

MISSION CANYON ASSOCIATION

MINUTES OF BOARD MEETING

MAY 3, 2005

The regular monthly meeting of the Board of Directors of the Mission Canyon Association held at the McVeigh House at the Museum of Natural History on May 3, 2005 adjourned for lack of a quorum.

The next scheduled meeting of the Mission Canyon Association Board is Tuesday, June 7, 2005 at 7:30 pm.

Randy Reetz, Secretary

MINUTES OF SPECIAL BOARD MEETING

MAY 26, 2005

A special meeting of the Board of Directors of the Mission Canyon Association was held at the McVeigh House at the Museum of Natural History on May 26, 2005 commencing at 5:30 pm. Present in person were Tim Steele, Ralph Daniel, Randy Reetz, Ray Smith, Tom Jacobs, Jenny Cushnie and Remo Ruccione. Absent were Bill Menchen, Nancy Bertelsen, Dorothy Veal and Kathy Koury.

The subject of this meeting was whether this Association should obtain and pay for Directors & Officers Insurance, at a cost of approximately \$1,400 a year. This proposed policy will have a \$5,000 deductible; it will not cover claims for personal injury or property damage. The Association has previously purchased a \$1 million policy of liability insurance, at a cost of \$500 a year. The liability policy has a deductible of \$250 a year, and does cover claims for personal injury and property damage.

Ralph Daniel and Tim Steele advocated D&O coverage, saying that it was a covered expense under our upcoming USFS grant, and that it would fill a gap in our insurance coverage. Jenny Cushnie advised that, under terms of our USFS grant, the D&O premium would be reimbursable only if incurred and paid during the effective period of our grant. Therefore, if D&O is purchased, that should await formal approval and funding under the grant. Randy Reetz argued against the coverage, contending that the cost was prohibitive, reimbursement under the grant was inappropriate, the coverage was riddled with exclusions, and the moneys could better be spent on brush clearance and other activities more in line with our Association's goals.

After discussion, Ray Smith made the following motion, which was seconded by Tim Steele:

RESOLVED: That this Association purchase D&O insurance to cover directors, officers and affiliates of the Association (including members of the Mission Canyon Architectural and Design Review Committee), to commence at such time as the USFS grant is officially awarded – i.e. when the grant moneys are actually available for reimbursement of this expenditure – and to continue for the one-year D&O insurance policy period.

RESOLVED FURTHER: That the D&O insurance shall not be extended beyond the one-year policy period except upon formal approval by the Board of Directors.

Voting in favor: Tim Steele, Ralph Daniel, Ray Smith, Tom Jacobs, Jenny Cushnie and Remo Ruccione. Voting in opposition: Randy Reetz. The motion passed.

The next scheduled meeting of the Mission Canyon Association Board is Tuesday, June 7, 2005 at 7:30 pm.

Randy Reetz, Secretary