

The Falls at Vail

Homeowners Meeting Minutes

3/8/2023, Via Conference Call

ATTENDANCE

John Oenick, Janie Pioto, Jeff Loehr, Kirk Hansen, Art Taylor, Carolyn Schierholz, Molly Holderman, Ramin Aghevli, Jeff Santaga, Josh Hawkins, Jami Hawkins, Keli Loehr, Julie Hansen, and a few additional homeowners who couldn't be officially identified due to conference call nature of meeting

CALL TO ORDER

The President of the board, John Oenick, called the meeting to order at 7:00pm.

DISCUSSION ITEMS

1) Association Insurance

- Our Falls declarations currently require the HOA to purchase a Master Policy insuring all 23 units. The property insurance cost for the Falls went from about \$20,000 in 2022 to about \$180,000 in 2023, due to several nationwide items including the Marshall fires in Colorado, hurricanes in Florida, and flooding in California. The Falls has also filed some smaller “nuisance” claims over the past few years, which when combined with the significant spike in overall insurance costs across the country (especially in high fire risk mountain towns like ours), have driven our association to be viewed as “high risk” – and this has significantly increased our costs and risk to insure. With the almost 10x increase in cost, the board is calling a homeowners meeting to discuss alternative strategies to hopefully identify a better insurance solution.
- After a thorough review of available limited insurance options during the last few months, both the Falls board and Property Manager Kirk Hansen determined that it would be in the best interest of the association and its owners to shift from a single expensive Master Policy covering all 23 units to a two-part coverage system where the association would secure a much cheaper Master Policy for walls-out coverage, and each individual owner would be responsible for securing their own individual unit coverage for walls-in coverage. This recommendation was disseminated to homeowners and a vote was requested in an attempt to gather the necessary 2/3 of unit owners in order to make the necessary changes to bylaws and declarations for this insurance change.
- Several homeowners expressed concern about these changes and the ramifications of changing bylaws. Concerns were many, and ranged from rental units not being insurable under an HO-X policy to fears that the new coverage recommendation would invite litigation if any issues occurred with shared roofs, attics, exterior walls, driveways, etc.
- Discussion ensued amongst many different homeowners, board members and the property manager regarding the types of insurance options and risks to our association from both the current expensive policy, and potentially new cheaper policies. Several owners expressed a background in both insurance and real estate law, stressing that better options were likely available in the marketplace. It was eventually determined by the board that more research was required to determine a better path for the Falls association insurance, and the Falls board authorized the creation of an Insurance Committee tasked with the following:
 - Clarify the full coverages and costs of our current policy
 - Research available alternative insurance options for our association
 - Identify additional viable brokers for securing a new policy

- The board requested volunteers with insurance and real estate background to serve on the Insurance Committee, and the board eventually motioned for and approved the following Insurance Committee members:
 - Carolyn Schierholz
 - Art Taylor
 - Molly Holdeman
 - John Oenick
 - Jeff Santaga
- The Insurance Committee agreed to meet weekly on Wednesday evenings for the next few months, in an attempt to identify a better and cheaper insurance option for the association as quickly as possible.

ADJOURNMENT

With no further business to be addressed, John Oenick called for a motion to adjourn. Motion was made and seconded to adjourn. Motion carried and the meeting adjourned at 7:47pm.