

**VENTURA COUNTY  
SUPPLEMENTAL RETIREMENT COMMITTEE  
Channel Islands Conference Room or via Zoom**

**Meeting Minutes for April 13, 2023  
10:30 a.m.**

**Members present**

Shawn Atin  
Kaye Mand  
Emily Gardner  
Jeff Burgh  
Sue Horgan

**Members absent**

**Also present**

Patti Dowdy  
Patty Zoll  
Andrew Gratt

**Ms. Mand called the meeting to order at 10:35 a.m.**

**1. Public Comments.**

- a. Tony McHale, Fire Captain 23 station, 2<sup>nd</sup> Vice President of Ventura County Professional Firefighters Association.  
- The association is in support of IRS determination letter as they feel the determination letter would help with their interests in VCERA and their ability to offer this type of participation to their previously ineligible recruits – namely the fire control workers. Mr. McHale highlighted that this would be an avenue for the County to support fire control workers at “no cost”.

**2. Committee Member Comments.**

- a. No committee member comments were provided.

**3. Minutes of Regular Meeting December 8, 2022**

- a. Ms. Horgan abstained from voting due to her recent appointment to the committee after the previous committee meeting on December 8, 2022.

Motion to approve: 1. **Mr. Burgh** 2. **Mr. Atin**      **Motion Carries**

**4. Consideration of IRS Ruling Request**

Ms. Patti Dowdy, Benefits Manager for the County of Ventura CEO/Benefits division, provided an overview and background on the Safe Harbor Plan (the Plan) as a defined benefit (DB) plan and a defined contribution (DC) plan. Most notably, Ms. Dowdy highlighted that previously part-time, extra help, and intermittent classified employees who were under the DB structure of the Plan do not have the option to purchase this employment time back in the form of qualified service credit as it pertains to pension qualifications with Ventura County Employees Retirement Association (VCERA). In

addition, employees who are under the DB plan structure are not able to roll deductions over to the 457 DC plan structure until they have separated from County service.

In addition, Ms. Dowdy poignantly mentioned that in 2008, the California Employees Retirement Law (CERL), a body of law that was enacted to govern retirement benefits for certain public employees, was amended to allow members to participate in both CERL and individual public employer supplemental retirement plan if three conditions are met. While the current CERL (VCERA) plan adheres to two of these conditions, the third – which stipulates that the County obtain a ruling from the IRS that the Safe Harbor Plan falls under the qualifications of section 401(a) – is non-existent.

While the acquisition of this ruling from the IRS is supported by VCERA's board of retirement, there are distinct advantages and disadvantages to this course of action. The advantage highlighted by Ms. Dowdy is that previously ineligible VCERA members who held ineligible positions with the County may now utilize the option to "buy back" that time in a more cost efficient time frame than if they were to wait until separation from County service. Some disadvantages that were mentioned include the cost to have the IRS review the current plan, around \$27,500 to \$32,500, and the added cost to the County to fund the employee's earned Safe Harbor benefits and increase in the VCERA lifetime annuity benefit.

Questions surrounding the funding of the cost to procure the IRS determination letter were raised by the committee. Ms. Emily Gardner, County counsel, inquired as to the source of these funds to which Ms. Dowdy signaled the funds would be drawn from the Supplemental Retirement Plan. Ms. Kaye Mand, County of Ventura Chief Financial Officer, inquired as to whether VCERA has provided the committee with a financial impact statement to the County and raised concern over how this decision will impact the County's contribution rate. Mr. Shawn Atin, Assistant County Executive Officer/Human Resources Director, vocalized the need for a real cost analysis to the County for implementation. The main point of concern revolved around the issue of proceeding with this initiative and the attribute of it allowing employees to essentially "double-dip" into retirement benefits. Upon conclusion of committee discussion, a continuance was motioned to explore the financial impacts to the County.

**A. Motion for Continuance to Explore Cost Incursion to the County**

Motion made: 1. **Mr. Atin** 2. **Mr. Burgh** **Motion Carries**

**Ms. Mand adjourned the meeting at 11:00 a.m.**

Respectfully submitted,



Andrew Gratt  
Deferred Compensation Personnel Assistant