

[Retirement system credit for unpaid parental leave.]

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:

- Adding Sections A8.523 through A8.523-7, to allow retirement system credit for eligible safety members who have taken unpaid parental leave while employed with the City and County;
- Amending Sections A8.559-10, A8.585-10, A8.586-10, A8.588-10, A8.595-10, A8.596-10, A8.597-10, and A8.598-10, relating to computation of service credit for a period of unpaid parental leave; and
- Amending Sections A8.559-11, A8.585-11, A8.586-11, A8.588-11, A8.595-11, A8.596-11, A8.597-11, and A8.598-11, relating to the source of funds for eligible safety members who elect to purchase service credit for a period of unpaid parental leave.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on November 4, 2008, a proposal to amend the Charter of the City and County by adding Sections A8.523 through A8.523-7 and amending Sections A8.559-10, A8.559-11, A8.585-10, A8.585-11, A8.586-10, A8.586-11, A8.588-10, A8.588-11, A8.595-10, A8.595-11, A8.596-10, A8.596-11, A8.597-10, A8.597-11, A8.598-10, and A8.598-11, to read as follows:

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

SEC. A8.523. RETIREMENT SYSTEM CREDIT FOR UNPAID PARENTAL LEAVE.

Notwithstanding any other provision of this Charter, any member the Retirement System under Sections A8.559, A8.585, A8.586, A8.588, A8.595, A8.596, A8.597 or A8.598 who has taken an Unpaid Parental Leave as defined herein shall have the right to make contributions and obtain service credit with the Retirement System for all or any part of the time he or she was on Unpaid Parental Leave, subject to the terms of this section, provided that he or she returns to work for the City for at least six months immediately after the expiration of his or her Unpaid Parental Leave.

The Board of Supervisors is hereby empowered to enact, by a three-fourths vote of its members, any and all ordinances necessary to carry into effect the provisions of this section.

Nothing in this section shall be construed to expand, reduce or otherwise affect the total amount of leave time available to members under federal, state, or local law, Civil Service Commission rules, or applicable memoranda of understanding between the City and County of San Francisco and employee organizations.

SEC. A8.523-1. 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:

"Paid Leave" shall have the same meaning as in Charter section A8.365-1.

"Parental Leave" shall have the same meaning as in Charter section A8.365-1.

"Unpaid Parental Leave" shall mean a period of Parental Leave taken while the member is employed by the City and County, and during which time the member is not on Paid Leave.

SEC. A8.523-2. ELIGIBILITY.

The Department of Human Resources shall certify to the Retirement System that a member is eligible to make contributions and obtain service credit pursuant to eligibility criteria

set forth in Charter Section A8.365-2. Provided, however, that the Department of Human Resources shall only certify a member as eligible to make contributions and obtain service credit with the Retirement System if he or she returns to work for the City for at least six months immediately after the expiration of his or her Unpaid Parental Leave. The Retirement System shall rely on the certification from the Department of Human Resources to determine eligibility to make contributions and obtain service credit for Unpaid Parental Leave.

SEC. A8.523-3. ELECTION TO CONTRIBUTE AND RECEIVE CREDIT FOR UNPAID PARENTAL LEAVE.

A member electing to make contributions and obtain service credit with the Retirement System for a period of Unpaid Parental Leave must so elect in writing on a form provided by the Retirement System. This election must be made before the date he or she files the application to retire or the effective date of his or her retirement, whichever is later.

This election must be for a minimum period of six months of Unpaid Parental Leave or all of his or her Unpaid Parental leave where such total period is less than six months. This election is limited to a maximum period of twelve months for each period of Unpaid Parental Leave.

A member may elect to receive service credit for a period of Unpaid Parental Leave taken prior to the effective date of this Section.

SEC. A8.523-4. COST NEUTRALITY AND MEMBER CONTRIBUTIONS.

There shall be no cost to the City and County if a member elects to make contributions and obtain service credit for a period of Unpaid Parental Leave. The member shall be responsible for payment of all contributions that would ordinarily be paid by the member and the City and County. The Retirement System shall determine the contributions required to purchase

the service. No service credit will be allowed unless and until all contributions are received by the Retirement System.

The retirement board shall have the authority to establish procedures to determine contributions for periods of Unpaid Parental Leave in accordance with this Section.

SEC. A8.523-5. CREDIT IN RETIREMENT SYSTEM FOR UNPAID PARENTAL LEAVE.

Upon completion of the payment of contributions in the amount specified by the Retirement Board, the member shall be credited with City and County service for the period of Unpaid Parental Leave for which he or she has elected to receive credit as City and County service pursuant to this Section.

SEC. A8.523-6. NON-VESTED BENEFIT.

This Charter section creates no vested benefits. The voters expressly reserve the right to review the benefits provided in this section and may alter or repeal such benefits for any or no reason.

SEC. A8.523-7. APPLICABILITY.

This section shall not apply to Retirement System members or their successors in interest who retired or terminated prior to the effective date of this section.

SEC. A8.559-10. 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 service while he was a member under any other charter section, and not redeposited upon reentry into service:

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

(b) Time during which said member served and received compensation as a jail matron in the office of the sheriff.

(c) Time during which said member is entitled to receive compensation while a member of the retirement system, because of service rendered in other offices and departments prior to July 1, 1949, provided that accumulated contributions on account of such service previously refunded, are redeposited, with interest from date of refund to date of redeposit, at times and in the manner fixed by the retirement board; and solely for purpose of determining qualification for retirement under Section 8.559-3 for disability not resulting from injury received in, or illness caused by performance of duty, time during which said member serves, after July 1, 1949, and receives compensation because of services rendered in other offices and departments.

(d) Time during which said member is absent from a status included in Subsections (a), (b), or (c) 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 Section 8.520 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 account.

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

SEC. A8.559-11. SOURCES OF FUNDS.

All payments provided for members under Section 8.559 shall be made from funds derived from the following sources, plus interest earned on said funds;

(a) The normal rate of contribution for each member under Section 8.559 shall be based on his age taken to the next lower complete quarter year, (1) at the date he became a member under Section 8.544, in the case of persons who are members under that section, or (2) on his age at the date he becomes a member under Section 8.559 in the case of persons who become members on or after July 1, 1973, without credit for service counted under Section 8.559-10. The age of entrance into the police department shall be determined by deducting the member's service credited under Section 8.559-10 as rendered prior to the date upon which his age is based for determination of his rate of contribution according to the sentence next preceding, from said age. The normal rate of contribution of each such member, to be effective from the effective date of membership under Section 8.559, shall be such as, on the average for such member, will provide, assuming service without interruption, under Section 8.559-2, one-third of that portion of the service retirement allowance to which he would be entitled, without continuance to dependents, upon first qualifying as to age and service for retirement under that section, which is based on service rendered after the date upon which his age is based for determination of his rate of contribution according to the first sentence in this paragraph, and assuming the contribution to be made from that date. The normal rate of contribution, however, shall not exceed seven percent.

(b) The dependent contributions of each member under this section which shall be required of each member throughout his membership in addition to the normal contributions, and in the same manner as normal contributions, shall be such as, on the average for such member, will provide, assuming service without interruption under Section 8.559-2, and upon his first qualifying as to age and service for retirement under that section, one-third of the portion of his allowance, which is to be continued under Section 8.559-5 after his death and throughout the life of a surviving wife whose age at said death is three years less than the age of said member. If, at the date of retirement for service or retirement for disability resulting from injury received in performance of duty, said member has no wife who would qualify for the continuance of the allowance to her after the death of said member, or upon retirement for disability resulting from

other causes, regardless of his marital conditions, the dependent contributions with accumulated interest thereon, shall be paid to him forthwith. The dependent rate of contribution, however, shall not exceed the difference between seven percent and the member's normal rate of contribution, and said dependent rate may be taken as a flat percentage of the member's normal rate, regardless of the age of qualification for service retirement.

(c) There shall be deducted from each payment of compensation made to a member under this section, a sum determined by applying the member's rates of contribution to such compensation payment. The sum so deducted shall be paid forthwith as a contribution 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 member 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 estate or beneficiary as provided in Sections 8.559-8, 8.559-9 and 8.559-10. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the contributions paid by the member for said purchase, plus interest.

(d) Contributions based on time included in Subsections (a), (b) and (c) of Section 8.559-10, and deducted prior to July 1, 1975, from compensation of persons who become members under Section 8.559, and standing with interest thereon, to the credit of such members on the records of the retirement system on said date, together with contributions made by such members pursuant to the provisions of Section 8.526 and standing with interest thereon to the credit of such members on the records of the retirement system on said date, shall continue to be credited to the individual accounts of said members and shall be combined with and administered in the same manner as the contributions deducted after said date.

(e) The total contributions, with interest thereon, made by or charged against the City and County and standing to its credit, in the accounts of the retirement system, on account of persons who become members under Section 8.559, shall be applied to provide the benefits under said Section 8.559.

(f) The City and County shall contribute to the retirement system such amounts as may be necessary, when added to the contributions referred to in the preceding paragraphs of this Section 8.559-11 to provide the benefits payable to members under Section 8.559. Such contributions of the City and County to provide the portion of the benefits hereunder which shall be based on service rendered by each member prior to the date upon which his age is based for determination of his rate of contribution in Subsection (a) of this Section 8.559-11, shall not be less during any fiscal year than the amount of such benefits paid during said year. Such contributions of the City and County to provide the portion of the benefits hereunder which shall be based on service rendered by respective members on and after the date stated in the next preceding sentence, shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total compensation paid during said year, to persons who are members under Section 8.559, said percentage to be the ratio of the value on July 1, 1975, or at the later date of a periodical actuarial valuation and investigation into the experience under the system, of the benefits thereafter to be paid under this section, from contributions of the City and County, less the amount of such contributions, and plus accumulated interest thereon, then held by said systems to provide said benefits on account of service rendered by respective members after the date stated in the sentence next preceding, to the value of said respective dates of salaries thereafter payable to said members. Said values shall be determined by the actuary, who shall take into account the interest which shall be earned on said contributions, the compensation experience of members, and the probabilities of separation by all causes, of members from service before retirement and of death after retirement. Said percentage shall be changed only on the basis of said periodical actuarial valuation and

investigation into the experience under the system. Said actuarial valuation shall be made every even-numbered year and said investigation into the experience under the system shall be every odd-numbered year.

(g) To promote the stability of the retirement system through a joint participation in the result of variations in the experience under mortality, investment and other contingencies the contributions of both members and the City and County held by the system to provide the benefits under this section, shall be a part of the fund in which all other assets of said system are included. Nothing in this section shall affect the obligations of the City and County to pay to the retirement system any amounts which may or shall become due under the provisions of the charter prior to July 1, 1975, and which are represented on said effective date, in the accounts of said system by debits against the City and County.

SEC. A8.585-10. 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 service while he 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 fire or police department.

(b) Time during which said member is entitled to receive compensation while a member of the retirement system, because of service rendered in other offices and departments prior to July 1, 1949, provided that accumulated contributions on account of such service previously refunded, are redeposited, with interest from date of refund to date of redeposit, at times and in the manner fixed by the retirement board; and solely for purpose of determining qualification for retirement under Section 8.585-3 for disability not resulting from injury received in, or illness

caused by performance of duty, time during which said member serves, after July 1, 1949, and receives compensation because of services rendered in other offices and departments.

(c) Time during which said member is absent from a status included in Subsections (a) and (b) 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 Section 8.520 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 account.

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

SEC. A8.585-11. SOURCES OF FUNDS.

All payments provided for members under Section 8.585 shall be made from funds derived from the following sources, plus interest earned on said funds:

(a) The normal rate of contribution for each member under Section 8.585 shall be based on his age taken to the next lower complete quarter year, (1) at the date he became a member under Section 8.568, in the case of persons who are members under that section, or (2) on his age at the date he becomes a member under Section 8.585 in the case of persons who become members on or after July 1, 1975, without credit for service counted under Section 8.585-10. The age of entrance into the fire department shall be determined by deducting the member's service credited under Section 8.585-10 as rendered prior to the date upon which his age is based for determination of his rate of contribution according to the sentence next preceding, from said age. The normal rate of contribution of each such member, to be effective from the effective date of membership under Section 8.585, shall be such as, on the average for such member, will provide, assuming service without interruption, under Section 8.585-2, one-third of that portion of the

service retirement allowance to which he would be entitled, without continuance to dependents, upon first qualifying as to age and service for retirement under that section, which is based on service rendered after the date upon which his age is based for determination of his rate of contribution according to the first sentence in this paragraph, and assuming the contribution to be made from that date. The normal rate of contribution, however, shall not exceed seven percent.

(b) The dependent contributions for each member under this section which shall be required of each member throughout his membership in addition to the normal contributions, and in the same manner as normal contributions, shall be such as, on the average for such member, will provide, assuming service without interruption under Section 8.585-2, and upon his first qualifying as to age and service for retirement under that section, one-third of the portion of his allowance, which is to be continued under Section 8.585-5 after his death and throughout the life of a surviving wife whose age at said death is three years less than the age of said member. If, at the date of retirement for service or retirement for disability resulting from injury received in performance of duty, said member has no wife who would qualify for the continuance of the allowance to her after the death of said member, or upon retirement for disability resulting from other causes, regardless of his marital conditions, the dependent contributions with accumulated interest thereon, shall be paid to him forthwith. The dependent rate of contribution, however, shall not exceed the difference between seven percent and the member's normal rate of contribution, and said dependent rate may be taken as a flat percentage of the member's normal rate, regardless of the age of qualification for service retirement.

(c) There shall be deducted from each payment of compensation made to a member under this section, a sum determined by applying the member's rates of contribution to such compensation payment. The sum so deducted shall be paid forthwith as a contribution 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, or shall be paid to said member or his estate or beneficiary as provided in Sections 8.585-8, 8.585-9 and 8.585-10. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the contributions paid by the member for said purchase, plus interest.

(d) Contributions based on time included in Subsections (a), (b) and (c) of Section 8.585-10, and deducted prior to July 1, 1975, from compensation of persons who become members under Section 8.585, and standing with interest thereon, to the credit of such members on the records of the retirement system on said date, together with contributions made by such members pursuant to the provisions of Section 8.526 and standing with interest thereon to the credit of such members on the records of the retirement system on said date, shall continue to be credited to the individual accounts of said members and shall be combined with and administered in the same manner as the contributions deducted after said date.

(e) The total contributions, with interest thereon, made by or charged against the City and County and standing to its credit, in the accounts of the retirement system, on account of persons who become members under Section 8.585, shall be applied to provide the benefits under said Section 8.585.

(f) The City and County shall contribute to the retirement system such amounts as may be necessary, when added to the contributions referred to in the preceding paragraphs of this Section 8.585-11, to provide the benefits payable to members under Section 8.585. Such contributions of the City and County to provide the portion of the benefits hereunder which shall be based on service rendered by each member prior to the date upon which his age is based for determination of his rate of contribution in Subsection (a) of this Section 8.585-11, shall not be less during any fiscal year than the amount of such benefits paid during said year. Such contributions of the City and County to provide the portion of the benefits hereunder which shall

be based on service rendered by respective members on and after the date stated in the preceding sentence, shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total compensation paid during said year, to persons who are members under Section 8.585, said percentage to be the ratio of the value on July 1, 1975, or at the later date of a periodical actuarial valuation and investigation into the experience under the system, of the benefits thereafter to be paid under this section, from contributions of the City and County, less the amount of such contributions, and plus accumulated interest thereon, then held by said systems to provide said benefits on account of service rendered by respective members after the date stated in the sentence next preceding, to the value of said respective dates of salaries thereafter payable to said members. Said values shall be determined by the actuary, who shall take into account the interest which shall be earned on said contributions, the compensation experience of members and the probabilities of separation by all causes, of members from service before retirement and of death after retirement. Said percentage shall be changed only on the basis of said periodical actuarial valuation and investigation into the experience under the system. Said actuarial valuation shall be made every even-numbered year and said investigation into the experience under the system shall be every odd-numbered year.

(g) 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 of the City and County held by the system to provide the benefits under this section, shall be a part of the fund in which all other assets of said system are included. Nothing in this section shall affect the obligations of the City and County to pay to the retirement system any amounts which may or shall become due under the provisions of the charter prior to July 1, 1975, and which are represented on said effective date, in the accounts of said system by debits against the City and County.

SEC. A8.586-10. 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 under Section 8.586 or 8.588, respectively.

(b) Time prior to November 2, 1976, 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 8.586-3 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 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 Section 8.520 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.

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

SEC. A8.586-11. SOURCES OF FUNDS.

All payments provided for members under Section 8.586 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 8.586 a sum equal to seven percent of such payment of compensation. The sum so deducted shall be paid forthwith as a contribution 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, or shall be paid to said member or his or her estate or beneficiary as provided in Sections 8.586-8, 8.586-9 and 8.586-10. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the contributions 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 8.586-11, to provide the benefits payable to members under Section 8.586. 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 8.586, said percentage to the ratio of the value on November 2, 1976, or at the later date of a periodical actuarial valuation and investigation into the experience under the system, of the benefits thereafter to be paid to or on account of members under Section 8.586 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 on said respective dates of salaries thereafter payable to said members. Said values shall be determined by the actuary, who shall take into account the interest which shall be earned on said contributions, the compensation experience of members, and the probabilities of separation by all causes, of members from service before retirement and of death after retirement. Said percentage shall be changed only on the basis of said periodical actuarial valuation and investigation into the experience under the system. Said actuarial valuation shall be made every even-numbered year and said investigation into the experience under the system shall be made every odd-numbered year.

(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 8.586, shall be a part of the fund in which all other assets of said system are included.

SEC. A8.588-10. 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 under Section 8.586 or 8.588, respectively.

(b) Time prior to November 2, 1976, 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 8.588-3 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 department of public health, provided that the accumulated contributions on account of such service are transferred to his or her 8.588 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 that a waiver be executed by said member so that any paramedic service covered by Section 8.588 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 Section 8.520 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 is on Unpaid Parental Leave pursuant to Charter Section A8.523, and for which said member has purchased service credit in the Retirement System.

SEC. A8.588-11. SOURCES OF FUNDS.

All payments provided for members under Section 8.588 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 8.588 a sum equal to seven percent of such payment of compensation. The sum so deducted shall be paid forthwith *as a contribution* 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, or shall be paid to said member or his or her estate or beneficiary as provided in Sections 8.588-8, 8.588-9 and 8.588-10. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the contributions 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 8.588-11, to provide the benefits payable to members under Section 8.588. 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 8.588, said percentage to the ratio of the value on November 2, 1976, or at the later date of a periodical actuarial valuation and investigation into the experience under the system, of the benefits thereafter to be paid to or on account of members under Section 8.588 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 on said respective dates of salaries thereafter payable to said members. Said values shall be determined by the actuary, who shall take into account the interest which shall be earned on said contributions, the compensation experience of members, and the probabilities of separation by all causes, of members from service before

retirement and of death after retirement. Said percentage shall be changed only on the basis of said periodical actuarial valuation and investigation into the experience under the system. Said actuarial valuation shall be made every even-numbered year and said investigation into the experience under the system shall be made every odd-numbered year.

(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 8.588, shall be a part of the fund in which all other assets of said system are included.

SEC. A8.595-10. 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 reentry into service:

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

(b) Time during which said member served and received compensation as a jail matron in the office of the sheriff.

(c) Time during which said member is absent from a status included in Subsections (a) or (b) 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.

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

SEC. A8.595-11. SOURCES OF FUNDS.

All payments provided for members under Section A8.595 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 A8.595 a sum equal to seven percent of such payment of compensation. The sum so deducted shall be paid forthwith as a contribution 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, or shall be paid to said member or his or her estate or beneficiary as provided in Section A8.595-8, A8.595-9 and A8.595-10. A member's individual account under Section A8.595 shall include all monies previously credited to the member's account under Section A8.559. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the contributions paid by the member for said purchase, plus interest.

(b) The dependent contributions of each member under this section which shall be required of each member throughout his or her membership in addition to the normal contributions, and in the same manner as normal contributions, shall be such as, on the average for such member, will provide, assuming service without interruption under Section A8.595-2, and upon he or she first qualifying as to age and service for retirement under that section, one-third of the portion of his or her allowance, which is to be continued under Section A8.595-5

after his or her death and throughout the life of a surviving spouse whose age at said death is three years less than the age of said member. If, at the date of retirement for service or retirement for disability resulting from injury received in the performance of duty, said member has no spouse who would qualify for the continuance of the allowance to him or her after the death of said member, or upon retirement for disability resulting from other causes, regardless of his or her marital conditions, the dependent contributions with accumulated interest thereon, shall be paid to him or her forthwith. The dependent rate of contribution, however, shall not exceed the difference between seven percent and the member's normal rate of contribution, and said dependent rate may be taken as a flat percentage of the member's normal rate, regardless of the age of qualification for service retirement.

(c) 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 A8.595-11, to provide the benefits payable to members under Section A8.595. 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 A8.595 in accordance with the provisions of Section A8.510.

(d) 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 A8.595, shall be a part of the fund in which all other assets of said system are included.

(e) 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. A8.596-10. 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 reentry 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 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.

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

SEC. A8.596-11. SOURCES OF FUNDS.

All payments provided for members under Section A8.596 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 A8.596 a sum equal to seven percent of such payment of compensation. The sum so deducted shall be paid forthwith as a contribution 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, or shall be paid to said member or his or her estate or beneficiary as provided in Section A8.596-8, A8.596-9 and A8.596-10. A member's individual account under Section A8.596 shall include all monies previously credited to the member's account under Section A8.585. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the contributions paid by the member for said purchase, plus interest.

(b) The dependent contributions of each member under this section which shall be required of each member throughout his or her membership in addition to the normal contributions, and in the same manner as normal contributions, shall be such as, on the average for such member, will provide, assuming service without interruption under Section A8.596-2,

and upon he or she first qualifying as to age and service for retirement under that section, one-third of the portion of his or her allowance, which is to be continued under Section A8.596-5 after his or her death and throughout the life of a surviving spouse whose age at said death is three years less than the age of said member. If, at the date of retirement for service or retirement for disability resulting from injury received in the performance of duty, said member has no spouse who would qualify for the continuance of the allowance to him or her after the death of said member, or upon retirement for disability resulting from other causes, regardless of his or her marital conditions, the dependent contributions with accumulated interest thereon, shall be paid to him or her forthwith. The dependent rate of contribution, however, shall not exceed the difference between seven percent and the member's normal rate of contribution, and said dependent rate may be taken as a flat percentage of the member's normal rate, regardless of the age of qualification for service retirement.

(c) 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 A8.596-11, to provide the benefits payable to members under Section A8.596. 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 A8.596 in accordance with the provisions of Section A8.510.

(d) 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 A8.596, shall be a part of the fund in which all other assets of said system are included.

(e) 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. A8.597-10. 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.

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

SEC. A8.597-11. SOURCES OF FUNDS.

All payments provided for members under Section A8.597 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 A8.597 a sum equal to seven percent of such payment of compensation plus the member's allocable share, if any, of the costs required under Section A8.506-2. The sum so deducted shall be paid forthwith as a contribution 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, or shall be paid to said member or his or her estate or beneficiary as provided in Sections A8.597-8, A8.597-9 and A8.597-10. A member's individual account under Section A8.597 shall include all monies previously credited to the member's account under Section A8.586. The individual accounts of members who were also airport police officers that terminated their participation in the Public Employees' Retirement System as provided in Section A8.506-2 shall also include that portion of the accumulated assets transferred to the San Francisco Employees' Retirement System that represents their contributions to the Public Employees' Retirement System plus interest. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the contributions 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 A8.597-11, to provide the benefits payable to members under Section A8.597. 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 A8.597 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 A8.597, 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. A8.598-10. 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 January 1, 2003, 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 A8.598-3 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 A8.598 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 that said member execute a waiver so that any paramedic service covered by Section A8.598 is not also covered by other pension provisions in this charter. Members of the fire department on January 1, 2003, who are members of the retirement system under Section A8.598, shall execute and file said waiver on or before June 30, 2003. Persons who become members of the fire department, as defined in Section A8.598-1, after January 1, 2003, shall execute and file said waiver within 90

days after their effective date of membership. Failure to file a timely waiver shall bar any application to have such paramedic service treated as safety service under this subsection.

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

SEC. A8.598-11. SOURCES OF FUNDS.

All payments provided for members under Section A8.598 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 A8.598 a sum equal to seven percent of such payment of compensation. The sum so deducted shall be paid forthwith as a contribution 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, or shall be paid to said member or his or her estate or beneficiary as provided in Section A8.598-8, A8.598-9 and A8.598-10. A member's individual account under Section A8.598 shall include all monies previously credited to the member's account under Section A8.588. The individual accounts of members who purchased

service credit for Unpaid Parental Leave shall also include the contributions 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 A8.598-11, to provide the benefits payable to members under Section A8.598. 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 A8.598 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 A8.598, 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

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

By: _____
JILL J. FIGG
Deputy City Attorney