

Hillcrest East 25, Inc.

Condominium Emergency Board Meeting Minutes: March 4, 2025

Call to Order: Meeting was called to order in Room 105, the Office of Hillcrest East 25, by Steven Hurtig at 5:30pm.

Board Members Present: Steven Hurtig, President; Lori Limardo, Vice President/Secretary; Harriet Dinari, Treasurer; Bill Cannizzaro, Member at Large; Cheryl Rainwater

Board Members Absent: none

Meeting Summary:

First Item on the Agenda: Steven Hurtig called the meeting to order.

Second and Third Items on the Agenda: Steven Hurtig explained that the reason for this meeting is for the opportunity to rewrite our property insurance at a much lower price. The Board has been reviewing the options to change insurance carriers in order to avoid the last-minute change expected when Citizens drops our coverage in August. Today, the circumstances have changed from what we have been reviewing. The theory was that we were going to rewrite all of our seven different insurance policies to save money on the premiums. The Board was informed today that six of our policies could only be rewritten if they were paid off in full. That would be insanity because we have seven months of payments still due. It does not make sense to pay them off and rewrite those insurance policies. Therefore, these six policies will remain the same. It would have represented a savings of an excess of \$4,500 per month if we were able to rewrite these six policies but we cannot. The only of the seven policies left is for our property insurance. The current premium for our property insurance is \$377,232 with Citizens. There is also a wrap-around fee of \$51,746.10 with Citizens for further coverage that we do not have to pay with Lloyds of London. The decision to make is whether to eliminate the almost \$429,000 to Citizens or accept Lloyds of London's offer of \$394,101. This would be a savings of approximately \$30,000 which would be \$2,500 per month. The original thought was that if all seven of our policies could be rewritten, we could save anywhere from \$65,000 to \$70,000 but this is not the case. This leaves the vote today about saving \$2,500 per month. This savings is significant. If this policy is rewritten, then it will need to be refinanced with a different finance company and would start in April. Citizens has already informed the Board that we would be depopulated and put into Slide with a 14% increase which is around a \$50,000 increase. At the end of August, we would be looking at a premium of around \$427,000 versus the \$394,101. Furthermore, Slide is a new company, they are not rated and not financially sound with a capital of only \$65 Million. Lloyds of London is an A+ rated company by A.M. Best, which is the best rating service. We would be getting an upgrade in terms of the insurance policy with the same coverage while saving \$2,500 a month.

Steven Hurtig asked if there were any questions. There were some and they were answered. The discussion then veered into flood insurance coverage which is a separate policy. FEMA had changed the flood map which placed our building into their flood zone area that required us to additionally carry flood insurance. The Board appealed this decision to no avail. This flood insurance is \$31,000 per year. Steven Hurtig commented that even if we were not in the flood zone, many of the mortgage companies are requiring Unit Owners to carry flood insurance coverage. The flood policy for the

building is being provided to Unit Owners to satisfy this requirement. Otherwise, they would have to purchase their own individual flood policy at three times the price.

Steven Hurtig then made a motion to convert our property insurance to Lloyds of London at the rate discussed for the papers to be signed tomorrow. Bill Cannizzaro seconded the motion and the motion was approved unanimously.

Fourth Item on the Agenda: Steven Hurtig then made a motion to adjourn the meeting. Harriet Dinari seconded the motion and the motion was passed unanimously.

Meeting Adjourned: 5:46pm