



NOTE: This version of the Voter Information Pamphlet does not include your sample ballot, because different versions of the sample ballot apply throughout San Francisco. Your sample ballot can be accessed, along with the address of your polling place, at the address below:

<http://gispubweb.sfgov.org/website/pollingplace/>

Also, the pages in this online version of the pamphlet are arranged in a different order from the printed version. For this reason, we are unable to provide a Table of Contents. To find specific information, please refer to the bookmarks on the left side of this file.



DEPARTMENT OF ELECTIONS
City and County of San Francisco
www.sfelections.org



JOHN ARNTZ
Director

Dear San Francisco Voter:

September 6, 2011

Here's a quick guide of essential information for the Consolidated Municipal Election on November 8, 2011.

- ➔ Vote **BOTH** sides of the two ballot cards.
- ➔ Vote for one candidate per column, or leave columns blank if you have fewer than three choices for a contest. **Don't vote for the same candidate more than once.**
- ➔ Early voting in City Hall begins at 8 a.m. on Tuesday, October 11.
- ➔ Use the new "Voting Toolkit" on our website—www.sfelections.org/toolkit—which offers quick access to many of our election materials.
- ➔ On Election Day, Tuesday, November 8, polls open at 7 a.m. and close at 8 pm.

Vote Both Sides

Everyone will vote using two ballot cards for the November 8, 2011, Consolidated Municipal Election. Due to space constraints, we printed the list of candidates for the Mayor's contest on the back side of the card for the local offices. On the front side of that card are the contests for District Attorney and Sheriff.

Ranked-Choice Voting

All voters will use the ranked-choice voting method for the Mayor, District Attorney, and Sheriff contests.

The ranked-choice ballot has three columns, allowing voters to select up to three different candidates—one in each column—by connecting the head and tail of the arrow pointing to each choice. However, you can still make fewer than three selections, if you choose to do so, by leaving columns blank.

Also, if you select the same candidate in more than one column, your vote for that candidate will count only once.

Early Voting

Vote-by-Mail:

The back cover of this Pamphlet includes an application to request a vote-by-mail ballot. You can also apply on our website: www.sfelections.org/toolkit.

Voting at City Hall:

Beginning October 11, early voting is available in City Hall to all registered voters on weekdays (except the holiday) from 8 a.m. until 5 p.m. On Election Day, City Hall is open for voting from 7 a.m. until 8 p.m.

Weekend Voting:

Early Voting is available in City Hall during the two weekends before the election, October 29–30 and November 5–6, from 10 a.m. until 4 p.m. For weekend voting, enter City Hall from Grove Street.

Website and Electronic Media

Our website—www.sfelections.org—now offers a "**Voting Toolkit.**" Click on that link to promptly locate your polling place, apply for a vote-by-mail ballot, determine whether the Department has mailed or received your vote-by-mail ballot, or watch a demonstration for ranked-choice voting, among other options. For mobile devices, use www.sfelections.org/m

Facebook and Twitter:

You can now use Facebook and Twitter to receive reminders of the upcoming deadlines and events and other election information. "Like" the San Francisco Department of Elections on Facebook and follow us on Twitter.

Contact Us

To contact us directly, you can call the Department at 554-4375, 554-4367 (Chinese), or 554-4366 (Spanish) or visit our website—www.sfelections.org.

Respectfully,
 John Arntz, Director



Purpose of the Voter Information Pamphlet

Before each election, the Department of Elections prepares the Voter Information Pamphlet, which is mailed to every registered voter as required by law. The pamphlet provides voters with information about local candidates and ballot measures, as well as how, when and where to vote.

In this pamphlet, you will find:

- your sample ballot,
- candidates' statements of their qualifications for local office,
- information about the duties and compensation of the elective offices sought by those candidates,
- information about each local ballot measure, including:
 - o an impartial summary of the measure, prepared by San Francisco's Ballot Simplification Committee,

- o a financial analysis, prepared by San Francisco's Controller,
- o an explanation of how it qualified for the ballot,
- o arguments supporting and opposing the measure, and
- o the legal text of the measure.

You may bring this pamphlet with you to your polling place. In addition, every precinct is supplied with a copy. Please ask a pollworker if you would like to see it.

The Ballot Simplification Committee

The Ballot Simplification Committee works in public meetings to prepare an impartial summary of each local ballot measure in simple language. The Committee also writes or reviews other information in this pamphlet, including the glossary of "Words You Need to Know" and the "Frequently Asked Questions" (FAQs). The Committee members have backgrounds in journalism, education and written communication, and they volunteer their time to prepare these informational materials for voters.

The Committee members are:

Betty Packard, *Chair*
Nominated by the Northern California Broadcasters Association

June Fraps
Nominated by the National Academy of Television Arts and Sciences

Ann Jorgensen
Nominated by the San Francisco Unified School District

Adele Fasick
Nominated by the League of Women Voters

Christine Unruh
Nominated by the Pacific Media Workers Guild

Mollie Lee, *ex officio*
Deputy City Attorney

Andrew Shen, *ex officio*
Deputy City Attorney



Always Confirm the Location of Your Polling Place

**Many polling places have changed for the upcoming election!
Check the back cover of this pamphlet for your polling place address.**

On the back cover, you will find:

- **Your polling place address.** Please make a note of it. If you request a vote-by-mail ballot, you may turn in your voted ballot at your polling place on Election Day.
- **Your precinct number.**
- An indication of whether your polling place is **accessible for people with disabilities.**
- A **physical description** of your polling place entryway, such as slope or ramped access.

Your polling place address is also available at the Department of Elections website:
www.sfelections.org/toolkit.

If your polling place is not functionally accessible, you may call 415-554-4551 prior to Election Day to find the nearest accessible polling place within your district. For accessible polling place information on Election Day, call 415-554-4375.

Some Precincts Do Not Have a Polling Place

Voting precincts with fewer than 250 registered voters are designated "Mail Ballot Precincts." An official ballot and postage-paid return envelope will be mailed automatically to all voters in those precincts approximately four weeks before every election.

For voters in those precincts who would prefer to drop off their ballot at a polling place, the addresses of the two polling places nearest to their precinct are provided with the ballot.

Late Polling Place Changes

If a polling place becomes unavailable after the Voter Information Pamphlet is mailed, the Department of Elections notifies affected voters with:

- **"Change of Polling Place" Notification Cards** mailed to all registered voters in the precinct.
- **"Change of Polling Place" Signs** posted at the previous location. For any voters who are unaware of the polling place change, the Department of Elections posts "Change of Polling Place" signs at the address of the old location on Election Day. Voters may take a copy of the new polling place address from a pad attached to the sign.

vote!

**For more election information, visit
www.sfelections.org/toolkit**

Early Voting in Person or by Mail

Voting in Person

You can vote on or before Election Day at City Hall, Room 48. Office hours for early voting are as follows:

- October 11–November 7, Monday through Friday (except holidays), 8 a.m. to 5 p.m.;
- October 29–30 and November 5–6, Saturday and Sunday, 10 a.m. to 4 p.m. (enter on Grove Street); and
- Election Day, Tuesday, November 8, 7 a.m. to 8 p.m.

Voting by Mail for This Election Only

Any voter may request a vote-by-mail ballot, in the following ways:

- Apply online at www.sfelections.org/toolkit.
- Complete the application on the back cover of this pamphlet, and mail it to the Department of Elections. You may also send a written request to the Department of Elections. Remember to include your home address, the address to which you want the ballot mailed, your birth date, your name and your signature. Mail your request to the address on the back cover of this pamphlet, or fax it to 415-554-4372. **All mailed or faxed requests must include your signature!**

The Department of Elections must receive your request before 5 p.m. on November 1. Your ballot will be mailed as soon as possible after your application has been processed.

When you receive your ballot, carefully read and follow the instructions provided with it. You may mail your voted ballot to the Department of Elections or drop it off at any San Francisco polling place on Election Day; remember to **sign and seal** the envelope. The Department of Elections **must** receive your ballot by 8 p.m. on Election Day, Tuesday, November 8.



Check the Status of Your Vote-by-Mail Ballot

Vote-by-mail voters can check when their ballot was mailed or received by the Department of Elections. Visit our website, www.sfelections.org/toolkit, or call the Department of Elections at 415-554-4375.

Voting by Mail for All Elections

Any voter may request to be a permanent vote-by-mail voter. Once you become a permanent vote-by-mail voter, the Department of Elections will mail you a ballot automatically for every election.

To become a permanent vote-by-mail voter, complete the Vote-by-Mail Application on the back cover of this pamphlet, print an application from www.sfelections.org/toolkit, or call for an application at 415-554-4375. Before you return your completed application, **check the box that says “Permanent Vote-by-Mail Voter” and sign the application.**



Ballots will be mailed to permanent vote-by-mail voters starting October 11.

To find out if you are registered as a permanent vote-by-mail voter, check the back cover to see if “PERM” is printed on the Vote-by-Mail Application, use the Voter Registration Status Lookup tool on www.sfelections.org/toolkit, or call the Department of Elections at 415-554-4375. If you have not received your ballot by October 24, please call.

If you do not vote in two consecutive statewide general elections, you will no longer be a permanent vote-by-mail voter. However, you will remain on the voter roll unless the Department of Elections has been informed that you no longer live at the address at which you are registered. To regain your permanent vote-by-mail status, re-apply as described above.



Accessible Voting and Services for Voters with Disabilities

Accessible Formats of the Voter Information Pamphlet:

The Department of Elections offers the Voter Information Pamphlet in audio-cassette, audio CD and large-print formats. It is also available on our website in a format that can be used with a screen reader. To request a copy of this pamphlet in an accessible format, contact us through www.sfelections.org or call 415-554-4375.

Audiocassette copies of the Voter Information Pamphlet are also available from the San Francisco Library for the Blind and Print Disabled at 100 Larkin Street, or call 415-557-4253.

Voting by Mail: Prior to each election, vote-by-mail voters are mailed an official ballot with a postage-paid return envelope. Any voter may request to vote by mail in any election. A Vote-by-Mail Application can be found on the back cover of this pamphlet, or completed online at [www.sfelections.org /toolkit](http://www.sfelections.org/toolkit). For more information, see page 5.

Early Voting in City Hall: Beginning 29 days prior to each election, any voter may vote at the Department of Elections on the ground floor of City Hall. City Hall is accessible from any of its four entrances. The polling place at City Hall has all of the assistance tools provided at polling places on Election Day. For more information, see page 5.

Access to the Polling Place: A “YES” or “NO” printed below the accessibility symbol on the back cover of this pamphlet indicates whether your polling place is functionally accessible. If your polling place is not accessible and you would like the location of the nearest accessible polling place within your district, please contact us through www.sfelections.org or call 415-554-4375.

Accessible Voting Machine: Voters have the option to use an accessible voting machine, available at every polling place. This machine allows voters with sight or mobility impairments or other specific needs to vote independently and privately. Voters may vote using a touchscreen or audio ballot. The machine will provide visual or audio instructions, including an indication of whether a contest uses ranked-choice voting. For ranked-choice voting contests, the machine presents one list of all candidates, from which voters may select up to three candidates in order of preference. After each selection, there will be a visual or audio confirmation of the candidate’s ranking. In accordance with Secretary of State requirements, votes from the accessible voting machine will be transferred onto paper ballots, which will be tallied at City Hall after Election Day. If you would like to use the accessible voting machine, please tell a pollworker which mode you prefer.

Touchscreen Ballot: Voters may make ballot selections using a touchscreen and review their selections on a paper record before casting their vote. Large-print text is provided on the screen, and voters can further increase text size.

The machine has a feature for voters to connect a personal assistive device such as a sip/puff device. The Department of Elections can also provide multi-user sip/puff switches or headpointers at the polling place in City Hall, or dispatch them to a polling place for Election Day. To request that one of these devices be sent to your polling place, please contact us through www.sfelections.org or call 415-554-4375, preferably 72 hours prior to Election Day to help ensure availability and assist in scheduling.

Audio Ballot and Hand-held Keypad: For audio voting, the accessible voting machine is equipped with headphones and a Braille-embossed hand-held keypad with keys coded by color and shape. The voting machine provides audio instructions to guide you through the ballot. The keypad is used to move through the ballot and make selections.

Other Forms of Assistance at the Polling Place:

Personal Assistance: A voter may bring up to two people, including pollworkers, into the voting booth for assistance in marking his or her ballot.

Curbside Voting: If a voter is unable to enter a polling place, pollworkers can be asked to bring voting materials to the voter outside the polling place.

Reading Tools: Every polling place has large-print instructions on how to mark a ballot and optical sheets to magnify the print on the paper ballot. The accessible voting machine provides large-print text on the screen, and voters can further increase text size.

Seated Voting: Every polling place has at least one voting booth that allows voting while seated.

Voting Tools: Every polling place has two easy-grip pens for signing the roster and marking the ballot.

TTY (Teletypewriter Device): To reach the Department of Elections via TTY, call 415-554-4386.



Instructions for Voting at Your Polling Place

Marking Your Ballot

Mark your paper ballot with the pen provided by the pollworkers. Connect the head and tail of the arrow pointing to your choice for each contest, as shown in the picture. The ballot may be printed on both sides of the page—be sure to review both sides.

Beware of the Overvote

For this election, you may select **one choice per column** for each candidate contest. If you overvote by marking more than the allowed number of candidates for any choice, or by marking both “YES” and “NO” in a measure contest, your vote for that choice or contest cannot be counted.

Qualified Write-In Candidates

In addition to the candidates listed on the ballot, there may be other people running as qualified write-in candidates. For a list of qualified write-in candidates, please ask a pollworker. The list is posted on the Department of Elections website, www.sfelections.org, within two weeks prior to Election Day. Write-in votes can be counted only if they are for qualified candidates; “qualified” means that the person has submitted the appropriate documentation to run as a candidate for the office. For more information, see “Words You Need to Know.”

Before casting a write-in vote, make sure:

- the candidate is **not listed on the ballot**.
- the candidate is a **qualified write-in candidate**.
- to write the name in the space at the end of the candidate list and **complete the arrow** that points to the space.

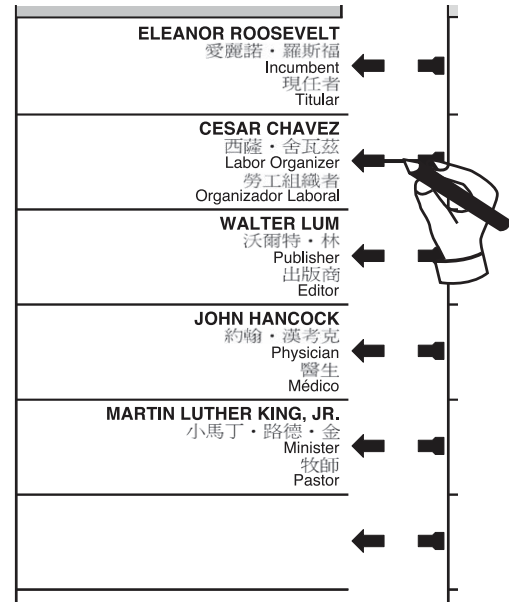
If You Make a Mistake

Ask a pollworker for another ballot. Voters may request up to two replacement ballots.

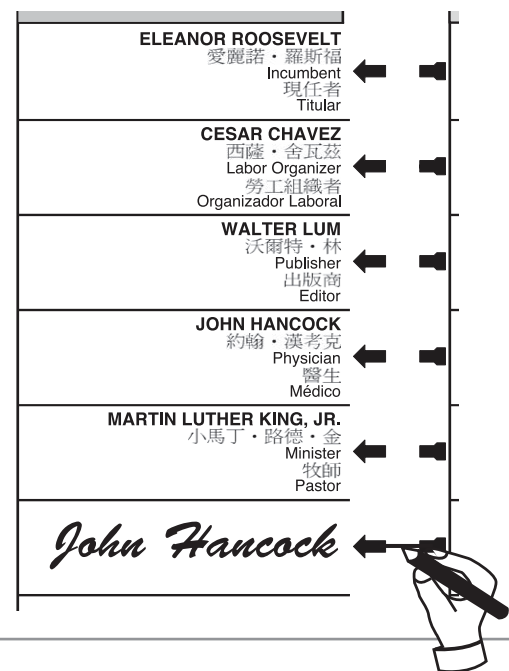
To Record Your Vote

Insert your ballot, one card at a time, into the slot in the front of the “Insight” optical-scan voting machine. The ballot can be inserted into the voting machine in any direction. The voting machine counts the votes electronically as the ballot is inserted and then deposits the ballot in a locked compartment under the machine.

How to mark your choice:



How to vote for a qualified write-in candidate:



Ranked-Choice Voting

Ranked-choice voting was passed by San Francisco voters as an amendment to the City Charter in March 2002 (Proposition A).

Ranked-choice voting allows San Francisco voters to rank up to three candidates for the same office. San Francisco voters use ranked-choice voting to elect the Mayor, Sheriff, District Attorney, City Attorney, Treasurer, Assessor-Recorder, Public Defender and Members of the Board of Supervisors.

Marking the Ranked-Choice Ballot

With ranked-choice voting, the names of all the candidates are listed in three repeating columns on the ballot. This allows you to rank up to three candidates for the same office: one favorite, and two others.

- Select only **one** choice per column.
- To rank fewer than three candidates, leave any remaining columns blank.
- To vote for a qualified write-in candidate who is not listed on the ballot, write the person’s name on the blank line at the end of the candidate list and complete the arrow.

FAVORITE SAN FRANCISCO ATTRACTION 最愛的三藩市景點 ATRACCIÓN FAVORITA DE SAN FRANCISCO	FAVORITE SAN FRANCISCO ATTRACTION 最愛的三藩市景點 ATRACCIÓN FAVORITA DE SAN FRANCISCO	FAVORITE SAN FRANCISCO ATTRACTION 最愛的三藩市景點 ATRACCIÓN FAVORITA DE SAN FRANCISCO
1 FIRST CHOICE 第一選擇 PRIMERA PREFERENCIA	2 SECOND CHOICE 第二選擇 SEGUNDA PREFERENCIA	3 THIRD CHOICE 第三選擇 TERCERA PREFERENCIA
Vote for One 請選一名 Vote por Uno	Vote for One—Must be different from your first choice 選一名 (必須與第一個選擇不同) Vote por Uno—Deberá ser diferente de su primera preferencia	Vote for One—must be different from your first and second choice 選一名 (必須與第一個和第二個選擇不同) Vote por Uno— Deberá ser diferente de su primera y segunda preferencia
ALCATRAZ ISLAND 監獄島 ISLA DE ALCATRAZ	ALCATRAZ ISLAND 監獄島 ISLA DE ALCATRAZ	ALCATRAZ ISLAND 監獄島 ISLA DE ALCATRAZ
COIT TOWER 考伊特塔 TORRE DE COIT	COIT TOWER 考伊特塔 TORRE DE COIT	COIT TOWER 考伊特塔 TORRE DE COIT
FISHERMAN’S WHARF 漁人碼頭 FISHERMAN’S WHARF	FISHERMAN’S WHARF 漁人碼頭 FISHERMAN’S WHARF	FISHERMAN’S WHARF 漁人碼頭 FISHERMAN’S WHARF
GOLDEN GATE PARK 金門公園 PARQUE GOLDEN GATE	GOLDEN GATE PARK 金門公園 PARQUE GOLDEN GATE	GOLDEN GATE PARK 金門公園 PARQUE GOLDEN GATE
←	←	←



How Ranked-Choice Voting Works

General rules

- Initially, everyone's vote counts for his or her first-choice candidate. If a candidate has the majority—more than half— of these votes, that candidate wins.
- If no candidate has the majority of votes, the candidate in last place is eliminated. Votes for the eliminated candidate transfer to the next-choice candidates marked on those ballots.
- If one candidate has the majority after these votes are transferred, that candidate wins.
- If there is still no candidate with the majority of votes, the process of eliminating candidates and transferring votes continues until one candidate has the majority.

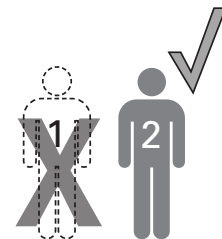
How your choices are counted



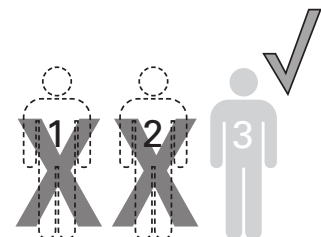
Your vote counts for your first choice as long as the candidate has not been eliminated.



If your first choice is eliminated, your vote will count for your second choice instead.

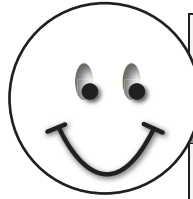


If both your first and second choices are eliminated, your vote will count for your third choice.





When marking your ranked-choice ballot:



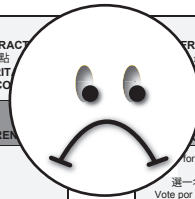
Choose a different candidate in each column. To rank fewer than three candidates, leave columns blank.

1 FIRST CHOICE 第一選擇 PRIMERA PREFERENCIA		2 SECOND CHOICE 第二選擇 SEGUNDA PREFERENCIA		3 THIRD CHOICE 第三選擇 TERCERA PREFERENCIA	
Vote for One 請選一名 Vote por Uno		Vote for One—Must be different from your first choice 選一名 (必須與第一個選擇不同) Vote por Uno—Deberá ser diferente de su primera preferencia		Vote for One—must be different from your first and second choice 選一名 (必須與第一個和第二個選擇不同) Vote por Uno— Deberá ser diferente de su primera y segunda preferencia	
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	←		←		←



Do not mark more than one candidate in a column. Your vote will not count.

1 FIRST CHOICE 第一選擇 PRIMERA PREFERENCIA		2 SECOND CHOICE 第二選擇 SEGUNDA PREFERENCIA		3 THIRD CHOICE 第三選擇 TERCERA PREFERENCIA	
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	←		←		←



Do not mark the same candidate more than once. Your vote for that candidate will count only one time.

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Multilingual Voter Services

多種語言選民服務

Servicios Multilingües para los Electores

In compliance with federal law and local ordinance, the Department of Elections provides services to voters and official election materials in Chinese and Spanish, in addition to English. Multilingual voter services include:

- Translated election materials: ballots, voter registration forms, voter notices, vote-by-mail ballot applications and instructions, and Voter Information Pamphlets.
- Telephone assistance in English, Chinese and Spanish, available Monday through Friday, 8 a.m. to 5 p.m., and from 7 a.m. to 8 p.m. on Election Day.
- English: 415-554-4375
- Chinese: 415-554-4367
- Spanish: 415-554-4366
- Instructional signs in English, Chinese and Spanish at all polling places on Election Day.
- Chinese and Spanish bilingual pollworker assistance at designated polling places on Election Day.
- Voter information in English, Chinese and Spanish on our website: www.sfelections.org/toolkit.

中文選民服務

依照聯邦法律和地方法令，選務處提供選民中文服務和官方選舉資料。中文服務包括：

- 已翻譯的選舉資料：選票、「選民登記表」、選舉預告、「郵寄投票申請表」和指南以及《選民資料手冊》。
- 於星期一至星期五的上午8時至下午5時及選舉日上午7時正至晚上8時正提供的中文電話協助：415-554-4367。
- 於選舉日在每個投票站提供中文的說明標牌。
- 於選舉日在指定的投票站有雙語工作人員提供中文語言協助。
- 在選務處網站(www.sfelections.org/toolkit_ch)提供中文選舉資料。

中文版的《選民資料手冊》

除了英文版《選民資料手冊》之外，選務處還提供中文版的《選民資料手冊》。如果您想要選務處郵寄給您一本中文版的《選民資料手冊》，請致電：415-554-4367。

Asistencia para los Electores en Español

Conforme a la ley federal y el reglamento municipal, el Departamento de Elecciones proporciona materiales electorales y asistencia a los electores en español. Servicios para los electores en español incluyen:

- Materiales electorales traducidos incluyendo: la boleta electoral, el formulario de inscripción para votar, avisos a los electores, solicitudes e instrucciones para votar por correo y el Folleto de Información para los Electores.
- Asistencia telefónica en español disponible de lunes a viernes de 8 a.m. a 5 p.m. y el Día de las Elecciones de 7 a.m. a 8 p.m. llamando al 415-554-4366.
- Rótulos con instrucciones en español en los lugares de votación el Día de las Elecciones.
- Trabajadores electorales bilingües en los lugares de votación designados el Día de las Elecciones.
- Información electoral en nuestro sitio web en español: www.sfelections.org/toolkit_sp.

El Folleto de Información para los Electores en Español

Además del Folleto de Información para los Electores en inglés, el Departamento de Elecciones provee un Folleto de Información para los Electores en español a los electores que lo soliciten. Si desea recibir un Folleto de Información para los Electores en español, por favor llame al 415-554-4366.



Voter Bill of Rights

1. **You have the right to cast a ballot if you are a valid registered voter.**
A valid registered voter means a United States citizen who is a resident in this state, who is at least 18 years of age and not in prison or on parole for conviction of a felony, and who is registered to vote at his or her current residence address.
2. **You have the right to cast a provisional ballot if your name is not listed on the voting rolls.**
3. **You have the right to cast a ballot if you are present and in line at the polling place prior to the close of the polls.**
4. **You have the right to cast a secret ballot free from intimidation.**
5. **You have the right to receive a new ballot if, prior to casting your ballot, you believe you made a mistake.**
If, at any time before you finally cast your ballot, you feel you have made a mistake, you have the right to exchange the spoiled ballot for a new ballot. Vote-by-mail voters may also request and receive a new ballot if they return their spoiled ballot to an election official prior to the closing of the polls on Election Day.
6. **You have the right to receive assistance in casting your ballot, if you are unable to vote without assistance.**
7. **You have the right to return a completed vote-by-mail ballot to any precinct in the county.**
8. **You have the right to election materials in another language, if there are sufficient residents in your precinct to warrant production.**
9. **You have the right to ask questions about election procedures and observe the election process.** You have the right to ask questions of the precinct board and election officials regarding election procedures and to receive an answer or be directed to the appropriate official for an answer. However, if persistent questioning disrupts the execution of their duties, the board or election officials may discontinue responding to questions.
10. **You have the right to report any illegal or fraudulent activity to a local election official or to the Secretary of State's office.**



If you believe you have been denied any of these rights, or you are aware of any election fraud or misconduct, please call the Secretary of State's confidential toll-free **Voter Hotline** at **1-800-345-VOTE (8683)**.

California Secretary of State **Debra Bowen**

Any voter has the right under California Elections Code Sections 9295 and 13314 to seek a writ of mandate or an injunction, prior to the publication of the Voter Information Pamphlet, requiring any or all of the materials submitted for publication in the Pamphlet to be amended or deleted.

Confidentiality and Voter Records

Permissible Uses of Voter Registration Information

Information on your voter registration form will be used by election officials to send you official information on the voting process, such as the location of your polling place and the issues and candidates that will appear on the ballot. Commercial use of voter registration information is prohibited by law and is a misdemeanor. Voter information may be provided to a candidate for office, a ballot measure committee, or other person for election, scholarly, journalistic, political, or governmental purposes, as determined by the

Secretary of State. Driver's license, state identification and Social Security numbers, or your signature as shown on your voter registration form cannot be released for these purposes. If you have any questions about the use of voter information or wish to report suspected misuse of such information, please call the Secretary of State's Voter Hotline: 1-800-345-VOTE (8683).

Certain voters facing life-threatening situations may qualify for confidential voter status. For more information, please contact the Secretary of State's Safe At Home program toll-free at 1-877-322-5227, or visit the Secretary of State's website at www.sos.ca.gov.

Frequently Asked Questions (FAQs)

by the Ballot Simplification Committee

Q: Who can vote?

A: U.S. citizens, 18 years or older, who are registered to vote in San Francisco on or before the registration deadline.

Q: What is the deadline to register to vote or to update my registration information?

A: The registration deadline is October 24, fifteen days prior to Election Day.

Q: When and where can I vote on Election Day?

A: You may vote at your polling place or at the Department of Elections on Election Day from 7 a.m. to 8 p.m. Your polling place address is shown on the back cover of your Voter Information Pamphlet. You can also find it at www.sfelections.org/toolkit or call 415-554-4375. The Department of Elections is located in City Hall, Room 48.

Q: Is there any way to vote before Election Day?

A: Yes. You have the following options:

- **Vote by mail.** Fill out and mail the Vote-by-Mail Application printed on the back cover of this pamphlet or complete one online at www.sfelections.org/toolkit. A vote-by-mail ballot will be sent to you. Your request must be **received** by the Department of Elections no later than 5 p.m. on November 1, or
- **Vote in person** at the Department of Elections in City Hall, Room 48, during early voting hours (see inside back cover for dates and times).

Q: If I don't use an application, can I get a vote-by-mail ballot some other way?

A: Yes. You can send a written request to the Department of Elections. This request **must** include: your printed home address, the address where you want the ballot mailed, your birth date, your printed name and your **signature**. Mail your request to the Department of Elections at the address on the back cover of this pamphlet or fax it to 415-554-4372. Your request must be **received** no later than 5 p.m. on November 1.

Q: My 18th birthday is after the registration deadline but on or before Election Day. Can I vote in this election?

A: Yes. You can register to vote on or before the registration deadline and vote in this election—even though you are not 18 when you register.

Q: If I was convicted of a crime, can I still vote?

A: If you have been convicted of a crime, California law allows you to register and vote if you:

- Have completed your prison term for a felony, including any period of parole or supervised release.
- Are on federal or state probation.
- Are incarcerated in county jail as a condition of felony probation or as a result of a misdemeanor sentence.

Additionally, if you have been convicted of a misdemeanor, you can register and vote even while on probation, supervised release, or incarcerated in county jail.

After completing your prison term for a felony conviction, including any period of parole or supervised release, you

must complete and return a voter registration form to restore your right to vote. No other documentation is required.

Q: I have just become a U.S. citizen. Can I vote in this election?

A: Yes.

- If you became a U.S. citizen on or before the registration deadline (October 24), you can vote in this election, but you must register by the deadline;
- If you became a U.S. citizen *after* the registration deadline but on or before November 1, you may register **and** vote at the Department of Elections by November 1 with proof of citizenship.

Q: I have moved within San Francisco but have not updated my registration prior to the registration deadline. Can I vote in this election?

A: Yes. You have the following options:

- Come to the Department of Elections in City Hall, Room 48, on or before Election Day, complete a new voter registration form **and** vote at the Department of Elections; or
- Go to your new polling place on Election Day and cast a provisional ballot. You can look up the address of your new polling place by entering your new home address on the Department of Elections website (www.sfelections.org/toolkit), or call 415-554-4375.

Q: I am a U.S. citizen living outside the country. How can I vote?

A: You can register to vote and be sent a vote-by-mail ballot by completing the Federal Post Card Application. The application can be downloaded from www.fvap.gov or obtained from embassies, consulates or military voting assistance officers. Non-military U.S. citizens living abroad indefinitely can vote only in federal elections.

Q: What do I do if my polling place is not open on Election Day?

A: Call the Department of Elections immediately at 415-554-4375 for assistance.

Q: If I don't know what to do when I get to my polling place, is there someone there to help me?

A: Yes. Pollworkers at the polling place will help you, or you may visit www.sfelections.org/toolkit or call the Department of Elections at 415-554-4375 for assistance on or before Election Day. (See page 8 for information about voting at your polling place.)

Q: Can I take my Sample Ballot or my own list into the voting booth?

A: Yes. Deciding your votes before you get to the polls is helpful. You may use either a Sample Ballot or the Ballot Worksheet in this pamphlet for this purpose.

Q: Do I have to vote on every contest and measure on the ballot?

A: No. The votes you cast will be counted even if you have not voted on every contest and measure.

Candidate Information

Notice about Candidate Statements of Qualifications

Not all candidates submit a statement of qualifications. A complete list of candidates appears on the sample ballot, which begins on page 12 of this pamphlet.

Each candidate's statement of qualifications, if any, is volunteered by the candidate and printed at the expense of the candidate.



Statements are printed as submitted by the candidates, including any typographical, spelling or grammatical errors. The statements are not checked for accuracy by the Director of Elections nor any other City agency, official or employee.

City and County of San Francisco Offices To Be Voted on this Election

Mayor

The Mayor is the chief executive officer of the City and County of San Francisco. The term of office for Mayor is four years. The Mayor is paid \$252,397 per year.

District Attorney

The District Attorney prosecutes criminal court cases for the City and County of San Francisco. The term of office for District Attorney is four years. The District Attorney is paid \$217,610 per year.

Sheriff

The Sheriff runs the county jails and provides bailiffs (security) for the courts. The term of office for Sheriff is four years. The Sheriff is paid \$199,733 per year.

vote!

Tuesday, November 8,
from 7 a.m. to 8 p.m.



Candidates for Mayor

JEFF ADACHI

My occupation is Public Defender.

My qualifications are:

I am running for Mayor to restore integrity and fiscal responsibility at City Hall. San Francisco is a great City, but unless we begin to do what is necessary to protect our City's future, we will experience the political gridlock that is paralyzing our state and nation.

I have served as the elected Public Defender for nine years, protecting the rights of our citizens and fighting for justice in our courts. I have championed community-based programs that have helped many people turn their lives around. I have led one of the most respected and innovative public law offices in the country.

The public needs to be defended against backroom deals and entrenched special interests. I will fight for the progressive values that define our City and will be an independent, effective problem solver. As Mayor, I will focus on job creation, clean and safe streets, and effective, honest government.

I've been a leader on pension reform, because I understand that unless we address this problem, we will continue to face devastating cuts to our schools and basic services.

I reside in San Francisco with my wife and daughter.

We would be deeply honored to have your support.

www.adachi2011.com

Jeff Adachi

MICHELA ALIOTO-PIER

My occupation is Small Businesswoman and Mother.

My qualifications are:

San Francisco is a city rich with history. Although we honor our past, we are also a city that has always looked forward. What was once a Gold Rush city became a city of fishing boats and cargo ships. We became a center for finance and business, and when technology became a driving industry in the world, we became a center for people looking to launch new companies and new ideas.

As a Supervisor and a mother, I have also focused on the future. I saw the need for long-term planning and authored the city's first economic plan.

I developed the Biotech Payroll Tax Exemption, which attracted more than 70 biotech companies to San Francisco, created hundreds of jobs, and became a template for programs to attract high-tech businesses.

I created the Film and TV Rebate Program, which created more than 3000 jobs and paid out \$5 million in wages since 2008.

I worked with community, labor and business leaders to save St. Luke's Hospital in the Mission and to eliminate polluting power plants in the Bayview.

As Mayor, I will continue to fight for neighborhood schools, job growth, home ownership opportunities, and families.

I humbly ask for your vote.

Michela Alioto-Pier

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Candidates for Mayor

CESAR ASCARRUNZ

My occupation is Businessman.

My qualifications are:

For more than 50 years Cesar Ascarrunz has been an honest community and business leader in San Francisco. Educated at UC Berkeley and University of San Francisco, Cesar continues to use his MBA to successfully operate many businesses that advance traditional San Francisco values. His businesses support the City's diverse communities and make San Francisco a better place to live.

A true San Franciscan commonwealth, Cesar has revived the City's values through hundreds of charitable and political fundraisers. Best known for using his landmark Mission Street venue "Cesar's Latin Palace," he pioneered Gay Nights and Sunday Senior Soirees. Cesar has contributed and will continue to support many San Francisco causes.

It pains Cesar greatly to see the state of SF today. Families and small businesses are leaving, public safety is a dire issue and Muni is broken. Immediate action and long-term planning is required to ensure the future and prosperity of our city. Cesar will take San Francisco to better days by cutting bloated city payroll, red tape, tax burden on hard-working individuals and businesses and root out corruption. He will fairly protect tenant and worker's rights.

A vote for Cesar is a vote for a better future.

Cesar Ascarrunz

JOHN AVALOS

My occupation is Supervisor, District 11.

My qualifications are:

I am running for Mayor to take on the special interests and make San Francisco work for all our residents.

I am a father, community organizer, and Supervisor. My wife, Karen Zapata, is a public schoolteacher at SF Community School where my two children attend. We own a home in the Excelsior. We are a working San Francisco family, dedicated to serving our fellow citizens.

After earning my Master's in Social Work at SF State, I organized thousands of residents and union members to improve neighborhoods and workplaces and better the lives of families, seniors, and workers.

As Supervisor, I passed the nation's strongest local hiring legislation. As Chair of the Budget Committee, I closed half-billion dollar deficits two years in a row, while preserving \$80 million in vital City services. My legislation has brought \$45 million to the City this year alone.

I envision a San Francisco that puts people first – a City with a diverse economy, livable neighborhoods, and an open government that will bring out the best of San Francisco.

I would be honored to have your vote for Mayor of this great City.

Endorsed by:

Assemblyman Tom Ammiano

Sierra Club

United Educators of San Francisco

John Avalos

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Candidates for Mayor

TERRY JOAN BAUM

My occupation is Playwright / Actress.

My qualifications are:

I am a pioneer lesbian playwright, a homeowner here since 1978, and an activist in progressive politics since 1970.

The way we do politics is unsustainable and unethical. San Francisco is run by a corrupt machine. Contracts go to the politically connected. Do you want to live in a city that gives a tax break to Twitter the same week that it approves an entrance fee for the Arboretum? Well, you do live in that city!

Make San Francisco green: Free buses every 10 minutes from 6 am to midnight --- Housing as a right, not a privilege --- A moratorium on market-rate construction --- Urban Artist Renewal (subsidies for galleries and theaters in blighted areas).

Revenue comes from: A municipal bank --- Public power --- Taxes that are fair (all pay something) and progressive (the rich pay more).

San Francisco cannot solve its own problems when our nation is spiralling downward in a frenzy of fear and greed. This country needs us to lead the way, as we so often have. Send a message that we will no longer settle for crumbs from the tables of the corporations, by making me your First Choice for Mayor.

TAX THE RICH – duh!

Terry Joan Baum

DAVID CHIU

My occupation is President, Board of Supervisors.

My qualifications are:

I've stepped up to the challenges of San Francisco and faced them head-on, focusing on job creation, balancing the budget, and making government work for all of our residents and neighborhoods.

As President of the Board of Supervisors for three years, I've led by:

Creating over 50,000 new jobs:

- Securing America's Cup
- Negotiating to keep Twitter, Zynga, Yelp and other businesses in San Francisco
- Delivering the Hunters Point Shipyard, Parkmerced, and Treasure Island projects

Reforming the city's budget process:

- Establishing long-term financial planning
- Adopting best financial practices
- Requiring strict fiscal oversight

Improving city government:

- Tackling mismanagement and waste at Muni
- Eliminating fees on small businesses
- Passing ethics reform legislation

Making SF more livable for all:

- Championing family and workforce housing
- Funding police, fire, emergency preparedness and new libraries
- Reducing toxic emissions and making SF greener

As Mayor, I will bring together community, business and neighborhood leaders with the Supervisors to solve our problems. Together, we'll tap the innovative, independent and inclusive spirit of San Francisco, so our City can live up to our full potential.

For my policy positions and to see who's supporting my campaign, visit www.DavidChiuforMayor.com

David Chiu



Candidates for Mayor

PAUL T. CURRIER

My occupation is Community Organizer.

My qualifications are:

When I studied at UC Berkeley, I trained for two years in a small intense program to become Governor of California. At that time I worked for Congress as an Aide to Congressman Dellums. Earlier in life, I was very politically active, but I walked away from a career in Law due to the dishonesty, corruption, and the criminal nature of our system. I am back; mostly due awareness and disgust, which I share with most voters. We need real regime change now. Change is up to us. Our Official Family is Officially Corrupt. The CEO of Deere & Company trained me to run large enterprises. In my career I was considered one of the top large-scale systems architects in the world. We need a whole new approach now. The old ideas and processes do not work. My goal is to deliver prosperity to all of San Francisco. Your first choice vote matters. Thank you.

Paul T. Currier

BEVAN DUFTY

My occupation is Two-Term Supervisor.

My qualifications are:

Solving San Francisco's big picture problems means taking care of the basics: making MUNI run on time, fixing our streets, helping businesses large and small thrive, tackling neighborhood concerns and investing in schools.

I've dedicated my career to public service – working to make government a positive force in people's lives. A Berkeley grad, I worked for the first African-American Congresswoman, Shirley Chisholm.

After running the Office of Neighborhood Services – San Francisco's complaint department – for five years, and serving eight years in Harvey Milk's seat on the Board of Supervisors, I have the leadership experience to run our city.

A hardworking pragmatist on the Board of Supervisors, I honored our city's ideals, focused on neighborhood quality of life and worked to attract and retain businesses that ensure our city's economic vitality.

As Mayor, you must have passion for the job. You must be able to bring people together. You must have smart ideas – and follow through to get things done. I'll bring these skills and more to City Hall.

My child Sidney just began kindergarten in a San Francisco public school. No one will work harder so that every child has a great public education.

Find my ideas for San Francisco at bevandufty.com.

Bevan Dufty

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Candidates for Mayor

TONY HALL

My occupation is Retired Administrator, City and County of San Francisco.

My qualifications are:

I'll be an INDEPENDENT, WORKING MAYOR dedicated to a better QUALITY OF LIFE for San Franciscans - NOT special interests. I have 25 years' EXPERIENCE as an Administrator for the San Francisco District Attorney and Superior Courts, as a Budget Analyst, and a Pension Fraud Investigator.

www.tonyhallsf.com

ACCOMPLISHMENTS

"PEOPLE over Politics." As Supervisor, I spearheaded coalitions to successfully:

- Rebuild Laguna Honda for SENIORS
- Pass the Bond Oversight Commission to protect TAXPAYERS/HOMEOWNERS
- Restore Lake Merced and Harding Park for the ENVIRONMENT/recreation
- Rebuild the Ocean Avenue SMALL BUSINESS corridor

My COMMON SENSE platform:

- STRONGER PENSION REFORM saving billions while respecting promises to vested retirees.
- JOB CREATION – LESS TAXES and regulation for small businesses/families.
- ZERO-BASED BUDGETING, stringent AUDITS.
- Parental empowerment - CHOOSE YOUR CHILDREN'S SCHOOL.
- SAFE, clean streets - NO "SANCTUARY" for lawbreakers.
- TRANSPARENT GOVERNMENT that's unafraid of scrutiny - because it's always trying to serve the people, NOT SPECIAL INTERESTS.

I hope to earn your vote.

COMMUNITY ENDORSERS:

Mike Antonini
 Al Baccari
 Paul Barbagelata
 Karen Breslin
 Vic Crespi
 John Dennis
 Harmeet Dhillon
 Charlie Farruggia
 Joan Leone
 Harry Ming
 Eamon Murphy
 Kevin O'Brien
 Joe O'Donoghue
 Bill O'Keeffe
 Rita Paoli
 Bob Pritikin
 Joe Russoniello
 Bob Squeri
 Judith Misuraca Terracina
 David Waggoner

Tony Hall

DENNIS HERRERA

My occupation is City Attorney.

My qualifications are:

I've been called "the best City Attorney in the nation." The award-winning city department I lead is uniquely recognized for excellence, integrity and professionalism.

That's the leadership I'll deliver as Mayor. I have a plan to create jobs, fix Muni, protect renters, improve schools, tackle homelessness, and preserve our neighborhoods.

In my two decades as City Attorney, Police Commission President, Clinton Administration appointee, and local business owner, my record of effective, independent leadership is unmatched.

I've led negotiations that attracted millions in new investments and created thousands of jobs. I've taken on powerful interests to protect San Francisco.

- Suing for marriage equality, winning a landmark LGBT rights ruling
- Securing the ouster of a corrupt supervisor
- Fighting PG&E to lower rates and improve safety
- Cracking down on shady contractors
- Reducing gang violence
- Negotiating the shutdown of the Potrero power plant – the dirtiest in California

My supporters include:

- California Treasurer Bill Lockyer
- Mayor Art Agnos
- Mayor Frank Jordan
- Sheriff Mike Hennessey
- Assemblyman Tom Ammiano
- Supervisor Scott Wiener
- Supervisor Sophie Maxwell
- Supervisor Jake McGoldrick
- School Board Member Rachel Norton
- Police Chief Tony Ribera
- LGBT Icon Phyllis Lyon
- San Francisco's Teachers

I hope to earn your support.

www.HerreraForMayor.com

Dennis Herrera

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Candidates for Mayor

EMIL LAWRENCE

My occupation is Economic & Political Activist.

My qualifications are:

I am running for San Francisco Mayor because City government is no longer accountable. As a resident and MBA graduate from a San Francisco institution, I have determined that local government needs an adjustment. Present leaders have worked City Hall so long, that they have lost touch with the residents they serve.

As a US Navy veteran, I have two daughters that were born and raised here. As a veteran my administration will reach out to those that have served.

As Mayor, you will know that I have lived and worked in the City since 1970. And, I did not come into town from Sacramento or Greenbrae, last month. Also, unlike others, I am not connected to a political machine that steam rolled into town.

As Mayor, I will eliminate 5000 high-paid-posts and replace them with more. I will hire seniors, veterans, high school and college students, as well as handi-capped people at 'reasonable' salaries. I will put "City Voters" to work. Resident voters will have the jobs they deserve. Voters will know, "I am not one of them, but someone like you."

With this statement, I ask for your vote.

Emil Lawrence

ED LEE

My occupation is San Francisco Mayor.

My qualifications are:

As San Francisco's Mayor, I've seen the progress we make when we put politics aside and come together for the good of the City.

I've seen what we can accomplish when we focus on creating practical solutions instead of scoring cheap political points.

After years of a City Hall plagued by name-calling and rancor, we've changed the tone.

We worked together to close a \$380 million deficit, balance the budget and put our finances back on the right track.

During tough economic times, we brought new jobs, businesses and strong local-hire requirements to San Francisco.

We're making our City safer, fixing streets and strengthening neighborhoods.

I've served San Francisco as the Human Rights Commission Director, Investigator for the Whistleblower Program, Public Works Director, City Administrator, and now Mayor. In the private sector, I served as a civil rights attorney and advocate for immigrants and renters.

Throughout my decades of service, I've always taken the same approach – working collaboratively and respectfully to create sensible solutions.

We're on the right track, but there is much more to do. I respectfully ask for your support to continue the progress we've made, restore civility to City Hall, and keep getting things done for San Francisco.

Ed Lee



Candidates for Mayor

WILMA PANG

My occupation is College Professor / Musician.

My qualifications are:

As a life time renter, I know first hand what it is like to be a tenant in this city.

As a life time MUNI rider, I will work with SFMTA to improve the existing system.

As a long time San Franciscan: I am the founder of ABCT (A Better Chinatown Tomorrow), a community based organization formed to preserve the rich cultural heritage of the oldest community outside of Asia.

As a person in charge: I have proven my ability to work in harmony with people of color and diverse ethnic background from years of teaching and working abroad. Previously I was the North Beach/Chinatown Neighborhood Arts organizer for the SF Arts Commission.

As a former business owner: I worked closely with performing artists showcasing cultural events to visitors and locals alike.

As a college professor, I have taught music, citizenship and ESL at City College for over 30 years.

My platform: Quality education, incentive for families to remain in SF, provides adequate childcare for working parents, protective assistance to small owners and artists.

Wilma Pang

JOANNA REES

My occupation is Entrepreneur / Educator.

My qualifications are:

I'm an entrepreneur and an educator with a record of creating jobs, building stronger schools, and doing more with limited resources than anyone thought possible.

I'm not part of the city hall crowd.

I came to San Francisco as a working mom nearly two decades ago. Bootstrapping my way into the world of venture capital, I've helped more than 60 Bay Area companies create sustainable business models and thousands of jobs.

I've gone on to help lead cutting-edge efforts to support teachers, strengthen mentorship programs, and transform public schools in our most underserved communities by nurturing resourceful ideas into innovative solutions.

I know we can stop the cycle of budget deficits, cuts to vital services, and thousands of residents leaving our community for better jobs and better schools by bringing the entrepreneurial spirit to city government.

But we can't expect different results by rearranging the chairs at city hall, or surrendering our voice to well-connected insiders.

It's time for a new approach---focused on jobs and schools, rooted in our neighborhoods, and guided by the creativity that's made San Francisco the innovation capital of the world.

I'd be proud to earn your vote.

Join me at www.joinjoanna.com.

Joanna Rees

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Candidates for Mayor

PHIL TING

My occupation is San Francisco Assessor-Recorder.

My qualifications are:

I recognize our city government should be as creative and innovative as San Franciscans themselves.

To create jobs, improve our schools and make the Muni work, we need to do more than elect a new mayor – we need to change how we elect mayors.

That’s why I launched www.ResetSanFrancisco.org – and I hope you will join us today.

We are a community of nearly 5,000 organized online and offline to make Muni run on time, create jobs, make our government responsive and most of all, make government more effective.

I bring together the values of a civil rights advocate, the training of a business consultant and the hard-won experience of turning around one of the City’s worst agencies. I’ve helped:

- **CREATE JOBS** as Co-Chair of ChinaSF by bringing new companies to San Francisco.
- **PROMOTE** our **ECONOMY** and **ENVIRONMENT** with GoSolarSF.
- **GENERATE** over \$300 million in new revenue by improving efficiency – without raising taxes.

ResetSanFrancisco.org is all about ending the bickering at City Hall by empowering every resident – not just insiders.

Change doesn’t come through more power for one politician. Resetting San Francisco means realizing everyone deserves, and must demand, a voice.

Please join us at www.ResetSanFrancisco.org.

Phil Ting

LELAND YEE

My occupation is State Senator.

My qualifications are:

I’m an independent leader ready to kick the power brokers out of City Hall and make government work for us.

I’ve been called a “fiscal bulldog” for my battles against waste. I led the fight against excessive UC executive pay and opposed the \$400,000 MUNI golden parachute. My reform plan creates a citizen Ethics Commission and cracks down on unregistered lobbyists.

The son of a World War II veteran and a seamstress, I’ve lived in San Francisco since I was three. I attended San Francisco public schools, became a child psychologist, sent my children to public schools, and served eight years on the School Board. I know what quality schools mean to our families and I’ll make education my top priority.

I’ve authored laws saving domestic violence shelters, expanding civil rights and protecting children from sexual predators. I’m endorsed by California’s Nurses and as Mayor, I’ll expand Healthy San Francisco.

My jobs plan is endorsed by business leaders and labor, including San Francisco Building Trades Council and AFSCME. My record of fighting for clean air and water earned me Sierra Club’s endorsement and I’ll fight for 100% clean energy in San Francisco by 2020.

I would be honored to have your vote.

Leland Yee

www.lelandyee.com

Statements are volunteered by the candidates and have not been checked for accuracy by any official agency. Statements are printed as submitted. Spelling and grammatical errors have not been corrected.



Candidates for District Attorney

SHARMIN BOCK

My occupation is Assistant District Attorney.

My qualifications are:

San Francisco deserves an independent and experienced prosecutor for District Attorney.

Being District Attorney is not a management job, a police job, or a job for just anyone with a law degree. It's a job for a seasoned prosecutor.

I have 22 years of courtroom experience with over 1,000 appearances on cases ranging from misdemeanors to murder. I'm an experienced manager of senior attorneys and their supervisors. I develop policy for my office and oversee Special Operations units including Sex Crimes, DNA/Cold Cases and Public Integrity.

I'm also a 40-year San Francisco resident, an immigrant, and a Mom. My teenage daughter wants to walk home from school. I want her home safely.

As District Attorney, I will keep San Franciscans safe from violent crime, protect civil rights, and implement reforms that break the cycle of incarceration.

With our criminal justice system in crisis -- hundreds of mishandled and dismissed cases, a shocking drop in misdemeanor conviction rates, crime lab scandal, prison realignment -- we need a professional prosecutor, not a political appointee.

Please join my supporters: Congresswoman Jackie Speier, Assemblymember Fiona Ma, former State Senator Carole Migden, California Asian Police Officers, Officers for Justice, and National Women's Political Caucus.

Sharmin Bock
www.sharminbock.com

BILL FAZIO

My occupation is San Francisco Trial Attorney.

My qualifications are:

Bill Fazio, the only native San Franciscan in the race. Bill Fazio has extensive courtroom experience, as a prosecutor and defense attorney, thereby ensuring a BALANCED approach to the administration of justice:

- Bill Fazio 20 years a San Francisco prosecutor
- Bill Fazio nearly 20 experience years as a defense attorney
- Recognized by peers and colleagues as a "Super Lawyer"

Bill believes in aggressive prosecution of violent criminals, zero tolerance of domestic violence and the diversion of non-violent offenders into treatment and rehabilitation. Parents of juvenile offenders must be directed to become involved in sentencing and rehabilitation efforts. In his administration, there will be aggressive prosecution of elder abuse, quality of life and public corruption cases.

Bill Fazio has proven management experience:

- Successful law practice
- Board member Bar Association of San Francisco
- Elected member County Central Committee
- Volunteer to Centro Latino and many local community based organizations
- Legal analyst and commentator; and
- Victim rights advocate

Please join Bill, his family, neighbors, progressives and conservatives, community activists, business leaders and union members, and the hundreds of current rank-and-file prosecutors, law enforcement professionals and judges who support his candidacy. Bill Fazio for The People!

BillFazio.com

Bill Fazio

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Candidates for District Attorney

GEORGE GASCON

My occupation is San Francisco District Attorney.

My qualifications are:

I was born in a working-class neighborhood in Cuba; my parents were factory workers. After my uncle was jailed as a political prisoner for speaking against the government, my family immigrated to Los Angeles as political refugees.

After dropping out of school, I earned my diploma and joined the LAPD, where I became second-in-command while earning a law degree. Commanding more than 8,000 personnel, I led major ethics reform in the wake of police misconduct.

I am the only candidate who has led or reformed large organizations. As San Francisco Police Chief I reduced crime to its lowest level in decades. As DA I've strengthened coordination between the police and DA's office to prevent and reduce crime.

As District Attorney I'm making San Francisco safer for everyone by:

- Increasing the number of prosecuted homicide cases.
- Supporting SB 490 to abolish the death penalty.
- Bringing victim assistance into neighborhoods, helping domestic violence victims and seniors.
- Prosecuting wage theft and hate crimes.
- Leading schools and community organizations to reduce truancy and keep kids away from crime.

I'm supported by:

- Senator Dianne Feinstein
- Lt. Governor Gavin Newsom
- Attorney General Kamala Harris
- Supervisors Sean Elsbernd, Scott Wiener, Carmen Chu
- Former Supervisor Matt Gonzalez

gasconforda.com

George Gascón

DAVID ONEK

My occupation is Criminal Justice Attorney.

My qualifications are:

I've spent my career reforming the criminal justice system. I know our city can be made dramatically safer and fairer by:

- Focusing on what PREVENTS CRIME, like keeping kids in school
- Building REALTRUST so every community becomes a partner in safety
- COORDINATING with police, probation and the entire safety community

I launched my career working with kids in trouble and learned that the most effective way to make us safer is to keep kids out of the criminal justice system. I co-authored the Justice Department's guide to juvenile justice reform. I worked with national leaders to combat racial disparities in the system. As a Police Commissioner, I championed best practices like the zone strategy that helped dramatically reduce homicides.

As District Attorney I will:

- Never seek the death penalty
- Reform Three Strikes to focus on violent offenders
- Intervene early to keep kids out of trouble

Our campaign for a safer and fairer San Francisco is uniting a diverse coalition including Tom Ammiano, city leaders like Carmen Chu and John Avalos, the California Police Chiefs Association, the city's teachers, the overwhelming majority of the School Board and former Chief Heather Fong.

Please join us: www.DavidOnek.com.

David Onek



Candidates for District Attorney

VU TRINH

My occupation is Certified Criminal Law Specialist.

My qualifications are:

Juris Doctor, UC Hastings College of the Law, 1992
State Bar Certified Criminal Law Specialist, 2000
Commissioner, State Bar's Criminal Law Advisory
Commission, 2009-2012

San Francisco is perhaps the most diverse city in the country, and should be a beacon for liberty and a hub for social, cultural, educational, and economic activity. To make this vision a reality, we must concentrate our efforts on public safety. I want to keep us safe by implementing policies focused on truth, fairness, effectiveness, and cost-efficiency.

I will restore independence, professionalism, experience, open leadership, fiscal responsibility, and integrity to the District Attorney's Office. I promise to work with law enforcement officers, judges, and public defenders to administer justice in an innovative, lawful, ethical, and fair manner to accurately identify and apprehend perpetrators. I will adopt a restorative justice approach to victims' rights that will reduce recidivism, cut costs, and improve victims' satisfaction with the system. If elected, my administration will make appointments and assignments based on an attorney's merits, namely aptitude and credentials, determined through evaluations. San Francisco's District Attorney must stand for liberty and freedom, and I will work to protect these rights for everyone. For more information, visit my website: www.VuTrinh.com.

Vu V. Trinh

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Candidates for Sheriff

CHRIS CUNNIE

My occupation is Attorney General Advisor.

My qualifications are:

Thirty years protecting San Franciscans – from a decorated beat cop to San Francisco Undersheriff.

Safety in these difficult times requires the intuition of a cop, management experience of a chief and principles of a leader in the treatment community. I'm the only candidate who can bring ALL OF THESE SKILLS together. I've served as:

- Undersheriff of San Francisco, improving jail programs to responsibly return prisoners back to our communities and reduce further harm.
- Chief of Investigations in the District Attorney's Office, helping to lower crime with increased community engagement.
- Director of Emergency Communications, bringing many branches of law enforcement together.
- President of the board of one of the city's leading treatment service centers and member of a statewide board helping to divert addicts into treatment.
- President of the San Francisco Police Officers Association, supporting advances in community policing.
- San Francisco Police Officer twice decorated for bravery.

A safer city requires bringing all of these experiences together. I'm proud to have earned the support of Dianne Feinstein, Attorney General Kamala Harris, Gavin Newsom, former police chief Heather Fong, leading treatment and criminal justice reform advocates like Sunny Schwartz, Henry Der, Jeanne Woodford and many others.

Join us at www.ChrisCunnie.com.

Chris Cunnie

ROSS MIRKARIMI

My occupation is Board of Supervisors, Public Safety Chair.

My qualifications are:

Sheriff Mike Hennessey has led his office with integrity and effectiveness for 31 years. He knows best what the job requires.

Sheriff Hennessey's choice: "Only Ross Mirkarimi has the right combination of law enforcement training, legislative experience and independence to meet the challenges ahead as our next Sheriff."

San Francisco Resident, 27 years; now with my wife, Eliana Lopez and son.

Law enforcement / military experience:

- Graduated President, San Francisco Police Academy
- San Francisco District Attorney Armed Investigator, 9 years
- Veteran, U.S. Navy Reserves

Legislative accomplishments:

- Decrease Repeat Offender, Violent Felon Rates: Spearheaded San Francisco's Reentry Council.
- Reduce Violent Crime: Mandated community policing and foot patrols in high crime neighborhoods.
- Rehabilitate Youth, Adult Offenders: Reformed San Francisco's job placement / rehabilitation programs.
- Greater Police Accountability: Championed reform efforts; investigation of Crime Lab scandal.

Let's keep the tradition of an independent Sheriff in San Francisco – not tied to law enforcement's "old boys" network.

Please join my supporters:

Sheriff Mike Hennessey
 Senator Mark Leno
 Assemblymember Tom Ammiano
 Assemblymember Fiona Ma
 Former Mayor Art Agnos
 Supervisors John Avalos, David Campos,
 Supervisors Jane Kim, Eric Mar
 Police Commission President Thomas Mazzucco*
 Police Commissioners Angela Chan / Petra DeJesus*
 San Francisco Firefighters
 California Nurses
 San Francisco Teachers

I respectfully ask for your vote.

www.rossforsheriff.org

*For identification purposes only

Ross Mirkarimi

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Candidates for Sheriff

PAUL MIYAMOTO

My occupation is San Francisco Sheriff's Captain.

My qualifications are:

I am a career Sheriff and native San Franciscan. Our Deputy Sheriffs universally chose to support me to be their next boss because of my 15 years of experience. I am the only candidate with an entire career working directly for and with Sheriff Michael Hennessey.

I helped Sheriff Hennessey implement crime prevention and rehabilitation programs. I know what works and what we can do more efficiently.

I was promoted by Sheriff Hennessey four times, rising through the ranks from Deputy to Captain.

I commanded the City's maximum security prison, keeping dangerous criminals behind bars. I worked with our jail high school to ensure that people who make mistakes get a second chance.

As Sheriff I will work in schools and neighborhoods to solve problems before they arise, reducing crime and violent acts committed by youth.

I won't need on the job training. I wrote the Sheriff Department's field training manual.

I am running for Sheriff because of my experience and commitment, not politics.

I have earned the support of a range of leaders:

Assemblymember Fiona Ma
Retired Judge Quentin Kopp
Supervisor Sean Elsbernd
Former Supervisor Bevan Dufty
Former Board of Supervisors President Matt Gonzalez

Please visit www.miyamoto4sheriff.com

Thank you.

Paul Miyamoto

DAVID WONG

My occupation is Former Deputy Sheriff.

My qualifications are:

- City and County of San Francisco Deputy Sheriff for 20 years
- Former President of the Deputy Sheriffs Association for 8 years
- 26 year union member of UNITE HERE, Local 2, Teamsters Local 278 and Operating Engineers Local Union #3.
- Proudly served my country for 8 years in the U.S. Army Military Intelligence Unit

As a volunteer in the community, I served on the State Child Abuse Neglect and Recovery Act Task Force and as a Board Member for the Community Youth Center delivering comprehensive services to at-risk youth and diverting them from a life of incarceration.

The Sheriff's office must work proactively with our community and mentor our youth to prevent crime and rehabilitate the incarcerated.

As Sheriff, I will:

- Reduce recidivism by providing job training to the incarcerated
 - Target our youth and divert them from our jails
 - Provide state of the art training for our deputies
- Together we can make San Francisco a great, safe city to raise our families.

David Wong

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Local Ballot Measure and Argument Information

Digest and Argument Pages, Legal Text

The Ballot Simplification Committee has prepared a digest for each local ballot measure. A statement by the City Controller about the fiscal impact or cost of each measure and a statement of how the measure qualified to be on the ballot are also included. Arguments for and against each measure follow the digest. The legal text for all local ballot measures begins on page 107.

Proponent's and Opponent's Arguments

For each measure, one argument in favor of the measure ("proponent's argument") and one

argument against the measure ("opponent's argument") are printed in the Voter Information Pamphlet free of charge.

The designations "proponent's argument" and "opponent's argument" indicate only that the arguments were selected in accordance with criteria in Section 540 of the San Francisco Municipal Elections Code and printed free of charge.

Selection of Proponent's and Opponent's Arguments

The proponent's argument and the opponent's argument are selected according to the following priorities:

Proponent's Argument	Opponent's Argument
1. The official proponent of an initiative petition; or the Mayor, the Board of Supervisors, or four or more members of the Board, if the measure was submitted by same.	1. In the case of a referendum, the person who files the referendum petition with the Board of Supervisors.
2. The Board of Supervisors, or any member or members designated by the Board.	2. The Board of Supervisors, or any member or members designated by the Board.
3. The Mayor.	3. The Mayor.
4. Any association of citizens, combination of voters and association of citizens, or any individual voter.	4. Any association of citizens, combination of voters and association of citizens, or any individual voter.

Rebuttal Arguments

The author of a proponent's argument or an opponent's argument may also prepare and submit a rebuttal argument, to be printed free of charge. Rebuttal arguments are printed below the corresponding proponent's argument and opponent's argument.

Paid Arguments

In addition to the proponents' arguments, opponents' arguments, and rebuttals, which are printed without charge, any eligible voter, group of voters, or association may submit paid arguments.

Paid arguments are printed in the pages following the proponent's and opponent's arguments and rebuttals. All of the paid arguments in favor of a measure are printed together, followed by the paid arguments opposed to that measure. Paid arguments for each measure are printed in order of submission.



All arguments are strictly the opinions of their authors. Arguments and rebuttals are printed as submitted, including any typographical, spelling or grammatical errors. They are not checked for accuracy by the Director of Elections nor any other City agency, official or employee.



Words You Need to Know

by the Ballot Simplification Committee

Amend (Propositions C, D, E, F and G): To change a law.

Applicable codes (Proposition A): Laws and regulations, such as the Education Code or the Building Code, that apply to certain structures and activities.

Areas with lowest average test scores (Proposition H): Specific areas in the City where the average test score is in the lowest 20% of standardized test scores, when compared with other areas in the City.

Attendance area (Proposition H): Geographic boundaries drawn around elementary schools for the purposes of student assignment. Middle and high schools do not have attendance areas.

Bond (Propositions A and B): A bond is a promise by the City to pay back money borrowed, plus interest, by a specific date. If the City needs to raise a large amount of money to pay for a library, sewer line, school, hospital or other project or program, it may borrow the money by selling bonds. (See also “General Obligation Bond”.)

Calendar year (Proposition F): A 12-month period, beginning on January 1 and ending on December 31 of each year.

California Public Employees’ Retirement System (CalPERS) (Propositions C and D): CalPERS is a State-run system that provides pension benefits for California public employees. Some City employees receive pension benefits through CalPERS rather than the San Francisco Employee Retirement System. These employees include sheriff’s deputies, probation officers, district attorney and public defender investigators, juvenile court counselors, and institutional police officers.

Campaign consultant (Proposition F): A person who provides campaign services, such as hiring campaign staff, supervising the use of campaign funds, directing the solicitation of campaign contributions, selecting vendors, producing campaign

literature and advertising, seeking endorsements, or advising on public policy positions.

Charter amendment (Propositions C, D and E): A change to the City’s Charter. The Charter is the City’s Constitution. The Charter can only be changed by a majority of the votes cast.

Compensation (Propositions C, D and F): Payments, fees, or anything else of value provided in exchange for services.

Cost-of-living adjustment (Propositions C and D): An annual increase in pension benefits. San Francisco Employee Retirement System pays a basic cost-of-living increase of up to 2% based on inflation. It may also pay a supplemental cost-of-living increase up to a combined total of 3.5% annually.

Covered compensation (Propositions C and D): Employee compensation that is considered when calculating pension contributions and benefits.

Defined benefits (Propositions C and D): A set monthly amount qualified employees are entitled to receive after they retire from public service.

Designated feeder school (Proposition H): Elementary school from which students normally are assigned to a specific middle school.

Electronic filing (Proposition F): Providing or submitting information through the electronic transmission of data (e.g., e-mail).

Environmentally sustainable (Proposition A): Furthers the long-term well-being of the environment.

Ethics Commission (Proposition F): The City’s Ethics Commission is responsible for administering, interpreting and enforcing City ethics laws, including laws regulating campaign contributions, conflicts of interest, lobbyists, campaign consultants, whistle-blowing, public records, and public meetings. The Ethics Commission also provides educational materials and advice on ethics

questions. The Ethics Commission consists of five members, appointed by the Mayor, the Board of Supervisors, City Attorney, District Attorney, and Assessor-Recorder, respectively.

Feeder school (Proposition H): see “designated feeder school.”

Final compensation (Propositions C and D): The average of an employee’s highest annual compensation over the relevant period.

General obligation bond (Propositions A and B): A promise issued by a government body to pay back money borrowed, plus interest, by a certain date. The government body repays the money, plus interest, over a period of years with property taxes. General obligation bond measures must be approved by the voters.

Health Service Board (Proposition C): A seven-member City board that oversees the Health Service System.

Health Service System (Proposition C): A City-run system that provides health benefits to eligible employees, retirees and dependents of the City, Unified School District, Community College District, and Superior Court.

Initiative (Propositions D and H): A proposition placed on the ballot by voters. Any voter may place an initiative on the ballot by gathering the required number of valid signatures on a petition.

Local campaign (Proposition F): A campaign for or against local ballot measures or candidates for local offices, including Mayor, Board of Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor-Recorder, Public Defender, Board of Education of the San Francisco Unified School District, and Governing Board of the San Francisco Community College District.

Ordinance (Propositions E, F and G): A local law passed by the Board of Supervisors or by the voters.

Oversight (Propositions A and B): Monitoring activities to ensure that they follow the purposes of a program.

Programs for children and seniors (Proposition G): Programs designed to benefit children and seniors, such as delivering meals to seniors, providing in-home assistance to seniors, establishing adult day care, supporting child care, and paying for health care for children and families.

Proposition (Propositions A–H): Any measure that is submitted to the voters for approval or disapproval.

Provisional Ballot: A ballot cast at a polling place that will not be counted until the Department of Elections verifies the voter’s eligibility to cast that ballot.

Public safety programs (Proposition G): Programs designed to safeguard the public, such as community policing, police officer and firefighter salaries, police academy classes, and replacement of police vehicles and firefighting equipment.

Qualified Write-In Candidate (Frequently Asked Questions): A person who has completed the required paperwork and signatures for inclusion as a write-in candidate. Although the name of this person will not appear on the ballot, voters can vote for this person by writing the name of the person in the space on the ballot provided for write-in votes and following the specific ballot instructions. The Department of Elections counts write-in votes only for qualified write-in candidates.

Repeal (Proposition E): To remove a law, so that it no longer has any effect.

Required valid signatures (Proposition E): The number of signatures of voters registered in San Francisco required on a petition to qualify a measure for the ballot, according to state and local law.

Sales tax (Proposition G): A tax added to the sale of certain retail goods.

San Francisco County Transportation Authority (Proposition G): The Transportation Authority is a public agency that is separate from the City, although the 11 members of the Board of Supervisors serve as members of the Authority’s



governing board. The Transportation Authority uses a portion of sales tax money to pay for transportation projects approved by the voters.

San Francisco Employees' Retirement System (SFERS) (Propositions C and D): A City-run system that provides pension benefits to most City employees. SFERS also provides pension benefits to some employees of the Unified School District, Community College District, and Superior Court.

School facilities (Proposition A): Buildings and structures that house schools or activities that support schools.

Seismic upgrade (Propositions A and B): Improving or renovating a structure to protect it from potential earthquake damage.

Service retirement (Propositions C and D): A pension benefit available to employees who meet age and years of service requirements. Employees who qualify for service retirement receive defined benefits determined by final compensation, retirement age, and length of service.

Special district (Proposition G): A government body with limited powers formed to provide a specific service. (This is not related to Supervisorial districts.)

Street corridor (Proposition B): A number of consecutive blocks of a street, including the sidewalks and medians.

Vesting allowance (Propositions C and D): A retirement benefit available to certain employees who have worked for the City for at least five years. Employees who qualify for a vesting

allowance receive payments based on the employee's contributions to SFERS, a matching employer contribution, and interest.

Vesting retirement (Proposition D): A retirement benefit available to some safety employees who leave City employment before becoming eligible for a service retirement. Those employees who work for the City for at least five years may receive benefits that are calculated according to the same formula used for "service retirement" (defined above).

Vote-by-Mail Ballots (Frequently Asked Questions): Ballots mailed to voters or given to voters in person at the Department of Elections. Vote-by-mail ballots can be mailed to the Department of Elections, turned in at the Department of Elections office in City Hall, or turned in at any San Francisco polling place on Election Day. Also known as absentee ballots. See page 5 for more information.

vote!

For more information and an interactive demonstration on ranked-choice voting, visit
www.sfelections.org/demo



An Overview of San Francisco's Debt

What Is Bond Financing?

Bond financing is a type of long-term borrowing used to raise money for projects. The City receives money by selling bonds to investors. The City must pay back the amount borrowed plus interest to those investors. The money raised from bond sales is used to pay for large capital projects such as fire and police stations, affordable housing programs, schools, libraries, parks, and other city facilities. The City uses bond financing because these buildings will last many years and their large dollar costs are difficult to pay for all at once.

Types of Bonds. There are two major types of bonds – General Obligation and Revenue.

General Obligation Bonds are used to pay for projects that benefit citizens but do not raise revenue (for example, police stations or parks are not set up to pay for themselves). When general obligation bonds are approved and sold, they are repaid by property taxes. The Road Repaving and Street Safety Bond on this ballot is a general obligation bond to be issued by the City. The San Francisco Unified School District Bond on this ballot is a general obligation bond to be issued by the School District. General obligation bonds issued by the City must be approved by a two-thirds vote, and general obligation bonds issued by the School District must be approved by a 55% vote.

Revenue Bonds are used to pay for projects such as major improvements to an airport, water system, garage or other large facilities which generate revenue. When revenue bonds are approved and sold, they are generally repaid from revenues generated by the bond-financed projects, for example usage fees or parking fees. The City's revenue bonds must be approved by a majority vote. There is no revenue bond on this ballot.

What Does It Cost to Borrow?

The City's cost to borrow money depends on the amount borrowed, the interest rate on the debt and the number of years over which the debt will be repaid. Large debt is usually paid off over a period of 10 to 35 years. Assuming an average interest rate of 6% the cost of paying off debt over 20 years is about \$1.73 for each dollar borrowed – \$1 for the dollar borrowed and 73 cents for the interest. These payments, however, are spread over the 20-year period. Therefore inflation reduces the effective cost of borrowing because the

future payments are made with cheaper dollars. Assuming a 4% annual inflation rate, the cost of paying off debt in today's dollars would be about \$1.18 for every \$1 borrowed.

The City's Current Debt Situation

Debt Payments. During fiscal year 2011-2012 property tax payers in the City will pay approximately \$316 million of principal and interest on outstanding bonds of the City and the other issuers of general obligation debt (San Francisco Community College District, San Francisco Unified School District and Bay Area Rapid Transit District). The property tax rate for the year to provide for debt and special funds requirements will be 17.18 cents per \$100 of assessed valuation or \$675 on a home assessed at \$400,000.

Legal Debt Limit. The City Charter imposes a limit on the amount of general obligation bonds the City can have outstanding at any given time. That limit is 3% of the assessed value of taxable property in the City – or currently about \$4.78 billion. Voters give the City *authorization* to issue bonds. Those bonds that have been issued and not yet repaid are considered to be *outstanding*. As of June 30, 2011, there were \$1.36 billion in general obligation bonds issued by the City outstanding, which is equal to 0.851% of the assessed value of taxable property. There were an additional \$1.16 billion in bonds that are *authorized but unissued*. If all of these bonds were issued and outstanding, the total debt burden would be 1.58% of the assessed value of taxable property. Bonds issued by the School District and Community College District and Bay Area Rapid Transit District (BART) do not increase the City's debt burden for the purposes of the Charter limit, however they are repaid by property taxes (see Prudent Debt Management below). Part of the City's current debt management policy is to issue new general obligation bonds as old ones are retired, keeping the property tax rate from City general obligation bonds approximately the same over time.

Prudent Debt Management. Even though the City is well within its legal debt limit in issuing general obligation bonds, there are other debt comparisons used by bond rating agencies when they view the City's financial health. These agencies look at many types of local and regional debt that are dependent on the City's tax base – our general obligation bonds, lease revenue bonds, certificates of participation, special assessment

bonds, and school and community college district bonds. San Francisco's total debt of these types is equal to 1.6% of the assessed value of taxable property in the City. This "direct debt ratio" is considered to be a "moderate" debt burden relative to the size of San Francisco's property tax base. **While this ratio is within the comparable norms, the City needs to continue to set priorities for future debt to continue to maintain good credit ratings that, in turn, are a sign of good financial health.**

Citizen Oversight of General Obligation Bonds

Voters must approve the purpose and amount of the money to be borrowed through bonds. Bond money may be spent only for the purposes approved by the voters.

For general obligation bonds issued by the City of San Francisco, the Citizens' General Obligation Bond Oversight Committee reviews and reports on how bond money is spent. The nine members of the Committee are appointed by the Mayor, Board of Supervisors, Controller, and Civil Grand Jury. If the Committee finds that bond money has been spent for purposes not approved by the voters, the Committee can require corrective action and prohibit the sale of any authorized but unissued bonds until such action is taken. The Board of Supervisors can reverse the decisions of the committee by a two-thirds vote. The Controller may audit any of the City's bond expenditures.

Prepared by *Ben Rosenfield*, Controller



A

School Bonds

Shall San Francisco Unified School District repair and rehabilitate facilities to current accessibility, health, safety and instructional standards, replace worn-out plumbing, electrical and other major building systems, replace aging heating, ventilation and air handling systems, renovate outdated classrooms and training facilities, construct facilities to replace aging modular classrooms, by issuing bonds in an amount not to exceed \$531,000,000, at legal interest rates, with guaranteed annual audits, citizens' oversight and no money for school administrators' salaries?

YES ←  
NO ←  

Digest by the Ballot Simplification Committee

The Way It Is Now: The San Francisco Unified School District (School District) owns or leases over 160 schools and other facilities. The School District builds, maintains, upgrades and repairs its facilities using money from various sources, primarily from voter-approved bond measures, but also from local parcel taxes and developer fees.

Under State law, before a school district can issue general obligation bonds, voters must be provided with a list of school facilities that will benefit from those bond funds. State law also requires school districts issuing those bonds to create an independent citizens' oversight committee and to conduct annual, independent audits. State law prevents school districts from using general obligation bond funds for teacher and administrator salaries or operating expenses.

Property tax revenues are used to pay the principal and interest on general obligation bonds.

The Proposal: Proposition A would authorize the School District to borrow up to \$531 million by issuing general obligation bonds. These funds would be used to repair and upgrade more than 50 school facilities to:

- address health and safety risks by fixing damaged items and removing hazardous materials;
- repair and replace major building systems, including electrical, heating, water, sewer, lighting, security, and fire sprinkler systems;
- improve accessibility for people with disabilities;
- repair and build playgrounds and fields;
- make necessary seismic upgrades;

- replace temporary classroom facilities with permanent structures, if determined to be more practical than repairing them;
- replace an existing facility with a new facility, if determined to be more practical than repairing it; and
- perform other work necessary to comply with any applicable codes or regulations.

The School District would set aside up to \$5 million of the funds to create outdoor learning environments and up to \$5 million to implement the use of environmentally sustainable materials and products. It also would set aside up to \$1.5 million for future bond planning and for communication with all groups affected by the projects funded by this bond measure.

The School District would create an independent citizens' oversight committee to report to the public about the use of bond funds. The School District's Board of Education would also conduct annual, independent audits. The School District would not be allowed to use bond funds to pay for teacher and administrator salaries or operating expenses.

Proposition A would allow for an increase in the property tax, if needed, to pay principal and interest on the bonds. This measure requires the approval of 55% of the votes cast.

A "YES" Vote Means: If you vote "yes," you want the School District to issue \$531 million in general obligation bonds to repair and upgrade its school facilities by addressing health and safety risks, repairing and replacing major building systems, improving accessibility for people with disabilities, repairing and building playgrounds and fields, making seismic upgrades, replacing classrooms and facilities with permanent or

This measure requires 55% affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 107.
Some of the words used in the ballot digest are explained on page 36.

new structures where practical, and performing other work necessary to comply with any applicable codes or regulations. The bond expenditures would be subject to oversight by an independent citizens' committee and annual, independent audits.

A "NO" Vote Means: If you vote "no," you do not want the School District to issue these bonds.

Controller's Statement on "A"

City Controller Ben Rosenfield has issued the following statement on the fiscal impact of Proposition A:

Should the proposed \$531 million in bonds be authorized and sold under current assumptions, the approximate costs will be as follows:

- In fiscal year 2012–2013, following issuance of the first series of bonds, and the year with the lowest tax rate, the estimated annual costs of debt service would be \$9.1 million and result in a property tax rate of \$0.00669 per \$100 (\$6.69 per \$100,000) of assessed valuation.
- In fiscal year 2016–2017, following issuance of the last series of bonds, and the year with the highest tax rate, the estimated annual costs of debt service would be \$46.7 million and result in a property tax rate of \$0.02942 per \$100 (\$29.42 per \$100,000) of assessed valuation.
- The best estimate of the average tax rate for these bonds from fiscal year 2012–2013 through 2035–2036 is \$0.02139 per \$100 (\$21.39 per \$100,000) of assessed valuation.
- Based on these estimates, the highest estimated annual property tax cost for these bonds for the owner of a home with an assessed value of \$500,000 would be approximately \$145.00

These estimates are based on projections only, which are not binding upon the City. Projections and estimates may vary due to the timing of bond sales, the amount of bonds sold at each sale, and actual assessed valuation over the term of repayment of the bonds. Hence, the actual tax rate and the years in which such rates are applicable may vary from those estimated above. The City's current debt management policy is to issue new general obligation bonds only as old ones are retired, keeping the property tax impact from general obligation bonds approximately the same over time.

How "A" Got on the Ballot

On May 24, 2011, the San Francisco Board of Education voted 7 to 0 to place Proposition A on the ballot. The Members voted as follows:

Yes: Fewer, Maufas, Mendoza, Murase, Norton, Wynns, Yee.

No: None.

State law allows a school district to place a measure on the ballot in this manner.

This measure requires 55% affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 107. Some of the words used in the ballot digest are explained on page 36.



Proponent's Argument in Favor of Proposition A

We can all agree that our public schools need better and safer buildings and more up-to-date technology to educate our kids. San Francisco schools serve nearly 60,000 students in some of the oldest buildings in the State. Many of these buildings desperately need to be modernized to 21st century safety code and accessibility standards.

Twice over the past eight years, San Franciscans have recognized that our schools were in need of upgrades and overwhelmingly voted to support bonds to modernize schools. The District has delivered on its promise. Thirty school facilities were modernized through the 2003 bond and 59 school facilities are being completed through the 2006 bond. **Proposition A is the third and final measure to modernize all San Francisco public schools—completing a long-term plan to improve schools throughout the city.**

At a time of deep state budget cuts for our schools, voting YES on Prop A will provide the funding necessary to modernize, upgrade, and increase accessibility at an additional 53 school facilities. This will include seismic upgrades, safe removal of any hazardous substances, improved disabled access, and replacement of worn-out electrical, plumbing, and fire safety systems—as well as upgrading classrooms and science labs to improve student achievement.

The bond program is being rigorously run by a professional management team, and since its development, construction has stayed on schedule and on budget. The District has kept its promise to manage past bond monies responsibly under the guidance of the independent Citizens' Bond Oversight Committee, and the annual audits found that we have met or exceeded all requirements and are in excellent financial standing.

This is a critical step to ensure that ALL our children have safe, healthy, attractive, and universally accessible environments to learn and thrive.

Please join us in supporting Proposition A.

San Francisco Board of Education

Rebuttal to Proponent's Argument in Favor of Proposition A

Isn't it funny how there's always money in the budget for administrators' six-figure salaries and generous benefits, while maintenance is regularly deferred to blackmail voters into approving bond measures lest children be stuck in decrepit schools?

Bonds are for major expenses like constructing new school buildings. That isn't needed now. Enrollment is declining as families leave San Francisco or choose home schooling or non-government schools due to SFUSD's failure to meet their children's needs. Instead, **district officials again propose borrowing money for routine maintenance their annual operating budget is supposed to cover.**

As long as San Francisco has government-run schools, keeping them repaired will cost taxpayers. But regularly *borrowing* money for repairs is stupid. **By the time you add in bond finance costs, sales commissions, attorney fees, transfer fees, and up to 12% interest, SFUSD's plan to raise \$531,000,000 in revenue could end up costing nearly \$1,000,000,000!**

That would be bad enough if we could trust the money would be spent wisely -- but we can't. Money from previous bonds was spent repairing schools like Treasure Island Elementary that were closed shortly thereafter. Total lack of foresight and planning!

They're calling this the "third and final" measure to modernize district schools. **Don't believe it.** Prop. A includes "*\$1,500,000 in bond funds to be used for future bond planning as well as outreach and communication*" (**read: polling and public relations**).

Send them a message to stop wasting your money like this! Vote NO on A.

Libertarian Party of San Francisco

Arguments are the opinions of the authors and have not been checked for accuracy by any official agency. Arguments are printed as submitted. Spelling and grammatical errors have not been corrected.



Opponent's Argument Against Proposition A

We agree that the schools should be in good condition and that the facilities should be safe and completely functional, but is this expensive bond measure the most prudent way to pay for such repairs and upgrades? We don't think so.

A better and more economical way to accomplish this goal is the sale of unused government buildings. In 2007 the San Francisco Unified School District acknowledged that around 20% of its real estate holdings had almost no educational value. It also designated ten vacant or underutilized properties as surplus and concluded that selling them would yield an estimated \$134 million plus millions more in property taxes.

So what has the school district done to act on its own findings? Nothing. Not one property has been sold. What benefit is there to anyone to own empty buildings, especially in a time when repairs and upgrades are needed?

Furthermore, another idea that has hardly been explored is to lease out the empty buildings to generate revenue for the school district. The former Newcomer High School in Pacific Heights is now being leased out to a Montessori school and a nonprofit organization, and these tenants are generating actual revenue for the school district. Why isn't the school district doing more of this type of leasing?

Until such time that the school district makes better use of the millions of dollars of property that it is holding and not utilizing, we recommend a No vote on this very expensive bond measure (over half a billion dollars with an interest rate of up to 12%).

Libertarian Party of San Francisco

No Rebuttal to the Opponent's Argument Against Proposition A Was Submitted

No Paid Arguments IN FAVOR of or AGAINST Proposition A Were Submitted

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B

Road Repaving and Street Safety Bonds

SAN FRANCISCO ROAD REPAVING AND STREET SAFETY BOND, 2011. To fix potholes and repave deteriorating streets in neighborhoods throughout San Francisco, repair and strengthen deteriorating stairways, bridges and overpasses, improve safety for pedestrians and bicyclists, improve disabled access to sidewalks, and construct and renovate traffic infrastructure to improve Municipal Transportation Agency transit reliability and traffic flow on local streets, shall the City and County of San Francisco issue \$248,000,000 in general obligation bonds subject to independent oversight and regular audits?

YES  
NO  

Digest by the Ballot Simplification Committee

The Way It Is Now: The City is responsible for maintaining about 850 miles of streets and more than 300 street structures, such as bridges, tunnels, and stairways. A City study shows that about half of these streets and many of the structures need major repairs and upgrades.

The City's 10-year Capital Plan identifies road repaving and street safety improvements as a high priority.

With approval of the voters, the City may issue general obligation bonds to pay for capital projects such as road repaving and street safety. The City uses property tax revenues to pay the principal and interest on general obligation bonds.

The Proposal: Proposition B is a bond measure that would authorize the City to borrow up to \$248 million by issuing general obligation bonds to improve and repair streets, sidewalks, and street structures.

The City could only use this money to:

- repair and repave City streets and remove potholes;
- strengthen and seismically upgrade street structures;
- redesign street corridors by adding or improving pedestrian signals, lighting, sidewalk extensions, bicycle lanes, trees, and landscaping;
- construct and renovate curb ramps and sidewalks to increase accessibility and safety for everyone, including persons with disabilities; and
- add and upgrade traffic signals to improve Muni service and traffic flow.

The Mayor and the Board of Supervisors would approve the final list of projects.

Proposition B would allow for an increase in the property tax, if needed, to pay for the bonds. It would permit landlords to pass through 50% of any resulting property tax increase to their tenants.

Proposition B would require the Citizens' General Obligation Bond Oversight Committee to provide independent oversight of the spending of bond funds. One-tenth of one percent (0.1%) of the bond funds would pay for the committee's audit and oversight functions.

This measure requires approval of two-thirds of the votes cast.

A "YES" Vote Means: If you vote "yes," you want the City to issue \$248 million in general obligation bonds to repave streets; seismically upgrade bridges, tunnels, and stairways; improve safety for pedestrians and bicyclists; upgrade traffic signals; and improve sidewalk access and safety. The bonds are subject to independent oversight and audits. Landlords are authorized to pass through 50% of any resulting increase in property taxes to their tenants.

A "NO" Vote Means: If you vote "no," you do not want the City to issue these bonds.

This measure requires 66²/₃% affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 109. Some of the words used in the ballot digest are explained on page 36.

Controller’s Statement on “B”

City Controller Ben Rosenfield has issued the following statement on the fiscal impact of Proposition B:

Should the proposed \$248 million in bonds be authorized and sold under current assumptions, the approximate costs will be as follows:

- In fiscal year 2011-2012, following issuance of the first series of bonds, and the year with the lowest tax rate, the estimated annual costs of debt service would be \$3.4 million and result in a property tax rate of \$0.0022 per \$100 (\$2.14 per \$100,000) of assessed valuation.
- In fiscal year 2018-2019, following issuance of the last series of bonds, and the year with the highest tax rate, the estimated annual costs of debt service would be \$22.8 million and result in a property tax rate of \$0.0116 per \$100 (\$11.46 per \$100,000) of assessed valuation.
- The best estimate of the average tax rate for these bonds from fiscal year 2011–2012 through 2034–2035 is \$0.0076 per \$100 (\$7.46 per \$100,000) of assessed valuation.
- Based on these estimates, the highest estimated annual property tax cost for these bonds for the owner of a home with an assessed value of \$500,000 would be approximately \$57.28.

These estimates are based on projections only, which are not binding upon the City. Projections and estimates may vary due to the timing of bond sales, the amount of bonds sold at each sale, and actual assessed valuation over the term of repayment of the bonds. Hence, the actual tax rate and the years in which such rates are applicable may vary from those estimated above. The City’s current debt management policy is to issue new general obligation bonds only as old ones are retired, keeping the property tax impact from general obligation bonds approximately the same over time.

How “B” Got on the Ballot

On July 26, 2011, the Board of Supervisors voted 9 to 2 to place Proposition B on the ballot. The Supervisors voted as follows:

Yes: Avalos, Campos, Chiu, Chu, Cohen, Kim, Mar, Mirkarimi, Wiener.

No: Elsbernd, Farrell.

This measure requires 66 $\frac{2}{3}$ % affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 109. Some of the words used in the ballot digest are explained on page 36.



This disclaimer applies to: the proponent's argument. *The Board of Supervisors authorized the submission of the following argument. As of the date of the publication of this Voter Information Pamphlet, the following Supervisors endorse the measure: Avalos, Campos, Chiu, Chu, Cohen, Kim, Mar, Mirkarimi, Wiener; oppose the measure: Elsbernd, Farrell; take no position on the measure: none.*

Proponent's Argument in Favor of Proposition B

FIX OUR STREETS—YES ON B!

PROP B FIXES POTHOLES, BUCKLING SIDEWALKS AND SEISMICALLY UNSAFE OVERPASSES AND STAIRWAYS

San Francisco has 850 miles of roads and sidewalks—many filled with potholes, buckling sidewalks, seismically unsafe bridges, overpasses and stairways. Prop B is a critical component of the city's Ten -Year Capital Plan to make these urgently needed renovations and infrastructure improvements.

PROP B IMPROVES PEDESTRIAN SAFETY AND ACCESSIBILITY FOR OUR MOST VULNERABLE

Over the last decade, over 200 pedestrians have been killed—many of them seniors. Prop B will improve the safety of our streets for our most vulnerable—the elderly, children and families, and those with disabilities, especially at intersections near schools.

PROP B IMPROVES OUR SAFETY

In the event of the next earthquake, police, firefighters and medical personnel must be able to quickly reach those in need. Deteriorated roads, seismically unsafe bridges and overcrossings could have devastating impacts on the ability of first responders to aid in a disaster.

PROP B CREATES BADLY NEEDED LOCAL JOBS

With high unemployment and many families having trouble making ends meet, Prop B, by investing in infrastructure, helps create over 1,000 local construction jobs and boosts small businesses.

PROP B DOES NOT RAISE YOUR TAXES

Prop B has been specifically designed so tax rates WILL NOT increase. By complying with the city's policy of only issuing new bonds as old ones are paid off, this measure's full costs can be funded at current tax rates with NO INCREASE.

PROP B puts San Francisco back on the road to safer, smoother streets.

Fix the Streets of San Francisco—Yes on B!

*Mayor Edwin M. Lee
Supervisor Scott Wiener
Supervisor Carmen Chu*
Supervisor David Chiu
Supervisor Jane Kim
Supervisor Ross Mirkarimi
Supervisor Malia Cohen
Supervisor John Avalos*

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

Rebuttal to Proponent's Argument in Favor of Proposition B

DPW is pretending that all of the proposed street improvement projects are capital improvements and are not considered ongoing or routine maintenance. General Obligation Bonds (GOB) pay for capital improvements. **They are not meant to pay for one-time maintenance projects such as road repairs.**

The City worked hard to earn its current a low road rating by deliberately deferring road maintenance in good times and bad. **Just about 80% of the money that should have been spent on road repairs was deliberately redirected to City employee salaries.**

Now after years of deferred maintenance, the City comes crawling back to the voters with a \$248M Road Repaving Bond on the November ballot. This is what the road repair bond claims they will give us: We get to repay for our infrastructure repair for a second time.

The question here is: Should the voters now reward City government for doing such a bad job? Federal, state, and local infrastructure funds should be spent on purposes that were intended. As one supervisor has stated, "The City has the financial means but not the political will to prioritize the maintenance of our streets."

Hopefully, the road repair bond will not kill passage of the school repair bond, since voters are leery of approving \$761 million in new GOB debt across the two bonds. The education of our City's children is far more important than our City's deferred road repairs.

Vote NO on Prop B!

Coalition for San Francisco Neighborhoods

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Opponent's Argument Against Proposition B

San Francisco's Neighborhoods OPPOSE Prop B!

This bond does

- **not** guarantee your street will get paved
- **not** explain why the City Administrator and the Director of DPW have neglected — *for 20 years* — to direct already-budgeted street-repair funds to repaving our streets.
- **not** explain why the mayor is asking for citizens to pay for it **again** — where did our property tax and rental pass-through monies go the first time we paid?

And consider this: **Only \$148.4M of this bond's \$248M is actually for street paving!**

Do you want the City to double-tax you to help pay for these things when they should have been doing it all along with your property tax and rent pass-through money?

Of course not!

Force City Hall to use our money as it was budgeted, and as it was intended!

Vote NO on Prop B!

Coalition for San Francisco Neighborhoods

Established 1973.

46 neighborhood organizations.

Rebuttal to Opponent's Argument Against Proposition B

San Francisco Planning and Safety Experts Support Prop B

Many San Francisco streets, sidewalks and bridges are so deteriorated that major renovations are required.

Structural street repairs, reconstructing buckling sidewalks and seismically strengthening our bridges and staircases are necessary improvements beyond the typical maintenance that state and federal funding support.

Prop B is a major program of the city's Ten Year Capital Plan to invest in our infrastructure by reconstructing our failed roads, improving pedestrian access on sidewalks and crossings for the elderly and disabled, and making safety upgrades to bridges and other street structures.

Prop B directs that more than half of bond funds be spent on street repaving and reconstruction - our biggest need - throughout all neighborhoods. Rebuilding our streets and upgrading signals improves traffic flow and safety for our public transportation system and

emergency responders, as well as for bicycles and automobiles.

If we do not pass Proposition B to ensure these improvements are made now, our city streets will further degrade with even more potholes, creating unsafe conditions for everyone and costing taxpayers significantly more as conditions worsen.

Proposition B is subject to strict independent oversight and audits to ensure fund expenditures are transparent and used as directed.

Prop B has been designed so taxes WILL NOT increase. Because the city only issues new bonds as old ones are paid off, Prop B will be funded at current tax rates with NO INCREASE.

*San Francisco Planning and Urban Research (SPUR)
Fire Chief Joanne Hayes-White*
Police Chief Greg Suhr**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

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Paid Argument IN FAVOR of Proposition B

SAVE OUR STREETS - VOTE YES ON B

San Franciscans can agree on one thing: our roads need help! Proposition B will allow the city to catch-up on needed street repaving, pedestrian and bike improvements and sidewalk repairs without raising property tax rates.

Proposition B is the first step in developing a long-term capital program for street and sidewalk maintenance. Give the green light to Proposition B, improve our roads for drivers, bicyclists and pedestrians.

*San Francisco Chamber of Commerce
Golden Gate Restaurant Association*

The true source(s) of funds for the printing fee of this argument: San Francisco Chamber of Commerce.

Paid Argument IN FAVOR of Proposition B

The City's dangerous streets put children, people with disabilities, parents with strollers, and seniors at risk. Every year, 800 people are hit by cars in San Francisco. Seniors are four times as likely as others to be killed this way.

Prop B will make the investment we need in safer streets for everyone.

The poor condition of San Francisco's streets, sidewalks, and crosswalks is a serious problem. Prop B will help fix the most dangerous streets to make them walkable, improve sidewalks and crosswalks, and repair and strengthen stairways and bridges.

Safe, walkable streets help you travel easily and arrive on time. They help neighbors know each other and keep neighborhoods safe from crime. They reduce carbon emissions from driving and support local businesses with foot traffic.

Prop B is a smart investment in the safe, sustainable transportation San Francisco needs. Vote Yes on B.

Walk San Francisco

The true source(s) of funds for the printing fee of this argument: Walk San Francisco.

Paid Argument IN FAVOR of Proposition B

LGBT LEADERS SUPPORT PROP B

San Francisco's LGBT community supports Prop B for Better pedestrian access.

Prop B makes urgent and badly needed repairs to our city sidewalks and ensures pedestrian access for those who use wheelchairs, walkers or canes.

As a city, we strongly encourage residents to walk and take public transportation; yet for many who suffer from HIV/AIDS, are disabled or aging and need to use a wheelchair, many street crossings are inaccessible because there are no curb ramps.

Prop B provides funding to create thousands of new curb ramps to improve accessibility for our disabled and senior populations.

Join us in supporting Prop B for critical accessibility improvements!

*Senator Mark Leno
Supervisor Scott Wiener
Phyllis Lyon*

The true source(s) of funds for the printing fee of this argument: Yes on B - Fix Our Streets.

The sole contributor to the true source recipient committee: AT&T.

Paid Argument IN FAVOR of Proposition B

Measure B is a smart investment in safe streets and solid infrastructure in San Francisco. For the large and growing number of people who ride a bicycle in the city, pavement quality is a critical issue. **Broken and potholed pavement can make bike riding not merely uncomfortable but often hazardous.**

Delaying street repair can multiply the eventual cost by as much as five times. Measure B is a reasonable way to begin to slow and reverse the city's infrastructure decay and address street safety for all users.

Measure B will accelerate important streetscape enhancements, making biking, walking, and transit safer and easier. Measure B will leverage outside funding from federal, state, and local agencies, for badly needed infrastructure work.

Measure B will make our streets and sidewalks safer and better for all who use them – **Vote Yes on Measure B!**

San Francisco Bicycle Coalition; sfbike.org

The true source(s) of funds for the printing fee of this argument: San Francisco Bicycle Coalition.

Paid Argument IN FAVOR of Proposition B

DISABILITY COMMUNITY SUPPORTS PROP B!

Prop B will improve access to our streets and sidewalks for people with disabilities and improve safety for everyone.

Prop B will fund 2800 new curb ramps. San Francisco has 5,000 corners with no curb ramp at all and another

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5,000 curb ramps that are so old and broken down they are a barrier, rather than an aid to wheelchair users.

Prop B will provide funds to increase the number of Accessible Pedestrian Signals on our busiest corners – a key help for people who are blind and low vision.

Prop B will repair buckling sidewalks that are a danger and an impediment to those in wheelchairs, using walkers or canes.

Prop B will help ease the pressure on our General Fund, so we can continue to support the social service and health programs that are so critical for the disability community.

Prop B does not raise property tax levels.

Yes on B for Better Access!

*Independent Living Resource Center
Senior Action Network
Community Alliance of Disability Advocates
Toolworks
Beth Berenson, Lighthouse for the Blind*
Bill Hirsh, E.D., AIDS Legal Referral Panel**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Yes on B - Fix Our Streets.

The sole contributor to the true source recipient committee: AT&T.

Paid Argument IN FAVOR of Proposition B

DEMOCRATIC PARTY SUPPORTS PROP B

Across the nation, our transportation infrastructure has been neglected resulting in deteriorating and unsafe roadways. The terrible bridge disaster in Minnesota, underscored the tragic results of delayed infrastructure funding.

We must not let that same type of tragedy happen in San Francisco.

Prop B funds critical infrastructure improvements that our roadways, bridges and sidewalks need TODAY.

Delaying infrastructure improvements costs San Franciscans from a public safety, environmental and financial perspective.

Prop B provides the funding we need to:

- Ensure MUNI navigates our streets safely and on time.

- Improve pedestrian safety by upgrading crossing signals and fixing buckling sidewalks.
- Increase access for the disabled and those with canes or walkers by adding thousands of new curb ramps.
- Improve roads by fixing potholes and repaving streets for smoother driving and less impact on drivers' cars.
- Make urgent seismic safety repairs to bridges, over crossings and stairways.
- Create good paying union jobs to help get San Franciscans back to work

Join the Democratic Party in supporting Prop B!

San Francisco Democratic Party

The true source(s) of funds for the printing fee of this argument: Yes on B - Fix Our Streets.

The sole contributor to the true source recipient committee: AT&T.

Paid Argument IN FAVOR of Proposition B

TRANSPORTATION LEADERS SUPPORT PROPOSITION B

Proposition B Is a critical component of the city's Ten-Year Capital Plan

Many of our 850 miles of roads and sidewalks are filled with potholes, buckling sidewalks, seismically unsafe bridges, overpasses and stairways. This unsafe infrastructure impacts transportation citywide, whether you are walking, biking, taking MUNI, a taxi or driving your own car.

Our pothole-filled roads and seismically unsafe overpasses and bridges are an **immediate safety concern for residents and first responders**. In the event of an earthquake, seismically unsafe bridges and roads could delay public safety response times.

Proposition B is a critical component of the city's Ten-Year Capital Plan to make urgently needed renovations and infrastructure improvements to improve transportation and safety for everyone. We need to make these improvements now, before they worsen and cost more in dollars and safety.

Tom Nolan, Chair of the SFMTA Board of Directors
Leona Bridges, Member of the SFMTA Board of Directors*
Cheryl Brinkman, Member of the SFMTA Board of Directors*
Malcolm Heinicke, Member of the SFMTA Board of Directors**

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*Bruce Oka, Member of the SFMTA Board of Directors**
*Joel Ramos, Member of the SFMTA Board of Directors**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Yes on B - Fix Our Streets.

The sole contributor to the true source recipient committee: AT&T.

End of Paid Arguments IN FAVOR of Proposition B

Paid Argument AGAINST Proposition B

THESE BONDS WILL HELP DESTROY PARKMERCED:

Parkmerced's management, dominated by Fortress Financial Group and lobbyist-oriented "**POLITICAL BAILOUT KING**" Daniel Mudd (ex-CEO of Fannie Mae at the height of the 2008 Real Estate mortgage Recession), wants to tear down Parkmerced's 1,538 garden apartments, run new Muni bus lines into Parkmerced after its 2,000 trees have been chopped down, construct massive tower apartments next to the San Andreas Fault-line (which triggered the 1906 Earthquakes and fires), and increase 19th Avenue traffic problems by expanding Parkmerced from 8,000 to 30,000 people.

Fortress and Mudd want to use these Bonds to reorder the streets of Parkmerced and revise its bus line, per Parkmerced hated "Environmental **Impact Report**".

Acting Mayor Ed Lee signed the ordinance to throw the residents out of their 1,538 garden apartments after a bitter 6 to 5 Board of Supervisors vote.

Lee will support the wealth of New York City- based Wall Street speculator Daniel Mudd against the San Franciscans to be evicted from their homes.

Backed by the **FUNDRAISING POLITICAL MACHINE** of "government fixers" Willie Brown and Rose Pack, Lee will always aid developer greed.

FEDERAL INVESTIGATION:

Daniel Mudd has been notified by the United States Securities and Exchange Commission (SEC) that he's being investigated for **FEDERAL LAWSUIT** in connection with alleged non-disclosure of financial facts in the sale of Fannie Mae's questionable mortgage securities.

Vote **NO!** On Parmerced's Proposition B.

Cesar Ascarrunz
Past San Francisco City Commissioner of Public Transportation

2011 Candidate for Mayor

The true source(s) of funds for the printing fee of this argument: Cesar Ascarrunz.

Paid Argument AGAINST Proposition B

Bonds are expensive; about \$2 of repayment for every \$1 spent. That's way they're not supposed to be used for short term projects or for deferred maintenance. Unfortunately, Proposition B does just that.

Vote NO on B!

San Francisco Tomorrow

The true source(s) of funds for the printing fee of this argument: San Francisco Tomorrow.

Paid Argument AGAINST Proposition B

San Francisco has an annual budget of \$6,833,766,939. The General Fund accounts for \$3,261,908,817 of that, which should cover upkeep of streets, sidewalks, and street structures. Ironically, this "road repaving" measure is actually largely for planting trees we won't be able to afford to maintain, bike lanes, and redesigning street corridors, which would actually make our streets less drivable. Certainly our streets, sidewalks, and street structures need upkeep, but we do not need to issue a bond for it. This should already be included in one of the largest budgets in the U.S.

Vote NO on Proposition B.

San Francisco Republican Party
www.sfgop.org

Executive Committee
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Laura Peter, Secretary
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Alternate(s)

Christopher L. Bowman

The true source(s) of funds for the printing fee of this argument: San Francisco Republican Party.

The three largest contributors to the true source recipient committee: 1. Charles Munger, 2. Harmeet Dhillon, 3. Bill Campbell.

Paid Argument AGAINST Proposition B

I oppose measure B because as city taxpayers, we have paid for these repairs time and time again in the past. It's time we exercise some fiscal responsibility and use the funds we have already dedicated to our street repairs.

*Tony Hall, Candidate For Mayor**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Tony Hall for Mayor 2011.

The three largest contributors to the true source recipient committee: 1. William O'Keeffe, 2. Harry Ming, 3. Dolores Crespi.

C

City Pension and Health Care Benefits

Shall the City amend its Charter to adjust pension contribution rates for most current and future City employees based on the City's costs; reduce pension benefits for future City employees; limit cost-of-living adjustments to pension benefits; decrease City contributions to retiree health care costs for certain former employees; require all current and future employees to contribute toward their retiree health care costs; change the composition and voting requirements of the Health Service Board; and make other changes to the City's retirement and health benefits systems?

YES  
NO  

Digest by the Ballot Simplification Committee

The Way It Is Now: The City provides its employees and elected officials with pension benefits through the San Francisco Employees' Retirement System (SFERS) and health benefits through the Health Service System (HSS). The Unified School District, Community College District and Superior Court also participate in SFERS and HSS, but not all of their employees receive benefits through these City systems. Some City employees receive pension benefits through a contract between the City and the California Public Employees' Retirement System (CalPERS).

Pension Benefits: SFERS pays defined benefits to eligible retired employees. Employee contributions, employer contributions, and investment earnings fund SFERS' payments. Most employees pay 7.5% of compensation to SFERS. Police officers and firefighters pay more. Investment earnings and City contributions fund the balance.

Employees become eligible for "service retirement" benefits based on age and years of service:

- Police officers and firefighters (safety employees) can retire at age 50 after five years of service, with maximum benefits at age 55 with 30 years of service.
- Other employees and elected officials (miscellaneous employees) can retire at age 50 with 20 years of service or at 60 with 10 years, with maximum benefits at age 62 with 32.6 years of service.

These benefits are determined by final compensation, retirement age, and service length. Final compensation is based on a one- or two-year average of the highest annual compensation.

Some miscellaneous employees who leave City employment before becoming eligible for service retirement can receive a "vesting allowance" when they reach age 50. The City matches employee contributions to the costs of this benefit.

SFERS retirees may receive cost-of-living adjustments up to 3.5% annually depending on inflation and SFERS investment earnings.

Health Benefits: Retired City employees can obtain health care coverage from the Health Service System. Retirees and the City contribute to this coverage. Employees hired after January 9, 2009, contribute 2% of their compensation toward their retiree health care and the City contributes 1%.

The Health Service Board (HSB) oversees the HSS. The HSB has three appointed members and four members elected by HSS members. It approves health care plans by a two-thirds vote. The Charter requires that one plan allows members to choose any licensed medical provider.

The Proposal:

Pension Benefits: Proposition C is a Charter amendment that would change the way the City and current and future employees share in funding SFERS pension benefits. The base employee contribution rate would remain the same—7.5% for most employees—when the City contribution rate is between 11% and 12% of City payroll. Employees making at least \$50,000 would pay an additional amount up to 6% of compensation when the City contribution rate is over 12% of City payroll. When the City contribution rate falls below 11%, employee contributions would be decreased proportionately.

This measure requires 50% + 1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 111. Some of the words used in the ballot digest are explained on page 36.



Proposition C would require elected officials to pay the same contribution rates as City employees, and would also require the City and unions representing CalPERS members to negotiate terms of employment for employees to share costs or receive benefits comparable in value to adjustments required for SFERS employee contributions.

Proposition C would also create new retirement plans for employees hired on or after January 7, 2012, that would:

- For miscellaneous employees, increase the minimum retirement age to 53 with 20 years of service or 65 with 10 years;
- For safety employees, the minimum retirement age would remain at 50 with five years of service, but the age for maximum benefits would increase to 58;
- For all employees, limit covered compensation, calculate final compensation from a three-year average, and change the multipliers used to calculate pension benefits, and
- For miscellaneous employees, raise the age of eligibility to receive vesting allowances to 53 and reduce by half the City's contribution to vesting allowances.

Proposition C would limit cost-of-living adjustments for SFERS retirees.

Health Benefits: Proposition C would require that elected officials and employees hired on or before January 9, 2009, contribute up to 1% of compensation toward their retiree health care, with a matching contribution by the City.

For employees or elected officials who left the City workforce before June 30, 2001, and retire after January 6, 2012, Proposition C requires that City contributions toward retiree health benefits remain at the same levels they were when the employee left the City workforce.

Proposition C would change the Health Service System and Health Service Board, including the following:

- replace one elected member of the HSB with a member nominated by the City Controller and approved by the HSB;
- change HSB's voting requirement for approving member health plans from two-thirds to a simple majority;
- remove the requirement for a plan permitting the member to choose any licensed medical provider; and

- allow HSB to spend money on ways to limit health care costs.

Other Measure: If the voters approve both Proposition C and Proposition D, only the measure with the most votes will become law.

A "YES" Vote Means: If you vote "yes," you want to:

- adjust employee contributions to SFERS based on the City's costs;
- reduce pension benefits for future City employees;
- limit cost-of-living adjustments to retirement benefits;
- decrease City contributions to retiree health care costs for certain former employees;
- require all employees to contribute toward their retiree health care;
- change the composition and voting requirements of the Health Service Board; and
- make other changes to the Retirement System and Health Service System.

A "NO" Vote Means: If you vote "no," you do not want to make these changes to the Charter.

Propositions C and D concern the same subject matter. If both measures are adopted by the voters, and if there is a conflict between provisions of the two measures, then some or all of the measure approved by fewer votes would not go into effect.

Controller's Statement on "C"

City Controller Ben Rosenfield has issued the following statement on the fiscal impact of Proposition C:

Should the proposed Charter amendment be approved by the voters and implemented, in my opinion, the City's costs to fund employee retirement benefits will be reduced by approximately \$40 to \$50 million in fiscal year (FY) 2012–13. City costs will be reduced by approximately \$1 billion to \$1.3 billion cumulatively over the ten years between FY 2012–13 and FY 2021–22, of which \$85 million is attributable to retiree health benefit savings, and the balance to pension contribution savings. For context, the 10-year City savings from the measure represent approximately 18%–20% of the City's projected pension plan contributions expected during that time frame. In the long term, after most City staff are subject to the new pension formulas established by this measure, City savings are projected to be approximately \$100 million annually. These

This measure requires 50%+1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 111. Some of the words used in the ballot digest are explained on page 36.

savings projections are estimates; actual savings will depend on the future funding status of the pension fund, the size of the City's workforce, and other demographic trends. Savings estimates are provided in terms of constant FY 2011–12 dollars, and therefore control for potential impacts of inflation on future dollar values.

Approximately 60% of these savings will benefit the City's General Fund, with the balance benefiting enterprise and other special fund departments, including the Municipal Transportation Agency, Public Utilities Commission, Airport and Port. Savings will also accrue to non-City employers that participate in the San Francisco Employees' Retirement System.

Approximately \$575 to \$860 million of the ten-year savings would result from increased contributions by City employees earning over \$24 per hour that would be required on a sliding scale when the pension system is underfunded. These estimates assume ratification of proposed safety employee labor agreement amendments currently pending before the Board of Supervisors. Approximately \$355 million of savings would result from a revision to the cost-of-living increase formula for current and future pension recipients and pension plan changes for new employees hired after January 7, 2012. An additional \$75 million of the savings would result from increased employee contributions to a Retiree Health Care Trust Fund beginning in FY 2016-17 that would offset retiree health insurance subsidy costs. The remaining \$10 million of estimated savings would result from a change to health insurance subsidy formulas for new retirees who ended City employment prior to June 2001 with vested rights to post-retirement health benefits, to reflect formulas in place at the time they separated from the City.

Additional Costs or Savings

Factors that could cause additional costs or savings include: First, to the extent that Retirement System investment returns are outside the range assumed in this analysis, both the required employer contributions and the range of savings provided by this measure would be greater or smaller. Second, projected City savings might be reduced if future labor negotiations or arbitration awards result in any salary increases to offset higher employee retirement contributions. Third, to the extent that changes to pension formulas in this measure cause employees to delay or speed up retirement dates, this could provide additional City savings or costs related to retiree pensions and health insurance subsidies. Fourth, to the extent that changes in the composition of the Health Service System Board result in changes to approved health benefit programs, costs could be higher or lower.

How "C" Got on the Ballot

On July 19, 2011, the Board of Supervisors voted 11 to 0 to place Proposition C on the ballot. The Supervisors voted as follows:

Yes: Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi, Wiener.

No: None.

This measure requires 50%+1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 111.
Some of the words used in the ballot digest are explained on page 36.



This disclaimer applies to: the proponent's argument, the rebuttal to the opponent's argument. *The Board of Supervisors authorized the submission of the following argument. As of the date of the publication of this Voter Information Pamphlet, the following Supervisors endorse the measure: Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi, Wiener; oppose the measure: none; take no position on the measure: none.*

Proponent's Argument in Favor of Proposition C

Consensus and \$1.3 billion in savings: YES on C

Prop C is the consensus plan created and passed unanimously by the Mayor and Board of Supervisors with community-wide input from city employees, business and civic leaders, legal and pension experts. Prop C is the comprehensive plan that will fix the City's broken pension and health benefit system and saves taxpayers \$1.3 billion over ten years.

Only Prop C Reforms Pension AND Health Benefits

Prop C is the only comprehensive plan that produces additional cost savings by reforming both pension AND health benefits for public employees.

Prop C saves taxpayers millions every year by requiring all current city employees to contribute more to their own retirement plans and by reorganizing the Health Service Board which chooses medical plans for city employees.

Prop C is Fair to Our Most Vulnerable Workers

Prop C is the consensus plan that ensures all city employees share the burden in bad economic times and enjoy the benefits in good times.

Prop C generates taxpayer savings by raising the retirement age, banning pension spiking once and for all, capping benefits and creating a sliding scale to determine employee contributions based on income to ensure fairness.

Vote Yes on C

Written by consensus, comprehensive in scope, and fair to taxpayers and workers, Prop C saves \$1.3 billion over ten years and secures a brighter future for all San Francisco families.

*Mayor Ed Lee
Supervisor Sean Elsbernd
Supervisor John Avalos
Supervisor David Campos
Supervisor David Chiu
Supervisor Carmen Chu
Supervisor Malia Cohen
Supervisor Mark Farrell
Supervisor Jane Kim
Supervisor Eric Mar
Supervisor Ross Mirkarimi
Supervisor Scott Wiener
San Francisco Chamber of Commerce
San Francisco Labor Council
San Francisco Firefighters Local 798
San Francisco Police Officers Association
Dennis Kelly, President, United Educators of San Francisco*
San Francisco Planning and Urban Research (SPUR)
Human Services Network*

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

Rebuttal to Proponent's Argument in Favor of Proposition C

PROPOSITION C MAKES OVERREACHING DEMANDS:

Ed Lee, installed in office by City Hall "*insiders*" (the Board of Supervisors and powerful fundraisers Willie Brown and Rose Pack)—**NOT BY SAN FRANCISCO'S VOTERS**—is a free-spending Acting Mayor.

Lee never met taxes he didn't love.

Lee pretty much let union leaders dictate Proposition C.

Lee went along with outrageous demands.

In the case of the proposed tearing down of the 1,538 Parkmerced garden apartments (passed by a fundraisers-influenced bitter 6-to-5 Board of Supervisors vote and signed by the Acting Mayor), Lee allied himself with Wall Street's controversial ex-CEO of mortgage-busted **Fannie Mae** Daniel Mudd—the so-called "**FEDERAL BILLION DOLLARS BAILOUT KING**"—and his Fortress Financial Group, who now dominate Parkmerced's unpopular management.

Mudd wants to drive the garden apartments residents out of their homes so Fortress can make money raising Park-

merced's population from 8,000 to 30,000 over-packed people.

Mudd wants to build massive Parkmerced tower apartments next to the San Andreas Faultline (of 1906 Earthquake and Fire fame).

Mudd's Parkmerced would produce terrible traffic problems on 19th Avenue and other streets.

Lee and the unions don't care!

Vote **AGAINST** Proposition C.

*Dr. Terence Faulkner, J.D.
Past Regional Citizens Forum
Board Member of Association of Bay Area Governments (ABAG)**

*John Michael Russom
Parkmerced Resident**

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Opponent's Argument Against Proposition C

PROPOSITION C HAS LOTS OF PROBLEMS:

"Marry in haste, repent at leisure" is the sad story of the politically pressured Mayors and Boards of Supervisors over the decades in dealing with the City employees unions. The situation is now worse than usual. In this case, Acting Mayor Ed Lee is running on the same November 8th, 2011 ballot with the Proposition C City employees benefits package.

The unions virtually dictated a lot of the wording of Proposition C. Ed Lee didn't want to rock boats.

CANDY STORE GIVEN AWAY:

Over the years, the City employees' unions have had far better and more demanding leadership than the City and County of San Francisco. Retirement benefits are eating up the City's budget. The candy store has been given away.

Many of our Mayors and Supervisors have been weak sisters, who gave into union demands regardless of the merits in a given case.

"POISON PILL" IN PROPOSITION C:

Because of the above problems, Jeff Adachi and Craig Weber's Proposition D is on the ballot as a rival to the very flawed Proposition C. An alternative is needed.

"Poison pill" legal wording was added to Proposition C to prevent both Proposition D and Proposition C from being enacted. Should Propositions D and C both carry a major-

ity of the votes (rather unlikely), only the Proposition with the **HIGHEST AFFIRMATIVE VOTE** would become law... and part of the City Charter.

Proposition D is far from perfect as a retirement package, but it makes a bit more economic sense than union authored and lobbied Proposition C.

Vote **AGAINST** financially unrealistic Proposition C.

Dr. Terence Faulkner, J.D.

*Past Member of the State of California's Certified Farmers Market Advisory Board**

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Rebuttal to Opponent's Argument Against Proposition C

Vote YES ON C—It's 250 pages of needed reform

Across the country cities face the cruel realities of the economic downturn. There was a time when city coffers boomed and San Francisco voters improved city employees' pension benefits, but those times are behind us. Now the decision we face is which reform proposal to adopt. Prop C will save the city \$1.3 billion by reforming our pension and health benefits structures, a solution crafted in conjunction with the affected parties. Alternatively, there's Prop D, which ONLY reforms pension benefits, it's incomplete and was crafted in a backroom by a politician who intends to use the issue as a platform on which to run for higher office.

Proponents of D say it isn't perfect—WE AGREE

Even proponents of the competing measure, Prop D, admit that it's not perfect. We agree, in fact we think it's deeply flawed. It's so poorly written that if adopted legal experts say it will get tossed out in court. If this happens San Francisco gets ZERO savings at a time when we need it most. Additionally, the competing measure only addresses pension reform. It does nothing to address San Francisco's \$4 billion unfunded retiree health care obligation.

Save San Francisco \$1.3 billion - Vote YES ON C for the comprehensive, consensus employee benefit reform solution.

Mayor Ed Lee

Supervisor Sean Elsbernd

*Dennis Kelly, United Educators of San Francisco**

San Francisco Chamber of Commerce

San Francisco Labor Council

San Francisco Firefighters Local 798

San Francisco Police Officers Association

San Francisco Planning and Urban Research (SPUR)

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Paid Argument IN FAVOR of Proposition C

VOTE YES ON C FOR PENSION REFORM THAT WILL STANDUP IN COURT

Proposition C is a consensus plan that will save the City \$1 billion over the next 10 years.

Developed through months of fact finding, negotiations and public hearings, this measure will cap benefits, raise the retirement age and increase employee contributions based on a sliding wage schedule. Unlike Proposition D, it will standup to legal challenge.

Join a broad coalition of government, labor and civic leaders in Voting Yes on C and No on D.

San Francisco Chamber of Commerce

The true source(s) of funds for the printing fee of this argument: San Francisco Chamber of Commerce.

Paid Argument IN FAVOR of Proposition C

Proposition C represents the hard work of business and civic leaders who forged a thoughtful partnership with city employees to create clear-headed and comprehensive pension and benefit reform. Proposition C is fair, fiscally sound and effective. Please join me in voting **YES on C**.

*Sheriff Michael Hennessey**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Michael Hennessey.

Paid Argument IN FAVOR of Proposition C

Vote Yes on C for Innovative, Accountable Government

San Francisco is a leader in innovative, problem-solving policies. Yes on C is another example of San Franciscans working together effectively to solve our city's problems. Yes on C is a balanced and data-driven solution developed with support from pension experts, medical professionals and non-profits on the front line of providing our most vulnerable with life-saving services.

Yes on C is good government. It is the only initiative that reforms both pension and healthcare benefits for city employees. It requires that the City Controller appoint a financial expert to the Health Service Board to provide fiduciary balance and greater accountability through cost containment in choosing city employee health plans. Yes on C also requires, for the first time, contributions into the retiree health care trust fund to ensure fiscal responsibility.

Yes on C helps secure San Francisco's fiscal future by addressing our \$4 billion unfunded retiree healthcare liability.

Vote for the comprehensive, consensus solution.

VOTE YES on C.

*Sandra Hernández, M.D. – CEO, The San Francisco Foundation; Physician, San Francisco General Hospital; and Former Director, San Francisco Department of Public Health**

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The true source(s) of funds for the printing fee of this argument: Sandra R. Hernandez, M.D.

Paid Argument IN FAVOR of Proposition C

Yes on C: Monumental Reform that San Francisco Can Agree On

San Francisco is among the most diverse cities in the world. And we've lead the world in progressive, inclusive legislation, like Gay Marriage. Now, many cities and countries are facing pension reform issues and San Francisco is again at the forefront of innovative legislation: Prop C, which offers pension reform through consensus. Prop C was written by the community for the community because it asks one simple question: What's most important to you? Parks, MUNI, public safety, the economy, urban development? Whatever your issue or interest, Prop C guarantees that we face these mutual challenges together. This is rare and this is why Prop C is destined to become a national model for reform.

Prop C is an example of what happens when the need for reform becomes so great that it unites a city across every spectrum. The severity of our economic crisis has brought together opposing parties to properly vet the complex issues that surround our city pension and health care benefits structures. The 250 pages of reform in Prop C are a model for legislating by consensus, for effective, problem-solving government, and for making necessary reforms side-by-side WITH the affected parties.

Vote Yes on C to reform our city employee pension and health benefits systems, and save the city \$1.3 billion over the next decade.

*Kimberly Brandon, President, Port Commission**
*Thomas Mazzucco, President, Police Commission**
*Christina Olague, President, Planning Commission**

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The true source(s) of funds for the printing fee of this argument: San Franciscans United for Pension and Health Reform.

The three largest contributors to the true source recipient committee: 1. Firefighters Local 798, 2. San Francisco Police Officers Association, 3. IFPTE Local 21.

Paid Argument IN FAVOR of Proposition C

The Democratic Party says vote Yes on C!

Yes on C saves taxpayers \$1.3 billion over the next decade. Prop C ends pension spiking, saves the city millions by raising the retirement age, and tackles pension reform to create a secure fiscal future for all of us.

YES on C is fair. It creates a sliding scale that throws a safety net under hard-working lower wage city employees by keeping contributions at current levels for those making less than \$50,000 a year.

The Democratic Party urges you to vote Yes on C.

San Francisco Democratic Party

The true source(s) of funds for the printing fee of this argument: San Franciscans United for Pension and Health Reform.

The three largest contributors to the true source recipient committee: 1. San Francisco Fire Fighters Local 798, 2. San Francisco Police Officers Association, 3. IFPTE Local 21.

Paid Argument IN FAVOR of Proposition C

San Francisco's Working Families Support Reform, Support Prop C

San Franciscans have a reputation as innovators and problem solvers forever committed to fairness and equality. Prop C is San Francisco's next step in that direction.

Our teachers, nurses, bus drivers, gardeners, police officers, firefighters and the rest of San Francisco's 26,000 employees are committed to protecting and maintaining San Francisco's unique and cherished way of life, that's why we support Prop C. Our budget woes are decades in the making and will not be solved on the backs of working families. Like you, labor has a major stake in San Francisco's future, and that's why we've stepped forward to be a part of the solution that puts San Francisco on the path towards long-term economic security.

Under Prop C, City employed workers will pay more of their wages into the pension fund and will be eligible for retirement at a later age. The measure takes special

care to protect the lowest-paid employees. And when the economy improves and the pension fund is flush, employees will earn a reduction in their contributions. City employees understand that these benefit reductions are necessary sacrifices for the greater good of the city.

Around the country pensions have become a convenient boogiemer for partisan attacks on working families. Here in San Francisco our leaders have stepped up and created innovative reform based on compromise, consensus, and a multitude of opinions from every corner of the City. The result is a measure that restores the city's fiscal health while ensuring that working families are treated with dignity and compensated fairly.

The result of working together to address all parties' concerns is a law that is equitable, fair and effective. Vote YES on Prop C.

San Francisco Labor Council

The true source(s) of funds for the printing fee of this argument: SF Labor Council.

Paid Argument IN FAVOR of Proposition C

Vote Yes on C for City Services

A vote for pension and health care reform is a vote to return money to San Francisco's general fund for the next decade and beyond. These dollars are critical if our city is to continue adequate funding for health care, support services and housing for our most vulnerable residents.

Thousands of San Francisco youth, seniors, veterans and disabled persons depend upon City support for essential services. Without Prop C, the City will have to reduce or eliminate mental health services, meals programs, job training, HIV and AIDS programs and affordable housing in order to meet the expanding costs of our pension commitments.

The current national financial crisis has depleted the City's pension fund while also pushing thousands into deeper poverty. The City is diverting more of its resources to its unfunded pension obligations while more City families and individuals require increased health and human services in order to survive. Prop C ensures that, when times are tough, all elements of our City, including city employees, make sacrifices so that essential services remain available to those most in need. Prop C ensures that the City will not have to choose between a safety net for our most vulnerable and financial stability.

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Vote YES for the Consensus measure to produce nearly \$1.3 billion in needed savings. Vote YES on C.

San Francisco Human Services Network

The true source(s) of funds for the printing fee of this argument: Human Services Network.

Paid Argument IN FAVOR of Proposition C

San Francisco's Firefighters Agree: Vote Yes on C

As firefighters who protect San Francisco's families we know what it means to live with danger everyday. But we also know the dangers to our city of rising pension costs and the staff shortages, funding cuts, or fire-house closures that may come if we don't step up and reform our pension and health care systems now. And San Francisco's other city departments are not immune from the cuts we'll face if we cannot get our fiscal house in order. This is a situation we must avoid, and that's why we must pass comprehensive pension and health care reform.

By voting Yes on C, voters can protect vital public safety services and set our city on a long-term course for economic stability. By having city employees increase their contribution rates -- particularly the highest paid -- and raising retirement ages, the measure will save San Francisco \$1.3 billion. And it does so in a manner that is respectful to hardworking public safety professionals.

By easing the city's pension and health care obligations, San Francisco will be free to better maintain the programs that keep every San Francisco family safe and secure.

Vote YES to maintaining our public safety infrastructure: Vote YES on C.

San Francisco Firefighters Local 798

The true source(s) of funds for the printing fee of this argument: San Francisco Firefighters, Local 798.

Paid Argument IN FAVOR of Proposition C

San Francisco's Teachers and School Board Members Say Yes on C

YES on C means Real Consensus. It was written the San Francisco Way; in the light of day with input and ideas from every corner of our community. It was passed unanimously by the Board of Supervisors. And YES on C earned nearly universal support from moderates and progressives, from the Chamber of Commerce to the San Francisco Labor Council, and from respected non-profit groups like SPUR. YES ON C

is Real Consensus that brings us together to solve our City's problems.

YES on C is Real Pension Reform. It reduces what the city spends on pensions by \$70 million in 2012 and that's just for starters. YES on C saves taxpayers \$1.29 billion over the next decade to secure our City's future. It slams the lid on pension spiking, saves the city millions by raising the retirement age, and tackles both healthcare and pension reform to create a secure fiscal future for all of us. And best of all, YES on C is fair. It creates a sliding scale that throws a safety net under hard-working lower wage city employees by keeping contributions at current levels for those scratching to get by on less than \$50,000 a year.

Make an educated decision, Vote Yes on C!

*School Board President Hydra Mendoza
School Board Vice President Norman Yee
School Board Member Sandra Lee Fewer*
School Board Member Kim-Shree Maufus
School Board Member Emily Murase*
School Board Member Rachel Norton*
School Board Member Jill Wynns
Dennis Kelly, President, United Educators of San Francisco**

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The true source(s) of funds for the printing fee of this argument: San Franciscans United for Pension and Health Reform.

The three largest contributors to the true source recipient committee: 1. Firefighters Local 798, 2. San Francisco Police Officers Association, 3. IFTPE Local 21.

Paid Argument IN FAVOR of Proposition C

Yes on C – \$1.3 Billion in Needed Reform

Existing pension and health benefit funding policies for San Francisco city employees have created a huge fiscal crisis. Quick action is needed to avert financial disaster. Proposition C is a carefully crafted measure with support from divergent factions in the dialogue that searches for solutions to the pension/ health benefit problem. While it is not the definitive answer to the huge projected shortfall, Proposition C represents a great first step. Passage of a pension reform measure in the November 8, 2011 election is crucial for San Francisco's future.

VOTE YES ON PROPOSITION C.

Michael Antonini

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The true source(s) of funds for the printing fee of this argument: San Franciscans United for Pension & Health Reform.

The three largest contributors to the true source recipient committee: 1. Firefighters Local 798, 2. San Francisco Police Officers Association, 3. IFPTE Local 21.

End of Paid Arguments IN FAVOR of Proposition C

Paid Argument AGAINST Proposition C

Thousands of current retirees, many whose pensions are \$25,000 per year or less, will be negatively impacted by the Cost of Living Adjustment (COLA) payout proposed by this amendment. Retirees won't receive the COLA for years. Currently this COLA, which is based on investment earnings, has a regulated payout system. City employees pay into the retirement system on a monthly basis. This amendment is also an excuse to destroy our democratically run Healthcare Service System and put the politicians in control. Union retirees were kept out of joint labor/management meetings where their benefits were being compromised. Let's dispel the media myth that targets retirees and blames them for the City's financial crisis. Vote NO on this anti-labor, anti-senior measure.

David Williams President, SEIU 1021 West Bay Retirees Chapter
SF Gray Panthers*

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The true source(s) of funds for the printing fee of this argument: David H. Williams.

Paid Argument AGAINST Proposition C

VOTE NO ON PROPOSITION C - It's No Cost Saver.

In 2004 voters approved a good government measure reforming the City's Health Service System and established the current composition of the Health Service Board, transforming a badly troubled system wrought by years of inept management and the effects of political interference. **Now, the city's power brokers are trying to turn back the clock.**

Currently, retirees and employees have a true voice on the seven-member, independent Health Service Board, with four elected seats. The Board has the authority to choose management based on experience, *not* political patronage. Consistent with the principles of financial accountability, a supermajority is needed to approve fiscal items.

Proposition C removes one elected seat from the board and replaces it with a seat filled by City Hall. It changes the vote required for fiscal decisions to a simple majority, giving City Hall backslappers a free reign to determine which health insurance corporations will provide employee and retiree health benefits. Major changes to health care shouldn't be hidden on three pages in a 265- page pension reform package. It's a bold attempt to return to the era of tawdry political influence peddling between City Hall and the healthcare insurance corporations.

Proposition C is a power grab, masquerading as cost saving reform. Don't be deceived – recent decisions have resulted in taxpayer saving \$50 million in the last 18 months and perfect scores on the past three audit reviews. Proposition C will eliminate the reforms of 2004, and shamefully, not result in any reliable, proven cuts to City government costs. After their years of dedicated service, retirees deserve a voice in health care.

Vote NO on Proposition C – it's a calculated power grab, not a money saver.

*Larry P. Barsetti – Chairman
Gerry Meister –Vice Chair
Protect Our Benefits Committee*

The true source(s) of funds for the printing fee of this argument: Protect Our Benefits Committee.

The three largest contributors to the true source recipient committee: 1. D.W. McEachern, 2. Anne L. Hearne, 3. Thomas W. Suttmeier.

Paid Argument AGAINST Proposition C

HEALTH SERVICE BOARD COMMISSIONERS SAY VOTE NO ON PROPOSITION C!

As an elected Commissioner of the San Francisco Health Service System from 2005 to 2010, I urge a **NO** vote **on Proposition C** – and I'm confident that the four current elected commissioners agree.

All four Commissioners are dedicated to their primary responsibility of overseeing San Francisco public employee and retiree health care.

In these times of rapid health care changes and skyrocketing costs, we critically need experienced, knowledgeable **elected** members to protect the interests of San Franciscans. Not vested special interests.

Proposition C changes the composition of the Board and eliminates the supermajority vote now required to make major fiscal decisions.

Voters should reject the repeated, cynical attempts to reduce effective member representation on the Board

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and politicize the independent Health Service System.

VOTE NO ON PROPOSITION C!

*Sharon Johnson, Former HSS Commissioner**

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The true source(s) of funds for the printing fee of this argument: Protect Our Benefits Committee.

The three largest contributors to the true source recipient committee: 1. D.W. McEachern, 2. Ann L. Hearne, 3. Thomas W. Suttmeier.

Paid Argument AGAINST Proposition C

VOTE NO ON PROPOSITION C - it's not consensus. It's a charade!

Proposition C contains provisions dramatically altering retiree health care and a dangerous rearrangement of the Health Service System Board.

These changes don't result in any proven financial savings or good government practices. In fact, these provisions seek to undo voter-approved Proposition C of 2004, which established an independent health service system.

By allowing City Hall to appoint a majority of the members to the Health Service Board and allowing those four members to make all major decisions **by a simple majority vote**, will undoubtedly result in rate increases and reduction of benefits for retirees and employees without allowing their elected representatives on the Board to have a real, fair voice in those fundamental and important decisions.

Vote NO on this assault on retiree health care.

*Sue Blomberg, President, Retired Employees of the City and County of SF**

*Claire Zvanski, President, Health Service Board**

*Karen Breslin, Health Service Board Commissioner**

Dave Sutter

Jean Thomas

Herb Weiner

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The true source(s) of funds for the printing fee of this argument: Protect Our Benefits Committee.

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Paid Argument AGAINST Proposition C

VOTE NO ON PROPOSITION C – It's A Curve Ball!

Proposition C – a so-called “pension and healthcare consensus agreement” is 265 pages of City Hall curve balls, sliders and fast ones, designed to trick voters into believing City Hall is addressing San Francisco's serious financial problems.

Most offensive are the carefully buried provisions altering the governance and voting of the Health Service System Board – a body charged with making major decisions about retiree and employee health care.

Keep your eye on the ball.

Reject this measure and its power grab and alteration of voting requirements so that City Hall can rubber stamp increased rates for fixed- income retirees and hard working City employees not drawing bloated six-figure executive salaries.

Vote NO on Proposition C!

Jim Elliot

Larry P. Barsetti

Jim Hennessy

Barney Crotty

The true source(s) of funds for the printing fee of this argument: Protect Our Benefits Committee.

The three largest contributors to the true source recipient committee: 1. D.W. McEachern, 2. Anne L. Hearne, 3. Thomas W. Suttmeier.

Paid Argument AGAINST Proposition C

Salary Reform First!

Neither Interim Mayor Lee's Prop. “C” nor Jeff Adachi's Prop. “D” address pension abuses; both fail curtailing excessive salaries inflating management pensions.

Lee declined meeting with the City's largest union; Lee, Adachi, the San Francisco Labor Council, and billionaire backers refused meeting with fixed-income retirees concerned about health care increases.

Of 36,644 City employees in CY '10, 18,972 (52%) earned less than \$70,000, representing \$665.7 million (25.6%) of payroll; 11,838 employees (32.3%) earning over \$90,000 **gobbled \$1.47 billion** (56.5%) of payroll. Skyrocketing management salaries since 2003 inflate management pensions. These inverted ratios disproportionately penalize 52% of lower-paid employees.

Prop. C discriminates against lower-paid City employees, requiring a flat 10% pension contribution for

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employees earning between \$50,000 and \$100,000. Prop “D” uses a sliding scale, but employees earning below \$70,000 may pay up to 13.5% of salary towards pensions; employees earning \$100,000 to \$200,000 may pay only 15.5%.

“Safety” (police, firefighters) employees struck another salary raise deal, announced **after** Lee entered the mayor’s race. Safety employees contribute only 17% of money to the pension fund, but collect 36% of pension payouts. Non-safety “miscellaneous” employees contribute the balance, subsidizing generous “safety” pensions, an inequity unaddressed by Prop’s. “C” or “D.”

Prop. “C” caps “safety” pensions at \$183,750, “miscellaneous” pensions at \$208,230. Prop. “D” caps pensions at \$140,000. Both failed capping at \$80,000.

Service retirement pensions average \$79,347 for firefighters; \$70,932 for police officers; and \$27,623 for “miscellaneous” employees (inflated by \$100,000+ salaries of “miscellaneous” employees). Employees earning \$60,000 with 13 years of service at age 62 earn a \$18,213 pension. Managers and safety employees earning over \$100,000 continue collecting six-figure pensions.

Salary reform — the key — must come first!

Vote “No” on Propositions “C” and “D” — and “E”!

*Patrick Monette-Shaw, Write-in Candidate for Mayor**
www.PatrickForMayor2011.com

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Patrick Monette-Shaw.

Paid Argument AGAINST Proposition C

Prop C stands for the Politicians’ Plan.

Prop C was created by politicians and labor leaders.

The same people that got us into this mess!

Prop C isn’t fair to the taxpayers.

Prop C Saves \$400 Million Less than Prop D

Think about how \$400 million can be used to help our schools, crumbling streets and restore basic services.

Prop C’s Politicians’ Backroom Deal.

Prop C is the politicians’ backroom deal.

This backroom deal was cut with the highest paid city employees and will cost taxpayers \$127 million over the next ten years.

Here’s how it works:

Prop C says that safety employees will pay towards their pensions.

The politicians made a side deal.

They approve a 4% raise for these employees.

Employees pay 3% into their pension

ABRACADABRA! They call this a solution?

Employees who get a 4% raise get a 4% SPIKE in their pension.

This cost the taxpayer \$127 million over ten years.

Meanwhile, the City’s pension costs will increase by \$400 million in the next four years.

This is not real pension reform.

\$195,000 Cap

Prop C uses \$195,000 to determine the amount of “pensionable income”

Future employees qualify for up to 85% of this amount.

They call this a solution?

NO MORE BACKROOM DEALS!

VOTE NO ON PROP C!

Jeff Adachi & Craig Weber

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

The three largest contributors to the true source recipient committee: 1. Michael Moritz, 2. George Hume, 3. Leonard Baker Jr.

Paid Argument AGAINST Proposition C

No on Proposition C

San Francisco employees didn’t create this economic downturn, however both pension initiatives ask city employees to take home less money for the same benefits, as well as cutting the COLA. Tax the rich and their corporations!

San Francisco Peace and Freedom Party

The true source(s) of funds for the printing fee of this argument: San Francisco Peace and Freedom Party.

Paid Argument AGAINST Proposition C

As a 35 year city administrator and former pension fraud investigator, I must oppose Measure C. Under measure C, San Francisco will still face at least a half

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billion annually in unfunded pension liabilities – without any reduction in the underlying \$6 billion debt. I wish this were the real deal, but it is actually a plan that passes our pension crisis to our next generation.

*Tony Hall, Candidate for Mayor**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Tony Hall for Mayor 2011.

The three largest contributors to the true source recipient committee: 1. William O’Keeffe, 2. Harry Ming, 3. Dolores Crespi.

Paid Argument AGAINST Proposition C

ALL WORKERS AFFECTED

Ronald Reagan fired Air Controllers despite their endorsing his presidency. The AFL-CIO instead of supporting fellow unionist declared it was OK to cross the Controller’s picket lines.

Since then it has been downhill for workers. Jobs and benefits started deteriorating for all workers as unions were set upon with one assault after another followed by union concessions after concessions.

Now they are after our pensions and the unions are again giving in. What makes us think that any of the two San Francisco ballot measures gutting our pensions are going to stop there? History repeats itself followed by fools who allow it to happen.

Denise D’Anne

The true source(s) of funds for the printing fee of this argument: Denise D’Anne (Dianne).

Paid Argument AGAINST Proposition C

Prop C is a backroom bad deal created by politicians and labor leaders,

The same people that got us into this mess!

This rotten deal was cut with the highest-paid city employees

At the expense of the lowest-paid city employees and taxpayers.

It was created by an insider group of carefully-selected labor union beneficiaries and politicians,

Who then christened themselves the “City Family.”

There was no public transparency into these negotiations,

And no opportunity for ordinary taxpayers of San Francisco to participate.

Prop C saves \$400 million less than Prop D over ten years.

But after ten years that difference escalates - out of sight!

They call this a solution? Kicking the can down the road again!

These millions could be used to help our schools, crumbling streets, our basic services.

But wait! Then the Mayor sweetened the deal for Safety employees --

A 4% raise, providing a big SPIKE in their pensions, costing \$127 million over ten years.

Another backroom deal! Does this sound only too familiar?

But that’s not all. The Mayor then asked the Board of Supervisors to act in advance to protect Safety employees from Prop D pension reforms. Ouch!

Prop C provides extravagant subsidies for the City’s highest-paid employees, to be paid by the lowest-paid, and by taxpayers.

Prop C does NOTHING to solve the City’s unfunded health care debt crisis.

Prop C is not real pension reform, just another bad deal for the citizens of San Francisco.

We urge a NO vote on Prop C.

*Amarcy Berry
Shirley Hansen
Patricia Knight
Starchild*

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

The three largest contributors to the true source recipient committee: 1. George Hume, 2. Michael Moritz, 3. Leonard Baker Jr.

D

City Pension Benefits

Shall the City amend its Charter to increase pension contribution rates for most current City employees based on the City's costs; reduce contribution rates and pension benefits for most future City employees; limit cost-of-living adjustments to pension benefits; prohibit the City from picking up any employee's contribution for pension benefits; and make other changes to the City's retirement system?

YES  
NO  

Digest by the Ballot Simplification Committee

The Way It Is Now: The City provides its employees and elected officials with retirement benefits through the San Francisco Employees' Retirement System (SFERS). The Unified School District, Community College District and Superior Court also participate in SFERS, but not all of their employees receive benefits through SFERS. Some City employees receive retirement benefits through a contract between the City and the California Public Employees' Retirement System (CalPERS).

SFERS pays defined benefits to eligible retired employees. Employee contributions, employer contributions, and investment earnings fund SFERS' payments. Most employees pay 7.5% of compensation to SFERS. Police officers and firefighters pay more. Investment earnings and City contributions fund the balance. The City has sometimes paid the employee contribution.

Employees become eligible for "service retirement" benefits based on age and years of service.

- Police officers and firefighters (safety employees) can retire at age 50 with five years of service with maximum benefits at age 55 with 30 years of service. The maximum annual pension for safety employees is 90% of final compensation.
- Other employees and elected officials (miscellaneous employees) can retire at age 50 with 20 years of service or at 60 with 10 years, with maximum benefits at age 62 with 32.6 years of service. The maximum annual pension for miscellaneous employees is 75% of final compensation.

These benefits are determined by final compensation, retirement age, and service length. Final compensation is a one- or two-year average of the highest annual compensation.

Some miscellaneous employees who leave City employment before becoming eligible for service retirement can receive a "vesting allowance" when they reach age 50. The City matches employee contributions to the costs of this benefit.

SFERS retirees may receive cost-of-living adjustments up to 3.5% annually depending on inflation and SFERS investment earnings.

The Proposal: Proposition D is a Charter amendment that would change the way the City and current and future employees and elected officials share in funding SFERS pension benefits. City employees who receive retirement benefits from CalPERS would not be affected by any changes in this proposal. All employees would pay a minimum contribution. The minimum contribution rate, as a percentage of compensation, would be:

- 6.0% for most future employees,
- 7.5% for most current employees,
- 8.0% for future police and firefighters, and
- 10% for current police and firefighters.

Proposition D would require elected officials to pay the same contribution rates as City employees.

Employees and elected officials making \$50,000 or more would pay an additional amount when the City contribution rate is at least 10% of City payroll. The rate for the additional amount would range from 1.0% to 8.5% of employee compensation, depending on the City contribution rate and the employee's compensation level.

Proposition D would change SFERS service pension benefits for all employees and elected officials hired after December 31, 2011, by:

- For all employees, limiting covered compensation to base salary, calculating final compensation

This measure requires 50%+1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 175. Some of the words used in the ballot digest are explained on page 36.



from a five-year average, and changing the multipliers used to calculate pension benefits.

- For safety employees, the minimum retirement age would remain at 50 but the years of service requirement would increase to 10 years. These employees would be eligible to receive their maximum pension at age 57.
- For miscellaneous employees, increasing the minimum retirement age to 55 with 20 years of service or 65 with 10 years.
- For all employees, limiting the maximum annual pension to the lesser of 75% of final compensation or \$140,000, adjusted for inflation.

Some safety employees in SFERS plans created in 2010 who leave City employment before becoming eligible for service retirement can receive a modified service pension or “vesting retirement.” Proposition D would provide that, for these employees, the percentage per year of credited service would be the same as for the new service pension plan.

For those miscellaneous employees in SFERS plans created in 2010, the minimum age to receive a vesting allowance would rise to age 55 and, when applicable, the percent per year of credited service would be the same as for the new service pension plan.

Proposition D would also:

- limit cost-of-living adjustments for SFERS retirees;
- prohibit the City from paying any employee’s contribution;
- permit current employees to participate in the lower contribution/lower benefit plans that apply to new employees;
- permit all employees participating in such plans to pay lower contribution rates under certain circumstances; and
- for current and future employees, permit the City and unions to negotiate a supplemental retirement plan with defined City and employee contributions.

A “YES” Vote Means: If you vote “yes,” you want to:

- increase retirement contribution rates for most current City employees based on City costs;
- reduce retirement contribution rates and retirement benefits for future City employees;
- limit cost-of-living adjustments to retirement benefits;

- prohibit the City from paying any employee’s contribution; and
- make other changes to the Retirement System.

A “NO” Vote Means: If you vote “no,” you do not want to make these changes to the Charter.

Propositions C and D concern the same subject matter. If both measures are adopted by the voters, and if there is a conflict between provisions of the two measures, then some or all of the measure approved by fewer votes would not go into effect.

Controller’s Statement on “D”

City Controller Ben Rosenfield has issued the following statement on the fiscal impact of Proposition D:

Should the proposed Charter amendment be approved by the voters and implemented, in my opinion, the City’s costs to fund employee retirement benefits will be reduced by approximately \$70 to \$80 million in fiscal year (FY) 2012-13. City costs will be reduced by approximately \$1.3 billion to \$1.7 billion cumulatively over the ten years between FY 2012-13 and FY 2021-22. For context, the 10-year City savings from the measure represent approximately 23%–26% of the City’s projected pension plan contributions expected during that time frame. In the long term, after most City staff are subject to the new pension formulas established by this measure, City savings are projected to be approximately \$100 million annually. These savings projections are estimates; actual savings will depend on the future funding status of the pension fund, the size of the City’s workforce, and other demographic trends. Savings estimates are provided in terms of constant FY 2011-12 dollars, and therefore control for potential impacts of inflation on future dollar values.

Approximately 60% of these savings will benefit the City’s General Fund, with the balance benefiting enterprise and other special fund departments, including the Municipal Transportation Agency, Public Utilities Commission, Airport and Port. Savings will also accrue to non-City employers that participate in the San Francisco Employees’ Retirement System.

Approximately \$875 million to \$1.3 billion of the ten-year savings would result from increased contributions by City employees earning over \$24 per hour that would be required on a sliding scale when the pension system is underfunded. These estimates assume ratification of proposed safety employee labor agreement amendments currently pending before the Board of

This measure requires 50%+1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 175. Some of the words used in the ballot digest are explained on page 36.

Supervisors. The remaining \$400 million savings would result from a revision to the cost-of-living increase formula for current and future pension recipients and pension plan changes for new employees hired after January 1, 2012.

In the long term, after most City staff are subject to the new pension formulas established by this measure, and assuming that pension systems return to full funding, savings under this measure are estimated at approximately 4.7% of pensionable payroll, or equivalent to approximately \$100 million annually in Fiscal Year 2011–12 dollars and pensionable payroll.

Additional Costs or Savings

Factors that could cause additional costs or savings include: First, to the extent that Retirement System investment returns are outside the range assumed in this analysis, both the required employer contributions and the range of savings provided by this measure would be greater or smaller. Second, projected City savings might be reduced if future labor negotiations or arbitration awards result in any salary increases to offset higher employee retirement contributions. Third, to the extent that changes to pension formulas in this measure cause employees to delay or speed up retirement dates, this could provide additional City savings or costs related to retiree pensions and health insurance subsidies.

How “D” Got on the Ballot

On August 5, 2011, the Department of Elections certified that the initiative petition calling for Proposition D to be placed on the ballot had a sufficient number of valid signatures to qualify the measure for the ballot.

46,559 signatures were required to place an initiative Charter Amendment on the ballot. This number is equal to 10% of the registered voters at the time a “Notice of Intent to Circulate Petition” was published. A review of all signatures submitted by the proponents of the initiative petition prior to the July 11, 2011, submission deadline showed that the total number of valid signatures was greater than the number required.

This measure requires 50%+1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 175.
Some of the words used in the ballot digest are explained on page 36.



This disclaimer applies to: the rebuttal to the proponent's argument, the opponent's argument. *The Board of Supervisors authorized the submission of the following argument. As of the date of the publication of this Voter Information Pamphlet, the following Supervisors endorse the measure: none; oppose the measure: Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Mar, Mirkarimi, Wiener; take no position on the measure: Kim.*

Proponent's Argument in Favor of Proposition D

PROP D Delivers: Real Pension Reform and \$1.7 Billion in Savings.

San Francisco's pension system is in crisis. The city's pension costs for employees will balloon by \$400 million in the next four years alone. Taxpayers like you will have to shoulder this massive increase. The pension crisis will lead to huge cuts in vital services like education, massive tax hikes, or both.

PROP D is the *only* proposition that delivers real pension reform for our City. It saves taxpayers \$1.7 billion over the next 10 years. It is fiscally responsible reform that is sustainable and fair to all. It is the only pension reform that secures our fiscal future while protecting vital services and holding down taxes.

The City needs pension reform. Prop D will do pension reform right and won't kick the can down the road.

Prop D delivers savings that will be used to fund schools, parks, MUNI, street repairs, jobs and senior services.

Prop D delivers a fair and real solution to the City's pension crisis by:

- Avoiding cuts to schools and education
- Ending the abuse of pension "spiking" by averaging the last five years of an employee's salary rather than one.

- Protecting city workers who earn less than \$50,000 a year by exempting them from any increase.
- Providing the most balanced cost sharing between city workers and taxpayers.
- Eliminating "bonus" benefits that cost taxpayers \$170 million.
- Requiring elected officials to pay towards their pensions.
- Allowing changes to the law, if and when times get better

Prop D does not affect worker's collective bargaining rights.

Vote YES on Prop D to deliver pension reform that is fiscally responsible, sustainable and fair to all. We need to do pension reform right and do it once to save the City's future.

*Public Defender Jeff Adachi**
Craig Weber, Proponents

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

Rebuttal to Proponent's Argument in Favor of Proposition D

D is Deceptive: Vote No

D cannot deliver on its promises. It's deceptive to voters and it's illegal and will leave the city with zero savings. We need to make sure that whatever legislation is passed reforms our benefit structures and is not tossed out by the courts. San Francisco needs savings, not a legal battle.

D is playing politics with the livelihoods of thousands of people

Using a hot button issue as a springboard for higher office is not how complex policy decisions affecting tens of thousands of people should be determined. They should be determined through deliberation, not decree, and reform of this nature certainly should not be bankrolled by right wing billionaires that have demonstrated their anti-union motives in Wisconsin and Ohio.

D fails to reform health care benefits and exempts certain classes of employees

D is not comprehensive reform. Addressing the city's pension problems is only half the battle, especially given San Francisco's \$4 billion unfunded health care liability. Failure to address health care ensures another fiscal crisis in the years ahead. D also exempts over 1,000 high-paid employees and unnecessarily targets public safety professionals with severe contribution hikes.

Vote No on D

There's a reason virtually every elected official, the business community, non-profit and labor says vote no on D: It's poorly written, illegal, not comprehensive and bad for San Francisco. Vote No.

Mayor Ed Lee
Supervisor Sean Elsbernd
San Francisco Labor Council
San Francisco Firefighters Local 798
*Dennis Kelly, United Educators of San Francisco**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

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Opponent's Argument Against Proposition D

Virtually Every Elected Official Agrees: D is Deceptive, Vote NO on D

Prop C was written with community input and drafted by the City Attorney's office to conform with the City Charter. Prop D? Not so much. It was written behind closed doors by a politician with no understanding of pensions, giving us flawed legislation that won't stand up in court, leaving taxpayers with zero savings.

D is Illegal and Deceptive to Workers

As written, D raises contribution rates on current employees, but fails to include offsetting reductions in employee contributions in good economic times when the City's costs are reduced. D is not only unfair, legal experts say it's unlawful and will be invalidated by the courts, leaving taxpayers with zero savings.

D also lacks most of the features required of a qualified pension plan. So unlike the extensive new plan provisions of Proposition C, the "new" plan under D cannot be administered in accordance with federal law, again leaving the City with zero savings.

D is Deceptive to Voters

D never addresses San Francisco's \$4 billion unfunded retiree health care liability and guarantees another fiscal crisis. In fact, D was put on the ballot by signature gatherers that were paid \$5 a name and got caught on tape lying about what the measure would do.

D is Deceptive to San Francisco Values: No on D

Prop D is funded by Wall Street billionaires who have donated thousands in campaign cash across America to dismantle the rights of workers and force an end to unions as we know them. D is Deceptive. Vote No on D.

Mayor Ed Lee

Supervisor Sean Elsbernd

San Francisco Labor Council

San Francisco Firefighters Local 798

*Dennis Kelly, President, United Educators of San Francisco**

San Francisco Planning and Urban Research (SPUR)

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

Rebuttal to Opponent's Argument Against Proposition D

Proposition D is a fair, comprehensive, and effective pension reform measure that was put on the ballot by 49,000 San Francisco voters.

Here are the truths that the opponents cannot deny:

- **Proposition D saves \$400 million more than their plan.** This is a fact they don't mention. This money can be used to protect our schools and basic services and ensures that the pension system doesn't bankrupt the City.
- **Proposition D saves jobs.** The money Prop D saves each year can be reinvested in workforce development and getting our City back on the road toward economic recovery.
- **Prop D stops pension abuses:** Last year, a city employee earned \$516,000 and retired with a \$240,000 pension. This will stop under Prop D, which caps pensions.
- **Prop D contains no "side deals."** The opponents' plan relies on a side deal that gives a 4% raise to safety

employees to pay for their 3% contribution. This deal will cost taxpayers \$127 million over the next ten years!

Don't let the opponents scare you:

- Not a single voters' signature was invalidated because of improper signature gathering.
- Last year, a San Francisco Superior Court ruled that the City could change contribution rates of its employees in order to protect the fiscal integrity of the system, which is what Prop D does.
- Prop D is funded by small and large donors.
- Prop D's does not increase health care costs.

Vote YES on Prop D. It delivers real, effective pension reform.

Jeff Adachi & Craig Weber, Proponents

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Paid Argument IN FAVOR of Proposition D

San Francisco voters, have you ever asked yourselves: “Why all the potholes when the City has a \$7 BILLION budget funded by my tax dollars?” The answer is that exploding City employee pension costs are siphoning away funds needed to maintain the City’s basic infrastructure like our streets. Prop D is real pension reform to reign in those costs.

City Hall-sponsored Prop C falls short of the reforms necessary— so short that the Mayor was compelled to put a pothole bond measure on this ballot to pay for routine street maintenance. Making matters worse, the Mayor and Board also put a regressive sales tax on this ballot, opting to tax the poor rather than reign in pension costs further.

Vote YES on D!

*Christopher Keane
Patrick Doolittle*

The true source(s) of funds for the printing fee of this argument: C. Keane, P. Doolittle.

Paid Argument IN FAVOR of Proposition D

Many city employees work honestly and conscientiously. But San Francisco personnel costs are \$120,000/year per employee while average San Franciscans earn \$56,000. Why? The problem isn’t the rank and file. It’s upper management and elite workers whose wages and benefits are busting the budget.

The public is angry, knows something’s wrong and wants their money back. But union bosses and their politicians won’t change the status quo without a fight. That’s why the power-brokers are initiating “damage control” with Proposition C.

Proposition C, cynically put on the ballot by the establishment mayor and cronies, is a watered-down version of D resulting in \$400M less savings when the city is threatening \$243M in cuts to services and jobs. Why does government always cut jobs, services and raise fees and fines to citizens rather than address the cause of the financial problems...elite worker pay and benefits?

Aside from voting yes on D and no on C, real solutions include setting the total city budget for payroll and benefits at 150% of average San Franciscan income and benefits per employee. And limit total pay and benefits for city employees to no more than \$100,000. Any employee!!

The time has come for revolution, not reform, in the way citizens and civil servants interact. We cannot tol-

erate the continued plunder of current and future tax revenue by union bosses, their wholly-owned politicians and public worker elites at the expense of San Francisco jobs and services.

San Francisco is a technological leader and ready for web-enabled transparency in labor negotiations. We want open competition in the provision of civic services and payments for positive and measurable results.

Pension measure D is just the beginning though it doesn’t go nearly far enough. Vote YES on D and NO on C.

Michael F. Denny

The true source(s) of funds for the printing fee of this argument: Michael Denny.

Paid Argument IN FAVOR of Proposition D

Proposition D represents true progressive pension reform. It exempts municipal employees making \$50,000 or less from having to contribute more toward their pensions, while requiring higher salaried employees to modestly increase their pension fund contribution in proportion to their income. Proposition D frees up municipal resources needed elsewhere, such as to pay for vital social services, street repairs, and recreational programs - the actual services that taxpayers expect from city government.

The opposing pension reform proposition was formulated behind closed doors by elected officials, bureaucrats, an investment fund manager who receives fees for managing public pension funds, a highly paid PR consultant, and the municipal unions to whom the government “negotiators” are beholden for campaign contributions, endorsements, and campaign foot soldiers. Consequently, it represents pension reform “lite.” For example, Proposition D caps pensions at \$145,000 per annum, whereas the opposing measure proposes a limit of \$185,000.

Public Defender Jeff Adachi is one of the few elected officials with the guts to stand-up for citizens who depend on municipal services. It is only through his perseverance that pension reform now appears on the ballot. The citizens of San Francisco deserve more than lukewarm pension reform. It is time to enact meaningful and progressive pension reform that both protects the retirement benefits of those making \$50,000 or less, and frees up desperately needed resources by asking more affluent municipal employees to pay their fair share. Vote YES on Proposition D.

Richard Beleson

The true source(s) of funds for the printing fee of this argument: Richard Beleson.

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Paid Argument IN FAVOR of Proposition D

The “City Family” attacks on Proposition D substitute personal attacks for substance. No supporter of Proposition D seeks to remove workers’ rights across America. No supporter of Proposition D worked on Wall Street.

Supporters of Proposition D are just saying what City Hall politicians are frightened to mention. Decades of “City Family” insider deals have landed San Francisco in a mess. Pension Benefits have ballooned beyond the City’s ability to pay.

Here are other things the “City Family” and the Board of Supervisors are covering up:

The “City Family” and Supervisors refuse to admit that over the coming decades Proposition D could save the City \$1.2 billion more than Proposition C.

The “City Family” and Supervisors won’t tell you that the projected returns from the City’s pension funds - in the eyes of experts like Warren Buffett - are sheer fantasy.

The “City Family” and Supervisors won’t admit that - at some point - they will not be able to afford to meet their pension commitments to City employees.

The “City Family” and Supervisors won’t say that they are soft on “spiking” - the selfish ploy used to turbo-charge pensions.

The “City Family” and Supervisors recently engaged in legal trickery to try to sidestep Proposition D.

I got involved with Pension Reform because San Francisco’s hard working families deserve a City that can educate their children, take care of the sick and answer their needs. The working people of San Francisco should not be hammering away sixty hours a week so that the lucky members of the “City Family” can retire at fifty, receive a guaranteed pension for thirty years, move to a tax free state and take another job. It’s not fair. It’s not right.

The “City Family” has been wrong about pensions for two decades. They still are. Vote yes on D.

Michael Moritz

The true source(s) of funds for the printing fee of this argument: Michael Moritz.

Paid Argument IN FAVOR of Proposition D

Proposition D is a good first step to solve San Francisco’s unsustainable pension costs. Ultimately, The City should switch from a defined benefit system

to a defined contributions system similar to a 401(k). Until then, Proposition D increases employee contributions, caps pensions, stops pension spiking, and increases the retirement age to 55 for most employees.

Vote YES on Proposition D.

San Francisco Republican Party
www.sfgop.org

Executive Committee
Harmeet K. Dhillon, Chairman
Richard Worner, Treasurer
Alisa Farenzena, VC Volunteer Activities

Members
Rudy Asercion
Bill Campbell
John Dennis
Howard Epstein
Terence Faulkner
David Kiachko
Stephanie Jeong
Chris Miller

Alternate(s)
Christopher L. Bowman

The true source(s) of funds for the printing fee of this argument: San Francisco Republican Party.

The three largest contributors to the true source recipient committee: 1. Charles Munger, 2. Harmeet Dhillon, 3. Bill Campbell.

Paid Argument IN FAVOR of Proposition D

Within four years, the money taxpayers must contribute to fund the City pension costs will increase an average of \$60 million per year, because regardless of how much the cost of funding the pension system rises, the employees’ contribution remains fixed.

Proposition D won’t reduce the benefits of employees who have retired or their dependents or the surviving spouses of safety employees who died in the line of duty. City employees earning \$50,000 or less won’t be affected.

When the economy was good, jobs were plentiful and average private industry worker’s pay was increasing, San Francisco voters passed Charter Amendments rewarding public servants with high salaries and pensions. Voters didn’t mind if some City employees spiked their compensation just before retirement in order to receive larger pensions.

Since then the economy has changed for the worse and there are no signs of recovery. Average workers in the private sector, whose pay and benefits are set by

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their bosses not by Charter, have struggled to make ends meet.

Proposition D levels the playing field by prohibiting spiking. It lowers the pension benefits of employees hired after January 1, 2012 to more realistic and sustainable levels.

No one wants to see City services disappear. However, it is estimated the City will be forced to cut an additional \$243 million in essential services and jobs over the next four years to meet pension obligations to its retirees.

Proposition D is a first step toward a more sustainable pension system.

Libertarian Party of San Francisco

The true source(s) of funds for the printing fee of this argument: Libertarian Party of San Francisco.

Paid Argument IN FAVOR of Proposition D

Public safety employees get much richer benefits because they can retire earlier and collect a pension of up to 90 percent of their annual pay when they retire. Thus, their pensions are much, much more expensive than other city employees. Police pensions are twice as expensive as other city workers, and firefighters three times as costly. Because all employees now contribute at the same rate, other, lower-paid city workers subsidize the cost of the police and fire pensions.

Last year the 100 top safety officers earned \$247 thousand apiece. It is hardly fair that a city worker who earns \$45 thousand a year and retires at 62 must subsidize the pension of a police officer making several times as much and who retires at 55 with a \$200 thousand pension! That is why Proposition D will require Safety employees to pay 2.5 percent more.

Non-Safety union members and lower-paid employees should support Prop D. They are in general much better off with this graduated approach, and they are among the employees who would be exempted or pay very minimal pension increases.

Employees realize that if we do not fix the pension problem, layoffs are certain because the system is not sustainable. As city workers lose their jobs fewer people will contribute towards the pension fund which will make matters worse.

Even this reform does not adequately fill the budget deficit caused by our over-extended pension obligations. But the Mayor's proposal, Proposition C, which has met with union approval, takes only a small baby step and essentially kicks the can down the road.

*Amarcy Berry
Richard Hansen
Shirley Hansen
Patricia Knight*

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

The three largest contributors to the true source recipient committee: 1. George Hume, 2. Michael Moritz, 3. Leonard Baker, Jr.

Paid Argument IN FAVOR of Proposition D

Since 1998, San Francisco voters overwhelmingly approved nine propositions that sweetened city retirement benefits, promising city workers higher pensions and lowered the age for retirement. Over the years, the City Controller's cost estimates for these measures were much lower than the actual costs incurred by the City.

In wakeup calls, San Francisco's Civil Grand Juries concluded in 2009 and 2010 that city pensions were spiraling out of control. While guaranteed benefits remain fixed, costs to taxpayers steadily rise and will eventually bankrupt the City.

Proposition D is an equitable reform, providing graduated increases in employee contribution rates based on income, exempting those earning less than \$50K.

Employees now pay a fixed rate into the pension fund while taxpayers make up the difference; the City's bill is now twice what employees pay, quadruple in four years. Truly unsustainable!

For the City to pay these pension obligations, it will cut essential services like we've never seen before, and city workers will lose their jobs.

Proposition G on this ballot attempts to raise the city sales tax. Will voters approve tax increases every year to support steadily increasing pension costs? A proposed state law would enable voters to create new CITY taxes. Were San Francisco to enact a 2% income tax, we would have the highest tax burden in the nation! Taxes being proposed are regressive, hitting the middle class, and especially the poor, as are cuts in City services. As pension costs rise out of sight, will the City be able to afford libraries, hospitals, Care Not Cash? Already being slashed are mental health services, senior and after school programs.

Please vote for Proposition D!

*Amarcy Berry
Shirley Hansen*

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

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Paid Argument IN FAVOR of Proposition D

YES on D, already supported by large numbers of voters. D provides larger and faster financial relief from the escalating burden of runaway pension costs.

Don't be fooled by C -- an insider City Hall back-room deal.

Don't vote for both--voters might get stuck with C.

NO on C.

Yes on D.

*Shirley Hansen
Richard Hansen
Patricia Knight
Starchild*

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

The three largest contributors to the true source recipient committee: 1. George Hume, 2. Michael Moritz, 3. Leonard Baker Jr.

Paid Argument IN FAVOR of Proposition D

California's Little Hoover Commission, an independent oversight agency, has found California's pension plans dangerously underfunded, the result of overly generous benefit promises, wishful thinking and unwillingness to plan prudently, stating that unless aggressive reforms are implemented now, the problems will get far worse. Rather than foreswear risky behavior, cities (including San Francisco) have improved benefits for employees, providing extra credit to retire early, single-year-based pension benefits, lower retirement ages, further burdening unsustainable plans.

These promises, protected by decades of court decisions, were made under the illusion that the stock market returns of the dot-com boom were the new normal. The jittery stock market has made it clear that the promised benefits are unaffordable and taxpayers face the risk as the bill comes due. It found San Francisco's pension fund 74% funded -- 80% considered the low threshold for a stable system.

The Commission recommended, among other changes, that a cap must be put in place on the maximum pension that an employee can earn, also that lower-wage earners should be protected. It profers that it is not the government's burden to exclusively fund the retirement of public employees and executives earning high salaries.

Pension costs threaten to crush government. Budgets are being cut while pension costs rise and squeeze other priorities.

Prop D pension reform provides graduated increases in contribution rates based on income, exempting lower-paid employees, with pensions for new-hires calculated on five years income rather than one to prevent spiking, and with a pension cap of \$140,000. Please vote for this sensible reform to realign pension benefits and expectations.

*Shirley Hansen
Amarcy Berry
Richard Hansen*

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

The three largest contributors to the true source recipient committee: 1. George Hume, 2. Michael Moritz, 3. Leonard Baker, Jr.

Paid Argument IN FAVOR of Proposition D

With city pension costs rising to almost \$800 million in 2014, our city is drowning in red ink. Our Civil Grand Juries have reported escalating pensions are "Beyond Our Ability to Pay," and a "Pension Tsunami." Our politicians (almost always elected with the backing of public employee unions) scoffed at the idea. Our then Mayor had just struck a 24%, four-year pay raise with the Police Officers, Firefighters and Nurses unions, and declared that the problem would be solved his own way.

Only one public official, Public Defender Jeff Adachi, jumped on the problem, and with dedicated single-mindedness, placed Prop B on the ballot in 2010. Unions spent millions to successfully defeat this measure, though to be sure, 113,894 voters supported it. Forging relentlessly ahead, our Public Defender has now brought Prop D to the voters of San Francisco, courageously bucking the political culture that routinely rewards public employee unions.

Recognizing that last year's proposal hit low-income workers especially hard, Adachi has made Prop D easier on those with lower incomes, basing graduated increases in contribution rates based on income, and exempting employees making less than \$50,000, capping pensions at \$140,000. The Mayor's weaker, competing Prop C, is less progressive, with lower contribution rates and higher maximum pension.

Solving the problem of escalating retirement benefits should be a highest priority for the citizens of San Francisco. Our Public Defender Jeff Adachi, has sounded the alarm. Failure to come to grips with this

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problem will not only hit city services and taxpayers for years to come. It will become the burden of our kids and our grandkids and will guarantee INTERGENERATIONAL INJUSTICE!

*Shirley Hansen
Irene Halpern
Stephen Halpern
Richard Hansen*

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

The three largest contributors to the true source recipient committee: 1. George Hume, 2. Michael Moritz, 3. Leonard Baker, Jr.

Paid Argument IN FAVOR of Proposition D

Consumer watchdogs understand our billion dollar pension crisis. Two San Francisco Civil Grand Juries (2009 and 2010) found that unions and city officials made generous promises to City employees:

- Employee Pension and health benefits will increase from \$413 million to nearly \$1 billion in five years, 1/3 of the current general fund.
- 900 of the 26,000 City retirees receive pensions between \$100,000-250,000.
- San Francisco taxpayers paid pension contributions of nearly \$300 million in 2009-10, expected to increase yearly by some \$57 million.
- Officials failed to enforce a 2002 (Prop H) Charter-mandated cost-sharing agreement that required police/firefighters to pay more benefits, creating an unfunded liability of \$276 million.
- “Pension spiking” by Police/Firefighters cost taxpayers more than \$132 million over ten years.

Taxpayers have been especially generous to Police and Firefighters. Half of 2000 retired firefighters receive pensions greater than \$75K, 1/4 above \$100K. For Police Officers, these ratios are 1/3 over \$75K and 12% over \$100K.

Compare these benefits to other City employees whose average pension is \$26K, and to private sector working families who typically have no guaranteed pensions. Children and grandchildren of retirees will pay these costs, creating a profound generational injustice.

San Francisco’s Defined Benefit Plan is unsustainable. Here’s how we must pay the bill:

- Contract renegotiation
- New taxes and fees (were San Francisco to enact a

2% income tax, we would have the highest tax burden in the nation!)

- Abolish City jobs
- Abolish City services
- Raise employee contributions
- Let our children and grandchildren pay.

Proposition D is a modest first step towards pension reform. Please vote YES

Shirley Hansen
Amarcy Berry
Richard Hansen*

* Former members San Francisco Civil Grand Juries

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

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Paid Argument IN FAVOR of Proposition D

Prop D puts a stop to \$200,000 pensions. Prop C does not.

The City cannot continue to pay out \$200,000 pensions over 30 plus years with fixed cost-of-living increases and at the same time, continue to provide adequate public safety, public health, and street maintenance to its residents. **Prop D** caps all new employee pensions at \$140,000. Prop C caps pensions at \$170,000.

Prop D ends pension spiking for good.

Pension spiking costs taxpayers millions of dollars each year because some city workers can inflate their final year of compensation with special bonus payments.

Prop D will save taxpayers \$400 million more than Prop C over ten years.

The Controller failed to consider the hundreds of millions more in Prop D savings through the lower pension cap.

Prop D does not touch retiree health care. Prop C will increase city workers’ health benefit costs and possibly reduce the quality of health care.

Rather than increase employee contributions to the city pension fund, Proposition C requires city workers to pay some \$84 million over the next 10 years for basic health care coverage. It also seeks to reduce their representation on the Health Services Board. Such action is costly and unfair.

Prop C does NOTHING to solve the City’s unfunded health care debt crisis.

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The City's unfunded health care liability is \$4.5 billion and escalating at hundreds of millions each year. Despite its claims of "comprehensive" reform, Prop C's insignificant employee contribution requirements beginning in 2015 do nothing to reverse the trend of this growing debt.

*Amarcy Berry
Richard Hansen
Shirley Hansen*

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

The three largest contributors to the true source recipient committee: 1. George Hume, 2. Michael Moritz, 3. Leonard Baker.

Paid Argument IN FAVOR of Proposition D

With city pension costs rising to almost \$800 million in 2014, our city is drowning in red ink. Our Civil Grand Juries have reported escalating pensions are "Beyond Our Ability to Pay," and a "Pension Tsunami." Our politicians (almost always elected with the backing of public employee unions) scoffed at the idea. Our then Mayor had just struck a 24%, four-year pay raise with the Police Officers, Firefighters and Nurses unions, and declared that the problem would be solved his own way.

Only one public official, Public Defender Jeff Adachi, jumped on the problem, and with dedicated single-mindedness, placed Prop B on the ballot in 2010. Unions spent millions to successfully defeat this measure, though to be sure, 113,894 voters supported it. Forging relentlessly ahead, our Public Defender has now brought Prop D to the voters of San Francisco, courageously bucking the political culture that routinely rewards public employee unions.

Recognizing that last year's proposal hit low-income workers especially hard, Adachi has made Prop D easier on those with lower incomes, basing graduated increases in contribution rates based on income, and exempting employees making less than \$50,000, capping pensions at \$140,000. The Mayor's weaker, competing Prop C, is less progressive, with lower contribution rates and higher maximum pension.

Solving the problem of escalating retirement benefits should be a highest priority for the citizens of San Francisco. Our Public Defender Jeff Adachi, has sounded the alarm. Failure to come to grips with this problem will not only hit city services and taxpayers for years to come. It will become the burden of our kids and our grandkids and will guarantee INTERGENERATIONAL INJUSTICE!

*Richard Hansen
Shirley Hansen
Patricia Lusse
Wolfgang Lusse*

The true source(s) of funds for the printing fee of this argument: San Franciscans for Pension Reform.

The three largest contributors to the true source recipient committee: 1. George Hume, 2. Michael Moritz, 3. Leonard Baker Jr.

End of Paid Arguments IN FAVOR of Proposition D

Paid Argument AGAINST Proposition D

VOTE NO ON D - DON'T RISK REAL PENSION REFORM

While well intentioned, Proposition D may violate State law and void the pension reforms and cost savings in Proposition C. The City cannot afford to risk real reform.

Government, labor and civic leaders agree - Vote YES on C and NO on D.

San Francisco Chamber of Commerce

The true source(s) of funds for the printing fee of this argument: San Francisco Chamber of Commerce.

Paid Argument AGAINST Proposition D

Democrats say VOTE NO on D

Prop D is an assault on San Francisco values – it is being bankrolled by right wing billionaires who've given tens of thousands of dollars to dismantle the rights of workers and force an end to unions across America.

Don't let anti-worker billionaires play politics with the lives of working families. Vote NO on D.

San Francisco Democratic Party

The true source(s) of funds for the printing fee of this argument: San Franciscans United for Pension and Health Reform.

The three largest contributors to the true source recipient committee: 1. SF Fire Fighters Local 798, 2. SF Police Officer Association, 3. IFTPE Local 21.

Paid Argument AGAINST Proposition D

Vote "No" on the Tea Party and Wall Street Billionaires: Vote No on D

The Wall Street billionaires who bankrolled anti-collective bargaining legislation to cripple organized labor in Wisconsin and Ohio are the same Republican funders

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of Prop D right here in San Francisco. D is a shoddy piece of legislation written by a politician attempting to use San Francisco's economic crisis as a springboard for higher office. Make no mistake, Prop D would devour the already-shrinking incomes of hard working families. It's extreme, unfair, and has no place in San Francisco.

Don't be deceived by the millions they've pledged to spend to spin a Republican, anti-labor message into something it's not. The fact is, Prop D is so poorly written and so full of holes that it never mentions San Francisco's \$4 billion unfunded retiree healthcare crisis. Worst of all, legal experts say it's illegal. That means when the courts throw it out taxpayers will be left with zero in savings and we'll be faced with deeper cuts in social services and a new fiscal emergency.

Our budget is not one-dimensional; you cannot balance it on the backs of San Francisco's working class families. Reforming our pension structure demands a smart, multifaceted approach that aims for consensus, rather than splits us apart. Prop D is a disaster brought to San Francisco by Republican anti-labor billionaires. On November 8, Don't be Deceived. Vote No on D.

*John Burton, Chair, California Democratic Party**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: John Burton.

Paid Argument AGAINST Proposition D

San Francisco's Public Safety Chiefs Say Vote NO on D

Prop D is deceptive and unfair to our public safety officers. It forces the lowest paid cadets to hand over 10% of their salary to the pension fund, even though public safety officers aren't covered by the Social Security safety net. What's worse, even when the pension fund is flush officers are still forced to turn over a greater portion of their salary. Fact is, the same provision was ruled illegal in Long Beach. That's why Prop D will be tossed out by the courts, leaving San Francisco with zero savings in the middle of an economic crisis.

Prop D is NOT comprehensive: It makes no mention of health benefits and ignores the 1,000 sheriff's deputies and safety employees who are CALPERS members. What's the bottom line? Under Prop D some employees face no changes to their contributions and benefits, while others get gouged with contribution hikes and slashed benefits.

Prop C was written by consensus. It's a fair, balanced and comprehensive pension solution for employees and taxpayers. Public safety officers worked with Mayor Lee, the community and the Board of Supervisors to craft a plan that puts our fiscal house in order for years to come. And Prop C respects and recognizes the risks made by our officers to keep our neighborhoods safe.

Public safety officers are fighting for our communities. Please join us in fighting for fairness for them. Vote NO on Prop D.

*Greg Suhr, Chief of Police**
*George Gascón, District Attorney**
*Joanne Hayes-White, Fire Chief**

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The true source(s) of funds for the printing fee of this argument: San Franciscans United for Pension and Health Reform.

The three largest contributors to the true source recipient committee: 1. San Francisco Fire Fighters Local 798, 2. San Francisco Police Officers Association, 3. IFTPE Local 21.

Paid Argument AGAINST Proposition D

San Francisco Peace Officers say No on D: It's unfair, poorly written, and pure politics

Prop D is what happens when a career politician with no experience or understanding of pension issues shamelessly uses San Francisco's economic crisis and a complex issue like public employee benefit reform as a personal springboard for higher office. It's pure politics and you should vote NO.

Legal experts say flat out that Prop D violates the vested rights doctrine, and if passed will likely be thrown out by the courts, like a related piece of legislation was in Long Beach, leaving San Franciscans with ZERO savings. What's worse, Prop D is non-comprehensive and fails to even mention health care reform, while carving out special exemptions for over 1,000 high-paid employees.

Don't be deceived by poorly written legislation from an irresponsible politician with a "me-first" political agenda. Prop D puts personal politics first and San Franciscans last. Don't buy Prop D's lies. Vote No on D.

San Francisco Police Officer's Association

The true source(s) of funds for the printing fee of this argument: S.F.P.O.A.

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Paid Argument AGAINST Proposition D

LGBT LEADERS SAY NO ON D

The LGBT community knows what it means to be treated unfairly and unjustly. But we stood together and fought against the influence of wealthy right-wing interests across this nation to secure our basic rights as individuals and citizens of this country. We have seen how powerful their money has been in the past, but we will not let it win this time. Please vote NO on Proposition D.

Senator Mark Leno
Assemblymember Tom Ammiano
Bevan Dufty
*Debra Walker, President, SF Arts Democratic Club**
*Entertainment Commissioner Glendon "Anna Conda" Hyde**
Robert "Gabriel" Haaland, LGBT/Labor Organizer
*Stephany Ashley, President, Harvey Milk LGBT Democratic Club**
Rebecca Prozan
Linnette Peralta Haynes, LGBT Community Leader
Nathan Albee, LGBT Organizer
Tamara Ching
Rafael Mandelman
Eileen Hansen
Jazzie Collins

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The true source(s) of funds for the printing fee of this argument: SEIU Local 1021.

Paid Argument AGAINST Proposition D

Library employees ask you to vote NO on D

We work every day in 27 public libraries across the city to cultivate a love of reading in our communities. Librarians help San Franciscans improve their basic reading and writing skills so they may access greater opportunities in their lives. While we are fighting to keep community libraries open, Jeff Adachi and his billionaire friends want to blame us for the problems caused by Wall Street greed. Enough is enough.

Join us in saying, "No" on Prop D.

*Maureen L. Russell, Museum Preparator**
*Sylvia Pascal, Librarian**
*Roderic M. Aquino, Security Officer**
*Linda Greenfield, Library Asst**
*Eve Bekker, Library Page**
*Richard Marino, Library Assistant**

*Nancy Silverrod, Librarian**
*Maya Archer-Doyle, Library Page**
*Shelley Rauchman, Library Technical Assistant**
*Lisa Ng, Library Page**

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The true source(s) of funds for the printing fee of this argument: SEIU Local 1021.

Paid Argument AGAINST Proposition D

Nurses ask you to vote NO on D

As Nurses, we see first hand what the downturn in our economy has done to the working class in California. Emergency Rooms continue to fill up as working families struggle to pay medical bills. Even as everyday San Franciscans struggle to pay for these basic services, right-wing billionaires are pushing Jeff Adachi's effort to force our neighbors to either pay more than they can afford for retirement or forgo saving enough to withstand another economic decline.

All the while these billionaires continue to get richer with tax cuts and loopholes that do nothing to help the most vulnerable. Join us and Vote No on D.

*Shaona Chen, RN**
*Lawrence Nicholls, RN**
*Olga Abraneova, RN**
*Junting Liu, RN**
*Kathleen Leyva, Nurse Practitioner**
*Marcela Galimba**
*Glenn Foster, RN**
*Noreen Dunleavy, RN**
*David Jacoby, RN**
*Nadine Houry-Quesada, RN**
*Wanxia Chen, RN**
*Katerina Cazanis, RN**
*Melissa Oswald, RN**
*Su Monroe, RN**
*Amanda Padilla-Brainin, RN**
*George Serivani, RN**
*Jessica Drury, RN**
*Rebecca King Morrow, RN, PHN**
*Evangaline Suangco, Staff Nurse – Nurse Adviceline**
*Irene Eydelsieyn, RN – Nurse Adviceline**
*July Ugas, MFCC**
*Jose Hipolito, Direct Therapy**

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Paid Argument AGAINST Proposition D

Retirees Say No on D

As public employees, we worked a lifetime serving San Franciscans, often at pay well below that for similar jobs in the private sector. We deserve better than Proposition D. Prop D reduces our representation on key retirement issues, and will reduce cost of living adjustments many retirees depend on. Please vote NO on D.

*Michael J. Creedon, H-3 Firefighter/Paramedic, Ret.**
*Paul D. Quick, M.D.**
*Jane Smith, Paramedic, Ret.**
*Jonathan W. Frank, SFPD Paramedic, Ret.**
Shirley B. Black
*Jonathan Meade, Paramedic, Ret.**
*Jean L. Duncan, SFFD/DPH Paramedic, Ret.**
*Peter Green, Firefighter/Paramedic, Ret.**
*David Williams, President, SEIU 1021 West Bay Retirees Chapter**

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The true source(s) of funds for the printing fee of this argument: SEIU Local 1021.

Paid Argument AGAINST Proposition D

Laguna Honda Hospital Workers

At Laguna Honda, our mission is to provide health care, therapy, rehabilitation and other services to hundreds of patients each year. As city employees, we've been willing to take voluntary pay cuts to help balance the budget but Prop D goes too far.

Just last year, Adachi pushed a plan that would have doubled health care payments for thousands of city employees and their families, but 57 percent of voters rejected it. Now Adachi is pushing an even more extreme anti-worker plan, one that increases retirement payments by over three times as much as Prop B that was soundly rejected by voters last year. And even more, his plan has a loophole that protects the highly-paid lawyers in his own office from these increases. Please vote NO on D.

*Grace Chen, RN**
*Sisima Gong, RN**
*Corazon Talag, RN**
*Munson Gong**
*Yaan Hong, RN**
*Violeta Delmundo, RN**
*Solita M. Magsalin, Nursing Assistant/PCA**
*Zenaida Bastu, Certified Nurses Assistant**

*Norma M. Radoc, PCA**
*Shai Ping Lai, RN**
*Julio Martinez, LVN**

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The true source(s) of funds for the printing fee of this argument: SEIU Local 1021.

Paid Argument AGAINST Proposition D

Prop D unfairly scapegoats emergency workers and first responders

As emergency workers and first responders, we know what it takes to handle a crisis. We oppose Prop D because instead of addressing the real issues, it blames the city's budget troubles on the emergency workers fighting every day to save lives. Prop D is part of the right-wing, reactionary movement spreading from Wisconsin to Washington DC that seeks to balance the budget by making deep cuts in social services and middle class income while preserving tax cuts for the wealthy. There are better solutions and real answers that work for all of us and not just the well-paid lawyers in Adachi's office. Please vote NO on D.

*Lisa Marie Gerard, 911 Dispatcher**
*Katherine Orosz, 911 Dispatcher**
*Ron Davis, 911 Dispatcher**
*Ashley Ahern, 911 Dispatcher**
*Ryan Won, 911 Dispatcher**
*David J. Solis, 911 Dispatcher**
*Carlos Soto, 911 Dispatcher**

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The true source(s) of funds for the printing fee of this argument: SEIU Local 1021.

Paid Argument AGAINST Proposition D

Save our schools, not Wall Street bankers. Vote NO on D.

Working in our public schools, we see the price being paid by children and families in this economic downturn. Prop D doesn't help – it just makes matters worse. Public employees like us have already given back more than half a billion dollars in wages and taken on more of our health and retirement costs. Jeff Adachi's Prop D would unfairly DOUBLE some of our retirement contributions without any input from school employees. Meanwhile, Adachi built a loophole into Prop D to shield the wealthy lawyers in his office from these unfair increases to retirement contributions. Please vote NO on D.

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Stephen A. Kech*
 Maria Ma, Clerk*
 Barbara Hernandez*
 James T. Rogers, Service Desk Manager*
 Glen Van Lehn*
 Cham Pikkwan Seagull*
 Kathleen Manning*
 Colleen Payne*
 Maria Erlich*
 Yvonne Johnson-Miller*
 William Simmons*

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The true source(s) of funds for the printing fee of this argument: SEIU Local 1021.

Paid Argument AGAINST Proposition D

API LEADERS SAY NO ON D

All of our families work hard to make this city great. It is only fair, when times are bad, that sacrifice is shared evenly. Unfortunately, Proposition D calls for working and middle class families to pay the cost of balancing the budget, rather than sharing the pain amongst all of us. We need a fair and balanced solution, not Prop D.

Senator Leland Yee
 Assemblymember Fiona Ma
 Assessor-Recorder Phil Ting
 Board of Supervisors President David Chiu
 Supervisor Carmen Chu
 Supervisor Eric Mar

The true source(s) of funds for the printing fee of this argument: SEIU Local 1021.

Paid Argument AGAINST Proposition D

D is Illegal and Could Leave San Francisco With Zero Savings

Prop D is susceptible to a legal challenge that would invalidate the entire measure and leave city taxpayers with ZERO in savings when we need it most.

Prop D mandates that current city employees pay more into their pension funds and share the burden during difficult economic times, but there is no mirror provision that reduces their contributions in good times. In *Allen vs. Long Beach* courts found unilateral cutbacks like the ones in Prop D illegal, saying any increase must be linked to a comparable benefit to the employee. Fact is, Prop D has no benefits for city employees. They will always pay more even when city coffers are flush, employee contributions never go down. It's

unfair and it's illegal. Throw out Prop D before the courts do and San Francisco gets left with nothing. Vote NO on D.

*Former Supervisor Angela Alioto**

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The true source(s) of funds for the printing fee of this argument: SF United for Pension Reform.

The three largest contributors to the true source recipient committee: 1. SF FF Local 798, 2. SF Police Officer's Association 3. IFPTE Local 21.

E

Amending or Repealing Legislative Initiative Ordinances and Declarations of Policy

Shall the City amend its Charter to allow the Board of Supervisors and the Mayor to amend or repeal initiative ordinances and declarations of policy that the Board of Supervisors or the Mayor place on the ballot and that the voters approve after January 1, 2012?

YES ←  
NO ←  

Digest by the Ballot Simplification Committee

The Way It Is Now: The City's Charter allows the voters, the Board of Supervisors (Board), and the Mayor to place proposed measures (initiative ordinances and declarations of policy) on the ballot. The voters can place measures on the ballot by collecting the required valid signatures from San Francisco voters. The Board can place measures on the ballot by a majority vote of all its members at a public meeting. Also, four or more individual Board members or the Mayor can independently submit measures to the ballot.

The Board and the Mayor cannot amend or repeal a voter-approved measure unless the measure itself allows them to do so.

The Proposal: Proposition E is a Charter Amendment that would apply only to measures placed on the ballot by the Board and the Mayor and not to those placed on the ballot by collecting voter signatures. Proposition E would allow the Board and the Mayor to amend or repeal measures that the Board, individual Board members or the Mayor place on the ballot and that the voters approve, under these three conditions:

- for three years after the measure takes effect, the Board and Mayor may not amend or repeal it;
- after the first three years, and until seven years after the measure takes effect, the Board and the Mayor may amend or repeal the measure with a two-thirds vote of the Board; and
- after seven years, the Board and the Mayor may amend or repeal the measure with a majority vote of the Board.

Unless the measure itself provides otherwise, Proposition E would not allow the Board and Mayor to amend or repeal:

- measures that the voters approved before January 1, 2012, or
- measures that the voters place on the ballot by collecting required signatures.

Proposition E would not apply to Charter Amendments or bond measures.

A "YES" Vote Means: If you vote "yes," you want to amend the Charter to allow the Board and the Mayor to amend or repeal measures that the Board, individual Board members or the Mayor place on the ballot and that the voters approve after January 1, 2012, under certain conditions.

A "NO" Vote Means: If you vote "no," you do not want to make this change to the Charter.

Controller's Statement on "E"

City Controller Ben Rosenfield has issued the following statement on the fiscal impact of Proposition E:

Should the proposed Charter amendment be approved by the voters, in my opinion, it would not in and of itself affect the cost of government.

However, the amendment would provide the Board of Supervisors with the authority to change future City programs that otherwise could not be changed without voter approval. In general, this authority could reduce costs by allowing the Board of Supervisors to reduce or eliminate programs and requirements.

The amendment gives authority to the Board of Supervisors to amend and repeal ballot measures placed on the ballot by the Mayor and Board of Supervisors and approved by the voters after January 1, 2012. Currently, voter-approved ballot measures generally may not be amended or repealed except by another ballot measure. The amendment or repeal authority would be subject to certain limits including that no amendments could be made until at least three years after the passage of a measure.

How "E" Got on the Ballot

On July 19, 2011, the Board of Supervisors voted 7 to 4 to place Proposition E on the ballot. The Supervisors voted as follows:

Yes: Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Wiener.

No: Avalos, Campos, Mar, Mirkarimi.

This measure requires 50%+1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 178. Some of the words used in the ballot digest are explained on page 36.



This disclaimer applies to: the proponent's argument, the rebuttal to the opponent's argument. *The Board of Supervisors authorized the submission of the following argument. As of the date of the publication of this Voter Information Pamphlet, the following Supervisors endorse the measure: Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Wiener; oppose the measure: Avalos, Campos, Mar, Mirkarimi; take no position on the measure: none.*

Proponent's Argument in Favor of Proposition E

Yes on E—good-government reform of our broken ballot-measure system!

Send a message to politicians to do their jobs instead of having the voters decide issues that should be handled at City Hall.

San Franciscans are asked to vote on too many propositions that should be dealt with by our representatives. It's too easy to put things on the ballot. Politicians use ballot measures to score political points. Too often, hastily thrown together measures aren't fully developed or properly vetted, leading to measures that might make good campaign slogans, but have unintended consequences once enacted.

And, once ballot measures are adopted, they cannot be amended by the Board of Supervisors no matter how much time passes, how small the change, or how broad the consensus. The only way to change a ballot measure is to go back to voters with yet another ballot measure, perpetuating the cycle of ballot box legislating.

California is the only state in the nation that makes voter-adopted legislation permanently untouchable except by more ballot measures.

Prop E applies only to future ordinances and policies placed on the ballot by the Board or Mayor—measures that the Board and Mayor could pass but instead punt to voters.

Prop E has no impact on measures placed on the ballot by collecting voter signatures. Voter-signed measures will remain untouchable by City Hall.

Under Prop E, for 3 years after voters pass legislation, the measure will be untouchable by the Board. For the next 4 years, the Board can amend/repeal with a 2/3 vote. After 7 years, the measure will be amendable/repealable like other legislation.

Prop E helps fix our dysfunctional system. Yes on E!

*Supervisor Scott Wiener
Supervisor David Chiu
Supervisor Sean Elsbernd
Supervisor Carmen Chu
Supervisor Mark Farrell
Supervisor Malia Cohen*

Rebuttal to Proponent's Argument in Favor of Proposition E

PROPOSITION E IS MISGUIDED LEGISLATION:

Supervisor Scott Wiener introduced this proposed San Francisco City Charter amendment to allow the often lobbyist and fundraiser-influenced Board of Supervisors the authority to overrule San Francisco's voters when they pass initiative ordinances or public policy declarations.

Wiener—a bit of an elitist—believes that he and his fellow Supervisors are much wiser than San Francisco voters. Interesting idea???

Let's check the record:

In the case of the proposed destruction of Parkmerced's 1,538 garden apartments, Wiener **supported** the Board of Supervisors' vote of 6-to-5 to throw the residents out of their homes. Acting Mayor Ed Lee—strongly under the influence of political fundraisers and lobbyists—signed the ordinance.

Wiener and Lee publicly allied themselves with Wall Street's Daniel Mudd, the former CEO of real estate mortgage-plagued **Fannie Mae**, and his controversial Fortress Financial Group — which now controls Parkmerced.

Mudd wants to replace the 1,538 garden apartments with tower apartments next to the San Andreas Faultline

(which caused the 1906 Earthquake and Fire), increasing Parkmerced's population from 8,000 to 30,000 persons and producing likely traffic jams on 19th Avenue.

Wiener has serious limits as a Supervisor.

Vote **AGAINST** misguided Proposition E.

*Dr. Terence Faulkner, J.D.
Former Member of San Francisco City Government's
Cable Television Task Force**

*John Michael Russom
Parkmerced Resident**

*Patrick C. Fitzgerald
Past Secretary
San Francisco Democratic Party**

*Gail Neira
San Francisco Republican Alliance*
www.sfraba.org
Events: 415-820-1430*

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

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Opponent’s Argument Against Proposition E

THE QUESTION: SHOULD THE SAN FRANCISCO BOARD OF SUPERVISORS BECOME A DE FACTO “HOUSE OF LORDS” WITH RIGHTS TO OVERRULE VOTERS PASSED INITIATIVE ORDINANCES AND POLICY DECLARATIONS???:

The voters sometimes make mistakes.

The problem is that the San Francisco Board of Supervisors also makes errors, often influenced by lobbyists.

The Hitler-fighting United Kingdom’s great Prime Minister Sir Winston Churchill explained the problem rather well:

“Democracy is really a very bad form of government—until we consider the alternatives.”

AN ALTERNATIVE TO DEMOCRACY:

Supervisor Scott Wiener feels that the Board of Supervisors, acting as a *de facto* “House of Lords”, should have rights to overturn voters passed initiative ordinances and policy declarations.

The oldtime British House of Lords and King George III made a few mistakes as well. The result was the American Revolution.

The Coalition For San Francisco Neighborhoods, an alliance of almost 50 community groups with a total membership of more than 10,000 people, has urged a “NO!” vote on Proposition E.

SOME HISTORY:

When San Francisco political boss Abraham Reuf was put on trial for corruption in 1907, the first prosecuting attorney was shot down in the courtroom. His successor was a lawyer with considerable physical and moral courage—Hiram Johnson.

MAKING DEMOCRACY WORK:

Hiram Johnson got Abraham Reuf convicted. He led a political reform movement against the Southern Pacific Railroad (then California’s largest landowner), and was elected with the support of the Lincoln Roosevelt League as the Progressive Republican Governor of California. Johnson brought in some basic democratic reforms: initiative, referendum, and recall. Women were also given the right to vote, almost a decade before the rest of the Nation.

Join the Coalition For San Francisco Neighborhoods and many other groups in voting **AGAINST** outrageous Proposition E.

Dr. Terence Faulkner
Chairman of Citizens For Election Law Reform.

Rebuttal to Opponent’s Argument Against Proposition E

Under Proposition E, voters will continue to have full power to legislate.

Prop E is democratic, and it’s good government. That’s why it’s been endorsed by San Francisco’s good-government organization – the San Francisco Planning + Urban Research Association (SPUR).

Prop E takes nothing away from the voters’ power to take matters into their own hands.

- The Board of Supervisors will still be prohibited from changing voter-signed initiatives - measures placed on the ballot by signature drive - and voter referenda.
- The Board will still be prohibited from interfering with the voters’ right to recall elected officials.
- Prop E has no effect on charter amendments and does not change past ballot measures.

Prop E will allow common-sense flexibility for future ballot ordinances placed on the ballot by the Board of Supervisors or Mayor. Those ordinances are currently unamendable except by going back to the ballot with yet another ballot measure. Our current system gives the Board and the Mayor incentive to play games by putting

ordinances on the ballot in the dead of night, without going through any hearings or public scrutiny.

Prop E will make it less attractive for politicians to play political games. It will encourage the Board and Mayor to legislate at City Hall instead of using gamesmanship by putting these ordinances on the ballot.

Prop E is democratic and good government. **Vote YES on E!**

Supervisor Scott Wiener
Supervisor David Chiu
Supervisor Sean Elsbernd
Supervisor Carmen Chu
Supervisor Malia Cohen
Supervisor Mark Farrell

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Paid Argument IN FAVOR of Proposition E

PROPOSITION E IS GOOD GOVERNMENT

Our initiative system is broken and often abused. Our Charter makes voter-adopted legislation untouchable except by another ballot measure. Proposition E starts us on the road to fixing this problem.

Proposition E takes a measured approach, allowing limited amendment to legislation placed on the ballot by the mayor or supervisors, not measures placed on the ballot by voter signature.

Vote Yes on E for good government.

San Francisco Chamber of Commerce

The true source(s) of funds for the printing fee of this argument: San Francisco Chamber of Commerce.

Paid Argument IN FAVOR of Proposition E

Prop E is much needed reform!

It doesn't touch the basic right of the voters to gather signatures to place measures on the ballot. Those measures aren't affected by Prop E.

Instead, Prop E tells the politicians to do their jobs and to stop putting measures on the ballot that could've been handled at City Hall.

Vote YES on Prop E!

Plan C San Francisco
www.plancsf.org

The true source(s) of funds for the printing fee of this argument: Robert C Gain.

Paid Argument IN FAVOR of Proposition E

Yes on E - Common sense ballot reform

Ballot measures are a basic feature of our democracy. They are a check that we have on our elected officials and perhaps the most important tool for citizens to express our will directly.

But sometimes they don't work as intended, or have unforeseen consequences. In most cities and states across the country, legislators have the authority to revise voter-approved initiatives to account for unintended consequences, changing times, or to correct poorly drafted legislation. Proposition E would do this for San Francisco.

The San Francisco Planning and Urban Research Association (SPUR) supports Prop E as a simple fix

that brings the San Francisco ballot process more in line with common practice.

Prop. E encourages our elected officials to legislate in a manner that brings only important matters to the voters. Prop E allows revisions only to initiatives that are placed on the ballot by the Mayor and Board of Supervisors. Voters can still place measures on the ballot by signature and elected officials can do nothing to amend or revise them. Referenda and amendments to our City Charter would be unaffected.

Prop. E also leaves all past ballot measures in place, affecting only future measures. Changes would be made only if a super-majority of the Supervisors and Mayor all agree.

Prop. E will encourage our legislators to legislate, and allow San Francisco to make adjustments over time, in the normal way.

Vote yes on Prop. E.

Find a complete analysis of all the San Francisco ballot measures in our voter guide at www.spur.org/voterguide.

San Francisco Planning + Urban Research (SPUR)

The true source(s) of funds for the printing fee of this argument: San Francisco Planning + Urban Research (SPUR).

End of Paid Arguments IN FAVOR of Proposition E

Paid Argument AGAINST Proposition E

Voters in the past have approved government reforms, funding for parks and Muni, and protections for San Francisco Bay. Under Proposition E, the Board of Supervisors can repeal future landmark voter decisions. They can also redirect voter-approved funding for purposes other than what voters intended.

Politicians can speak against a ballot measure before the vote. After the vote, they must respect the will of the voters.

Prop E isn't about "cleaning up" ballot language; it's an attempt by politicians to take power away from voters.

Vote NO on E!

Sierra Club
San Francisco Tomorrow

The true source(s) of funds for the printing fee of this argument: Sierra Club and San Francisco Tomorrow.

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Paid Argument AGAINST Proposition E

SF Democratic Party Urges NO Vote on Proposition E

The SF Democratic Party opposes Proposition E with good reason because it allows politicians to repeal and gut laws passed by the voters. Politicians should not have the right to change what the voters decided.

This is not about making City Hall more efficient. It is about making it easier for politicians to change what the voters said they wanted.

This proposal favors special interests at the expense of the public interest. The entire proposal was written in secret. The authors claim that it will save voters from having to make decisions. The Democratic Party believes it is the voters who ought to make the decisions.

Proposition E takes away our democratic power: Preserve your rights. Vote NO on Prop E.

San Francisco Democratic Party

The true source(s) of funds for the printing fee of this argument: San Francisco Democratic Party.

The three largest contributors to the true source recipient committee: 1. Stand Up for San Francisco, 2. FC Facilitator LLC, 3. Walter Wong.

Paid Argument AGAINST Proposition E

San Francisco's Neighborhoods OPPOSE Prop E!

If this Charter Amendment passes, your rights as a San Francisco voter will be weakened. After a 3 year period the Board of Supervisors could amend a measure for which you, SF's voters, *overwhelmingly* passed.

And 7 years after passage at the ballot box *the supervisors could completely repeal it!*

This is *not* the way to practice good government. This does *not* respect voters. In fact, it is not a "good government" measure at all; it's a "**very bad government**" **proposition!**

Remember Jonathan Swift and his "modest proposal"? (Hint: it was anything but modest!) This is what author Supervisor Scott Wiener calls his proposed measure: a "modest proposal"!

This measure is also **anything but "modest"** — **It's a power grab by the Board of Supervisors!**

Do you want the supes undoing your decisions?

Probably not, so:
Vote NO on Prop E!

Coalition for San Francisco Neighborhoods

Established 1973.

46 neighborhood organizations.

The true source(s) of funds for the printing fee of this argument: Coalition for San Francisco Neighborhoods.

Paid Argument AGAINST Proposition E

Elected Officials Urge No on Proposition E

As elected officials, we believe that voters have the last word. Win or lose, like it or not, that's what elections are all about.

This measure allows the Board of Supervisors and Mayor to substitute their opinions in place of the voters' decisions. **It allows politicians to repeal, not just clean up, laws that the voters passed.** Politicians throwing out what the voters passed? As elected officials, we know that we should not have that kind of power.

Proponents suggest, without saying so, that elected officials know better than the voters. For that reason, they think the Board and Mayor should be given the authority to redo what the voters passed. They claim this will make City Hall and our laws more efficient. They claim this proposition simplifies our ballot and unburdens voters.

Let's be honest. It's not about being efficient. It's about power. If this proposition passes, one thing will be true: You can't fight City Hall unless City Hall says it is okay. Today they say it applies only to ballot measures that come from the Mayor or a minority of the Board of Supervisors, but the author also says this is an "important first step." That first step is a step too far.

Please join us in voting No on Proposition E. **Your vote should not belong to anyone but you.**

*Jeff Adachi, Public Defender**

*Art Agnos, Former Mayor**

*Tom Ammiano, Assemblyman**

*John Avalos, Supervisor**

*Tony Hall, Former Supervisor**

*Eric Mar, Supervisor**

*Kim-Shree Maufas, SF School Board Member**

*Ross Mirkarimi, Supervisor**

*Aaron Peskin, Chair, SF Democratic Party**

*John Rizzo, Community College Board President**

*Leland Yee, Senator**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Friends of Ethics, Committee to Oppose Measures E & F.

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The three largest contributors to the true source recipient committee: 1. Bob Dockendorff, 2. Paul Melbostad, 3. Larry Bush.

Paid Argument AGAINST Proposition E

Vote No on Proposition E

Some politicians think it would be more “efficient” if they didn’t have to do what the voters insist be done. So they dreamed up this measure to allow the Board to amend or even repeal laws passed by the voters.

There’s a word for that kind of thing, and the word is not “democracy.” Politicians should not be allowed to undo – or redo – what the voters have passed. Proposition E is not just about cleaning up technical problems in our laws or updating old laws.

This is like taking the National Lampoon’s joke line “Power to the Correct People” and making it part of San Francisco’s charter.

Stand for democracy and join us in opposing Prop E!

Friends of Ethics

SEIU 1021

Senior Action Network

Sierra Club

Tommi Aviccolli-Mecca

Tab Buckner

Bill Fazio, Member, SF Democratic County Central Committee

*Michael Goldstein, Member, SF Democratic County Central Committee**

Carolyn Knee

*Rafael Mandelman, Former President, Harvey Milk LGBT Democratic Club**

Esther Marks

*Charles Marsteller, Former Coordinator, San Francisco Common Cause**

Quintin Mecke

Giuliana Milanese

Bob Planthold, Former Grand Juror

*Cynthia Servetnick, Director, Save the Laguna Street Campus**

*Sara Shortt, Executive Director, Housing Rights Committee of San Francisco**

David Waggoner

Debra Walker, Member, SF Democratic County Central Committee

Bruce M. Wolfe, MSW, Vice-Chair,

*SF Sunshine Ordinance Task Force**

League of Pissed Off Voters

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Friends of Ethics, Committee to Oppose Measures E & F.

The three largest contributors to the true source recipient committee: 1. Bob Dockendorff, 2. Paul Melbostad, 3. Larry Bush.

Paid Argument AGAINST Proposition E

Five Former Ethics Commissioners Urge NO on Prop E

Each of us served as an Ethics Commissioner.

we have 18 years of experience as Commissioners,

We ask: what is the problem Proposition E will solve and why is it on the ballot?

There has been no clamor from good-government groups to make such a change. this proposition is an inside City Hall measure that reduces voter control and gives more power to elected officials. Proposition E claims it allows easier “clean-up” of outmoded measures and legislative oversights, but the voters can – and should – have that responsibility. In addition, the proposition allows for not just amendment, but **repeal**, of legislation. Do you want to give up your voting rights and allow the Board of Supervisors and the Mayor to *undo what voters have put in place*?

Proposition E would require voters to constantly monitor City Hall for the complicated timelines and rules built into this power shift when legislation is due for repeal or amendment. How will we keep track of what is a “voter-proposed initiative” vs a “legislative initiative” and the different rules that apply? How will we know when the 3-year period vs the 7-year period applies? If we want fewer measures on our ballot, there are better ways to do so.

Good-government advocacy is actually made more complicated by this process. Proposition E amends the SF Charter. That decision should not be made lightly. Voting yes for this proposition means we agree to change the Charter of the City to give up our voting power.

Proposition E is not good government, but a power grab by City Hall. Vote NO on Proposition E.

Joe Julian, 1996-1997

Bob Dockendorff, 1996-2000

Paul Melbostad, 1996-2003

Bob Planthold, 2002-2004

Eileen Hansen, 2005-2011

The true source(s) of funds for the printing fee of this argument: Friends of Ethics, Committee to Oppose Measures E & F.

The three largest contributors to the true source recipient committee: 1. Bob Dockendorff, 2. Paul Melbostad, 3. Larry Bush.

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F

Campaign Consultant Ordinance

Shall the City amend its campaign consultant ordinance to redefine “campaign consultant;” require campaign consultants to file monthly reports; authorize the City’s Ethics Commission to require electronic filing instead of paper reports; change the calculation of City fees campaign consultants must pay; and allow the City to change any of the ordinance’s requirements without further voter approval while still permitting voters to make additional changes?

YES  
NO  

Digest by the Ballot Simplification Committee

The Way It Is Now: Under the City’s campaign consultant ordinance, campaign consultants working on local campaigns must register with the City’s Ethics Commission (Commission) and file periodic reports.

Campaign consultants must register with the Commission if they earn at least \$1,000 in a calendar year for campaign consulting services. Registered campaign consultants must file quarterly reports with the Commission that disclose their clients, compensation, campaign contributions, gifts they have provided to City officials, City contracts, and whether they have been appointed to any public office. They must submit reports as paper copies, but the Commission also may require electronic copies. They also must pay annual fees to the City based on their compensation and number of clients.

The Board of Supervisors (Board) cannot amend the City’s campaign consultant ordinance without the voters’ approval.

The Proposal: Proposition F would change the registration, filing, and fee requirements of the campaign consultant ordinance to:

- redefine a “campaign consultant” to mean any individual who earns at least \$5,000 for campaign consulting services within a 12-month period;
- require that campaign consultants file reports monthly instead of quarterly;
- authorize the Commission to require electronic filing of all required information instead of paper reports; and
- amend the fees payable to the City so they no longer depend on the number of clients.

Proposition F also would allow the City to change any of the campaign consultant ordinance’s requirements without further voter approval. The Commission would be required to approve the changes by a four-fifths vote, and the Board would be required to approve them by a two-thirds vote. The changes also would need to further the purposes of the ordinance. Voters would retain the right to amend the ordinance.

A “YES” Vote Means: If you vote “yes,” you want to redefine “campaign consultant,” require campaign consultants to file monthly reports, authorize the Commission to require electronic filing instead of paper reports, and change the calculation of City fees campaign consultants must pay. You also want to allow the City to change any of the campaign consultant ordinance’s requirements without further voter approval.

A “NO” Vote Means: If you vote “no,” you do not want to make these changes to City law.

Controller’s Statement on “F”

City Controller Ben Rosenfield has issued the following statement on the fiscal impact of Proposition F:

Should the proposed ordinance be approved by the voters, in my opinion, it will have a minimal impact on the cost of government.

How “F” Got on the Ballot

On July 19, 2011, the Board of Supervisors voted 11 to 0 to place Proposition F on the ballot. The Supervisors voted as follows:

Yes: Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi, Wiener.

No: None.

This measure requires 50%+1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 179. Some of the words used in the ballot digest are explained on page 36.



This disclaimer applies to: the proponent's argument, the rebuttal to the opponent's argument. *The Board of Supervisors authorized the submission of the following argument. As of the date of the publication of this Voter Information Pamphlet, the following Supervisors endorse the measure: Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Wiener; oppose the measure: Avalos, Mar, Mirkarimi; take no position on the measure: none.*

Proponent's Argument in Favor of Proposition F

Better public disclosure by political consultants – yes on F!

We need to know what political consultants are up to, and Prop F gives the public more information on their activities. It requires more frequent reporting and mandates electronic filing for instant online access by the public.

Political consultants play a very influential role in our system. They run candidates' campaigns and thus have close relationships with elected officials. The public is entitled to know for whom they are working and whether there are any conflicts of interest in that work.

In addition, it's illegal for political consultants to lobby their clients. That makes sense since a consultant who runs a politician's campaign may have disproportionate influence on him or her when it comes time to make policy decisions. Prop F, by increasing disclosure, helps enforce this lobbying prohibition.

Prop F also recognizes that there's a big difference between the large political consulting firms and small grassroots consultants. Prop F raises the threshold for reporting to \$5,000 in annual income instead of \$1,000. This change will ensure that small, grassroots consultants are less burdened by reporting requirements.

Vote yes on full disclosure – yes on F!

Supervisor Scott Wiener
Supervisor David Chiu
Supervisor David Campos
Supervisor Mark Farrell
Supervisor Malia Cohen
Supervisor Sean Elsbernd
*Supervisor Carmen Chu**
Supervisor Jane Kim

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

Rebuttal to Proponent's Argument in Favor of Proposition F

PROPOSITION F HAS PROBLEMS:

Supervisor Wiener's Proposition F would let the heavily political San Francisco Ethics Commission change its own rules.

Unlike other California ethics commissions, San Francisco doesn't require union representatives (like people who helped write Proposition C) to register as lobbyists.

The Ethics Commission, per 8/16/11 *Chronicle*, doesn't trouble those with political influence:

The article "**U.S. ATTORNEY PROBES 'RUN, ED, RUN' GROUP**" tells how San Francisco Democratic Party Chairman Aaron Peskin and retired Judge Quentin Kopp tried to get investigations of the finances and activities of Willie Brown and Rose Pack's organization "Progress For All" ("PFA"), seeking to draft Ed Lee for Mayor.

Democrat Peskin asked the Ethic Commission to investigate PFA and whether it "was coordinating its activities with Lee in violation of election law."

The Ethics Commission killed the inquiry.

Meanwhile:

"Kopp requested a [Federal and local] criminal inquiry after **The Chronicle** reported that Rose Pack, a Lee confidante and fundraiser...had solicited help for [PFA]... from Recology, the city's garbage-collection contractor, which at the time had a \$112 million contract to ship waste to a landfill in Yuba County pending before the Board of Supervisors.

... As city administrator, Lee was one of three people evaluating bids [earlier] in July 2009 when he gave Recology a substantially higher score than the other two panelists."

Vote **AGAINST** Proposition F.

Dr. Terence Faulkner, J.D.
*Past Member of President of United States' Federal Executive Awards Committee (1988)**

John Michael Russom
*Parkmerced Resident**

Patrick C. Fitzgerald
Past Secretary
*San Francisco Democratic Party**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

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Opponent’s Argument Against Proposition F

THE WHOLE “CAMPAIGN CONSULTANTS’ REPORTING REQUIREMENTS” ORDINANCE (A UNIQUE SAN FRANCISCO PROGRAM) IS BAD LAW:

Given that political candidates already report the sources of their campaign contributions, San Francisco’s unneeded “*Campaign Consultants’ Reporting Requirements*” law (a unique and silly San Francisco program) should be abolished. It is just **BAD LAW**.

This San Francisco Ethics Commission program charges **fees** (of course) and is a good way to encourage **out-of-town** campaign people: “*to stay out of the San Francisco political swamp.*”

The program chills United States Constitutional First Amendment-protected free speech, while serving as a restraint of trade against non-San Francisco political consultants. The project helps second rate local campaign managers to fend away more qualified **out-of-town** talent: “*Let’s keep new ideas out.*”

BAD “REFORMS”:

The particular outrageous “*reforms*” called for in this misguided Proposition F ballot measure would change the “*Campaign Consultants’ Reporting Requirements*” to make them **worse** and **more costly**.

Monthly electronic reports are demanded in this revision, being substituted for the current paper reports required every 3 months. The **fees** (of course) are also changed.

The Ethics Commission loves **fees**. They have few “*ethics*” about grabbing money.

MORE PROBLEMS:

This Proposition F revision would, needless to say, require lots of extra lawyers’ **fees**, too. Still more money will change hands.

Proposition F would further limit, a bit, the number of candidates running against incumbents. The more complex the rules, the fewer the people who will step up and try for office. This is **good**...if you are a not very well qualified incumbent.

Vote **AGAINST** unneeded and outrageous Proposition F. Proposition F is **BAD LAW**.

Dr. Terence Faulkner, J.D.

*Past Member of State of California’s Certified Farmers Market Advisory Board**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

Rebuttal to Opponent’s Argument Against Proposition F

Prop F strengthens the Political Consultant Ordinance.

Passed by the voters in the 1990s, this ordinance has been a critical component of open government in San Francisco -- ensuring that we know who political consultants are working for and that they are not also campaigning for public officials they are lobbying on behalf of private clients.

Disclosure is a good thing; and Prop F strengthens the ordinance’s disclosure requirements, by requiring more frequent reporting and instant electronic filing of disclosure reports. Prop F also recognizes that smaller grassroots consultants, making very little money, should not be subject to the same stringent reporting requirements as larger consultants. And it does all of this at no additional cost to taxpayers.

Prop F brings the Political Consultant Ordinance into conformity with the Lobbyist Ordinance and the Public Financing Ordinance, both in terms of disclosure as well as how these ordinances are amended and updated.

Prop F is a common-sense update to the Political Consultant Ordinance that enhances disclosure and transparency in government. That’s why it’s been endorsed by San Francisco’s good-government organization—the San Francisco Planning + Urban Research Association (SPUR, www.spur.org).

Vote Yes on F!

Supervisor Scott Wiener

Supervisor David Chiu

Supervisor Sean Elsbernd

Supervisor Carmen Chu

Supervisor Malia Cohen

Supervisor Mark Farrell

Supervisor Jane Kim

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No Paid Arguments IN FAVOR of Proposition F Were Submitted

Paid Argument AGAINST Proposition F

Vote No on Proposition F.

As a Supervisor, I wrote our city's law requiring campaign consultants to register and disclose their activities in order to safeguard the public against influence peddling and "pay-to-play" politics. The Board of Supervisors passed the law in 1996 but it was vetoed by the Mayor. We passed it again in 1997 and the Mayor vetoed it again.

I put it on the ballot in 1997 because City Hall listened to their consultants and not the public.

The consultants spent \$100,000 to convince voters to defeat it. Instead voters passed it by 61%.

Proposition F is a masquerade pretending to update technical parts of the law but it **authorizes the Ethics Commission to make changes without voter approval.**

Proposition F doesn't improve the Ethics Commission's enforcement of our ethics laws. Instead it opens the door to mischief from an Ethics Commission that the Civil Grand Jury calls a "Sleeping Watchdog"

Tom Ammiano
*Assemblymember**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Tom Ammiano for Assembly.

The three largest contributors to the true source recipient committee: 1. Esther Marks, 2. Dick Grosboll, 3. Jane Morrison.

Paid Argument AGAINST Proposition F

SF Democratic Party Urge NO on Proposition F

The SF Democratic Party opposes Proposition F because it will take away voters' rights.

In 1997 voters passed the law to regulate political consultants because the politicians in City Hall refused to enact a law for honesty in political campaigns. Prop. F now would allow politicians to change and even weaken the law voters passed to force campaign consultants to operate in the open.

Proposition F is a trick on the voters: it is not about ethics reform. Instead it gives elected officials the right to change ethics laws.

Preserve voters' rights and ethics in government. VOTE NO on Prop F.

San Francisco Democratic Party

The true source(s) of funds for the printing fee of this argument: San Francisco Democratic Party.

The three largest contributors to the true source recipient committee: 1. Stand Up for San Francisco, 2. FC Facilitator LLC, 3. Walter Wong.

Paid Argument AGAINST Proposition F

Former Mayor Art Agnos Urges No on Proposition F

As a member of the Assembly and Mayor of San Francisco, I often saw the huge influence political consultants could have on politicians whose campaigns they ran at election time.

That was why I strongly supported then-Supervisor Tom Ammiano's measure to require political campaign consultants to register and tell the public about their clients and City Hall business.

It was an important, first-ever strong ethics law. Unfortunately, the Ethics Commission has been a deep disappointment in its failure to use the law to protect San Franciscans from influence that puts lobby clients ahead of the public good.

This ballot measure does not fix any problem. Instead it creates new problems.

The way it is now only the voters of San Francisco who created the law can change it.

If this measure passes, the Ethics Commission and City Hall can rewrite this law to suit themselves. They will never again have to ask the voters to approve the changes they make.

Do not give up your rights as citizens of San Francisco to write the rules for political consultants. Please join me in Voting No on Prop F.

*Art Agnos, Former Mayor**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Art Agnos.

Paid Argument AGAINST Proposition F

We have seen first-hand how a well-intended regulatory process can end up not working as intended by the

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public. While some officials may want a quick way to make changes to the Campaign Consultant Ordinance, we are opposed to any attempt by regulators to take public oversight of a law away from the People.

Send Measure F back to the drawing board. Vote No. This argument is supported by two additional former Ethics employees who were not able to sign, Kevin De Liban (2003-2004) and Demarie Dizon (2007-2009).

*Oliver Luby, Ethics Commission employee, 2001 & 2002-2010**

*Christian Narvaez, Ethics Commission employee, 2009**

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The true source(s) of funds for the printing fee of this argument: Friends of Ethics, Committee to Oppose Measures E & F.

The three largest contributors to the true source recipient committee: 1. Larry Bush, 2. Paul Melbostad, 3. Bob Dockendorff.

Paid Argument AGAINST Proposition F

San Francisco's Neighborhoods OPPOSE Prop F!

This measure contains an insidious provision that allows politicians to change this law without asking us, the voters. It allows elected officials and a weak Ethics Commission to change any part of the law **without asking voters to agree**.

Politicians should **not** be in charge of laws that regulate their own campaign managers. *What a terrible idea!*

Prop F undermines true ethics reform and public accountability.

It gives politicians the right to open new loopholes in the law that affects their own positions.

Vote NO on Prop F!

Coalition for San Francisco Neighborhoods
Established 1973.
46 neighborhood organizations.

The true source(s) of funds for the printing fee of this argument: Coalition for San Francisco Neighborhoods.

Paid Argument AGAINST Proposition F

Five Former Ethics Commissioners Urge NO on Prop F

Each of us served as an Ethics Commissioner.

We have 19 years of experience as Commissioners, noted below.

The Ethics Commission can't be trusted to protect against special interests. The Civil Grand Jury called it a "Sleeping Watchdog." The Commission admits it never held a hearing in 14 years on any campaign consultant or lobbyist. It has turned away 18 Sunshine Task Force findings without action. It has never held a hearing on pay-to-play politics and has rejected every complaint it received regarding political contributions from City contractors. And the Commission thinks that approach is acceptable. Elected officials like those on the Board of Supervisors can't be in charge of campaign consultants: they work closely with consultants who run their campaigns. *Only the voters should be trusted to determine the rules by which consultants can play.*

Do you want to give up your voting rights? Supporting this proposition means that you will "allow the City to change **any** of the campaign consultant ordinance's requirements without further voter approval." Vote NO and protect your voting rights!

Each of us has seen how campaign consultants and their special interest clients convince the Ethics Commission to accept what will benefit them. SF needs a strong watchdog to protect against special interests that put the public interest last – and we don't have that. This proposal does not make the law better. Instead, it gives authority to a Commission with a history of weakening the City's ethics laws and failing to enforce them.

Don't give up your voting authority to control campaign consultants and track the money in politics. Vote NO on Prop F.

Joe Julian, 1996-1997
Bob Dockendorff, 1996-2000
Paul Melbostad, 1996-2003
Bob Planthold, 2002-2004
Eileen Hansen, 2005-2011

The true source(s) of funds for the printing fee of this argument: Friends of Ethics, Committee to Oppose Measures E & F.

The three largest contributors to the true source recipient committee: 1. Bob Dockendorff, 2. Paul Melbostad, 3. Larry Bush.

Paid Argument AGAINST Proposition F

Vote NO on Proposition F

There is a reason voters had to pass the law regulating campaign consultants. It's because politicians didn't want a law that affected their campaign managers.

Now some politicians put in a sneaky provision to allow politicians to change this law without asking us,

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the voters. This measure allows elected officials and a weak Ethics Commission to change any part of the law without asking voters to agree.

Politicians should not be in charge of laws that regulate their campaign managers. What a terrible idea! Proposition F undermines true ethics reform and public accountability. It gives politicians the right to open new loopholes in the law that affects themselves.

Stand for accountability and join us in opposing Prop F!

Friends of Ethics

San Francisco Arts Democratic Club

San Francisco Tomorrow

SEIU 1021

Senior Action Network

Tommi Avicelli-Mecca

Tab Buckner

Bill Fazio, Member, SF Democratic County

Central Committee

Michael Goldstein, Member, SF Democratic

County Central Committee

Hope Johnson, Chair, SF Sunshine Ordinance

*Task Force**

Tony Kelly, President, Potrero Boosters Neighborhood

*Association**

Carolyn Knee

Richard Knee, Member, SF Sunshine Ordinance

*Task Force**

Rafael Mandelman, Former President, Harvey Milk

*LGBT Democratic Club**

Esther Marks

Quintin Mecke

Giuliana Milanese

Robert Planthold, Former Foreman Pro Tem, Civil

Grand Jury;*

Cynthia Servetnick, Director, Save the Laguna Street

*Campus**

Sara Shortt, Executive Director, Housing Rights

*Committee of San Francisco**

David Waggoner

Debra Walker, Member, SF Democratic County Central

*Committee**

Bruce M. Wolfe, MSW, Vice-Chair, SF Sunshine

*Ordinance Task Force**

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The true source(s) of funds for the printing fee of this argument: Friends of Ethics, Committee to Oppose Measures E & F.

The three largest contributors to the true source recipient committee: 1. Bob Dockendorff, 2. Paul Melbostad, 3. Larry Bush.

Paid Argument AGAINST Proposition F

Elected Officials Urge No on Proposition F

As elected officials, we believe that the voters, not politicians, should set rules on campaign consultants. We supported asking voters to approve technical changes in an old law, but it's now clear that this proposition does much more than that. It removes the final say from the voters and turns it over to the Ethics Commission and the Board of Supervisors, despite the inherent conflict in politicians deciding what to tell voters about our own contracts with consultants. Proposition F gives the Ethics Commission and the Board authority to change **any** of the information the public is told.

We are concerned that the Ethics Commission's record in protecting the public's interest is not what it should be. It has never held a hearing in 14 years on consultant or lobbyist violations. It has rejected every complaint on City contractors making contributions to the campaigns of officials who approve their contracts, despite the law that bans pay-to-play deals. We want the voters to keep control.

This measure should be defeated. Instead of creating loopholes and watering down the campaign consultant ordinance, any changes that might be needed should strengthen the ordinance and reflect our values of open government and accountability.

Please join us in opposing Proposition F.

*Jeff Adachi, Public Defender**

John Avalos, Supervisor

Tony Hall, Former Supervisor

Eric Mar, Supervisor

*Kim-Shree Maufas, School Board Member**

Ross Mirkarimi, Supervisor

Aaron Peskin, Chair, SF Democratic Party

John Rizzo, Community College Board President

Leland Yee, Senator

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The true source(s) of funds for the printing fee of this argument: Friends of Ethics, Committee to Oppose Measures E & F.

The three largest contributors to the true source recipient committee: 1. Bob Dockendorff, 2. Paul Melbostad, 3. Larry Bush.

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G

Sales Tax

Shall the City increase its local sales tax by 0.50% for up to 10 years to fund public safety programs and programs for children and seniors, unless the State increases its sales tax by either 1.0% before November 30, 2011 or 0.75% before January 1, 2016?

YES ←  
NO ←  

Digest by the Ballot Simplification Committee

The Way It Is Now: Prior to July 1, 2011, San Francisco had a sales tax rate of 9.5%. On July 1, 2011, this rate decreased by 1.0% when the State allowed a portion of its sales tax to expire.

San Francisco now has an 8.5% sales tax with two main parts:

- 7.25% in State taxes, of which the City receives about 1.0%; and
- 1.25% in special district taxes that fund the Bay Area Rapid Transit District (BART), the San Francisco Unified School District, the San Francisco Community College District, and the San Francisco County Transportation Authority.

State law allows the City to increase its local sales tax up to an additional 0.75%, with voter approval.

The Proposal: Proposition G would increase the sales tax rate in San Francisco by 0.50% (one-half of one percent), for a total tax of 9.0%. The City would use half of the funds from the tax increase to pay for public safety programs and the other half for programs for children and seniors. The Board of Supervisors may change this distribution of funds with a two-thirds vote, but it could not use these funds for any other purposes.

If the voters approve Proposition G, the City would start collecting this additional local sales tax on April 1, 2012.

The new local sales tax would apply for 10 years unless the State sales tax is changed in the following ways:

- if the State increases its sales tax by 1.0% before November 30, 2011, then the additional 0.50% local sales tax would not go into effect and the City would not collect it;
- if, before January 1, 2016, the State increases its sales tax by 0.75% or more, then the City would stop collecting the additional 0.50% local sales tax; and
- if, after January 1, 2016, the State increases its sales tax by 0.75% or more, Proposition G would require the Board of Supervisors to hold a public hearing on whether the City should continue to collect the additional 0.50% local sales tax.

This measure requires approval by two-thirds of the votes cast.

A “YES” Vote Means: If you vote “yes,” you want the City to increase its local sales tax by 0.50% (one-half of one percent) for up to 10 years to fund public safety programs and programs for children and seniors, unless the State increases its sales tax in one of the ways specified above.

A “NO” Vote Means: If you vote “no,” you do not want to make these changes.

Controller’s Statement on “G”

City Controller Ben Rosenfield has issued the following statement on the fiscal impact of Proposition G:

Should this ordinance be approved, in my opinion, it would result in an annual tax revenue increase to the City of an estimated \$15 million in fiscal year 2011-2012, during which it would be effective for one fiscal quarter.

Beginning in fiscal year 2012-2013 the tax rate would be effective for the entire year and the measure would result in an estimated \$60 million in annual tax revenue. Annual sales tax revenues are projected to grow after 2012 subject to economic conditions. The funds would be used for public safety, children’s and senior programs.

The measure would amend the City’s Business Tax and Regulations Code to increase the local sales tax rate by 0.5% (one-half of one percent), to a total rate of 9.0%, as of April 2012, for a period of ten years. In effect, the City tax rate would replace half of the one percent reduction in the State sales tax rate that expired in July 1, 2011. The measure further requires that if the State reinstates a sales tax of 0.75% or more before January 1, 2016, the City would stop collecting this 0.5% amount, and would hold a public hearing on the issue if the State reinstates a sales tax after that date.

How “G” Got on the Ballot

On August 2, 2011, the Board of Supervisors voted 11 to 0 to place Proposition G on the ballot. The Supervisors voted as follows:

Yes: Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi, Wiener.

No: None.

This measure requires 66²/₃% affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 183. Some of the words used in the ballot digest are explained on page 36.



Proponent's Argument in Favor of Proposition G

Your support of Proposition G will allow San Francisco to locally control funding of its vital public safety and social services such as:

- Community Policing
- Fire and Emergency Services
- Police training
- In Home Support Services for Seniors
- Health Care for Working Families and seniors

Prior to July 1, 2011, San Francisco had a sales tax rate of 9.5%. Despite Governor Jerry Brown's efforts, the State legislature allowed a portion of its sales tax to expire, decreasing the amount of funds available for public safety and services for our most vulnerable.

Proposition G would restore half of this tax cut for a total tax of 9%. San Franciscans will still have a reduced sales tax rate, but funding will be restored to protect our young and aging residents.

Proposition G would ensure that our cops and firefighters can protect our neighborhoods in the event of an earthquake or other natural disaster.

There is no time more crucial than now to preserve our vital public safety and social services which directly benefit San Francisco seniors and working families.

San Francisco has the highest percentage of seniors in an urban area in the State. By 2025, 1 in 5 San Franciscans will be older than 65. The number of people older than 85 will also have doubled. Proposition G will ensure that our seniors do not lose the care they need.

With a State in fiscal crisis, we don't need to put the lives of our children and elderly in the hands of politicians in Sacramento. San Franciscans have an opportunity to make a choice about how their tax dollars are spent and serve those who are most in need by voting for Proposition G.

Renita Abram, In Home Supportive Services Care Provider

Neal Cavellini, San Francisco Firefighter

Michael Evans, San Francisco Police Officer

Rebuttal to Proponent's Argument in Favor of Proposition G

VOTE NO ON PROPOSITION G.

Don't be fooled by the city employees and the city funded non-profit proponents of Proposition G who want you to believe that the sky will fall if San Francisco does not raise its sales tax. They would have you believe that the City will not be able to pay for basic city services if the voters do not pass this regressive tax to be paid for by San Francisco's already struggling families, small businesses, and consumers. San Francisco's 2007-2008 budget was \$5.89 billion. It has increased to \$6.83 billion for 2011-2012, larger than most states' budgets.

San Francisco could live within its means if it would prioritize spending responsibly, use zero-based budgeting, and not accede to the demands of boisterous small groups of "community activists."

VOTE NO ON PROPOSITION G.

San Francisco Republican Party

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Opponent's Argument Against Proposition G

VOTE NO ON PROPOSITION G

A time of high unemployment with many San Francisco families struggling to make ends meet is not the time to increase taxes. The city already has a \$6.8 billion budget, more than \$11,000 per resident, which should be more than enough to cover the cost of local government.

We already have more than 26,000 city employees. This measure is almost certain to result in an even more bloated city payroll, thereby increasing our unfunded pension liability.

History has shown that more money does not lead to better services, but rather to greater waste. With all the money that they already have, city officials routinely come to us asking for bond money to pay for basic services like road repaving that should be covered by the General Fund.

The projected \$60 million in annual revenue from this regressive tax will not alleviate the city's chronic budget problems. It's time that our elected officials learn to live within our means.

Vote NO on Proposition G.

San Francisco Republican Party

Rebuttal to Opponent's Argument Against Proposition G

San Franciscans deserve facts, not rhetorical generalizations--

Proposition G will fund public safety services, and protect San Franciscans in the event of a natural disaster.

Our cops and firefighters need equipment that works so that they can do their jobs. In the event of an earthquake, we need to know that our first responders will have what they need to protect us.

Proposition G will restore monies lost because of our State's fiscal crisis, and put San Franciscans in control of their public safety and social services.

In a time of drastic State and Federal budget cuts, we can't siphon off care for our most vulnerable. This time of high unemployment requires us to ensure that our social programs are able to support those who need them.

Proposition G will fund health care, meals, and in home care for seniors. Seniors deserve the opportunity to live independently in our communities instead of in more costly institutional care.

Proposition G will support programs that help children. Children who are victims of abuse, homeless, or neglected would directly benefit from the programs supported by Proposition G. Children who receive the services they need early on have a better shot at success in life.

Proposition G will keep every neighborhood in San Francisco safe, and support residents who need it most. Preserving our social safety net and protecting public safety are the most important things we can do during this crucial time.

Vote YES on Proposition G.

San Francisco Democratic Party

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Paid Argument IN FAVOR of Proposition G

PRESERVE CITY SERVICES - VOTE YES ON G

The State budget crisis is having a drastic impact on city services. Rather than maintaining the sales tax rate, the Legislature allowed a 1% surcharge to expire, at the same time transferring programs to local governments.

Proposition G will allow the City to re-impose one-half of the former sales tax rate to pay for public safety and health and human services. This temporary half cent sales tax will expire in 10 years, or earlier if the state re-imposes a higher sales tax.

Your Yes vote on G will save vital services.

San Francisco Chamber of Commerce

The true source(s) of funds for the printing fee of this argument: San Francisco Chamber of Commerce.

End of Paid Arguments IN FAVOR of Proposition G

Paid Argument AGAINST Proposition G

Vote NO on G the sales tax increase which Mayor Lee and the Board of Supervisors placed on the ballot.

What have our city officials done to inspire confidence in how they spend taxpayer money? Here are a few examples.

Voters approved a \$106,000,000 bond measure in 2000 to rebuild 19 libraries, but the construction was so poorly mismanaged and there were such huge cost overruns and long delays that 5 of the projects had to be abandoned. In 2007 the voters were asked to authorize another \$50,000,000 to finish the job they had already paid for in 2000.

San Francisco Transportation Agency spent \$100,000 for services from a public relations firm even though it already has a press office.

City employees are routinely given “bonus pay” for obtaining basic certifications that are required for their jobs.

City officials spent \$29,000 for a poll to see if voters would approve a bond measure for street repairs (Measure B).

Please do not give our city officials any more money to waste. Vote no on G.

Libertarian Party of San Francisco

The true source(s) of funds for the printing fee of this argument: Libertarian Party of San Francisco.

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H

School District Student Assignment

Shall it be City policy to encourage the San Francisco Unified School District to change its student assignment system so that it places the highest priority on assigning each student to the school closest to home, after placing siblings in the same school?

YES  
NO  

Digest by the Ballot Simplification Committee

The Way It Is Now: The San Francisco Unified School District (School District) has established an assignment system for its students.

Parents may apply for their children to attend any school in the School District. If a school does not have space for all applicants, the School District admits students based on certain priorities.

For elementary schools, the School District considers, in order of priority, whether:

- older siblings attend the same school,
- the student lives in the school’s attendance area and attends a School District pre-kindergarten school in the area,
- the student lives in an area of the City where students have the lowest average test scores, and
- the student lives in the school’s attendance area.

For middle school assignments, parents may apply for their children to attend any school in the School District. If a school does not have space for all applicants, the School District admits students based on certain priorities.

For the 2012–2013 through 2016–2017 school years, the School District has adopted a policy that considers, in order of priority, whether:

- older siblings attend the same school,
- the student’s elementary school is a designated feeder school for the middle school, and
- the student lives in an area of the City where students have the lowest average test scores.

For the 2017–2018 and following school years, the School District has adopted a policy that assigns students from each elementary school to a designated middle school. If parents prefer a different middle school, they may request one. For such requests, the School District will consider, in order of priority, whether:

- older siblings attend the same school, and
- the student lives in an area of the City where students have the lowest average test scores.

For high schools, the School District does not make any initial assignments. Parents may apply for their children to attend any school, and the School District considers, in order of priority, whether:

- older siblings attend the same school, and
- the student lives in an area of the City where students have the lowest average test scores.

Parents may apply for their children to attend schools with language immersion or other special programs. In some cases, the School District imposes additional eligibility requirements for those programs.

The School District is not a City agency and is governed by an independent Board of Education.

The Proposal: Proposition H would make it City policy to encourage the School District to ensure that:

- all students have the opportunity to attend a quality neighborhood school;
- after assigning siblings to the same school, the highest priority should be to assign each student to the school closest to home; and
- the School District should provide students with the opportunity to attend schools with language immersion or other special programs, even if those schools are not close to their homes.

A “YES” Vote Means: If you vote “yes,” you want to make it City policy to encourage the School District to give the highest priority to assigning each student to the school closest to home, after placing siblings in the same school.

A “NO” Vote Means: If you vote “no,” you do not want to adopt this as City policy.

This measure requires 50%+1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 186. Some of the words used in the ballot digest are explained on page 36.

Controller’s Statement on “H”

City Controller Ben Rosenfield has issued the following statement on the fiscal impact of Proposition H:

Should the proposed declaration of policy be approved by the voters, in my opinion, it would not affect the cost of government.

How “H” Got on the Ballot

On November 18, 2010, the Department of Elections certified that the initiative petition calling for Proposition H to be placed on the ballot had a sufficient number of valid signatures to qualify the measure for the ballot.

7,168 signatures were required to place an initiative declaration of policy on the ballot. This number is equal to 5% of the total number of people who voted for Mayor in 2007. A random check of the signatures submitted by the proponents of the initiative petition prior to the July 11, 2011, submission deadline showed that the total number of valid signatures was greater than the number required.

This measure requires 50%+1 affirmative votes to pass.

Arguments for and against this measure immediately follow. The full text begins on page 186.
Some of the words used in the ballot digest are explained on page 36.



Proponent's Argument in Favor of Proposition H

Student Assignment System –Proposition H

YES ON PROP H! Last year, a group of concerned parents joined to advocate for their children in the ongoing debate over the San Francisco Unified School District's Student Assignment System (SAS).

San Francisco loses many frustrated families every year. This is due largely to the current SAS policies, which do not favor – and in most cases do not even consider – neighborhood proximity when offering seats at overcrowded schools.

Imagine living only blocks away from your neighborhood school, and being told your child must attend a school, far from home. Not only does this not make practical sense, it also costs taxpayers more money, causes unnecessary traffic, takes away from family and study time, imposes undue financial and logistical burden for parents (especially with children attending different schools), and makes parent involvement difficult.

In the latest version of the SAS, preference is given to families living in census tracts whose students typically score lowest. At face value, this seems like good social justice. But in practice, it's open to fraud; and it sends the message that the schools in those neighborhoods can never be made worth attending.

Passing Prop H will tell the School District and Board that voters want a student assignment system based on quality neighborhood schools for all; that it's time to bring quality neighborhood schools to all students, rather than telling some students to leave their neighborhood to pursue a quality education. This will enhance the quality of life for all students and residents of San Francisco by reducing travel time, stress, traffic congestion, pollution, and wasted resources for busing, and will allow parents and community to become more involved with their schools.

VOTE YES ON H!

Chris Miller, Chairman, Students First
(www.sfstudentsfirst.org)

Tami Aviles (Gin) & Carol Endo- parent drafters

Rebuttal to Proponent's Argument in Favor of Proposition H

Proposition H is strongly opposed by every school board member, the local teachers and the advocates for San Francisco public schools. **DON'T BE FOOLED** by the small group of proponents. Proposition H is a costly boondoggle masquerading as public policy. If the School District were to implement these ill-conceived ideas, students would be uprooted and their education put on hold. Countless hours of district staff time would be diverted from curriculum to reorganizing the school boundaries. No one benefits from that brand of chaos.

Where were the Prop H proponents during hundreds of hours of meetings and neighborhood discussions on this topic? Where were the Prop H proponents when the district unanimously adopted a local school and parental choice program to benefit **ALL FAMILIES** whether they want to attend a neighborhood school or a school of choice?

At a time when revenues for schools are being cut at the state level, the authors of Prop H want us to spend time and money to do what we already accomplished **LAST YEAR!**

Join with the teachers, student support professionals, administrators, school board members, state assembly members, LGBT community leaders, school advocates and parents and say **NO** to Proposition H.

United Educators of San Francisco

Dennis Kelly, President, United Educators of San Francisco

*Linda Plack Vice-President UESF**

*Susan Solomon Parent/Teacher**

*Carolyn King Samoa Grandparent/Paraprofessional SFUSD**

*Ken Tray Teacher, SFUSD**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

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Opponent's Argument Against Proposition H

No on Proposition H

Proposition H is another well-intentioned fatally flawed measure. While Prop H claims it will help students, it will cause more harm than good. People closest to the classroom, parents and teachers and school board members, are urging a NO on Prop H because it is **COSTLY, UNNECESSARY and POORLY WRITTEN**.

Shrinking revenues and catastrophic cuts to public education, Prop H would create a new **costly** requirement for our school district. Rather than helping students in the classroom, Proposition H would advise school district officials to dedicate time and resources to create a whole new bureaucracy to administer student attendance assignments.

Prop H is so **badly written** that it can cause chaos in our schools by mandating the school board create reassignment of students in our district even after they have started the school year! The language in Proposition H takes effect immediately even though the school year has begun. Most of the student population could be forced to change schools in the middle of the semester. Students and parents who have come to know their teachers and family routines could see themselves uprooted and transferred to other school sites.

Proposition H is totally **unnecessary**. Parents already have the right to apply for specialized programs or to choose a school located near their homes. Parents also have the right to appeal to the school board or to address other education issues.

We urge you to **Vote No on H** and stand with teachers, parents and other public school advocates opposed to this costly, unnecessary and poorly written proposal.

*United Educators of San Francisco
Dennis Kelly, President*

Mark Leno

*Hydra Mendoza, Commissioner**

*Norman Yee Commissioner**

*Rachel Norton Commissioner**

*Jill Wynns Commissioner**

*Emily Murase Commissioner**

*Kim-Shree Maufas Commissioner**

*Sandra Fewer Commissioner**

Eric Mar

Jane Kim

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

Rebuttal to Opponent's Argument Against Proposition H

Yes on Prop H.

Proposition H is a necessary **REFORM** to our current flawed Student Assignment System in San Francisco. The placement process is a system that punishes parents, causes unnecessary stress on children and families due to placement in schools across town, increases government spending, increases traffic and carbon footprint due to unnecessary transportation, strips our neighborhoods of a sense of community. It fails to address a crucial responsibility of our current school board and district- **ACADEMIC ACHIEVEMENT** and support of students and families., in every neighborhood.

The opponents of Prop H have claimed that it will be "costly" and "will create chaos"—two **COMPLETELY FRAUDULENT**, factually incorrect statements:

- The controller's statement clearly states that this policy change **costs taxpayers NOTHING**. In addition, family car trips and demand on public transportation will decrease significantly, as well as the volume of student assignment appeals.

- When Prop H is passed, the placement process will have been entirely completed for this school year, and the soonest it could take effect is next year. There will be **NO students transferring or "switching" schools when this policy change passes**, it only affects future applicants.

Many families today have little opportunity to attend schools near their home. Unless a school has language immersion or other special programs, neighborhood proximity should count highest after sibling placement!

Let's send a message to the school board and district that students have a right to attend schools near their home. Vote Yes on Prop H!

Students First

Arguments are the opinions of the authors and have not been checked for accuracy by any official agency. Arguments are printed as submitted. Spelling and grammatical errors have not been corrected.



Paid Argument IN FAVOR of Proposition H

KEEP FAMILIES IN SAN FRANCISCO - VOTE YES ON H

Send a clear message to our city leaders that the School District must provide every family with the choice to send their children to a quality neighborhood school.

A clear school assignment system is a necessary step to keeping families in the City. Vote Yes on Proposition H; Neighborhood Schools for All!

San Francisco Chamber of Commerce

The true source(s) of funds for the printing fee of this argument: San Francisco Chamber of Commerce.

Paid Argument IN FAVOR of Proposition H

Lack of certainty that one's child can attend their neighborhood public school, should the child's parents so desire, is a major factor in the flight of families from San Francisco. As a result, San Francisco has by far the lowest percentage of children under age 18 of any county in California. Prop H will prioritize a child's nearby, neighborhood school as a top factor in the public school assignment process. Parents wishing to opt out of the neighborhood school can still do so. Academic achievement in individual schools is enhanced by adequate funding, top teachers and a solid curriculum – not by forcing children to spend much of their day in transit between home and school.

Vote YES on Prop H.

*Citizens For A Better San Francisco
Edward Poole
Michael Antonini
Bill Campbell*

The true source(s) of funds for the printing fee of this argument: Citizens for a Better San Francisco.

The three largest contributors to the true source recipient committee: 1. Edward G. Poole, 2. Michael J. Antonini, 3. Bill Campbell.

Paid Argument IN FAVOR of Proposition H

Prop H is a carefully worded and thoughtful initiative, urging the School District to prioritize proximity in making school assignments. Neighborhood schools do many things: reduce our carbon footprint, create neighborhood community, and facilitate parent involvement in schools. Let's reverse the cycle of families "opting out" of San Francisco public schools – by creating more certainty in the school assignment process.

Vote yes on Prop H!

*Plan C San Francisco
www.plancsf.org*

The true source(s) of funds for the printing fee of this argument: Michael Sullivan.

Paid Argument IN FAVOR of Proposition H

We need to focus on improving the quality of schools in all neighborhoods, not waste resources on busing. This measure does not force parents to send their children to a nearby school against their will, but rather allows parents to do so if that is what they choose. Proposition H will stop the flight of families from our City.

Vote YES on Proposition H.

*San Francisco Republican Party
www.sfgop.org*

*Executive Committee
Harmeet K. Dhillon, Chairman*
Laura Peter, Secretary
Richard Worner, Treasurer
James Fuller, VC Finance
Sarah Vallette, VC Political Affairs
Alisa Farenzena, VC Volunteer Activities*

*Members
Michael Antonini
Rudy Asercion
Bill Campbell
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Howard Epstein
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David Kiachko
Stephanie Jeong
Chris Miller
Rita O'Hara
Jay Rubin
Dana Walsh*

*Ex Officio
Alfonso Faustino*

*Alternates
Christopher L. Bowman*

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: San Francisco Republican Party.

The three largest contributors to the true source recipient committee: 1. Charles Munger, 2. Harmeet Dhillon, 3. Bill Campbell.

Arguments are the opinions of the authors and have not been checked for accuracy by any official agency. Arguments are printed as submitted. Spelling and grammatical errors have not been corrected.

Paid Argument IN FAVOR of Proposition H

I support Measure H, because as a father of seven, I know parents need to be empowered so we can start enforcing strong standards and basics in education.

*Tony Hall, Candidate for Mayor**

*For identification purposes only; author is signing as an individual and not on behalf of an organization.

The true source(s) of funds for the printing fee of this argument: Tony Hall for Mayor 2011.

The three largest contributors to the true source recipient committee: 1. William O’Keeffe, 2. Harry Ming, 3. Dolores Crespi.

No Paid Arguments AGAINST Proposition H Were Submitted

Arguments are the opinions of the authors and have not been checked for accuracy by any official agency. Arguments are printed as submitted. Spelling and grammatical errors have not been corrected.

Proposition A

This full text of the ballot proposition shall be reproduced in any official document required to contain the full statement of the bond proposition.

The specific school facilities projects that the San Francisco Unified School District proposes to finance with proceeds of bonds authorized by this proposition (the “Bond Project List”) are listed in the following pages, which is an integral part of the proposition. The Bond Project List was developed by the Board upon evaluation of, among other factors, safety, class size reduction, and information technology needs. Each listed project may include a share of election and bond issuance costs, program planning and analysis, architectural, engineering, and similar planning costs, construction management, relocation costs, legal costs and other costs ordinarily chargeable to capital accounts or otherwise permitted by law, the costs of furnishings and equipping sites contained on the Bond Project List and a customary contingency for unforeseen site acquisition, design, construction and other costs. No bond money will be used for teacher or administrator salaries or any other school operating expenses. The Board of Education may, by a majority approval, replace a facility rather than renovate it if the Director of Facilities finds that it is more economical to do so.

Approval of this proposition does not guarantee that the proposed projects in the San Francisco Unified School District that are the subject of bonds under the proposition will be funded beyond the local revenues generated by the proposition. The San Francisco Unified School District’s proposal for the project or projects may assume the receipt of matching State funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure. If matching State funds become available, they will be used for and applied to projects on the Bond Project List. The Board does not guarantee that the bonds will provide sufficient funds to allow completion of all listed projects.

The Bond Project List describes work that the San Francisco Unified School District may undertake, provided funds are sufficient to complete the work contemplated. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. San Francisco Unified School District commits that no funds obtained through bonds authorized by this measure will be spent except for projects listed on the Bond Project List.

Any Bonds issued pursuant to Section 15100 et. seq. of the Education Code shall have a maturity not exceeding twenty-five (25) years, and any Bonds issued pursuant to Section 53506 et. seq. of the Government Code shall have a maturity of not exceeding forty (40) years, and the Bonds shall bear interest at a rate not exceeding the applicable legal limits.

Pursuant to Section 53410 of the Government Code, upon approval of this proposition and the sale of any bonds approved, the Board shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. The chief fiscal officer of the District shall cause a report to be filed no later than January 1 of each year in which any proceeds of the Bonds remain unexpended, and any year in which proceeds were expended in the previous year stating 1) the amount of bond proceeds collected and expended in the preceding year and 2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year or other appropriate period as the chief fiscal officer shall determine and may be incorporated in the annual budget, any annual financial or performance audit (including the annual audits required by Proposition 39), or any other appropriate routine report to the Board.

All expenditures by the San Francisco School District of funds obtained through bonds authorized by this proposition shall be subject to the review and oversight of a Citizens’ Oversight Committee, which shall

actively review and report on the proper expenditure of taxpayers’ money for the projects on the Bond Project List.

The Citizens’ Oversight Committee shall review annual, independent performance and financial audits of bond fund expenditures and report to the public at least once a year on the results of its activities. The Citizens’ Oversight Committee will have the responsibility to report to the public if any bond funds are being spent in violation of Proposition 39 or in a manner inconsistent with the Bond Project List.

BOND PROJECT LIST

The District anticipates that the following scope of work may be completed with proceeds generated by the proposed bond measure, any available State matching funds, as well as funds from any other source:

- Areas identified as health and safety risks to students, faculty, staff, parents and others will be corrected. This includes repair or replacement of items that are either damaged or have outlived their useful lives, and the remediation of hazardous materials.
- Major building systems will be repaired or replaced, including, but not limited to systems such as electrical (including wiring), heating, domestic water, sewers, building enclosure systems (including, but not limited to roofs, walls, windows and associated structural elements), lighting, floors, ceilings and walls, data processing, clocks and bells, security, fire sprinkler and elevators
- Work required to make the facilities accessible to the disabled
- Site work, including, but not limited to, playgrounds, play structures, fences and gates, fields and bleachers, hardscape and softscape.
- Seismic upgrades, as needed
- All facilities undergoing renovation may, if needed, be painted inside and out.
- Replacement of temporary classroom facilities (i.e., aging modular classrooms) with permanent structures if it is determined to be more practical than repairing the temporary facilities
- Replacement of an existing facility with a new facility if it determined to be more practical than repairing the facility
- Work not specifically listed here, but required by any regulations or agencies having jurisdiction
- Facilities found not to be in compliance with the Education Code, Health and Safety Codes and Building Codes will be brought into compliance.

Facilities that will have this work performed include the following:

Argonne Elementary School	680 18th Avenue
Bret Harte Elementary CDC	950 Hollister Avenue
Cesar Chavez Elementary School	825 Shotwell Street
Daniel Webster Elementary School & CDC	465 Missouri Street
El Dorado Elementary School	70 Delta Street
Enola Maxwell Campus (ISA)	655 De Haro Street



Frank McCoppin Elementary School & CDC	651 6th Avenue
Garfield Elementary School & CDC	420 Filbert Street
George Moscone Elementary School	2576 Harrison Street
George Peabody Elementary School	251 6th Avenue
Gordon J Lau Elementary School	950 Clay Street
Guadalupe Elementary School	859 Prague Street
Ida B Wells High School	1099 Hayes Street
James Lick Middle School	1220 Noe Street
Jean Parker Elementary School & CDC	840 Broadway Street
John Yehall Chin Elementary School	350 Broadway Street
Jose Ortega Elementary School	400 Sargent Street
Junipero Serra Elementary School & CDC	625 Holly Park
Lafayette Elementary School	4545 Anza Street
Las Americas CDC	801 Treat Avenue
Longfellow Elementary School	755 Morse Street
McAteer Campus (School of the Arts)	555 Portola Drive
McKinley Elementary School	1025 14th Street
Miraloma Elementary School	175 Omar Way
Mission Annex Child Development Center	421 Bartlett Street
Monroe Elementary School & CDC	260 Madrid Street
Paul Revere Annex	610 Tompkins Street
Paul Revere Elementary School	555 Tompkins Street
Philip & Sala Burton High School Campus	400 Mansell Street
Presidio Middle School	450 30th Avenue
Redding Elementary School & CDC	1421 Pine Street
Robert Louis Stevenson Elementary School	2051 34th Avenue
Rooftop Elementary School - Nancy Mayeda Campus	500 Corbett Avenue
Roosevelt Middle School	460 Arguello Street
Sarah B. Cooper Child Development Center	940 Filbert Street
Sheridan Elementary School	431 Capitol Avenue
Starr King Elementary School	1215 Carolina Street
Sunnyside Elementary School	250 Foerster Street
Tule Elk Park Child Care Center	2110 Greenwich Street
Visitacion Valley Elementary School	55 Schwerin Street
Visitacion Valley Middle School	450 Raymond Street
Yick Wo Elementary School	2245 Jones Street
George Washington High/Seismic Retrofit	600 32nd Avenue
Lowell High School/Seismic Retrofit	1101 Eucalyptus Drive
Willie L. Brown, Jr. School	2055 Silver Avenue*
Mission Bay School	To be determined**
Former San Miguel Elementary School	300 Seneca Street
Children's Center Administration Building	20 Cook Street
McLaren School	2055 Sunnysdale Avenue

Florence Martin Center	1155 Page Street
Central Office Annex	601 McAllister Street
Student Nutrition Center	841 Ellis Street
District Administration Facility***	135 Van Ness Avenue
1950 Mission Street Site***	1950 Mission Street

*The existing Willie L. Brown School is located at this address. It is the District's intention to demolish all or some portion of the existing school facility and construct, furnish and equip a new school facility on all or some portion of the existing site. It remains to be determined whether the legal address will remain the same.

**The District intends to provide up to \$15 million to acquire, construct, furnish and equip a new school facility in the Mission Bay area for the Mission attendance area.

***Added and approved as an amendment by the Board of Education

GREEN SCHOOL YARDS

The District proposes to use \$5.0 million of bond proceeds to continue its program of incorporating green design opportunities in the outdoor areas of certain District schools and as a way of providing an outdoor learning environment for students as specified. The District will prioritize the use of these funds to the following schools:

Argonne Elementary School	680 18th Avenue
Cesar Chavez Elementary School	950 Hollister Avenue
Daniel Webster Elementary School & CDC	465 Missouri Street
El Dorado Elementary School	70 Delta Street
Frank McCoppin Elementary School & CDC	651 6th Avenue
Garfield Elementary School & CDC	420 Filbert Street
George Moscone Elementary School	2576 Harrison Street
George Peabody Elementary School	251 6th Avenue
Gordon J Lau Elementary School	950 Clay Street
Guadalupe Elementary School	859 Prague Street
Jean Parker Elementary School & CDC	840 Broadway Street
John Yehall Chin Elementary School	350 Broadway Street
Jose Ortega Elementary School	400 Sargent Street
Junipero Serra Elementary School & CDC	625 Holly Park
Lafayette Elementary School	4545 Anza Street
Longfellow Elementary School	755 Morse Street
McKinley Elementary School	1025 14th Street
Miraloma Elementary School	175 Omar Way
Monroe Elementary School & CDC	260 Madrid Street
Paul Revere Annex	610 Tompkins Street
Paul Revere Elementary School	555 Tompkins Street
Redding Elementary School & CDC	1421 Pine Street
Robert Louis Stevenson Elementary School	2051 34th Avenue

Rooftop Elementary School - Nancy Mayeda Campus	500 Corbett Avenue
Sheridan Elementary School	431 Capitol Avenue
Starr King Elementary School	1215 Carolina Street
Sunnyside Elementary School	250 Foerster Street
Visitacion Valley Elementary School	55 Schwerin Street
Yick Wo Elementary School	2245 Jones Street

Lower priority facilities for the use of these funds include:

Bret Harte Elementary CDC	1035 Gilman Street
Enola Maxwell Campus (ISA)	655 De Haro Street
Ida B Wells High School	1099 Hayes Street
James Lick Middle School	1220 Noe Street
Las Americas CDC	801 Treat Street
McAteer Campus (School of the Arts)	555 Portola Drive
Mission Annex Child Development Center	421 Bartlett Street
Philip & Sala Burton High School Campus	400 Mansell Street
Presidio Middle School	450 30th Avenue
Roosevelt Middle School	460 Arguello Street
Sarah B. Cooper Child Development Center	940 Filbert Street
Tule Elk Park Child Care Center	2110 Greenwich Street
Visitacion Valley Middle School	450 Raymond Street
Yick Wo Elementary School	2245 Jones Street
Willie L. Brown, Jr. School	2055 Silver Avenue
Former San Miguel Elementary School	300 Seneca Street
Children's Center Administration Building	20 Cook Street
McLaren School	2055 Sunnysdale Avenue
Florence Martin Center	1155 Page Street

SUSTAINABILITY RESOURCES

The District will set aside up to \$5 million in bond funds and when possible leverage matching grants and funds from other funding sources to implement sustainable materials and products into the 2011 bond schools. These projects will seek to use renewable natural resources and to restore those resources that are being depleted in order to conserve our natural resources

BOND PLANNING, OUTREACH AND COMMUNICATION

The District will set aside \$1.5 million in bond funds to be used for future bond planning as well as outreach and communication with groups affected by the work to be performed in this issue.

Proposition B

Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, November 8, 2011, for the purpose of submitting to the voters a proposition to incur the following bonded debt of the City and County: \$248,000,000 to finance the repaving and reconstruction of roads, the rehabilitation and seismic improvement of street structures, the replacement of sidewalks, the installation and renovation of curb

ramps, the redesign of streetscapes to include pedestrian and bicycle safety improvements, and the construction, rehabilitation and renovation of traffic infrastructure and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants in accordance with Chapter 37 of the San Francisco Administrative Code; finding that the estimated cost of such proposed project is and will be too great to be paid out of the ordinary annual income and revenue of the City and County and will require expenditures greater than the amount allowed therefor by the annual tax levy; reciting the estimated cost of such proposed project; fixing the date of election and the manner of holding such election and the procedure for voting for or against the proposition; fixing the maximum rate of interest on such bonds and providing for the levy and collection of taxes to pay both principal and interest; prescribing notice to be given of such election; finding that the proposed bond is not a project under the California Environmental Quality Act, (CEQA); finding that the proposed bond is in conformity with the priority policies of Planning Code Section 101.1(b) and with the General Plan consistency requirement of Charter Section 4.105 and Administrative Code Section 2A.53; consolidating the special election with the general election; establishing the election precincts, voting places, and officers for the election; waiving the word limitation on ballot propositions imposed by San Francisco Municipal Elections Code Section 510; complying with the restrictions on the use of bond proceeds specified in California Government Code Section 53410; incorporating the provisions of the San Francisco Administrative Code, Sections 5.30 – 5.36; and waiving the time requirements specified in San Francisco Administrative Code Section 2.34.

Note: The Board of Supervisors adopted this ordinance, which submits to San Francisco voters a proposed bond measure, on July 26, 2011.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

A. The Road Repaving and Street Safety Bond (the "Bond") will enhance the safety of pedestrians, people with disabilities, bicyclists, transit-riders and motorists by repaving streets, replacing and/or reconstructing sidewalks, stairways, bridges, tunnels and related street structures, installing curb ramps, and by constructing, rehabilitating and renovating traffic infrastructure, as well as by constructing and installing safety improvements to redesign and modernize street corridors.

B. This Board of Supervisors (this "Board") recognizes the need to enhance safety and accessibility for all users of the City's public rights-of-way and to provide stable and reliable funding for road, traffic, sidewalk and street infrastructure.

C. The Bond is recommended by the City's 10-year capital plan (the "Plan"), which is approved each year by the Mayor of the City and this Board.

D. This Board now wishes to describe the terms of a ballot measure seeking approval for the issuance of general obligation bonds to finance all or a portion of the City's annual road, traffic, sidewalk and street structure construction, reconstruction and renovation needs as described above.

Section 2. A special election is called and ordered to be held in the City on Tuesday, the 8th day of November, 2011, for the purpose of submitting to the electors of the City a proposition to incur bonded indebtedness of the City for the project described in the amount and for the purposes stated:

"ROAD REPAVING AND STREET SAFETY BOND, 2011. \$248,000,000 of bonded indebtedness to fix potholes and repave deteriorating streets in neighborhoods throughout San Francisco, repair and strengthen deteriorating stairways, bridges and overpasses, improve safety for pedestrians and bicyclists, improve disabled access to sidewalks, and construct and renovate traffic infrastructure to improve Municipal Transportation Agency transit reliability and traffic flow on local streets, and to pay related costs necessary or convenient for the



foregoing purposes, subject to independent oversight and regular audits; and authorizing landlords to pass-through to residential tenants in units subject to Chapter 37 of the San Francisco Administrative Code (the “Residential Stabilization and Arbitration Ordinance”) 50% of the increase in the real property taxes attributable to the cost of the repayment of the bonds

The special election called and ordered shall be referred to in this ordinance as the “Bond Special Election.”

Section 3. PROPOSED PROGRAM. To the extent permitted by law, the City shall ensure that contracts funded with the proceeds of bonds are administered in accordance with S.F. Administrative Code 6.22(G), the City’s local hiring policy. The proposed program can be summarized as follows:

A. STREET REPAVING AND RECONSTRUCTION. A portion of the Bond shall be allocated toward the repaving, repair, reconstruction and new construction of City streets and toward the prevention of further deterioration. Selection of the streets for construction work will be prioritized according to the pavement condition score, clearances with utility companies and other city agencies, type and frequency of street use by vehicles, bicycles and transit, complaints, and geographic equity.

B. STREET STRUCTURE REHABILITATION AND SEISMIC IMPROVEMENTS. A portion of the Bond shall be allocated toward providing safe street structures for public use including the rehabilitation and replacement of structures that may include bridges, tunnels, stairways, retaining walls, and viaducts.

C. SIDEWALK ACCESSIBILITY IMPROVEMENTS. A portion of the Bond shall be allocated toward the construction, reconstruction, and renovation of curb ramps and the replacement of buckling sidewalks for the safety and accessibility of residents and people with disabilities as mandated by the American with Disabilities Act. Sidewalk replacement will occur at locations that are the City’s responsibility to maintain, including City, State and Federal properties and facilities, around City maintained street trees, and around other areas maintained by the Department of Public Works.

D. STREETScape, PEDESTRIAN AND BICYCLE IMPROVEMENT AND ENHANCEMENT. A portion of the Bond shall be allocated toward the redesign and modernization of street corridors equitably distributed throughout City neighborhoods by constructing and installing safety improvements.

E. TRAFFIC SIGNAL INFRASTRUCTURE. A portion of the Bond shall be allocated toward the construction, reconstruction and renovation of traffic signal infrastructure necessary to reduce travel time along key Muni transit routes and improve transit service reliability.

F. CITIZEN’S OVERSIGHT COMMITTEE. A portion of the Bond shall be used to perform audits of the Bond, as further described in Section 15.

The proposed uses described in this Section 3 are proposals only and, with the exception of Section 3F above, are subject, without limitation, to review and revision by the Mayor and the Board.

Section 4. BOND ACCOUNTABILITY MEASURES

The Bond shall include the following administrative rules and principles:

A. OVERSIGHT. The proposed bond funds shall be subjected to approval processes and rules described in the San Francisco Charter Administrative Code. Pursuant to S.F. Administrative Code 5.31, the Citizen’s General Obligation Bond Oversight Committee shall conduct an annual review of bond spending, and shall provide an annual report of the bond program to the Mayor and the Board of Supervisors.

B. TRANSPARENCY. The City shall create and maintain a dedicated Web page outlining and describing the bond program, progress, and activity updates. The City shall also hold an annual public hearing and reviews on the bond program and its implementation before the Capital Planning Committee and the Citizen’s General Obligation Bond Oversight Committee.

Section 5. The estimated cost of the bond financed portion of the project described in Section 2 above was fixed by the Board by the following resolution and in the amount specified below:

Resolution No. 248-11, Road Repaving and Street Safety General Obligation Bonds. \$248,000,000.

Such resolution was passed by two-thirds or more of the Board and approved by the Mayor of the City (the “Mayor”). In such resolution it was recited and found by the Board that the sum of money specified is too great to be paid out of the ordinary annual income and revenue of the City in addition to the other annual expenses or other funds derived from taxes levied for those purposes and will require expenditures greater than the amount allowed by the annual tax levy.

The method and manner of payment of the estimated costs described in this ordinance are by the issuance of bonds of the City not exceeding the principal amount specified.

Such estimate of costs as set forth in such resolution is adopted and determined to be the estimated cost of such bond financed improvements and financing, as designed to date.

Section 6. The Bond Special Election shall be held and conducted and the votes received and canvassed, and the returns made and the results ascertained, determined and declared as provided in this ordinance and in all particulars not recited in this ordinance such election shall be held according to the laws of the State of California (the “State”) and the Charter of the City (the “Charter”) and any regulations adopted under State law or the Charter, providing for and governing elections in the City, and the polls for such election shall be and remain open during the time required by such laws and regulations.

Section 7. The Bond Special Election is consolidated with the General Election scheduled to be held in the City on Tuesday, November 8, 2011. The voting precincts, polling places and officers of election for the November 8, 2011 General Election are hereby adopted, established, designated and named, respectively, as the voting precincts, polling places and officers of election for the Bond Special Election called, and reference is made to the notice of election setting forth the voting precincts, polling places and officers of election for the November 8, 2011 General Election by the Director of Elections to be published in the official newspaper of the City on the date required under the laws of the State of California.

Section 8. The ballots to be used at the Bond Special Election shall be the ballots to be used at the November 8, 2011 General Election. The word limit for ballot propositions imposed by San Francisco Municipal Elections Code Section 510 is waived. On the ballots to be used at the Bond Special Election, in addition to any other matter required by law to be printed thereon, shall appear the following as a separate proposition:

“SAN FRANCISCO ROAD REPAVING AND STREET SAFETY BOND, 2011. To fix potholes and repave deteriorating streets in neighborhoods throughout San Francisco, repair and strengthen deteriorating stairways, bridges and overpasses, improve safety for pedestrians and bicyclists, improve disabled access to sidewalks, and construct and renovate traffic infrastructure to improve Municipal Transportation Agency transit reliability and traffic flow on local streets, shall the City and County of San Francisco issue \$248,000,000 in general obligation bonds subject to independent oversight and regular audits?”

Each voter to vote in favor of the issuance of the foregoing bond proposition shall mark the ballot in the location corresponding to a “YES” vote for the proposition, and to vote against the proposition shall mark the ballot in the location corresponding to a “NO” vote for the proposition.

Section 9. If at the Bond Special Election it shall appear that two-thirds of all the voters voting on the proposition voted in favor of and authorized the incurring of bonded indebtedness for the purposes set forth in such proposition, then such proposition shall have been accepted by the electors, and bonds authorized shall be issued upon the order of the Board. Such bonds shall bear interest at a rate not exceeding applicable legal limits.

The votes cast for and against the proposition shall be counted separately and when two-thirds of the qualified electors, voting on the proposition, vote in favor, the proposition shall be deemed adopted.

Section 10. For the purpose of paying the principal and interest on the bonds, the Board shall, at the time of fixing the general tax levy and in the manner for such general tax levy provided, levy and collect annually each year until such bonds are paid, or until there is a sum in

the Treasury of said City, or other account held on behalf of the Treasurer of said City, set apart for that purpose to meet all sums coming due for the principal and interest on the bonds, a tax sufficient to pay the annual interest on such bonds as the same becomes due and also such part of the principal thereof as shall become due before the proceeds of a tax levied at the time for making the next general tax levy can be made available for the payment of such principal.

Section 11. This ordinance shall be published in accordance with any State law requirements, and such publication shall constitute notice of the Bond Special Election and no other notice of the Bond Special Election hereby called need be given.

Section 12. The Board finds and declares for the reasons set forth in the letter from the City Planning Department, dated May 12, 2011, a copy of which is on file with the Clerk of the Board in File No. 110654 and incorporated by reference, that the Bond proposal is not a project under the California Environmental Quality Act (“CEQA”) because as the establishment of a government financing mechanism that does not identify individual specific projects to be constructed with the funds the Bond proposal is not a project as defined by CEQA and CEQA Guidelines. The use of Bond proceeds to finance any project or portion of any project will be subject to approval of the Board upon completion of planning and any further required environmental review under CEQA for those individual projects.

Section 13. The Board finds and declares that the proposed Bond is (i) in conformity with the priority policies of Section 101.1(b) of the City Planning Code, (ii) in accordance with Section 4.105 of the San Francisco Charter and Section 2A.53(f) of the City Administrative Code, and (iii) consistent with the City’s General Plan, and adopts the findings of the City Planning Department, as set forth in the General Plan Referral Report, dated 5/20/11, 2011, a copy of which is on file with the Clerk of the Board in File No. 110654 and incorporates said findings by reference.

Section 14. Under Section 53410 of the California Government Code, the bonds shall be for the specific purpose authorized in this ordinance and the proceeds of such bonds will be applied only for such specific purpose. The City will comply with the requirements of Sections 53410(c) and 53410(d) of the California Government Code.

Section 15. The Bonds are subject to, and incorporate by reference, the applicable provisions of San Francisco Administrative Code Sections 5.30 – 5.36 (the “Citizens’ General Obligation Bond Oversight Committee”). Under Section 5.31 of the Citizens’ General Obligation Bond Oversight Committee, to the extent permitted by law, one-tenth of one percent (0.1%) of the gross proceeds of the Bonds shall be deposited in a fund established by the Controller’s Office and appropriated by the Board of Supervisors at the direction of the Citizens’ General Obligation Bond Oversight Committee to cover the costs of such committee.

Section 16. The time requirements specified in Section 2.34 of the San Francisco Administrative Code are waived.

Section 17. The appropriate officers, employees, representatives and agents of the City are hereby authorized and directed to do everything necessary or desirable to accomplish the calling and holding of the Bond Special Election, and to otherwise carry out the provisions of this ordinance.

Section 18. Documents referenced in this ordinance are on file with the Clerk of the Board of Supervisors in File No. 110654, which is hereby declared to be a part of this ordinance as if set forth fully herein.

Proposition C

A proposal to submit to the qualified voters of the City and County of San Francisco (the “City”) for an election to be held on November 8, 2011, a measure amending provisions in the City’s Charter to: (1) adjust contribution rates for current and future employees to the San Francisco Employees’ Retirement System (“SFERS”) based on the rate employers are required to pay each year; (2) limit SFERS’ supplemental cost of living adjustments to retiree benefits for all employees and retirees; (3) create new retirement plans for employees commencing employment on and after January 7, 2012; (4) require elected officials

to pay their contributions to SFERS and the Retiree Health Care Trust Fund (“RHCTF”); (5) allow certain individuals who are members of the California Public Employees’ Retirement System (“CalPERS”) to become members of SFERS; (6) change the composition of the Health Service Board (“HSB”); (7) change the vote requirement for the HSB to approve member health care plans; (8) require current employees to contribute to the Retiree Health Care Trust Fund beginning in fiscal year 2016-17; (9) restrict certain retiree health care benefits for employees who left City employment, but have not yet retired, to those benefits in place at the time they left employment; (10) reduce employers’ contributions into the Health Service System Trust Fund under certain circumstances; and (11) make certain other changes to retirement and health care benefits, and provisions governing the RHCTF and the Health Service System.

The Board of Supervisors hereby submits to the qualified voters of the City and County of San Francisco for an election to be held on November 8, 2011 amendments to provisions in Appendix A of the City’s Charter relating to retirement and retiree health benefits, to read as follows:

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

Section 1. FINDINGS AND PURPOSE.

(a) **Introduction.** This measure makes comprehensive structural changes to retirement benefits and the retiree health benefits system, in a fair manner, to improve efficiency and reduce costs and preserve the fiscal soundness of these systems. In so doing, this measure assists the City, in partnership with its employees, in financing a package of reasonable retirement and health care benefits for employees and retirees. At the same time, these changes improve the City’s ability to make long range budget and financing plans and to address some of the fiscal challenges it faces.

(b) **Background.** The San Francisco Employees’ Retirement System is funded by a combination of *employee* contributions, *employer* contributions and investment *earnings* from the retirement fund. From the retirement fund, the Retirement System pays retired employees a defined benefit allowance. That allowance is based on age at retirement, the number of years worked and salary.

The San Francisco Health Service System is funded by employer contributions, with employees and retirees paying premiums toward health plans. Subject to Board of Supervisors’ approval, the Health Service Board determines the plans offered and the premiums to be paid by employees and retirees.

Between June 2007 and January 2009, the Dow Jones Industrial Average declined 40%. This historic decline and the subsequent great recession have harmed the City’s budget in two ways. First, it caused the City’s tax and fee revenues to be significantly lower than expected, worsening the City’s deficit. Second, it caused the retirement fund to drop from being fully funded (based on the actuarial value of the assets)-or more than fully funded-to being only partially funded. As a result, to make up the shortfall in the retirement fund, the City has had to increase substantially its employer contributions, further exacerbating the City’s deficit.

(c) **Retirement and Health Benefits Cost.** For a number of years, the City’s employer contribution rate to the Retirement System was 0% because the retirement fund was at least fully funded. Because of the stock market downturn, and the resulting decline in the value of the retirement fund among other factors, the City’s employer contribution rate rose to 18% of payroll in fiscal year 2011-2012 and is projected to approach or exceed 26% of payroll in fiscal year 2014-2015. Meanwhile, the employee contribution rate has remained constant, 7.5% or 9%, depending upon classification.

The City’s contribution for health care costs for employees has risen to 13% of payroll in fiscal year 2010-2011, and is projected to reach 17% of payroll in fiscal year 2020-2021.

The City's contribution for retiree health care costs has risen to 6% of payroll in fiscal year 2010-2011, and is expected to reach up to 13% of payroll in fiscal year 2020-2021. Altogether, these projected increases amount to between \$300 million and \$600 million annually in current dollars.

In accordance with Government Accounting Standards Board guidelines, the City projects the funding needed to pay retiree health care costs for future retirees. In the most recent projection, the City's unfunded actuarial liability for these retiree health costs was approximately \$4.4 billion.

City's Budget Deficits. If current programs and trends continue unchanged, the City's Five-Year Financial Plan for fiscal years 2011-2012 through 2015-2016 identifies shortfalls of revenues versus expenditures of \$458 million in fiscal year 2012-2013, rising to \$829 million in fiscal year 2015-2016.

The City's Five-Year Financial Plan identifies controlling benefit costs as a critical component to balancing the City's budget. This Charter Amendment is consistent with strategies identified in the Plan.

The Amendments.

Although San Francisco employees have voluntarily agreed to wage reductions and other economic concessions on multiple occasions over the past decade, continuing budget deficits require further action. In the face of these continuing projected budget deficits, the Mayor, the Board of Supervisors, City employees and a broad cross-section of civic, business, and other leaders have developed a consensus around amendments to the City's benefit plans in order to further reduce the burden on the City's general fund.

For new employees and (elected or appointed) officials commencing employment or assuming office on and after January 7, 2012, the amendments provide a package of new and less costly retirement benefit. For existing employees and officials, the amendments address the rising costs of the City's retirement obligations by ensuring a higher stream of payments by both employers and employees and officials to support the retirement fund. These payments rise and fall with the financial health of the retirement system, requiring employees to pay more or less than their current contributions as needed. Lower paid employees will pay lesser percentages; safety employees will pay higher percentages based on their higher retirement benefits. Similarly, the amendments ensure that retiree supplemental cost of living adjustments will reflect the financial health of the retirement fund, so that the Retirement System pays them only when the retirement fund is fully funded.

The proposed amendments also address the City's rising costs for the retiree health benefit coverage. For new hires and officials, they tighten eligibility requirements for retiree health care. They also substitute one member of the Health Service Board with an appointment made by the City's Controller, provide an increased stream of payments into the Retiree Health Care Trust Fund by both employers, employees and officials, and allow more flexibility in the plans the Health Service Board offers to employees and retirees.

Section 2. The San Francisco Charter is hereby amended, by amending Sections A8.432, A8.500, A8.510, and A8.526-3 and by adding Section A8.526-4, to read as follows:

SEC. A8.432 RETIREE HEALTH CARE TRUST FUND

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

(a) Employees Who Commenced Employment on or After January 10, 2009

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

Employers' "Normal Cost" as determined by the Employers' respective General Accounting Standards Board (GASB) Actuaries computed as a percentage of compensation not to exceed 2% of pre-tax compensation to the RHCTF. The Employers' GASB actuaries shall determine the Employers' respective "Normal Cost" on an bi-annual basis.

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

(b) Employees Who Commenced Employment on or Before January 9, 2009

Notwithstanding any other provision of Charter Sections A8.409 through A8.409-9 and A8.590-1 through A8.590-9, starting July 1, 2016, all active officers and employees of the City and County and Participating Employers, who commenced employment with the City and County or Participating Employers, on or before January 9, 2009, shall contribute 0.25% of pre-tax compensation into the RHCTF. Starting on July 1 of each subsequent year, all active officers and employees of the City and County and Participating Employers, who commenced employment with the City and County or Participating Employers, on or before January 9, 2009, shall contribute an additional 0.25% of pre-tax compensation up to a maximum of 1%. Notwithstanding the foregoing, the contributions for employees who commenced employment on or before January 9, 2009, shall not exceed each Employer's respective "Normal Cost" as determined by the Employers' respective General Accounting Standards Board (GASB) Actuaries on a bi-annual basis.

Starting July 1, 2016, the Employers shall contribute 0.25% of compensation into the RHCTF for each employee who commenced employment on or before January 9, 2009. Starting on July 1 of each subsequent year, the Employers shall contribute an additional 0.25% of compensation, up to a maximum of 1%, for each employee who commenced employment on or before January 9, 2009.

Once an Employer has no Unfunded Actuarial Accrued Liability and the Retiree Health Trust Fund is Fully Funded, then the Employer and its active officers and employees who commenced employment on or before January 9, 2009, shall instead each contribute 50% of the "Normal Cost" as determined by the Employers' respective GASB actuaries, with the employee's contribution not to exceed 1% of pre-tax compensation, and the 1% Employer contribution shall no longer be required.

(c) Segregation And Use of Retiree Health Care Trust Fund Contributions

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

No disbursements, other than to defray reasonable expenses of administering the RHCTF, may be made from the trust prior to January 1, 2020+5. Commencing January 7, 2020+5 trust assets may be used to defray the cost of the City's, and other Participating Employers', obligations to pay for health coverage for the retired persons and their survivors entitled to health care coverage under Section A8.428. The amount and frequency of such disbursements shall be determined by the Board in consultation with the Employers' respective GASB Actuaries.

(+)(d) Additional Contributions to the Retiree Health Care Trust Fund

As set forth in A8.409-7 and A8.590-8, nothing in this section shall prevent the City and County of San Francisco and a recognized employee organization from agreeing to, or an arbitration panel formed pursuant to A8.409-4 or A8.590-5 from awarding, an adjustment in

employee contributions into the Retiree Health Care Trust Fund that results in contributions greater than the contributions required under A8.432 for any and all City employees. In no event shall the City and County of San Francisco and a recognized employee organization agree to, or an arbitration panel formed pursuant to A8.409-4 or A8.590-5 award any, reduction in contributions below the minimum level of contributions required under A8.432.

(e) Definitions.

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

“**Commenced employment on**” as used in this section, shall refer to the time an employee starts employment with the City and County, or a Participating Employer, for the first time, or the time an employee starts employment with the City and County, or a Participating Employer, on a subsequent occasion after a prior separation from employment with the City and County or any Participating Employer, whichever date is later.

“**Employers**” as used in this section means the City and County and the Participating Employers.

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

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

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

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

“**Normal Cost**” as used in this section, means the Employers’ normal cost under GASB No. 45 as determined by the Employers’ respective GASB Actuaries.

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

“**Participating Employers**” as used in this section and Sections A8.432-1, A8.510 and 12.204, shall include the Superior Court of California, County of San Francisco, San Francisco Unified School District and the San Francisco Community College District, following a resolution by these employers’ respective governing boards to participate in the Retiree Health Care Trust Fund.

(f) Severability

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Charter Sections 12.204 or A8.432, or with any part thereof, shall be superseded by the contents of Charter Sections 12.204 or A8.432. Charter Sections 12.204 or A8.432 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Charter Sections 12.204 or A8.432 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Charter Sections 12.204 or A8.432. If any words, phrases, clauses, sentences, subsections, or provisions of Charter Sections 12.204 or A8.432 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Charter Sections 12.204 or A8.432 which can be given effect. Charter Sections 12.204 or A8.432 shall be broadly construed to achieve their stated purpose.

Notwithstanding Charter Section A8.432~~3~~, 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. A8.500 RETIREMENT SYSTEM FOR OFFICERS AND EMPLOYEES

In order to continue in force provisions already existing for retirement and death benefits for officers and employees of the City and County, the San Francisco City and County Employees’ Retirement System, hereinafter referred to as the Retirement System or the system, is hereby continued. The enactment of Sections ~~12.100 3-670 to 12.103 3-672~~ and Sections ~~A8.500 to A8.581~~, inclusive, of this Charter is not intended to, and shall not in any way, alter or modify the rights, benefits, or obligations of any member or beneficiary of the Retirement System or of the City and County with respect to that system as they exist at the time this Charter becomes effective.

Ordinance provisions already existing with respect to the Retirement System shall continue in force until amended or revoked by the Board of Supervisors as provided in this Section. The Board of Supervisors is hereby empowered to enact, by a vote of three-fourths of its members, any and all ordinances necessary to carry into effect the provisions of Sections ~~12.1003-670 to 12.1033-672~~ and *the Retirement System provisions of the Charter, as set forth in Appendix Sections A8.500 et. seq. through 8-588-15, of this Charter*; provided that the Board of Supervisors shall secure, through the ~~R~~retirement ~~B~~board, an actuarial report of the cost and effect of any proposed change in the benefits under the Retirement System, before enacting an ordinance or before voting to submit any proposed Charter amendment providing for such change.

Subject to the vested rights rule, the Board of Supervisors is further empowered to enact, by a vote of three-fourths of its members, ordinances to conform the provisions of the Retirement System to any changes in the tax laws of the United States to the extent necessary to maintain the qualified tax status of the Retirement System provided that the Board of Supervisors shall first secure, from the ~~R~~retirement ~~B~~board, an actuarial report of the cost and effect of any such change and the recommendation from the ~~R~~retirement ~~B~~board that such an ordinance is necessary.

The Board of Supervisors is further empowered to enact, by a vote of three-fourths of its members, ordinances to allow Internal Revenue Code section 414(h)(2) tax treatment of members’ contributions to the Retirement System provided that the Board of Supervisors shall first secure from the ~~R~~retirement ~~B~~board an actuarial report which certifies that such ordinances will not increase costs, other than administrative costs, for the City and County.

SEC. A8.510 ACTUARIAL TABLES, RATES AND VALUATIONS

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

Notwithstanding the provisions of Section A8.509(h)(5), said actuarial valuation and said investigation into the experience under the system shall be made as determined by the ~~R~~retirement ~~B~~board; provided, however, that said actuarial valuation shall be made not less than

once every two years. All expenses in connection with said actuarial valuation and said investigation into the experience under the system; all expenses incurred by financial audits and accounting systems and procedures; and, all expenses of administration of plan benefits, including legal expenses thereof, shall be paid from the accumulated contributions of the City and County.

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

Beginning on July 1, 2012, in each year when the contribution to the Retirement System required under Section A8.510 is less than the Retirement System employer normal cost rate; (1) the City and County shall deposit ~~the difference~~ into the Retiree Health Care Trust Fund ~~the difference between the contributions that would have been based on the employer normal cost rate for that fiscal year and the contributions to be paid by the City and County into the Retirement Trust Fund for that fiscal year, including employee contributions paid by the City and County on behalf of members;~~ and (2) the Participating Employers, as defined in Section A8.432, shall deposit the difference into the Retiree Health Care Trust Fund only upon resolution by their respective governing boards.

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

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

(b)(1) On July 1, 2009 and July 1 of each succeeding year, the Retirement Board shall determine whether, in the previous fiscal year, there ~~are~~ ~~were~~ earnings in excess of the expected earnings on the actuarial value of the assets. In those years when the previous year's earnings exceeded the expected earnings on the actuarial value of the assets, then on July 1, each retirement allowance or death allowance payable on account of a member who died, including retirement allowances subject to change when the salary rate of a member is changed, shall be increased by an amount equal to three and one-half percent (3.5%) of the allowance as of June 30, less the amount of any cost of living adjustment provided under Section A8.526-2 and less the amount of any cost of living adjustment, payable in that fiscal year, which is the result of a change in the salary of the member.

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

(c) When the previous fiscal year's earnings exceeded the expected earnings on the actuarial value of the assets but ~~are~~ ~~were~~ not sufficient to fund any supplemental cost of living benefit adjustment under either Subsection (b)(1) or (b)(2), the ~~R~~retirement Board shall reserve the excess earnings for that year. Said reserved earnings shall accumulate only until such time that said reserved earnings, plus the next year's earnings in excess of the expected earnings on the actuarial value of the assets, are sufficient to fund one fiscal year's increase in the supplemental cost of living benefit adjustment, at which time the

earnings in reserve shall be withdrawn and used to fund a supplemental cost of living benefit adjustment as provided in either Subsection (b)(1) or (b)(2).

(d) ~~Any supplemental cost of living benefit adjustment, once paid to a member, shall not be reduced thereafter. To clarify the intent of the voters when originally enacting this Section in 2008, beginning on July 1, 2012 and July 1 of each succeeding year, no supplemental cost of living benefit adjustment shall be payable unless the Retirement System was also fully funded based on the market value of the assets for the previous year.~~

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

(f) ~~Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.526-3 or with any part thereof, shall be superseded by the contents of Section A8.526-3. Section A8.526-3 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.526-3 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.526-3. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.526-3 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.526-3 which can be given effect. Section A8.526-3 shall be broadly construed to achieve its stated purposes.~~

SEC. A8.526-4 SUPPLEMENTAL COST OF LIVING BENEFIT FOR PERSONS HIRED ON AND AFTER JANUARY 7, 2012

(a) ~~Notwithstanding any other provisions of this Charter, for persons who are hired on and after January 7, 2012, all supplemental cost of living benefits adjustments payable, shall be determined under the provisions of Section A8.526-4 and not Sections A8.526-1 or A8.526-3.~~

(b)(1) ~~On July 1, 2012 and July 1 of each succeeding year, the Retirement Board shall determine whether, in the previous fiscal year, there were earnings in excess of the expected earnings on the actuarial value of the assets. In those years when the previous year's earnings exceeded the expected earnings on the actuarial value of the assets, and the Retirement System was fully funded based on the market value of the assets, then on July 1, each retirement allowance payable or death allowance payable on account of a member who died, shall be increased by an amount equal to three and one-half percent (3.5%) of the allowance as of June 30, less the amount of any cost of living adjustment provided pursuant to Section A8.526-2, provided there were sufficient excess earnings to provide the benefits in this Section A8.526-4.~~

(b)(2) ~~If on July 1, 2012 and July 1 of each succeeding year, the previous fiscal year's earnings exceeded the expected earnings on the actuarial value of the assets, but they were insufficient to increase said allowances by three and one-half percent (3.5%) as provided in Subsection (b)(1), then to the extent of excess earnings, said allowances shall be increased in increments of one-half percent (.5%) up to the maximum three and one-half percent (3.5%) of the allowance as of June 30, less the amount of any cost of living adjustment provided pursuant to Section A8.526-2.~~

(c) ~~The supplemental cost of living benefit adjustment described above will not be paid in any fiscal year when there were insufficient earnings in excess of the expected earnings on the actuarial value of the assets. In that event, retirement allowances will revert to the level they would have been if supplemental cost of living benefit adjustments had never been made.~~

Section 3. The San Francisco Charter is hereby amended, by amending Sections A8.409-1, A8.409-7, A8.590-8, and adding Sections A8.409-9 and A8.590-9, to read as follows:

SEC. A8.409-1 EMPLOYEES COVERED

These Sections A8.409 through A8.409-6 inclusive, shall apply to all miscellaneous officers and employees except as set forth in Section A8.590-1 et seq. and including employees of San Francisco Unified School District and San Francisco Community College District to the extent authorized by state law. The provisions of Charter sections

A8.400(h), A8.401-1, and A8.407 are hereby repealed and shall be of no further force and effect. Employee organizations representing employees in classifications covered by section A8.403 and A8.404 of this Charter may elect to include those classifications within the coverage of this part as a separate bargaining unit, provided however, that the election shall not become effective without the written approval of the Mayor and Board of Supervisors. The election shall be irrevocable and such employees shall not thereafter be subject to the provisions of section A8.403 and A8.404.

Employees in classifications not represented by a recognized employee organization shall be entitled to represent themselves with the City and County over wages, hours and other terms and conditions of employment to the extent required by state law and shall not be subject to the arbitration provisions of Section A8.409-4 of this Charter. The Mayor annually shall propose all forms of compensation for unrepresented employees including salaries, hours, benefits, and other terms and conditions of employment subject to approval or disapproval of the Board of Supervisors. Consistent with other provisions of this Charter, the civil service commission may adopt rules and procedures relating to said unrepresented employees.

Except as otherwise provided by this Charter the Civil Service Commission shall set the wages and benefits of all elected officials of the City and County of San Francisco as follows: The Commission shall conduct a salary survey of the offices of chief executive officer, county counsel, district attorney, public defender, assessor-recorder, treasurer, and sheriff, in the counties of Alameda, Contra Costa, Marin, San Mateo, and Santa Clara. The Commission shall then average the salaries for each of those offices to determine respectively the base five-year salaries for the Mayor, City Attorney, District Attorney, Public Defender, Assessor-Recorder, Treasurer, and Sheriff.

If any of the aforementioned counties do not have an office of public defender, that county shall be omitted from the salary survey for purposes of determining the base five-year salary of the Public Defender. Among the aforementioned counties, any freestanding county assessor's office or any county office in which the assessor's function is combined with other county functions, shall be deemed comparable to the office of Assessor-Recorder for purposes of determining the base five-year salary of the Assessor-Recorder. If any of the aforementioned counties do not have a comparable county office of treasurer, the county office whose functions most closely resemble the Treasurer's functions in San Francisco shall be deemed comparable to the office of Treasurer for purposes of determining the base five-year salary of the Treasurer.

The initial base five-year salary determination for the respective salaries of the Mayor, City Attorney, District Attorney, Public Defender, Assessor-Recorder, Treasurer, and Sheriff shall apply to the period from July 1, 2007 through June 30, 2012. Subsequent base five-year salary determinations for those offices shall apply to subsequent five-year periods, for example, July 1, 2012 through June 30, 2017.

For the second, third, fourth, and fifth years of the period for which any base five-year salary has been set, the Commission shall annually adjust the respective salaries of the Mayor, City Attorney, District Attorney, Public Defender, Assessor-Recorder, Treasurer, and Sheriff, to account for upward annual movement in the Consumer Price Index during the prior calendar year; provided, that whenever the upward movement in the Consumer Price Index during the prior calendar year exceeds 5%, the cost-of-living adjustment shall not be the actual increase in the Consumer Price Index for the prior calendar year but instead shall be 5%. The annual cost-of-living adjustment shall take effect July 1 of the second, third, fourth, and fifth years of the period for which the base five-year salary has been set.

Except as noted below, in setting the initial and subsequent base five-year salary determinations for the offices of Mayor, City Attorney, District Attorney, Public Defender, Assessor-Recorder, Treasurer, and Sheriff, the Commission may not reduce the respective salaries of any of those offices. If implementation of the process for setting the base five-year salary would otherwise result in a salary reduction for any of those offices, the base five-year salary for the affected office or offices shall be the existing salary for the office.

If the City and County of San Francisco and employee organizations agree to amend the compensation provisions of existing memo-

randa of understanding to reduce costs, the Commission shall review and amend the respective salaries of the Mayor, City Attorney, District Attorney, Public Defender, Assessor-Recorder, Treasurer, and Sheriff as necessary to achieve comparable cost savings in the affected fiscal year or years.

The Commission shall annually set the benefits of elected officials, to take effect July 1 of each year. Benefits of elected officials may equal but not exceed those benefits provided to any classification of miscellaneous officers and employees as of July 1 of each year, except, after January 7, 2012, the City and County shall not pay the required employee contributions of said officials into the San Francisco Employees' Retirement System trust fund or into the Retiree Health Care Trust Fund.

In addition, subject to the approval or disapproval of the Board of Supervisors, the Mayor may create, for employees designated as management, a management compensation package that recognizes and provides incentives for outstanding managerial performance contributing to increased productivity and efficiency in the work force. In formulating such a package, the Mayor shall take into account data developed in conjunction with the civil service commission regarding the terms of executive compensation in other public and private jurisdictions.

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

Notwithstanding any other provision of Charter Sections A8.409 through A8.409-8, the provisions and operation of the Retiree Health Care Trust Fund, including employee contributions to the fund, shall be determined pursuant to Charter Sections 12.204; ~~and A8.432, and A8.433,~~ and shall not be subject to the dispute resolution procedures contained in Charter Section A8.409-4. Nothing in this section shall prevent the City and County of San Francisco and a recognized employee organization from agreeing to, or an arbitration panel formed pursuant to A8.409-4 from awarding, an adjustment in employee contributions into the Retiree Health Care Trust Fund that results in contributions greater than the contributions required under A8.432 for any and all City employees. In no event shall the City and County of San Francisco and a recognized employee organization agree to, or an arbitration panel formed pursuant to A8.409-4 award any, reduction in contributions below the minimum level of contributions required under A8.432.

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

Notwithstanding any other provision of Charter Sections A8.590-1 through A8.590-7, 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; ~~and A8.432, and A8.433,~~ and shall not be subject to the dispute resolution procedure's contained in Charter Section A8.590-5. Nothing in this section shall prevent the City and County of San Francisco and a recognized employee organization from agreeing to, or an arbitration panel formed pursuant to A8.590-5 from awarding, an adjustment in employee contributions into the Retiree Health Care Trust Fund that results in contributions greater than the contributions required under A8.432 for any and all City employees. In no event shall the City and County of San Francisco and a recognized employee organization agree to, or an arbitration panel formed pursuant to A8.590-5 award any, reduction in contributions below the minimum level of contributions required under A8.432.

SEC. A8.409-9 MISCELLANEOUS EMPLOYEES NOT IN THE RETIREMENT SYSTEM

It is the intent of the voters that officers and employees of the City and County of San Francisco who are not members of the San Francisco Employees' Retirement System negotiate cost-sharing provisions that produce comparable savings and costs to the City and County as are produced through the Charter's employee contribution rate adjustment formulae. Notwithstanding any other provision of Charter Sections A8.409 through A8.409-8, for any officer or employee who is not a member of the Retirement System, the parties in any proceeding under Section A8.409-4 may make proposals, to the extent allowable by law, to effect this principle of equitable participation. If no agreement on this issue is reached, in deciding whichever last offer of settlement should be selected, in addition to the other factors specified by A8.409-4, the Board shall consider (i) the additional amounts such officers and employees

would pay to the Retirement System, or the reduction in the rate of their employee contribution which would apply, if they were members of the Retirement System for the term of the agreement; and (ii) the cost of the City and County's contracts with the Public Employees' Retirement System of the State of California compared to the cost of providing retirement benefits for similarly situated officers and employees through the San Francisco Employees' Retirement System.

Charter Section A8.409-9 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses sentences, or provisions of Charter Section A8.409-9 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, or provisions of Charter Sections A8.409-9. If any words, phrases, clauses, sentences, or provisions of Charter Section A8.409-9 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Charter Section A8.409-9 which can be given effect. Charter Section A8.409-9 shall be broadly construed to achieve its stated purpose.

SEC. A8.500-9 EMPLOYEES NOT IN THE RETIREMENT SYSTEM

It is the intent of the voters that officers and employees of the City and County of San Francisco who are not members of the San Francisco Employees' Retirement System negotiate cost-sharing provisions that produce comparable savings and costs to the City and County as are produced through the Charter's employee contribution rate adjustment formulae. Notwithstanding any other provision of Charter Sections A8.590-1 through A8.590-8, for any officer or employee who is not a member of the Retirement System, the parties in any proceeding under Section A8.590-5 may make proposals, to the extent allowable by law, to effect this principle of equitable participation. If no agreement on this issue is reached, in deciding whichever last offer of settlement should be selected, in addition to the other factors specified by Section A8.590-5, the Arbitration Board shall consider (i) the additional amounts such officers and employees would pay to the Retirement System, or the reduction in the rate of their employee contribution which would apply, if they were members of the Retirement System for the term of the agreement; and (ii) the cost of the City and County's contracts with the Public Employees' Retirement System of the State of California compared to the cost of providing retirement benefits for similarly situated officers and employees through the San Francisco Employees' Retirement System.

Charter Section A8.590-9 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, or provisions of Charter Section A8.590-9 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, or provisions of Charter Sections A8.590-9. If any words, phrases, clauses, sentences, or provisions of Charter Section A8.590-9 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Charter Section A8.590-9 which can be given effect. Charter Section A8.590-9 shall be broadly construed to achieve its stated purpose.

Section 4. The San Francisco Charter is hereby amended, by amending Sections A8.506 and A8.506-2 to read as follows:

SEC. A8.506 SHERIFF'S DEPARTMENT

Notwithstanding any other provisions of this Charter, the Board of Supervisors shall have the power to contract with the Board of Administration of the Public Employees' Retirement System of the State of California to provide that the sheriff, undersheriff and all deputized personnel of the sheriff's department shall be members of the Public Employees' Retirement System, and the Board of Supervisors and the Retirement Board shall have the power to perform all acts necessary to carry out the terms and purposes of such contract. The maximum employee contribution for sheriff, undersheriff and deputized personnel of the sheriff's department shall be seven and one-half percent (7½%). Required contributions exceeding seven and one-half percent (7½%) shall be made by the City and County.

However, the employee contribution for persons who become

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

All contracts and contract amendments with the Board of Administration of the Public Employees' Retirement System of the State of California for persons hired on and after July 1, 2010, and before January 7, 2012, shall provide, to the maximum extent permitted, that final compensation for service under the Public Employees' Retirement System plan will be calculated based on a two-year formula.

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

The Board of Supervisors shall have the power to amend such contracts or contract amendments to terminate the participation of the sheriff, undersheriff and all deputized personnel of the sheriff's department for prospective service and to provide comparable benefits in the San Francisco Employees' Retirement System and to exempt such contracts or contract amendments from the cost-neutrality requirements of this Section A8.506, provided the sheriff, undersheriff, and the recognized employee organizations representing the impacted employees agree. The Board of Supervisors and the Retirement Board shall have the power to perform all acts necessary to carry out the amendment of such contracts or contract amendments.

For sheriffs assuming office and undersheriffs and all deputized personnel of the sheriff's department hired, on and after January 7, 2012, the Board of Supervisors shall have the power to amend its contract with the Public Employees' Retirement System and to provide retirement benefits for said persons in the San Francisco Employees' Retirement System in a plan applicable to sheriffs, undersheriffs and deputized personnel of the sheriff's department. The Board of Supervisors and the Retirement Board shall have the power to perform all acts necessary to carry out the amendment of such contract.

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

SEC. A8.506-2 MISCELLANEOUS SAFETY EMPLOYEES

Notwithstanding any other provisions of this Charter, the Board of Supervisors or the Community College Board shall have the power to contract with the Board of Administration of the Public Employees' Retirement System of the State of California to provide that the probation officers, airport police officers, district attorney and public defender investigators, medical examiner investigators, juvenile court counselors, institutional police, fire safety inspectors and fire protection engineers who are not members of the Section A8.588 plans, shall be members of the Public Employees' Retirement System, and the Board of Supervisors, the Community College Board and the Retirement Board shall have the power to perform all acts necessary to carry out the terms and purposes of such contract.

The Board of Supervisors shall have the power to amend such a contract to terminate the participation of certain airport police officers in the Public Employees' Retirement System and to transfer to the San Francisco Employees' Retirement System the accumulated assets and liabilities relating to the airport police officers that make such an election, and to exempt such a contract amendment from the cost-neutrality requirements of this Section A8.506-2, provided that the present value of any additional costs associated with said transfer and the related benefits under the San Francisco Employees' Retirement System does not exceed \$670,000 in the aggregate. All additional costs in the form of actuarial liability associated with said transfer and said benefits that exceed \$670,000 in the aggregate shall be paid by the airport police officers that elect to terminate their participation in the Public Employees' Retirement System and transfer the accumulated assets and

liabilities relating to their service to the San Francisco Employees' Retirement System. The Board of Supervisors and the Retirement Board shall have the power to perform all acts necessary to carry out the amendment of such contract.

The Board of Supervisors shall have the power to amend such contracts or contract amendments to terminate the participation of probation officers, district attorney investigators, and juvenile court counselors, in the Public Employees' Retirement System for prospective service and to provide comparable benefits in the San Francisco Employees' Retirement System and to exempt such contracts or contract amendments from the cost-neutrality provisions of this Section A8.506-2, provided the recognized employee organizations representing the impacted employees agree. The Board of Supervisors and the Retirement Board shall have the power to perform all acts necessary to carry out the amendment of such contracts or contract amendments.

For probation officers, district attorney investigators and juvenile court counselors, hired on and after January 7, 2012, the Board of Supervisors shall have the power to amend its contract or contracts with the Public Employees' Retirement System to terminate the participation of said persons in the Public Employees' Retirement System and to provide their retirement benefits in the San Francisco Employees' Retirement System. The Board of Supervisors and the Retirement Board shall have the power to perform all acts necessary to carry out the amendment of such contract or contracts.

Except as provided in this Section A8.506-2, contracts and contract amendments shall be cost-neutral and employee bargaining units shall be permitted to trade salary or other employee paid benefits to achieve cost-neutrality. However, the employee contribution for persons who become employed by the City and County on and after July 1, 2010, and who become eligible for membership pursuant to this Section A8.506-2, shall be nine percent (9%). The nine percent (9%) employee contribution rate shall take effect immediately upon expiration of the agreement that is operative on June 30, 2010, between the City and County and the recognized bargaining organization representing said employees.

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

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

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

Section 5. The San Francisco Charter is hereby amended, by amending Sections A8.509, A8.585-11, A8.587-8, A8.587-12, A8.595-11, A8.596-11, A8.597-11, A8.597-14, A8.598-11, A8.598-14, A8.600-8, A8.600-12, A8.601-11, A8.601-14, A8.602-11, A8.602-14 and adding Sections A8.585-16, A8.595-15 and A8.596-15, to read as follows:

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

Miscellaneous officers and employees, as defined in this section, who are members of the Retirement System under this section of the Charter on February 1, 1969, and persons who become miscellaneous officers and employees after February 1, 1969, shall be members of the Retirement System, subject to the following provisions of this section, in addition to the provisions contained in Sections 12.100, 12.103, A8.500, A8.510 and A8.520 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 A8.507 of the Charter

on February 1, 1969 shall continue to be members of the system under Section A8.507 and shall not be subject to any of the provisions of this section, except as specifically provided in this section.

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

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

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

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

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

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

For the purposes of the Retirement System and of this section, the terms “miscellaneous officer or employee,” or “member,” as used in this section shall mean any officer or employee who is not a member of the fire or police department as defined in the Charter for the purpose of the Retirement System, under Section A8.507 of the 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.

(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 may retire under this section on the first day of the month next following the attainment by them of the age of 65 years. A member retired after reaching the age of 62 years shall receive a service retirement allowance at the rate of two and three-tenths percent of said average final compensation for each year of service. The service retirement allowance of any member eligible to retire under this section 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
50¼	1.0250



50½	1.0500
50¾	1.0750
51	1.1000
51¼	1.1250
51½	1.1500
51¾	1.1750
52	1.2000
52¼	1.2250
52½	1.2500
52¾	1.2750
53	1.3000
53¼	1.3250
53½	1.3500
53¾	1.3750
54	1.4000
54¼	1.4250
54½	1.4500
54¾	1.4750
55	1.5000
55¼	1.5250
55½	1.5500
55¾	1.5750
56	1.6000
56¼	1.6250
56½	1.6500
56¾	1.6750
57	1.7000
57¼	1.7250
57½	1.7500
57¾	1.7750
58	1.8000
58¼	1.8250
58½	1.8500
58¾	1.8750
59	1.9000
59¼	1.9250
59½	1.9500
59¾	1.9750
60	2.100
60¼	2.1250
60½	2.1500
60¾	2.1750
61	2.2000
61¼	2.2250
61½	2.2500
61¾	2.2750
62	2.3000

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

Before the first payment of a retirement allowance is made, a member retired under this §subsection or Subsection (c) of this §section, may elect to receive the actuarial equivalent of his or her allowance, partly in an allowance to be received by him or her throughout his life, and partly in other benefits payable after his or her death to another person or persons, provided that such election shall be subject to all the conditions prescribed by the Board of Supervisors to govern similar elections by other members of the Retirement System, including the character and amount, of such other benefits. In the calculations under this §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 Rretirement Bboard to be of extended and uncertain duration, and who shall have completed at least 10 years of service credited in the Retirement System in the aggregate, computed as provided in Subsection (g) hereof, shall be retired upon an allowance of one and eight-tenths percent of the average final compensation of said member, as defined in Subsection (a) hereof for each year of credited service, if such retirement allowance exceeds 40 percent of his or her average final compensation; otherwise one and eight-tenths percent of his or her average final compensation multiplied by the number of years of City-service which would be credited to him or her were such City-service to continue until attainment by him or her of age 60, but such retirement allowance shall not exceed 40 percent of such average final compensation. In the calculation under this §subsection of the retirement allowance of a member having credit for service in a position in the evening schools and service in any other position, separate retirement allowances shall be calculated, in the manner prescribed, for each class of service, the average final compensation in each case being that for the respective class of service; provided that the average final compensation upon which the minimum total retirement allowance is calculated in such case shall be based on the compensation earnable by the member in the classes of service rendered by him or her during the one year immediately preceding his or her retirement. Part-time service and compensation shall be reduced to full-time service and compensation in the manner prescribed by the Board of Supervisors, and when so reduced, shall be applied as full-time service and compensation in the calculation of retirement allowances. An application for a disciplinary retirement may be brought before the Rretirement Bboard on said Bboard's own motion, by the Executive Director of the Retirement System, by recommendation of any department head, commission or board, or by said member or his *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.

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

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

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

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

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

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

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

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

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

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

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

(f) Should any miscellaneous member cease to be employed as such a member, through any cause other than death or retirement, all of his or her contributions, with interest credited thereon, shall be refunded to him or her subject to the conditions prescribed by the Board of Supervisors to cover similar terminations of employment and reemployment with and without redeposit of withdrawn accumulated contributions of other members of the Retirement System, provided that if such member is entitled to be credited with at least 10 years of service or if his or her accumulated contributions exceed \$1,000, he or she shall have the right to elect, without right of revocation and within 90 days after said termination of service, or if the termination was by lay-off, 90 days after the Retirement Board determines the termination to be per-

manent, whether to allow his or her accumulated contributions to remain in the retirement fund and to receive benefits only as provided in this paragraph. Failure to make such election shall be deemed an irrevocable election to withdraw his or her accumulated contributions. A person who elects to allow his or her accumulated contributions to remain in the retirement fund shall be subject to the same age requirements as apply to other members under this Section for service retirement, but he or she shall not be subject to a minimum service requirement. Upon the qualification of such member for retirement by reason of age, he or she shall be entitled to receive a retirement allowance which shall be the actuarial equivalent of his or 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 or her as rendered prior to his first membership in the Retirement System. Upon the death of such member prior to retirement, his or her contributions with interest credited thereon shall be paid to his or her estate or designated beneficiary.

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

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

(2) Service in the fire and police departments which is not credited as service of a member under this Section shall count under this Section upon transfer of a member of either of such departments to employment entitling him or her to membership in the Retirement System under this Section, provided that the accumulated contribution standing to the credit of such member shall be adjusted by refund to the member or by payment of the member, to bring the account at the time of such transfer to the amount which would have been credited to it had the member been a miscellaneous employee throughout the period of his or her service in either such departments at the compensation he or she 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 A8.520 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 A8.507.

(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 there for shall be required of the City and County.

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

(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 A8.509 a sum equal to 7½ 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 A8.509, or shall be paid to said member or his estate or beneficiary as provided in Sections A8.509(e) and A8.509(f). The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

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

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

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

Notwithstanding the provisions of this Subdivision (4), any additional liabilities created by the amendments of this Section A8.509 contained in the proposition there for submitted to the electorate on November 6, 1973, shall be amortized over a period of 30 years.

(5) Notwithstanding any other provision of this Section A8.509 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (h)(1) for each member with a base rate of pay at or above \$24.00 per hour, but less than \$48.00 per hour, shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (h)(4). The foregoing base rates of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). The increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.509, or shall be paid to said member or his or her beneficiary or estate as provided in Section A8.509(e).

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (h) (4) for that fiscal year.

(6) Notwithstanding any other provision of this Section A8.509 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (h)(1) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (h)(4). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said

increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.509, or shall be paid to said member or his or her beneficiary or estate as provided in Section A8.509(e).

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven and one half percent of the member's compensation as provided in Subsection (h)(1). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (h)(4) for that fiscal year.

(57) 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.

(8) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including the procedures under Section A8.409.

(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 A8.511 of this Charter, no person retired under this Section, for service or disability and entitled to receive a retirement allowance under the Retirement System, shall serve in any elective or appointive position in the City and County service, including membership on boards and commissions, nor shall such persons receive any payment for service rendered to the City and County after retirement, provided that service as an election officer or juror shall not be affected by this Section.

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

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

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

(n) The amendments to Section A8.509 contained in the proposition submitted to the electorate on June 3, 2008 shall apply only to miscellaneous officers and employees under this Section A8.509 who were not retired on January 70, 2009, and whose accumulated contributions were in the retirement fund on January 70, 2009, and who were not retired on that date.

(o) Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.509 or with any part thereof, shall be superseded by the contents of Section A8.509. Section A8.509 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.509 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.509. If any words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.509 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of this Section A8.509 which can be given effect. Section A8.509 shall be broadly construed to achieve its stated purposes.

SEC. A8.585-11 SOURCES OF FUNDS

All payments provided for members under Section A8.585 shall be made from funds derived from the following sources, plus interest earned on said funds:

(a) The normal rate of contribution for each member under Section A8.585 shall be based on his or her age taken to the next lower complete quarter year. (1) at the date he or she became a member under Section A8.568, in the case of persons who are members under that section, or (2) on his or her age at the date he or she becomes a member under Section A8.585 in the case of persons who become members on or after July 1, 1975, without credit for service counted under Section A8.585-10. The age of entrance into the fire department shall be determined by deducting the member's service credited under Section A8.585-10 as rendered prior to the date upon which his or her age is based for determination of his or her rate of contribution according to the sentence next preceding, from said age. The normal rate of contribution of each such member, to be effective from the effective date of membership under Section A8.585, shall be such as, on the average for such member, will provide, assuming service without interruption, under Section A8.585-2, one-third of that portion of the service retirement allowance to which he or she would be entitled, without continuance to dependents, upon first qualifying as to age and service for retirement under that section, which is based on service rendered after the date upon which his or her age is based for determination of his or her rate of contribution according to the first sentence in this paragraph, and assuming the contribution to be made from that date. The normal rate of contribution, however, shall not exceed seven percent.

(b) The dependent contributions for each member under this section which shall be required of each member throughout his or her membership in addition to the normal contributions, and in the same manner as normal contributions, shall be such as, on the average for such member, will provide, assuming service without interruption under Section A8.585-2, and upon his first qualifying as to age and service for retirement under that section, one-third of the portion of his or her allowance, which is to be continued under Section A8.585-5 after his or her death and throughout the life of a surviving wifespouse whose age at said death is three years less than the age of said member. If, at the date of retirement for service or retirement for disability resulting from injury received in performance of duty, said member has no wifespouse who would qualify for the continuance of the allowance to herthem after the death of said member, or upon retirement for disability resulting from other causes, regardless of his or her marital conditions, the dependent contributions with accumulated interest thereon, shall be paid to him or her forthwith. The dependent rate of contribution, however, shall not exceed the difference between seven percent and the member's normal rate of contribution, and said dependent rate may be taken as a flat percentage of the member's normal rate, regardless of the age of qualification for service retirement.

(c) There shall be deducted from each payment of compensation made to a member under this Section, a sum determined by applying the member's rates of contribution to such compensation payment. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her estate or beneficiary as provided in Sections A8.585-85, A8.585-96 and A8.585-108. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(d) Contributions based on time included in Subsections (a), (b) and (c) of Section A8.585-10, and deducted prior to July 1, 1975, from compensation of persons who become members under Section A8.585, and standing with interest thereon, to the credit of such members on the records of the Retirement System on said date, together with contributions made by such members pursuant to the provisions of Section A8.526 and standing with interest thereon to the credit of such members on the records of the Retirement System on said date, shall continue to be credited to the individual accounts of said members and shall be combined with and administered in the same manner as the contributions deducted after said date.

(e) The total contributions, with interest thereon, made by or charged against the City and County and standing to its credit, in the accounts of the Retirement System, on account of persons who become members under Section A8.585, shall be applied to provide the benefits under said Section A8.585.

(f) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in the preceding paragraphs of this Section A8.585-11, to provide the benefits payable to members under Section A8.585. Such contributions of the City and County to provide the portion of the benefits hereunder which shall be based on service rendered by each member prior to the date upon which his or her age is based for determination of his or her rate of contribution in Subsection (a) of this Section A8.585-11, shall not be less during any fiscal year than the amount of such benefits paid during said year. Such contributions of the City and County to provide the portion of the benefits hereunder which shall be based on service rendered by respective members on and after the date stated in the preceding sentence, shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total compensation paid during said year, to persons who are members under Section A8.585, said percentage to be the ratio of the value on July 1, 1975, or at the later date of a periodical actuarial valuation and investigation into the experience under the system, of the benefits thereafter to be paid under this Section, from contributions of the City and County, less the amount of such contributions, and plus accumulated interest thereon, then held by said systems to provide said benefits on account of service rendered by respective members after the date stated in the sentence next preceding, to the value of said respective dates of salaries thereafter payable to said members. Said values shall be determined by the actuary, who shall take into account the interest which shall be earned on said contributions, the compensation experience of members and the probabilities of separation by all causes, of members from service before retirement and of death after retirement. Said percentage shall be changed only on the basis of said periodical actuarial valuation and investigation into the experience under the system. Said actuarial valuation shall be made every even-numbered year and said investigation into the experience under the system shall be every odd-numbered year.

(g) *To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies the contributions of both members of the City and County held by the system to provide the benefits under this Section, shall be a part of the fund in which all other assets of said system are included. Nothing in this Section shall affect the obligations of the City and County to pay to the Retirement System any amounts which may or shall become due under the provisions of the Charter prior to July 1, 1975, and which are represented on said effective date, in the accounts of said system by debits against the City and County. Notwithstanding any other provision of this Section A8.585-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member, shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (f). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:*

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-6.0%</u>
<u>.01%-1.0%</u>	<u>-5.0%</u>
<u>1.01%-2.5%</u>	<u>-4.75%</u>
<u>2.51%-4.0%</u>	<u>-4.5%</u>
<u>4.01%-5.5%</u>	<u>-3.5%</u>
<u>5.51%-7.0%</u>	<u>-3.0%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>

<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>3.0%</u>
<u>20.01%-22.5%</u>	<u>3.5%</u>
<u>22.51%-25.0%</u>	<u>4.5%</u>
<u>25.01%-27.5%</u>	<u>4.5%</u>
<u>27.51%-30.0%</u>	<u>4.75%</u>
<u>30.01%-32.5%</u>	<u>4.75%</u>
<u>32.51%-35.0%</u>	<u>5.0%</u>
<u>Over 35.0%</u>	<u>6.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.585, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.585-4, A8.585-5, and A8.585-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (f) for that fiscal year.

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

(i) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including the procedures under Section A8.590 et seq.

SEC. A8.585-16 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.585 or with any part thereof, shall be superseded by the contents of Section A8.585. Section A8.585 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.585 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.585. If any

words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.585 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.585 which can be given effect. Section A8.585 shall be broadly construed to achieve its stated purposes.

SEC. A8.587-8 SOURCES OF FUNDS

All payments provided for members under Section A8.587 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 A8.587 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 A8.587, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.587-5 and A8.587-6. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.587-8, to provide the benefits payable to members under Section A8.587. 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 A8.587, 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 A8.587 from contributions of the City and County, less the amount of such contributions, plus accumulated interest thereon, then held by said system to provide said benefits on account of service rendered by respective members after said date, to the value at said respective dates of salaries thereafter payable to said members. Said values shall be determined by the actuary, who shall take into account the interest which shall be earned on said contributions, the compensation experience of members, and the probabilities of separation by all causes, of members from service before retirement and of death after retirement. Said percentage shall be changed only on the basis of said periodical actuarial valuation and investigation into the experience under the system. Said actuarial valuations and investigations shall be made at least every two years.

(c) ~~To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.587, shall be a part of the fund in which all other assets of said system are included. Notwithstanding any other provision of this Section A8.587-8 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$24.00 per hour, but less than \$48.00 per hour, shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The foregoing base rates of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:~~



<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.587, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.587-5 and A8.587-6.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(d) Notwithstanding any other provision of this Section A8.587-8 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.587, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.587-5 and A8.587-6.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(e) 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 A8.587 shall be a part of the fund in which all other assets of said system are included.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.409.

SEC. A8.587-12 CONFLICTING CHARTER PROVISIONS SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it

should conflict with the provisions of Sections A8.587 through A8.587-13.4or 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.

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.587 or with any part thereof, shall be superseded by the contents of Section A8.587. Section A8.587 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.587 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.587. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.587 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.587 which can be given effect. Section A8.587 shall be broadly construed to achieve its stated purposes.

SEC. A8.595-11 SOURCES OF FUNDS

All payments provided for members under Section A8.595 shall be made from funds derived from the following sources, plus interest earned on said funds:

(a) There shall be deducted from each payment of compensation made to a member under Section A8.595 a sum equal to seven percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her beneficiary or estate as provided in Section A8.595-84, A8.595-95 and A8.595-108.

(b) The dependent contributions of each member under this Section which shall be required of each member throughout his or her membership in addition to the normal contributions, and in the same manner as normal contributions, shall be such as, on the average for such member, will provide, assuming service without interruption under Section A8.595-2, and upon he or she first qualifying as to age and service for retirement under that section, one-third of the portion of his or her allowance, which is to be continued under Section A8.595-5 after his or her death and throughout the life of a surviving spouse whose age at said death is three years less than the age of said member. If, at the date of retirement for service or retirement for disability resulting from injury received in the performance of duty, said member has no spouse who would qualify for the continuance of the allowance to him or her after the death of said member, or upon retirement for disability resulting from other causes, regardless of his or her marital conditions, the dependent contributions with accumulated interest thereon, shall be paid to him or her forthwith. The dependent rate of contribution, however, shall not exceed the difference between seven percent and the member's normal rate of contribution, and said dependent rate may be taken as a flat percentage of the member's normal rate, regardless of the age of qualification for service retirement.

(c) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.595-11, to provide the benefits payable to members under Section A8.595. Such contributions of the City and County to provide the portion of the benefits hereunder shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total compensation paid during said year to persons who are members under Section A8.595 in accordance with the provisions of Section A8.510.

(d) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both

members and the City and County held by the system to provide benefits for members under Section A8.595 shall be a part of the fund in which all other assets of said system are included.

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

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

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

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

(f) Notwithstanding any other provision of this Section A8.595-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (c). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-6.0%</u>
<u>.01%-1.0%</u>	<u>-5.0%</u>
<u>1.01%-2.5%</u>	<u>-4.75%</u>
<u>2.51%-4.0%</u>	<u>-4.5%</u>
<u>4.01%-5.5%</u>	<u>-3.5%</u>
<u>5.51%-7.0%</u>	<u>-3.0%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>3.0%</u>
<u>20.01%-22.5%</u>	<u>3.5%</u>
<u>22.51%-25.0%</u>	<u>4.5%</u>
<u>25.01%-27.5%</u>	<u>4.5%</u>
<u>27.51%-30.0%</u>	<u>4.75%</u>
<u>30.01%-32.5%</u>	<u>4.75%</u>
<u>32.51%-35.0%</u>	<u>5.0%</u>
<u>Over 35.0%</u>	<u>6.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.595, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.595-4, A8.595-5 and A8.595-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System on account of said member otherwise required for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (c) for that fiscal year.

(g) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including the impasse procedures under Sections A8.590 et seq. SEC. A8.595-15 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.595 or with any part thereof, shall be superseded by the contents of Section A8.595. Section A8.595 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.595 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.595. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.595 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.595 which can be given effect. Section A8.509 shall be broadly construed to achieve its stated purposes.

SEC. A8.596-11 SOURCES OF FUNDS

All payments provided for members under Section A8.596 shall be made from funds derived from the following sources, plus interest earned on said funds:

(a) There shall be deducted from each payment of compensation made to a member under Section A8.596 a sum equal to seven percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her beneficiary or estate as provided in Section A8.596-~~84~~, A8.596-~~95~~ and A8.596-~~108~~.

(b) The dependent contributions of each member under this Section which shall be required of each member throughout his or her membership in addition to the normal contributions, and in the same manner as normal contributions, shall be such as, on the average for such member, will provide, assuming service without interruption under Section A8.596-2, and upon he or she first qualifying as to age and service for retirement under that section, one-third of the portion of his or her allowance, which is to be continued under Section A8.596-5 after his or her death and throughout the life of a surviving spouse whose age at said death is three years less than the age of said member. If, at the date of retirement for service or retirement for disability resulting from injury received in the performance of duty, said member has no spouse who would qualify for the continuance of the allowance to him or her after the death of said member, or upon retirement for disability result-

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

(c) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.596-11, to provide the benefits payable to members under Section A8.596. Such contributions of the City and County to provide the portion of the benefits hereunder shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total compensation paid during said year to persons who are members under Section A8.596 in accordance with the provisions of Section A8.510.

(d) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.604, shall be a part of the fund in which all other assets of said system are included.

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

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

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

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

(f) Notwithstanding any other provision of this Section A8.596-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (c). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-6.0%</u>
<u>.01%-1.0%</u>	<u>-5.0%</u>
<u>1.01%-2.5%</u>	<u>-4.75%</u>
<u>2.51%-4.0%</u>	<u>-4.5%</u>
<u>4.01%-5.5%</u>	<u>-3.5%</u>
<u>5.51%-7.0%</u>	<u>-3.0%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>

<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>3.0%</u>
<u>20.01%-22.5%</u>	<u>3.5%</u>
<u>22.51%-25.0%</u>	<u>4.5%</u>
<u>25.01%-27.5%</u>	<u>4.5%</u>
<u>27.51%-30.0%</u>	<u>4.75%</u>
<u>30.01%-32.5%</u>	<u>4.75%</u>
<u>32.51%-35.0%</u>	<u>5.0%</u>
<u>Over 35.0%</u>	<u>6.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.596, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.596-4, A8.596-5 and A8.596-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System on account of said member otherwise required for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (c) for that fiscal year.

(g) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including the impasse procedures under Section A8.590 et seq.

SEC. A8.596-15 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.596 or with any part thereof, shall be superseded by the contents of Section A8.596. Section A8.596 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.596 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.596. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.596 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.596 which can be given effect. Section A8.596 shall be broadly construed to achieve its stated purposes.

SEC. A8.597-11 SOURCES OF FUNDS

All payments provided for members under Section A8.597 shall be made from funds derived from the following sources, plus interest earned on said funds:

(a) There shall be deducted from each payment of compensation made to a member under Section A8.597 a sum equal to seven percent of such payment of compensation. 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, or shall be paid to said member or his or her beneficiary or as provided in Sections A8.597-85, A8.597-96 and A8.597-108.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.597-11, to provide the benefits payable to members under Section A8.597. Such contributions of the City and County to provide the portion of the benefits hereunder shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total compensation paid during said year to persons who are members under Section A8.597 in accordance with the provisions of Section A8.510.

(c) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.597, shall be a part of the fund in which all other assets of said system are included.

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

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

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

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

(e) Notwithstanding any other provision of this Section A8.597-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-6.0%</u>
<u>.01%-1.0%</u>	<u>-5.0%</u>
<u>1.01%-2.5%</u>	<u>-4.75%</u>
<u>2.51%-4.0%</u>	<u>-4.5%</u>
<u>4.01%-5.5%</u>	<u>-3.5%</u>
<u>5.51%-7.0%</u>	<u>-3.0%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>



<u>17.51%-20.0%</u>	<u>3.0%</u>
<u>20.01%-22.5%</u>	<u>3.5%</u>
<u>22.51%-25.0%</u>	<u>4.5%</u>
<u>25.01%-27.5%</u>	<u>4.5%</u>
<u>27.51%-30.0%</u>	<u>4.75%</u>
<u>30.01%-32.5%</u>	<u>4.75%</u>
<u>32.51%-35.0%</u>	<u>5.0%</u>
<u>Over 35.0%</u>	<u>6.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.597, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.597-4, A8.597-4 and A8.597-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System on account of said member otherwise required for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

Said contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including the impasse procedures under Sections A8.590 et seq.

SEC. A8.598-14 CONFLICTING CHARTER PROVISIONS

SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.597 through A8.597-157 or with any part thereof, shall be superseded by the contents of said Sections. In the event that any word, phrase, clause or section of said Sections shall be adjudged unconstitutional, the remainder thereof shall remain in full force and effect.

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.597 or with any part thereof, shall be superseded by the contents of Section A8.597. Section A8.597 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.597 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, or provisions of Section A8.597. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.597 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.597 which can be given effect. Section A8.597 shall be broadly construed to achieve its stated purposes.

SEC. A8.598-11 SOURCES OF FUNDS

All payments provided for members under Section A8.598 shall be made from funds derived from the following sources, plus interest earned on said funds:

(a) There shall be deducted from each payment of compensation made to a member under Section A8.598 a sum equal to seven percent of such payment of compensation. The sum so deducted shall be

paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her beneficiary or as provided in Sections A8.598-~~84~~, A8.5989-~~95~~ and A8.598-~~108~~.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.598-11, to provide the benefits payable to members under Section A8.598. Such contributions of the City and County to provide the portion of the benefits hereunder shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total compensation paid during said year to persons who are members under Section A8.598 in accordance with the provisions of Section A8.510.

(c) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.598, shall be a part of the fund in which all other assets of said system are included.

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

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

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

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

(e) Notwithstanding any other provision of this Section A8.598-11 or this Charter, for fiscal years beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-6.0%</u>
<u>.01%-1.0%</u>	<u>-5.0%</u>
<u>1.01%-2.5%</u>	<u>-4.75%</u>
<u>2.51%-4.0%</u>	<u>-4.5%</u>
<u>4.01%-5.5%</u>	<u>-3.5%</u>
<u>5.51%-7.0%</u>	<u>-3.0%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>

<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>3.0%</u>
<u>20.01%-22.5%</u>	<u>3.5%</u>
<u>22.51%-25.0%</u>	<u>4.5%</u>
<u>25.01%-27.5%</u>	<u>4.5%</u>
<u>27.51%-30.0%</u>	<u>4.75%</u>
<u>30.01%-32.5%</u>	<u>4.75%</u>
<u>32.51%-35.0%</u>	<u>5.0%</u>
<u>Over 35.0%</u>	<u>6.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.598, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.598-4, A8.598-5 and A8.598-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System on account of said member otherwise required for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including the impasse procedures under Sections A8.590 et seq.

SEC. A8.598-14 CONFLICTING CHARTER PROVISIONS SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.598 through A8.598-157 or with any part thereof, shall be superseded by the contents of said Sections. In the event that any word, phrase, clause or section of said Sections shall be adjudged unconstitutional, the remainder thereof shall remain in full force and effect.

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.598 or with any part thereof, shall be superseded by the contents of Section A8.598. Section A8.598 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.598 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.598. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.598 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.598 which can be given effect. Section A8.598 shall be broadly construed to achieve its stated purposes.

SEC. A8.600-8 SOURCES OF FUNDS

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

(a) There shall be deducted from each payment of compensation made to a member under Section A8.600 a sum equal to seven percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member under Section A8.600, or shall be paid to said member or his or her estate or beneficiary as provided in Sections A8.600-5 and A8.600-6. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.600-8, to provide the benefits payable to members under Section A8.600. Such contributions of the City and County to provide the portion of the benefits hereunder shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total compensation paid during said year to persons who are members under Section A8.600, said percentage to be the ratio of the value as of the latest periodical actuarial valuation of the benefits thereafter to be paid to or on account of members under Section A8.600 from contributions of the City and County, less the amount of such contributions, plus accumulated interest thereon, then held by said system to provide said benefits on account of service rendered by respective members after said date, to the value at said respective dates of salaries thereafter payable to said members. Said values shall be determined by the actuary, who shall take into account the interest which shall be earned on said contributions, the compensation experience of members, and the probabilities of separation by all causes, of members from service before retirement and of death after retirement. The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said percentage shall be changed only on the basis of said periodical actuarial valuation and investigation into the experience under the system. Said actuarial valuations and investigations shall be made at least every two years.

(c) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.587, shall be a part of the fund in which all other assets of said system are included. Notwithstanding any other provision of this Section A8.600-8 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$24.00 per hour, but less than \$48.00 per hour, shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The foregoing base rates of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:



<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>	<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>	<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>	<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>	<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>	<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>	<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>	<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>	<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>	<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>	<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>	<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>	<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>	<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>	<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>	<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>	<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>	<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>	<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>	<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>	<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>	<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>4.0%</u>	<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of, said member under Section A8.600, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.600-5 and A8.600-6.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(d) Notwithstanding any other provision of this Section A8.600-8 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of, said member under Section A8.600, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.600-5 and A8.600-6.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(e) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.600 shall be a part of the fund in which all other assets of said system are included.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.409.

SEC. A8.600-12 CONFLICTING CHARTER PROVISIONS SEVERABILITY

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

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.600 or with any part thereof, shall be superseded by the contents of Section A8.600. Section A8.600 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.600 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.600. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.600 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.600 which can be given effect. Section A8.600 shall be broadly construed to achieve its stated purposes.

SEC. A8.601-11 SOURCES OF FUNDS

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

(a) There shall be deducted from each payment of compensation made to a member under Section A8.601 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. The eight and one-half percent member contribution rate shall take effect immediately upon expiration of the agreement that is operative on June 30, 2010, between the City and County and the recognized bargaining organization representing said members. Prior to that time, there shall be deducted from each payment of compensation made to a member under Section a sum equal to seven percent of such payment of compensation. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.601-8, A8.601-9 and A8.601-10.

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

(c) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.601, shall be a part of the fund in which all other assets of said system are included.

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

The dollar value of the cost sharing arrangement shall not exceed the total annual cost to the Retirement System of improving the police

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

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

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

(e) Notwithstanding any other provision of this Section A8.601-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay less than \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.601, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.601-4, A8.601-5 and A8.601-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(f) Notwithstanding any other provision of this Section A8.601-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.601, or shall be paid to said member or his or her beneficiary or estate as pro-

vided in Sections A8.601-4, A8.601-5 and A8.601-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(g) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.601 shall be a part of the fund in which all other assets of said system are included.

(h) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.590 et seq.

SEC. A8.601-14 CONFLICTING CHARTER PROVISIONS SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.601 through A8.601-15 or with any part thereof, shall be superseded by the contents of said Sections. In the event that any word, phrase, clause or section of said Sections shall be adjudged unconstitutional, the remainder thereof shall remain in full force and effect.

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.601 or with any part thereof, shall be superseded by the contents of Section A8.601. Section A8.601 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.601 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, or provisions of Section A8.601. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.601 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.601 which can be given effect. Section A8.601 shall be broadly construed to achieve its stated purposes.

SEC. A8.602-11 SOURCES OF FUNDS

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

(a) There shall be deducted from each payment of compensation made to a member under Section A8.602 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. The eight and one-half percent member contribution rate shall take effect immediately upon expiration of the agreement that is operative on June 30, 2010, between the City and County and the recognized bargaining organization representing said members. Prior to that time, there shall be deducted from each payment of compensation made to a member under Section A8.602 a sum equal to seven percent of such payment of compensation. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her beneficiary or as provided in Sections A8.602-8, A8.602-9 and A8.602-10.

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

(c) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.602, shall be a part of the fund in which all other assets of said system are included.

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

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

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

The Retirement Board’s authority under Charter Section 12-100 and in Section A8.510 concerning the annual setting of the rates of contribution are not subject to the meet and confer process, including all impasse procedures under Section A8.590-1 et seq.

(e) Notwithstanding any other provision of this Section A8.602-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay less than \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System’s actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>

<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.602, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.602-4, A8.602-5 and A8.602-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member’s compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(f) Notwithstanding any other provision of this Section A8.602-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System’s actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>

<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.602, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.602-4, A8.602-5 and A8.602-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County under Subsection (b) for that fiscal year.

(g) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.590 et seq.

SEC. A8.602-14 CONFLICTING CHARTER PROVISIONS SEVERABILITY

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

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.602 or with any part thereof, shall be superseded by the contents of Section A8.602. Section A8.602 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.602 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.602. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.602 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.602 which can be given effect. Section A8.602 shall be broadly construed to achieve its stated purposes.

Section 6. The San Francisco Charter is hereby amended, by adding Sections A8.603 through A8.603-14 to read as follows:

SEC. A8.603 MISCELLANEOUS OFFICERS AND EMPLOYEES ON AND AFTER JANUARY 7, 2012

Miscellaneous officers and employees who become employed on and after January 7, 2012, shall be eligible to become members of the Retirement System subject to the provisions of Sections A8.603 through A8.603-14, in addition to such other applicable provisions including, but not limited to, A8.500 of this Charter; provided that persons who become members under the Public Employees' Retirement System of the State of California or members of the State Teachers' Retirement System of the State of California shall not be members of the San Francisco City and County Employees' Retirement System and provided, further, that the Retirement System shall be applied to persons employed on a part-time or temporary basis only as the Board of Supervisors shall determine by ordinance enacted by three-fourths vote of all members of the Board.

SEC. A8.603-1 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 premiums or 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. Remuneration shall not mean new premiums or allowances first paid by the City and County after January 7, 2012, that exceed the rate of pay fixed for each classification for service qualifying for credit under this Section. For members with concurrent service in more than one position, "compensation" shall be limited to remuneration for the first hours paid during any fiscal year equal to one full time equivalent position. "Compensation" for any fiscal year shall not include remuneration that exceeds eighty five percent of the limits set forth in Internal Revenue Code Section 401(a)(17) and as amended from time to time.

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

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

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

For the purposes of the Retirement System and of this Section, Section A8.603 and Sections A8.603-2 through A8.603-14, the terms "miscellaneous officer or employee," or "member," shall mean any officer or employee employed on and after January 7, 2012, who is not a member of the police, fire or sheriff's departments or in a miscellaneous safety classification as defined in the Charter for the purposes of the Retirement System. Said terms shall not include those persons who become members under the Public Employees' Retirement System or members of the State Teachers' Retirement System.

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

"Retirement Board" shall mean "Retirement Board" as created in Section 12.100 of the Charter.

"Charter" shall mean the Charter of the City and County of San Francisco.

Words used in the masculine gender shall include the feminine

and neuter genders, and singular numbers shall include the plural and the plural the singular.

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

SEC. A8.603-2 SERVICE RETIREMENT

Any member who completes at least 20 years of service in the aggregate credited in the Retirement System and attains the age of 53 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 A8.603-7 may retire for service at his or her option. Members may retire under this Section, on the first day of the month next following the attainment by them of the age of 65 years. A member retired after reaching the age of 65 years shall receive a service retirement allowance at the rate of 2.3 percent of said average final compensation for each year of service. The service retirement allowance of any member retiring a) prior to attaining the age of 60 years, and after rendering 20 years or more of such service, computed under Section A8.603-7, and having attained the age of 53 years, or b) attaining the age of 60 years, and after rendering 10 years or more of such service, computed under Section A8.603-7, shall be an allowance equal to the percentage of said average final compensation set forth opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, computed under Section A8.603-7:

<u>Age at Retirement</u>	<u>Percent for Each Year of Credited Service</u>
<u>53</u>	<u>1.000</u>
<u>53 ¼</u>	<u>1.027</u>
<u>53 ½</u>	<u>1.054</u>
<u>53 ¾</u>	<u>1.081</u>
<u>54</u>	<u>1.108</u>
<u>54 ¼</u>	<u>1.135</u>
<u>54 ½</u>	<u>1.162</u>
<u>54 ¾</u>	<u>1.189</u>
<u>55</u>	<u>1.216</u>
<u>55¼</u>	<u>1.243</u>
<u>55½</u>	<u>1.270</u>
<u>55¾</u>	<u>1.297</u>
<u>56</u>	<u>1.324</u>
<u>56¼</u>	<u>1.351</u>
<u>56½</u>	<u>1.378</u>
<u>56¾</u>	<u>1.405</u>
<u>57</u>	<u>1.432</u>
<u>57¼</u>	<u>1.459</u>
<u>57½</u>	<u>1.486</u>
<u>57¾</u>	<u>1.513</u>
<u>58</u>	<u>1.540</u>
<u>58¼</u>	<u>1.567</u>
<u>58½</u>	<u>1.594</u>
<u>58¾</u>	<u>1.621</u>
<u>59</u>	<u>1.648</u>
<u>59¼</u>	<u>1.675</u>
<u>59½</u>	<u>1.702</u>
<u>59¾</u>	<u>1.729</u>
<u>60</u>	<u>1.756</u>
<u>60¼</u>	<u>1.789</u>

<u>60½</u>	<u>1.810</u>
<u>60¾</u>	<u>1.837</u>
<u>61</u>	<u>1.864</u>
<u>61¼</u>	<u>1.891</u>
<u>61½</u>	<u>1.918</u>
<u>61¾</u>	<u>1.945</u>
<u>62</u>	<u>1.972</u>
<u>62¼</u>	<u>1.999</u>
<u>62½</u>	<u>2.026</u>
<u>62¾</u>	<u>2.053</u>
<u>63</u>	<u>2.080</u>
<u>63¼</u>	<u>2.107</u>
<u>63½</u>	<u>2.134</u>
<u>63¾</u>	<u>2.161</u>
<u>64</u>	<u>2.188</u>
<u>64¼</u>	<u>2.215</u>
<u>64½</u>	<u>2.242</u>
<u>64¾</u>	<u>2.269</u>
<u>65</u>	<u>2.3</u>

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

Before the first payment of a retirement allowance is made, a member retired under this Section or Section A8.603-3 may elect to receive the actuarial equivalent of his or her allowance, partly in an allowance to be received by him or her throughout his or her life, and partly in other benefits payable after his or her death to another person or persons, provided that such election shall be subject to all the conditions prescribed by the Board of Supervisors to govern similar elections by other members of the Retirement System, including the character and amount, of such other benefits.

In the calculations under this Section of the retirement allowance of a member having credit for service in a position in the evening schools and service in any other position, separate retirement allowances shall be calculated, in the manner prescribed for each class of service, the average final compensation in each case being that for the respective class of service, provided that the aggregate retirement allowance shall be taken into account in applying the provisions of this Section providing for a minimum retirement allowance. Part-time service and compensation shall be converted to full-time service and compensation in the manner prescribed by the Board of Supervisors, and when so converted shall be applied on full-time service and compensation in the calculation of retirement allowances.

SEC. A8.603-3 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 A8.603-7, shall be retired upon an allowance of 1.8% (one and eight-tenths percent) of the average final compensation of said member, as defined in Section A8.603-1 for each year of credited service, if such retirement allowance exceeds 40 percent of his or her average final compensation; otherwise 1.8% (one and eight-tenths percent) of his or her average final compensation multiplied by the number of years of City service which would be credited to him or her were such City service to continue until attainment by him or her of age 60, but such retirement allowance shall not exceed 40 percent of such average final compensation.

In the calculation under this Section of the retirement allowance of a member having credit for service in more than one position eligible for membership in the Retirement System, separate retirement allow-

ances shall be calculated, in the manner prescribed for each class of service, the average final compensation in each case being that for the respective class of service; provided that the average final compensation upon which the retirement allowance is calculated in such case shall be based on the compensation earned by the member in the classes of service rendered by him or her during the three years immediately preceding his or her retirement, and provided further that the member's combined initial retirement allowance shall be based on no more than one full-time equivalent position.

The question of retiring members under this Section may be brought before the Retirement Board on said Board's own motion, by the Retirement Board's Executive Director on its behalf, by said member, by his or her department head, or by his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease, and he or she shall be restored to service in the position or classification he or she occupied at the time of his or her retirement.

SEC. A8.603-4 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. A8.603-5 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 A8.603-2, and he or she has designated as beneficiary his or her surviving spouse, who was married to him or her for at least one full year immediately prior to the date of his or her death, one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service on the date of his or her death shall be paid to such surviving spouse who was his or her designated beneficiary at the date of his or her death, until such spouse's death or remarriage, or if there be no surviving spouse, to the unmarried child or children of such member under the age of 18 years, collectively, until every such child dies, marries or attains the age of 18 years, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. If, at the death of such surviving spouse, who was receiving an allowance under this Subsection (b), there be one or more unmarried children of such member under the age of 18 years, such allowance shall continue to such child or children, collectively, until every such child dies, marries or attains the age of 18 years, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. If the total of the payments of allowance made pursuant to this Subsection (b) is less than the benefit which was otherwise payable under Subsection (a) of this Section, the amount of said benefit payable under Subsection (a) less an amount equal to the total of the payments of allowance made pursuant to this Subsection (b) shall be paid in a lump sum as follows:

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

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

The surviving spouse may elect, on a form provided by the Retirement System and filed in the office of the Retirement System before the first payment of the allowance provided herein, to receive the benefit provided in Subsection (a) of this Section in lieu of the allowance which otherwise would be payable under the provisions of this subdivision. If a surviving spouse, who was entitled to make the election herein provided, shall die before or after making such election but

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

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

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

Upon the death of a member after retirement, an allowance, in addition to the death benefit provided in the immediately preceding paragraph, shall be paid to his or her surviving spouse, until such surviving spouse's death or remarriage, equal to one-half of his or her retirement allowance as it was prior to optional modification, including the part of such allowance which was provided by additional contributions. No allowance, however, shall be paid under this paragraph to a surviving spouse unless such surviving spouse was married to said member at least one year immediately prior to his or her retirement. If such retired person leaves no such surviving spouse, or if such surviving spouse should die or remarry before every child of such deceased retired person attains the age of 18 years, the allowance which such surviving spouse would have received had he or she lived and not remarried shall be paid to retired person's child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years.

SEC. A8.603-6 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 53 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 amount equal to 50% (fifty percent) of said accumulated contributions paid by the City and County, plus 1.667% (one and two-thirds percent) of his or her average final compensation for each year of service credited to him or her as rendered prior to his or her first membership in the Retirement System. Upon the death of such member prior to retirement, his or her contributions with interest credited thereon shall be paid to his or her estate or designated beneficiary.

SEC. A8.603-7 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 A8.603 and for which said member is entitled to receive compensation because of service as a miscellaneous officer or employee.

(b) Service in the fire and police departments which is not credited as service as a member under Section A8.603 shall count under this Section upon transfer of a member of either of such departments to employment entitling him or her to membership in the Retirement System under Section A8.603, provided that the accumulated contributions standing to the credit of such member shall be adjusted by refund to the member or by payment by the member to bring the account at the time of such transfer to the amount which would have been credited to it had the member been a miscellaneous member throughout the period of his or her service in either of such departments at the compensation he or she received in such departments.

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

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

(e) The Board of Supervisors, by ordinance enacted by a three-fourths vote of its members, may provide for the crediting as service under the Retirement System 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 there for shall be required of the City and County.

(f) Time during which said member is absent from a status included in Subsections (a) or (b) and for which such member is entitled to receive credit as service for the City and County by virtue of contributions made in accordance with the provisions of Sections A8.519, A8.520 or A8.521 of the Charter.

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

SEC. A8.603-8 SOURCES OF FUNDS

All payments provided for members under Section A8.603 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 A8.603 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 A8.603, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.603-5 and A8.603-6. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.603-8, to provide the benefits payable to members under Section A8.603. 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 A8.603 in accordance with the provisions of Section A8.510.

(c) Notwithstanding any other provision of this Section A8.603-8 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$24.00 per hour, but less than \$48.00 per hour shall be increased or decreased each fiscal year based on the employer

contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The foregoing base rates of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.603, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.603-5 and A8.603-6.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(d) Notwithstanding any other provision of this Section A8.603-8 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base

rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
0%	-5.0%
.01%-1.0%	-4.5%
1.01%-2.5%	-4.25%
2.51%-4.0%	-4.0%
4.01%-5.5%	-3.0%
5.51%-7.0%	-2.5%
7.01%-8.5%	-2.0%
8.51%-10.0%	-1.5%
10.01%-11.0%	-0.5
11.01%-12.0%	0%
12.01%-13.0%	0.5%
13.01%-15.0%	1.5%
15.01%-17.5%	2.0%
17.51%-20.0%	2.5%
20.01%-22.5%	3.0%
22.51%-25.0%	4.0%
25.01%-27.5%	4.0%
27.51%-30.0%	4.25%
30.01%-32.5%	4.25%
32.51%-35.0%	4.5%
Over 35.0%	5.0%

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.603, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.603-5 and A8.603-6.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to seven percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(e) 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 A8.607 shall be a part of the fund in which all other assets of said system are included.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.409 et seq.

SEC. A8.603-9 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section A8.603-2 as requisite to retirement, a member shall be entitled to retire at any time thereafter in accordance with the provisions of Section A8.603-2, and, except as provided in Section A8.603-10, nothing shall deprive said member of said right, provided that age at retirement shall mean the age when the member terminated City and County employment.

SEC. A8.603-10 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, City and 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 A8.603, he or she shall have the right to elect, without right of revocation and within 90 days after his or her removal from office or employment to receive as his or her sole benefit under the Retirement System an annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of such removal from office or employment.

Any member, after retirement for service or disability, or while receiving a vesting allowance, who is convicted of a crime involving moral turpitude in connection with his or her duties as an officer or employee of the City and County, the school district, the college district, or the Superior Court of California, City and 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. A8.603-11 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 A8.603 for service or disability, or who has elected vesting, 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 A8.603, he or she shall re-enter membership under Section A8.603 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 contribu-

tion of such member shall be the same as that for other members under Section A8.603. 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. A8.603-12 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.603 shall be adjusted for cost of living allowances as provided in this Charter.

SEC. A8.603-13 APPLICATION OF PLAN

For members of the Retirement System under Sections A8.509, A8.584, or A8.587 who retired before January 7, 2012, and are later elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.603, all service on and after January 7, 2012, shall be subject to the provisions of Sections A8.603, et seq.

SEC. A8.603-14 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.603 or with any part thereof, shall be superseded by the contents of Section A8.603. Section A8.603 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.603 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.603. If any words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.603 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of this Section A8.603 which can be given effect. Section A8.603 shall be broadly construed to achieve its stated purposes.

Section 7. The San Francisco Charter is hereby amended, by adding Sections A8.604 through A8.604-16 to read as follows:

SEC. A8.604 MEMBERS OF THE FIRE DEPARTMENT ON AND AFTER JANUARY 7, 2012

Persons who become members of the fire department, as defined in Section A8.604-1, on and after January 7, 2012, shall be members of the Retirement System subject to the provisions of Sections A8.604 through A8.604-16 in addition to such other applicable provisions of this Charter, including but not limited to Sections 12.100 and A8.500.

SEC. A8.604-1 DEFINITIONS

The following words and phrases as used in this Section, Section A8.604 and Sections A8.604-2 through A8.604-16, unless a different meaning is plainly required by the context, shall have the following meanings:

"Retirement allowance," "death allowance" or "allowance," shall mean equal monthly payments, beginning to accrue upon the date of retirement, or upon the day following the date of death, as the case may be, and continuing for life unless a different term of payment is definitively 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. Remuneration shall not mean new premiums or allowances first paid by the City and County after January 7, 2012, that exceed the rate of pay fixed for each classification for service qualifying for credit under this Section. For members with concurrent service in more than one position, "compensation" shall be limited to the first hours paid during any fiscal year equal to one full-time equivalent position. "Compensation" for any fiscal year shall not include remuneration that exceeds 75% of the limits set forth in Internal Revenue Code Section 401(a)(17) and as amended from time to time.

eration that exceeds 75% of the limits set forth in Internal Revenue Code Section 401(a)(17) and as amended from time to time.

Subject to the requirements that it be payable in cash, and that overtime and new premiums or allowances first paid by the City and County after January 7, 2012 are excluded, "compensation" for pension purposes may be defined in a collective bargaining agreement.

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

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

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

For the purpose of Sections A8.604 through A8.604-16, the terms "member of the fire department," "member of the department," or "member" shall mean any member of the fire department employed on and after January 7, 2012, who was or shall be subject to the Charter provisions governing entrance requirements of members of the uniformed force of said department and said terms shall further mean persons employed on and after January 7, 2012, at an age not greater than the maximum age then prescribed for entrance into employment in said uniformed force, to perform duties now performed under the titles of pilot of fireboats, or marine engineer of fireboats; provided, however, that said terms shall not include any person who has not satisfactorily completed such course of training as may be required by the fire department prior to assignment to active duty with said department.

Qualified for service retirement," "qualification for service retirement" or "qualified as to age and service for retirement," as used in this Section and other Sections to which persons who are members under Section A8.604 are subject, shall mean completion of 25 years of service and attainment of age 50, said service to be computed under Section A8.604-10.

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

"Retirement Board" shall mean "Retirement Board" as created in Section 12.100 of the Charter.

"Charter" shall mean the Charter of the City and County of San Francisco.

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

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

SEC. A8.604-2 SERVICE RETIREMENT

Any member of the fire department, who completes at least five years of service in the aggregate and attains the age of fifty (50) years, said service to be computed under Section A8.604-10, may retire for service at his or her option. A member retired after meeting the service and age requirements in the preceding sentence, shall receive a retirement allowance equal to the percent of final compensation (as defined in Section A8.604-1) set forth below opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, as computed under Section A8.604-10:

<u>Retirement Age</u>	<u>Percent for Each Year of Credited Service</u>
<u>50</u>	<u>2.200</u>
<u>50 ¼</u>	<u>2.225</u>
<u>50 ½</u>	<u>2.250</u>



<u>50 ¾</u>	<u>2.275</u>
<u>51</u>	<u>2.300</u>
<u>51 ¼</u>	<u>2.325</u>
<u>51 ½</u>	<u>2.350</u>
<u>51 ¾</u>	<u>2.375</u>
<u>52</u>	<u>2.400</u>
<u>52 ¼</u>	<u>2.425</u>
<u>52 ½</u>	<u>2.450</u>
<u>52 ¾</u>	<u>2.475</u>
<u>53</u>	<u>2.500</u>
<u>53 ¼</u>	<u>2.525</u>
<u>53 ½</u>	<u>2.550</u>
<u>53 ¾</u>	<u>2.575</u>
<u>54</u>	<u>2.600</u>
<u>54 ¼</u>	<u>2.625</u>
<u>54 ½</u>	<u>2.650</u>
<u>54 ¾</u>	<u>2.675</u>
<u>55</u>	<u>2.700</u>
<u>55 ¼</u>	<u>2.725</u>
<u>55 ½</u>	<u>2.750</u>
<u>55 ¾</u>	<u>2.775</u>
<u>56</u>	<u>2.800</u>
<u>56 ¼</u>	<u>2.825</u>
<u>56 ½</u>	<u>2.850</u>
<u>56 ¾</u>	<u>2.875</u>
<u>57</u>	<u>2.900</u>
<u>57 ¼</u>	<u>2.925</u>
<u>57 ½</u>	<u>2.950</u>
<u>57 ¾</u>	<u>2.975</u>
<u>58</u>	<u>3.0</u>

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

SEC. A8.604-3 RETIREMENT FOR INCAPACITY

Any member of the fire department who becomes incapacitated for the performance of his or her duty by reason of any bodily injury received in, or illness caused by the performance of his or her duty, shall be retired. If he or she is not qualified for service retirement, he or she shall receive a retirement allowance in an amount which shall be equal to the same percentage of the final compensation of said member, as defined in Section A8.604-1, as his or her percentage of disability is determined to be. The percentage of disability shall be as determined by the Workers' Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five affirmative votes, adjust the percentage of disability as determined by said appeals board; and provided, further, that such retirement allowance shall be in an amount not less than 50 percent nor more than 90 percent of the final compensation of said member, as defined in Section A8.604-1. Said allowance shall be paid to him or her until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years had he or she lived and rendered service without interruption in the rank held by him or her at retirement, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date based on the final compensation, as defined in Section A8.604-1, he or she would have received immediately prior to said date,

had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation.

If, at the time of retirement because of disability, he or she is qualified as to age and service for retirement under Section A8.604-2, he or she shall receive an allowance equal to the retirement allowance which he or she would receive if retired under Section A8.604-2, but not less than 50 percent of said final compensation. Any member of the fire department who becomes incapacitated for performance of his or her duty by reason of a cause not included under the provisions of the immediately preceding sentences, and who shall have completed at least 10 years of service in the aggregate, computed as provided in Section A8.604-10, shall be retired upon an allowance of 1½ percent of the final compensation of said member as defined in Section A8.604-1 for each year of service, provided that said allowance shall not be less than 33½ percent of said final compensation. The question of retiring a member under this Section may be brought before the Retirement Board on said board's own motion, by the Retirement Board's Executive Director on its behalf, by recommendation of the fire commission or by said member, or his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease and he or she shall be restored to the service in the rank he or she occupied at the time of his or her retirement.

SEC. A8.604-4 DEATH ALLOWANCE

If a member of the fire department shall die before or after retirement by reason of an injury received in, or illness caused by the performance of his or her duty, a death allowance, in lieu of any allowance, payable under any other section of the Charter or by ordinance, on account of death resulting from injury received in or illness caused by the performance of duty, shall be paid, beginning on the date next following the date of death, to his or her surviving spouse throughout his or her life or until his or her remarriage. If the member, at the time of death, was qualified for service retirement, but he or she had not retired, the allowance payable shall be equal to the retirement allowance which the member would have received if he or she had been retired for service on the date of death, but such allowance shall not be less than 50 percent of the final compensation earnable by said member immediately preceding death. If death occurs prior to qualification for service retirement, the allowance payable shall be equal to the compensation of said member at the date of death, until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, had he or she lived and rendered service without interruption in the rank held by him or her at death, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date, based on the final compensation he or she would have received prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation. If he or she had retired prior to death, for service or for disability resulting from injury received in, or illness caused by the performance of duty, the allowance payable shall be equal to the retirement allowance of the member, except that if he or she was a member under Section A8.604 and retirement was for such disability, and if death occurred prior to qualification for the service retirement allowance, the allowance continued shall be adjusted upon the date at which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died.

If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children under the age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents

dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however, shall be paid under this Section to a surviving spouse following the death of a member unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death.

SEC. A8.604-5 PAYMENT TO SURVIVING DEPENDENTS

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

(a) if the death occurred after qualification for service retirement under Section A8.604-2, or after retirement service or because of disability which results from any cause other than an injury received in, or illness caused by performance of duty, one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service at the date of death or one-half of the retirement allowance as it was at his or her death, as the case may be, shall be continued throughout his or her life or until remarriage to his or her surviving spouse, or

(b) if his or her death occurred after the completion of at least 25 years of service in the aggregate but prior to the attainment of the age of 50 years, one-half of the retirement allowance to which he or she would have been entitled under Section A8.604-2 if he or she had attained the age of 50 years on the date of his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, or

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

(d) if his or her death occurred after completion of at least 10 years of service in the aggregate, computed as provided in Section A8.604-10, an allowance in an amount equal to the retirement allowance to which the member would have been entitled pursuant to Section A8.604-3 if he or she had retired on the date of death because of incapacity for performance of duty shall be paid throughout life or until remarriage to his or her surviving spouse. If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children under age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however shall be paid under this Section to a surviving spouse unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death if he or she had not retired, or unless he or she was married to the member at least one year prior to his or her retirement if he or she had retired.

As used in this Section and Section A8.604-4 "surviving spouse" shall mean and include a surviving spouse, and shall also mean and include a spouse who has remarried since the death of the member, but whose remarriage has been terminated by death, divorce or annulment within five years after the date of such remarriage and who has not thereafter again remarried.

The surviving spouse, in the event of death of the member after qualification for, but before service retirement, may elect before the first payment of the allowance, to receive the benefit provided in Section A8.604-8, in lieu of the allowance which otherwise would be continued to him or her under this Section. If there is no surviving spouse, the guardian of the eligible child or children may make such election, and if there are no such children, the dependent parent or parents may make such election.

SEC. A8.604-6 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.604 shall be adjusted for cost of living allowances as provided in this Charter.

SEC. A8.604-7 ADJUSTMENT FOR COMPENSATION PAYMENTS

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

SEC. A8.604-8 DEATH BENEFIT

If a member of the fire department shall die, before retirement from causes other than an injury received in, or illness caused by the performance of duty, or regardless of cause if no allowance shall be payable under Section A8.604-4 or A8.604-5 preceding, a death benefit shall be paid to his or her designated beneficiary or estate, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System. Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her designated beneficiary or estate, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System.

SEC. A8.604-9 REFUNDS AND REDEPOSITS

Should any member of the fire department cease to be employed as such a member, through any cause other than death or retirement or transfer to another office or department, all of his or her contributions, with interest credited thereon, shall be refunded to him or her subject to the conditions prescribed by the Board of Supervisors to govern similar terminations of employment of other members of the Retirement System. If he or she shall again become a member of the department, he or she shall redeposit in the retirement fund the amount refunded to him or her.

SEC. A8.604-10 COMPUTATION OF SERVICE

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

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

(b) Time prior to January 7, 2012, during which said member was entitled to receive compensation while a member of the police or fire department under any other section of the Charter, provided that accumulated contributions on account of such service previously refunded are redeposited with interest from the date of refund to the date of redeposit, at times and in the manner fixed by the Retirement Board; and solely for the purpose of determining qualification for retirement under Section A8.604-3 for disability not resulting from



injury received in or illness caused by performance of duty, time during which said member serves and receives compensation because of services rendered in other offices and departments.

(c) Time during which said member earned compensation as a paramedic with the fire department or department of public health, provided that the accumulated contributions on account of such service are transferred to his or her Section A8.604 account or, if previously refunded, are redeposited with interest from the date of refund to the date of redeposit, at times and in the manner fixed by the Retirement Board. The Retirement Board shall require said member to execute a waiver at any time prior to retirement so that any paramedic service covered by Section A8.604 is not also covered by other pension provisions in this Charter.

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

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

SEC. A8.604-11 SOURCES OF FUNDS

All payments provided for members under Section A8.604 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 A8.604 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.604-5, A8.604-6 and A8.604-8. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.604-11, to provide the benefits payable to members under Section A8.604. 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 A8.604 in accordance with the provisions of Section A8.510.

(c) Notwithstanding any other provision of this Section A8.604-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay less than \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.604, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.604-4, A8.604-5 and A8.604-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(d) Notwithstanding any other provision of this Section A8.604-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.604, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.604-4, A8.604-5 and A8.604-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(e) 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 A8.604 shall be a part of the fund in which all other assets of said system are included.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.590 et seq.
SEC. A8.604-12 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section A8.604-2 as requisite to retirement, a member of the fire department

shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.604-2, and except as provided in Section A8.604-13, nothing shall deprive said member of said right.
SEC. A8.604-13 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

Any member convicted of a crime involving moral turpitude committed in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any benefits under the Retirement System except refund of his or her accumulated contributions; provided, however, that if such member is qualified for service retirement by reason of service and age under the provisions of Section 8.604-2, he or she shall have the right to elect, without right of revocation and within 90 days after his or her removal from office or employment, to receive as his or her sole benefit under the Retirement System an annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of such removal from office or employment.

Any member, after retirement for service or disability or while receiving a vesting allowance, who is convicted of a crime involving moral turpitude in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any further benefit from the Retirement System and the Retirement System shall immediately cease all future payments to such member; provided however, that if at the time of the conviction, said member has remaining accumulated contributions, then such member shall have the right to elect, without right of revocation and within 30 days after his or her conviction, to receive as his or her sole benefit under the Retirement System, an annuity which shall be the actuarial equivalent of his or her accumulated contributions remaining at the time of the conviction.
SEC. A8.604-14 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and in Subsection (b) of this Section, no person retired as a member under Section A8.604 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 compensation does not exceed \$100 per month.

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.604, he or she shall re-enter membership under Section A8.604 and his or her retirement allowance shall be cancelled immediately upon his or her re-entry. The provisions of Subsection (a) of this Section shall not prevent such person from receiving the compensation for such position or office. The rate of contributions of such member shall be the same as that for other members under Section A8.604. Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

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

retired immediately prior to its abolishment.

SEC. A8.604-15 DEFERRED RETIREMENT

Should any member of the fire department who is a member of the Retirement System under Charter Section A8.604 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, provided that if such member is entitled to be credited with at least five years of service, then he or she shall have the right to elect, without right of revocation and within 90 days after termination of said service, to allow his or her accumulated contributions including interest to remain in the retirement fund and to receive a retirement allowance equal to the percent set forth in Section A8.604-2 opposite his or her age at retirement, for each year of service multiplied against the final compensation of said member, calculated at termination, payable beginning no earlier than age 50. No deferred retirement allowance under this Section shall exceed ninety percent (90%) of the member's final compensation.

SEC. A8.604-16 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.604 or with any part thereof, shall be superseded by the contents of Section A8.604. Section A8.604 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.604 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.604. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.604 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.604 which can be given effect. Section A8.604 shall be broadly construed to achieve its stated purposes.

Section 8. The San Francisco Charter is hereby amended, by adding Sections A8.605 through A8.605-16 to read as follows:

SEC. A8.605 MEMBERS OF THE POLICE DEPARTMENT ON AND AFTER JANUARY 7, 2012

Persons who become members of the police department, as defined in Section A8.605-1, on and after January 7, 2012, shall be members of the Retirement System subject to the provisions of Sections A8.605 through A8.605-16 in addition to such other applicable provisions of this Charter, including but not limited to Sections 12.100 and A8.500.

SEC. A8.605-1 DEFINITIONS

The following words and phrases as used in this Section, Section A8.605 and Sections A8.605-2 through A8.605-16, unless a different meaning is plainly required by the context, shall have the following meanings:

“Retirement allowance,” “death allowance” or “allowance,” shall mean equal monthly payments, beginning to accrue upon the date of retirement, or upon the day following the date of death, as the case may be, and continuing for life unless a different term of payment is definitively 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. Remuneration shall not mean new premiums or allowances first paid by the City and County after January 7, 2012, that exceed the rate of pay fixed for each classification for service qualifying for credit under this Section. For members with concurrent service in more than one position, “compensation” shall be limited to the first hours paid during any fiscal year equal to one full-time equivalent position. “Compensation” for any fiscal year shall not include remuneration that exceeds 75% of the limits set forth in Internal Revenue Code Section 401(a)(17) and as amended from time to time.

Subject to the requirements that it be payable in cash, and that

overtime and new premiums or allowances first paid by the City and County after January 7, 2012 are excluded, “compensation” for pension purposes may be defined in a collective bargaining agreement.

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

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

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

For the purpose of Sections A8.605 through A8.605-16, the terms “member of the police department,” “member of the department,” or “member” shall mean any officer or employee of the police department employed on and after January 7, 2012 who was or shall be subject to the Charter provisions governing entrance requirements of members of the uniformed force of said department and said terms shall further mean persons employed on and after January 7, 2012, at an age not greater than the maximum age then prescribed for entrance into employment in said uniformed force, to perform duties now performed under the titles of criminologist, photographer, police woman or jail matron; provided, however, that said terms shall not include any person who has not satisfactorily completed such course of training as may be required by the police department prior to assignment to active duty with said department.

“Qualified for service retirement,” “qualification for service retirement” or “qualified as to age and service for retirement,” as used in this Section and other Sections to which persons who are members under Section A8.605 are subject, shall mean completion of 25 years of service and attainment of age 50, said service to be computed under Section A8.605-10.

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

“Retirement Board” shall mean “Retirement Board” as created in Section 12.100 of the Charter.

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

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

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

SEC. A8.605-2 SERVICE RETIREMENT

Any member of the police department, who completes at least five years of service in the aggregate and attains the age of fifty (50) years, said service to be computed under Section A8.605-10, may retire for service at his or her option. A member retired after meeting the service and age requirements in the preceding sentence, shall receive a retirement allowance equal to the percent of final compensation (as defined in Section A8.605-1) set forth below opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, as computed under Section A8.605-10:

<u>Retirement Age</u>	<u>Percent for Each Year of Credited Service</u>
<u>50</u>	<u>2.200</u>
<u>50 ¼</u>	<u>2.225</u>
<u>50 ½</u>	<u>2.250</u>
<u>50 ¾</u>	<u>2.275</u>
<u>51</u>	<u>2.300</u>

<u>51 ¼</u>	<u>2.325</u>
<u>51 ½</u>	<u>2.350</u>
<u>51 ¾</u>	<u>2.375</u>
<u>52</u>	<u>2.400</u>
<u>52 ¼</u>	<u>2.425</u>
<u>52 ½</u>	<u>2.450</u>
<u>52 ¾</u>	<u>2.475</u>
<u>53</u>	<u>2.500</u>
<u>53 ¼</u>	<u>2.525</u>
<u>53 ½</u>	<u>2.550</u>
<u>53 ¾</u>	<u>2.575</u>
<u>54</u>	<u>2.600</u>
<u>54 ¼</u>	<u>2.625</u>
<u>54 ½</u>	<u>2.650</u>
<u>54 ¾</u>	<u>2.675</u>
<u>55</u>	<u>2.700</u>
<u>55 ¼</u>	<u>2.725</u>
<u>55 ½</u>	<u>2.750</u>
<u>55 ¾</u>	<u>2.775</u>
<u>56</u>	<u>2.800</u>
<u>56 ¼</u>	<u>2.825</u>
<u>56 ½</u>	<u>2.850</u>
<u>56 ¾</u>	<u>2.875</u>
<u>57</u>	<u>2.900</u>
<u>57 ¼</u>	<u>2.925</u>
<u>57 ½</u>	<u>2.950</u>
<u>57 ¾</u>	<u>2.975</u>
<u>58</u>	<u>3.0</u>

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

SEC. A8.605-3 RETIREMENT FOR INCAPACITY

Any member of the police department who becomes incapacitated for the performance of his or her duty by reason of any bodily injury received in, or illness caused by the performance of his or her duty, shall be retired. If he or she is not qualified for service retirement, he or she shall receive a retirement allowance in an amount which shall be equal to the same percentage of the final compensation of said member, as defined in Section A8.605-1, as his or her percentage of disability is determined to be. The percentage of disability shall be as determined by the Workers' Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five affirmative votes, adjust the percentage of disability as determined by said appeals board; and provided, further, that such retirement allowance shall be in an amount not less than 50 percent nor more than 90 percent of the final compensation of said member, as defined in Section A8.605-1. Said allowance shall be paid to him or her until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years had he or she lived and rendered service without interruption in the rank held by him or her at retirement, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date based on the final compensation, as defined in Section A8.605-1, he or she would have received immediately prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation.

If, at the time of retirement because of disability, he or she is

qualified as to age and service for retirement under Section A8.605-2, he or she shall receive an allowance equal to the retirement allowance which he or she would receive if retired under Section A8.605-2, but not less than 50 percent of said final compensation. Any member of the police department who becomes incapacitated for performance of his or her duty by reason of a cause not included under the provisions of the immediately preceding sentences, and who shall have completed at least 10 years of service in the aggregate, computed as provided in Section A8.605-10, shall be retired upon an allowance of 1½ percent of the final compensation of said member as defined in Section A8.605-1 for each year of service, provided that said allowance shall not be less than 33⅓ percent of said final compensation. The question of retiring a member under this section may be brought before the Retirement Board on said board's own motion, by the Retirement Board's Executive Director on its behalf, by recommendation of the police commission or by said member, or his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease and he or she shall be restored to the service in the rank he or she occupied at the time of his or her retirement.

SEC. A8.605-4 DEATH ALLOWANCE

If a member of the police department shall die before or after retirement by reason of an injury received in, or illness caused by the performance of his or her duty, a death allowance, in lieu of any allowance, payable under any other section of the Charter or by ordinance, on account of death resulting from injury received in or illness caused by the performance of duty, shall be paid, beginning on the date next following the date of death, to his or her surviving spouse throughout his or her life or until his or her remarriage. If the member, at the time of death, was qualified for service retirement, but he or she had not retired, the allowance payable shall be equal to the retirement allowance which the member would have received if he or she had been retired for service on the date of death, but such allowance shall not be less than 50 percent of the final compensation earnable by said member immediately preceding death. If death occurs prior to qualification for service retirement, the allowance payable shall be equal to the compensation of said member at the date of death, until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, had he or she lived and rendered service without interruption in the rank held by him or her at death, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date, based on the final compensation he or she would have received prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation. If he or she had retired prior to death, for service or for disability resulting from injury received in, or illness caused by the performance of duty, the allowance payable shall be equal to the retirement allowance of the member, except that if he or she was a member under Section A8.605 and retirement was for such disability, and if death occurred prior to qualification for the service retirement allowance, the allowance continued shall be adjusted upon the date at which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died.

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



this Section to a surviving spouse following the death of a member unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death.

SEC. A8.605-5 PAYMENT TO SURVIVING DEPENDENTS

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

(a) if the death occurred after qualification for service retirement under Section A8.605-2, or after retirement service or because of disability which results from any cause other than an injury received in, or illness caused by performance of duty one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service at the date of death or one-half of the retirement allowance as it was at his or her death, as the case may be, shall be continued throughout his or her life or until remarriage to his or her surviving spouse, or

(b) if his or her death occurred after the completion of at least 25 years of service in the aggregate but prior to the attainment of the age of 50 years, one-half of the retirement allowance to which he or she would have been entitled under Section A8.605-2 if he or she had attained the age of 50 years on the date of his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, or

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

(d) if his or her death occurred after completion of at least 10 years of service in the aggregate, computed as provided in Section A8.605-10, an allowance in an amount equal to the retirement allowance to which the member would have been entitled pursuant to Section A8.605-3 if he or she had retired on the date of death because of incapacity for performance of duty shall be paid throughout life or until remarriage to his or her surviving spouse. If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children under age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however shall be paid under this Section to a surviving spouse unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death if he or she had not retired, or unless he or she was married to the member at least one year prior to his or her retirement if he or she had retired.

As used in this Section and Section A8.605-4 "surviving spouse" shall mean and include a surviving spouse, and shall also mean and include a spouse who has remarried since the death of the member, but whose remarriage has been terminated by death, divorce or annulment within five years after the date of such remarriage and who has not thereafter again remarried.

The surviving spouse, in the event of death of the member after qualification for, but before service retirement, may elect before the first payment of the allowance, to receive the benefit provided in Section A8.605-8, in lieu of the allowance which otherwise would be continued

to him or her under this Section. If there is no surviving spouse, the guardian of the eligible child or children may make such election, and if there are no such children, the dependent parent or parents may make such election.

SEC. A8.605-6 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.605 shall be adjusted for cost of living allowances as provided in this Charter.

SEC. A8.605-7 ADJUSTMENT FOR COMPENSATION PAYMENTS

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

SEC. A8.605-8 DEATH BENEFIT

If a member of the police department shall die, before retirement from causes other than an injury received in, or illness caused by the performance of duty, or regardless of cause if no allowance shall be payable under Section A8.605-4 or A8.605-5 preceding, a death benefit shall be paid to his or her estate or designated beneficiary, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System. Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her designated beneficiary or estate, the amount of which, and the conditions for the payment of which, shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System.

SEC. A8.605-9 REFUNDS AND REDEPOSITS

Should any member of the police department cease to be employed as such a member, through any cause other than death or retirement or transfer to another office or department, all of his or her contributions, with interest credited thereon, shall be refunded to him or her subject to the conditions prescribed by the Board of Supervisors to govern similar terminations of employment of other members of the Retirement System. If he or she shall again become a member of the department, he or she shall redeposit in the retirement fund the amount refunded to him or her.

SEC. A8.605-10 COMPUTATION OF SERVICE

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

(a) Time during and for which said member is entitled to receive compensation because of services as a member of the police or fire department on or after January 7, 2012.

(b) Time prior to January 7, 2012, during which said member was entitled to receive compensation while a member of the police department under any other section of the Charter, provided that accumulated contributions on account of such service previously refunded are redeposited with interest from the date of refund to the date of re-deposit, at times and in the manner fixed by the Retirement board; and solely for the purpose of determining qualification for retirement under Section A8.605-3 for disability not resulting from injury received in or illness caused by performance of duty, time during which said member serves and receives compensation because of services rendered in other offices and departments.

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

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

SEC. A8.605-11 SOURCES OF FUNDS

All payments provided for members under Section A8.605 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 A8.605 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her beneficiary or as provided in Sections A8.605-4, A8.605-5 and A8.605-8.

(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 A8.605-11, to provide the benefits payable to members under Section A8.605. 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 A8.605 in accordance with the provisions of Section A8.510.

(c) Notwithstanding any other provision of this Section A8.605-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at less than \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>

<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.605, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.605-4, A8.605-5 and A8.605-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(d) Notwithstanding any other provision of this Section A8.605-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.5%</u>



<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.605, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.605-4, A8.605-5 and A8.605-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(e) 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 A8.605 shall be a part of the fund in which all other assets of said system are included.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.590 et seq.
SEC. A8.605-12 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section A8.605-2 as requisite to retirement, a member of the police department shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.605-2, and except as provided in Section A8.605-13, nothing shall deprive said member of said right.

SEC. A8.605-13 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

Any member convicted of a crime involving moral turpitude committed in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any benefits under the Retirement System except refund of his or her accumulated contributions; provided, however, that if such member is qualified for service

retirement by reason of service and age under the provisions of Section A8.605-2, he or she shall have the right to elect, without right of revocation and within 90 days after his or her removal from office or employment to receive as his or her sole benefit under the Retirement System an annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of such removal from office or employment.

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

SEC. A8.605-14 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and in Subsection (b) of this section, no person retired as a member under Section A8.605 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 compensation does not exceed \$100 per month.

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.605, he or she shall re-enter membership under Section A8.605 and his or her retirement allowance shall be cancelled immediately upon his or her re-entry. The provisions of Subsection (a) of this Section shall not prevent such person from receiving the compensation for such position or office. The rate of contributions of such member shall be the same as that for other members under Section A8.605. Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

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

SEC. A8.605-15 DEFERRED RETIREMENT

Should any member of the fire department who is a member of the Retirement System under Charter Section A8.605 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, provided that if such member is entitled to be credited with at least five years of service, then he or she shall have the right to elect, without right of revocation and within 90 days after termination of said service, to allow his or her accumulated con-

tributions including interest to remain in the retirement fund and to receive a retirement allowance equal to the percent set forth in Section A8.605-2 opposite his or her age at retirement, for each year of service multiplied against the final compensation of said member, calculated at termination, payable beginning no earlier than age 50. No deferred retirement allowance under this Section shall exceed ninety percent (90%) of the member's final compensation.

SEC. A8.605-16 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.605 or with any part thereof, shall be superseded by the contents of Section A8.605. Section A8.605 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.605 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.605. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.605 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.605 which can be given effect. Section A8.605 shall be broadly construed to achieve its stated purposes.

Section 9. The San Francisco Charter is hereby amended, by adding Sections A8.606 through A8.606-16 to read as follows:

SEC. A8.606 UNDERSHERIFFS AND DEPUTIZED PERSONNEL OF THE SHERIFF'S DEPARTMENT BEFORE JULY 1, 2010

Upon the thirty first day following the effective date of an ordinance enacted by the Board of Supervisors under Section A8.500 based on agreement between the City and the Undersheriffs and the recognized employee organizations representing the impacted employees, but not before July 1, 2012, the undersheriffs and all deputized personnel of the sheriff's department hired before July 1, 2010, shall be members of the Retirement System for prospective service subject to the provisions of this Section A8.606 through A8.606-16 in addition to such other applicable provisions of this Charter, including but not limited to Sections 12.100 and A8.500.

SEC. A8.606-1 DEFINITIONS

The following words and phrases as used in this Section, Section A8.606-1 and Sections A8.606-2 through A8.606-16, unless a different meaning is plainly required by the context, shall have the following meanings:

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

"Compensation," as distinguished from benefits under the Workers' Compensation 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.

Subject to the requirement that it be payable in cash and that overtime be excluded, "compensation" for pension purposes may be defined in a collective bargaining agreement.

"Compensation earnable" shall mean the compensation which would have been earned had the member received compensation without interruption throughout the period under consideration and at the rates of remuneration attached at that time to the positions held by him or her during such period, 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 becoming a member of the sheriff's department, he or she was in the position first held by him or her in such department.

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

"Final compensation" shall mean the average monthly compen-

sation earnable by a member during the higher of any one fiscal year of earnings or the twelve consecutive months of earnings immediately prior to retirement.

For the purpose of Section A8.606 through A8.606-16, the terms "member of the sheriff's department," "member of the department," or "member" shall mean any member of the sheriff's department before July 1, 2010, who was an active member of the Public Employees' Retirement System.

"Qualified for service retirement," "qualification for service retirement" or "qualified as to age and service for retirement," as used in this Section and other Sections to which persons who are members under Section A8.606 are subject, shall mean completion of 25 years of service and attainment of age 50, said service to be computed under Section A8.606-10.

"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 gender, words used in the feminine gender shall include the masculine and neuter gender, and singular numbers shall include the plural and the plural the singular.

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

SEC. A8.606-2 SERVICE RETIREMENT

Any member of the sheriff's department who completes at least five years of service in the aggregate and attains the age of fifty (50) years, said service to be computed under Section A8.606-10, may retire for service at his or her option. A member retired after meeting the service and age requirements in the preceding sentence, shall receive a retirement allowance equal to the percent of final compensation (as defined in Section A8.606-1) set forth below opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, as computed under Section A8.606-10:

Retirement Age	Percent for Each Year of Credited Service
50	2.400
50 ¼	2.430
50 ½	2.460
50 ¾	2.490
51	2.520
51 ¼	2.550
51 ½	2.580
51 ¾	2.610
52	2.640
52 ¼	2.670
52 ½	2.700
52 ¾	2.730
53	2.760
53 ¼	2.790
53 ½	2.820
53 ¾	2.850
54	2.880
54 ¼	2.910
54 ½	2.940
54 ¾	2.970
55+	3.000



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

SEC. A8.606-3 RETIREMENT FOR INCAPACITY

Any member of the sheriff's department who becomes incapacitated for the performance of his or her duty by reason of any bodily injury received in, or illness caused by the performance of his or her duty, shall be retired. If he or she is not qualified for service retirement, he or she shall receive a retirement allowance in an amount which shall be equal to the same percentage of the final compensation of said member, as defined in Section A8.606-1, as his or her percentage of disability is determined to be. The percentage of disability shall be as determined by the Workers' Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five affirmative votes, adjust the percentage of disability as determined by said appeals board; and provided, further, that such retirement allowance shall be in an amount not less than 50 percent nor more than 90 percent of the final compensation of said member, as defined in Section A8.606-1. Said allowance shall be paid to him or her until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years had he or she lived and rendered service without interruption in the position held by him or her at retirement, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date based on the final compensation, as defined in Section A8.606-1, he or she would have received immediately prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation.

If, at the time of retirement because of disability, he or she is qualified as to age and service for retirement under Section A8.606-2, he or she shall receive an allowance equal to the retirement allowance which he or she would receive if retired under Section A8.606-2, but not less than 50 percent of said final compensation. Any member of the sheriff's department who becomes incapacitated for performance of his or her duty by reason of a cause not included under the provisions of the immediately preceding sentences, and who shall have completed at least 10 years of service in the aggregate, computed as provided in Section A8.606-10, shall be retired upon an allowance of 1½ percent of the final compensation of said member as defined in Section A8.606-1 for each year of service, provided that said allowance shall not be less than 33½ percent of said final compensation. The question of retiring a member under this Section may be brought before the Retirement Board on said board's own motion, by recommendation of the sheriff's department, or by said member or his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease and he or she shall be restored to the service in the rank he or she occupied at the time of his or her retirement.

SEC. A8.606-4 DEATH ALLOWANCE

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

if retired for service on said date, based on the final compensation he or she would have received prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation. If he or she had retired prior to death, for service or for disability resulting from injury received in, or illness caused by the performance of duty, the allowance payable shall be equal to the retirement allowance of the member, except that if he or she was a member under Section A8.606 and retirement was for such disability, and if death occurred prior to qualification for the service retirement allowance, the allowance continued shall be adjusted upon the date at which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died.

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

SEC. A8.606-5 PAYMENT TO SURVIVING DEPENDENTS

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

(a) if the death occurred after qualification for service retirement under Section A8.606-2, or after retirement for service or because of disability which result from any cause other than an injury received in, or illness caused by performance of duty one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service at the date of death or one-half of the retirement allowance as it was at his or her death, as the case may be, shall be continued throughout his or her life or until remarriage to his or her surviving spouse, or

(b) if his or her death occurred after the completion of at least 25 years of service in the aggregate but prior to the attainment of the age of 50 years, one-half of the retirement allowance to which he or she would have been entitled under Section A8.606-2 if he or she had attained the age of 50 years on the date of his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, or

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

(d) if his or her death occurred after completion of at least 10 years of service in the aggregate, computed as provided in Section A8.606-10, an allowance in an amount equal to the retirement allowance to which the member would have been entitled pursuant to Section A8.606-3 if he or she had retired on the date of death because of incapacity for performance of duty shall be paid throughout life or until remarriage to his or her surviving spouse. If there is no surviving

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

The surviving spouse, in the event of death of the member after qualification for, but before service retirement, may elect before the first payment of the allowance, to receive the benefit provided in Section A8.606-8, in lieu of the allowance which otherwise would be continued to him or her under this Section. If there is no surviving spouse, the guardian of the eligible child or children may make such election, and if there are no such children, the dependent parent or parents may make such election.

SEC. A8.606-6 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.606 shall be adjusted in accordance with the provisions of this Charter.

SEC. A8.606-7 ADJUSTMENT FOR COMPENSATION PAYMENTS

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

SEC. A8.606-8 DEATH BENEFIT

If a member of the sheriff's department shall die, before retirement from causes other than an injury received in, or illness caused by the performance of duty, or regardless of cause if no allowance shall be payable under Section A8.606-4 or A8.606-5 preceding, a death benefit shall be paid to his or her estate or designated beneficiary, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System. Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her estate or designated beneficiary the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System.

SEC. A8.606-9 REFUNDS AND REDEPOSITS

Should any member of the sheriff's department cease to be employed as such a member, through any cause other than death or retirement or transfer to another office or department, all of his or her contributions, with interest credited thereon, shall be refunded to him or her subject to the conditions prescribed by the Board of Supervisors to govern similar terminations of employment of other members of the Retirement System. If he or she shall again become a member of the department, he or she shall redeposit in the Retirement Fund the amount refunded to him or her.

SEC. A8.606-10 COMPUTATION OF SERVICE

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

(a) Time during and for which said member is entitled to receive compensation because of services as a member of the sheriff's department.

(b) Time prior to January 7, 2012, during which said member was entitled to receive compensation while a member of the sheriff's department under any other section of the Charter, provided that accumulated contributions on account of such service previously refunded are redeposited with interest from the date of refund to the date of redeposit, at times and in the manner fixed by the Retirement board; and solely for the purpose of determining qualification for retirement under Section A8.606-3 for disability not resulting from injury received in or illness caused by performance of duty, time during which said member serves and receives compensation because of services rendered in other offices and departments.

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

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

SEC. A8.606-11 SOURCES OF FUNDS

All payments provided for members under Section A8.606 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 A8.606 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, or shall be paid to said member or his or her estate or beneficiary as provided in Sections A8.606-8, A8.606-9 and A8.606-10. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.606-11, to provide the benefits payable to members under Section A8.606. 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 A8.606 in accordance with the provisions of Section A8.510.

(c) Notwithstanding any other provision of this Section A8.606-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:



<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-6.0%</u>
<u>.01%-1.0%</u>	<u>-5.0%</u>
<u>1.01%-2.5%</u>	<u>-4.75%</u>
<u>2.51%-4.0%</u>	<u>-4.5%</u>
<u>4.01%-5.5%</u>	<u>-3.5%</u>
<u>5.51%-7.0%</u>	<u>-3.0%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>3.0%</u>
<u>20.01%-22.5%</u>	<u>3.5%</u>
<u>22.51%-25.0%</u>	<u>4.5%</u>
<u>25.01%-27.5%</u>	<u>4.5%</u>
<u>27.51%-30.0%</u>	<u>4.75%</u>
<u>30.01%-32.5%</u>	<u>4.75%</u>
<u>32.51%-35.0%</u>	<u>5.0%</u>
<u>Over 35.0%</u>	<u>6.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.606, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.606-4, A8.606-5 and A8.606-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(d) To promote the stability of the Retirement System through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the City and County held by the system to provide benefits for members under Section A8.606 shall be a part of the fund in which all other assets of said system are included.

(e) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.590 et seq.

SEC. A8.606-12 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section

A8.606-2 as requisite to retirement, a member of the sheriff's department shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.606-2, and except as provided in Section A8.606-16, nothing shall deprive said member of said right.

SEC. A8.606-13 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and in Subsection (b) of this section, no person retired as a member under Section A8.606 for service or disability and entitled to receive a retirement allowance under the Retirement System shall be employed in any capacity by the City and County, nor shall such person receive any payment for services rendered to the City and County after retirement.

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

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

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.606, he or she shall re-enter membership under Section A8.606 and his or her retirement allowance shall be cancelled immediately upon his or her re-entry. The provisions of Subsection (a) of this section shall not prevent such person from receiving the compensation for such position or office. The rate of contributions of such member shall be the same as that for other members under Section A8.606. Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

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

SEC. A8.606-14 DEFERRED RETIREMENT

Notwithstanding any provisions of this Charter to the contrary, should any member of the sheriff's department who is a member of the Retirement System under Charter Section A8.606 with five years of credited service, cease to be so employed, through any cause other than death or retirement, he or she shall have the right to elect, without right of revocation and within 90 days after termination of said service, to allow his or her accumulated contributions including interest to remain in the retirement fund and to receive a retirement allowance equal to the percent set forth in Section A8.606-2 opposite his or her age at retirement, for each year of service multiplied against the final compensation of said member, calculated at termination, payable beginning no earlier than age 50. No deferred retirement allowance under this Section shall exceed ninety (90%) percent of the member's final compensation.

SEC. A8.606-15 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

Any member convicted of a crime involving moral turpitude committed in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any benefits under the Retirement System except refund of his or her accumulated contributions; provided, however, that if such member is qualified for service retirement by reason of service and age under the provisions of Section A8.606-2, he or she shall have the right to elect, without right of revocation and within 90 days after his or her removal from office or employment to receive as his or her sole benefit under the Retirement

System an annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of such removal from office or employment.

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

SEC. A8.606-16 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.606 or with any part thereof, shall be superseded by the contents of Section A8.606. Section A8.606 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.606 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.606. If any words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.606 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of this Section A8.606 which can be given effect. Section A8.606 shall be broadly construed to achieve its stated purposes.

Section 10. The San Francisco Charter is hereby amended, by adding Sections A8.607 through A8.607-16 to read as follows:

SEC. A8.607 UNDERSHERIFFS AND DEPUTIZED PERSONNEL OF THE SHERIFF'S DEPARTMENT HIRED AFTER JULY 1, 2010 AND BEFORE JANUARY 7, 2012

Upon the thirty first day following the effective date of an ordinance enacted by the Board of Supervisors under Section A8.500 based on agreement between the City, the undersheriffs and the recognized employee organizations representing the impacted employees, but not before July 1, 2012, undersheriffs and all deputized personnel of the sheriff's department hired after July 1, 2010 and before January 7, 2012, shall be members of the Retirement System for prospective service subject to the provisions of this Section A8.607 through A8.607-16 in addition to such other applicable provisions of this Charter, including but not limited to Sections 12.100 and A8.500.

SEC. A8.607-1 DEFINITIONS

The following words and phrases as used in this Section, Section A8.607 and Sections A8.607-2 through A8.607-16, unless a different meaning is plainly required by the context, shall have the following meanings:

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

"Compensation," as distinguished from benefits under the Workers' Compensation 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.

Subject to the requirement that it be payable in cash and that overtime be excluded, "compensation" for pension purposes may be defined in a collective bargaining agreement.

"Compensation earnable" shall mean the compensation which would have been earned had the member received compensation without interruption throughout the period under consideration and at the

rates of remuneration attached at that time to the positions held by him or her during such period, 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 becoming a member of the sheriff's department, he or she was in the position first held by him or her in such department.

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

"Final compensation" shall mean the average monthly compensation earnable by a member during the higher of any two fiscal years of earnings or the twenty four consecutive months of earnings immediately prior to retirement.

For the purpose of Section A8.607 through A8.607-16, the terms "member of the sheriff's department," "member of the department," or "member" shall mean any member of the sheriff's department after July 1, 2010 and before January 7, 2012, who was an active member of the Public Employees' Retirement System.

"Qualified for service retirement," "qualification for service retirement" or "qualified as to age and service for retirement," as used in this Section and other Sections to which persons who are members under Section A8.606 are subject, shall mean completion of 25 years of service and attainment of age 50, said service to be computed under Section A8.607-10.

"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 gender, words used in the feminine gender shall include the masculine and neuter gender, and singular numbers shall include the plural and the plural the singular.

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

SEC. A8.607-2 SERVICE RETIREMENT

Any member of the sheriff's department who completes at least five years of service in the aggregate and attains the age of fifty (50) years, said service to be computed under Section A8.607-10, may retire for service at his or her option. A member retired after meeting the service and age requirements in the preceding sentence, shall receive a retirement allowance equal to the percent of final compensation (as defined in Section A8.607-1) set forth below opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, as computed under Section A8.607-10:

<u>Retirement Age</u>	<u>Percent for Each Year of Credited Service</u>
<u>50</u>	<u>2.400</u>
<u>50 ¼</u>	<u>2.430</u>
<u>50 ½</u>	<u>2.460</u>
<u>50 ¾</u>	<u>2.490</u>
<u>51</u>	<u>2.520</u>
<u>51 ¼</u>	<u>2.550</u>
<u>51 ½</u>	<u>2.580</u>
<u>51 ¾</u>	<u>2.610</u>
<u>52</u>	<u>2.640</u>
<u>52 ¼</u>	<u>2.670</u>
<u>52 ½</u>	<u>2.700</u>
<u>52 ¾</u>	<u>2.730</u>
<u>53</u>	<u>2.760</u>
<u>53 ¼</u>	<u>2.790</u>
<u>53 ½</u>	<u>2.820</u>



53 $\frac{3}{4}$	2,850
54	2,880
54 $\frac{1}{4}$	2,910
54 $\frac{1}{2}$	2,940
54 $\frac{3}{4}$	2,970
55+	3,000

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

SEC. A8.607-3 RETIREMENT FOR INCAPACITY

Any member of the sheriff's department who becomes incapacitated for the performance of his or her duty by reason of any bodily injury received in, or illness caused by the performance of his or her duty, shall be retired. If he or she is not qualified for service retirement, he or she shall receive a retirement allowance in an amount which shall be equal to the same percentage of the final compensation of said member, as defined in Section A8.607-1, as his or her percentage of disability is determined to be. The percentage of disability shall be as determined by the Workers' Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five affirmative votes, adjust the percentage of disability as determined by said appeals board; and provided, further, that such retirement allowance shall be in an amount not less than 50 percent nor more than 90 percent of the final compensation of said member, as defined in Section A8.607-1. Said allowance shall be paid to him or her until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years had he or she lived and rendered service without interruption in the position held by him or her at retirement, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date based on the final compensation, as defined in Section A8.607-1, he or she would have received immediately prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation.

If, at the time of retirement because of disability, he or she is qualified as to age and service for retirement under Section A8.607-2, he or she shall receive an allowance equal to the retirement allowance which he or she would receive if retired under Section A8.607-2, but not less than 50 percent of said final compensation. Any member of the sheriff's department who becomes incapacitated for performance of his or her duty by reason of a cause not included under the provisions of the immediately preceding sentences, and who shall have completed at least 10 years of service in the aggregate, computed as provided in Section A8.607-10, shall be retired upon an allowance of 1½ percent of the final compensation of said member as defined in Section A8.607-1 for each year of service, provided that said allowance shall not be less than 33½ percent of said final compensation. The question of retiring a member under this Section may be brought before the Retirement Board on said board's own motion, by recommendation of the sheriff's department, or by said member or his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease and he or she shall be restored to the service in the rank he or she occupied at the time of his or her retirement.

SEC. A8.607-4 DEATH ALLOWANCE

If a member of the sheriff's department shall die before or after retirement by reason of an injury received in, or illness caused by the performance of his or her duty, a death allowance, in lieu of any allowance payable under any other section of the Charter or by ordinance, on account of death resulting from injury received in or illness caused by the performance of duty, shall be paid, beginning on the date next following the date of death, to his or her surviving spouse throughout his or her life or until his or her remarriage. If the member, at the time of death, was qualified for service retirement, but he or she had not retired, the allowance payable shall be equal to the retirement allowance which the member would have received if he or she had been retired for service on the date of death, but such allowance shall not be

less than 50 percent of the final compensation earnable by said member immediately preceding death. If death occurs prior to qualification for service retirement, the allowance payable shall be equal to the compensation of said member at the date of death, until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, had he or she lived and rendered service without interruption in the rank held by him or her at death, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date, based on the final compensation he or she would have received prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation. If he or she had retired prior to death, for service or for disability resulting from injury received in, or illness caused by the performance of duty, the allowance payable shall be equal to the retirement allowance of the member, except that if he or she was a member under Section A8.607 and retirement was for such disability, and if death occurred prior to qualification for the service retirement allowance, the allowance continued shall be adjusted upon the date at which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died.

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

SEC. A8.607-5 PAYMENT TO SURVIVING DEPENDENTS

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

(a) if the death occurred after qualification for service retirement under Section A8.607-2, or after retirement for service or because of disability which result from any cause other than an injury received in, or illness caused by performance of duty one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service at the date of death or one-half of the retirement allowance as it was at his or her death, as the case may be, shall be continued throughout his or her life or until remarriage to his or her surviving spouse, or

(b) if his or her death occurred after the completion of at least 25 years of service in the aggregate but prior to the attainment of the age of 50 years, one-half of the retirement allowance to which he or she would have been entitled under Section A8.607-2 if he or she had attained the age of 50 years on the date of his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, or

(c) if his or her death occurred after retirement for disability by reason of injury received in or illness caused by performance of duty, three-fourths of his or her retirement allowance as it was at his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, except that, if death occurred prior to qualification for service retirement allowance, the allowance continued shall be adjusted upon the date on which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the

age of fifty (50) years, in the same manner as it would have been adjusted had the member not died, or

(d) if his or her death occurred after completion of at least 10 years of service in the aggregate, computed as provided in Section A8.6076-10, an allowance in an amount equal to the retirement allowance to which the member would have been entitled pursuant to Section A8.607-3 if he or she had retired on the date of death because of incapacity for performance of duty shall be paid throughout life or until remarriage to his or her surviving spouse. If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children, under age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however shall be paid under this Section to a surviving spouse unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death if he or she had not retired, or unless he or she was married to the member at least one year prior to his or her retirement if he or she had retired.

The surviving spouse, in the event of death of the member after qualification for, but before service retirement, may elect before the first payment of the allowance, to receive the benefit provided in Section A8.607-8, in lieu of the allowance which otherwise would be continued to him or her under this Section. If there is no surviving spouse, the guardian of the eligible child or children may make such election, and if there are no such children, the dependent parent or parents may make such election.

SEC. A8.607-6 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.607 shall be adjusted in accordance with the provisions of this Charter.

SEC. A8.607-7 ADJUSTMENT FOR COMPENSATION PAYMENTS

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

SEC. A8.607-8 DEATH BENEFIT

If a member of the sheriff's department shall die, before retirement from causes other than an injury received in, or illness caused by the performance of duty, or regardless of cause if no allowance shall be payable under Section A8.607-4 or A8.607-5 preceding, a death benefit shall be paid to his or her estate or designated beneficiary, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System. Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her estate or designated beneficiary the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System.

SEC. A8.607-9 REFUNDS AND REDEPOSITS

Should any member of the sheriff's department cease to be

employed as such a member, through any cause other than death or retirement or transfer to another office or department, all of his or her contributions, with interest credited thereon, shall be refunded to him or her subject to the conditions prescribed by the Board of Supervisors to govern similar terminations of employment of other members of the Retirement System. If he or she shall again become a member of the department, he or she shall redeposit in the Retirement Fund the amount refunded to him or her.

SEC. A8.607-10 COMPUTATION OF SERVICE

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

(a) Time during and for which said member is entitled to receive compensation because of services as a member of the sheriff's department.

(b) Time prior to January 7, 2012, during which said member was entitled to receive compensation while a member of the sheriff's department under any other section of the Charter, provided that accumulated contributions on account of such service previously refunded are redeposited with interest from the date of refund to the date of redeposit, at times and in the manner fixed by the Retirement board; and solely for the purpose of determining qualification for retirement under Section A8.607-3 for disability not resulting from injury received in or illness caused by performance of duty, time during which said member serves and receives compensation because of services rendered in other offices and departments.

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

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

SEC. A8.607-11 SOURCES OF FUNDS

All payments provided for members under Section A8.607 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 A8.607 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her estate or beneficiary as provided in Sections A8.607-8, A8.607-9 and A8.607-10. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.607-11, to provide the benefits payable to members under Section A8.6076. 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 A8.607 in accordance with the provisions of Section A8.510.



(c) Notwithstanding any other provision of this Section A8.607-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay less than \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.607, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.607-4, A8.607-5 and A8.607-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(d) Notwithstanding any other provision of this Section A8.607-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.607, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.607-4, A8.607-5 and A8.607-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(e) 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 A8.607 shall be a part of the fund in which all other assets of said system are included.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.590 et seq.
SEC. A8.607-12 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section A8.607-2 as requisite to retirement, a member of the sheriff's department shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.607-2, and except as provided in Section A8.607-16, nothing shall deprive said member of said right.

SEC. A8.607-13 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and in Subsection (b) of this section, no person retired as a member under Section A8.607 for service or disability and entitled to receive a retirement allowance under the Retirement System shall be employed in any capacity by the City and County, nor shall such person receive any payment for services rendered to the City and County after retirement.

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

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

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.607, he or she shall re-enter membership under Section A8.607-6 and his or her retirement allowance shall be cancelled immediately upon his or her re-entry. The provisions of Subsection (a) of this section shall not prevent such person from receiving the compensation for such position or office. The rate of contributions of such member shall be the same as that for other members under Section A8.607. Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

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

SEC. A8.607-14 DEFERRED RETIREMENT

Notwithstanding any provisions of this Charter to the contrary, should any member of the sheriff's department who is a member of the Retirement System under Charter Section A8.607 with five years of credited service, cease to be so employed, through any cause other than death or retirement, he or she shall have the right to elect, without right of revocation and within 90 days after termination of said service, to allow his or her accumulated contributions including interest to remain in the retirement fund and to receive a retirement allowance equal to the percent set forth in Section A8.607-2 opposite his or her age at retirement, for each year of service multiplied against the final compensation of said member, calculated at termination, payable beginning no earlier than age 50. No deferred retirement allowance under this Section shall

exceed ninety (90%) percent of the member's final compensation.
SEC. A8.607-15 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

Any member convicted of a crime involving moral turpitude committed in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any benefits under the Retirement System except refund of his or her accumulated contributions; provided, however, that if such member is qualified for service retirement by reason of service and age under the provisions of Section A8.607-2, he or she shall have the right to elect, without right of revocation and within 90 days after his or her removal from office or employment to receive as his or her sole benefit under the Retirement System an annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of such removal from office or employment.

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

SEC. A8.607-16 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.607 or with any part thereof, shall be superseded by the contents of Section A8.606. Section A8.607 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.607 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.607. If any words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.607 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of this Section A8.607 which can be given effect. Section A8.607 shall be broadly construed to achieve its stated purposes.

Section 11. The San Francisco Charter is hereby amended, by adding Sections A8.608 through A8.608-16 to read as follows:
SEC. A8.608 SHERIFF, UNDERSHERIFF AND DEPUTIZED PERSONNEL OF THE SHERIFF'S DEPARTMENT ASSUMING OFFICE ON AND AFTER JANUARY 7, 2012

Sheriffs assuming office on, and undersheriffs and all deputized personnel of the sheriff's department hired on and after January 7, 2012, shall be members of the Retirement System subject to the provisions of Sections A8.608 through A8.608-16 in addition to such other applicable provisions of this Charter, including but not limited to Sections 12.100 and A8.500.

SEC. A8.608-1 DEFINITIONS

The following words and phrases as used in this Section, Section A8.608 and Sections A8.608-2 through A8.608-16, unless a different meaning is plainly required by the context, shall have the following meanings:

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

"Compensation," as distinguished from benefits under the Workers' Compensation 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 compen-



sation excluded by the Board of Supervisors pursuant to Section A8.500 of the Charter. Remuneration shall not mean new premiums or allowances first paid by the City and County after January 7, 2012, that exceed the rate of pay fixed for each classification for service qualifying for credit under this Section. For members with concurrent service in more than one position, “compensation” shall be limited to the first hours paid during any fiscal year equal to one full-time equivalent position. “Compensation” for any fiscal year shall not include remuneration that exceeds 75% of the limits set forth in Internal Revenue Code Section 401(a)(17) and as amended from time to time.

Subject to the requirements that it be payable in cash, and that overtime and new premiums or allowances first paid by the City and County after January 7, 2012 are excluded, “compensation” for pension purposes may be defined in a collective bargaining agreement.

“Compensation earnable” shall mean the compensation which would have been earned had the member received compensation without interruption throughout the period under consideration and at the rates of remuneration attached at that time to the positions held by him or her during such period, 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 becoming a member of the sheriff’s department, he or she was in the position first held by him or her in such department.

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

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

For the purpose of Sections A8.608 through A8.608-16, the terms “member of the sheriff’s department,” “member of the department,” or “member” shall mean any sheriff assuming office on and after January 7, 2012, and undersheriffs and deputized personnel of the sheriff’s department hired on and after January 7, 2012.

“Qualified for service retirement,” “qualification for service retirement” or “qualified as to age and service for retirement,” as used in this Section and other Sections to which persons who are members under Section A8.608 are subject, shall mean completion of 25 years of service and attainment of age 50, said service to be computed under Section A8.608-10.

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

“Retirement Board” shall mean “Retirement Board” as created in Section 12.100 of the Charter.

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

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

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

SEC. A8.608-2 SERVICE RETIREMENT

Any member of the sheriff’s department, who completes at least five years of service in the aggregate and attains the age of fifty (50) years, said service to be computed under Section A8.608-10, may retire for service at his or her option. A member retired after meeting the service and age requirements in the preceding sentence, shall receive a retirement allowance equal to the percent of final compensation (as defined in Section A8.608-1) set forth below opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, as computed under Section A8.608-10.

Retirement Age	Percent for Each Year of Credited Service
50	2.200
50 ¼	2.225
50 ½	2.250
50 ¾	2.275

51	2.300
51 ¼	2.325
51 ½	2.350
51 ¾	2.375
52	2.400
52 ¼	2.425
52 ½	2.450
52 ¾	2.475
53	2.500
53 ¼	2.525
53 ½	2.550
53 ¾	2.575
54	2.600
54 ¼	2.625
54 ½	2.650
54 ¾	2.675
55	2.700
55 ¼	2.725
55 ½	2.750
55 ¾	2.775
56	2.800
56 ¼	2.825
56 ½	2.850
56 ¾	2.875
57	2.900
57 ¼	2.925
57 ½	2.950
57 ¾	2.975
58	3.0

In no event shall a member’s initial retirement allowance exceed ninety percent of his or her average final compensation.

SEC. A8.608-3 RETIREMENT FOR INCAPACITY

Any member of the sheriff’s department who becomes incapacitated for the performance of his or her duty by reason of any bodily injury received in, or illness caused by the performance of his or her duty, shall be retired. If he or she is not qualified for service retirement, he or she shall receive a retirement allowance in an amount which shall be equal to the same percentage of the final compensation of said member, as defined in Section A8.608-1, as his or her percentage of disability is determined to be. The percentage of disability shall be as determined by the Workers’ Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five affirmative votes, adjust the percentage of disability as determined by said appeals board; and provided, further, that such retirement allowance shall be in an amount not less than 50 percent nor more than 90 percent of the final compensation of said member, as defined in Section A8.608-1. Said allowance shall be paid to him or her until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years had he or she lived and rendered service without interruption in the position held by him or her at retirement, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date based on the final compensation, as defined in Section A8.608-1, he or she would have received immediately prior to said date, had he or she lived and rendered service as assumed.

but such allowance shall not be less than 50 percent of such final compensation.

If, at the time of retirement because of disability, he or she is qualified as to age and service for retirement under Section A8.608-2, he or she shall receive an allowance equal to the retirement allowance which he or she would receive if retired under Section A8.608-2, but not less than 50 percent of said final compensation. Any member of the sheriff's department who becomes incapacitated for performance of his or her duty by reason of a cause not included under the provisions of the immediately preceding sentences, and who shall have completed at least 10 years of service in the aggregate, computed as provided in Section A8.608-10, shall be retired upon an allowance of 1½ percent of the final compensation of said member as defined in Section A8.608-1 for each year of service, provided that said allowance shall not be less than 33⅓ percent of said final compensation. The question of retiring a member under this Section may be brought before the Retirement Board on said Board's own motion, by the Retirement Board's Executive Director on its behalf, by recommendation of the sheriff's department, or by said member, or his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease and he or she shall be restored to the service in the position he or she occupied at the time of his or her retirement.

SEC. A8.608-4 DEATH ALLOWANCE

If a member of the sheriff's department shall die before or after retirement by reason of an injury received in, or illness caused by the performance of his or her duty, a death allowance, in lieu of any allowance, payable under any other section of the Charter or by ordinance, on account of death resulting from injury received in or illness caused by the performance of duty, shall be paid, beginning on the date next following the date of death, to his or her surviving spouse throughout his or her life or until his or her remarriage. If the member, at the time of death, was qualified for service retirement, but he or she had not retired, the allowance payable shall be equal to the retirement allowance which the member would have received if he or she had been retired for service on the date of death, but such allowance shall not be less than 50 percent of the final compensation earnable by said member immediately preceding death. If death occurs prior to qualification for service retirement, the allowance payable shall be equal to the compensation of said member at the date of death, until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, had he or she lived and rendered service without interruption in the position held by him or her at death, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date, based on the final compensation he or she would have received prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation. If he or she had retired prior to death, for service or for disability resulting from injury received in, or illness caused by the performance of duty, the allowance payable shall be equal to the retirement allowance of the member, except that if he or she was a member under Section A8.608 and retirement was for such disability, and if death occurred prior to qualification for the service retirement allowance, the allowance continued shall be adjusted upon the date at which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died.

If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children under the age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the

parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however, shall be paid under this Section to a surviving spouse following the death of a member unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death.

SEC. A8.608-5 PAYMENT TO SURVIVING DEPENDENTS

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

(a) if the death occurred after qualification for service retirement under Section A8.608-2, or after retirement for service or because of disability which results from any cause other than an injury received in, or illness caused by performance of duty one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service at the date of death or one-half of the retirement allowance as it was at his or her death, as the case may be, shall be continued throughout his or her life or until remarriage to his or her surviving spouse, or

(b) if his or her death occurred after the completion of at least 25 years of service in the aggregate but prior to the attainment of the age of 50 years, one-half of the retirement allowance to which he or she would have been entitled under Section A8.608-2 if he or she had attained the age of 50 years on the date of his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, or

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

(d) if his or her death occurred after completion of at least 10 years of service in the aggregate, computed as provided in Section A8.608-10, an allowance in an amount equal to the retirement allowance to which the member would have been entitled pursuant to Section A8.608-3 if he or she had retired on the date of death because of incapacity for performance of duty shall be paid throughout life or until remarriage to his or her surviving spouse. If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children under age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however shall be paid under this Section to a surviving spouse unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death if he or she had not retired, or unless he or she was married to the member at least one year prior to his or her retirement if he or she had retired.

The surviving spouse, in the event of death of the member after qualification for, but before service retirement, may elect before the first payment of the allowance, to receive the benefit provided in Section A8.608-8, in lieu of the allowance which otherwise would be continued to him or her under this Section. If there is no surviving spouse, the guardian of the eligible child or children may make such election, and if there are no such children, the dependent parent or parents may make such election.



SEC. A8.608-6 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.608 shall be adjusted for cost of living allowances as provided in this Charter.

SEC. A8.608-7 ADJUSTMENT FOR COMPENSATION PAYMENTS

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

SEC. A8.608-8 DEATH BENEFIT

If a member of the sheriff's department shall die, before retirement from causes other than an injury received in, or illness caused by the performance of duty, or regardless of cause if no allowance shall be payable under Section A8.608-4 or A8.608-5 preceding, a death benefit shall be paid to his or her estate or designated beneficiary, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System. Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her designated beneficiary or estate, the amount of which, and the conditions for the payment of which, shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System.

SEC. A8.608-9 REFUNDS AND REDEPOSITS

Should any member of the sheriff's department cease to be employed as such a member, through any cause other than death or retirement or transfer to another office or department, all of his or her contributions, with interest credited thereon, shall be refunded to him or her subject to the conditions prescribed by the Board of Supervisors to govern similar terminations of employment of other members of the Retirement System. If he or she shall again become a member of the department, he or she shall redeposit in the retirement fund the amount refunded to him or her.

SEC. A8.608-10 COMPUTATION OF SERVICE

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

(a) Time during and for which said member is entitled to receive compensation because of services as a member of the sheriff's department hired on or after January 7, 2012.

(b) Time prior to January 7, 2012, during which said member was entitled to receive compensation while a member of the sheriff's department under any other section of the Charter, provided that accumulated contributions on account of such service previously refunded are redeposited with interest from the date of refund to the date of re-deposit, at times and in the manner fixed by the Retirement board; and solely for the purpose of determining qualification for retirement under Section A8.608-3 for disability not resulting from injury received in or illness caused by performance of duty, time during which said member serves and receives compensation because of services rendered in other offices and departments.

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

(d) Time during which said member is absent from a status included in Subsection (a) by reason of service in the armed forces of the United States of America, or by reason of any other service included

in Sections A8.520 and A8.521 of the Charter, during any war in which the United States was or shall be engaged or during other national emergency, and for which said member contributed or contributes to the Retirement System or for which the City and County contributed or contributes on his or her account.

SEC. A8.608-11 SOURCES OF FUNDS

All payments provided for members under Section A8.608 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 A8.608 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her beneficiary or as provided in Sections A8.608-4, A8.607-5 and A8.608-8.

(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 A8.608-11, to provide the benefits payable to members under Section A8.608. 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 A8.608 in accordance with the provisions of Section A8.510.

(c) Notwithstanding any other provision of this Section A8.608-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay less than \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>

<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.608, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.608-4, A8.608-5 and A8.608-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(d) Notwithstanding any other provision of this Section A8.608-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.608, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.607-4, A8.608-5 and A8.608-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(e) 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 A8.608 shall be a part of the fund in which all other assets of said system are included.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.590 et seq.
SEC. A8.608-12 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section A8.608-2 as requisite to retirement, a member of the sheriff's department shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.608-2, and except as provided in Section A8.608-13, nothing shall deprive said member of said right.
SEC. A8.608-13 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

Any member convicted of a crime involving moral turpitude committed in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any benefits under the Retirement System except refund of his or her accumulated contributions; provided, however, that if such member is qualified for service retirement by reason of service and age under the provisions of Section A8.608-2, he or she shall have the right to elect, without right of revocation and within 90 days after his or her removal from office or employment to receive as his or her sole benefit under the Retirement System an annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of such removal from office or employment.

Any member after retirement for service or disability, or while receiving a vesting allowance, who is convicted of a crime involving moral turpitude in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any further benefit from the Retirement System and the Retirement System shall



immediately cease all future payments to such member; provided however, that if at the time of the conviction, said member has remaining accumulated contributions, then such member shall have the right to elect, without right of revocation and within 30 days after his or her conviction, to receive as his or her sole benefit under the Retirement System an annuity which shall be the actuarial equivalent of his or her accumulated contributions remaining at the time of the conviction.

SEC. A8.608-14 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and in Subsection (b) of this section, no person retired as a member under Section A8.608 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 compensation does not exceed \$100 per month.

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.608, he or she shall re-enter membership under Section A8.608 and his or her retirement allowance shall be cancelled immediately upon his or her re-entry. The provisions of Subsection (a) of this Section shall not prevent such person from receiving the compensation for such position or office. The rate of contributions of such member shall be the same as that for other members under Section A8.608. Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

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

SEC. A8.608-15 DEFERRED RETIREMENT

Should any member of the sheriff's department who is a member of the Retirement System under Charter Section A8.608 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, provided that if such member is entitled to be credited with at least five years of service, then he or she shall have the right to elect, without right of revocation and within 90 days after termination of said service, to allow his or her accumulated contributions including interest to remain in the retirement fund and to receive a retirement allowance equal to the percent set forth in Section A8.608-2 opposite his or her age at retirement, for each year of service multiplied against the final compensation of said member, calculated at termination, payable beginning no earlier than age 50. No deferred retirement allowance under this Section shall exceed ninety percent (90%) of the member's final compensation.

SEC. A8.608-16 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.608 or with any part thereof, shall be superseded by the contents of Section A8.608. Section A8.608 shall be interpreted to be consistent with all federal and state

laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.608 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.608. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.608 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.608 which can be given effect. Section A8.608 shall be broadly construed to achieve its stated purposes.

Section 12. The San Francisco Charter is hereby amended, by adding Sections A8.609 through A8.609-16 to read as follows:

SEC. A8.609 MISCELLANEOUS SAFETY PERSONNEL HIRED BEFORE JANUARY 7, 2012

Upon the thirty first day following the effective date of an ordinance enacted by the Board of Supervisors under Section A8.500 based on agreement between the City and the recognized employee organizations representing the impacted employees, but not before July 1, 2012, miscellaneous safety employees, as defined in Section A8.609-2, hired before January 7, 2012, shall be members of the Retirement System for prospective service subject to the provisions of this Section A8.609 through A8.609-16 in addition to such other applicable provisions of this Charter, including but not limited to Sections 12.100 and A8.500.

SEC. A8.609-1 DEFINITIONS

The following words and phrases as used in this Section, Section A8.609-1 and Sections A8.609-2 through A8.609-16, unless a different meaning is plainly required by the context, shall have the following meanings:

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

"Compensation," as distinguished from benefits under the Workers' Compensation 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 which would have been earned had the member received compensation without interruption throughout the period under consideration and at the rates of remuneration attached at that time to the positions held by him or her during such period, 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 becoming a miscellaneous safety member, he or she was in the position first held by him or her in such department.

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

"Final compensation" shall mean the average monthly compensation earnable by a member during the higher of any one fiscal year of earnings or the twelve consecutive months of earnings immediately prior to retirement.

For the purpose of Sections A8.609 through A8.609-16, the terms "miscellaneous safety member" or "member" shall mean any probation officers, district attorney investigators and juvenile court counselors hired before January 7, 2012 who was an active member of the Public Employees' Retirement System.

"Qualified for service retirement," "qualification for service retirement" or "qualified as to age and service for retirement," as used in this Section and other Sections to which persons who are members under Section A8.609 are subject, shall mean completion of 25 years of service and attainment of age 50, said service to be computed under Section A8.609-10.

"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 gender, words used in the feminine gender shall include the masculine and neuter gender, and singular numbers shall include the plural and the plural the singular.

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

SEC. A8.609-2 SERVICE RETIREMENT

Any miscellaneous safety member who completes at least five years of service in the aggregate and attains the age of fifty (50) years, said service to be computed under Section A8.609-10, may retire for service at his or her option. A member retired after meeting the service and age requirements in the preceding sentence, shall receive a retirement allowance equal to the percent of final compensation (as defined in Section A8.609-1) set forth below opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, as computed under Section A8.609-10:

<u>Retirement Age</u>	<u>Percent for Each Year of Credited Service</u>
<u>50</u>	<u>2.000</u>
<u>50 ¼</u>	<u>2.035</u>
<u>50 ½</u>	<u>2.070</u>
<u>50 ¾</u>	<u>2.105</u>
<u>51</u>	<u>2.140</u>
<u>51 ¼</u>	<u>2.175</u>
<u>51 ½</u>	<u>2.210</u>
<u>51 ¾</u>	<u>2.245</u>
<u>52</u>	<u>2.280</u>
<u>52 ¼</u>	<u>2.315</u>
<u>52 ½</u>	<u>2.350</u>
<u>52 ¾</u>	<u>2.385</u>
<u>53</u>	<u>2.420</u>
<u>53 ¼</u>	<u>2.455</u>
<u>53 ½</u>	<u>2.490</u>
<u>53 ¾</u>	<u>2.525</u>
<u>54</u>	<u>2.560</u>
<u>54 ¼</u>	<u>2.595</u>
<u>54 ½</u>	<u>2.630</u>
<u>54 ¾</u>	<u>2.665</u>
<u>55+</u>	<u>2.700</u>

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

SEC. A8.609-3 RETIREMENT FOR INCAPACITY

Any miscellaneous safety member who becomes incapacitated for the performance of his or her duty by reason of any bodily injury received in, or illness caused by the performance of his or her duty, shall be retired. If he or she is not qualified for service retirement, he or she shall receive a retirement allowance in an amount which shall be equal to the same percentage of the final compensation of said member, as defined in Section A8.6098-1, as his or her percentage of disability is determined to be. The percentage of disability shall be as determined by the Workers’ Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five affirmative votes, adjust the percentage of disability as determined by said appeals board; and provided, further, that such retirement allowance shall be in an amount not less than 50 percent nor more than 90 percent of the final compensation of said member, as defined in Section A8.609-1. Said allowance shall be

paid to him or her until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years had he or she lived and rendered service without interruption in the position held by him or her at retirement, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date based on the final compensation, as defined in Section A8.609-1, he or she would have received immediately prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation.

If, at the time of retirement because of disability, he or she is qualified as to age and service for retirement under Section A8.609-2, he or she shall receive an allowance equal to the retirement allowance which he or she would receive if retired under Section A8.609-2, but not less than 50 percent of said final compensation. Any miscellaneous safety member who becomes incapacitated for performance of his or her duty by reason of a cause not included under the provisions of the immediately preceding sentences, and who shall have completed at least 10 years of service in the aggregate, computed as provided in Section A8.609-10, shall be retired upon an allowance of 1½ percent of the final compensation of said member as defined in Section A8.609-1 for each year of service, provided that said allowance shall not be less than 33⅓ percent of said final compensation. The question of retiring a member under this Section may be brought before the Retirement Board on said board’s own motion, by recommendation of the miscellaneous safety member’s department, or by said member or his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease and he or she shall be restored to the service in the rank he or she occupied at the time of his or her retirement.

SEC. A8.609-4 DEATH ALLOWANCE

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

If he or she had retired prior to death, the allowance payable shall be equal to one-half of his or her retirement allowance of the member as it was prior to optional modification and prior to reduction as provided in Subsection (a) of Section A8.514 of this Charter, but exclusive of the part of such allowance which was provided by additional contributions, except that if he or she was a member under Section A8.609 and if death occurred prior to qualification for the service retirement allowance, the allowance continued shall be adjusted upon the date at which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died. If such retired person leaves no such surviving spouse, or if such surviving spouse should die or remarry before every child of such deceased retired person attains the age of 18 years,



the allowance which such surviving spouse would have received had he or she lived and not remarried shall be paid to retired person's child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years.

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

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

SEC. A8.609-5 PAYMENT TO SURVIVING DEPENDENTS

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

(a) if the death occurred after qualification for service retirement under Section A8.609-2, or after retirement for service or because of disability which result from any cause other than an injury received in, or illness caused by performance of duty one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service at the date of death or one-half of the retirement allowance as it was at his or her death, as the case may be, shall be continued throughout his or her life or until remarriage to his or her surviving spouse, or

(b) if his or her death occurred after the completion of at least 25 years of service in the aggregate but prior to the attainment of the age of 50 years, one-half of the retirement allowance to which he or she would have been entitled under Section A8.609-2 if he or she had attained the age of 50 years on the date of his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, or

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

(d) if his or her death occurred after completion of at least 10 years of service in the aggregate, computed as provided in Section A8.609-10, an allowance in an amount equal to the retirement allowance to which the member would have been entitled pursuant to Section A8.609-3 if he or she had retired on the date of death because of incapacity for performance of duty shall be paid throughout life or until remarriage to his or her surviving spouse. If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have

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

The surviving spouse, in the event of death of the member after qualification for, but before service retirement, may elect before the first payment of the allowance, to receive the benefit provided in Section A8.609-8, in lieu of the allowance which otherwise would be continued to him or her under this Section. If there is no surviving spouse, the guardian of the eligible child or children may make such election, and if there are no such children, the dependent parent or parents may make such election.

SEC. A8.609-6 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.609 shall be adjusted in accordance with the provisions of Subsection (c) of Section A8.526-2 of this Charter.

SEC. A8.609-7 ADJUSTMENT FOR COMPENSATION PAYMENTS

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

SEC. A8.609-8 DEATH BENEFIT

If a miscellaneous safety member shall die, before retirement from causes other than an injury received in, or illness caused by the performance of duty, or regardless of cause if no allowance shall be payable under Section A8.609-4 or A8.609-5 preceding, a death benefit shall be paid to his or her estate or designated beneficiary, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System. Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her designated beneficiary or estate, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System.

SEC. A8.609-9 REFUNDS AND REDEPOSITS

Should any miscellaneous safety member cease to be employed as such a member, through any cause other than death or retirement or transfer to another office or department, all of his or her contributions, with interest credited thereon, shall be refunded to him or her subject to the conditions prescribed by the Board of Supervisors to govern similar terminations of employment of other members of the Retirement System.

SEC. A8.609-10 COMPUTATION OF SERVICE

The following time shall be included in the computation of the service to be credited to a miscellaneous safety member for the purposes of determining whether such member qualified for retirement and calculating benefits, excluding, however, any time, the contributions for which were withdrawn by said member upon termination of his or her service while he or she was a member under any other Charter section,

and not redeposited upon re-entry into service:

(a) Time during and for which said member is entitled to receive compensation because of services as a miscellaneous safety member.

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

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

SEC. A8.609-11 SOURCES OF FUNDS

All payments provided for members under Section A8.609 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 A8.609 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, or shall be paid to said member or his or her estate or beneficiary as provided in Sections A8.609-8, A8.609-9 and A8.609-10. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.609-11, to provide the benefits payable to members under Section A8.609. 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 A8.608 in accordance with the provisions of Section A8.510.

(c) Notwithstanding any other provision of this Section A8.609-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay less than \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>

<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.609, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.609-5 and A8.609-6.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(d) Notwithstanding any other provision of this Section A8.609-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>



<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.609, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.609-5 and A8.609-6.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required by the City and County of San Francisco under Subsection (b) for that fiscal year.

(e) 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 A8.609 shall be a part of the fund in which all other assets of said system are included.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.590 et seq.

SEC. A8.609-12 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section A8.609-2 as requisite to retirement, a miscellaneous safety member shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.609-2, and except as provided in Section A8.609-16, nothing shall deprive said member of said right.

SEC. A8.609-13 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and in Subsection (b) of this section, no person retired as a member under Section A8.609 for service or disability and entitled to receive a retirement allowance under the Retirement System shall be employed in any

capacity by the City and County, nor shall such person receive any payment for services rendered to the City and County after retirement.

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

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

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.609, he or she shall re-enter membership under Section A8.609 and his or her retirement allowance shall be cancelled immediately upon his or her re-entry. The provisions of Subsection (a) of this section shall not prevent such person from receiving the compensation for such position or office. The rate of contributions of such member shall be the same as that for other members under Section A8.609. Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

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

SEC. A8.609-14 DEFERRED RETIREMENT

Notwithstanding any provisions of this Charter to the contrary, should any miscellaneous safety member who is a member of the Retirement System under Charter Section A8.609 with at least five years of credited service cease to be employed as such a member, through any cause other than death or retirement, he or she shall have the right to elect, without right of revocation and within 90 days after termination of said service, to allow his or her accumulated contributions including interest to remain in the retirement fund and to receive a retirement allowance equal to the percent set forth in Section A8.609-2 opposite his or her age at retirement, for each year of service multiplied against the final compensation of said member, calculated at termination, payable beginning no earlier than age 50. No deferred retirement allowance under this Section shall exceed ninety (90%) percent of the member's final compensation.

SEC. A8.609-15 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

Any member convicted of a crime involving moral turpitude committed in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any benefits under the Retirement System except refund of his or her accumulated contributions; provided, however, that if such member is qualified for service retirement by reason of service and age under the provisions of Section A8.609-2, he or she shall have the right to elect, without right of revocation and within 90 days after his or her removal from office or employment to receive as his or her sole benefit under the Retirement System an annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of such removal from office or employment.

Any member after retirement for service or disability or while receiving a vesting allowance, who is convicted of a crime involving moral turpitude in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any further benefit from the Retirement System and the Retirement System shall

immediately cease all future payments to such member; provided however, that if at the time of the conviction, said member has remaining accumulated contributions, then such member shall have the right to elect, without right of revocation and within 30 days after his or her conviction, to receive as his or her sole benefit under the Retirement System an annuity which shall be the actuarial equivalent of his or her accumulated contributions remaining at the time of the conviction.

SEC. A8.609-16 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.609 or with any part thereof, shall be superseded by the contents of Section A8.609. Section A8.609 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.609 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.609. If any words, phrases, clauses, sentences, subsections, provisions or portions of this Section A8.609 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of this Section A8.609 which can be given effect. Section A8.609 shall be broadly construed to achieve its stated purposes.

Section 13. The San Francisco Charter is hereby amended, by adding Sections A8.610 through A8.610-16 to read as follows:

SEC. A8.610 MISCELLANEOUS SAFETY PERSONNEL HIRED ON AND AFTER JANUARY 7, 2012

Miscellaneous safety employees, as defined in Section A8.610-2, hired on and after January 7, 2012, shall be members of the Retirement System subject to the provisions of Sections A8.610 through A8.610-16 in addition to such other applicable provisions of this Charter, including but not limited to Sections 12.100 and A8.500.

SEC. A8.610-1 DEFINITIONS

The following words and phrases as used in this Section, Section A8.610 and Sections A8.610-2 through A8.610-16, unless a different meaning is plainly required by the context, shall have the following meanings:

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

“Compensation,” as distinguished from benefits under the Workers’ Compensation 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. Remuneration shall not mean new premiums or allowances first paid by the City and County after January 7, 2012, that exceed the rate of pay fixed for each classification for service qualifying for credit under this Section. For members with concurrent service in more than one position, “compensation” shall be limited to remuneration for the first hours paid during any fiscal year equal to one full time equivalent position. “Compensation” for any fiscal year shall not include remuneration that exceeds seventy five percent of the limits set forth in Internal Revenue Code Section 401(a)(17) and as amended from time to time.

“Compensation earnable” shall mean the compensation which would have been earned had the member received compensation without interruption throughout the period under consideration and at the rates of remuneration attached at that time to the positions held by him or her during such period, 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 becoming a miscellaneous safety member, he or she was in the position first held by him or her in such department.

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

“Final compensation” shall mean the average monthly compensation earnable by a member during the higher of any three fiscal years

of earnings or the thirty six consecutive months of earnings immediately prior to retirement.

For the purpose of Sections A8.610 through A8.610-16, the terms “miscellaneous safety member” or “member” shall mean any probation officers, district attorney investigators, and juvenile court counselors hired on and after January 7, 2012.

“Qualified for service retirement,” “qualification for service retirement” or “qualified as to age and service for retirement,” as used in this Section and other Sections to which persons who are members under Section A8.610 are subject, shall mean completion of 25 years of service and attainment of age 50, said service to be computed under Section A8.610-10.

“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 gender, words used in the feminine gender shall include the masculine and neuter gender, and singular numbers shall include the plural and the plural the singular.

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

SEC. A8.610-2 SERVICE RETIREMENT

Any miscellaneous safety member, who completes at least five years of service in the aggregate and attains the age of fifty (50) years, said service to be computed under Section A8.610-10, may retire for service at his or her option. A member retired after meeting the service and age requirements in the preceding sentence, shall receive a retirement allowance equal to the percent of final compensation (as defined in Section A8.610-1) set forth below opposite his or her age at retirement, taken to the preceding completed quarter year, for each year of service, as computed under Section A8.610-1

<u>Retirement</u>	<u>Percent for Each Year of Credited Service</u>
<u>Age</u>	
<u>50</u>	<u>1.800</u>
<u>50 ½</u>	<u>1.828</u>
<u>50 ¼</u>	<u>1.856</u>
<u>50 ¾</u>	<u>1.884</u>
<u>51</u>	<u>1.912</u>
<u>51 ¼</u>	<u>1.940</u>
<u>51 ½</u>	<u>1.968</u>
<u>51 ¾</u>	<u>1.996</u>
<u>52</u>	<u>2.020</u>
<u>52 ¼</u>	<u>2.048</u>
<u>52 ½</u>	<u>2.076</u>
<u>52 ¾</u>	<u>2.104</u>
<u>53</u>	<u>2.132</u>
<u>53 ¼</u>	<u>2.160</u>
<u>53 ½</u>	<u>2.188</u>
<u>53 ¾</u>	<u>2.216</u>
<u>54</u>	<u>2.244</u>
<u>54 ¼</u>	<u>2.272</u>
<u>54 ½</u>	<u>2.300</u>
<u>54 ¾</u>	<u>2.328</u>
<u>55</u>	<u>2.356</u>



<u>55 ¼</u>	<u>2.384</u>
<u>55 ½</u>	<u>2.412</u>
<u>55 ¾</u>	<u>2.440</u>
<u>56</u>	<u>2.468</u>
<u>56 ¼</u>	<u>2.496</u>
<u>56 ½</u>	<u>2.524</u>
<u>56 ¾</u>	<u>2.552</u>
<u>57</u>	<u>2.590</u>
<u>57 ¼</u>	<u>2.618</u>
<u>57 ½</u>	<u>2.646</u>
<u>57 ¾</u>	<u>2.674</u>
<u>58</u>	<u>2.700</u>

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

SEC. A8.610-3 RETIREMENT FOR INCAPACITY

Any miscellaneous safety member who becomes incapacitated for the performance of his or her duty by reason of any bodily injury received in, or illness caused by the performance of his or her duty, shall be retired. If he or she is not qualified for service retirement, he or she shall receive a retirement allowance in an amount which shall be equal to the same percentage of the final compensation of said member, as defined in Section A8.610-1, as his or her percentage of disability is determined to be. The percentage of disability shall be as determined by the Workers' Compensation Appeals Board of the State of California upon referral from the Retirement Board for that purpose; provided that the Retirement Board may, by five affirmative votes, adjust the percentage of disability as determined by said appeals board; and provided, further, that such retirement allowance shall be in an amount not less than 50 percent nor more than 90 percent of the final compensation of said member, as defined in Section A8.610-1. Said allowance shall be paid to him or her until the date upon which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years had he or she lived and rendered service without interruption in the rank held by him or her at retirement, and after said date the allowance payable shall be equal to the retirement allowance said member would have received if retired for service on said date based on the final compensation, as defined in Section A8.610-1, he or she would have received immediately prior to said date, had he or she lived and rendered service as assumed, but such allowance shall not be less than 50 percent of such final compensation.

If, at the time of retirement because of disability, he or she is qualified as to age and service for retirement under Section A8.610-2, he or she shall receive an allowance equal to the retirement allowance which he or she would receive if retired under Section A8.610-2, but not less than 50 percent of said final compensation. Any miscellaneous safety member who becomes incapacitated for performance of his or her duty by reason of a cause not included under the provisions of the immediately preceding sentences, and who shall have completed at least 10 years of service in the aggregate, computed as provided in Section A8.610-10, shall be retired upon an allowance of 1½ percent of the final compensation of said member as defined in Section A8.610-1 for each year of service, provided that said allowance shall not be less than 33½ percent of said final compensation. The question of retiring a member under this Section may be brought before the Retirement Board on said Board's own motion, by the Retirement Board's Executive Director on its behalf, by recommendation of the miscellaneous safety member's department, or by said member, or his or her guardian. If his or her disability shall cease, his or her retirement allowance shall cease and he or she shall be restored to the service in the position he or she occupied at the time of his or her retirement.

SEC. A8.610-4 DEATH ALLOWANCE

If a miscellaneous safety member shall die before or after retirement by reason of an injury received in, or illness caused by the perfor-

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

If he or she had retired prior to death, the allowance payable shall be equal to one-half of his or her retirement allowance of the member as it was prior to optional modification and prior to reduction as provided in Subsection (a) of Section A8.514 of this Charter, but exclusive of the part of such allowance which was provided by additional contributions, except that if he or she was a member under Section A8.610 and if death occurred prior to qualification for the service retirement allowance, the allowance continued shall be adjusted upon the date at which said member would have completed at least twenty-five (25) years of service in the aggregate and attained the age of fifty (50) years, in the same manner as it would have been adjusted had the member not died. If such retired person leaves no such surviving spouse, or if such surviving spouse should die or remarry before every child of such deceased retired person attains the age of 18 years, the allowance which such surviving spouse would have received had he or she lived and not remarried shall be paid to retired person's child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her estate or designated beneficiary in the manner and subject to the conditions prescribed by the Board of Supervisors for the payment of a similar death benefit upon the death of other retired members.

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

SEC. A8.610-5 PAYMENT TO SURVIVING DEPENDENTS

Upon the death of a miscellaneous safety resulting from any

cause other than an injury received in, or illness caused by performance of duty.

(a) if the death occurred after qualification for service retirement under Section A8.610-2, or after retirement for service or because of disability which results from any cause other than an injury received in, or illness caused by performance of duty one-half of the retirement allowance to which the member would have been entitled if he or she had retired for service at the date of death or one-half of the retirement allowance as it was at his or her death, as the case may be, shall be continued throughout his or her life or until remarriage to his or her surviving spouse, or

(b) if his or her death occurred after the completion of at least 25 years of service in the aggregate but prior to the attainment of the age of 50 years, one-half of the retirement allowance to which he or she would have been entitled under Section A8.610-2 if he or she had attained the age of 50 years on the date of his or her death shall be continued throughout life or until remarriage to his or her surviving spouse, or

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

(d) if his or her death occurred after completion of at least 10 years of service in the aggregate, computed as provided in Section A8.610-10, an allowance in an amount equal to the retirement allowance to which the member would have been entitled pursuant to Section A8.610-3 if he or she had retired on the date of death because of incapacity for performance of duty shall be paid throughout life or until remarriage to his or her surviving spouse. If there is no surviving spouse entitled to an allowance hereunder, or if he or she dies or remarries before every child of such deceased member attains the age of 18 years, then the allowance which the surviving spouse would have received had he or she lived and not remarried shall be paid to his or her child or children under said age, collectively, to continue until every such child dies or attains said age, provided that no child shall receive any allowance after marrying or attaining the age of 18 years. Should said member leave no surviving spouse and no children under age of 18 years, but leave a child or children, regardless of age, dependent upon him or her for support because partially or totally disabled and unable to earn a livelihood or a parent or parents dependent upon him or her for support, the child or children and the parents so dependent shall collectively receive a monthly allowance equal to that which a surviving spouse otherwise would have received, during such dependency. No allowance, however shall be paid under this Section to a surviving spouse unless he or she was married to the member prior to the date of the injury or onset of the illness which results in death if he or she had not retired, or unless he or she was married to the member at least one year prior to his or her retirement if he or she had retired. The surviving spouse, in the event of death of the member after qualification for, but before service retirement, may elect before the first payment of the allowance, to receive the benefit provided in Section A8.610-8, in lieu of the allowance which otherwise would be continued to him or her under this Section. If there is no surviving spouse, the guardian of the eligible child or children may make such election, and if there are no such children, the dependent parent or parents may make such election.

SEC. A8.610-6 ADJUSTMENT OF ALLOWANCES

Every retirement or death allowance payable to or on account of any member under Section A8.6109 shall be adjusted for cost of living allowances as provided in this Charter.

SEC. A8.610-7 ADJUSTMENT FOR COMPENSATION PAYMENTS

That portion of any allowance payable because of the death or retirement of any miscellaneous safety member which is provided by contributions of the City and County, shall be reduced, by the amount of

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

SEC. A8.610-8 DEATH BENEFIT

If a miscellaneous safety member shall die, before retirement from causes other than an injury received in, or illness caused by the performance of duty, or regardless of cause if no allowance shall be payable under Section A8.610-4 or A8.610-5 preceding, a death benefit shall be paid to his or her estate or designated beneficiary, the amount of which and the conditions for the payment of which shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System. Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his or her designated beneficiary or estate, the amount of which, and the conditions for the payment of which, shall be determined in the manner prescribed by the Board of Supervisors for the death benefit of other members of the Retirement System.

SEC. A8.610-9 REFUNDS AND REDEPOSITS

Should any miscellaneous safety member cease to be employed as such a member, through any cause other than death or retirement or transfer to another office or department, all of his or her contributions, with interest credited thereon, shall be refunded to him or her subject to the conditions prescribed by the Board of Supervisors to govern similar terminations of employment of other members of the Retirement System.

SEC. A8.610-10 COMPUTATION OF SERVICE

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

(a) Time during and for which said member is entitled to receive compensation because of services as a miscellaneous safety member on or after January 7, 2012.

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

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

SEC. A8.610-11 SOURCES OF FUNDS

All payments provided for members under Section A8.610 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 A8.610 a sum equal to eight and one-half percent of such payment of compensation. The sum so deducted shall be paid forthwith to the Retirement System. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same manner as is prescribed by the Board of Supervisors for crediting interest to contributions of other members of the Retirement System, shall be applied to provide part of the retirement allowance granted to, or allowance



granted on account of said member, or shall be paid to said member or his or her beneficiary or as provided in Sections A8.610-4, A8.610-5 and A8.610-8. The individual accounts of members who purchased service credit for Unpaid Parental Leave shall also include the amount paid by the member for said purchase, plus interest.

(b) The City and County shall contribute to the Retirement System such amounts as may be necessary, when added to the contributions referred to in Subsection (a) of this Section A8.610-11, to provide the benefits payable to members under Section A8.610. 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 A8.610 in accordance with the provisions of Section A8.510.

(c) Notwithstanding any other provision of this Section A8.610-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay less than \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-4.0%</u>
<u>.01%-1.0%</u>	<u>-4.0%</u>
<u>1.01%-2.5%</u>	<u>-3.75%</u>
<u>2.51%-4.0%</u>	<u>-3.5%</u>
<u>4.01%-5.5%</u>	<u>-2.5%</u>
<u>5.51%-7.0%</u>	<u>-2.0%</u>
<u>7.01%-8.5%</u>	<u>-1.5%</u>
<u>8.51%-10.0%</u>	<u>-1.0%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.0%</u>
<u>15.01%-17.5%</u>	<u>1.5%</u>
<u>17.51%-20.0%</u>	<u>2.0%</u>
<u>20.01%-22.5%</u>	<u>2.5%</u>
<u>22.51%-25.0%</u>	<u>3.5%</u>
<u>25.01%-27.5%</u>	<u>3.5%</u>
<u>27.51%-30.0%</u>	<u>3.75%</u>
<u>30.01%-32.5%</u>	<u>3.75%</u>
<u>32.51%-35.0%</u>	<u>4.0%</u>
<u>Over 35.0%</u>	<u>4.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 A8.610, or

shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.610-4, A8.610-5 and A8.610-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(d) Notwithstanding any other provision of this Section A8.610-11 or this Charter, beginning on July 1, 2012, the employee contribution rate set forth in Subsection (a) for each member with a base rate of pay at or above \$48.00 per hour shall be increased or decreased each fiscal year based on the employer contribution rate for that fiscal year calculated by the Retirement System's actuary as prescribed in Subsection (b). The base rate of pay shall be adjusted each fiscal year by the percentage increase in the cost of living during the previous calendar year, as shown by the then current CPI-U Index, San Francisco-Oakland-San Jose issued by the U.S. Bureau of Labor Statistics, but not to exceed three and one-half percent (3.5%). Said increase or decrease in the employee contribution rate shall be calculated as a percentage of compensation, as set forth below:

<u>Employer Contribution Rate</u>	<u>Change In Member Contribution</u>
<u>0%</u>	<u>-5.0%</u>
<u>.01%-1.0%</u>	<u>-4.5%</u>
<u>1.01%-2.5%</u>	<u>-4.25%</u>
<u>2.51%-4.0%</u>	<u>-4.0%</u>
<u>4.01%-5.5%</u>	<u>-3.0%</u>
<u>5.51%-7.0%</u>	<u>-2.5%</u>
<u>7.01%-8.5%</u>	<u>-2.0%</u>
<u>8.51%-10.0%</u>	<u>-1.5%</u>
<u>10.01%-11.0%</u>	<u>-0.5%</u>
<u>11.01%-12.0%</u>	<u>0%</u>
<u>12.01%-13.0%</u>	<u>0.5%</u>
<u>13.01%-15.0%</u>	<u>1.5%</u>
<u>15.01%-17.5%</u>	<u>2.0%</u>
<u>17.51%-20.0%</u>	<u>2.5%</u>
<u>20.01%-22.5%</u>	<u>3.0%</u>
<u>22.51%-25.0%</u>	<u>4.0%</u>
<u>25.01%-27.5%</u>	<u>4.0%</u>
<u>27.51%-30.0%</u>	<u>4.25%</u>
<u>30.01%-32.5%</u>	<u>4.25%</u>
<u>32.51%-35.0%</u>	<u>4.5%</u>
<u>Over 35.0%</u>	<u>5.0%</u>

The employee contribution increases shall be deducted from each payment of compensation and shall be paid forthwith to the Retirement System. Said additional 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 allow-

ance granted on account of, said member under Section A8.6010, or shall be paid to said member or his or her beneficiary or estate as provided in Sections A8.610-4, A8.610-5 and A8.610-8.

The percentage increase in member contributions shall reduce, by a corresponding percentage, the City and County contributions to the Retirement System otherwise required for said member for that fiscal year.

The employee contribution decreases shall be paid by the City and County at the time each member is paid compensation, such that the Retirement System receives from the member and the City and County combined, a sum equal to eight and one half percent of the member's compensation as provided in Subsection (a). The sums so received shall be credited to the individual accounts of the member on whose behalf the contributions are made.

The percentage increase in contributions by the City and County shall be in addition to the contributions required under Subsection (b) for that fiscal year.

(e) 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 A8.610 shall be a part of the fund in which all other assets of said system are included.

(f) The Retirement Board's authority under Charter Sections 12.100 and A8.500 and in Section A8.510 concerning the annual setting of the rates of contribution is not subject to the meet and confer process, including all impasse procedures under Section A8.590 et seq.
SEC. A8.610-12 RIGHT TO RETIRE

Upon the completion of the years of service set forth in Section A8.610-2 as requisite to retirement, a member of the sheriff's department shall be entitled to retire at any time thereafter in accordance with the provisions of said Section A8.610-2, and except as provided in Section A8.610-13, nothing shall deprive said member of said right.

SEC. A8.610-13 FORFEITURE FOR CRIMES INVOLVING MORAL TURPITUDE

Any member convicted of a crime involving moral turpitude committed in connection with his or her duties as an officer or employee of the City and County shall forfeit all rights to any benefits under the Retirement System except refund of his or her accumulated contributions; provided, however, that if such member is qualified for service retirement by reason of service and age under the provisions of Section A8.610-2, he or she shall have the right to elect, without right of revocation and within 90 days after his or her removal from office or employment to receive as his or her sole benefit under the Retirement System an annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of such removal from office or employment.

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

SEC. A8.610-14 LIMITATION ON EMPLOYMENT DURING RETIREMENT

(a) Except as provided in Section A8.511 of this Charter and in Subsection (b) of this section, no person retired as a member under Section A8.610 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 compensation does not exceed \$100 per month.

(3) If such retired person is elected or appointed to a position or office which subjects him or her to membership in the Retirement System under Section A8.610, he or she shall re-enter membership under Section A8.609 and his or her retirement allowance shall be cancelled immediately upon his or her re-entry. The provisions of Subsection (a) of this Section shall not prevent such person from receiving the compensation for such position or office. The rate of contributions of such member shall be the same as that for other members under Section A8.610. Such member's individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the time of his or her re-entry, but the amount thereof shall not exceed the amount of his or her accumulated contributions at the time of his or her retirement. Such member shall also receive credit for his or her service as it was at the time of his or her retirement.

(c) Notwithstanding any provision of this Charter to the contrary, should any person retired for disability engage in a gainful occupation prior to attaining the age of 58 years, the Retirement Board shall reduce that part of his or her monthly retirement allowance which is provided by contributions of the City and County to an amount which, when added to the amount of the compensation earnable, at the time he or she engages in the gainful occupation, by such person if he or she held the position which he or she held at the time of his or her retirement, or, if that position has been abolished, the compensation earnable by the member if he or she held the position from which he or she was retired immediately prior to its abolishment.

SEC. A8.610-15 DEFERRED RETIREMENT

Notwithstanding any provision of this Charter to the contrary, should any miscellaneous safety member who is a member of the Retirement System under Charter Section A8.610 with at least five years of credited service cease to be employed as such a member, through any cause other than death or retirement, he or she shall have the right to elect, without right of revocation and within 90 days after termination of said service, to allow his or her accumulated contributions including interest to remain in the retirement fund and to receive a retirement allowance equal to the percent set forth in Section A8.610-2 opposite his or her age at retirement, for each year of service multiplied against the final compensation of said member, calculated at termination, payable beginning no earlier than age 50. No deferred retirement allowance under this section shall exceed ninety percent (90%) of the member's final compensation.

SEC. A8.610-16 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Section A8.610 or with any part thereof, shall be superseded by the contents of Section A8.610. Section A8.610 shall be interpreted to be consistent with all federal and state laws, rules, and regulations. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.610 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.610. If any words, phrases, clauses, sentences, subsections, provisions or portions of Section A8.610 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Section A8.610 which can be given effect. Section A8.610 shall be broadly construed to achieve its stated purposes.

Section 14. The San Francisco Charter is hereby amended, by amending Sections 12.200, A8.422, A8.423, A8.426 and A8.428, and by adding Section A8.431-1, to read as follows:

SEC. 12.200 HEALTH SERVICE BOARD.

There shall be a Health Service Board which shall consist of seven members as follows: one member of the Board of Supervisors, to be appointed by the President of the Board of Supervisors; two members appointed by the Mayor pursuant to Section 3.100, one of whom



shall be an individual who regularly consults in the health care field, and the other a doctor of medicine; one member nominated by the Controller and four members elected from the active and retired members of the System from among their number. Elections shall be conducted by the Director of Elections in a manner prescribed by ordinance. Elected members need not reside within the City and County.

Not later than April 1, 2013 the Controller shall nominate a candidate for appointment to the Health Services Board for a two-year term commencing on May 15, 2013. The Controller shall transmit a written notice of nomination to the Health Services Board. The Controller's nominee shall be subject to the approval of the Health Services Board. If the Health Services Board fails to calendar the Controller's nomination for consideration at a meeting to occur not later than 60 days after receipt of the Controller's written notice of nomination, the Controller's nominee shall be deemed approved. All subsequent appointments of Controller's nominees shall be for a five-year term and be subject to the same procedure. The Controller's nominee may not vote on his or her successor.

The terms of Health Service Board members, other than the ex officio members, shall be five years, and shall expire on May 15 of each year, with the exception that the term of the Board member that begins in May 2011 shall be three (3) years, and shall expire in May 2014, and the term of the Board member that begins in May 2013 term shall be two (2) years, and shall expire in May 2015.

The appointee nominated by the Controller shall succeed the elected member whose term expires at 12:00 noon on May 15, 2013. In the event the elected member whose term expires on May 15, 2013, leaves the Board prior to that date, the Controller shall nominate a successor to fill the unexpired term according to the procedures set forth above.

A vacancy on the Board appointed by the Mayor shall be filled by the Mayor. A vacancy on the Board of an appointee nominated by the Controller shall be filled for the unexpired term according to the procedures set forth above for Controller's nominees. A vacancy in an elective office on the Board shall be filled by a special election within 90 days after the vacancy occurs unless a regular election is to be held within six months after such vacancy shall have occurred.

The Health Service Board shall:

1. Establish and maintain detailed historical costs for medical and hospital care and conduct an annual review of such costs;
2. Apply benefits without special favor or privilege;
3. Put such plans as provided for in Section A8.422 into effect and conduct and administer the same and contract there for and use the funds of the System;
4. Make rules and regulations for the administration of business of the Health Service System, the granting of exemptions and the admission to the System of persons who are hereby made members, and such other officers and employees as may voluntarily become members with the approval of the Board; and
5. Receive, consider and, within 60 days after receipt, act upon any matter pertaining to the policies of, or appeals from, the Health Service System submitted to it in writing by any member or any person who has contracted to render medical care to the members.

Except as otherwise specifically provided, the Health Service Board shall have the powers and duties and shall be subject to the limitations of Charter Sections 4.102, 4.103 and 4.104.

Subject to the requirements of state law and the budgetary and fiscal provisions of the Charter, the Health Service Board may make provision for health or dental benefits for residents of the City and County of San Francisco as provided in Section A8.421 ~~of Appendix A of the Charter.~~

SEC. A8.422 ADOPTION OF PLANS FOR MEMBERS

The board shall have power and it shall be its duty by a ~~two-thirds~~ majority vote of the entire membership of the health service board to adopt a plan or plans for rendering medical care to members of the system, or for the indemnification of the cost of said care, or for obtaining and carrying insurance against such costs or for such care.

Such plan or plans as may be adopted, shall not become effective until approved by ordinance of the Board of Supervisors, adopted by three-fourths of its members.

The Board of Supervisors shall secure an actuarial report of the costs and effect of any proposed change in the benefits of the health service system or rates of contribution before enacting an ordinance or before voting to submit any proposed Charter amendment providing for such change.

SEC. A8.423 REVISION OF SCHEDULES AND COMPENSATION

In January of each year, or at such other time consistent with the Plan Year set by the health service board, or at such other time consistent with the Plan Year set by the Health Service Board, at a public hearing, the ~~H~~health ~~S~~ervice ~~B~~oard shall review and determine the adequacy of medical care provided for members of the system and the adequacy of fee schedules and the compensation paid for all services rendered and it may make such revisions therein as it deems equitable but such revisions shall not become effective until approved by ordinance of the Board of Supervisors adopted by three-fourths of its members.

Commencing in 1973, the ~~H~~health ~~S~~ervice ~~B~~oard shall, prior to the second Monday in January in each year, or at such other time consistent with the Plan Year set by the Health Service Board, conduct a survey of the 10 counties in the State of California, other than the City and County of San Francisco, having the largest populations to determine the average contribution made by each such county toward the providing of health care plans, exclusive of dental care, for each employee of such county. The Health Service Board may promulgate rules and regulations for the survey to allow for unavoidable gaps in survey data and to insure a consistent methodology from year to year. In accordance with said survey, the ~~H~~health ~~S~~ervice ~~B~~oard shall determine the average contribution made with respect to each employee by said 10 counties toward the health care plans provided for their employees and on or before the second Monday in January of each year, or at such other time consistent with the Plan Year set by the Health Service Board, the ~~H~~health ~~S~~ervice ~~B~~oard shall certify to the Board of Supervisors the amount of such average contribution. For the purposes of Section A8.428, the amount of such average contribution shall be "the average contribution."

The ~~H~~health ~~S~~ervice ~~B~~oard shall have the responsibility to obtain and disseminate information to its members with regard to plan benefits and costs thereof. All expenses in connection with obtaining and disseminating said information, ~~and~~ the investment of such fund or funds as may be established, including travel and transportation costs, member wellness programs, actuarial expenses and expenses incurred to reduce health care costs, shall be borne by the system from reserves in the health service fund but only upon adoption of a resolution by the ~~H~~health ~~S~~ervice ~~B~~oard approving such expenses.

SEC. A8.426 RIGHT OF SELECTION

No member of the health service system shall be required to accept the services or medical supplies of any physician (physician includes physicians and surgeons, optometrists, dentists, chiropodists and osteopathic and chiropractic practitioners licensed by California State Law and within the scope of their practice as defined by California State Law), person licensed to treat human diseases without the use of drugs, nurse, pharmacist or hospital selected by the health service board, but, subject to rules and regulations of that board, every member shall have the right to select, of his ~~or her~~ own choice, ~~any~~ any duly licensed physician, as defined herein, person licensed to treat human diseases without the use of drugs, nurse, pharmacist, hospital or other agency of medical care as herein defined, ~~who or which will render the required services pursuant to said rules and regulations, who or which is made available through health service system plans;~~ and the health service board shall make provision for the exercise of such selection choice; and is hereby expressly prohibited from entering into any exclusive contract for the rendering of said service.

~~Any~~ any duly licensed physician, as defined herein, person licensed to treat human diseases without the use of drugs, nurse, pharmacist, hospital or other agency of medical care shall have the right to furnish such services or medical supplies at uniform rates of compensation to be fixed by the health service board.

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 *R*etired *P*ersons, the City and County of San Francisco because of its members and *R*etired *P*ersons, the Parking Authority of the City and County of San Francisco because of its members and *R*etired *P*ersons, the San Francisco Unified School District because of its members and *R*etired *P*ersons and the San Francisco Community College District because of its members and *R*etired *P*ersons.

(a) Definitions.

“Credited Service” means years of employment with the Employers.

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

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

“PERS” as used in this section shall mean the Public Employees’ Retirement System of the State of California.

“Plan Year” as used in section A8.423 shall mean the twelve month period beginning on each July 1 and ending on June 30, or such other 12 month period as may be determined by the Health Service Board.

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

“Retirement System” as used in this section shall mean the San Francisco City and County Employees’ Retirement System.

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

A “Retired Person” as used in this section means:

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

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

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

(4) A former member of the health service system, hired by the Employers on or after January 10, 2009, and retired under the Retirement System or PERS for disability, or retired under the Retirement System or PERS: (i) within 180 days of separation from employment

from the Employers; and (ii) with 10 or more years of Credited Service with the Employers (hereinafter, “Retired Employee who was Hired on or After January 10, 2009”);

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

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

(b) Employer Contributions.

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

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

(2) The City and County, the School, District and the Community College District shall contribute to the health service system fund with respect to each of their members an amount equal to *the lesser of* “the average contribution,” as certified by the health service board in accordance with the provisions of Section A8.423, *or the cost of the plan selected by the member.*

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

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

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

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

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

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

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

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

(ii) The surviving spouses or surviving domestic part-



ners of active employees hired on or after January 10, 2009, with 20 or more years of Credited Service with the Employers;

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

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

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

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

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

(ii) 75% percent of the employer contribution established in A8.428 Subsection (b)(3) for a Retired Employee who was Hired on or After January 10, 2009, with at least 15 but less than 20 years of Credited Service with the Employers; their surviving spouses or surviving domestic partners; and the surviving spouses or surviving domestic partners of active employees hired, on or after January 10, 2009, with at least 15 but less than 20 years of Credited Service with the Employers.

(6) Retired Employees Who Were Hired on or After January 10, 2009 - Categories of Employees Eligible for Access to Retiree Medical Benefits Coverage.

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

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

Years of Credited Service at Retirement	Percentage of Employer Contribution Established in A8.428 Subsection (b)(3)
1. 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)	No Retiree Medical Benefits Coverage
2. 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))	0% Access to Retiree Medical Benefits Coverage, Including Access to Dependant Coverage, But No Employer Contribution; Employee Pays Health Insurance Premium
3. At least 10 but less than 15 years of Credited Service with the Employers (A8.428 Subsection (b)(5))	50%

4. At least 15 but less than 20 years of Credited Service with the Employers (A8.428 Subsection (h)(5))	75%
5. 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 (A8.428 Subsection (b)(4))	100%

The above chart is a simplified summary of Employer contributions under A8.428 Subsections (b)(4), (b)(5) and (b)(6) for employees hired on or after January 10, 2009. The express language of Subsections (b)(4), (b)(5) and (b)(6), and not the summary chart or its content, shall determine Employer contributions.

(8) Employees Who Separated From Employment on or Before June 30, 2001, and Who Retired on or After January 7, 2012.

Notwithstanding any other provisions of A8.428 for Retired Persons who separated from employment on or before June 30, 2001, and who retired on or after January 7, 2012, the monthly contributions required from such Retired Persons, and the surviving spouses and surviving domestic partners of active employees and such Retired Persons participating in the system, shall be equal to the monthly contributions required from members in the system for health coverage, excluding health coverage or subsidies for health coverage paid for employees as a result of collective bargaining, with the following modifications:

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

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

(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 School District and the 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 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. Notwithstanding any other provision of Charter Section A8.428, 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 contributions for the first dependent of a Retired Person who separated from employment on or before June 30, 2001, and who retired on or after January 7, 2012.

(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 School District and the 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 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 there for submitted to the electorate on June 3, 2008 shall be operative January 10, 2009. The purpose of the January 10, 2009, Charter amendment is to amend Section A8.428 to change the required years of service and employer retiree health care contribution amounts for employees hired on or after January 10, 2009. Nothing in this Charter amendment shall expand or contract the groups of employees eligible for retiree health care benefits beyond, those groups eligible as of June 3, 2008.

SEC. A8.431-1 SEVERABILITY

Any Section or part of any Section in this Charter, insofar as it should conflict with the provisions of Charter Sections 12.200 through 12.203 or A8.420 through A8.431, or with any part thereof, shall be superseded by the contents of Charter Sections 12.200 through 12.203 or A8.420 through A8.431. Charter Sections 12.200 through 12.203 or A8.420 through A8.431 shall be interpreted to be consistent with all federal and state laws, rules and regulations. If any of the words, phrases, clauses, sentences, subsections, or provisions of Charter Sections 12.200 through 12.203 or A8.420 through A8.431 are held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining words, phrases, clauses, sentences, subsections, or provisions of Charter Sections 12.200 through 12.203 or A8.420 through A8.431. If any words, phrases, clauses, sentences, subsections, or provisions of Charter Sections 12.200 through 12.203 or A8.420 through A8.431 are held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of Charter Sections 12.200 through 12.203 or A8.420 through A8.431 which can be given effect. Charter Sections 12.200 through 12.203 or A8.420 through A8.431 shall be broadly construed to achieve their stated purpose.

Section 15. To the extent that any provision of this Charter Amendment addressing City retirement benefits and retiree health care benefits is contrary to the terms of a Memorandum of Understanding (MOU) between an Employer and a recognized employee organization representing employees for such Employer executed and adopted on or before November 8, 2011, such contrary provision, whether a change to retirement or health benefits or contributions, shall become effective for employees covered by such MOU only upon expiration of such MOU, based on the expiration date specified in the MOU as of November 8, 2011.

Section 16.

(a) The voters find that it is critical for the City to address the challenges of rising retirement and health benefit costs in a comprehensive manner. Accordingly, the voters intend to adopt at the November 8, 2011 election only one measure that relates to City retirement benefits.

(b) This Proposition supplants in its entirety any other City proposition related to retirement benefits that the voters may approve at the November 8, 2011 election. If the voters adopt this Proposition and any other such proposition and this Proposition receives more votes, then the other proposition shall not become operative in any respect.

(c) This Proposition shall not become operative in any respect if another proposition related to retirement benefits receives more votes than this Proposition at the November 8, 2011 election.

Proposition D

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

Be it ordained by the People of the City and County of San Francisco ("City") that:

The People of the City and County of San Francisco hereby enact the following Charter Amendment entitled "The San Francisco Pension Reform Act" to increase the amount that City employees contribute toward their pension benefits when the City's pension costs increase, while exempting lower-paid employees. This measure also prohibits pension "spiking" and provides a reformed pension plan for future employees. This measure will help protect essential City services and jobs, and will ensure that the City employees' pension system is funded in a sustainable manner.

SECTION 1. FINDINGS AND PURPOSE

This year, San Francisco taxpayers must contribute \$357 million to fund City employee pension costs. Within four years, the City's required direct contribution from taxpayers is projected to reach \$600 million – an average increase of \$60 million per year. These costs may force the City to cut an additional \$243 million in essential services and jobs over the next four years to meet its pension obligations to retirees.

Currently, regardless of the actual costs of funding the pension system, most employees contribute a fixed rate toward the cost of their pensions. The City's required contribution, however, is not fixed. The City now contributes nearly twice the amount that most City employees contribute. Within four years, the City's contribution level is projected to be four times that of City employees.

These escalating pension costs come at a time when the City is facing large deficits. In 2011, the City faced a \$379 million budget shortfall and is expected to face an even larger deficit next year. Pension costs are draining the City's general operating funds, and are significantly impairing the City's ability to provide basic services to its residents such as education, police and fire protection, street and infrastructure repair, parks, sports and recreational facilities, health services for low-income families and after-school programs for children. For the City to continue to provide important public services and sustainably fund the pension system, changes to existing pension formulas and additional employee contributions are needed.

This measure recognizes, however, that lower-paid employees will be less able to afford increases in pension costs than higher-paid employees. Accordingly, the measure protects lower earning employees: employees making below \$50,000 annually will be exempt from any increases while those earning \$60,000 annually will only face minimal increases in their level of required contribution. City employees who earn more and qualify for larger pension benefits would pay a greater share of their pension costs, based on a progressive, graduated formula.

This measure also:

- prohibits pension "spiking," which is the practice of increasing a City employee's compensation in the final one or two years of service to artificially inflate the employee's pension benefits.
- limits the total annual pension benefit for employees hired after January 1, 2012, to the lower of either \$140,000 annually (adjusted for inflation) or 75% of pensionable compensation, recognizing that higher paid employees have the means to supplement their retirement through self-directed investment, with a limited match by the City.
- recognizes that the retirement benefits of public safety employees, such as police officers and firefighters, are more costly than those received by other City employees. This is because police officers and firefighters are eligible to retire at an earlier age than other City employees and may receive an annual pension of up to 90% of their salary upon retirement. Currently, the cost of a typical firefighter's pension is almost three times the amount of a non-safety employee's pension, while the cost of a typical police officer's pension

is double the amount of a non-safety employee. In 2002, San Francisco voters approved a law requiring police officers and firefighters to enter a cost sharing agreement to achieve a reduction in pension costs when the City's contribution costs increased. This measure achieves a greater degree of cost sharing with these employees.

To further reduce City contributions to employee pensions, this measure calls for implementation of a new, reformed pension plan for employees hired on or after January 1, 2012. The new plan provides for a reduced level of benefits, at lower contribution rates, than exist for current employees. This new plan will not change benefit levels for current employees. However, current employees may elect to be covered by the new plan, choosing to pay a lower contribution rate in exchange for reduced benefits.

The pension provisions in this measure do not apply to:

- teachers and academic administrators employed by San Francisco Unified School District and San Francisco Community College District who are participants in the State Teachers' Retirement System.
- participants in the California Public Employees' Retirement System.

This measure will not reduce the benefits of any person who has already retired from City employment or their dependents, including widows and orphans of public safety officers who die in the line of duty.

In the event that the pension system becomes fully funded or the City identifies new sources of revenue to help reduce the cost of pensions, this measure requires the Board of Supervisors to convene a hearing to determine whether any changes should be made to the Charter. However, any changes in pension benefits must be submitted to the voters for approval.

This measure does not restrict or limit the collective bargaining rights presently enjoyed by City employees. Pension benefits have always been set by the voters in the City's Charter.

These amendments are intended to strengthen the finances of the City and the City employees' pension system to ensure their sustained ability to pay promised benefits upon retirement.

TABLE A: ADDITIONAL CONTRIBUTION RATES TO BE PAID BY ELECTED OFFICIALS, OFFICERS, MISCELLANEOUS EMPLOYEES, POLICE OFFICERS AND FIREFIGHTERS.

<i>Annual Base Wage</i>	<i>If the Employer Contribution Rate Is 10% or More, Employee pays an additional</i>	<i>If the Employer Contribution Rate Is 12.5% or More, Employee pays an additional</i>	<i>If the Employer Contribution Rate Is 15% or More, Employee pays an additional</i>	<i>If the Employer Contribution Rate Is 17.5% or More, Employee pays an additional</i>	<i>If the Employer Contribution Rate Is 20% or More, Employee pays an additional</i>	<i>If the Employer Contribution Rate Is 22.5% or More, Employee pays an additional</i>	<i>If the Employer Contribution Rate Is 25% or More, Employee pays an additional</i>	<i>If the Employer Contribution Rate is 27.5% or More, Employee pays an additional</i>	<i>If the Employer Contribution Rate is 30% or More, Employee pays an additional</i>
<i>\$0-\$49,999</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>\$50,000-\$59,999</i>	<i>1.0</i>	<i>1.5</i>	<i>2.0</i>	<i>2.5</i>	<i>3.0</i>	<i>3.5</i>	<i>4.0</i>	<i>4.5</i>	<i>5.0</i>
<i>\$60,000-\$69,999</i>	<i>1.5</i>	<i>2.0</i>	<i>2.5</i>	<i>3.0</i>	<i>3.5</i>	<i>4.0</i>	<i>4.5</i>	<i>5.0</i>	<i>5.5</i>
<i>\$70,000-\$79,999</i>	<i>2.0</i>	<i>2.5</i>	<i>3.0</i>	<i>3.5</i>	<i>4.0</i>	<i>4.5</i>	<i>5.0</i>	<i>5.5</i>	<i>6.0</i>
<i>\$80,000-\$89,999</i>	<i>2.5</i>	<i>3.0</i>	<i>3.5</i>	<i>4.0</i>	<i>4.5</i>	<i>5.0</i>	<i>5.5</i>	<i>6.0</i>	<i>6.5</i>
<i>\$90,000-\$99,999</i>	<i>3.0</i>	<i>3.5</i>	<i>4.0</i>	<i>4.5</i>	<i>5.0</i>	<i>5.5</i>	<i>6.0</i>	<i>6.5</i>	<i>7.0</i>
<i>\$100,000-\$149,999</i>	<i>3.5</i>	<i>4.0</i>	<i>4.5</i>	<i>5.0</i>	<i>5.5</i>	<i>6.0</i>	<i>6.5</i>	<i>7.0</i>	<i>7.5</i>
<i>\$150,000-\$199,999</i>	<i>4.0</i>	<i>4.5</i>	<i>5.0</i>	<i>5.5</i>	<i>6.0</i>	<i>6.5</i>	<i>7.0</i>	<i>7.5</i>	<i>8.0</i>
<i>\$200,000 and above</i>	<i>4.5</i>	<i>5.0</i>	<i>5.5</i>	<i>6.0</i>	<i>6.5</i>	<i>7.0</i>	<i>7.5</i>	<i>8.0</i>	<i>8.5</i>

SECTION 2. AMENDMENT OF CHARTER

The San Francisco City Charter is hereby amended as follows:

48.490 CONTRIBUTIONS TO EMPLOYEE PENSION BENEFITS (ALL ELECTED OFFICIALS, OFFICERS AND EMPLOYEES)

The following provisions shall apply to active and future members of the San Francisco City and County Employees' Retirement System (SFERS or "Retirement System") effective January 1, 2012 and to employers participating in SFERS.

- All elected officials, officers, and miscellaneous employees employed as of December 31, 2011, in addition to contributing a fixed rate of 7.5% of each payment of compensation towards their pensions, shall contribute the additional variable sums toward their pensions set forth in Table A. The employer's contribution rate shall be reduced commensurately.*
- All uniformed members of the police and fire departments employed as of December 31, 2011, in addition to contributing a fixed rate of 10% of each payment of compensation toward their pensions, shall contribute the additional variable sums towards their pensions set forth in Table A. The employer's contribution rate shall be reduced commensurately.*
- The "employer contribution rate" referenced in Table A is the "net employer contribution rate," as defined by the Retirement System's actuary, which is comprised of the employer's normal cost rate, plus the amortization of the total unfunded actuarial liability, plus the expense load.*
- The annual base wage rate for employees shall be determined by the employer on a biweekly basis by multiplying the hourly base wage rate for such employee by the number of hours annually that individuals in the employee's classification are regularly scheduled to work.*
- All elected officials, officers, and miscellaneous employees who commenced employment on or after January 1, 2012, will*

- receive the reduced pension benefits provided in section A8.490-1 and shall contribute 6% of each payment of compensation toward their pensions, plus the amounts set forth in Table A. Commencing on July 1, 2012, all elected officials, officers, and miscellaneous employees who were employed as of December 31, 2011, may elect to pay the lower contribution rate for years not yet worked, plus the amounts set forth in Table A, in exchange for receiving prospectively the reduced pension benefits provided in section A8.490-1.
- (f) All uniformed members of the police and fire departments who commenced employment on or after January 1, 2012, will receive the reduced pension benefits provided in section A8.490-1 and shall contribute 8% of each payment of compensation toward their pensions, plus the amounts set forth in Table A. Commencing on July 1, 2012, all uniformed members of the police and fire departments, who were employed as of December 31, 2011, may elect to pay the lower contribution rate for years not yet worked, plus the amounts set forth in Table A, in exchange for receiving prospectively the reduced pension benefits provided in section A8.490-1.
- (g) The SFERS actuary shall study both the fixed contribution rates for employees who commenced employment on or after January 1, 2012, and the contribution rate paid by employees who were employed as of December 31, 2011, who chose the option of the reduced benefit package specified in subsections (e) and (f) of this section. The actuary shall determine the rate of member contribution that would result in the equivalent of a 2% salary savings for the employer as compared to employees who remain in the pre-2012 plan. If the actuary determines that a lower contribution rate than the rate established in subsections (e) and (f) of this section for the reduced benefit contribution will achieve the equivalent of at least a 2% salary savings, as certified by SFERS and the San Francisco Controller, the Retirement Board may reduce the contribution rate paid by these employees up to that amount.
- (h) The rate of contribution charged to all elected officials, officers, police and fire employees, and miscellaneous employees for compensation earned shall be calculated annually. SFERS will inform affected employees no later than 90 days before any change in the employee contribution rate.
- (i) Effective July 1, 2014, the annual base wage rates stated in Table A shall be adjusted annually based on changes in the Consumer Price Index (CPI-U) for the San Francisco Bay Area relative to the prior calendar year.
- service in the aggregate credited in the Retirement System. A member who retires after reaching the age of 65 shall receive a service retirement allowance at the rate of 2.3 % of average final compensation per year of service.
- (b) The minimum age for service retirement for uniformed members of the police department and fire department who became employed on or after January 1, 2012, shall be age 50, with a minimum of 10 years of service. A member who retires at the age of 50 shall receive a service retirement allowance at the rate of 2.0% of average final compensation per year of service. For each quarter-year of service after age 50, the percent per year of credited service shall increase by 0.025%, to a maximum of 2.7% at age 57. A member who retires after reaching the age of 57 shall receive a service retirement allowance at the rate of 2.7 % of average final compensation per year of service.
- (c) The voters find and declare that “pension spiking,” by which employees’ compensation is increased in their final years of service to artificially inflate their pension benefits, threatens the sustainability of the pension system. To prevent pension spiking, the voters adopt the following provisions:
- (i) “Compensation” for the purposes of section A8.490-1 shall mean base wage as defined by classification or rank and applicable step, and shall not include overtime, premiums, differentials, special pays, educational incentives, retention pays, longevity pays, performance pays, bonuses, “pick-ups” of the employee share of retirement or health contributions, or any other supplemental compensation or remuneration.
- (ii) “Average final compensation” for all sworn members employed by the San Francisco police and fire departments, elected officials, officers and miscellaneous employees participating in the SFERS shall mean the average monthly compensation earned by a member during the higher of (a) any five consecutive fiscal years of earnings, or (b) the sixty months of earnings immediately prior to retirement.
- (d) For employees who qualify for and elect to receive vesting retirement pursuant to sections A8.600-6, A8.601-15, or A8.602-15, the minimum age necessary to receive a retirement allowance and the percent per year of credited service shall be as set forth above in section A8.490-1(a) or (b) as applicable.
- (e) The percentage per year of credited service for uniformed members of the police and fire departments retiring for incapacity shall be as set forth above in section A8.490-1(b), subject to the limitations of section A8.490-1(c) defining compensation and average final compensation and the limitations of section A8.490-1(f), below, limiting the maximum amount of retirement allowance. Section A8.600-3 shall continue to govern retirement for incapacity of elected officials, officers and miscellaneous employees, subject to the limitations of section A8.490-1(c) defining compensation and average final compensation and the limitations of section A8.490-1(f), below, limiting the maximum amount of retirement allowance.

A8.490-1 PENSION BENEFITS FOR OFFICERS AND EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2012; PROHIBITION AGAINST PENSION SPIKING; HIGHER MINIMUM AGE FOR REGULAR RETIREMENT; LIMITATION OF RETIREMENT BENEFIT TO THE LESSER OF 75% OF FINAL COMPENSATION or \$140,000

The following provisions shall apply to members of the Retirement System hired by the City or other employers participating in the Retirement System on or after January 1, 2012.

- (a) The minimum age for service retirement for elected officials, officers and miscellaneous employees who began employment on or after January 1, 2012 shall be:
- (i) Age 55 for members who complete at least 20 years of total service in the aggregate credited in the Retirement System. A member who retires at the age of 55 shall receive a service retirement allowance at the rate of 1.3 % of average final compensation per year of service. For each quarter-year of service after age 55, the percent per year of credited service shall increase by 0.025%, to a maximum of 2.3% at age 65.
- (ii) Age 65 for members who complete at least 10 years of
- (f) In no event shall the retirement allowance of any member of SFERS hired on or after January 1, 2012, exceed seventy-five percent of his or her average final compensation or an annual pension of \$140,000, whichever is less, regardless of the type of retirement. Commencing July 1, 2014, the \$140,000 maximum referenced in this subsection shall be adjusted annually by any increase in the CPI-U for the San Francisco Bay Area relative to the prior calendar year.
- (g) The City and/or other employers participating in SFERS and affected employee organizations may negotiate a supplemental defined contribution plan, provided that the City and County of San Francisco’s Mayor and Board of Supervisors shall have no authority to agree to a City contribution in excess of



3% of base wage as defined as A8.490 (d), and provided further that the employee contribution to such defined contribution plan shall equal or exceed the City contribution.

A8.490-2 SUPPLEMENTAL COST OF LIVING ADJUSTMENTS AFTER JANUARY 1, 2012

Notwithstanding Charter sections A8.526-1 and A8.526-3, no supplemental cost of living benefits shall be paid after January 1, 2012, unless the SFERS Retirement Fund is 100% funded on an actuarial value of assets basis. No cost of living increase granted to a retiree on or before January 1, 2012, shall be reduced as a result of this section.

A8.490-3 INTERPRETATION AND EFFECT ON OTHER CHARTER PROVISIONS

- (a) Any section or part of any section in this Charter, insofar as it conflicts with the provisions of sections A8.490, A8.490-1 or A8.490-2, shall be superseded by the contents of said sections, including but not limited to other provisions of the Charter enacted prior to the effective date of this measure, regardless of content.
- (b) Nothing in this measure limits City employees' right to collective bargaining. However, the voters find and declare that no representative of the City and County, including but not limited to the Mayor or Board of Supervisors, shall have the authority to enter into a binding MOU inconsistent with the terms of Charter sections A8.490, A8.490-1, or A8.490-2 without approval of the voters. To the extent that any provision of these sections is contrary to the terms of an MOU executed on or before November 8, 2011, any changes to pension benefits or contributions shall become effective for employees covered by such MOU only upon expiration of such MOU, based on the expiration date specified in the MOU as of November 8, 2011.
- (c) The Mayor and/or Board of Supervisors of the City and County of San Francisco shall have no authority to reimburse, assume, pick up or otherwise provide for the City to pay any portion of the employees' required pension contribution provided in this section and/or other sections of this Charter without the approval of the voters.
- (d) No agreement reached or arbitration award decided pursuant to Charter sections A8.409 et seq. or A8.590-1 et seq. may supersede the provisions of sections A8.490, A8.490-1, or A8.490-2. In any arbitration involving employees of the City and County of San Francisco under Charter section A8.409-4 or A8.590-5, the arbitrator shall make specific findings regarding the estimated annual costs to the City of pension benefits attributable to employees covered by the arbitration award for each year of the prior agreement and projected costs for each year of the successor agreement, based on known and projected employer contribution rates. In determining wages and other forms of compensation pursuant to this section, the arbitrator shall consider as increased compensation any increase in the cost of pension contributions paid or projected to be paid by the City. Compliance with this provision shall be mandatory.
- (e) Nothing in this section shall reduce the pensions of employees who retired prior to the effective date of this measure or the rights of dependents or survivors of such employees.
- (f) Nothing in this Charter amendment shall reduce the survivor benefits of public safety officers who die in the line of duty.
- (g) In the event that the SFERS actuary determines that the SFERS pension fund has become fully funded or the City identifies sources of new revenue to reduce the cost of pension costs, the Board of Supervisors shall convene a hearing to determine whether any amendments should be made to sections A8.490 through A8.490-2; provided, however, that any such amendment(s) shall be submitted to the voters for approval.
- (h) Nothing in Charter sections A8.490 through A8.490-2 shall alter the authority of the Board of Supervisors, pursuant to

Charter section A8.500 to make changes to these provisions to the extent necessary to maintain the tax qualified status of the retirement system.

- (i) By state statute, certain public employees employed by the City and associated governmental entities are not included within SFERS. These include teachers and academic administrators employed by San Francisco Unified School District and San Francisco Community College District who are participants in the State Teachers Retirement System, as well as participants in the Public Employees Retirement System. The provisions in sections A8.490 through A8.490-2 herein do not apply to such employees.

A8.490-4 ACCRUED BENEFITS AND FUTURE ACCRUALS

Nothing in sections A8.490 through A8.490-2 shall reduce any accrued current pension benefits earned as of the effective date of this measure. Pension benefits for service not yet performed can be modified prospectively by the voters.

SECTION 3. SEVERABILITY

This Charter Amendment shall be interpreted so as to be consistent with the United States and California Constitutions, and all federal and state laws, rules, and regulations. If any section, subsection, sentence, or clause ("portion") of this Amendment is held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining portions of this Amendment. The voters hereby declare that this Amendment, and each portion of the Amendment, would have been adopted irrespective of whether any one or more portions of the Amendment are found invalid. If any portion of this Amendment is held invalid as applied to any person, circumstance, employee or category of employee, such invalidity shall not affect any application of this Amendment which can be given effect. If any portion of the Amendment is held invalid as to existing employees, it shall not affect its application to employees hired after the effective date of this measure. This Amendment shall be broadly construed to achieve its stated purposes. It is the intent of the voters that the provisions of this Amendment be interpreted or implemented in a manner that facilitates the purposes set forth herein.

SECTION 4. EFFECTIVE DATE

Except as specifically set forth in the text, this Charter Amendment shall be effective January 1, 2012.

Proposition E

Describing and setting forth a proposal to the qualified voters of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by amending Section 14.101 to allow amendments to or repeals of initiative ordinances and declarations of policy.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on November 8, 2011, a proposal to amend the Charter of the City and County by amending Section 14.101 to read as follows:

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

Section 1. Findings.

1. For years, members of the Board of Supervisors and the Mayor have placed initiative ordinances and declarations of policy ("initiatives") on the ballot for the voters' consideration.
2. In addition, private individuals may draft and qualify initiatives for placement on the ballot without any substantive involvement from the City.
3. These initiatives often address some of the most complex policy issues facing the City.
4. Collectively, these processes regularly place numerous initiatives before the voters in City elections.

5. Unless a voter-approved initiative provides otherwise, only the voters may repeal or make any changes to it. This cumbersome system only encourages more and more initiatives to address technical glitches, unforeseen consequences, and changed circumstances that clearly warrant amendments. This process also prevents the repeal of initiatives that may have long outlived their original aims and purposes.

Section 2. The San Francisco Charter is hereby amended by amending Section 14.101 to read as follows:

SEC. 14.101. INITIATIVES; AMENDMENT AND REPEAL.

(a) Voter-proposed initiative ordinances and declarations of policy (“voter-proposed initiatives”). The voters may propose an initiative ~~may be proposed~~ by presenting to the Director of Elections an initiative petition containing ~~the signatures of voters initiative and signed by voters in a number equal in number~~ to at least five percent of the votes cast for all candidates for ~~m~~Mayor in the last preceding general municipal election for Mayor. Upon certification of the sufficiency of a petition’s signatures, the Director of Elections shall submit such initiative ~~shall be submitted to the voters by the Director of Elections upon certification of the sufficiency of the petition’s signatures.~~

A vote on such initiative shall occur at the next general municipal or statewide election occurring at any time after 90 days from the date of the Director of Elections executes the certificate of sufficiency ~~executed by the Director of Elections,~~ unless the Board of Supervisors directs that the initiative be voted upon at a special municipal election.

If the initiative petition contains ~~ing~~ signatures of voters the initiative is signed by voters in a number equal in number to at least ten percent of the votes cast for all candidates for Mayor in the last preceding general municipal election for Mayor, and contains a request that the initiative be submitted forthwith to voters at a special municipal election, the Director of Elections shall promptly call such a special municipal election on the initiative. Such election shall be held not less than 105 nor more than 120 days from the date of its calling unless it is within 105 days of a general municipal or statewide election, in which event the initiative shall be submitted at such general municipal or statewide election.

(b) Amendment or repeal of voter-proposed initiatives. No initiative or declaration of policy approved by the voters shall be subject to veto, or to amendment or repeal except by the voters, unless such initiative or declaration of policy shall otherwise provide. Voter-proposed initiatives approved by the voters shall not be subject to veto, or to amendment or repeal except by the voters, unless such initiatives shall otherwise provide.

(c) Amendment or repeal of legislative initiatives. Under Sections 2.113 and 3.100(16), either a majority of the Board of Supervisors, four members of the Board of Supervisors or the Mayor may propose initiative ordinances or declarations of policy to the voters (“legislative initiatives”). Legislative initiatives approved by the voters shall not be subject to veto.

Legislative initiatives approved by the voters before January 1, 2012 shall not be subject to amendment or repeal except by the voters, unless such initiatives shall otherwise provide. Legislative initiatives approved by the voters on or after January 1, 2012 shall be subject to amendment or repeal by the voters. Legislative initiatives approved by the voters on or after January 1, 2012 shall also be subject to amendment or repeal by the Board of Supervisors and the Mayor as follows:

(1) If the legislative initiative explicitly provides that it is subject to amendment or repeal in a more permissive manner than the procedure set forth in Subsection (2) below, it will be subject to amendment or repeal as provided.

(2) All legislative initiatives not described in Subsection (1) will be subject to amendment or repeal as follows:

(i) For three years after the initiative’s effective date, the initiative shall not be subject to amendment or repeal except by the voters.

(ii) Thereafter, until seven years have elapsed after the initiative’s effective date, the Board of Supervisors and the Mayor may amend or repeal the initiative by ordinance, provided that the Board of Supervisors must approve the amendment or repeal by a two-thirds vote of all of its members.

(iii) After seven years have elapsed from the initiative’s effective

date, the Board of Supervisors and the Mayor may amend or repeal the initiative by ordinance.

(iv) Any amendments made under subsection (ii) or (iii) must further the purposes of the initiative, and any ordinance amending an initiative shall include findings identifying those purposes and stating how the amendments further the purposes of the initiative.

Proposition F

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

Be it ordained by the People of the City and County of San Francisco:

Section 1. The San Francisco Campaign and Governmental Conduct Code is hereby amended to read as follows:

Sec. 1.500. – Findings.

(a) The City and County of San Francisco has a paramount interest in protecting the integrity and credibility of its electoral and government institutions. Election campaigns are highly competitive in San Francisco, and candidates frequently contract for the services of professional campaign consultants who specialize in guiding and managing campaigns.

(b) Decisions by elected officials in the City and County of San Francisco should be based on the best interests of the people and should be free from the influence of electoral politics. Campaign consultants play an influential role in local elections, and may use that influence to affect policy decisions of City officials. The regulation of campaign consultants protects the integrity of the City’s decision making processes by informing the public about who is managing campaigns and what role those individuals have in decisions made by local elected officials.

(bc) It is the purpose and intent of the people of the City and County of San Francisco in enacting this Chapter to impose reasonable registration and disclosure requirements on campaign consultants. Required registration and disclosure of information by campaign consultants will assist the public in making informed decisions, and protect public confidence in the electoral and governmental processes.

(d) The important goals advanced by this Chapter will be best served if campaign consultants are encouraged to comply with registration and disclosure requirements through a user-friendly filing system, and interested members of the public can conveniently review those filings. The Ethics Commission should have the discretion to implement an electronic filing system for registered campaign consultants to achieve these ends.

Sec. 1.505. – Amendment or Repeal of Chapter.

The voters may amend or repeal this Chapter. The Board of Supervisors may amend this Chapter if all of the following conditions are met:

(a) The amendment furthers the purposes of this Chapter;

(b) The Ethics Commission approves the proposed amendment in advance by at least a four-fifths vote of all its members;

(c) The proposed amendment is available for public review at least 30 days before the amendment is considered by the Board of Supervisors or any committee of the Board of Supervisors; and

(d) The Board of Supervisors approves the proposed amendment by at least a two-thirds vote of all its members.

Sec. 1.505.1.510. – Definitions.

Whenever used in this Chapter, the following definitions shall apply:

(a) “Campaign consultant” means any person individual or entity that receives or is promised economic consideration equaling \$75,000 or more in a calendar year within the past twelve months for campaign consulting services. The term “campaign consultant” includes any person individual or entity that subcontracts with a campaign consultant to provide campaign consulting services, and that receives or is promised economic consideration equaling \$75,000 or more in a calendar year within the past twelve months for providing campaign consulting ser-



vices. The term “campaign consultant” does not include ~~persons who are~~ employees of a campaign consultant, attorneys who provide only legal services, accountants who provide only accounting services, pollsters who provide only polling services, and treasurers who provide only those services which are required of treasurers by the Political Reform Act, California Government Code Section 81000, et seq.

(b) “Campaign consulting services” means participating in campaign management or developing or participating in the development of campaign strategy.

(c) “Campaign management” means conducting, coordinating or supervising a campaign to elect, defeat, retain or recall a candidate, or adopt or defeat a measure, including but not limited to hiring or authorizing the hiring of campaign staff and consultants, spending or authorizing the expenditure of campaign funds, directing, supervising or conducting the solicitation of contributions to the campaign, and selecting or recommending vendors or subvendors of goods or services for the campaign.

(d) “Campaign strategy” means plans for the election, defeat, retention or recall of a candidate, or for the adoption or defeat of a measure, including but not limited to producing or authorizing the production of campaign literature and print and broadcast advertising, seeking endorsements of organizations or individuals, seeking ~~financin~~campaign contributions, or advising on public policy positions.

(e) “Candidate” means ~~a person~~an individual who has taken affirmative action to seek nomination or election to ~~local office~~City elective office, ~~a local officeholder~~an individual holding City elective office who has taken affirmative action to seek nomination or election to any ~~local, state or federal~~ elective office, or ~~a local officeholder~~an individual holding City elective office who is the subject of a recall election.

(f) “City elective office” shall be defined as set forth in section 1.104 of this Code.

(fg) “Economic consideration” means any payments, fees, commissions, ~~reimbursements for expenses~~, gifts, or anything else of value ~~provided in exchange for campaign consulting services~~.

(g) “Lobby” means ~~communicate with a local officeholder for the purpose of influencing local legislative or administrative action in exchange for economic consideration~~.

(h) “Lobbyist” is defined in Article II of this Code.*

(i) “Local office” means the following elective offices in the City and County of San Francisco: Mayor, Board of Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor, Public Defender, Board of Education of the San Francisco Unified School District, and Governing Board of the San Francisco Community College District.

(j) “Measure” means ~~a local referendum or local ballot measure, whether or not it qualifies for the ballot~~ shall be defined as set forth in section 1.104 of this Code.

(k) “Vendor” means ~~an person~~an individual or entity ~~who~~that sells goods or services, other than campaign consulting services, including but not limited to printing, catering, and transportation services. ~~The term “vendor” does not include attorneys who provide only legal services, accountants who provide only accounting services, pollsters who provide only polling services, and treasurers who provide only those services which are required of treasurers by the Political Reform Act, California Government Code Section 81000 et seq.~~

Sec. 1.510. — Prohibitions.

~~It shall be unlawful for any campaign consultant to provide campaign consulting services, or accept any economic consideration for the provision of campaign consulting services, without first registering with the Ethics Commission and complying with the reporting requirements specified in Section 1.515.~~

Sec. 1.515. — Registration Requirements, Reregistration Disclosures, Reporting, ~~and Fees, and Termination~~.

(a) REGISTRATION REPORTS REQUIREMENTS. ~~Campaign consultants shall register with the Ethics Commission and comply with the other requirements imposed by this Chapter. Such registration shall occur no later than five business days of qualifying as a campaign consultant.~~

At the time of initial registration, each campaign consultant shall ~~report~~provide the following information to the Ethics Commission ~~the following information~~:

(1) The name, business address, ~~e-mail address, and~~ business telephone number, ~~and website address, if any,~~ of the campaign consultant;

(2) If the campaign consultant is an individual, the name of the campaign consultant’s employer and a description of the business activity engaged in by the employer;

(3) The names of any individuals employed by the campaign consultant to assist in ~~providing~~the provision of campaign consulting services;

(4) A statement of whether the campaign consultant ~~or any employee of the campaign consultant~~ is required to register with the Ethics Commission ~~as a lobbyist~~ pursuant to the Regulation of Lobbyists Ordinance, San Francisco Campaign and Governmental Conduct Code, Article II;* ~~and~~

(5) ~~A statement of whether the campaign consultant is required to register with the Tax Collector pursuant to the Business Tax Ordinance, San Francisco Municipal Code, Part III, Section 1001, et seq.; Any other information required by the Ethics Commission consistent with the purposes and provisions of this Chapter.~~

(b) CAMPAIGN CONSULTANT DISCLOSURES.

~~Campaign consultants shall submit disclosures regarding their activities on a monthly basis. No later than the fifteenth calendar day of each month, each campaign consultant shall submit the following information for the previous month.~~

(6) The name, ~~and business~~ address, e-mail address and telephone number of each client to whom the campaign consultant provided campaign consulting services during the ~~preceding three months~~reporting period, and the date on which the client retained the campaign consultant;

(7) For each client, the total economic consideration promised by or received from the client in exchange for ~~the provision of~~ campaign consulting services during the ~~preceding three months, provided that the total is \$500 or more~~reporting period;

(3) For each client, a list of the responsibilities that the campaign consultant will perform for the client;

(4) The name of each client who terminated the services of the campaign consultant during the reporting period and the date on which the client terminated the consultant’s services;

(8) Each ~~political~~campaign contribution of \$100 or more made or delivered by the campaign consultant, or made by a client at the behest of the campaign consultant, ~~or for which the campaign consultant acted as an agent or intermediary, during the preceding three months in support of or in opposition to a candidate or measure during the reporting period to a person holding City elective office, a candidate for such office, a committee controlled by such officer or candidate, or a committee primarily formed to support or oppose a local ballot measure~~;

~~The following information regarding each campaign contribution shall be submitted to the Ethics Commission:~~

(A) The amount of the contribution;

(B) The name of the contributor;

(C) The date on which the contribution was made;

(D) The contributor’s occupation;

(E) The contributor’s employer, or if self-employed, the name of the contributor’s business; and

(F) The committee to which the contribution was made.

(6) Economic consideration promised to or received by the campaign consultant during the reporting period from vendors and subvendors who provided campaign-related goods or services to a current client of the campaign consultant;

(7) The name of each City employee or City elective officer who is employed by the campaign consultant, or by a client of the campaign consultant at the behest of the campaign consultant, during the reporting period;

(8) Each City contract obtained by the campaign consultant during the reporting period, provided that the contract is approved by a City elective officer who is a client of the campaign consultant;

(9) Each appointment to public office received by the campaign consultant during the reporting period, provided that the appointment is

made by a City elective officer who is a client of the campaign consultant:

(9) ~~The cumulative total of all political contributions made or delivered by the campaign consultant, or which is made by a client at the behest of the campaign consultant, or for which the campaign consultant acted as an agent or intermediary, during the preceding three months in support of or in opposition to each individual candidate or measure, provided that the cumulative total is \$500 or more;~~

~~(10) Any gifts promised or made by the campaign consultant to a local officeholder during the preceding three months which in the aggregate total \$50 or more; and~~

~~(10) Any amendments to the campaign consultant's registration information as required by Subsection (a); and~~

~~(10II) Any other information required by the Ethics Commission consistent with the purposes and provisions of this Chapter.~~

~~(b) REREGISTRATION REPORTS. Each campaign consultant shall reregister annually no later January 1st.~~

~~(c) INITIAL DISCLOSURE REPORT. At the time of the first disclosure report submitted following the campaign consultant's registration, the reporting period for Subsections (b)(1)-(b)(4) shall be the preceding twelve months.~~

~~(ed) FEES. At the time of initial registration and reregistration each subsequent calendar year on or before February 1, each campaign consultant shall pay to the Ethics Commission a registration fee and an additional fee for each client of the campaign consultant. The amount of the fee shall be: Campaign consultants earning no more than \$10,000 in a twelve-month period shall pay a registration fee of \$200. Campaign consultants earning more than \$10,000 in a twelve-month period shall pay a registration fee of \$500. Registration shall not be complete until the Ethics Commission has received full payment of the fee.~~

~~(i) Campaign consultants earning at least \$1,000 but not more than \$5,000 per calendar year shall pay a registration fee of \$50 and shall pay a client fee of \$50 per client;~~

~~(ii) Campaign consultants earning more than \$5,000 but not more than \$20,000 per calendar year shall pay a registration fee of \$200 and a client fee of \$50 per client;~~

~~(iii) Campaign consultants earning more than \$20,000 per calendar year shall pay a registration fee of \$400 and a client fee of \$50 per client.~~

~~When a client is acquired subsequent to initial registration or reregistration, the per client fee shall be paid at the time of filing the information required by Subsection (d). The Ethics Commission shall deposit fees collected pursuant to this Section in the General Fund of the City and County of San Francisco. On or after July 1, 1999, the Ethics Commission shall evaluate the fees set by this Section and propose any amendments for approval by the Board of Supervisors no later than December 1, 1999. If the Ethics Commission or the Board of Supervisors takes no action, the fees set by this Section shall remain in effect.~~

~~(d) CLIENT AUTHORIZATION STATEMENTS. At the time of initial registration, the campaign consultant shall submit to the Ethics Commission a written authorization from each client that contracts with the campaign consultant for campaign consulting services.~~

~~If the campaign consultant is retained by a client after the date of initial registration, the campaign consultant must file a Client Authorization Statement before providing any campaign consulting services to the client and before receiving any economic consideration from the client in exchange for campaign consulting services, and in any event no later than 15 days after being retained to provide campaign consulting services to the client.~~

~~(e) QUARTERLY REPORTS. Each campaign consultant shall file with the Ethics Commission quarterly reports containing the following information:~~

~~(1) For each client, the total economic consideration promised by or received from the client during the reporting period for campaign consulting services, provided that the total is \$500 or more;~~

~~(2) The total economic consideration promised by or received from all clients during the reporting period for campaign consulting services;~~

~~(3) Political contributions of \$100 or more made or delivered by the campaign consultant, or made by a client at the behest of the campaign consultant, or for which the campaign consultant acted as an agent or intermediary, during the reporting period in support of or in opposition to a candidate or measure;~~

~~(4) The cumulative total of all political contributions made or delivered by the campaign consultant, or made by a client at the behest of the campaign consultant, or for which the campaign consultant acted as an agent or intermediary, during the reporting period in support of or in opposition to each individual candidate or measure, provided that the cumulative total is \$500 or more;~~

~~(5) Any gifts promised or made by the campaign consultant to a local officeholder during the reporting period which in the aggregate total \$50 or more;~~

~~(6) Economic consideration promised to or received by the campaign consultant during the reporting period from vendors and subvendors who provided campaign-related goods or services to a current client of the campaign consultant;~~

~~(7) The name of each local officeholder and City employee who is employed by the campaign consultant, or by a client of the campaign consultant at the behest of the campaign consultant, during the reporting period;~~

~~(8) Each City contract obtained by the campaign consultant during the reporting period, provided that the contract is approved by a local officeholder who is a client of the campaign consultant;~~

~~(9) Each appointment to public office received by the campaign consultant during the reporting period, provided that the appointment is made by a local officeholder who is a client of the campaign consultant;~~

~~(10) Any other information required by the Ethics Commission consistent with the purposes and provisions of this Chapter.~~

~~Quarterly reports are due as follows: The report for the period starting December 1st and ending February 28th is due March 15th; the report for the period starting March 1st and ending May 31st is due June 15th; the report for the period starting June 1st and ending August 31st is due September 15th; and the report for the period starting September 1st and ending November 30th is due December 15th.~~

~~(f) CLIENT TERMINATION STATEMENTS. Within 30 days after a client terminates the services of a campaign consultant, the campaign consultant shall submit to the Ethics Commission a statement that the client has terminated the services of the campaign consultant.~~

~~A campaign consultant may not provide campaign consulting services to a client or accept economic consideration for the provision of campaign consulting services after a client termination statement is filed, until a new client authorization statement has been filed pursuant to Section 1.515(d).~~

~~(g) CAMPAIGN CONSULTANT TERMINATION STATEMENTS. A campaign consultant shall comply with all requirements of this Chapter until the campaign consultant ceases all activity as a campaign consultant and files a statement of termination with the Ethics Commission. A statement of termination must include all information required by Subsection (e) for the period since the campaign consultant's last quarterly report.~~

~~(h) Each campaign consultant shall verify, under penalty of perjury, the accuracy and completeness of the information provided under Sections 1.515 and 1.520(e).~~

~~(i) Each campaign consultant shall retain for a period of five years all books, papers and documents necessary to substantiate the reports and statements required under this Chapter.~~

~~(e) TERMINATION OF REGISTRATION.~~

~~(1) Failure to pay the annual registration fee by February 1 shall constitute termination of the campaign consultant's registration with the Ethics Commission.~~

~~(2) The Ethics Commission may establish additional processes for the termination of a campaign consultant's registration consistent with the purposes and provisions of this Chapter.~~

~~Sec. 1.520. – FILING UNDER PENALTY OF PERJURY; DOCUMENT RETENTION; AUDITS.~~

~~(a) All information required by this Chapter shall be submitted in a format designated by the Ethics Commission. The campaign con-~~

sultant shall verify, under penalty of perjury, the accuracy and completeness of the information provided under this Chapter.

(b) Each campaign consultant shall retain for a period of five years all books, papers and documents necessary to substantiate the information included in the registration and disclosure reports required by this Chapter. This includes, but is not limited to, invoices and written contracts between the campaign consultant and all clients.

(c) At the Executive Director's discretion, the Ethics Commission may perform audits of registration and disclosure reports filed by campaign consultants under this Chapter. The Ethics Commission, including its Executive Director, may issue subpoenas in furtherance of its duties under this section.

Sec. 1.525. – PROHIBITIONS.

(a) GENERAL RULE. It shall be unlawful for any campaign consultant to provide campaign consulting services, or to accept any economic consideration for the provision of campaign consulting services, without first registering with the Ethics Commission, paying the annual fee, and complying with the reporting requirements specified in section 1.510.

(b) EVASION OF OBLIGATIONS. No campaign consultant shall attempt to evade the obligations imposed by this Chapter through the use of agents, associates or employees.

Sec. 1.530. – TRAINING.

Each campaign consultant must complete a campaign consultant training session offered by the Ethics Commission within 60 days of the campaign consultant's initial registration. Thereafter, campaign consultants shall complete additional training sessions as required by the Executive Director, at his or her discretion. The Executive Director shall report any such additional training sessions to the Ethics Commission.

Sec. 1.540. – POWERS AND DUTIES OF THE ETHICS COMMISSION.

(a) The Ethics Commission shall provide forms for the reporting of and prescribe the format for the submission of all information required by this Chapter.

(b) The Ethics Commission shall issue a registration number to each registered campaign consultant.

(c) At the time of initial registration and reregistration, the Ethics Commission shall provide the campaign consultant with a copy of the City's campaign and lobbyist laws, the Code of Conduct specified in Section 1.530, and any related material which the Commission determines will serve the purposes of this Chapter. Each campaign consultant must sign a statement acknowledging receipt of these materials.

(d) The Ethics Commission shall compile the information provided in registration and quarterly reports filed pursuant to this Chapter as soon as practicable after the close of each quarter and shall forward a report of the compiled information to the Board of Supervisors and the Mayor and make such information available on its website.

(e) The Ethics Commission shall preserve all original reports, statements, and other records required to be kept or filed under this Chapter for a period of five years. Such reports, statements, and records shall constitute a part of the public records of the Ethics Commission and shall be open to public inspection.

(f) The Ethics Commission shall provide formal and informal advice regarding the duties under this Chapter of an person individual or entity pursuant to the procedures specified in San Francisco Charter Section C3.699-12.

(g) The Ethics Commission shall have the power to adopt all reasonable and necessary rules and regulations for the implementation of this Chapter pursuant to the procedure specified in San Francisco Charter Section 15.102.*

(h) At least once a year, the Ethics Commission shall provide a workshop or training session concerning this Chapter.

Sec. 1.545. – ADMINISTRATIVE AND CIVIL ENFORCEMENT, AND PENALTIES.

(a) LATE FINES. If any campaign consultant files an original statement or report after any deadline imposed fails to submit any information required by this Chapter, the Ethics Commission shall, in addition

to any other penalties or remedies established in this Chapter, fine the campaign consultant impose a late filing fee of \$50 per day after the deadline until the statement or report information is received by the Ethics Commission. If any campaign consultant files an original statement or report after any deadline imposed by this Chapter, when the deadline is fewer than 30 days before or after an election, the Ethics Commission shall, in addition to any other penalties or remedies established in this Chapter, fine the campaign consultant \$100 per day after the deadline until the statement or report is received by the Ethics Commission.—The Ethics Commission may reduce or waive a fine if the Ethics Commission determines that the late filing was not willful and that enforcement will not further the purposes of this Chapter.—The Ethics Commission shall deposit funds collected under this Section in the General Fund of the City and County of San Francisco.

(b) ENFORCEMENT PROCEEDINGS. Any person who believes that Section 1.510 this Chapter has been violated may file a complaint with the Ethics Commission. Upon receipt of a complaint, or upon its own initiative, the Ethics Commission may investigate allegations of a violation of Section 1.510 this Chapter and enforce the provisions of Section 1.510 this Chapter pursuant to the procedures established in San Francisco Charter Section C3.699-13, and the Ethics Commission's rules and Regulations for Investigations and Enforcement Proceedings adopted pursuant to San Francisco Charter Section 15.102.*

(c) ADMINISTRATIVE PENALTIES. When the Ethics Commission, pursuant to the procedures specified in San Francisco Charter Section C3.699-13 and the Ethics Commission's Regulations for Investigations and Enforcement Proceedings, determines on the basis of substantial on a preponderance of the evidence that an person individual or entity has intentionally or negligently violated Section 1.510 this Chapter, the Commission may require the person individual or entity to: (1) cease and desist the violation; (2) file any reports or statements or pay any fees submit any information required by this Chapter, and/or (3) pay a monetary penalty of up to \$5,000 for each violation, or three times the amount not properly reported, whichever is greater. The Commission may cancel for up to one year the registration of any campaign consultant who has violated Section 1.510. A campaign consultant whose registration has been canceled pursuant to this Section may not provide campaign consulting services in exchange for economic consideration for the period that the registration is canceled. When the period of cancellation ends, the campaign consultant may reregister pursuant to Section 1.515(a) and (c). In addition to the administrative penalties set forth in this Section, the Ethics Commission may issue warning letters regarding violations and potential violations of this Chapter.

(d) CIVIL PENALTIES. Any person individual or entity which knowingly that intentionally or negligently violates or who causes any other person to violate Section 1.510 this Chapter may be liable in a civil action brought by the City Attorney for an amount up to \$5,000 per violation, or three times the amount not properly reported, whichever is greater.

(e) Any person or entity which intentionally or negligently violates Section 1.510 is guilty of a misdemeanor.

(f) JOINT AND SEVERAL LIABILITY. Should two or more individuals or entities be responsible for any violation under this Chapter, they shall be jointly and severally liable.

(g) LIMITATIONS PERIOD FOR CIVIL AND ADMINISTRATIVE ENFORCEMENT. No administrative, or civil, or criminal action shall be maintained to enforce Section 1.510 this Chapter unless brought commenced within four years after the date the cause of action accrued or the date that the facts constituting the cause of action were discovered by the Ethics Commission, or City Attorney, or District Attorney, whichever is later. For the purposes of this section, an administrative action is commenced on the date on which the Ethics Commission serves a probable cause report on the respondent pursuant to the Ethics Commission's Regulations for Investigations and Enforcement Proceedings.

(h) LIMITATIONS PERIOD FOR COLLECTION OF FINES AND PENALTIES. A civil action brought to collect fines or penalties

imposed under this Chapter shall be commenced within four years after the date on which the monetary penalty or fine was imposed. For purposes of this Section, a fine or penalty is imposed when a court or administrative agency has issued a final decision in an enforcement action imposing a fine or penalty for a violation of this Chapter or the Executive Director has made a final decision regarding the amount of a late fine or penalty imposed under this Chapter. The Executive Director does not make a final decision regarding the amount of a late fine imposed under this Chapter until the Executive Director has made a determination to accept or not accept any request to waive a late fine where such waiver is expressly authorized by this Chapter or a regulation adopted thereunder.

(gl) In investigating any alleged violation of Section 1.540 this Chapter, the Ethics Commission, including its Executive Director, and City Attorney shall have the power to inspect, upon reasonable notice, all documents required to be maintained under Section 1.515(i) this Chapter. This power to inspect documents is in addition to other powers conferred on the Ethics Commission and City Attorney by the Charter, or by ordinance, including the power of subpoena.

SEC. 1.540. – ELECTRONIC FILING OF STATEMENTS AND REPORTS.

(a) ELECTRONIC FILING REQUIRED. ~~Whenever campaign consultants are required by this Chapter to file an original statement or report, the Ethics Commission may require the consultants to file an electronic copy of the statement or report. The electronic copy shall be due no later than the deadline imposed by this Chapter for filing the original statement or report.~~

(b) POWERS AND DUTIES OF THE ETHICS COMMISSION.

(i) ~~Pursuant to San Francisco Charter Section 15.102, the Ethics Commission shall adopt regulations specifying the electronic filing requirements applicable to campaign consultants. The Ethics Commission shall adopt these regulations no fewer than 120 days before the electronic filing requirements are effective.~~

(ii) ~~The Ethics Commission shall prescribe the format for electronic copies of statements and reports no fewer than 90 days before the statements and reports are due to be filed.~~

(c) PENALTIES. ~~If any campaign consultant files an electronic copy of a statement or report after the deadline imposed by this Section, the Ethics Commission shall, in addition to any other penalties or remedies established in this Chapter, fine the campaign consultant \$10 per day after the deadline until the electronic copy is received by the Ethics Commission. The Ethics Commission may reduce or waive a fine if the Commission determines that the late filing was not willful and that enforcement will not further the purposes of this Chapter. The Ethics Commission shall deposit funds collected under this Section in the General Fund of the City and County of San Francisco.~~

SEC. 1.545. - PROVISION OF FALSE OR MISLEADING INFORMATION TO THE ETHICS COMMISSION; WITHHOLDING OF INFORMATION.

Any individual or entity that knowingly or willfully furnishes false or fraudulent evidence, documents, or information to the Ethics Commission under this Chapter, or misrepresents any material fact, or conceals any evidence, documents, or information, or fails to furnish to the Ethics Commission any records, documents, or other information required to be provided under this Chapter shall be subject to the penalties provided in Section 1.540.

SEC. 1.550. - DEPOSIT OF FUNDS.

The Ethics Commission shall deposit all funds collected under this Chapter, including payments for registration fees, late fines, and administrative penalties, in the General Fund of the City and County of San Francisco.

SEC. 1.5301.555. - CODE OF CONDUCT.

At the time of initial registration and ~~reregistration~~ annually thereafter no later than February 1, each campaign consultant must elect whether to voluntarily comply with the following Code of Conduct:

“I am familiar with all the laws, rules and regulations applicable to local campaigns;

“I will not knowingly make false statements about the qualifications or positions of any candidate, or about the scope and effect of any measure;

“I will not knowingly make false statements that any real or fictitious person supports or opposes a candidate or measure;

“In the event that I make inadvertent false statements about the qualifications or positions of any candidate or about the scope and effect of any measure, I will endeavor to provide corrected information in written form to the Ethics Commission within five days;

“I will refrain from appealing to prejudice in the conduct of a campaign, and from conducting, managing or advising a campaign, which appeals to prejudice based on race, gender, ethnic background, religious affiliation or nonaffiliation, sexual orientation, age, disability, or economic status;

“I will refrain from seeking to obtain the support of or opposition to any candidate or measure by the use of financial inducements or by the use of threats or coercion;

“I will refrain from influencing the submission of a measure to the San Francisco voters for the sole purpose of obtaining economic consideration for campaign consulting services;

“I will disclose through a filing at the San Francisco Ethics Commission any agreements that would result in a campaign consulting contract resulting from my efforts to influence the submission of a measure to the San Francisco voters at the time that I seek submission of any such measure;

“I will refrain from seeking to evade, or participating in efforts of others to evade, the legal requirements in laws pertaining to political campaigns;

“I will not knowingly participate in the preparation, dissemination, or broadcast of paid political advertising or campaign materials that contain false information; and

“I will refrain from accepting clients whose interests are adverse to each other.”

SEC. 1.5351.560. - SEVERABILITY.

~~If any Section, subsection, subdivision, sentence, clause, phrase or portion of this Chapter, or the application thereof to any person or entity is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter or its application to other persons, business entities, or organizations. The Board of Supervisors hereby declares that it would have adopted this Chapter, and each Section, subsection, subdivision, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more Sections, subsections, subdivisions, sentences, clauses, phrases, or portions, or the application thereof to any person or entity, to be declared invalid or unconstitutional.~~

If any provision of this Chapter, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Chapter and the applicability of such provisions to other persons and circumstances shall not be affected thereby.

SEC. 1.5451.565. - CONSTRUCTION WITH OTHER LAWS.

Lobbying by campaign consultants and employees of campaign consultants is governed by the applicable provisions of Article II, Chapter 1 of this Code, including Section 2.117, which ~~prohibits campaign consultants and employees of campaign consultants from communicating with current and former clients on behalf of another person or entity for the purpose of influencing local legislative or administrative action in exchange for economic considerations~~ specifically regulates lobbying by campaign consultants.

Section 2. The operative date of this ordinance shall be January 1, 2013, unless the Ethics Commission approves a resolution establishing a later operative date for the ordinance. The Ethics Commission shall not establish an operative date for the ordinance less than 60 days from the date of the resolution’s adoption.



Proposition G

Ordinance amending the San Francisco Business and Tax Regulations Code by adding Article 16-A to provide funds for public safety programs and services to children and senior citizens in the City and County of San Francisco by imposing a transactions (sales) and use tax at the rate of one-half of one percent (0.50%) for a period of ten years, to be administered by the State Board of Equalization in accordance with Parts 1.6 and 1.7 of Division 2 of the California Revenue and Taxation Code; adopting an expenditure plan; amending the Administrative Code by adding Section 10.100.321 establishing a special revenue fund; and directing submission of the tax for voter approval at the November 8, 2011 municipal election.

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

Be it ordained by the People of the City and County of San Francisco:

Section 1. The San Francisco Business and Tax Regulations Code is hereby amended by adding Article 16-A, Sections 1650 et seq., (“Safe Communities Transactions and Use Tax Ordinance”) to read as follows:

SEC. 1650. TITLE.

This ordinance shall be known as the Safe Communities Transactions and Use Tax Ordinance. The City and County of San Francisco hereinafter shall be called “City and County.” This ordinance shall be applicable in the City and County.

SEC. 1651. OPERATIVE DATE.

“Operative Date” means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, as provided in Cal. Rev. & Tax. Code Section 7265.

SEC. 1652. CONDITIONS TO OPERABILITY OF THE TAX INCREASE IMPOSED BY THIS ORDINANCE.

(a) The Safe Communities Transactions and Use Tax imposed by this ordinance shall become operative only if on or before November 30, 2011: (i) the state legislature or the state voters do not extend or reimpose the temporary 1% increase in the state sales and use tax rate from April 1, 2009 until July 1, 2011 under Assembly Bill 3 (3rd Ex. Sess.) (Stats. 2009-10, Ch. 18) (the “Temporary State Tax”), or impose the same or a substantially similar state tax at the same rate or a higher rate and for the same purpose (a “Substantially Similar State Tax”), for a term of at least 1 year, and (ii) as a result of such failure to extend or reimpose the Temporary State Tax or impose a Substantially Similar State Tax, the state sales and use tax rate, inclusive of the Bradley-Burns Uniform Sales and Use Tax rate, is then no more than 7.25%. If either such condition is not satisfied on or before November 30, 2011, then the Safe Communities Transactions and Use Tax shall not become operative and this ordinance shall expire by operation of law.

(b) If the Safe Communities Transactions and Use Tax becomes operative under subparagraph (a), but on or before January 1, 2016 (i) the state legislature or the state voters approve the extension or reimposition of the Temporary State Tax or impose a Substantially Similar State Tax for a period of at least 1 calendar year, and (ii) as a result the state sales and use tax rate, inclusive of the Bradley-Burns Uniform Sales and Use Tax rate, is at least 8.00% or a combination of the state tax rate, the Bradley-Burns Uniform Sales and Use Tax rate and the rate of a Substantially Similar State Tax equals at least 8.00%, then the Safe Communities Transactions and Use Tax will expire by operation of law as follows: (1) Promptly following satisfaction of the conditions described in clauses (i) and (ii) above, the Board of Supervisors shall adopt and transmit to the State Board of Equalization an ordinance requesting that it cease collecting the Safe Communities Transactions and Use Tax on the day before the state tax becomes operative or, (2) if that is not feasible, at the earliest date administratively possible, the Safe Communities Transactions and Use Tax shall expire by operation of law and cease to be collected on the date the State Board of Equalization is able to cease collecting it in accordance with this paragraph.

On such date as the Safe Communities Transactions and Use Tax ceases to be collected, this ordinance shall expire by operation of law.

(c) If the Safe Communities Transactions and Use Tax becomes operative and remains operative after January 1, 2016 and (i) subsequent to January 1, 2016 the state legislature or the state voters approve the extension or reimposition of the Temporary State Tax or impose a Substantially Similar State Tax for a period of at least 1 calendar year, and (ii) as a result the state sales and use tax rate, inclusive of the Bradley-Burns Uniform Sales and Use Tax rate, is at least 8.00% or a combination of the state tax rate, the Bradley-Burns Uniform Sales and Use Tax rate and the rate of a Substantially Similar State Tax equals at least 8.00%, then the Board of Supervisors shall hold a public hearing to consider the economic impact of the state sales and use tax and whether the Safe Communities Transactions and Use Tax should continue to be collected.

SEC. 1653. PURPOSE.

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

(a) To provide support and funding for public safety programs and services for children and senior citizens in the City and County.

(b) To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.5 of Part 1.7 of Division 2 which authorizes the City and County to adopt this tax ordinance which shall be operative if 2/3 of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

(c) To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

(d) To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

(e) To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

SEC. 1654. CONTRACT WITH STATE.

Prior to the operative date, the City and County shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City and County shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

SEC. 1655. TRANSACTIONS TAX RATE.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the City and County at the rate of 0.50% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in the City and County on and after the operative date of this ordinance.

SEC. 1656. PLACE OF SALE.

For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include deliv-

ery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

SEC. 1657. USE TAX RATE.

An excise tax is hereby imposed on the storage, use or other consumption in the City and County of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in the City and County at the rate of 0.50% of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

SEC. 1658. ADOPTION OF PROVISIONS OF STATE LAW.

Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

SEC. 1659. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

(a) Wherever the State of California is named or referred to as the taxing agency, the name of the City and County shall be substituted therefor. However, the substitution shall not be made when:

(1) The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;

(2) The result of that substitution would require action to be taken by or against the City and County or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this ordinance;

(3) In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

(A) Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

(B) Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

(4) In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

(b) The words "the City and County of San Francisco" shall be substituted for the words "this State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

SEC. 1660. PERMIT NOT REQUIRED.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

SEC. 1661. EXEMPTIONS AND EXCLUSIONS.

(a) There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

(b) There are exempted from the computation of the amount of transactions tax the gross receipts from:

(1) Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the City and County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

(2) Sales of property to be used outside the City and County which is shipped to a point outside the City and County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City and County shall be satisfied:

(A) With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an address outside the City and County and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

(B) With respect to commercial vehicles, by registration to a place of business outside the City and County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

(3) The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

(4) A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

(5) For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

(c) There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in the City and County of tangible personal property:

(1) The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

(2) Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

(3) If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

(4) If the possession of, or the exercise of any right or power over the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

(5) For the purposes of subparagraphs (3) and (4) of



this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

(6) Except as provided in subparagraph (7) of this section, a retailer engaged in business in the City and County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City and County or participates within the City and County in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City and County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City and County under the authority of the retailer.

(7) “A retailer engaged in business in the City and County” shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City and County.

(d) Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a County imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property, the storage, use or other consumption of which is subject to the use tax.

SEC. 1662. AMENDMENTS.

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

SEC. 1663. ENJOINING COLLECTION FORBIDDEN.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City and County, or against any officer of the State or the City and County, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

SEC. 1664. ADOPTION OF EXPENDITURE PLAN.

The Safe Communities Transactions and Use Tax Expenditure Plan (“Expenditure Plan”) on file with the Clerk of the Board of Supervisors in File No. 110749, and incorporated into this ordinance by reference is hereby adopted. Proceeds of the tax imposed by this ordinance shall be placed in a special account and shall be spent only to implement the project components set forth in the Expenditure Plan. The Expenditure Plan may be amended from time to time to further the purposes of this ordinance, to add or delete a project or to take into consideration unforeseen circumstances.

SEC. 1665. SEVERABILITY.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 1666. EFFECTIVE DATE.

This ordinance relates to the levying and collecting of the City and County transactions and use taxes and shall take effect immediately.

SEC. 1667. TERMINATION DATE.

The authority to levy the tax imposed by this ordinance shall expire on December 31, 2022.

Section 2. The San Francisco Administrative Code is hereby amended by adding Section 10.100.321 to read as follows:

SEC. 10.100.321. SAFE COMMUNITIES TRANSACTIONS AND USE TAX FUND.

(a) Establishment of Fund. The Safe Communities Transactions And Use Tax Fund, a special revenue fund, is hereby established as a category-four fund to receive any and all collections of the Transactions and Use Tax imposed by Business and Tax Regulations Code, Article 16-A, Section 1650 et seq.

(b) Use of Fund. Monies in the Safe Communities Transactions And Use Tax Fund shall be used solely to fund the public safety and social safety programs described in the Safe Communities Transactions and Use Tax Expenditure Plan.

(c) Oversight of Fund. The Controller shall maintain the Fund and shall record all receipts and expenditures.

Section 3. Pursuant to Article XIII C of the Constitution of the State of California and Section 7285 of the California Revenue and Taxation Code, this ordinance shall be submitted to the qualified electors of the City and County of San Francisco at the November 8, 2011 municipal election. This ordinance shall become operative only if approved by the qualified electors at such election.

Proposition H

Whereas, San Francisco residents and parents have declared time and again that they support a neighborhood-based school assignment system; and

Whereas, the current school assignment system frequently denies families access to neighborhood schools, thereby deterring enrollment and participation in public schools; and

Whereas, students are safer when they attend a school closer to their home; and

Whereas, the only way in which communities are created within San Francisco is when families participate in their neighborhood schools with other parents, students, teachers, school staff, and neighbors; and

Whereas, independent studies have shown that a neighborhood-based school assignment system will increase the racial, ethnic, and socioeconomic diversity within City schools; and

Whereas, the current school assignment system has failed to address the achievement gap, though that is what it was originally intended to do, and has contributed to one of the worst achievement gaps in any urban school district in the State of California; and

Whereas, a neighborhood-based school assignment system will enhance the quality of life for all students and for all residents of San Francisco by reducing travel time, stress, traffic congestion, pollution, and wasted resources for busing.

Now, therefore, the people of the City and County of San Francisco declare as follows:

1. This Declaration of Policy shall be known as “**Quality Neighborhood Schools for All.**”

2. Every family in every San Francisco neighborhood should have the opportunity to send their children to a quality neighborhood school, and the system for assigning children to schools should give the highest priority to the proximity of a child’s home to the school.

A. Allowing students to attend quality schools near their homes will help foster a sense of community, increase the involvement of parents and other caregivers in schools, and decrease travel time between home and school, thereby increasing family time and decreasing the impact on the environment.

B. Allowing students to attend quality schools near their homes will also attract and keep more San Francisco families in the public school system.

C. Basing school assignment on factors other than the proximity of a child's home to the school disengages families from their neighborhoods, creates uncertainty for families, discourages families from attending public schools, makes it more difficult for parents and other caregivers to volunteer at schools and participate in school activities, and puts more car trips on City streets.

D. San Francisco families also should have the opportunity to have their children attend schools with language immersion programs, newcomer programs, and other schools with specialized programs, including but not limited to Lowell High School, the School of the Arts, and K-8 elementary schools, based on the specific admission and enrollment policies for these schools, even if these schools are not located near their homes.

3. It shall be the policy of the City and County of San Francisco that:

A. All children within the City and County of San Francisco should have the opportunity to attend a quality neighborhood school; and

B. The system for assigning children to schools should give the highest priority to the proximity of a child's home to a school, after assigning siblings to the same school; and

C. The system for assigning children to schools should also provide for the opportunity to send their children to schools with language immersion or other specialized programs, even if these schools are not located near their homes; and

D. The San Francisco Board of Education, School Superintendent, Mayor, and Board of Supervisors shall take any and all actions possible to effectuate this policy.

4. If any section, sub-section, sentence, or clause ("portion") of this Declaration of Policy is held to be invalid or unconstitutional by a final judgment of a court, such decision shall not affect the validity of the remaining portions. The voters hereby declare that this Declaration of Policy, and each portion, would have been adopted irrespective of the fact that any one or more portions of the Declaration of Policy are found invalid. If any portion of this Declaration of Policy is held invalid as applied to any person or circumstance, such invalidity shall not affect any application of this Declaration of Policy which can be given effect.

5. This Declaration of Policy shall be broadly construed to achieve the purposes stated in this Declaration of Policy. It is the intent of the voters that the provisions of this Declaration of Policy be interpreted or implemented by the Board of Education, City and County of San Francisco, courts, and others in a manner that facilitates the purposes set forth herein.

6. This Declaration of Policy shall become effective upon the approval of the voters, so that it applies to the student assignment system used for the 2011-2012 school year and every school year thereafter.