

1932 Board Resolution - Transcription

Proposed Adoption of Article 4, Section 574 of Chapter 2 of Division 1 of Title 2 of the California Code of Regulations

Definition of Full-Time Employment

The attention of the Board was then called to the provisions in the Retirement Law that the retirement allowances and death benefit shall be based on the "compensation earnable" of members and that compensation earnable shall mean the average compensation as determined by the Board upon the bases of the average period of employment of members in the same class of employment and at the same rate of pay. It was pointed out that this required the Board to fix an average number of days put in per year by various per diem groups and also the average period to be taken by individuals employed on a monthly basis. The Actuary explained that the method to be followed in determining this average period was to inspect payrolls for the normal time put in by various classifications, it being pointed out that this normal time was neither the greatest nor least time put in individually, but rather the predominating number of days put in by individuals in the class during any period. He explained that the addition of these numbers of days for months or half months for the years 1929-30-31 would show the average period of employment during those times for the various classes.

After a discussion, the Board on motion made by Mr. Callan, seconded by Mr. Stanton, and unanimously carried, decided that the average period of employment per year for individuals employed on a monthly basis shall be 12 months, and that the average period of employed on a monthly basis shall be 12 months, and that the average period of employment per year for individuals employed on a per diem or hourly basis shall be a number of days, eight hours being equivalent to one day, arrived at by taking the number evenly divisible by five, next higher than the number calculated from payrolls as the "normal" put in by that particular class or group; thus, if the normal time put in be determined as 268 days, the average period of employment per years for that group shall be taken as 270 days for the purpose of determining the compensation earnable, but no average period being taken at greater than 300 or less than 250 days. It was understood that this average determined for the years 1929-30-31 shall be used for determining the compensation earnable, not only for calculation of prior service benefits but also in calculations of disability benefits involving the average over five years prior to retirement, and also the calculation of death benefits involving the year immediately preceding death.

The Board then considered the proposed budget of the Retirement system for the two Fiscal Years ending June 30, 1935.