

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

DISABILITY MEETING

NOVEMBER 7, 2022

AGENDA

PLACE: In Accordance with Government Code §54953(e)(1)(A), and in response to the declared State and Local emergencies due to the Novel Coronavirus and Local Health Officer recommendation regarding social distancing, the Board of Retirement and its legislative bodies are holding meetings electronically and can be accessed below. Pursuant to Government Code §§ 54953(e)(2) and 54954.3, members of the public, to the extent required by law, will have the opportunity to directly address the Board concerning the below mentioned business.

TIME: 9:00 a.m.

The public may listen to the Public Session and offer comments by calling: +1 669-219-2599, using Meeting ID: 854-0625-7389. Persons may also submit written comments to publiccomment@vcera.org prior to and during the Board meeting. Please include your name, agenda item, the last 4 numbers of the telephone number that will be used to call in, and your comment. Public comment emails will be read into the record or summarized if lengthy.

ITEM:

I. CALL TO ORDER

A. Roll Call.

II. APPROVAL OF AGENDA

III. RECEIVE AND FILE PENDING DISABILITY APPLICATION STATUS REPORT

IV. APPLICATIONS FOR DISABILITY RETIREMENT

A. Application for Nonservice- and Service-connected Disability Retirement—Maher, David; Case No. 20-009.

1. Proposed Findings of Fact, Conclusions of Law and Recommended Decision to Deny the Application for Nonservice- and Service-connected Disability Retirement, filed by Hearing Officer Irene Ayala, dated August 31, 2022.
2. Applicant's Objections to the Hearing Officer's Report, filed by David Maher, Applicant, dated October 18, 2022.
3. County of Ventura-Risk Management's Response to Applicant's Objections, filed by Stephen Roberson, Attorney for Respondent, dated October 25, 2022.
4. Application for Service-connected Disability Retirement, filed by Applicant on March 10, 2020, with Amendment to include Application for Nonservice-connected Disability Retirement.

IV. APPLICATIONS FOR DISABILITY RETIREMENT (continued)

5. Hearing Notice, dated October 26, 2022.
- B. Application for Service-connected Disability Retirement—Moore, Michael; Case No. 16-008.
1. Employer's Amended Statement of Position, submitted by County of Ventura-Risk Management, in support of the Application for Service-connected Disability Retirement, dated June 27, 2022.
 2. County of Ventura-Risk Management's Response to VCERA's August 23, 2022 Email, dated September 2, 2022.
 3. Supporting Documentation for Employer's Statement of Position.
 4. Application for Service-connected Disability Retirement, filed by Michael Treger, Attorney for Applicant, on February 29, 2016.
 5. Hearing Notice, dated October 26, 2022.
- C. Application for Service-connected Disability Retirement—Bautista, Rose Mary; Case No. 21-004.
1. Staff Recommendation to Grant the Application for Service-connected Disability Retirement, dated October 31, 2022.
 2. Supporting Documentation for Staff Recommendation.
 3. Application for Service-connected Disability Retirement, filed by Applicant on February 11, 2021.
 4. Hearing Notice, dated October 31, 2022.

V. OLD BUSINESS

- A. Reconsideration of Circumstances to Enable Board to Hold Meetings via Teleconference Under the Provisions of Government Code Section 54953, Subdivision (e), of the Ralph M. Brown Act, Due to State of Emergency and Consider Authorization for Continued Remote Teleconference Meetings.
1. Staff Letter from Retirement Administrator.
 2. Letter from Dr. Robert Levin, Ventura County Health Officer.

VI. NEW BUSINESS

- A. Amended and Restated Memorandum of Agreement by and Between the County of Ventura and the Ventura County Employees' Retirement Association for Risk Management Services.
RECOMMENDED ACTION: Approve.

VI. NEW BUSINESS (continued)

1. Staff Letter from Chief Financial Officer.
 2. Memorandum of Agreement by and Between the County of Ventura and the Ventura County Employees' Retirement Association for Risk Management Services Proposed (Redline).
 3. Memorandum of Agreement by and Between the County of Ventura and the Ventura County Employees' Retirement Association for Risk Management Services Proposed (Clean).
- B. Finance Committee Review of Memorandum of Understanding (MOU) Between VCERA and County of Ventura Regarding Retiree Health Stipend Provisions & Apportionment.
1. Staff Letter from Retirement Administrator.
 2. County of Ventura, Management, Confidential Clerical, and Other Unrepresented Employees Resolution, Dated March 8, 2022.
- C. Quarterly Retirement Administrator's Reports for April – June & July – September 2022.
RECOMMENDED ACTION: Receive and File.

VII. CLOSED SESSION

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: General Counsel
(Government Code section 54957(b)(1))

VIII. INFORMATIONAL

- A. SACRS November Election Preview, Part I and II.

IX. PUBLIC COMMENT

X. STAFF COMMENT

XI. BOARD MEMBER COMMENT

XII. ADJOURNMENT

November 7, 2022

Board of Retirement
Ventura County Employees' Retirement Association
1190 S. Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: RECONSIDERATION OF CIRCUMSTANCES TO ENABLE BOARD TO HOLD MEETINGS VIA TELECONFERENCE UNDER THE PROVISIONS OF GOVERNMENT CODE SECTION 54953, SUBDIVISION (E), OF THE RALPH M. BROWN ACT DUE TO STATE OF EMERGENCY AND CONSIDER AUTHORIZATION FOR CONTINUED REMOTE TELECONFERENCE MEETINGS

Dear Board Members:

Executive Summary

At the October 4, 2021, Board Meeting, your Board adopted an initial Resolution under the provisions of Government Code section 54953(e), making findings that enable continued meetings via abbreviated teleconferencing provisions under the Brown Act during proclaimed state of emergency. Your Board has continued to hold its meetings in this manner upon making findings, every 30 days, that the local County health officer has continued to recommend measures to promote social distancing. On September 21, 2021, Dr. Levin, Ventura County's Health Officer, issued a memorandum to the Ventura County Board of Supervisors recommending that physical/social distancing measures continue to be practiced throughout Ventura communities to minimize the spread of COVID-19. On November 15, 2021, Dr. Levin issued a similar memorandum to the Ventura County Board of Supervisors, recommending that legislative bodies in Ventura County continue to meet via teleconference. These recommendations remain in effect. The current authorization adopted by your Board, dated October 24, 2022, expires on November 23, 2022. Pursuant to the current authorization, the Board room is open so that those Trustees who wish to attend and participate in person may do so, and those who are not yet comfortable with in-person meetings, may attend remotely. If your Board desires to continue meeting under the abbreviated teleconference rules for the November 28, 2022 meeting, it must again reconsider the circumstances of the state of emergency and find that Dr. Levin's recommendations for social distancing remain in effect. Public Health Order Information is accessible on the Ventura County Recovers website at: [Public Health Order Information – Ventura County Recovers](#) and indicates these social distancing recommendations remain active. At recent meetings, your Board has indicated support for continued hybrid (virtual or in-person) attendance by Board members as well as for other meeting attendees.

Background:

Pursuant to the provisions of AB 361, signed into law by the Governor on September 16, 2021, as urgency legislation, and made applicable starting October 1, 2021, by subsequent Executive Order issued September 20, 2021, legislative bodies may conduct public meetings under abbreviated teleconference provisions only if specified findings are made the first time the body meets under the AB 361 teleconferencing rules, and then every 30 days thereafter. At the October 4, 2021, Board Meeting, your Board adopted an initial Resolution under the provisions of AB 361, making findings that enable continued meetings via abbreviated teleconferencing provisions under the Brown Act during proclaimed state of emergency. (See Govt. Code § 54953(e).)

As set forth in the Resolution and in accordance with AB 361, as codified in Government Code section 54953, meetings may continue to be held via teleconference upon reconsideration of the circumstances of the emergency and the making of findings every 30 days after initial adoption. Your Board has made the required findings and has authorized continuation of meetings under the abbreviated teleconference requirements at least every 30-days since the initial action on October 4, 2021. Note that the legislation that authorizes abbreviated teleconference procedures remains in effect until January 1, 2024, and then sunsets by its own terms.

The abbreviated teleconference provisions enable members of legislative bodies to attend meetings virtually, from any location, without having to follow the formal teleconferencing requirements for each location. As a reminder, legislative bodies under the Brown Act are required to hold their meetings in public and within the boundaries of the legislative body's jurisdiction, so that all interested persons are permitted to attend and participate. The Brown Act allows for meetings to occur via teleconferencing subject to certain requirements including, but not limited to, the following: (1) the legislative body must notice each teleconference location of each member that will be participating in the public meeting; (2) that each teleconference location be accessible to the public; (3) that members of the public be allowed to address the legislative body at each teleconference location; (4) that the legislative body post an agenda at each teleconference location, and; (5) that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction.

On Monday, October 17, 2022, Governor Gavin Newsom announced that the COVID-19 State of Emergency will end on February 28, 2023. See: <https://www.gov.ca.gov/2022/10/17/governor-newsom-to-end-the-covid-19-state-of-emergency/>. As set forth in the previous memorandum from General Counsel, AB 2449 becomes effective January 1, 2023, and provides alternative teleconference options that may be invoked on a limited basis once the state of emergency teleconference procedures are no longer available for the COVID-19 pandemic.

Action Required for Conduct of Meetings Via Abbreviated Brown Act Requirements for Teleconferencing

Under the authority of Government Code section 54953(e)(3), your Board, and its legislative bodies (e.g., Finance Committee) may continue to conduct its meetings via teleconference if the state of emergency remains active or state or local officials have imposed or recommended measures to promote social distancing (both of which are satisfied here), and the Board reconsiders the circumstances of the state of emergency and, by majority vote, makes findings that:

- a. The state of emergency continues to directly impact the ability of the members to meet safely in person; or
- b. State or local officials continue to impose or recommend measures to promote social distancing

On September 21, 2021, Dr. Levin, Ventura County's Health Officer, issued a memorandum to the Ventura County Board of Supervisors recommending that physical/social distancing measures continue to be practiced throughout Ventura communities to minimize the spread of COVID-19, "including at meetings of the Board of Supervisors and meetings of other legislative bodies of the County of Ventura." Dr. Levin issued another memorandum, dated November 15, 2021, wherein he recommends continued physical/social distancing as well as continuation of remote meetings of the Board of Supervisors and other legislative bodies that conduct public meetings in the County. A copy of this November 15, 2021, Memorandum accompanies this board letter and remains in effect. This recommendation provides a basis for your Board to find that local officials continue to recommend social distancing, and to invoke the abbreviated teleconference provisions for an additional 30 days.

The Board has recently authorized hybrid attendance whereby your Board, staff, presenters, parties, members, participating employers, and the public may choose to attend either in-person or remotely to support individual health/safety choices.

If this resolution authorizing remote teleconferencing is not continued and any Board members wish to continue attending from a remote location, a notice of public hearing would need to be posted at each remote location and members of the public would need to have the ability to attend in-person at any such remote location to participate in the meeting. Note, however, that there are legislative bills pending that would authorize remote attendance at public meetings as an ongoing measure: (1) AB 1944 (Lee and Garcia) would require the agenda to identify members of the legislative body who are participating in the meeting remotely and under specified conditions would permit remote participation without posting the address of the remote location or making the remote location accessible to the public; (2) AB 2449 (Blanca Rubio) would authorize use of teleconferencing without noticing and making available to the public teleconferencing locations if a quorum participates in person, but board members would have to participate using both audio and video technology.

If the Board wishes to continue to authorize remote teleconference meetings for an additional 30-day period, expiring December 7, 2022, it must take the Optional Action indicated below. Staff will continue to include on your Board's agenda the option to consider renewing its findings every 30 days during the time the State of Emergency remains active, unless otherwise directed.

I will be pleased to answer any questions at the November 7, 2022, Disability Meeting.

OPTION FOR CONTINUED AUTHORIZATION FOR REMOTE TELECONFERENCE MEETINGS FOR ADDITIONAL 30 DAYS, TO ALLOW FOR BOARD MEMBERS TO ATTEND MEETINGS EITHER VIRTUALLY OR IN-PERSON:

APPROVE AND ADOPT FINDINGS THAT THE VENTURA COUNTY HEALTH OFFICER/MEDICAL DIRECTOR RECOMMENDS PHYSICAL/SOCIAL DISTANCING AND CONTINUED REMOTE MEETINGS OF LEGISLATIVE BODIES, AND;

AUTHORIZE REMOTE TELECONFERENCE MEETINGS OF VCERA'S LEGISLATIVE BODIES FOR THE PERIOD OF NOVEMBER 7, 2022, THROUGH DECEMBER 7, 2022, PURSUANT TO GOVERNMENT CODE SECTION 54953, SUBDIVISION (E)(3).

Sincerely,



Linda Webb
Retirement Administrator

To: Board of Supervisors
County Executive Office
Clerk of the Board

From: Dr. Robert Levin, Ventura County Health Officer



Date: November 15, 2021

Re: Recommendation regarding Social Distancing and Continued Remote Meetings of
Legislative Bodies

I continue to recommend that physical/social distancing measures be practiced throughout our Ventura County communities to minimize the spread of COVID-19, including at meetings of the Board of Supervisors and meetings of other legislative bodies in the County of Ventura.

The California Department of Public Health ("CDPH") and the Centers for Disease Control and Prevention ("CDC") caution that the Delta variant of COVID-19, currently the dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations (<https://www.cdc.gov/coronavirus/2019-ncov/variants/delta-variant.html>). While the Delta variant is the currently circulating variant, the Delta-2 variant, its likely successor, is 10 to 15% more transmissible. Current case and hospitalization rates have remained stubbornly higher than they were in the days leading up to the most recent surge. In some counties in our state, these rates are starting to climb again. We are facing the winter holidays and the opportunities these holidays present to promote transmission of COVID-19 infection. The winter season and its associated cold weather drives people indoors and provides another opportunity to spread the highly transmissible COVID-19 virus. Associated with these events last year our county experienced a surge in COVID-19 cases.

Whether vaccinated or not, positive individuals are contracting the Delta variant and infecting others in our communities. Social distancing and masking are crucial mitigation measures to prevent the disease's spread. Remote meetings of legislative bodies in the County, including but not limited to the Board of Supervisors are a recommended form of social distancing that allows for the participation of the community, county staff, presenters, and legislative body members in a safe environment, with no risk of contagion. It is recommended that legislative bodies in the County continue to implement 100% remote meetings. Just as it is likely that the current County order requiring the use of face coverings indoors will be in place beyond the first of the year,

though driven by good intentions, lifting the remote meetings policy at this time would be premature.

If you have any questions regarding this recommendation, please do not hesitate to contact me.



November 7, 2022

Board of Retirement
Ventura County Employees' Retirement Association
1190 S. Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: AMENDED AND RESTATED MEMORANDUM OF AGREEMENT BY AND BETWEEN THE COUNTY OF VENTURA AND THE VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION FOR RISK MANAGEMENT SERVICES.

Dear Board Members:

Staff recommends that the amended memorandum of agreement (MOA) by and between the County of Ventura and the Ventura County Employees' Retirement Association (VCERA) for Risk Management services, before you today, be approved and Board Chair authorized to execute this MOA. VCERA agrees to compensate the County at the rates charged by the County in the same manner as charges are made to County agencies and departments.

Background

On January 25, 2016, the VCERA Board of Retirement adopted by resolution Government Code Section 31522.10, thereby allowing VCERA to appoint certain employees as employees of VCERA. Through an MOA with the County, VCERA participates on its behalf and for the benefit of the VCERA employees in the County's Risk Management program, including but not limited to workers' compensation coverage and benefits afforded under the California Labor Code (e.g., reviewing/advising on work restrictions and conducting interactive process through the County's Human Resources department).

In November of 2021, County Risk Management informed VCERA that after doing a thorough investigation as it relates to the County's insurance policies in response to VCERA's inquiries, they found that VCERA was not covered under the named insured. It became apparent that because VCERA is a separate legal entity, it could not be included in the County's coverage. VCERA's then CFO worked with Risk Management to complete applications in order to secure policies for VCERA so that proper coverage was in place, as required by the then-existing MOA. Once this was accomplished, VCERA worked with the County to identify necessary amendments to the original MOA with County Risk Management.

The purpose of this agreement is to provide a means by which VCERA may continue to contract with the County to participate in the County's Risk Management programs for the VCERA employees, to the same extent VCERA does as an agency of the County of Ventura and where VCERA employees are not covered by County insurance policies, to provide a means by which the County shall assist VCERA in obtaining insurance policies on behalf of VCERA employees.

This agreement will remain in effect from the date of execution by all parties until termination by either party in writing, which is to be provided to the other party at least 365 days prior to the requested termination date. VCERA shall continue Risk Cost Allocation Plan contributions for VCERA employees to the Risk Management Internal Service Funds (ISF) for the remainder of the fiscal year within which termination becomes effective.

Staff would be pleased to answer any questions you may have on this matter.

**RECOMMENDATION: APPROVE AND BOARD CHAIR AUTHORIZED TO EXECUTE
MEMORANDUM OF AGREEMENT BY AND BETWEEN THE COUNTY OF
VENTURA AND THE VENTURA COUNTY EMPLOYEES' RETIREMENT
ASSOCIATION FOR RISK MANAGEMENT SERVICES.**

Sincerely,



La Valda Marshall
Chief Financial Officer

Attachment: Memorandum of Agreement by and between the County of Ventura and the Ventura County Employees' Retirement Association for Risk Management Services (redline).

Memorandum of Agreement by and between the County of Ventura and the Ventura County Employees' Retirement Association for Risk Management Services(clean).

**AMENDED AND RESTATED MEMORANDUM OF AGREEMENT BY AND BETWEEN
THE COUNTY OF VENTURA AND THE VENTURA COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION
FOR RISK MANAGEMENT SERVICES**

This amended and restated memorandum of agreement (AGREEMENT), hereby amends the Memorandum of Agreement by and between the County of Ventura ("COUNTY"), and the Ventura County Employees Retirement Association ("VCERA") entered into ~~on~~ in or about September, 2016, and is to be effective upon the adoption by both the Ventura County Board of Supervisors and the VCERA Board of Retirement.

WHEREAS, on January 25, 2016, the VCERA Board of Retirement adopted by resolution Government Code Section 31522.10, thereby allowing VCERA to appoint certain employees as employees of VCERA; and

WHEREAS, pursuant to California Government Code section 31522.10, the VCERA Board of Retirement may appoint certain personnel designated therein as employees of VCERA subject to the terms and conditions of employment established by the Board of Retirement ("VCERA employees"); and

WHEREAS, the Board of Retirement is the governing body as to its personnel appointed pursuant to Government Code section 31522.10 and the Board of Supervisors is the governing body for all other employees of the COUNTY assigned to work at VCERA; and

WHEREAS, VCERA desires to participate on its behalf and for the benefit of the VCERA employees in the COUNTY's Risk Management program, including but not limited to workers' compensation coverage and benefits afforded under the California Labor Code (e.g., reviewing/advising on work restrictions and conducting interactive process through the County's Human Resources department); and

~~WHEREAS, VCERA also desires to utilize the COUNTY's Risk Management services for aspects of the VCERA disability retirement program with respect to the VCERA employees, as those services are currently provided regarding COUNTY employees, including without limitation those COUNTY employees who are assigned to work at VCERA; and~~

WHEREAS, in the event VCERA is not a covered under the COUNTY's insurance policies, the COUNTY and VCERA desire that COUNTY shall assist VCERA in the procurement of insurance.

NOW, therefore, the parties hereto agree as follows:

1. PURPOSE

The purpose of this AGREEMENT is to provide a means by which VCERA may contract with

the COUNTY to participate in the COUNTY's Risk Management programs for the VCERA employees, to the same extent VCERA does as an agency of the County of Ventura **and, where VCERA employees are not covered by COUNTY insurance policies, to provide a means by which the COUNTY shall assist VCERA in obtaining insurance policies on behalf of VCERA employees** ~~and to provide a means by which VCERA may contract with the COUNTY to provide services for the VCERA employees regarding the VCERA disability retirement program that is governed by Article 10 of the County Employees' Retirement Law of 1937 (Gov. Code sec. 31720-31755.3) ("CERL") and other applicable laws.~~

2. DURATION

As it relates to the VCERA employees only, this AGREEMENT will remain in effect from the date of execution by all parties until terminated by either party in writing, which is to be provided to the other party at least 365 days prior to the requested termination date. Notwithstanding the requested termination date, VCERA shall continue Risk Cost Allocation Plan contributions for VCERA employees to the Risk Management Internal Service Funds (ISF) for the remainder of the fiscal year within which termination becomes effective.

This AGREEMENT shall have no effect on coverage, contributions to the Risk Management ISFs or services provided to COUNTY employees assigned to work at VCERA. VCERA shall contribute to the Risk Management ISFs in the same manner and to the same extent as the COUNTY's agencies and departments, so long as and for each fiscal year that COUNTY employees are assigned to work at VCERA.

In the event of termination by either party, with respect to coverage afforded to VCERA employees, the COUNTY will remain responsible for adjusting and paying covered claims incurred during the operation of this AGREEMENT, unless other mutually agreeable arrangements are made.

3. SERVICES

- A. With respect to VCERA employees, VCERA may participate in COUNTY's self-insured Workers' Compensation Program, including the workers' compensation claim and benefit administration, safety and loss prevention consultations, and access to any safety training, to the same extent and at the same or comparable cost as COUNTY agencies and departments incur for the same or comparable services.
- B. VCERA agrees that it shall abide by all administrative policies and procedures and cooperate in the investigation necessary for the administration of COUNTY workers' compensation program in which VCERA is a participant for both VCERA employees and COUNTY employees assigned to work at VCERA.
- C. VCERA will be responsible for the payment and administration of any salary supplement or other contractual benefit related to industrial injuries and

disability retirement, and this AGREEMENT is limited to administration and payment of benefits required by the California Labor Code for workers' compensation and the services the COUNTY currently provides in connection with applications filed under the CERL for disability retirement.

- D. Under this AGREEMENT workers' compensation coverage shall be provided for "VCERA employees" and members of the VCERA Board of Retirement.
- E. To the extent VCERA employees are not covered under the COUNTY's insurance policies, COUNTY will assist VCERA in procuring an insurance policy on behalf of VCERA employees, to cover general liability and property insurance and any other identified insurance coverages. VCERA will pay the premiums for any such insurance policy(ies) procured on its behalf as set forth in Section 4, below. COUNTY's Risk Management division will assist with broker meetings and in the application process. COUNTY's Risk Management division will assist in identifying risks and, unless VCERA requests otherwise, will continue to handle all claims and civil litigation as identified by those claims that are covered by insurance. County's Risk Management division will provide the insurance carrier with notice of claims for those claims covered by the insurance policy and will issue responsive correspondence to covered claims, and will timely provide copies of such communications to VCERA. Neither COUNTY nor COUNTY's Risk Management division shall be liable for any claims made on behalf of VCERA employees in excess of any procured policy limit.

4. COMPENSATION FOR SERVICES

- A. For workers' compensation insurance coverage, VCERA agrees to compensate the COUNTY at the rates charged by the COUNTY in the same manner as charges are made to COUNTY agencies and departments. Payment for the services provided to VCERA by COUNTY for the benefit of VCERA employees and COUNTY employees assigned to work at VCERA shall be in the same manner as charges to County agencies and departments, through payroll assessments each pay period for workers' compensation coverage and periodic billings for liability and insurance coverage. If VCERA disagrees with the proposed amount to be charged, VCERA will raise such disagreement during the budget development process. Any such disagreements not raised during the budget development process are waived. VCERA agrees to compensate COUNTY for services relating to the VCERA employees using the rate methodology used for County and non-COUNTY entities for the same or similar services.
- B. For all insurance policies other than workers' compensation, COUNTY agrees to assist VCERA in the procurement of insurance policies, including but not limited to general liability policies, employment liability policies, and cyber liability policies on behalf of VCERA employees. VCERA agrees that it will be

wholly responsible for the cost of any such insurance policies procured, including but not limited to the cost of premiums, any deductible, and any liability in excess of the policy limits and that COUNTY shall not be liable for any costs related to the procurement of the desired insurance policies or any liabilities arising under such policies. VCERA agrees that it will either be billed directly by the insurance carrier or will reimburse the COUNTY for any amounts paid by the COUNTY on VCERA's behalf; provided, however, that the COUNTY agrees that all amounts it previously charged VCERA for insurance coverage while VCERA was not listed as a separate insured on such policies will result in a credit to VCERA toward future premiums for such coverage until such credit is exhausted. VCERA agrees that, except for workers' compensation claims County shall not be liable, through insurance coverage or otherwise, for any claims asserted by VCERA employees that arose prior to the execution of this Amended and Restated Memorandum of Agreement.

- C. Costs/Liabilities associated with the research, development, and/or implementation of this AGREEMENT or any other extraordinary expense associated with or caused by the setup and/or administration of the terms of this AGREEMENT, including fees for consultants retained for the benefit of VCERA, VCERA employees or COUNTY employees working at VCERA will be charged to, and paid by, VCERA; provided, however, that an itemization of such costs/liabilities already incurred by the COUNTY must be provided to the VCERA Board prior to entering into this AGREEMENT and any future costs must be authorized by the VCERA Board prior to payment.

5. DELEGATION AND ASSIGNMENT

VCERA may not assign its rights or delegate its obligations hereunder, either in whole or in part, without prior written consent of the COUNTY.

6. CONFIDENTIALITY

Except as required to carry out the terms of this AGREEMENT, VCERA agrees to maintain the confidentiality of all COUNTY and COUNTY-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this AGREEMENT. COUNTY shall designate when a COUNTY or COUNTY-related record or information is private or confidential. All such records and information shall be considered confidential and shall be kept confidential by VCERA and VCERA's employees and agents, unless otherwise required by law. VCERA further agrees to maintain the confidentiality of any proprietary information identified as such by COUNTY and made available to it by COUNTY in the course of performing obligations under this AGREEMENT unless COUNTY agrees in writing to its release, or pursuant to court order.

Except as required to carry out the terms of this AGREEMENT, COUNTY agrees to maintain the confidentiality of all VCERA and VCERA-related records and information that relate to VCERA employees pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this AGREEMENT. VCERA shall designate when a VCERA or VCERA-related record or information is private or confidential, as it relates to VCERA employees. All such records and information shall be considered confidential and shall be kept confidential by COUNTY and COUNTY's employees and agents, unless otherwise required by law. COUNTY further agrees to maintain the confidentiality of any proprietary information identified as such by VCERA and made available to it by VCERA in the course of performing obligations under this AGREEMENT unless VCERA agrees in writing to its release, or pursuant to court order.

VCERA and COUNTY agree to comply with all applicable state and federal statutes and regulations regarding the confidentiality of medical information including the California Confidentiality of Medical Information Act (Civil Code sec. 56 et seq.) and the Health Insurance Portability and Accountability Act (Act Aug. 21, 1996, P.L. 104-191).

7. NO DEFENSE OR INDEMNITY

Nothing in this AGREEMENT shall be construed to constitute any agreement by the COUNTY to defend or indemnify VCERA or its employees, [or for VCERA to defend or indemnify the County or its employees](#), for any claim arising under this agreement.

8. NOTICE

Where required to be given under this AGREEMENT, notice shall be in writing and deemed given when delivered personally or deposited in the United States mail, postage prepaid, certified, addressed as follows:

VCERA: Retirement Administrator
Ventura County Employees' Retirement Association
1190 S. Victoria Avenue, Suite 200
Ventura, CA 93003

cc: VCERA Board Chair
Ventura County Employees' Retirement Association
1190 S. Victoria Avenue, Suite 200
Ventura, CA 93003

COUNTY: Chief Executive Officer
County of Ventura
Hall of Administration L#1940
800 S. Victoria Avenue
Ventura, CA 93009

cc: Risk Manager
County of Ventura

Hall of Administration
800 S. Victoria Avenue
Ventura, CA 93009

9. WAIVER OF DEFAULT OR BREACH

Waiver of any default shall not be considered a waiver of any subsequent default. Waiver of any breach of any provision of this AGREEMENT shall not be considered a waiver of any subsequent breach. Waiver of any default or breach shall not be considered a modification of the terms of this AGREEMENT.

10. AMENDMENT

Except as otherwise provided herein, the AGREEMENT may be modified or amended only in writing signed by authorized representatives of both parties.

11. SEVERABILITY

If any provision of this AGREEMENT, or any portion thereof, is found by a court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this AGREEMENT.

12. VENUE

The venue for any legal action filed by either party in state court to enforce any provision of this AGREEMENT shall be Ventura County, California.

13. ENTIRE AGREEMENT

This AGREEMENT constitutes the entire agreement between the parties relating to the specific subject of this AGREEMENT and supersedes all previous agreements, promises representations, understanding and negotiation, whether written or oral, among the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, this AGREEMENT was executed by the parties hereto as of the date last ~~signed~~approved and made is effective as of July 12, 2022

Ventura County Employees' Retirement Association

County of Ventura

By _____

By _____

Mike Sedell, Chair
VCERA Board of Retirement

CHAIR OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:
NOSSAMAN, LLP

APPROVED AS TO FORM:
Office of the County Counsel,
Ventura County

By _____

By _____

Ashley K. Dunning, Partner

Tiffany North, County Counsel

**ATTEST: SEVET JOHNSON
Clerk of the Board of Supervisors
County of Ventura, State of
California**

**AMENDED AND RESTATED MEMORANDUM OF AGREEMENT BY AND BETWEEN
THE COUNTY OF VENTURA AND THE VENTURA COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION
FOR RISK MANAGEMENT SERVICES**

This amended and restated memorandum of agreement (AGREEMENT), hereby amends the Memorandum of Agreement by and between the County of Ventura ("COUNTY"), and the Ventura County Employees Retirement Association ("VCERA") entered into in or about September, 2016, and is to be effective upon the adoption by both the Ventura County Board of Supervisors and the VCERA Board of Retirement.

WHEREAS, on January 25, 2016, the VCERA Board of Retirement adopted by resolution Government Code Section 31522.10, thereby allowing VCERA to appoint certain employees as employees of VCERA; and

WHEREAS, pursuant to California Government Code section 31522.10, the VCERA Board of Retirement may appoint certain personnel designated therein as employees of VCERA subject to the terms and conditions of employment established by the Board of Retirement ("VCERA employees"); and

WHEREAS, the Board of Retirement is the governing body as to its personnel appointed pursuant to Government Code section 31522.10 and the Board of Supervisors is the governing body for all other employees of the COUNTY assigned to work at VCERA; and

WHEREAS, VCERA desires to participate on its behalf and for the benefit of the VCERA employees in the COUNTY's Risk Management program, including but not limited to workers' compensation coverage and benefits afforded under the California Labor Code (e.g., reviewing/advising on work restrictions and conducting interactive process through the County's Human Resources department); and

WHEREAS, in the event VCERA is not a covered under the COUNTY's insurance policies, the COUNTY and VCERA desire that COUNTY shall assist VCERA in the procurement of insurance.

NOW, therefore, the parties hereto agree as follows:

1. PURPOSE

The purpose of this AGREEMENT is to provide a means by which VCERA may contract with the COUNTY to participate in the COUNTY's Risk Management programs for the VCERA employees, to the same extent VCERA does as an agency of the County of Ventura and, where VCERA employees are not covered by COUNTY insurance policies, to provide a means by which the COUNTY shall assist VCERA in obtaining insurance policies on behalf of VCERA employees.

2. DURATION

As it relates to the VCERA employees only, this AGREEMENT will remain in effect from the date of execution by all parties until terminated by either party in writing, which is to be provided to the other party at least 365 days prior to the requested termination date. Notwithstanding the requested termination date, VCERA shall continue Risk Cost Allocation Plan contributions for VCERA employees to the Risk Management Internal Service Funds (ISF) for the remainder of the fiscal year within which termination becomes effective.

This AGREEMENT shall have no effect on coverage, contributions to the Risk Management ISFs or services provided to COUNTY employees assigned to work at VCERA. VCERA shall contribute to the Risk Management ISFs in the same manner and to the same extent as the COUNTY's agencies and departments, so long as and for each fiscal year that COUNTY employees are assigned to work at VCERA.

In the event of termination by either party, with respect to coverage afforded to VCERA employees, the COUNTY will remain responsible for adjusting and paying covered claims incurred during the operation of this AGREEMENT, unless other mutually agreeable arrangements are made.

3. SERVICES

- A. With respect to VCERA employees, VCERA may participate in COUNTY's self-insured Workers' Compensation Program, including the workers' compensation claim and benefit administration, safety and loss prevention consultations, and access to any safety training, to the same extent and at the same or comparable cost as COUNTY agencies and departments incur for the same or comparable services.
- B. VCERA agrees that it shall abide by all administrative policies and procedures and cooperate in the investigation necessary for the administration of COUNTY workers' compensation program in which VCERA is a participant for both VCERA employees and COUNTY employees assigned to work at VCERA.
- C. VCERA will be responsible for the payment and administration of any salary supplement or other contractual benefit related to industrial injuries and disability retirement, and this AGREEMENT is limited to administration and payment of benefits required by the California Labor Code for workers' compensation and the services the COUNTY currently provides in connection with applications filed under the CERL for disability retirement.
- D. Under this AGREEMENT workers' compensation coverage shall be provided for "VCERA employees" and members of the VCERA Board of Retirement.

- E. To the extent VCERA employees are not covered under the COUNTY's insurance policies, COUNTY will assist VCERA in procuring an insurance policy on behalf of VCERA employees, to cover general liability and property insurance and any other identified insurance coverages. VCERA will pay the premiums for any such insurance policy(ies) procured on its behalf as set forth in Section 4, below. COUNTY's Risk Management division will assist with broker meetings and in the application process. COUNTY's Risk Management division will assist in identifying risks and, unless VCERA requests otherwise, will continue to handle all claims and civil litigation as identified by those claims that are covered by insurance. County's Risk Management division will provide the insurance carrier with notice of claims for those claims covered by the insurance policy and will issue responsive correspondence to covered claims and will timely provide copies of such communications to VCERA. Neither COUNTY nor COUNTY's Risk Management division shall be liable for any claims made on behalf of VCERA employees in excess of any procured policy limit.

4. COMPENSATION FOR SERVICES

- A. For workers' compensation insurance coverage, VCERA agrees to compensate the COUNTY at the rates charged by the COUNTY in the same manner as charges are made to COUNTY agencies and departments. Payment for the services provided to VCERA by COUNTY for the benefit of VCERA employees and COUNTY employees assigned to work at VCERA shall be in the same manner as charges to County agencies and departments, through payroll assessments each pay period for workers' compensation coverage and periodic billings for liability and insurance coverage. If VCERA disagrees with the proposed amount to be charged, VCERA will raise such disagreement during the budget development process. Any such disagreements not raised during the budget development process are waived. VCERA agrees to compensate COUNTY for services relating to the VCERA employees using the rate methodology used for County and non-COUNTY entities for the same or similar services.
- B. For all insurance policies other than workers' compensation, COUNTY agrees to assist VCERA in the procurement of insurance policies, including but not limited to general liability policies, employment liability policies, and cyber liability policies on behalf of VCERA employees. VCERA agrees that it will be wholly responsible for the cost of any such insurance policies procured, including but not limited to the cost of premiums, any deductible, and any liability in excess of the policy limits and that COUNTY shall not be liable for any costs related to the procurement of the desired insurance policies or any liabilities arising under such policies. VCERA agrees that it will either be billed directly by the insurance carrier or will reimburse the COUNTY for any amounts paid by the COUNTY on VCERA's behalf; provided, however, that the COUNTY agrees that all amounts it previously charged VCERA for insurance coverage while VCERA was not

listed as a separate insured on such policies will result in a credit to VCERA toward future premiums for such coverage until such credit is exhausted. VCERA agrees that, except for workers' compensation claims County shall not be liable, through insurance coverage or otherwise, for any claims asserted by VCERA employees that arose prior to the execution of this Amended and Restated Memorandum of Agreement.

- C. Costs/Liabilities associated with the research, development, and/or implementation of this AGREEMENT or any other extraordinary expense associated with or caused by the setup and/or administration of the terms of this AGREEMENT, including fees for consultants retained for the benefit of VCERA, VCERA employees or COUNTY employees working at VCERA will be charged to, and paid by, VCERA; provided, however, that an itemization of such costs/liabilities already incurred by the COUNTY must be provided to the VCERA Board prior to entering into this AGREEMENT and any future costs must be authorized by the VCERA Board prior to payment.

5. DELEGATION AND ASSIGNMENT

VCERA may not assign its rights or delegate its obligations hereunder, either in whole or in part, without prior written consent of the COUNTY.

6. CONFIDENTIALITY

Except as required to carry out the terms of this AGREEMENT, VCERA agrees to maintain the confidentiality of all COUNTY and COUNTY-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this AGREEMENT. COUNTY shall designate when a COUNTY or COUNTY-related record or information is private or confidential. All such records and information shall be considered confidential and shall be kept confidential by VCERA and VCERA's employees and agents, unless otherwise required by law. VCERA further agrees to maintain the confidentiality of any proprietary information identified as such by COUNTY and made available to it by COUNTY in the course of performing obligations under this AGREEMENT unless COUNTY agrees in writing to its release, or pursuant to court order.

Except as required to carry out the terms of this AGREEMENT, COUNTY agrees to maintain the confidentiality of all VCERA and VCERA-related records and information that relate to VCERA employees pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this AGREEMENT. VCERA shall designate when a VCERA or VCERA-related record or information is private or confidential, as it relates to VCERA employees. All such records and information shall be considered confidential and shall be kept confidential by COUNTY and COUNTY's employees and agents, unless otherwise required by law. COUNTY further agrees to maintain the confidentiality of any proprietary information identified as such by VCERA and made available to it by VCERA in the course of performing obligations under this AGREEMENT unless VCERA agrees in writing to its release, or pursuant to court order.

VCERA and COUNTY agree to comply with all applicable state and federal statutes and regulations regarding the confidentiality of medical information including the California Confidentiality of Medical Information Act (Civil Code sec. 56 et seq.) and the Health Insurance Portability and Accountability Act (Act Aug. 21, 1996, P.L. 104-191).

7. NO DEFENSE OR INDEMNITY

Nothing in this AGREEMENT shall be construed to constitute any agreement by the COUNTY to defend or indemnify VCERA or its employees, or for VCERA to defend or indemnify the County or its employees, for any claim arising under this agreement.

8. NOTICE

Where required to be given under this AGREEMENT, notice shall be in writing and deemed given when delivered personally or deposited in the United States mail, postage prepaid, certified, addressed as follows:

VCERA: Retirement Administrator
Ventura County Employees' Retirement Association
1190 S. Victoria Avenue, Suite 200
Ventura, CA 93003

cc: VCERA Board Chair
Ventura County Employees' Retirement Association
1190 S. Victoria Avenue, Suite 200
Ventura, CA 93003

COUNTY: Chief Executive Officer
County of Ventura
Hall of Administration L#1940
800 S. Victoria Avenue
Ventura, CA 93009

cc: Risk Manager
County of Ventura
Hall of Administration
800 S. Victoria Avenue
Ventura, CA 93009

9. WAIVER OF DEFAULT OR BREACH

Waiver of any default shall not be considered a waiver of any subsequent default. Waiver of any breach of any provision of this AGREEMENT shall not be considered a waiver of any subsequent breach. Waiver of any default or breach shall not be considered a modification of the terms of this AGREEMENT.

10. AMENDMENT

Except as otherwise provided herein, the AGREEMENT may be modified or amended only in writing signed by authorized representatives of both parties.

11. SEVERABILITY

If any provision of this AGREEMENT, or any portion thereof, is found by a court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this AGREEMENT.

12. VENUE

The venue for any legal action filed by either party in state court to enforce any provision of this AGREEMENT shall be Ventura County, California.

13. ENTIRE AGREEMENT

This AGREEMENT constitutes the entire agreement between the parties relating to the specific subject of this AGREEMENT and supersedes all previous agreements, promises representations, understanding and negotiation, whether written or oral, among the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, this AGREEMENT was executed by the parties hereto as of the date last approved and made is effective as of July 12,2022

Ventura County Employees' Retirement
Association

County of Ventura

By _____
Mike Sedell, Chair
VCERA Board of Retirement

By _____
**CHAIR OF THE BOARD OF
SUPERVISORS**

APPROVED AS TO FORM:
NOSSAMAN, LLP

APPROVED AS TO FORM:
Office of the County Counsel,
Ventura County

By _____
Ashley K. Dunning, Partner

By _____
Tiffany North, County Counsel

**: SEVET JOHNSON
Clerk of the Board of Supervisors
County of Ventura, State of
California**



November 7, 2022

Board of Retirement
Ventura County Employees' Retirement Association
1190 S. Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: FINANCE COMMITTEE REVIEW OF MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN VCERA AND COUNTY OF VENTURA REGARDING RETIREE HEALTH STIPEND PROVISIONS & APPORTIONMENT.

Dear Board Members:

The VCERA Finance Committee recently reviewed and discussed payment to the County for the Retiree Health Premium. This is an "other post-retirement benefit" (OPEB) under Section 504 of the County Management, Confidential Clerical, and Other Unrepresented Employees Resolution (Management Resolution), shown below:

Sec. 504 Retiree Health Premium Coverage: Notwithstanding any other provision in this Article, the County shall contribute an amount for the purpose of health plan premium payments to non-probationary employees covered by this resolution who retire after July 1, 1999, under Ventura County's retirement plan administered by the Ventura County Employee's Retirement Association. The amount of the County's contribution to such retirees shall be equal to the monthly equivalent of the premium charged to active employees for the Ventura County Health Care Plan "VCHCP." Payment of the established amount shall be made directly to the retiree. A retiree's eligibility to receive such health premium allowance shall be based upon the retiree's longevity as an employee of the County of Ventura as follows: for every five (5) full years of service completed with the County of Ventura the retiree shall be entitled to one year of health premium allowance; provided, however, that in no event shall the health premium contribution extend beyond five years from the date of retirement. The above provisions apply only to employees covered by the Management Resolution before July 3, 2005. The Board of Supervisors reserves the right to modify or eliminate this health premium allowance benefit at any time as it may apply to active employees.

As explained in this section, for retirees who were covered by the County Management Resolution before July 3, 2005, for every five (5) years of County service completed, the retiree will receive a payment equivalent to one (1) year of insurance coverage. The County budget manual instructs that "(T)he payment will be charged directly against the department from which eligible employees retire."

The Finance Committee requested a report from staff regarding VCERA's payments to the County for this specific item. It expressed concern that VCERA is being billed for the entire payment for recent retirees who earned the benefit as employees of the County. The Committee believes it would be more appropriate for VCERA to be charged, if at all, only for the portion or ratio that can be apportioned to the period of time those retirees worked exclusively providing service to VCERA, and not for the balance of their career with County departments/agencies.

Further, VCERA is not a County "department", and has not been since about 1992, so the aforementioned County budget manual language is neither applicable to nor binding on VCERA.

Staff has been directed to bring this issue to the Board of Retirement for a full Board discussion.

Staff will be please to answer any questions the Board may have at its November 7, 2022, Disability Meeting.

Sincerely,

A handwritten signature in cursive script that reads "Linda Webb".

Linda Webb
Retirement Administrator

COUNTY OF VENTURA

Management, Confidential Clerical and Other Unrepresented Employees Resolution



March 8, 2022

Sec. 504

Retiree Health Premium Coverage: Notwithstanding any other provision in this Article, the County shall contribute an amount for the purpose of health plan premium payments to non-probationary employees covered by this resolution who retire after July 1, 1999, under Ventura County's retirement plan administered by the Ventura County Employee's Retirement Association. The amount of the County's contribution to such retirees shall be equal to the monthly equivalent of the premium charged to active employees for the Ventura County Health Care Plan "VCHCP." Payment of the established amount shall be made directly to the retiree. A retiree's eligibility to receive such health premium allowance shall be based upon the retiree's longevity as an employee of the County of Ventura as follows: for every five (5) full years of service completed with the County of Ventura the retiree shall be entitled to one year of health premium allowance; provided, however, that in no event shall the health premium contribution extend beyond five years from the date of retirement. The above provisions apply only to employees covered by the Management Resolution before July 3, 2005. The Board of Supervisors reserves the right to modify or eliminate this health premium allowance benefit at any time as it may apply to active employees.



November 7, 2022

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

**SUBJECT: QUARTERLY RETIREMENT ADMINISTRATOR'S REPORT
FOR THE SECOND AND THIRD QUARTERS (APRIL - SEPTEMBER) OF 2022**

Dear Board Members:

In compliance with VCERA's Monitoring & Reporting Policy, this report includes information regarding travel, training, key meetings and media communications, as well as other key issues. This report covers the 2nd and 3rd quarters of 2022, and the information provided reflects not only the work associated with the Retirement Administrator, but of other staff as well.

General

Issues centering around *Alameda* implementation continued to dominate the workload for both the Retirement Administrator, General Counsel, senior Operations staff, and IT staff. The work involved data queries to identify impacted populations, analysis of data, implementation strategy development and strategy sessions, communication for website, etc. For some time, staff prepared for the implementation of Assembly Bill 826, which of course stopped when Governor Newsom vetoed the bill at the end of September. Staff also worked with counsel(s) on the VCPFA and VCDSA appeals of standby exclusion, monitored the litigation regarding leave straddling and other issues, and continued to meet with the Auditor-Controller's staff about pending programming corrections on previous Board action on limiting inclusion to regular work hours, and corrections for "situational" pay codes.

Staff worked in both the 2nd and 3rd quarters on the request of VCPFA members who began County employment as intermittent Fire Control Workers to include the pre-membership service and adjust membership dates accordingly. Staff and counsel concluded the service did not meet the requirements for membership, and an appeal of that decision is tentatively scheduled to be heard by the Board at the February 6, 2023, Board meeting.

In the 2nd quarter, staff worked through planning for telework implementation, and eligible staff may now work remotely for up to 2 days a week if they choose, and if it does not impede operational needs. IT staff and PrimeGov provided training for staff and trustees for launching PrimeGov as the new content management system for Board agendas and materials. Staff began working with Digital

Deployment on both the implementation of Pension X, and planning for a website redesign. The redesign effort will lead to easier site navigation, expanded information and content, and more intuitive mapping and linking to various pages.

Both the combined meeting in April (Q2) and the Board retreat in September (Q3) required concentrated attention from staff to plan and accommodate the longer agendas, coordinate speakers, venue, and other details.

Personnel

See updates on Fiscal and IT positions in those respective sections. The Chief Operations Officer/Asst. Retirement Administrator position recruitment began, and applications are currently being reviewed, as the application deadline was October 31st. Three retirement benefit specialists in Operations were promoted from Technical Specialist IV-MB to Program Administrator I in Q2.

Board/Policy/Compliance

Much of the policy and compliance work during the period(s) related to *Alameda* related topics, such as consultations with fiduciary and tax counsel on flex credit, refunds, administrative appeals of exclusions, the ongoing litigation regarding (mainly) leave straddling, and AB 826 tax considerations.

At the Board's direction, the RA and CFO worked to link the Business Plan items with the Administrative Budget. The VCERA Conflict of Interest Code was brought to the Board in July for review and approval.

An issue that falls both under this heading and Legal was staff and Counsel's work following the Hearing Officer's report on the Sandoval disability case, which revealed County negotiations regarding disability cases was still an issue of fiduciary concern

Legal

The General Counsel continuously provides ongoing guidance and assistance with Plan administration. The GC has been engaged in all issues related to Alameda and AB 826, which included the development of proposed amendments to AB 826 to limit flex credit inclusion to pre-2026 retirements. The GC worked on amendments to MOU with Risk Management for VCERA insurance coverages. (The proposed amendments are presented on today's agenda.)

The GC worked with the Retirement Administrator and Ops staff on the request and subsequent appeal of the Fire Control Workers (FCWs) represented by Mr. Bondsmith.

Analysis and advice were provided concerning whether pre-membership County service is eligible for service credit purchase where employees participated in the County's Supplemental 457 Plan during rendering of that service.

The GC completed a comprehensive review of AB 2492/Disallowed Compensation and provided input to SACRS Legislative Committee. She completed briefing in the Mendoza Disability Writ matter, and provided legal guidance on numerous disability retirement cases, including the Board memorandum on the Sandoval hearing officer report based on County's agreement with the applicant.

Among the important legal advice or direction to the organization was tax reporting guidance to CFO on W-4P forms and on reporting of stipends, and advice to Operations staff on numerous issues concerning community property, death benefits, reciprocity, reinstatement, elected official membership options, and out-of-state conservatorships.

Legal reviews on contracts and agreements were also done with vendors or managers such as Vitech, NEPC & Blackrock, and the Brown Armstrong engagement letter.

Operations

Operations consists of several departments: Payroll, Death Benefits, Active, Community Property, and Disability Units, as well as the Office Assistants (OAs). The OAs serve VCERA members at the front desk/reception, with document management such as mail processing, scanning, etc., and other important tasks. Each of the unit managers keep ongoing statistics which are very informative. The Payroll Unit and Death Benefit Unit are supervised by Shalini Nunna (currently serving as interim COO); the Active Unit and Community Property Unit are supervised by Rebekah Villalobos; the Disability Unit is supervised by Josiah Vencel. This report will give examples of the stats these departments keep to illustrate the outstanding productivity of the Operations staff members.

Operations Payroll Unit and Sys Admin staff (IT) tested and processed the annual COLA in April 2022 (2nd quarter), and assisted with actuarial extract data cleanup and testing. The 415 limit calculation spreadsheets for 2022 were sent to the actuary. At the end of the 2nd quarter, VCERA monthly payroll exceeded 8,000 payees (retirees, survivors, and DRO non-members and alternate payees.)

	Q2	Q3
Service Retirements	129	96
Survivor Continuances	13	19
TOTAL	142	105
Avg. Turnaround Time from Date of Retirement to First Payment	53 days	41 days

Operations Active Unit also assisted in actuarial extract data cleanup and testing during the 2nd quarter, and in the 3rd quarter verified member interest crediting and fielded a large number of calls regarding the Multi-Factor Authentication upgrade and mailings. However, the main work of this unit is to perform member calculations.

Workflows	Q2 (Apr – June)		Q3 (Jul – Sep)	
Benefit Estimates	Completed:	330	Completed:	289
	New Requests:	217	New Requests:	221
	Turnaround (wks):	2.2	Turnaround (wks):	2.0
Service Credit Purchases	Completed:	217	Completed:	221
	New Requests:	192	New Requests:	74

	Q2	Q3
New Members	261	318
Terminations	338	335
Reciprocity	46	53

The Disability Unit activities are generally more visible to the Board, as the disability applications eventually come before the Board. In Q2, VCERA contracted with three (3) additional IME orthopedists

Here are some statistics related to the department for Q2 & Q3.

	Q2	Q3
“New Model” cases in process at end of quarter*	50	49
Cases Closed in Quarter	4	5
Disability Retirement and Service Retirement Estimates	17	9
Disability Counseling Sessions	10	10

**including cases going to hearing*

One of the Disability Benefit Specialists was on a leave of absence in the 2nd and 3rd quarter, and the OAs in Operations were able to assist with some of the clerical workload during that time and displayed outstanding teamwork.

Fiscal

In early May 2022 the Interim CFO completed her 90 days service contract with VCERA. As planned, on May 11th, the Interim CFO reviewed the draft budget with the Retirement Administrator and presented to the Finance Committee. The committee discussed a few minor edits provided by Chair Goulet. The Interim CFO incorporated the minor edits and completed the Fiscal Year 2022-2023 proposed budget final draft.

In early June 2022, new CFO La Valda Marshall presented the Fiscal Year 2022-2023 proposed budget to the Board of Retirement. Trustee Goulet, Chair of the Finance Committee, suggested several minor edits in the Fiscal Year 2022-2023 proposed budget prior to approval. Fiscal staff regularly updates Biweekly Payroll Contributions and investment account reconciliations, and timely manages weekly Cash Flows, Accounts Payable check runs, Investment Capital Calls and Distributions and Financial Reporting and numerous other fiscal duties, as required.

Fiscal staff closed out the 2021-2022 fiscal year, generating unaudited financial statements and statement of reserves. The annual financial audit fieldwork took place in late September; no significant issues were noted during the exit conference, though not all fieldwork was completed at that point. Fiscal is also working with the Actuary to generate the GASB 67 Actuarial Valuation report as of June 30, 2022. The CFO has worked on assignments from the Finance Committee on payment streams and the retiree health stipend.

In late August 2021, Fiscal recruited and conducted interviews for a Senior Accounting Technician-CC. For months leading up to September 2022, the Fiscal team has had a temporary staff accountant on its team. The recruitment was a success. A Senior Accounting Technician-CC Regular hire officially joined the Fiscal team in early October 2022.

Through both quarters, Fiscal staff continues to carry a significant workload as VCERA adds private equity and private credit investments to VCERA’s investment portfolio.

Information Technology

IT staff regularly processes biweekly payroll transmittals, and participates in biweekly meetings with the A-C staff. The Sys Admins provided queries related to *Alameda*, helping to isolate populations impacted by various pay codes.

IT staff completed the PrimeGov rollout during the period, and implemented cameras and video conferencing in the Board room and conference room. In Q2, the CTO worked on reviewing the contract for the website redesign with the GC and Digital Deployment, and updated the Brentwood IT contract, which was approved by the Board. Other ongoing projects that saw progress were in the areas of VCERA Internet evaluation (which was completed in Q3), password centralization software, and the review of quotes from penetration testing vendors.

The IT staffing request is complete, and oral exams are scheduled for November 14th. IT staff is working with Fiscal to review financial software that may take the place of Dynamics, and Brian Owens is taking a self-paced Amazon Web Services training, to be followed by the longer instructor-led classes.

Travel & Training

The RA did not attend any training courses, apart from the education received with the trustees at the Board Retreat in September. Other office staff members have attended CALAPRS round tables, and the CALAPRS Overview Course in Retirement Plan Administration. The CTO attended Gartner's IT Symposium in October and is currently attending the PRISM Annual Board Meeting.

Media

The Retirement Administrator fielded media inquiries regarding AB 826 and its subsequent veto, and a public records request regarding the retirement benefit amounts for two former high-ranking County officials.

Key Meetings

Most key meetings were related to the work described elsewhere in this report. As directed by the Board, staff met with Segal regarding the COLA Report requested in coordination with the Compensation Committee's work on a market study implementation for senior staff positions.

Please contact me with any questions you may have regarding this quarterly report.

Sincerely,



Linda Webb
Retirement Administrator



2022 General Election Preview

Part 1 -- Partisan Races

October 17, 2022

The November 8 General Election will have one of the greatest impacts on the long-term composition of the California Legislature since the imposition of term limits in 1990. A combination decennial redistricting and term limits has resulted in 37 of the 120 current legislators leaving their seats to seek higher office, local office, or simply walking away from elected office altogether. With several incumbents in tight races, it is possible that fully one-third of the Legislature will be comprised of brand-new legislators. This class of legislators will likely serve together for the next decade and, as a group, will shape the action and leadership of the Legislature during their time in office together.

Despite this enormous change in individual representation, there will be no significant change in the partisan makeup of the Legislature. The California electorate is overwhelmingly comprised of Democrats, with approximately 47 percent of the 21 million registered voters being Democrats and only 24 percent registered as Republicans. With the Republican Party consistently losing registered voters over the years, this has led to more and more legislative seats for Democrats and fewer seats for Republicans. At this time, three-quarters of the Legislature is comprised of Democrats. As outlined below, and depending on voter turnout, those numbers will not likely improve for the Republicans, and in fact, could get a lot worse.

State Senate Elections

The California State Senate is comprised of 40 Senators, each representing approximately 1 million residents. The current partisan makeup of the Senate is 31 Democrats and 9 Republicans. With Senators elected every four years on a staggered basis, this election will feature the 20 even-numbered districts. Of these 20 races, there are nine races deemed to be competitive in November, but only four of those races will be between a Democrat and Republican candidate. Three are between two Democrats and one is between two Republicans.

SD 16 Senator Melissa Hurtado (D) vs. David Shepard (R). This agricultural-focused district comprising parts of Kern, Tulare and Kings counties is the one seat where Republicans could possibly gain a seat, as Democrats in this Central Valley district often cross over party lines and vote Republican.

SD 40 Senator Brian Jones (R) vs. Joseph Rocha (D). Senator Jones was redrawn into a San Diego County district that is much less Republican than the seat he was originally elected to in 2018, thereby making this race competitive. He is running against a Navy veteran and attorney named Joe Rocha. It is an exact replay of the primary which Jones won by 9 percentage points.

SD 38 Catherine Blakespear (D) vs. Matt Gunderson (R). This is currently a Republican seat held by Senator Pat Bates who is leaving due to term limits. This newly drawn seat includes coastal Orange and San Diego counties seat and now favors Democrats by 6 percentage points. To hold this seat, the Republicans are counting on a self-described moderate and former car dealer, Matt Gunderson. The Democrats are hoping to elect the current Encinitas Mayor, Catherine Blakespear. This is a priority race for parties and spending in this race could exceed \$10 million.

SD 6 Roger Niello (R) vs. Paula Villescaz (D). This Sacramento County Senate district is an almost evenly split seat in terms of voter registration and is trending more and more Democratic. Republican Roger Niello has significant name recognition in the area as a member of the well-known Niello family of car dealers and as a former Assemblymember representing parts of this district. Paula Villescaz is a school board member, health care advocate and former legislative staffer.

State Assembly Elections

The California State Assembly is comprised of 80 members, each representing about 500,000 residents. The current partisan divide in the Assembly is 60 Democrats to 20 Republicans. As a larger body, there are many more open and contested seats in this general election than in the Senate. There are 59 safe Democratic seats and 9 competitive races between the two parties, with several involving Republican incumbents and only two with incumbent Democrats. When votes are finally tallied, it is very likely that the Democrats will increase their current numbers in Sacramento.

AD 7 Assemblyman Ken Cooley (D) vs. Josh Hoover (R). Redistricting was not kind to Assemblymember Cooley. His seat was redrawn to lose 6 points of Democratic registration and he picked up areas of Sacramento County that he has not previously represented. He is being strongly challenged by legislative staffer and Folsom Cordova School Board trustee, Josh Hoover.

AD 22 Juan Alanis (R) vs. Jessica Self (D). This Central Valley seat favors Democrats by 8 percentage points but, like many seats in the Valley, voters tend to vote more conservative, so this seat is potentially winnable for the Republicans. Neither candidate has held elective office before, and with no incumbent, this race is wide open.

AD 27 Esmeralda Soria (D) vs. Mark Pazin (R). AD 27 is another Central Valley seat with no incumbent running. This Merced, Madera and Fresno County seat pits Fresno City Councilmember Esmeralda Soria against former Merced County Deputy Sheriff Mark Pazin. Voter registration strongly favors the Democrats by 16 points., but the vote totals between all Democrats and all Republicans in the primary were nearly evenly split which suggests this is a competitive race.

AD 40 Assemblymember Suzette Valladares (R) vs. Pilar Schiavo (D). Assemblymember Valladares won election to this Santa Clarita area Democratic seat in 2020 when the Democrats failed to place a candidate in the General Election. Redistricting increased the Democratic voter registration and added new communities, thereby reducing the power of incumbency to Valladares. This will be a hard seat for the Republicans to hold.

AD 47 Christy Holstege (D) vs. Greg Wallis (R). This seat encompassing Riverside and San Bernardino desert towns is currently occupied former Republican and current Independent Chad Mayes. Redistricting turned this seat into one that solidly favors Democrats. Assemblyman Mayes, who eked out a win in 2020 as an Independent, chose not to run in this new seat. His former district staffer Greg Wallis will face Palm Springs Mayor Christy Holstege.

AD 70 Diedre Nguyen (D) vs. Tri Ta (R). This Orange County seat favors Democrats by 5 points, however almost 25 percent of voters in this district are registered with neither party. This race features two Vietnamese-born and current local government candidates – Westminster Mayor Tri Ta

on the Republican side and Garden Grove Mayor Pro Tem Diedre Nguyen on the Democratic side. While the Democrats have a 5 point registration advantage, the total votes for Republican candidates far exceeded the vote total of Nguyen who was the lone Democrat in June which suggests that Ta should prevail in November.

AD 72 Assemblymember Laura Davies (R) vs. Chris Duncan (D). Republican Laura Davies is seeking to hold on this coastal Orange County seat, which after redistricting is now about evenly divided between Democrats and Republicans. As the only two candidates in the primary, Davies won decisively which suggests that she should prevail in November.

AD 76 Assemblymember Brian Maienschein (D) vs. Kristie Bruce-Lane (R). Redistricting pushed former Republican and current Democrat Maienschein further north into areas of San Diego County that have traditionally voted for Republicans. This new territory, combined with a lackluster primary showing, suggests that Maienschein is vulnerable. However, as one of the few seats they need to defend, the Democrats are expected to spend what it takes to keep this seat in their column.

Voter Turnout

As noted at the outset, if Republican voters show up and vote and Democrats do not, we could expect a fairly status quo election result. However, over the years the California Democratic Party and their labor union allies have demonstrated an ability to exceed voter turnout expectations. If that happens in November, we could see significant losses for the Republicans.

Typically, the top of the ticket dictates voter turnout, but polling shows that Governor Newsom will easily win and that race is not generating much discussion or interest. If the Governor's race does not inspire interest, how will that affect voter turnout? Will Democrats bother to turn in their ballots if the Governor's race is uninspiring? The same question also applies for Republican voters.

What effect will the hyper-competitive Congressional races that overlap with some of the partisan legislative races have on turnout and voter preference? The Congressional races are generating significant interest and spending because the outcomes in California could decide the balance of power in the House of Representatives. Will that drive higher voter turnout in those races?

Finally, there are seven statewide ballot measures with advertising that has flooded the airwaves. Despite record spending, voters are not energized by measures dealing with sports betting and dialysis clinics. However, there is one statewide ballot measure that could inspire younger, more progressive, pro-choice voters to vote – Proposition 1 would enshrine in the State Constitution a woman's right to seek and receive an abortion and choose birth control. Will this initiative help the Democrat candidates further up the ticket?



2022 General Election Preview Part II -- Democrat vs. Democrat Races October 17, 2022

As noted in our part 1 report, the November 8 General Election will have lasting, long-term implications on the functions of the Legislature because approximately one-third of the Legislature will be newly elected. Those who win will be key in determining the tenor of the Legislature for the next decade and will be largely responsible for determining who the leaders of Assembly and Senate will be during that time.

Democrats are in full control of the legislative process with three-quarters of the Legislature comprised of Democrats. Therefore, questions of leadership and policy direction depend on who and what type of Democrat is elected. For the most part, all Democrats support labor and are pro-choice. However, Democrats do divide on issues of taxes, environmental and business regulation, government spending, public safety, and occasionally on labor and employment matters. In recent years, and especially during Governor Newsom's time in office, progressive Democratic policies and politicians have been on the rise, with the impact of moderate Democrats in decline.

California's unique political primary system allowing the top-two vote getters, regardless of party, to advance to the General Election, the November election features eight competitive races where a Democrat is facing another Democrat for the privilege of representing a district in the Legislature. In some cases, there might be little or no difference between the candidates and in others, there appears to be some ideological difference between the two.

Senate Democrat v. Democrat Races

SD 4 Marie Alvarado-Gil vs. Tim Robertson. This Sierra mountains and foothills Republican seat will be won by a Democrat because the six Republican candidates in the primary split up the vote so evenly, the top two vote getters ended up being the two Democratic candidates. It will be interesting to see how and if Republicans vote in this race between labor union leader Tim Robertson and a charter school administrator Marie Alvarado-Gil.

SD 8 Angelique Ashby v. Dave Jones. While this is a replay of the primary which Jones won by 5 points, recent developments suggest it could be a lot closer in November. Ashby has earned recent endorsements from both Governor Newsom and former Governor Jerry Brown. Spending in this intraparty race could exceed \$10 million.

SD 10 Lily Mei vs. Aisha Wahab. This Santa Clara and Alameda County race exemplifies the ideological divide in the Democratic Party between moderates and progressives with Fremont Mayor Lily Mei representing the moderate, business voice of the party and Hayward City Councilmember Aisha Wahab representing the progressive, labor union voice.

SD 20 Daniel Hertzberg vs. Caroline Menjivar. This San Fernando Valley race is less about the ideological divide in the Democratic Party as both candidates would likely be progressive votes in the Legislature.

Instead, this race questions whether a legislative seat should be handed down to the offspring of the existing seat holder at the expense of other aspiring activists and leaders. Daniel Hertzberg is the son of outgoing Senator Bob Hertzberg, and he is facing community activist Caroline Menjivar.

Assembly Democrat vs. Democrat Races

AD 10 Stephanie Nguyen vs. Eric Guerra. This Sacramento County race between two locally elected city councilmembers is a proxy fight between the established Democratic party machine and its labor union allies and the moderates in the party. Guerra has the backing of the party while Nguyen has the backing of business interests and public safety unions.

AD 12 Sara Aminzadeh vs. Damon Connolly. This is a race between two Marin County progressive Democrats whose voting records would likely be identical if elected to office. Connolly, as a current Marin County Supervisor, enjoys more financial support from the unions, while Aminzadeh is generating support from a statewide network of women and environmentalists.

AD 20 Liz Ortega vs. Shawn Kumagai. This East Bay race is another proxy fight between the moderate wing of the Democratic Party and the progressive wing. Ortega is a leader of the Alameda County Labor Council and is running with full support of the party apparatus. Kumagai is a former legislative staffer and gay, military veteran, running with support from business interests and Asian-American and LGBTQ political activists.

AD 35 Leticia Perez vs. Dr. Jasmeet Bains. This Kern County race to replace Assemblyman Rudy Salas is another fight between a traditional, union supported Democrat and a new Democrat. Leticia Perez is a Kern County Supervisor with strong Party and union support. Dr. Bains is a family physician running with support from the California Medical Association and other business interests. It is a replay of the June primary which Perez won by just a couple hundred votes.

Summary

With a couple of weeks to go, it is difficult to handicap who will prevail in these races. Some of the moderates running in these races are vying to replace other moderates but, in some cases, the outgoing legislator is a progressive and that could be a significant change. But how it plays out won't be evident until bills are introduced, committee memberships are formed, and votes on bills begin to happen. The more immediate impact will be in the Assembly when votes for Speaker are cast when session reconvenes. Before the summer recess Assemblymember Robert Rivas made an unsuccessful run at unseating Speaker Rendon as the leader of the Assembly. The outcome of these races could be critical in how the votes for Speaker play out between Rendon, Rivas or another Democrat.