

1 [PERS Contract Amendment.]

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3 **Resolution of Intention to Approve an Amendment to Contract Between the Board of**
4 **Administration, California Public Employees' Retirement System, and the Board of**
5 **Supervisors, City and County of San Francisco.**

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7 WHEREAS, The Public Employees' Retirement Law permits the participation of public
8 agencies and their employees in the Public Employees' Retirement System by the execution
9 of a contract, and sets forth the procedure by which said public agencies may elect to subject
10 themselves and their employees to amendments to said Law; and

11 WHEREAS, One of the steps in the procedure to amend this contract is the adoption
12 by the governing body of the public agency of a resolution giving notice of its intention to
13 approve an amendment to said contract, which resolution shall contain a summary of the
14 change proposed in said contract; and,

15 WHEREAS, Upon receipt of this Resolution of Intention, the Certification of Governing
16 Body's Action, the Certification of Compliance with Government Code Section 7507, and the
17 Certification of Employee Election, PERS will forward to the City and County the actual
18 contract and other final documents necessary to complete the proposed amendment;

19 WHEREAS, San Francisco Charter Section A8.506 states that: "Notwithstanding any
20 other provisions of this charter, the board of supervisors shall have the power to contract with
21 the Board of Administration of the Public Employees' Retirement System of the State of
22 California to provide that the sheriff, undersheriff and all deputized personnel of the sheriff's
23 department shall be members of the Public Employees' Retirement System, and the board of
24 supervisors and the retirement board shall have the power to perform all acts necessary to
25 carry out the terms and purposes of such contract;" and

1 WHEREAS, In the Memorandum of Understanding between the City and County of
2 San Francisco and the Deputy Sheriffs' Association for the period July 1, 2001 through June
3 30, 2003, approved by the Board of Supervisors, the parties agreed that: "If through a charter
4 amendment the voters improve safety retirement benefits for members of the San Francisco
5 Retirement System ("SFERS"), the City agrees to recommend to the Board of Supervisors
6 that, in accordance with the Government Code, the City's contract with PERS be amended to
7 provide a comparable benefit level for employees covered by this Agreement"; and

8 WHEREAS, In November 2002, the voters passed Proposition H, which amended the
9 City Charter to provide safety members of SFERS with an improved retirement benefit known
10 as "3% at 55;" and pursuant to its authority under Charter Section A8.506, the Board of
11 Supervisors is acting to implement a comparable benefit for the deputized personnel of the
12 Sheriff's Department; and

13 WHEREAS, The Public Employees Retirement System has prepared a Contract
14 Amendment Cost Analysis to provide the deputized personnel of the Sheriff's Department with
15 the benefit known as 3% at 55, and pursuant to Government Code Section 7507 the cost
16 analysis must be made public at a public meeting at least two weeks before adoption of an
17 ordinance approving the contract amendment, and the therefore a copy of the cost analysis is
18 on file with the Clerk of the Board of Supervisors in File No. _____; and

19 WHEREAS, The Deputy Sheriffs' Association, on behalf of the deputy sheriffs, and the
20 Municipal Executives' Association, on behalf of the Undersheriff and Assistant Sheriff, will
21 enter into agreements with the City, which extend beyond the parties' current Memoranda of
22 Understanding, to implement an ongoing cost sharing arrangement with the City to materially
23 reduce the cost to the City of the increase in the City's employer contribution caused by the
24 contract amendment; and

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1 WHEREAS, The City's contract with PERS also includes a small number of
2 miscellaneous employees transferred from the State Department of Mental Health to the City
3 and County of San Francisco pursuant to state law and Section 3.696-1 of the 1932 San
4 Francisco Charter, approved at the November 1985 election, and the retirement benefits of
5 these employees have lagged behind the retirement benefits of both state and City and
6 County employees in that their retirement benefits are based on an average of three years
7 final compensation as opposed to one-year final compensation, and the Board of Supervisors
8 desires to amend the contract with PERS to bring the PERS retirement benefits of these
9 employees in line with the one-year final compensation benefits available to other
10 miscellaneous City and County employees; and

11 WHEREAS, The Public Employees Retirement System has prepared a Contract
12 Amendment Cost Analysis to provide the miscellaneous employees transferred from the state
13 with the benefit known as one-year final compensation, and pursuant to Government Code
14 Section 7507 the cost analysis must be made public at a public meeting at least two weeks
15 before adoption of an ordinance approving the contract amendment, and therefore a copy of
16 the cost analysis is on file with the Clerk of the Board of Supervisors in File No. _____;
17 and

18 WHEREAS, The following is a statement of the proposed change provided by PERS:
19 "To provide Section 20042 (One-Year Final Compensation) for local miscellaneous members
20 and to add a 'Local Sheriff' category pursuant to Section 20432 and to provide Section
21 21363.1 (3% @ 55 Full formula); Section 20042 (One-Year Final Compensation); Section
22 21624 and 21626 (Post Retirement Survivor Allowance); Section 21024 (Military Service
23 Credit as Public Service); and Section 21571 (1959 Survivor Allowance – First Level);" now,
24 therefore, be it

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1 RESOLVED, That the San Francisco Board of Supervisors does hereby give notice of
2 intention to approve an amendment to the contract between the Board of Administration of the
3 Public Employees' Retirement System and the City and County of San Francisco. A copy of
4 said amendment is on file with the Clerk of the Board of Supervisors in File No. _____,
5 and is hereby declared to be part of this resolution as if set forth fully therein.

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