



**Contra
Costa
County**

To: Contra Costa County Fire Protection District Board of Directors
From: David Twa, County Administrator
Date: December 8, 2015

Subject: Government Code 7507 - Chief Executive Acknowledgement of Future Costs of Benefits - United Chief Officers' Association & UPFF, Local 1230

RECOMMENDATION(S):

ACCEPT written acknowledgment by the County Administrator (Chief Executive Officer) that he understands the current and future costs of the health benefit changes for members of the United Chief Officers' Association and UPFF, Local 1230 and certain persons retired from classifications represented by the United Chief Officers' Association and UPFF, Local 1230, as determined by the County's actuary in the November 10, 2015 and January 9, 2015 Actuarial Reports (Attached).

FISCAL IMPACT:

As shown in the valuations, the result of the health plan changes described herein, if implemented, will create a \$22.6 million or 2.85% decrease in the Actuarial Accrued Liability and a \$2.5 million or 2.86% decrease in the calculated Annual Required Contribution.

BACKGROUND:

At its meeting on November 17, the Board of Supervisors accepted actuarial valuations of future annual costs of negotiated and proposed changes to Other Post Employment Benefits, as provided by the County Actuary in letters dated November 10, 2015 and January 9,

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **12/08/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, Director
Candace Andersen, Director
Mary N. Piepho, Director
Karen Mitchoff, Director
Federal D. Glover, Director

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 8, 2015

David Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Lisa Driscoll, County
Finance Director, 335-1023

By: June McHuen, Deputy

2015. The Board of Supervisors was informed that Government Code, Section 7507 requires with regard to local legislative boards, that the future costs of changes in retirement benefits or other post employment benefits as determined by the actuary, shall be made public at a public meeting at least two weeks prior to the adoption of any changes in public retirement plan benefits or other post employment benefits. The November 10, 2015 and January 9, 2015 reports fulfilled that requirement.

BACKGROUND: (CONT'D)

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Government Code, Section 7507 also requires that if the future costs (or savings) of the changes exceed **one-half of 1 percent of the** future annual costs of the existing benefits for the body, an actuary shall be present to provide information as needed at the public meeting at which the adoption of a benefit change shall be considered.

And finally, Section 7507 requires that upon the adoption of any benefit change to which the section applies, the person with responsibilities of a chief executive officer in an entity providing the benefit, however that person is denominated, shall acknowledge in writing that he or she understands the current and future cost of the benefit as determined by the actuary.

As the County Administrator (chief executive officer) and by approving this Board Order, I acknowledge in writing that I understand the current and future cost of the benefit changes presented to you today, as determined by the actuary and contained in the November 10, 2015 and January 9, 2015 letters from Milliman, Inc. (County's actuary).

CONSEQUENCE OF NEGATIVE ACTION:

Delayed implementation of health care rate revisions.

CHILDREN'S IMPACT STATEMENT:

ATTACHMENTS

7507 Report for UCOA dated November 10, 2015

7507 Report for L1230 dated January 9, 2015