

1 STATE OF TENNESSEE
2 DEPARTMENT OF COMMERCE AND INSURANCE
3 TENNESSEE EMERGENCY COMMUNICATIONS BOARD

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TRANSCRIPT OF THE PROCEEDINGS

February 3, 2011

Ad Litem Reporting
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Reported by: Amanda F. Martin

1 APPEARANCES:

2

3 Board Members Present: Mr. Randy Porter, Chair
4 Mr. Mark Archer, Member
5 Ms. Katrina Cobb, Member
6 Mr. Robert T. Lee, Member
7 Mr. Freddie Rich, member
8 Mr. Steve Smith, Member

9

10 Board Members Not Present: Honorable R. Hal Buttram, Member
11 Mr. Ike Lowry, Vice Chair
12 Mr. James Sneed, Member

13

14 Staff Members Present: Ms. Lynn Questell
15 Executive Director

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17 Mr. James Barnes
18 Fiscal Director

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20 Mr. Robert McLeod
21 Director of Audit

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23 Mr. Curtis Sutton
24 General Counsel

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26 Mr. Andy Spears
27 Director of Governmental &
28 External Affairs

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1 CHAIR PORTER: Good morning, everyone.
2 I would like to welcome you to the February 3rd, 2011, meeting
3 of the Tennessee Emergency Communication Board. Good to see
4 everyone this morning.

5 If you would let the record show that all
6 the members are present, except for Mr. Sneed, Mr. Buttram,
7 and Mr. Lowery. We do have a quorum.

8 And the first item on the agenda this
9 morning, Lynn?

10 MS. QUESTELL: Yes.

11 CHAIR PORTER: We'd like to call
12 Ms. Leslie Newman to come up, if she would.

13 And, Lynn, I think you have a plaque for
14 her.

15 And we want to show our appreciation this
16 morning --

17 MS. NEWMAN: Thank you.

18 CHAIR PORTER: -- for the great
19 relationship that we have had with you in your tenure as
20 Commissioner. And we just can't say thank you enough. And we
21 want to --

22 MS. NEWMAN: Well, it's been my pleasure.
23 And it's been wonderful to work with my friend Lynn. And
24 you guys do great, great, great work for the state of
25 Tennessee. So keep up the good work. And I know you're --

1 you're implementing as we speak your new platform. And that's
2 very, very exciting and a great, great service.

3 Thank you for this (indicating). I
4 appreciate it.

5 CHAIR PORTER: We -- we wish you the best
6 in whatever you do --

7 MS. NEWMAN: Thank you. Thanks.

8 CHAIR PORTER: -- and consider you a great
9 friend. And we appreciate everything.

10 Lynn, did you have something you wanted to
11 say?

12 MS. QUESTELL: I really do. Because
13 you-all need to know what a great friend she has been to 911.
14 I mean, when she first got appointed Commissioner, that was
15 when we were having the big thing about the \$14 Million
16 Operational Funding. And she just jumped right in and
17 supported us and helped in meetings with the administration.
18 It was really needed. And you-all know how much it was
19 needed. And from that moment on, she was the most
20 enthusiastic supporter of 911. She has been a real champion
21 of the NG911 Project. And because we're administratively
22 attached, you know, only 911 people are fully going to
23 appreciate what she's done for 911. And it's been so much.

24 Thank you so much.

25 CHAIR PORTER: Thank you.

1 (Applause)

2 CHAIR PORTER: Okay. The next item on the
3 agenda is the executive director's report.

4 Lynn?

5 MS. QUESTELL: Thank you, Mr. Chairman.

6 I would like to report on the status of
7 the wireless carrier and Voice over IP deployment and
8 activity.

9 We had kind of an interesting anomaly
10 happen on January 25th. Several PSAPs reported that they
11 received a significant number of 911 calls from Verizon
12 subscribers who say that they had received text messages
13 instructing them to call 911. And this was -- Rex
14 investigated it. And it was due to a glitch that had
15 occurred as they were working on a new capability. What
16 they're going to be doing is if someone texts 911, there will
17 be an automatic message that will come back to that person
18 saying call 911, your text won't be received.

19 And I just want to commend the carriers
20 that are doing this. Verizon had their little glitch, but
21 their intent is to make sure that people who are texting 911
22 know that that's not going to happen. You can't text to a
23 three-digit number right now. And so we want to commend --
24 AT&T is also doing that.

25 There seems to be a lot of

1 media attention -- most of it is incorrect -- about the
2 texting to 911. We are unaware of any statewide system that
3 can accept text messages to 911.

4 There was some media attention in
5 Jonesboro, Arkansas, about their PSAP being able to receive
6 text messages. And Rex actually went over to Jonesboro to
7 check it out. And they're texting a seven-digit number with
8 "9-1-1" in the number. It's not texting 911. That was just a
9 seven-digit number set up on a Blackberry device. And we
10 believe that is very dangerous for the public to believe that
11 they can text 911.

12 And when we get our Next Generation 911
13 Project completed, we will have the capacity to receive text
14 messages when the industry develops the technology to text
15 911. Just like Phase II, it's not going to be people in PSAPs
16 that are developing the ability to text to 911. It's going to
17 be the people in the telecommunications industry. But for
18 now, you know, you're just not going to be able to text to a
19 three-digit number. And that's -- that's just where we are.

20 Reporting on misroutes or call anomaly
21 issues. I'm happy to report that we have had no substantiated
22 reports of misroutes since the last meeting.

23 PSAP outages. On December 21
24 Decatur County was unable to receive any wireless 911
25 calls. And the problem was resolved within a few hours after

1 AT&T discovered a problem in their equipment in the Nashville
2 connection between Frontier and DTS, which was the local phone
3 company in Decatur.

4 ECD activities. Jefferson County ECD has
5 decided to renovate their existing facility rather than build
6 a new one, which they planned to do.

7 And Obion County ECD is celebrating its
8 20th anniversary for taking 911 calls and has just completed
9 renovations to its PSAP.

10 I wanted to just kind of mention something
11 about the status of census-based adjustments to funding
12 programs. We're waiting to receive the instructions from
13 the State regarding implementation of the results for the
14 2010 Federal Census. We think there's kind of a certification
15 process to verify the accuracy of the information the
16 Census Bureau received from local governments. And after
17 the State informs us that the new census information can be
18 used, we will recalculate the 25 percent and distributions
19 that we make by statute and we will adjust the figures for the
20 Operational Funding. And we'll let you know as this is going
21 on. But we just haven't received any word from the State yet.
22 So we're kind of in a waiting mode, too.

23 The status of the NG911 Equipment
24 Reimbursement. As of January 18th, 19 PSAPs have either been
25 paid or in the process of being paid for requests totaling

1 \$3,368,925 under the NG911 Equipment Funding Program.

2 We would like the districts who can to
3 please kind of hold off on making those purchases. I know
4 some people can't. But it's our intent to activate the
5 Operational Committee and do committee meetings in -- at four
6 places in the State within the next few months -- very few
7 months. And we'll have representatives from RGIS Group and
8 from TCS, which is the successful bidder on our contractor for
9 the 911 management, and AT&T and ORI, the other state agency
10 that does the NetTN Project.

11 And we'll come around and actually answer
12 all the questions -- now that we've got KTS onboard, we can
13 answer all your questions and kind of -- that information
14 might be really helpful when you're deciding what you want to
15 do with the new equipment and how you want to go about getting
16 it.

17 The status of the \$150,000 Essential
18 and Necessary Equipment Reimbursement. As of January 18th,
19 95 districts have either been paid or in the process of being
20 reimbursed for requests totally 12,694 -- \$12,694,268.

21 Sixty-one districts have requested the
22 maximum amount of \$150,000. Eight more have less than \$10,000
23 remaining in their allocation. And five have not initiated
24 any kind of documentation for requesting any of that money.

25 The status of the GIS Mapping

1 Maintenance Grant. As you-all know, those have been
2 discontinued, but we are continuing the exact same funding of
3 \$10,000 per year for Mapping Maintenance as part of the
4 Operational Funding Program. So we had to close out all the
5 grants. And I am happy to tell you that all the closeout --
6 the grand closeout reports have been received. So everyone
7 will be getting their \$10,000 for the Mapping Maintenance this
8 year.

9 The status of the dispatcher training
10 reimbursement. The payment of \$2,200,000 for dispatcher
11 training was disbursed on August 17th.

12 I wanted to report on our negotiations
13 with Charter Communications. As you may remember, in
14 March 2009 the Board filed a complaint with the Tennessee
15 Regulatory Authority asserting that there were errors in
16 Charter's remittances to a number of districts. Most of the
17 errors related to the fact that they weren't charging the
18 proper amount for business lines. And we agreed to -- that
19 they would have an audit. We've received the results of that
20 audit, and we're reviewing it at this time.

21 MagicJack. In conjunction with several
22 states and the District of Columbia we are investigating the
23 application of 911 service and fee requirements to this
24 company. They're -- MagicJack is a wholly owned subsidiary of
25 this company called YMax. And they're claiming because

1 they're separate, that none of the 911 rules or the 911 fees
2 would apply to them. And there's two legal actions pending
3 against them. One is in West Virginia, and one is in Florida.
4 We're following this closely.

5 AT&T's T1 and PRI charges. I am
6 delighted to tell you that effective January -- effective
7 February 19, 2011, AT&T will change their 911 service charges
8 on T1 and PRI circuits that you-all will receive in your
9 landline remittances to be consistent with the Board's policy
10 and Attorney General's opinion. And what this means is in the
11 case of T1 circuits, there will be a landline -- 911 landline
12 fee imposed on each of the 24 lines available to the
13 subscriber that can transmit a phone call. And as to PRI,
14 each of the 23 lines used for telephonic purposes that are
15 available to the subscribers. So pat on the back to AT&T for
16 that.

17 The Inter-Tandem Transfer Project is
18 complete. So all PSAPs that line on tandem borders now have
19 speed dial to a PSAP server by their adjacent tandems. And
20 PSAPs have been given the option of updating their speed dial
21 list.

22 I wanted to update you on NG911. As I
23 mentioned just previously, we do have a successful bidder on
24 the 911 management part of this project. That means the team
25 is complete and that means that we can move ahead. Our plan

1 is that we should have the districts deployed locally within a
2 year to 18 months. Just for non-wireline.

3 I want to say that TCS, I think they would
4 be a great partner. They already have two knocks in divers
5 locations. So that -- that is a big step. We worked with
6 them closely during the Phase II deployment. And they did
7 great. So we are having a meeting with them and -- next week.
8 And we're very optimistic that this is going to go great.

9 I wanted to update you on our committees.
10 I just mentioned that the Operations Committee will be hitting
11 the road now that we've got the whole team in place for NG911.
12 Planning on having, as I said, four different meetings in
13 Upper Northeast, East, Middle, and West Tennessee so that it
14 will be convenient for everybody. And we'll webcast probably
15 the Middle Tennessee one so that if -- you can get to take
16 advantage of the questions that were asked. It's basically
17 going to be a question and answer session. Any kind of
18 questions, bring to it. We'll be sending out notices within
19 the month.

20 The Policy Committee met in January to
21 discuss a program offered by the National Center for Missing
22 and Exploited Children. And I'll talk about that later when
23 we get to the action items.

24 Legislative update. Andy has been busy
25 obtaining sponsors for the three bills that the Board intends

1 to back in the General Assembly. And these bills are the
2 purchasing bill that will allow ECDs to buy off of other
3 governmental entities' contracts. There is a current bill out
4 there -- a new -- now a new law out there, but it has a
5 \$10,000 cap. And that's not going to help districts when
6 they're wanting to buy controllers and stuff like that. So
7 we're going to take another bite at that apple.

8 Another bill would be -- that the Board
9 is sponsoring is to exempt recordings of 911 calls from the
10 Open Records Act unless the caller consents or there's a court
11 order.

12 And I wanted to thank Bobby Lee who, at
13 the last meeting, suggested that we present that bill at the
14 open meeting board -- Open Records Board meeting that was
15 being held a couple of months ago. And that was really a good
16 idea and really gave us an opportunity to kind of know what to
17 expect from this.

18 And, thank you.

19 We -- I think Andy got some sponsors after
20 presenting that. So that -- that worked out great.

21 And the third bill is a bill seeking
22 parody with law enforcement for dispatchers on the statutory
23 requirements for the job. The statutory requirements are
24 almost identical, but law enforcement has a process where
25 certain of the requirements can be waived. And the

1 requirements would be the prohibition on anyone serving who
2 has a conviction, guilty plea, or nolo plea to any misdemeanor
3 charges relating to force, violence, theft, dishonesty,
4 gambling, liquor, or controlled substances. The waiver will
5 not apply to any kind of felony charges or anything like that
6 or any domestic abuse charges.

7 But this would allow a district only, not
8 an individual. But if a district wanted to hire somebody that
9 had something in their past that they -- that would trigger
10 this to initiate a waiver process that would be set up by the
11 Board.

12 So those are the laws that the Board is
13 going to sponsor.

14 Since the last meeting two bills have
15 been filed that have impact on 911. Senator Overbey and
16 Representative Montgomery filed a bill that would allow
17 governmental entities that had entered into mutual aid
18 agreement to request aid only for emergency medical services
19 at a dispatching center in a contiguous county only in a case
20 of a serious injury or possible loss of life. And as I
21 understand it, this practice is basically already occurring
22 and the bill was simply to clarify that that's fine.

23 So -- and the second bill was filed
24 yesterday. Senator Mike Bell filed a bill to prohibit the
25 State from diverting 911 funds or its interest to the

1 general fund.

2 Last year when he was in the House he
3 filed essentially an identical bill, and now that he is in the
4 Senate he is filing this. And if the Board does not object,
5 we will treat this just like we did last year and support it
6 wholeheartedly.

7 Okay. Reporting on FCC. Well, on
8 February 14th it will be three years since the Board filed its
9 petition to -- about non-initialized phones in the FCC. And
10 I -- believe me, I have been the squeaky wheel. And they
11 always tell me, oh, we're going to get to that, we're going to
12 get to that.

13 We have started a petition. I've sent it
14 to the NASNA people all across the country. We're going to
15 file a real petition that says it's time for you to address
16 this issue. And we're going to file it on February 14th. And
17 we've gotten a pretty darn good number of signatures. And we
18 would appreciate anyone who is involved in law enforcement or
19 any kind of emergency services or 911 to sign this petition.
20 I can send you out -- I've sent it out to all the districts in
21 a form.

22 If you haven't signed it and you want to,
23 give us a call or send us an e-mail and we will send you the
24 form. Because the more, the merrier. I mean, we need to let
25 them know that -- you know, they're offering all sorts of

1 interesting things with broadband and everything else.
2 This is a real public safety issue that they're just sitting
3 on. And I've probably said enough.

4 The last item on my report is that the
5 Board has been moved back into the Davy Crockett Tower. We
6 are on the eleventh floor if you-all come looking for us.
7 And you're certainly welcome.

8 CHAIR PORTER: Any questions of Lynn on
9 her report?

10 MEMBER LEE: Just one follow-up.

11 Lynn, on the GIS Mapping Maintenance --
12 so the last time I think there was a -- there were three
13 counties, I believe, that had not filed a report. And
14 everything is okay now?

15 MS. QUESTELL: Everything is just fine.
16 We have checked on all of them, and they've got it all in.
17 We've made calls, and they've responded.

18 MEMBER LEE: Okay.

19 MS. QUESTELL: We are good to go.

20 MEMBER LEE: Thank you.

21 CHAIR PORTER: Other questions?

22 (Pause)

23 CHAIR PORTER: Hearing none -- thank you,
24 Lynn.

25 Next item on the agenda is Staff's

1 recommendations for the extension of landline rates in
2 Giles, Marshall, Roane, Robertson, Tipton, Union, Wayne, and
3 White County ECDs. And I think where this goes is Staff
4 usually recommends the extension of them and if we don't
5 object -- there's no motion required.

6 So what's the Staff's recommendation?

7 MS. QUESTELL: Thank you, Mr. Chairman.

8 The landline rate for Giles, Marshall,
9 Roane, Robertson, Tipton, Union, Wayne, and White Counties
10 were reviewed under Policy 14, and Staff has analyzed reports
11 that the districts presented to us.

12 Want to report that the contributions by
13 other governmental entities to these districts have not been
14 reduced and that the justifications for the rate increase
15 still appear to be valid. Keeping in mind that Policy 11
16 allows the Board to modify the rate for 911 service charges
17 at any time and that Policy number 42 requires district
18 management to notify the Board if contributions to their
19 operations by local government are reduced.

20 Staff has found no reason not to allow the
21 current rate for the above-listed districts to be continued at
22 this time. The recommendations for extension are contingent
23 upon contributions from local government remaining the same
24 during the extension period.

25 And last -- at the last meeting there had

1 been a discrepancy between the agenda and what the Staff had
2 actually analyzed. So just to correct the record, I want to
3 read into the record the districts that Staff essentially
4 recommended that the landline rates be extended. That
5 would be Cumberland, Humphreys, Knox, Rhea, Unicoi, and
6 Robertson County ECD.

7 CHAIR PORTER: You've heard Staff's
8 recommendations. Is there any abstentions to -- any
9 objections to any of those being extended?

10 (Pause)

11 CHAIR PORTER: Hearing none.

12 Okay. Next item on the agenda is to
13 consider the propriety -- property -- propriety of covering
14 route out costs in Perry County ECD.

15 Did I say that right?

16 MS. QUESTELL: Propriety.

17 Well, it's okay or not.

18 CHAIR PORTER: Who came up with that big
19 word?

20 (Laughter)

21 MR. SUTTON: It was her (indicating).

22 MS. QUESTELL: You should have seen what
23 it was before.

24 The landline telephone company in
25 Perry County is TDS Telecommunications. And Perry County is

1 served by TDS central offices located in Decatur and
2 Wayne Counties.

3 Although TDS has delivered 911 calls from
4 the fringe areas of Perry County to the Perry County PSAP in
5 Linden, they've used special circuits from the parsons,
6 which is in Decatur County central office to Linden, and from
7 the Waynesboro central office to Linden to accomplish this.
8 Mileage-related charges on these special circuits would have
9 been applied years ago had TDS realized it was not getting
10 revenue for them. TDS has caught its error and has agreed to
11 waive any installation charges and simply impose the increased
12 charges going forward. The total new 911 charges would be
13 \$642.23 a month up from \$285 that Perry has been paying.

14 And Staff looks at these charges as being
15 somewhat analogous to the ones -- the charges that the Board
16 agreed to absorb in Bledsoe County to correct its route out.
17 And once the Next Generation 911 Project gets deployed, these
18 will go away. So Staff would like your permission to absorb
19 these additional costs for Perry County.

20 CHAIR PORTER: You've heard the
21 recommendation from Staff.

22 What's the will of the Board?

23 MEMBER ARCHER: Motion.

24 CHAIR PORTER: We have a motion that we
25 approve.

1 MEMBER COBB: Second.

2 CHAIR PORTER: And second by Ms. Cobb that
3 we approve covering the costs of route outs in Perry County.

4 Any discussion?

5 (Pause)

6 CHAIR PORTER: Hearing none, all in favor
7 say "aye."

8 THE BOARD: Aye.

9 CHAIR PORTER: All opposed, like sign?

10 (Pause)

11 CHAIR PORTER: Motion carried.

12 Next item is to consider appointment of
13 member for the Operations Committee.

14 MS. QUESTELL: Thank you.

15 There's an open position on the
16 Operations Committee. It arose when Roxanne Brown left
17 Metro Davidson County ECD, and it's not been filled. And it
18 is recommended that the Board appoint John Allman, Director of
19 IT for the City of Brentwood to this position. The Nomination
20 Committee makes this recommendation.

21 I think it's a great recommendation.

22 The demographics fit well because the position was meant to
23 represent Middle Tennessee. And I have to say that John has
24 exceptional IT skills, and that will make him a very valuable
25 addition to the committee, which is going to be taking a more

1 active role now that we have our team complete for NG911.

2 CHAIR PORTER: You've heard Staff's
3 recommendation to appoint John Allman to the Operations
4 Committee.

5 What's the will of the Board?

6 MEMBER SMITH: So move.

7 CHAIR PORTER: Motion by Mr. Smith.

8 Do I have a second?

9 MEMBER LOWRY: Second.

10 CHAIR PORTER: We have a motion and second
11 that we appoint Mr. Allman to the Operations Committee.

12 Is there any discussion?

13 That second was by Mr. Lowry.

14 (Pause)

15 CHAIR PORTER: Hearing no discussion, all
16 in favor say "aye."

17 THE BOARD: Aye.

18 CHAIR PORTER: All opposed, like sign?

19 (Pause)

20 CHAIR PORTER: Motion carries.

21 New item on the agenda is to consider
22 creation of a new membership position for the Office of
23 Information Resources on the Policy Advisory Committee and the
24 appointment of the new member.

25 Lynn?

1 MS. QUESTELL: Thank you.

2 As the Next Generation 911 Project
3 is deployed, the Board's activities are going to be more and
4 more tied to the Office of Information Resources. They have
5 been a tremendous partner and have provided so much assistance
6 as we've proceeded this far along with Next Generation 911.
7 And I was -- I met with the leadership of OIR because I was
8 trying to talk the -- I was having a discussion about PBXs
9 and about the need to provide ALI -- some kind of ALI and ANI
10 and update the State's phone system. Because I don't think we
11 can push that -- we've got to lead by example.

12 So I was meeting with them to kind of get
13 that going. And it was a good meeting. I think we're going
14 to see some movement in that. But they suggested that it
15 would be a good idea to have someone from OIR on the
16 Policy Committee. And I have to agree with that. Because we
17 are more and more tied with them. They are in FNA, which
18 holds the key to the purse. If they're in favor of the
19 proposal, we're going to get support from FNA which is always
20 a good thing if you're trying to get something done. It's a
21 necessity.

22 The person in OIR that I've been working
23 most closely with is Vickie Stanfield. She is head of the
24 NetTN Project. NetTN is the statewide IP platform that our
25 911 system will be a part of. And -- so I would like to

1 propose that the Board create this position for OIR on the
2 Policy Committee and appoint Vicki Stanfield to fill it. I
3 think that can only strengthen the committee having her.
4 She's extremely technical. She's also extremely well-versed
5 on how to get things done in the State. She would be a great
6 person to be on this committee.

7 CHAIR PORTER: You've heard the
8 request from Staff that we create a new position on the
9 Policy Committee for OIR and that we appoint Vicki Stanfield
10 to that position.

11 What's the will of the Board?

12 MEMBER COBB: So move.

13 CHAIR PORTER: Motion by Ms. Cobb.

14 Do I have a second?

15 MEMBER LEE: Second.

16 CHAIR PORTER: Second by Bobby that we
17 create a new position on the Policy Committee for OIR and we
18 appoint Vicki Stanfield in that position.

19 Any discussion?

20 (Pause)

21 CHAIR PORTER: Hearing none, all in favor
22 say "aye."

23 THE BOARD: Aye.

24 CHAIR PORTER: All opposed, like sign?

25 (Pause)

1 CHAIR PORTER: Motion carried.

2 Let me say, too, on Vicki's behalf,
3 I didn't know Vicki until we got started working on this
4 NG Project. But she has been a super ally to the ECB and to
5 everything we've been trying to do. I don't think we would be
6 at the place we are today if it had not been for her. That's
7 how special she's been to us. I've been to a lot of meetings
8 with her and a lot of conference calls. She's a very
9 knowledgeable lady. She would be a great, great asset to us.
10 She already has been and she will be on this committee. So
11 I'm very proud that we are doing this. It will work great for
12 us.

13 Next item on the agenda is to consider
14 recommendations of the Policy Advisory Committee. And I guess
15 the first recommendation that is coming to us is to -- they're
16 recommending that we promulgate additional dispatcher training
17 requirements directly related to 911 calls reporting missing
18 children.

19 MS. QUESTELL: Yes.

20 CHAIR PORTER: You want to talk about that
21 one first, I guess?

22 MS. QUESTELL: Yes, sir. Thank you.

23 The Policy Advisory Committee met on
24 January 19th to consider whether to recommend that the
25 Board -- two things, to either adopt standards for dispatching

1 911 calls reporting missing or exploited children and -- or
2 change the dispatcher training. And after considerable
3 discussion, the Committee was quite adamant that it did not
4 want the Board to adopt the standards. It did not want the
5 Board to even encourage districts to adopt standards.

6 What it did do and what it recommends to
7 the Board is that it wants to add an additional five hours of
8 training specially related to missing children, add that to
9 the initial 40 hours of dispatcher training that the Board has
10 already got in place; and then to add two hours to the
11 continuing ed. requirement of eight hours every two years.

12 I think the thinking in part was that
13 this additional education would lead to districts adopting
14 standards on their own without the Board pushing it -- pushing
15 them in to it.

16 And I really recommend the additional
17 training. It's essentially available from the National Center
18 for Missing and Exploited Children at no cost. They provided
19 free "train the trainer" classes. They've got a program where
20 if you as a 911 person get a police chief or somebody like
21 that to go with you, they'll fly you to D.C. for training and
22 put you up and feed you.

23 I know that Jennifer Estes had completed
24 this training. And Loudon County is actually going to become
25 a partner to this program of adopting specific policies for

1 handling missing children calls. I mean, what is more
2 important than being totally professional and knowing what
3 you're doing when there's a case of a missing child? And this
4 additional training will go a long way towards making sure
5 that all of our dispatchers know how to handle that in a way
6 that's been shown to be effective and professional and
7 helpful.

8 So if the Board would vote on that.

9 CHAIR PORTER: You've heard the
10 recommendation from the Committee, and also from Staff, that
11 we add an initial five hours of dispatcher training in the
12 initial 40-hour training, and then two additional hours every
13 two years as far as the ongoing process of recertifying
14 involving missing children -- the report of missing children.

15 What's the will of the Board?

16 MEMBER LOWRY: Move.

17 CHAIR PORTER: Motion by Mr. Lowry.

18 Do we have a second?

19 MEMBER COBB: Second.

20 CHAIR PORTER: Second by Ms. Cobb that we
21 add the additional five hours and two hours on the every two
22 years basis.

23 And I'm guessing that Staff is going to do
24 something out to all of the districts to make them aware of
25 this.

1 And is there going to be a time limit,
2 Lynn, as far as when will this start and how long will they
3 have to get the training done? Or are we leaving it open?

4 MS. QUESTELL: Well, what we're going to
5 have -- what we're going to have to do is promulgate
6 regulations. That is a very lengthy process. It's actually
7 much harder to promulgate regulations than to get a law
8 passed. That's going to be Curtis's thing.

9 And I have to say that right now the
10 Administration has put a freeze on promulgating regulations.
11 So I don't know when we can actually start up this process.
12 But it requires the hearing and all that.

13 And I guess what I would say, what I would
14 like to do -- nothing prevents districts from getting this
15 training without the regs. And I'd like to send out all of
16 this information and let the districts know that this is
17 available and that they should do it and that a regulation is
18 coming down the road. But that -- the lack of a reg shouldn't
19 prevent them from going ahead with the training.

20 CHAIR PORTER: Have any of you-all ever
21 sat on the board where you did the -- promulgate rules?

22 That is an absolute nightmare and can
23 be -- on the EMS Board, we might promulgate rules and do it
24 today and it might be two years from now before they ever
25 cleared all the hurdles -- Bobby knows -- going through the

1 State process before you could ever get them out and actually
2 be a rule.

3 So this is at least the start of that
4 process. And once this board ever gets into promulgating
5 rules, our meetings will definitely increase in the time
6 length that we are here. But it's something we're going to
7 have to do. We've been lucky to get by with it all these
8 years without having to do it.

9 Okay. We've got a motion on the floor.
10 But don't you think we need to -- after we vote on this,
11 maybe we need a little something extra to send out something
12 that we recommend or something until we can get these done.
13 Because --

14 MEMBER LEE: So let me ask this.

15 So, Lynn, our training is promulgated by
16 rules?

17 MS. QUESTELL: We help -- we promulgated
18 the regulations for the dispatcher training. And it's --
19 right now it's initially a 40-hour training course that has to
20 be done within the first six months. And then every other
21 year they have to have eight hours of additional training.

22 MEMBER LEE: So this would be amending
23 those rules?

24 MS. QUESTELL: Correct.

25 MEMBER LEE: So what we're doing is just

1 making a motion to start moving the process to amend those
2 rules?

3 MS. QUESTELL: Yes, sir.

4 CHAIR PORTER: Okay. We've got that
5 motion on the floor. We'll go ahead and vote on it.

6 Is there any other discussion?

7 (Pause)

8 CHAIR PORTER: All in favor say "aye."

9 THE BOARD: Aye.

10 CHAIR PORTER: All opposed, like sign?

11 (Pause)

12 CHAIR PORTER: Motion carried.

13 I guess what I'm wondering, do we need to
14 send out something that the Board needs to recommend that
15 folks go ahead and be doing this training until this rule gets
16 put into place? And I think a lot of places will. Just if
17 they get something from us that we recommend the training and
18 that's it's available and here is how you get, that maybe some
19 of these folks will go ahead and start training and not wait
20 on the rule to come about.

21 MEMBER LEE: I will make that motion.

22 I make the motion that Staff send out a
23 communication to the districts urging them that the Board has
24 taken the position to amend the rules for this type of
25 training and urging the districts to seek this training

1 and make -- showing them where the training is available.

2 CHAIR PORTER: Great.

3 Do I have a second?

4 MEMBER SMITH: I'll second.

5 CHAIR PORTER: Second by Mr. Smith.

6 Any discussion?

7 (Pause)

8 CHAIR PORTER: This is a critical thing.

9 If your district has ever been involved with a missing child
10 and taking that call and all the frantic stuff that goes on
11 with it, it's a tough situation. The more training they can
12 get out of it, the better they are.

13 Hearing no discussion, all in favor say
14 "aye."

15 THE BOARD: Aye.

16 CHAIR PORTER: All opposed, like sign?

17 (Pause)

18 CHAIR PORTER: Motion carried.

19 And the second part of the Policy Advisory
20 Committee's recommendation was asking the Board to approve
21 surveying the ECD directors regarding the process for seeking
22 local 911 fee increases.

23 MS. QUESTELL: Yes, sir.

24 The Policy Committee recommended that the
25 Board conduct a short survey on the current process for

1 seeking rate increases. And this recommendation came in the
2 wake of a meeting that we had with Senator Kyle who stated
3 he would give the Board the opportunity to self-review the
4 rate increase process for landline in light of his concern
5 about the lack of any elected official's involvement in the
6 process. Senator Kyle stated that in the absences of
7 self-review, he would take action. The results of this survey
8 may be relevant should he file a bill altering the rate
9 increase process. The questions -- which I will read in a
10 second -- would be disseminated through SurveyMonkey, which is
11 a free service. The questions would be -- four questions.

12 Do you believe elected officials -- i.e.,
13 county commissioners or alderman in municipal ECDs -- should
14 weigh in on the rate increase process?

15 Question (2). Has such elected officials
16 in your area expressed a desire to weigh in on the rate
17 increase process?

18 Question (3). Would adding a requirement
19 that elected officials endorse proposed rate increases be a
20 welcome change?

21 And question (4). Do you believe the
22 current rate increase process provides for adequate public
23 input?

24 CHAIR PORTER: All right. You've heard
25 the recommendation from the Committee and from Staff that we

1 do this -- we do this survey of the ECD directors to see what
2 their wishes are on this process.

3 What's the will of the Board?

4 MEMBER RICH: So move.

5 CHAIR PORTER: We have a motion.

6 Do I have a second?

7 MEMBER ARCHER: Second.

8 CHAIR PORTER: Second by Mr. Archer that
9 we do the survey.

10 And what did you call it on?

11 MS. QUESTELL: It's called SurveyMonkey.

12 CHAIR PORTER: SurveyMonkey.

13 Okay. Any discussion?

14 (Pause)

15 CHAIR PORTER: So I want everybody --
16 there will be a little monkey come around to each district and
17 will ask you the questions. So everybody be looking forward
18 to that if you see a little monkey knock at your door.

19 (Laughter)

20 CHAIR PORTER: Hearing no discussion, all
21 in favor of the motion say "aye."

22 THE BOARD: Aye.

23 CHAIR PORTER: All opposed, like sign?

24 (Pause)

25 CHAIR PORTER: Motion carried.

1 Next item on the agenda is to consider the
2 Jackson County ECD's plan to end its financially distressed
3 status.

4 If the Jackson County folks will come up
5 and have a seat at the table. And if you-all would state your
6 name and your position with the ECD for the record, please.

7 MR. SMITH: My name is Michael Smith
8 acting as treasurer.

9 MR. MARTIN: I'm Patrick Martin. I'm the
10 chair.

11 CHAIR PORTER: Chairman.

12 Okay. Glad to have you-all with us this
13 morning.

14 Lynn, you want to start off?

15 MS. QUESTELL: Yes.

16 Jackson County Emergency Communications
17 District is a financially distressed district since 2007, and
18 it's on the agenda to present a plan for ending its distressed
19 status. The members of the district agreed to prepare a plan
20 in October when Chairman Porter, General Counsel Sutton, and I
21 attended a district board of directors meeting in Gainesboro.

22 The intent of our visit was to assure that
23 the entire district board of directors was aware of the
24 possible consequences of its current distressed financial
25 situation and of defaulting on the interest free \$145,000 loan

1 that the district provided to the -- that the State Board
2 provided to the district for the purpose of paying off its
3 outstanding equipment loan. The Board had approved this loan
4 at the May 7th, 2009, meeting and required the District make
5 annual payments of \$4,841 beginning August 1st, 2009. The
6 District has made no payments on the loan and will be in
7 default if the State Board initiates notice requirements under
8 the loan agreement.

9 At the meeting in October it appeared that
10 the district board was unaware that the district was in such
11 an unsustainable situation. And there was not a quorum
12 present, which might indicate a level of interest there.

13 The District submitted its plan on
14 January 15th, 2011. In a nutshell, the plan proposes the
15 following three objectives to achieve its goal in ending its
16 distressed status. It intends to approve Jackson County
17 accounting systems by facilitating training and bookkeeping
18 and project planning for its bookkeeper and its executive
19 director Mickey Smith by January 31st, 2011; compile all
20 accounting records into one general ledger by January 31st,
21 2011; revise policy and procedures manual to include
22 bookkeeping policies by June 30th, 2011.

23 The second objective was to improve ECD
24 management by facilitating training for the ECD board of
25 directors on rules and responsibility by June 30th, 2011;

1 seeking county policy change to create a full-time position
2 for ECD director by June 30th, 2011; revising ECD's policy
3 procedures manual by June 30th, 2011.

4 And the third objective was to seek
5 additional funding from local government by meeting with local
6 elected officials to discuss budget needs by February 1, 2011,
7 and presenting a request for additional operating funds to the
8 Jackson County commission by June 30th, 2011.

9 I have to say that since we met with the
10 district, we have received the audit report of the district
11 and improvements to their fiscal procedures in management
12 appeared to be in order. They had the following findings:

13 First, several expense items need
14 to be adopted budgeted items, which is a violation of
15 Tennessee Code Annotated 7-86-120.

16 And the second finding -- I'm going to
17 just read it.

18 The district is not writing checks in
19 sequential order; two different general ledgers; QuickBooks
20 files are being managed by two different people, one of which
21 is incomplete and does not match the backup documentation on
22 file; several invoices are missing, mainly documentation for
23 debit card purchases and reimbursements to individuals;
24 revenues and expenses are not being coded to proper accounts;
25 chart of accounts filed in 911 manual is not being used;

1 payroll system in QuickBooks is not set up correctly;
2 wages, taxes, and benefits are not being classified to proper
3 accounts; operating account is not being reconciled properly;
4 all monthly reconciliations found were incorrect; June 30,
5 2010, statements did not have a reconciliation attached; the
6 district is using a debit card without policies and procedures
7 listing adequate controls for usage.

8 Financial staff of the Board went for a
9 site visit to the district on November 24, 2010. The Board
10 met with Director Smith and the ECD bookkeeper. At that time
11 Staff discovered that the QuickBooks general ledger maintained
12 by the district was deficient with regards to beginning
13 balances of all accounts, its chart of accounts, its system of
14 reporting payroll, disbursement, and receipts.

15 In an unprecedented step to try to help
16 them, Staff requested and received a backup copy of the
17 QuickBooks general ledger. And our new CPA Jay Goldman
18 basically went through the whole thing and corrected it to
19 bring the ECD reported balances into agreement with the
20 balances reflected on the audited financial statements.

21 In addition, Staff corrected a chart of
22 accounts to agree with the chart of accounts promulgated by
23 the Tennessee Comptroller of the Treasury in the accounting of
24 financial reporting manual. The adjustments and corrections
25 to the chart of accounts were sent to the director of the ECD

1 on January 25th, 2011.

2 I want to just kind of look back
3 historically taking kind of a big picture. The management and
4 financial practices of this district have raised questions
5 literally for years. In 2004 the Board had to hold an
6 emergency meeting because the district had passed a resolution
7 asking to be deemed financially distressed. And at that we
8 learned about other things, that a bank loan was in default,
9 checks were being returned for insufficient funds, and that
10 payroll could not be met, the Internal Revenue Service might
11 have initiated a lien on the district's assets, and the
12 executive director had resigned.

13 The next year the State Board initiated
14 legislation to actually cover the situation in Jackson County.
15 Before, the only way to become financially distressed was to
16 have three consecutive years of negative change in net assets
17 as shown in your audit report. And we changed the law so that
18 if you look like you were going to be under an IRS lien or
19 were not able to function as a district, we would -- they
20 could be deemed financially distressed.

21 As to the current findings in the audit
22 report, over half of the account quotes in the general ledger
23 were missing and others were incorrectly named or numbered.
24 The ledger was in such disarray it could not be used to
25 reconcile cash balances with bank statements. And the

1 numerous errors in the chart of accounts prevented the ECD
2 from using its financial documents for any fact based
3 management position or budgetary controls.

4 A considerable concern is the District's
5 use of the debit card without establishing procedures for its
6 use that has been approved by the Office of the Comptroller.
7 This violation of the law which requires local governments
8 that intend to use electronic technology for disbursement of
9 public funds to, quote, file a plan with the Comptroller of
10 the Treasury for comments. The plan shall be filed at least
11 30 days prior to implementation. According to the audit, the
12 ECD has no such plan.

13 Turning to the plan itself, first, nothing
14 has prevented the districts from implementing activities to
15 improve their management and financial activities. Second,
16 the plan was to provide -- they were asked to provide a plan
17 to stop being distressed. The only proposal that's directly
18 related to financial status is seeking additional funding from
19 Jackson County. And perhaps there's a reason. But the target
20 date for that is June 30th, 2011. Which, considering their
21 financial status, that's a long time to be waiting for an
22 additional injection of funds. I mean, they are in default on
23 the loan that the Board gave them and by -- since 2009 and
24 could -- the default's provision will be triggered simply by
25 us sending a notice that they're in default.

1 Wasn't sure why they needed a change in
2 county policy to create a full-time director position since
3 the District is separate from the counties. And it should
4 be noted that the plan did not address in any way the
5 outstanding loan.

6 Staff has a number of recommendations
7 about this --

8 CHAIR PORTER: Do we want to talk about
9 this other first before we get to the recommendations?

10 MS. QUESTELL: Yes, sir.

11 CHAIR PORTER: Okay. Lynn wanted to get
12 all that into record and kind of bring -- for maybe some
13 members on the Board that was not here when we first started
14 dealing with Jackson County several years ago, bring you up to
15 date as to where we were.

16 I guess maybe the first thing, I'm going
17 to open it to the -- Mickey or to Patrick. If you-all have
18 something you-all want to say now as to -- and I'd be
19 interested in -- after you say whatever you would like to, I'm
20 interested in these target dates that you have set as to what
21 you've accomplished. I know almost everything on here we had
22 one, two -- there's like three or four items on here that have
23 target dates prior to today. And I just wondered if you have
24 been able to accomplish those target dates.

25 Would one of you-all like to talk?

1 MR. MARTIN: Yeah. Absolutely.

2 I want to -- objective one, the
3 bookkeeping. Board Member Barnes and you-all came down and
4 met with -- as Lynn suggested -- with our bookkeeper Reins.
5 And she is in the process now of compiling the general ledger.
6 I think that a lot of that has already been accomplished, as
7 well as the charting of the chart of accounts which was
8 addressed previously.

9 The policy and procedure manual that we
10 talked about -- that Lynn talked about, Director Smith on the
11 ECD board is also in the process of revising the policy and
12 procedure manual and will cover the debit card, as well as
13 other issues that were in the policy procedure manual. This
14 is almost ready to be -- to be presented to the Board, as
15 well as the Comptroller's Office. Probably another couple of
16 weeks -- maybe a month and we'll be completely ready. Because
17 we'll have to go through the process of getting in front of
18 the Board before we can actually take it any further.

19 And, objective 2, the training of the
20 board. Of course, we are trying to clearly define what the
21 board members are there for. You know, I think there's been a
22 loose sense of what their jobs are, and we're clearly defining
23 the roles.

24 As far as objective 3, meeting with the
25 county government, me and active Director Smith, as well

1 as other board members, have met with several county
2 commissioners as well as the county mayor to create a policy
3 change that she was mentioning a while ago. That policy
4 change is to increase the amount of money that they're giving
5 us that way we can maybe hire a full-time director or at least
6 get us in a -- more of a balanced situation as far as our
7 budget is concerned.

8 Our biggest concern as far as being
9 distressed -- because right now our projections are showing
10 that we're going to be in the black at the end of this year.
11 But our biggest concern is when we start the process of the
12 NG911, that the depreciations are going to put us right back
13 into distress. But as projected -- and the reason why
14 everything was June 30th is because we're shooting to have a
15 balanced budget and not distressed on June 30th. That's the
16 reason why a lot of those dates were June 30th.

17 And as far as -- like I said, projections
18 are looking as we're going to be out of distressed status at
19 the end of -- not distressed status, but have a balanced
20 budget of surplus at the end of this year.

21 CHAIR PORTER: So how did the meeting with
22 the county officials as far as giving you more money -- have
23 you had that meeting yet?

24 MR. MARTIN: We've not went to the full
25 county court yet. We have met with the county mayor. Of

1 course -- everyone is in concern of how this could turn out,
2 of course. I think that the census is that, you know, we have
3 possibilities of making it happen.

4 Can I say yes? No. That's like taking
5 control of the board. They could change their mind tomorrow.
6 But it looks like there is a process that could accomplish
7 that.

8 CHAIR PORTER: And any ideas as to --
9 would that -- I know it has to go to county commission for a
10 full vote.

11 MR. MARTIN: That's correct.

12 CHAIR PORTER: Any idea when that might
13 happen?

14 MR. MARTIN: We were -- I think we were
15 shooting for the March meeting.

16 Is that correct?

17 MR. SMITH: Just whenever they start doing
18 their budget meetings.

19 CHAIR PORTER: You're planning on
20 including it in next year's budget and not getting any money
21 from them for this year. Right?

22 MR. SMITH: Everyone that I've talked to
23 is kind of putting a stop sign in front of us about getting
24 any more money this year. That's why we set everything for
25 the next year's budget.

1 MR. MARTIN: And with us showing a
2 projection of being balanced this year, it made more sense to
3 us to be able to approach them with a new budget of the County
4 to get those -- to get that excess money by waiting until the
5 new budget year for them, as well as with us.

6 Now, if we were showing a projection --
7 and if we at any time, see -- because it's really close. I
8 mean like \$6,000. I mean -- so if at any time we look like
9 we're going to be the other direction, we may approach to see
10 if we can get something extra from them or the City between
11 now and the end of the budget where we can finish in the
12 black.

13 CHAIR PORTER: Okay. Anything else
14 you-all wanted to say?

15 MR. MARTIN: Also, with this increase, we
16 wanted to put in where we were actually paying back this loan.
17 I mean, I did not address that in the strategic plan. And I
18 apologize for that. I guess it was an oversight for me.
19 Because I was more thinking what I needed to do -- to fix the
20 problems that were right in front of us. And budget year --
21 when we started the budget, it will be in there. You know, if
22 we can get the funds that we think we are going to be able to
23 get.

24 CHAIR PORTER: So you think that you would
25 be able to start that payment process in this upcoming -- next

1 year's budget --

2 MR. MARTIN: That's our --

3 CHAIR PORTER: -- and still be in the
4 black?

5 MR. MARTIN: That's our goal. That's our
6 goal. Overall goal.

7 You know, all the other processes of the
8 strategic plan was to get us to that point to be able to do
9 that.

10 CHAIR PORTER: Anything else?

11 Patrick? Mickey?

12 (Pause)

13 CHAIR PORTER: Questions from board
14 members for the folks from Jackson county?

15 (Pause)

16 CHAIR PORTER: Lynn, do you have
17 something?

18 MS. QUESTELL: Well, I'm just wondering
19 how you came up with projections that you consider to be
20 reliable considering the financial -- you know, your records
21 and all?

22 MR. MARTIN: After -- they're all --
23 they're considerably better. After Board Member Goldman and
24 Barnes met with our bookkeeper and acting Director Smith,
25 they look a whole lot better and a lot easier to understand.

1 A lot of them -- you know, and see -- the records have been
2 so loose, as you pointed out, that -- you know, it's been
3 difficult even to determine where we were, if that makes
4 sense.

5 As Lynn and I'm sure you both know, when
6 you came to our meeting, we didn't -- a lot of the board
7 members, as well as myself, didn't even realize we had to pay
8 this back. I mean, that's how the situation was. You know,
9 that has changed. You know. We have a -- we have a board
10 that is proactive now. And I think that that will -- you will
11 see those changes over the next few months.

12 MS. QUESTELL: Do you think you can
13 provide us with a copy of those projections?

14 MR. MARTIN: Absolutely. Absolutely.

15 CHAIR PORTER: One thing that concerned me
16 and I -- maybe there's a lot of districts that do that. But
17 the district having a debit card. Who actually -- is there
18 just one, or is there more than one? And who actually has the
19 debit card?

20 MR. SMITH: It was just one. We don't
21 have one now. Since I took over, we've turned it back into
22 the bank. Now, if we need supplies or whatever, I go purchase
23 it and it's signed through board members and they reimburse
24 me.

25 CHAIR PORTER: Reimburse you. Okay.

1 MR. MARTIN: But, now, we are putting the
2 debit card in the policy procedure manual in case it ever got
3 to the point again to where that was needed. It would be in
4 the manual and be approved by the State.

5 CHAIR PORTER: Who carried the debit card
6 when it was there?

7 MR. SMITH: The director.

8 CHAIR PORTER: The director.

9 MR. SMITH: At that time it would have
10 been Jim or Shelby, either one.

11 CHAIR PORTER: Okay. Lynn, you want to
12 go back and talk about what Staff's recommendations are to
13 Jackson County?

14 MS. QUESTELL: Yes, sir.

15 CHAIR PORTER: Is there anything else
16 you-all had -- guys, that you-all were going to say before --

17 MR. SMITH: No, sir.

18 MEMBER ARCHER: Can I -- I don't want to
19 get into too much detail at this point with it. But, I mean,
20 looking over the actual numbers --

21 CHAIR PORTER: Pull your mic down.

22 MEMBER ARCHER: I'm sorry.

23 Looking over the actual numbers from
24 June 30 of 2010, on page 11, you know, I was noticing
25 dispatchers. Do you pay for all the dispatchers? I know

1 maybe I asked you that this -- the last time you were here.

2 Do you pay 100 percent of that?

3 MR. SMITH: The local government is
4 paying. The county government puts in about 50- to \$53,000.
5 And the city government puts in 21- -- I believe 21- or
6 \$22,000.

7 MEMBER ARCHER: What did that come out to
8 be, Lynn? Do you remember? It's like 20 percent of the whole
9 thing. Is 911 paying like 80 percent of the dispatcher
10 salary?

11 MS. QUESTELL: I think that's about right.
12 And that's an increase that -- the loan was contingent on
13 that, upping their support.

14 MEMBER ARCHER: The 22 percent.

15 MS. QUESTELL: Something like that.

16 MEMBER ARCHER: Which is extremely low.

17 MR. SMITH: Yes, sir. It's about 22 or
18 23 percent.

19 MEMBER ARCHER: Are you-all shooting to
20 ask them to -- for what kind of percentage to take over?
21 You know -- and my point is, if you can pay for dispatcher
22 salaries, that's great. I think there's people out there
23 that do. But if you're not financially strong enough to do
24 it, then, you know, maybe it's something that should be looked
25 at that maybe you shouldn't be doing that. Or at least not to

1 this kind of percentage to where you can start banking some
2 money instead of -- you know, you're just right on a thin line
3 it looks like all the time. And paying 80 percent of
4 dispatcher salaries is not -- doesn't look like it's very
5 feasible for you.

6 And I was looking here, too, that you
7 had -- you had budgeted to spend 192-, and you ended up
8 spending \$200,000. And that's a \$9500 increase which is a
9 pretty good amount of money on that part of it.

10 MR. MARTIN: Glen brought some numbers
11 from other counties and other districts that are -- is being
12 very helpful. That's helping us present our case, in trying
13 to get the local government to do more for us.

14 MS. QUESTELL: It may also help you to
15 present your case -- Mark is making a really good point. The
16 law does not require districts to dispatch. You've got to
17 take the calls, but you don't have to dispatch. You can
18 dispatch, relay, or transfer. And that's your -- that is your
19 card for saying, you know, if I can't get more help, I can't
20 continue to do this for you.

21 MR. MARTIN: And the entities that need
22 the dispatching are on the board and are onboard with what
23 we're trying to do. So they're going to help present this
24 when we go to try to get these increases.

25 MEMBER ARCHER: It looks like your

1 funds are there to have a real healthy district. You know.
2 Because they're -- you have -- if I'm not mistaken, you have
3 three governments in your county. You had the city, county,
4 and 911 is its own government.

5 So when you-all took over 911, the County
6 was paying 100 percent of what you were doing and then all of
7 a sudden they're just paying 20 percent. So it looks like to
8 me they just shoved all that on you guys and they put this --
9 they put you in a bad situation here.

10 MR. MARTIN: And I think -- and to be
11 honest with you, I think that the board at that time asked for
12 it to be put on them. I really -- I really don't -- I think
13 they did not understand exactly. Because, I mean, it took
14 me a while to go back through some of the history of what
15 went on as well. And that's -- that's what I see. I see that
16 they had asked for it to be in this situation, and then it is
17 just -- when the funds started dropping off from the phone
18 company, that's when it all started falling apart.

19 MR. SMITH: Yeah. What happened there was
20 our phone company switched their billing process. We was
21 getting like 14- or \$15,000 a month. And it went from that to
22 8- -- \$7,000 a month.

23 CHAIR PORTER: They found out that they
24 had billing problems and they had been paying the district
25 about twice as much on the monthly 911 fees as they were

1 supposed to be paying. So they thought they had a real
2 healthy fund balance. They built them a new 911 center.
3 Everything was looking rosy. And then all of a sudden one day
4 the telephone company says, whoa, wait a minute, we've messed
5 up. And I guess maybe they were lucky they didn't try to take
6 the money back over all those years. But it really -- it
7 really changed things in Jackson County when that happened.
8 I'm not taking up for them, but that was --

9 MEMBER ARCHER: No. I understand that.

10 CHAIR PORTER: That was a big change.
11 Because the 911 Board actually asked to take over dispatching.
12 Everybody thought it was. But then all of a sudden it turned
13 into a bad thing.

14 MEMBER ARCHER: Just -- the bottom went
15 out.

16 CHAIR PORTER: But you're right. You
17 know, I don't know -- there's very -- there may be districts
18 out there that's paying 80 percent of the dispatching costs.
19 But most of them are probably a lot -- more financially
20 healthy.

21 MEMBER ARCHER: If you can afford to do it
22 and you're county wants to work with each other to do that,
23 that's all -- that's great.

24 MR. SMITH: That's where we --

25 MEMBER ARCHER: And if you can't afford to

1 do it -- you know, it's just like my county. There's no way
2 that we could do it or -- every bit of my money would go to
3 dispatchers and we would have to shut our office down and the
4 equipment and everything else.

5 MR. MARTIN: As you can see, the budget
6 shows that. That's exactly what's happening.

7 MEMBER ARCHER: That's what we're trying
8 to get -- relate into our budget -- the county budget
9 committee and everything else. You know, if we quit
10 dispatching, they're going to have to come up with the
11 dispatcher salary of \$200,000 instead of \$50,000. So if
12 they can meet us halfway, we'll be in a much better light.

13 MEMBER ARCHER: Right.

14 MR. MARTIN: And if the percentage is high
15 enough, then we can function in a -- where we were before the
16 phone amounts dropped off.

17 MEMBER ARCHER: Okay. And, again -- and
18 I will end what I'm talking about. But I was looking down
19 through here several things that, you know, I know you're
20 probably looking at, as far as mapping consultants and things.
21 Those things are high that could really drop down your -- I
22 don't know what kind of role they play on -- you know,
23 maintenance repair -- 20,000 on maintenance contracts and
24 stuff like that.

25 So it looked, you know, to me -- my point

1 is it looks like the funds are there. It just needs to be
2 re-evaluated with your county and city. And I hope your
3 county and city mayor understand the severity of what you're
4 in right now.

5 MR. MARTIN: They're working -- they're
6 working really well with us. Our county mayor is absolutely
7 onboard with what's going on. He speaks to me at least twice
8 a week on what's going on. I mean, I truly think that --
9 that we have a chance here to turn around the situation we've
10 had.

11 MR. SMITH: And our new county mayor, he
12 also comes down there and spends some time down there once or
13 twice a week.

14 MR. MARTIN: Very proactive man.

15 But that shows across the board. I mean,
16 from the board -- if you came to our meetings now from where
17 they were, they're a lot more proactive. Our county officials
18 are more proactive. I mean, I think that you will see a huge
19 change over the next few months. I really do.

20 MEMBER ARCHER: Okay.

21 Thank you, Mr. Chairman.

22 CHAIR PORTER: Other questions?

23 (Pause)

24 CHAIR PORTER: Okay, Lynn.

25 MS. QUESTELL: We developed these

1 recommendations before we heard from you-all. So if they --
2 you-all may want to tweak them a little bit.

3 But one thing we recommend is the District
4 provide the Board with response from local government about
5 its request for additional funding before the next board
6 meeting. Which our next board meeting is tentatively
7 scheduled for May 19th. So Staff would love to get that
8 information no later than May 6th, which would give us time to
9 analyze the response, and before the May 19th meeting.

10 The District should -- it's recommended
11 be prohibited from using its debit card until it files a plan
12 for its use with the Office of the Comptroller and obtains
13 approval of it as required by Tennessee Code Annotated
14 4-30-103; and that the District be ordered to refrain from
15 making expenditures that exceed its budget in violation of
16 7-86-120; that the District be ordered to implement the
17 corrected charts of accounts; that the District be ordered to
18 cease using two ledgers; and that the District be ordered to
19 comply with revised Policy number 16, and that includes
20 holding board of director meetings every other month,
21 submitting financial statements that were presented at those
22 meetings to the TECB within seven days of the meetings, and
23 submitting a budget that includes depreciation and is balanced
24 or provide an explanation for why it's not balanced.

25 We would appreciate an amended budget that

1 is compliant with Policy 16 within 30 days. The budget that
2 they submitted in January 2011 does not include depreciation
3 and is not balanced and does not explain why it's not
4 balanced.

5 That the District be ordered to identify
6 an individual that's responsible for day-to-day operations at
7 the PSAP and were compliant with all applicable laws, policy,
8 and standards ideally to reduce costs -- the person would be
9 capable of assigning new addresses; and that the District be
10 ordered to submit a written report on its progress and
11 implementing the objectives and its plan no later than
12 May 6th.

13 If the report fails to show significant
14 progress, it's recommended that the Board authorize Staff to
15 initiate a study of the feasibility of consolidating the
16 District with another consenting adjacent district pursuant to
17 Tennessee Code Annotated 7-86-305 with at least a preliminary
18 report to the Board about that at the May 19th meeting. The
19 revision of Policy 16 will make monitoring their progress much
20 more accessible.

21 I just want to talk for a second about
22 7-86-305. The law offers the Board a road map for addressing
23 situations where financially distressed districts just cannot
24 achieve financial stability. And in light of the district's
25 management, financial history, its current audit findings, and

1 its financial situation, I feel like it's my obligation to
2 suggest to the Board that if they don't see a demonstrable
3 improvement in their district's finances and management by the
4 May meeting, that the Board truly consider whether it's time
5 to look at the loss solution for this situation.

6 Tennessee Code Annotated 7-86-305
7 authorizes the Board to study the possible consolidation or
8 a merger of two adjacent ECDs, quote, as a means to restore
9 financial stability to financially distressed emergency
10 communication districts and to ensure continued 911 service
11 for the benefit of the public, end quote.

12 The law further states that, quote, in the
13 event that the Board determines that such consolidation or
14 merger is in the best interest of the public and after holding
15 public hearings within the service areas of the affected
16 emergency communication districts, the Board may order the
17 consolidation for a merger. The board shall establish rules
18 and policies concerning the composition and selection of the
19 board of directors and shall establish technical operating
20 standards and a rate structure for such multi-jurisdictional
21 emergency communications district provided at such action
22 shall not threaten the financial integrity or stability of the
23 affected emergency communication district or the level and
24 quality of 911 service.

25 The Board has consolidated a district

1 once before. That was Picket County. And that was
2 consolidated with Overton. And that was probably 2001.
3 Something like that.

4 CHAIR PORTER: Okay. You've heard the
5 recommendations from Staff concerning Jackson County.

6 What's the will of the Board?

7 MEMBER ARCHER: So move.

8 CHAIR PORTER: Have a motion by
9 Mr. Archer.

10 Do I have a second?

11 MEMBER LEE: I'll second.

12 CHAIR PORTER: Second by Bobby that we
13 approve Staff's recommendations. I'm going to read a real
14 shortened version of that that gets it into the record and
15 make sure that everybody is okay with these. So let's go back
16 over them.

17 We're going to require the ECD to report
18 to us the response which requests local government provide
19 additional funding no later than May the 6th.

20 We're going to prohibit the ECD from using
21 its debit card until it attains approval from the office of --
22 Comptroller's Office per Tennessee Code.

23 We're going to order the ECD to refrain
24 from making any expenditures that exceeds its budget.

25 We're going to inform the ECD that it is

1 authorized to hold ECD's 25 percent distribution for failure
2 to comply with the law.

3 We're going to order the ECD to implement
4 the corrected chart of accounts no later than February 25th,
5 2011.

6 Order the ECD to cease using two ledgers.

7 Order the ECD to comply with revised
8 Policy number 16 about board meetings and financial reporting.

9 Require the ECD to identify an individual
10 who is responsible for the day-to-day management and
11 operations at the PSAP in compliance with all applicable
12 laws, policy, and standards.

13 Require the ECD to submit a written report
14 on its progress in implementing its plan no later than May the
15 6th. If the report fails to show significant progress, we're
16 authorizing Staff to initiate a study of the feasibility of
17 consolidating Jackson County ECD with another one per TCA.

18 And require the ECD chairman and director
19 hear back at our May 19th board meeting.

20 And as part of one of those was provide
21 the budget within 30 days -- your budget within 30 days of
22 today.

23 Is that -- Mark, are you --

24 MEMBER ARCHER: I'm fine with that.

25 CHAIR PORTER: Second good with that?

1 MEMBER LEE: Yes.

2 CHAIR PORTER: Okay. Any discussion on
3 the motion?

4 (Pause)

5 CHAIR PORTER: Hearing none, all in favor
6 of the motion say "aye."

7 THE BOARD: Aye.

8 CHAIR PORTER: All opposed, like sign?

9 (Pause)

10 CHAIR PORTER: Motion carried.

11 Guys, I guess -- and I know you have a
12 new county mayor, and he's a great guy. And I think he will
13 help you-all all he can. I think you have a lot of new
14 commissioners.

15 I guess maybe the only thing that I would
16 urge you to take back is severity of what could happen. I
17 think sometimes it gets right down almost to the end, some
18 folks don't think that this could ever happen, that
19 Jackson County 911 could just go away and be merged with
20 another district. But it's getting down close to the point
21 that something happened, you know, that looks like that may be
22 the only other choice.

23 So I know you-all know the severity. I
24 just hope you would take back home and make sure that
25 everyone else -- I know you've got a county commission and

1 City Alderman and all these folks that you've got to go
2 before. But I hope everybody understands the severity of what
3 could happen to it.

4 None of us want to see anything happen to
5 any district. Most of the board members -- I don't know if
6 they feel the same way I do. My motto has always been that
7 there's certain things that every county needs, and a 911
8 center is one of them, I think. And I would hate to see
9 anything happen to that.

10 But we want to see you-all get back in the
11 black and financially capable of running the district so that
12 we don't have to see you. We like seeing you, but not under
13 these circumstances.

14 Any questions that you-all have over
15 anything that we've done today?

16 MR. MARTIN: And thank you so much for
17 your insight and the things that Lynn has given us and the
18 suggestions that have been made and the bookkeeping. It's
19 pushing us in the right direction.

20 CHAIR PORTER: Good.

21 Staff is available any time to you if
22 you've got questions, you've got concerns, you need help. I
23 think you see that they're willing to go the extra mile to
24 give you --

25 MR. SMITH: Mr. Chairman, Staff has been

1 wonderful helping us.

2 CHAIR PORTER: You-all lean on them if you
3 need to for anything you need.

4 MR. MARTIN: Beings that you said that,
5 when it gets time for us to bring this in front our
6 commission, if we could get some of your Staff to be there,
7 that would be really nice.

8 CHAIR PORTER: We don't normally go to
9 county commission meetings.

10 MR. MARTIN: I was kidding.

11 CHAIR PORTER: We'll go to your 911 board
12 meeting if we need to. That's our only authority, is over the
13 district. Not over the county commission. But we'll help you
14 any way we can.

15 MS. QUESTELL: And we'd be happy to
16 come -- and intend to come to more of your board meetings.
17 If you wanted to invite county commissioners to that meeting,
18 you can put us up and have us -- ask us questions so that they
19 understand exactly what's going on.

20 Also, this meeting is webcast. It's
21 going to be available to you probably immediately. So if you
22 wanted to send the link to your county commissioners so they
23 could see how -- what the seriousness of your situation is by
24 viewing the webcast, that might be a good way too.

25 CHAIR PORTER: Anything?

1 MR. MARTIN: No.

2 CHAIR PORTER: Good luck to you. I hope
3 you-all can work it out.

4 MR. MARTIN: Thank you.

5 CHAIR PORTER: Thank you.

6 All right. Next scheduled meeting is --
7 Lynn? May the --

8 MS. QUESTELL: We booked the room for
9 May 19th.

10 But I also want to kind of let the Board
11 know that depending on what happens during the next session,
12 we may need to meet before then.

13 CHAIR PORTER: Before then.

14 Okay. So we may have a call meeting.
15 But, otherwise, if not, our next scheduled meeting is May 19th
16 at 9:30 in this same room.

17 Anything else that needs to come before
18 the Board?

19 Mr. Smith?

20 MEMBER SMITH: I might just mention those
21 that are -- may be watching, don't forget the NENA TDC/ODC
22 here in Nashville.

23 CHAIR PORTER: And the date on that is?

24 MEMBER SMITH: It starts the 6th and
25 runs -- I think the sessions are generally Monday through

1 Wednesday. There's a pre-course -- a pre-conference course.

2 CHAIR PORTER: Where is that being
3 held at?

4 MEMBER SMITH: I believe the Renaissance.

5 CHAIR PORTER: Renaissance.

6 Okay. Everybody remember that. The
7 conference -- NENA Conference is going to come to Nashville.

8 Anything else?

9 (Pause)

10 MS. QUESTELL: No, sir.

11 CHAIR PORTER: Great to see all you-all.
12 I'll take a motion to adjourn.

13 MEMBER COBB: So moved.

14 CHAIR PORTER: Do I have a second?

15 MEMBER LEE: Second.

16 CHAIR PORTER: Motion and second to
17 adjourn.

18 All in favor say "aye."

19 THE BOARD: Aye.

20 CHAIR PORTER: All opposed, like sign?

21 (Pause)

22 CHAIR PORTER: Motion carried.

23 (End of the proceedings.)

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REPORTER'S CERTIFICATE

STATE OF TENNESSEE)
COUNTY OF SMITH)

I, Amanda F. Martin, court reporter and
notary public in and for the state of Tennessee,

DO HEREBY CERTIFY that the foregoing
transcript of the proceedings were taken on the date and place
set forth in the caption thereof; that the proceedings were
stenographically reported by me in shorthand; and the
foregoing proceedings constitute a true and correct transcript
of said proceedings to the best of my ability.

I FURTHER CERTIFY that I am not related to
any of the parties named herein, nor their counsel, and have
no interest, financial or otherwise, in the outcome or events
of this action.

IN WITNESS WHEREOF, I have hereunto
affixed my official signature and seal of office, this 9th day
of April, 2011.

Amanda F. Martin, LCR #379
Court Reporter and Notary Public
State of Tennessee

My Commission Expires: March 12, 2014.