

[New hire qualifications for retiree health care; retiree health care trust fund with employee and employer contributions for retiree health care for new hires; improved retirement benefits for miscellaneous employees retiring on or after January 10, 2009 and remaining in service up to and after age 60; improved retirement cost of living benefits; unchanged economic provisions for miscellaneous City and County officers and employees for fiscal year 2009-2010 and post fiscal year 2009-2010 arbitration proceedings.]

CHARTER AMENDMENT

PROPOSITION _____

Describing and setting forth a proposal to the qualified voters of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by:

- amending Section A8.428, to increase the years of service required for new employees to qualify for subsidized health benefits at retirement and to adjust the formula for calculating retiree health benefit subsidies for those new employees;
- adding Sections 12.204, A8.409-7, and A8.590-8, and amending Section A8.432, to fund retiree health benefits for the City and County of San Francisco and other participating employers;
- adding Sections A8.404-1 and A8.409-8 so that economic provisions, including wages, shall not be increased for miscellaneous City and County employees for the fiscal year commencing July 1, 2009 and ending on June 30, 2010, and recognizing certain ongoing economic expenditures by the City and County in future years; and
- adding Sections A8.526-2 and A8.526-3, and amending Sections A8.509, A8.587-2 and A8.587-13, to increase retirement benefits for retirees and employees who retire on or after January 10, 2009 to encourage longer employment and retention and improved cost of living benefits for all retirees and employees.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on June 3, 2008, a proposal to amend the Charter of the City and County by: amending Sections A8.428, A8.432, A8.509, A8.587-2 and A8.587-13; and, adding Sections 12.204, A8.404-1, A8.409-7, A8.409-8, A8.526-2, A8.526-3, and A8.590-8; all to read as follows:

Note: Additions are *single-underline italics Times New Roman*.
Deletions are ~~*strikethrough italics Times New Roman*~~.

SEC. 12.204. RETIREE HEALTH CARE TRUST FUND.

The Retiree Health Care Trust Fund ("RHCTF") shall be an irrevocable trust fund established under Section A8.432, and separate from the Health Service System trust fund described in Charter Sections 12.203 and A8.428, to provide a funding source to defray the cost of the City's, and other Participating Employers', obligations to pay for health coverage for retired persons and their survivors entitled to health coverage under Section A8.428. Trust assets shall be held for the sole and exclusive purpose of providing health coverage to eligible retired persons and their survivors, and to defray the reasonable expenses of administering the RHCTF, including but not limited to educational, actuarial, consulting, administrative support and accounting expenses associated with the RHCTF. Administrative costs, including but not limited to educational, actuarial and consulting expenses associated with the Retiree Health Care Trust Fund, as adopted by the board of supervisors in the annual budget, shall be paid from the Retiree Health Care Trust Fund, but only upon adoption of a resolution by the Retiree Health Trust Fund Board approving such expenses.

The RHCTF shall be governed by a Retiree Health Trust Fund Board ("Board"). The Board shall consist of five trustees, one of whom shall be appointed by the City Controller, one of whom shall be appointed by the City Treasurer, one of whom shall be appointed by the Executive Director of the San Francisco Employees Retirement System, and two of whom shall

be elected from among active employee and retired members of the City's Health Service System. One of the elected trustees shall be an active employee member and one shall be a retired member as of the date of their respective elections. Each elected trustee shall serve for a term of five years. No person may serve simultaneously as a trustee on the Board and as an elected or appointed member of the San Francisco Employees Retirement System Board or the Health Service System Board.

SEC. A8.404-1. FY 2009-2010 INTERIM ECONOMIC PROVISIONS.

Notwithstanding any other provision of Charter Section A8.404, for the fiscal year commencing July 1, 2009, and ending on June 30, 2010, all economic provisions (including but not limited to wages, premium pay rates, overtime, any employer pickup of the employees' retirement contribution, paid time off, and other compensation, but not including any trust fund contributions required under Section A8.404(f)) shall not be increased for miscellaneous City and County platform employees, and coach or bus operators of the municipal railway, above the levels set in place as of close of business June 30, 2009, nor may new economic provisions be added.

SEC. A8.409-7. RETIREE HEALTH CARE TRUST FUND.

Notwithstanding any other provision of Charter Sections A8.409 through A8.409-8, the provisions and operation of the Retiree Health Care Trust Fund, including employee contributions to the fund, shall be determined pursuant to Charter Sections 12.204, A8.432, and A8.433, and shall not be subject to the dispute resolution procedures contained in Charter Section A8.409-4.

SEC. A8.409-8. FY 2009-2010 ECONOMIC PROVISIONS AND FUTURE PROCEEDINGS.

Notwithstanding any other provision of Charter Sections A8.409 through A8.409-7, for the fiscal year commencing July 1, 2009, and ending on June 30, 2010, all economic provisions (including, but not limited to, wages, premium pay rates, overtime, any employer pickup of the employees' retirement contribution, paid time off, and other compensation) shall remain unchanged for miscellaneous City and County officers and employees at the levels set in place as of close of business June 30, 2009, and no new economic provisions may be added. For the fiscal year commencing July 1, 2009, and ending on June 30, 2010, economic provisions shall not be subject to the dispute resolution procedures contained in Charter Section A8.409-4. Notwithstanding any other provision of Charter Section A8.409-4, for the fiscal year commencing July 1, 2010, and ending on June 30, 2011, and every year thereafter, in any mediation/arbitration proceeding under A8.409-4, the mediation/arbitration board shall recognize as wages the ongoing economic expenditures made by the City and County beginning, during and continuing beyond fiscal year 2009-2010 as a result of this Charter Amendment submitted to the voters at the June 3, 2008 election when evaluating any economic proposals contained in a last offer of settlement by either party. However, City and County contributions to the Retiree Health Care Trust Fund under Section A8.432 shall not be considered or relied on by the mediation/arbitration board as a wage or other payment to employees for the purposes of evaluating the proposals contained in the last offers of settlement of either party. Likewise, in evaluating the proposals contained in the last offers of settlement of either party, the mediation/arbitration board shall not take into account or otherwise consider or rely on any mandatory employee contributions to the Retiree Health Care Trust Fund required under Charter Sections 12.204 and A8.432.

SEC. A8.428. HEALTH SERVICE SYSTEM TRUST FUND.

There is hereby created a health service system trust fund. The costs of the health service system shall be borne by the members of the system and retired persons, the City and County of San Francisco because of its members and retired persons, ~~and because of the members and retired persons of~~ the Parking Authority of the City and County of San Francisco because of its members and retired persons, the San Francisco Unified School District because of its members and retired persons and the San Francisco Community College District because of its members and retired persons.

(a) Definitions

"Credited Service" means years of employment with the Employers.

"Employers" as used in this section means the City and County of San Francisco ("City and County"), the San Francisco Unified School District ("School District") and/or the San Francisco Community College District ("Community College District"). Employers shall also include the Superior Court of California, County of San Francisco ("Superior Court"), to the extent the Superior Court participates in the City's Health Service System under A8.428(e).

"Hired on or Before January 9, 2009" as used in this section means employees of the City and County, the School District and/or the Community College District who were hired on or before January 9, 2009, excluding the following categories of employees: (1) as-needed employees who have never earned 1,040 or more hours of compensation during any 12-month period ending on or before January 9, 2009; and/or (2) employees who have separated from the Employers on or before January 9, 2009, and have less than 5 years of Credited Service.

"PERS" as used in this section shall mean the Public Employees' Retirement System of the State of California.

"Registered as Domestic Partners" as used in this section means persons who have established a domestic partnership according to the provisions of Chapter 62 of the San Francisco Administrative Code, as amended from time to time. Domestic partners who have formed their domestic partnership only by notarization of a declaration of Domestic Partnership as provided in Chapter 62 of the San Francisco Administrative Code shall not be recognized or treated as a domestic partnership under this Section unless and until the domestic partnership is registered or certified.

"Retirement System" as used in this section shall mean the San Francisco City and County Employees' Retirement System.

"Retired under the San Francisco City and County Employees' Retirement System" as used in this section includes persons who retire for service; retire for disability; or who receive a retirement or vesting allowance from the Retirement System.

A ~~Retired~~ ~~Person~~" as used in this section means:

(1) -A former member of the health service system, ~~hired by the Employers on or before January 9, 2009~~, retired under the San Francisco City and County Employees' Retirement System ~~or PERS (hereinafter, "Retired Employee who was Hired on or Before January 9, 2009")~~; ~~and~~

(2) ~~The~~ surviving spouse or surviving domestic partner of an active employee ~~hired on or before January 9, 2009~~, provided that the surviving spouse or surviving domestic partner and the active employee have been married or Registered as Domestic Partners for a period of at least one year prior to the death of the active employee; ~~and~~

(3) ~~The~~ surviving spouse or surviving domestic partner of a ~~Retired~~ ~~Employee~~ ~~who was Hired on or Before January 9, 2009~~, provided that the surviving spouse or surviving domestic partner and the ~~active or Retired~~ ~~Employee~~ ~~who was Hired on or Before January 9, 2009~~ have been married or ~~Registered~~ as ~~Domestic~~ ~~Partners~~ for a period of at least one year

prior to the death of the ~~active or~~ Retired ~~e~~Employee who was Hired on or Before January 9, 2009;

(4) A former member of the health service system, hired by the Employers on or after January 10, 2009, and retired under the Retirement System or PERS for disability or retired under the Retirement System or PERS: (i) within 180 days of separation from employment from the Employers; and (ii) with 10 or more years of Credited Service with the Employers (hereinafter, "Retired Employee who was Hired on or After January 10, 2009");

(5) The surviving spouse or surviving domestic partner of an active employee hired on or after January 10, 2009, with 10 or more years of Credited Service with the Employers, or who died in the line of duty where the surviving spouse or surviving domestic partner is entitled to a death allowance as a result of the death in the line of duty, provided that the surviving spouse or surviving domestic partner and the active employee have been married or Registered as Domestic Partners for a period of at least one year prior to the death of the active employee; or

(6) The surviving spouse or surviving domestic partner of a Retired Employee who was Hired on or After January 10, 2009, provided that the surviving spouse or surviving domestic partner and the Retired Employee who was Hired on or After January 10, 2009, have been married or Registered as Domestic Partners for a period of at least one year prior to the death of the Retired Employee who was Hired on or After January 10, 2009.

(b) Employer Contributions

The City and County, the ~~s~~School ~~d~~District and the ~~e~~Community ~~e~~College ~~d~~District shall each contribute to the health service fund amounts sufficient for the following purposes, and subject to the following limitations:

~~(a)~~(1) All funds necessary to efficiently administer the health service system.

~~(b)~~(2) The City and County, the ~~s~~School ~~d~~District and the ~~e~~Community ~~e~~College ~~d~~District shall contribute to the health service system fund with respect to each of their members

an amount equal to "the average contribution," as certified by the health service board in accordance with the provisions of Section A8.4238.

(e)(3) Retired Employees Who Were Hired on or Before January 9, 2009

For Retired Persons identified in A8.428 Subsections (a)(1), (a)(2) and (a)(3), the Employers shall contribute to the health service fund amounts subject to the following limitations: Monthly contributions required from ~~Retired~~ Persons and the surviving spouses and surviving domestic partners of active employees and ~~Retired~~ Persons participating in the system shall be equal to the monthly contributions required from members in the system for health coverage-excluding health coverage or subsidies for health coverage paid for active employees as a result of collective bargaining, with the following modifications:

(~~i~~) the total contributions required from ~~Retired~~ Persons who are also covered under Medicare shall be reduced by an amount equal to the amount contributed monthly by such persons to Medicare;

(~~ii~~) because the monthly cost of health coverage for ~~Retired~~ Persons may be higher than the monthly cost of health coverage for active employees, the City and County, the ~~School~~ District and the ~~Community~~ College ~~District~~ shall contribute funds sufficient to defray the difference in cost to the system in providing the same health coverage to ~~Retired~~ Persons and the surviving spouses and surviving domestic partners of active employees and ~~Retired~~ Persons as is provided for active employee members excluding health coverage or subsidies for health coverage paid for active employees as a result of collective bargaining;

(~~iii~~) after application of ~~Section (e) and s~~Subsections (~~3~~), (~~3~~)(~~i~~) and (~~3~~)(~~ii~~), the City and County, the ~~School~~ District and the ~~Community~~ College ~~District~~ shall contribute 50% of ~~Retired~~ Persons' remaining monthly contributions.

(4) Retired Employees Who Were Hired on or After January 10, 2009 - Categories of Employees Eligible for 100% Employer Contribution

For Retired Persons identified in A8.428 Subsections (a)(4), (a)(5) and (a)(6), the Employers shall contribute 100% of the employer contribution established in A8.428 Subsection (b)(3) for:

(i) A Retired Employee who was Hired on or After January 10, 2009, with 20 or more years of Credited Service with the Employers; and their surviving spouses or surviving domestic partners;

(ii) The surviving spouses or surviving domestic partners of active employees hired on or after January 10, 2009, with 20 or more years of Credited Service with the Employers;

(iii) Retired Persons who retired for disability; and their surviving spouses or surviving domestic partners; and

(iv) The surviving spouses or surviving domestic partners of active employees who died in the line of duty where the surviving spouse or surviving domestic partner is entitled to a death allowance as a result of the death in the line of duty.

(5) Retired Employees Who Were Hired on or After January 10, 2009 - Categories of Employees Eligible for 50%-75% Employer Contribution.

For Retired Persons identified in A8.428 Subsections (a)(4), (a)(5) and (a)(6), the Employers shall contribute:

(i) 50% percent of the employer contribution established in A8.428 Subsection (b)(3) for a Retired Employee who was Hired on or After January 10, 2009, with at least 10 but less than 15 years of Credited Service with the Employers; their surviving spouses or surviving domestic partners; and the surviving spouses or surviving domestic partners of active employees hired on or after January 10, 2009, with at least 10 but less than 15 years of Credited Service with the Employers; and

(ii) 75% percent of the employer contribution established in A8.428 Subsection (b)(3) for a Retired Employee who was Hired on or After January 10, 2009, with at least 15 but less than

20 years of Credited Service with the Employers; their surviving spouses or surviving domestic partners; and the surviving spouses or surviving domestic partners of active employees hired on or after January 10, 2009, with at least 15 but less than 20 years of Credited Service with the Employers.

(6) Employees Hired on or After January 10, 2009 – Categories of Employees Eligible for Access to Retiree Medical Benefits Coverage

An employee hired on or after January 10, 2009, and retired under the Retirement System or PERS with five (5) or more years Credited Service with the Employers, shall be eligible to receive health benefits as a member of the health service system, provided that he or she makes monthly contributions equal to one hundred percent (100%) of the total premiums for health coverage as established by the Health Service Board, including the total cost for dependent coverage. At such time as he or she becomes eligible to receive benefits under A8.428 Subsection (a)(4), the Employers shall contribute the amounts established in A8.428 Subsections (b)(4), (b)(5), and (c), as applicable.

(7) Chart Summarizing Employer Contributions Under A8.428 Subsections (b)(4), (b)(5) and (b)(6) For Employees Hired on or After January 10, 2009

<u>Years of Credited Service At Retirement</u>	<u>Percentage of Employer Contribution Established in A8.428 Subsection (b)(3)</u>
1. <u>Less than 5 years of Credited Service with the Employers (except for the surviving spouses or surviving domestic partners of active employees who died in the line of duty)</u>	<u>No Retiree Medical Benefits Coverage</u>
2. <u>At least 5 but less than 10 years of</u>	<u>0%</u>

<p><u>Credited Service with the Employers; or greater than 10 years of Credited Service with the Employers but not eligible to receive benefits under Subsections (a)(4), (b)(4) and (b)(5)</u> <u>(A8.428 Subsection (b)(6))</u></p>	<p><u>Access to Retiree Medical Benefits Coverage, Including Access to Dependant Coverage, But No Employer Contribution; Employee Pays Health Insurance Premium</u></p>
<p>3. <u>At least 10 but less than 15 years of Credited Service with the Employers</u> <u>(A8.428 Subsection (b)(5))</u></p>	<p><u>50%</u></p>
<p>4. <u>At least 15 but less than 20 years of Credited Service with the Employers</u> <u>(A8.428 Subsection (b)(5))</u></p>	<p><u>75%</u></p>
<p>5. <u>At least 20 years of Credited Service with the Employers; Retired Persons who retired for disability; surviving spouses or surviving domestic partners of active employees who died in the line of duty</u> <u>(A8.428 Subsection (b)(4))</u></p>	<p><u>100%</u></p>

The above chart is a simplified summary of Employer contributions under A8.428 Subsections (b)(4), (b)(5) and (b)(6) for employees hired on or after January 10, 2009. The

express language of Subsections (b)(4), (b)(5) and (b)(6), and not the summary chart or its content, shall determine Employer contributions.

~~(d)~~(c) The City and County, the San Francisco Unified School District and the San Francisco Community College District shall contribute to the health service system fund 50% of the monthly contributions required for the first dependent of ~~Retired~~ Persons in the system. Except as hereinbefore set forth, the City and County, the ~~San Francisco Unified~~ School District and the ~~San Francisco~~ Community College District shall not contribute to the health service system fund any sums on account of participation in the benefits of the system by members' dependents, except surviving spouses and surviving domestic partners, ~~Retired~~ Persons' dependents, except surviving spouses and surviving domestic partners, persons who retired and elected not to receive benefits from the San Francisco City and County Employees' Retirement System; resigned employees and teachers defined in Section A8.425, and any employee whose compensation is fixed in accordance with Sections A8.401, A8.403, or A8.404 of this charter and whose compensation therein includes an additional amount for health and welfare benefits or whose health service costs are reimbursed through any fund established for said purpose by ordinance of the board of supervisors.

(d) It shall be the duty of the board of supervisors, the board of education and the governing board of the community college district annually to appropriate to the health service system fund such amounts as are necessary to cover the respective obligations of the City and County, the ~~San Francisco Unified~~ School District and the ~~San Francisco~~ Community College District hereby imposed. Contributions to the health service system fund of the City and County, of the ~~School~~ district and of the ~~Community~~ eCollege ~~d~~istrict shall be charged against the general fund or the school, utility, bond or other special fund concerned.

(e) To the extent the Superior Court elects to participate in the City's Health Service System for the provision of active and retiree health care benefits, Superior Court employees

shall be treated the same as City employees for the purposes of vesting, employer contribution rates, and benefit levels, in accordance with the Trial Court Employment Protection and Governance Act and applicable state law. The Superior Court shall pay all administrative and health care costs related to the Superior Court's covered employees or retirees as a participating Employer. The Superior Court may withdraw from participation in the City's Health Service System at any time, which shall not require an amendment to this Charter.

The amendments of this section contained in the proposition therefor submitted to the electorate on June 3, 2008 ~~November 7, 2000~~ shall be ~~operative~~effective January 10, 2009~~4~~. The purpose of the January 10, 2009, Charter amendment is to amend Section A8.428 to change the required years of service and employer retiree health care contribution amounts for employees hired on or after January 10, 2009. Nothing in this Charter amendment shall expand or contract the groups of employees eligible for retiree health care benefits beyond those groups eligible as of June 3, 2008.

SEC. A8.432. RETIREE HEALTH CARE TRUST FUND TRANSITION.

There is hereby created a Retiree Health Care Trust Fund ("RHCTF") for the purpose described in Section 12.204. The Retiree Health Trust Fund Board ("Board") described in Section 12.204 shall have exclusive authority and control over the administration of the RHCTF, investments of trust assets, and disbursements from the trust in accordance with the provisions of this Charter.

Active officers and employees of the City and County and Participating Employers, who commenced employment with the City and County, or the Participating Employers, on or after January 10, 2009, shall contribute their respective Employer's "Normal Cost" to the RHCTF. The annual active employee contribution rate shall be the Employers' "Normal Cost" as determined by the Employers' respective General Accounting Standards Board ("GASB")

Actuaries computed as a percentage of compensation not to exceed 2% of pre-tax compensation to the RHCTF. The Employers' GASB actuaries shall determine the Employers' respective "Normal Cost" on an annual basis.

The City and County and Participating Employers shall each contribute 1% of compensation for officers and employees hired on or after January 10, 2009. Once an Employer has no Unfunded Actuarial Accrued Liability and the Retiree Health Trust Fund is Fully Funded, then the Employer and its active officers and employees hired on or after January 10, 2009, shall instead each contribute 50% of the "Normal Cost" as determined by the Employers' respective GASB actuaries, not to exceed 2% of pre-tax compensation, and the 1% Employer contribution shall no longer be required.

Contributions to the RHCTF from the City and County, and its officers and employees, and each Participating Employer, and their officers and employees, shall be segregated from each other and only used as a funding source to defray each Employers' obligations to pay for retiree health care under Section A8.428 and each Employers' share of administrative expenses. The funds may be pooled for investment purposes only.

No disbursements, other than to defray reasonable expenses of administering the RHCTF, may be made from the trust prior to January 1, 2015. Commencing January 1, 2015, trust assets may be used to defray the cost of the City's, and other Participating Employers', obligations to pay for health coverage for the retired persons and their survivors entitled to health care coverage under Section A8.428. The amount and frequency of such disbursements shall be determined by the Board in consultation with the Employers' respective GASB Actuaries.

(a) Definitions.

"Actuarial Accrued Liability" as used in this section, means "Actuarial Accrued Liability" as that term is defined under GASB No. 45.

"Employers" as used in this section means the City and County and the Participating Employers.

"Fully Funded" as used in this section means that an Employer's GASB Actuary has determined that the market value of assets in the Retiree Health Care Trust Fund equals or exceeds the Actuarial Accrued Liability.

"GASB Actuary" and "GASB Actuaries" as used in this section means the actuarial firms hired by the Employers to provide estimates of each Employers' respective total liability and annual required contribution for post retirement health benefits under GASB No. 45.

"GASB No. 45" as used in this section means Statement No. 45 of the Governmental Accounting Standards Board, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.

"Health coverage" as used in this section, means the health benefits or health insurance provided by the health service system for retirees, survivors and dependents under Section A8.428.

"Normal Cost" as used in this section, means the Employers' normal cost under GASB No. 45 as determined by the Employers' respective GASB Actuaries.

"Retiree" as used in this section, means a former employee who is retired and is entitled to health coverage under Section A8.428, and the qualified survivors or dependents of such retirees who are entitled to health coverage under Section A8.428.

"Participating Employers" as used in this section and Section 12.204, shall include the San Francisco Unified School District and the San Francisco Community College District, following a resolution by these employers' respective governing boards to participate in the Retiree Health Care Trust Fund.

Notwithstanding Charter Section A8.433, the Board of Supervisors shall adopt, by a majority vote before January 1, 2009, such ordinances as are necessary to create and administer

the Retiree Health Care Trust Fund, and all such other matters as may be necessary to establish and maintain the purpose described in this section and Section 12.204.

The board of supervisors is authorized to enact by a vote of three fourths of its members, any and all ordinances necessary to carry out the provisions of Sections A8.420 to and including 8.432.

Any surplus or deficit existing in the health service fund on February 5, 1958, shall belong to or be the obligation of members, as the case may be, and the city and county and the San Francisco Unified School District shall neither receive payment nor credit nor shall it contribute to such fund on account of medical care rendered prior to such date.

SEC. A8.509. RETIREMENT—MISCELLANEOUS OFFICERS AND EMPLOYEES ON AND AFTER JULY 1, 1947.

Miscellaneous officers and employees, as defined in this section, who are members of the retirement system under this section of the charter on February 1, 1969, and persons who become miscellaneous officers and employees after February 1, 1969, shall be members of the retirement system, subject to the following provisions of this section, in addition to the provisions contained in Sections ~~3.670, 3.672~~ 12.100, 12.103, 8.500, 8.510 and 8.520 of this charter notwithstanding the provisions of any other section of the charter, provided that the retirement system shall be applied to persons employed on a part-time, temporary or substitute basis only as the ~~h~~Board of ~~s~~Supervisors shall determine by ordinance enacted by three-fourths vote of all members of the board. Miscellaneous officers and employees of the said departments who are members of the retirement system under Section 8.507 of the charter on February 1, 1969 shall continue to be members of the system under Section 8.507 and shall not be subject to any of the provisions of this section, except as specifically provided in this section.

(a) The following words and phrases as used in this section, unless a different meaning is plainly required by the context, shall have the following meaning:

“Retirement allowance,” or “allowance,” shall mean equal monthly payments, beginning to accrue upon the date of retirement, and continuing for life unless a different term of payments is definitely provided by the context.

“Compensation,” as distinguished from benefits under the workers' compensation laws of the State of California, shall mean all remuneration whether in cash or by other allowances made by the City and County, for service qualifying for credit under this section.

“Compensation earnable” shall mean the compensation as determined by the retirement board, which would have been earned by the member had he *or she* worked, throughout the period under consideration, the average number of days ordinarily worked by persons in the same grade or class of positions as the positions held by him *or her* during such period and at the rate of pay attached to such positions, it being assumed that during any absence, he *or she* was in the position held by him *or her* at the beginning of the absence, and that prior to entering City-service he was in the position first held by him in City-service.

“Benefit” shall include “allowance,” “retirement allowance,” and “death benefit.”

“Average final compensation” shall mean the average monthly compensation earned by a member during any five consecutive years of credited service in the retirement system in which his *or her* average final compensation is the highest, unless the board of supervisors shall otherwise provide by ordinance enacted by three-fourths vote of all members of the board.

For the purposes of the retirement system and of this section, the terms “miscellaneous officer or employee,” or “member,” as used in this section shall mean any officer or employee who is not a member of the fire or police department as defined in the charter for the purpose of the retirement system, under Section 8.507 of the charter.

“Retirement system” or “system” shall mean San Francisco City and County Employees' Retirement System as created in Section 8.500 of the charter.

“Retirement board” shall mean “~~R~~etirement ~~b~~oard” as created in Section ~~3.670~~ 12.100 of the charter.

“Charter” shall mean the charter of the City and County of San Francisco.

Words used in the masculine gender shall include the feminine and neuter genders, and singular numbers shall include the plural; and the plural the singular.

“Interest” shall mean interest at the rate adopted by the retirement board.

(b) Any member who completes at least 20 years of service in the aggregate credited in the retirement system, and attains the age of 50 years, or at least 10 years of service in the aggregate credited in the retirement system, and attains the age of 60 years, said service to be computed under Subsection (g) hereof, may retire from service at his or her option. Members ~~shall be~~ may retired under this section on the first day of the month next following the attainment by them of the age of 65 years. A member retired after reaching the age of ~~60~~ 62 years shall receive a service retirement allowance at the rate of ~~two and three-tenths~~ percent of said average final compensation for each year of service; ~~provided, however, that upon the compulsory retirement of a member upon his attainment of the age of 65 years, if the allowance available to such member, pursuant to the provisions of Subsection (f) of this section, shall be greater in amount than the service retirement allowance otherwise payable to such member under this Subsection (b), then such member shall receive as his service retirement allowance, in lieu of the allowance otherwise payable under this Subsection (b), an allowance computed in accordance with the formula provided in said Subsection (f).~~ The service retirement allowance of any member eligible to retire under this section ~~retiring prior to attaining the age of 60 years, after rendering 20 years or more of such service and having attained the age of 50 years, computed under Subsection (g),~~ shall be an allowance equal to the percentage of said average

final compensation set forth opposite his age at retirement, taken to the preceding completed quarter year, for each year of service, computed under Subsection (g):

Age at Retirement	Percent for Each Year of Credited Service
50	1.0000
50 1/4	1.0250
50 1/2	1.0500
50 3/4	1.0750
51	1.1000
51 1/4	1.1250
51 1/2	1.1500
51 3/4	1.1750
52	1.2000
52 1/4	1.2250
52 1/2	1.2500
52 3/4	1.2750
53	1.3000
53 1/4	1.3250
53 1/2	1.3500
53 3/4	1.3750
54	1.4000
54 1/4	1.4250
54 1/2	1.4500
54 3/4	1.4750
55	1.5000

55 1/4	1.5250
55 1/2	1.5500
55 3/4	1.5750
56	1.6000
56 1/4	1.6250
56 1/2	1.6500
56 3/4	1.6750
57	1.7000
57 1/4	1.7250
57 1/2	1.7500
57 3/4	1.7750
58	1.8000
58 1/4	1.8250
58 1/2	1.8500
58 3/4	1.8750
59	1.9000
59 1/4	1.9250
59 1/2	1.9500
59 3/4	1.9750
60	<u>2.1000</u>
<u>60 1/4</u>	<u>2.1250</u>
<u>60 1/2</u>	<u>2.1500</u>
<u>60 3/4</u>	<u>2.1750</u>
<u>61</u>	<u>2.2000</u>
<u>61 1/4</u>	<u>2.2250</u>

61 1/2 2.2500

61 3/4 2.2750

62 2.3000

In no event shall a member's retirement allowance exceed 75 percent of his average final compensation.

Before the first payment of a retirement allowance is made, a member retired under this subsection or Subsection (c) of this section, may elect to receive the actuarial equivalent of his or her allowance, partly in an allowance to be received by him or her throughout his or her life, and partly in other benefits payable after his or her death to another person or persons, provided that such election shall be subject to all the conditions prescribed by the ~~h~~Board of ~~s~~Supervisors to govern similar elections by other members of the retirement system, including the character and amount, of such other benefits. ~~;~~ *provided, however, that at any time within 30 days after the date on which his compulsory retirement would otherwise have become effective, a member who has attained the age of 65 years may elect within 30 days, without right of revocation, to withdraw his or her accumulated contributions, said election to be exercised in writing on a form furnished by the retirement system and filed at the office of said system, and a member so electing shall be considered as having terminated his or her membership in said system on the date immediately preceding the date on which his or her compulsory retirement would otherwise have become effective, and he shall be paid forthwith his or her accumulated contributions, with interest credited thereon. Notwithstanding the provisions of Section 8.514 of this charter, the portion of service retirement allowance provided by the City and County 's contributions shall be not less than \$100 per month upon retirement after 30 years of service and after attaining the age of 60 years, and provided further that as to any member with 15 years or more of service at the compulsory a retirement age of 65, the portion of the service retirement allowance provided by the City and County 's contribution shall be such that the total retirement allowance shall not be*

~~less than \$100 per month.~~ In the calculations under this subsection of the retirement allowance of a member having credit for service in a position in the evening schools and service in any other position, separate retirement allowances shall be calculated in the manner prescribed for each class of service, the average final compensation in each case being that for the respective class of service; provided that the aggregate retirement allowance shall be taken into account in applying the provisions of this subsection providing for a minimum retirement allowance. Part-time service and compensation shall be reduced to full-time service and compensation in the manner prescribed by the board of supervisors, and when so reduced, shall be applied on full time service and compensation in the calculations of retirement allowances.

(c) Any member who becomes incapacitated for performance of duty because of disability determined by the retirement board to be of extended and uncertain duration, and who shall have completed at least 10 years of service credited in the retirement system in the aggregate, computed as provided in Subsection (g) hereof, shall be retired upon an allowance of one and eight-tenths percent of the average final compensation of said member, as defined in Subsection (a) hereof for each year of credited service, if such retirement allowance exceeds 40 percent of his or her average final compensation; otherwise one and eight-tenths percent of his or her average final compensation multiplied by the number of years of City -service which would be credited to him or her were such City service to continue until attainment by him or her of age 60, but such retirement allowance shall not exceed 40 percent of such average final compensation. In the calculation under this subsection of the retirement allowance of a member having credit for service in a position in the evening schools and service in any other position, separate retirement allowances shall be calculated, in the manner prescribed, for each class of service, the average final compensation in each case being that for the respective class of service; provided that the average final compensation upon which the minimum total retirement allowance is calculated in such case shall be based on the compensation earnable by the member

in the classes of service rendered by him or her during the one year immediately preceding his or her retirement. Part-time service and compensation shall be reduced to full-time service and compensation in the manner prescribed by the board of supervisors, and when so reduced, shall be applied as full-time service and compensation in the calculation of retirement allowances. An application for a disability retirement ~~The question of retiring a member under this subsection~~ may be brought before the retirement board on said board's own motion, by the Executive Director of the Retirement System, by recommendation of any department head, commission or board, or by said member or his guardian. If his or her disability shall cease, his or her retirement allowance shall cease, and he or she shall be restored to service in the position or classification he or she occupied at the time of his or her retirement.

(d) No modification of benefits provided in this section shall be made because of any amounts payable to or on account of any member under workers' compensation laws of the State of California.

(e) If a member shall die, before retirement, (1) If no benefit is payable under subdivision (2) of this subsection (e):

(A) Regardless of cause, a death benefit shall be paid to the member's estate or designated beneficiary consisting of the compensation earnable by the member during the six months immediately preceding death, plus the member's contributions and interest credited thereon.

(B) If a member sustains a traumatic bodily injury through external and violent means in the course and scope of employment and death results within 180 days of such injury, an additional insurance benefit of 12 months of compensation earnable shall be paid to the member's estate or designated beneficiary.

(2) If, at the date of his or her death, he or she was qualified for service retirement by reason of service and age under the provisions of Subsection (b) of this section, and he or she has

designated as beneficiary his or her surviving spouse, who was married to him or her for at least one full year immediately prior to the date of his or her death, one-half of the retirement allowance to which the member would have been entitled if he or she had retired from service on the date of his or her death, shall be paid to such surviving spouse who was his or her designated-beneficiary at the date of his or her death, until such spouse's death or remarriage, or if there be no surviving spouse, to the unmarried child or children of such member under the age of 18 years, collectively, until every such child dies, marries or attains the age of 18 years, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. If, at the death of such surviving spouse, who was receiving an allowance under this Subdivision (2), there be one or more unmarried children of such member under the age of 18 years, such allowance shall continue to such child or children, collectively, until every such child dies, marries or attains the age of 18 years, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. If the total of the payments of allowance made pursuant to this Subdivision (2) is less than the benefit which was otherwise payable under Subdivision (1) of this subsection, the amount of said benefit payable under Subdivision (1) less an amount equal to the total of the payments of allowance made pursuant to this Subdivision (2) shall be paid in lump sum as follows:

(A) If the person last entitled to said allowance is the remarried surviving spouse of such member, to such spouse.

(B) Otherwise, to the surviving children of the member, share and share alike, or if there are no such children, to the estate of the person last entitled to said allowance.

The surviving spouse may elect, on a form provided by the retirement system and filed in the office of the retirement system before the first payment of the allowance provided herein, to receive the benefit provided in Subdivision (1) of this subsection in lieu of the allowance which otherwise would be payable under the provisions of this subdivision. If a surviving spouse, who

was entitled to make the election herein provided, shall die before or after making such election, but before receiving any payment pursuant to such election, then the legally appointed guardian of the unmarried children of the member under the age of 18 years, may make the election herein provided before benefit has been paid under this Subsection (e), for and on behalf of such children if, in his or her judgment it appears to be in their interest and advantage, and the election so made shall be binding and conclusive upon all parties in interest.

If any person other than such surviving spouse shall have and be paid a community property interest in any portion of any benefit provided under this Subsection (e), any allowance payable under this Subdivision (2) shall be reduced by the actuarial equivalent, at the date of the member's death, of the amount of benefits paid to such other person.

Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her estate or designated beneficiary in the manner and subject to the conditions prescribed by the board of supervisors for the payment of a similar death benefit upon the death of other retired members.

(f) Should any miscellaneous member cease to be employed as such a member, through any cause other than death or retirement, all of his or her contributions, with interest credited thereon, shall be refunded to him or her subject to the conditions prescribed by the board of supervisors to cover similar terminations of employment and reemployment with and without redeposit of withdrawn accumulated contributions of other members of the retirement system, provided that if such member is entitled to be credited with at least 10 years of service or if his or her accumulated contributions exceed \$1,000, he or she shall have the right to elect, without right of revocation and within 90 days after said termination of service, or if the termination was by lay-off, 90 days after the retirement board determines the termination to be permanent, whether to allow his or her accumulated contributions to remain in the retirement fund and to receive benefits only as provided in this paragraph. Failure to make such election shall be

deemed an irrevocable election to withdraw his or her accumulated contributions. A person who elects to allow his or her accumulated contributions to remain in the retirement fund shall be subject to the same age requirements as apply to other members under this section for service retirement, but he or she shall not be subject to a minimum service requirement. Upon the qualification of such member for retirement by reason of age, he or she shall be entitled to receive a retirement allowance which shall be the actuarial equivalent of his accumulated contributions and an equal amount of the contributions of the City and County, plus 1-2/3 percent of his or her average final compensation for each year of service credited to him or her as rendered prior to his or her first membership in the retirement system. Upon the death of such member prior to retirement, his or her contributions with interest credited thereon shall be paid to his or her estate or designated beneficiary.

(g) The following time and service shall be included in the computation of the service to be credited to a member for the purpose of determining whether such member qualifies for retirement and calculating benefits:

(1) Time during which said member is a member of the retirement system and during and for which said member is entitled to receive compensation because of services as a miscellaneous officer or employee.

(2) Service in the fire and police departments which is not credited as service of a member under this section shall count under this section upon transfer of a member of either of such departments to employment entitling him or her to membership in the retirement system under this section, provided that the accumulated contribution standing to the credit of such member shall be adjusted by refund to the member or by payment of the member, to bring the account at the time of such transfer to the amount which would have been credited to it had the member been a miscellaneous employee throughout the period of his or her service in either such departments at the compensation he received in such departments.

(3) Time during which said member is absent from a status included in paragraphs (1) or (2) next preceding which is not deemed absence from service under the provisions of Section 8.520 of the charter and for which such member is entitled to receive credit as service for the City and County by virtue of contributions made in accordance with the provisions of such section.

(4) Prior service determined and credited as prescribed by the board of supervisors for persons who are members under Section 8.507.

(5) The board of supervisors, by ordinance enacted by a three-fourths vote of its members, may provide for the crediting as service under the retirement system of service, other than military service, rendered as an employee of the federal government and service rendered as an employee of the State of California or any public entity or public agency in the State of California. Said ordinance shall provide that all contributions required as the result of the crediting of such service shall be made by the member and that no contributions therefore shall be required of the City and County.

(h) All payments provided under this section shall be made from funds derived from the following sources, plus interest earned on said funds:

(1) There shall be deducted from each payment of compensation paid to a member under Section 8.509 a sum equal to 7-1/2 percent of such payment of compensation. The sum so deducted shall be paid forthwith to the retirement system. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the board of supervisors for crediting interest to contributions of other members of the retirement system, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member under Section 8.509, or shall be paid to said member or his *or her* estate or beneficiary as provided in Sections 8.509(e) and 8.509(f).

(2) Contributions based on time included in paragraphs (1) and (3) of Subsection (g), and deducted prior to July 1, 1947, from compensation of persons who become members under this section, and standing with interest thereon, to the credit of such members on the records of the retirement system on said date, shall continue to be credited to the individual accounts of said members, and shall be combined with and administered in the same manner as the contributions deducted after said date.

(3) The total contributions, with interest thereon, made by or charged against the City and County and standing to its credit, on July 1, 1948, in the accounts of the retirement system, on account of persons who become members under this section, shall be applied to provide the benefits under this section.

(4) The City and County shall contribute to the retirement system such amounts as may be necessary, when added to the contributions referred to in the preceding paragraphs of this Subsection (h), to provide the benefits payable under this section. Such contributions of the City and County to provide the portion of the benefits hereunder, which shall be based on service rendered by each member prior to the date upon which his *or her* rate of contribution is determined in paragraph (1), Subsection (h), shall not be less during any fiscal year than the amount of such benefits paid during said year. Such contributions of the City and County to provide the portion of the benefits hereunder, which shall be based on service rendered by respective members on and after the date stated in the next preceding sentence, shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total salaries paid during said year, to persons who are members under this section, said percentage to be the ratio of the value of the effective date hereof, or at the later date of a periodical actuarial valuation and investigation into the experience under the system, of the benefits thereafter to be paid under this section, from contributions of the City and County, less the amount of such contributions, and plus accumulated interest

thereon, then held by said system to provide said benefits on account of service rendered by respective member after the date stated in the sentence next preceding, to the value at said respective dates of salaries thereafter payable to said members. Said values shall be determined by the actuary, who shall take into account the interest which shall be earned on said contributions, the compensation experience of members, and the probabilities of separation by all causes, of members from service before retirement, and of death after retirement. Said percentage shall be changed only on the basis of said periodical actuarial valuation and investigation into the experience under the system. Said actuarial valuation shall be made every even-numbered year, and said investigation into the experience under the system shall be made every odd-numbered year.

Notwithstanding the provisions of this Subdivision (4), any additional liabilities created by the amendments of this Section 8.509 contained in the proposition therefore submitted to the electorate on November 6, 1973, shall be amortized over a period of 30 years.

(5) To promote the stability of the retirement system through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County, held by the system to provide the benefits under this section, shall be a part of the fund in which all other assets of said system are included. Nothing in the section shall affect the obligations of the City and County to pay to the retirement system any amounts which may or shall become due under the provisions of the charter prior to the effective date hereof, and which are represented on July 1, 1947, in the accounts of said system by debits against the City and County.

(i) Upon the completion of the years of service set forth in Subsection (b) of this section as requisite to retirement, a member shall be entitled to retire at any time thereafter in accordance with the provisions of said Subsection (b), and nothing shall deprive said member of said right.

(j) Except as otherwise provided in section 8.511 of this charter, no person retired under this section, for service or disability and entitled to receive a retirement allowance under the retirement system, shall serve in any elective or appointive position in the City and County service, including membership on boards and commissions, nor shall such persons receive any payment for service rendered to the City and County after retirement, provided that service as an election officer or juror shall not be affected by this section.

(k) Any section or part of any section in this charter, insofar as it should conflict with this section, or with any part thereof, shall be superseded by the contents of this section. In the event that any word, phrase, clause or subsection of this section shall be adjudged unconstitutional, the remainder thereof shall remain in full force and effect.

(l) Notwithstanding the provisions of Subsections (b), (c), (f), and (i) of this section, any member convicted of a crime involving moral turpitude, committed in connection with his or her duties as an officer or employee of the City and County of San Francisco, shall, upon his or her removal from office or employment pursuant to the provisions of this charter, forfeit all rights to any benefits under the retirement system except refund of his or her accumulated contributions; provided, however, that if such member is qualified for service retirement by reason of service and age under the provisions of Subsection (b) of this section, he or she shall have the right to elect, without right of revocation and within 90 days after his or her removal from office or employment, whether to withdraw all of his or her accumulated contributions or to receive as his or her sole benefit under the retirement system, an annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of such removal from office or employment.

(m) The amendments of this section contained in the proposition submitted to the electorate on November 6, 1984 are hereby declared to be prospective and shall not give any

person a claim against the City and County relating to a death prior to ratification of this amendment by the State Legislature.

(n) The amendments to Section A8.509 contained in the proposition submitted to the electorate on June 3, 2008 shall apply only to miscellaneous officers and employees under this Section A8.509 who were not retired on January 10, 2009, and whose accumulated contributions were in the retirement fund on January 10, 2009 and who were not retired on that date.

SEC. A8.526-2. COST OF LIVING ADJUSTMENT IN ALLOWANCES ON AND AFTER JANUARY 10, 2009.

(a) Notwithstanding the provisions of Section A8.526 or any other provision of the charter to the contrary, effective January 10, 2009, each retirement allowance payable which is not subject to change when the salary rate of any member is changed shall be adjusted according to the provisions of this Section A8.526-2 and not Section A8.526.

(b)(1) Funds necessary for the payment of any increase in allowances pursuant to this Section A8.526-2 that are payable to, or on account of, members who retired or died, shall be provided from the City's accumulated contributions held by the system on account of such members. The City's contributions shall be determined on the basis of a normal contribution rate which shall be computed as a level percentage of compensation which, when applied to the future compensation of the average new member entering the system, together with the required member contribution, will be sufficient to provide for the payment of all prospective benefits of such member.

(b)(2) Any increase in allowances payable which are not funded by the City's accumulated contributions held by the system shall be funded by contributions of members entitled to said allowances, which shall be at rates which are in addition to the rates of contribution otherwise provided by charter or ordinance, provided that a member's rate of

contribution shall not exceed one-half of one percent of his or her monthly compensation. The contributions made under this section by any member shall be credited together with regular interest thereon to his or her individual account and shall be subject to the same charter and ordinance provisions relating to accumulated contributions of the member, including withdrawal and death benefits other than death allowances, provided, however, that upon his or her retirement or death, such accumulated contributions and interest shall not be applied to provide a part of the retirement benefits payable to him or her on the death allowance benefits payable on account of his or her death otherwise provided by charter or ordinance, but instead shall be held, together with the accumulated contributions made by the City pursuant to this Subsection (b)(3)), with interest thereon, to provide the benefits under this Section A8.526-2.

(b)(3) The rates of contribution of members and the City, as provided herein, shall be fixed by the retirement board from time to time as it determines necessary.

(c)(1) The retirement board shall determine, prior to April 1 of each year, the percentage of increase or decrease in the cost of living during the preceding calendar year, as shown by the then current Consumer Price Index, All Items, San Francisco (1957-59=100), issued by the U.S. Bureau of Labor Statistics and published in the Monthly Labor Review or a successor publication. The cost of living adjustments as hereinafter provided shall be based on the percentage of such increase or decrease.

(c)(2) Notwithstanding any other charter or ordinance provision governing the retirement system, effective January 10, 2009, every retirement or death allowance payable to, or on account of, any member who retires or dies as a member of the system or who has retired or died as such a member, except allowances subject to change when the salary rate of any member is changed, shall be increased or decreased as of July 1, 2009, and on July 1, of each succeeding year, by an amount equal to the percentage, as determined in Subsection (c)(1) multiplied by the monthly allowance payable on June 30 of that calendar year.

(c)(3) The percentage of increase or decrease in each such allowance shall be the percentage which is determined by the retirement board to approximate to the nearest one percent increase or decrease in the cost of living during the preceding calendar year.

(c)(4) No such adjustment in any year shall exceed two percent of said allowance; provided, however, that no allowance shall be reduced below the amount being received by the member or the member's beneficiary on July 1, 1968, or on the effective date the member began to receive the allowance, whichever is later.

(d)(1) Commencing with the effective date of this Section A8.526-2, if the percentage of increase or decrease in the cost of living in any calendar year, as determined to the nearest one percent by the retirement board, were to exceed two percent as compared with the cost of living in the next preceding calendar year, the percentage of increase or decrease in the cost of living in excess of two percent, shall be accumulated to provide increases or decreases in the cost of living in each succeeding calendar year.

SEC. A8.526-3. SUPPLEMENTAL COST OF LIVING BENEFIT ON AND AFTER JANUARY 10, 2009.

(a) Notwithstanding the provisions of Section A8.526-1 or any other provision of this charter to the contrary, effective January 10, 2009, all supplemental cost of living benefits adjustments payable, including retirement allowances subject to change when the salary rate of a member is changed, shall be determined pursuant to the provisions of Section A8.526-3 and not Section A8.526-1.

(b)(1) On July 1, 2009 and July 1 of each succeeding year, the retirement board shall determine whether, in the previous fiscal year, there are earnings in excess of the expected earnings on the actuarial value of the assets. In those years when the previous year's earnings exceed the expected earnings on the actuarial value of the assets, then on July 1 each retirement

allowance or death allowance payable on account of a member who died, including retirement allowances subject to change when the salary rate of a member is changed, shall be increased by an amount equal to three and one-half percent (3.5%) of the allowance as of June 30, less the amount of any cost of living adjustment provided pursuant to Section A8.526-2 and less the amount of any cost of living adjustment, payable in that fiscal year, which is the result of a change in the salary of the member.

(b)(2) If, on July 1, 2009 and July 1 of each succeeding year, the previous fiscal year's earnings exceed the expected earnings on the actuarial value of the assets, but they are insufficient to increase said allowances by three and one-half percent (3.5%) as provided in Subsection (b)(1), then to the extent of excess earning, said allowances shall be increased in increments of one-half percent (.5%) up to the maximum three and one-half percent (3.5%) of the allowance as of June 30, less the amount of any cost of living adjustment provided pursuant to Section A8.526-2 and less the amount of any cost of living adjustment, payable in that fiscal year, which is the result of a change in the salary of the member.

(c) When the previous fiscal year's earnings exceed the expected earnings on the actuarial value of the assets but are not sufficient to fund any supplemental cost of living benefit adjustment pursuant to either Subsection (b)(1) or (b)(2), the retirement board shall reserve the excess earnings for that year. Said reserved earnings shall accumulate only until such time that said reserved earnings, plus the next year's earnings in excess of the expected earnings on the actuarial value of the assets, are sufficient to fund one fiscal year's increase in the supplemental cost of living benefit adjustment, at which time the earnings in reserve shall be withdrawn and used to fund a supplemental cost of living benefit adjustment as provided in either Subsection (b)(1) or (b)(2).

(d) Any supplemental cost of living benefit adjustment, once paid to a member, shall not be reduced thereafter.

SEC. A8.587-2. SERVICE RETIREMENT.

Any member who completes at least 20 years of service in the aggregate credited in the retirement system and attains the age of 50 years, or at least 10 years of service in the aggregate credited in the retirement system, and attains the age of 60 years, said service to be computed under Section A8.587-7 may retire for service at his or her option. Members may retire under this section or under the provisions of A8.587-6, on the first day of the month next following the attainment by them of the age of 65 years. A member retired after reaching the age of ~~60~~ 62 years shall receive a service retirement allowance at the rate of ~~2~~ 2.3 percent of said average final compensation for each year of service. The service retirement allowance of any member retiring prior to a) attaining the age of 60 years, and after rendering 20 years or more of such service, computed under Section A8.587-7, and having attained the age of 50 years, or b) attaining the age of 60 years, and after rendering 10 years or more of such service, computed under Section A8.587-7, shall be an allowance equal to the percentage of said average final compensation set forth opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, computed under Section A8.587-7:

Age at Retirement	Percent for Each Year of Credited Service
50	1.0000
50 1/4	1.0250
50 1/2	1.0500
50 3/4	1.0750
51	1.1000
51 1/4	1.1250
51 1/2	1.1500

51 3/4	1.1750
52	1.2000
52 1/4	1.2250
52 1/2	1.2500
52 3/4	1.2750
53	1.3000
53 1/4	1.3250
53 1/2	1.3500
53 3/4	1.3750
54	1.4000
54 1/4	1.4250
54 1/2	1.4500
54 3/4	1.4750
55	1.5000
55 1/4	1.5250
55 1/2	1.5500
55 3/4	1.5750
56	1.6000
56 1/4	1.6250
56 1/2	1.6500
56 3/4	1.6750
57	1.7000
57 1/4	1.7250
57 1/2	1.7500
57 3/4	1.7750

58	1.8000
58 1/4	1.8250
58 1/2	1.8500
58 3/4	1.8750
59	1.9000
59 1/4	1.9250
59 1/2	1.9500
59 3/4	1.9750
60	<u>2.1000</u>
<u>60 1/4</u>	<u>2.1250</u>
<u>60 1/2</u>	<u>2.1500</u>
<u>60 3/4</u>	<u>2.1750</u>
<u>61</u>	<u>2.2000</u>
<u>61 1/4</u>	<u>2.2250</u>
<u>61 1/2</u>	<u>2.2500</u>
<u>61 3/4</u>	<u>2.2750</u>
<u>62</u>	<u>2.3000</u>

In no event shall a member's retirement allowance exceed seventy five percent of his or her average final compensation.

Before the first payment of a retirement allowance is made, a member, retired under this section or Section A8.587-3, may elect to receive the actuarial equivalent of his or her allowance, partly in an allowance to be received by him or her throughout his or her life, and partly in other benefits payable after his or her death to another person or persons, provided that such election shall be subject to all the conditions prescribed by the board of supervisors to govern similar elections by other members of the retirement system, including the character and amount, of such

other benefits. *Notwithstanding the provisions of Section A8.514 of this charter, the portion of service retirement allowance provided by the City and County's contributions shall be not less than \$100 per month upon retirement after thirty years of service and after attaining the age of 60 years, and provided further that as to any member with 15 years or more of service at the retirement age of 65, the portion of the service retirement allowance provided by the City and County's contribution shall be such that the total retirement allowance shall not be less than \$100 per month.* In the calculations under this section of the retirement allowance of a member having credit for service in a position in the evening schools and service in any other position, separate retirement allowances shall be calculated, in the manner prescribed for each class of service, the average final compensation in each case being that for the respective class of service, provided that the aggregate retirement allowance shall be taken into account in applying the provisions of this section providing for a minimum retirement allowance. Part-time service and compensation shall be converted to full-time service and compensation in the manner prescribed by the board of supervisors, and when so converted shall be applied on full-time service and compensation in the calculation of retirement allowances.

SEC. A8.587-13. APPLICATION OF PLAN.

(a) The provisions of Section A8.587 and Section A8.587-1 through A8.587-13 shall not apply to any members of the Retirement System under section A8.584 who retired or died before November 7, 2000.

(b) The amendments to Section A8.587 contained in the proposition submitted to the electorate on June 3, 2008 shall apply only to miscellaneous officers and employees under Section A8.587 who were not retired on January 10, 2009, and whose accumulated contributions were in the retirement fund on January 10, 2009 and who were not retired on that date.

(c) For members of the retirement system under Sections A8.584 or A8.587 who retired before January 10, 2009 and are later elected or appointed to a position or office which subjects him or her to membership in the retirement system under Section A8.587, the amendments to Section A8.587 submitted to the electorate on June 3, 2008 shall only apply to service after January 10, 2009.

SEC. A8.590-8. RETIREE HEALTH CARE TRUST FUND.

Notwithstanding any other provision of Charter Sections A8.409 through A8.409-8, the provisions and operation of the Retiree Health Care Trust Fund, including employee contributions to the fund, shall be determined pursuant to Charter Sections 12.204, A8.432, and A8.433, and shall not be subject to the dispute resolution procedures contained in Charter Section A8.590-5.

APPROVED AS TO FORM:
DENNIS J. HERRERA
City Attorney

By: _____
ERIK RAPOPORT
Deputy City Attorney