



MEA NEWSLETTER

April 2009

In this issue...

- **SAVE the DATE: MEA Fourth Quarter General Membership Meeting – Monday May 11, 2009 6pm at the San Francisco Public Library**
- **MEA Budget Proposals Appear in Legislative Form**
- **MEA Committees Prepare Recommendations for MEA Board and Membership Review**
- **MTA Requests Concessions from MEA**
- **Important New CCSF Management Training Opportunities**
- **COBRA Premium Reduction Now Provided to Laid Off Workers**
- **Meet and Confer Sessions over Layoffs Ongoing**
- **HSS Open Enrollment Continues Throughout April**
- **WFB Mortgage Program No Longer Available**

MEA Fourth Quarter General Membership Meeting – Monday, May 11, 2009

IMPORTANT MEA MEMBERSHIP MEETING – Monday, May 11 at the SF Public Library, 6-8pm. Agenda Items Include:

MEA Budget White Paper Follow Up – Committee Reports and Pending Legislation

CCSF Budget Deficit – What is the latest information about 09-10 and beyond?

Requests for Concessions – What is happening citywide and where is MEA?

MEA Budget for 09-10 – Presentation to the Membership

RSVP your attendance to staff@sfmea.com. Refreshments starting at 5pm.

Meeting Location: Latino/Hispanic Rooms A&B at the SF Main Library – 100 Larkin Street at Grove. Note: Because the Library is closed on Monday nights, you should plan to arrive prior to 6pm if possible. If you arrive after 6pm you can gain access at the far right door of the Grove Street entrance or by calling the security office at 415-557-4357.

MEA Budget Proposals Appear in Legislative Form

On Tuesday, April 7, Board of Supervisor President David Chiu requested that the City Attorney's Office work with the Controller to begin drafting a Charter Amendment incorporating the following recommendations from the MEA White Paper and the Controller's Budget Improvement Project:

1. Establish a two-year budget process and mid-cycle correction process.
2. Establish a five-year financial plan to inform a two-year budget.
3. Establish formal financial policies and an approach to meeting them over upcoming budget cycles.

In addition, there is also legislation pending that reflects two other issues raised by the White Paper – the budgeting challenges created by set asides (Mirkarimi, Chiu) and the use of one-time funding for ongoing programs (Elsbernd).

The fact that the Controller's Report mirrored so many of the recommendations in the MEA White Paper, and that the Mayor and the Board are now actively seeking input from a broad cross section of business labor and community groups regarding how to implement them, affirms the decision of MEA members to fund the process benchmarking and take the lead in identifying potential solutions to build consensus around.

MEA Committees Prepare Recommendations for MEA Board and Membership Review

1. Budget Reform: As reported in the March Newsletter, MEA President Eileen Hirst convened a sub-committee to discuss MEA's response to the City's ongoing concession requests. That committee's preliminary position reads:

Budget Reform and Potential Concessions

MEA remains committed to the principle that policy should drive budget rather than the other way around. The MEA White Paper was developed to kick start the discussion of process changes that would support and facilitate that outcome. MEA members also understand the gravity of the situation as evidenced by the more than \$5 million they returned to the City in the form of deferred compensation in 08-09 and 09-10. Ultimately, however, the problem cannot be solved in a way that protects the services we are duty bound to provide to San Franciscans unless we tackle the hard questions. This was a key finding of the MEA White Paper and has since been confirmed by the Barbary Coast analysis and the Controller's Report. MEA's position is that any solution to the 09-10 CCSF budget crisis and beyond must include:

Budget Reform

1. Binding agreement on a specific process and timeline to identify and set priorities the City can sustain over time
2. A plan that ensures that once priorities are set they are fully and adequately funded
3. A multi-faceted approach to closing the budget gap that includes revenue enhancement, structural reform, service delivery changes and labor concessions
4. Elimination of 'across the board' cuts as a viable budgeting strategy
5. A discussion on the City's use of Personal Services Contracts and their impact on the budget and staff reductions
6. Implementation of various process recommendations from the MEA White Paper and the Controller's Report
7. Agreement on protocol covering hiring freezes and layoffs including discussion of how Prop F employees are treated

Labor Contribution

8. Allocation of savings as a result of labor concessions towards specific goals such as funding employee benefits
9. Contract modifications that acknowledge the retirement planning needs of longtime City employees slated to retire over the next few fiscal years
10. Limitations on future mid-cycle concession requests by the City

Transparency

11. Up to date information as to the exact status of the budget deficit including clarity on the potential impact – positive and negative - of the state budget and federal stimulus program

2. Service Offerings and Delivery Changes: Also previously reported, a second MEA sub-committee was convened to focus on Service Offerings and Delivery Changes within the City particularly those identified by MEA members in the survey portion of the White Paper development. The final recommendations of that Committee included:

Service Offerings/Delivery Changes

An integral element of the MEA White Paper was the survey of managers citywide seeking their input and expertise. That survey revealed a number of suggestions for changes in service offerings and/or service delivery. As with all elements of the ongoing budget discussion, many of the suggestions evoke discomfort as they challenge the status quo and question long-standing practices.

Basic Principles

1. We have an obligation to utilize taxpayer's funds in the most cost effective manner possible
2. Day to day decision making is best accomplished on the ground at the departmental level, while audit and review is more appropriately handled at a centralized level - doing both at both levels wastes resources and creates confusion
3. Departmental discretion to opt out of centralized systems is counter-productive and should be discouraged

4. Failure to make decisions quickly, especially in the realm of technology, is costly and inefficient
5. "Ideas" should not be converted to "Policy" without a full cost analysis and vetting process that ensures consistency with our core priorities

Service Delivery Changes

6. Asset Management
7. Citywide Temp Pool
8. Departmental Budget Incentive Program
9. Minimization of Duplicative Services Across/Among Departments
10. Civilianization of Police and Fire where Appropriate

Service Offering Changes

11. Consolidate Departments or Areas with Similar Missions and/or Services
12. Prioritize Services and Eliminate/Reduce Low Priority Services

3. Structural Reform: The anticipated third sub-committee on Structural Reform through Expenditure Controls and Revenue Enhancement has not convened as many of the revenue suggestions are already being vetted in other forums and the Service Offering and Delivery Changes Group is looking at several cost saving ideas.

MTA Requests Concessions from MEA

In a long-expected move, the Municipal Transportation Agency has requested bargaining with MEA regarding possible concessions to help close the budget gap and minimize layoffs. Unlike managers covered under the Miscellaneous MOU with the City, MTA managers are not covered under the two year furlough deal that saved the City \$7 million dollars over 08-09 and 09-10.

Management Training Update

There are two new leadership development programs being offered for middle and high-level management CCSF staff. Enrollment fees can be covered by an employee's MEA tuition reimbursement. DHR has recommended to the departments that an employee be granted paid release time to participate as they recognize that in these difficult times there is a need for managers who are flexible, creative, skilled and confident leaders. The programs are:

1) **Leadership Development Program** at the SFSU Willie L. Brown, Jr. Leadership Center. The pilot course for this program will be held May 26-29, 2009. Its focus is on individual leadership and career development. There is space for 20 individuals. Potential participants must be nominated by their department by April 24. For nomination forms or questions about the program or nomination process please contact Carmen Clark, Program Coordinator at (415) 242-0302.

2) **Strategic Innovation in the Public Sector** offered by DHR's Workforce Development Team. This program consists of a series of workshops that can be taken independently or together for a Leadership Certificate. DHR Workforce Development Workshop Schedules and Enrollment Forms are available at www.sfgov.org/dhr. If you have any questions regarding the Workshops please call Workforce Development at (415) 557-4840.

COBRA Premium Reduction Now Provided to Laid Off Workers

Under the American Recovery and Reinvestment Act of 2009 (ARRA), individuals who are eligible for COBRA coverage because of their own or a family member's involuntary termination (Layoff) from employment that occurred from September 1, 2008 through December 31, 2009 and who elect COBRA, may be eligible to pay a reduced premium. Eligible individuals pay only 35% of the full COBRA premiums under their plans for up to nine (9) months.

HSS should provide you a notice of your eligibility to elect COBRA and to receive premium reduction.

If the amount you earn for the year is more than \$125,000 (or \$250,000 for married couples filing a joint federal income tax return), you may have to repay all or part of the premium reduction through an increase in your income tax liability for the year. If you think that your income may exceed the amounts

above, you may wish to consider waiving your right to the premium reduction. For more information consult your tax preparer or visit the IRS web page on ARRA.

Meet and Confer Session over City Layoffs Ongoing:

MEA has conducted meet and confer sessions with three departments and has two more pending as represented managers receive layoff notices. If you have received a layoff notice and we have not contacted you, please contact the office as soon as possible. Among the issues being discussed: extended notice, inclusion of additional floating holidays in payout, proper placement in underlying positions and correct calculation and timely payment of notice, severance and vacation pay.

HSS Open Enrollment Continues Through the End of the Month:

Open Enrollment for Health Service System (HSS) members is currently underway. Any changes made to benefit elections during Open Enrollment will be effective July 1, 2009.

During Open Enrollment MEA members can:

- Elect a different HSS medical or dental plan.
- Add or drop eligible dependents from HSS medical or dental coverage.
- Enroll in a 2009-2010 Healthcare and/or Dependent Care Flexible Spending Account.

All MEA represented managers must make an appointment with EBS. Contact EBS at 800-229-7683 to schedule your April 2009 Open Enrollment appointment to allocate your flexible credits.

Be aware that if you do not allocate your flexible credits during April Open Enrollment your credits will be automatically distributed. See your 2009-2010 Management Cafeteria Plan Benefits Guide for details.

By now you should have received your 2009-2010 Open Enrollment packets, which included a list of each member's current benefit elections and covered dependents. **Completed Open Enrollment applications for medical and dental plan election changes must be received by HSS no later than April 30, 2009 at 5pm. Open Enrollment applications can be delivered to HSS in person, sent through the mail or transmitted by fax.**

In addition to the mandatory appointments for MEA members to allocate their flexible credits, a voluntary HSS Open Enrollment Open House will take place at 1145 Market Street, from 8am to 4:30pm, Monday through Friday, April 1-30, 2009. Call HSS Member Services at 415-554-1750 if you need additional information.

WFB Mortgage Program No Longer Available

We have been receiving inquiries about a Wells Fargo Bank Mortgage Program offered through the MEA Cafeteria Plan. Although there is a brief reference in the Cafeteria Plan Booklet, unfortunately we have been unable to identify any such program still available. We apologize for any confusion and will be revising the booklet to delete the reference in the next printing.

MEA Board:

Eileen Hirst, President
David German, VP
Cheryl Austin, Secretary

Mary Fitzpatrick, Treasurer
Rafael Centeno
Mark Culkins
Jean Mariani

Sharyn Saslafsky
Matt Smyth
Neal Taniguchi
Bob Thomas

Staff:

Rebecca Rhine
Raquel Silva

MEA Mission Statement: To enhance the quality of life for all San Franciscans and visitors by promoting sound government practices, supporting professional excellence for our City's managers, and maintaining the highest ethical standards in the delivery of service to the public.

Municipal Executives' Association at 870 Market Street, Suite 460, San Francisco, CA 94102
Phone: (415) 989-7244 Fax: (415) 989-7077 Email: staff@sfmea.com Website: <http://www.sfmea.com>