

**MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT**

5455 West Old Highway Road, Mountain Green, Utah

**Minutes for Wednesday, October 5, 2016**

**Board of Trustees Meeting**

**7:00 P.M.**

**Board Members Present:** Zane Gray, Gary Ross and Blair Larsen **Excused:** Lannie Jolley, Wendy Eliason, Shane Rice, Lynn Peterson. **Employee's Present:** Robert Volk  
**Guests Present:** Clifton Buckway with Moreton & Company Insurance

**Chair:** Board Chairman Zane Gray welcomed everyone present. He also noted that a quorum was not achieved so no decisions could be made this evening, but the Board Members present would cover the discussion of the first item so our guest could go over the insurance items that he came to present. Zane then introduced Clifton Buckway with Moreton & Company Insurance. .

**Invocation:** Blair Larsen

**Public comment Period:** None

**Item # 1. Discussion/Decision: Moreton Insurance-Employee theft**

Clifton Buckway with Moreton Insurance came to the meeting in place of Sheldon Deckart because Clifton is a Mountain Green resident. He was here to go over the coverage of the Districts Employee Theft and Dishonesty policy.

Clifton noted that the District's current Employee Theft policy limit is \$10,000 with a \$500.00 deductible for \$250 and it is effective from 05/01/2016 to 05/01/2017. He confirmed that this policy would cover the Chair and Vice Chair of the Board as well as the two operators up to the limit of the policy should any of them steal or embezzle from the District. However, the District would not be covered should anyone in the Manager or Secretary position commit a theft of District property because they perform a Treasurer's duties and the Treasurer's position is excluded from coverage.

Because of that, Clifton recommended that the District should take out a Treasurer's Bond policy that would cover the District against theft from anyone performing the Treasurer's duties, which would be the Manager's and Secretaries positions. He also mentioned that we should check the Utah Money Management Council requirements because he believed that any District handling public monies was required to carry a Treasurer's bond, and then he provided a copy of their Rule No. 4 Bonding of Public Treasurer's which showed some required limits based on the entities annual budget.

There were a couple of questions regarding the costs of these policies and Clifton responded by saying it would depend on the amount of coverage. Robert asked if he could provide quotes for a few different levels around \$50,000, which matched the noted requirements on his handout.

Clifton then asked if his company could quote on the District's general liability policy, which is now covered by ULGT. Robert said that would be fine as it never hurts to see where our premiums are on a competitive basis.

Zane asked if it was really necessary to be adding all of this insurance. Robert said that any adjustments or additions would be up to the Board. He explained that there is always a cost associated with the amount of insurance coverage provided so the Board would have to look at how much risk they want to cover versus how much they want to self-insure on. The reason for having Clifton come out and do this review is because the existing policy had not been looked at or updated for over a decade. As such, the coverage limits appear to be low and the policy was found to only be protecting the District against theft from the two operators and two board members, but the two positions of the Manager and Secretary, that handle all of the money, were excluded. The Board probably had no idea that this was the case.

Clifton agreed to collect all of the necessary information and get the quotes back to our office as soon as possible.

Without a quorum the Board could not make any decisions on this item so it will be presented on next month's agenda with updated information.

**Items #2 through #13 were not discussed and will be presented on the November Agenda.**

**Item # 14 Discussion: The next scheduled Board Meeting will be on Wednesday, November 2 2016 at 7:00 P.M.**

Zane then ended the meeting.

**Meeting Adjourned: 8:05 P.M.**

**Signed:** \_\_\_\_\_