



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

July 2, 2010

Ms. Angela Calvillo
Clerk of the Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2010 JUL -2 PM 4:05
BY *W*

RE: File No. 100866: Amendment to Memorandum of Understanding (MOU) with Freight Checkers, Clerical Employees & Helpers, Local 856 (Supervising Registered Nurses Unit 11.B.)

Dear Ms. Calvillo,

In accordance with Ordinance 92-94, I am submitting a cost analysis of the Amendment (amendment) to the MOU between the City and County of San Francisco and the Freight Checkers, Clerical Employees & Helpers, Local 856 (Supervising Registered Nurses Unit 11.B). The amendment applies to the period commencing July 1, 2010 through June 30, 2012, affecting 100 authorized positions with a salary base of approximately \$8.3 million. As members of the Public Employees Committee of the San Francisco Labor Council (PEC), Supervising Registered Nurses Unit 11.B. agreed to the provisions outlined in the PEC agreement, with the exception of furlough days and a cap on City payments on health benefits.

The amendment extends the existing MOU through FY2011-12. Based on our analysis, the amendment will result in a \$643,000 savings in FY2010-11. Covered employees will defer a December 25, 2010 2% wage increase and an April 2, 2011 3% wage increase to March 31, 2012 for a combined 5% wage increase. The Supervising Nurses have also agreed to reduce their clinical on-call pay from 9% to 7% for an approximate savings of \$190,000.

The agreement provides that employees who retire during the term of the amended MOU whose compensation is impacted by wage deferrals will receive a payment equaling the pensionable value of the wage reductions 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.

The cost of continuing existing health and dental benefits provided in the agreement will increase by approximately \$28,000 in FY2010-11. 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
Ben Rosenfield
Controller

cc: Martin Gran, ERD
Harvey Rose, Budget Analyst

MOU extended through June 30, 2012
Supervising Registered Nurses, Unit 11.B
Estimated Costs/(Savings) FY 2010-2012
Controller's Office

<u>Annual Costs/(Savings)</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>
Wages		
Defer wage increases: 2% on December 25, 2010 and 3% on April 2, 2011; 5% wage increase on March 31, 2012	(\$453,467)	\$317,621
Other		
Reduce 24 hour on-call premium from 9% to 7%	(\$189,828)	
Total Estimated Incremental Costs/(Savings)	<u>(\$643,295)</u>	<u>\$317,621</u>
Cost increases in existing benefits provisions	\$27,558	\$28,886