CALLED MEETING
FLOYD COUNTY BOARD OF COMMISSIONERS
June 29, 2009 12:00 P.M.

PRESENT: Chairman John Mayes, Commissioners Irwin Bagwell, Eddie Lumsden and Chad Whitefield.

OTHERS PRESENT: County Attorney Tommy Manning, County Clerk Kathy Arp, and County Manager Kevin Poe.

ABSENT: Commissioner Garry Fricks.

CALL TO ORDER: Chairman Mayes called the meeting to order.

DISCUSS HOMELESS PREVENTION AND RAPID RECOVERY PROGRAM (HPRP):

County Manager Poe stated Floyd County is eligible for a grant through the State of Georgia for $323,130.00. He stated it is through the umbrella organization of the Fannin County Family Connection Program. He said it is a grant that helps people who are homeless, or near homelessness. Locally, this grant will be administered by the Housing Authority. He stated it requires no cash match, and you can get out of the program at any time. He stated to be eligible for the monies we would need to do a joint application with the Fannin County Family Connection. The grant is intended to assist homeless, or near homeless, get into or stay in current housing and provide them with counseling services to get back on their feet. He stated the money would come through the Department of Community Affairs, to be administered by the Fannin County Family Connection and the Housing Authority. He stated we have had the Homelessness Task Force in the past, to try to deal with people who are having problems with that situation. This is a way to get some grant funds to help with that. He stated it will help people for a period of 3 – 18 months. Some people are in this situation because of mental health issues. He stated it will help them get counseling so they can try to get back on their feet and be in a situation where they can get their finances back together. He reiterated that there is no cash match or obligation for the county to really spend much staff time administering the program. He recommended that the Chairman be authorized to sign all the documents needed be a part of this grant.

Commissioner Whitefield made a MOTION to authorize the Chairman to sign the Memorandum of Understanding for the Homeless Prevention and Rapid Recovery Program (HPRP) and any other documents associated with the grant. SECOND by Commissioner Lumsden. VOTING:

YES NO

Commissioner Bagwell
" Lumsden
" Whitefield
Chairman Mayes

Motion Carried

DISCUSS PROPERTY AND LIABILITY INSURANCE:

County Manager Poe stated that this year we put out a request for proposal to get commercial insurance carriers to quote our insurance. He stated we have been with ACCG since 2005. We went through a process in 2005 where we had discussions related to going from commercial insurance to an ACCG/IRMA Program, which basically puts us with 130-something other counties in Georgia. He stated today we have with us both organizations that have submitted proposals who asked for time to talk about their proposals and the benefits of going with their plan. Rhett Butler with Brown and Brown Insurance will discuss his proposal. Mr. Poe said that proposals were sent out to numerous insurance agents in Floyd County, but the way the market works, Mr. Butler has the ability to lock out the markets. He stated basically he thinks there are three government commercial insurance providers, and through whatever mechanism Mr. Butler has the ability lock out the market, so Brown and Brown is the only local insurance agency that can market the business. He asked Mr. Butler to explain that, because he does not want to say anything wrong and that question has come up, and then talk a bit about his program. He stated trying to match apples with apples can be difficult. We ran into this last time, and what Mr. Butler is going to talk about is some of what he feels is the positives of his programs. Where the risks are and where they are not. He stated then David Paulk and Ashley Abercrombie with ACCG/IRMA Program will talk about the positives of their program. We will here from them and see where the discussion goes.

Rhett Butler, Brown and Brown Insurance, stated first of all he will address the question about the market place and how that works. He stated it is not that Brown and Brown has an exclusive way of not locking out markets or anything like that. The insurance market place is really a first come-first serve type industry, and as far as the independent agency system goes the vast majority of the markets will only deal with one agent at a time meaning they are not going to give multiple quotes to multiple agents. He stated in this situation they had written the county's insurance in the past, and had enough of a shell of a product, so they had been communicating with Human Resource Director Larry Johnson and County Manager Poe trying to get the opportunity to quote. He said from day one, they were ready to go to market as quickly as they possibly could with the updated information. He stated it was delivered to them on a weekday sometime in mid-afternoon, so by 5 o'clock that afternoon they were in the market place. They took their updated property schedule, plugged them into their system, and they were into the market. He stated one of the markets that they go to has multiple accesses. He said one of the advantages of doing business with Brown and Brown over another local agencies, is the fact that they own public entity brokerages throughout the country. These people specialize in public entities such as cities, counties, and school systems. He stated that is all they do. They specialize in nothing but that, so they are out there in the market place helping to put together products. He stated we are in the softest market in the history of the insurance industry. Premiums have been going down left and right. He stated he does not have an account on his books that has not experienced some decrease in the last three years. In the last twelve months, he can give them the name of his top five large accounts that without competition in place whatsoever, they drove the premium down again this year even in light of what is going on in the market place. He stated they are starting to see some firming in different lines, but the market is still extremely competitive, and he thinks you will see in the numbers that they provided, that they are low. That is due to the market place and the competitive environment. He stated that being said, we touched based with Travelers through a third party that we did not have any access to whatsoever, we just went to them. Nancy Quarles is a broker there and she was able to get a place with Argonaut, which was the carrier that we dealt with before. He stated Argonaut was the carrier that wrote the coverage back in the early 2000's. He said they went to Travelers through their entities, so they got two competitive quotes for the county. He stated they vary in certain lines items, but what you have is a quote as close as they could possibly get to your current ACCG/IRMA Deductible Program. Not coverage, but deductible program. He stated Travelers felt that their price point was better at a lower deductible and even a lower deductible than the county is at currently. The county is currently at 25% and Travelers came in at 10% on certain line items, 25% on others, and then they came in even lower than that on a second option.

He stated he would like to tell the Board that there is nothing derogatory to say about the ACCG/IRMA. It is a fine organization. They have served their purpose for the commissioners of this state, and have offered a lot of very valuable training and services to the commissions, so that is not the issue here. He stated this is a business decision that the Floyd County Commissioners have to make. It is a business decision in extremely hard economic times and a decision that affects the people of Floyd County. He stated the constituents of his agency are all Floyd County taxpayers, and there are over twenty-five of them sitting down there on First Street that are all taxpayers of this county, so it does affect this county as far as buying this insurance. The money that goes into buying this insurance comes from the taxpayers. He stated also when it comes into their agency, not only are they depositing it into local banks, they are also employing lots of local people. He said those items right there have to be addressed and considered when they are making their decision, on top of the other part of the profit. He would not bring them a product that is inferior or that he would be ashamed to put his name on. He said he does not want to risk his assets or Floyd County's assets. He stated he is a resident of Floyd County and he is not going to bring them a product that he does not think will do its job. With that, he stated he will go ahead and put the claims issue on the table. He stated it is going to be brought up and it needs to be discussed. He stated the only coverage that we are talking about is Public Officials' Liability. All of the other coverages are on an occurrence basis. He stated public officials' liability, the coverage that protects you gentlemen and this county from lawsuits brought upon you from wrongful acts by this commission, is the coverage protecting you. It is an occurrence-based plan through the ACCG/IRMA. He stated an occurrence policy is a wonderful policy for non-professional liability exposure and he will give two examples. He said if you go back and look at your records, you have been carrying a million dollars worth of Public Officials' Liability coverage for over a decade. That million dollars today is not the same million dollars it was ten or fifteen years ago, and so we felt as a county, and you felt as a commission, very comfortable in your skin by making the decision knowing you had a million dollars worth of liability sitting there. He stated many years ago, it transformed itself into a claims-made. The claims-made product accomplishes two things. He stated the decisions you make today with a million dollar limit in place, if the claim is not brought in this policy period it does not go into that actual policy. On the other hand, the policy that you currently have is an occurrence policy. That is exactly what is says, when the occurrence takes place. He said in the public official realm you do not know many times when the wrongful act actually occurred. He stated it could occur over several periods of time, a couple or three years, as soon as they manifest and such. When you are on the Board, and say next time you do not run, somebody else is on the Board, but the decisions that you made last year and the year before, by going into an occurrence-based product locks that current commission in to that liability link. He stated one million bucks in 2008, and that is all we got for a wrongful act with a two million dollar average. He said that is your current ACCG/IRMA plan. He stated if we have claims that go back to that policy year it erodes it. If you had claims during the policy period in defense costs and everything else it erodes it. It gives you a false sense of security that you have this unlimited amount of coverage under your public officials' liability, but that is not the case. He stated if you come in as a new commissioner, or you go to some workshops, and all of a sudden you feel the need to buy additional limits there is no such thing as buying additional limits back to that occurrence form that was back in 2007 or 2008. On a claims-made product, it actually addresses the issues as you go forward. He stated they can increase premiums on exposure and that is why they do. The claims-made product actually goes up the first three years that you write the coverage. He stated it goes up after year one, year two, year three, and it usually flattens out after year three without any claim activity. The occurrence plan is usually a bit of a flatter program, because they know they have locked in the maximum amount of liability that they are going to pay for that particular claim under the occurrence for that year and back. They can actually look at that and say that is gone so we do not have to worry about that side of it but we are going to price forward because it is a new occurrence. He stated new language comes about, new forms come about, but still the old commissions are stuck with previous occurrence forms back in 2007. That is not the case with the claims-made program. He stated it is underwritten every year. If you want to buy additional limits, if there is nothing known out there, we increase the two million, your retro dates is July 1, 2009, what happens in 2011 for two million is now only 2009 if our retro date does not change. He stated your retro date on your Public Officials' Liability, if you buy our coverage, would be July 1, 2009.

He stated from the rest of the program we have tried to match it up the best we can as far as deductible, coverage lines and everything else. On the General Liability as far as limits go, both Trident/Argonaut Group and Travelers are offering one million per occurrence. He stated Trident has increased the aggregate to a five million aggregate, and Travelers is at a two million aggregate. Simply put, one million is your per check writing per claim, the aggregate is like having a bank account, and that is the maximum that they are going to pay out in the one policy period. He stated the ACCG/IRMA does not have an aggregate shown on their General Liability, and that is a positive. He stated that is a positive thing until it starts unraveling on you. He said they buy reinsurance, and they can address this when they come up, but that reinsurance does have aggregates in it. He stated it does not have an unlimited amount of insurance. By putting no aggregate on it, what they are saying is that they are going to back up that General Liability with all the assets of every county that is participating in the plan. That is the Joint and Several Liability that you all have agreed to do. He stated four years ago, in 2005, that was not that huge an issue. We are facing budget constraints here in Floyd County, and we are considered a very good county. He stated there are other counties that are struggling much more than we are. If it comes time to pay a tab due to a meltdown in the Joint and Several Liability on the ACCG/IRMA Program, who is going to be able to step up and pay. Only the ones that are healthy enough to pay. He said that is going to be you all, and do not say it cannot happen. He stated back in 2005 he gave the Commission documentation that it happened in Kentucky. There was a reference about the fact that the ACCG/IRMA writes 130-something counties insurance. He stated that is correct. They do write that many counties, insurance, but they do not write that many counties Property and Casualty Program. He stated they have a fair number, but if you go and look at who those counties are, do you want to be in bed with them. The Worker's Compensation Plan is truly over 130-some odd counties that participate, but the Property and Casualty is a much smaller number than that. He stated there are a lot of counties that do not participate in the ACCG/IRMA program, and the main reason they do not is the Joint and Several Liability, due to not wanting to give up control of their program. Back when he lost the insurance in 2005, shortly after that in one of the meetings, Commissioner Mayes actually stated that we are literally co-owners of this insurance program. He stated Floyd County is not supposed to be in the insurance business. Taxpayers do not want the liability associated with running an insurance company. He stated again, forty years ago nobody really cared too much who your reinsurance was with, because everyone was doing well and we had "A" rated reinsures. He stated AIG is no longer in business as far as some of their coverage lines they have had to restructure. The Property and Casualty Plan is still doing pretty good. But what about the Reliance? What about the Mission? All of those companies have faded and gone away. When you are joining an association like the ACCG pool, Joint and Several Liability, whatever reinsurance was on that occurrence plan in 2005, if they go out of business, you are out of business as far as having to put money into the money. He stated at that point that means all of sudden all of the counties are pooled. You do not have the backing of the state guarantee fund. He stated on the other side of the point, on a claims-made or a commercial program like we are offering, and Brown and Brown is probably one of the few brokers that do this, but we have a software program that constantly monitors all the Best ratings of every insurance company that is listed through Best. If it downgrades we get automatic notification. He stated if it drops to a B+, we are off the account with that insurance company and we will find you other coverage as quickly as we possibly can or we will give you the opportunity to stay, but you actually have to sign off because we are trying to watch your financial security. Whereas, you can change next year, but with ACCG/IRMA it is a 90-day notice and you are always liable for all of the past wrongful acts during the time that you were in the pool. He stated if you vote to take my program today and leave ACCG/IRMA, you are still liable for the whole wrongful acts of every county they wrote through their Property Casualty Program. If it melts down this commission is going to have to write a check. He stated as a taxpayer, he does not want his money spent like that. He does not think it is a wise move as far as commission goes.

He stated going on further to the automobile coverage, note that there is a million dollar limit there. If you look at your ACCG/IRMA Program, there are statutes in Georgia that protect you as a public entity. He stated it is $500,000 per person bodily injury, $700,000 per accident, and $50,000 property damage. Those limits are under your ACCG/IRMA plan. He stated we will use those limits to the best of our ability to protect the assets and insurance coverages of the Floyd County Board of Commissioners. However, times do occur when this commission and employees may have to cross state lines. He stated we are just a few miles away from the Alabama line. If we take a county vehicle over a state line, we are then subject to their laws, not the statute that is in place in the State of Georgia. He said that is why we go ahead and put your limit at a million dollars. He stated under their plan they have $50,000 for property damage. He does not know about you all, but tractor-trailer rigs now run over $100,000. If we hit one of those things out of state, we could be paying for the whole thing. He stated also the fact of the matter is, even though if we lose under the statute side of it, you are going to have a black eye from a standpoint of settling with somebody and all you have to pay is that $50,000. You will have to suck up the rest on your own claim so that is an issue on the out of states. He stated on the physical damage we tried to quote it exactly what you had. Travelers put a $1,000 deductible on comp and collision, and the reason they did that, is out of the six or seven vehicles that we are insuring for physical damage more than half of them are less than $30,000. He stated with a $25,000 deductible what do we really have. We do not really have any coverage there, and the difference in premiums was maybe three or four hundred dollars, so Travelers went ahead and dropped it down to $1,000. He stated now we are covering those six or seven units on an ACD basis for the full limit of their depreciated value. From that side it is a good buy in what you should be looking at. He stated property again, $25,000 deductible through Trident, and $10,000 deductible through Travelers. He pointed out that under the Trident plan they are only offering a million dollars on the earthquake and a million dollars on the flood, whereas Travelers is doing five million for both. He stated ACCG/IRMA is five million on those also. Trident also carries a $50,000 deductible on those two line items, whereas both ACCG/IRMA and Travelers carry a $25,000 deductible, so that is the main coverage issues there. He stated to ACCG/IRMA's credit, their additional coverage lines have more limits than either Travelers or Trident have, but both Trident and Travelers have given you adequate limits to take of those type things. He asked what is a million dollars of accounts receivable coverage to a county - $100,000 as far as putting records together. He stated we keep multiple duplicate records anyway, so again, it looks great. But in reality, many times it is more fluff than it is substance. In the marine coverage, the only differences there are the deductibles on the Trident and the Travelers. He stated in the crime coverage we are giving a little bit more coverage. Employee dishonesty coverage with the ACCG/IRMA is listed at $50,000 and we are at $500,000. Forgery and Alteration is $250,000 under the Trident program, but Travelers matches up with ACCG/IRMA at $150,000 on that line item. He stated the public officials faithful performance for both the Trident and the Travelers are giving $500,000 limits, compared to the $50,000 under the ACCG/IRMA. He noted that Travelers did not offer a $25,000 deductible on the crime coverage. He stated with the premium only generating a couple thousand dollars it does not makes sense to go to a $25,000 deductible so they just put it on a $1,000 deductible.

He stated Public Officials again is where the debate comes about claims-made versus occurrence. He noted that the Trident program has a five million dollar aggregate and the Travelers only has a two million dollar aggregate, but also note that they both have two separate limits. One for the wrongful acts of the commission and then a separate limit for all employment type claims, so they have two limits there. He stated Travelers actually jumps out there, and the reason they increased their limit from a two million per occurrence with a two million aggregate, versus the one and five with Trident. He stated their defense limits are inside the limits there. He is not sure about the ACCG/IRMA's form, they can address that, but that is why Travelers went ahead and increased it up to a two million per occurrence situation. All three had $25,000 deductible. He stated Law Enforcement coverage, the Trident program is a one-five on occurrence form, Travelers is a one-two, and again, the law has no aggregate stated under the ACCG/IRMA plan. Once again, if he is a business person and he is making a business decision, it sounds good on the front end when it is pertaining to you as far as limits go, but when it applies to everybody that you are in bed with it does not make good business sense to have a program that could run if the aggregate burns up through the reinsurance. They each have a $25,000 deductible on that.

He stated if you look on the premiums, the Trident program matching up with the deductible as best as they possibly could, is at $308,070, and the Travelers with much less deductibles on the property, general liability, automobile, and inland marine is at $296,000. He stated on the Travelers Option II, the property is at a $1,000 deductible, general liability is at no deductible, public officials' is still at $25,000, law enforcement is still at $25,000, inland marine is at $10,000, commercial automobile is zero deductible on liability, maintaining a $1,000 deductible on comp and collision, crime is still the $1,000 deductible, and they are at $336,000. As far as a low dial in numbers, it is the $296,000 with the Travelers, and matching up with deductibles. The $308,000 is matching with the ACCG/IRMA. He stated he believes you are expiring with possibly $368,000 from last year. He stated that being said, going back and looking at the minutes from the previous couple of years their claims have actually been increasing. Not significantly, but they did increase for a couple of years in the softest market that we could possibly be in. He stated if you say that it is due to claims activity both the Travelers and Trident felt that you have a very good track record. They were a little concerned that the law was where most of the activity was. But, it was underwritable, and they are very comfortable with your policies and procedures that are in place. He stated the fact is that if that number drops this year, he is not privy to what ACCG/IRMA is bringing in this year from a premium standpoint, but if that number is down at all it makes absolutely no sense for having two previous years of premium increases other than what the competition is coming to the table and driving it down so you have to take that into consideration.

He stated there is a lot of discussion about dividend programs and everything else. Law does not guarantee dividend programs. He stated you cannot guarantee them by law. The programs that are out there that had dividends in the past with premiums being suppressed like they are and claims activity being what they have been in the public arena have a very difficult time generating dividends on like programs. He stated to take that into consideration, one in the hand versus two in the bush is not good business. He asked if they have any questions.

Chairman Mayes stated if they have any questions they need to speak up. He stated he is not going to be discussing or voting in this matter. He has a conflict because he does business with Brown and Brown Insurance. He also serves on the ACCG/IMRA Board. He asked David Paulk and Ashley Abercrombie with ACCG/IRMA to give their presentation.

Mr. Paulk stated he manages all of the ACCG insurance programs, and he is going on his 20th year as an ACCG employee. He introduced Ashley Abercrombie and stated she works with a company called Marsh. She does a lot of the under writing and the technical support for the programs. He stated she has been working on these accounts since she got out of the University of Georgia fifteen years ago. He stated he would like to talk a bit about the pooling concept. He said the concept of the pools, captive insurances, and group self-insurance started about twenty-five or thirty years ago. He stated it is a very modern, progressive way of financing risks for organizations or a large company. Companies have been self-insuring for years and saving a lot of money. He stated he knows you all are self-insured for a layer of your Worker's Compensation, but the pooling around smaller entities is counties, schools, hospitals, and other businesses that are self-insured. The statistics that he had reported to him are that 85% of all the public entities in the United States participate in these self-insured type funds. He stated they are very efficient. They are well managed. They serve more than one class of business through county governments, city governments, or schools, and they are managed by representatives or owners. The IRMA pool started in 1982. He stated they insure about 85% of all the counties in the State of Georgia, and have about 50 or 60 authorities that qualify to participate in their program. They have returned over twenty million dollars in dividends. He stated their surplus is thirty or forty million dollars set aside, which is above and beyond what our actuaries say we need to pay claims. He said because we are managed by county commissioners that sit on a Board, and they do not get paid anything to do it, they really have their reputation on the line. He stated we operate much more conservatively than insurance companies that you will find in New York and Wall Street that have been exhibited in the last few years. We would not suggest that we are as big as Travelers, AIG, or even Hartford, which had problems last year, but our surplus ratios that we keep are very conservative. He stated they only serve counties, and are not going to be here to go belly up, and we have actuaries that look at our pricing every year very conservatively. He stated for example, the year before you *(Floyd County)* came into our program you were paying $450,000 on coverage. He stated you have grown a lot since then. When you came into our program in 2005, we charged you $356,000. Last year, in 2008, it was $363,000, so it varied just a few points that you have grown. He stated we do not need to collect more money than we need because we do not need to make profits. The public entity pooling is very successful. He stated the Georgia Insurance Commissioner's Office regulates us. We file reports with them quarterly and they look at our surplus. He stated the Joint and Several

Liability issue was mentioned. There is risk in everything we do. He stated every successful company that self-insures takes risks. You can transfer money to an insurance company that does not have any risk, or you can take a little bit of risk and operate more efficiently. He stated he looks at the Joint and Several Liability issue as a positive. If there ever was a time that the fund needed money to pay your claim, you would not go broke we would do an assessment. He stated his boss tells him we do not operate like that. If we need an assessment, you are going to have to find another job. He feels the same way. We carry a lot of surplus on our books and you will not see our prices drop from year to year because we are going to charge what we need.

He stated he is going to jump around a little bit and go to the aggregate limits and pricing. Keep in mind that we are 13% higher than the Trident quote, 16% higher than the Travelers quote and 5% higher than the Travelers option relative to your budget, and anywhere from $19,000 to $47,000. He stated he thinks he can show that there is a lot more value in what they propose than those short-term savings for one year. He said Mr. Butler mentioned the aggregate limits, and it was stated that you have one million dollars for general liability coverage under Trident with a five million dollar aggregate, Travelers has a two million dollar aggregate. ACCG/IRMA has no aggregate and no aggregate limit. He stated if you have under the Travelers liability three (3) one million dollar claims in a year, the third one you have to pay out of the county treasury. Under the ACCG/IRMA policy, we do not aggregate that, and our reinsurance does not aggregate our limits. He stated in his twenty years experience with Georgia county governments, he does not recall a county having more than one (1) one million dollar claim in a year. Having said that, you as a Board protecting the county treasury, would you rather have a policy with a two million dollar aggregate or one like ours that does not aggregate limits for that first year. He stated you have to put a price to that. You have a third claim that you have no insurance for, but with ours it would pay a million dollars, which is something to consider. He stated the big thing we tell counties all the time about our stability in pricing is that we understand you have a budget. The budget is more important than having $450,000 one year and $300,000 the next year. He stated they insure over two thirds of all the Georgia counties and the ones that have been with us twenty years will tell you that they have never seen their prices vary to the extreme that you see in the last two choices you had from the commercial market from $450,000 to $300,000. He stated our stay relatively stable. We do adjust with claims experience and growth obviously. He stated we share a Professional Loss Control Organization with Georgia Municipal Association. We are one of the few in the country that does that, and we have a staff of eight professionals. He stated we have one that has a Masters Degree in Law Enforcement, one has a Masters Degree in Safety Administration, they vary in engineering backgrounds, two professional driver-training instructors, and all those services are available to you at no additional cost. A county your size, generally, depending on how much you request of it will get $15,000 to $20,000 of loss control services a year at no additional cost. He stated that is worked into the premium and that is all they do is work with the county and city governments. They also provide sexual harassment training to the human resource professionals.

He stated they talked about dividend potential. There is no guarantee for dividend. He stated he always tells his marketing person do not tell anybody that we will ever get a dividend because it depends on many things. Insurance companies make their money, for the most part, on investment income. He stated you take a lot of money, put it in the bank and invest it waiting to pay claims, but every penny that is earned on investment income in this program goes right back to you. We keep it in a surplus. He stated if we have an underwriting gain, it is generally by accident. That means we claimed for less that year than we anticipated and we charged more than we needed, but most of the time we about break even for losses. He stated investment income is quite symmetrical and it accrues toward surplus, which we would return. The way we track the surplus for you is when those claims, or most of those claims, are closed out for the whole accounting period, we go back to that accounting period and see what is left over. He stated it is probably not left over from underwriting gain, it is probably left from money earned as investment income. He said they will divide that money with the members in the program, or pro rata share for the amount of premium they paid into that year. If you paid in $100,000 and the dividend was a million, you would get 10% of that. He stated all pools do it a little differently, but we feel like that is relatively fair. Counties that have bad loss experience are going to pay in twice as much in premium than you would because you are a good member, but the investment income is coming off that premium. He stated the value of limits are very important. The claims-made issue is complicated. He said one of the downsides to a claims-made policy is you have an occurrence Public Officials' Liability policy. If you leave office three years from now and a claim is made against you for something that happened during this twelve-month period, we are going to cover it. He stated if you have a claims-made policy, that policy will only respond and provide coverage to you if, not only the claim occurred within the twelve-month period wrongful act, but the claimant suing you has to make that claim within that twelve-month period. That is why they call it a claims-made policy. He stated if four or five years from now your successors do not continue buying extended reporting period, or an insurance company will not renew that claims-made policy, then you will have no coverage.

Ms. Abercrombie stated there are just as many disadvantages to claims-made as there are advantages, and likewise on occurrence based. She stated they both have their benefits. She stated in this soft market, as Mr. Butler referred to, occurrence has been put out there because in your perspective, knowing that you have that policy, and it is only dependent on the fact that the claim happens during that period, that is the sure sign that you have the coverage. She stated as far as the limits go, we probably have a third of our members that buy more than a million, and we certainly can provide more limits to you if limits is ever a concern. She said a lot of the difference in the pricing could probably be accounted for in the public officials' liability, from a claims-made perspective. She stated now since we have the occurrence policy for several years, they do not have that risk anymore. We have that risk through ACCG/IRMA, so all we are really looking at is it has to occur after July 1, 2009 and it has to be reported after July 1, 2009 for it to be effective. She stated as he said the pricing tends to go up those first three years because as you add more time in that period you are also going to add more likelihood to have a claim. That is why you would continue to see, over the next few years, that Public Officials' Liability increase because you have more exposure now within their program. She stated if you have a claims-made policy for many years, it is equivalent to the occurrence policy that you have now. There are advantages and disadvantages both ways. She stated we felt like it was a benefit to our members to have it on an occurrence basis. Most of the pool programs out there do as well, because you can actually see what you have on the books, and the pool can kind of know what is anticipated and the coverage is there for you when you need it. She stated as Mr. Paulk said if you ever had trouble, if you were moving off the claims-made policy, for example, when you move from the claims-made to our occurrence form there is a tell issue, which you have to report the claim. It may take several years before you know you have a situation and you would have to pay additional coverage for that, which may not be in your budget to do so, with the occurrence you know we have it.

Mr. Paulk stated they did not talk a lot about bonds, but with the State of Georgia, and locally, you are required to carry a lot of bonds. Fidelity and Surety Bonds, various Public Officials, and sometimes local government will have bonds, but our coverage document was specially designed for Floyd County government. He stated it reads that we provide coverage for everybody in your county that are required to be bonded by state or local ordinance to the minimum extent required by law. He said you do not have to go out and buy individual bonds, and he thinks it puts your staff at administrative ease just to have them covered under a blanket bond coverage. He stated he is not sure if the others do, but our price includes all those statutory bonds. Our claims department, our ACCG/IRMA employees, the claims manager, and the liability property supervisor have been there for twenty years. He stated there is a lot of expertise there, and we would stack our service up against anyone. He stated he advises new members and prospects to call any county in Georgia and ask them about the claims service. He stated we talked a little bit about the budget, and you will not see our price fluctuating. I understand the need to support the local folks with your business. He stated ACCG/IRMA is non-profit. Every dollar that you pay us, about 71% of it we keep to fund claims. He stated it is not going anywhere. It is going to be invested. About 15% goes to pay reinsurance, which will go out of state. We have our operating expenses. But this program benefits all of your citizens in your county, we think, by long-term of savings. He stated most of what would remain here in your county under the commercial policies would be the sales commission and the rest would probably go out of state to Travelers or Trident. He said we talked a bit about the flood insurance. He stated I know that you are right here in the middle of the three rivers, and one of your buildings is right on the river. He asked Ms. Abercrombie to give some information on flood insurance. Ms. Abercrombie stated understanding that Trident only has a million and ACCG/IRMA has five million, she is just going to focus on Travelers. She stated Travelers has five million, but in looking at their proposal they exclude locations in FEMA zone 'A', and 'B-shaded X'. We actually give a million dollars of coverage for locations in FEMA zones A and B for excess over what is available through the National Flood Insurance Program. She stated again we are trying to use the pools program, but also protect the members as well and we feel like we should use the National Flood Insurance Program (NFIP) for the A's and B's. She stated over and above that ACCG/IRMA has a million dollars of coverage for Floyd County. She said they do not exclude locations in FEMA zone B-shaded X, so there is some coverage difference there. She stated you do not have any FEMA zone B, but FEMA zone A is the 100 year flood plain basically, so if you have any that could be flooded, you do have coverage here where you would not under their program. Commissioner Lumsden asked so you are providing coverage, not coverage through the National Flood Insurance Program. She stated Marsh is an organization to help secure coverage through the National Flood Insurance Program, but over and above that ACCG/IRMA provides a million dollars worth of coverage on locations in zone A or B. Mr. Paulk stated NFIP is for half a million then over that, we provide it, but we encourage people to get NFIP.

Mr. Paulk stated one thing they did not talk about is Travelers policy defense cost for inside their limit of coverage. He stated that means that you have a million dollar limit of coverage, you have a bad claim that incurs a lot of legal expense, for example $100,000 legal bill, it diminishes your limit of coverage down to $900,000. If you have a million dollar verdict then the county would have to pay that out of the treasury. Our defense costs are in addition to the limits, so you could have half a million dollar defense cost and would still have the million. He stated Travelers diminishes that limit. The point I was trying to make, and we did not hit everything, but we think our value added, the additional limits, cost information, and other things we have pointed out are certainly worth more than 5% or 6% short-term savings that you would have and the long-term stability of the budgeting. He stated you can expect that we are not going to go up or down $100,000 next year. Ms. Abercrombie stated she thinks too that you can consider this more of a partnership in that if you take in a deductible, it is crucial that you know who is handling your claims and that they are handling them as if they are using your money. We have excellent adjusters through the claims department that do not automatically just turn around to an attorney to handle. She stated they actually do a great job to work through the claim, to try to figure out the best course of action with the county, so it is a partnership more than just giving money to an insurance company and letting them handle it. You guys are working with to be able to continue to have coverage in the future. She stated one of the main reasons this program got started is because the commercial markets said we are out of here and that was in the 80's when things were tight, so we just want to be able to be here when you need us.

Chairman Mayes stated he would give each of them time to do a wrap-up on their presentations.

Mr. Butler stated one point that he forgot to bring up in the presentation, and it is a very important coverage based on what is going on in our county right now. You are all touching it, feeling it, and we see it in the newspaper quite often, it is zoning issues. He stated your ACCG/IRMA policy specifically excludes the zoning lawsuits and ours includes it. The other thing was I believe you were involved in one of the nastiest claims we had, and the arbitration we had to go through. He stated if he remembers correctly you commented how well they handled that claim and how professional it was handled when you went to Atlanta for the arbitration situation. You also commented that you had Tommy Manning, a local attorney, with you and that is another point about this program. Trident approved their law firm to handle a lot of the cases that were handled on a local basis, and you all are still using him on those local cases that ACCG/IRMA did not allow him to be the primary lead attorney on. He stated you may not be paying anymore because it may be included in his retainer, but his retainer is based on how much work he does for the county during that period. He will adjust it on a yearly basis but it goes into consideration when he is doing that so that is a part of the additional cost. He stated other than that, what Mr.

Paulk and Ms. Abercrombie stated was correct and he has no problems with that. He stated as far as the flood issue, we do recognize that we have some flood exposure here in Rome however; the vast majority of your new buildings have been built above the flood plain. If they are built in the flood plain right now, you would be buying a $500,000 limit through the National Flood Insurance Program, and if they are deemed to be in that flood zone that premium is rather large even if they take the maximum deductible of $25,000. You have basically been carrying a $500,000 retention and it is interesting that they did not explain that to you earlier, but that is the case.

Ms. Abercrombie stated we talk about the flood coverage every year in our proposal, with the $500,000 on the building and $500,000 on the contents. We offer every year to all of our members that if they want help with the NFIP that we would be happy to do that for them. She stated she recently saw some NFIP policies in Glen County, and even there they were a few thousand dollars for hundreds of thousand dollars of value, so it is not that expensive from the ones that she has seen there. She said she cannot imagine here in Rome that it would be astronomical either, especially when you consider a $500,000 deductible on the building. We are happy to help any of the members at any point. She stated she would reiterate, looking back at the POL charge on the premium and the fact that the premium is lower than ours this year, she would question what it is going to be next year as your exposure continues to rise. We do try very hard when we are underwriting all of the members. We get new exposures every year at renewal because some of you are growing faster than others, and we want to make sure contemplate exposure growth. She stated we contemplate management working with us on the loss control and the claims handling. We have safety discounts, and we do look at experience. She stated we experience rate all of our members. As Mr. Paulk said, some members pay more if they have more loss experience, and other members actually get credit if they are better than average members. It is not like they just slice up the pieces of pie, there is a process that we go through. She stated Floyd County is a very valuable member and we would like to keep you on the program.

County Attorney Manning asked about the Flood Insurance coverage, and if you have $500,000 worth of coverage from the first dollar with ACCG, or is it you have to meet the threshold of $500,000 first whether you have National Flood Insurance or not. Ms. Abercrombie stated whether you buy that or not, that it starts at what NFIP would provide. County Attorney Manning asked so if the county does not have National Flood Insurance, they would have to pony up the first $500,000 before they would get the coverage from ACCG. Ms. Abercrombie stated right, but in our case I would say at least you have the one million dollars in coverage in zone A and B, where you do not have any in the other. A lot of locations are built in that area, knowing that there is a potential for flood there so you do not build great properties there. But in some situations you have older properties that you may have to cover. Commissioner Lumsden asked how many properties do we have that might fall in a flood zone. County Manager Poe stated maybe some recreation buildings and part of the new parking deck is in a flood zone. Ms. Abercrombie stated another thing she does not think that they mentioned is that they do property appraisals. Every five years we are in a rolling property appraisal cycle, and in their case, American Appraisals gives you a discount for the services. But in our case, we actually provide it as a service that is included. She stated we consider that a big added value to the membership to have a nice schedule of their properties with the square footage, what is in the facility, and values. We do insure historical facilities at the restoration cost because obviously those, like this building, take a little bit more money, or, we do them at actual cash value if you were not going to replace them. So we work with the members to try to get them scheduled the way you would have them. Commissioner Whitefield stated you made mention of $15,000 to $20,000 a year of additional services that are not immediately obvious by just looking at this. He asked what are those services. Mr. Paulk stated the counties that want the services, that demand it, and that is where we are. We are out looking at all the counties. He stated for example, we have on our staff a person with a Master's Degree in Human Resources that gets out and would train every one of your departments individually on sexual harassment issues or work with your Human Resource Department if necessary. We have two Driving Simulators that the Sheriff's Offices really like a lot. He stated they will train all of your deputies. These are the high tech simulators like they train the people in the military on that are $150,000 a piece. He stated we have a year waiting list on that and they have probably already been up here. They will train all of your employees on safety, and defensive driving that they can all get family discounts on with that. He stated we get paid professional trainers out of the national training services to train your police officers and sheriff's deputies on preventing liability in the jail. We train all your road department people in the regional seminars on avoiding liability issues, and many even have an attorney speak to the road superintendents. He stated there is a large amount of training that is available.

Mr. Paulk stated there is one thing he thought of about the zoning. He stated he mentioned that county commissioners manage this program, and we have had several attorneys on our Board of Trustees over the years. Very early on in the program, we recognized zoning as a political issue, not a debt that traditional insurance looks for such as fires and auto wrecks. He stated it is political, and it is about if somebody's property value has been diminished or taken by an action that you take or do not take. Most commercial insurance policies that I have looked at in twenty years, Travelers and Trident included, they have in the exclusions that they exclude inverse condemnation, condemnation, and wrongful taking. He stated he is not sure what they are providing with zoning coverage, but we made it very clear just so we would be at peace with our commissioners and our staff that this is not something that we cover. I do not think most commercial insurance companies actually cover the claims of the alleged. He stated our over 130-something counties have been happy, many of them for over twenty years so we do not get into that. We cannot tell you how to zone or not zone a piece of property, and we cannot make a claim go away. He stated we can pay money to make a claim go away, but we do not cover that zoning. I do not think most insurance companies do. Ms. Abercrombie stated a lot of that would be in your deductible and that would be your defense cost. She stated on the counties, we have 146 members and it is over 100 counties, so it is not a lot less than the worker's comp program. We have about 169 members in the worker's comp program and she would say that the stability is excellent within the IRMA Program. She stated I think this year we maybe have three or four that got other proposals outside of the program. Mr. Paulk stated that we hope you will choose to stay with us. We think in the long-term, if you look back over a period of four or five years, that we will save you money over the long run if you are looking for budget stability.

Chairman Mayes asked if there are any questions. Commissioner Bagwell asked if someone sues us on a zoning issue, are we covered now under general liability with a deductible. Ms. Abercrombie stated she thinks under one or two of the proposals. Mr. Butler stated it is under both programs. County Manager Poe stated usually when you have zoning issues it is rare that you actually have a claim. He stated we have had challenges and we have spent money with our attorney, but we have not spent $25,000 on any zoning issue. Mr. Paulk stated the input that he has been given for twenty years, and he does not know if it still holds true, is that in Georgia there has not been a verdict for money damages on zoning cases. The courts say give them the zoning or take it away, and I am not an attorney, but they are telling me that you do not have an exposure for a million dollar damage, they are just going to tell you how to zone the property. Ms. Abercrombie stated if you have zero deductibles, or a thousand dollar deductible, you tend to take more of an interest in your losses if you are paying out some money. She stated if you are continuing to pay out, insurance companies do not think for a minute that they turn around and pay a thousand dollar claim or $2,500 claim and they continue to add up, they are going to turn around and make sure they still have enough premium to cover your losses. From a long-term perspective having some skin in the game that is why IRMA is set up the way it is. She said it is just a better way to do business. You end up taking more of an active part in your loss control and in your insurance program. She stated they would be glad to look at other deductibles if you would like to do that. But typically, a county of your size, you would end up taking the more predictable losses that you have and self-assuming those, not giving money to an insurance company who is going to turn around and give it right back to you plus make sure they have enough in the future to compensate that claim. We are here to protect you in the events where you have more than $25,000 claims and to provide excellent claims service and loss control that meet your deductible as well as above to protect you in the future.

County Attorney Manning stated I think, and let me see if you agree on this, but in a zoning case, you may have a claim if you had insurance, that they send you a letter with reservation of rights because of the exclusions that they have talked about. He stated what you would probably have a lot of times if the lawsuit was long with many counts, is some counts in the suit for which coverage was available that ensure a legal defense under the policy even on those counts for which coverage was not available or excluded. There would be enough of a claim to where it would cover your attorney’s fees. So if you got into an expensive zoning case it might cover your legal cost under that one, whereas under the ACCG/IRMA they do not cover zoning. He stated that would be the area most likely where that would come into play. Commissioner Whitefield stated going back to the claims-made and occurrence based, as it stands right now with the occurrence based model anything that happens down the road that was reported during that period will be covered. With the claims-made, at some point down the road, there is a switch back to an occurrence policy and a claim comes up, and there is not retro occurrence coverage then there is no coverage. He stated so as a commissioner going forward he would be dependent on future commissioners or management to maintain that retro occurrence based policy to protect me. He asked what is the statute of limitations. County Attorney Manning stated it depends on the claim, but most are two years. Mr. Paulk stated another important thing is, is there an insurance market three years from now that is going to be willing to write that for an extended period and how much it is going to cost. He stated remember when all of the asbestos stuff in the shipping industry came out, all of those companies went broke because they had no idea they had all those liabilities and they had to go back in there and cover them. That is when the claims-made came back, and insurers said we do not want to insure stuff if somebody is going to make a claim five years after. He stated it is descriptive. It says the claim has to be made within the period offered.

Mr. Butler stated that was a pretty good point. He stated to Commissioner Whitefield going along those lines, asked will a company be willing to offer the retro on that situation. By law, if you read the policy, it has to offer that. He stated secondly, your comment of will that company be around. That was the point that he was making about the occurrence with the professional liability situation. They do not call their product an insurance policy, but they buy reinsurance, and then they fund it through the pooling arrangement through the joint and several liability. He stated God forbid we go through another terrorism attack and all of sudden you see all these reinsures start melting down, it can happen. We never thought it would happen, but it did happen, and if their reinsure is the one that melts down then you are holding the bag for everybody's claims history. He stated it is accessible to all the members of the pool, but if a county cannot meet their obligations then I think it reads that everybody else would proportionally take that counties obligation. He said that is the risk, and he knows you all have to make decisions for the county and what is in their best interest, but I do not think that if average Joe sits down and talks to you that he is going to want us to be in the insurance business. He stated if you can transfer that risk and we can maintain a pricing model that is in the ballpark, in this case, there is market fluctuation, we are in a soft market and that price is down. You live with it. He stated yes, there was a considerable amount of difference in the premium four years ago when they took over, but they failed to tell us that we had over 100% loss ratio running into that year, 72% over a two-year period. We had some very poor experience, but the one thing I point out, they do not non-renew. He stated they stay on it. They were coming after it, defending you and providing the coverage. Many insurance companies run, but they do not run. He stated soft market, they have your crystal ball, premiums down a little bit now, but we do not know how long we are going to be in this soft market and what we are looking like as we go forward. He said everybody they are talking to is talking about the market firming, so he thinks that you will start seeing some increase coming about. He stated everybody is in the business to not lose money. ACCG/IRMA cannot afford to lose money. If the market firms and their insurance pricing goes up, they may be able to balance it out some for you, but year in and year out the insurance market place has provided a better product. He stated again, it goes back to the Floyd County tax dollars.

Commissioner Bagwell asked Mr. Paulk if he could give us a track record on the dividend payments. He asked have you paid out every year, or has there been a year that you have not been able to pay out. Mr. Paulk stated there has never been a year that we have not been able to pay out. He stated there were a couple of years that the board has acted very conservatively, and after nine-eleven, when the financial markets collapsed, our surplus commission did not change. We still had the same amount, but we said let's be frugal and we skipped that year. He stated we paid $1.2 million last year. Our idea is to be consistent, and we are very conservative. Ms. Abercrombie stated we did just give back $1,000,250 for the members that renewed July 1, 2009, and that would total $10 million since IRMA has been around. She stated but as Mr. Paulk said, we do not want to give $1,000,250 and drop down to $750,000, and then go to $3 million since it is a soft market. We want to be able to help counties budget for their insurance premiums because we realize that you have a tough time, especially in this environment, to meet costs. Mr. Paulk stated more important to us than paying dividends, is if you have a real hard insurance market where insurance prices double, is we want to be able to use that surplus we have to benefit you. He stated our first goal is to try to keep your prices steady and our second goal is to pay you the dividends. Mr. Butler stated companies like Travelers, and other commercial entities, are rated by services like AM Best, and Standard & Poor's. He asked is ACCG/IRMA in any way rated by any professional organization. Ms. Abercrombie stated it is not rated. She stated we do not have to be. We are evaluated by the Insurance Commissioner's Office and they come out and audit the programs to make sure we are doing everything the way that we are supposed to be. She stated it would be an additional cost because you have to pay to be rated.

Commissioner Bagwell asked is there a limit on occurrences that you will pay. Mr. Paulk stated there is not aggregate on law enforcement claims, no aggregate on general liability, and public officials' liability is at $2 million. He stated we can sell you more if you want. Commissioner Bagwell asked Mr. Butler if he has any response to that. Mr. Butler stated they do have the aggregate also on their public officials' liability. He pointed out that their employee benefit liability under their public officials' liability is the same $25,000 deductible and also drains out the same limits. He stated so if you get an employee benefit liability claim, it is going to go straight into the first million and deteriorate the aggregate, which is the coverage that is actually protecting you as commissioner. We have, County Attorney Manning correct me if I am wrong, but I believe the vast majority of our public officials' type claims occurred in the EBL arena, which is an employment related situation, and that is why not only do you have a limit under the wrongful act of the Commission, there is also a separate limit for the EBL claims. He stated it depends on how the claim falls. If it is an employment related claim, you have that limit, and it is not going to burn up your other limit. He stated employee benefit liability is in the general liability policy carrying its own separate limit and $1,000 deductible instead of a $25,000 deductible. He said he does not feel that the public officials' liability is a very good place for employee benefit liability to fall. Mr. Paulk stated he is not sure they discussed the employee liability limits being included in the public officials' liability, but for the significance of it the twenty years that he has been working with ACCG, and now we have 150 counties, he does not think he has ever had one employee benefit liability claim made. He stated that is for employees who have made an error in their benefits plan. He said and what Mr. Butler said is true, but he does not think it is a very significant point.

Chairman Mayes thanked Mr. Butler, Mr. Paulk, and Ms. Abercrombie for their presentations, and asked the commissioners if there are any additional questions. Commissioner Bagwell asked if we leave ACCG/IRMA what happens to what we have built up. Mr. Paulk stated the by-laws and the state laws say if you leave the program, you forfeit your equities and you have to start over. Mr. Paulk stated when the Georgia Legislature put this program together, they did that to encourage stability. He stated if everybody left when the market got soft there would be no program to help you with your target. *(Various comments inaudible)* Ms. Abercrombie stated it is about 10% of your premium. She stated they try to close out years that they feel comfortable that they have enough money to pay off those claims for those years. The dividend that we gave out this year was from four policy periods in the late 1990's to early 2000's. She said you do not have to be in the program fifteen years to get a dividend. She stated we look at the program years that we are closing out, and if you were a member in that particular time period that we are closing out, then you get a portion of the money that was left over. Commissioner Lumsden asked what period of time do you have to be a member before you become eligible to receive a dividend. Mr. Paulk stated you are eligible immediately. You were eligible for a dividend when you joined the program back in 2005, but dividends are returned for policy years that we are closing out, so if you were not a member of the program during those policy years, you would not receive a dividend. He stated we are returning the investment income after we have paid off the claims of the years we are closing out so you are eligible from the first day you join, but we return it to the members where that surplus is coming from. Mr. Butler stated they are paying through about 2002 right now, so we have another seven years before the 2009 start to get paid. Ms. Abercrombie stated you cannot determine that, because it just depends on the future. Mr. Paulk stated our investments went down just like everybody else this year. Commissioner Lumsden stated they are very familiar with the process of declaring the dividend, He just wanted to try to establish clearly how that dividend paid out, and at what point we would be eligible to receive a dividend.

Chairman Mayes called for a motion.

Additional Discussion: Commissioner Bagwell stated he has bought insurance all his life. He has seen ups and downs, bad and good, and he likes stability in anything. He stated he thinks ACCG/IRMA offers us the best stability, and the fact that we are potentially eligible to start getting a dividend back that will lower the overall premium. Commissioner Lumsden asked County Manager Poe if he has any comments or anything that he would like to say to the Commission in regard to the pros and cons. County Manager Poe stated the stability is an issue from the voting standpoint. He stated we have seen in the commercial sector the soft and hard markets and inflation. He stated from the service standpoint that ACCG/IRMA has been absolutely marvelous. He stated it is incredible on the level of service they have provided, the additional services they have provided to us. They are willing to help us with anything, and I am sure they will take care of us. ACCG/IRMA is for counties, and they know exactly what our needs are. He stated a majority of the counties are already insured by ACCG/IRMA. He stated he would recommend staying with ACCG/IRMA. Chairman Mayes asked Human Resource Director Larry Johnson, if he has any comments, because you deal with insurance claims. Mr. Johnson stated none other than to reiterate what County Manager Poe has indicated. We deal with providers on a daily basis, within the private sector and public sector. He stated the service has been very good through ACCG/IRMA. When we ask, they deliver. He stated in addition to the coverage for property and liability they provide, they have provided benefits to our training department in various areas. We have utilized them on several different levels. He said they have been ‘Johnny on the Spot’ with their service deliverance.

Commissioner Bagwell stated if we do change, we are going to lose what we have built up so far and that concerns him more than anything. County Manager Poe stated as they have said, the plan is not designed for people to jump in and out of their plan, and if we take ourselves out of the plan, we give up the equity that we have built into it. He stated he thinks we need to make a commitment to stay in the program. They are just for counties, and every county deals with the same issues that you all deal with. He stated all counties that have been insured deal with the exact same issues that you all deal with. Commissioner Lumsden stated he thinks if we were comparing apples to apples, and we had not been in the plan for as long as we have been in the plan, he might come to a different conclusion, but all things considered, he is in favor of ACCG/IRMA.

Commissioner Lumsden made a MOTION to accept the renewal proposal submitted by ACCG/IRMA as provider for Property and Liability Insurance coverage for the period July 1, 2009 – July 1, 2010. SECOND by Commissioner Bagwell. VOTING:

	YES	NO
Commissioner	Bagwell	
"	Lumsden	
"	Whitefield	
Chairman Mayes abstained		

Motion Carried

ADJOURNMENT:

There being no further business to come before the Board, MOTION was made by Commissioner Whitefield, SECOND by Commissioner Bagwell, that the meeting be adjourned. VOTING:

	YES	NO
Commissioner	Bagwell	
"	Lumsden	
"	Whitefield	
Chairman	Mayes	

Motion Carried

FLOYD COUNTY BOARD OF COMMISSIONERS

JOHN MAYES, CHAIRMAN