Minutes Executive Session Board Meeting

Lakeview Homeowners Association (HOA)

26 June 2022, Stratton residence

**Meeting call to order:**

President Stratton called the meeting to order at 1:00 pm and welcomed guests.

**Attendance:**

Peggy Stratton, President

Mark Grannis, Vice president

Joe Guenthner, Secretary

Mike Gillespie, Treasurer (via Zoom)

Kelly Basfield, Member at large

Member guests: Florence Bayley, Jim Bayley, Brett Bissell, Susie Bissell, Stacy Dykes, Carolyn Gillespie (via Zoom), Terry Haraldson, Clare McCracken, Dan McCracken, Sarah McCracken, Donna Seward, Bob Stratton

**Minutes of previous meeting- Joe Guenthner**

Motion to accept minutes (Grannis, 2nd Basfield, approved)

**Treasurer's report - Mike Gillespie**

Treasurer Gillespie presented the following documents:

1. Budget v actual 2021
2. Profit & Loss 1 Jan 2022 – 31 May 2022
3. Balance Sheet 31 May 2022

Lakeview 2021 net income was about $1,500 higher than the previous year. The 5% increase in member’s dues helped achieve that. The Jan-May 2022 net was $6,107, up from $4,603 in 2021. The 2021 four largest expenses were: (1) Sewer $18,144; (2) Water $10,4473; (3) Yard $9,916 and (4) Insurance $7,129.

The cash balance on 31 May 2021 was $36,989, which meets our goal of having cash on hand to cover 50% of annual expenses ($51,517 in 2021).

Motion to accept treasurer’s report (Grannis, 2nd Basfield, approved)

**Old business:**

*Insurance – Mike Gillespie*

Lakeview HOA has a three-year building-insurance contract that expires in July 2022. Mike covered the following:

1. Current policy: Cincinnati Insurance, agent Bell Anderson (purchased Wheat & Associates).
2. Coverage = $4.7 million, $2,500 deductible, liability $1 million per incident $2 million aggregate, no umbrella, three-year term ending 31 July 2022. Annual premium = $7,1219.
3. Cincinnati offered a one-year renewal with the same coverages.
4. Board is concerned we are underinsured because of rising building costs. Last year Cincinnati said we were adequately covered.
5. Cincinnati made an updated bid of $4.9 million coverage for $8,475.
6. Mike dealt directly with Cincinnati because the local agent failed to communicate.
7. Board engaged John Naccarato from Haddock & Associates for other quotes.
8. John advised we should increase coverage to $8+ million ($300/sq ft), because replacement cost models are not correctly updating N Idaho costs.
9. John contacted nine insurance carriers; all declined to bid, due to the Lakeview dock and dramatic increases in dock-related liability claims.
10. John said our current policy covers dock liability but not replacement. (Jim Bayley estimates a replacement cost of $75,000)
11. John cannot be our Cincinnati agent because he is under the same corporate umbrella with Bell Anderson. (Acrisure bought both Bell Anderson and Haddock & Associates).
12. John met with someone at Bell Anderson who promised to assign a different agent to our account. That person is expected to contact us next week, but John will be involved until we renew.
13. Lakeview member Harvey Meier recommended Sara Eanni at ABI Insurance. She hopes to get quotes before our renewal date.
14. Summary: with five weeks until renewal here is our position:
a. Cincinnati is our only current option
b. We will try to increase coverage
c. We want both liability and property coverage for our dock
d. We need a fair reimbursement plan for dock owners to pay for their coverage
e. We may want to add umbrella coverage
f. ABI might provide other carrier quotes

Discussions -- members who commented noted as (name):

1. Lakeview CCR Exhibit 2 links docks to Lakeview HOA (S McCracken)
2. Without the Lakeview dock several carriers would have provided quotes (Mike)
3. Increasing the $2,500 deductible to $10,000 or $20,000 could slightly decrease premiums but increase our risks (S McCracken, M Grannis)
4. Lakeview has had only one insurance claim in 20+ years (J Bayley) or 30+ years (T Haraldson)
5. Cincinnati currently covers some “studs-in” items including cabinets and counters because of our Lakeview CCR document (Mike)
6. Insurance company quotes stick within 10% of actuarial tables, but if we stay with Cincinnati, we could increase coverage later (M Grannis)
7. K Basfield: who insures our neighbors? Answers: TLV – Wheat & Assoc (T Haraldson); Bayview – Jon Naccaroto (M Gillespie)
8. We need an Idaho-licensed carrier who contributes money to the state insurance fund (M Gillespie)
9. Mark Grannis will contact an insurance carrier who covered his Lakeview float home.

***Motion: Renew our policy with Cincinnati Insurance unless a better offer arrives within three weeks (Guenthner, 2nd Basfield, unanimous)***

**New business:**

*Retirement & new Board member*

Mike Gillespie will retire from his Lakeview Board position, serving until the August 2022 member meeting. Andy Reynolds is interested in running for the position.

*Storage shed – Brett Bissell (Architecture Committee Chair)*

Brett proposes to build or buy a storage structure for Lakeview HOA property -- including lawnmowers and other power tools -- in one location instead of in member garages. Brett and Jim Bayley presented these alternatives:

1. Costco lean-to ($550) to fit into the garbage enclosure
2. Expanding the garbage enclosure to allow for a larger storage
3. Costco 8ftX10ft structure ($1500) for a place by Andy Reynolds garage

Attendees supported the ideas and discussed a “non-budget” allocation of $2000. With the anticipated increases in costs of insurance and other items, attendees also discussed the need for a special assessment

The Board and members agreed with Kelly Basfield’s suggestion to defer the proposal to the annual member meeting in August.

Terry Haraldson said that the structure would need approval of the TLV Architecture committee. During the meeting she contacted the committee chair who said the structure would be approved contingent on it having the same color exterior and roof type as other Lakeview structures.

*Sand for ice control – P Stratton*

There is a need for improved control of ice on Lakeview property. Last winter there were at least four personal injuries and two motor vehicle mishaps due to excessive ice. She said that Lakeview will provide a container of sand for members to use as needed. Salt and de-icer will not be provided because of potential lake water pollution.

*Parking – P Stratton*

A recent problem with an RV parking in the Lakeview common parking area was discussed. TLV Board member Terri Haraldson said parking RVs and boat trailers have been an on-going village problem. The policy that the vehicles must be moved within a certain time leads some to move them a few feet to re-start the 48-hour limit. Mark Grannis suggested that Lakeview not try to form its own policy & enforcement plan and instead defer to TLV Board and management. Members agreed.

*Rules and regulations*

Andy Reynolds volunteered to review Lakeview documents and recommend possible changes. He has proposed some parking rule changes that will be discussed at the August annual member meeting.

*Membership meeting and potluck*

The annual member meeting is scheduled for 6:00 pm on Sunday 7 August 2022.

***For the good of the order***

*Family reunion*

Terry Haraldson gave a “heads up” about her family reunion July 9, with about 40 people attending. She has reserved the TLV common area and swimming pool.

*Upcoming TLV events*

Kelly Basfield announced a boat safety class July 30 and the ice cream social July 17.

***Members voted to adjourn at 2:51 pm (Basfield, 2nd Grannis, approved)***

*Joe Guenthner, Lakeview HOA Secretary*