[Reducing retirement benefit costs.]

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 Sections A8.432, A8.506, A8.506-2, A8.506-3, and A8.510, and by adding Sections A8.432-1, A8.600 to A8.600-14, A8.601 to A8.601-16 and A8.602 to A8.602-16, to: (1) define "Participating Employers" for the Retiree Health Care Trust Fund to include the Superior Court of California, County of San Francisco, to the extent it participates in the City and County's Health Service System and upon resolution by its governing board; (2) require the difference between the City and County's contribution to the San Francisco Employees' Retirement System ("SFERS") set by the Retirement Board each year and the employer normal cost rate to be deposited into the Retiree Health Care Trust Fund; (3) require the difference between the "Participating Employers'" contribution to SFERS set by the Retirement Board each year and the employer normal cost rate to be deposited into the Retiree Health Care Trust Fund only upon resolution by the governing boards of the respective "Participating Employers" approving said deposits; (4) establish an employee contribution rate of nine percent for all employees hired on and after July 1, 2010 who become members of the California Public Employees' Retirement System ("CalPERS"); (5) require all contracts with CalPERS for persons hired on and after July 1, 2010 to include a three-year formula for the calculation of final compensation to the fullest extent possible; (6) require all contracts and contract amendments on and after July 1, 2010 for personnel of the sheriff's department and housing authority police who are members of CalPERS to be cost-neutral to the City and County; (7) create a new retirement plan for miscellaneous officers and employees hired on and after July 1, 2010 that modifies the average final compensation calculation from a one-year formula to a three-year formula; and (8) create new

retirement plans for safety members hired on and after July 1, 2010 that increase required employee retirement contributions to nine percent and modify the average final compensation calculation from a one-year formula to a three-year formula.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on June 8, 2010, a proposal to amend the Charter of the City and County by amending Sections A8.432, A8.506, A8.506-2, A8.506-3, and A8.510, and by adding Sections A8.432-1, A8.600 to A8.600-14, A8.601 to A8.601-16 and A8.602 to A8.602-16, to read as follows:

NOTE: Additions are *single-underline italics Times New Roman*; deletions are ~~*strike-through italics Times New Roman*~~.

Section 1. The San Francisco Charter is hereby amended, by amending Sections A8.432 and A8.510 and by adding Section A8.432-1 and by to read as follows:

SEC. A8.432 RETIREE HEALTH CARE TRUST FUND

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 7, 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*s A8.432-1, A8.510 and* 12.204, shall include *the Superior Court of California, County of San Francisco,* 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.

SEC. A8.432-1 ADDITIONAL CONTRIBUTIONS TO RETIREE HEALTH CARE TRUST FUND

Beginning on July 1, 2011, in each year when the contribution to the Retirement System required under Section A8.510 is less than the Retirement System employer normal cost rate; (1) the City and County shall deposit the difference into the Retiree Health Care Trust Fund; and (2) the Participating Employers shall deposit the difference into the Retiree Health Care Trust Fund only upon resolution by their respective governing boards.

SEC. A8.510 ACTUARIAL TABLES, RATES AND VALUATIONS

The mortality, service and other tables, and the rates of contributions for members as recommended by the actuary and the valuations determined by him and approved by the retirement board, shall be conclusive and final, and the Retirement System shall be based thereon. The total amount, as determined by the actuary and approved by the board, of the contributions required during any fiscal year of the City and County under the Retirement System, shall be paid into the Retirement System by the City and County during such year. Liabilities accruing under the Retirement System because of service rendered to the City and County by persons prior to the date their respective classes become eligible for membership in the system, and administrative costs under the system, shall be met by contributions to the Retirement System by the City and County, in addition to any amounts contributed to meet liabilities accruing because of service rendered by such persons after becoming members of the system, provided that such prior service liabilities may be met by annual appropriations instead of by one appropriation for the total amount of the liabilities; and provided further, that such appropriation for any one year shall not be less than the amount disbursed during that year on account of prior service. All expenses in connection with the investment of such fund or funds as may be established, including but not limited to travel and transportation costs, investment seminar expenses, postage, insurance, telephone, and subscriptions to investment publications, shall be paid from the accumulated contributions of the City and County.

Notwithstanding the provisions of Section A8.509(h)(5), said actuarial valuation and said investigation into the experience under the system shall be made as determined by the retirement board; provided, however, that said actuarial valuation shall be made not less than once every two years. All expenses in connection with said actuarial valuation and said investigation into the experience under the system; all expenses incurred by financial audits and accounting systems and procedures; and, all expenses of administration of plan benefits, including legal expenses thereof, shall be paid from the accumulated contributions of the City and County.

Contributions to the Retirement System required of the City and County shall be charged by the controller against the general fund or the school, utility, bond or other special fund under which the service was rendered, on account of which the contribution is required; provided that contributions required on account of service rendered by any person prior to becoming a member of the system, under a temporary fund, such as bond or County roads funds, or a fund then no longer existing, may be charged against the general fund, and provided further, that any contributions required on account of persons receiving benefits under subdivision (c) of Section A8.507, shall be charged against the general fund.

Beginning on July 1, 2011, in each year when the contribution to the Retirement System required under Section A8.510 is less than the Retirement System employer normal cost rate; (1) the City and County shall deposit the difference into the Retiree Health Care Trust Fund; and (2) the Participating Employers, as defined in Section A8.432, shall deposit the difference into the Retiree Health Care Trust Fund only upon resolution by their respective governing boards.

Section 2. The San Francisco Charter is hereby amended, by amending Sections A8.506, A8.506-2 and A8.506-3 to read as follows:

SEC. A8.506 SHERIFF'S DEPARTMENT

Notwithstanding any other provisions of this Charter, the Board of Supervisors shall have the power to contract with the Board of Administration of the Public Employees' Retirement System of the State of California to provide that the sheriff, undersheriff and all deputized

personnel of the sheriff's department shall be members of the Public Employees' Retirement System, and the Board of Supervisors and the ~~r~~*R*etirement ~~b~~*B*oard shall have the power to perform all acts necessary to carry out the terms and purposes of such contract. The maximum employee contribution for sheriff, undersheriff and deputized personnel of the sheriff's department shall be seven and one-half percent (7½%). Required contributions exceeding seven and one-half percent (7½%) shall be made by the City and County.

However, the employee contribution for persons who become employed as sheriff, undersheriff and deputized personnel of the sheriff's department on and after July 1, 2010 shall be nine percent (9%). The nine percent (9%) employee contribution rate shall take effect immediately upon expiration of the agreement that is operative on June 30, 2010 between the City and County and the recognized bargaining organization representing said employees.

All contracts and contract amendments with the Board of Administration of the Public Employees' Retirement System of the State of California for persons hired on and after July 1, 2010 shall provide, to the maximum extent permitted, that final compensation will be calculated based on a three-year formula.

Except as provided in this Section A8.506, on and after July 1, 2010, contracts and contract amendments with the Board of Administration of the Public Employees' Retirement System of the State of California shall be cost-neutral and employee bargaining units shall be permitted to trade salary or other employee paid benefits to achieve cost-neutrality.

Any person who shall become a member of the Public Employees' Retirement System pursuant to such contract shall have the right to be a member of the health service system and the ~~h~~*H*ealth ~~s~~*S*ervice ~~b~~*B*oard shall make provisions for participation in the benefits of the health service system by such persons.

SEC. A8.506-2 MISCELLANEOUS SAFETY EMPLOYEES

Notwithstanding any other provisions of this Charter, the Board of Supervisors or the Community College Board shall have the power to contract with the Board of Administration of

the Public Employees' Retirement System of the State of California to provide that the probation officers, airport police officers, district attorney and public defender investigators, medical examiner investigators, juvenile court counselors, institutional police, fire safety inspectors and fire protection engineers who are not members of the Section *A*8.588 plans, shall be members of the Public Employees' Retirement System, and the Board of Supervisors, the Community College Board and the Retirement Board shall have the power to perform all acts necessary to carry out the terms and purposes of such contract.

The Board of Supervisors shall have the power to amend such a contract to terminate the participation of certain airport police officers in the Public Employees' Retirement System and to transfer to the San Francisco Employees' Retirement System the accumulated assets and liabilities relating to the airport police officers that make such an election, and to exempt such a contract amendment from the cost-neutrality requirements of this Section *A*8.506-2, provided that the present value of any additional costs associated with said transfer and the related benefits under the San Francisco Employees' Retirement System does not exceed $670,000 in the aggregate. All additional costs in the form of actuarial liability associated with said transfer and said benefits that exceed $670,000 in the aggregate shall be paid by the airport police officers that elect to terminate their participation in the Public Employees' Retirement System and transfer the accumulated assets and liabilities relating to their service to the San Francisco Employees' Retirement System. The Board of Supervisors and the Retirement Board shall have the power to perform all acts necessary to carry out the amendment of such contract.

Except as provided in this Section *A*8.506-2, contracts and contract amendments shall be cost-neutral and employee bargaining units shall be permitted to trade salary or other employee paid benefits to achieve cost-neutrality. *However, the employee contribution for persons who become employed by the City and County on and after July 1, 2010, and who become eligible for membership pursuant to this Section A8.506-2, shall be nine percent (9%). The nine percent (9%) employee contribution rate shall take effect immediately upon expiration of the agreement*

that is operative on June 30, 2010 between the City and County and the recognized bargaining organization representing said employees.

All contracts and contract amendments with the Board of Administration of the Public Employees' Retirement System of the State of California for persons hired on and after July 1, 2010 shall provide, to the maximum extent permitted, that final compensation will be calculated based on a three-year formula.

The Board of Supervisors or the Community College Board is empowered to determine compliance under this Section. As provided in Section A8.409-5 of the City Charter, disputes under this paragraph shall not be subject to the dispute resolution procedures contained in Charter Section A8.409-4.

Any person who shall become a member of the Public Employees' Retirement System pursuant to such contract shall have the right to be a member of the health service system and the Health Service Board shall make provision for the participation in the benefits of the health service system by such persons.

SEC. A8.506-3 HOUSING AUTHORITY POLICE

All Housing Police Officers of the Housing Authority who, on July 1, 1984, are members of the Public Employees' Retirement System of the State of California shall continue to be members of said Public Employees' Retirement System, and they shall not be members of the San Francisco City and County Employees' Retirement System. Notwithstanding any other provisions of this Charter, the City and County shall perform all acts necessary to continue the membership of such employees in said Public Employees' Retirement System.

Notwithstanding any other provisions of this Charter, the Board of Supervisors shall have the power to contract with the Board of Administration of the Public Employees' Retirement System of the State of California to provide that Housing Authority Police hired after July 1, 1984, shall be members of the Public Employees' Retirement System, and the Board of Supervisors and the retirement board shall have the power to perform all acts necessary to carry

out the terms and purposes of such contract. *However, the employee contributions to the Public Employees' Retirement System for persons hired on and after July 1, 2010 and who become eligible for membership pursuant to this Section A8.506-3 shall be nine percent (9%). The nine percent (9%) employee contribution rate shall take effect immediately upon expiration of the agreement that is operative on June 30, 2010 between the City and County and the recognized bargaining organization representing said employees.*

All contracts and contract amendments with the Board of Administration of the Public Employees' Retirement System of the State of California for persons hired on and after July 1, 2010 shall provide, to the maximum extent permitted, that final compensation will be calculated based on a three-year formula.

Except as provided in this Section A8.506-3, on and after July 1, 2010, contracts and contract amendments with the Board of Administration of the Public Employees' Retirement System of the State of California shall be cost-neutral and employee bargaining units shall be permitted to trade salary or other employee paid benefits to achieve cost-neutrality.

Any person who shall become a member of the Public Employees' Retirement System pursuant to such contract shall have the right to be a member of the health service system and the ~~h~~*H*ealth ~~s~~*S*ervice ~~b~~*B*oard shall make provision for participation in the benefits of the health service system by such persons.

Section 3. The San Francisco Charter is hereby amended, by adding Sections A8.600 through A8.600-14 to read as follows:

SEC. A8.600 MISCELLANEOUS OFFICERS AND EMPLOYEES ON AND AFTER JULY 1, 2010

Miscellaneous officers and employees who become employed on and after July 1, 2010 shall be eligible to become members of the Retirement System subject to the provisions of Sections A8.600 through A8.600-14, in addition to such other applicable provisions including, but not limited to, A8.500 of this Charter; provided that persons who become members under the

Public Employees' Retirement System of the State of California or members of the State Teachers' Retirement System of the State of California shall not be members of the San Francisco City and County Employees' Retirement System and provided, further, that the Retirement System shall be applied to persons employed on a part-time or temporary basis only as the Board of Supervisors shall determine by ordinance enacted by three-fourths vote of all members of the board.

SEC. A8.600-1 DEFINITIONS

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 payment 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, but excluding remuneration for overtime and such other forms of compensation excluded by the Board of Supervisors pursuant to Section A8.500 of the Charter.

"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 or she was in the position first held by him or her 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 the higher of any three consecutive fiscal years of earnings or the three consecutive years of earnings immediately prior to retirement.

For the purposes of the Retirement System and of this section, Section A8.600 and Sections A8.600-2 through A8.600-14, the terms "miscellaneous officer or employee," or "member," shall mean any officer or employee employed on and after July 1, 2010 who is not a member of the police or fire departments as defined in the Charter for the purposes of the Retirement System. Said terms shall not include those persons who become members under the Public Employees' Retirement System or members of the State Teachers' Retirement System.

"Retirement system" or "system" shall mean San Francisco City and County Employees' Retirement System as created in Sections 12.100 and A8.500 of the Charter.

"Retirement board" shall mean "retirement board" as created in Section 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.

SEC. A8.600-2 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 A8.600-7 may retire for service at his or her option. Members may retire under this section or under the provisions of A8.600-6, 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 62 years shall receive a service retirement allowance at the rate of 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 A8.600-7, and having attained the age of 50 years, b) attaining the age of 60 years, and after rendering 10 years or more of such service, computed under Section A8.600-7, 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 A8.600-7:

Age at Retirement	***Percent for Each Year of Credited Service***
50	***1.000***
50¼	***1.0250***
50½	***1.0500***
50¾	***1.0750***
51	***1.1000***
51¼	***1.1250***
51½	***1.1500***
51¾	***1.1750***
52	***1.2000***
52¼	***1.2250***
52½	***1.2500***
52¾	***1.2750***
53	***1.3000***
53¼	***1.3250***
53½	***1.3500***
53¾	***1.3750***
54	***1.4000***
54¼	***1.4250***
54½	***1.4500***
54¾	***1.4750***
55	***1.5000***
55¼	***1.5250***
55½	***1.5500***
55¾	***1.5750***
56	***1.6000***

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 A8.600-3, 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. 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. A8.600-3 RETIREMENT FOR INCAPACITY

Any member who becomes incapacitated for performance of duty because of disability determined by a qualified hearing officer 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 Section A8.600-7, shall be retired upon an allowance of 1.8% (one and eight-tenths percent) of the average final compensation of said member, as defined in Section A8.600-1 for each year of credited service, if such retirement allowance exceeds 40 percent of his or her average final compensation; otherwise 1.8% (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 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 average final compensation upon which the retirement allowance is calculated in such case shall be based on the compensation earned by the member in the classes of service rendered by him or her during the three years immediately preceding his or her retirement. The question of retiring members under this section may be brought before the Retirement Board on said board's own motion, by the Retirement Board's executive director on its behalf, by said member, by his or her department head or by his or her 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.

SEC. A8.600-4 NO ADJUSTMENT FOR COMPENSATION PAYMENTS

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.

SEC. A8.600-5 DEATH BENEFIT

If a member shall die, before retirement:

(a) If no benefit is payable under subsection (b) of this section:

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

(2) 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 designated beneficiary or estate.

(b) 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 Section A8.600-2, 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 for 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 Subsection (b), 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 Subsection (b) is less than the benefit which was otherwise payable under Subsection (a) of this section, the amount of said benefit payable under Subsection (a) less an amount equal to the total of the payments of allowance made pursuant to this Subsection (b) shall be paid in a lump sum as follows:

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

(2) 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 Subsection (a) of this section 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 any benefit has been paid under this section, 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 section, any allowance payable under this Subsection (b) shall be reduced by the actuarial equivalent, at the date of the member's death, of the amount of benefits payable 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 designated beneficiary or estate 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.

Upon the death of a member after retirement, an allowance, in addition to the death benefit provided in the immediately preceding paragraph, shall be paid to his or her surviving spouse, until such surviving spouse's death or remarriage, equal to one-half of his or her retirement allowance as it was prior to optional modification and prior to reduction as provided in Subsection (a) of Section A8.514 of this Charter, but exclusive of the part of such allowance which was provided by additional contributions. No allowance, however, shall be

paid under this paragraph to a surviving spouse unless such surviving spouse was married to said member at least one year immediately prior to his or her retirement. If such retired person leaves no such surviving spouse, or if such surviving spouse should die or remarry before every child of such deceased retired person attains the age of 18 years, the allowance which such surviving spouse would have received had he or she lived and not remarried shall be paid to retired person's child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years.

SEC. A8.600-6 BENEFITS UPON TERMINATION OF MEMBERSHIP

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 re-employment 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 five years of service, 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. At or after 50 years of age, he or she shall be entitled to receive a retirement allowance which shall be the actuarial equivalent of his or her accumulated contributions and an equal amount of the contributions of the City and County, plus 1.667% (one and two-thirds 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.

SEC. A8.600-7 COMPUTATION OF SERVICE

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:

(a) Time during which said member is a member of the Retirement System under Section A8.600 and during and for which said member is entitled to receive compensation because of services as a miscellaneous officer or employee.

(b) Service in the fire and police departments which is not credited as service as a member under Section A8.600 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 Section A8.600, provided that the accumulated contributions standing to the credit of such member shall be adjusted by refund to the member or by payment by 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 member throughout the period of his or her service in either of such departments at the compensation he or she received in such departments.

(c) Prior service, during which said member was entitled to receive compensation while a miscellaneous member under any other section of the Charter, provided that accumulated contributions on account of such service previously refunded are redeposited with interest from the date of refund to the date of redeposit, at times and in the manner fixed by the Retirement Board.

(d) Prior service determined and credited as prescribed by the Board of Supervisors.

(e) The Board of Supervisors, by ordinance enacted by a three-fourths vote of its members, may provide for the crediting as 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.

(f) Time during which said member is absent from a status included in Subsections (a) or (b) 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 Section A8.520 or Section A8.521 of the Charter.

(g) Time during which said member was on Unpaid Parental Leave pursuant to Charter Section A8.523, and for which said member has purchased service credit in the Retirement System.

SEC. A8.600-8 SOURCES OF FUNDS

All payments provided for members under Section A8.600 shall be made from funds derived from the following sources, plus interest earned on said funds:

(a) There shall be deducted from each payment of compensation made to a member under Section A8.600 a sum equal to seven 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 A8.600, or shall be paid to said member or his or her estate or beneficiary as provided in Sections A8.600-5 and A8.600-6. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section

A8.600-8, to provide the benefits payable to members under Section A8.600. Such contributions of the City and County to provide the portion of the benefits hereunder 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 compensation paid during said year to persons who are members under Section A8.600, said percentage to be the ratio of the value as of the latest periodical actuarial valuation of the benefits thereafter to be paid to or on account of members under Section A8.600 from contributions of the City and County, less the amount of such contributions, plus accumulated interest thereon, then held by said system to provide said benefits on account of service rendered by respective members after said date, 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 valuations and investigations shall be made at least every two years.

(c) 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 benefits for members under Section A8.600 shall be a part of the fund in which all other assets of said system are included.

SEC. A8.600-9 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section A8.600-2 as requisite to retirement, a member shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.600-2, and, except as provided in Section A8.600-14, nothing shall deprive said member of said right.

SEC. A8.600-10 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and Subsection (b) of this section, no person retired as a member under Section A8.600 for service or disability and entitled to receive a retirement allowance under the Retirement System shall be employed in any capacity by the City and County, nor shall such person receive any payment for services rendered to the City and County after retirement.

(b) (1) Service as an election officer or juror, or in the preparation for or giving testimony as an expert witness for or on behalf of the City and County before any court or legislative body shall not be affected by the provisions of Subsection (a) of this section.

(2) The provisions of Subsection (a) shall not prevent such retired person from serving on any board or commission of the City and County and receiving the compensation for such office, provided said service does not exceed 120 working days or 960 hours per fiscal year.

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.600, he or she shall re-enter membership under Section A8.600 and his or her retirement allowance shall be cancelled immediately upon such re-entry. The provisions of Subsection (a) of this section shall not prevent such person from receiving the compensation for such position or office. The rate of contribution of such member shall be the same as that for other members under Section A8.600. Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

(4) The provisions of Subsection (a) shall not prevent such retired persons from employment which requires coverage under the Public Employees' Retirement System or the State Teachers' Retirement System.

SEC. A8.600-11 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.600 shall be adjusted for cost of living allowances and supplemental cost of living benefits as provided in this Charter.

SEC. A8.600-12 CONFLICTING CHARTER PROVISIONS

Any section or part of any section in this Charter, insofar as it should conflict with the provisions of Sections A8.600 through A8.600-14 or with any part thereof, shall be superseded by the contents of said sections. In the event that any word, phrase, clause or section of sections shall be adjudged unconstitutional, the remainder thereof shall remain in full force and effect.

SEC. A8.600-13 APPLICATION OF PLAN

For members of the Retirement System under Sections A8.584 or A8.587 who retired before July 1, 2010 and are later elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.600, all service on and after July 1, 2010 shall be subject to the provisions of Sections A8.600, et seq.

SEC. A8.600-14 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

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, the school district, the college district, or the Superior Court of California, County of San Francisco, shall 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 Section A8.600-2, 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 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.

Any member, after retirement for service or disability or while receiving a vesting allowance, who is convicted of a crime involving moral turpitude in connection with his or her duties as an officer or employee of the City and County, the school district, the college district, or the Superior Court of California, County of San Francisco, shall forfeit all rights to any further benefit from the Retirement System and the Retirement System shall immediately cease all future payments to such member; provided however, that if at the time of the conviction, said member has remaining accumulated contributions, then such member shall have the right to elect, without right of revocation and within 30 days after his or her conviction, 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 remaining at the time of the conviction.

Section 4. The San Francisco Charter is hereby amended, by adding Sections A8.601 through A8.601-16 to read as follows:

SEC. A8.601 MEMBERS OF THE FIRE DEPARTMENT ON AND AFTER JULY 1 , 2010

Persons who become members of the fire department, as defined in Section A8.601-1, on and after July 1, 2010, shall be members of the Retirement System subject to the provisions of Sections A8.601 through A8.601-16 (which shall apply only to members under Section A8.601) in addition to the provisions contained in Sections 12.100 to 12.103 and Sections A8.500, A8.510, A8.520, A8.526-2 and A8.526-3 of this Charter, notwithstanding the provisions of any other section of this Charter, and shall not be subject to any of the provisions of Sections A8.598 of this Charter.

The provisions of section A8.601 shall not apply to any member of the Retirement System before July 1, 2010 or any member who separated from service, retired or died before July 1, 2010, or to his or her continuant.

SEC. A8.601-1 DEFINITIONS

The following words and phrases as used in this section, Section A8.601 and Section A8.601-2 through A8.601-16, unless a different meaning is plainly required by the context, shall have the following meanings:

"Retirement allowance," "death allowance" or "allowance," shall mean equal monthly payments, beginning to accrue upon the date of retirement, or upon the day following the date of death, as the case may be, and continuing for life unless a different term of payment is definitely provided by the context.

"Compensation," as distinguished from benefits under the Workers' Compensation Insurance and Safety Act of the State of California, shall mean the remuneration payable in cash, by the City and County, without deduction except for absence from duty, for time during which the individual receiving such remuneration is a member of the fire department, but excluding remuneration paid for overtime. Subject to the requirement that it be payable in cash and that overtime be excluded, "compensation" for pension purposes may be defined in a collective bargaining agreement.

"Compensation earnable" shall mean the compensation which would have been earned had the member received compensation without interruption throughout the period under consideration and at the rates of remuneration attached at that time to the ranks or positions held by him or her during such period, it being assumed that during any absence, he or she was in the rank or position held by him or her at the beginning of the absence, and that prior to becoming a member of the fire department, he or she was in the rank or position first held by him or her in such department.

"Benefit" shall include "allowance," "retirement allowance," "death allowance" and "death benefit."

"Final compensation" shall mean the average monthly compensation earned by a member during the higher of any three consecutive years of earnings or the three consecutive years of earnings immediately prior to retirement.

For the purpose of Sections A8.601 through A8.601-16, the terms "member of the fire department," "member of the department," or "member" shall mean any officer or employee of the fire department employed on and after July 1, 2010 who was or shall be subject to the Charter provisions governing entrance requirements of members of the uniformed force of said department and said terms shall further mean persons employed on and after July 1, 2010 at an age not greater than the maximum age then prescribed for entrance into employment in said uniformed force, to perform duties now performed under the titles of pilot of fireboats, or marine engineer of fireboats; provided, however, that said terms shall not include any person who has not satisfactorily completed such course of training as may be required by the fire department prior to assignment to active duty with said department.

"Retirement system" or "system" shall mean San Francisco City and County Employees' Retirement System as created in Sections 12.100 and A8.500 of the Charter.

"Retirement board" shall mean "retirement board" as created in Section 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 gender, words used in the feminine gender shall include the masculine and neuter gender, and singular numbers shall include the plural and the plural the singular.

"Interest" shall mean interest at the rate adopted by the Retirement Board.

SEC. A8.601-2 SERVICE RETIREMENT

Any member of the fire department who completes at least five years of service in the aggregate and attains the age of fifty (50) years, said service to be computed under Section A8.601-10, may retire for service at his or her option. A member retired after meeting the

service and age requirements in the preceding sentence, shall receive a retirement allowance equal to the percent of final compensation (as defined in Section A8.601-1) set forth below opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, as computed under Section A8.601-10:

Retirement Age	***Percent for Each Year of Credited Service***
50	***2.400***
50.25	***2.430***
50.5	***2.460***
50.75	***2.490***
51	***2.520***
51.25	***2.550***
51.5	***2.580***
51.75	***2.610***
52	***2.640***
52.25	***2.670***
52.5	***2.700***
52.75	***2.730***
53	***2.760***
53.25	***2.790***
53.5	***2.820***
53.75	***2.850***
54	***2.880***
54.25	***2.910***
54.5	***2.940***
54.75	***2.970***
55+	***3.000***

In no event, however, shall such a retirement allowance exceed ninety (90) percent of a member's final compensation.

SEC. A8.601-3 RETIREMENT FOR INCAPACITY

Any member of the fire department who becomes incapacitated for the performance of his or her duty by reason of any bodily injury received in, or illness caused by the performance of his or her duty, shall be retired. If he or she is not qualified for service retirement, he or she shall receive a retirement allowance in an amount which shall be equal to the same percentage of the final compensation of said member, as defined in Section A8.601-1, as his or her percentage of disability is determined to be. The percentage of disability shall be as determined by the Workers' Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five affirmative votes, adjust the percentage of disability as determined by said appeals board; and provided, further, that such retirement allowance shall be in an amount not less than 50 percent nor more than 90 percent of the final compensation of said member, as defined in Section A8.601-1. Said allowance shall be paid to him or her until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years had he or she lived and rendered service without interruption in the rank held by him or her at retirement, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date based on the final compensation, as defined in Section A8.601-1, he or she would have received immediately prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation.

If, at the time of retirement because of disability, he or she is qualified as to age and service for retirement under Section A8.601-2, he or she shall receive an allowance equal to the retirement allowance which he or she would receive if retired under Section A8.601-2, but not less than 50 percent of said final compensation. Any member of the fire department who

becomes incapacitated for performance of his or her duty by reason of a cause not included under the provisions of the immediately preceding sentences, and who shall have completed at least 10 years of service in the aggregate, computed as provided in Section A8.601-10, shall be retired upon an allowance of 1½ percent of the final compensation of said member as defined in Section A8.601-1 for each year of service, provided that said allowance shall not be less than 33⅓ percent of said final compensation. The question of retiring a member under this section may be brought before the Retirement Board on said board's own motion, by recommendation of the fire commission or by said member or his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease and he or she shall be restored to the service in the rank he or she occupied at the time of his or her retirement.

SEC. A8.601-4 DEATH ALLOWANCE

If a member of the fire department shall die before or after retirement by reason of an injury received in, or illness caused by the performance of his or her duty, a death allowance, in lieu of any allowance, payable under any other section of the Charter or by ordinance, on account of death resulting from injury received in or illness caused by the performance of duty, shall be paid, beginning on the date next following the date of death, to his or her surviving spouse throughout his or her life or until his or her remarriage. If the member, at the time of death, was qualified for service retirement, but he or she had not retired, the allowance payable shall be equal to the retirement allowance which the member would have received if he or she had been retired for service on the date of death, but such allowance shall not be less than 50 percent of the final compensation earnable by said member immediately preceding death. If death occurs prior to qualification for service retirement, the allowance payable shall be equal to the compensation of said member at the date of death, until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, had he or she lived and rendered service without interruption in the rank held by him or her at death, and after said date the allowance

payable shall be equal to the retirement allowance said member would have received if retired for service on said date, based on the final compensation he or she would have received prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation. If he or she had retired prior to death, for service or for disability resulting from injury received in, or illness caused by the performance of duty, the allowance payable shall be equal to the retirement allowance of the member, except that if he or she was a member under Section A8.601 and retirement was for such disability, and if death occurred prior to qualification for the service retirement allowance, the allowance continued shall be adjusted upon the date at which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died.

If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children under the age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however, shall be paid under this section to a surviving spouse following the death of a member unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death.

SEC. A8.601-5 PAYMENT TO SURVIVING DEPENDENTS

Upon the death of a member of the fire department resulting from any cause other than an injury received in, or illness caused by performance of duty,

(a) if the death occurred after qualification for service retirement under Section A8.601-2, or after retirement service or because of disability which result from any cause other than an injury received in, or illness caused by performance of duty one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service at the date of death or one-half of the retirement allowance as it was at his or her death, as the case may be, shall be continued throughout his or her life or until remarriage to his or her surviving spouse, or

(b) if his or her death occurred after the completion of at least 25 years of service in the aggregate but prior to the attainment of the age of 50 years, one-half of the retirement allowance to which he or she would have been entitled under Section A8.601-2 if he or she had attained the age of 50 years on the date of his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, or

(c) if his or her death occurred after retirement for disability by reason of injury received in or illness caused by performance of duty, three-fourths of his or her retirement allowance as it was at his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, except that, if death occurred prior to qualification for service retirement allowance, the allowance continued shall be adjusted upon the date on which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died, or

(d) if his or her death occurred after completion of at least 10 years of service in the aggregate, computed as provided in Section A8.601-10, an allowance in an amount equal to the retirement allowance to which the member would have been entitled pursuant to Section A8.601-3 if he or she had retired on the date of death because of incapacity for performance of duty

shall be paid throughout life or until remarriage to his or her surviving spouse. If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children, under age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however shall be paid under this section to a surviving spouse unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death if he or she had not retired, or unless he or she was married to the member at least one year prior to his or her retirement if he or she had retired.

As used in this section and Section A8.601-4 "surviving spouse" shall mean and include a surviving spouse, and shall also mean and include a spouse who has remarried since the death of the member, but whose remarriage has been terminated by death, divorce or annulment within five years after the date of such remarriage and who has not thereafter again remarried.

The surviving spouse, in the event of death of the member after qualification for, but before service retirement, may elect before the first payment of the allowance, to receive the benefit provided in Section A8.601-8, in lieu of the allowance which otherwise would be continued to him or her under this section. If there is no surviving spouse, the guardian of the eligible child or children may make such election, and if there are no such children, the dependent parent or parents may make such election. "Qualified for service retirement,"

"qualification for service retirement" or "qualified as to age and service for retirement," as used in this section and other sections to which persons who are members under Section A8.601 are subject, shall mean completion of 25 years of service and attainment of age 50, said service to be computed under Section A8.601-10.

SEC. A8.601-6 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.601 shall be adjusted for cost of living allowances and supplemental cost of living benefits as provided in this Charter.

SEC. A8.601-7 ADJUSTMENT FOR COMPENSATION PAYMENTS

That portion of any allowance payable because of the death or retirement of any member of the fire department which is provided by contributions of the City and County, shall be reduced, by the amount of any benefits other than medical benefits, payable by the City and County to or on account of such person, under any workers' compensation law or any other general law and because of the injury or illness resulting in said death or retirement. Such portion which is paid because of death or retirement which resulted from injury received in, or illness caused by performance of duty, shall be considered as in lieu of all benefits, other than medical benefits, payable to or on account of such person under such law and shall be in satisfaction and discharge of the obligation of the City and County to pay such benefits.

SEC. A8.601-8 DEATH BENEFIT

If a member of the fire department shall die, before retirement from causes other than an injury received in, or illness caused by the performance of duty, or regardless of cause if no allowance shall be payable under Section A8.601-4 or A8.601-5 preceding, a death benefit shall be paid to his or her designated beneficiary or estate, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System. 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 designated beneficiary or estate, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System.

SEC. A8.601-9 REFUNDS AND REDEPOSITS

Should any member of the fire department cease to be employed as such a member, through any cause other than death or retirement or transfer to another office or department, 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 govern similar terminations of employment of other members of the Retirement System. If he or she shall again become a member of the department, he or she shall redeposit in the retirement fund the amount refunded to him or her. Should a member of the fire department become an employee of any other office or department, his or her accumulated contribution account shall be adjusted by payments to or from him or her as the case may be to make the accumulated contributions credited to him or her at the time of change equal to the amount which would have been credited to him or her if he or she had been employed in said other office or department at the rate of compensation received by him or her in the fire department and he or she shall receive credit for service for which said contributions were made, according to the Charter section under which his or her membership in the Retirement System continues.

SEC. A8.601-10 COMPUTATION OF SERVICE

The following time shall be included in the computation of the service to be credited to a member of the fire department for the purposes of determining whether such member qualified for retirement and calculating benefits, excluding, however, any time, the contributions for which were withdrawn by said member upon termination of his or her service while he or she was a member under any other Charter section, and not redeposited upon re-entry into service:

(a) Time during and for which said member is entitled to receive compensation because of services as a member of the police or fire department.

(b) Time prior to July 1, 2010, during which said member was entitled to receive compensation while a member of the police or fire department under any other section of the Charter, provided that accumulated contributions on account of such service previously refunded are redeposited with interest from the date of refund to the date of redeposit, at times and in the manner fixed by the Retirement Board; and solely for the purpose of determining qualification for retirement under Section A8.601-3 for disability not resulting from injury received in or illness caused by performance of duty, time during which said member serves and receives compensation because of services rendered in other offices and departments.

(c) Time during which said member earned compensation as a paramedic with the fire department or department of public health, provided that the accumulated contributions on account of such service are transferred to his or her Section A8.601 account or, if previously refunded, are redeposited with interest from the date of refund to the date of redeposit, at times and in the manner fixed by the Retirement Board. The Retirement Board shall require said member to execute a waiver at any time prior to retirement so that any paramedic service covered by Section A8.601 is not also covered by other pension provisions in this Charter.

(d) Time during which said member is absent from a status included in Subsection (a) next preceding, by reason of service in the armed forces of the United States of America, or by reason of any other service included in Sections A8.520 and A8.521 of the Charter, during any war in which the United States was or shall be engaged or during other national emergency, and for which said member contributed or contributes to the Retirement System or for which the City and County contributed or contributes on his or her account.

(e) Time during which said member was on Unpaid Parental Leave pursuant to Charter Section A8.523, and for which said member has purchased service credit in the Retirement System.

SEC. A8.601-11 SOURCES OF FUNDS

All payments provided for members under Section A8.601 shall be made from funds derived from the following sources, plus interest earned on said funds:

(a) There shall be deducted from each payment of compensation made to a member under Section A8.601 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. The eight and one-half percent member contribution rate shall take effect immediately upon expiration of the agreement that is operative on June 30, 2010 between the City and County and the recognized bargaining organization representing said members. Prior to that time, there shall be deducted from each payment of compensation made to a member under Section A8.601 a sum equal to seven percent of such payment of compensation. 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, or shall be paid to said member or his or her beneficiary or estate as provided in Section A8.601-8, A8.601-9 and A8.601-10.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.601-11, to provide the benefits payable to members under Section A8.601. Such contributions of the City and County to provide the portion of the benefits hereunder 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 compensation paid during said year to persons who are members under Section A8.601 in accordance with the provisions of Section A8.510.

(c) 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 benefits for members under Section A8.601, shall be a part of the fund in which all other assets of said system are included.

(d) Any year in which, based upon the Retirement System's annual actuarial valuation, the employer contribution rate exceeds 0%, the employee organizations representing safety members shall jointly meet and confer with City representatives to implement a cost sharing arrangement between the City and employee organizations. Such arrangement will effect a material reduction of the cost impact of employer contributions on the City's general fund.

The dollar value of the cost sharing arrangement shall not exceed the total annual cost to the Retirement System of improving the police and fire safety retirement plans to the 3% @ 55 benefit level or the total employer contribution required by the Retirement System, whichever is lesser. Such cost sharing arrangement shall not require an employee contribution in excess of the limits set elsewhere in this Charter.

The meet and confer process, including all impasse procedures under Section A8.590-1 et seq., shall be concluded not later than April 1st except by mutual agreement of the parties. The cost sharing arrangement must be finalized to permit implementation effective July 1.

The Retirement Board's authority under Charter section 12.100 and in Section A8.510 concerning the annual setting of the rates of contribution are not subject to the meet and confer process, including all impasse procedures under Section A8.590-1 et seq.

SEC. A8.601-12 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section 8.601-2 as requisite to retirement, a member of the fire department shall be entitled to retire at any time thereafter in accordance with the provisions of said Section 8.601-2, and except as provided in Section 8.601-16, nothing shall deprive said member of said right.

SEC. A8.601-13 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and in Subsection (b) of this section, no person retired as a member under Section A8.601 for service or disability and entitled to receive a retirement allowance under the Retirement System shall be employed in any capacity by the City and County, nor shall such person receive any payment for services rendered to the City and County after retirement.

(b) (1) Service as an election officer or juror, or in the preparation for, or giving testimony as an expert witness for or on behalf of the City and County before any court or legislative body shall be affected by the provisions of Subsection (a) of this section.

(2) The provisions of Subsection (a) shall not prevent such retired person from serving on any board or commission of the City and County and receiving the compensation for such office, provided said compensation does not exceed $100 per month.

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.601, he or she shall re-enter membership under Section A8.601 and his or her retirement allowance shall be cancelled immediately upon his or her re-entry. The provisions of Subsection (a) of this section shall not prevent such person from receiving the compensation for such position or office. The rate of contributions of such member shall be the same as that for other members under Section A8.601. Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

(c) Notwithstanding any provision of this Charter to the contrary, should any person retired for disability engage in a gainful occupation prior to attaining the age of 55 years, the Retirement Board shall reduce that part of his or her monthly retirement allowance which is

provided by contributions of the City and County to an amount which, when added to the amount of the compensation earnable, at the time he or she engages in the gainful occupation, by such person if he or she held the position which he or she held at the time of his or her retirement, or, if that position has been abolished, the compensation earnable by the member if he or she held the position from which he or she was retired immediately prior to its abolishment.

SEC. A8.601-14 CONFLICTING CHARTER PROVISIONS

Any section or part of any section in this Charter, insofar as it should conflict with the provisions of Section A8.601 through A8.601-16 or with any part thereof, shall be superseded by the contents of said sections. In the event that any word, phrase, clause or section of said sections shall be adjudged unconstitutional, the remainder thereof shall remain in full force and effect.

SEC. A8.601-15 VESTING

Notwithstanding any provisions of this Charter to the contrary, should any member of the fire department who is a member of the Retirement System under Charter Section A8.601 with five years of credited service, cease to be so employed, through any cause other than death or retirement, he or she shall have the right to elect, without right of revocation and within 90 days after termination of said service, to allow his or her accumulated contributions including interest to remain in the retirement fund and to receive a retirement allowance equal to the percent set forth in Section A8.601-2 opposite his or her age at retirement, for each year of service multiplied against the final compensation of said member, calculated at termination, payable beginning no earlier than age 50. No vesting retirement allowance under this section shall exceed ninety (90) percent of the member's final compensation.

SEC. A8.601-16 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

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 shall 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 Section 8.601-2, 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 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.

Any member, after retirement for service or disability or while receiving a vesting allowance, who is convicted of a crime involving moral turpitude in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any further benefit from the Retirement System and the Retirement System shall immediately cease all future payments to such member; provided however, that if at the time of the conviction, said member has remaining accumulated contributions, then such member shall have the right to elect, without right of revocation and within 30 days after his or her conviction, to receive as his or her sole benefit under the Retirement System, an annuity which shall he the actuarial equivalent of his or her accumulated contributions remaining at the time of the conviction.

Section 5. The San Francisco Charter is hereby amended, by adding Sections A8.602 through A8.602-16 to read as follows:

SEC. A8.602 MEMBERS OF THE POLICE DEPARTMENT ON AND AFTER JULY 1, 2010

Those persons who become members of the police department, as defined in Section A8.602-1, on and after July 1, 2010, shall be members of the Retirement System subject to the provisions of Sections A8.602 through A8.602-16 (which shall apply only to members under Section A8.602) in addition to the provisions contained in Sections 12.100 to 12.103 and Sections A8.500, A8.510, A8.520, A8.526-2 and A8.526-3 of this Charter, notwithstanding the provisions of any other section of this Charter, and shall not be subject to any of the provisions of Sections A8.597 of this Charter.

The provisions of section A8.602 shall not apply to any member of the Retirement System before July 1, 2010, or to any member of the Retirement System who separated from service, retired or died before July 1, 2010, or to his or her continuant.

SEC. A8.602-1 DEFINITIONS

The following words and phrases as used in this Section, Section A8.602 and Sections A8.602-2 through A8.602-16, unless a different meaning is plainly required by the context, shall have the following meanings:

"Retirement allowance," "death allowance" or "allowance," shall mean equal monthly payments, beginning to accrue upon the date of retirement, or upon the day following the date of death, as the case may be, and continuing for life unless a different term of payment is definitely provided by the context.

"Compensation," as distinguished from benefits under the Workers' Compensation Insurance and Safety Act of the State of California, shall mean the remuneration payable in cash, by the City and County, without deduction except for absence from duty, for time during which the individual receiving such remuneration is a member of the police department, but excluding remuneration paid for overtime.

Subject to the requirement that it be payable in cash and that overtime be excluded, "compensation" for pension purposes may be defined in a collective bargaining agreement. Provided, however, that for retirement purposes, any increase in compensation attached to a rank which is based solely upon the possession of a POST certificate, compared to the equivalent rank without a POST certificate, shall be subject to the following limitations:

(a) for possession of the intermediate POST certificate, no more than 4% shall be included in compensation,

(b) for possession of the advanced POST certificate, no more than an additional 2% over the maximum provided in Subsection (a), above, shall be included in compensation, These limits shall apply to any pay increments which are solely attributable to the possession of a

POST certificate, including but not limited to premiums or special ranks which may be established in the future and which are solely attributable to the possession of a POST certificate.

"Compensation earnable" shall mean the compensation which would have been earned had the member received compensation without interruption throughout the period under consideration and at the rates of remuneration attached at that time to the ranks or positions held by him or her during such period, it being assumed that during any absence, he or she was in the rank or position held by him or her at the beginning of the absence, and that prior to becoming a member of the police department, he or she was in the rank or position first held by him or her in such department.

"Benefit" shall include "allowance," "retirement allowance," "death allowance" and "death benefit."

"Final compensation" shall mean the average monthly compensation earned by a member during the higher of any three consecutive fiscal years of earnings or the three consecutive years of earnings immediately prior to retirement.

For purposes of calculation of final compensation, any increase in pay solely attributable to possession of a POST certificate shall be included only if the member possesses the qualifying POST certificate for a period of not less than four (4) years prior to his or her retirement date; provided, however, that should a member possess the qualifying POST certificate for a period of time less than four (4) years prior to retirement, final compensation shall be calculated based upon the monthly compensation in the next lower rank not requiring possession of the qualifying POST certificate.

For the purpose of Sections A8.602 through A8.602-16, the terms "member of the police department," "member of the department," or "member" shall mean any officer or employee of the police department employed on and after July 1, 2010 who was or shall be subject to the Charter provisions governing entrance requirements of members of the uniformed force of said

department and said terms shall further mean persons employed on and after July 1, 2010 at an age not greater than the maximum age then prescribed for entrance into employment in said uniformed force, to perform duties now performed under the titles of criminologist, photographer, police woman or jail matron; provided, however, that said terms shall not include any person who has not satisfactorily completed such course of training as may be required by the police department prior to assignment to active duty with said department.

"Retirement system" or "system" shall mean San Francisco City and County Employees' Retirement System as created in Sections 12.100 and A8.500 of the Charter.

"Retirement board" shall mean "retirement board" as created in Section 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 gender, words used in the feminine gender shall include the masculine and neuter gender, and singular numbers shall include the plural and the plural the singular.

"Interest" shall mean interest at the rate adopted by the Retirement Board.

SEC. A8.602-2 SERVICE RETIREMENT

Any member of the police department who completes at least five years of service in the aggregate and attains the age of fifty (50) years, said service to be computed under Section A8.602-10, may retire for service at his or her option. A member retired after meeting the service and age requirements in the preceding sentence, shall receive a retirement allowance equal to the percent of final compensation (as defined in Section A8.602-1) set forth below opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, as computed under Section A8.602-10:

Retirement Age	***Percent for Each Year of Credited Service***
50	***2.400***
50.25	***2.430***
50.5	***2.460***
50.75	***2.490***
51	***2.520***
51.25	***2.550***
51.5	***2.580***
51.75	***2.610***
52	***2.640***
52.25	***2.670***
52.5	***2.700***
52.75	***2.730***
53	***2.760***
53.25	***2.790***
53.5	***2.820***
53.75	***2.850***
54	***2.880***
54.25	***2.910***
54.5	***2.940***
54.75	***2.970***
55+	***3.000***

In no event, however, shall such a retirement allowance exceed ninety (90) percent of a member's final compensation.

SEC. A8.602-3 RETIREMENT FOR INCAPACITY

Any member of the police department who becomes incapacitated for the performance of his or her duty by reason of any bodily injury received in, or illness caused by the performance of his or her duty, shall be retired. If he or she is not qualified for service retirement, he or she shall receive a retirement allowance in an amount which shall be equal to the same percentage of the final compensation of said member, as defined in Section A8.602-1, as his or her percentage of disability is determined to be. The percentage of disability shall be as determined by the Workers' Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five affirmative votes, adjust the percentage of disability as determined by said appeals board; and provided, further, that such retirement allowance shall be in an amount not less than 50 percent nor more than 90 percent of the final compensation of said member, as defined in Section A8.602-1. Said allowance shall be paid to him or her until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years had he or she lived and rendered service without interruption in the rank held by him or her at retirement, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date based on the final compensation, as defined in Section A8.602-1, he or she would have received immediately prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation.

If, at the time of retirement because of disability, he or she is qualified as to age and service for retirement under Section A8.602-2, he or she shall receive an allowance equal to the retirement allowance which he or she would receive if retired under Section A8.602-2, but not less than 50 percent of said final compensation. Any member of the police department who

becomes incapacitated for performance of his or her duty by reason of a cause not included under the provisions of the immediately preceding sentences, and who shall have completed at least 10 years of service in the aggregate, computed as provided in Section A8.602-10, shall be retired upon an allowance of 1½ percent of the final compensation of said member as defined in Section A8.602-1 for each year of service, provided that said allowance shall not be less than 33⅓ percent of said final compensation. The question of retiring a member under this section may be brought before the Retirement Board on said board's own motion, by recommendation of the police commission or by said member or his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease and he or she shall be restored to the service in the rank he or she occupied at the time of his or her retirement.

SEC. A8.602-4 DEATH ALLOWANCE

If a member of the police department shall die before or after retirement by reason of an injury received in, or illness caused by the performance of his or her duty, a death allowance, in lieu of any allowance, payable under any other section of the Charter or by ordinance, on account of death resulting from injury received in or illness caused by the performance of duty, shall be paid, beginning on the date next following the date of death, to his or her surviving spouse throughout his or her life or until his or her remarriage. If the member, at the time of death, was qualified for service retirement, but he or she had not retired, the allowance payable shall be equal to the retirement allowance which the member would have received if he or she had been retired for service on the date of death, but such allowance shall not be less than 50 percent of the final compensation earnable by said member immediately preceding death. If death occurs prior to qualification for service retirement, the allowance payable shall be equal to the compensation of said member at the date of death, until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, had he or she lived and rendered service without interruption in the rank held by him or her at death, and after said date the allowance payable shall be equal to the

retirement allowance said member would have received if retired for service on said date, based on the final compensation he or she would have received prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation. If he or she had retired prior to death, for service or for disability resulting from injury received in, or illness caused by the performance of duty, the allowance payable shall be equal to the retirement allowance of the member, except that if he or she was a member under Section A8.602 and retirement was for such disability, and if death occurred prior to qualification for the service retirement allowance, the allowance continued shall be adjusted upon the date at which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died.

If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children under the age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however, shall be paid under this section to a surviving spouse following the death of a member unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death.

SEC. A8.602-5 PAYMENT TO SURVIVING DEPENDENTS

Upon the death of a member of the police department resulting from any cause other than an injury received in, or illness caused by performance of duty,

(a) if the death occurred after qualification for service retirement under Section A8.602-2, or after retirement service or because of disability which result from any cause other than an injury received in, or illness caused by performance of duty one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service at the date of death or one-half of the retirement allowance as it was at his or her death, as the case may be, shall be continued throughout his or her life or until remarriage to his or her surviving spouse, or

(b) if his or her death occurred after the completion of at least 25 years of service in the aggregate but prior to the attainment of the age of 50 years, one-half of the retirement allowance to which he or she would have been entitled under Section A8.602-2 if he or she had attained the age of 50 years on the date of his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, or

(c) if his or her death occurred after retirement for disability by reason of injury received in or illness caused by performance of duty, three-fourths of his or her retirement allowance as it was at his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, except that, if death occurred prior to qualification for service retirement allowance, the allowance continued shall be adjusted upon the date on which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died, or

(d) if his or her death occurred after completion of at least 10 years of service in the aggregate, computed as provided in Section A8.602-10, an allowance in an amount equal to the retirement allowance to which the member would have been entitled pursuant to Section A8.602-3 if he or she had retired on the date of death because of incapacity for performance of duty

shall be paid throughout life or until remarriage to his or her surviving spouse. If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children, under age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however shall be paid under this section to a surviving spouse unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death if he or she had not retired, or unless he or she was married to the member at least one year prior to his or her retirement if he or she had retired.

As used in this section and Section A8.602-4 "surviving spouse" shall mean and include a surviving spouse, and shall also mean and include a spouse who has remarried since the death of the member, but whose remarriage has been terminated by death, divorce or annulment within five years after the date of such remarriage and who has not thereafter again remarried.

The surviving spouse, in the event of death of the member after qualification for, but before service retirement, may elect before the first payment of the allowance, to receive the benefit provided in Section A8.602-8, in lieu of the allowance which otherwise would be continued to him or her under this section. If there is no surviving spouse, the guardian of the eligible child or children may make such election, and if there are no such children, the dependent parent or parents may make such election. "Qualified for service retirement,"

"qualification for service retirement" or "qualified as to age and service for retirement," as used in this section and other sections to which persons who are members under Section A8.602 are subject, shall mean completion of 25 years of service and attainment of age 50, said service to be computed under Section A8.602-10.

SEC. A8.602-6 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.602 shall be adjusted for cost of living allowances and supplemental cost of living benefits as provided in this Charter.

SEC. A8.602-7 ADJUSTMENT FOR COMPENSATION PAYMENTS

That portion of any allowance payable because of the death or retirement of any member of the police department which is provided by contributions of the City and County, shall be reduced, by the amount of any benefits other than medical benefits, payable by the City and County to or on account of such person, under any workers' compensation law or any other general law and because of the injury or illness resulting in said death or retirement. Such portion which is paid because of death or retirement which resulted from injury received in, or illness caused by performance of duty, shall be considered as in lieu of all benefits, other than medical benefits, payable to or on account of such person under such law and shall be in satisfaction and discharge of the obligation of the City and County to pay such benefits.

SEC. A8.602-8 DEATH BENEFIT

If a member of the police department shall die, before retirement from causes other than an injury received in, or illness caused by the performance of duty, or regardless of cause if no allowance shall be payable under Section A8.602-4 or A8.602-5 preceding, a death benefit shall be paid to his or her estate or designated beneficiary, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System. 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

designated beneficiary or estate the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System.

SEC. A8.602-9 REFUNDS AND REDEPOSITS

Should any member of the police department cease to be employed as such a member, through any cause other than death or retirement or transfer to another office or department, 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 govern similar terminations of employment of other members of the Retirement System. If he or she shall again become a member of the department, he or she shall redeposit in the retirement fund the amount refunded to him or her. Should a member of the police department become an employee of any other office or department, his or her accumulated contribution account shall be adjusted by payments to or from him or her as the case may be to make the accumulated contributions credited to him or her at the time of change equal to the amount which would have been credited to him or her if he or she had been employed in said other office or department at the rate of compensation received by him or her in the police department and he or she shall receive credit for service for which said contributions were made, according to the Charter section under which his or her membership in the Retirement System continues.

SEC. A8.602-10 COMPUTATION OF SERVICE

The following time shall be included in the computation of the service to be credited to a member of the police department for the purposes of determining whether such member qualified for retirement and calculating benefits, excluding, however, any time, the contributions for which were withdrawn by said member upon termination of his or her service while he or she was a member under any other Charter section, and not redeposited upon re-entry into service:

(a) Time during and for which said member is entitled to receive compensation because of services as a member of the police or fire department on and after July 1, 2010.

(b) Time during which said member was on Unpaid Parental Leave pursuant to Charter Section A8.523, and for which said member has purchased service credit in the Retirement System.

(c) Time during which said member is absent from a status included in Subsection (a) next preceding, by reason of service in the armed forces of the United States of America, or by reason of any other service included in Sections A8.520 and A8.521 of the Charter, during any war in which the United States was or shall be engaged or during other national emergency, and for which said member contributed or contributes to the Retirement System or for which the City and County contributed or contributes on his or her account.

SEC. A8.602-11 SOURCES OF FUNDS

All payments provided for members under Section A8.602 shall be made from funds derived from the following sources, plus interest earned on said funds:

(a) There shall be deducted from each payment of compensation made to a member under Section A8.602 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. The eight and one-half percent member contribution rate shall take effect immediately upon expiration of the agreement that is operative on June 30, 2010 between the City and County and the recognized bargaining organization representing said members. Prior to that time, there shall be deducted from each payment of compensation made to a member under Section A8.601 a sum equal to seven percent of such payment of compensation. 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, or shall be paid to said member or his or her beneficiary or as provided in Sections A8.602-8, A8.602-9 and A8.602-10.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.602-11, to provide the benefits payable to members under Section A8.602. Such contributions of the City and County to provide the portion of the benefits hereunder 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 compensation paid during said year to persons who are members under Section A8.602 in accordance with the provisions of Section A8.510.

(c) 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 benefits for members under Section A8.602, shall be a part of the fund in which all other assets of said system are included.

(d) Any year in which, based upon the Retirement System's annual actuarial valuation, the employer contribution rate exceeds 0%, the employee organizations representing safety members shall jointly meet and confer with City representatives to implement a cost sharing arrangement between the City and employee organizations. Such arrangement will effect a material reduction of the cost impact of employer contributions on the City's general fund.

The dollar value of the cost sharing arrangement shall not exceed the total annual cost to the Retirement System of improving the police and fire safety retirement plans to the 3% @ 55 benefit level or the total employer contribution required by the Retirement System, whichever is lesser. Such cost sharing arrangement shall not require an employee contribution in excess of the limits set elsewhere in this Charter.

The meet and confer process, including all impasse procedures under section A8.590-1 et seq., shall be concluded not later than April 1st except by mutual agreement of the parties. The cost sharing arrangement must be finalized to permit implementation effective July 1.

The Retirement Board's authority under Charter Section 12.100 and in Section A8.510 concerning the annual setting of the rates of contribution are not subject to the meet and confer process, including all impasse procedures under section A8.590-1 et seq.

SEC. A8.602-12 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section A8.602-2 as requisite to retirement, a member of the police department shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.602-2, and except as provided in Section A8.602-16, nothing shall deprive said member of said right.

SEC. A8.602-13 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and in Subsection (b) of this section, no person retired as a member under Section A8.602 for service or disability and entitled to receive a retirement allowance under the Retirement System shall be employed in any capacity by the City and County, nor shall such person receive any payment for services rendered to the City and County after retirement.

(b) (1) Service as an election officer or juror, or in the preparation for, or giving testimony as an expert witness for or on behalf of the City and County before any court or legislative body shall be affected by the provisions of Subsection (a) of this section.

(2) The provisions of Subsection (a) shall not prevent such retired person from serving on any board or commission of the City and County and receiving the compensation for such office, provided said compensation does not exceed $100 per month.

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.602, he or she shall re-enter membership under Section A8.602 and his or her retirement allowance shall be cancelled immediately upon his or her re-entry. The provisions of Subsection (a) of this section shall not prevent such person from receiving the compensation for such position or office. The rate of contributions of such member shall be the same as that for other members under Section A8.602.

Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

(c) Notwithstanding any provision of this Charter to the contrary, should any person retired for disability engage in a gainful occupation prior to attaining the age of 55 years, the Retirement Board shall reduce that part of his or her monthly retirement allowance which is provided by contributions of the City and County to an amount which, when added to the amount of the compensation earnable, at the time he or she engages in the gainful occupation, by such person if he or she held the position which he or she held at the time of his or her retirement, or, if that position has been abolished, the compensation earnable by the member if he or she held the position from which he or she was retired immediately prior to its abolishment.

SEC. A8.602-14 CONFLICTING CHARTER PROVISIONS

Any section or part of any section in this Charter, insofar as it should conflict with the provisions of Section A8.602 through A8.602-16 or with any part thereof, shall be superseded by the contents of said sections. In the event that any word, phrase, clause or section of said sections shall be adjudged unconstitutional, the remainder thereof shall remain in full force and effect.

SEC. A8.602-15 VESTING

Notwithstanding any provisions of this Charter to the contrary, should any member of the police department who is a member of the Retirement System under Charter Section A8.602 with five years of credited service, cease to be so employed, through any cause other than death or retirement, he or she shall have the right to elect, without right of revocation and within 90 days after termination of said service, to allow his or her accumulated contributions including interest to remain in the retirement fund and to receive a retirement allowance equal to the percent set

forth in Section A8.602-2 opposite his or her age at retirement, for each year of service multiplied against the final compensation of said member, calculated at termination, payable beginning no earlier than age 50. No vesting retirement allowance under this section shall exceed ninety (90%) percent of the member's final compensation.

SEC. A8.602-16 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

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 shall 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 Section A8.602-2, 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 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.

Any member after retirement for service or disability or while receiving a vesting allowance, who is convicted of a crime involving moral turpitude in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any further benefit from the Retirement System and the Retirement System shall immediately cease all future payments to such member; provided however, that if at the time of the conviction, said member has remaining accumulated contributions, then such member shall have the right to elect,

without right of revocation and within 30 days after his or her conviction, 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 remaining at the time of the conviction.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
Caryn Bortnick
Deputy City Attorney