

Wednesday May 11, 2022 7 PM

The Board of Directors met to discuss some insurance issues, particularly what questions we should ask Tony Core at our meeting next week. We invited Frank Gaddini, HOA consultant to join us. Sandy, Lisa, Tamy, Mel and Marilyn attended. Jane was unable to attend but sent some questions along with Marilyn

We discussed our Insurance Resolution of 2015. Marilyn pointed out that the Oregon law cited in the resolution allows for Associations to require all owners to carry their own coverage in addition to the group coverage. She thought that we should require that to reduce confusion, be more equitable, and have our policy be used as secondary for everyone. Mel expressed concern over the difficulty of enforcing that. Marilyn said according to Tony at Farmers, nearly all HOAs do require owners to have their own insurance so they obviously have handled that issue. Frank said he didn't think it was true that most required it. We decided to side-step that issue for now and instead focused on the fact that our Resolution requires the Board of Directors to approve claims being filed.

There was much discussion on the confusion that ensued regarding one of our residents and his claim. Mel said we need clarification with Farmers Insurance about how our claims are processed and how much information we should be giving them about the claimants other coverage. Mel wants to know if it is a requirement of Farmers that we approve the claim and what exactly that means. We want to confirm that there is a difference between saying go ahead and process a claim and saying that we think Farmers should pay the claim. We all agree our policy and its implementation are very confusing.

Marilyn expressed concern that by acting as a gatekeeper for access to our group insurance we are setting ourselves up to be accused of bias and not treating residents equally. Frank agreed on this point and thinks we need to strike that clause from our resolution. He said that only the board of directors needs to vote on doing so and that it doesn't require consent of the membership at large.

We discussed specific questions for Tony regarding our policy. Frank suggested we ask the following questions:

- 1) What is the valuation per square foot? Frank thinks it should be \$180-\$225. Later he gave \$190 as bottom number.
- 2) Are the 6-plex, 4-plex, and 2-plex units are evaluated differently?
- 3) Is our policy inclusive or "studs out?" We think we already know it's inclusive
- 4) Does our earthquake coverage include subgrade utilities?
- 5) From Jane's notes: Is there any coverage for our crawlspaces (we need to clarify what she meant by that)?

Our collective opinion is that our policy is very confusing and that we need to understand it much better and should also shop around. We decided rather than have an agent present at meetings we should have separate Ad Hoc meetings as we did this evening. Other agencies that were favorably suggested by Frank include" State Farm, American Family and All State. Marilyn will work on getting these companies to speak with us.

Meeting adjourned at 9 PM.