

ALAN M. ARAKAWA
Mayor



LANCE T. HIROMOTO
Director

DAVID J. UNDERWOOD
Deputy Director

COUNTY OF MAUI
DEPARTMENT OF PERSONNEL SERVICES

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May 5, 2014

Mr. Sananda K. Baz *SKB*
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Alan Arakawa 5/6/14
Mayor Date

OFFICE OF THE
COUNTY COUNCIL

2014 MAY - 5 AM 10:16

RECEIVED

Honorable Alan M. Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Michael White
Chair, Budget and Finance Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair White:

SUBJECT: FISCAL YEAR ("FY") 2015 BUDGET (PS-6) (BF-1)

We are in receipt of your communication PS-6, BF-1, which requests:

"May I please request your Department's responses to the following questions:

1. Are the Chief of Police, Deputy Chief of Police, Fire Chief, and Deputy Fire Chief entitled to receive pay in excess of the salaries set by the Salary Commission? If so, on what basis do they receive such excess pay, and in what amounts?"

Pursuant to Chapter 89C of the Hawaii Revised Statutes, we believe that the Chief of Police, Deputy Chief of Police, Fire Chief, and Deputy Fire Chief may not receive pay in excess of the salaries set by the Salary Commission. However, the Mayor may authorize the Chief of Police, Deputy Chief of Police, Fire Chief, and Deputy Fire Chief benefits which may include reimbursements and allowances.

RECEIVED AT *BF* MEETING ON *4-7-17*

Submitted by Budget & Finance Committee Chair
EQUAL OPPORTUNITY EMPLOYER

Honorable Michael White

May 5, 2014

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You also requested,

- "2. Are pay differentials, such as the Standard of Conduct differential and incentive pay, included in Employees' Retirement System calculations upon retirement? Are uniform and gun allowances and automobile allowances included?"

The Standard of Conduct Differential is included in the employees' retirement calculations. The uniform, gun, and automobile allowances are not included in the employees' retirement calculations.

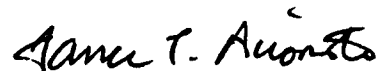
Your third and final request was,

- "3. What are the long-term financial impacts of any such inclusions?"

We do not know all of the long-term financial impacts of such an inclusion. However, we do know that the Standard of Conduct Differential will be included in the average final compensation component of the retirement benefit allowance equation (*i.e.*, years of creditable service x plan percentage x average final compensation = benefit allowance).

If you have any questions, please feel free to contact me at extension 7850.

Sincerely,



LANCET. HIROMOTO
Director of Personnel Services

LTH:cm