

# employer

## BULLETIN

**To: Municipal Pension Plan employers**

From: Pension Corporation

Date: December 20, 2021

### **Follow the salary policy when determining if your employees' overtime is pensionable**

Effective January 1, 2022, all new overtime agreements or resolutions must be sent to the Municipal Pension Plan for review to ensure they comply with the salary policy.

#### **What is the policy?**

Employees' overtime is pensionable if both these conditions are met:

- There is a formal resolution or agreement stating the overtime is pensionable.
- The overtime is paid in the same pay period as the overtime was worked or earned.

If your employees are allowed to bank overtime pay to be used as paid time off in a future pay period, the paid time off is pensionable.

Overtime is not pensionable if:

- You do not have a formal resolution or agreement stating it is pensionable, or
- It is paid as a lump sum.

Any new resolution or agreements must be submitted for review through the secure employer Message Board to ensure they comply with the salary policy.

If you have an existing resolution or agreement in place and you would like us to review it for compliance, you may do so on a voluntary basis through Message Board.

#### **What employers need to do**

Send resolutions or agreements created on or after January 1, 2022, to the plan through Message Board.

If you have a resolution or agreement that was created before January 1, 2022, you can choose to send it to the plan for review at any time.

**More information**

For more information about pensionable salary, please refer to section 7.3.1 of the *Employer Instruction Manual*.

**Questions?**

For more information, contact Employer Operations:

- 1-855-356-9701 toll-free in Canada and U.S.
- [Employer.Services@pensionsbc.ca](mailto:Employer.Services@pensionsbc.ca)
- [Employer website](#)

**Employer Operations**

PO Box 9460  
Victoria BC V8W 9V8  
[employer.services@pensionsbc.ca](mailto:employer.services@pensionsbc.ca)  
Toll-free: 1-855-356-9701  
(Canada and U.S.)  
Fax: 250-356-1784