



Legislation Text

File #: 23-1803, **Version:** 2

Chief Administrative Office recommending the Board:

- 1) Make findings that the provision of pension actuarial software and services provided by GovInvest Inc. are in the public's best interest and that there are specialty skills, qualifications, and equipment not expressly identified in County classifications involved in the performance of the work in accordance with El Dorado County Ordinance Code, Chapter 3.13.030(B);
- 2) Approve and authorize the Chief Administrative Officer to sign the attached Actuarial Services and Technology Licensing Agreement 8089 with GovInvest Inc., in the total amount of \$98,750, for a term of five years from October 15, 2023, through October 14, 2028, with annual fees of \$19,750; and
- 3) Authorize the Purchasing Agent to execute any necessary amendments relating to Agreement 8089, excluding term extensions and increases to the not-to-exceed amount, contingent upon approval by County Counsel and Risk Management.

FUNDING: General Fund.

DISCUSSION / BACKGROUND

The Chief Administrative Office and Human Resources Department currently have Agreement 3428 with GovInvest for their Pension Module, which offers the ability for staff to conduct detailed CalPERS financial impact analyses and modeling of various scenarios. On October 9, 2018, with Legistar item 18-1541, the Board approved Agreement 3428 which was executed on October 15, 2018, for a five-year term. The Chief Administrative Office and Human Resources Department determined that the costs for these services moving forward should fall under the Chief Administrative Office.

GovInvest provides financial analysis tools that relate to CalPERS costs and liabilities. The availability of this technology tool will continue to allow staff to conduct detailed cost analysis and future projection analyses in-house and when needed. Without this tool, this type of analysis would be either contracted-out, conducted by hand using basic spreadsheets (demanding more staff time yet yielding less detailed results), or would not be performed at all. Over the past five years, GovInvest staff have met regularly with Count staff, keeping the County informed of investment returns and other CalPERS policies that will impact El Dorado County's CalPERS costs and liabilities. On March 23, 2021, with Legistar item 21-0452, the Board received a presentation from GovInvest staff on the County's pension funding and liabilities. The knowledge of GovInvest staff and the GovInvest Pension Module allow staff to better predict total pension costs, which in Fiscal Year 2023-24 is anticipated to be \$50 million.

The Chief Administrative Office recommends that the County enter into the recommended five-year license Agreement 8089 with GovInvest Inc. for this product, allowing staff to continue providing additional cost and future years' impact information to the Board and public regarding impacts of CalPERS retirement plan changes. Due the terms outlined in the original agreement, staff have negotiated a new five-year agreement with the same rates as the original agreement.

ALTERNATIVES

The Board may choose not to approve the continued services with GovInvest under a new

agreement.

PRIOR BOARD ACTION

See above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Procurement & Contracts. County Counsel.

FINANCIAL IMPACT

The total five-year cost for the Actuarial Services and Technology service with GovInvest Inc. is \$98,750 (annual fees of \$19,750). The annual fee is included in the FY 2023-24 Budget. Future costs will be budgeted appropriately.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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