

HOA Serve Opportunity Cottages at Woodridge Insurance Liaison

Background: Insurance coverage has become an increasing focus for the CAW HOA. With the increasing number of wildfires, hurricanes, tornadoes, and stronger thunderstorms than previous years, coverage for large complexes such as our HOA has become scarce and expensive. For example:

- In 2021 we changed our deductible on our insurance policy from \$10,000 to \$25,000 to secure savings of \$3,250 per year. Residents were asked to change their HO6 policy for a minimal increase in their payment. In 2024 some residents increased this to \$50,000 based on changes in our policy for 2025.
- In 2023 our current carrier increased the annual premium from \$57,756 to \$75,000 so we changed carriers for a premium of \$61,554.
- In 2024, our new carrier declined to renew with notification that they are no longer providing coverage for HOA's. The same was true for the previous carrier. We engaged two brokers and received one quote from one company. The 2025 budget was approved with an increase from the previous year of \$24,122. The increase of dues from 2024 to 2025 from \$415 to \$440 was directly linked to this expense as it generated \$33,840. Stated otherwise, 71% of the dues increase amount was devoted to increased insurance premium. At \$81,166 it is the largest expenditure for any account category.

The work will start immediately as there are time sensitive issues to complete work for this year renewal by October 1 as described in the scope of work.

Description: There have been three different Board members engaged in managing this process during this time in addition to their other Board responsibilities. There is a need for continuity.

There is a need for someone who has experience and interest to help manage this area and make recommendations to the Board on a variety of pending issues in the current policy and work with the two current brokers and maybe others to guide our selection and decisions for renewal which will occur on October 1. Work will continue as follow-up for several years to provide needed continuity.

This is a volunteer position that will work with a member of the Board and will not be a position on the Board. On one or two occasions the Liaison may be asked to attend a Board meeting as a guest to make a report.

Scope of Work: The scope of work is as follows:

- Receive and review a copy of our current policies to read for understanding. The Board has a few questions for particular attention.
- Make an introduction to brokers currently being used for their comments and understandings of our previous work and upcoming work for insurance coverage.
- Act as required to prepare a request for insurance coverage for use by two brokers and others recruited to join the search. The goal is to release the request by August 1 for response by August 30.
- Review the responses and prepare a recommendation for Board action during their September 16 meeting.
- Perform other actions to obtain documentation of coverage and implementation by October 1 renewal.
- Continue an ad hoc basis to assist and advise the Board of desired or required actions.

Conflict of Interest: The ideal person to serve in this role is an HOA member. The other ideal person is someone who is known to an HOA member and is recommended to serve. We invite persons who are brokers or agents to be considered as long as they agree it is a conflict of interest to deliberately drive the process to secure business. For any person selected this is an educational and growth opportunity to learn more about our HOA and insurance coverage for an HOA.

Title: The tentative title for this position is Insurance Liaison. The Board is open to a change in title with the selected person that better meets their requirements and aspirations for the position.

Application: To express an interest in serving, please contact any member of the HOA Board.