



December 8, 2023

TO: Legal Counsel

News Media

Salinas Californian
El Sol
Monterey County Herald
Monterey County Weekly
KION-TV
KSBW-TV/ABC Central Coast
KSMS/Entravision-TV

The next regular meeting of the **PERSONNEL, PENSION AND INVESTMENT COMMITTEE - COMMITTEE OF THE WHOLE** of **SALINAS VALLEY HEALTH**¹ will be held **TUESDAY, DECEMBER 12, 2023, AT 12:00 P.M., DOWNING RESOURCE CENTER, ROOMS A, B, & C, SALINAS VALLEY HEALTH MEDICAL CENTER, 450 E. ROMIE LANE, SALINAS, CALIFORNIA** or via **TELECONFERENCE** (*visit SalinasValleyHealth.com/virtualboard meeting for Access Information*).

A handwritten signature in black ink, appearing to read "Allen Radner".

Allen Radner, MD
Interim President/Chief Executive Officer

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

Committee Members: Juan Cabrera, Chair; Catherine Carson, Vice Chair; Allen Radner, MD, Interim President/CEO; Augustine Lopez, Chief Financial Officer; Michelle Childs, Chief Human Resources Officer; Glenn Berry, MD, Medical Staff Member; Tony Redmond, Community Member

**PERSONNEL, PENSION AND INVESTMENTS COMMITTEE
COMMITTEE OF THE WHOLE
SALINAS VALLEY HEALTHCARE¹**

**TUESDAY, DECEMBER 12, 2023, 12:00 P.M.
DOWNING RESOURCE CENTER, ROOMS A, B & C
Salinas Valley Health Medical Center
450 E. Romie Lane, Salinas, California
or via Teleconference
(Visit svmh.com/virtualboardmeeting for Access Information)**

AGENDA

1. Call to Order / Roll Call

2. Public Comment

This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board, which are not otherwise covered under an item on this agenda.

3. Approve Minutes of the Personnel, Pension and Investment Committee Meeting of November 14, 2023 (RADNER)

- Public Comment
- Motion/Second
- Action by Committee/Roll Call Vote

4. HR Metrics (CHILDS/ANDERSEN)

5. Adjournment

The next Personnel, Pension and Investment Committee Meeting is scheduled in January at a time and date to be determined.

This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.

The Committee packet is available at the Committee Meeting, at www.SalinasValleyHealth.com, and in the Human Resources Department of the District. All items appearing on the agenda are subject to action by the Committee.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Clerk during regular business hours at 831-759-3050. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

CALL TO ORDER
ROLL CALL

(Chair to call the meeting to order)

PUBLIC COMMENT



**SALINAS VALLEY HEALTH¹
PERSONNEL, PENSION AND INVESTMENT COMMITTEE
COMMITTEE OF THE WHOLE
MEETING MINUTES NOVEMBER 14, 2023**

Committee Members Present:

In-person: Chair Juan Cabrera, Glenn Berry, MD, Michelle Childs, Pete Delgado, Augustine Lopez.

Via Teleconference: Vice-Chair Catherine Carson, Tony Redmond

Committee members absent: None

Other Board Members Present, Constituting Committee of the Whole: Rolando Cabrera, MD, and Joel Hernandez-Laguna.

Catherine Carson joined the meeting via teleconference at 12:18 p.m.

1. CALL TO ORDER/ROLL CALL

A quorum was present and Chair Juan Cabrera called the meeting to order at 12:14 p.m. in Downing Resource Center, Rooms B, and C.

2. APPROVAL OF MINUTES FROM THE PERSONNEL, PENSION AND INVESTMENT COMMITTEE MEETING OF SEPTEMBER 26, 2023

The minutes of the Personnel, Pension, and Investment Committee meeting of September 26, 2023, were included in the Committee packet.

PUBLIC COMMENT:

None

MOTION:

Upon motion by Committee member Pete Delgado, and second by Committee Member Augustine Lopez Childs, the minutes of the September 26, 2023 Personnel, Pension and Investment Committee were approved, as presented.

Ayes: Chair Cabrera, Berry, MD, Childs, Delgado, Lopez, and Redmond

Noes: None;

Abstentions: None;

Absent: Vice Chair Carson,

Motion Carried

3. APPROVAL OF MINUTES FROM THE PERSONNEL, PENSION AND INVESTMENT COMMITTEE MEETING OF OCTOBER 24, 2023

The minutes of the Personnel, Pension, and Investment Committee meeting of October 24, 2023, were included in the Committee packet.

PUBLIC COMMENT:

None

¹Salinas Valley Memorial Healthcare System operating as Salinas Valley Health

MOTION:

Upon motion by Committee member Pete Delgado, and second by Committee Member Glenn Berry, MD, the minutes of the October 24, 2023 Personnel, Pension and Investment Committee were approved, as presented.

Ayes: Chair Cabrera, Berry, MD, Childs, Delgado, Lopez, and Redmond

Noes: None;

Abstentions: None;

Absent: Vice Chair Carson

Motion Carried

4. CONSIDER RECOMMENDATION FOR BOARD APPROVAL OF:

- A. The Findings Supporting Recruitment of Ramaiha Indudhara, MD,
- B. The Contract Terms for Dr. Indudhara's Recruitment Agreement, and
- C. The Contract Terms for Dr. Indudhara's Urology Professional Services Agreement

PUBLIC COMMENT:

None.

COMMENTS FROM THE BOARD: Further discussion with staff clarified Salinas Valley Health has been building a more robust Urology program and Dr. Indudhara will be the fourth Urologist in the program.

MOTION:

Upon motion by Committee member Delgado, and seconded by Chair, Juan Cabrera, the Personnel, Pension, and Investment Committee recommends the Board of Directors consider approval of Dr. Indudhara's findings supporting recruitment, contract terms for recruitment agreement, and contract terms for the Urology Professional Services Agreement.

Ayes: Chair Cabrera, Carson, Berry, MD, Childs, Delgado, Lopez, and Redmond

Noes: None;

Abstentions: None;

Absent: None

Motion Carried

5. REVIEW SVMHS DEFINED BENEFIT INVESTMENT POLICY DECISIONS

Augustine Lopez, CFO, and Steve Kjar and Frank Salb of Creative Planning Retirement Services reported on objectives and philosophy for the investment of plan assets. The Committee’s overall objectives have included: Being mindful of market risk for the investment of assets. Quarterly review of asset allocation and market risk. Maintaining the objective of long-term performance. Creative Planning reviewed a display showing investment performance of various investment alternatives over time. The Committee confirmed the philosophy of a diversified investment lineup and the strategic approach to investing and that quarterly investment evaluations will continue.

Board Member Discussion: Further discussion with Creative Planning clarified an evaluation of the current bond portfolio and also the asset allocation for the international stock. Evaluation of the bond portfolio is appropriate at this time given interest rates have increased and there is now yield to be obtained in these investments. In addition, the current allocation to international stocks is approximately 21% of

the portfolio. Creative Planning will evaluate this asset allocation and report back to the Committee on the alternatives to this allocation.

6. TRAINING ON FIDUCIARY REQUIREMENTS AND BEST PRACTICES FOR THE FIDUCIARIES OF SVMHS'S 403(B) PLAN, 457 PLAN AND EMPLOYEE PENSION PLAN

Augustine Lopez, CFO, Steve Kjar, Frank Salb of Creative Planning Retirement Services, and Sam Henson reported on fiduciary requirements and best practices. Sam Henson leads Creative Planning's fiduciary process legal team. Mr. Henson is a former Department of Labor investigator and has conducted multiple fiduciary breach evaluations. Mr. Henson joined the meeting and led a presentation focused on fiduciary education for the Committee as follows: The retirement plans for Salinas Valley Memorial Healthcare District are governmental and are exempt from ERISA. However, state rules will generally align with ERISA so fiduciary standards must be maintained. Fiduciaries are identified by action, not titles. Anyone who exercises discretionary authority or control over the management of plan assets is a fiduciary. The Personnel, Pension and Investment Committee is a fiduciary to the District's Plans.

Fiduciary responsibility is to act only for the benefit of plan participants and to perform duties with care, skill and diligence. Fiduciaries can perform these duties by hiring subject matter experts to assist with the administration of a plan and pay only necessary and reasonable expenses.

Board Member Discussion: Further discussion with Creative Planning clarified a fiduciary approach is process based. Committees must have a process, document the process and continually execute on the approved process. Documentation of meetings is critical to the process and the best protection fiduciaries can employ to demonstrate their diligence.

7. REVIEW INVESTMENT PERFORMANCE FOR QUARTER ENDING SEPTEMBER 30, 2023 OF SVMHS'S 403(b) PLAN, 457 PLAN, AND EMPLOYEE PENSION PLAN

Augustine Lopez, CFO, and Steve Kjar and Frank Salb of Creative Planning Retirement Services presented a report on the Investment Performance for Quarter Ending September, 2023 of SVMHS's 403(b) Plan, 457 Plan and Employee Pension Plan.

- Economic Review: The economy (as measured by GDP) grew in the 3rd Quarter. Employment remains very high (conversely, unemployment is very low). Inflation continues to be a concern but it has moved lower. At the end of the 3rd quarter it remained approximately 2% higher than the Federal Reserve's target. The Federal Reserve raised the Federal Funds Rate by .25% during the quarter. Long term bond yields also increased. The Stock Market "cooled" in the 3rd quarter.
- Assets by Plan
 - 403(b) \$119 million
 - 457(b) \$20 million
 - Pension Plan \$416 million

Performance for the Pension Plan exceeded the benchmark for the One-Year and Three-Year timeframes. Benchmark Performance exceeded Actual by .15% annually for the Five-Year timeframe.

The investment lineups for the 403(b) and 457(b) Plans was also evaluated and no changes to the lineup were recommended.

8. PUBLIC COMMENT

None

9. ADJOURNMENT

There being no other business, the meeting was adjourned at 1:31 p.m. The next Personnel, Pension, and Investment Committee Meeting is scheduled for **Tuesday, December 12, 2023, at 12:00 p.m.**

Juan Cabrera, Chair, Personnel
Pension and Investment Committee

HR Metrics – FY24/Q1

Robert Andersen | Manager, Human Resources

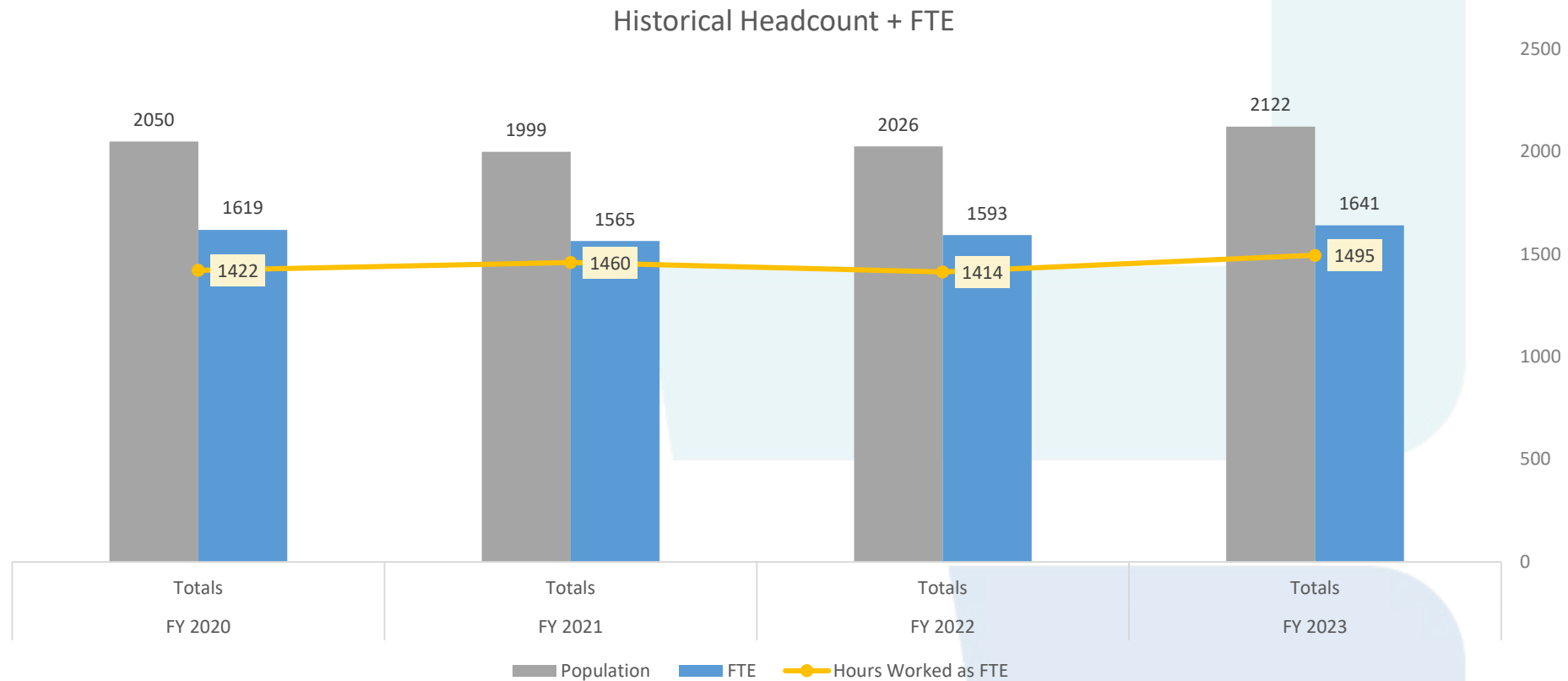
Michelle Barnhart Childs | Chief Human Resources Officer

December 2023

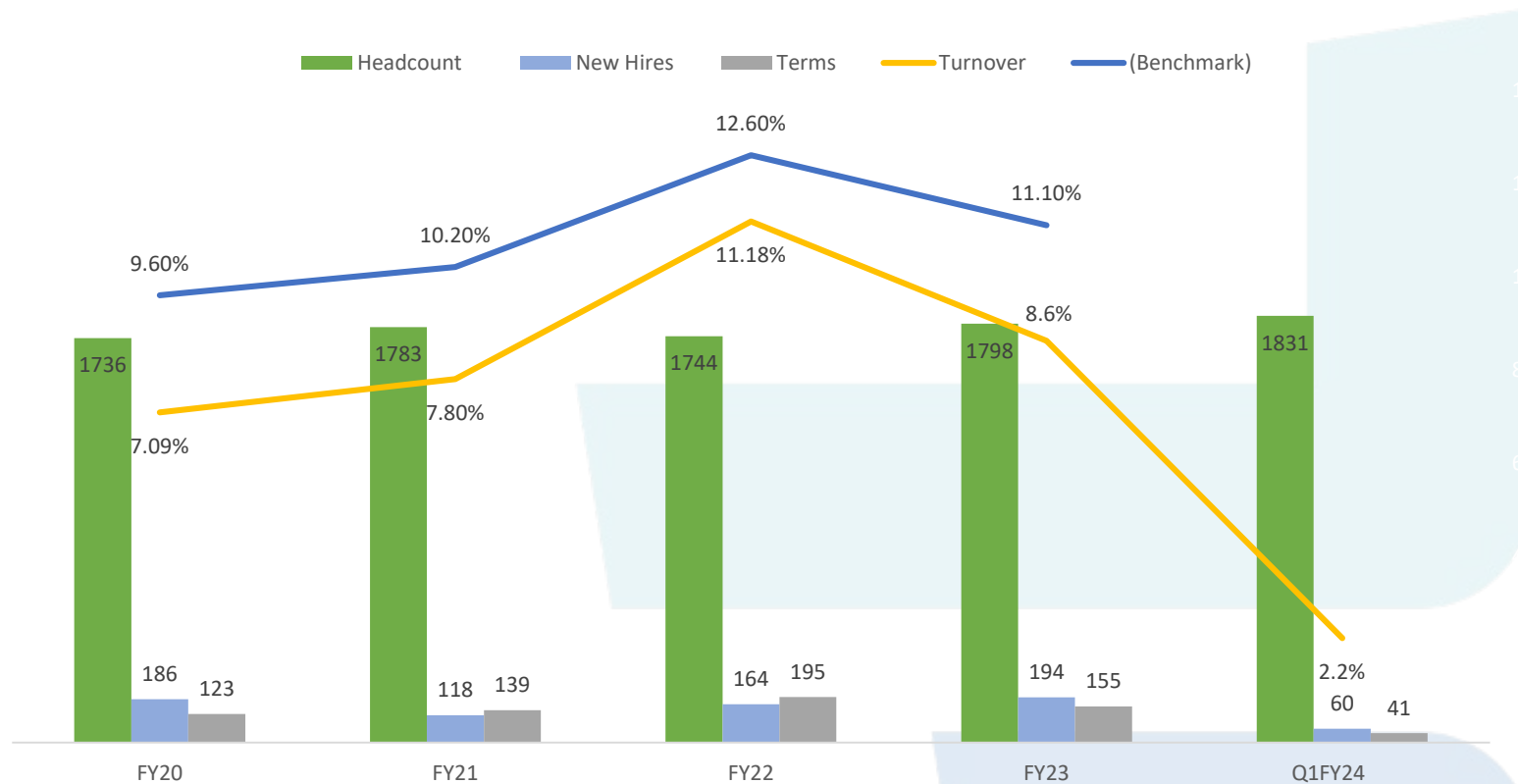
Agenda:

Headcount
Turnover (Overall)
Turnover (First Year)
New Grad Retention
Travelers
Evaluations
Recruitment

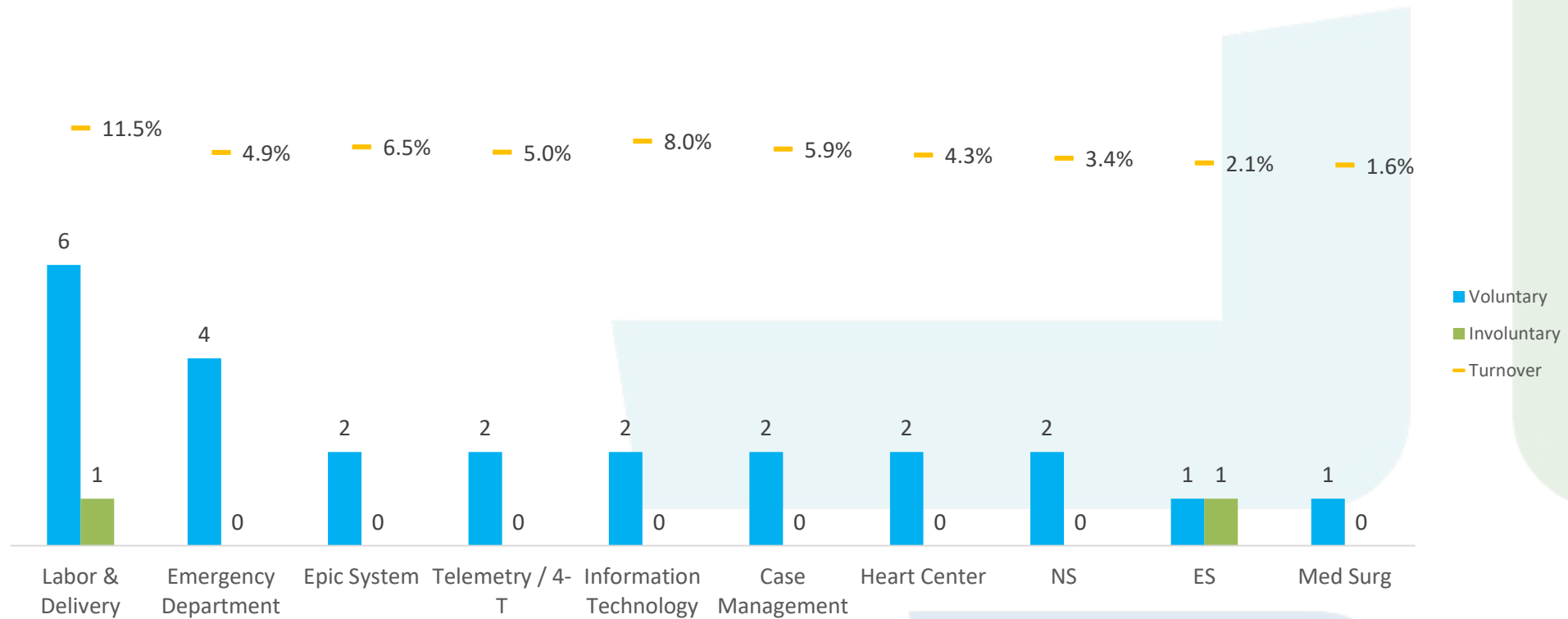
Historical Headcount + FTE Trend



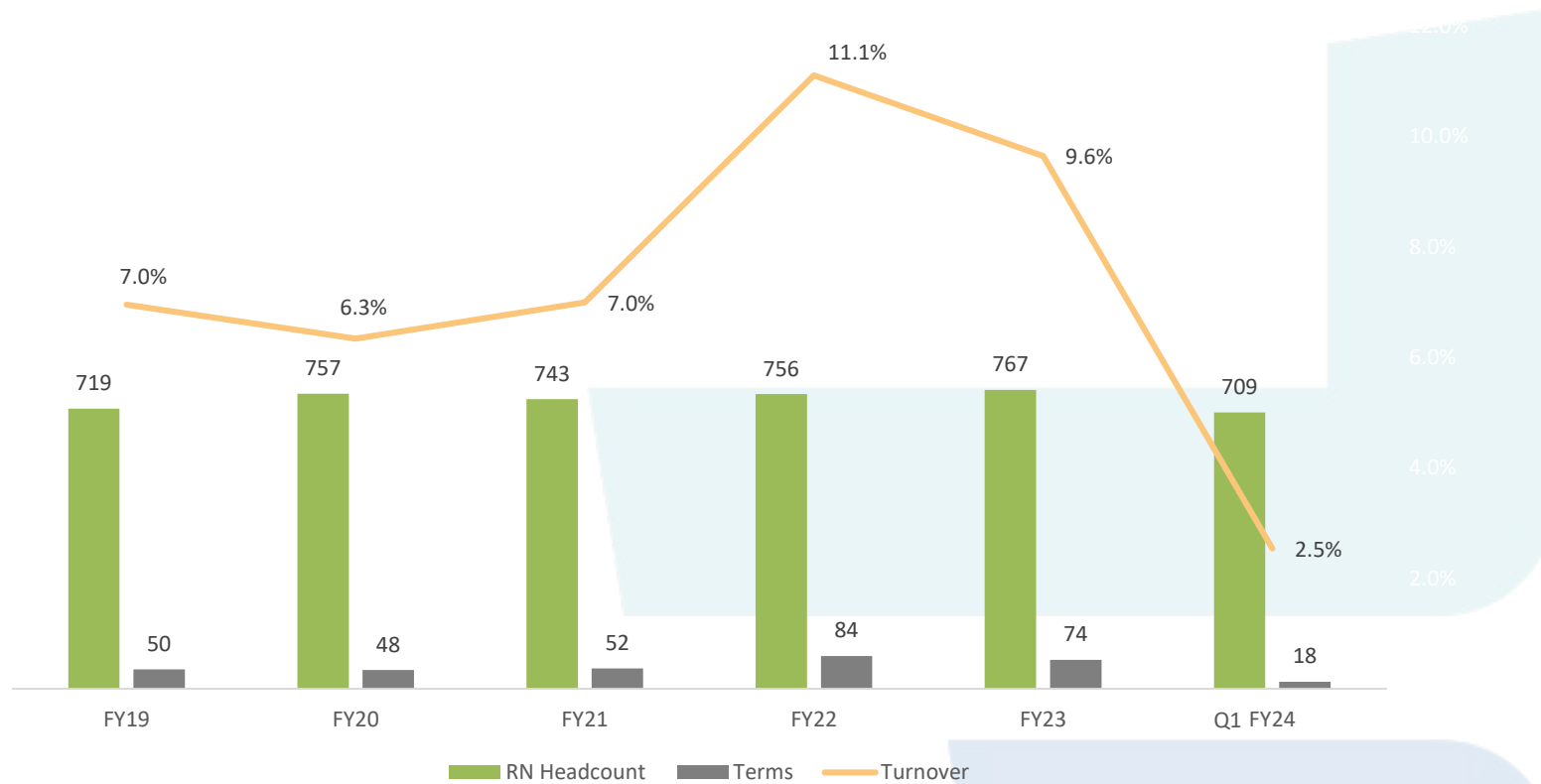
FY24/Q1 | Overall Turnover (Benefited)



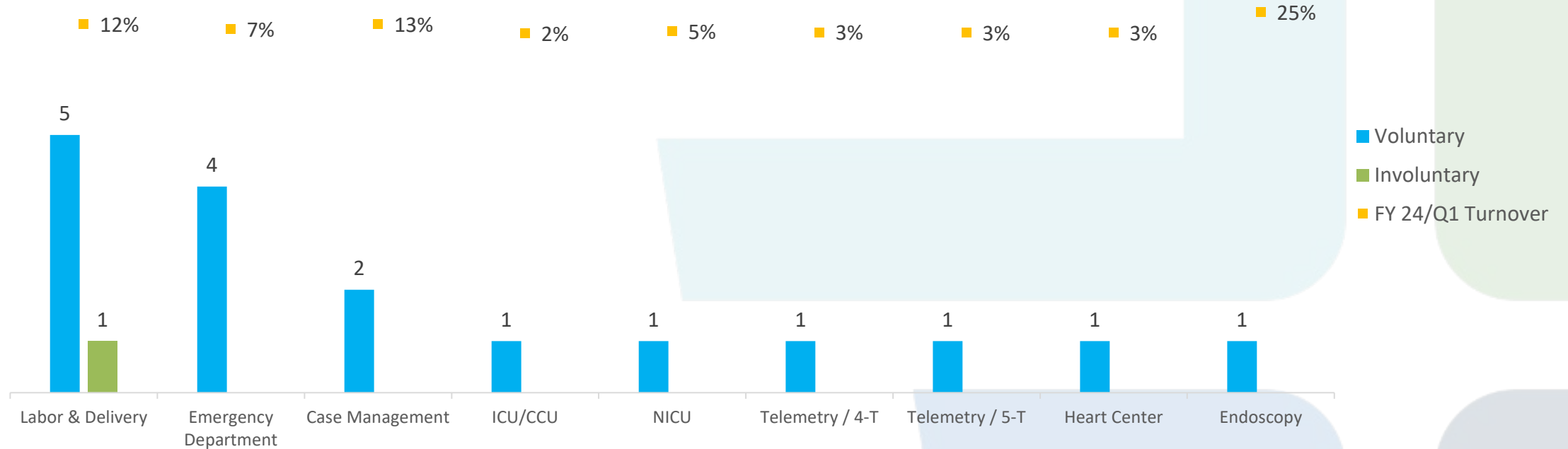
FY24/Q1 | Turnover by Department (Benefited)



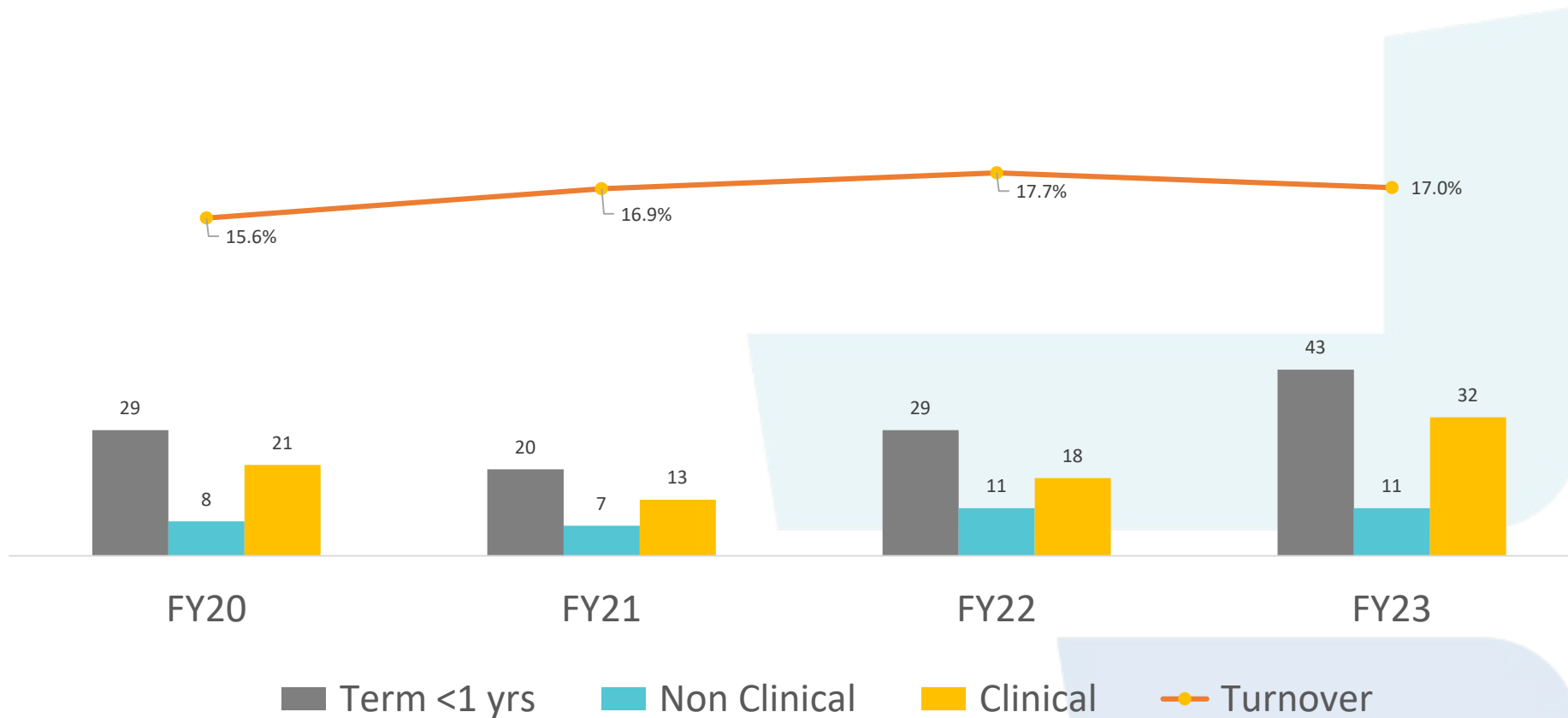
FY24/Q1 | RN Turnover (Benefited)



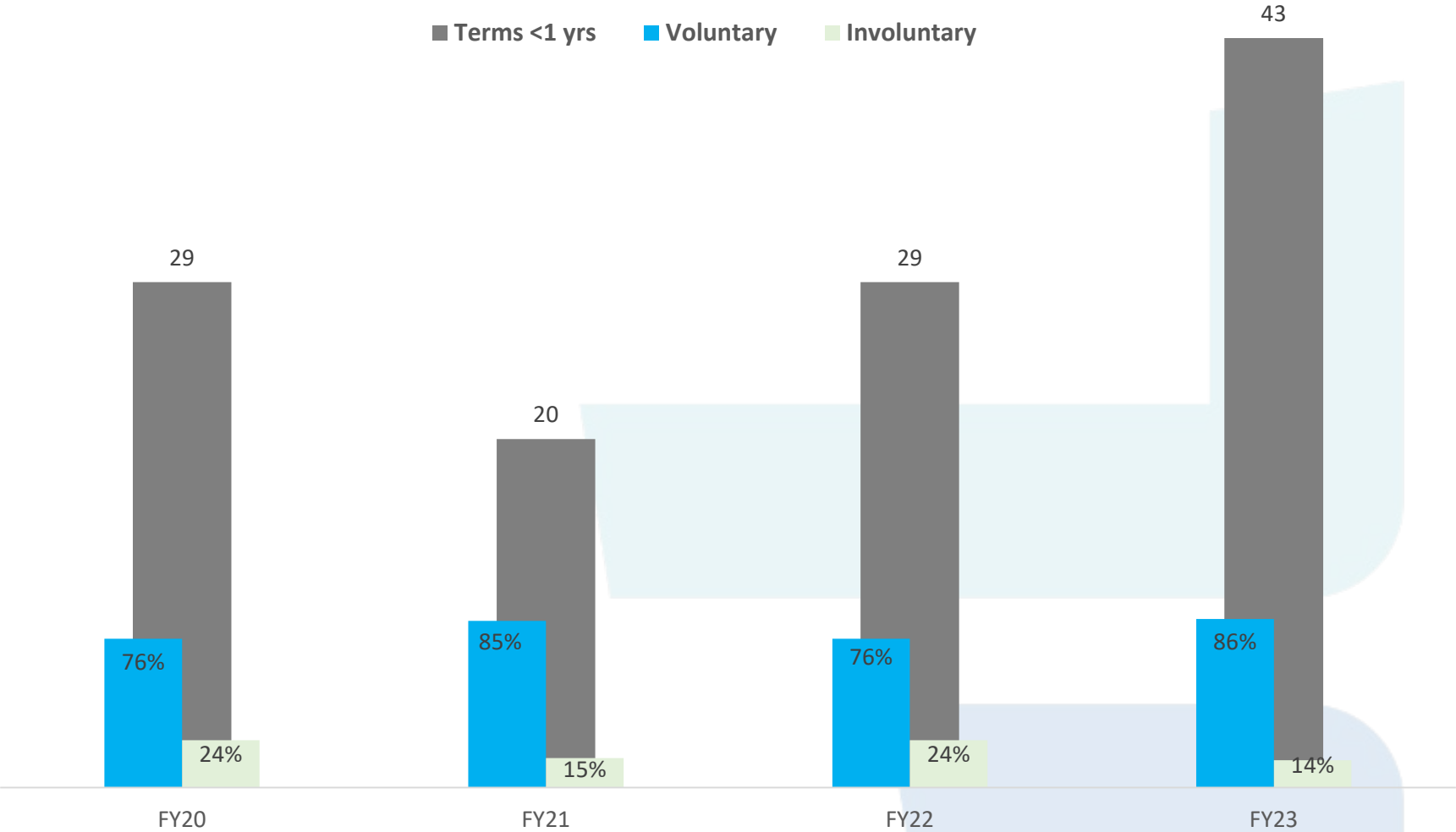
FY24/Q1 | RN Turnover by Dept (Benefited)



FY24/Q1 | First Year Turnover – EE Type (Benefited)

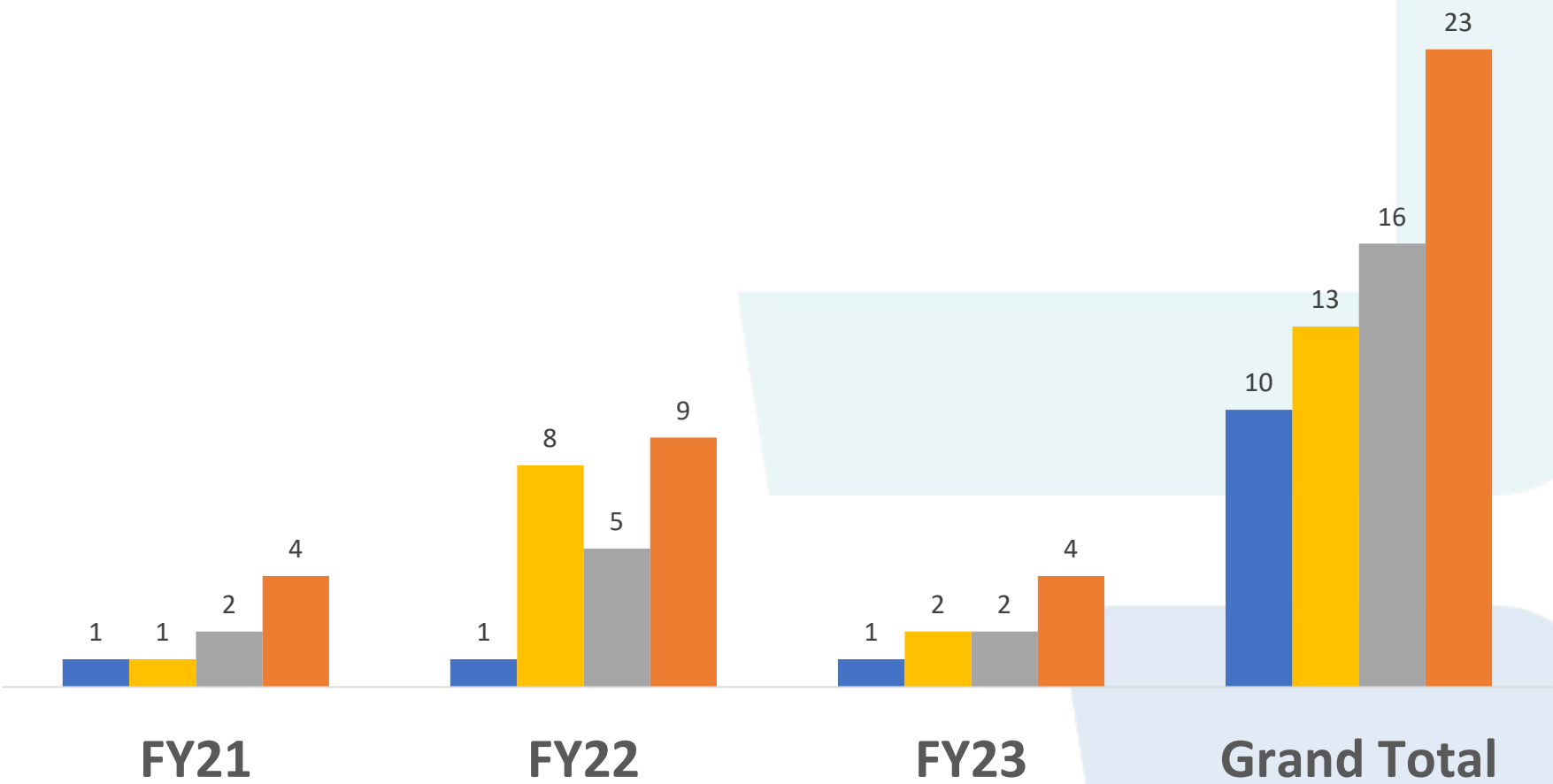


FY24/Q1 | 1st Year Turnover – Term Type (Benefited)



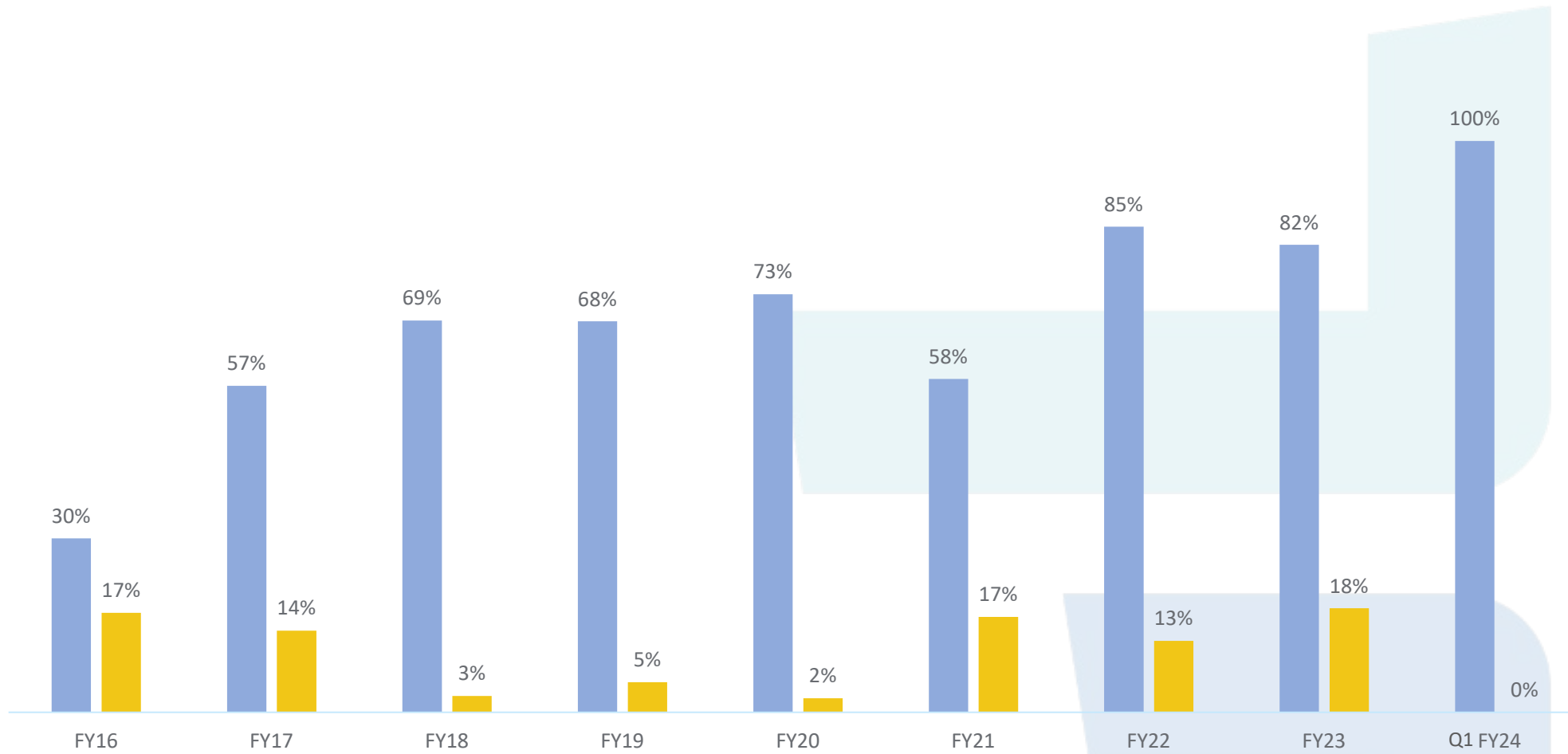
FY24/Q1 | First Year Turnover – Top Reasons (Benefited)

■ Advancement Opportunities ■ Other ■ Failed to Complete Intro Period ■ Family Obligations/School

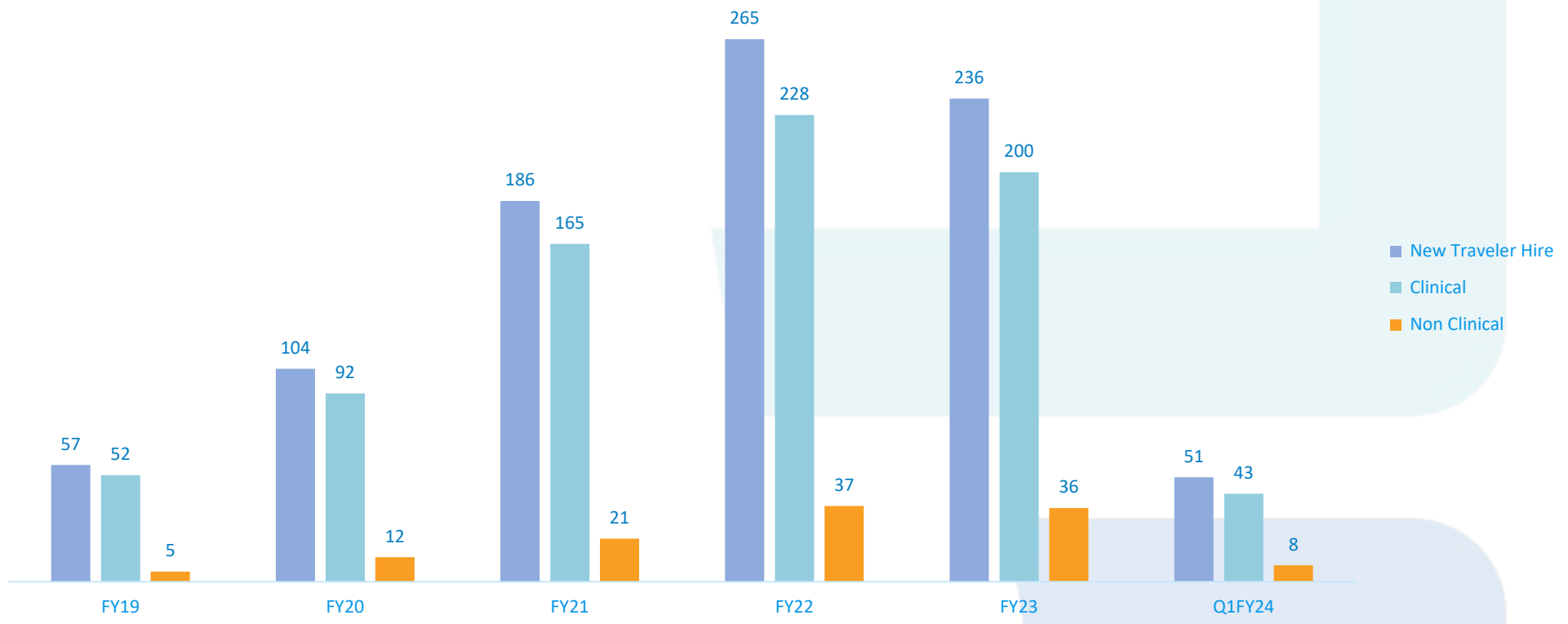


FY24/Q1 | New Grad Retention Rate & Turnover

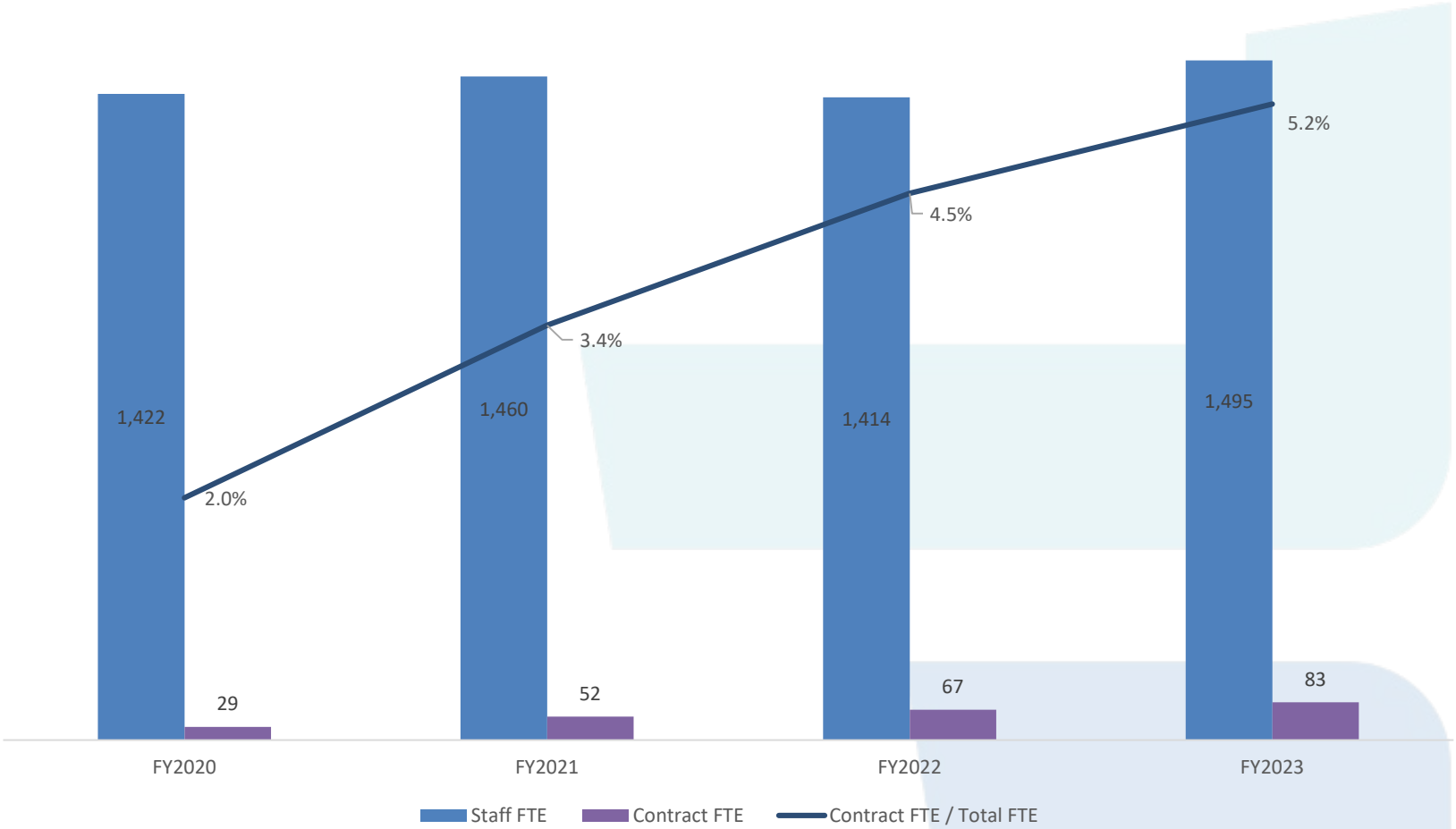
■ Retention End of FY23 ■ 1st Yr Turnover



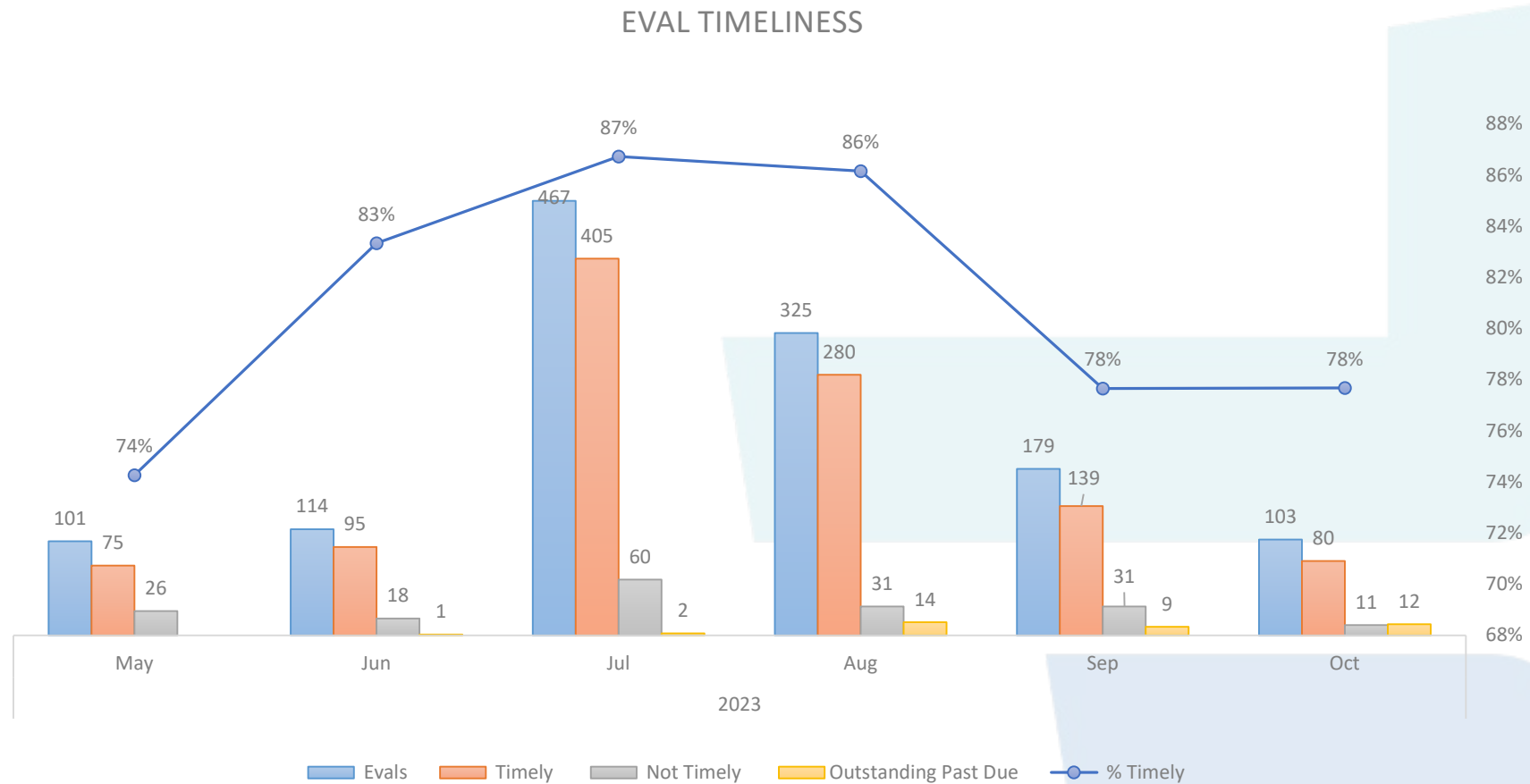
FY24/Q1 | Traveler Count



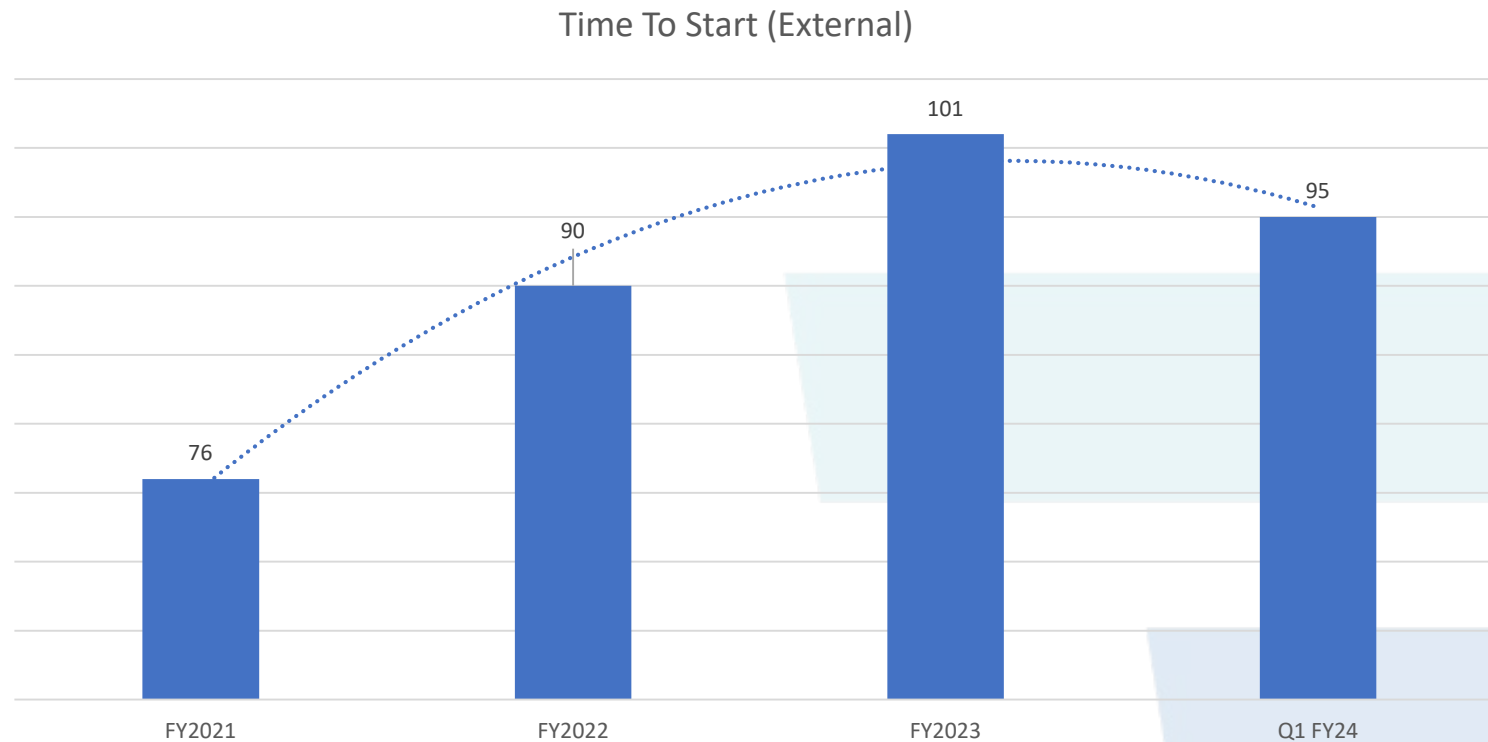
Historical Hours Worked as FTE (Staff / Contract)



Last 6 Months | Evaluation Compliance



FY24/Q1 - Time to Start (External)



Questions | Thank you

ADJOURNMENT