

# **MOUNTAIN VALLEY LIBRARY SYSTEM**

Administrative Council

April 14, 2016 Meeting

1:00-3:00

Roseville Public Library  
225 Taylor Street  
Roseville, CA 95678

- |               |  |               |              |
|---------------|--|---------------|--------------|
|               | 1. Welcome and Roll Call   | George, Chair |              |
|               | 2. Public invited to address the committee   |               |              |
| <b>ACTION</b> | 3. Approval of the Agenda  | George        |              |
|               | 4. Volunteer for minute taking   | George        |              |
| <b>ACTION</b> | 5. Consent Calendar  | George        |              |
|               | A. Minutes from May 11, 2015 Meeting   |               | Attachment 1 |
| <b>ACTION</b> | 6. Nominations and election of FY 16-17 officers   | George        |              |
| <b>ACTION</b> | 7. Approve the OCLC Contract for FY 16-17  | George        | Attachment 2 |
| <b>ACTION</b> | 8. Review the Am-Tran Delivery Contract  | George        | Attachment 3 |
|               | 9. Approve the FY 16-17 Budget   | George        | Attachment 4 |
|               | 9. Review of MVLS By-laws/History (if necessary for newbies)   | George        | Attachment 5 |
|               | 10. Results of California State Library Board Meeting on April 8 and next steps  | George        | Attachment 6 |
|               | 11. CalPERS Obligation and Discussion of How to Fund Obligation When MVLS Reserves are depleted (5-7 years based on actuaries from this year) Jane Light is NOT available to attend. | George        | Attachment 7 |
|               | 12. What's New in NorthNet, State Library, and CENIC   | George        |              |
|               | 13. Sharing and Roundtable   | George        |              |
|               | 14. Adjourn  | George        |              |

**MINUTES**  
**MOUNTAIN- VALLEY LIBRARY SYSTEM-ADMINISTRATIVE COUNCIL**  
 Conference Call Meeting  
 Monday, May 11, 2015  
 11AM

Meeting called to order at

**1. Welcome and Roll call**

Meeting was called to order at by Chair, Mary George

Members present: Mary George (Placer), James Ochsner (Sutter), Natasha Casteel (Roseville), Lisa Dale (Folsom), Greta Galindo (Woodland) Rodney??

**2. Public invited to address the Council**

No members of the public were present.

**3. Approval of the Agenda**

Approved unanimously

**4. Volunteer for minute taking**

Greta Galindo

**5. Consent Calendar**

- a. Approval of the Minutes of March 27, 2015 M/Casteel S/Ochsner. Approved unanimously

**6. Approve the OCLC Contract for FY 15-16**

Approval of the OCLC Contract was discussed. Mary George has communicated with the OCLC rep and encourages us to check out the different products that are included in our services. The group contract keeps the cost increase to just 3%. MVLS has asked OCLC to evaluate the contract 3 times; while fewer records are being processed we are doing other things more.

James Ochsner would like the rep to be contacted to explain more about what services are being provided through the OCLC contract. James suggests staff training for features that we haven't been using. Mary George will coordinate that meeting.

Lisa Dale asked about Woodland's cost and the credits, Mary George answered that it is a flat rate, and the credit is from 4-5 years ago.

Mary George- while we don't fully understand the pricing, we have had it evaluated in the past and OCLC has a board that reviews their pricing and structure.

M/Ochsner S/Dale Approved unanimously

**7. Approve the Am-Tran Delivery Contract**

The Delivery Contract was discussed. James Ochsner would like delivery to be better covered through CLSA distributions; stating that it is difficult to budget with the CLSA distributions being a moving target. The delivery contract will increase 3% as opposed to 5%. Either party can cancel within 15 days' notice.

M/ Dale S/Casteel

#### **8. Approve the FY15/16 MVLS Budget**

Mary George reviewed the budget worksheet.

M/Dale S/Ochsner

#### **9. CalPERS Contract and Local County Counsel**

Mary George has discussed the CalPERS contract and information we received with Placer County Counsel. Options were discussed:

Go back to all original members and either collect fees or some type of monetary cash-out of their CalPERS obligations. We need to consider a fee schedule and the legal rights/obligations of non-participatory members. Explaining to past members that they have an obligation and be able to set-up a pay-off schedule

Re-instate MVLS fees with an amortization plan towards pay-off

We will continue to watch legislation so we can establish a way to bring in money towards the CalPERS obligations and possibly re-negotiate with CalPERS.

Question: Who are we obligated to? Is it retirement? Healthcare? What are the terms of the contract so we can develop an amortization schedule?

This is an on-going discussion.

#### **10. Review of MVLS History and Members**

#### **11. Nomination/Election of FY15-16 Officers**

via e-mail: [mgeorge@placer.ca.gov](mailto:mgeorge@placer.ca.gov)

April 20, 2015

Mary George  
Director of Library Services  
Placer County Library  
350 Nevada Street  
Auburn, CA 95603



The world's libraries.  
Connected.  
6565 Kilgour Place  
Dublin, OH 43017-3395  
T 1-614-764-6000  
1-800-848-5878  
F 1-614-764-0740  
E [oclc@oclc.org](mailto:oclc@oclc.org)

RE: Amendment 8 to Group Services Agreement with a Start Date of January 1, 2007  
(the "Agreement")

Dear Ms. George:

OCLC Online Computer Library Center, Inc. ("OCLC") wishes to amend the Agreement between OCLC and the Mountain Valley Library System by:

- (i) replacing the Agreement's current Group Services Pricing schedule with the attached Group Services Pricing schedule dated March 30, 2015;
- (ii) replacing the Agreement's current list of "Participating Libraries" with the attached "Participating Libraries;" and
- (iii) replacing the Agreement's current list of Product Codes with the attached list of FY16 Product Codes.

If the Mountain Valley Library System agrees to this amendment, please so indicate by signing the enclosed letter and returning it to me. All other terms and conditions of the Agreement are ratified by the parties and remain unchanged.

Sincerely,

OCLC ONLINE COMPUTER LIBRARY CENTER, INC.

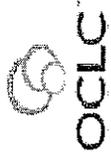
By:   
Bruce A. Crocco, Vice President

Agreed to and accepted this 11 day of May 2015.  
Mountain Valley Library System



By:   
Mary George, Director of Library Services

ISO 9001 Certified



6565 Kilgour Place

Dublin, OH 43017-2295 USA

Michael Ahern

T +1-877-309-8627

F +1-614-718-7213

[ahernm@oclc.org](mailto:ahernm@oclc.org)

[www.oclc.org](http://www.oclc.org)

OCLC Group Services Pricing

Mountain Valley Library System (MVLS)

March 30, 2015

	July 1, 2015- June 30, 2016
OCLC Cataloging Subscription	\$ 59,721
OCLC Cataloging Subscription Credits	\$ (7,435)
OCLC WorldShare ILL Subscription	\$ 10,450
OCLC WorldShare ILL Subscription Lending Credits	\$ (2,945)
OCLC Access Subscription	\$ 11,712
<b>TOTAL GROUP SERVICES</b>	<b>\$ 71,502</b>

NOTES:

Pricing is valid for 90 days.

The renewal subscription period is July 1, 2015 - June 30, 2016.

Billing frequency is monthly and is billed to the individual libraries with the exception of JRS which is billed annually.

See attached list of libraries with individual pricing.

OCLC Cataloging, OCLC WorldShare ILL and OCLC Access have been incremented over the previous year at the rate of 3%.

Cataloging and WorldShare ILL Lending Credits are not incremented.

OCLC Confidential

Participating Libraries					
Inst Sym	Inst Name	July 1, 2015- June 30, 2016			
		Catalog	WSILL	Access	Total
APR	Placer County Library	\$ 11,392.20	\$ 762.42	\$ 4,320.35	\$ 16,474.97
CUP	Colusa County Free Library	\$ 214.46	\$ 287.25	\$ 127.10	\$ 628.80
FPQ	Folsom Public Library	\$ 3,951.56	\$ 88.49	\$ 418.96	\$ 4,459.01
JOC	Alpine County Library	\$ 1,551.19	\$ 463.16	\$ 51.19	\$ 2,065.54
JQP	El Dorado County Library	\$ 5,280.57	\$ 1,113.66	\$ 2,215.19	\$ 8,609.42
JQZ	Lincoln Public Library	\$ 3,003.80	\$ -	\$ 201.96	\$ 3,205.76
JRC	Mono County Free Library	\$ 578.92	\$ 93.80	\$ 103.49	\$ 776.20
JRS	Sacramento Public Library	\$ -	\$ (96.41)	\$ 180.85	\$ 84.45
JTQ	Woodland Public Library	\$ (1,119.29)	\$ 261.21	\$ 545.92	\$ (312.17)
JTS	Yuba County Library	\$ 1,145.57	\$ 298.62	\$ 131.15	\$ 1,575.34
NEV	Nevada County Library	\$ -	\$ 2,607.82	\$ 780.58	\$ 3,388.40
RSV	Roseville Public Library	\$ -	\$ 90.43	\$ 147.89	\$ 238.32
SUT	Sutter County Library	\$ 872.11	\$ 718.88	\$ 327.19	\$ 1,918.18
YOL	Yolo County Library	\$ 25,414.29	\$ 815.63	\$ 2,160.18	\$ 28,390.10
	Totals	\$ 52,285.37	\$ 7,504.96	\$ 11,711.99	\$ 71,502.32

Effective with the July 1, 2012 - June 30, 2013 renewal, Woodland Public Library's fixed credits will be reduced to an amount that covers their Cataloging, WorldCat Resource Sharing and Access subscriptions in addition to the QuestionPoint 24/7 Ref Coop-Group Shared Renewal in the amount of \$300. The credit balance carried over for this institution will be grandfathered per the new credit policy to cover potential price increases in the out years.

Group Services FY16 Product Code List

WORLDSHARE ILL PRICING INCLUDES THE FOLLOWING  
 PRODUCT CODES:

PRODUCT CODE	PRODUCT DESCRIPTION
RSH6700	WorldCat Resource Sharing Search
RSH6701	WorldCat Resource Sharing Request
OTC4561	ILL Lending Credit
IFM4572	IFM Administration Fee
IFM8915	IFM Admin Fee Correction
ILL4505	ILL Direct Profiled Prod
ILL4506	ILL Direct Search & DH
IDH3571	DisplayHoldings UL
IDH3581	ILL Display Holdings
IDH3601	UL Holdings Display UL
IDH3611	ILL UL Display Holdings
OTC4562	ILL Consolidated Lending Crd
TOC4022	ULS LDR Deletion Credit

CATALOGING PRICING (INCLUDING CREDITS) INCLUDES THE  
 FOLLOWING PRODUCT CODES:

PRODUCT CODE	PRODUCT DESCRIPTION
CXP2054	CatExpress Custom Annual - Consortia
CXP2056	CatExpress Custom Monthly - Consortia
CXP2057	CatExpress 500
CXP2058	CatExpress 1000
CXP2059	CatExpress 2000
CXP2230	CatExpress Excess Usage
CXP2238	CatExpress 250
CXP2239	CatExpress 3000
CXP2240	CatExpress 4000
CXP2241	CatExpress 5000
CXP2242	CatExpress 6000
CXP2246	CatExpress 7000
AST1060	PCC Orig Input
AST1063	CAT Orig Input
AST1065	USNP Orig Input
AST1075	Orig Input Encl.v13
CCA1001	Catalog Cards
CCA1011	Card Rerun/Adjustment
CCA1021	Card Rerun-Out/Warranty
CCA1501	Accessions List
CCA2093	PromptCat Catalog Cards
CCA2655	GOVDOC Catalog Cards
CCA2677	Cat Card Offline Return
CRC3715	Export Bibliographic
CRC3727	Export Authority
CRC3728	Pathfinder
CTR3400	Search Key Sng Del
CTR3338	Batch Grp Record Cpy
CTR3376	Batch Sng Record Cpy
CTR3743	Group Retro Record Copy
CTR3744	Single Retro Record Copy
DSH3562	Cat Display Holdings
MLE2007	MARC Record Copy Charge
MLE2008	Multi-Institution MARC Copy Charge Copy
MLE2061	MARC Set-up Fee
MLE2081	MARC Records Selected
MLE2082	PromptCat Added Copy
MLE2083	PromptCat Shared Sys PDR
MLE2084	PromptCat Shared Sys No Rec
MLE2088	PromptCat Data Rec Unit
MLE2094	PromptCat MARC Record
MLE2096	PromptCat Add'l Record Copy
MLE2676	GOVDOC Record Copy Charge

CATALOGING PRICING (INCLUDING CREDITS) INCLUDES THE FOLLOWING PRODUCT CODES:

PRODUCT CODE	PRODUCT DESCRIPTION
ONT2025	Bib Record Notification
ONT2030	Bib Record Notification >7000 Records
ONT2565	CAT Database Enrichment
ONT2570	PCC National Enhance Cr
ONT2571	Enhance Credit
ONT2572	CONSER Upgrade Credit
OTC1071	CAT Online Hldgs Deletion
SBC0961	Cat Searches over 12,000
TAP2650	GOVDOC Retrieve Selhold
TAP3808	Batch Sng OCLC-Der Delete
TAP3812	Batch Sng OCLC-derived
TAP3813	Batch Sng OCLC-Der Adds
TAP3814	Batch Grp OCLC-derived
TAP3818	Batch Grp OCLC-Der Delete
TAP3823	Batch Grp OCLC-Der Add
TAP3833	Batch Sng PCC
TAP3843	Batch SngPCC Upgd/Add
TAP3911	Batch Sng Non-OCLC
TAP3915	Batch Sng Non-OCLC Delete
TAP3921	Batch Evaluation
TAP3845	Batch Evaluation discounted
TAP3928	Batch Grp Non-OCLC Delete
TAP3931	Batch Grp Non-OCLC
TAP3933	Batch Grp Non-OCLC Add
TAP3971	Batch Sng Non-OCLCAdd
TAP 3981	Batch Sng Retro
TAP 3983	Batch Grp Retro
TAP 3986	Batch Sng Retro Add
TAP 3987	Batch Grp Retro Add
TOC3491	CAT Minimal Rec Upgrade
ZCT6042	Z39.50 Batchload OCLC - Der
ZCT6058	Z39.50 Cat Search/Export
ZCT6059	Z39.50 FTU Online
SBL0131	CAT WorldCat Search
SCN0044	CAT WorldCat Scan
ONT2500	CAT Online FTU
TAP3819	Batch Single Institution OCLC-Derived Non-Bill
TAP3839	Batch Group OCLC-Derived Non-Bill
TAP3919	Batch Single Institution Non-OCLC Non-Bill
TAP3939	Batch Group Non-OCLC Non-Bill
TAP3949	Batch Group Retro Non-Bill
TAP3989	Batch Single Institution Retro Non-Bill
WKB2178	WC Knowledge Base Set Holdings
WKB2179	WC Knowledge Base Delete Holdings
WKB6294	WC Knowledge Base Record Output

ACCESS PRICING INCLUDES THE FOLLOWING PRODUCT CODES:

PRODUCT CODE	PRODUCT DESCRIPTION
CON6082	Internet Hourly Connect Charge
FIX6600	Monthly bill
FIX6601	Quarterly bill
FIX6602	Semi-annual bill
FIX6603	Annual bill
FIX6590	Cat only monthly

Am-Tran / K&L Trucking  
 3975 Pacific Blvd.  
 San Mateo, CA 94403  
 CA 330419  
 DOT 2128508

April 14 2015

Donna Truong  
 Pacific Library Partnership  
 NorthNet Library System  
 2471 Flores Street  
 San Mateo, CA 94403

Re: Northnet Library System Courier Services/Mountain Valley - Am-Tran FY 15/16

Dear Donna:

The following is a statement of services to be confirmed and executed by Northnet Library System for dedicated courier services for the Mountain Valley Library System with Am-Tran. Upon completion of review by both parties the new statement of services and standard agreement will take effect on the first day of the new fiscal 2015 and be in effect for 24 months.

#### Statement of Services

##### 1. Northnet Library System Scheduled Delivery Pricing:

Monday's – Sacramento Public Library, Woodland Public Library, Yolo County Public Library, Dixon, Sacramento Public Library (4.5 hours, 67 miles) \$162.62

Tuesday's – Sacramento Public Library, Folsom Public Library, Sutter County Library, Colusa County Library, Woodland Public Library, Sacramento Public Library (6 hours, 166 miles) \$227.96

Wednesday's- Sacramento Public Library, El Dorado County Library, Folsom Public Library, Roseville Public Library, Lincoln Public Library, Sutter County Library, Woodland Public Library, Yolo County Library, Sacramento Public Library (7 hours, 180 miles) \$252.41

Thursday's Sacramento Public Library, Folsom Public Library, Sutter County Library, Colusa County Library, Woodland Public Library, Sacramento Public Library (6 hours, 166 miles) \$227.96

Friday's – Sacramento Public Library, California State Library, CSU Sacramento Library, Folsom Public Library, Placer County Library, Sutter County Library, Sacramento Public Library - (6 hours, 137 miles) \$217.45

Weekly total (5 days of service) \$1,088.40

It is understood that standard service & sorting duties can take or exceed 15 minutes at selected libraries.

2. Tracking: All shipments will have a tracking number. Tracking information will be captured electronically and will be made available to you at your request. Am-Tran dispatch and customer service is available 24 hours a day.

No fuel surcharge for the duration of this agreement

3. Service area: Sacramento Region for the facilities listed above
4. Delivery time: Daily times will be customized to meet current delivery structure approved by Northnet/Mountain Valley Library Systems
5. Driver qualification: All drivers will be screened by Am-Tran prior to handling any Northnet deliveries.
6. Uniforms: All drivers wear an Am-Tran uniform with clear identification at all times.
7. Back up: Back up drivers will be trained to handle overflow, vacations, etc.
8. Am-Tran (Hobbs Investments Inc.) will maintain insurance during the term of the Agreement including General, Automobile, Workers Compensation and Employers liability including bodily injury and property damage insurance for all procedural tasks and vehicles used in connection with the performance of the services Am-Tran (Hobbs Investments Inc.) provides. Am-Tran agrees to provide Northnet/Mountain Valley with an insurance certificate evidencing the existence of such insurance as provided on (attachment 1) listing NorthNet Library System as additional insured.
9. Am-Tran contact information: Am-Tran customer service is available 24 hours a day to handle service related matters. Questions related to pricing or this Statement of Services should be directed to:

Ted Heller  
3975 Pacific Blvd.  
San Mateo, CA 94403  
email: [ted@am-tran.com](mailto:ted@am-tran.com)  
(415) 572-4417

An alternate contact for all matters:

Unna Enriquez  
email: [unna@am-tran.com](mailto:unna@am-tran.com)  
(415) 286-8655

10. Payment Terms: Am-Tran sends out invoices on a weekly basis. Payment due within 30 days of receipt. Past due invoices are subject to a late charge equal to 1.5% of the outstanding past due balance.

Invoices will be sent to the following contact who will be responsible for processing:

Name: Donna Truong, CFO  
Address: 2471 Flores Street, San Mateo CA 94403  
Phone: 650-349-5538  
email: [truong@plsinfo.org](mailto:truong@plsinfo.org)

Questions regarding invoices should be sent to the following person:

Name: Unna Enriquez  
email: [unna@am-tran.com](mailto:unna@am-tran.com)  
Phone: 877-243-8733

Term of Agreement: This revised agreement between Am-Tran (Hobbs Investments Inc.) and NorthNet Library System shall be in effect from the commence date of the first fiscal day covering the fiscal year commencing July/2015 through June/2017 and all services will be continuous with a 15 day cancellation request by both parties in writing.

As we proceed and courier services are executed updates pertaining to service and procedures will be added and confirmed.

This Agreement and Statement of Services shall become effective only when approved and signed by authorized representatives of both parties.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Date: \_\_\_\_\_

By:  \_\_\_\_\_

Name: Ted Heller

Title: Business Development

Service Provider: Am-Tran

Date: 5/12/15

<b>MOUNTAIN VALLEY BUDGET</b>		<b>FY 15/16</b>	<b>FY 16/17</b>
3000	Fund Balance	10,480	12,145
3510	Interest Income	350	350
<b>GRAND TOTAL REVENUES</b>		<b>10,830</b>	<b>12,495</b>
4105	Pension Fund/PERS	10,830	12,495
<b>GRAND TOTAL EXPENDITURES</b>		<b>10,830</b>	<b>12,495</b>
	Fund balance as of 6/30/15	196,647	
	Amount spent FY 15/16	(10,998)	
	<b><u>Fund balance as of 6/30/16</u></b>	<b><u>185,649</u></b>	Estimated

## **MOUNTAIN-VALLEY LIBRARY SYSTEM BYLAWS**

### **NAME**

The name of the System shall be the Mountain-Valley Library System (MVLS).

### **PURPOSE**

The purpose of the System shall be to provide residents of each Member library jurisdiction or institution with the opportunity to obtain through their libraries needed materials and information services by facilitating access to the resources of other libraries in the System, and resources of all libraries in this State, pursuant to the California Library Services Act (California Education Code [hereafter referred to as "Educ. Code"], Sections. 18700 et. seq.) the California Library Services Act Regulations (Code of California Regulations, Title 5, Division A, Chapter 2) [hereafter referred to as "CLSA Regs."], and the Library of California Act (Educ. Code, Secs. 18870 et. seq.) and the annual priorities set by the Administrative Council.

### **MEMBERSHIP**

Those public libraries in the System area which meet conditions set forth by the CLSA Regs. Sec. 20105 et. seq. and all libraries which meet the conditions of Educ. Code, 18830 ("Regional Library Network Members"), and who qualify by action of their governing bodies shall be Members of the System and shall have representation on the Administrative Council.

### **FEES, DUES AND ASSESSMENTS**

The dues payable per fiscal year to the System by Members shall be in such amount as determined annually by resolution of Administrative Council. The fiscal year is defined as July 1 to June 30.

### **WITHDRAWAL OF MEMBERSHIP**

The Membership of a Member shall terminate upon the occurrence of any of the following events:

(a) Upon failure to pay dues on or before January 31 of the fiscal year for which the dues are assessed. Such termination is to be effective thirty (30) days after a written notification of delinquency is given personally or mailed to the chief officer of the jurisdiction or institution by the Chair of the System. A Member may avoid such termination by paying the amount of delinquent dues within a thirty (30)-day period following the Member's receipt of the written notification of delinquency.

(b) Upon receipt of a notice of termination from the chief officer of the jurisdiction or institution to the Chair of the System, provided that such notice is received between July 1 and September 1 of any year. In the event that a notice of termination is received, the termination shall take place effective July 1 of the succeeding year.

(c) Any member may change System membership pursuant to CLSA Regs. Sec. 20195. The governing body of the jurisdiction and the administrative body of the System it proposes to

joint shall file a joint notice of intent with the State Board. The notice shall be filed by September 1 of the year proceeding July 1 of the first full fiscal year for which state funds pursuant to the new membership are requested.

## **GOVERNING AUTHORITY**

### **Administrative Council**

#### **Roles and Responsibilities**

Pursuant to Educ. Code, Sec. 18747 (a) and CSLA Regs. Sec. 20135, it shall be the responsibility of the Administrative Council to: Generally administer MVLS; Adopt an annual Plan of Service; Adopt annual budget; Ensure that a report to the CLSA State Board regarding accomplishments and expenditures for the past year is issued; Adopt annual member fees, dues, and assessments; Adopt changes to the by-laws; Adopt System membership policies and approve new or remove members; Perform any and all duties imposed by law or by the bylaws.

Effective July 1, 2006, the MVLS Administrative Council will contract with the North Bay Cooperative Library System (NBC) to provide services as described in the MVLS CLSA Plan of Service, administrative services, and other services as needed under the direction of the MVLS Administrative Council. It is the responsibility of the MVLS Administrative Council to annually evaluate the administrative and other services performed by NBC.

#### **Composition and Voting**

Pursuant to Educ. Code, Sec. 18747 (a), and CSLA Regs., Sec. 20140, the Administrative Council shall be composed of the head librarian or delegate of each member jurisdiction or member institution in MVLS. A quorum shall consist of more than 25% of the members. Each member jurisdiction shall have one vote to be cast by its representative.

Only public library members shall vote on issues related to the California Library Services Act (CLSA). All members shall vote on issues that do not relate to CLSA, including annual fees, dues and assessments. Decisions shall be made by a majority vote of the members present at Administrative Council, except as provided herein.

#### **Meetings**

The Administrative Council shall meet a minimum of four (4) times per year. Special meetings may be called by the Chair or by petition of four Members of the Administrative Council.

#### **Executive Committee**

The Executive Committee shall consist of the Past Council Chair, Current Council Chair, Council Chair elect, other Standing Committee Liaisons, and a representative from the Sacramento Public Library. Executive Committee will meet prior to the Council meeting to review System programs and budgets for their fiscal and program impact; recommend Proposed and Final Budgets to the Council; recommend changes to the Bylaws; recommend annual administrative services issue and set the Agenda for Council Meetings. Each Committee member shall have one vote, and simple majority of those

present passes motions. The Council Chair, or a member of the Executive Committee appointed by the Council Chair, shall prepare a summary of Committee actions and recommendations for presentation to the Administrative Council at its next meeting.

The Council Chair shall preside at all meetings. The Vice- Chair shall preside in the absence of the Chair and the immediate past Chair shall preside in the absence of both the Chair and the Vice-Chair.

The last meeting of the fiscal year of the Administrative Council shall be the annual meeting at which officers (Chair and Chair-Elect) and Standing Committee Chairs shall be elected for the following year. The fiscal year is defined as July 1 to June 30. Officers may not serve consecutive terms, except as defined in these Bylaws. Officers shall assume their positions on July 1. In the event that the Council Chair can no longer serve, the Vice-Chair shall assume the position of Chair for the remainder of the term. In the event that the Vice- Chair can no longer serve, the Administrative Council shall elect a new Chair and Vice-Chair to serve out the remainder of the term. The Vice-Chair succeeds the Chair in July. Should the Past Chair be unable to serve out their term, the Past Chair shall assume the position of Past Chair on the Executive Committee.

Each year the final budget shall be adopted at the next Council Meeting following the adoption of the State Budget.

The Administrative Council and Executive Committee may meet via electronic means such as telephone conference call, videoconference, or online meeting as long as the meeting is announced and conducted in accordance with the Brown Act. Members of the public may attend any electronic meeting by requesting participation instructions from the System Administrator. The Council Chair and Administrative Coordinator shall develop the Executive Committee Agenda. The Administrative Council and Executive Committee agenda shall be developed by the Administrative Council Chair and the NBC Coordinator. The agendas and packets are to be distributed by the NBC Coordinator not less than seven days before a meeting. A copy of the Administrative Council agenda will be sent to the NBC Chair. Recording of the minutes is the responsibility of the NBC Coordinator or their representative. Minutes of each meeting are adopted and/or revised by motion at the next meeting.

### **SYSTEM STAFF**

There shall be no staff employed by MVLS. NBC shall staff and supervise the operation of the System, provide information, prepare reports, evaluate services and resources, make suggestions and provide general guidance to the Administrative Council in performing its policy making functions.

### **SYSTEM ADVISORY BOARD (SAB)**

#### **Roles and Responsibilities**

Pursuant to Educ. Code, Sec. 18747 (b) and Sec. 18749-18750, and CSLA Regs. Sec. 20145 it shall be the duties of the System Advisory Board to Assist Administrative Council in the

development of the System Plan of Service; Advise the Council on the need for services and programs; and Assist in the evaluation of System services.

### **Composition and Voting**

The governing body of each public library member appoints one member. Each member jurisdiction shall have one vote to be cast by its representative.

### **Meetings**

The System Advisory Board generally meets on the same day and location as the Council meeting. A report is to be given by the SAB Chair at the Council meeting. The SAB shall establish its own agenda, elect its own officers and record its own minutes. Minutes are to be distributed with the Council/SAB agenda packet

### **COMMITTEES**

The NBC Coordinator shall maintain the membership roster of all Committees.

#### **General (For all committees excepting Executive)**

The Administrative Council shall establish standing and special committees. Committees shall prepare recommendations and reports for consideration and action by the Administrative Council. The Administrative Council Chair shall appoint a liaison from Council to each Committee for a two (2) year term. The liaison shall be responsible for carrying the directives of the Administrative Council to the standing committee, seeing that the standing committee follows the MVLS by-laws and procedures, acting as a mentor to the committee in guiding its activities and decisions and interpreting System policies, and reporting and/or presenting the Committee recommendation(s) at each Administrative Council meeting. The liaison serves in an ex-officio capacity to the Committee.

The Chair of each standing committee shall be chosen by the committee members at the first meeting of each fiscal year. The Administrative Council shall approve committee chairs at its first meeting following such selection of a committee chair. Member library staff and SAB members are encouraged to serve as members on standing committees.

The Administrative Council and Executive Committee may meet via electronic means such as telephone conference call, videoconference, or online meeting as long as the meeting is announced and conducted in accordance with the Brown Act. Members of the public may attend any electronic meeting by requesting participation instructions from the System Administrator. The Council Chair and Administrative Coordinator shall develop the Executive Committee Agenda. The Administrative Council and Executive Committee agenda shall be developed by the Administrative Council Chair and the NBC Coordinator. The agendas and packets are to be distributed by the NBC Coordinator not less than seven days before a meeting. A copy of the Administrative Council agenda will be sent to the NBC Chair. Recording of the minutes is the responsibility of the NBC Coordinator or their representative. Minutes of each meeting are adopted and/or revised by motion at the next meeting.

## **STANDING COMMITTEES**

### **Children's Committee**

#### **Roles and Responsibilities**

The Children's Committee shall plan and carry out regional programming for children's activities, and appoint sub-committees to plan workshops and the Summer Reading Program.

#### **Composition and Voting**

Council members, SAB members and designated staff may serve on this committee. It is recommended that children's services staff of System member libraries be appointed. Each Committee member shall have one vote and a simple majority passes motions.

#### **Meetings**

The Children's Committee shall meet at least two times annually. The agenda shall be developed and sent out by the Chair. Minutes are recorded by an attending member and distributed by the Chair.

### **ILL Committee**

#### **Roles and Responsibilities**

The ILL Committee shall recommend ILL procedure and policy to the Administrative council, and evaluate effectiveness of ILL services among members.

#### **Composition and Voting**

Council members, SAB members and designated System member library staff may serve on this committee. It is recommended that ILL staff of System member libraries be appointed. Each Committee member shall have one vote and a simple majority passes motions.

#### **Meetings**

The ILL Committee shall meet at least once annually or as needed and shall report via its liaison to the Council. The agenda shall be developed by the Chair. The agenda and supporting documents shall be sent out by the Committee Chair. Minutes are to be recorded by an attending member and distributed by the Committee Chair.

### **Reference Committee**

#### **Roles and Responsibilities**

The Reference Committee shall review all aspects of the System reference program and provide input and recommendations regarding reference-related issues to the Administrative Council. This committee will also work closely with its Administrative Council liaison to evaluate current programs and services and to plan new programs and services.

A "Forum" subcommittee will assist in planning for reference workshops.

The Reference Committee will review and develop the Reference Plan of Service.

### **Composition and Voting**

Administrative Council members, SAB members and designated System member library staff are eligible for this committee. Each Committee member shall have one vote and motions are passed by a simple majority.

### **Meetings**

The Reference Committee shall meet—at least twice annually and reports—to Administrative Council via its liaison. The agenda shall be developed by the Chair and the Committee’s Administrative Council liaison. The agenda and supporting documents shall be sent out by the Committee Chair. Minutes are recorded by a Committee member and distributed by the Committee Chair.

### **PROCEDURAL MANUAL**

A *Procedural Manual* for MVLS shall be developed by the Administrative Council and maintained and promulgated by the NBC Coordinator. The purpose the *Manual* shall be to comply with CSLA Regs., .Sec. 20136 and to enact these by-laws. The *Procedural Manual* shall be reviewed by Administrative Council. MVLS BYLAWS 9/10/1999 rev 6/2/2006 Page 5

### **AMENDMENTS**

These bylaws may be amended at any regular meeting of the Administrative Council provided that the proposed amendments were on the agenda and discussed by the Executive Committee.

Approved by Administrative Council, January 24, 2008

To: Janet  
From: Genny

May 1990

## MVLS, A BRIEF HISTORY<sup>1</sup>

The Mountain-Valley Library System (MVLS) was established in March 1969 when the Mother Lode Library System<sup>2</sup> and the Sacramento City-County Library Systems merged and included the Sutter County Library and Marysville City Library. Mountain-Valley was created and funded under the guidelines of the Public Library Services Act.

As a part of the prior Mother Lode System, Auburn was designated as an "area" library and funds from the Library Services and Construction Act were sought and secured to develop it as a referral center for El Dorado and Placer County Libraries. In March, 1968, an application was made for a greater information network which would keep Auburn-Placer as an "area" library, and include Sacramento as a "research" library. The grant was made and the Mountain-Valley Information Center began in 1968. The Mother Lode teletype network was expanded to include Sacramento, Sutter County and Marysville, offices were opened in the Central Library in Sacramento, vans and drivers were secured, and headquarters staff was hired. The area library concept ended in 1980. Sacramento Central Library remains the resource library for the System.

Other jurisdictions that joined Mountain Valley between 1969 and 1972 included Woodland Public and Alpine, Yolo, Nevada and Yuba Counties. (Mono too?) In 1973/74 MVLS received an LSCA grant enabling UCD, CSUS, CRC, Sierra, Sacramento City College and Yuba College to join in the reference network.

Roseville Hospital joined in 1974, Dixon Public in 1979, Folsom Prison in 1982 and Lake Tahoe Community College in 1985.

Between 1976 and 1979 reciprocal borrowing agreements were developed for Tahoe area libraries via the "Cross the Line" and "Sierra Libraries Information Consortium" (SLIC).

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<sup>1</sup> Prepared by Mary L. Stephens with assistance from Judy Lane; a cursory overview, dates need to be double checked in MVLS Official Minutes; send me any corrections or omissions.

<sup>2</sup>Members included Auburn-Placer and El Dorado Counties and the Nevada County Demonstration Project plus the cities of Roseville and Lincoln.

Also, in 1976, a Tri-System agreement was signed whereby MVLS, North Bay and North State Cooperative Library Systems agreed to coordinate their services and to share materials with users throughout the Tri-System area. In January 1977 a Tri-System delivery service began with daily inter-ties among the three Systems. In 1980 that delivery service was expanded to include the 49-99 Library System and the Bay Area Library and Information System (BALIS). In 1982 Peninsula Library System was added. The name of the expanded delivery service was the Library Connection for Northern California and it ceased operation in late 1980.

Use of the teletype ceased around 1982 and was superseded by Forum and in 1988 by OPUS. The film circuit was in operation from 1970 to 1979.

The California Library Services Act (CLSA) was enacted in 1977, superseding the Public Library Services Act. The key features were ILL reimbursement for all libraries except for profit libraries and the establishment of System Advisory Boards.

In 1979 Joe Matthews completed a feasibility study for MVLS for a systemwide, automated circulation system. As a result Liz Gibson was hired to advise us regarding retrospective conversion options, and the MVLS Data Base Conversion Project began in 1982 using AGILE. Mark Parker developed a report on MVLS Data Base Options and the decision to use AGILE CD-ROM catalogs was made in 1984. The change to IMPACTS occurred in 1988 or 1989.

In addition to the Coordinator and Information Center Librarians, staff has included Children Consultants, a Media Librarian, a Resource Development Librarian and a Systems Level Systems Analyst. A list of Coordinators follows.

MVLS COORDINATORS	
Dale Perkins	8/65 (?) - 1971 (?)
Omar Bacon	5/71 - 4/72
Ursula Meyer	1972 - 1973/74 (?)
Sallie Gray	1974 - 9/75
Virginia Short	1975 - 1982
Mark Parker	7/83 - 2/89
Gerald Maginnity	8/89 -

## HISTORY

The Mountain-Valley Library System (MVLS) grew out of two previous library systems. The Mother Lode Library System, comprising El Dorado and Placer Counties and the Roseville Public Library, had been in operation since 1965. As a major resource library in the Mother Lode System, Auburn had been designated as an "area" library and funds from the Library Services and Construction Act were sought and secured to develop it as a referral center for El Dorado and Placer County Libraries. In March, 1968, another application was made for a larger information network which would keep Auburn-Placer as an "area" library, and include Sacramento, a single library system, as a "research" library. The grant was approved and implementation began in July, 1968. These two systems, plus the Sutter County Library and the Marysville City Library, applied to create the larger library system with funding from the Public Library Services Act, in a proposal to the California State Library in September, 1968. The application was approved and the Mountain-Valley Library System was formed in March, 1969.

Initially, The Mother Lode teletype network was expanded to include Sacramento, Sutter County and Marysville. This network ultimately was extended to nine libraries, until it was replaced by electronic mail to twenty libraries, in 1983. Offices were opened in the Central Library in Sacramento, where they remain today, vans and drivers were secured, and a headquarters staff was hired. The area library concept lasted until 1980, when System activities and staff were merged at the Sacramento Central Library, as the principal resource institution for the System.

The Mountain-Valley Library System, as it now exists, is a group of 13 city and county public libraries. Some are small independent communities, such as Lincoln, and some are larger units, such as Sacramento Public or Yolo County libraries. As affiliate members, there are also seven community college and two state university libraries. Lastly, there is one special library (Roseville Community Hospital) and one prison library (Folsom). In spite of their differences, they find that certain needs can be met by working together and sharing resources.

Over 1,400,000 people in an area of 11,145 square miles now have access via interlibrary loan or direct borrowing to more than five million volumes, from which they may obtain information or pleasure. There is a reciprocal borrowing agreement among all public library members, whereby a valid library card from one member library enables its patrons to borrow directly from any other library. The academic affiliate libraries may have more limitations on direct-loan policy, but they do lend virtually all circulating materials to whichever System library requests them, through interlibrary loan. Materials that can be checked out can be returned to any library outlet in the System, with the exception of films and recordings, which should be returned to the lending library.

One of the main functions of the System is to provide a framework so that any member library may effectively use the materials of the other System libraries. This concept was extended outside the system in 1976, when an agreement was signed to provide resource sharing between MVLS, North-Bay and North State Cooperative Systems. This intertie network has been developed

into a parcel delivery network among seven northern California Systems, ranging from Kern County in the South to the Oregon border.

MVLS is funded out of three sources: State funds (California Library Services Act). Federal funds (Library Services and Construction Act) and some local funds from member libraries.

System policy and budget matters are determined by its Administrative Council which consists of the head librarians of each member library. The System Advisory Board, a citizen's advisory group, assists the Council by helping to plan and evaluate System services and by advising the Council on service developments based on community library needs. The Council meets on the second Thursday of every other month, beginning with July of each fiscal year. The City of Sacramento acts as fiscal agent for the System.

At the present time, Mountain-Valley provides its members with the following services:

1. Information network, which includes the following:
  - Electronic mail and telephone
  - An information and research center for reference requests
  - A center for processing out-of-System interlibrary loans
  - Regular deliveries by van or United Parcel Service
  - Links between member library book circulation systems
2. Workshops and in-service training programs and library tours
3. Management of a database containing computerized records of most books held by System public and community college libraries
4. Management of voluntary 16mm film and video circuits
5. Consultant services for reference, automation and general library services.
6. Administration and coordination of System activities and services
7. Development of new programs and studies
8. Development of cooperation among all types of libraries

The various services provided through the Mountain-Valley Library System have the goal of helping the member libraries improve their services to every person in the area, through resource sharing. In some cases, this means services and/or materials which the library could not perform or obtain alone. In other cases, such as interlibrary loan and subject reference, it means speeding the flow of requests and answers to make fulfillment a reality.

CONTRACT TO CREATE AND ESTABLISH  
A CO-OPERATIVE LIBRARY SYSTEM

WHEREAS, El Dorado County, Placer County, the City of Auburn, the City of Lincoln, and the City of Roseville are desirous of establishing a co-operative library system to be known as the MOTHER LODE LIBRARY SYSTEM, under a Joint Powers Agreement, in order to qualify for a public grant under the provisions of Education Code Section 27111 et seq.,

NOW, THEREFORE, in consideration of the mutual promises herein expressed and duties and obligations herein provided for, it is mutually agreed as follows:

1. There is hereby created the MOTHER LODE LIBRARY SYSTEM hereinafter called "SYSTEM", which shall consist of the public library of the COUNTY OF PLACER, hereinafter called "PLACER", public library of EL DORADO COUNTY, hereinafter called "EL DORADO", public library of the CITY OF AUBURN, hereinafter called "AUBURN", public library of the CITY OF LINCOLN, hereinafter called "LINCOLN", and the public library of the CITY OF ROSEVILLE, hereinafter called "ROSEVILLE", each member to be called a "MEMBER LIBRARY". Nothing in this Joint Powers Agreement shall be in conflict with the SYSTEM'S Plan of Service which has been submitted by the MEMBER LIBRARIES and approved by the State Library.

2. All provisions hereinafter provided shall become operative only if SYSTEM qualifies for, and receives an establishment grant.

3. The SYSTEM shall be governed by an executive committee of the SYSTEM members consisting of the heads of each of the MEMBER LIBRARIES forming the SYSTEM. This committee shall:

- a. Adopt rules and regulations relating to the time and place of meetings and parliamentary procedures.
- b. Adopt rules and regulations governing the operation of the SYSTEM.
- c. Coordinate book selection policies.
- d. Adopt rules and regulations providing for equal access to all libraries forming the SYSTEM of residents of the areas served by the libraries forming the SYSTEM.
- e. Execute the Plan of Service to maintain SYSTEM eligibility for Public Library Services Act Funds.

4. Legal Structure. A cooperative library system shall be formed by agreement between the participating library governing bodies under the Joint Exercise of Powers Act. The agreement shall include, but not necessarily be limited to, the following provisions:

- a. Placer County shall act as fiscal agent on behalf of the SYSTEM and shall contract with the State of California for the receipt, disbursement and accounting of such funds as may be allocated by the State for SYSTEM use.
- b. An executive committee composed of the Chief Librarians of each participating library, meeting on a regularly scheduled basis, shall plan, direct, and, through the System Coordinator, administer the program as provided in the SYSTEM'S "Plan of Service". Copies of minutes from each meeting will be made available to each member library.
- c. Any public jurisdiction may join the Mother Lode Library System by agreeing to the System's "Plan of Service", provided State Funds for an establishment grant for the jurisdiction are available to the SYSTEM and the Jurisdiction qualifies for such a grant; or the Jurisdiction qualifies for such a grant; or the Jurisdiction pays into the System an amount equal to an establishment grant.

5. All grants hereinmentioned shall be expended only in augmentation, and not in lieu, of appropriations for operating expenditures for member libraries.

6. Any member library shall be entitled to withdraw from this agreement by Resolution of its governing body. Such withdrawal notice shall be served upon the SYSTEM not later than February 1 of each year. Withdrawal or non-participation by one or more member libraries shall not invalidate the agreement among the remaining participating libraries.

Signed and dated this 12 day of SEPTEMBER, 1967

By *Richard J. Mason*

Title MAYOR OF THE  
CITY OF LINCOLN  
PLACER COUNTY  
CALIFORNIA

To: California Library Services Board  
From: Mel Lightbody, Chair, NorthNet Library System (NLS)  
Re: Recommendations to California Library Services Board re 2016/17 proposed CLSA funding  
Date: March 24, 2016

We appreciate the opportunity to provide comments to the Board on the critical allocation of the proposed on-going and one-time funds for the California Library Services Act (CLSA).

### **Ongoing Funds - \$1.8 million**

We support the staff recommendation that the on-going \$1.8 million would be allocated to systems by the current allocation formulas created by the Board. These additional funds would support the critical essential functions of our systems – communications and delivery – and also support funds for the administration of the systems. In recent years, these funds have also been used to support costs for digital content (e-books and e-magazines) where the purchase of the resource was shared by three or more member libraries. We strongly recommend the following:

- Definition of e-resource sharing be expanded to include streaming content services (music and film) and other types of digital resources, databases, etc.
- Zip Books, a customer-centric alternative to inter-library loan <http://califa.org/wp-content/uploads/2013/10/Zip-Books-for-Rural-Libraries-FAQ.pdf> and other innovative services to modernize and streamline the inter-library loan process be eligible for funding within the communications and delivery program.

### **One-time Funds - \$3 million**

We believe that the \$3 million in one-time funding should be spent strategically in support of resource-sharing which is the hallmark of CLSA and in support of programs that will have a significant statewide impact. Both PLP and NLS have recently participated in strategic planning activities and have identified service priorities for the systems that could be initiated or strengthened with these funds. Below are some possible programs:

- Statewide E-resources - Although statewide aggregated e-resource purchasing has been challenging in the past due primarily to costs, these state funds could be leverage with federal and other funds to initiate a portfolio of e-resources that could be curated to be useful for public library and school collections. This statewide purchase could free up some local resources currently spent on these resources to be used for other material that was more tailored to the needs of the individual communities. This service is available in most other states. These resources could be supported with a combination of federal, state and local funds. Here is a good example of students in Massachusetts who can access e-resources from their G-mail accounts - <http://mbic.state.ma.us/grants/licenses/blog/category/gale/>.
- Support for Broadband Equipment - We appreciate the support of the Governor and the Legislature for public library connectivity to California's high speed research and education

network (CalREN) and funds for equipment to make that connection happen. A number of NorthNet member libraries are taking advantage of that opportunity. Yet the costs for equipment to connect to this network as well as local one-time costs to provide access to the network and to support the initial up-front cost of circuits before federal and state discounts are applied make this opportunity unattainable for libraries in rural and geographically isolated communities where libraries may be the only access point to the information superhighway. Building on your previous investment, we would encourage you to consider continuing that support as a possible use of some or all of these one-time funds.

- Statewide Virtual Library Card – Although there is much local pride and identity in unique community library cards, we have the opportunity to create some kind of virtual statewide library card that could provide access to e-resources that were made available by any public library in the state that participated in CLSA - the electronic version of the universal borrowing program. The virtual library card could be issued along with a driver's license or a statewide identification card – we could identify a convenient and fairly universal process that most residents use and determine how we could integrate the virtual card creation in to that process. This card could greatly enhance the use of public library resources and lead to further utilization of print resources as well.
- Student Success Cards – In order to better leverage the investments that public libraries are making in their digital and print resources, develop a state-wide initiative to ensure that every student in a public K – 12 classroom has convenient access to those resources. Several public libraries have initiated this service using the student ID to generate a virtual library card that provides online access for students to all public library e-resources. This program which also could include print resources would be enhanced by a statewide platform providing coordination through systems and county offices of education, educational materials for teachers and parents and possibly extended delivery by connecting existing public library delivery systems with public school delivery systems.
- Planning, Coordination and Evaluation of System-wide Services – This is an activity that is specifically outlined in CLSA (Sec. 18746). Participating libraries want to identify their customer base, target new audiences, and determine the effectiveness of programs and services both at a local and system level. There are a number of services that provide frameworks for this research and analysis (Analytics on Demand, Civic Technologies, Orange Boy). The development of a statewide platform to provide access and technical assistance for audience, program and service evaluation would be beneficial for all the state's libraries in order to provide more effective services. (PLP is using local funds to develop a system-level data analysis tool with Analytics on Demand which can be shared with other systems as a pilot for this analysis.)

There are many other important public library service priorities for the wide variety of audiences we serve – early literacy, special needs, adult literacy, GED and high school success, senior services. These services are critical yet the 2016/17 proposed funds have been allocated to the California Library Services Act in support of its primary mission – enhanced resource-sharing of all types of materials providing access to knowledge.

We also recommend the following:

- Make one-time funds available for the use of the nine CLSA cooperative library systems.
- Identify two - three key funding priorities.
- Request systems to prepare proposals to implement programs in support of those priorities.
- Establish a minimum level of funding that could be requested by each system.
- Provide incentives for systems to cooperate on projects.
- Require benchmarks/outcomes be established for all proposals.
- Allow a portion of the \$3 million to be used for administrative costs for these projects.

We would be glad to provide further information or respond to any questions. Please contact Mel Lightbody, NLS Chair, at 530-538-7240, [milightbody@buttecounty.net](mailto:milightbody@buttecounty.net) or Susan Hildreth, NLS Administrator, at 650-349-5538 or [hildreth@plsinfo.org](mailto:hildreth@plsinfo.org).

cc: Greg Lucas, State Librarian



**November 2015**

**MISCELLANEOUS PLAN OF THE MOUNTAIN-VALLEY LIBRARY SYSTEM  
 (CalPERS ID: 1035483646)  
 Annual Valuation Report as of June 30, 2014**

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2014 actuarial valuation report of your pension plan.

Because this plan is in a risk pool, the following valuation report has been separated into two Sections:

- Section 1 contains specific information for your plan, including the development of your pooled employer contributions and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to your plan, as of June 30, 2014.

Section 2 can be found on the CalPERS website at ([www.calpers.ca.gov](http://www.calpers.ca.gov)). From the home page go to "Forms & Publications" and select "View All". In the search box enter "Risk Pool Report" and from the results list download the Miscellaneous or Safety Risk Pool Actuarial Valuation Report as appropriate.

Your 2014 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your CalPERS staff actuary, whose signature appears in the Actuarial Certification Section on page 1, is available to discuss your report with you after November 30, 2015.

**Future Contribution Rates**

Fiscal Year	Employer Normal Cost Rate	+	Employer Payment of Unfunded Liability
2016-17	0.000%		\$12,955
2017-18 (projected)	0.0%		\$15,936

The exhibit above displays the Minimum Employer Contributions, before any cost sharing, for 2016-17 along with estimates of the contributions for 2017-18. The estimated contributions for 2017-18 are based on a projection of the most recent information we have available, including an estimated 2.4 percent investment return for fiscal 2014-15.

A projection of employer contributions beyond 2017-18 can be found in the Risk Analysis Section of this report, "Analysis of Future Investment Return Scenarios", under a variety of investment return scenarios. Please disregard any projections provided to you in the past. Member contributions, other than cost sharing (whether paid by the employer or the employee), are in addition to the above amounts. The employer contributions in this report do not reflect any cost sharing arrangements you may have with your employees.

The estimate for 2017-18 also assumes that there are no future contract amendments and no liability gains or losses (such as larger than expected pay increases, more retirements than expected, etc.) This is a very important assumption because these gains and losses do occur and can have a significant effect on your contributions. Even for the largest plans or pools, such gains and losses can impact the employer's contribution rate by one or two percent of payroll or even more in some less common circumstances. These gains and losses cannot be predicted in advance so the projected employer contributions are estimates. Your actual employer contributions for 2017-18 will be provided in next year's valuation report.

### **Changes since the Prior Year's Valuation**

This actuarial valuation includes Board adopted changes to the demographic assumptions based on the most recent experience report. The most significant of these is the improvement in post-retirement mortality acknowledging the greater life expectancies we are seeing in our membership and expected continued improvements. The actuarial assumptions and methods used in CalPERS public agency valuations are approved by the Board of Administration upon the recommendation of the Chief Actuary. The individual plan actuary whose signature appears in the actuarial certification in the accompanying report does not set plan specific actuarial assumptions.

Besides the above noted changes, there may also be changes specific to your plan such as contract amendments and funding changes.

Effective with the 2014 actuarial valuation Governmental Accounting Standards Board Statement No. 27 financial reporting information is no longer provided in CalPERS annual actuarial valuation reports. GASB 27 has been replaced with GASB 68 for financial statement reporting purposes. CalPERS is providing separate accounting valuation reports on a fee for service basis for our public agency employers. More details on GASB 68 and instructions for ordering your GASB 68 report are available on our website.

Further descriptions of general changes are included in the *"Highlights and Executive Summary"* section and in Appendix A, *"Statement of Actuarial Data, Methods and Assumptions"* of your Section 2 report. We understand that you might have a number of questions about these results. While we are very interested in discussing these results with your agency, in the interest of allowing us to give every public agency their result, we ask that, you wait until after November 30 to contact us with actuarial related questions.

### **Potential Changes to Future Year Valuations**

One of CalPERS strategic goals is to improve the long-term pension benefit sustainability of the system through an integrated view of pension assets and liabilities. The Board of Administration has been engaging in discussions on the funding risks faced by the system and possible risk mitigation strategies to better protect our members. Recent Board actions on a new asset allocation, new actuarial assumptions and new smoothing and amortization policies have already lowered risk. However, future contribution rate volatility is expected as CalPERS pension plans continue to mature.

At its November 2015 Board of Administration meeting CalPERS adopted a Funding Risk Mitigation Policy that addresses these risks in a balanced manner. The policy will result in a gradual shifting of the asset allocation in a way that will lower investment risk. This shift means accepting lower future expected returns and a lower actuarial discount rate. In time, the policy is expected to lower the level of risk borne by employers and, ultimately, by members. Additional information on the CalPERS new Funding Risk Mitigation policy can be found on our website.

If you have other questions, please call our customer contact center at (888) CalPERS or (888-**225-7377**).

Sincerely,

ALAN MILLIGAN  
Chief Actuary

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# **ACTUARIAL VALUATION**

as of June 30, 2014

**for the  
MISCELLANEOUS PLAN  
of the  
MOUNTAIN-VALLEY LIBRARY SYSTEM  
(CalPERS ID: 1035483646)**

**REQUIRED CONTRIBUTIONS  
FOR FISCAL YEAR  
July 1, 2016 - June 30, 2017**

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**SECTION 2 – RISK POOL ACTUARIAL VALUATION INFORMATION**

# Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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## **Plan Specific Information for the MISCELLANEOUS PLAN of the MOUNTAIN-VALLEY LIBRARY SYSTEM**

**(CalPERS ID: 1035483646)  
(Rate Plan: 1693)**

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## ACTUARIAL CERTIFICATION

Section 1 of this report is based on the member and financial data contained in our records as of June 30, 2014 which was provided by your agency and the benefit provisions under your contract with CalPERS. Section 2 of this report is based on the member and financial data as of June 30, 2014 provided by employers participating in the Miscellaneous Risk Pool to which your plan belongs and benefit provisions under the CalPERS contracts for those agencies.

As set forth in Section 2 of this report, the Pool Actuary has certified that, in their opinion, the valuation of the Risk Pool containing your MISCELLANEOUS PLAN has been performed in accordance with generally accepted actuarial principles consistent with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for the Risk Pool as of the date of this valuation and as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.

Having relied upon the information set forth in Section 2 of this report and based on the census and benefit provision information for your plan, it is my opinion as your Plan Actuary that the Side Fund and other Unfunded Accrued Liability bases as of June 30, 2014 and employer contribution as of July 1, 2016, have been properly and accurately determined in accordance with the principles and standards stated above.

The undersigned is an actuary for CalPERS, who is a member of both the American Academy of Actuaries and Society of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

MAY SHUANG YU, ASA, MAAA  
Senior Pension Actuary, CalPERS  
Plan Actuary

## **HIGHLIGHTS AND EXECUTIVE SUMMARY**

- **INTRODUCTION**
- **PURPOSE OF SECTION 1**
- **REQUIRED EMPLOYER CONTRIBUTION**
- **PLAN'S FUNDED STATUS**
- **PROJECTED CONTRIBUTIONS**

## Introduction

This report presents the results of the June 30, 2014 actuarial valuation of the MISCELLANEOUS PLAN of the MOUNTAIN-VALLEY LIBRARY SYSTEM of the California Public Employees' Retirement System (CalPERS). This actuarial valuation sets the Fiscal Year 2016-17 required employer contributions.

This actuarial valuation includes Board adopted changes to the demographic assumptions based on the most recent experience study report. The most significant of these is the improvement in post-retirement mortality acknowledging the greater life expectancies we are seeing in our membership and expected continued improvements. The actuarial assumptions and methods used in CalPERS public agency valuations are approved by the Board of Administration upon the recommendation of the Chief Actuary. The individual plan actuary whose signature appears in the actuarial certification in this report does not set plan specific actuarial assumptions.

Effective with the 2014 actuarial valuation, Governmental Accounting Standards Board Statement No. 27 financial reporting information is no longer provided in CalPERS annual actuarial valuation reports. GASB 27 has been replaced with GASB 68 for financial statement reporting purposes. CalPERS is providing separate accounting valuation reports on a fee for service basis for our public agency employers. More details on GASB 68 and instructions for ordering your GASB 68 report are available on our website.

## Purpose of Section 1

This section 1 report for the MISCELLANEOUS PLAN of the MOUNTAIN-VALLEY LIBRARY SYSTEM of the California Public Employees' Retirement System (CalPERS) was prepared by the Plan Actuary in order to:

- Set forth the assets and accrued liabilities of this plan as of June 30, 2014;
- Determine the required employer contribution for this plan for the Fiscal Year July 1, 2016 through June 30, 2017; and
- Provide actuarial information as of June 30, 2014 to the CalPERS Board of Administration and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to Governmental Accounting Standards Board (GASB) Statement Number 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available from CalPERS and details for ordering are available on our website.

The use of this report for any other purposes may be inappropriate. In particular, this report does not contain information applicable to alternative benefit costs. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

### California Actuarial Advisory Panel Recommendations

This report includes all the basic disclosure elements as described in the *Model Disclosure Elements for Actuarial Valuation Reports* recommended in 2011 by the California Actuarial Advisory Panel (CAAP), with the exception of including the original base amounts of the various components of the unfunded liability in the Schedule of Amortization Bases shown on page 8.

Additionally, this report includes the following "Enhanced Risk Disclosures" also recommended by the CAAP in the Model Disclosure Elements document:

- A "Deterministic Stress Test," projecting future results under different investment income scenarios
- A "Sensitivity Analysis," showing the impact on current valuation results using a 1 percent plus or minus change in the discount rate.

## Required Employer Contribution

<b>Actuarially Determined Employer Contributions:</b>	<b>Fiscal Year 2015-16<sup>1</sup></b>	<b>Fiscal Year 2016-17</b>
Employer Contributions (in Projected Dollars)		
Plan's Employer Normal Cost	\$ 0	\$ 0
Plan's Payment on Amortization Bases	10,830	12,955 <sup>2</sup>
Total Employer Contribution	\$ 10,830	\$ 12,955
Projected Payroll for the Contribution fiscal year	\$ 0	\$ 0
Required Employer Contributions (Percentage of Payroll)		
Pool's Base Employer Normal Cost	0.000%	0.000%
Surcharge for Class 1 Benefits <sup>3</sup>		
None	0.000%	0.000%
Phase out of Normal Cost Difference <sup>4</sup>	0.000%	0.000%
Pools Expected Employee Contribution for Formula	0.000%	0.000%
Plan's Total Normal Cost	0.000%	0.000%
Plan's Employee Contribution Rate	0.000%	0.000%
Employer Normal Cost Rate	0.000%	0.000%

<b>Required Employer Contribution for Fiscal Year 2016-17</b>		
<b>Employer Normal Cost Rate<sup>5</sup></b>		<b>0.000%</b>
<b>Plus Monthly Employer Dollar UAL Payment<sup>6</sup></b>	<b>\$</b>	<b>1,079.62</b>
<b>Annual Lump Sum Prepayment Option</b>	<b>\$</b>	<b>12,495</b>
<p><i>For Fiscal Year 2016-17 the total minimum required employer contribution is the <b>sum</b> of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) <b>plus</b> the Employer Unfunded Accrued Liability (UAL) Contribution Amount (in dollars). Whereas in prior years it was possible to prepay total employer contributions for the fiscal year, beginning with Fiscal Year 2015-16 and beyond, only the UAL portion of the employer contribution can be prepaid. Late payments will accrue interest at an annual rate of 10 percent.</i></p>		

Plan Normal Cost contributions will be made as part of the payroll reporting process. As a percentage of projected payroll your UAL contribution is N/A percent for a total Employer Contribution Rate of N/A percent.

- <sup>1</sup> The results shown for Fiscal Year 2015-16 reflect the prior year valuation and do not reflect any lump sum payment, side fund payoff or rate adjustment made after annual valuation report is completed.
- <sup>2</sup> The Plan's Payment on Amortization Bases reflects the sum of all UAL amortization bases including the Plan's Side Fund (where applicable).
- <sup>3</sup> Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.
- <sup>4</sup> Risk pooling was implemented for most plans as of June 30, 2003. The normal cost difference was scheduled to be phased out over a five year period. The phase out of normal cost difference is 100 percent for the first year of pooling, and is incrementally reduced by 20 percent of the original normal cost difference for each subsequent year.
- <sup>5</sup> The minimum employer contribution under PEPPA is the greater of the required employer contribution or the total employer normal cost.
- <sup>6</sup> The Plan's Payment on Amortization Bases Contribution amount for Fiscal Year 2016-17 will be billed as a level dollar amount monthly over the course of the year. Lump sum payments may be made through my|CalPERS. If you would like to prepay the entire Annual Payment toward your Plan's Unfunded Accrued Liability, you can submit the Annual Lump Sum Prepayment amount against the July Unfunded Accrued Liability receivable. The Annual Lump Sum Prepayment must be received in full on or before July 31. If there is contractual cost sharing or other change, this amount will change. § 20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due.

## Plan's Funded Status

		<b>June 30, 2013</b>		<b>June 30, 2014</b>
1. Present Value of Projected Benefits (PVB)	\$	870,617	\$	929,526
2. Entry Age Normal Accrued Liability		870,617		929,526
3. Plan's Market Value of Assets (MVA)		667,622		740,105
4. Unfunded Liability [(2) - (3)]		202,995		189,421
5. Funded Ratio [(3) / (2)]		76.7%		79.6%

## Projected Employer Contributions

The estimated rate for 2017-18 is based on a projection of the most recent information we have available, including an estimated 2.4 percent investment return for Fiscal Year 2014-15.

The table below shows projected employer contribution rates (before cost sharing) for the next five fiscal years, **assuming CalPERS earns 2.4% for Fiscal Year 2014-15 and 7.50 percent every fiscal year thereafter**, and assuming that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur between now and the beginning of the projection period.

	Required Contribution	Projected Future Employer Contribution Rates				
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Normal Cost %</b>	0.000%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>UAL \$</b>	\$12,955	\$15,936	\$18,917	\$21,897	\$22,459	\$23,314

## **ASSETS AND LIABILITIES**

- **DEVELOPMENT OF PLAN'S SHARE OF POOL'S EXPERIENCE/ASSUMPTION CHANGE**
- **DEVELOPMENT OF PLAN'S SHARE OF POOL'S MVA**
- **SCHEDULE OF PLAN'S SIDE FUND & OTHER AMORTIZATION BASES**
- **ALTERNATIVE AMORTIZATION SCHEDULES**
- **FUNDING HISTORY**

## Allocation of Plan's Share of Pool's Experience/Assumption Change

It is the policy of the CalPERS to ensure equity within the risk pools by allocating the pool's experience gains/losses and assumption changes in a manner that treats each employer fairly and that maintains benefit security for the members of the System while minimizing substantial variations in employer contributions. For purposes of allocating the pool's experience gains/losses and impact of assumption changes to all the individual plans within the pool, an individual plan's share is allocated as follows:

1.	Plan's Accrued Liability	\$	929,526
2.	Projected UAL balance at 6/30/14		212,001
3.	Pool's Accrued Liability	\$	13,137,020,035
4.	Sum of Pool's Individual Plan UAL Balances at 6/30/14		2,787,798,208
5.	Pool's 2013/14 Investment & Asset (Gain)/Loss		(915,890,797)
6.	Pool's 2013/14 Other (Gain)/Loss		1,024,915
7.	Plan's Share of Pool's Asset (Gain)/Loss $[(1)-(2)]/[(3)-(4)] * (5)$		(63,500)
8.	Plan's Share of Pool's Other (Gain)/Loss $[(1)]/[(3)] * (6)$		73
9.	Plan's New (Gain)/Loss as of 6/30/2014 $[(7)+(8)]$	\$	(63,427)
10.	Increase in Pool's Accrued Liability due to Change in Assumptions		577,299,719
11.	Plan's Share of Pool's Change in Assumptions $[(1)]/[(3)] * (10)$	\$	40,848

## Development of the Plan's Share of Pool's Market Value of Assets

1.	Plan's Accrued Liability	\$	929,526
2.	Plan's UAL	\$	189,421
3.	Plan's Share of Pool's MVA (1)-(2)	\$	<b>740,105</b>

## Schedule of Plan's Side Fund and Other Amortization Bases

There is a two-year lag between the Valuation Date and the Contribution Fiscal Year.

- The assets, liabilities and funded status of the plan are measured as of the valuation date; June 30, 2014.
- The employer contribution determined by the valuation is for the fiscal year beginning two years after the valuation date; Fiscal Year 2016-17.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and due to the need to provide public agencies with their employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the Payment on the UAL for the fiscal year and adjusting for interest.

Reason for Base	Date Established	Amortization Period	Balance 6/30/14	Payment 2014-15	Balance 6/30/15	Payment 2015-16	Amounts for Fiscal 2016-17	
							Balance 6/30/16	Scheduled Payment for 2016-17
SHARE OF PRE-2013 POOL UAL	06/30/13	23	\$97,331	\$8,544	\$95,772	\$8,410	\$94,235	\$8,410
ASSET (GAIN)/LOSS	06/30/13	29	\$111,515	\$0	\$119,879	\$2,353	\$126,430	\$4,705
NON-ASSET (GAIN)/LOSS	06/30/13	29	\$3,155	\$0	\$3,392	\$67	\$3,577	\$133
ASSET (GAIN)/LOSS	06/30/14	30	\$(63,500)	\$0	\$(68,262)	\$0	\$(73,382)	\$(1,440)
NON-ASSET (GAIN)/LOSS	06/30/14	30	\$73	\$0	\$78	\$0	\$84	\$2
ASSUMPTION CHANGE	06/30/14	20	\$40,848	\$0	\$43,911	\$0	\$47,204	\$1,145
<b>TOTAL</b>			<b>\$189,422</b>	<b>\$8,544</b>	<b>\$194,770</b>	<b>\$10,830</b>	<b>\$198,148</b>	<b>\$12,955</b>

Your plan's allocated share of the risk pool's pre-2013 UAL is based on your plan's accrued liability and is amortized over the average amortization period of the combined existing amortization bases prior to June 30, 2013. The payment for Fiscal Year 2014-15 was allocated based on your plan's payroll.

The (gain)/loss bases are your plan's allocated share of the risk pool's gain/loss for the fiscal year as disclosed on the previous page. These (gain)/loss bases will be amortized according to Board policy over 30 years with a 5-year ramp-up.

## Alternate Amortization Schedules

The amortization schedule shown on the previous page shows the minimum contributions required according to CalPERS amortization policy. There has been considerable interest from many agencies in paying off these unfunded accrued liabilities sooner and the possible savings in doing so. As a result, we have provided alternate amortization schedules to help analyze your current amortization schedule and illustrate the advantages of accelerating unfunded liability payments towards your plan's unfunded liability of \$198,148 as of June 30, 2016, which will require total payments of \$410,120.

Shown below are the level payments required to amortize your plan's unfunded liability assuming a fresh start over the various periods noted.

Period	Level Payment			
	2016-17 Payment	Total Payments	Total Interest	Savings
20	\$18,747	\$374,931	\$176,782	\$35,189
15	\$21,650	\$324,757	\$126,609	\$85,362

Current CalPERS Board policy calls for lump sum contributions in excess of the required employer contribution shall first be used to eliminate the side fund, if applicable, and then the plan's share of the pool's unfunded accrued liability.

Please contact your plan actuary before making such a payment to ensure that the payment is applied correctly.

## Funding History

The Funding History below shows the actuarial accrued liability, the plan's share of the pool's market value of assets, plan's share of the pool's unfunded liability, funded ratio and the annual covered payroll.

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Plan's Share of Pool's Unfunded Liability	Funded Ratio	Annual Covered Payroll
06/30/2011	\$ 828,560	\$ 669,930	\$ 158,630	80.9%	\$ 0
06/30/2012	859,372	637,854	221,518	74.2%	0
06/30/2013	870,617	667,622	202,995	76.7%	0
06/30/2014	929,526	740,105	189,421	79.6%	0

## **RISK ANALYSIS**

- **VOLATILITY RATIOS**
- **ANALYSIS OF FUTURE INVESTMENT RETURN SCENARIOS**
- **ANALYSIS OF DISCOUNT RATE SENSITIVITY**
- **HYPOTHETICAL TERMINATION LIABILITY**

## Volatility Ratios

The actuarial calculations supplied in this communication are based on a number of assumptions about very long-term demographic and economic behavior. Unless these assumptions (terminations, deaths, disabilities, retirements, salary growth, and investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise the employer's rates from one year to the next. Therefore, the rates will inevitably fluctuate, especially due to the ups and downs of investment returns.

### Asset Volatility Ratio (AVR)

Plans that have higher asset to payroll ratios produce more volatile employer rates due to investment return. For example, a plan with an asset to payroll ratio of 8 may experience twice the contribution volatility due to investment return volatility, than a plan with an asset to payroll ratio of 4. Below we have shown your asset volatility ratio, a measure of the plan's current rate volatility. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as the plan matures.

### Liability Volatility Ratio (LVR)

Plans that have higher liability to payroll ratios produce more volatile employer rates due to investment return and changes in liability. For example, a plan with a liability to payroll ratio of 8 is expected to have twice the contribution volatility of a plan with a liability to payroll ratio of 4. The liability volatility ratio is also included in the table below. It should be noted that this ratio indicates a longer-term potential for contribution volatility and the asset volatility ratio, described above, will tend to move closer to this ratio as the plan matures.

<b>Rate Volatility</b>	<b>As of June 30, 2014</b>	
1. Market Value of Assets	\$	740,105
2. Payroll		0
3. Asset Volatility Ratio (AVR = 1. / 2.)		N/A
4. Accrued Liability	\$	929,526
5. Liability Volatility Ratio (LVR = 4. / 2.)		N/A

## Analysis of Future Investment Return Scenarios

The investment return for Fiscal Year 2014-15 was announced July 14, 2015. The investment return in Fiscal Year 2014-15 is 2.4 percent before administrative expenses. For purposes of projecting future employer rates, we are assuming a 2.4 percent investment return for Fiscal Year 2014-15.

The investment return realized during a fiscal year first affects the contribution for the fiscal year two years later. Specifically, the investment return for 2014-15 will first be reflected in the June 30, 2015 actuarial valuation that will be used to set the 2017-18 employer contribution rates, the 2015-16 investment return will first be reflected in the June 30, 2016 actuarial valuation that will be used to set the 2018-19 employer contribution rates and so forth.

As part of this report, a sensitivity analysis was performed to determine the effects of various investment returns during fiscal years 2015-16, 2016-17 and 2017-18 on the 2018-19, 2019-20 and 2020-21 employer contributions. Once again, the projected contributions assume that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur.

Five different investment return scenarios were selected.

- The first scenario is what one would expect if the markets were to give us a 5<sup>th</sup> percentile return from July 1, 2015 through June 30, 2018. The 5<sup>th</sup> percentile return corresponds to a -3.8 percent return for each of the 2015-16, 2016-17 and 2017-18 fiscal years.
- The second scenario is what one would expect if the markets were to give us a 25<sup>th</sup> percentile return from July 1, 2015 through June 30, 2018. The 25<sup>th</sup> percentile return corresponds to a 2.8 percent return for each of the 2015-16, 2016-17 and 2017-18 fiscal years.
- The third scenario assumed the return for 2015-16, 2016-17, 2017-18 would be our assumed 7.5 percent investment return which represents about a 49<sup>th</sup> percentile event.
- The fourth scenario is what one would expect if the markets were to give us a 75<sup>th</sup> percentile return from July 1, 2015 through June 30, 2018. The 75<sup>th</sup> percentile return corresponds to a 12.0 percent return for each of the 2015-16, 2016-17 and 2017-18 fiscal years.
- Finally, the last scenario is what one would expect if the markets were to give us a 95<sup>th</sup> percentile return from July 1, 2015 through June 30, 2018. The 95<sup>th</sup> percentile return corresponds to a 18.9 percent return for each of the 2015-16, 2016-17 and 2017-18 fiscal years.

The table below shows the estimated projected contributions and the estimated increases for your plan under the five different scenarios.

2015-18 Investment Return Scenario	Estimated Employer UAL Contribution			Estimated Total Change in Employer UAL Contribution between 2017-18 and 2020-21
	2018-19	2019-20	2020-21	
(3.8%) (5th percentile)	\$20,852	\$27,623	\$33,754	\$17,818
2.8% (25th percentile)	\$19,722	\$24,332	\$27,369	\$11,433
7.5%	\$18,917	\$21,897	\$22,459	\$6,523
12.0%(75th percentile)	\$18,146	\$19,495	\$17,464	\$1,528
18.9%(95th percentile)	\$16,964	\$15,677	\$0	\$(15,936)

In addition to the UAL Contribution amounts shown above the estimated employer normal cost of 0.0 percent of payroll will also be payable in each of the fiscal years shown above. The projected plan normal cost is expected to remain relatively stable over this time period.

## Analysis of Discount Rate Sensitivity

The following analysis looks at the 2016-17 total normal cost rates and liabilities under two different discount rate scenarios. Shown below are the total normal cost rates assuming discount rates that are 1 percent lower and 1 percent higher than the current valuation discount rate. This analysis gives an indication of the potential plan impacts if the PERF were to realize investment returns of 6.50 percent or 8.50 percent over the long-term.

This type of analysis gives the reader a sense of the long-term risk to the contribution rates.

<b>Sensitivity Analysis</b>			
<b>As of June 30, 2014</b>	<b>6.50% Discount Rate (-1%)</b>	<b>7.50% Discount Rate (assumed rate)</b>	<b>8.50% Discount Rate (+1%)</b>
Plan's Total Normal Cost	0.0%	0.0%	0.0%
Accrued Liability	\$1,020,984	\$929,526	\$850,718
Unfunded Accrued Liability	\$280,879	\$189,421	\$110,613

## Hypothetical Termination Liability

The hypothetical termination liability is an estimate of the financial position of your plan if you had terminated your contract with CalPERS as of June 30, 2014. Your plan liability on a termination basis is calculated differently compared to the plan's ongoing funding liability. For this hypothetical termination liability calculation both compensation and service are frozen as of the valuation date and no future pay increases or service accruals are included.

For the Terminated Agency Pool the CalPERS Board adopted a more conservative investment policy and asset allocation strategy. Since the Terminated Agency Pool has limited funding sources due to the fact that no future employer contributions will be made, expected benefit payments are secured by risk-free assets. With this change, CalPERS increased benefit security for members while limiting its funding risk. However, this asset allocation has a lower expected rate of return than the PERF. Consequently, the lower discount rate for the Terminated Agency pool results in higher liabilities for terminated plans.

The effective termination discount rate will depend on actual market rates of return for risk-free securities on the date of termination. As market discount rates are variable the table below shows a range for the hypothetical termination liability based on the lowest and highest bond yields observed during the period from July 1, 2013 through June 30, 2015.

<b>Valuation Date</b>	<b>Market Value of Assets (MVA)</b>	<b>Hypothetical Termination Liability<sup>1,2</sup> @ 2.00%</b>	<b>Unfunded Termination Liability @ 2.00%</b>	<b>Hypothetical Termination Liability<sup>1,2</sup> @ 3.75%</b>	<b>Unfunded Termination Liability @ 3.75%</b>
06/30/14	\$ 740,105	\$ 1,696,824	\$ 956,719	\$ 1,416,033	\$ 675,928

<sup>1</sup> The hypothetical liabilities calculated above include a 7 percent mortality contingency load in accordance with Board policy. Other actuarial assumptions, such as wage and inflation assumptions, can be found in Appendix A.

<sup>2</sup> The current discount rate assumption used for termination valuations is a weighted average of the 10-year and 30-year U.S. Treasury yields where the weights are based on matching asset and liability durations as of the termination date. The discount rates used in the table are based on 20-year Treasury bonds, rounded to the nearest quarter percentage point, which is a good proxy for most plans. The 20-year Treasury yield was 3.00% on June 30, 2014 and 2.90% on June 30, 2015.

In order to terminate your plan, you must first contact our Retirement Services Contract Unit to initiate a Resolution of Intent to Terminate. The completed Resolution will allow your plan actuary to give you a preliminary termination valuation with a more up-to-date estimate of your plan liabilities. CalPERS strongly advises you to consult with your plan actuary before beginning this process.

## Participant Data

The table below shows a summary of your plan's member data upon which this valuation is based:

	<b>June 30, 2013</b>	<b>June 30, 2014</b>
Projected Payroll for Contribution Purposes	\$ 0	\$ 0
Number of Members		
Active	0	0
Transferred	1	1
Separated	0	0
Retired	5	5

## List of Class 1 Benefit Provisions

- None

## **PLAN'S MAJOR BENEFIT OPTIONS**

**SECTION 1 – PLAN SPECIFIC INFORMATION FOR THE MISCELLANEOUS PLAN OF THE MOUNTAIN-VALLEY LIBRARY SYSTEM**

**Plan’s Major Benefit Options**

Shown below is a summary of the major optional benefits for which your agency has contracted. A description of principal standard and optional plan provisions is in Appendix B within Section 2 of this report.

Benefit Provision	Contract package	
	Inactive Misc	Receiving Misc
Benefit Formula	2.0% @ 60	
Social Security Coverage	Yes	
Full/Modified	Modified	
Employee Contribution Rate		
Final Average Compensation Period	Three Year	
Sick Leave Credit	Yes	
Non-Industrial Disability	Standard	
Industrial Disability	No	
Pre-Retirement Death Benefits		
Optional Settlement 2W	Yes	
1959 Survivor Benefit Level	No	
Special	No	
Alternate (firefighters)	No	No
Post-Retirement Death Benefits		
Lump Sum	\$500	\$500
Survivor Allowance (PRSA)	No	No
COLA	2%	2%

# Section 2

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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**Section 2 may be found on the CalPERS website  
([www.calpers.ca.gov](http://www.calpers.ca.gov)) in the Forms and  
Publications section**