SBCERS

Santa Barbara County Employees' Retirement System

DATE: June 7, 2023   **Agenda Item # 2**

TO: Board of Retirement Operations Committee

FROM: Rebekah Bardakos, Director of Member Services

RE: **Determination of Compensation Earnable or Pensionable Compensation: Earning Code CFL and FLR**

Recommendation:

That the Operations Committee recommend that the Board of Retirement approve Resolution 2023-04 adding earnings codes CFL and FLR to the schedule of earnings codes with classification as either included or excluded as items of compensation earnable pursuant to Government Code Section 31461 and pensionable compensation pursuant to Government Code Section 7522.34 as set forth in the accompanying resolution.

History and Background:

1.   Earning Code CFL – Chief Pilot Allowance

In response to Section 28 of the Memorandum of Understanding between the County of Santa Barbara and the Santa Barbara Deputy Sheriffs' Association dated March 26, 2022, the County of Santa Barbara ("the County") has created a new earning code, CFL – Chief Pilot in Air Support Unit. This new earning code will be used for a biweekly amount of $300 paid to the appointed Chief Pilot, which can be either a Fire Pilot or a Sheriff Pilot but may only be to one person at a time. This earning code constitutes premium pay for a job assignment with special duties and is similar to other duty-based earning codes previously approved by the Board of Retirement as compensation earnable and pensionable compensation.

2.   Earning Code FLR – Family Leave

FLR is used to record unpaid family leave on an employee's time sheet that is eligible for later purchase by the member pursuant to Government Code Section 31646(b) and (c), recently adopted by the Board of Supervisors.

FLR is used to record an uncompensated leave of absence on account of parental leave or the serious illness of a family member when the absence is eligible for coverage under the federal Family and Medical Leave Act of 1993. Such service is eligible for purchase pursuant to the adoption of Government Code Section 31646(b) and (c) via County of Santa Barbara Board Resolution No. 22-153, for leaves that commence following the adoption of the resolution. The amount of leave that is eligible to purchase may not exceed 12 consecutive months.

This earnings code does not designate paid compensation and does not accrue leave balances. It does qualify, however, for purchase of retirement service credit once the member has resumed pay status for a period of time equal to the time of the unpaid leave.

Extra help employees and contractors on payroll are not eligible to accrue unpaid family leave time eligible for purchase. However, there may be rare occasions when such an employee may be eligible to purchase such leave time, for example when the employee has worked sufficient hours before and after the leave period to qualify as a regular full-time employee. SBCERS will make that determination individually on a case-by-case basis.

Determination of Compensation Earnable or Pensionable Compensation

After review by staff and counsel, it is recommended that the Operations Committee recommend to the Board of Retirement that it approve the earnings codes referenced above as either compensation earnable or pensionable compensation as follows:

Earn Code	Description	Compensation Earnable	Pensionable Compensation
CFL	Chief Pilot Allowance	Yes	Yes
FLR	Family Leave without pay	No[1]	No[1]

Attachments:

- Resolution 2023-04
- County request for determination of pensionable status – Earning Code CFL
- County request for determination of pensionable status – Earning Code FLR
- County Pensionable County Earns Code Tables
- County Non-pensionable County Earns Code Tables

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[1] Eligible for purchase by either legacy or Plan 8 PEPRA members as compensation earnable or pensionable compensation. This earnings code documents unpaid family leave eligible for later purchase by the member. Upon purchase it becomes additional service credit added to the member's account and, depending on the timing of the leave period, may potentially increase the member's final average compensation.