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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF VENTURA

VENTURA COUNTY COMMUNITY COLLEGE  
RETIREEES ASSOCIATION; RENE G. RODRIGUEZ;  
GARY JOHNSON, ROBERT LONG; ROBERT  
LOPEZ; BARBARA HOFFMAN; DAVID THOMAS;  
VIVIAN LOCKARD; EURSELL JETT;  
CHARLENE BLALOCK-CARLSON; DONALD  
MEDLEY; HARRY KORN; individually and  
for and on behalf of a class of persons similarly  
situated,

Petitioners and Plaintiffs,

v.

VENTURA COUNTY COMMUNITY COLLEGE  
DISTRICT; BOARD OF TRUSTEES OF THE  
VENTURA COUNTY COMMUNITY COLLEGE  
DISTRICT; DOES 1 through 50, inclusive,

Respondents and Defendants.

CASE NO.:

**VERIFIED PETITION FOR  
WRIT OF MANDAMUS  
(CCP § 1085) & COMPLAINT  
FOR DECLARATORY  
JUDGMENT, EQUITABLE  
RELIEF (PROMISSORY  
ESTOPPEL, JUDICIAL  
ESTOPPEL), INJUNCTION  
AND BREACH OF FIDUCIARY  
DUTY**

(Class Action)

Petition Filed:

## **PRELIMINARY STATEMENT**

1. Petitioners are retirees of the Ventura County Community College District (“District”). In 1977, the District entered into a series of collective bargaining agreements with labor organizations that represented various groups of employees, by which agreements the District promised to provide employees retiring from the District deferred, earned compensation in the form of certain paid health benefits as long as certain eligibility criteria were met. Further, the District promised to provide retirees the “Blue Cross” plan in effect on their retirement date or “equivalent benefits.” The right to these benefits vested upon acceptance of employment and/or upon performance of any substantial services.

On July 1, 2005, the District implemented a new Blue Cross plan which charged retirees higher co-payments, deductibles and annual out-of-pocket maximums without providing any comparable benefits for Petitioners. Consequently, Petitioners are paying significantly more out of their own pockets for both medical services and prescription drugs than they had in the past. Although the District promised to provide paid retiree benefits, it has effectively transferred a part of its insurance costs to the retiree group. The District’s improper reduction of Petitioners’ vested benefits unconstitutionally breached and impaired Petitioners’ contractual rights, entitling Petitioners to the relief requested herein.

## **PARTIES**

2. Petitioner and Plaintiff Ventura County Community College District Retirees Association (“Association”) is an unincorporated association comprised of approximately 500

former District employees who retired on or before the date on which this lawsuit is filed. The Association has standing to maintain this action in its name because its members otherwise have standing to sue in their own right. As the beneficiary of the District's promise to provide the retiree health benefits described herein, the Association's members, who are former District employees who have retired, have standing to sue in their own right with respect to the District's improper reduction of vested benefits in the form of deferred, earned compensation.

3. Each individual Petitioner identified herein below is a former employee of the District who has retired from the District. During their employment with the District, they belonged to one of four employee groups, three of which were represented by labor organizations during their employment with the District: (a) faculty members who were represented by the Ventura County Federation of College Teachers during their employment; (b) classified employees who were represented by the California School Employees Association (CSEA), and subsequently, Service Employees International Union, first Local 690, and then, Local 535 (SEIU); (c) classified supervisors who were represented by the Classified Supervisors Association; and (d) managers who were not members of a labor organization but were also promised and provided the same retiree health benefits as their labor organization co-workers.

4. Petitioner and Plaintiff Rene G. Rodriguez was hired by the District on or about September, 1970, and retired from the District on or about June 30, 2004. Starting in July 1984 Plaintiff Rodriguez was employed by the District as an academic (educational) manager and continued in that capacity until his retirement. While not represented by a labor organization

during the period he was employed as an academic manager, Petitioner Rodriguez was promised, by virtue of the policies and manuals described herein below, paid and equivalent medical, dental and vision benefits after retirement, provided that he met certain minimum requirements with respect to age at retirement and years of service to Respondent District. At the time of his retirement, Petitioner Rodriguez satisfied all of the necessary conditions, and until July 1, 2005, received paid medical, dental and vision benefits. Subsequent to July 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Rodriguez, as described herein below.

5. Petitioner and Plaintiff Gary Johnson was hired by the District on or about September 1965, and retired from the District on or about January 2002. Starting in August 1983 Petitioner Johnson was employed as an academic (educational) manager, and while not represented by a labor organization while employed in that capacity, Petitioner Johnson was promised, by virtue of the policies and manuals described herein below, paid and equivalent medical, dental and vision benefits after retirement, provided that he met certain minimum requirements with respect to age at retirement and number of years of service to Respondent District. At the time of his retirement, Petitioner Johnson satisfied all of the necessary conditions, and until July 1, 2005, received paid medical, dental and vision benefits. Subsequent to July 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Johnson, as described herein below.

6. Petitioner and Plaintiff Robert Long was hired by the District on or about March

1963, and retired from the District on or about July 1992. Starting in approximately July 1970 and continuing until 1985 when he became President of Ventura College, Petitioner Long was employed as an academic (educational) manager, and while not represented by a labor organization during the period he was an academic manager or President, Petitioner Long was promised, by virtue of the policies and manuals described herein below, paid and equivalent medical, dental and vision benefits after retirement, provided that he met certain minimum requirements with respect to age at retirement and number of years of service to Respondent District. At the time of his retirement, Petitioner Long satisfied all of the necessary conditions, and until July 1, 2005, received paid medical, dental and vision benefits. Subsequent to July 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Long, as described herein below.

7. Petitioner and Plaintiff Donald Medley was hired by the District on or about September 1968, and retired from the District on or about January 1993. Starting in approximately 1989, Petitioner Medley was employed as a classified manager, and while not represented by a labor organization during the period he was a classified manager, Petitioner Medley was promised, by virtue of the policies and manuals described herein below, paid and equivalent medical, dental and vision benefits after retirement, provided that he met certain minimum requirements with respect to age at retirement and number of years of service to Respondent District. At the time of his retirement, Petitioner Medley satisfied all of the necessary conditions, and until July 1, 2005, received paid medical, dental and vision benefits.

Subsequent to July 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Medley, as described herein below.

8. Petitioner and Plaintiff Robert Lopez was hired by the District on or about July 1971, and retired from the District on or about May 2003. During his employment Plaintiff Lopez was employed as an academic employee of Respondent District, and as such was a member of the unit represented by the Ventura County Federation of Teachers, a labor organization. As such, he was promised, by virtue of the collective bargaining agreements described herein below, paid and equivalent medical, dental and vision benefits after retirement, provided that he met certain minimum requirements with respect to age at retirement and number of years of service to Respondent District. At the time of his retirement, Petitioner Lopez satisfied all of the necessary conditions, and until September 1, 2005, received paid medical, dental and vision benefits. Subsequent to September 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Lopez, as described herein below.

9. Petitioner and Plaintiff Barbara Hoffman was hired by the District on or about January 1975, and retired from the District on or about December 2002. During her employment Plaintiff Hoffman was employed as an academic employee of Respondent District, and as such was a member of the unit represented by the Ventura County Federation of Teachers, a labor organization. As such, Petitioner Hoffman was promised, by virtue of the collective bargaining agreements described herein below, paid and equivalent medical, dental and vision benefits after retirement, provided that she met certain minimum requirements with

respect to age at retirement and number of years of service to Respondent District. At the time of her retirement, Petitioner Hoffman satisfied all of the necessary conditions, and until September 1, 2005, received paid medical, dental and vision benefits. Subsequent to September 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Hoffman, as described herein below.

10. Petitioner and Plaintiff Harry Korn was hired by the District on or about September 1972, and retired from the District on or about January 1, 2007. During his employment Plaintiff Korn was employed as an academic employee of Respondent District, and as such was a member of the unit represented by the Ventura County Federation of Teachers, a labor organization. As such, Petitioner Korn was promised, by virtue of the collective bargaining agreements described herein below, paid and equivalent medical, dental and vision benefits after retirement, provided that he met certain minimum requirements with respect to age at retirement and number of years of service to Respondent District. At the time of his retirement, Petitioner Korn satisfied all of the necessary conditions, but Respondent District has failed and refused, and continues to fail and refuse, to provide Petitioner Korn the retiree benefits promised to Petitioner, as described herein below.

11. Petitioner and Plaintiff David Thomas was hired by the District on or about April 1976, and retired from the District on or about June 2003. During his employment Plaintiff Thomas was employed as a classified employee of Respondent District, and as such was a member of the unit represented first by the California School Employees Association, Chapter

697, and later Service Employees International Union, Local 690, which was later replaced by Service Employees International Union, Local 535, all of which are labor organizations. As such, he was promised, by virtue of the collective bargaining agreements described herein below, paid and equivalent medical, dental and vision benefits after retirement, provided that he met certain minimum requirements with respect to age at retirement and number of years of service to Respondent District. At the time of his retirement, Petitioner Thomas satisfied all of the necessary conditions, and until July 1, 2005, received paid medical, dental and vision benefits. Subsequent to July 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Thomas, as described herein below.

12. Petitioner and Plaintiff Vivian Lockard was hired by the District on or about May 1981, and retired from the District on or about September 2002. During her employment Plaintiff Lockard was employed as a classified employee of Respondent District, and as such was a member of the unit represented first by the California School Employees Association, Chapter 697, and later Service Employees International Union, Local 690, which was later replaced by Service Employees International Union, Local 535, all of which are labor organizations. As such, she was promised, by virtue of the collective bargaining agreements described herein below, paid and equivalent medical, dental and vision benefits after retirement, provided that she met certain minimum requirements with respect to age at retirement and number of years of service to Respondent District. At the time of her retirement, Petitioner Lockard satisfied all of the necessary conditions, and until July 1, 2005, received paid medical,



dental and vision benefits. Subsequent to July 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Lockard, as described herein below.

13. Petitioner and Plaintiff Eursell Jett was hired by the District on or about September 1974, and retired from the District on or about October 1992. During his employment Plaintiff Jett was employed as a Classified Supervisor by Respondent District, and as such was represented in employment relations matters by the Classified Supervisors Association until 1993, when that labor organization dissolved. As such, first by virtue of agreements negotiated by the Classified Supervisors Association, and after 1993, by virtue of District policy and procedure, as described herein below, Petitioner Jett was promised paid and equivalent medical, dental and vision benefits after retirement, provided that he met certain minimum requirements with respect to age at retirement and number of years of service to Respondent District. At the time of his retirement, Petitioner Jett satisfied all of the necessary conditions, and until July 1, 2005, received paid medical, dental and vision benefits. Subsequent to July 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Jett, as described herein below.

14. Petitioner and Plaintiff Charlene Blalock-Carlson was hired by the District on or about November 1977, and retired from the District on or about May 1997. During her employment Plaintiff Blalock-Carlson was employed as a Classified Supervisor by Respondent District, and as such was represented in employment relations matters by the Classified Supervisors Association until 1993, when that labor organization dissolved. As such, first by

virtue of agreements negotiated by the Classified Supervisors Association, and after 1993, by virtue of District policy and procedure, as described herein below, Petitioner Blalock-Carlson was promised paid and equivalent medical, dental and vision benefits after retirement, provided that she met certain minimum requirements with respect to age at retirement and number of years of service to Respondent District. At the time of her retirement, Petitioner Blalock-Carlson satisfied all of the necessary conditions, and until July 1, 2005, received paid medical, dental and vision benefits. Subsequent to July 1, 2005, Respondent District has reduced the retiree benefits promised to Petitioner Blalock-Carlson, as described herein below.

15. Each of the Petitioners is entitled to paid and equivalent medical, dental and vision benefits, as they met the hire date, age and service criteria upon their retirement from the District.

16. The Respondent and Defendant Ventura County Community College District is a duly constituted community college district organized and operated under the laws of the State of California.

17. The Respondent and Defendant Board of Trustees of the Ventura County Community College District is responsible for administering the affairs of the Ventura County Community College District. The Board is also the plan sponsor of Petitioners' medical, prescription, dental and vision plans.

18. Petitioners are unaware of the true names and capacities of the respondents named herein as DOES, 1 to 50, inclusive and therefore name said respondents using their

fictitious names. Petitioners will request leave of court to amend this Petition to allege the true names of such individuals or entities when their true names and capacities are ascertained. Petitioners are informed and believe, and thereupon allege that each of the DOE respondents is responsible in some way for the wrongs alleged herein.

### FACTS

19. On or around August 7, 1973, the Governing Board of the Ventura County Community College District voted to approve District payment of Blue Cross group coverage for retirees beginning with those retiring in 1972-73 who had served the District for a minimum of fifteen (15) years and were sixty (60) years at the time of retirement. *See* Exhibit 1.

20. On or around August 20, 1974, the Governing Board voted to continue providing paid retiree benefits. *See* Exhibit 2.

21. On or around July 1, 1977, the District and the Ventura County Federation of Teachers, representing “academic” employees, entered into their first collective bargaining agreement in which the District promised to provide faculty retirees with the following benefits:

**Article 4.1:** The District will, during the term of this Agreement, and subject to the remaining provisions of this Article, continue to provide Blue Cross and CDS coverage for eligible faculty members and their dependents **under the existing plans or under such plans providing at least equivalent benefits** as the District may designate.

**Article 4.5** The District shall contribute the sum of \$1,503.00 per year during 1977-78 to provide the benefits specified in this Article for each faculty member eligible for such benefits, and shall increase such contribution on October 1, 1978, by the amount that would be required to maintain the above-mentioned Blue Cross and CDS coverage.

**Article 4.9:** Contract faculty members who are employed by the District at the time of retirement shall be retained on the District’s existing group medical policy, **with premiums paid by the District** in accordance with the provisions of this Article, provided that such

persons have:

- A. Served the District with a minimum of fifteen (15) years and reached the age of 60 at the time of retirement; or
- B. Met the following service and age requirements at the time of retirement:

65 years of age with 10 years of service to the District  
64 years of age with 11 years of service to the District  
63 years of age with 12 years of service to the District  
62 years of age with 13 years of service to the District  
61 years of age with 14 years of service to the District.

**Article 4.11:** Eligibility and benefits shall be as specified in the then-existing group medical insurance plan.

See Exhibit 3, p., emphasis added. This contract was approved and ratified by both the labor organization and the District.

22. In or around July 1, 1979, retirement benefits for faculty members were expanded by contract to include vision benefits:

**Article 4.1:** The District will, during the term of this Agreement, and subject to the remaining provisions of this Article, continue to provide Blue Cross and CDS **and Vision** coverage for eligible faculty members and their dependents under the existing plans or under such plans providing at least equivalent benefits as the District may designate.

See Exhibit 4, emphasis added. This contract was approved and ratified by both the labor organization and the District.

23. Subsequent contracts, approved and ratified by both the Labor organizations and the District, continued to provide eligible faculty retirees hired **on or before June 30, 1990**, with paid medical, dental and vision benefits. See Exhibit 5.

24. On or around July 1, 1977, the District and the CSEA representing classified employees, entered into an agreement in which the District promised to provide classified retirees with the following benefits:

**Article 3.1:** The District will, during the term of this Agreement, and subject to the remaining provisions of this Article, continue to provide Blue Cross and CDS coverage for eligible employees and their dependents **under the existing plans or under such plans providing at least equivalent benefits** as the District may designate.

**Article 3.4** The District shall contribute the sum of \$1503.00 per year during 1977-78 to provide the Benefits specified in this Article for each employee eligible for such benefits, and shall increase such contribution on October 1, 1978, by the amount that would be required to maintain the above-mentioned Blue Cross and CDS coverage.

**Article 3.8:** Employees who are employed by the District at the time of retirement shall be retained on the District's existing group medical policy, **with premiums paid by the District** in accordance with the provisions of this Article, provided that such persons have:

- A. Served the District with a minimum of fifteen (15) years and reached the age of 60 at the time of retirement; or
- B. Met the following service and age requirements at the time of retirement:

- 65 years of age with 10 years of service to the District
- 64 years of age with 11 years of service to the District
- 63 years of age with 12 years of service to the District
- 62 years of age with 13 years of service to the District
- 61 years of age with 14 years of service to the District.

**Article 3.10:** Eligibility and benefits shall be as specified in the then-existing group medical insurance plan.

See Exhibit 6, emphasis added. This contract was approved and ratified by both the Labor organizations and the District.

25. In or around July 1, 1982, retirement benefits for classified employees were

expanded by contract to include vision benefits:

**Article 11.4** The District shall continue to contribute the sums necessary to provide the benefits specified in this Article for each employee eligible for such benefits, and, in addition, shall provide vision insurance for eligible employees, the identity of the carrier of such insurance for eligible employees, the identity of the carrier of such insurance to be determined by consultation among the District and all organizations representing employees who are eligible for such insurance.

**Article 11.8:** Employees who are employed by the District at the time of retirement shall be retained in the District's health, **vision** and dental insurance, with premiums paid by the District provided that such persons have a minimum of ten (10) years of service with the District and have attained an age and years of service equal to or greater than seventy-five (75). The minimum age for retirement is fifty (50). The District shall provide paid dental benefits for currently retired contract faculty who are receiving District-paid health and vision benefits.

See Exhibit 7, emphasis added. This contract was approved and ratified by both SEIU Local 690 and the District.

26. Subsequent contracts, approved and ratified by both SEIU Locals 690 and 535 and the District, continued to provide eligible classified employees hired **on or before July 24, 1990** with paid medical, dental and vision benefits after retirement. See Exhibit 8.

27. In or around November 8, 1977, the District and the Classified Supervisors Association, representing classified supervisors, entered into an agreement in which the District promised to provide retired classified supervisors with the following benefits:

7. **District-paid retiree medical coverage** for a combination of service plus age to total 75 years, with a minimum age of 50 years and minimum service of 10 years.

See Exhibit 9, emphasis added. This Memorandum of Agreement was approved and ratified by

both the labor organization and the District.

28. In or around December 17, 1982 retirements benefits for classified supervisors were expanded by contract to include vision and dental benefits:

3. Retirement Benefits: Classified Supervisors shall receive District paid health, **vision and dental insurance** upon retirement, with a minimum of ten (10) years of service with the District and having attained an age and years of service equal to or greater than 75. The minimum age upon retirement is 50.

The District shall provide paid dental benefits for currently retired supervisors who are receiving District-paid health and vision benefits.

See Exhibit 10, emphasis added. This contract was approved and ratified by both the labor organization and the District.

29. Subsequent contracts, approved and ratified by both the labor organization and the District, continued to provide eligible classified supervisors hired **on or before August 7, 1990** with paid medical, dental and vision benefits after retirement. See Exhibit 11.

30. In 1993, the Classified Supervisors Association dissolved. However, the Manager's Policy and Procedure Manual, adopted by Respondent District in 1991 and distributed to management and supervisory employees, applied wholly to all managers and supervisors.

31. Managers were provided the same paid medical, dental and vision benefits upon retirement as their labor organizations co-workers as codified in the Managers Policy and Operations Manual dated December 10, 1991:

The District will provide health and welfare benefits coverage for management personnel and their dependents under the existing plans or under such plans providing:

B. Managers retiring from the District shall be maintained on the District's existing group medical, dental, and vision policies **with premiums paid by the District** under the following conditions:

1. Educational Managers
  - a. The employee has served the District for a minimum of ten (10) years and has attained the age of 55; and
  - b. The sum of the employee's age and years of service in the District is equal to or greater than 72.
2. Classified Managers
  - a. The employee has served the District for a minimum of ten (10) years and has attained the age of 50; and
  - b. The sum of the employee's age and years of service in the District is equal to or greater than 72.

See Exhibit 12, emphasis added.

32. Until July 1, 2005, the District fulfilled its promise to the retirees described herein to provide paid medical, dental and vision benefits from year to year of an equivalent nature, i.e., co-payments, deductibles and annual out-of-pocket maximums remained approximately the same as did the scope of benefits.

33. However, some time before July 1, 2005, the District entered into a new contract with Blue Cross to implement a health insurance plan and prescription drug plan with considerably higher co-payments, deductibles and annual out-of-pocket maximums. The Petitioners received no commensurate benefits in exchange for these increases. The District, however, enjoyed a significant monetary savings due to its new arrangement with Blue Cross.

34. Under the Plan implemented July 1, 2005, the retirees are now responsible for paying the following medical increases: \$200 individual deductible/\$600 family deductible (up



from \$50 individual/\$150 family deductible); \$1500 out-of-pocket maximum + \$200/\$600 deductible (up from \$400 out-of-pocket maximum + \$50/\$150 deductible). See Exhibit 13.

35. In addition, the retirees are also paying more for their prescriptions: \$50 individual prescription deductible (none before); \$10 co-payment for generic prescriptions (up from none before); \$30 co-payment for brand prescriptions (20% co-insurance before); and \$60 co-payment for 90-day mail order prescription supply plus the difference between brand versus generic if brand prescription is used (up from \$5 co-payment for 90-day mail order supply of brand or generic). See Exhibit 13.

36. As a result, the retirees paid approximately \$511,723 for the period between July 1, 2005 and August 31, 2006 over and above what they would have paid under the former plan, which amount has increased, and continues to increase, in an amount not yet determined.

### **GOVERNMENT CLAIMS**

37. On or around June 6, 2006, Petitioners filed a governmental claim with the Board of Trustees, a true and correct copy of which is attached as Exhibit 14. On or around August 17, 2006, the Board, through its agents Keenan & Associates, notified Petitioners their claim was rejected. See Exhibit 15.

38. On or around July 17, 2006, Petitioners filed an amended governmental claim with the Board of Trustees, a true and correct copy of which is attached as Exhibit 16. On or around October 6, 2006, the Board, through its agents Keenan & Associates, notified

Petitioners their amended claim was rejected. *See* Exhibit 17.

39. In an effort to resolve this matter without litigation, the parties agreed to extend the deadline for Petitioners to bring legal action to August 31, 2007. *See* Exhibit 18. As a result, this action is timely filed.

### **CLASS ALLEGATIONS**

40. Pursuant to California Code of Civil Procedure § 382, the Individual Petitioners named herein and the Ventura County Community College District Retirees Association bring this action on behalf of themselves and all other similarly situated VCCCD retirees.

41. The class consists of former District employees who: (a) were employed by the District before June 30, 1990, July 24, 1990 or August 7, 1990; (b) worked during their employment under collective bargaining agreements or under other employment contracts; and (c) retired from the District at the minimum required age, after the requisite years of service. In other words, the class members are retirees qualified to receive lifetime, District-paid health benefits.

42. Petitioners are unaware of the exact number of persons who are in the class but believe there are approximately 500 class members, sufficiently numerous as to make it impractical to bring all members of the Class before the Court. The exact size of the Class, their identities and addresses can be readily ascertained from District's records.

43. The questions of law and fact are common to the Class and predominate over questions affecting individual members, and include without limitation:

a. Whether the District promised to provide eligible retirees with lifetime, District-

- paid health benefits?
- b. Whether the District promised to provide eligible retirees with the existing Blue Cross plan or another plan with equivalent health and prescription benefits?
  - c. Whether the retirees have a vested right to lifetime, District-paid health benefits?
  - d. Whether the District violated the retirees' vested right to lifetime, District-paid health benefits when it implemented a new health and prescription plan with higher co-payments, deductibles and annual out-of-pocket maximums?
  - e. What is the appropriate remedy?
44. The claims asserted by Petitioners are typical of the claims of the Class.
45. The named retirees and the VCCCD Retirees Association will fairly and adequately represent and protect the interests of the Class.
46. A class action is superior to other methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable.
47. There will be no undue difficulty in managing this litigation as a class action.

**FIRST CAUSE OF ACTION  
(Impairment and Breach of Contract)**

48. Petitioners incorporate the above allegations as if set forth in full.
49. The Governing Board of the Ventura County Community College District voted to approve District payment of Blue Cross group coverage for retirees beginning with those retiring in 1972-73 in 1973 and again in 1974. See Exhibits 1 and 2.

50. On or around July 1, 1977, the District and the three labor organizations, Ventura County Federation of Teachers, CSEA and the Classified Supervisors Association, entered into their first collective bargaining agreements. The District promised to continue providing eligible retirees with paid health and dental benefits. The District also agreed to provide the then-existing Blue Cross and CDS coverage or if a change was warranted, another plan(s) providing “at least equivalent benefits.” *See* Exhibits 3, 6 and 19.

51. The District extended retiree health and dental benefits to cover eligible managers too.

52. Later, the District also agreed to provide all eligible retirees with vision benefits.

53. Each petitioner that was a member of the Ventura County Federation of Teachers was hired before June 30, 1990, and worked or performed substantial services for the District pursuant to the parties’ collective bargaining agreements.

54. Each petitioner that was a member of the CSEA and/or SEIU was hired before July 24, 1990, and worked or performed substantial services for the District pursuant to the parties’ collective bargaining agreements.

55. Each petitioner that was a member of the Classified Supervisors Association was hired before August 7, 1990, and worked or performed substantial services for the District pursuant to the parties’ collective bargaining agreements.

56. Each Petitioner that was a manager met the service and age criteria at retirement set forth for paid retiree medical, dental and vision benefits and worked or performed substantial

services for the District pursuant to the policies and manuals described herein.

57. At all relevant times, Petitioners had a contractual relationship with the District. As a result, the District has a clear duty to carry out its contractual obligations to Petitioners, and provide the retiree benefits it promised them.

58. Public employment which provides pension or other retirement benefits gives rise to certain obligations on the part of public employers, like the District, which are subject to the contract clause of the Constitution of the State of California. The right to pension and other retirement benefits vests immediately upon the acceptance of employment and the performance of any substantial services and constitute deferred, earned compensation. The right to deferred, earned compensation is termed a vested right.

59. Vested rights, as promised by the employer at the time of employment or thereafter, cannot be abrogated or unreasonably modified without unconstitutionally impairing or breaching the contractual obligation owed to employees.

60. Petitioners have a clear, present and beneficial interest in respondents performing the above duty by honoring the contract rights and obligations which vested at the time of their employment.

61. Petitioners are beneficially interested because they were promised paid health benefits under Blue Cross or another health and prescription insurance plan providing equivalent benefits. As a result of the July 1, 2005 plan, Petitioners have incurred and continue to incur significant out-of-pocket expenses due to higher deductibles, co-payments and out-of-pocket

maximums. This plan is not “equivalent” to the former plan. No comparable new benefit(s) were provided in exchange; they just cost more.

62. By increasing Petitioners’ deductibles, co-payments and out-of-pocket maximums, the Board unconstitutionally impaired and breached its contractual obligations to Petitioners to provide certain paid health benefits.

63. As a direct and proximate result of the Board’s actions, Petitioners have been harmed and will continue to be harmed by paying more for their health benefits.

64. Petitioners are entitled to recover the deductibles, co-payments and out-of-pocket maximums made in excess of those charged them before July 1, 2005, with interest, for the time that the Board abrogated and diminished Petitioners’ health benefits in violation of its duty to the retirees and the Contract Clause of the California State Constitution.

#### **SECOND CAUSE OF ACTION (Breach of Contract)**

65. Petitioners incorporate the above allegations as if fully set forth herein.

66. At all relevant times, the Petitioners and the Board had a contractual relationship with one another as recorded in the parties’ collective bargaining agreements and other relevant documentation.

67. The contracts went into effect when Petitioners accepted and continued their employment with the District. In exchange for Petitioners’ acceptance of employment and their performance of services, the District was contractually obligated to provide retirees with paid health benefits of an equivalent nature as set forth in the parties’ contracts.

68. In or around July 1, 2005, the Board implemented a new health insurance and prescription drug plan. This plan cost the District significantly less than the former plan. Although the District enjoyed a significant savings, it was at the expense of the retiree group. The new plan charged significantly higher deductibles, co-payments and out-of-pocket maximums so as to render the Board's agreement to provide paid retiree health benefits nominal, or illusory.

69. Accordingly, the District violated its contractual obligation to provide retirees with paid health benefits of an equivalent nature.

70. As a direct and proximate cause of this breach of contract, the Board's actions have harmed and will continue to harm Petitioners as they continue to incur higher out-of-pocket expenses for health benefits the District agreed to provide without cost.

### **THIRD CAUSE OF ACTION (Promissory Estoppel)**

71. Petitioners incorporate the above allegations as if fully set forth herein.

72. The District represented to eligible employees that upon retirement, they would receive District-paid health, dental and vision benefits for life. The District also promised such benefits under the existing health insurance plan or another plan with equivalent benefits. These representations were codified in labor organization-District collective bargaining agreements and other District documents.

73. The District intended that its employees would rely upon these representations, and to induce the acceptance of employment as well as long and loyal service. Indeed,

Petitioners acted on the District's promises: they accepted employment with the District, and stayed, with the expectation they would not have to worry about their health and welfare benefits after retirement.

74. Many Petitioners also accepted "early retirement," in part, because they expected their health benefits would remain the same or largely similar. Without having to worry about their health care costs, they accepted early retirement and lower pensions.

75. In or around July 1, 2005, the District violated its promises to retirees, imposing higher deductibles, co-payments and out-of-pocket maximums. While the District enjoyed a savings by purchasing a lesser health and prescription insurance plan, the District nonetheless increased deductibles, co-payments and out-of-pocket maximums for Petitioner retirees.

76. The District's actions resulted in an injustice to retirees, who reasonably and foreseeably relied on the promise, codified in decades of contracts, that the District would provide paid, health benefits of an equivalent nature during the retirees' lifetime.

77. Petitioners should not be paying significantly more for medical services and their prescription drugs. Petitioners reasonably relied on, and acted upon the District's promises. Accordingly, the District is bound by the Doctrine of Promissory Estoppel to fulfill those promises to Petitioners.

#### **FOURTH CAUSE OF ACTION (Equitable Estoppel)**

78. Petitioners incorporate the above allegations as if fully set forth herein.

79. The District represented to eligible employees that upon retirement, they would



receive not just District paid benefits, but benefits equivalent to those provided before. These representations were recorded in Labor organizations-District contracts and other documentation.

80. These representations were intended to induce acceptance of employment, as well as long service and in some cases, early retirement.

81. The District was successful in all three situations: Petitioners relied on the District's promises and accepted employment with the District, and continued employment with the District because of the promise of paid retiree benefits.

82. In some cases, employees retired early, accepting a smaller pension because of their expectation their health care costs would be covered by the District as promised.

83. Sometime before July 1, 2005, and without notice to retirees, the District negotiated with Blue Cross to provide a new health insurance and prescription drug plan. This plan provided comparable benefits but at a much higher cost for retirees. Not surprisingly, the District enjoyed a significant savings from the new plan.

84. Through this action, the District has effectively abrogated its promise to retirees to provide not just paid health benefits, but equivalent health benefits.

85. The increased deductibles, co-payments and out-of-pocket maximums in the July 1, 2005 plan have rendered the promise of paid retiree benefits so as to be nominal or illusory.

86. Given its earlier representations, the District should not be permitted to modify retiree health benefits to the detriment of Petitioners' financial and medical well-being.

Accordingly, the District should be estopped from charging Petitioners higher deductibles, co-payments and out-of-pocket maximums.

**FIFTH CAUSE OF ACTION (Declaratory and Injunctive Relief)**

87. Petitioners incorporate the above allegations as if fully set forth herein.

88. A controversy has arisen concerning the validity of the health insurance and prescription drug costs the Board imposed on Petitioners.

89. Accordingly, Petitioners are entitled to a declaration of the parties' respective rights, duties and responsibilities.

90. Likewise, Petitioners are entitled to injunctive relief directing the Board to take appropriate action to remedy the aforementioned wrongs.

**PRAYER FOR RELIEF**

WHEREFORE, Petitioners pray for relief as follows:

1. For a peremptory writ of mandate;
2. For declaratory and injunctive relief;
3. For general damages according to proof;
4. For special damages according to proof;
5. For the costs of this action;
6. For reasonable attorneys' fees;
7. For interest on any compensation and/or benefits allowed in this action; and
8. For such other and further relief as may be deemed appropriate by this Court.

Dated: August \_\_\_\_\_, 2007.

Respectfully submitted,

LAW OFFICES OF  
BENNETT & SHARPE, INC.

By \_\_\_\_\_  
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