MOUNTAIN VALLEY LIBRARY SYSTEM

Administrative Council

Conference Number: 1-888-205-5513
Participant Code: 759890

Monday, May 11, 2015
11AM

	1.	Welcome and Roll Call	George, Chair	
	2.	Public invited to address the committee		
ACTION	3.	Approval of the Agenda	George	
	4.	Volunteer for minute taking	George	
ACTION	5.	Consent Calendar	George	
		A. Minutes from March 27, 2015		Attachment 1
ACTION	6.	Approve the OCLC Contract for FY 15-16	George	Attachment 2
ACTION	7.	Approve the Am-Tran Delivery Contract	George	Attachment 3
ACTION	8.	Approve the FY 15-16 MVLS Budget	George	Attachment 4
	9.	CalPers Contract and Local County Counsel	George	Attachment 5
	10.	Review of MVLS History and Members	George	Attachment 6
ACTION	11.	Nomination/Election of FY 15-16 Officers	George	
	12.	Adjourn	George	

Attachment 1

MINUTES
MOUNTAIN-VALLEY LIBRARY SYSTEM - ADMINISTRATIVE COUNCIL

In Person Meeting

March 27, 2015

Meeting called to order at 3:05 PM

1. Welcome and Roll Call

Meeting was called to order at 3:05 PM by Chair, Mary George

Members present: Mary George (Placer), Jeanne Amos (El Dorado), Laura Pappani (Nevada), James Ochsner (Sutter), Rita Lovell (Alpine), Patty Wong (Yolo), Rivkah Sass (Sacramento).

2. Public invited to address the Council.

No members of the public were present.

3. Approval of Agenda

The NLS contract was added to the agenda under New Business. M/Pappani, S/Amos. Approved unanimously.

4. Plan for minute taking

Jeanne Amos offered to take minutes for the meeting.

5. Consent Calendar:

A. Minutes from January 27, 2015. M/Wong, S/Sass. Approved unanimously.

6. CalPERS Contract and Local County Counsel

A. Legislation is currently being proposed to authorize local agencies to renegotiate PERS contracts.

B. Placer County Counsel is analyzing the contract and may provide recommendations.

C. MVLS may consider working on paying down payout obligation over time.

7. New Business – NLS Contract

MVLS members discussed the need for more transparent administration, strong leadership and frequent communication from a new contract with NorthNet.

Meeting Adjourned – 4 PM

via e-mail: mgeorge@placer.ca.gov

OCLC
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

April 20, 2015

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

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 ____ day of ________ 2015.

Mountain Valley Library System

By: ______________________
Mary George, Director of Library Services

OCLC Group Services Pricing

Mountain Valley Library System (MVLS)

March 30, 2015

6565 Kilgour Place
Dublin, OH 43017-2295 USA
Michael Ahern
T +1- 877-309-8627
F +1-614-718-7213
ahernm@oclc.org
www.oclc.org

		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
TOTAL GROUP SERVICES	**$**	**71,502**

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.

Participating Libraries					
Mountain Valley Library System (MVLS)		July 1, 2015- June 30, 2016	July 1, 2015- June 30, 2016	July 1, 2015- June 30, 2016	July 1, 2015- June 30, 2016
Inst Sym	**Inst Name**	**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
JQC	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 EncLvl3
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 Sethold
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

Attachment 3

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

April 14 2015

Donna ~~Trung~~ 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) $165.78

   Tuesday's – Sacramento Public Library, Folsom Public Library, Sutter County Library, Colusa County Library, Woodland Public Library, Sacramento Public Library (6 hours, 166 miles) $232.39

   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) $257.31

   Thursday's Sacramento Public Library , Folsom Public Library, Sutter County Library, Colusa County Library, Woodland Public Library, Sacramento Public Library (6 hours, 166 miles) $232.89

   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) $221.67

   Weekly total (5 days of service) $1110.04

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
   (415) 572-4417

   An alternate contact for all matters:

   Unna Enriquez
   email: 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

Questions regarding invoices should be sent to the following person:
Name: Unna Enriquez
email: 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: ______________________	***By:*** ______________________
Name: ____________________	***Name:*** ____________________
Title: _____________________	***Title:*** _____________________
Company: _________________	***Service Provider: Am-Tran***
Date: _________	***Date:*** _______

NorthNet Sacramento Region (Mountain Valley) Delivery Cost FY 15/16

Am-Tran

Quote 4/14/15

	Cost	Days/Wk	Cost/Wk	Annual FY 15/16	Last Year
CA State Library	0.0000	0			
Colusa	44.4016	2	$88.80	$4,617.77	$4,396.08
CSU - Sacramento	44.4016	0	$0.00	$0.00	
Dixon	44.4016	0	$0.00	$0.00	
El Dorado	44.4016	1	$44.40	$2,308.88	$2,198.04
Folsom	44.4016	4	$177.61	$9,235.53	$8,792.16
Lincoln	44.4016	1	$44.40	$2,308.88	$2,198.04
Placer	44.4016	1	$44.40	$2,308.88	$2,198.04
Roseville	44.4016	1	$44.40	$2,308.88	$2,198.04
Sacramento	44.4016	5	$222.01	$11,544.42	$10,990.20
Sutter	44.4016	4	$177.61	$9,235.53	$8,792.16
Woodland	44.4016	4	$177.61	$9,235.53	$8,792.16
Yolo	44.4016	2	$88.80	$4,617.77	$4,396.08
Total Route Cost	532.8192	25	$1,110.04	$57,722.08	$54,951.00

MOUNTAIN VALLEY BUDGET

		FY 14/15	FY 15/16
3000	Fund Balance	6,650	10,480
3674	Reimbursement-retires		
3510	Interest Income	350	350
GRAND TOTAL REVENUES		**7,000**	**10,830**
4105	Pension Fund/PERS	7,000	10,830
GRAND TOTAL EXPENDITURES		**7,000**	**10,830**

Fund balance as of 6/30/14	204,678	
Amount spent FY 14/15	(10,000)	
Fund balance as of 6/30/15	**194,678**	Estimated

NorthNet
Library System
Connecting Northern California Libraries

2471 Flores Street, San Mateo, CA 94403
650-349-5538 Fax: 650-349-5089

www.northnetlibs.org

To: Mountain Valley Library System Administrative Council

From: Jane Light, Peninsula Library System

Subject: Information from Conference Call with CalPERS staff about options regarding the MVLS contract for employee pension benefits

Date: November 30, 2014

I have been doing some research to learn more about the CalPERS contracts and liabilities of the three legacy Systems, MVLS, NBCLS, and NSCLS. I have been looking for information about the contracts, the consequences of non-payment of the required annual contribution, and the option of terminating the contract including the impact of that action on former employees' pensions.

I participated in a phone call with a team of eight CalPERS staff from Collections, Actuary, and Fiscal Services and now have a specific person to contact for additional questions or informational requests.

The purpose of this memo is to inform the Board about what I have learned and share information about the current status of the MVLS CalPERS contract.

Required Annual Contribution:
MVLS' required employer contribution for FY15/16 will be $10,830. In FY13/14 it was $5998 and it was $8544 in FY14/15. As in past years, the MVLS fund balance will be used to budget for this expense.

Annual Actuarial Report:
This useful report is prepared annually and posted on the CalPERS website in October or November. It includes information about the required contribution for the following fiscal year. The recently published one is for FY 2012/13 with the required contribution for FY2015/2016. A copy of the report will be attached to the email that transmits this memo to you.

On June 30, 2014, MVLS had a funded ratio of 76.7% and an unfunded liability of $202,995. The unfunded liability in the event of contract termination is calculated differently and shown below.

Collections Process for Nonpayment:
Three attempts are made via letter (online through MyCalPERS) to collect past due amounts. After that, Legal Department (working with Actuary Department) will try to work out a resolution, including filing a lawsuit.

Ultimately, if payment is not made and the Agency has defaulted on its CalPERS contract it is terminated through the legal process and payments to current and future retirees are cut as indicated below.

Contract Termination at Request of Member Agency:
This process takes at least a year and can be cancelled during that time if the member agency requests.

Member agency adopts a Resolution of Intent to Terminate (language supplied by CalPERS Contracts unit).

Contracts unit has Actuary unit run two options to determine the valuation of the member account (how many $$ in account and how $$ required to terminate the account with enough funding to meet all future obligations to employees). One option (Frozen) is to freeze employee compensation for pension purposes and the second (Unfrozen) option is to assume final compensation for employees who may qualify for reciprocity where final compensation for MVLS portion of retirement is figured at the highest compensation with any CalPERS employer.

The member agency chooses which option it wants, then Contracts unit sends a report to the CalPERS Board for approval. The actuarial valuation must be fully paid for at the time of termination for employees to receive full pension amounts.

If the member agency cannot pay the full termination actuarial liability within 30 days of termination, it goes back to Collections unit and goes through the same collections to legal action to reduction in pensions process as default through nonpayment.

How much would pensions be reduced in case of default/termination?
At this point that can only be estimated. Each year the CalPERS annual report about MVLS' actuarial status, including estimated termination valuation, and posts it on its webpage.

The current report shows a hypothetical unfunded termination liability as of June 30, 2013 of $657,655(the difference between the member agency's market value of assets and its terminal liability). The funded ratio if terminated was 50.4% at that time.

If the unfunded liability were not paid at termination or if MVLS were to default on its contract by not paying the required employer contribution, the decrease in pension payments for current and future retirees would be proportional to asset to liability ratio and would be approximately a 49.6% reduction.

Why is the Termination Liability so much greater than the unfunded liability?
The assumed annual rate of return (essentially the earnings on the account) for terminated contracts is considerably lower than the 7.5% used for other accounts. It is set at the US Treasury 30 Year Securities rate, which was 3.72% on June 30 2013. This is to ensure that the terminated contract has risk free assets to meet the agency's pension obligations.

Option to continue paying annual contribution:
MVLS has the option of continuing to pay the annual required contribution as set by CalPERS and requesting periodic actuary reports as circumstances change, such as the number of employees eligible to receive a pension or the Market Value of Assets.

California Public Employees' Retirement System
Actuarial Office
P.O. Box 942709
Sacramento, CA 94229-2709
TTY: (916) 795-3240
(888) 225-7377 phone – (916) 795-2744 fax
www.calpers.ca.gov

October 2014

MISCELLANEOUS PLAN OF THE MOUNTAIN-VALLEY LIBRARY SYSTEM
(CalPERS ID: 1035483646)
Annual Valuation Report as of June 30, 2013

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2013 actuarial valuation report of your pension plan. Because this plan is in a risk pool and the CalPERS Board approved structural changes to risk pooling on May 21, 2014 you will notice some changes between your last actuarial report and this one. An overview of the changes to pooling is provided below and we urge you to carefully review the information provided in this report.

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, 2013.

Section 2 can be found on the CalPERS website at (www.calpers.ca.gov) then select in order "Employers", "Actuarial, Risk Pooling & GASB 27 Information", "Risk Pooling", "Risk Pool Annual Valuation Reports", then select the appropriate pool report.

Your 2013 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 October 31, 2014.

Future Contribution Rates

Fiscal Year	Employer Normal Cost Rate	+	Employer Payment of Unfunded Liability
2015-16	0.000%		$ 10,830
2016-17 (projected)	N/A		$ N/A

The exhibit above displays the Minimum Employer Contributions, before any cost sharing, for 2015-16 along with estimates of the contributions for 2016-17. The estimated contributions for 2016-17 are based on a projection of the most recent information we have available, including an estimated 18.0 percent investment return for fiscal 2013-14, the impact of the new amortization methods adopted by the CalPERS Board in April 2013 that will impact employer rates for the first time in 2015-16 and new actuarial assumptions adopted by the CalPERS Board in February 2014 that will impact rates for the first time in 2016-17. These new demographic assumptions include a 20-year projected improvement in mortality.

A projection of employer contributions beyond 2016-17 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 2016-17 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 2016-17 will be provided in next year's valuation report.

Changes since the Prior Year's Valuation

On April 17, 2013, the CalPERS Board of Administration approved a recommendation to change the CalPERS amortization and rate smoothing policies. Beginning with the June 30, 2013 valuations that set the 2015-16 rates, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The impact of this new actuarial methodology is reflected in the *"Analysis of Future Investment Return Scenarios"* subsection of the *"Risk Analysis"* section of your report.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. In addition to creating new retirement formulas for newly hired members PEPRA also effectively closed all existing active risk pools to new employees. As such it is no longer appropriate to assume that the payroll of the risk pools for the classic formulas will continue to grow at 3 percent annually. Funding the promised pension benefits as a percentage of payroll would lead to the underfunding of the plans. In addition the current allocation of the existing unfunded liabilities based on payroll would create equity issues for employers within the risk pools. Furthermore the declining payroll of the classic formula risk pools will lead to unacceptable levels of employer rate volatility.

In order to address these issues the CalPERS Board of Administration approved at their May 21, 2014 meeting structural changes to the risk pools. All pooled plans will be combined into two active pools, one for all miscellaneous groups and one for all safety groups, effective with the 2013 valuations. By combining the pools this way the payroll of the risk pools and the employers within the pools can once again be expected to increase at the assumed 3 percent annual growth. However two important changes are being made which will affect employers.

1. Beginning with FY 2015-16 CalPERS will collect employer contributions toward your unfunded liability and side fund as dollar amounts instead of the prior method of a contribution rate. This change will address the funding issue that would still arise from the declining population of classic formula members. Although employers will be invoiced at the beginning of the fiscal year for their unfunded liability and side fund

payments the plan's normal cost contribution will continue to be collected as a percentage of payroll.

2. The pool's unfunded liability will be allocated to each individual plan based on the plan's total liability rather than by plan individual payroll. This will allow employers to track their own unfunded liability and pay it down faster if they choose. The change in the allocation of unfunded liabilities will result in some employers paying more towards their unfunded liability and some paying less.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. The impact of the PEPRA changes are included in the rates and the benefit provision listings of the June 30, 2013 valuation for the 2015-16 rates. For more information on PEPRA, please refer to the CalPERS website.

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of returns. The adopted asset allocation is expected to have a long-term blended return that continues to support a discount rate assumption of 7.5 percent. The Board also approved several changes to the demographic assumptions that more closely align with actual experience. The most significant of these is mortality improvement to acknowledge the greater life expectancies we are seeing in our membership and expected continued improvements. The new actuarial assumptions will be used to set the FY 2016-17 contribution rates for public agency employers. The increase in liability due to new actuarial assumptions will be calculated in the 2014 actuarial valuation and will be amortized over a 20-year period with a 5-year ramp-up/ramp-down in accordance with Board policy.

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

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 October 31 to contact us with actuarial related questions.

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

Sincerely,

Alan Milligan

ALAN MILLIGAN
Chief Actuary

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Attachment 5

ACTUARIAL VALUATION

as of June 30, 2013

for the
MISCELLANEOUS PLAN
of the
MOUNTAIN-VALLEY LIBRARY SYSTEM

(CalPERS ID: 1035483646)

REQUIRED CONTRIBUTIONS
FOR FISCAL YEAR
July 1, 2015 - June 30, 2016

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Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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, 2013 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, 2013 provided by employers participating in the SAFETY 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, 2013 and employer contribution rate as of July 1, 2015, 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

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HIGHLIGHTS AND EXECUTIVE SUMMARY

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

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Attachment 5

Introduction

This report presents the results of the June 30, 2013 actuarial valuation of the MISCELLANEOUS PLAN of the MOUNTAIN-VALLEY LIBRARY SYSTEM of the California Public Employees' Retirement System (CalPERS). This actuarial valuation was used to set the 2015-16 required employer contribution rates.

On April 17, 2013, the CalPERS Board of Administration approved a recommendation to change the CalPERS amortization and rate smoothing policies. Beginning with the June 30, 2013 valuations that set the 2015-16 rates, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The impact of this new actuarial methodology is reflected in the *"Analysis of Future Investment Return Scenarios"* subsection of the *"Risk Analysis"* section of your report.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. In addition to creating new retirement formulas for newly hired members PEPRA also effectively closed all existing active risk pools to new employees. As such it is no longer appropriate to assume that the payroll of the risk pools for the classic formulas will continue to grow at 3 percent annually. Funding the promised pension benefits as a percentage of payroll would lead to the underfunding of the plans. In addition the current allocation of the existing unfunded liabilities based on payroll would create equity issues for employers within the risk pools. Furthermore the declining payroll of the classic formula risk pools will lead to unacceptable levels of employer rate volatility.

In order to address these issues the CalPERS Board of Administration approved at their May 21, 2014 meeting structural changes to the risk pools. All pooled plans will be combined into two active pools, one for all miscellaneous groups and one for all safety groups, effective with the 2013 valuations. By combining the pools this way the payroll of the risk pools and the employers within the pools can once again be expected to increase at the assumed 3 percent annual growth. However two important changes are being made which will affect employers.

1. Beginning with FY 2015-16 CalPERS will collect employer contributions toward your unfunded liability and side fund as dollar amounts instead of the prior method of a contribution rate. This change will address the funding issue that would still arise from the declining population of classic formula members. Although employers will be invoiced at the beginning of the fiscal year for their unfunded liability and side fund payments the plan's normal cost contribution will continue to be collected as a percentage of payroll.
2. The pool's unfunded liability will be allocated to each individual plan based on the plan's total liability rather than by the plan's individual payroll. This will allow employers to track their own unfunded liability and pay it down faster if they choose. The change in the allocation of unfunded liabilities will result in some employers paying more towards their unfunded liability and some paying less.

The impact of most of the PEPRA changes will first show up in the rates and the benefit provision listings of the June 30, 2013 valuation that sets the contribution rates for the 2015-16 fiscal year. For more detailed information on changes due to PEPRA, please refer to the CalPERS website.

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of returns (see Appendix). The adopted asset allocation is expected to have a long- term blended return that continues to support a discount rate assumption of 7.5 percent. The Board also approved several changes to the demographic assumptions that more closely align with actual experience. The most significant of these is mortality improvement to acknowledge the greater life expectancies we are seeing in our membership and expected continued improvements. The new actuarial assumptions will be used to set the FY 2016-17 contribution rates for public agency employers. The increase in liability due to new actuarial assumptions will be calculated in the 2014 actuarial valuation and will be amortized over a 20-year period with a 5-year ramp-up/ramp-down in accordance with Board policy.

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, 2013;
- Determine the required employer contribution for this plan for the fiscal year July 1, 2015 through June 30, 2016;
- Provide actuarial information as of June 30, 2013 to the CalPERS Board of Administration and other interested parties; and
- Provide pension information as of June 30, 2013 to be used in financial reports subject to Governmental Accounting Standards Board (GASB) Statement Number 27 for a Cost Sharing Multiple Employer Defined Benefit Pension Plan.

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 12.

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.

Attachment 5

Required Employer Contribution

Actuarially Determined Employer Contributions:		**Fiscal Year 2014-15**[1]		**Fiscal Year 2015-16**
Employer Contributions (in Projected Dollars)				
Plan's Employer Normal Cost	$	0	$	0
Plan's Payment on Amortization Bases		8,544		10,830[2]
Surcharge for Class 1 Benefits[3]				
None		0		0
Phase out of Normal Cost Difference[4]		0		0
Amortization of Side Fund		0		0
Total Employer Contribution	$	8,544	$	10,830
Projected Payroll for the Contribution Fiscal Year	$	0	$	0
Required Employer Contributions (Percentage of Payroll)				
Plan's Net Employer Normal Cost		0.000%		0.000%
Plan's Payment on Amortization Bases		0.000%		0.000%[2]
Surcharge for Class 1 Benefits[3]				
None		0.000%		0.000%
Phase out of Normal Cost Difference[4]		0.000%		0.000%
Amortization of Side Fund		0.000%		0.000%
Total Employer Contribution Rate		0.000%		0.000%

Required Employer Contribution for FY 2015-16		
Employer Contribution Rate[5]		**0.000%**
***Plus* Monthly Employer Dollar UAL Payment**[6]	**$**	**903**
Annual Lump Sum Prepayment Option	**$**	**10,445**

*For FY 2015-16 the total minimum required employer contribution is the **sum** of the Plan's Employer Contribution Rate (expressed as a percentage of payroll) **plus** 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 FY 2015-16 and beyond, only the UAL portion of the employer contribution can be prepaid.*

[1] The results shown for FY 2014-15 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.

[2] For FY 2015-16 the Plan's Payment on Amortization Bases reflects the sum of all UAL amortization bases including the Plan's Side Fund (where applicable).

[3] Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

[4] 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.

[5] The minimum employer contribution under PEPRA is the greater of the required employer contribution or the total employer normal cost.

[6] The Plan's Payment on Amortization Bases Contribution amount for FY 2015-16 will be billed as a level dollar amount monthly over the course of the year. Late payments will accrue interest at an annual rate of 7.5 percent. Lump sum payments may be made through my|CalPERS. Plan Normal Cost contributions will be made as part of the payroll reporting process. As a percentage of payroll your UAL contribution is 0.000 percent.

Plan's Funded Status

	June 30, 2012	June 30, 2013
1. Present Value of Projected Benefits (PVB)	$ 859,372	$ 870,617
2. Entry Age Normal Accrued Liability	859,372	870,617
3. Plan's Market Value of Assets (MVA)	637,854	667,622
4. Unfunded Liability [(2) - (3)]	221,518	202,995
5. Funded Ratio [(3) / (2)]	74.2%	76.7%

Projected Contributions

The contribution rate and amount shown below is an estimate for the employer contribution for fiscal year 2016-17. The estimated contribution is based on a projection of the most recent information we have available, including an estimate of the investment return for fiscal year 2013-14, namely 18.0 percent. It also reflects implementation of the direct rate smoothing method and the impact of new actuarial assumptions.

Projected Employer Contribution Rate:	N/A
Projected Plan UAL Contribution	$ N/A

The estimate also assumes that there are no liability gains or losses among the plans in your risk pool, that your plan has no new amendments in the next year, and that your plan's and your risk pool's payrolls both increase exactly 3.0 percent in the 2013-14 fiscal year. Therefore, the projected employer contribution for 2016-17 is strictly an estimate. Your actual rate for 2016-17 will be provided in next year's valuation report. A more detailed analysis of your projected employer contributions over the next five years can be found in the "Risk Analysis" section of this report.

ASSETS AND LIABILITIES

- **DEVELOPMENT OF PLAN'S SHARE OF POOL'S UAL**
- **DEVELOPMENT OF PLAN'S SHARE OF POOL'S MVA**
- **SCHEDULE OF PLAN'S SIDE FUND & OTHER AMORTIZATION BASES**
- **ALTERNATIVE AMORTIZATION SCHEDULES**
- **FUNDING HISTORY**
- **PLAN'S TOTAL NORMAL COST RATE**

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Development of the Plan's Share of Pool's Unfunded Accrued Liability

It is the policy of the CalPERS to ensure equity within the risk pools by allocating the pool's unfunded accrued liability 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. Commencing with the June 30, 2013 actuarial valuations and for purposes of allocating the pool's unfunded accrued liability to all the individual plans within the pool, an individual plan's total unfunded accrued liability (Preliminary Plan UAL) on a specific valuation date will be set equal to the sum of the outstanding unamortized balances on the valuation date for the following:

a) Side Fund
b) Plan's share of Pool UAL due to benefit changes (including golden handshakes) provided to the members of that plan
c) Plan's share of the Pool UAL created before the valuation date for reasons other than benefit changes

1.	Plan's Accrued Liability	$	870,617
2.	Plan's Side Fund		0
3.	Increase in Plan's AL for amendments in FY 2012-13		0
4.	Pool's Accrued Liability	$	852,436,337
5.	Sum of Pool's Individual Plan Side Funds		(4,579,822)
6.	Increase in Pool's AL for amendments in FY 2012-13		0
7.	Pre-2013 Pool's UAL	$	94,820,185
8.	Plan's Share of Pre-2013 Pool's UAL [(1)-(2)-(3)]/[(4)–(5)-(6)] * (7)	$	**96,325**
9.	Pool's 2013 Investment & Asset (Gain)/Loss		102,114,148
10.	Pool's 2013 Other (Gain)/Loss		2,873,489
11.	Plan's Share of Pool's Asset (Gain)/Loss [(1)-(2)-(3)]/[(4)–(5)-(6)] * (9)		103,735
12.	Plan's Share of Pool's Other (Gain)/Loss [(1)]/[(4)] * (10)		2,935
13.	Plan's UAL as of 6/30/2013 [(2)+(8)+(11)+(12)]	$	**202,995**

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

1.	Plan's Accrued Liability	$	870,617
2.	Plan's UAL	$	202,995
3.	Plan's Share of Pool's MVA (1)-(2)	$	**667,622**

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, 2013.
- The employer contribution determined by the valuation is for the fiscal year beginning two years after the valuation date; fiscal year 2015-16.

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 Liability 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 Unfunded Liability is rolled forward each year by subtracting the expected Payment on the Unfunded Liability for the fiscal year and adjusting for interest. The Expected Payment on the Unfunded Liability for a fiscal year is equal to the Expected Employer Contribution for the fiscal year minus the Expected Normal Cost for the year. The Employer Contribution Rate for the first fiscal year is determined by the actuarial valuation two years ago and the rate for the second year is from the actuarial valuation one year ago. The Normal Cost Rate for each of the two fiscal years is assumed to be the same as the rate determined by the current valuation. All expected dollar amounts, with the exception of the Side Fund base, are determined by multiplying the rate by the expected payroll for the applicable fiscal year, based on payroll as of the valuation date.

							Amounts for Fiscal 2015-16		
Reason for Base	**Date Established**	**Amorti-zation Period**	**Balance 6/30/13**	**Expected Payment 2013-14**	**Balance 6/30/14**	**Expected Payment 2014-15**	**Balance 6/30/15**	**Scheduled Payment for 2015-16**	**Payment as Percentage of Payroll**
SIDE FUND	06/30/13	0	$0	$0	$0	$0	$0	$0	0.000%
SHARE OF PRE-2013 POOL UAL	06/30/13	24	$96,325	$5,998	$97,331	$8,544	$95,772	$8,410	0.000%
ASSET (GAIN)/LOSS	06/30/13	30	$103,735	$0	$111,515	$0	$119,879	$2,353	0.000%
NON-ASSET (GAIN)/LOSS	06/30/13	30	$2,935	$0	$3,155	$0	$3,392	$67	0.000%
TOTAL			**$202,995**	**$5,998**	**$212,001**	**$8,544**	**$219,043**	**$10,830**	**0.000%**

Commencing with the June 30, 2013 actuarial valuations, the side fund will be treated as a liability as opposed to an asset. Prior to June 30, 2013, a positive side fund conveyed that a public agency had a surplus when risk pooling began June 30, 2003. Conversely, a negative side fund signified that a public agency had an unfunded liability that required elimination through an amortization payment schedule. After June 30, 2013 a positive side fund will signify that an agency has an unfunded liability while a negative side fund will indicate a surplus asset. The amortization schedule will remain unchanged, with the exception that a plan with a negative side fund may have its amortization period extended at the discretion of the plan actuary.

Your plan's allocated share of the risk's pool's unfunded accrued liability 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 payments on this base for Fiscal Year 2013-14 and 2014-15 are allocated by your plan's payroll.

The (gain)/loss base is your plan's allocated share of the risk pool's asset gain/loss for the Fiscal Year 2012-13, the change in unfunded accrued liability due to direct rate smoothing and your plan's allocated share of the risk pool's other liability gains and losses for fiscal year 2012-13. This base will be amortized according to Board policy over 30 years with a 5-year ramp-up.

Attachment 5

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 $219,043 as of June 30, 2015, which will require total payments of $516,347.

Shown below are the level rate payments required to amortize your plan's unfunded liability assuming a fresh start over the various periods noted. Note that the payments under each scenario would increase by 3 percent for each year into the future.

Level Rate

Period	2015-16 Payment	Total Payments	Total Interest	Savings
25	$ 18,953	$ 473,825	$ 254,782	$ 42,522
20	$ 20,723	$ 414,460	$ 195,417	$ 101,887

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

Plan's Total Normal Cost Rate

The Public Employees' Pension Reform Act of 2013 requires that new employees pay at least 50 percent of the total annual normal cost and that current employees approach the same goal through collective bargaining. Please refer to the CalPERS website for more details.

Shown below are the total annual normal cost rates for your plan.

	Fiscal Year 2014-15	Fiscal Year 2015-16
Plan's Net Total Normal Cost Rate	0.000%	0.000%
Surcharge for Class 1 Benefits		
None	0.000%	0.000%
Plan's Total Normal Cost Rate	0.000%	0.000%

RISK ANALYSIS

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

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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.

Rate Volatility		**As of June 30, 2013**
1. Market Value of Assets	$	667,622
2. Payroll		0
3. Asset Volatility Ratio (AVR = 1. / 2.)		0
4. Accrued Liability	$	870,617
5. Liability Volatility Ratio (LVR = 4. / 2.)		0

Projected Employer Contributions

The estimated rate for 2016-17 is based on a projection of the most recent information we have available, including an estimated 18.0 percent investment return for fiscal 2013-14, the impact of the new smoothing methods adopted by the CalPERS Board in April 2013 that will impact employer rates for the first time in 2015-16 and new actuarial assumptions adopted by the CalPERS Board in February 2014. These new demographic assumptions include a 20-year projected improvement in mortality. A complete listing of the new demographic assumptions to be implemented with the June 30, 2014 annual actuarial valuation and incorporated in the projected rates for FY 2016-17 and beyond can be found on the CalPERS website at: http://www.calpers.ca.gov/eip-docs/about/pubs/employer/actuarial-assumptions.xls

The table below shows projected employer contribution rates (before cost sharing) for the next five Fiscal Years, ***assuming CalPERS earns 18.0% for fiscal year 2013-14 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 fiscal year 2016-17.

	New Rate	Projected Future Employer Contribution Rates				
	2015-16	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**
Normal Cost %:	N/A	N/A	N/A	N/A	N/A	N/A
UAL $	N/A	N/A	N/A	N/A	N/A	N/A

Analysis of Future Investment Return Scenarios

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of returns. The adopted asset allocation is expected to have a long- term blended return that continues to support a discount rate assumption of 7.5 percent. The newly adopted asset allocation has a lower expected investment volatility that will result in better risk characteristics than an equivalent margin for adverse deviation. The current asset allocation has an expected standard deviation of 12.45 percent while the newly adopted asset allocation has a lower expected standard deviation of 11.76 percent.

The investment return for fiscal year 2013-14 was announced July 14, 2014. The investment return in fiscal year 2013-14 is 18.42 percent before administrative expenses. This year, there will be no adjustment for real estate and private equities. For purposes of projecting future employer rates, we are assuming a 18.0 percent investment return for fiscal year 2013-14.

The investment return realized during a fiscal year first affects the contribution rate for the fiscal year 2 years later. Specifically, the investment return for 2013-14 will first be reflected in the June 30, 2014 actuarial valuation that will be used to set the 2016-17 employer contribution rates, the 2014-15 investment return will first be reflected in the June 30, 2015 actuarial valuation that will be used to set the 2017-18 employer contribution rates and so forth.

Based on a 18.0 percent investment return for fiscal year 2013-14, the April 17, 2013 CalPERS Board-approved amortization and rate smoothing method change, the February 18, 2014 new demographic assumptions including 20-year mortality improvement using Scale BB 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 fiscal year 2016-17, the effect on the 2016-17 Employer Rate is as follows:

	Estimated 2016-17 Employer Contribution	Estimated Increase in Employer Contribution between 2015-16 and 2016-17
Normal Cost %:	N/A	N/A
UAL $	$ N/A	$ N/A

As part of this report, a sensitivity analysis was performed to determine the effects of various investment returns during fiscal years 2014-15, 2015-16 and 2016-17 on the 2017-18, 2018-19 and 2019-20 employer rates. Once again, the projected rate increases 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 5th percentile return from July 1, 2014 through June 30, 2017. The 5th percentile return corresponds to a -3.8 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.
- The second scenario is what one would expect if the markets were to give us a 25th percentile return from July 1, 2014 through June 30, 2017. The 25th percentile return corresponds to a 2.8 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.
- The third scenario assumed the return for 2014-15, 2015-16, 2016-17 would be our assumed 7.5 percent investment return which represents about a 49th percentile event.
- The fourth scenario is what one would expect if the markets were to give us a 75th percentile return from July 1, 2014 through June 30, 2017. The 75th percentile return corresponds to a 12.0 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.
- Finally, the last scenario is what one would expect if the markets were to give us a 95th percentile return from July 1, 2014 through June 30, 2017. The 95th percentile return corresponds to a 18.9 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.

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

2014-17 Investment Return Scenario	**Estimated Employer UAL Contribution**			**Estimated Total Change in Employer UAL Contribution between 2016-17 and 2019-20**
	2017-18	**2018-19**	**2019-20**	
-3.8% (5th percentile)	N/A	N/A	N/A	N/A
2.8% (25th percentile)	N/A	N/A	N/A	N/A
7.5%	N/A	N/A	N/A	N/A
12.0%(75th percentile)	N/A	N/A	N/A	N/A
18.9%(95th percentile)	N/A	N/A	N/A	N/A

In addition to the UAL Contribution amounts shown above the estimated employer normal cost of N/A 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 2015-16 employer contributions under two different discount rate scenarios. Shown below are the employer contributions 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 required employer contribution rates 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 employer contributions.

2015-16 Employer Contribution			
As of June 30, 2013	**6.50% Discount Rate (-1%)**	**7.50% Discount Rate (assumed rate)**	**8.50% Discount Rate (+1%)**
Plan's Employer Normal Cost	0.0%	0.0%	0.0%
Accrued Liability	$ 952,524	$ 870,617	$ 799,674
Unfunded Accrued Liability	$ 284,902	$ 202,995	$ 132,052

Hypothetical Termination Liability

Below is an estimate of the financial position of your plan if you had terminated your contract with CalPERS as of June 30, 2013 using the discount rates shown below. Your plan liability on a termination basis is calculated differently compared to the plan's ongoing funding liability. For this hypothetical termination liability both compensation and service is frozen as of the valuation date and no future pay increases or service accruals are included. In December 2012, the CalPERS Board adopted a more conservative investment policy and asset allocation strategy for the Terminated Agency Pool. Since the Terminated Agency Pool has limited funding sources, expected benefit payments are secured by risk-free assets. With this change, CalPERS increased benefit security for members while limiting its funding risk. 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.

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 advises you to consult with your plan actuary before beginning this process.

Valuation Date	Hypothetical Termination Liability[1]	Market Value of Assets (MVA)	Unfunded Termination Liability	Termination Funded Ratio	Termination Liability Discount Rate[2]
06/30/2011	$ 1,146,488	$ 669,930	$ 476,558	58.4%	$ 4.82%
06/30/2012	1,445,162	637,854	807,308	44.1%	2.98%
06/30/2013	1,325,277	667,622	657,655	50.4%	3.72%

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

[2] The discount rate assumption used for termination valuations is a weighted average of the 10 and 30-year US Treasury yields in effect on the valuation date that equal the duration of the pension liabilities. For purposes of this hypothetical termination liability estimate, the discount rate used, is the yield on the 30-year US Treasury Separate Trading of Registered Interest and Principal of Securities (STRIPS). Note that as of June 30, 2014 the 30-year STRIPS rate is 3.55 percent.

Participant Data

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

	June 30, 2012	June 30, 2013
Projected Payroll for Contribution Purposes	$ 0	$ 0
Number of Members		
Active	0	0
Transferred	2	1
Separated	0	0
Retired	4	5

List of Class 1 Benefit Provisions

- None

Information for Compliance with GASB Statement No. 27 for Cost-Sharing Multiple-Employer Defined Benefit Plan

Disclosure under GASB 27 follows. However, note that effective for financial statements for fiscal years beginning after June 15, 2014, GASB 68 replaces GASB 27. Disclosure required under GASB 68 will require additional reporting. CalPERS is intending to provide GASB 68 disclosure information upon request for an additional fee. We urge you to start discussions with your auditors on how to implement GASB 68.

Your plan is part of the Miscellaneous Risk Pool, a cost-sharing multiple-employer defined benefit plan. Under GASB 27, an employer should recognize annual pension expenditures/expense equal to its contractually required contributions to the plan. Pension liabilities and assets result from the difference between contributions required and contributions made. The contractually required contribution for the period July 1, 2015 to June 30, 2016 has been determined by an actuarial valuation of the plan as of June 30, 2013. Your unadjusted contribution for the indicated period is a normal cost contribution of 0.000 percent of payroll and an unfunded accrued liability dollar amount of $10,830. In order to calculate the dollar value of the contractually required contributions for inclusion in financial statements prepared as of June 30, 2016, this normal cost contribution rate, less any employee cost sharing, and as modified by any subsequent financing changes or contract amendments for the year, would be multiplied by the payroll of covered employees that was actually paid during the period July 1, 2015 to June 30, 2016 combined with the UAL amount of $10,830. However, if this contribution is fully prepaid in a lump sum, then the dollar value of contractually required contributions is equal to the lump sum prepayment. The employer and the employer's auditor are responsible for determining the contractually required contributions. Further, the required contributions in dollars and the percentage of that amount contributed for the current year and each of the two preceding years is to be disclosed under GASB 27.

A summary of principal assumptions and methods used to determine the contractually required contributions is shown below for the cost-sharing multiple-employer defined benefit plan.

Valuation Date	June 30, 2013
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Asset Valuation Method	Market Value
Actuarial Assumptions	
Discount Rate	7.50% (net of administrative expenses)
Projected Salary Increases	3.30% to 14.20% depending on Age, Service, and type of employment
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%.

Complete information on assumptions and methods is provided in Appendix A of the Section 2 report. Appendix B of the Section 2 report contains a description of benefits included in the Risk Pool Actuarial Valuation.

A Schedule of Funding for the Risk Pool's actuarial value of assets, accrued liability, their relationship, and the relationship of the unfunded liability (UL) to payroll for the risk pool(s) to which your plan belongs can be found in Section 2 of the report.

PLAN'S MAJOR BENEFIT OPTIONS

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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.

	Contract package		
Benefit Provision	Receiving	Active Misc	
Benefit Formula		2.0% @ 60	
Social Security Coverage		yes	
Full/Modified		modified	
Final Average Compensation Period		36 mos.	
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	
Post-Retirement Death Benefits			
Lump Sum	$500	$500	
Survivor Allowance (PRSA)	no	no	
COLA	2%	2%	

Section 2

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Section 2 may be found on the CalPERS website (www.calpers.ca.gov) then selecting:

- **Employers**
- **Actuarial & GASB 27 Information**
- **Risk Pooling**
- **Risk Pool Annual Valuation Report**

To: Janet
From: Gerry

May 1990

MVLS, A BRIEF HISTORY[1]

The Mountain-Valley Library System (MVLS) was established in March 1969 when the Mother Lode Library System[2] 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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[1] 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.

[2] 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.

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 join 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 meet~~s~~ 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

he 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~~s~~ 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 report~~s~~ 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.

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