

**MINUTES OF THE BOARD OF COMMISSIONER SPECIAL MEETING
OF KITTITAS COUNTY PUD #1**

May 19, 2015

The Special Meeting of the Board of Commissioners of Public Utility District #1 of Kittitas County was called to order by President Roger Sparks at 10:00 A.M.

Roll Call:

Roger Sparks, President
Shan Rowbotham, Vice President
Paul Rogers, Secretary (Via Conference Call until 10:00-11:15 am)

Staff Present:

Matt Boast, General Manager General Manager (GM)
Brian Vosburgh, Operations Manager (OM)
Genine Pratt, Finance Manager (FM)
Kelly Carlson, Administrative Assistant

Guests Present:

Jeff Curnutt – Erisa Attorney (Via Conference Call)
Stacy Rundel – DRS Deferred Comp (Via Conference Call)

Public Comments/Introduction of Guests

No Public Comments

Agenda

401K & 457 Plans: GM Boast updated the Commissioners that there was not one response to the RFP's for record keeper and investor for our retirement plans. Jeff Curnutt suggesting reaching out to the companies that he recommended and ask for a bid for their services. He stated that they have a "canned" submittal they can submit that won't involve them completing the full RFP. Commissioner Rowbotham stated that he had dropped an RFP off at the Edward Jones office in Ellensburg. Commissioner Rogers added that he would like the most economical way to be compliant as far as fees are concerned.

Department of Retirement Systems – Deferred Compensation – Stacy Rundel

Stacy Rundel gave a presentation on the 457 plan that DRS offers. She stated that they do not offer a 401K just a 401a (PERS) and that WSIB and Great West are the record keeper and investor providers. She also stated the fees are just under .13% per employee for admin. Commissioner Sparks asked what the District would need to do in order to join the 457 plan, and Ms. Rundel said all we would need to do is to pass a resolution adopting the program and then have all employees fill out participant agreements. There was also discussion on rollover options, contribution options, and investing options. Ms Rundel stated that if we move quickly July payroll would be the first option for a contribution. Commissioners asked Jeff Curnutt his advice on the plan. He stated that he would like to see a copy of the plan design to be sure but that it looks/sounds like a great direction for the District to go. He then stated that as long as we don't rollover any of our existing funds into the new 457

prior to getting things straight with the IRS we will be fine. Commissioner Rogers asked if there was a "hardship" clause in their 457 plan and Ms. Rundel stated there was. There was then further discussion on impacts of only offering a 457 plan as far as the union would be concerned. Commissioner Rogers then asked what the status of the 401k plan fix was and GM Boast responded that since we received no responses from our RFP's we may need to just name ICMA as our record keeper and investor so we can move forward to the IRS for determination. Commissioner Rogers suggested just to keep it simple stay with ICMA for our 401k but maintain more contact with them on the management of our account.


Board Direction: Commissioners directed staff to get DRS plan for review and forward to the ERISA attorney. Also, prepare a resolution for consideration to join the DRS deferred comp 457 plan and bring to the May 26 meeting.


Social Security Opt-in: FM Pratt stated that we could request to opt back in to social security if the Commissioners were interested. She said the District would need to complete a resolution (DRS document) and forward to DRS, they would then send letters out to all employees asking if they want to opt back into social security and then make a determination. Commissioner Rowbotham asked that if we were successful would this eliminate the need for a 401k and FM Pratt stated that it would probably be a union issue if we were to eliminate. It was decided to look into this for the future and that there would need to be a lot of education of our employees before this happened.


GIS/Mapper Job: GM Boast stated that he was asked to bring back justification for this position so he handed out a packet for this purpose. He then went over what his intentions for this position were. After much discussion Commissioner Rowbotham stated that this position would be a great investment. Commissioners' Sparks and Rowbotham both were in approval for GM Boast to move forward in the advertising and hiring of this position but requested this topic be on the next agenda for discussion with Commissioners Rogers.

Adjourned at 12:02 P.M.

ATTEST:


Paul Rogers, Secretary


Roger Sparks, President


Shan Rowbotham, Vice President