



Hawaii State Association of Counties

Counties of Kauai, Maui, Hawaii and City and County of Honolulu



MINUTES
 HSAC EXECUTIVE COMMITTEE MEETING
 March 24, 2014
 Historic County Building, Council Chambers
 Lihue, Kauai, Hawaii

I. CALL TO ORDER

The HSAC Executive Committee was called to order by President Mel Rapozo at 10:04 a.m. The following members comprising a quorum were present:

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| County of Kauai: | President Mel Rapozo |
| County of Hawaii: | Alternate Gregor Ilagan |
| City and County of Honolulu: | Secretary Stanley Chang |
| County of Maui: | Treasurer Michael Victorino |
| Others Present: | Mayor Bernard Carvalho, Kauai County
Council Chair Jay Furfaro, Kauai County
Councilmember Riki Hokama, Maui County
Kaleo Carvalho, Mayor's Office, Kauai County
Honolulu staff Andrew Sekine
Honolulu staff Brandon Mitsuda
Kauai staff Ashley Bunda
Kauai staff Lori Marugame
Maui staff Kim Willenbrink |

II. APPROVAL OF AGENDA

The Committee approved the agenda.

III. MINUTES

The Committee approved the minutes of the February 13, 2014, Executive Committee meeting.



IV. REPORTS

A. Treasurer's Report

1. Treasurer's Report for February 2014 as submitted by the HSAC Treasurer.

The Committee approved the Treasurer's Report.

Treasurer Victorino discussed the HSAC Fiscal Year 2015 Proposed Annual Operating Budget. Treasurer Victorino highlighted changes from the previous year's HSAC operating budget as outlined in his communication dated March 18, 2014.

The Committee approved the HSAC Fiscal Year 2015 Annual Operating Budget as set forth in Treasurer Victorino's communication dated March 18, 2014. President Rapozo noted that the HSAC Annual Operating Budget will be sent to the county councils for approval.

B. County Reports

1. Maui County Report. Treasurer Victorino reported on Maui's ban on smoking in parks, flooding in the Maui OCS office, and the county budget.
2. Hawaii County Report. Alternate Ilagan reported on NACo activities and the New York Times coverage (January 4, 2014) of Hawaii County's GMO legislation.
3. City and County of Honolulu Report. Secretary Chang reported on the City's budget, residential property tax, and food truck parking permits.
4. Kauai County Report. President Rapozo reported on the Kauai County budget and the GMO lawsuit,

Kauai Council Chair Furfaro discussed park usage fees charged by the state.

The Committee received the county reports.

- C. NACo Report. Councilmember Hokama discussed national issues that should be watched closely, including flood insurance, transportation funding, municipal bonds, and HUD monies.

Treasurer Victorino discussed the need to obtain support for the reauthorization of transportation funds (MAP-21).

President Rapozo discussed community impacts relating to the Endangered Species Act, the "No Label" movement, dental and medical programs, and nominations for NACo board of directors and steering committees.

Kauai Council Chair Furfaro discussed intrastate transportation subsidies, the state-wide fire ant problem, and beekeeper registration.

At this point, Treasurer Victorino discussed the status of transient accommodations tax (TAT), beach liability, and sunshine law measures currently considered by the Hawaii state legislature.

The Committee received the NACo report.

- D. WIR Report. President Rapozo stated there is a need to fill the WIR board of directors position, since he presently sits on both the NACo and WIR boards and will have difficulty continuing to sit on both boards.

President Rapozo stated that Kauai will begin promoting its hosting of the 2015 WIR conference at the WIR regional conference in Anchorage, Alaska in May 2014.

Mayor Carvalho expressed his support for the 2015 WIR conference that will held in Kauai.

At 11:20 a.m. the Committee recessed. At 11:25 a.m. the Committee reconvened.

President Rapozo discussed the funding for the promotion of the 2015 WIR conference.

Treasurer Victorino asked whether the budget item "National Conference Fund" may be used towards the WIR conference. After discussion, Treasurer Victorino stated that his preference is that funds under the budget item "WIR Promotional" be used for the WIR conference.

Treasurer Victorino made a motion that the HSAC Fiscal Year 2015 Proposed Annual Operating Budget item entitled "National Conference Fund" be reduced from \$50,000 to \$40,000 and the item entitled "WIR Promotional" be increased from \$2,250 to \$12,250.

The motion passed.

President Rapozo discussed expense authorization procedures for the WIR conference.

President Rapozo discussed volunteers for the booth at the Alaska conference.

The Committee received the WIR report.

V. UNFINISHED BUSINESS

There was no unfinished business.

VI. NEW BUSINESS

- A. Communication (February 24, 2014) from County Clerk Danny A. Mateo, County of Maui, transmitting for the Executive Committee's information Resolution No. 14-19, regarding Maui County Council's appointments to the HSAC Executive Committee and nomination to the NACo Board of Directors, for the 2014-2015 term, which was approved by the Maui County Council on February 21, 2014.

The Committee received the communication.

- B. Communication (March 13, 2014) from County Clerk Ricky Watanabe, County of Kauai, transmitting for the Executive Committee's information Resolution No. 2014-09, regarding Kauai County Council's appointments to the HSAC Executive Committee and nomination to the NACo Board of Directors, for the 2014-2015 term, which was approved by the Kauai County Council on March 12, 2014.

The Committee received the communication.

- C. Communication (March 17, 2014) from HSAC Secretary Stanley Chang, transmitting for the Executive Committee's consideration and approval a Corporate Resolution for a Facsimile Signature form, to allow the Bank of Hawaii to accept stamped signatures on checks for expenditures relating to the 2014 HSAC Annual Conference.

Secretary Chang stated that the purpose of the proposal is to facilitate planning for the 2014 HSAC Annual Conference by enabling the use of a signature stamp for purposes of communications with the bank and for checking accounts.

Treasurer Victorino stated that he is uneasy regarding the use of a stamp in lieu of an actual signature because of the possibility for abuse.

Alternate Ilagan stated that the proposal has the benefit of saving time.

Responding to a question from President Rapozo, Secretary Chang stated that the use of the stamp would apply only to the upcoming HSAC conference.

Responding to a question from Treasurer Victorino, Secretary Chang stated that the stamp would facilitate the processing of conference checks because he is not in the office every day.

Treasurer Victorino stated that he would support the proposal only if the proposal is amended as follows: 1) the facsimile signature will be allowed this year only, 2) the facsimile signature procedure will be evaluated after the June HSAC conference, and 3) the state (i.e., HSAC) will not be held to the Corporate Resolution.

The Committee approved the proposal with Treasurer Victorino's amendments.

At 11:54 a.m. the Committee recessed. At 11:56 a.m. the Committee reconvened.

- D. Discussion regarding the NACo Prescription Discount Card Program, as requested by HSAC Treasurer Michael P. Victorino.

Treasurer Victorino stated that the reasons for this discussion are: 1) the need to make known to the communities the benefits of the NACo medical and drug program and 2) the downward trend in the number of users of the program, especially in the neighbor islands. Treasurer Victorino suggested that the program be promoted through means such as public access channels. Treasurer Victorino proposed that a new item relating to promotion for the NACo medical and drug program and \$3,000 be added to the 2015 HSAC budget.

Alternate Ilagan requested clarification for the data relating to fees received. President Rapozo stated that HSAC gets 40 cents for each prescription filled and NACo gets 10 cents.

President Rapozo stated that he hopes the counties will approve the medical and dental programs prior to the June conference so the programs can be rolled out with the media present.

Responding to a question from Alternate Ilagan, Treasurer Victorino stated that the majority of the \$12,000 in anticipated revenues from NACo Prescription Drug Marketing Fees would go towards "Prescription Drug Scholarship Program" (\$7,500) and "County Leadership Institute Attendee" (\$3,000). Treasurer Victorino clarified that he is proposing that \$3,000 be budgeted for promotional purposes because the program needs to be promoted now.

Alternate Ilagan asked whether there is a demographic breakdown of users of the NACo Prescription Drug cards. President Rapozo replied that he is not aware any such data. President Rapozo stated that the target market is people who do not have coverage.

Alternate Ilagan asked whether HSAC should use the monies from fees to give back to the community or to invest in marketing tools that would increase revenues or whether the awarding of scholarships is a form of promotion. Alternate Ilagan asked whether the present scheme is sustainable. Treasurer Victorino replied that we won't know the results until we try. Treasurer Victorino further replied that the impacts of the addition of the medical and dental plans are unknown.

Treasurer Victorino stated that the proposal to add \$3,000 for promotion is an attempt to stem the tide of declining revenues.

President Rapozo stated that the 2015 HSAC budget is flat compared to the 2014 budget, and he is agreeable to increasing the 2015 budget by \$3,000.

Treasurer Victorino made a motion to amend the HSAC Fiscal Year 2015 Proposed Annual Operating Budget by increasing the NACo Prescription Drug Marketing Fee revenues from \$12,000 to \$15,000 and adding a new item, "NACo Prescription Drug Promotion" for \$3,000. The total revenues and expenditures will be increased from \$160,117 to \$163,117.

The motion passed.

Treasurer Victorino indicated that an amended HSAC Fiscal Year 2015 Proposed Annual Operating Budget bill be prepared.

VII. ANNOUNCEMENTS

A. Schedule next meeting.

1. April 19, 2014, 10:00 a.m., Honolulu Hale, Honolulu, Hawaii.

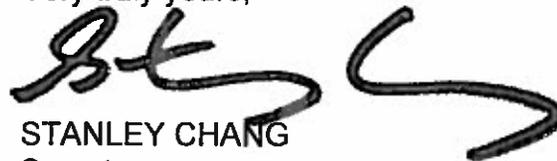
B. Other announcements.

1. Honolulu staff Mitsuda reported on the status of planning for the 2014 HSAC annual conference to be held on June 12-13, 2014, at the Moana Surfrider Hotel.

VIII. ADJOURNMENT

The meeting was adjourned at 12:35 p.m.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Stanley Chang', written in a cursive style.

STANLEY CHANG

Secretary

Hawaii State Association of Counties