

Retirement-Eligible Earnings and *Alameda* Decision Implementation

To comply with the California Supreme Court's July 30, 2020, *Alameda* decision, the Board of Retirement voted, at its October 15, 2020 meeting, to exclude three pay types from retirement benefit calculations:

1. Stand-By Pay
2. Correctional Briefing Pay
3. Employer Contributions to Deferred Compensation on the Member's Behalf

If you are affected, SJCERA will send a letter to the address we have for you on file.

Retired Members: If you retired before January 1, 2013 or your Final Average Compensation (FAC) did not include any of the three pay types, you will not be affected.

You are in the affected group of retirees if:

1. You retire(d) on or after January 1, 2013 and your FAC was calculated using stand-by pay or correctional briefing pay, or
2. You retire(d) on or after July 30, 2020 and your FAC was calculated using employer-paid contributions to deferred compensation.

The adjustment to your benefit will occur in two steps. First, SJCERA will recalculate your FAC excluding those pay types and adjust your retirement benefit prospectively. Second, SJCERA will compare the amount of overpaid benefits to the overpaid contributions and determine if you are owed a return of contributions plus interest, or if SJCERA must collect the portion of the benefit that was overpaid from September 1, 2020, forward.

Active and Deferred Members: Adjustments for Active and Deferred members who paid contributions on excluded pay types will also occur in two steps. First, if you are an Active member, you will no longer pay retirement contributions on the excluded pay types; this change will be reflected on your October 30, 2020 earnings statement. Second, SJCERA will calculate and return member contributions you have paid plus interest on stand-by and correctional briefing pay from January 1, 2013 forward, and on employer contributions to deferred compensation throughout your SJCERA-covered employment.