

Arizona Independent Scheduling Administrator Association

Minutes from the Special Board of Directors Meeting (Telephonic)
Monday, February 4, 2008 at 2:00 PM (MST)

I. Call to Order

Vicki Sandler, Interim Executive Director (“ED”), called the Board of Directors (“Board”) Meeting of the Arizona Independent Scheduling Administrator Association (“AZ ISA”) to order at approximately 2:00 PM.

II. Determine Quorum

The quorum requirement is two-thirds of the members of the Board. A quorum was present: eight of nine members were present.

The following Directors were present: Ed Beck, Kevin Higgins, David Getts, Bill Chen, Jennifer Chamberlin, Eric Treese, Jerry Smith and Vicki Sandler (Chair).

Michael McElrath was absent.

Also present was Kathy Economy of Low & Childers, P.C.

III. Welcome and Introductions

All present were welcomed and introduced by Ms. Sandler.

IV. Appoint Meeting Secretary

Kathy Economy of Low & Childers, P.C. was appointed as Corporate Secretary for the meeting.

V. Approve Board Agenda

A motion was made and seconded to approve the proposed Agenda. The Board unanimously approved the Agenda.

VI. Approve January 18, 2008 Special Board Meeting Minutes

The Board reviewed the Minutes for the January 18, 2008 Special Meeting of the Board. Ms. Sandler suggested various minor changes to clarify the intent of the minutes. Ed Beck made and Kevin Higgins seconded a motion to approve the minutes from the January 18, 2008 Special Board Meeting as amended. The Board unanimously approved the motion.

VII. 2008 Proposed Budget

Ms. Sandler confirmed that each Board member had received a copy of the 2008 Proposed Budget. The Board discussed the various line items of the Proposed Budget, including:

Membership Dues: Based on membership dues at \$250 and considering that there are currently 15 members, the \$5,000 reflected on the Proposed Budget should be adjusted to show anticipated dues at \$3,750. This item will also be moved from January to March to reflect a more accurate expectancy of actual income.

Insurance: Ms. Sandler is currently obtaining quotes and comparative coverage from other agencies. The current D&O coverage carries a \$15,000 premium with a \$3M aggregate, including cost of defense. The D&O policy expires at midnight today. Ms. Sandler can extend coverage for one month (at a cost of one-twelfth of the \$15,000 premium) without renewing the policy and no gap in coverage. This will allow her time to make an informed decision with regard to selection of an agency and premium. The current E&O carries a premium of \$8,000, with a \$3M aggregate. Coverage expires in August. Since there is a 10% penalty to cancel this policy early and since there is adequate time to obtain comparisons for this policy, the consensus was to leave this policy as is until closer to the August expiration date.

Ms. Sandler suggested that a better premium could be obtained by reducing the \$3M aggregate to \$1M on both policies. Mr. Treese recommended that due to the transition concerning the Executive Director position, that this might not be an appropriate time to reduce coverage but that it could be a consideration during the next renewal period.

A motion was made and seconded giving Ms. Sandler authority to extend the current D&O coverage for one month with Low & Johnson, to continue her investigation of other agencies to obtain a reduced premium rate for comparable insurance coverage (\$3M aggregate) and the authority to bind new D&O coverage with an agency that meets these parameters. The Board unanimously approved the motion.

Expenses: The Board discussed various other expenses included in the Proposed Budget. Ms. Sandler is continuing to review and update figures as she becomes more familiar with the operation of AZ ISA.

Ed Beck made a motion to approve the 2008 Proposed Budget, giving Ms. Sandler the flexibility to make further adjustments to individual line entries with a cap in operating expenses of \$142,000. David Getts seconded the motion. The Board unanimously approved the motion.

VIII. Summary of Industry Meetings

The Board discussed the summary prepared by Ms. Sandler of her activities and attendance at transmission meetings. The Board commended Ms. Sandler on her efforts to gain recognition for AZ ISA and her preparation of the summary.

Jerry Smith emphasized that Ms. Sandler is to be a *resource*, not an *advocate*.

IX. Corporate Record Changes

Ms. Sandler recommended that the AZ ISA corporate records be updated to reflect that Pat Sanderson is no longer an officer or director of AZ ISA and to indicate that Ms. Sandler has been appointed to this position with proper contact information designated. Ms. Sandler was authorized by the Board to make the appropriate filings.

The General Session of this Special Meeting of the Board of Directors was temporarily adjourned and went into Executive Session.

At the request and unanimous direction of the Board, the Executive Session shall remain confidential and no written minutes shall be prepared.

The Board adjourned its Executive Session and resumed its regular session of the Special Meeting.

X. Notice of Next Board Meeting

The next Board meeting will be held in early April. Ms. Sandler will send an email to the Board with possible dates.

XI. Adjourn

The meeting was adjourned at approximately 3:30 PM.

Respectfully submitted,

Kathy Economy
Meeting Secretary