



Napa County

1195 THIRD STREET
SUITE 310
NAPA, CA 94559
www.countyofnapa.org

Main: (707) 253-4580

Legislation Text

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TO: Board of Supervisors

FROM: Jon Gjestvang - Chief Information Officer, Information Technology Services

REPORT BY: Shawn Smith - Supervising Services Analyst

SUBJECT: Agreement with GovInvest, Inc. for Pension and Labor Costing Software Modules

RECOMMENDATION

Chief Information Officer and Director of Human Resources request approval of and authorization for the Chair to sign a three-year agreement with GovInvest, Inc. for \$26,484 per year, plus an annual increase of the greater of 3% or consumer price index (CPI), for technical support on software to assist with Governmental Accounting Standards Board (GASB) pension liability requirements and labor cost forecasting.

EXECUTIVE SUMMARY

GovInvest is an innovative software company that brought together leading actuaries, engineers, and designers to build technological solutions to empower government agencies to better control pension liability, other post-employment benefits (OPEB) liability, and debt management. The software will assist in the reporting requirements from the Government Accounting Standards Board (GASB) for the County's Comprehensive Annual Financial Report. The Labor Costing module will allow for forecasting and financial modeling to inform County decisions for labor negotiations and benefit costing.

Approval of today's requested action will allow Information Technology Services (ITS) to enter into a three-year agreement with GovInvest for the term of July 1, 2021, through June 30, 2024.

GovInvest, Inc. is not a local vendor.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Information Technology Services
Is it Mandatory or Discretionary?	Discretionary

Discretionary Justification:	The Auditor-Controller's office and Human Resources will utilize the Pension module to analyze and project unfunded pension liabilities, other post-employment benefits (OPEB) liabilities, and debt service projections. The labor costing module will allow for forecasting and financial modeling to inform labor costs decisions.
Is the general fund affected?	No
Future fiscal impact:	Ongoing technical support will be budgeted in the ITS cost allocation.
Consequences if not approved:	If not approved, County projections will not be as accurate or understandable.
County Strategic Plan pillar addressed:	Effective and Open Government

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

GovInvest is an innovative software company that brought together leading actuaries, engineers, and designers to build technological solutions to empower government agencies to better control pension liability, OPEB liability, and debt management.

Using our data, the software provides analysis and reporting tools, which will better assist in the understanding of actuarial reports and provide more efficient decision-making regarding the County's long-term liabilities and how to best pay them down. In addition, this software has greatly assisted in reporting requirements from the Government Accounting Standards Board (GASB) for the County's Comprehensive Annual Financial Report.

The original agreement with GovInvest for the pension module was approved by the Board of Supervisors in August 2016 and expired June 30, 2021. This proposed agreement will continue use of the Standard Pension Module and will also include the Labor Costing module. The labor costing module will assist with forecasting and financial modeling to inform County decisions for labor negotiations and benefit costing.

The Auditor-Controller consulted with Human Resources and the County Executive Office and determined that these tools would greatly benefit understanding the complexity of pensions and actuarial reports, as well as provide powerful projections for benefits and future liabilities.

GovInvest, Inc. is not a local vendor. The company was incorporated in 2014 and is based in Los Angeles, California.