

The City of Yuba City and the First Level Manager
Side Letter of Agreement to the
July 1, 2023 through June 25, 2027 MOU

The City of Yuba City ("City") and the First Level Managers ("FLM") have met and conferred in good faith pursuant to the requirements of the Meyers-Milias-Brown Act with respect to this side letter amending their current Memorandum of Understanding ("MOU"), with a current term that runs from July 1, 2023 to June 25, 2027 as set forth below. This side letter to the MOU describes the Parties' full and complete agreement to transition to the California Short Term Disability Insurance (SDI) program according to the process described below, and to amend that MOU by adding the language as set forth below.

Background - SDI Transition and Logistics

FLM has voted to transition from the City's current short-term disability program ("the City Program") to the program run by the State of California ("SDI"). As a result, the City and FLM shall apply for SDI coverage through the state's required process. Upon approval of this elective coverage by the EDD Director, FLM agrees to remain in the SDI as a covered bargaining unit for two (2) complete calendar years. Coverage may be terminated at the end of the two (2) calendar year period or at the end of any calendar year thereafter by giving the EDD written notification by January 31 of the succeeding year.

Employee contributions for SDI are required at the rate established for each year up to the annual taxable wage limit. On or before October 31 of each year, the City will be notified of the adjusted rate for the following year. Upon approval by the EDD Director of the application for coverage, the City shall begin withholding from wages of employees the contributions required for SDI benefits. If approved by the EDD Director the elective coverage would commence no later than the first day of the next quarter following the quarter in which the application is filed.

Eligibility to receive SDI benefits, and the amount and extent of such benefits, is determined solely by the EDD pursuant to requirements of the CUIC and accompanying regulations. Per applicable law and program restrictions, eligibility to receive SDI benefits does not begin with the commencement date of coverage. Generally, EDD requires that two calendar quarters must elapse from the commencement date of coverage (i.e. two full quarters of required contributions) before a valid claim may be filed. EDD's eligibility determination is also typically dependent on a number of additional factors including, but not limited to, the following:

- Filing of a timely claim for benefits.
- Sufficient wages in the base period.
- Filing a certificate of disability signed by a duly authorized medical or religious practitioner.
- Inability to perform regular or customary work for at least eight consecutive days.
- Passage of a seven-day, non-payable waiting period.

- Suffering a wage loss due to disability.
- The applicant must be in the labor market (employed or looking for work).

Side Letter Language- Upon approval of FLM's application for coverage by the EDD Director, the City and FLM agree that Article 4.6- "Long Term Disability"- of the MOU will be amended as follows to incorporate SDI as the short-term disability plan for FLM:

The City provides a long-term disability program for employees.

As to short-term disability benefits, FLM has elected to transition away from the City's short term disability program to in the CA State Disability Insurance (SDI) program, and subsequently the appropriate program application was submitted. Upon approval of the application, the City will begin withholding the required SDI contributions (including retroactive contributions to the beginning of the then-current SDI quarter) from the wages of all FLM employees. SDI benefits are not immediately available to FLM members, but rather will become available pursuant to applicable program requirements after contributions have been made for at least two SDI quarters ("the SDI Initial Contribution Period"). Based on submitting the SDI application in February 2024, the anticipated first date when SDI benefits claims could be filed would be July 1, 2024. However, the parties understand and agree that the initial benefit claim eligibility date is determined solely by EDD.

The City Program will continue to be available to FLM employees during the SDI Initial Contribution Period so long as they make or continue to make the contributions required to be withheld per the City's Program. As soon as FLM employees are eligible to submit claims for SDI benefits (the anticipated date being July 1, 2024), the City's Program will no longer accept new claims from FLM employees, and no further City Program contributions will be required of FLM employees unless there are FLM employees with active City Program claims continuing to receive benefits (hereafter "City Program Holdover Claimants"). If there are City Program Holdover Claimants, the parties agree that FLM employees will continue to make City Program contributions for the duration that any City Program Holdover Claimants are receiving City Program benefits, after which time no further City Program contributions will be required of FLM employees.

Finally, it is agreed that for FLM employees receiving benefits under either a short or long-term disability insurance program, the employees may elect to have their accrued leave coordinated and used to supplement disability benefit payments in order to receive the equivalent of a full paycheck (gross basis). In no instance shall the combination of disability insurance payments and accrued leave or other City benefit payments exceed 100% of an employee's typical paycheck based on working regularly-scheduled hours. Employees who wish to coordinate paid leave benefits are required to notify Human Resources within five (5) business days of receipt of disability benefits so that benefits can be coordinated. In the event of an inadvertent overpayment, the employee will be notified and must make immediate arrangements with Finance to repay the overpayment.

All other provisions of the MOU between the City and Union shall remain unchanged.

Date: Feb 22, 2024

CITY OF YUBA CITY

Diana Langley

Diana Langley, City Manager

Date: Feb 13, 2024

FLM

Josh Wolfe

Josh Wolfe (Feb 13, 2024 15:31 PST)

Josh Wolfe

Nathan McCready

Nathan McCready (Feb 23, 2024 09:44 PST)

Nate McCready

Ernesto Hernandez

Ernesto Hernandez (Feb 14, 2024 11:44 PST)

Ernesto Hernandez