

# MINUTES

## Minutes of the Board of Directors Special Insurance Meeting for the Murrayhill Woods Condominium Owners Association on February 15, 2022 via Zoom at remote locations.

- Call to Order:** President Patty Higham called the meeting to order at 6:19 pm.
- Quorum Present:** Yes
- Board Members in attendance:** Patty Higham, President  
Missy Hughes, Secretary  
Jeremy Letendre, Treasurer  
Bryan Hall, Director  
Melissa Hartvigsen, Director
- Board Members absent:** Nicole Stewart, Director  
Aaron Dent, Director
- Others in attendance by invitation:** Mark Vandervest, Community Manager  
Cindy Vandervest, Community Manager  
Sunny Arruda, Exec Assistant  
FRESH START Real Estate, Inc.
- Guests in attendance:** Sara E. From ABI  
Dave Snyder - American Family Ins
- Proof of Notice:** Posted on clubhouse, in fitness room, and above mailbox banks at prior to the scheduled meeting. least 72 hours
- Welcome & Introductions:** President Patty opened the meeting by welcoming the board members and guests to the Zoom meeting of the HOA. Patty asked community manager Mark Vandervest to run the meeting.
- Insurance Presentation with Q&A:** Both insurance reps from ABI & AM Fam were aware they were both presenting tonight.

**ABI** - Sara from ABI was introduced. ABI is an independent brokerage firm, representing several carriers, not just one, for about 40 years. They specialize in condominium insurance, everything from A to Z when it comes to claims loss control, risk management, everything. It's our passion. 2022 coverage and premiums chart and a summary of coverage page were shown and explained. The discussion was then opened for questions.

Question - Liability insurance being offered is 1 million per occurrence, but you currently have 2 million per occurrence. The carrier doesn't offer any more than the 1 million per occurrence and aggregate limit. The extra liability comes from an umbrella policy, which also then gives you extra liability on the directors and officers, protecting you as a board. If you're sued, currently you have the \$2 million.

ABI is able to get you \$6 million giving it additional coverage. Essentially when your policy limits are exhausted that's where the umbrella kicks in.

Question - What if a vehicle hits the building? Answer: Your coverage is going to cover a building that was damaged. We see these claims quite often, especially with stolen vehicles. These liability policies have \$5,000 of medical coverage built in. Owner is not covered under this liability, but guests and workers are. If there was negligence on the association's part, the carrier would cover you, if the owner sued the association.

Question - Coverage for Perils. Answer: The property policy excludes earthquakes, flood, volcanoes, landslides, The property policy covers things that are acts of God. Everything is a covered event if it's not on the exclusion list. Those are separate type of policies that you would need to have. We do have an earthquake policy quoted. There is no flood coverage on this. Look at the exclusions list, and if anything is needed, we could write additional policies.

Question-Computer fraud and social engineering coverage. Answer: It's something very new. This covers the money in the bank/or office that the association has. If it were to be embezzled by a board member, a manager or a volunteer, or computer fraud, tampering of materials via computer and committing a fraud. Social engineering is coverage for the event that your money is taken when you have voluntarily given the information to that person.

Sara was thanked for her time and information & ended her portion of the presentation.

**American Family Insurance** - Dave Snyder, from American Family Insurance was introduced. Dave opened the floor for questions.

Question: A vehicle hits the building and you're injured. Are you covered? No, the HOA policy doesn't cover this, but the auto insurance and your own medical insurance would cover you though. The homeowner's policy would cover guests or workers injured by a car crashing through a unit, but not the owner or anyone who lives in the unit.

Question: Cyber Security Policy. This is not full-blown cyber coverage, it's for employee dishonesty, and fraud. If someone tricks a board member into sending them money that would be covered. A full cyber policy would also cover like ransomware and actor systems but that's not really going to happen for your situation. As far as Identity Theft, even the property management system doesn't contain your SS#, DOB or anything but the last 4 digits of your acct you are paying from. Key stroke recording wouldn't be able to get any of your info either as it's not in the system.

Additional Info: The American Family policy, if renewed, will require dual signatures on any funds transferred from the reserve account. Dual signatures on checks and transfers. Also, annual audits must be performed by a CPA, which run from 1500 to \$2,000, a year. This was not required when we were at 750,000 but when we bumped it up to 900,000 this becomes a requirement due to the amount.

Other Info: Remind owners if they make improvements to their unit to report it to you, as it could affect the coverage by raising the unit's value.

Dave was thanked for his time and the Insurance Presentation portion of the meeting, ended.

**Board Insurance Discussion:** regarding both ABI & American Family Insurance being excellent to work with, very responsive and both step in and take care of everything. Both are local with offices nearby. It seems, ABI has better coverage, including the umbrella policy. American Family is \$10,000 more. It will be important to compare the exclusions. This issue needs to be decided by the end of the month if possible and can be ratified by email with a majority/unanimous vote.

**Approval of Minutes:** A motion was made to approve the minutes from the January 31, 2022 meeting. No 2<sup>nd</sup> forthcoming and the comment was made that some members hadn't read through the minutes or agenda, thinking tonight's meeting was only a presentation of the insurance companies. The minutes were left in draft format and tabled to the next meeting.

**Financial Report:** This discussion has been postponed to the next board meeting:

**Manager's Report:** Has been postponed to the next Board meeting

**Old Business:**

1. **Storage Addition Update:** currently on hold - a motion was made to finish up this project. The motion was seconded and the vote was unanimous.
2. **FRSE affiliate business arrangement disclosure** is not a contractual agreement. This needs to be signed by the president of the board to acknowledge receipt of the information. One board member stated she's like the disclosure reviewed by an attorney to see what the ramifications are. Again, it was explained this is a disclosure of business associations between FSRE and other companies. Without it being acknowledged as received, FSRE is not comfortable going forward with the storage room projects. Another board member explained this disclosure is standard business practice that she presents to her clients quite regularly. She agreed no work for the association should be done without the board's signature of acknowledgment of the disclosure simply stating the relationship FSRE has with FSRI. This is not an agreement to anything. It is acknowledging receipt of information. There was a motion for the Board President to sign the acknowledgement of the disclosure, which was seconded. The vote was 4 yes and 1 abstain as the member stated she needed to be contrary and continues to not understand the implications.

**New Business: Items to add to next agenda**

1. **Email for Board**
2. **Rodent Control:** Update on Western Exterminators inspection and their recommendations.

**Announcements:**

1. **Format change re: Meeting Minutes:** The format of the minutes needs to be cut back and streamlined. Several attorneys have opinions that too much information exposes the association to liability. From now on our minutes need to match the industry standard more closely. This included not stating names of those making comments and though all attendees will be listed, unit numbers will no longer be recorded. Owner's Forum comment need to be made before the actual meeting is called to order. Owners are not to speak during the meeting. Zoom meetings will have the chat feature disabled as the law requires all said during the meeting is to be part of the minutes. Having association members and board member chatting privately is not a quorum.
2. **Announcement:** a new owner dropped his car keys in the parking lot, and it just so happened there was a group of teens moving through the parking lot, trying car doors. They found the keys & stole the car. The reminder was given to always make sure your car is locked, and no personal or valuable item is on display. Everyone needs to be aware of people in cars or walking through and look out for one another.

**Schedule Next Meeting:**

The next regular meeting of the Board of Directors is scheduled for **April 25, 2022** at 6:00 pm viaZoom. Whether the next meeting is in person or continues by Zoom can be decided closer to the meeting when the situation is clearer.

**Adjournment:**

A motion was made to adjourn the meeting at 7:57 pm. The motion was seconded. There was no additional discussion and the motion passed unanimously.

Submitted by:  
FRESH START Real Estate, Inc.~ Community Manager.