

MICHAEL P. VICTORINO  
Mayor

JEFFREY T. PEARSON, P.E.  
Director

HELENE KAU  
Deputy Director



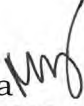
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2019 APR 12 PM 4: 27

DEPARTMENT OF WATER SUPPLY  
COUNTY OF MAUI  
200 SOUTH HIGH STREET  
WAILUKU, MAUI, HAWAII 96793

OFFICE OF THE  
COUNTY COUNCIL

April 12, 2019

Ms. Michele M. Yoshimura   
Budget Director, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Honorable Michael P. Victorino  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

  
\_\_\_\_\_  
Mayor 4/12/19  
Date

For Transmittal to:

Honorable Keani Rawlins-Fernandez  
Chair, Economic Development & Budget Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez:

SUBJECT: **FISCAL YEAR ("FY") 2020 BUDGET** (WS-6) (EDB-1)

In response to your letter dated April 2, 2019, we respond as follows:

\$ 35,000	Annual Independent Financial Audit	December, 2019
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The Annual Independent Financial Audit is necessary to ensure that the Department of Water Supply's (DWS) financial statements are free from material misstatement due to fraud or error. The DWS operates as a proprietary fund and maintains its accounting and financial reporting independently as an agency of the County of Maui. The DWS financials present the financial position and cash flows of DWS as a separate entity and are audited as such.

*"By Water All Things Find Life"*

Honorable Keani Rawlins-Fernandez  
Chair, Economic Development & Budget Committee  
Maui County Council  
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\$100,000                      Rate Study                      July/August, 2019

The Rate Study is necessary to evaluate appropriate revenue generating methods to ensure equitability for consumers and long-term viability for DWS. The last Rate Study update was performed in 2013.

\$150,000                      Strategic Plan Phase II                      July/August, 2019

DWS has begun the process of stepping back from daily operations and evaluating where we are headed and what our priorities need to be. Strategic Plan Phase II is necessary to arrive at a formalized, documented organizational management process to analyze our current situation, set priorities, and establish how we will focus energy and resources to achieve and maintain organizational goals.

\$ 15,000                      Miscellaneous                      For Contingencies

This appropriation is necessary to ensure successful completion of various smaller projects that may arise in daily operations. This funding has historically been used for services including audit contract amendments, court reporter fees, and legislative tracking.

In advance, thank you for your attention to this matter. If you have any further questions, please contact me.

Sincerely,



JEFFREY T. PEARSON, P.E.  
Director

JP:HK:ikk