

AGENDA

BOARD OF LAW LIBRARY TRUSTEES of the LOS ANGELES COUNTY LAW LIBRARY

REGULAR BOARD MEETING

Wednesday, January 25, 2017

12:15 PM

MILDRED L. LILLIE BUILDING

TRAINING CENTER

301 WEST FIRST STREET

LOS ANGELES, CA 90012-3140

ACCOMMODATIONS

A person with a disability may contact the Board Secretary's office at (213) 785-2511 at least 24 hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

AGENDA DESCRIPTIONS

The agenda descriptions are intended to give notice to members of the public of a brief general description of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Board may take any action that it deems to be appropriate on the agenda item and is not limited in any way by the notice of the recommended action. The President reserves the right to discuss the items listed on the agenda in any order.

REQUESTS AND PROCEDURES TO ADDRESS THE BOARD

A member of the public has the right to address the Board on agenda items or on items of interest which are not on the agenda and which are within the subject matter jurisdiction of the Board. All requests to address the Board must be submitted in person to the Board President prior to the start of the meeting. Public comments will be taken at the beginning of each meeting as Agenda Item 1.0. A member of the public will be allowed to address the Board for a total of three (3) minutes for a single item or a maximum of five (5) minutes for all items unless the President grants more or less time based on the number of people requesting to speak and the business of the Board. When members of the public address the Board on agenda items, the President determines the order in which speakers will be called. Persons addressing the Board shall not make impertinent, slanderous or profane remarks to the Board, any member of the Board, staff or general public, nor utter loud, threatening, personal or abusive language, nor engage in any other disorderly conduct that disrupts or disturbs the orderly conduct of any Board Meeting. The President may order the removal of any person who disrupts or disturbs the orderly conduct of any Board Meeting.

AGENDA MATERIALS

Unless otherwise exempt from disclosure, all materials relating to items on the agenda distributed to all, or a majority of the members of the Board less than 72 hours prior to the meeting shall be made available for public inspection at the time the writing is distributed in the Executive Office of the Law Library.



CALL TO ORDER

1.0 PUBLIC COMMENT

2.0 PRESIDENT'S REPORT

3.0 CONSENT CALENDAR

- 3.1 Approval of Minutes of the December 15, 2016, Regular Board Meeting.
- 3.2 Review of November Financials and List of December Checks and Warrants
- 3.3 Approval of FY17 Quarter 2 Statistics
- 3.4 Status of 2017-2018 Workers Compensation Insurance Renewal
- 3.5 Approval of Keenan's Brokerage Service Agreement
- 3.6 Approval of Revisions to Dress Code Policy in Employee Handbook

4.0 DISCUSSION ITEMS

- 4.1 Clarification of Policy Regarding Retiree Dental Benefits

5.0 CLOSED SESSION

- 5.1 Executive Director Performance Evaluation

6.0 AGENDA BUILDING

Items not on the posted agenda may be presented by a Trustee and, if requested, may be referred to staff or placed on the agenda for consideration at a future meeting of the Board.

7.0 EXECUTIVE DIRECTOR REPORT

8.0 ADJOURNMENT

It is requested that the meeting be adjourned in memory of Christian Gaiters who worked at the Los Angeles County Law Library for 22 years as Library Clerk. The next Regular Meeting of the Board of Law Library Trustees is scheduled for Wednesday, February 22, 2017.

POSTED THURSDAY, JANUARY 19, 2017 @ 5:15 P.M.

POSTED BY ANN MARIE GAMEZ



AGENDA ITEM 3

CONSENT CALENDAR

- .
3.1 Approval of Minutes of the December 15, 2016, Regular Board Meeting.
- 3.2 Review of November Financials and List of December Checks and Warrants
- 3.3 Approval of FY17 Quarter 2 Statistics
- 3.4 Approval of 2017-2018 Workers Compensation Insurance Renewal
- 3.5 Approval of Keenen's Brokerage Service Agreement
- 3.6 Approval of Revisions to Dress Code Policy in Employee Handbook

**MINUTES OF THE SPECIAL BOARD MEETING
OF THE BOARD OF LAW LIBRARY TRUSTEES OF
LOS ANGELES COUNTY**

**A California Independent Public Agency Under
Business & Professions Code Section 6300 et sq.**

December 15, 2016

The Regular Meeting of the Board of Law Library Trustees of Los Angeles County was held on Thursday, December 15, 2016 at 12:00 p.m., at the Los Angeles County Law Library Mildred L. Lillie Main Library Building at 301 West First Street, Los Angeles, California 90012 for the purposes of considering reports of the affairs to the Library, and transacting such other business as might properly come before the Board of Trustees.

ROLL CALL/QUORUM

Trustees Present: Judge Ann I. Jones
Kenneth Klein, Esquire
Judge Dennis Landin
Judge Richard Rico
Susan Steinhauser, Esquire

Trustees Absent: Judge Michelle Williams Court
Judge Mark Juhas

Senior Staff Present: Sandra J. Levin, Executive Director
Jaye Steinbrick, Senior Director

Also Present: Marcelino Juarez, Finance Manager

President Jones determined a quorum to be present, convened the meeting at 12:15 p.m. and thereafter presided. Executive Director, Sandra Levin recorded the Minutes.

1.0 PUBLIC COMMENT

One public comment from LALL Director of Reference & Research, Ralph Stahlberg, scheduled to enter retirement as of Friday, December 30, 2016. Mr. Stahlberg wished to thank the law library, past librarians and Directors he was fortunate to work with over his 28 year employment. Mr. Stahlberg reminisced about his years at LA Law Library and acknowledged the friends he made throughout his tenure.

2.0 PRESIDENT'S REPORT

President Jones thanked Mr. Stahlberg for his 28 years of generous public service at the law library. President Jones also wished to thank Copy Center Technician, William Coleman, for his 36 years of public service as he too was due to enter retirement (as of December 27, 2016).

3.0 CONSENT CALENDAR

- 3.1 Approval of Minutes of the November 16, 2016 Regular Board Meeting.
- 3.2 Review of October Financials & November List of Checks and Warrants.
- 3.3 Approval of Commendations for LALL 2016 Retirees
- 3.4 Approval of Revised Job Description for Library Clerk, Copy Center
- 3.5 Approval of Leave of Absence Payment Schedule Options

President Jones requested a motion to approve the Consent Calendar. So moved by Trustee Landin, seconded by Trustee Klein. The motion was unanimously approved, 5-0.

4.0 AGENDA BUILDING

There were no items for agenda building.

5.0 EXECUTIVE DIRECTOR REPORT

6.0 DISCUSSION ITEMS

- 6.1 Public Reception for Overcoming Adversity Video Project

7.0 ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:26 p.m. The next Regular Meeting of the Board of Law Library Trustees is scheduled for Wednesday, January 25, 2017 at 12:15 pm.

Sandra J. Levin, Executive Director and Secretary
Los Angeles County Law Library Board of Trustees

Monthly Financials to be Provided Prior to the
Meeting

LA Law Library
Fiscal Year Quarterly Statistics

			FY16 1st Quarter	FY16 2nd Quarter	FY16 3rd Quarter	FY16 4th Quarter	FY17 1st Quarter	FY17 2nd Quarter	FY17 2nd Quarter Notes
Reference and Research									
	<i>Reference and Research responds to user requests</i>								
	Desk Inquiries		6135	6312	6338	6906	7,112	5,950	
	Tuesday 6pm to 8pm - All Queries				59	125	108	82	
	Phone		1960	1724	1815	1923	2,029	1,573	
	Email/ Live Chat		78	212	331	404	355	132	
	By Mail		71	26	56	67	61	45	
	Global Law Inquires		156	149	130	105	25	22	No Global Law Librarian on staff
	Global Law Web Inquires		136	88	109	73	0	0	
	e-Branch Chat		59	33	41	43	45	35	
	e-Branch Email		0	1	1	0	1	0	
		Total	8,595	8,545	8,880	9,646	9,736	7,839	
Circulation Services									
	<i>The Circulation Desk responds to requests for computer sign-up, books on reserve, placing books on hold, questions about overdue fines and lost items, paging materials needed from closed stacks as well as checking books in and out.</i>								
	Desk Inquiries		4,044	2,600	4,016	4,068	3,789	2,398	
	Phone Inquiries		2,122	1,836	1,996	2,347	1,955	1,374	
		Total	6,166	4,436	6,012	6,415	5,744	3,772	
	Books Circulated		2,576	2,204	2,952	2,874	2,572	2,348	
	Library Card Sign-ups		517	508	545	550	514	560	
	Members Program - Active Members		302	297	325	313	318	335	
	Public Terminal Logins		11,520	10,798	9,496	11,001	10,403	9,142	
Document Delivery / E-Delivery/Copies									
	<i>Document Delivery responds to requests for materials from the LA Law Library collection. Copy Center responds to requests for photocopies, printouts from our computers as well as from the microfiche reader-printer.</i>								
	Phone Inquiries		286	275	286	298	314	269	
	In-Person		3,723	2,164	2,509	2,701	2,890	2,683	
	Email		230	221	194	154	119	255	
	By Mail (As of 2013, included with R+R above)								
		Total	4,239	2,660	2,989	3,153	3,323	3,207	
	Pages Delivered		9,135	5,524	8,073	6,269	6,013	6,125	

LA Law Library
Fiscal Year Quarterly Statistics

			FY16 1st Quarter	FY16 2nd Quarter	FY16 3rd Quarter	FY16 4th Quarter	FY17 1st Quarter	FY17 2nd Quarter	FY17 2nd Quarter Notes
	Copies Made (Main Library)		91,743	96,313	79,318	78,655	72,162	85,018	
Collection Management Services									
<i>Collection Management handles all new acquisitions, continuation and updates, as well as any volumes that are withdrawn from the collection.</i>									
	New Titles Added		132	111	154	124	108	112	
	New Serials		18	19	23	23	25	34	
	Print Volumes Added		1,362	1,376	1,378	1,261	1,129	1,210	
	Non-Print Media Added		10,523	4,454	1,949	730	9,552	197	
	Books Cataloged/Reclassified		646	477	632	144	484	681	
	Print & Non-Print Withdrawn		601	578	1,091	1,319	505	1,215	
Brief Scanning Project									
	Briefs Scanned		7,499			1101	792	2377	
	Pages Scanned		251,347			46,565	39,205	135,384	
	Briefs Logged (Google)			19308	N/A	8,984	7,561	332	
Website Statistics									
	Visitors		24,096	21,877	23,217	25,501	26,842	22,355	
	Visits		101,619	101,052	104,421	107,809	99,035	89,623	
	Average Daily Visits		1,105	1,099	1,135	1,185	1,076	974	
	Average Duration		4:09	4:00	3:51	2:49	2:59	3:12	
	Visitors: US		96.02%	97.54%	98.43%	98.34%	93.59%	97.26%	
	Visitors: International / Unspecified		3.98	2.46%	1.57%	1.66%	6.41%	2.74%	
Training and Events at Main Branch									
	Public Classes Held								
	Internal speaker		7	24	6	12	23	29	
	Guest speaker		9	19	11	41	38	31	
	MCLE Classes Held								
	Internal speaker		0	1	0	0	0	2	
	Guest speaker		5	18	7	7	6	7	
	Clinics/ Workshops Held		16	39	46	35	39	44	
		Total	37	101	70	95	106	113	
	Class Attendance Total (Estimated)		658	2,427	1,041	2,131	1,180	2,093	

MEMORANDUM

DATE: January 25, 2017

TO: Board of Law Library Trustees

FROM: Sandra Levin, Executive Director
Marcelino Juarez, Finance Manager

RE: 2017-18 Workers Compensation Insurance Renewal

SUMMARY

The purpose of this report is to apprise you of the status of the workers compensation coverage renewal efforts for the Law Library *prior to* the February meeting at which time the Board will be asked to select one of the identified options.

The Law Library's workers compensation coverage must be renewed prior to March 1, 2017. Our broker and staff have worked diligently to implement safety programs and training to mitigate loss exposures and continue to promote the safety culture. Indeed, there have been zero dollars in costs incurred for claims for the past two years. The Library's experience modification rating (Ex-Mod) is still high as a result of prior years' events but has gone down from 230% to 170% due to the more recent favorable experience.

The Library's insurance broker has been marketing the coverage under the current guaranteed cost program, with a limited number of carriers expressing interest due to the high Ex-Mod rating. The broker expects that premium costs will hold steady or decline due to the more favorable Ex-Mod rating.

At this time, neither Staff nor the broker recommends pursuing a Self-Insured Plan (SIP) alternative.

ANALYSIS AND DETAIL

Law Library's Worker's Compensation Profile

The Library's workers compensation program has been an area of focus for staff and the Library's broker. The focus has been on being proactive to prevent losses from occurring in addition to driving down the Library's experience modification factor. Progress meetings with the Library's current insurance carrier are scheduled during the year to review open claims and our current work place safety practices and protocols. Additionally, our Illness & Injury Prevention Program (IIPP) and Emergency Action Plan (EAP) were updated at the Board's May 25, 2016 regular



meeting to make both documents easier to use in case of an emergent or urgent situation, following a recommendation from our insurance carrier.

Exhibit A illustrates the Library's historical frequency and severity over the years. During the 2016-17 policy period, no new claims were reported.

Exhibit B illustrates the Library's historical total incurred losses for workers compensation versus the total premium paid for workers compensation coverage. During the 2016-17 policy period there were no incurred losses.

Exhibit C illustrates the Library's historical loss ratio. The loss ratios show how much was paid out for claims versus how much was collected in premium. Underwriting will determine certain amounts to be paid out in losses and will calculate this amount in the premium quotation. A lower loss ratio (30% and lower) will usually result in premium discounts whereas higher loss ratios usually result in higher premiums. Our loss ratio for the last two policy periods has been 0%.

Exhibit D illustrates the Library's historical Ex-Mod rating as determined by the WCIRB. For the 2017-18 renewal period, our experience modification was established at 170%, a significant decrease from the expiring 233%.

Guaranteed Cost Program

In anticipation of the renewal, the Library's broker, Keenan & Associates is seeking bids from various workers compensation insurance carriers specializing in high Ex-Mod programs in addition to the State Compensation Insurance Fund, the Library's current workers compensation carrier. It is likely that the drop in our Ex-Mod will open new markets and will have a positive impact on premiums. State Fund as the incumbent carrier should be presenting a quote within the coming week. If it is available in time for the January meeting, we will share it with the Board. Other bids will be collected if available, and a comparison will be presented at the February meeting.

Self-Insured Plan (SIP)

A self-insured plan is one in which the employer assumes the financial risk for providing Workers' Compensation benefits to its employees by assuming responsibility up to a self-insured retention amount and purchasing excess insurance coverage for amounts above the retention. In other words, self-insured employers pay the cost of each claim 'out of pocket' as they are incurred instead of paying a fixed premium to an insurance carrier. Self-insured employers are required to provide the same scope of benefits as an insurance company. Claims must be adjusted in California, and new self-insurers are required to use a licensed third-party administrator (TPA) for their first three years of self-insurance. After that time, self-administration may be permitted.

Last year, Keenan secured formal quotes for the Board in order to evaluate the self-insurance option. Ultimately, self-approach proved both riskier and higher in cost and was therefore not selected by the Board. This year, Keenan does not



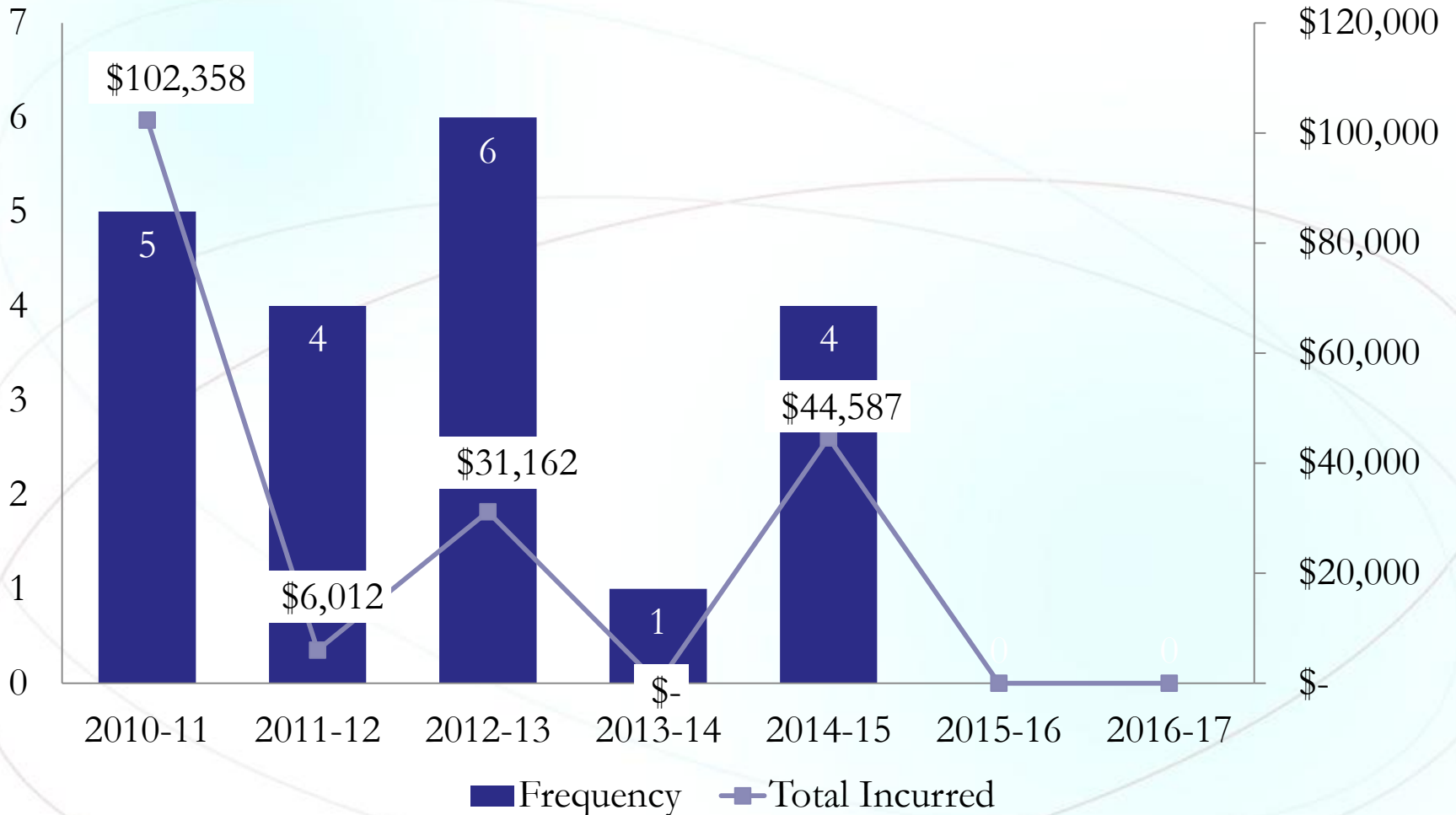
recommend repeating the exercise and Staff does not believe the outcome would be different, especially given the expectation of reduced premiums. Accordingly, we do not anticipate presenting a self-insured option for consideration.

RECOMMENDATION

Staff recommends that the Board receive and evaluate this information. If there are any questions or issues of concern, Staff recommends removing the item from the Consent Calendar for discussion so that the Board can identify those issues and the matter can be presented with all necessary information at the February meeting.



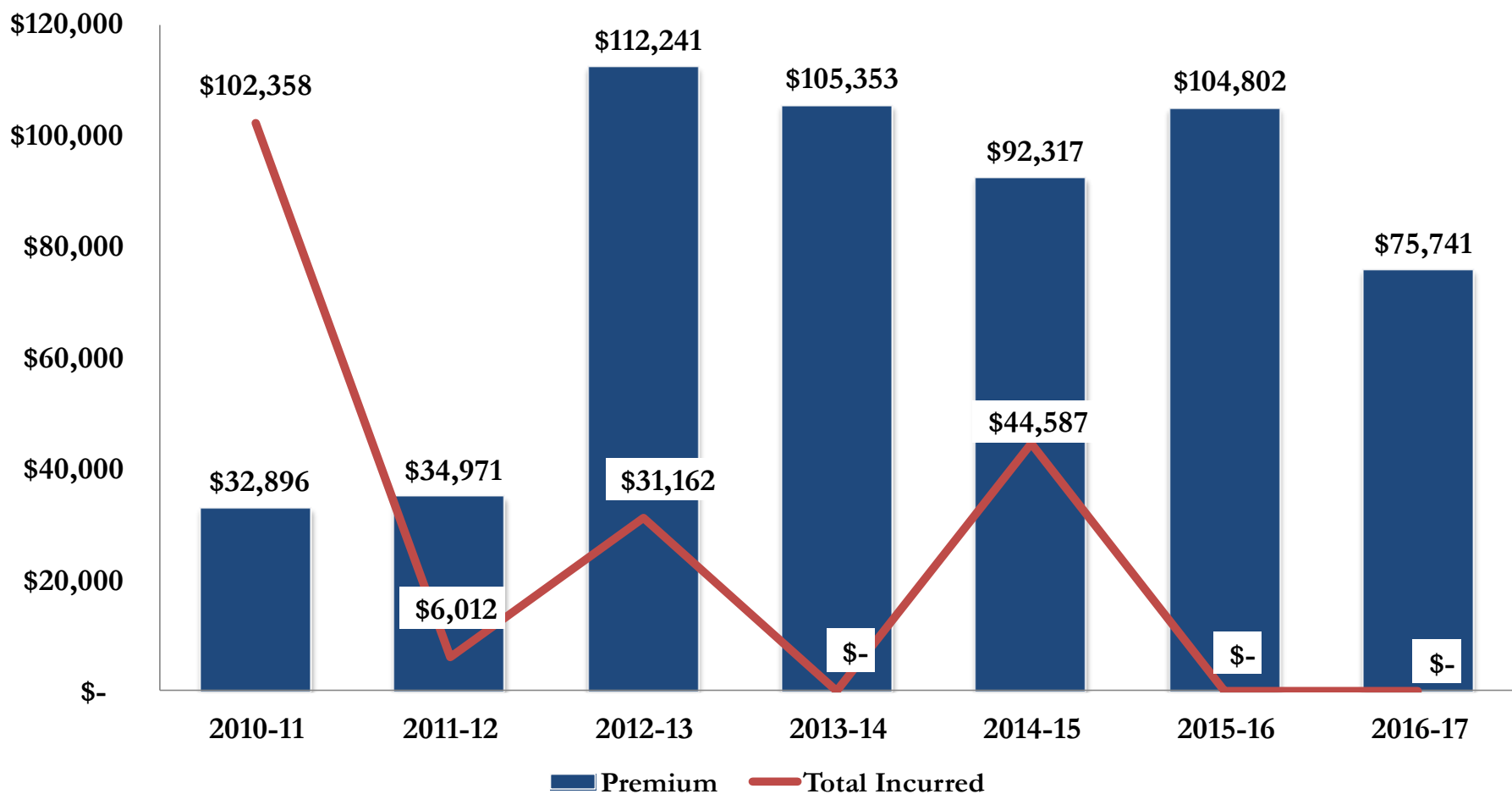
WC Frequency & Severity



Valued as of: 11/30/16

Note: 2010 & 2011 loss data valued as of 1/5/16

WC Program History

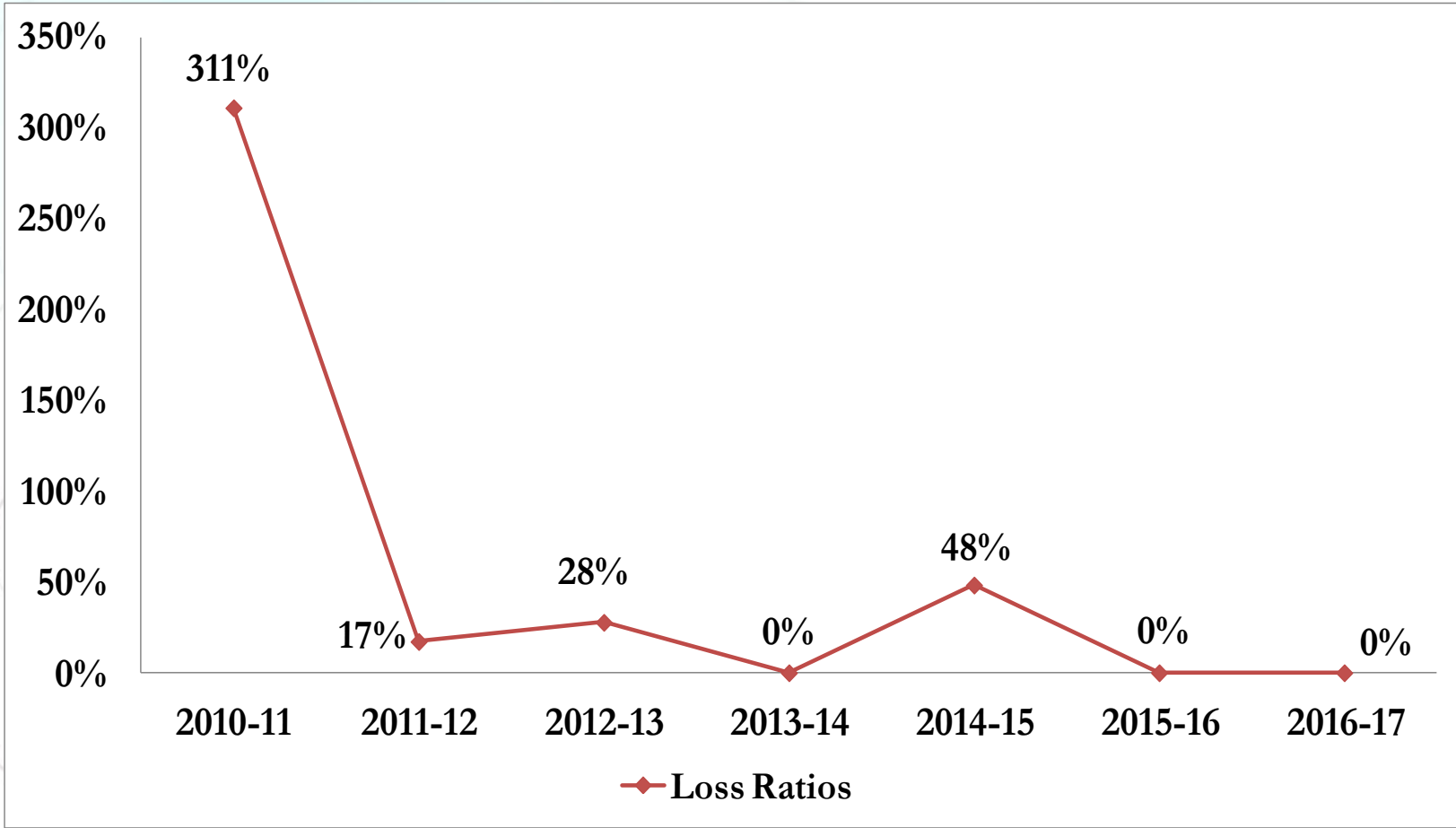


Valued as of: 11/30/16

Note: 2010 & 2011 loss data valued as of 1/5/16

Workers Compensation Loss Ratios

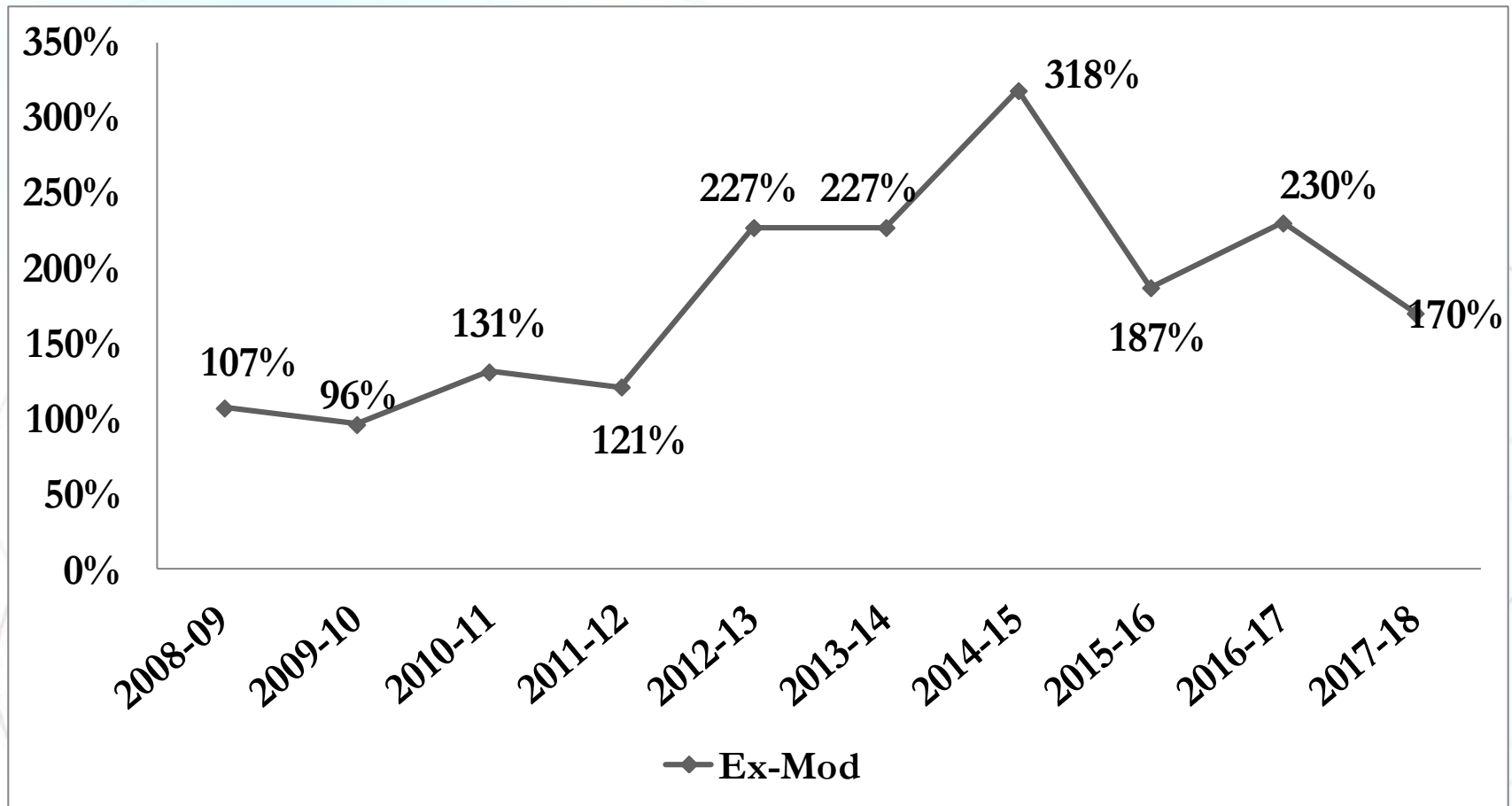
Loss Ratios = Total Incurred / Premium



Valued as of: 11/30/16

Note: 2010 & 2011 loss data valued as of 1/5/16

WCIRB Ex-Mod History



Valued as of: 11/30/16

Note: 2010 & 2011 loss data valued as of 1/5/16

MEMORANDUM

DATE: January 25, 2016

TO: Board of Law Library Trustees

FROM: Sandra Levin, Executive Director
Marcelino Juarez, Finance Manager

RE: Approval of Keenan’s Brokerage Service Agreement

SUMMARY

The Law Library’s property and casualty brokerage service agreement with Keenan is set to expire on January 31, 2017. Keenan has submitted a proposal to extend the agreement with a 1 year and 2 year option. The renewal extensions would be at a lower compensation than what has been paid to Keenan in the past as detailed in the attached Renewal Amendment No.4 (\$43,500 per year as compared to \$50,000 per year in the introductory period).

The lower compensation is a result of Keenan serving as our broker for the past three years, accumulating an understanding of our expectations and timelines as well as the efficiency they have developed over the years particularly in identifying the right niche in the coverage marketplace for the Law Library’s exposures.

Staff is pleased with the work and the results Keenan has produced over the years. They are readily available and work at great lengths to meet deadlines and achieve optimum savings for the Library.

Staff’s intention would be to conduct a Request for Proposals prior to the end of the two year agreement, soliciting competitive bids. Staff believes that the proposed term achieves an appropriate cost savings while still allowing the flexibility to terminate the agreement after one year should the Law Library wish to go out to bid prior to two years, and ensuring that brokerage services will be put out to bid at least every 5 years.

RECOMMENDATION

Staff recommends that the Board approve a renewal contract at \$43,500 per year, with a two year term with an option to terminate on 60 days’ notice prior to the second year.



RENEWAL AMENDMENT No. 4

This Amendment (“Amendment”) hereby amends the **PROPERTY AND CASUALTY BROKER AND CONSULTING SERVICES AGREEMENT** (“Agreement”) dated **February 1, 2013** by and between **Keenan & Associates** (“Keenan”) and **Los Angeles Law Library** (“Client”) hereinafter referred to collectively as the (“Parties”) as follows:

WHEREAS, the current term of the Agreement shall expire on **January 31, 2017**; and

WHEREAS, the Parties desire to continue their relationship subject to the terms and conditions outlined in the Agreement and as set forth below;

NOW, THEREFORE, the Parties agree as follows:

1. **TERM.** The Agreement is hereby renewed for an additional two (2) year term (“Renewal Term”) commencing **February 1, 2017** through **January 31, 2019** unless; Client exercises the option to terminate the Agreement, as hereby amended, by providing sixty (60) days prior written notice to Keenan of its intent not to renew the Agreement at the end of the first (1st) year of the two (2) year Renewal Term.
2. **EXHIBIT D COMPENSATION.** The initial fee of \$50,000 for Services rendered under the Agreement is hereby deleted and replaced as follows:
 - The fee for the Renewal Term shall be **\$43,500** dollars per year, due and payable in a single payment each year upon receipt of invoice.
 - Should Client exercise its right to terminate the Agreement at the end of the first year of the Renewal Term under the terms set forth in Section 1 TERM above, the fee for that first (1st) year shall be increased from **\$43,500** dollars to a total fee of **\$45,000** dollars for the first (1st) year Services rendered under the Agreement as hereby amended.
3. All the remaining terms and conditions of the Agreement shall remain unchanged and in full force and effect, and shall govern the conduct of the Parties during the Renewal Term.
4. The effective date of this Amendment is **February 1, 2017**.
5. Each person signing this Amendment to the Agreement on behalf of a Party represents and warrants that he or she has the necessary authority to bind such Party and that this Amendment is binding on and enforceable against such Party.

Signature Page Follows This Page



<u>Los Angeles County Law Library</u>		<u>Keenan & Associates</u>	
<u>Signature:</u>		<u>Signature:</u>	
<u>By:</u>	Sandra J. Levin	<u>By:</u>	John Stephens
<u>Title:</u>	Executive Director	<u>Title:</u>	Sr. Vice President
<u>Address:</u>	301 West First Street Los Angeles, CA 90012	<u>Address:</u>	2355 Crenshaw Blvd., Suite 200 Torrance, CA 90501
<u>Attention:</u>		<u>Attention:</u>	Vanessa Pena



MEMORANDUM

DATE: January 25, 2016

TO: Board of Law Library Trustees

FROM: Sandra Levin, Executive Director

RE: Approval of Revisions to Dress Code Policy in Employee Handbook

BACKGROUND AND SUMMARY

After the Executive Director recommended and the Board approved revisions to the LA Law Library dress code, SEIU expressed concerns regarding certain aspects of the policy on behalf of represented employees. After a productive discussion between management and SEIU representatives, it was mutually agreed that the policy should be amended to clarify that the policy is not intended to intrude upon employees' ability to engage in protected concerted activity or protest. Such activities are protected under law and a dress code may not prohibit such speech without establishing special circumstances.

RECOMMENDATION

Staff recommends that the Board approve the attached amendment to the dress code contained in the Employee Handbook & Personnel Policies Manual.



6.7 PROFESSIONAL ATMOSPHERE

The Library's long held reputation is built on its record of excellent service and quality work. Preserving this hard-earned reputation requires the active participation of every employee. Part of the impression you make on others depends on your choice of dress, personal hygiene and courteous behavior. Each employee brings a unique set of skills and experience and all employees are expected to treat each other, as well as library users, with respect and a genuine service attitude. Figuratively, if not literally, employees should greet each interaction with good eye contact, a firm handshake, and a "how-can-I-help-you" smile.

While at work, employees are expected to be well-groomed and dressed appropriately. Ensure that you maintain good personal hygiene habits. Appropriate dress attire is also an integral part of maintaining a professional atmosphere and the Library sets business casual dress as the norm for all employees. It encompasses many different styles of clothing that are appropriate for an office environment. It is clothing that allows the Employee to feel comfortable at work, while always looking neat and professional. The Library feels that these qualities are a significant factor in making a favorable impression on the public, customers and co-workers. The following are examples of what is not allowed:

Apart from LA Law Library branded apparel;

No hats

No torn, stained or worn out clothing

No shorts

No muscle shirts, tank-tops or tube-tops, unless paired with an acceptable cover shirt

No visible underwear, bare midriffs or cleavage

Except for earlobes, no visible piercings

No flip-flops

No apparel with words or slogans

No visible logos larger than 2" by 2"

No visible tattoos (They must be kept covered while at work or while representing the Library)

No jeans, unless fitted and in good condition

Notwithstanding the foregoing, employees are not prohibited from wearing clothing containing messages or slogans in connection with protected concerted activity and protest of employee wages, hours and working conditions.

Those whose jobs entail using book carts, shelving books, and lifting boxes and packages should wear shoes that provide protection and will not cause them to slip or fall. Employees in such positions should not wear open-toed shoes, such as sandals or flip flops, or shoes that fit so loosely the employee might lose his or her balance and fall, such as moccasins or slippers.

Employees should consider the work-related activities he/she will be involved in when deciding what to wear each day. Rare occasions may require Employees to dress in casual wear for field work or a departmental move. Also, depending upon the business needs of the Library, management may require that employees wear more formal business attire. Fridays are considered to be more casual. Employees are expected to observe and follow the Library's standard for dress and appearance at all times while at work. The Library will make the final determination as to whether attire and personal appearance comply with the Library's standard. The Library will also consider requests based upon financial hardship or for reasonable accommodations for religious observances, religious dress and grooming practices, or any other legally-protected accommodations. An Employee who reports to work in unacceptable attire may be requested to leave work to change their appearance. Such time off from work will generally be without pay.

At the discretion of management, disciplinary action may be taken for excessive offenders, up to and including separation of employment. Questions or complaints that cannot be handled to an Employee's satisfaction by his or her Supervisor will be addressed by the Executive Director and/or Human Resources.

AGENDA ITEM 4

DISCUSSION ITEMS

- 4.1 Clarification of Policy Regarding Retiree Dental Benefits

MEMORANDUM

DATE: January 25, 2017

TO: Board of Law Library Trustees

FROM: Sandra Levin, Executive Director

RE: Clarification of Policy Regarding Retiree Dental Benefits

SUMMARY AND INTRODUCTION

There has been some confusion regarding whether the Law Library provides retiree dental benefits for unrepresented employees. The Board is asked to clarify the policy.

BACKGROUND

In the past, the Law Library provided dental benefits to retirees. For example, the Personnel Policy Manual in 1988 stated,

“At present the Library provides group health benefit plans sponsored by [CalPERS] and a private dental plan for full-time employees, retired employees and eligible dependents. However, the Library cannot guaranty the future availability of any plans. Continued provision of such plans is contingent upon their availability and suitability and the financial ability of the Library to continue to provide them. . . Coverage provided by the Library is subject to termination or modification by PERS, the carriers or the Board of Trustees.”

The current Employee Handbook does not provide for retiree dental apart from COBRA rights and states only that:

“Upon separation from the Library, employees may be entitled to continuation or conversion of the group dental insurance plan in accordance with the terms of the policy or applicable state and federal law. Eligible dependents enrolled at the time of separation may also be entitled to continuation or conversion of the group health insurance plan in accordance with the terms of the policy or applicable state and federal law. For more information see Section 13.11, COBRA below or contact HR.”

(The 2007 Employee Handbook contains no affirmative language providing for retiree dental and contains similar language to the current Handbook regarding COBRA benefits.) Based upon a review of many (but not all) employment offer letters of current employees, offer letters summarize the available benefits but do not include any mention of retiree dental. More recent offer letters also note that benefits are subject to change.

Union-eligible employees: In 2008, after negotiation and documentation, the MOU for represented employees was amended to state that employees hired after July 1, 2008 would not receive retiree dental benefits (apart from COBRA). As a result, union eligible employees hired before that date have been provided retiree dental benefits, while union eligible employees hired after that date have not.



Non-union-eligible employees: Non-union-eligible employees are governed by the Handbook which can be changed at any time. As noted, although there have been different benefits over time, the current handbook does not provide for dental or health except as may be afforded under the policy, contract, state or federal law. Accordingly, for PERS members, while they are entitled to retiree health pursuant to our contract with PERS and state law, based upon the language of the Handbook, they would only be entitled to COBRA as to dental because dental coverage is provided by private contract and there is no contractual or state law right to retiree dental. (Side note: it is possible that coverage would continue under the terms of the policy for some period; some policies extend to the end of the month or even the end of the contract year.)

THE DILEMMA

Numerous staff members report having been told at the time of hire that one of the benefits provided to them was retiree dental coverage. Several management employees report that it was Law Library practice to provide unrepresented employees the same benefits as represented employees. (See below for details of current dental benefit recipients.) Some long-term employees received earlier versions of the Employee Handbook containing the language regarding retiree dental. Some employees hired after 2008 report having been told that they would be provided retiree dental. Based upon a review of the minutes, Staff can find no specific discussion by the Board regarding the elimination of retiree dental benefits for unrepresented employees, nor any documents in the administrative and personnel records of the Library evidencing an intent to eliminate the benefit.

There is also no record of Staff receiving specific notice that retiree dental benefits had been changed. Although the adoption of the Employee Handbook at a public meeting should suffice as legal notice of the applicable benefits, current management practice is to provide transparency by making a reasonable effort to notify employees of significant changes in benefits.

DISCUSSION

Currently, there are 28 retirees receiving dental benefits. Of those, there are four who were unrepresented at the time of retirement and retired after the change in retiree dental benefits. All four were hired prior to July 2008. In other words, there are no retirees hired after July 2008 receiving retiree dental benefits.

Potentially affected employees: There is one unrepresented employee hired prior to July 2008 who recently retired (and is awaiting a determination as to benefits). There are 9 unrepresented employees still working for the Law Library who were hired prior to July 2008 (and 10 hired after July 2008).

Costs: The coverage benefit provided is a maximum of \$2,000 per year per insured. The premium cost of retiree dental has averaged \$732 per retiree per year and \$1052 per year for retirees with dependents. The overall cost of providing dental insurance to retirees is currently \$26,423 annually.



Prior to the MOU change in 2008, the Law Library's insurance broker opined that dental coverage might not be available to the Library in the future if it continued to include retirees in the plan. Indeed, in 2008, when retiree dental benefits were scaled back for represented employees, Staff requested the change because of the cost of retiree dental and, more importantly, the increasing difficulty in finding carriers willing to offer coverage to the Law Library. The Library's current broker reports similar findings in 2017:

"Coverage for retirees has had an impact on our ability to get quotes from dental insurance carriers due to large percentage of retirees enrolled in the plan. One year, Assurant (former insurance carrier) declined to quote due to this. Most recently, some carriers refused to quote because of this."

Since the approach varies among insurance carriers, the Law Library has been able to obtain coverage from Guardian who continues to be willing to provide coverage.

In essence, dental coverage for retirees is expensive and difficult to obtain, but there are current and former employees who have an expectation that it will be provided.

OPTIONS

1. Leave the language as is in the Employee Handbook and notify unrepresented staff that retiree dental benefits have been eliminated.
2. Change the Employee Handbook to conform retiree dental benefits to those of represented Staff (i.e., provide retiree dental for those hired prior to July 1, 2008) per the attached language, Option 2.
3. Change the Employee Handbook to conform retiree dental benefits to those of represented Staff (i.e., provide retiree dental for those hired prior to July 1, 2008) but limit the benefit to those retiring within a certain timeframe (e.g., prior to 6/30/2018) per the attached language, Option 3.
4. Change the Employee Handbook to provide retiree dental benefits to all unrepresented Staff, except the Executive Director, per the attached language, Option 4.
5. Renegotiate retiree dental benefits for represented and unrepresented employees.

Note that this staff report does not include any option that would affect the Executive Director's benefits, as an employee hired after July 1, 2008, and no request has been made for a change in the Executive Director's employment agreement. Should the Board wish to discuss any such option, the item would have to be written and presented by a consultant or someone without a personal interest in the outcome.

RECOMMENDATION

Staff recommends that the Board discuss this item and provide direction.



AGENDA ITEM 5

CLOSED SESSION

5.1 Executive Director Performance Evaluation