

**SCOTTSDALE RANCH COMMUNITY ASSOCIATION  
FINANCE COMMITTEE MEETING  
Thursday – June 06, 2017  
4:30 p.m.**

Held at the Scottsdale Ranch Community Association,  
10585 N. 100<sup>th</sup> Street, Scottsdale, AZ 85258

**Members**

<b>Present:</b>	Mike Nelson	SRCA Treasurer/Chair
	Joe Dawson	Board Director
	Bill Howard	Member
	John Simon	Member

**Members**

<b>Absent:</b>	Brian Munson	Board Director
	Phil Abruzino	Member
	Win Copeland	Member
	Steven Hillman	Member

**Staff**

<b>Present:</b>	Kathe Barnes	Executive Director
	Ricki Stamos	Bookkeeper/Admin. Asst.

<b>Also Present:</b>	Mike Di Nino	LaBarre/Oksnee Insurance Agency
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**Call to**

**Order:** The meeting was called to order at 4:35 p.m.

**Minutes:** **MOTION:** It was moved and seconded to accept the minutes of the April 05, 2017 Finance Committee meeting. Motion passed.

**P&L Insurance**

**Renewal:** Mike Di Nino presented the 2017/2018 insurance comparison report renewal summary to the committee. Mr. Di Nino explained that while LaBarre/Oksnee shopped around to more than three carriers, the renewal summary report represented the top three best options.

Mr. Di Nino then reported that Option 1 which includes mainly quotes from our current carrier would provide the coverage we require, keeping our same deductibles at the lowest rate; however, the premiums have gone up slightly since last year. All of the insurance carriers recommended have an A.M. Best rating of "A++".

**MOTION:** It was moved and seconded to recommend to the Board of Directors to approve keeping our current insurance policies (Option #1 of the insurance policies options presented). This provides for \$2M aggregate in Liability coverage, \$5M in D&O coverage and \$15M in Umbrella coverage through Philadelphia, CNA and PMA respectively. (See Exhibit "A") Motion passed.

(Mike DiNino left the meeting.)

**Financial Review:** Kathe Barnes opened discussion by reviewing the April 2017 Financial. Ms. Barnes explained that SRCA is up in revenue as resales have continued to remain strong through 2017; therefore, the association remains in good financial standing.

**MOTION:** It was moved and seconded to accept the April 2017 Financial statement. Motion passed.

**Delinquencies:** Ricki Stamos reviewed the delinquencies to date pointing out that the current overdue total is considerably less than in 2016. Delinquent accounts continue to remain low, payment plans are being implemented, and staff continues to place liens on the delinquent accounts.

**Open Discussion:** None

#### **2018 Meeting**

**Dates:**  
Thursday, February 15, 2018 – Audit  
Thursday, April 12, 2018 – Qtrly. review  
Thursday, June 07, 2018 - Insurance  
Thursday, August 30, 2018 – Budget review  
Thursday, September 20, 2018 – Final Budget (if needed)

All meetings to be held at 4:30 p.m. at the SRCA office.

**Next Meeting:** The next meeting is scheduled for Tuesday, August 31, 2017 at 4:30 p.m.

**Adjournment:** **MOTION:** It was moved and seconded to adjourn the meeting at 5:25 p.m. Motion passed.

Scottsdale Ranch Renewal Insurance Comparison					
Property Coverage		2016 - 2017	2017 - 2018	2017 - 2018	2017 - 2018
		Current Coverage	Option 1	Option 2	Option 3
Insurance Carrier		Philadelphia	Philadelphia	Travelers	New Hampshire
Property Limit		\$1,450,000	\$1,450,000	\$1,450,000	\$1,450,000
Common Areas Covered		Yes	Yes	Yes	Yes
Deductible		\$10,000	\$10,000	\$10,000	\$10,000
Flood Endorsement		\$30,000	\$30,000	\$0	\$0
Wind/Tree Endorsement		\$50,000	\$50,000	\$0	\$25,000
<b>Liability Coverage</b>		<b>2016 - 2017</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>
Insurance Carrier		Philadelphia	Philadelphia	Travelers	New Hampshire
Each Occurrence		\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
General Aggregate		\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Personal & Adveristing Injury		\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Medical Expense		\$5,000	\$5,000	\$5,000	\$5,000
Hired & Non-Owned Auto		\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Property &amp; Liability Premium</b>		<b>\$18,411</b>	<b>\$19,081</b>	<b>\$24,487</b>	<b>\$22,654</b>
<b>Crime / Fidelity Bond</b>		<b>2016 - 2017</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>
Insurance Carrier		Philadelphia	Philadelphia	Travelers	New Hampshire
Employee Dishonesty		\$800,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Crime / Fidelity Bond Premium</b>		<b>\$365</b>	<b>\$462</b>	<b>\$525</b>	<b>\$490</b>
<b>Directors/Officers</b>		<b>2016 - 2017</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>
Insurance Carrier		C.N.A	C.N.A	Liberty Mutual	USI
Policy Limit		\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
D&O Deductible		\$1,000	\$1,000	\$1,000	\$1,000
Policy Provides for Actual Defense of Claims (not just reimbursement for expenses)		Yes	Yes	Yes	Yes
Defense Cost Outside Policy Limits		Yes	Yes	Yes	Yes
Allegations of Sexual Harassment		Yes	Yes	Yes	Yes
Allegations of Discrimination		Yes	Yes	Yes	Yes
Board Member vs. Board Member		Yes	Yes	Yes	Yes
Duty to Defend Contracts		Yes	Yes	Yes	Yes
Failure of the Board to Maintain Reserves		Yes	Yes	Yes	Yes
Libel & Slander		Yes	Yes	Yes	Yes
<b>Directors/Officers Premium</b>		<b>\$2,999</b>	<b>\$3,085</b>	<b>\$3,754</b>	<b>\$3,551</b>
<b>Umbrella</b>		<b>2016 - 2017</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>
Insurance Carrier		Philadelphia	Philadelphia	Travelers	Zurich
Limit		\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000
<b>Umbrella Premium</b>		<b>\$9,478</b>	<b>\$9,478</b>	<b>\$12,004</b>	<b>\$13,387</b>
<b>Auto Coverage</b>		<b>2016 - 2017</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>
Insurance Carrier		Philadelphia	Philadelphia	Travelers	Scottsdale
Limit		\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Auto Premium</b>		<b>\$2,666</b>	<b>\$3,452</b>	<b>\$4,954</b>	<b>\$5,224</b>
<b>Workers Comp</b>		<b>2016 - 2017</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>	<b>2017 - 2018</b>
Insurance Carrier		Hanover	PMA	PMA	PMA
Limit		\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Workers Comp Premium</b>		<b>\$732</b>	<b>\$732</b>	<b>\$732</b>	<b>\$732</b>

*Exhibit A*

	Current Policy 2016 - 2017	Option #1 2017 - 2018	Option #2 2017 - 2018	Option #3 2017 - 2018
<b>Flood Coverage</b> Insurance Carrier Limit	Hartford \$500,000 / \$233,900	Hartford \$500,000 / \$233,900	Hartford \$500,000 / \$233,900	Hartford \$500,000 / \$233,900
<b>Flood Premium</b>	<b>\$2,705</b>	<b>\$2,705</b>	<b>\$2,705</b>	<b>\$2,705</b>
<b>Event Rider</b> Insurance Carrier	2016 - 2017 Philadelphia	2017 - 2018 Philadelphia	2017 - 2018 Travelers	2017 - 2018 Travelers
<b>Event Rider Premium</b>	<b>\$1,500</b>	<b>\$1,500</b>	<b>\$1,500</b>	<b>\$1,500</b>
<b>Inland Marine</b> Insurance Carrier	2016 - 2017 Philadelphia	2017 - 2018 Philadelphia	2017 - 2018 Travelers	2017 - 2018 New Hampshire
<b>Inland Marine Premium</b>	<b>\$488</b>	<b>\$593</b>	<b>\$388</b>	<b>\$601</b>
<b>Total Annual Premium</b>	<b>\$39,344</b>	<b>\$41,088</b>	<b>\$51,049</b>	<b>\$50,844</b>