

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
VETERANS COMMITTEE

Wednesday, November 10, 2021

The Veterans Committee of the Board of Trustees of the War Memorial of San Francisco met by teleconference in special session on Wednesday, November 10, 2021, at 1:30 p.m., pursuant to California Government Code Section 54953 and the Twenty-Fourth Supplement to the Mayoral Proclamation Declaring the Existence of a Local Emergency, Chair Myatt presiding.

ROLL CALL

Committee Members Present: Chair Myatt, Trustee Gatti, Trustee Kopp, Trustee Wright
President Thomas E. Horn, *Ex officio* and
Vice President Charlotte M. Shultz, *Ex officio*

Committee Members Absent: Trustee Pelosi

Non-Committee Members Present: Trustee Wilsey

Staff Present: John Caldon, Managing Director
Jennifer Norris, Assistant Managing Director

REGULAR ITEMS

Proposed Revision of Not-to-Exceed Amount for Agreement with American Legion War Memorial Commission.

Chair Myatt stated that in advance of today's meeting, Committee members received several documents relating to the proposed renewal agreement between the War Memorial and American Legion War Memorial Commission under which an annual sum is paid by the War Memorial to the Commission.

Chair Myatt noted that included with those documents was a "Staff Report" detailing the history of the San Francisco Posts of the American Legion. Chair Myatt stated that prior to the meeting, Director Caldon provided updated information regarding the current number of Posts and their members, as the report still reflected information from before the pandemic began; there are now 10 Posts with 879 members.

Chair Myatt further reported that in 1977, Trustees and the Commission entered into the original Agreement governing the transfer of spaces to the War Memorial's jurisdiction and the payment of an annual sum to the Commission to defray operational and salary expenses. He noted that Resolution 4487 passed by the Board of Trustees stipulated that "...in no event shall the annual sum to be paid by the Board of Trustees hereunder exceed \$35,000." Chair Myatt noted that a review of the "History of Sums Paid" document distributed to the Committee showed that the \$35,000 amount has been exceeded in seven separate years since 2010.

Chair Myatt stated that forty-four years have passed since the Not-to-Exceed Amount for the Agreement was established. He continued that according to a historic review of the Consumer Price Index, the dollar has inflated 363% over that same period. Chair Myatt offered that based on this, \$35,000 is no longer adequate to meet the needs of the Commission every year and that the Not-to-Exceed Amount for the Agreement must either be raised or eliminated.

Chair Myatt stated the annual sum paid under each renewal Agreement is based on a budget prepared by the Commission, reviewed by War Memorial staff, and approved by the Veterans Committee and the full Board. Chair Myatt noted that budget negotiations with the Commission have been mutually amicable. Chair Myatt continued that for these reasons staff has recommended that the Veterans Committee recommend to the full Board elimination of the Not-to-Exceed Amount established by Resolution 4487.

Trustee Kopp inquired as to whether the staff recommendation was to raise the Not-to-Exceed Amount to \$37,800. Director Caldon clarified that staff recommended fully eliminating the Not-to-Exceed Amount.

Following discussion, and on motion of Trustee Kopp, seconded by Trustee Gatti, the following recommendation was unanimously adopted.

RECOMMENDED, To the Board of Trustees of the War Memorial of San Francisco that it approve the elimination of the Not-to-Exceed Amount for agreements between the War Memorial Board of Trustees and the American Legion War Memorial Commission established in Resolution 4487.

Proposed Renewal of Agreement with American Legion War Memorial Commission.

Chair Myatt stated that the second item up for consideration by the Committee was renewal of the Agreement between the War Memorial and the American Legion War Memorial Commission. Chair Myatt noted that Trustees and the Commission entered into the original Agreement in 1977, which set forth the transfer of Veterans Building spaces to War Memorial control and provided for Trustees to pay the Commission an annual sum to help defray the Commission's office expenses related to administering Veterans Building space allocated for veterans' use.

Chair Myatt noted that each of the original 1977 Agreement and 19 subsequent renewal Agreements specified an annual sum to be paid by the Trustees to the Commission from Herbst Theatre rental revenues based on the Commission's needs and requirements at the time. He continued that the last renewal Agreement covered the one-year period from January 1, 2021, to December 31, 2021. Chair Myatt stated that the Committee was now considering a proposed 20th renewal of the Agreement for a one-year period effective January 1, 2022.

Chair Myatt noted that documents distributed to Trustees prior to the meeting included a Staff Report, which provided a history of the Agreement and a staff recommendation for the January 1, 2022 renewal. Chair Myatt noted that Trustees also received a draft of the proposed one-year renewal agreement, War Memorial staff's worksheet for the American Legion War Memorial Commission 2022 budget with staff recommendations, and a history of the sums paid by Trustees to the Commission over the last 44 years.

Upon invitation from Chair Myatt, Director Caldon reviewed the documents provided to the Committee. He noted that staff recommended a one-year renewal agreement for 2022 with an annual sum of \$37,800 to be paid to the Commission by the War Memorial in 2022. He continued that this amount is based on the Commission's actual expenditures from 2020 and their actual and projected expenditures for 2021. Director Caldon noted that these direct payments are in addition to \$400,000 of in-kind support from the War Memorial for the cost of utilities and services provided to Veterans Building space allocated for use by veterans. He stated that the total amount to be paid by the War Memorial for 2022 is higher than 2021 but lower than in pre-pandemic years; the proposed amount was agreed upon by the Commission in advance of the meeting and represents what is needed for their projected activity level for 2022.

Director Caldon further reported that in 2022 there will be 10 posts with approximately 879 members. He noted that historically the Agreement has been renewed in two-year terms but that due to the uncertainty of the pandemic regarding future earned revenue, the one-year Agreement was approved for 2021 and staff is recommending another one-year renewal for 2022; the Commission is anticipating increased activity in 2023 as people return to in-person meetings and does not want to be locked into a lower rate for two years. Director Caldon continued that it is the shared expectation of staff and the Commission that there will be a return to a

two-year Agreement renewal cycle for 2023 and 2024. He stated that the proposed agreement is substantively the same as the current Agreement and respectfully requested the Committee's approval.

Chair Myatt asked Nelson Lum, Acting Chair of the American Legion War Memorial Commission, to provide comments to the Committee.

Mr. Lum stated that the American Legion War Memorial Commission found the terms of the renewal Agreement to be fair and equitable. Mr. Lum noted that the Agreement will keep the Commission a viable organization moving forward.

Following discussion, and on motion of Trustee Kopp, seconded by Trustee Horn, the following recommendation was unanimously adopted:

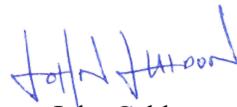
RECOMMENDED, To the Board of Trustees of the War Memorial of San Francisco that it approve the proposed one-year renewal agreement between the War Memorial Board of Trustees and the American Legion War Memorial Commission effective January 1, 2022, as recommended by staff.

PUBLIC COMMENT

Paul Cox, Finance Officer for the American Legion War Memorial Commission, expressed appreciation to the Committee for the continued support of the American Legion. He mentioned that the Commission is currently providing many services for veterans in the building. Mr. Cox expressed that it is a real gift to the veterans in this city.

ADJOURNMENT

There being no further business, Chair Myatt adjourned the meeting at 1:45 p.m.


John Caldon
Managing Director