

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

***BOARD OF RETIREMENT
RETREAT AGENDA***

Wednesday, September 16, 2015

Ventura Beach Marriott
Brisas Room I
2055 East Harbor Boulevard
Ventura, CA 93001

<u>TIME</u>	<u>ITEM</u>	<u>PAGE NO.</u>
9:00 a.m.	I. <u>Introduction & Approval of Agenda</u> Tracy Towner, Chair	1 – 2
	II. <u>Recommendation to Engage Outside Counsel for Consultation on Human Resources Contracted Services Related to AB1291</u>	
	A. Letter from Staff	3
9:30 a.m.	III. <u>Asset Allocation Portfolio Analysis</u> Dan Gallagher, VCERA Chief Investment Officer	4 – 97
10:30 a.m.	<i>Break</i>	
10:45 a.m.	IV. <u>Board Governance: Building an Ever-Improving Model</u> Ashley Dunning, Nossaman	98 – 168
12:00 p.m.	<i>Lunch</i>	
1:00 p.m.	V. <u>Investment Risk</u> Howard Marks, Chairman, Oaktree Capital Management	169 – 196
2:00 p.m.	VI. <u>Behavioral Bias, Risk Taking and Market Evolution Observations for Active Management</u> <i>Materials to be available at the meeting.</i> Laird Landmann, TCW	
3:00 p.m.	VII. <u>Update of Preliminary Report on PEPR Pensionable Compensation Analysis</u> VCERA Staff & Ashley Dunning, Nossaman LLP	
	A. Letter from Staff	197 – 199
	B. July 20, 2015 Preliminary Report on PEPR Pensionable Compensation Analysis	200 – 233
	C. Addendum to July 20, 2015 Preliminary Report for County of Ventura Pay Codes	234 – 235

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VII. Update of Preliminary Report on PEPRAs Pensionable Compensation Analysis (continued)

D. Addendum to July 20, 2015 Preliminary Report for Ventura County Regional Sanitation District Pay Codes 236–237

E. PEPRAs Pensionable Compensation Response from Stephen H. Silver 238–240

VIII. Public Comment

IX. Staff Comment

X. Board Member Comment

4:00 p.m.

XI. Adjournment

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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September 16, 2015

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: RECOMMENDATION TO ENGAGE OUTSIDE COUNSEL TO ASSIST VCERA IN IMPLEMENTING GOVERNMENT CODE SECTION 31468 (AB 1291)

Dear Board Members:

Assembly Bill 1291 was recently chaptered on August 17, 2015, authorizing the Board of Retirement to appoint executive managers as "District" employees. It is staff's recommendation to engage outside counsel to facilitate successful implementation of the AB 1291 legislation for the five (5) VCERA positions impacted. This may include, but not be limited to, the development and drafting of agreements and/or contracts between VCERA and the County of Ventura for services and programs.

RECOMMENDATION: AUTHORIZE RETIREMENT ADMINISTRATOR TO ENGAGE OUTSIDE COUNSEL TO ASSIST VCERA IN IMPLEMENTING GOVERNMENT CODE SECTION 31468 (AB 1291), UP TO AN AMOUNT NOT TO EXCEED \$25,000. AUTHORIZE BOARD CHAIR TO SIGN ENGAGEMENT LETTER FOR THE AGREEMENT.

Staff will be happy to answer any questions regarding the proposed changes at the September 16, 2015 off-site meeting.

Sincerely,



Linda Webb
Retirement Administrator

VCERA Board Retreat:

Investment Portfolio Review

September 16, 2015

Dan Gallagher, Chief Investment Officer



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1. Introduction and Plan Background
2. CIO Perspective
3. Comparison Portfolios
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Introduction and Plan Background

Introduction and Background



- 2015 February
 - NEPC Asset Allocation recommendations adopted, but implementation postponed until CIO hired to provide an independent view of portfolio
- 2015 May
 - New CIO begins

CIO Big Picture View

- Analysis of VCERA portfolio
- Positives:
 - ✓ Low fees
 - ✓ Diversified
 - ✓ Solid performance track record
 - ✓ Well-funded

Challenges

- Expected low investment returns across asset classes
- Challenges:
 - Meet and exceed 7.50% long-term assumed rate
 - Maintain sufficient liquidity to pay benefits
 - Remain fee and cost conscious

Summary of NEPC's Recommendation

	Current Target	NEPC Recommendation	Change
Cash	0%	0%	--

Large Cap Equity	27%	24%	-3.0%
Small/Mid Cap Equity	3%	2%	-1.0%
Int'l Equity (Unhedged)	12%	5.5%	-6.5%
Int'l Equity (Hedged)	0%	5.5%	5.5%
Emerging Int'l Equity	2%	2%	--
Global Equity	10%	10%	--
Total Public Equity	54%	49%	-5.0%
Private Equity	5%	5%	--
Total Equity	59%	54%	-5.0%

Domestic Core Bonds	12%	10%	-2.0%
Global Bonds (Unhedged)	5%	0%	-5.0%
Absolute Return Fixed Income	7%	4%	-3.0%
Total Public Fixed Income	24%	14%	-10.0%
Private Debt	0%	5%	5.0%
Total Fixed Income	24%	19%	-5.0%

Real Estate	7%	7%	--
MLPs	4%	4%	--
Risk Parity	6%	6%	--
Total Other	17%	17%	--

Global Asset Allocation	0%	10%	10.0%
Total Opportunistic	0%	10%	10.0%

- **Modest Reduction in Public Equity allocation**
 - Reflects lower return outlook after strong rally over recent years, as well as higher valuations
 - Reduction is moderated by stronger U.S. economic outlook
- **Hedge Developed Int'l Equity Currency**
 - Currency has been a detractor for U.S. investors over last 2-3 years
 - Hedge is intended as volatility dampener and not alpha generator
- **Reduce Core Fixed Income Allocation**
 - Reduce interest rate/duration exposure in rising rate environment
- **Eliminate Global Bond Allocation**
 - U.K., Europe and Japan all with negative 10-year real yields
- **Add Private Debt Allocation**
 - Opportunity to generate equity-like returns with significantly less volatility
- **Add Allocation to Global Asset Allocation**
 - Passive trends and market complacency may ignite dormant alpha opportunities for tactical managers
 - Allow manager(s) to determine attractiveness of equity

5-7 Year	Expected Return	6.0%	6.4%
	Standard Deviation	12.6%	12.7%
	Sharpe Ratio	0.34	0.37

30 Year	Expected Return	7.3%	7.7%
	Standard Deviation	12.6%	12.7%
	Sharpe Ratio	0.32	0.35

Estimated Fees	0.29%	0.37%
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NEPC Recommendations: Adopted



Below is a summary of NEPC’s recommendations the Board adopted in February 2015:

Additions	Allocation (% NAV)
Currency Hedge	50% Hedge Ratio
Direct Lending	+5%
Global Tactical Asset Allocation (GTAA)	+10%

Reductions	Allocation (% NAV)
Public Equity	–5%
Core Fixed Income	–5%
Global Bonds (eliminate)	–5%

CIO Perspective

- Broadly agree with NEPC with respect to market outlook
- Disagree with respect to how to go about diversifying the Plan
- Based on the work I've done, I have two alternatives
 - I recommend Alternative 1

CIO Analysis of Board Adopted Strategies

(Not implemented)



Additions	Allocation (% NAV)
Currency Hedge	50% Hedge Ratio
Direct Lending	+5%
Global Tactical Asset Allocation (GTAA)	+10%

- No expected return from currency long term
- Many companies have multi-currency costs and revenues; shorting local currency on top of investment may not hedge exposure, but instead add new risk
- Currency hedging does not reduce volatility over long time horizons
- Introduces the risk of large negative cash outflows

CIO Analysis of Board Adopted Strategies

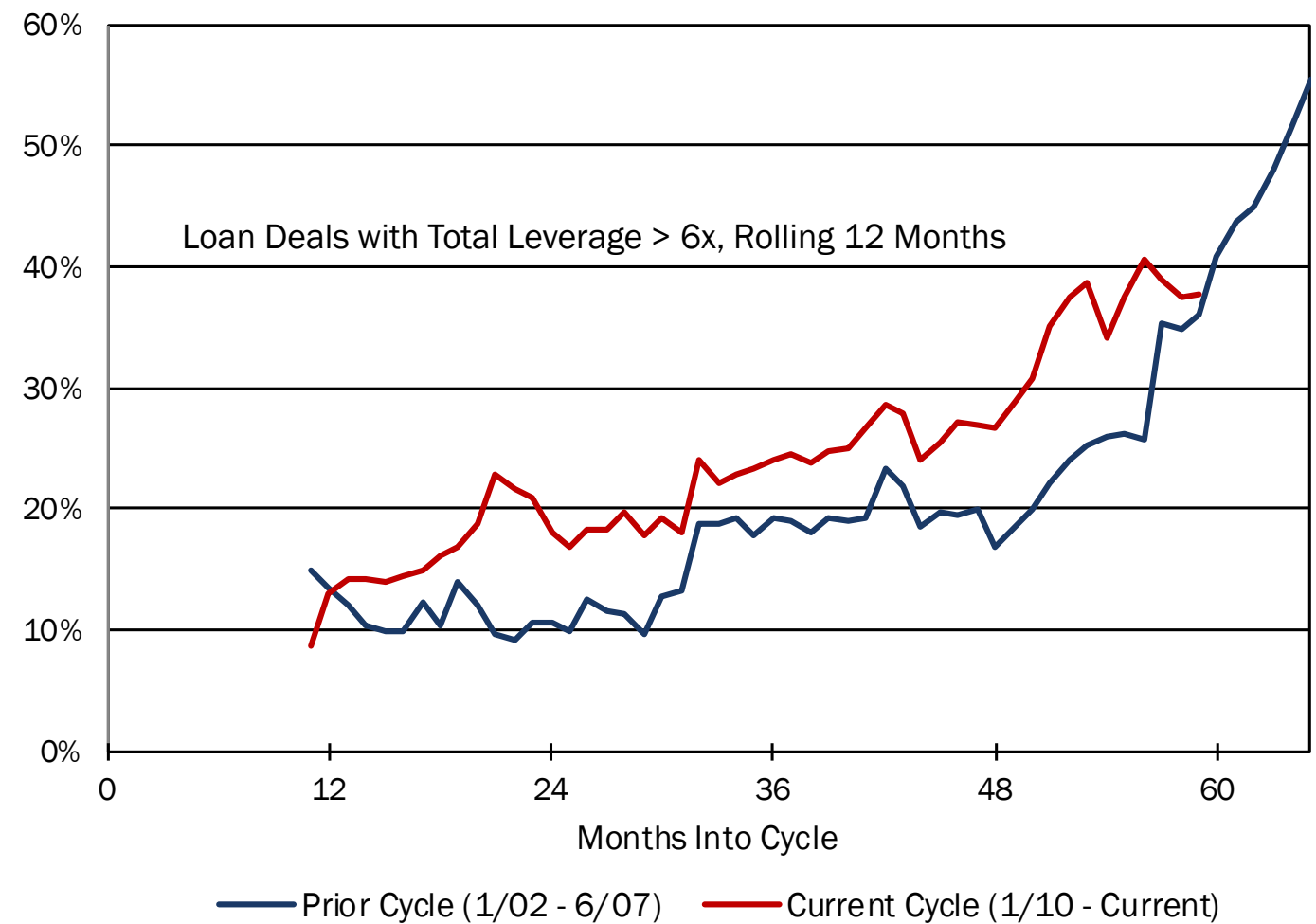
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Additions	Allocation (% NAV)
Currency Hedge	50% Hedge Ratio
Direct Lending	+5%
Global Tactical Asset Allocation (GTAA)	+10%

- Direct lending funds record \$29.9 billion worldwide last year
 - \$50 billion targeted –Prequin
- Amount of money going into heavily levered loans is parallel to 2008
- Moody’s North American Covenant Quality Index in worsening trend

Fixed Income Market Review



Source: Deutsche Bank; Reams

SECTOR IN-DEPTH
11 AUGUST 2015

Rate this Research >>

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North American Covenant Quality Index

Protection Remains at Weakest Level as Worsening Trend Continues in July

Single-month score reaches second consecutive record-low

- » **Weakest-level protection reigns.** The Covenant Quality Index (CQI) weakened in July to 4.37 from 4.25 in June (See Exhibit 1, next page). July was the tenth month out of the last 11 with a CQI higher than 4.20. (A lower score denotes stronger covenant quality on our scale from 1.0 to 5.0. See scoring key, next page). The index is a three-month rolling average CQ score weighted by each month's total number of bond issues.
- » **Single-month covenant quality reaches second consecutive record-low in July.** July's high-yield bonds had an average covenant quality score of 4.60, the weakest single-month score since we began recording in January 2011. July's scores are only marginally worse than June's (4.55), but significantly worse than May's (4.15) and April's (4.12). (See Exhibit 2, page 3). With only 16 issuances in July, the monthly score was dictated by the high percentage of high-yield lite (HY-lite) transactions.
- » **HY-lite volume increases significantly.** Of the 16 bonds issued in July, 56% feature lite packages, greater than June's 31%, May's 12%, April's 23% and the historical average of 22%. HY-lite bonds receive the weakest possible CQ score of 5.0. CCO Safari II LLC, an indirect subsidiary of Charter Communications Inc., issued six separate HY-lite bonds in anticipation of its acquisition of Time Warner Cable.
- » **Ba issuance dominates in July.** Ba-rated bonds accounted for 56% of the month's issuance volume (including the six CCO Safari, LLC HY-lite issuances), up from June's 24%, and well above the historical average of 31%. The average score for July's Ba-rated bonds was 4.96, unchanged from June and significantly weaker than the 4.39 historical average. Bonds rated single B - the sweet spot in the high-yield market - comprised only 25% of July's issuance, markedly down from 48% in June, 54% in May and the historical average of 49%. The covenant quality of single B bonds improved marginally to 4.45 in July from 4.46 in June. That is down from 3.93 in May and weaker than the historical average of 3.79. The three Caa/Ca-rated bonds issued in July represented 19% of the month's volume, in line with the historical average of 20%, but down from 28% in June. The covenant quality of the Caa/Ca-rated bonds was 3.71, slightly weaker than the historical average of 3.60, but a significant improvement from June's 4.37.

CIO Analysis of Board Adopted Strategies

(Not implemented)



Additions	Allocation (% NAV)
Currency Hedge	50% Hedge Ratio
Direct Lending	+5%
Global Tactical Asset Allocation (GTAA)	+10%

- Tactical = Timing
- “Timing is the grave yard in which money managers go to die.”
– *Bernie Feshbach, Feshbach and Sons, 2015*
- Market timing doesn’t work
- Tactical approaches overall have not enhanced returns after fees and expenses

- Segal Review of Actuarial Assumptions for 6/30/2015 Actuarial Valuation
 - Used Feb 2015 Allocation Weighting
 - Used blended Segal/NEPC capital market assumptions
 - Derived assumed rate of 7.5%
 - CIO recommendations must support actuarial assumed rate

- VCERA is a long term investor
- “The projected return of cash is below the projected return of bonds, which is below the projected return of equities by appropriate risk premiums” – Bridgewater, 9/4/2015

Alternative Portfolio #1

Alternative #1

Summarized below are the proposed changes to the allocation adopted by the board in February 2015:

Additions	Allocation (% NAV)
Public Equities	+4%
Publicly Traded Fixed Income (with 2% dedicated to US Treasury Bonds)	+6%
Private Equity	+5%

Reductions	Allocation (% NAV)
Currency Hedge (eliminate)	-50% Hedge Ratio
Direct Lending (eliminate)	-5%
GTAA (eliminate)	-10%

Alternative Mix #1

Asset Class		Mixes			Changes				
		Actual	Adopted	CIO alt 1					
	Total Public Equity	56%	49%	53%	4%	Increase in Allocation to Public Equities - Long term expected return to equities Eliminate static currency hedge on equities - Long term currency washes - Cashflow risk			
	Large Cap Equity	30%	24%	25%	1%				
	Sm Cap Equity	1%	2%	3%	1%				
	Intl Equity (unhedged)	12%	5.5%	12%	7%				
	Intl Equity (hedged)		5.5%	0%	-6%				
	Emerging Mkts Equity	2%	2%	3%	1%				
	Global Equity	10%	10%	10%	0%	Add US Treasury Bonds Allocation - Hedges increased equity exposure - Best source of liquidity in market chaos - Ultimate beneficiary in flight to quality Increase Allocation to Absolute Return Fixed - Manager skill in exploiting market dislocation			
	Tot Public Fixed Income	24%	14%	20%	6%				
	Domestic core bonds	11%	10%	10%	0%				
	US Treasuries		0%	2%	2%				
	Global Bonds	5%	0%	0%	0%				
	Absolute Return Fixed Income	8%	4%	8%	4%				
	Total Opportunistic	10%	20%	10%	-10%	Eliminate GTAA as a strategy - Evidence does not support strategy value add			
	MLPs	3%	4%	4%	0%				
	Risk Parity	6%	6%	6%	0%				
	Global Tactical Asset Allocation		10%	0%	-10%	Increase Private Equity allocation - Highest returning asset class long term - Compensation from providing liquidity - Managers have long-term horizon Allocation to Private Debt within Private Equity			
	Total Private Investments	11%	17%	17%	0%				
	Private Equity	3%	5%	10%	5%				
	Private Debt		5%	0%	-5%				
	Real Estate	8%	7%	7%	0%				
5 - 7 Years	Expected Return	6.0%	6.4%	6.4%					
	Standard Deviation	12.4%	12.7%	13.1%					
	Sharpe Ratio	0.34	0.37	0.35					
30 Years	Expected Return	7.2%	7.7%	7.7%					
	Standard Deviation	12.7%	12.7%	13.1%					
	Sharpe Ratio	0.32	0.35	0.34					
	Estimated Fees	0.29%	0.37%	0.32%					

Alternative #1

Additions	Allocation (% NAV)
Public Equities	+4%
Publicly Traded Fixed Income (with 2% dedicated to US Treasury Bonds)	+6%
Private Equity	+5%

Additional allocation to Public Equities will be allocated accordingly:

- Large Cap US +1%
- Small Cap US +1%
- International +1%
- Emerging Mkts +1%
- “If you are investing with a long-term bias, having an equity bias makes sense; stocks go up in the long run”

– David Swensen, guest lecture at Yale – February 13, 2008

Alternative #1

Additions	Allocation (% NAV)
Public Equities	+4%
Publicly Traded Fixed Income (with 2% dedicated to US Treasury Bonds)	+6%
Private Equity	+5%

Additional allocation to Fixed Income will be allocated accordingly:

- US Treasuries (+2%)
 - Hedge against equity risk
 - Ultimate source of liquidity
 - Beneficiary of “flight to quality”
- Absolute return fixed income (+4%)
 - Added diversification
 - Can be both opportunistic and defensive

Alternative #1

Additions	Allocation (% NAV)
Public Equities	+4%
Publicly Traded Fixed Income (with 2% dedicated to US Treasury Bonds)	+6%
Private Equity	+5%

- High return / high risk
- Compensated for sacrificing long term liquidity
- Managers are not pressured to liquidate at the wrong time
- Skilled managers can add a lot of value
- Diversification benefits

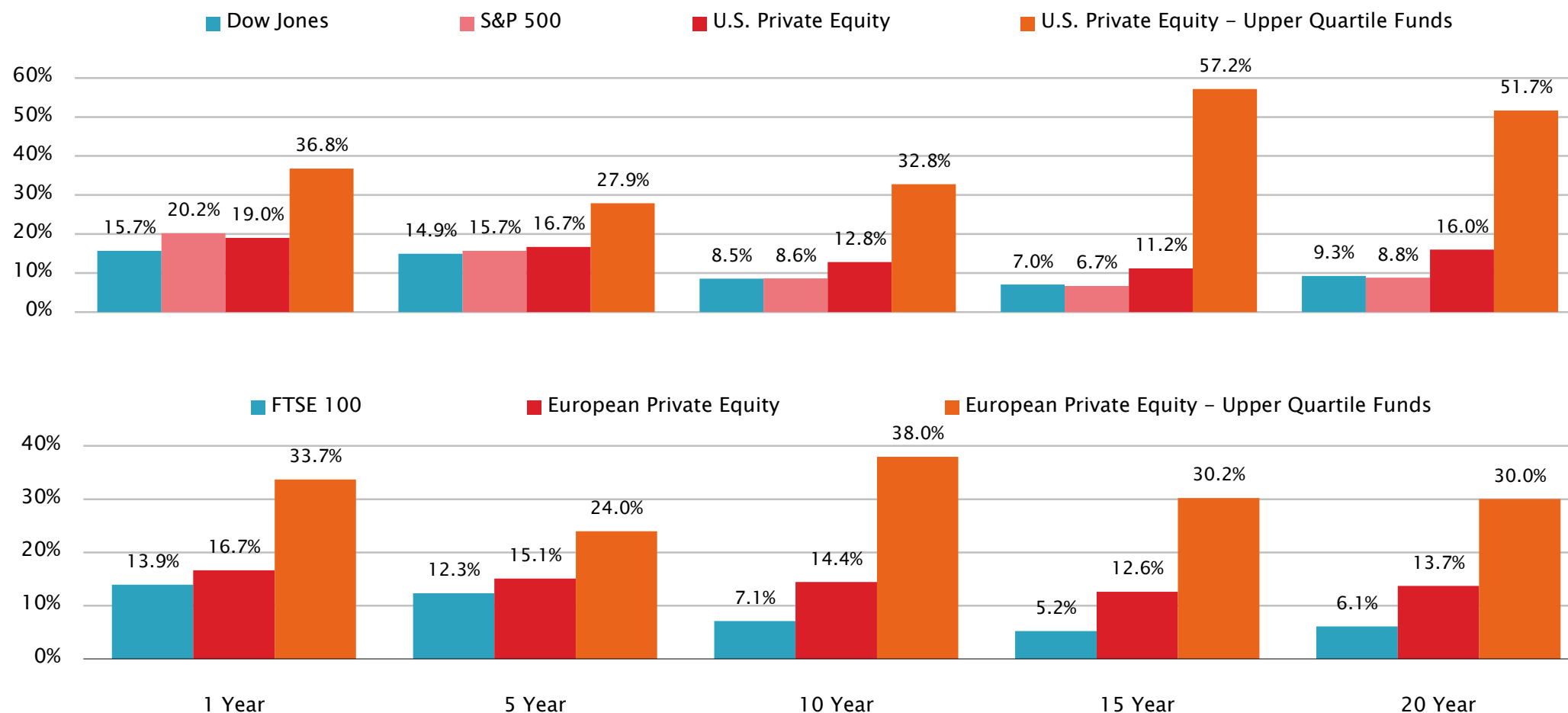
Drawbacks:

- High fees
- Illiquid: 10 – 15 years lock-in

Why invest in private equity?

Long-term historical performance exceeds public markets

- Upper quartile funds significantly outperform the private equity index and public markets
- Accessing high quality managers is key to long-term success in private equity



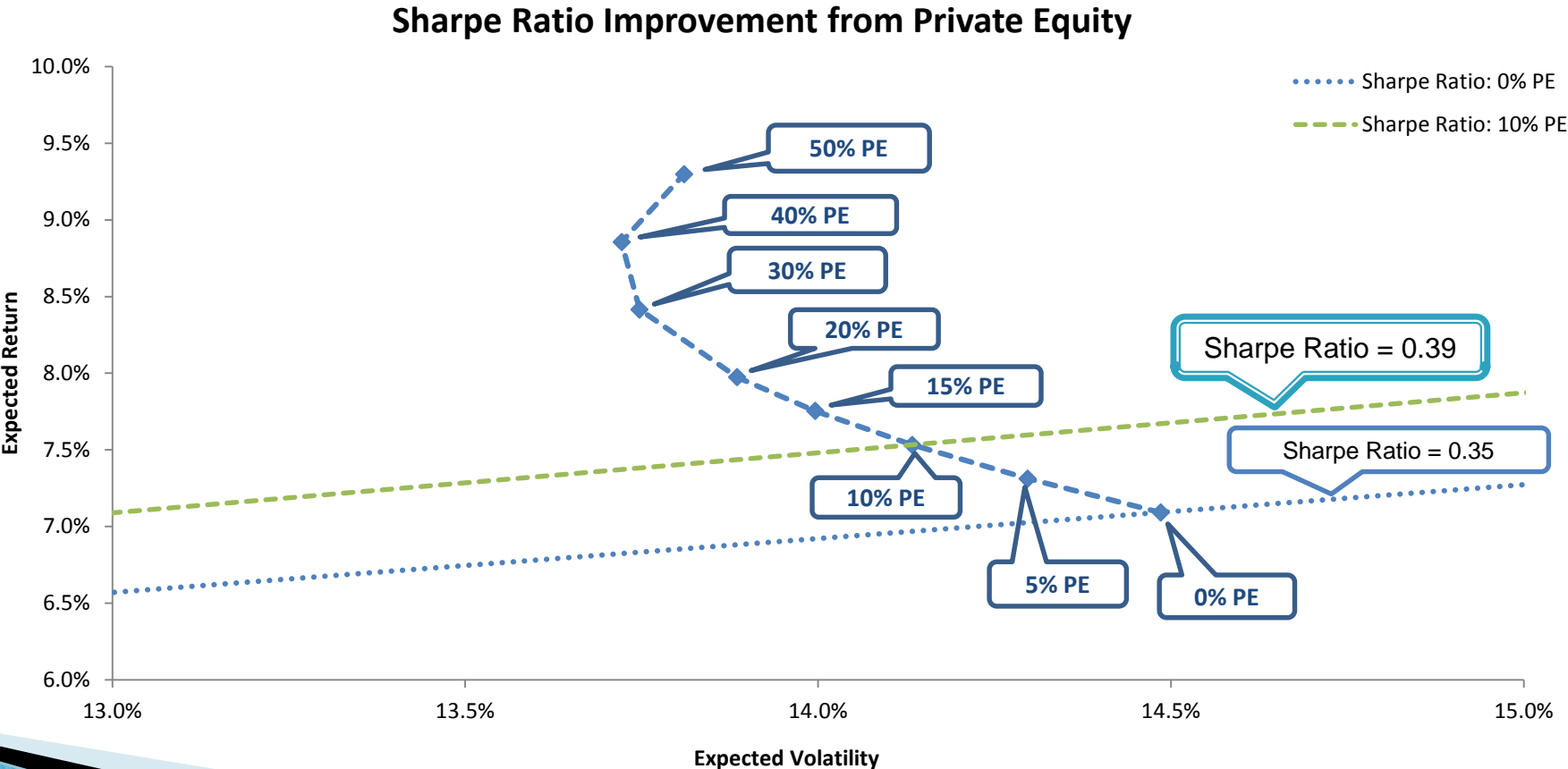
As of September 30, 2014

Source: Cambridge Associates through ThomsonOne. The U.S. or European Private Equity return is a pooled IRR based on the combined cash flows of all private equity funds in the benchmark The Private Equity–Upper Quartile Funds return is a pooled IRR based on the combined cash flows for the private equity funds in the benchmark that achieved upper quartile performance. Public market comparison also provided by ThomsonOne based on a methodology of buying and selling the index with the same timing of cash flows as the All Private Equity return. The securities comprising the public market benchmarks have substantially different characteristics than the private equity benchmarks, and the comparison is provided for illustrative purposes only. Investors should bear in mind that past performance is not necessarily indicative of future results, and there can be no assurance that future private equity investments will achieve similar results.

Sharpe Ratio Improvement – Efficient Frontier



- Although private equity and public equity have comparable standalone volatility, incremental exposure to private equity has diversification benefits at allocations up to 40%
- This analysis does not account for the liquidity risk that is inherent with incremental exposure to private equity, however, it shows private equity's ability to enhance the portfolio risk/return profile even at small allocations



*Information presented on this page refers to the methodology on the page immediately preceding.

Sharpe Ratio Improvement – Methodology



- ASP’s risk model was used to estimate the impact of private equity¹ exposure on a standard equity/bond portfolio’s Sharpe Ratio
- Volatility was estimated based on a simple portfolio of three asset classes, with private equity substituted for public equity at various allocations

	Expected Return ²	Volatility ³
Public Equity ⁴	7.71%	18.36%
Fixed Income ⁵	4.62%	3.50%
Globally Diversified, Multi-Strategy Private Equity Portfolio ⁶	12.12%	18.66%

Portfolio Weight			Expected Return	Expected Volatility	Sharpe Ratio ⁷
Public Equity	Fixed Income	Private Equity			
80%	20%	0%	7.09%	14.49%	0.35
75%	20%	5%	7.31%	14.30%	0.37
70%	20%	10%	7.53%	14.13%	0.39
65%	20%	15%	7.75%	14.00%	0.41
60%	20%	20%	7.97%	13.89%	0.43
50%	20%	30%	8.42%	13.75%	0.47
40%	20%	40%	8.86%	13.72%	0.50
30%	20%	50%	9.30%	13.81%	0.53

1. Defined as a globally diversified set of private equity Investments--companies (or funds that invest in companies) that are not listed on a publicly-traded exchange

2. Based on total return for the trailing 10 year period ended 9/30/2014

3. Based on Adams Street Partners’ factor-based risk model. Additional details on the methodology are available upon request.

4. Represented by the MSCI World Total Return Index

5. Represented by the Barclays US Aggregate Bond Index

6. Source: Burgiss. The Burgiss data presented here includes a global set of funds which are invested on a primary basis in buyout and excludes secondary investments. Numbers are subject to updates by Burgiss. Burgiss is a recognized source of private equity data, and the Burgiss Manager Universe includes funds representing the full range of private capital strategies; it may not include all private equity funds and may include some funds which have investment focuses that Adams Street Partners does not invest in. Data and calculations by Burgiss, sourced on February 5, 2015.

7. Calculated as (Expected Return – Risk Free Rate)/(Expected Volatility). Risk Free Rate is assumed to be 2%.

Alternative Portfolio #2

Alternative #2

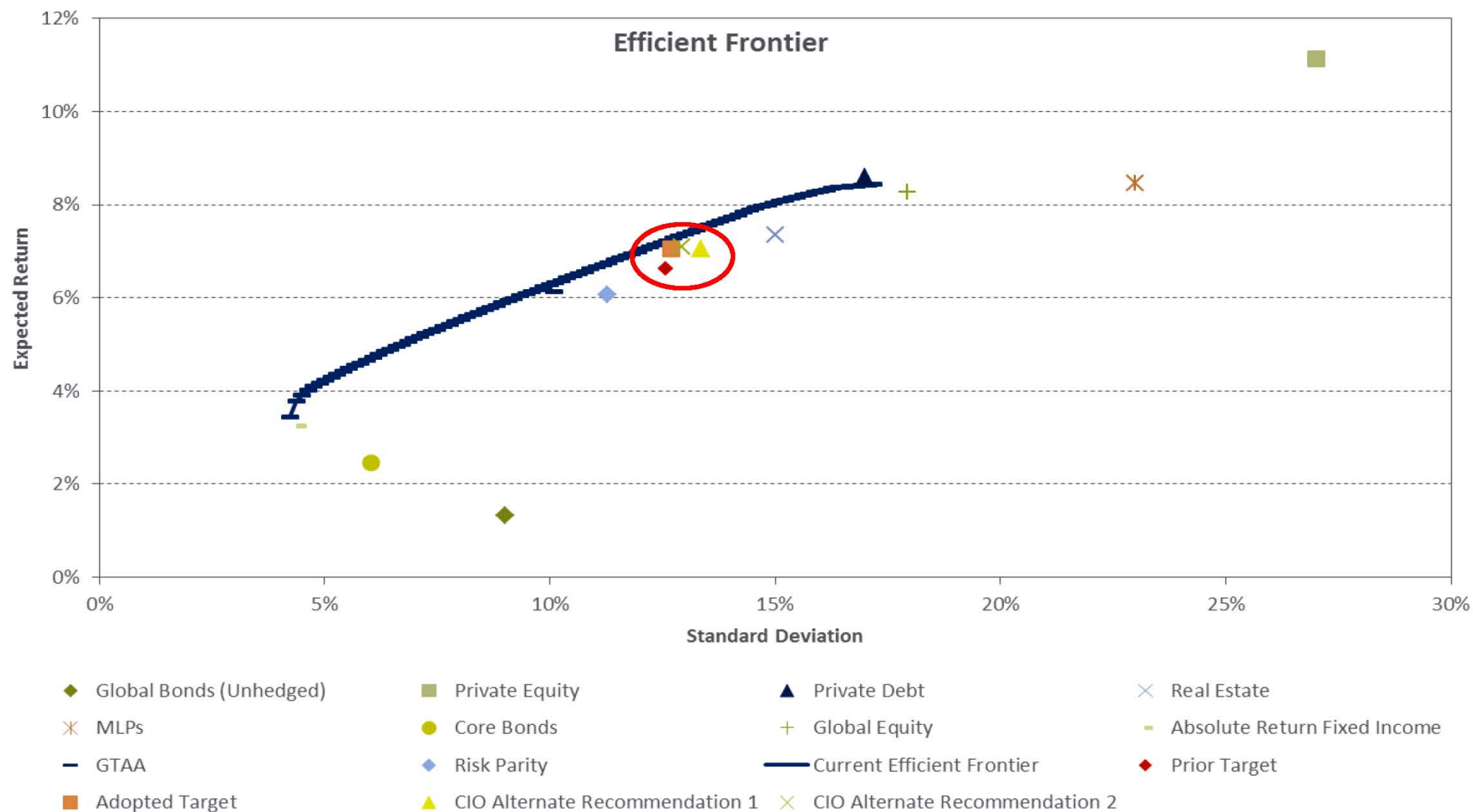
Summarized below are the proposed changes to the allocation adopted by the board in February 2015:

Additions	Allocation (% NAV)
Public Equities	+1%
Publicly Traded Fixed Income (with 2% dedicated to US Treasury Bonds)	+6%
Private Equity	+5%
Opportunistic Bucket (new)	+4%

Reductions	Allocation (% NAV)
Currency Hedge (eliminate)	-50% Hedge Ratio
Direct Lending (eliminate)	-5%
GTAA (eliminate)	-10%
MLP	-1%

Alternative Mix #2

Asset Class		Mixes			Changes						
		Actual	Adopted	CIO alt 2							
	Total Public Equity	56%	49%	50%	1%	Increase in Allocation to Public Equities - Long term expected return to equities Eliminate static currency hedge on equities - Long term currency washes - Cashflow risk Modest Reduction in Global Equity - Allocation moved to GTAA managers					
	Large Cap Equity	30%	24%	24%	0%						
	Sm Cap Equity	1%	2%	3%	1%						
	Intl Equity (unhedged)	12%	5.5%	11%	5.5%						
	Intl Equity (hedged)		5.5%	0%	-5.5%						
	Emerging Mkts Equity	2%	2%	3%	1%						
	Global Equity	10%	10%	9%	-1%						
	Tot Public Fixed Income	24%	14%	20%	6%	Add US Treasury Bonds Allocation - Hedges increased equity exposure - Go-to source of liquidity in market chaos - Ultimate beneficiary in flight to quality Increase Allocation to Absolute Return Fixed - Manager skill in exploiting market dislocation					
	Domestic core bonds	11%	10%	10%	0%						
	US Treasuries		0%	2%	2%						
	Global Bonds	5%	0%	0%	0%						
	Absolute Return Fixed Income	8%	4%	8%	4%						
	Total Opportunistic	10%	20%	13%	-7%	Create Opportunistic Bucket - Add defensive managers demonstrating persistence Modest reduction to MLP due to GTAA managers Increase in Risk Parity due to GTAA managers Eliminate GTAA as a separate strategy - Evidence does not support value add					
	MLPs	3%	4%	3%	-1%						
	Risk Parity	6%	6%	7%	1%						
	Global Tactical Asset Allocation		10%	3%	-7%						
	Total Private Investments	11%	17%	17%	0%	Increase Private Equity allocation - Highest returning asset class long term - Compensation from providing liquidity					
	Private Equity	3%	5%	10%	5%						
	Private Debt		5%	0%	-5%						
	Real Estate	8%	7%	7%	0%						
5 - 7 Years	Expected Return	6.0%	6.4%	6.4%							
	Standard Deviation	12.4%	12.7%	13.2%							
	Sharpe Ratio	0.34	0.37	0.35							
30 Years	Expected Return	7.2%	7.7%	7.7%							
	Standard Deviation	12.7%	12.7%	13.2%							
	Sharpe Ratio	0.32	0.35	0.33							
	Estimated Fees	0.29%	0.37%	0.34%							



Where the Managers Are

Asset Class	Prior Targets	NEPC Adopted Targets 02/2015	VCERA Actual 6/30/2015	CIO Alt 1	CIO Alt 2					
Cash										
Global Bonds (Unhedged)	5.00%		4.90%			LSFI Global FI, PIMCO				
EMD (External)										
Large Cap Equities	27.00%	24.00%	30.36%	25.00%	24.00%	Blackrock Equity, Western Index plus, Parametric 60% of .6				
Small/Mid Cap Equities	3.00%	2.00%	1.10%	3.00%	3.00%	Blackrock Extended				
Int'l Equities (Unhedged)	12.00%	5.50%	12.30%	12.00%	12.00%	Blackrock, Sprucegrove, Hexavest, Walter Scott				
Int'l Equities (Hedged)		5.50%								
Emerging Int'l Equities	2.00%	2.00%	2.00%	3.00%	3.00%					
Private Equity	5.00%	5.00%	3.10%	10.00%	10.00%	ASP, Pantheon, Harbourvest				
Private Debt		5.00%		0.00%	0.00%					
Real Estate (Core)	7.00%	7.00%	7.60%	7.00%	7.00%	Prudential, UBS, RREEF				
Commodities										
Hedge Funds					1.00%	Bridgewater Optimal 50%				
Long Treasuries				1.00%	1.00%					
US 10 yr Treasuries				1.00%	1.00%					
MLPs	4.00%	4.00%	3.10%	4.00%	3.00%	Tortoise				
Core Bonds	12.00%	10.00%	11.34%	10.00%	10.00%	Blackrock, Western, LSFI MultiStrat, Parametric @ 40% of .6				
Global Equity	10.00%	10.00%	10.20%	10.00%	9.00%	Blackrock & GMO				
Absolute Return Fixed Income	7.00%	4.00%	7.60%	8.00%	7.00%	Reams, LSFI Strat Alpha				
Global Asset Allocation		10.00%								
Standard Life GARS					2.00%					
Bridgewater All Weather	6.00%	6.00%	6.40%	6.00%	7.00%	Bridgewater plus 50% Optimal				

CIO Longer Term View

- Increased Private Equity
- Increased Real Estate
- Dedicated Small Cap Value
- Dedicated Emerging Markets
- Adding to opportunistic bucket
 - Timber
 - Infrastructure

Comparison Portfolios

What Others are Doing

Asset Class	Prior Targets	NEPC Adopted Targets 02/2015	VCERA Actual 6/30/2015	CIO Alt 1	CIO Alt 2	Segal	SACRS Average 2014	Investor Force pub funds > \$1 bil	U.S. 60/40	Global 60/40
Cash							2.77%	1.00%		
Global Bonds (Unhedged) EMD (External)	5.00%		4.90%				6.65%	4.00%		40.00%
Large Cap Equities	27.00%	24.00%	30.36%	25.00%	24.00%	27.74%	25.40%	23.00%	60.00%	
Small/Mid Cap Equities	3.00%	2.00%	1.10%	3.00%	3.00%	3.41%	2.00%	8.00%		
Int'l Equities (Unhedged)	12.00%	5.50%	12.30%	12.00%	12.00%	14.73%	16.88%	16.00%		
Int'l Equities (Hedged)		5.50%								
Emerging Int'l Equities	2.00%	2.00%	2.00%	3.00%	3.00%	3.12%	3.75%	3.00%		
Private Equity	5.00%	5.00%	3.10%	10.00%	10.00%	5.00%	11.35%	5.00%		
Private Debt		5.00%				5.00%				
Real Estate (Core)	7.00%	7.00%	7.60%	7.00%	7.00%	7.00%	7.70%	6.00%		
Commodities								1.00%		
Hedge Funds								7.00%		
Long Treasuries				1.00%	1.00%					
US 10 yr Treasuries				1.00%	1.00%					
MLPs	4.00%	4.00%	3.10%	4.00%	3.00%	4.00%				
Core Bonds	12.00%	10.00%	11.34%	10.00%	10.00%	14.00%	19.59%	20.00%	40.00%	
Global Equity	10.00%	10.00%	10.20%	10.00%	9.00%		3.91%	1.00%		60.00%
Absolute Return Fixed Income	7.00%	4.00%	7.60%	8.00%	7.00%					
Global Asset Allocation		10.00%			1.00%			4.00%		
Standard Life GARS					2.00%					
Bridgewater All Weather	6.00%	6.00%	6.40%	6.00%	7.00%	16.00%				
Sum check:	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Output										
Expected Return (Geometric)	6.0%	6.4%	5.9%	6.4%	6.4%	6.4%	6.0%	5.9%	4.8%	4.9%
Standard Deviation (Asset)	12.6%	12.7%	12.4%	13.4%	13.2%	12.7%	12.4%	11.8%	11.2%	11.9%
30-Year Expected Return (Geometric)	7.3%	7.7%	7.2%	7.7%	7.7%	7.7%	7.3%	7.2%	6.4%	6.2%
Probability of 1-Year Return Under 0%	31.6%	30.7%	31.6%	31.6%	31.4%	30.7%	31.3%	30.9%	33.4%	33.8%
Probability of 5-Year Return Under 0%	14.2%	13.0%	14.2%	14.2%	13.9%	13.0%	13.8%	13.2%	16.8%	17.6%
Probability of 1-Year Return Over 7.5%	45.3%	46.5%	45.0%	46.8%	46.7%	46.6%	45.3%	44.5%	40.4%	41.5%
Probability of 5-Year Return Over 7.5%	39.5%	42.3%	39.0%	42.9%	42.7%	42.4%	39.6%	37.9%	29.4%	31.5%
Sharpe Ratio (5-7 years)	0.34	0.37	0.34	0.35	0.35	0.37	0.35	0.35	0.27	0.27
Sharpe Ratio (30 years)	0.32	0.35	0.32	0.33	0.33	0.35	0.33	0.34	0.28	0.25

What-if ?

Asset Class	Prior Targets	Adopted Targets (02/2015)	CIO Alt 1	CIO Alt 2	WHAT-IF? Alt A	WHAT-IF? Alt B	WHAT-IF? Alt C	MANAGERS
Cash								
Global Bonds (Unhedged)	5.00%							LSFI Global FI, PIMCO
Large Cap Equities	27.00%	24.00%	25.00%	24.00%				Blackrock Equity, Western Index plus, Parametric 60% of .6
Small/Mid Cap Equities	3.00%	2.00%	3.00%	3.00%				Blackrock Extended
Int'l Equities (Unhedged)	12.00%	5.50%	12.00%	11.00%				Blackrock, Sprucegrove, Hexavest, Walter Scott
Int'l Equities (Hedged)		5.50%						
Emerging Int'l Equities	2.00%	2.00%	3.00%	3.00%				
Private Equity	5.00%	5.00%	10.00%	10.00%				ASP, Pantheon, Harbourvest
Private Debt		5.00%						
Real Estate (Core)	7.00%	7.00%	7.00%	7.00%				Prudential, UBS, RREEF
Commodities								
Long Treasuries			1.00%	1.00%				
US 10 yr Treasuries			1.00%	1.00%				
MLPs	4.00%	4.00%	4.00%	3.00%				Tortoise
Core Bonds	12.00%	10.00%	10.00%	10.00%				Blackrock, Western, LSFI MultiStrat, Parametric @ 40% of .
Global Equity	10.00%	10.00%	10.00%	9.00%				Blackrock & GMO
Absolute Return Fixed Income	7.00%	4.00%	8.00%	8.00%				Reams, LSFI Strat Alpha
Global Asset Allocation		10.00%		1.00%				
Standard Life GARS				2.00%				
Bridgewater All Weather	6.00%	6.00%	6.00%	7.00%				Bridgewater
	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	
Output								
Expected Return	6.0%	6.4%	6.4%	6.4%				
Standard Deviation	12.6%	12.7%	13.4%	13.1%				
30-Year Expected Return	7.3%	7.7%	7.7%	7.6%				
Probability of 1-Year Return Under 0%	31.6%	30.7%	31.7%	31.3%				
Probability of 5-Year Return Under 0%	14.3%	13.0%	14.3%	13.8%				
Probability of 1-Year Return Over 7.5%	45.2%	46.5%	46.7%	46.6%				
Probability of 5-Year Return Over 7.5%	39.5%	42.3%	42.7%	42.4%				
Sharpe Ratio (5-7 years)	0.34	0.37	0.35	0.35				
Sharpe Ratio (30 years)	0.32	0.35	0.33	0.33				

CIO Review Resources



- Adams Street
- AJO
- Bridgewater
- Cap Guardian
- Dimensional Fund Advisors
- Ennis Knupp
- eVestment
- GMO
- Harbourvest
- Invesco
- Loomis Sayles
- NEPC
- Neuberger Berman
- Pantheon
- Reams Asset Management
- Segal
- State Street Portfolio Solutions
- Walter Scott
- Western Asset Management
- Other CIOs, current and former general, real estate, PE consultants
- VCERA trustees, staff, Board meeting agendas and minutes

Board Choice of Asset Allocation Mix

Next Steps:
Targets, ranges, benchmarks

Appendix

NEPC Capital Market Assumptions

Geometric Expected Return			
Asset Class	2014	2015	2015-2014
Global Inflation	3.00%	3.00%	0.00%
US CPI	n/a	2.25%	
Cash	1.50%	1.75%	0.25%
Treasuries	2.00%	1.75%	-0.25%
IG Corp Credit	3.50%	3.25%	-0.25%
MBS	2.25%	2.00%	-0.25%
<i>Core Bonds*</i>	<i>2.53%</i>	<i>2.30%</i>	<i>-0.23%</i>
TIPS	2.50%	2.25%	-0.25%
High-Yield Bonds	4.50%	4.00%	-0.50%
Bank Loans	5.00%	4.50%	-0.50%
Global Bonds (Unhedged)	1.25%	1.00%	-0.25%
Global Bonds (Hedged)	1.38%	1.17%	-0.21%
EMD External	5.00%	4.50%	-0.50%
EMD Local Currency	5.75%	5.50%	-0.25%
Large Cap Equities	6.25%	6.00%	-0.25%
Small/Mid Cap Equities	6.25%	6.00%	-0.25%
Int'l Equities (Unhedged)	7.25%	7.00%	-0.25%
Int'l Equities (Hedged)	7.50%	7.50%	0.00%
Emerging Int'l Equities	9.50%	9.00%	-0.50%
Private Equity	8.75%	8.50%	-0.25%
Private Debt	8.00%	7.50%	-0.50%
Private Real Assets	7.75%	8.00%	0.25%
Real Estate	6.25%	6.50%	0.25%
Commodities	5.00%	5.25%	0.25%
Hedge Funds	5.50%	5.75%	0.25%

* Core Bonds assumption based on market weighted blend of components of Aggregate Index (Treasuries, IG Corp Credit, and MBS).

Geometric Expected Return			
Asset Class	2014	2015	2015-2014
Global Inflation	3.25%	3.25%	0.00%
Cash	3.75%	3.25%	-0.50%
Treasuries	4.00%	3.50%	-0.50%
IG Corp Credit	5.25%	4.75%	-0.50%
MBS	4.25%	3.75%	-0.50%
<i>Core Bonds*</i>	<i>4.40%</i>	<i>3.98%</i>	<i>-0.42%</i>
TIPS	4.50%	4.00%	-0.50%
High-Yield Bonds	6.00%	5.75%	-0.25%
Bank Loans	6.25%	6.00%	-0.25%
Global Bonds (Unhedged)	3.00%	2.25%	-0.75%
Global Bonds (Hedged)	3.13%	2.42%	-0.71%
EMD External	7.00%	6.00%	-1.00%
EMD Local Currency	7.25%	6.75%	-0.50%
Large Cap Equities	7.75%	7.50%	-0.25%
Small/Mid Cap Equities	8.00%	7.75%	-0.25%
Int'l Equities (Unhedged)	8.25%	8.00%	-0.25%
Int'l Equities (Hedged)	8.50%	8.49%	-0.01%
Emerging Int'l Equities	9.50%	9.25%	-0.25%
Private Equity	9.75%	9.50%	-0.25%
Private Debt	8.25%	8.00%	-0.25%
Private Real Assets	7.75%	7.75%	0.00%
Real Estate	6.50%	6.50%	0.00%
Commodities	6.00%	5.75%	-0.25%
Hedge Funds	7.00%	6.75%	-0.25%

* Core Bonds assumption based on market weighted blend of components of Aggregate Index (Treasuries, IG Corp Credit, and MBS).

Volatility			
Asset Class	2014	2015	2015-2014
Cash	1.00%	1.00%	
Treasuries	6.00%	5.50%	-0.50%
IG Corp Credit	7.50%	7.50%	
MBS	7.00%	7.00%	
<i>Core Bonds*</i>	<i>6.32%</i>	<i>6.03%</i>	<i>-0.29%</i>
TIPS	7.50%	7.50%	
High-Yield Bonds	13.00%	13.00%	
Bank Loans	8.00%	8.00%	
Global Bonds (Unhedged)	8.50%	9.00%	0.50%
Global Bonds (Hedged)	5.00%	5.00%	
EMD External	12.00%	12.00%	
EMD Local Currency	15.00%	15.00%	
Large Cap Equities	17.50%	17.50%	
Small/Mid Cap Equities	21.00%	21.00%	
Int'l Equities (Unhedged)	20.50%	21.00%	0.50%
Int'l Equities (Hedged)	18.50%	17.50%	-1.00%
Emerging Int'l Equities	26.00%	26.00%	
Private Equity	27.00%	27.00%	
Private Debt	12.00%	10.00%	-2.00%
Private Real Assets	23.00%	23.00%	
Real Estate	17.00%	15.00%	-2.00%
Commodities	18.00%	18.00%	
Hedge Funds	9.00%	9.00%	

* Core Bonds assumption based on market weighted blend of components of Aggregate Index (Treasuries, IG Corp Credit, and MBS).

Asset Class	Cash	Treas	Credit	MBS	TIPS	HY	Glob Bonds	Glob (H)	EMD (Ext)	EMD (Loc)	Large Cap	Sm/ Mid	Intl Eq	Intl Eq (H)	EM Eq	Priv Eq	Priv Debt	Priv Real	Real Estate	Cmdy	Hedge Funds
Cash	1.00																				
Treasuries	0.20	1.00																			
IG Corp Credit	0.10	0.65	1.00																		
MBS	0.25	0.90	0.75	1.00																	
TIPS	0.00	0.65	0.60	0.70	1.00																
High-Yield Bonds	-0.05	0.20	0.55	0.30	0.20	1.00															
Global Bonds (Unhedged)	0.10	0.50	0.50	0.45	0.40	0.10	1.00														
Global Bonds (Hedged)	0.15	0.80	0.65	0.70	0.65	0.20	0.60	1.00													
EMD (External)	0.05	0.35	0.65	0.35	0.30	0.60	0.25	0.35	1.00												
EMD (Local Currency)	0.05	0.30	0.60	0.25	0.25	0.60	0.30	0.25	0.80	1.00											
Large Cap Equities	-0.10	-0.10	0.45	0.10	0.00	0.65	0.00	-0.10	0.55	0.65	1.00										
Small/Mid Cap Equities	-0.15	-0.15	0.45	0.10	-0.10	0.70	-0.05	-0.15	0.55	0.60	0.90	1.00									
Int'l Equities (Unhedged)	-0.10	0.00	0.30	0.05	-0.05	0.65	0.35	0.00	0.60	0.70	0.70	0.60	1.00								
Int'l Equities (Hedged)	0.00	0.00	0.30	0.05	-0.05	0.65	0.05	0.00	0.60	0.65	0.75	0.65	0.85	1.00							
Emerging Int'l Equities	-0.10	-0.10	0.25	-0.10	-0.10	0.70	0.05	-0.05	0.70	0.80	0.60	0.65	0.70	0.70	1.00						
Private Equity	-0.20	-0.15	0.30	0.10	-0.10	0.60	-0.15	-0.20	0.35	0.40	0.70	0.75	0.60	0.65	0.45	1.00					
Private Debt	0.00	-0.35	0.15	-0.15	-0.10	0.65	-0.10	-0.10	0.50	0.60	0.60	0.65	0.75	0.75	0.80	0.65	1.00				
Private Real Assets	0.15	-0.20	0.05	-0.15	0.00	0.40	-0.05	-0.05	0.40	0.40	0.55	0.60	0.50	0.50	0.50	0.65	0.60	1.00			
Real Estate (Core)	0.25	-0.05	0.15	0.05	0.10	0.25	0.05	-0.05	0.20	0.30	0.40	0.40	0.35	0.40	0.30	0.50	0.40	0.40	1.00		
Commodities	0.10	-0.10	0.10	-0.10	0.30	0.20	0.10	-0.10	0.35	0.45	0.30	0.30	0.35	0.35	0.40	0.25	0.30	0.45	0.30	1.00	
Hedge Funds	0.00	-0.20	0.35	-0.15	0.20	0.60	0.05	-0.20	0.55	0.60	0.60	0.65	0.70	0.65	0.70	0.75	0.80	0.65	0.25	0.50	1.00

Risk Analysis

RISK- Bridgewater Risk Budget Tool

- 6/30/2015 Current portfolio analyzed using Bridgewater proprietary risk tool- Returns based
 - 94% of portfolio risk is beta
 - 78% of beta risk is in equities
 - Equities outperform when growth is higher and inflation is lower than expectations
 - Portfolio risk consistent with peers

Risk- eVestment RiskPlus Tool

- Comparing Adopted, Alt 1, & Alt 2 Allocation Mixes
 - Monthly portfolio risk analysis
 - Scenario analysis
 - Factor analysis
 - Returns based factor analysis

eVestment- Risk Analysis

	Adopted	CIO1	CIO2		CIO2-CIO1	
Monthly Portfolio Risk Stats						
Mean Return (1 Month)	0.93	1.02	1.01		-0.01	Higher is "green"
Expected Tail Loss (1 Month)	7.22	7.50	7.37		-0.13	Lower is "green"
Value at Risk (1 Month)	6.00	6.27	6.10		-0.17	Lower is "green"
Scenario Analysis						
1987 Black Monday	-14.81	-8.00	-7.56		0.44	Higher is "green"
1990 Kuwait Invasion	-9.15	-0.17	-0.40		-0.23	
1997 Asian Crisis	-2.98	-3.55	-3.28		0.27	
1998 Russian Crisis	-5.98	-8.21	-7.71		0.50	
2001 NASDAQ Crash	-9.25	-8.58	-8.55		0.03	
2001 WTC Attack	-14.10	-7.96	-7.96		0.00	
2002 Market Downturn	-15.18	-15.62	-15.88		-0.26	
2005 Katrina	-2.50	-3.59	-3.38		0.21	
2007 August Crisis	-5.69	-6.22	-6.05		0.17	
2008 January Crisis	-8.33	-7.69	-7.84		-0.15	
2008 Sep-Oct Crash	-31.49	-27.45	-26.93		0.52	
Portfolio Exposure						
Equity	52.37	55.02	52.87		-2.15	Lower is "green"
Fixed Income	37.36	35.86	37.46		1.60	
FX	5.8	1.39	3.94		2.55	
Interest Rate	4.18	0.54	3.15		2.61	
Small Minus Large	10.01	14.68	13.53		-1.15	
Value Minus Growth	-6.04	-4.98	-5.01		-0.03	
Volatility	1.48	1.63	2.14		0.51	
Commodity	-0.72	-0.83	-0.80		0.03	
Factor Contribution to Risk						
Equity Risk	80.37	79.90	75.94		-3.96	Lower is "green"
Fixed Income Risk	24.21	19.41	26.37		6.96	
FX Risk	-3.70	0.11	-2.30		-2.41	
Interest Rate Risk	-3.71	-4.02	-2.85		1.17	
Small Minus Large	4.72	7.06	6.08		-0.98	
Value Minus Growth	0.99	0.79	0.82		0.03	
Volatility	-2.35	-2.48	-3.33		-0.85	
Commodity	-1.04	-1.10	-1.10		0.00	
Specific Risk	0.50	0.33	0.38		0.05	

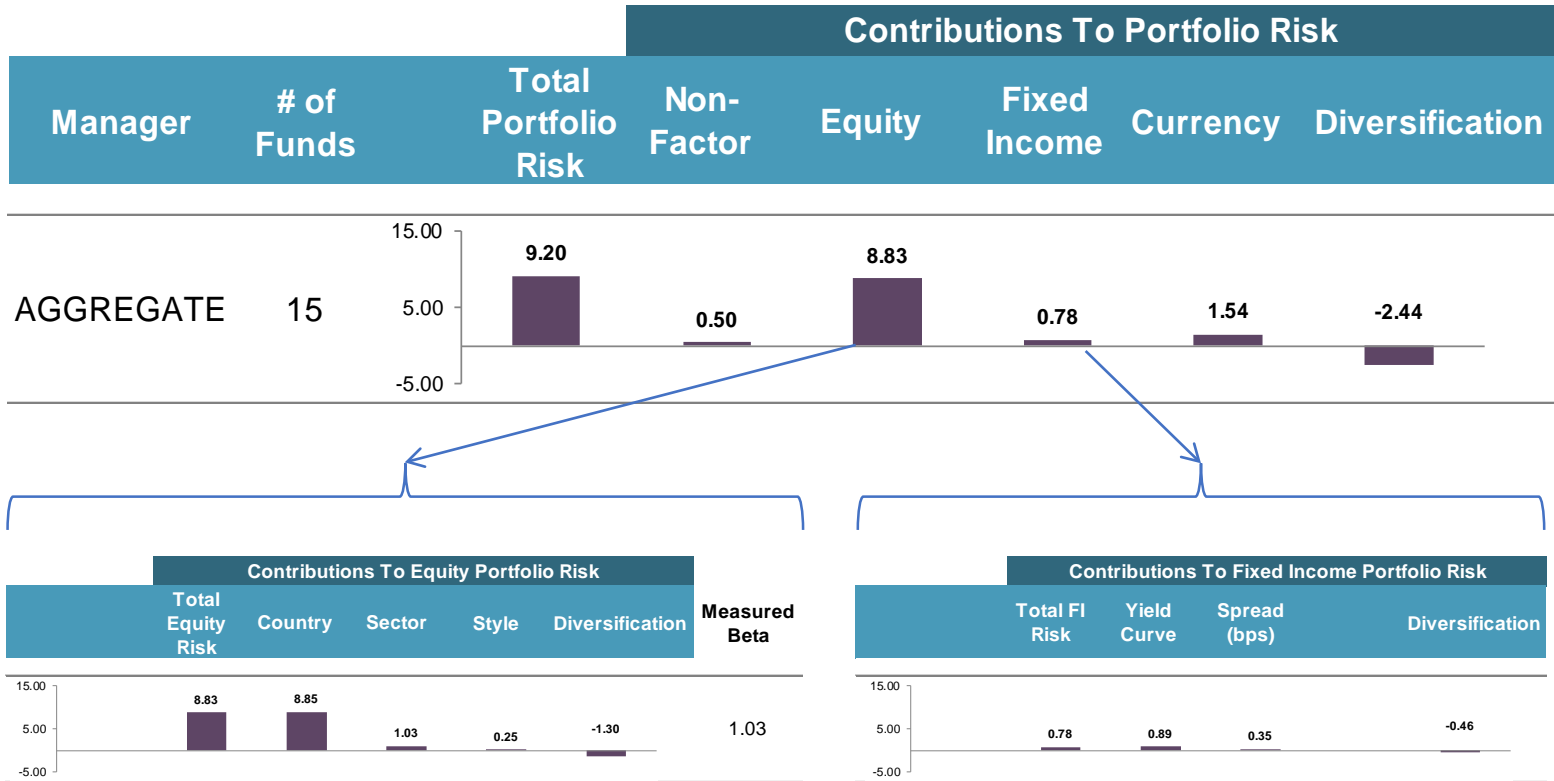
Risk- State Street Portfolio Solutions

- 6/30/2015 Current portfolio
- 80% of the portfolio- Holdings-based analysis**
 - Factor analysis
 - Of 9.2% total portfolio volatility, 8.83% is equity risk
 - Liquidity analysis
 - Publicly traded equities highly liquid; fixed income is low to moderately liquid

**Analysis excludes real estate, private equity, Bridgewater portfolios

Factor Analysis Summary: Portfolio Risk

Aggregate Portfolio *



* includes both active managers and index funds
Source: Bloomberg, VCERA, State Street Global Markets

Liquidity Analysis

Methodology

- Market values of each portfolio are allocated to buckets described in table below and used to estimate number of trading days to liquidate 95% of portfolio
- Results are summarized at manager and asset class level and “liquidity score” of high, medium or low assigned for each portfolio

Asset Class	Very Liquid	Moderately Liquid	Low Liquidity	Illiquid
Equity	These stock positions are estimated to take one day (or less) to liquidate based on recent trading volumes and reasonable participation level*	These stock positions are estimated to take 2 to 7 days to liquidate based on recent trading volumes and reasonable participation level*	These stock positions are estimated to take more than 7 (but less than 10) days to liquidate based on recent trading volumes and reasonable participation level*	These stock positions are estimated to take more than 10 days to liquidate based on recent trading volumes and reasonable participation level*
Fixed Income	These bonds will attract numerous competitive bids and offers and trade frequently	These bonds will attract competitive bids and offers regularly. There is a small chance that the bond may not meet cover and reserve requirements	These bonds will most likely receive discounted bids and premium offers. It could be difficult to sell or buy these securities if there are cover and reserve requirements	These bonds may receive no bids or offers thus could prove extremely difficult to sell or buy

* based on trailing 5-day average daily volume and 15% participation rate
Source: Bloomberg, State Street Global Markets

Liquidity Analysis

Asset Class Level			% of Market Value			
Asset Class	Liquidity Score	Days to Liquidate 95% MV	Very Liquid	Moderately Liquid	Low Liquidity	Illiquid
US EQUITY	HIGH	1	95.65%	4.32%	0.02%	0.00%
NON US EQUITY	MED / HIGH	4	82.21%	16.59%	0.69%	0.50%
GLOBAL EQUITY	HIGH	1	98.13%	1.62%	0.01%	0.25%
US FIXED INCOME	MED / LOW	10	51.35%	41.23%	7.42%	0.01%
GLOBAL FIXED INCOME	MED / LOW	10	45.03%	37.64%	15.84%	1.50%

Source: State Street Global Markets, VCERA, Bloomberg

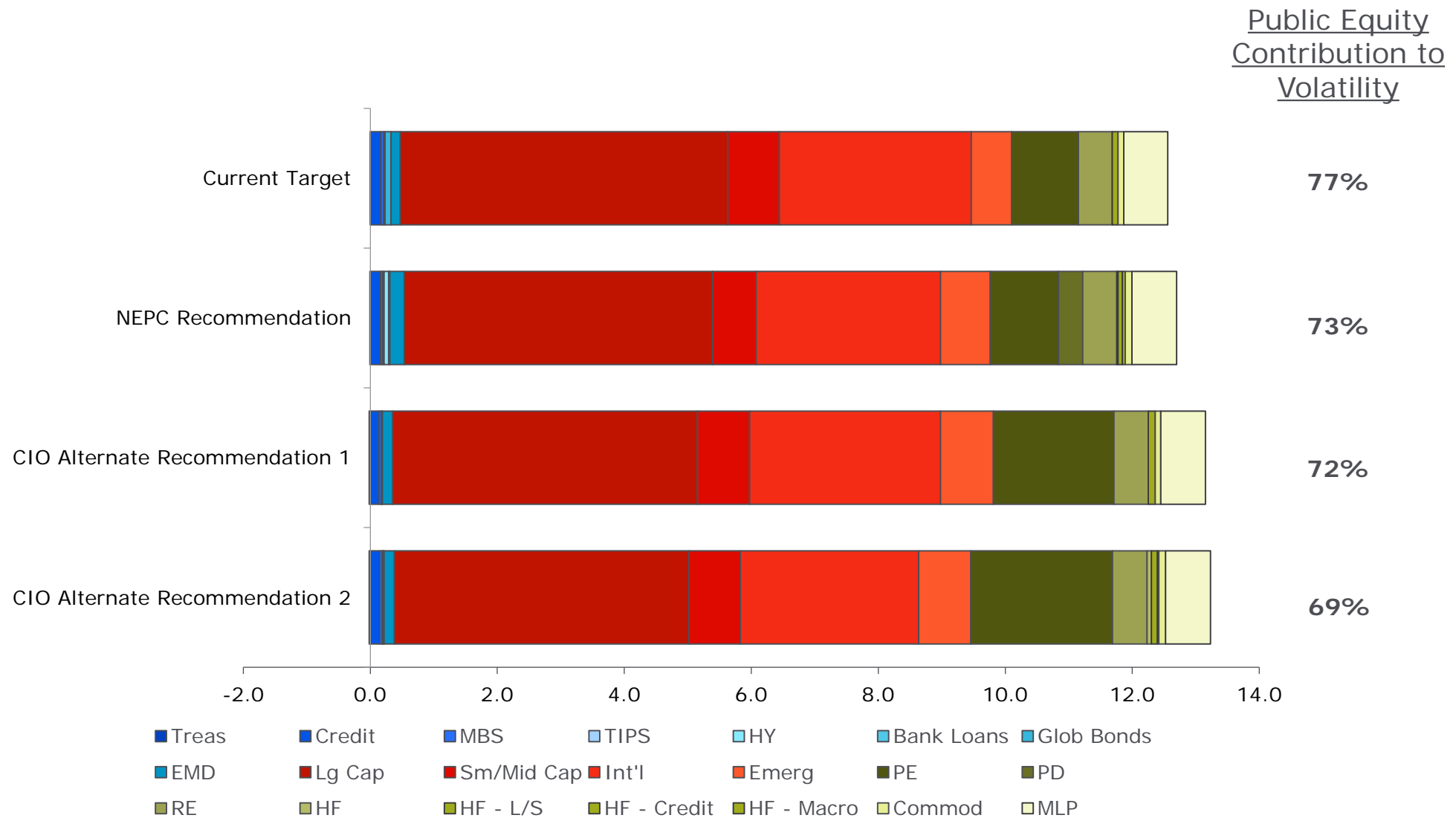
Liquidity Analysis

Fund	Manager	Liquidity Score	Days to Liquidate 95%	% of Market Value			
				Very Liquid	Moderately Liquid	Low Liquidity	Illiquid
2M1O	BLACKROCK EQUITY INDEX FUND	HIGH	1	100.00%	0.00%	0.00%	0.00%
2M1Y	BLACKROCK EXTENDED EQ MKT FND	HIGH	1	100.00%	0.00%	0.00%	0.00%
2M2F	WESTERN ASSET MANAGEMENT	MED / LOW	10	12.84%	54.41%	32.70%	0.04%
2M2E	BLACKROCK ALL CNTY WRLD EX-US INDEX	HIGH	1	99.94%	0.04%	0.00%	0.03%
2M2L	HEXAVEST INCORPORATED	HIGH	1	100.00%	0.00%	0.00%	0.00%
2M1X	SPRUCEGROVE INV MGMT LTD	MED / LOW	9	55.06%	36.91%	4.69%	3.33%
2M2M	WALTER SCOTT & COMPANY PARTNERS	MED / HIGH	3	79.35%	20.65%	0.00%	0.00%
2M2R	BLACKROCK GLOBAL EQUITY INDEX	HIGH	1	97.79%	2.03%	0.03%	0.15%
2M2A	GRANTHAM, MAYO VAN OTTERLOO	MED / HIGH	2	87.56%	11.87%	0.10%	0.46%
2M2S	TORTOISE CAPITAL ADVISORS	MED / HIGH	2	82.31%	17.69%	0.00%	0.00%
2M1L	BLACKROCK DEBT INDEX	HIGH	1	100.00%	0.00%	0.00%	0.00%
2M2D	LOOMIS, SAYLES & COMPANY	MED / LOW	10	9.48%	78.35%	12.08%	0.09%
2M1W	REAMS ASSET MANAGEMENT COMPANY	MEDIUM	5	40.73%	55.23%	4.04%	0.00%
2M1N	WESTERN ASSET MANAGEMENT	MED / LOW	10	48.70%	38.15%	13.15%	0.00%
2M2Q	LOOMIS, SAYLES & COMPANY - GLOBAL	MED / LOW	10	45.03%	37.64%	15.84%	1.50%

Source: State Street Global Markets, VCERA, Bloomberg

Risk- NEPC

- Prior, Adopted, Alt 1, Alt 2 Allocation Mixes using a Returns-based analysis
 - Risk budget analysis
 - Liquidity analysis
 - Scenario analysis

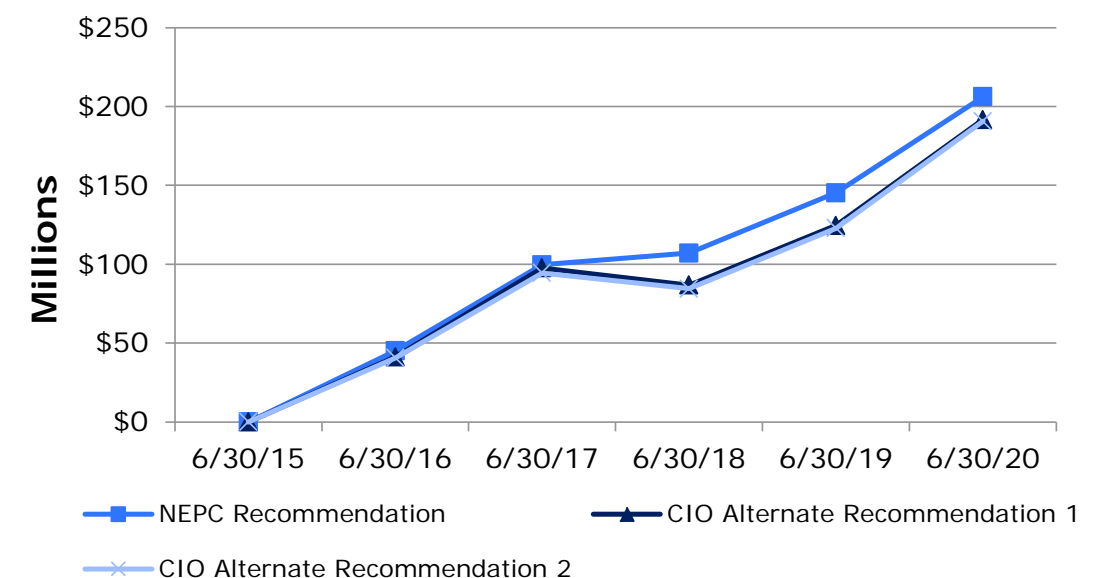
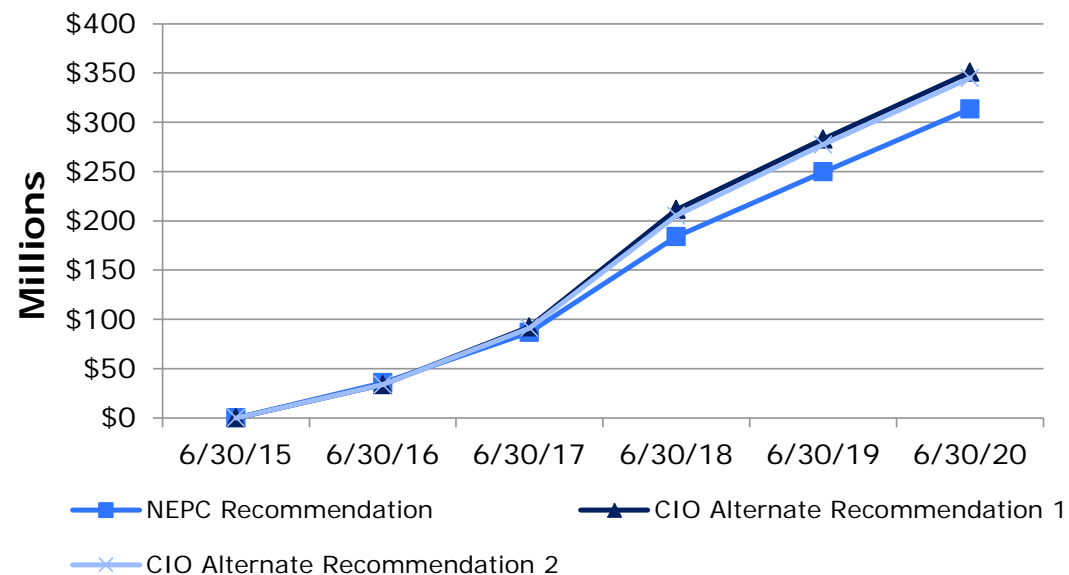
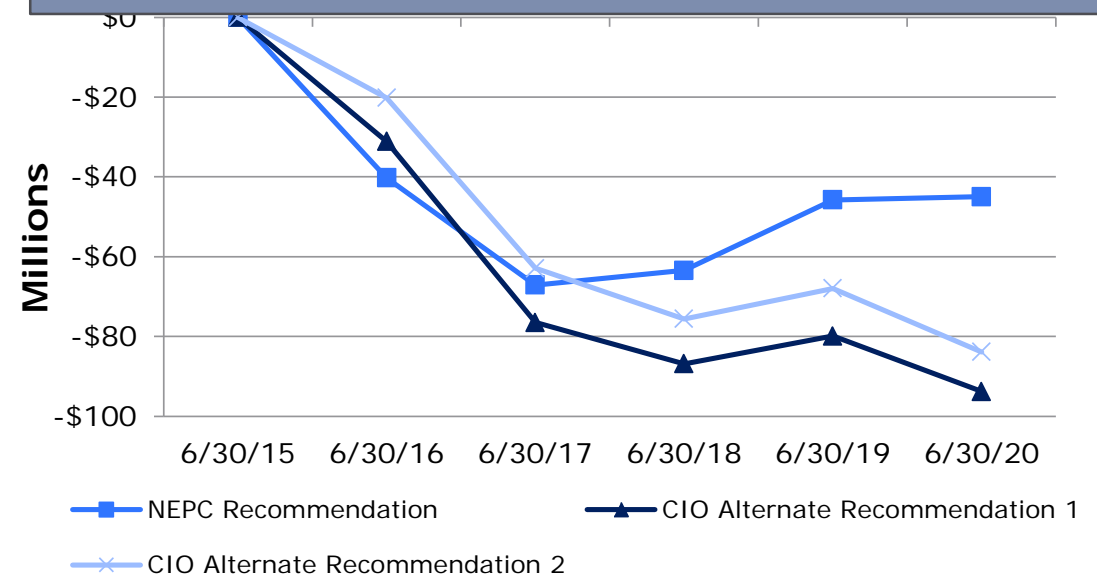
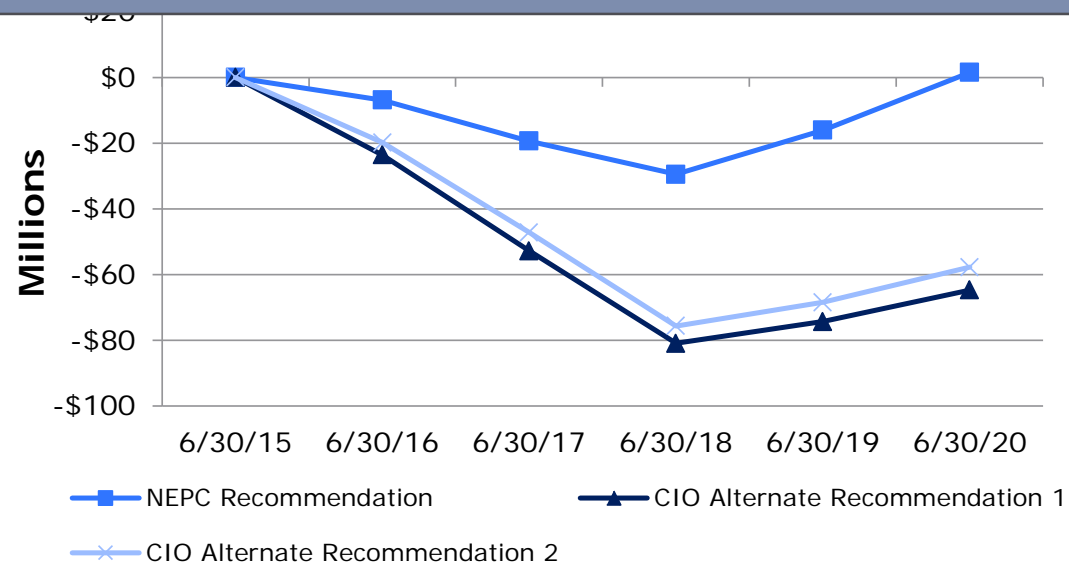


- **Proposed mixes carry similar level of risk as current target**
- **Proposed mixes remain heavily biased toward long equity risk**



Note: Based on target allocations, actual implementation may vary

Scenario Analysis – Change from Current Target



Risk Analysis Reports

- Current Portfolio Holdings-Based Factor and Liquidity Analysis
- State Street
- Adopted vs CIO Rec 1 vs CIO Rec 2 Returns-Based Factor Analysis
– eVestment
- Current Portfolio Returns-Based Risk Parity Factor Analysis
-- Bridgewater
- Adopted vs CIO 1 vs CIO 2 Returns-based Risk Budgeting,
Liquidity, Scenario Analysis

Ventura County Employees' Retirement
Association (VCERA)

Portfolio Factor and Liquidity Analysis



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- Methodology and Key Terms
- Portfolio Risk – By Asset Class
- Portfolio Risk – Aggregate Portfolio

Liquidity Analysis

- Methodology and Key Terms
- By Asset Class

Appendix

Executive Summary

Objectives

- Analyze current VCERA portfolio holdings *
- Examine exposure to common market factors at manager, asset class and aggregate portfolio level
- Assess liquidity at manager and asset class level

Observations

- Equity portfolio risk is largely driven by country exposures, followed by currency (for Non-US and Global Equity)
- Fixed income portfolio risk is largely driven by yield curve exposure, followed by spreads and currency (for Global Fixed Income)
- US Equity and Global Equity portfolios are very liquid
- Non-US Equity and Liquid Alternatives have medium to high liquidity
- Liquidity is medium to low for US Fixed Income and Global Fixed Income (Loomis)

* Certain private equity, real estate, derivative and other funds have been excluded from the analysis

Portfolio Overview

Source:

The table below summarizes the portfolios examined in this analysis:

Asset Class	Funds	Managers	MV (\$ mln) as of July 29 2015	% of Total MV	% MV Proxied ¹	Benchmark Index ²
US EQ	2M1O	Blackrock Equity Index Fund	1,173.4	35%	-	DJ US TOTAL STOCK MKT
US EQ	2M1Y	Blackrock Extended Eq Mkt Fnd	48.8	1%	-	DJ US COMPLETION
US EQ ³	2M2F	Western Asset Management	142.5	4%	14%	SP500 EQUITY
NON-US EQ	2M2E	Blackrock All Cnty Wrld Ex-US Index	261.1	8%	-	MSCI ACWI EX US
NON-US EQ	2M2L	Hexavest Incorporated	81.7	2%	-	MSCI EAFE
NON-US EQ	2M1X	Sprucegrove Inv Mgmt Ltd	183.2	5%	-	MSCI EAFE
NON-US EQ	2M2M	Walter Scott & Company Partners	95.3	3%	-	MSCI ACWI EX US
GLOBAL EQ	2M2R	Blackrock Global Equity Index	228.9	7%	-	MSCI ACWI
GLOBAL EQ	2M2A	Grantham, Mayo Van Otterloo	197.1	6%	-	MSCI ACWI
US FI	2M1L	Blackrock Debt Index	139.2	4%	-	BARCLAYS US AGG
US FI	2M2D	Loomis, Sayles & Company	71.9	2%	5%	CUSTOM ⁴
US FI	2M1W	Reams Asset Management Company ⁵	285.9	8%	-	BARCLAYS US AGG
US FI	2M1N	Western Asset Management	268.6	8%	7%	BARCLAYS US AGG
GLOBAL FI	2M2Q	Loomis, Sayles & Company - Global	89.4	3%	7%	BARCLAYS GLOBAL AGG
LIQUID ALTS	2M2S	Tortoise Capital Advisors	132.8	4%	-	WELLS FARGO MLP
TOTAL	ALL	VARIOUS	3,399.8	100%	1%	CUSTOM ⁶

¹ Primarily mortgage-backed securities with no pricing information available; proxied with iShares MBS ETF (ticker MBB)

² based on pages 37 – 44 of NEPC first quarter 2015 Investment Performance Analysis report dated May 18, 2015

³ Fund includes fixed income securities
Source: State Street Global Markets, VCERA

⁴ 65% Barclays Aggregate, 30% Citigroup High Yield Market Index and 5% JPM Non-US Hedged Bond Index

⁵ proxied with Scout Unconstrained Bond Fund

⁶ Constructed using a weighted index of group constituents based on policy weights

Factor Analysis

Methodology and Key Terms

Holdings sourced from custody or directly from managers for certain commingled funds
Portfolios analyzed in Bloomberg (PORT) at manager, asset class and aggregate level

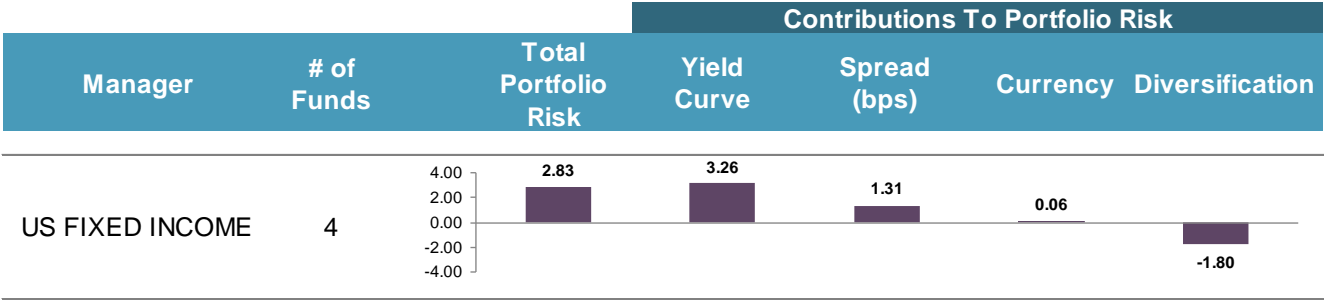
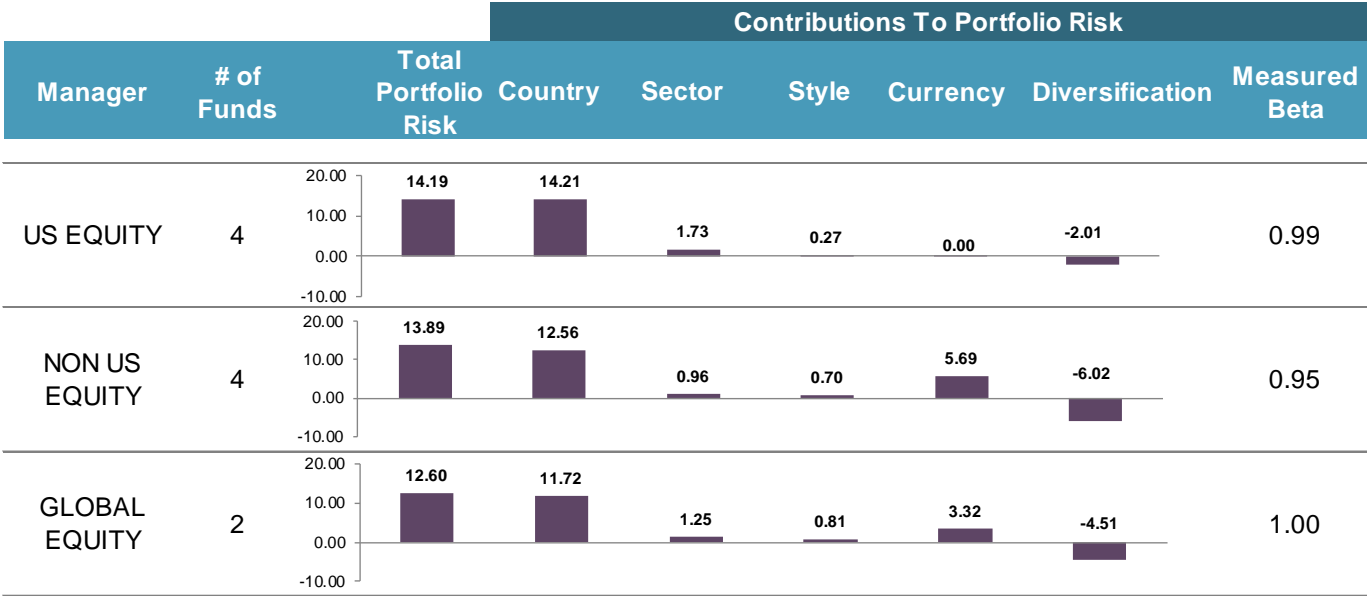
Term	Definition
Total Portfolio Risk	Standard deviation of portfolio returns
Country	Risk attributable to country exposures (equity portfolios) *
Sector (Industry)	Risk attributable to industry exposures (equity portfolios) *
Style	Risk attributable to style exposures (equity portfolios) *
Yield Curve (YC)	Risk attributable to yield curve exposures (fixed income portfolios) *
Spread	Risk attributable to spread exposures (fixed income portfolios) *
Currency	Risk attributable to currency exposures (equity and fixed income portfolios) *
Diversification	Risk associated with the interaction between factors (includes non-factor risk)
Measured Beta	Ex-ante (forward-looking) number describing relation of returns between portfolio and benchmark. Often viewed as estimate of portfolio sensitivity to market movements.
Active Risk	Standard deviation of portfolio active returns (relative to benchmark)

* isolated from other factors and non-factor risk

Source: Bloomberg, State Street Global Markets

Factor Analysis Summary: Portfolio Risk

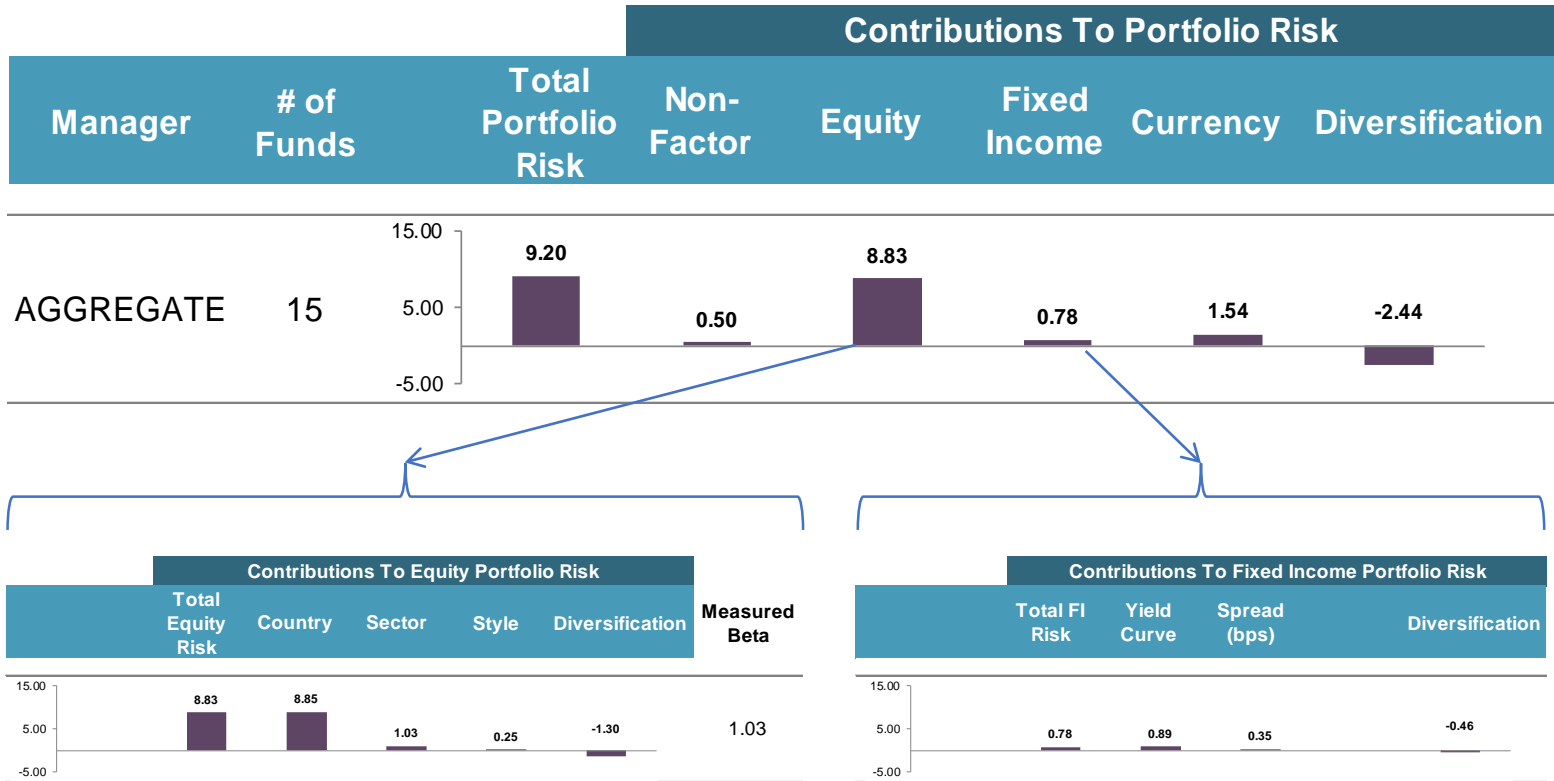
Asset Class Level *



* Note, see Loomis (2M2Q) for Global Fixed Income in Appendix. Tortoise (2M2S) grouped with US Equity.
Source: Bloomberg, VCERA, State Street Global Markets

Factor Analysis Summary: Portfolio Risk

Aggregate Portfolio *



* includes both active managers and index funds
Source: Bloomberg, VCERA, State Street Global Markets

Liquidity Analysis

Methodology

- Market values of each portfolio are allocated to buckets described in table below and used to estimate number of trading days to liquidate 95% of portfolio
- Results are summarized at manager and asset class level and “liquidity score” of high, medium or low assigned for each portfolio

Asset Class	Very Liquid	Moderately Liquid	Low Liquidity	Illiquid
Equity	These stock positions are estimated to take one day (or less) to liquidate based on recent trading volumes and reasonable participation level*	These stock positions are estimated to take 2 to 7 days to liquidate based on recent trading volumes and reasonable participation level*	These stock positions are estimated to take more than 7 (but less than 10) days to liquidate based on recent trading volumes and reasonable participation level*	These stock positions are estimated to take more than 10 days to liquidate based on recent trading volumes and reasonable participation level*
Fixed Income	These bonds will attract numerous competitive bids and offers and trade frequently	These bonds will attract competitive bids and offers regularly. There is a small chance that the bond may not meet cover and reserve requirements	These bonds will most likely receive discounted bids and premium offers. It could be difficult to sell or buy these securities if there are cover and reserve requirements	These bonds may receive no bids or offers thus could prove extremely difficult to sell or buy

* based on trailing 5-day average daily volume and 15% participation rate
Source: Bloomberg, State Street Global Markets

Liquidity Analysis

Asset Class Level

Asset Class	Liquidity Score	Days to Liquidate 95% MV	% of Market Value			
			Very Liquid	Moderately Liquid	Low Liquidity	Illiquid
US EQUITY	HIGH	1	95.65%	4.32%	0.02%	0.00%
NON US EQUITY	MED / HIGH	4	82.21%	16.59%	0.69%	0.50%
GLOBAL EQUITY	HIGH	1	98.13%	1.62%	0.01%	0.25%
US FIXED INCOME	MED / LOW	10	51.35%	41.23%	7.42%	0.01%
GLOBAL FIXED INCOME	MED / LOW	10	45.03%	37.64%	15.84%	1.50%

Source: State Street Global Markets, VCERA, Bloomberg

Liquidity Analysis

				% of Market Value			
Fund	Manager	Liquidity Score	Days to Liquidate 95%	Very Liquid	Moderately Liquid	Low Liquidity	Illiquid
2M1O	BLACKROCK EQUITY INDEX FUND	HIGH	1	100.00%	0.00%	0.00%	0.00%
2M1Y	BLACKROCK EXTENDED EQ MKT FND	HIGH	1	100.00%	0.00%	0.00%	0.00%
2M2F	WESTERN ASSET MANAGEMENT	MED / LOW	10	12.84%	54.41%	32.70%	0.04%
2M2E	BLACKROCK ALL CNTY WRLD EX-US INDEX	HIGH	1	99.94%	0.04%	0.00%	0.03%
2M2L	HEXAVEST INCORPORATED	HIGH	1	100.00%	0.00%	0.00%	0.00%
2M1X	SPRUCEGROVE INV MGMT LTD	MED / LOW	9	55.06%	36.91%	4.69%	3.33%
2M2M	WALTER SCOTT & COMPANY PARTNERS	MED / HIGH	3	79.35%	20.65%	0.00%	0.00%
2M2R	BLACKROCK GLOBAL EQUITY INDEX	HIGH	1	97.79%	2.03%	0.03%	0.15%
2M2A	GRANTHAM, MAYO VAN OTTERLOO	MED / HIGH	2	87.56%	11.87%	0.10%	0.46%
2M2S	TORTOISE CAPITAL ADVISORS	MED / HIGH	2	82.31%	17.69%	0.00%	0.00%
2M1L	BLACKROCK DEBT INDEX	HIGH	1	100.00%	0.00%	0.00%	0.00%
2M2D	LOOMIS, SAYLES & COMPANY	MED / LOW	10	9.48%	78.35%	12.08%	0.09%
2M1W	REAMS ASSET MANAGEMENT COMPANY	MEDIUM	5	40.73%	55.23%	4.04%	0.00%
2M1N	WESTERN ASSET MANAGEMENT	MED / LOW	10	48.70%	38.15%	13.15%	0.00%
2M2Q	LOOMIS, SAYLES & COMPANY - GLOBAL	MED / LOW	10	45.03%	37.64%	15.84%	1.50%

Source: State Street Global Markets, VCERA, Bloomberg

Factor Analysis Summaries: Portfolio Risk

- By Active Equity Manager
- By Active Fixed Income Manager

Factor Analysis Summaries: Active Risk

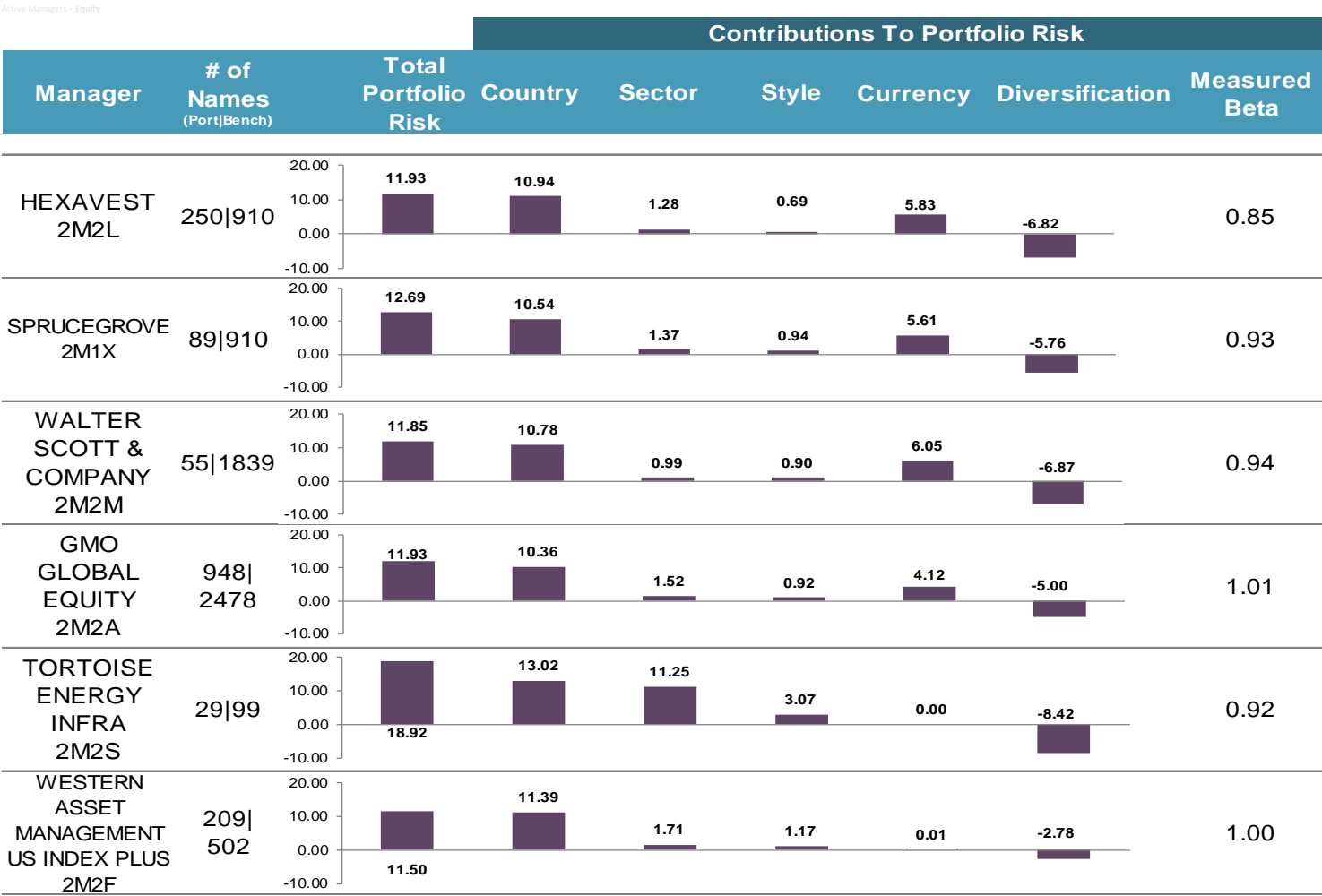
- By Active Equity Manager
- By Active Fixed Income Manager
- By Asset Class
- Aggregate Portfolio

Factor Analysis Detail

- By Active Manager
- By Asset Class & Aggregate

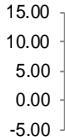
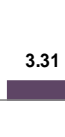



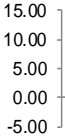
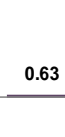
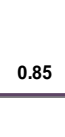


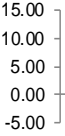
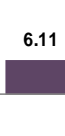
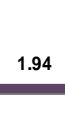
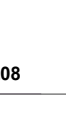

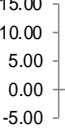
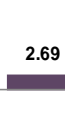

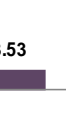

Additional Information

Factor Analysis Summary: Portfolio Risk



Factor Analysis Summary: Portfolio Risk

Active Managers - Fixed Income

Fund	Manager	# of Names (Port Bench)	Total Portfolio Risk	Contributions To Portfolio Risk			
				Yield Curve	Spread (bps)	Currency	Diversification
2M2D	LOOMIS, SAYLES & COMPANY MULTI STRATEGY 2M2D	302 11755					
2M1W	REAMS ASSET MANAGEMENT 2M1W	1994 9496					
2M1N	WESTERN ASSET MANAGEMENT 2M1N	458 16860					
2M2Q	LOOMIS, SAYLES & COMPANY - GLOBAL FIXED INCOME 2M2Q	351 16860					

Factor Analysis Summary: Active Risk

Active Managers – Equity

		Contributions To Active Risk					Measured Beta
Manager	# of Names (Port Bench)	Total Active Risk	Country	Sector	Style	Currency	
HEXAVEST 2M2L	250 910	2.85	1.81	0.65	0.40	1.31	0.85
SPRUCEGROVE 2M1X	89 910	4.00	2.81	1.07	0.99	1.87	0.93
WALTER SCOTT & COMPANY 2M2M	55 1839	3.14	1.41	0.68	1.04	1.32	0.94
GMO GLOBAL EQUITY 2M2A	948 2478	2.46	1.55	0.90	0.58	1.25	1.01
TORTOISE ENERGY INFRA 2M2S	29 99	3.24	0.33	1.23	0.78	0.09	0.92

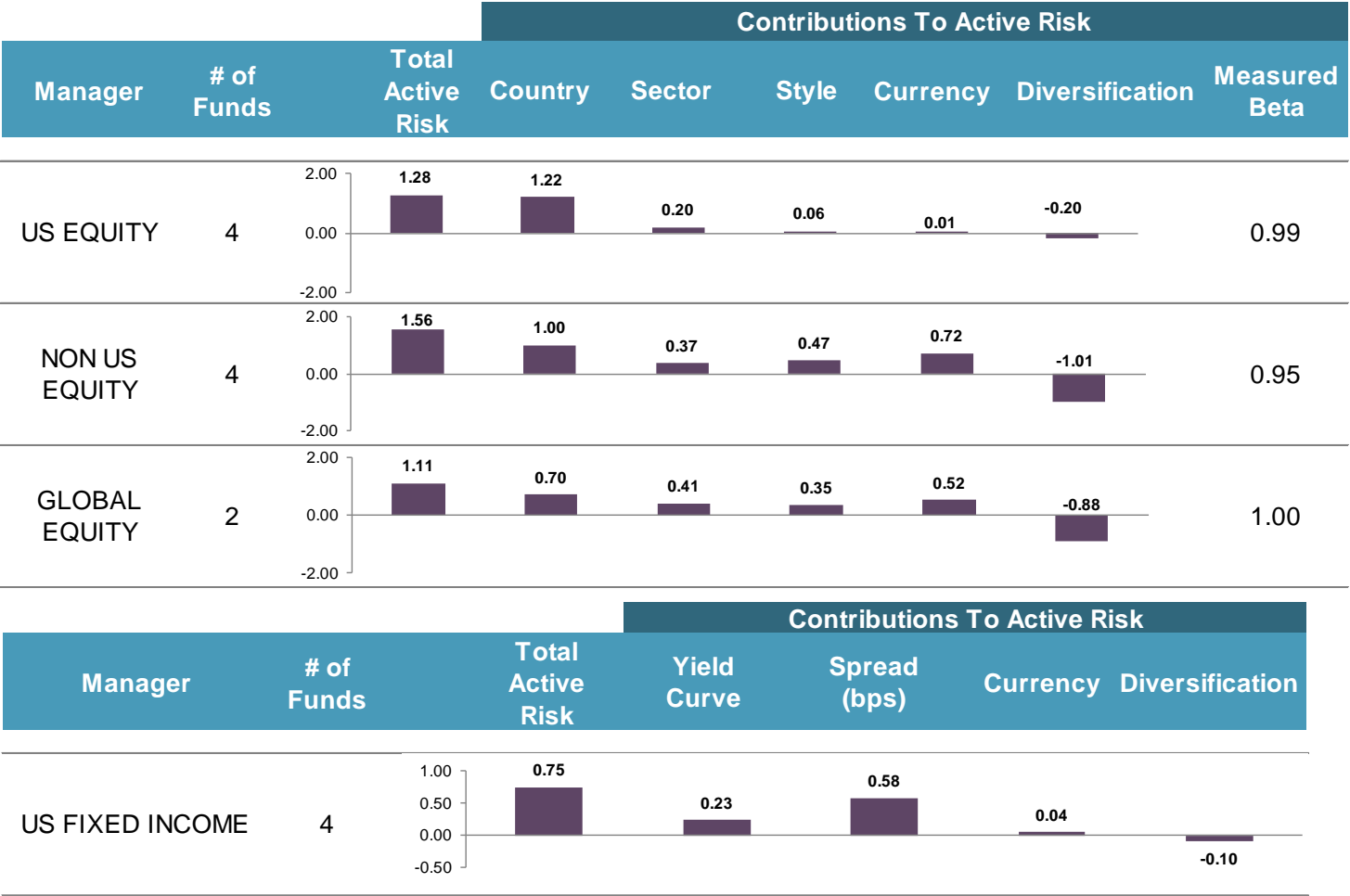
Factor Analysis Summary: Active Risk

Active Managers – Fixed Income

Manager	# of Names (Port Bench)	Contributions To Active Risk				
		Total Active Risk	Yield Curve	Spread (bps)	Currency	Diversification
WESTERN ASSET MANAGEMENT US INDEX PLUS 2M2F	209 502	1.25	1.12	0.40	0.01	-0.28
LOOMIS, SAYLES & COMPANY MULTI STRATEGY 2M2D	302 11755	1.74	0.40	1.52	0.37	-0.56
REAMS ASSET MANAGEMENT 2M1W	1994 9496	3.02	2.91	0.63	0.00	-0.53
WESTERN ASSET MANAGEMENT 2M1N	458 16860	2.28	2.64	1.32	0.08	-1.76
LOOMIS, SAYLES & COMPANY - GLOBAL FIXED INCOME 2M2Q	351 16860	1.59	0.65	0.31	1.45	-0.83

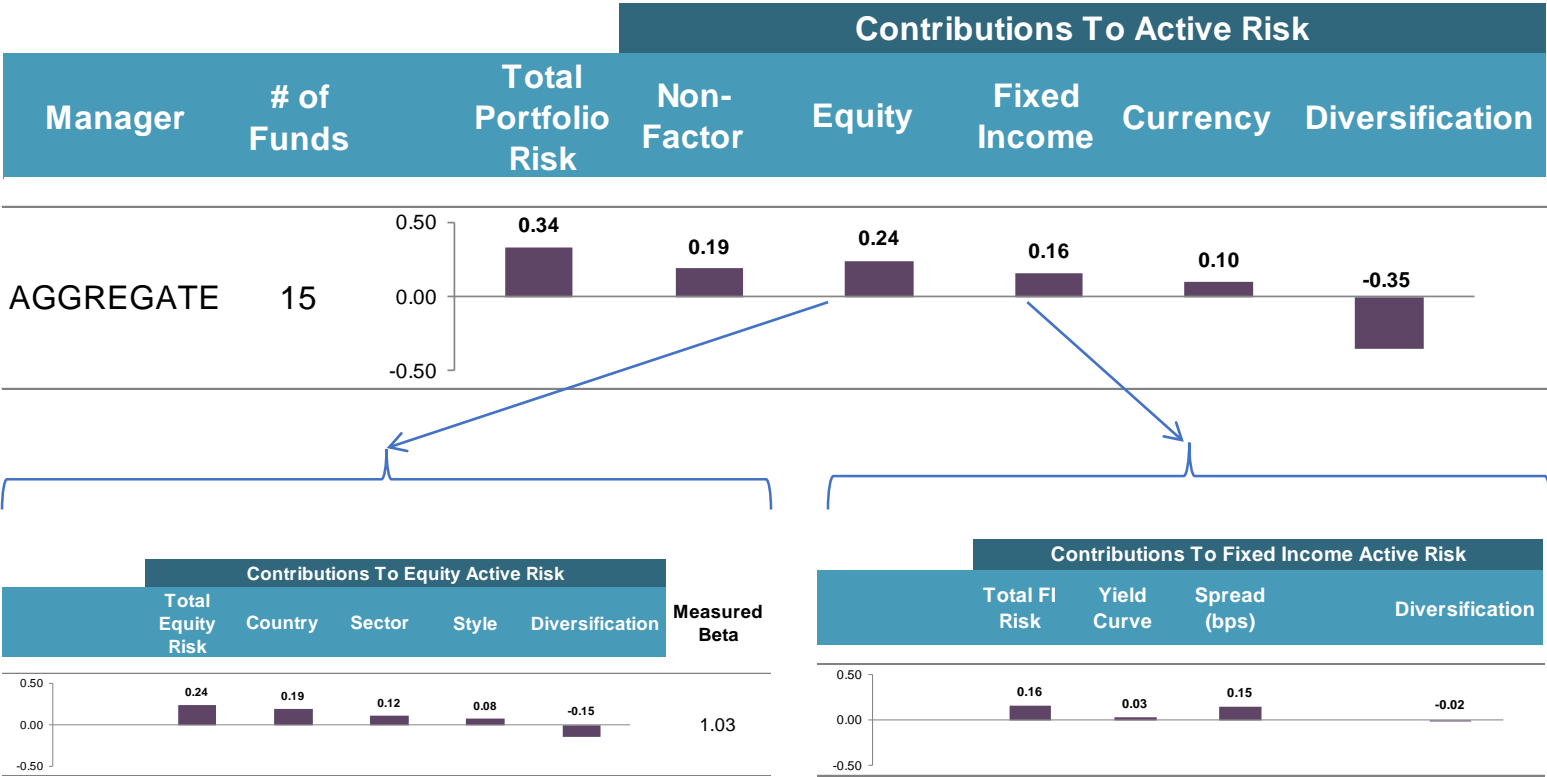
Factor Analysis Summary: Active Risk

Asset Class Level



Factor Analysis Summary: Active Risk

Aggregate Portfolio



Factor Analysis Detail

Active Managers

- Active risk and factor tilts relative to benchmark for each active manager

Fund	Manager	# of Names	Total Active Risk	Top Relative Factor Risk		Top Country / Region CTR		Top Style CTR		Top Sector Misweights		Measured Beta
				Factor	Active Risk	Country / Region	Active Exposure	Style	Active Exposure	Sector	Active Exposure	
2M2F	WESTERN ASSET MANAGEMENT	209	1.25%	Yield Curve Risk (Std)	1.12%	+ N. America - N/A	68.32%	+ USD 10Y Corp YC / - USD RMBS Premiums - USD Corp Spreads	0.41% / 0.82% -1.01%	+ Securitized Debt - Equity	48.80% -4.91%	1.00
2M2L	HEXAVEST INCORPORATED	250	2.85%	Country	1.81%	+ Cash - Europe	9.10% -9.10% / -10.65%	+ Profit - Volatility	0.12% -0.06%	+ Cash - Financials	9.10% -6.91%	0.85
2M1X	SPRUCEGROVE INV MGMT LTD	89	4.00%	Country	2.81%	+ HK / N. America - Japan / W. Europe	5.47% / 4.96% -8.65% / -17.78%	+ Value - Momentum	0.12% -0.21%	+ Cash - Financials	5.83% -10.63%	0.93
2M2M	WALTER SCOTT & COMPANY PARTNERS	55	3.14%	Country	1.41%	+ Pacific - America	6.44% / 6.61% -4.74% / -6.39%	+ Profit - Trade Activity	0.46% -0.16%	+ Industrials - Financials	7.84% -14.78%	0.94
2M2A	GRANTHAM, MAYO VAN OTTERLOO	948	2.46%	Country	1.55%	+ UK / W. Europe - America	4.53% / 9.89% -17.93% / -20.32%	+ Value - Momentum	0.27% -0.12%	+ Energy - Financials	6.96% -13.19%	1.01
2M2S	TORTOISE CAPITAL ADVISORS	29	3.24%	Industry	1.23%	+ America - Europe	2.29% / 0.63% -0.70% / -0.93%	+ Growth - DivYld	0.34% -0.65%	+ Energy - Utilities	6.97% -8.15%	0.92
2M2D	LOOMIS, SAYLES & COMPANY	302	1.74%	Spread (bps) Risk (Std)	1.52%	+ W. Europe - N. America	8.28% -17.45%	+ MXN 7Y Gov't YC / + USD Bank Spreads - USD Distressed Debt Spreads	0.04% / 1.48% -0.41% / -0.21%	+ Corporate Debt - Government Debt	26.45% -23.96%	N/A
2M1W	REAMS ASSET MANAGEMENT COMPANY	1,994	3.02%	Yield Curve Risk (Std)	2.91%	+ S. & Cntl America - N. America	1.13% -8.35%	+ Lat Am Spreads - USD 20Y Corp YC	1.45% -0.66% / -0.32%	+ Corporate Debt - Debt	23.53% -24.75%	N/A
2M1N	WESTERN ASSET MANAGEMENT	458	2.28%	Yield Curve Risk (Std)	2.64%	+ Asia Pacific - N. America	1.19% -2.78%	+ Agency CMO Strip (IO) + Premiums - GNMA 30Y Coupon Spreads	1.07% / 0.1% -0.14%	+ Securitized Debt - Futures	10.06% -47.94%	N/A
2M2Q	LOOMIS, SAYLES & COMPANY - GLOBAL	351	1.59%	Currency Risk (Std)	1.45%	+ Asia Pacific - W. Europe	14.61% -11.27%	+ USD Bank Spreads + GBP 30Y Gov't YC / - GBP Gov't Spreads	0.27% -0.27% / -0.45%	+ Equivalents - Government Debt	3.65% -8.85%	N/A

"CTR" = Contribution to Risk
Source: State Street Global Markets, VCERA, Bloomberg

Factor Analysis Detail

Asset Class & Aggregate

- Active risk and factor tilts relative to benchmark at asset class and aggregate level

Manager	# of Funds	Total Active Risk	Top Relative Factor Risk		Top Country / Region CTR		Top Style CTR		Top Sector Misweights		Measured Beta
			Factor	Active Risk	Country / Region	Active Exposure	Style	Active Exposure	Sector	Active Exposure	
US EQUITY	4	1.28%	Country	1.22%	+ W. Europe - Canada / N. America	0.81% -0.10% / -2.50%	+ EarnVariab - DivYld	0.03% -0.04%	+ Futures - Offset Cash	8.97% -8.97%	0.99
NON US EQUITY	4	1.56%	Country	1.00%	+ HK / N. America - Market / W. Europe	2.41% / 1.41% -4.24% / -5.64%	+ DivYld - Momentum	0.03% -0.08%	+ Cash - Financials	3.20% -6.39%	0.95
GLOBAL EQUITY	2	1.11%	Country	0.70%	+ France / W. Europe - US / N. America	1.76% / 4.66% -8.03% / -9.13%	+ Value - Momentum	0.12% -0.07%	+ Energy - Financials	3.24% -6.57%	1.00
US FIXED INCOME	4	0.75%	Spread (bps) Risk (Std)	0.58%	+ W. Europe - N. America	1.22% -5.21%	RUB 10Y Gov't YC / + Lat Am Spreads	0.001% / 0.77% -0.19% / -0.11%	+ Corporate Debt - Futures	13.70% -17.29%	N/A
GLOBAL FIXED INCOME	1	1.59%	Currency Risk (Std)	1.45%	+ Asia Pacific - W. Europe	14.61% -11.27%	+ USD Bank Spreads GBP 30Y Gov't YC / - GBP Gov't Spreads	0.27% -0.27% / -0.45%	+ Equivalents Government - Debt	3.65% -8.85%	N/A
AGGREGATE	15	0.34%	Country	0.19%	+ HK / Asia Pacific - Market / N. America	0.39% / 0.71% -1.05% / -7.49%	+ Lat Am Spreads - Momentum	0.19% -0.02%	+ Corporate Debt - Equity	5.24% -5.49%	1.03

"CTR" = Contribution to Risk
Source: State Street Global Markets, VCERA, Bloomberg

Additional Information

A full list of key definitions is provided below:

Active Risk – The active exposure is the active factor beta, i.e. the portfolio's active exposure to factors relative to the benchmark (baseline = 0).

Country CTR – Country contribution to risk. The factors' contributions to risk will sum to the total % contribution to risk of Country Factors, which is expected to be less than 100%.

Country Factor Risk (Std) – The total (active) risk attributable to country exposures (tilts), isolated from other factors and non-factor risk.

Currency Factor Risk (Std) – The total (active) risk attributable to currency exposure (tilts), isolated from other factors and non-factor risk.

DivYld (style factor) – The dividend yield of the portfolio. This is another dimension of value, but is also distinct in its behavior.

EarnVariab (style factor) – The earnings variability of the portfolio. Analyzes consistency of earnings, cash flows, and sales historically.

Growth (style factor) – Based on historical and forward-looking fundamental data

Leverage (style factor) – A composite metric of different measures of leverage (e.g., Debt to Equity).

Momentum (style factor) – Differentiates between stocks that have risen over the past year from those that fell.

Profit (style factor) – Analyzes profit margins and measures such as Return on Equity (ROE)

Sector (Industry) Factor Risk (Std) – The total (active) risk attributable to industry exposures (tilts), isolated from other factors and non-factor risk.

Size (style factor) – An aggregate metric distinguishing between securities of differing market capitalizations

Spread Factor Risk (Std) – The total (active) risk attributable to credit spread exposures (tilts), isolated from other factors and non-factor risk.

Style CTR – Style contribution to risk. The factors' contributions to risk will sum to the total % contribution to risk of Style Factors, which is expected to be less than 100%.

Style Factor Risk (Std) – The total (active) risk attributable to style exposures (tilts), isolated from other factors and non-factor risk.

Total Risk (Std) – The standard deviation of portfolio returns.

TradeAct (style factor) – The trading activity of a portfolio. This is a turnover based measure, used instead of trading volume to avoid its correlation with size.

Value (style factor) – A composite value metric that differentiates between "rich" and "cheap" stocks. Bloomberg combines fundamental and analyst consensus data for this factor.

Volatility (style factor) – Distinguishes between securities of differing volatility

Yield Curve Factor Risk (Std) – The total (active) risk attributable to yield curve exposures (tilts), isolated from other factors and non-factor risk.

Holdings Provided But Not Assessed = approximately \$333 mln in market value
Clifton Group, Loomis Strategic Alpha and PIMCO Global Fixed Income (due to substantial derivative / OTC positions)

Holdings Not Available
Bridgewater Associates, Private Equity, Real Estate (Prudential & UBS)

eVestment

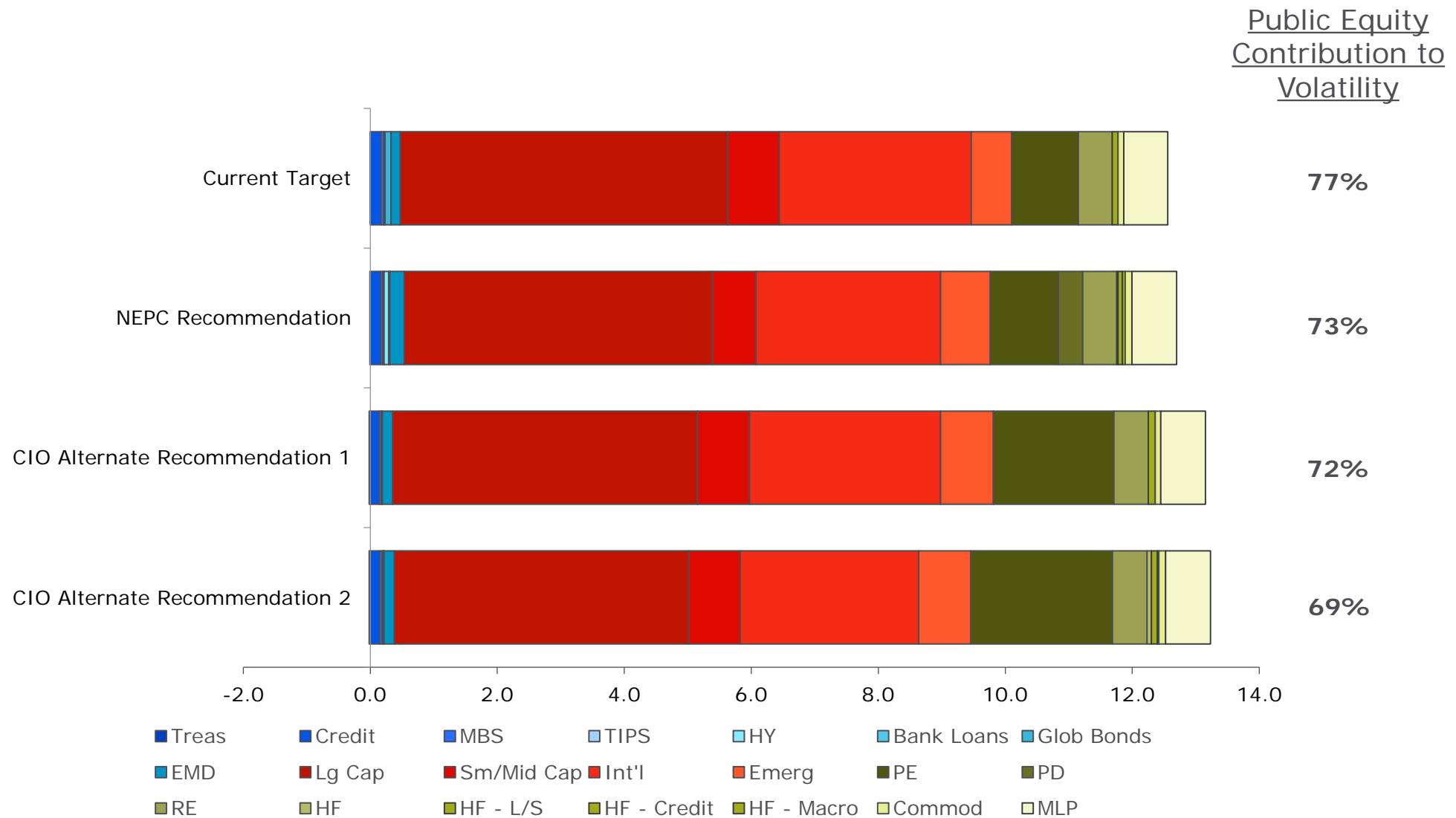
	Adopted	CIO1	CIO2		CIO2-CIO1	
Monthly Portfolio Risk Stats						
Mean Return (1 Month)	0.93	1.02	1.01		-0.01	Higher is "green"
Expected Tail Loss (1 Month)	7.22	7.50	7.37		-0.13	Lower is "green"
Value at Risk (1 Month)	6.00	6.27	6.10		-0.17	Lower is "green"
Scenario Analysis						
1987 Black Monday	-14.81	-8.00	-7.56		0.44	Higher is "green"
1990 Kuwait Invasion	-9.15	-0.17	-0.40		-0.23	
1997 Asian Crisis	-2.98	-3.55	-3.28		0.27	
1998 Russian Crisis	-5.98	-8.21	-7.71		0.50	
2001 NASDAQ Crash	-9.25	-8.58	-8.55		0.03	
2001 WTC Attack	-14.10	-7.96	-7.96		0.00	
2002 Market Downturn	-15.18	-15.62	-15.88		-0.26	
2005 Katrina	-2.50	-3.59	-3.38		0.21	
2007 August Crisis	-5.69	-6.22	-6.05		0.17	
2008 January Crisis	-8.33	-7.69	-7.84		-0.15	
2008 Sep-Oct Crash	-31.49	-27.45	-26.93		0.52	
Portfolio Exposure						
Equity	52.37	55.02	52.87		-2.15	Lower is "green"
Fixed Income	37.36	35.86	37.46		1.60	
FX	5.8	1.39	3.94		2.55	
Interest Rate	4.18	0.54	3.15		2.61	
Small Minus Large	10.01	14.68	13.53		-1.15	
Value Minus Growth	-6.04	-4.98	-5.01		-0.03	
Volatility	1.48	1.63	2.14		0.51	
Commodity	-0.72	-0.83	-0.80		0.03	
Factor Contribution to Risk						
Equity Risk	80.37	79.90	75.94		-3.96	Lower is "green"
Fixed Income Risk	24.21	19.41	26.37		6.96	
FX Risk	-3.70	0.11	-2.30		-2.41	
Interest Rate Risk	-3.71	-4.02	-2.85		1.17	
Small Minus Large	4.72	7.06	6.08		-0.98	
Value Minus Growth	0.99	0.79	0.82		0.03	
Volatility	-2.35	-2.48	-3.33		-0.85	
Commodity	-1.04	-1.10	-1.10		0.00	
Specific Risk	0.50	0.33	0.38		0.05	

Adopted	Dan 2
+8% GTAA	+2% long-only equities
	+2% long treasuries
	+3% ARS Fixed Income
	+1% Bridgewater
	-0.02% Expected Return
	+0.5% standard deviation
Expected Monthly Mean Return +0.93%	Expected Monthly Mean Return +0.94%
Expected Tail Loss -7.22%	Expected Tail Loss -7.18%
Equity Factor Exposure (Russell 3k and EAFE) 80.37%	Equity Factor Exposure (Russell 3k and EAFE) 74.24%
Asian Market Exposure 10.35%	Asian Market Exposure 17.1%
High Yield Bond Exposure 6.87%	High Yield Bond Exposure 12.85%
Euro -4.06%	Euro 0%

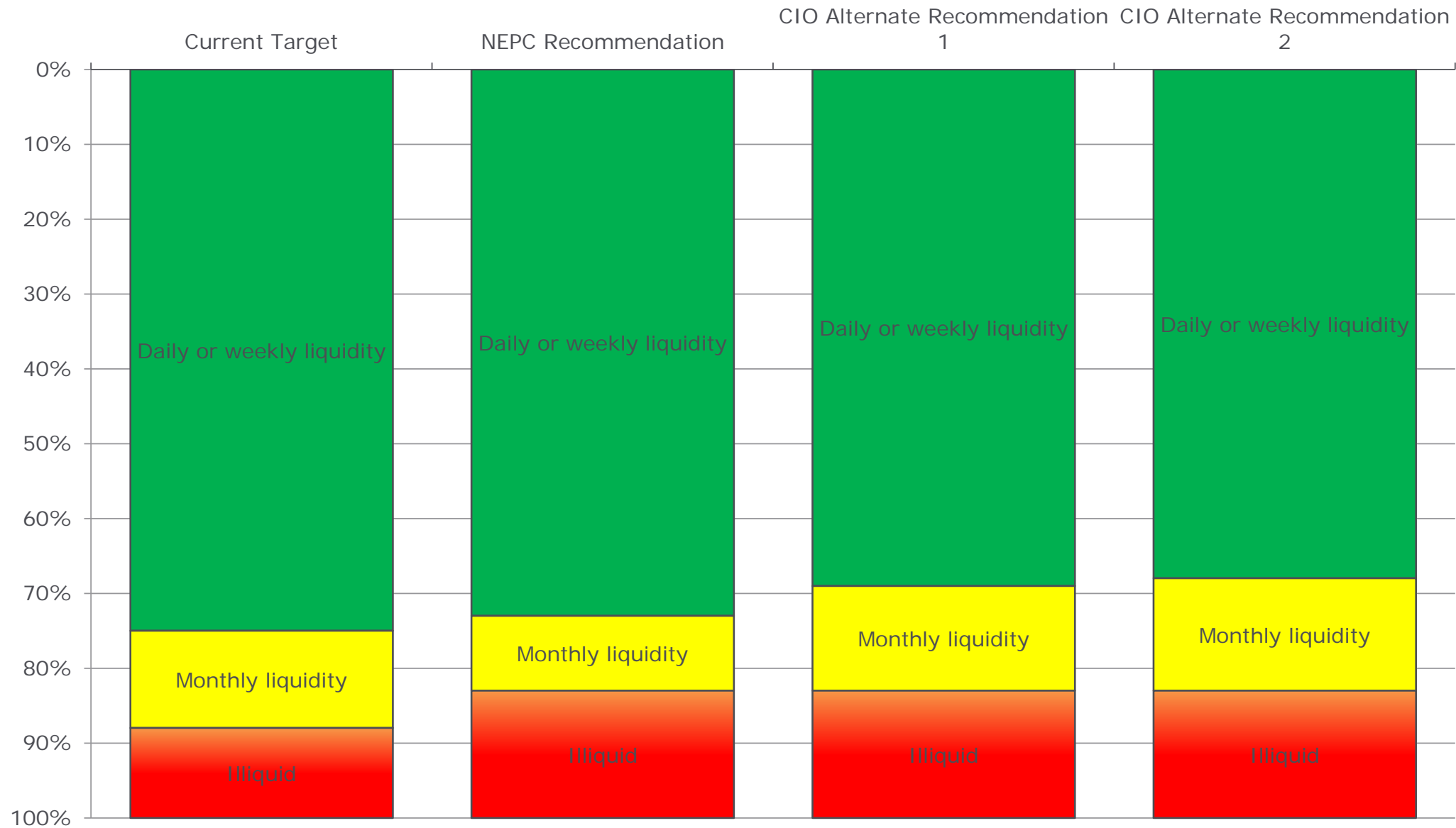
According to your “what-if” spreadsheet Dan2 has lower returns and higher volatility

According to RiskPlus, Dan2 has a higher expected return and better risk profile

Despite the small changes as listed in the green section, that led to some fairly significant factor exposure changes, including a REDUCTION in long-only equity, and more exposure to Asia, HY Bonds, and the Euro

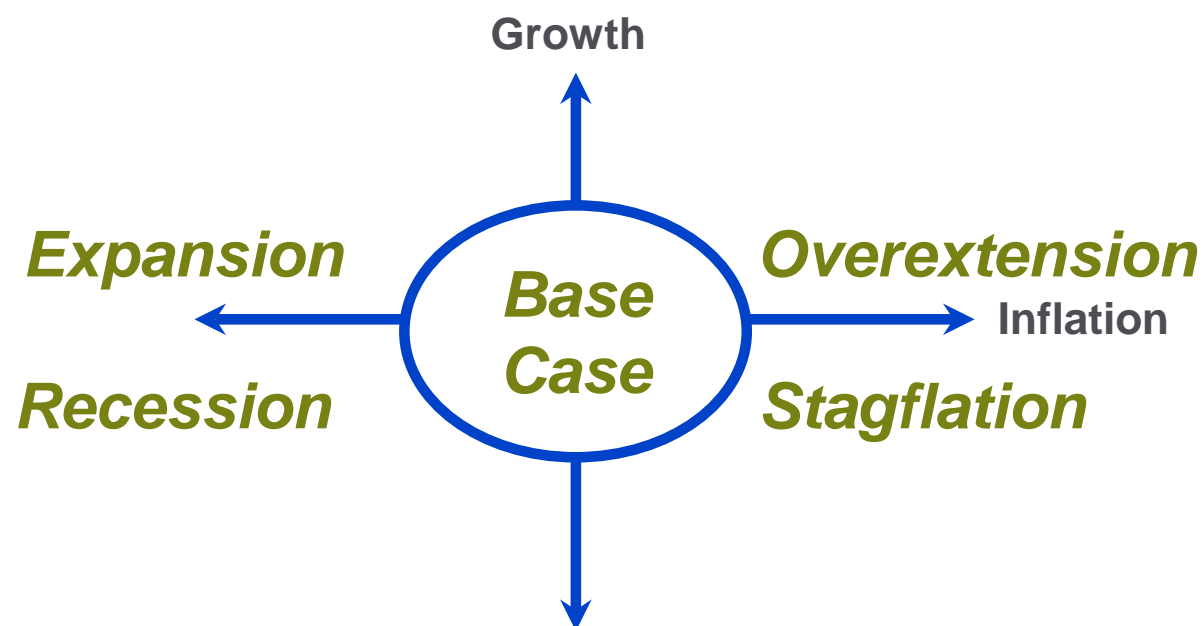


- **Proposed mixes carry similar level of risk as current target**
- **Proposed mixes remain heavily biased toward long equity risk**



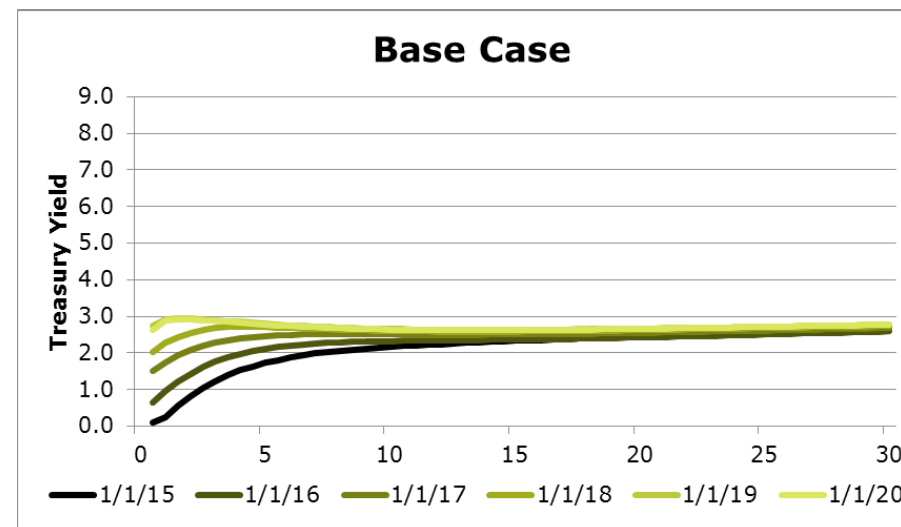
Note: Based on target allocations, actual implementation may vary

- **NEPC Scenario Analysis tests the viability of alternative asset mixes under multiple economic scenarios**
 - Allows better understanding of risk exposures under contrasting inflation and economic growth regimes
 - Can understand the effect on both assets and liabilities (funded status)



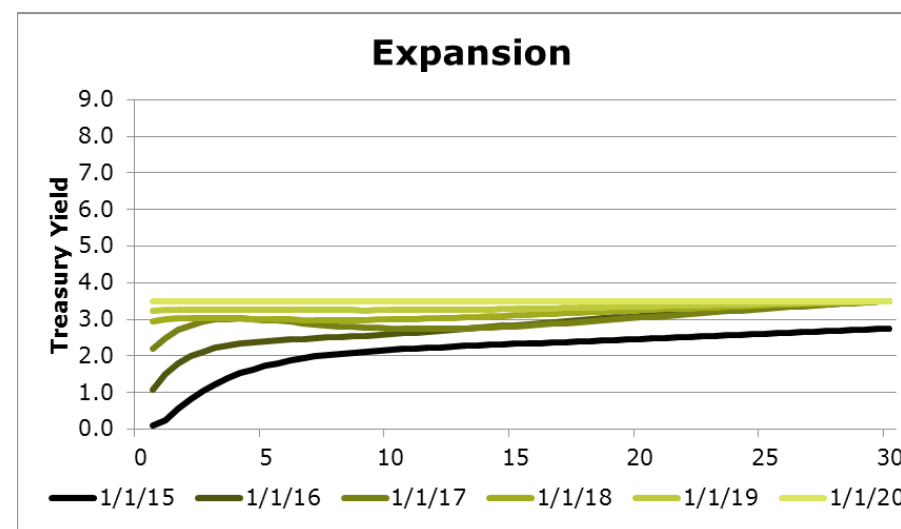
- **Base Case**

- Asset returns over 5 year period in line with NEPC 2015 5-7 Year Assumptions
- No volatility



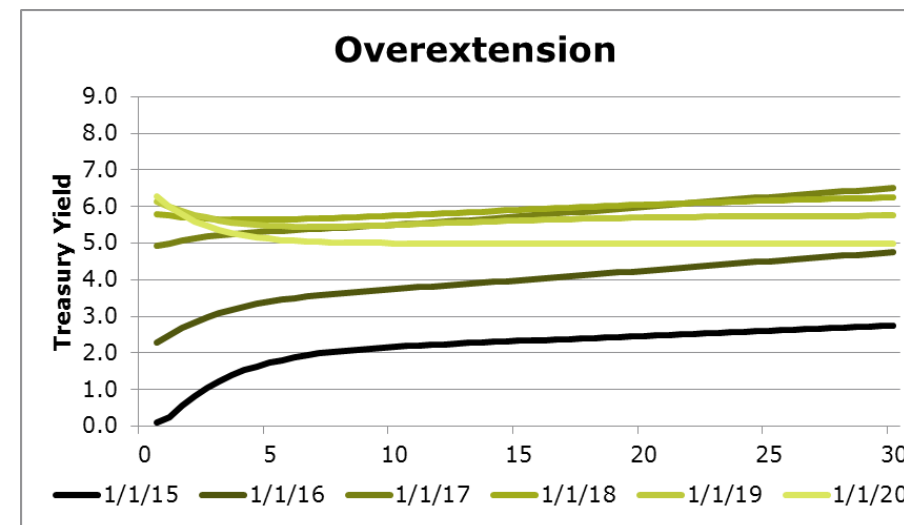
- **Expansion**

- Economy is growing by a strong, but seemingly sustainable level
- Bond yields are stable, inflation is manageable, equities and other high volatility asset classes perform quite well in this environment
- Historical example: 2004-2006
- *Large cap equities time-series: 10%, 17%, 28%, 12%, 10%*



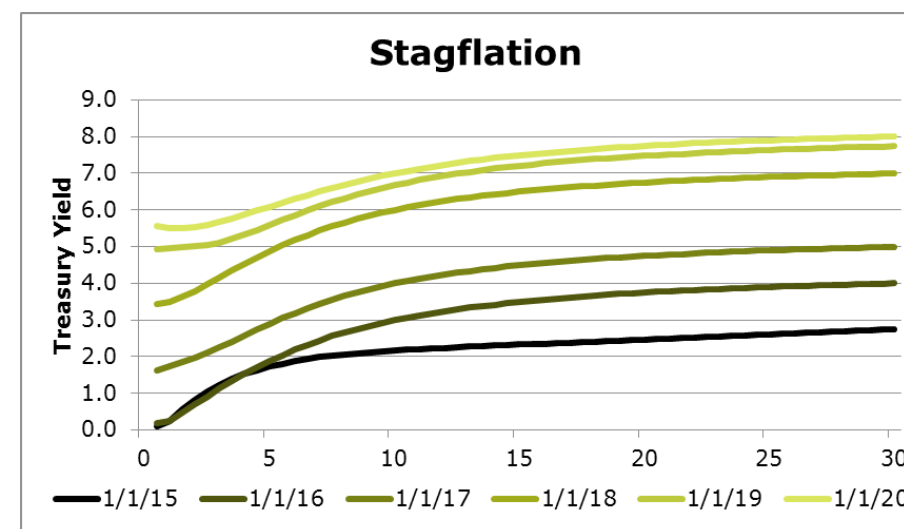
• Overextension

- Economy is growing at a rapid pace, inflation increases significantly – booming times but at the cost of future growth
- Bond yields move higher as a result of inflation; high yield does well with confidence in the economy
- Equities, real estate, and commodities fuel rapid expansion
- Historical example: Vietnam War era (1967-1971)
- *Large cap equities time-series: 12%, 16%, 0%, 12%, 16%*



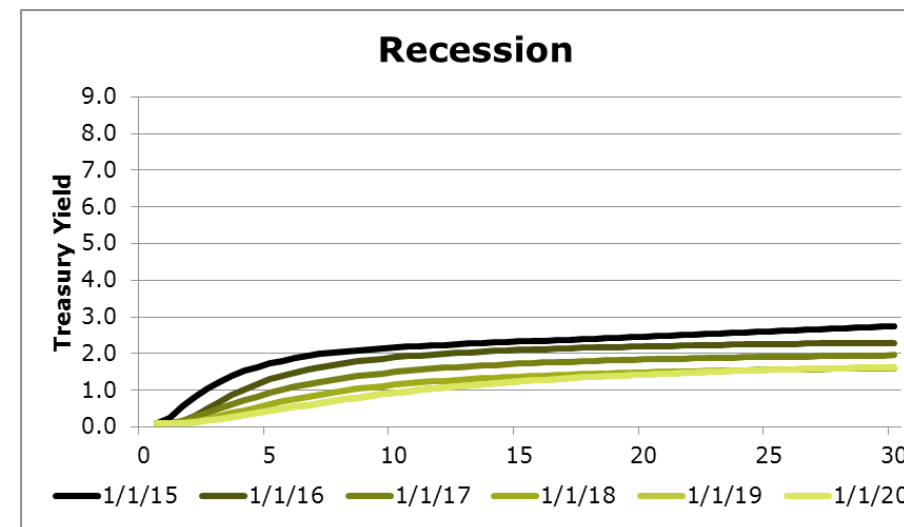
• Stagflation

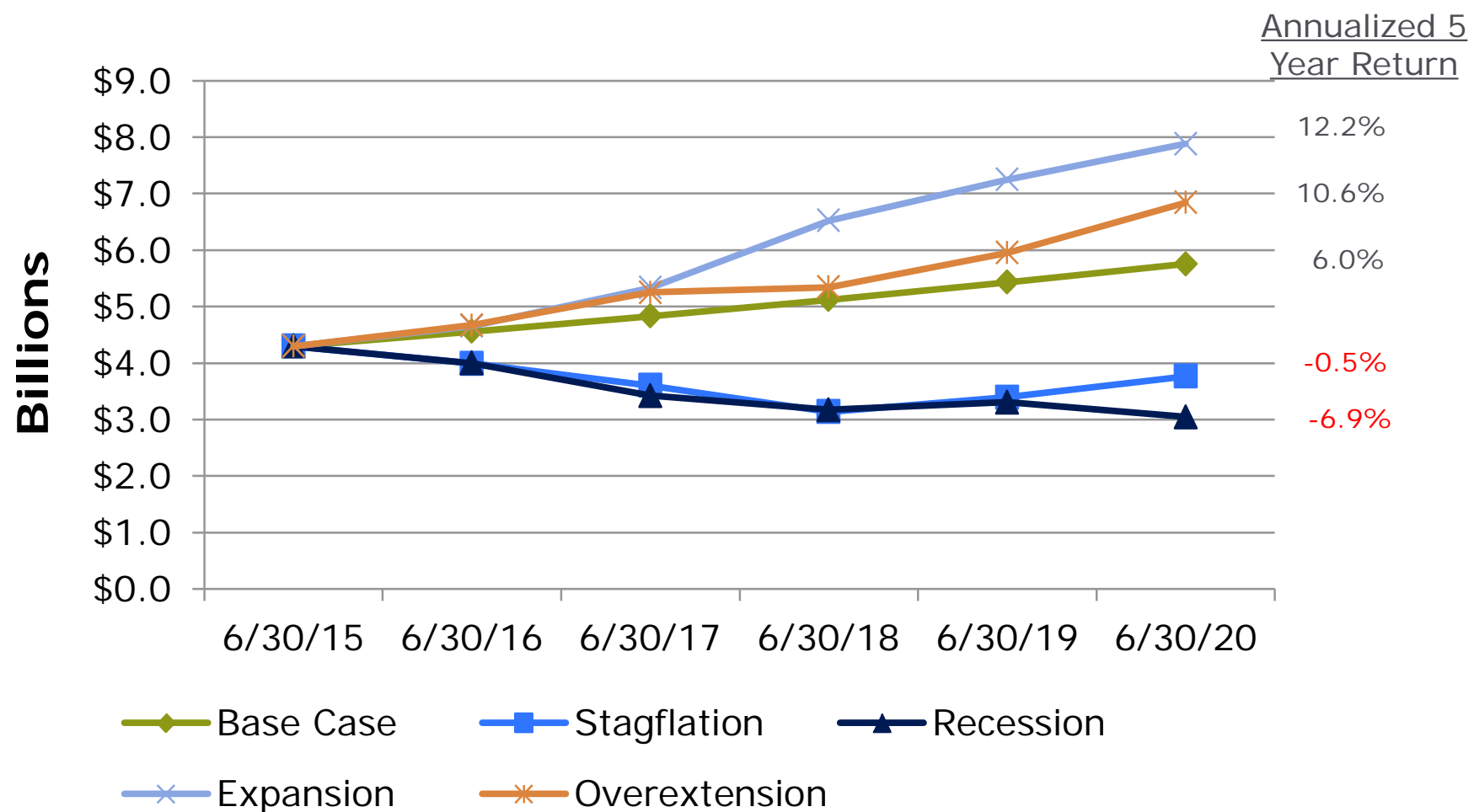
- Two problems – (1) the economy is not growing, (2) inflation has skyrocketed
 - Inflation is sticky – once it gets high, it stays high for several years
 - Fed has limited options to kick-start economy because easing only promotes further inflation
- Equities sag; bonds lose real value; real assets such as TIPS perform well on a relative basis because they are linked to inflation
- Historical example: flat stock market and double digit inflation of the mid-1970s
- *Large cap equities time-series: -8%, -12%, -15%, 9%, 12%*



- **Recession**

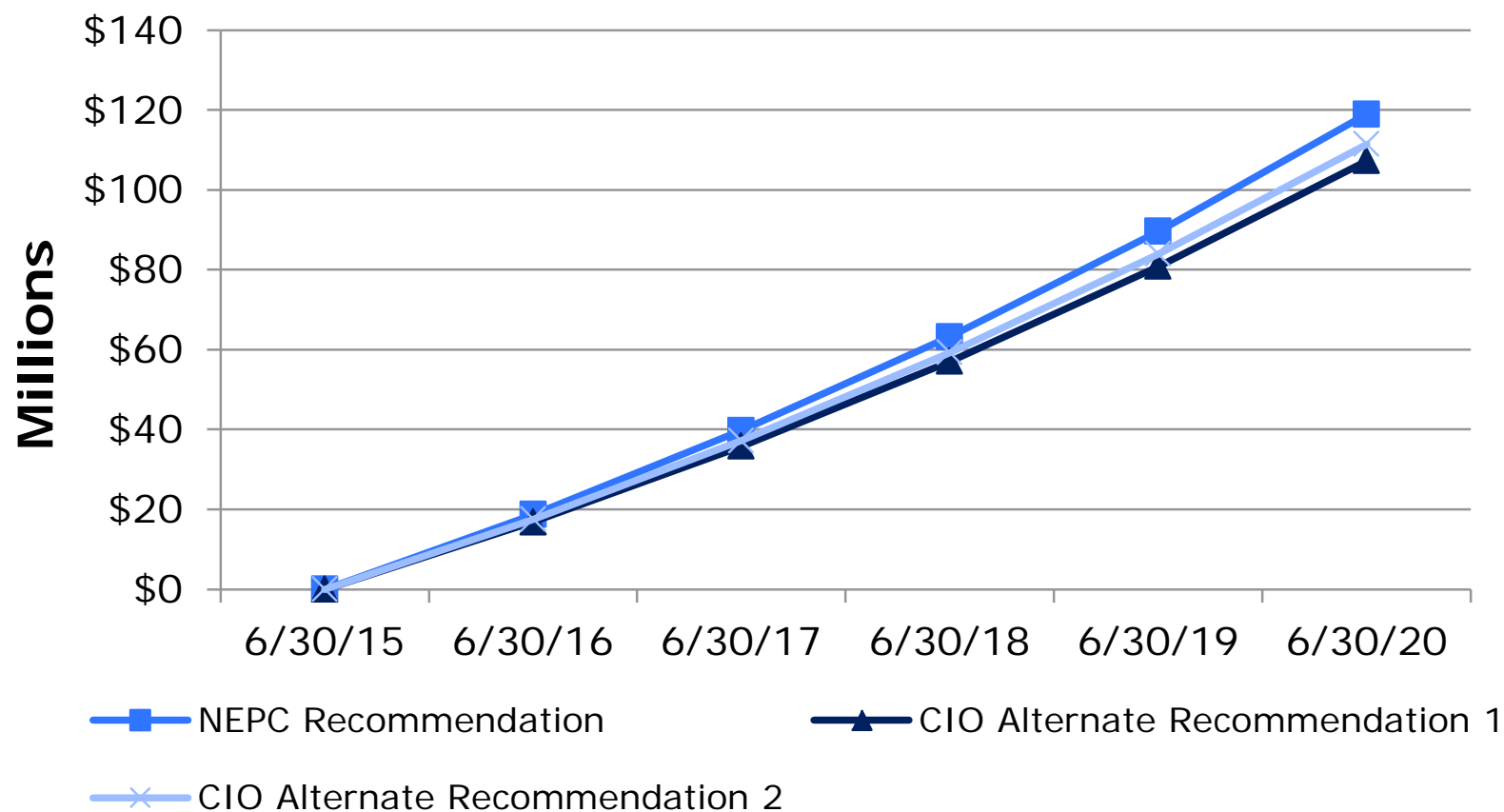
- Economy stalls – there is a flight to quality as investors lose confidence
 - Equity markets fall
 - Bond yields fall
- Interest-sensitive securities (bonds, especially long duration bonds) will perform well in this environment
- Historical example: early 1990s
- *Large cap equities time-series: -8%, -18%, -8%, 4%, -10%*





Note: Analysis does not include assumptions for liabilities or other cash flow items and is calculated using current assets (as of 6/30) only

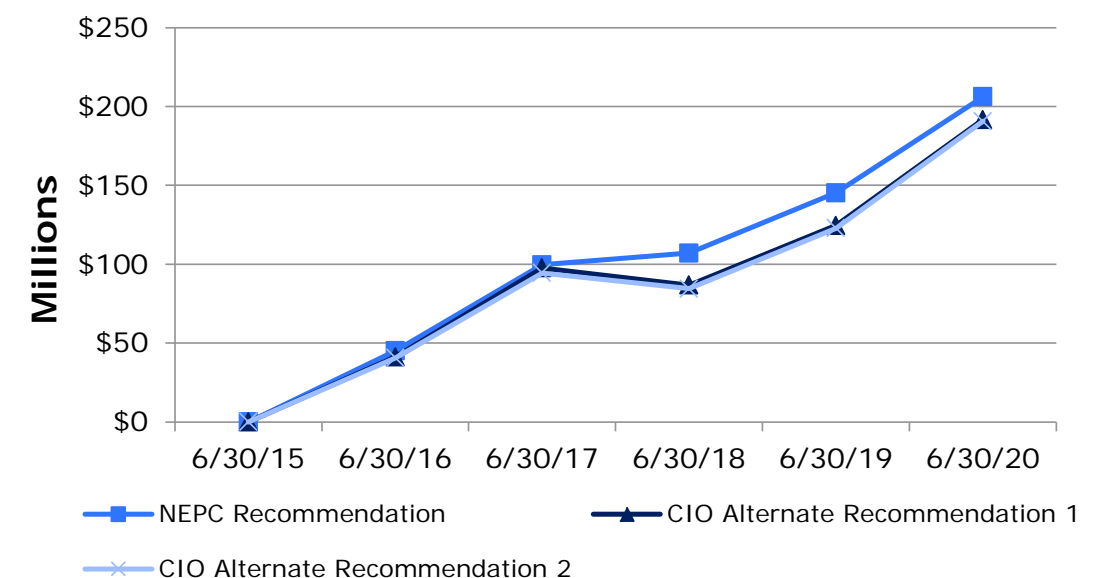
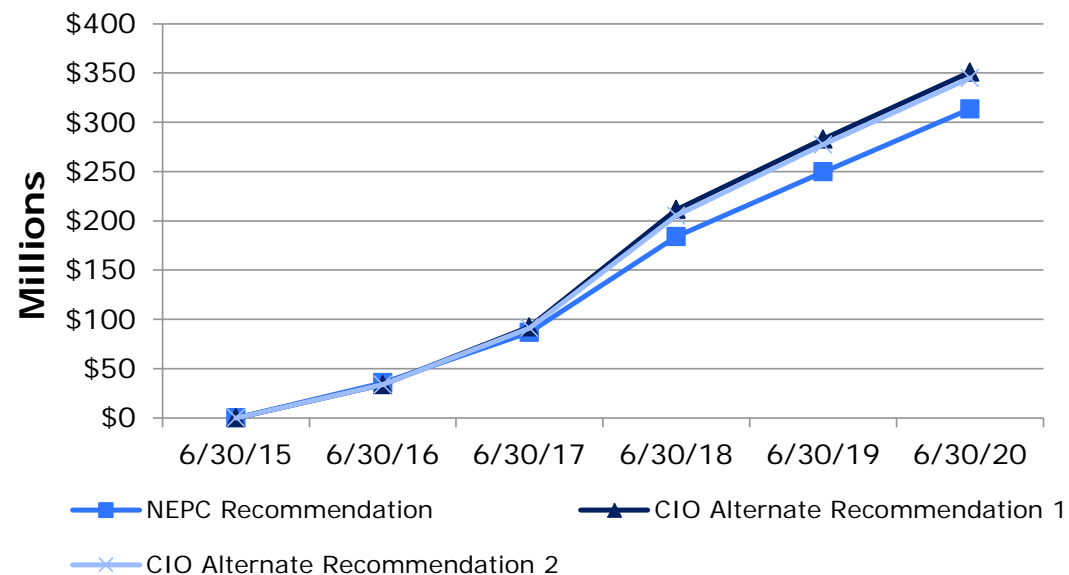
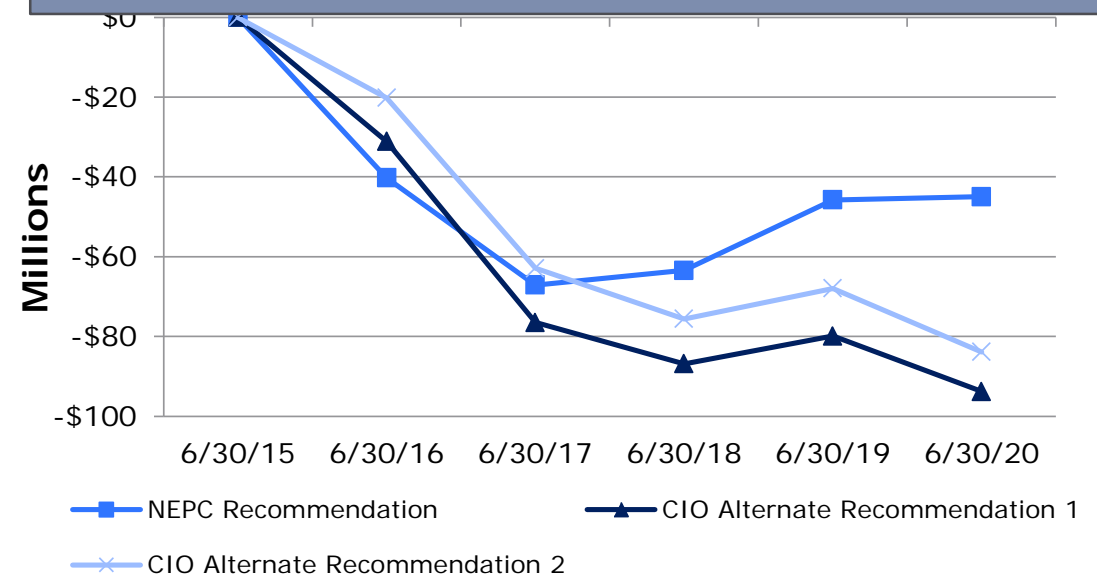
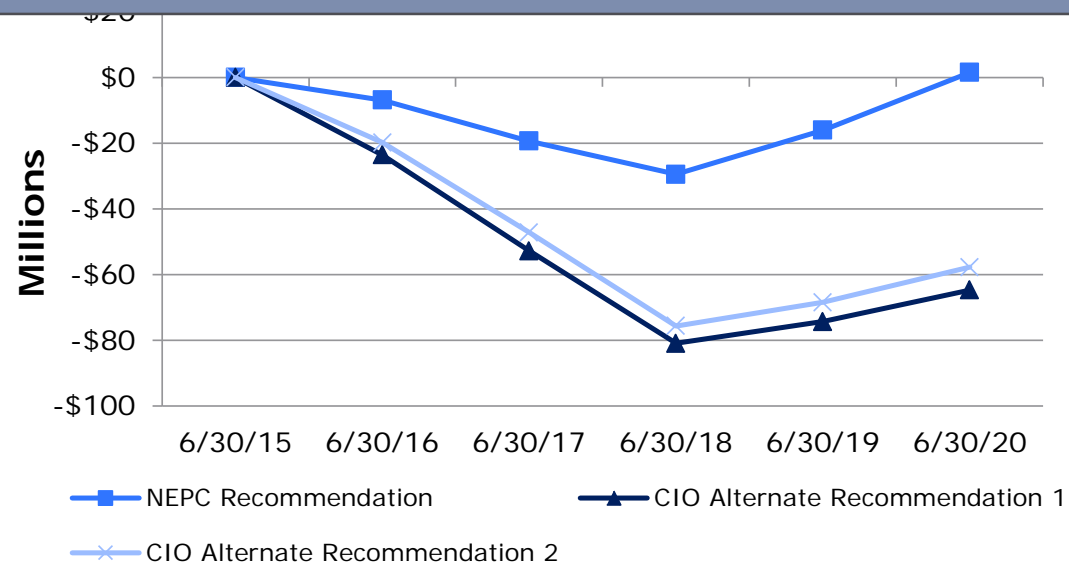
- **Strong equity bias means portfolio loses assets in lower than expected growth scenarios and performs positively when growth meets or exceeds expectations**



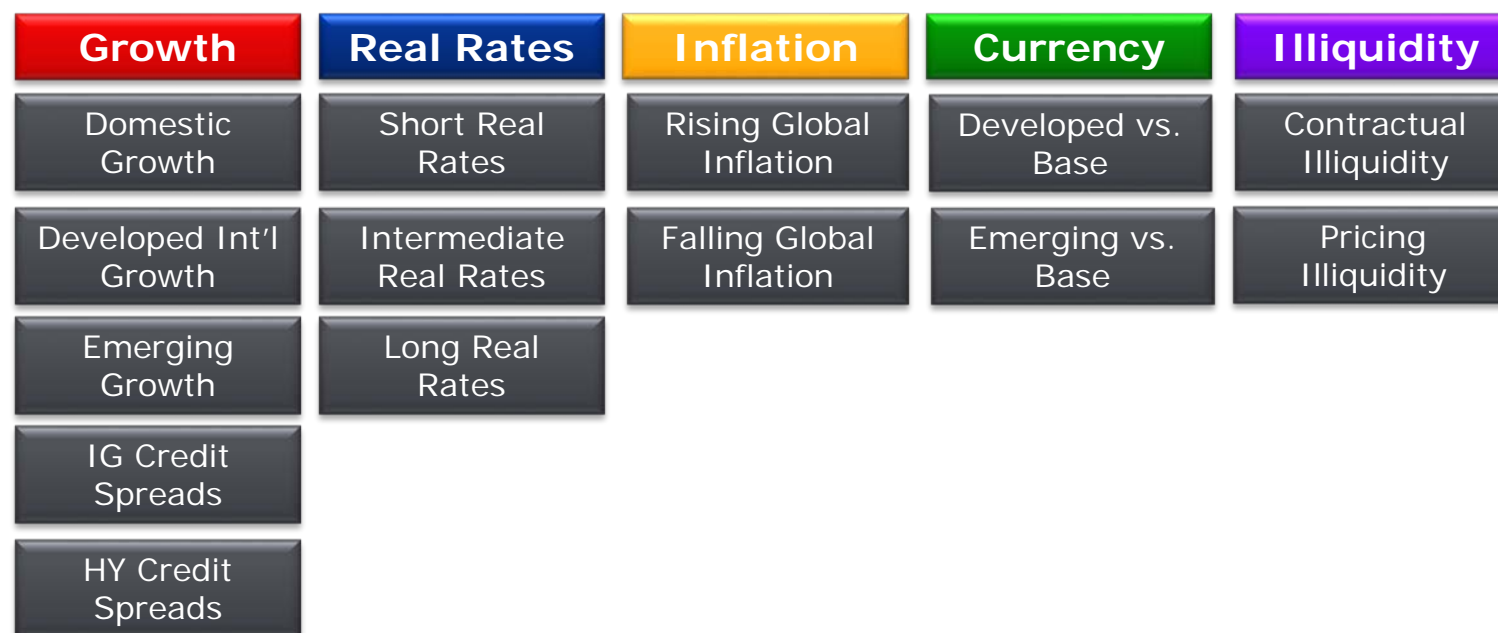
Note: Analysis does not include assumptions for liabilities or other cash flow items and is calculated using current assets (as of 6/30) only

- **Recommendations outperform current target in the base case**
 - Higher expected return achieved with similar risk target

Scenario Analysis – Change from Current Target



- **We focus on five key underlying macroeconomic risk factors**
 - Sub-factors used for modeling purposes in order to express differences in risk outlook
- **Volatility becomes a function of factor movements relative to expectations**
 - Example: Experience volatility when real rates rise more than expected; not necessarily when any rise occurs
- **Factor analysis is a risk exercise**
 - Investment recommendations also reflect how we expect an investor will be compensated for holding each risk factor



Growth

- Common and easily obtainable source of return, but brings volatility that may be difficult to hedge away without sacrificing return

Real Rates

- Generally lower return and volatility than growth factor; may be a lone bright spot in low/negative growth environment

Inflation

- Sensitivity to higher inflation is present in almost all investments but can be partially offset through a real assets program

Currency

- Introduces additional volatility with a small risk premium from emerging currencies but without a positive expected return from developed currencies

Illiquidity

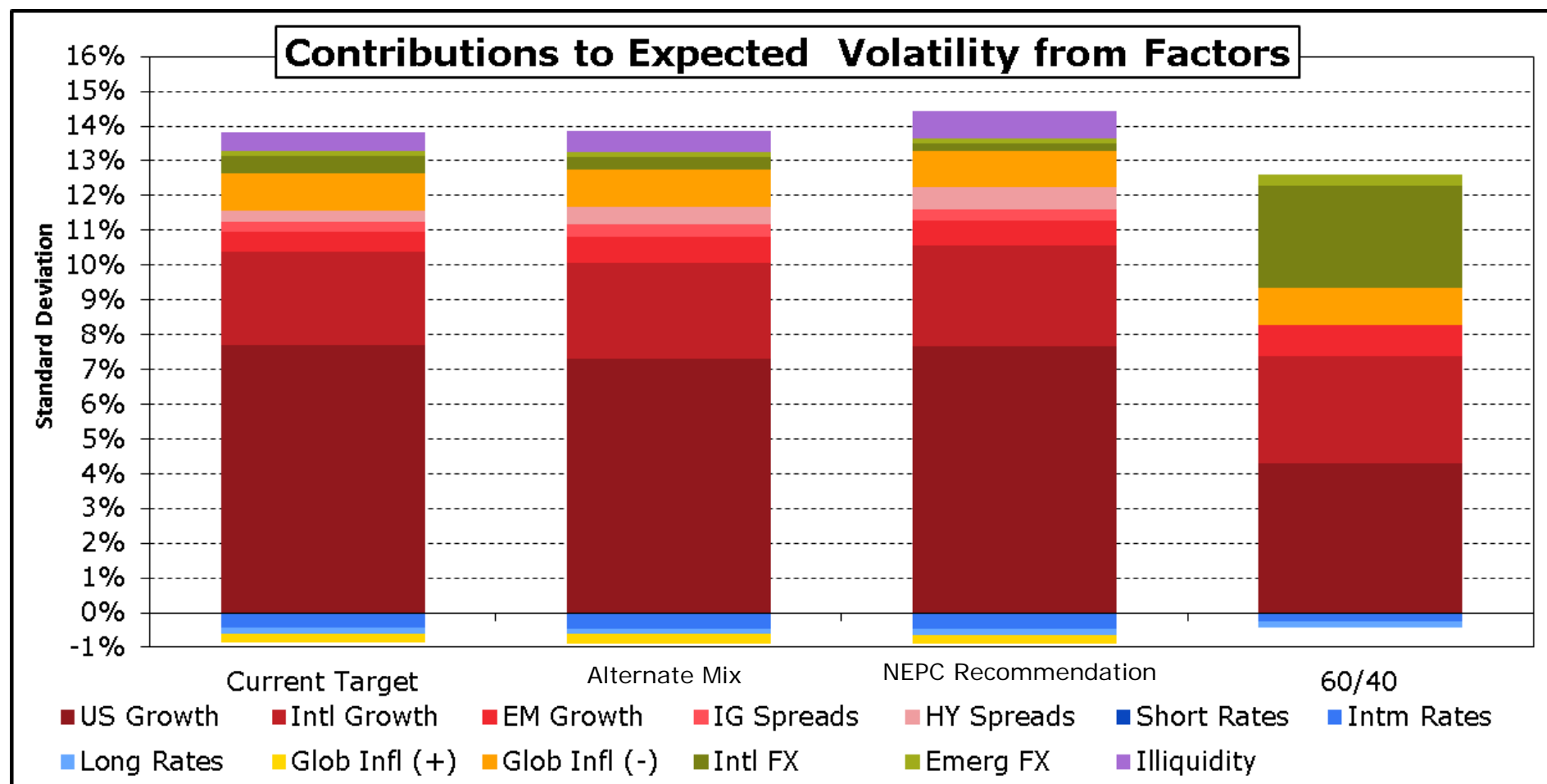
- Attractive supplemental return source from being willing to lock up money contractually or taking on investments with lower market liquidity, but may introduce additional risks beyond traditional measures of volatility

Benefits

- Avoid misleading diversification
- Improved perspective on where risk is being taken and how changing market conditions will impact the portfolio
- Understand benefits of adding new asset classes

Challenges

- May be difficult to obtain (or even define) data for investment program's unique definition of risk factors, particularly inflation
- Traditional ways of "bucketing" asset classes may be difficult
- Still uses portfolio theory framework which can oversimplify risk, particularly over shorter time periods



- **Heavy bias to growth factor in all portfolios**
 - NEPC Recommendation and Alternate Mix have more exposure to the illiquidity risk factor and less to currency
 - 60/40 mix has high exposure to currency risk due to unhedged global equity and bond allocations

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Board Governance: Building an Ever-Improving Model

Ventura County Employees'
Retirement Association
Board of Retirement Retreat
September 16, 2015

nossaman.com

By: Ashley K. Dunning, Esq.
Co-Chair, Public Pensions and
Investments' Practice Group

MAKING IT HAPPEN.

MASTER PAGE NO. 98

Overview of Topics

■ Board Roles

— Oversight

- Aligning the Board and Senior Management
- Committee Use to Maximize Board Productivity

— Responsibilities

- Policy Development and Compliance
- Fiduciary and other Constitutional and Statutory Duties

■ Board Processes

— Brown Act Compliance

— Robert's Rules of Order Guideposts

Key Board Role: Oversight

- Through selection, monitoring and compensation of Retirement Administrator and other executive staff
- Through use of, and participation on, Board committees to maximize productivity and provide oversight
 - Finance, Risk Management, Audit
 - Governance
 - Personnel Review (standing or ad hoc?)
 - Investment? (committee of the whole?)
 - Other committees as determined to be necessary

Board Oversight of Executive Staff

- Selection and Organizational Oversight of Executive Staff
 - Define roles and responsibilities
 - VCERA's Retirement Administrator Charter provides an excellent example for this position
 - Identify credentials of executive staff selected

Board Oversight of Executive Staff

- Selection and Organizational Oversight of Executive Staff (cont.)
 - Periodic and meaningful performance evaluation of Retirement Administrator
 - VCERA's RA Performance Evaluation Policy includes performance targets, business plan implementation and more general objectives
 - How is the implementation of the Policy?
 - Role of Personnel Review Committee?
 - Advantages and disadvantages of ad hoc and standing

Board Oversight of Executive Staff (cont.)

- New VCERA Board Governance Opportunity and Responsibility: AB 1291
 - As of its effective date and upon adoption by resolution under new Government Code sec. 31522.10, VCERA's Board may appoint as VCERA District Employees, rather than County Employees, up to five Executive staff, as provided by statute.

New Governance Opportunity for VCERA Board: AB 1291

- VCERA District's Potential Five Employees after adoption of Section 31522.10:
 - Retirement Administrator
 - Chief Financial Officer
 - Chief Operations Officer
 - Chief Investment Officer
 - General Counsel



New Governance Opportunity for VCERA Board: AB 1291 (cont.)

- VCERA Personnel Appointed under Sec. 31522.10:
 - Are not county employees but are VCERA employees
 - Are subject to terms and conditions of employment established by the VCERA Board

VCERA Executive Staff Appointed under Section 31522.10

- VCERA Board now should consider, to the extent not already sufficiently established:
 - Determining or refining terms and conditions of its Executive Staff's responsibilities
 - Adopting/amending Charters to reflect new status of its Executive Staff
 - Who should be tasked with this work?
 - Benefits and drawbacks of different approaches
 - Potential for Governance Committee? Personnel Review Committee?

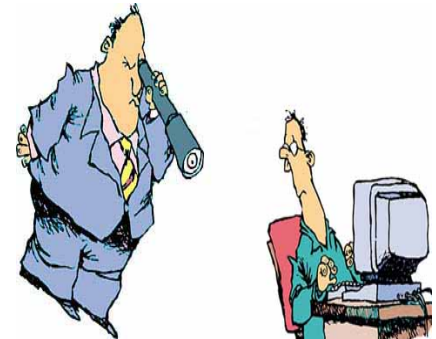
Board Oversight: Monitoring of Executive Staff

- Direct report to Board or Committees by Retirement Administrator and General Counsel
- Retirement Administrator accountable to Board regarding all staff, executive and otherwise, and reports to Board regarding any significant matters.



Appropriate Oversight or “Micro-Management”?

- Reporting to Board on details of VCERA financial operations needs to balance
 - Importance of oversight and controls
 - Through policies and procedures
 - Excess of detail potentially to detriment of big picture oversight, accountability and prioritization of time by staff
- A Finance, Risk Management and/or Audit Committee may help Board/staff reach a balance and achieve appropriate trustee oversight without undue involvement regarding operational details.



Role of a Potential Finance, Risk Management and/or Audit Committee

- Assists the Board in overseeing
 - Internal accounting, auditing and financial reporting practices
 - Management of financial risk
 - Independence of external audits



Role of a Potential Finance, Risk Management and/or Audit Committee (cont.)



- Assists the Board in overseeing (cont.):
 - Compliance with legal, ethical and regulatory requirements, e.g., Placement Agent and Form 700 filing (by whom?) and tracking of financial interests?
 - Other matters pertaining to risk, such as insurance coverage issues, cyber security et al.

Operation of a Potential Finance, Risk Management and/or Audit Committee

- Operates in accordance with a committee charter
- Retirement Administrator reports to Committee and closely works with Committee Chair on agenda items, typically meets quarterly
- Most action items result in recommendations to full Board, but helps improve efficiency for Board. Typically in depth discussion occurs during Committee meetings. Board agenda backup may be streamlined.

Board Responsibilities: Policy Development and Compliance

- The VCERA Board has developed numerous excellent Charters and Policies to Govern Itself and VCERA, such as:
 - Board of Retirement Charter
 - Board Chair and Vice Chair Charters
 - Monitoring and Reporting Policy
 - Trustee Communication Policy
 - Education and Travel Policy
 - Investment Policy Manual
 - Assigned Portable Electronic Devices Policy

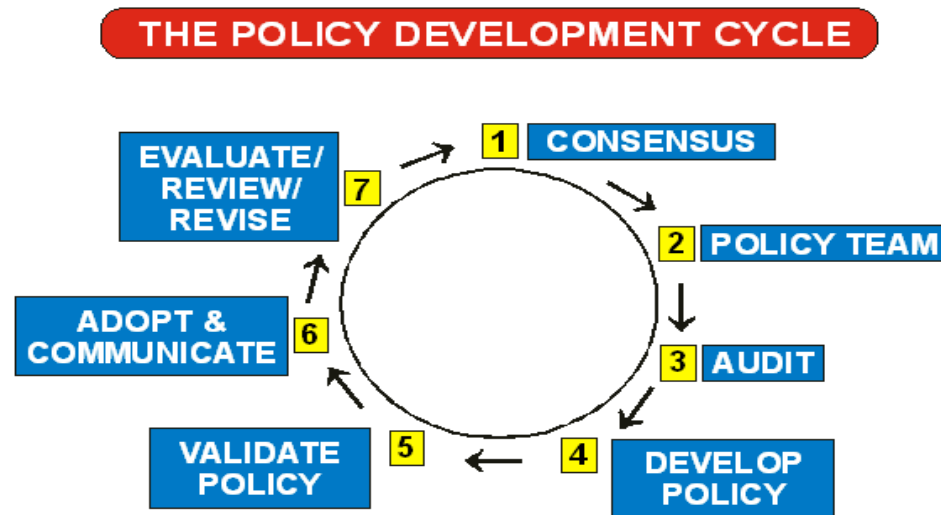
Board Responsibilities: Policy Development and Compliance (cont.)

- Board Duty not only to develop policies, but also to monitor compliance with them
 - How to monitor compliance?
 - Board Chair?
 - Standing Committee Chairs, if any?
 - Trustees as co-fiduciaries?
 - Retirement Administrator and General Counsel?
 - Challenges inherent in all. Combination of all.
 - Require Annual Affirmation by Board members re Review of Key VCERA Board Policies?



Board Responsibilities: Policy Development and Compliance (cont.)

- A Governance Committee may provide a forum in which to discuss policies periodically, to consider whether compliance has been sufficient and whether policies remain appropriate.



Role of a Governance Committee

- Assists Board by advising regarding:
 - Policy development and updates
 - Initial and continuing education of Board members
 - Identifying and making recommendations to address any other Board governance needs



Operation of a Governance Committee

- Operates in accordance with a committee charter
- Retirement Administrator reports to Committee and closely works with Committee Chair on agenda items, typically meets semi-annually or more frequently if needed.
- Most action items result in recommendations to full Board but helps efficiencies for Board, typically in depth discussion occurs during Committee meetings.

Other Committees?

- Investment Standing Committee?
 - Potentially a committee “of the Whole”?
- Would insertion of Committees reduce Board meeting commitments, gain efficiencies?
- *Ad Hoc* Committees as needed
 - Limited in time duration
 - Limited in subject matter
 - Fewer than quorum of Board



Board Responsibilities: Compliance with Fiduciary Duties

- Board is vested with “plenary” and “sole and exclusive” authority over the “administration” and “investments” of the retirement system, includes without limitation, actuarial services, provision of correct benefits to members and beneficiaries, diversification of investments.

See, e.g., Cal. Const., art. XVI, sec. 17



The
Fiduciary
Difference

MAKING IT HAPPEN.

Board Responsibilities: Compliance with Fiduciary Duties (cont.)

- Board must carry out responsibilities consistent with its fiduciary duties
 - Act in good faith as a prudent expert public pension trustee
 - Act in the overall best interest of VCERA's members and beneficiaries

See, e.g., Cal. Const., art. XVI, sec. 17

Fiduciary Duty of Care

- Attend board meetings.
 - “[N]o one should become a director without being reasonably certain that he or she will actively participate in the board’s work” (A.A. Sommer Jr., *ABA Journal*, June 1992).
- Do your homework.
 - Read the information that is reasonably available.
- Be prepared and ask questions.
 - The reliance on management and staff should be reasonable and fact-based.



Fiduciary Duty of Care (cont.)

- Red flags.
 - When the board members have been put on notice about an issue, they should seek accurate and complete information through appropriate channels.
- Board policies.
 - Remain familiar with Board policies, particularly as they pertain to Board member conduct.
 - Annual affirmation of key policies, as noted.
 - Online access?
 - Board member handbook with policies?



Fiduciary Duty of Care (cont.)

- Perennial topics for Boards:
 - Individual board member requests of staff and outside providers
 - Travel policies and approvals/denials
 - Role of Retirement Administrator vis-à-vis Board member requests for exceptions?
 - Role of Board vis-à-vis Retirement Administrator requests?

Fiduciary Duty of Care (cont.)

- New board members should take reasonable steps to learn about the organization they are being asked to serve.
 - Attend trainings
 - Ask questions
 - Educate self on industry, trends



Fiduciary Duty of Loyalty

- Primary Duty Rule and Related Principles
 - Act loyally for overall best interest of VCERA members and beneficiaries
 - Duty not to acquire a material benefit from a third party in connection with VCERA transactions
 - Duty not to use or communicate confidential information for own purposes or those of a third party
 - Similar and parallel to the statutory and common law conflict of interest prohibitions

Expectations of Trustees and Related Risks

- Trustees' duty of loyalty is to the overall best interest of VCERA members & beneficiaries
 - Not to the appointing authority or to contingent of members that elected the Board member
- Under CERL, Board members do not serve at the appointing authority's pleasure

Potential Risks

- Pressure from appointing authority and/or employees/retiree groups
- Conflict of interest and related state and federal rules applicable to individual board and staff members
- Refer inquiries from third parties to Retirement Administrator or General Counsel for accuracy and consistency



Board Processes: How Retirement Boards Govern Themselves

- Key Touchstones
 - Compliance with The Brown Act
(Open Meetings Law)
 - Follow Parliamentary Procedure
(Roberts Rules of Order or otherwise)

The Brown Act -- Purpose

- When a body sits down to develop its consensus, there needs to be a seat at the table reserved for the public
 - The Legislature has provided the public with the ability to monitor and participate in the decision-making process
 - Some efficiency is sacrificed for the benefits of greater public participation in government



The Brown Act -- Overview

- All Board meetings must be open and public
 - The Board must provide a notice and agenda to the public for all meetings, and usually 72 hours in advance
 - The Board must conduct its meetings and make its decisions in public
 - The Board must allow all persons to attend and participate in its meetings through public comment



The Brown Act --Who Has to Comply?

- The Board
- Subsidiary Bodies, if:
 - Created by the Board, and
 - Composed of a quorum of the Board (five or more members of VCERA's Board)
- Standing Committees:
 - Composed of fewer than a quorum of the Board
 - Has continuing jurisdiction over a topic, or its committee's meeting schedule is fixed by charter, ordinance, resolution or other formal action of the legislative body that created it.

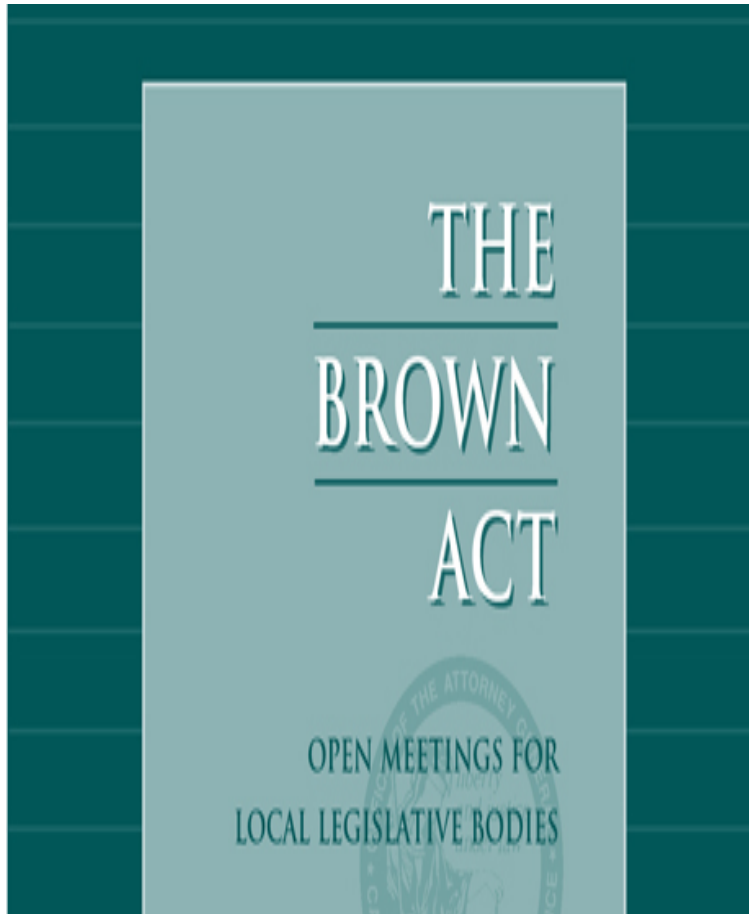


The Brown Act -- What Is A *Meeting*?



- Meeting: A majority of members of the body in the same time and place, to hear, discuss or deliberate on any item within their jurisdiction.
 - Informal sessions or invitation-only conference attendance
 - Telephone conferences
 - E-mails
 - Due diligence trips by Board or standing committee quorum

The Brown Act -- What Is A Not a *Meeting*?



- Not a “Meeting”:
 - Individual (not serial) meetings
 - Conference attendance to discuss general issues
 - Social or ceremonial attendance

The Brown Act – Agenda Requirements and Practices

- Agenda must contain a “brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session.”
 - The brief general description “generally need not exceed 20 words” (Gov. Code sec. 54954.1)

The Brown Act – Agenda Requirements and Practices (cont.)

- What to do if not specifically agendized for “action”
 - How about catch-all on bottom of all agendas reserving the Board’s right to take action on any item even if not so specifically indicated next to the agenda item?
 - Attempt to use agenda language that is sufficiently broad to retain Board ability to act, if desired, but also specific enough so public and other Board members know what to expect.

The Brown Act – Agenda Packet Requirements and Practices

- Posted online agenda may, but need not, include entire public agenda packet.
 - Online review of CERL systems shows wide variety in approaches re agenda packet posting online, including:
 - agenda only
 - agenda with links to some public agenda backup
 - agenda with links to all public agenda backup
 - agenda and all public agenda backup, sometimes over 300 pages, included.

Agenda and Agenda Packet Requirements and Practices

- Any person may request that a copy of the agenda, or all documents in the agenda packet, of any meeting be mailed to that person.
 - Such requested materials must be mailed at the time the agenda is posted, or upon distribution to the majority of the Board members, whichever occurs first
 - The legislative body may establish a fee for mailing that does not exceed the cost of providing the service

Agenda and Agenda Packet Requirements and Practices (cont.)

- Consider carefully the appropriate content of agenda packets
 - What's public, what's not?
 - What is pertinent to Board oversight and other responsibilities, what's operational and need not be included?
 - Should all public materials that are included in the Board's agenda packet necessarily be posted online? Advantages/disadvantages?

The Brown Act: *Minutes*

- Minutes are kept at meetings to accurately record the proceedings
 - They are not a verbatim account of debates, but may include summaries of major points made
 - Inaccuracies in the record are noted and the appropriate corrections made
 - Not required for closed session unless Board (or a Committee) elects to maintain a closed session “minute book”.

The Brown Act: Closed Sessions

- May have a closed session only if specifically permitted by statute
- Notice in regular agenda required
- Disclosure of closed session discussion is prohibited unless the majority of the Board votes to authorize disclosure or court orders it; reportable action must be reported by roll call vote

Closed session topics most often invoked by public retirement boards

- Conference with Legal Counsel regarding:
 - Existing litigation, include case information unless disclosure would jeopardize service or existing settlement negotiations
 - Anticipated litigation, including significant exposure to litigation and initiation of litigation (as well as authorization to file amicus brief)

Common closed session topics for retirement boards

- Personnel exception regarding
 - Appointment, employment, evaluation of performance, discipline or dismissal of public employee, with specific rules re notice of complaints or charges
 - No discussion of compensation permitted

Common closed session topics for retirement boards (cont.)

- Real property negotiations including
 - Meeting with agency's negotiator prior to purchase, sale, exchange, or lease of real property by or for the local agency to grant authority to negotiator regarding:
 - Price
 - Terms of payment
 - Prior to going into closed session, in open session (or on agenda) identified negotiators, real property address at issues and with whom may negotiate, if known

Common closed session topics for retirement boards (cont.)

- Labor negotiations, so as to:
 - Meet with agency's designated representatives regarding salaries, salary schedules or benefits; and
 - Review agency's position and instruct agency's designated representatives.
 - No final action on proposed compensation of one or more unrepresented groups permitted in closed session.

Common closed session topics for retirement boards (cont.)

- Purchase or sale of a particular, specific pension fund investments
 - Added by AB 2234 in 2004



Closed Session re Purchase or Sale of Particular, Specific Pension Fund Investments

- Assembly Bill Analysis in support of AB 2234 identified the context to support its adoption as follows:
 - SJCERA's Board discussed its intent to purchase a downtown Stockton building as both its headquarters and investment. Following the discussion, the price of the property was bid up and the retirement system was no longer able to remain in the bidding process.

Closed Session re Purchase of Sale of Particular, Specific Pension Fund Investments (cont.)

- Assembly Bill Analysis in support of AB 2234, also stated:
 - The OCERS Board discussed publicly the potential sale of a portion of the retirement system's bond portfolio. The following day, sales occurred in the bond market that were potentially reflective of a large institutional investor poised to sell.

Closed Session re Purchase of Sale of Particular, Specific Pension Fund Investments (cont.)

- Assembly Bill Analysis in support of AB 2234, also stated that the manner in which it amended the Brown Act was “consistent with recent case law on retirement board investments discussions in closed sessions as found in Coalition of University Employees, et al.v. The Regents of the University of California (2003)” (“2003 Regents case”).

Closed Session re Purchase or Sale of Particular, Specific Pension Fund Investments (cont.)

- The 2003 Regents case is an unpublished decision from Alameda County Superior Court that considered, among other things, an Education Code provision that permits the Regents to meet in closed session to discuss “matters involving the purchase or sale of investment for endowment and pension funds.”

The 2003 Regents case (cont.)

- The Superior Court concluded there that the Education Code provision did not permit the Regents to consider in closed session:
 - Whether the University of California should switch from internal to external management of public equity investments; or
 - Whether the University should adopt certain asset allocation formulas.



The 2003 Regents case (cont.)

- The Superior Court concluded:
 - “Petitioners urge the Court to adopt a narrower reading of [the statute], that meetings are properly closed only when they include discussions regarding the purchase or sale of particular specific investments, rather than investment strategy in general. The Court agrees with Petitioners.”

The 2003 Regents case (cont.)

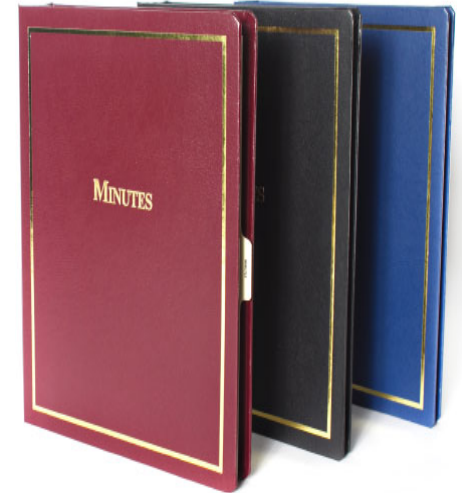
- The Superior Court also discussed the fact that the Regents sought to withhold minutes and tapes of the closed session meetings at issue, which had occurred in 2000, as stated:
 - “There is simply no basis for keeping deliberations about an issue which occurred in the year 2000 secret from the public, especially as the central document under discussion has long since been released publicly.”

Closed Session re Purchase of Sale of Particular, Specific Pension Fund Investments (cont.)

- Perhaps because of reference to 2003 Regents case, unlike other referenced closed session exceptions in the Brown Act, Gov. Code Sec. 54956.81 requires that all investment transaction decisions made during a closed session conducted under that provision to be “entered into the minutes of the closed session as provided in subdivision (a) of Section 54957.2.” (Emphasis added)

Closed Session Minute Book

- Section 54957.2 provides, in pertinent part:
 - “The legislative body of a local agency may, by ordinance or resolution, designate a clerk or other officer or employee of the local agency who shall then attend each closed session of the legislative body and keep and enter in a minute book a record of topics discussed and decisions made that the meeting. . . .”



Closed Session Minute Book

- Section 54957.2 may potentially not permit keeping of a closed session minute book only for specified matters.
- Statute more likely may permit having a closed session minute book for *Investment Committee* meetings, but not require the keeping of the book for meetings of the Board or other standing Committees of the Board.

Principles Of Parliamentary Procedure (typically under Robert's Rules of Order)

- All members have equal rights, privileges, and obligations
 - Majority vote decides
 - Rights of the minority must be protected
 - Full and free discussion of every proposition presented for decision is a right of members
 - Every member has the right to know the meaning of the question presented and what its effect will be
 - All meetings must be characterized by fairness and by good faith



Rules of Conduct for Effective Meetings: *Quorum*

■ Quorum

- A quorum is the minimum number of voting members who must be present at a properly called meeting in order to transact business
- Without a quorum, no business may be conducted in the name of the organization, except to recess, adjourn or determine when to adjourn
- Should a quorum be lost during the meeting by the departure of members, no more business may be transacted



Rules of Conduct for Effective Meetings: *Voting*

- Voting
 - Majority of members present decide issue, unless Board or other applicable rule require specified minimum number of votes



Rules of Conduct for Effective Meetings: *The Chairperson as Presiding Officer*

■ The Chairperson

- Is responsible for the orderly conduct of the meeting, and facilitates full and free debate of an issue:
 - Tracks who has spoken
 - Recognizes members with different viewpoints
 - Monitors time allotted for discussion until members close debate or otherwise dispose of the motion

Rules of Conduct for Effective Meetings: : *The Chairperson (cont.)*

- The Chairperson also:
 - Calls the meeting to order, announces items on the agenda and reads motions at meetings so that they may be properly understood and debated.
 - When the Board is ready to vote, the Chair submits the motion for the final decision and, after the vote, announces whether or not the motion has carried.

Rules of Conduct for Effective Meetings: *Board Etiquette*

- A member must be recognized by the Chairperson before beginning to speak
- A member may speak twice to the motion but only the second time after everyone who wishes to speak once has spoken.



Rules of Conduct for Effective Meetings: *Board Etiquette (cont.)*

- Procedures may be used to improve upon a main motion before action is taken
 - Any member may informally suggest one or more modifications in the motion, which the maker of the motion may accept or reject (typically minor changes).
 - Or, by means of a subsidiary motion (to “amend” for wording changes, or by “substitute motion” for replacement motion), a member may propose a different motion that requires a second, is debatable, and then voted upon before the main motion.

Rules of Conduct for Effective Meetings: *Board Etiquette (cont.)*

- Motions that can interrupt a speaker that must be seconded:
 - Appeal (challenges the chairperson's ruling on a question of parliamentary law; takes the question from the chair and vests it in the full board)
 - To Call the Question (ends debate; majority vote required)

Rules of Conduct for Effective Meetings: *Board Etiquette (cont.)*

- Motions that are in order when another speaker has been recognized, but has not yet begun to speak:
 - Objection to Consideration of the Question
(no second required)
 - Motion to Reconsider
(no second required but the reconsideration itself must be seconded)

Rules of Conduct for Effective Meetings:

Motions to Re-Consider under Robert's Rules

- May be made only within a limited period of time (usually same day and/or session of the meeting on which the matter was previously voted upon) and only by a member who voted with the prevailing side.
- According to Robert's Rules, "the purpose of reconsidering a vote is to permit correction of hasty, ill-advised, or erroneous action, or to take into account added information or a changed situation that has developed since the taking of the vote." (Sec. 37.)

Rules of Conduct for Effective Meetings: *Motions to Re-Consider under Robert's Rules* (cont.)

- Motions re Re-Consider may only be made by a member of the Board or Committee, not by members of the public or stakeholders.
 - Contrast the Board's quasi-legislative proceedings with a judicial or quasi-judicial proceedings.
- Motions to Re-Consider differ from requests by a Board member that the Board consider again a policy determination because new or different facts, law or other circumstances justify further review.

Some Governance Take-Aways to Consider

- Define roles and responsibilities of executive staff of VCERA upon implementation of AB 1219
- Analyze role of Board vs. of potential standing committee(s): Finance/Risk; Governance; Investment?
- Address additional policy compliance approaches
- Review agenda backup details, with different approaches to posting
- Consider Board meeting processes and whether any improvements are warranted

Final Thought

What steps might the VCERA Board take regarding its own Governance Goals in its effort to build on its

✓ *Ever-Improving Model?*



Thank You



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Risk Is...

Ventura County Employees Retirement Systems – September 16, 2015
Howard Marks, Chairman
Oaktree Capital Management, L.P.

Risk Is . . .

Risk Is . . . the Ultimate Test of Investment Skill

- It's not hard to achieve investment return.
- That's especially true when the market rises, which it usually does.
- The real achievement is achieving return with risk under control.
- The key questions when you see a portfolio perform well:
 - Is it just a fair-weather portfolio?
 - How will it hold up if the environment turns hostile?

Risk Is . . .

Risk Is . . . an Essential Consideration in Assessing Investment Performance

- Return alone tells only part of the story about performance.
- Two investors with the same return didn't necessarily do equally good jobs.
- Their performance has to be viewed in risk-adjusted terms.
- The key question is "How much risk did each one bear?"

Risk Is . . .

Risk Is . . . Not Volatility

- Academics developing investment theory accepted volatility as the measure of risk. I believe they did this in large part because volatility is readily quantifiable.
- However, few people in the real world consider volatility the key risk.
- Risk premiums aren't demanded in response to volatility.

Risk Is . . .

Risk Is . . . Not Machinable

- Only volatility is fully quantifiable.
- Nothing can be substituted for volatility in investment theory's calculations.
- But volatility alone isn't a useful measure of risk.

Risk Is . . .

Risk Is . . . the Probability of Loss

- This is what most people mean when they say “risk.”
- This is what people demand compensation for if they are to bear it.

Risk Is . . .

Risk Is . . . the Probability of Falling Short

- Many investors face a return requirement. The ramifications of failing to achieve that return can be significant.
- **Thus the risk of missing opportunities is another important risk.**
- Since the requirement is unique to each investor, the probability of failing to reach it is situational, not a risk inherent in the investment or portfolio.

Risk Is . . .

Risk Is . . . the Likelihood of Being Forced Out at the Bottom

- Many investors claim to be long-term oriented and thus immune to fluctuations.
- But bad-enough declines can make them sell:
 - a) because they lose confidence,
 - b) because they receive margin calls or
 - c) because of a need to fund real-world cash requirements.
- Some of the greatest pain in 2008 was felt by investors who had overestimated their ability to withstand volatility.
- **Selling at the bottom – and turning a downward fluctuation into a permanent loss – is the cardinal sin in investing.**

Risk Is . . .

Risk Is . . . an Investment Consideration; It Should Be Distinguished from Managers' Business Issues

- The possibility of lagging behind a benchmark and of performing worse than others aren't investment risks, but rather competitive/business issues.
- A shortfall in relative performance doesn't necessarily indicate that high risk was borne. It may, for example, result from the application of risk control in an overheating market. Thus it may indicate low risk, not high risk.
- Succumbing to “the tyranny of benchmarks” introduces the risk of allowing others to define desirable behavior for you.
- Eliminating the risk of deviating from a benchmark – as index funds do – may reduce business risk but increase investment risk. **Index fund investors lose money every time their market goes down.**

Risk Is . . .

Risk Is . . . Unquantifiable in Advance

- **Like any judgment regarding the future, the probability of loss can't be anything but a matter of opinion.**
- A variety of experts will view it and quantify it differently.

Risk Is . . .

Risk Is . . . Unquantifiable After the Fact

- A profitable investment may (or may not) have been risky.
 - Was it a safe investment that was sure to produce a positive outcome?
 - Or was it a risky investment where the investor got lucky?
- Likewise, a losing investment may not have been risky, just unlucky.
- For the outcome of an investment to be an accurate indicator of its riskiness, return would have to be a function of risk alone. There are too many factors at play for that to be the case.
- **The bottom line: it's impossible to quantify risk, even in hindsight.**
- Thus, in particular, it's impossible to say high-returning portfolios were riskier and low-returning portfolios were safer. In fact, the opposite is often true.

Risk Is . . .

Risk Is . . . Best Assessed through Subjective Judgment

- Since risk can't be measured, gauging it has to be the province of experts.
- **Imprecise, qualitative, expert opinion about the probability of loss is far more useful than precise but largely irrelevant numbers concerning volatility.**

Risk Is . . .

Risk Is . . . Counter-Intuitive

- When all traffic controls were removed from the town of Drachten, Holland, traffic flow doubled and fatal accidents fell to zero (Dylan Grice, Soc. Gen.).
- “Jill Fredston is a nationally recognized avalanche expert . . . She knows . . . better safety gear can entice climbers to take more risk – making them in fact less safe.” (*Pensions & Investments*)
- **Thus the risk of an activity often lies not in the activity itself, but in how the participants approach it.**
- Likewise, the degree of risk present in a market derives more from the behavior of the participants than from the companies, securities and institutions. **Risk is low when investors behave prudently and high when they don’t.**
- Prior to the subprime crisis, there had never been a nationwide wave of mortgage defaults. This convinced investors that mortgages were safe. This, in turn, led to a lowering of credit standards and the issuance of mortgages so weak that a nationwide wave of defaults was inevitable.

Risk Is . . .

Risk Is . . . Perverse

- **The riskiest thing in the world is widespread belief that there's no risk.**
- **A high level of risk consciousness tends to mitigate risk.**
- As an asset declines in price, making people consider it riskier, it becomes less risky.
- As an asset appreciates, making people think more of it, it becomes riskier.
- **This perversity is one of the main things that render most people incapable of understanding risk.**

Risk Is . . .

Risk Is . . . Hidden and Thus Deceptive

- Even if it contains construction flaws, a house will stand until there's an earthquake.
- Equally, an investment can be risky and still not show losses as long as the environment remains salutary.
- The fact that an investment is susceptible to a serious risk that will occur only infrequently – the “improbable disaster” or “black swan” – can make it appear safer than it really is.
- **The riskiness of an investment becomes apparent only when the investment is tested.**
- **“It's only when the tide goes out that we find out who's been swimming naked.” – Warren Buffett**

Risk Is . . .

Risk Is . . . Something That Should Be Dealt with Constantly, Not Sporadically

- Risk produces loss when bad things happen; that's when we need risk control.
- But we never know when bad things will happen, and thus when risk control will be needed.
- The right model for investing isn't American football, where one team's defensive squad tries to stop the other's offensive squad for a while, and then they trade places. The right model is soccer, where pretty much the same eleven people have to play both defense and offense all game, and there are few stoppages or substitutions.
- Likewise, in investing no one tells you when to substitute defense for offense, and there are no stoppages during which to do it.
- **Risk control is unnecessary when loss doesn't occur, but that doesn't mean it's a mistake to have it. The best model is automobile insurance: do you regret having had it in a year without an accident?**

Risk Is . . .

Risk Is . . . Not a Function of Asset Quality

- **A high-quality asset can be priced so high that it's risky.**

Risk Is . . .

Risk Is . . . Largely a Matter of Price

- **A low-quality asset can be cheap enough to be safe.**

Risk Is . . .

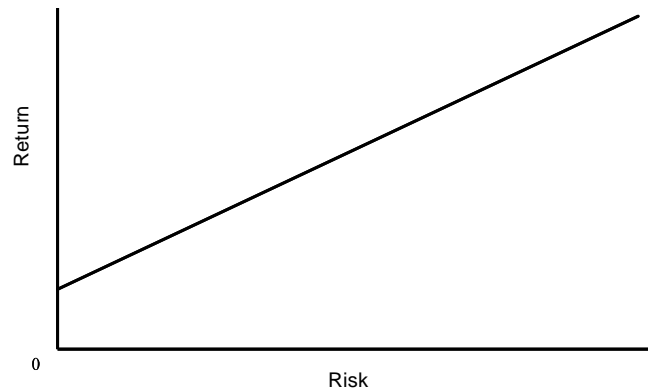
Risk Is . . . the Product of Uncertainty Concerning the Future

- **“Risk means more things can happen than will happen.” – Elroy Dimson**
- It’s challenging to come up with an estimate of an investment’s expected rate of return.
- It can be much harder to comprehend and describe the entire distribution of possible outcomes around the expected return.

Risk Is . . .

Risk Is . . . Not a Dependable Source of High Return

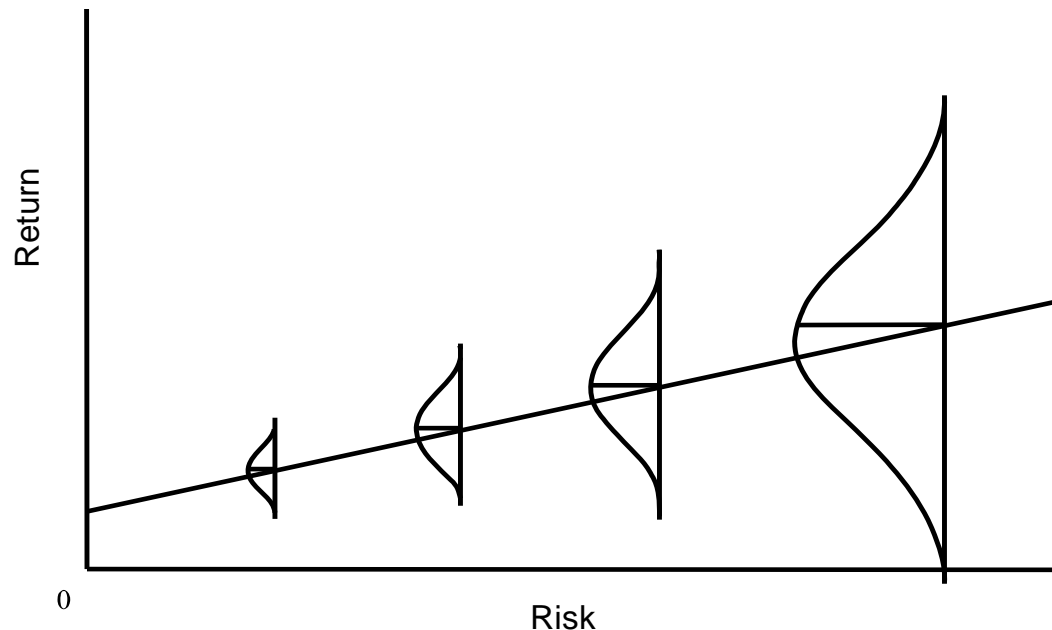
- It's true that investments that seem riskier must appear to offer higher returns in order to attract capital.



- However, that's very different from saying “riskier assets produce higher returns” or “the way to make more money is to take more risk.” These are traps into which most investors fall, especially in times when things are going well and risk taking is being rewarded.
- **If risky investments could be counted on to produce high returns, they wouldn't be risky.**

Risk Is . . .

Risk Is . . . Best Thought of in Terms of the Distribution of Possible Outcomes



- As risk increases,
 - the expected return rises,
 - the range of possible outcomes becomes wider, and
 - the worst outcome worsens and ultimately becomes negative.
- **This is the way to think about the risk/return relationship.**

Risk Is . . .

Risk Is . . . a Function of Correlation, Not Just Each Asset Taken Individually

- Apart from the riskiness of individual assets, the risk of a portfolio will be a function of how connected the assets' returns are.
- Effective diversification doesn't mean owning different things, but owning things that respond differently to events in the environment.
- Estimating correlation is extremely difficult because of the many fault lines that run through portfolios.

Risk Is . . .

Risk Is . . . Not Separable from Investment Management

- “Risk managers” are statisticians with little knowledge of underlying assets.
- So-called “risk management” organizes the thought process regarding portfolio risk, but its output isn’t any better than its inputs.
- The riskiness of a portfolio is best thought of as the left hand side of its distribution of probable returns; who’s most qualified to assess it?
- More people were probably being paid to manage risk in 2005-07 than at any other time in history. And yet the essential ingredients for the greatest crisis in almost 80 years were able to develop.

Risk Is . . .

Risk Is . . . Capable of Being Borne Intelligently

- **You can bear risk prudently if it is:**
 - **risk you're aware of,**
 - **risk that can be analyzed,**
 - **risk that can be diversified, and**
 - **risk you're well paid to bear.**

Risk Is . . .

Risk Is . . . Kept Under Control in Superior Portfolios

- **Highly skilled investors assemble portfolios that will produce good returns if things go well and resist decline if things go poorly.**
- Achieving an above average return with average risk is a significant accomplishment.
- Achieving an average return with below average risk is an equally significant accomplishment, albeit easily overlooked.
- **Assembling a portfolio that incorporates risk control along with the potential for gains is a great accomplishment. But it's a hidden accomplishment most of the time, since risk only turns into loss occasionally . . . when the tide goes out.**

Risk Is . . .

Risk Is . . . Something to Be Managed and Controlled, Not Avoided

- Risk control is indispensable.
- Risk avoidance is not an appropriate goal in investing.
- “You’ve got to go out on a limb sometimes because that’s where the fruit is.”
– Will Rogers

Risk Is . . .

The bottom line:

You shouldn't expect to make money without bearing risk, but you also shouldn't expect to make money just for bearing risk.

Risk is best handled on the basis of accurate subjective judgments on the part of experienced experts emphasizing risk consciousness.

Outstanding investors are outstanding because they have a superior sense for the probability distribution that governs future events, and for whether the potential returns compensate for the risks that lurk in the distribution's negative left-hand tail.

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VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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September 16, 2015

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

**SUBJECT: PRELIMINARY REPORT ON PEPRA PENSIONABLE COMPENSATION
ANALYSIS: UPDATE AND RECOMMENDATION**

Dear Board Members:

At the July 20, 2015, VCERA business meeting, the Board was provided a preliminary report analyzing more than 500 pay codes in relation to "pensionable compensation" under PEPRA. The report reflected analysis by both VCERA staff and outside counsel Ashley Dunning, from Nossaman, LLP, pursuant to the Board's November 2014 resolution interpreting Government Code Section 7522.34 subdivision (a) – "pensionable compensation", based on available data.

The Board approved staff's recommendation to receive and file the report, directing the Retirement Administrator to provide to stakeholders for review and comment. On July 22nd, the report was shared with union stakeholders, and was posted publicly on the VCERA website. After receiving very limited input, on September 3, 2015, the report was shared with a broader list of contacts on file, including key County staff, the Board of Supervisors, various union representatives, and all who have previously requested to receive notice of VCERA agenda postings.

Feedback Received

On September 10, 2015, VCERA received a formal written response to the preliminary report from Stephen H. Silver, attorney for the Ventura County Deputy Sheriffs Association (VCDSA), the Ventura County Professional Firefighters Association (VCPFA) and the Ventura County Professional Peace Officers Association (VCPPOA). This letter is provided as an attachment.

Staff has been in communication with Ventura Regional Sanitation District (VRSD) since July 20th regarding the preliminary report. VRSD is working with staff to implement pay code changes and other adjustments recommended by VCERA.

Changes to Preliminary Report

Since the preliminary report was drafted, VCERA staff has received additional or corrected information regarding certain existing payroll codes; also, since July 20th, staff has learned that several new pay codes have been adopted since the analysis began, by both the County of Ventura and the VRSD.

In the attached addendums, staff is providing the changes to previous recommendations, as well as analysis of the new payroll codes, using the same original criteria and process for this analysis. The following is a summary of the changes since the report was provided on July 20th that are reflected in the addendums.

County Codes

- Pay code for Sheriff Patrol Bonus (SPB) recommendation has been changed from meeting the criteria to being situation specific based on an August 4, 2015, change to the VCDSA Memorandum of Agreement.
- Pay code HWP was incorrectly categorized by VCERA as “Meets Criteria” on July 20th report, but should have read “Does Not Meet Criteria” so this change is a correction.
- The following pay codes have no change in recommendation, but updated language is provided for clarity: HPD, YRATE and YRATEH.

VRSD Codes

- Code CLASSO was initially incorrectly identified as currently being included in pensionable compensation, but is actually excluded; that correction has been made, resulting in it now being categorized as “no change recommended.”
- Codes RMED-C and RMED-L have recently been designated “inactive” so those corrections are reflected.
- VRSD added 22 new prior period adjustment codes on August 26, 2015, and these are added to the code analysis table.

General Changes

- Preliminary report endnote has been updated, clarifying the imputing of pensionable compensation during periods of leave without pay periods.

Subsequently, here is the updated preliminary review summary:

County of Ventura	Codes	VRSD	Codes
No change recommended	376	No change recommended	63
Change to “include”	37	Change to “include”	0
Change to “exclude”	34	Change to “exclude”	5
Situation Specific	48	Situation Specific	0

While the analysis by staff and counsel was done based on available data, we recognize that the definition or application of specific codes may change in the future. Examples of this would be when MOUs are modified, the employer interpretation or practical application of a code is changed, or a new group of employees begins receiving pay under an established code. For this reason, staff and counsel recommend that VCERA reserve the right to change and update the inclusion/exclusion designation of payroll codes as new information becomes available in the future, as well as provide analysis for any new payroll codes as they are established. Communication between VCERA and participating employers is critical when new codes are added or existing codes are changed. We strongly encourage participating employers to inform VCERA when such additions or changes are being considered.

Recommendation

Based on the very recent feedback received, as well as the new codes being added to the analysis in the addendums, staff recommends that the Board defer action until the October 19, 2015, business meeting to allow all employers and stakeholders until October 2nd to provide written feedback and input. This will also allow VCERA staff and counsel time to adequately analyze and respond to this feedback.

September 16, 2015

Page 3 of 3

Ultimately, the final document approved by the Board would serve as an addendum to the original resolution adopted in November 2014, and provide specific application of the resolution for individual pay code items. Staff further recommends that when the final document is adopted and implemented, the effective date be January 3, 2016.

RECOMMENDATION: RECEIVE AND FILE PROVIDED ADDENDUMS TO JULY 20, 2015, PRELIMINARY REPORT ON PENSIONABLE COMPENSATION ANALYSIS, DEFERRING FORMAL SCHEDULED ACTION UNTIL THE OCTOBER 19, 2015 BUSINESS MEETING TO ALLOW UNTIL OCTOBER 2, 2015, FOR ADDITIONAL FEEDBACK AND RESPONSE FROM STAKEHOLDERS.

Staff will be happy to answer any questions regarding the proposed changes at the September 16, 2015, off-site meeting.

Sincerely,

A handwritten signature in cursive script, appearing to read "Linda Webb", with a long horizontal flourish extending to the right.

Linda Webb
Retirement Administrator

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: No Change Recommended

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
40H	40 Hour Work Week	VCPFA employees temporarily placed on a 40-hour assignment for purposes of FLSA overtime		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
48A	PP 4850 Adjustment	Prior pay period 4850 earnings adjustment		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amounts Only	0.000000	0.00	1.0000	221101	
48H	4850 Time Safety Hourly	Labor Code Section 4850 - Industrial leave		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
48P	PP 4850 Adjustment Pre 7/1/02	Inactive		Inactive		Earnings code is obsolete and inactive.	Doesn't Meet Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221101	Delete code
48S	4850 Time Safety Salary	Labor Code Section 4850 - Industrial leave		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
A48	PP 4850 Hours Only Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	12/17/2006	Hours Only	0.000000	0.00	1.0000	221101	
ADM	Administrative Leave Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
BHA	Bank Holiday Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	6/27/2010	Hours Only	0.000000	0.00	1.0000	221101	
BHH	Bank Holiday Hourly	Use of banked holiday hours.		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
BHS	Bank Holiday Salary	Use of banked holiday hours.		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
BSH	Bereavement Hourly FLSA			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
BSS	Bereavement Salary FLSA			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
BVH	Bereavement Hourly			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
BVS	Bereavement Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
CBA	Comp Balance Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	4/25/2004	Hours Only	0.000000	0.00	1.0000	221101	
CTH	Comp Taken Hourly FLSA			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
CTK	Comp Time Taken NonFLSA			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	9/14/2014	Amount OK	0.000000	0.00	1.0000	221101	
CTS	Comp Time Taken Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
EDS	Educational Leave Salary	CNA		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
EDU	Educational Leave Hourly	CNA		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
ELA	Education Leave Hrs Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	6/4/2006	Hours Only	0.000000	0.00	1.0000	221101	
FHA	Floating Holiday Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	4/25/2004	Hours Only	0.000000	0.00	1.0000	221101	
FHH	Floating Holiday Non FLSA	Included in base pay		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	3/15/2015	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
FLA	Family Medical Leave Adj	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	4/25/2004	Hours Only	0.000000	0.00	1.0000	221101	
FLH	Floating Holiday Hourly			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	3/17/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
FLS	Floating Holiday Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
FML	Family Med Leave Unpaid Hourly			Excludes	7522.34(a)	Reduces from Base Pay	Meets Criteria	4/25/2004	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
FMS	Family Med Leave Unpaid Salary			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	4/25/2004	Amount OK	0.000000	0.00	1.0000	221101	
FSA	Family Sick Leave Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	12/3/2006	Hours Only	0.000000	0.00	1.0000	221101	
FSH	Sick - Family Sick Hourly			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
FSS	Sick - Family Sick Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	9/28/2014	Amount OK	0.000000	0.00	1.0000	221101	
H1S	Pandemic Sick Leave Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	11/1/2009	Hours Only	0.000000	0.00	1.0000	221101	
H1V	Pandemic Vacation Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	11/1/2009	Hours Only	0.000000	0.00	1.0000	221101	

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County Pay Codes: No Change Recommended

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes/ as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
HMB	Holiday Bank Management	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	6/27/2010	Hours Only	0.000000	0.00	1.0000	221101	
HOH	Holiday Taken Hourly			Includes	7522.34(a)	Base pay portion of holiday pay.	Meets Criteria	3/3/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
HOL	Holiday - Hourly Non FLSA	Included in base pay		Includes	7522.34(a)	Base pay portion of holiday pay.	Meets Criteria	3/15/2015	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
HOS	Holiday Taken Salary			Includes	7522.34(a)	Base pay portion of holiday pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
HW2	Holiday Worked Salary_Sheriff			Includes	7522.34(a)	Base pay portion of holiday pay.	Meets Criteria	12/7/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
HWS	Holiday Worked 1.0x			Includes	7522.34(a)	Base pay portion of holiday pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
NAHRLY	Hourly Compensation	Base Pay for Hourly employees	All unions	Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria							
INH	LWOP Industrial Hourly			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	4/25/2004	Hours Only	0.000000	0.00	1.0000	221101	
INS	LWOP Industrial Salary			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	4/25/2004	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
IPH	Industrial Leave Hourly			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
IPS	Industrial Leave Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
JDH	Jury Duty Hourly			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
JDS	Jury Duty Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
JUR	Jury Duty Hourly Non FLSA	Included in base pay		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	3/15/2015	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
LNP	Leave Without Pay Hourly			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	4/25/2004	Hours Only	0.000000	0.00	1.0000	221101	
LNS	Leave Without Pay Salary			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	4/25/2004	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
LPH	Leave with Pay Hourly			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
LPS	Leave with Pay Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
MLH	Military Leave Paid Hourly			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
MLN	Military Leave Hourly Non FLSA	Included in base pay		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	3/15/2015	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
MLS	Military Leave Paid Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
MLU	Military Leave Unpaid Hourly			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	4/25/2004	Hours Only	0.000000	0.00	1.0000	221101	
MUS	Military Leave Unpaid Salary			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	4/25/2004	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
NEF	Non Emergency Fire Mgmt 120hrs	Additional non-emergency hours worked for Fire Safety Management. Hours only.		Excludes	N/A	No cash value - hours reporting code.	Doesn't Meet Criteria	4/25/2004	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
NHS	4850 Non Tax Hol Taken Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
NHT	4850 Non Tax Holiday Taken			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
OAH	PP OT Hours Only Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	12/5/2004	Hours Only	0.000000	0.00	1.0000	221101	
PHS	PDP Holiday Worked 1.0	Per Diem Pool		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
PSH	Sick - Personal Sick Hourly			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
PSS	Sick - Personal Sick Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
R48	Retro 4850 Reg & Hol Pay	Retro earnings adjustment		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/20/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
RAH	PP Hours Only Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	12/5/2004	Hours Only	0.000000	0.00	1.0000	221101	

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County Pay Codes: No Change Recommended

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes/ as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
RAJ	PP Regular Earnings Adjustment	Prior pay period regular earnings adjustment		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221101	
REG	Regular			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
RMA	Risk Management Adjustment			Excludes	7522.34(c)(4)	Severance or any other payment granted. To the extent payment is a retroactive payment for services rendered, the payment should be made under a different paycode.	Doesn't Meet Criteria	11/27/2011	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	Yes
RRP	Retro Regular Pay	Retro active regular earnings adjustment		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221101	
RTC	Retro Comp Time Taken	Retro earnings adjustment		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
SBH	4850 Safety Hourly Pre 7/01/02	Inactive		Inactive		Earnings code is obsolete and inactive.	Doesn't Meet Criteria	5/11/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	Delete code
SBS	4850 Safety Salary Pre 7/01/02	Inactive		Inactive		Earnings code is obsolete and inactive.	Doesn't Meet Criteria	5/11/2014	Amount OK	0.000000	0.00	1.0000	221101	
SFH	Family Sick - Hourly Non FLSA	Included in base pay		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	3/15/2015	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
SLA	Sick Leave Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	4/25/2004	Hours Only	0.000000	0.00	1.0000	221101	
SOJ	Sick Other Hours Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	6/4/2006	Hours Only	0.000000	0.00	1.0000	221101	
SPH	Sick - Personal Hourly NonFLSA	Included in base pay		Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	3/15/2015	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
USB	Union Steward Bank			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
VAH	Vacation Hourly NonFLSA			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	9/14/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
VAS	Vacation Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
VFA	Vacation Advance Hrs Adj	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	1/16/2005	Hours Only	0.000000	0.00	1.0000	221101	
VLA	Vacation Hours Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	4/25/2004	Hours Only	0.000000	0.00	1.0000	221101	
VOJ	Vacation Other Hrs Adjustment	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	6/4/2006	Hours Only	0.000000	0.00	1.0000	221101	
VSH	Vacation Hourly FLSA			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
VSS	Vacation Salary FLSA			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/1/2013	Amount OK	0.000000	0.00	1.0000	221101	
FAH	PP Furlough Hours Adjustment			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	6/28/2009	Hours Only	0.000000	0.00	1.0000	221103	
FAJ	PP Furlough Adjustments			Includes	7522.34(a)	Reduces from Base Pay	See Endnote*	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221103	
FUH	Court Furlough With Pay Hourly			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	6/9/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221103	
FUS	Court Furlough With Pay Salary			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	6/9/2013	Amount OK	0.000000	0.00	1.0000	221103	
FWH	Furlough No Pay Hourly			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	7/10/2011	Either Hours or Amount OK	0.000000	0.00	1.0000	221103	
FWS	Furlough No Pay Salary			Excludes	7522.34(a)	Reduces from Base Pay	See Endnote*	7/10/2011	Amount OK	0.000000	0.00	1.0000	221103	
VAF	Voluntary Adj Furlough Hours	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	6/28/2009	Hours Only	0.000000	0.00	1.0000	221103	
VFH	Court Voluntary Furlough Pay			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	9/29/2013	Amount OK	0.000000	0.00	1.0000	221103	
VFJ	Voluntary Furlough Adjustment			Includes	N/A	Included in normal monthly rate of pay.	Meets Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221103	
VFS	Court Voluntary Furlough Pay			Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	10/13/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221103	
COF	Call Back Overtime FCW			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	5/1/2011	Either Hours or Amount OK	0.000000	0.00	1.5000	221105	
COS	Contract Straight Time Overtim			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	6/4/2006	Amount OK	0.000000	0.00	1.0000	221105	
COT	Contract Overtime			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	1.5000	221105	
HDO	Holiday on Scheduled Day Off	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	4/25/2004	Hours Only	0.000000	0.00	1.0000	221105	

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HPD	Hol Wrk CNA Per Diem 0.5			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	0.5000	221105	
N12	4850 27-Day FLSA Premium >7/02			Includes	7522.34(c)(8)	Compensation for overtime worked as defined in Section 207(k) for Title 29 of the USC.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	0.5000	221105	
NFO	4850 27-Day FLSA Premium <7/02	Inactive		Inactive		Earnings code is obsolete and inactive.	Doesn't Meet Criteria	5/11/2014	Either Hours or Amount OK	0.000000	0.00	0.5000	221105	Delete code
NHO	4850 Non Tax Holiday RDO-Shf			Includes	7522.34 (a)	Compensation exceeds base pay	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
NRF	Non-Retirement FLSA OT			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
O29	Overtime Issue 29 Pay			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	8/22/2010	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
O30	Overtime Issue 30 Pay			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	8/22/2010	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
OAJ	PP Overtime Adjustment (NR)			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
OFC	Overtime FLSA Contract			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	1.5000	221105	
OTH	27-Day FLSA Overtime Premium			Includes	7522.34(c)(8)	Compensation for overtime worked as defined in Section 207(k) for Title 29 of the USC.	Meets Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	0.5000	221105	
OTP	Overtime			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.5000	221105	
OTR	VCPFA Scheduled OT Retirement			Includes	7522.34(c)(8)	Compensation for overtime worked as defined in Section 207(k) for Title 29 of the USC.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.5000	221105	
OTS	Straight Time Overtime			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
POT	Premium Overtime			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Amounts Only	0.000000	0.00	1.0000	221105	
ROT	Retro Overtime Pay			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
RSO	Retro Overtime 1.0x			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
ZFO	FLSA Comp Bank Adjustment OT			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.5000	221105	
ZNO	NFLSA Comp Bank Adjustment OT			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.5000	221105	
301	30 Yr Retirement Incentive 1%	CERL requires member's hire date to be prior to 3/7/73 in order to be eligible.	SEIU MOA Section 404	Excludes	N/A	PEPRA membership begin date is 1/1/13, therefore PEPRA members are ineligible	Doesn't Meet Criteria	5/1/2011	Either Hours or Amount OK	0.000000	0.00	0.0100	221106	
30C	30Year Retirement CJAAVC			Excludes	N/A	PEPRA membership begin date is 1/1/13, therefore PEPRA members are ineligible	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0600	221106	
30M	30 Year Retirement Inc MGMT	CERL requires member's hire date to be prior to 3/7/73 in order to be eligible.	Management Resolution Section 1902	Excludes	N/A	PEPRA membership begin date is 1/1/13, therefore PEPRA members are ineligible	Doesn't Meet Criteria	11/18/2007	Amounts Only	0.000000	0.00	1.0000	221106	
30R	30 Year Retirement Mgmt Safety		Management Resolution Section 1902	Excludes	7522.25	No cessation of retirement contributions after 30 years for PEPRA members.	Doesn't Meet Criteria	11/18/2007	Amounts Only	0.000000	0.00	1.0000	221106	
30S	30 Year Retirement Inc VCDSA		VCDSA MOA Section 1902	Excludes	7522.25	No cessation of retirement contributions after 30 years for PEPRA members.	Doesn't Meet Criteria	4/3/2011	Either Hours or Amount OK	0.000000	0.00	0.0350	221106	
30T	30 Year Retirement Inc 4/2		VCDSA MOA Section 1902	Excludes	7522.25	No cessation of retirement contributions after 30 years for PEPRA members.	Doesn't Meet Criteria	8/10/2008	Either Hours or Amount OK	0.000000	0.00	0.0600	221106	
30V	30 Yr Retirement Incentive 1%	CERL requires member's hire date to be prior to 3/7/73 in order to be eligible.	SEIU MOA Section 404	Excludes	N/A	PEPRA membership begin date is 1/1/13, therefore PEPRA members are ineligible	Doesn't Meet Criteria	2/6/2011	Either Hours or Amount OK	0.000000	0.00	0.0100	221106	
30X	30 Year Retirement Courts Mgmt	CERL requires member's hire date to be prior to 3/7/73 in order to be eligible.	Courts- Mgmt	Excludes	N/A	PEPRA membership begin date is 1/1/13, therefore PEPRA members are ineligible	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0600	221106	

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AD1	Associate's Degree - MGMT		Management Resolution Section 612 B	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0250	221106	
AD2	Associate's Degree		SEIU MOA Section 624	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job function of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	0.0250	221106	
AD3	Associate's Degree VCPFA Line		VCPFA MOA Section 806	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	0.0250	221106	
AD4	Associate's - Line Batt Chiefs		Management Resolution Section 612 A	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0250	221106	
AD5	AA Degree Shf 4/2		VCDSA MOA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	8/10/2008	Either Hours or Amount OK	0.000000	0.00	0.0250	221106	
ANM	Animal Regulation Differential		SEIU, Section 618	Excludes	7522.34(a)	Payment is not for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment. Payments is also sporadic and ad hoc and for services rendered outside of normal working hours.	Doesn't Meet Criteria	11/19/2006	Unit/Override Rate	0.350000	0.00	1.0000	221106	
AP1	4/2 Sheriff Advanced Post-Sgt	VCDSA MOA Section 805	VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	200.73	1.0000	221106	
AP2	4/2 Sheriff Advance Post-DEP		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	153.24	1.0000	221106	
AP3	4/2 Sheriff Adv Post-S DEP-		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	168.93	1.0000	221106	
APC	Advanced POST Cert SGT		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	2.509125	0.00	1.0000	221106	
APD	Advanced POST Cert Deputy		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	1.915500	0.00	1.0000	221106	

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County Pay Codes: No Change Recommended

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
ARM	Animal Range Master (FIC)		SEIU Section 643	Excludes	7522.34(a)	Only available to one employee in the class. Payment is based on temporary or ad hoc appointments and thus is not for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	3/21/2010	Flat Amount	0.000000	45.00	1.0000	221106	
AS1	ASE/CFMA Cert Level I IUOE		IUOE Section 811	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0200	221106	
AS2	ASE/CFMA Cert Level II IUOE		IUOE Section 811	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0300	221106	
AS3	ASE/CFMA Cert Level III IUOE		IUOE Section 811	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	8/10/2008	Either Hours or Amount OK	0.000000	0.00	0.0450	221106	
ASD	Advanced POST Cert Sr. Deputy		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	2.111625	0.00	1.0000	221106	
BD1	Bachelor's Degree - MGMT		Management Resolution Section 612 B	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0350	221106	
BD2	Bachelor's Degree		SEIU Section 624	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	0.0350	221106	
BD3	Bachelor's Degree VCPFA Line		VCPFA MOA Section 806	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	0.0350	221106	
BD4	Bachelor's - Line Batt Chiefs		Management Resolution Section 612 A	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
BD5	Bachelors's Degree Shf 4/2		VCDSA MOA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	8/10/2008	Either Hours or Amount OK	0.000000	0.00	0.0350	221106	
BHI	Behavioral Health Intern Diff		None	Excludes	N/A	Payment made to Behavioral Health Interns - Excluded members.	Doesn't Meet Criteria	1/29/2006	Unit/Override Rate	48.000000	0.00	1.0000	221106	
C15	Court Time 1.5x	Overtime compensation for off-duty court appearances	VCDSA Section 804	Excludes	7522.34(c)(6)	Payment is for additional services rendered outside of normal working hours.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.5000	221106	

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CAM	Cert Public Accountant MGMT		Management Resolution Section 609	Excludes	7522.34(a)	Payment is restricted to employees who possess an accreditation that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
CBK	Cash Back Flex Credit No Pay			Excludes	N/A	No cash value.	Doesn't Meet Criteria	1/1/2006	Amounts Only	0.000000	0.00	1.0000	221106	
CEB	VCERA CEBS Certification		Management Resolution Section 406	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0350	221106	
CFA	VCERA CFA Certification		Management Resolution Section 406	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
CPA	Certified Public Accountant		SEIU Section 616	Excludes	7522.34(a)	Payment is restricted to employees who possess an accreditation that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.470000	0.00	1.0000	221106	
CPI	Certified Psychologist - MGMT		Management Resolution Section 608	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.1000	221106	
CPM	Certified Psychiatrist - MGMT		Management Resolution Section 608	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.1000	221106	
CPY	Certified Psychiatrist - SEIU		SEIU Section 615	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	1.930000	0.00	1.0000	221106	
CRN	Truck Crane Assignment Pay		IUOE Section 614	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	8/10/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
CRR	Certified Realtime Reporters		Courts SEIU Section 4	Excludes	7522.34(a)	Payment is restricted to employees who are Certified Realtime Reporters from the National Court Reporters Association. Such certification is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	12/28/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
DFT	Float Nurse Premium Pay		CNA Section 810	Excludes	7522.34(a)	Payment is for any hours worked in a unit other than regular assignment or home unit. Thus, payment is not for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	3/9/2008	Unit/Override Rate	2.500000	0.00	1.0000	221106	

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DTN	Dispatcher Training Bonus		SEIU 627	Excludes	7522.34(a)	Payment is restricted to individuals designated as Training Officers for each shift in which a Trainee is assigned to them. Thus, payment is not for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	1/29/2006	Unit/Override Rate	1.500000	0.00	1.0000	221106	
EAF	Employee Assistance Program			Excludes	7522.34(c)5	Payment for unused vacation hours.	Doesn't Meet Criteria	11/5/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	
EAT	Sheriff Meal Pay 4/2 Schedule	Restricted to those assigned to Patrol and Chief Sheriff Pilot and Sheriff's Pilot serving as Crew Chiefs.	VCDSA MOA 1104	Excludes	7522.34(a)	Obsolete code needs to be inactivated	N.A.	1/29/2006	Unit/Override Rate	10.000000	0.00	1.0000	221106	Delete code
EMP	Battalion Chiefs EMT Prem Pay		Management Resolution Section 620	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	7/10/2011	Flat Amount	0.000000	129.45	1.0000	221106	
F01	Ed Inc AA Fire Captain		VCPFA MOA Section 806	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	97.57	1.0000	221106	
F02	Ed Inc AA Fire Crew Supervisor			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	96.26	1.0000	221106	
F03	Ed Inc AA Fire Engineer			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	84.09	1.0000	221106	
F04	Ed Inc AA Firefighter			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	72.47	1.0000	221106	
F05	Ed Inc AA Fire Equipment Oper			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	91.70	1.0000	221106	
F06	Ed Inc AA Fire Inspector			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	71.29	1.0000	221106	
F07	Ed Inc AA Fire Investigtg Spec			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	100.32	1.0000	221106	
F08	Ed Inc AA Fire Prevention Off			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	96.35	1.0000	221106	

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F09	Ed Inc AA Fire Specialist			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	67.88	1.0000	221106	
F10	Ed Inc AA Fire System Engineer			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	96.67	1.0000	221106	
F11	Ed Inc AA HazMat Specialist			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	97.57	1.0000	221106	
F12	Ed Inc AA Sr Fire Inspector			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	79.25	1.0000	221106	
F13	Ed Inc AA Wildland Fire Off			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	105.00	1.0000	221106	
F14	Ed Inc AA Fire Preven III <94			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	105.35	1.0000	221106	
F15	Ed Inc BA Fire Captain			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	146.34	1.0000	221106	
F16	Ed Inc BA Fire Crew Supervisor			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	144.40	1.0000	221106	
F17	Ed Inc BA Fire Engineer			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	126.13	1.0000	221106	
F18	Ed Inc BA Firefighter			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	108.71	1.0000	221106	
F19	Ed Inc BA Fire Equipment Oper			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	137.55	1.0000	221106	

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F20	Ed Inc BA Fire Inspector			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	106.92	1.0000	221106	
F21	Ed Inc BA Fire Investigtg Spec			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	150.48	1.0000	221106	
F22	Ed Inc BA Fire Prevention Off			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	144.50	1.0000	221106	
F23	Ed Inc BA Fire Specialist			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	101.81	1.0000	221106	
F24	Ed Inc BA Fire System Engineer			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	145.01	1.0000	221106	
F25	Ed Inc BA HazMat Specialist			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	146.34	1.0000	221106	
F26	Ed Inc BA Sr Fire Inspector			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	118.86	1.0000	221106	
F27	Ed Inc BA Wildland Fire Off			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	157.50	1.0000	221106	
F28	Ed Inc BA Fire Preven II <94			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	136.18	1.0000	221106	
F30	30-Year Retirement VCPFA Line		VCPFA Section 501 Management Resolution Section 1902	Excludes	7522.25	No cessation of retirement contributions after 30 years for PEPPRA members.	Doesn't Meet Criteria	11/27/2011	Either Hours or Amount OK	0.000000	0.00	0.1136	221106	
F31	30-Year Ret MGMT Fire-Line			Excludes	7522.25	No cessation of retirement contributions after 30 years for PEPPRA members.	Doesn't Meet Criteria	11/18/2007	Amounts Only	0.000000	0.00	1.0000	221106	
F32	30-Year Retirement VCPFA Staff			Excludes	7522.25	No cessation of retirement contributions after 30 years for PEPPRA members.	Doesn't Meet Criteria	11/27/2011	Either Hours or Amount OK	0.000000	0.00	0.1136	221106	
FM1	Fire Science 1 - BC			Excludes	7522.34(a)	Payment is restricted to employees who have completed classes that are not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	34.62	1.0000	221106	

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FM2	Fire Science 2 - BC			Excludes	7522.34(a)	Payment is restricted to employees who have completed classes that are not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	46.16	1.0000	221106	
FM3	Fire Science 3 - BC			Excludes	7522.34(a)	Payment is restricted to employees who have completed classes that are not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	57.70	1.0000	221106	
FS1	Fire Science 1 - VCPFA			Excludes	7522.34(a)	Payment is restricted to employees who have completed classes that are not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	11.54	1.0000	221106	
FS2	Fire Science 2 - VCPFA			Excludes	7522.34(a)	Payment is restricted to employees who have completed classes that are not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	23.08	1.0000	221106	
FS3	Fire Science 3 - VCPFA			Excludes	7522.34(a)	Payment is restricted to employees who have completed classes that are not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	34.62	1.0000	221106	
FTO	Field Training Officer Bonus		VCDSA Section 2210	Excludes	7522.34(a)	Payment is restricted to Deputies designated as Field Training Officers for each shift in which a Trainee is assigned to them. Thus, payment is not for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	1/29/2006	Unit/Override Rate	18.000000	0.00	1.0000	221106	
GD1	Graduate Degree - MGMT		Management Resolution Section 612 B	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
GD2	Graduate Degree		SEIU Section 624	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
GD3	Graduate Degree VCPFA Line		VCPFA MOA Section 806	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
GD4	Graduate Deg Line Batt Chiefs		Management Resolution Section 612 A	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0750	221106	
GD5	Graduate Degree Shf 4/2		VCDSA MOA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	8/10/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	

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County Pay Codes: No Change Recommended

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
HPP	HIRT Pool Premium Pay VCPFA		VCPFA Section 606	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	7/10/2011	Unit/Override Rate	1.250000	0.00	1.0000	221106	
HSP	House Supervisor Pay VCMC		CNA Section 807	Excludes	7522.34(a)	Payment is for any hours worked as VCMC relief "House Supervisor". This payment is only for temporary assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is there an identifiable subgroup of employees who are regularly eligible for it.	Doesn't Meet Criteria	3/9/2008	Unit/Override Rate	3.000000	0.00	1.0000	221106	
IAT	PP Incentives Adjustment (R2)	Inactive		Inactive		Earnings code is obsolete and inactive.	Doesn't Meet Criteria	3/30/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	Delete code
IHA	In-House Prior PP Adjustment		CNA Section 605 and Exhibit A	Excludes	7522.34(a), 7522.34(c)(3) and (6)	Payments permit employees to "voluntarily work extra hours." Thus, the payments are for additional services rendered outside of normal working hours. They are not part of base pay or normal monthly rate of pay, and they are ad hoc.	Doesn't Meet Criteria	5/3/2009	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	
IHM	In-House Registry >40 PM		CNA Section 605 and Exhibit A	Excludes	7522.34(a), 7522.34(c)(3) and (6)	Payments permit employees to "voluntarily work extra hours." Thus, the payments are for additional services rendered outside of normal working hours. They are not part of base pay or normal monthly rate of pay, and they are ad hoc.	Doesn't Meet Criteria	2/26/2006	Either Hours or Amount OK	0.000000	0.00	2.1500	221106	
IHN	In-House Registry <40 NOC		CNA Section 605 and Exhibit A	Excludes	7522.34(a), 7522.34(c)(3) and (6)	Payments permit employees to "voluntarily work extra hours." Thus, the payments are for additional services rendered outside of normal working hours. They are not part of base pay or normal monthly rate of pay, and they are ad hoc.	Doesn't Meet Criteria	2/26/2006	Either Hours or Amount OK	0.000000	0.00	2.0125	221106	
IHO	In-House Registry >40 Hours		CNA Section 605 and Exhibit A	Excludes	7522.34(a), 7522.34(c)(3) and (6)	Payments permit employees to "voluntarily work extra hours." Thus, the payments are for additional services rendered outside of normal working hours. They are not part of base pay or normal monthly rate of pay, and they are ad hoc.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	2.0000	221106	
IHP	In-House Registry <40 PM		CNA Section 605 and Exhibit A	Excludes	7522.34(a), 7522.34(c)(3) and (6)	Payments permit employees to "voluntarily work extra hours." Thus, the payments are for additional services rendered outside of normal working hours. They are not part of base pay or normal monthly rate of pay, and they are ad hoc.	Doesn't Meet Criteria	2/26/2006	Either Hours or Amount OK	0.000000	0.00	1.8813	221106	
IHR	In-House Registry <40 Hours		CNA Section 605 and Exhibit A	Excludes	7522.34(a), 7522.34(c)(3) and (6)	Payments permit employees to "voluntarily work extra hours." Thus, the payments are for additional services rendered outside of normal working hours. They are not part of base pay or normal monthly rate of pay, and they are ad hoc.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.7500	221106	
IHX	In-House Registry >40 NOC		CNA Section 605 and Exhibit A	Excludes	7522.34(a), 7522.34(c)(3) and (6)	Payments permit employees to "voluntarily work extra hours." Thus, the payments are for additional services rendered outside of normal working hours. They are not part of base pay or normal monthly rate of pay, and they are ad hoc.	Doesn't Meet Criteria	2/26/2006	Either Hours or Amount OK	0.000000	0.00	2.3000	221106	
IP1	4/2 Sheriff Interm Post-SGT		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	133.82	1.0000	221106	

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: No Change Recommended

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
IP2	4/2 Sheriff Interm Post-DEP		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	102.16	1.0000	221106	
IP3	4/2 Sheriff Interm Post-S DEP		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	112.62	1.0000	221106	
IPC	Intermediate POST Cert SGT		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	1.672750	0.00	1.0000	221106	
IPD	Intermediate POST Cert Deputy		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	1.277000	0.00	1.0000	221106	
ISD	Intermediate POST Cert Sr. Dep		VCDSA Section 805	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	1.407750	0.00	1.0000	221106	
IUC	IUOE Qualified Cert 5%		IUOE Section 812	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
MA1	CFMA Cert Level II IUOE		IUOE Section 811	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	8/10/2008	Either Hours or Amount OK	0.000000	0.00	0.0150	221106	
MA2	CFMA Cert Level IV IUOE		IUOE Section 811	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	8/10/2008	Either Hours or Amount OK	0.000000	0.00	0.0200	221106	
ME1	Hospital Maint Eng CSHE MECH		IUOE Section 815	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
ME2	Senior CSHE MECH Hos Maint Eng		IUOE Section 815	Excludes	7522.34(a)	Payment is restricted to employees who possess a certification that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
MED	MEDI Pick-Up		VCDSA Section 3105	Excludes	7522.34(a); 7522(c)(2)	Payment is restricted to VCDSA employees hired prior to 4/1/86 and thus are not PEPRA members. Also, this is an excluded in-kind conversion.	Meets Criteria	8/10/2008	Either Hours or Amount OK	0.000000	0.00	0.0148	221106	

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MHD	MH Inpatient Differential IUOE		IUOE Section 605	Excludes	7522.34(a)	Payment is not part of base pay or normal monthly rate of pay. The payment is only for temporary assignments in, including working more an one hour in, the Mental Health Acute Inpatient program. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is there an identifiable subgroup of employees who are regularly eligible for it.	Doesn't Meet Criteria	11/14/2010	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
NAA	Nurses Ed Incentive AA/AS/RN			Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0250	221106	
O10	Sheriff MGMT Contract Svcs 1x		Management Resolution Section 615	Excludes	7522.34(c)(6)	Payment for services rendered outside of normal working hours.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	
O15	Sheriff Contract Services 1.5x		VCDSA Section 1103 E	Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.5000	221106	
PBL	Paramedic Level B VCPFA Line	Inactive		Inactive		Earnings code is obsolete and inactive.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.1000	221106	Delete code
PCN	Psych Charge Nurse VCMC		CNA Section 807	Excludes		Payment for a temporary assignment. Thus, the payment is by definition not for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Doesn't Meet Criteria	7/6/2014	Unit/Override Rate	1.500000	0.00	1.0000	221106	
PHN	Public Health Nurse Cert Prem		CNA Section 806	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	3/9/2008	Either Hours or Amount OK	0.000000	0.00	0.0350	221106	
PPB	Paramedic Premium Pay Level B	Inactive		Inactive		Earnings code is obsolete and inactive.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.1000	221106	Delete code
PRC	Preceptor Pay RN VCMC		CNA Section 808	Excludes		Incentive is for a temporary assignment. Thus, the payment is not for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Doesn't Meet Criteria	2/26/2006	Unit/Override Rate	1.000000	0.00	1.0000	221106	
PTS	P.O.S.T. Certificate SPOAVC		SPOAVC Section 510	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	3/1/2015	Amounts Only	0.000000	0.00	1.0000	221106	
R10	Retro Straight 1.0 COURTS			Excludes	7522.34(c)8	Compensation for overtime work.	Doesn't Meet Criteria	6/24/2012	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	
R15	Retro Premium 1.5 COURTS			Excludes	7522.34(c)8	Compensation for overtime work.	Doesn't Meet Criteria	6/24/2012	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	
R30	30-Year Retirement Incentive	CERL requires member's hire date to be prior to 3/7/73 in order to be eligible.		Excludes	N/A	PEPRA membership begin date is 1/1/13, therefore PEPRA members are ineligible	Doesn't Meet Criteria	1/4/2015	Either Hours or Amount OK	0.000000	0.00	0.0095	221106	
REM	Registered Engineer - MGMT		MGMT Resolution Section 607	Excludes	7522.34(a)	Payment is restricted to employees who possess a license that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.500000	0.00	1.0000	221106	

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: No Change Recommended

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RES	Registered Engineer - SEIU/VEA		VEA Section 804			Payment is restricted to employees who possess a license that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria		Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
RWD	Referral Reward		SEIU Section	Excludes	7522.34(c)3	One-time ad-hoc payment.	Doesn't Meet Criteria	1/5/2014 7/10/2011	Amounts Only	0.000000	0.00	1.0000	221106	
SAA	Sheriff/Fire Mgmt Ed Inc AA/AS		Management Resolution Section 612	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0250	221106	
SBA	Sheriff/Fire Mgmt Ed Inc BA/BS		Management Resolution Section 612	Excludes	7522.34(a)	Payment is restricted to employees who possess a degree that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
SBI	POST- Specialized Basic Invest		SEIU Section 619	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	1.864630	0.00	1.0000	221106	
SBP	Stand By Pay		Various- SEIU Section 602	Excludes	7522.34(c)6	Payment for services rendered outside of normal working hours.	Doesn't Meet Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	
SMA	Sheriff/Fire Mgmt Ed Inc Grad		Management Resolution Section 612	Excludes	7522.34(c)6	Payment for services rendered outside of normal working hours.	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0750	221106	
SSB	Sheriff Standby Pay		VCDSA Section 602	Excludes	7522.34(c)6	Payment for services rendered outside of normal working hours.	Doesn't Meet Criteria	10/18/2009	Either Hours or Amount OK	0.000000	0.00	0.2500	221106	
TAP	Temporary Assignment Premium		SEIU Section 524	Excludes	7522.34(a)	Payment for temporary promotion/assignment. Thus, the payment is by definition not for regularly assigned normal or essential job functions.	Doesn't Meet Criteria	4/6/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
UST	Underground Storage Tank Cert		SEIU Section 628	Excludes	7522.34(a)	Employees are only eligible when assigned to the Hazardous Materials Program and also have an Inspector certification issued by the ICC. Thus, the payment is not for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment, nor is it for a required certification.	Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.790000	0.00	1.0000	221106	
VET	Accredited Veterinarian	One EE currently receiving payment in classification 00954-Manager-Veterinary Services.	Unable to locate any reference in MOA (Mgmt Resolution)	Excludes		Only one employee is receiving this pay. Thus, the payment is, by definition, not made to identifiable subgroup of similarly situated members within a group or class of employment,	Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	
WKV	Weekend Worked-VCPPPOA		VCPPPOA Section 606	Excludes	7522.34(a)	No employees in the same classification are regularly eligible for the incentive.	Doesn't Meet Criteria	1/29/2006	Unit/Override Rate	10.000000	0.00	1.0000	221106	
EEF	EE Assistance Donation	Vacation donation program		Excludes	7522.34(c)(5)	Payment used for unused vacation.	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	1.0000	221107	Yes
EEP	EE Assist Donation (Grossup)	Vacation donation program		Excludes	7522.34(c)(5)	Payment used for unused vacation.	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	1.0000	221107	Yes
RBD	Retro Vacation Buydown			Excludes	7522.34(c)(5)	Payment used for unused vacation.	Doesn't Meet Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221107	Yes
RSV	Retro Sick & Vac Payoff			Excludes	7522.34(c)(5)	Payment used for unused vacation and sick.	Doesn't Meet Criteria	11/5/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221107	
S25	Sick Leave Payoff 25%			Excludes	7522.34(c)(5)	Payment used for unused sick leave.	Doesn't Meet Criteria	11/5/2006	Either Hours or Amount OK	0.000000	0.00	0.2500	221107	
S50	Sick Leave Payoff 50%			Excludes	7522.34(c)(5)	Payment used for unused sick leave.	Doesn't Meet Criteria	11/5/2006	Either Hours or Amount OK	0.000000	0.00	0.5000	221107	
S75	Sick Leave Payoff 75%			Excludes	7522.34(c)(5)	Payment used for unused sick leave.	Doesn't Meet Criteria	11/5/2006	Either Hours or Amount OK	0.000000	0.00	0.7500	221107	

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SAL	Sick Leave Payoff 100%			Excludes	7522.34(c)(5)	Payment used for unused sick leave.	Doesn't Meet Criteria	11/5/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221107	
SLP	Sick Leave Paydown 25%			Excludes	7522.34(c)(5)	Payment used for unused sick leave.	Doesn't Meet Criteria	3/30/2014	Either Hours or Amount OK	0.000000	0.00	0.2500	221107	Yes
SVB	Vacation Buydown - VCDSA			Excludes	7522.34(c)(5)	Payment used for unused vacation.	Doesn't Meet Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221107	Yes
VAB	Vacation Buydown (Grossup)			Excludes	7522.34(c)(5)	Payment used for unused vacation.	Doesn't Meet Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221107	Yes
VAP	Vacation Payoff			Excludes	7522.34(c)(5)	Payment used for unused vacation.	Doesn't Meet Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221107	
VBD	Vacation Buydown			Excludes	7522.34(c)(5)	Payment used for unused vacation.	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	1.0000	221107	Yes
VPD	Vacation Paydown - VCPFA			Excludes	7522.34(c)(5)	Payment used for unused vacation.	Doesn't Meet Criteria	7/10/2011	Both Hours and Amount OK	0.000000	0.00	1.0000	221107	Yes
CAP	Comp Time Automatic Paydown			Excludes	7522.34(c)(5)	Compensation for unused compensatory time off.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	
CBC	Call Back Contract Overtime			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	1.5000	221108	
CBO	Call Back Overtime 1.5x			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.5000	221108	
CBP	Comp Balance Payoff Term			Excludes	7522.34(c)(5)	Compensation for unused compensatory time off.	Doesn't Meet Criteria	11/5/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	
CPO	Comp Time Cashout			Excludes	7522.34(c)(5)	Compensation for unused compensatory time off.	Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	
N4H	4850 Non-Tax 4 hr OT			Includes	7522.34(c)(8)	Compensation for overtime worked as defined in Section 207(k) for Title 29 of the USC.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.5000	221108	
NBO	4850 Before July 2002 4hr OT	Inactive		Inactive		Earnings code is obsolete and inactive.	Doesn't Meet Criteria	5/11/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	Delete code
O4S	Scheduled OT Retirement SST			Includes	7522.34(c)(8)	Compensation for overtime worked as defined in Section 207(k) for Title 29 of the USC.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.5000	221108	
OT4	Scheduled Overtime Retirement			Includes	7522.34(c)(8)	Compensation for overtime worked as defined in Section 207(k) for Title 29 of the USC.	Meets Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	1.5000	221108	
OTC	Sheriff Overtime Comp Bank			Excludes	7522.34(c)(5)	Compensation for unused compensatory time off.	Doesn't Meet Criteria	10/26/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	
RCP	Retro Comp & Call Back Pay			Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	3/30/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	
RCT	Retro Comp Termination Payoff			Excludes	7522.34(c)(5)	Compensation for unused compensatory time off.	Doesn't Meet Criteria	11/5/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	
RT4	Retro Scheduled OT VCSCOA			Includes	7522.34(c)(8)	Compensation for overtime worked as defined in Section 207(k) for Title 29 of the USC.	Meets Criteria	2/16/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	
RBP	Replacement Benefit Plan	Used to compensate over the 415 limits for retirees.		Excludes	N/A	Used to compensate over the 415 limits for retirees.	Doesn't Meet Criteria	12/9/2012	Amounts Only	0.000000	0.00	1.0000	221126	
CF1	Courts Flex SEIU p/t	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	289.50	1.0000	221141	
CF2	Courts Flex SEIU f/t	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	337.59	1.0000	221141	
CF3	Courts Flex CJAAVC P/T	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	307.00	1.0000	221141	
CF4	Courts Flex CJAAVC F/T	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	380.00	1.0000	221141	
CF5	Courts Flex MGMT p/t	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	386.00	1.0000	221141	
CF6	Courts Flex MGMT4 f/t	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	435.00	1.0000	221141	
CF7	Courts Flex MGMT3 f/t	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	460.00	1.0000	221141	

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County Pay Codes: No Change Recommended

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
CF8	Courts Flex MGMT	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	485.00	1.0000	221141	
FC	Flex Credit Adjustment	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Amounts Only	0.000000	0.00	1.0000	221141	
FC1	Flex Credit	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	273.00	1.0000	221141	
FC2	Flex Credit	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	12/8/2013	Flat Amount	0.000000	285.00	1.0000	221141	
FC3	Flex Credit Part Time	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	7/20/2014	Flat Amount	0.000000	196.00	1.0000	221141	
FC4	Flex Credit Full Time \$260	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	3/30/2014	Flat Amount	0.000000	260.00	1.0000	221141	
FC5	FLex Credit	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	12/7/2014	Flat Amount	0.000000	297.00	1.0000	221141	
FC6	Flex Credit - Part Time	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	12/7/2014	Flat Amount	0.000000	208.00	1.0000	221141	
FC7	Flex Credit MGMT	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	247.00	1.0000	221141	
FC8	Flex Credit \$272	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	12/7/2014	Flat Amount	0.000000	272.00	1.0000	221141	
FC9	Flex Credit MGMT Part-time	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	157.04	1.0000	221141	
FCC	Flex Credit VCSCOA	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	222.60	1.0000	221141	
FCF	Flex Credit Full Time	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	248.00	1.0000	221141	
FCP	Flex Credit Part Time - \$184	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	5/26/2013	Flat Amount	0.000000	184.00	1.0000	221141	
RFC	Retro Flex Credit	Flexible credit allowance		Excludes	7522.34(c)(2) and (7)	In-kind conversion and excluded allowance	Doesn't Meet Criteria	7/10/2011	Amounts Only	0.000000	0.00	1.0000	221141	
UFM	Uniform Allowance			Excludes	7522.34(c)(7)	Excluded employer-provided allowance	Doesn't Meet Criteria	7/10/2011	Amounts Only	0.000000	0.00	1.0000	222022	
ADP	Advanced Disability Pension	Labor Code Section 4850.3		Excludes	N/A	Advanced Disability Pension	Doesn't Meet Criteria	4/25/2004	Either Hours or Amount OK	0.000000	0.00	1.0000	222080	
STU	Student Loan Payment			Excludes	7522.34(c)(7)	Excluded employer-provided allowance/reimbursement	Doesn't Meet Criteria	7/1/2007	Amount OK	0.000000	0.00	1.0000	222154	
MOV	Moving Expense Reimbursement			Excludes	7522.34(c)(7)	Excluded employer-provided reimbursement	Doesn't Meet Criteria	1/28/2007	Amounts Only	0.000000	0.00	1.0000	222159	
MSC	Other Compensation			Excludes	7522.34(c)(3) and (4)	Miscellaneous ad hoc compensation	Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	1.0000	222191	
						Election Worker Stipend paid in addition to base pay. The payment is not for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.								
ELC	Election Worker Pay			Excludes	7522.34(c)(10)		Doesn't Meet Criteria	7/10/2011	Amounts Only	0.000000	0.00	1.0000	222199	
AUT	Auto Allowance			Excludes	7522.34(c)(7)	Excluded employer-provided allowance	Doesn't Meet Criteria	4/13/2014	Amounts Only	0.000000	0.00	1.0000	222522	
TMR	Taxable Meal Reimbursement			Excludes	7522.34(c)(7)	Excluded employer-provided reimbursement	Doesn't Meet Criteria	4/19/2009	Either Hours or Amount OK	0.000000	0.00	1.0000	222529	
\$AC	All ERN Codes -System CD - Adl			Excludes	N/A	Placeholder code.	Doesn't Meet Criteria	4/25/2004	Either Hours or Amount OK	0.000000	0.00	0.0000	Unknown	
\$NA	N/A - Retro Place Holder - JOB			Excludes	N/A	Placeholder code.	Doesn't Meet Criteria	4/25/2004	Either Hours or Amount OK	0.000000	0.00	0.0000	Unknown	
						Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.								
AAC	Advanced Appraiser Cert		VEA Section 809	Excludes	7522.34(a)		Doesn't Meet Criteria	12/7/2014	Flat Amount	0.000000	50.00	1.0000	Unknown	

VCERA Preliminary Pensionable Compensation Analysis
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ADH	Acting Department Head Pay		Management Resolution Section 407	Excludes	7522.34(a)	This payment is only for temporary, "acting," assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is there an identifiable subgroup of employees who are regularly eligible for it.	Doesn't Meet Criteria	4/1/2012	Amounts Only	0.000000	0.00	0.1000	Unknown	
AUN	Auto Allowance NO PAY		Management Resolution Section 604	Excludes	7522.34(a)	No cash value.	Doesn't Meet Criteria	1/22/2012	Amounts Only	0.000000	0.00	1.0000	Unknown	
CFO	Comp Time FLSA Cash Pay		SEIU Article 10 and other MOAs	Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	0.5000	Unknown	
CNV	CONVERSION BALANCES			Excludes	7522.34(a)	Hours Only - No cash value.	Doesn't Meet Criteria	4/25/2004	Amount OK	0.000000	0.00	1.0000	Unknown	
CRH	PP CNA Call Back Hrs Ret Adj			Excludes	7522.34(a)	Hours only adjustment code.	Doesn't Meet Criteria	5/11/2014	Hours Only	0.000000	0.00	1.0000	Unknown	
DAF	DA On-Call Flex Time Bank			Excludes	7522.34(a)	Hours Only - No cash value.	Doesn't Meet Criteria	10/12/2014	Hours Only	0.000000	0.00	1.0000	Unknown	
DAJ	DA On-Call Flex Bal Adjustment			Excludes	7522.34(a)	Hours Only - No cash value.	Doesn't Meet Criteria	10/12/2014	Hours Only	0.000000	0.00	1.0000	Unknown	
DAT	DA On-Call Flex Time Taken		CJAAVC Section 1905	Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	1/18/2015	Amount OK	0.000000	0.00	1.0000	Unknown	
DSA	VCDSA 2017 Comp Adj	Hours Adjustment Only		Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	3/15/2015	Hours Only	0.000000	0.00	1.0000	Unknown	
MLE	Mileage Pymt Board/Commissions			Excludes	7522.34(c)(7)	Mileage Reimbursement	Doesn't Meet Criteria	2/16/2014	Amounts Only	0.000000	0.00	1.0000	Unknown	
MLN	Military Leave Hourly Non FLSA		Various	Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	Unknown	
NCR	Non-Certified Realtime Reportr		Courts SEIU Section 5	Excludes	7522.34(a)	Payment is restricted to employees who possess a certificate that is not required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria	10/26/2014	Unit/Override Rate	0.820000	0.00	1.0000	Unknown	
OC4	Overtime Contract Rate 4 Hrs		VCDSA Section 524	Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	11/9/2014	Either Hours or Amount OK	0.000000	0.00	1.5000	Unknown	
OCR	Overtime Contract Rate		Various	Excludes	7522.34(c)(8)	Compensation for overtime worked.	Doesn't Meet Criteria	9/14/2014	Amount OK	0.000000	0.00	1.5000	Unknown	
RSP	Retro Sick Paydown		Various	Excludes	7522.34(a)	Included in normal monthly rate of pay.	Doesn't Meet Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	Unknown	
RTH	Retirement Hours Only - No Pay		Various	Excludes	7522.34(a)	Hours Only - No cash value.	Doesn't Meet Criteria	10/14/2012	Hours Only	0.000000	0.00	1.0000	Unknown	
STP	Board/Commission Stipend Pymt			Excludes	7522.34(c)(7)	Stipend payments are paid to non-members only.	Doesn't Meet Criteria	2/16/2014	Amounts Only	0.000000	0.00	1.0000	Unknown	
TSC	Supplemental Comp Attorney		CJAAVC Section 709 and Management Resolution Section 409	Excludes	7522.34(c)(3)	Miscellaneous ad hoc compensation	Doesn't Meet Criteria	11/9/2014	Either Hours or Amount OK	0.000000	0.00	0.0500	Unknown	
VMB	Vacation Mgmt/CJ Buydown Base		CJAAVC Section 708	Excludes	7522.34(c)(5)	Payment for unused vacation hours.	Doesn't Meet Criteria	11/9/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	Unknown	
VMP	Vacation Mgmt Payoff (4_6_11)		Management Resolution Section 1211	Excludes	7522.34(c)(5)	Payment for unused vacation hours.	Doesn't Meet Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	Unknown	
VSI	Court Voluntary Separation Inc			Excludes	7522.34(c)(3)	One-time ad-hoc payment.	Doesn't Meet Criteria	5/13/2012	Amounts Only	0.000000	0.00	1.0000	Unknown	
WCP	Watch Commander Premium 5%		VCPPOA Section 607	Excludes	7522.34(a)	The payment is not for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Doesn't Meet Criteria	12/7/2014	Either Hours or Amount OK	0.000000	0.00	0.0500	Unknown	
X80	Adjustment CSH & Accrual Hours		Various	Excludes	7522.34(a)	Hours Only - No cash value.	Doesn't Meet Criteria	5/11/2014	Hours Only	0.000000	0.00	1.0000	Unknown	
XBS	VCDSA 11% Base Salary PEPRA		VCDSA 3102	Excludes	7522.34(a)	This short-term payment is not part of normal monthly rate of pay. Employer payment of employee contributions also prohibited by PEPRA.	Doesn't Meet Criteria	5/25/2014	Either Hours or Amount OK	0.000000	0.00	0.1100	Unknown	
Y01	Tier 1 Retirement Offset 1			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0443	Unknown	
Y02	Tier 1 Retirement Offset 2			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0426	Unknown	

VCERA Preliminary Pensionable Compensation Analysis
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Y03	Tier 1 Retirement Offset 3			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0415	Unknown	
Y04	Tier 1 Retirement Offset 4			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0445	Unknown	
Y05	Tier 1 Retirement Offset 5			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0435	Unknown	
Y06	Tier 1 Retirement Offset 6			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0431	Unknown	
Y07	Tier 1 Retirement Offset 7			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0422	Unknown	
Y08	Tier 1 Retirement Offset 8			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0315	Unknown	
Y09	Tier 1 Retirement Offset 9			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0313	Unknown	
Y10	Tier 1 Retirement Offset 10			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0306	Unknown	
Y11	Tier 1 Retirement Offset 11			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0503	Unknown	
Y12	Tier 1 Retirement Offset 12			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0451	Unknown	
Y13	Tier 1 Assign Age SEIU 1			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0629	Unknown	
Y14	Tier 1 Assign Age SEIU 2			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0567	Unknown	
Y15	Tier 1 Assign Age MGMT			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/6/2014	Either Hours or Amount OK	0.000000	0.00	0.0353	Unknown	
Y16	Retirement Supp (RSO)			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/20/2014	Either Hours or Amount OK	0.000000	0.00	0.0482	Unknown	
Y17	Retirement Supp (RSO) Tier 1			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/20/2014	Either Hours or Amount OK	0.000000	0.00	0.0788	Unknown	
Y18	Retirement Offset Spec Contrib			Excludes		Payment restricted to classic members only.	Doesn't Meet Criteria	7/20/2014	Either Hours or Amount OK	0.000000	0.00	0.0417	Unknown	
ZZZ	Ben Admin NO PAY			Excludes		No cash value.	Doesn't Meet Criteria	12/11/2011	Either Hours or Amount OK	0.000000	0.00	1.0000	Unknown	
48X	4850 Taxable Adjustment	Tax Adjustment Code		Excludes	N/A	Tax Adjustment Code	Doesn't Meet Criteria	11/2/2008	Amounts Only	0.000000	0.00	1.0000	XXXXXX	
CEO	Comp Time Earned			Excludes	N/A	No cash value - hours overtime code.	Doesn't Meet Criteria	9/28/2014	Hours Only	0.000000	0.00	1.0000	XXXXXX	
L80	Limit 80 hours -NO PAY			Excludes	N/A	No cash value - hours only code.	Doesn't Meet Criteria	4/25/2004	Hours Only	0.000000	0.00	1.0000	XXXXXX	
SCO	Scheduled OverTime			Includes	7522.34(c)(8)	Compensation for overtime worked as defined in Section 207(k) for Title 29 of the USC.	Meets Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.5000	XXXXXX	
SRP	SRP PenAdmin Null Earnings			Excludes		Used one-time for data conversion only.	Doesn't Meet Criteria	9/24/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	XXXX	
ACTDEP	Acting Department Incentive		MGMT Resolution Section 407	Inactive	N/A	Inactive								
BIWKLY	Biweekly Compensation	Base Pay for Salaried employees	All unions	Includes	7522.34(a)	Included in normal monthly rate of pay.	Meets Criteria							
						Payment is available to all permanently assigned Jail Cook Shift leaders. This payment is thus provided for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within a group or class of employment.								
JAILCK	Jail Cook Shift Leader Pay		SEIU Section 512(B)	Includes	7522.34(a)		Meets Criteria							
NAANNL	Annual Compensation		N/A	Inactive	N/A	Inactive	Inactive							
PRNENG	Principal Maintenance Engineer		Unable to find reference in MOA.	N.A.	N/A	Code is obsolete and needs to be inactivated	Inactive							Delete code
PTAIDE	Physical Therapy Aide Premium Pay		N/A	Inactive	N/A	Inactive	Inactive							

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*ENDNOTE: VCERA continues to consider whether final compensation calculations are to be reduced as a result of an unpaid absence, or whether subdivision (c) of Government Code section 31462.05 provides for imputing of the pensionable compensation of the position held by the member immediately prior to any such absences when determining final compensation if the absence occurs during a member's final compensation period.														

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: Recommend Change to "Include"

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HWP	Hol Wrk CNA Per Diem Contract			Excludes	7522.34(a)	Base pay portion of holiday pay.	Meets Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221101
ROS	Retro Overtime Safety	Retro scheduled overtime earnings adjustment		Excludes	7522.34(c)(8)	Compensation for overtime worked as defined in Section 207(k) for Title 29 of the USC.	Meets Criteria	9/14/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221105
42P	4/2 Sheriff Patrol Bonus	Meal pay provided to those assigned to Patrol and Chief Sheriff Pilot and Sheriff's Pilot serving as Crew Chiefs.	VCDSA MOA Section 1104	Excludes	7522.34(a)	Payment for regularly assigned normal or essential job function of identifiable subgroup of similarly situated members within this group or class of employment performed during normal working hours.	Meets Criteria	4/13/2014	Flat Amount	0.000000	60.00	1.0000	221106
ASN	Assignment Bonus - Nurses		SEIU Section 625	Excludes	7522.34(a)	All employees regularly assigned to the Crisis Team are eligible for this payment. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	4/13/2014	Unit/Override Rate	1.875000	0.00	1.0000	221106
ASR	Sheriff Records Assignment Pay	Restricted to Records classifications working 12-hour shifts in the detention facility.	Unable to locate any reference in MOA	Excludes	7522.34(a)	All employees regularly assigned to work a particular shift on the Sheriff Records team are eligible for this payment. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	3/9/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106
BMB	Bomb Squad Bonus		VCDSA Section 603 and Appendix B and C	Excludes	7522.34(a)	All employees regularly assigned to the Bomb Squad are eligible for this payment. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	7/1/2007	Either Hours or Amount OK	0.000000	0.00	0.0750	221106
EMD	Emergency Medical Dispatch		SEIU MOA Section 619	Excludes	7522.34(a)	All employees regularly assigned to the Emergency Medical Dispatch are eligible for this payment. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	9/9/2007	Unit/Override Rate	1.065500	0.00	1.0000	221106
HAZ	Hazard Material Response Team		SEIU Section 628	Excludes	7522.34(a)	All employees regularly assigned to the Hazardous Material Response Team are eligible for this payment. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	4/13/2014	Unit/Override Rate	2.400000	0.00	1.0000	221106
HMT	Helicopter Maint Certification		IUOE Section 809	Excludes	7522.34(a)	Employees in specific classifications are required to acquire and maintain certification as a condition of employment. Therefore, this certification is required to perform regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within a group or class of employment.	Meets Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0500	221106
HPS	HIRT Premium Pay VCPFA		VCPFA Section 605	Excludes	7522.34(a)	All employees regularly assigned to the HIRT Unit are eligible for this payment. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	7/10/2011	Flat Amount	0.000000	146.01	1.0000	221106

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IAD	Inpatient Assign Differential		SEIU Section 621	Excludes	7522.34(a)	All employees assigned to the VCMC Inpatient Unit are eligible. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	11/14/2010	Either Hours or Amount OK	0.000000	0.00	0.0500	221106
L07	Longevity CNA 7 Years		CNA Section 809	Excludes	7522.34(a)	All employees who satisfy this continuous County service requirement are eligible for this payment. The payment then becomes part of the base pay provided to all similarly situated members within this group or class of employment.	Meets Criteria	12/28/2008	Either Hours or Amount OK	0.000000	0.00	0.0100	221106
L12	Longevity CNA 12 Years		CNA Section 809	Excludes	7522.34(a)	All employees who satisfy this continuous County service requirement are eligible for this payment. The payment then becomes part of the base pay provided to all similarly situated members within this group or class of employment.	Meets Criteria	12/28/2008	Either Hours or Amount OK	0.000000	0.00	0.0125	221106
L17	Longevity CNA 17 Years		CNA Section 809	Excludes	7522.34(a)	All employees who satisfy this continuous County service requirement are eligible for this payment. The payment then becomes part of the base pay provided to all similarly situated members within this group or class of employment.	Meets Criteria	12/28/2008	Either Hours or Amount OK	0.000000	0.00	0.0150	221106
LDT	Lead Disaster Behavioral Hlth		SEIU Section 641	Excludes	7522.34(a)	All employees regularly assigned to the Lead Disaster Team are eligible for this payment. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	7/26/2009	Either Hours or Amount OK	0.000000	0.00	0.0250	221106
LMH	Licensed Mental Health Assoc	Job Code 01368		Excludes	7522.34(a)	All employees assigned to the Licensed Mental Health Associates classification must have this license. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	3/9/2008	Either Hours or Amount OK	0.000000	0.00	0.1000	221106
MTR	Motorcycle Bonus	Need to change earn code description to eliminate the term "bonus".	VCDSA Section 2209	Excludes	7522.34(a)	All employees regularly assigned to be a Motorcycle Officer receive this payment. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	4/13/2014	Flat Amount	0.000000	20.00	1.0000	221106
NS1	NOCS - IUOE 7.5%		IUOE Section 603	Excludes	7522.34(a)	Payment is members who are regularly assigned to work 51% of a shift between the hours of 3pm and 11pm. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	0.0750	221106

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County Pay Codes: Recommend Change to "Include"

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense
NS4	NOCS - 10% - Addl Pay	10% of ISD EEs required to work 11pm to 8:15am	SEIU Section 603	Excludes	7522.34(a)	Includable for employees who are regularly assigned to work between the hours of 11pm to 8:15 am. Earnings code set up as regular additional pay. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	6/17/2007	Either Hours or Amount OK	0.000000	0.00	0.1000	221106
NSM	Nurse Specialty Pay - MGMT		Management Resolution Section 403B	Excludes	7522.34(a)	All nursing services personnel regularly assigned to specialty areas are eligible for this incentive pay. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	12/21/2014	Unit/Override Rate	3.000000	0.00	1.0000	221106
NSP	Nurse Specialty Pay		CNA	Excludes	7522.34(a)	All nursing services personnel regularly assigned to specialty areas are eligible for this incentive pay. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	1/29/2006	Unit/Override Rate	3.000000	0.00	1.0000	221106
PAL	Paramedic Level I VCPFA Line	Paramedic Level I	VCPFA Section 607	Excludes	7522.34(a)	Payment is restricted to employees participating in the ALS program. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	0.1000	221106
PM4	P.M. Shift - 5% - Addl Pay		SEIU Section 603 et seq.	Excludes	7522.34(a)	Includable ONLY for employees who are regularly required to work between the hours of 3pm to 7 am. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	6/17/2007	Either Hours or Amount OK	0.000000	0.00	0.0500	221106
PPA	Paramedic Premium Pay Level I	Paramedic Level I	VCPFA Section 607	Excludes	7522.34(a)	Payment is restricted to employees participating in the ALS program. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	0.1000	221106
PPC	Paramedic Premium Pay Level II	Paramedic Level II	VCPFA Section 607	Excludes	7522.34(a)	Payment is restricted to employees participating in the ALS program. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	7/10/2011	Flat Amount	0.000000	438.02	1.0000	221106
PPP	Paramedic Premium Pay Level P	Paramedic Preceptor Level	VCPFA Section 607	Excludes	7522.34(a)	Payment is restricted to employees participating in the ALS program. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	7/10/2011	Flat Amount	0.000000	584.03	1.0000	221106

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: Recommend Change to "Include"

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense
PSD	POST- Public Safety Dispatcher		SEIU Section 619	Excludes	7522.34(a)	MOA language indicates that specific classifications assigned to the Sheriff's Communication Center shall receive a biweekly incentive. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	1/29/2006	Unit/Override Rate	1.065500	0.00	1.0000	221106
SAP	Sheriffs' Assignment Pay		VCDSA Section 603 and Appendix B	Excludes	7522.34(a)	Employees are only eligible when assigned to Sheriff's Major Crimes Unit. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	11/5/2006	Either Hours or Amount OK	0.000000	0.00	0.0750	221106
SIP	Sheriffs Investigation Pay		VCDSA Section 603 and Appendix B	Excludes	7522.34(a)	Employees are only eligible when primary function is investigations. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	7/1/2007	Either Hours or Amount OK	0.000000	0.00	0.0500	221106
SPB	Sheriff Patrol Bonus	Provided to those regularly assigned to Patrol and Chief Sheriff Pilot and Sheriff's Pilot serving as Crew Chiefs.	VCDSA Section 1104	Excludes	7522.34(a)	Payment for regularly assigned normal or essential job function of identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	4/13/2014	Unit/Override Rate	0.750000	0.00	1.0000	221106
SPD	Staff Pay Differential - VCPFA		VCPFA Section 804	Excludes	7522.34(a)	All employees working at staff assignment are eligible and compensated for this incentive pay during normal working hours. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	4/13/2014	Unit/Override Rate	2.000000	0.00	1.0000	221106
SPF	Staff Pay Diff - MT Bat Chiefs		MGMT Resolution Section 404	Excludes	7522.34(a)	All employees working at staff assignment are eligible and compensated for this incentive pay during normal working hours. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	4/13/2014	Unit/Override Rate	2.000000	0.00	1.0000	221106
SPM	Staff Pay Differential - MT		MGMT Resolution Section 404	Excludes	7522.34(a)	All employees working at staff assignment are eligible and compensated for this incentive pay during normal working hours. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	4/13/2014	Unit/Override Rate	1.000000	0.00	1.0000	221106
SPO	Superv Deputy ProbationOfficer		MGMT Resolution Section 405	Excludes	7522.34(a)	All employees in the classification of Supervising Deputy Probation Officer assigned to Work Furlough/Work Release are eligible. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: Recommend Change to "Include"

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense
ARP	Armed Premium VCPPOA PVP		VCPPOA Section 606	Excludes	7522.34(a)	Probation Officers regularly assigned armed caseloads are eligible for premium pay. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	1/4/2015	Either Hours or Amount OK	0.000000	0.00	0.0750	Unknown
ARU	Armed Unit Premium		Management Resolution Section 408	Excludes	7522.34(a)	Probation Employees regularly assigned to supervise an armed unit are eligible for premium pay. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	8/18/2013	Flat Amount	0.000000	133.60	1.0000	Unknown

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: Recommend Change to "Exclude"

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	Other
NHB	4850 Non Tax Holiday RDO Bank			Includes	7522.34(c)(5)	Payment is for leave cashout time	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221101	
NHB	4850 Non Tax Holiday RDO Bank	Compensation for holiday on scheduled day off for VCDSA		Includes	7522.34(c)(5)	Payment is for leave cashout time	Doesn't Meet Criteria	3/15/2015	Either Hours or	0.000000	0.00	1.0000	221101	
HDP	Holiday Day Off Paid SPOAVC	Compensation for holiday on scheduled day off for SPOAVC		Includes	7522.34 (a)	Compensation exceeds base pay and is not part of normal monthly rate of pay.	Doesn't Meet Criteria	3/15/2015	Either Hours or	0.000000	0.00	1.0000	Unknown	
HDS	Sheriff Holiday on Reg Day Off			Includes	7522.34 (a)	Compensation exceeds base pay and is not part of normal monthly rate of pay.	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
HWK	Holiday Worked 4&2_Sheriff 1.0			Includes	7522.34 (c)(6)and (8)	Payment is for additional services rendered outside of normal working hours. Payment is for overtime work, other than as defined in Section 207(k) of title 29 of the United States Code (non-FLSA).	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
HWN	Holiday Worked 1.5 Non-FLSA			Includes	7522.34(c)(8)	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	4/13/2014	Either Hours or Amount OK	0.000000	0.00	1.5000	221105	
HWO	Holiday Worked 1.5x			Includes	7522.34(c)(8)	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.5000	221105	
PHO	PDP Holiday Worked 0.5			Includes	7522.34(c)(8)	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	0.5000	221105	
RHO	Retro Holiday Overtime 1.5x			Includes	7522.34(c)(8)	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	1/20/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
RHW	Retro Holiday Pay 1.0x			Includes	7522.34(c)(8)	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	1/20/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
RHX	Retro Holiday Worked 1.5x			Includes	7522.34(c)(8)	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	1/20/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
CRT	Sheriff Court Time		VCDSA Section 804	Includes	7522.34(c)(6)	Payment is for additional services rendered outside of normal working hours.	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	
CBN	Call Back Retirement CNA			Includes	7522.34(c)(8)	Additional payment for services rendered outside of normal working hours. Compensation for non-FLSA overtime worked. Not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.5000	221108	Currently being included for Classic and PEPRA
CBR	Call Back CNA Retirement			Includes	7522.34(c)(8)	Additional payment for services rendered outside of normal working hours. Compensation for non-FLSA overtime worked. Not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.5000	221108	Currently being included for Classic and PEPRA
CBS	Call Back Straight Time 1.0x			Includes	7522.34(c)(8)	Additional payment for services rendered outside of normal working hours. Compensation for non-FLSA overtime worked. Not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	1/5/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	Currently being included for Classic and PEPRA
RCB	Retro Call Back Straight	CNA		Includes	7522.34(c)(8)	Additional payment for services rendered outside of normal working hours. Compensation for non-FLSA overtime worked. Not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	3/30/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221108	Currently being included for Classic and PEPRA
CRJ	PP CNA Call Back Ret Adj			Includes	7522.34(c)(8)	Additional payment for services rendered outside of normal working hours. Compensation for non-FLSA overtime worked. Not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	5/11/2014	Amounts Only	0.000000	0.00	1.0000	Unknown	Currently being included for Classic and PEPRA
CSF	Call Back Straight Time FCW			Includes	7522.34(c)(8)	Additional payment for services rendered outside of normal working hours. Compensation for non-FLSA overtime worked. Not base pay or normal monthly rate of pay.	Doesn't Meet Criteria	1/1/2013	Either Hours or Amount OK	0.000000	0.00	1.0000	221105	
XTR	One Time Payment		Various	Includes	7522.34(c)(3)	One-time ad-hoc payment.	Doesn't Meet Criteria	4/27/2014	Amounts Only	0.000000	0.00	1.0000	Unknown	

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: Recommend Change to "Exclude"

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CLS123	Clinical Laboratory Scientist I/II/III Premium Pay		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							
HISTOL	Histologist Premium Pay		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							
LPTAST	Licensed Physical Therapy Assistant		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							
PHARM	Pharmacy Premium Pay		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							
PRNRES	Principal Respiratory Therapist Premium Pay		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							
PSYCH	Psychologist Premium Pay		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							

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County Pay Codes: Recommend Change to "Exclude"

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RADSPE	Radiologic Specialist Premium Pay		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							
RADTEC	Radiologic Technologist Premium Pay		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							
SPEECH	Speech Pathologist Premium Pay		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							
SPVDIF	Supervisory Differential		All unions	Includes	7522.34(a)	Payment for temporary supervisory assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to all similarly situated members of the same group or class of employment.	Doesn't Meet Criteria							
THRPST	Therapist Premium Pay		SEIU Section 622	Includes	N/A	Market based premium pay for hard to recruit position(s). Premium pay may be discontinued based on market conditions. This payment is thus an ad hoc bonus that is not part of normal monthly rate of pay provided for regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Doesn't Meet Criteria							
YRATE	Y-Rate Differential for Biweekly Employees		All unions	Includes	7522.34(a)	Payment for temporary supervisory assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to all similarly situated members of the same group or class of employment.	Doesn't Meet Criteria							
YRATEH	Y-Rate Differential for Hourly Employees		All unions	Includes	7522.34(a)	Payment for temporary supervisory assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to all similarly situated members of the same group or class of employment.	Doesn't Meet Criteria							
ATTSP	Attorney Supervisory Incentive		CJAAVC Section 411	Includes	7522.34(a)	This is a temporary bonus that is provided to certain supervisors based on the compensation provided to their subordinates. It is in additiona to base compensation and will be eliminated when conditions authorizing the increase cease to exist. Thus, it is not part of normal monthly rate of pay of an identifiable subgroup of similarly situated members within a group or class of employment .	Doesn't Meet Criteria							

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: Situation Specific; Recommend Add New Codes to Distinguish

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
42B	4/2 Bilingual Level 2	VCDSA EEs on 4/2 schedule	VCDSA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	64.00	1.0000	221106	Yes
B1A	Bilingual Level 1 - CNA		CNA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.650000	0.00	1.0000	221106	Yes
B1B	Bilingual Level 1 - MGMT		Management Resolution Section 401	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.650000	0.00	1.0000	221106	Yes
B1C	Bilingual Level 1		SEIU Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.650000	0.00	1.0000	221106	Yes
B1S	Bilingual Level 1 - VCDSA		VCDSA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.690000	0.00	1.0000	221106	Yes
B2A	Bilingual Level 2 - CNA		CNA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.800000	0.00	1.0000	221106	Yes
B2B	Bilingual Level 2 - MGMT		Management Resolution Section 401	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.800000	0.00	1.0000	221106	Yes
B2C	Bilingual Level 2		SEIU Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.800000	0.00	1.0000	221106	Yes
B3A	Bilingual Level 3 - CNA		CNA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.900000	0.00	1.0000	221106	Yes
B3B	Bilingual Level 3 - MGMT		Management Resolution Section 401	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.900000	0.00	1.0000	221106	Yes
B3C	Bilingual Level 3		SEIU Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.900000	0.00	1.0000	221106	Yes
B3D	Bilingual Level 3 \$1.10			Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	1.100000	0.00	1.0000	221106	Yes
B3S	Bilingual Level 3 - VCDSA		VCDSA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	2.810000	0.00	1.0000	221106	Yes

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BIL	Bilingual Pay -VCPFA 80		VCPFA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.400000	0.00	1.0000	221106	Yes
BPF	Bilingual Pay VCPFA Line		VCPFA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Flat Amount	0.000000	44.80	1.0000	221106	Yes
EMT	EMT Premium Pay		VCPFA Section 604	Excludes	7522.34(a)	Employees in specific classifications are required to acquire and maintain certification as a condition of employment. Included for Firefighter, Fire Engineer and Fire Captain. Need code for classifications where EMT certification is not a normal or essential job requirement.	Meets Criteria/Doesn't Meet Criteria	7/10/2011	Flat Amount	0.000000	131.41	1.0000	221106	Yes
IAM	PP Incentives Adj MGMT/CJ	Adjustments to prior pay period incentives		Excludes		Need to setup new earnings code to include/exclude incentives that are eligible vs. ineligible	Meets Criteria/Doesn't Meet Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221106	Yes
IAN	PP Incentive Adjustment (NR)	Adjustments to prior pay period incentives that have no impact on retirement		Excludes		Need to setup new earnings code to include/exclude incentives that are eligible vs. ineligible	Meets Criteria/Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	Yes
IAR	PP Incentives Adjustment (R1)	Adjustments to prior pay period incentives that have impact on retirement		Excludes		Need to setup new earnings code to include/exclude incentives that are eligible vs. ineligible	Meets Criteria/Doesn't Meet Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221106	Yes
NB1	Nurses Certification Bonus 1		CNA Section 805	Excludes	7522.34(a)	Includable only if certification is required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Meets Criteria/Doesn't Meet Criteria	7/6/2014	Unit/Override Rate	0.813000	0.00	1.0000	221106	Yes
NB2	Nurses Certification Bonus 2		CNA Section 805	Excludes	7522.34(a)	Includable only if certification is required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Meets Criteria/Doesn't Meet Criteria	7/6/2014	Unit/Override Rate	1.626000	0.00	1.0000	221106	Yes
NB3	Nurses Certification Bonus 3		CNA Section 805	Excludes	7522.34(a)	Includable only if certification is required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Meets Criteria/Doesn't Meet Criteria	7/6/2014	Unit/Override Rate	2.439000	0.00	1.0000	221106	Yes
NB4	Nurses Certification Bonus 4		CNA Section 805	Excludes	7522.34(a)	Includable only if certification is required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Meets Criteria/Doesn't Meet Criteria	7/6/2014	Unit/Override Rate	3.252000	0.00	1.0000	221106	Yes
NB5	Nurses Certification Bonus 5		CNA Section 805	Excludes	7522.34(a)	Includable only if certification is required to perform regularly assigned normal or essential job functions of any identifiable subgroup of similarly situated members within a group or class of employment.	Meets Criteria/Doesn't Meet Criteria	7/6/2014	Unit/Override Rate	4.065000	0.00	1.0000	221106	Yes
NS2	NOCS - 10%	10% of ISD EEs required to work 11pm to 8:15am	SEIU Section 603	Excludes	7522.34(a)	Includable only for employees who are regularly assigned to work between the hours of 11pm to 8:15 am. Excluded for employees who occasionally work this shift but are eligible for the incentive pay.	Meets Criteria/Doesn't Meet Criteria	6/17/2007	Either Hours or Amount OK	0.000000	0.00	0.1000	221106	Yes
NS3	NOCS - Hospital 15% - CNA		CNA Section 603	Excludes	7522.34(a)	Includable only for employees who are regularly assigned to work 7/12 of a shift between the hours of 7pm to 7am on a 12-hour shift or work 5/8 of a shift between 11pm to 7am on an 8-hour shift. Excluded for employees who occasionally work this shift but are eligible for the incentive pay.	Meets Criteria/Doesn't Meet Criteria	8/22/2010	Either Hours or Amount OK	0.000000	0.00	0.1500	221106	Yes

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: Situation Specific; Recommend Add New Codes to Distinguish

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
PM1	Night Shift - MGMT & CJAAVC		MGMT Resolution Section 402 CJAAVC Section 502	Excludes	7522.34(a)	Includable only for employees who are regularly required to work between the hours of 2 pm to 9:30 am. Excluded for employees who occasionally work this shift but are eligible for the incentive pay.	Meets Criteria/Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	Yes
PM2	P.M. Shift - 5%		SEIU Section 603 et seq.	Excludes	7522.34(a)	Includable only for employees who are regularly required to work between the hours of 3pm to 7 am. Excluded for employees who occasionally work this shift but are eligible for the incentive pay.	Meets Criteria/Doesn't Meet Criteria	6/17/2007	Either Hours or Amount OK	0.000000	0.00	0.0500	221106	Yes
PM3	P.M. Shift - Hospital 7.5%		SEIU Section 604(A)	Excludes	7522.34(a)	Includable only for employees who are regularly required to work between the hours of 3pm to 7 pm. Excluded for employees who occasionally work this shift but are eligible for the incentive pay.	Meets Criteria/Doesn't Meet Criteria	10/5/2008	Either Hours or Amount OK	0.000000	0.00	0.0750	221106	Yes
RF1	Retro Incentive Pay VCPFA FF1			Excludes		Need to setup new earnings code to include/exclude incentives that are eligible vs. ineligible	Meets Criteria/Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	Yes
RF2	Retro Incentive Pay VCPFA FF2			Excludes		Need to setup new earnings code to include/exclude incentives that are eligible vs. ineligible	Meets Criteria/Doesn't Meet Criteria	7/10/2011	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	Yes
RIM	Retro Incentives Management			Excludes		Need to setup new earnings code to include/exclude incentives that are eligible vs. ineligible	Meets Criteria/Doesn't Meet Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221106	Yes
RIP	Retro Incentives			Excludes		Need to setup new earnings code to include/exclude incentives that are eligible vs. ineligible	Meets Criteria/Doesn't Meet Criteria	3/30/2014	Amounts Only	0.000000	0.00	1.0000	221106	Yes
RIS	Retro Incentives Safety			Excludes		Need to setup new earnings code to include/exclude incentives that are eligible vs. ineligible	Meets Criteria/Doesn't Meet Criteria	1/29/2006	Either Hours or Amount OK	0.000000	0.00	1.0000	221106	Yes
SEIU Section 601	Bilingual Level 2 - VCDSA		VCDSA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	1.380000	0.00	1.0000	221106	Yes
TPA	Treatment Plan Behavioral Hlth		SEIU Section 642	Excludes		Includable only for Behavioral Health Clinician IV regularly assigned to areas where treatment plan must be completed.	Meets Criteria/Doesn't Meet Criteria	7/26/2009	Either Hours or Amount OK	0.000000	0.00	0.0250	221106	Yes
WKD	Weekend Worked-CNA		CNA Section 803	Excludes		Employees regularly assigned to work on weekends, such that payment is part of their normal monthly rate of pay, are eligible. Employees are occasionally work on weekends are not eligible	Meets Criteria/Doesn't Meet Criteria	1/29/2006	Unit/Override Rate	2.000000	0.00	1.0000	221106	Yes
WKS	Weekend Worked SEIU		SEIU Section 604(D)	Excludes		Employees regularly assigned to work on weekends such that payment is part of their normal monthly rate of pay are eligible. Employees are occasionally work on weekends are not eligible	Meets Criteria/Doesn't Meet Criteria	1/29/2006	Unit/Override Rate	12.500000	0.00	1.0000	221106	Yes
MC1	Mgmt Certification Pay -Nurse1		Management Resolution Section 403(D)	Excludes		Includable only if certification is required for a regularly assigned position.	Meets Criteria/Doesn't Meet Criteria	11/9/2014	Unit/Override Rate	0.813000	0.00	1.0000	Unknown	Yes
MC2	Mgmt Certification Pay -Nurse2		Management Resolution Section 403(D)	Excludes		Includable only if certification is required for a regularly assigned position.	Meets Criteria/Doesn't Meet Criteria	11/9/2014	Unit/Override Rate	1.626000	0.00	1.0000	Unknown	Yes
MC3	Mgmt Certification Pay -Nurse3		Management Resolution Section 403(D)	Excludes		Includable only if certification is required for a regularly assigned position.	Meets Criteria/Doesn't Meet Criteria	11/9/2014	Unit/Override Rate	2.439000	0.00	1.0000	Unknown	Yes
MC4	Mgmt Certification Pay -Nurse4		Management Resolution Section 403(D)	Excludes		Includable only if certification is required for a regularly assigned position.	Meets Criteria/Doesn't Meet Criteria	11/9/2014	Unit/Override Rate	3.252000	0.00	1.0000	Unknown	Yes

VCERA Preliminary Pensionable Compensation Analysis
County Pay Codes: Situation Specific; Recommend Add New Codes to Distinguish

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense	New Code Required
MC5	Mgmt Certification Pay -Nurse5		Management Resolution Section 403(D)	Excludes		Includable only if certification is required for a regularly assigned position.	Meets Criteria/Doesn't Meet Criteria	11/9/2014	Unit/Override Rate	4.065000	0.00	1.0000	Unknown	Yes
RXM	Retro Xtra Incentive Managemen			Excludes		Included only if the retro incentive is based on incentives that are includable for pension compensation	Meets Criteria/Doesn't Meet Criteria	3/15/2015	Amounts Only	0.000000	0.00	1.0000	Unknown	Yes
RXP	Retro Xtra Incentives			Excludes		Included only if the retro incentive is based on incentives that are includable for pension compensation	Meets Criteria/Doesn't Meet Criteria	3/15/2015	Amounts Only	0.000000	0.00	1.0000	Unknown	Yes
RXS	Retro Xtra Incentives Safety			Excludes		Included only if the retro incentive is based on incentives that are includable for pension compensation	Meets Criteria/Doesn't Meet Criteria	3/15/2015	Either Hours or	0.000000	0.00	1.0000	Unknown	Yes

**VCERA Preliminary Compensation Analysis of
VRSD Pay Codes**

Code	Type	Description	VRSD Includes/ Excludes as of 5/18/15	VCERA Pensionable Compensation Analysis	VCERA Prelim. Conclusion
01CAL	Vacation	(R) CAL	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
01HOUR	Hourly	(R) Regular	Includes	Included in normal monthly rate of pay.	Meets Criteria
01NITE	Hourly	(R) Night Shift	Includes / Excludes	Includable only for employees who are regularly required to work between the hours of 2 pm to 9:30 am. Excluded for employees who occasionally work this shift but are eligible for the incentive pay.	
01OVER	Overtime	(R) Overtime	Excludes	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay.	
01XTRA	Hourly	(R)Extra Hours - Billable Only	Excludes	Neither base pay nor normal monthly rate of pay	
02OVER	Overtime	(R) Overtime-Night Shift	Excludes	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay.	
AUTHWP	Hourly	(R) Authorized Leave W/Pay	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
BEREAV	Hourly	(R) Bereavement Leave	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
FLOAT	Holiday	(R) Floating Hol Taken	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
FLOATE	Hourly	(R) Floating Holiday Earned	Excludes	Hours only code	
FMLA-C	Hourly	(R) FMLA CAL	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
FMLA-L	Hourly	(R) FMLA Leave Without Pay	Excludes	See End Note	
HOL	Holiday	(R) Holiday Leave	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
HOLE	Hourly	(R) Holiday Worked - EXEMPT EE	Excludes	Hours only code	
HOLWKD	Overtime	(R) Holiday Worked Time	Excludes	Compensation for non-FLSA overtime worked. Also, note base pay or normal monthly rate of pay.	
INCENT	Other	(R) Incentive Award	Excludes	Excluded as bonus paid in addition to the compensation described in subdivision (a) of 7522.34	Doesn't Meet Criteria
IND-C	Hourly	(R) Industrial CAL	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
IND-L	Hourly	(R) Industrial LWOP	Excludes	See End Note	See Endnote
IND24	Hourly	(R) Industrial-24 Hours	Includes	Included in normal monthly rate of pay for leave taken as time off for first 24 hours	Meets Criteria
JURY	Hourly	(R) Jury Duty	Includes	Included in normal monthly rate of pay.	Meets Criteria
LWOP	Hourly	(R) Leave W/Out Pay	Excludes	See End Note	See Endnote
MED-C	Hourly	(R) Medical CAL	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
MED-L	Hourly	(R) Medical LWOP	Excludes		See Endnote
MILIT	Hourly	(R) Military Leave	Includes	Included in normal monthly rate of pay.	Meets Criteria
OVER-S	Overtime	(R) Straight OT	Excludes	Compensation for non-FLSA overtime worked.	Doesn't Meet Criteria
R-01CL	Hourly	(A) Retro-Vacation	Includes	Included in normal monthly rate of pay.	Meets Criteria
R-01HR	Hourly	(A) Retro-Regular	Includes	Included in normal monthly rate of pay.	Meets Criteria
R-01OT	Hourly	(A) Retro-Overtime	Excludes	Compensation for non-FLSA overtime worked.	Doesn't Meet Criteria
R-HOL	Hourly	(A) Retro-Holiday	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
R-SBP	Hourly	(A) Retro Skill-Based Pay	Inactive		Inactive
RETROO	Overtime	(A) Retro Overtime	Inactive		Inactive
RETROR	Hourly	(A) Retro Regular	Inactive		Inactive
RMED-C	Hourly	(A) Retro Med-C	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria

**VCERA Preliminary Compensation Analysis of
VRSD Pay Codes**

Code	Type	Description	VRSD Includes/ Excludes as of 5/18/15	VCERA Pensionable Compensation Analysis	VCERA Prelim. Conclusion
RMED-L	Hourly	(A) Retro Med LWOP	Excludes		See Endnote
SSTAND	Hourly	(R) Stand By-SEIU	Excludes	Payment for additional services rendered outside normal working hours. Excluded by section 7522(c)(6).	Doesn't Meet Criteria
STNDHL	Other	(R) Standby Holiday	Excludes	Payment for additional services rendered outside normal working hours. Excluded by section 7522(c)(6).	Doesn't Meet Criteria
STNDWD	Other	(R) Stand by Week Day	Excludes	Payment for additional services rendered outside normal working hours. Excluded by section 7522(c)(6).	Doesn't Meet Criteria
STNDWE	Other	(R) Standby Week End	Excludes	Payment for additional services rendered outside normal working hours. Excluded by section 7522(c)(6).	Doesn't Meet Criteria
SVRNCE	Other	(R) Severance Pay	Excludes	Payment for severance. Excluded by section 7522(c)(4).	Doesn't Meet Criteria
VAC-PO	Hourly	(R) CAL-Termination Pay Out	Excludes	Severance and/or leave cash out. Excluded by section 7522(c)(4) and (5).	Doesn't Meet Criteria
VACBUY	Vacation	(R) CAL Buy Out	Excludes	Severance and/or leave cash out. Excluded by section 7522(c)(4) and (5).	Doesn't Meet Criteria
				CHANGE TO EXCLUDE FROM PENSIONABLE COMPENSATION RECOMMENDED:	
CAFFIN	Hourly	(R) Cafeteria Allowance-Ind	Includes	Excluded as employer-provided allowance -- sec.7522.34, subd. (c)(7)	Doesn't Meet Criteria
CAFFIU	Hourly	(R) Cafeteria Allowance-IUOE	Includes	Excluded as employer-provided allowance -- sec.7522.34, subd. (c)(7)	Doesn't Meet Criteria
CAFFSE	Hourly	(R) Cafeteria Allowance-SEIU	Includes	Excluded as employer-provided allowance -- sec.7522.34, subd. (c)(7)	Doesn't Meet Criteria
CLASS	Hourly	(R) Out of Class	Includes	Payment for temporary assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to all similarly situated members of the same group or class of employment.	Doesn't Meet Criteria
CLASSO	Overtime	(R) Out of Class OT	Includes	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay. Payment for also for temporary assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to all similarly situated members of the same group or class of employment.	Doesn't Meet Criteria
ENDNOTE: VCERA continues to consider whether final compensation calculations are to be reduced as a result of an unpaid absence, or whether subdivision (c) of Government Code section 31462.05 provides for imputing of the pensionable compensation of the position held by the member immediately prior to any such absences when determining final compensation if the absence occurs during a member's final compensation period.					

ADDENDUM TO JULY 20, 2015, PRELIMINARY REPORT ON PEPRA PENSIONABLE COMPENSATION ANALYSIS
COUNTY OF VENTURA PAY CODES:
MODIFICATION OF RECOMMENDATIONS BASED ON NEW INFORMATION
AND/OR ANALYSIS OF NEW PAY CODES

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as of 5/12/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Fctr	GL-Expense
SPB	Sheriff Patrol Bonus	Provided to those regularly assigned to Patrol and Chief Sheriff Pilot and Sheriff's Pilot serving as Crew Chiefs. Also provided to those previously assigned to patrol duties, but later transferred to detention services.	VCDSA Section 1104	Excludes	7522.34(a)	Includable only if payment for regularly assigned normal or essential job function of identifiable subgroup of similarly situated members within this group or class of employment. Payment is not included if it is a bonus that is not provided for patrol duties performed by the individual in a new group or class, but rather is paid because of duties previously performed by the individual who is transferred to group or class that does not have patrol duties.	Meets Criteria/Doesn't Meet Criteria	4/13/2014	Unit/Override Rate	0.750000	0.00	1.0000	221106
HPD	Hol Wrk CNA Per Diem 0.5			Excludes	N/A	Payment is provided only to employees participating in the County's Safe Harbor retirement plan who are not eligible for the VCERA plan. Also, compensation for overtime worked.	Doesn't Meet Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	0.5000	221105
HWP	Hol Wrk CNA Per Diem Contract			Excludes	N/A	Payment is provided only to employees participating in the County's Safe Harbor retirement plan who are not eligible for the VCERA plan.	Doesn't Meet Criteria	9/28/2014	Either Hours or Amount OK	0.000000	0.00	1.0000	221101
YRATE	Y-Rate Differential for Biweekly Employees		All unions	Includes	7522.34(a)	Payment is a temporary adjustment based on individual circumstances. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to similarly situated members of the same group or class of employment.	Doesn't Meet Criteria						
YRATEH	Y-Rate Differential for Hourly Employees		All unions	Includes	7522.34(a)	Payment is a temporary adjustment based on individual circumstances. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to similarly situated members of the same group or class of employment.	Doesn't Meet Criteria						

NOTE: Cells with red text indicate that the cell's original language has changed since the July 20, 2015, report; changes in recommendations are based on new/changed information regarding the earnings code.

REASON FOR CHANGES ABOVE:

- SPB: Determination has been changed from "Meets Criteria" to "Meets Criteria/Doesn't Meet Criteria" which indicates it is situation specific. This is based on an August 4, 2015, change to the VCDSA Memorandum of Agreement.
- HPD: Updated text provided in analysis column for clarity.
- HWP: Determination has been changed from "Meets Criteria" to "Doesn't Meet Criteria" as a correction.
- YRATE: Updated text provided in analysis column for clarity.
- YRATEH: Updated text provided in analysis column for clarity.

ENDNOTE REVISION: Retirement system contributions are not paid for periods during which an employee is on leave without pay, and thus retirement system service credit is not provided for those periods; however, subdivision (c) of Government Code section 31462 provides for imputing of the pensionable compensation of the position held by the member immediately prior to any such absences when determining final compensation if the absence occurs during a member's final compensation period.

ADDENDUM TO JULY 20, 2015, PRELIMINARY REPORT ON PEPRRA PENSIONABLE COMPENSATION ANALYSIS

COUNTY OF VENTURA PAY CODES:

MODIFICATION OF RECOMMENDATIONS BASED ON NEW INFORMATION

AND/OR ANALYSIS OF NEW PAY CODES

THE FOLLOWING ARE NEW COUNTY OF VENTURA PAY CODES, SO INFORMATION WAS NOT INCLUDED IN THE JULY 20, 2015, ANALYSIS.

Earnings Code	Earnings Code Description	Additional Description	MOA Reference	County Includes/ Excludes as 9/11/15	7522.34 Reference	VCERA Analysis	VCERA Analysis Meets Criteria / Doesn't Meet Criteria / Other	Current Effective Date	Pymt Type	Unit/Ovr	Flat Amt	Mult Factr	GL-Expense
PPF	Paramedic Prem Fire Engineers		VCPFA Section 607	Excludes	7522.34(a)	Payment is provided to employees participating in the ALS program, which adds to the regular duties of those employees. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	4/12/2015	Either Hours or Amount OK	0.000000	0.00	0.0500	Unknown
PFL	Paramedic Fire Engineer Line		VCPFA Section 607	Excludes	7522.34(a)	Payment is provided to employees participating in the ALS program, which adds to the regular duties of those employees. Thus, the payment is for regularly assigned normal or essential job functions of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria	4/12/2015	Either Hours or Amount OK	0.000000	0.00	0.0500	Unknown
SLB	Sick Leave Benefit Accruals	Hours Adjustment Only	All	Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	4/26/2015	Hours Only	0.000000	0.00	1.0000	Unknown
VLB	Vacation Benefit Accruals	Hours Adjustment Only	All	Excludes	N/A	No cash value - hours adjustment code.	Doesn't Meet Criteria	4/26/2015	Hours Only	0.000000	0.00	1.0000	Unknown
B2S	Bilingual Level 2 - VCDSA		VCDSA MOA Section 601	Excludes	7522.34(a)	Includable only if bilingualism a regularly assigned normal or essential job function of an identifiable subgroup of similarly situated members within this group or class of employment.	Meets Criteria/Doesn't Meet Criteria	7/5/2015	Unit/Override Rate	1.380000	0.00	1.0000	Unknown
PDC	Per Diem Charge Nurse Premium		CNA Per Diem Unit	Excludes	N/A	Payment is to provided only to employees participating in the County's Safe Harbor retirement plan who are not eligible for the VCERA plan.	Doesn't Meet Criteria	8/2/2015	Unit/Override Rate	1.000000	0.00	1.0000	Unknown
BDP	Bachelor Degree Per Diem CNA		CNA Per Diem Unit	Excludes	N/A	Payment is to provided only to employees participating in the County's Safe Harbor retirement plan who are not eligible for the VCERA plan.	Doesn't Meet Criteria	8/16/2015	Unit/Override Rate	1.250000	0.00	1.0000	Unknown
GDP	Graduate Degree Per Diem CNA		CNA Per Diem Unit	Excludes	N/A	Payment is to provided only to employees participating in the County's Safe Harbor retirement plan who are not eligible for the VCERA plan.	Doesn't Meet Criteria	8/16/2015	Unit/Override Rate	1.750000	0.00	1.0000	Unknown
PC1	Certification Pay 1 PerDiemCNA		CNA Per Diem Unit	Excludes	N/A	Payment is to provided only to employees participating in the County's Safe Harbor retirement plan who are not eligible for the VCERA plan.	Doesn't Meet Criteria	8/16/2015	Unit/Override Rate	0.813000	0.00	1.0000	Unknown
PC2	Certification Pay 2 PerDiemCNA		CNA Per Diem Unit	Excludes	N/A	Payment is provided only to employees participating in the County's Safe Harbor retirement plan who are not eligible for the VCERA plan.	Doesn't Meet Criteria	8/16/2015	Unit/Override Rate	1.626000	0.00	1.0000	Unknown
PC3	Certification Pay 3 PerDiemCNA		CNA Per Diem Unit	Excludes	N/A	Payment is provided only to employees participating in the County's Safe Harbor retirement plan who are not eligible for the VCERA plan.	Doesn't Meet Criteria	8/16/2015	Unit/Override Rate	2.439000	0.00	1.0000	Unknown
DTR	DTR Prem 1.5% Per Diem CNA		CNA Per Diem Unit	Excludes	N/A	Payment is provided only to employees participating in the County's Safe Harbor retirement plan who are not eligible for the VCERA plan.	Doesn't Meet Criteria	8/16/2015	Either Hours or Amount OK	0.000000	0.00	0.0150	Unknown

**ADDENDUM TO JULY 20, 2015, PRELIMINARY REPORT ON PEPRA PENSIONABLE COMPENSATION ANALYSIS
VENTURA REGIONAL SANITATION DISTRICT (VRSD) PAY CODES:**

**MODIFICATION OF RECOMMENDATION BASED ON NEW INFORMATION
AND/OR ANALYSIS OF NEW PAY CODES**

Code	Type	Description	VRSD Includes/ Excludes as of 5/18/15	VCERA Pensionable Compensation Analysis	VCERA Prelim. Conclusion
RMED-C	Hourly	(A) Retro Med-C	Inactive	Inactive as of 08/26/15.	Inactive
RMED-L	Hourly	(A) Retro Med LWOP	Inactive	Inactive as of 08/26/15.	Inactive
CLASSO	Overtime	(R) Out of Class OT	Excludes	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay. Payment for also for temporary assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to all similarly situated members of the same group or class of employment.	Doesn't Meet Criteria

NOTE: Information in red above, and in the endnote on the following page, represents a change in the VCERA recommendation since July 20, 2015, based on new information.

REASON FOR CHANGE:

- RMED-C and RMED-L are now inactive codes, effective 08/26/2015.
- CLASSO code was originally incorrectly identified by VCERA as included by VRSD, but this code is excluded; thus, no change is recommended.

THE FOLLOWING ARE NEW VRSD PAY CODES, SO INFORMATION WAS NOT INCLUDED IN THE JULY 20, 2015, ANALYSIS.

Code	Type	Description	VRSD Includes/ Excludes as of 8/26/15	VCERA Pensionable Compensation Analysis	VCERA Prelim. Conclusion
R-NITE	Hourly	(A) Retro-Night Shift	Includes/Excludes	Includable only for employees who are regularly required to work between the hours of 2 pm to 9:30 am. Excluded for employees who occasionally work this shift but are eligible for the incentive pay.	Meets Criteria /Doesn't Meet Criteria
R-02OT	Overtime	(A) Retro-Overtime-Night Shift	Excludes	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay.	Doesn't Meet Criteria
R-ALWP	Hourly	(A) Retro-Authorized Leave W/Pay	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
R-CLS	Hourly	(A) Retro-Out of Class	Includes	Payment for temporary assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to all similarly situated members of the same group or class of employment.	Doesn't Meet Criteria

September 16, 2015

Addendum VRSD Codes for Pensionable Compensation

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**ADDENDUM TO JULY 20, 2015, PRELIMINARY REPORT ON PEPRA PENSIONABLE COMPENSATION ANALYSIS
VENTURA REGIONAL SANITATION DISTRICT (VRSD) PAY CODES:**

**MODIFICATION OF RECOMMENDATION BASED ON NEW INFORMATION
AND/OR ANALYSIS OF NEW PAY CODES**

Code	Type	Description	VRSD Includes/ Excludes as of 8/26/15	VCERA Pensionable Compensation Analysis	VCERA Prelim. Conclusion
R-CLSO	Overtime	(A) Retro-Out of Class OT	Excludes	Compensation for non-FLSA overtime worked. Also, not base pay or normal monthly rate of pay. Payment for also for temporary assignments. Thus, the payment is by definition not for regularly assigned normal or essential job functions, nor is it available to all similarly situated members of the same group or class of employment.	Doesn't Meet Criteria
R-FLTT	Holiday	(A) Retro-Floating Hol Taken	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
R-FLTE	Hourly	(A) Retro-Floating Holiday Earned	Excludes	Hours only code	Doesn't Meet Criteria
R-FMLC	Hourly	(A) Retro-FMLA CAL	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
R-FMLL	Hourly	(A) Retro-FMLA Leave Without Pay	Excludes	See End Note	See Endnote
R-HOLE	Hourly	(A) Retro-Holiday Worked - EXEMP	Excludes	Hours only code	Doesn't Meet Criteria
R-HOLW	Overtime	(A) Retro-Holiday Worked Time	Excludes	Compensation for non-FLSA overtime worked. Also, note base pay or normal monthly rate of pay.	Doesn't Meet Criteria
R-INDC	Hourly	(A) Industrial CAL	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
R-INDL	Hourly	(A) Industrial LWOP	Excludes	See End Note	See Endnote
R-IN24	Hourly	(A) Industrial-24 Hours	Includes	Included in normal monthly rate of pay for leave taken as time off for first 24 hours	Meets Criteria
R-LWOP	Hourly	(A) Retro-Leave W/Out Pay	Excludes	See End Note	See Endnote
R-MEDC	Hourly	(A) Retro Med-C	Includes	Included in normal monthly rate of pay for leave taken as time off.	Meets Criteria
R-MEDL	Hourly	(A) Retro Med LWOP	Excludes	See End Note	See Endnote
R-STOT	Overtime	(A) Retro-Straight OT	Excludes	Compensation for non-FLSA overtime worked.	Doesn't Meet Criteria
R-SBSU	Hourly	(A) Retro-Stand By-SEIU	Excludes	Payment for additional services rendered outside normal working hours. Excluded by section 7522(c)(6).	Doesn't Meet Criteria
R-SBHL	Other	(A) Retro-Standby Holiday	Excludes	Payment for additional services rendered outside normal working hours. Excluded by section 7522(c)(6).	Doesn't Meet Criteria
R-SBWD	Other	(A) Retro-Stand by Week Day	Excludes	Payment for additional services rendered outside normal working hours. Excluded by section 7522(c)(6).	Doesn't Meet Criteria
R-SBWE	Other	(A) Retro-Standby Week End	Excludes	Payment for additional services rendered outside normal working hours. Excluded by section 7522(c)(6).	Doesn't Meet Criteria

ENDNOTE REVISION: Retirement system contributions are not paid for periods during which an employee is on leave without pay, and thus retirement system service credit is not provided for those periods; however, subdivision (c) of Government Code section 31462.05 provides for imputing of the pensionable compensation of the position held by the member immediately prior to any such absences when determining final compensation if the absence occurs during a member's final compensation period.

September 16, 2015

Addendum VRSD Codes for Pensionable Compensation

MASTER PAGE NO. 237

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September 10, 2015

Linda Webb, Retirement Administrator
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003-6572

Via email and U.S. Mail

Re: **PEPRA Pensionable Compensation**

Dear Ms. Webb:

I am writing on behalf of the Ventura County Deputy Sheriffs Association (VCDSA), Ventura County Professional Firefighters Association (VCPFA) and the Ventura County Professional Peace Officers Association (VCPPOA) in response to your communication to the members of the Board of Retirement dated July 20, 2015 regarding which items of compensation you are recommending being included in and excluded from "pensionable compensation" with respect to "new members" as defined in California Government Code Section 7522.04(f), which appears in the Public Employees Pension Reform Act (PEPRA). My clients and I take issue with several of the items of proposed action set forth in the spreadsheet that accompanied your communication.

Initially, we strongly disagree with the portion of the VCERA Resolution adopted November 7, 2014 that accompanied your communication that purports to define what items of pay must be included in and excluded from pensionable compensation with respect to those new members in accordance with California Government Code Section 7522.34 that also appears in the PEPRA. On page 3 of the Resolution, in paragraph 2c), the Resolution specifies that "[s]pecial assignment payments or differentials, and payments for possessing specified certificates, certifications or licenses will be included only if the assignment, certification or license is part of a member's regularly assigned responsibilities on a matter that is a normal or essential function of the job" (Emphasis in original.)

These restrictions do not appear anywhere in Section 7522.34 of the California Government Code. Subsection (a) of that provision defines "pensionable compensation" as meaning ". . . the normal monthly **rate of pay** or base pay of the member paid in cash to similarly

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Ms. Webb, VCERA

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situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours. . . ." (Emphasis added.) Nothing in that subsection restricts compensation that is part of the individual's "normal monthly rate of pay" to forms of pay that are "part of a member's regularly assigned responsibilities on a matter that is a normal or essential function of the job" as VCERA appears to contend. Likewise, none of the exclusions set forth in subsection (c) of Section 7522.34 would require or produce the result being advocated by VCERA.

Accordingly, it is our position that all items of pay that fit that description, such as POST Incentive Pay, Education Incentive Pay, EMT Certificate Pay and Education Achievement Pay, have been and appear to continue to be improperly excluded from pensionable compensation.

VCDSA and I appreciate the fact that you have decided to include earnings code 42P (4/2 Sheriff Patrol Bonus). However, you have apprised VCDSA that you will not be including this bonus with respect to individuals who are being re-assigned from patrol to detention services pursuant to a recent Amendment to the Memorandum of Agreement (MOA) between VCDSA and the County. The apparent basis for your decision not to include this bonus for those reassigned individuals was that it was not being provided to all employees assigned to detention functions. However, it is our position that it is being provided to "similarly situated members of a group or class of employment" (*i.e.* employees re-assigned from patrol to detention services) and, therefore, satisfies the definition of pensionable compensation set forth in Government Code Section 7522.34(a).

It also is our position that the recommendation to exclude various forms of pay in lieu of holidays is contrary to the provisions of Government Code Section 7522.34. For employees who are normally required to work on an approved holiday because they work in positions that require scheduled staffing without regard to holidays, this compensation is part of their normal monthly rate of pay. Moreover, it does not fall within any of the exclusions set forth in of subsection (c). Interestingly, while subparagraph (5) of subsection (c) excludes payments for various forms of paid leaves, it conspicuously omits holiday leaves.

Finally, it is difficult to tell what is being recommended with regard to various forms of bilingual pay. However, my clients strongly believe that this pay should be treated as

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Ms. Webb, VCERA
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pensionable compensation because it is part of their normal monthly rate of pay. Moreover, even if we were to adopt the aforementioned definition that we assert is improperly being employed by VCERA, this pay would be for a certification that is part of a member's regularly assigned responsibilities on a matter that is a normal or essential function of the job. The only possible reason for the County of Ventura to provide the premium compensation for bilingual skills is because those skills benefit the County by enabling the recipient to more effectively perform his/her job.

I plan to attend your meeting on September 16, 2015 to elaborate in greater detail on these matters. In the meantime, if any representative of VCERA, including you and Ms. Dunning, has any questions or concerns regarding the contents of this communication, please feel free to contact me.

Sincerely,

SILVER, HADDEN, SILVER + LEVINE


STEPHEN H. SILVER

cc: Ventura County Deputy Sheriffs' Association
Ventura County Professional Firefighters Association
Ventura County Professional Peace Officers Association

SHS:llh