

**HONOLULU SALARY COMMISSION ADOPTS FY24 SALARY SCHEDULE
AND CALLS FOR ACTION TO ATTRACT PUBLIC SERVANTS TO THE CITY**

April 25, 2023 – Today the Honolulu Salary Commission (“the Commission”) adopted its Findings of Fact and Resolution, which sets the Fiscal Year 2024 salary schedule for certain City officials. The Commission grants a 12.56% salary increase to the salaries of certain elected and appointed City officials, while adjusting salaries of Councilmembers and Medical Examiners to better reflect work responsibilities and market conditions as required by the City Charter. In this action, the Commission prioritizes attracting the best and brightest of future generations to serve the needs of the City and paying living wages competitive within their fields.

The Commission solicited input and received testimony from the public, in addition to the City Administration, the Honolulu Police Department, the Department of the Prosecuting Attorney, and City Councilmembers. The Commission also considered the 2022 cost-of-living index, historic salary data, current salary ranges for excluded managers within the City, the schedule of raises for excluded managers over the past four years, challenges with recruitment for positions with the City, the duties and responsibilities of positions with the City, inversion challenges, and other data provided by the Department of Human Resource

The 12.56% salary increase restores the Commission's pre-pandemic historical pattern of granting the same salary increases that were already given to civil servants in HGEA Bargaining Unit 13. Prior to the formation of the Salary Commission in the 1980s, appointed City officials were given a salary that was set at a percentage above the highest paid civil servant subjected to a bargaining unit agreement. The Commission had already deferred three years of salary increases to certain City officials due to COVID-19. Today's salary increase returns to the historic and prior practice for the setting of salaries.

The salaries of Councilmembers suffer from significant wage disparity relative to the salaries of other City employees. Honolulu Councilmembers are currently paid less than Councilmembers from Maui County, Councilmembers from Hawaii County, State legislators, and even the majority of the City's legislative staff. After evaluating the scope of work of Councilmembers, the Commission decided to index the salaries of Councilmembers to the bottom of the current year pay range for City Excluded Managers at the 08 level, or \$113,292. While inherently different in nature as one is Executive and the other the Legislative branch, indexing preserves a sensible relationship of the Councilmembers' salaries with those of other City employees performing similarly high-level duties and responsibilities for the general public. This is keeping with the Commission's requirement under the Honolulu City Charter to provide "adequate compensation for work performed" and set salaries to a "sensible relationship with the salaries of other city employees." Nevertheless, the Councilmembers' proposed salaries are still far below what the Mayor, Department Directors, Department Deputies, and even what many civil service administrators earn.

The Honolulu Salary Commission is composed of volunteer commissioners who are mindful of current economic conditions. Having one in every four positions within the City empty, with significant vacancies in every department, directly and negatively impacts the ability for the City to serve the needs of the City's residents. Negative impacts can include 12-month waiting periods for building permits, six-month waiting periods for autopsy reports, limitations on customer service, and ongoing needs for affordable housing.

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The Commission also acknowledges and agrees with testifiers who believe that the level of salaries offered for equivalent work in the private sector is generally higher than that offered by the City. However, it lacks independent data or the expertise to make comparisons between public and private employment, given the many variables involved, such as base pay, eligibility for merit bonuses or overtime pay, job security, vacation and sick leave benefits, retirement benefits, etc. In the long-term, the Salary Commission believes employment of expert consultants and funding for a salary study, as provided by the Charter, will further assist volunteer commissioners in fulfilling their duty under the Charter to determine what is "adequate compensation for work performed." The Commission has requested that the City Council fund this study. For details, please see Council Communication 107 (23) ([https://www4.honolulu.gov/docushare/dsweb/Get/Document-315443/CC-107\(23\).pdf](https://www4.honolulu.gov/docushare/dsweb/Get/Document-315443/CC-107(23).pdf)).

Further details can be found in the attached Resolution and Findings of Fact.

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ABOUT THE COMMISSION

A volunteer body established by the Honolulu City Charter, the Commission is responsible for setting salaries of around 50 positions that lead our city, manage a \$4.5 Billion budget, oversee 10,000 employees, protect our public safety, ensure city services, and make decisions that impact the lives of nearly 1 million people who call O‘ahu home. The Charter includes two key measures: "adequate compensation for work performed" and a "sensible relationship with the salaries of other City positions."

CORRECTING THE RECORD

- ***Scope of Positions Covered***

Reference has been made to city and state civil service positions. The scope of the Commission includes only those listed in the City Charter, essentially city elected positions, cabinet members, police and fire chiefs, and attorneys in the corporation counsel and prosecuting attorney offices.

Of note, the Commission had robust conversation about the culture of paying public servants - whether civil service, appointed positions, or our elected officials - at levels lower than the market. This has led to high vacancies, compromising core city functions, poor morale among overworked staff, and the lack of interest among our young professionals in joining public service. The Commission further recognizes the mental and emotional toll on many that choose to serve and their families. The Commissioners have expressed the hope that by fairly compensating the positions under our purview that we set a tone for appropriately compensating all city workers and creating a culture where we are exciting new, young talent to join the city and serve our community.

- ***Part-Time versus Full-Time Councilmembers***

Despite media reports to the contrary, there is nothing in the City Charter that states whether the positions of Councilmembers are part-time or full-time. It appears that some community members considered this to be a part time position when the council was first formed; however, this dates back to at least the 1970's, or over half a century ago. The law is silent as to whether the council is full or part time. Current Councilmembers publicly stated that it was difficult to make ends meet with salaries that were not commensurate with the work required.

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Although not within its duties to define, Commissioners had discussion on wanting to allow Councilmembers to focus on their constituents during normal working hours.

The Commission thus collected information and testimony to understand the position duties. It became apparent that Councilmembers work well over 40 hours per week, at times reaching 60 to 80 hours. Responsibilities include attending and preparing for meetings, drafting legislation, engaging with community members on policy issues, addressing neighborhood concerns, attending events, and working on committees. The job of a Councilmember requires each member to be on-duty, ready to respond to any member of their constituency or general public, 24/7. In looking at other jurisdictions, Councilmember positions are paid less than counterparts in Maui and Hawaii Counties, despite larger constituencies and more complex City operations. Councilmember positions also earn less than State Legislators, while council districts are as much as 7 times as large and work with a year-round meeting schedule. The Commission recognized that the current salaries do not meet the City Charter's requirements for adequate compensation or have a reasonable relationship to other City positions.