

MINUTES

FINANCE/ECONOMIC DEVELOPMENT COMMITTEE September 17, 2008

A meeting of the Finance/Economic Development Committee of the Council of the County of Kaua'i, State of Hawai'i, was called to order by Councilmember Daryl W. Kaneshiro, Chair, at the Historic County Building, Room 201, Lihu'e, Kaua'i, on Wednesday, September 17, 2008, at 10:07 a.m., after which the following members answered the call of the roll:

Honorable Tim Bynum
Honorable Shaylene Iseri-Carvalho
Honorable Daryl W. Kaneshiro
Honorable Ronald Kouchi
Honorable Mel Rapozo
Honorable Jay Furfaro, Ex-Officio Member
Honorable JoAnn A. Yukimura, Ex-Officio Member

There being no objections, the meeting was recessed at 10:08 a.m. The Committee was called back to order at 12:21 p.m., and proceeded on its agenda items as follows and as shown in the following Committee report which is incorporated herein by reference:

CR-F/ED 2008-19: on F/ED 2008-9 Communication (7/31/2008) from Committee Chair Daryl Kaneshiro, requesting agenda time for an update on the progress of the Administration's corrective actions and projected completion dates on the following Findings and Questioned Costs reflected in the Single Audit Reports for FY2006-2007:

- Finding 06-06 HUD Income Targeting (Housing)
- Finding 06-07 Housing Assistance Eligibility (Housing)
- Finding 07-11 HUD Income Targeting (Housing)
- Finding 07-13 Eligibility (Housing)

[Received for the record.]

F/ED 2008-10 Communication (9/5/2008) from Councilmember Shaylene Iseri-Carvalho, requesting that the Finance Director be present to provide a briefing on how the County is complying (inclusive of implementation measures) with the new accounting standards required by GASB 45 in recognizing and displaying post employment benefits, other than pensions, in their annual audited financial statements.
[This item was deferred.]

DARYL W. KANESHIRO, FINANCE/ECONOMIC DEVELOPMENT COMMITTEE CHAIR: I have one more item, 2008-10.

Mr. Kouchi: Mr. Chairman, that item I believe is for deferral.

Mr. Kaneshiro: Correct.

Mr. Kouchi: And I just wanted to update the Committee members. Last week when Brian Hirai was here, he had been asked by both Maui County and Hawai'i County to look into this matter for them as well. He offered to do *pro bono* research for us on this matter. Unfortunately, due to some kind of filter on their computer system, the Finance Director had emailed Susan Lebo's phone number to him four different times and none of the emails were received, and so they went the old-fashioned way and the Finance Director has finally given him Susan's contact number over the phone and so, you know, we had anticipated having a report back today. That's not possible, but Brian is going to be contacting Susan of Dryden, who initiated the proposal. We'll have an answer, but I do want to tell you that Brian believes, and that's why he's going to talk to Susan, that there is a statutory limitation or restriction unique to Hawai'i as to what you can actually float bonds for. And so, should there be concern raised as to whether we could do it or not, one of the decisions we might have to make is should we actually engage somebody to do a more in-depth search or research on this matter or, you know, will what Brian submits to us be so clear on its face that, you know, we'll accept that. But anyway, we should have a report by the next Committee meeting, so you know, I'll support the motion to defer.

Mr. Kaneshiro: Okay, with that...

Ms. Iseri-Carvalho: Just in addition, this has been a really hot topic at the NACo Conference for many years and Councilmember Rapozo, myself, as well as Councilmember Kouchi have been doing diligent research and trying to talk to the people as well as the Counties who are experiencing a lot of difficulty in its implementation and trying to get the right expertise in order to guide us through this process. It's extremely complex and thank you, Committee Chair, for having this on the agenda so that we can better address these issues.

Mr. Kaneshiro: Okay, again, just for the audience's information, this was a communication that was posted by Councilmember Shaylene Iseri-Carvalho in regard to the County's compliance as it relates to GASB 45. So, I wanted to point that out that that was the communication that we're going to be deferring until the next Committee meeting where we should have some response to.

Mr. Kouchi: And then the motion to defer, Mr. Chairman, I'll just say GASB 45 refers to how we pay our health fund (inaudible) and I move to defer for one meeting.

Upon motion duly made by Councilmember Kouchi, seconded by Councilmember Iseri-Carvalho, and unanimously carried, F/ED 2008-10 was deferred.

There being no further business, the meeting was adjourned at 12:38 p.m.

Respectfully submitted,

Wilma Akiona
Wilma Akiona
Secretary

APPROVED at the Committee Meeting held on October 15, 2008:



DARYL W. KANESHIRO
Chair, Finance/Economic Development Committee

