

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF COMMISSIONERS OF
JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4

A regular meeting of the Board of Commissioners of Jefferson County Emergency Services District No. 4 ("District") was called for at 5:30 p.m. on the July 20, 2015, at the Jefferson County Precinct 4 Service Center, located at 7780 Boyt Road, Beaumont, Texas 77713, pursuant to notice duly posted according to law.

At approximately 5:35 p.m., the regular meeting was called to order. The roll was called of the duly constituted officers and members of the Board, to wit:

Jeff Roebuck	President
Charlie Reneau	Vice President
Sandra Duhon	Secretary
Sandra Melton	Treasurer
Charlie Cox	Assistant Treasurer

All of said Board members were present, with the exception of Assistant Treasurer Cox, thus constituting a quorum. Also present at the meeting were: Wayne Wilber, District Manager; Mary Ellen Robertson, accountant for the District; Joshua Heinz of the law firm Benckenstein & Oxford, L.L.P., attorney for the District; and, the individuals listed in the attendance logs attached hereto as **Exhibit A**.

Upon establishing that a quorum was present, President Roebuck asked for public comment as set forth in Agenda Item No. 3, and being as there were none, the Board moved along to Agenda Item No. 4 for the VFD Chiefs' reports. Ken Duhon, Chief of Cheek VFD, and Charles Sonnier, Chief of Labelle-Fannett VFD, advised the Board on VFDs' recent activities and verbal reports on each department's service calls during the previous month. Neither department submitted a written monthly run reports.

The Board was then directed to Agenda Item No. 5 for the District Manager's report. As to Cheek VFD, Wayne Wilber advised the Board that the department has a new volunteer member, that the fire station annex building improvements are almost complete and that the structure needs to be added to the District's insurance policy, and that the department is in the process of obtaining worker's compensation coverage. With regard to Labelle-Fannett VFD, Mr. Wilber advised that he has not received all of the requested records from the department, that he has provided a form application to the department for seeking reimbursement of worker's compensation premiums from the Texas Forestry Service, and that certain department members are seeking reimbursement from the District for expenses incurred in obtaining their EMT certifications, which he supports. As to the District, Mr. Wilber reviewed with the Board a training request form he and Assistant Treasurer Cox had prepared for use by the VFDs, which the Board members agreed could be approved by Mr. Wilber upon submittal by the VFDs or an individual member so long as the cost of the proposed training is within his spending authority, which is set out in the District's Purchasing Policies and Procedures.

Next, President Roebuck directed the Board to Agenda Item No. 6 for review of the Minutes of the June 15, 2015 regular meeting and the June 25, 2015 budget workshop. Upon motion by Treasurer Melton and seconded by Secretary Duhon, the proposed minutes were unanimously approved by the Board members present.

Then, under Agenda Item No. 7, at which time Mary Ellen Robertson reviewed and discussed the proposed 2014-15 budget amendments with the Board, along with additional amendments which need to be considered. Additionally, the Board discussed the estimated amount of funds to be remaining at the end of the current fiscal year, and the option of paying off certain debts in full before the end of the current fiscal year. President Roebuck then directed the

Board to Agenda Item No. 8, at which time Treasurer Melton made a motion to pay off the full balance on the District's Texas First Bank Loan, which is secured by a lien on Engine 1, and amend the District's fiscal year 2014-15 budget accordingly. The motion was seconded by Vice President Reneau and unanimously approved by the Board members present. Ms. Robertson will incorporate the additional changes in the District's proposed 2014-15 amended budget, including the payoff of the Texas First Bank loan, and the Board will consider the revised, proposed amended budget at its next regular meeting.

Continuing under Agenda Item No. 8, Treasurer Melton reported that the District's Texas First Bank checking account balance was \$544,100.89 as of June 30, 2015 and \$551,807.61 as of July 16, 2015, and that the District's Texas First Bank savings account balance was \$100.02 as of as of June 30, 2015 and July 16, 2015, as reflected in the account statements attached hereto as **Exhibit B**. Per the Board's discussion under Agenda Item No. 7 about the estimated amount of funds to be remaining at the end of the current fiscal year, Treasurer Melton then made a motion to transfer \$200,000.00 from the District's checking account to its savings account, which was seconded by Vice President Reneau and unanimously approved by the Board members present. Additionally, Treasurer Melton and Mrs. Robertson also reviewed with the Board the District's current financial statement of activities, which is attached hereto as **Exhibit C**.

President Roebuck then directed the Board to Agenda Item No. 9 for payment of the District and VFDs' bills. President Roebuck advised the Labelle-Fannett VFD representatives present that since the District has yet to receive copies all of the department records previously requested by the Board and specifically set forth in the June 18, 2015 notice letter attached hereto as **Exhibit D**, including, but not limited to, the department's training records, tax returns

and a profit/loss statement, he has recommended that the Board not approve payment of Labelle-Fannett VFD's current expense reimbursement request, and that payment of said reimbursement be withheld until such time that Labelle-Fannett VFD has fully complied with the request and produced all of the requested documentation. After reviewing and discussing the various other expenditures, Treasurer Melton made a motion to approve payment of the bills and expenditures listed on the account register attached hereto as Exhibit E (Check Nos. 1956-1977), except for Check No. 1967, being payment of Labelle-Fannett VFD's current reimbursement request less certain unauthorized or unsupported expenditures, and that said expense reimbursement payment be held until such time that Labelle-Fannett VFD has produced all of the requested records. The motion was seconded by Vice President Reneau and approved by all of the present Board members.

The Board then moved along to Agenda Item No. 10 regarding proposed repairs, improvements and acquisitions. Mr. Wilber advised the Board that he and Assistant Treasurer Cox have been looking at thermal imaging cameras for the VFDs, and he proposed that the Board approve purchasing one camera at this time, which will cost \$7,584.00, and then the Board could consider purchasing an additional camera during the next fiscal year. However, being as the District has sufficient funds available in the current fiscal year's budget for purchasing fire-related equipment, the Board members all agreed that the District should go ahead and purchase two cameras, one for each department. Accordingly, Vice President Reneau made a motion to approve the purchase of two thermal imaging cameras at a cost of \$7,584.00 each (\$15,168.00 total), which was seconded by Treasurer Melton and unanimously approved by the Board members present. Then, Chief Duhon of Cheek VFD advised the Board that per prior discussion with Mr. Wilber, the department spent approximately \$400.00 for the purchase and

installation of an entry door at the Cheek Fire Station annex building, for which he requested reimbursement from the District. Additionally, Chief Duhon requested that the District purchase a new set of bunker gear for Cheek's VFD's new volunteer member. Upon motion by President Roebuck and seconded by Secretary Duhon, and with the unanimous consent of the members present, the Board approved reimbursement to Cheek VFD for the expenses it incurred in purchasing an entry door and having same installed at the annex building subject to the department first submitting sufficient documentation evidencing said expenses to Mr. Wilber and him approving same, and the Board authorized Mr. Wilber to purchase the requested new set of bunker gear for Cheek VFD's new member. Additionally, Mr. Wilber advised the Board that Engine 1 will be going into the shop for needed maintenance and repairs, and that Labelle-Fannett VFD's ambulance needs to have its lights repaired, which had been recently damaged. The Board discussed the damage to ambulance lights further with Scott Wade, EMS Director for Labelle-Fannett VFD, along with the cause of same and estimated cost of repair, and Mr. Wade was advised to get with Mr. Wilber about getting the lights repaired.

Thereafter, the Board was directed to Agenda Item Nos. 11 and 12 regarding the VFDs and District's proposed fiscal year 2015-16 budgets, and the District's 2015 tax rate. After reviewing and discussing the current proposed budget draft, along with Labelle-Fannett VFD's projected EMS service billing revenue, the Board members all agreed that an additional budget workshop needs to be held prior to the next regular meeting. After discussing their availability, the members agreed to hold the budget workshop on either August 5, 2015 or August 6, 2015, beginning at 11:30 a.m., at the office of Benckenstein & Oxford, L.L.P. Mr. Heinz will prepare and file an agenda for the budget workshop once he receives confirmation from the Board members on their availability for the proposed dates. Additionally, Mr. Heinz advised the Board

on the upcoming schedule and timeline for the District's to complete and adopt its fiscal year 2015-16 budget, and to adopt its 2015 property tax rate.

President Roebuck then directed the Board to Agenda Item No. 13 regarding the proposed, amended service agreements for the VFDs, which were previously approved by the Board during its April 20, 2015 regular meeting, and copies of which are attached hereto as **Exhibit F**. Mr. Heinz reported that he has received no comments or proposed changes from either department, and both Chief Duhon and Chief Sonnier advised the Board that neither department has any proposed edits and are each department is ready to execute the amended service agreements. Mr. Heinz then provided a copy of Cheek VFD's amended service agreement to Chief Duhon, and he provided a copy of Labelle-Fannett VFD's amended service agreement to Chief Sonnier, and both advised the Board that they would have the amended agreements signed by the designated department officials and then they would deliver the executed originals to Mr. Wilber on or before Friday, July 24, 2015.

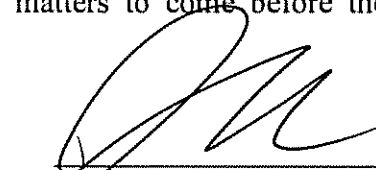
The Board then moved along to Agenda Item No. 14, at which time the Board discussed payments previously made by the District for members of the Labelle-Fannett VFD to obtain their EMT training and certifications, and possibility of recovering said expenses from any members that did not complete the training and/or obtain their certification. The Board agreed that in the future, individual VFD members will be required to pay all costs associated with approved training courses, and then the Board will consider reimbursement of said expenses upon the individual's completion of the course and obtaining any related certifications, and submittal of a certificate or other proof of course completion and expense supports to the District Manager.

After tabling Agenda Item No. 15, the Board was directed to Agenda Item No. 16, at which time Secretary Duhon provided the Board with a status update on Labelle-Fannett VFD's phone system and service plan. Specifically, Secretary Duhon reported that she has met with certain department representatives to review and discuss the current phone system and service plan, along with proposed options for increasing the system's capabilities while reducing the service plan cost. She has a conference call scheduled with the service provider to discuss the available options further, and will report back to the Board at the next regular meeting.


Next, under Agenda Item No. 17, the Board briefly reviewed and discussed the District's current asset inventory and tracking procedures.

Then, being as there was no report from counsel under Agenda Item No. 18, the Board moved along to Agenda Item No. 19, at which time the members reviewed and discussed their availability during the month of September, and each confirmed that they will be available on September 28, 2015, and thus the Board agreed that its September regular meeting will be moved to said date, and that the meeting will be proceeded by a public hearing, beginning at 5:30 pm., to review and discuss the District's proposed fiscal year 2015-16 budget and 2015 property tax rate.

Being as there were no further matters to come before the Board, the meeting was adjourned at approximately 7:10 p.m.



Jeff Roebuck, President
Date: 8/17/15

ATTEST:


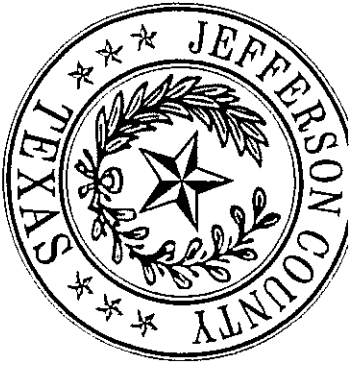
Position: Secretary
Date: 8-17-15

Exhibit A

JCESD #4 - 7/20/2015 Reg. Meeting

Sign-In Sheet

- ① Ken Duhon CVFD
- ② DeAnna Sonnier LFVFD
- ③ ~~Chad~~ LFVFD
- ④ Philip Sonnier LFVFD
- ⑤ Pat Larson
- ⑥ August Semien CVFD
- ⑦ Shadrick P. Evans RBK Pot 4
- ⑧ Darlene Truett LFVFD
- ⑨ Randy J. Rivolt #301 LFVFD
- 10 PJ #101 LFVFD
- 11 Carolyn Hrych MVFD
- 12 Scott Wade LFVFD
- 13 RAY Deshotel CFVFD
- ⑭ EARL BLUE CRVFD



SIGN IN SHEET

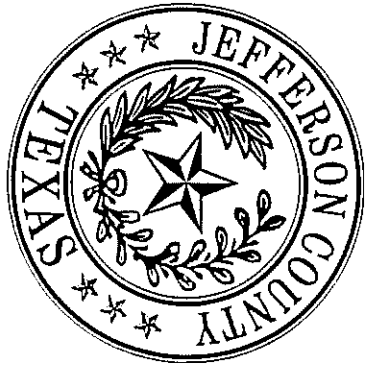
MEETING: JCESD Meeting

LOCATION: Precinct #4 Service Center

DATE: Monday, July 20, 2015

PLEASE PRINT

NAME	ENTITY	ADDRESS	ST/ZIP	PHONE	EMAIL
DAVID #101	LFVFD	13496 FARMERS	TX 77725	409-652-6402	
Carlynn Haysle	HVFD	13657 FM 365	TX 77705	(409) 893-5602	
Randy Rivett	LEVFD	13494 FM 365 RD	TX 77705	409-656-4516	
Danvers Rivett	LEVFD	13496 FM 365 RD	TX 77705	409-658-9759	
DeAnna Somier	LEVFD	728 Little Acres Rd	TX 77705	409-781-9361	fntrscurebmt@gmail.com
Charles Somier	FEVFD	728 Little Acres Rd	TX 77705	409-284-2461	
Philip Somier	LFVFD	12113 CARVER RD	TX 77705	409-626-2112	
ANDREA METTOR	ESD				



SIGN IN SHEET

MEETING: JCESD Meeting

LOCATION: Precinct #4 Service Center

DATE: Monday, July 20, 2015

PLEASE PRINT

NAME	ENTITY	ADDRESS	ST/ZIP	PHONE	EMAIL
Ken D. Utah	JC VFD	8174 Boyt Rd.	77715	201-0811	
Tat Larson			77706	273-2252	
August Semien	CVFD	9618 L Ashman	77713	782 6876	
Charles Reneau	JCESD #4	5756 Burrell Loop Bmt	77705	781-3127	
Earl R. Wood	CVFD	9615 Carlingport Bmt	77713	1466-7357	

Exhibit B



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JEFFERSON COUNTY EMERGENCY

Account Number: 10031508
Statement Date: 6/30/15

DEBITS AND OTHER WITHDRAWALS

Date	Withdrawals	Activity Description
6/02	7.00	INCOMING WIRE FEE-P201506020004125-04125
6/04	7.00	INCOMING WIRE FEE-P201506040004494-04494

CHECKS PAID
* indicates skip in check numbers

Date	Check No.	Amount	Date	Check No.	Amount	Date	Check No.	Amount
6/02	1920	41.33	6/19	1941*	400.00	6/19	1949	3,140.00
6/08	1921	65.29	6/30	1942	250.00	6/23	1950	647.50
6/24	1927*	301.43	6/22	1943	50.00	6/22	1951	186,810.00
6/22	1935*	32,095.89	6/22	1944	1,389.89	6/22	1952	182.90
6/17	1936	1,476.93	6/24	1945	232.32	6/16	1953	2,500.00
6/22	1937	321.28	6/17	1946	400.00	6/26	1954	957.90
6/26	1938	64.15	6/25	1947	2,813.94	6/26	1955	474.18
6/22	1939	400.00	6/19	1948	475.00			

DAILY BALANCE SUMMARY

Date	Balance	Date	Balance	Date	Balance
6/02	582,364.42	6/17	774,994.57	6/24	548,548.36
6/04	771,873.42	6/19	770,979.57	6/25	545,734.42
6/08	771,808.13	6/22	549,729.61	6/26	544,238.19
6/12	774,759.13	6/23	549,082.11	6/30	544,100.89
6/16	776,843.50				

Account Details for Public Funds Tiered Int. - 10031508

Available Balance	\$551,807.61
Last Statement Date	6/30/2015
Current Balance	\$551,807.61
Interest Rate	0.200 %
Last Deposit Date	7/2/2015
Last Interest Paid Date	6/30/2015
Last Deposit Amount	\$8,260.30
Accrued Interest	\$45.32
Year-to-date interest amount	\$559.58

Account History for Public Funds Tiered Int. - 10031508

Posted				
<u>SORTED BY: POST DATE</u>	<u>NEWEST ON TOP</u>	<u>DEBIT</u>	<u>CREDIT</u>	<u>BALANCE</u>
Check 7/6/15 (Check #1940)		\$546.58		\$551,807.61
INCOMING WIRE FEE-P201507020003901-03901 7/2/15		\$7.00		\$552,354.19
ORIG:JEFFERSON COUNTY 7/2/15			\$8,260.30	\$552,361.19
Interest Paid 6/30/15			\$112.70	\$544,100.89
Check 6/30/15 (Check #1942)		\$250.00		\$543,988.19
Check 6/26/15 (Check #1954)		\$957.90		\$544,238.19
Check 6/26/15 (Check #1955)		\$474.18		\$545,196.09
Check 6/26/15 (Check #1938)		\$64.15		\$545,670.27
Check 6/25/15 (Check #1947)		\$2,813.94		\$545,734.42
Check 6/24/15 (Check #1927)		\$301.43		\$548,548.36
Check 6/24/15 (Check #1945)		\$232.32		\$548,849.79
Check 6/23/15 (Check #1950)		\$647.50		\$549,082.11
Check 6/22/15 (Check #1951)		\$186,810.00		\$549,729.61
Check 6/22/15 (Check #1935)		\$32,095.89		\$736,539.61
Check 6/22/15 (Check #1944)		\$1,389.89		\$768,635.50
Check 6/22/15 (Check #1939)		\$400.00		\$770,025.39

Check 6/22/15 (Check #1937)	\$321.28		\$770,425.39
Check 6/22/15 (Check #1952)	\$182.90		\$770,746.67
Check 6/22/15 (Check #1943)	\$50.00		\$770,929.57
Check 6/19/15 (Check #1949)	\$3,140.00		\$770,979.57
Check 6/19/15 (Check #1948)	\$475.00		\$774,119.57
Check 6/19/15 (Check #1941)	\$400.00		\$774,594.57
Check 6/17/15 (Check #1936)	\$1,476.93		\$774,994.57
Check 6/17/15 (Check #1946)	\$400.00		\$776,471.50
Refund Incoming Wire Fee 6/17/15		\$7.00	\$776,871.50
Refund Incoming Wire Fee 6/17/15		\$7.00	\$776,864.50
Refund Incoming Wire Fee 6/17/15		\$7.00	\$776,857.50
Refund Incoming Wire Fee 6/17/15		\$7.00	\$776,850.50
Check 6/16/15 (Check #1953)	\$2,500.00		\$776,843.50
Deposit 6/16/15		\$4,584.37	\$779,343.50
Deposit 6/12/15		\$2,951.00	\$774,759.13
Check 6/8/15 (Check #1921)	\$65.29		\$771,808.13
INCOMING WIRE FEE-P201506040004494-04494 6/4/15	\$7.00		\$771,873.42
INCOMING WIRE -P201506040004494-04494 6/4/15		\$189,516.00	\$771,880.42
INCOMING WIRE FEE-P201506020004125-04125 6/2/15	\$7.00		\$582,364.42
Check 6/2/15 (Check #1920)	\$41.33		\$582,371.42
INCOMING WIRE -P201506020004125-04125 6/2/15		\$7,784.75	\$582,412.75
Interest Paid 5/29/15		\$98.81	\$574,628.00
Check 5/29/15 (Check #1930)	\$182.90		\$574,529.19

Check 5/28/15 (Check #1931)	\$253.45	\$574,712.09
Check 5/28/15 (Check #1932)	\$151.70	\$574,965.54
Check 5/27/15 (Check #1926)	\$1,389.89	\$575,117.24
Check 5/27/15 (Check #1924)	\$889.55	\$576,507.13
Check 5/26/15 (Check #1922)	\$503.98	\$577,396.68
Check 5/26/15 (Check #1923)	\$412.57	\$577,900.66
Check 5/22/15 (Check #1925)	\$400.00	\$578,313.23
Check 5/22/15 (Check #1928)	\$400.00	\$578,713.23
Check 5/21/15 (Check #1934)	\$5,588.60	\$579,113.23
Check 5/21/15 (Check #1929)	\$475.00	\$584,701.83
Check 5/20/15 (Check #1933)	\$2,500.00	\$585,176.83
	<i>Subtotal:</i> \$249,205.15	\$213,335.93

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JEFFERSON COUNTY EMERGENCY

Account Number: 10031508
Statement Date: 6/30/15

PUBLIC FUNDS SAVINGS

JEFFERSON COUNTY EMERGENCY
SERVICES No. 4

Acct 20041885

Beginning Balance	5/01/15	97.00	
Deposits / Misc Credits	3	3.02	
Withdrawals / Misc Debits	0	.00	
** Ending Balance	6/30/15	100.02	**
Service Charge		.00	
Interest Paid		.02	
Interest Paid Year To Date		.02	
Annual Percentage Yield Earned		.12%	
Number of Days for A.P.Y.E.		61	
Average Balance for A.P.Y.E.		99.70	
Minimum Balance		100	

----- DEPOSITS AND OTHER CREDITS -----

Date	Deposits	Activity Description
5/07	3.00	Refund Balance Requirement Fee
5/29	.01	Interest Earned
6/30	.01	Interest Earned

----- DAILY BALANCE SUMMARY -----

Date	Balance	Date	Balance	Date	Balance
5/07	100.00	5/29	100.01	6/30	100.02

Account Details for Public Funds Savings - 20041885

Available Balance	\$100.02
Last Statement Date	6/30/2015
Current Balance	\$100.02
Interest Rate	0.100 %
Last Deposit Date	4/21/2015
Last Interest Paid Date	6/30/2015
Last Deposit Amount	\$100.00
Accrued Interest	\$0.00
Year-to-date interest amount	\$0.02

Account History for Public Funds Savings - 20041885

Posted				
<u>SORTED BY: POST DATE</u>	<u>NEWEST ON TOP</u>	<u>DEBIT</u>	<u>CREDIT</u>	<u>BALANCE</u>
Interest Earned 6/30/15			\$0.01	\$100.02
Interest Earned 5/29/15			\$0.01	\$100.01
Refund Balance Requirement Fee 5/7/15			\$3.00	\$100.00
BALANCE REQUIREMENT FEE 4/30/15		\$3.00		\$97.00
TELEPHONE TRF FR DD 10031508 4/21/15			\$100.00	\$100.00
		<i>Subtotal:</i> \$3.00	\$103.02	

Exhibit C

Jefferson County Emergency Services District No. 4 Statement of Activities

	9 Months Ended	9 Months Ended	9 Months Ended	9 Months Ended	Annual Budget	Over (Under) Budget	% of Budget Used to Date
	6/30/2015	6/30/2015	6/30/2015	6/30/2015			
	Actual	Actual	Actual	Total			
	Labelle-Fannett	Cheek	Administrative	All Locations			
Revenue							
Ad Valorem Taxes	\$ -	\$ -	\$ 544,795	\$ 544,795	\$ 660,074	\$ (115,279)	82.54%
Interest Income	-	-	660	660	-	660	0.00%
Loan Proceeds	-	-	189,516	189,516	-	189,516	0.00%
Other Income	-	-	2,951	2,951	-	2,951	0.00%
Reim. to BASF for Exempt Industrial Property	-	-	-	-	(120,000)	120,000	0.00%
Total Revenue	<u>0</u>	<u>0</u>	<u>737,922</u>	<u>737,922</u>	<u>540,074</u>	<u>197,848</u>	<u>136.63%</u>
Operating Expenses							
Accounting	-	-	3,855	3,855	27,000	(23,145)	14.28%
Advertising	-	-	52	52	1,000	(948)	5.20%
Bank Fees	-	-	30	30	400	(370)	7.50%
Cable	352	-	-	352	350	2	100.57%
Cell Phone/EMS Equipment	42	-	-	42	440	(398)	9.55%
Children's Education	215	-	-	215	3,000	(2,785)	7.17%
Cleaning & Building	3,276	-	-	3,276	1,850	1,426	177.08%
Computers & Software	424	-	108	532	1,300	(768)	40.92%
Copier	-	-	-	-	500	(500)	0.00%
Dues & Fees	575	-	1,100	1,675	2,100	(425)	79.76%
Fire Field Meals	-	-	-	-	1,300	(1,300)	0.00%
Fire Uniforms	94	-	806	900	3,850	(2,950)	23.38%
Fuel - EMS	2,855	-	-	2,855	2,500	355	114.20%
Fuel-Fire	2,905	-	162	3,067	12,000	(8,933)	25.56%
Insurance - Worker's Compensation	2,305	-	-	2,305	6,000	(3,695)	38.42%
Insurance- Accident & Sickness	-	-	-	-	4,000	(4,000)	0.00%
Insurance- Property & Liability	28,203	-	5,989	34,192	30,000	4,192	113.97%
Insurance-VETS District	-	-	2,528	2,528	2,500	28	101.12%
Interest Expense	-	-	-	-	10,000	(10,000)	0.00%
Internet	-	-	314	314	2,900	(2,586)	10.83%
Lawn Service	1,750	-	700	2,450	4,500	(2,050)	54.44%
Legal/Professional	-	-	17,916	17,916	10,000	7,916	179.16%
Lodging/Meals/Travel & Regist ESD	-	-	219	219	8,000	(7,648)	4.40%
Maintenance & Repairs - Radios	567	-	426	993	4,500	(3,507)	22.07%
Notes Payable - Texas First Bank	-	-	-	-	20,000	(20,000)	0.00%
Office Supplies	752	-	-	752	1,475	485	132.88%
Postage & Box Rental	-	-	40	40	100	(60)	40.00%
Purchase of Additional Radios (3)	-	-	1,283	1,283	2,700	(1,417)	47.52%
Salary Expense	-	-	7,500	7,500	12,000	(4,500)	62.50%

For management purposes only.

Jefferson County Emergency Services District No. 4 Statement of Activities

	9 Months Ended 6/30/2015	9 Months Ended 6/30/2015	9 Months Ended 6/30/2015	9 Months Ended 6/30/2015	Annual Budget	Over (Under) Budget	% of Budget Used to Date
	Actual	Actual	Actual	Total			
	Labelle-Fannett	Cheek	Administrative	All Locations			
Small Equipment Purchases (less than \$5,000)	1,511	-	-	1,511	10,000	(8,489)	15.11%
Supplies - Fire	-	-	-	-	9,000	(9,000)	0.00%
Tax & Appraisal Fees	-	-	10,035	10,035	10,000	35	100.35%
Telephone	7,139	-	660	7,799	9,800	(2,001)	79.58%
Utilities	5,896	554	-	6,450	10,500	(4,050)	61.43%
Water & Garbage	2,258	222	-	2,480	2,900	(420)	85.52%
Total Operating Expenses	61,119	10,361	45,479	116,959	228,465	(111,506)	51.19%
Emergency Medical Services							
Equipment (New/Repair/Testing)	-	-	-	-	8,000	(8,000)	0.00%
Medical Supplies	600	-	-	600	8,000	(7,400)	7.50%
Tuition/Reg/Certification/Dues	-	-	-	-	2,000	(2,000)	0.00%
Vehicle Repair & Maintenance	453	-	-	453	15,000	(14,547)	3.02%
Total Emergency Medical Services	1,053	0	0	1,053	33,000	(31,947)	3.19%
Fire Services							
Equipment-Insp/Repairs	166	-	-	166	2,200	(2,034)	7.55%
Gloves & Boots	-	-	-	-	1,600	(1,600)	0.00%
Personal Protection Equipment	1,011	-	-	1,011	15,500	(14,489)	6.52%
Training & Materials	175	165	-	340	12,000	(11,660)	2.83%
Travel/Lodging/Meals/Trans Expenses	3,053	-	-	3,053	-	3,053	0.00%
Tuition/Registration	1,175	-	-	1,175	-	1,175	0.00%
Vehicle Repair & Maintenance	9,604	5,512	-	15,116	48,000	(32,884)	31.49%
Total Fire Services	15,184	5,677	0	20,861	79,300	(58,439)	26.31%
Fire and EMS General							
Auxiliary	-	-	-	-	3,000	(3,000)	0.00%
Total Fire & EMS General	0	0	0	0	3,000	(3,000)	0.00%
Capital Expenditures							
Brush Truck	-	-	-	-	30,000	(30,000)	0.00%
Cascade System	25,677	6,419	-	32,096	30,000	2,096	106.99%
Garage Door & Siding	-	3,140	-	3,140	5,600	(2,460)	56.07%
Pumper Truck	-	186,810	-	186,810	-	186,810	0.00%
Radio Communication Upgrade	-	-	-	-	29,440	(29,440)	0.00%
Total Capital Expenditures	25,677	196,369	0	222,046	95,040	127,006	233.63%
Contingency	0	0	0	-	101,269	(101,269)	0.00%
Total Expenses	103,033	212,407	45,479	360,919	540,074	(179,155)	66.83%
Net Change in Fund Balance	\$(103,033)	\$(212,407)	\$692,443	\$377,003			

For management purposes only.

Exhibit D

BENCKENSTEIN & OXFORD, L.L.P.

ATTORNEYS AT LAW
3535 CALDER AVENUE, SUITE 300
BEAUMONT, TEXAS 77706
TELEPHONE: (409) 833-9182
TELEFAX: (409) 833-8819

Joshua C. Heinz

jheinz@benoxford.com

June 18, 2015

Via Hand Delivery

Charles Sonnier, Chief
Labelle-Fannett Volunteer Fire Department
12880 FM 365
Beaumont, Texas 77705

Re: Jefferson County Emergency Services District No. 4; Production of Records by Labelle-Fannett Volunteer Fire Department; B&O File No. 87102.

Dear Chief Sonnier,

In the past, Jefferson County Emergency Services District No. 4 ("District") has requested, both verbally by its Board of Commissioners ("Board") and in writing by the District Manager, that Labelle-Fannett Volunteer Fire Department ("Department") provide the District with copies of various Department records, however, the District has yet to receive the following requested records:

- The Department's member files, which should include all NIMS certifications, copies of current driver's licenses, CPR certifications, EMS certifications, fire certifications, training certifications, disciplinary reports, and performance evaluation reports for each Department member and volunteer firefighter/medic;
- The Department's standard operating procedures or guidelines;
- The Department's corporate by-laws; and,
- The Department's training records.

Please provide complete copies of the above-listed records, along with complete copies of the Department's tax returns and profit/loss statements for the calendar years 2013 and 2014, and a year-to-date profit/loss statement for the calendar year 2015, to the District Manager on or before July 13, 2015.

If said requested records are not received by the District Manager on or before July 13, 2015, the Board will not approve or pay of any expense or reimbursement payment requests submitted by the Department to the District during the Board's July 20, 2015 regular meeting. Additionally, be advised that no future expense or reimbursement payment requests submitted by the Department to the District will be considered by the Board for approval or payment until such time that complete copies of all the records specifically identified herein have been provided to the District.

BENCKENSTEIN & OXFORD, L.L.P.

Labelle-Fannett VFD
June 18, 2015
Page - 2 -

Thank you for your soonest attention to this matter, and please contact a Board Member or the District Manager if you have any questions or require additional information.

Sincerely,

BENCKENSTEIN & OXFORD, L.L.P.

By: _____


Joshua C. Heinz

JCH/jcr

cc: *Via Email*
JCESD No. 4 Board of Commissioners
Wayne Wilber, District Manager
Rufus Lavergne, LFVFD President

Exhibit E

**Jefferson County Emergency Services District No. 4
Bank Account Register**

Texas First Bank - Checking
June 16, 2015 - July 20, 2015

Date	Reference	Payee ID	Description	Checks/ Payments	Deposits/ Additions	Balance
			Beginning Balance			538,632.37
06/16/15			Reimbursement from LBF VFD - E3		4,584.37	543,216.74
06/17/15			Refund of Wire Fees 4/26, 5/7, 6/2 & 6/4		28.00	543,244.74
06/30/15			Interest Income		112.70	543,357.44
07/02/15			Property Taxes		8,260.30	551,617.74
07/02/15			Wire Transfer Fee	7.00		551,610.74
07/20/15	1956		Kevin Kester	109.00		551,501.74
07/20/15	1957		Jeremiah Rivett	109.00		551,392.74
07/20/15	1958		Lena LaVergne	109.00		551,283.74
07/20/15	1959	COUNTRYCORN	Country Corner	181.18		551,102.56
07/20/15	1960	EARLLAWN	Earl Lawn Service	200.00		550,902.56
07/20/15	1961	GREENACRES	Green Acres Grocery, Inc.	315.53		550,587.03
07/20/15	1962	OXFORD	Hubert Oxford, IV	400.00		550,187.03
07/20/15	1963	JACKSON	Jackson Lawn Care	250.00		549,937.03
07/20/15	1964	JOETUMBLESO	Joe Tumbleson	350.00		549,587.03
07/20/15	1965	HEINZ	Joshua C. Heinz	400.00		549,187.03
07/20/15	1966	KAY	Kay Electronics, Inc.	582.93		548,604.10
07/20/15	1967	LBF VFD	Labelle Fannett VFD	2,699.94		545,904.16
07/20/15	1968	MER1099	Mary Ellen Robertson, CPA	475.00		545,429.16
07/20/15	1969	LIKINS	Ralph E. Likins	7,500.00		537,929.16
07/20/15	1970	ROLLINS	Rollins Truck & Trailer Repair, LLC	90.00		537,839.16
07/20/15	1971	SIDDONS	Siddons-Martin Emergency Group, LLC	430.39		537,408.77
07/20/15	1972	SPRINTWASTE	Sprint Waste Services	182.90		537,225.87
07/20/15	1973	VFIS	VFIS of Texas	225.66		537,000.21
07/20/15	1974	VISA4586	VISA	296.85		536,703.36
07/20/15	1975	VISA4594	VISA	27.44		536,675.92
07/20/15	1976	VISA9650	VISA	718.64		535,957.28
07/20/15	1977	WILBER	Wayne Lynn Wilber	2,500.00		533,457.28
			Totals	<u>18,160.46</u>	<u>12,985.37</u>	<u>533,457.28</u>

15,460.52

Transaction count = 27

Jefferson County Emergency Services District No. 4

Bank Account Register

Texas First Bank - Savings
June 16, 2015 - July 20, 2015

Date	Reference	Payee ID	Description	Checks/ Payments	Deposits/ Additions	Balance
06/30/15			Beginning Balance			100.01
			Interest Income		0.01	100.02
			Totals	<u>0.00</u>	<u>0.01</u>	<u>100.02</u>

Transaction count = 1

July 17, 2015

Jefferson County ESD No. 4 Commissioners,

After the completion of the Emergency Medical Technician Basic course in September of 2014, the following students fulfilled their obligation to the District by obtaining EMS license certification from Texas Department of State Health Services per the Agreement for Emergency Medical Services Training. These students incurred out of pocket expenses for National Registry testing (\$70) and State of Texas fingerprinting (\$39). All are active members of their respective Departments and currently responding to calls. I request the ESD Commissioners consider reimbursement of \$109 to each of the students listed:

Jeremiah Rivett

Kevin Kester

Lena LaVergne

Regards,

Wayne Wilber

District Manager

Exhibit F

**AGREEMENT FOR PROVIDING
FIRE PROTECTION SERVICES**

STATE OF TEXAS §

COUNTY OF JEFFERSON §

This is an Agreement for Providing Fire Protection Services (“Agreement”), effective as of _____, 2015, by and between the Jefferson County Emergency Services District No. 4 (“District”), a political subdivision of the State of Texas, organized and operating pursuant to the provisions of Section 48-e, Article III of the Texas Constitution and Chapter 775 of the Health and Safety Code, as amended (“H&S Code”), and the Cheek Volunteer Fire Department and Ambulance Service (“Department”), a Texas non-profit corporation duly organized and operating under the laws of the State of Texas.

WITNESSETH

WHEREAS, the District is a duly organized emergency services district and a political subdivision of the State of Texas, created to protect life and health and for such other purposes as determined by the District under Chapter 775 of the H&S Code, with full authority to carry out the objects of its creation and authorized to enter into and perform any and all necessary contracts; and

WHEREAS, pursuant to Section 775.031 of the H&S Code, the District has the authority to enter into such necessary contracts with others, including incorporated cities or towns or other government entities and volunteer fire organizations, whereby fire protection services and other services may be made available to the District as the District shall determine; and

WHEREAS, the District desires to secure fire protection and suppression services (“Emergency Services”, hereinafter defined) for the geographic area of the District to be served by the Department (“Service Area”, hereinafter defined); and

WHEREAS, the District currently does not have any personnel to provide such services directly; and

WHEREAS, the District has determined that it is in the best interests of the residents and the property owners of the District to enter into a contract for Emergency Services with an independent agency capable of providing Emergency Services at levels acceptable to the District; and

WHEREAS, the Department currently has the requisite personnel (paid and/or volunteer) to provide the Emergency Services, and is willing and able to provide to the District such Emergency Services within the Service Area for the consideration hereinafter provided; and

WHEREAS, the Department is the current provider of Emergency Services to the Service Area pursuant to a prior agreement between the parties, and county and/or 911 designations; and

WHEREAS, the District has determined that the Department is an Emergency Services provider entity located within the Service Area and has the ability to provide the requisite personnel to provide the Emergency Services;

NOW, THEREFORE, for and in consideration of the premises and mutual covenants hereinafter contained, the parties hereto agree each with the others as follows:

ARTICLE I.
DEFINITIONS

Section 1.01 Definitions

In addition to other terms defined herein, the following terms shall have the meanings assigned to them in this Article I whenever they are used in this Agreement.

A. Act. Chapter 775 of the Health and Safety Code, as amended, and also referred to herein as the "H&S Code."

B. Board. The Board of Commissioners for the District.

C. District. Jefferson County Emergency Services District No. 4, a political subdivision of the State of Texas created and operating pursuant to the H&S Code.

D. Chain of Command. The rank and file of the District and the Department that establishes the roles and responsibilities within the District and the Department, as set forth in Exhibit "C" attached hereto and incorporated herein for all purposes.

E. Department. Cheek Volunteer Fire Department and Ambulance Service, a non-profit corporation duly organized and existing under the laws of the State of Texas.

F. Agreement. This Agreement and any and all amendments or supplements hereto.

G. Equipment. The equipment operated and utilized by the Department in providing Emergency Services.

H. Service Area. The geographic area of the District to be served by the Department, as more particularly described in Exhibit "A", attached hereto and incorporated herein for all purposes, which the Department will serve as the primary responder for Emergency Services.

I. Emergency Services. All fire protection and suppression services and other services to be made available to the District pursuant to this Agreement.

Section 1.02 Construction of Terms

If appropriate, in this Agreement words of the singular number shall be considered to include the plural, words of the plural shall be considered to include the singular, and words of the masculine, feminine, and neuter genders shall be considered to include the other genders.

ARTICLE II.
REPRESENTATIONS AND WARRANTIES

Section 2.01 District's Representations, Warranties, and Findings. The District represents, warrants, and finds that:

A. The District is a duly constituted political subdivision of the State of Texas created and operating pursuant to the H & S Code, and has the authority to enter into this Agreement and the transactions contemplated hereby, and to carry out its obligations.

B. The services to be provided by the Department under this Agreement include providing Emergency Services to the Service Area. This Agreement also recognizes the ability to provide and receive mutual and automatic aid from other emergency service organizations as deemed necessary by the Department.

Section 2.02 Department's Representations and Warranties. The Department represents, warrants, and finds that:

A. The Department is a non-profit corporation duly incorporated and validly existing and in a good standing under the laws of the State of Texas and is not in violation of any of the provisions of its Articles of Incorporation, its By-laws, or any laws of the State of Texas relevant to the transactions contemplated hereby.

B. The Department is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

C. The Department has full corporate power and authority to execute and deliver this Agreement, and has, by proper corporate action, duly authorized the execution and delivery of this Agreement.

D. Neither the execution or the delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms or conditions of this Agreement conflicts with or results in a breach of the terms, conditions, or provisions of any corporate restriction or any agreement or instrument to which the Department is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever on any property or assets of the Department.

E. The Department is familiar with the boundaries of the Service Area and agrees to provide Emergency Services to all the residents, commercial and industrial interests, and others found within the Service Area.

F. The quality of the Emergency Services to be provided to the residents, commercial and industrial interests, and others found within the Service Area will be equal to or better than the quality of the Emergency Services received in the Service Area before the effective date of this Agreement or as evaluated by the District.

G. The training of the Department's personnel shall equal or exceed that of the prior year's level, as determined in the sole and reasonable discretion of the District.

Section 2.03 Duties and Responsibilities of Department.

A. The Department's Chief, or the Chief's designated representative, shall be the liaison with the Board and the District's Manager for Emergency Services operations, and for legal and business matters, and shall report directly to the District's Manager as set forth in the attached Chain of Command. (See Exhibit "C").

B. The Department's Chief and the Chief's designated representatives shall use their best efforts to coordinate with the District's Manager to determine what constitutes an emergency for a response by the Department.

C. The Department's Chief, or the Chief's designated representative, shall notify the District's Manager when the Department responds to mutual aid outside of the District.

D. The Department shall disclose quarterly to the District's Manager prior to the Board's January, April, July and October regular meetings, a roster of all of the Department's personnel, noting thereon the state certifications held by each respective Department member, along with the total number of calls responded to and training courses and/or exercises completed by each member in that quarter.

E. The Department agrees to provide Emergency Services within the Service Area and the District as specified in this Agreement.

F. It shall be the duty and responsibility of the Department to utilize only responsible, competent and well-trained personnel and to conduct regularly scheduled training sessions to ensure a high level of competency among their personnel. The Department shall notify the District's Manager, in writing within ten (10) days of an occurrence, when the level of personnel in the Department declines by more than twenty percent (20%) from the level of the Department as of the date of this Agreement.

G. The Department shall, at all times, conduct its activities in accordance with all current statutes, rules and regulations of any and all governmental bodies and shall further obtain and maintain all permits, consents and certificates that are required by any governmental body for the Department to be able to provide the Emergency Services. In the event the Department falls below compliance with any such statutes, rules or regulations of any governmental body, the Department shall notify the District's Manager in writing within ten (10) days of the date the Department receives official notice of such non-compliance.

H. The Department shall ensure that any and all equipment used to provide Emergency Services within the Service Area is properly maintained and repaired, shall ensure that said equipment is kept in a state of good repair at all times, and shall comply, so far as practicable, with applicable sections of the National Fire Protection Association ("NFPA") codes and standards.

I. In order to assure readiness of equipment, the Department's Chief, or the Chief's designated representative, shall notify the Board of any out of service equipment as soon as practical depending on the nature of the problem and need for the equipment, and to the greatest extent and as soon as practicable, and shall request that the District repair any out-of-service equipment pursuant to and in accordance with the procedures set forth in Section 6.02 below.

J. The Department shall make recommendations to the District's Manager for proposed future acquisitions of additional equipment and other property prior to May 1st of each year.

K. The Department shall implement and maintain a staff and emergency services personnel evaluation and review policy toward the goal of satisfying the requirements under Sections 2.03.D. and 2.03.F above. The personnel evaluation and review policy shall include policies dealing with discrimination, sexual harassment, and chain of command, and shall be delivered to the District's Manager upon execution of the Agreement, if the policy is then in place; otherwise, it shall be delivered not later than ninety (90) days following the effective date of the Agreement.

ARTICLE III.
SERVICES TO BE PROVIDED

Section 3.01 General

During the term of this Agreement, the Department shall provide Emergency Services to the Service Area on a 24-hour per day basis, seven days a week, to the greatest extent practicable.

Section 3.02 Exclusive Agreement and Mutual Aid

The Department hereby acknowledges and agrees that its primary responsibilities are to the Service Area. However, in order to ensure that there will be available at all times equipment and personnel, the parties acknowledge that the Department will, in its sole and reasonable discretion and judgment to do so, summon mutual and/or automatic aid from others, including incorporated cities or towns or other government entities and volunteer fire and first responder organizations that are able to provide and/or assist in providing the Emergency Services in the Service Area, when appropriate or as needed. Excluding any mutual and automatic aid agreements already in place, the Department shall obtain prior written approval from the Board before entering into any mutual or automatic aid agreements, approval of which shall not be unreasonably withheld by the Board.

Section 3.03 Independent Contractor

A. Notwithstanding anything in this Agreement that may be construed to the contrary, the Department and all of its personnel (paid and volunteers) or agents shall at all times be independent contractors regarding the services rendered or not rendered to the District and the residents of the District. The Department and its personnel shall at all times have the right to supervise, manage, control, and direct the details and performance of the work in providing Emergency Services under this Agreement.

B. Nothing in this Agreement shall be construed to make any party the partner or joint venturer of or with another party.

ARTICLE IV.
INSURANCE AND INDEMNIFICATION

Section 4.01 Insurance

A. The District shall insure all of the equipment and property reasonably required to provide the Emergency Services hereunder or cause same to be insured for loss or damage of such kind usually insured against by entities similarly situated.

B. At all times during the term of this Agreement, the Department shall maintain Worker's Compensation coverage, with respect to all its personnel (paid and volunteers), of such kind and at such levels usually maintained by entities similarly situated, and the District shall pay directly the premiums associated with said coverage. In relation to the Worker's Compensation coverage, Department shall, on an annual basis, apply for and seek recovery of any funds available through the Rural Volunteer Fire Department Insurance Program administered by the Texas A&M Forestry Service, so long as such program is available, and any funds received by Department through this program shall be paid by Department to the District.

Section 4.02 Indemnification

The Department shall indemnify and hold harmless the District and its officers, members, employees, other independent contractors, attorneys, representatives and agents against any and all losses, costs, damages, expenses, and liabilities of whatever nature (including but not limited to reasonable attorney fees, litigation and court costs, amounts paid in settlement and amounts paid in discharge of judgments) directly or indirectly resulting from or arising out of the provision of the Emergency Services hereunder by the Department.

ARTICLE V.
BUDGET

Section 5.01 Preparation of Budget

A. Each year during the term of this Agreement, the Department shall submit to the Board a proposed annual budget to be reviewed by the Board. The budget is due on May 1st of each year that this Agreement is in place.

B. Upon submission to the Board by the Department, the Board has the right to approve, modify or reject in whole or in part the Department's proposed budgets.

ARTICLE VI.
EQUIPMENT REPAIR, PURCHASES, AND
PAYMENT OF OPERATION EXPENSES

Section 6.01 Payment of Department's Operation and Maintenance Expenses

A. The District will pay for the Department's operation and maintenance expenditures from current revenues on hand in accordance with the District and the Department's approved operating budgets, the District's Purchasing Policies and Procedures, and any other purchasing or procurement policies and procedures as adopted by the Board or as provided in this Agreement. The District is not obligated to approve or pay for unexpected or unbudgeted expenditures.

B. Notwithstanding any other provisions in this Agreement, the District is not required to pay any of the Department's operation or maintenance expenditures or approve the Department's proposed operating budgets, and the District will not be obligated to make any payment for or on behalf of the Department, or reimburse the Department for any emergency expenditure, except in accordance with the District and the Department's approved operating budget, as modified and approved by the Board from time to time, and the Department's compliance with the requirements set forth in this Agreement.

Section 6.02 Equipment Repairs and Maintenance

A. The Department's Chief, or the Chief's designated representative, shall immediately notify the District's Manager of any Equipment which is out of service and needing to be repaired, as well as any in-service Equipment requiring maintenance. With regard to said out-of-service Equipment needing repair and in-service Equipment requiring maintenance, the Department's Chief, or the Chief's designated representative, shall also immediately complete and submit to the District's Manager a Repair/Maintenance Request Form, and the District's Manager will then make arrangements to have said Equipment repairs and/or maintenance performed so that the Equipment can be placed back in service as soon as practical. The District's Manager will provide the Department's Chief with the Repair/Maintenance Repair Form to be utilized by the Department pursuant to this section.

B. In the event of an emergency situation, being on in which the District's Manager is unavailable and any delay in repairing any out-of-service equipment would jeopardize the health and safety of the Department's personnel or any resident of the District or would cause damage, or further damage, to the Department or the District's facilities or equipment, or any residential, commercial, or industrial interests in the District, the Department is authorized to any necessary repairs, not to exceed \$1,000.00, and incur/pay the expense associated with same. Any such emergency expense incurred by the Department pursuant to the section shall be submitted to the District for reimbursement in accordance with Section 6.05 below.

Section 6.03 Utilities

All utilities necessary for the Department to provide the Emergency Services as set forth in this Agreement, including but not limited to, electricity, water, sewer, garbage, phone, internet, satellite/cable TV, and security monitoring, shall be established and maintained in the

District's name, and shall be provided by the District to the Department. Any utilities not already in the District's name shall be established by and/or transfer to the District within sixty (60) days of the effective date of this Agreement, and the Department shall coordinate with and provide assistance to the District's Manager upon request to facilitate any needed transfer of utility services into the District's name. Additionally, if the Department has any specific requirements in relation to a specific type of utility service (i.e., rollover/transfer requirements for dispatch calls received by the Department), the Department shall notify the District of any such specific needs and requirements in writing within thirty (30) days of the effective date of this agreement.

Section 6.04 Equipment and Material Purchases

A. All purchases of equipment and materials needed and/or requested by the Department for its operations and in order to fulfill its obligations under this Agreement shall be made by the District's Manager. As to all needed and/or requested equipment and material purchases, the Department's Chief, or the Chief's designated representative, shall complete and submit to the District's Manager a Purchase Request Form, and the District's Manager will then make arrangements to purchase said equipment and/o materials. Once purchased and received by the District's Manager, said equipment and materials will be provided to the Department. All purchases made by the District's Manager shall be done in compliance with the District's Purchasing Policies and Procedures, and if necessary, all purchased equipment and materials shall be inventoried by the District's Manager prior to distributing same to the Department. As set forth above, the District's Manager is not obligated to make any purchase requested by the Department, and such will only be approved and purchased by the District Manager is such is deemed necessary and in accordance with the approved operating budget. The District's Manager will provide the Department's Chief with the Purchase Request Form to be utilized by the Department pursuant to this section

B. In the event of an emergency situation, being on in which the District's Manager is unavailable and any delay in purchasing equipment or materials would jeopardize the health and safety of the Department's personnel or any resident of the District or would cause damage, or further damage, to the Department or the District's facilities or equipment, or any residential, commercial, or industrial interests in the District, the Department is authorized to purchase any necessary equipment or materials, not to exceed \$100.00, and incur/pay the expense associated with same. Any such emergency expense incurred by the Department pursuant to the section shall be submitted to the District for reimbursement in accordance with Section 6.05 below.

Section 6.05 Reimbursement for Emergency Expenditures

As to any emergency expenditures incurred by the Department pursuant to Sections 6.02.B. and 6.04.B. above, the Department shall submit to the District's Manager an original copy of the invoice, receipt and other documents describing the amount of the purchase/repair, along with a completed Expense Reimbursement Request Form, on or before the 1st of each month. Any emergency expense reimburse request properly submitted by the Department will be considered at the regular Board meeting immediately following the Department's submittal of the request. If approved by the Board, the District shall issue a reimbursement payment to the Department. Any reimbursement request submitted by the Department more than thirty (30) days

after the date that the Department incurred said emergency expense will not be considered by the Board or paid by the District. The District's Manager will provide the Department's Chief with the Expense Reimbursement Form to be utilized by the Department pursuant to this section.

Section 6.06 Fuel Purchases

All fuel purchases made by the Department shall be done in accordance with the District's Fuel Purchasing Policy. If the Department does not already have a copy of the District's Fuel Purchasing Policy, the District's Manager will provide the Department's Chief with a copy of same upon written request.

Section 6.07 District Funds

Should the Department ever receive funds from the District or come into possession of same, Department may not commingle District funds with Department funds and shall deposit and keep all District funds in a separate account from all other Department accounts. This paragraph does not apply to any payments made by the District to Department as reimbursement for an emergency or other approved expenditure.

Section 6.08 Emergency Services Billing

A. The Department shall not bill any District resident and/or property owner or make a claim against any insurance policy of a resident and/or property owner in relation to any type of fire protection or suppression services provided by the Department within the Service Area or any other areas in the District.

B. Any funds received by the Department from private insurance carriers in payment for Emergency Services that are related to services provided under this Agreement during the term of this Agreement, and collectively herein referred to as "emergency services billing revenue," must be reported by the Department to the District not later than 45 days following the Department's receipt of such revenue and money.

**ARTICLE VII.
AUDIT**

Section 7.01 Audit.

The Department must submit to an annual audit or financial review by an independent auditor selected by the District, unannounced inspections of all records, property, or equipment, and any other requirement reasonably imposed by the District, or local, state, federal law, or administrative regulations. The Department must make all its financial documents available for review and inspection by the Board, the District's Manager, and/or the District's auditor, upon request by the Board or the District's Manager.

ARTICLE VIII.
TITLE TO ASSETS

Section 8.01 Ownership of Assets.

A. All assets purchased by the District and/or with District funds, in whole or in part, for use in the provision of the Emergency Services within the Service Area shall be acquired in the name of the District. The District agrees to make such assets purchased for use by the Department fully available to and shall place same in the possession of the Department to be used by the Department in accordance with and to carry out the terms of this Agreement.

B. The Department may not sell, trade, assign or convey to another person or entity any asset purchased in whole or in part with District funds without prior written approval of the Board.

C. The Department may not acquire any asset using District funds without the prior written approval of the Board.

ARTICLE IX.
REPORTS

Section 9.01 Annual Service Report

The Department shall provide to the District's Manager annually, in the month of January, a report of the number and nature of Emergency Services calls originating from all Department stations within the Service Area. The report shall cover the period from October 1st through September 30th of the prior year.

Section 9.02 Monthly Run Report

At least seven (7) days before each monthly, regular Board meeting, the Department shall deliver to the District's Manager a written report of the number and nature of Emergency Services calls for the prior month (i.e., run report). The report shall also state the number and type of calls during the period that the Department did not respond to and for which third-party mutual and/or automatic aid was requested/provided. The Department shall utilize the form report attached hereto as Exhibit "B".

Section 9.03 Monthly Financial Report

At least seven (7) days before each monthly, regular Board meeting, the Department shall deliver a monthly financial report to the District's Manager that shows all revenue, expenditures, and other monthly financial activity of the Department during the prior month. Said report shall also identify the amount funds received by the Department from private insurance carriers as payment for Emergency Services rendered by the Department (i.e., emergency services billing revenue). The monthly financial report shall be in a form as established and/or approved by the District's Manager. In the event that the Department receives no revenue and pays no expenditures, or otherwise has no financial activity during a monthly period, then the

Department shall notify the District's Manager of same and shall not be obligated to provide the District's Manager with a monthly financial report.

Section 9.04 Other Information

The Department shall furnish or cause to be furnished to the Board and/or the District's Manager such other reports or information concerning the Department as the Board and/or the District's Manager may reasonably request. Such reports may include, but are not limited to, additional financial information, response times for various calls made by the Department, calls and response times broken down by zone or neighborhood, types of calls, information regarding the Department's personnel, or other information concerning the Department and its activities.

**ARTICLE X.
ASSIGNMENT AND MODIFICATION**

This Agreement may not be assigned by the Department, in whole or in part, without obtaining the prior written consent of the Board. Further, this Agreement may be modified only on the prior written consent of all parties.

**ARTICLE XI.
MISCELLANEOUS**

Section 11.01 Term of Agreement

This Agreement shall be for the period of _____, 2015 through _____, 2016. Thereafter, this Agreement shall automatically renew for successive one-year terms unless terminated as provided below.

Section 11.02 Termination of Agreement

This Agreement may be terminated by either party hereto upon providing at least ninety (90) days prior written notice.

Section 11.03 Treatment of Assets Upon Dissolution of Entity

A. In the event that the District dissolves during the term of this Agreement, all of the District's assets used to provide Emergency Services within the Service Area, including but not limited to all assets previously acquired by the District from the Department and all assets purchased by the District and/or with District funds, shall be transferred, along with the District's debts, to the Department so that same may be utilized to provide continued Emergency Services to the Service Area, so long as the Department is located within or embracing the District and the transfer will benefit the District's residents, subject to the requirements of Section 775.055 of the Texas Health & Safety Code.

B. In the event that the Department dissolves during the term of this Agreement, all of the Department's assets used to provide Emergency Services shall be automatically and immediately conveyed and transferred to the District. The Department shall amend its bylaws to ensure compliance with this section within sixty (60) days of the effective date of this

Agreement, and shall provide proof of same to the District within ninety (90) days of the effective date of this Agreement.

Section 11.04 Notices

All notices, certificates or other communications hereunder shall be sufficiently given or shall be deemed given when delivered by regular mail or hand delivery, addressed as follows:

If to District, at: Jefferson County Emergency Service District No. 4
 12880 FM 365
 Beaumont, Texas 77705

With a copy to: Joshua C. Heinz
 Benckenstein & Oxford, LLP
 3535 Calder Ave., Suite 300
 Beaumont, Texas 77706
 Fax: (409) 833-8819

If to Departments, at: Cheek Volunteer Fire Department and
 Ambulance Service
 8523 Kidd Rd.
 Beaumont, Texas 77713

The District or the Department may by notice hereunder designate any further or different address to which subsequent notices, certificates or other communications shall be sent.

Section 11.05 Binding Effect

This Agreement shall inure to the benefit of and shall be binding upon the District and the Department.

Section 11.06 Severability

In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.07 Execution and Counterparts

This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.08 Captions

The captions or headings in this Agreement are for convenience only and in no way define, limit, or otherwise describe the scope or intent of any provision or section of this Agreement.

Section 11.09 Governing Law

The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

Section 11.10 Venue

This Agreement is fully performable and enforceable in Jefferson County, Texas, wherein venue hereunder shall lie.

Section 11.11 Attorney's Fees

In an action to enforce any provision of this Agreement, the prevailing party may recover its attorney's fees, costs and expenses from the non-prevailing party. This section shall survive the termination of this Agreement.

Section 11.12 Legal Representation

The District's legal representation is by and through Benckenstein & Oxford, L.L.P. Benckenstein & Oxford, L.L.P. does not represent the Department, and the Department hereby acknowledges this fact. The District recommends that the Department have an attorney review this Agreement prior to signing.

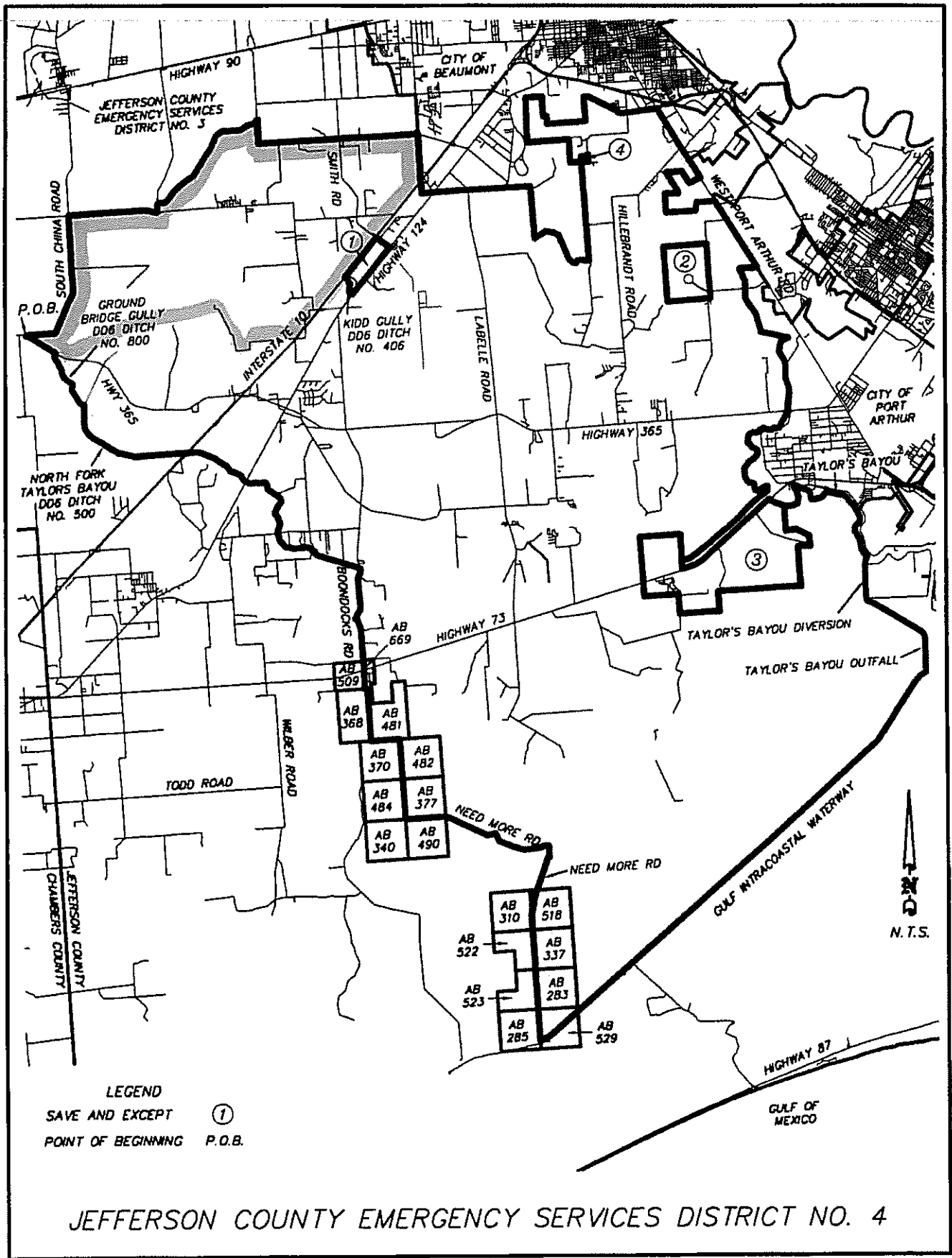
IN WITNESS WHEREOF the District and the Department have caused this Agreement to be executed in their respective corporate names and attested by the duly authorized officers.

Signed this _____ day of _____, 2015.

JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4 By: _____ Printed Name: Jeff Roebuck Title: District President	CHEEK VOLUNTEER FIRE DEPARTMENT AND AMBULANCE SERVICE By: _____ Printed Name: _____ Title: Department President
ATTEST: By: _____ Printed Name: Sandra Duhon Title: District Secretary	ATTEST: By: _____ Printed Name: _____ Title: Department Secretary

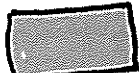
EXHIBIT A

DISTRICT AND DEPARTMENT SERVICE AREA MAP



LEGEND
 SAVE AND EXCEPT (1)
 POINT OF BEGINNING P.O.B.

JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4

 Check VFD

 Labelle-Fannett VFD

EXHIBIT B
MONTHLY REPORT

Month: _____

Total Calls Received: _____

Responses:

Structure Fires: _____

Wood/Grass Fires: _____

Vehicles/Wrecks: _____

EMT/First Responder: _____

Others: _____

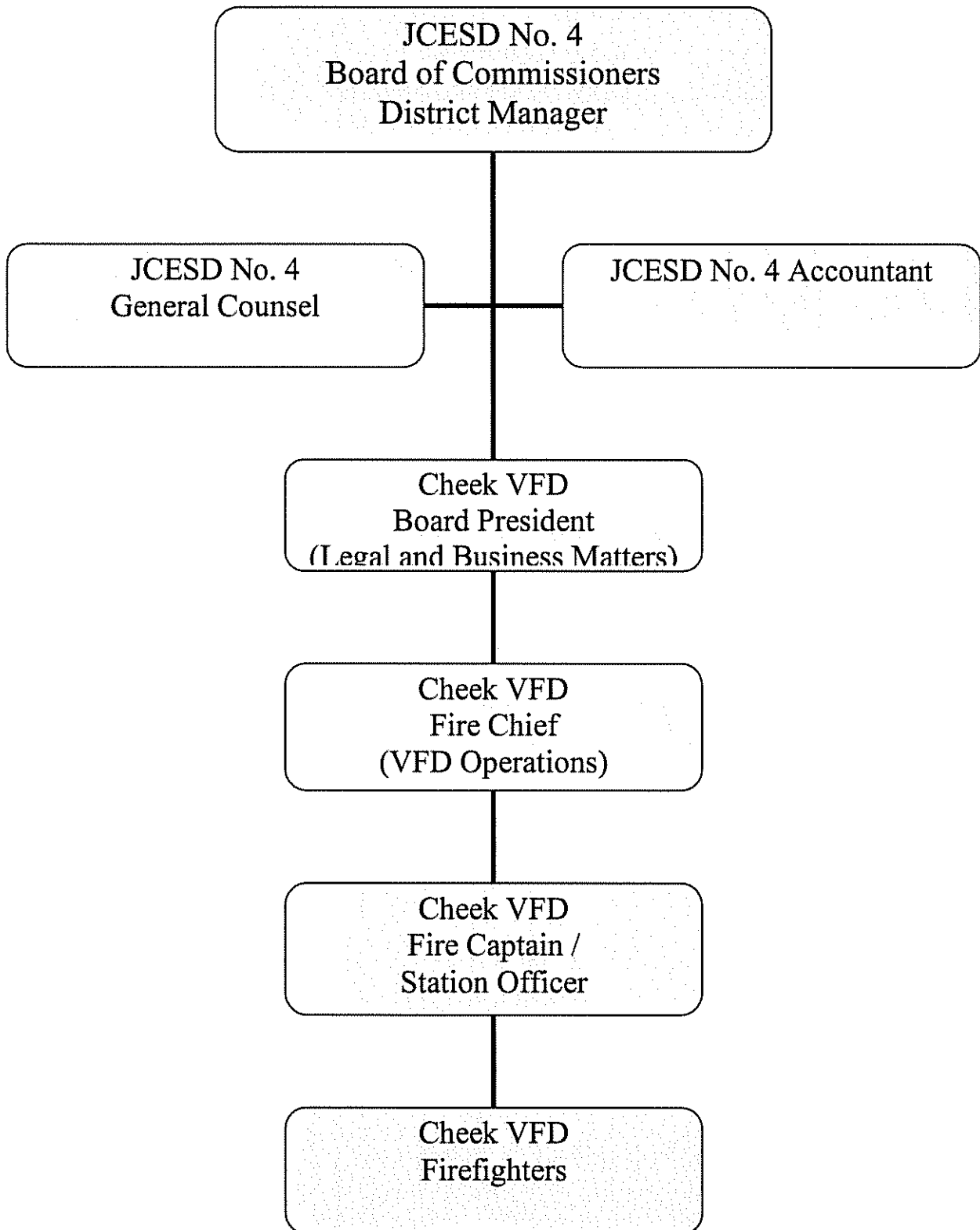
Total: _____

Mutual Aid Responses: _____

Other Matters and/or Specific Event Details:

EXHIBIT C

CHAIN OF COMMAND



**AGREEMENT FOR PROVIDING
FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES**

STATE OF TEXAS §

COUNTY OF JEFFERSON §

This is an Agreement for Providing Fire Protection Services (“Agreement”), effective as of _____, 2015, by and between the Jefferson County Emergency Services District No. 4 (“District”), a political subdivision of the State of Texas, organized and operating pursuant to the provisions of Section 48-e, Article III of the Texas Constitution and Chapter 775 of the Health and Safety Code, as amended (“H&S Code”), and the Labelle-Fannett Volunteer Fire Department (“Department”), a Texas non-profit corporation duly organized and operating under the laws of the State of Texas.

WITNESSETH

WHEREAS, the District is a duly organized emergency services district and a political subdivision of the State of Texas, created to protect life and health and for such other purposes as determined by the District under Chapter 775 of the H&S Code, with full authority to carry out the objects of its creation and authorized to enter into and perform any and all necessary contracts; and

WHEREAS, pursuant to Section 775.031 of the H&S Code, the District has the authority to enter into such necessary contracts with others, including incorporated cities or towns or other government entities and volunteer fire organizations, whereby fire protection services, emergency medical services, and other services may be made available to the District as the District shall determine; and

WHEREAS, the District desires to secure fire protection and suppression services and emergency medical services (“Emergency Services”, hereinafter defined) for the geographic area of the District to be served by the Department (“Service Area”, hereinafter defined); and

WHEREAS, the District currently does not have any personnel to provide such services directly; and

WHEREAS, the District has determined that it is in the best interests of the residents and the property owners of the District to enter into a contract for Emergency Services with an independent agency capable of providing Emergency Services at levels acceptable to the District; and

WHEREAS, the Department currently owns facilities and equipment and has the requisite personnel (paid and/or volunteer) to provide the Emergency Services, and is willing and able to provide to the District such Emergency Services within the Service Area for the consideration hereinafter provided; and

WHEREAS, the Department is the current provider of Emergency Services to the Service Area pursuant to a prior agreement between the parties, and county and/or 911 designations; and

WHEREAS, the District has determined that the Department is an Emergency Services provider entity located within the Service Area and has the ability to provide the requisite facilities, equipment, and personnel to provide the Emergency Services;

NOW, THEREFORE, for and in consideration of the premises and mutual covenants hereinafter contained, the parties hereto agree each with the other as follows:

**ARTICLE I.
DEFINITIONS**

Section 1.01 Definitions

In addition to other terms defined herein, the following terms shall have the meanings assigned to them in this Article I whenever they are used in this Agreement.

A. Act. Chapter 775 of the Health and Safety Code, as amended, and also referred to herein as the “H&S Code.”

B. Board. The Board of Commissions for the District.

C. District. Jefferson County Emergency Services District No. 4, a political subdivision of the State of Texas created and operating pursuant to the H&S Code.

D. Chain of Command. The rank and file of the District and the Department that establishes the roles and responsibilities within the District and the Department, as set forth in Exhibit “C” attached hereto and incorporated herein for all purposes.

E. Department. Labelle-Fannett Volunteer Fire Department, a non-profit corporation duly organized and existing under the laws of the State of Texas.

F. Agreement. This Agreement and any and all amendments or supplements hereto.

G. Equipment. The equipment operated and utilized by the Department in providing Emergency Services.

H. Service Area. The geographic area of the District to be served by the Department, as more particularly described in Exhibit “A”, attached hereto and incorporated herein for all purposes, which the Department will serve as the primary responder for Emergency Services.

I. Emergency Services. All fire protection and suppression services, emergency medical services, and other services to be made available to the District pursuant to this Agreement.

Section 1.02 Construction of Terms

If appropriate, in this Agreement words of the singular number shall be considered to include the plural, words of the plural shall be considered to include the singular, and words of the masculine, feminine, and neuter genders shall be considered to include the other genders.

ARTICLE II.
REPRESENTATIONS, WARRANTIES, AND RESPONSIBILITIES

Section 2.01 District's Representations, Warranties, and Findings. The District represents, warrants, and finds that:

A. The District is a duly constituted political subdivision of the State of Texas created and operating pursuant to the H & S Code, and has the authority to enter into this Agreement and the transactions contemplated hereby, and to carry out its obligations.

B. The services to be provided by the Department under this Agreement include providing Emergency Services to the Service Area. This Agreement also recognizes the ability to provide and receive mutual and automatic aid from other emergency service organizations as deemed necessary by the Department.

Section 2.02 Department's Representations and Warranties. The Department represents, warrants, and finds that:

A. The Department is a non-profit corporation duly incorporated and validly existing and in a good standing under the laws of the State of Texas and is not in violation of any of the provisions of its Articles of Incorporation, its By-laws, or any laws of the State of Texas relevant to the transactions contemplated hereby.

B. The Department is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

C. The Department has full corporate power and authority to execute and deliver this Agreement, and has, by proper corporate action, duly authorized the execution and delivery of this Agreement.

D. Neither the execution or the delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms or conditions of this Agreement conflicts with or results in a breach of the terms, conditions, or provisions of any corporate restriction or any agreement or instrument to which the Department is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever on any property or assets of the Department.

E. The Department is familiar with the boundaries of the Service Area and agrees to provide Emergency Services to all the residents, commercial and industrial interests, and others found within the Service Area.

F. The quality of the Emergency Services to be provided to the residents, commercial and industrial interests, and others found within the Service Area will be equal to or better than the quality of the Emergency Services received in the Service Area before the effective date of this Agreement or as evaluated by the District.

G. The training of the Department's personnel shall equal or exceed that of the prior year's level, as determined in the sole and reasonable discretion of the District.

Section 2.03 Duties and Responsibilities of Department.

A. The Department's Chief, or the Chief's designated representative, shall be the liaison with the Board and the District's Manager for Emergency Services operations, and for legal and business matters, and shall report directly to the District's Manager as set forth in the attached Chain of Command. (See Exhibit "C").

B. The Department's Chief and the Chief's designated representatives shall use their best efforts to coordinate with the District's Manager to determine what constitutes an emergency for a response by the Department.

C. The Department's Chief, or the Chief's designated representative, shall notify the District's Manager when the Department responds to mutual aid outside of the District.

D. The Department shall disclose quarterly to the District's Manager prior to the Board's January, April, July and October regular meetings, a roster of all of the Department's personnel, noting thereon the state certifications held by each respective Department member, along with the total number of calls responded to and training courses and/or exercises completed by each member in that quarter.

E. The Department agrees to provide Emergency Services within the Service Area and the District as specified in this Agreement.

F. It shall be the duty and responsibility of the Department to utilize only responsible, competent and well-trained personnel and to conduct regularly scheduled training sessions to ensure a high level of competency among their personnel. The Department shall notify the District's Manager, in writing within ten (10) days of an occurrence, when the level of personnel in the Department declines by more than twenty percent (20%) from the level of the Department as of the date of this Agreement.

G. The Department shall, at all times, conduct its activities in accordance with all current statutes, rules and regulations of any and all governmental bodies and shall further obtain and maintain all permits, consents and certificates that are required by any governmental body for the Department to be able to provide the Emergency Services. In the event the Department falls below compliance with any such statutes, rules or regulations of any governmental body, the Department shall notify the District's Manager in writing within ten (10) days of the date the Department receives official notice of such non-compliance.

H. The Department shall ensure that any and all equipment used to provide Emergency Services within the Service Area is properly maintained and repaired, shall ensure

that said equipment is kept in a state of good repair at all times, and shall comply, so far as practicable, with applicable sections of the National Fire Protection Association (“NFPA”) codes and standards.

I. In order to assure readiness of equipment, the Department’s Chief, or the Chief’s designated representative, shall notify the Board of any out of service equipment as soon as practical depending on the nature of the problem and need for the equipment, and to the greatest extent and as soon as practicable, and shall request that the District repair any out-of-service equipment pursuant to and in accordance with the procedures set forth in Section 6.02 below.

J. The Department shall make recommendations to the District’s Manager for proposed future acquisitions of additional equipment and other property prior to May 1st of each year.

K. The Department shall implement and maintain a staff and emergency services personnel evaluation and review policy toward the goal of satisfying the requirements under Sections 2.03.D. and 2.03.F above. The personnel evaluation and review policy shall include policies dealing with discrimination, sexual harassment, and chain of command, and shall be delivered to the District’s Manager upon execution of the Agreement, if the policy is then in place; otherwise, it shall be delivered not later than ninety (90) days following the effective date of the Agreement.

ARTICLE III.
SERVICES TO BE PROVIDED

Section 3.01 General

During the term of this Agreement, the Department shall provide Emergency Services to the Service Area on a 24-hour per day basis, seven days a week, to the greatest extent practicable.

Section 3.02 Exclusive Agreement and Mutual Aid

The Department hereby acknowledges and agrees that its primary responsibilities are to the Service Area. However, in order to ensure that there will be available at all times equipment and personnel, the parties acknowledge that the Department will, in its sole and reasonable discretion and judgment to do so, summon mutual and/or automatic aid from others, including incorporated cities or towns or other government entities and volunteer fire and first responder organizations that are able to provide and/or assist in providing the Emergency Services in the Service Area, when appropriate or as needed. Excluding any mutual and automatic agreements already in place, the Department shall obtain prior written approval from the Board before entering into any mutual aid or automatic aid agreements, approval of which shall not be unreasonably withheld by the Board.

Section 3.03 Independent Contractor

A. Notwithstanding anything in this Agreement that may be construed to the contrary, the Department and all of its personnel (paid and volunteers) or agents shall at all times

be independent contractors regarding the services rendered or not rendered to the District and the residents of the District. The Department and its personnel shall at all times have the right to supervise, manage, control, and direct the details and performance of the work in providing Emergency Services under this Agreement.

B. Nothing in this Agreement shall be construed to make any party the partner or joint venturer of or with another party.

ARTICLE IV.
INSURANCE AND INDEMNIFICATION

Section 4.01 Insurance

A. The Department shall insure all of the equipment and property owned by Department and reasonably required to provide the Emergency Services hereunder, or cause same to be insured for loss or damage of such kind usually insured against by entities similarly situated, and the Department shall make arrangements for all insurance bills to be forwarded directly to the District, which the District will pay upon receipt.

B. Any funds received by the Department from private insurance carriers in payment for loss or damage to the equipment and property discussed in the foregoing paragraph shall be used by Department for the sole purpose of repairing or replacing the damaged equipment or vehicle upon which the insurance claim is based. If the funds received by the Department from a private insurance carrier are insufficient to replace any equipment deemed a total loss, and the District contributes any funds toward the replacement cost, then the District shall own at least a pro-rata share of the new equipment equal to the portion of total replacement cost paid by the District.

C. At all times during the term of this Agreement, the Department shall maintain Worker's Compensation coverage, with respect to all its personnel (paid and volunteers), of such kind and at such levels usually maintained by entities similarly situated, and the Department shall make arrangements for all Worker's Compensation insurance bills to be forwarded directly to the District, which the District will pay upon receipt. In relation to the Worker's Compensation coverage, Department shall, on an annual basis, apply for and seek recovery of any funds available through the Rural Volunteer Fire Department Insurance Program administered by the Texas A&M Forestry Service, so long as such program is available, and any funds received by Department through this program shall be paid by Department to the District.

D. On or before May 1st of each year, the Department shall provide the District's Manager with a copy of all insurance policies maintained by the Department and in effect at said time, along with a copy of each policy's declaration page.

Section 4.02 Indemnification

The Department shall indemnify and hold harmless the District and its officers, members, employees, other independent contractors, attorneys, representatives, and agents against any and all losses, costs, damages, expenses, and liabilities of whatever nature (including but not limited to reasonable attorney fees, litigation and court costs, amounts paid in settlement and amounts

paid in discharge of judgments) directly or indirectly resulting from or arising out of the provision of the Emergency Services hereunder by the Department.

**ARTICLE V.
BUDGET**

Section 5.01 Preparation of Budget

A. Each year during the term of this Agreement, the Department shall submit to the Board a proposed annual budget to be reviewed by the Board. The budget is due on May 1st of each year that this Agreement is in place.

B. Upon submission to the Board by the Department, the Board has the right to approve, modify or reject in whole or in part the Department's proposed budgets.

**ARTICLE VI.
EQUIPMENT REPAIR, PURCHASES, AND
PAYMENT OF OPERATION EXPENSES**

Section 6.01 Payment of Department's Operation and Maintenance Expenses

A. The District will pay for the Department's operation and maintenance expenditures from current revenues on hand in accordance with the District and the Department's approved operating budgets, the District's Purchasing Policies and Procedures, and any other purchasing or procurement policies and procedures as adopted by the Board or as provided in this Agreement. The District is not obligated to approve or pay for unexpected or unbudgeted expenditures.

B. Notwithstanding any other provisions in this Agreement, the District is not required to pay any of the Department's operation or maintenance expenditures or approve the Department's proposed operating budgets, and the District will not be obligated to make any payment for or on behalf of the Department, or reimburse the Department for any emergency expenditure, except in accordance with the District and the Department's approved operating budget, as modified and approved by the Board from time to time, and the Department's compliance with the requirements set forth in this Agreement.

Section 6.02 Equipment Repairs and Maintenance

A. The Department's Chief, or the Chief's designated representative, shall immediately notify the District's Manager of any Equipment which is out-of-service and needing to be repaired, as well as any in-service Equipment requiring maintenance. With regard to said out-of-service Equipment needing repair and in-service Equipment requiring maintenance, the Department's Chief, or the Chief's designated representative, shall also immediately complete and submit to the District's Manager a Repair/Maintenance Request Form, and the District's Manager will then make arrangements to have said Equipment repairs and/or maintenance performed so that the Equipment can be placed back in service as soon as practical. The District's Manager will provide the Department's Chief with the Repair/Maintenance Repair Form to be utilized by the Department pursuant to this section.

B. In the event of an emergency situation, being on in which the District's Manager is unavailable and any delay in repairing any out-of-service equipment would jeopardize the health and safety of the Department's personnel or any resident of the District or would cause damage, or further damage, to the Department or the District's facilities or equipment, or any residential, commercial, or industrial interests in the District, the Department is authorized to any necessary repairs, not to exceed \$1,000.00, and incur/pay the expense associated with same. Any such emergency expense incurred by the Department pursuant to the section shall be submitted to the District for reimbursement in accordance with Section 6.05 below.

Section 6.03 Utilities

All utilities necessary for the Department to provide the Emergency Services as set forth in this Agreement, including but not limited to, electricity, water, sewer, garbage, phone, internet, satellite/cable TV, and security monitoring, shall be established and maintained in the District's name, and shall be provided by the District to the Department. Any utilities not already in the District's name shall established by and/or transfer to the District within sixty (60) days of the effective date of this Agreement, and the Department shall coordinate with and provide assistance to the District's Manager upon request to facilitate any needed transfer of utility services into the District's name. Additionally, if the Department has any specific requirements in relation to a specific type of utility service (i.e., rollover/transfer requirements for dispatch calls received by the Department), the Department shall notify the District of any such specific needs and requirements in writing within thirty (30) day sof the effective date of this agreement.

Section 6.04 Equipment and Material Purchases

A. All purchases of equipment and materials needed and/or requested by the Department for its operations and in order to fulfill its obligations under this Agreement shall be made by the District's Manager. As to all needed and/or requested equipment and material purchases, the Department's Chief, or the Chief's designated representative, shall complete and submit to the District's Manager a Purchase Request Form, and the District's Manager will then make arrangements to purchase said equipment and/o materials. Once purchased and received by the District's Manager, said equipment and materials will be provided to the Department. All purchases made by the District's Manager shall be done in compliance with the District's Purchasing Policies and Procedures, and if necessary, all purchased equipment and materials shall be inventoried by the District's Manager prior to distributing same to the Department. As set forth above, the District's Manager is not obligated to make any purchase requested by the Department, and such will only be approved and purchased by the District Manager is such is deemed necessary and in accordance with the approved operating budget. The District's Manager will provide the Department's Chief with the Purchase Request Form to be utilized by the Department pursuant to this section

B. In the event of an emergency situation, being on in which the District's Manager is unavailable and any delay in purchasing equipment or materials would jeopardize the health and safety of the Department's personnel or any resident of the District or would cause damage, or further damage, to the Department or the District's facilities or equipment, or any residential, commercial, or industrial interests in the District, the Department is authorized to purchase any

necessary equipment or materials, not to exceed \$100.00, and incur/pay the expense associated with same. Any such emergency expense incurred by the Department pursuant to the section shall be submitted to the District for reimbursement in accordance with Section 6.05 below.

Section 6.05 Reimbursement for Emergency Expenditures

As to any emergency expenditures incurred by the Department pursuant to Sections 6.02.B. and 6.04.B. above, the Department shall submit to the District's Manager an original copy of the invoice, receipt and other documents describing the amount of the purchase/repair, along with a completed Expense Reimbursement Request Form, on or before the 1st of each month. Any emergency expense reimburse request properly submitted by the Department will be considered at the regular Board meeting immediately following the Department's submittal of the request. If approved by the Board, the District shall issue a reimbursement payment to the Department. Any reimbursement request submitted by the Department more than thirty (30) days after the date that the Department incurred said emergency expense will not be considered by the Board or paid by the District. The District's Manager will provide the Department's Chief with the Expense Reimbursement Form to be utilized by the Department pursuant to this section.

Section 6.06 Fuel Purchases

All fuel purchases made by the Department shall be done in accordance with the District's Fuel Purchasing Policy. If the Department does not already have a copy of the District's Fuel Purchasing Policy, the District's Manager will provide the Department's Chief with a copy of same upon written request.

Section 6.07 District Funds

Should the Department ever receive funds from the District or come into possession of same, Department may not comingle District funds with Department funds and shall deposit and keep all District funds in a separate account from all other Department accounts. This paragraph does not apply to any payments made by the District to Department as reimbursement for an emergency or other approved expenditure.

Section 6.08 Emergency Services Billing

A. The Department shall not bill any District resident and/or property owners or make a claim against any insurance policy of a resident and/or property owner in relation to any type of fire protection or suppression services provided by the Department within the Service Area or any other areas in the District.

B. Any funds received by the Department from private insurance carriers in payment for Emergency Services that are related to services provided under this Agreement during the term of this Agreement, and collectively herein referred to as "emergency services billing revenue," must be reported by the Department to the District not later than 45 days following the Department's receipt of such revenue and money.

ARTICLE VII.
AUDIT

Section 7.01 Audit.

The Department must submit to an annual audit or financial review by an independent auditor selected by the District, unannounced inspections of all records, property, or equipment, and any other requirement reasonably imposed by the District, or local, state, federal law, or administrative regulations. The Department must make all its financial documents available for review and inspection by the Board, the District's Manager, and/or the District's auditor, upon request by the Board or the District's Manager.

ARTICLE VIII.
TITLE TO ASSETS

Section 8.01 Ownership of Assets

A. Title to and ownership of the any assets owned by the Department as of the effective date of this agreement shall remain that of the Department. All assets purchased by the District and/or with District funds, in whole or in part, for use in the provision of the Emergency Services within the Service Area shall be acquired in the name of the District. The District agrees to make such assets purchased for use by the Department fully available to and shall place same in the possession of the Department to be used by the Department in accordance with and to carry out the terms of this Agreement.

B. The Department may not sell, trade, assign or convey to another person or entity any asset purchased in whole or in part with District funds without prior written approval of the Board.

C. The Department may not acquire any asset using District funds without the prior written approval of the Board.

ARTICLE IX.
REPORTS

Section 9.01 Annual Service Report

The Department shall provide to the District's Manager annually, in the month of January, a report of the number and nature of Emergency Services calls originating from all Department stations within the Service Area. The report shall cover the period from October 1st through September 30th of the prior year.

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MISCELLANEOUS**

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Section 11.03 Treatment of Assets Upon Dissolution of Entity

A. In the event that the District dissolves during the term of this Agreement, all of the District's assets used by the Department to provide Emergency Services within the Service Area, including but not limited to all assets purchased by the District and/or with District funds, shall be transferred, along with the District's debts, to the Department so that same may be utilized to provide continued Emergency Services to the Service Area, so long as the Department is located within or embracing the District and the transfer will benefit the District's residents, subject to the requirements of Section 775.055 of the Texas Health & Safety Code.

B. In the event that the Department dissolves during the term of this Agreement, all of the Department's assets used to provide Emergency Services shall be automatically and immediately conveyed and transferred to the District. The Department shall amend its bylaws to ensure compliance with this section within sixty (60) days of the effective date of this Agreement, and shall provide proof of same to the District within ninety (90) days of the effective date of this agreement.

Section 11.04 Notices

All notices, certificates or other communications hereunder shall be sufficiently given or shall be deemed given when delivered by regular mail or hand delivery, addressed as follows:

If to District, at: Jefferson County Emergency Service District No. 4
12880 FM 365
Beaumont, Texas 77705

With a copy to: Joshua C. Heinz
Benckenstein & Oxford, LLP
3535 Calder Ave., Suite 300
Beaumont, Texas 77706
Fax: (409) 833-8819

If to Departments, at: Labelle-Fannett Volunteer Fire Department
12880 FM 365
Beaumont, Texas 77705

The District or the Department may by notice hereunder designate any further or different address to which subsequent notices, certificates or other communications shall be sent.

Section 11.05 Binding Effect

This Agreement shall inure to the benefit of and shall be binding upon the District and the Department.

Section 11.06 Severability

In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.07 Execution and Counterparts

This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.08 Captions

The captions or headings in this Agreement are for convenience only and in no way define, limit, or otherwise describe the scope or intent of any provision or section of this Agreement.

Section 11.09 Governing Law

The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

Section 11.10 Venue

This Agreement is fully performable and enforceable in Jefferson County, Texas, wherein venue hereunder shall lie.

Section 11.11 Attorney's Fees

In an action to enforce any provision of this Agreement, the prevailing party may recover its attorney's fees, costs and expenses from the non-prevailing party. This section shall survive the termination of this Agreement.

Section 11.12 Legal Representation

The District's legal representation is by and through Benckenstein & Oxford, L.L.P. Benckenstein & Oxford, L.L.P. does not represent the Department, and the Department hereby acknowledges this fact. The District recommends that the Department have an attorney review this Agreement prior to signing.

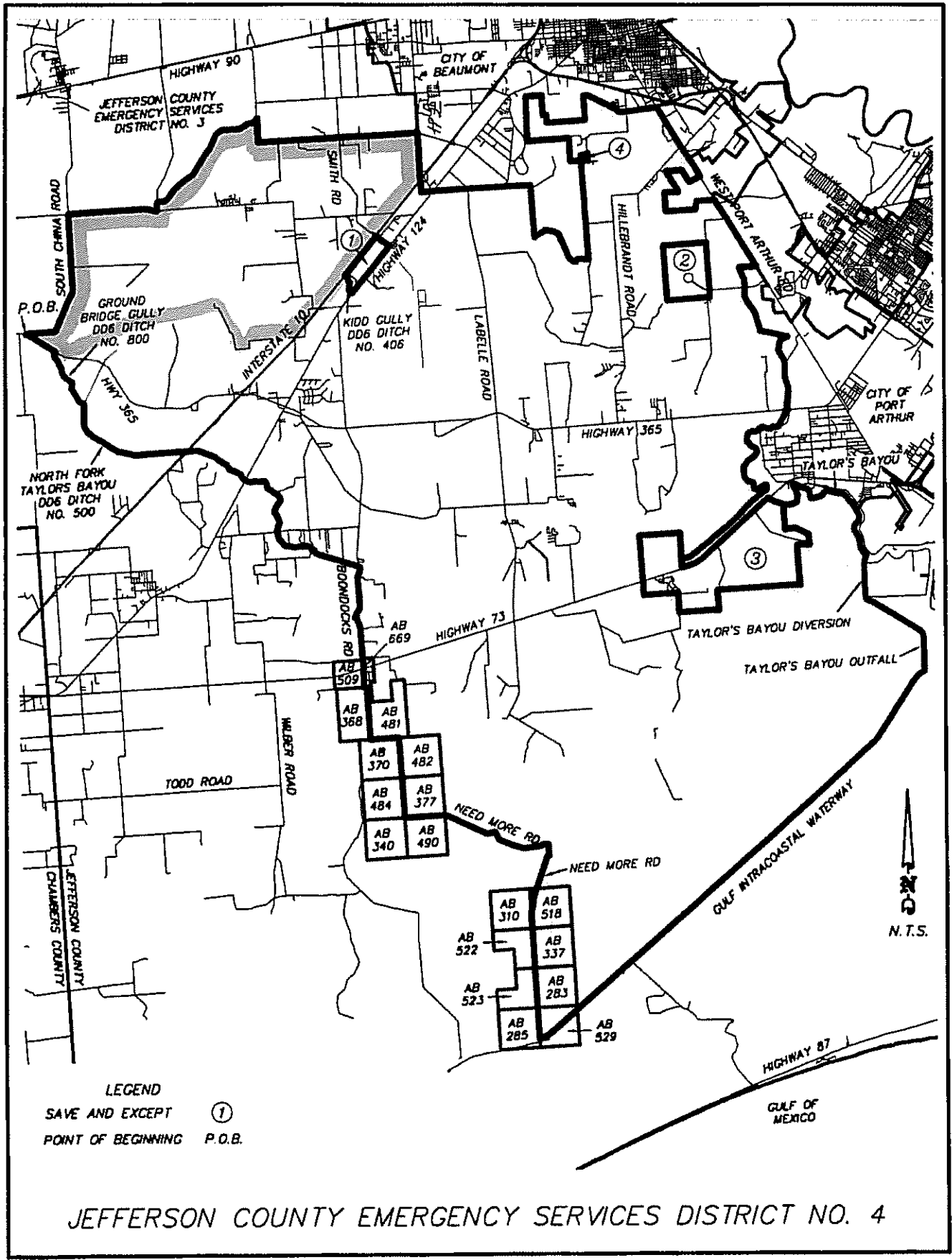
IN WITNESS WHEREOF the District and the Department have caused this Agreement to be executed in their respective corporate names and attested by the duly authorized officers.

Signed this _____ day of _____, 2014.

<p>JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4</p> <p>By: _____ Printed Name: Jeff Roebuck Title: District President</p>	<p>LABELLE-FANNETT VOLUNTEER FIRE DEPARTMENT</p> <p>By: _____ Printed Name: _____ Title: Department President</p>
<p>ATTEST:</p> <p>By: _____ Printed Name: Sandra Duhon Title: District Secretary</p>	<p>ATTEST:</p> <p>By: _____ Printed Name: _____ Title: Department Secretary</p>

EXHIBIT A

DISTRICT AND DEPARTMENT SERVICE AREA MAP



JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 4

 Check VFD

 Labelle-Fannett VFD

EXHIBIT B
MONTHLY REPORT

Month: _____

Total Calls Received: _____

Responses:

Structure Fires: _____

Wood/Grass Fires: _____

Vehicles/Wrecks: _____

EMT/First Responder: _____

Others: _____

Total: _____

Mutual Aid Responses: _____

Other Matters and/or Specific Event Details:

EXHIBIT C

CHAIN OF COMMAND

