

File No. 110640

Committee Item No. 13

Board Item No. 24

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: June 9, 2011

Board of Supervisors Meeting

Date: 6.21.11

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Contract/Agreement (Approved as to Form) |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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OTHER

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Completed by: Andrea S. Ausberry

Date June 2, 2011

Completed by: AA

Date 6.13.11

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

[Memorandum of Understanding, Amendment No. 1 - Operating Engineers, Local 3]

Ordinance adopting and implementing Amendment No. 1 to the 2010-2012 Memorandum of Understanding between the City and County of San Francisco and the Operating Engineers, Local 3, by implementing specified terms and conditions of employment for FY2011-2012.

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 Amendment No. 1 to the 2010-2012 Memorandum of Understanding between the City and County of San Francisco and the Operating Engineers, Local 3 by implementing specified terms and conditions of employment for fiscal year 2011-2012.

Amendment No. 1 to the Memorandum of Understanding so implemented is on file in the office of the Board of Supervisors in Board File No. 110640.

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

By: 
ELIZABETH S. SALVESON
Chief Labor Attorney



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

June 9, 2011

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 Numbers 110630 through 110651: Memoranda of Understanding (MOU) Increasing Dental Premium Contributions by Employees and Reducing City Contributions on Behalf of Medically Single Employees Enrolled in the City Health Plan

Dear Ms. Calvillo,

In accordance with Ordinance 92-94, I am submitting a cost analysis of ordinances contained in the file numbers above. The ordinances cover the period July 1, 2011 through June 30, 2012, affecting 14,117 authorized positions with an overall salary base of approximately \$1.3 billion.

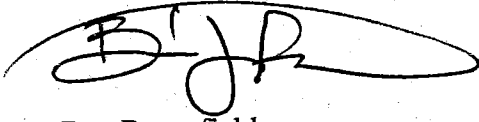
The City and Public Employee Committee (PEC) agreed to establish a labor management committee to identify changes to MOU negotiated premium payments that would be anticipated to yield approximately \$3 million in savings annually in the City's employee health care costs, beginning in FY 2011-12. PEC member union MOUs all contained a default provision should the labor management committee not reach mutual agreement on such changes, which was that for all medically single employees enrolled in the City Plan, the City's contribution would be capped at an amount equivalent to the cost of the second highest cost plan for medically single enrollees. Had the dental premium change not been negotiated, employees who elected to enroll in the City Plan would have had to pay the difference between the capped amount and the City Plan amount.

Attachment A shows the estimated savings by union for those unions that agreed to have their members pay premiums ranging from \$5 to \$15 per month for employees enrolled in the Delta Dental PPO effective July 1, 2011. Based on our analysis, the ordinances will result in savings of approximately \$2.3 million due to employee premium contributions. Had the parties chosen the default option of capping the City's contribution at the cost of the second most expensive HMO for employee-only enrollment in the City Plan, the savings in FY 2011-12 would have yielded approximately \$3.8 million.

These estimates are based on February 2011 enrollment data. A preliminary review of FY 2011-12 data does not indicate a significant shift in enrollment from Delta Dental to lower cost dental HMO plans during the April 2011 open enrollment period, which would result in additional savings.

If you have additional questions or concerns please contact me at 554-7500 or Michelle Allersma of my staff at 554-4792.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Rosenfield', enclosed within a large, loopy oval flourish.

Ben Rosenfield
Controller

cc: Micki Callahan, ERD
Harvey Rose, Budget Analyst

Attachment A
 Various Labor Organizations
 Estimated Costs/(Savings) FY 2011-2012
 Controller's Office

| File No. | Union | Costs/(Savings) from Employee Dental Premium Contributions | Costs/(Savings) from Eliminating the Cap on City Contributions for Medically Single City Plan Enrollees |
|---------------|--|--|---|
| 110629 | Consolidated Crafts Organizations | (\$52,329) | \$131,410 |
| 110640 | Operating Engineers Local 3 of the International Union of Operating Engineers | (\$6,900) | \$6,258 |
| 110634 | International Federation of Professional and Technical Engineers, AFL-CIO, Local 21 | (\$413,327) | \$894,843 |
| 110641 | United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry, Local 38 | (\$38,881) | \$56,319 |
| 110651 | Union of American Physicians and Dentists, Unit 11-AA | (\$2,340) | \$12,515 |
| 110650 | Union of American Physicians and Dentists, Unit 8-CC | (\$20,704) | \$143,926 |
| 110647 | Transport Workers Union of America, AFL-CIO, Local 200 | (\$33,122) | \$43,803 |
| 110644 | SEIU 1021 (Locals 250, 535, 790) | (\$1,074,664) | \$1,295,331 |
| 110649 | Transport Workers Union of America, AFL-CIO, Local 250-A (Multi-Unit) | (\$9,302) | 31,288.20 |
| 110648 | Transport Workers Union of America, AFL-CIO, Local 250-A (Non-MTA Auto Service Workers) | (\$17,282) | \$37,546 |
| 110636 | Municipal Attorneys' Association | (\$48,664) | \$87,607 |
| 110637 | Municipal Executives' Association, Misc. | (\$104,844) | \$212,760 |
| 110638 | Municipal Executives' Association, Fire | (\$1,081) | \$6,258 |
| 110639 | Municipal Executives' Association, Police | (\$120) | \$6,258 |
| 110630 | Deputy Probation Officers' Association | (\$13,863) | \$31,288 |
| 110633 | Local 793, Fire Rescue Paramedic | (\$240) | \$0 |
| 110632 | Local 798, Firefighters | (\$177,841) | \$369,201 |
| 110632 | Local 798, Firefighters | (\$5,520) | \$12,515 |
| 110646 | Local 856, Teamsters Multi-Unit | (\$1,922) | \$0 |
| 110642-110643 | SFPOA (Local 911) , Q 2 - Q 50, & 0380 | (\$282,252) | \$456,808 |
| 110645 | International Union of Operating Engineers, Local 3, AFL-CIO, Supervising Probation Officers | (\$1,920) | \$0 |
| 110635 | SFIPOA, Institutional Police Officers Association | (\$180) | \$0 |
| | TOTAL | (\$2,307,300) | \$3,835,933 |

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *Edwin M. Lee* Mayor Edwin M. Lee
RE: Amendments to Various Memoranda of Understanding
DATE: May 17, 2011

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2011 MAY 17 AM 11:22
BY: *[Signature]*

Dear Madame Clerk:

Attached for introduction to the Board of Supervisors are the following amendments to 23 different Memoranda of Understanding, listed below.

- 110629 1. Consolidated Crafts, (July 1, 2010 through June 20, 2012)
- 110630 2. Deputy Probation Officers' Association, (July 1, 2010 through June 30, 2012)
- 110631 3. Fire, Unit 1, (July 1, 2007 through June 30, 2013)
- 110632 4. Fire, Unit 2, (July 1, 2007 through June 30, 2013)
- 110633 5. SEIU, Local 1021, H1 Fire Rescue Paramedics, (July 1, 2007 through June 30, 2013)
- 110634 6. IFPTE, Local 21, (July 1, 2006 through June 30, 2012)
- 7635 7. Institutional Police Officers' Association, (July 1, 2010 through June 30, 2012)
- 110636 8. MAA, (July 1, 2010 through June 30, 2012)
- 110637 9. MEA Misc., (July 1, 2006 through June 30, 2012)
- 110638 10. MEA Fire, (July 1, 2007 through June 30, 2013)
- 110639 11. MEA Police, (July 1, 2007 through June 30, 2013)
- 110640 12. Operating Engineers, Local 3 (July 1, 2010 through June 30, 2012)
- 110641 13. Plumbers, Local 38, (July 1, 2010 through June 30, 2012)
- 110642 14. POA - P1&P2A, (July 1, 2007 through June 30, 2013)
- 110643 15. POA - P2B, (July 1, 2007 through June 30, 2013)
- 110644 16. SEIU, Local 1021, (July 1, 2010 through June 30, 2012)
- 110645 17. Operating Engineers, Supervising Probation Officers, (July 1, 2010 through June 30, 2012)
- 110646 18. Teamsters, Local 856 Multi-Unit, (July 1, 2010 through June 30, 2012)
- 110647 19. TWU Local 200 (Non-MTA), (July 1, 2010 through June 30, 2012)
- 110648 20. TWU Local 250-A (Non-MTA Class 7410), (July 1, 2010 through June 30, 2012)
- 110649 21. TWU Local 250-A (Multi-Unit), (July 1, 2010 through June 30, 2012)
- 110650 22. UAPD - Unit 8CC, (July 1, 2006 through June 30, 2012)
- 110651 23. UAPD - Unit 11AA, (July 1, 2006 through June 30, 2012)

I request that these items be calendared in Government Audit & Oversight Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

**Amendment No. 1
TO THE 2010-2012 MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO
AND
OPERATING ENGINEERS LOCAL UNION NO. 3 OF THE INTERNATIONAL UNION OF
OPERATING ENGINEERS, AFL-CIO**

The parties hereby amend the Memorandum of Understanding as follows:

III.M: HEALTH AND WELFARE

236. 1. EMPLOYEE HEALTH CARE

The City agrees to continue to contribute the applicable rate per month directly into the City Health Service System for each employee who is a member of the Health Service System. The level of benefits is set pursuant to the Charter.

237. 2. DEPENDENT HEALTH CARE

The City shall contribute up to \$225 per month per employee to provide for dependent coverage for employees with one or more dependents. However, in the event that the cost of dependent care exceeds \$225 per month, the City will adjust its pick-up level up to 75% of the cost of Kaiser's dependent health care medical premium charged to the employee plus two or more dependents category.

238. 3. DENTAL COVERAGE

Each employee covered by this agreement shall be eligible to participate in the City's dental program.

238a. Effective July 1, 2011, employees who enroll in the Delta Dental PPO Plan shall pay the following premiums for the respective coverage levels: \$5/month for employee-only, \$10/month for employee + 1 dependent, or \$15/month for employee + 2 or more dependents.

239. 4. SINGLE EMPLOYEES

Fiscal Year 2010-2011

For "medically single" /Employee Only employees, i.e., benefited employees not receiving the contribution paid by the City for dependent health care benefits, the City shall contribute all of the premium for the employee's own health care benefit coverage.

240. The aforesaid payments shall not be considered as part of an employee's salary for the purpose of computing straight time earnings, compensation for overtime worked, premium pay, retirement benefits or retirement contributions; nor shall such

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2011 MAY 17 AM 11:25
BY: [Signature]

