

**Side Letter of Agreement
Between
City of Fresno
and
Amalgamated Transit Union, Local 1027 (ATU)

State Disability Insurance (SDI) MOU Provision**

The City of Fresno and the Amalgamated Transit Union, Local 1027 (ATU), representing Unit 6, Bus Drivers, have met and conferred, and have agreed to amend and replace Article IX. Section T. in its entirety, as follows:

T. STATE DISABILITY INSURANCE (SDI)

1. Employees who are in bargaining Unit 6, Bus Drivers represented by the Amalgamated Transit Union, Local 1027, shall be enrolled in the State Disability Insurance (SDI) coverage plan. ~~Enrollment shall occur as soon as is practicable through the filing of the City of Fresno's (City) Application for Elective Coverage with the State Employment Development Department (EDD). Within a minimum of six (6) months following submission and approval by the EDD director of the City's Application for Elective Coverage an employee shall be eligible to file a valid claim.~~

Employees eligible for SDI benefits are those who are defined by Section 2601, et seq. of California Unemployment Insurance Code.

Eligible employees covered under the SDI program shall receive benefits pursuant to California Unemployment Insurance Code Section 2655.

2. Employees shall file claims in the same manner as required under the SDI Plan.
3. The City shall maintain SDI through employee payroll deductions to be funded by employee contributions.
4. **All employees with an approved SDI/Paid Family Leave (PFL) claim must notify the City within fourteen (14) calendar days of their receipt and fill out a form made available by the City indicating whether or not the employee desires to integrate leave with the claim. Extension beyond fourteen (14) calendar days due to exigent circumstances, such as the employee being incapacitated, may be considered on a case-by-case basis by the Director of Personnel Services or designee.** Employees who are absent from duty and are receiving SDI benefits who are eligible to use sick leave, vacation leave, **and/or** holiday leave, ~~or compensatory time off~~, shall be eligible to

integrate the payment of SDI/PFL benefits with such City-paid leave benefits.

- a. ~~Integrating leave balances is defined as the SDI benefit and the monetary value of the employee's leave balances added together to provide a regular bi-weekly income.~~ **Employees who elect to integrate must provide Payroll with a copy of the Notice of Computation within fourteen (14) calendar days of their receipt from EDD and are required to authorize EDD to share benefit computations with the City on their initial claim forms. Extension beyond fourteen (14) calendar days due to exigent circumstances, such as the employee being incapacitated, may be considered on a case-by-case basis by the Director of Personnel Services or designee.**
 - b. **An employee who has made a timely election to integrate leave with SDI/PFL benefits shall be paid a biweekly amount, using appropriate accumulated leave, which, when added to SDI/PFL benefits shall approximately equal the employee's net pay after taxes (excluding overtime).**
 - c. **If an employee does not provide information on SDI/PFL benefits within fourteen (14) calendar days of receipt of the Notice of Computation, no integration will occur. Integration will not be provided for any period before the City receives notification of SDI/PFL benefits, including retroactively, and the employee provides signed notification that the employee wants to integrate.**
 - b. d. Integrating leave balances with SDI/PFL benefits will continue only if leave balances are available and the employee remains eligible to receive SDI/PFL benefits.
 - c. ~~The intent of the provision providing for integration of benefits is to provide a combined biweekly adjusted net income not to exceed, 100% of regular bi-weekly income as long as such eligible disability qualifies and available leave balances exist. Other employee authorized deductions shall continue to be deducted from pay. Pay, including SDI benefits and bi-weekly pay, shall not exceed 100% of regular pay. If SDI benefits equal or exceed 100% of the regular pay, no City payment shall be made.~~
5. ~~Eligible employees may use the following accrued City leave balances in conjunction with SDI benefits and in accordance with #6 below:~~

- ~~Sick Leave~~
- ~~Vacation Leave~~
- ~~Holiday Leave~~
- ~~Compensatory Time Off (CTO)~~
- ~~Donated time, when all other leave balances have been exhausted.~~

~~6. An employee eligible for SDI benefits shall be limited to the use of Sick Leave at thirteen (13) hours per week to be posted at the beginning of each work week. The employee has the option of requesting use of Vacation Leave, Holiday, or CTO. Request of and approval of Vacation Leave, Holiday, or CTO will be per City policy. When approving such leave, supervisors and managers should be aware that leave could result in payment of more than an employee's regular salary when combined with SDI. If the employee chooses not to utilize Leave time other than Sick Leave or has none, then the employee will be in a Leave Without Pay (LWOP) status. An employee who has exhausted all other leave balances may apply for donated time in accordance with City policies. Use of donated time shall be limited to thirteen (13) hours per week. Time for Permanent Part Time employees should be prorated in accordance with the employee's particular schedule.~~

5. While integrating SDI/PFL benefits, employees will be in paid status for the purpose of leave accruals, holiday benefits, step increases, and health insurance coverage.

An employee who is integrating leave and has exhausted all other leave balances may apply for donated time in accordance with City policies. Use of donated time shall be in accordance with the provisions of this Section.

If the employee does not act to integrate benefits or exhausts their available leave balances, the employee will be in a Leave Without Pay (LWOP) status.

6. If elected as described above, integration will end upon notification from the employee that SDI/PFL benefits have terminated, the employee exhausts all leave balances and/or donated time resulting in LWOP status, the employee's return to work, or the employee's separation from City employment; whichever comes first in time.

~~7. Initiating the integration of the above accrued leave balances with SDI benefits shall be subject to the following conditions:—~~

- a. ~~The employee contacts their department's payroll clerk to establish a date to begin use of leave. In the event that an employee is unable to notify the department, contact from the employee's spouse, parent, or other close family member will be sufficient.~~
 - b. ~~Upon contacting their department, the employee shall immediately file a claim for SDI benefits with EDD.~~
 - c. ~~If the employee chooses not to contact their department as outlined in subsection (7.a.) above, use of leave balances will not occur until the City receives notification of eligibility from EDD.~~
 - d. ~~If the City does not receive the appropriate notification from EDD prior to the end of the employee's disability status, the City shall modify the use of any leave balances to reflect appropriate use of leave in accordance with the MOU and City policies/procedures.~~
 - (1) ~~When the employee's eligibility has been established, the City shall make leave payments to the employee in the usual manner in accordance with the MOU and City policies/procedures.~~
 - (2) ~~Any period of absence during which an employee is receiving SDI benefits but is not receiving leave payments shall be deemed a leave of absence without pay.~~
7. (3) Service credits toward seniority, step increase eligibility, and probation periods shall be in accordance with the MOU and City policies/procedures.
- (4) ~~If an employee exhausts all available leave balances but continues receiving SDI benefits, the City's compensation shall cease.~~
8. (5) The City shall continue contributions toward the employee's health and welfare benefits and retirement contributions in accordance with established laws and practices during the pay periods that include leave payments by the City. The employee shall be responsible for payment of premiums required to maintain health and welfare benefits when City contributions cease in accordance with established laws, policies and practices.
9. (6) In the event the City determines that legislative, administrative or judicial determinations cause changes which in any way restricts, reduces or prohibits any provision of this Agreement, the parties shall immediately

meet to discuss necessary amendments and/or modifications.

This Agreement shall be effective on the first pay period after Council approval until the implementation of a successor MOU. This subject will be addressed in the successor MOU.

FOR THE AMALGAMATED TRANSIT
WORKERS UNION, LOCAL 1027:

FOR THE CITY OF FRESNO:

AL MUNOZ
ATU, Local 1027 Acting President

KENNETH G. PHILLIPS
Labor Relations Manager

APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE

BY: Stephanie M. Snyder
for Assistant City Attorney