

The Glen of Pacific Grove Homeowners Association
24571 Silver Cloud Court Suite 101
Monterey, CA 93940
(831) 647-2442

Minutes
Board of Directors Meeting

The Board of Directors Meeting was held on May 3, 2021 via Zoom Video Conference Call. The meeting was called to order at 5:00 pm and a quorum was established.

The following Board members were present:

Lindsay Munoz
Glen Grossman
Rob Crandell
Janine O'Brien
Jackson Chih

Regency Management Group:

Liane Cunningham

Members Present:

Peggy Field	Diane Hardcastle	Dianna Cava
Jim Cava	Stephanie Lee	Jesalee LaPatra

Other Guests:

Maria Fajardo, Socher Insurance

President's Report

Glen Grossman notes the Board is required by our CC&Rs to maintain fire and liability insurance for the HOA and Maria Fajardo from Socher Insurance is invited to present options to the Board.

Insurance Presentation

Maria Fajardo from Socher Insurance Agency explained that Travelers Insurance will not renew our fire and liability insurance. Reason for Travelers' non-renewal is because the Association is located in a high brush zone. She investigated a number of carriers with little success. Many carriers have left the market due to the fires in California last year. Some carriers will not write us because we are in Monterey County which is considered a "high brush" fire risk (Monterey County had three major fires last year). Pacific Grove is considered a medium risk, but few carriers want to write that business. Some of the carriers willing to write medium risks will not write us because more than forty percent of our units are rentals. Other carriers will not write us because they focus on newer HOAs and we are considered an older HOA. The age of the building is taken into consideration when carriers review an account. Almost all declined to quote because of the brush zone issue. Maria investigated non-admitted carriers which do not prohibit use or storage of charcoal and gas grills within ten (10) feet of a structure, but the premium starts at \$100,000.00 which the association cannot afford.

The only carriers willing to write us at a reasonable price were Sutton National and American Alternative. Sutton National prohibits the use or storage of charcoal and gas grills within ten (10) feet of a structure. Their quote was \$4,000.00 higher than American Alternative Insurance Company. If we

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insure with Sutton, they will inspect our premises for compliance with their barbeque grill restrictions. American Alternative Insurance Company offers better coverage than Travelers did including “All-In” coverage (excludes betterments and improvements). It is also \$4,000.00 less than Sutton. However, like Sutton, it prohibits charcoal and gas grills from being used or *stored* within ten (10) feet of a structure. American Alternative will most likely inspect the premises within 30 days of insuring us and will notify us which units are in violation of their underwriting standards. When carriers inspect the premise, they also look for any liability risks (such as uneven pavement, trees touching buildings, etc.). They will bring these items up to the Board to address.

New Business

2021-22 Insurance Renewal – The Board reviewed the insurance renewal for 2021-22.

Motion: Glen Grossman moved approval to bind coverage with American Alternative. Rob Crandell seconded the motion. Motion carried.

Motion: Glen Grossman moved approval to state in the newsletter that charcoal and gas grills may not be used or stored within ten (10) feet of a structure. Lindsay Munoz seconded the motion. Motion carried.

Board Member Comments

None

Open Session

A member asked about State Farm. Maria explained State Farm is a captive market (only State Farm agents can write State Farm policies) and from what she has seen, the liability coverage for HOAs is deficient (may not cover management or the individual board members). As mentioned, Socher is a broker and has access to many carriers. They do shop the renewal every year to ensure they are providing the HOA the best premium without compromising coverage.

Items for the Next Meeting:

Financial Statement Review

Lake Maintenance

Lattice Repairs

Property Survey

Landscape Upgrades

2022 Reserve Study

The next Board meeting will be held on May 19, 2021 at 4:00 pm.

Glen Grossman adjourned at 5:34 pm.

Recorder

Date