

# OFFICIAL IBSD MINUTES

OCTOBER 17, 2012  
IONA-BONNEVILLE SEWER DISTRICT (IBSD)  
MONTHLY BOARD MEETING

Meeting called to order by Chairman Kelly Howell at: 7:00 p.m.

**Board Members Present:** Kelly Howell (Chairman); Mike Klingler; Jason Blundell; Glen Clark; Robert Esplin

**IBSD Staff:** Cindy Wellman, Manager; Donna Bridges, Field Coordinator

**Attorney:** Tony Sasser, Sasser Law Office

**Public:** Marvin Fielding, Schiess & Associates; Jared Swinford (via teleconference), Express Billpay; Louise Street, Searle Hart & Associates

**Agenda Items:**

1. 2011 Audit Presentation – Farrell Steiner, Searle, Hart and Associates
2. Sewer Connections and Inspections – IBSD 810 and IBSD 2220/2219
3. IBSD acceptance of credit cards
4. Approval of minutes: 9/26/2012
5. Payment of bills
6. Adjournment

**Meeting minutes:** For additional information, please reference the meeting recording.

00:00:00            **2011 AUDIT PRESENTATION – FARRELL STEINER, SEARLE, HART AND ASSOCIATES**

Ms. Louise Street with Searle, Hart and Associates presented the audit in place of Farrell Steiner. She began by saying that Ms. Wellman is doing an excellent job and has been easy to work with providing any requested information immediately. This is classified as a clean audit.

Ms. Street provided a written report beginning with risk assessments. Some of the information used comes from previous audits. They also look at meeting minutes for areas they can focus on. This audit is considered an unqualified audit. The previous year was a qualified audit since the previous balances could not be trusted.

Iona Bonneville Sewer District is a business type accounting and the basis of the audit is full accrual which means the accounting recognizes the expenses as they incur and not necessarily as they are paid. The report includes a statement of revenue and expenses including depreciation. The capital assets payment is high for this year due to the expenditure for the interceptor line constructed by the City of Ammon. She is suggesting incorporating a formal capitalization policy so smaller asset values can be expensed and larger assets can be depreciated, this is typically set between \$5,000 and \$15,000.

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Ms. Street noted the investments and the maturity dates. The expense for the interceptor line is considered a construction in progress but ownership will be effective in the 2012 audit. She also stated that the audit does not look at internal controls but if they find anything they consider a weakness it would be noted in the report but nothing was found. As a government business type entity IBSD is not required to have a budget but she would recommend one be adopted. She also recommended written policies for customers and employees.

Mr. Blundell asked what could be done to have the audit done earlier in the year. Ms. Wellman stated there have been delays with untangling issues with certifications but this has been corrected. The audit for 2012 should be done in a timelier manner and she expects it to be done for the January Board meeting.

00:20:50

00:20:50           **SEWER CONNECTIONS AND INSPECTIONS – IBSD 810 AND IBSD  
2220/2219**

Ms. Wellman stated there are patrons who are having sewer connection issues. One of the patrons would like to connect in a different location. It is her understanding that this could be done as long as the existing connection is abandoned correctly. Another patron would like to abandon their connection since the house is uninhabitable but would like to be reassured that a connection will be allowed without an additional permit fee in the future.

Mr. Clark feels a letter to the patrons stating an additional connection fee will not be required is necessary since by the time the connection is used again it may be there is a different Board.

00:31:10

00:32:10           **IBSD ACCEPTANCE OF CREDIT CARDS**

Jared Swinford with Express Billpay joined the meeting via teleconference. Mr. Swinford first spoke with IBSD regarding Express Billpay but the next step was to acquire quotes from credit card merchants. Ms. Wellman has been working with him to put the merchant costs into a format that can be compared.

Caselle, the software IBSD uses for accounts receivable, has stated that the only acceptable platform for credit cards is Express Billpay. Whenever an online transaction is performed there are two entities involved, the gateway and the processor. Express Billpay is the gate way, the next step is to acquire who will be the processor. Mr. Swinford provides charts comparing the cost of processing. He estimated the use based on similar entities. There are basically two rate structures, one for government services and one for utilities. The government rate could be cheaper but is percentage based so there is more risk. This can be changed at any time.

The Board discusses the costs and savings associated with providing this service. The savings come from the time the staff takes to prepare deposits and from bank costs. There is also a reduction in cost from patrons who use paperless statements. The actual use will determine the actual costs. It is possible to utilize the service for a period of time and then determine if the cost is enough to pass on to patrons who utilize the service.

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**MOTION:** Mr. Blundell made a motion to move forward with the set up of Express Billpay and the lowest bid processor of Chase Payment Tech to allow acceptance of credit cards with the idea this will be revisited when actual costs of printing statements are know. Whether to pay additional fees to customers will be determined at a later date. He is also moving that the Utility rate be utilized. **MOTION SECONDED:** Mr. Esplin seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, Mr. Esplin, and Chairman Howell)

01:42:00

(Mr. Esplin had the leave early.)

00:31:10           **APPROVAL OF MINUTES: 09/26/2012**

Approval of minutes is postponed until the next meeting.

00:32:10

01:42:00           **PAYMENT OF BILLS**

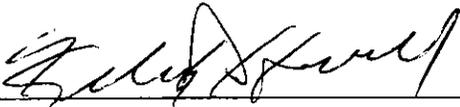
The Board reviewed and discussed the bills in detail.

**MOTION:** Mr. Blundell made a motion to pay the bills. **MOTION SECONDED:** Mr. Clark seconded. **MOTION PASSED:** 4-0 (Yay: Mr. Klingler, Mr. Blundell, Mr. Clark, and Chairman Howell)

01:58:00

01:58:00           **ADJOURNMENT**

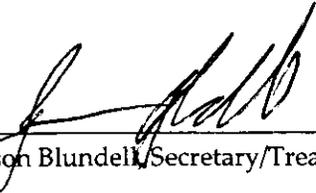
The meeting adjourned at 9:00 p.m.



Kelly Howell, Chairman of the Board of Directors

12-3-2012

Date



Jason Blundell, Secretary/Treasurer

12/20/12

Date



# OFFICIAL IBSD MINUTES

## IONA BONNEVILLE SEWER DISTRICT

### MAILING

3395 E. Leihm Lane  
Idaho Falls, Idaho  
83401

### OFFICE

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(208) 524- 4545

### OTHER

Fax (208) 524- 4646  
Email - [ibsd@sewerdistrict.com](mailto:ibsd@sewerdistrict.com)  
Website - [www.sewerdistrict.com](http://www.sewerdistrict.com)

## Monthly Expenses

October 17, 2012

Bank of Commerce	Replenish Office Account	\$239.10
BK Professional Services	Building Maintenance	\$300.00
Blue Skies Product Distributing	Bottled Water for Office	\$10.00
Buff N Shine Building Maint.	Office Cleaning	\$165.00
Caselle	Software Support	\$528.67
Century Link	Telecommunications	\$319.60
City of Ammon	Sewage Treatment	\$8,128.00
City of Idaho Falls	Sewage Treatment/Maintenance	\$61,666.80
Falls Water	Hydrant Meter/Sewer Line Maintenance	\$16.10
Forsgren Associates, Inc.	Engineer Bridgewater Insp., Video/Clean Meeting	\$810.00
HealthSmart Benefit	Insurance	\$48.00
ICRMP	IBSD Insurance ½ Year	\$1,409.10
Intermountain Gas Co.	Office Utility – Gas	\$2.00
Judco Heating	Install supply and return air basement	\$380.00
Lincoln Employee Benefits	Employee/Board Wages	\$13,088.04
Pipeline Inspection Services	CCTV/Cleaning Sewer Line	\$11,862.50
Post Register	Legal Notice – Board Meeting	\$25.65
Rocky Mountain Power	Utility – Lifts, Meters and Office	\$497.66
Sasser Law Office	Legal	\$1,589.50
Searle Hart and Assoc	2011 Audit	\$8,500.00
United Mailing Direct	Monthly Statements/Delinquent Notices	\$1,774.59
United Micro Data	2013 Laserfiche/Affinity Service Maint Renewal	\$1,469.60
Yost	2013 Annual Service/Supply Ricoh Printer/Copier	\$885.00

Total: \$113,714.91