**BOARD OF DIRECTORS MEETING**

**PALMA DEL MAR ASSOCIATION #5**

**December 12, 2023**

 **Attending –** Adams, Keefe, Preuett, and Scoggins, and Fisher (RPM) and Sarah Alonso (McGriff Insurance). **Absent –** Miller. Approximately 20 owners in person and about 12 viz Zoom. A quorum was established, and Preuett called the meeting to order at 2:20 p.m. in the association’s recreation room. Prior notice of the meeting was posted via email and on the premises in compliance with Florida law. Keefe made a motion to accept and properly dispose of the minutes from November 15, 2023, that was seconded by Adams. Motion carried 4-0.

 Alonso addressed the current insurance situation in Florida and explained how insurance rates are calculated. She said that Citizens, our current property insurance underwriter, considers the useful life of a flat room is only 15 years. (It is believed the roof of our tower is now 43 years old.) McGriff, on our behalf, submitted extensive documentation, including appraisals, roof mitigation credits, and roof condition forms that proved there were still three more years of useful life. If Citizens had not accepted that, the association might have been denied coverage and forced us to seek insurance through the surplus lines market where premiums would have been three to four times as expensive as our current policy. She added that a new roof within the next two years will keep the association in good standing with Citizens and may also result in premium credits as well as make us more attractive to other insurance companies. She cautioned that roofing replacement companies are backed up with work because so many associations find themselves in the same situation we do.

 On a somewhat brighter note, Alonso said that Citizens’ most recent filing with the state insurance bureau indicates our property insurance premium may only see a 25% increase for the 2024-25 fiscal year. She also said our premium for flood insurance, due in January 2024, will only increase by 12% instead of the 18% the association expected in this fiscal year. She also pointed out that our elevations certificates are all positive, meaning the ground floors of our buildings are all above the minimum “imaginary” flood lines established by National Flood Insurance and FEMA surveys. Buildings below that line are paying as much at five times more for flood insurance.

 **Committee Reports**

 **• Treasurer’s Report –** Keefe said our association’s income is about on budget for the fiscal year along with our operating expenses, and that most categories are actually below budget though offset by insurance costs that were higher than expected. Through October the association had $431,546 in its reserve account.

 **• Bicycles, Kayaks, and Parking Report –** Scoggins reminded owners (especially new owners) that the annual inventory of bicycles in the garage racks will take place in January and owners must have them registered by the end of that month or unregistered bukes will be subject to removal and donated to charity. Bicycles previously registered do not need to be re-registered.

 **• Security/Safety Report –** Preuett informed owners that a substitute will be on patrol for Securitas while one of the two regular employees is on vacation.

 **• Social –** Jane Taylor received kudos for putting together the information first association newsletter that was emailed to the membership in early December. There will be a welcome-back brunch for returning snowbirds at 11 a.m. on January 20 in the recreation room. Activities for the winter season include bing0 and Texas Hold’em. Taylor asked members to fill out a questionnaire to gauge interest in other activities.

 **Unfinished Business**

 Preuett reported three bids were received to replace the failing jockey pump that backs up the sprinkler system in the tower that ranged from a high of $10,878 by Sciens to a low of $4,310 by Coastal Service. Scoggins made a motion to accept Coastal Service’s bid that was seconded by Keefe. Motion carried 4-0.

 Preuett reported that the larger sized sprinkler heads to be installed in tower units that have them are still on back order by CSS/Sciens. Keefe made a motion that the association, rather than individual owners. Absorb the cost of the defective sprinkler heads installed by United Fire Protections in November 2022 and repair the damage to units caused by the company’s workers. The motion was seconded by Adams. Motion carried 4-0.

 Fisher reported that 100% of the owners had paid their special assessments by the November 15 deadline and that the remaining $151,297 balance on the loan by AFCO Premium Finance Insurance to cover the cost of property insurance was paid off on November 27. Excess property insurance funds collected for the remainder of the fiscal year will be listed on the association’s balance sheet and earmarked for the policy’s renewal in 2024-25.

 Preuett, Scoggins, and Fisher met with Alex Gould from Reserve Advisors on November 30 to discuss and update planned projects for the 2024-25 fiscal year and update the Structural Integrity Reserves Study required by the state. Fisher said the Reserve Study report should be completed later this month or early January.

 On November 29 Engineering Inspections and Restoration Services performed an evaluation of the tower roof, including the use of thermal imaging and core sampling, to locate the source of leaks causing damage to Units #1203 and #1204. RPM is awaiting a proposal for temporary repairs to mitigate the problem until the entire roof is replaced. Fisher added that Jenkins Restoration is expected to begin environmental remediation of #1204 sometime this week.

 **New Business**

 RPM is awaiting bids on replacement of the tower roof.

 Preuett reported that the derelict sailboat grounded behind the rear villa buildings that has been an unsightly nuisance since September may not be removed until late winter or early spring. Florida Fish & Wildlife, which has been handling the issue, informed him that if the owner has not responded by December 15, the commission will solicit bids from salvage companies to remove it but cautioned it may be “two to four months” before it’s gone.

 Scoggins made a motion to adjourn that was seconded by Keefe. Motion carried 4-0.

 The meeting adjourned at 3:49 p.m.