

PANOLA COUNTY EMERGENCY SERVICES DISTRICT #1 met for an ESD training course and regular called meeting on the 20th day of May 2025. The meeting was held at the Texas Country Music Hall of Fame located at 310 West Panola Street in Carthage, Panola County Texas at 4:00 P.M.

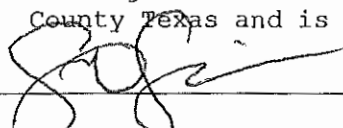
Members Present: Palmer Fuselier, Stuart Lipsey, Cliff Todd and Justin Yates

Absent: Taylor Harris

1. Chairman Lipsey opened the meeting at 4:00 PM and established a quorum.
2. ESD attorney, Ken Campbell offered an informational presentation over ESD rules and regulations.
3. Board recessed at 6:00 PM for dinner catered by Bo Willis from BoDaddy's.
4. Chairman Lipsey reconvened the meeting at 7:00 PM, still in quorum.
5. Board members then reviewed the minutes from the April 15, 2025 regular meeting and approved them on a motion by Todd, a second by Fuselier, and a unanimous vote following. The agenda was followed out of order to allow Attorney Campbell to be present on necessary agenda items before leaving.
6. There were no public comments or suggestions.
7. The Chiefs Association Mark Dawson discussed the VFD's working on their capital budgets. Chairman Lipsey requested that they work on a 5-year plan for capital items.
8. The board discussed current ESD/VFD insurance and bonds. Attorney Campbell suggested that under the ESD's "crime coverage" policy all board members be covered for \$100,000 and the Treasurer bond be for \$100,000. After discussion, on a motion by Todd, a second by Yates, and a unanimous vote following, the appropriate changes to the insurance policy and bond may be made.
9. CPA Drew Nixon presented a 2025 budget revision to the board that adjusts for capital items and the ongoing expenses. After discussion, on a motion by Fuselier, a second by Yates, and a unanimous vote following, the board approved Nixon to make the appropriate 2025 budget revisions.
10. The board discussed interlocal agreements with the City of Carthage and City of Tatum/Tatum VFD and Rusk County Emergency Services District #1. Attorney Ken Campbell is currently working on these agreements. After discussion, on a motion by Fuselier, a second by Todd, and a unanimous vote following, the board authorized President Lipsey to move forward with entering into the above-mentioned contracts.
11. The board discussed ordering an election on the adoption of a sales and use tax in the District for November 4, 2025. Preliminary property tax evaluation and related estimated tax collection options were reviewed. Todd suggested doing community outreach through the local magazine, Crossroads, featuring information on Panola County's Volunteer Fire Departments and the ESD. This should be done prior to the election to educate the public on the vital roles the ESD and VFD's have in the

- community. After discussion, on a motion by Yates, a second by Todd, and a unanimous vote following, Attorney Campbell, Fuselier and Nixon were authorized to gather information from the state comptroller to make an informed decision on moving forward with an election. Chairman Lipsey also instructed Todd and Wiley to contact Crossroads magazine on the above-mentioned feature.
12. The board discussed the ESD having a credit card for expenses. After discussion, on a motion by Fuselier, a second by Todd, and a unanimous vote following, the ESD was authorized to open a credit card through First State Bank with a \$2500 limit.
 13. The board discussed an audit extension request for the 2024 ESD audit. After discussion, on a motion by Yates, a second by Fuselier, and a unanimous vote following, the board authorized an extension request be sent to Judge McLane. Should the audit be completed prior to June 1, 2025, an ESD meeting is scheduled for May 30, 2025 at 12:00 PM at 1509 West Panola, Carthage, Texas to approve the 2024 audit. Should the audit not be completed before May 30, 2025 the meeting will be cancelled.
 14. The board discussed replacing current ESD auditor as she is taking a new position as of June 2, 2025. The board reviewed a list of suggested auditors furnished by Attorney Campbell. After discussion, on a motion by Todd, a second by Fuselier, and a unanimous vote following, it was agreed that Chairman Lipsey and CPA Nixon contact the recommended auditors, then discuss their findings with the board at the June ESD meeting.
 15. The board discussed the status of each VFD's 990-N filings. Nixon will contact VFD's individually should they be missing.
 16. Chief Coxen from Flatwoods VFD presented the board with a bid for heaters and rental of propane tanks for their main station and substation in Deadwood. It was discussed that the funds will be pulled from their capital budget. After discussion, on a motion by Fuselier, a second by Todd, and a unanimous vote following, Flatwoods VFD was authorized to make the proposed purchase of heaters and associated fees.
 17. CPA Nixon presented the bills that needed to be paid. After discussing and looking over the bills, on a motion by Todd, a second by Yates, and a unanimous vote following, the bills that were presented were approved for payment.
 18. The monthly financial statements were presented by CPA Nixon and he updated the departments on their budget items. Nixon advised the board that new budget changes will be reflected in June. After the discussion, on a motion by Fuselier, a second by Yates and a unanimous vote following, the monthly financial statements were approved. The board authorized Fuselier to check rates for the CD that is maturing with First State Bank of Carthage and move the money to either a new one-year CD or put in the MM account, whichever has the best rate.
 19. Chairman Lipsey then adjourned the meeting at 7:57 PM on a motion by Todd and without objection. The next regular meeting will be held at the

Carthage Civic Center located at 1702 S. Adams Street in Carthage, Panola
County Texas and is tentatively set for June 17, 2025 to start at 7:00PM.



Board Member

Dated 6/17/25