

Villa Caballeros Homeowners Association   Board Meeting Minutes																														
<b>Date</b>	April 2, 2024																													
<b>Place</b>	Zoom Meeting																													
<b>Attendance</b>	Board Members	<input checked="" type="checkbox"/> Brian Earp   President <input checked="" type="checkbox"/> Mike DeLauzon   Vice-President <input checked="" type="checkbox"/> Mark Davis   Treasurer <input checked="" type="checkbox"/> Rodger Vanhyfte   Secretary <input checked="" type="checkbox"/> Michael Fitzgerald   Director at Large  <input checked="" type="checkbox"/> Cindy Anderson   Management Company																												
	Homeowners	<table border="1"> <thead> <tr> <th>Name</th> <th>Unit</th> <th>Name</th> <th>Unit</th> </tr> </thead> <tbody> <tr> <td>Mitrovic</td> <td>214</td> <td></td> <td></td> </tr> <tr> <td>Griffith</td> <td>108</td> <td></td> <td></td> </tr> <tr> <td>LeFrancois</td> <td>309</td> <td></td> <td></td> </tr> <tr> <td>Bernal</td> <td>319</td> <td></td> <td></td> </tr> <tr> <td>Steinbock</td> <td>111</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Name	Unit	Name	Unit	Mitrovic	214			Griffith	108			LeFrancois	309			Bernal	319			Steinbock	111					
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**Recorder(s)** Management & Board Members

<b>I.</b>	Call to Order	Meeting called to order at 10:01 AM by Earp
<b>II.</b>	Approval of Minutes	<p>Meeting Minutes of January 2024 Annual Meeting</p> <ul style="list-style-type: none"> <li>● Motion made by Davis.</li> <li>● Motion seconded by DeLauzon.</li> <li>● Motion carried with all AYES.</li> </ul> <p>Meeting Minutes of December 18, 2023</p> <ul style="list-style-type: none"> <li>● Motion made by Fitzgerald.</li> <li>● Motion seconded by Davis.</li> <li>● Motion carried with all AYES</li> </ul>
<b>III.</b>	Treasurers Report & Budget Review	<p>Mark Davis, Treasurer, returned from business travel. March (and quarterly financial picture) was not yet available from CAFS.</p> <ul style="list-style-type: none"> <li>● Raising dues has helped our financial position.</li> <li>● We continue to carry a loan from reserves to pay for the earthquake insurance premium in 2024 (~\$57,000 paid in full early January)</li> </ul> <p><b>ACTION ITEM</b></p> <ul style="list-style-type: none"> <li>● Full Q1 financial picture will be delivered during May 20, 2024, board meeting. Insights to April/May to be provided as available.</li> </ul>

		<ul style="list-style-type: none"> <li>Assigned to: Davis</li> </ul>
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<b>IV.</b>	Committee Assignments Confirmations	<p>Earthquake Insurance:</p> <ul style="list-style-type: none"> <li>Board: Earp, DeLauzon</li> <li>Homeowner: Bernal</li> </ul> <p>Balcony &amp; Walkway Compliance (SB 326)</p> <ul style="list-style-type: none"> <li>Board: Earp, Fitzgerald</li> <li>Homeowner: TBD</li> </ul> <p>Architectural &amp; Landscape</p> <ul style="list-style-type: none"> <li>Board: DeLauzon, Vanhyfte</li> <li>Homeowner: Steinbock</li> </ul> <p>Finance:</p> <ul style="list-style-type: none"> <li>Board: Davis, Earp</li> <li>Homeowner: Ravenstahl</li> </ul> <p><b>New Committee Proposed:</b> Communication          Motion made by Earp to initiate Communication Committee          Motion seconded by Fitzgerald.          Motion carried with all AYES.</p> <ul style="list-style-type: none"> <li>Board: DeLauzon, Davis</li> <li>Homeowner: Bernal</li> </ul>
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<b>V.</b>	New Business	<p><b>A: Earthquake Insurance Proposal:</b></p> <p>Earthquake committee proposed to continue current 2024 Earthquake Insurance Policy (Vicko Insurance   Correspondent) through the remainder of 2024. The rationale to continue was that savings at this point would not be substantial and the board wishes to give homeowners sufficient time to seek alternative solutions.</p> <ul style="list-style-type: none"> <li>Annual Cost: \$57,000 (premium + associated fees)</li> <li>Total Coverage is \$15,000,000</li> <li>Deductive: 20%</li> <li>Homeowner Fees: \$966 Annual   \$81 Monthly</li> <li>Summary of Earthquake Insurance provided in <b>Appendix I</b> of these minutes.</li> </ul> <p>Earthquake Committee proposed that a vote of homeowners to continue or cancel Earthquake Insurance by the HOA will be initiated through NLB promptly.</p> <ul style="list-style-type: none"> <li>Proposed Vote Part I: Continue or Discontinue Insurance</li> <li>Proposed Vote Part II: If you select continue, would homeowners vote to maintain a CAP not to exceed \$60,000 per year<sup>1</sup></li> <li>Part II would be a YES / NO vote from Homeowners.</li> <li>Context of the insurance offering and costs will be provided in the</li> </ul>
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<sup>1</sup> Earp noted that a CAP on EQ Insurance Fees could result in lower coverage, increased deductibles.

		<p>voting package.</p> <p>Motion made by Davis.  Motion seconded by Fitzgerald.  Motion carried with all AYES.</p> <p><b>ACTION ITEM:</b></p> <ul style="list-style-type: none"> <li>● Draft content of voting due to NLB before end of April</li> <li>● Assigned to Earp, DeLauzon</li> </ul>
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<b>V.</b>	New Business <i>continued</i>	<p><b>B: MOTUS offer proposal</b></p> <p>At the year-end meeting for 2023, President Davis reported that a MOTUS offering would be put forward to homeowners as a supplemental and/or alternative offering for earthquake insurance.</p> <ul style="list-style-type: none"> <li>● A MOTUS offering has been made available through LaBarre/Oske insurance agency.</li> <li>● The offering is provided in <b>Appendix II</b> of these minutes.</li> </ul> <p>Motion made by Davis.  Motion seconded by Vanhyfte.  Motion carried with all AYES.</p> <p><b>ACTION ITEM:</b></p> <p>Earp will provide Davis/Cindy Anderson the latest proposal to follow through with execution of the offer.</p>
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<b>V.</b>	New Business <i>continued</i>	<p><b>C: Balcony Compliance (SB 326) – Status update</b></p> <p>Balcony committee Earp and Fitzgerald have drafted a proposed balcony resolution plan. In sum:</p> <ul style="list-style-type: none"> <li>● VCHOA has complied with the spirit of SB 326 prior to the deadline of January 01, 2025</li> <li>● Balcony committee will meet with Construction Engineer and Coating Specialist on April 16, 2024, to review appropriate solutions for walkways and explore balcony risk-assessment mitigations.</li> </ul> <p><b>ACTION ITEM:</b></p> <ul style="list-style-type: none"> <li>● Earp/Fitzgerald to offer Balcony Compliance (SB326) Proposal at May 20, 2024, Board of Directors Meeting</li> </ul>
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<b>V.</b>	New Business <i>continued</i>	<p><b>D. Parking Structure Ceiling Leaks</b></p> <p>Goss construction is reviewing our parking Structure and tennis courts. He will report back with his findings. Tabled until the next board of directors meeting.</p> <p><b>ACTION ITEM:</b></p> <ul style="list-style-type: none"> <li>● Cindy Anderson to obtain formal report/offering from Goss</li> </ul>
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		Construction for review of board no less than 5 business days prior to May 20, 2024, meeting. Work order to be put in place following board approval.
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<b>V.</b>	New Business <i>continued</i>	<p><b>E: Elevated Walkways – Repair Status</b></p> <p>Two bids have been received from vendors to repair elevated walkways and to investigate improved surfaces for walkways and/or decks. Vendors include WICR and Sigler &amp; Associates. Cooper Coatings has provided an alternative bid to recommend robust coating solutions that are appropriate for the conditions of VCHOA walking surfaces.<sup>2</sup></p> <ul style="list-style-type: none"> <li>• Both bids are structured differently</li> <li>• WICR offers no warranty and/or guarantee language in their proposal.</li> </ul> <p><b>ACTION ITEMS:</b></p> <ul style="list-style-type: none"> <li>• Earp, DeLauzon, Davis (possibly) will meet with a Construction Engineer and coating specialist on April 16, 2024, to review walkway damage.</li> <li>• Review of all elevated walkways will be done to assess areas of immediate need.</li> <li>• Request will be made to the construction engineer for a risk-assessment opinion on the balcony proposal.</li> <li>• Earp/Fitzgerald will put together request-for-proposal specifications for further bids.</li> </ul>
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<b>V.</b>	New Business <i>continued</i>	<p><b>F: Roofs</b></p> <p>Western roofing has closed their business in the Palm Springs area. They will still cover our warranty at costs incurred.</p> <p><b>ACTION ITEM:</b></p> <ul style="list-style-type: none"> <li>• Proposal for new roofing company to be made.</li> <li>• Recommend 2 or more local companies with references at the next Board of Directors meeting on May 20, 2024.</li> <li>• Assigned to: Cindy Anderson</li> </ul>
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<b>V.</b>	New Business <i>continued</i>	<p><b>G. Elevator</b></p> <p>Power supply for the elevator in the main garage failed in February. Emergency decision made to replace to restore operation. New power supply approved post-hoc for \$4325. Motion made by Earp.</p>
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<sup>2</sup> Former board president Mark Davis had put forward/approved a bid for walkway remediation at the end of 2023. Remediation did not start. Board decided to conduct a further assessment with a construction engineer and coating specialist before finalizing a next-step proposal.

		Motion seconded by Davis. Motion carried with all AYES.
<b>V.</b>	New Business <i>continued</i>	<p><b>H. Pool Service</b></p> <p>Pool company raised the monthly rate to \$505. Board vote to approve increase: Motion made by Earp. Motion seconded by Davis. Motion carried with all AYES.</p> <p><b>ACTION ITEM:</b></p> <ul style="list-style-type: none"> <li>• Davis informed CAFS of an increase in pool service costs on April 11, 2024. No further action needed.</li> </ul>
<b>V.</b>	New Business <i>continued</i>	<p><b>I: CAI Membership Proposal</b></p> <p>The Community Association Institute (CAI) offers combined membership for up to 15 board members for \$330 per year. The benefits include access to HOA community standards of practice, networking meetings and updated information on legal changes.</p> <p>Motion made by Davis. Motion seconded by DeLauzon. Motion carried with all AYES.</p> <p><b>ACTION ITEM:</b></p> <ul style="list-style-type: none"> <li>• Obtain membership form and offer sign up to all board members without membership, paid with HOA funds.</li> <li>• Earp to complete paperwork and pay for the group board membership to be reimbursed by HOA funds.</li> </ul>
<b>VI.</b>	Correspondence	<p>Written request by homeowner to paint the door of their unit.</p> <ul style="list-style-type: none"> <li>• Door painting is not on the maintenance schedule for the coming years.</li> <li>• Homeowners will be provided the manufacturer name and HOA specified color.</li> <li>• Homeowner will need to retain a licensed paint contractor to perform the work.</li> </ul> <p><b>ACTION ITEM:</b></p> <ul style="list-style-type: none"> <li>• Architectural Committee to meet and review all doors in the complex to determine if painting is required earlier than current maintenance schedule recommends.</li> <li>• Cindy Anderson to follow up with the Homeowner on the subject.</li> </ul>
<b>VII.</b>	Homeowner Open Forum	Discussion about door painting continued and included painting of screen doors. No decision was made by board as to who is responsible for screen door painting.

		<ul style="list-style-type: none"> <li>● Homeowner Bernal suggested that screen doors are the responsibility of homeowners as they are an option.</li> <li>● Several homeowners requested further options for improved screen doors and alternative opinions related to association coverage for painting to maintain consistency.</li> <li>● Board member Earp asked Cindy Anderson if there is an approved vendor for the doors. Cindy stated there was not.</li> </ul> <p>Mitrovic inquired about window replacement in the community and whether options had been considered by homeowners.</p> <ul style="list-style-type: none"> <li>● Board member Earp asked Mitrovic to follow up with him on an estimate received in 2021.</li> <li>● Board discussed how to assess and ensure consistency of color and materials. Expectation is to maintain architectural integrity of existing external facing window framing.</li> <li>● Architectural guidelines are not written to state precise coloring.</li> <li>● The City of Palm Springs has ordinances requiring compliance to the latest architectural standards for windows/doors and some specifications for pulling permits for such work.</li> <li>● Steinbock requested generic code for the call box to allow for non-standard deliveries and/or services. Also offered his opinion that HOA should stay with earthquake insurance. <ul style="list-style-type: none"> <li>a. Use of personal gate code and/or additional remote control was offered as a solution to Steinbock.</li> </ul> </li> </ul> <p><b>ACTION ITEMS: (Assigned to Cindy Anderson)</b>  Next Executive Meeting Agenda to include.</p> <ul style="list-style-type: none"> <li>● Revision and/or creation of architectural standards including approved vendors, colors, etc.</li> <li>● Screen door vendors should be found and recommended.</li> <li>● Paint colors and approved vendors should be provided.</li> </ul>
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<b>VIII.</b>	Next Meeting	Planned for May 20, 2024, at 10:00am
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<b>IX.</b>	Meeting Adjourned	Meeting called for adjournment at 11:17am
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## APPENDIX I: Description of Current VCHOA Earthquake Policy<sup>3</sup>

	Policy 2023	Policy 2024	Difference
<b>Total Insured Value (Estimated replacement value at time of replacement)</b>	\$ 12,184,998	\$ 15,103,837	\$ 2,918,839
Premium Cost (Annual) Per 2024 Budget Estimate	\$ 56,000	\$ 57,000	\$ 1,000
Per Unit HOA Fee for Earthquake Coverage (Annual)	\$ 949	\$ 966	\$ 17
Per Unit HOA Fee for Earthquake Coverage (Monthly)	\$ 79	\$ 81	\$ 1
Deductible per occurrence	20%	20%	
<b>What is captured in the Annual Premium Cost?</b>	<b>Policy 2023</b>	<b>Policy 2024</b>	<b>Difference</b>
Property Premium (CA Premium)	\$ 53,500	\$ 52,870	\$ (630)
Castrophe Fee (Non Taxable)	\$ 700	\$ 500	\$ (200)
Amwins Fee (Taxable)	\$ 250	\$ 650	\$ 400
CA Surplus Lines (Surplus Lines Tax)	\$ 1,724	\$ 1,606	\$ (118)
Stamping Fee	\$ -	\$ 96	\$ 96
Total EQ Coverage Expenses	\$ 56,174	\$ 55,722	\$ (452)
<b>Annual Budget Estimate</b>	<b>\$ 56,000</b>	<b>\$ 57,000</b>	<b>\$ 1,000</b>
<b>Coverages Requested (Values at 100% subject to deductible)</b>	<b>Policy 2023</b>	<b>Policy 2024</b>	<b>Difference</b>
Buildings	\$ 11,499,998	\$ 14,171,233	\$ 2,671,235
Contents	\$ 50,000	\$ 50,000	\$ -
Association Fees	\$ 100,000	\$ 100,000	\$ -
Walls / Walks / Fences	\$ 95,000	\$ 95,000	\$ -
Underground Utilities	\$ 100,000	\$ 100,000	\$ -
Foundations	\$ 100,000	\$ 332,604	\$ 232,604
Pool / Spa / Wader / Deck	\$ 100,000	\$ 100,000	\$ -
Parking	\$ 20,000	\$ 20,000	\$ -
Sports Courts (Tennis, Racquetball)	\$ 35,000	\$ 35,000	\$ -
Gates / Kiosk	\$ 35,000	\$ 35,000	\$ -
Landscape / Irrigation	\$ 50,000	\$ 50,000	\$ -
Lighting	\$ 10,000	\$ 10,000	\$ -
Signs	\$ 5,000	\$ 5,000	\$ -
Total EQ Coverage Expenses	\$ 12,184,998	\$ 15,103,837	\$ 2,918,839
<b>Associated Facts &amp; Figures</b>	<b>Jan 01 2024</b>		
Number of Units	59		
Living Space in Square Feet	64900		
Parking Space in Square Feet (Carports, some with garbage areas attached)	20000		
Total Square Feet	84900		
Year Built	1989		
Number of Stories	3		
Condominium or CAO	Condominium		
Bolted to Foundation	Yes		

<sup>3</sup> This is only a summary of VCHOA Earthquake Insurance Policy and does not guarantee coverage of any specific unit or common area. This summary is provided to allow homeowners a resource to perform due diligence for their unique insurance coverage needs. All insurance is subject to the terms of the policies provided and claims analysis.



## APPENDIX II: MOTUS Loss-Assessment Insurance Proposal<sup>4</sup>

MOTUS Proposal to Villa Caballeros Homeowners Association (VHCOA)<sup>5</sup>

MOTUS Opt-In Earthquake Insurance Program (from Labarre Oksnee Insurance)

- Annual Cost to HOA: \$0
  - Includes: Annual Premium: \$1,600 + Carrier Inspection Fee: \$250
  - Labarre Oksnee funds the total costs that would be carried by the HOA.

What is MOTUS?

- MOTUS is an alternative for HOA boards that do not purchase earthquake insurance.
- MOTUS provides condominium owners an independent opportunity to purchase a custom level of loss-assessment<sup>6</sup> and interior coverage based on their earthquake exposure needs.
- MOTUS provides options to increase loss-assessment coverage above the \$100,000 limits offered by the California Earthquake Authority program (the most coverage available to individuals on their own, outside of MOTUS).
- MOTUS is entirely optional – no one is required to participate; any homeowner that prefers to keep their private current coverage can do so.

If the VCHOA Board elects to enroll in the MOTUS program, the proposal offered to Villa Caballeros individual homeowners is structured as follows:

Target Replacement Cost per Unit <sup>7</sup>	\$250,000
Loss-Assessment Coverage ( <i>Assessed and non-assessed combined</i> )	\$250,000 (Includes your unit interior)
Deductible	20%
Coverage Inclusions (excluded to varying degrees in other condo owner EQ products)	Common Areas / amenities
	Foundations
	Non-residential structures (e.g. clubhouse)
	Parking garages / structures
	Underground plumbing / utilities
Other Policy Details	Pools / spas
	Cash payout if HOA does not rebuild
	Ordinance Law (\$250,000)
	Demolition / building code upgrades (\$25,000)
Annual Premium	\$1,347 (\$112 per month)

<sup>4</sup> Neither the board members or the Villa Caballeros Homeowners Association can guarantee nor verify the MOTUS policy offered by Labarre Oksnee. Homeowners are encouraged to perform due diligence on the offer.

<sup>5</sup> Coverage information provided by MOTUS through Labarre Oksnee Insurance. This document serves as a summary and is not representative of the final policy. Homeowners are encouraged to exercise due diligence on the policy and limitations.

<sup>6</sup> Optional Loss Assessment coverage helps pay your share of certain assessments levied by a homeowner's association on its members for earthquake-damage repairs or to pay a master-policy deductible.

<sup>7</sup> Includes all residential buildings, common areas and amenities and unit interior.

### Customization of Coverage

- Each owner can purchase a custom level of loss assessment / interior coverage based on their unique earthquake exposure and personal risk tolerance. Options are provided below:

Coverage Level	Annual Premium	Monthly Premium
\$100,000	\$ 941	\$ 78.42
\$200,000	\$ 1,236	\$ 103.00
\$300,000	\$ 1,611	\$ 134.25
\$400,000	\$ 2,140	\$ 178.33
\$500,000	\$ 2,669	\$ 222.42
\$750,000	\$ 3,991	\$ 332.58

- Deductible Buydown (Optional; Varies based on amount of coverage purchased)

Coverage Level	Annual Cost
20% to 15%	\$ 382

- Loss of Use or Rent Coverage (Optional)

Coverage Level	Annual Premium
\$50,000	\$ 135
\$100,000	\$ 270