THE PRAIRIE ENTHUSIASTS
Special Board Meeting Minutes
Monday, March 23, 2009
7:00 pm
via Teleconference

ACTION ITEMS IN RED

1. Roll Call

ATTENDEES:
Directors: Evanne Hunt, Jack Kussmaul, Nick Faessler, Jan Amberson, Jim Rogala, Richard Henderson, Karin Strenski, Ann Woldt, Richard Oberle

Guests: Jim Rachuy

Staff: Carol Winge

Directors Absent: Jaime Edwards, Jim Sime

The special meeting of the Board was called to order at 7:01 pm by President Evanne Hunt.

A motion was made by Richard Henderson and seconded by Jack Kussmaul that TPE purchase prescribed burn insurance for one year from C. D. Rigdon & Associates, Ltd. in the amount of $4,500.

Evanne Hunt asked if a check has already been sent to C. D. Rigdon & Associates to purchase the insurance. Richard Henderson and Carol Winge both replied they have not made any payments to purchase this insurance.

Richard Henderson reviewed the reason for wanting to purchase the insurance. We have been burning since we were incorporated without insurance. Six to seven years ago we looked into burn insurance but it was not available then. We have now found a company that is willing to provide burn insurance to nonprofits. They offer $1 million of coverage for one event or $1 million of coverage aggregated over many events, but no more than $1 million payout a year for a premium of $4,500 for one year of coverage. They do offer a $2 million coverage, but this premium is $6,500 and Richard Henderson felt this was simply too expensive for TPE. TPE now has significant assets and we need to protect these.

Richard Henderson has had communications with this company and he completed and submitted an application for the insurance on behalf of The Prairie Enthusiasts, not just for the Empire-Sauk Chapter, but he is seeking this insurance protection for the organization. Information requested on the application included, the length of the burn season, average acreage of burn units, the number of burns conducted in a year and the total acres burned for the last three years, how long the applicant has been in operation, our procedure for notifying all civil/municipal authorities, burn crew selection and burn boss qualifications, process for controlling access to a burn site, and previous experience with prescribed burning. The information provided in the

application was used by the company to determine if we were eligible for coverage. Rigdon did report this was one of the better applications they have received.

Richard Henderson noted that the application also requested that a copy of our quality Control Program or Procedures, copy of Safety and Training Manuals, copy of loss runs for the past five years and resumes of all principals be enclosed with the application. He noted on the application that we are in the process of developing new policies and procedures for conducting prescribed burns using the Wisconsin Prescribed Fire Council Standards. A number of our burns are done under USDA CRP and NRCS WHIP contracts and agreements. We use NRCS burn plans in those situations. The expectation of the insurance company is that they will eventually require standardized burn plans and some level of minimal training for burns but for this first year things may be a little more relaxed as new policy is developed. For this first year the requirements would be that every TPE burn requires a documented burn management plan and that the experience level of all participants on a TPE burn are documented.

Nick Faessler asked what the deductible is on the insurance policy. Richard Henderson responded he thinks it is $5,000 but was not sure about that.

Nick Faessler asked what constitutes a TPE burn. Does this insurance cover burns on only TPE owed property or does it also cover burns on other property? Richard Henderson thought it was both.

ACTION: Carol Winge was directed to confirm what constitutes a TPE burn with the insurance company and report back to the Board.

Jack Kussmaul noted that the insurance covers "your operations". In the definitions portion of the policy, "your operations" is not defined. He believes it would be appropriate that we get some official sanction to make sure a burn is covered by the insurance. It makes sense that this official sanction be obtained at the chapter level and that it be in writing.

Jack Kussmaul further noted that the insurance will not cover us in three cases:

1. If we burn when a burn ban is in effect.
2. If we burn without a permit in a jurisdiction where a permit is required.
3. If we burn without a burn plan in a jurisdiction that requires it before a burn is approved or a permit issued.

We should be careful to be in compliance with these three things.

Richard Henderson stated he believes it is prudent to get the insurance now, even though there are unknowns this first year, and then work on our policies and procedures and have them in place prior to the term of this insurance coverage. He has already provided preliminary draft policy and procedure policy language to the Land Management Committee for their consideration and will be having committee meetings to draft a policy for the Board.

ACTION: Carol Winge was directed to get a definition of "our operations" from the insurance company and report back to the Board.

There was discussion about the what ifs of burns done on properties not owned by TPE that might get out of control and who liability responsibility falls on if there is damage to someone else's person or property.

Jim Rachuy and Richard Oberle both asked how will the premium be paid. Richard Henderson replied that the organization will pay this premium. Jack Kussmaul noted that for the time being it has to be paid out of general funds. We really don't have a choice. Richard Henderson suggested that we use it as a tool for major donors. Perhaps we can find a donor(s) who will pay for this protection for TPE assets.

There being no further discussion, President Evanne Hunt asked for a vote on the motion. The motion passed unanimously.

Evanne Hunt asked what we should provide to the Chapters so they know what they need to do this year when conducting burns. Board members recommended we provide Chapters with the three insurance coverage exclusions.

ACTION: Carol Winge was directed to make the insurance premium payment and send chapters the insurance coverage exclusions.

There being no further business, a motion was made by Richard Henderson and seconded by Nick Faessler to adjourn. Motion carried and the meeting adjourned at 7:47 pm.

Respectfully submitted,

Carol A. Winge
TPE Business Manager