

**PINESTONE AT PALMER RANCH ASSOCIATION, INC.**  
**MINUTES OF BOARD OF DIRECTORS MEETING**  
**October 17, 2023**

**Call meeting to order:** The meeting was called to order at 6:00 PM by Dan Pittaro, manager of Pinestone at Palmer Ranch.

**Proper meeting notice:** The meeting was properly noticed in accordance with Pinestone at Palmer Ranch bylaws and Florida Statutes.

**Determination of Quorum:** It was determined there was a quorum. In attendance either in person or via Zoom were board members Rick Pluese, Brian Fagan, Pete Sprague, Marty Port, Rocco Longo and Tony Fischetti. Frank Renda was absent.

**Approval of Board Meeting Minutes:** Minutes for the Board Meeting September 19, 2023 was discussed. There were no corrections or changes needed. Motion to approve as presented was made by Rick Pluese and second by Rocco Longo. The motion was unanimously approved.

**Treasurer's Financial Report:** Treasurer Pete Sprague said he redeemed a \$250,000 CD in preparation for the insurance policy payment due in October. He said short-term rates are staying up in the 5% range.

**Committee Reports:** No committee reports were submitted to Marty this month. Dan asked RoseAnn Buglione to report on upcoming Social Committee activities. She said we have the Awesome Breakfast coming up on November 11. Dan extended a big thanks to Betty Lorenzo, who has worked tirelessly all summer planning numerous events and activities for the year-round residents. RoseAnn agreed that it was great for the year-round residents to have so many different activities, which never occurred at Pinestone in the past.

**Managers' Report:** Fall is upon us. With it comes football, hockey, and the baseball playoffs. To be sure, October is a sports lover's dream. Cooler days bring cooler nights, a welcome relief from our steamy summer. Sunday and Monday night football games are being watched in the theatre by a growing number of sports enthusiasts, coordinated by Rick. Join in the fun and catch all the action on the big screen.

Be sure to schedule your fall HVAC service now. Most companies have a 60-to-90-day scheduling backlog, so don't delay.

Our second maintenance worker, Adrian Flaggs, started work for us in late September. Adrian is a multi-talented mechanic like Yon and has many years of experience working in the trades. He is a master carpenter from form to finish and is highly skilled in sheetrock repairs and patchwork. He is also experienced in light electrical, plumbing, and HVAC work. He will be doing much of the trimming and edging around the property, along with the many special projects he and Yon will be tackling in the coming year.

We just completed the replacement of the fire sprinkler risers in buildings 11 and 13 and are scheduled to do building 2 on Wednesday. Residents in these buildings will be notified in advance. The domestic water supply will not be affected, and no units will need to be entered. On the schedule to be completed before the end of the year are buildings 9, 10, 15, 23 and 25. Residents will be notified before the work begins. The projects will be funded by reserve money in each building. There are many copies of the 2023 resident directory in my office. Stop by and get yours when you return to Pinestone.

For a few passing notes:

- Remember that if anyone changes the lock on their door, they need to get a new key to the manager's office.
- If you are trading, selling, or otherwise getting rid of a car and gave a headlamp transponder on it, please see me first so I can take it out of service.
- There has been a growing number of incidents at the front gate of residents getting impatient or even hostile with visitors who are having difficulty with the call box. Instead of just fobbing them in, either help them call the party they are visiting properly on the call box, or call me and I will come out and help.

### **Old Business**

- Rick provided an update on the tennis court lighting. He said the light poles are in and work should start in the next two weeks. Once the lights are completed, we will have the tennis court resurfaced if the weather holds up. The temperatures need to remain in the 60's to 70's to do that work. Dan mentioned again that the reason the tennis court lighting needs to be done is that the bottom of the 9 light posts are all rotted out and are a safety hazard. Not only is the lighting technology archaic but the poles are becoming increasingly dangerous. He added the tennis court surfacing hasn't been done in a long time, and people are using the courts nearly every day. The courts will be shut down for three weeks to replace the lighting.

### **New Business:**

It's no secret Florida has a property insurance crisis. In the past two years the state has been hit by 4-5 massive hurricanes. A second but not obvious cause of the crisis is the nation's highest rate of lawsuits against the insurance companies. Nine insurers went out of business in the past three years. Another three companies are in the process of leaving the state. Gov DeSantis has called two special sessions of the Legislature last year. During three sessions he enacted limits on lawsuit claims and added \$3B for reinsurance.

For Pinestone, there was an \$80k increase in last year's policy. The increase had to be funded by a loan from the reserve account, which was quickly repaid. The total cost of the policy has to be paid all upfront to avoid taking a high interest loan. Last year's renewal price did not reflect the unprecedented

devastation statewide that resulted from Hurricane Ian. As a result, this year's final price increased by \$130,000. Our package was put out to bid with 48 different companies. 46 of the companies either were not competitive with American Coastal, our company, or declined to quote due to the size of our policy. Citizen's was the only company willing to submit a bid, and they were \$65k more with less coverage. Pinestone is fortunate to have board members Pete Sprague and Brian Fagan and resident Nick Bergeron act as advisors helping to review the package. All are experienced commercial insurance agents, and participated in the review meeting with Matt Mercier, our agent. Because of the second large increase in a row, the insurance reserve account will now be short \$220,000 at the time the payment needs to be submitted in two weeks. To stop the cycle of being short at renewal time, the board of directors is considering passing a one-time special assessment of \$625, which will be used strictly to repay the necessary loan from reserves in as short a time as possible. If passed, the board will assist those who will find it difficult to pay the assessment all at once, and will allow payments to be made over time, with a minimum payment of \$100 a month.

An owner suggested we self-insure for \$500,000 to save on the insurance cost. Dan told him that was not an option the association could pursue, since it would require having \$500,000 of unencumbered cash in the bank to fund any uninsured losses. Dan also said that it could be in violation of Florida statutes. Dan noted that in his experience as a property manager, the general feeling has always been that insurance is a complete waste of money until there is a loss. The policy contains \$47 million in property coverage, which is need to protect everyone's investment in the community. The current deductible of \$50,000 is a much more manageable amount. Pete concurred that self-insuring for \$500,000 was out of the question.

Another owner asked if the increase was caused by an excessive number of claims submitted by Pinestone. Dan said this was not the case. He said that in his 3-plus years managing Pinestone not one claim had ever been submitted. He reiterated that the increase was typical statewide and not isolated to Pinestone.

**Open Forum:** The open forum was closed at this point.

**Meeting adjourned:** The motion to adjourn was made by Rick and second by Pete and was passed unanimously. The meeting was adjourned at approximately 7:00 PM.