

ALAN M. ARAKAWA  
MAYOR



KEITH A. REGAN  
MANAGING DIRECTOR

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OFFICE OF THE  
COUNTY COUNCIL

RECEIVED

## OFFICE OF THE MAYOR

Ke'ena O Ka Meia  
COUNTY OF MAUI – Kalana O Maui

March 29, 2017

Honorable Alan M. Arakawa  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Riki Hokama  
Chair, Budget and Finance Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Hokama:

**SUBJECT: FISCAL YEAR ("FY") 2018 BUDGET (BF-1)**

It was discovered that there was error with the Department of Finance's Accounts Division Performance Measures that were included in the FY 2018 Mayor's Proposed Program Budget. Please replace the pages with those provided herewith.

Thank you for your attention to this matter. Should you have any questions, please feel free to contact me at Ext. 7212.

Sincerely,

The signature of Lynn Araki-Regan, which is a stylized, handwritten 'L' and 'R' intertwined.  
LYNN ARAKI-REGAN  
Budget Director

Attachment  
xc: Mayor Alan M. Arakawa



# ACCOUNTS PROGRAM

This program consists of the Accounts Division, which is responsible for processing accounts payable, payroll functions, managing the financial reporting for the county, and for the preparation of the Comprehensive Annual Financial Report (CAFR).

## POPULATION SERVED

The Accounts Program serves county vendors, employees, citizens of the County of Maui, county bondholders and banking institutions.

## SERVICES PROVIDED

The Accounts Program provides centralized accounting and financial reporting for all county operations, accounts payable, fixed assets, and payroll processing and administration.

### The Accounts Program Supports the Following Countywide Outcomes:



Strong and Diversified Economy



Responsive, Effective and Efficient Government

| PROGRAM DASHBOARD  |         |                  |              |
|--|---------|------------------|--------------|
| KEY DATA   | FY 2016 | FY 2017 Estimate | FY 2018 Goal |
| 1. Number of findings of "material weakness" in the annual CAFR                                    | 0       | 0                | 0            |
| 2. Percent of departments audited annually (payroll audits)  | 95%     | In Process       | 100%         |
| 3. Percent of accounts payable transactions processed within 14 calendar days from date of receipt | 100%    | 100%             | 100%         |



## KEY PERFORMANCE MEASURES

| GOALS/OBJECTIVES   | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|--|---|----------------|------------------|------------------|
| <i>Goal #1: Using appropriate accounting procedures, prepare timely, reliable, accurate and user friendly financial reports/documents employing best-recognized accounting principles and standards.</i> |   |                |                  |                  |
| 1. Prepare the CAFR consistent with the criteria established by the GFOA for its Certificate of Achievement for Excellence in Financial Reporting Program  | Receive the Certification of Achievement for Excellence in Financial Reporting                      | In Process     | Yes              | Yes              |
|  | Complete annual CAFR by December 31 <sup>st</sup>   | Yes            | Yes              | Yes              |
| 2. Ensure that the CAFR accurately reports the financial condition of the County of Maui   | Receive a "clean" auditor opinion on the CAFR   | Yes            | Yes              | Yes              |
|  | # of findings of "material weakness" in the annual CAFR   | 0              | 0                | 0                |
| 3. Timely completion of the Single Audit Report  | Single Audit Report completed by March 31 <sup>st</sup>   | Yes            | Yes              | Yes              |
| 4. No "material weaknesses" found in the Auditor's findings on the Single Audit Report   | # of "material weaknesses" found in the Single Audit Report   | 0              | 0                | 0                |
| <i>Goal #2: Maintain the integrity of the county accounting system to ensure that accurate and timely financial and accounting information is provided to all county departments.</i>                    |   |                |                  |                  |
| 1. Complete the monthly closing process within ten business days of the month-end  | % of monthly closing processes completed within ten business days of the month-end                  | 100%           | 100%             | 100%             |
|  | % of month-end financial reports completed and accessible within ten business days of the month end | 100%           | 100%             | 100%             |
| 1. Reconcile all bank accounts (excluding payroll), including identifying and resolving all general ledger reconciliation discrepancies within 30 days from completion of the bank reconciliation report | % of bank accounts reconciled within a month from receipt of bank statement                         | 93%            | 95%              | 95%              |

**KEY PERFORMANCE MEASURES (CONT'D)**

| GOALS/OBJECTIVES  | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|---|---|----------------|------------------|------------------|
| <i>Goal #2: Maintain the integrity of the county accounting system to ensure that accurate and timely financial and accounting information is provided to all county departments. (Cont'd)</i>                  |   |                |                  |                  |
| 2. Transmit quarterly reports to the County Council by the deadlines set by the Maui County Code (MCC) Chapter 3.08   | % of quarterly reports completed and transmitted within the deadlines set by the MCC      | 100%           | 100%             | 100%             |
| <i>Goal #3: Enhance the internal control processes of the payroll system to ensure accuracy and reliability of payroll records.</i>   |   |                |                  |                  |
| 1. Process payroll by established pay dates while reducing payroll transaction error rates  | % of payroll processed within the established pay dates                                   | 100%           | 100%             | 100%             |
|   | % of payroll checks processed with error (voided checks) is ≤ 1% annually                 | ≤ 1%           | ≤ 1%             | ≤ 1%             |
| 2. Reconcile payroll bank account within 30 days from receipt of the bank statement   | % of payroll bank account reconciled within 30 days from receipt of bank statement        | 0%             | 0%               | 100%             |
| 3. Process payroll checks accurately by reducing payroll transaction error rate and manual payroll payments generated   | % of payroll overpayment checks processed annually  | ≤ 1%           | ≤ 1%             | ≤ 1%             |
|   | % of manual checks cut vs. system generated checks  | ≤ 1%           | ≤ 1%             | ≤ 1%             |
| 4. Conduct department-wide payroll audits   | % of departments audited annually   | 95%            | In process       | 100%             |
| 5. Timely processing of Workers Compensation claims   | Avg. number of claims processed per month   | N/A            | 30               | 30               |
| <i>Goal #4: Ensure timely, accurate and efficient disbursement of payments, maintenance of payment archival records &amp; inventory system, and preparation and filing of year-end tax information returns.</i> |   |                |                  |                  |
| 1. Maintain the % of accounts payable transactions processed within 14 calendar days from the date of receipt   | % of accounts payable transactions processed within 14 calendar days from date of receipt | 100%           | 100%             | 100%             |
| 2. Prepare and file year-end tax information returns timely   | % of 1099-Misc/Interest Forms completed prior to due date                                 | 100%           | 100%             | 100%             |
| 3. Reconcile all fixed assets in the county's database system   | Complete fixed asset reconciliation annually  | Yes            | Yes              | Yes              |



## KEY PERFORMANCE MEASURES (CONT'D)

| GOALS/OBJECTIVES   | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|--|---|----------------|------------------|------------------|
| <i>Goal #5: Improve customer satisfaction through strengthened delivery of accounting and payroll services.</i>  |   |                |                  |                  |
| 1. Conduct departmental payroll "Super User" meetings quarterly  | # of quarterly "Super User" meetings held   | 3              | 4                | 4                |
| 2. Respond to customer inquiries and complaints timely   | % of payroll inquiries and/or complaints resolved within two business days                          | 95%            | 95%              | 95%              |
|  | % of accounts payable inquiries and/or complaints resolved within an average of three business days | 100%           | 100%             | 100%             |
|  | % of general ledger inquiries and/or complaints resolved within two business days                   | 100%           | 100%             | 100%             |
| 3. Increase timeliness of turn-around time for contract/grant certifications   | Average number of days for processing of contract/grant certifications ≤ five business days         | N/A            | ≤ 5              | ≤ 5              |
| <i>Goal #6: Develop and advocate policies, procedures, standards and practices that promote improved countywide fiscal management.</i>   |   |                |                  |                  |
| 1. Provide departments with training on fiscal, accounting, compliance, and internal controls to improve and promote sound business practices  | Provide quarterly departmental training sessions  | 2              | 2                | 2                |
| 2. Provide departments and agencies with access to financial management, accounting guidelines and regulations   | # of accounting policies and procedures published in the county's Intranet annually                 | 2              | 2                | 2                |
| 3. Review divisional staff workload/processes to identify areas where strategic changes can be implemented to reduce overtime  | # of process areas identified for improvement annually  | 3              | 2                | 3                |
| <i>Goal #7: Focus on recruiting, training, and retaining a diverse workforce of employees to work in a welcoming environment that promotes trust, recognition, and accountability.</i> |   |                |                  |                  |
| 1. Reduce the annual employee turnover rate  | Divisional employee turnover rate   | 11%            | 10%              | 10%              |



## KEY PERFORMANCE MEASURES (CONT'D)

| GOALS/OBJECTIVES  | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|---|---|----------------|------------------|------------------|
| <i>Goal #7: Focus on recruiting, training, and retaining a diverse workforce of employees to work in a welcoming environment that promotes trust, recognition, and accountability. (Cont'd)</i> |   |                |                  |                  |
| 2. Improve efficiency by annually evaluating staffing levels and positions  | % of position descriptions reviewed annually                                | 72%            | 90%              | 100%             |
| 3. Increase employee satisfaction through enhanced employee recognition program   | Improvement in "% satisfied" results on annual Employee Satisfaction Survey | Yes            | Yes              | Yes              |
| 4. Ensure that all employee performance appraisals are current  | % of employees for whom performance appraisals are current                  | 96%            | 100%             | 100%             |



# ACCOUNTS PROGRAM

This program consists of the Accounts Division, which is responsible for processing accounts payable, payroll functions, managing the financial reporting for the county, and for the preparation of the Comprehensive Annual Financial Report (CAFR).

## POPULATION SERVED

The Accounts Program serves county vendors, employees, citizens of the County of Maui, county bondholders and banking institutions.

## SERVICES PROVIDED

The Accounts Program provides centralized accounting and financial reporting for all county operations, accounts payable, fixed assets, and payroll processing and administration.

### The Accounts Program Supports the Following Countywide Outcomes:



Strong and Diversified Economy



Responsive, Effective and Effective Government

| PROGRAM DASHBOARD  |         |                  |              |
|--|---------|------------------|--------------|
| KEY DATA   | FY 2016 | FY 2017 Estimate | FY 2018 GOAL |
| 1. Number of findings of "material weakness" in the annual CAFR                                    | 0       | 0                | 0            |
| 2. Percent of departments audited annually (payroll audits)  | 95%     | In Process       | 100%         |
| 3. Percent of accounts payable transactions processed within 14 calendar days from date of receipt | 100%    | 100%             | 100%         |



## BUDGET AND STAFF RESOURCES - GENERAL FUND

| CHARACTER/<br>OBJECT DESCRIPTION | 2015<br>ACTUAL     | 2016<br>ACTUAL     | 2017 AS<br>AMENDED* | 2018<br>PROPOSED   | CHANGE<br>AMOUNT  | CHANGE<br>PERCENT |
|----------------------------------|--------------------|--------------------|---------------------|--------------------|-------------------|-------------------|
| <b>Salaries and Wages</b>        |                    |                    |                     |                    |                   |                   |
| OTHER PREMIUM PAY                | \$58,868           | \$97,602           | \$38,250            | \$41,050           | \$2,800           | 7.3%              |
| WAGES & SALARIES                 | \$875,701          | \$848,431          | \$1,042,300         | \$1,004,632        | -\$37,668         | -3.6%             |
| <b>Salaries and Wages Total</b>  | <b>\$934,569</b>   | <b>\$946,033</b>   | <b>\$1,080,550</b>  | <b>\$1,045,682</b> | <b>-\$34,868</b>  | <b>-3.2%</b>      |
| <b>Operations</b>                |                    |                    |                     |                    |                   |                   |
| MATERIALS & SUPPLIES             | \$25,418           | \$7,014            | \$23,350            | \$15,850           | -\$7,500          | -32.1%            |
| OTHER COSTS                      | \$27,168           | \$24,689           | \$26,250            | \$26,250           | \$0               | N/A               |
| SERVICES                         | \$304,834          | \$331,811          | \$502,200           | \$357,200          | -\$145,000        | -28.9%            |
| TRAVEL                           | \$6,424            | \$8,412            | \$8,100             | \$8,100            | \$0               | N/A               |
| UTILITIES                        | \$1,530            | \$1,210            | \$2,000             | \$2,000            | \$0               | N/A               |
| <b>Operations Total</b>          | <b>\$365,373</b>   | <b>\$373,136</b>   | <b>\$561,900</b>    | <b>\$409,400</b>   | <b>-\$152,500</b> | <b>-27.1%</b>     |
| <b>Equipment</b>                 |                    |                    |                     |                    |                   |                   |
| MACHINERY & EQUIPMENT            | \$2,676            | \$2,837            | \$3,000             | \$0                | -\$3,000          | -100.0%           |
| <b>Equipment Total</b>           | <b>\$2,676</b>     | <b>\$2,837</b>     | <b>\$3,000</b>      | <b>\$0</b>         | <b>-\$3,000</b>   | <b>-100.0%</b>    |
| <b>Program Total</b>             | <b>\$1,302,619</b> | <b>\$1,322,006</b> | <b>\$1,645,450</b>  | <b>\$1,455,082</b> | <b>-\$190,368</b> | <b>-11.6%</b>     |

\*Includes FY 2017 approved budget amendments through February 28, 2017

## EQUIVALENT PERSONNEL SUMMARY - GENERAL FUND

| POSITION<br>TITLE                       | 2015<br>ADOPTED | 2016<br>ADOPTED | 2017 AS<br>AMENDED* | 2018<br>PROPOSED | CHANGE<br>AMOUNT | CHANGE<br>PERCENT |
|---|-----------------|-----------------|---------------------|------------------|------------------|-------------------|
| Accountant I                            | 3.0             | 3.0             | 3.0                 | 3.0              | 0.0              | N/A               |
| Accountant II                           | 1.0             | 1.0             | 1.0                 | 1.0              | 0.0              | N/A               |
| Accountant III                          | 2.0             | 2.0             | 2.0                 | 2.0              | 0.0              | N/A               |
| Accountant III                          | 1.0             | 1.0             | 1.0                 | 1.0              | 0.0              | N/A               |
| Accountant V                            | 1.0             | 1.0             | 1.0                 | 1.0              | 0.0              | N/A               |
| Accounting System Administrator         | 1.0             | 1.0             | 1.0                 | 1.0              | 0.0              | N/A               |
| Assistant Accounts System Administrator | 1.0             | 1.0             | 1.0                 | 1.0              | 0.0              | N/A               |
| Control Accounts Clerk                  | 2.0             | 2.0             | 2.0                 | 2.0              | 0.0              | N/A               |
| Financial System Analyst                | 1.0             | 1.0             | 1.0                 | 1.0              | 0.0              | N/A               |
| Payroll Manager                         | 1.0             | 1.0             | 1.0                 | 1.0              | 0.0              | N/A               |
| Pre-Audit Clerk I                       | 1.0             | 1.0             | 1.0                 | 1.0              | 0.0              | N/A               |
| Pre-Audit Clerk II                      | 3.0             | 3.0             | 3.0                 | 3.0              | 0.0              | N/A               |
| <b>Program Total</b>                    | <b>18.0</b>     | <b>18.0</b>     | <b>18.0</b>         | <b>18.0</b>      | <b>0.0</b>       | <b>N/A</b>        |

\*Includes FY 2017 approved budget amendments through February 28, 2017



## KEY PERFORMANCE MEASURES

| GOALS/OBJECTIVES   | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|--|---|----------------|------------------|------------------|
| <i>Goal #1: Using appropriate accounting procedures, prepare timely, reliable, accurate and user friendly financial reports/documents employing best-recognized accounting principles and standards.</i> |   |                |                  |                  |
| 1. Prepare the CAFR consistent with the criteria established by the GFOA for its Certificate of Achievement for Excellence in Financial Reporting Program  | Receive the Certification of Achievement for Excellence in Financial Reporting                      | In Process     | Yes              | Yes              |
|  | Complete annual CAFR by December 31 <sup>st</sup>   | Yes            | Yes              | Yes              |
| 2. Ensure that the CAFR accurately reports the financial condition of the County of Maui   | Receive a "clean" auditor opinion on the CAFR   | Yes            | Yes              | Yes              |
|  | # of findings of "material weakness" in the annual CAFR   | 0              | 0                | 0                |
| 3. Timely completion of the Single Audit Report  | Single Audit Report completed by March 31 <sup>st</sup>   | Yes            | Yes              | Yes              |
| 4. No "material weaknesses" found in the Auditor's findings on the Single Audit Report   | # of "material weaknesses" found in the Single Audit Report   | 0              | 0                | 0                |
| <i>Goal #2: Maintain the integrity of the county accounting system to ensure that accurate and timely financial and accounting information is provided to all county departments.</i>                    |   |                |                  |                  |
| 1. Complete the monthly closing process within ten business days of the month-end  | % of monthly closing processes completed within ten business days of the month-end                  | 100%           | 100%             | 100%             |
|  | % of month-end financial reports completed and accessible within ten business days of the month end | 100%           | 100%             | 100%             |
| 1. Reconcile all bank accounts (excluding payroll), including identifying and resolving all general ledger reconciliation discrepancies within 30 days from completion of the bank reconciliation report | % of bank accounts reconciled within a month from receipt of bank statement                         | 93%            | 95%              | 95%              |

**KEY PERFORMANCE MEASURES (CONT'D)**

| GOALS/OBJECTIVES  | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|---|---|----------------|------------------|------------------|
| <i>Goal #2: Maintain the integrity of the county accounting system to ensure that accurate and timely financial and accounting information is provided to all county departments. (Cont'd)</i>                  |   |                |                  |                  |
| 2. Transmit quarterly reports to the County Council by the deadlines set by the Maui County Code (MCC) Chapter 3.08   | % of quarterly reports completed and transmitted within the deadlines set by the MCC      | 100%           | 100%             | 100%             |
| <i>Goal #3: Enhance the internal control processes of the payroll system to ensure accuracy and reliability of payroll records.</i>   |   |                |                  |                  |
| 1. Process payroll by established pay dates while reducing payroll transaction error rates  | % of payroll processed within the established pay dates                                   | 100%           | 100%             | 100%             |
|   | % of payroll checks processed with error (voided checks) is ≤ 1% annually                 | ≤ 1%           | ≤ 1%             | ≤ 1%             |
| 2. Reconcile payroll bank account within 30 days from receipt of the bank statement   | % of payroll bank account reconciled within 30 days from receipt of bank statement        | 0%             | 0%               | 100%             |
| 3. Process payroll checks accurately by reducing payroll transaction error rate and manual payroll payments generated   | % of payroll overpayment checks processed annually  | ≤ 1%           | ≤ 1%             | ≤ 1%             |
|   | % of manual checks cut vs. system generated checks  | ≤ 1%           | ≤ 1%             | ≤ 1%             |
| 4. Conduct department-wide payroll audits   | % of departments audited annually   | 95%            | In process       | 100%             |
| 5. Timely processing of Workers Compensation claims   | Avg. number of claims processed per month   | N/A            | 30               | 30               |
| <i>Goal #4: Ensure timely, accurate and efficient disbursement of payments, maintenance of payment archival records &amp; inventory system, and preparation and filing of year-end tax information returns.</i> |   |                |                  |                  |
| 1. Maintain the % of accounts payable transactions processed within 14 calendar days from the date of receipt   | % of accounts payable transactions processed within 14 calendar days from date of receipt | 100%           | 100%             | 100%             |
| 2. Prepare and file year-end tax information returns timely   | % of 1099-Misc/Interest Forms completed prior to due date                                 | 100%           | 100%             | 100%             |
| 3. Reconcile all fixed assets in the county's database system   | Complete fixed asset reconciliation annually  | Yes            | Yes              | Yes              |



## KEY PERFORMANCE MEASURES (CONT'D)

| GOALS/OBJECTIVES   | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|--|---|----------------|------------------|------------------|
| <i>Goal #5: Improve customer satisfaction through strengthened delivery of accounting and payroll services.</i>  |   |                |                  |                  |
| 1. Conduct departmental payroll "Super User" meetings quarterly  | # of quarterly "Super User" meetings held   | 3              | 4                | 4                |
| 2. Respond to customer inquiries and complaints timely   | % of payroll inquiries and/or complaints resolved within two business days                          | 95%            | 95%              | 95%              |
|  | % of accounts payable inquiries and/or complaints resolved within an average of three business days | 100%           | 100%             | 100%             |
|  | % of general ledger inquiries and/or complaints resolved within two business days                   | 100%           | 100%             | 100%             |
| 3. Increase timeliness of turn-around time for contract/grant certifications   | Average number of days for processing of contract/grant certifications $\leq$ five business days    | N/A            | $\leq$ 5         | $\leq$ 5         |
| <i>Goal #6: Develop and advocate policies, procedures, standards and practices that promote improved countywide fiscal management.</i>   |   |                |                  |                  |
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| 3. Review divisional staff workload/processes to identify areas where strategic changes can be implemented to reduce overtime  | # of process areas identified for improvement annually  | 3              | 2                | 3                |
| <i>Goal #7: Focus on recruiting, training, and retaining a diverse workforce of employees to work in a welcoming environment that promotes trust, recognition, and accountability.</i> |   |                |                  |                  |
| 1. Reduce the annual employee turnover rate  | Divisional employee turnover rate   | 11%            | 10%              | 10%              |



## KEY PERFORMANCE MEASURES (CONT'D)

| GOALS/OBJECTIVES  | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|---|---|----------------|------------------|------------------|
| <i>Goal #7: Focus on recruiting, training, and retaining a diverse workforce of employees to work in a welcoming environment that promotes trust, recognition, and accountability. (Cont'd)</i> |   |                |                  |                  |
| 2. Improve efficiency by annually evaluating staffing levels and positions  | % of position descriptions reviewed annually                                | 72%            | 90%              | 100%             |
| 3. Increase employee satisfaction through enhanced employee recognition program   | Improvement in "% satisfied" results on annual Employee Satisfaction Survey | Yes            | Yes              | Yes              |
| 4. Ensure that all employee performance appraisals are current  | % of employees for whom performance appraisals are current                  | 96%            | 100%             | 100%             |



# ACCOUNTS PROGRAM

This program consists of the Accounts Division, which is responsible for processing accounts payable, payroll functions, managing the financial reporting for the county, and for the preparation of the Comprehensive Annual Financial Report (CAFR).

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| 1. Number of findings of "material weakness" in the annual CAFR                                    | 0       | 0                | 0            |
| 2. Percent of departments audited annually (payroll audits)  | 95%     | In Process       | 100%         |
| 3. Percent of accounts payable transactions processed within 14 calendar days from date of receipt | 100%    | 100%             | 100%         |



## BUDGET AND STAFF RESOURCES - GENERAL FUND

| CHARACTER/ OBJECT DESCRIPTION   | 2015 ACTUAL        | 2016 ACTUAL        | 2017 AS AMENDED*   | 2018 PROPOSED      | CHANGE AMOUNT     | CHANGE PERCENT |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|----------------|
| <b>Salaries and Wages</b>       |                    |                    |                    |                    |                   |                |
| OTHER PREMIUM PAY               | \$58,868           | \$97,602           | \$38,250           | \$41,050           | \$2,800           | 7.3%           |
| WAGES & SALARIES                | \$875,701          | \$848,431          | \$1,042,300        | \$1,004,632        | -\$37,668         | -3.6%          |
| <b>Salaries and Wages Total</b> | <b>\$934,569</b>   | <b>\$946,033</b>   | <b>\$1,080,550</b> | <b>\$1,045,682</b> | <b>-\$34,868</b>  | <b>-3.2%</b>   |
| <b>Operations</b>               |                    |                    |                    |                    |                   |                |
| MATERIALS & SUPPLIES            | \$25,418           | \$7,014            | \$23,350           | \$15,850           | -\$7,500          | -32.1%         |
| OTHER COSTS                     | \$27,168           | \$24,689           | \$26,250           | \$26,250           | \$0               | N/A            |
| SERVICES                        | \$304,834          | \$331,811          | \$502,200          | \$357,200          | -\$145,000        | -28.9%         |
| TRAVEL                          | \$6,424            | \$8,412            | \$8,100            | \$8,100            | \$0               | N/A            |
| UTILITIES                       | \$1,530            | \$1,210            | \$2,000            | \$2,000            | \$0               | N/A            |
| <b>Operations Total</b>         | <b>\$365,373</b>   | <b>\$373,136</b>   | <b>\$561,900</b>   | <b>\$409,400</b>   | <b>-\$152,500</b> | <b>-27.1%</b>  |
| <b>Equipment</b>                |                    |                    |                    |                    |                   |                |
| MACHINERY & EQUIPMENT           | \$2,676            | \$2,837            | \$3,000            | \$0                | -\$3,000          | -100.0%        |
| <b>Equipment Total</b>          | <b>\$2,676</b>     | <b>\$2,837</b>     | <b>\$3,000</b>     | <b>\$0</b>         | <b>-\$3,000</b>   | <b>-100.0%</b> |
| <b>Program Total</b>            | <b>\$1,302,619</b> | <b>\$1,322,006</b> | <b>\$1,645,450</b> | <b>\$1,455,082</b> | <b>-\$190,368</b> | <b>-11.6%</b>  |

\*Includes FY 2017 approved budget amendments through February 28, 2017

## EQUIVALENT PERSONNEL SUMMARY - GENERAL FUND

| POSITION TITLE                          | 2015 ADOPTED | 2016 ADOPTED | 2017 AS AMENDED* | 2018 PROPOSED | CHANGE AMOUNT | CHANGE PERCENT |
|---|--------------|--------------|------------------|---------------|---------------|----------------|
| Accountant I                            | 3.0          | 3.0          | 3.0              | 3.0           | 0.0           | N/A            |
| Accountant II                           | 1.0          | 1.0          | 1.0              | 1.0           | 0.0           | N/A            |
| Accountant III                          | 2.0          | 2.0          | 2.0              | 2.0           | 0.0           | N/A            |
| Accountant III                          | 1.0          | 1.0          | 1.0              | 1.0           | 0.0           | N/A            |
| Accountant V                            | 1.0          | 1.0          | 1.0              | 1.0           | 0.0           | N/A            |
| Accounting System Administrator         | 1.0          | 1.0          | 1.0              | 1.0           | 0.0           | N/A            |
| Assistant Accounts System Administrator | 1.0          | 1.0          | 1.0              | 1.0           | 0.0           | N/A            |
| Control Accounts Clerk                  | 2.0          | 2.0          | 2.0              | 2.0           | 0.0           | N/A            |
| Financial System Analyst                | 1.0          | 1.0          | 1.0              | 1.0           | 0.0           | N/A            |
| Payroll Manager                         | 1.0          | 1.0          | 1.0              | 1.0           | 0.0           | N/A            |
| Pre-Audit Clerk I                       | 1.0          | 1.0          | 1.0              | 1.0           | 0.0           | N/A            |
| Pre-Audit Clerk II                      | 3.0          | 3.0          | 3.0              | 3.0           | 0.0           | N/A            |
| <b>Program Total</b>                    | <b>18.0</b>  | <b>18.0</b>  | <b>18.0</b>      | <b>18.0</b>   | <b>0.0</b>    | <b>N/A</b>     |

\*Includes FY 2017 approved budget amendments through February 28, 2017





## KEY PERFORMANCE MEASURES

| GOALS/OBJECTIVES   | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|--|---|----------------|------------------|------------------|
| <i>Goal #1: Using appropriate accounting procedures, prepare timely, reliable, accurate and user friendly financial reports/documents employing best-recognized accounting principles and standards.</i> |   |                |                  |                  |
| 1. Prepare the CAFR consistent with the criteria established by the GFOA for its Certificate of Achievement for Excellence in Financial Reporting Program  | Receive the Certification of Achievement for Excellence in Financial Reporting                      | In Process     | Yes              | Yes              |
|  | Complete annual CAFR by December 31 <sup>st</sup>   | Yes            | Yes              | Yes              |
| 2. Ensure that the CAFR accurately reports the financial condition of the County of Maui   | Receive a "clean" auditor opinion on the CAFR   | Yes            | Yes              | Yes              |
|  | # of findings of "material weakness" in the annual CAFR   | 0              | 0                | 0                |
| 3. Timely completion of the Single Audit Report  | Single Audit Report completed by March 31 <sup>st</sup>   | Yes            | Yes              | Yes              |
| 4. No "material weaknesses" found in the Auditor's findings on the Single Audit Report   | # of "material weaknesses" found in the Single Audit Report   | 0              | 0                | 0                |
| <i>Goal #2: Maintain the integrity of the county accounting system to ensure that accurate and timely financial and accounting information is provided to all county departments.</i>                    |   |                |                  |                  |
| 1. Complete the monthly closing process within ten business days of the month-end  | % of monthly closing processes completed within ten business days of the month-end                  | 100%           | 100%             | 100%             |
|  | % of month-end financial reports completed and accessible within ten business days of the month end | 100%           | 100%             | 100%             |
| 1. Reconcile all bank accounts (excluding payroll), including identifying and resolving all general ledger reconciliation discrepancies within 30 days from completion of the bank reconciliation report | % of bank accounts reconciled within a month from receipt of bank statement                         | 93%            | 95%              | 95%              |

**KEY PERFORMANCE MEASURES (CONT'D)**

| GOALS/OBJECTIVES  | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|---|---|----------------|------------------|------------------|
| <i>Goal #2: Maintain the integrity of the county accounting system to ensure that accurate and timely financial and accounting information is provided to all county departments. (Cont'd)</i>                  |   |                |                  |                  |
| 2. Transmit quarterly reports to the County Council by the deadlines set by the Maui County Code (MCC) Chapter 3.08   | % of quarterly reports completed and transmitted within the deadlines set by the MCC      | 100%           | 100%             | 100%             |
| <i>Goal #3: Enhance the internal control processes of the payroll system to ensure accuracy and reliability of payroll records.</i>   |   |                |                  |                  |
| 1. Process payroll by established pay dates while reducing payroll transaction error rates  | % of payroll processed within the established pay dates                                   | 100%           | 100%             | 100%             |
|   | % of payroll checks processed with error (voided checks) is $\leq 1\%$ annually           | $\leq 1\%$     | $\leq 1\%$       | $\leq 1\%$       |
| 2. Reconcile payroll bank account within 30 days from receipt of the bank statement   | % of payroll bank account reconciled within 30 days from receipt of bank statement        | 0%             | 0%               | 100%             |
| 3. Process payroll checks accurately by reducing payroll transaction error rate and manual payroll payments generated   | % of payroll overpayment checks processed annually  | $\leq 1\%$     | $\leq 1\%$       | $\leq 1\%$       |
|   | % of manual checks cut vs. system generated checks  | $\leq 1\%$     | $\leq 1\%$       | $\leq 1\%$       |
| 4. Conduct department-wide payroll audits   | % of departments audited annually   | 95%            | In process       | 100%             |
| 5. Timely processing of Workers Compensation claims   | Avg. number of claims processed per month   | N/A            | 30               | 30               |
| <i>Goal #4: Ensure timely, accurate and efficient disbursement of payments, maintenance of payment archival records &amp; inventory system, and preparation and filing of year-end tax information returns.</i> |   |                |                  |                  |
| 1. Maintain the % of accounts payable transactions processed within 14 calendar days from the date of receipt   | % of accounts payable transactions processed within 14 calendar days from date of receipt | 100%           | 100%             | 100%             |
| 2. Prepare and file year-end tax information returns timely   | % of 1099-Misc/Interest Forms completed prior to due date                                 | 100%           | 100%             | 100%             |
| 3. Reconcile all fixed assets in the county's database system   | Complete fixed asset reconciliation annually  | Yes            | Yes              | Yes              |





## KEY PERFORMANCE MEASURES (CONT'D)

| GOALS/OBJECTIVES   | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|--|---|----------------|------------------|------------------|
| <i>Goal #5: Improve customer satisfaction through strengthened delivery of accounting and payroll services.</i>  |   |                |                  |                  |
| 1. Conduct departmental payroll "Super User" meetings quarterly  | # of quarterly "Super User" meetings held   | 3              | 4                | 4                |
| 2. Respond to customer inquiries and complaints timely   | % of payroll inquiries and/or complaints resolved within two business days                          | 95%            | 95%              | 95%              |
|  | % of accounts payable inquiries and/or complaints resolved within an average of three business days | 100%           | 100%             | 100%             |
|  | % of general ledger inquiries and/or complaints resolved within two business days                   | 100%           | 100%             | 100%             |
| 3. Increase timeliness of turn-around time for contract/grant certifications   | Average number of days for processing of contract/grant certifications $\leq$ five business days    | N/A            | $\leq$ 5         | $\leq$ 5         |
| <i>Goal #6: Develop and advocate policies, procedures, standards and practices that promote improved countywide fiscal management.</i>   |   |                |                  |                  |
| 1. Provide departments with training on fiscal, accounting, compliance, and internal controls to improve and promote sound business practices  | Provide quarterly departmental training sessions  | 2              | 2                | 2                |
| 2. Provide departments and agencies with access to financial management, accounting guidelines and regulations   | # of accounting policies and procedures published in the county's Intranet annually                 | 2              | 2                | 2                |
| 3. Review divisional staff workload/processes to identify areas where strategic changes can be implemented to reduce overtime  | # of process areas identified for improvement annually  | 3              | 2                | 3                |
| <i>Goal #7: Focus on recruiting, training, and retaining a diverse workforce of employees to work in a welcoming environment that promotes trust, recognition, and accountability.</i> |   |                |                  |                  |
| 1. Reduce the annual employee turnover rate  | Divisional employee turnover rate   | 11%            | 10%              | 10%              |



## KEY PERFORMANCE MEASURES (CONT'D)

| GOALS/OBJECTIVES  | KEY PERFORMANCE INDICATORS  | FY 2016 ACTUAL | FY 2017 ESTIMATE | FY 2018 ESTIMATE |
|---|---|----------------|------------------|------------------|
| <i>Goal #7: Focus on recruiting, training, and retaining a diverse workforce of employees to work in a welcoming environment that promotes trust, recognition, and accountability. (Cont'd)</i> |   |                |                  |                  |
| 2. Improve efficiency by annually evaluating staffing levels and positions  | % of position descriptions reviewed annually                                | 72%            | 90%              | 100%             |
| 3. Increase employee satisfaction through enhanced employee recognition program   | Improvement in "% satisfied" results on annual Employee Satisfaction Survey | Yes            | Yes              | Yes              |
| 4. Ensure that all employee performance appraisals are current  | % of employees for whom performance appraisals are current                  | 96%            | 100%             | 100%             |

