

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

December 6, 2013

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on November 12, 2013, makes reference to County Communication 13-297, from the Director of Finance, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 2.44.030, MAUI COUNTY CODE, RELATING TO BOND COVERAGES REQUIRED".

The purposes of the proposed bill are to: (1) add "crime insurance policy" coverage for certain County employees; and (2) include the County Auditor as a position covered by the County's "performance blanket position bond" or crime insurance policy.

Your Committee notes a performance blanket position bond protects the County against losses caused by the failure of designated officers and employees to faithfully and honestly perform official duties. Your Committee further notes a crime insurance policy similarly protects the County against losses caused by dishonest or fraudulent acts by officers or employees.

The Director of Finance informed your Committee the addition of a crime insurance policy would provide an alternative to a performance blanket position bond. He explained Section 2.44.030, Maui County Code, applies to the Mayor, Council members, all employees of the Department of Finance, all other officers and employees who are required to handle County funds, and certain other designated officers and employees who hold positions of high responsibility.

Your Committee notes the position of County Auditor was created by a 2012 Charter amendment. The position was filled earlier this year.

Your Committee voted 8-0 to recommend passage of the proposed bill on first reading and filing of the communication. Committee Chair White, and members Baisa, Carroll, Cochran, Couch, Crivello, Guzman, and Victorino voted "aye". Committee Vice-Chair Hokama was excused.

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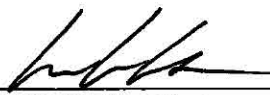
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Your Committee is in receipt of a revised proposed bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill _____ (2013), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 2.44.030, MAUI COUNTY CODE, RELATING TO BOND COVERAGES REQUIRED", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication 13-297 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



MIKE WHITE, Chair

ORDINANCE NO. _____

BILL NO. _____ (2013)

A BILL FOR AN ORDINANCE AMENDING SECTION 2.44.030,
MAUI COUNTY CODE, RELATING TO BOND COVERAGES REQUIRED

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

SECTION 1. Section 2.44.030, Maui County Code, is amended to
read as follows:

"**2.44.030 Bond coverages required.** The director of
finance shall procure a public employee's faithful
performance blanket position bond or crime insurance
policy covering the positions listed below for not less
than \$50,000 per position. The positions to be covered
are as follows:

A. The mayor and council members;

B. All directors, the [County] county clerk, the
county auditor, the corporation counsel, the prosecuting
attorney, the chief of police, the [chief of] fire
[control] chief and the [civil defense administrator]
emergency management officer;

C. All deputy directors, the deputy [County]
county clerk, the first deputy corporation counsel, the
first deputy prosecuting attorney, the deputy chief of
police and the deputy [chief of] fire [control;] chief;
and

D. All employees of the department of finance and
all other officers and employees concerned with the
receipt, collection, custody, or disbursement of public
funds."

SECTION 2. Material to be repealed is bracketed. New
material is underscored. In printing this bill, the County Clerk
need not include the brackets, the bracketed material, or the
underscoring.

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

APPROVED AS TO FORM
AND LEGALITY:



JEFFREY UEOKA
Deputy Corporation Counsel
County of Maui

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