

NORTH BAY COOPERATIVE LIBRARY SYSTEM

[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

NBCLS Board of Directors

March 19, 2020
11:00 a.m. – 12:00 p.m.

Virtual Zoom Meeting

Meeting via Computer: <https://zoom.us/j/406893162>

Access by Phone: 1-669-900-6833

Passcode: 406 893 162

- | | | |
|--|---------------|---------------------|
| 1. Call to Order | Olowski | |
| 2. Roll Call | Olowski | |
| 3. Public Invited to Address the Council | | |
| 4. Approval of Agenda (ACTION ITEM) | Olowski | |
| 5. Approval of Minutes of October 17, 2019 Meeting
(ACTION ITEM) | Olowski | Attachment 1 pg. 3 |
| 6. Approval of Minutes of January 23, 2020 Special Meeting
(ACTION ITEM) | Olowski | Attachment 2 pg. 7 |
| 7. Discussion of Retiree Health Insurance Costs | | Attachment 3 pg. 9 |
| 8. Closed Session Pursuant to Government Code Section 54957:
Retiree Health Benefits (Action Item) | | |
| 9. Report Out from Closed Session | | |
| 10. Approval of payment for Retiree health Benefits &
Resolution #538 for Calendar Year 2020 (ACTION ITEM) | Olowski | Attachment 4 pg. 13 |
| 11. Review of NBCLS Delivery Contract and RFP development with
MARINet | Olowski/Frost | |
| 12. Discussion of next meeting date and agenda items | | |
| 13. Adjourn | | |

NORTH BAY COOPERATIVE LIBRARY SYSTEM

[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

Brown Act:

The legislative body of a local agency may use teleconferencing in connection with any meeting or proceeding authorized by law. Cal. Gov't Code §54953(b)(1). A "teleconference" is "a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both." Cal. Gov't Code § 54953(b)(4). A local agency may provide the public with additional teleconference locations. Cal. Gov't Code § 54953(b)(4).

The teleconferenced meeting must meet the following requirements:

- (1) it must comply with all of the Act's requirements applicable to other meetings;
- (2) all votes must be taken by roll call;
- (3) agendas must be posted at all teleconference locations and the meeting must be conducted in a manner that protects the statutory and constitutional rights of the parties or public appearing before the body;
- (4) each teleconference location must be identified in the notice and agenda and each location must be accessible to the public;
- (5) during the teleconferenced meeting, at least a quorum of the members of the legislative body must participate from locations within the boundaries of the body's jurisdiction; and
- (6) the agenda must provide the public with an opportunity to address the legislative body at each teleconference location. Cal. Gov't Code § 54953(b).

Meeting Locations

NorthNet Library System	32 West 25 th Ave., Suite 201, San Mateo, CA 94403
Belvedere-Tiburon Library	1501 Tiburon Boulevard, Tiburon, CA 94920
Benicia Public Library	150 East L Street, Benicia, CA 94510
Lake County Library	1425 N. High Street, Lakeport, CA 95453
Larkspur Public Library	400 Magnolia Avenue, Larkspur, CA 94939
Marin County Free Library	3501 Civic Center Drive, #414, San Rafael, CA 94903
Mendocino County Library	105 North Main Street, Ukiah, CA 95482
Mill Valley Public Library	375 Throckmorton Avenue, Mill Valley, CA 94941
Napa County Library	580 Coombs Street, Napa, CA 94559
St. Helena Public Library	1492 Library Lane, St. Helena, CA 94574
San Anselmo Public Library	110 Tunstead Avenue, San Anselmo, CA 94960
San Rafael Public Library	1100 E Street, San Rafael, CA 94901
Sausalito Public Library	420 Litho Street, Sausalito, CA 94965
Solano County Library	1150 Kentucky Street, Fairfield, CA 94533
Sonoma County Library	6135 State Farm Drive, Rohnert Park, CA 94928

NORTH BAY COOPERATIVE LIBRARY SYSTEM

DRAFT

Board of Directors Meeting Minutes **October 17, 2019**

1. Meeting called to order - 10:02 a.m. by Vice-Chair, David Dodd.
2. Roll Call
Present were: Suzanne Olawski (Solano County Library), Henry Bankhead (San Rafael Public Library), David Dodd (Benicia), Danis Kreimeier (Napa County Library), Ann Hammond (Sonoma County Library), Chris Kreiden (St. Helena Public Library), Linda Kenton (San Anselmo), Sara Jones (Marin County), Abbott Chambers (Sausalito), Deborah Mazzolini (Belvedere-Tiburon), Aida Buelna (Dixon), Christopher Veach(Lake County), Dan Schwarz (Larkspur), Anji Brenner (Mill Valley), and Bonnie Katz (Solano County). Also present was Dan McMahon, MARINet, Carol Frost, PLP, Andrew Yon, PLP, and Jacquie Brinkley, NLS.
3. Public address – No public in attendance.
4. Approval of Agenda
Dodd requested to defer action on Item 10 in order to allow retiree to attend the next meeting. Discussion ensued.
Decision to approve Agenda as stands.
Motion to Approve Agenda: Kenton moved; Chambers seconded. Motion carried.
- 5-8. Approval of Minutes
Motion to approve Minutes of June 7, 2019, August 5, 2019, August 16, 2019, and August 29, 2019: Jones moved; Bankhead seconded. Motion carried.
9. Recommendation to appoint Olawski as NBCLS Chair and Dodd as Vice-Chair for FY 2019/20
Motion to approve – Brenner moved; Kreimeier seconded. Motion carried.
10. Approval of NBCLS Retiree Health Insurance for FY 2020/21
Dodd reviewed background on item and shared of his recent communications with retiree. Retiree told Dodd that documentation may not be complete and that she may have new documentation on an old NBCLS laptop in her possession. Dodd requested that all NBCLS members look for any documentation of retiree health plan that they may have in files.

Schwarz asked why this discussion was not made within a closed session of this Board and encouraged the Board to put this item on next meeting agenda as a closed session item. He recommended that Board have their legal counsel attend, as well.

Discussion regarding use of NLS/NBCLS funds for legal fees. Frost reminded the Board that the NLS Executive Committee set aside funds for legal research/opinion related to CalPERS. Frost advised Olawski that she may request the approval by the NLS Executive Committee to use the legal funds allocated to each legacy system (\$8,000 per system) for this NBCLS retiree health issue, as these funds are designated for CalPERS legal work.

Recommendation by members to reconvene this discussion in closed session and to ask retiree to address the Board under Public Comment at next NBCLS meeting.

Olawski proposed that NBCLS make full payment for the 2020 calendar year and that any changes to the continued payment of retiree health benefits to begin in January 2021.

Jones asked if ultimately, the Board wanted to renegotiate the payment of this benefit. Kreimeier asked what Plan NBCLS is paying for the retiree. It was confirmed that NBCLS pays 100% of the Medicare Supplemental benefit. Proposal was made that the retiree pay 20% of plan payment in the future.

Schwarz asked if payment of Medical Part B (supplemental) is an unusual payment and not one given to other public employees. He went on to note that it may be less costly to NBCLS to continue paying this health benefit than what litigation with retiree would cost. Discussion continued regarding if the Plan currently paid by NBCLS is from a private vendor or from the market place. Frost reported that the current vendor was selected as they offered health benefit plans for small public agencies.

Olawski recommended that NBCLS Board table the Action Item regarding any change at this time to the retiree health plan. Olawski recommended that NBCLS Board, at this time, approve payment of retiree health benefits for July 1, 2020 through December 31, 2020 and at same rate of contribution (NBCLS paying 100% of retiree's current plan), and that if any changes were to be made, those would not be effective until January 1, 2021.

Motion to approve payment of retiree health benefit on current plan through December 31, 2020: Kreimeier moved; Jones seconded.

Discussion ensued regarding timeline for notification should NBCLS approve a change to contribution rate. Frost reported that per current health benefit vendor, there is a 180 day notification requirement for non-renewal. Olawski recommended that NBCLS hold a Special Meeting in January or February of 2020 to make determination on retiree health benefit and any change to be made. Schwarz noted that based on his online search while in this meeting, it appeared that NBCLS is paying a rate comparable to full payment of both Medicare and Supplemental. Jones inquired if an option has been considered to offer retiree a lump sum and allow retiree to select their own plan.

Olawski reported that a verbal and written confirmation was made to the retiree that no action would be taken on this item until the retiree had the opportunity to provide additional or new documentation and to have presented their position to the Board.

Motion to approve payment of retiree health benefits on current plan through December 31, 2020. Vote taken. **Motion carried.**

11. Olawski presented background and recent communications to former NBCLS members and responses she received. Based on legal advice regarding lack of documentation to establish

membership of several former NBCLS members, Olawski recommended that NBCLS not pursue former members or former cities who later joined active member counties and to move forward using the roster of current active NBCLS members to allocate CalPERS obligations and cost-sharing of that obligation among the active members. Olawski reviewed documentation provided by phone communications with CalPERS and PLP Controller that CalPERS would only assist in allocation of the total obligation if NBCLS were to file to disband. At the point an organization files to dissolve, CalPERS would then contact individual current and former members to establish their portion of total retiree obligation. Otherwise, CalPERS leaves the allocation of the obligation up to the agency and to establish cost-sharing among its identified members.

Motion to not pursue former NBCLS members for NBCLS CalPERS obligation, including former cities who joined counties and other former member organizations, based on the risk factors and cost-benefit of litigation:

Kenton requested confirmation that this action would establish the active members of NBCLS. Olawski confirmed.

Kreimeier moved; Jones seconded. Motion Carried.

12. Yon reviewed the proposed CalPERS cost-sharing models, prepared at the request of NBCLS Board. Olawski asked for discussion. Olawski reported that Solano County would delete Option 4. Jones stated that she concurs with Olawski, and added that she would also drop Option 2. Members present agreed verbally.

Kreimeier noted that Option 3 seemed most fair. Hammond concurred.

Chambers requested that CalPERS obligation be invoiced in combination with NLS Member Dues in one billing versus as a separate Invoice. Kreimeier also requested that invoice be received in early May to coincide with local budget approval cycles. Yon noted that the CalPERS prepayment discount must be paid by July 31 of that fiscal year.

Frost and Yon confirmed that NLS Member Dues and CalPERS billing could be combined and billed in early May and that if there were any changes to Member Dues amount, that any adjustments could be reviewed and approved at NLS Administrative Council meeting in June. Chambers confirmed that CalPERS amount could and may likely change from one fiscal year to the next. Olawski noted that retiree health benefit costs may also change. Jones requested that NLS note TIME SENSITIVE on Invoicing with 30-day due date included.

Schwarz asked if the cost-sharing model proposed now, Option 3, is approved for one year (FY 2020/21) only, or to be reviewed and approved annually, with factors updated on annual basis for that review. Olawski confirmed that NBCLS Board will review both obligations at the annual Board meeting.

Motion to adopt CalPERS cost-sharing formula, Option 3 – Cost Share Based on Distribution by 50% Population and 50% Operating Budget using the most recent available CA State Library annual data reporting – and to be reviewed annually at NBCLS Board meeting and to be Invoiced and paid in May of each year: Moved by Buelna; seconded by Kreimeier. Motion carried.

Next NBCLS Board meeting to be held after the MARINet Board meets: Friday, January 16, 2020, 10:00 – 11:00 a.m.

Olawski will notify retiree of the next meeting date and note of closed session meeting with invitation to present under Public Comment agenda item.

Meeting Adjourned at 11:18 a.m.

NORTH BAY COOPERATIVE LIBRARY SYSTEM

[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

Board of Directors Special Meeting Minutes January 23, 2020

1. Meeting called to order at 9:05 a.m. by Chair, Suzanne Olawski.
2. Roll Call
Present were: Suzanne Olawski (Solano County Library), David Dodd (Benicia), Ann Hammond (Sonoma County Library), Linda Kenton (San Anselmo), Bonnie White (Marin County), Abbott Chambers (Sausalito), Bonnie Katz (Solano County Library), Anthony Halstead (Napa County Library), Anji Brenner (Mill Valley Public Library), Jason Duran (Belvedere-Tiburon Library), Christopher Veach (Lake County Library), Franklin Escobedo (Larkspur Public Library). Also attending, Carol Frost (PLP/NLS), Andrew Yon (PLP), Wendy Cao (PLP), Jacquie Brinkley (PLP/NLS)
3. Public address – No public in attendance.
4. Motion to approve agenda. Dodd moved; Kenton seconded. Motion carried.
5. Olawski presented the memo regarding a notice from NBCLS courier vendor, Sprint, giving a 30-day notice to terminate their contract with NBCLS, citing significant increases in insurance costs that required the courier to terminate delivery services with NBCLS. The vendor noted that, without an increase to the existing contract, services would discontinue as of February 8, 2020. The courier had offered to fulfill the contract through June 30, 2020 with a 30% increase to the existing contract effective January 1, 2020 through June 30, 2020. Sprint would also consider negotiating a new contract for NBCLS with a 2-year commitment after July 1, 2020.

Yon reviewed the revised delivery costs that would be required for each library impacted by the courier contract increase, noting that CLSA funds are used to offset delivery costs, but in some cases do not cover the entire cost. Libraries would be invoiced for the difference, should the increase be approved. Yon noted that the courier agreed to work with any new courier during the transition should the increase not be approved. Yon also confirmed that Sprint could complete the NBCLS current contract with the 30% increase (dated from January 1, 2020).

Chambers noted that Sausalito had discussed the increase with MARINet and had agreed to the increase to current contract through June 30, 2020, but that MARINet would be issuing an RFP to seek other quotes for consideration to begin July 1, 2020.

Dodd suggested that NBCLS coordinate with MARINet in the RFP process. Frost and Yon confirmed that they were in discussion with MARINet staff and that a coordinated RFP process would be implemented. Dodd also asked to hear from libraries impacted most from this increased cost.

Veach, Lake County, responded that while this increase was not anticipated, nor budgeted, the impact of losing delivery services was greater and that funds would be made available to cover the variance in their portion of the increase in contract costs.

NORTH BAY COOPERATIVE LIBRARY SYSTEM

[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

Dodd asked if the courier could provide more detail to explain a 30% increase for the libraries who will be required to present this to Boards or City Council for approval. Yon will ask courier to provide a letter outlining the cost increases it has incurred to formalize their request for a 30% increase to the library customers.

Discussion ensued regarding elimination of 30-day cancellation clause in the current contract in order to discourage any future notice of termination from vendor. Yon noted that this would require an amendment to the existing contract and may delay the vendor's agreement to continue delivery services uninterrupted.

Olawski recommended that a motion be made to accept the 30% increase to existing contract, effective January 1, 2020 through June 30, 2020, and that NBCLS begin an RFP process for other quotes. She noted that NBCLS will work with MARINet to implement an RFP for delivery services beginning July 1, 2020.

Motion to approve the 30% increase to the Sprint courier contract through the term of the contract, effective January 1, 2020 through June 30, 2020.

Dodd moved, Hammond seconded. Motion carried with one abstention (Napa County)

6. Olawski asked if other couriers were being used among NBCLS members. Halstead noted that Napa has a contract with Unity for inter-branch delivery, as well as for their Link+ services. An annual increase of 3-5% is built into their contract. Olawski asked that Unity be included in the issuance of an RFP.

Frost confirmed that she and Yon will reach out to MARINet staff for the RFP discussion to begin immediately.

7. Meeting Adjourned at 9:35 a.m.

NORTH BAY COOPERATIVE LIBRARY SYSTEM[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

To: North Bay Cooperative Library System
From: Suzanne Olawski
Subject: NBCLS Retiree Health Insurance
Date: March 19, 2019

BACKGROUND

When North Bay Cooperative Library System (NBCLS) had employees, there was an SEIU contract which provided a provision that current employees would pay for a portion of their health care (about 15%), and that retirees hired before 1992 and working for 10 years or more would receive the same health benefits as current employees.

The contract lapsed in 2010. In about 2012-2013, NBCLS Board of Directors requested that a review be done of retiree benefits. The consultant who was contracted to conduct the review, Jane Light, reached out to a current retiree, who confirmed that the contract lapsed and that the standing practice was that the Personnel Manual guidelines for benefits for current staff was used as a guide for retiree benefits, but that the Personnel Manual was largely silent on specifics regarding retirees. In searching through old files, no official documentation could be found regarding benefits for retirees, but it appears the procedure was to continue the previous practices.

In 2014, Ms. Light prepared a memo of her findings for the NBCLS Board of Directors. Upon review of the memo, the Board approved the following:

- Benefits for spouses of retirees will no longer be covered.
- Retirees will receive health benefits by annual approval of a Resolution of the Board.
- Board approves paying full cost of health benefits for current retirees.

Since that meeting, each year, as part of the annual budget discussion, the NBCLS Board of Directors has approved the full payment of retiree benefits through Resolutions. NBCLS currently provides retiree health insurance for one retiree through use of fund balance.

OVERVIEW OF CURRENT HEALTH INSURANCE

The retiree health insurance is provided through an annual contract between NBCLS and Golden State Risk Management Authority (GSRMA), an organization that provides services to small public agencies in California. GSRMA administers a program of the California State Association of Counties Excess Insurance Authority (EIA) called EIA Health Program. The current health medical plan is EPO Medicare (Single with Medicare). When someone is enrolled in a group Medicare plan with Medicare A and B, the Medicare Parts A and B will be primary in paying the claim. The group plan then pays the secondary portion. If the benefit they are seeking is not covered by Medicare parts A or B the group plan would supplement the shortfall in benefit if the group plan shows it as a covered benefit. If it is not covered by either benefit, the member would pay 100% of the cost. Participating agencies are expected to pay for any covered retiree a minimum of the Single rate for the applicable plan.

NORTH BAY COOPERATIVE LIBRARY SYSTEM

[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

CALPERS COSTS AND ESTIMATED DEPLETION OF FUND BALANCE

In February 2018, CalPERS notified NBCLS that their Board had modified the unfunded liability amortization schedule from 30 years to 15 years, resulting in a more than 134% increase in NBCLS's annual costs to CalPERS. NBCLS has been using its fund balance for these annual costs, as well as for the costs of retiree health care. Because of this accelerated schedule, it is anticipated that NBCLS will deplete its fund balance in FY 2020/21.

At the June 2019 NBCLS Board of Directors meeting, the amortization schedule change necessitated Board discussion and the decision to explore options related to retiree health benefits. A Motion was approved to continue health care payments for the sole retiree until June 30, 2020. It was suggested that there could be a cap on the amount paid for health benefits to match the amount of Medicare Part B (Supplemental) the retiree receives. It was agreed that an attorney would be hired to review the benefit history and make a recommendation.

At the August 2019 Board of Directors meeting, an update was provided on the retiree health insurance research. Through investigation, it has been determined that there is not a set standard amount for Medicare Part B (Supplemental). Per GRSMA, in order to determine the amount which is covered by Medicare, the member would need to speak with the Centers for Medicare and Medicaid Services CMS directly to get any rates/fees because they look at the member's financial situation to determine the cost. NBCLS is not privy to this information for the retiree.

In summary, members attending recommended the following for consideration:

- Continue to provide health care benefits to the retiree currently receiving them.
- NBCLS' contribution with the retiree paying a percentage of the health care premium.
- Invoice the retiree on a regular basis to pay share of premiums.
- Approve full payment of retiree's health benefits for Calendar Year 2020 (July 1, 2020 through December 31, 2020).
- Notify the retiree in a timely manner of any changes, so that if desired, the retiree may make changes during the annual open enrollment period.

At the October 2019 Board of Directors meeting, a summary of attorney findings was presented.

Per the direction of the Board, NBCLS hired an attorney to review its obligation to continue health care payments. The attorney concludes that NBCLS is not required to continue paying for the retiree health benefits of the one retiree for which it is currently providing health benefits.

NORTH BAY COOPERATIVE LIBRARY SYSTEM

[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

“Ms. DeBacker retired after the only agreement granting retiree health benefits at the time of her employment, the memorandum of understanding between NBCLS and SEIU, had expired. Though NBCLS paid Ms. DeBacker’s retiree health benefits upon her retirement, there is no evidence that the agency did so other than as a matter of past practice, and therefore a windfall to her, rather than pursuant to action by the NBCLS Board of Directors (“Board”). In fact, it was not until a few years after Ms. DeBacker retired that the Board took action to approve a retiree health benefit but only on a year to year basis and each time setting the portion of a premium that NBCLS agreed to cover.

As such, NBCLS may terminate Ms. DeBacker’s retiree health benefit. Though not required, we would recommend that NBCLS give Ms. DeBacker a grace period between notification and the end of the agency’s payment of her premiums. It may also be prudent to check with Golden State Risk Management Authority whether Ms. DeBacker has the option to continue enrollment in the supplemental health insurance policy on a self-pay basis and, if so, extending that option to her. Finally, the communication to Ms. DeBacker of the agency’s decision, should it proceed to end the agency-paid benefit, should include that the agency’s resources are depleting and that those resources will be allocated for the continued payment of the agency’s pension obligations.”

The current GSRMA contract requires a 180-day notice (six month) of termination. The contract is on a calendar year. Should NBCLS decide to discontinue coverage for 2021, a notice to withdraw from the health plan for 2021 (health plan renewal date: 1/1/21) would need to be provided to GSRMA in June 2020.

A motion was made that the NBCLS Board approve payment of retiree health benefits for July 1, 2020 through December 31, 2020 at same rate of contribution (NBCLS paying 100% of retiree’s current plan), and that if any changes were to be made, those would not be effective until January 1, 2021. This was approved, and no Resolution was signed.

It was recommendation to reconvene this discussion in closed session at the March 2020 meeting and to ask retiree to address the Board under Public Comment at next NBCLS meeting.

OPTIONS FOR HEALTH CARE

In reviewing the options for the Board, there are two viable options, which are addressed below.

NORTH BAY COOPERATIVE LIBRARY SYSTEM

[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

Option 1: Continue Current Payment

NBCLS currently pays GSRMA Medicare Plan F for retiree at \$669/month (\$8,028 annually) per calendar year. Golden State Risk Management is an "Agency Plan" provider and provides coverage for governmental agencies only, so no individual may sign up for this coverage. The cost increases approximately 5% annually.

Option 1a: NBCLS continues to pay for 100% of health care.

Option 1b: NBCLS modifies the pay structure and pays a percentage, and the retiree pays a percentage. The retiree would be invoiced monthly for the amount.

Option 2: Allow Retiree to Purchase Health Benefits on Open Market

At the August NBCLS meeting, it was asked if a quote could be obtained for health insurance on the open market. In researching this option, quotes for identical Plan F benefits on open market range from \$190 to \$216/month. These costs are estimates, and final costs would not be known until enrollment. In the case of purchasing on the open market, the retiree would purchase the insurance plan rather than NBCLS.

Option 2a: The retiree would purchase the insurance, and NBCLS would reimburse the retiree for a portion or for all of the insurance premiums. Additionally, a cap could be placed on the cost, where should the cost exceed the cap amount, then a trigger for the cost above the cap amount to be paid by the retiree is invoked.

Recommendation

It is recommended that the NBCLS Board of Directors make a motion regarding retiree health care benefits commencing in 2021, and that Resolution #539 be prepared to reflect this motion and to be presented at the next NBCLS Board of Directors meeting. Furthermore, it is recommended that a motion be made that provides direction on how the ongoing costs being shared among members. This may be done by using the cost sharing formula approved at the October 2019 meeting for ongoing CalPERS costs.

NORTH BAY COOPERATIVE LIBRARY SYSTEM

[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

To: NBCLS Board of Directors
From: Suzanne Olawski, NBCLS Chair
Subject: 2020 Retiree Health Insurance Resolution
Date: March 19, 2020

NBCLS has been providing retiree health insurance for former employees that retired directly from NBCLS. In the fall of 2014, the Board of Directors agreed to annually approve continuing retiree health insurance and to pay only the rate set for single people receiving Medicare. Retirees have the option of selecting a different plan (for example to cover a dependent) at their own expense for the difference in cost. There is one remaining retiree receiving this benefit, who is fully retired.

Past practice has been to approve the annual retiree health benefit renewal through a Resolution when the budget is approved, typically in June. The approval would be for the following calendar year.

Below is a synopsis of the Board's actions pertaining to coverage for calendar year 2020:

At the June 2019 meeting, a motion was made and approved to provide the current health benefit payment for January 1, 2020 through June 30, 2020 by continuing the contract between NBCLS and Golden State Risk Management Authority (GRSMA) with an anticipated annual cost of \$8,028, or \$669/month. Although a Resolution was presented to the Board, it was not signed as the approval was for a partial year.

At the October 2019 meeting, a motion was made that the NBCLS Board approve payment of retiree health benefits for July 1, 2020 through December 31, 2020 at same rate of contribution (NBCLS paying 100% of retiree's current plan), and that if any changes were to be made, those would not be effective until January 1, 2021. This was approved, and no Resolution was signed.

Recommendations:

It is recommended that the Board of Directors adopt Resolution #538 which affirms the previous Board decisions to provide retiree health benefits for the calendar year 2020.

As has been past practice, the Resolutions will include the following elements:

- a) It will annually determine by Board action if it will provide retiree health insurance for the following calendar year, and whether the coverage will be through GMRSA or purchased by the retiree.
- b) If the Board agrees to pay for retiree health insurance, it will determine how much the System will pay toward the monthly premium for the retiree during that calendar year.
- c) The retiree may elect to cover dependents at their own expense and must notify the System Office of their intent to do so before the annual open enrollment and make payment to the System prior to the first day of the new calendar year and the first day of each month thereafter.

NBCLS can discontinue coverage by notifying GSRMA of a decision to do so. It can withdraw from the program (a step further than discontinuing coverage) by notifying both GSRMA and the EIA Health Program of its intent to withdraw at least 180 days prior to July 1.

NORTH BAY COOPERATIVE LIBRARY SYSTEM

[HTTPS://NORTHNETLIBS.ORG/ABOUT-NLS/NBCLS/](https://northnetlibs.org/about-nls/nbcls/)

RESOLUTION # 538 Calendar Year 2020

It is resolved by the Board of Directors of the North Bay Cooperative Library system to annually determine if it will provide retiree health insurance for the upcoming calendar year.

And it is further resolved that if the Board of Directors determines that it will provide retiree health insurance for a given calendar year it will decide by motion how much the System will pay toward the monthly premium and how much the retiree will pay toward their premium for the upcoming year.

The foregoing resolution was introduced by Director _____ and seconded by Director _____ and adopted by (a unanimous vote OR an “aye” vote) of the following directors:

Aye votes:

Nay votes:

WHEREUPON the Chairperson declared the foregoing resolution adopted and SO ORDERED.

Date: March 19, 2020

Attested:

Signed _____

Suzanne Olawski, Chair, NBCLS Board of Directors

Signature _____

Jacque Brinkley, NLS System Coordinator