

City and County of San Francisco
Department of Human Resources

Overview Presentation on
BARGAINING 2008



Overview of 2008 Negotiations & Memoranda of Understanding



Bargaining 2008

Budget Concessions



Municipal Executives' Association

- For FY08-09 and FY09-10, 5 unpaid furloughs days per fiscal year
 - MCCP Post-Appointment Adjustments Dollars available for FY08-09 deferred until FY09-10 (**no post-appointment adjustments for FY08-09*)
- \$7 million in savings for FY08-09 and FY09-10



FIRE

■ Holiday Premium

- 7/1/08 Premium becomes Pensionable
- 7/1/08 Reduced from 7% → 4%
- 7/1/09 Increased from 4% → 5%
- 7/1/10 Increased from 5% → 6%
- 12/25/10 Increased from 6% → 6.5%

→ \$7 million savings for FY08-09 through FY10-11



UAPD

- For FY08-09 and FY09-10, 4 unpaid furloughs days per fiscal year (**amount of furlough days to be reduced by offsetting waiver of training funds*)
→ \$1 million savings for FY08-09 and FY09-10



Laborers

- Waive existing Education Fund Balance and City's Apprenticeship Payment for FY08-09
→ \$1 million savings for FY08-09



Unrepresented Employee Ordinance

- **Wages** – no general base wage increases
 - **Bilingual Pay** – Increase premium to be consistent with the other labor agreements with the City:
 - More than 40 hours/pay period - \$60/pay period
 - More than 10 hours/pay period - \$40/pay period
 - **Executive/Administrative Leave**
 - 1283 Director of Employee Relations and employees in AB44 Confidential Chief Attorney II shall have the same executive leave benefit as employees in job codes assigned to the EM Unit.
 - 1282 Manager Employee Relations classification shall have the same administrative leave benefit as employees in job codes assigned to the M Unit.
- \$300,000 savings for FY08-09 (based on no general wage increase)



Unrepresented Employee Ordinance

- **Floating Holidays** – In lieu of base wage increases, employees, except those in Mayoral Staff classifications (0881-0905), shall receive additional four floating holidays per fiscal year.
- **Retirement Contribution** – Reflecting existing practice, classifications 1280-1283, inclusive, and classification 1293 will pick-up their own employee portion of their retirement contribution at the current rate.
- **Tuition Reimbursement** – All employees in job classes listed under the Ordinance may be reimbursed up to a maximum of \$2,000 from the Tuition Reimbursement Program and \$1,000 of available funds may be reimbursed to pay up to one-half the cost of reasonable and necessary travel and lodging for approved training.



Bargaining 2008

MOU Extensions



MOU Extensions

- The following MOUs will be extended through FY09-10:
 - MEA
 - UAPD
 - Local 21
 - SEIU Misc.
 - Plumbers
 - Oper. Eng.
 - Teamsters, L856 (Misc.)
 - Auto Mach., L1414
 - Teamsters, L350



Bargaining 2008

Proposition B:

**Changing Qualifications for Retiree
Health and Pension Benefits and
Establishing a Retiree Health Care
Trust Fund**



Pension/Healthcare Reform - Rules

- **Length of City Service—Graded Schedule for Retiree Health Coverage**
 - Covered: Hired on 1/10/09 or after; As-Needed's that have never worked 1040+ in a rolling 12 month period on or before 1/9/09; Employees that separated from City on or before 1/9/09 without 5 years of certified service
 - 5 years – access to City Health Plans
 - 10 years – access to City Health Plans with 50% of City Contribution
 - 15 years – access to City Health Plans with 75% of City Contribution
 - 20 years – access to City Health Plans with 100% of City Contribution

- **Retirement within 180 days of Separation.** Employees that separate employment with the City must elect retirement within 180 days of that separation in order to maintain eligibility of retiree health coverage.

- **New Employee Retiree Health Trust Fund Contribution Equivalent to the "Normal Cost."** Employees hired on or after January 10, 2009 shall make a contribution equivalent to the "Normal Cost" of healthcare in the previous fiscal year, capped at 2%. When the City's Annual Required Contribution (ARC) liability is retired, the City shall split the Normal Cost with Employees. "Normal Cost" is a defined term within GASB that reflects the average percent of payroll needed to fund retiree health care costs on an actuarial basis. The City will contribute 1%, as well, until the ARC liability is retired.



Pension/Healthcare Reform - Examples

■ TE, AN employee

■ Example 1

- separated on or before 1/9/09 (regardless of whether worked 1040 hours in a rolling 12 month period, provided does not have 5 years of credited service),
- returned to work for the City on or after 1/10/09,
→ Employee Pays 2% Contrib. and New Vesting Schedule

■ Example 2

- never worked more than 1040 hours in a rolling 12 month period on or before 1/9/09,
- continues to work for the City on and after 1/10/09,
→ Employee Pays No Contrib. and New Vesting Schedule

■ Example 3

- worked more than 1040 hours in a rolling 12 month period on or before 1/9/09,
- continues to work for the City on and after 1/10/09
→ Employee Pays No Contrib. and Old Vesting Schedule



Pension/Healthcare Reform - Rules

- **Cost of Living Adjustment (COLA)** – All SFERS Retirees
 - **1. Basic COLA** – 2% simple → 2% compounded
 - **2. Supplemental COLA** – maximum COLA up to 3.5% (i.e., 0.5% increase)

- **Pension Benefit Schedule** – applies to Miscellaneous only; 2% @60 → 2.1% @60, topping out at 2.3% at 62.

- **Wage Freeze** – Miscellaneous unions agree to one year MOU extension which includes no wage increases



Bargaining 2008

Bargaining 2007 Wrap Up



MEA Fire

■ Chief and Deputy Chiefs - 21% Total

- July 1, 2007 - 1% December 29, 2007 - 5%
- July 1, 2008 - 4% December 27, 2008 - 3%
- July 1, 2009 - 4% December 26, 2009 - 2%
- July 1, 2010 - 2%

■ Assistant Deputy Chiefs II and EMS Chief - 23% Total

- July 1, 2007 - 1% December 29, 2007 - 5%
- July 1, 2008 - 4% December 27, 2008 - 3%
- July 1, 2009 - 4% December 26, 2009 - 2%
- July 1, 2010 - 4%

■ Floating Holidays – Increased to five days at 20 years.

■ Executive Leave – Increased from two to five days (for Asst. DC IIs and EMS Chief)

■ Administrative Assignment Pay – removed.

■ Differential Adjustments – the following adjustments to base compensation were made to maintain underlying differentials:

- 0150 Deputy Chief of Department \$5,163
- H-51 Assistant Deputy Chief II \$6,967
- H-53 Emergency Medical Services Chief \$6,967



MEA Police

- 19% Total

- July 1, 2007 - 3% December 29, 2007 - 5%
- July 1, 2008 - 4% December 27, 2008 - 3%
- July 1, 2009 - 2%
- July 1, 2010 - 2%

- Uniform Pay – *Increased from \$750 to \$820 annually.*

- Severance Pay – *Severance up to two months provided when lack of 30 days notice and/or more than 10 years of service. Same benefit currently possessed by like ranks in Fire.*



Bargaining 2007 – Still Out There

- SEIU, 1021 – H-1 Paramedics
- POA, P-2B

