

**PERA's 401(k) and Defined Contribution Plan and Trust ("Plan")
Interpretation of Definition of Compensation
Pursuant to Section 1.07 of the Plan**

Effective January 1, 2018, for purposes of calculating Plan contributions, subject to the maximum limits under Section 401(a)(17) of the Code, the annual compensation under Section 1.07 of the Plan means Box 1 W-2 wages (including differential wage payments) *and shall include*

any contributions which are picked up by the Employer under Section 414(h)(2) of the Code;

amounts that would be cash remuneration for services to the Employer and includable in the Participant's gross income for the calendar year but for any elections under Sections 125, 132(f)(4), 401(k), 402(e)(3), 402(g)(3), 403(b), 414(v), or 457(b) of the Code;


regular pay paid following severance from employment as described in Section 1.415(c)-2(e)(3)(ii) of the Treasury regulations; and

payments for unused accrued bona fide sick, vacation, or other leave following severance from employment to the extent permitted under Section 1.415(c)-2 of the Treasury regulations;

but shall exclude

back pay, and any payment made pursuant to a settlement agreement, court order, administrative agency award or arbitration award.

ARAPAHOE COUNTY SCHOOL DISTRICT NO. 6
D/B/A LITTLETON PUBLIC SCHOOLS

By: 
Michael D. Jones
Assistant Superintendent of Human Resources

Date: MAY 1, 2018