RESOLUTION – 2026-02

TO SUPERSEDE RESOLUTION 2025-06 DEFINING PENSIONABLE COMPENSATION PURSUANT TO GOVERNMENT CODE §7522.34 FOR MEMBERS WHO ARE NOT SUBJECT TO GOVERNMENT CODE §31461 (PEPRA MEMBERS)

WHEREAS, for those members who became active members on or after January 1, 2013, and who are subject to the California Public Employees' Pension Reform Act (PEPRA) contained in Government Code §7522 et seq., the determination of their pensionable compensation is governed by Government Code §7522.34; and

WHEREAS, the pensionable compensation for those employee members who are subject to Government Code §7522.34 shall be the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules; and

WHEREAS, the Board has reviewed the current pay items and has determined which of those items are to be included in "pensionable compensation" and which items are not to be included; and

WHEREAS, it will be necessary for this Board, from time to time, to amend its determinations of pensionable compensation due to changes made by MCERA employers in their compensation schedules as well as changes in the law; Therefore, be it

RESOLVED, that effective June 17, 2026, resolution number 2025-06 is superseded and pursuant to Government Code §7522.34, the Board hereby makes the following determinations as to what is included in "pensionable compensation" and items of remuneration:

1. Pensionable compensation earnable shall include:

Pay Code	Description
100	Regular Pay
101	Exempt Regular Pay
103	Regular Pay – Elected
300	Vacation
310	Sick Leave
311	Sick: Family
312	Sick: Bereavement
313	Sick: Industrial
316	Paid Administrative Leave
322	CTO/FTO Used
323	ATO Used-MCPAA

Pay Code	Description
325	Personal Leave
330	3% NC Rtd-Courts
330	Catastrophic Leave
331	5% Cert Rtd-Courts
331	SEIU Mentor/Officer Time
332	Union Time Bank
335	Court-Coast Assignment Pay
340	Holiday Bank
345	Military Leave
350	Bereavement: County Paid
351	PSPS Paid Time Off
375	Police Leave
376	Police Leave Elected Official
388	CA Supplemental Paid Sick Leave
390	FFCRA Type 1,2,3 EPSL
391	FFCRA Type 4,5,6 EPFSL
392	FFCRA Make Whole 4,5,6
393	Advanced Sick Leave
399	FFCRA Type 5 EFMLE
406	Shift PM
407	Shift AM
409	Supervisor Shift
415	<9% Bilingual 25
416	>10% Bilingual 75
417	>10% Bilingual 50
418	<9% Bilingual 24
422	Confidential 5%
437	Retroactive Longevity
438	2.5% Longevity
439	5% Longevity
443	7.5% Longevity
444	10% Longevity
452	Retroactive Salary Adjustment
461	Retroactive Regional Pay
472	Salary Adjustment Negative
473	Police Leave Differential Pay
481	Longevity Yrs of Svc 1
482	Longevity Yrs of Svc 3
483	Longevity Yrs of Svc 4 DSA
484	Longevity-MCLEMA
486	Longevity-Management Assoc.
487	Longevity-MCPEA
506	Shift PM – DSA $2

Pay Code	Description
515	Animal Handler
520	Field/Specialized Training
521	Special Assignment
523	5% Bilingual-MCPEA/MCPAA/MCLEMA
530	Officer In Charge
531	Officer In Charge Level 2
532	Detective/Investigator Premium
533	10% Special Assignment-MCLEMA
534	5% Special Assignment-MCLEMA
550	14% Edu Incentive - MCLEMA
551	13% Edu Incentive - MCLEMA
552	17% Edu Incentive - MCLEMA
553	3% Edu Incentive - MCLEMA
554	7% Edu Incentive - MCLEMA
555	6% Edu Incentive - MCLEMA
556	5% Edu/Longevity Incentive-MCLEMA
557	2.5% Edu/Longevity Incentive-MCLEMA
558	10% Edu/Longevity Incentive-MCLEMA
559	5% Regional
561	Hourly 5% Regional
562	10% Assignment-Family & Children's Services SEIU Social Workers
567	3% Bilingual-MCPEA/MCPAA/MCLEMA
581	Longevity Yrs. of Svc 2
582	Longevity Yrs. of Svc 5 MCACE
600	Vacation Exempt
610	Sick Leave Exempt
611	Sick Family Exempt
612	Sick Bereavement Exempt
613	Sick Industrial Exempt
616	Paid Admin Leave Exempt
622	FTO Used Exempt
623	ATO Used - MCPAA
625	Personal Leave Exempt
626	CAT Leave Exempt
645	Military Leave Exempt
650	Bereavement County Paid Exempt
651	PSPS Paid Time Off Exempt
675	Police Leave Exempt
682	Management Leave Exempt
688	CA SPSL Exempt
693	Advanced Sick Leave Exempt
COV	COVID-19 Paid Administrative Leave-Courts
ESL	Emergency Sick Leave-Courts
FML	COVID-19 FMLA –Courts

Pay Code	Description
LONG	RRCD Longevity % of pay based on YOS

2. Pensionable compensation earnable, at a minimum, shall **not** include, in any case, the following pay items.

   A. The following pay codes are **not** included:

Pay Code	Description
200	Overtime
201	Overtime Premium
202	Overtime Straight Time
205	Overtime Straight Time - Extra-Help
302	Vacation Term Pay
303	Vacation Pay-Out Non Management
305	Excess Vacation Cash Non Ret
321	CTO: Paid
324	CTO: Paid on Termination
341	Holiday Bank: Paid
342	Holiday Bank Paid MCPEA
343	Holiday Bank Conversion to CTO
346	Deceased Wages
386	Retro – CA SPSL Supplemental Paid Sick Leave
387	Retro – CA R-SPSL2 Supplemental Paid Sick Leave – affecting accruals
405	Holiday Premium Pay-SEIU/JH
424	On Call 3.50 Per Hour-MCPEA
427	On Call 4.50 Weekends/Holidays-MCPEA
429	On Call 0.50 SW-SEIU
430	HI Txble Reimb – Non-Box 12
432	Insurance Stipend
434	Clothing Allowance
435	Supplemental Pay
440	On Call 3.50 Weekdays-SEIU
441	On Call 4.00 Weekends/Holidays-SEIU
445	Car Allowance
446	Car Accountable
447	Deferred Compensation Match Fixed Amount
448	3% Deferred Compensation Match
449	4% Deferred Compensation Match
450	Retroactive Salary Adjustment-OT
453	2% Deferred Compensation Match
454	Board of Supervisors Phone Allowance
456	Board of Supervisors Car Allowance
458	Severance Pay
459	Military Adjustment -
460	SDI Adjustment

Pay Code	Description
465	Work Comp Adjustment
467	Retention Pay
469	Misc Ded: OT
470	Misc Adj +/- Not Subj Rtmt
474	Police Leave Differential Not Subject to Pension
480	Call Back
485	Holiday Worked
498	Non Taxable Adjustment
510	Recruitment Incentive
513	K9 Care-Taking Stipend
514	Standby Pay – Weekday
516	Standby Pay – Weekend
524	Uniform Separate Check
525	Uniform Allowance
528	Housing
529	Resident Deputy Bonus (excluded retroactively to 1/1/2013)
602	Vacation Term Pay Exempt
604	Vacation Pay Out Management Exempt
605	Excess Vacation Cash Non Ret Exempt
618	ATO Earned Straight Time Exempt
619	FTO Earned X1 Exempt
655	Leave Without Pay Exempt
660	LWOP – Terminate Exempt
665	FMLA Leave Without Pay Exempt
668	Mandatory Time Off Exempt
670	Voluntary Time Off Exempt
686	CA SPSL Retro LWOP Exempt
687	CA SPSL Retro LWOP2 Exempt
680	MCLEMA OT
827	Clothing Reimburse
834	Tool Reimburse
890	FAHP Premium Reimbursement
891	Moving Expense
892	Taxable Reimburse
894	Gym Membership Reimburse
926	Uniform Non-Cash
953	Taxable Benefit State
954	Taxable Benefit Federal
966	Taxable Benefit Fed+/-State
995	Taxable Fringe

B. Pursuant to Government Code §7522.34, pensionable compensation does not include the following:

1. Any compensation determined by the Board to have been paid to increase a member's retirement benefit.

2. Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment.
3. Any one-time or ad hoc payments made to a member.
4. Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment but is received by the member while employed.
5. Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid.
6. Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
7. Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.
8. Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code.
9. Employer contributions to deferred compensation or defined contribution plans.
10. Any bonus paid in addition to the compensation described in subdivision (a) of Government Code §7522.34.
11. Any other form of compensation the Board determines is inconsistent with the requirements of subdivision (a).
12. Any other form of compensation that this Board determines should not be pensionable compensation.

3. Pursuant to Government Code §7522.10, whenever pensionable compensation, as defined in §7522.34, is used in the calculation of a benefit, the pensionable compensation shall be subject to the monetary limitations set forth in subdivision §7522.10.

FURTHER RESOLVED that any pay codes not specifically listed in this Resolution as included in pensionable compensation shall be excluded from pensionable compensation. In the event a new pay item is created by a plan sponsor, the new pay item shall be excluded from pensionable compensation unless, and until, this resolution is amended by the Board of Retirement to include the pay item in pensionable compensation.

FURTHER RESOLVED that the above listed determinations by the Board of what is included or not included in pensionable compensation, shall be in effect until such time as this Board, the Legislature or the Courts take action that as a matter of law requires a different determination.

The foregoing resolution introduced by Mr. Haschak, seconded by Ms. Harris, and carried this 17th day of June 2026, by the following vote:

Ayes: John Haschak, Jerilyn Harris, Vincent Lechowick, Chamise Cubbison, Kathryn Cavness, and Alex Land.
Noes: 0
Abstain: 0
Absent: 0

WHEREUPON, The Chair declared said Resolution adopted, and **SO ORDERED**.

Alex Land, Chair

Attest:

Doris L. Rentschler, Executive Director