



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

February 10, 2017

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 170066 through 170090: Memoranda of Understanding (MOU) between the City and County of San Francisco and various collective bargaining units.

Dear Ms. Calvillo,

In accordance with Ordinance 92-94, I submit a cost analysis of 25 MOUs between the City and County of San Francisco and various employee collective bargaining units. The amendments apply to MOUs for the period July 1, 2017 through June 30, 2019, affecting 21,965 authorized positions with a salary base of approximately \$2.28 billion and an overall pay and benefits base of approximately \$2.87 billion.

The only change to these 25 MOUs from the prior MOUs is a provision for wage increases: A 3.00% wage increase effective July 1, 2017 and a 3.00% wage increase effective July 1, 2018. However, if the March 2018 Joint Report indicates a FY 2018-19 deficit of more than \$200 million, the wage increase in 2018 will be delayed to the pay period nearest January 1, 2019.

Our analysis finds that the amendment to the MOUs will result in increased costs to the City of approximately \$86 million in FY 2017-18 and \$175 million in FY 2018-19, or 3.0% and 6.1%, respectively, of FY 2017-18 base wage and benefit costs. Approximately 66% of the cost increase supports positions in the general fund. Our cost estimates assume that premiums, overtime, and other adjustments grow consistently with wage changes. We also assume that the wage increase in the second year will occur on July 1, 2018. If the increase were delayed to January 1, 2019, the estimated cost in FY 2018-19 is approximately \$131 million.

As there are no changes to the MOUs other than the wage increases, all increased costs are fully attributable to wage increases and wage-related benefit increases. See Attachment A for a detailed listing of the costs for each affected MOU.

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

Sincerely,


Ben Rosenfield
Controller

cc: Suzanne Mason, ERD
Harvey Rose, Budget Analyst



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ATTACHMENT A

Amendments to the Memoranda of Understanding of listed units from July 1, 2017 - June 30, 2019
Controller's Office Estimate of Total Costs/(Savings) FY 2017-18 and FY 2018-19

Citywide Provisions

| Wages - Citywide Pattern | FY 2017-18 | FY 2018-19 |
|---|----------------------|-----------------------|
| 3.00% Effective July 1, 2017 | \$ 68,480,000 | \$ 68,480,000 |
| 3.00% Effective July 1, 2018 | | \$ 70,530,000 |
| Total Wage Increase | \$ 68,480,000 | \$ 139,010,000 |
| Wage-Related Fringe Increases | \$ 17,730,000 | \$ 35,990,000 |
| Total Wage and Wage-Related Fringe Increase | \$ 86,210,000 | \$ 175,000,000 |
| Increase as a Percent of FY 2017-18 Salary and Fringe | 3.0% | 6.1% |

Union Detail

| File Number | Union | FY 2017-18 | FY 2018-19 |
|--------------------|--|---------------------|---------------------|
| 170066 | Local 1414 Automotive Machinists | | |
| | Wages | \$ 420,000 | \$ 850,000 |
| | Wage-Related Fringe Increases | \$ 110,000 | \$ 220,000 |
| | Total | \$ 530,000 | \$ 1,070,000 |
| 170067 | Craft Coalition | | |
| | Wages | \$ 1,220,000 | \$ 2,480,000 |
| | Wage-Related Fringe Increases | \$ 320,000 | \$ 650,000 |
| | Total | \$ 1,540,000 | \$ 3,130,000 |
| 170068 | Deputy Probation Officers' Association (DPOA) | | |
| | Wages | \$ 430,000 | \$ 870,000 |
| | Wage-Related Fringe Increases | \$ 120,000 | \$ 240,000 |
| | Total | \$ 550,000 | \$ 1,110,000 |

| | | | |
|---------------|--|----------------------|----------------------|
| 170069 | Deputy Sheriff's Association (DSA) | | |
| | Wages | \$ 2,820,000 | \$ 5,720,000 |
| | Wage-Related Fringe Increases | \$ 780,000 | \$ 1,580,000 |
| | Total | \$ 3,600,000 | \$ 7,300,000 |
| 170070 | Electricians Local 6 | | |
| | Wages | \$ 970,000 | \$ 1,970,000 |
| | Wage-Related Fringe Increases | \$ 250,000 | \$ 510,000 |
| | Total | \$ 1,220,000 | \$ 2,480,000 |
| 170071 | IFPTE, Local 21 | | |
| | Wages | \$ 15,000,000 | \$ 30,450,000 |
| | Wage-Related Fringe Increases | \$ 3,940,000 | \$ 8,000,000 |
| | Total | \$ 18,940,000 | \$ 38,450,000 |
| 170072 | Institutional Police Officers' Association (IPOA) | | |
| | Wages | \$ 10,000 | \$ 20,000 |
| | Wage-Related Fringe Increases | \$ 0 | \$ 0 |
| | Total | \$ 10,000 | \$ 20,000 |
| 170073 | Municipal Attorneys' Association (MAA) | | |
| | Wages | \$ 2,340,000 | \$ 4,750,000 |
| | Wage-Related Fringe Increases | \$ 590,000 | \$ 1,200,000 |
| | Total | \$ 2,930,000 | \$ 5,950,000 |
| 170074 | Municipal Executives Association (MEA) - Misc. | | |
| | Wages | \$ 4,890,000 | \$ 9,930,000 |
| | Wage-Related Fringe Increases | \$ 1,210,000 | \$ 2,460,000 |
| | Total | \$ 6,100,000 | \$ 12,390,000 |
| 170075 | Operating Engineers, Local 3 | | |
| | Wages | \$ 160,000 | \$ 320,000 |
| | Wage-Related Fringe Increases | \$ 40,000 | \$ 80,000 |
| | Total | \$ 200,000 | \$ 400,000 |
| 170076 | Plumbers, Local 38 | | |
| | Wages | \$ 910,000 | \$ 1,850,000 |
| | Wage-Related Fringe Increases | \$ 240,000 | \$ 490,000 |
| | Total | \$ 1,150,000 | \$ 2,340,000 |

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|---------------|---|----------------------|----------------------|
| 170077 | Painters (SFCWU) | | |
| | Wages | \$ 290,000 | \$ 590,000 |
| | Wage-Related Fringe Increases | \$ 70,000 | \$ 140,000 |
| | Total | \$ 360,000 | \$ 730,000 |
| 170078 | Sheriff's Managers & Supervisors Association (MSA) | | |
| | Wages | \$ 450,000 | \$ 910,000 |
| | Wage-Related Fringe Increases | \$ 130,000 | \$ 260,000 |
| | Total | \$ 580,000 | \$ 1,170,000 |
| 170079 | Teamsters Local 856 (Multi-Unit) | | |
| | Wages | \$ 310,000 | \$ 630,000 |
| | Wage-Related Fringe Increases | \$ 80,000 | \$ 160,000 |
| | Total | \$ 390,000 | \$ 790,000 |
| 170080 | Unrepresented | | |
| | Wages | \$ 400,000 | \$ 810,000 |
| | Wage-Related Fringe Increases | \$ 110,000 | \$ 220,000 |
| | Total | \$ 510,000 | \$ 1,030,000 |
| 170081 | Building Inspectors (BI) | | |
| | Wages | \$ 260,000 | \$ 530,000 |
| | Wage-Related Fringe Increases | \$ 70,000 | \$ 140,000 |
| | Total | \$ 330,000 | \$ 670,000 |
| 170082 | District Attorney Investigators' Association (DAIA) | | |
| | Wages | \$ 120,000 | \$ 240,000 |
| | Wage-Related Fringe Increases | \$ 30,000 | \$ 60,000 |
| | Total | \$ 150,000 | \$ 300,000 |
| 170083 | Laborers, Local 261 | | |
| | Wages | \$ 2,270,000 | \$ 4,610,000 |
| | Wage-Related Fringe Increases | \$ 590,000 | \$ 1,200,000 |
| | Total | \$ 2,860,000 | \$ 5,810,000 |
| 170084 | SEIU Local 1021 Misc. | | |
| | Wages | \$ 24,670,000 | \$ 50,080,000 |
| | Wage-Related Fringe Increases | \$ 6,540,000 | \$ 13,280,000 |
| | Total | \$ 31,210,000 | \$ 63,360,000 |

| | | | |
|---------------|--|---------------------|----------------------|
| 170085 | SEIU Local 1021 Staff & Per Diem Nurses | | |
| | Wages | \$ 8,070,000 | \$ 16,380,000 |
| | Wage-Related Fringe Increases | \$ 1,860,000 | \$ 3,780,000 |
| | Total | \$ 9,930,000 | \$ 20,160,000 |
| 170086 | Stationary Engineers, Local 39 | | |
| | Wages | \$ 1,980,000 | \$ 4,020,000 |
| | Wage-Related Fringe Increases | \$ 520,000 | \$ 1,060,000 |
| | Total | \$ 2,500,000 | \$ 5,080,000 |
| 170087 | Supervising Probation Officers (SPO) | | |
| | Wages | \$ 70,000 | \$ 140,000 |
| | Wage-Related Fringe Increases | \$ 20,000 | \$ 40,000 |
| | Total | \$ 90,000 | \$ 180,000 |
| 170088 | TWU-200 (SEAM) | | |
| | Wages | \$ 60,000 | \$ 120,000 |
| | Wage-Related Fringe Increases | \$ 20,000 | \$ 40,000 |
| | Total | \$ 80,000 | \$ 160,000 |
| 170089 | TWU 250-A (7410) | | |
| | Wages | \$ 60,000 | \$ 120,000 |
| | Wage-Related Fringe Increases | \$ 20,000 | \$ 40,000 |
| | Total | \$ 80,000 | \$ 160,000 |
| 170090 | TWU 250-A (Multi-Unit) | | |
| | Wages | \$ 310,000 | \$ 630,000 |
| | Wage-Related Fringe Increases | \$ 80,000 | \$ 160,000 |
| | Total | \$ 390,000 | \$ 790,000 |