Honorable Kelly T. King, Chair  
and Members of the Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair King and Members:

SUBJECT: COST OF GOVERNMENT COMMISSION — ANNUAL REPORT FOR COMMISSION TERM 2018 – 2019

Section 3-9.3.3 of the County Charter requires that the Cost of Government Commission present an annual report of its findings and recommendations to the Mayor, County Council and County Auditor. For the prior Commission term (April 1, 2017 – March 31, 2018), the Commission delayed issuing its annual report until November 2018, so that it could complete and report on its investigations in two areas. This resulted in a truncated time period between the Commission’s last report and the end of the Commission’s 2018 – 2019 term on March 31, 2019 (with only three regular meetings held). The Commission did not begin any new investigations during that time and accordingly there is no new information to report. The Commission has thus decided to present the following written summary of its work between April 1, 2018 and March 31, 2019, in lieu of a formal annual report.

Reports Issued During 2018 – 2019 Commission Term

The Commission issued a stand-alone report (distinguished from its annual report) on Maui County compliance losses and risk management policies in November 2018. This report was the culmination of a two-year research and investigative process. In the report, the Commission maintained that risk management policies are important not only because they protect the County against potential litigation, but also because they protect the safety and wellbeing of County employees. The Commission offered the following recommendations:

1. Incorporate preserving the safety and health of employees as a core value and as an integral part of the County’s culture and process through a set of “guiding principles” that prioritize preventative actions and accountability.
2. Develop and implement safety and health roles and responsibilities for every level in the County, including senior leadership, department managers, safety managers, supervisors, and employees.

3. Work with Sedgwick to identify additional resources, including a third-party safety consulting company/consultant, to support the adoption and implementation of a behavior-based safety program as an additional component of the County’s current safety and health program.

4. Implement a dashboard of measurement metrics, which includes metrics such as total incident rate (TIR) and incident severity. These metrics should be updated at least monthly, published throughout the departments, and used as a performance measure within the departments and by the Administration and County Council.


The Commission’s 2017 – 2018 Annual Report, also issued in November 2018, presented findings and recommendations on two additional topics: (1) energy usage of County facilities and (2) compensatory overtime. This report can be found on the Commission’s website at https://www.mauicounty.gov/DocumentCenter/View/115649/2017---2018-Annual-Report-46-MB.

Continuing Investigations

In October 2017, the Commission began an investigation to assess the effectiveness of the Office of Economic Development’s grant to the Maui Visitors Bureau of approximately $4 million annually. To date, the COGC has requested and received copies of grant applications for Fiscal Years 2016 – 2018, as well as financial reports, supporting documents and/or receipts for select line-item expenditures, and final grant-required reports. The Commission is cognizant of the County Council’s recent decision to reduce OED’s grant to MVB for Fiscal Year 2020 by $1 million, but is continuing its investigation in the near term.

The Commission encourages the Mayor and County Council to implement policies that will continue to give taxpayers the best value for their money. Best management practices are strongly recommended to increase systemic efficiencies while reducing wasteful expenditures. The Mayor and the Maui County Council should collaborate to improve government processes, increase efficient implementation of these processes and policies, and balance spending against
the efficiency of the provided service. The Commission endorses sound methodologies of analysis that are transparent and evidence based. The Commission acknowledges the need for involvement of all stakeholders to these issues (e.g. government sector, private sector, public) so that all viewpoints are considered in any analysis.

To further improve the Commission’s effectiveness, the Commission welcomes your feedback. Should you have any questions or comments, or wish to meet with the Commission to discuss the report(s) in more detail, feel free to contact Shelley Pellegrino, Technical Writer for the Commission, at (808) 344-3348. Thank you for your time and consideration.

Sincerely,

SHARRON COURTER
Chair

cc: Jerrie Sheppard, Deputy Corporation Counsel
COST OF GOVERNMENT COMMISSION
COUNTY OF MAUI
2145 WELLS STREET, SUITE 106
WAILUKU, MAUI, HAWAII 96793

June 17, 2019

Mr. Lance Taguchi
County Auditor, County of Maui
2145 Wells Street, Suite 106
Wailuku, Hawaii 96793

Dear Mr. Taguchi:

SUBJECT: COST OF GOVERNMENT COMMISSION — ANNUAL REPORT FOR COMMISSION TERM 2018–2019

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SHARRON COURTER
Chair