

## Exhibit 2

### **AMENDMENT TO THE MEMORANDUM OF AGREEMENT BETWEEN THE COUNTY OF VENTURA AND THE VENTURA COUNTY PROFESSIONAL PEACE OFFICERS' ASSOCIATION – PROBATION UNIT**

There is presently in full force and effect a Memorandum of Agreement ("MOA") between the County of Ventura ("County") and the Ventura County Professional Peace Officers' Association – Probation Unit (VCPPOA) which sets forth the terms and conditions of employment of all County employees represented by VCPPOA for the period between September 14, 2021, and June 30, 2024.

The County and the VCPPOA agree to amend the 2021-2024 MOA as follows:

1. Revise Article 7 "HEALTH INSURANCE", as follows:

Sec. 703 LABOR/MANAGEMENT COMMITTEE: VCPPOA agrees that it is in the best interest of the parties to review the current Health Insurance Plan to determine if the Plan design is the most efficient and economical for the benefits provided by the plan. The County agrees to consult with VCPPOA, ~~per Section 704,~~ on health insurance benefits and the solution of claims processing problems when requested. Accordingly, the parties agree to the continuation of a joint management/labor health care cost containment committee. Such committee shall meet at least quarterly for the purpose of discussing cost containment alternatives, reviewing financial progress of the plan and assisting in educational activities. As often as the committee shall meet, VCPPOA representative shall be released from duty and permitted to attend without loss of compensation.

Sec. 704 COUNTY'S RIGHT TO MAKE CHANGES: For the term of this Agreement, the parties agree that the County retains the exclusive right to make changes necessary to administer the Flexible Benefits programs, and VCPPOA specifically waives any rights it may have to meet and confer with respect to the decision or impact of changes. Such changes may include, but are not limited to, the addition or deletion of plans, plan benefits, and/or increases or decreases in benefit rates. Notwithstanding the above, County agrees to give VCPPOA thirty (30) days' notice of any plan changes proposed and to afford VCPPOA an opportunity to express its opinion regarding those proposed changes. Any changes in the plan initiated by the County must be submitted to the Board of Supervisors for approval during a regular session. Said notice and opportunity to communicate shall not be interpreted at any time during the course of this Agreement as an obligation on the part of the County or a right on the part of VCPPOA to meet and confer or otherwise consult or negotiate regarding these issues.  
**Amendment to Article 39 (Health Reimbursement Arrangement) of this MOA is**

**subject to the meet and confer process as described in the “Amendment and Termination of HRA Subsidy” provision of Article 39.**

~~Sec. 709 — **COMPENSABILITY OF COUNTY CONTRIBUTIONS:** If, as a result of the California Supreme Court’s ruling in *Alameda County Deputy Sheriff’s Ass’n v. Alameda County Employees’ Retirement Association* (2020) 9 Cal. 5th 1032, the Ventura County Employees’ Retirement Association (VCERA) determines that all or part of the County’s Flexible Benefits Program contributions under this Article will not be included in compensation earnable for the purposes of retirement benefit calculations for non-PEPRA VCERA members, the County and VCPPOA shall, at the request of either party, meet and confer to discuss the effects of that determination.~~

2. Add Article 39, “LEGACY RETIREE HEALTHCARE PREMIUM SUBSIDY AND REIMBURSEMENT PLAN” as follows:

#### **Article 39**

#### **LEGACY RETIREE HEALTHCARE PREMIUM SUBSIDY AND REIMBURSEMENT PLAN**

**On April 17, 2023, the Ventura County Employees Retirement Association (“VCERA”) Board of Retirement, took action by resolution (“Resolution”) to exclude a portion of the Flexible Credit Allowance from compensation earnable for legacy (non-PEPRA) retirement plan participants. Accordingly, the County shall implement a Retiree Medical Expense Reimbursement Plan (i.e., Health Reimbursement Arrangement or “HRA”) as follows:**

#### **Eligibility**

**To be eligible for benefits under the Plan, employees must (1) be eligible for a VCERA legacy (non- PEPRA ) retirement plan; (2) have commenced employment with the County no later than April 16, 2023; and (3) and must retire from County service on or after July 30, 2020 and be an annuitant.**

**Retirees who retire on or after July 30, 2020 shall be eligible after the following have occurred: (1) the Board of Supervisors has approved this amendment to the MOA; and (2) the pension benefits are reduced pursuant to the Resolution. Eligible retirees shall not receive any benefits under this section prior to adoption of this agreement by the Board of Supervisors.**

#### **Definitions**

**Benefit means the monthly healthcare subsidy determined for and paid by the County each Plan Year to an eligible Member of the Plan. Subject to the terms and conditions of the Plan, the Healthcare subsidy may be accumulated and carried forward and may be utilized for**

reimbursement of eligible healthcare expenses utilizing the County's approved administrative processes.

Eligible Healthcare Expenses means any eligible healthcare expenses which are deemed, by the Plan Administrator, to be feasible to administer and which are permitted by IRS regulations for Health Reimbursement Accounts (HRA).

Retiree means any Employee or surviving beneficiary who has retired from a VCERA legacy plan (non-PEPRA) and who is receiving a retirement annuity benefit.

Surviving Beneficiary means a named VCERA spousal beneficiary who did not predecease the Retiree and who is receiving a continuing annuity benefit from VCERA.

Member means any retiree or surviving beneficiary of a retiree who meets the eligibility requirements of the Plan.

Plan Year means the period beginning on the first day of the calendar year and ending on the last day of the calendar year.

Period of Coverage means the period for which the plan will provide a Member a healthcare subsidy and reimburse eligible healthcare expenses.

Claim Run-Out Period means the twelve-month (365 day) period after a Member's death during which eligible expenses will be reimbursed from the Member's HRA.

Forfeiture means the Member's HRA balance which will revert to general plan assets after the Member's death and the end of the Claim Run-Out Period.

#### Plan Benefits

The Plan will provide Members a monthly healthcare Benefit that will be funded into an HRA upon the Member's retirement from the County and the commencement of VCERA annuity payments. The maximum monthly Benefit shall be increased annually by up to a maximum of three percent (3%) based on changes to the Consumer Price Index (CPI) for the Los Angeles area for the previous twelve (12) months immediately before the new plan year. For example, should the change in the CPI-Los Angeles area by 1.5%, the monthly Benefit shall be increased by 1.5% for the new plan year; and should the change in the CPI-Los Angeles by 3.5%, the monthly Benefit shall be increased by the 3% maximum for the new plan year. The plan shall also create individual Health Care Reimbursement Accounts from which eligible healthcare reimbursements will be made to Members. Prior plan year available funds in Member's HRA's will be rolled over and made available to each Member each Plan Year. Member's HRA funds will be forfeited and reverted to Plan general assets only after the Member's death, the Member's beneficiary's death, and the end of the Claim Run Out period.

### Administration and Financing

The County will administer the Plan and shall have the authority to exercise the powers and discretion conferred by the Plan and shall have such powers and authority necessary for the administration of the Plan.

### Association/Management Committee

The parties agree to utilize the existing Association-Management Committee as described in Article 7, Sec. 703 of this Agreement to discuss matters related to the Health Reimbursement Account Plan document.

### Amendment or Termination of HRA Subsidy

The County will provide 30 days' notice to VCPPOA in the event it intends to amend the provisions of this section of this Agreement. The County agrees to engage in good faith bargaining with respect to the effects of any amendments to this section.

In the event the plan is amended by eliminating or reducing the HRA subsidy; such an amendment will be for the calculation of prospective HRA subsidy accruals only. Active employees eligible for plan benefits upon retirement will receive the greater of an HRA subsidy in an amount which corresponds to the age and County service in Appendix 6 to the VCPPOA 2021-2024 MOA at the time of the amendment indexed pursuant to the plan document, or an HRA subsidy in an amount which corresponds to the age and County service in Appendix 6 to the VCPPOA 2021-2024 MOA at the time of retirement indexed pursuant to the plan document. Retirees receiving the HRA subsidy at the time of the plan amendment shall continue to receive the HRA subsidy. Future HRA subsidy amounts will be indexed in accordance with the terms of the amended plan document.

### Healthcare Subsidy Benefit

The Retiree monthly Benefit shall be based on the retiree's age and number of County years of service at time of retirement as reported by VCERA.

Effective the first month after adoption by the County Board of Supervisors but no earlier than the effective date of the Board of Retirement's Resolution, and effective the first full month after commencement of a retirement annuity under a VCERA legacy retirement plan, the Retiree monthly Benefit for plan year 2023 shall be the dollar amount that corresponds to the age and years of service in Appendix 6 to the VCPPOA 2021-2024 MOA.

In the event that a retiree's actual age or years of service combination does not appear in Appendix 6, the nearest corresponding age or years of service which does appear on Appendix 6 shall be used to determine the retiree monthly benefit amount for the Plan Year 2023.

Example 1 Employee retires at age 57 with 30 years of service. The 2023 monthly retiree benefit amount shall be \$335.00, utilizing age 55 and 30 years of service on Appendix 6.

Example 2 Employee retires at age 55 with 8 years of service. The 2023 monthly retiree benefit amount shall be \$112.00, utilizing 55 years of age and 10 years of service on Appendix 6.

Example 3 Employee retires at age 60 with 42 years of service. The 2023 monthly retiree benefit amount shall be \$426.00, utilizing 55 years of age and 39 years of service on Appendix 6.

Agreed to this 22nd day of August, 2023, by:

FOR THE COUNTY:

FOR VCPPOA:



Robert Abeloe  
Labor Relations



Kris Acebo  
VCPPOA President

# Appendix 6

## Legacy Safety Members - Tier 1 Legacy Retiree Healthcare Subsidy Benefit \$426

\$ Amount: \$426

Svc	Age at Retirement														
	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55
10										85	90	94	100	105	112
11										94	99	104	110	116	123
12										102	108	113	120	126	134
13										111	116	123	130	137	145
14										119	125	132	139	147	156
15										128	134	142	149	158	167
16										136	143	151	159	168	179
17										145	152	160	169	179	190
18										153	161	170	179	189	201
19										162	170	179	189	200	212
20	98	113	119	126	133	140	148	155	162	170	179	189	199	210	223
21	112	119	125	132	140	147	155	163	170	179	188	198	209	221	234
22	117	124	131	139	146	154	163	170	178	187	197	208	219	231	246
23	123	130	137	145	153	161	170	178	187	196	206	217	229	242	257
24	128	135	143	151	160	168	177	186	195	204	215	227	239	252	268
25	133	141	149	158	166	175	185	194	203	213	224	236	249	263	279
26	139	147	155	164	173	182	192	201	211	222	233	245	259	273	290
27	144	152	161	170	180	189	200	209	219	230	242	255	269	284	301
28	149	158	167	176	186	196	207	217	227	239	251	264	279	294	312
29	155	164	173	183	193	203	214	224	235	247	260	274	289	305	324
30	160	169	179	189	199	210	222	232	243	256	269	283	299	315	335
31	165	175	185	195	206	217	229	240	252	264	278	293	309	326	346
32	171	181	191	202	213	224	237	248	260	273	287	302	319	336	357
33	176	186	197	208	219	231	244	255	268	281	296	311	329	347	368
34	181	192	203	214	226	238	251	263	276	290	305	321	339	357	379
35	187	198	209	221	233	245	259	271	284	298	314	330	349	368	391
36	192	203	215	227	239	252	266	279	292	307	323	340	359	378	402
37	197	209	221	233	246	259	274	286	300	315	332	349	369	389	413
38	203	214	227	239	253	266	281	294	308	324	340	359	379	399	424
39	208	220	233	246	259	273	288	302	316	332	349	368	389	410	426