

## Exhibit 2

### **AMENDMENT TO THE MEMORANDUM OF AGREEMENT BETWEEN THE COUNTY OF VENTURA AND THE VENTURA COUNTY SHERIFF'S CORRECTIONAL OFFICERS' ASSOCIATION**

There is presently in full force and effect a Memorandum of Agreement ("MOA") between the County of Ventura ("County") and the Ventura County Sheriff's Correctional Officers' Association (VCSCOA) which sets forth the terms and conditions of employment of all County employees represented by VCSCOA for the period between July 27, 2021, and July 27, 2024.

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

#### **ARTICLE 36 – 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 all or 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**

The parties agree that 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 Participant 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 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.

Participant 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 Participant a healthcare subsidy and reimburse eligible healthcare expenses.

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

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

#### **Plan Benefits**

The Plan will provide Participants a monthly healthcare Benefit that will be funded into an HRA upon the Participant's retirement from the County and the commencement of VCERA annuity payments. The maximum monthly Benefit shall be increased annually by a maximum of three percent (3%) based on changes to Consumer Price Index (CPI) for the Los Angeles area for the previous twelve (12) months immediately before the new Plan Year (Indexing). If the CPI is zero (0%) or negative, the monthly benefit shall remain unchanged. For example, should the change in the CPI-Los Angeles area be 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 be 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 Participants. Prior plan year available funds in Participant's HRA's will be rolled over and made available to each Participant each Plan Year. Participant's HRA funds will be forfeited and reverted to Plan general assets upon the Participant'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.

#### **Labor/Management Committee**

The parties agree to utilize the existing Labor/Management Committee as described in Article 7 (Health Insurance), Sec. 703 of this Agreement to discuss matters related to the HRA Plan.

#### **Amendment or Termination of HRA Subsidy**

The County will provide 30 business days' notice to VCSCOA 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 any amendments to Article 36 – Legacy Retiree Health Reimbursement Arrangement.

In the event the plan is amended to eliminate or reduce 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 A to this agreement 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 A to this agreement at the time of retirement indexed pursuant to the plan document. Participants receiving the HRA subsidy at the time of the plan amendment shall continue to receive the HRA subsidy that is in place as of the date of the amendment. Future HRA subsidy amounts will be indexed in accordance with the terms of the amended plan document.

For example, assume the plan is amended July 1, 2024. On the effective date of the amendment to the Plan, employee A is 55 years old with 20 years of service. According to the plan then in effect (prior to the amendment), employee A is eligible for a subsidy of \$149 with his current age and years of service. Employee A retires 10 years later July 1, 2034, at age 65 with 30 years of service. The amended plan at the time of retirement provides for an indexed subsidy of \$200 with his age and years of service at retirement. Therefore, employee A shall receive upon retirement the \$200 monthly subsidy instead of the \$149. However, if at the time of retirement, the indexed HRA subsidy is \$100/month (less than the amount prior to the amendment), the employee will get the greater amount of \$149/month.

#### **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 Ventura County Board of Supervisors but no earlier than the effective date of the Board of Retirement's Resolution (April 17, 2023), 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 A to this Agreement.

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

- Example 1      Employee retires at age 70 with 30 years of service. The 2023 monthly retiree benefit amount shall be \$364.85, utilizing age 65 and 30 years of service on Appendix A.
- Example 2      Employee retires at age 45 with 8 years of service. The 2023 monthly retiree benefit amount shall be \$59.10, utilizing 50 years of age and 10 years of service on Appendix A.
- Example 3      Employee retires at age 67 with 45 years of service. The 2023 monthly retiree benefit amount shall be \$500.00, utilizing 65 years of age and 42 years of service on Appendix A.

## ARTICLE 7 HEALTH INSURANCE

Sec. 703      LABOR/MANAGEMENT COMMITTEE: VCSCOA 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 VCSCOA, 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 quarterly for the purpose of discussing cost containment alternatives, reviewing financial progress of the plan, matters related to the administration of the HRA plan, and assisting in educational activities.

Sec. 705      ~~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 a 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 VCSCOA shall, at the~~


~~request of either party, meet and confer to discuss the effects of that determination.~~

Agreed to this 14<sup>th</sup> day of August, 2023, by:

FOR THE COUNTY:

FOR VCSCOA:

  
Jennifer Duran  
Labor Relations

  
Dan Seibert  
VCSCOA President

# Appendix A

## Legacy Retirement Plan - General Members Monthly Healthcare Benefit With Maximum of \$500 Tentative Agreement, 7/XX/2023

\$ Amount: \$500

Svc	Age at Retirement															
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65+
10	59.10	62.15	65.15	68.20	71.30	74.65	78.20	82.05	86.25	90.85	95.85	99.55	104.55	109.90	115.55	121.60
11	65.00	68.35	71.65	75.00	78.45	82.10	86.00	90.25	94.90	99.90	105.40	109.50	115.00	120.85	127.10	133.75
12	70.90	74.55	78.15	81.80	85.55	89.55	93.80	98.45	103.50	109.00	115.00	119.45	125.50	131.85	138.65	145.95
13	76.80	80.80	84.75	88.65	92.70	97.00	101.65	106.65	112.15	118.05	124.60	129.45	135.95	142.85	150.20	158.10
14	82.75	87.00	91.20	95.45	99.80	104.45	109.45	114.85	120.75	127.15	134.15	139.40	146.40	153.85	161.75	170.25
15	88.65	93.20	97.70	102.25	106.95	111.90	117.25	123.10	129.40	136.25	143.75	149.35	156.85	164.80	173.30	182.40
16	94.55	99.45	104.20	109.10	114.10	119.40	125.10	131.30	138.00	145.30	153.35	159.30	167.30	175.80	184.85	194.55
17	100.45	105.65	110.75	115.90	121.20	126.85	132.90	139.50	146.65	154.40	162.90	169.25	177.75	186.80	196.40	206.75
18	106.35	111.85	117.25	122.70	128.35	134.30	140.75	147.70	155.25	163.50	172.50	179.20	188.20	197.80	207.95	218.90
19	112.30	118.05	123.75	129.55	135.45	141.75	148.55	155.90	163.90	172.55	182.10	189.15	198.70	208.80	219.55	231.05
20	118.20	124.30	130.25	136.35	142.60	149.25	156.35	164.10	172.50	181.65	191.65	199.10	209.15	219.75	231.10	243.20
21	124.10	130.50	136.80	143.15	149.75	156.70	164.20	172.30	181.15	190.75	201.25	209.05	219.60	230.75	242.65	255.40
22	130.00	136.70	143.30	150.00	156.85	164.15	172.00	180.50	189.75	199.80	210.85	219.05	230.05	241.75	254.20	267.55
23	135.90	142.80	149.80	156.80	164.00	171.60	179.80	188.70	198.40	208.90	220.40	229.00	240.50	252.75	265.75	279.70
24	141.80	149.15	156.30	163.60	171.10	179.10	187.65	196.90	207.00	218.00	230.00	238.95	250.95	263.70	277.30	291.85
25	147.75	155.35	162.85	170.45	178.25	186.55	195.45	205.15	215.65	227.05	239.60	248.90	261.40	274.70	288.85	304.00
26	153.65	161.55	169.35	177.25	185.40	194.00	203.30	213.35	224.25	236.15	249.15	258.85	271.85	285.70	300.40	316.20
27	159.55	167.80	175.85	184.10	192.50	201.45	211.10	221.55	232.90	245.25	258.75	268.80	282.35	296.70	311.95	328.35
28	165.45	174.00	182.40	190.90	199.65	208.95	218.90	229.75	241.50	254.30	268.35	278.75	292.80	307.65	323.50	340.50
29	171.35	180.20	188.90	197.70	206.75	216.40	226.75	237.95	250.15	263.40	277.90	288.70	302.75	318.65	335.05	352.65
30	177.30	186.45	195.40	204.55	213.90	223.85	234.55	246.15	258.75	272.50	287.50	298.65	313.70	329.65	346.65	364.85
31	183.20	192.65	201.95	211.35	221.05	231.30	242.35	254.35	267.40	281.55	297.10	308.65	324.15	340.65	358.20	377.00
32	189.10	198.85	208.40	218.15	228.15	238.75	250.20	262.55	276.00	290.65	306.65	318.60	334.60	351.65	369.75	389.15
33		205.05	214.95	225.00	235.30	246.25	258.00	270.75	284.65	299.70	316.25	328.55	345.05	362.60	381.30	401.30
34			221.45	231.80	242.45	253.70	265.80	278.95	293.25	308.80	325.85	338.50	355.55	373.60	392.85	413.50
35				238.60	249.55	261.15	273.65	287.20	301.90	317.90	335.40	348.45	366.00	384.60	404.40	425.65
36					256.70	268.60	281.45	295.40	310.50	326.95	345.00	358.40	376.45	395.60	415.95	437.80
37						276.10	289.30	303.60	319.15	336.05	354.60	368.35	386.90	406.60	427.50	450.00
38							297.10	311.80	327.75	345.15	364.15	378.35	397.35	417.55	439.05	462.10
39								320.00	336.40	354.20	373.65	388.30	407.80	428.55	450.60	474.30
40									345.00	363.30	383.35	398.25	418.30	439.55	462.20	486.45
41										372.40	392.90	408.20	428.75	450.55	473.75	498.60
42											402.50	418.15	439.20	461.50	485.30	500.00