

JONES COUNTY BOARD OF COMMISSIONERS

Jones County Government Center
Charlotte C. Wilson Conference Room
Third Tuesday Meeting 6:00 PM
October 20, 2009

Agenda Summary:

MEMBERS PRESENT: Members present representing a quorum of the board was:

Preston Hawkins-Chairman
Larry Childs - Vice-Chairman
David C. Gault – District Two Commissioner
Tommy Robinson - District Three Commissioner
Bert Liston- District Four Commissioner

County Attorney Frank Childs was present.

CALL TO ORDER: Chairman Hawkins called the meeting to order at 6:13 p.m.

Chairman Hawkins exercises his voting rights in the case of a tie or to constitute a quorum. Attachments to the minutes are filed separately from the minutes in clasp envelopes labeled by meeting in the commissioner vault.

APPROVAL OF AGENDA:

Authorization to add the following non-agenda items to this agenda for consideration:

NB # 1 - Comp Time by Comm. Childs

Commission Comments – Water Issues Haddock by Comm. Gault

Motion: Motion by Gault, second by Liston to approve the agenda as amended.

Vote: **Approved** unanimously.

AGENDA:

Invocation: Laten Boniol, Pastor of East Juliette Baptist Church, Public Works Director

Pledge: Laten Boniol, Pastor of East Juliette Baptist Church, Public Works Director

APPROVAL OF MINUTES:

1. Minutes: Work Session October 13, 2009

Motion: Motion by Liston, second by Childs to approve.

Vote: Approved unanimously.

2. Minutes: Second Tuesday Meeting October 13, 2009

Motion: Motion by Childs, second by Liston to approve.

Vote: Approved unanimously.

VISITORS:

1. David Lucas with Sterne, Agee, Leach – Bonds. Mr. Lucas discussed bond issuance at length with the Board. He provided them with information which is attached to the minutes. Comm. Childs requested to table this tonight, schedule a workshop to discuss projects and the amount that the Board should borrow, and schedule a call meeting following the workshop.

Consensus of the Board: Work Session October 27, 2009 1:00 p.m.

Call Meeting October 27, 2009 1:30 p.m.

NEW BUSINESS:

1. Comp Time – Larry Childs. Comm. Childs discussed the maximum accrual of comp hours, the ability to cash out vacation and sick pay.

Motion: Motion by Childs, second by Gault to put a freeze on cashing in sick and vacation pay until policies are reviewed.

Vote: Approved unanimously.

Consensus of the Board: Comp and cashing out sick and vacation will go before the finance and human resource committees. Meeting will be October 27, at 2:00 p.m.

CONSENT AGENDA:

1. Adopt Disaster Preparedness Plan for Records – Leila Brittain
2. Adopt Resolution for the Records Management Plan – Leila Brittain. This will include an updated Records Retention Schedule dated May 2009 posted on the Secretary of State's web site.

Consensus of the Board: Tabled for the Call Meeting October 27, 2009.

OLD BUSINESS:

1. Borrow funds through 2009 SPLOST (Bonds) – postponed from October 13, 2009 Meeting

Consensus of the Board: Table for the October 27, 2009 Work Session at 1:00 P.M. and Call Meeting at 1:30 P.M.

Approve \$20,000 from the 2004 SPLOST Recreation Funds to upgrade lights and light switches in the gym. Postponed from October 13, 2009. Bobby Bonner presented price estimates to the Board. They are attached to the minutes. Comm. Childs requested that the remaining recreation funds in the 1999 SPLOST be exhausted first and the remaining funds would come from the 2004 SPLOST for these projects.

Motion: Motion by Gault, second by Liston to approve the request for up to \$20,000 for the two separate projects.

Vote: Approved unanimously.

Motion: Motion by Gault, second by Liston to approve \$16,500 to upgrade lights in the gym using 1999 and 2004 SPLOST Funds per the attached project request and price estimate.

Vote: Approved unanimously.

Motion: Motion by Liston, second by Robinson to approve \$1,590.00 from the 1999 and 2004 SPLOST for light switches in the gym per the attached project request and price estimate.

Vote: Approved unanimously.

The Board discussed this further.

Motion Rescinded: Comm. Gault rescinded his motion first motion; Comm. Liston rescinded his second.

Michael D. Underwood discussed issues with rental facilities and suggested changing the rental policies and changing the fee structures for facility rentals. He read the following proposal:

We presently rent the Jonesco Club House, the Lunch Room, the Gym, and the Civic Center Auditorium. Recent situations have caused us to look at our rental agreements. We would like to change the rental charge on these facilities to help offset the cost of electricity and manpower required for setup and cleanup.

Clubhouse - \$100 deposit and \$200.00 rental daily

Lunch Room - \$100 deposit and \$150 rental daily

Gym - \$100 Deposit and \$300 rental daily

Civic Center/Auditorium - \$100 deposit and \$300 Rental daily

Rental times will be from 9 AM until 12:01 AM daily.

Rehearsal or set ups can be arranged if building is available @ \$20 per hour.

Final Rent Payment must be paid 2 days prior to use (between 9 AM – 4 PM)

Lessee shall have all furnishings and equipment provided and used by Lessee removed by the end of the rental period. Failure to do results in the loss of deposit plus additional cost as determined by the renter.

A copy of a drivers license must be provided by the renter at time of rental payment.

Any variation from the rental charge must be approved by the Board of Commissioners.

Comm. Gault asked about exempting the Adult Education Program from the fees. Chairman Hawkins asked that Adult Education and the GED program be exempted.

Motion: So moved, excluding Adult Education and G.E.D. by Gault, second by Liston.

Vote: Approved unanimously.

Comm. Childs requested that rental fees at the recreation complexes be reviewed as well.

DEPARTMENT HEADS: (Action items only)

Michael D. Underwood, requested the following:

Permission to move the Water Revenue and Meter Deposit Account from Suntrust (paying .40% interest) to State Bank and Trust (paying 1.95% interest). This suggestion was brought about by Pam Billingsley in the accounting department.

Motion: So moved by Robinson, second by Gault.

Vote: Approved unanimously.

LaVita Crutchfield, Chief Accountant, and Pam Billingsley, Accountant, discussed post retirement benefits with the Board. Pam Billingsley read the following:

THE FINANCE DEPARTMENT HAS REVIEWED THE REQUIREMENTS AND EXPENSE CREATED BY THE PASSAGE OF ARTICLE IX EMPLOYEE BENEFITS SECTION 3 RETIREMENT BENEFITS OF THE JONES COUNTY BOARD OF COMMISSIONERS EMPLOYEE HANDBOOK WHICH WAS ADOPTED ON JANUARY 1 2008 THIS SECTION PERTAINS TO OTHER

POST EMPLOYMENT BENEFITS OPEB AFTER ATTENDING THE 2009 CONFERENCE ON LOCAL GOVERNMENT FINANCIAL REPORTING AND GAAP UPDATE HELD IN SAVANNAH GA SPONSORED BY THE GEORGIA DEPT OF AUDITS AND ACCOUNTS AND THE CARL VINSON INSTITUTE OF GOVERNMENT ON SEPTEMBER 21 22 2009 THE FOLLOWING CONCERNS HAVE BEEN BROUGHT TO OUR ATTENTION

1 FUNDING THE REASON OPEB IS SO EXPENSIVE IS THAT HEALTHCARE COSTS TEND TO INCREASE SIGNIFICANTLY WITH AGE PREMIUMS FOR RETIREES NORMALLY WILL BE SIGNIFICANTLY HIGHER THAN PREMIUMS FOR ACTIVE EMPLOYEES

OPEB IS A FORM OF EMPLOYEE COMPENSATION THAT SHOULD ALWAYS BE CONSIDERED AS AN INTEGRAL PART OF AN EMPLOYEE'S TOTAL COMPENSATION PACKAGE A GOVERNMENT'S FAILURE TO CONTROL OPEB COSTS COULD HAVE A SERIOUS NEGATIVE IMPACT ON ITS FUTURE FINANCIAL POSITION AND ECONOMIC CONDITION RATING WILL LIKELY TAKE THE NEW INFORMATION FURNISHED BY GASB 45 INTO ACCOUNT IN ASSIGNING FUTURE RATINGS PAY AS YOU GO HIGHER LIABILITIES POTENTIAL LOWER RATING HIGHER COST OF CAPITAL LOWER CURRENT YEAR COSTS

2 ACTUARIAL COSTS ANNUAL COST HAVE BEEN ESTIMATED UP TO 20 000 FOR SOME COUNTIES HAVING POST EMPLOYMENT BENEFITS ACCG IS PARTNERING WITH CAVANAUGH MACDONALD CONSULTING LLC THEY WILL WORK WITH ACCG TO PROVIDE ACTUARIAL VALUATIONS FOR MEMBER COUNTIES THAT REQUEST SUCH SERVICES BUT THEY ARE NOT FREE ACCORDING TO JON KETZNER AT CBIZ THE COMPANY THAT HANDLES OPEB FOR ACCG GEBCORP BASED ON OUR NUMBERS OUR COST WOULD BE APPROXIMATELY 8 000 ANNUALLY

FACTS PER PHONE CONVERSATION ON OCT 8 2009 WITH MR J C MCBEE OF ACCG THEY HAVE EMPLOYED 70 75 EMPLOYEES NO EMPLOYEES PARTICIPATING IN OPEB AND THEIR ANNUAL ACTUARIAL COST IS 3000- 4000 PER YEAR THIS IS TO SUPPLY THE NUMBERS FOR THE AUDIT JONES COUNTY BOARD OF COMMISSIONERS HAVE EMPLOYED APPROX 298 EMPLOYEES COST IS BASED ON THE EMPLOYEES WE HAVE EMPLOYED THIS IS FOR THE ACTUARIAL VALUATION ON ACCG FINANCIAL STATEMENTS THEY HAVE TO REPORT THEIR ACCRUED POST EMPLOYMENT BENEFIT LIABILITY WHICH IS APPROX 1 7

MILL EVEN THOUGH WE HAVE NO ONE USING OPEB BUT IT WAS ADOPTED ON JANUARY 1 2008 BY THE COMMISSIONERS WHEN YOU ADOPTED THE EMPLOYEE HANDBOOK WE SHOULD HAVE HIRED AN ACTUARY

3 FINANCIAL REPORTING MUST COMPLY WITH GASB 45 ACCORDING TO GASB 45 WE MUST HAVE DISCLOSED IN FINANCIAL STATEMENTS THE INFORMATION ON THE BENEFITS FUNDING POLICY AS WELL AS THE PLAN'S FUNDED STATUS AND FUNDING

PROGRESS THE SAME ACCOUNTING AND FINANCIAL REPORTING USED FOR PENSION BENEFITS IS REQUIRED BY GASB 45 4 ISSUES FOR TAX PAYERS HEALTH BENEFIT COST ARE INCREASING MUCH FASTER THAN GENERAL INFLATION HEALTH COSTS INCREASE AS AN EMPLOYEE RETIREE GETS OLDER LARGE OPEB LIABILITY CAN IMPAIR JURISDICTIONS ABILITY TO ISSUE BONDS HOW ARE YOU GOING TO EXPLAIN LARGE RETIREE HEALTH LIABILITY TO THE GENERAL PUBLIC TAXPAYERS RECOMMENDATION PER MR JOHN KETZNER OF CBIZ ROBERT WOOD RECREATION DIRECTOR HAS BASED HIS RETIREMENT DATE ON THIS BENEFIT IN ORDER TO AVOID ANY POTENTIAL CONFLICT THE COUNTY CAN OFFER MR WOOD THE SAME BENEFIT UNDER GASB 47 THIS ALLOWS THE COUNTY TO PRESENT MR WOOD WITH A GIFT OF INSURANCE BENEFITS AND RESCINDS THE MOTION TO ADOPT OPEB FOR ALL OTHERS IF YOU HAVE A PROMISE OF POTENTIAL POST EMPLOYMENT BENEFITS YOU HAVE TO MOVE FORWARD WITH PROPER AUDIT PROCEDURES EVEN THOUGH NO ONE IS CURRENTLY PARTICIPATING HOWEVER IF OPEB IS RESCINDED THE AUDITOR COULD CONSIDER IT A SILLY EXERCISE AND NOT REQUIRE IT BUT IT IS STILL THEIR CALL

It was their recommendation to rescind the benefit.

Motion: Motion by Gault, second by Liston to delete this requirement (post retirement health insurance) as written in our handbook to go into effect as of this meeting.

Vote: Approved unanimously.

COMMISSIONERS COMMENTS: (No action items).

ADJOURNMENT: Meeting adjourned at 7:41 p.m.

Motion: Motion by Childs, second by Gault to adjourn.

Vote: Approved unanimously.