

**BAYCREST AT PELICAN LANDING
HOMEOWNERS ASSOCIATION, INC.
MINUTES OF SPECIAL BOARD MEETING HELD ON MARCH 30, 2015
AT THE BAYCREST POOL HOUSE**

Directors Present: Don Coulson, Marilyn Hara, Swann Fredrickson, Toni Paoello, Creighton Phillips, Ralph Scarce, and Thomas Shambeau

Directors Absent: None

Ralph Scarce called the meeting to order at 3:30 P.M. and quorum was established. The notice was posted timely.

Ralph Scarce explained that this special meeting was called to discuss only one topic – the insurance coverage for the Association which Mr. Scarce felt was inadequate in some respects. He described his meeting with Baycrest's current insurance agents from BB&T/Oswalde Trippe, Scott Gregory and Erin Howard.

Mr. Scarce continued with a summary of Baycrest's current insurance coverages as set forth in the renewal proposal dated February 17, 2015 which renewed all coverage at prior levels for an annual cost of about \$7,000.

Mr. Scarce pointed out that Baycrest's liability coverage was only \$2,000,000 in aggregate (\$1M per occurrence with \$5,000 for medical payments). He also explained that the E&O coverage for directors, officers, volunteers and employees was only \$2,000,000 (\$2M per occurrence with \$1M additional defense limit). Mr. Scarce said that in his opinion, these coverage levels were inadequate to protect the Association.

The agency had a list of recommendations in their proposal in respect to adding umbrella coverage with higher limits. Mr. Scarce obtained quotes for adding either a \$5M or \$10M umbrella to Baycrest's insurance. He recommended adding the \$10M umbrella which would have a net cost of around \$550 - \$600 per year due to savings from reducing the underlying E&O coverage to \$1M.

There was discussion among board members and some homeowners about the appropriate limits.

On a motion by Don Coulson, seconded by Creighton Phillips and carried unanimously, the Board authorized Mr. Scarce to immediately bind a \$10,000,000 umbrella policy which would be in addition to current coverage.

Mr. Scarce also spoke about the recommendation to add a \$10,000 group accident coverage for volunteers and there was discussion about volunteer activities.

On a motion by Swann Fredrickson, seconded by Toni Paoello and carried unanimously, the Board authorized adding a \$10,000 group accident policy at an annual cost of about \$340.00.

Several homeowners asked who should have been responsible for bringing these insurance matters to the Association's attention. There was a brief discussion as to whether the insurance agency, Gulf Breeze management or prior directors of the Association should have acted on this previously.

Mr. Scarce noted that although adding the umbrella gave the Association immediate protection, the various insurance coverages and costs should be reviewed in greater detail over the next few months. He appointed the finance committee to undertake that review. Homeowner Gerald Carmody offered to assist as he has prior insurance experience.

Next Meeting

The next scheduled board meeting is April 15, 2015, at 7 p.m. at the Community Center.

With no further business, and on a motion by Swann Fredrickson, seconded by Marilyn Hara and carried unanimously the meeting was adjourned at 4:13 p.m.

Swann Fredrickson, Secretary
Baycrest Homeowners' Assoc., Inc.