

Frequently Asked Questions Regarding the Alameda Decision for Active & Deferred Members

- 1. Will I still be able to cash out vacation pay in the final year (or 3 years) prior to retirement and have that count in the calculation of my final average salary and ultimately in my retirement benefit?**

Yes; The Alameda Decision did not affect the use of vacation cash outs in the calculation of your final average salary. In fact, Government Code Section 31461 (2) explicitly states that Compensation Earnable (pensionable salary) does not include the following:

“Payments for unused vacation....that exceeds that which may be earned and payable in each 12-month (or 36 month) period during the final average salary period, regardless of when reported or paid”

So, a StanCERA member may continue to cash out vacation pay in their final average salary period so long as it does not exceed that which you can earn in the 12 or 36 month period (whichever is applicable) from which your final average salary will be calculated.

- 2. If I have made contributions to StanCERA that were attributable to on-call pay, will I be receiving a refund of those contributions?**

Yes; Any member contributions made beginning with the first full payroll period from January 2013 to September 1st 2020, and attributable to on-call pay will be refunded to members. StanCERA expects to process these refunds in early 2021.

- 3. How will the Alameda Decision affect my future StanCERA retirement benefit?**

The answer to this question depends on how much of your final average salary would've been attributed to on-call pay. For example, if 3% of your expected final average salary would've been attributed to on-call pay, then your expected StanCERA benefit would decrease by approximately 3%. StanCERA staff has found that the average amount of on-call pay used in the past in the calculation of a member's final average salary is around 4%. However, over 95% of our members do not report on-call pay at all to StanCERA.

- 4. Does the Alameda Decision affect my ability to work on-call duty and receive that as compensation?**

No; The Decision does not affect your ability to work on-call duty and receive extra compensation for that work. It only affects StanCERA's ability to use those amounts in the calculation of your final average salary and ultimately, your expected retirement benefit.

- 5. Do you anticipate any other pay elements to be excluded from the calculation of final average salary?**

No; StanCERA staff has been in consultation with our legal counsel and we believe that on-call pay is the only element that affects StanCERA and addressed in the Alameda Decision.