

Resolution

No. 22-118

APPROVING THE FISCAL YEAR 2023
OPERATING BUDGET FOR THE HAWAII STATE
ASSOCIATION OF COUNTIES

WHEREAS, the Hawaii State Association of Counties (“HSAC”) is a nonprofit corporation composed of members of the four county councils of the State of Hawaii; and

WHEREAS, on April 21, 2022, the HSAC Executive Committee approved its fiscal year 2023 proposed operating budget, attached as Exhibit “A”; and

WHEREAS, Section 21 of the HSAC Bylaws requires that each county council approve the HSAC operating budget for the upcoming fiscal year prior to the HSAC annual meeting; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it approves the fiscal year 2023 HSAC operating budget, attached as Exhibit “A”; and
2. That a certified copy of this Resolution be transmitted to the President of the HSAC Executive Committee.

ocs:proj:hsac:fy2023:reso:budget

Attachment

INTRODUCED BY:

Kelly T. King

Hawai'i State Association of Counties (HSAC)
Counties of Kaua'i, Maui, Hawai'i, and City & County of Honolulu
Website: hawaiicounties.org | Email: hsac@hawaiicounties.org



April 22, 2022

Aloha Chair,

Attached for your consideration is the FY 2023 Proposed HSAC Budget and Justifications, which was approved by the HSAC Executive Committee on April 21, 2022.

Please note pursuant to Section 21 of the HSAC bylaws, the HSAC Executive Committee shall prepare and submit to each council an operating budget. Each council shall pass a resolution or take the necessary action in accordance with their respective rules and procedures to approve the operating budget before the ensuing fiscal year begins, or as reasonably close thereto as possible.

The budget shall present a complete financial plan for the current operations of the corporation in the ensuing fiscal year, showing all funds, reserves, and proposed expenditures which will be shared commonly and equally by all councils

Please send a copy of the approved resolution from your council to hsac@hawaiicounties.org by Friday June 10, 2022.

Your attention to this matter is greatly appreciated. Please let us know if you have any questions.

Mahalo,

Mason Chock

Mason Chock, President

Hawai'i State Association of Counties

Hawai'i State Association of Counties
Fiscal Year (FY) 2023 Proposed Operating Budget

		FY 2021	FY 2022	FY 2022 Actual YTD (03/31/2022)	FY 2023 Proposed Budget
1	BEGINNING BALANCE	\$95,257	\$173,569	\$173,569	\$173,569
2	REVENUES				
3	Membership Fees	\$43,680	\$43,680	\$43,680	\$60,000
3a	Honolulu Membership Fee - Capacity Building	\$40,000	\$0	\$40,000	\$0
4	NACo Dues				
4a	Hawai'i County	\$0	\$0	\$0	\$3,452
4b	City and County of Honolulu	\$0	\$0	\$0	\$19,064
4c	Kaua'i County	\$0	\$0	\$0	\$1,342
4d	Maui County	\$0	\$0	\$0	\$2,893
5	Conference Income	\$0	\$10,000	\$0	\$60,000
6	Interest Income	\$35	\$35	\$19	\$35
7	Miscellaneous	\$0	\$0	\$0	\$0
8	NACo Prescription Drug Marketing Fee	\$500	\$500	\$0	\$500
9	TOTAL REVENUE	\$84,215	\$54,215	\$83,699	\$147,286
10	EXPENSES				
11	Executive Committee (EC)				
12	EC Travel	\$28,600	\$28,600	\$5,188	\$19,750
13	EC Auditing/Professional Services	\$6,000	\$6,000	\$1,984	\$6,000
14	EC Meeting Supplies	\$1,730	\$1,730	\$0	\$200
15	EC Subscriptions & Software	\$900	\$900	\$894	\$1,400
16	Special Committees				
17	Special Committee Travel	\$500	\$500	\$0	\$500
18	Special Committee Miscellaneous	\$100	\$100	\$0	\$100
19	NACo				
20	NACo Board Travel	\$14,000	\$24,000	\$3,527	\$24,000
21	NACo Steering Committee Travel	\$8,000	\$8,000	\$0	\$4,000
22	NACo Events & Outreach	\$7,676	\$7,676	\$0	\$7,500
23	NACo Dues	\$27,268	\$27,268	\$0	\$26,751
24	WIR				
25	WIR Travel	\$12,000	\$12,000	\$1,348	\$12,000

26	WIR Events & Outreach	\$1,000	\$1,000	\$0	\$1,000
27	WIR Dues	\$3,804	\$3,804	\$0	\$3,804
28	Other				
29	HSAC Promotion and Outreach	deleted	\$14,855	\$465	\$14,855
30	HSAC Consulting Fund (Lobbyist)	\$27,894	\$30,000	\$20,766	\$25,000
31	HSAC Executive Assistant (EA)	\$0	\$40,000	\$12,565	\$48,000
32	HSAC Executive Assistant Travel	\$0	\$0	\$0	\$5,000
33	TOTAL EXPENSES	\$139,472	\$206,433	\$46,736	\$199,860
34	Total Revenue	\$84,215	\$54,215	\$83,699	\$147,286
35	Total Expenses	\$139,472	\$206,433	\$46,736	\$199,860
36	Net	(\$55,257)	(\$152,218)	\$36,963	(\$52,574)
37	Starting Reserve	\$95,257	\$173,569	\$173,569	\$173,569
38	Ending Reserve	\$28,958	(\$98,003)	\$210,532	\$120,995

HSAC Budget Justifications

FY 2023

1. **Membership Fees** to increase from \$10,920 to \$15,000 for each county.
The increase is to support the new roles that have been created to help strengthen and bring stability to the association.
2. **Conference income:** \$60,000, divided by 4 = \$15,000 from each county.
 - The host county is primarily responsible for generating conference revenue.
Other counties are encouraged to support via sponsorship, the golf tournament, and registration.
3. **Interest Income** will remain the same.
4. **The NACo Prescription Drug Marketing Fee** revenue will stay the same at \$500.
5. **EC Travel** is decreasing from \$28,600 to \$19,250. The number of in person meetings has decreased from 12 to 3 per year and the amount per trip has increased to accommodate for one overnight per year for EC members to attend state legislative meetings during session.
 - Travel includes: Air, Ground, Lodging, Registration
 - Neighbor island travel to HNL estimated at \$3,750.
 - Two days of travel including one overnight stay = \$650 which includes two day car rental (\$200), hotel (\$300), and a round trip flight (\$150).
 - One day travel = \$300 which includes car rental (\$100) and round trip flight (\$150).
 - 3 members will be traveling, as 1 member remains on island
 - Proposed budget includes 2 in person day trip meetings per year for HSAC EC and 1 overnight visit for state legislative meetings. Total of 3 visits per year, for 3 members.
 - $(3 \times \$650) + (6 \times \$300) = \underline{\$3,750}$.
 - EC travel for all 4 members to mainland conferences estimated at \$16,000.
 - \$2000 per member according to the by laws.
 - 2 conferences annually on the mainland out of the 2 NACo and 1 WIR.
 - $2 \times \$2000 = \4000 annual allowance per member
 - $4 \text{ members} \times \$4000 = \underline{\$16,000}$
 - Total for EC Travel = \$16,000 + \$3,750 = **\$19,750**
6. **EC Auditing/Professional Services** will remain the same.
7. **EC Meeting Supplies** will decrease from \$1730 (in the past this included the website fee which is being moved to a new line item “subscriptions”) to \$200.
 - \$100 per meeting x 2 meetings per year in State = \$200
 - Meeting supplies include but are not limited to items such as coffee, tea, water, and snacks.

8. **EC Subscriptions & Software** includes but is not limited to squarespace website fee, domain purchase, zoom account, google drive storage.
 - o Including the \$900 annual fee for Quickbooks.
9. **EC Quickbooks Fee** of \$900 will remain the same. This line item is being deleted and rolled up into "Subscriptions & Software."
 - \$75 x 12 = \$900.
10. **Executive Committee Miscellaneous** line item - has been deleted.
11. **Special Committee Travel & Miscellaneous** remains the same.
12. **NACo Travel** remains the same.
 - o Travel includes: Air, Ground, Lodging, Registration
 - o \$2000 for each of the 4 board members, 3 meetings per year.
 - o $3(\$2000 \times 4) = \$24,000$
13. **NACo Steering Committee Travel**, budget of \$8000 decreased to \$4000. \$4000 has been reallocated to support the Executive Assistant travel, see below. Currently there are no steering committee members but the budget line remains to accommodate if those positions are filled.
 - o Travel includes: Air, Ground, Lodging, Registration
 - o \$2000 per steering committee member x 2 = \$4000
14. **NACo Events (prior name "NACo Promotional")** will decrease to \$7500 from \$7,676.
 - o Includes but is not limited to AV or room rental for hosting events at the conferences, as well as food and refreshments for these meetings.
 - o 3 events annually, estimated at \$2500 per event = \$7,500.
15. **NACo dues** included as revenue; each county to remit assessed amounts to HSAC for payment to NACo. HSAC is now collecting additional funds pro-rated for each county based on population for the NACo dues. Previously NACo dues were paid from HSAC revenue which meant that each county split the total cost evenly. The new approach is to allow for each county to pay according to their population size.
The table below shows the total request being made for each county including their NACo dues along with the HSAC membership fee of \$15,000.

COUNTY	2022 DUES AMOUNT	HSAC DUES	TOTAL REQUEST FROM EACH COUNTY
Hawai'i County	\$3,452	\$15,000	\$18,452
City and County of Honolulu	\$19,064	\$15,000	\$34,064

Kaua'i County	\$1,342	\$15,000	\$16,342
Maui County	\$2,893	\$15,000	\$17,893
TOTAL	\$26,751.00	\$60,000	\$86,751

16. NACo and WIR Miscellaneous. These items are being deleted as they have not been used for consecutive years.

17. WIR Travel. Remains the same.

- Travel includes: Air, Ground, Lodging, Registration
- Budget for \$12,000 = (\$2,000 x 2 Board members x 3 meetings).

18. WIR Events & Outreach. Previously used to be "WIR Promotional." This line item remains the same.

- Includes but is not limited to AV or room rental for hosting events at the conferences, as well as food and refreshments for these meetings.

19. HSAC Promotion and Outreach. Remains the same.

- These funds are to help cover costs related to communicating HSAC activities and reports to its members, other government officials, and the public.

20. HSAC Consulting Fund. Decrease to \$25,000.

21. HSAC Executive Assistant. Increase of \$8000 for the Executive Assistant role to include greater scope of duties including strategy and planning in line with the HSAC mission.

- \$5000 allocated for reimbursement of travel expenses to attend NACo & HSAC events.
 - Cost of the flight not to exceed the amount to travel from Honolulu to the conference venue.
 - Travel includes: Air, Ground, Lodging, Registration