

# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## BUSINESS PLANNING POLICY

### **I. Background and Objectives**

- 1) Given the complex environment in which it operates, VCERA faces myriad risks that could impact its operations. The Board is committed to identifying, understanding, and managing such risks through a formal business planning process.

The Board has developed this policy to provide broad guidance to the Board and the Retirement Administrator in this regard.

### **II. Policy Guidelines**

- 2) As input into the Business Plan, the Retirement Administrator and staff will develop a business planning framework identifying:
  - a) The broad categories of risk that affect VCERA;
  - b) Significant risks that exist within each category;
  - c) Potential means to address each risk (e.g. new systems, policies, or other special projects);
  - d) An assessment of the extent to which VCERA has already implemented the above means.
- 3) The broad categories of risk referred to above will, at a minimum, include the following:
  - a) Funding;
  - b) Investments;
  - c) Benefit Administration; and
  - d) Governance and Fiduciary Risk.
- 4) Based on the above framework, the Retirement Administrator will prepare a Business Plan containing at a minimum:

- a) A summary of progress related to the previous year's business plan;
  - b) An assessment of VCERA's risk exposure from a business perspective;
  - c) A list of the priority initiatives to be undertaken to address VCERA's most significant areas of risk exposure (these should generally not exceed 2-3 initiatives);
  - d) An estimated timeline for completing the priority initiatives;
  - e) The parties responsible for completing the initiatives; and
  - f) The resources necessary to undertake the initiative, and any significant budgetary impact.
- 5) At the beginning of each fiscal year, the Retirement Administrator will review and update the business planning framework and the Business Plan, and present them to the Board for discussion.
- a) Any initiatives for the coming year should have a clear link or connection to the annual budget, where applicable.

### **III. Policy Review**

- 6) The Board will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

### **IV. Policy History**

- 7) The Board last reviewed and approved this policy on September 9, 2024. The Board previously approved this policy on July 2, 2018, June 15, 2015, and June 18, 2012. The Board originally adopted this policy on June 2, 2003.