



Board Agenda Item 41

DATE: December 4, 2018

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, Director of Human Resources

SUBJECT: Extension of Military Supplemental Pay Program

RECOMMENDED ACTION(S):

Adopt resolution, which approves extending provisions of the California Military & Veterans Code, section 395.03 to eligible permanent County employees, effective December 17, 2018 through December 15, 2019.

Approval of the recommended action will adopt the resolution thereby continuing to offer the Military Supplemental Pay Program through the 2019 payroll year, from December 17, 2018 through December 15, 2019. The program was approved by your Board on October 16, 2001 for management and unrepresented employees and on November 27, 2001 for represented employees with yearly extensions since that time. This item is countywide.

ALTERNATIVE ACTION(S):

Not approving the recommended action would directly impact eligible Military Supplemental Pay Program employees as they would no longer be eligible to receive the County contribution toward benefits or receive regular County pay offset by all military pay received for such duty.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. County departments have already budgeted for the cost associated with the continuation of the program from December 17, 2018 through June 30, 2019. The budgeted amount includes military supplement compensation and any related benefit contribution (health insurance, retirement, etc.). Sufficient appropriations and estimated revenues for the impacted departments, for the term of July 1, 2019 through December 15, 2019, will be included as part of their FY 2019-20 budget request.

Additionally, over the last two payroll years, the County has expended approximately \$0 in 2017 and \$7,866 in 2018; this amount includes military supplement compensation and any related benefit contributions (health insurance, retirement, etc.)

DISCUSSION:

California Military and Veterans Code, sections 395.01 and 395.02 provide that eligible employees on military leave are entitled to their full salary for the first 30 calendar days while engaged in the performance of ordered military duty. This benefit applies to all permanent employees who have been in the service of the public agency from which leave is taken for not less than one year. After the first 30 calendar days of paid leave, employees may use annual leave, vacation or other accumulated paid time off prior to going on

unpaid military leave status. While on an unpaid military leave, the employee does not receive any employer paid benefits.

On October 16, 2001, your Board approved Resolution No. 01-560, pursuant to California Military and Veterans Code, Section 395.03, which provided a supplemental payment to those eligible County employees/reservists called into full-time service as a result of Operation Enduring Freedom and related operations in response to the September 11, 2001 terrorist activities. The supplemental payment is equal to their regular County pay plus military part-time (week-end-drill) pay, offset by military pay received while performing ordered military duty. In addition, eligible employees continue to be eligible for all benefits and related contributions that would customarily be offered and paid by the County. The intent of this supplemental payment was to help mitigate any negative financial impact that may be incurred upon cessation of the first 30 days of paid military leave. Your Board subsequently approved the program for represented employees in accordance with Memorandum of Understanding (MOU) Addenda on November 27, 2001.

The original resolution (Resolution No. 01-560) and MOU addenda were approved for 180 days. Your Board subsequently approved extending the program for longer periods without modifying the original resolution. Beginning in December 8, 2003 and each subsequent year thereafter, your Board approved extending the program to correspond with the County's payroll year, and consistent with the duration of military leave of participants in the program at that time. The recommended action would adopt a new resolution continuing to allow eligible employees to receive benefits for the period of December 17, 2018 through December 15, 2019. Your Board's approval would be required to extend the program beyond December 15, 2019.

Currently there is one program participant whose orders expire in 2019. With your Board's approval, employees who qualify will continue to be eligible for benefits under the program for the 2019 payroll year.

Human Resources will continue to closely monitor the Military Supplemental Pay Program and any additional actions necessary to assure compliance with the Military and Veterans Code.

REFERENCE MATERIAL:

BAI #24, December 12, 2017 - Extension of Military Supplemental Pay Program
BAI #28, November 27, 2001 - Resolution No. 01-560
BAI #20, October 16, 2001 - Resolution No. 01-560

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution

CAO ANALYST:

Debbie Paolinelli