

**PUBLIC ENTITY PARTNERS  
BOARD OF DIRECTORS  
MINUTES OF SPECIAL MEETING  
DATE OF MEETING: NOVEMBER 15, 2019  
BRENTWOOD, TENNESSEE**

The Board of Directors of Public Entity Partners (“PE Partners”) met in a special called meeting at 10:00 a.m. on November 15, 2019 at PE Partners’ office in Brentwood, Tennessee.

Board Members present: Chairman Curtis Hayes, Vice-Chairman Randy Brundige, Jill Holland, Victor Lay, Todd Smith, Lois Preece, and Sam Tharpe.

Board Members participating via telephone conference call: John Holden

Board Members absent: Dr. Christa Martin

PE Partners staff present: Dawn R. Crawford, President/CEO; and Charles DeMore, Executive Vice President & CFO.

Also present: Russ Farrar, General Counsel; Kristin Berexa, Associate General Counsel; David Parsons, Counsel for Dawn Crawford; Brad Thompson, City of Martin; and Sarah Linder with Elite Reporting Services.

Chairman Hayes called the meeting to order at 10:23 a.m.

**1. APPROVAL OF MINUTES**

Chairman Hayes said he, Crawford and under advice of counsel propose to defer approving the minutes until the December 11<sup>th</sup> Board meeting.

Crawford asked to ask a question. Chairman Hayes called on Crawford who said, “We have three sets of minutes that need to be approved. Are you referring to just the September 13th?” Hayes said, “All of them in December, but if you want to --” Crawford said, “These two, a motion was made and seconded. It just wasn't voted on.”

Chairman Hayes said, “Well, okay. All right. Let me back up. So for the September 13th meeting, it has been requested by our attorney to defer approving those minutes until the December meeting; that Russ being our attorney and in the best interest of the PEP and, quite frankly, Ms. Crawford's agreed as well, so I need a motion and a second.”

A motion was made by Holland and seconded by Lay. Chairman Hayes called for a vote and asked all for the motion to let it be known by saying aye. Hayes then asked for those opposed to let it be known by like sign. There was no response. Hayes said the motion passed.

Chairman Hayes said, “Also, the approval of the minutes of June 22 and July 12, evidently, I got a motion and a second but I did not get a vote. I can't believe that I didn't do that. I've done this for about 13 years now. But anyway, I just need a -- shall we go ahead and do another motion and second again? So let's get -- let me go ahead and get motion and a second to approve the minutes of June 22, 2019 and July 12, 2019.”

A motion was made by Brundige and seconded by Smith. Chairman Hayes called for a vote and asked

all for the motion to let it be known by saying aye. Hayes then asked for those opposed to let it be known by like sign. There was no response. Hayes said the motion passed.

## 2. APPROVAL OF ITEM ADDED TO AGENDA

Chairman Hayes told Board members that an item to be added to the agenda is the Academy Funding for Police Departments as recommended Crawford. He asked for a motion to add that to the agenda. A motion was made by Lay and seconded by Brundige. Chairman Hayes asked for any discussion. There was no response.

Chairman Hayes called for a vote and asked all for the motion to let it be known by saying aye. Hayes then asked for those opposed to let it be known by like sign. There was no response. Hayes said the motion passed and will be added as item number four to the agenda.

Chairman Hayes asked everyone in the room and those participating via telephone conference call to introduce themselves and to state their name, title and position.

## 3. PRESIDENT/CEO CONTRACT AND SALARY

Chairman Hayes welcomed everyone to the meeting and said, "I called a meeting and I talked to some other folks on exactly the reason - let me first say the reason that we're here in person versus a conference call is under the advice of our attorney for several reasons: One, this being more focused in person and not multitasking. He's probably talking to me because I know if I'm doing a conference call, I am multitasking. Hayes said the reason we're meeting is to simply give a progress report on where Dawn and I are with renegotiating the contract, and salary, bonuses, and et cetera, that I was supposed to bring back to you in December. We simply just haven't got anywhere so she wanted to -- I asked if she would give a number. And she's -- from advice from her attorney wanted us to give a number to her and that she would not be replying a number and -- so I didn't want to show up empty handed in December. So instead of us going back and forth, I just cut out the middleman, which was myself, and that's what brought us here today, so thank you."

Parsons asked to speak and Chairman Hayes called on him. Parsons said, "I wanted to clarify the advice that has been given to Dawn and that is, under no circumstance has she in the past, she currently, or in the future will waive any of her rights under the existing contract. This concept of waiver and having very sophisticated counsel involved -- and that's not me -- but having very sophisticated counsel involved is an important component for this. So one of the problems that I've had understanding what has taken place, if I may say it, is there is an existing contract that has been -- well, correct me if I'm wrong -- two and a half years to go on the contract if it has not been terminated and it automatically rolls forward for an additional year if no action is taken during the first six months of the period we're in, which I think is the 1st of January when that period ends; then there's the concept of future employment arrangements at the end of the term of the current contract. So I'm unable so far to determine what we're talking about. If someone is saying we're going to modify the existing contract or it's terminated, then provisions that relate to termination of the contract come into effect. If we're talking about future periods, that's clearly subject to negotiation so that -- that's where I'm confused. And then just to make sure that I'm on the same wavelength as everybody, I understand there are at least two different components of the employment arrangement: One would be salary and the other would be for services with respect to management of investments. And I don't really know how that's termed - bonus, commission, additional compensation. I don't know what the term of art would be here. Thank you."

Chairman Hayes said, "Okay. I think we'll be able to answer some of those questions here in just a

minute, but I appreciate the questions you have and so let's just go back just a little bit. And there was a motion made by Jill Holland to terminate the present employment contract as it stands. So we're not firing anybody but we're giving notice that we're terminating that contract as it stands. And Chairman Hayes will negotiate with Dawn Crawford and to talk about restructuring the contract. That is currently what the board has authorized me to do, and I didn't get an order. We did meet. We did meet on October the 25th in Nashville and we had a brief discussion on where we were and a recap on what had transpired at the last board meeting where - and that being October 25th, and we discussed a reduction in bonuses. Dawn agreed to have a discussion on reducing her total pay. During the meeting, I asked a few questions pertaining to the contract and Dawn had not read -- did not have her contract with her and had not read it." Crawford said "Recently."

Chairman Hayes said, "Recently. And -- but Dawn was a little confused on exactly what all had happened and then that's when I -- we discussed that the board had terminated the contract and it was up to myself and her to sit down to try to negotiate it. So there was some confusion at the beginning. And am I saying this correct, Dawn?"

Crawford said, "Yes. My confusion was whether we were talking about current contract or future contract."

Chairman Hayes said, "And, of course -- and that's what I had to say about it. And of course, Dawn sent an e-mail out that was on October 25th, 2019." Chairman Hayes read the email: "The Chairman and I had an open and honest discussion regarding my current contract. It was requested I propose a number that would be evaluated for renegotiating my contract. After consulting with my attorney, he confirmed my position not to come forth with a number renegotiating my contract that is coming at the request of the board of directors, and such they should make any related offer as I e-mailed the Chairman on November the 6th. I hope to work with the board to resolve this matter as quickly as possible."

Chairman Hayes said, "So we did continue to talk. We were going to meet, actually, yesterday but given the fact that there wasn't gonna be any numbers, we just didn't meet. We had a district meeting in Crossville yesterday. So I as Chairman have requested some items that include bonus and salaries of the CEO and the CFO, Dawn and Charles, from 2010 into current, and I have received this. And I'll be honest with you, we -- Dawn and I have had a very, very good working relationship and she has -- everything that I have asked, she has gave out. But I do have some handouts that if you'll just take one and pass it on. I don't know we've got enough or not for the board members."

Chairman Hayes said, "Does everyone get one that needed one? So in order to try to get us to where we can start talking about some positions and some numbers, I just wanted you all to kind of see I asked for the last ten years and that is -- Dawn, was that when you started as CEO; is that correct?" Crawford said, "Yes, sir."

Chairman Hayes said, "Okay. So Dawn started in 2010. And you can see how the numbers went up over the years. And that is just for your records. Also, I talked to Dawn about the average percentage that PEP employees, including her, over the past ten years -- and I think that is applicable as well to try to come up with this, a number that we can agree with for all parties. And the numbers that I have provided, I added the 4 percent. I did not take the time as Dawn gave me the COLA increases as well what it was for that year."

Smith asked Chairman Hayes, "Is this your document?" Hayes replied, "Yes." Smith said, "Okay".

Chairman Hayes said, "And there's been a couple of numbers that are off. Like in 2010, I've got a couple of numbers and that number of 2010 in another document that Dawn had gave me says 176 -- so that number is off just a little bit. Did everybody get one?"

Chairman Hayes said, "And I just simply took the 4 percent and just added the 4 percent each year; that if Dawn got the 4 percent as all the other employees did, you can see where it's at in 2019. I just thought that might be something that would might help us somewhere down the road."

Tharpe said, "This sheet here is telling us based upon 2010 that every employee got a 4 percent increase?" Chairman Hayes said, "On an average." Tharpe said, "On an average." Chairman Hayes said, "This is on the average. Okay. Hold on just a minute. You're shaking your head. Because that's what you told me. You told me 4 percent. I said you -- I said -- I mean, I just want to get this right. So I asked you --"

Crawford said, "You asked me what I thought the ten-year average would be for all employees and I said maybe somewhere around 4 percent by the time you take COLA and some merit increases for some employees; which is why on that second page I have it broke out between how much -- those are the actual increases by year for all employees, how much of it was COLA, how much of it was merit. The 4 percent was we were sitting at lunch and you wanted me to tell you what we had -- what had transpired for the prior ten years, which I had no way of knowing, and I said maybe an estimate of 4 percent."

Chairman Hayes said, "That's correct. That's correct. I don't disagree with that. Charles confirmed that, too, that it was an average of 4 percent. So that's -- and I just took the 4 percent and rounded it. So another part of this is an element of investment accounts and so Dawn sent me an e-mail and she is more than welcome to explain this because I don't think it's the easiest thing to explain but there, if you'll take one and pass it to Victor please. But the investment accounts is what has got the total salary that I think some believe may be a little too high."

Chairman Hayes said, "Let's -- I want to -- and I'm trying to be as transparent as can and pass on all the information to this board. And as Dawn has said in the past I believe in meetings, and certainly myself, that we use two advisors to help out with these investment accounts, and then, of course, Dawn's knowledge with the investment accounts. And so there is a bonus of a point system of 16 points that Ms. Crawford is -- has been getting for managing the portfolio of investments that PEP has. And she explained it to me and then she broke it down maybe in laymen's terms for me -- but that's the question I have is how much are we paying the advisors and that's when I got back this here which she's broken down pretty good, but I think I'll let her explain it. So I'm gonna directly ask, Dawn, you the question on who our advisors are, how much do we pay our advisors, how many advisors are there, please?"

Crawford said, "Our primary advisor is actually an investment broker. His name is Harry Rosenblum. He's with Crews & Associates out of Little Rock, Arkansas. We've been doing business with Crews & Associates for probably close to two decades. We also have an advisor through SunTrust, their investment group, as we do all of our banking through SunTrust and our safekeeping is in SunTrust. What we would pay Harry and SunTrust -- or Crews and SunTrust would be a factor that is built into the price of the securities. Public Entity Partners has never written a check to an investment advisor. The example I gave him here was yesterday -- this is hypothetical: Harry calls me and says, hey, we've got this great security -- because he understands our particulars about dealing with public money -- and I can offer it to you at 99.75 cents on the dollar. Tim calls me from SunTrust and says, hey, I've got this great security that would fit into your portfolio and I can sell it to for you 99.8 cents on the dollar. That .05 difference between Harry and Tim is profit for SunTrust. It's their advisor fees on top of whatever's already built into the 99.75. So I would obviously go with broker number one with a cheaper price. And that happens quite frequently."

Chairman Hayes said, "I'll open this up for questions." Holland said, "So can I can I ask a question?" Hayes said, "Yes."

Holland said, "So that's the same premise with our own investment folks, that we don't pay them but their fee is taken from our investments, right?" Crawford replied, "Yes, ma'am." Holland said, "Okay".

Crawford said, "It's taken for the price of what we bought or sold." Holland said, "Okay."

Tharpe said, "Could you get a -- can you get figure on that or --"

Crawford said, "No, sir, they don't disclose those numbers."

Tharpe said, "So we do not know what's --"

Crawford said, "No. But if they're not comparable in the market they're not gonna be able to sell them. But, no, there's no published disclosures on investment fees for buying these type of securities."

Smith said, "So it's a discount or essentially buying at a discount of 99-point-whatever -8, .75 on the on the dollar? Crawford said, "In this example, yes."

Smith said, "So we're getting -- so essentially when we buy the investment, sell the investment, we're not getting quite a hundred percent; it's a little less that the investment firm is taking. But that's a great question of what does that mean in terms of dollars and cents that were on --"

Tharpe said, "Right."

Crawford said, "What may happen in a situation like this is we buy the cheaper security because we'd rather keep that .05 in our public funds. And months down the road, the market will have turned a different direction and one of the brokers might call and say, hey, I think I can sell that for you at a profit and you guys can make \$50,000 if we can sell it in this market."

Tharpe said, "So it's a money game?" Brundidge said, "Uh-huh." Crawford said, "Yes, sir. We will not take a loss on our investments. That is an internal rule. We've never had to sell a security to pay a claim or to make payroll so our overall stance is to buy and hold solid government-backed securities. If the market turns and we have an opportunity to sell and make some realized gains on behalf of the organization and its members, then we will do that. But it's --"

Tharpe said, "I have a question, though. Are you the only person that talked to these advisors in this building?" Crawford said, "From time to time, they will talk with some folks in finance regarding the administration side."

Tharpe said, "But I'm just talking about with the money game. As far as the investments and the things that are done with the investments and as far as points coming back, are you the first one to know, or is Charles the first one to know that, and where that money is going from the standpoint of points that are given to -- in this case to yourself. So, you know, it's a -- I just want to know who all is aware or would be aware of these circumstances."

Crawford said, "I make the decisions; finance handles the accounting for that so they're aware of the transactions. It has no bearing on my investment bonus. I do not get paid based on the amount of realized gains. I do that solely for the benefit of the organization. The 16 basis points are what's in my contract. I did not determine that. That was what was provided because I was doing all the work."

Tharpe said, "Okay. But you're the only person that really negotiates with these advisors?"

Crawford said, "Currently, yes." Tharpe said, "All right."

Parsons said, "May I speak on the issue?"

Chairman Hayes said, "Well, we will hear from you in just a second, please. Let the board, please talk." Parsons said, "Yes, sir."

Brundige said, "It's found on the 16 basis points from the board, how it comes about out of the money out -- at the end of the year." Crawford said, "I didn't quite hear that. I'm sorry." Brundige said, "The 16 basis points, is off the total amount of investments that we have or what?"

Crawford said, "Yes. It's based on the book value of the investments and investable cash; for example, what's sitting in LGIP."

Tharpe said, "Dawn, have you always done this? Did the previous director, Lee Holland, he gave that to you to do; is that correct or --"

Crawford said, "In the early 2000s, Lee - well, around 2000, Lee was handling the investments by himself." Tharpe said, "So he was actually doing it then?" Crawford said, "He was. And then he -- in the early 2000s, and roughly on these dates, he brought me in to assist him with the managing of the investments and started compensating me for that with an investment bonus."

Tharpe said, "Okay. Did you have any plans of doing that? Because to me, that would be a healthy thing to do instead of being out there by yourself with these investments. But did you have any plans to do that -- and this is just a question -- with the employees that you have now, to bring them in and to give them that opportunity to learn the investments, to have a backup, you might say, on these circumstances? Because that was in 2002 and now we're in 2019 going into 2020. And I don't know, in your last contract, I was determined but the 16 points, we gave it to you because - I'm gonna be honest with you, I didn't know that we had advisors under those conditions. But at the same time, I thought you were actually doing all the work with no advisors. And to me, if you were, I didn't really mind what that salary was because I know that a private company coming in, we would be paying out more so -- but I didn't know anything about the two advisors. Why do we just hear about this now? That's --"

Crawford said, "They're not actually advisors." Tharpe said, "Well, that's --" Crawford said, "They are brokers. And we cannot go out and purchase securities -- 5 million dollars' worth of securities without going through an intermediary."

Tharpe said, "Well, I'm just telling you --" Crawford said, "And these brokers are intermediaries. They're not advisors." Tharpe said, "Let me say this, we need to say brokers because that's all I've heard, was advisors." Crawford said, "I agree with you."

Tharpe said, "And to me, that sort of puts in the category of a consultant. A broker is a broker. An advisor and a consultant is what they are, but that can be very confusing to the board. At least it was to me. But what I'm looking at is the security of what cities have paid for at this point. And in the backup of things as important as those investments that you are the only person that was communicating with those brokers and in bringing in money for PEP off of those investments. So, you know, that's a major concern in my mind because if something happened to you, I don't know what would - where we would be under those conditions. Okay?"

Crawford said, "To answer your question, two or three board meetings ago you addressed this issue and asked me to be looking for somebody to back me up. I'm in the process of doing that, but I've had a little wrinkle in the process and I'm gonna have to start over in finding an appropriate person to

handle backing me up.”

Tharpe said, “And I know what your wrinkle is because he shared that with me today. I didn't know he was a minister, but I'm glad we have a man in here that can pray. But at the same time, you know, I understand those circumstances, too, so -- but that to me is a major concern and -- because there's too much involved when you have all the finances and all the things that's on your shoulders. And if something happened, the board -- that would be tough to fill that.”

Brundige said, “Well, say something happened, hypothetical, and we had to go out and hire a company to come in here and do this investment, what would it cost?”

Chairman Hayes said, “I don't know. Do you? I mean I don't know.”

Tharpe said, “Well, those are some figures that we'll have to get to be direct on, but it would be pretty expensive I would say.” Brundige said, “Yeah.”

Chairman Hayes said, “I mean, we're paying \$400,000 out in bonuses now. I don't know what it is. I mean, I'm just telling the facts. I mean, we're paying \$400,000 a year in bonuses right now.”

Brundige said, “I think it'd be three to four times higher.”

Holland said, “Okay. If you've got two brokers or financial advisors and you've got Dawn, someone taking their advice, and they're also working with finance, what's -- if you're depending on these brokers, what -- I guess I don't see the problem for somebody stepping in to -- I mean, if you -- if finance knows about it and, of course, Dawn is over it why would you need a company to come in and manage it?”

Brundige said, “Well, finance doesn't actually do securities. All they do is the paperwork and they probably wouldn't know how to do that because they're not in the boat.”

Tharpe said, “Well, let me -- Dawn, how many years you've been doing this?” Crawford said, “Between 15 and 20.”

Tharpe said, “Okay. Now, she knows those investments. If you bring somebody in, they don't know those investments as well as Dawn does. And even talking to the advisors, they will have to catch up --”

Brundige said, “Brokers.”

Tharpe said, “And -- those brokers, I'm sorry. They would have to catch up and identify, which, you know, that can be done. But at the same time, you know, experience counts when you're dealing with investments and stabilizes the conditions. And that's just my thought on that. And I was a business major in college, but at the same time, I feel very strongly on that. Charles, what were you gonna say for the amount of money? Did you have --”

DeMore said, “A few years ago, the board had asked for some information comparatively, and I contacted SunTrust and said if we were to change our relationship with you, which is their investment arm, and say we want you to manage it, they said they would do it -- and this is three or four years ago -- for around 20 to 25 basis points. I talked with Harry. He's been with Crews & Associates for a while and he left and then came back to Crews & Associates and has been with them for years and years. But he said, ‘We would love to take this on, Charles.’ I said, well, this is the board's decision; I'm just getting information. He said, ‘I'd be glad -- I would handle this personally for you. We -- I would discount it and do it for 50 basis points.’ That was three or four years ago.”

Tharpe said, "Well, put a dollar amount on that." DeMore said, "Average, say, \$250 million dollars times .005. I'm not real good at math on my phone here so let me..."

Smith said, "Over a million dollars. Roughly .2" DeMore said, "Yeah, about \$1,250,000 roughly." Smith said, "Yeah."

Berexa said, "I'm sorry, what you did say about what?" Farrar replied, "A million 250."

DeMore said, "About \$1,250,000 at 50 basis points. The industry has kind of shifted from that because of a lot of the things going on with FINRA and fiduciary planning issues. They're kind of migrating to – basically, just going back to a flat percentage of what your investment balances are. In fact, this is weird but, Dawn and I attended a seminar several years ago by an organization, Strategic Asset Alliance, and they do work with pools. There are 23 pools across the United States that they manage and advise; they have a database. Because I was a participant years ago in one of their classes, they keep me on a mailing list and they send out stuff from time to time. But they have a database of 23 of the pools that they work with that have voluntarily put their investment information in there. And they average .1 percent of the investment balance of what they manage. So if it's larger, up to \$300 million, it goes up to like 1.4 percent. It could go up to 1.5, but it could vary in between to 1 to 1 and a half percent of what your investment balances are. So that's where the investment industry is going with its fee basis."

Tharpe said, "For the dollar amount on that." Farrar asked, "What would that be dollar-wise?"

Crawford said, "\$2.5 million." Tharpe said, "It's about \$3 million." Crawford said, "2.5 to 3."

Smith said, "Can I offer a perspective? And this is really aimed at the board. When we give an incentive, when we incentivize an employee to grow our investment and we based a bonus off of growing our investment and that's an incentive to our employee -- and I'm not accusing Dawn of doing this. I really think she's looking after our best interest. But we have built a structure that induces that employee to build as much in this war chest as possible. We want to build our investments up, and build our investments up, and build our investments up because it's -- there's a bonus tied into that. Are we really doing our customers the best service? Could that -- could those invested funds be used for reducing rates? Could they be best used for rebates at the end of the year? And so I think we, as a board, need to ask what's best for our customers. What's best for the members of PEP? Is it to grow this big war chest because that's the incentive we've built in? Or is it to have, you know, a third party or somebody managing this? We obviously want to be financially healthy, but we also have customers, PEP members, that we need to focus on. That's the mission. That's our mission."

Holland said, "I would certainly add to what Todd is saying. And just the name Public Entity Partners, you know, we're for the public. We're -- we were designed by Tennessee Municipal League to help the cities. And think whatever we do with these investments or handing them out, we've got to be able to justify it. I think we've got to be able to justify that this is why this person's getting this salary. We're the ones who have to answer to these municipalities. And if -- I think we talked about it a little bit in the last meeting. If they're turned down because of, you know, don't pay broken water pipes or whatever's happening and then they see the big salaries, there's some question marks that are out there. So I think keeping in mind that we're here for the public, we're here for the cities and how we can help those going back to what Todd is saying. That always needs to be our focus."

Tharpe said, "Yes. Well, I have one question based on what you guys have just said. The structure to this was given back to those who were investing. Has it -- was there any other structure to where those points would come back to the customers, Dawn?"



Crawford said, "It's a little bit more complicated than that. Every year at June 30, we take a look at what our operating profit is. This year, this past June 30, we had one of the most phenomenal years we've ever had in operating profit, \$20 million before unrealized gains on our investments. That leaves \$20 million for us to take a look at what our reinsurance is going to be. And as you saw in my last update to the board, we're expecting a 20 to 40 percent increase in our property reinsurance rates. We take a look at what new coverages we've added and what they might be going to cost us. We take a look at the target surplus range that this board authorized us to make surplus stays between here and here. We take all those factors combined and come up with what we would recommend to the board as far as a dividend goes. When we meet again in February, I can promise you we're not gonna come back with our average 4 and a half to 5 million dollar dividend request. We're gonna come back with double digit dividend requests and that's going to lower our investments by nature. So it's not completely an incentive-base grow investments, you know, to infinity. We take all these other factors that impact the members. You know, do we raise rates because our property reinsurance is gonna -- may go up 40 percent? We do also take into -- consider rates. We had a rate study done this year. It's not finalized yet but we are looking at proposing a rate reduction in workers comp. Just all those things come into play. So it's not -- you can't look at investments all by itself and say, oh, you've got investments and you have -- they're just growing, an growing, and growing, and she's making more and more money. It does look self-serving that way, I completely agree, but there really is more that goes into it than that. And reducing rates or keeping rates flat when the market is turning hard like it's doing now and giving back more in dividends is going to reduce those investments."

Chairman Hayes recognized Smith. Smith said, "And I agree, but we as a board need to create a structure when Dawn is gone, when we don't have somebody who's looking at those numbers on the basis of the organization. And again, I'm just concerned about creating a structure when somebody who operates less than ethically and less than it puts -- doesn't put the organization first. We've got an incentive in place for another person post-Dawn to really build that war chest up because that means more dollars in our pocket."

Chairman Hayes said, "It does. But I also think that we need to look at in the future -- and maybe negotiate -- try to negotiate with Dawn that whomever is in the position that Dawn is in understands that that's one of their jobs to do without a bonus. If we structure in a job description that says you're gonna be the CEO, President of Public Entity Partners and in your job description is these investments and this is the total salary. The total salary because I join most of you here, I believe, in it is very difficult to explain to our constituents out in our communities that -- I mean, let's call it what it is. We're paying a CEO that's making over \$700,000 a year. What little research, just Google - the President of the United States makes \$400,000; UT president, \$247,000; the Governor of the state of Tennessee makes \$194,000; the lottery CEO makes \$500,000, and we're paying our CEO \$700,000. And I'm not taking anything -- I'm not saying that Dawn's done a bad job. That's certainly not what I'm saying. But I think there is some concern from me and some concern in the room that the bonuses has got out of control and that -- in your contract, Dawn, it says that -- including investment commissions currently shared with the executive vice president and which may be adjusted from time to time by the chairman of the board. And I've never sat down with you and talked about increasing or decreasing your bonus -- investment bonus, nor has -- I asked Sam if he had and he said he hadn't. And Ken Wilber hadn't either. So I -- that's another thing, folks, that we are gonna have to look at, that when -- because all of us won't be here forever. Okay? You'll be termed out, and you'll retire, you'll be -- decide not to run again. You may be beat in an election, reappointed or whatever. But whomever are sitting in this chair that we are sitting in when they are gave the bylaws of PEP, they should know that there's a contract for whomever out there and that the chairman has the right or not -- cause I feel like we need to rewrite everything but that's just me -- to talk about the salaries and whose job and/or responsibility is it to let someone know that, hey, we need to sit down and talk about these investment accounts that is in the CEO's contract. I don't know. Maybe it's just a lack of knowledge, maybe it's ignorance on my part, but I didn't know until I seen the contract about, I don't know, two months ago, three, whenever we got them. So that's another thing that I think that we need

to look at with a very cautious eye. And whenever a new board of trustees members comes in, they need to have an orientation -- and I'll get to an HR director later, but they need to have an orientation by the HR director on exactly what is going on here because for many years, I sat in the same seat that you're sitting in right now and I got along with everybody and I went along, but I had no clue these exist; nor did Sam Tharpe. Is that right, Sam, you didn't know according to this?"

Tharpe said, "Well, I signed the contract when I did and I knew a lot of things that did exist under those conditions. But at the same time, you know, it's one of those things where you trust Dawn to do the things that needs to be done. And I have over the years because I've worked with her in a lot of capacities. So, you know, you just move on and make sure things are right and make sure that the finances are going in the right direction and supporting the cities that we are supporting. So I have a question for Russ."

Chairman Hayes said, "Sure. You've got Kristin now, even better. There she is."

Tharpe said, "The contract -- that's -- I think that's what this is coming down to. I see that, you know, it's been stated that we can't do anything for two and a half years?"

Berexa said, "The contract, yes. Her contract as it stands now expires in two and a half years -- two years and nine months."

Chairman Hayes said, "I think it was two years, nine months last time we met so." Berexa said, "Okay. Yeah."

Tharpe said, "Two years, nine months. Is there anything in that contract saying we can change that at this point in time?"

Chairman Hayes said, "No. I think that the answer's no. But I think what the board instructed me to do the last time is to get with Dawn and see if she would consider to restructure the contract along with the salary before -- I mean, if you know, and the board terminated her contract after the two year and X amount of months that is remaining on it. So after that, there is no contract. And the board authorized myself and Dawn to sit down and have this discussion, but the discussion came to a halt because she was not going to provide any numbers. I don't mean that disrespectful. I'm just saying the facts of the matter is. So that's where we are today. And I think Dawn is looking for us to give her a number. I don't -- if I'm saying something wrong please let me know."

Crawford said, "For the next time upon advice of --"

Brundige said, "According to the numbers, we can come up with at a later time. But the length of the contract is a big discussion of three year renewing every -- at the end of the year."

Tharpe said, "Well, I need to know from Ms. Dawn do you -- are you willing to negotiate?"

Brundige said, "Yes."

Crawford said, "I would be willing --"

Berexa said, "When you say -- let's just be -- so we're all clear from the board side. Are you talking negotiate the current -- renegotiate the current contract that's in place?"

Tharpe said, "Yes."

Berexa said, "Okay."

Tharpe said, "And either/or. You --"

Holland said, "So you're saying we would negotiate the contract that's in place now before the end of a term?"

Berexa said, "And that's what I'm --"

Chairman Hayes said, "Yeah. It --"

Berexa said, "That's what I'm trying to make sure we're all clear and on the same page."

Tharpe said, "Yes."

Brundige said, "He said either/or."

Tharpe said, "Either. I -- we -- because Dawn can -- she sees the position that we're in, everybody here does. And the question is, Dawn, are -- And I told you all this last -- it's gonna be up to Dawn to make that decision based upon what the contract says. But if she's willing to negotiate, that's going to put us -- if she says no, that's gonna leave us in left field. If she says yes, at least we can sit down and negotiate something to bring this together."

Holland said, "I thought and I may be missing something here. I thought that we were -- we had voted to terminate the contract as it stands now but that there was not anything that we could do; it would stay as it is until the end of this term."

Brundige said, "Two and a half years."

Holland said, "Is that -- yeah."

Berexa said, "Two and a half years."

Tharpe said, "That's correct."

Brundige said, "Yeah, for --"

Holland said, "Isn't that what we voted for the last time?"

Brundige said, "Yeah."

Tharpe said, "Yes. So we need --"

Holland said, "And so our job --"

Berexa said, "You gave -- voted to give notice to terminate."

Holland said, "To give notice is notice. That we voted at the last meeting to give notice that we were terminating the contract as it was -- as it is until the end of the two and a half years. And then our job is to come up with a new contract, right, to present to Dawn or whoever is there?"

Berexa said, "Uh-huh."

Chairman Hayes said, "Yeah. And I think what the board wanted me to do --"

Holland said, "Yeah."

Chairman Hayes said, "because I was real clear when I asked this, is to authorize me to sit down with Dawn and see if her and I could come up -- because it was really clear at the last meeting that the board, or at least a majority of the board, thought that the total salary was just too high and so that's what the board had authorized me to do when we were here."

Brundige said, "Let me ask --"

Chairman Hayes said, "Go ahead, Randy."

Brundige said, "-- a question. Is it our job right now to leave the contract alone, renegotiate the end -- at the end of this term for a new contract since we have no position in the current contract that we can negotiate on?"

Chairman Hayes said, "Well, I think yes and no, but I think that if the board of directors are asking Dawn to renegotiate her contract now, they have the right to answer that but she also has the right to say no."

Brundige said, "That's what I --"

Chairman Hayes said, "But that's --"

Brundige said, "I understand that."

Chairman Hayes said, "And I think the -- what -- to go back to what Sam says is, is Dawn willing to renegotiate her current contract right now."

Brundige said, "He says --"

Chairman Hayes said, "That is the question."

Brundige said, "Sam asked -- said either/or. Correct, Sam?"

Tharpe said, "Yes. To answer --"

Brundige said, "Either --"

Tharpe said, "-- to answer if yes or no, maybe either one of those, yes."

Brundige said, "Either --"

Tharpe said, "But my question is to Dawn: Are you willing to do that?"

Parsons said, "May I speak?"

Chairman Hayes said, "Yes."

Crawford said, "Yes."

Tharpe said, "That puts you on the spot."

Parsons said, "Yes."

Tharpe said, "I'm trying to bring some --"

Parsons said, "Well, let me --"

Tharpe said, "-- compromise here."

Parsons said, "I'm sorry, excuse me. My view in recommendations to Dawn would be that if it's understood what the contract --"

Berexa said, "Could you speak up just a little bit, please --"

Parsons said, "Sure."

Berexa said, "over -- thank you."

Parsons said, "It's my understanding that the contrary, it's the consensus but not a determination by the board that it's a two-and-a-half-year contract and the terms and conditions of the contract exist as they exist now. But if the board was to say we would like to negotiate for any subsequent periods, I would recommend that she'd be willing to negotiate. But she has a current contract so if the company won't honor its existing contracts -- and I'm not saying you would or wouldn't -- why would anyone expect you to honor an insurance contract? So we're all in agreement about the same meaning of the contract. But the technical question has become in my mind and has been explained perhaps here whether the existing contract was terminated, or what you're saying is that in the future you're going to -- at the end of the two-and-a-half-year term, you'll have -- you may have different terms and conditions in salary and compensation. And if that's the case, I would recommend that she be willing to negotiate that second period, absolutely."

Chairman Hayes said, "So let -- if -- and that's a good question. That's the same question that I had for Russ Farrar yesterday but I thought it was -- and I'm -- I wanted Russ to clear this up for me but it -- and he did advise me that the board authorized me to negotiate with Dawn for this current contract, current contract, and -- Russ, let -- I mean, maybe I'm wrong. Did -- maybe I misunderstood you, so please."

Farrar said, "I don't think -- I think -- give me just a minute. I think when we talked yesterday, Curtis, the -- there was some question about the way the minutes read. And I told you -- and I will take this as me wrong or right, that based on this -- on page 31 of the proposed minutes, if you go back, I think, from page 28, 29, 30, 31, 32, there is some -- let me just say some -- kind of some ambiguity in them and we were trying to get to the bottom of it. And what I understand, and from reading this and from being in the meeting, and I stand to be corrected, was that you asked me so -- and this was from you, I think, that Kristin just marked here and handed to me, she said -- so I just want to make sure that -- Counselor, that you're hearing this loud and clear -- I'm sure you are -- that according to counselor's advice that Ms. Dawn Crawford has currently got a, and then there's a little blank space on the remainder of her contract of two years and nine months left, and that the motion states is to terminate the contract. Then it says Holland said give notice to terminate the contract. And then it says Holland said that the current contract would be terminated. And I believe that in putting that in perspective because of the ambiguity that sitting in the meeting, it was determined -- and this is part of the minutes that need to be cleaned up -- that what they were talking about, Mayor Holland, was not to terminate the contract immediately --"

Holland said, "No, right."

Farrar said, "-- but to give notice --"

Holland said, "In two and a half years."

Farrar said, "-- that in two and a half years that it would be terminated. In other words, basically give a notice it wouldn't roll over --"

Holland said, "Yeah."

Farrar said, "-- another year."

Holland said, "Right."

Farrar said, "That it would end in two and a half years because you've given notice --"

Chairman Hayes said, "That's right."

Farrar said, "-- prior to January 1 that it's not gonna roll over another year."

Holland said, "Yeah."

Farrar said, "And that -- that's -- and you all -- there was some discussion in here. Ambiguity, yes, but it was clear from the discussion between you all. And when y'all asked me and I gave that opinion that the intent was that this contract, according to your motion, the way I understood it. You can correct me if I'm wrong. You're sitting here."

Holland said, "No, you're right."

Farrar said, "Was that this contract continue at the time for two years and nine months; now two and a half years. It just would not have another year automatically added on. That's my understanding of the motion and that's what the board voted on."

Holland said, "Because wasn't -- isn't there very explicit language in the contract that says you have to give notice by a certain date?"

Berexa said, "Yes."

Farrar said, "Yeah. Right. But the -- I mean --"

Holland said, "it's going for two --"

Farrar said, "You're exactly right. But the way it's worded --"

Holland said, "Uh-huh."

Farrar said, "-- the way you're -- the way it was first worded, give notice to terminate, you've got to make it clear that you're talking about terminating at the end of the contract --"

Holland said, "Yeah."

Farrar said, "-- not immediate termination."

Holland said, "No."

Farrar said, "Am I right?"

Holland said, "You're exactly right, yes."

Berexa said, "Yeah."

Farrar said, "Okay. Berexa said, "Right."

Brundige said, "Do we need to make a new motion to --"

Chairman Hayes said, "Well, no, no, no, no."

Brundige said, "Well --"

Chairman Hayes said, "No, we do not need to do that. That's why we deferred the minutes until next month's meeting. That's why we did that so."

Brundige said, "Okay."

Farrar said, "We want to clean up the ambiguities. And Mayor Hayes and I didn't even talk about this till yesterday, and he pointed them out to me because I hadn't got to them. I've been up to my eyeballs in alligators and surgeries and --"

Chairman Hayes said, "We'll reserve it for December. You'll make your motion, and we'll go."

Brundige said, "Well, we've got one motion already on the record, you know, for the termination of the contract. But just clean -- December, clean it up cause say when we negotiate if it's for the next contract period."

Chairman Hayes said, "That's right."

Preece said, "Yes."

Chairman Hayes said, "But as of right now --"

Brundige said, "Yep."

Chairman Hayes said, "-- at the end of this two years and nine months, there is no contract."

Farrar said, "Eight -- six months now."

Brundige said, "Right."

Chairman Hayes said, "Well, whatever it is --"

Farrar said, "Right."

Chairman Hayes said, "-- eight, six months."

Brundige said, "It -- but --"

Chairman Hayes said, "So this goes back to the original question: Is Dawn willing to renegotiate the

current contract that she is in right now, and I think that's what the board of trustees -- the board of directors here is wanting to see done.”

Holland said, “That wasn't the motion --”

Farrar said, “No. Huh-uh.”

Holland said, “-- that --”

Chairman Hayes said, “Okay.”

Holland said, “-- that --”

Brundige said, “I think we want to negotiate --”

Holland said, “I don't think – and am no lawyer -- I don't think --”

Farrar said, “No, but you know --”

Holland said, “-- legally --”

Farrar said, “-- what's removed.

Chairman Hayes said, “Right.”

Berexa said, “Correct.”

Holland said, “-- we can renegotiate. Why would Dawn renegotiate a standing contract that is in her favor?”

Tharpe said, “Okay.”

Holland said, “I think that really opens up a can of worms.”

Tharpe said, “Let me --”

Chairman Hayes said, “Well, it don't if she agrees.”

Parsons said, “Well, I am --”

Holland said, “Well, even -- even if she --”

Chairman Hayes said, “Both parties agree --”

Holland said, “-- agrees --”

Chairman Hayes said, “Well --”

Tharpe said, “Could I make comments on that?”

Holland said, “Yeah.”

Tharpe said, “Well, you know, we're here for, like you said before, this is a pity -- pity for the parties.



We've got how much business with all cities in the state right now? Over 90 percent plus. The bottom line is, you know, where are we standing right now, where is our interests, where is our concern. And - if we -- if -- of course, that's gonna be up to Ms. Dawn, I feel like. You know, either way, it's gonna be fine with me. But at the same time, we see that we're not going to renegotiate this in two and half years. See, Ms. Dawn knows that. The bottom line is -- is she willing? Because see, all you have to say is yes or no -- willing to take on to negotiating that or saying this is what I would do under these conditions; that's gonna be up to Ms. Dawn. And that's giving her the opportunity to communicate that to the board, which I feel like is very valuable at this point so that we can move on."

Holland said, "So we -- we've got a motion to re- -- to terminate the existing contract at the end of the two and a half years so --"

Tharpe said, "Yes."

Farrar said, "And that's what needs to be cleared up in the minutes."

Holland said, "Okay. But what you're saying --"

Tharpe said, "Yes."

Holland said, "-- Sam, is do we need a motion now --"

Brundige said, "No."

Holland said, "-- to work with Dawn to renegotiate the current contract?"

Tharpe said, "Well --"

Farrar said, "Huh-uh."

Tharpe said, "-- it depends on what Dawn says. And that's --"

Holland said, "Okay."

Tharpe said, "This is her opportunity to speak at this point."

Holland said, "Okay."

Tharpe said, "I'm not going to judge that on that fact. But I'm -- you know, that's gonna -- in the direction that we need to go on -- based upon the service to our cities, what is the best thing for everybody involved. That's the decision we're at right now. And, you know, then after, we might make a motion. But right now, I feel like we need to -- I need to hear from Dawn. That's what I need to hear from. Okay?"

Parsons said, "May I speak?"

Tharpe said, "I'm not the chairman."

Chairman Hayes said, "Yes."

Parsons said, "You look like you could be --"

Chairman Hayes said, "Are you speaking on her behalf, first?"

Crawford said, "Yes, he is."

Chairman Hayes said, "All right."

Parsons said, "Oh, absolutely. So I'll repeat myself. Dawn has not in the past, is not currently, or in the future planning to waive any rights under the existing contract. And I want the record to reflect that because if we -- if -- just say you're out of here, we're gonna be talking about this contract for a long time to come as we know. So if the arrangement is would she in good faith and with the concept of fair dealing and being respectful and understanding of the circumstance, would she talk about compensation arrangements at the end of the two and a half years, I think I would just say, yes, she would. Clearly she would."

Tharpe said, "Okay."

Parsons said, "There's no ambiguity about that. She's wanting to talk about that. But she does have an existing contract. I was afforded the opportunity to read that page, that motion. That motion is definitely not clear, and we had a little conversation about whether the minutes would be approved today or not. When we had a conversation, in the end, I said, well, this action has been taken regardless of whether you approve or disapprove the minutes, but it's obvious that what was intended by the motion is not what is said in the minutes."

Farrar said, "Right."

Parsons said, "And so I agree with Russ, that there is ambiguity. And so the answer to the question that everybody in the room is -- she'll not renegotiate her existing contract. And if it is terminated, under the contract, you're supposed to pay her so you don't want to let -- that presents all sorts of issues, obviously. So I think she'll renegotiate and we'll -- I'm happy to participate in that for the future at the end of two and a half years."

Chairman Hayes said, "Can we take a five --"

Farrar said, "Can I --"

Berexa said, "It may be --"

Farrar said, "Yeah."

Chairman Hayes said, "Can we take a five-minute break here for just a minute?"

Farrar said, "Yeah."

Chairman Hayes said, "We'll be in recess. Yeah, we'll be in recess. Okay?"

The Board took a brief break at 11:32 p.m.

#### 4. ADJOURNMENT TO EXECUTIVE SESSION

After a brief break, Chairman Hayes called the meeting back to order at 11:42 p.m. He then called on Farrar.

Farrar said, "Yes. Mr. Chairman, I think the time is appropriate for us to go into an executive session,

if that's okay with you and the board, so there can be a discussion with some advice of counsel and input from counsel for a few minutes.”

Chairman Hayes said, “Okay. All right. Do we need to have a vote on that?”

Berexa said, “Probably a motion to go into --”

A motion to go into executive session was made by Tharpe and seconded by Lay. Chairman Hayes asked for any discussion. There was none. Hayes asked for all for the motion to go into executive session to let it be known by saying aye. He then asked for those opposed to the motion to indicate by like sign. There was no response. Chairman Hayes declared all were for it.

The Board adjourned to executive session at 11:43 a.m. at which time everyone who was not a Board member or PE Partners’ counsel left the room.

## 5. RECONVENE TO PUBLIC MEETING

Chairman Hayes announced the Board of Directors as being reconvened from executive session to public meeting at 12:48 p.m. and called the meeting back to order.

In addition to Chairman Hayes, the following individuals were present in the reconvened meeting - Board members: Brundige, Holland, Lay, Preece, Smith, and Tharpe. PE Partners Staff: Crawford and DeMore. Guests: Farrar, Berexa, Parsons and Thompson. Holden was still participating in the meeting via telephone call.

Holland said, “I need to make a motion.”

Chairman Hayes said, “Okay.”

Holland said, “Mr. Chairman, I make a motion that the contract of the CEO is not extended for an additional year and it terminate on the actual date of termination as stated in the contract.”

Smith said, “Second.”

Chairman Hayes said, “There's a motion by Jill Holland; second by Todd Smith. Any discussion?” There was none. Chairman Hayes asked for all for the motion to let it be known by saying aye.” He then asked for all opposed to indicate by like sign. There was no response. Chairman Hayes said, “The motion passed unanimously.

## 6. OTHER BUSINESS

Chairman Hayes asked if there was any other business.

Lay said, “Mr. Chairman, I'd like to make a motion.” Chairman Hayes said, “Okay.”

Lay said, “I move that we ask the Chairman and also Charles to reach out to the national organizations of -- for this organization, do some research for how comparable organizations compensate their CEOs and the structure for which they are being compensated.”

Chairman Hayes said, “Okay. That's a motion made by Victor Lay.” Preece said, “I'll second that.”

Chairman Hayes said, "Second by Ms. Lois Preece. Any discussion?" There was no response. Chairman Hayes asked all for the motion to let it be known by saying aye. He then asked for all opposed to indicate by like sign. There was no response. Chairman Hayes declared the motion passed unanimously.

Chairman Hayes then directed attention to agenda item number four, the Academy Funding for Police Departments and called on Crawford.

Crawford said, "A number of the police departments across the state and actually across the nation, as well as the FBI, use a virtual learning system offered by Savant Learning out of Martin, Tennessee. We have, as you probably know, a large part of our losses come out of the law enforcement arena. And a lot of the smaller departments do not have the funds to do additional training and education for their officers. So we have put together a program to pay for the subscription fee for every officer that would want to subscribe annually to this training program. It's \$69 an officer. And what we're asking for is to take those in various tiers. For example, departments with 15 or fewer officers, we would pay them -- we would pay two-thirds of that subscription fee; below 30 -- or between 15 and 30, pay for one-half of their subscription fee; and the larger departments, pay for one-fourth of their subscription fee of the \$69 per officer. On an annual basis, that would come out to somewhere between \$140- and \$160,000 for every department that we currently insure. This would not include any department that we do not insure. If we have the ability to make a budget amendment and fund the second half of this year, I'm -- would be requesting about \$60,000 to kick this program off and then we would up the budget for an annual fee starting next year. But we really want to be able to help out the smaller departments that just don't have the resources."

Smith said, "Dawn, what was the training focused on again? I --"

Crawford said, "Law enforcement."

Smith said, "Well, what -- is there a particular part of --"

Crawford said, "There's a wide variety within their suite."

Smith said, "Does it cover their -- of course, they -- they're required to get so many hours of annual training. Is this --"

Crawford said, "It is POST certified."

Smith said, "Okay. Good."

Brundige said, "It's training from the FBI also."

Lay said, "So you're asking if we did it now, it would be a \$60,000 change versus the \$160-?"

Crawford said, "Yes, sir."

Lay said, "So that's an annual fee?"

Crawford said, "Yes, sir."

Lay said, "All right. So if all the departments -- let's say we did it in January and all of the departments said, hey, we want to be a part of it, wouldn't we experience that same \$160,000 in the next six months?"

Crawford said, "Not according to the numbers they gave me."

Lay said, "Okay."

Crawford said, "They said for the -- it's a monthly -- is it a monthly charge?"

Lay said, "Is that a --"

Crawford said, "Monthly charge."

Lay said, "Okay. So --"

Holland said, "So it's \$69 --"

Lay said, "-- a month -- \$69"

Holland said, "-- a month per officer? Is that what you said?"

Crawford said, "Is that correct? I think they --"

Brundige said, "That's what --"

Crawford said, "Yeah."

Lay said, "6 -- all right."

Brundige said, "We pay for it right now."

Lay said, "And that's what -- it's \$69 a month per officer?"

Holland said, "Does it save you all --"

Brundige said, "We haven't had a lawsuit in the police department in years."

Holland said, "It's been a long time."

Brundige said, "Long time."

Holland said, "But it's cheaper than sending to them to the classes?"

Brundige said, "Yeah."

Lay said, "That's only -- that's \$800 per person per year."

Brundige said, "It's virtual online. You do it."

Lay said, "If they were --"

Holland said, "Yeah."

Brundige said, "And then they'll have some training --"

Chairman Hayes said, "All right. Guys, we've got too many people talking at once for our court

reporter. Victor Lay and Ms. Crawford here's got the --"

Crawford said, "Okay. I was not expecting this to be on the agenda so I don't have my material with me. But in discussing this with Dr. Nassar and his staff, if we could kick it off in January as opposed to waiting till July, the estimate is somewhere around \$50- to \$60,000."

Chairman Hayes said, "And I think what Ms. Crawford informed me, if we approve this today, then we could get it kicked off in January if we approved it in December."

Crawford said, "It would be pretty hard to turn it around for a January 1 start if we waited until December."

Chairman Hayes said, "Okay. I know that's what we discussed."

Lay said, "So your numbers actually came from a proposal from them?"

Crawford said, "Yes. And then I reconciled it back with our schedule. Of the 245 departments, we insure 140 - 150 of them so it's based on that."

Lay said, "So the --"

Crawford said, "The number would be higher if we insured the other 95 cities. So to answer your question we're only insuring a portion of that."

Lay said, "Okay. All right."

Holland said, "Then how many would be -- the -- a number would be higher?"

Crawford said, "It -- the first six months, we're requesting \$60,000. When we do the fiscal budget for July 1, it would probably go to around 150- because we assume at that point we will be picking up some additional departments."

Holland said, "Okay."

Lay said, "Of course, it also assumes that those respective agencies will go, hey, I'll pay for two-thirds or three-quarters of my officers for this, too."

Crawford said, "A majority of the 150 that we insure are already participating in this program. We would just be helping them out financially and then hoping to bring in smaller ones."

Smith said, "I make I motion we approve the --"

Chairman Hayes said, "Motion made by Todd Smith."

Lay said, "Second."

Chairman Hayes said, "Second by Victor Lay. Any discussion?"

Preece said, "What's the name of this program again?" Crawford said, "It's Savant Learning Systems and the actual program is called V-Academy."

Preece said, "And the \$69 is a monthly fee?" Crawford said, "No, ma'am, it is a --" Preece said, "It is a yearly --" Holland said, "Oh, it's yearly?" Crawford said, "Yes, ma'am." Holland said, "Okay."

**Chairman Hayes asked for any other discussion.**

**Tharpe said, “Let me say this, I feel like a lot of our small cities and even the medium-size cities for training purposes for your policemen is gonna make a difference.”**

**Lay said, “Yeah.”**

**Tharpe said, “It's gonna make a tremendous difference for that process so. Call for votes.”**

**Chairman Hayes asked for any more discussion. There was no response. Chairman Hayes asked all for the motion to let it be known by saying aye. He then asked for all opposed to indicate by like sign. There was no response. Chairman Hayes said the motion passed unanimously.**

**Crawford said, “Thank you very much.”**

**Chairman Hayes asked if there was any other business.**

**DeMore informed Board members that he had told Crawford and Farrar earlier in the week about his decision to retire at the end of May 2020 and expressed his appreciation to the organization and the folks working here. Chairman Hayes told DeMore he has done a great job here for many, many years and noted that he would still be around for a little while yet.**

## **7. ADJOURNMENT**

**Chairman Hayes asked if there was any other business.**

**A motion was made by Tharpe to adjourn and seconded by Holland and Brundige. Chairman Hayes asked all for the motion to let it be known by saying aye. He then asked for all opposed to indicate by like sign. There was no response. Chairman Hayes declared the meeting adjourned at 12:58 p.m.**

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**William Curtis Hayes, Chairman**

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**Charles DeMore, Secretary**