

ORDINANCE NO. _____

BILL NO. 47 (2023)

A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE OFFICE OF THE AUDITOR, STATE OF HAWAII, FOR ASSISTANCE WITH MEETING REPORTING REQUIREMENTS UNDER GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT NO. 75, ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

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

SECTION 1. Purpose. The County of Maui, (“Employer”), would like assistance from the State of Hawaii, Office of the Auditor (“Auditor”) in conducting an audit of the schedule of changes in fiduciary net position by employer and related notes to the schedule of the Hawaii Employer-Union Health Benefits Trust Fund (“EUTF”) and an examination report on census data for the fiscal years ending June 30, 2023, 2024 and 2025, from actuarial information received from the actuary for the EUTF. The information will assure that the employer meets reporting requirements under Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Accordingly, the employer desires to enter into the Memorandum of Understanding (“MOU”), which is attached hereto as Exhibit “1.” The MOU places a financial obligation on the County in the amount of \$4,200.00 for Fiscal Year 2023, \$4,300.00 for Fiscal Year 2024, and \$4,400.00 for Fiscal Year 2025.

Section 2.20.020, Maui County Code, provides that, unless authorized by ordinance, the Mayor may not enter into any intergovernmental agreement or any amendment that places a financial obligation upon the County or any County department or agency.

SECTION 2. Council Authorization. The Council of the County of Maui hereby authorizes the Mayor, or his authorized representative to execute the attached MOU, and all other necessary documents relating to the MOU, and any amendments thereto.

SECTION 3. Effective date. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM
AND LEGALITY:



CALEB P. ROWE
Deputy Corporation Counsel
County of Maui
LF2018-1383

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Alice L. Lee".

ALICE L. LEE
Upon the request of the Mayor.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is effective as of _____ by and between the OFFICE OF THE AUDITOR, STATE OF HAWAII ("Auditor"), and the COUNTY OF MAUI ("Employer").

RECITALS

- A. The state and county government employers identified below (the "employers") have requested assistance from Auditor in conducting an audit of the schedule of changes in fiduciary net position by employer and related notes to the schedule of the Hawai'i Employer-Union Health Benefits Trust Fund ("EUTF") and an examination report on census data for the fiscal years ending June 30, 2023, 2024, and 2025, from actuarial information received from the actuary for EUTF. The information is provided to meet reporting requirements under Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.
- 1) State of Hawai'i
 - 2) City and County of Honolulu
 - 3) County of Maui
 - 4) County of Kaua'i
 - 5) County of Hawai'i
 - 6) Board of Water Supply, City and County of Honolulu
 - 7) Department of Water Supply, County of Hawai'i
 - 8) Department of Water, County of Kaua'i
 - 9) Honolulu Authority for Rapid Transportation
- B. Auditor is willing to authorize KKDLY LLC ("KKDLY"), the contract auditor for ERS, to conduct the audits of the above-mentioned schedule and information.
- C. The purpose of this MOU is to provide for payment by Employer to Auditor as authorized under section 23-3.5, Hawai'i Revised Statutes, for the above-mentioned audited schedule and information to meet the reporting requirements of GASB Statement No. 75.

TERMS AND CONDITIONS

1. Upon execution of this MOU, Auditor shall instruct KKDLY to audit the schedule and information to meet the reporting requirements of GASB Statement No. 75 for Employer's Annual Comprehensive Financial Report for the fiscal years ending June 30, 2023, 2024, and 2025.
2. The cost to Employer for the audit for the fiscal years ending June 30, 2023, 2024, and 2025, will be FOUR THOUSAND TWO HUNDRED DOLLARS AND NO CENTS (\$4,200.00) for FY2023; FOUR THOUSAND THREE HUNDRED DOLLARS AND NO CENTS (\$4,300.00) for FY2024; and FOUR THOUSAND FOUR HUNDRED DOLLARS AND NO CENTS (\$4,400.00) for FY2025.

Exhibit "1"

3. Auditor shall pay KKDLY for services rendered and will invoice Employer for its allocation of the audit costs paid by Auditor under the contract between Auditor and KKDLY.
4. Employer shall pay Auditor the amount of the invoice within sixty (60) days after the invoice date.
5. This MOU may be amended or modified only by a written agreement signed by both parties.

IN WITNESS WHEREOF, the parties have executed this MOU as of the last date written below.

**OFFICE OF THE AUDITOR
STATE OF HAWAI'I**

**EMPLOYER:
COUNTY OF MAUI**

By: _____
Leslie H. Kondo
State Auditor

By: _____
Richard T. Bissen, Jr.
Mayor

Date: _____

Date: _____

By: _____
Scott K. Teruya
Director of Finance

Date: _____

APPROVED AS TO FORM:

By: _____
Deputy Corporation Counsel
County of Maui

Date: _____

DIGEST

ORDINANCE NO. _____
BILL NO. 47 (2023)

A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE OFFICE OF THE AUDITOR, STATE OF HAWAII, FOR ASSISTANCE WITH MEETING REPORTING REQUIREMENTS UNDER GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT NO. 75, ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

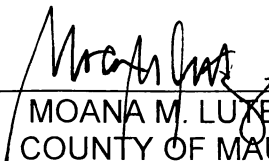
This bill proposes to authorize the Mayor to enter into an intergovernmental agreement with the Office of the Auditor, State of Hawaii, to 1) conduct an audit for Fiscal Years 2023, 2024, and 2025, of the Hawaii Employer-Union Health Benefits Trust Fund to meet the reporting requirements under Governmental Accounting Standards Board Statement Number 75; and 2) authorize payment of \$4,200, \$4,300, and \$4,400 for the respective fiscal years by the County of Maui.

I, MOANA M. LUTEY, County Clerk of the County of Maui, State of Hawaii, DO HEREBY CERTIFY that the foregoing BILL NO. 47 (2023) was passed on First Reading by the Council of the County of Maui, State of Hawaii, on the 23rd day of May, 2023, by the following vote:

AYES: Councilmembers Tom Cook, Gabriel Johnson, Natalie A. Kama, Tamara A. M. Paltin, Keani N. W. Rawlins-Fernandez, Shane M. Sinenci, Yuki Lei K. Sugimura, Nohelani U'u-Hodgins, and Chair Alice L. Lee.

NOES: None.

DATED at Wailuku, Maui, Hawaii, this 24th of May, 2023.



MOANA M. LUTEY, COUNTY CLERK
COUNTY OF MAUI, STATE OF HAWAII

Copies of the foregoing Bill, in full, are on file in the Office of the County Clerk, County of Maui, for use and examination by the public.