'24APR29 PM 1:42 CITY CLERK

2024 Commission Members:

Malia Espinda, *Chair*
Sarah E. Guay, *Vice-Chair*
Elmer K. Ka'ai, Jr., *Commissioner*
Marie Kumabe, *Commissioner*
Rebecca Soon, *Commissioner*
Lila T. Tom, *Commissioner*

SALARY COMMISSION

Komikina Uku Hana

CITY AND COUNTY OF HONOLULU
530 South King Street, Room 207 • Honolulu, Hawaii

April 29, 2024

The Honorable Rick Blangiardi, Mayor
City and County of Honolulu
Honolulu Hale
520 South King Street, Rm. 300
Honolulu, Hawaii 96813

The Honorable Tommy Waters, Chair and Presiding Officer
and Honorable Members
Council of the City and County of Honolulu
Honolulu Hale
530 South King Street, Rm. 202
Honolulu, Hawaii 96813

Aloha Mayor Blangiardi, Chair Waters, and Councilmembers -

On behalf of the 2024 Salary Commission, I respectfully submit the attached Findings of Fact and Resolution to establish salaries and salary schedules for the elected and appointed officials of the City and County of Honolulu listed in Section 3-122 of the Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended ("Charter"). Pursuant to the Charter these salaries will take effect as of July 1, 2024 unless rejected by a three-fourths majority of the entire membership of the City Council.

As Chair of the 2024 Salary Commission, I believe the salaries and salary schedules set forth in the attached Resolution, as supported by the attached Findings of Fact, are consistent with the requirements to provide adequate compensation for work performed and preserve a sensible relationship between the salaries set by the Salary Commission and the salaries of other City employees.

Sincerely,

Malia Espinda, Chair
Salary Commission
City and County of Honolulu

Enclosure

COUNCIL COM. 121
SALARY

FINDINGS OF FACT BY THE 2024 SALARY COMMISSION

APRIL 23, 2024

Pursuant to Section 3-122 of the Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended ("Charter"), the City and County of Honolulu ("City") Salary Commission makes the following findings of fact in support of its decision to adjust the salaries and salary schedules of elected and appointed officials of the City to be effective July 1, 2024:

1. The Salary Commission has the authority to annually establish the salaries of all elected City officials, including the Mayor, Councilmembers, and the Prosecuting Attorney, and designated appointed officials, including the Managing Director, the Deputy Managing Director, Department Heads, Deputy Department Heads, and the Band Director. The Salary Commission also establishes the salary schedules for the Deputies of the Corporation Counsel and the Deputies of the Prosecuting Attorney. Collectively, these City officials will be referred to as the "Covered Officials."

2. The Salary Commission is composed of volunteer commissioners who are mindful of current economic conditions as well as their obligation to set salaries consistent with the principles of adequate compensation for work performed, and preservation of a sensible relationship between the salaries that they set with the salaries of other City employees. Increases other than those that follow the general increase in salaries are based on the Charter-imposed obligation to provide "adequate compensation for work performed".

3. To streamline its annual review of the salaries and salary schedules of the Covered Officials, the Salary Commission created a permitted interaction group ("PIG") pursuant to Section 92-2.5, Hawaii Revised Statutes ("HRS") at its meeting held on January 23, 2024. The PIG provided its report to the full Salary Commission at its meeting held on February 27, 2024, recommending for discussion a range of salary increases for the Covered Officials.

4. The Salary Commission held a public hearing on the salaries and salary schedules of Covered Officials and the PIG's recommendations thereon on March 19, 2024.

5. In accordance with the Charter and HRS Chapter 92, the Salary Commission's meetings held on January 23, 2024; February 27, 2024; March 19, 2024; and April 23, 2024; were duly noticed and afforded

opportunities for public comment. Testimony was received at all of the meetings.

6. To assist in its annual review of salaries, the Salary Commission solicited input from the Mayor, City Councilmembers, the City Administration, the Police Commission, the Fire Commission, the Medical Examiner, the Department of the Prosecuting Attorney, the Department of Human Resources, the Department of Corporation Counsel, the Department of Environmental Services, the Department of Planning and Permitting, the Department of Information Technology, the Department of Facility Maintenance, the Department of Design and Construction, the Department of Fiscal Services, the United Public Workers, the Hawai‘i Government Employees Association, the State of Hawai‘i Organization of Police Officers, the Hawai‘i Fire Fighters Association, the Healthcare Association of Hawai‘i, and the general public.

7. The Salary Commission also considered all testimony, the cost-of-living index from the previous year, historical salary data, current salary ranges for excluded managers within the City, the schedule of raises for excluded managers over the past five years, challenges with recruitment for City positions, the duties and responsibilities of City positions, inversion challenges, and other data provided by the Department of Human Resources.

8. The Salary Commission also considered information provided by a salary study commissioned by the 2023 Salary Commission to analyze the salaries of positions over which the Salary Commission has the authority to set the salaries.

   This study identified where Honolulu salaries lagged behind other jurisdictions in both executive and legislative branches, which informed its determination for this year's salaries. The commission further suggests that future salary commissions take a deeper look at the salaries for directors that saw more significant disparities in the study, especially those in the engineering and information technology fields.

9. Historically, the salaries established by the Salary Commission have frequently been indexed to the increases given to City employees in collective Bargaining Unit 13 (professional and scientific employees) ("BU 13") and the over 200 City civil service managerial employees who are excluded from collective bargaining ("Excluded Managers"), but whose salaries are tied to the BU 13 salaries.

10. For fiscal year 2024-2025, BU 13 salaries will increase by 3.59%.

11. The Salary Commission also considered that the actual 2023 Consumer Price Index for Honolulu was 3.1%, with a forecast increase of 2.3% for 2024. The Salary Commission generally believes that a minimum salary increase that adequately accounts for the effects of inflation is appropriate.

12. To keep pace with increases granted to BU 13 employees and to avoid scenarios where long-serving civil servants are paid more than their managers, the Salary Commission concludes that a 3.59% salary increase for most Covered Officials is consistent with the principles of adequate compensation for work performed and preservation of a sensible relationship with the salaries of other City employees, as the Salary Commission is directed to do by Section 3-122.3 of the City Charter.

13. The Salary Commission finds that a 3.59% increase in wages is an acceptable increase to address the effects of inflation at 3.1%.

14. The Salary Commission also concluded that salaries for the Mayor, Managing Director, and Deputy Managing Director should match the increase granted to BU-13 and adjusted for the effects of inflation by raising the salary by 3.59%.

15. The 2023 Salary Commission concluded that Councilmembers' salaries should be indexed to the closest equivalent civil service position based on the nature of their work to be consistent with the principles of adequate compensation for work performed. The lowest end of the range for the current fiscal year EM-08 salary represented the closest equivalent civil service position to the work of Councilmembers.

    Therefore, the 2024 Salary Commission should match the increase granted to BU-13 and adjusted for the effects of inflation by raising the Councilmembers' salary by 3.59%.

16. The Salary Commission will continue to set the Council Chair's salary at $10,000 above the salary for the Councilmember. To account for rounding requirements due to pay periods, the actual amount set will be $10,008.

17. The Salary Commission also concludes that the Medical Examiner and Deputy Medical Examiner require an additional increase in salary to competitively place the position within the job market and to achieve adequate compensation for work performed. This determination was based on testimony regarding the continued inability of the City to recruit a Deputy Medical Examiner due to the limited pool of qualified candidates and an existing salary range that does not meet the national average for a pathologist in private practice, coupled with the position's significant administrative responsibilities, that make those positions undesirable. The

Salary Commission settled at a 10.15% salary increase for these positions.

18. The Salary Commission also concludes that the salary paid to the deputies of the city attorneys should be uniform, and therefore combined the schedule of salaries of the deputies of Corporation Counsel and the Prosecuting Attorney with an effective cap increase at the high end of no more than approximately 3.59%, for a salary range of $78,120 - $195,720. Furthermore, the salary for a First Deputy Corporation Counsel is adjusted to equal the salary paid to a First Deputy Prosecuting Attorney salary, at $195,888, since a limited 3.59% salary increase would be on the high end of the salary range for all deputies of Corporation Counsel.

The above findings of fact will be forwarded to the Mayor and the City Council of the City and County of Honolulu by May 1, 2024.

Malia Espinda

MALIA ESPINDA, CHAIR

SARAH E. GUAY, VICE-CHAIR

Lila T. Tom

LILA T. TOM

ELMER KA'AI

REBECCA J.'I. SOON

MARIE KUMABE

Salary Commission settled at a 10.15% salary increase for these positions.

18. The Salary Commission also concludes that the salary paid to the deputies of the city attorneys should be uniform, and therefore combined the schedule of salaries of the deputies of Corporation Counsel and the Prosecuting Attorney with an effective cap increase at the high end of no more than approximately 3.59%, for a salary range of $78,120 - $195,720. Furthermore, the salary for a First Deputy Corporation Counsel is adjusted to equal the salary paid to a First Deputy Prosecuting Attorney salary, at $195,888, since a limited 3.59% salary increase would be on the high end of the salary range for all deputies of Corporation Counsel.

The above findings of fact will be forwarded to the Mayor and the City Council of the City and County of Honolulu by May 1, 2024.

MALIA ESPINDA, CHAIR

SARAH E. GUAY, VICE-CHAIR

LILA T. TOM

ELMER KA'AI

Rebecca Ji Soon

Digitally signed by Rebecca JI Soon
DN: cn=Rebecca JI Soon, o=Ward Research, Inc., ou, email=bsoon@wardresearch.com, c=US
Date: 2024.04.25 17:21:39 -10'00'

REBECCA J.'I. SOON

MARIE KUMABE

RESOLUTION OF THE 2024 SALARY COMMISSION

APRIL 23, 2024

ESTABLISHING SALARIES AND SALARY SCHEDULES IN ACCORDANCE WITH THE REVISED CHARTER OF THE CITY AND COUNTY OF HONOLULU 1973 (AMENDED 2017 EDITION), AS AMENDED.

WHEREAS, Section 3-122 of the Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended ("Charter"), creates a Salary Commission to establish the salaries of all elected officials of the City and County of Honolulu ("City"), including the Mayor, the Councilmembers, and the Prosecuting Attorney; the salaries of designated appointed City officials, including the Managing Director, the Deputy Managing Director, Department Heads, Deputy Department Heads, and Band Director; and the salary schedules for the Deputies of the Corporation Counsel and the Deputies of the Prosecuting Attorney; and

WHEREAS, Charter Section 3-122 further provides that the Salary Commission shall convene no later than the first day of February each year, and shall, after public hearing, establish salaries and salary schedules no later than the first day of May subsequent thereto, with said salaries and salary schedules to be effective prospectively from the first day of the fiscal year subsequent to their adoption by the Commission; and

WHEREAS, Charter Section 3-122 further provides that the Salary Commission shall set salaries in accordance with the principles of adequate compensation for work performed and preservation of a sensible relationship with the salaries of other City employees; and

WHEREAS, Charter Section 3-122 dictates that any action of the Salary Commission altering salaries shall be by resolution accompanied by findings of fact, and that said resolution shall be forwarded to the Mayor and the City Council ("Council"), but shall take effect without their concurrence 60 calendar days after its adoption by the Salary Commission unless rejected by a three-quarters vote of the Council’s entire membership; and

WHEREAS, the Salary Commission has this day adopted Findings of Fact, which are attached hereto and incorporated herein; now, therefore,

BE IT RESOLVED by the 2024 Salary Commission of the City and County of Honolulu that the salaries of all elected City officials, including the Mayor, Councilmembers, and the Prosecuting Attorney; the salaries of certain appointed City officials, including the Managing Director, the Deputy Managing Director, Department Heads, Deputy Department Heads; and the salary schedules for the deputies of the Corporation Counsel and Prosecuting Attorney shall be as provided below:

Position	**FY 2024-25 Proposed Salaries**
Mayor	$217,392
Council Chair	$127,368
Councilmember	$117,360
Prosecuting Attorney	$206,040
Managing Director	$207,912
Deputy Managing Director	$197,136
Department Heads, except Prosecutor, Police, Fire, Medical Examiner, Corporation Counsel, and Band Director	$194,208
Police Chief	$239,976
Fire Chief	$232,368
Medical Examiner	$400,008
Deputy Department Heads, except Prosecutor's Office, Police, Fire, Medical Examiner	$184,272
First Deputy Prosecuting Attorney	$195,888
Deputy Police Chiefs	$228,864
Deputy Fire Chief	$221,592
Deputy Medical Examiner	$390,120
Band Director	$184,272
Corporation Counsel	$199,776
First Deputy Corporation Counsel	$195,888
Schedule of salaries of the deputies of the Corporation Counsel	$78,120 – $195,720
Schedule of salaries of the deputies of the Prosecuting Attorney	$78,120 – $195,720

IN WITNESS WHEREOF, the undersigned members of the 2024 Salary Commission have signed this resolution as of 23 April 2024, and transmitted it together with their findings of fact attached hereto to the Mayor and the City Council of the City and County of Honolulu this 23rd day of April 2024.

MALIA ESPINDA, CHAIR

SARAH E. GUAY, VICE-CHAIR

LILA T. TOM

ELMER KA'AI

REBECCA J.'I. SOON

MARIE KUMABE

IN WITNESS WHEREOF, the undersigned members of the 2024 Salary Commission have signed this resolution as of 23 April 2024, and transmitted it together with their findings of fact attached hereto to the Mayor and the City Council of the City and County of Honolulu this 23rd day of April 2024.

MALIA ESPINDA, CHAIR	SARAH E. GUAY, VICE-CHAIR
LILA T. TOM	ELMER KA'AI
Rebecca Ji Soon Digitally signed by Rebecca Ji Soon DN: cn=Rebecca Ji Soon, o=Ward Research, Inc., ou, email=bsoon@wardresearch.com, c=US Date: 2024.04.25 17:19:31 -10'00'	
REBECCA J.'I. SOON	MARIE KUMABE