

Regular Meeting of the Board of Directors of the
Rocky Ridge Properties Owners Association
Scheduled Meeting Date: February 18, 2026 at 1:30 pm
Meeting Location: Zoom Platform

Meeting Minutes

Advance Notice of Meeting. Justin (Buster) Fenley (the Association's property manager) provided notice to homeowners of the Board meeting in accordance with the requirements of the Association's Bylaws. The means of notice included (i) emails of the notice and agenda to members that have indicated that they accept emails as a form of notice; (ii) mailing of the notice and agenda to members who have not indicated that they accept email notices; (iii) posting of the notice and agenda on the website; and (iv) posting of the notice and agenda on the bulletin board at the Rocky Ridge entrance gate.

Attendance and Quorum: President Matt Howarth called the meeting to order at 1:31 pm.

All Board members Matt Howarth (President), Jim Naylor (Vice President), Gail Gabiati (Secretary) Laura Bertone (Treasurer), Stacy Conner, Stephen Dohrmann and Bruce Shepherd attended the meeting from the outset. A quorum of Board members thus was present throughout the meeting. Buster Fenley participated in the meeting as property manager for the Association. Four homeowners also attended the meeting.

Open Session

1. Approval of Minutes.

The minutes of the 12/16/25 regular Board meeting were approved.

2. Property Manager Report.

After a recent inspection, the Fire Marshall was concerned about articles stored near or in the electrical panel closets. If your unit happens to have an electrical panel closet, there can be nothing stored or placed near that closet. It is the responsibility of the homeowner to remove anything near the panel, particularly anything flammable.

During the snow free weeks, Buster and his crew were able to do some branch and underbrush clearing and some much-needed maintenance on the snow removal equipment. Of course, now they are swamped with snow. Buster reminds us all to slow down as he has seen a few cars skidding into the snow banks.

The upper pool will be re-plastered this spring, hopefully finishing by April 30, assuming the weather co-operates. New sand is ordered for the volleyball court and the shower doors at the upper pool were repaired.

Buster needs help with the website. It is very difficult to create links and a new site would be a huge improvement. If any homeowner has the means to help with this, please contact Buster directly.

3. Treasurer's Report

The transition to the new bookkeeping service has had some challenges. Our software was too old to interface with the new company so they are transferring all our files to an updated system. It will be fully installed soon and all Board members will receive monthly financial statements as usual.

There was discussion regarding current authorized bank signers and removing William Bauder as an authorized user of our accounts. The following motion was made by Laura Bertone, seconded by Steve Dohrmann and passed unanimously:

The current authorized signers at both Edward Jones and BMO banks are to be Matthew Howarth, Laura Bertone, Stacy Conner, James Naylor and Justin Fenley.

4. 4th of July Committee.

Gail (chair) presented a bullet point list of recommendations prepared by her committee (Stacy Conner, Debbie Meeks, Carolyn Lynch and Scott Shepherd) to address the overcrowding during the 4th of July weekend (attached to these minutes). Buster pointed out that if the Board decides to implement these changes, he needs to know before the April meeting so that he can secure the extra staff. Therefore, it was decided to hold a March 10 Board meeting and one of the agenda items will be the vote on any changes to current July 4th procedures at the beach facility. Prior to the March 10 meeting, the Committee will add more specific details to their plan concerning all procedures to be implemented and instructions for both the beach attendants and security personnel.

5. AB 130

Former Board member, Frank Pagliaro, researched the recent change in homeowner regulations created by AB130, signed into law last year. This statute specifies the procedure which homeowner associations must follow when imposing a fine against a homeowner. The fine is limited to \$100 per violation except for persisting violations and those that jeopardize the health and safety of other homeowners or the property. Fines for those may be higher. Since our Rules and Policies were written before the passage of this new law, we must alter our current documents so that we are in compliance. Frank agreed to draft the changes necessary to our governing documents, which we will then present to our attorney. The Board thanked Frank for his efforts as this volunteer research and drafting represents significant cost savings for the association.

6. Election Protocol

Tyler O'Neal agreed to be Inspector of Elections and Bruce Shepherd to serve as Election Officer. The motion to adopt the attached Notice of Annual Election of Officers was made by Bruce, seconded by Laura and passed unanimously. The Notice will be distributed to all homeowners and is also attached to these minutes.

7. Insurance Update.

Our insurance broker, Ryan Taylor at Interwest Insurance Services, has secured \$63 million of property damage insurance coverage for the Association through a collection of policies provided by multiple insurers. This aggregate property damage coverage of \$63,000,000 would cover roughly \$310 per square foot of damages to townhouse unit improvements.

The insurance has been procured at a total cost which is approximately \$86,000 less than last year's aggregate insurance expense. The insurance also has relatively favorable terms regarding co-insurance.

The Board reminds all homeowners that should a casualty event occur, each individual homeowner would be liable for a material portion of the re-build expense, including the cost of damages to the "walls in" and all furniture, fixtures and equipment. Our Association insurance covers only exterior walls, subfloors, roofs and staircases.

Attached to these minutes are materials provided by Ryan which collectively describe the insurance procured by the Association. The Board recommends that homeowners show these materials to their individual insurance brokers so as to assess how the homeowners individual insurance meshes with the insurance procured by the Association. For example, homeowners should confirm that their own policies include “H-06” coverage and, if possible, loss assessment coverage.

Ryan also noted that we have moved the majority of the policies to one uniform commencement date of December 5, with only the one Fair plan policy with a late January commencement date. This will help our budgeting and planning going forward.

The Board thanked Ryan for the positive input he has provided regarding the Association’s insurance coverage.

8. New Business

Bruce mentioned that he would like to see the Board initiate a process whereby we determine when certain facilities should be rebuilt rather than repaired.

In addition, Bruce thinks the Board should consider if the Association should take responsibility for rodent abatement rather than leaving that to individual homeowners.

At 3:31 pm, the Board adjourned to closed session.

Closed Session

In closed session the Board discussed the ongoing lawsuit against our former insurance brokers, negotiations regarding the settlement of our claims and a parting gift for Yates’ years of service for the Rocky Ridge community.

The meeting adjourned at 4:00 pm.

Scheduled regular Board of directors meetings: The proposed schedule for regular Board of director meetings for the Rocky Ridge Properties Owners’ Association is as follows (both the dates and the topics are subject to change by the board):

Date	Location	Contemplated Topics (subject to change)
3-10-26 1:30	Zoom	<ul style="list-style-type: none"> • 4th of July Beach Facility discussion and vote • Update on Board Elections • Process to Consider Replacement rather than Repair • Rodent Abatement
4-7-26 1:30	Zoom	<ul style="list-style-type: none"> • Update on Board Elections
5-12-26 1:30	Zoom	<ul style="list-style-type: none"> • Update on Board Elections
6-23-26 1:30	Zoom	<ul style="list-style-type: none"> • Update on Board Elections

The **2026 annual members’ meeting** for the Rocky Ridge Properties Owners Association (i.e., the annual homeowners’ meeting) is scheduled for **Saturday within Labor Day Weekend (9-5-26), at 11:00 am**. The meeting will be held in the Rocky Ridge Beach Clubhouse. The Association will host a beach barbecue immediately following the member meeting.

4th Of July Committee Findings and Recommendations

Committee Findings: July 4th at the Rocky Ridge Beach

- The beach and the pier are grossly overcrowded to the point that many Members of the Association feel they would rather not use the facility than deal with the crowd and partying.
- The overcrowding is largely the result of a few Association Members inviting significantly in excess of the 15 people per condo limit.
- The combination of significant drinking, number of people on the pier, and a very busy boating day pose significant liability risks to the Association.
- The Association should not take the position that the situation is hopeless and ignore the potential liability and the impact upon Member's use of the facility.
- Limiting the number of people at the beach would address the problem.

Recommendation One: Limiting number of beach guests

- **Enforce Existing Group Size Rules:** Enforcing the existing limit on the number of guests would largely address the problem. The rule of 15 people per condo is flagrantly abused. Repeat abusers should be warned they are subject to fine and at risk of losing beach use rights.
- **July 4th Lower Group Limit:** We recommend that number be reduced to 10 people per condo allowed at the beach. This limitation should be considered for both Friday, July 3rd (National Holiday) and for Saturday, July 4th in 2026.
- **Children under the age of 5 Exempt:** children under 5 would not be counted under the '10' rule on July 3rd and 4th.

Recommendation Two: Gate Monitor / Private Security

- **Gate Code is Ineffective on July 4th:** Gate code input at the beach gate is ineffective as a control as guests at the beach simply open the door for new arrivals or the door is propped open.
- **Gate Monitor:** Posting an official with a clipboard at the gate to the beach from 9am to 5pm would turn away uninvited guests before they entered the Beach.
- **Prevent Uninvited Guests:** Tracking guests and associated unit number would both prevent Members from abusing the limit and stop uninvited walk-ins looking for a place for a beach party.

Other Beach Recommendations:

- **No saving of chairs and tables:** Association Members should be asked not to place personal items on chairs, lounges, and tables to save for their exclusive use all day.

Homeowners or the attendants should be empowered to remove items from tables and chairs that are placed there to 'save' the places while the owners of those items are not in the beach area.

- **Adherence to our Boating Rules:** Members should be reminded boats may not stay tied to the pier for more than 10 minutes and may not dock on the swimming area side of the pier. The job description for the Buoy Attendants should be updated to include power to enforce the rules. Members that ignore Buoy Attendant direction should be at risk of losing their boat mooring.
- **Side Gate is often unlocked:** Of concern not just on July 4th, the side gate is frequently left unlocked. This gate should be locked at all times to increase effectiveness of the gate code at the entrance.

NOTICE OF ANNUAL ELECTION OF DIRECTORS
(AND OF TIMELINE AND PROTOCOLS FOR THE ELECTION)

Date of this Notice: **February 20, 2026**

The governing documents for the Rocky Ridge Properties Owners' Association call for annual elections for a portion of the 7 seats on the Association's board of directors. The directors are elected through a vote of the homeowners (each homeowner also is a member of the Association). Each director serves a term of 2 years. Three director seats are up for election in 2026; these seats are held by Steve Dohrmann, Matt Howarth and Jim Naylor. The seats for the other 4 directors are held by Laura Bertone, Stacy Conner, Gail Gabiatti and Bruce Shepherd; those 4 seats are not scheduled for election again until 2027. This notice is the "**2026 Election Notice**" referred to below. The election will be handled as follows (unless otherwise specified, actions to be taken by specified dates shall be completed by 5:00 pm on such dates in calendar year **2026**):

- (1) **Inspector and Election Officer.** The Board of Directors has appointed (a) Tyler O'Neal to serve as the Inspector of Elections with respect to the 2026 director election, and Tyler has accepted such appointment, and (b) Bruce Shepherd to serve as the Election Officer with respect to the 2026 director election, and Bruce has accepted such appointment. The Inspector of Elections and the Election Officer shall work together with Justin "Buster" Fenley (the "Property Manager") to facilitate, coordinate and reasonably administer the election. For notice purposes, the Property Manager's email address is rockyridgemaintenance@gmail.com, the Inspector's email address is Tyler@OnealBrokers.com, and the Election Officer's email address is Bruce.Shepherd@outlook.com.
- (2) **Compliance with Association Rules and California Law.** The Association and the Inspector have established this timeline for the election which (a) will permit ballots to be tabulated, and results announced, at the annual meeting of the members of the Association at the Rocky Ridge Beach Clubhouse at **11:00 a.m. on Saturday 9/5**, and (b) to the Board's knowledge, will comply in all material respects with the requirements of the Association's Election Rules and the provisions of California law.
- (3) **Nomination of Candidates.** Owners who are current in their assessment payments may nominate themselves to run for a director seat by contacting the Property Manager and the Election Officer by email by **5/26**. The Association shall provide email or other written confirmation to each nominated candidate within 7 days after receipt of the candidate's nomination (unless the individual fails to qualify for candidacy, in which case the Association shall so inform the individual, with a brief explanation).
- (4) **Potential for Election by Directors by Acclamation. NOTWITHSTANDING THE FOREGOING,** the board may elect directors by acclamation and without member balloting if, as of 5:00 pm on **5/26 (the "Reminder Date")**, the number of candidates is the same or fewer than the number of board seats to be filled. As a condition to utilizing an election by acclamation without a vote of the members, the following conditions must be satisfied:
 - **Reminder Notice:** The Inspector first shall provide notice (the "**Reminder Notice**") to the members that, as of the Reminder Date, (a) the number of nominations is less than or equal to the number of board seats to be filled, and (b) that, as a consequence, the deadline for nominations is being extended to **6/9**. The Reminder Notice shall be provided to the members by **6/1** and shall identify all candidates nominated as of the Reminder Date. The Reminder Notice further shall include a copy of this 2025 Election Notice.
 - **Noticed Board Meeting:** If as of **6/9**, the number of candidates still is the same or less than the number of board seats to be filled, then the board, in a noticed board meeting held no earlier than **21** days after the delivery of the Reminder Notice, may elect the candidates by acclamation (and without balloting or the other steps described in section 5 below). As a condition to Board implementation of an election by acclamation, the notice of the meeting at which the board vote is to be held (in order to implement the election by acclamation) shall identify all duly nominated board candidates.
- (5) **Election by Member Vote:** If the seats are **not** filled through election by acclamation as provided above (e.g., because the number of nominations has increased (in accordance with the foregoing) to exceed the number of board seats to be filled), then the following shall apply:
 - **Election.** Rather than utilizing the election by acclamation process, the Board shall proceed to hold a member ballot election to elect the directors.
 - **Candidates Notice.** By **6/16**, the Inspector shall provide members with the following notice (the "**Candidates Notice**"):
 - The notice shall set forth the names of the eligible candidates timely nominated to run in the election, including candidates duly nominated after the initial deadline for nominations;
 - The notice shall include a copy of this 2025 Election Notice;
 - The notice shall set forth the deadline for submission of ballots, and the address to which ballots must be returned to be counted in the election (i.e., the ballots should be mailed to PO Box 432, Tahoe City, CA 96145, Attn: Inspector of Elections – Board Election); and
 - A notice shall include a statement that (a) the Inspector has compiled a list of candidates, and that candidates may verify the accuracy of their individual information on that list, provided such verification is completed by emails to the Property Manager and the Election Officer by **7/2**, and (b) the Association has compiled a list of members eligible to vote in the election, and that members may verify the accuracy of their individual information on that list, provided such verification is completed by emails to the Property Manager and the Election Officer by **7/2**.
 - **Candidate Statements.** Candidates shall have until **7/2** to provide a candidate statement of up to 350 words. The statement should be provided to the Property Manager by email, with a copy to the Elections Officer. If timely submitted, the candidate statement shall be circulated to the members.

- **Ballots**. No earlier than **30** days after provision of the Candidates Notice, and by a date which is at least **30** days before the deadline set forth below for submission of ballots, the Property Manager shall circulate ballots (along with any candidate statements) to the members in accordance with the voter list. The instructions accompanying the ballots shall inform members that to be counted, ballots must be returned before 5 minutes **after** the meeting on **9/5** is called to order. Additional instructions for return of ballots may be set forth in the cover letter distributing the ballots.
 - **Counting of Ballots**. The ballots will be tabulated at the meeting by the Inspector (or his delegee, including the Property Manager). The 3 candidates receiving the most votes will be elected as directors for the 3 seats.
- (6) **Announcement of Results**. The names of the elected candidates will be announced at the end of the **9/5** meeting of members, will be entered in the minutes of the Board, and will be announced to the members by general notice by **10/5**. The announcement of the tabulated results shall include a statement that the Inspector shall retain the ballots, the candidate list and the voter list for a period of one year, subject to any additional mandates set forth in the Election Rules or California law.

The above represents a summary of the election process. The election process is subject to additional requirements set forth in California law and in the governing documents (including the Election Rules) of the Association. The Association may approve modifications to these election protocols to the extent that the modifications are reasonably crafted to promote the fundamental electoral protections intended to apply under the Association's Bylaws and California law.

Annual Insurance Disclosure 2026-27

In accordance with the requirements set forth under California Civil Code 5300 (b)(9), associations must provide the following insurance summary annually. This disclosure will list the insurance your association carries through our agency.

Rocky Ridge Properties Owners Association

Effective: December 5, 2025 to January 27, 2027

Property Policy (Units 1 – 16 & 74-83):

National Fire & Marine Insurance Company

12/5/2025 – 12/5/2026

Buildings per SOV (TIV): \$13,109,900
Business Income per SOV (TIV): \$339,680
Replacement Cost
Coinsurance: 80%
Covered Cause of Loss: Special Including Theft
Deductible: \$25,000
Water Damage Deductible: \$100,000
Wildfire Smoke, Wind & Hail Deductible: \$116,000

Property Policy (Units 17 – 48)

California Fair Plan Association

1/27/2026 – 1/27/2027

Buildings per SOV (TIV): \$18,279,150
Business Income per SOV (TIV): \$494,080
Replacement Cost
Coinsurance: 90%
Deductible: \$75,000
Perils Insured Against: Fire, Lightning, Explosion, Windstorm or Hail, Smoke, Aircraft or Vehicles, Riot or Civil Commotion, Sinkhole or Collapse, Volcanic Action and Vandalism.

Property Policy (Units 49-71)

Underwriters at Lloyd's of London

12/5/2025 – 12/5/2026

Buildings per SOV (TIV): \$12,268,560
Business Income per SOV (TIV): \$339,680
Coinsurance: None
Covered Cause of Loss: Special Including Theft
Deductible: \$25,000
Water Damage Deductible: \$75,000
Smoke Damage Deductible: \$250,000

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Property Policy (Units 86-123 + Sales, Maint., Pool Bldgs, Common Areas & Clubhouse)

Underwriters at Lloyd's of London

12/5/2025 – 12/5/2026

Buildings per SOV (TIV): \$17,699,230
Business Income per SOV (TIV): \$415,560
Business Personal Property (Pool Buildings): \$50,000
Primary Policy Limit: \$10M
Replacement Cost
Coinsurance: None
Covered Cause of Loss: Special Including Theft
Deductible: \$25,000
Water Damage Deductible: \$75,000
Smoke Damage Deductible: \$250,000

Excess Property Policy (Units 86-123 + Sales, Maint., Pool Bldgs, Common Areas & Clubhouse)

Kinsale Insurance Company

12/5/2025 – 12/5/2026

Property Limit (TIV): \$8,164,790 Excess over \$10,000,000 Primary (Combined TIV: \$18,164,790)
Replacement Cost
Covered Cause of Loss: Special Including Theft
Deductible: Per underlying Primary Property Policy. Coverage applies after Primary \$10M limit exhausted.

Property Covered: Includes buildings from outside to bare walls only (i.e., to and including sheetrock of exterior and interior walls, ceilings and plywood subfloor.)

Insurance **Does Not** provide coverage against loss or damage to the following:

- Fixtures (Plumbing and Electrical)
- Appliances
- Cabinets
- Floor Coverings
- Ceiling or Wall Coverings
- Installation, alterations or additions that comprise part of the building when situated within a portion of the premises used exclusively by an individual condominium unit owner.
- Household and Personal Property, including furniture, owned by or in the care, custody and control of the individual condominium unit owners.

Perils Insured Against: Our property is protected against loss on a Special Form Including Theft Basis, except for Fair Plan policy which covers Named Perils Only. Some of the perils for which we are insured include: Fire, Lightening, Windstorm, Hail, Vandalism and Collapse of Roof.

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Exclusions to Coverage: The major exclusions on our policies include loss due to:

- Earthquake
- Flood
- War
- Nuclear Attack
- Wet or Dry Rot

General Liability:

Western World Insurance Co.

1/1/2026 – 1/1/2027

Each Occurrence: \$1,000,000/General Aggregate: \$2,000,000

\$10M Umbrella Liability:

Great Point Insurance Co.

1/1/2026 – 1/1/2027

\$10,000,000 Each Occurrence/Aggregate

Umbrella Extends over: General Liability, Auto Liability, Employers Liability, Directors & Officers Liability

Liability is provided on a Commercial General Liability basis. This policy extends coverage to the individual unit owners, but only with respect to their liability arising out of ownership, maintenance or repair of that portion of the premises which is not reserved for their exclusive individual use or occupancy.

INDIVIDUAL UNIT OWNERS SHOULD PURCHASE A CONDOMINIUM HOMEOWNERS POLICY TO PROVIDE COVERAGE FOR PERSONAL PROPERTY AND FIXTURES COVERAGE WITHIN YOUR UNIT.

YOUR POLICY SHOULD ALSO PROVIDE COVERAGE FOR ADDITIONAL LIVING EXPENSES, LOSS OF RENTAL INCOME, PERSONAL LIABILITY FOR ACCIDENTS OCCURRING WITHIN YOUR UNIT, AND LOSS ASSESSMENTS. WE WOULD RECOMMEND YOU PROVIDE A COPY OF THIS LETTER TO YOUR PERSONAL INSURANCE AGENT TO BE SURE YOUR CONDOMINIUM HOMEOWNERS POLICY IS PROPERTY WRITTEN.

Workers Compensation:

Citizens Insurance Company of America

1/1/2026 – 1/1/2027

Employer Liability Limits: \$1,000,000 each accident

\$1,000,000 disease policy limit

\$1,000,000 disease each employee

Excess Liability (First & Second Layers) Extend over this policy.

Annual Insurance Disclosure 2026-27

Workers Compensation USL&H:

American Longshore Mutual Association, LTD.

1/1/2026 – 1/1/2027

Federal Acts Covered: Longshore and Harbor Workers' Compensation Act (33 USC 901)

Employer Liability Limits: \$1,000,000 each accident

\$1,000,000 disease policy limit

\$1,000,000 disease each employee

Directors and Officers Liability:

StarNet Insurance Company

1/1/2026 – 1/1/2027

Limit of Insurance \$2,000,000 Deductible \$1,000

Crime:

Travelers Casualty and Surety Company of America

1/1/2026 – 1/1/2027

Insuring Agreement:	Limit of Insurance Per Occurrence	Deductible Per Occurrence
Employee Theft	\$500,000	\$2,500
ERISA Fidelity	\$500,000	\$0
Forgery or Alteration	\$500,000	\$2,500
On Premises	\$500,000	\$2,500
Money Orders or Counterfeit Money	\$500,000	\$2,500
Computer Crime (Fraud)	\$500,000	\$2,500
Funds Transfer Fraud	\$500,000	\$2,500
Claim Expense	\$5,000	\$0

Pollution Liability:

Illinois Union Insurance Co.

1/27/2024 – 1/27/2027

Pollution Liability: \$1,000,000 Deductible: \$25,000

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Ocean Marine:

Great American Insurance Co.

1/1/2026 – 1/1/2027

Marina Operator's Legal Liability \$1,000,000 Deductible \$1,000

Marine Commercial Liability \$1,000,000 each occurrence/\$2,000,000 aggregate

Protection & Indemnity \$1,000,000 any one accident or occurrence Deductible \$1,000

Row Boat:

Limit of Liability \$750

Deductible \$150

2021 Boston Whaler:

Limit of Liability \$5,500

Deductible \$1,000

Ocean Marine Excess Liability:

Great American Insurance Co.

1/1/2026 – 1/1/2027

Excess Liability Limit \$1,000,000 Self Insured Retention \$10,000

Inland Marine:

Hanover Insurance Co.

1/1/2026 – 1/1/2027

Scheduled Equipment \$360,000

Deductible \$5,000

Coinsurance 80%

1. 2020 Caterpillar 938M

2. 2019 Snow Plow LM2020

Unscheduled Equipment \$50,000 (max per item \$2,500)

Employee Tools and Work Clothing \$10,000 (any one occurrence/\$1,000 any one item)

Equipment Leased or Rented from Others \$50,000

Commercial Auto:

Allmerica Financial Benefit Insurance Co.

1/1/2026 – 1/1/2027

\$1,000,000 Combined Single Limit

Including Comprehensive and Collision, Hired and Non-Owned Auto

Annual Insurance Disclosure 2026-27

To obtain certificates of Insurance for lenders, contact InterWest Insurance Services directly:

Ben Stultz
InterWest Insurance Services
bstultz@iwins.com



This summary of the association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.

Phone: (530) 897-3175 www.iwins.com
License CA: 0B01094 P.O. Box 8110-Chico, CA 95927-8110



INTERWEST

INSURANCE SERVICES, LLC

Rocky Ridge – Insurance Summary

Policy Cycle: Policy Dates Between 12/5/2025 – 1/27/2027

1. Current Insurance Program Overview

Below is a consolidated summary of the Association's active insurance coverage.

Property Insurance:

- **Units 1-16 & 74-83 (12/5/25-12/5/26):**
 - TIV \$13,109,900 (per SOV)
 - Special Form incl. theft
 - Deductibles: \$25k all other perils / \$100k water damage / \$116k wildfire smoke

- **Units 17-48 (1/27/26-1/27/27):**
 - TIV \$18,279,150 (per SOV)
 - Named Perils only (Fire, Lightening, Vandalism, Wind, Hail, Explosion)
 - Deductible: \$75k.

- **Units 49-71 (12/5/25-12/5/26):**
 - TIV \$12,268,560 (per SOV)
 - Special Form incl. theft
 - Deductibles: \$25k all other perils / \$75k water damage / \$250k wildfire smoke

- **Units 86-123 + Other Buildings (12/5/25-12/5/26) Primary:**
 - TIV \$18,114,790 (\$10M Primary Limit) – (per SOV)
 - Special Form incl. theft
 - Deductibles: \$25k all other perils / \$75k water damage / \$250k wildfire smoke

- **Units 86-123 + Other Buildings (12/5/25-12/5/26) Excess:**
 - \$8,114,790 Excess over \$10M Primary Limit (per SOV)
 - Special Form incl. theft
 - Deductibles: apply per Primary Policy

General Liability & Other Coverages:

• **General Liability** (1/1/26–1/1/27):

- Limits: \$1M each occurrence / \$2M aggregate

• **Umbrella** (1/1/26–1/1/27):

- Limit: \$10M
- Umbrella extends over: General Liability, Auto Liability, Employers Liability (part of Workers Compensation), and Directors & Officers.

• **Commercial Auto** (1/1/26–1/1/27):

- Auto Liability Limit (Bodily Injury & Property Damage): \$1M
- Hired & Non-Owned Auto Included
- Comprehensive & Collision Deductibles (4 Trucks): \$1K/\$1K

• **Directors & Officers** (1/1/26–1/1/27):

- D&O Liability Limit: \$2M
- D&O Deductible: \$1,000

• **Crime** (1/1/26 – 1/1/27)

Insuring Agreement:	Limit of Insurance Per Occurrence	Deductible Per Occurrence
Employee Theft	\$500,000	\$2,500
ERISA Fidelity	\$500,000	\$0
Forgery or Alteration	\$500,000	\$2,500
On Premises	\$500,000	\$2,500
Money Orders or Counterfeit Money	\$500,000	\$2,500
Computer Crime (Fraud)	\$500,000	\$2,500
Funds Transfer Fraud	\$500,000	\$2,500
Claim Expense	\$5,000	\$0

• **Workers Compensation** (1/1/26 – 1/1/27):

- Employer Liability Limits: \$1,000,000 each accident
 - \$1,000,000 disease policy limit
 - \$1,000,000 disease each employee

- **Workers Compensation USL&H (1/1/26–1/1/27):**

Federal Acts Covered: Longshore and Harbor Workers' Compensation Act (33 USC 901)

Employer Liability Limits: \$1,000,000 each accident

\$1,000,000 disease policy limit

\$1,000,000 disease each employee

- **Ocean Marine (1/1/26–1/1/27):**

Marina Operator's Legal Liability \$1,000,000 / Deductible \$1,000

Marine Commercial Liability \$1,000,000 each occurrence/\$2,000,000 aggregate

Protection & Indemnity \$1,000,000 any one accident or occurrence Deductible \$1,000

Rowboat: Limit of Liability \$750 / Deductible \$150

2021 Boston Whaler: Limit of Liability \$5,500 / Deductible \$1,000

- **Excess Ocean Marine (1/1/26–1/1/27):**

- Excess Ocean Marine Liability Limit: \$1M

- Self-Insured Retention: \$10K

- **Inland Marine (1/1/26–1/1/27):**

Scheduled Equipment \$360,000

Deductible \$5,000

Coinsurance 80%

1. 2020 Caterpillar 938M

2. 2019 Snowplow LM2020

Unscheduled Equipment \$50,000 (max per item \$2,500)

Employee Tools and Work Clothing \$10,000 (any one occurrence/\$1,000 any one item)

Equipment Leased or Rented from Others \$50,000

- **Pollution Liability (1/1/24–1/1/27):**

- Pollution Limit: \$1M

- Deductible: \$25,000

2. Summary of Savings Achieved

The Association realized significant cost savings through restructuring of some policies, aligning renewal dates, and improving coverage placement.

- Property savings after restructuring (Final Cost vs. Originally Projected): \$41,148.29
- Refund from cancel/rewrite (aligned two 1/27/26 renewals to 12/5/25): \$25,514.66
- Umbrella Savings (replaced multiple Excess layers with a \$10M umbrella): \$19,539.47

Total Savings: \$86,202.42

3. Coverages Presented or Pending

- **Difference in Conditions (DIC) for Units 17–48:** Fair Plan is Named Perils only; DIC is recommended to plug gaps by providing Special Form coverage which includes water damage, collapse due to weight of snow/ice, and other special form perils not covered by Fair Plan.

DIC Quoted Annual Cost: \$30,164.25

- **Equipment Breakdown for All Buildings:** Recommended to cover mechanical/electrical systems, HVAC, boiler/pressure systems, Pool equipment systems, and electrical arcing losses not currently covered.

Equipment Breakdown Quoted Annual Cost: \$1,637

- **Employment Practices Liability (EPL):** Application sent and pending return. EPL is recommended to help protect the association against claims of Harassment, Discrimination, Wrongful Termination, Retaliation, Failure to Promote, Hostile Work Environment, Wage & Hour, and others.

EPL Quoted Annual Cost: TBD (Need completed app to Quote)

4. Additional Notes for the Board

- The number of Property policies was reduced this year to 5 (vs. 6 last year). This was part of the restructuring of the policies which also included cancelling/rewriting 2 of the policies that were set to renew on 1/27/26 but were moved to 12/5/25.
- The number of Excess/Umbrella policies was reduced this year to 1 (vs. 4 last year) which not only provided additional savings but also increased the total D&O limit to \$12M this year vs. \$7.5M last year.
- Unit owners should maintain personal policies for interior improvements, personal property, loss of use, liability, and loss assessment coverage.

ROCKY RIDGE: 2025/2026 - 2026/2027 Premium Summary with Expiring

Renewal Policy	Policy Dates	Renewal Premium
Property (Units 1-16 & 74-83)	12/5/2025 - 2026	\$178,877.58
Property (Units 17-48)	1/27/2026 - 2027	\$70,609
Property (Units 49-71)	12/5/2025 - 2026	\$114,498
Property (Units 86-123 + Other Bldgs)	12/5/2025 - 2026	\$145,452
Excess Property (Units 86-123 + Other Bldgs)	12/5/2025 - 2026	\$56,584.94
General Liability	1/1/2026 - 2027	\$10,246.81
\$10M Umbrella (over GL, Auto, WC, D&O)	1/1/2026 - 2027	\$5,138.36
\$10M Umbrella - Annual Membership Dues	1/1/2026 - 2027	\$847
Commercial Auto	1/1/2026 - 2027	\$8,623
Inland Marine	1/1/2026 - 2027	\$4,999
Ocean Marine	1/1/2026 - 2027	\$11,760
Excess Ocean Marine	1/1/2026 - 2027	\$3,955
Workers Compensation	1/1/2026 - 2027	\$10,440
Workers Compensation USL&H	1/1/2026 - 2027	\$7,500
Crime	1/1/2026 - 2027	\$966
D&O Primary	1/1/2026 - 2027	\$4,304
Renewal Total	Annual	\$634,800.69
Total (Property Only)	Property Only	\$566,021.52
Running Total (Other Policy's)	Other Policy's	68,779.17

Property - Final vs. Projected	Savings amount	\$41,148.29
Property - Refund for Cancel/Rewrites	Refund amount due	\$25,514.66
\$10M Umbrella replaced 4 Policies	Savings amount	\$19,539.47

Multiple Year Policies		
Pollution (3 Year Term)	1/27/2024 - 2027	\$21,139
ERISA Bond \$350,000 (3 Year Term)	1/1/2025 - 2028	\$387

Expiring Policy	Expiring Premium
Property (Units 1-16)	\$134,373.56
Property (Units 17-48)	\$70,609.00
Property (Units 49-68)	\$99,283.08
Property (Units 70-87 + Sales, Maint, Pool Bldgs)	\$85,576.65
Property (Units 90-123 + Clubhouse)	\$159,585.81
Excess Property (Units 90-123 + Clubhouse)	\$36,474.13
General Liability	\$9,607.09
Excess Liability - \$5M	\$8,642.00
Excess Liability - \$5M xs \$5M	\$7,067.83
Commercial Auto	\$7,065.00
Inland Marine	\$4,760.00
Ocean Marine	\$11,760.00
Excess Ocean Marine	\$3,765.00
Workers Compensation	\$10,892.00
Workers Compensation USL&H	\$7,500.00
Crime	\$966.00
D&O Primary	\$4,284.00
Excess D&O - \$2M	\$2,185.00
Excess D&O - \$3.5M xs \$2M	\$5,600.00
Expiring Total (Annual)	\$669,996.15
Total Expiring (Property Only)	\$585,902.23
Total Expiring (Other Policy's)	\$84,093.92

Rocky Ridge Properties
Owners Association

Unit #s	Square footage	rents	BPP	replacement									electrical	HVAC	plumbing		
				cost	const.	# stories	built	sprinklered	roof								
1-4	7,442	\$ 61,760	X	\$ 2,307,020	frame	2	1980	0%	2012	2014	1980	2015	Berkshire 12/5	12PRM120258-03			
5-8	7,066	\$ 61,760	X	\$ 2,190,460	frame	2	1980	0%	2012	2014	1980	2015	Berkshire 12/5	12/5/25 - 12/5/26			
9-12	7,442	\$ 61,760	X	\$ 2,307,020	frame	2	1980	0%	2012	2014	1980	2015	Berkshire 12/5	TIV \$13,449,580			
13-16	7,440	\$ 61,760	X	\$ 2,306,400	frame	2	1980	0%	2012	2014	1980	2015	Berkshire 12/5				
17-20	7,442	\$ 61,760	X	\$ 2,307,020	frame	2	1980	0%	2012	2014	1980	2015	Fair Plan 1/27	COM0300069188-01			
21-24	7,253	\$ 61,760	X	\$ 2,248,430	frame	2	1980	0%	2012	2014	1980	2015	Fair Plan 1/27	1/27/26 - 1/27/27			
25-28	7,442	\$ 61,760	X	\$ 2,307,020	frame	2	1980	0%	2012	2014	1980	2015	Fair Plan 1/27	TIV \$18,773,230			
29-32	7,440	\$ 61,760	X	\$ 2,306,400	frame	2	1980	0%	2012	2014	1980	2015	Fair Plan 1/27				
33-36	7,442	\$ 61,760	X	\$ 2,307,020	frame	2	1980	0%	2012	2014	1980	2015	Fair Plan 1/27				
37-40	7,253	\$ 61,760	X	\$ 2,248,430	frame	2	1980	0%	2012	2014	1980	2015	Fair Plan 1/27				
41-44	7,253	\$ 61,760	X	\$ 2,248,430	frame	2	1980	0%	2012	2014	1980	2015	Fair Plan 1/27				
45-48	7,440	\$ 61,760	X	\$ 2,306,400	frame	2	1980	0%	2012	2014	1980	2015	Fair Plan 1/27				
49-52	7,442	\$ 61,760	X	\$ 2,307,020	frame	2	1980	0%	2012	2014	1980	2015	2nd Lloyds 1/27	PROP000199			
53-56	7,440	\$ 61,760	X	\$ 2,306,400	frame	2	1980	0%	2012	2014	1980	2015	2nd Lloyds 1/27	12/5/25 - 12/5/26			
57-60	7,442	\$ 61,760	X	\$ 2,307,020	frame	2	1980	0%	2012	2014	1980	2015	2nd Lloyds 1/27	TIV \$12,608,240			
61-64	5,512	\$ 61,760	X	\$ 1,708,720	frame	2	1980	0%	2012	2014	1980	2015	2nd Lloyds 1/27				
65-68	7,440	\$ 61,760	X	\$ 2,306,400	frame	2	1980	0%	2012	2014	1980	2015	2nd Lloyds 1/27				
70-71	4,300	\$ 30,880	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	3rd Lloyds 1/27				
74-75	4,300	\$ 30,880	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	3rd Lloyds 1/27	12PRM120258-03			
78-79	4,300	\$ 30,880	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	3rd Lloyds 1/27	Included with units 1-16			
82-83	4,300	\$ 30,880	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	3rd Lloyds 1/27				
86-87	4,300	\$ 30,880	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	3rd Lloyds 1/27	WDPR000182 (primary) &			
90-91	4,300	\$ 46,320	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	Lloyds 12/5	0100334042-1 (excess)			
93, 95 & 96	5,900	\$ 30,880	X	\$ 1,829,000	frame	2	1980	0%	2012	2014	1980	2015	Lloyds 12/5	12/5/25 - 12/5/26			
98-99	4,300	\$ 30,880	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	Lloyds 12/5	TIV \$18,114,790			
103-104	4,300	\$ 30,880	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	Lloyds 12/5				
107-108	5,900	\$ 30,880	X	\$ 1,829,000	frame	2	1980	0%	2012	2014	1980	2015	Lloyds 12/5				
109,111-112	4,300	\$ 46,320	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	Lloyds 12/5				
113,115-116	5,900	\$ 46,320	X	\$ 1,829,000	frame	2	1980	0%	2012	2014	1980	2015	Lloyds 12/5				
117,119-120	5,900	\$ 46,320	X	\$ 1,829,000	frame	2	1980	0%	2012	2014	1980	2015	Lloyds 12/5				
122-123	4,300	\$ 30,880	X	\$ 1,333,000	frame	2	1980	0%	2012	2014	1980	2015	Lloyds 12/5				
Clubhouse	1,176	X	X	\$ 364,560	frame	1	1970	0%	2012	2014	1970	2015	Lloyds 12/5				
Sales Office Bldg	1,077	\$ 20,000	X	\$ 333,870	frame	1	1980	0%	2012	2014	1980	2015	3rd Lloyds 1/27				
Two Pool Bldgs (parcel 38 &	1,280	X	\$ 50,000	\$ 396,800	frame	1	1970	0%	1970	X	X	X					
Maintenance Bldg	4,000	\$ 25,000	X	\$ 1,240,000	frame	1	1970	0%	2012	2014	1970	2015	3rd Lloyds 1/27				

197,764 \$ 1,589,000 \$ 50,000 \$ 61,306,840

\$ 62,945,840
TIV



Important notice regarding Insurance for: Rocky Ridge Properties Owners Association

The purpose of this document is to:

1. Inform you regarding California law affecting insurance coverage for Rocky Ridge Properties Owners Association as well as you as an Owner.
2. **Notify you that should a covered loss occur to your home you may be personally responsible for Reimbursement Assessment. Please speak with your personal lines broker about adding "Assesments" coverage to your policy.**
3. Provide you with information that will assist you in securing personal insurance. Doing so can lessen the financial impact you will face for damage to your home [See Exhibit 1].
4. Address basic coverage and exclusion provisions common in most insurance contracts. Please ask for copy of policy should you want to review its terms and conditions in full.
5. Address loss prevention practices.
6. Provide information to assist you in ordering evidence of insurance for personal or mortgage company use.
7. Provide instructions on claim procedures and protocol.

1. Application Limits of Association's Insurance Coverage

- 1.1 Applies to Association and unit owner policies and supersedes anything to the contrary written in the CC&Rs (Covenants Conditions and Restrictions).
- 1.2 The Association's policy includes coverage for: "completed additions, fixtures including outdoor fixtures, permanently installed machinery and equipment, and floor coverings." Please refer to the policy for the terms and conditions.
- 1.3 When a covered cause of loss occurs the Association's policy of property insurance shall provide **primary coverage**. The **unit owner's insurance policy may be primary following the investigation after a claim**.
- 1.4 If two or more owners suffer a loss in a single event, they may each be responsible for payment of a portion of the Association's deductible based on the percentage of loss they each suffered should a reimbursement assessment be generated.
- 1.5 If an owner does not pay his/her share of the loss within 30 days after substantial completion, the Association may levy an assessment against the owner and place a lien on the unit.
- 1.6 If the unit owner has no insurance for a covered cause of loss, he/she may be personally responsible for the loss to the amount of the Association's policy deductible.

2. Rocky Ridge Properties Owners Association has a property deductible between \$25,000 - \$75,000 for each occurrence, However, Water Damage and Smoke Damage carry higher deductibles. Payment for the first \$25,000 - \$75,000 of damage may become your responsibility when a covered cause of loss affecting your unit occurs, if a reimbursement assessment is generated. Payment of the reimbursement assessment may be insured by your personal insurance policy. Consult your insurance advisor regarding your coverage.

IMPORTANT: The information contained herein is intended to be used solely for informational reference and as a general guideline. It confers no rights nor affirmatively or negatively amends, extends or alters coverage afforded by the policies referred to.



3. Personal Insurance:

Each Owner shall be responsible at his or her sole expense, to carry an "HO6 Condominium Owner's Policy" as outlined within the CC&R's. A HO4 for long term renters as described in the CC&R's. **Exhibit 1** of this document provides a checklist of items that should be reviewed at that time.

4. Basic coverage and exclusion provisions in the Association's Master Insurance policy:

4.1 The Association's policy includes "special form" property coverage. Please refer to the policy for its terms and conditions.

4.2 Common exclusions: Many insurance companies will not cover water damage resulting from a frozen pipe if adequate heating is not maintained in the unit. Therefore, it is imperative that heat is maintained or that pipes are drained when a unit is unoccupied for an extended period. If your home has fire protection provided by a residential sprinkler system the insurance policy can deny a claim if the sprinkler system is not active at the time a fire occurs. Notify the insurance company any time impairment occurs or for maintenance that lasts over 48 hours. Other terms/conditions apply.

4.2.1 No coverage is provided for: earthquake, earth movement, landslide, wear and tear, deterioration, or flood. Damage by insects or animals, mold/fungus, removal of asbestos, settling or cracking of foundations, walls or pipes may also be excluded. **There is no coverage for damage caused by continuous or repeated seepage or leakage of water occurring over a period, usually defined as 14 days. This includes appliances, plumbing and leaking around shower, bathtub, toilet or sink.** The insurance contract contains full details on coverage, limitations, and exclusions. Consult with your advisor regarding unique perils that may impact your property. Other terms/conditions apply.

5. Loss Prevention:

To reduce the likelihood of damage to your home and possible damage to a neighbor's home the following are a few "loss prevention" measures that should be followed:

When your home will be **unoccupied** for more than a few days:

- Turn off the water to the inside of your home and drain the lines by opening faucets.
- Turn off your water heater or turn it to the "vacation" setting.
- Leave the heat on in the winter to avoid freezing or air-conditioning on in the summer to avoid melting, warping, etc.

Daily considerations:

- ✓ Washing machine water supply should be turned off after each use.
- ✓ Have clothes dryer vents checked and cleaned on an annual basis. Always remove lint from the filter after each use.
- ✓ Keep smoke alarms in good working condition.
- ✓ Make certain that downspouts are moving water away from the structure rather than toward it.
- ✓ Watch for sprinkler heads or water lines in the landscape area that are broken or not functioning properly. Repair or correction should immediately be brought to the attention of a board member or the community manager.
- ✓ Consult with a professional when unable to remedy unusual persistent odor, or when events occur that seem to suggest appliances or other home equipment are near the end of their lifespan.
- ✓ Have a trusted neighbor or family member periodically check your home while you are away.

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6. Information to assist you ordering evidence of insurance:

6.1 Please reach out to Ben Stultz via email BStultz@iwins.com

7. Claim protocol:

7.1 **Claims** should be reported once discovered to the Property Manager

7.2 When a loss Occurs:

1. Take action to prevent further damage to your home. For example, it may be necessary to call an emergency restoration company to start water extraction if water damage has occurred inside your home. The next step contact:
2. Contact your own insurance company and report the damage to your home.

A loss that involves your personal property, extra living expenses, personal liability, loss assessment, etc. should be submitted to your insurance carrier. Neither the Association nor the Association's insurer is responsible for these items.

Payment for claims made on the Association's Insurance policy will be payable to the Association not to an individual homeowner.

Please note that the coverage and procedures outlined in this letter apply to your current insurance program, prepared by InterWest Insurance Services, LLC. If the association changes agents we recommended that these procedures be reevaluated.

We recommend that you take time to review this information and audit your insurance coverage for compliance. We **strongly** suggest reviewing these documents with your insurance representative to facilitate securing the appropriate insurance coverage for your specific situation.

If you feel your current insurance coverage needs to be reviewed, you may contact our office and ask for a member of our personal insurance team to assist you.

When corresponding with us, please reference **Rocky Ridge Properties Owners Association** as the community you live in.

Thank you!

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Exhibit 1. – Personal Insurance Checklist:

1.	Policy type - HO-6 form (commonly referred to as a condominium owners policy). Not an HO-3 homeowner policy or an HO-4 renter's policy.
2.	Coverage A (Dwelling coverage) We recommend a limit of at least *\$250,000 to account for claims that are less than the Association's deductible.
3.	Personal Property Coverage depends on your contents within the home - Consult with your insurance advisor to determine a proper coverage limit.
4.	Personal Liability - Consult with your personal insurance advisor to obtain proper limits. You may want to inquire regarding umbrella liability coverage.
5.	Loss of Use Coverage & Additional Living Expenses - (In the event your unit is uninhabitable due to a covered loss).
6.	Loss Assessment – Consult with your personal insurance advisor to obtain proper limits.
7.	Loss of Rents – Is your unit a rental? If so, this coverage should be purchased. Note that form numbers will change, i.e., DP-6 rather than HO-6. Form # and name varies by company.
8.	Any other riders such as Valuable Articles , i.e., jewelry, art, collectibles, etc. Consult your insurance advisor.
9.	Other Endorsements your insurance advisor may recommend
10.	Earthquake coverage for your dwelling & contents, earthquake loss assessment, etc. NO EARTHQUAKE INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION. Consult your insurance advisor. CommunityQuake.com is a resource that we provide for those who may have difficulty securing EQ coverage on their home.
11.	Flood Insurance to cover against outside water penetrating the building envelope. NO FLOOD INSURANCE HAS BEEN OBTAINED BY THE ASSOCIATION. Consult your insurance advisor.
12.	Inventory – When a loss occurs you are responsible for proving your loss. For example, if you have a television destroyed in a fire you will need to show documentation proving the kind and quality. You won't get a 60" inch big screen unless you have evidence the TV was 60" not 26". The same applies with the types of finishes in your home. You won't be given granite if the home was originally built with laminate countertops and you have no proof of an upgrade. Consult with your personal insurance advisor for recommendations on handling this based on your personal situation.

Take time now and on an annual basis to review your personal insurance with a trusted insurance advisor. He/she will be able to provide counsel concerning what insurance coverage and deductible amounts are right for you.

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