

**COUNTY OF KAUAI
SALARY COMMISSION
4444 RICE STREET, PIIKOI BUILDING, SUITE 300
LIHUE, HAWAII 96766**

**APPROVED as amended MINUTES OF THE COMMISSION'S THIRD
TELECONFERENCE MEETING
AUGUST 25, 2021**

CALL TO ORDER

Chair Laurie Yoshida called the meeting to order on Wednesday, August 25, 2021 at 9:02 a.m.

ROLL CALL

Commissioners present at the meeting: Chair Laurie Yoshida, Vice Chair Kenneth Rainforth, Trinette Kauai and Patrick Ono.

Also, present Boards, Commissions Staff Administrator Ellen Ching, Support Clerk Mercedes Omo, and Deputy County Attorney Andrew Michaels.

PUBLIC TESTIMONY

Chair Yoshida asked if there were any remote testifiers wishing to provide testimony. Hearing no testifiers and having received no written testimony, the public testimony was closed.

APPROVAL OF MINUTES

- a) Open Session Minutes of January 27, 2021 Meeting
- b) Open Session Minutes of April 28, 2021 Meeting

Chair Yoshida called for a motion approve or amend the minutes of the January 27, 2021 and April 28, 2021 Meetings. Commissioner Kauai moved to approve. Commissioner Ono seconded. Hearing no objections. The motion carried by voice vote of 4:0.

BUSINESS

SC 2021-1 Discussion and decision-making on submitting a Salary Resolution to establish maximum salary caps for certain County officers and employees included in Section 3-2.1 of the Kauai County Code for Fiscal Year 2022/2023.

Chair Yoshida stated that she recalled at a previous meeting, the Commission agreed not to submit a salary resolution for Fiscal Year 2021/2022 but would consider submitting a salary resolution for Fiscal Year 2022/2023.

She asked that because the Commission hasn't received any new pieces of information to date if the Commission wanted to request specific information to prepare for the discussion going forward.

She noted that in the past, in addition to the information that was provided previously there also was talk about wanting to look at salaries in the private sector and compare it with the county's hard to fill positions particularly the engineering positions because not only does the county have to compete with the other counties, it also has to compete with the private sector, noting that it she's not asking that the Commission should provide those type of salaries but use it as a comparison.

Administrator Ching stated that she did some research and if the Commission wanted her to continue doing research, she would include HR (Human Resource) as well. To her understanding, HR came up with a process to boost salaries for the hard to fill positions which included the engineering positions particularly the chief engineer position.

She asked the Commission if they wanted invite HR to a Commission's meeting to provide information on the process, they used to fill the hard to fill positions and in the interim she could work with HR on getting the numbers for the engineering positions.

She pointed out that in this day age a lot of the baby boomers are starting to retire which created a lot of vacancies throughout the county as well as the private sector and most certainly the hard fill attorney positions; although now filled there was a time when there were a lot of vacancies.

Deputy County Attorney Michaels confirmed that his office is now fully staffed with 14 attorneys.

Commissioner Ono stated that the Commission should start by looking at the chronic vacancies specifically attorneys and engineers and invite HR to the next meeting to give an overview of the processes they used to fill the vacancies, and in the interim, Ms. Ching could work on getting any information the Commission may not have been previously aware of.

Chair Yoshida pointed out that it be helpful to get the budget projections since the state took away the county's share of the transient accommodation tax and gave the county the ability to charge its own transient accommodation tax. To her knowledge the county's share of the state's TAT was greater than the contribution. But as far as how those numbers go, she's not sure; it may be lower or higher, but from what she was told those numbers are going to be lower which means, the county will have a significant financial shortfall. As far as, budget projections she also doesn't know what three percent would look like, and how the county is going to collect its own TAT which is major because it will dictate the Salary Commission's ability to recommend salaries increases or not.

Commissioner Kauai stated that in addition to getting information on the budget, she would like to have someone from the Finance Department come to the Commission's next meeting to provide ~~they're~~ their outlook on the county's financial well-being.

Chair Yoshida stated that based all the input from the Commissioners it is clear to her that the Commission would like to invite the Director of Finance and Human Resources to the Commission's next meeting.

Ms. Ching noted that the Department of Water had Mark Knoff as their Interim Manager/Chief Engineer as well as a deputy, so they are in far better shape than they've been in a very long time. However, the Water Department and Public Works have a lot of internal vacancies that are hard to fill positions due to people retiring.

Chair Yoshida pointed out that in her mind, engineering would be the Commission's top priority followed by attorneys because historically that office has had its share of chronic vacancies. She asked the Commissioners if they had any ideas on the type of information, they would like staff to gather to help move the discussion forward on establishing a resolution in Fiscal Year 2022/2023.

Commissioner Kauai stated that she would like to have a list reflecting all the vacant positions that have been filled to date. It may not be relevant, but it would be nice to know how many vacant positions have been filled or remain vacant. Ms. Ching replied that she would work with HR to get the information.

Chair Yoshida stated that to meet the March 15 deadline, the Commission would need to meet in November, and then the Commission can decide at that meeting if it wants to move forward with resolution or not.

Ms. Ching stated that ideally, she would normally give the Administration and Council the heads-up that a resolution may be coming their way and because they have a full agenda November would be a good month to hold the next Salary Commission meeting, and then the Commission can decide what direction it wants to go.

Chair Yoshida stated that the information the Commission is looking for is the county's budget projections, market type of positions especially the hard to fill positions, a list reflecting the current vacancies and positions that have already been filled. This will help the Commission to know what it must work with, and then at the Commission's meeting in February 2022 the Commissioners can finalize everything.

Regarding the upcoming fiscal year, Ms. Ching informed the Commissioners that typically, the Administration has all the Departments submit their individual budget requests to them by the end of December. Then from January through March they would work on balancing the budget in preparation of transmitting their budget proposals over to Council. This may have an impact

on the Finance Director's ability to get the information on the county's budget projections out, but at least Ms. Matsuyama will have a clearer picture in January.

Chair Yoshida stated that she's not asking for the entire budget projections, all she wants is information on the county's revenue projections. Is the county's revenue going to be flat or negative because of the TAT being taken away from the state, besides how the county is going to be able to make-up for their loss? So having that information will help to determine whether the Commission moves forward with a recommendation on salary increases or not.

Commissioner Kauai agreed that having all that information will help to determine the Commission's next step. Other factors that may affect the county's revenues are people filing for real property tax exemptions and circuit breaker tax credits. September 30 is the deadline to file for those exemptions, after which, the county will have a clearer picture of what its revenues are going to look like.

Ms. Ching shared that the Board of Review has their job cut for them because they have to review twice the amount of tax appeals filed this year over last year.

With no further discussion, Chair Yoshida moved on to item SC 2021-5.

SC 2021-5 Discussion and decision-making on setting the date for the next Salary Commission quarterly meeting.

After a brief discussion, the Commission selected Wednesday, October 27, 2021 at 9:00 a.m. as the date for the next Salary Commission meeting.

EXECUTIVE SESSION

None

ADJOURNMENT

There being no further business and no objections, Chair Yoshida asked for a motion to adjourn the meeting. Commissioner Kauai moved. Commissioner Ono seconded. The meeting was adjourned at 9:28 a.m.

Submitted by:
Mercedes Omo, Support Clerk

Approved on:
Approved as amended on: November 10, 2021

Laurie Yoshida, Chair Salary Commission