

GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO.1, INC.

Minutes of the Meeting of the Board of Directors

February 28, 2008

Charles Weinkauf called the meeting to order at 9:30 a.m. on the date above noted via telephone conference.

Those present were:

Charles Weinkauf, President

Robert Bong, Second Vice-President

Robert Krueger, Treasurer

Bryon Smith, Secretary

Brian Siegel, Director

Shirley Gold, Director

Chris Gourdie, General Manager

Carol Post, Asst. General Manager

John Rasmussen, Vincent Bucceri, and Carl Bauer were absent.

The purpose of this meeting was to discuss renewal of the Association's property and liability insurance.

The president called roll and announced that a quorum was present and that the notice for this meeting was posted in accordance with the bylaws and statutory requirements.

Carol Post reported to the Board that she had received the requested quote from McGriff, Seibels & Williams, referred to at the February 21 board meeting. The new quote had been provided to the directors via e-mail prior to the teleconference, along with a revised spreadsheet, identifying the additional quote as "McGriff Option 3." This quote offered full limits for other losses, \$20 million for named storm coverage, \$5 million for earthquake, and \$5 million for flood, for a total premium of \$228,290.52 including taxes and fees. Terrorism coverage would be made available for each of the layers at premiums of \$3,422, \$3,500, and \$1,250.

Robert Krueger questioned the possibility of using the property insurance fund to pay the premium, then reimbursing the fund throughout the year. Brian Siegel indicated that the Association could probably have the amount financed at a rate of around 5 percent, with approximately 25 percent down and the balance spread over nine installments.

Mr. Siegel stated that he would not recommend obtaining coverage for terrorism. He then raised concerns over the condition stating "no aluminum wiring," and stated that he would try to get that wording erased off the policy. Robert Krueger suggested that the Board approve McGriff option 3, providing that the aluminum wiring wording is removed.

Brian Siegel then moved, and Shirley Gold seconded a motion, which was approved unanimously, to adopt option 3 of McGriff's insurance proposals contingent upon removal or modification of the aluminum wiring addendum. The Board chose not to purchase terrorism coverage.

Robert Krueger then asked if Brian Siegel could explore financing options with McGriff, and Charles Weinkauff instructed Mr. Krueger to work with Chris Gourdie and Carol Post to come up with the best option for payment.

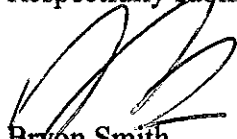
Ms. Post then presented the liability quotes to the Board. She indicated that the premium on McGriff's option 1 quote with Colony had been lowered from \$29,431 to \$22,337. Employee benefits liability coverage with a \$1 million limit could be purchased for an additional \$750, which Brian Siegel recommended. Robert Krueger moved and Shirley Gold seconded a motion, which was approved unanimously, to adopt McGriff's option 1 with Colony, with a general aggregate of \$2 million and a per occurrence limit of \$1 million, and include employee benefits liability coverage.

Ms. Post then indicated that McGriff had one quote for umbrella coverage with American International Specialty Lines with limits of \$10 million and a premium of \$8,858. Robert Krueger moved and Bryon Smith seconded a motion, which was approved unanimously, to adopt the umbrella coverage from McGriff.

Mr. Weinkauff then instructed Ms. Post to e-mail the directors, after receiving word on the aluminum wiring issue, to indicate whether the meeting noticed for the following morning at 9:30 would be necessary.

Shirley Gold moved and Bryon Smith seconded a motion to adjourn at 10:05 a.m.

Respectfully submitted,



Bryon Smith
Secretary