

May 17, 2016
Board Meeting Minutes
Canyon Club Condominiums Owners Association
6:30 p.m. Canyon Club ClubHouse

Attending BOARD Members:

Lofton Petty – President
Jeff Sterkel – Member at Large
Bea Fittler-Totth – Secretary
Angie Miller –Treasurer

Introductions were made by attendees (15 in total) and the BOARD, including introduction of office manager Javon “Jay” Howard, maintenance representative Adam Blake, and guest speaker Rick Mann from American Family Insurance.

The meeting was called to order at 6:32pm by President, Lofton Petty.

The objective of the night’s meeting was to approve the January 2016 Board Meeting Minutes and to discuss the new Wind/Hale Deductible on the renewed Insurance Policy along with past and present concerns and events.

Insurance Agent Rick Mann began the meeting with a detailed Q & A on the new deductible for Wind/Hale damage. He gave his presentation and answered questions for approximately an hour and 12 minutes.

***Email regarding Wind/Hale discussion originally sent from Rick Mann:**

To: Canyon Club Condos HOA
Re: Insurance Coverage for Homeowners
From: The Board of Directors
Date : 05-26-2016

The property insurance that The Canyon Club Condos HOA maintains on the buildings continues to rise dramatically as catastrophic storm losses continue to occur in record numbers in Colorado. The Board of Directors met with our insurance representatives to discuss changes happening in the insurance industry in Colorado. To keep insurance premiums on large HOA complexes from soaring out of site, a 2% wind and hail deductible is now standard on the master insurance policy.

This gives us a substantial discount over what the premiums would have been if we were able to stay with the same flat deductible we had in the past and is no longer available. This is common practice within HOA's of our size in the Denver area.

In the event of a catastrophic wind or hail event causing major damage to our community, the deductible on the insurance policy is \$440,000. Each unit owner will be responsible for approximately \$2,500 to cover the deductible as a loss assessment. **Unit owners can obtain coverage on their own interior insurance policies to pay this loss assessment.** All unit owners should have either an HO-6 homeowner's insurance policy or landlord's policy if you rent the unit out to others.

Either of these policies **needs to have loss assessment coverage** in an amount that will cover the loss assessment in the event of major storm damage to the community. We highly encourage all unit owners to contact their insurance companies and ask about **loss assessment coverage** on their policies. \$10,000 in loss assessment coverage added to your policy should be less than 10.00 per year.

If you have any further questions on insurance coverages to protect yourselves, please contact our insurance agent at the number below and they can assist you.

Richard Mann Agency
American Family Insurance

303-280-3346
Rmann@amfam.com

Rick Mann from American Insurance presentation:

Insurance Deductible – Wind and Hail

The below figures are estimates based on an average assessment value in our declarations. Your actual assessment could be higher or lower based on the value assigned to your unit.

41 buildings plus auxiliary structures with a total value of \$22,384,782

2% deductible would be \$447,696

Plan A deductible – Approx. Assessment \$2,255 ($\$447,696 \times .005039 = \$2,255 \times 68 \text{ units} = \$153,340$)

Plan B deductible – Approx. Assessment \$2,531 ($\$447,696 \times .005655 = \$2,531 \times 42 \text{ units} = \$106,302$)

Plan C deductible – Approx. Assessment \$2,776 ($\$447,696 \times .006202 = \$2,776 \times 27 \text{ units} = \$74,952$)

Plan D deductible – Approx. Assessment \$3,034 ($\$447,696 \times .006778 = \$3,034 \times 21 \text{ units} = \$63,714$)

Plan E deductible – Approx. Assessment \$ 3,238 ($\$447,696 \times .007233 = \$3,238 \times 17 \text{ units} = \$55,046$)

\$453,354 Total Assessments

Floor Plan	Avg. Assessment	# Units
A	0.5039	68
B	0.5655	42
C	0.6202	27
D	0.6778	21
E	0.7233	17
		175

The meeting minutes for January 2016 were approved unanimously.

The Presidents Report was read by President Lofton Petty.

Presidents Report

May 17, 2016 ~Presidents Report

In March we held our Annual Meeting. I want to say “Thank You” to everyone whom attended. There were some discussions and feedback provided to the Board. We want to hear what homeowners have to say, as this helps us in maintaining the complex. We consider

all opinions when looking at various projects, including what the majority of people want and the costs.

The Board has been busy the past couple months. First, "Thank You" to Rick Mann for taking time to attend this meeting and going over the wind and hail deductible. Our insurance renewed April 1st. We requested bids and received bids from two other companies. One was \$5000 less but reduced the building coverage by \$168,000. The other company was almost \$20,000 more for the same coverages. We chose to stay with American Family with a \$407 increase in annual premium. We had the option of increasing our deductibles but this would result in an increase in HOA dues to cover the deductible and put each owner responsible for a higher assessment in the event of a wind and/or hail loss.

We have also been working on our revised Articles of Incorporation, Bylaws and Declarations. We have received the third revision and are reviewing the changes. There will be probably one more revision before we present to homeowners for review. When ready, each owner will receive a copy of all the documents for review. A meeting will then be scheduled with owners and Elina from HindmanSanchez to answer questions. This is when owners can give us feedback and thoughts. Once changes have been made, if any, the final documents will be presented to owners. At this point, we will have 60 days to get 67% of owners to sign off agreeing to the changed documents. HindmanSanchez will be contacting all mortgage companies to get them to sign off. If we do not get the needed 67% approval, it will then be presented to a court for approval and we will be responsible for court costs.

We are also working on our FHA Recertification which should be completed shortly. Also we are in the process of negotiations with the renewal of the cell tower lease. This will extend the lease for an additional 30 years.

A big "Thank You" to Adam and Jef for all they have been through the past few weeks. Dealing with the snow and downed branches and trees. Flooding in the point area again due to run off of melting snow. Remodeling the office, which looks great. We have some final touches to do, but it is almost done.

Annual Fire Equipment Reports are going to be due soon. Each owner will be emailed the form to complete and return to the office. If you do not comply and we are fined, owners will be responsible for fine reimbursement to the HOA.

The pool will be open soon. Please observe the hours of operation and rules. Also, should you observe someone damaging anything in the pool area, please report it to the office and/or the police. Remember that this and all amenities are under 24 hour surveillance. Spring has arrived and it is that time of year we want to enjoy the outdoors. I just want to remind everyone about those outdoor grills. On balconies no charcoal grills, smokers or ten pound LPG containers are permitted. You can use up to a one pound LPG container or an electric grill. This is a Denver City ordinance and patrolled by DPD. If the complex incurs and fines, these will be passed on to the owner. The Canyon Club HOA will also send letters and impose fines when appropriate. Please refer to the Rules and Regulations. Don't forget a gas grill is available at the pool.

As you can see it has been a busy few months. The next Board meeting will be July 19th. We wish everyone a wonderful and safe July 4th holiday.

The Maintenance Report was read by Maintenance Supervisor Adam Blake.

Maintenance Report for May 17, 2016 – Adam Blake, Maintenance Superintendent

It has been a busy couple of months for us and constant weather changes have kept us on our toes. When we haven't been shoveling snow, cutting branches or pumping floodwaters we've been busy with the following:

- Pool Season Preparations:

- New pool furniture has been purchased and installed.
- The old table & chair sets have been refinished.
- The valve vault cover has been replaced due to safety concerns.
- The pool is expected to open Memorial Day Weekend on Friday, May 27th @ 10:00am.

- **Gutter Cleaning:**

- In-between storms we've been cleaning out the building gutters and downspouts. We have 3 courtyards left to complete

- **Office Remodel:**

- Demo of old carpet, tile entry, old furniture, etc.
- Leveling of floor and installation of new carpet in office and new tile in entry.
- New baseboards installation and electrical upgrades including new LED lights.
- New furnishings including desk, file cabinets, table, chairs & shelving.

- **Clean-up of Downed Branches & Trees:**

- Removal, break-down & shredding of downed branches from the heavy snows.
- Branches were shredded and used to dress tree-rings throughout property.
- Some high branches remain that are not safe for our staff to handle. An arborist has been contracted and will be finishing the branch removal in the next couple of weeks.

- **Misc. Equipment Maintenance & Tasks**

Works in Progress & Starting Soon:

- **Irrigation Start-up:**

- Charging & repair of irrigation system.
- Audit of irrigation system for coverage & efficiency.

- **Flower Planting:**

- Flowers will be picked-up on Wednesday for planting on Thursday & Friday. If you'd like to help out please let us know and we can provide more details.

- **Shrub & Sod Planting:**

- Continuing from last years plans on things that were not completed.

- **Misc. Unfinished Projects:**

- There are a number of things we were not able to complete before the seasonal changes last year. It is our goal to get these projects wrapped up before starting new things this year.

If you would like any additional information on things or have any questions for maintenance please don't hesitate to contact us at cchoamaintenance@gmail.com. Thank you.

A motion was made to approve the amount of \$4670.09 in Write-offs. It was approved unanimously.

A motion was made to approve the amount of \$2713.24 spent for Office Remodeling . It was approved unanimously.

A motion was made to approve the amount of \$4618.69 spent for new Pool Furniture. It was approved unanimously.

Issues addressed:

☐ Trash Can Heights ~*discussion consisting of getting "Lower/Shorter" trash cans and/or attaching a stick or lever to open lids easier for shorter or older residents. All options were said to be taken into consideration.

☐ Speed governing in the complex ~*discussion consisting of adding speed radars or monitoring systems near the mailroom/exit area. Budget and method options were discussed. Private discussion by Board members held afterwards for a brief overview and potential planning.

☐ Advertisements on the property ~*discussion consisting of real estate agents and businesses with conflict of interest were discussed. It was determined not to allow outside business interest post on the Canyon Club Property without consent.

☐ The new Wind/Hale deductible ~*discussion consisting of the new American Family Insurance policy after Rick Mann's presentation. A discussion amongst

the Board resulted in agreement to advertise this information via email blast to our subscribed residents.

The meeting was adjourned at 8:24pm.

~These minutes are a record to the best of our knowledge of the events. If you have any questions and/or changes, please contact the Canyon Club Office @303-757-8527.

***The following letter was sent to all residents after the meeting as an attempt to clarify Canyon Club residents' understanding of the Wind/Hail Deductible.**

Revision of Wind/Hail notification from the HOA BOARD sent via *MAILCHIMP email blast to Canyon Club Residents after meeting:

TO: Canyon Club Condos HOA

Re: Insurance Coverage for Homeowners

From: The Board of Directors and American Family Agent Rick Mann

Date : 06-03-2016

The property insurance that The Canyon Club Condos HOA maintains on the buildings continues to rise dramatically as catastrophic storm losses continue to occur in record numbers in Colorado. The Board of Directors met with our insurance representatives to discuss changes happening in the Insurance Industry in Colorado. To keep insurance premiums on large HOA complexes from soaring out of site, a 2% wind and hail deductible is now standard on the master insurance policy.

This gives us a substantial discount over what the premiums would be if we were to stay with the same flat deductible we had in the past. This is common practice within HOA's of our size in the Denver area.

In the event of a catastrophic wind or hail event causing major damage to our community, the deductible on the insurance policy is \$440,000. Each unit owner will be responsible for his/her share of the deductible as a loss assessment, based on each unit's percentage of ownership. **Unit owners can obtain coverage on their own interior insurance policies to pay this loss assessment.**

All unit owners need an HO-6 homeowner's insurance policy or landlord's policy if you rent the unit out to others.

In the event of a loss each unit owner would be assessed a portion of the deductible based on his/her units assigned ownership percentage. Either of these policies **needs to have loss assessment coverage** in an amount that will cover the loss assessment in the event of major storm damage to the community. **We highly encourage all unit owners to contact their insurance companies and ask about Loss Assessment Coverage on their policies.**

** \$10,000 in loss assessment coverage added to your policy should be around \$10.00 to \$15.00 per year.*

The following table is an estimate based on averages of what you might expect if an assessment would occur for a wind and hail deductible. Keep in mind however, if a loss occurs that exceeds the amount of insurance coverage carried by the association; **each unit owner would be responsible for his/her portion of the excess loss.**

Most HO6 policies cover Wind and Hail Loss Assessment and would also cover a loss assessment if a litigation case exceed the insurance coverage. **Each unit owner should check with their own agent about this coverage.**

For Example:

(If Canyon Club Homeowners Association lost a litigation case as a defendant for \$5,000,000 yet our liability policy only covers \$3,000,000. - This means, each owner would be responsible for his/her share of the extra \$2,000,000 based on ownership percentage.) **All Canyon Club homeowners need an HO-6 Policy or Landlord Policy, with adequate coverage, in case of a loss assessment.**

If you have any further questions on insurance coverages to protect yourselves, please contact our insurance agent at the number below and they can assist you.

~Richard Mann Agency
American Family Insurance
*303-280-3346
*Rmann@amfam.com