Pensionable Earnings Includes:

• the total base rate of pay including member contributions to a pension plan (listed above) which are “picked up” by the employer, and shall also include
  • longevity pay,
  • sick leave pay taken in the normal course of employment,
  • vacation leave pay taken in the normal course of employment,
  • shift differential,
  • and mandatory overtime that is part of the Member’s fixed, periodic compensation.
  • Accumulated vacation leave pay if a Member completes his or her service requirement for purposes of Normal retirement while exhausting accumulated vacation leave.
  • In the event an employer has established or does establish a Deferred Compensation Plan, the amount of the Member’s salary that is deferred shall be included in the Member’s pensionable earnings.
  • Any amounts voluntarily contributed to an Internal Revenue Code Section 125 “Cafeteria Plan” shall be included in the Member’s pensionable earnings.

Pensionable Earnings Shall Not Include:

• overtime pay (except as noted above),
• step-up pay or other pay for temporarily acting in a higher rank
  - A Member is deemed temporarily acting in a higher rank if the appointment to the rank is anticipated to last less than six months,
• uniform allowances,
• accumulated sick leave pay,
• accumulated vacation leave pay (except as noted above),
• and other forms of extra pay (including Member Contributions which are paid by the employer and not deducted from the Member’s salary.)

Visit FPPAco.org / and click on “Governing Documents” for a full review of all of the Rules & Regulations listed above.