

**SALARY COMMISSION
MINUTES
June 12, 2020
Meeting Site: Online Only via Blue Jeans**

Present:

Kelly Swanson, Chair
Paul Kailiponi, Vice-Chair
Vernon Oato
Dawnalyn Fujiwara
Clark Abbott
Peter Martin
Scott Parker
Edwin Misaki

Absent:

Stanford Lantias

Staff:

Gladys Baisa, Community Liaison
David Underwood, Director, Personnel Services
Gary Murai, Deputy Corporation Counsel
Sherilyn Otsubo, Administrative Assistant

1. Call to Order/Roll Call

The meeting was called to order by Chair Swanson at 8:32 a.m. and roll call confirmed a quorum of eight members in attendance (Chair Swanson, Vice-Chair Kailiponi, and Commissioners Oato, Fujiwara, Abbott, Martin, Parker and Misaki). Commissioner Lantias was unexcused.

2. Public Testimony

There was no public testimony.

3. Approval of the Minutes of the March 13, 2020 meeting.

Commissioner Abbott moved to approve the minutes and Commissioner Oato seconded the motion. The motion passed unanimously.

4. Welcome Commissioner Misaki.

Chair Swanson welcomed Commissioner Misaki to the Salary Commission.

5. Review of Ordinance No. 5070, regarding attendance at board, commission, and committee meetings by appointed members.

Deputy Corporation Counsel Murai mentioned that the Council was concerned about attendance so they passed this ordinance which sets standards for attendance.

6. Discuss the status of the proposed charter amendment to establish an Office of the Managing Director.

Chair Swanson said that this amendment will be on the ballot this Fall.

Commissioner Abbott asked if the Salary Commission will approve the salary for this position.

Deputy Corporation Counsel Murai said that it does come under the Salary Commission's jurisdiction to approve the salary. There may also be a new agriculture department and the commission will also set the salary for that position. information regarding these 2 positions won't be available until after the election.

Commissioner Misaki asked Deputy Corporation Counsel Murai if the Salary Commission should remain neutral on this amendment.

Deputy Corporation Counsel Murai responded that he doesn't see why the commission could not take a position, but logically, the commission's input would only be on what the salary for the position would be. However, nothing stops the individual commissioners from taking a position on the amendment.

7. Discuss the new salaries given to the Directors, Deputy Directors, County Auditor, Councilmembers and the Mayor.

8. Review of Budget Director's FY 2020 budget projections.

Chair Swanson mentioned that agenda items 7 and 8 go together. She asked the Budget Director if there were any changes to the proposals that might affect the county's ability to fund the salaries which were passed by the Salary Commission. In Budget Director's response, she states that "any increase should be warranted and justified".

Commissioner Parker pointed out that from the projections of reductions in the transient accommodation tax and solid waste revenue, we are looking at about \$4.5 million less in revenue. The City and County of Honolulu and the Senate Ways and Means Committee both deferred any salary increases for their elected officials.

Vice Chair Kailiponi said that he listened to the budget hearings and didn't hear any issues about the salary increases that were awarded.

Commissioner Abbott said that the Maui News had an article saying that the Council said they shouldn't receive a raise and he would agree on following that.

Director Underwood mentioned that all the salaries were budgeted at the rates proposed by the Salary Commission and the budget has been finalized. In the past when there was a financial shortfall, the method to make it up was through furloughs.

Community Liaison Baisa said that things are very premature so the commission should just monitor what goes on.

Commissioner Parker commented that if furloughs were to become an option at some point, would it be an assumption that employees prefer getting paid at their current salaries without a raise over going on furlough and not being paid. What happens to any negotiated pay increases that have not been settled? Are there collective bargaining issues that are not resolved that needs to be funded that wasn't accounted for in the recent budget?

Underwood responded that we don't know what the Legislature will do. There are a number of collective bargaining settlements that are with the Legislature for funding. If they are not approved, they won't go into effect statewide, and they go back for negotiations. If they are approved, then all the jurisdictions will be required to pay those increases. The costs were known when the budget was created so they were factored in to the current budget.

Commissioner Misaki mentioned that this is his first meeting, but from a public standpoint, he felt it showed a lot of leadership from the State to keep salaries flat. The perception of giving the highest leaders a raise during this time doesn't sit well with him.

Chair Swanson stated that the only future increases are for the Councilmembers and the Mayor in 2021 and it's premature to discuss any future increases.

Commissioner Martin stated that it's premature to conclude that we shouldn't be increasing or decreasing salaries.

9. Discuss the plans of the Salary Commission for the rest of the year.

Chair Swanson mentioned that this is an ongoing situation and that the commission should continue to meet once a month or every two months to review and discuss what's going on.

10. Agenda setting for next meeting.

Keep agenda items 7 and 8.

Review of the economic progress and government changes from Personnel.

11. Schedule next meeting.

The next meeting is scheduled for August 14, 2020 at 8:30 a.m.

Baisa said "Aloha" as she will be retiring on June 30.

12. Adjournment

The meeting adjourned at 9:15 a.m.

