

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: December 7, 2021



Contra
Costa
County

Subject: GOVERNMENT CODE 7507 - CHIEF EXECUTIVE OFFICER ACKNOWLEDGMENT OF FUTURE COSTS OF BENEFITS - PROPOSED CHANGES FOR SPECIFIC RETIREES

RECOMMENDATIONS

ACCEPT that this Board Order serves as written acknowledgment by the Executive Director (chief executive officer) that he understands the current and future cost of the negotiated health care benefit changes for retirees from both represented and unrepresented classes, as detailed in a report provided by the Housing Authority's Actuary on October 5, 2021 (attached).

BACKGROUND

At its meeting on November 9, 2021, the Board of Commissioners accepted an actuarial valuation of future annual costs of negotiated and proposed changes to Other Post-Employment Benefits for current and future employees and retirees. The report containing the actuarial valuation of the proposed health care benefit changes was provided to HACCC on October 5, 2021.

Section 7507 requires that "upon the adoption of any benefit change to which this section applies, the person with the 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

Action of Board On: **12/07/2021** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia,
Commissioner
Candace Andersen,
Commissioner
Diane Burgis,
Commissioner
Karen Mitchoff,
Commissioner
Federal D. Glover,
Commissioner
Joanne Segura,
Commissioner

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 7, 2021

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

ABSENT: Cynthia Jordan,
Commissioner

Contact: 925-957-8028

cc:

actuary.” As the Executive Director (chief executive officer), 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 actuary's report provided to HACCC on October 5, 2021.

FISCAL IMPACT

As shown in the valuation, the result of the proposed health care benefit changes, if implemented for all current and future eligible retirees, will create a \$368,000 increase in the Annual Required Contribution, a \$128,090 increase in the Normal Cost, and a \$2.9 million increase in the total Actuarial Accrued Liability.

CONSEQUENCE OF NEGATIVE ACTION

If the Executive Director does not make and sign this acknowledgment, HACCC will be in violation of California Government Code section 7507 and the proposed health care benefits may not be adopted.