

ORDINANCE NO. _____

BILL NO. 18 (2026)

**A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN
INTERGOVERNMENTAL AGREEMENT WITH THE OFFICE OF THE AUDITOR,
STATE OF HAWAII FOR AUDITING SERVICES**

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

SECTION 1. The County of Maui and the Office of the Auditor, State of Hawaii seek to enter into an intergovernmental agreement for auditing services, as described in the Memorandum of Understanding attached as Exhibit "1."

Section 2.20.020, Maui County Code, provides, "Unless authorized by ordinance, the mayor shall not enter into any intergovernmental agreement or any amendment thereto which places a financial obligation upon the county or any department or agency thereof."

SECTION 2. Under Section 2.20.020, Maui County Code, the Council authorizes the Mayor to execute the Memorandum of Understanding and any amendments consistent with the purpose and scope of the Memorandum of Understanding that do not increase the County's financial obligation or the agreement's duration.

SECTION 3. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:



KRISTINA C. TOSHIKIYO
Department of the Corporation Counsel
County of Maui

INTRODUCED BY:

A handwritten signature in black ink, appearing to read "Andrew R. Lee".

Upon the request of the Mayor.

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, 2025, 2026, and 2027, 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 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. 68.

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. 68 for Employer's Annual Comprehensive Financial Report for the fiscal years ending June 30, 2026, 2027, and 2028.
2. The cost to Employer for the audit for the fiscal years ending June 30, 2025, 2026, and 2027, will be FOUR THOUSAND SIX HUNDRED DOLLARS AND NO CENTS (\$4,600.00) for FY2025; FOUR THOUSAND EIGHT HUNDRED

DOLLARS AND NO CENTS (\$4,800.00) for FY2026; and FIVE THOUSAND DOLLARS AND NO CENTS (\$5,000.00) for FY2027.

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: _____
Marcy Martin
Director of Finance

Date: _____

APPROVED AS TO FORM:

By: _____
Deputy Corporation Counsel
County of Maui

Date: _____