File No. 120512

Committee Item No. 19
Board Item No. 39

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight **Date** June 14, 2012

Board of Supervisors Meeting **Date** 6/19/12

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☐	☐	Legislative Digest
☐	☐	~~Budget and Legislative Analyst Report~~
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OTHER (Use back side if additional space is needed)

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Completed by: Alisa Miller **Date** June 8, 2012
Completed by: _____ **Date** _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

BOARD of SUPERVISORS

City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Mark Farrell, Chair
Government Audit and Oversight Committee

FROM: Rana Calonsag, Committee Clerk

DATE: June 15, 2012

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**
Tuesday, June 19, 2012

The following file should be presented as a **COMMITTEE REPORT** at the Board meeting, Tuesday, June 19, 2012. This item was acted upon at the Committee Meeting on June 14, 2012 at 1:00 p.m., by the votes indicated.

Item No. 19 **File No. 120512**

Ordinance adopting and implementing the Memorandum of Understanding between the City and County of San Francisco and the Teamsters, Local 856 (Multi-Unit), to be effective July 1, 2012, through June 30, 2014.

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Mark Farrell - Aye
Supervisor Sean Elsbernd - Aye
Supervisor David Chiu - Aye

cc: Board of Supervisors
Angela Calvillo, Clerk of the Board
Rick Caldeira, Legislative Deputy Director
Cheryl Adams, Deputy City Attorney
Binder Copy

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

June 14, 2012

Ms. Angela Calvillo
Clerk of the Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

RE: File Number 120512: Memorandum of Understanding (MOU) with Teamsters, Local 856, Multi-Unit

Dear Ms. Calvillo,

In accordance with Ordinance 92-94, I am submitting a cost analysis of the MOU between the City and County of San Francisco and Teamsters, Local 856, Multi-Unit (Local 856). The amendment applies to the period commencing July 1, 2012 through June 30, 2014, affecting 102 authorized positions with a salary base of approximately $8.6 million and an overall pay and benefits base of approximately $10.8 million.

As seen in Attachment A, our analysis projects that this agreement will result in approximately $5,000 of increased costs to the City during FY 2012-2013 and $169,000 of increased costs in FY 2013-14. Our analysis assumes a scenario where premiums, overtime, step, and attrition grow consistent with wage changes.

If you have additional questions or concerns please contact me at 554-7500 or Drew Murrell of my staff at 554-7647.

Sincerely,

Ben Rosenfield
Controller

cc: Martin Gran, ERD
Harvey Rose, Budget Analyst

Attachment A

Memorandum of Understanding from July 1, 2012 - June 30, 20'

Teamsters, Local 856, Multi-Unit

Controller's Office Estimate of Costs/(Savings) FY 2012-2014

Annual Costs/(Savings)	FY 2012-2013	FY 2013-2014
Wages		
Effective July 1, 2012, classes 8322 and 8324 who are mebers of CalPERS shall receive a base wage increase of 7.15% in exchange for their agreement to pay their own retirement contribution amount to CalPERS.	$ 101,000	$ 101,000
Effective July 1, full-time employees enetering at the first step may advance to the second step and to each successive step upon completion of the one year required service.	$ -	$ -
1% Wage increases effective July 1, 2013, January 4, 2014, and March 29, 2014 for all employees	$ -	$ 141,000
Wage-Related Fringe Increases/(Decreases)	$ 19,000	$ 58,000
Premium Increase/(Decreases)	$ 12,000	$ 17,000
Benefits		
For the duration of this agreement, 8322 and 8324 Juvenile Hall Counselors shall pay the employee share of mandatory retirement contributions (9%).	$ (127,000)	$ (136,000)
For "Medically Single" employees, the City will pay 90% of the cost of the medical premium capped at 90% of the cost of the second highest cost plan	$ -	$ (12,000)
Annual Amount Increase/(Decrease)	$ 5,000	$ 169,000

Controller's Ofice Summary of 2012 - 2014 Labor Agreements Costing
6/14/2012

Citywide Patterns

1) **Wage Increases:** Three 1 % wage increases in FY 2013-14, projected to result in a 1.75% wage and variable fringe cost increase during FY 2013-14

2) **Step Savings:** Effective July 1, 2012 postpone advancement form Step 1 to Step 2 until the completion of 12 months of service rathern than 6 months

3) **Health Contributions:** Effective January 2014, For "Medically Single" employees, the City will pay 90% of the cost of the medical premium capped at 90% of the cost of the second highest cost plan.

	FY 2012-13 Total	FY 2013-14 Total
Costs/(Savings)	$ 3,489,000	$ 37,571,000

		FY 2012-13			FY 2013-14		
Table	**Table Name**	**Wages & Premium**	**Variable Fringe**	**Health & Dental**	**Wages & Premium**	**Variable Fringe**	**Health & Dental**
000	Consolidated Crafts	$ 30,000	$ -	$ -	$ 844,000	$ 229,000	$ (94,000)
001	Unrepresented Employees	$ 14,000	$ 3,000	$ (15,000)			
003	Operating Engineers, Local 3	$ -	$ -	$ -	$ 76,000	$ 21,000	$ (5,000)
006	Electrical Workers, Local 6	$ 492,000	$ 108,000	$ (17,000)	$ 981,000	$ 255,000	$ (81,000)
021	Local 21	$ 62,000	$ (16,000)	$ -	$ 5,878,000	$ 1,643,000	$ (797,000)
038	Plumbing and Pipefitting Industry	$ 16,000	$ -	$ -	$ 518,000	$ 136,000	$ (40,000)
039	Stationary Engineers	$ -	$ -	$ (35,000)	$ 1,000,000	$ 265,000	$ (168,000)
121	Service Employees International Union	$ 6,048,000	$ (39,000)	$ (6,051,000)	$ 12,390,000	$ 1,981,000	$ -
130	Machinists Union	$ 12,000	$ -	$ (9,000)	$ 209,000	$ 55,000	$ (33,000)
163*	Physicians and Dentists	$ 2,514,000	$ 486,000	$ -	$ 2,663,000	$ 589,000	$ (151,000)
200	TWU Local 200	$ -	$ -	$ -	$ 28,000	$ 8,000	$ (1,000)
251	TWU Local 250-A, TWU - Miscellaneous	$ 7,000	$ -	$ -	$ 137,000	$ 38,000	$ (23,000)
252	TWU Local 250-A, TWU - Auto Service Worker	$ (9,000)	$ -	$ -	$ 33,000	$ 12,000	$ (6,000)
261	Laborers	$ (69,000)	$ 144,000	$ (47,000)	$ 953,000	$ 444,000	$ (299,000)
311	Municipal Attorneys	$ (2,000)	$ (1,000)	$ -	$ 1,065,000	$ 286,000	$ (102,000)
351	Municipal Executives Association	$ -	$ -	$ (79,000)	$ 2,019,000	$ 541,000	$ (323,000)
419	DA Investigators	$ -	$ -	$ (2,000)	$ 61,000	$ 13,000	$ (12,000)
498	SF Deputy Sheriff's Association	$ 5,000	$ -	$ (47,000)	$ 1,352,000	$ 268,000	$ (231,000)
499	SF Sheriffs Managers and Supervisors	$ -	$ -	$ (6,000)	$ 325,000	$ 45,000	$ (23,000)
651	SF Probation Officers	$ 873,000	$ (849,000)	$ -	$ 1,105,000	$ (773,000)	$ (22,000)
791	Staff / Per Diem Nurses	$ (54,000)	$ -	$ -	$ 1,481,000	$ 412,000	$ -
856	Teamsters - Multi - Unit	$ 113,000	$ (108,000)	$ -	$ 259,000	$ (78,000)	$ (12,000)
858**	Supervising Nurses	$ 25,000	$ -	$ (5,000)	$ 361,000	$ 85,000	$ (265,000)
965	Supervising Probation Officers	$ -	$ -	$ (3,000)	$ 36,000	$ 7,000	$ (6,000)
969	Institutional Police Officers	$ -	$ -	$ -	$ 7,000	$ 2,000	$ -

* The MOUs with the Physicians and Dentists are split into two groups; one for bargaining unit 17 and one for bargaining unit 18 and run for three years form July 1, 2012 through June 30, 2015

** The MOU with Supervising Nurses is for three years from July 1, 2012 through June 30, 2015

FILE NO. 120512 ORDINANCE NO.

[Memorandum of Understanding - Teamsters, Local 856 (Multi-Unit)]

Ordinance adopting and implementing the Memorandum of Understanding between the City and County of San Francisco and the Teamsters, Local 856 (Multi-Unit), to be effective July 1, 2012, through June 30, 2014.

NOTE: Additions are *single-underline italics Times New Roman*; deletions are ~~*strike-through italics Times New Roman*~~. Board amendment additions are double-underlined; Board amendment deletions are ~~strikethrough normal~~.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The Board of Supervisors hereby adopts and implements the Memorandum of Understanding between the City and County of San Francisco and the Teamsters, Local 856 (Multi-Unit), to be effective July 1, 2012, through June 30, 2014.

The Memorandum of Understanding so implemented is on file in the office of the Board of Supervisors in Board File No. 120512.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: ELIZABETH S. SALVESON
Chief Labor Attorney

2012-2014 Teamsters, Local 856 MOU

1. **Term** – Two year agreement (July 1, 2012 through June 30, 2014).

2. **Wages** –

   a) Fiscal Year 2012-2013 – No wage increases

   b) Fiscal Year 2013-2014 –

      - 1% on July 1, 2013
      - 1% on January 4, 2014
      - 1% on March 29, 2014

3. **Structural Reform of the City's Healthcare Benefit and Cost-Sharing Structures** –

   a) Health care cost sharing effective January 1, 2014:

      - For "medically single employees" (Employee Only) enrolled in any plan other than the highest cost plan, the City shall only contribute ninety percent (90%) of the "medically single employee" (Employee Only) premium for the plan in which the employee is enrolled.
      - For "medically single employees" (Employee Only) enrolled in the highest cost plan, the City shall only contribute ninety percent (90%) of the "medically single employee" (Employee Only) premium for the second highest cost plan. However, in calendar year 2014 only, the City will subsidize half of the amount of this increased premium cost for "medically single employees" who elect to enroll in the highest cost plan.

   b) The parties will form a Joint Labor-Management Healthcare Committee to discuss healthcare issues, including a possible wellness program, with a re-opener in the second year of the contract by mutual agreement.

4. **Floating Holidays** – Employees will receive a one-time award of two additional floating holidays in Fiscal Year 2012-2013.

5. **CalPERS** – Effective July 1, 2012, covered employees who are members of CalPERS will receive a 7.15% base wage increase in exchange for agreement to pick-up their entire employee paid member contribution to CalPERS. Base wages of SFERS classifications 8568 and 8572 shall be maintained at the same level as CalPERS classifications 8322 and 8324, respectively.

6. **CalPERS Proposition C Contribution** – Effective July 1, 2012, covered employees who are members of CalPERS agree to make pre-tax like contributions similar to those being made by members of SFERS, as required under Charter section A8.409-9.

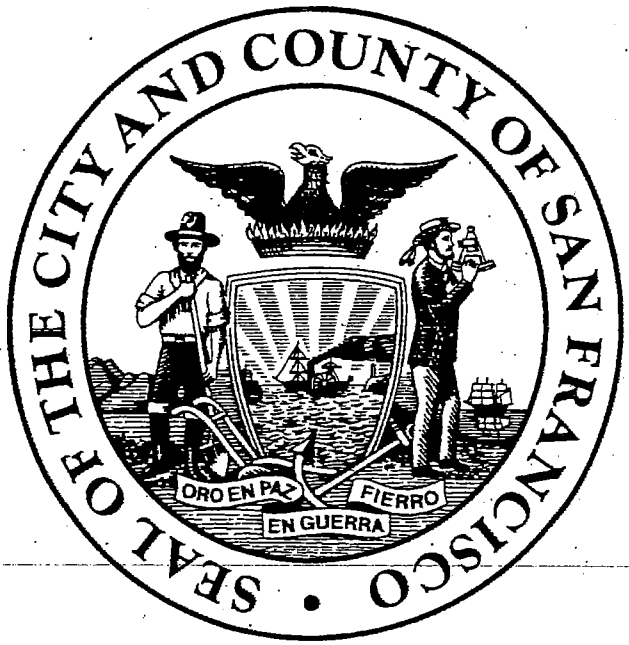
7. **Step Advancement** – Effective July 1, 2012, new appointees that are appointed at step 1 shall be required to have twelve (12) months of continual service before advancing to the next salary step, an increase from the current six (6) month requirement.

8. **Acting Assignment Pay** – Effective July 1, 2012, to receive Acting Assignment Pay employees must "act" in a position for at least ten (10) consecutive days, an increase from the current minimum of five (5) days.

9. **Uniform Allowance** – Effective July 1, 2012, individuals in the classification 3372 (Animal Control Officer) at the department of Animal Care & Control shall receive a $250 annual uniform allowance for the cleaning and maintenance of uniforms.

10. **Substance Abuse Prevention** – The parties agree to begin meeting and conferring regarding a substance abuse prevention policy for agreed upon classifications in this bargaining unit. If the parties are not able to reach agreement the issue will be advanced to arbitration, where the arbitrator will issue an advisory arbitration decision in January 2014.

11. **Paid Sick Leave Ordinance ("12W")** – Waived for all covered employees.



MEMORANDUM OF UNDERSTANDING

BETWEEN AND FOR

TEAMSTERS, LOCAL 856
MULTI-UNIT

AND

CITY AND COUNTY OF SAN FRANCISO

JULY 1, 2012 – JUNE 30, 2014

** Complete copy of document is
located in

File No. 120572

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