

**COMMISSIONERS' COURT
SPECIAL MEETING
FEBRUARY 25, 2002**

BE IT REMEMBERED THAT THE TITUS COUNTY COMMISSIONERS' COURT
met in *Special Session* on Monday, February 25, 2002, in the Titus County Courtroom with
the following members present:

DANNY P. CROOKS.....COUNTY JUDGE
BOB FITCH.....COMMISSIONER PRECINCT 1
MIKE FIELDS.....COMMISSIONER PRECINCT 2
BILLY J. THOMPSON.....COMMISSIONER PRECINCT 3
THOMAS E. HOCKADAY.....COMMISSIONER PRECINCT 4
SHERRY JO MARS.....COUNTY CLERK

ABSENT: NONE

PUBLIC AND COUNTY OFFICIALS ATTENDING MEETING

CARL JOHNSON, COUNTY AUDITOR
DEBRA BOWEN, DISTRICT CLERK
JUDY COOK, COUNTY TAX ASSESSOR/COLLECTOR

OPAL KEESEE, VA OFFICER
LANA HOUGHIN, DEPUTY COUNTY CLERK
JAKE NARRAMORE
NORMA NARRAMORE
BOB GRAY
GAIL NORRIS
CLARISSA CUTRELL
MELODIE JORDAN

**IN THE MATTER OF
HEAR EVALUATION OF COUNTY LIFE INSURANCE
POLICY BY GAIL NORRIS, HEALTHFIRST TPA**

The court heard Gail Norris concerning the counties life insurance policy with
HealthFirst TPA. For anyone who retires on or after 3/1/2002, it will cost the county
\$10,000.00 to purchase & furnish life insurance for those who retire that date. These
rates are guaranteed for 2 years.
Motion was made by Commissioner Mike Fields and seconded by Commissioner Bob
Fitch to approve evaluation. Motion carried unanimously. EXHIBIT A

**IN THE MATTER OF
ORAL AND WRITTEN REPORTS OF COUNTY OFFICIALS**

Motion was made by Commissioner Bob Fitch and seconded by Commissioner Billy Jack Thomas to approve reports from County Auditor, Winfield Fire Department, County Environmental Inspector, County Tax Assessor, County Extension Agent, County Tax Assessor. Motion carried unanimously.

**IN THE MATTER OF
APPROVING BUDGET AMMENDMENTS**

Motion was made by Commissioner Bob Fitch and seconded by Commissioner Billy Jack Thomas to approve budget amendments number 11 thru 18. These amendments can be seen in the County Auditor's Office. Motion carried unanimously.

**IN THE MATTER OF
APPROVING SIGNING OF PAY ORDERS
AND PAYING BILLS**

Motion was made by Commissioner Thomas Hockaday and seconded by Commissioner Billy Jack Thomas to approve signing of pay orders and paying bills. Motion carried unanimously.

**IN THE MATTER OF
HEARING SHERRY MARS REGARDING
SENATE BILL NO. 7**

The Court heard Sherry mars regarding Senate Bill No. 7 and asking for more help for her office. This matter was tabled until the next meeting and will be voted on at that time.

**IN THE MATTER OF
ADJOURNMENT**

Motion was made by Judge Danny P. Crooks and seconded by Commissioner Mike Fields to adjourn. Motion carried unanimously.

**EXHIBIT A****QUICK QUOTE FOR: Titus County****About The Company**

Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies, has been operating in the United States since 1895. Our overall record of stability, performance and growth has earned us outstanding ratings from all of the major independent rating agencies. We are committed to providing our customers with superior products and outstanding service. You can be confident choosing us as your benefit carrier.

About this proposal

This quote shows a summary of proposed benefits, rates and underlying assumptions. It is not part of the group policy or a legal contract with Sun Life Assurance Company of Canada.

About the proposed rates

The rates shown are subject to recalculation pending final enrollment, census data and review of any additional data requested in the proposal. Please review the assumptions for information about how the rates were derived.

This proposal is presented to

Titus County
Mount Pleasant, TX 75455

SIC Code: 9111

Benefits Quoted: Life with Dependent Life, Accidental Death and Dismemberment, Optional Employee Life and Optional Employee AD&D

Proposed Effective Date: March 1, 2002

Presented by

Gail Norris
Health First TPA
821 ESE Loop 323, Ste 200
P. O. Box 130187
Tyler, TX 75713
Tel: 800-365-2892
Fax: 903-509-5725

Scott Warren
Sun Life Financial
13355 Noel Road
One Galleria Tower 1907
Dallas, TX 75240
Tel: 972-934-3871
Fax: 972-239-7552

General Information about this proposal

- This proposal is valid for 60 days from February 21, 2002 and only for the proposed Effective Date.
- A copy of the current carrier's booklet is required at time of sale.
- This proposal is for fully insured, nonparticipating coverage that terminates at retirement, unless otherwise noted.
- Our benefits are self-administered using a custom, easy-to-understand Administrator's Guide. Our Group Customer Service Center is dedicated to helping you with any service or process questions.

We are pleased to offer Basic Group Life Insurance with the benefits employees want. Below, we've highlighted some of the key features of our coverage:

Benefit Highlights

Accelerated Benefit: One of the highest benefits in the industry. Terminally ill employees with at least \$20,000 of coverage can access up to 75% of their coverage to a maximum of \$500,000.

Waiver of Premium: No elimination period for totally disabled employees—easy tracking and immediate benefits. Waiver benefits protect employees who are totally disabled prior to age 60.

Conversion: Group Life coverage may be converted to Individual Whole Life coverage without Evidence of Insurability.

Claims Settlement: Beneficiaries receive a complementary interest-bearing checking account or may elect an alternate settlement option.

Accidental Death & Dismemberment (AD&D): 24-hour accident coverage. Protection is included for speech/hearing, paraplegia, hemiplegia, quadriplegia, and thumb & index finger. Our 365-day loss period also provides a more generous benefit than most other carriers.

Benefit Features

- **Contributions:** Our Basic Life rates assume that the employer pays 100% of the cost. All eligible employees must be insured.
- **Earnings Definition:** Earnings are defined as salary, excluding bonuses, overtime and commissions. Rates are subject to change if bonuses/commissions are to be included. Earnings definitions may vary by employee class.
- **Guaranteed Issue:** Allows employees to obtain coverage without providing evidence of insurability, if they enroll within 31 days of first becoming eligible. For employees who are Actively at Work on the Effective Date of the Sun Life policy, the amount of insurance in force prior to our Effective Date will be provided without Evidence of Insurability.
- **Actively at Work:** Actively at Work requirements apply. A list of employees who are not Actively at Work or who have serious medical conditions is required at time of sale. Coverage for employees who are not Actively at Work will be effective on the date they return to work on an active basis. Coverage for dependents who are home- or hospital-confined due to illness or injury will be effective on the date they are no longer medically confined and are able to perform their normal activities.
- **Age Reductions:** All coverage amounts reduce to 65% at age 65, 50% at age 70 and 35% at age 75. Age reductions may vary by employee class.
- **Dependents:** Employees may elect coverage for their spouse and unmarried children from 14 days to age 19, or unmarried children to age 23 if full-time student. Dependent coverage amounts are subject to state requirements. Dependents are eligible for coverage only when the employee is enrolled.

New Feature!

Global Travel Assistance: Medical and personal emergency assistance for employees and their dependents traveling 100 or more miles away from home. Should an employee or a family member become ill, have an accident or need some other assistance covered by the program, with one simple phone call he or she can access proper medical care anywhere in the world. Services provided by Assist America.

Benefits and Estimated Premium for Basic Life Coverage

	Class 1 Active Employees	Class 2 Employees retired on or after Sun Life's effective date			
Basic Employee Life					
Benefit Amount:	1.5 times Basic Annual Earnings	\$10,000			
Maximum Benefit:	\$150,000	\$10,000			
Guaranteed Issue:	\$150,000	\$10,000			
Basic Employee AD&D					
Benefit Amount:	1.5 x earnings				
Maximum Benefit:	same as Employee Life				
Basic Dependent Life					
Benefit Amount:					
Spouse:	\$ 5,000	\$ 5,000			
Child:					
Age over 1 year:	\$ 2,500	\$ 2,500			
Age 14 days, but under 1 year:	\$ 500	\$ 500			
	Estimated Volume	Monthly Rate/\$1,000	Total Insureds	Monthly Premium	Annual Premium
Basic Employee Life:	\$ 3,139,211	\$ 0.251	91	\$ 788	\$ 9,455
Basic Employee AD&D:	\$ 3,139,211	\$ 0.045	91	\$ 141	\$ 1,695
Basic Dependent Life:	per unit	\$ 1.684	50	\$ 84	\$ 1,008
Total Estimated Premium:				\$ 1,013	\$ 12,158

Included in this plan:

- 24 hour AD&D coverage included
- Special AD&D benefits: Seat Belt and Air Bag (see Assumptions section for details).
- 24 month rate guarantee from the Effective Date
- Accelerated Benefit
- Waiver of premium with no elimination period
- Conversion privilege
- Global travel assistance provided by Assist America for all non-retired employees and their dependents

Assumptions

- This proposal assumes completion and approval of the Group Life Insurance Transition Statement prior to the Effective Date. This statement addresses employees who are not Actively at Work or employees and dependents who have serious medical conditions.
- Employee coverage is rounded to the next higher \$1.
- Retired employees are not eligible to participate in Dependent Life and Accidental Death & Dismemberment.
- A copy of the prior carrier's contract is required at the point of sale.
- Accidental Death & Dismemberment coverage is not included for losses due to suicide, self-inflicted injuries, disease, criminal acts, war, active duty during time of war, riot, aviation other than as a fare-paying passenger, voluntary use of any controlled substance or illegal drug and operating a motor vehicle while intoxicated.
- Accidental Death & Dismemberment coverage does not include a conversion privilege.
- Accelerated Benefits and Accidental Death & Dismemberment coverage apply to employees only and are not available to covered dependents.
- Eligibility: All Full-Time Employees who are scheduled to work a minimum of 30 hours a week.
- Waiting Period: Employees must fulfill the following waiting period before they are eligible to participate - 30 days.
- This proposal includes 15% commissions.
- This proposal assumes that employees working as police officers and/or firefighters comprise less than 25% of the group as a whole.
- Temporary, seasonal, contracted, part-time, or leased employees are not eligible to participate.
- Elected Officials are not eligible to participate.
- The group policy will be written with standard Sun Life contractual language. Coverage may be continued on a premium paying basis for up to 12 months during an absence that is due to sickness or injury, for up to one month for employees temporarily laid off, for up to one month for an approved leave of absence, and for up to 3 months of paid vacation.
- Retiree eligibility: the employee's age plus years of service must equal a minimum of 75.
- Seat Belt benefit for AD&D: Pays an additional 25% of coverage, up to \$25,000, if death occurs in an automobile accident while wearing a seat belt.
- Air Bag benefit for AD&D: Pays an additional 10% of coverage, up to \$5,000, if a Seat Belt benefit is paid, and if an air bag was also in place and inflated on impact.

Optional Life Proposal

We are pleased to offer Group Optional Life Insurance with the benefits that employees want. Below, we've highlighted some of the key features of our coverage:

Benefit Highlights

Accelerated Benefit: One of the highest benefits in the industry. Terminally ill employees with at least \$20,000 of coverage can access up to 75% of their coverage to a maximum of \$500,000.

Waiver of Premium: No elimination period for totally disabled employees— easy tracking and immediate eligibility. Waiver benefits protect employees who are disabled prior to age 60 by continuing coverage to age 70 or retirement, whichever is earlier.

Conversion: Group Life coverage may be converted to Individual Whole Life coverage without Evidence of Insurability.

Claims Settlement: Beneficiaries receive a complimentary interest-bearing checking account or may elect an alternate settlement option.

Accidental Death & Dismemberment Coverage (AD&D): Added protection for employees is available in an amount equal to the employee's Optional Life amount if loss of life, sight or limb is the result of an accident. Our 365 day loss period provides a more generous benefit than most other carriers. Coverage is also included for: speech and hearing, thumb and index finger, quadriplegia, hemiplegia and paraplegia.

Benefit Features

- **Participation:** Minimum participation requirements apply. If minimum participation is not met, the rates and terms of this proposal are subject to change.
- **Evidence of Insurability:** Required for late entrants, annual enrollment elections (if applicable), coverage in excess of the Guaranteed Issue amount and any coverage increases at any time.
- **Actively at Work:** Actively at Work requirements apply. Any coverage for employees who are not Actively at Work on the Effective Date of the our policy will not be effective until they return to work on an active basis. A list of employees who are not Actively at Work and those employees with serious medical conditions is required prior to the Effective Date.

Benefits and Estimated Premium for Optional Life Coverage

Optional Employee Life Active Employees											
Benefit Amount:	1, 2, or 3 times Basic Annual Earnings										
Maximum Benefit:	3 times Basic Annual Earnings up to \$300,000										
Minimum Participation:	Greater of 25% of entire group or 10 employees										
Guaranteed Issue:	<table> <tr> <th><u>Age</u></th><th><u>Guaranteed Issue</u></th></tr> <tr> <td>Under 60</td><td>3 times Basic Annual Earnings up to \$50,000</td></tr> <tr> <td>60-69</td><td>\$20,000</td></tr> <tr> <td>70-79</td><td>\$10,000</td></tr> <tr> <td>80 and over</td><td>\$1,000</td></tr> </table>	<u>Age</u>	<u>Guaranteed Issue</u>	Under 60	3 times Basic Annual Earnings up to \$50,000	60-69	\$20,000	70-79	\$10,000	80 and over	\$1,000
<u>Age</u>	<u>Guaranteed Issue</u>										
Under 60	3 times Basic Annual Earnings up to \$50,000										
60-69	\$20,000										
70-79	\$10,000										
80 and over	\$1,000										
Age Reductions:	All coverage amounts reduce to 65% at age 65, 50% at age 70, 35% at age 75. Benefits cease at retirement.										

Benefits and Estimated Premium for Optional Life Coverage**Estimated Employee Monthly Costs****Employee Rate per \$1,000**

Age	
00-19	\$0.100
20-24	\$0.100
25-29	\$0.120
30-34	\$0.160
35-39	\$0.180
40-44	\$0.200
45-49	\$0.300
50-54	\$0.450
55-59	\$0.850
60-64	\$1.300
65-69	\$2.500
70-74	\$4.050
75-79	\$4.050
80-84	\$4.050
85-99	\$4.050

For Optional Employee AD&D coverage, add \$0.044 to each Employee rate above.

Included in this plan:

- 24 hour AD&D coverage included for employees.
- Special AD&D benefits: Seat Belt and Air Bag (see Assumptions section for details).
- Final rates are guaranteed for 24 months from the Effective Date
- Accelerated Benefit
- Waiver of premium with no elimination period
- Conversion privilege

Enrollment Meetings:

When introducing an Optional Life plan for the first time, communication is the key to success. As a result, Sun Life Assurance Company of Canada requires the employer to:

- † Announce the plan to employees 60 days prior to the Effective Date, if possible,
- † Conduct mandatory employee meetings,
- † Offer a 31-day enrollment period prior to the Effective Date,

A Sun Life Financial representative can assist with the communication and enrollment process.

Assumptions

- Standard Sun Life Assurance Company of Canada contractual language is offered.
- If minimum participation is not met, the Guaranteed Issue, policy provisions and rates are subject to change.
- Any initial or increased Optional Employee Life amounts are not payable due to suicide within 24 months after the Effective Date of the initial or increased amount.

- This proposal assumes completion and our approval of the Group Life Insurance Transition Statement prior to the Effective Date. This statement addresses employees who are not Actively at Work or employees who have serious medical conditions.
- If Optional Employee AD&D is included in the plan, all employees who elect Optional Employee Life coverage automatically receive AD&D coverage equal to their Optional Employee Life amount. Optional Employee AD&D coverage is not included for losses due to suicide, self-inflicted injuries, disease, criminal acts, war, active duty during time of war, riot, aviation other than as a fare-paying passenger, voluntary use of any controlled substance or illegal drug and operating a motor vehicle while intoxicated.
- Optional Life is only available when a Basic Life plan is written by Sun Life Assurance Company of Canada and when no other contributory, employer-sponsored life plans are offered.
- Increases in coverage due to earnings increases or a change in an employee's class do not require Evidence of Insurability except when the new coverage amount exceeds the Guaranteed Issue amount or when coverage is increasing by more than \$20,000 and by more than 15%.
- Eligibility: All Full-Time Employees who are scheduled to work a minimum of 30 hours a week.
- Waiting Period: Employees must fulfill the following waiting period before they are eligible to participate - 30 days.
- Temporary or leased employees are not eligible to participate.
- Seasonal employees are not eligible to participate.
- This proposal assumes that there is no current Optional plan in place.
- Seat Belt benefit for AD&D: Pays an additional 25% of coverage, up to \$25,000, if death occurs in an automobile accident while wearing a seat belt.
- Air Bag benefit for AD&D: Pays an additional 10% of coverage, up to \$5,000, if a Seat Belt benefit is paid, and if an air bag was also in place and inflated on impact.