



**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 100608: Memorandum of Understanding (MOU) with Consolidated Crafts Coalition

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 the Consolidated Crafts Coalition (Crafts Coalition). The MOU applies to the period commencing July 1, 2010 through June 30, 2012, affecting 642 authorized positions with a salary base of approximately \$48 million and an overall pay and benefits base of approximately \$60.3 million. As members of the Public Employees Committee of the San Francisco Labor Council (PEC), the Consolidated Crafts Coalition has agreed to the terms in the summary letter.


The existing contract ends FY 2009-10, but the MOU extends through FY 2011-2012. Based on our analysis, the MOU will result in a \$2.7 million savings in FY 2010-2011. These savings are a result of the furlough days and wage-based fringe savings resulting from lower wage payments. The Crafts Coalition agreed to have employees take furloughs in no less than four hour increments. The MOU 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.

In addition, the MOU adds a provision for travel to assignments outside San Francisco. This provision requires the City to provide a vehicle and no loss of pay for travel time.

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 \$68,000 in savings in FY2011-12 under this bargaining unit.

The cost of continuing existing health and dental benefits provided in the MOU will increase by approximately \$219,000 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,

  
for Ben Rosenfield  
Controller

cc: Martin Gran, ERD  
Harvey Rose, Budget Analyst

**MOU Extension, July 1, 2010 - June 30, 2012**  
**Consolidated Crafts Unions**  
**Estimated Costs/(Savings) FY 2010-2013**  
**Controller's Office**

<u>Annual Costs/(Savings)</u>	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>
<b>Wages</b>		
July 1, 2010 - June 30, 2011: 12 furlough days	(\$2,212,470)	-
July 1, 2011 - June 30, 2012: 12 furlough days		
<b>Wage-Related Fringe Increases/(Decreases)</b>	<u>(\$440,671)</u>	<u>-</u>
<b>Benefits</b>		
Cap on City contribution for medically single City Plan employees if \$3 million in savings can't be found	-	(\$68,298)
<b>Total Estimated Incremental Costs/(Savings)</b>	<u>(\$2,653,142)</u>	<u>(\$68,298)</u>
Budgeted Estimates for Cost Increase in Existing Benefits	\$219,110	\$234,137