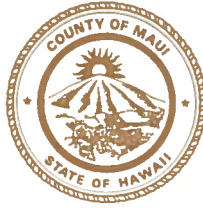


ALAN M. ARAKAWA
MAYOR



KEITH A. REGAN
MANAGING DIRECTOR

OFFICE OF THE MAYOR

Ke'ena O Ka Meia
COUNTY OF MAUI – Kalana O Maui

May 4, 2017

RECEIVED
2017 MAY -4 PM 2:56
OFFICE OF THE
COUNTY CLERK

Honorable Mike White, Chair
and Members of the Council
Maui County Council
County of Maui
200 South High Street
Wailuku, HI 96793

Dear Council Chair White and Council Members:

SUBJECT: APPROVAL OF COST ITEMS FOR EMPLOYEES EXCLUDED FROM BARGAINING UNIT 13

In accordance with HRS Section 89C-5, I am herewith transmitting for your approval the adjustments in compensation and other terms and conditions of employment for employees excluded from HGEA Bargaining Unit 13. The law requires that all cost items shall be subject to appropriations by the appropriate legislative bodies.

These computations reflect the implementation cost for employees excluded from Bargaining Unit 13 for fiscal years 2017-2018 and 2018-2019. A summary of the pay adjustments is also transmitted for your information.

Also transmitted is the necessary resolution prepared by the Corporation Counsel for approval of the cost items.

We would appreciate your expediting approval of the cost items in order to implement the pay adjustments and respectfully request the Council to waive referral of this matter to committee. If you have any questions or require additional information on this matter, please call on Mr. David J. Underwood, Director of Personnel Services.

Very truly yours,

Handwritten signature of Alan Arakawa in black ink.

ALAN M. ARAKAWA
Mayor, County of Maui

DJU:gmo
Attachments
cc: Director of Finance
Director of Personnel Services

COUNTY COMMUNICATION NO. 17-210

Resolution

No. _____

APPROVING COST ITEMS FOR PROFESSIONAL AND SCIENTIFIC EMPLOYEES EXCLUDED FROM BARGAINING UNIT 13

WHEREAS, the Mayor, by correspondence dated May 4, 2017, to the Honorable Mike White, Chair, and Members of the Maui County Council, submitted cost items for Professional and Scientific Employees excluded from Bargaining Unit 13, pursuant to Section 89C-5, Hawaii Revised Statutes; and

WHEREAS, pursuant to Chapter 89, Hawaii Revised Statutes, Council approval is required prior to payment of said cost items; and

WHEREAS, a Summary of Cost Items is attached hereto, and incorporated herein by reference as Exhibit "1"; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it does hereby approve of the cost items as specified in Exhibit "1"; and

Resolution No. _____

2. That certified copies of this resolution be transmitted to the Mayor,
the Director of Personnel Services and the Director of Finance.

APPROVED AS TO FORM
AND LEGALITY:



GARY Y. MURAI
Deputy Corporation Counsel
County of Maui
LIT-5762
2017-05-01 Resolution HGEA Excluded Unit 13

COUNTY OF MAUI
UNIT 13 (EXCLUDED)
SUMMARY OF COST ITEMS
FY 2017-18, FY 2018-19

1. Salaries

Summary includes the following increases:

A. Effective July 1, 2017:

- 1) 2.0% across-the-board salary increase, including employees not assigned to the salary schedule.
- 2) Employees who become eligible for step movements shall receive their step movements on their step movement dates.

B. Effective July 1, 2018:

- 1) 2.25% across-the-board salary increase, including employees not assigned to the salary schedule.
- 2) Employees who become eligible for step movements shall receive their step movements on their step movement dates.

Wage costs include fringe benefit costs representing expenses which automatically increase when base salaries increase (e.g., premium pay, overtime, Medicare, unemployment compensation, and leave benefits). All subsequent year costs include the roll-over cost from previous years.

Additional Cost	Additional Cost
<u>FY 2018</u>	<u>FY 2019</u>
\$ 300,249	\$ 727,435

2. Hawaii Employer-Union Health Benefits Trust Fund

The following cost assumes the employer will continue to pay the same percentage of health benefit premiums as it currently pays. This is approximately 60% of the premium amount, plus administrative fees, with the employee paying the balance. Increase in costs in subsequent years is due to anticipate increases in premium amounts.

Additional Cost	Additional Cost
<u>FY 2018</u>	<u>FY 2019</u>
\$ 35,513	\$ 132,242

Summary of BU 13 (Excluded) Cost Items
Page 2 of 2

TOTAL ADDITIONAL COST:

FY 2018	<u>\$ 335,762</u>	FY 2019	<u>\$ 859,677</u>
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