

NORTH STATE COOPERATIVE LIBRARY SYSTEM
COUNCIL OF LIBRARIANS MEETING
May 23, 2011

CONVENING:

The North State Cooperative Library System (NSCLS) Council of Librarians met this date via WebEx with Chair Cheryl Baker presiding. The meeting convened at 10:05 a.m.

ROLL CALL:

PRESENT	ABSENT	MEMBER LIBRARY	REPRESENTATIVE
X		Butte County Library	Linda Mielke
	X	Del Norte County Library District	Linda Kaufmann
X		Humboldt County Library	Victor Zazueta
X		Lassen Library District	Jeff Hawkins
X		Modoc County Library	Cheryl Baker
X		Orland Free Library	Jody Meza
X		Plumas County Library	Margaret Miles
	X	Shasta Libraries	Jan Erickson
X		Siskiyou County Library	Jon Torkelson
X		Tehama County Library	Jessica Hudson
	X	Trinity County Library	Oresta Esquibel
X		Willows Public Library	Jody Meza
Other Meeting Attendees			
X		State Library Representative	Linda Springer
X		NSCLS System Headquarters – Exec. Dir.	Annette Milliron
X		NSCLS System Headquarters – Asst. Dir.	Patty Hector
X		NSCLS System Headquarters – Admin. Asst.	Kelli Logasa

1. INTRODUCTIONS: COUNCIL MEMBERS

Council Chair Cheryl Baker welcomed the Council Members to the meeting.

2. PUBLIC INVITED TO ADDRESS THE COUNCIL

No public were present.

3. APPROVAL OF AGENDA

A Motion to add the Administrator’s Report to the agenda after Agenda Item #4 and approve the revised agenda was moved by Jon Torkelson and seconded by Margaret Miles. The Motion passed unanimously.

4. APPROVAL OF MINUTES OF FEBRUARY 4, 2011 COUNCIL MEETING

A Motion to approve the minutes from the February 4, 2011 meeting was moved by Jody Meza and seconded by Jessica Hudson. The Motion passed unanimously.

ADMINISTRATOR’S REPORT

Ms. Milliron reported that she and Patty Hector attended CLA Legislative Day held last Wednesday in Sacramento. They were able to meet with Assemblymember Wes Chesboro,

who served as Senator for the north coast region from the mid-1990s through the mid-2000s. In the meeting, he pledged his support and the Democratic caucus' support of the 5.2 million that has been restored to the budget for libraries and said that further cuts to libraries were off the table this year.

Ms. Milliron reported that she attended an InfoPeople Advisory Board meeting last week as well. At the meeting, Holly Hinman announced that she will be retiring in January 2013. Discussion ensued.

Ms. Milliron informed the Council that the next full NLS Council meeting will be held on Thursday, June 9th in West Sacramento. Discussion ensued.

5. CONSENT CALENDAR

A. Statement of Revenue, Expenditures & Encumbrance for FY 2010/11

Ms. Milliron reported that financially, things are moving along as expected. So far this year, NSCLS has only spent money on the retirees' health insurance payments. The system has earned very little interest this year as the rate is low. A Motion to approve the Consent Calendar was moved by Jody Meza and seconded by Jessica Hudson. The Motion passed unanimously.

6. PERS MEDICAL INSURANCE FOR RETIREES RESOLUTION

Ms. Milliron explained that the system is required to approve a PERS medical insurance for retirees resolution annually as this is part of the plan that was put into place by the Council. Ms. Milliron gave a history of this decision:

FY 2007/08

NSCLS Council discussed retiree health insurance at March 14, 2008 and June 9, 2008 Council of Librarian meetings.

FY 2008/09

NSCLS Council discussed health insurance issues at September 28, 2008. No action was taken. At the December 15, 2008 Council meeting, NSCLS staff was directed to acquire more information from CalPERS.

At the March 20, 2009 Council meeting, the Finance Committee presented the proposal for a five year plan. The plan was to cap the NSCLS contribution at its current rate in the first year with retirees absorbing any increase, and then reduce the contribution over the next 4 years by 25%. The Council motion authorized the Finance Committee to bring back the solution in April.

At the April 24, 2009 Council meeting, the Council voted to freeze employer contribution to the premium cost at its current level for 2009/10, and then begin a 25% reduction each year until reaching the minimum allowable by PERS. The minimum will be reached within 5 years. The estimated cost was \$85,764.

Contribution capped 2009/10 paid \$24,842

Contribution reduced by 25% in 2010/11 will expend \$18,851

Contribution to be reduced by 25% in 2011/12 = \$13,779

Contribution to be reduced by 25% in 2012/13 = \$10,334
Contribution to be reduced by 25% in 2013/14 = \$7,751
Total cost estimated to be \$75,557

FY 2011/12

This will be the second year of reducing the payment cost and this amount is available in the reserves. What is tricky is the 2012/13 and the 2013/14 amounts as the reserves will not cover the expense.

Linda Mielke asked for clarification that the system has the money available to pay for the 2011/12 payment but not 2012/13 and 2013/14. Ms. Milliron confirmed that this was correct.

Much discussion was held on the system not having the money or resources to pay for the 2012/13 and 2013/14 retiree health insurance.

The resolution which was included in the Council packet was reviewed and discussed. Margaret Miles clarified that the resolution covers one year resolution and that the system has set aside that amount and it is included in the 2011/12 budget. Ms. Baker added that the Council needs to think ahead for next year because there is a very small window for when the retirees can change their health insurance plans with PERS and it would not be fair to inform the retirees at the last minute that they're being cancelled. Ms. Mielke agreed and stated that the retirees need to be notified now.

Ms. Milliron reiterated that there are enough funds for the 2011/12 year. What's unclear is if there's enough money to cover the PERS projection; the projection is based on the actuarial study conducted and sent out last November.

Cheryl Baker asked about people who reach the age 65 and are eligible for Medicare. This is a supplemental insurance policy for the retirees. Discussion ensued.

A Motion to approve the resolution fixing the employer's contribution under the public employees' medical and hospital care act was moved by Jon Torkelson and seconded by Jessica Hudson. The Motion passed unanimously.

The Council directed Ms. Milliron to advise the retirees that NSCLS may no longer be able to pay their health insurance premiums after June 30, 2012.

7. FUNDING FOR OCLC CATALOGING AND ILL

Ms. Milliron discussed the spreadsheet that was included in the meeting packet which details what each library would owe for cataloging and ILL in the next fiscal year. If the system receives 50% of the CLSA funding, the ILL costs can be paid from the allocation for the year. If the system receives zero State funding, then the ILL costs would also come back to the members. Ms. Milliron reminded the Council that this was part of the progression started four years ago to move the cataloging costs over to the NSCLS members. As of July 1st, each library will be invoiced for their library's cataloging charges. Ms. Mielke asked for clarification that if there is no State funding, the costs will be higher. Ms. Milliron told her that this was correct. If the State funding is at 0%, then NLS will not be able to pay for any of NSCLS' fees. If members choose not to participate in the OCLC contract, the price will not change for the member libraries who decide to stay and participate in the contract. Mr. Zazueta asked for clarification

that the price on the spreadsheet was just for the OCLC cataloging and Ms. Milliron confirmed that this was correct. Ms. Mielke asked that since the numbers on the spreadsheet weren't real, could this item be delayed. Ms. Milliron and Ms. Baker assured Ms. Mielke that the numbers were the actual numbers from OCLC and that NLS will be invoiced as of July 1st. Discussion ensued. No action was proposed or taken by the Council.

8. MEMBERSHIP DUES FOR NORTHNET LIBRARY SYSTEM MEMBERSHIP

Discussion was held on NSCLS member libraries paying membership dues for NorthNet Library System membership. Ms. Baker stated that at the end of the NLS Steering Committee meeting in May in Sacramento, she and Ms. Meza had a discussion about NSCLS paying membership dues as the issue has never been resolved. They then asked Ms. Milliron to put the item on the agenda for this meeting. Ms. Baker reported that at the December 2010 NSCLS Council Meeting, the Council approved paying membership dues that were based on a formula that takes into consideration member libraries population and budgets. However, that Motion was pending approval of the shift of CLSA reference funds into electronic materials. Since then, there is the potential of NSCLS receiving no funding from the State; therefore Ms. Baker feels the issue needs to be revisited again. NSCLS member libraries have never paid dues of any kind and it is Ms. Baker's understanding that North State is the only System in the State of California that doesn't pay dues. NSCLS has contributed TBR over the years but that number has declined significantly. The TBR has covered some of the OCLC and database charges but there are other areas, such as administration, that TBR does not cover. For the past ten years, the Council has voted to use \$30,000 from reserves to put into the system budget to pay for administration. Those reserves are now exhausted and in the coming year, there will not be any money to pay for administration costs. Discussion ensued.

Ms. Milliron reported that if there is no State funding, then the NLS Steering Committee has prepared a 6-month budget that uses reserve money contributed by all 3 systems to give each system time to absorb the costs and duties from NLS before NLS shuts down completely. Discussion ensued. It was noted that the NSCLS bylaws have a provision that a library can withdraw from the system. If a library does withdraw from the system rather than pay membership dues, then the population would drop and NSCLS could ask NLS to recalculate NSCLS membership fee. It was further noted that the withdrawing library would need to notify the Library of California Board as quickly as possible since they are meeting in August. The system would lose some CLSA money for supporting those libraries. Ms. Mielke noted that in California, libraries are not required to belong to a system. Discussion ensued. It was noted that libraries would be invoiced for their membership fees on July 1, 2011 but invoicing on a quarterly basis is also an option.

A Motion to use a membership fees model that uses population and budget from page 17 in meeting packet; column with heading with reserves dues 11/12 that totals \$30,000 but to pay for a 6-month period of time was moved by Jessica Hudson and seconded by Margaret Miles. The Motion carried with the following count: Ayes: 6 Nays: 1 Abstention: 1

9. NSCLS BUDGET FY 2011/12

Ms. Milliron reported that in approving the 2011/12 budget, the Council would be approving the expending of money to pay for the PERS retiree health insurance and setting aside some money for an audit and the payment of a fiscal agent fee to Sonoma County. She stated that the system does have the cash to cover those expenses for the upcoming fiscal year. The PERS

payment is the result of an actuarial study; this is a one-year payment and is not paying off the entire contract. Ms. Milliron noted that this number fluctuates and if the system decides to ask for an actuarial study, then a firmer number will be determined. The report comes out annually in October. Discussion was held on conducting the system annual audit. Ms. Milliron was directed to find out the requirement for systems.

A Motion to approve the NSCLS Budget FY 2011/12 as presented with direction to staff not to conduct an audit until directed to do so was moved by Margaret Miles and was seconded by Jon Torkelson. The Motion passed unanimously.

10. REPORT FROM NSCLS NOMINATING COMMITTEE

The Nominating Committee, consisting of NSCLS Council Chair Cheryl Baker, Vice-Chair Jody Meza and NLS Steering Committee Vice-Chair Margaret Miles, recommend the following slate of officers for the Council's approval:

NSCLS Chair - Jody Meza, Orland Free Library & Willows Public Library
NSCLS Vice-Chair - Jan Erickson, Shasta Public Libraries
Representative to NLS - Jessica Hudson, Tehama County

Ms. Baker asked if there were any additional nominations in addition to this slate. There were no additional recommendations.

Ms. Baker asked Linda Springer, consultant for the State Library, if she had anything to report. Ms. Springer stated that she didn't have any information regarding the pending State budget but asked the Council if they had any questions for her. The Council did not have any questions.

11. ANNOUNCEMENTS

No announcements were made.

12. ADJOURNMENT

A Motion to adjourn the meeting was moved by Margaret Miles and seconded by Jon Torkelson. The Motion passed unanimously. The meeting was adjourned at 12:02 p.m.

Annette Milliron DeBacker
Clerk of the Board
May 23, 2011