

MINUTES OF ROAD HOME CORPORATION

The meeting of the Road Home Corporation was held February 1, 2007 at 3:00 p.m., in meeting room 1-141 – Colorado Room, Claiborne Building, 1201 N. Third Street, Baton Rouge.

Opening remarks made by Jerry Reaux, Chairman of the Board, Road Home Corporation, provided opening remarks welcoming the board and attendees.

The meeting began as an informational meeting awaiting a quorum and, with the arrival of Mrs. Kathy Dyson, began as a formal meeting of the Road Home Corporation.

A roll call was taken, with the following board members being present:

Ms. Simone Champagne

Ms. Kathleen Dyson

Mr. Jerry Reaux

Mr. Joseph Williams

MINUTES Mr. Jerry Reaux noted the following corrections to the minutes from the meeting on January 18, 2007:

Page 2-Mr. Jerry Broussard noted to be changed to Mr. Ernie Broussard in this case “presented the question of how to minimizing risk to the Road Home Corporation.”

Page 3-Mr. Jerry Reaux suggested that the minutes document that the acceptance of the increase in insurance as noted needed clarification.

The board considered the available higher increment of limits of liability. It was noted in discussions with the insurance representatives and Mr. Monk that the policy contained "eroding limits" (i.e. dollars paid in defense of litigation reduced available indemnity coverage.). Based structure of the policy, the board voted to select the higher available limit of liability

The minutes from the January 18, 2007 meeting were accepted with necessary corrections.

A motion was made by Mr. Joe Williams with a second by Mrs. Simone Champagne.

Treasurer election issue Mr. Reaux explained the need for financial accountability. Mr. Dan Rees added to the explanation of the position with the need for someone to assist the Executive Director especially with monitoring outsourced accounting issues.

Mr. Reaux nominated Mr. Champagne with Mr. Williams second. The board appointed Mr. Champagne to the position of Treasure for the duration of one year.

Discussion of the Conflict of Interest Policy Mr. Rees presented 501c tax information expressing the need for a formal policy to be filed as soon as approved. The document Mr. Rees

provided was a word for word example from the Internal Revenue Service for non hospital and non-profit organizations.

A motion was made by Mr. Williams with a second by Ms. Kathleen Dyson. The board accepted the policy as presented.

Approval of financing agreement structure. Mr. Steve Green explained that the Road Home Corporation will be financed through borrowed money from the Office of Community Development and therefore required to comply with HUD regulations. This will serve an efficient way to account for financial transactions. The ceiling that was proposed was 5 million dollars.

Mr. Dan Rees suggested that actually beginning to work with a staff may present a better idea of what amount would be reasonable.

Mr. Reaux notes that insurance, property management contracts and other large expenditures will be the largest portion of the amount borrowed and further suggest that we may need to lower the amount from 5 million until we have a good indication of what will be a more accurate number as long as the Corporation is able to resolve as needed.

Mr. Rees explained how these funds are to be reserved in the Office of Community Development funds.

Mr. Reaux suggested that the Corporation start with half of the proposed amount.

Mr. Spletto agreed that 2.5 million will be a reasonable amount.

The Board discussed the need to authorize Mr. Reaux to handle financial matters between the Road Home Corporation and the State of Louisiana, Division of Administration, Office of Community Development.

A motion was made by Ms. Simone Champagne with a second by Mr. Williams.

The board approved authorization for Mr. Reaux to handle financial matters.

Authorization for opening of bank accounts and appointment of signatories Mr. Rees explained that it would not be necessary for all board members to be required to sign. Mr. Rees also explained that it would be more convenient for auditing purposed for the Road Home Corporation to hold its funds at JP Morgan Chase since it is the same location that the state does.

Mr. Reaux addresses the question as to what level should the Executive Director be authorized to sign.

Mr. Rees suggest that the number of required signatures to be kept at 2 with a petty cash amount of Two Hundred Dollars. He suggested discussion of a different procedure in the event that this becomes inconvenient.

The board discussed the need for the signature of the Executive Director as well as that of one board member.

A motion was made by Mr. Williams with a second by Ms. Champagne.

The board approved the resolution.

Other Business Mr. Reaux discussed the staffing issues concerning the Executive Director. Mr. Herman Dubon has been recommended for this position. The Board should begin to negotiate with him so that he can begin hiring staff. Dubon's availability could be contingent on whether his capacity of former Assistant Executive Director, Office of Community Development, prevents him from serving as an employee of the Road Home Corporation under the governmental code of ethics.

Mr. Reaux expressed the need for Mr. Dubon to begin at same level of compensation as well as being compensated accordingly by social security. Mr. Reaux suggested that the board move as soon as the ethics issues are resolved.

A motion was made by Mr. Williams with a second by Ms. Champagne.

The board approved the negotiations with Mr. Dubon.

Mr. Rees raised the point concerning the financing structure that the since the board authorized

Mr. Reaux, he also should be making the financial request to the Office of Community Development and that he also be a signatory.

A motion was made by Ms. Champagne with a second by Mr. Williams.

The board authorized Mr. Reaux to make financial request on behalf of the Road Home Corporation.

Mr. Spletto presented prepared maps for information purposes only, asking for suggestion from the board on which format that they would prefer.

Mr. Reaux asked about particular neighbors having the first right at purchasing property.

Mr. Rees explained that the neighbor that has the adjacent property has the standing to propose that a property be put into "blighted" standing but as far as purchasing, sale will continue with the highest bidder.

Mr. Adam Knapp explained that each individual community holds the decision with the community development of each.

Ms. Dyson asks for clarification of who actually has the first choice

Mr. Knapp suggested putting together a document that will clarify the steps to be taken whereas first, the local government should decide followed by proposals being put together by local government to be presented to the Road Home Corporation. He suggested that such a plan of

direction is needed in order to structure not only a plan to be followed, but also for explanation purposes as to justification for actions.

Mr. Rees states that he will review the specifics in contract to determine the specifics for property usage.

Mr. Rees addresses the need for a local accounting firm to do payroll and set up financing books.

Mr. Reaux is asked by the board through this discussion to get all proposals and present them to the board for a consensus.

Public Comment No public comment was made.

A motion was made by Mr. Williams to adjourn the meeting with a second by Ms. Dyson. The meeting was adjourned.