



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
 Controller
 Todd Rydstrom
 Deputy Controller

March 29, 2023

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 230259: Memorandum of Understanding (MOU) between the City and County of San Francisco and the Police Officers' Association

Dear Ms. Calvillo,

In accordance with Ordinance 92-94, I submit a cost analysis of the MOU between the City and County of San Francisco and the Police Officers' Association. The MOU covers the period July 1, 2023 through June 30, 2026. The MOU affects approximately 2,350 positions with an overall salary and benefits base of \$470 million.

The MOU provides for a total increase in wages of 10.75% spread over the length of the contract. There are also increases in retention pay, salary increases for steps one and two, and a contract signing bonus. The cost to all funds of these provisions is given in the following table. Approximately 90% of the increase in costs is supported by the General Fund.

San Francisco Police Officers' Association	FY 2023-24	FY 2024-25	FY 2025-26
Wages	\$ 15,040,000	\$ 26,320,000	\$ 46,570,000
Wage-Related Fringe Benefits	1,940,000	3,390,000	5,990,000
Retention Pay	6,760,000	25,640,000	31,450,000
Step Adjustments	710,000	750,000	770,000
Signing Bonus	1,190,000		
Union Total	\$ 25,640,000	\$ 56,100,000	\$ 84,780,000
<i>% of Wage and Benefits Base</i>	<i>5.46%</i>	<i>11.94%</i>	<i>18.05%</i>

Our cost estimates assume that premiums, overtime, and other adjustments grow consistently with wage changes. Wage increases in FY 2024-25 and FY 2025-26 could be delayed if the Joint Report projects a budget deficit greater than \$300 million. This cost estimate assumes that these increases will take place as scheduled. If the wage increases were delayed, the estimated cost for only salary and benefits would be reduced to approximately \$22.6 million in FY 2024-25 and \$33.1 million in FY 2025-26.

If you have additional questions or concerns, please contact me at (415)-554-7500 or Carol Lu of my staff at (415)-554-7647.

Sincerely,

Ben Rosenfield
 Controller