

Ricky Watanabe
Chair

Jan TenBruggencate
Vice Chair

Members:
Marissa Sandblom
Virginia Kapali
Carol Suzawa
Patrick Stack
Lori Koga

**COUNTY OF KAUAI CHARTER REVIEW COMMISSION
NOTICE OF MEETING AND AGENDA**

Monday, June 24, 2019

3:00 p.m. or shortly thereafter

Mo'ikeha Building, Meeting Room 2 A/B
4444 Rice Street, Lihu'e, HI 96766

CALL TO ORDER

COMMUNICATIONS

APPROVAL OF MINUTES

Open Session Minutes of May 20, 2019

BUSINESS

CRC 2019-02 General Discussion on Charter Initiatives of Interest

CRC 2019-03 Discussion on County Auditor Position

Discussion Statements Regarding County Auditor's Office by Commissioner
Ricky Watanabe

Council Chair or designee to discuss County Auditor position

CRC 2019-04 Discussion on Charter Section 23.06

CRC 2019-05 Proposal to add to Charter, qualifications for Police Chief

ANNOUNCEMENTS

Next Meeting: Monday, July 22, 2019, 3:00 p.m., in the Mo'ikeha Building, Meeting Room 2A/2B

ADJOURNMENT

EXECUTIVE SESSION

Pursuant to Hawai'i Revised Statutes §92-7(a), the Commission may, when deemed necessary, hold an executive session on any agenda item without written public notice if the executive session was not anticipated in advance. Any such executive session shall be held pursuant to HRS §92-4 and shall be limited to those items described in HRS §92-5(a). Discussions held in Executive Session are closed to the public.

cc: Deputy County Attorney Adam Roversi

PUBLIC COMMENTS and TESTIMONY

Persons wishing to offer comments are encouraged to submit written testimony at least 24 hours prior to the meeting indicating:

1. Your name and if applicable, your position/title and organization you are representing;
2. The agenda item that you are providing comments on; and
3. Whether you will be testifying in person or submitting written comments only; and
4. If you are unable to submit your testimony at least 24 hours prior to the meeting, please provide 10 copies of your written testimony at the meeting clearly indicating the name of the testifier; and
5. If testimony is based on a proposed Charter amendment, list the applicable Charter provision.

While every effort will be made to copy, organize, and collate all testimony received, materials received on the day of the meeting or improperly identified may be distributed to the members after the meeting is concluded.

The length of time allocated to persons wishing to present verbal testimony may be limited at the discretion of the chairperson or presiding member.

Send written testimony to:

Charter Review Commission

Attn: Anela Segreti

Office of Boards and Commissions

4444 Rice Street, Suite 150

Līhu'e, HI 96766

E-mail: asegreti@kauai.gov

Phone: (808) 241-4917 Fax: (808) 241-5127

SPECIAL ASSISTANCE

IF YOU NEED AN AUXILIARY AID/SERVICE, OTHER ACCOMODATION DUE TO A DISABILITY, OR AN INTERPRETER FOR NON-ENGLISH SPEAKING PERSONS, PLEASE CONTACT THE OFFICE OF BOARDS & COMMISSIONS AT (808) 241-4917 OR ASEGRETI@KAUAI.GOV AS SOON AS POSSIBLE. REQUESTS MADE AS EARLY AS POSSIBLE WILL ALLOW ADEQUATE TIME TO FULFILL YOUR REQUEST.

UPON REQUEST, THIS NOTICE IS AVAILABLE IN ALTERNATE FORMATS SUCH AS LARGE PRINT, BRAILLE, OR ELECTRONIC COPY.

SUBJECT	DISCUSSION	ACTION
	<p><u>CRC 2019-03 Discussion on County Auditor Position</u></p> <p>Vice Chair asked if we had heard from the County Council. No communication has been received. Ms. Ching stated that they are wrapped up with budget and will be available after.</p> <p>Chair Watanabe submitted a communication to be discussed under CRC 2019-03 at next meeting.</p> <p>Vice Chair asked if Mr. Roversi will be providing the Commission with some language on this.</p> <p>Mr. Roversi replied that he can.</p>	<p>Without objection Chair Watanabe's communication was received and will be added to June 24, 2019 Agenda.</p>
Announcements	Next meeting: Monday, June 24, 2019.	
Adjournment		<p>With no objection, Vice Chair TenBruggencate adjourned the meeting at 3:26pm.</p>

Submitted by: _____
 Anela Segreti, Administrative Specialist

Reviewed and Approved by: _____
 Ricky Watanabe, Chair

- () Approved as circulated.
- () Approved with amendments. See minutes of _____ meeting.

DISCUSSION STATEMENTS REGARDING COUNTY AUDITOR'S OFFICE
BY COMMISSIONER RICKY WATANABE

May 20, 2019

Introduction

- While I agree with the concept and principles of audits, I disagree with the current Charter language regarding the Office of the County Auditor.
- I also agree that audits are a valuable and essential tool for any organization.

Qualifications

- Relevant certification such as Certified Internal Auditor (CIA) or Certified Public Accountant) CPA or advanced degree in a relevant field with 5 years of experience in government auditing evaluation or analysis; preferred CIA or CPA.
- Bachelor's degree in accounting, business administration or public administration or related field.
- If financial statement audits are conducted—auditor shall be a CPA.

Charter already addresses other options

- The County Clerk shall be responsible for contracting out or conducting financial or performance audits that are approved by the County Council.

History of County Auditor Office

- Since July 1, 2009, the County Auditor's Office was established.
- Former Chair Mel Rapozo testified at the November 27, 2017 Charter Review Commission Meeting that the Council hoped to fill the vacant auditor's position by April 18, 2018 and if the Council was unable to fill the position by that date, the Council would likely propose a Charter amendment to remove the County Auditor's Office.
- Former Councilmember Derek Kawakami (currently Mayor Derek Kawakami), also testified that he was open to sending a proposed Charter amendment to the voters because of the vacancy and provides an opportunity to revisit the necessity and cost effectiveness of the Auditor's Office. Upon answering a question by Commissioner Suzawa as to whether the Council was satisfied with previous audits, Mr. Kawakami responded that he was personally not satisfied. He further stated that he was satisfied with the Department of Transportation Short Range Transportation Plan that was

conducted by a hired consultant because it pinpointed efficiencies and areas for improvement and that he was open to that process in the future.

- Councilmember Mason Chock stated that the Council will follow through on its process to secure a County Auditor and if they are unsuccessful within the timeframe, they would probably forward a Charter Amendment to the voters.
- Councilmember Arryl Kaneshiro (Budget & Finance Committee Chair), currently Council Chair, stated that he was satisfied with in-house and contracted audits. He also stated that he looked at the cost effectiveness of both types of audits.
- Since 2009, the County spend \$7.2 million on the new Auditor's Office for 19 audits of which the County Clerk's Office was already conducting 8 of the audits.
- The County Auditor left the position in August 2015 and in September 2016, the Auditor's Office was completely vacant.

Conclusion

- Based on the above reasons, I believe that the Charter Review Commission should embark on a plan to remove the County Auditor's Office from the Charter.
- Further, based on costs, it would be recommended that the County Clerk's Office be provided with additional staff to procure and monitor out-sourcing of audit contracts (perhaps with 2 staff positions, i.e., Contract Specialist or Legislative Analyst and 1 Clerical position).

Section 23.04. Facsimile Signatures. Whenever any person is required to sign negotiable instruments or multiple bonds, the signature may be a facsimile.

Section 23.05. Expenses. All officers and employees of the county shall be entitled to their traveling or other necessary expenses incurred in the performance of their public duties.

Section 23.06. Claims. No action shall be maintained for the recovery of damages for death or injury to person or property by reason of negligence of any officer or employee of the county unless a written statement stating fully when, where, and how the damages occurred, the extent thereof and the amount claimed therefor, has been filed with the county clerk within six months after the date the death, injury, or damages were sustained.

Section 23.07. Annual Reports.

A. Not later than ninety days after the close of the fiscal year, each agency of the county shall make an annual written report of its activities to the mayor in such form and under such rules as the mayor may prescribe. Copies of such reports shall be filed in the office of the county clerk.

B. Not later than one hundred eighty days after the close of the fiscal year, the mayor shall make an annual report concerning the activities of all agencies of the county. A copy of such report shall be filed in the office of the county clerk.

Section 23.08. Records and Meetings Open to Public.

A. All books and records of every department shall be open to the inspection of any person at any time during business hours, except as otherwise provided by law. Certified copies or extracts from such books and records shall be given by the officer having custody of the same to any person demanding the same, and paying or tendering a reasonable fee to be fixed by ordinance for such copies or extracts.

B. All meetings of boards and commissions shall be held in the county building or other public places, and no such body shall take any official action except at a meeting open to the public.

Section 23.09. Rules and Regulations. Unless otherwise authorized by law, all rules and regulations having the force and effect of law adopted by any board, commission, or administrative head of a department, must first be approved by the mayor prior to going into effect.

Section 23.10. Penalties. Any violation of a charter provision, any ordinance, or duly enacted rule or regulation having the effect of law shall be subject to a fine not exceeding \$1,000 or one year's imprisonment or both unless the charter, ordinance, rule, or regulation provides for a specific penalty in which case the specific penalty shall control. Prosecution for any violation shall be as provided by law for the prosecution of misdemeanors. (Amended 1980)