



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

June 16, 2010

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 100625: Amendment to the Memorandum of Understanding (MOU)
with Union of American Physicians and Dentists (11-AA)

Dear Ms. Calvillo,

In accordance with Ordinance 92-94, I am submitting a cost analysis of Amendment #3 (amendment) to the MOU between the City and County of San Francisco and the Union of American Physicians and Dentists, 11-AA (UAPD). The amendment applies to the period commencing July 1, 2006 through June 30, 2012, affecting 20 authorized positions with a salary base of approximately \$3.4 million and an overall pay and benefits base of approximately \$4 million. UAPD is not a member of the Public Employees Committee of the San Francisco Labor Council (PEC), but it has agreed the terms outlined in the summary letter, except that the Union will take six furlough days each year instead of twelve each year.

The amendment to the MOU extends the contract through FY2011-12. Based on our analysis, the amendment will result in a savings of approximately \$107,000 as compared to FY2010-11 base budget. UAPD agreed to concessions for both FY2009-10 and FY2010-11 in the two previous bargaining years. The approximate savings from these previous concessions for FY2010-11 is \$53,000.

Previously, UAPD had also agreed to a furlough of four days for FY2010-11. In the new agreement, UAPD will take two additional furlough days in FY 2010-11, for \$26,000 in savings not included in base budget, and six furlough days in FY 2011-12, for an additional \$53,000 in incremental savings.

The amendment provides that employees who retire during the term of the agreement whose compensation is impacted by the furlough will receive a payment equaling the pensionable value of the unpaid days that impact the retirement benefit. This will result in a cost to the City that will be determined by San Francisco Employees' Retirement System and is dependent on each retiree's circumstances.

Under the current amendment, covered employees will take 40 hours of unpaid educational leave (pro-rated for part-time employees) for both FY 2010-11 and FY 2011-12, for an additional savings of approximately \$65,000 as compared to the FY 2010-11 base budget.

Should the PEC and City be unable to find \$3 million in health care savings next year, the PEC health benefits provision applies and could result in \$4,000 in savings in FY2011-12 under this bargaining unit.

The cost of continuing existing health and dental benefits provided in the agreement will increase by approximately \$7,600 in FY 2010-2011. If you have additional questions or concerns please contact me at 554-7500 or Peg Stevenson of my staff at 554-7522.

Sincerely,

Peg Stevenson
for Ben Rosenfield
Controller

cc: Martin Gran, ERD
Harvey Rose, Budget Analyst

Amendment #3 extending MOU through June 30, 2012
 Union of American Physicians and Dentists, 11AA
 Estimated Costs/(Savings) FY 2010-2012
 Controller's Office

<u>Annual Costs/(Savings)</u>	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>
July 1, 2010 - June 30, 2011: 6 unpaid holidays	(\$26,436)	(\$52,872)
July 1, 2011 - June 30, 2012: 6 unpaid holidays		
40 hours of mandatory unpaid educational leave in each fiscal year from July 1, 2010 through June 30, 2012	(\$65,073)	\$0
Wage-Related Fringe Increases/(Decreases)	<u>(\$15,840)</u>	<u>(\$9,152)</u>
Benefits		
Cap on City contribution for medically single City Plan employees if \$3 million in savings can't be found through negotiations		(\$4,261)
Total Estimated Incremental Costs/(Savings)	<u>(\$107,349)</u>	<u>(\$66,285)</u>
Budgeted Estimates for Cost Increase in Existing Benefits	\$7,622	\$8,131
Previously negotiated savings in addition to above (already included in base budget)	(\$52,872)	