

Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
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OFFICE OF THE
COUNTY COUNCIL

REFERENCE NO. BD-BA 21-15

August 31, 2020

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P. Victorino 9/1/20

Mayor Date

For Transmittal to:

Honorable Keani Rawlins-Fernandez, Chair
Economic Development and Budget Committee
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez:

**SUBJECT: AMENDMENT TO THE FISCAL YEAR 2021 BUDGET
(DEPARTMENT OF FINANCE, COUNTYWIDE COSTS
(POST-EMPLOYMENT OBLIGATIONS))**

On behalf of the Department of Finance, I am transmitting the attached proposed bill for the purpose of amending the proviso relating to Post-Employment Obligations under Countywide Costs.

The purpose of the proposed bill is to delete the proviso that reads "The funds must be paid to the State of Hawaii Employer-Union Health Benefits Trust Fund September 30, 2020" and replace it with "The annual required contribution of \$13,000,000 must be paid to the State of Hawaii Employer-Union Health Benefits Trust Fund by September 30, 2020 and the remaining appropriation may be remitted on or before June 30, 2021."

As we move forward and continue to address the impacts of COVID-19, the delayed payment would provide the County with greater budgetary flexibility. Furthermore, it would allow us ample time to review and analyze the revenue collection for the General Fund as well as the Special Funds.

Keani N.W. Rawlins-Fernandez, Chair
August 31, 2020
Page 2

Thank you for your attention in this matter. Should you have any questions, please contact me at ext. 7212.

Sincerely,



MICHELE M. YOSHIMURA
Budget Director

Attachment

cc: Scott Teruya, Department of Finance

ORDINANCE NO. _____

BILL NO. _____ (2020)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2021 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO DEPARTMENT OF FINANCE,
COUNTYWIDE COSTS, POST-EMPLOYMENT OBLIGATIONS

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

SECTION 1. Ordinance No. 5099, Bill No. 64 (2020), Draft 1, as amended, "Fiscal Year 2021 Budget", is hereby amended as it pertains to Section 3.B.4.f.14., Department of Finance, Countywide Costs, by amending the proviso for the Post-Employment Obligations, to read as follows:

	<u>A - Salaries</u>	<u>B - Operations & Equipment</u>	<u>Total</u>
"4. Department of Finance			
a. Administration Program	857,706	104,612	962,318
(1) Disbursement for salaries and premium pay is limited to 11.8 equivalent personnel.			
b. Accounts Program	1,307,135	245,700	1,552,835
(1) Disbursement for salaries and premium pay is limited to 21.0 equivalent personnel.			
c. Financial Services Program			
(1) General	4,867,563	2,979,934	7,847,497
(i) Disbursement for salaries and premium pay is limited to 98.7 equivalent personnel.			
(2) Countywide Service Center – Annual Lease Costs	0	357,000	357,000
d. Purchasing Program	411,185	66,729	477,914
(1) Disbursement for salaries and premium pay is limited to 7.0 equivalent personnel.			
e. Treasury Program	899,736	639,764	1,539,500
(1) Disbursement for salaries and premium pay is limited to 18.0 equivalent personnel.			
f. Countywide Costs			
(1) Fringe Benefits	0	121,144,533	121,144,533

	<u>A - Salaries</u>	<u>B – Operations & Equipment</u>	<u>Total</u>
(2) Fringe Benefits Reimbursement	0	(24,859,475)	(24,859,475)
(3) Bond Issuance and Debt Service	0	47,267,526	47,267,526
(4) Supplemental Transfer to the Environmental Protection and Sustainability Fund	0	334,758	334,758
(5) Supplemental Transfer to the Solid Waste Fund	0	5,628,373	5,628,373
(6) Insurance Programs and Self Insurance	0	12,365,000	12,365,000
(7) Transfer to the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund	0	3,759,252	3,759,252
(8) Transfer to the Affordable Housing Fund	0	15,037,010	15,037,010
(9) General Costs	0	2,162,000	2,162,000
(10) COVID-19	0	10,000,000	10,000,000
(i) Provide aid to Maui County's rural districts' economies during the COVID-19 pandemic.			
(a) Molokai, \$350,000			
(b) Lanai, \$350,000			
(c) East Maui, \$300,000			
(11) Climate Change, Sustainability, and Resiliency	0	1,000,000	1,000,000
(12) Overhead Reimbursement	0	(21,183,179)	(21,183,179)
(13) Transfer to the Emergency Fund	0	6,023,516	6,023,516
(14) Post-Employment Obligations	0	18,000,000	18,000,000
(i) [The funds must be paid to the State of Hawaii Employer-Union Health Benefits Trust Fund September 30, 2020.] <u>The annual required contribution of \$13,000,000 must be paid to the State of Hawaii</u>			

	<u>A - Salaries</u>	<u>B – Operations & Equipment</u>	<u>Total</u>
<u>Employer-Union Health Benefits Trust Fund by September 30, 2020 and the remaining appropriation may be remitted on or before June 30, 2021.</u>			
(15) One Main Plaza Lease	0	500,000	500,000

SECTION 2. Material to be repealed is bracket. Net material is underscored.

SECTION 3. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

/s/ Mimi Desjardins
MIMI DESJARDINS
Deputy Corporation Counsel