To: Contra Costa County Housing Authority Board of Commissioners

From: Joseph Villarreal, Housing Authority

Date: December 7, 2021



Costa

Contra

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).

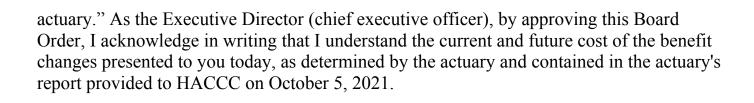
## BACKGROUND

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



## 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.