

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

200 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

www.hicounties.com



A G E N D A

HSAC EXECUTIVE COMMITTEE MEETING

Thursday, December 22, 2016, at 10 a.m. or soon thereafter

Honolulu Hale, Committee Meeting Room

530 South King Street

Honolulu, Hawaii 96813

RECEIVED
CITY CLERK
C & C OF HONOLULU
2016 DEC 16 PM 12:34

I. CALL TO ORDER

II. APPROVAL OF AGENDA

III. MINUTES

- A. Minutes of the November 28, 2016 HSAC Executive Committee meeting

IV. REPORTS

A. Treasurer's Report

- 1. Treasurer's Report for November 2016

B. County Reports

- 1. City and County of Honolulu Report
- 2. County of Hawaii Report
- 3. County of Kauai Report
 - a. Update on 2017 HSAC Annual Conference hosted by Kauai County Council
- 4. County of Maui Report

C. National Association of Counties (NACo) Report

D. Western Interstate Region (WIR) Report

V. NEW BUSINESS

- A. Discussion and consideration of an independent auditor's report from Carbonaro CPAs & Management Group for audited financial statements of the Hawaii State Association of Counties for the year ending June 30, 2016
- B. Hawaii County Council Resolution 12-16, adopted on December 5, 2016, appointing Dru Kanuha as HSAC representative and Valerie T. Poindexter as alternate
- C. Memo from HSAC President Michael P. Victorino on HSAC representative vacancies and consideration of the nomination of Arryl Kaneshiro for NACo Board Member and Dru Kanuha for WIR Board Member to fulfill the term ending June 30, 2016



- D. Honolulu City Council Resolution 16-309, adopted on December 1, 2016, approving Kauai County Councilmember Arryl Kaneshiro to the NACo Board of Directors
- E. Kauai County Council Resolution 2017-08, adopted on December 14, 2016, approving Kauai County Councilmember Arryl Kaneshiro to the NACo Board of Directors
- F. Vacancy on the Board of Advisors of the Center for Alternative Dispute Resolution
- G. Discussion and consideration of hiring a Legislative Coordinator
- H. 2017 State Legislative Session update and discussion on lobbying efforts

VI. ANNOUNCEMENTS

- A. Scheduling of the next meeting
- B. Other announcements

VII. ADJOURNMENT

Hawai'i State Association of Counties (HSAC)

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MINUTES
HSAC EXECUTIVE COMMITTEE MEETING
November 28, 2016
Honolulu Hale, Committee Meeting Room
530 South King Street
Honolulu, Hawai'i 96813

I. CALL TO ORDER

The HSAC Executive Committee was called to order by HSAC President and County of Maui Councilmember Michael Victorino at 10:07 a.m. The following members comprising a quorum were present:

- County of Maui: President Michael Victorino,
County of Maui Councilmember
- County of Hawai'i: Vice President Dennis "Fresh" Onishi,
County of Hawai'i Councilmember
- County of Kaua'i: Secretary Mel Rapozo,
County of Kaua'i Council Chair
- City and County of Honolulu: Treasurer Ikaika Anderson,
City and County of Honolulu Councilmember
- Others Present: Gladys C. Baisa, County of Maui Councilmember
Stacy Crivello, County of Maui Councilmember
Dru Kanuha, County of Hawai'i Council Chair
- Honolulu staff Brandon Mitsuda, Council Liaison,
Honolulu City Council Administrative Support
Services;
- Honolulu staff Francisco Figueiredo, Legislative
Aide, Office of Councilmember Ikaika Anderson;
Honolulu Intern Nelson Mukai, Office of
Councilmember Ikaika Anderson;
County of Maui staff Kim Willenbrink, Office of
Council Services;
- Kaua'i staff Aida Kawamura, Legislative Assistant,
Office of Council Services;
Scott Ishikawa, Becker Communications, Inc.



On a point of personal privilege and with no objections, President Victorino recognized outgoing HSAC Vice President Dennis “Fresh” Onishi, outgoing HSAC Alternate Maui County Councilmember Gladys Baisa, proposed incoming HSAC representative Maui County Councilmember Stacy Crivello, and proposed incoming HSAC representative Hawai'i County Councilmember Dru Kanuha.

II. APPROVAL OF AGENDA

Treasurer Anderson moved for approval of the Agenda as circulated, seconded by Vice President Onishi, and unanimously carried.

III. MINUTES

A. Minutes of the October 24, 2016 HSAC Executive Committee meeting, as submitted by the HSAC Secretary.

Treasurer Anderson moved for approval of the Minutes of the October 24, 2016 HSAC Executive Committee Meeting, seconded by Vice President Onishi, and unanimously carried.

IV. REPORTS

A. Treasurer's Report

1. Treasurer's Report for October 2016, as submitted by the HSAC Treasurer.

Secretary Rapozo moved to approve the HSAC Treasurer's Report for the Month of October 2016, seconded by Vice President Onishi, and unanimously carried.

Vice President Onishi tendered the following from the 2016 HSAC Annual Conference held in Kona: 1) check for \$5,000 as reimbursement for seed moneys received; 2) check for \$14,164.31 representing proceeds remaining in the conference account; and 3) the conference checkbook.

B. County Reports

1. City and County of Honolulu Report. Treasurer Anderson reported his introduction of City Council Resolution 16-310, amending the City Council's rules relating to committee structure. The



resolution proposes that the council shall determine the chair, vice chair, and members of the committee on executive matters and legal affairs, as well as other standing committees by resolution. The current standard of practice gives the Chair the sole authority and discretion to appoint the several chairs, vice chairs, and committee members. Treasurer Anderson is recommending a more transparent practice that allows input from other members.

At its meeting on November 2, 2016, the City Council adopted Resolution 16-276, CD1, approving the marketing of Verona Villages in Ewa Village, and concurring with Administration's use of competitive sealed proposals to select the potential buyer and developer. The Council also adopted Resolution 16-288, relating to the 2017 HSAC Legislative Package.

The City Council will be hearing Resolution 16-309, which approves the nomination of Kaua'i Councilmember Arryl Kaneshiro to the Board of Directors of NACo at its upcoming meeting in December. Lastly, the City is preparing for its annual Honolulu City Lights Program, which opens on Saturday, December 3, 2016.

2. County of Hawai'i Report. Vice President Onishi reported that Hawai'i County Council discussed concerns with the overtime incurred for CIP projects in the Parks and Recreation Department, and will continue to have more discussion on this issue in January 2017. He noted that there are some changes in the new Council, and he introduced Councilmember Dru Kanuha, who is slated to represent Hawai'i County on HSAC.
3. County of Kaua'i Report. Secretary Rapozo reported that Councilmember KipuKai Kualii and Councilmember Gary Hooser were not re-elected to the Council. The incoming members are Derek Kawakami and Arthur Brun. During the Councilmembers-elect organizational meeting, no changes were made to the leadership and rules, which are pending approval on December 1, 2016. In addition, Mr. Kawakami has expressed interest in serving on HSAC, and will be an asset because of his relationship with members at the State Legislature. Secretary Rapozo noted that he will serve as the alternate, should Mr. Kawakami be confirmed as the HSAC representative.



Secretary Rapozo noted that one of the first issues to be addressed by the incoming Council is the repeal of Ordinance No. 968 due to the recent decision rendered by the Supreme Court of Appeals. Adopting the repeal of Ordinance No. 968 will prevent the initiation of litigation regarding pesticides and genetically modified organisms on Kaua'i.

Secretary Rapozo reported that Councilmember Kaneshiro expressed interest in serving on NACo, replacing Councilmember Kualii, but as a Kōloa Days Parade Chairman, he has declared a conflict with attending one of the board meetings. Secretary Rapozo noted that it may be necessary to reconsider this nomination if a full commitment to NACo cannot be met.

4. County of Maui Report. President Victorino reported that Maui County elected three new Councilmembers: Alika Atay representing Wailuku-Waihee-Waikapū, Yuki Lei Sugimura representing Upcountry Maui, and Kelly King, who defeated Don Couch, representing South Maui. Councilmember Stacy Crivello will be Maui's representative on HSAC, and the Council leadership consists of Mike White as Council Chair, and Councilmember Bob Carroll as Council Vice Chair. The several Committee Chairs have yet to be confirmed.

Maui County adopted a Charter amendment that gives the Council authority to approve of certain mayoral department head appointees. This provision will take effect in 2018 with the election of a new mayor.

In an effort to assist in addressing the housing crisis on Maui, the Council approved an affordable accessory dwelling bill which allows construction of 'ohana units on lots smaller than 7,500 square feet. Other legislation considered by the Council are: reviews for park concessions, alcohol prohibition at certain parks, review of the old Maui High School, and homeless related bills. Legislation regarding a plastic bag ban, polystyrene ban, and traffic related proposals will be referred to the next Council. Inauguration is scheduled for January 2, 2017 at 10 a.m., followed by the organizational meeting.



Secretary Rapozo moved to receive the foregoing County Reports for the record, seconded by Vice President Onishi, and unanimously carried.

C. National Association of Counties (NACo) Report

President Victorino noted that the next NACo board meeting is scheduled for December 7-9, 2016 in Tallahassee, Florida, and that he will be attending his final Rural Action Committee meeting from December 6-8, 2016.

Secretary Rapozo requested discussion regarding a replacement for Vice President Onishi's seat on the NACo board, and asked members for concurrence to nominate Councilmember Dru Kanuha as his replacement, as it would be appropriate for this seat to be filled by a Hawai'i County representative. President Victorino stated that Council Chair Mike White, Maui County, has stated interest in being considered for the same position. Vice President Onishi reported that he discussed this matter with NACo President Bryan Desloge, who expressed a desire to appoint someone from Hawai'i as Mr. Onishi's replacement. Vice President Onishi noted that he recently sent a communication to Mr. Desloge recommending Councilmember Kanuha as his replacement. Vice President Onishi is aware that Councilmember Hokama requested to be made aware of whom HSAC would be nominating. Vice President Onishi also appreciated the previous process that allowed someone from Hawai'i County to be selected. Vice President Onishi further noted that Mr. Roy Brooks will be making the presidential appointments for the succeeding term, and that HSAC did not support Mr. Brooks. President Victorino stated that he will be in contact with Councilmember Hokama, who, he believed, was unaware that any member was being considered to replace Mr. Onishi on the NACo board.

Vice President Onishi moved to receive the NACo report for the record, seconded by Secretary Rapozo, and unanimously carried.

D. Western Interstate Region (WIR) Report

Vice President Onishi stated that staff is still finalizing the WIR report, which will be submitted at the next meeting.

There being no objections, the report was deferred.



V. NEW BUSINESS

- A. Maui County Council Resolution 16-137, adopted on October 7, 2016, approving proposals for inclusion in the 2017 Hawai'i State Association of Counties Legislative Package.
- B. Maui County Council Resolution 16-152, adopted on November 4, 2016, approving a proposal to inclusion in the 2017 Hawai'i State Association of Counties Legislative Package.
- C. Honolulu City Council Resolution 16-288, adopted on November 2, 2016, approving proposals for inclusion in the 2017 Hawai'i State Association of Counties Legislative Package.
- D. Kaua'i County Council Resolution 2016-79, adopted on November 16, 2016, approving and disapproving proposals for inclusion in the 2017 Hawai'i State Association of Counties Legislative Package.
- E. Hawai'i County Council Resolution 727-16, adopted on November 16, 2016, approving proposals for inclusion in the 2017 Hawai'i State Association of Counties Legislative Package.

President Victorino acknowledged receipt of the foregoing communications (A through E) relating to the proposals approved and disapproved by Maui County Council, Honolulu City Council, Kaua'i County Council, and Hawai'i County Council to be included in the 2017 Hawai'i State Association of Counties Legislative Package.

- F. Summary of the proposals approved for inclusion in the 2017 Hawai'i State Association of Counties Legislative Package.

President Victorino reviewed the several proposals sent to the Councils for approval. He noted that three proposals were not successful.

President Victorino reported that he met with Common Cause and League of Women Voters to discuss the government records proposal, and they appear receptive to what HSAC is requesting, but they will provide additional verbiage that they would like included.

Regarding the tort liability measure, President Victorino reported that he met with Bob Toyofuku, who has stated support for a proposal that would give the counties the same coverage as the state. He felt that with



support from Mr. Toyofuku and the Hawai'i State Bar Association, there is very good possibility that the tort liability measure will pass. President Victorino also discussed the matter with Senator Gilbert Keith-Agaran, who stated his support. President Victorino noted that he will be scheduling a meeting with House leaders to discuss support for this measure.

Secretary Rapozo requested for clarification on the difference between HSAC's proposal and Mr. Toyofuku recommendation. President Victorino stated that HSAC's measure proposes to delete the sunset date, and Mr. Toyofuku was unclear what that meant. President Victorino believed that Mr. Toyofuku would be able to support a measure that states that "the counties have the same immunity and liability exemptions as the state." President Victorino stated that he will be sharing Mr. Toyofuku's recommended language with the members for their information.

Vice President Onishi requested that a Kaua'i representative be included in discussions with Mr. Toyofuku, because the measure was initiated by Kaua'i County.

Regarding unadjudicated fines, President Victorino noted that he has not received any positive responses from legislators regarding this proposal. There is very good support for the emergency medical services bill, which requests for an appropriation to purchase one ambulance each for the counties of Kaua'i and Hawai'i. President Victorino was unsure whether the legislature is in support of the "drone" bill. In addition, through conversations with the ACLU and other groups, President Victorino believed those groups had no objections to the Identification Cards for Persons with Disabilities bill.

Regarding the TAT bill, President Victorino noted that HSAC has started its process of identifying and reaching out to various groups to discuss their involvement with this particular issue, although Governor Ige has stated his objection to any increase in the TAT for counties, as well as have Senate President Kouchi and House Speaker Souki. Secretary Rapozo believed that HSAC should move ahead with its plans to lobby for TAT, especially with the assistance of Scott Ishikawa from Becker Communications, Inc. It is important that the various groups be informed and that they support HSAC's position on the TAT.



President Victorino stated that Maui County is in a huge flux due to the closure of HC&S, and the criteria for important ag land designation need to be defined. President Victorino stated that funds are needed to assist the counties with this program.

The collective bargaining measure requests that the councils have representation at the negotiation table, and that the voting requirement be redistributed. President Victorino reported that he received mixed reviews on this measure, so more discussion may be necessary to clarify this issue.

President Victorino requested that a top-four priority be set for the measures approved for inclusion in the HSAC Legislative Package. Members agreed that Tort Liability is number one. Measures discussed for prioritizing are: TAT, ambulance service, and collective bargaining. President Victorino stated that additional discussion on HSAC's priorities will take place at the December meeting.

The Committee took a recess at 11:14 a.m., and reconvened at 11:22 a.m.

- G. 2017 State Legislative Session update and discussion on lobbying efforts.
 - 1. Update from the President on scheduled meetings with advocacy groups.
 - 2. Update from Becker Communications.

Scott Ishikawa, Becker Communications, Inc., (BCI), reported that he has reached out to, and awaiting responses from, the following organizations regarding doing a legislative briefing: SHOPO, HGEA, Firefighters Union, and Hawai'i Chamber of Commerce. Scheduled dates will depend on HSAC's availability to meet. Mr. Ishikawa has also reached out to the neighbor island newspapers, who have committed to meet with HSAC to discuss the legislative package. Mr. Ishikawa has also gotten a commitment to meet from Kevin Dayton, Capitol Bureau Reporter at the *Star Advertiser*, Wayne Yoshioka at *Kaua'i Public Radio*, and *Civil Beat* and *Associated Press* have stated a willingness to meet with HSAC. The media plan also includes reaching out to TV station reporters to be available during the Legislature's opening day.

Mr. Ishikawa noted that he will have available for review and approval at the next meeting: talking points for interviews, a press release, and an Op-Ed.



Mr. Ishikawa addressed a media inquiry regarding the uncontested traffic fines measure, and that the State Judiciary was unresponsive in providing any information. Mr. Ishikawa found S.B. 2650 which was introduced last session by Senator Gabbard and others. Mr. Ishikawa was informed that roughly \$12 million in uncontested traffic fines was collected in the previous year (approximately \$6 million from the City & County of Honolulu and \$2 million each from the other counties). They also reported that county officers issue approximately 90% of the citations. President Victorino also noted his concern that it costs Maui County roughly \$16 million to run the Judiciary, and that the State sheriffs only issue traffic citations at the airports; the county police department enforces all other roadways. Secretary Rapozo stated that the missing information is the cost incurred by the Judiciary to process uncontested traffic cases. A prosecutor always files a case, which charge will be dismissed should the fine be paid prior to the court date.

President Victorino distributed copies of communications from advocacy groups (see attached). These groups are receptive to HSAC and have stated a willingness to work collaboratively to find solutions.

- H. Proposal from the President relating to a General Membership meeting in December to facilitate the transition in HSAC leadership and lobbying efforts.

After discussion and receiving no support for the \$175 travel expense reimbursement, President Victorino withdrew his request for travel reimbursement for other councilmembers to attend an HSAC meeting in December.

Members were agreeable to scheduling a general membership meeting following the Executive Committee Meeting on December 20, 2016.

VI. ANNOUNCEMENTS

- A. Scheduling of the next meeting.

The next Executive Committee meeting is scheduled for Tuesday, December 20, 2016, at 10 a.m. on O'ahu, followed by a General Membership meeting at 12 Noon.



B. Other announcements.

There were no other announcements.

VIII. ADJOURNMENT

The meeting was adjourned at 11:57 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mel Rapozo".

MEL RAPOZO, Secretary
Hawai'i State Association of Counties

Michael Victorino

From: R. Brian Black <brian@civilbeatlawcenter.org>
Sent: Thursday, November 17, 2016 4:11 PM
To: Michael Victorino
Cc: Corie Tanida; Doug Meller; Janet F. Mason; mikev@mutualunderwriters.com
Subject: Re: HSAC Draft Proposals to Amend the State Sunshine Law

Aloha Councilmember Victorino, Corie shared with me the draft bills. I am not sure I understand the need for the permitted interaction amendment, in light of the broad carve-out for County Councils in Section 92-3.1(b). The Law Center is receptive to the proposal regarding board members circulating public records. If there is interest on all sides, I would like to work with Corie, Doug, and Janet to see if we collectively might be able to suggest some revisions.

If folks are interested in working on that record transmittal proposal, please let me know. And I am available to discuss either proposal.

Best,
Brian

R. Brian Black
Executive Director
Civil Beat Law Center for the Public Interest
700 Bishop Street, Suite 1701
Honolulu, HI 96813
(808) 531-4000

On Nov 17, 2016, at 3:08 PM, Corie Tanida <CTanida@commoncause.org> wrote:

Hi everyone,

Doug, thank you for connecting everyone.

Councilman, if you folks don't already know each other I'd like to take the this opportunity to e-introduce you Brian Black of the Civil Beat Law Center, who is cc'd on this email . I think it would be great if you two could connect, as Brian is a leader on access and transparency issues.

I'm still reviewing the bills, but will get back to you soon. Thanks and it was great meeting with you today.

Corie

Corie Tanida, Executive Director -- Common Cause Hawaii
HI.commoncause.org | ctanida@commoncause.org

Common Cause Hawaii
P: 808-275-6275 | Twitter: [@CommonCauseHI](https://twitter.com/CommonCauseHI) | Facebook: [CommonCauseHawaii](https://www.facebook.com/CommonCauseHawaii)

From: Douglas Meller <douglasmeller@gmail.com>
Sent: Thursday, November 17, 2016 2:10:30 PM
To: Michael.Victorino@mauicounty.us

Cc: Corie Tanida; R. Brian Black; Janet Mason; mikev@mutualunderwriters.com

Subject: Re: HSAC Draft Proposals to Amend the State Sunshine Law

Sorry, I accidentally failed to attach Act 56.

On Thu, Nov 17, 2016 at 2:08 PM, Douglas Meller <douglasmeller@gmail.com> wrote:

I enjoyed meeting you this morning and appreciate being asked to review and comment on paper copies of 2 draft HSAC bills to amend the State Sunshine Law.

Please email electronic files for both bills to me as soon as possible. If you don't mind, when I have the electronic files, I will informally consult both OIP and the Civil Beat Law Center for suggestions on how the 2 draft HSAC bills might be revised to accomplish what was intended without creating controversial new "loopholes" in the Sunshine Law.

As you requested, I am attaching LWV testimony which objected to 2015 and 2016 HSAC bills to amend the Sunshine Law along with a copy of Act 56, Session Laws of Hawaii 2016. I am hopeful that we won't have similar objections to 2017 HSAC bills.

Finally, because our non-controversial "good government" bills keep dying in conference committee, I would really appreciate your informing both Representative Souki and Senator Keith-Agaran that you support 2017 legislation to:

- improve electronic public access to board agenda, board packets, and board minutes (see attached LWV testimony for updated SB 475)
- convert Hawaii's existing voting system to a "Vote by Mail" system
- automatically register people to vote (unless they opt out) when they apply for drivers licenses

Mahalo!!

Michael Victorino

From: Corie Tanida <CTanida@commoncause.org>
Sent: Thursday, November 17, 2016 3:08 PM
To: Douglas Meller; Michael Victorino
Cc: R. Brian Black; Janet Mason; mikev@mutualunderwriters.com
Subject: Re: HSAC Draft Proposals to Amend the State Sunshine Law

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I'm still reviewing the bills, but will get back to you soon. Thanks and it was great meeting with you today.

Corie

Corie Tanida, Executive Director -- Common Cause Hawaii
HI.commoncause.org | ctanida@commoncause.org

Common Cause Hawaii
P: 808-275-6275 | Twitter: [@CommonCauseHI](https://twitter.com/CommonCauseHI) | Facebook: [CommonCauseHawaii](https://www.facebook.com/CommonCauseHawaii)

From: Douglas Meller <douglasmeller@gmail.com>
Sent: Thursday, November 17, 2016 2:10:30 PM
To: Michael.Victorino@mauicounty.us
Cc: Corie Tanida; R. Brian Black; Janet Mason; mikev@mutualunderwriters.com
Subject: Re: HSAC Draft Proposals to Amend the State Sunshine Law

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Mahalo!!



49 South Hotel Street, Room 314 | Honolulu, HI 96813
www.lwv-hawaii.com | 808.531.7448 | voters@lwvhawaii.com

SENATE COMMITTEE ON JUDICIARY AND LABOR
Hearing Scheduled 9 am, Friday, February 13, 2015, Conference Room 16
SB 465 RELATING TO GOVERNMENT RECORDS
TESTIMONY
Douglas Meller, Legislative Committee, League of Women Voters of Hawaii

Chair Gilbert S.C. Keith-Agaran, Vice-Chair Maile S.L. Shimabukuro, and Committee Members:

The League of Women Voters opposes SB 465. The bill allows a member of a public board to transmit any "... government record for which disclosure is required..." to other board members "... provided that no commitment relating to a vote on the matter is made or sought ... *in the means of transmittal*". Unfortunately, SB 465 would create two unacceptable loopholes in Hawaii's Sunshine Law under which board members could use memos and email to privately, serially discuss and even make voting commitments on matters before the board outside of any board meeting.

Although a transmittal memo or transmittal email could not directly make or seek a voting commitment, SB 465, as drafted, would authorize a member of a public board to use a transmittal memo or transmittal email (forwarding an attached government record) to express opinions on board matters to other board members. Moreover, if a board member authored and authorized public disclosure of a policy memo which expressed opinions, made voting commitments, or sought voting commitments about matters before the board, SB 465 would allow that policy memo to be transmitted to other board members outside of any board meeting. Such a policy memo would constitute a "government record" which would have to be disclosed under Section 92F-12(b)(1), Hawaii Revised Statutes.

Thank you for the opportunity to submit testimony.



49 South Hotel Street, Room 314 | Honolulu, HI 96813
www.lwv-hawaii.com | 808.531.7448 | voters@lwv-hawaii.com

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Tuesday, February 2, 2016, 1:15 pm, Conference Room 414
SB 2293 RELATING TO OPEN GOVERNMENT

TESTIMONY

Douglas Meller, Legislative Committee, League of Women Voters of Hawaii

Chair Kim, Vice-Chair Ihara, and Committee Members:

The League of Women Voters of Hawaii supports SB 2293 which strengthens statutory policies and requirements applicable to public notice, participation, and monitoring of board meetings.

We believe that SB 2293 is needed to resolve public complaints that:

- when the public requests electronic mail notice of board meetings instead of postal mail notice under Section 92-7(e), Hawaii Revised Statutes, some boards send electronic mail notice less than 6 calendar days prior to board meetings.
- some boards schedule public testimony concerning board packets before the public has opportunity to review or hear discussion of the board packets.
- some boards delay public disclosure of board packets until after completion of board action on the board packets.
- some boards delay public disclosure of their draft minutes beyond 30 days despite OIP rulings concerning disclosure of draft minutes.

In Section 1, we suggest that you amend SB 2293 to require boards to provide only electronic copies of board packets to persons requesting notification of board meetings under Section 92-7(e), Hawaii Revised Statutes. Otherwise, many boards might find the cost of duplicating and mailing paper copies of their board packets to be prohibitive.

In Section 6, we suggest that you amend SB 2293 to eliminate the requirement for boards to post video and sound recordings on an internet website. We doubt that all boards have sufficient expertise and resources to periodically post video and sound recordings on an internet website.

Otherwise, we strongly support SB 2293. Thank you for the opportunity to submit testimony.

A BILL FOR AN ACT

RELATING TO PUBLIC AGENCY MEETINGS AND RECORDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Act 221, Session Laws of Hawaii 2014, is
2 amended by amending section 4 to read as follows:

3 "SECTION 4. This Act shall take effect upon its approval[
4 ~~provided that on June 30, 2016, section 2 of this Act shall be~~
5 ~~repealed and section 92-3.1, Hawaii Revised Statutes, shall be~~
6 ~~reenacted in the form in which it read on the day before the~~
7 ~~effective date of this Act]."~~

8 SECTION 2. Section 92-3.1, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "§92-3.1 Limited meetings. (a) If a board determines
11 that it is necessary to meet at a location that is dangerous to
12 health or safety, or if a board determines that it is necessary
13 to conduct an on-site inspection of a location that is related
14 to the board's business at which public attendance is not
15 practicable, and the director of the office of information
16 practices concurs, the board may hold a limited meeting at that
17 location that shall not be open to the public; provided that at
18 a regular meeting of the board prior to the limited meeting:



- 1 (1) The board determines, after sufficient public
2 deliberation, that it is necessary to hold the limited
3 meeting and specifies that the location is dangerous
4 to health or safety or that the on-site inspection is
5 necessary and public attendance is impracticable;
- 6 (2) Two-thirds of all members to which the board is
7 entitled vote to adopt the determinations required by
8 paragraph (1); and
- 9 (3) Notice of the limited meeting is provided in
10 accordance with section 92-7.
- 11 (b) A county council may hold a limited meeting that is
12 open to the public, as the guest of a board or community group
13 holding its own meeting, and the council shall not be required
14 to have a quorum of members in attendance or accept oral
15 testimony; provided that:
- 16 (1) Notice of the limited meeting shall be provided in
17 accordance with section 92-7, shall indicate the board
18 or community group whose meeting the council is
19 attending, and shall not be required to include an
20 agenda;



- 1 (2) If the board or community group whose meeting the
2 council is attending is subject to part I, chapter 92,
3 then that board or community group shall comply with
4 the notice, agenda, testimony, minutes, and other
5 requirements of part I, chapter 92;
- 6 (3) No more than one limited meeting per month shall be
7 held by a county council for any one board or
8 community group;
- 9 (4) No limited meetings shall be held outside the State;
10 and
- 11 (5) Limited meetings shall not be used to circumvent the
12 purpose of part I, chapter 92.
- 13 (c) At all limited meetings, the board shall:
- 14 (1) Videotape the meeting, unless the requirement is
15 waived by the director of the office of information
16 practices, and comply with all requirements of section
17 92-9;
- 18 (2) Make the videotape available at the next regular
19 meeting; and
- 20 (3) Make no decisions at the meeting.



1 (d) Each county council shall submit an annual report to
2 the legislature no later than twenty days prior to the convening
3 of each regular session on the effectiveness and application of
4 limited meeting procedures provided in subsection (b), including
5 any recommendations or proposed legislation."

6 SECTION 3. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 4. This Act shall take effect on June 29, 2016.



S.B. NO. 2121
S.D. 1
H.D. 1
C.D. 1

Report Title:

Public Meetings; Sunshine Law; County Council Members

Description:

Repeals the June 30, 2016, sunset date of limited statutory exemptions from open meeting requirements which permit county council members to attend public meetings of other boards or community groups. Requires the county councils to submit annual reports to the Legislature on the effectiveness of procedural requirements to effectuate the exemption. (CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

200 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

www.hicounties.com



December 14, 2016

Councilmember Michael P. Victorino, President
Hawaii State Association of Counties
200 S. High Street, 8th Floor
Wailuku, HI, 96793

Dear President Victorino:

SUBJECT: TREASURER'S REPORT FOR NOVEMBER 2016

Attached please find a report of the Association's revenues and expenses for the period of November 1 through November 30, 2016.

Malam Pono,

Ikaika Anderson
HSAC Treasurer

Attachment



Treasurer's Report for November 2016

HSAC started the month of November with a balance of \$183,516.21, expended \$31,218.37 and received income of \$62,847.26 and we ended the month of November with a balance of \$215,145.10.

Hawaii State Association of Counties
REVENUES COLLECTED AND EXPENSES PAID
 Period: November 1, 2016 through November 30, 2016

BEGINNING BALANCE				\$183,516.21
	November	FY 2017 Year to Date	FY 2017 Budget	
REVENUES				
Membership Fees	\$32,760.00	\$43,680.00	\$43,680.00	
Conference Income	\$30,084.31	\$19,168.26	\$15,000.00	
Interest Income	\$2.95	\$6.10	\$28.00	
Corporate Sponsorship	\$0.00	\$0.00	\$0.00	
Miscellaneous	\$0.00	\$9.73	\$0.00	
NACo Prescription Drug	\$0.00	\$1,984.40	\$6,000.00	
Fund Balance, prior FY		\$0.00	\$107,164.00	
Total	\$62,847.26	\$64,848.49	\$171,872.00	
Total Receipts This Period				\$62,847.26
EXPENSES				
HSAC				
Executive Committee Travel-Air, Ground, Lodging & Membership	\$976.41	\$3,404.22	\$17,500.00	
Auditing Services	\$0.00	\$0.00	\$5,000.00	
Stationery	\$0.00	\$205.75	\$150.00	
Miscellaneous	\$198.47	\$1,138.25	\$2,000.00	
Online Quickbooks Monthly Fee	\$41.55	\$207.75	\$500.00	
Special Committees				
Travel	\$0.00	\$0.00	\$500.00	
Miscellaneous	\$0.00	\$0.00	\$100.00	
NACo				
Board Travel-Air, Ground, and Lodging	\$1,406.65	\$6,840.54	\$20,000.00	
Steering Committees Travel-Air, Ground & Lodging	\$0.00	\$0.00	\$6,000.00	
Promotional	\$0.00	\$0.00	\$250.00	
Dues	\$26,751.00	\$0.00	\$27,268.00	
Miscellaneous	\$0.00	\$928.88	\$1,000.00	
WIR				
WIR Travel-Air, Ground and Lodging	\$0.00	\$1,011.17	\$10,500.00	
WIR Promotional	\$0.00	\$0.00	\$0.00	
WIR Dues	\$0.00	\$0.00	\$3,804.00	
WIR Miscellaneous	\$0.00	\$0.00	\$1,000.00	
WIR 2015 Conference	\$0.00	\$0.00	\$0.00	
OTHER				
Adjustments for Travel and Related Expenses	\$0.00	\$0.00	\$6,295.00	
National Conference Fund	\$0.00	\$0.00	\$44,000.00	
Prescription Drug Scholarship Program	\$0.00	\$0.00	\$6,500.00	
County Leadership Institute Attendee	\$0.00	\$0.00	\$3,000.00	
Prescription Drug Promotion	\$0.00	\$0.00	\$5,000.00	
HSAC Promotion	\$1,844.29	\$1,982.68	\$11,505.00	
Total	\$31,218.37	\$15,719.24	\$171,872.00	
Total Expenses This Period				\$31,218.37
ENDING BALANCE				\$215,145.10

November 28, 2016

The Board of Directors of
Hawaii Association of Counties
200 South High Street Room 703
Wailuku, Hawaii 96793

We have audited the financial statements of Hawaii Association of Counties for the year ended June 30, 2016, and have issued our report thereon dated November 28, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 21, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Business Advisory Comments:

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Hawaii Association of Counties are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2016. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 28, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors of Hawaii Association of Counties and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Carbonaro CPAs & Management Group

HAWAII STATE ASSOCIATION OF COUNTIES, INC.
(A Hawai'i Nonprofit Corporation)

AUDITED FINANCIAL STATEMENTS
(With Independent Auditors' Report)

FOR THE YEARS ENDED JUNE 30, 2016 and 2015

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Hawaii State Association of Counties, Inc.
Honolulu, Hawaii 96817

We have audited the accompanying financial statements of Hawai'i State Association of Counties, Inc. (a nonprofit organization), which comprise the statements of assets, liabilities, and net assets—cash basis as of June 30, 2016 and 2015, and the related statement of support, revenue, and expenses—cash basis for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 2; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Hawaii State Association of Counties, Inc. as of June 30, 2016 and 2015, and its support, revenue, and expenses for the years then ended in accordance with the cash basis of accounting as described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Wailuku, Hawaii
November 28, 2016

DRAFT

HAWAII STATE ASSOCIATION OF COUNTIES, INC.

Statements of Assets, Liabilities, and Net Assets – Cash Basis
As of June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	<u>\$ 223,583</u>	<u>\$ 215,485</u>
TOTAL ASSETS	<u>\$ 223,583</u>	<u>\$ 215,485</u>
NET ASSETS		
NET ASSETS (Note 3)		
Unrestricted	<u>\$ 223,583</u>	<u>\$ 215,485</u>
TOTAL NET ASSETS	<u>\$ 223,583</u>	<u>\$ 215,485</u>

HAWAII STATE ASSOCIATION OF COUNTIES, INC.

Statements of Support, Revenue and Expenses – Cash Basis
For the Years Ended June 30, 2016 and 2015

SUPPORT AND REVENUE RECEIVED	<u>2016</u>	<u>2015</u>
Conference receipts:		
Conference - fiscal year 2016	118,156	-
Conference - fiscal year 2015	-	216,116
Total conference receipts	<u>118,156</u>	<u>216,116</u>
Membership fees	43,680	43,680
Other Income	6,727	4,435
Interest Income	<u>40</u>	<u>32</u>
 Total Support and Revenue Received	 <u>168,603</u>	 <u>264,263</u>
 EXPENSES DISBURSED		
Executive and Special Committee		
Travel (Note 6)	11,283	9,553
Accounting services	5,561	5,181
Miscellaneous	6,398	2,604
	<u>23,242</u>	<u>17,338</u>
National Association of Counties:		
Travel (Note 6)	10,627	12,863
Membership dues (Note 6)	26,751	26,751
Miscellaneous	4,030	2,330
	<u>41,408</u>	<u>41,944</u>
Western Association of Counties:		
Travel (Note 6)	8,416	3,890
Membership dues (Note 6)	3,506	3,506
Promotional	-	5,219
	<u>11,922</u>	<u>12,615</u>
Conferences Expenditures:		
Conference - fiscal year 2015	-	159,797
Conference - fiscal year 2016	83,933	-
	<u>83,933</u>	<u>159,797</u>
Total Expenses	<u>160,505</u>	<u>231,694</u>
 Change in Net Assets	 8,098	 32,569
Net assets, beginning of the year	<u>215,485</u>	<u>182,916</u>
Net assets, end of the year	<u>\$ 223,583</u>	<u>\$ 215,485</u>

The accompanying notes are an integral part of these financial statements.

HAWAII STATE ASSOCIATION OF COUNTIES, INC.

Notes to the Financial Statements
June 30, 2016 and 2015

Note 1. ASSOCIATION

The Hawaii State Association of Counties, Inc. (the Association) was incorporated as a non-profit Association under the laws of the State of Hawaii on November 8, 1974. The Hawaii State Association of Counties, Inc. serves as an agent to coordinate county programs in the best interest of the people of the State of Hawaii through cooperation of the legislative bodies of the several counties of the State; the creation of more practical and efficient county legislation, and administrative procedures; the provision of a single source of information in regard to all counties which shall be available to the Governor, the Legislature and to all proper persons, officials; and a general improvement in the conduct of the county government.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting: The Association uses the cash basis of accounting. Under this basis, revenues and the related assets are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. This basis of accounting is a comprehensive basis of accounting that is not generally accepted accounting principles.

Cash and Cash Equivalents: Cash is defined as demand deposits and savings accounts.

Income Taxes: Hawaii State Association of Counties, Inc. is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and also from State of Hawaii income taxes under Section 237-23 (b) of the Hawaii Revised Statutes.

The Association is also a public charity under IRC Sections 509 (a)(1) and 170 (b)(1)(A)(vi). This allows for donations to the Association to be deductible as a charitable contribution on income tax returns.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Association may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Association and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal year 2016 and 2015.

The Association's Forms 990, Return of Organization Exempt from Income Tax, for the fiscal years ending 2013, 2014, and 2015 are subject to examination by the IRS, generally for 3 years after they were filed.

HAWAII STATE ASSOCIATION OF COUNTIES, INC.

Notes to the Financial Statements
June 30, 2016 and 2015

Note 3. NET ASSETS

Hawaii State Association of Counties, Inc. has conformed to FASB ASC 958-210-45-9 “Not-for-Profit Entities, Classifications of Net Assets”. Accordingly, the Association is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. As of June 30, 2016 and 2015, Hawaii State Association of Counties, Inc. had no temporarily restricted or permanently restricted net assets.

Note 4. CONCENTRATIONS OF RISK

Every year the Association hosts a conference. Each county hosts the conference every four years. Without this conference and the support and revenues it generates the association may be a risk of not getting enough funding to continue its operations.

Note 5. SUBSEQUENT EVENTS

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through November 28, 2016, the date the financial statements were available to be issued.

Note 6. RELATED PARTY TRANSACTIONS

The Association paid dues of \$26,751 to the National Association of Counties for national membership for the years ended June 30, 2016 and 2015. The Association paid \$3,506 to Western Interstate Region membership for the years ended June 30, 2016 and 2015.

The Association also reimburses travel costs to county members for meetings and conferences throughout the fiscal year. Travel reimbursements to members for the years ended June 30, 2016 and 2015 are as follows:

	<u>2016</u>	<u>2015</u>
City & County of Honolulu	\$ 2,633	\$ 2,916
County of Maui	9,066	7,291
County of Kauai	5,184	5,470
County of Hawaii	8,703	10,440
	<u>\$ 25,586</u>	<u>\$ 26,117</u>

**Hawaii State Association of Counties
Grouping Schedule Report
Grouping Schedule 2**

	Adjusted Balance Jun 30, 2015	Unadjusted Jun 30, 2016	Adjusting AJE	Adjusted Balance Jun 30, 2016
0 - A Cash				
0 - A, 01 Cash				
1010 - Bank of Hawaii (Conference)	0.00	27,243.68		27,243.68
1020 - Bank of Hawaii (General)	143,115.67	196,338.88		196,338.88
1040 - Bank of Hawaii (Conference)	33,536.63	0.00		0.00
1050 - Bank of Hawaii (WIR 2015 Conference)	38,832.52	0.00		0.00
Total Cash	<u>215,484.82</u>	<u>223,582.56</u>	<u>0.00</u>	<u>223,582.56</u>
0 - A Cash Total	<u>215,484.82</u>	<u>223,582.56</u>	<u>0.00</u>	<u>223,582.56</u>
1 - B Accounts Receivable				
1510 - Accounts Receivable (A/R)	0.00	9,630.00		0.00
PAJE02 To reverse incorrect credit memo			1,245.00	
PAJE03 To reverse incorrect A/R balance			(10,875.00)	
1 - B Accounts Receivable Total	<u>0.00</u>	<u>9,630.00</u>	<u>(9,630.00)</u>	<u>0.00</u>
Current Assets Total	<u>215,484.82</u>	<u>233,212.56</u>	<u>(9,630.00)</u>	<u>223,582.56</u>
Assets Total	<u>215,484.82</u>	<u>233,212.56</u>	<u>(9,630.00)</u>	<u>223,582.56</u>
9 - SS Equity				
9 - SS, 01 Equity				
3010 - Opening Balance Equity {3}	(78,451.38)	(78,451.38)		(78,451.38)
3011 - Unrestricted Net Assets	(104,465.04)	(137,658.44)		(137,033.44)
PAJE01 To adjust equity			625.00	
Total Equity	<u>(182,916.42)</u>	<u>(216,109.82)</u>	<u>625.00</u>	<u>(215,484.82)</u>
9 - SS Equity Total	<u>(182,916.42)</u>	<u>(216,109.82)</u>	<u>625.00</u>	<u>(215,484.82)</u>
(Profit)/Loss	<u>(32,568.40)</u>	<u>(17,102.74)</u>	<u>9,005.00</u>	<u>(8,097.74)</u>
Equity Total	<u>(215,484.82)</u>	<u>(233,212.56)</u>	<u>9,630.00</u>	<u>(223,582.56)</u>
Liabilities/Equity Total	<u>(215,484.82)</u>	<u>(233,212.56)</u>	<u>9,630.00</u>	<u>(223,582.56)</u>
R Revenue				
R, 01 Conference				
4016 - Conference Income:Advertising	0.00	(2,300.00)		(2,300.00)
4055 - Conference Income:Donation	0.00	(950.00)		(950.00)
4070 - Conference Income:Dining-Guest	(1,490.00)	(2,675.00)		(2,675.00)
4080 - Conference Income:Golf	(1,215.00)	(8,087.96)		(8,087.96)
4085 - Conference Income:Interest Income	(6.26)	(5.48)		(5.48)
4090 - Conference Income:Tour	(140.00)	(1,650.00)		(1,650.00)
4100 - Conference Income:Sponsorship	(171,950.00)	(53,950.00)		(53,950.00)
4110 - Conference Income:Registration	(41,315.00)	(38,537.05)		(38,537.05)
4180 - Conference Income:Miscellaneous	0.00	(10,000.00)		(10,000.00)
Total Conference	<u>(216,116.26)</u>	<u>(118,155.49)</u>	<u>0.00</u>	<u>(118,155.49)</u>
R, 02 Membership Fees				
4130 - General:Membership Fees	(43,680.00)	(43,680.00)		(43,680.00)
Total Membership Fees	<u>(43,680.00)</u>	<u>(43,680.00)</u>	<u>0.00</u>	<u>(43,680.00)</u>
R, 03 Other Income				
4165 - General:Miscellaneous Income:NACo Prescriptic	(4,434.80)	(4,721.20)		(4,721.20)
4210 - Sales	0.00	(10,875.00)		(1,245.00)
PAJE02 To reverse incorrect credit memo			(1,245.00)	
PAJE03 To reverse incorrect A/R balance			10,875.00	
4900 - Uncategorized Income	0.00	(761.20)		(761.20)
Total Other Income	<u>(4,434.80)</u>	<u>(16,357.40)</u>	<u>9,630.00</u>	<u>(6,727.40)</u>
R, 04 Interest Income				

**Hawaii State Association of Counties
Grouping Schedule Report
Grouping Schedule 2**

	Adjusted Balance Jun 30, 2015	Unadjusted Jun 30, 2016	Adjusting AJE	Adjusted Balance Jun 30, 2016
4150 - General:Interest Income	(31.92)	(39.76)		(39.76)
Total Interest Income	(31.92)	(39.76)	0.00	(39.76)
R Revenue Total	(264,262.98)	(178,232.65)	9,630.00	(168,602.65)
Sales Total	(264,262.98)	(178,232.65)	9,630.00	(168,602.65)
E Expenses				
E, 01 Conference				
5010 - Conference Expense:Fees	3,750.00	3,220.67		3,220.67
5020 - Conference Expense:Food	0.00	2,336.46		2,336.46
5060 - Conference Expense:Leis/Flowers	1,149.32	121.74		121.74
5070 - Conference Expense:Miscellaneous	12,684.05	11,220.44		11,220.44
5080 - Conference Expense:Golf	3,533.20	1,935.60		1,935.60
5090 - Conference Expense:Conference Cost (F&B)	107,605.71	61,532.41		61,532.41
5100 - Conference Expense:Supplies	2,185.60	2,904.76		2,904.76
5110 - Conference Expense:Entertainment	11,946.75	625.00		0.00
PAJE01 To adjust equity			(625.00)	
5220 - Conference Expense:Travel	270.00	0.00		0.00
5250 - Conference Expense:Other Services	15,058.25	0.00		0.00
5255 - Conference Expense:Tour	1,614.47	645.00		645.00
5900 - Other Miscellaneous Expense	0.00	15.80		15.80
Total Conference	159,797.35	84,557.88	(625.00)	83,932.88
E, 02 Exec Travel				
5130 - HSAC Executive Committee:HSAC Travel Reim	8,218.42	9,443.30		9,443.30
5140 - HSAC Executive Committee:HSAC Travel Reim	1,334.34	1,839.89		1,839.89
Total Exec Travel	9,552.76	11,283.19	0.00	11,283.19
E, 03 Exec Acct Service				
5150 - HSAC Executive Committee:HSAC Auditing Se	4,682.29	5,104.17		5,104.17
5155 - HSAC Executive Committee:HSAC Quickbooks	498.60	457.05		457.05
Total Exec Acct Service	5,180.89	5,561.22	0.00	5,561.22
E, 04 Exec Misc				
5160 - HSAC Executive Committee:HSAC Miscellaneous	2,604.27	6,397.51		6,397.51
Total Exec Misc	2,604.27	6,397.51	0.00	6,397.51
E, 05 NACo Travel				
5170 - NACo:NACo Travel - Board	12,863.47	10,627.07		10,627.07
Total NACo Travel	12,863.47	10,627.07	0.00	10,627.07
E, 07 NACo Memebership				
5200 - NACo:NACo Dues	26,751.00	26,751.00		26,751.00
Total NACo Memebership	26,751.00	26,751.00	0.00	26,751.00
E, 08 NACo Misc				
5180 - NACo:NACo Travel - Steering Committe	1,282.20	2,231.81		2,231.81
5210 - NACo:NACo Miscellaneous	1,047.55	1,797.74		1,797.74
Total NACo Misc	2,329.75	4,029.55	0.00	4,029.55
E, 09 WACo Travel				
5230 - WIR:WIR Travel	3,890.00	8,416.49		8,416.49
Total WACo Travel	3,890.00	8,416.49	0.00	8,416.49
E, 10 WACo Membership				
5240 - WIR:WIR Dues	3,506.00	3,506.00		3,506.00

**Hawaii State Association of Counties
Grouping Schedule Report
Grouping Schedule 2**

	<u>Adjusted Balance Jun 30, 2015</u>	<u>Unadjusted Jun 30, 2016</u>	<u>Adjusting AJE</u>	<u>Adjusted Balance Jun 30, 2016</u>
Total WACo Membership	3,506.00	3,506.00	0.00	3,506.00
E, 11 WACo Promo				
5260 - WIR:WIR Promotional	4,953.73	0.00		0.00
5265 - WIR:WIR 2015 Conference	265.36	0.00		0.00
Total WACo Promo	5,219.09	0.00	0.00	0.00
E Expenses Total	231,694.58	161,129.91	(625.00)	160,504.91
Cost of Sales Total	231,694.58	161,129.91	(625.00)	160,504.91
Revenue Total	(32,568.40)	(17,102.74)	9,005.00	(8,097.74)
Grouping Schedule 2 Total	0.00	0.00	0.00	0.00
(Profit)/Loss	(32,568.40)	(17,102.74)	9,005.00	(8,097.74)

All accounts have been assigned.

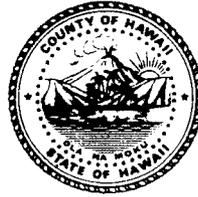
Prepared by _____

Hawaii State Association of Counties Adjusting Journal Entries

Reviewed by _____

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
PAJE01	Adjusting	06/30/16					
		3011	Unrestricted Net Assets	625.00			
		5110	Conference Expense:Entertainmen		625.00		
			To adjust equity			625.00	SS-1
PAJE02	Adjusting	06/30/16					
		1510	Accounts Receivable (A/R)	1,245.00			
		4210	Sales		1,245.00		
			To reverse incorrect credit memo			1,245.00	B-1
PAJE03	Adjusting	06/30/16					
		4210	Sales	10,875.00			
		1510	Accounts Receivable (A/R)		10,875.00		
			To reverse incorrect A/R balance			(10,875.00)	11
		TOTAL		<u>12,745.00</u>	<u>12,745.00</u>	<u>(9,005.00)</u>	

COUNTY OF HAWAI'I



STATE OF HAWAI'I

RESOLUTION NO. 12 16

A RESOLUTION APPOINTING THE HAWAI'I COUNTY COUNCIL REPRESENTATIVE AND ALTERNATE REPRESENTATIVE TO THE EXECUTIVE COMMITTEE OF THE HAWAI'I STATE ASSOCIATION OF COUNTIES (HSAC).

BE IT RESOLVED BY THE COUNCIL OF THE COUNTY OF HAWAI'I that Council Member Dru Mamo Kanuha and Council Member Valerie T. Poindexter are hereby designated Representative and Alternate Representative, respectively, to the Executive Committee of the Hawai'i State Association of Counties (HSAC) effective December 5, 2016.

BE IT FURTHER RESOLVED that a copy of this resolution shall be transmitted by the County Clerk to the President and Secretary of the Hawai'i State Association of Counties.

Dated at Hilo, Hawai'i, this 5th day of December, 2016.

INTRODUCED BY:

COUNCIL MEMBER, COUNTY OF HAWAI'I

COUNTY COUNCIL
County of Hawai'i
Hilo, Hawai'i

I hereby certify that the foregoing RESOLUTION was by the vote indicated to the right hereof adopted by the COUNCIL of the County of Hawai'i on December 5, 2016.

ATTEST:

COUNTY CLERK CHAIRPERSON & PRESIDING OFFICER

ROLL CALL VOTE

	AYES	NOES	ABS	EX
CHUNG	X			
DAVID	X			
EOFF	X			
KANUHA	X			
LEE LOY	X			
O'HARA	X			
POINDEXTER	X			
RICHARDS	X			
RUGGLES	X			
	9	0	0	0

Reference: C-1/Council
RESOLUTION NO. 12 16

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

200 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

www.hicounties.com



December 15, 2016

MEMO TO: HSAC Executive Committee Members

FROM: Michael P. Victorino, HSAC President

SUBJECT: HSAC NOMINATIONS TO FILL VACANCIES FOR THE TERM ENDING JUNE 30, 2017

I would appreciate your consideration to these updates.

HSAC Representatives

Pending action by the Maui County Council on January 2, 2017, or thereafter, here is the HSAC Executive Committee membership through June 30, 2017:

President: County of Maui (vacant as of noon on January 2, 2017)
Vice President: County of Hawaii (Councilmember Dru Kanuha)
Treasurer: City and County of Honolulu (Councilmember Ikaika Anderson)
Secretary: County of Kauai (Councilmember Mel Rapozo)

A rotation of positions will begin starting July 1, 2017.

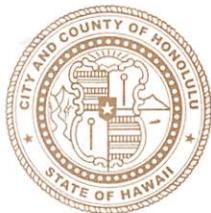
National Association of Counties Board Member

The Kauai County Council has nominated **Arryl Kaneshiro** as NACo Board Member for the term ending June 30, 2017. The nomination will be submitted for approval by the other counties. After receiving approval from all four councils, HSAC will notify NACo of the new board member.

Western Interstate Region Board Member

Councilmember **Dru Kanuha** of the Hawaii County Council is nominated as WIR Board Member for the term ending June 30, 2017. The nomination will be submitted for approval by the other counties. After receiving approval from all four councils, HSAC will notify WIR of the new board member.

The NACo Legislative Conference is February 25-March 1, 2017 in Washington, D.C. The WIR Annual Conference is May 24-26, 2017 in Deschutes County, Oregon.



OFFICE OF THE CITY CLERK

CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 100
HONOLULU, HAWAII 96813-3077
TELEPHONE: (808) 768-3810 • FAX: (808) 768-3835

GLEN I. TAKAHASHI
CITY CLERK

KIMBERLY L. RIBELLIA
DEPUTY CITY CLERK

December 2, 2016

The Honorable Michael P. Victorino, President
Hawaii State Association of Counties, Executive Committee
c/o Kit Zulueta
Maui County Council
200 South High Street
Wailuku, Maui, Hawaii 96793

Dear President ~~Victorino~~ *Councilmember Victorino!*

This is to inform you that Resolution 16-309, approving the nomination of Kauai County Councilmember Arryl Kaneshiro to the Board of Directors of the National Association of Counties, was adopted by the Council of the City and County of Honolulu on Thursday, December 1, 2016.

Sincerely,

A handwritten signature in cursive script that reads "Kimberly L. Ribellia".

jr GLEN I. TAKAHASHI
City Clerk

mk

Attachment



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 16-309

RESOLUTION

**APPROVING THE NOMINATION OF KAUAI COUNTY COUNCILMEMBER
ARRYL KANESHIRO TO THE BOARD OF DIRECTORS OF THE NATIONAL
ASSOCIATION OF COUNTIES**

WHEREAS, the Hawaii State Association of Counties (HSAC) is comprised of the county councils of the State of Hawaii; and

WHEREAS, the county councils of the State of Hawaii are also members through HSAC of the National Association of Counties (NACo), an organization comprised of about 3,000 counties from across the United States; and

WHEREAS, NACo is governed by a Board of Directors comprised of elected officials of member-counties; and

WHEREAS, Section 5A of the HSAC Bylaws requires nominees to the NACo Board of Directors to be nominated by the HSAC Executive Committee and member county councils of HSAC and forwarded to the NACo President and Board of Directors for consideration in accordance with Article VI of the NACo bylaws; and

WHEREAS, a vacancy currently exists in Hawaii's representation on the NACo Board of Directors as the bylaws allow for two directors from Hawaii to serve on the NACo Board of Directors, one of which is City and County of Honolulu Councilmember Ikaika Anderson; and

WHEREAS, HSAC Secretary Mel Rapozo has requested that the Council of the City and County of Honolulu approve Kauai County Councilmember Arryl Kaneshiro's appointment to the NACo Board of Directors to fill the current NACo Hawaii delegation vacancy (Exhibit A); now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approves Kauai County Councilmember Arryl Kaneshiro as the nominee for the NACo President's appointee to the Board of Directors to serve the remainder of Councilmember KipuKai Kualii's term; and



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 16-309

RESOLUTION

BE IT FINALLY RESOLVED that a copy of this Resolution be transmitted to the President of HSAC.

INTRODUCED BY

A handwritten signature in black ink, appearing to be 'C. ...', written over a horizontal line.

DATE OF INTRODUCTION:

NOV 21 2016
Honolulu, Hawaii

Councilmembers

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

209 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

www.hicounties.com



November 17, 2016

Ernest Y. Martin, Council Chair
and Members of the Honolulu City Council
Honolulu Hale
530 South King Street
Honolulu, Hawai'i 96813

Dear Council Chair Martin and Councilmembers:

**RE: NOMINATION OF COUNCILMEMBER ARRYL KANESHIRO TO
FILL AND COMPLETE A NACO BOARD OF DIRECTOR TERM**

Article VI of the National Association of Counties (NACo) Bylaws allows for Hawai'i to have two Directors serving on its Board of Directors.

Due to Councilmember KipuKai Kualii's unsuccessful bid for a seat on the Kaua'i County Council, a vacancy exists in Hawai'i's representation on the NACo Board of Directors.

It is important that this position be filled soon, and I would like to request your Council's consideration of approving Councilmember Arryl Kaneshiro to fill the remaining term of Councilmember KipuKai Kualii's seat as a National Association of Counties (NACo) Board of Director. I am confident that Councilmember Kaneshiro will represent our counties to the best of his ability, and he will be a committed and active participant.

Pursuant to Section 5A of the Hawai'i State Association of Counties (HSAC) Bylaws, nominations for NACo Board of Director positions must be approved by all four County Councils.

I would like to request that your Council consider this matter at your next available meeting. Your attention to this matter is appreciated. Should you have any questions, please feel free to contact me at the Office of the County Clerk, Council Services Division at (808) 241-4188.

Sincerely,

MEL RAPOZO
HSAC Secretary

AMK:lc

EXHIBIT A

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

RESOLUTION 16-309

Introduced: 11/21/16 By: ERNEST MARTIN

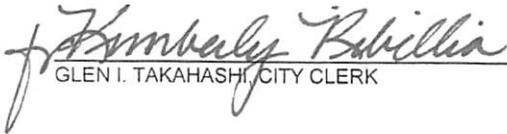
Committee: COUNCIL

Title: RESOLUTION APPROVING THE NOMINATION OF KAUAI COUNTY COUNCILMEMBER ARRYL KANESHIRO TO THE BOARD OF DIRECTORS OF THE NATIONAL ASSOCIATION OF COUNTIES.

Voting Legend: * = Aye w/Reservations

12/01/16 COUNCIL RESOLUTION 16-309 WAS ADOPTED.
9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN,
MENOR, OZAWA, PINE.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.


GLEN I. TAKAHASHI, CITY CLERK


ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER

COUNTY COUNCIL
COUNTY OF KAUA'I

Resolution No. 2017-08

**RESOLUTION APPROVING A NOMINATION TO FILL AN UNEXPIRED
TERM ON THE NATIONAL ASSOCIATION OF COUNTIES BOARD OF
DIRECTORS FOR FISCAL YEAR 2017**

WHEREAS, through membership on the Hawai'i State Association of Counties (HSAC), all four county councils are members of the National Association of Counties (NACo), an organization comprised of member counties across the nation; and

WHEREAS, Section 5A of the HSAC Bylaws states that Hawai'i is eligible for two members to serve on the Board of Directors of the National Association of Counties (NACo) who are elected officials from different NACo member counties within the State of Hawai'i, and are nominated to the positions by the HSAC Executive Committee and the individual councils; and

WHEREAS, Councilmember KipuKai Kualii (County of Kaua'i) is no longer eligible to serve as a NACo Director beginning December 1, 2016; and

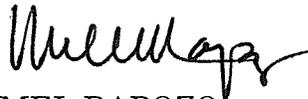
WHEREAS, the Kaua'i County Council wishes to nominate Councilmember Arryl Kaneshiro to fill the unexpired term vacated by Councilmember KipuKai Kualii as a NACo Director for Fiscal Year 2017; and

WHEREAS, the HSAC Bylaws require that each council act on the proposed nominations for NACo and WIR Directors; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE COUNTY OF KAUA'I, STATE OF HAWAII, that it hereby approves the nomination of Councilmember Arryl Kaneshiro to serve as a NACo Board Member for the remaining term of Fiscal Year 2017.

BE IT FINALLY RESOLVED, that a certified copy of this Resolution shall be transmitted to the HSAC Executive Committee.

Introduced by:

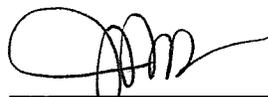

MEL RAPOZO

V:\RESOLUTIONS\2014-2016 TERM\2016-867 reso fill appt naco AK_AMK_mn.docx

	Aye	Nay	Excused	Recused
Brun	X			
Chock	X			
Kagawa	X			
Kaneshiro	X			
Kawakami	X			
Rapozo	X			
Dukimura	X			
Total	7	0	0	0

Certificate Of Adoption

We hereby certify that Resolution No. 2017-08 was adopted by the Council of the County of Kaua'i, State of Hawai'i, Lihu'e, Kaua'i, Hawai'i, on December 14, 2016.



County Clerk



Chairman & Presiding Officer

Dated December 15, 2016

Hawai'i State Association of Counties (HSAC)

Counties of Kaua'i, Maui, Hawai'i and City & County of Honolulu

200 S. High Street, Wailuku, Hawaii 96793 (808) 270-7665

www.hicounties.com



December 15, 2016

MEMO TO: HSAC Executive Committee

FROM: Michael P. Victorino, HSAC President

SUBJECT: HSAC LEGISLATIVE COORDINATOR

This Executive Committee has made tremendous strides in elevating the organization's image and in lobbying efforts. It is our desire to continue this momentum as we enter another legislative season in the capitol.

This is why I am proposing the creation of an HSAC Legislative Coordinator to further our efforts with 10 bills in the package that will have lasting impacts in our counties.

Here are some details:

- As a unique nonprofit that involves four county councils and four mayors, HSAC needs a coordinator who can be expected to have knowledge of the processes and timelines involved within the organization.
- There shall be a contract drafted and approved by the Executive Committee detailing the deliverables expected by the board.
- The coordinator shall be compensated in the amount to be determined by the Executive Committee for six months, to include professional fees and other necessary expenses to fulfill the expectations.
- An assessment of the coordinator's performance and practicality of the position shall be made at the organization's annual membership meeting in June.

I urge the board's support in this matter. As we welcome new members in the Executive Committee starting next year, this proposal shall provide continuity and progress to the organization.

Mahalo.