

**GRAND PANAMA BEACH RESORT OWNERS ASSOCIATION, INC.**  
**BOARD OF DIRECTORS MEETING**  
**April 30, 2022, 10:00 AM CT**  
**Grand Panama Tower II Board Meeting Room**  
**APPROVED MINUTES**

- A. **CALL TO ORDER:** The meeting was called to order at 10:01 AM CST, by Board President, Frank Boone
- B. **ESTABLISH QUORUM:** Quorum was established with Nancy Stovall, Glenn Holliday, and Woody Junot meeting in person. Frank Boone, JPorter Share, and Jarod Triplett participated via Zoom teleconference. Jason Bennett (CAM) was also present on behalf of RC Association Management.

**ALSO IN ATTENDANCE: Owners in person:** Rick & Tammy Otten (1-1704), Cerise Pearce (2-306) Sharon & Jim Feltner (2-301) and Doug & Diane Patterson (1-1007). Nine (9) owners participated via Zoom teleconference. Also, in attendance was Anthony DuBose from Coastal Community Insurance Agency/Acentria Insurance.

- C. **PROOF OF NOTICE:** Jason Bennett (CAM) verified Proof of Notice was posted according to Florida Statutes and Association Documents.
- D. **APPROVAL OF MEETING AGENDA:** Glenn Holliday **MOTIONED**, seconded by Woody Junot to **approve** the meeting agenda, motion carried unanimously.
- E. **NEW BUSINESS:**

- A. Insurance Renewal** - Board President Frank Boone addressed the Board and owners concerning rising costs of everyday items and how rising costs are affecting Homeowner Associations; in particular, insurance premiums. Mr. Boone made note to point out an email shared by former Board member and owner Dean O'Reilly from another Homeowner Association (Boardwalk Condominiums) who received an unexpected 59% increase in property insurance premiums alone. Mr. Boone informed the owners that the Board budgeted an increase of 10% in 2022 for Grand Panama's insurance based upon information at the time; however, the new premium came in at a 39% - 40% increase. (*The Board budgeted \$235,384.05 for property insurance. The new premium for property insurance is \$327,339.20.*) Mr. Boone then asked Association Manager Jason Bennett to provide insight to the nature of the increased premiums and why it takes so long to receive new premium costs.

Mr. Bennett shared with the Board and owners a history of the rising insurance rates over the past several years. Mr. Bennett quoted the following from Amwins Group, Inc., "*very specific categories of Real Estate accounts, however, are likely to experience much more challenging renewal outcomes with rate increases in the 25% to 100%+ range. The increases are due to carrier actions such as addressing undervaluation, no longer writing a specific type of account or geography, or choosing to reduce their line size or increase the attachment point.*" Per a separate agency, "most property markets are waiting to just a few days prior to the renewal date in releasing renewal quotes." Mr. DuBose addressed that his agency shopped with every possible carrier within the past 100 days and the cost has drastically changed over time. Mr. DuBose and his agency press the markets to get the best possible terms and present them to the Board as soon as it is feasible. In our case, we received one quote from upward of \$425K, prior to receiving the new premium quote of \$325K just days before the renewal.

Anthony Dubose from Acentria Insurance provided the following information:

- Capacity of insurance agents in Florida market has reduced dramatically – there are no less than ten carriers who either pulled out of the market or have gone out of business.
- The Surfside collapse in Miami severely affected the Florida market – this was an estimated 83M claim.
- In 2021, all in all was one the warmest years since records started being kept. The World Meteorological Organization predicts that 2022 will continue that trend with potential for more extreme heat events. This warming will likely lead to more above average fire and hurricane seasons.
- 2021 provided to be the second costliest year for the insurance industry after 2017.

Mr. Booke informed the Board and owners that the difference in premium between 2021 and 2022 is \$91,955.15. Association Manager Jason Bennett was able to find that the Association budgeted for a flood policy that was not in existence. The total of this policy was \$24,644.95. After applying this amount towards the difference of \$91,955.15, the Association is over budget by \$67,310.20. Board Treasurer Glenn Holliday addressed the Board and stated that this amount can be covered from the money collected from parking passes. For 2022, the Board budgeted a fair or conservative number for parking pass income and due to the increase in cost of passes from \$20 to \$30, Mr. Holliday believes the surplus from parking passes will offset the increased insurance premium. On a **motion** by Glenn Holliday and a second by Woody Junot, the increase in insurance premium in the amount of \$67,310.20 was approved for payment. Motion carried unanimously.

Owner Doug Patterson addressed the Board and asked if the insurance deductible and policy was any different than the previous policy. Mr. DuBose confirmed that the deductible was 3% and the policy is “apples to apples” with our previous policy.

- F. **ADJOURNMENT:** Glenn Holliday **MOTIONED**, seconded by Woody Junot to adjourn at approximately 10:38 AM and the motion carried unanimously.

Respectfully Submitted,

Jason Bennett, CMCA, AMS

