

CITY OF YUBA CITY  
STAFF REPORT

**Date:** June 2, 2020  
**To:** Honorable Mayor and Members of the City Council  
**From:** Human Resources Department  
**Presentation By:** Natalie Springer, Human Resources Director

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**Summary**

**Subject:** Short Term Disability Program Plan Amendment  
**Recommendation:** Adopt a Resolution approving updated Short Term Disability Program Plan Provisions for Public Employees' Union, Local 1 employees effective March 19, 2020  
**Fiscal Impact:** None

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**Purpose:**

To approve a change to the City's Short Term Disability Plan Provision section for Public Employees' Union, Local 1 (Local 1) employees.

**Background:**

The City's Short Term Disability Program is an employee self-funded program that Human Resources administers. The program is to provide income protection for up to one (1) year for non-work related disabilities preventing a person from working. Local 1 previously negotiated a change to the waiting period of disability for total or limited disability. The waiting period for Local 1 employees decreased from a 30-day waiting period to a 14-day waiting period. The waiting period remains 30-days for the rest of the participating bargaining units.

Due to the COVID-19 pandemic, a Local 1 employee has applied for the City's Short Term Disability Program. The current program ceases at an insured's 70<sup>th</sup> birthday or upon retirement. Under the current program, the Local 1 employee is not eligible to receive the benefit due to their age. The City met and conferred with Local 1 regarding the plan provision update. The amendment to the plan provision section would increase the eligibility to the age of 75 for Local 1 employees.

**Analysis:**

Human Resources routinely evaluates the City's Short Term Disability program. The plan provision update will have minimum impacts to the employee self-funded program. To date, Local 1 is the only bargaining unit that is impacted by the current plan provision. The update will allow the benefit to be available to all active plan participants. Additionally, applying the proposed change retroactively will allow the employee not to experience an interruption in Short Term Disability benefits.

Finally, it was noted that although the Police Sergeants bargaining unit has been a participant in the program for some time, due to a clerical error a reference to that unit was not included in the Short Term Disability plan document. The Police Sergeants have the ability to utilize the program, so the plan document was corrected to include that bargaining unit.

**Fiscal Impact:**

No cost increase.

**Alternatives:**

Do not approve the Short Term Disability Program update and provide staff direction.

**Recommendation:**

Adopt a Resolution approving the amended Short Term Disability Program for Local 1 employees effective March 19, 2020.

**Attachments:**

- A. Resolution
- B. Short Term Disability Program Update

Prepared By:

*/s/ Sheleen Loza*  
Sheleen Loza  
Administrative Analyst I

Submitted By:

*/s/ Diana Langley*  
Diana Langley  
Interim City Manager

Reviewed By:

Human Resources  
Finance  
Special Counsel

NS

SM

SS by email

# ATTACHMENT A

**RESOLUTION NO.**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY  
APPROVING THE SHORT TERM DISABILITY PLAN PROVISION UPDATE FOR PUBLIC  
EMPLOYEES UNION, LOCAL 1 EMPLOYEES**

WHEREAS, City has operated an employee self-funded Short Term Disability Program for eligible employees for many years; and

WHEREAS, due to the recent COVID-19 pandemic, a Local 1 unit employee who had paid into the program sought to utilize the program, but would have been precluded due to age; and

WHEREAS, the City and Local 1 have agreed to increase the eligibility age limit to 75 for that bargaining unit retroactive to March 19, 2020; and

WHEREAS, staff discovered that to a clerical error, the plan document does not refer to the Police Sergeants' unit, which is and has been an approved participating group; and

WHEREAS, all other provisions of the Short Term Disability Program will remain unchanged;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yuba City as follows:

Approve the attached Short Term Disability Program

- (1) Increasing the eligibility age to 75 for Local 1 unit employees; and
- (2) Listing the Police Sergeants' bargaining unit as a participating group.

The foregoing Resolution of the City Council of the City of Yuba City was duly introduced, passed and adopted at a regular meeting thereof held on the 2<sup>nd</sup> day of June 2020.

AYES:

NOES:

ABSENT:

ATTEST:

\_\_\_\_\_  
Shon Harris, Mayor

\_\_\_\_\_  
Patricia Buckland, City Clerk

Approved as to form:

\_\_\_\_\_  
Stacey Sheston  
BB&K, Special Counsel

# ATTACHMENT B

**CITY OF YUBA CITY  
PLAN DOCUMENT  
SHORT TERM DISABILITY PROGRAM**

- I. **Plan Sponsor:** City of Yuba City
- II. **Type of Plan:** Income protection plan for up to one year for non-work related disabilities preventing a person from working.
- III. **Insured Status:** Self Insured by City of Yuba City.
- IV. **Plan Administrator:** City of Yuba City.
- V. **Eligibility Requirements:**
  - A. Eligible for inclusion are all regular full and part-time (1/2 time or more) employees in management; mid-management; first level management; confidential; employees in job classifications in the miscellaneous employee unit and employees in the police unit.
  - B. Eligibility to receive benefits begins after 180 days of employment.
- VI. **Definition of Terms:**
  - A. Base Salary means the established rate of pay in the Yuba City Salary Schedule by Classification for any given employee by classification.
  - B. Disability Leave means the period of time that an employee has a limited or total disability; has not been terminated; and receives benefits under the Short Term Disability Program.
  - C. Limited Disability means a medical or physical inability to work in an employee's permanent City position whether on a full or light-duty basis due to non-job related injury or illness.
  - D. Safety Employee means a sworn police officer or firefighter below the department head level.
  - E. Total Disability means a medical or physical disability resulting in an inability to work in any position as defined by the Federal Social Security System due to non-job related injury or illness.

All other terms in this program have the same meaning as found in the Personnel Rules and Regulations of the City of Yuba City or as are commonly defined in the most recent unabridged edition of Webster's Dictionary.

## VII. Plan Provisions:

- A. **Benefits Payable:** An employee is not required to exhaust sick leave, vacation leave, or compensatory time before qualifying under this program.

After 30 calendar days from first day of disability for total or limited disability for eligible employees: First Level Managers, Mid-Managers, Police Officers Association, Police Sergeants, Police Sworn Mid-Managers, and Executive Team.

After 14 calendar days from first day of disability for total or limited disability for eligible employees: Local 1.

- B. **Duration and Amount:** Sixty percent of Base Salary per month up to a maximum of twelve months while on disability leave for limited disability and for total disability after termination. The benefit period begins on the first day disability benefits begin.

This benefit ceases at an insured's 70th birthday or upon retirement for eligible employees: First Level Managers, Mid-Managers, Police Officer Association, Police Sergeants, Police Sworn Mid-Managers and Executive Team.

This benefit ceases at an insured's 75<sup>th</sup> birthday or upon retirement for eligible employees: Local 1.

- C. **Employment Status:** While on the program, the employment status is disability leave as herein defined or the individual may cease to be an employee. No vacation and sick leave or other seniority related benefits accrue while on disability leave status and City regulations regarding leave of absence without pay are applicable.

- D. **Miscellaneous Provisions:**

1. Calculations are made on base salary at time of the disabling injury or incident.
2. City will pay its portion of the health and dental/vision plan premiums until termination from City employment.
3. Disability program premium is waived during the period of paid benefits under this program.
4. Benefits will cease at the earlier of 12 months on the program, retirement from service, return to employment, or conclusion of disability.
5. Successive periods of disability due to the same or related causes not separated by six months of full-time work are considered as one period of disability with a 12 month maximum and without a

new waiting period if it is determined to be related to the original injury/illness. A new 12-month eligibility period including a waiting period requires at least six months of full-time, continuous work.

6. Benefits shall be paid no more than semi-monthly but only following City Council meetings where disbursement lists are approved.
- E. Reports: Medical reports and/or other information related to the limited or total disability status may be required by the City and must be provided by the disabled employee in order to continue to receive program benefits.
- F. Exclusions: No benefits are payable for disabilities caused by any act of war or intentionally self-inflicted injury or during commission of a felony. No benefits are payable during confinement in penal or correctional institutions as a result of conviction. No benefits will be paid for workers compensation/job-related disabilities or for injuries received while working for another employer.

**VIII. Application for Benefits:**

- A. An employee who believes he or she qualifies for benefits under this program must obtain an application form from the Human Resources Department. This form must be fully completed with the supporting material required and returned to Human Resources.

**IX. Plan Status:**

- A. This Plan is subject to the meet and confer process and memorandum/letter of understanding with the appropriate employee groups;
- B. Is for the exclusive benefit of the eligible employees; and
- C. Has been established with the intention of being maintained without a termination date subject to the meet and confer process.

**X. Questions Regarding Plan: Please direct your questions regarding this plan to:**

Yuba City Human Resources  
Department  
1201 Civic Center Blvd.  
Yuba City, CA 95993  
(530) 822-4610



**XI. Plan Premium:**

- A. .44% of employee's base salary for other eligible employees: First Level Managers, Mid-Managers, Police Officers Association, Police Sergeants, Police Sworn Mid-Managers, and Executive Team.  
  
.54% of employee's base salary for eligible employees: Local 1.
- B. For all new employees, premium begins the first pay period of employment.
- C. The premium is set by the City based on actuarial evaluation of plan usage.

**APPLICATION  
FOR SHORT-TERM DISABILITY  
PROGRAM**

**INSTRUCTIONS:** Please type or print. Form must be completed in duplicate and both copies submitted to the Personnel Office. This form should be submitted by you or your representative on or before the effective date that you are requesting for coverage under the program.

NAME: \_\_\_\_\_ DEPARTMENT: \_\_\_\_\_

JOB TITLE: \_\_\_\_\_

I hereby request to be included on the SHORT-TERM Disability Program beginning \_\_\_\_\_.

List reasons below (please be specific and attach additional sheets if necessary):

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Attach any documents to support your claim for qualifications under the Program. I understand that medical reports and/or other information related to my limited to total disability status may be required by the City and must be provided by me, at the request of the City, in order to continue to receive program benefits.

I hereby authorize my physician(s): \_\_\_\_\_ to provide any and all medical information requested by the City of Yuba City regarding my health conditions.

I further understand any monies or compensation received through participation in other insurance programs or other third parties will be recovered and returned to the Short-Term Disability Program

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_