

MINUTES OF THE  
MAUI COUNTY CHARTER COMMISSION

DATE: Thursday, March 3, 1966

PLACE: Board Chamber, Wailuku, Maui

CALL TO ORDER: 1:37 P. M.

PRESIDING: Douglas Sodetani, Chairman

MEMBERS PRESENT: Douglas Sodetani, Chairman  
Emil Balthazar  
William F. Crockett, Vice-Chairman  
Stanley Cornwell Friel (Molokai)  
Shiro Hokama (Lanai)  
Nadao Honda  
Harry Kobayashi  
George Kondo  
Paul Pladera  
Keith B. Tester  
James Ushijima

OTHERS PRESENT: Kase Higa, County Attorney  
Charles C. Young, Information & Complaint Officer  
Robert Johnson, Advertiser Reporter

County Auditor's Office:  
Manuel Rodrigues, County Auditor  
Rogers Akiu, First Deputy Auditor

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ROLL CALL:

All 11 members were present at the second regular meeting of the Maui County Charter Commission held on March 3, 1966.

In view of the fact that Emil Balthazar was excused from the first meeting of the Maui County Charter Commission, Kase Higa, County Attorney, administered the oath to Mr. Balthazar, duly swearing him in as a member of the commission.

MINUTES:

Minutes of the first meeting held on Thursday, February 24, 1966, were not available.

LITERATURE AND COMMUNICATIONS:

No literature or communications were received since the last meeting (except for the Table of Organization and Job Descriptions of the Auditor's Office staff, which were distributed by the County Auditor just prior to this meeting).



## NEW BUSINESS:

Motion: By Mr. Crockett - to authorize and direct the County Attorney to furnish the commission with a detailed legal memorandum, outlining all the effects of reapportionment decisions as it relates to local (county) government, subject memorandum to be submitted within 90 days.

Seconded: By Mr. Balthazar.

Vote: Passed unanimously.

## GENERAL DISCUSSION:

The meeting was turned over to County Auditor Manuel Rodrigues, who in turn introduced his First Deputy Auditor, Rogers Akiu, to the commissioners.

Mr. Rodrigues: I took the liberty of preparing a Table of Organization (T/O) of the setup in my office. On the left portion of the T/O, I have briefly listed the functions of my office. The responsibilities are listed on the right.

### Functions:

Receive  
Budget  
Audit  
Report  
Disburse  
Pension

### Responsibilities:

Payrolls	Garnishees
Claims	Loans
Health Fund	P.R.F. (Post Retirement Fund)
Federal Tax	Annual Report
State Tax	6-Month Budget
Retirement System	Fiscal Year Budget
Union Dues	Legislative Budget

You will note that there are some vacant positions on the T/O. The Disbursement Supervisor's position is vacant because the incumbent was promoted to First Deputy & Budget Officer due to the death of my former First Deputy. The position of Assistant Field Auditor, which was created about a year ago, has been left vacant due to the passage of Act 97, which took some of the responsibilities away from our office -- we don't audit the District Courts and hospitals anymore.

Recently, the Board of Supervisors authorized me to proceed with the reorganization of my office. Requests have been submitted to Civil Service, but we have not received their approval yet. Under the reorganization of my office, the incumbents of some of the positions would be elevated as follows:



From:

To:

Field Auditor  
Account & Audit Clerk  
Warrant Issue Clerk  
Account Clerk I

Field Auditor & 2nd Deputy  
Disbursement Supervisors  
Account & Audit Clerk  
Warrant Issue Clerk

The Account Clerk I position will then be filled by Civil Service recruitment. After reorganization is completed, I will submit a new T/O to Civil Service. The Assistant Field Auditor and the Temporary Clerk positions will not be listed on the new T/O, as these positions are being deleted in the reorganization process.

I have distributed copies of the T/O and the job description of every employee in my office, which should give you a better idea of the responsibilities we carry.

Mr. Pladera: Are your subordinate officers hired merely on the basis of experience or is it a combination of experience and education?

Mr. Rodrigues: They are hired by ability -- not only are they experienced, but they have the ability to perform.

Now, let me briefly cover some of the responsibilities of my office.

Budget: As outlined by law, the Chairman and Members of the Board of Supervisors are responsible for preparing and submitting the budget. However, in 1954 or 1956, we inherited this responsibility. Therefore, in addition to his responsibilities of First Deputy, Mr. Akiu is also the Budget Officer. He prepared 3 budgets this year -- a 6-month budget, a fiscal year budget and a legislative budget.

Claims: Expenses are incurred by a department. The vendor submits a claim to the department. The department head certifies that the claim is correct (items or services received). The claim is listed on a voucher sheet, and the symbol number of the account to which the claim is to be charged is placed on the top of the voucher. The claim and voucher sheet are then submitted to my office, where my Fund Control Accountant checks it for accuracy, sufficiency of funds, whether it is a legal bill, and whether it is charged to the proper account. Then, he prepares a resolution for submission to the Board, authorizing the County Auditor to pay the claim. After the Board adopts the resolution, the Chairman and Clerk certify that it was brought before the Board and that the Board ordered it paid. The claim then comes back to my office for issuance of a warrant.

Payroll: Each department prepares and submits its payroll to our Disbursement Division. It is checked for accuracy, certification of employment, and additional deductions are made, such as garnishees, credit union deductions, etc. Then, the warrants are issued.



Mr. Sodemani: As County Auditor, are you authorized to issue payroll checks anytime you want to?

Mr. Rodriguez: The law prescribes that an employee shall be paid not less than twice a month.

Mr. Sodemani: Does the law give you the authority to issue checks any day you want to?

Mr. Rodriguez: The law does not specify what day you shall pay the employee. We usually issue checks on the 14th or 15th of the month and again on the 30th or 31st of the month. If the 15th falls on a Sunday, we try to issue the checks on Friday, the 13th. However, there are some boys who do not have vacation due them. We watch these boys very carefully. If they miss days of work during the month, they don't get paid for those days.

Mr. Sodemani: Do you have any say as to where the money should be deposited?

Mr. Rodriguez: It is our policy to split the deposits to the two banks. For example, on one pay day the Federal taxes are deposited with the First National Bank and the next pay day it goes to the Bank of Hawaii.

Mr. Sodemani: Does the Treasurer issue any checks?

Mr. Rodriguez: Only for cash advances. These cash advances are for stamps, per diem, etc.

Mr. Sodemani: What is the procedure for a cash advance?

Mr. Rodriguez: A request is made in the form of a Purchase Order. The amount of the cash advance has to be approved by the County Auditor (as to sufficiency of funds) and then it goes to the Treasurer for issuance of a check. After the Treasurer issues the check, he makes a claim for reimbursement against the department concerned.

Mr. Sodemani: If a person says that he has to go to Honolulu on business and that it would take him 5 working days to complete his business, does he get a cash advance for the 5 days?

Mr. Rodriguez: Yes

Mr. Sodemani: But what happens if he completes his business in 2 days and returns? What happens to the balance of the money?

Mr. Rodriguez: The balance is returned to us and redeposited to the Treasury of the County of Maui.

Mr. Sodemani: But who is responsible for checking the employees in?

Mr. Rodriguez: Each department is responsible for checking in their own employees and making sure that unused money is returned.

Mr. Akiu: In the case of the Board members, Margie Martinez checks them in and returns the unused money.



Mr. Rodrigues: Previously, employees, officers and members of the Board of Supervisors used to go on business trips and charge everything to the County, including meals for their guests. Now, the County is only billed for the plane fare. The employees, officers, and Board Members are given allowances of \$10.00 for day trips and \$25.00 for overnight trips, and they are responsible for their own hotel expenses, ground transportation and meals.

Mr. Crockett: Would you comment on Article 2 of the proposed charter?

Mr. Rodrigues: At the present time, as far as selling bonds is concerned, that responsibility is with the Treasurer. Personally, I feel that all the counties should get together and let the State coordinate the selling of bonds so that we could get a lower interest rate. We have been sending people to the mainland to sell bonds, and even just to deliver bonds. I think that is foolish. It involves a lot of expenses. We could save some money by mailing the bonds.

Mr. Crockett: What is the difference in the rates on the floating of bonds?

Mr. Rodrigues: The State pays about 1.6 per cent. The Water Board pays about 3.567 per cent and the County pays about 2.5 per cent.

Mr. Crockett: That makes a difference of about 1 per cent between the Water Board and the County. How much does it cost to float a bond -- that is, attorney's fees, travelling costs, etc?

Mr. Rodrigues: I don't know. But if the State coordinated everything, there would be less trips to the mainland, lower interest rates, and a big saving to the counties.

Mr. Crockett: I think your suggestion is worth considering. By consolidating issues, we would have only one contact agency in New York, less attorney's fees, less trips to the mainland, lower interest rates, resulting in smaller costs to the individual counties.

Mr. Crockett: Do you have any objection to combining the Auditor's Office and the Treasurer's Office into a Finance Department?

Mr. Rodrigues: I think the setup we have today is best. We have a "check and balance" system where no particular person has too much power.

Mr. Crockett: Is there anything in Chapter 2 that you object to?



Mr. Rodrigues: I think the Charter Commission did a good job, but nobody voted for the charter. When I first appeared before this commission, I was not in favor of the Charter, and I still am not in favor of any form of government that gives too much power to one man. But, I did not go behind the scenes to "chop" the Charter the way the Maui News said I did. Why should I do that? By the time the Charter goes into effect I will have retired, anyway. So, there is no selfish motive involved as far as I am concerned. I just feel that the people should elect the man they want and they should be the ones to put him out if he doesn't do a good job.

Mr. Crockett: I realize that you don't like the Charter, but is there anything specific you object to, other than the fact that you would like to have an "elected" head of the Finance Department?

Mr. Rodrigues: As far as the financial procedures are concerned, I think you are putting the responsibilities right where they belong.

Mr. Crockett: You don't have any objections there?

Mr. Rodrigues: No.

There is one thing that I would like to bring up and I hope that you will give it a lot of consideration. That is, job security for your first deputies. Under the law, the First Deputies have no job security. They come under the "grandfather clause". For example, take Barney Espinda, the First Deputy Clerk. If Barney retires and somebody else is appointed, that person will not have any job security. There is only one deputy where provisions were made, and that is the Deputy Engineer at the Water Board.

Mr. Sodetani: Isn't there a request by the various department heads asking that their First Deputies be exempt from Civil Service and that they be paid at a higher rate because of that exemption? For example, if your First Deputy was priced at SR-27, by being exempt from Civil Service, wouldn't he be paid much higher than SR-31?

Mr. Hokama: Don't we have a case now where the Deputy earns more than his department head? What is your opinion on that?

Mr. Rodrigues: No deputy should earn more than his department head. The law used to provide that the maximum compensation of a deputy shall not exceed 95 per cent of his department head's salary. This has been lifted, I understand. I think they should do something to remedy this situation.



Mr. Sodetani: For the purpose of pricing, doesn't Civil Service designate the compensation of your deputy?

Mr. Rodrigues: He is classified under Civil Service but there is no job security. In 1968 I will be retiring. I would like to know that the person who has been loyal and faithful to me is well taken care of.

Mr. Sodetani: Who audits your accounts?

Mr. Rodrigues: The Bank Examiners.

Mr. Sodetani: How often do they audit?

Mr. Rodrigues: It should be yearly.

Mr. Sodetani: When was the last time it was audited?

Mr. Rodrigues: About 4 years ago.

Mr. Sodetani: In other words, nobody examined your accounts for four years? Under the law today, are they still required to audit your accounts once a year?

Mr. Rodrigues: No. The law was changed. The Bank Examiners used to always find our accounts in order, so they didn't think it was necessary to do it yearly. They trust us.

Mr. Crockett: In this connection, what do you think about Section 3-8 of the proposed charter (stating that the council shall cause an independent audit of all county funds and accounts to be made by a certified accountant or accountants if it so decided)?

Mr. Rodrigues: I think it is good -- it is in line with the system of "checks and balances".

Mr. Crockett: Article IX of the proposed charter lists "Financial Procedures". Under this section, if the Mayor or Chairman decides that he wants to shift funds from one account to another, how much flexibility should he have?

Mr. Rodrigues: I think the Council should have the power to transfer funds from one account to another.

Mr. Balthazar: Why do you feel that if you consolidate the Treasurer's & Auditor's Offices that the head of that department should be elected rather than appointed?

Mr. Rodrigues: The Finance Director would have a lot of responsibilities, and as such, I feel that the people should be the ones to put him into office and if he doesn't do a good job, they should be the ones to put him out.

Mr. Balthazar: Would it be all right with you if the Chairman appointed the Finance Director with the approval of the Council?



- Mr. Rodrigues: If the appointment is confirmed by the Council, I would have no objection. I just don't think that one man should have so much power.
- Mr. Sodemani: Do you audit any funds of the Water Board?
- Mr. Rodrigues: No. I believe Baker & Gillette do their auditing. We pay their claims and payroll.
- Mr. Balthazar: Do you think that if you combine both offices, you could cut down on your staff by normal attrition and still be able to handle the functions of both offices?
- Mr. Rodrigues: It is a possibility that we could handle the functions of both offices with normal attrition. However, it is also possible that we may go into more detailed record keeping, and by doing this, we may have to increase the staff too.
- Mr. Pladera: I assume you have been setting a lot of policies in your department. Do you have any formal form of policies that you can show us?
- Mr. Rodrigues: No. Policies are laid down within the law, and my employees adhere to the policies I set. They know what I want, and they do it. If I'm not there, they can carry on without me.
- Mr. Sodemani: Are there any other questions?
- Thank you Mr. Rodrigues and Mr. Akiu for a very enlightening and informative presentation on the functions and responsibilities of your department.
- (Mr. Rodrigues and Mr. Akiu were excused from the meeting.)
- Mr. Crockett: I think it would be well to ask the people who are going to appear before us to familiarize themselves with the section of the proposed charter that affects their department or agency and any other section that they would like to comment on.

#### ANNOUNCEMENTS:

- Mr. Sodemani: Budget: I submitted a budget and appeared before the Finance Committee of the Board of Supervisors. Our budget will be approved by the Board tomorrow (Friday, March 4, 1966).
- Research Assistant: I am also working on a contract to appoint Charles Young as Research Assistant for this commission at a salary of \$200.00 per month, but we cannot make it official until the budget is approved.



Secretary: As far as the appointment of a secretary is concerned, Civil Service has exhausted their list, so the Director has authorized me to hire a secretary on a provisional appointment basis. Mrs. Ayako Ishikawa has submitted her application to Civil Service and she has been certified as meeting the minimum qualifications. I would like to have her start working from next week.

Mailing Lists of Organizations to Receive Proposed Charter: Commissioners from Molokai and Lanai, please submit a list of business organizations, PTA groups, etc., with addresses, that you would like to send the proposed charter to. I will ask the Research Assistant to compile all the lists and make out copies so that you would be able to check the lists. Then, we will mail the proposed charter to the different organizations for their review and comment while we are going through the various departments, familiarizing ourselves with their functions and responsibilities. In the meantime, as suggested by Harry Kobayashi, we will prepare and mail them resumes of the goings on of the commission so that they are kept up-to-date.

During the next couple of meetings, I would like to take the department heads and directors first, and then take the respective commissions and board members after them.

NEXT MEETING:

After much discussion, it was decided that the Chief of Police and his Deputy and the Civil Service Director would be asked to appear before this commission on Thursday, March 10, 1966, at 7:00 p.m. Then, at 8:30 a.m., Friday, March 11, 1966, the Police Commission and the Civil Service Commission would appear before this commission. This would give the commission members a continuity of thought regarding the departments and commissions concerned.

SET-UP OF THE MAUI COUNTY GOVERNMENT:

The meeting was then turned over to Kase Higa, County Attorney, who briefly covered the setup of our Maui County Government:

Mr. Higa:

MAUI COUNTY VOTERS elect the:

CHAIRMAN AND EXECUTIVE OFFICER - He is charged very broadly in the statute with being the Executive Officer in the County, but as the Chairman of the Board of Supervisors, he has only one vote and no veto power.

8 MEMBERS OF THE BOARD OF SUPERVISORS - Originally, the Board consisted of 5 members, representing the five districts in the County of Maui. In 1918, the legislature found that district representation was pretty bad -- in effect, the supervisors were concerned only with their own respective districts.



So, the legislature directed that candidates run at large. Later, the number of members was increased to 6. In 1953, the legislature determined that Lanai and Molokai should each be assured of one member on the Board. As a result, since 1954, we have had 8 members of the Board, including one member from Molokai and one from Lanai, plus the Chairman and Executive Officer, which accounts for the odd 9-member Board.

MAUI COUNTY VOTERS also elect the:

COUNTY CLERK, COUNTY ATTORNEY, COUNTY AUDITOR, AND  
COUNTY TREASURER

SCHOOL ADVISORY COUNCIL - Presently, this council is elected by the people. However, this year the legislature is considering having an elected State School Board, which would consist of a representative from each of the existing seven districts (3 from Oahu, 2 from Hawaii, and 1 each from Maui and Kauai counties). If this measure passes, we would then have an elected State School Board with an appointed School Advisory Council. A School Advisory Council would be appointed in each school district, either by the Governor or by the Chairman and Executive Officer of each county.

The Chairman and Executive Officer appoints the following Independent Boards & Commissions, with the approval of the Board of Supervisors:

BOARD OF WATER SUPPLY (7 members)

MAUI COMMUNITY HOSPITALS TRUSTEES, who govern the Maui Memorial Hospital & Hana Medical Center. This Board was created by statute and consists of 11 members.

KULA SANATORIUM MANAGING COMMITTEE, which governs Kula Sanatorium & General Hospital. This committee was created by statute and consists of 5 members.

LIQUOR COMMISSION - This commission was established by statute and consists of 5 members.

POLICE COMMISSION - This commission was also established by statute and consists of 5 members.

REDEVELOPMENT AGENCY, which is provided by statute, but the Chairman has not appointed this commission yet.

The Chairman and Executive Officer also appoints the following Administrative Boards and Commissions with the approval of the Board of Supervisors:

DISPOSAL BOARD, which consists of the Chairman & Executive Officer, the County Engineer and the County Attorney.



COUNTY PENSION BOARD, consisting of the Chairman & Executive Officer, Auditor and the Treasurer, with the County Clerk as the ex-officio non-voting secretary.

POLICE PENSION BOARD (3 members)

ELECTRICAL EXAMINERS (3 members)

PLUMBING EXAMINERS (3 members)

TRANSPORTATION CONTROL COMMISSION (5 members)

PLANNING & TRAFFIC COMMISSION (5 members)

MOTOR VEHICLE DEALERS LICENSING BOARD (5 members)

CIVIL SERVICE COMMISSION (5 members)

CHARTER COMMISSION (11 members)

The following Advisory Commissions and Committees are appointed by the Chairman with the approval of the Board of Supervisors:

COMMITTEE ON AGING, which was created by the 1963 Legislature.

MAUI HISTORICAL COMMISSION (7 members) - Acts on projects such as the Lahaina Restoration Project, Napili Civic Improvement District, etc.

COTTAGE RENTAL COMMITTEE (4 members) - Sets rental fees on teachers' cottages. This committee is under the State administration now.

MAUI WAR MEMORIAL ADVISORY COMMITTEE (5 members)

ECONOMIC RESEARCH & DEVELOPMENT COMMITTEE (12 members)  
The chairman of this committee recommended that it be abolished.

BEAUTIFICATION COMMITTEE (18 members) - Advises the Board on how to beautify Maui.

COMMITTEE ON CHILDREN & YOUTH (25 members)

BALDWIN AUDITORIUM COMMITTEE (3 members) - Used to establish policies as to how much rental should be charged for the auditorium; however, Act 97 transferred this responsibility to the State.

STREET-LIGHTING COMMITTEE (5 members) - Created by resolution by the Board. This committee advises the Chairman and Board on street-lighting problems.

STREET-NAMING COMMITTEE (5 members) - Advises the Chairman and Board as to what names should be placed on streets in new subdivisions, etc.



Major departments under the Chairman - the department heads are appointed by the Chairman with the approval of the Board of Supervisors:

DEPARTMENT OF PARKS

DEPARTMENT OF PUBLIC WORKS

FIRE DEPARTMENT

Other departments under the Chairman are:

SAFETY PROGRAM COORDINATOR - Makes studies of County operations to insure safety on the jobs.

ECONOMIC DEVELOPMENT COORDINATOR - In 1961, the State Legislature appropriated money to establish this position in the neighbor island counties to help increase the economic development of the neighbor islands.

CIVIL DEFENSE AGENCY - Established by state statute. Half of its funds is received from the Federal government.

HUMANE OFFICER - The Humane Officer is appointed by the Chairman, although her salary is paid from receipts of the Humane Society. The County has an oral contract with the Humane Society, whereby the society agrees to operate the Dog Pound -- taking care of stray animals, collecting fees for and issuing dog licenses and then turning the money over to the County Treasurer, issuing citations to owners of dogs without current licenses, etc. Besides the Humane Officer there is one full-time civil service employee, whose salary is paid by the County.

FEDERAL PROGRAMS COORDINATOR - coordinates plans, policies and activities of the County and its various agencies in order to obtain federal grants and loans.

The responsibilities and functions of the various departments, commissions and boards will be covered in detail when the respective department heads, commissioners and board members appear before your commission.

The Chair thanked Mr. Higa for his informative presentation. Mr. Higa was excused from the rest of the meeting.

ADJOURNMENT:

After a brief critique of the afternoon's proceedings, the meeting was adjourned at 4:17 p.m.

Respectfully submitted,

*Diannah K. Goo*

Diannah K. Goo  
Secretary Pro Tem