

AGENDA

NSCLS COUNCIL OF LIBRARIANS

Thursday, March 13, 2014

Adobe Virtual Meeting

3:00 PM – 4:00 PM

Please join me in an Adobe Connect Meeting.

Meeting Name: NSCLS

To join the meeting:

<http://infopeople.adobeconnect.com/nscls/>

Conference Number(s):

US: 1-888-450-5996

Audio Conference Details:

Participant Code: 618376

If you have never attended an Adobe Connect meeting before:

Test your connection: https://infopeople.adobeconnect.com/common/help/en/support/meeting_test.htm

1. Enter your name.

2. Click "Enter Room"

Agenda

1. Call to order: Michael Perry, Chair.
2. Roll Call.
3. Public invited to address the Council.
4. Approval of Agenda (ACTION REQUIRED).
5. **Approval of June 11, 2013 meeting minutes (ACTION REQUIRED).**
6. **Information about withdrawing from CalPERS Health Insurance contract effective 1/1/2015.**
7. **Status of NSCLS CalPERS contract for Employee Pension Benefits.**
8. Adjournment.

Bold indicates document included

Support materials for agenda available for review at NSCLS Headquarters Office and Website

<http://northnetlibs.org/about-nls/nscls/nscls-meetings/>

*Ralph M. Brown Act
Section 54953*

Meetings to be public; attendance by phone

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public.

A reminder for all Steering Committee members: All votes must be by roll call. If a member is not in a location that provides access to the public the member may not participate or vote. For questions or more information contact Jane Light at 650-533-0548.

Meeting Locations

Butte County Library, 1820 Mitchell Avenue, Oroville, CA 95966
Del Norte County Library District, 190 Price Mall, Crescent City, CA 95531
Humboldt County Library, 1313 Third Street, Eureka, CA 95501
Lassen Library District, 1618 Main Street, Susanville, CA 96130
Modoc County Library, 212 W. 3rd Street Alturas, CA 96101
NorthNet Library System, 2471 Flores St, San Mateo, CA 94403
Orland Free Library, 333 Mill Street Orland, CA 95963
Plumas County Library, 455 Jackson Street, Quincy, CA 95971
Shasta Public Libraries, 1100 Parkview Avenue, Redding, CA 96001
Siskiyou County Library, 719 4th Street, Yreka, CA 96097
Tehama County Library, 645 Madison Street, Red Bluff, CA 96080
Trinity County Library, 211 N. Main St., Weaverville, CA 96093
Willows Public Library, 201 N. Lassen Street, Willows, CA 95988

DRAFT**NORTH STATE COOPERATIVE LIBRARY SYSTEM****Administrative Council Meeting****June 11, 2013****1. WELCOME AND ROLL CALL:**

The meeting was called to order by Michael Perry at 11:07 AM.

ROLL CALL OF ATTENDEES:

PRESENT	ABSENT	MEMBER LIBRARY	NAME
X	X	Butte College Library	Luozhu Cen
		Butte County Library	Mel Lightbody
	X	College of the Redwoods Library	Rachel Anderson
	X	College of the Siskiyous Library	Nancy Shepard
	X	CSU Chico Library	Sarah Blakeslee
	X	Del Norte Co. Library District	Rebecca Tipton
	X	Feather River College Library	Tom Davis
X		Humboldt County Library	Victor Zazueta
	X	Humboldt State Univ. Library	Wayne Perryman
	X	Lassen College Library	Marita Dimond
X		Lassen Library District	Jeff Hawkins
X		Modoc County Library	Cheryl Baker
	X	Orland Free Library	Jody Meza
	X	Plumas County Library	Dora Mitchell
	X	Shasta College Library	Janet Albright
	X	Shasta Libraries	Jan Erickson
	X	Simpson University Library	Larry Haight
X		Siskiyou County Library	Michael Perry
X		Tehama County Library	Sally Ainsworth
X		Trinity County Library	Oresta Esquibel
	X	Willows Public Library	Jody Meza
X		Peninsula Library System	Donna Truong

WITH 7 OF 12 VOTING MEMBERS PRESENT A QUORUM WAS ESTABLISHED.

2. PUBLIC INVITED TO ADDRESS THE COUNCIL: THERE WERE NO MEMBERS OF THE PUBLIC PRESENT.

3. PLAN FOR TAKING MINUTES: JEFF HAWKINS VOLUTEERED TO RECORD THE MINUTES OF THE MEETING

4. APPROVAL OF AGENDA: MEL LIGHTBODY MOVED; SALLY AINSWORTH SECONDED; MOTION CARRIED UNANIMOUSLY.

5. APPROVAL OF DECEMBER 20, 2012 MEETING MINUTES: SALLY AINSWORTH MOVED; JEFF HAWKINS SECONDED; MOTION CARRIED UNANIMOUSLY.

6. APPROVAL OF NSCLS RETIREMENT COSTS FOR RETIREES FOR FY12/13: AS OF JANUARY 1, 2013 NSCLS OWES \$16,792 TO MAKE UP THE UNFUNDED DIFFERENCE IN OUR FY12/13 LIABILITY FOR COVERING THE RETIREMENT COSTS OF FORMER NSCLS EMPLOYEES. THE PROPOSED "FAIR SHARE" ALLOCATION FORMULA TO BE APPLIED FOR THE RETIREE LIABILITY IS THE SAME AS THAT APPROVED BY THE COUNCIL IN DECEMBER 2012 FOR THE RETIREE HEALTH INSURANCE LIABILITY.

THE AMOUNTS TO BE PAID ARE AS FOLLOWS: BUTTE Co \$2,623.75; HUMBOLDT COUNTY \$2,623.75; SHASTA \$2,099.00; ORLAND \$1,574.25; PLUMAS Co \$1,574.25; TEHAMA Co \$1,574.25; MODOC Co \$1,049.50; TRINITY Co \$1,049.50; WILLOWS \$1,049.50; DEL NORTE Co \$524.75; LASSEN LIBRARY \$524.75; SISKIYOU Co \$524.75.

PLS WILL INVOICE THE LIBRARIES.

MEL LIGHTBODY MOVED; SALLY AINSWORTH SECONDED; MOTION CARRIED UNANIMOUSLY

7. APPROVAL OF NSCLS MEDICAL AND RETIREMENT COSTS OF RETIREES FOR FY13/14: ASSUMING THE SAME LEVEL OF LIABILITY FOR COVERAGE OF RETIREE RETIREMENT AND HEALTH INSURANCE BENEFITS FOR FY13/14 AS WAS ASSESSED FOR FY12/13 THE MEMBERS ARE TO APPROVE THE ASSESSMENT OF FAIR SHARE ALLOCATION OF THE LIABILITY USING THE SAME BASE RATE PLUS VARIABLE RATE FORMULA AS WAS PREVIOUSLY USED.

THE AMOUNTS TO BE PAID ARE AS FOLLOWS: BUTTE Co \$3,669.91; HUMBOLDT COUNTY \$3,458.38; SHASTA \$2,927.29; ORLAND \$1,708.04; PLUMAS Co \$1,745.06; TEHAMA Co \$1,845.53; MODOC Co \$1,142.22; TRINITY Co \$1,147.51; WILLOWS \$1,136.93; DEL NORTE Co \$629.28; LASSEN LIBRARY \$634.57; SISKIYOU Co \$666.29.

PLS WILL INVOICE THE LIBRARIES.

JEFF HAWKINS MOVED; CHERYL BAKER SECONDED; YEA: 5; NO: 0 ABSTAIN: 2 (MEL LIGHTBODY, ORESTA ESQUIBEL); MOTION CARRIED.

8. APPROVAL OF NSCLS BUDGET FOR FY13/14: THE NSCLS BUDGET FOR FY13/14 WAS PRESENTED FOR APPROVAL. INCOME AND EXPENSES ARE ONLY THOSE REQUIRED TO MEET THE RETIREE LIABILITIES PREVIOUSLY APPROVED TOTALING \$20,708.

CHERYL BAKER MOVED; SALLY AINSWORTH SECONDED; MOTION CARRIED UNANIMOUSLY.

9. APPROVAL OF OCLC FEES FOR FY13/14. THE FEE STRUCTURE FOR OCLC SERVICES FOR THOSE MEMBER LIBRARIES THAT ARE PARTICIPATING PRESENTED IN THE AGENDA WAS MODIFIED TO DELETE DEL NORTE WHICH DECIDED NOT TO PARTICIPATE.

MICHAEL PERRY MOVED AS MODIFIED; MEL LIGHTBODY SECONDED; MOTION CARRIED UNANIMOUSLY WITH CHERYL BAKER ABSENT DUE TO TECHNICAL PROBLEMS.

10. NOMINATION AND APPROVAL OF CHAIR FOR NSCLS FOR FY13/14. MICHAEL PERRY ANNOUNCED THAT AT THE NORTHNET LIBRARY SYSTEM ADMINISTRATIVE COUNCIL MEETING ON MAY 31, 2013 IT WAS ANNOUNCED THAT ORESTA ESQUIBEL WOULD NOT BE ABLE TO ASSUME THE CHAIR RESPONSIBILITIES AND THAT DURING THE CONVERSATION MICHAEL WOULD VOLUNTEER TO REMAIN AS CHAIR AND MEL LIGHTBODY NOMINATED HERSELF TO BE VICE-CHAIR.

JEFF HAWKINS MOVED TO APPROVE THE NOMINATIONS; SALLY AINSWORTH SECONDED; MOTION CARRIED UNANIMOUSLY.

11. ANNOUNCEMENTS: THERE WERE NO ANNOUNCEMENTS BY THE MEMBERS.

12. ADJOURNMENT: THE MEETING WAS ADJOURNED AT 11:35 AM.



To: North State Cooperative Library System Administrative Council

From: Jane Light, Peninsula Library System

Subject: Information about Withdrawing from CalPERS Health Insurance Contract Effective 1/1/2015

Date: March 10, 2014

NSCLS can terminate its health insurance contract (currently provided for retirees) but can only do so within two months of receiving notification of the rates for the next calendar year. The rates are set in June. Upon receiving the rates for 2015 in June 2014, NSCLS has two months to complete the necessary actions (including passing a Council resolution and the paperwork to terminate) and the termination will be effective January 1, 2015. That is, people will be insured through Dec 31, 2014.

All notices are sent to member agencies through the MyCalPERS section of the CalPERS website. Notifications regarding rates or other matters are no longer mailed. PLS staff will monitor NSCLS' MyCalPERS account. In addition, PLS will request a copy of the resolution used by agencies to request termination from health insurance contracts. After the Council takes this action, PLS will inform the retirees currently participating that their health insurance through CalPERS will end on Dec 31.

FY12/13 and FY13/14 CalPERS Costs and Cost Shares

North State Cooperative Library System

Cost Share for CalPERS Retiree Medical and Retirement Contracts

FY 12/13	Retiree Medical	Status	PERS Retirement	Status
Butte County	500.00	overdue	2,623.75	overdue
Del Norte County	100.00	overdue	524.75	overdue
Humboldt County	500.00	paid	2,623.75	paid
Lassen Library	100.00	paid	524.75	paid
Modoc County	200.00	paid	1,049.50	paid
Orland Free Library	300.00	paid	1,574.25	paid
Plumas County Library	300.00	overdue	1,574.25	overdue
Shasta Public Library	400.00	overdue	2,099.00	overdue
Siskiyou County Library	100.00	overdue	524.75	overdue
Tehama County	300.00	paid	1,574.25	paid
Trinity County	200.00	paid	1,049.50	paid
Willows Public	200.00	paid	1,049.50	paid
	3,200.00		16,792.00	

****Approved by North State Library System Council 6.11.13**

North State Cooperative Library System FY 13/14 CalPERS Costs*

	%	Retiree Medical Benefits	PERS Retirement Contract	TOTAL
Butte County	0.15625	694.00	2,623.75	3,317.75
Del Norte County	0.03125	119.00	524.75	643.75
Humboldt County	0.15625	654.00	2,623.75	3,277.75
Lassen Library	0.03125	120.00	524.75	644.75
Modoc County	0.0625	216.00	1,049.50	1,265.50
Orland Free Library	0.09375	323.00	1,574.25	1,897.25
Plumas County Library	0.09375	330.00	1,574.25	1,904.25
Shasta Public Library	0.125	553.00	2,099.00	

				2,652.00
Siskiyou County				
Library	0.03125	126.00	524.75	650.75
Tehama County	0.09375	349.00	1,574.25	1,923.25
Trinity County	0.0625	217.00	1,049.50	1,266.50
Willows Public	0.0625	217.00	1,049.50	1,266.50
		3,918.00	16,792.00	20,710.0

* approved 6/11/13 by NSCLS Admin Council



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

www.northnetlibs.org

To: North State Cooperative Library System Administrative Council

From: Jane Light, Peninsula Library System

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

Date: March 10, 2014

For some time I have been attempting to make contact with the appropriate people at CalPERS to obtain information about the NSCLS contract, the consequences of non-payment of the System's required annual contribution, and the option of terminating the NSCLS contract including the impact of that action on former employees' pensions.

On March 5 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.

Collections Process for Nonpayment:

Three attempts are made via letter (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, payments to current and future retirees are cut.

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 NSCLS 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 NSCLS default/termination?

At this point that can only be estimated. Each year, CalPERS prepares a report for each member agency about its actuarial status, including estimated termination valuation, and posts it on its webpage. The most recent report for NSCLS can be found at <http://www.calpers.ca.gov/eip-docs/about/pubs/public-agency-reports/other/2012/north-state-cooperative-library-system-miscellaneous-2012.pdf>.

That report shows a hypothetical unfunded termination liability as of June 30, 2012 of \$1,625,000 (the difference between the member agency's market value of assets and its terminal liability). The funded ratio if terminated was 45.8% at that time.

If the unfunded liability were not paid at termination or if NSCLS defaults on its contract, the decrease in pension payments for current and future retirees would be proportional to asset to liability ratio and would be approximately a 46% reduction as of 6/30/12.

Option to continue paying annual contribution:

NSCLS 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.

Currently that annual NSCLS contribution is approximately \$17,000 per year. On June 11, 2013 the Administrative Council decided that each member library/jurisdiction would pay a portion of that amount based on a cost share formula that it approved at that time for Fiscal Years 12/13 and 13/14.