

TEXINS ASSOCIATION CLUBS  
Board of Directors Meeting  
May 7, 2002

Present ( \* Not Present):

Directors

Carl Skooglund

Kim Smith(\*)

Ron Tabor(\*)

Alesia Carroll

Jeff Asmus

Eric VanDuivendyk(\*)

Mike Mignardi

Staff

Marcia Flowers(\*)

Monica Arnoult(\*)

Other

Janet Solomon (\*)

Nicole Columbus (\*)

Bob Moran (TFC)

Dick Sandlin (TFC)

Chris Hull (HFC)

**Old Business**

**Report on Texins Flying Club Financial Accounting System**

Bob Moran and Dick Sandlin reported on the financial accounting system. A cost reduction in the MYOB financial software package allowed the TFC to purchase an additional copy. The club encountered a problem with their accountant and thus no longer request his services. Overall, the club in on target with their budget and are in the process of looking for a bookkeeping service. The club still plans on moving over to the new system in June. This software package allows the club treasurer to see a complete list of all transactions, a break out by each individual club member and a break out by plan. The operative term and improvement is better financial tracking for each member. Bob Moran has been asked by the TFC board to become the treasurer again – which he has accepted. The next review for the TFC is in August (for the end of 2Q02 status).

Action:

1. Moran – change the term “profit” in “profit and loss” statement to something which does not represent a gain in money.

**Report on Eggstravaganza**

Chris Hull reported on the financial statement for the Eggstravaganza. A quick cost summary is as follows:

Set up and transportation	\$1450
Entertainment and supplies	\$1050
Rides and Inflatables	\$3100
Egg Hunt Supplies	\$1760
Food and Supplies	\$680
Decorations	\$770
Staffing & Mktg	\$5950
 Total Expense	 \$14760

Since the event charges a nominal fee for admission, the income was:

Participants	\$3185
Texins Association Clubs	\$5000
Hot dog stand	\$149
Total Income	\$8334
Profit/Loss	(\$6426)

One of the hassles of the event was security. They had to hire extra security and was not aware of this until 1 day prior to the event. Overall, participation attendance was down to 455 from 500 last year. The hot dog stand, which was donated, sold 500 hot dogs in 2.5hrs. It made \$149 on \$30 worth of hot dogs. The hot dog stand was something new and will likely continue.

Several board members indicated that they were unaware of the event and would have likely volunteered had they been contacted.

Action:

1. Hull: - copy board members on all volunteer messages.

### **TAC Financial Investment Status**

Overall, we have \$192k with A.G. Edwards and have 8 CDs with investments of \$90k each. Our estimated annual income from these investments is \$30k. We are leaving \$173k in the Texans Credit Union Money Market fund with \$60k in the checking account. Overall, we have \$1.1M in assets. Our biggest concern lies in the amount of cash flow the association utilizes. If we continue with a \$30k est. annual income, we will continue to operate with negative cash flow. We may need to consider riskier investments to help balance out the net loss.

The Chase Manhattan Bank account is now closed.

### **Texins Association Clubs Investment Policy**

Bruce Melton gave Carl a standard investment policy form. Carl distributed this form and asked for our feedback.

Action:

1. BOD – provide Carl feedback on form prior to next meeting.

### **Breakdown of Insurance Coverage Assessments**

Carl also presented the itemized list of insurance coverage for each club. Liability insurance is based on the club's member count. Property insurance is mainly the Texoma club plus the 2 vehicles we own (including the truck). Inland Marine is a value of the assets from each club and is mostly for the Dive, Sailing, and Texoma clubs. The Flying Club carries their own insurance (except for nominal liability).

## June 12<sup>th</sup> Annual Meeting

To date, only 3 clubs have responded to Carl's message. He plans on sending out another one to ensure good club representations. The proposed agenda is as follows:

20-30 minutes	Socialize
40-60 minutes	Business
	- Introduction of Eric
	- Review of investments
	- Review of insurance
	- Feedback from clubs on advertisements and promotional activities
	- Treasury report
Remainder	Socialize

Kim is in charge of refreshments.

## Truck Sale

To my surprise, we did not receive one bid on the truck from the club members.

Action:

1. Mignardi - ask Monica if HFC member is still interested
2. Mignardi - alternative means for selling truck (e.g., newspaper ad)

## New Business

### HFC Advertisements

Chris Hull did indicate that the cancellation of the paper copy of the connected has really hurt their advertisement visibility. There are newsstands in the building that HFC cannot take advantage of. Overall, the fitness center is doing well and is still a great bargain for members. A typical Dallas fitness center costs \$67/mo with an enrollment fee of \$250. HFC members pay \$20/mo with no enrollment fee. The overall revenue of the HFC, though, has been inhibited by cut-backs in training and this advertisement issue. The playground is on hold indefinitely for now.

Action:

1. Asmus – contact Linda Smittle (sp?) regarding advertisement help.

### Corporate Olympics

Chris Hull said that there is no financing from TI corporate on a Corporate Olympics event. The event typically costs ~\$15k for the week plus staff time. This event has been almost immediately shut down due to cost cutting.

Action:

1. Asmus – contact TI HR managers about the benefits of Team Bldg. events

**IRS Application Status**

Our attorney, Kirk Manning has indicated to Carl that the challenge is to convince the IRS that the conversion to a social club is not a big change. Supposedly, everything has been submitted to the IRS.

**Club Meeting Time**

It appears that some board members are finding it difficult to arrive at 11am on Tuesdays. We discussed several options:

- a. Meet once per month
- b. Start at 11:30am to 1pm
- c. Start at 11am to 12:30pm

This needs to be an agenda item for our next meeting.

**Volunteering**

We would also like to invite someone in from The Volunteer Center to discuss club volunteer activities in the area.

Action:

1. Skooglund – invite individuals in for discussions on the above 3 items.

The meeting started at 11:15am and adjourned at 12:40pm. Our next BOD meeting will be on Tuesday 6/04/02.

Regards,  
Mike Mignardi  
Texins Association Clubs Board of Directors Secretary