



**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 100617: Memorandum of Understanding (MOU) with the Transport Workers Union, AFL-CIO, Local 200 (non-MTA)

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 Transport Workers Union, AFL-CIO, Local 200 (Local 200). The MOU applies to the period commencing July 1, 2010 through June 30, 2012, affecting 19 authorized positions with a salary base of approximately \$1.7 million and an overall pay and benefits base of approximately \$2 million. As members of the Public Employees Committee of the San Francisco Labor Council (PEC), Local 200 has agreed to the terms outlined in the summary letter.


Based on our analysis, the MOU will result in a \$91,000 savings in FY 2010-11 as compared to base budget. During the term of the agreement, represented employees shall observe 12 unpaid furlough days in FY 2010-11 and an additional 12 days in FY 2011-12. For classes taking the furlough days, wages will be reduced by 4.5% during FY2010-11, increasing to 5% on July 9, 2011, resulting in an additional \$4,000 in savings in FY2011-12. These reductions end on June 8, 2012.

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.

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 \$34,000 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 \$105,000 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,

  
Ben Rosenfield  
Controller

cc: Martin Gran, ERD  
Harvey Rose, Budget Analyst

**Memo of Understanding, July 1, 2010 - June 30, 2012  
 Transport Workers Union, Local 200 SEAM  
 Estimated Costs/(Savings) FY 2010-2012  
 Controller's Office**

<u>Annual Costs/(Savings)</u>	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>
12 furlough days smoothed:		
July 1, 2010 - July 8, 2011 wage reduced by 4.5%	(\$76,458)	(\$3,431)
July 9, 2011 - June 8, 2012 wage reduced by 5%		
<b>Wage-Related Fringe Increases/(Decreases)</b>	<u>(\$14,251)</u>	<u>(\$639)</u>
<b>Benefits</b>		
Cap on City contribution for medically single City Plan employees if \$3 million in savings can't be found	-	(\$34,153)
<b>Total Estimated Incremental Costs/(Savings)</b>	<u>(\$90,709)</u>	<u>(\$38,223)</u>
Budgeted Estimates for Cost Increase in Existing Benefits	\$104,691	\$111,883