

# **Silver Lakes Community Association**

*A Corporation Not-for-Profit*

**Board of Directors Meeting**

October 23, 2012 7:00PM

Grand Palms Hotel

## **In Attendance:**

Steven Goldman	President
Daron Fitch	Vice President
Colleen Cheney	Secretary
Vicki Minnaugh	Treasurer

## **Directors:**

Ray Whittier  
Robert Garcia  
Richard Collum

## **Also In Attendance:**

John Stevens	Counsel for the Association
Cathy Balenovic	Director of Community Affairs

## **Board of Directors Meeting - Call to Order**

**Meeting call to order by President, Steven Goldman at 7:05 pm.**

Colleen Cheney conducted roll call and all members were present.

President Steve Goldman turned the meeting over to John Stevens

John Stevens explained that there would be 5 insurance companies that would be presented. All five would be asked the same questions.

The questions were:

1. How many associations do you personally represent?
2. What % of business is residential associations as opposed to other types of insurance?
3. What is the largest association that you represent?
4. What makes your agency a better choice?
5. How many support staff or customer service representatives do you have in your agency?
6. Which carriers do you deal with?
7. If we were to choose you as the insurance agent for SilverLakes, as well as our sub associations, what steps would you take tomorrow morning to ensure that SilverLakes and all its sub associations are properly insured by the time our policy runs out in January of next year?
8. How long does it take to get an appraisal?

9. Could you meet a deadline of late November to provide insurance quotes for both the Master Association and each of its sub associations and if so, what guarantee could you give us that you could do that if we retain you?
10. Could you explain to the Board and to the members what if any educational programs or methods you utilize to educate the Boards of their insurance obligations and the limitations/exclusions that are contained within their policies?
11. Are there any actions you believe the Board should take or that you consider best practices to ensure that every claim possible would be covered by their insurance company and not excluded?
12. Do you have any questions for us? And why we should we pick you as our insurance agent?

**Company #1: Smith Watson Parker**, represented by Brad Brudno

Introduction: Company has been in business since 1934. Specializing in HOA and Condominiums. Located in Hollywood.

Question #1: 50

Question #2: 90%

Question #3: Ramblewood East in Coral Springs- 1000 units

Question #4: Service

Question #5: 50 between different departments

Question #6: BE, American Capital, American Strategic, American Coastal, Chubb, Lloyds, Travelers, Landmark and others.

Question #7: Meet with person responsible for the insurance to review the policy and bi-laws and coverage. Recommends current appraisal. Review elevation certificate

Question #8: There are companies we could recommend.

Question #9: Quotes are only available within 30 days of policy.

Question #10: Invite Board to visit agency. One-on-one tutoring. Available to attend board meetings.

Question #11: Board has to learn about insurance.

Question #12: If you have any further questions, please feel free to call. Prides himself on service. Clients are like family.

**Company #2: C & C Insurance**, represented by Steven Clein, Owner.

Thomas Kendall, agent, was also present.

Introduction: Established in 1999.

Located by Cracker Barrel, off of I-75.

50% commercial, 50% personalized.

135 associations currently insure.

Works with all major carriers.

Question #1: Already answered in intro.

Question #2: 20%

Question #3: Jacaranda-84 buildings-condo association. Largest HOA-Peer Points in Pembroke Pines and The Ridges in Westin

Question #4: Service. Dealing with owner. Quality of employees.

Question #5: Staff of 18 between offices.

Question #6: Carries with A+ ratings. Travelers, Liberty Mutual, USLI, Philadelphia

Additional question: What is your opinion of a surplus alliance carrier than an admitted carrier?

Answer: Admitted Carrier first because backed by state gov't. But not to shy away from surplus carriers as that might be the only option for coverage.

Question #7: Visit with all associations to access risks. Survey property. Check out monument signs and gates. Submit to underwriters to get quotes.

Additional question: How do you determine property values?

Answer: Current appraisal recommended.

Question #8: Recommend companies they work with. Can be done in a week.

Question #9: Not a problem. Would need loss runs, claims and some other information.

Question #10: One of the companies will come in to meet with the Board, at no cost, to make a presentation. Can also come to Board meetings to make presentation to individual homeowners, ie what's in a policy what you need to look for, risk management, etc.

Question #11: Every incident needs to be documented and turned over immediately. Also hold quarterly safety meetings.

Question #12: Great staff. Service is second to none. We're willing to write one policy or all 39.

**Company #3: Advanced Insurance**, represented by Charlotte Floyd, Owner

Linda, agent, was also present

Introduction: 36 years in business, located in 7 different locations in FL, main location is in Hollywood.

150 employees. Representing 1200 associations.

4th largest agency in South Florida.

Question #1: Already answered in intro.

Question #2: 38%

Question #3: Century Village.

Additional question: What is the difference between # of units and premium?

Answer: Smaller unit may have higher premiums if closer to the coast, for example.

Question #4: The companies we represent. We also have two Proprietary programs that provide coverage known as law and ordinance.

Additional question: Could you explain what law and ordinance is and why you feel that is important?

Answer: Building codes change. Damage that exceeds 50% has to comply with new building codes.

Without law and ordinance, it is an additional cost.

Additional question: Why is law and ordinance coverage exclusive to your agency?

Answer: "Tribunalized" with Lloyds of London, exclusive to their agency.

Additional question: What is the biggest strength of your agency?

Answer: Expertise in association business and staff and service.

Question #5: 40 agents and 150 support staff.

Additional question: What is your opinion of a surplus alliance carrier than an admitted carrier?

Answer: Admitted carrier is far superior. However, non admitted agencies can bring a lower premium to the table.

Question #7: Already started. Contacted different companies. 2 proposals; all together on one policy (umbrella) or separated, which is more expensive.

Additional question: What would you do tomorrow to ensure that we have proper property coverage, proper value coverage, and to ensure that the documents were properly reviewed and that we have the right policy limits put in place.

Answer: As far as Liability, offer higher umbrella limits.

Additional question: Have you or someone at your agency reviewed each of the association documents to determine the coverage requirements?

Answer: Linda responded that she is going through the documents to verify. Not sure they have all the documents. Recommended appraisal.

Question #9: Yes.

Question #10: When policies come in, they can summarize. They have a conference room where they can hold a class.

Question #12: Moving forward, there are lessons learned. Linda advised they are willing to get individual quotes and policies, but there was never a request to do a seminar. There is room for improvement and we are here to help. Quotes already in from Philadelphia.

**Company #4: Mack, Mack & Waltz**, represented by Brandon Levy, Senior VP

Introduction: Established in 1993

10 years at agency. Top producer, specialize in condos and HOA's.

Personally write over 90 policies, agencies does 900.

Question #2: 95%

Question #3: Largest by premium: Greens of Emerald Hills or Emerald Hills, by # of units would be Lake Emerald.

Question #4: Service. Insurance can be explained easily. Seminars are given explaining how master policy/association policies work. At least once a year. Provide risk management, in particular review certificates of insurance in regards to vendors. Claims handling is excellent. Full claims department.

Always need to discuss what happened before filing a claim. He already did some research and has found that a previous claim has adversely affected SilverLakes from being insured by standard carrier. Strong at managing risks to avoid claims altogether.

Question #5: 10 ; support staff, marketing, claim, certificate of insurance (outsourced)

Question #6: Every available market that will write an HOA. He has looked into our coverage, and currently we are with non standard markets. Non standard markets do not have the protection of the State of Florida if company goes out of business. Also, with a surplus alliance, they are not regulated by the State of Florida. May be cheaper, but there may be exclusions. He advised we were previously with Philadelphia, and he spoke to the underwriter directly, and we were not renewed because of our loss ratio. We had a 50% loss ratio. Based on his assumption that associations will be having individual policies, he already spoke to Philadelphia about taking us on again and they are willing to take back all the associations that have no claims and the ones that are under a 50% loss ratio. They will consider based on underwriting. As eight have claims, 31 can go back to standard market and the remaining- loss runs will have to be looked at to determine loss ration to determine coverage. Much better coverage can be attained this way. Once he is hired, put a risk management process in place to avoid claims altogether.

Additional question: Have you heard of a law and ordinance policy and do you write that?

Answer: Explained coverage A, (undamaged portion of building) B, ( demolition and debris removal) C (increased cost of construction). Bottom line: One of the most important coverage you can possibly have. Not exclusive to any particular agency.

Question #7: Already started. Once AOR (Agency of Record letter) is processed, meet with manager, copies of policies. Already has a game plan and moving 31 back to Philadelphia. For the remaining, review claims history and market it to Philadelphia and try to generate competition between carriers. Would need documents to review. Could be done by the end of Nov if he has access to information.

Additional question: How do you determine property values?

Answer: The right way is to have an appraisal by an independent 3rd party to provide construction replacement cost. True valuation.

Question #12: Very passionate and confident. Provided references to call. Very good with claims handling and available at any time. You'll understand your insurance and feel secure with your coverage.

**Company #5:** Corp Insurance Advisors, represented by Lauren Montgomery

Introduction: 28 years in business. Has been with the company since 2007. Was at Liberty Mutual before for 23 years. She is at Corp Insurance Advisors because of Mark Schwartz, CEO and how he conducts business.

Also, there is an in-house claims advocate, Henry and also on staff a certified loss prevention professional

Question #1: None. Not her niche market, but she understands insurance and needs.

Question #2: 50%

Question #3: Jade winds

Question #4: Knowledge, relationship with carriers. Dedicated team and expertise and in-house claims advocate.

Question #5: 30 employees

Question #6: All major A rated carriers, Philadelphia, Tower Hill etc.

Additional question: What is your opinion of a surplus alliance carrier than an admitted carrier?

Answer: Nothing is inherently wrong with a surplus carrier. The most important thing is having an agency that reviews the policies and T &C and limitations of the policy.

Question #7: Review all the policies. Review documents and view property.

Additional question: How do you determine property values?

Answer: 3rd party inspection/appraisal is the preferred method. Must know replacement cost.

Additional question: Do you independently review the declarations to ensure that each association has the proper coverage?

Answer: Of course.

Question #9: There is a lot of information that is needed, claims analysis, etc. Middle of 3rd week of December depending on how quickly we get the information.

Question #10: Trainings and seminars are given.

Question #11: Understanding exposures and risk transfer, ie certificates of insurance with minimum limits as an example.

Additional question: Could you tell us a little about law and ordinance?

Answer: An endorsement to a policy to cover increased cost to code. Not exclusive. Some carriers will offer, some will not depending on property.

Question #12: No questions.

The 5 candidates were dismissed and the Board broke to discuss the five choices with their respective Presidents.

**Motion to select Mack, Mack & Waltz to represent SilverLakes**

Motion by Colleen Cheney, Second by Ray Whittier.

Motion passed. Daron Fitch opposed.

John Stevens will arrange a meeting with Brandon Levy and SilverLakes subassociations.

**Motion to adjourn at 9:40pm**

Respectfully submitted,

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Cathy Balenovic  
Director Community Affairs

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Colleen Cheney  
Secretary