Landfill disposal fee	14,100,000	--	14,100,000	14,266,059	166,059
Total - Sanitation	<u>25,200,000</u>	<u>--</u>	<u>25,200,000</u>	<u>24,946,858</u>	<u>(253,142)</u>
Total - Charges for current services	<u>25,200,000</u>	<u>--</u>	<u>25,200,000</u>	<u>24,946,858</u>	<u>(253,142)</u>
Other revenues:					
Sanitation:					
Miscellaneous program receipts	--	--	--	18,651	18,651
Total - Sanitation	<u>--</u>	<u>--</u>	<u>--</u>	<u>18,651</u>	<u>18,651</u>
Total - Other revenues	<u>--</u>	<u>--</u>	<u>--</u>	<u>18,651</u>	<u>18,651</u>
Total Solid Waste Fund Revenues	\$ <u>25,200,000</u>	\$ <u>--</u>	\$ <u>25,200,000</u>	\$ <u>24,965,509</u>	\$ <u>(234,491)</u>

**COUNTY OF MAUI
SOLID WASTE FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Sanitation:							
Environmental Management:							
EP&S Solid Waste Alternative	\$ 2,375	\$ --	\$ --	\$ 2,375	\$ --	\$ 2,375	\$ --
Solid Waste Administration	19,257	1,607,566	--	1,626,823	973,477	48,906	604,440
Solid Waste ERS & FICA	--	2,489,034	--	2,489,034	2,308,901	--	180,133
Solid Waste Health Fund	--	864,280	--	864,280	773,788	--	90,492
Solid Waste Admin Overhead	--	4,796,402	--	4,796,402	4,449,285	--	347,117
Solid Waste Contribution to OPEB	--	1,934,604	--	1,934,604	1,655,240	--	279,364
Solid Waste Operations	<u>2,481,192</u>	<u>18,697,914</u>	<u>1,279,000</u>	<u>22,458,106</u>	<u>15,284,166</u>	<u>5,678,006</u>	<u>1,495,934</u>
Total Environmental Management	<u>2,502,824</u>	<u>30,389,800</u>	<u>1,279,000</u>	<u>34,171,624</u>	<u>25,444,857</u>	<u>5,729,287</u>	<u>2,997,480</u>
Total Sanitation	<u>2,502,824</u>	<u>30,389,800</u>	<u>1,279,000</u>	<u>34,171,624</u>	<u>25,444,857</u>	<u>5,729,287</u>	<u>2,997,480</u>
Debt Service:							
Debt Service	--	--	--	--	147,680	--	(147,680)
Total Debt Service	--	--	--	--	147,680	--	(147,680)
Totals for the Solid Waste Fund	\$ <u>2,502,824</u>	\$ <u>30,389,800</u>	\$ <u>1,279,000</u>	\$ <u>34,171,624</u>	\$ <u>25,592,537</u>	\$ <u>5,729,287</u>	\$ <u>2,849,800</u>

**COUNTY OF MAUI
LIQUOR CONTROL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Licenses and permits:					
Social Welfare:					
Business licenses and permits	\$ 2,711,317	\$ --	\$ 2,711,317	\$ 2,666,992	\$ (44,325)
Total - Licenses and permits	<u>2,711,317</u>	<u>--</u>	<u>2,711,317</u>	<u>2,666,992</u>	<u>(44,325)</u>
Other revenues:					
Social Welfare:					
Miscellaneous program receipts	<u>--</u>	<u>--</u>	<u>--</u>	<u>120</u>	<u>120</u>
Total Liquor Control Fund Revenues	\$ <u>2,711,317</u>	\$ <u>--</u>	\$ <u>2,711,317</u>	\$ <u>2,667,112</u>	\$ <u>(44,205)</u>

**COUNTY OF MAUI
LIQUOR CONTROL FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Social Welfare:							
Liquor Control:							
Liquor Control General	\$ 41,996	\$ 2,315,118	\$ --	\$ 2,357,114	\$ 1,824,987	\$ 20,503	\$ 511,624
Liquor Admin Overhead Charges	--	1,251,481	--	1,251,481	996,032	--	255,449
Total Liquor Control	41,996	3,566,599	--	3,608,595	2,821,019	20,503	767,073
Total Social Welfare	41,996	3,566,599	--	3,608,595	2,821,019	20,503	767,073
Debt Service:							
Debt Service	--	--	--	--	4,938	--	(4,938)
Total Debt Service	--	--	--	--	4,938	--	(4,938)
Totals for the Liquor Control Fund	\$ 41,996	\$ 3,566,599	\$ --	\$ 3,608,595	\$ 2,825,957	\$ 20,503	\$ 762,135

**COUNTY OF MAUI
ENVIRONMENTAL PROTECTION AND SUSTAINABILITY FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Charges for current services:					
Sanitation:					
Landfill disposal fee	\$ <u>2,466,947</u>	\$ <u>--</u>	\$ <u>2,466,947</u>	\$ <u>2,801,132</u>	\$ <u>334,185</u>
Total - Licenses and permits	<u>2,466,947</u>	<u>--</u>	<u>2,466,947</u>	<u>2,801,132</u>	<u>334,185</u>
Other revenues:					
Sanitation:					
Miscellaenous program receipts	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total - Licenses and permits	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Environmental Protection and Sustainability Fund Reserves	\$ <u>2,466,947</u>	\$ <u>--</u>	\$ <u>2,466,947</u>	\$ <u>2,801,132</u>	\$ <u>334,185</u>

**COUNTY OF MAUI
ENVIRONMENTAL PROTECTION AND SUSTAINABILITY FUND
SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Department and Appropriation	Balances Forwarded	Appropriations	Transfers and Additions	Total	Expenditures	Reserves and Encumbrances	Lapsed Appropriations
Sanitation:							
Environmental Management:							
Environmental P&S	\$ 704,281	\$ 8,512,335	\$ --	\$ 9,216,616	\$ 7,571,984	\$ 989,443	\$ 655,189
EP&S Contribution ERS & FICA	--	98,720	--	98,720	64,796	--	33,924
EP&S Contribution EUTF	--	34,279	--	34,279	21,781	--	12,498
EP&S Contribution Admin Overhead	--	197,909	--	197,909	124,862	--	73,047
EP&S Contribution OPEB Contribution	--	76,730	--	76,730	46,788	--	29,942
Malama Maui Nui	--	155,500	--	155,500	139,950	15,550	--
Community Work Day	--	306,000	--	306,000	275,400	30,600	--
Green Grants Program	--	600,000	--	600,000	589,776	10,147	77
Total Environmental Management	<u>704,281</u>	<u>9,981,473</u>	<u>--</u>	<u>10,685,754</u>	<u>8,835,337</u>	<u>1,045,740</u>	<u>804,677</u>
Total Sanitation	<u>704,281</u>	<u>9,981,473</u>	<u>--</u>	<u>10,685,754</u>	<u>8,835,337</u>	<u>1,045,740</u>	<u>804,677</u>
Debt Service							
Debt Service	--	--	--	--	51,394	--	(51,394)
Total Debt Service	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>51,394</u>	<u>--</u>	<u>(51,394)</u>
Totals for the Environmental Protection and Sustainability Fund	<u>\$ 704,281</u>	<u>\$ 9,981,473</u>	<u>\$ --</u>	<u>\$ 10,685,754</u>	<u>\$ 8,886,731</u>	<u>\$ 1,045,740</u>	<u>\$ 753,283</u>

**COUNTY OF MAUI
CAPITAL IMPROVEMENT PROJECTS FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Source of Revenues	Original Estimate	Amendments and Transfers	Final Estimate	Actual Revenues	Revenues Over or (Under) Estimate
Intergovernmental revenue:					
Capital improvement projects:					
Federal grants	\$ 940,000	\$ --	\$ 940,000	\$ --	\$ (940,000)
State grants	--	--	--	112,153	112,153
Federal grants passed through the state	--	1,026,996	1,026,996	7,172,289	6,145,293
Total - Intergovernmental revenues	940,000	1,026,996	1,966,996	7,284,442	5,317,446
Interest and investment earnings:					
General revenue:					
Interest on investments	--	--	--	4,318,815	4,318,815
Capital improvement projects:					
Interest on investments	--	--	--	385,414	385,414
Total - Interest and investment earnings	--	--	--	4,704,229	4,704,229
Total Capital Improvement Projects Fund Revenues	\$ 940,000	\$ 1,026,996	\$ 1,966,996	\$ 11,988,671	\$ 10,021,675

**COUNTY OF MAUI
CAPITAL IMPROVEMENT PROJECTS FUND
SCHEDULE OF APPROPRIATIONS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Years Actual</u>	<u>Current Year Actual</u>	<u>Total Actual to Date</u>	<u>Project Authorization</u>
EXPENDITURES:				
Capital outlay:				
Drainage	\$ 4,372,590	\$ 5,239,956	\$ 9,612,546	\$ 37,345,339
Other projects	10,149,117	7,310,399	17,459,516	53,562,733
Government facilities	47,225,284	28,370,859	75,596,143	96,038,010
Parks and recreation	8,171,833	21,950,328	30,122,161	76,391,179
Roads	24,097,557	26,279,178	50,376,735	160,644,387
Solid waste facilities	7,984,472	10,002,896	17,987,368	33,611,253
Wastewater facilities	16,337,974	24,705,278	41,043,252	105,752,873
Other expenditures	<u>347,870</u>	<u>--</u>	<u>347,870</u>	<u>--</u>
Total Expenditures	\$ <u>118,686,697</u>	\$ <u>123,858,894</u>	\$ <u>242,545,591</u>	\$ <u>563,345,774</u>

COUNTY OF MAUI
CAPITAL ASSETS USED IN OPERATIONS OF GOVERNMENTAL ACTIVITIES
COMPARATIVE SCHEDULE BY TYPE
JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Governmental activities capital assets:		
Land	\$ 213,272,469	\$ 212,127,368
Construction in progress	237,507,871	201,413,781
Buildings and systems	309,504,651	249,924,766
Improvements other than buildings	198,483,225	192,944,047
Machinery and equipment	230,073,873	216,503,589
Infrastructure	1,461,334,802	1,444,302,933
Lease assets	9,322,756	7,439,398
Subscription assets	10,353,549	9,942,720
Accumulated depreciation and amortization	<u>(1,473,656,393)</u>	<u>(1,408,930,038)</u>
Total governmental activities capital assets	\$ <u>1,196,196,803</u>	\$ <u>1,125,668,564</u>

COUNTY OF MAUI
CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL ACTIVITIES
SCHEDULE BY FUNCTION AND DEPARTMENT
JUNE 30, 2024

Function and Department	Land	Buildings and Systems	Improvements Other Than Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Lease Assets	Subscription Assets	Accumulated Depreciation	Accumulated Amortization	Total
General government:											
County Council	\$ --	\$ --	\$ --	\$ 24,471	\$ --	\$ 877,324	\$ --	\$ --	\$ (816)	\$ --	\$ 900,979
Office of the Mayor	29,873,479	4,594,640	1,800,722	453,177	--	2,465,310	627,902	--	(1,797,118)	(206,417)	37,811,695
Management	11,026,573	87,887,175	554,600	8,360,681	--	12,073,590	1,499,918	6,373,710	(12,385,544)	(2,751,300)	112,639,403
Corporation Counsel	--	--	--	180,640	--	--	52,250	--	(134,543)	(22,666)	75,681
Prosecuting Attorney	554,240	1,045,760	1,526,578	--	--	133,178	263,151	--	(375,933)	(65,472)	3,081,502
Finance	2,072,938	6,330,981	206,401	650,871	--	7,098,255	1,544,751	299,628	(1,938,377)	(1,048,566)	15,216,882
Personnel	--	--	--	--	--	--	11,200	--	--	(11,200)	--
Planning	2,070,394	--	--	752,834	--	--	2,008,419	247,546	(560,310)	(990,485)	3,528,398
Parks and Recreation	2,893,700	306,300	--	--	--	18,067,726	--	--	(253,974)	--	21,013,752
Public Works	12,987,221	23,008,271	17,351,475	878,755	--	5,178,524	940	547,172	(27,031,291)	(93,841)	32,827,226
Transportation	--	--	--	--	--	3,750	--	--	--	--	3,750
County Auditor	--	--	--	7,400	--	--	--	--	(5,920)	--	1,480
Agriculture	--	--	--	85,919	--	--	23,811	247,546	(18,262)	(9,113)	329,901
Total for General government	61,478,545	123,173,127	21,439,776	11,394,748	--	45,897,657	6,032,342	7,715,602	(44,502,088)	(5,199,060)	227,430,649
Public safety:											
Management	--	--	--	--	25,025,411	--	--	--	(9,889,502)	--	15,135,909
Prosecuting Attorney	--	--	--	185,685	--	--	84,834	--	(164,622)	(49,002)	56,895
Police	1,318,642	56,463,868	7,597,690	35,532,432	--	2,359,491	400,083	2,014,338	(71,408,816)	(1,041,500)	33,236,228
Fire and Public Safety	1,489,597	39,585,926	5,916,840	37,398,284	--	3,907,275	20,728	247,546	(63,707,079)	(33,435)	24,825,682
Emergency Management Agency	--	--	--	615,435	--	--	7,597	128,517	(462,686)	(33,468)	255,395
Total for Public safety	2,808,239	96,049,794	13,514,530	73,731,836	25,025,411	6,266,766	513,242	2,390,401	(145,632,705)	(1,157,405)	73,510,109
Highways and streets:											
Public Works	61,628,517	--	1,827,055	38,295,635	747,594,935	88,125,244	39,989	--	(577,376,669)	(4,921)	360,129,785
Transportation	--	3,064,112	--	25,469,526	--	6,186,916	87,367	--	(22,037,818)	(50,888)	12,719,215
Total for Highways and streets	61,628,517	3,064,112	1,827,055	63,765,161	747,594,935	94,312,160	127,356	--	(599,414,487)	(55,809)	372,849,000
Sanitation:											
Environmental Management	6,527,192	1,927,524	--	62,949,698	688,714,456	53,390,434	1,862,998	247,546	(493,007,441)	(1,019,625)	321,592,782
Total for Sanitation	6,527,192	1,927,524	--	62,949,698	688,714,456	53,390,434	1,862,998	247,546	(493,007,441)	(1,019,625)	321,592,782
Social welfare:											
Liquor Control	--	--	--	497,235	--	--	21,896	--	(388,650)	(8,795)	121,686
Housing and Human Concerns	650,000	15,588,700	1,080,571	1,918,266	--	573,239	300,797	--	(13,149,179)	(315,981)	6,646,413
Total for Social welfare	650,000	15,588,700	1,080,571	2,415,501	--	573,239	322,693	--	(13,537,829)	(324,776)	6,768,099
Culture and recreation:											
Parks and Recreation	80,179,976	69,701,394	160,621,293	15,627,605	--	37,067,615	99,785	--	(169,381,917)	(65,510)	193,850,241
Total for Culture and recreation	80,179,976	69,701,394	160,621,293	15,627,605	--	37,067,615	99,785	--	(169,381,917)	(65,510)	193,850,241
Legislative:											
County Council	--	--	--	95,839	--	--	364,340	--	(92,198)	(172,058)	195,923
County Clerk	--	--	--	93,485	--	--	--	--	(93,485)	--	--
Total for Legislative	--	--	--	189,324	--	--	364,340	--	(185,683)	(172,058)	195,923
Cost of capital assets used by governmental funds	\$ 213,272,469	\$ 309,504,651	\$ 198,483,225	\$ 230,073,873	\$ 1,461,334,802	\$ 237,507,871	\$ 9,322,756	\$ 10,353,549	(1,465,662,150)	(7,994,243)	\$ 1,196,196,803

COUNTY OF MAUI
CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL ACTIVITIES
SCHEDULE OF CHANGES BY FUNCTION AND DEPARTMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Function and Department	Governmental Capital Assets July 1, 2023	Additions	Deductions	Governmental Capital Assets June 30, 2024
General government:				
County Council	\$ 820,045	\$ 81,750	\$ --	\$ 901,795
Office of the Mayor	33,860,992	10,146,107	(4,191,869)	39,815,230
Management	105,192,056	70,393,655	(47,809,464)	127,776,247
Corporation Counsel	151,927	80,963	--	232,890
Prosecuting Attorney	3,193,973	331,108	(2,174)	3,522,907
Finance	13,118,728	13,468,888	(8,383,791)	18,203,825
Personnel Services	11,200	--	--	11,200
Planning	14,737,221	225,184	(9,883,212)	5,079,193
Liquor Control	--	--	--	--
Parks and Recreation	19,703,942	1,563,784	--	21,267,726
Public Works	56,007,165	5,048,487	(1,103,294)	59,952,358
Transportation	3,750	--	--	3,750
County Auditor	7,400	--	--	7,400
Agriculture	331,485	25,791	--	357,276
Total for General government	<u>247,139,884</u>	<u>101,365,717</u>	<u>(71,373,804)</u>	<u>277,131,797</u>
Public safety:				
Management	25,025,410	--	--	25,025,410
Prosecuting Attorney	262,072	8,447	--	270,519
Police	104,169,580	4,237,799	(2,720,834)	105,686,545
Fire and Public Safety	83,371,647	10,575,332	(5,380,783)	88,566,196
Emergency Management Agency	594,855	156,694	--	751,549
Total for Public safety	<u>213,423,564</u>	<u>14,978,272</u>	<u>(8,101,617)</u>	<u>220,300,219</u>
Highways and streets:				
Public Works	898,808,777	47,168,178	(8,465,580)	937,511,375
Transportation	33,250,576	1,557,345	--	34,807,921
Total for Highways and streets	<u>932,059,353</u>	<u>48,725,523</u>	<u>(8,465,580)</u>	<u>972,319,296</u>
Sanitation:				
Environmental Management	776,640,230	52,467,302	(13,487,684)	815,619,848
Total for Sanitation	<u>776,640,230</u>	<u>52,467,302</u>	<u>(13,487,684)</u>	<u>815,619,848</u>
Social welfare:				
Liquor Control	478,094	41,037	--	519,131
Housing and Human Concerns	23,498,041	387,607	(3,774,075)	20,111,573
Total for Social welfare	<u>23,976,135</u>	<u>428,644</u>	<u>(3,774,075)</u>	<u>20,630,704</u>
Culture and recreation:				
Parks and Recreation	340,958,806	24,191,525	(1,852,662)	363,297,669
Total for Culture and recreation	<u>340,958,806</u>	<u>24,191,525</u>	<u>(1,852,662)</u>	<u>363,297,669</u>
Legislative:				
County Council	307,144	201,955	(48,920)	460,179
County Clerk	93,485	--	--	93,485
Total for Legislative	<u>400,629</u>	<u>201,955.00</u>	<u>(48,920)</u>	<u>553,664</u>
Cost of capital assets used by governmental funds	2,534,598,601	242,358,938	(107,104,342)	2,669,853,197
Less accumulated depreciation and amortization	<u>(1,408,930,037)</u>	<u>(72,875,947)</u>	<u>8,149,590</u>	<u>(1,473,656,394)</u>
Capital assets net of accumulated depreciation and amortization	<u>\$ 1,125,668,564</u>	<u>\$ 169,482,991</u>	<u>\$ (98,954,752)</u>	<u>\$ 1,196,196,803</u>

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COUNTY OF MAUI
Statistical Section (Unaudited)

The Statistical Section is included to provide financial statement users with additional historical perspective, context, and detail for use in evaluating the information contained in the basic financial statements, notes to the basic financial statements, and required supplementary information with the goal of providing the user a better understanding of the County's economic condition.

Contents	Tables
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	1 - 5
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	6 - 8
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	9 - 11
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	12 - 14
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial statements relates to the services the County provides and the activities it performs.	15 - 16

TABLE 1
COUNTY OF MAUI
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING, DOLLARS EXPRESSED IN THOUSANDS - UNAUDITED)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental activities										
Net investment in capital assets	\$ 478,521	\$ 498,764	\$ 545,878	\$ 585,828	\$ 571,528	\$ 700,382	\$ 708,138	\$ 676,478	\$ 736,549	\$ 740,170
Restricted	61,863	63,422	51,730	49,599	50,942	66,766	78,118	100,860	127,750	172,034
	<u>(285,629)</u>	<u>(288,507)</u>	<u>(587,846)</u>	<u>(624,083)</u>	<u>(554,605)</u>	<u>(650,220)</u>	<u>(674,668)</u>	<u>(557,447)</u>	<u>(413,874)</u>	<u>(212,871)</u>
Total governmental activities net position	\$ <u>254,755</u>	\$ <u>273,679</u>	\$ <u>9,762</u>	\$ <u>11,344</u>	\$ <u>67,865</u>	\$ <u>116,928</u>	\$ <u>111,588</u>	\$ <u>219,891</u>	\$ <u>450,425</u>	\$ <u>699,333</u>
Business-type activities										
Net investment in capital assets	\$ 282,110	\$ 291,052	\$ 295,171	\$ 313,510	\$ 314,194	\$ 312,838	\$ 314,569	\$ 319,993	\$ 332,442	\$ 333,247
Restricted	11,612	14,825	16,924	20,212	32,156	33,108	34,547	34,339	51,248	44,109
Unrestricted	<u>24,512</u>	<u>17,489</u>	<u>793</u>	<u>7,841</u>	<u>15,170</u>	<u>23,439</u>	<u>24,731</u>	<u>24,776</u>	<u>8,723</u>	<u>33,125</u>
Total business-type activities net position	\$ <u>318,234</u>	\$ <u>323,366</u>	\$ <u>312,888</u>	\$ <u>341,563</u>	\$ <u>361,520</u>	\$ <u>369,385</u>	\$ <u>373,847</u>	\$ <u>379,108</u>	\$ <u>392,413</u>	\$ <u>410,481</u>
Primary government										
Net investment in capital assets	\$ 760,631	\$ 789,816	\$ 841,049	\$ 899,338	\$ 885,722	\$ 1,013,220	\$ 1,022,707	\$ 996,471	\$ 1,068,991	\$ 1,073,417
Restricted	73,475	78,247	68,654	69,811	83,098	99,874	112,665	135,199	178,998	216,143
Unrestricted	<u>(261,117)</u>	<u>(271,018)</u>	<u>(587,053)</u>	<u>(616,242)</u>	<u>(539,435)</u>	<u>(626,781)</u>	<u>(649,937)</u>	<u>(532,671)</u>	<u>(405,151)</u>	<u>(179,746)</u>
Total primary government net position	\$ <u>572,989</u>	\$ <u>597,045</u>	\$ <u>322,650</u>	\$ <u>352,907</u>	\$ <u>429,385</u>	\$ <u>486,313</u>	\$ <u>485,435</u>	\$ <u>598,999</u>	\$ <u>842,838</u>	\$ <u>1,109,814</u>

TABLE 2
COUNTY OF MAUI
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING, DOLLARS EXPRESSED IN THOUSANDS - UNAUDITED)

Expenses	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
General government	\$ 109,324	\$ 116,872	\$ 133,763	\$ 144,002	\$ 144,051	\$ 176,002	\$ 189,498	\$ 189,053	\$ 182,455	\$ 259,821
Public safety	92,377	97,558	125,407	137,158	132,971	136,360	143,286	103,302	90,054	119,893
Social welfare	43,078	46,333	59,429	47,479	59,449	65,313	130,745	83,789	90,612	69,478
Sanitation	68,234	69,022	74,741	77,892	82,425	84,487	89,006	91,582	88,572	95,131
Highways and streets	49,174	49,842	53,976	58,656	61,255	62,061	62,313	58,459	68,357	72,478
Culture and recreation	34,837	34,896	37,626	37,165	36,298	38,937	39,907	40,857	35,841	44,068
Legislative	6,447	6,416	7,408	7,861	8,173	7,728	9,363	7,297	7,747	8,146
Capital outlay	--	--	--	--	--	--	--	5,344	11,356	--
Interest on long-term debt	8,559	7,563	6,867	6,230	7,559	8,713	8,930	10,521	12,005	11,941
Total governmental activities expenses	\$ 412,030	\$ 428,502	\$ 499,217	\$ 516,443	\$ 532,181	\$ 579,601	\$ 673,048	\$ 590,204	\$ 586,999	\$ 680,956
Business-type activities:										
Department of Water Supply	\$ 64,514	\$ 62,275	\$ 62,208	\$ 63,437	\$ 63,551	\$ 70,158	\$ 71,734	\$ 72,475	\$ 71,971	\$ 79,846
Housing, Interim Financing and Buy-Back Revolving Fund	206	208	193	813	947	931	1,057	1,281	1,543	8,111
Golf Course Special Fund	3,400	3,500	3,884	3,830	3,312	--	--	--	--	--
Total business-type activities expenses	68,120	65,983	66,285	68,080	67,810	71,089	72,791	73,756	73,514	87,957
Total primary government expenses	\$ 480,150	\$ 494,485	\$ 565,502	\$ 584,523	\$ 599,991	\$ 650,690	\$ 745,839	\$ 663,960	\$ 660,513	\$ 768,913
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 14,455	\$ 14,287	\$ 14,066	\$ 15,788	\$ 16,954	\$ 18,497	\$ 17,766	\$ 21,537	\$ 23,770	\$ 24,489
Public safety	417	839	454	616	630	490	518	856	769	888
Social welfare	2,488	2,161	2,558	2,576	2,594	2,504	2,859	2,686	2,688	2,945
Sanitation	62,359	64,857	73,004	78,989	87,369	93,260	82,338	88,138	95,626	91,926
Highways and streets	22,229	23,914	24,488	26,960	29,049	28,459	30,201	29,885	31,270	28,365
Culture and recreation	479	673	611	741	590	1,231	1,433	1,976	3,703	2,087
Legislative	--	--	--	--	--	--	--	6	4	4
Operating grants and contributions	29,570	34,426	41,470	33,967	44,669	48,687	118,905	81,249	75,814	88,953
Capital grants and contributions	21,953	14,092	9,607	6,212	16,799	12,007	6,917	10,163	16,573	7,321
Total governmental activities program revenues	\$ 153,950	\$ 155,249	\$ 166,258	\$ 165,849	\$ 198,654	\$ 205,135	\$ 260,937	\$ 236,496	\$ 250,217	\$ 246,978
Business-type activities:										
Charges for services:										
Department of Water Supply	\$ 59,286	\$ 60,544	\$ 63,633	\$ 64,297	\$ 64,460	\$ 68,185	\$ 67,166	\$ 69,677	\$ 67,198	\$ 72,432
Housing, Interim Financing and Buy-Back Revolving Fund	167	180	226	551	764	802	893	1,067	1,216	1,040
Golf Course Special Fund	1,136	1,163	1,108	1,072	869	--	--	--	--	--
Capital grants and contributions	5,643	6,465	11,366	11,866	14,276	6,245	9,086	6,987	16,826	13,001
Total business-type program revenues	66,232	68,352	76,333	77,786	80,369	75,232	77,145	77,731	85,240	86,473
Total primary government program revenues	\$ 220,182	\$ 223,601	\$ 242,591	\$ 243,635	\$ 279,023	\$ 280,367	\$ 338,082	\$ 314,227	\$ 335,457	\$ 333,451
Net (expense)/revenue										
Governmental activities	\$ (258,080)	\$ (273,253)	\$ (332,959)	\$ (350,594)	\$ (333,527)	\$ (374,466)	\$ (412,111)	\$ (353,708)	\$ (336,782)	\$ (433,978)
Business-type activities	(1,888)	2,369	10,048	9,706	12,559	4,143	4,354	3,975	11,726	(1,484)
Total primary government net expense	\$ (259,968)	\$ (270,884)	\$ (322,911)	\$ (340,888)	\$ (320,968)	\$ (370,323)	\$ (407,757)	\$ (349,733)	\$ (325,056)	\$ (435,462)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 236,947	\$ 249,658	\$ 272,989	\$ 310,498	\$ 320,887	\$ 358,902	\$ 376,137	\$ 386,623	\$ 435,406	\$ 510,948
Transient accommodation tax	23,484	23,446	23,484	23,484	23,484	19,570	--	56,874	85,845	64,827
Fuel tax	10,900	12,522	15,655	16,450	16,430	15,207	13,549	16,434	16,691	15,558
Franchise tax	10,782	8,962	7,747	8,009	8,996	9,646	7,837	8,854	11,615	11,038
Public service corporation tax	9,771	9,264	7,662	6,958	7,821	8,284	7,639	7,186	8,798	9,534
General excise tax	--	--	--	--	--	--	--	--	--	34,498
Interest and investment earnings (losses)	1,218	2,402	2,940	(265)	13,231	12,192	1,290	(11,704)	8,140	37,277
Other	795	108	313	6,235	2,141	129	318	1,326	750	8,404
Transfers	(2,230)	(2,810)	(2,385)	(19,192)	(2,942)	(401)	--	(3,583)	70	(9,200)
Total governmental activities	\$ 291,667	\$ 303,552	\$ 328,405	\$ 352,177	\$ 390,048	\$ 423,529	\$ 406,770	\$ 462,010	\$ 567,315	\$ 682,885
Business-type activities:										
Interest and investment earnings	\$ 330	\$ 625	\$ 804	\$ (223)	\$ 3,982	\$ 3,319	\$ 108	\$ (2,817)	\$ 1,380	\$ 5,600
Others	--	--	--	--	474	--	--	521	269	4,753
Transfers	2,230	2,810	2,385	19,192	2,942	401	--	3,583	(70)	9,200
Total business-type activities	2,560	3,435	3,189	18,969	7,398	3,720	108	1,287	1,579	19,553
Total primary government	\$ 294,227	\$ 306,987	\$ 331,594	\$ 371,146	\$ 397,446	\$ 427,249	\$ 406,878	\$ 463,297	\$ 568,894	\$ 702,438
Change in Net Position										
Governmental activities	\$ 33,587	\$ 30,299	\$ (4,554)	\$ 1,583	\$ 56,521	\$ 49,063	\$ (5,341)	\$ 108,302	\$ 230,533	\$ 248,907
Business-type activities	672	5,804	13,237	28,675	19,957	7,863	4,462	5,262	13,305	18,069
Total primary government	\$ 34,259	\$ 36,103	\$ 8,683	\$ 30,258	\$ 76,478	\$ 56,926	\$ (879)	\$ 113,564	\$ 243,838	\$ 266,976

¹ Ordinance No. 5551, went into effect on Jan. 1, 2024, and ends Dec. 31, 2030. GET is levied on the gross receipts of a business, including amounts that are passed on and collected as GET from customers. To account for this, the maximum rate that may be passed on to customers is higher than the statutory rate of 4.5% (4% GET + 0.5% Maui County surcharge). However, a seller is prohibited by consumer protection law from visibly collecting more than the actual amount owed. Thus, the maximum rate that may be visibly passed on in Maui County is 4.712%.

TABLE 3
COUNTY OF MAUI
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING, DOLLARS EXPRESSED IN THOUSANDS - UNAUDITED)

Fiscal Year	Property Tax	Transient Accommodation Tax	Public Service Corporation Tax	Franchise Tax	Fuel Tax	General Excise Tax	Total
2015	\$ 236,947	\$ 23,484	\$ 9,771	\$ 10,782	\$ 10,900	\$ --	\$ 291,884
2016	249,658	23,446	9,264	8,962	12,522	--	303,852
2017	272,989	23,484	7,662	7,747	15,655	--	327,537
2018	310,499	23,484	6,958	8,009	16,450	--	365,400
2019	320,887	23,484	7,821	8,996	16,430	--	377,618
2020	358,902	19,570	8,284	9,646	15,207	--	411,609
2021	376,137	--	7,639	7,837	13,549	--	405,162
2022	386,623	56,874	7,186	8,854	16,434	--	475,971
2023	435,406	85,845	8,798	11,615	16,691	--	558,355
2024	510,948	64,827	9,534	11,038	15,558	34,498 ¹	646,403

¹ Ordinance No. 5551, went into effect on Jan. 1, 2024, and ends Dec. 31, 2030. GET is levied on the gross receipts of a business, including amounts that are passed on and collected as GET from customers. To account for this, the maximum rate that may be passed on to customers is higher than the statutory rate of 4.5% (4% GET + 0.5% Maui County surcharge). However, a seller is prohibited by consumer protection law from visibly collecting more than the actual amount owed. Thus, the maximum rate that may be visibly passed on in Maui County is 4.712%.

TABLE 4
COUNTY OF MAUI
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING, DOLLARS EXPRESSED IN THOUSANDS - UNAUDITED)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General fund										
Restricted	\$ 8,196	\$ 10,752	\$ 3,987	\$ 4,669	\$ 7,582	\$ 10,099	\$ 48,529	\$ 72,099	\$ 93,149	\$ 145,129
Committed	28,307	31,696	34,401	190	190	220	449	3,032	1,311	1,180
Assigned	20,718	19,859	18,247	33,204	24,345	31,139	34,472	40,640	56,723	71,055
Unassigned	<u>31,657</u>	<u>22,708</u>	<u>25,062</u>	<u>75,440</u>	<u>118,370</u>	<u>149,902</u>	<u>152,594</u>	<u>165,918</u>	<u>222,433</u>	<u>244,290</u>
Total general fund	\$ <u>88,878</u>	\$ <u>85,015</u>	\$ <u>81,697</u>	\$ <u>113,503</u>	\$ <u>150,487</u>	\$ <u>191,360</u>	\$ <u>236,044</u>	\$ <u>281,689</u>	\$ <u>373,616</u>	\$ <u>461,654</u>
All other governmental funds										
Restricted	\$ 54,824	\$ 59,937	\$ 43,590	\$ 48,910	\$ 53,485	\$ 68,979	\$ 36,235	\$ 49,578	\$ 50,878	\$ 56,793
Committed	13,811	20,839	26,938	32,699	35,738	35,192	59,357	75,984	74,021	106,778
Assigned	31,097	26,510	38,919	6,298	78,869	37,557	38,263	87,594	129,505	104,293
Unassigned	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(80)</u>	<u>(4,052)</u>	<u>(1,463)</u>	<u>--</u>
Total all other governmental funds	\$ <u>99,732</u>	\$ <u>107,286</u>	\$ <u>109,447</u>	\$ <u>87,907</u>	\$ <u>168,092</u>	\$ <u>141,728</u>	\$ <u>133,775</u>	\$ <u>209,104</u>	\$ <u>252,941</u>	\$ <u>267,864</u>

TABLE 5
COUNTY OF MAUI
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING, DOLLARS EXPRESSED IN THOUSANDS -
UNAUDITED)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REVENUES										
Taxes	\$ 268,178	\$ 280,825	\$ 303,701	\$ 342,520	\$ 353,226	\$ 389,890	\$ 403,304	\$ 465,475	\$ 556,545	\$ 646,539
Intergovernmental revenues	72,049	69,037	70,996	61,917	81,101	75,430	125,069	89,887	85,699	95,981
Charges for current services	64,839	70,575	76,902	82,657	92,115	94,412	87,711	97,271	100,471	94,420
Licenses and permits	30,946	30,460	32,032	36,117	37,281	37,915	39,017	41,567	43,049	40,931
Other revenues	4,604	5,140	6,042	10,999	8,545	6,598	6,801	8,743	12,739	10,978
Fines and forfeitures	2,075	2,537	2,226	2,379	2,606	3,031	2,037	3,611	4,362	4,977
Interest and investment earnings (losses)	1,358	2,592	3,120	(44)	13,305	12,347	1,526	(11,371)	8,469	37,607
Assessments	1,322	2,345	1,742	1,249	2,339	2,355	316	778	343	37
Total revenues	<u>445,371</u>	<u>463,511</u>	<u>496,761</u>	<u>537,794</u>	<u>590,518</u>	<u>621,978</u>	<u>665,781</u>	<u>695,961</u>	<u>811,677</u>	<u>931,470</u>
EXPENDITURES										
Current:										
General government	105,479	115,623	126,512	132,344	143,301	162,918	175,237	183,814	215,474	267,759
Social welfare	42,579	45,920	57,125	46,012	58,013	64,246	128,852	84,539	91,619	71,618
Public safety	90,349	92,811	99,701	103,913	106,070	107,890	113,215	110,351	116,774	139,211
Capital outlay	81,371	65,147	48,112	87,052	118,260	100,948	105,142	102,047	130,510	132,557
Sanitation	54,551	52,454	54,842	58,256	58,567	61,627	61,390	62,714	66,878	70,165
Highways and streets	40,260	39,827	40,032	40,898	46,114	47,833	51,149	47,913	57,915	61,763
Culture and recreation	29,530	28,912	38,325	29,505	28,510	31,182	30,969	36,862	34,644	43,332
Legislative	6,559	6,493	6,523	6,796	7,442	6,941	8,459	8,162	9,225	9,704
Debt service:										
Lease asset	--	--	--	--	--	--	--	1,530	4,649	4,002
Principal	26,926	20,825	26,150	25,686	25,507	31,568	23,172	29,597	30,109	29,701
Interest and other issuance costs	10,905	9,607	9,174	8,277	9,744	10,856	10,136	13,744	15,554	16,442
Total expenditures	<u>488,509</u>	<u>477,619</u>	<u>506,496</u>	<u>538,739</u>	<u>601,528</u>	<u>626,009</u>	<u>707,721</u>	<u>681,273</u>	<u>773,351</u>	<u>846,255</u>
Deficiency of revenues over expenditures	(43,138)	(14,108)	(9,735)	(945)	(11,010)	(4,031)	(41,940)	14,688	38,326	85,215
OTHER FINANCING SOURCES (USES)										
Insurance recoveries	--	--	--	--	--	--	--	--	--	9,283
Issuance of debt:										
General obligation bond proceeds	40,015	15,185	--	--	95,010	--	58,885	84,740	56,855	--
General obligation refunding bonds	21,860	39,542	--	--	7,265	--	15,182	--	--	--
Net premiums received	6,283	7,489	--	--	7,034	--	17,637	17,573	8,229	--
State revolving fund loan proceeds	6,631	3,750	10,962	13,244	29,416	17,139	5,893	389	-	10,357
Lease asset financing	--	--	--	--	--	--	--	5,636	32,284	7,306
Use of debt:										
Payment to escrow for bond refunding	(24,827)	(45,356)	--	--	(7,604)	--	(18,926)	--	--	--
Transfers in:										
General Fund	66,885	61,428	69,955	65,376	62,590	74,250	47,609	88,632	112,254	150,465
Special Revenue Funds	40,717	38,848	43,350	42,971	47,673	51,317	24,619	12,869	16,810	17,226
Capital Improvement Projects Fund	4,411	5,841	6,866	4,850	3,408	6,703	10,873	4,466	6,752	12,682
Other Governmental Funds	9,094	7,878	7,437	19,026	9,436	7,546	44,856	34,119	55,771	68,309
Proprietary Funds	315	240	382	231	230	1,436	--	--	--	--
Transfers out:										
Special Revenue Funds	(3,427)	(4,677)	(3,495)	(9,159)	(1,951)	(5,641)	(11,344)	(2,463)	(2,459)	(6,035)
General Fund	(22,279)	(21,833)	(31,077)	(23,752)	(22,319)	(29,514)	(49,701)	(21,242)	(27,837)	(30,593)
Capital Improvements Projects Fund	(35,547)	(34,039)	(34,926)	(39,605)	(47,733)	(38,562)	(25,029)	(37,083)	(66,003)	(83,791)
Other Governmental Funds	(22,469)	(23,368)	(22,784)	(25,745)	(16,628)	(23,675)	(8,713)	(37,724)	(49,973)	(82,996)
Debt Service Fund	(37,386)	(30,078)	(35,325)	(33,963)	(34,475)	(42,424)	(33,170)	(41,574)	(45,315)	(45,267)
Proprietary Funds	(2,545)	(3,050)	(2,767)	(2,263)	(3,172)	(35)	--	(3,583)	69	(9,200)
Total financing sources, net	<u>47,731</u>	<u>17,800</u>	<u>8,578</u>	<u>11,211</u>	<u>128,180</u>	<u>18,540</u>	<u>78,671</u>	<u>104,755</u>	<u>97,437</u>	<u>17,746</u>
Net Change in Fund Balances	\$ <u>4,593</u>	\$ <u>3,692</u>	\$ <u>(1,157)</u>	\$ <u>10,266</u>	\$ <u>117,170</u>	\$ <u>14,509</u>	\$ <u>36,731</u>	\$ <u>119,443</u>	\$ <u>135,763</u>	\$ <u>102,961</u>
Capital outlays reported in the CIP fund and other funds	88,043	70,811	61,836	69,664	118,839	105,329	118,644	111,355	150,107	143,404
Debt service as a percentage of noncapital expenditures	9.45%	7.48%	7.94%	7.24%	7.30%	8.15%	5.65%	7.87%	8.07%	7.13%
Total expenditures less capital outlays	400,466	406,808	444,660	469,075	482,689	520,680	589,077	569,918	623,244	702,851
Debt service (payments)	37,831	30,432	35,324	33,963	35,251	42,424	33,308	44,871	50,312	50,145

TABLE 6
COUNTY OF MAUI
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS (DOLLARS EXPRESSED IN THOUSANDS - UNAUDITED)

Fiscal Year Ended June 30	Classification											
	Non-Owner-Occupied		Apartment		Commercial		Industrial		Agricultural		Commercial Residential	
	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Tax Rate ¹
2015	\$ 5,570,175	5.57	\$ 5,118,013	6.20	\$ 1,998,655	6.83	\$ 1,546,738	7.07	\$ 3,318,065	5.86	\$ 109,353	4.46
2016	6,226,697	5.40	5,793,112	6.00	2,824,233	6.60	1,750,774	6.85	3,536,472	5.75	120,166	4.35
2017	6,759,362	5.30	6,134,056	6.00	3,224,554	6.60	2,053,224	6.69	3,772,117	5.66	163,441	4.35
2018	7,153,681	5.54	6,443,531	6.32	3,233,112	7.28	2,026,784	7.49	3,924,967	6.01	172,476	4.56
2019	7,721,680	5.52	6,544,442	6.31	2,911,448	7.25	2,132,863	7.45	4,330,328	6.00	197,032	4.55
2020	8,061,546	5.60	6,503,522	6.31	2,832,416	7.39	2,083,169	7.48	4,357,942	5.94	207,502	4.60
2021	18,497,670	5.89	373,361	5.55	2,830,069	6.29	2,129,757	7.20	1,187,254	5.94	241,936	4.40
2022	15,930,314	6.13	355,348	5.55	2,633,773	6.29	2,067,234	7.20	1,241,743	5.94	238,270	4.40
2023	15,536,933	7.07	377,822	3.50	2,669,120	6.05	2,074,671	7.05	1,310,192	5.74	231,435	4.40
2024	17,674,367	7.22	516,863	3.50	2,890,934	6.05	2,282,247	7.05	1,643,754	5.74	286,817	4.40

Fiscal Year Ended June 30	Classification													
	Conservation		Hotel & Resort		Time Share		Owner-Occupied		Short Term Rental		Long Term Rental		Total	
	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Tax Rate ¹	Taxable Assessed Value	Direct Tax Rate ¹	Taxable Assessed Value	Direct Tax Rate ¹
2015	\$ 391,136	6.06	\$ 8,865,184	9.11	\$ 1,591,353	15.07	\$ 7,740,439	2.78	\$ --	--	\$ --	--	\$ 36,249,111	6.51
2016	406,824	5.90	9,296,145	8.85	1,693,560	14.55	9,063,738	2.75	--	--	--	--	40,711,721	6.24
2017	424,471	5.80	9,745,148	8.71	1,896,669	14.31	10,190,495	2.70	--	--	--	--	44,363,537	6.12
2018	427,198	6.37	10,009,936	9.37	1,943,561	15.43	10,628,945	2.86	--	--	--	--	45,964,191	6.53
2019	438,828	6.35	2,309,315	9.37	2,242,684	15.41	11,454,863	2.85	8,565,108 ²	9.28	--	--	48,848,591	6.53
2020	457,633	6.43	2,934,709	11.00	2,441,153	14.40	11,852,614	2.90	9,436,249	10.75	--	--	51,168,455	6.95
2021	225,172	6.43	3,091,738	10.70	2,768,776	14.40	13,134,122	2.52	10,279,135	11.08	--	--	54,758,990	6.83
2022	216,742	6.43	2,492,610	11.75	2,578,459	14.60	13,568,904	2.44	12,791,760	11.13	--	--	54,115,157	7.08
2023	312,646	6.43	3,704,722	11.75	2,812,982	14.60	15,102,919	2.03	13,455,886	11.85	1,110,523 ²	3.31	58,699,851	7.34
2024	322,875	6.43	4,345,299	11.75	3,745,183	14.60	16,800,844	1.94	17,931,359	11.85	1,901,523	3.32	70,342,065	7.58

¹ Tax rates per \$1,000 of net taxable assessed valuation for each class of property. Assessed valuation base is 100% of appraised fair market value.

² First year of tax.

**TABLE 7
COUNTY OF MAUI
PRINCIPAL TAXPAYERS
FISCAL YEARS 2024 AND NINE YEARS AGO
(DOLLARS EXPRESSED IN THOUSANDS - UNAUDITED)**

Taxpayer	Type of Business	2024 ¹			2015 ²		
		Percentage of Total Tax			Percentage of Total Tax		
		Taxes	Levy	Rank	Taxes	Levy	Rank
Ocean Resort Villas Vacation Owners Ass'n., VSE Pacific, Inc., SVO Pacific, Inc.	Time Share	\$ 20,717	3.83%	1			
HMC Maui LP, HMC Kea Lani LP, HMC Maui LLC, HHR AMW LLC, HHR Maui Golf LLC	Hotel (Kea Lani, Hyatt Regency, Andaz), Golf Course	13,510	2.50%	2			
Bre Iconic GWR Owner LLC, Bre RC Maui Kapalua, LLC	Hotel (Grand Wailea, Ritz-Carlton)	11,569	2.14%	3			
Marriott Ownership Resorts	Time Share	10,704	1.98%	4			
West Maui Resort Partners LP, Kupono Partners LLC	Time Share, Hotel (Kaanapali Beach Club, Maui Bay Villas)	6,210	1.15%	5			
Lanai Resorts LLC, Lanai Developers LLC	Hotel (Manele Bay, Lodge at Koele), Golf	5,904	1.09%	6			
Maui Beach, Maui Banyan, Gardens at West Maui, Hono Koa, Kahana Beach, Sands of Kahana, Kahana Villa Vacation Clubs	Timeshare	4,820	0.89%	7			
HV Global Management Corp., Maui Timeshare Venture LLC,	Time Share (Hyatt)	4,233	0.78%	8			
3900 WA Associates LLC	Hotel (Four Seasons)	4,056	0.75%	9			
WM Lessee LLC (Leasehold)	Hotel (Westin)	3,831	0.71%	10			
Westin Maui Corp (Leasehold), SVO Pacific, Inc, Ocean Resort Villas Vacation Owners Ass'n.	Hotel (Westin) / Time Share				\$ 9,649	4.04%	1
Marriott Ownership Resorts	Time Share				5,852	2.45%	2
HMC Maui LP, HMC Kea Lani LLC	Hotel (Kea Lani & Hyatt)				3,746	1.57%	3
GWR Wailea Property LLC	Hotel (Grand Wailea)				2,789	1.17%	4
Alexander & Baldwin, A & B, East Maui Irrigation	Sugar, Development, Property Management				2,638	1.10%	5
Island Acquisitions Kapalua LLC	Time Share, Apartment				2,612	1.09%	6
Lanai Resorts LLC	Hotel, Golf Course				2,442	1.02%	7
West Maui Resort Partners LP	Time Share/Hotel (Embassy Suites)				2,284	0.96%	8
3900 WA Associates LLC	Hotel (Four Seasons Resort)				1,422	0.60%	9
Kyo-Ya Hotels & Resorts LP	Hotel (Sheraton)				1,214	0.51%	10
TOTALS		\$ 85,554	15.82%		\$ 34,648	14.50%	

¹ Fiscal Year 2024 taxes were calculated from the January 1, 2023 assessment. The taxes levied are for the year July 1, 2023 through June 30, 2024.

² Fiscal Year 2015 taxes were calculated from the January 1, 2014 assessment. The taxes levied are for the fiscal year July 1, 2014 through June 30, 2015.

TABLE 8
COUNTY OF MAUI
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS - UNAUDITED)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Adjustments ¹	Adjusted Taxes Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 238,934	(1,069)	\$ 237,865	\$ 235,260	98.9%	\$ (8)	\$ 235,252	98.9%
2016	260,047	(1,764)	258,283	255,692	99.0%	(11)	255,681	99.0%
2017	277,570	(3,824)	273,746	271,201	99.1%	823	272,024	99.4%
2018	305,705	(1,687)	304,018	301,119	99.0%	15	301,134	99.1%
2019	324,771	(1,737)	323,034	315,593	97.7%	(55)	315,538	97.7%
2020	362,187	(3,325)	358,862	354,148	98.7%	266	354,414	98.8%
2021	379,948	(1,937)	378,011	371,606	98.3%	--	371,606	98.3%
2022	386,449	8 ²	386,457	381,718	98.8%	--	381,718	98.8%
2023	439,925	280	440,205	436,116	99.1%	--	436,116	99.1%
2024	540,705	(21,582)	519,123	512,229	98.7%	--	512,229	98.7%

¹ Adjustments include appeals.

² Error correction from prior year.

TABLE 9
COUNTY OF MAUI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS - UNAUDITED)

Fiscal Year	Government Activities					Business-type Activities				Total Primary Government		
	General Obligation Bonds	Notes Payable	Leases	SBITAs	Financed Purchases	General Obligation Bonds	Notes Payable	Leases	Financed Purchases	Total Outstanding Debt	Percentage of Personal Income ¹	Per Capita ¹
2015	\$ 227,835	\$ 55,184	\$ --	\$ --	\$ --	\$ 29,946	\$ 20,469	\$ --	\$ --	\$ 333,434	4.66%	\$ 2,034
2016	235,318	46,801	--	--	--	27,285	22,260	--	--	331,664	4.43%	2,006
2017	209,578	54,137	--	--	--	24,531	29,168	--	--	317,414	4.03%	1,910
2018	186,355	62,122	--	--	--	21,719	46,123	--	--	316,319	3.86%	1,894
2019	263,904	87,517	--	--	--	23,419	45,398	--	--	420,238	5.12% ²	2,510
2020	234,688	98,264	--	--	--	20,113	45,574	--	--	398,639	4.86% ²	2,381 ⁵
2021	288,319	97,387	--	--	--	17,659	43,778	--	--	447,143	5.45% ²	2,714 ⁶
2022	364,696	90,900	6,187 ⁸	--	--	15,175	41,662	355 ⁸	--	518,975	6.03% ³	3,150 ⁶
2023	401,375	83,965	4,785 ⁸	7,184 ⁷	20,462 ⁷	16,915	39,774	294 ⁸	--	574,754	5.98% ⁴	3,495 ⁷
2024	373,909	86,914	5,267	5,013	25,654	15,367	38,112	229	913	551,378	5.73% ⁴	3,353 ⁷

¹ Total Personal Income and Total Resident Population data can be found in the Schedule of Demographic and Economic Statistics on Table 12.

² Based on 2018 personal income, updated data not available at time of publication.

³ Based on 2019 personal income, updated data not available at time of publication. Source: Maui County Data Book 2020.

⁴ Based on 2021 census data.

⁵ Based on 2019 census data.

⁶ Based on 2020 census data.

⁷ Based on Maui County Data Book 21-22.

⁸ Correction made in FY2023 to include lease payable due to implementation of GASB 87 - *Leases* in FY22, GASB 96 - *SBITAs*, and Financed Purchases in FY23.

TABLE 10
COUNTY OF MAUI
RATIOS OF GENERAL OBLIGATIONS BOND DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA AMOUNT - UNAUDITED)

Fiscal Year	General Obligation Bonds ⁵	Percentage of Estimated Actual Taxable Value of Property ¹	Per Capita ²
2015	\$ 257,781	0.711%	\$ 1,573
2016	262,603	0.645%	1,588
2017	234,109	0.528%	1,409
2018	208,074	0.453%	1,246
2019	287,324	0.588%	1,716
2020	254,801	0.498%	1,522
2021	305,978	0.559%	1,857 ³
2022	379,871	0.702%	2,306 ³
2023	418,290	0.713%	2,539 ⁴
2024	389,276	0.553%	2,363 ⁴

¹ See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Table 6.

² Population data can be found in the Schedule of Demographic and Economic Statistics on Table 12.

³ 2021 - 2022 Population data not available at time of publication; Based on 2020 census data.

⁴ 2023 - 2024 Population data not available at time of publication; Based on 2022 census data.

⁵ Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.

**TABLE 11
COUNTY OF MAUI
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS - UNAUDITED)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit ¹	\$ 5,409,678	\$ 6,106,758	\$ 6,654,531	\$ 6,894,629	\$ 7,327,289	\$ 7,675,268	\$ 8,213,849	\$ 8,117,274	\$ 8,804,978	\$ 10,551,310
Debt applicable to limit	<u>270,320</u>	<u>265,325</u>	<u>250,137</u>	<u>237,695</u>	<u>336,374</u>	<u>320,702</u>	<u>358,849</u>	<u>415,671</u>	<u>418,290</u>	<u>336,158</u>
Legal debt margin ²	\$ <u>5,139,358</u>	\$ <u>5,841,433</u>	\$ <u>6,404,394</u>	\$ <u>6,656,934</u>	\$ <u>6,990,915</u>	\$ <u>7,354,566</u>	\$ <u>7,855,000</u>	\$ <u>7,701,603</u>	\$ <u>8,386,688</u>	\$ <u>10,215,152</u>
Debt applicable to the limit as a percentage of debt limit	5.00%	4.34%	3.76%	3.45%	4.59%	4.18%	4.37%	5.12%	4.75%	3.19%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessor's net taxable income	\$ 70,922,269
Less: 50% of valuation on appeal	<u>(580,205)</u>
Valuation for tax rate purpose	\$ <u>70,342,064</u>
Debt limit (15% of total assessed value)	\$ 10,551,310
Debt applicable to limit	<u>336,158</u>
Legal debt margin	\$ <u>10,215,152</u>

Notes:

¹ State finance statutes limit the County's outstanding general debt to no more than 15 percent of the net assessed value of property.

² The legal debt margin is the County's available borrowing authority under the state finance statutes and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit.

TABLE 12
COUNTY OF MAUI
DEMOGRAPHICS AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING - UNAUDITED)

Fiscal Year	Population	Personal Income (x\$1,000)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2015	164,904 ¹	7,162 ¹	43,633 ¹	41.0 ³	20,937	3.60%
2016	165,350 ¹	7,489 ¹	45,194 ¹	41.0 ³	21,010	3.00%
2017	166,146 ¹	7,879 ¹	47,322 ¹	41.0 ³	21,105	2.60% ¹
2018	166,972 ¹	8,204 ¹	49,040 ¹	41.0 ³	21,001	2.40% ¹
2019	167,417 ¹	8,600 ¹	51,348 ¹	41.0 ⁴	21,051	2.60% ¹
2020	164,754 ¹	8,827 ²	53,586 ²	N/A	20,366	18.00% ¹
2021	164,898 ²	9,615 ²	58,520 ²	N/A	N/A	N/A
2022	164,433 ²	N/A	N/A	N/A	N/A	N/A
2023	N/A	N/A	N/A	N/A	N/A	N/A
2024	N/A	N/A	N/A	N/A	N/A	N/A

¹ Maui County Data Book 2020

² Maui County Data Book 2022

³ U.S. Census Bureau; Median Age for 2014-2018

⁴ U.S. Census Bureau

N/A = Not Available

**TABLE 13
COUNTY OF MAUI
PRINCIPAL EMPLOYERS
FISCAL YEARS 2024 AND NINE YEARS AGO - (UNAUDITED)**

EMPLOYER ¹	2024 ¹			2015 ⁴		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
State of Hawaii	5,300 ²	1	6.29%	6,300	1	8.32%
County Government	2,499 ³	2	2.97%	2,399	2	3.17%
Grand Wailea-Waldorf Astoria	1,400 ¹	3	1.66%	1,400	4	1.85%
Ritz-Carlton-Kapalua	1,000 ¹	4	1.19%	1,000	5	1.32%
Federal Government	900 ²	5	1.07%	800	6	1.06%
Maui Memorial Medical Center	800 ¹	6	0.95%	800	6	1.06%
Four Seasons Resort Maui	800 ¹	6	0.95%	800	6	1.06%
Fairmont Kea Lani	700 ¹	7	0.83%			
Four Seasons Resort Lanai	700 ¹	7	0.83%	700	7	0.92%
Westin Maui Resort & Spa on Kaanapali Beach	700 ¹	7	0.83%	700	7	0.92%
Kea Lani Maui Restaurant	600 ¹	8	0.71%			
Adult Day Health By Hale Makua	500 ¹	9	0.59%			
Kaanapali Beach Club	500 ¹	9	0.59%	500	10	0.66%
Montage Kapalua Bay	500 ¹	9	0.59%			
Walmart	500 ¹	9	0.59%	500	10	0.66%
Royal Lahaina Resort	500 ¹	9	0.59%	500	10	0.66%
Wailea Beach Resort Marriott	420 ¹	10	0.50%			
Town Realty of Hawaii				2,001	3	2.64%
Hyatt Regency				600	8	0.79%
Maui Brand Sugar				800	6	1.06%
Grand Wailea Hotel & Spa				518	9	0.68%
Total	18,319		21.74%	20,318		26.82%

¹ Hawaii Business Research Library - Numbers and rank based on 2021 information.

² Hawaii Department of Business, Economic Development & Tourism, Monthly Economic Indicators. Data rounded to nearest 10.

Average based on January 2024 to August 2024 period. <https://dbedt.hawaii.gov/economic/mei/>.

³ County of Maui actual employee count from Table 14.

⁴ County of Maui, Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2015, Table 13 Principal Employers Fiscal 2015, pg. 155.

TABLE 14
COUNTY OF MAUI
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
(LAST TEN FISCAL YEARS - UNAUDITED)

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	529	527	525	538	590	552	562	552	549	580
Public safety										
Police										
Officers	359	371	370	356	337	332	321	302	297	303
Civilians	111	111	108	105	106	91	105	102	95	87
Fire and public safety										
Firefighters and officers	302	293	288	284	292	295	297	290	297	301
Civilians	13	14	76	77	77	77	76	79	93	105
Highways and streets										
Engineering	32	30	30	33	16	26	30	34	34	32
Maintenance	211	214	220	224	185	223	225	235	238	253
Sanitation	97	97	99	101	96	103	106	110	115	109
Social welfare	101	108	111	103	100	108	106	113	100	104
Culture and recreation	332	348	282	293	293	293	297	305	315	319
Sewer	112	110	116	113	110	118	115	112	113	110
Department of Water Supply	<u>200</u>	<u>196</u>	<u>205</u>	<u>196</u>	<u>200</u>	<u>199</u>	<u>196</u>	<u>192</u>	<u>194</u>	<u>196</u>
Total	<u>2,399</u>	<u>2,419</u>	<u>2,430</u>	<u>2,423</u>	<u>2,402</u>	<u>2,417</u>	<u>2,436</u>	<u>2,426</u>	<u>2,440</u>	<u>2,499</u>

Source: Annual Government Survey submitted by Payroll.

TABLE 15
COUNTY OF MAUI
OPERATING INDICATORS BY FUNCTION
(LAST TEN FISCAL YEARS - UNAUDITED)

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Physical arrests	9,912	9,672	9,631	9,533	8,662	7,532	7,552	7,996	6,407	5,103
Parking violations	9,235	2,743	12,331	12,277	10,371	9,436	8,117	12,412	11,366	4,702
Fire										
Number of calls answered	10,714	10,931	11,275	12,167	12,740	12,088	12,033	13,778	14,788	17,399
Inspections	901	557	610	567	724	830	1,280	1,173	1,727	1,611
Highways and streets										
Street resurfacing (miles)	23	25	19	16	23	17	19	22	7	10
Sanitation										
Refuse collected (tons/day)	479	507	570	597	614	650	757	811	794	784
Recyclables collected (tons/day)	162	283	314	178	187	137	57 ²	26 ²	25	28
Culture and recreation										
Athletic field permits issued	711	719	424	463	516	358	340 ¹	363	390	393
Camping center permits issued	2,203	1,978	994	848	891	912	-- ¹	337	584	429
Community center permits issued	2,448	2,094	2,412	1,804	1,910	1,358	240 ¹	472	1,629	1,613
Water										
New connections	64	107	154	250	104	350	109	164	88	72
Water main breaks	174	147	40	164	206	308	287	259	331	77
Average daily consumption (thousands of gallons)	33,771	32,289	31,962	32,870	31,045	33,190	33,390	34,135	32,468	31,579
Wastewater										
Average daily sewage treatment (thousands of gallons)	13,067	13,309	14,047	14,119	13,848	13,431	12,791	13,968	14,287	13,301

Sources: Various County departments.

¹ The pandemic created unprecedented facility closures, cancellations, and process modifications to permit processing - all which have resulted in significant manpower hours not reflected in the totals.

² Number decreased due to temporarily stopped diverting green waste.

TABLE 16
COUNTY OF MAUI
CAPITAL ASSET STATISTICS BY FUNCTION
(LAST TEN FISCAL YEARS - UNAUDITED)

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public safety:										
Police:										
Stations	6	6	6	6	6	6	6	6	6	6
Patrol units	6	6	6	26 ¹	26 ¹	26 ¹	26 ¹	26 ¹	26 ¹	26 ¹
Fire stations	14	14	14	14	14	14	14	14	14	14
Sanitation:										
Collection trucks	33	34	34	32	32	38	35	34	32	31
Highways and streets:										
Streets (miles)	568	569	570	570	577	577	577	577	579	580
Street lights	4,720	4,954	4,894	4,912	4,959	4,963	4,960	4,960	4,994	5,007
Traffic signals	35	35	35	35	35	35	35	35	38	38
Culture and recreation:										
Parks acreage	2,154	2,212	2,506	2,545	2,547	2,543	2,586	2,637	2,635	2,635
(includes underdeveloped parks)	144	148	150	159	158	159	160	161	163	162
Parks	9	9	9	9	9	9	8	8	8	8
Swimming pools	53	53	53	53	49	48	46	44	46	46
Tennis courts	22	22	22	22	21	21	21	21	20	20
Community centers										
Other enterprise:	1	1	1	1	1	1	1	1	1	1
Golf course										
Water:	7,122	7,366	7,443	7,317	7,362	7,418	7,441	7,440	7,515	7,554
Fire hydrants/stand pipes										
Maximum daily capacity	52,800	59,890	60,100	60,098	57,791	54,098	54,484	51,383	52,933	51,732
(thousands of gallons)										
Sewer:	249.8	259.5	261.1	258.9	259.2	264.7	251.4	261.9	262.3	266.6
Sanitary sewers (miles)										
Maximum daily treatment capacity	25,700	25,700	25,700	25,700	25,700	25,700	25,700	25,700	25,700	25,700
(thousands of gallons)										

Source: Various County departments.

¹ Patrol beats.

APPENDIX B

PROPOSED FORM OF BOND COUNSEL OPINION

[Closing Date]

County of Maui
Wailuku, Maui, Hawaii

\$ _____
County of Maui
General Obligation Bonds
Series 2025

Ladies and Gentlemen:

We have acted as bond counsel to the County of Maui (the “County”) in connection with the issuance by the County of the above-captioned bonds (the “Bonds”), pursuant to the provisions of Article VII, Sections 12 and 13 of the Constitution of the State of Hawaii and Chapter 47, Hawaii Revised Statutes (the “Bond Law”), the Certificate of the Director of Finance of the County of Maui, Providing for the Issuance and Sale and Fixing the Form and Details of \$ _____ Principal Amount of General Obligation Bonds; Confirming the Sale Thereof; and Other Related Matters (the “Certificate”), and bond authorizing ordinances adopted by the Council of the County and identified in the Certificate (the “Bond Ordinances”).

In such connection, we have reviewed the Bond Ordinances, the Certificate, the Tax Certificate of the County dated the date hereof (the “Tax Certificate”), an opinion of the Corporation Counsel of the County, certificates of the County and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

Certain agreements, requirements and procedures contained or referred to in the Bond Ordinances, the Certificate, the Tax Certificate and other relevant documents may be changed and certain actions (including, without limitation, refunding of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update, revise or supplement this letter to reflect any action hereafter taken or not taken, or any facts or circumstances that may hereafter come to our attention, or changes in law or in interpretations thereof that may hereafter occur, or for any other reason. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the County. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Bond Ordinances, the Certificate and the Tax Certificate,

including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Bond Ordinances, the Certificate and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases, and to the limitations on legal remedies against counties in the State of Hawaii. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum or waiver provisions contained in the foregoing documents. Finally, we undertake no responsibility for the accuracy, completeness or fairness of any official statement or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute valid and binding general obligations of the County.
2. The Certificate has been duly executed and delivered by the Director of Finance; and the Certificate constitutes the valid and binding obligation of the County.
3. Under the Bond Law, the County is obligated to levy ad valorem taxes, without limitation as to rate or amount, for the payment of the Bonds and the interest thereon, upon all the real property within the County subject to taxation by the County.
4. Under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described below, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

The Code establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that, for federal income tax purposes, interest on the Bonds be not included in gross income pursuant to Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Bonds, restrictions on the investment of proceeds of the Bonds prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds to become subject to federal income taxation retroactive to their date of issue, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of delivery of the Bonds, the County will execute the Tax Certificate containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the County covenants that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest paid on the Bonds will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in paragraph 4 hereof, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of interest paid on the Bonds,

and (ii) compliance by the County with the procedures and covenants set forth in the Tax Certificate as to such tax matters.

5. Under existing statutes, interest on the Bonds and the income therefrom are exempt from all taxation by the State of Hawaii or any county or other political subdivision thereof except inheritance, transfer and estate taxes.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated in paragraphs 4 and 5 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

Respectfully yours,

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APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”), is executed and delivered by the County of Maui (the “County”) in connection with the issuance of its \$_____ County of Maui General Obligation Bonds, Series 2025 (the “Bonds”). The Bonds are being issued pursuant to a Certificate of the Director of Finance of the County, dated August __, 2025 (the “Issuance Certificate”), and the Bond Ordinances identified therein. The County covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the County and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (as defined below).

SECTION 2. Definitions. In addition to the definitions set forth in the Issuance Certificate, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Filing Date” means the date, set in Section 3(a), by which the Annual Report is to be filed with the Repository.

“Annual Report” means any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Business Day” means any day other than a Saturday, Sunday or other day on which County offices generally are not open for business.

“Disclosure Representative” means the Director of Finance of the County, or his or her designee, or such other person as the County shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing information to the Dissemination Agent.

“Dissemination Agent” means Digital Assurance Certification, L.L.C., or any successor Dissemination Agent designated in writing by the County and which has filed with the County a written acceptance of such designation.

“Failure to File Event” means the County’s failure to file an Annual Report on or before the Annual Filing Date.

“Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Holder” or “Bondholder” means any registered owner of Bonds as shown on the books of registration kept by the Registrar.

“Listed Events” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” means the Official Statement of the County dated August 17, 2022, relating to the Bonds.

“Participating Underwriter” means any “participating underwriter” of the Bonds within the meaning of the Rule required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Hawaii.

SECTION 3. Provision of Annual Reports.

(a) The County shall, or shall cause the Dissemination Agent to, not later than 240 days after the end of each fiscal year of the County (presently June 30), commencing with the report for the fiscal year ending June 30, 2025, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Such date and each anniversary thereof are the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross reference other information as provided in Section 4 of this Disclosure Certificate. For so long as MSRB is the Repository, each Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the Repository, and may include by cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b). The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

(b) In a timely manner prior to the date specified in subsection (a) above, the County shall provide the Annual Report to the Dissemination Agent. If on the fifteenth (15th) day prior to the filing date described in subsection (a) above the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by electronic mail) to remind the County of its undertaking to provide the Annual Report pursuant to subsection (a) above. Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report no later than one (1) business day prior to the Annual Filing Date, or (ii) instruct the Dissemination Agent in writing that the County will not be able to file the Annual Report within the time required under this Disclosure Certificate, state the date by which the Annual Report for such year will be provided and instruct the Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as **Exhibit A**.

(c) If the Dissemination Agent has not received an Annual Report by 8:00 p.m. Eastern time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first

business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the County irrevocably directs the Dissemination Agent to immediately send a notice to the Repository in substantially the form attached as Exhibit A without reference to the anticipated filing date for the Annual Report.

(d) The Dissemination Agent shall file a report with the County certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided.

SECTION 4. Content of Annual Reports. The County's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the County's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Information of the type included in the Official Statement in Tables 3, 4, 5, 6, 7, 12 through 26, 39, 44 and 46, in each case to the extent such information is historical and not projections.

The County has not undertaken in this Disclosure Certificate to provide all information an investor may want to have in making decisions to buy, hold or sell the Bonds, but only to provide the information specified above. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the County or related public entities, which have been submitted to the Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The County shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Listed Events.

(a) The County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of bondholders, if material;
8. Bond calls, if material, and tender offers;

9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the County;
13. Consummation of a merger, consolidation, or acquisition involving any Member of the Obligated Group or the sale of all or substantially all of the assets of any Member of the Obligated Group, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or paying agent or the change of name of the trustee or paying agent, if material;
15. Incurrence of a Financial Obligation of the County, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the County, any of which reflect financial difficulties.

Note: for the purposes of the event identified in subparagraph (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Upon occurrence of a Listed Event with respect to the Bonds, the County shall, or shall cause the Dissemination Agent to, in a timely manner not in excess of ten business days after the occurrence of the event, file a notice of such occurrence with the Repository in electronic format, accompanied by such identifying information as is prescribed by the Repository. If provided to the Dissemination Agent for filing, such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (c). Such notice shall identify the Listed Event that has occurred, include the text of the disclosure that the County desires to make, contain the written authorization of the County for the Dissemination Agent to disseminate such information, and identify the date the County desires for the Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Listed Event).

(c) The Dissemination Agent is under no obligation to notify the County or the Disclosure Representative of an event that may constitute a Listed Event. In the event the Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Listed Event), instruct the Dissemination Agent that (i) a Listed Event has not occurred and no filing is to be made or (ii) a Listed Event has occurred and the Dissemination Agent is to report the occurrence pursuant to subsection (d) of this Section 5. Such written instructions shall identify the Listed Event that has occurred, include the text of the disclosure that the County desires to make, contain the written authorization of the County for the Dissemination Agent to

disseminate such information, and identify the date the County desires for the Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Listed Event).

(d) If the Dissemination Agent has been instructed by the County as prescribed in subsection (b) or (c)(ii) of this Section 5 to report the occurrence of a Listed Event, the Dissemination Agent shall promptly file a notice of such occurrence with the Repository in accordance with subsections (b) or (c)(ii) hereof, as applicable.

SECTION 6. Termination of Reporting Obligation. The County's obligations under this Disclosure Certificate shall terminate upon the legal defeasance or payment in full of all of the Bonds.

SECTION 7. Dissemination Agent. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be Digital Assurance Certification, L.L.C. ("DAC").

The County may, upon thirty days written notice to the Dissemination Agent, replace or appoint a successor Dissemination Agent. The Dissemination Agent may resign at any time by providing thirty days' prior written notice to the County. Upon termination of DAC's services as Dissemination Agent, whether by notice of the County or DAC, the County agrees to appoint a successor Dissemination Agent or, alternately, agrees to assume all responsibilities of Dissemination Agent under this Disclosure Certification for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the County shall remain liable until payment in full for any and all sums owed and payable to the Dissemination Agent.

The services provided by DAC under this Disclosure Certificate solely relate to the execution of instructions received from the County through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the County or anyone on the County's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Certificate shall be interpreted to the contrary.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the County may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of a majority in aggregate principal amount of the Bonds, or (ii) does not, in the opinion of the County, materially impair the interests of the Holders or Beneficial Owners of the Bonds;

provided that the Dissemination Agent shall not be obligated to agree to any amendment modifying its duties or obligations without its prior written consent.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(b) or (c)(ii), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the County chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the County shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Remedies. In the event of a failure of the County to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, to cause the County to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Issuance Certificate or the Bond Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the County to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the County has provided such information to the Dissemination Agent as required by this Disclosure Certificate. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the County and shall not be deemed to be acting in any fiduciary capacity for the County, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the County's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the County has complied with this Disclosure Certificate. The Dissemination Agent may conclusively rely upon disclosures or notice of the County at all times.

The County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities because of the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. CUSIP Numbers. Whenever providing information to the Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements and notices of Listed Events, the County shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 14. Governing Law. This Disclosure Certificate shall be governed by the laws of the State of Hawaii (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Dated: August __, 2025

COUNTY OF MAUI

By: _____
Director of Finance

Acknowledged and agreed to by:

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
As Dissemination Agent

By: _____
Authorized Representative

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: County of Maui

Name of Bond Issue: County of Maui, General Obligation Bonds Series 2025

Date of Issuance: August __, 2025

NOTICE IS HEREBY GIVEN that the County has not provided an Annual Report with respect to the above-named Bonds as required by its Continuing Disclosure Certificate, dated August __, 2025, providing for the issuance of such Bonds. The County anticipates that the Annual Report will be filed by

Dated: _____

COUNTY OF MAUI

By: _____
Authorized Representative

APPENDIX D

BOOK-ENTRY SYSTEM

The information in numbered paragraphs 1-10 of this Appendix D, concerning The Depository Trust Company (“DTC”) and DTC’s book-entry system, has been furnished by DTC for use in official statements and the County and the Paying Agent take no responsibility for the completeness or accuracy thereof. The County and the Paying Agent cannot and do not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest or principal with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company (“DTC”) will act as securities depository for the bonds (the “Bonds”). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each issue of the Bonds, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners.

Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

10. The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

