

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**  
**BOARD OF RETIREMENT**  
**SPECIAL MEETING**  
**DECEMBER 13, 2017**

**AGENDA**

**PLACE:** Ventura County Employees' Retirement Association  
Second Floor Boardroom  
1190 South Victoria Avenue  
Ventura, CA 93003

**TIME:** 9:30 a.m.

*Members of the public may comment on any item under the Board's jurisdiction by filling out a speaker form and presenting it to the Clerk. Unless otherwise directed by the Chair, comments related to items on the agenda will be heard when the Board considers that item. Comments related to items not on the agenda will generally be heard at the time designated for Public Comment.*

**ITEM:**

- |   |                 |
|---|-----------------|
| I. <b><u>CALL TO ORDER</u></b>  | Master Page No. |
| II. <b><u>APPROVAL OF AGENDA</u></b>  | 1 – 2           |
| III. <b><u>OLD BUSINESS</u></b>   |                 |
| A. Report and Recommendations Regarding Pensionable Compensation under PEPRA and the Board of Retirement's Resolution   |                 |
| 1. Staff Letter with Recommendations Regarding Supplemental Board Resolution, Market Based Premium Pay (MBPP)<br><i>To be provided following Board of Supervisors Action on Dec. 12, 2017</i> |                 |
| a. Recommended Adoption of Board Resolution Regarding "Similarly Situated Members of Group or Class of Employment"  |                 |
| i. Draft Resolution   | 3               |
| b. Recommended Inclusion of Market-Based Premium Pay (MBPP) in Pensionable Compensation Following County Board of Supervisors Action  |                 |

**BOARD OF RETIREMENT  
SPECIAL MEETING**

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|-----|--|---------|
| i.  | Letter from HR Director Shawn Atin to Board of Supervisors.                    | 4 – 5   |
| ii. | Section 622 of SEIU Resolution, Amended  | 6 – 9   |
| 2.  | Recommendation to Exclude HCA Fiscal Premium Pay from Pensionable Compensation |         |
| a.  | Staff Letter with Attachments  | 10 – 19 |

**IV. PUBLIC COMMENT**

**V. STAFF COMMENT**

**VI. BOARD MEMBER COMMENT**

**VII. ADJOURNMENT**



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December 13, 2017

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

**SUBJECT: RECOMMENDATION TO ADOPT DRAFTED SUPPLEMENTAL BOARD RESOLUTION AND  
RECOMMENDATION TO INCLUDE MARKET-BASED PREMIUM PAY (MBPP) IN  
PENSIONABLE COMPENSATION UNDER PEPRA**

Dear Board Members:

**Recent Background**

On March 13, 2017, the Board authorized staff to, in consultation with outside counsel (Counsel), conduct further review of the County's most recent submission of a proposed publicly-available pay schedule of market-based premium pay ("MBPP") items and to: 1) examine new or additional information on MBPP subsequent to the Board action of October 15, 2015 to settle the matter of its pensionability; and 2) request further guidelines for inclusion/exclusion of discretionary pay items in pensionable compensation under PEPRA.

In response to the resulting request from VCERA staff, Counsel responded on June 12<sup>th</sup> in a confidential memorandum, which was later released and made public on September 11<sup>th</sup>. In that memorandum, Counsel opined:

*"... the VCERA Board does not have the discretion to include the county's MBPP in pensionable compensation because the information VCERA has received and gathered since October 2015 established that (i) MBPP is not provided to similarly situated members of the same group or class of employment, but rather that MBPP constitutes discretionary bonuses that the County does not provide to similarly situated members of the same group or class, and (ii) a publicly available pay schedule has not been provided that complies with the applicable law as implemented by the Resolution."*

With the release of the memorandum, the Board postponed action and has continued to do so to allow for VCERA Counsel and County Counsel to discuss the issues regarding these pay items. This discussion and collaboration has resulted in the County finalizing an amendment to Section 622 of the SEIU

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Memorandum of Agreement (MOA) addressing MBPP. This amendment, ratified by SEIU and adopted by Ventura County Board of Supervisors at their December 12<sup>th</sup> meeting, is provided. The language now includes a table of MBPP information that with job classifications, MBPP amounts, and specific conditions for payment, such as job responsibilities.

Both staff and Counsel have reviewed this new language, bearing in mind the clear path to inclusion outlined by Counsel in her June 12<sup>th</sup> memorandum, which said:

*"MBPP would be within the Board's discretion to include in pensionable compensation under PEPRA and the Board's Resolution only if it were in fact part of the normal monthly rate of pay for a member and provided on the same terms to all the other similarly situated members, e.g., those with similar job duties, work locations, collective bargaining units or other logical work-related grouping, and provided that the County adopted a publicly available pay schedule indicating the conditions for payment of the MBPP, including, but not limited to, eligibility for, and amount of each component of pay, and such conditions are able to be verified objectively by VCERA, rather than varying on a discretionary basis between otherwise similarly situated members. That publicly available pay schedule would of course also need to be consistent with labor policies or agreements applicable to the impacted members."*

Based on informal audit of the most recent payroll information, it appears that MBPP is now being paid consistent with the new language of Section 622. Further, Section 622 now appears to meet all of the necessary criteria for inclusion as specified in the Board's Resolution, as summarized below:

- ✓ (i) paid in cash to similarly situated members of the same group or class of employment;
- ✓ (ii) paid for services rendered on a full-time basis;
- ✓ (iii) paid only for services rendered during normal working hours;
- ✓ (iv) paid pursuant to publicly available pay schedules; and

#### Proposed Amendment to 2014 Board Resolution

During the lengthy discussions about MBPP pensionability, the disagreement often centered on the definition of "similarly situated members of the same group or class." In an effort to avoid difficulties in the future and to provide guidance and clarity to staff, and after consultation with Counsel, staff recommends adoption of the provided *Resolution Regarding Similarly-Situated Members in a Group or Class Considerations for Pensionable Compensation Considerations* to supplement the original 2014 Board Resolution.

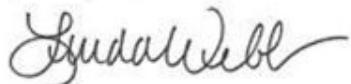
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Staff believes that adoption of Counsel's proposed supplemental Resolution, in addition to approval of MBPP in pensionable compensation in light of the new Section 622 language, will eliminate contradictions previously barring MBPP from compliant inclusion in pensionable compensation.

**RECOMMENDED ACTION: ADOPT PROPOSED RESOLUTION TO CLARIFY SIMILARLY SITUATED MEMBERS OF THE SAME GROUP OR CLASS AND APPROVE INCLUSION OF MBPP IN PENSIONABLE COMPENSATION UNDER PEPRA.**

Staff will be happy to answer any questions on this item at the December 13<sup>th</sup> special meeting.

Sincerely,



Linda Webb  
Retirement Administrator

**RESOLUTION OF THE BOARD OF RETIREMENT OF VENTURA COUNTY  
EMPLOYEES' RETIREMENT ASSOCIATION (VCERA) REGARDING "SIMILARLY  
SITUATED MEMBERS OF GROUP OR CLASS OF EMPLOYMENT"  
CONSIDERATIONS FOR PENSIONABLE COMPENSATION DETERMINATIONS**

WHEREAS, the VCERA Board of Retirement ("Board") adopted a Resolution Regarding Pensionable Compensation Determinations on November 17, 2014, which is incorporated herein by this reference ("2014 Pensionable Compensation Resolution").

WHEREAS, the VCERA Board has determined that further guidance should be provided with respect to item 2.c.ii on page 2 of the 2014 Pensionable Compensation Resolution regarding criteria required to constitute "similarly situated members of the same group or class of employment."

WHEREAS, the California Code of Regulations includes a definition of "pensionable compensation" that does not bind VCERA's Board, but provides a model for guidance on topics including, without limitation, that which constitutes "similarly situated members of the same group or class of employment," and the VCERA Board hereby adopts that same definition. (See 2 CCR sec. 571.1)

NOW, THEREFORE, BE IT RESOLVED that the VCERA Board declares as follows:

1. The foregoing Recitals are incorporated herein by this reference.
2. The 2014 Pensionable Compensation Resolution is hereby amended to add the following provision applicable to item 2.c.i thereof, which pertains to "similarly situated members of a group or class of employment":

(A) As used in the 2014 Pensionable Compensation Resolution, "group or class of employment" means a number of employees considered together because they share similarities in job duties, work location, collective bargaining unit, or other logical work-related grouping. One employee may not be considered a group or class.

(B) Increases in pensionable compensation granted to an employee shall be limited during the final compensation period applicable to the employee, as well as the two years immediately preceding the final compensation period, to the average increase in pensionable compensation during the same period reported by the employer for all employees who are in the closest related group or class.

ADOPTED AND APPROVED by the Board of Retirement of the Ventura County Employees' Retirement Association on the \_\_\_th day of December 2017.

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Tracy Towner, Chair of the Board

# county of ventura

COUNTY EXECUTIVE OFFICE  
MICHAEL POWERS  
County Executive Officer

J. Matthew Carroll  
Assistant County Executive Officer

Catherine Rodriguez  
County Chief Financial Officer

Shawn Atin  
Assistant County Executive Officer/  
Human Resources Director  
Labor Relations

December 5, 2017

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, California 93009

**Subject:** Adoption of an Amendment to the 2017-2019 Memorandum of Agreement (MOA) between the County of Ventura and the Service Employees International Union, Local 721. (No Material Impact on Funding Status of Retirement System)

**Recommendations:**

It is recommended that your Board:

1. Hold a public hearing on the adoption of an Amendment to the 2017-2019 Memorandum of Agreement (MOA) between the County of Ventura (County) and the Service Employees International Union, Local 721 (SEIU); and
2. Waive the second hearing required by Article 20, Section 2006B of the Personnel Rules and Regulations and adopt the terms of the Amendment at the conclusion of this hearing.

**Fiscal/Mandates Impact:**

|                              |  |                                  |
|------------------------------|--|----------------------------------|
| Mandatory:                   | No [ <input checked="" type="checkbox"/> ] | Yes [ <input type="checkbox"/> ] |
| Source of Funding:           | HCA  |                                  |
| Funding Match Required:      | No   |                                  |
| Impact on Other Departments: | None                                       |                                  |

Summary of Fiscal Impact:

|            | <u>FY 2017-18</u> | <u>FY 2018-19</u> | <u>FY 2019-20</u> |
|------------|-------------------|-------------------|-------------------|
| Total Cost | \$0               | \$0               | \$0               |

In accordance with Government Code Sections 31515.5 and 23026, the proposed amendment as approved will have no material impact on the funding status of the retirement system.

**Background:**

Under Section 622, "Market Based Premium Pay," of the MOA between the County and SEIU, the County may, at its discretion, issue market based premium pay (MBPP) in addition to an employee's base wage, for incumbents within several classifications relating to the medical field. The MBPP is given in order to aid the County in its recruitment and retention of highly qualified

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employees in a competitive labor market. The amount of the MBPP is generally dictated according to the changing labor market of comparable positions at local and regional hospitals.

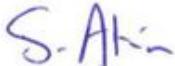
In October of 2015, the Board of Retirement of the Ventura County Employees' Retirement Association (VCERA) determined that the MBPP was pensionable compensation applicable to those who are receiving it. However, the Board of Retirement required that the County adopt a publicly available pay schedule indicating the conditions for payment of the MBPP, including but not limited to eligibility for and amount of each component of pay and such conditions that are able to be verified objectively by VCERA. Of particular concern to VCERA was an indication of how similarly situated employees eligible to receive the MBPP are treated.

As a result, to satisfy the Board of Retirement requirement, and in consultation with VCERA, on November 16, 2017, the County and SEIU agreed to the attached amendment to the SEIU MOA which provides a publicly available pay schedule and clarifies how similarly situated employees are paid the MBPP. This amendment does not result in increased cost nor does it increase or decrease the maximum MBPP that may be offered to the applicable classifications. The recommended amendment serves to document the amount of the current MBPP received by employees in each eligible classification by job assignment. It also commits the County to publicly post the pay schedule in the amended section, in the same format, when MBPP changes are made in accordance to the changing labor market.

In addition to the above, our office recommends that your Board waive the requirement in the Personnel Rules and Regulations for a second public hearing and adopt the terms of the amendment at the conclusion of the hearing.

This letter has been reviewed by the County Executive Office, the Auditor-Controller's Office and County Counsel. If you have any questions regarding this item, please call me at 654-2561.

Respectfully,



Shawn Atin  
Assistant CEO/Labor Relations Director



Michael Powers  
County Executive Office

cc: Matt Carroll, Assistant County Executive Officer  
Catherine Rodriguez, Assistant County Executive Officer/Chief Financial Officer  
Jeff Burgh, Auditor-Controller  
Leroy Smith, County Counsel  
Service Employees International Union, Local 721

Attachments:  
Exhibit 1 – MBPP Amendment

**AGREEMENT TO AMEND THE MEMORANDUM OF  
AGREEMENT BETWEEN THE COUNTY OF VENTURA AND  
THE SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 721**

There is presently in full force and effect a Memorandum of Agreement ("MOA") between the County of Ventura ("County") and the Service Employees International Union, Local 721 (SEIU) which sets forth the terms and conditions of employment of all employees of the County represented by SEIU for the period between January 10, 2017 and December 14, 2019.

The parties agree exigent circumstances have developed that warrant amendment of their current MOA to address the pensionable compensation of the Market Based Premium Pay for certain employees represented by SEIU. Therefore, the parties have agreed to amend Section 622, "MARKET BASED PREMIUM PAY", as follows:

1. The Current language of Section 622, "MARKET BASED PREMIUM PAY" shall be deleted and the following language shall be added in its place:

Employees in the following classifications with the indicated work assignments shall be paid the additional hourly pay shown. For historical purposes, the amount of additional pay ("market based premium pay" or "MBPP") indicated is the amount the County has deemed necessary to add to regular base pay to compete for qualified individuals in today's job market. The County may, without further approval by SEIU, Local 721, adjust the amount of MBPP for indicated work assignments based on the County's determination of job market forces. Any adjustment to the MBPP will be calculated as needed and with reference to the latest annual market survey of comparable positions in local hospitals and pharmacies and implemented via an amendment to the chart below that will be publicly posted. Adjustment of the MBPP, whether an increase or decrease, will be in accord with the County's compensation goal of paying within 5% of the median market pay rate, subject to exigent circumstances.

| Classification                           | Work Assignment | MBPP       | Descriptors   |
|--|-----------------|------------|---|
| Clinical Laboratory Scientist I          | All             | \$6.347700 | All levels are responsible for performing a variety of standardized tests obtaining data for use in the diagnosis and treatment of disease. |
| Clinical Laboratory Scientist II         | All             | \$6.347700 | All levels require a Bachelor's degree and a minimum of one year of on the job training to obtain CA state licensure.                       |
| Clinical Laboratory Scientist III        | All             | 10.250000  | Level III requires in depth knowledge of specialty area to which they are assigned (Chemistry, Hematology, Blood Bank, etc.)                |
| Certified Occupational Therapy Assistant | None            | 0.00       | No Incumbents   |
| Histologist                              | None            | 0.00       | Not needed at this time   |
| Licensed Physical                        | All             | \$5.396550 | Under the supervision of a physical   |

|                                 |  |             |   |
|---------------------------------|--|-------------|---|
| <u>Therapy Asst.</u>            |  |             | <u>therapist provides physical therapy services. Requires CA state license.</u>   |
| <u>Pharmacist I/II</u>          | <u>VCMC/SPH General Pharmacy</u>   | \$11.000000 | <u>General Pharmacy work. All levels require a PhD. And CA state licensure. Excludes those who do not dispense medication.</u>  |
| <u>Pharmacist I/II</u>          | <u>VCMC/SPH General Pharmacy (Non-PEPRA Only i.e. not subject Govt Code 7522.34)</u>     | \$13.000000 | <u>General Pharmacy work. All levels require a PhD. And CA state licensure</u>  |
| <u>Pharmacist I/II</u>          | <u>Antimicrobial Stewardship Pharmacist</u>  | \$14.000000 | <u>Oversight &amp; management of antibiotics in both hospitals; Manages Antimicrobial Stewardship Program with ID Physician. Requires specialized knowledge of infectious diseases.</u>   |
| <u>Pharmacist I/II</u>          | <u>ICU Pharmacist/Clinical Coordinator</u>   | \$14.000000 | <u>Full-time coverage of ICU pharmacy services to care for high acuity patients. Requires specialized knowledge in critical care.</u>   |
| <u>Pharmacist I/II</u>          | <u>Informatics</u>   | \$14.000000 | <u>In addition to regular pharmacy duties, Cerner analyst and liaison for pharmacy.</u>   |
| <u>Pharmacist I/II</u>          | <u>Oncology</u>  | \$14.000000 | <u>Handling and management of dangerous, high-cost, toxic chemotherapy and immunosuppressant drugs.</u>   |
| <u>Pharmacist I/II</u>          | <u>Night Shift/ Solo Practitioner</u>  | \$16.500000 | <u>Pharmacist on night shifts has full-autonomy during night shifts covering both VCMC and SPH as the only pharmacist on duty. Must be highly skilled &amp; meticulous</u>  |
| <u>Pharmacist I/II</u>          | <u>Medication Safety Officer</u>   | \$17.000000 | <u>Responsible for medication safety oversight for all of VCMC &amp; SPH. Develops and maintains Medication Error Reduction Program as required by State of California.</u>   |
| <u>Pharmacist I/II</u>          | <u>Night Shift/Solo Practitioner/ Grandfathered by assignment date (Non- PEPRA only)</u> | \$21.000000 | <u>Pharmacist on night shifts has full-autonomy during night shifts covering both VCMC and SPH as the only pharmacist on duty. Must be highly skilled &amp; meticulous.</u><br><u>Those assigned to duties on or before 11/13/2011 received higher MBPP because of exigent circumstances at the time of assignment.</u> |
| <u>Pharmacy Technician I/II</u> | <u>Oncology</u>  | \$4.235980  | <u>Handling of dangerous, high-cost, toxic chemotherapy and immunosuppressant drugs</u>   |
| <u>Pharmacy Technician I/II</u> | <u>VCM,SPH General Pharmacy</u>  | \$3.235980  | <u>General Pharmacy work. All assignments require CA state certification.</u>   |
| <u>Pharmacy Technician I/II</u> | <u>Night Shift</u>   | \$4.235980  | <u>Pharmacy technician on night shift covering both VCMC and SPH as the only pharmacy technician on duty. Must be highly skilled and meticulous.</u>  |

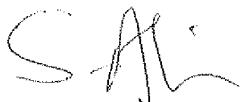
|  |                                     |             |   |
|--|-------------------------------------|-------------|---|
| <u>Principal Respiratory Therapist</u>                   | Adult                               | \$6.360719  | <u>Standard respiratory care of adult patients.</u><br><u>All levels require CA state licensure and national certification.</u>   |
| <u>Principal Respiratory Therapist</u>                   | Adult/COPD/PFT/CCM                  | \$7.860719  | <u>Standard respiratory care of adult patients. In addition, trained in Pulmonary Function Testing (PFT) and certified in the care of COPD patients.</u>                                    |
| <u>Principal Respiratory Therapist</u>                   | Adult/NRP/STABLE/SPH                | \$7.860719  | <u>Standard respiratory care of adult patients. On call for births at SPH requiring additional Neo Natal certification and training.</u>  |
| <u>Principal Respiratory Therapist</u>                   | Adult/Cerner                        | \$8.360719  | <u>Standard respiratory care of adult patients. Cerner software analyst and liaison for respiratory.</u>  |
| <u>Principal Respiratory Therapist</u>                   | PICU/NiCU/Adult                     | \$9.360719  | <u>Standard respiratory care of adult patients and respiratory care of higher acuity children, infants and adults.</u>  |
| <u>Occupational Therapist/Sr. Occupational Therapist</u> | Certified Hand Therapist            | \$5.617232  | <u>Master's degree, CA state licensure and Specialty certification in hand therapy.</u><br><u>Needed to meet the rehab needs of those receiving hand surgery through VCMC.</u>              |
| <u>Physical Therapist/Sr. Physical Therapist</u>         | None                                | 0.00        | <u>Not needed at this time</u>  |
| <u>Radiologic Specialist I/II/III/IV</u>                 | None                                | 0.00        | <u>Not needed at this time</u>  |
| <u>Radiologic Technologist</u>                           | None                                | 0.00        | <u>Not needed at this time</u>  |
| <u>Staff Psychologist</u>                                | All                                 | \$10.009375 | <u>Both levels require a PhD and eligibility to obtain privileges at VCMC. Senior requires a CA license.</u>  |
| <u>Senior Psychologist</u>                               | All                                 | \$10.009375 | <u>Both levels provide those psychological services privileged by VCMC Psychology Department to individuals and groups as a member of an outpatient, day treatment or inpatient team.</u>   |
| <u>Speech Pathologist</u>                                | All                                 | \$6.494564  | <u>Both levels plan, coordinate, and administer speech pathology treatment programs for the rehabilitation of patients.</u>   |
| <u>Senior Speech Pathologist</u>                         | All                                 | \$6.494564  | <u>Both levels require a master's degree, CA state licensure (SLPAB) and national certification (ASHA).</u>   |
| <u>Supervising Therapist I</u>                           | None                                | 0.00        | <u>Not needed at this time</u>  |
| <u>Supervising Therapist II</u>                          | Outpatient/Inpatient (excludes CCS) | \$3.770000  | <u>Incumbents supervise Physical Therapy and Occupational Therapy staff and/or clinics in the absence of management.</u><br><u>Bachelor's or Masters and CA state licensure is required</u> |

The MBPP will be fixed in the foregoing amounts; adjustments to the above schedule will be made publicly available in the same form as set forth above; provided, however, that the MBPP shall not exceed \$15 per hour for these classifications: Pharmacy Technician I and II, Clinical Laboratory Scientist I/II and III, Histologist, Radiologic Specialist I/II/III and IV, Radiologic Technologist, Licensed Physical Therapy Assistant, Principal Respiratory Therapist and Certified Occupational Therapy Assistant; or \$25 for these classifications: Pharmacist I and II, Speech Pathologist, Senior Speech Pathologist, Physical Therapist, Senior Therapist, Occupational Therapist, Senior Occupational Therapist, Supervising Therapist I and II, Staff Psychologist and Senior Psychologist.

If an employee is receiving a MBPP on the effective date of the general salary increases set forth in Article 5, Sec. 502A, his or her MBPP shall not be reduced as a result of the implementation of said salary increase.

The County agrees to meet and consult with the union on any changes in application of Section 622 prior to implementation. The County will conduct an internal review of the use of MBPP and discuss the results with SEIU.

FOR THE COUNTY:



Shawn Atin  
Assistant CEO/  
Human Resources Director

FOR SEIU, LOCAL 721:



Danny Carrillo  
Tri-Counties Regional Director



December 13, 2017

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

**SUBJECT: RECOMMENDATION TO EXCLUDE HCA FISCAL PREMIUM PAY FROM PENSIONABLE COMPENSATION UNDER PEPRA**

Dear Board Members:

Background

In January of this year, VCERA staff brought 9 new pay codes to the Board of Retirement for determination as to inclusion in or exclusion from pensionable compensation under PEPRA. These codes were not originally included in the 2015 action, as they were established after the initial data was gathered.

One of these pay codes was the Health Care Agency (HCA) Fiscal Premium Pay. It was the only code of the nine on which VCERA and the County did not agree. Section 410 of the County of Ventura Management Resolution provides:

*"At the sole discretion of the Director-Health Care Agency and upon his/her recommendation, the Director-Human Resources may approve a premium pay at the rate of seven and one-half percent (7.5%) of the employee's base bi-weekly pay (exclusive of other additions) for employees in the classifications of Fiscal Manager I-IV and Assistant Chief Financial Officer-HCA who are assigned to positions in the Ventura County Medical Center and/or Santa Paula Hospital. The premium provided by this section is "at will", meaning it may be discontinued at any time without cause and without any pre-deprivation process at the sole discretion of the Director-Health Care Agency." (Emphasis added.)*

Staff recommended exclusion because HCA Fiscal Premium Pay is a discretionary pay item that may be withheld at a later date without a change in duties. It is comparable to items previously excluded from pensionable compensation by the Board of Retirement in its October 19, 2015 action, such as supplemental pay for attorneys (pay code TSC). The pay description for this attorney premium in the Management Resolution also indicates it is at the sole discretion of the Appointing Authority, and may be discontinued at any time without cause and without any pre-deprivation process; it also expires in one year unless renewed.

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Ultimately, after hearing comments from VCERA staff and County HR, the Board asked for HCA Fiscal Premium Pay to be brought back for consideration at a later date, after the parties were able to discuss. Since then, the County has continued to contend that HCA Fiscal Premium Pay is similar to MBPP and thus should be included as pensionable compensation.

During the discussions and collaboration of VCERA's outside Counsel and County Counsel on the issue of Market-Based Premium Pay (MBPP), HCA Fiscal Premium Pay was also discussed. County Counsel acknowledged that this pay item is difficult to fit into VCERA's criteria – though he repeated that the County still is not in full agreement with VCERA on whether VCERA's criteria is applicable to either MBPP or HCA fiscal premium pay.

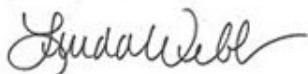
Summary

Because the Director-HCA has reserved complete discretion over the payment of the HCA Fiscal Premium Pay and ability to discontinue the payment, and because the payment is not provided to all similarly situated members of the same group or class of employment, staff categorizes it as ad hoc and a discretionary bonus. Such a payment is not within the Board's discretion to include in pensionable compensation.

**RECOMMENDED ACTION: EXCLUDE HCA FISCAL PREMIUM PAY FROM PENSIONABLE COMPENSATION DUE TO DEFICIENCY IN MEETING PEPRA CRITERIA.**

Staff will respond to any questions at the December 13, 2017 business meeting.

Sincerely,



Linda Webb  
Retirement Administrator

Attachments:

1. Management Resolution Excerpt – Section 410
2. HCA Fiscal Premium Pay Inception in Board of Supervisors' Letter
3. HCA Fiscal Positions Reworked and Retitled

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restructured into three distinct sections: Recruitment, Labor Relations, and Support Services.

Five additional staff are requested. Support staff: One (1) regular Management Assistant III-C will provide clerical and administrative support, freeing the time of professional staff to focus on the HCA's pressing recruitment and labor relations matters. Thus reducing the time-to-hire and time to resolve sensitive employment matters.

Professional staff: One (1) regular Personnel Management Analyst, two (2) regular Personnel Analyst I's, and one (1) regular Personnel Analyst II are requested to provide more timely recruitments, labor relations, and support services. The Personnel Management Analyst will be responsible for managing the Labor Relations unit, along with responding to and handling the most sensitive Labor Relations issues that arise. The position will also oversee the Return to Work/Leave of Absence subsection. The HCA typically has 140 employees on varying leaves at any one time. The Personnel Analyst I and II will be assigned to the recruitment section; this team accounted for 36% of all County recruitments during FY 14-15. Due to the highly specialized needs of the HCA, the HCA has a number of difficult to recruit classifications which, in addition to traditional recruitment methodologies, require extensive sourcing and outreach of potential qualified candidates. The other Personnel Analyst I will provide direction, guidance and coordination to staff within the Certification Unit, which supports recruitments by facilitating candidate testing and on-boarding.

#### **Recommendation No. 7 – Amend the Management Resolution**

Approve an amendment to the Management, Confidential Clerical and Other Unrepresented Employees Resolution to add Section 410, Health Care Agency Hospital Fiscal Premium Pay (page 21 of attached red-line Resolution). This change will have no material impact on the funding status of the retirement system.

#### Discussion for Recommendation No. 7 – Amend the Management Resolution

Central to the Health Care Agency is the Fiscal Department, and specifically the fiscal managers at the hospital who are responsible for leading and managing staff and whose goal it is to ensure regulatory compliance, accurate accounting, timely invoicing for services rendered, payments, and the compilation of a significant variety of required annual and periodic complex reports.

As previously noted, the significant growth of our healthcare system, combined with changes of the healthcare industry have led to a more complex work environment, with correspondent additional staff responsibility and workload.

CEO-HR reviewed the following California counties that have a healthcare fiscal classification comparable to the Ventura County benchmark classification of Fiscal Manager IV: Los Angeles, Riverside, San Bernardino, San Mateo and Santa Clara. These public entities were selected because they have significant healthcare

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operations, specifically hospital operations, administered by each county and they have specialized healthcare fiscal management job classifications. Our review indicates that for classifications that are comparable to the benchmark Ventura County classification, Fiscal Manager IV, the market median base salary is at \$11,450.80 monthly, which is 13.5% above the Ventura County classification of Fiscal Manager IV (\$10,086.58 monthly). This survey suggests that other public entities recognize the relative additional complexity and responsibility associated with fiscal management in a hospital setting compared to non-hospital settings.

Additionally, our analysis shows that in the critical management positions, which are responsible for oversight of regulatory compliance, the average job tenure is only two years. High turnover in management positions leads to a loss of institutional memory and a greater risk of errors and omissions.

One step to enhance retention within the VCMC Fiscal department is the creation of a pay differential for hospital fiscal managers, which recognizes the increased complexity of fiscal management within hospital accounting. It is recommended that a 7.5% premium pay be established for fiscal management classifications assigned to the hospital in the Fiscal Manager series to include Fiscal Manager I, II, III, IV and Assistant Chief Financial Officer-HCA, excluding the hospital Chief Financial Officer-HCA.

It should be noted that further review of the classification will be undertaken to determine if, in the long-term, HCA specific fiscal job classifications are warranted. Additionally, CEO-HR will review additional fiscal management classifications within the HCA such as the Chief Financial Officer-HCA ("CFO-HCA") classification. A recent Hospital Association of Southern California survey indicates that the compensation for classifications similar to the CFO-HCA may be significantly higher than that currently offered by Ventura County which has remained unfilled for a period of nineteen (19) months. We will return to your Board at a later date to report our findings and recommendations on this matter.

There are six (6) positions, which include the two positions requested in this Board Letter, which are affected by this recommendation. The estimated annual cost impact including benefits as a result of this premium is approximately \$72,000. The appropriation request is included in recommendation #4 above.

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This letter has been reviewed by the County Executive Office, County Counsel, and the Auditor-Controller's Office. If you have any questions regarding this item, please contact me at (805) 654-2561.

Respectfully,



SHAWN ATIN  
Human Resources Director



 MICHAEL POWERS  
County Executive Officer

c: Jeff Burgh, Auditor-Controller  
Matt Carroll, Assistant County Executive Officer  
Leroy Smith, County Counsel

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restructured into three distinct sections: Recruitment, Labor Relations, and Support Services.

Five additional staff are requested. Support staff: One (1) regular Management Assistant III-C will provide clerical and administrative support, freeing the time of professional staff to focus on the HCA's pressing recruitment and labor relations matters. Thus reducing the time-to-hire and time to resolve sensitive employment matters.

Professional staff: One (1) regular Personnel Management Analyst, two (2) regular Personnel Analyst I's, and one (1) regular Personnel Analyst II are requested to provide more timely recruitments, labor relations, and support services. The Personnel Management Analyst will be responsible for managing the Labor Relations unit, along with responding to and handling the most sensitive Labor Relations issues that arise. The position will also oversee the Return to Work/Leave of Absence subsection. The HCA typically has 140 employees on varying leaves at any one time. The Personnel Analyst I and II will be assigned to the recruitment section; this team accounted for 36% of all County recruitments during FY 14-15. Due to the highly specialized needs of the HCA, the HCA has a number of difficult to recruit classifications which, in addition to traditional recruitment methodologies, require extensive sourcing and outreach of potential qualified candidates. The other Personnel Analyst I will provide direction, guidance and coordination to staff within the Certification Unit, which supports recruitments by facilitating candidate testing and on-boarding.

#### **Recommendation No. 7 – Amend the Management Resolution**

Approve an amendment to the Management, Confidential Clerical and Other Unrepresented Employees Resolution to add Section 410, Health Care Agency Hospital Fiscal Premium Pay (page 21 of attached red-line Resolution). This change will have no material impact on the funding status of the retirement system.

#### Discussion for Recommendation No. 7 – Amend the Management Resolution

Central to the Health Care Agency is the Fiscal Department, and specifically the fiscal managers at the hospital who are responsible for leading and managing staff and whose goal it is to ensure regulatory compliance, accurate accounting, timely invoicing for services rendered, payments, and the compilation of a significant variety of required annual and periodic complex reports.

As previously noted, the significant growth of our healthcare system, combined with changes of the healthcare industry have led to a more complex work environment, with correspondent additional staff responsibility and workload.

CEO-HR reviewed the following California counties that have a healthcare fiscal classification comparable to the Ventura County benchmark classification of Fiscal Manager IV: Los Angeles, Riverside, San Bernardino, San Mateo and Santa Clara. These public entities were selected because they have significant healthcare

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operations, specifically hospital operations, administered by each county and they have specialized healthcare fiscal management job classifications. Our review indicates that for classifications that are comparable to the benchmark Ventura County classification, Fiscal Manager IV, the market median base salary is at \$11,450.80 monthly, which is 13.5% above the Ventura County classification of Fiscal Manager IV (\$10,086.58 monthly). This survey suggests that other public entities recognize the relative additional complexity and responsibility associated with fiscal management in a hospital setting compared to non-hospital settings.

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One step to enhance retention within the VCMC Fiscal department is the creation of a pay differential for hospital fiscal managers, which recognizes the increased complexity of fiscal management within hospital accounting. It is recommended that a 7.5% premium pay be established for fiscal management classifications assigned to the hospital in the Fiscal Manager series to include Fiscal Manager I, II, III, IV and Assistant Chief Financial Officer-HCA, excluding the hospital Chief Financial Officer-HCA.

It should be noted that further review of the classification will be undertaken to determine if, in the long-term, HCA specific fiscal job classifications are warranted. Additionally, CEO-HR will review additional fiscal management classifications within the HCA such as the Chief Financial Officer-HCA ("CFO-HCA") classification. A recent Hospital Association of Southern California survey indicates that the compensation for classifications similar to the CFO-HCA may be significantly higher than that currently offered by Ventura County which has remained unfilled for a period of nineteen (19) months. We will return to your Board at a later date to report our findings and recommendations on this matter.

There are six (6) positions, which include the two positions requested in this Board Letter, which are affected by this recommendation. The estimated annual cost impact including benefits as a result of this premium is approximately \$72,000. The appropriation request is included in recommendation #4 above.

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This letter has been reviewed by the County Executive Office, County Counsel, and the Auditor-Controller's Office. If you have any questions regarding this item, please contact me at (805) 654-2561.

Respectfully,



SHAWN ATIN  
Human Resources Director



 MICHAEL POWERS  
County Executive Officer

c: Jeff Burgh, Auditor-Controller  
Matt Carroll, Assistant County Executive Officer  
Leroy Smith, County Counsel

Attachments

**RESOLUTION NO. 16-098****EXHIBIT 1**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF VENTURA  
CONCERNING CLASSIFICATION, CLASS CODES, AND  
ALLOCATIONS THEREIN PURSUANT TO SECTIONS 903  
AND 908 OF THE COUNTY  
PERSONNEL RULES AND REGULATIONS**

**WHEREAS**, Section 903 of the Ventura County Personnel Rules and Regulations requires that the number of positions and classifications of such positions within departments shall be established by resolution of the Board of Supervisors; and

**WHEREAS**, Section 908 of the Ventura County Personnel Rules and Regulations provides that the Ventura County classification listing all classes of positions in the general County Service designating class title, class code and salary ranges shall be established by resolution of this Board.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ADOPTED AS FOLLOWS:**

- 1a. In accordance with Sections 903 and 908 of the Ventura County Personnel Rules and Regulations, the following fifteen (15) classifications and salary ranges are established, effective September 25, 2016:

| Job Code | Classification                              | FLSA Status | Union Code | Compensation Frequency | Hourly (H) / Salary (S) Range  |
|----------|---|-------------|------------|------------------------|--------------------------------|
| 00796    | Accounting Technician-CC                    | N           | MCC        | Hourly                 | \$20.892774 - \$29.249880 (H)  |
| 00797    | Senior Accounting Technician-CC             | N           | MCC        | Hourly                 | \$22.459731 - \$31.443625 (H)  |
| 00910    | Accountant I-MB                             | N           | MB4        | Hourly                 | \$24.061048 - \$33.685466 (H)  |
| 00911    | Accountant II-MB                            | N           | MB4        | Hourly                 | \$26.734495 - \$37.428293 (H)  |
| 00912    | Senior Accountant-MB                        | P           | MB4        | Salaried               | \$61,168.53 - \$85,635.94 (S)  |
| 00913    | Principal Accountant-MB                     | P           | MB4        | Salaried               | \$70,343.81 - \$98,481.33 (S)  |
| 00921    | Finance Analyst I                           | N           | MB4        | Hourly                 | \$29.585115 - \$40.457620 (H)  |
| 00922    | Finance Analyst II                          | P           | MB4        | Salaried               | \$68,374.49 - \$95,724.28 (S)  |
| 00923    | Senior Finance Analyst                      | P           | MB4        | Salaried               | \$75,211.94 - \$105,296.71 (S) |
| 00946    | Manager, Accounting I                       | P           | MB3        | Salaried               | \$78,339.87 - \$109,675.82 (S) |
| 00947    | Manager, Accounting II                      | P           | MB3        | Salaried               | \$87,044.30 - \$121,862.02 (S) |
| 00948    | Senior Manager, Accounting                  | P           | MB3        | Salaried               | \$95,748.73 - \$134,048.23 (S) |
| 00957    | Manager, Accounting-Treasurer Tax Collector | P           | MB3        | Salaried               | \$87,044.30 - \$121,862.02 (S) |

|       |   |   |     |          |                                |
|-------|---|---|-----|----------|--------------------------------|
| 00959 | Manager,<br>Accounting-<br>Auditor Controller | P | MB3 | Salaried | \$91,396.52 - \$127,955.13 (S) |
| 00990 | Manager,<br>Accounting-<br>Hospital           | P | MB3 | Salaried | \$98,251.26 - \$137,551.76 (S) |

1b. In accordance with Sections 903 and 908 of the Ventura County Personnel Rules and Regulations, the following thirteen (13) classifications and salary ranges are deleted, effective September 25, 2016:

| Job Code | Classification           | FLSA Status | Union Code | Compensation Frequency | Hourly (H) / Salary (S) Range |
|----------|--------------------------|-------------|------------|------------------------|-------------------------------|
| 01297    | Fiscal Assistant I-C     | N           | MCC        | Hourly                 | \$14.756613 – 20.659260 (H)   |
| 01298    | Fiscal Assistant II-C    | N           | MCC        | Hourly                 | \$16.507756 – 23.110857 (H)   |
| 01299    | Fiscal Assistant III-C   | N           | MCC        | Hourly                 | \$18.529194 – 25.940875 (H)   |
| 01301    | Fiscal Assistant IV-C    | N           | MCC        | Hourly                 | \$19.797935 – 27.717111 (H)   |
| 01302    | Fiscal Technician I-C    | N           | MCC        | Hourly                 | \$20.052240 – 28.075889 (H)   |
| 01303    | Fiscal Technician II-C   | N           | MCC        | Hourly                 | \$21.502113 – 30.105908 (H)   |
| 02092    | Accounting Officer IV-MB | P           | MB4        | Salaried               | \$64,713.99 – 85,494.39 (S)   |
| 02072    | Financial Analyst I      | P           | MB4        | Salaried               | \$62,616.94 – 82,714.85 (S)   |
| 02071    | Financial Analyst II     | P           | MB4        | Salaried               | \$68,824.37 – 90,923.51 (S)   |
| 02070    | Financial Analyst III    | P           | MB4        | Salaried               | \$75,648.53 – 99,938.66 (S)   |
| 02069    | Fiscal Manager I         | P           | MB3        | Salaried               | \$75,648.53 – 99,938.66 (S)   |
| 02067    | Fiscal Manager III       | P           | MB3        | Salaried               | \$85,256.53 – 112,632.61 (S)  |
| 02066    | Fiscal Manager IV        | P           | MB3        | Salaried               | \$91,620.06 – 121,038.98 (S)  |

Upon motion of Supervisor Foy, seconded by Supervisor Long, the foregoing resolution was passed and adopted on this 13 day of September 2016.

By:

Linda Parks  
Chair, Board of Supervisors  
County of Ventura

ATTEST: MICHAEL POWERS,  
Clerk of the Board of Supervisors,  
County of Ventura, State of California

By: Tom Hayes  
Deputy Clerk of the Board

