

SACHI A. HAMAI Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974–1101 http://ceo.lacounty.gov

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors HILDA L. SOLIS First District

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MICHAEL D. ANTONOVICH Fifth District

December 08, 2015

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012 **ADOPTED** BOARD OF SUPERVISORS

COUNTY OF LOS ANGELES

13 December 8, 2015

aun PATRICK OGAWA

ACTING EXECUTIVE OFFICER

Dear Supervisors:

EXTEND MILITARY LEAVE OFFSET PAY ALL DISTRICTS (3 VOTES)

SUBJECT

Recommendation to extend the suspension of the 720-day limit for purposes of continuing military offset pay for County employees who are military reservists beyond 2015.

IT IS RECOMMENDED THAT THE BOARD:

Approve the continued suspension of the 720-day limit on County-provided military offset pay through calendar year 2017, and instruct the Chief Executive Officer to monitor the actual usage of this benefit and return to the Board with a report and appropriate recommendations by July 1, 2017.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On October 16, 2012, the Board approved changes to the military leave policy applicable to County employees who are military reservists. This included a suspension of the 720-day limit on military offset pay. On June 25, 2015, this office provided the Board with a memorandum recommending the continued suspension of the 720-day limit for an additional two years through calendar 2017, and that the Chief Executive Office report back with further updates and appropriate recommendations by July 1, 2017. A copy of the June memorandum is attached for your reference.

The circumstances that justified the suspension of the 720-day limit in 2012 have not changed significantly since that time. The recommendation outlined in the June memorandum was based on findings that reservist activations are down but only slightly. According to the most recent quarterly

The Honorable Board of Supervisors 12/8/2015 Page 2

military activation report provided by the Department of Human Resources, the County has an average of 75 employees in active military service in 2015 compared to 75 employees in 2012. Nine individuals have been on leave for more than 720 days and without this suspension, those reservists would have been adversely impacted.

By continuing the suspension of the 720-day limit for an additional two years, the County will continue to protect those reservists who give the most in terms of length of deployment and will guarantee that those employees and their dependents do not suffer from economic loss as a consequence of extended active military service.

Implementation of Strategic Plan Goals

The recommended action is consistent with the Countywide Strategic Plan by promoting the wellbeing of County employees who are military reservists.

FISCAL IMPACT/FINANCING

Since the October 2012 suspension of the 720-day limit, the average annual cost to the County for continuing military offset pay beyond 720 days was \$250,688. During this timeframe, a total of nine (9) employees were on military leave longer than 720 days.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On October 16, 2012, the Board approved an ordinance change, which was approved as to form by County Counsel, and included a suspension of the 720-day limit for County-provided military offset pay.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

No impact on current services.

The Honorable Board of Supervisors 12/8/2015 Page 3

Respectfully submitted,

Jun Jones for

SACHI A. HAMAI Chief Executive Officer

SAH:JJ:MTK SM:LSB:mst

Enclosures

c: Executive Office, Board of Supervisors County Counsel Military and Veterans Affairs All Department Heads Coalition of County Unions SEIU, Local 721



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SACHI A. HAMAI Interim Chief Executive Officer

June 25, 2015

- To: Mayor Michael D. Antonovich Supervisor Hilda L. Solis Supervisor Mark Ridley-Thomas Supervisor Sheila Kuehl Supervisor Don Knabe
- From: Sachi A. Hamai v Interim Chief Accutive Officer

REPORT BACK ON MILITARY LEAVE

On October 16, 2012, the Board approved a number of adjustments to the paid military leave benefits provided to County employees who are military reservists, and who are ordered into active military service. These changes included a suspension of a previously established 720-day limit on the benefits paid to individuals on extended military deployments. The Board suspended this limit through calendar 2015 and instructed the Chief Executive Officer to report back by July 1, 2015, as to the need for any further suspension. The information in this memorandum constitutes that report.

Background

California law requires State and local government employers to provide up to 30 days of paid military leave each year to eligible employees performing active military service. The 30 days generally covers routine annual training, and it may also cover at least a portion of longer-term deployments. The State mandated benefit is paid in addition to any pay otherwise received from the military. It is not reduced or offset in any way by the value of the military pay.

The County's paid military leave policy is designed to complement the State benefit with respect to the longer-term deployments. The County's benefit differs, however, with regard to the calculation of the benefit. The County's benefit (commonly referred to as military offset pay) supplements the difference, if any, between a reservist's military salary and his or her County salary. Since the Board's action in 2012, military offset pay applies without limit to the full duration of a reservist's active military service.

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Each Supervisor June 25, 2015 Page 2

As noted in the information presented to the Board in 2012, the County's military leave policy has changed over time to reflect the nation's changing dependence on military reservists. The military offset pay concept was originally established in 1991 in connection with the Iraq-Kuwait crisis. The benefit, at that time, had a maximum duration limit of 360 days. Subsequent iterations of the benefit were also established in connection with the conflicts in Bosnia and Yugoslavia. Following the 9/11 attacks, the benefit was again re-established with a maximum duration of 720 days. In 2012, the Board suspended the 720-day limit through 2015 with the understanding the Chief Executive Officer would report back on the need for that limit before the suspension sunsets.

Reservist Activations Are Down, But Only Slightly

The Department of Human Resources produces a monthly report that shows the number of reservists by Department and, separately, the number currently performing active military service. At the time of the Board's action in 2012, the data for the most recent three month period showed an average total of 675 reservists in 25 different County Departments. An average of 75 reservists were engaged in active military service at any given point in time during that period. In 2015, the most recent three month data shows an average total of 604 reservists in 22 Departments, with an average of 68 engaged in active military service at any point in time. The numbers are down, but not by much.

In 2012, we also reported that there were approximately 14 instances in the preceding three years where a reservist had remained on active military duty for more than 720 days. That was a key consideration for our 2012 recommendation to suspend the 720-day limit. In the three years since 2012, we have identified eight such cases. Seven of these individuals are still on leave at this time: four have been on leave for less than three years; two for less than four years; and one for approximately four years and six months.

Countywide Military Leave Coordinator

The Board's action on October 16, 2012, also provided for the establishment of a Countywide Military Leave Coordinator. It was intended that this Coordinator position would have responsibility for ensuring that all County departments are up-to-date on the State and Federal laws pertaining to reservists' employment rights, as well as related County policies, and would establish a tracking system to report Countywide military leave usage.

Each Supervisor June 25, 2015 Page 3

In March of 2015, a Countywide Military Leave Coordinator was appointed, and reports to the Director of Military and Veterans Affairs. The duties of the Coordinator are to assist County Departments in the administration of State and Federal law, County ordinance, and other Board approved policy pertaining to the compensation and employment rights of County employees who are military reservists. This position works directly with the County departments, the Chief Executive Office, and other central staff agencies to ensure that military reservists who are ordered into active military service receive the salary and employee benefit coverage to which they are entitled during such service, and all of the employment rights guaranteed by law and Board policy following return from that service.

On June 16, 2015, the Military Leave Coordinator held a "Reservists Resource Day" to educate County reservists on their rights and benefits, as well as educating them on their potential Federal Veteran Benefits. The Coordinator is also planning an educational training for all Departmental representatives who administer military leave benefits for their departmental employees. In addition, the Military Leave Coordinator is working with DHR's Test Examination Administration Unit to develop strategies and contingencies for active duty reservists to participate in the County examination process. This proactive approach demonstrates the County's commitment to revisit and improve its processes for our military personnel, and helps ensure that our Reservists are educated about their rights and benefits, and provides protection from any discrimination as a result of their Military status.

Recommend Continuation of Suspension and Further Monitoring

We are recommending that the suspension of the 720 limit on military offset pay be extended for an additional two years through calendar 2017, and that the Chief Executive Office report back with a further update and appropriate recommendations by July 1, 2017. Our reasoning is as follows:

- The purpose of the County's paid military leave policy is to protect reservists and their dependents from economic loss as a consequence of active military service.
- The purpose of the suspension of the 720-day limit is to protect those reservists who give the most in terms of length of deployment. Without this protection, eight of these individuals would have been adversely impacted over the past three years.

Each Supervisor June 25, 2015 Page 4

• Circumstances justified the suspension of the 720-day limit in 2012 and, given the aforementioned numbers, those circumstances have not changed significantly.

Continuation of the suspension of the 720-day limit beyond 2015 requires formal action by the Board. We will, therefore, plan to place this recommendation on the agenda for Board approval.

If you have any questions or need additional information, please contact me, or your staff may contact Maryanne Keehn at (213) 974-0470, or via e-mail at <u>mkeehn@ceo.lacounty.gov</u>.

SAH:JJ:MTK WGL:SM:LSB:rld

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