

**MINUTES OF THE STRATA COUNCIL MEETING
WESTSIDE ESTATES – NW 3303
FEBRUARY 24, 2020**

ATTENDANCE:

President	Jeanine Nicholls	Present
Vice President	Jason Sheard	Present
Secretary	Michael Negus	Present
Treasurer	Stuart Alexander	Absent

ALSO IN ATTENDANCE: Teamwork Property Management Ltd.
Tiffany Corrigan – Licensed Representative

1. CALL TO ORDER

The meeting was called to order at 7:00 pm.

2. ADOPTION OF THE MINUTES

It was moved by Jeanine Nicholls and seconded by Jason Sheard to approve the Minutes of the January 27, 2020 Council Meeting. **CARRIED** All in Favour

3. BUSINESS ARISING FROM THE MINUTES

a) Depreciation Report

Council reviewed the depreciation report and directed Teamwork to request updates from WSP. The final report will be reviewed at the March 30, 2020 Council meeting.

b) Courtyard Stairs

Council reported the remaining work on the courtyard upgrades is pending dry weather, Council anticipates completion by the end of the fiscal year.

c) Electrician

Council discussed the globe light located inside the fence on the south east side of the entrance. Council reviewed a quote from the electrical contractor, in the amount of \$1,500.00 plus tax to run new electrical to this light. The contractor also quoted to install new light fixtures at the front of the building to add additional light in the amount of \$1,700.00 plus tax. Council tabled this discussion as there are other repairs required to be completed prior to the end of the fiscal year. Council will review this upgrade pending budgetary limitations.

Council discussed the lights at the entrance which have been affected by a breaker tripping. It is suspected this is occurring from the janitor using the plugs in the amenities room or lobby which are adjacent to the front entrance lights. The janitor has agreed not to use these plugs. Council will monitor if the lights stay illuminated, the electrician reported this issue could be due to the age of the equipment. Council will address this with the janitor if the issue persists.

Council also noted a leak occurring in the parkade at parking stall 4, it was determined it is from the electrical conduit located in the courtyard. The electrician advised they can assist with this repair when the courtyard upgrades are completed. It will require the electrician to complete two visits in the amount of \$1,300.00 plus tax. Council

approved the repair and directed Teamwork to coordinate the two contractors to complete the repairs.

d) Lobby

Quotes are in progress and will be received prior to the March 30, 2020 Council meeting.

e) Telus Fibre Optics

The Telus Fibre Optic installation has been approved. Council directed Teamwork to follow up with the electrical contractor to have the building inspected.

f) Gutter Repairs

Council received reports from three Strata Lots 20, 41, and 16 regarding concerns with the gutters. Council reviewed a quote from LS Gutter Tech to complete repairs. It was moved by Jeanine Nicholls and seconded by Michael Negus to complete the repairs in the amount of \$830.00 plus tax. **CARRIED** All in Favour

The gutter contractor advised the reason the gutters are overflowing after being cleaned is due to the perimeter drains being plugged. Council will review a quote for the perimeter drain cleaning at the next Council meeting.

g) Leak in Parkade

The Council discussed repairs to the leak in parking stall 7. Additional quotes will be reviewed at the next Council meeting. Council will consider these quotes along with a proposal from an Engineer. Council will determine if the best course of action is to investigate the source of the leak from above versus patching the leak from inside the parkade. The Engineer's proposal is in the amount of \$1,500.00 plus tax to investigate the issue. The repairs would be in addition to the cost for the Engineer.

h) Hose Bib Shut Off

DMS Mechanical has been engaged to identify and label the courtyard hose bib shut off valves. Council will request DMS Mechanical include the shut of and reinstatement of these hose bibs as part of the annual service contract.

4. FINANCIAL STATEMENTS

The January 2020 Financial Statements, bank reconciliations, and bank statements were reviewed. It was moved Jeanine Nicholls and seconded by Michael Negus to approve the January 2020 Financial Statements, bank reconciliations, and bank statements as prepared and presented and to authorize Teamwork Property Management to take appropriate steps necessary to collect, on Strata's behalf, all outstanding money owing to the Strata Corporation. **CARRIED** All in Favor

Council reviewed invoices for snow removal specifically shoveling. The Council accepted the report from the snow removal company and will make changes to the contract for next snow season if required.

5. CORRESPONDENCE

- a) A letter was received from an Owner reporting the status of the renovations in their Unit. Council thanks the Owner for providing an update.
- b) Council reviewed a letter from an Owner reporting a concern with the enterphone operation. Council directed Teamwork to trouble shoot the issue with the Owner and determine if the enterphone contractor is required to attend.
- c) A letter was received from an Owner reporting a noise complaint from a neighbouring Unit. Council directed Teamwork to contact the new Owner regarding the noise issues and remind them of the renovation hours and the noise concerns.
- d) Council reviewed a letter from an Owner reporting a leak in the carport. Council directed Teamwork to send a letter of response to the Owner and to engage Abney Roofing to complete the necessary repairs.
- e) Two letters were received from Owners in response to letters from Council, The Owners reported they do not have a shut off valve inside their Unit for the exterior hose bib.
- f) A letter was received from an Owner reporting a concern with the glass in the patio door which is showing signs of condensation. Council directed Teamwork to engage the glass contractor to complete the necessary repairs.

6. NEW BUSINESS

a) Insurance

Council discussed the upcoming insurance expiry April 30, 2020. Council discussed the current status in the insurance industry and what to expect for the renewal period. Owners are requested to review the attached letter from the Managing Broker of Teamwork Property Management. As information is made available the Owners will be notified.

b) Annual General Meeting

Council commenced discussion on the upcoming Annual General Meeting which is typically held at the end of April. However due to the concerns with the insurance renewal and how the insurance premium will impact the budget, Council determined the Annual General Meeting will be held in May 2020.

c) Annual Fire Inspection

The annual fire inspection is due to be completed in April 2020. A date for completion will be requested from Elite Fire Protection.

Owners are reminded access to every Unit is required for the fire inspection. Please ensure you coordinate with a friend, family member, or neighbour if you can't be home for the inspection.

d) Work Safe

Teamwork reported on the 2019 annual Work Safe filing. The rate for 2019 is 0.76%

and the rate for 2020 is 0.75%. After a review of the contractors used in 2019 and a review of the Work Safe clearance letters, it was determined all contractors used in 2019 had the appropriate coverage therefore, there was no cost to the Strata Corporation.

e) Drain Cleaning

Council discussed drain cleaning, an Owner reported hearing gurgling from a sink which is an indicator of the need to clean the drains. Council will review quotes for the horizontal and vertical drain cleaning along with the perimeter drain system cleaning at the March 30, 2020 Council meeting.

f) Enterphone

Council directed Teamwork to contact Canada Post to schedule the upgrade of the Canada Post lock at the front entrance door. The costs of this upgrade are covered by Canada Post.

g) Canada Post Parcel Box

Council discussed the installation of the new parcel box. Council directed Teamwork to contact Canada Post to request the outgoing mail slot be unlocked to allow Owners to place letters inside the slot.

7. DATE OF NEXT MEETING

The next meeting will be held Monday, March 30, 2020 at 7:00 pm.

8. ADJOURNMENT

The meeting was adjourned at 8:43 pm.

Please put all concerns in writing and submit to Council

By email: admin@teamworkpm.com

By mail: Deposit in the suggestion box

Teamwork Property Management

Guest Suite or Recreation Room Rentals Please Email:

Westside.Estates3303@gmail.com

TEAMWORK PROPERTY MANAGEMENT LTD.

#105 – 34143 Marshall Road Abbotsford, BC. V2S 1L8

Phone: 1-866-941-6584 (ext. 325) Fax: 604-854-1754

After hour Emergency # 778-241-7787

Direct: 604-743-0291

Strata Corporation Insurance Alert – January 2020

You may have recently seen news reports or read articles containing reports of increasing strata insurance premiums and insurance deductibles. Given the state of the strata insurance industry, I'm sure more of these reports are still to come this year as Strata Corporations obtain their insurance renewals or, are faced with the news their Insurance Broker is having difficulty obtaining coverage for the property.

The Underwriters, who are the institutions which are financially responsible to fund the insurance claims when they occur, determine the premium and deductible limits. These institutions are mostly international firms and are the same firms funding insurance claims worldwide. This is an important point as one of the factors to blame for the increases in cost are widespread natural disasters such as the California and, more recently, Australia wildfires. Despite who you use as an Insurance Broker (HUB, BFL, CMW etc), the Underwriters for your policy are often the same small group of financial institutions. In recent years, underwriters have either pulled out of property insurance or, have increased costs to make up for the lack of insurance reserves due to increased claims and the aforementioned natural disasters. This has left an even smaller pool of insurance providers who are requesting higher premiums and increased deductible limits, which will have a direct, and in some cases drastic, effect on Strata Corporations and the Owners within those corporations.

It is important to note, not only are Strata Corporations mandated by Provincial law (the Strata Property Act) to obtain specific insurance coverage, insurance coverage is typically required by Mortgage Brokers when unit Owners obtain a new mortgage or renew an existing mortgage. Additionally, the Strata Corporation's insurance responds not only to property damage claims, but also legal claims, injury, system breakdown, privacy claims and provides much needed legal advice to the Strata Councils as they exercise the powers and perform the duties of the Strata Corporation.

One or more of the following issues may occur upon obtaining your renewal and it is very important for the Councils and Owners to be aware of the following:

Increased Premiums

An insurance premium is the total yearly cost of the insurance coverage. The insurance premium is a line item in the Strata Corporation's annual budget and is typically labeled simply as "Insurance". For the majority of the Strata Corporations in BC, the insurance premium is one of the largest line items in the strata's budget.

Over the last two months, we are seeing drastically higher insurance premiums, in some cases more than four times the amount of what has historically been the premium. As the premium is a budgetary line item, and even more so a large amount, drastic increases will have a direct, and impactful, effect on the monthly strata fees Owners are responsible to pay.

Furthermore, these increases are coming on short notice as we have been receiving the updated policies from the Brokers just prior to the renewal date. This being due to the issues the Brokers are experiencing obtaining coverage and terms from the Underwriters.

Increased Deductible Limits

Along with increases in insurance premiums, we are seeing massive changes to deductible limits. A deductible is a specified amount of money the insured (the Strata Corporation or individual Owner) must pay before an insurance company will pay a claim.

Typically for our client base, deductibles for items like water damage were in the range of \$5,000.00 - \$25,000.00. We are now seeing a typical minimum deductible of \$150,000.00 in the new policies. In the case of a deductible of \$150,000.00, a Strata Corporation or an Owner who is responsible for the source of the loss, would have to pay up to \$150,000.00 before there is relief from the insurer. As the majority of losses in a townhouse style or four-story condo style strata are well below \$150,000.00, there will be no assistance from the insurance companies to fund repairs. The Strata Corporations will be forced to increase funding to their Contingency Reserve Funds for unforeseen repairs which were previously paid for by the insurers.

Upon receiving the new insurance policy, Owners should also contact their home insurance providers to ensure they have adequate coverage.

Partial or No Coverage

Finally, there appear to be cases where the Brokers cannot obtain coverage, or can only obtain partial coverage, for the Strata Corporation. In some cases, the underwriters are listing repair conditions or, component upgrades, which must be met for coverage to be provided. In older buildings, where there will most likely be older systems or outdated building materials which have may have not been addressed, there will typically be a high cost to upgrade these components/systems. These properties may be faced with an even greater financial burden. This is a worst-case scenario; however, it is a scenario which has occurred and is a reality.

In conclusion, any one or, a combination, of the above issues could have a major impact on a Strata Corporation and/or the individual unit Owners. As per our fiduciary duties under the Real Estate Services Act Council Rules 3-3 (d), we would advise the Strata Corporations and Owners seek professional insurance and/or legal advice from their providers. For the Strata Councils of our Clients, we highly recommend they advise Owners of this insurance alert and please speak to your Teamwork Representative if you have further questions or concerns.

Tom Quinton
Managing Broker
Teamwork Property Management