

INSURANCE COMMITTEE

OVERVIEW

Article XI of the HOA's Declaration of Covenants states, "The Association shall obtain insurance providing fire and all risk coverage, or the nearest equivalent available, for the full replacement cost for all insurable structures located on the Lots." In addition to the Property and Casualty Insurance requirement, the Covenants require insurance for Liability, Fidelity, Director and Officer Liability and any other risk the HOA deems appropriate.

RESPONSIBILITIES

1. Insurance procurement

- Develop relationships with insurance brokers/agents
- Determine specific insurance coverages appropriate for our HOA
- Seek quotes from multiple competing agencies, as necessary, setting deadlines to allow time for feedback from board members
- Recommend the set of policies to adopt at least annually to the Board, citing the reasons for adoption

2. Risk assessment

- Identify risks that are relevant to insurance costs and coverages
- Assess HOA compliance with government regulations regarding risk mitigation and insurance

3. Insurance claims

- Determine when it is appropriate to file a claim
- Submit claims
- Assure appropriate claim adjudication

4. Insurance information for the HOA membership

- Update HOA website insurance information when new insurance is adopted or at least annually
- Provide general recommendations about members' own insurance, including loss assessments
- Respond to questions from members and their agents regarding our specific insurance coverages

5. Meetings focused on insurance

- As appropriate, invite board and other HOA members to discuss and/or help with insurance matters
- The HOA Board should be informed of such meetings
- Insurance should be a shared HOA concern

6. Other

- Assess whether the HOA Insurance Reserve Fund is needed, and, if so, determine an appropriate level of funding
- Survey other HOAs for how they handle insurance
- Review our HOA insurance Declaration of Covenants periodically for possible revisions that might better serve the HOA

COMPOSITION

The Insurance Committee shall consist of at least (1) HOA Member appointed by the Board of Directors.

TERM

The Insurance Committee members shall serve at their pleasure, subject to approval by the Board of Directors. The Board of Directors may remove an Insurance Committee member at any time without cause.

REPORTING

The Insurance Committee shall be a Standing Committee reporting to the HOA Board of Directors and shall provide periodic updates.

January 17, 2023