

Minutes of Pine Orchard Executive Board Meeting

November 4, 2019

Agenda Item 1: The meeting was called to order by President Robin Sandler at 7:05 p.m.

Board members present: Rick Ross, Peggy Haering, Robin Sandler, Dick Greenalch, Carol Redden, Linda Sachs, Len Farber, Robert Dahill, Bruce Caldarone , and Jon Schlesinger

Board members absent: Seth Chaucer and Joe Thomas.

Agenda Item 2: Communications: None.

Agenda Item 3: Upon motion and second, the minutes of the September 9, 2019 Executive Board meeting were approved.

Agenda Item 4: Treasurers' Report: Linda Sachs presented her report. Year to date budget is on track. Linda thanked tax collector for his efforts. Upon motion and second the Treasurer's Report was accepted and approved.

Agenda Item 8 (a). The President departed from the regular order to address Agenda Item 8(a) to allow Bruce Eldridge from H.D. Segur Insurance to discuss officers and directors' insurance coverage. H.D. Segur has provided coverage for the Pine Orchard Board for a number of years. On September 10, 2019, following the last meeting, Gerald Garlick, attorney for Beachcroft, LLC sent a letter to the Board's counsel, Peter Berdon, putting him on notice of potential claims by his client. That letter has been reviewed by the carrier CNA, which has advised that there is coverage up to \$1 million for potential claims against the board as described in Mr. Garlick's letter.

The president inquired whether \$1 million in coverage was sufficient. Mr. Eldridge indicated that he had yet to see a claim in all his years of service that exceeded \$1 million in liability. Upon motion by Bruce Caldarone, seconded by Dick Greenalch, the board unanimously voted that the Pine Orchard Association would hold harmless any board member or officer that was sued in their official capacity for any action taken since January 1, 2019. Len Farber inquired about other areas where the association might in require additional insurance. The Association has \$2 million in general liability coverage; however, research is required to determine whether existing coverage of \$5000 for medical expenses is sufficient. The president will follow up with that.

Agenda Item 5: Committee Reports.

(a) By-Laws: Len Farber stated that he had nothing to report; (b) Nominating: Joe Thomas absent, no report; (c) Planning & Zoning, Dick Greenalch has nothing to report; (d) Communications: Jon Sclesinger had no report; however, he asked about the possibility of creating branded products, like tee shirts or baseball caps using the Pine Orchard logo. He will look into it. (e) Shoreline Maintenance, Carol Redden reported that due to the recent storm three sections of the sidewalk near the breakwater on Island View Ave. had collapsed. The cost of repairs will likely exceed \$5000. Carol said that the area has been roped off and further efforts will be made to prevent people from using the access point until repairs can be made. Jackie Coffey of Island View Ave. commented that warnings should be posted. The beach access point on Island View Avenue requires additional repairs. On the Spring Rock Rd. beach access point the sand has washed away at the bottom of the

stairs, leaving a large gap. The access point has been blocked off by the Scheers. Len Farber suggested getting Nick Fisher to investigate. Robin will follow up with the Scheers to discuss options for addressing the situation. The Selden Ave. access point also needs repairs. There was a question about ownership of the stairs; Dick Greenalch said that the access point is owned ½ by the Town of Branford and that the adjoining owner had no objection to the Association making repairs. (f) Building Maintenance: Seth Chaucer was absent, no report. (g) Municipal Interface: Bruce reported that he will reach out to the Branford Town Engineer to address the problem of flooding on Totoket Rd.. (h) Tax collection: Rick Ross reported all delinquent accounts have been collected; (i) Short Term Rentals: Peggy Haering reported on the Oct. 28, 2019ZBA hearing involving use of 3 Crescent Bluff Ave. as a short term rental. The hearing has been continued to Nov. 25, 2019. (j) Beautification: Bob Dahill reported that the Branford Land Trust has cleaned out approximately 100 feet of brush near Bob's Woods. The Association has placed a bench in the area and crushed stone will be used to improve the trail. (k) Sidewalks Peter Hugret was not present; however, Robin reported that he had spoken to the surveyor and that the Dept. of Transportation employee has been asked to clarify requirements to be applied to the sidewalk project. It is unlikely that anything will happen on this project until 2020.

Agenda Item 6: President's Report—Robin reported that there had been no action with regard to any exercise of eminent domain over Crescent Bluff Avenue by the Town. In the case of Wheeler v. Cosgrove, three disinterested persons have been appointed to review information on the laying out of a public road and to come up with a report to the court. A public hearing will be held at the Branford Fire Dept. building on Dec. 11, 2019 at 10:00 a.m. A notice will be issued.

Agenda Item 7. Old Business: (a) Summer concerts. Peter Robinson submitted his report on the summer concert series. Attendance at the concerts was less than hoped for. The most popular concert was the Whiffenpoofs. Board members suggested looking at additional ways to attract families to these events. (b) Totoket flooding was addressed earlier. Nothing additional to report. (c) Mooring Procedures. We will require proof of boating registration and proof of insurance for future moorings. D) Directors' and officers' insurance was addressed above, no further discussion; e) the Pine Orchard Association newsletter should be out by Thanksgiving.

Agenda Item 8. New Business: (a) Insurance was addressed earlier in the meeting; (b) Repairs of POA headquarters furnace have been carried out; (c) Attorney Berdon's invoice for services in connection with Blackstone Ave. have been paid. (d) The board discussed the job description for the Office Manager (Peter Robinson left the meeting for this discussion). (

Agenda Item 9: Office Manager's the contents of Peter Robinson's report (concerts and furnace repairs were addressed earlier.

Agenda Item 10: Other Business. None.

Adjournment. Upon motion and second the meeting was adjourned at 8:55 p.m.

Respectfully submitted,

Margaret Haering, Clerk

Documents received:

Treasurer's Report

CAN letter dated Nov. 1, 2019

Office Manager's Report

Future board meetings:

Monday, Jan. 6, 2020

Monday, Mar. 2, 2020

Monday, May 4, 2020

To be held at 180 Pine Orchard Rd. at 7:00 p.m.

Annual Meeting, July 6, 2020



P.O. Box 8317 Chicago, IL 60680-8317

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November 1, 2019

Mr. Peter Robinson
The Pine Orchard Association
180 Pine Orchard Road
Branford, CT 06405

Insured:	The Pine Orchard Association
Claimant:	Beachcroft, LLC
Policy No.:	0250869367
Issuing Company:	Continental Casualty Company
Policy Period:	September 9, 2019 to September 9, 2020
Limit of Liability for All Liability Loss:	\$1,000,000
Limit of Liability for Defense Costs:	\$1,000,000 ¹
Retention:	\$2,500
Claim No.:	NPA12737

Dear Mr. Robinson:

Thank you for taking the time to communicate with me regarding this matter. Based on our review of this matter, Continental Casualty Company ("Continental") has determined that a Claim, as defined by the Policy, has been made against the Insured and accordingly, there is coverage available for this matter under a reservation of rights. This letter should be reviewed with a copy of the policy. If you need another copy of the Policy please advise and I will provide one to you. Our position is fully explained below.

Policy Information:

This matter was submitted for coverage under the Insured's claims-made Community Association Policy. As referenced above, Continental issued the above captioned policy to the Insured, The Pine Orchard Association (the "Association" or the "Insured") for the September 9, 2019 to September 9, 2020 with a Limit of Liability for all Liability Loss of \$1,000,000, a Limit of Liability for Defense Costs in the amount of: \$1,000,000, which is subject to a \$2,500 Self -Insured Retention per Claim which applies to Indemnity and Expense payments.

Factual Summary:

On or about October 3, 2019, Continental received an email with an attached Letter dated September 10, 2019 issued by Claimant's Counsel, Gerald L. Garlick and addressed to Peter A. Berdon, the Association's Counsel (the "Demand Letter"). Within the Demand Letter, Mr. Garlick alleges it is clear that the Association and its Board members, by pursuing a claim against the Claimant, a breach of their duty of care, and a breach of their duty of loyalty to their members and in addition, the Board has acted

¹ As Per Defense Costs Limits Endorsement

the scope of its authority. Mr. Garlick asserts the Claimant, will hold the Association, its president, and its individual Board members responsible for all of the damages and costs that the Claimant has suffered and incurred as a result of the Association's actions.

Coverage Position:

As discussed, Continental acknowledges coverage for this matter subject to a reservation of rights. This means that there are some issues that could limit the amount of coverage available to you - or potentially, even preclude coverage. To be clear, this letter is not a denial of coverage. We want to make sure you understand the coverage issues that could arise based upon our review of the allegations made against the Insured to date. Please note that our comments are in no way intended to presume that the Claimant's allegations are true. The following conveys Continental's position with respect to coverage:

Specifically, we are reserving our right to limit coverage based on the Policy provisions discussed below.

Note that in the Demand Letter there is reference to possibly other correspondence to the Association; however, it is Continental's understanding, based upon our conversation, that this matter has been ongoing for years however, the previous matters were settled and to your knowledge the Demand Letter is separate based on the vague allegations of breach of their duty of care and breach of loyalty. I've requested prior correspondence, which you provided me with however, upon further discussions with Mr. Berdon who confirmed the previous matters were resolved and this is the first time that the Claimant asserts such allegations. To the extent, there are prior correspondence which relates to this file and the allegations that are made; we reserve our right to Interrelate these documents should they be received as per Section VII.4., Notice/Date of Claim/Interrelated Claim Clause/Sworn Proof of Loss, of the Policy's General Terms & Conditions.

In accordance with the definitions provided under Section II. 17., 18., Definitions, of the Policy's General Terms & Conditions, and Section II.3., Definitions, of the Policy's Association Liability Coverage Part, the Association, as the Named Entity and the Board Members, solely in their capacity as members of the Association's Board, are Insured's under the terms of the Policy. **Please note, Peter A. Berdon, Esq. and Berdon, Young & Margolis are NOT Insured's under the terms of the policy.**

As the Claimant alleges it is clear that the Association and its Board members, by pursuing a claim against the Claimant, a breach of their duty of care, and a breach of their duty of loyalty to their members and in addition, the Board has acted outside of the scope of its authority; Mr. Garlick asserts the Claimant, will hold the Association, its president, and its individual Board members responsible for all of the damages and costs that the Claimant has suffered and incurred as a result of the Association's actions and to the extent Claimant seeks non-monetary relief; we direct your attention to the Association Liability Coverage Part of the Policy, Exclusions, Section III.2. a, which states in the Insurer will not be liable to pay that portion of Loss, other than defense Costs, which constitutes the cost of non-monetary relief, including without limitation any costs associated with any injunctive relief of any kind or nature imposed by any judgment or settlement. **Therefore, coverage is extended for Defense Costs Only.**

Next, we draw your attention to Section X., Other Insurance of the Policy and suggest that you notify any other appropriate Insurance carriers, if this has not already been done. Please forward us copies of these other policies, as well as the written coverage positions of these other insurers, even if they have denied coverage. Please be advised that if any Loss resulting from any Claim is insured under any other policies, this Policy shall apply only to the extent the Loss exceeds the amount paid under such other insurance whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over this Policy.

Lastly, we also wish to remind you, as per Section VI. Paragraph 3. of the Defense and Settlement provisions of the General Terms & Conditions of the Policy and note that the Policy requires that the Insured shall not admit liability or consent to any judgment or settlement without Continental's prior written consent. In addition, you should not take any action which will increase Continental's exposure for Loss under the Policy and you are required to forward any related documents or

information you may get with regard to this matter. **Please also note that Continental will not be liable for any Loss, which includes Defense Costs, for which it has not consented.**

Counsel:

Lastly, we note that Section VI., Defense and Settlement of Liability Claims, of the Policy's General Terms & Conditions, Paragraph 1, as amended by the Defense Costs Limits Endorsement, provides that Continental has the right and duty to defend all Liability Claims, even if the allegations are groundless, false or fraudulent. However, pursuant to your request, Continental has agreed to not assign counsel at this time. However, Continental reserves its right to assign counsel of its choosing at a later date. Therefore, as previously advised you must keep us apprised of any future developments regarding this matter.

Conclusion:

Please be advised that the foregoing comments are made subject to a full reservation of all of Continental's rights, remedies and defenses under the Policy and applicable law. Neither this letter nor any other act on behalf of Continental shall be construed as waiving any rights, remedies or defenses.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,



Nara Azar
Claim
Specialist

CC:

Peter Berdon
Berdon, Young & Margolis
350 Orange Street; Floor 2
New Haven, CT 06511-6448

Office Manager Report for November 2019

1) POA Tax Collection

- a. One outstanding payment, which is a late fee due for a total of \$10
- b. This time last year there were 3 delinquent bills totaling ~\$740
 - i. Last year, the last payment was received on 2019-03-13

2) POA Building

- a. The **gas furnace** when inspected by SCG was deemed ***unsafe to run***. The Association hired East River Energy to rewire the furnace and replace the limit sensor. The total cost was \$1,733.22
 - i. The Furnace is running more efficiently now. Where it took six hours to heat the meeting room, it now can be heated in under an hour (the water is hotter).
 - ii. I have reduced the ambient heat in the garage downstairs and the garage where the fire engine is stored to 45 DEG. Our gas bill is running around \$50/month vs. \$110 (same time last year).
- b. Snow Removal – I’m in the process of obtaining quotes for snow removal for the 2019/2020 winter season.
- c. We need a new mailbox. Mail gets wet when it rains.

3) 2019 Pine Orchard Union Chapel Concert Series

- a. There were four (4) POA-funded, public-concerts held in Sept. Attendance and total costs are as noted;

Performer/s	# Attendees	Fee	Other costs	Total Costs	\$/Attendee
Elm City Quintet (too early in the season)	22	\$500	\$100 + \$72 = \$172	\$672	\$30.54
Yale Wiffenpoof's	82	\$500	\$100 + \$100 + \$72+\$122=\$392	\$892	\$10.86
Motley Crew	49	\$500	\$100 + \$72=\$172	\$672	\$13.71
Toni and Friends	51	\$500	\$100 + \$72=\$172	\$672	\$13.17
TOTALS	50 on Avg.	\$2000	\$908	\$2908	\$17.21

Note: The some ~50 people come to all concerts, so the cost per person for the series was \$58. Little to no representation from Sunset Hill area.

- a) First concert after Sept 1st.
- b) Do a 100% postcard mailing to all POA residences
- c) Publish adds in the Branford Review
- d) Set up signs: In Front of office, at the Chapel and somewhere in Sunset Hill

Pine Orchard Association Treasurer's Budget Report
as of 11/1/2019

	Approved Budget 1-Jul-19	Budget Activity Year to Date	Budget Remaining Year to Date	% of Budget Rec/Dsbrmnts Year to Date
RECEIPTS				
Tax Collections	\$ 54,000	\$ 54,005	\$ (5)	100%
Rent	\$ 3,900	\$ 3,400	\$ 500	87%
Building & Permit Fees	\$ 5,000	\$ 1,000	\$ 4,000	20%
Other (Interest, Moorings)	\$ 1,000	\$ -	\$ 1,000	0%
Use of Capital Savings	\$ -	\$ -	\$ -	
Total	\$ 63,900	\$ 58,405	\$ 5,495	91%
DISBURSEMENTS				
Security	\$ -	\$ -	\$ -	
Shorefront Maintenance	\$ 5,700	\$ -	\$ 5,700	0%
Building Maint/Utilities	\$ 9,000	\$ 5,228	\$ 3,772	58%
Property Improvements	\$ -	\$ -	\$ -	
Office/General	\$ 14,000	\$ 5,243	\$ 8,757	37%
Insurance	\$ 9,000	\$ 3,510	\$ 5,490	39%
Legal	\$ 10,000	\$ 971	\$ 9,029	10%
Zoning	\$ 5,000	\$ 1,231	\$ 3,769	25%
PO Museum & Web	\$ 500	\$ -	\$ 500	0%
Acctg Annual Review	\$ 2,300	\$ 2,360	\$ (60)	103%
Beautification Committee	\$ 5,000	\$ 1,470	\$ 3,530	29%
Community Activities	\$ 2,500	\$ 2,203	\$ 297	88%
Total	\$ 63,000	\$ 22,216		35%
NET INCOME (LOSS)	\$ 900	\$ 36,189		

Account Balance as of 11/1/19	
BOA checking	\$177,774.72
Less outstanding checks	\$500
BOA net balance	\$177,274.72
BOA Savings	\$2,334.11
Total "cash" available	\$179,608.83

Opened 12-2012