

File No. 201053

Committee Item No. 11

Board Item No. 18

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: Nov. 5, 2020

Board of Supervisors Meeting:

Date: Nov. 17, 2020

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <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 and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input checked="" type="checkbox"/> | <input checked="" 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 type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Controller's MOU Costing Analysis Memo – October 28, 2020</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Referral FYI – September 23, 2020</u>                         |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |

Prepared by: John Carroll

Date: October 30, 2020

Prepared by: John Carroll

Date: Nov. 12, 2020

1 [Compensation for Unrepresented Employees]

2

3 **Ordinance amending Ordinance No. 106-20 fixing compensation for persons**  
4 **employed by the City and County of San Francisco whose compensation is subject to**  
5 **the provisions of Section A8.409 of the Charter, in job codes not represented by an**  
6 **employee organization, and establishing working schedules and other terms and**  
7 **conditions of employment and methods of payment effective July 1, 2020.**

8 NOTE: **Unchanged text in previously enacted ordinances and uncodified text**  
9 **are in plain Arial font.**  
10 **Additions to previously enacted ordinances** are in *single-underline italics*  
11 *Times New Roman font.*  
12 **Deletions to previously enacted ordinances** are in *strikethrough italics*  
13 *Times New Roman font.*  
14 **Board amendment additions** are in double-underlined Arial font.  
15 **Board amendment deletions** are in ~~strikethrough Arial font.~~  
16 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
17 subsections or parts of tables.

18 Be it ordained by the People of the City and County of San Francisco:

19

20 Section 1. Amendment of Ordinance No. 106-20. Pursuant to Charter Section  
21 A8.409-1, on May 12, 2020, the Mayor submitted an ordinance proposing the wages, hours,  
22 and other terms and conditions of employment applicable to all unrepresented job codes or  
23 positions of City employment. On June 30, 2020, the Board of Supervisors finally approved  
24 that ordinance, and the Mayor approved it on July 10, 2020 (File No. 200480, Ordinance No.  
25 106-20). Section 2 of that ordinance is hereby amended to eliminate wage increases for the  
fiscal year for specified unrepresented classifications in the Mayor's Office, as follows:

26

27

28

1 SECTION 2. WAGE RATES

2 A. The wage rates for job codes covered by this Ordinance for fiscal year 2020-  
3 2021 shall be increased as follows:

4 Effective December 26, 2020: 3.00%

5 Effective COB June 30, 2021: 0.50%

6 B. The 1283 – Director, Employee Relations Division Classification’s Pay Plan  
7 shall be the same range of pay as the 0954 – Deputy Director IV Classification.

8 The 1282 – Manager, Employee Relations Division Classification’s Pay Plan  
9 shall be the same range of pay as the 0932 – Manager IV Classification.

10 The 1281 – Senior Employee Relations Representative Classification’s Pay  
11 Plan shall be the same range of pay as the 1824 – Principal Administrative Analyst  
12 Classification. There shall be three additional five percent (5%) steps (Steps 6, 7 & 8) at the  
13 top of the range for this classification. The Employee Relations Director may place  
14 employees in Step 6, 7 or 8, contingent upon the Employee Relations Director designating  
15 the employee as the principal representative for a major employee group.

16 The Pay Plan for classifications 1280 – Employee Relations Representative  
17 and 9530 – Labor Relations Representative, SFMTA, shall be the same range of pay as the  
18 1244 – Senior Personnel Analyst Classification. There shall also be three additional five  
19 percent (5%) steps (Steps 1, 2 & 3) at the bottom of the range. The Employee Relations  
20 Director for classification 1280, or Director of Transportation or designee for classification  
21 9530, may place employees in Steps 6, 7 or 8, contingent upon designating the employee as  
22 the lead responsibility for an employee group.

23 The 1293 – Human Resources Director Classification’s Pay Plan shall be the  
24 same range of pay as the 0964 – Department Head IV Classification.

1 C. The 1682 – Controller Classification’s Pay Plan shall be the same range of pay  
2 as the 0965 – Department Head V Classification.

3 D. The Port Commission shall determine the salary for the 9399 Port Director  
4 Classification, pursuant to Charter Appendix B3.581(h).

5 E. All base wage calculations shall be rounded to the nearest whole dollar, bi-  
6 weekly salary.

7 F. Notwithstanding the provisions of this Section 2 above, classifications in the list below  
8 will receive no wage increase during fiscal year 2020-2021:

9 0885 Mayoral Staff V

10 0886 Mayoral Staff VI

11 0887 Mayoral Staff VII

12 0888 Mayoral Staff VIII

13 0889 Mayoral Staff IX

14 0890 Mayoral Staff X

15 0891 Mayoral Staff XI

16 0892 Mayoral Staff XII

17 0901 Mayoral Staff XIII

18 0902 Mayoral Staff XIV

19 0903 Mayoral Staff XV

20 0904 Mayoral Staff XVI

21 0905 Mayoral Staff XVII

22 G. Retirement Restoration. For employees affected by paragraph (F) above who retire  
23 between December 26, 2020 and June 30, 2021, the City will provide restoration back pay for the  
24 deferred 3.00% wage increase on paid regularly scheduled hours for the period that preceded the  
25 date of retirement, back to December 26, 2020. Restoration payments constitute pensionable

1 compensation, to the maximum extent permissible under the Charter. As an example, by way of  
2 illustration only, if an employee retires effective June 30, 2021, the City would provide back pay to  
3 the employee for the period December 26, 2020 through June 29, 2021, in the amount of 3% on paid  
4 regularly scheduled hours, including paid leave hours.

5  
6 Section 2. Effective Date. This Ordinance shall become effective upon enactment.  
7 Enactment occurs when the Mayor signs the Ordinance, the Mayor returns the Ordinance  
8 unsigned or does not sign the Ordinance within ten days of receiving it, or the Board of  
9 Supervisors overrides the Mayor's veto of the Ordinance.

10  
11 APPROVED AS TO FORM:  
12 DENNIS J. HERRERA, City Attorney

13 By: /s/  
14 KATHARINE HOBIN PORTER  
15 Chief Labor Attorney

16 n:\labor\as2020\0200064\01477877.docx

**LEGISLATIVE DIGEST**

[Compensation for Unrepresented Employees]

**Ordinance amending Ordinance No. 106-20 fixing compensation for persons employed by the City and County of San Francisco whose compensation is subject to the provisions of Section A8.409 of the Charter, in job codes not represented by an employee organization, and establishing working schedules and other terms and conditions of employment and methods of payment effective July 1, 2020.**

Existing Law

Under Charter Section A8.409-1, the Mayor proposes for approval by the Board of Supervisors the wages, hours, and other terms and conditions of employment set forth herein to be applicable to all unrepresented job codes or positions of City employment. Pursuant to Section A8.409-1, on May 12, 2020, the Mayor submitted an ordinance proposing the wages, hours, and other terms and conditions of employment applicable to all unrepresented job codes or positions of City employment. On June 30, 2020, the Board of Supervisors finally approved that ordinance, and the Mayor approved it on July 10, 2020 (File No. 200480, Ordinance No. 106-20).

Amendments to Current Law

The proposed ordinance amends the current ordinance setting compensation for unrepresented employees to eliminate wage increases for the fiscal year for specified unrepresented classifications in the Mayor's Office.

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**OFFICE OF THE CONTROLLER**  
**CITY AND COUNTY OF SAN FRANCISCO**

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

October 28, 2020

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 201045 - 201053: Amendments to Memoranda of Understanding (MOU) between the City and County of San Francisco and various Unions representing City bargaining units

Dear Ms. Calvillo,

In accordance with Ordinance 92-94, I submit a cost analysis of nine MOU amendments between the City and County of San Francisco and various Unions representing employee bargaining units. The MOUs for the four safety unions (San Francisco Fire Fighters Local 798, Units 1 and 2; Police Officers Association; Municipal Executives Association – Fire; and Municipal Executives Association – Police), originally set to expire on June 30, 2021, have been extended for two years until June 30, 2023. The period covered by the other affected MOUs are unchanged by these amendments.

The MOU amendments affect approximately 6,000 authorized positions with an overall salary and benefits base of approximately \$1.1 billion. Our analysis finds that the MOUs will result in decreased costs to the City of \$12.3 million (or 1.1%) in FY 2020-21, \$6.2 million (or 0.6%) in FY 2021-22, and increased costs to the City of \$35.8 million (or 3.3%) in FY 2022-23. Approximately 90% of the savings in FY 2020-21 and FY 2021-22 supports the General Fund and 90% of the cost in FY 2022-23 is supported by the General Fund.

Our cost estimates assume that premiums, overtime, and other adjustments grow consistently with wage changes. Some wage and premium increases in FY 2021-22 and FY 2022-23 could be delayed if the Joint Report projects a budget deficit greater than \$200 million. These cost estimates assume that those increases will take place as scheduled. If the increases are delayed, the estimated cost would be reduced approximately \$11.6 million and \$11.8 million in FY 2021-22 and FY 2022-23, respectively.

See Attachments A and B for a detailed listing and analysis of costs for the affected MOUs.

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

Sincerely,

/s/ \_\_\_\_\_

Ben Rosenfield  
Controller

cc: Carol Isen, ERD  
Harvey Rose, Budget Analyst

## Attachment A

Combined Costs for All MOUs and Amendments	FY 2020-21	FY 2021-22	FY 2022-23
Wages	\$ (7,825,000)	\$ 31,000	\$ 29,363,000
Wage-Related Fringe Benefits	(1,636,000)	(275,000)	6,036,000
Premiums	(3,310,000)	(6,596,000)	0
Other Benefits	454,000	619,000	445,000
<b>MOU Total</b>	<b>\$ (12,317,000)</b>	<b>\$ (6,221,000)</b>	<b>\$ 35,844,000</b>
<i>% of Wage and Benefits Base</i>	<i>-1.1%</i>	<i>-0.6%</i>	<i>3.3%</i>

### Union Detail

File Number Union

San Francisco Fire Fighters Local 798, Unit 1 and Unit 2	FY 2020-21	FY 2021-22	FY 2022-23
201045- Wage Deferrals	\$ (4,071,000)	\$ (7,989,000)	\$ (5,326,000)
201046 Wage Deferral Related Fringe Benefits	(819,000)	(1,607,000)	(1,072,000)
Wage Increases	0	7,989,000	16,217,000
Wage Increase Related Fringe Benefits	0	1,607,000	3,263,000
Retirement Restoration	28,000	174,000	159,000
<b>Union Total</b>	<b>\$ (4,862,000)</b>	<b>\$ 174,000</b>	<b>\$ 13,241,000</b>
<i>% of Wage and Benefits Base</i>	<i>-1.5%</i>	<i>0.1%</i>	<i>4.1%</i>

201047 Municipal Executives Association	FY 2020-21	FY 2021-22
Grievance Procedures	\$ 0	\$ 0
<b>Union Total</b>	<b>\$ 0</b>	<b>\$ 0</b>
<i>% of Wage and Benefits Base</i>	<i>N/A</i>	<i>N/A</i>



201048	<b>Municipal Executives Association - Fire</b>	FY 2020-21	FY 2021-22	FY 2022-23
	Wage Deferrals	\$ (32,000)	\$ (64,000)	\$ (42,000)
	Wage Deferral Related Fringe Benefits	(7,000)	(13,000)	(9,000)
	Wage Increases	0	64,000	129,000
	Wage Increase Related Fringe Benefits	0	13,000	27,000
	Retirement Restoration	2,000	15,000	14,000
	<b>Union Total \$</b>	<b>(37,000)</b>	<b>\$ 15,000</b>	<b>\$ 119,000</b>
	<i>% of Wage and Benefits Base</i>	<i>-1.4%</i>	<i>0.6%</i>	<i>4.6%</i>
201049	<b>Municipal Executives Association - Police</b>	FY 2020-21	FY 2021-22	FY 2022-23
	Wage Deferrals	\$ (44,000)	\$ (130,000)	\$ (44,000)
	Wage Deferral Related Fringe Benefits	(10,000)	(28,000)	(10,000)
	Wage Increases	0	129,000	262,000
	Wage Increase Related Fringe Benefits	0	28,000	57,000
	Retirement Restoration	4,000	27,000	17,000
	Retention Pay	(206,000)	(387,000)	
	<b>Union Total \$</b>	<b>(256,000)</b>	<b>\$ (361,000)</b>	<b>\$ 282,000</b>
	<i>% of Wage and Benefits Base</i>	<i>-4.9%</i>	<i>-6.9%</i>	<i>5.4%</i>
201050	<b>Police Officers Association</b>	FY 2020-21	FY 2021-22	FY 2022-23
	Wage Deferrals	\$ (3,652,000)	\$ (10,822,000)	\$ (3,655,000)
	Wage Deferral Related Fringe Benefits	(760,000)	(2,511,000)	(760,000)
	Wage Increases	0	10,750,000	21,822,000
	Wage Increase Related Fringe Benefits	0	2,236,000	4,540,000
	Retirement Restoration	60,000	403,000	255,000
	Retention Pay	(3,104,000)	(6,209,000)	0
	Grievance Settlement	360,000	0	0
	<b>Union Total \$</b>	<b>(7,096,000)</b>	<b>\$ (6,153,000)</b>	<b>\$ 22,202,000</b>
	<i>% of Wage and Benefits Base</i>	<i>-1.6%</i>	<i>-1.4%</i>	<i>5.1%</i>

201051	<b>Service Employees International Union, Local 1021</b>		FY 2020-21	FY 2021-22
	Work Study Provisions		0	0
		<b>Union Total \$</b>	<b>0 \$</b>	<b>0</b>
		<i>% of Wage and Benefits Base</i>	<i>N/A</i>	<i>N/A</i>
201052	<b>Service Employees International Union Local 1021: Staff and Per Diem Nurses</b>		FY 2020-21	FY 2021-22
	Overtime Changes	\$	50,000	\$ 104,000
		<b>Union Total \$</b>	<b>50,000 \$</b>	<b>104,000</b>
		<i>% of Wage and Benefits Base</i>	<i>0.0%</i>	<i>0.0%</i>
201053	<b>Unrepresented Employees</b>		FY 2020-21	
	Wage Deferrals	\$	(76,000)	
	Wage Deferral Related Fringe Benefits		(40,000)	
	Retirement Restoration		0	
		<b>Union Total \$</b>	<b>(116,000)</b>	
		<i>% of Wage and Benefits Base</i>	<i>-1.7%</i>	

## Attachment B

In accordance with Ordinance 92-94, the Office of the Controller conducted a cost analysis of nine MOU amendments between the City and County of San Francisco and various Unions representing employee bargaining units. The attached analysis reviews the MOU amendments listed below:

201045 – San Francisco Fire Fighters Local 798, Unit 1  
201046 – San Francisco Fire Fighters Local 798, Unit 2  
201047 – Municipal Executives Association  
201048 – Municipal Executives Association – Fire  
201049 – Municipal Executives Association – Police  
201050 – Police Officers Association  
201051 – Service Employees International Union, Local 1021  
201052 – Service Employees International Union Local 1021: Staff and Per Diem Nurses  
201053 – Unrepresented Employees

The MOU amendments affect approximately 6,000 authorized positions with an overall salary and benefits base of approximately \$1.1 billion. Our analysis finds that the MOUs will result in decreased costs to the City of \$12.3 million (or 1.1%) in FY 2020-21, \$6.2 million (or 0.6%) in FY 2021-22, and increased costs to the City of \$35.8 million (or 3.3%) in FY 2022-23. Approximately 90% of the savings in FY 2020-21 and FY 2021-22 supports the General Fund and 90% of the cost in FY 2022-23 is supported by the General Fund.

Our cost estimates assume that premiums, overtime, and other adjustments grow consistently with wage changes. Some wage and premium increases in FY 2021-22 and FY 2022-23 could be delayed if the Joint Report projects a budget deficit greater than \$200 million. These cost estimates assume that those increases will take place as scheduled. If the increases are delayed, the estimated cost would be reduced approximately \$11.6 million and \$11.8 million in FY 2021-22 and FY 2022-23, respectively.

Details of the files are discussed in more detail below:

### **File Numbers 201045 and 201046 – San Francisco Fire Fighters Local 798, Units 1 and 2**

The MOU is extended for two years and will now expire on June 30, 2023. The 3.0% general wage increase scheduled for December 26, 2020 is split and deferred as follows: 1.0% deferred until the close of business on June 30, 2022 and 2.0% deferred until the close of business on June 30, 2023. There are two new general wage increases: A 3.0% increase due on July 1, 2021 and a 3.0% increase due on July 1, 2022. Both increases could be delayed approximately six months if the Joint Report finds a budget deficit exceeding \$200 million.

Employees who retire between December 26, 2020 and June 30, 2024 are entitled to up to 12 months of pensionable backpay to restore the deferred wage increases.

#### **201047 – Municipal Executives Association**

The grievance procedures are amended and expedited arbitration will be required in certain circumstances. There is no estimable cost related to these changes.

#### **201048 – Municipal Executives Association – Fire**

The MOU is extended for two years and will now expire on June 30, 2023. The 3.0% general wage increase scheduled for December 26, 2020 is split and deferred as follows: 1.0% deferred until the close of business on June 30, 2022 and 2.0% deferred until the close of business on June 30, 2023. There are two new general wage increases: A 3.0% increase due on July 1, 2021 and a 3.0% increase due on July 1, 2022. Both increases could be delayed approximately six months if the Joint Report finds a budget deficit exceeding \$200 million.

Employees who retire between December 26, 2020 and June 30, 2024 are entitled to up to 12 months of pensionable backpay to restore the deferred wage increases.

#### **201049 – Municipal Executives Association – Police**

The MOU is extended for two years and will now expire on June 30, 2023. The 2.0% wage increase due on December 26, 2020 is deferred until the close of business on June 30, 2022. The 1.0% wage increase due on June 30, 2021 at the close of business is deferred until the close of business on June 30, 2023. There are two new general wage increases: A 3.0% increase due on July 1, 2021 and a 3.0% increase due on July 1, 2022. Both increases could be delayed approximately six months if the Joint Report finds a budget deficit exceeding \$200 million.

The restructuring and increases to retention pay that were due on December 26, 2020 are deferred until the close of business on June 30, 2022. In addition, the requirement to work 1,700 hours to be eligible for retention pay is eliminated.

Employees who retire between December 26, 2020 and June 30, 2024 are entitled to up to 12 months of pensionable backpay to restore the deferred wage increases and the delayed changes to retention pay.

#### **201050 – Police Officers Association**

The MOU is extended for two years and will now expire on June 30, 2023. The 2.0% wage increase due on December 26, 2020 is deferred until the close of business on June 30, 2022. The 1.0% wage increase due on June 30, 2021 at the close of business is deferred until the close of business on June 30, 2023. There are two new general wage increases: A 3.0% increase due on July 1, 2021 and a 3.0% increase due on July 1, 2022. Both increases could be delayed approximately six months if the Joint Report finds a budget deficit exceeding \$200 million.

The restructuring and increases to retention pay that were due on December 26, 2020 are deferred until the close of business on June 30, 2022. In addition, the requirement to work 1,700 hours to be eligible for retention pay is eliminated.

Employees who retire between December 26, 2020 and June 30, 2024 are entitled to up to 12 months of pensionable backpay to restore the deferred wage increases and the delayed changes to retention pay.

As part of the MOU amendment, the City and SFPOA agreed to resolve two grievances related to the retention pay benefit.

#### **201051 – Service Employees International Union, Local 1021**

The MOU revises the work study program, but the maximum cost to the City is unchanged.

#### **201052 – Service Employees International Union Local 1021: Staff and Per Diem Nurses**

Registered nurses (job class 2320) working non-standard schedules (e.g., part-time, 12-hour shifts) will receive overtime pay for any hours in excess of 12 in a shift. Additionally, registered nurses who are required to work through their lunch breaks will receive overtime pay for that time.

#### **201053 – Unrepresented Employees**

Mayoral classifications 0885 – 0905 will not receive general wage increases in FY 2020-21.

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller

FROM: John Carroll, Assistant Clerk, GAO Committee, Board of Supervisors

DATE: September 23, 2020

SUBJECT: LEGISLATION INTRODUCED - Cost Analysis, Memoranda of Understanding – September 2020

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The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Mayor Breed on September 15, 2020:

These matters are pending committee action; I'm forwarding them to you for a cost analysis.

Please forward your analysis to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

File No. 201045 [Memorandum of Understanding - San Francisco Fire Fighters Local 798, Unit 1]

**Ordinance adopting and implementing the Second Amendment to the 2018-2021 Memorandum of Understanding between the City and County of San Francisco and the San Francisco Fire Fighters Association Local 798, Unit 1, to defer wage increases currently set for Fiscal Year 2020-2021, extend the term by two years, and set wages for the additional term.**

File No. 201046 [Memorandum of Understanding - San Francisco Fire Fighters Local 798, Unit 2]

**Ordinance adopting and implementing the Third Amendment to the 2018-2021 Memorandum of Understanding between the City and County of San Francisco and the San Francisco Fire Fighters Association Local 798, Unit 2, to defer wage increases currently set for Fiscal Year 2020-2021, extend the term by two years, and set wages for the additional term.**

File No. 201047 [Memorandum of Understanding - Municipal Executives Association]

**Ordinance adopting and implementing the First Amendment to the 2019-2022 Memorandum of Understanding between the City and County of San Francisco and the Municipal Executives Association, to update the grievance procedures.**

File No. 201048 Memorandum of Understanding - Municipal Executives Association - Fire]

**Ordinance adopting and implementing the First Amendment to the 2018-2021 Memorandum of Understanding between the City and County of San Francisco and the Municipal Executives Association - Fire, to defer wage increases currently set for Fiscal Year 2020-2021, extend the term by two years, and set wages for the additional term.**

File No. 201049 [Memorandum of Understanding - Municipal Executives Association - Police]

**Ordinance adopting and implementing the First Amendment to the 2018-2021 Memorandum of Understanding between the City and County of San Francisco and the Municipal Executives Association - Police, to defer wage increases currently set for Fiscal Year 2020-2021, amend the retention premium provisions, extend the term by two years, and set wages for the additional term.**

File No. 201050 [Memorandum of Understanding and Settlement of Grievances - Police Officers Association]

**Ordinance adopting and implementing the Tentative Agreement between the City and County of San Francisco and the San Francisco Police Officers Association (“POA”), including: (1) adopting and implementing the First Amendment to the 2018-2021 Memorandum of Understanding between the City and POA, to defer wage increases currently set for Fiscal Year 2020-2021, amend the retention premium provisions, amend the 10B overtime provisions, extend the term by two years, and set wages for the additional term; and (2) approving settlement of two grievances filed by the POA against the City, for a not to exceed amount of \$359,613.87; the grievances were filed on March 25, 2020, and June 29, 2020, and involve compensation disputes under the Memorandum of Understanding.**

File No. 201051 [Memorandum of Understanding - Service Employees International Union, Local 1021]

**Ordinance adopting and implementing the Second Amendment to the 2019-2022 Memorandum of Understanding between the City and County of San Francisco and Service Employees International Union, Local 1021 (Miscellaneous) to update the work study provisions.**

File No. 201052 [Memorandum of Understanding - Service Employees International Union Local 1021: Staff & Per Diem Nurses]

**Ordinance adopting and implementing the First Amendment to the 2019-2022 Memorandum of Understanding between the City and County of San Francisco and the Service Employees International Union, Local 1021: Staff & Per Diem Nurses, to make administrative amendments to the overtime provisions.**

File No. 201053 [Compensation for Unrepresented Employees]

**Ordinance amending Ordinance No. 106-20 fixing compensation for persons employed by the City and County of San Francisco whose compensation is subject to the provisions of Section A8.409 of the Charter, in job codes not represented by an employee organization, and establishing working schedules and other terms and conditions of employment and methods of payment effective July 1, 2020.**

c: Todd Rydstrom, Office of the Controller  
Michelle Allersma, Office of the Controller  
Carol Lu, Office of the Controller



City and County of San Francisco  
Micki Callahan  
Human Resources Director



Department of Human Resources  
*Connecting People with Purpose*  
www.sfdhr.org

September 15, 2020

TO: Angela Calvillo, Clerk of the Board  
Board of Supervisors

FROM: Carol Isen, Employee Relations Director  
Department of Human Resources

RE: **MOU Amendments and Unrepresented Employees Ordinance**

### **Background**

Due to the unexpected deterioration of the City's financial condition resulting from the COVID-19 pandemic, the Mayor asked all labor organizations representing City employees to consider deferring negotiated wage increases due in FY 2020-21 and FY 2021-22. Labor organizations representing sworn members of the Fire and Police departments agreed to engage in discussions with the Mayor's office, resulting in tentative agreements as described in this transmittal memo. The total savings to the General Fund for FY 2020-21 is \$12 million, FY 2021-22 is \$29 million and FY 2022-23 is \$11 million. The remainder of the City's labor organizations declined to engage in discussions. Other MOU amendments, unrelated to wage deferrals, are also included in the transmittal memo.

### **Enclosed are eight (8) MOU Amendments and one (1) Unrepresented Employees Ordinance Amendment**

1. Second Amendment to the Fire Fighters' Local 798, Unit 1, MOU (July 1, 2018 through June 30, 2021)
2. Third Amendment to the Fire Fighters' Local 798, Unit 2, MOU (July 1, 2018 through June 30, 2021)
3. First Amendment to the Municipal Executives' Association - Fire, MOU (July 1, 2018 through June 30, 2021)
4. First Amendment to the San Francisco Police Officers' Association MOU (July 1, 2018 through June 30, 2021), part of a Tentative Agreement with the SFPOA that also includes settlement of two pending grievances
5. First Amendment to the Municipal Executives' Association - Police, MOU (July 1, 2018 through June 30, 2021)
6. Amendment to the Unrepresented Employees Ordinance
7. First Amendment to the Municipal Executives' Association, Misc., MOU (July 1, 2019 through June 30, 2022)
8. First Amendment to the Service Employees International Union, Local 1021, Staff and Per Diem Nurses, MOU (July 1, 2019 through June 30, 2022)
9. Second Amendment to the Service Employees International Union, Local 1021, Misc., MOU (July 1, 2019 through June 30, 2022)

Please find enclosed for each MOU Amendment:

- 1 signed MOU Amendment
- 1 signed TENTATIVE AGREEMENT (SFPOA only)
- 1 signed ORDINANCE on redline paper
- 1 redline MOU
- 1 clean MOU

Please find enclosed for the Unrepresented Employees Ordinance Amendment:

- 1 Signed ORDINANCE on redline paper
- 1 Legislative Digest

## Summary of Changes

### 1. Fire Fighters' Local 798, Unit 1, MOU Amendment No. 2

- **Wages**
  - 3.00% General Wage increase due on December 26, 2020, split and deferred as follows:
    - 1.00% deferred until COB June 30, 2022.
    - 2.00% deferred until COB June 30, 2023.
  - New 3.00% General Wage Increase due on July 1, 2021 with possible six-month deferral based on the Joint Report.
  - New 3.00% General Wage Increase due on July 1, 2022 with possible six-month deferral based on the Joint Report.
- **Retirement Restoration** – Retiring employees will be eligible for up to 12 months of restoration back pay for the 1.00% general wage increase deferred from December 26, 2020 through COB June 30, 2022 and the 2% general wage increase deferred from December 26, 2020 through COB June 30, 2023. The intention of the Retirement Restoration program is to make whole those employees who retire during the deferral period so their pensions are not adversely affected by the deferral.
- **Term** – MOU extended two years to now expire on June 30, 2023.

### 2. Fire Fighters' Local 798, Unit 2, MOU Amendment No. 3

- **Wages**
  - 3.00% General Wage increase due on December 26, 2020, split and deferred as follows:
    - 1.00% deferred until COB June 30, 2022.
    - 2.00% deferred until COB June 30, 2023.
  - New 3.00% General Wage Increase due on July 1, 2021 with possible six-month deferral based on the Joint Report.
  - New 3.00% General Wage Increase due on July 1, 2022 with possible six-month deferral based on the Joint Report.
- **Retirement Restoration** – Retiring employees will be eligible for up to 12 months of restoration back pay for the 1.00% general wage increase deferred from December 26, 2020 through COB June 30, 2022 and the 2% general wage increase deferred from December 26, 2020 through COB June 30, 2023. The intention of the Retirement Restoration program is to make whole those employees who retire during the deferral period so their pensions are not adversely affected by the deferral.
- **Term** – MOU extended two years to now expire on June 30, 2023.

### 3. Municipal Executives' Association, Fire, MOU Amendment No. 1

- **Wages**
  - 3.00% General Wage increase due on December 26, 2020, split and deferred as follows:
    - 1.00% deferred until COB June 30, 2022.
    - 2.00% deferred until COB June 30, 2023.
  - New 3.00% General Wage Increase due on July 1, 2021 with possible six-month deferral based on the Joint Report.
  - New 3.00% General Wage Increase due on July 1, 2022 with possible six-month deferral based on the Joint Report.
- **Retirement Restoration** – Retiring employees will be eligible for up to 12 months of restoration back pay for the 1.00% general wage increase deferred from December 26, 2020 through COB June 30, 2022 and the 2.00% general wage increase deferred from December 26, 2020 through COB June 30, 2023. The intention of the Retirement Restoration program is to make whole those employees who retire during the deferral period so their pensions are not adversely affected by the deferral.
- **Term** – MOU extended two years to now expire on June 30, 2023.

### 4. San Francisco Police Officers' Association Tentative Agreement

#### A. MOU, Amendment No. 1

- **Wages**
  - 2.00% General Wage Increase due on December 26, 2020 deferred until COB June 30, 2022.
  - 1.00% General Wage Increase due on COB June 30, 2021 deferred until COB June 30, 2023.
  - New 3.00% General Wage Increase due on July 1, 2021 with possible six-month deferral based on the Joint Report.
  - New 3.00% General Wage Increase due on July 1, 2022 with possible six-month deferral based on the Joint Report.
- **Retention Pay**
  - Retention pay restructuring and increases due on December 26, 2020 deferred until COB June 30, 2022.
  - Eliminate 1,700 hours worked (WKP) eligibility requirement for retention pay.
- **Retirement Restoration** – Employees retiring between December 26, 2020 and June 30, 2024 will be eligible for up to 12 months of restoration back pay for the 2.00% general wage increase due on December 26, 2020, the 1.00% general wage increase due on COB June 30, 2020, and the retention pay increases due on December 26, 2020. The intention of the Retirement Restoration program is to make whole those employees who retire during the deferral period so their pensions are not adversely affected by the deferral.
- **Term** – MOU extended two years to expire on June 30, 2023.

- **10B Overtime** – Employees are ineligible to work 10B overtime assignments:
  - During hours in which an employee is regularly scheduled to work; or
  - If the employee took more than twenty hours of paid sick leave in last three months as reviewed on a quarterly basis (excluding sick leave for birth/adoption of a child or death of a close family member).

## **B. Grievances Settlement**

The City and SFPOA agreed, as part of the overall tentative agreement, to enter a settlement agreement to resolve two grievances related to the retention premium pay benefit under the MOU. Under the agreement, the City will provide back pay to Police Officers who claimed they were wrongfully denied retention pay premiums in an amount not to exceed \$359,613.87. This amount is based on known back pay for the period July 1, 2018 through June 30, 2020 in the amount of \$134,613.87, and estimated back pay through implementation of the amended MOU retention pay provision (estimated at October 30, 2020) not to exceed \$225,000. The City will also waive its claims for overpayment of retention pay benefits.

## **5. Municipal Executives' Association, Police, MOU Amendment No. 1**

- **Wages**
  - 2.00% General Wage Increase due on December 26, 2020 deferred until COB June 30, 2022.
  - 1.00% General Wage Increase due on January 1, 2021 deferred until COB June 30, 2023.
  - New 3.00% General Wage Increase due on July 1, 2021 with possible six-month deferral based on the Joint Report.
  - New 3.00% General Wage Increase due on July 1, 2022 with possible six-month deferral based on the Joint Report.
- **Retention Pay**
  - Retention pay restructuring and increases due on December 26, 2020 deferred until COB June 30, 2022.
  - Eliminate 1,700 hours worked (WKP) eligibility requirement for retention pay.
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- **Term** – MOU extended two years to expire on June 30, 2023.

## **6. Amendment to the Unrepresented Employees Ordinance**

- **Wages** – Mayoral Classifications 0885 – 0905 shall not receive general wage increases in FY20-21

**7. Municipal Executives' Association, Misc. MOU Amendment No. 1**

- **Grievance Procedures** – The Association will be able to grieve discipline for permanent civil service employees who have passed probation. Currently, the Association may only appeal discipline through a hearing process set out in San Francisco Charter Sections A8.341 and A8.342.
- **Expedited Arbitration** – Expedited arbitration will be required for suspensions of 10 days or less. Each expedited arbitration hearing for five days suspension or less will last a maximum of two hours. Each expedited arbitration hearing for six through ten days suspension will last a maximum of four hours.
- **Arbitrators** – Amends list of arbitrators in Appendix B.

**8. Service Employees International Union, Local 1021, Staff and Per Diem Nurses, Amendment No. 1**

- **Overtime** - For employees working any other work schedules (e.g., part-time, 12 hour shifts), any time worked under proper authorization of the appointing officer by a nurse in excess of twelve (12) hours in a day or eighty (80) hours per payroll period shall be compensated at one-and-one-half (1-1/2) the base hourly rate which shall include shift differential if applicable.
- For informational purposes only, effective July 1, 2020, the Department of Human Resources administratively changed the status of classification 2830 Public Health Nurse from “Z” to “N.”

**9. Service Employees International Union, Local 1021, Misc., Amendment No. 2**

- **Work Training Program** – Employees in permanent civil service appointment may be approved with pay to attend accredited educational institutions for up to eight (8) hours in any one (1) week, to attend classes during regular working hours. Participants in the Work Training Program must attend an accredited educational institution approved by the Human Resources Director. Employees approved to participate may enroll in classes through the program for up to two (2) years. Effective July 1, 2021, the City shall transfer \$258,143 to the Union’s Work Training Program fund; this amount represents the balance remaining on June 30, 2019. Thereafter, the cost to the City of the Work Training Program shall not exceed \$200,000 per fiscal year. With the exception of the one-time balance transfer of unused Work Training Program funds on July 1, 2021, unused funds shall not be carried forward from fiscal year to fiscal year.

Thank you.

Enclosures

Angela Calvillo  
September 15, 2020  
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cc: Ben Rosenfield, Controller  
Micki Callahan, Human Resources Director  
Kelly Kirkpatrick, Mayor's Budget Director  
Sophia Kittler, Mayor's Liaison to the Board of Supervisors  
Members, Government, Audit and Oversight Committee  
John Carroll, Assistant Clerk, Board of Supervisors  
Brent Jalipa, Legislative Clerk, Board of Supervisors  
Katharine Hobin Porter, Chief Labor Attorney, City Attorney's Office  
File