

**JBMI BOARD MEETING MINUTES
SEPTEMBER 29, 2020, 6:30 P.M.
CONDUCTED VIA ZOOM**

BOARD MEMBERS PRESENT: Pres. Connie Johnson, Vice Pres. Randy Roy, Directors: Jennifer Taylor, Rich Lang, Mark Thommen, Sharon Cochran, Randy Hauth, Sec'y. Suzanne Schmidtke. Moorage Mgr. Diana Rider.

BOARD MEMBERS ABSENT: Rose Kowalski

MEMBERS PRESENT: 1665,1645, 1679, 1999

PRESIDENT AND BOARD MEMBER COMMENTS:

Connie called meeting to order at 6:30 PM , followed by roll call: Connie, Jennifer, Rich, Randy R., Mark, Suzanne were present ; Sharon Cochran and Randy Hauth arrived late, Rose Kowalski was absent. Quorum was verified.

John Stott, our insurance agent from Brown and Brown attended the meeting to review some of the reasons the premiums have gone up. Covid has put stress on insurance companies , some have closed down, resulting in increased rates and decreased coverage, and insecurity the property market.

Questions from the Board

Randy Roy asked about management liability details. John Stott answered that there has been a spike in the management liability claim. JBMI currently has a HUD claim filed for discrimination. Some of the premium increase is related to this.

Jen Taylor asked on general liability and the impact of Airbnb causing an increase. John Stott answered increased exposure by people not abiding by the rules of the moorage could increase premium.

Rich Lang asked about 3 out of 4 of the management liability coverage companies declined to bid because of the HUD claim. John Stott answered in market to find insurance carriers because the claim is newer and unresolved they unwilling to take on the risk.

Rich Lang asked about what the cost impact is on the members when we have claims. John Stott answered if the cost of the claim exceeds the premium cost by 2-3x there could be 10-15% increase the following year.

Randy Hauth asked about the director and officer coverage in our insurance policy. John Stott answered coverage includes any action by the board to oversee operations of the Association.

Randy Roy asked if committee members were covered also. John Stott answered that committees authorized by the board are also covered.

Randy Roy asked about Airbnb not being allowed in our Rules and Regs. And if a short term rental claim is filed could that deny coverage. John Stott answered no that we would not be denied coverage. The insurance coverage that the homeowner has could be denied if a suit was filed against the homeowner for violating the rules.

Connie Johnson asked about earthquake insurance details. John Stott answered that the original \$11k quote was based on the property value of 5 million and we increased the property value to 9 million on the renewal. The insurance quote on earthquake insurance came back at over \$30k.

Jen Taylor asked about the deductible on the earthquake policy. John Stott answered that the deductible would be 2-3% of the value of the loss. There could also be assistance from FEMA to pay the deductible.

Connie Johnson asked if the land and the marine be combined in the policy. John Stott answered that would be possible and since the land is such a small portion would have a smaller deductible.

Rich Lang asked about advantages to security controls to insurance. John Stott answered that it could be an cost savings of 5-15%. John mentioned cyber insurance. Rich said he thinks that it should be considered.

Connie asked for recommendations from Rich and Jen on the cyber insurance.

(1) To approve the 2020 2nd Quarter Financial report which had been tabled previously to allow Board members more time to carefully read the 2020 2nd Quarter Financial Report before approving it. Connie moved to approve the 2020 2nd Quarter Financial Report as corrected, Jennifer seconded the motion. After some further discussion, the Financial Report listed above was approved by the following Board Members: Mark-Y, Rich-Y, Sharon-Y, Jennifer-Y, Randy-Y,

(2). To approve renewal of JBMI Insurance Policy. The insurance policy is budgeted at \$85,300 in the 2020 budget. Connie moved to approve insurance for \$95,126.16. Jennifer seconded the motion, Mark-Y, Rich L.-Y, Sharon-Y, Randy-Y, Jen-Y, Connie-Y. Insurance passed.

Mark continued the meeting by discussing his Legal counsel charter proposal that was initiated by the Board of Directors' request to conduct an In-depth review and analysis of JBMI's current legal status and concerns. The primary purpose is ensuring that JBMI's current legal counsel is in alignment with the Board's current concerns and is therefore still a good match for JBMI. If the findings suggest otherwise, a recommendation and process for obtaining a new legal counsel will be included in the final report to the Board.

Connie suggested a standing legal committee would have a step by step protocol on how they proceed. Jen suggested that all legal counsel members be on the call and report back to the board.

Jen motioned to create a standing legal committee that is authorized to contact our attorney and all contact has to go through that committee.

Sharon seconded the motion, Mark-Y, Jen-Y, Sharon-Y, Connie-Y, Rich-Y all in favor.

Connie asked Mark to add vetting for this committee and terms like an elected officer.

In reviewing current committees. Mark suggested that each committee requires minimally one Board Director. It was also clear that the Board would need to talk with Board members and general membership.

Connie stressed that she is looking for structure that can communicate to committees from year to year.

Mark agreed to send his Project Charter Planning out to all Board Members so all could become familiar with JBMI situational analysis and strategic planning process following a step by step process.

Randy Roy agreed to help set up the current committees. Sharon agreed to work on electronic voting, Randy Hauth would try to find a bookkeeper, and Randy Roy would look for a treasurer. Mark made motion to adjourn, Sharon seconded, and all agreed to approve the motion.

Respectfully submitted
Connie Johnson, President