

## CARSON'S WORKFORCE

<b>Total number of City employees</b>	<b>840</b>
• Full-time	282
• Part-time (incl. seasonal employees)	558
<b>Employees reporting to work</b>	<b>233</b>
• Full-time	183
• Part-time	50
<b>Employees NOT reporting to work</b>	<b>607</b>
• Full-time	99
• Part-time	345
• Part-time (summer seasonal)	163



1

1

## UI BENEFITS CALCULATION

The maximum State UI benefit an employee may get is \$450 per week, depending on their income. Combining this amount (State UI \$450 per week) with the \$600 per week in federal UI benefits, an eligible employee may get up to **\$1,050 per week** in total UI benefits.

The EDD requires all who file to report **all wages** or income received every two weeks. **Wages and income include not just pay for hours worked, but also pay from other employers, receipt of bonuses, use of holiday, vacation, or sick leave accruals, and other pay.**

The amount of State UI benefit per week will be reduced by any wages or income received each 2-week period. The first \$25 or 25% of wages/income, whichever is greater, is not counted. **This means 75% of all wages or income (including leave accruals) received by the employee in a 2-week period will be deducted from the UI weekly benefit.**



2

2

## EXAMPLE 1

An employee earning **\$1,000 per week** (\$52,000 per year), whose hours were reduced to zero and is not using any accrued leave or paid by another employer, will receive \$450 per week in State UI benefits.

This employee will also receive an additional \$600 in federal UI benefits that is not contingent on any income. So the employee will receive **\$1,050 per week** in total UI benefits. **This total amount (\$1,050 per week) is more than the employee normally earns in a week (\$1,000 per week).**

**So any employee – FT or PT – who normally earns \$1,050 per week or less (\$54,600) is better off on UI benefits and does not have to use accrued leave to be made whole.**



3

## EXAMPLE 2

An employee earning **\$1,200 per week** (\$62,400 per year), whose hours were reduced to zero and is not using any accrued leave or paid by another employer, will receive \$450 per week in State UI benefits, plus \$600 in federal UI benefits, for \$1,050 per week in total UI benefits.

If, however, the employee uses **\$590 per week** of accrued leave, 75% of that amount (which is \$442.50) will be deducted from the weekly State UI benefit of \$450, giving the employee \$7.50 per week in State UI benefits, plus \$600 in federal UI benefits, for **\$607.50 per week** in total UI benefits.


**This \$607.50 per week in total UI benefits, plus \$590 per week in accruals, gives the employee a total of \$1,197.50 per week, which is approximately equal to \$1,200 per week the employee normally earns.**

**This minimizes the employee's use of accrued leave while maximizing the amount of UI benefits, and makes the employee whole.**



4

4




### EXAMPLE 3

If an employee earning **\$1,400 per week** (\$72,800 per year) uses **\$590 per week** of accrued leave, 75% of that amount (which is \$442.50) will be deducted from the weekly State UI benefit of \$450, giving the employee \$7.50 per week in State UI benefits. The employee gets \$600 in federal UI benefits, for **\$607.50 per week** in total UI benefits.

This \$607.50 per week in total UI benefits, plus \$590 per week in accruals, gives the employee a total of **\$1,197.50 per week, which is less than the employee normally earns**. The employee cannot increase the amount of accrued leave being used without having UI benefits reduced to \$0 per week.

**So FT employees making more than \$1,200 per week (\$62,400 per year) could wait until they return to work to cash out any shortfall in order to be made whole at that time, OR could instead use all leave accruals and receive no UI benefits to be made whole now.**

5




### FULL-TIME EMPLOYEES WHO FILED FOR UI BENEFITS

Of the 99 FT employees placed off work, **52 employees filed for UI benefits**. Eight are working 50% of their time and using accrued leave for the other 50%. The remaining 39 employees opted to (i) use their accrued leave, or (ii) be on leave without pay (LWOP).

Of the 99 FT employees placed off work, 29 employees earn more than \$62,400 per year. Of those 29 employees:

- 3 – opted to use UI benefits only (after applying for UI)
- 7 – opted to use UI benefits + \$590 leave accruals/neg. accruals (after applying for UI)
- 15 – opted to use leave accruals/neg. accruals only (after applying for UI)
- 2 – opted to use LWOP (did not apply for UI)
- 2 – did not apply for UI



6

## CITY'S SAVINGS FOR PART-TIME EMPLOYEES

Section 2103 of the CARES Act provides that the federal government will cover 50% of the costs of State UI benefits charged to governmental employers that use the reimbursement method of payment. The City uses the reimbursement method, which means the City usually pays back EDD for all State UI benefits on a dollar-for-dollar basis.

Accordingly under the CARES Act, the **City's projected savings during the 14 weeks of payroll** (since the declaration of local emergency on March 17, 2020) is:

**\$386,820 (approximately 72% of PT employee payroll)**

**In addition, all the part-time employees who filed for UI benefits have benefited by receiving MORE in UI benefits than they normally earn with the City.**



7

7

## CALPERS SERVICE CREDIT

This is how CalPERS determines Service Credit:

- One (1) year service credit is granted for full-time employees working at least **10 months** out of the year
- The measurement of time is based on the FT employee's receipt of creditable compensation (including use of leave accruals) and contribution to the pension
- So long as the FT employee works or is provided compensation (including use of leave accruals) equal to at least 10 months of pay in a year, then **employees should not lose service credit**

**With the closure, all employees were paid their full earnings until the pay period ending April 3, and most FT employees have been receiving compensation from the City during the closure. So with re-opening imminent, FT employees should not lose any service credit.**



8

8

## CONCLUSION

The City has been implementing Council's directive of making all employees whole. "Being made whole":

- Includes base pay + all special compensation not dependent on performance of actual work (includes split shift, bilingual pay, certification pay, longevity pay)
- Does not include acting pay or overtime pay
- Measured from last payroll (ending on March 20) before City closure

Nevertheless, the Council action was clear, if for any reason any employee who followed Council's request is adversely impacted, the Council has stated the employee will be made whole.

