



COUNTY of VENTURA

COUNTY EXECUTIVE OFFICE
SEVET JOHNSON, PsyD
County Executive Officer

Mike Pettit
Assistant County Executive Officer

Scott Powers
County Chief Financial Officer

Danielle Keys
County Human Resources Director
Labor Relations

March 18, 2025

County of Ventura Board of Supervisors

Subject: Approval of a Request to Allow Participation of Ventura County Employees' Retirement Association District Employees in the Legacy Retiree Health Reimbursement Arrangement; and Approval of, and Authorization for the Chair of the Board to Sign the Amended Memoranda of Agreement Between the County of Ventura and the Ventura County Employees' Retirement Association.

Recommendations

It is recommended that your Board:

1. Approve the Ventura County Employees' Retirement Association (VCERA) Retirement Board's request by providing consent for VCERA District Management Employees to participate in the County of Ventura Legacy Retiree Health Reimbursement Arrangement Plan.
2. Approve and authorize the Board Chair to sign the attached amended Memorandum of Agreement between the County of Ventura and VCERA providing for the addition of the Health Reimbursement Arrangement and Retiree Health Premium Coverage to the list of Employee Benefits that the County makes available to VCERA employees.

Fiscal Impact

The costs associated with the addition of HRA and Retiree Health Premium Coverage services to the VCERA employees will have minimal impact on other departments and will be recovered from VCERA.

Discussion

In August 2015, the Governor of California signed Assembly Bill 1291, amending the County Employees Retirement Law of 1937, Government Code sections 31450 et seq. (CERL), to establish VCERA as an independent public employer district effective January 1, 2016. As the District's governing body, the VCERA Board of Retirement adopted a resolution on January 25, 2016, making subdivision (f) of CERL section 31522.10 (added by AB 1291) applicable to Ventura County.

This legislation grants the VCERA Board the authority to appoint the following positions: retirement administrator, chief financial officer, chief operations officer, chief investment officer, general counsel, and chief information officer. As a result, these six positions are employees of the VCERA District, not the County. Even so, VCERA seeks to provide its employees with benefits similar to those of County management employees. Such benefits are set forth in a memorandum of agreement (MOA) between VCERA and the County wherein VCERA agrees that such benefits will be paid for by VCERA.

On June 27, 2023, your Board approved the County of Ventura Retiree Medical Expense Reimbursement Plan Document (Plan Document) establishing the Health Reimbursement Arrangement (HRA Plan) for County employees affected by the VCERA Board's exclusion of a portion of the Flexible Credit Allowance from pensionable income for legacy (non-PEPRA) retirement plan participants (i.e., the "Alameda Resolution"). The HRA Plan is intended to be a partial replacement of lost pension benefits resulting from the Alameda Resolution. The Plan Document defines the HRA Plan parameters, including eligibility, participation, benefits, funding, payment of benefits, and plan administration. The Plan Document also specifies an HRA Committee appointed by your Board, consisting of the County Executive Officer, Director of Human Resources, Auditor-Controller, County Counsel, and Treasurer-Tax Collector, or their respective designees. The HRA Plan Document limits participation in the HRA Plan to County employees. As a result, VCERA District employees are ineligible for the HRA Plan. However, the Plan Document grants the Board of Supervisors the authority to extend eligibility to VCERA District employees based on section 2.8 of the HRA Plan that defines "County" to include any organization adopting the HRA plan with the County's consent.

In May 2024, the VCERA Board of Retirement requested that legacy retirement plan participants employed by VCERA be able to participate in the HRA Plan. The HRA Committee discussed the VCERA Board's request at its meeting held on December 19, 2024, and voted unanimously to support the request contingent upon the VCERA District agreeing to fund the HRA Plan benefit for its employees. The Committee directed staff to prepare a Board letter seeking the Board of Supervisors' approval of the VCERA Board's request to participate in the HRA Plan.

In addition to the HRA Plan, the VCERA Board would also like to provide its employees with the Retiree Health Premium Coverage set forth in Section 504 of the Management, Confidential Clerical, and Other Unrepresented Employees Resolution ("Management Resolution"). As background for your Board, the Retiree Health Premium Coverage provides eligible County employees with up to five years of retiree health premium payments, depending on their years of service. For purposes of determining eligibility for this benefit, VCERA service shall be combined with prior County service. Like the HRA Plan benefits, this benefit will be paid for by VCERA.

For your approval, VCERA has submitted to the County an amended MOA, approved and signed by the VCERA Board of Retirement at its January 27, 2025, meeting that identifies the HRA Plan and the Retiree Health Premium Coverage as benefits available to VCERA

employees (and includes the agreement to reimburse the County for the costs associated with the addition of the HRA Plan for VCERA employees).

It is recommended that your Board provide consent for the participation of VCERA District Executive Management in the HRA Plan. The HRA Committee concurs with the recommendation to approve the participation of eligible VCERA District Executive Management employees in the HRA Plan.

It is also recommended that your Board approve and authorize the Chair of the Board to sign the amended MOA between the County and VCERA, adding the HRA Plan and the Retiree Health Premium Coverage benefit to the list of benefits covered under the MOA.

Strategic Plan

The recommended items support the County's Strategic Priority to attract, hire, develop, and retain a diverse workforce empowered to meet the needs of our customers.

The County Executive Office, County Counsel, and the Auditor-Controller's Office have reviewed this letter.

If you have any questions regarding this item, please call Danielle Keys at (805) 654-2561, or Patti Dowdy, Employee Benefits Manager, at (805) 648-9218.

Respectfully submitted,



Danielle Keys

County Human Resources Director/Labor Relations



Sevet Johnson, PsyD

County Executive Officer

c: Jeffery S. Burgh, Auditor-Controller
Tiffany N. North, County Counsel
Mike Pettit, Assistant County Executive Officer
Scott Powers, County Chief Financial Officer

Attachments:

- Exhibit 1 – Amended Memorandum of Agreement between the County of Ventura and the Ventura County Employees' Retirement Association for Human Resources Services (Redlined)

- Exhibit 2 – Amended Memorandum of Agreement between the County of Ventura and the Ventura County Employees' Retirement Association for Human Resources Services (Signed)