



Silver Queen East Insurance Policy Decision Series - Summary

April 18–24, 2025

The Board met in a series of five structured meetings to address urgent issues related to the association's insurance policy, escalating premiums, deductibles, reserve planning, and risk management. The meetings followed a structured decision-making process, focusing on identifying the best insurance solution while considering financial health, compliance with lender requirements, and protecting against catastrophic risks.

Key Outcomes:

- **Insurance Carrier Selected:**
 - Preferred carrier: **Mahoney Group — Option 2**
 - \$100,000 deductible
 - \$86,466 annual premium
 - \$250M per occurrence coverage
 - No Summit County exposure
- **Deductible Review and Risk Management:**
 - Board moved to a more manageable \$100,000 deductible.
 - Risk of wildfires and property damage thoroughly discussed.
- **HO-6 Coverage Alignment:**
 - Homeowners must maintain HO-6 coverage in line with updated insurance requirements.
 - Board will communicate minimum requirements clearly to all homeowners.
- **Roof Condition and Lending Compliance:**
 - Aging roof noted as a future risk for lending compliance.
 - Plan initiated to seek updated roofing bids.

- **Reserve Fund Planning:**
 - Emphasis on ensuring adequate reserves to cover deductible and other emergencies.

Next Steps:

- Finalize insurance binding with Mahoney Group upon satisfactory review of financing.
 - Communicate final insurance changes and HO-6 requirements to homeowners.
 - Continue roofing project planning.
 - Prepare budget reforecast.
-

Meeting Timeline:

Meeting	Date	Time	Focus
Meeting 1	April 18, 2025	9:00 AM	Early insurance options & strategy
Meeting 2	April 22, 2025	2:00 PM	Options review and decision planning
Meeting 3	April 23, 2025	12:00 PM	Roofing, lending compliance
Meeting 4	April 23, 2025	1:00 PM	Risk analysis, reserve discussion
Meeting 5	April 24, 2025	1:00 PM	Final prep and administrative cleanup

Prepared for: Silver Queen Board of Directors

Prepared by: Armani Zangari, April 30, 2025



Silver Queen East HOA - Meeting Minutes

Date: April 18, 2025

Time: 9:00 AM

Location: Zoom

Attendees: Armani SRG, Mark, Chris

Quick Recap

The board discussed the insurance situation, focusing on options to reduce costs and prepare for a board-wide decision. They considered the impact of deductible changes, frustrations with the current insurance structure, and the **possibility** of lowering HOA dues **after securing a new policy and addressing the roof, sewer line projects.**

Next Steps

- SRG to send a follow-up email to Ashley and Brad requesting a timeline update for the IPFS quote.
 - SRG to email the board summarizing this meeting's discussion and confirming the preference for Mahoney Group's Option 2.
 - Armani to propose scheduling a call next week after receiving the IPFS quote.
 - Board members to be prepared for a potential call early next week to review and vote.
 - Board to plan to finalize insurance switch by the end of the month to secure the early sign-on bonus.
-

Summary

Deductible and Insurance Options Discussion

- Reviewed the decision between maintaining a \$50,000 or a \$100,000 deductible.
- Plan to readdress when updated IPFS quote is received.

Frustrations with Current High-Deductible Insurance

- Discussed ongoing frustration with the high deductible on the current policy.
- Noted the increasing insurance costs and wildfire risks impacting the property.
- Mentioned that communication regarding the deductible had already been sent to homeowners.

Potential New Policy and Dues Impact

- Considered a new option offering substantial savings with a \$100,000 deductible.
- Agreement that any switch would require either unanimous email approval or a 3-out-of-5 board vote.

Next Steps and Communication

- Planned to wait for the new IPFS quote to finalize decisions.
- Agreed to stay flexible and reconvene quickly once the quote arrives.
- SRG offered to facilitate another meeting or coordination with the Mahoney Group if needed.



Silver Queen East HOA – Meeting Minutes

Date: 4.23.25

Time: 12:00

Location: Zoom

Attendees: Armani SRG, Ashley, Mark, Chris, Kelly, Noelle, Brad IPFS Insurance

Agenda Items and Discussion:

1. Insurance Coverage Overview

- Brad presented insurance coverage details, recommending \$7 million coverage based on an inflated reconstruction cost estimate.
- The board discussed cost-saving changes from amended covenants.
- Brad advised obtaining a professional reconstruction appraisal for the most accurate coverage assessment.

2. Homeowners' Insurance Requirements

- Brad explained that HOAs should inform, not enforce, homeowners' insurance coverage requirements to avoid liability.
- The board agreed to continue communicating the insurance requirements to unit owners.

3. Unit Owners' Building Coverage Recommendations

- Brad recommended a **minimum** building coverage of \$150/square foot for unit owners.
- He emphasized the importance of unit owners consulting their personal insurance agents.

4. Insurance Proposal Comparison

- Brad compared his firm's proposal with an alternative from an Arizona broker.
- Key differences highlighted included:
 - Dedicated limits (Brad's proposal) vs. shared limits (alternative proposal).
 - Lower deductibles in Brad's proposal.

- Concerns over shared limit programs, especially in high-risk wildfire areas.

5. Roof Replacement for Fannie Mae/Freddie Mac Compliance

- Roofs at Silver Queen were last replaced in 2004.
- Brad explained new lending guidelines requiring full replacement cost coverage on roofs for mortgage eligibility.
- Roof replacement is necessary to comply and maintain property values.

6. Communication with Residents

- The board discussed informing residents of the insurance switch as soon as a decision is made.

7. Insurance Policy Renewal

- Current policy expires May 1st.
- Discussion on maintaining the \$15 million umbrella policy (despite premium savings with a lower limit) led by Mark and Chris.
- Board agreed to prioritize sufficient coverage over cost savings.

8. Roof Coverage Details

- Brad confirmed that roofs older than 10 years are insured at actual cash value, switching to replacement cost once new roofs are installed.

9. Break and Follow-Up Discussion

- Board took a 10-minute break before speaking with John about additional insurance options.

Discussion:

- Acknowledged the urgent need to plan and budget for roof replacement.
- Agreed to maintain the \$15 million umbrella coverage.

Next Steps:

- **SRG** to send meeting link to John for a follow-up discussion.
- **Board** to finalize decision on insurance policy options by **Monday 4/28**

- **Board** to begin planning for roof replacement to address mortgage loan eligibility concerns.
 - **Board** to communicate with residents regarding loan restrictions due to current roof conditions.
 - **Board** to obtain a cost estimate for roof replacement.
-

Minutes prepared by: Armani Zangari SRG

Date: 4.30.25



Silver Queen East HOA -Meeting Minutes

Date: 4.23.25

Time: 1:00pm

Location: Zoom

Attendees: Armani SRG, Ashley, Chris, Kelly, Noelle

Guest: John Guido (Insurance Agent)

1. Opening Discussion

- The meeting began with project discussions among team members. The board then engaged in a detailed conversation with an insurance agent about policy coverage, risks, and compliance with specific guidelines. Finally, the team weighed the pros and cons of different insurance options, considering cost savings and risk management, before deciding to wait for additional information before making a final decision.
- Kelly documented questions for the insurance discussion.

2. Insurance Policy Review and Compliance Discussion

- The board held a detailed conversation with **John (insurance agent)** regarding:
 - Insurance coverage scope and risk exposure.
 - Nationwide coverage and the logistics of adding new communities to the insurance pool.
 - Compliance with **Fannie Mae** and **Freddie Mac** guidelines.
 - Inquiries about **Directors and Officers (D&O)** coverage and umbrella policies.
- John was asked to:
 - Verify compliance of the shared pool policy with Fannie Mae and Freddie Mac requirements.
 - Confirm the D&O coverage limits on the quoted policy.
 - Assess and provide construction cost estimates using industry software.

3. Insurance Options: Cost vs. Risk Analysis

- The board compared insurance options between providers Mahoney and IPFS.
- Discussion points included:
 - Trade-offs between **cost savings** and **risk exposure**.
 - Whether a **dedicated policy** would offer more security versus a **shared pool** approach.
- The board expressed concern about regulatory risks tied to the insurance pool structure.
- Ashley agreed to reach out to loan officers for additional clarification on compliance matters.

4. Decision to Postpone Final Selection

- Due to pending confirmations and need for further information, the board decided **not to make a final decision** during the meeting.
- Agreed to **reconvene the next day at 4 PM** to finalize the insurance policy decision after receiving updates.



Silver Queen East HOA – Meeting Minutes

Date: 4.24.25

Time: 1:00pm

Location: Zoom

Attendees: Armani SRG, Ashley, Chris, Kelly, Mark

Absent: Noelle

1. Insurance Policy Discussion and Approval

- The board reviewed and compared insurance proposals from multiple providers, focusing on cost, coverage, and lender requirements.
- After discussing pros and cons, the board **approved the Mahoney Group proposal, Option 2**, featuring:
 - \$100,000 deductible
 - \$86,466 annual premium
 - \$250 million per occurrence coverage
 - No other business presence in Summit County
- **Motion to approve by Mark; seconded by Chris; motion carried and was unanimously approved.**

2. Financial Impact

- New insurance policy represents significant savings, reducing annual insurance costs significantly.
- The board estimates that maintaining current dues could allow the association to build reserves to fund or mostly fund a roof by next summer 2026.

3. Roof and Sewer Line Prioritization

- The board agreed to prioritize the replacement of the **roof** and repair of the **sewer line** before considering any reduction in homeowner dues.
- The board noted that improving the roof condition would also benefit future refinancing efforts.

4. Homeowner Communication

- The board plans to **send a reminder** to homeowners to **update their HO-6 policies**