

St. Tammany Parish Fire Protection District No. 11  
Board of Commissioners  
Minutes of the Meeting on June 14, 2016

**ROLL CALL**

Jackelynn Gallo – Present  
Gene Swann - Present  
Don Thanars - Present  
Floyd Trascher – Present  
Michele Blackwell - Present

**INVOCATION**

**PLEDGE OF ALLEGIANCE**

**MINUTES**

Mrs. Blackwell asked, has everybody read and approved the minutes from the May 10<sup>th</sup> meeting? Mrs. Gallo said, yes ma'am, I make a motion to accept. Mg seconds the motion. Mrs. Blackwell said, all in favor, all in, motion carried.

Mrs. Blackwell said, we have a financial report. Mrs. Gallo said, yes ma'am, we were able to get the financial report through Chief Leos. Thank you for that Chief. There were a few things on the last memo as far as some individual, itemized line items that were corrected as far as they were coded. We sent some flowers to someone or a family on behalf of the department. Chief Dockery said, yes. Mrs. Gallo said, a very nominal adjustment there. Any questions about the budget in front of you? Do y'all have a copy of that? I brought copies if you need them. Mr. Trascher yes. Mr. Swann asked, is this it on the table? Mrs. Gallo said, yes. One thing that I am looking for, in regards to, I do have a meeting with Jeff Moyle's office. Any of you are invited to join us for that on the 21<sup>st</sup>. I sent that information out to you on email. I want to get a handle on around your stand on some of the accounts that we have, the restricted accounts, what monies can be used, what monies can't be used. Floyd and I had a conversation so I could get a little bit of background on that so, thank you Floyd. I know Chief Dockery and Chief Leos, I invited them to that meeting as well. So, that will be upcoming and I will be able to present some more information on my understanding of that after that meeting. Mr. Thanars said, just a question, to piggy back off that. At the last meeting there were some questions about the accountability of tracking of those restricted accounts. Has a line item been identified in the budget to account for what it is today and the expenditures to it? Mrs. Gallo said, not that I can see and that is the primary reason for my request for an appointment with Moyle's office. All that I have been able to get, thus far, I missed, we had a miscommunication. I had a miscommunication about our primary meeting. So, I don't have any information about that tonight, Don. But, what I was able to get is what's in front of you which is more of an income statement. I don't see a balance sheet in here so, the balance sheet is what is going to answer that question. The other

thing I was able to get and was provided to me, Michele sent it over to me. Thank you Michele. Mrs. Blackwell said, your welcome. Mrs. Gallo said, was the accountability report on what we are provided as a board on a regular basis. Monthly basis, quarterly basis and annual basis. So, you are welcome to revue that if you have any other questions. Mr. Thanars said, I did but the question that I have was really, who approved it and who insures that the statement of work, if you will, is execute according to what's written. Mrs. Gallo said, I don't have an answer for that. Mr. Thanars said, because the document wasn't signed. Mr. Trascher the contract was approved by this Board and the Chief was suppose to sign it as the Chief Executive Officer. Mrs. Gallo said, I think the engagement letter was actually signed by you right? Is that right, the email that you forwarded me was from Chief and he was waiting for a signature? Mrs. Blackwell said, I have no idea. Mrs. Gallo said, ok. Mrs. Blackwell said, I have no idea. I don't remember signing anything. That was a while back. Mrs. Gallo said, a while back? Yeah, this was October of 2015 and this contract is good thru September 30, 2016, and the copy that I have is not executed so, I can't answer that Don. Mr. Thanars said, ok thank you. Mr. Trascher there was a Board Resolution to approve it and the Chief, like I said, in the past the Chief signed all the contracts that the Board approved. Mrs. Gallo said, I will make myself a note to follow up in the previous meeting minutes that I have from 2015 and I will reference that and see if I can find something. That's all I have, Michele, thank you. Mrs. Blackwell said, thank you. Do we need to vote on the financial report? Mrs. Gallo asked, accepting it? Mrs. Blackwell said, yes accepting it. Mr. Trascher I would move that we accept it as it was presented. Mrs. Blackwell asked, do I have a second? Mr. Thanars said, point of order, I don't think that it is necessary, really, the information was provided. It wasn't a formal report presented and I think there are still questions on the financial report that we need to get answers to so I don't think a motion is in order. Mr. Trascher I will withdraw my motion because we have always accepted it in the past as presented. I will withdraw the motion. Mrs. Blackwell said, Chief's Report.

**CHIEF'S REPORT**

Chief Leos hands out packets and takes the podium. Chief Leos reads the report.

**RUN REPORTS FOR MAY 2016**

EMS	69
POLICE ASSIST	2
FALSE	6
FOOD ON STOVE	2
MVA	6
VEHICLE FIRE	1
STRUCTURE FIRE	1
GRASS FIRE	1
 TOTAL	 91

**ITEMS:**

1. Ladder 112 Out of Service Due to Bad ABS Sensor - This little gadget right here, we got it overnight. It was \$384. It is computer stuff. So, I guess that is

- going to be an issue from now on.
2. Water Rescue Class – 2 Certified Water Rescue Personnel. We have two people that were certified in Swift Water Rescue. We sent them to school with several of the other districts and now they are qualified in water rescue.
  3. Rookie School Complete – We got thru our Rookie School. We have 7 new Firefighter 1 Certified. So, we are happy about that and I think, all but one passed their First Responder. That's a good deal.
  4. Update on Medicare/Medicaid Problem – We finally found out what the issue was. When it was re-certified in 2010, it was not done correctly. We are working to get that redone. They still had Robbie Crowe on it. So, I am hoping within the next 30 days, at the most, were hoping everything will be... Mrs. Grisaffi said, they haven't got anything back from the last time I sent them all the correct information so that is a good sign. Chief Leos said, we haven't got a kickback from the last batch that we sent to them.

We were looking at, if y'all remember the gentleman that came from Shreveport, he had, he sent us some contract stuff and I was looking at it. I told Brenda that, I don't remember or if y'all remember him saying anything about an annual recurring cost. Do you remember him saying anything about that? Mrs. Blackwell said, I don't Chief. Chief Leos said, on PCR's, Patient Care Reports, because there are two different companies. His company is ACS and there is a contract in here with a company called ESO and they handle the patient care reports. The only thing that I saw that I got a question on is they got a charge with recurring annual payments and it amounts to \$4,275 a year. I don't understand why that is so high and why we weren't told about this. Mrs. Blackwell said, he may not have had that information with him. Chief Leos said, I don't know but we are going to call him and find out what this is about. Mr. Swann said, it was not brought up when he talked with us. Chief Leos said, I couldn't remember it either. That's an issue that I read thru today and I highlighted those issues because I want to find out why that was not brought up. That is a recurring expense every year.

**EMS REPORT**

BILLED SINCE 1/1/16	\$191,902.34
COLLECTED	\$ 46,284.76

Chief Leos said, the EMS \$191,902.34 bill, we collected \$46,284. The bulk of that is being held up by Medicare. We hope that is going to be released. Mrs. Blackwell said, so that should bring our percentage up. Chief Leos said, yes, that will. What this is, this is for everybody. This has all the emails that's got to do with millages. It's got the new recap and for the new people, Glossary of Terms, with pictures. Mrs. Gallo said, perfect. Chief Leos said, everybody gets one. You've got everything that I've got as far as what Troy Dugas has sent us. I think y'all got everything in there. Mrs. Blackwell said, thank you Chief. Chief Leos asked, do you want to go over millage stuff right now? As far as the schedule? Mrs. Blackwell asked is this the 2017 stuff? Chief Leos said, yes. Mrs. Blackwell asked, do you want to go with it when we do old business? Chief Leos said, basically what is going to

happen is, we've got enough time, as far as time line. We have to run an ad and let it sit for 30 days. But in that ad we've got to show notice of the meeting, the full agenda and all that. So, what's going to happen is, I need to call The Farmer tomorrow to find out to see as soon we can run it. It's not going to be 30 days at our next Board meeting, so we might have to call a special meeting three days later if that is ok with the Board. In that meeting all we have to do is set the millage. Now, I met with Jeff and worked on the 2017 budget proposal. I though he was going to get it to me before tonight but he is out of town. I did not get it. And, at that point, we can determine how much we going to lower the millages. Does everybody agree with that? Mr. Trascher as long as it is in line with what we said, yes. Chief Leos said, we going to lower it but I am just trying to figure out how much. We got to determine the 2017 budget verses what's coming in and what we are going to lower it. I would love to see 2, so, we are going to see. I thought I was going to have 2017, the first of the proposals tonight but I didn't get them. But, we have meet, I did call Troy Dugas to make sure we are going to have enough time if we do this in July. He said, yes, you've got plenty of time. So, what I am going to do is call The Farmer tomorrow and see what day the first ad will run and then we will go ahead and look at a 30 day window. Then, we will get with Michele or who ever, or secretary, and get the notice of meeting put together with the agenda and that way, all we have to do is come in for a special meeting and read the resolution and sign the affidavit. I've got all the emails and you've got copies of them in there, on what we've been talking with Troy. So, the only thing that we're kind of worried about is the recap is based on 1 or 1 1/2% growth and we are looking at 2 almost 3% inflation. That's another issue but I think we are going to be ok even if we lower it. All I can do is wait til we get the budget from Jeff. I hope that information will help y'all. Like I said, the new ones didn't know what we were talking about on terms so I put together with pictures. I might have missed a few but I think we got the bulk of it in there. Mrs. Gallo said, we know where to find you. Chief Leos said, thank you. Mrs. Blackwell said, thank you Chief. Chief Leos said, if you have any questions on the millages ask me then I will ask Troy because I don't know them either. Mrs. Blackwell said, thank you for putting that together Chief.

## **OLD BUSINESS**

Mrs. Blackwell said, we are going to move into Old Business, Alderman Phillips

### **SURPLUSSING BUILDING – Floyd**

Mr. Trascher Mr. Phillips requested to be on the agenda this evening. Mr Phillips said, yes I did. Hello everybody, how are we doing tonight. Several answer, good. Mr. Phillips said, in case you don't know, I am here to stand before the Board to find out what is the standing on the Surplus metal building. It is my understanding by the documents in the Farmer, that this bidding has been up for bid for over 30 days now and I would like to know what the general consensus of the Board is. I have made myself known and who I represent as far as the 7<sup>th</sup> District and what we would like to do with the building. So I am, at this time, turning it over to the Board to hear the Boards feelings and comments. Chief Leos said, we didn't get any bids. Mr. Trascher no bids at all? Chief Leos said, no bids at all. Mrs. Blackwell asked, is the deadline over? Chief Leos said, the deadline has been over. Chief Dockery said, the deadline was on the 11<sup>th</sup>. Chief Leos said, nobody even expressed an interest. Mr.

Thanars said, madam Chair? Mrs. Blackwell said, yes sir, Mr. Don? Mr. Thanars said, we satisfied both requirements. 1) we posted it with a minimum bid and with no minimum and we have no. so, we are free to dispose of it at this point. Just for my clarification. Chief Leos said, for any price. Mr. Thanars said, for any price? Chief Leos said, yes. Mrs. Blackwell asked, has anybody talked back with Ronnie Marshall, did he still not come back up and say he wanted to give us \$1,000 for it? Chief Leos said, no. Mrs. Gallo said, I say we open it up for your bid. Mr. Thanars said, at this point we have satisfied the requirements. At this point, we are ready to make a decision. I mean, to me, it's open, we can put a motion on the floor that the building be given to him, as he previously requested. He would be responsible for all the expenses to move and any liability associated with and that takes care of the building. Mrs. Blackwell said, but if he buys it, if he purchases it for an amount of money, then he can have the building and it's not in our name and we are not liable. Mr. Thanars said, that's what I'm saying, if he makes an offer. Mrs. Blackwell asked, do you have an offer Mr. Phillips? Mr. Phillips said, well, I have to say this jokingly but, honestly, I didn't get to the First NBC money machine for that but I got \$3 in my pocket. Mrs. Blackwell said, well maybe you could come up with just a little bit more. Mr. Phillips said, I'm just saying what I got here. Mrs. Blackwell said, you got a checkbook. That's what my nephew use to say, you got a checkbook. Chief Leos asked, do we have a release? Mr. Trascher I don't know of a release. I know we have been through the District Attorney's office and everything. If Mr. Marshall told you that he would give you \$1,000 for it and you told him no at that time? Chief Leos said, I told him we had a \$3,000 minimum on it. Mr. Trascher minimum, so that was when we had the minimum bid. He may be willing to give us that again or something. That going to be up to the Board. My feeling is, I don't think we need to give it away. I think we need to get something for it and I think \$3 is not... Mrs. Blackwell said, I think we need to get something for it and it would clear our name. Mr. Thanars said, I am not going to dispute that. Mr. Trascher if you want to make a motion, we will vote on it. Mr. Thanars said, ok because we have failed to follow up, what's his name Mr. Marshall, to see if he is willing to honor that and that is our fault. This has kind of been out there for more than 60 days and we should be, at this point, be able to make a decision on this tonight. Mrs. Gallo said, Mr. Phillips, what bid are you willing to offer? Mr. Phillips said, \$500. Mrs. Gallo said, \$500 to the Board. Mrs. Blackwell said, Mr. Don? Mr. Thanars said, I move that we accept this \$500 bid for the building. Mrs. Gallo said, under the contingency that they would be responsible for all the expenses. Mr. Phillips said, to get the building moved. I need 30 days to get the building moved. Mrs. Gallo said, all moving expenses and liability? Mr. Phillips said, and we would have a release signed to our attorney or our attorney, how ever you what to write that up. Mrs. Gallo said, so provided those two things are in order. Mr. Thanars said, so I will amend my motion, just a friendly amendment that we accept this \$500 bid pending an actual liability of release and their cost to move. Mrs. Gallo said, I will second the motion. Mrs. Blackwell asked, all in favor, all in, motion carried. Mrs. Blackwell said, congratulations, you own a building. Mr. Phillips said, thank you Board. I know this has been diligent and I appreciate your diligence on this, thank you very much. Y'all are going to make a bunch of people happy. Oh and I would like to end this real quick, on behalf of our Firefighters, hey guys and ladies, thanks for the great job y'all are doing. We appreciate you guys and the Board too. Thanks. The Board thanks him. Mrs. Blackwell said, ok let's move on to Chief's vehicle.

## CHEIF'S VEHICLE – Jackelynn

Mrs. Gallo said, yes ma'am, this has been up for discussion, I think since I started the Board, which was April 27. we have gotten a lot of information back and forth on Chief's vehicle. He has made it clear that what his first preference is and what some alternative options are. Those options being the two presentations that he sent to us was one, the SUV. The secondary option was the truck. Both could be outfitted to be a command center for us. There were a few different opinions from the board as far as what unit would be the best served unit. So, I just think we need to vote on this to (20:14 check tape) rest. Chief, are there any updates or feedback from you on regards to that? Chief Leos said, I can give everybody the information on it. I think the SUV was like \$29,000... Mrs. Gallo said, and the truck was \$25,000 or \$26,000. Chief Leos said, \$22,000. The pickup, both contracts have ended. What we could do and probably save some money, is call the state vendors and see if anything is left in stock. You might could get it at a reduced cost. If not, you going to have to wait, I think the new contract comes out in July for 2017, and wait and see what's on the contract then. Mrs. Gallo said, I tend to agree with you. I think they are going to have plenty left over stock. That's just the nature of the beast in the business. Chief Leos said, usually, Hickson and Alexandria is one of the best to go to. Their the ones we got the present one from. If you vote on a type and give me a cap, we can work with that. Mrs. Gallo said, I would make a motion that we use the current bids that Chief has in his hand if we want to round them up and say that the SUV cap would be, what's the number Chief? Chief Leos said, \$29,000, and you are going to have to figure about \$3,000 to \$3,500 to put lights, sirens, radio and decals, so it's about \$3,000 between all of it. Mrs. Gallo said, so we will call it \$3,500 cap to be safe, on the outfitting of the unit and a \$29,500 cap on the... Chief Leos said, no the pickup would be cheaper, it would be about \$2,700. Mrs. Gallo said, for the outfitting? Chief Leos said, yes. Mrs. Gallo said, ok, the actual truck, \$22,000 on the truck and the SUV is \$29,000, so that would be the proposed caps. Mr. Trascher asked, which vehicle are you proposing? Mrs. Gallo said, I would like to propose the SUV. I think that it is built with a better muscle for what Chief is looking to use it for as a command center. I will tell you, the turning point in my thought process, was thinking about how the vehicle might be used as Chief described. In incimate weather situations, which we have a lot of those, I thought about the truck that he described with the slide out options or the lift back. In incimate weather situations I think that would still propose an issue for that being an effective command center. So, based on that, my proposal would be the SUV. So, that's motion. The \$29 and some change cap that Chief proposed us at the last meeting and the \$3,000 to \$3,500 on outfitting it. Any other thoughts from the Board? Mr. Trascher I can't support the SUV, that's just my opinion. Mrs. Gallo said, ok. Mr. Trascher I think we need a second on the motion before we can vote. Mr. Thanars said, so, your doing a cap of about \$33,500 is what I hear? Mrs. Gallo said, right. Mr. Thanars said, so I second her motion with an nt for the Chief's vehicle for \$33,500 for the SUV. Mrs. Blackwell asked, do we have a discussion? All in favor, Mrs. Gallo and Mr. Thanars say I, any opposed, Mr. Trascher and Mr. Swann said I. Any other discussion? Can I do that? Chief Leos asked, what about on the pickup? Mrs. Gallo said, let's settle the current because this current option would, obviously, predispose if we get the truck or not. Mrs. Blackwell said, the vehicle travels to Bogalusa and back. You got to look at gas or fuel expenses and all that too. The truck is cheaper on the gas and all that. That's all I am looking at. You know, he is traveling to Bogalusa and

back every day in it. So, with all the other things going on, I propose the cheaper vehicle. Mr. Trascher my thoughts are, and it came from the National Fire Prevention Standards, that the Chief distributed, that a lot of the small departments found that the pickup truck would be a better option. If we were a more urban department where, like Houston, Dallas or New Orleans, I think that the SUV would probably be a better choice for a command vehicle. Because we are suburban, the Chief does use the vehicle for a lot of other things. I just feel that the pickup truck would be a better option. It would be something that the department could work with in the future. That is my reason for not supporting the SUV. Just like Mr. Thanars said in his email, we've hashed these points out before and how we feel about it. I could consider a pickup truck, you know, the half ton pickup truck, with a new truck for the department. Mr. Thanars said, I would just like to restate the example I gave at the last meeting. I think this is a kin to trying to tell a gunfighter what type of gun, in what they have asked in terms to do the job that we've asked them to do. You can say that I am going to give them a gun and you decide to give them another gun. Because it's cheaper, it doesn't necessarily mean that it is the best thing for the person doing the job. None of us, the onus is not on any of our backs, to go out and actually provide command and control for any emergency service situation. Now, the old adage about being the money quarterback, in terms of, if would have been me, what would I have done. We can go through that but, I think, what the Chief has clearly laid out, I think in the industry and in the fire industry and the fire profession, I should say, that the SUV is the recommended vehicle for this function. Mr. Trascher preferred. Mr. Thanars said, it's the recommended vehicle for this function. It was a recommended vehicle for this function. I took the liberty and we all can, and I will say this, but we can all find some people, some folks are going to say that the pickup is better than having the SUV. All I am saying is that, in the profession, that was the recommended vehicle, that's what the Chief requested and that is the decision for us to make is for the SUV. Mrs. Blackwell said, I would have to say that I have to do due diligence to the taxpayers to spend our money wisely and the best route we can. Mr. Thanars said, I appreciate you saying that, too. I really do. Mrs. Gallo said, so with that, it sounds like you would vote against the SUV so that puts my motion to rest. Mrs. Blackwell said, yes ma'am. Mrs. Gallo said, so, one of you guys can move forward with the option for the outfitted truck. Yes sir? Sid Anderson asked, Mr. Floyd, what NFP standard did you look at if you don't mind me asking. Mr. Trascher I would have to get it out. I don't know the number but this is what the Chief gave out at the meeting. If you would bare with me, you would have to get the Chairman to recognize you. Mrs. Blackwell said, Mr. Geissler? Mr. Geissler said, another thing that I think y'all need to consider is that the pickup truck, there is going to be radios, electronics. There's going to be equipment and gear, what ever else is going to be in the back. Once you put the camper top on the back of it, there is no true seal on there, so it is going to be exposed to all the elements. It's going to be exposed to the humidity, it's going to be to the temperatures outside. So, whatever equipment that is in there, it is going to be exposed and will be potentially destroyed or ruined. So, think that I... Mr. Swann said, I can tell you that the police department uses numerous pickup trucks and don't have radios that ruin. Ok, numerous. Mr. Geissler said, I live in Slidell I have seen one pickup truck. Mr. Swann said, I can tell you there are a lot more than one. Chief Leos said, the police department does not run a command post out of a pickup vehicle. Mrs. Grissafi said, not a command center. Chief Leos said, that's apples and oranges, Mr. Gene. Mr. Swann said, well, I don't think a radio would ruin in a truck. Mr. Geissler said, radios that are going to be in the actual back of

a pickup truck where the camper top is going to be. It's going to be exposed to the elements. Mrs. Blackwell said, what about a dual cab or extended cab? Chief Leos said, that won't work as a command post. Mrs. Gallo said, I think that is valid points from the professionals in the field some of their... Mr. Geissler said, I'm sorry, I have asked several officer's in Slidell, some of their Chiefs, about that and they said the same thing. In a year there is mildew. They can't even put their own gear in the back of it because of mildew. They have to keep it in the cab of the truck. So, just the gear alone, your not going to consider the electronics. Mrs. Blackwell said, how often do we set up as a command vehicle? How often? Chief Leos said, how your going to guess that, how? Mrs. Blackwell said, I know I am just saying. Mr. Swann said, what have we done in the last year? How many major fires have we had? (Inaudible, everyone speaking at once.) Mr. Trascher wait too many people talking at once, please. One person at a time. Chief Leos said, I want to know what yawls background is in fire saturation, fire demonstration and fire command. That's all I am asking. Mrs. Gallo said, I think it is fair to listen to their recommendations, I do. Mr. Thanars said, it is and I would say, the Chief asked and if we are not going to give him what he asked for then we don't give him anything, at this point. Mrs. Gallo said, what we don't want this to do is to turn into a battle of wills. Mrs. Blackwell said, can we get the SUV, can we get the SUV is there any way to get the SUV down in price or is that the lowest price? Chief Leos said, Michele, I'm at the point right now, I would take a damn three wheel bicycle. Mr. Trascher said, well I couldn't support that, Chief. Chief Leos said, I don't want to get into, I think it's stupid for us to argue this point. I'm going to make do with whatever y'all give me the permission to do. Mrs. Gallo said, and you made that clear. Chief Leos said, and I am going to do it to the best of my ability. I told you what my preference was. It is up to y'all to make the choice. We have always done the best we can with what we have. We are known for doing more with less. And it's not about what we've had in the past, it's about what we could have. I am sitting on the two largest structures in this parish. That's the point I am making. I've got a railroad track running right down the middle and everyday has chlorine on it. It's not about what has happened in the past, it's what could happen. So, I am at the mercy of this Board. I can tell you this, I am going to make do with what I get. That's the best I can tell you. Mr. Trascher at this point I think we've got only two options. It's apparent that we are not going to consider a truck or not consider a pickup truck. We seem to be at an impasse with that. I would suggest we wait until we get the financial in next month on the restricted accounts and that we revisit this issue in July to see if anybody has found a different opinion or something like that. I personally, at this point, feel that I could support purchasing a new pickup truck. Mrs. Gallo said, today? Mr. Trascher I could support that today because I think, it wold serve a dual purpose. In the future, if the department grows, the SUV being the preferred vehicle would be a logical choice. I am not going to say that the SUV and the Chief's recommendation is not valid. Certainly, it's comparing a Cadillac to a Volts wagon to me. I think that either vehicle is going to accomplish the needs. The Cadillac is going to be a little more comfortable and so on and so forth. Right now, with this size department, that the pickup truck would be a wiser financial choice for the department. Winn Williams asked, can I say something? Mrs. Blackwell said, yes ma'am. Ms. Williams said, just in retrospect, when y'all are looking at this, what is the difference between the truck and the SUV in price range? Mrs. Gallo said, about \$7,000. Ms. Williams said, ok. What would be the resale as opposed to the truck and the SUV down the road? Mrs. Gallo said, tremendous. Mrs. Blackwell said, trucks hold their value. Ms. Williams said, I am saying from a voters stand



point, your citizens out here and your due diligence to your money, is what's the better value once the resale is if you sold it. Mr. Trascher I don't know if the resale value in the future on the SUV would be a much of value as the pickup. Chief Leos said, either one is going to be a lot. Mr. Trascher right, the pickup truck is going to be something that the department could use beyond a command center. Mrs. Gallo said, the current pickup truck, if I remember correctly from the notes from last month, that we acquired it used. Chief Leos said, no. Mr. Swann said, no, then we got a great deal on it. Chief Leos said, I got a check for \$400 and a new truck. Mr. Trascher he traded in an SUV but, now this was a \$60,000 Suburban that he traded in. Mrs. Gallo said, so I think going from a \$60,000 suburban to a \$29,000 SUV, Dodge, or whatever the make is. Chief Leos said, whatever is on contract. Mrs. Gallo said, yes, I think that that is a reasonable expectation set forward and I do think that if we want to move this into July and carry it over yet another month. I'd hate to do that but, I would rather see that be done than settle on a no tonight and not have the best information but, I think that the perspective of the folks that are in the field and sharing the information about executing in the job should carry a lot of weight for us as Board members. Mr. Trascher I don't know if I made a motion for a pickup truck, that we would have a majority of the vote pass it. I don't know that you or Mr. Thanars would change their opinion on purchasing that truck. Mrs. Gallo asked, so Chief, could we task you to get any information about 2015 carry over units. Chief Leos said it would be better because you would have the new contract prices. Mrs. Gallo said, and then understand the new contract prices also and we will take this up again next month. Michele, is that ok with you? Mrs. Blackwell said, that's fine. Mrs. Gallo said, and as soon as you can get that information out, maybe it is something we can take a vote on electronically. Mr. Trascher no we can't do that. I guarantee we can't do that. Mrs. Gallo said, ok sorry, next board meeting. Mr. Trascher we can discuss it. Mrs. Gallo said, ok we can discuss it. ok. Chief Leos said, it would be better that way, I would have the actual cost. Mrs. Gallo said, ok. Chief Leos said, if it comes out in time. Mrs. Blackwell asked, Chief, is there like different types, is there like a Tahoe versus a whatever. Can you get a deal on everything that they got? Mr. Swann said, it's going to be on state contract. Chief Leos said, whatever is, it's going to be on state contract. Mrs. Blackwell said, so, it's just like one truck that they put on state truck? Chief Leos said, let me see what they got. Mrs. Gallo said, there was a couple of them. That was the lesser expensive of the options. Chief Leos said, you got two Fords, no that ain't it. Two Fords and the rest are Dodges. It's whatever the dealers offer the state on the contract, that's what you got to go by. Mrs. Blackwell asked, and you will get that same information? Chief Leos said, yes, it comes out, see, all of these ended 5/6 and 5/20/2016, so the new year starts in July 1<sup>st</sup>. So your new state contract will be out July 1<sup>st</sup>. So, it might be Chevrolet's on the next one, I don't know. Mrs. Blackwell said, that might be better. I'm just a Chevrolet girl. Mrs. Gallo said, thank you, I appreciate y'all. Mrs. Blackwell said, thank you for getting that information Chief. We will move to Bylaws now, Mrs. Jackelynn.

## BYLAWS – DON THANARS

Mrs. Gallo said, I am actually going to defer that item to Mr. Don Thanars. Mrs. Blackwell said, Mr. Don? Mr. Thanars said, I have provided you all a draft copy of some Bylaws. We are currently operating without any current Bylaws for this Fire District and what I used as the basis. Mr. Swann said, isn't this Bylaws for this District? Mr. Thanars said, I know what it

says. There were three documents provided, one of which, they had Bylaws written on. That was the first document that was provided as the Bylaws for this Fire District. I said no current Bylaws. Then, secondly, there was an email provided that made inference of a signed copy of Bylaws and then there was a third set of Bylaws that were provided that were unsigned. This set that's signed, I believe that was 1997, is what I've seen. So, we don't have any current Bylaws and what I provided everybody to review is current Bylaws reflect how we currently should be doing business consistent with all of the changes that I found in the current statues. It also provide a codified, if you will, kind of lines of departure for the Board, in terms of administrative over site responsibilities and the operational authorities that with the Fire Chief and his roll as a Fire Chief. So, I made it a point, as I went through to draft these and I used, I look at Fire District 1, I look at Fire District 6, 7, you know I used those as kind of a base line and I went in and I provided some administrative clarity, if you will, for this Board, in terms of our decorum, how we are going to operate, how we met. Some of the things that you have flexibility in terms of, when you post minutes, meetings, minutes, when they need to be, once they are approved, when they need to be posted out. None of that stuff was reflected anywhere. So, if everybody had an opportunity to review it. At the last meeting Floyd gave me some input and I made those changes. Since that time I haven't received any additional comments so, at this point, I would assume that we are prepared to act on and make a decision on whether or not we adopt these Bylaws or not. Mrs. Gallo said, I also read through the numerous emails that we received with the additional document we had through the years and a lot of those tended to go off onto describing the duties of the Chief and so on and so forth that really isn't pertinent to, I think, our managing this Board of Commissioner's. As the administrative, not the day to day administrative, the governing body as a board. I did thoroughly read through what you provided, Don. I did have a question. There was one section that was highlighted. Can you describe a little bit about why that was highlighted, what that was? Mr. Thanars said, the section that I highlighted talked to if a Board member was found to be doing anything unethical and there were allegations made. It also, the draft that I initially received, it talked to the Board, basically, hiring legal counsel to represent them. The Board really doesn't have a budget to do any of those things. I think those responsibilities rest with the individual. You know, if you are accused you get your own legal counsel. If we are found that the allegation is false, so I changed that language, that's why I highlighted for you to read that and if you had a heartburn one way or the other, we can, it's just a commitment on the Board and I basically didn't think that was a responsibility for the Board. Just keep in mind what these Bylaws, if statues change, we obviously will have to go in and change this. If we later decide that we want to change procedurely how we are going to do business, we want to commit resources to the Board for that, then we need the budget for those kind of things, because otherwise, we could strain ourselves unnecessarily. So, that's why I highlighted that to focus your attention on that and if you had a concern either way. Mrs. Blackwell said, don't we have some legal counsel? We have legal counsel don't we. Mr. Trascher the District Attorney's office represents or advises this Fire Board. Mr. Thanars said, they advise the Fire Board. I meant, I said if there was an allegation of misconduct... Mrs. Gallo said, against an individual? Mr. Thanars said, right. Mr. Trascher my understanding is that up to a certain point, now if the individual, if the allegation is true or proven true, then no, that individual was personally responsible. Mr. Thanars said, so what I did in the language is to kind of clean that up. Because, it wasn't, it was kind of vague in terms of the Board would hire, and

obviously the budgetary issue attached to that, so I took that piece out and again, that's what I wanted you to focus on that and not that we spend our time here at the meeting doing this. I was hoping that those kind of comments would have been presented to me and we could have kind of talked about the language. Mrs. Gallo said, well the language in here supports what Floyd is saying, it does. Mr. Trascher I haven't had a chance to, you sent those out Thursday, and since Thursday I haven't had a chance to go through them. I did see a couple of changes that I requested that weren't made. I don't know that the District Attorney's office has approved them. So, if you are ready to vote on that tonight you can make a motion and we will deal with it. But, I really think that we need a committee from this Board. There was a committee formed that included Chief Leos, to sit down with these because we put requirements on the Chief to have minutes posted within three days of their approval. That ties the Chief's hands with his department and people that have to do that, that may be an unreasonable thing for him to do. That's my opinion, that's what I think. Mr. Thanars said, I am going to say this and be quiet about the Board. In the Bylaws it talks to that we will present items for vote at the next meeting. So, we have thirty days in which we've had more than thirty days to look at these Bylaws to address any sillient points, to provide any comments, recommendations on changes, all of that. The Chief has had an opportunity. I have met with the Chief. What's in here is not unreasonable for the Chief once the minutes are approved. The documents are already done. It's a matter of sending a PDF file and posting on a website. It takes all of about 5 minutes. Currently, minutes aren't being posted at all. Chief Leos said, (inaudible). Mr. Thanars said, what I've seen, here's what these Bylaws are going to do, it actually makes the Board more accountable. I asked a question earlier about followup. The Board doesn't followup. The Chief is not the administrative officer for the Board. The Board needs to be responsible for certain things that the Board imposes. The Board has to followup and do it. This kind of talks to that. It talks about rolls and responsibilities. Partly, why things don't get done or haven't been done, partly why a committee was formed and partly why the committee never produced a draft copy because no followup was done. We've had ample time to review this, and as I indicated, these may not be perfect, but these are a far cry from what we currently have. I think we need to be prepared, we need to vote on these tonight, and again, we can make any changes we decide to make later. Mrs. Gallo said, I thoroughly went threw the Bylaws that you presented today. I am in agreement that we do need to update our Bylaws. Bylaws actually, on most Boards that I take part in, are reviewed and updated annually, as needed or to satisfy updates and statutes and laws. I think that the current draft that we have that is dated 1997 certainly has a lot to be adjusted upon. Mr. Trascher I couldn't agree more. Mrs. Gallo said, so with that, I will make a motion to accept the Bylaws that I have read and I do understand and I don't have any questions to tonight. I thought that they were clear, they don't impose any duties on the Chief that are unrealistic, and they certainly don't define his job, because I would be the last person to want to try to do that. So, with that, I make a motion to accept this Fire District 11 Bylaws that Don emailed out. Mr. Thanars said, second. Mrs. Blackwell said, all in favor, Mrs. Gallo and Mr. Thanars in favor. Any opposed? Mr. Swann and Mr. Trascher opposes. Mr. Trascher my opposition is based on those two things. I think that we need to sit down, if you do not want to include the Chief that's fine, a couple of committee members a couple of Board members, hash it out and I think it needs to go to the District Attorney's office to be approved before we adopt it. Mr. Swann said, I wouldn't have a problem having a Board meeting and going over with just this. Mrs. Gallo asked, a special meeting Gene? Mr.

Swann said, correct. Mrs. Gallo said, Michele, your vote? Mrs. Blackwell said, I don't usually vote. Mrs. Gallo said, but in case of a tie? Mrs. Blackwell said, in case of a tie only. I want legal back up. I want our legal department to look at it and back it up. I'm not going to vote myself out in two years in a year. It says in there that the Chairman is changed every year. Mrs. Gallo said, the Chairman is up for voting renewal, annually. Mrs. Blackwell said, every year. Mr. Swann said, we just voted for her term for two years. Mr. Trascher let me explain something about that that's different when you say Chairman. The Chairman is not elected from this Board. This Board, four of us are appointed by the governing authority. The four of us appoint the Chairman as a Board member. Now, the state law says that a Board members term is two years. So, once we've appointed a Chairman, that person is now on this Board for two years. We can't take them out of the roll of Chairman and put them as a Board member. So, that's what makes a difference. It's not like we would elect one of us as Chairman. Secretary or Vice Chairman and Treasurer, we can elect those annually. There's no problem with that. Mr. Thanars said, I would disagree with the interpretation, however, to Gene's point, I am amenable to that. All I am going to say is this. Again, Floyd how long have you been on this Board? Mr. Trascher six years maybe. Mr. Thanars said, so for six years this Board has operated, there's been no movement to draft a copy... Mr. Trascher no sir, that is not true. There was a movement. There was a committee appointed, they met informally. There was some problems in the Board. The Chief sent out a set of Bylaws in January from another District, or maybe before January, he said we could look at and we were reviewing them as you got appointed. Mr. Thanars said, again, as I was saying is that, I think in all of this time, the Board has failed to get a copy, and this is a paper trail. To get a committee together and get a legal review and we've operated ineffectively, inefficiently without that since that time. All I am trying to do, and all of this is great, but again, we've had ample time to have this special called meeting, we've had time to do that. We've had time for these documents to be reviewed whether it's a committee of one or five people. The same work is required that you have to do due diligence to read it. You have to do due diligence to kind of make some recommendation of how we want to operate and then we make those changes so that we can operate and come to a meeting and act on it. I think we spend a lot of time spinning around. I am not just talking of Bylaws. We spend a lot of time talking about stuff and it takes us. So, we are inefficient, we ineffective as a Board. I think we have to ask ourselves, what are the things that we need to do and what is necessary so that we become much more effective. So, whatever those things are we start to do it better, be committed to that, we do the follow through, we do that. Then we can codify in this document whatever. So, whatever those things are and that's what this needs to be. This will be kind of the binding document in terms of how this Board is going to operate. So, if we are going to do that, you know, let's set a time now that we want to have this meeting that we want to go through this and following that, I would assume, we would have a special meeting to vote on this or we would be prepared to do it at the next meeting. I'm just saying, whatever it is, we need to it so we can get it done. Mrs. Blackwell said, we will have to do it in a special meeting because two or more sit together can't. Mr. Trascher that's right. If you have any more than two Board members together, it's got to be advertised. We have to have a public meeting. You could have two Board members put it together or you could have two Board members meet one time or meet with each Board member separately as a committee. But, if you have three Board members together, it has to be a public called meeting. So with that said. Mr. Thanars said, I guess I am just confused about

what was different. You had a copy, you had this to review. Mr. Trascher I reviewed it and I don't like it. Mr. Thanars said, I'm not just talking about you, Floyd. Mr. Trascher ok. Mr. Thanars said, you won't probably, like most things, that were going to get submitted. Mr. Trascher thank you, I appreciate that. Mr. Thanars said, I'm not, this is not pointed toward you, I am just saying the Board. Everybody got a copy of this and had opportunity to review. What I am saying is that, I got, other than the comments you made to me at the last meeting and when we discussed this, there was no other feedback on this draft Bylaw. That's all I am asking. I know we spent a lot of time talking about this. I would have appreciated, and I think the taxpayers would appreciate. You know when we talk about outside of the meeting, that's the time for us to have these discussions. That is the time for us to have commented input so we can get a clean document, so that we can come here to this forum, in front of the public and we can move effectively through the agenda and make decisions. That's what we need to be able to do. This is not the committee meeting at the regular monthly meeting. I just see if differently than that. Mr. Swann said, I suggested at the last time that you brought this up, that we get a group together and go ahead and go over them. It was completely ignored, ok. I am like Floyd, I think we need to have a meeting. We need to go over them one by one and make sure that we all in agreement. Mrs. Blackwell asked, so, do we want to make a special meeting to do this? Mrs. Gallo said, I think that is a great idea. Mrs. Blackwell asked, so do we need to retract the motions that were made or anything or just go ahead with a new motion to make. Mrs. Gallo said, I think that they were denied. They can go on record as denied. Mr. Thanars said, if you did not have a second. Mrs. Blackwell said, we had a second, I was the tie breaker but I'm not going to break myself in a year. Mrs. Gallo said, so it didn't pass so we can leave it as not passed. Mrs. Blackwell said, ok, so, let's make a time. Is there any day that is not good for anybody. Mr. Thanars said, one more point, you cannot recluse yourself from voting. You either, if there is a tie, the Chair or Chairperson has to vote. You can either vote for or against it. If you vote against it then the motion dies. So I would say that you have to render a vote. Mrs. Blackwell said, I vote no right at the moment because I would like to see it go to our legal council. Mr. Thanars said, ok. Mrs. Blackwell asked, is there any day preference other than Monday through Friday that anybody cannot meet better on that day than the other? Mr. Trascher Tuesday is probably the best day for me. Mrs. Gallo said, Tuesday evenings are fine for me. Mr. Swann said, me too. Makes no difference. Mrs. Blackwell said, and then our next meeting will be the 12<sup>th</sup> of July. So, do y'all want to do it on the 28<sup>th</sup> and it will give us a week to get together or do y'all want to do it next week? Mrs. Gallo said, I will be in Dallas the 28<sup>th</sup> for work. Mrs. Blackwell asked, what about the 21<sup>st</sup>? Mrs. Gallo said, the 28<sup>th</sup> I am available. Mr. Thanars said, that is 2 weeks before our next meeting? Mrs. Blackwell said, no that's next week. Mr. Thanars said, ok, next week, that's fine. Mrs. Blackwell asked, Mr. Gene, next Tuesday? Mr. Swann nods yes. Mr. Trascher asked, what day is it? Mrs. Blackwell said, Tuesday the 21<sup>st</sup>. Is everybody good with 7:00. Mr. Trascher ok it will have to be advertised. Mrs. Blackwell said, ok Tuesday, June 21<sup>st</sup>. Mrs. Gallo said, ok thank you, Michele. Mrs. Kat Walsh said, I just wanted to remind you that there is a town meeting, not that it matters, but it does matter to somebody that is going. Mr. Swann asked, does anybody have a problem with doing it Wednesday then if it interferes with the Town meeting? Mrs. Gallo said, I can't do Wednesday. Mr. Thanars asked, could we do it early? Mrs. Gallo asked, does anyone here have a problem with missing the town meeting? Mr. Trascher I

don't have a problem. Mr. Swann said, I don't. Mrs. Blackwell said, I don't. Mr. Thanars said, I generally go, but if we do it, say start at 6. Mr. Trascher the only one is Chief may need to go to give his report. Mrs. Blackwell said, I am starting to pave and if I have a road, I may be required to stay over. I can't guarantee that right now by six. I know I would be out of there by 7. Mr. Thanars said, ok. Mr. Trascher the Chief won't be here or Chief Docery, one will have to go to the Town meeting. Chief Leos said, one of us will be here. Mrs. Gallo said, ok. Does that time work for you Chief and Chief? Yes, yes. We will stick with that. Mrs. Blackwell said, ok the 21<sup>st</sup> at 7:00.

#### ATTORNEY GENERAL OPINION – Jackelynn

Mrs. Blackwell said, Mrs. Jackelynn? This is one that I requested to be brought up at this meeting tonight. I am not up to date on all of this information. There was some discussion via email about it so I'm going to defer to the Board. Maybe Mr. Floyd could help us with a little bit of background around this topic. Mr. Trascher I believe, when you are talking about the Attorney General Opinion on this, I believe this was Chief Leos' request about our bond issue that we had dilemmas within collecting. Again, the Attorney General's office is our legal representative and we are working with the Legislative Auditor and the District Attorney's office on releasing the funds from this bond issue. There was an attorney in the Legislative Auditor's office that requested a specific opinion. Our council provided several opinions that if it was impractical to return funds to the taxpayer, that it could be spent on like purchases. The Legislators Auditor's office was not totally satisfied with that. I'm sorry I am regressing way back, I am taking much longer than I intended, wanted to go back and say that this body needed it's own opinion regarding those funds. Now, Chief, I think the amount of money was a little over a million dollars that would need to be returned. There is no way we can return that kind of of money. Chief Leos said, it goes back to 1995. Mr. Trascher it was collected all those years. Chief Leos said, the AG opinion merely stated that it's that old, it's impossible to find those people or the heirs and all, but if the money was spent on like objects it could be used. The auditor kept bringing it up again this year so we did requested, through Terry Hand and Neil Hall make an opinion on it. They never did call the AG. Neil went and said it was a matter of restriction and they sent me, it is now at the Legislative Auditor. The attorney that was at the Legislative Auditor is no longer there so I could be, it was restriction and it's done with, if not, I am the one that has to request the AG's opinion. Mr. Trascher our council advised that the 3 year prescription period for the taxpayers to get their money back has expired. That is why we cannot refund those funds. They have also provided an opinion from the Attorney Generals office that says once a tax is prescribed, it's illegal to give it back to the taxpayer. Because, at that point the money belongs to the government entity and if you return it, you are giving away government property. Chief Leos said, we've actually got a spreadsheet showing where the District spent in excess of what they collected on capital purchases. Mr. Trascher at this point we do not need to or the Chief does not need a right for an opinion because when you ask... Chief Leos said, I told the auditor today that I am not going to do it until I actually hear from the Legislative Auditor. Now, if they say they still want at that point... Mr. Trascher then we are going to have to get the attorney's to write it. Chief Leos said, I am going to send all those spreadsheets, we bought like 2.2 million dollars worth of equipment in that time period. The tax only brought in 1.8. Mr. Swann said, this is the same Legislative Auditor that audits us every year and never caught it

until. Mrs. Gallo said, that's what I understood. Mr. Swann said, it's not like it just happened. Chief Leos said, their the ones that didn't catch it. I know Mr. Emile and all of us kind of agreed if it got down to that point we would ask to seek legal council and file a lawsuit against the auditors for errors and omissions because they did not catch it. Mrs. Gallo asked, and we, as taxpayers, renewed that millage because it came up for renewal. Mr. Trascher before we renewed it, we stopped collecting it. Mrs. Gallo said, we stopped collecting. Mr. Trascher right, for one year then we asked the public to renew that number of mills for a different reason. So, it was just to buy a firetruck now it's for a different reason. Mr. Swann asked, wasn't it back then, to pay a fire truck off? You'd been paying on for years. Chief Leos said, they bought a fire truck, wrecked it six months later, sold it and didn't pay the bond off and kept using the money. Mr. Swann said, so it just... Mr. Trascher kept paying the notes on the truck. Chief Leos said, and I am the one that found it, not Krentel and Laport. Mrs. Gallo said, not the auditor's office. Mr. Trascher if we need an opinion, we need the District Attorney's office to write for that opinion because how that opinions worded is going to depend totally on how you answers comes back. Chief Leos said, I can go over there with all the records I got all the way back to 95, proving that we bought... Mrs. Gallo asked, but if that was necessary, Chief, you would work with the DA's office and let them write that opinion? Chief Leos said, oh yes, I am not going to write it, I am just going to request it. Mrs. Gallo said, ok. Chief Leos said, we are just waiting to hear from the Legislative Auditors. Mrs. Gallo said, and I was contacted by our CPA's office, not Moyle's office, but the CPA firm working on the audit. Chief Leos said, Krentel and Laport. Mrs. Gallo said, yes. Mr. Joshua told me that the audit is near completion. He is expecting it to be complete in the next two weeks, so we should get some updates on that. Chief Leos said, it's about the same except this is still there. Mr. Trascher at this point I would just need to just take this matter off the agenda until it rears it's head again. Mrs. Gallo said, agreed. Mrs. Blackwell said, the next thing is Millage for 2017. Mrs. Gallo said, we did that already. Mrs. Blackwell said, ok, we will skip over that. Jackelynn, unpaid invoice for Mr. Ingram.

#### UNPAID INVOICE FOR MR. INGRAM

js said, in the emails that were moving around with some of this, Mr. Ingram was contacted by somebody at one point, and I don't know all the players names involved here, but evidently there is a bill due to him. So, I was trying to get some information in regards to the if's, and's and what's around that. Do we owe that bill and do we need to satisfy that? Mr. Trascher right now that bill is in the District Attorney's office. The District Attorney's office is reviewing it. Mr. Ingram said, (inaudible) and I have spoken to them and they refered it back to this Board. Mrs. Blackwell said, would you come to the podium. Mr. Trascher it's never come back to this Board. Mr. Ingram asked, may I approach the podium. Mrs. Blackwell said, yes Mr. Ingram, you sure can. Mr. Ingram said, first I would like begin with this body of work that I did for the millage for you all last year for this Fire District. I was contacted around the third week in April by Chief Leos by telephone. He asked what I would charge with respect to these millages because the year 2015 you would either have to roll forward this millage or he was going to loose them. If you carefully review the email that I sent subsequent to my last meeting, my last appearance at this Fire District, the Fire district, somewhere around 2011, failed to roll forward two millages and in so doing, it lost 1/10<sup>th</sup> of a mill for approximately 7 years through the year 2018 and then it lost another millage of about .22 for a period of

approximately five years through the year 2016. I have no way of telling you of what the value of that was but the point was, they didn't do it properly and because they didn't do it properly they lost it. If they didn't roll forward in 2015 they were going to loose more millages. I was engaged after telling the Chief I would charge \$175 an hour. The Attorney General's state contract permits someone with my years of experience, which at that time was 27 years, to charge \$225 an hour. I told the Chief I would charge \$175 an hour and then advised him that I have been representing Fire District No. 1 for over ten years specifically with respect to these millage issues. Chief never asked me to cap my fees, limit my fees. He never had any discussion at all about providing an estimate. I was notified on April the 29<sup>th</sup> that the Board had approved retaining me to represent Fire District 11. I prepared a contract for him to sign, which he did, it's attached. I began work on representing the Fire District not with respect to 2 millages but actually 3. There was another millage that you were required to set, so I'm doing, basically, three times the work that, up until year before last, I was doing one millage for Fire District 1. So, I billed them periodically. My invoices were paid and I would note that invoices in excess of \$3,000, that is going to come to issues that you are going to hear. Invoices in excess of \$3,000 were paid. There was a final invoice of \$3,942.50 which remains due and owing. I appeared before this Board on October 13<sup>th</sup>, showed them the work, by the way those two folders on top are just correspondence to and from various individuals including Troy Dugas, the Assessors office, Joann Garrison, news papers, radio stations. Everything that's required in order to do a roll forwards. So, I've done the work, I have a contract and I respectfully ask that I be paid the remaining balance. There is, I do have another invoice which amounts to \$1,300 that I told this Board back in October, that I would waive that if they paid the \$3,942. But if they are not going to pay it I will proceed forward with everything that is due, plus attorney's fees and any other cost that I incur. Thank you for your consideration. Mrs. Blackwell said, thank you Mr. Ingram. Mrs. Gallo said, any questions or comments from the Board? I am not privy to some of the history here. Mr. Trascher when this was discussed, PMI advised us that Mr. Ingram was handling District 1 and we could piggy back with him and he gave us a cost estimate of \$3,000 to do this. (Mark Waniewski ask, may I approach the Board? Mr. Trascher wait, let me finish please, sir. So at that meeting we approved a resolution to engage Mr. Ingram's services with a cap of \$3,000. Mr. Ingram said, I was not at that meeting, that meeting took place in March. I was never provided any of that information either from the Board or by the Chief or any one else. If you will look at the contract you will not see any cap referenced in the contract. I have already discounted my bill by \$50 an hour from \$225 an hour to \$175. Mr. Trascher I don't need to say any more. Thank you. Mr. Waniewski said (inaudible). Mr. Trascher when I am trying to explain a situation, I've got Mr. Waniewski and Mr. Ingram. So, when they are finished, if there are any questions, the Board approved \$3,000 based on that recommendation. When the checks were being disbursed, I really think it was incumbent to come back to the Board and say that we reached that amount and we need to approve more funds for this expense. The intent was to roll the millage forward for just one year to protect the maximum, just as he stated. Then, roll it back, which is this year, so that we didn't loose our maximum. Rolling forward we collected approximately \$9,000 per year. Mr. Ingram said, but you protected for an additional period, Mr. Trascher. Mr. Trascher but the intent was not to take that money for an additional period. Mr. Ingram said, if you don't roll forward you loose it. By rolling forward you protected almost \$30,000. Mr. Thanars said, the question, the discussion is not about millages, it's about whether or not Mr. Ingram is owed the \$3,942.



In this contract he talks about rates. In this contract there is nothing about a cap, in the contract. This is the binding document here. The contract that was signed in terms of... Mrs. Blackwell said, that is why we turned it over to the District Attorney's office, because we have a binding contract signed by Chief Leos, but we also have a resolution of a cap of \$3,000. Mrs. Gallo asked, so who has this right now, you said? Mrs. Blackwell said, the District Attorney's office. Mr. Trascher that was given to Tony Lamaz. Mrs. Gallo asked, and when was that? Mr. Trascher Chief of the Civil Division. Mrs. Blackwell said, I didn't go so I don't know. Mr. Trascher I don't know, maybe sometime in November, October, November. Mrs. Gallo said, so, if we haven't heard anything back on that, I think that the onus is on us to follow up on this to clear this item because we certainly don't want it to remain outstanding. Especially, when we had information pertaining to the Legislative audit going to Mr. Ingram's office and getting the correspondence back like we had gotten. So this is part of, I think. what Don is trying to work on clearing by putting a good set of Bylaws in place and how do we properly act on these types of issues. Mr. Trascher if you approve a \$3,000 expense and when it gets to \$3,000 and exceeds it and it's not brought back to the Board, that's not necessarily the Boards fault. Mrs. Gallo said, I don't disagree but the onus is on us at this point because what occurred and what should have occurred is two different things. Mr. Trascher well, that was what was requested from the District Attorney's office is this customary reasonable expenses and if they say that it was, the we are obligated. Then we're going to have to offer a resolution to pay these bills. If you want to offer a resolution tonight and see, but I don't know that we should do that until they say yes you should pay it. Mrs. Gallo asked, so what behavior are we going to do beyond tonight to make sure we get an answer from the District Attorney's office. Mr. Swann said, well I can go ahead and call them or go up there and talk to them and just get the matter resolved one way or the other. Mrs. Gallo said, ok that's it. That's my hope to just get it resolved. Mr. Trascher exactly. Mrs. Gallo said, obviously, there's two points of fact. The one point of fact is, there is a Board Resolution for a \$3,000 cap yet a contract signed is contradictory to that information, fact number one. Fact number 2 is we have an outstanding bill due from our Board, part of our responsibility to uphold. Fees associated with running the Board. So, if we have to visit the DA's office, I think tonight, the only answer we can come to is who is going to do that and by when so that we can get this issue. Mr. Trascher I will try to contact them next week. I mean, you know that you are at their mercy when you call up there but by next week I will get in touch with them and see what I can find out on it. I would be happy to do that. Mr. Swann asked, could you do it before the next meeting that we have scheduled. Mrs. Gallo asked, the special meeting? Mr. Swann said, right. Mrs. Gallo said, if it is a additional topic that we could complete at the special meeting, Michele, that would be great. Mr. Trascher add to the agenda. In order to do that, in order to clear this I've asked Mr. Ingram informally if we can reach some type of settlement on this amount. Let's just do a Board Resolution and get rid of it. Mrs. Blackwell asked, Mr. Troy, upon the information that we get from the District Attorney's office, if it pans out alright, would you still forget the \$1,300? Mr. Ingram said, sure. Mrs. Blackwell said, and the actual bill will be the \$3,942.62. Mr. Swann said, Floyd, can you talk to them and tell them that you would like to have an answer before the special meeting. Mr. Trascher I will tell them that I need an answer by the end of the week. Mr. Ingram said, madam Chairman, may I suggest something? Mrs. Blackwell said, yes sir. Mr. Ingram said, perhaps Mr. Swann, Mr. Trascher and I could arrange a meeting with Mr. Lamaz. I think that might be a little more effective than a telephone call. Mr. Swann said, I don't have a problem

with that as long as it isn't on a Thursday morning. Mr. Ingram said, ok. Mr. Trascher said, I will, we can see if we can do that. Mr. Ingram said, I represent the DA's office too so I will be more than happy to call him. I just wanted to make sure you were willing and able to meet. Mr. Trascher well you may be, ok that's fine. Mr. Swann said, any time except Thursday morning. Mr. Ingram asked, is there a particular time that is bad for you? Mr. Trascher Thursday is bad for me. Mr. Ingram said, good, we will work it out. Thank you. Mr. Thanars said, Mr. Ingram, I would just like to say as a new member of this Board, I am going to apologize to you that this has lingered out this long and no action has been done before tonight. This is embarrassing that it has taken this long and nothing was done to resolve this. So, my apologies. Mr. Ingram said, thank you it's greatly appreciated. Mr. Swann said, and I've known you too long to (inaudible). Mrs. Blackwell said, alright, if that is it for Mr. Ingram's bill, let's go to Update Regarding 5 year Plan.

#### UPDATE REGARDING 5 YEAR PLAN ASSESSMENT – Jackelynn

Mrs. Gallo said, again, I just happened to send the bullet point of line items that we had outstanding via email so my name is next to all of these, Chief. Chief Leos said, if you look in your packet you will see that you have a list of them and a list of priorities and also estimated cost for each year. Mrs. Gallo said, you are brilliant, good sir. Chief Leos said, on some things I don't know how to place a cost on 5 years. Mr. Trascher asked, that's in our packet here? Chief Leos said, it's in your packet. Mr. Trascher because we did have a five year plan. Chief Leos said, we revised it. We need to every year. It's a list of priorities and also we've attached an estimated cost to it. Like I said, 5 years out is kind of hard to guess like refurbishing an engine. Mr. Trascher yes, it's an estimate. It's something to work from. Thank you Chief. Mrs. Gallo said, in addition to the 5 year plan that Chief has put together, our Board had task. Actually, Mr. Don and Mr. Gene were going to get together, I think, and try to come up with something a bit more definitive, a current audit if you will of...Mr. Thanars said, I did meet with the Chief and this is probably the first phase. I think the second phase of that 5 year plan I think we probably have to go in and it's all in the details. We need to caption and put, I think, the appropriate statutes and references for those things. The life span for certain equipment so we have that because there are certain opportunities for grants. Ultimately, what I want to have some document that if there is a grant opportunity, we've already done due diligence to justify the requirements that we have and it's very easy for us to take that and cut and paste and put that in a grant submission without having to now do the hard work. So, the hard work is being done now so you have know we have it. Then, when we start talking about long term spending and we start aligning some of these dollars out, we know what we going to spend, what pot of money it's going to come from. Then, we can do diligence to go out and get three bids like we should do, get the three bids and have an opportunity to review those so we can then make a decision on it. Mr. Swann said, to give you an idea on the electric, I got a guy to come down and he gave me a cost of what it would take to straighten this out. It's \$5,785. I know we would have to get other bids. I know that was one concern. The other thing was the air conditioning duct, correct? Chief Leos said, yeah there is no duct. Mr. Swann said, alright, what I want to do is see if I can get an air conditioning company to come down here and look at it and see what it would take to straighten that out. Mrs. Gallo said, well Chief, I am a banker and I know your suppose to have A/C ducts. Chief Leos said, instead of duct work they framed Sheetrock and it's just

blowing down Sheetrock. There is no duct work. Sid Anderson said, (inaudible) this is shorter than the rest of the building. Chief Leos said, the reason I know is they were pulling speaker wire out of an air condition vent and my question was, how did they get the wire in the duct work and they informed me there is no duct work. Mr. Swann said, it's kind of like putting the electric over the top of the gas meter. Mrs. Gallo said, right. Mr. Trascher well they just did. Mr. Swann said, somebody else would have to get others but... Mrs. Gallo said, Michele, get someone you know to fix that please. Ok, so these are the types of things and another example, for instance, was the equipment that we voted on last month, that we've had for 14 years that Chief made it clearly known we should have replaced at 10 years. So, if we can get on top of those items as Don said, when opportunities for grants and so on do come up, it brings awareness to all of us as a Board. Mr. Trascher absolutely. Mrs. Gallo said, that's something that we could be reviewing along with our Bylaws on an annual basis to know exactly where we are and what we should be expecting when we are reviewing our budget. Just create some order to our process. Mr. Swann said, that's like the electric. You got a correction there (inaudible) you got to go over it, I realize we got to get on it, but if we could do more stuff I think you know where your headed in the future. Mrs. Gallo said, exactly. So, we're all in agreement moving forward with a more comprehensive and more thorough 5 year plan with the assistance of Gene and Don is going to be a good thing for our Board. Mr. Trascher absolutely, a good thing for the citizens and everybody understands what we want to do for them. Mrs. Gallo said, yes, so that's a continued work in process. Mrs. Blackwell said, ok Mrs. Jackelynn, if you do not have anything else on that, we can move to new business now. Mrs. Gallo said, yes.

## **NEW BUSINESS**

### **PURCHASE ACADIAN TRAILER STATION 113 – Chief Leos**

Mrs. Blackwell said, purchase Acadian trailer station 113, Chief. Chief Leos said, they got back with me. They want \$2,500 for the trailer. I would like to recommend that we do that. That would give us access to a station on the east side of the railroad tracks. We can also look at the budget and see about adding a fourth person. A swing shift at night and that way we can move people over there and we will have a manned station on the east side of the tracks. We have an engine, we just need. We went and looked at it and all it needs is the front door needs repairing. The air works, the heat works. Mr. Trascher asked, is that the trailer your talking about? You did a condition assessment? Mrs. Blackwell asked, is the flooring all good? Chief Leos said, yes. Mr. Swann asked, whose property is it sitting on? Chief Leos said, ours. It's really a pretty good buy. Mrs. Gallo asked, so the need, the need is one FTE, Chief, one full time employee? Chief Leos said, no one part time employee. Mr. Trascher asked, what's the cost on that? Do you have a bottom line cost to get that station in operation? Chief Leos said, a part time is \$23,000 a year. One part time. Mr. Trascher asked, is that going to effect the rank or anything? Chief Leos asked, the rank? Mr. Trascher yes, like do we have to hire more... Chief Leos said, we just hire one part time person, a swing shift, 12 hours at night and you got one already in the day time. So, that would add four people on duty 24/7. Y'all got to realize that 2018 is a rating year and they changed the rating of disposition of resources and if we don't start trying to put some more manpower into effect, we are going to be in for a rude awaking on the rating. Mrs. Gallo

asked, our current rating, Chief, is? Chief Leos said, 3. Mrs. Gallo said, that's what I thought I remembered. Chief Leos said, I don't think you will see the 3's around there for 2018. Mr. Thanars said, one part time person, that's sufficient? Chief Leos said, one person over there at a time unless you want to hire. Mr. Thanars said, I'm just asking. Chief Leos said, one is better than none. You got to figure too now, the other thing they changed on the rating is, use to, when these off duty, full time people showed up at a fire they counted one for one. They no longer count that. They count as 1/3. I got to get three of them on scene to count as one. But, an on duty person counts as one. It's an insurance game we are playing. Mrs. Gallo asked, and the placement of this trailer is going to gain us access on the other side of the tracks? Chief Leos said, yes, it's right behind the station now. Mrs. Blackwell said, it's already there in place. Chief Leos said, it's already there. It's about 20 foot from the station. Mr. Swann asked, they won't consider donating it considering the cost of them having to move it? Chief Leos said, no. Mrs. Gallo said, ok, I know where that is now. Chief Leos said, I think it's a good buy versus building a station which is millions. Mrs. Blackwell said, and it's already hooked up with power and everything? Chief Leos said, I'm sure all we have to do is transfer it. Mrs. Gallo said, so my other concern was that we acquired this other building that we were hoping to get off our hands for \$1,000 tonight that is indisposed now... Chief Leos said, well we can use this one. Mrs. Gallo said, but this one, it's been... Chief Leos said, it's hooked up. Acadian is in it now. Mr. Swann said, we can move this one over there and sleep in it. Mr. Trascher asked, and there are no issues with the firemen using that, being out of the station or anything? Mrs. Blackwell said, is it set up with a bedroom and everything? Chief Leos said, three of them. Three or four, what did they say? I think it's three? Mrs. Blackwell asked, and the stove and the refrigerator is in? Chief Leos said, yes, a/c and heat works. I just need permission. Mr. Thanars asked, do you have the budget? Mrs. Gallo said, yes. What kind of treasurer would I be if I didn't. Mr. Trascher I'm going to go ahead, I hate that \$3,000 classroom, but I'm going to try this one. I'm going to say we go ahead and approve the purchase of the trailer. I'll make a motion. Mrs. Gallo said, I will second. Mr. Trascher based on that, the two things that concern me is that the bottom line cost to put it online and the condition. Chief Leos asked, the condition? Mr. Trascher next week we don't want to hear that we got to spend \$1,500 on a air condition or... Chief Leos said, well, I can't guarantee it. Mr. Trascher I know. Chief Leos said, me walking through it, hell, I'm not an architect or a contractor either. Mr. Trascher asked, do you think we need somebody to, I mean, are you satisfied or do you need somebody to look at it? Mr. Swann said, you need to check by the windows. I can tell yo trailers are famous for the floors rotting out under the windows. Chief Leos said, the floors seemed ok. Mrs. Blackwell said, ok we have a motion to purchase. Mrs. Gallo said, I seconded. Mrs. Blackwell said, we have a second, all in favor, all in, motion carried. Mrs. Gallo said, congratulations.

(Videographer off record to change tape.)

#### LIABILITY INSURANCE INCREASE – Jackelynn

Mrs. Blackwell said, we will move to Liability Insurance Increase, PMI. Jackelynn that's you again Mrs. Gallo said, Gene? Mr. Swann said, I have a question on it. Chief, you sent out an email where it was going to cost us \$11,000 more because we didn't hire PMI. Chief Leos said, no, it's because... Mr. Swann said, but it says that in this email. Chief Leos said, I know

but it refers to management liability. The reason they didn't take it, we got off of management liability is because we hired that company and they charge. With him no longer here, they fear of the management liability again. Mr. Swann said, I have problem with his company, at no time when he wanted to write the insurance did he make us aware that he was part owner of that insurance company. Chief Leos said, he is not. Mr. Swann said, yes he is. Mark Waniewski asked, may I provide information to the Board? Mr. Swann said, if he's not, his partner told me something different over the phone. Mrs. Blackwell asked, Mr. Mark, would you please take the podium? Mr. Waniewski said, I apologize, I only have two copies so if you don't mind sharing. I have a lot of information to present to you. That is actually last years renewal and this years renewal so you have that information. This is a copy of the actual special meeting minutes of August 3, 2013. This is a copy of the resolutions that engage both PMI and Risk Solutions. One more set of documents. Mrs. Blackwell said, you said one more set, that's two. I'm teasing. Mr. Waniewski said, first, to cure any ambiguity, if you would turn to the minutes of the special meeting which was held on August 28, 2013, you can see that Michele Blackwell, Emile Lombard, Floyd Trascher, Eugene Swann and Guy Songy were present. If you look at the highlighted paragraph in page one, the second paragraph says "Mr. Trascher said it was his understanding that there were two divisions that needed to be engaged in the contract – the PMI division and the Risk Solutions, LLC. Mr. Waniewski explained that to legally provide both sets of services, he has to do it under two different entities in order to comply with state laws." If you flip to page two, at the bottom of the starting paragraph it says, "Mr. Trascher made a motion to approve the second resolution to engage Risk Solutions under the contract with PMI. The motion was seconded by Mr. Lombard and all were in favor. Motion carried." That again includes Mr. Swann. If you look at Resolution 2, if you look at the second "where as", I am reading from the second sentence, "to engage the services of Risk Solutions, LLC an affiliated entity to PMI Resources said services to include, but to limited to, commercial property and casualty insurance, workers compensation" etc. I would like to state that not only was I crystal clear, I provided it in writing. Mr. Trascher and everybody on this Board clearly voted to approve both Risk Solutions and PMI and that was clearly disclosed to this Board. However, I do have a problem. My office received a call from Mr. Swann last week and left a message. My partner Mike Bird contacted him back. They engaged in a conversation and the short story of that conversation is, it closed with Mr. Swann saying that he had, he believed this was unethical and it needed to be investigated. I want to address where is this unethical at? Mr. Swann said, I think you can ask any Board member that's present, nobody understood that you were part owner in the insurance company that you were quoting on, ok. Mr. Waniewski said, I don't own, I own the agency, I don't own VFIS. Chief Leos said, VFIS is the insurance. He does not own VFIS. There merely an agent. Mr. Waniewski said, I am an agent for VFIS for my agency, Risk Solutions. VFIS is a third party insurance carrier in the market place. I have no ownership to them other than an agent relationship with them. Mr. Swann asked, did you make a profit off of this insurance? Mr. Waniewski said, I was paid commission, absolutely. Mr. Swann said, I think we have an insurance agent here that can write the same policy and I think he can tell us that just because we don't have a Risk Management policy that it's not going to go up \$11,000. Mr. Waniewski said, first of all sir, what part of that is unethical? I clearly disclosed to you in the original meeting, by resolution and in the minutes, who I was. I had two entities and the second entity clearly states an affiliated entity of PMI. It was complete transparency. I don't do anything that's not transparent. I take difference to

anybody that challenges my reputation and uses the word unethical. Now, I have not been unethical. I have completely transparent and the record cures that. Mr. Swann asked, were you aware of what was going on Floyd? Mr. Trascher I didn't realize, I didn't remember Risk Solutions belonged to you. I thought that was somebody you brought in, because we had three different contracts. Mr. Waniewski said, again, I clearly state affiliated entity to PMI. So, I mean, we spoke about this, I actually have the August 14 minutes I believe it is, that clearly talks about this August 14<sup>th</sup>, we had a special meeting in August 28<sup>th</sup>, I believe it is, if my memory serves me. It's right in front of me. So again... Mr. Trascher and I think what set off a big alarm on this is where Chief Leos sent out an email that says, we have just received consent to rate our liability insurance. It went up \$11,000 due to not having PMI as our HR representative. Mr. Waniewski said, well let me explain that. First of all, you got the renewals in front of you. You see that it went up \$2,929 as compared to the 15 renewal. That is trend rate increases and the \$11,000 is in that \$89,000 bid as there was the same amount in the original bid. We were removing the consent to rate that was put on this policy from prior administrative issues from the fire chief and from the previous Board and you were under a letter to not be renewed. We got that in place to get a consent to rate. It typically takes 3 to 5 years to remove consent to rate off of a policy. I have successfully done it at District No. 1. We were in the process of doing that because you are under a consent to rate program, the insurance carrier VFIS, requires that you acknowledge that because you get a special rate assessment through the Department of Insurance so it is recognized. So, you can see that your rate increase between 15 and 16 policy periods is roughly between \$2929, again, that is trend rate increases of 3.39%. Mr. Trascher asked, so what prompted this email from Chief Leos? Mr. Waniewski said, I had to get him to sign the Consent to Rate letter because you have to acknowledge. The short answer is the Department of Insurance approves rate schedules. If you stay on that rate schedule, you don't have to acknowledge any special rate changes. The consent to rate is basically a penalty, I'm using Layman's language here, it's a penalty that the insurance carrier places upon you because of either bad prior experience or risk. So, they are actually up charging you \$11,000 from past actions that this Board has incurred that they are recovering that they paid out substantial sums of money compared to your premiums. If you remember when we did this way back in 2013, one of the first things I did was audit your current insurance policy. You had three structures that were not even listed on your policy. I believe this building was valued at \$250,000 and Mr. Songy said it would cost in excess of \$950,000 to rebuild it Because you were not even insured to 80% to value, if this building would have been lost you would have got a \$250,000 check and you would have been responsible for that difference because you were not even insured at 80% to value. So, the first thing that we did under Risk Solutions, was audit your policy, audit all the different facilities and brought it up to code where the prior agency had not been here in what, almost 4 or 5 years Chief, or even speak to the chief to do the renewal. So we done a tremendous amount of work to get this District properly insured so if you have any act of nature or any other act, that you would be covered in full. Your not experiencing a \$11,000 one time hickey, that \$11,000 is in that renewal which is stated in front of you today. He has to sign a special acknowledgment of that Consent to Rate because you are being charged above the standard rate structure. Mrs. Blackwell asked, how do we get that rate down? Mr. Waniewski said, well, you have to petition VFIS and also have a clean record to show that you are a good, insurable risk for them to consider removing it. There's no obligation for them to remove it once they put that on. There are really only 2 markets that

offers coverage to fire services because your in that 10, 12 corridor bell, you actually have a limit to that. VFIS insures about 70% of the market place in fire services, approximately 70% of the market place in fire services and they are known as the gold star when it comes to fire services. So, we placed you with the best carrier and the best limits out there, also, the best policy definitions. Mrs. Gallo asked, Mark, where is the, you said the \$11,000 is broken down in here in the information before us. I don't see that. Mr. Waniewski said, that is typically placed either on your auto or your management liability and is included in that value that is represented there. Mrs. Gallo said, ok, so auto for 2015 was \$28,000 and auto for 2016 is 27,000. So, I see a \$1,000 variance. Management liability in 2015 was \$19,300 and in 2016 was \$20,900 so, you are saying the \$11,000 that we are discussing today is already a factor in the current premiums of 2015, there just being carried over? Mr. Waniewski said, no ma'am, that \$11,000 was basically in the \$86,000 for 2015. That consent to rate is also in that \$89,000. so, you are not paying \$11,000 more, it is already in your rate. Mrs. Gallo said, so we are talking about something that has already been in play for number of years. Mr. Wanieski said, correct. Mrs. Gallo said, this is not a new increase. Mr. Waniewski said, it's not new, in fact, when we had the consent to rate when we brought the renewal back, I actually prepared a rate grid that showed every property, the original value, the minimum values to hit 80%, which was actually promulgated by VFIS, the new structures that we added and also the updated values for all the vehicles. So, we actually had a complete news grid that showed where you were from before to and where it was from the past and actually, that was about a \$19,000 or \$20,000 increase in premium but I think the record will state and I'm pulling from memory of a couple of years ago, that even Mr. Songy said that if this building would come down we would have to come up with almost \$700,000 to replace it out of our own pocket. Mrs. Gallo said, under insured. Mr. Waniewski said, under insured and that was every structure that was insured through the prior agent. Mrs. Gallo asked, so this \$11,000 increase that Chief Leos had refered to in his email, obviously, came in to play in 2014. Chief Leos said, I just repeated what he told me. That's all I know. Mrs. Gallo said, so it's been in play, this is not a new issue. Mr. Waniewski said, no ma'am, it's probably been in your policy the past 3 to 5 years and part of that is from the exposure that VFI probably paid out. They paid out several hundred thousand dollars of claims in management liability exposure from the past Chief and the past Board. Mrs. Gallo said, I see. Mr. Thanars said, it's just a kin to if it was auto insurance and you got more tickets and your a high risk. Mr. Waniewski said, yes sir, your in a high risk pool. Mrs. Blackwell said, so us having a different Chief and whatever won't do any justice to try to get it down. Mr. Waniewski said, well we were working with the Chief to proactively show, your biggest exposure is management liability, which is what they paid out when they paid out all the claims before. To cure that management liability exposure and remove the consent to rate letter, you have to show good management liability actions as well as protocols and procedures. So again, without that, VFIS, we have to petition them to remove it. Once your in that high risk pool there is no mandate that they have to pull you back to standard rates until you prove that you are a good risk to them. Chief Leos said, it came from human resources, HR. Mrs. Gallo said, ok, and that was leading into my question, Chief. Chief Leos said, we didn't have an HR. Mrs. Gallo said, so we have no HR representation for the fire district and that has led into this increase. Mr. Waniewski said, well actually, because you don't have that, VFIS took no action. They left the consent to rate. Prior to us having us resigning from this district, which we did in August of 2015 for some of the reasons y'all have discussed tonight, there has been no

proactive action taken to remove that consent to rate because there's no HR element being practiced inside this district. Inside of what the Board practices and the Chief practices. But, there is no dedicated HR services that is coming in from the management liability exposure to cure those issues, bring them forward and resolve those as well as petition VFIS to remove the consent to rate. Mrs. Gallo said, so, is it your opinion that if we had HR representation by a company either it be PMI or like PMI, that if we had HR representation that would give us the ground work to petition VFIS. Mr. Waniewski said, yes ma'am. Mrs. Gallo said, to loose that \$11,000 surplus if you will, that we are... Mr. Waniewski said, yes ma'am. I can tell that, as a point of example, when that happened at St. Tammany No. 1. The original proposal was to doubled our rates, from \$300,000 to \$600,000 a year. They brought this in specifically for the management liability exposure. We got that reduced to \$50,000 from \$300,000 and in a process of about 5 years, they removed it completely. So, it does take a practice where we had 20 something items that we were required to provide cure to from a management liability exposure level that No. 1 received years and years ago. We are talking all the way back to 2003. So again, from that benefit of removing that \$50,000 from them they have seen almost a \$600,000 savings in their rate renewals over that period of time by taking and maintaining those proactive steps to do this. Here, you are basically paying a high risk premium, and again layman's words, of \$11,000 because of past management liability exposure that VFIS has paid out for insuring this district. Mr. Thanars said, Mark, can you speak a little bit about, you manage or provide HR services for other Fire Districts. Mr. Waniewski said, yes sir , I do. Mr. Thanars said, other than the location, the jurisdictions, if you will, all the other functions are the same. Mr. Waniewski said, I mean, we do District 4, District 12, our new in addition to District 3 since we been engaged here and rescinded that engagement, St. John Parish, West Baton Rouge, City of Rustin, Red River Parish. I could go on and on but yes, we represent multiple departments throughout the state. Mr. Thanars said, ok, and you have been in business for how long? Mr. Waniewski said, 27 years. Again, my job here is to provide transparency, which I believe I have done, to clean the record that I hopefully have cleaned and cured and to let you know, I formally state that I do not own any percentage of VFIS, which is through special risk insurance which is the master agency for both Louisiana and Mississippi. My agency, which is Risk Solutions, which I legally have to have because I cannot offer insurance services through PMI, so I have to have a separate entity by state law called Risk Solutions which is clearly disclosed in the documents. However, I own, in fact I made the comment and I think the record will show in the fourteen minutes, it's one pair of pants. The right pocket is PMI, the left pocket is Risk Solutions and I have used that to explain in multiple departments. Mr. Thanars said, I wasn't here but I am sure that your discussion was not like we were talking to two different people. Mr. Waniewski said, this was a full presentation to the Fire Board. I had my resolutions in advance. Those resolutions were read into the record. I mean, there's no absence of transparency here. Mrs. Gallo said, is there an agency fee that we would see incurred on top of these stated premiums? Mr. Waniewski said, no ma'am. That is your total exposure for premiums through Risk Solutions. There are no additional fees associated with that. And just to let you know, I have continued to work with Chief Leos, even though we are not engaged through PMI, the benefit of VFIS and to help with this renewal, I have continued to work with Chief Leos to work through this process. We have had probably 3 to 5 meetings to make sure that the buildings are still properly valued, any new equipment, any appreciation or depreciation of equipment. So, again, this is something that we work with the



District on to provide services. We did not want you to lose your insurance coverage. Mr. Swann said, I would like to hear John speak if he could on this. Mr. John said, I just have a couple of questions. (inaudible) on the consent to rate, as the way it stands now, whether they use PMI or not, the premiums are going to stay the same. Is that correct? Mr. Waniewski said, that is a standard premium rate renewal from VFIS. Mr. John said, so that should not be a factor in any part. The second question I would like to ask you is, I'm not looking at the proposal or anything, I am assuming that you have a list of all the automobile premiums you printed, I am assuming that's what you do. Mr. Waniewski said, yes I do. It's fully disclosed. Mr. John said, that premium right there, is that exactly what is going to be on the policy jacket when it comes down to the declaration page? Mr. Waniewski said, yes sir, this is the actual renewal with the state taxes at the bottom from VFIS. Mr. John said, that's the summary of charges. Mr. Waniewski said, correct, Chief Leos has actually received the renewal policy with the insurance ID cards and that has been delivered, in fact, I believe it was delivered last week. Mrs. Blackwell asked, would you like to see the paper that we are all looking at? Mr. John said, sure and the other question, I should know this but I don't, I am assuming that you used a percent to rate and VHS is omitting them, am I correct? Mr. Waniewski said, absolutely, and let me be clear. I am not using percent to rate, VHS is. This is not a consent to rate put in place by Risk Solutions, this is a consent to rate placed by the insurance carrier, VFIS. Mrs. Gallo said, so, we remain in contract with Risk Solutions, from what I understand, because I am, myself and Don are playing catch up a little bit. On some of the history, I had a conversation with Floyd to understand a bit of it. We are only in contract with Risk Solutions only for our insurance coverage. We are not in any agreement or contracts with PMI for any HR management. Mr. Waniewski said, correct, no HR, no payroll, no accounting services. Mrs. Gallo said, ok, so the way for us to consider moving forward and potentially lower these premiums down the road would be to consider adding some HR consulting or HR management services and do we want to bring that up tonight. I do think that it is a good idea for us is to not have all our eggs in one basket. Accounting as well as HR services as well as HR management services where all lines of being if you will, all lines of our consultative services come from a single source. Mr. Trascher if I am understanding correctly, that whether we have an outside firm that does the HR or whether we implement District policies ourselves that prevents losses, we are going to have the same insurance rates. So, we can have a local agent if you will, or if it's Risk Solutions, the company, and that agent is going to be the one to request VFIS to take us out of the high risk pool based on our longevity. The only thing that is going to cure that premium problem is a period of time. Mrs. Gallo said, right, but we have to institute the HR policies and put those in place to clear that up. Mr. Trascher right, that should be part of management in the Fire District and I think the... Mrs. Gallo said, I hear you sighing over there, you have something to say. But, yes, I agree with you, it's going to be over a period of time that we have to prove that. Mr. Trascher show that we don't have a loss to prevent a loss. The HR policies that we need is loss prevention. Mrs. Gallo said, so it going to be both historical not having a loss in recent history. So, looking into the future what are we doing to prevent future losses as well. Mr. Trascher exactly. Mrs. Gallo said, and are we putting the right players on our team to accomplish that. Mr. Trascher right, you know we could have internal policies, checks and balances. Certain things in the District to watch for and help prevent losses. Mrs. Gallo asked, but where do we find the resources within our District to accomplish that. I've been in HR in the past but it's been over 17 years since I've been in that role. It is a very tedious

roll and the laws around that change constantly. Mr. Trascher continuing education. So, not only is it instituting something, it's instituting, managing and continuing to stay up to speed on that and I don't know that we have the resources within the department. Chief of Operations, would you like to take that on? Chief Dockery said, no, I would not like to take that on. Mrs. Gallo said, so, that's my concern is that if we try to do it in house within ourselves, I don't see it being the capacity of this Board, it's not what we do. Mr. Trascher no, it wouldn't be the Board, it would have to be... Mrs. Gallo said, I don't know that we have the resource in the Department to do that. So how do we correct that is the question that we have to discuss as a Board. Mr. Trascher we have to get over the insurance issues. I think there was an issue based on Chief Leos' email and there was a renewal check that we needed to sign and didn't know if it included the \$11,000 or what ever it was. Chief Leos said, that's my bad because I am just going by I was told that there was an \$11,000 increase. That's all I knew. Mr. Trascher I think tonight it is incumbent upon us to approve and renew this policy. Mrs. Blackwell said, ok Mr. Don, I am going to cut everybody off just so you can speak. Mr. Thanars said, my question, two fold, one is, what management policies or practices have been instituted absent PMI since the severed their relationship? Mr. Trascher you have to direct that to Chief Leos. Mr. Thanars said, well, I am asking the Board. Chief Leos said, basically, HR what he did was the resolutions. He was making sure we were following revised statutes to keep us out of potential law suits that have happened in the past. Mrs. Gallo said, so those have not been updated since we ended our relationship or not we, since the relationship has been ended. Chief Leos said, we don't have HR. The only thing I could think of is go through District 1, 4 and 12 and see what their HR. Whether they are doing it in house or, well I know 1... Mr. Waniewski said, well, 1, 4 and 12 are engaged with us now. We are providing that service. Mr. Thanars said, my second question is, there is probably a reason why these Fire Districts hire external entities with experience to manage this. My point for asking earlier is, the only difference in our Fire District and every other Fire District is the boundaries, the jurisdiction and the income. Other than that and the people and all the other functions are pretty much the same. So, I guess when I look at Fire District 1 in Slidell, it is probably the largest and if they seek services outside, clearly, the responsibilities around this function are probably too great for them to even manage in house. So, I think the only option that I think we really have is to seek, I think internally is probably not a point of discussion. At least from what I've heard and from what I've come to understand around the function associated with this HR. It's too complicated, too technical and to be able to maintain the proper skills and knowledge, it's just too much. I will go on the record and say this. From all indications and all that I found out about PMI, I think it's the right entity to do what we need. I think they are competent and capable and have the capacity to do the things we need done in Fire District 11. I think at the point that we revisit this, that I will go on record saying this I think that that's the entity that I am going to highly favor to do those functions. I don't know what other entities were looked at. Obviously, they were selected for a reason at that particular time and for whatever reasons, which are a different set of reasons that they decided to no longer to provide services for us. I think it's a product of some other things, not because they actually lasted, they were incompetently incapable of doing what was necessary. I think there were probably other reasons and I think it appropriate that we re-look at that. I'm not talking about insurance, I am talking about somebody has the ability to do what needs to be done considering all this HR stuff. Mr. Waniewski said, I know you just said that we were recently engaged with District No. 3, which is more close to your size,

they are also a ALS transport service where No. 1 is not. So, again, No. 1 is the largest in the District, in the Parish, excuse me. But, obviously, No. 3 would be comparable to you in size and similar services. Also, in territory I might say, they are somewhat of a more a rural fire district as compared to Mandeville, Covington and Slidell. So, back to your point of, we traditionally provide the payroll services. One of the functions we did was build a master pay scale. Your not in compliant with your pay scales or your minimum salaries and things of that nature. So, we brought that into compliance to come forward. We initially did a employee handbook. That has not been done. It hasn't been done, touched in years. Mrs. Gallo asked, this is all through the HR services? Mr. Waniewski said, all through the HR service, yes ma'am. And then, when Mr. Moyle resigned from the Board, he resigned as a result of this bond issue that y'all discussed earlier and we had a thirty day notice. There was another CPA brought in from Slidell, it just did not work out and we came in as a backup service at \$700 a month to provide full services. In fact, I have a copy of the May 15<sup>th</sup> , financial statement that we produced. I also state that your concerns about all being in one basket, we are also audited by that Legislative Auditor not only through the services we deliver here, we had a no findings audit and we spoke on behalf of the Fire District because they absolutely changed how they recognized that bond issue where for more than probably 10 years. Both the CPA and the Legislative Auditor did not even reference that bond issue in any of your former audits. When that finally came to light through Chief Leos efforts, he took very proactive to the Board at that time and took very proactive efforts to say that we have a problem. We actually set aside a restricted fund so we could prove to the Legislative Auditor that about \$124,000 was set aside which was the balance. So, we took all those proactive steps. I have 3 CPA's inside my office that provide these services so, you don't want me to do the general accounting but I have qualified people. My partner is a CPA as well. Mr. Thanars said, so you tracked all of that stuff and the fiscal reports you provided (inaudible). Mr. Waniewski said, we directly coordinated with the Legislative Auditor, we coordinated two different sets of audit material so that we could get your audit completed in time. Mr. Swann said, didn't you also advise us to continue to collect that money after we were advised not to. Mr. Waniewski said, no sir, I did not. Mr. Swann said, yes you did. Mr. Waniewski said, no sir, that was done, the Legislative Auditor came in and said to set that money aside, which we did by restricted fund. Mr. Swann said, and you advised us to collect the taxes. Mr. Trascher I think you did because we had the people here from the parish, we had Grant Shuffler on the phone. Mr. Waniewski said, and Grant Schuller basically stated that you could do two things. It is a valid tax, you had one more year to collect it, you have to reserve the money, you can use those funds for equipment purchases and this was all going back and forth between him the Legislative Auditor and Erickson, Krentel and La Port and it was...Mr. Trascher but at that point the attorney's were telling us that we needed to not collect that tax that last year. Mr. Waniewski said, no, we went into that year, and again, I will have to research the minutes and I found them before...Mrs. Gallo asked, when did that take place? Mr. Swann said, this was back when all this come about when the Legislative Audit found this, ok. Mr. Waniewski said, no ma'am, this actually occurred in 2014 when Mr. Moyle, when Chief Leos found the bond issue by his research and realized that we were, basically, it was an equipment bond and I will do it in layman's terms. It was 8 mills for an equipment bond. Technically, by the ten year period of that your suppose to adjust your millage up and down each year based on your actual equipment needs. They billed 8 mills for that entire 10 year period or 9 of the ten years. This was a factor that happened in multiple departments public

and school board, libraries, fire departments throughout, that the Legislative Auditor finally caught and recognized that those that passed this millage for equipment for specific needs, they never were adjusted annually to those needs. When that was brought to the attention, Chief Leos brought it up. Fowley, Judell, who was the gentleman that put the bond in place of the original bond, gave this initial guidance that said that you can collect it, you can stop it, but he also said, most importantly, that if you need that millage, that you can convert from equipment to general operations, again, layman's terms, and take it back in front of the public for revoked. That was done and it was re approved as a standard for general operations and equipment. It was never a dedicated millage just for that one equipment purchase. So, Fowley, Judell, who was the original bond council, who gave us all the advice and actually told us to put it in restricted funds. All that incurred and at the time that that was discovered and Chief Leos brought it forward, that's when Mr. Moyle sent a 30 day resignation letter in. Mr. DeGiovanni came in and provided services to the end of the year. Again, that relationship didn't work out. It was an oil and water mix. There was no problem with the delivery of services it was just a communication issue. We came in after that at, we were told that three people were going to bid on the financial package. We were one of the three to put a bid in and I think we were the only ones that came to the table with a bid of \$700 a month. I am able to do that at a reduced rate because we are already doing payroll, we are already providing HR services so we already have a vast amount of the quarterly information that you need in a financial service plan. So again, I was able to bring that to the table but, the one thing that we did is we set up an online check printer so all the check stock was cut here. We processed everything. They had an online Quick Books account where all the checks were printed here so Chief Leos didn't have to drive into Slidell or do anything else. And again, we presented as matter of fact, this is the copy of the May 15 financial statement that was presented to the Board. Mrs. Gallo asked, and this was the first one? Mr. Waniewski said, no ma'am, this was just one that I brought...Mrs. Gallo said, a sample. Mr. Waniewski said, a sample. Every one of our reports look like that for each month. Mrs. Gallo asked, do you provide these on a accrual basis? Mr. Waniewski said, actually most of departments are on a cash basis. The only one that is doing accrual basis is the Legislative Auditor. So, most of the departments are running their full budget on a cash bases only. It's only for the Legislative Auditor that you have to do on accrual basis. One of the principle problems with that in running that in a District is that, as you know, on accrual basis, basically what you are doing is booking two years with the ad velorum receipts and only one with your worth of expenses. So, when you read the Legislative Auditor, it looks like this district is extremely flushed with cash but typically it's accruing next years receipts that were technically billed in December that won't be collected until the first quarter of the next year. So, that accrual basis to the general public, it's difficult to justify because your two years of receipts versus one year of expenses. Mrs. Gallo said, so cash basis reporting is preferred? Mr. Waniewski said, yes ma'am. Krentel, Laport likes the cash basis reporting because they can tie it out. The other thing that we've done is the Firefighter Retirement System through the Gatsby 68 accounting has required that these be audited and we verified with multiple Departments. We've submitted to the Firefighter Retirement System, Hartman, Dupless and a couple of other names is doing the audit for the Firefighter Retirement System but we've had to prove that everything was paid, paid in a timely, I know your under Social Security and not through the Fire Fighter Retirement System, but for other District's who had to provide that detailed work of accounting to them as well. The Gatsby 68 is a mandate through Federal

Government. They have to post that unfunded liability. Again, one of the things that we did as a Management Liability exposure, was to clearly have a resolution and through the Fire Fighter Retirement System, is to formerly opt out of the Fire Fighter Retirement System because it was a prohibited cost. The current funding is 27 and a quarter by the employer. The funding as of July 1, is 25 and a quarter percent. I guess applicable dollar that is recognized, which is basically one years worth of retro scheduled shifts and overtime. Mrs. Gallo said, yes, we talked about that last month, didn't we Chief, and that is just something our District can afford at this time. Chief Leos said, it's in the 5 year plan I think, 3 years we going to look at it and see what their rate is. Mrs. Gallo said, ok. Mr. Waniewski said, but the short answer is, it's 10% to the employees and 25 to 27% to the employer. Mrs. Gallo said, ok, and it sounds to me, and I am only speaking of this I am trying to be a neutral 3<sup>rd</sup> party to understand if there is a possibility to mend this broken bridge from the history that I am not privy to 100% of, but the area of contention lies in the fact that we have a couple of Board members that feel that it was the recommendation of PMI that this, these mills continue to be collected when the Board chose not to do that and say, no we are going to stop collecting them. Correct? Am I right? Mr. Trascher that is correct. Mr. Swann said, correct. Mrs. Gallo said, and you disagree with that and so what we need to do is fall back on the facts, like what was presented tonight and find out where the truth lies somewhere in there and I think both sides believe that their side is right. Mr. Trascher I can promise you, I'm gonna tell you that, the year that we, the \$124,000 was something that we collected to that point. Mrs. Gallo said, right, and that was the restricted fund, right? Mr. Trascher yes, and we had one more year that we could have collected the taxes. We had attorney's here, we had the Parish Finance Department here, the CEO of the Parish was here and Grant Schuller, they did a telephone conversation and the attorneys. They all told us that if you collect the tax next year, knowing that it's wrong, the Board is going to be responsible. You need to take the \$124,000 that you have already collected, pull that out and put it in a restricted account and you need to roll back those 8 mills. Not collect it that year and that was the last year we did that. We were going to put it up on the ballot for renewal and we changed, just like Mark said, we changed the wording for what it could be used for and the taxpayers renewed that 8 mills. So, there was one year that we didn't collect it and PMI, and I know you specifically said that we leave the money on the table. Collect it and put in a restricted account with the other \$124,000. Mr. Swann said, that awt to we ago ahead and collect it. Mr. Waniewski said, let me just be clear, one thing that we do at PMI is we provide you with due diligence. Of course, the best thing that could happen was the worse thing that happened. This Board could have legally collected that money. They chose not to based on the advice recommendation. I did not mandate to this Board that they collect the money, and I believe, highly believe that the record of minutes will clear that up. Mr. Trascher you did not mandate that we collect it, you advised us to go ahead and collect it and we could do it. Mr. Waniewski said, I simply stated it is an option before you, I didn't tell you to collect that money but you needed to know as a Board that if you needed it for, and we were at a very tight budget at the time. In fact, we were looking a having to borrow money because our budget was so tight, to the tune of borrowing almost \$300,000. So, one of the options presented to the Board was, that if you collected that money and set it aside in a restricted fund, then that gives you the ability to use what that balance was to purchase equipment and forgo having to do a bond issue to borrow \$300,000. That was an option presented, it was not mandated. The other option from the attorney's that said, because this is an issue, if you don't collect it

and restrict the funds, which we did, and convert it to a general operation use millage, which went back through, it went to the voters and Chief, it was renewed almost 70% if memory serves me right. I mean, it was a high renewal vote I believe on it. So again, we recommended that you have two options before you. Providing you an option of both sides in what's available to you when you are facing a budget shortfall and were having to go back and almost having to the Legislative, I'm sorry, go to the Bond Commission, which was another reason Grant Sluetter was here, to borrow \$300,000 to potentially get through a two year gap when you didn't have the millage money coming in. Mrs. Gallo said, because the budget was built on it at that point. Mr. Waniewski said, yes ma'am, it was built on it at that point. So, I believe I have an obligation to lay both courses out for you so you can make an informed decision. Laying out the course and assuming that is a recommendation by PMI, that's a stretch. I would never jeopardize this Board and put any of them in a legal bind individually or collectively. However, the record should show that when you put all the details in place, there was a budget tightening. If we put that money aside, that \$124,000, we basically had to take \$124,000 that was used in general operations and slice it out of the budget with a restricted fund to comply with basically, the accumulation of the 9 years it had been collected and not spending that 1.8 million of the 2.8 million collected. We still have questions from prior financials of where the balance of that money went. Mr. Trascher asked, the \$124? Mr. Waniewski said, no, no, the Chief, from years and years ago. So, we have been working diligently to try to find and recover any information that would show where past budgets, where Chief said there were Chief Dockery's that should have been there and some other things that we have no accounting for. The short answer is, at that time period, yes, the short answer is, and I know I've been long and I apologize, that you had a budget shortfall, you had potential of going out for a \$300,000 bond so you would have had to go back to the Bond Commission to front this to your window. I grant the Board and the Chief with us. I mean, we basically took every penny from every other area without borrowing, we put a buying freeze. I mean, I don't think they bought paper towels for 6 months, to get through this and that's when all this other, basically matured with the new bond issue. If the bond had not been converted to a general operations ad velorem tax, this District would have lost 8 mills which is approximately \$300,000 from it's annual operating budget. So, that 8 mills was... Mr. Trascher so then we lost them for 2 years. Mr. Waniewski asked, Chief, wasn't that 8 mills in that \$250 to \$300,000 range? Chief Leos said, yes. Mr. Waniewski said, and again, I don't have a specific map of documents in front of me but I would be more than happy to provide as I've done. Mr. Trascher it was \$124,000 a year (inaudible) Mr. Waniewski said, it was \$124,000. Mr. Trascher no that was for one year, because we took that amount and put it away for the year that we had already collected. Mrs. Gallo said, and then you froze from that point forward. Mr. Trascher from that point forward, so we didn't get that \$124,000 the next year. Mr. Waniewski said, what happened was, we were able to audit from the books and determine that, from that millage, if you went through the 8 mills, what was left was that \$124,000. Mr. Trascher that's what we collected. The Chief discovered the year that he discovered it. Mr. Waniewski said, I think you dropped it to 6 mills, that's why you collected. Mr. Trascher we took the whole 8 mills out of the budget and put it in a restricted account and then we stopped collecting 8 mills. So, we didn't collect it again for the next year. So, we went two years because the 8 mills was worth about \$125,000 per year. So, it would have been \$300,000 total for the two years. Mr. Waniewski said, we did collect it, however it was not restricted. When we restrict it, we took it out of general operations and there was no

clarity at the time even though Grant Sluetter... Mrs. Gallo said, and that is part of the answers that I, write down those accountants. Mr. Waniewski said, Grant Sluetter is the one that took this to the Legislative Auditor. He has told us repeatedly and he told the Legislative Auditor repeatedly, that if that money is used for it's original intended purposes, because you can't give it back to the taxpayer, there's no way to return \$2 million. You don't even know who they are or actually how much they paid. Mrs. Gallo said, right. Mr. Wanieski said, so, one of the outs that he said was, the Legislative Auditor had an issue because they didn't discover it, your audit firm Krentel, Laport didn't discover it and Moyle, your CPA didn't discover it until 2014 when Chief Leos did. So, this money should have been restricted funds from it's original operation when it was collected in 1995, Chief, I think, was the first year. So, if the books had been set up properly in 1995, this would have always been collected and set aside as a restricted fund only for equipment use and then it would have modified the millage every year based on actual equipment needs not just a flat 8 mill billing period. So, that is a general recap of why that is going in front of the AG. Mr. Trascher right. Mrs. Gallo said, well, I am glad we all agree on that. Mr. Trascher that's as close as you can get to it right now. Emile Lombard said, another (inaudible) name of Fred Lakes. Mr. Trascher well, Moyle didn't do it since 1995. Fred Lake had several CPA's and Fred Lake did it in his garage, is that right, Chief? Chief Leos said, that's right. Mr. Trascher so, you had several CPA's that was doing this since it was. Emile Lombard said, it the premiums still never even worried about what was there. when we took over that Board we had zero dollars in that bank account when we took it over. When we asked what was there from the previous year they said we operate on a zero budget. Mr. Waniewski said, there's the question, where is the prior money in a surplus budget. Chief Leos said, the year ended at zero. Mr. Trascher not one penny left at the end of the year. Come December 31<sup>st</sup>, there was no money at all. January 1, whatever tax money they got, they started a new year. Mr. Waniewski said, just to let you know, we brought in Jim Tonglett, who is the managing partner for Krentel and Laport on the North shore. Actually had him come to this meeting and he tried to defend his audit where he found all these findings and we had an hour long discussion with him at that time and I went on the record and challenged him so that he clearly stated that this was not an issue of this Board and this Board did nothing to create that issue, they inherited it and he actually modified his audit response that exonerated this Board so that they were not, basically when you were appointed to this Board, you inherited something that you didn't know was sleeping in the weeds. Emile Lombard said, we were ready with error and omissions to sue him on this policy. Mr. Waniewski said, that is correct. Also, we had the option of suing, I mean, potentially suing Erickson, Krentel, Jeff Moyle and the Legislative Auditor because if it was a \$2 million issue, then there is no way this District and this Ad velorem tax could collect that so, again, back to the point of what we do, even in that situation, we are defending the audit because we were providing the financial services. I can speak clearly for the Board to exonerate them in the audit findings that would have been published for the general public to see that it was not default or failure of this board when it came to this bond issue. Mr. Swann said, getting back to the insurance. Mr. John said, I don't know anything about bonds, I am just a poor insurance guy from Slidell, ok. I would be deralicked to not say that an organization of this size needs some sort of Resources, especially when you've had a shady past. That is just a statement. I didn't know about a shady past. I don't know about them but you need somebody. You may very well need them, I think they do a good job, but I don't think that has anything to do with insurance. Our agent who pays taxes

here has three people that live in the District. We can write through the same company at the same prices. Now, I am saying that because I want to, I'm not going to lie to you that's the way I make my living. But, the other thing about it is there seems to be some contention in here about having everything in one basket. There's no question that man knows what he is doing in human resources. I'm not going to say anything about the way he is doing insurance, I'm not saying that if we are level on the insurance side, I would like for you to consider us. Don't do it now because it's too near renewal it but keep it in your mind and let's do it after the year starts and we talk with them and so forth. But, bring it home, same price, bring it home. That's all I have, thank you very much and I enjoyed your presentation. Mr. Waniewski said, just to rebut that, I personally live in this parish as well. Chief Leos said, my opinion on this, I misunderstood the \$11,000 but if it's no more that what we are doing now, renew it, that gives us a year. Mr. Trascher that's my point I tried to say about an hour ago, I said that we need to deal with the insurance and I think at this point, we have no choice but to go ahead and approve this renewal. If you want to do a resolution, we will do that. I think there is a check cut, you got the check, we can get the check signed tonight with this. The issue with the check was, there was a \$28,000 or what ever it is, check here... Mrs. Blackwell said, \$26,536.62. Mr. Trascher and an email from Chief Leos that said the insurance went up \$11,000. Chief Leos said, I didn't understand how it was. Mr. Trascher I wouldn't sign the check either, let's put it that way. Mrs. Gallo said, this \$25,000 is a down payment in premiums in total of \$89,175? Mr. Waniewski said, that is your down payment premium plus all of your insurance taxes and everything that you have to pay when you bind a coverage. You basically have payment in three equal installments that would equal that \$89,000 amount. Mrs. Gallo said, and one thing that I would like to add, to present to the Board is, it's not wise of us to consider a renewal period during a hurricane season. So, June is not a great period of time for us to be doing that. Mr. Trascher yes, we need to sign the check to renew it. Mrs. Gallo said, well I realize that we have to renew it but, at some point what we do continue due diligence at this arena... Mr. Trascher I think what happens when we continue this discussion, if we were to, say want to go with a local agent, on this case or Mark, maybe you could explain. I think a local agent would take over the management of the policy, it wouldn't cancel this policy and write another one. Mrs. Gallo said, right, but at some point we need to find a way to stretch that out so we're not renewing during a hurricane season. Mr. Trascher you mean change the renewal date to December or something. Mr. Waniewski said, actually, just to speak of that, your typically, all the work is done typically 60 days in advance so even though you have a June renewal, this really is put to bed starting in March, April. We get questionnaires that start in January. So, we started working on this renewal in January. We had firm rates and Chief and I discussed that in the March time period. So, you are technically getting all the paperwork done prior to your policy date. I can request that we get a, either a short rate policy where your extended out. Obviously, we do multiple fire departments through VFIS so, we have an extremely close working relationship with them. Mrs. Gallo said, I just bring it up as something for the Board to consider. Mr. Trascher I think that what you are saying so eloquently is that, June 27, renewal date, if there was a problem with renewal, we couldn't buy a policy for 30 days because of the hurricane. Mrs. Gallo said, yes. So, we just need to be aware of that and consider it as we continue to move forward. Mr. Waniewski said, that's all I have. Mrs. Gallo said, thank you for being here tonight with us and clearing up some of this, the issues. Mark, if we may call on you in the future as we consider the HR side of the house, that would be great. Pass this to Michele please.



Mr. Trascher the last thing on here is the audit report. Mrs. Gallo? Mrs. Gallo said, we've done that. We are done. Mr. Trascher with that said, I would like to thank everybody for coming out. Mrs. Gallo said, oh Chief, Chief Dockery. Chief Dockery said, I have before me an invoice from 2009, from Peirson Education. We just recently found this due to trying to acquire some books for our present EMR class and the kind people at Peirson Education is telling us our account is closed due to lack of payment. So, we asked them to send us the invoice that was not paid and they graciously did so and after research 2009 records, we show no payment to them in the amount of \$1,125.37. we do show a proof of delivery document. It was delivered on 5/2/09. it was signed by Chris Hewitt who is the volunteer her and some work full time at some periods. So we received the books and I put it as good business to pay this bill and clear our account with this company. Mrs. Gallo said, thank yo for doing the hell work on that Chief. Mr. Swann said, they didn't send us anything for 6 years? Chief Dockery said, nope. Mr. Trascher maybe they did and it's sitting in Oalmann's garage. The only thing I can say is I would like to say is, Chief Leos you need to find \$1,000 and I would make a motion that we pay this invoice. My problem with it in the beginning was that we needed to show proof of delivery and with proof of delivery, we go the merchandise as far as I'm concerned. Mrs. Blackwell asked, do we need to vote on this? Mr. Trascher we need to vote to approve. Mrs. Gallo said, approve, second. Don? Mr. Thanars said, if the Chief has it in his budget, he has a budget that is already approved and he has money. Mrs. Gallo said, well he has a training budget. Mr. Trascher he can find it and switch something in there. Johnny, you know how to find it, right? Mrs. Gallo said, Chief you have a training budget. Chief Leos said, yes. Mrs. Blackwell said, he signed it so he must be ok. You ok Chief? Chief Leos said, it is quickly running out. Mrs. Gallo said, I will second the motion. Mrs. Blackwell said, all in favor, all in, motion carries. Mr. Trascher asked, does anybody have anything else? Mrs. Blackwell said, wait we not finished. We still have the audit report. Mr. Trascher that is done. Mrs. Blackwell said, we done? Good. Mr. Thanars said, I move for adjourn. Mr. Trascher seconds the motion. I want to thank everybody for coming out. We appreciate your patience as we work through some of these dilemmas. With that said. Mrs. Gallo said, I just want to say, it's a great thing that we are not only here for 2 ½ hours, I like y'all but I want to go home. Mr. Trascher it's good for drugs and ulcers. Mrs. Gallo said, but I do think it is a great opportunity to, you know the worse thing we could do is continue to let things fester behind the curtain. Bring them out to the open.