



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller
ChiaYu Ma
Deputy Controller

Mr. John Arntz
Department of Elections
City Hall 1 Dr. Carlton B. Goodlett Place Room 48
San Francisco, CA 94102-4689

August 12, 2024

RE: Proposition I – Retirement Benefits for Nurses and 911 Operators

Dear Mr. Arntz,

Should the proposed Charter amendment be approved by the voters, in my opinion, it would have a significant impact on the cost of government. Based on the Retirement System's current actuarial assumptions and policies, the amendment would result in increased costs to the City ranging from approximately \$3.8 million to approximately \$6.7 million annually in the first year, with annual costs increasing over time.

Per Diem Nurse Retirement System Credit

The proposed Charter amendment would allow registered nurses in an SFERS eligible job classification to purchase up to three years of retirement service credit for time spent working as a per diem nurse. Currently, time worked as a per diem nurse is not eligible to earn retirement service credit. For context, as of July 1, 2023, 1,400 registered nurses actively working for the City would be eligible to buy back per diem service credit. The cost to buy back these years of service would be paid by the individual employee. The amendment would not allow time worked as a per diem nurse to establish an earlier membership date in SFERS.

The estimated annual cost of increased City retirement costs would depend on the number of individuals who buy back prior service credit and could range from approximately \$1.5 million to approximately \$4.4 million per year in increased City retirement contributions.

Public Safety Communications Personnel

The proposed Charter amendment would move 911 dispatchers, including supervisors and coordinators, from the miscellaneous retirement plans to the miscellaneous safety retirement plan. The amendment would require time spent working by 911 dispatchers after January 4, 2025 to be credited to their miscellaneous safety retirement plans.

The estimated annual cost to the City is approximately \$2.3 million starting in FY 2025-26 in increased retirement contributions and would increase each year as the amount of the affected

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payroll increases. For context, approximately 175 911-dispatchers (including supervisors and coordinators) work for the City.

To the extent the proposed amendment encourages existing 911 dispatchers to work additional years, the City may be able to defer or reduce the cost to onboard new 911 dispatchers – but at a rate that cannot be predicted at this time. For context, training and onboarding one new 911 dispatcher costs between approximately \$225,000 and \$235,000.

Sincerely,



Greg Wagner
Controller

Note: This analysis reflects our understanding of the proposal as of the date shown. At times further information is provided to us which may result in revisions being made to this analysis before the final Controller's statement appears in the Voter Information Pamphlet.