

# NEWS RELEASE

## SUPERIOR COURT OF CALIFORNIA

### COUNTY OF SAN FRANCISCO

400 McAllister Street, Room 205  
San Francisco, CA 94102-4512  
Phone: 415-551-5737  
FAX: 415-551-5701



**T. MICHAEL YUEN**  
COURT EXECUTIVE OFFICER

Contact:

**Ann E. Donlan**  
**(415) 551-5957**  
[adonlan@sftc.org](mailto:adonlan@sftc.org)  
**Follow Us on Twitter:**  
<https://twitter.com/SFSuperiorCourt>

RELEASE DATE: December 4, 2012

## EXECUTIVE COMMITTEE UNANIMOUSLY APPROVES LABOR AGREEMENTS

### *3-Year Pacts Deliver \$4.1 Million in Savings for the Court*

**SAN FRANCISCO** -- San Francisco Superior Court has reached new fiscally-sound labor agreements with its employees that will save the Court an average of \$1.575 million each year in pension and healthcare costs, Court Executive Officer T. Michael Yuen announced tonight.

The new agreement:

- Reduces the Court's contribution to the cost of employees' pensions. In exchange for this pension reform, the Court has agreed to pay employees a **one-time** payment of \$3,500 in the first year.
- Reduces the Court's share of employee healthcare cost increases to 9 percent per year.
- Provides a 3 percent wage increase on July 1, 2013. The last raise was a 2 percent increase in 2008, the lowest among the 10 largest courts in California.
- Restores the 5 percent pay cut that took effect on July 1, 2012.

The 11-member Executive Committee unanimously approved the agreements reached with the Service Employees International Union, Local 1021; Municipal Executives Association;

**-MORE-**

**SFSC/LABOR AGREEMENTS**  
**2-2-2-2**

International Federation of Professional and Technical Engineers (IFPTE), Local 21; and the San Francisco Court Reporters Association/IFPTE, Local 21.

“Employees have done their part to help the Court through the unprecedented challenges of the past four years,” Yuen said. “These agreements make fiscally-sound structural changes, which benefit the Court. The Court will realize more than \$4 million in pension reform savings during the 3-year contracts, with savings continuing annually thereafter.”

The Court has undertaken the fiscally-responsible approach of operationalizing \$10.5 million in ongoing state budget cuts instead of relying on one-time funding backfills from the Judicial Council. The Court has managed the fiscal crisis of the past four years with a combination of employee layoffs, pay cuts, furloughs and service reductions, including the closure of 11 courtrooms. As a result, the Court managed to increase its reserves to \$12 million. However, a radical shift in trial court funding imposed by Sacramento in June 2012 limits the trial courts’ authority to maintain reserves, which thwarts the Court’s efforts to save money to cover ongoing state budget cuts. Effective June 30, 2014, the Court will no longer have the authority to hold more than \$534,000 in its reserves.

San Francisco Superior Court employees are covered by the San Francisco Retirement System (SFERS), which is one of only two independent public employee retirement systems in the state. SFERS is not bound by recent state pension reform legislation that takes effect on January 1, 2013. As a result, the Court had to negotiate its own pension reform measures with its unions to reduce retirement costs.

“These agreements make structural reforms to how pensions are funded, and as a result, the contracts not only pay for themselves over the course of three years, they reduce the Court’s long-term liabilities,” Yuen said. “Court leaders agreed that these agreements achieve significant reforms and savings, allowing us to continue to serve the public during these difficult economic times.”

###