

ORDINANCE NO. \_\_\_\_\_

BILL NO. 98 (2022)

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, TO AUDIT THE SCHEDULE OF ALLOCATIONS OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII TO MEET THE REPORTING REQUIREMENTS UNDER GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NUMBER 68

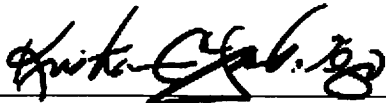
BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Purpose. The audit of the County of Maui Annual Comprehensive Financial Report requires the Employees' Retirement System of the State of Hawaii ("ERS") schedule of allocations be audited in accordance with Governmental Accounting Standards Board Statement No. 68. Eide Bailly LLP, the auditor that has been contracted by the Office of the Auditor, State of Hawaii, to audit the ERS, is willing and able to audit the ERS schedule of allocations for the fiscal years ending June 30, 2022, 2023, and 2024, as it relates to the County of Maui for a fee of \$3,700.00 for fiscal year 2022, \$3,900.00 for fiscal year 2023 and \$4,100.00 for fiscal year 2024. The Memorandum of Understanding ("MOU"), attached hereto and incorporated herein as Exhibit "1," places a financial obligation on the County and is intended to be executed between the County and a State agency. The Department of Finance and the County Auditor have reviewed terms of the MOU and find the terms and conditions therein to be acceptable.

SECTION 2. Council Authorization. Pursuant to Section 2.20.020, Maui County Code, the Council of the County of Maui hereby authorizes the Mayor to enter into an intergovernmental agreement, which would include the execution of the MOU, 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:



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KRISTINA C. TOSHIKIYO  
Department of the Corporation Counsel  
County of Maui  
2022-0787  
2022-05-24 IGA State Auditor GASB 68

# EXHIBIT "1"

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is effective as of \_\_\_\_\_, by and between the OFFICE OF THE AUDITOR, STATE OF HAWAI'I ("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 employer allocations of the Employees' Retirement System of the State of Hawai'i ("ERS") and the total for all employers of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense included in the schedule of pension amounts by employer of ERS for the fiscal years ending June 30, 2022, 2023, and 2024, from actuarial information received from the actuary for ERS. The information is provided to meet reporting requirements under Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for 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
  - 10) University of Hawai'i
- B. Auditor is willing to authorize Eide Bailly LLP ("Eide Bailly"), 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. 68.

### TERMS AND CONDITIONS

1. Upon execution of this MOU, Auditor shall instruct Eide Bailly to audit the schedule and information to meet the reporting requirements of GASB Statement No. 68 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, 2022, 2023, and 2024, will be THREE THOUSAND SEVEN HUNDRED DOLLARS AND

NO CENTS (\$3,700.00) for FY2022; THREE THOUSAND NINE HUNDRED DOLLARS AND NO CENTS (\$3,900.00) for FY2023; and FOUR THOUSAND ONE HUNDRED DOLLARS AND NO CENTS (\$4,100.00) for FY2024.

3. Auditor shall pay Eide Bailly for services rendered and will invoice Employer for its allocation of the audit costs paid by Auditor under the contract between Auditor and Eide Bailly.
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: \_\_\_\_\_  
Michael Victorino  
Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Scott Teruya  
Director of Finance

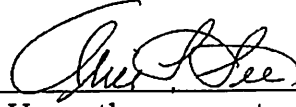
Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Deputy Corporation Counsel  
County of Maui

Date: \_\_\_\_\_

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "John Lee", is written above a horizontal line.

Upon the request of the Mayor.

DIGEST

ORDINANCE NO. \_\_\_\_\_  
BILL NO. 98 (2022)

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, TO AUDIT THE SCHEDULE OF ALLOCATIONS OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII TO MEET THE REPORTING REQUIREMENTS UNDER GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NUMBER 68

This bill proposes to authorize the Mayor to enter into an intergovernmental agreement with the Office of the Auditor, State of Hawaii, to audit the schedule of allocations of the State Employees' Retirement System, as required by Governmental Accounting Standards Board Statement No. 68, for the fiscal years ending June 30, 2022, 2023, and 2024.

I, KATHY L. KAOHU, County Clerk of the County of Maui, State of Hawaii, DO HEREBY CERTIFY that the foregoing BILL NO. 98 (2022) was passed on First Reading by the Council of the County of Maui, State of Hawaii, on the 8th day of June, 2022, by the following vote:

AYES: Councilmembers Gabriel Johnson, Natalie A. Kama, Kelly T. King, Michael J. Molina, Tamara A. M. Paltin, Shane M. Sinenci, Yuki Lei K. Sugimura, Vice-Chair Keani N. W. Rawlins-Fernandez, and Chair Alice L. Lee.

NOES: None.

DATED at Wailuku, Maui, Hawaii, this 9th of June, 2022.



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KATHY L. KAOHU, 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.