



**GovInvest**  
Insights to your financial future



Presentation to El Dorado County

October 9, 2018, 9:30 a.m.

# Who We Are

GovInvest is an actuarial technology company. Our mission is to help government agencies better manage their unfunded pension and OPEB liabilities and to help make the negotiations process less painful by making labor costing seamless. We work with over 250 public agencies including the State of California.



# Products & Services


- Pension Module
- OPEB Module
- Labor Costing Module
- GASB 68 Accounting & Funding Valuations
- GASB 75 Accounting & Funding Valuations
- Consulting Projects

# Pension Strategies Make the News

## Belmont charts long-term strategies for tackling unfunded pension obligation

City to pay liability through lump sum pre-payments; considering additional \$400,000 payments




By Zachary Clark Daily Journal staff Jun 19, 2018












**Darrell Talbert**  
City Manager - Corona, California  
2mo • Edited

Transformational Government at work in Corona... This was the presentation for our Budget Study Session of today where my amazing Executive Team came together, and with the use of data, and the 'tools of business,' we were able to make big decisions and avoid previously determined insolvency in the coming years. A special thank you to the Finance team **Kerry Eden, Kim Sitton** and our actuarial partners/software geniuses at **GovInvest, Jasmine Nachtigall-Fournier** and **Jason Huk** that helped us see the financial picture more clearly and leverage additional payments to generate operating efficiency and ROI. See the presentation here: <https://lnkd.in/gT9aEPy>

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# Creative Solutions

- One Big Payment vs. Lots of Small Payments
- CalPERS vs. 115 Trust
- Fresh Start (Lock-in vs. Simulate)
- New Amortization Method - Retroactive Mimic
- Prepare for Market Shock
- Involving Employees & Groups

# Pension Module

Year: 2016  
Years Projected: 5

**Assumptions & Adjustments**

Discount Rate (%)

2016	2017	2018	2019	2020+
7.375	7.25	7	7	7

Salary Growth (%)

2016	2017	2018	2019	2020+
3	2.875	2.75	2.75	2.75

Additional Employee Contribution (%): 0

Amortization Method: New Rules - 2019 Bases and Later

Fresh Start: [ ]

Investment Return (%)

15-16	16-17	17-18	18-19	19-20	20-21+
0.6	11.2	7.25	7	7	7

Additional Employer Contributions (\$M)

15-16	16-17	17-18	18-19	19-20	20-21
0	0	0	0	0	0

Comparison: CalPERS

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PENSION OPEB BONDED DEBT

santa-monica-police-2016-ca Admin

EMPLOYER CONTRIBUTION

**\$13.72M**  
CONTRIBUTION  
46.21%

Projected Payroll  
**\$29.70M**

MEMBERSHIP

- Active: 204
- Separated: 33
- Transferred: 21
- Retired: 310

Select cohort >

**568**  
MEMBERS

LIABILITIES COST Pension Liability Overview

The graph shows the pension liability and how it's being funded over time.

in year 2015:

- Market Value of Assets: \$291.48M
- Net Pension Liability: \$111.96M
- Accrued Liability: \$403.45M

Year	Market Value of Assets (\$M)	Net Pension Liability (\$M)	Accrued Liability (\$M)
2014	~280	~100	~380
2015	~291.48	~111.96	~403.45
2016	~290	~110	~400
2017	~300	~120	~420
2018	~310	~130	~440
2019	~320	~140	~460
2020	~330	~150	~480

# Labor Costing Module

Group: POA >>

Proposals

Current Proposal

Union 1

Copy Rename Delete New

Save Save As Discard

Comparisons

County 1  
Union 2  
✓ Agreement

Adjustments

Manage Group

AdastraGov Labor Costing Module

Demo County demo

General vs. Non-General Fund



Projected Payroll  
\$614.79 Million

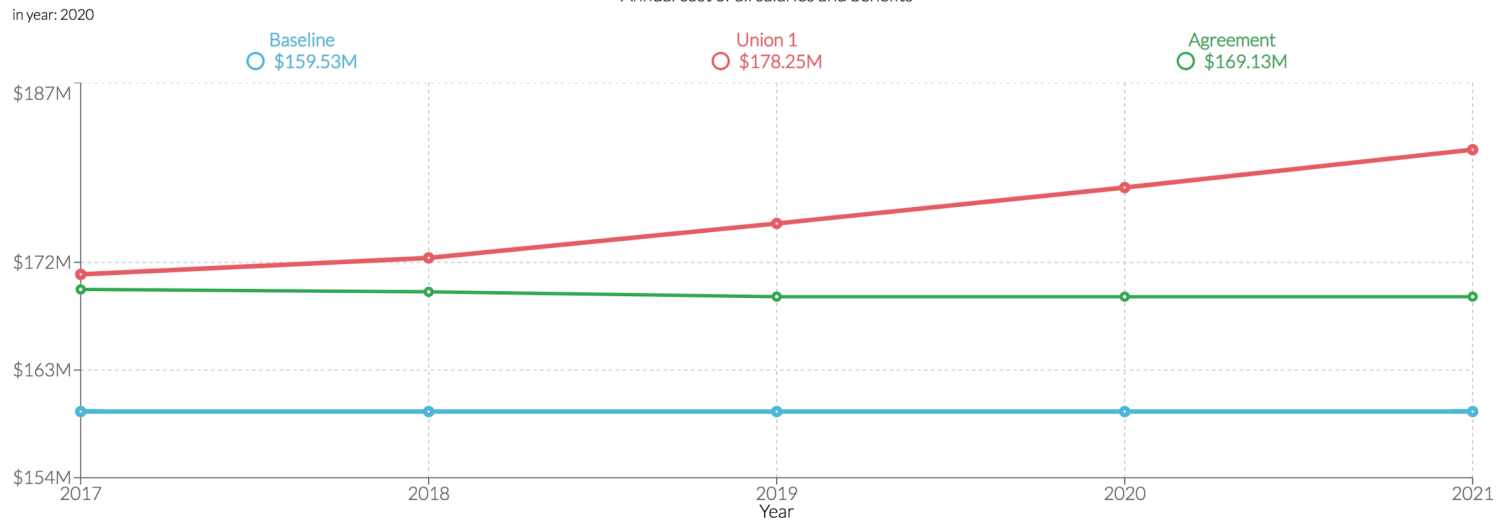
General Fund	\$527.0M
Non-General Fund	\$351.31M



Annual Cost



Annual cost of all salaries and benefits



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