[PERS Contract Amendment.]

Ordinance authorizing an Amendment to Contract Between the Board of Administration, California Public Employees' Retirement System, and the Board of Supervisors, City and County of San Francisco.

Note:

Additions are *single-underline italics Times New Roman*; deletions are strikethrough italics Times New Roman. Board amendment additions are double underlined. Board amendment deletions are strikethrough normal.

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

WHEREAS, San Francisco Charter Section A8.506 states that: "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;" and

WHEREAS, In the Memorandum of Understanding between the City and County of San Francisco and the Deputy Sheriffs' Association for the period July 1, 2001 through June 30, 2003, approved by the Board of Supervisors, the parties agreed that: "If through a charter amendment the voters improve safety retirement benefits for members of the San Francisco Retirement System ("SFERS"), the City agrees to recommend to the Board of Supervisors

MAYOR WILLIE J. BROWN, JR. SUPERVISOR BEVAN DUFTY SUPERVISOR FIONA MA

Supervisor McGoldrick Supervisor Daly Supervisor Newsom

Supervisor Sandoval Page 1 6/17/03

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that, in accordance with the Government Code, the City's contract with PERS be amended to provide a comparable benefit level for employees covered by this Agreement"; and

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

WHEREAS, The Public Employees Retirement System has prepared a Contract Amendment Cost Analysis to provide the deputized personnel of the Sheriff's Department with the benefit known as 3% at 55, and pursuant to Government Code Section 7507 the cost analysis must be made public at a public meeting at least two weeks before adoption of an ordinance approving the contract amendment, and the therefore a copy of the cost analysis is on file with the Clerk of the Board of Supervisors in File No. <u>030971</u>; and

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

WHEREAS, The City's contract with PERS also includes a small number of miscellaneous employees transferred from the State Department of Mental Health to the City and County of San Francisco pursuant to state law and Section 3.696-1 of the 1932 San Francisco Charter, approved at the November 1985 election, and the retirement benefits of these employees have lagged behind the retirement benefits of both state and City and County employees in that their retirement benefits are based on an average of three years

MAYOR WILLIE J. BROWN, JR. SUPERVISOR BEVAN DUFTY SUPERVISOR FIONA MA final compensation as opposed to one-year final compensation, and the Board of Supervisors desires to amend the contract with PERS to bring the PERS retirement benefits of these employees in line with the one-year final compensation benefits available to other miscellaneous City and County employees; and

WHEREAS, The Public Employees Retirement System has prepared a Contract Amendment Cost Analysis to provide the miscellaneous employees transferred from the state with the benefit known as one-year final compensation, and pursuant to Government Code Section 7507 the cost analysis must be made public at a public meeting at least two weeks before adoption of an ordinance approving the contract amendment, and therefore a copy of the cost analysis is on file with the Clerk of the Board of Supervisors in File No. <u>030971</u>; and

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

Be it ordained by the People of the City and County of San Francisco:

Section 1. That an amendment to the contract between the City and County of San Francisco and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of the amended contract amendment being on file with the Clerk of the Board of Supervisors in File No. <u>030971</u>, and by such reference made a part hereof as though herein set out in full.

MAYOR WILLIE J. BROWN, JR. SUPERVISOR BEVAN DUFTY SUPERVISOR FIONA MA

1	Section 2. The Executive Director of the San Francisco Employ
2	System is hereby authorized, empowered, and directed to execute sai
3	on behalf of the City and County of San Francisco.
4	Section 3. This Ordinance shall take effect 30 days after the da
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7	APPROVED AS TO FORM:
8	DENNIS J. HERRERA, City Attorney
9	By: Time M. Kon
10	LINDA M. ROSS Chief Labor Attorney
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	MAYOR WILLIE J. BROWN, JR. SUPERVISOR BEVAN DUFTY

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SUPERVISOR FIONA MA



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Ordinance

File Number: 031115

Date Passed:

Ordinance authorizing an Amendment to Contract Between the Board of Administration, California Public Employees' Retirement System, and the Board of Supervisors, City and County of San Francisco.

July 22, 2003 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick, Newsom, Peskin, Sandoval

July 29, 2003 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick, Newsom, Peskin, Sandoval

File No. 031115

I hereby certify that the foregoing Ordinance was FINALLY PASSED on July 29, 2003 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young Clerk of the Board

AUG 0.8 2003

Date Approved

Mayor Willie L. Brown Jr.

File No. 031115