

OFFICIAL IBSD MINUTES

IBSD MEETING MINUTES – June 3, 2009

A special meeting of the Board of Directors of the Iona Bonneville Sewer District (IBSD), a political subdivision of the State of Idaho, was held at the District Office, 1555 E. Lincoln Road, Idaho Falls, Idaho on June 03, 2009 at 9:00 a.m.

IBSD Board Present: John Price (Chairman); Mike Klingler; Glen Clark; Susan Ring; Jason Blundell

IBSD Staff: Cindy Wellman, Manager IBSD

Public attendees: Ray Severe, Lincoln Employee Benefits; Tammy Horton, HUB Insurance

Meeting was called to order by John Price at 5:05 p.m.

1. Call for additional agenda items.

- A. Susan asked to have a discussion regarding Monday's meeting (6/1/09) added to the agenda.
- B. The Board talked with Cindy about the events leading up to the meeting today, 6/3/09. Cindy was told by Susan that there wasn't a posting of the notification for the meeting on 6/1/09. At the 6/1/09 Board meeting there were motions made to send a Notice of Public Hearing as well as a Report with the monthly billings. If there was a chance that this was an illegal meeting due to the posting requirements, Cindy decided to not send the bills and asked the Board to re-do the motions related to the billing.

MOTION: Glen moved a motion that it (It = the motion previously passed to send a Notice of Public Hearing and Report with the June monthly bills) passed and to send the bills. **MOTION SECOND:** Jason seconded. **MOTION PASSED:** (Yay: Mr. Clark, Mr. Klingler, Mr. Blundell, Ms. Ring; Chairman abstains).

- C. John asked the other board members if there are charges of an illegal meeting. He stated that he spoke with the attorney (EchoHawk Law Offices) and that it was not illegal. He said that Cindy posted the notice and the notice was also sent to an email distribution list.
- D. Susan feels that the posting was not there when it should have been there. It may have fallen down or someone threw it away.

2. Executive Session: 67-2345 (a) Benefits for employees

MOTION: Susan moved to move to Executive Session pursuant to Idaho Code 67-2345 (a) Benefits for Employees. **MOTION SECOND:** Jason seconded.

- A. Glen asked about the reason for going into Executive Session. Glen was told that it was to discuss employee benefits. He then commented that he would like to find out what the employees want before offering to give things. The board discussed that this was a meeting to gather information and decisions wouldn't be made.
- B. Mike didn't feel that the Board needed to move to Executive Session. Ray Severe from Lincoln Employee Benefits relayed his experiences with discussing employee benefits in an open meeting. He said that some Boards choose to have a committee that does the fact finding and then does a presentation to the full Board with their recommendation.
- C. Susan withdrew her motion.

MOTION FAILED due to motion being withdrawn.

3. Employee Benefits

- A. Ray Severe, Lincoln Employee Benefits, recommends a long-term plan. Since our organization is small, it's difficult to offer comprehensive benefits that are affordable. He recommends a health reimbursement program (HRA) since it's less discriminatory since everyone gets the same benefit.
 - a. The money will not be used unless there is a legitimate claim for it; health insurance, dental insurance, out of pocket medical expenses, etc. If an employee is terminated they have 90 days to submit claim before benefit is forfeited. This is different than a HAS that goes with

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- employees when they leave. Mr. Severe stated the costs and deductible expenses and the benefits the employee would be responsible for under this plan.
- b. In addition he recommends offering a simple IRA plan matching contributions up to 3% of pay. Another recommendation for consideration is a Cafeteria plan. This would allow employees to elect have some of their money to be run through before taxes.
 - c. His company would handle all of this at a charge of \$5.00 per employee per month.
 - d. Ms. Ring asked what a good way to determine the amount to fund a HRA. He said the approach is based on the budget of organization. He recommends sharing the cost with the employee. The thing that is good with an HRA is that it is only used if it's needed, if not it goes back to the organization. The perimeters of the plan are set by the organization.
- B. Tammy Horton, HUB/Tandy & Wood, offers great customer service. She stated, knowing Ray Severe, she could offer the same benefits.
- a. The soft quote for insurance is \$1,500-\$2,000 from various insurance companies; the difference is going to be service. Their new benefit is credit card like flex spending benefit cards. She offered quote from Starmark saying their rates have recently been lowered in the State of Idaho.
 - b. Susan asked for an explanation on the quote. Ms. Horton reviewed the deductibles and coverage in each plan. She reviewed the difference between an HSA and HRA plans. All carriers require 50% employer contribution for the employee.
 - c. There are currently only five companies that are available in Idaho. Mr. Blundell asked if HSA or HRA would better. The HSA goes with employee and HRA stays with HRA. She recommended a Flex-spending plan to be used on copayments, deductibles and prescriptions.
- C. Ms. Wellman stated there was another person who wanted to present but was out of town. She gave the information to the board.
- D. Ms. Wellman stated she was double insured, as is Donna Bridges, and is not interested in health insurance because she would have to decline. There is a possibility that in the future someone may want this benefit. This is something that Ms. Richmond would potentially use if her husband retired. If Ms. Hunter were hired permanently, she may want to utilize health insurance.
- E. Mr. Clark asked why the board was looking at benefits. Chairman Price said the benefits also include time off and holidays and they need to be informed to make a decision.
- F. The board discussed the status of the current employees. Currently there are 3 employees and 1 temporary. Ms. Wellman stated that she did not think 3 would be enough long term and would like to have Ms. Hunter remain permanently.
- G. Mr. Klingler stated there has been a lot of extra work due to getting accounts in order and he believes things will calm down and get to a point of maintenance. Mr. Clark recommended having an outside person come in and take care of the survey in a month or two. Ms. Wellman stated that Ms. Bridges had started the survey and will begin going out two days a week. Going out in the district is only part of the survey; the other part is matching the information up in the district.
- H. Mr. Clark suggested taking the maps we have and matching the addresses up where bills are being sent. Mr. Klingler said he thinks a visual verification is needed; there have already been cases where residences have been found on vacated lots or double connections on single lots.
- I. Ms. Wellman introduced the PERSI retirement discussion. Joining PERSI is an option for the district but if offered it has to be offered to anyone who reports income other than purdiem. Ms. Ring stated she did not know of a reason to not join. Mr. Clark state he was all in favor of it.
- J. Mr. Clark asked what holidays the employees have in mind. Ms. Wellman said whatever is standard per the federal schedule would be fine. Mr. Clark stated he would not sign off on Martin Luther King or President's Day. He suggested New Year's Day, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving, and Christmas. Mr. Clark objected to Veteran's Days stating none of the employees were Veterans.
- K. Mr. Klingler stated that he liked the idea of not separating sick and vacation leave. Mr. Clark stated his company accrues one week each year; after five years it's two weeks. He does not offer sick days. Mr. Blundell stated his company pays 100% medical and 15 days vacation allowing 5 days to be carried over.
- L. Mr. Clark stated he didn't want to overdue the benefits until they figured out what they could afford. He suggested starting with holidays and a week vacation. Chairman Price suggested meeting with the employees to see what they would like. The board discussed the cost of holidays based on employee wages.

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- M. Ms. Wellman asked what the policy is regarding compensated time. Mr. Clark believes that anytime over 8 hours is nonproductive. Chairman Price said this should be at the discretion of the manager but should not be abuses.
- N. A discussion was had as to whether Donna Bridges should attend the meetings since it creates overtime; it was decided she should come as needed.

MOTION: Mr. Clark made the motion to offer holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas and one floating day along with one week vacation after the first year. **MOTION FAILED:** no second.

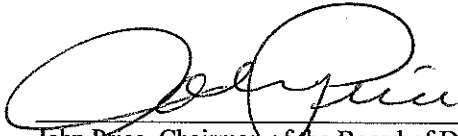
MOTION: Mr. Blundell made the motion to offer holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas and one floating day along and further discuss vacation and sick policy at a later date. **MOTION SECONDED:** Mr. Klingler seconded the motion. **MOTION PASSED:** (Yay: Mr. Blundell, Mr. Klingler, Ms. Ring; Nay: Mr. Clark; Chairman abstains)

- O. The discussion regarding vacation time continued. The amount of days, what is typical and how long a new employee should be employed before benefits are available. The probation period is 90 days.
- P. Employees will accumulate 0.5 days per month and allowed to carry over 5 days each year. All time off is preapproved by the manager. A discussion of whether major-illness would be covered during this time. This would be covered under a disability policy.

MOTION: Mr. Klingler made a motion to offer to full-time employees, after a 90-day probation period, 0.5 days earned time off for each month worked of personal leave time and they can carry over a maximum of 12 days earned leave time each year. **MOTION SECONDED:** Mr. Blundell seconded. **MOTION PASSED:** (Yay: Ms. Ring, Mr. Klingler, Mr. Blundell, Mr. Clark; Chairman abstains)

- Q. Mr. Clark would like a scheduling policy as to when time can be taken at convenience of the business. Ms. Wellman is putting together an employee manual and can distinguish when it's convenient.
- R. Ms. Wellman asked if time without pay could be taken off before using earned leave time. It was discussed and decided that earned time off should be used if it's available. Temporary employees will not earn time off nor get paid for holidays.
- S. Ms. Wellman will contact PERSI to get more information. The next step will be for the board to review the insurance presentations. Mr. Klingler like that Lincoln offers the benefits as well as the payroll services.

Meeting adjourned at 7:07 p.m.



John Price, Chairman of the Board of Directors

11-10-09

Date



Mike Klingler, Secretary/Treasurer

11-11-09

Date