

GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC.
Minutes of the Meeting of the Board of Directors
February 23, 2022

The president called the meeting to order at 9:03 a.m. on the date above noted at the location and time specified in the notice of meeting.

Those present were:

John Rasmussen, President	Earl Monari, Director
John "Randy" Kuhl, Treasurer	Yossi Edelkopf, Director
Charles Erwin, Director (via phone)	Chris Gourdie, General Manager
Tom Leiser, Director	Carol Post, Bookkeeper (via phone)

The president announced a quorum was present and that the notice for this meeting was posted in accordance with the bylaws and statutory requirements

The first item on the agenda was replacement of open board positions. John Rasmussen stated that the board had a list of four names that Yossi Edelkopf provided. Chris Gourdie then clarified that originally five names were provided, but during the last board meeting, Yossi had said to just do the first four, that there wasn't a separate email sent listing just the four. Mr. Gourdie also stated that he has no email addresses for any of the four except Mr. Edelkopf, and that those three have not approached him to be on the board, which is not a problem. He stated that they would have to provide their contact information for the Association office to be able to communicate with them.

Randy Kuhl moved, and Earl Monari seconded a motion to appoint Yossi Edelkopf, Joseph Schechter, Andrew Levy and Avi Rapaport for the remainder of the terms they are filling, conditional upon them accepting the appointment and providing their contact information. Chris Gourdie asked if the board wanted to review those terms, and Mr. Rasmussen stated that Mr. Edelkopf could decide who he wanted to put in each slot. Each of the four will be elected to a term, either ending November of 2022 or November of 2023.

Yossi Edelkopf then entered the meeting room. Mr. Rasmussen advised him that there was a motion and a second to put the people he had listed on the board for the remainder of the terms that are open. Mr. Gourdie explained that two of the terms will end in November of 2022 and two will end in November of 2023. Mr. Rasmussen asked Mr. Edelkopf for his preferences, and Mr. Edelkopf indicated that he and Joseph Schechter would fill the terms ending in 2023, and Andrew Levy and Avi Rapaport would fill the ones ending in 2022. A vote was then taken, and the motion passed unanimously.

The next item on the agenda was selection of an insurance broker. Mr. Kuhl stated that on February 3rd, the board appointed him to chair an insurance committee for the purpose of interviewing potential brokers. He stated that there were two that had been involved before, and a third, Franklin Street. He reported that he and Mr. Gourdie had spent a great deal of time

interviewing all three, and that the board now had each of their written proposals. Mr. Kuhl stated that the board had asked him to have the brokers expand the information provided, which he did. He stated that it was his task to come back with a recommendation for the board and made a motion to adopt USI as the Association's insurance broker.

Mr. Edelkopf indicated that he had reviewed all the proposals and that it seems like USI and Brown and Brown are big-shot names, and from his experience, using the big guys in the past, they provide a really long proposal all about the company, and maybe just a one-pager of what they're actually going to do, that it's just a huge thing they send to everybody. He stated that once they are signed on, that broker is the sales guy, and the business is given to the junior to start shopping it out. He stated that in the Franklin Street proposal, which is the broker he still recommends, the broker goes through a real strategy of how he plans to fight it down and dedicates 20 pages or so specific to Grenelefe. Mr. Edelkopf stated that Franklin Street really took the time to dissect the plan and figure out, if there's an increase, how he would fight it down, and that he included a recommendation to break down the property insurance coverage into two and stagger it. Mr. Edelkopf stated that in his experience with claims, he doesn't have to go through different people and different departments, that it's the same guy who picks up his cell phone. He stated that this broker would do that with all of the Association representatives, call back within ten minutes, initiate claims instead of referring it to a claims department. Mr. Edelkopf indicated that Franklin Street is already doing \$100 million in business for his group, so Grenelefe would automatically be a big client for him.

Mr. Edelkopf added that, as was discussed last week, the other companies also do health insurance, and he wouldn't want anyone's health insurance coverage to decline. He feels that, providing the health coverage wouldn't decline, Franklin Street would be best, and use a different insurance company. But if the health insurance would decline, to then talk about it and try to make that decision. He stated that he didn't know what it would look like if the Association went with Franklin Street and a different company for health.

Mr. Gourdie indicated that he felt all three of the brokers are good and that the Association won't lose with whoever the board chooses, but as far as the service issue, Dillon Bloch of USI has worked with the Association behind the scenes for free for several years, because Mr. Gourdie knows him personally, as Mr. Bloch married his niece this year. Mr. Gourdie stated that he can pick up the phone any day, and Mr. Bloch is the one who answers. Mr. Gourdie stated that one of the times he went to Mr. Bloch for advice was in selecting a company to do the Association's appraisal. He explained that appraisals are required every three years for condos, and the company who was writing the Association's insurance bought out the company that did the Association's appraisals. Since a higher appraisal would result in higher premiums, Mr. Gourdie didn't feel that was a good situation, so he sought Mr. Bloch's advice. Mr. Bloch provided him with the name of an independent appraiser he had used in the Central Florida area, and the appraisal came in good, saving the Association \$100,000 over a two-year period. Mr. Gourdie added that he was comfortable with Mr. Bloch and trusted him, and that every time McGriff would do something that he felt was hinky, he could fact check it with Mr. Bloch, and Mr. Bloch would tell him if it was right or wrong and whether it was anything to worry about. Mr. Gourdie

added that the reason he liked USI, other than the fact that he very much trusted the broker to do a good job for the Association, was their size. He stated that USI writes the most insurance of the three brokers interviewed and would have the most leverage.

Mr. Edelkopf argued that USI writes the most insurance in general, not property. He asked who the Association's insurer was right now, and Mr. Gourdie responded that it is Amrisk. Mr. Edelkopf stated that Franklin Street is the largest Amrisk writer, and Mr. Gourdie said not according to USI. Mr. Gourdie said it could be for a year, and the Association can switch, but he reiterated that he doesn't believe the Association can go wrong with any of them, that they are all excellent. He stated that he was pushing for USI because he has worked so closely with them and trusted them, and he has never trusted McGriff, because the company was thrust upon the board by Westgate. Mr. Edelkopf stated that if the board just looks at the proposals, it can see that Franklin Street dedicated dozens of pages tailored to the Association's policy, that they put time into researching their strategies, versus the other guys just saying, "Look, we're a monster, come and join us." He stated that, based on that alone, he would suggest Franklin Street.

John Rasmussen added that, just looking at the proposals, Brown and Brown's was a sales pitch and didn't offer anything much that stated what they would do for the Association. USI and Franklin Street did go into what their plans were going forward. He stated that he would go with one of those two and acknowledged that Franklin Street did do a longer presentation as to what they would do for the Association, and that although USI did include their plans in the proposal, a lot of it was a sales pitch. Randy Kuhl stated that he and Mr. Gourdie had that detailed conversation with each of the brokers, talking about collision insurance for auto, expanding the coverage on the directors and officers' policy, obtaining a \$10 million policy on top of that. He stated that they went through everything, and although Mr. Edelkopf had his perception based on the written proposal, he didn't have the perception that Mr. Kuhl had from his personal discussions with each of the brokers.


Mr. Edelkopf stated that another concern he had was the fire last year, and what Franklin Street told him was that the problem the Association is going to see at the renewal, is that it is right at the threshold where all these insurance companies are looking at their profitability and what the Association's loss runs are, and since that was such a big claim, it's right where they're getting uncomfortable and saying that it's not really profitable. He stated that the Association was facing a very likely chance of increases. Mr. Gourdie stated that he didn't get that from USI, who was saying 15 percent or lower because they did not think the \$1 million loss was huge in comparison to the \$76 million value. Randy Kuhl indicated he and Mr. Gourdie addressed the issue with the brokers, saying they didn't want quotes, which would block markets, but when they were talking about their perceptions, Franklin Street had advised there would be a 25 percent increase in premiums, USI was below 15 percent, and Brown and Brown was talking 15 percent. Mr. Edelkopf stated that all of his properties are seeing a 20 percent increase with no claims. Mr. Rasmussen stated the Association is planning on an increase, and Mr. Kuhl explained that another thing they heard from the brokers is that condos are looking at different percentage increases based on their location. By Grenelefe being located internally, in Polk County, its insurance premiums were going to be lower than some of Mr. Edelkopf's properties

on the west or east coast. He stated that those were the types of things that stuck out in his and Mr. Gourdie's discussion with the brokers, that they were very detailed in their questions, and some of that is not included in their written proposals. Mr. Edelkopf acknowledged that but stated that he would put all of his votes toward Franklin.

Mr. Rasmussen then stated that Mr. Kuhl had made a motion to go with USI and asked for a second. Earl Monari seconded the motion. There being no further discussion, a vote was then taken, and the motion passed, with Chuck Erwin, Randy Kuhl, Tom Leiser, Earl Monari and John Rasmussen voting in favor and Yossi Edelkopf opposed. Mr. Rasmussen stated the Association would go with USI for a year and see what they do, and Mr. Monari added that the board would do the same due diligence next year. Mr. Kuhl stated that USI would need a letter of record that they are the broker, and Mr. Gourdie stated that he would have them put a letter together. Based on his discussions with the three brokers, the broker of record letter could be sped up if the Association contacts all its other brokers and lets them know it is endorsing USI. Mr. Gourdie promised to do that and to frame it in a friendly manner, so it is amicable both ways in case the Association wants to come back to them in the future.

At 9:25 a.m., Randy Kuhl moved, and Earl Monari seconded a motion, which was passed unanimously, to adjourn the meeting.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Carol Post".

Carol Post
Secretary pro tem