

Board Workshop  
Springwood II Villas Association  
Monday, February 20<sup>th</sup>, 2023 – 6:30pm, Clubhouse

Present: Jennifer Hanks, Linda D’Elia, Terri Wood, Dale Bending, Julie Viers, Mary Young

Insurance Business

- Presented to the Board were 4 options for insurance coverage:
  1. Incumbent program where no changes are made, and multiple companies are sharing the risk:
    - a. \$1M premium
  2. Increase the deductible to from \$5,000 to 10,000 – with a \$10M stop loss payout (wind/loss – non hurricane)
    - a. Hurricane deductible would be 10% of the insured value of the individual property.
    - b. All other claims would be a \$10,000 deductible.
    - c. Insurance company would stop paying after \$10M payout is reached.
    - d. Premium is \$555,000 (property only)
    - e. Adding additional coverage would bring the total to around \$603,000.
    - f. We are currently paying \$602,000.
  3. Increase the deductible to from \$5,000 to 10,000 – with a \$5M stop loss payout (wind/loss – non hurricane)
    - a. Hurricane deductible would be 10% of the insured value of the individual property.
    - b. All other claims would be a \$10,000 deductible.
    - c. Insurance company would stop paying after \$5M payout is reached.
    - d. Premium is \$475,000 (property only)
    - e. Adding additional coverage would bring the total to around \$525,000.
    - f. This would allow \$75,000 to be put in a reserve fund for future.
  4. Citizen’s coverage – lowest cost
    - a. Continue to move the goal post.
    - b. Conditional coverage based on an electrical panel inspection of all 219 homes.
    - c. Association would have to pay for the inspections and homeowner would have to pay for the updated electrical panel.
    - d. Based on inspection results, they could still deny us coverage (risky)
    - e. Premium is \$456,000 (property only)
    - f. Adding additional coverage would bring the total to around \$507,000.
- Initial thoughts – 2 and 3 are the most prudent options.
- Per Bob Mitchel – the 2 and 3 options were not available last year.
- The Board will vote on it at the next scheduled Board Meeting on Monday, February 27<sup>th</sup>,

- Signing will take place on March 1<sup>st</sup>, 2023 – with the attorney present.

#### Board Meeting Schedule Changes

- Board meetings will no longer take place on the 2<sup>nd</sup> Tuesday each month.
- Meetings have been moved to the 4<sup>th</sup> Monday of each month – the 7pm start time remains the same.
- This change will allow for financials to be presented at the monthly Board meetings.
- Next Board Meeting is Monday, February 27, 2023

#### Final thoughts

All Board members study the insurance quotes. We will be voting on Monday, February 27, 2023