



# City of Sacramento City Council

915 I Street, Sacramento, CA, 95814  
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**Meeting Date:** 6/14/2011

**Report Type:** Consent

**Title:** Partial Salary Continuation and Benefit Coverage Program

**Report ID:** 2011-00495

**Location:** Citywide

**Recommendation:** Adopt a Resolution: 1) extending the Partial Salary Continuation and Benefit Coverage program for Military Leave until June 30, 2012, 2) authorizing the City Manager to extend the program annually at his discretion.

**Contact:** Geri Hamby, Director of Human Resources, (916) 808-7173; Denise Deprato, Administrative Analyst, (916) 808-8249, Department of Human Resources

**Presenter:** None

**Department:** Human Resources

**Division:** HR Administration

**Dept ID:** 08001011

**Attachments:**

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- 1-Description/Analysis
  - 2 - Partial Salary Continuation and Benefit Coverage Program
  - 3 - Resolution Partial Salary Continuation and Benefit Coverage Program
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**City Attorney Review**

Approved as to Form  
Sandra Talbott  
6/8/2011 1:13:22 PM

**City Treasurer Review**

Prior Council Financial Policy Approval or  
Outside City Treasurer Scope  
Russell Fehr  
6/7/2011 8:55:13 AM

**Approvals/Acknowledgements**

Department Director or Designee: Geri Hamby - 6/8/2011 8:46:37 AM

Assistant City Manager: Patti Bisharat - 6/8/2011 10:25:54 AM



## Description/Analysis

**Issue:** In recognition of career City employees called to active duty in direct support of Operation Enduring Freedom and Operation Iraqi Freedom it is recommended that City Council extend the Partial Salary Continuation and Benefit Coverage program as outlined in attachment 1. In 1991, the City established a partial continuation of salary and health and welfare benefits for employees who are called to active duty during the Gulf War. Similar benefits were continued for employees called to active duty in support of the 1993-1995 international armed conflict in Bosnia. The program was approved in 2001 and continues until June 30, 2011, for the current conflicts of Operation Enduring Freedom and Operation Iraqi Freedom. Extending the program will continue to confirm the City's support of our City employees serving selflessly defending our freedoms in the United States Armed Forces.

**Policy Considerations:** None

**Environmental Considerations:** Under the California Environmental Quality Act (CEQA) guidelines, continuing administrative activities do not constitute a project and are therefore exempt from review.

**Sustainability Considerations:** Not applicable.

**Rationale for Recommendation:** In recognition of career City employees called to active duty in direct support of Operation Enduring Freedom and Operation Iraqi Freedom it is recommended that City Council extend the Partial Salary Continuation and Benefit Coverage Program.

**Financial Considerations:** Approximately 40 career employees are members of the National Guard or Military Reserve; historically, between five to ten employees have been called upon annually to active duty as part of Operation Enduring Freedom and Operation Iraqi Freedom. The ongoing employee cost has been included in the Proposed Budget for Fiscal Year 2011/12 and only positions that are eligible for this program and are backfilled will create additional costs.

The estimated additional cost for the City each fiscal year is estimated to be \$25,000 and will be absorbed by the funds within the existing department budget from which the employee is on leave. Under the Partial Salary Continuation and Benefit Coverage Program, the employee receives the difference between their base salary from the City and their gross military pay (which includes housing allowance, hazardous duty pay, etc.); if the military pay exceeds their base salary at the City, the employee is not eligible for the program.

**Emerging Small Business Development (ESBD):** Not applicable.



## Partial Salary Continuation and Benefit Coverage Program

As approved by the City of Sacramento City Council, the following outlines the Partial Salary Continuation and Benefit Coverage Program.

### 1. Eligibility

- a. To be eligible to participate in the Partial Salary Continuation and Benefit Coverage Program an employee must be entitled to Military Leave in accordance with Civil Service Board Rule (CSBR) 17, have been called to active duty in direct support of Operation Enduring Freedom or Operation Iraqi Freedom, and make written request to participate in the program.
- b. Employees not entitled to military leave based on non-career status or insufficient time in employment may request participation in the program. The City Manager may grant such participation, if it is determined to be in the best interest of the City.

### 2. Partial Salary Continuation

In addition to the benefits set forth in CSBR 17, eligible employees shall be eligible to receive partial salary continuation as set forth herein:

- a. Partial salary continuation shall be the difference between the actual amount of the employee's military pay and the amount of City salary the employee would have received at his/her basic classification rate of pay.
  - i. Military pay includes all allowances.
  - ii. City Salary includes incentive pay and in-grade step increases the employee would have otherwise been eligible to receive has he/she continued working. City Salary excludes and is not limited to special pay, differentials such as out of classification, night shift differentials, standby, call back, overtime, or productivity pay.
- b. An employee must submit a copy of the military orders and copies of his/her pay stub (Leave Earning Statement) for each eligibility period in order to receive the continuation of partial salary.

### 3. Benefit Coverage

In addition to the benefits set forth in CSBR 17, eligible employees shall be eligible to receive benefit coverage as set forth herein:

- a. The City will continue to make monthly health and welfare contributions in the amount provided in the applicable Labor Agreement or Unrepresented Resolution.
- b. The City contributions may only be applied towards the premiums of the medical, dental and life insurance plans in which the employee and qualified dependents were enrolled through payroll deduction prior to the leave.
- c. Contributions towards all other benefits, such as, but not limited to retirement and cash back are not authorized.
- d. Employees deployed for more than 180 days shall be credited for vacation and sick leave accruals, which would have been accrued if the employee were working.
- e. An employee must submit a copy of the military orders in order to receive the continuation benefit coverage.

**4. Additional Requirements/Restrictions:**

- a. Partial salary continuation shall commence immediately after the period of salary entitlement pursuant to CSBR 17 for a maximum of one (1) year.
- b. Benefit coverage shall commence for a maximum of one (1) year.
- c. At the discretion of the City Manager, partial salary continuation and benefit coverage may be extended beyond one (1) year if it is determined to be in the best interest of the City.
- d. Any individual receiving partial salary continuation and/ or benefit coverage who does not return to City service within sixty (60) days of release from active duty service, shall have the partial salary and benefit coverage deemed a loan, repayable to the City within one (1) year of such release. At the discretion of the City Manager, repayment of all or any part of the amount may be waived.



**RESOLUTION NO.**

Adopted by the Sacramento City Council

**ESTABLISHING THE  
PARTIAL SALARY CONTINUATION AND BENEFIT COVERAGE PROGRAM**

**BACKGROUND**

- A. In recognition of career City employees called to active duty in direct support of Operation Enduring Freedom and Operation Iraqi Freedom, it is recommended that City Council extend the Partial Salary Continuation and Benefit Coverage program as outlined in attachment 1.
- B. The ongoing employee cost is included in the Proposed Budget for Fiscal Year 2011/12 and only positions which are eligible for this program or are backfilled will create additional costs. The estimate additional cost for each fiscal year is \$25,000 and will be absorbed by the funds within the department's existing budget from which the employee is on leave.
- C. Extending the program will continue to confirm the City's support of our City employees serving selflessly defending our freedoms in the United States Armed Forces.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

- 1. Council hereby extends the Partial Salary Continuation and Benefit Coverage Program until June 30, 2012.
- 2. Council authorizes the City Manager to extend the program annually at his discretion.