

COUNTY OF HAWAII  
SALARY COMMISSION  
November 5, 2003

MINUTES

Chair J. William Sanborn called the meeting to order at 1:30 p.m. in the Conference Room of the Department of Liquor Control, 101 Aupuni Street, Suite 230, Hilo, Hawaii.

**Present:**

Mr. J. William Sanborn, Chair  
Mr. Yoshiichi "Joe" Tanaka, Secretary  
Mr. Glenn Hara, Member  
Mr. Tsukasa Ishii, Member  
Mr. Paul Mann, Member

**Excused:**

Mr. Joel Nye, Vice Chair  
Mr. Gerald Kita, Member

**Absent:**

Mr. Jason Hashimoto, Member

**Others present:**

Mr. Michael R. Ben, Director of Personnel  
Mr. Gerald Takase, Assistant Corporation Counsel  
Ms. Joney Nitahara, Personnel Program Specialist  
Ms. Velma Y. Menezes, Secretary-Reporter  
Ms. Noel Ah Choy, Clerk III

**STATEMENTS FROM THE PUBLIC**

Ms. Charlene Y. Iboshi, First Deputy Prosecuting Attorney, presented comments on the proposed tiered compensation plan on behalf of Prosecuting Attorney Jay Kimura, who could not attend the meeting. Refer to written statements provided by Mr. Kimura.

Ms. Iboshi responded to questions from the Commission:

Out of a staff of 97, 28 are deputy prosecutors. More than half of the 28 would be earning less than \$60,000. After awhile, there are no incentives for the

deputies, and that's when they start to look elsewhere for more lucrative employment.

As far as positioning Mr. Kimura in Tier 2, Ms. Iboshi thought that was a good decision, as well as the implementation of incremental increases. She also thought that was fiscally responsible so that the County could plan for those increases every so often. Increments help for planning purposes, so it's not a huge jump. For most deputies, because they go to school so long, as long as they can see that there is an end and they're going to get small, little raises along the way, that's enough to keep people satisfied and retain them.

Mr. Hara clarified that if the Commission raised the Prosecutor's salary, that would not automatically adjust any of the deputies' salaries, as it's internal with the Prosecutor and comes out of the Prosecutor's budget.

Ms. Iboshi confirmed that that is correct. Ms. Iboshi clarified that if she were here coming to speak for the deputies, she'd be standing on tables and spinning on her nose, because obviously that's Mr. Kimura's and her job. It's a little awkward for them to come and say give them pay raises, and that's what they're doing. However, it has to be fiscally responsible, so anything that's done is only based on what the County can do. If the County can't pay, it can't pay. The idea is that if it's given as an opportunity, the Mayor can adjust, and Mr. Kimura can then adjust for those people working for him. Not every salary is going to go up. They all understand that.

Mr. Hugh Ono, former cabinet appointee, stated the following in testifying in support of the proposed tiered compensation plan:

He has a keen interest in this. He's been a past County appointee and a State executive, and he's now on the Environmental Management Commission. When the Salary Commission first got reorganized, he came to testify in support of something being done, and he's very pleased to see that there is something that has been done.

He's glad to see that this package recognizes there is a difference in positions that require background and certification. Certainly you can't have a general manager type going to a Fire Department or into Police. You need to have a licensed professional engineer for Public Works, someone that has passed the bar to hold one of the legal positions. Finance requires financial background. There is a difference in tiers that recognize that, and Mr. Ono thought that was very important.

He also thought that this is long overdue as far as the parity issue with positions in this County as compared relatively to other positions across the country. There needs to be some kind of parity always. He sees that there's a range for the appointing authority and thinks it's very important to give the appointing authority some flexibility in bringing on perhaps the most brightest people with the best potential. These positions are important because they are appointees; and they do make things happen for the citizens of the County of Hawaii.

Some of the things that the pay package has to do is number one, it cannot be a deterrent to bringing people in. Of course there are limitations, but his general observation has been that in the past several years now the prevailing compensation package for these appointees has in fact been a deterrent because there have been subordinates making much, much more, and it just hasn't been equal at all. It needs to assure that the department head gets paid significantly higher than the subordinates. One of the reasons is that department heads work unlimited hours compared with a subordinate making overtime. There are many, many subordinates making equal or more with their overtime, with, of course, not as much responsibility.

Mr. Ono thanked the Commission for proceeding with this. He's very pleased and happy about it.

Mr. Lincoln Ashida testified to the following:

He's the Corporation Counsel for the County. His presence today before this Commission is to thank the Commission for the work that it did, for the courage put forward in this matter with what sometimes might not be a popular decision, especially with pay increases. The Charter was rewritten in 2000 to give this body almost complete autonomy and decision-making authority over that, and the Commission has certainly taken on that challenge.

He's here to answer any questions because the memo he got said to be here to answer any questions, but he would also ask that when the Commission deliberates this matter, it will consider that the Corporation Counsel's office also suffers from what is termed the inversion problem in that under the current ordinance the deputies in his office are paid 90% of the Prosecuting Attorney's salary resulting in the possibility that the high-end deputies in his office would actually make more than the first deputy. That was a subject of a communication he had submitted to the Commission about a year ago or so and is a concern he still has that he asks the Commission address.

Mr. Ashida stated the following in answer to questions by the Commission:

The mechanism for actually setting a deputy's salary is at the department head's discretion. There are a significant number of government attorneys here for a significant period of time, and and it could become a very uncomfortable situation if there are attorneys in the Prosecuting Attorney's office making more than attorneys in the Corporation Counsel. Usually, the normal progression is to go from criminal into civil.

He thinks that parity is important because he doesn't believe that either department is more important than the other. The current ordinance is fair, because it allows attorneys in both offices to be compensated in essentially the same way as they're all paid through the Prosecutor. His only concern is that given the present numbers, there's a chance that high-end deputies could earn more than the first deputy in his office.

Mr. Hara commented that absent changing the ordinance, Mr. Ashida might be stuck with the situation. Even if the Commission puts his salary above the Prosecutor's, the deputies' pay is still pegged to the Prosecutor's pay.

Dixie Kaetsu, Managing Director, testified on behalf of Mayor Harry Kim, who could not be present. Refer to written testimony.

Chair Sanborn commented that on the mainland the managing director is actually the CEO.

Ms. Kaetsu noted that that's under a different structure. Although the last Charter seemed to be moving in that direction, they're not there yet. However, in the present situation where the mayor is elected and appoints her and all the other department heads, she cannot see anything but having the mayor be at the top.

Mr. Hara requested that Ms. Kaetsu's office or the Finance Department produce a plan with numbers that would implement what the Mayor is suggesting in terms of looking at where they are now, what the current proposals are, and how they can get there. It will make it a lot easier for the Commission to conceptualize what they're talking about.

Ms. Kaetsu stated that she will try to get it to the Commission for its December 3 meeting.

Mr. Hara stated that he is intrigued by the Mayor's recommended tier structure. He can see how it would work for the first three tiers and asked whether it is envisioned that they'd be setting up a separate pay schedule for Tier 4.

Ms. Kaetsu responded that it would be up to the Commission, but the Mayor feels that job security is a big factor with the department heads that are appointed by commissions. For that reason, perhaps more fiscal incentives would be needed to be able to attract people to fill the appointed positions. Some department heads that are appointed by commissions might not agree with that, and they would say that because of their longevity they deserve to have more than the appointees. There are these different perspectives here, and this is the Mayor's perspective on it.

Mr. Hara noted that another perspective is that the commission appointees tend to be more of a career progression from that department so incentives need to be built in for them to stay, and there is more concern about salary inversion and longevity issues.

Ms. Kaetsu observed that the perspective of getting somebody top notch and qualified, and willing to come and do a job for just four years, possible eight years, is a challenge too. The fact that the commission-appointed department heads are on separate tiers doesn't necessarily mean that they have to be paid lower. The Mayor just feels that they should be separate; there should be a distinction based on the fact that they're commission appointed rather than mayoral or council appointees.

Ms. Kaetsu also noted that the budget is not the Commission's responsibility; however, they did feel it was their responsibility to mention these factors to the Commission.

Mr. Hara commented that he's not looking to making the Commission obsolete, but what Ms. Kaetsu is pointing out is that there's a disconnect between what the Commission is doing and what are the realities are of the needs to be taken into consideration in terms of funding, implementing, and executive-setting priorities within their own administrations, and how they want to allocate resources among departments. Since Mayor Kim's administration is the first to be experiencing this, Mr. Hara suggesting leaving notes or memos for the next Charter Commission and experientially let them know from the perspective of the executive's office whether this works or not, to be disconnected from the compensation of people who work for you.

### COMMUNICATIONS

A) Communication No. 03-31, dated October 14, 2003, from John Ray, 2000 County Charter Commission Chair, commenting on the tiered rating system for various county salaries.

**MOTION:** Mr. Hara moved that Communication No. 03-31 be received and filed. The motion was seconded by Mr. Mann and unanimously carried.

5) Receive comments from department/agency heads and other officials on the Salary Commission's proposed tiered compensation plan.

Chair Sanborn noted that there weren't any other department heads present who hadn't already testified.

Chair Sanborn noted that communications commenting on the proposal were distributed to members: a letter dated October 28, 2003 from the County Council, James Arakaki, Chairman, and a letter dated November 3, 2003, from Michael Ben. The communications were assigned numbers 03-32 and 03-33 respectively.

**MOTION:** Mr. Tanaka moved that Communication Nos. 03-32 and 03-33 be received and filed. The motion was seconded by Mr. Mann and unanimously carried.

The November 1, 2003 communication from the Prosecuting Attorney Jay Kimura, with the National Prosecution Standard distribution, was assigned Communication No. 03-34. Mayor Harry Kim's letter dated November 3, 2003 from which testimony was provided by Dixie Kaetsu was assigned number 03-35.

**MOTION:** Mr. Hara moved that Communication Nos. 03-34 and 03-35 be received and filed. The motion was seconded by Mr. Mann and unanimously carried

NEXT MEETING DATE

Chair Sanborn noted that a special meeting is scheduled for November 21, 2003 at 1:30 p.m. at the Mayor's Office in Kona to receive testimony. The next scheduled meeting is December 3, 2003 at 1:00 p.m. in the conference room of the Department of Liquor Control.

Ms. Tiffany Edwards from West Hawaii Today questioned whether a simplified version of the tier structure was available showing the proposed pay schedule.

Mr. Hara informed Ms. Edwards that the Tier Review Committee's report was on the web site.

Chair Sanborn explained that the tiered structure is coming up with some kind of a framework, and they had to use some numbers to try to make it work. The Tier Review Committee reported on the tiered structure, and the full Commission adopted the proposal from them. Then the Commission sent it out for comments. The Commission is not so set on the numbers as much as attempting to make sure that the structure works. The numbers were a recommendation to see where they fell. Basically the Commission is trying to get it back up to where it should be or should have been all along. At this point, the reason for these two special meetings is to have people look at it and give the Commission comments.

ADJOURNMENT

The meeting adjourned at 2:25 p.m.

Respectfully submitted,

Mr. J. William Sanborn  
Chair

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