

File No. 200401

Committee Item No. 4

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date May 6, 2020

Board of Supervisors Meeting

Date \_\_\_\_\_

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- Youth Commission Report
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#### OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date May 1, 2020

Completed by: Linda Wong Date \_\_\_\_\_

1 [Annual Salary Ordinance Amendment - COVID-19 Military Service Qualifying for  
2 Supplementation of Military Pay]

3 **Ordinance amending Ordinance No. 170-19, the Annual Salary Ordinance FYs 2019-**  
4 **2020 and 2020-2021, to add active military service related to the COVID-19 pandemic to**  
5 **the enumerated events that qualify for supplementation of military pay.**

6  
7 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
8 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
9 **Deletions to Codes** are in ~~*italics Times New Roman font*~~.  
10 **Board amendment additions** are in double-underlined Arial font.  
11 **Board amendment deletions** are in ~~Arial font~~.  
12 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
13 subsections or parts of tables.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Ordinance No. 170-19, the Annual Salary Ordinance Fiscal Years 2019-20  
16 and 2020-21, is hereby amended by revising Section 2.3, to read as follows. Although this is  
17 an uncodified ordinance, for the purpose of clearly showing its amendment of the Annual  
18 Salary Ordinance Fiscal Years 2019-20 and 2020-21, the font as described above for  
19 “Additions to Codes” has been used, rather than the font for “Unchanged Code text and  
20 uncodified text.”

21 Section 2.3. SUPPLEMENTATION OF MILITARY PAY.

22 A. In accordance with Charter Section A8.400 (h) and in addition to the benefits  
23 provided pursuant to Section 395.01 and 395.02 of the California Military and Veterans Code  
24 and the Civil Service Rules, any City officer or employee who is a member of the reserve  
25 corps of the United States Armed Forces, National Guard or other uniformed service  
organization of the United States and is called into active military service on or after  
September 11th, 2001 in response to the September 11th, 2001 terrorist attacks, international

1 terrorism, conflict in Iraq or related extraordinary circumstances, or is called into active military  
2 service related to the COVID-19 pandemic, shall have the benefits provided for in subdivision (B).

3 B. Any officer or employee to whom subdivision (A) applies, while on military leave  
4 shall receive from the City, as of the effective date of this ordinance, the following supplement  
5 to their military pay and benefits:

6 1. The difference between the amount of the individual's gross military pay and the  
7 amount of gross pay the individual would have received as a city officer or employee, had the  
8 officer or employee worked his or her normal work schedule.

9 2. Retirement service credit consistent with Section A8.520 of the Charter. The City  
10 shall pay the full employee contributions required by the Charter to the extent employer paid  
11 employee contributions are required under the memorandum of understanding covering the  
12 employee.

13 3. All other benefits to which the individual would have been entitled had the individual  
14 not been called to active duty, except as limited under state law or the Charter.

15 BC. As set forth in Charter Section A8.400 (h), this section shall be subject to the  
16 following limitations and conditions:

17 1. The individual must have been called into active service for a period greater than 30  
18 consecutive days.

19 2. The purpose for such call to active service shall have been to respond to the  
20 September 11th, 2001 terrorist attacks, international terrorism, conflict in Iraq or related  
21 extraordinary circumstances, or to respond to the COVID-19 pandemic, and shall not include  
22 scheduled training, drills, unit training assemblies or similar events.

23 3. The amounts authorized pursuant to this ordinance shall be offset by amounts  
24 required to be paid pursuant to any other law in order that there be no double payments.

1           4. Any individual receiving compensation pursuant to this ordinance shall execute an  
2 agreement providing that if the individual does not return to City service within 60 days of  
3 release from active duty (or if the individual is not fit for employment at that time, within 60  
4 days of a determination that the employee is fit for employment), then that compensation  
5 described in Sections (B)(1) through (B)(3) shall be treated as a loan payable with interest at a  
6 rate equal to the greater of (i) the rate received for the concurrent period by the Treasurer's  
7 Pooled Cash Account or (ii) the minimum amount necessary to avoid imputed income under  
8 the Internal Revenue Code of 1986, as amended from time to time, and any successor  
9 statute. Such loan shall be payable in equal monthly installments over a period not to exceed  
10 5 years, commencing 90 days after the individual's release from active service or return to  
11 fitness for employment.

12           5. This section shall not apply to any active duty served voluntarily after the time that  
13 the individual is called to active service.

14  
15           Section 2. Effective Date. This ordinance shall become effective 30 days after  
16 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
17 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
18 of Supervisors overrides the Mayor's veto of the ordinance. The pay supplement under this  
19 ordinance is prospective only, from the effective date of this ordinance.

20  
21           Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
22 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
23 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Annual  
24 Salary Ordinance Fiscal Years 2019-20 and 2020-21 that are explicitly shown in this  
25 ordinance as additions, deletions, Board amendment additions, and Board amendment

1 deletions in accordance with the "Note" that appears under the official title of the ordinance, as  
2 modified in the introduction to Section 1 of this ordinance..



3

4 APPROVED AS TO FORM:  
5 DENNIS J. HERRERA, City Attorney

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7 By:   
8 JENNIFER S. STOUGHTON  
9 Deputy City Attorney

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<b>Item 4</b> <b>Files 20-0401</b>	<b>Department:</b> Human Resources
<b>EXECUTIVE SUMMARY</b>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>• The proposed ordinance amends Section 2.3 of the Annual Salary Ordinance for FY 2019-20 and FY 2020-21 to add active military service related to the COVID 19 pandemic to the events for which the City pays for military leave.</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• Section 2.3 of the Annual Salary Ordinance for FY 2019-20 and FY 2020-21 provides for the City to pay for employees on military leave the difference between their City salary and military pay. The City also pays the employees' share of their retirement contribution while on military leave, and all other benefits to which employees are entitled.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• According to information provided by the City's Department of Human Resources, 123 City employees have been paid for military leave in FY 2018-19 and FY 2019-20 at a cost of approximately \$6.8 million, or \$55,000 per employee on military leave.</li> <li>• The number of City employees who have been called up for active military duty due to COVID-19 is not available at this time, so the increased costs to the City are not known. However, based on approximately 1,000 National Guard members being called up statewide, the number of City employees who are called up for active military duty due to COVID-19 is unlikely to be large.</li> </ul> <p style="text-align: center;"><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>• Approval of the proposed ordinance is a policy matter for the Board of Supervisors.</li> </ul>	

**MANDATE STATEMENT**

City Administrative Code Section 3.10 provides for Board of Supervisors approval of the administrative provisions of the Annual Salary Ordinance.

**BACKGROUND**

Section 2.3 of the Annual Salary Ordinance for FY 2019-20 and FY 2020-21 provides for the City to pay the difference for employees on military leave between their City salary and military pay. The City also pays the employees' share of their retirement contribution while on military leave, and all other benefits to which employees are entitled.

These provisions apply to employees who are called to active service for more than 30 consecutive days in response to terrorist attacks or active conflict. These provisions do not apply to scheduled training, drills, unit training assemblies, or similar events.

**DETAILS OF PROPOSED LEGISLATION**

The proposed ordinance amends Section 2.3 of the Annual Salary Ordinance for FY 2019-20 and FY 2020-21 to add active military service related to the COVID 19 pandemic to the events for which the City pays the salary difference, retirement contribution, and other benefits for employees.

**National Guard Deployment**

In March, the President authorized California and other states to deploy the National Guard to respond to COVID 19. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) appropriated \$1.4 billion for deployments of the National Guard for the next six months to support state and local response efforts. According to a report by the California Legislative Analyst's Office, approximately 1,000 National Guard members were deployed in California as of April 8, 2020 to respond to the COVID 19 pandemic.

**FISCAL IMPACT**

According to information provided by the City's Department of Human Resources, 123 City employees have been paid for military leave in FY 2018-19 and FY 2019-20 at a cost of approximately \$6.8 million, or \$55,000 per employee on military leave. City departments could have additional costs for positions that need to be backfilled through overtime or temporary salaries. The costs of military leave pay are generally absorbed within the respective City departments' budgets through salary or other savings.

The number of City employees who have been called up for active military duty due to COVID-19 is not available at this time, so the increased costs to the City are not known. However, based on approximately 1,000 National Guard members being called up statewide, the number of City employees who are called up for active military duty due to COVID-19 is unlikely to be large.

**RECOMMENDATION**

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.



Print Form

# Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [ ] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Topic submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Catherine Stefani

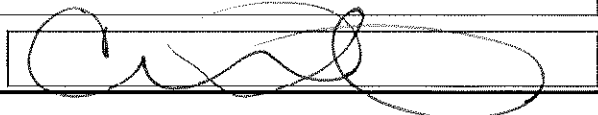
Subject:

Amendment of Annual Salary Ordinance- - COVID-19 Military Service Qualifying for Supplementation of Military Pay

The text is listed:

Ordinance amending Ordinance No. 170-19, the Annual Salary Ordinance Fiscal Years 2019-20 and 2020-21, to add active military service related to the COVID-19 pandemic to the enumerated events that qualify for supplementation of military pay.

Signature of Sponsoring Supervisor:



For Clerk's Use Only