

The Board of Commissioners of Fayette County, Georgia met in Official Session on Thursday, December 12, 2002, at 7:00 p.m. in the public meeting room of the Fayette County Administrative Complex, 140 Stonewall Avenue, Fayetteville, Georgia.

COMMISSIONERS PRESENT: Greg Dunn, Chairman
Linda Wells, Vice Chair
Herb Frady
A.G. VanLandingham

COMMISSIONER ABSENT: Peter Pfeifer

STAFF MEMBERS PRESENT: Chris W. Cofty, County Administrator
William R. McNally, County Attorney
Carol Chandler, Executive Assistant
Karen Morley, Chief Deputy Clerk

Chairman Dunn called the meeting to order, offered the Invocation and led the pledge to the Flag.

FINANCIAL ARRANGEMENTS FOR THE UPGRADE TO THE E-911 COMMUNICATION CENTER 821 SYSTEM APPROVED:

Finance Director Mark Pullium presented the recommendation to finance the upgrade of the E-911 trunked radio system through Motorola, Incorporated for a ten year term. He said this would be a lease purchase arrangement and it would be payable in the arrears at 4.77% per year with annual lease payments in the amount of \$993,761.52 for a total of \$7,760,000.00 for the purpose of providing an upgraded trunked radio communication system within Fayette County.

Commissioner Wells asked if there was any prepayment penalty on this.

Mr. Pullium responded no.

Commissioner Frady asked if the prepayment penalty was good from the first day or would it be two or three years from now.

Mr. Pullium responded that it was for the entire term of the lease.

On motion made by Commissioner Wells, seconded by Commissioner VanLandingham to authorize the Chairman to execute the appropriate documents to secure lease purchase financing through Motorola, Incorporated for a ten-year lease term, payable annually in arrears at 4.77% per year with annual lease payments in the amount of \$993,761.52 for a total of \$7,760,000.00 for the purpose of providing an upgraded trunked radio communication system within Fayette County. The motion carried 4-0. Commissioner Pfeifer was absent. A copy

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of the executed documents, identified as "Attachment No. 1", follow these minutes and are made an official part hereof.

FORTIS APPROVED TO HANDLE FAYETTE COUNTY'S LIFE AND DISABILITY PROGRAMS:

Guy Morrison of Strategic Benefit Solutions, Inc. provided the Board with an overview of the county's life and disability programs. He said the firm had done a review of the ancillary benefits for Fayette County employees. He said those benefits included the basic life and AD&D, dependent life, long and short term disability and the voluntary life plans. He said there had been several vendors and they had narrowed it down to two. He said they would provide not only additional benefits to the county employees but also lock in a cost savings for at least a thirty (30) month period of time. He said they were able to in various areas to enhance the benefits and lock in the cost savings with both carriers. He said the decision or recommendation from Strategic Benefit Solutions was to go with Fortis Benefits. He said the savings with Fortis was a small fraction less for the employee but overall a greater savings was that they provided a more liberal definition of short term disability. He said as an employee they would receive a better benefit. He said for both Fortis and Unum the benefits were enhanced and there was cost savings for both the county and the employees.

Commissioner Wells questioned the portability option. She commented when an employee leaves the county they can take the insurance with them but it has to go to whole life. She asked about the voluntary portion of it.

Mr. Morrison replied that on the voluntary portion an employee would have the option of either doing a portability or conversion. He said they could do the portability which would maintain the term life policy. He said the employee could continue the insurance at the group rate as a term life policy or have the option to port it into a whole life policy.

Commissioner Wells asked when an employee ports the policy would they keep it at the age when they began or did it have to be their age at that point in time.

Mr. Morrison responded that when an employee ports the policy on the voluntary life as a county employee, their rate would be based on the amount of life insurance that they get and their age. He said this was based on age brackets. He said if an employee ports their policy and they remained in the same age category, the premium would remain the same.

Commissioner Wells asked how long the term would be for the policy if the employee ported it.

Mr. Morrison replied that it would be an indefinite portability for the term life insurance. He said the employee could continue to keep the term life policy indefinitely.

Commissioner Wells asked about the amount of the premiums.

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Mr. Morrison responded the premium levels would remain the same. He said there was a slight administrative cost which was basically setting up a personal billing type policy. He said it was adjusted based upon the age base rate. He said the increase was done in five year age brackets.

Commissioner Wells clarified that the policy would be a term policy as far as the amount of coverage but the premium was only guaranteed every five years.

Mr. Morrison remarked that they had matched identically the grids on the five year brackets with the current plan. He said the proposed plan design was identical to the plan design that was currently in place. He said it was one rate up to age thirty years old.

Commissioner Wells asked if Mr. Morrison had looked at any company that would give rates for more than five years.

Mr. Morrison replied there were four carriers that were among the top twenty in the Country and all of them had five year age brackets for group plans.

Chairman Dunn asked how Fortis could give the county the AD&D at half the price of the other carriers. He said right now the experience for the county over the last three years had been very good. He said because of that Unum and Fortis had said that they could provide the richer benefits at a lower rate. He said Fortis had come back and aggressively underwritten a case because their actuaries felt that they could break even for those rates. He said his one concern was whether they were buying the county's business. He said what Strategic had done to protect the county from that was that they had required the carriers to provide a long term contract. He said the rate quoted for the AD&D was locked in for the next thirty months. He said there was also thirty months on some of the other benefits.

Commissioner Frady asked about the savings projections not including county employees growth or potential rate increases.

Mr. Morrison replied that he had put the numbers down based on what would be the guaranteed cost savings based on current population over thirty months, which was the term of the contract. He said if the current provider in the next one, two or three years came back with any increase then the savings that was locked in would obviously increase as well. He said if the county continued to grow then the dollar amount of those savings would continue to increase. He said this was the most conservative approach to try and determine the thirty month savings.

Chairman Dunn remarked that the results were a distinct difference in the monthly premium that was paid for short term disability. He said the carrier that was being suggested was

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significantly higher than Unum was. He said he understood the difference was the different disability levels. He asked about the term "partial".

Mr. Morrison replied there were two large advantages to the short term disability. He said one of the advantages of making this change was consolidating the disability carriers so that there was one carrier for both short term and long term disability. He said the differences between the disability carriers would be noticed and would be favorable. He said that was administration only. He said on the plan itself there were two differences. He said one was that the current plan had a twelve month pre-existing condition clause. He said if someone came in they could not receive a benefit for twelve months if they have been seen for a condition. He said the second benefit was the disability definition. He said partial versus total was simply if the physician stated that there was a partial disability and did not state a full disability then there still could be some disability payment from Fortis whereas Unum would not pay any disability benefit. He said Unum would require the full total disability definition.

Chairman Dunn asked if there was a standard partial disability or a percentage of disability scale.

Mr. Morrison replied that for the most part it would be based on what the physician was saying and what they were able to do. He said if a physician told an employee that they could not do the job that they performed today, then the employee might be partially disabled and could do something. He said Fortis would pay to make up for the difference in the wages.

Chairman Dunn said it appeared to him that an employee would have to pay \$1.00 or less more for that coverage with Fortis than Unum. He felt that would be worthwhile especially if the employee could get partial disability rather than full disability.

Commissioner Wells remarked the fact that there was no pre-existing condition was very important.

Mr. Morrison said he felt that was the biggest item. He said both Fortis and Unum were eliminating the twelve month pre-existing condition. He said that would be a true benefit to future employees that come to work for the county.

Mr. Morrison commented on the voluntary life insurance benefit. He said there was a significant opportunity there as well for the employees. He stated both Fortis and Unum had been asked to pick up exactly what the employee elections were today in terms of voluntary life. He said effective January 1, 2003 the employee would not even know that there was a change. He said in conjunction with open enrollment for medical and dental which was June 1st the employee would have an opportunity to go through an open enrollment on the voluntary life insurance. He said this would mean that someone would be able to get with Fortis and get a guaranteed issue of \$150,000 regardless of their medical even if before they had been with

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the county and were declined coverage. He said this was a one time true open enrollment. He said this would provide employees to look at it once again on a one time basis and if they wanted to pick this up they could without the requirement of medical evidence. He said this would be viewed as a significant benefit. Commissioner VanLandingham said he would like to thank Mr. Morrison for the format he had used to present this report. He said it was very simple to understand.

Chairman Dunn thanked Mr. Morrison for his presentation and asked for the Board's pleasure in this matter.

On motion made by Commissioner Frady, Commissioner Wells to approve the recommendation made by Strategic Benefit Solutions, Inc. to use Fortis for Fayette County's life and disability programs. The motion carried 4-0. Commissioner Pfeifer was absent.

CONSENT AGENDA: On motion made by Commissioner Wells, seconded by Commissioner VanLandingham to approve the consent agenda as presented. The motion carried 4-0. Commissioner Pfeifer was absent.

COUNTY PARK HOURS EXTENDED: Approval of revised hours of operation for passive recreation in county parks. A copy of the memorandum, identified as "Attachment No. 2", follows these minutes and is made an official part hereof.

MINUTES: Approval of minutes for Board of Commissioners meeting held on December 4, 2002 and Bid Opening held on December 3, 2002.

PUBLIC COMMENT:

Members of the public are allowed up to five minutes each to address the Board on issues of concern other than those items which are on this evening's agenda.

MAYOR STEVE BROWN: Mayor Steve Brown remarked that the Peachtree City Council had held a special called meeting this week on the Local Option Sales Tax. He said the Council had approved and signed the Certificate of Distribution. He presented the signed Certificate to the Board and also several signed letters that the City had sent to the other jurisdictions informing them of what Peachtree City had done and what was agreed to. He said the other jurisdictions were aware that these documents would be in the county's possession for their individual signatures. A copy of the Certificate of Distribution, identified as "Attachment No. 3", follows these minutes and is made an official part hereof.

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STAFF REPORTS:

EXECUTIVE SESSION: Attorney McNally requested an executive session to discuss five legal matters.

EXECUTIVE SESSION: On motion made by Commissioner Wells, seconded by Commissioner Frady to adjourn to Executive Session to discuss five legal matters. The motion carried 4-0. Commissioner Pfeifer was absent.

LEGAL: Attorney McNally advised the Board on a legal matter.

On motion made by Commissioner Wells, seconded by Commissioner Frady to authorize Attorney McNally to proceed in this matter. The motion carried 4-0. Commissioner Pfeifer was absent.

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EXECUTIVE SESSION AFFIDAVIT: On motion made by Commissioner Wells, seconded by Commissioner VanLandingham to authorize the Chairman to execute the Executive Session Affidavit affirming that five legal matters were discussed in executive session. The motion carried 4-0. Commissioner Pfeifer was absent. A copy of the Affidavit, identified as "Attachment No. 4", follows these minutes and is made an official part hereof.

There being no further business to come before the Board, Chairman Dunn adjourned the meeting at 8:10 p.m.

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Karen Morley, Chief Deputy Clerk

Gregory M. Dunn, Chairman

The foregoing minutes were duly approved at an official meeting of the Board of Commissioners of Fayette County, Georgia, held on the 2nd day of January, 2003.

Karen Morley, Chief Deputy Clerk