

TEXINS ASSOCIATION CLUBS
Board of Directors Meeting
April 1, 2004

Present (*) Not Present):

<u>Directors</u>	<u>Staff</u>	<u>Other</u>
Carl Skooglund	Marcia Flowers	
Kim Smith	Monica Arnoult	
Ron Tabor	Pam Blair	
Alesia Carroll	Rebecca Cooper	
Mike Mignardi		

Agenda Items
New Business

Meeting Minutes Approval

The March BOD meeting minutes were approved with the addition of three corrections:

1. Meeting Minutes Approval section: Change “January BOD meeting minutes” to “February BOD meeting minutes.”
2. Board Member Candidate section: For the Ingrid Jenkins contact, change Kim as the contact to Alesia.
3. Financial Options section: Change “\$100” to “\$10.”

Financial Update

All clubs continue to have a positive balance. Our net income after taxes is \$15,714 with our total liabilities and equity as \$1.5M. We recently had 2 CDs mature and allowed them to roll-over. With the money we made from these CDs, we purchased a new \$84k CD. Depending on our future insurance premium needs, we may decide to sell this new CD early.

Action:

1. Skooglund/Tabor – discuss with the BOD a proposal for financial options to generate cash.

Check Request Procedure

Pam discussed an issue she is having with some clubs regarding check requests. Overall, about 60% of the paper work is coming in Ok. The other 40%, however, is either incomplete, has a wrong or no account number, etc. Pam is in a dilemma in being able to provide excellent customer service. In June of last year, we provided a very detailed check request procedure. Since some of the clubs are not following this, the work involved by our support staff is more involved. With this new procedure, we had hoped that there would be more turnkey operations by the club and less support needed by the staff. Some clubs are not doing a good job in training their new treasurers and some clubs don't even have a treasurer (which is a violation of our bylaws). Besides having a more efficient check request procedure, we also want to ensure we are in compliance with proper accounting practices regarding a financial audit. Plus, the board is only

paying for 75% of the sales tax this year and our accounting team needs to ensure that we are in compliance. There was also a concern that we are failing our procedure to check for accurate billings.

Actions:

1. Skooglund – invite the golf club president to our next board meeting.
2. Blair – Draft up a proposal to the board for a preferred and back-up procedure regarding check requests – for our local and out of city/state clubs.
3. Skooglund – how do we handle the verification of accurate billings?
4. BOD – what type of penalty should we consider for clubs that continue to fail to follow these guidelines?

Old Business

Audit Update

Our plan is to wait until tax season over before we contact an accounting group. Our past audit was performed by Hart & Co..

Insurance Coverage

Carl expressed his displeasure in how the insurance was handled. A quick review of the situation:

- 2002 and 2003 premiums: \$10,627 plus \$4,181 for the auto (this is for two vehicles – Texoma and the truck)
- 2004 new premiums:
 - Firemans quoted the property and inland marine premiums at \$15,000
 - Scottsdale quoted the general liability at \$28,602
 - Colonial quoted the auto at \$4110 (one vehicle - Texoma)

The total 2004 premium (\$47,712) is over 3 times what we spent the last two years. Apparently, a \$9,000 wind and hail damage claim influence this premium. We had thought we could extend our coverage by 30 days but found out that we could not since we had a 6 month warning. Thus, we went ahead and purchased the new insurance.

We definitely need to contact Tom Henderson in TI Corporate Risk to have him help us with a new carrier as well as the vehicle insurance.

Actions:

1. Blair – provide Ron with a copy of our past and current insurance policy
2. Tabor – contact Tom Henderson regarding our insurance coverage regarding property, inland marine, liability and the truck. Should we consider finding another automobile insurance carrier for a commercial vehicle or is there another option regarding making the truck a personal vehicle? Ron is to get with Tom the week of April 5th.
3. Blair – what is going on with the “Surplus Lines Warning Letter” regarding an additional premium tax of 4.85%.

Tuscon Band Club Request

We have not received any formal paperwork from this potential new club.

Radio Club Request

Marcy did talk with Terri Fox on this and determined that there should not be a problem in transferring a completely depreciated piece of TI surplus capital.

Action:

1. (Flowers) Marcia to communicate to the Radio Club that we should be able to make this happen.

Outdoor Club Request for Brochure Assistance

Action:

1. (Smith) Formal communication to the club on our decision not to pay for any costs but to provide them with marketing avenues for them to pursue.

Archery Club Response

The Archery Club responded to me immediately regarding our quest for an update. They are currently working with the Texas Field Archery Assoc. and George Murrell of TI regarding the planning of their new shooting range barrier. They will include the BOD in the approval process.

Action:

1. (Mignardi) – request an new update regarding their barrier plans as well as working with HFC (Scott Dunn) for a joint opportunity.

Texins Association Brochure

Kim, Rebecca and I met the previous week to discuss the updates for the brochure. The board formally approved the rewording of our Mission Statement regarding some ambiguity with our message. Carl's and Ron's e-mail addresses were also corrected.

Action:

1. (Cooper) – Publish the new brochure and update the mission statement on our website.

Board Member Nominees

A review of the potential candidates:

Candidate	Level of Interest
Tim Kinnard	Alesia has not contacted him yet.
Art George	Not interested due to travel commitments
Chris Marshall	Very interested

Bobette Brasfield	Has left TI
Umesh Shirsalkar	Carl to contact
Max Post	Carl to contact
Doris Mott	Carl to contact
Janet Solomon	Has left TI
Linda Smittle	Not interested
Ingrid Jenkins	Alesia to contact

The BOD formally approved Chris Marshall to be on the board.

Actions:

1. (Skooglund) – communicate to Chris that she was elected.
2. (Carroll) – Ask Ingrid for a bio regarding her work and personal history.
3. (Skooglund) – Ask Umesh for a bio regarding her work and personal history.
4. (BOD) – Consider a vote for either Ingrid or Umesh at our next meeting.

The meeting started at 11:35am and ended at 12:57pm. Our next board meeting will be on April 1st.

Regards,
Mike Mignardi
Texins Association Clubs Board of Directors Secretary