

SALARY COMMISSION  
MINUTES  
KALANA O MAUI, 9<sup>th</sup> FLOOR MAYOR'S LOUNGE  
FRIDAY, JUNE 24 2005

<b>Present:</b> Scott Matsuura, Chair Douglas Levin, Vice-Chair Curtis Franks Andrew Herrera Janet Tomita Michael Westfall Jason Williams Frederick Rohlfing	<b>Absent:</b> Anthony Lemmo
<b>Staff:</b> Tracy Villarosa, Deputy Corporation Counsel Lynn Krieg, Director, Department of Personnel Services David Ching, Executive Assistant Momi DeMello, Secretary to the Boards and Commissions	<b>Others:</b>

**I. Call to Order**

Chair Matsuura called the meeting to order at 8:45 a.m.

**II. Public Testimony**

Corporation Counsel Moto gave public testimony to the Commission regarding the salaries of the Corporation Counsel and the Deputy Corporation Counsel. Corporation Counsel Moto stated for the record that on June 3, 2005 he wrote a letter to Chair Matsuura and members of the Salary Commission with the hope that the Commission would have read it before this meeting. However he would like to note for the record that it was never distributed to the Commission. He expressed a lot of disappointment regarding that. He stated that he asked staff if copies could be circulated this morning and he specifically requested that this communication be forwarded to the members that are not here today. Corporation Counsel Moto proceeded to summarize his main points. Corporation Counsel Moto stated that recent events and additional facts help to support an adjustment in the salaries of Corporation Counsel and First Deputy, Corporation Counsel. The letter states that Council passed and the Mayor signed into law Ordinance #3283 (attached as Exhibit A) that changes the compensation of Deputies in Corporation Counsel. Under that ordinance the attorneys who work in Corporation Counsel Deputies, those with nine or more years of professional legal experience, get paid \$82,366 effective July 1, 2005. There are seven attorneys at his office with more than nine years of experience. Coming July 1, 2005 they will all be earning \$82,366 which means that they will be paid more than the First Deputy.

Also stated was in January 2005 the Council passed another Ordinance #3242 (attached as Exhibit B). The Council establishes the pay ranges for its own staff and there are a lot of different types of positions in the Office of Council Services. Among those positions is a position called Legislative Attorney which they describe as CR-6 in their compensation range. The table of pay ranges shows that the numbers assigned to CR-6, those at step J are being paid \$82,366 effective January 2, 2005. There are at least three people that I know of that are Legislative Attorneys in the office of Council Services. To the best of my knowledge all of them have at least nine years of legal experience which means that under this pay scale they would all be maxed out at \$82,366 which means that as early as January of this year they have been earning more than the First Deputy of Corporation Counsel.

Corporation Counsel Moto noted that the Excluded Managerial Personnel in the County are scheduled to receive very substantial pay increases both come next week, July 1, 2005 and also one year later in 2006. His point was that very shortly attorneys will be getting paid less than or only as much as people like Police Captains and the Assistant Chiefs which caused him to question the equity of the pay scale especially considering the responsibilities and the professional credentials and the work hours that the attorneys have to face.

Corporation Counsel Moto noted that on June 25, 2004 he wrote a fairly lengthy memo to the Salary Commission. He then proceeded to reiterated a few of the points he made in the letter. His first point was that the salary of Corporation Counsel is inadequate and should be adjusted and he stated that he still stands by that. He went on to say that it is still his belief that the current salary structure with levels I, II and III that has been used to set salaries for the attorneys (both Prosecuting Attorneys and Corporation Counsel) just does not work. His argument is that it should no longer be used to set the compensation of Corporation Counsel. He asked that the Commission consider setting the salary of Corporation Counsel according to some reasonable and objective bench mark. And he further stated that a bench mark would be the salary of the State District Court Judge. Come July 1<sup>st</sup> State District Court Judges will get a 14% salary increase and as of next week they will get paid \$114,600. In his memo he asked that the Salary Commission consider setting the salary of Corporation Counsel at 90% of that salary or if you were to think that 90% was too much, than perhaps you could consider 85% or if 85% is too much how about 80% because even if the salary was set at 80% of a District Court Judge's salary, it would still resolve in a salary in the neighborhood of \$91,680 which is more than he is currently being paid. At present the salary of Corporation Counsel based upon the soon to be effective salary of the State District Court Judges is only three fourths of that amount. He stated that what this shows is that there is this huge disconnect and disparity between professional compensation of the Corporation Counsel and other relevant and similar bench marks for attorneys. Corporation Counsel Moto thanked the Commission for listening to his testimony.

Vice Chair Levin asked if ordinance #3283 has been changed recently because the Commission had learned previously that Corporation Counsel Moto's pay scale for his subordinates was based and capped out at whatever his pay rate was. Does this ordinance change that?

Corporation Counsel Moto explained that what Council did in passing both ordinances is that they looked at the current salary of the Corporation Counsel and Prosecuting Attorney. They don't really pay attention to the First Deputy's salary. He said that he cannot speak for the Council but just having been part of their discussions, he knew for a fact that they won't set these salaries at an amount higher than what Corporation Counsel gets paid.

Vice Chair Levin asked if this is the process of setting the salaries once Corporation Counsel Moto makes the recommendations.

Corporation Counsel Moto explained that this is correct because they do look at what the Salary Commission has done. They look at the Corporation Counsel's and the Prosecuting Attorney's salaries and then they come up with their own figures.

Chair Matsuura stated that he understands where Commissioner Levin is going with his line of questioning and explained that he remembers that the last time the Corporation Counsel's and Prosecuting Attorney's salaries were discussed, the Commission was told that there is a 10% cap between what any of the attorneys can make based on the salary that you were getting and he believed that this was set by state statute.

First Deputy Villarosa stated that the Maui County Code does say that the salary of any deputy shall not exceed the salary of the Corporation Counsel, so that's the cap. It just says that any deputy cannot make more than the Corporation Counsel.

Vice Chair Levin asked, if we were to give you a salary increase now, when would the Council revisit this issue again? Corporation Counsel Moto and First Deputy Villarosa determined that it would probably not be revisited until next year. The Commission was also informed that the Bill was passed with the fiscal year budget and that it was actually part of budget ordinance package.

Director Krieg addressed Corporation Counsel Moto and stated that he can he adjust the amount during the year.

Corporation Counsel Moto stated that yes he can adjust it but there are some constraints on that. First of all he doesn't have the budget to pay more than what he pays them now. He stated that he could pay less but that would be extremely stupid. The problem is retention and recruitment, and especially the senior attorneys are under paid already. These employees are knowledgeable about this ordinance, if he were to pay them less than the ordinance provides they would immediately ask why they are not getting paid what the ordinance states.

Chair Matsuura stated that the Commission understands what Corporation Counsel Moto is saying, but Director Krieg's comment is that you do have some discretion.

Corporation Counsel Moto said that is true but why would I pay them less than the pay scale especially when attorneys on the legislative side can get paid that amount and there's no discretion there.

Director Krieg asked what latitude Corporation Counsel Moto will have if his salary was increased and would he have the ability to adjust his employees pay compensation. Corporation Counsel Moto stated that he could probably not adjust the employees pay because of the budget. The Mayor and Council base the department's budget on the existing pay scale.

Commissioner Rohlfing asked Corporation Counsel Moto if he had discretion to give a larger salary to somebody on another criteria besides the number of years of service. For instance you might want to hire a litigator to protect the County and pay that person more than say someone that advises a Commission.

Corporation Counsel Moto responded by saying yes and as a matter of fact, in order to recruit someone in charge of litigation he had to pay that person a little more than other people of their level. That differential however will disappear on July 1<sup>st</sup>.

Chair Matsuura asked as a matter of clarification, who introduced Bill 39?

Corporation Counsel Moto explained that he introduced that Bill because the Maui County Code requires him and the Prosecuting Attorney to submit a Bill when the Salary Commission adjusts the salary of the Corporation Counsel and the Prosecuting Attorney. First Deputy Corporation Villarosa explained that this also happens at the new term of the Council.

Chair Matsuura asked the Commission if there were any other questions for Corporation Counsel Moto. The Commission had no further questions.

## **I. Approval of Minutes**

The minutes of the May 13, 2005 meeting was reviewed prior to the meeting. Vice Chair Levin moved to approve the minutes and Commissioner Rohlfing seconded the motion. The approval was unanimously.

## **IV. Unfinished Business**

### **1. Discussion of Salary Report, take any action**

Director Krieg reported that, as Corporation Counsel Moto had stated, there is a typo on her report, on page 2 the second salary increase should be effective July 1, 2006 and not 2007. She went on to explain that Attachment A would be the old chart and Attachment B reflects what would be the effect of the first increase which will be effective July 1, 2005. The pay increases involve several things. They involve both across the board increases and within range progression (WIRP) increases which occur depending upon individual's anniversary date. The total effect of the pay increases are not going to happen on July 1, 2005. They will happen throughout the fiscal year so the best picture is at the end of the fiscal year. By the end of the fiscal year everyone should be placed on their salary adjustments. This is why the charts are as of June 30, 2006. The same for attachment C, the increases that occur effective July 1, 2006 also involve an across the board increase and within range progression (WIRP)

throughout the year depending on their anniversary date. Once again everyone should be in place as of June 30, 2007.

For the first fiscal year the pay increases will differ for different people within the Excluded Managerial Compensation Plan (EMCP) depending on what kind of occupation they are in. The Police and Fire excluded members will receive a larger across the board increase and this is because they are benefiting from a catch-up. These employees will be getting a 9% across the board increase. This was partly due to a catch-up because their collective bargaining counter-parts received increases in fiscal year '04 whereas the Excluded Managerial counter-parts received no increase. As a result of this there was a discrepancy between the rank-and-file and the excluded managerial employees. When the rank-and-file looked at taking promotions into the excluded managerial positions, it wasn't worth it for them.

Come the next fiscal year the entire group of excluded managerial employees will receive the same compensation of 4% across the board and within range progression increases.

Director Krieg went on and touched on a few points of interest from her report, and reviewed increases on a percentage basis.

Vice Chair Levin stated that he noticed approximately a 15% difference between the two largest disparate departments, Fire and Planning. He stated that this is the result of a combination of the across the board increase and the within range progression increase. He stated to the Commission that if they were going to solve salary inversion for these people they would have to increase their salaries by 16%, 17%, 18%. Commissioner Herrera asked Vice Chair Levin if his reaction is to the fact that people are getting paid so much or that others are getting paid so little. Because we can't fix someone getting paid too much all we can do is establish equity.

Vice Chair Levin asked Director Krieg if she had a copy of the EMCP pay schedule. Director Krieg had staff make copies of the current EMCP schedule and circulate it to the Commission members. He also asked how the pay scales are established.

Director Krieg informed the Commission that the employees in the EMCP are civil service employees but they hold positions that are excluded from collective bargaining for various reasons, mostly because they are in positions that are managerial and deal with confidential type of information. With Civil Service reform every jurisdiction is free to make pay adjustments that they see fit. We are required to confer and consult with each other and we had our final consultation meeting on Wednesday. We seek input from the employees themselves and then we come up with a plan and we make recommendations to the Chief Executive of our jurisdiction, which is the Mayor in our case, and he has the final approval.

Commissioner Herrera stated that it seems to him that the Commission cannot control any of this, all the Commission can control and look at are, is there an inequity, how does it affect us, how will the inequity affect the performance of that position and how are we going to address it. Commissioner Herrera then asked the Commission: where are we at, are we trying to decide right now, are we going to do something about it or are we going to keep analyzing what led up to the problem?

Vice Chair Levin stated that he would like to do something today, but he still had a few more questions.

Commissioner Westfall stated that salary inversion is an ongoing problem and that he feels that some of the Commissioners don't see this as an issue, so he isn't sure if the Commission has a consensus that we even need to do anything. He continued to state that he agrees that top positions should get the highest salaries but if we were to look at the Charter and Ordinances that we have, all it says is that we set salaries; it doesn't say we're fair, it doesn't say how we analyze it or anything. In contrast the Honolulu Charter is worded a little differently but gives them an out because it basically says that they review salaries once a year in relationship to the other salaries that are being offered. There's a mechanism there where at least once a year they are looking at salaries and they are looking at inversion, it doesn't mean that they are doing anything. Where we are now is that we have no mechanism that says that we look at salaries once a year. What happens is that when someone comes before the Commission and says I want a raise that's when we look at it. I would like to see the Commission look at a mechanism to resolve this. Chair Matsuura stated that he has been with the Commission for six years now and that salary inversion has always been an issue. The Commission has tried different mechanisms to resolve this issue but has not come to that conclusion yet.

Commissioner Herrera stated that historically the very fact that you call it an inversion implies that it used to be that the top positions made quite a bit more than the people below them. To now say that things are alright, is to say that before everything that was previously thought to be valid was incorrect.

Chair Matsuura stated that previous Commissions have tried to justify pay increases and some Commission members didn't feel that it was as simple as the guy at the top gets paid more no matter what. Commissioner Herrera explained to Chair Matsuura that he actually read the pass information that was provided to him by staff. The point that sticks out is that sure there will be people that will be getting paid more than perhaps they deserve, but there is no question that many more people are getting paid less than they deserve and as we debate about the minority we're overlooking the majority. We can't change those other things and we can't control them. All we can do is take a vote on whether you agree that there's a problem. Chair Matsuura informed Commissioner Herrera that the Commission had started a process of trying to figure out where it's going and where it's at. Commissioner Herrera asked if this is fair to keep saying we're studying it. Vice Chair Levin stated that the Commission had previously done patch corrections, so the question is, do we want to do another patch correction today, if we do we only have five members here, all five members have to agree on it.

Vice Chair Levin stated he would like to put some numbers on the table so the Commission can have something to discuss. To fix this problem we're talking about something in the range of about a 20% pay increase across the board. Commissioner Herrera asked Vice Chair Levin to explain to the Commission how he came up with that number. Vice Chair Levin explained that there is 15% difference between the two greatest inversions so if you wanted to move them up high enough to be above their subordinates that would mean about a 20% range. Commissioner Herrera stated that it seems more like 15% increase according to his calculations. Vice Chair Levin stated that 15% would bring them just above their subordinates.

Commissioner Herrera stated that that could be a start and just above it's subordinates is a lot better than

watching it drop behind further and further while the Commission debates.

Commissioner Rohlfing asked what the impact of the salary increases has on the retirement system liability. When we raise the salaries, we also impact the long range of the retirement system which is under some stress now because of bad investments. He asked the Commission if that was calculated into the decision making process. Chair Matsuura informed Commission Rohlfing that this is not taken into consideration at the Commission level. The Commission has been advised to not look at the impact of benefits or other factors the Commission itself should simply look at cash payments of salaries.

Commissioner Levin then stated that if the Commission was to give the Fire Chief a 15% raise his pay would be \$9.00 higher than the Assistant Fire Chiefs' pay. Commissioner Herrera stated that if you don't start fixing any of the inversion problems then you've done nothing. Commissioner Rohlfing confirmed that no action would just compound the error. Commissioner Herrera stated that's how it got this way and now it's gotten to the point where he thinks it's going to start affecting performance.

Vice Chair Levin stated that because it is such a big increase, he likes the fact that the Commission is discussing it and everyone is putting in their input.

Commissioner Herrera stated that the context of this issue is; is this going to affect performance, is it an inequity and does it need to be addressed. If the answers are yes to these questions then the solution would have to be the 15% increase.

Director Krieg wanted to add a word of caution to the Commission and she stated that in her salary inversion report she did on September 20, 2004 she did conclude for the Commission that there were three factors contributing to the inversion problem. The rank and file members did have the benefit of union representation which resulted in developments of organized concepts, of pay plans and compensation adjustment plans which address for them internal movements. The compensations for department heads and Directors have always been reactive to a concern over Department heads salaries falling behind, there has never been a set plan put in place. Because of this inversion, it's never been a concern before, but now it appears that it is a concern and she thinks that part of that concern is because many of the members of the EMCP are your senior employees so she included the hire dates on the chart. These hire dates show the length of time that employee has been in government service. So if you look at the Assistant Fire Chief, that employee has over 25 years of service and they are probably going to be retiring in the next two or three years. The Commission's inversion issue might disappear at the time of their retirement. The Commission might want to take this into consideration when making their decision. Commissioner Herrera stated that that would only address the Fire Department and not Corporation Counsel or other departments. Director Krieg reiterated by saying that if the Commission is making a decision based on the chart as it is today, you need to be aware that that chart changes based on the individual holding the position. Commissioner Herrera stated that then they would be way above their subordinates next year. Chair Matsuura stated that if that happened then the basis of which the Commission made its decision on why the salaries were increased is no longer valid.

Commissioner Westfall asked Vice Chair Levin for clarification regarding the figure of 15% or 20%, and

what is that based on. Vice Chair Levin informed the Commission that he based that figure on the Fire Chief and the Assistant Fire Chief. He took the Assistant Fire Chief's salary and divided it by the Fire Chief's salary and got 1.49 which converts into an almost 15% difference.

The Commission took a quick break at this point in their meeting.

Chair Matsuura called the meeting back to order.

Commissioner Westfall stated that Vice Chair Levin made a comment about the Mayor making more than the Police Chief. When we gave the raise to the Police Chief the Mayor actually testified that he had no problem with the Police Chief making more. I am just asking rhetorically, since all these people work for the Mayor, does the Mayor have any comment on this salary inversion issue or would it come from Executive Assistant Ching. Commissioner Westfall asked Executive Assistant Ching is there any thoughts or feelings from the Mayor regarding this salary inversion issue. Executive Assistant Ching asked the Commission if they would like the Mayor to testify before this Commission. Commissioner Westfall stated that he was just wondering because there was a comment asking if there is an issue with performance because of these inversions.

Director Krieg stated that she thinks that the Mayor as far as his own personal salary came before the Commission and said that he didn't care and that he knew what the job paid when he took the job and that he didn't take the job for the pay. He is doing it as a public servant.

Commissioner Westfall stated that if the Commission was to look at private practice, you normally have the person in charge do the review and then they make a submittal on what they feel the person should get as a raise. We don't have that system here so its sort of up to us or it is based on testimony. Looking at that model we haven't heard anything from the boss.

Executive Assistant Ching asked the Commission if he should invite the Mayor or would they like him to pose a question to the Mayor and have him respond in writing or don't pose the question at all. Commissioner Herrera asked if having the Mayor come before the Commission would add any value or influence their decisions because he didn't feel that it would have any affect on him. Chair Matsuura asked Executive Assistant Ching if the discussion answered his question. Executive Assistant Ching said that he will take that as a no. The Commission stated that it might be a maybe because they wouldn't oppose to the Mayor addressing this issue. Chair Matsuura stated that he thinks that it is up to the Mayor if he wants to comment or not. Executive Assistant Ching suggested that he pose the invitation to the Mayor. Chair Matsuura suggested that Executive Assistant Ching could simply notify the Mayor that there was some curiosity amongst the Commission members regarding the Mayor's thoughts on the salary inversion issue. Executive Assistant Ching informed the Commission that he will inform the Mayor and if he wants to respond at the next meeting he can do so.

Vice Chair Levin worked out some numbers as follows: Assistant Police Chief B 99,351 will be making 14.9% more. Police Chief makes 104,020 other Level II people who are supposed to be at the same level as the chief is only making 89,640. That's a difference of 16.04%. If instead of a 15% increase the Commission agreed on a 16.1% increase, this would be enough to bump the others up so that the ones making 89,640 will be making 100,310. In comparison to the District Court Judge, it would be at 87.53% of what a District Court Judge makes. So if we're going to do an across the board increase, which tends to

be what we do with our patches, we just do one number, we come up with a justification for that particular number and then we apply it to everybody with the exception of the Police Chief because he got an exclusive increase about two years ago. The 15% increase would get Corporation Counsel to 99,360 which would be 86.7% of a District Court Judge's salary. Commissioner Herrera stated that he was less concerned about the inequity between departments than he was within a department.

Vice Chair Levin also expressed that he would like to see the Director of Personnel move up one level and move the Transportation Director down a level based on prior testimony.

Commissioner Rohlfing asked Vice Chair Levin if he is talking about the 15% increase to be effective immediately or split between '05 and '07. He thought that would be a big lump sum to swallow. Vice Chair Levin stated that the problem with that if you were to look ahead a year, you would have an even bigger disparity then. Commissioner Herrera asked Vice Chair Levin, what if the Commission would approve a 7.5% increase effective July 1, 2005 and then a 7.5% increase January 1, 2006.

Vice Chair Levin stated that he tends not to be the conservative member of this Commission. He stated that if the Commission were to pass a 16.1% increase he would vote for it today. He also stated that he didn't think the Commission would get the same vote of Chair Matsuura or Commissioner Westfall.

Vice Chair Levin reminded the Commission that all five of the Commission members present would need to agree. He then asked Chair Matsuura and Commissioner Westfall what they would be comfortable with today. Chair Matsuura stated that he goes back to the same philosophical problem he's always had which is how do you justify an increase. Chair Matsuura stated that he doesn't think that he can go along with any increase today. He stated that he is leaning toward some kind of an increase and it could even be what the other Commission members had proposed, he just needs to give it a little more thought. Commissioner Herrera asked Chair Matsuura if he can offer another alternative. He then stated that it is fine to shoot down a proposal, but it would be nice if there was some concept of where to go if that's not the direction the Chair wants to take. He believes that as a Commission they have an obligation to adjust the salary inversions. Commissioner Herrera asked Commissioner Westfall if his opinion was also philosophical. Commissioner Westfall stated that he is more in line with Chair Matsuura and that he agrees that the Commission should have a system where the department heads makes the most. At the same time he is not comfortable with saying that everyone recognizes this as a problem and that the Commission has to do something about it. Commissioner Herrera presented the fact that this may be a patch but he doesn't see anything fundamentally wrong with being reactive or having a patch if the Commission hasn't address the issue yet or even have a time line for it.

Chair Matsuura asked Vice Chair Levin when does the Timeline end that the Commission has been working on? Vice Chair Levin responded by saying that he didn't know what the end date for the Timeline is because he resigned from that committee to work with Chair Matsuura on the welcoming packet. He went on to state that Commissioner Williams, Commissioner Lemmo and Commissioner Herrera are involved in that committee. Commissioner Herrera stated that he had given the other members his contact information and no one has contacted him. Vice Chair Levin stated that he likes the current system where they utilize the Levels in determining a pay structure until there is another alternative. It's a good logical foundation and it's historical and until we find something different he would like having it to fall back on. Chair Matsuura stated that he could agree on an increase that's conditioned on some due date

for a plan, not that I would condition the increase to be set on when that plan is in place. Commissioner Herrera asked Chair Matsuura if he was saying that as part of the package he would want a stipulation that we are going to have a plan. Chair Matsuura stated that the increase is a large amount and he is not comfortable with it today and that there isn't anything the Commission could do today that would convince him otherwise. Commission Westfall stated that he thinks that when the Commission passed the last patch six months ago it had that condition in it.

Vice Chair Levin made a proposal to move to raise the salaries 16.1% with the exception of the Police Chief who would move to the same level as whatever the other Level III Directors are at effective July 1, 2005 in a one lump sum. He stated that the reason for the lump sum is that there will clearly be some press about it and we're going to get some heat about it. What it will give us is the rest of the entire year to work on our structure. With the exception of Council salaries, we don't have to come back and visit this issue again and again. We can actually get down to working on a structure and know that the Commission has a year to work through and think about a structure. The reason I picked 16.1% is because it brings the other Level III Directors right to the same level as Police so we can fix the previous inequity. I would welcome 15%, I would welcome just about any reasonable increase today, but that's the motion I'm putting to the Commission. Commissioner Herrera seconded the motion.

Chair Matsuura asked the Commission if there was any discussion on the motion that is on the floor.

Executive Assistant Ching asked Chair Matsuura for clarification that the motion is for 16.1% increase for all Directors or all Level III Directors? Vice Chair Levin clarified that this increase will be for all Directors with the exception of County Council and the Police Chief. Director Krieg asked for further clarification by asking if the Police Chief's increase is just to put him in line with the other Level III Directors. Vice Chair Levin stated that that was correct.

Chair Matsuura asked if there was any further discussion.

Commissioner Rohlfing stated that he is sympathetic to the objectives of the motion and that he agrees with much of the reasoning but he's not prepared as a rookie on this Commission to agree on a 16.1% increase across the board. He would like to have a little more time and take a little more consideration of what other alternatives are available to the Commission. He then asked can we do it in steps and not a one lump sum. His feelings are that he agrees philosophically with what is being proposed but he is not agreeing that it is necessary to do now.

Vice Chair Levin asked the Commission if they would be more comfortable with an 8.5% increase on July 1, 2005 and an 8% increase on January 1, 2006. Commissioner Westfall stated that for him it's not so much the number it's just that we keep getting into this pattern. I think we need something to force us to come up with a little better process. Vice Chair Levin stated that the Commission is trying to get the situation compacted on to a more reasonable schedule. He went on to explain that the last time we didn't address the issue until December. By deciding today, in June, you won't be late you won't have to bring it up for another year. Commissioner Rohlfing stated that he would be much more comfortable with 8% and 8%. Commissioner Herrera stated that he would buy into the 8% and 8% also, because it's just easier to swallow.

Vice Chair Levin asked if he could then move to change his previous motion. Chair Matsuura informed Vice Chair Levin that he can either rescind the motion or he can amend the motion. Vice Chair Levin asked to amend the motion. Chair Matsuura suggested that he may want to take it all back and start over. Vice Chair Levin rescinded the motion. He then stated that it would be the same motion except instead of the increase of 16.1% in July 1, 2005 every other thing is to remain in place except that it's going to be 8.1% on July 1, 2005 and 8% on January 1, 2006. Commissioner Herrera seconded the motion.

Commissioner Herrera stated that knowing how this salary inversion issue is affecting the people involved that the Commission's inaction is worse than taking a bad action. Vice Chair Levin explained that the question is do we want to vote on the motion or do we want to table the motion for next meeting? First Deputy Corporation Counsel Villarosa stated that the Commission should probably vote and then it can always do a new motion at the next meeting. It is not usually that a Commission hold motions over, once a Commission makes a motion usually a vote needs to be taken on it.

Chair Matsuura called for a vote and it was as follows:

Matsuura	Levin	Herrera	Rohlfing	Westfall
No	Yes	Yes	Yes	No

Motion failed.

Chair Matsuura asked if there was any other discussion.

Chair Matsuura asked the Commission if he could put the specific issue on the agenda for the next meeting of July 8, 2005.

Commissioner Westfall wanted to state for clarification that he is more than willing to revisit this again. Philosophically he agreed with almost everything that was presented. He stated that he was just bothered that the Commission does not have a process and that this issue keeps coming back at us. He asked that the Chair to see if a structure could be sort of kick start again. Vice Chair asked Commissioner Westfall if he would like to be a participant on that Committee. Commissioner Westfall stated that he will go onto that Committee. Chair Matsuura asked First Deputy Corporation Counsel Villarosa if the Commission is allowed to have four members on a sub committee.

Chair Matsuura stated that he would like to add the salary increase issue to the next agenda specifically looking at an across the board salary increase of 16.1% for all appointees except the County Council and the Police Chief who would be adjusted to an appropriate level based on 16.1%.

Chair Matsuura asked if there is anything else the Commission would like to address in relation to the salary increase issue.

First Deputy Corporation Counsel Villarosa suggested to the Commission that the wording on the agenda item not include a percentage amount just to give the Commission flexibility. Chair Matsuura stated that the reason he wants that on the agenda is because he would like everyone to understand what the

Commission is looking at. First Deputy Corporation Counsel Villarosa stated that she didn't want there to be a question about limiting the Commission's flexibility. Council does this a lot, they box themselves in unintentionally but because their agendas are so specific they limit themselves as to the action that they can take. Chair Matsuura asked if the Commission should restate his agenda item to read between 8.1% and 16.1%. First Deputy Corporation Counsel Villarosa stated that that would be better but she still suggests that no percentage should be stated. After a lengthy discussion by the Commission it was decided that the wordage would be as follows: Consider salaries adjustments for the executive level, including by not limited to an increase of 16.1%.

First Deputy Corporation Counsel Villarosa informed the Commission that they can have up to four members on a sub committee.

Director Krieg stated that at the Commission's last meeting she was asked to bring for the new members copies of Ken Taira's report. The new Commissioners informed Director Krieg that staff had already provided them with copies. Director Krieg stated for the Commission's information that in Mr. Taira's letter he does suggest to follow the EMCP schedule in developing a plan for the department heads pay. For Maui County although the salary schedule does go beyond EM07 and includes ES levels, Maui County does not have any classes of work beyond EM07.

Commissioner Levin asked for a copy of the Commission's calendar of scheduled meetings. Staff informed Commissioner Levin that it will be provided to him.

Chair Matsuura informed the Commission that staff will be sending out Commissioner's contact information to all members via email.

#### **V. Set Agenda for Next Meeting**

- Review reports from the Timeline sub committee and the New Member Packet sub committee.
- Election of Officers
- Commission will consider salary adjustments for the Executive level across the board including by not limited to an increase of 16.1% excluding the Police Department and County Council.

The next meeting is scheduled for July 8<sup>th</sup>, 8:30 a.m. in the Mayor's Lounge.

#### **VI. Announcements**

There were no announcements

#### **VII. Adjournment: 10:40 a.m.**

Respectfully submitted,

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C. Momi DeMello  
Boards and Commissions Secretary