

[New hire qualifications for retiree health care; employer contributions to Health Service System for retiree health care for new hires; improving retirement benefits for City employees hired on or after January 10, 2009; retiree health care trust fund; changes to Rainy Day Reserve]

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 A8.594 and A8.594-1 through A8.594-14 to provide retirement benefits for employees hired on and after January 10, 2009, who have never been members of the Retirement System before that date and to amend Sections A8.509, A8.584, A8.584-1, A8.587, and A8.587-1, to include certain rehired City employees as members of those plans;
- amending Section A8.428 to increase the years of service required for new employees to qualify for subsidized health benefits at retirement and to adjust the formula for calculating retiree health benefit subsidies for those new employees;
- amending Section 9.113.5 to pre-fund retiree health benefits for City employees;
- adding Sections 12.204, A8.409-7, A8.432 and A8.590-8 and by amending Section A8.433 to fund retiree health benefits for the City and County of San Francisco and other participating employers.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on June 3, 2008, a proposal to amend the Charter of the City and County by –

- adding Sections A8.594 and A8.594-1 through A8.594-14, and by amending Sections A8.509, A8.584, A8.584-1, A8.587, and A8.587-1;
- amending Section A8.428;
- amending Section 9.113.5; and

- adding Sections 12.204, A8.409-7, A8.432 and A8.590-8 and by amending Section A8.433;

to read as follows:

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

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

Miscellaneous officers and employees, as defined in this section, who are members of the retirement system under this section of the charter on February 1, 1969, ~~and~~ persons who become miscellaneous officers and employees after February 1, 1969, and members of the retirement system subject to the provisions of this section who terminated their employment prior to January 10, 2009, and were rehired on and after January 10, 2009, shall be members of the retirement system, subject to the following provisions of this section, in addition to the provisions contained in Sections 3.670, 3.672, 8.500, 8.510 and 8.520 of this charter notwithstanding the provisions of any other section of the charter, provided that the retirement system shall be applied to persons employed on a part-time, temporary or substitute basis only as the board of supervisors shall determine by ordinance enacted by three-fourths vote of all members of the board. Miscellaneous officers and employees of the said departments who are members of the retirement system under Section 8.507 of the charter on February 1, 1969 shall continue to be members of the system under Section 8.507 and shall not be subject to any of the provisions of this section, except as specifically provided in this section.

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

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

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

“Compensation earnable” shall mean the compensation as determined by the retirement board, which would have been earned by the member had he 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 during such period and at the rate of pay attached to such positions, it being assumed that during any absence, he was in the position held by him at the beginning of the absence, and that prior to entering city-service he was in the position first held by him in city-service.

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

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

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

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

“Retirement board” shall mean “retirement board” as created in Section 3.670 of the charter.

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

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

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

(b) Any member who completes at least 20 years of service in the aggregate credited in the retirement system, and attains the age of 50 years, or at least 10 years of service in the aggregate credited in the retirement system, and attains the age of 60 years, said service to be computed under Subsection (g) hereof, may retire from service at his option. Members shall be retired on the first day of the month next following the attainment by them of the age of 65 years. A member retired after reaching the age of 60 years shall receive a service retirement allowance at the rate of two percent of said average final compensation for each year of service; provided, however, that upon the compulsory retirement of a member upon his attainment of the age of 65 years, if the allowance available to such member, pursuant to the provisions of Subsection (f) of this section, shall be greater in amount than the service retirement allowance otherwise payable to such member under this Subsection (b), then such member shall receive as his service retirement allowance, in lieu of the allowance otherwise payable under this Subsection (b), an allowance computed in accordance with the formula provided in said Subsection (f). The service retirement allowance of any member retiring prior to attaining the age of 60 years, and after rendering 20 years or more of such service, computed under Section A8.587-7, and having attained the age of 50 years, computed under Subsection (g), shall be an allowance equal to the percentage of said average final compensation set forth opposite his age at retirement, taken to the preceding completed quarter year, for each year of service, computed under Subsection (g):

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

51 1/4	1.1250
51 1/2	1.1500
51 3/4	1.1750
52	1.2000
52 1/4	1.2250
52 1/2	1.2500
52 3/4	1.2750
53	1.3000
53 1/4	1.3250
53 1/2	1.3500
53 3/4	1.3750
54	1.4000
54 1/4	1.4250
54 1/2	1.4500
54 3/4	1.4750
55	1.5000
55 1/4	1.5250
55 1/2	1.5500
55 3/4	1.5750
56	1.6000
56 1/4	1.6250
56 1/2	1.6500
56 3/4	1.6750
57	1.7000
57 1/4	1.7250
57 1/2	1.7500

57 3/4	1.7750
58	1.8000
58 1/4	1.8250
58 1/2	1.8500
58 3/4	1.8750
59	1.9000
59 1/4	1.9250
59 1/2	1.9500
59 3/4	1.9750
60	2.000

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

Before the first payment of a retirement allowance is made, a member retired under this subsection or Subsection (c) of this section, may elect to receive the actuarial equivalent of his allowance, partly in an allowance to be received by him throughout his life, and partly in other benefits payable after his 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; provided, however, that at any time within 30 days after the date on which his compulsory retirement would otherwise have become effective, a member who has attained the age of 65 years may elect within 30 days, without right of revocation, to withdraw his or her accumulated contributions, said election to be exercised in writing on a form furnished by the retirement system and filed at the office of said system, and a member so electing shall be considered as having terminated his or her membership in said system on the date immediately preceding the date on which his or her compulsory retirement would otherwise have become

effective, and he shall be paid forthwith his or her accumulated contributions, with interest credited thereon. Notwithstanding the provisions of Section 8.514 of this charter, the portion of service retirement allowance provided by the city and county's contributions shall be not less than \$100 per month upon retirement after 30 years of service and after attaining the age of 60 years, and provided further that as to any member with 15 years or more of service at the compulsory a retirement age of 65, the portion of the service retirement allowance provided by the city and county's contribution shall be such that the total retirement allowance shall not be less than \$100 per month. In the calculations under this subsection of the retirement allowance of a member having credit for service in a position in the evening schools and service in any other position, separate retirement allowances shall be calculated in the manner prescribed for each class of service, the average final compensation in each case being that for the respective class of service; provided that the aggregate retirement allowance shall be taken into account in applying the provisions of this subsection providing for a minimum retirement allowance. Part-time service and compensation shall be reduced to full-time service and compensation in the manner prescribed by the board of supervisors, and when so reduced, shall be applied on full time service and compensation in the calculations of retirement allowances.

(c) Any member who becomes incapacitated for performance of duty because of disability determined by the retirement board to be of extended and uncertain duration, and who shall have completed at least 10 years of service credited in the retirement system in the aggregate, computed as provided in Subsection (g) hereof, shall be retired upon an allowance of one and eight-tenths percent of the average final compensation of said member, as defined in Subsection (a) hereof for each year of credited service, if such retirement allowance exceeds 40 percent of his average final compensation; otherwise one and eight-tenths percent of his average final compensation multiplied by the number of years of city-service which would be credited to him were such city-service to continue until attainment by him of age 60, but such retirement allowance shall not exceed 40 percent of such average final compensation. In the calculation

under this subsection of the retirement allowance of a member having credit for service in a position in the evening schools and service in any other position, separate retirement allowances shall be calculated, in the manner prescribed, for each class of service, the average final compensation in each case being that for the respective class of service; provided that the average final compensation upon which the minimum total retirement allowance is calculated in such case shall be based on the compensation earnable by the member in the classes of service rendered by him during the one year immediately preceding his retirement. Part- time service and compensation shall be reduced to full-time service and compensation in the manner prescribed by the board of supervisors, and when so reduced, shall be applied as full-time service and compensation in the calculation of retirement allowances. The question of retiring a member under this subsection may be brought before the retirement board on said board's own motion, by recommendation of any commission or board, or by said member or his guardian. If his disability shall cease, his retirement allowance shall cease, and he shall be restored to service in the position or classification he occupied at the time of his retirement.

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

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

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

(B) If a member sustains a traumatic bodily injury through external and violent means in the course and scope of employment and death results within 180 days of such injury, an

additional insurance benefit of 12 months of compensation earnable shall be paid to the member's estate or designated beneficiary.

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

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

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

The surviving spouse may elect, on a form provided by the retirement system and filed in the office of the retirement system before the first payment of the allowance provided herein, to

receive the benefit provided in Subdivision (1) of this subsection in lieu of the allowance which otherwise would be payable under the provisions of this subdivision. If a surviving spouse, who was entitled to make the election herein provided, shall die before or after making such election, but before receiving any payment pursuant to such election, then the legally appointed guardian of the unmarried children of the member under the age of 18 years, may make the election herein provided before benefit has been paid under this Subsection (e), for and on behalf of such children if, in his judgment it appears to be in their interest and advantage, and the election so made shall be binding and conclusive upon all parties in interest.

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

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

(f) Should any miscellaneous member cease to be employed as such a member, through any cause other than death or retirement, all of his contributions, with interest credited thereon, shall be refunded to him subject to the conditions prescribed by the board of supervisors to cover similar terminations of employment and reemployment with and without redeposit of withdrawn accumulated contributions of other members of the retirement system, provided that if such member is entitled to be credited with at least 10 years of service or if his accumulated contributions exceed \$1,000, he 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 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 accumulated contributions. A person who elects to allow his accumulated contributions to remain in the retirement fund shall be subject to the same age requirements as apply to other members under this section for service retirement, but he shall not be subject to a minimum service requirement. Upon the qualification of such member for retirement by reason of age, he *or she* shall be entitled to receive a retirement allowance which shall be the actuarial equivalent of his accumulated contributions and an equal amount of the contributions of the city and county, plus 1-2/3 percent of his average final compensation for each year of service credited to him as rendered prior to his first membership in the retirement system. Upon the death of such member prior to retirement, his contributions with interest credited thereon shall be paid to his estate or designated beneficiary.

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

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

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

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

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

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

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

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

(2) Contributions based on time included in paragraphs (1) and (3) of Subsection (g), and deducted prior to July 1, 1947, from compensation of persons who become members under this

section, and standing with interest thereon, to the credit of such members on the records of the retirement system on said date, shall continue to be credited to the individual accounts of said members, and shall be combined with and administered in the same manner as the contributions deducted after said date.

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

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

take into account the interest which shall be earned on said contributions, the compensation experience of members, and the probabilities of separation by all causes, of members from service before retirement, and of death after retirement. Said percentage shall be changed only on the basis of said periodical actuarial valuation and investigation into the experience under the system. Said actuarial valuation shall be made every even-numbered year, and said investigation into the experience under the system shall be made every odd-numbered year.

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

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

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

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

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

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

(m) The amendments of this section contained in the proposition submitted to the electorate on November 6, 1984 are hereby declared to be prospective and shall not give any person a claim against the city and county relating to a death prior to ratification of this amendment by the State Legislature.

**SEC. A8.584. RETIREMENT-MISCELLANEOUS OFFICERS AND EMPLOYEES
HIRED AFTER NOVEMBER 1, 1976.**

Those persons who become miscellaneous officers and employees after November 1, 1976, and former members of the retirement system subject to the provisions of this Section who terminated their employment before January 10, 2009, and were rehired on and after January 10, 2009, shall be members of the retirement system subject to the provisions of Section A8.584

and A8.584-1 through A8.584-12, in addition to the provisions contained in Sections 3.670, 3.672, 8.500, 8.510, 8.520 and 8.526 of this charter notwithstanding the provisions of any other section of the charter; provided that persons who become members under the Public Employees' Retirement System of the State of California pursuant to Section 8.506 of this charter ~~of~~ or members of the State Teachers' Retirement System of the State of the California pursuant to Section 8.506-1 of this charter 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. Miscellaneous officers and employees of the retirement system under Sections 8.507 or 8.509 of the charter prior to November 2, 1976 shall continue to be members of the system under Sections 8.507 or 8.509, as the case may be, and shall not be subject to any of the provisions of this section or Sections 8.584-1 through 8.584-12.

SEC. A8.584-1. 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.

"Compensation earnable" shall mean the compensation as determined by the retirement board, which would have been earned by the member had he worked, throughout the period

under consideration, the average number of days ordinarily worked by person in the same grade or class of positions as the positions held by him during such period and at the rate of pay attached to such positions as the position held by him during such period and at the rate of pay attached to such positions, it being assumed that during any absence, he was in the position held by him at the beginning of the absence, and that prior to entering City service, he was in the position first held by him in City service.

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

"Average final compensation" shall mean the average monthly compensation earned by a member during any three consecutive years of credited service in the retirement system in which his average final compensation is the highest.

For the purpose of this section A8.584-1 and Sections A8.584-2 through A8.584-12, the terms "miscellaneous officer or employee," or "member," shall mean any officer or employee employed on November 1, 1976 who is not a member of the police or fire departments as defined in the charter for the purposes of the retirement system, and former members of the retirement system subject to the provisions of this Section who terminated their employment before January 10, 2009, and were rehired on and after January 10, 2009, provided that said terms shall not include those persons who become members under the Public Employees' Retirement System of the State of California pursuant to Section 8.506 of this charter or members of State Teachers' Retirement System of the State of California pursuant to Section 8.506-1 of this charter.

"Retirement system" or "system" shall mean San Francisco City and County Employees' Retirement System as created in Section 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. A8.587. RETIREMENT-MISCELLANEOUS OFFICERS AND EMPLOYEES
HIRED ON AND AFTER NOVEMBER 7, 2000.**

Miscellaneous officers and employees on November 7, 2000 who were members of the retirement system under Section A8.584, miscellaneous officers and employees under Section A8.584 whose accumulated contributions were in the retirement fund on November 7, 2000 and who were not retired on that date, miscellaneous officers and employees who become members of the retirement system on and after November 7, 2000, and former members of the retirement system subject to the provisions of this Section who terminated their employment before January 10, 2009, and were rehired on and after January 10, 2009, shall be members of the retirement system subject to the provisions of Sections A8.587 through A8.587-13, in addition to such other applicable provisions including, but not limited to, A8.500 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 the 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. A8.587-1. 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 person 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 any one year of credited service in the retirement system in which his or her average final compensation is the highest.

For the purpose of this Section A8.587-1, and Sections A8.587-2 through A8.587-13, the terms "miscellaneous officer or employee," or "member," shall mean any officer or employee employed on November 7, 2000 who was a member of the retirement system under Section A8.584, any member of the retirement system under Section A8.584 whose accumulated contributions were in the retirement fund on November 7, 2000 and who was not retired on that date, ~~and~~ any officer and employee hired on and after November 7, 2000 who is not a member of the police or fire departments as defined in the charter for the purposes of the retirement system, and former members of the retirement system subject to the provisions of this Section who terminated their employment before January 10, 2009, and were rehired on and after January

10, 2009. 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 Section 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. A8.594. RETIREMENT-MISCELLANEOUS OFFICERS AND EMPLOYEES HIRED ON AND AFTER JANUARY 10, 2009.

Miscellaneous officers and employees hired on and after January 10, 2009, who have never been a member of the San Francisco Employees' Retirement System before that date, shall be members of the retirement system subject to the provisions of Sections A8.594 through A8.594-14, in addition to such other applicable provisions including, but not limited to, the provisions contained in Sections 12.100 to 12.103 and Sections A8.500, A8.510 and A8.520 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 the 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.

Miscellaneous officers and employees hired on and after January 10, 2009, who were previously

miscellaneous members of the retirement system, shall be members of the system subject to the provisions of the plan applicable to them during their prior membership.

SEC. A8.594-1. 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 person 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 any one year of credited service in the retirement system in which his or her average final compensation is the highest.

For the purpose of this Section A8.594, and Sections A8.594-2 through A8.594-14, the terms "miscellaneous officer or employee," or "member," shall mean any officer or employee hired on and after January 10, 2009, who has never been a member of the retirement system, and 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. Said terms shall not include officers or employees hired on and after January 10, 2009, who were previously members of the retirement system under any other provisions.

"Retirement system" or "system" shall mean San Francisco City and County Employees' Retirement System as created in Section 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. A8.594-2. SERVICE RETIREMENT

(a) 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 A8.594-7, may retire for service at his or her option.

(b) Service retirement eligible and less than 20 years of service:

The service retirement allowance of any member eligible to retire with less than twenty years of service shall be an allowance equal to the percentage of said average final

compensation set forth below opposite his or her age at retirement, taken to the preceding completed quarter year for each year of service, computed under Section A8.594-7:

<u>Age at Retirement</u>	<u>Percent for Each Year of Credited Service</u>
<u>50</u>	<u>1.0000</u>
<u>50 1/4</u>	<u>1.0250</u>
<u>50 1/2</u>	<u>1.0500</u>
<u>50 3/4</u>	<u>1.0750</u>
<u>51</u>	<u>1.1000</u>
<u>51 1/4</u>	<u>1.1250</u>
<u>51 1/2</u>	<u>1.1500</u>
<u>51 3/4</u>	<u>1.1750</u>
<u>52</u>	<u>1.2000</u>
<u>52 1/4</u>	<u>1.2250</u>
<u>52 1/2</u>	<u>1.2500</u>
<u>52 3/4</u>	<u>1.2750</u>
<u>53</u>	<u>1.3000</u>
<u>53 1/4</u>	<u>1.3250</u>
<u>53 1/2</u>	<u>1.3500</u>
<u>53 3/4</u>	<u>1.3750</u>
<u>54</u>	<u>1.4000</u>
<u>54 1/4</u>	<u>1.4250</u>
<u>54 1/2</u>	<u>1.4500</u>
<u>54 3/4</u>	<u>1.4750</u>
<u>55</u>	<u>1.5000</u>
<u>55 1/4</u>	<u>1.5250</u>

<u>55 1/2</u>	<u>1.5500</u>
<u>55 3/4</u>	<u>1.5750</u>
<u>56</u>	<u>1.6000</u>
<u>56 1/4</u>	<u>1.6250</u>
<u>56 1/2</u>	<u>1.6500</u>
<u>56 3/4</u>	<u>1.6750</u>
<u>57</u>	<u>1.7000</u>
<u>57 1/4</u>	<u>1.7250</u>
<u>57 1/2</u>	<u>1.7500</u>
<u>57 3/4</u>	<u>1.7750</u>
<u>58</u>	<u>1.8000</u>
<u>58 1/4</u>	<u>1.8250</u>
<u>58 1/2</u>	<u>1.8500</u>
<u>58 3/4</u>	<u>1.8750</u>
<u>59</u>	<u>1.9000</u>
<u>59 1/4</u>	<u>1.9250</u>
<u>59 1/2</u>	<u>1.9500</u>
<u>59 3/4</u>	<u>1.9750</u>
<u>60 or older</u>	<u>2.0000</u>

(c) Service retirement eligible and 20 or more years of service:

The service retirement allowance of any member eligible to retire with 20 or more years of service shall be an allowance equal to the percentage of said average final compensation set forth below opposite his or her age at retirement, taken to the preceding completed quarter year for each year of service, computed under Section A8.594-7:

**Age at
Retirement**

**Percent for
Each Year of
Credited Service**

<u>50</u>	<u>1.0000</u>
<u>50 1/4</u>	<u>1.0250</u>
<u>50 1/2</u>	<u>1.0500</u>
<u>50 3/4</u>	<u>1.0750</u>
<u>51</u>	<u>1.1000</u>
<u>51 1/4</u>	<u>1.1250</u>
<u>51 1/2</u>	<u>1.1500</u>
<u>51 3/4</u>	<u>1.1750</u>
<u>52</u>	<u>1.2000</u>
<u>52 1/4</u>	<u>1.2250</u>
<u>52 1/2</u>	<u>1.2500</u>
<u>52 3/4</u>	<u>1.2750</u>
<u>53</u>	<u>1.3000</u>
<u>53 1/4</u>	<u>1.3250</u>
<u>53 1/2</u>	<u>1.3500</u>
<u>53 3/4</u>	<u>1.3750</u>
<u>54</u>	<u>1.4000</u>
<u>54 1/4</u>	<u>1.4250</u>
<u>54 1/2</u>	<u>1.4500</u>
<u>54 3/4</u>	<u>1.4750</u>
<u>55</u>	<u>1.5000</u>
<u>55 1/4</u>	<u>1.5250</u>
<u>55 1/2</u>	<u>1.5500</u>
<u>55 3/4</u>	<u>1.5750</u>
<u>56</u>	<u>1.6000</u>
<u>56 1/4</u>	<u>1.6250</u>

<u>56 1/2</u>	<u>1.6500</u>
<u>56 3/4</u>	<u>1.6750</u>
<u>57</u>	<u>1.7000</u>
<u>57 1/4</u>	<u>1.7250</u>
<u>57 1/2</u>	<u>1.7500</u>
<u>57 3/4</u>	<u>1.7750</u>
<u>58</u>	<u>1.8000</u>
<u>58 1/4</u>	<u>1.8250</u>
<u>58 1/2</u>	<u>1.8500</u>
<u>58 3/4</u>	<u>1.8750</u>
<u>59</u>	<u>1.9000</u>
<u>59 1/4</u>	<u>1.9250</u>
<u>59 1/2</u>	<u>1.9500</u>
<u>59 3/4</u>	<u>1.9750</u>
<u>60</u>	<u>2.0000</u>
<u>60 1/4</u>	<u>2.0250</u>
<u>60 1/2</u>	<u>2.0500</u>
<u>60 3/4</u>	<u>2.0750</u>
<u>61</u>	<u>2.1000</u>
<u>61 1/4</u>	<u>2.1250</u>
<u>61 1/2</u>	<u>2.1500</u>
<u>61 3/4</u>	<u>2.1750</u>
<u>62</u>	<u>2.2000</u>
<u>62 1/4</u>	<u>2.2250</u>
<u>62 1/2</u>	<u>2.2500</u>
<u>62 3/4</u>	<u>2.2750</u>

<u>63</u>	<u>2.3000</u>
<u>63 1/4</u>	<u>2.3250</u>
<u>63 1/2</u>	<u>2.3500</u>
<u>63 3/4</u>	<u>2.3750</u>
<u>64</u>	<u>2.4000</u>
<u>64 1/4</u>	<u>2.4250</u>
<u>64 1/2</u>	<u>2.4500</u>
<u>64 3/4</u>	<u>2.4750</u>
<u>65 or older</u>	<u>2.5000</u>

In no event shall a member's retirement allowance exceed 80% 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 A8.594-3, 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 person, 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. 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. A8.594-3. 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 A8.594-7, shall be retired upon an allowance of 1.8% (one and eight-tenths percent) percent of the average final compensation of said member, as defined in Section A8.594-1 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) 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 minimum total retirement allowance is calculated in such case shall be based on the compensation earnable by the member in the classes of service rendered by him or her during the one year immediately preceding his or her retirement. Part-time service and compensation shall be converted to full-time service and compensation in the manner prescribed by the board of supervisors, and when so converted shall be applied as full-time service and compensation in the calculation of retirement allowances. An application for disability retirement under this section may be brought before the retirement board on the board's own motion, by the executive director of the Retirement System, by recommendation of any department head, commission or board, or by said member, or 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. A8.594-4. 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. A8.594-5. 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 A8.594-2, 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 paid to such other person.

Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her 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. 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 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 the 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. A8.594-6. 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) percent of his or her average final compensation for each year of service credited to him 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 designated beneficiary or estate.

SEC. A8.594-7. 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 A8.594 and during and for which said member is entitled to receive compensation because of services as a miscellaneous officer or employee.

(b) Prior service determined and credited as prescribed by the board of supervisors.

(c) 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 therefor shall be required of the City and County.

(d) Time during which said member is absent from a status included in Subsection (a), 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 Sections A8.519, A8.520 or A8.521 of the charter.

SEC. A8.594-8. SOURCES OF FUNDS.

All payments provided for members under Section A8.594 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 A8.594 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 A8.594, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.594-5 and A8.594-6.

(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 A8.594-8, to provide the benefits payable to members under Section A8.594. 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 A8.594, 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 A8.594 from contributions of the City and County, less the amount of such contributions, plus accumulated interest thereon, then held by the 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. The 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 A8.594 shall be a part of the fund in which all other assets of said system are included.

SEC. A8.594-9. RIGHT TO RETIRE.

Upon the completion of the years of service set forth in Section A8.594-2 as requisite to retirement, a member shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.594-2, and, except as provided in Section A8.594-10, nothing shall deprive said member of said right.

SEC. A8.594-10. 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 A8.594-2, 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 his or her 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.

SEC. A8-594-11. 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 A8.594 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 A8.594, he or she shall re-enter membership under Section A8.594 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 A8.594. 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. A8.594-12. ADJUSTMENT OF ALLOWANCES.

Every retirement or death allowance payable to or on account of any member under Section A8.594 shall be adjusted in accordance with the provisions of Subsection (b) of Section A8.526 of this charter.

SEC. A8.594-13. CONFLICTING CHARTER PROVISIONS.

Any section or part of any section in this charter, insofar as it should conflict with the provisions of Section A8.594 through A8.594-14 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. A8.594-14. APPLICATION OF PLAN.

The provisions of Section A8.594 and Section A8.594-1 through A8.594-14 shall not apply to any employee who was a member of the Retirement System before January 10, 2009.

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

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

(a) Definitions

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

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

"Hired on or Before June 30, 2008" as used in this section means employees of the City and County, the School District and/or the Community College District who were hired on or before June 30, 2008, excluding the following categories of employees: (1) as-needed employees who have never earned 1,040 or more hours of compensation during any 12-month period ending on or before June 30, 2008; and/or (2) employees who have separated from Employers on or before June 30, 2008, and have less than 5 years of Credited Service.

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

"Registered as Domestic Partners" as used in this section means persons who have established a domestic partnership according to the provisions of Chapter 62 of the San Francisco Administrative Code, as amended from time to time. Domestic partners who have

formed their domestic partnership only by notarization of a declaration of Domestic Partnership as provided in Chapter 62 of the San Francisco Administrative Code shall not be recognized or treated as a domestic partnership under this Section unless and until the domestic partnership is registered or certified.

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

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

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

(1) -a former member of the health service system, ~~hired by the Employers on or before June 30, 2008,~~ retired under the San Francisco City and County Employees' Retirement System or PERS (hereinafter, "Retired Employee who was Hired on or Before June 30, 2008"); ~~and~~

(2) the surviving spouse or surviving domestic partner of an active employee ~~hired on or before June 30, 2008,~~ provided that the surviving spouse or surviving domestic partner and the active employee have been married or Registered as Domestic Partners for a period of at least one year prior to the death of the active employee; ~~and~~

(3) the surviving spouse or surviving domestic partner of a ~~+~~Retired ~~e~~Employee ~~who was Hired on or Before June 30, 2008,~~ provided that the surviving spouse or surviving domestic partner and the ~~active or +~~Retired ~~e~~Employee ~~who was Hired on or Before June 30, 2008~~ have been married or ~~+~~Registered as ~~d~~Domestic ~~p~~Partners for a period of at least one year prior to the death of the ~~active or +~~Retired ~~e~~Employee ~~who was Hired on or Before June 30, 2008~~;

(4) a former member of the health service system, hired by the Employers on or after July 1, 2008, and retired under the Retirement System or PERS for disability or retired under the Retirement System or PERS: (i) within 120 days of separation from employment from the

Employers; (ii) after attaining the age of 55; and (iii) with 10 or more years of Credited Service with the Employers (hereinafter, "Retired Employee who was Hired on or After July 1, 2008");

(5) the surviving spouse or surviving domestic partner of an active employee hired on or after July 1, 2008, with 10 or more years of Credited Service with the Employers, or who died in the line of duty where the surviving spouse or surviving domestic partner is entitled to a death allowance as a result of the death in the line of duty, provided that the surviving spouse or surviving domestic partner and the active employee have been married or Registered as Domestic Partners for a period of at least one year prior to the death of the active employee; or

(6) the surviving spouse or surviving domestic partner of a Retired Employee who was Hired on or After July 1, 2008, provided that the surviving spouse or surviving domestic partner and the Retired Employee who was Hired on or After July 1, 2008, have been married or Registered as Domestic Partners for a period of at least one year prior to the death of the Retired Employee who was Hired on or After July 1, 2008.

(b) Employer Contributions

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

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

~~(b)~~(2) The City and County, the ~~s~~School ~~d~~District and the ~~e~~Community ~~e~~College ~~d~~District shall contribute to the health service system fund with respect to each of their members an amount equal to "the average contribution," as certified by the health service board in accordance with the provisions of Section A8.4238.

~~(e)~~(3) Retired Employees Who Were Hired on or Before June 30, 2008

For Retired Persons identified in A8.428 Subsections (a)(1), (a)(2) and (a)(3), the Employers shall contribute to the health service fund amounts subject to the following limitations: Monthly contributions required from ~~r~~Retired ~~p~~Persons and the surviving spouses

and surviving domestic partners of active employees and ~~Retired~~ ~~P~~Persons participating in the system shall be equal to the monthly contributions required from members in the system for health coverage-excluding health coverage or subsidies for health coverage paid for active employees as a result of collective bargaining, with the following modifications:

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

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

(~~iii~~) after application of ~~Section (c) and s~~Subsections (~~e3~~), (~~3~~)(~~4~~) and (~~e3~~)(~~2ii~~), the City and County, the ~~S~~School ~~d~~District and the ~~e~~Community ~~e~~College ~~d~~District shall contribute 50% of ~~Retired~~ ~~P~~Persons' remaining monthly contributions.

(4) Retired Employees Who Were Hired on or After July 1, 2008 - Categories of Employees Eligible for 100% Employer Contribution

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

(i) a Retired Employee who was Hired on or After July 1, 2008, with 20 or more years of Credited Service with the Employers; and their surviving spouses or surviving domestic partners;

(ii) the surviving spouses or surviving domestic partners of active employees hired on or after July 1, 2008, with 20 or more years of Credited Service with the Employers;

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

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

(5) Retired Employees Who Were Hired on or After July 1, 2008 - Categories of Employees Eligible for 50%-75% Employer Contribution.

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

(i) 50% percent of the employer contribution established in A8.428 Subsection (b)(3) for a Retired Employee who was Hired on or After July 1, 2008, with at least 10 but less than 15 years of Credited Service with the Employers; their surviving spouses or surviving domestic partners; and the surviving spouses or surviving domestic partners of active employees hired on or after July 1, 2008, with at least 10 but less than 15 years of Credited Service with the Employers; and

(ii) 75% percent of the employer contribution established in A8.428 Subsection (b)(3) for a Retired Employee who was Hired on or After July 1, 2008, with at least 15 but less than 20 years of Credited Service with the Employers; their surviving spouses or surviving domestic partners; and the surviving spouses or surviving domestic partners of active employees hired on or after July 1, 2008, with at least 15 but less than 20 years of Credited Service with the Employers.

(6) Employees Hired on or After July 1, 2008 – Categories of Employees Eligible for Access to Retiree Medical Benefits Coverage

Employees hired on or after July 1, 2008, and retired under the Retirement System or PERS with five (5) or more years Credited Service with the Employers, shall be eligible to receive health benefits as members of the health service system, provided that he or she makes monthly contributions equal to one hundred percent (100%) of the total premiums for health insurance benefits, including the total cost for dependent coverage. At such time as he or she becomes eligible to receive benefits under A8.428 Subsection (a)(4), the Employers shall contribute the amounts established in A8.428 Subsections (b)(4), (b)(5), or (c), as applicable.

(7) Chart Summarizing Employer Contributions Under A8.428 Subsections (b)(4), (b)(5) and (b)(6) For Employees Hired on or After July 1, 2008

<u>Years of Credited Service At Retirement</u>	<u>Percentage of Employer Contribution Established in A8.428 Subsection (b)(3)</u>
1. <u>Less than 5 years of Credited Service with the Employers (except for the surviving spouses or surviving domestic partners of active employees who died in the line of duty)</u>	<u>No Retiree Medical Benefits Coverage</u>
2. <u>At least 5 but less than 10 years of Credited Service with the Employers; or greater than 10 years of Credited Service with the Employers but not eligible to receive benefits under Subsections (a)(4), (b)(4) and (b)(5) (A8.428 Subsection (b)(6))</u>	<u>0%</u> <u>Access to Retiree Medical Benefits Coverage, Including Access to Dependant Coverage, But No Employer Contribution; Employee Pays Health Insurance Premium</u>

<p>3. <u>At least 10 but less than 15 years of Credited Service with the Employers</u> <u>(A8.428 Subsection (b)(5))</u></p>	<p><u>50%</u></p>
<p>4. <u>At least 15 but less than 20 years of Credited Service with the Employers</u> <u>(A8.428 Subsection (b)(5))</u></p>	<p><u>75%</u></p>
<p>5. <u>At least 20 years of Credited Service with the Employers; Retired Persons who retired for disability; surviving spouses or surviving domestic partners of active employees who died in the line of duty</u> <u>(A8.428 Subsection (b)(4))</u></p>	<p><u>100%</u></p>

The above chart is a simplified summary of Employer contributions under A8.428 Subsections (b)(4), (b)(5) and (b)(6) for employees hired on or after July 1, 2008. The express language of Subsections (b)(4), (b)(5) and (b)(6), and not the summary chart or its content, shall determine Employer contributions.

~~-(d)(c)~~ The City and County, the San Francisco Unified School District and the San Francisco Community College District shall contribute to the health service system fund 50% of the monthly contributions required for the first dependent of ~~#Retired~~ Persons in the system. Except as hereinbefore set forth, the City and County, the ~~San Francisco Unified~~ School District

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

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

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

The amendments of this section contained in the proposition therefor submitted to the electorate on June 3, 2008 ~~November 7, 2000~~ shall be ~~operative~~effective July 1, 2008~~7~~. The purpose of the July 1, 2008, Charter amendment is to amend Section A8.428 to change the required years of service and employer retiree health care contribution amounts for employees Hired on or After July 1, 2008. Nothing in this Charter amendment shall expand or contract the groups of employees eligible for retiree health care benefits beyond those groups eligible as of June 3, 2008.

SEC. 9.113.5 RAINY DAY RESERVE

(a) There shall be a Rainy Day Reserve (the Reserve), which may also be known as an economic stabilization reserve.

Allocations to the Reserve

(b)(1) Effective July 1, 2008, if the Controller projects that total General Fund revenues for the upcoming budget year will exceed total General Fund revenues for the current year by more than five percent, the budget shall allocate the anticipated General Fund revenues in excess of that five percent growth (the excess revenues) as follows:

- (i) 25 ~~50~~ percent of the excess revenues to the Reserve;
- (ii) 25 percent of the excess revenues to capital and other one-time expenditures; ~~and~~,
- (iii) 25 percent of the excess revenues to any lawful governmental purpose; ~~and~~

(iv) 25 percent of the excess revenues to the Section A8.432 Retiree Health Care Trust Fund.

In addition to the allocations set forth in (b)(i), (b)(ii), (b)(iii) and (b)(iv) above, during fiscal years 2008-2009 and 2009-2010, all funds in the Reserve over 100 million dollars and any allocations made to the Retiree Health Care Trust Fund may be allocated to meet the City's immediate retiree health costs.

(c) Total monies in the Reserve may not exceed 10 percent of actual total general fund revenues, as stated in the City's most recent independent annual audit. The budget shall allocate excess revenues that would otherwise be allocated to the Reserve above the 10 percent cap instead to capital and other one-time expenditures.

(d) The Mayor and the Board of Supervisors may, at any time, appropriate monies from the capital and other one-time expenditures allocation for capital projects or for expenditures such as, but not limited to, acquisition of equipment or information systems.

(e) The Mayor and the Board of Supervisors may, at any time, appropriate monies from the general purpose allocation for any lawful governmental purpose.

Withdrawals from the Reserve

(f) If the Controller projects that total General Fund revenues for the upcoming budget year will be less than the current year's total General Fund revenues, or the highest of any other previous year's total General Fund revenues, the budget may appropriate up to 50 percent of the current balance in the Reserve, but no more than the shortfall in total General Fund revenues, for any lawful governmental purpose in the upcoming budget year.

(i) If the trigger for withdrawals from the Reserve was not met in the current year, the Controller shall calculate the shortfall for the upcoming budget year by subtracting the total projected General Fund revenues for the upcoming budget year from the total projected General Fund revenues for the current year.

(ii) If the trigger for withdrawals from the Reserve was met in the current year, the shortfall shall be calculated by subtracting the total projected General Fund revenues for the upcoming budget year from the highest of any previous year's total General Fund revenues, plus two percent for each intervening year.

Adjustments

(g) If the City made appropriations from the Reserve in the current year and in the immediately preceding budget year pursuant to subsection (f), the City is not required to allocate any anticipated excess revenues to the Reserve or to capital and other one-time expenditures for the upcoming budget year.

(h) If the Controller projects that the Consumer Price Index for the upcoming budget year shall exceed the index for the current year by more than five percent, the trigger for allocations to the Reserve as set forth in Subparagraph (b) above shall instead be the percentage of growth in the index plus two percent. If the Controller projects that the Consumer Price Index for the upcoming budget year shall be less than the index for the current year, the trigger for withdrawals from the Reserve as set forth in Subparagraph (f) above shall instead be the percentage of negative growth in the index. The Controller shall use for these purposes the San

Francisco All Items Consumer Price Index for All Urban Consumers (CPI-U), or its successor, as reported by the U.S. Department of Labor's Bureau of Labor Statistics.

(i) If the Board of Supervisors or the voters take an action that changes the amount of total General Fund revenues in any material manner, such as reducing a tax or imposing a new fee, the revenue changes caused by that action will not be counted as part of the triggers for allocations to or withdrawals from the Reserve during the year or years in which the action is first implemented.

(j) In conjunction with the year-end close of the budget, the Controller shall reconcile the revenue projections triggering any budgeted allocations to or withdrawals from the Reserve with actual revenue results, as stated in the City's independent annual audit for the years in question, and rebalance the Reserve, the capital and other one-time expenditures allocation, and the general purpose allocation accordingly.

Withdrawals for the Benefit of the Unified School District

(k) If the Controller projects that inflation-adjusted per-pupil revenues for the San Francisco Unified School District will be reduced in the upcoming budget year and the School District has noticed a significant number of layoffs, the Board of Supervisors and the Mayor may, in their discretion, appropriate funds from the Reserve to the School District to offset the costs of maintaining education during the upcoming budget year. Such appropriations may not exceed the dollar value of the total decline in inflation-adjusted per-pupil revenues for the year, or 25 percent of the Reserve balance, whichever is lower. If the triggers for withdrawals from the Reserve for the benefit of the School District were met in the current year, the decline in per-pupil revenues shall be calculated by subtracting the inflation-adjusted per-pupil revenues for the upcoming budget year from the highest of any previous year's inflation-adjusted per-pupil revenues, plus two percent for each intervening year.

Transition

(l) On the effective date of this Section, the Controller shall transfer all monies in the City's Cash Reserve to the Rainy Day Reserve.

(m) For purposes of initial implementation of this Section, the Mayor and the Board of Supervisors may make appropriations from the Reserve for the 2004-2005 budget year and subsequent years if the Controller certifies that the trigger for withdrawal in subsection (f) would have been met during the 2003-2004 budget year, if this Section had been in effect at that time; provided, however, that the City shall not be required to make allocations of any anticipated excess revenues to the Reserve or to capital and other one-time expenditures for the 2004-2005 budget year.

SEC. 12.204. RETIREE HEALTH CARE TRUST FUND

The Retiree Health Care Trust Fund shall be a trust fund, as established in section A8.432, separate from the health service system trust fund described in sections 12.203 and A8.428. The Retiree Health Care Trust Fund shall be a trust fund administered by a Retiree Health Trust Fund Board governed by three trustees, one of whom must be selected by the City Controller, one of whom must be selected by the City Treasurer, and one of whom must be selected by the San Francisco Employees Retirement System, in accordance with the provisions of this charter, solely to provide a funding source to defray the cost of the City's, and other Participating Employers', obligations to pay for retiree health care for the City's, and other Participating Employers', retired persons, survivors and dependents entitled to health care coverage under section A8.428. Administrative costs, including but not limited to educational, actuarial and consulting expenses associated with the Retiree Health Care Trust Fund, as adopted by the board of supervisors in the annual budget, shall be paid from the Retiree Health Care Trust Fund, but only upon adoption of a resolution by the Retiree Health Trust Fund Board approving such expenses.

SEC. A8.432. HEALTH SERVICE SYSTEM RETIREE HEALTH CARE TRUST FUND

There is hereby created a Retiree Health Care Trust Fund for the purpose described in section 12.204. The Retiree Health Trust Fund Board shall have exclusive control over the administration and the investment of the Retiree Health Care Trust Fund. For active officers and employees of the City and County and other Participating Employers, who commenced employment with the City and County, and other Participating Employers, on or after January 10 , 2009, the annual active employee contribution rate shall be the Employers' "Normal Cost" as determined by the Employers' respective General Accounting Standards Board ("GASB") actuaries. The Employers' GASB actuaries shall determine the Employers' respective "Normal Cost" on an annual basis. In no event shall the employee Contribution rate exceed 3% of

compensation. 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 each contribute 50% of the "Normal Cost" as determined by the Employers' respective GASB actuaries. The contributions from the City and County and each Participating Employer shall be segregated from each other and only used as funding source to defray each Employers' obligations to pay for retiree health care under section A8.428. The funds may be pooled for investment purposes only.

(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 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 "Normal Cost" as that term is defined under GASB No. 45.

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

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

"Participating Employers" as used in this section and Section 12.204, shall include the San Francisco Unified School District and the San Francisco Community College District, pending the election of these employers to participate in the Retiree Health Care Trust Fund.

(b) Should the Retiree Health Trust Fund Board determine, or should any final judgment by a court or court of competent jurisdiction at any time, adjudge and decree that the employee contributions to the Retiree Health Care Trust Fund cannot be made on a mandatory and pre-tax basis, then the contributions shall no longer be required and shall cease immediately and Sections A8.594 and A8.594-1 through A8.594-14, and the June 3, 2008, amendments to Sections A8.509, A8.584, A8.584-1, A8.587, and A8.587-1, shall be null and void and shall also cease immediately.

(c) 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. A8.433 ~~A8.432~~. TRANSITION.

The board of supervisors is authorized to enact by a vote of three-fourths of its members, any and all ordinances necessary to carry out the provisions of Sections A8.420 to and including A8.433 ~~8.432~~.

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

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

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

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

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

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

By: _____
ERIK RAPOPORT
Deputy City Attorney