

MINUTES OF RESTON PLACE HOMEOWNERS ASSOCIATION  
BOARD OF DIRECTORS MEETING  
HELD NOVEMBER 12, 2015

Those present were Patty Sturgis, Charlene Dowling, Ryan Stallings, Claude Wright, Keith Kukla, Bob Griffin, via Conference Call, Warner Johnson, Property Manager with Duckworth-Morris Realty Co., Inc. and David Fitts with The Fitts Insurance Agency.

Mr. Johnson welcomed David Fitts who is the Association's Insurance Agent. Mr. Fitts reported that the Association had agreed upon a number with the Philadelphia Insurance Company for the March 31, 2015 hail damage claims for roofing. The Association and the insurance company are in agreement that \$583,990.77 would take care of all the roofing issues that had been identified at this point. The insurance company and the Association both agree that roofing that has not been identified at this point could be added to the claim. In addition Mr. Fitts also reported that any interior damage to the homes could also be a part of the claim. Mr. Johnson stated that he felt the claim would end up in the range of \$650,000 to \$700,000 before it was all said and done. Mr. Fitts also reported that upon the initial inspection of the homes in Reston Place, the insurance company had to establish a Reserve for the dollar amount of the claim. The insurance company reserved \$1.8 million. The actual claim will obviously be in excess of a million dollars less than the insurance company's initial reserve for the claim. The issue is that when attempting to receive quotes from other companies on the Association's insurance, they are seeing a \$1.8 million Reserve on this claim. That number will be updated by Philadelphia Insurance Company once the claim is resolved. Until then, the Association only had two options for the renewal and the other company offering a policy was cost prohibitive. Philadelphia Insurance Company extended the policy for 30 days under the expiring term but as of November 8th, the Association began a new policy period under new terms. There was a 7% increase in the Association's premiums, which increased from \$174,892 to \$187,605. The 7% increase is not that terrible considering the increases that are being seen on all insurance renewals even without large claims. The issue with the Philadelphia renewal is that they have changed the deductible structure. The current deductible is \$5,000 per occurrence. The new deductible is \$5,000 per home for a wind and hail claim and then \$5,000 per occurrence for any other claims. Mr. Fitts gave the example that if a row of townhouses were to burn down and 15 townhouses had to be rebuilt, there would be one \$5,000 deductible. But if there was roof damage or other damage to the homes caused by wind or hail then the deductible would be \$5,000 per home.

The Directors present asked Mr. Fitts what his recommendation was. Mr. Fitts stated that his recommendation was to work with Philadelphia under the current terms of the policy and once the claim was settled in the next several months, take the insurance back to the market and see if the Association could find a better deal with another company. In the meantime he presented the Directors present with a memo explaining the loss assessment coverage and that it was more important than ever for the members of the Association to make sure they had the proper loss assessment coverage in place. Mr. Johnson stated that he would send a memo to all homeowners along with Mr. Fitts' memo and try to explain the situation even though he knew it would be very confusing to everyone. A motion was made, seconded and passed unanimously to follow Mr. Fitts' recommendation.

Mr. Johnson stated all homeowners with interior damage to their homes caused by roof leaks would be instructed to document the damage. The damage would be reported to the adjuster to be added to the claim.

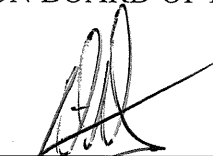
Mr. Keith Kukla stated that there was an issue with a barking dog. After a discussion, the Directors gave Mr. Johnson permission to fine the owner of the unit where the barking dog resided and if the situation wasn't resolved turn the matter over to an attorney.

Mr. Kukla reported that he would like to move the gate on the tennis courts. You currently had to go through the pool area to access the tennis courts and the Association had had issues with children getting into the pool area that were not supposed to have access to the pool and the gate was currently pad-locked. He would like to leave that gate pad-locked and install another gate so that the tennis courts could be accessed without entering the pool area. After a discussion a motion was made, seconded and passed unanimously to relocate the gate to the tennis courts.

Mr. Kukla stated that the Association had received Architectural control requests for changes to some of the garage doors including hardware that appeared to be hinges and handles as well as garage doors that had windows in the top panels. Mr. Johnson showed those present a copy of the pictures that had been sent to him regarding the hardware on the garage door. After discussion, the Directors present agreed with the Architectural Control committee who had denied architectural requests for faux hardware on the door, but they would possibly agree to allow windows in the top row of the garage doors. Mr. Kukla was asked to send Mr. Johnson pictures of the garage door that he was describing. Mr. Kukla said he would and Mr. Johnson said he would forward those pictures to the Board and it would be tabled until the next Board meeting until everyone had seen the pictures.

There being no further business, the meeting was adjourned.

RESTON BOARD OF DIRECTORS MEETING

By  \_\_\_\_\_  
Warner Johnson, Property Manager

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