



# COUNTY of VENTURA

COUNTY EXECUTIVE OFFICE  
**SEVET JOHNSON, PsyD**  
County Executive Officer

December 13, 2022

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

**Mike Pettit**  
Assistant County Executive Officer

**Kaye Mand**  
County Chief Financial Officer

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

**Subject: Public Hearing Regarding Adoption of the 2022-2025 Memorandum of Agreement between the County of Ventura and the Service Employees International Union, Local 721. (Impact on Funding Status of Retirement System)**

## **Recommendations:**

It is recommended that your Board:

1. Commence a public hearing on the adoption of the 2022 – 2025 Memorandum of Agreement (MOA) between the County of Ventura (County) and the Service Employees International Union (SEIU), Local 721; and
2. Waive the second public hearing required by Article 20, Section 2006(B), of the Personnel Rules and Regulations, and adopt the MOA at the conclusion of this hearing.

## **Fiscal/Mandates Impact:**

Mandatory:	No
Source of Funding:	Various
Funding Match Required:	No
Impact on Other Departments:	None

## **Summary of Fiscal Impact:**

	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>
Total Cost	\$18,575,339	\$30,387,955	\$23,310,160	\$10,108,936

California Government Code sections 31515.5 and 23026 require that the County give written notice of any salary and benefits changes, including an explanation of the financial impact of the changes on the funding of the County's retirement system. The proposed three (3) year agreement spans four fiscal years with an average value of approximately five and eleven one hundredths percent (5.11%), which is higher than the actuarially assumed increase of three and one-quarter percent (3.25%) for the retirement system. Accordingly, the proposed salary and benefit increase are above the actuarial

assumptions and will result in an actuarial reduction to the funding status of the retirement system.

**Discussion:**

Formal negotiations to discuss a successor agreement to the 2019-2022 MOA between the County and SEIU Local 721 commenced on August 30, 2022, with the parties having participated in seven bargaining sessions. The parties reached a tentative agreement on the terms of a successor MOA on Wednesday, November 9, 2022. The terms of the successor MOA are attached hereto and presented for your Board's consideration during this hearing and adoption at its conclusion. The SEIU Local 721 membership has ratified the terms of the new successor agreement.

The proposed three (3) year term of the successor MOA is December 18, 2022, through midnight, December 18, 2025. Below is a summary of the major proposed revisions:

- A five and one-half percent (5.50%) general salary increase (GSI) effective 12/25/2022, a four percent (4.0%) GSI effective 12/24/2023, and a three and one-half percent (3.5%) GSI effective 12/22/2024.
- Targeted market-based wage adjustments (MBAs) ranging from one percent (1%) to eleven percent (11%), to be effective on 1/8/2023. The MBAs include those classifications identified as behind market and those classifications adjusted for internal equity/compaction issues. Approximately 250 employees will receive market-based adjustments.
- Supplemental market-based adjustments of two and one-half percent (2.50%) for classifications with a maximum annual salary of less than \$50,000, after the 12/25/2022 GSI. This supplemental wage increase will impact approximately 1540 employees within 78 different classifications and be effective 1/8/2023.
- Increases to the County's Flexible Credit Allowance to pay for premiums associated with purchasing a County-sponsored medical, dental and/or vision plan. These increases are outlined in the attached MOA.
- The establishment of a Medical Opt-Out Option which includes a taxable cash payment. This will be implemented as soon as administratively possible.
- Juneteenth, June 19<sup>th</sup>, added as a new paid holiday.
- New employer match tiers on deferred compensation with the highest match of 3% for employees who contribute at least 6% to their 401(k) plan.
- Increases to the bilingual premium, safety shoe reimbursements, and other various specialized certification/premium payments.

- Two lump sum \$1,000 payments for eligible full-time employees employed on the date of adoption. The initial payment of \$1,000 effective with the pay period beginning on 1/8/2023 with the final payment of \$1,000 effective with the pay period beginning on 1/7/2024. Eligible part-time employees will receive two similar payments of \$500.
- For employees eligible for the California State Retention Bonus under Senate Bill 184, a total of up to \$2,000 will be paid to full-time employees. The initial payment of \$500 before December 31, 2022, and the final payment of up to \$1,500 before March 31, 2023. Eligible part-time employees will receive a total of up to \$1,750, comprised of \$750.00 plus the amount of matching contributions paid by the State of \$500 and \$500 match from the County. If an eligible full-time employee does not receive the total of \$2,000, said employee shall receive the difference on 1/26/2024. Employees who receive payment under the California State Retention Bonus program are not eligible for the two lump sum payments described above.
- New language establishing an In-House Registry for several Health Care classifications which will reduce the need to utilize more expensive travelers/contractors for open shifts.
- Modified Bereavement language allowing regular employees to utilize an additional day of their accrued leave time when traveling to distant locations. This additional day is included for bereavement leave when the deceased is either an immediate family member or a person to whom the employee may be reasonably deemed to owe respect.
- The County of Ventura Telework Program guidelines will now be included in the MOA.
- An increase of 100 hours to the SEIU Bank, totaling 500 hours. These hours are used as release time for preparation/presentation of grievances.
- Two additional members, now 18, for the SEIU Negotiation Committee.
- The establishment of a Joint Labor Management Committee wherein the County and SEIU will have monthly meetings in an effort to address and mutually resolve matters of common concern.

### **Summary**

The County's compensation philosophy has been, to the extent possible, to keep total compensation within five percent (5%) above or below the identified market median. The recommended increases are aligned with national and regional inflation and wage growth trends. Your Board has historically granted GSIs to keep County salaries competitive in the market. The proposed GSI is designed to generally keep up with increases in the cost

of living and to keep salaries competitive. MBAs have historically been utilized by the County to target and adjust compensation for job classifications that have been found to be compensated below comparable jobs in other surveyed jurisdictions. The proposed MBAs strive to support your Board's goal by providing wage adjustments that are data-driven based on the results of a total compensation study conducted for the job classifications represented by SEIU.

Additionally, the proposed supplemental MBAs will assist with ongoing recruitment and retention issues concerning classifications that currently have a top of range less than \$50,000. By improving compensation for these classifications, the County will be well suited to compete with both the public and private sector for talented individuals seeking employment in these salary ranges.

The proposed increases within the tiered Flex Credit Allowance will significantly assist our employees with their out-of-pocket costs due to increasing health insurance premiums. The increase in the Flexible Credit Allowance for the term of this contract will better align the County's allowance with that of the marketplace and mitigate the impact on County employees of rising healthcare premiums.

If approved by your Board, the MOA will provide pay and benefits increases for each year of the proposed three-year term. The proposed wage increases found in the recommended MOA are sustainable and will both preserve current public service levels and assist in the County's efforts to recruit and retain a skilled workforce.

A copy of the revised MOA with the changes redlined is attached as Exhibit 1 and a clean version is attached as Exhibit 2. We recommend that your Board commence a public hearing on the adoption of the MOA between the County and SEIU Local 721, waive a second hearing, and adopt the proposed MOA at the end of the hearing.

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

Respectfully submitted,

*S. Atin*

Shawn Atin  
Assistant County Executive Officer/Human Resources Director

*Sevet Johnson*

Sevet Johnson  
County Executive Officer



c: Jeffery S. Burgh, Auditor-Controller  
Tiffany N. North, County Counsel  
Mike Pettit, Assistant County Executive Officer  
Kaye Mand, County Financial Officer  
J. Tabin Cosio, Chief Deputy Executive Officer  
Service Employees International Union, Local 721

Attachments:

- Exhibit 1 – SEIU Local 721 MOA 2022 – 2025 (Redline)
- Exhibit 2 – SEIU Local 721 MOA 2022 – 2025 (Clean)
- Exhibit 3 – Statement from Civil Service Commission