

## Homeowners Annual Meeting

December 14, 2023 6:00 P.M.

### Granada HOA Board Members & Manager Present:

- Karen Green
- Brian Nunning
- Cynthia Whitaker
- Nancy Ash
- Debbie Clary

Several topics were discussed pertaining to the current financial situation at Granada. There was a lot of misinformation brought up by the owners that attended the meeting. We want to clarify the facts on those subjects.

### GRANADA INSURANCE:

In July of 2023, American Family Insurance informed Granada that they would no longer insure our complex. They were getting out of the Condo Insurance Business. Granada had 60 days to find a new insurance company, but with the age and size of the complex, no insurance company wanted to give us a bid. Granada ultimately went through a broker that was able to give us a bid. It was erroneously reported that Granada Condominiums is without property insurance. This is false. Granada is covered through the Crane Agency for damages to our buildings. A majority of our roofs are over 15 years old, and they are covered for Actual Cash value.

The **Reserve account** was depleted due to Granada having to pay insurance premiums of \$60,000 down, \$25,145 in November 2023 and December 2023 without an increase to condo fees. We also had to finance the down payment \$9,414. Granada paid \$60,000 down. We are now paying \$25,145/month for insurance, compared to the previous premium of \$7,357/month.

Granada has always had a Reserve account, though the balance has been at different levels. It used to be called a Savings account until lenders started demanding the word "Reserve" to approve loans. Usually they want the amount to be 10% of the annual budget. We have budgeted \$9,000/month in 2024 to replenish the Reserve. This will require all the owners to pay their condo fees.

This is the coverage:

Granada Condominium Association 9/11/23 - 9/11/24

Property Coverage 1st Layer: \$188,059.20

Annual Premium Landmark American Insurance Company A++ XIV

\$5,000,000 Per Occurrence

\$100,000 Backup of Sewers and Drains Replacement

Cost Valuation, Special Form Actual Cash Value on Roofs 10 Years Old or Older

Special Form Excluding Flood, Earth Movement and Terrorism \$

25,000 Per Occurrence Deductible 5% Per Building Windstorm or Hail Deductible

Property Coverage 2nd Layer: \$47,092.50 Annual Premium Kinsale Insurance Company A XI  
\$5,000,000 x \$5,000,000 Per Occurrence  
Special Form Excluding Flood, Earth Movement and Terrorism Property

Coverage 3rd Layer: \$30,975 Annual Premium Falls Lake Fire and Casualty Company and  
Scottsdale Insurance Company \$14,268,793 x \$10,000,000 Per Occurrence Special Form  
Excluding Flood, Earth Movement and Terrorism, Business Personal Property, Time Element,  
Equipment Breakdown, Fences, Sidewalks, Monuments General Liability: \$9,715.65 Annual  
Premium Maxum Indemnity Company X+ XV \$2,000,000 General Aggregate \$1,000,000  
Each Occurrence \$100,000 Damage to Rented Premises \$5,000 Medical Expenses Products  
Completed Operations Aggregate Limit - Subject to General Aggregate Hired Non Owned  
Auto Liability - \$1,000,000

#### Notes from the Meeting:

1. Traniece McElvaine- Address 8713 Santa Bella, Concerns> Sell of Property, Insurance Costs , Older roofs not insured, renting options, Lawsuit and complaint to Attorney General , she will mail any homeowners the lawyers information, she sent her email address in the chat.
2. Dana Bonds- Address 8776 Santa Bella Concerns > Roofs not insured, renters after 2009 at (8713), unable to sell her condo, she does not want to be a landlord, HOA should look for cheaper insurance, will condo fees decrease if we get a lower bid, can we cancel current insurance if we find a more reasonable quote. Dana also stated that we have no amenities in our community and others have beautiful amenities and are paying less condo fees and no large insurance premium. She believes the HOA did not do enough research to find better rates and premiums.
3. Gail Ford- Address 8809 Santa Bella, Concerns> She told Traniece she would like to be included in the lawsuit and asked for her attorney's information.
4. Barbara McGhee- Address 8861 Santa Bella, Concerns> Granada management is the problem while managing money and finances; She requested to change the Bylaws to allow renting/leasing.
5. Lynette Bales- Address 8704 Santa Bella, Concerns> Insurance Binders state no roofs insured because of age. We have 5 different insurance companies to insure our homes which means more deductibles and premiums, Reasons she disagrees on renting condos, crime rate increase, section 8 renters, car thefts, real-estate values will decline, Reserve balances are depleted after 50 years of being in existence.
6. Kristina Davis - Address 8744 Santa Bella, Concerns> she wants to be able to rent her condo but afraid people will not take care of it. She is looking for her investment to be able to be passed on to future family members. We have 174 condos and 25 renters, are some of them rented by the same person?
7. LaQuesha Jackson- Address 8757 Santa Bella, Concerns> Can the HOA board allow owners to pay condo fees after the 15<sup>th</sup> of the month without late fees.
8. Dan McLaughlin- Address 8876 Santa Bella, Concerns> Requesting a meeting to vote on new renters after 2009 and he requested the meeting date as soon as possible to amend the Bylaws to reflect the change.

