



## May 2022 Newsletter

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### Using Armed Guards? Read On.

As crime continues to increase, community associations struggle to keep communities safe. Associations are exploring the idea of hiring security guards as an option to protect common property areas and residents.

Throughout the Portland metro area both armed and unarmed guard options are available. However, some associations are forced to use armed guards because unarmed guards are not available. From an insurability standpoint, this is a major concern. Every association considering or utilizing armed guard services needs to reach out to their association's insurance agent to discuss how coverage could be impacted. Most, if not all carriers, now ask on applications if armed guards are used.

If the answer is "yes," this likely makes the association ineligible for insurance, and the carrier will not provide terms. If an association does not disclose this information on an application, the claims process may be disrupted in the event of a claim or coverage may not apply. Associations must let their carrier know prior to hiring the guards and understand the exclusions that may be included in the policy language.

If the community is looking to hire a security company, one recommendation includes increasing the association's liability insurance to a minimum of \$10 million, more if a higher option is available. When researching security firms, the association should also have a vetting process for each company and their employees.

Associations need to do their homework and hire legal counsel when negotiating contracts. The association's insurance agent is another resource who can review contracts and indemnification requirements between the parties. Another risk management suggestion for hiring security is to require annual background checks on all security employees and ensure the association is listed as an additional insured on the security company's general liability insurance policy.



### Claim Prevention: Maintenance Matrix

Regular communication with owners may be the best way an association can keep them informed of their responsibilities. Owners need to understand their obligations within the governing documents, but sometimes these documents are daunting and confusing. One tool communities use to define maintenance responsibilities is a maintenance matrix.

This sample matrix is a clear t-chart that outlines responsibilities for both owners and the associations. The governing

documents can be difficult to read and not always organized for

clarity. The matrix can provide clear and understandable communication regarding the requirements. This can help the average homeowner understand expectations. Association boards need to reach out to legal counsel to discuss implementing this documentation for the community. Well-functioning communities benefit from effective communication and clear expectations.

Sample Maintenance Responsibility Chart *	
Association Maintenance Responsibilities	Unit Owner Maintenance Responsibilities
<ul style="list-style-type: none"><li>• Siding</li><li>• Masonry</li><li>• Windows</li><li>• Garage door</li><li>• Exterior trim features</li><li>• Roof</li><li>• Paint</li><li>• Painting and staining of exterior window casements</li><li>• Sashes</li><li>• Frames</li><li>• Light fixtures</li><li>• Exterior portion of chimney</li><li>• Rain gutters</li><li>• Downspouts</li><li>• Fenced yards</li><li>• Other common areas</li></ul>	<ul style="list-style-type: none"><li>• Exterior doors</li><li>• Door sill</li><li>• Hose bibs</li><li>• Interior chimney</li><li>• Interior plumbing:<ul style="list-style-type: none"><li>➢ Electrical</li><li>➢ Heating</li><li>➢ Water heater</li><li>➢ Toilets</li></ul></li><li>• Studs into unit including:<ul style="list-style-type: none"><li>➢ Drywall</li><li>➢ Appliances</li><li>➢ Interior paints</li><li>➢ All other interior unit items including personal property</li></ul></li></ul> <p><i>Design your matrix based on your association's governing documents.</i></p>

\* Maintenance responsibilities may be different than insurance responsibilities.



## An Owner's Burning Question

**Question:** What specific documents should I bring when I see my personal insurance agent to review my homeowners policy?

**Answer:** Within a shared-wall community, an owner will need to have an HO6 policy. This document can help an agent understand the coverages needed to accurately set up the owner's home policy. We suggest bringing three documents to your annual insurance review. Gather the following papers and schedule a conversation with your agent soon.

- Governing documents including declarations, bylaws, insurance resolutions, and any amendments from your association.
- An association's certificate of insurance
- Unit owner letter (if available)

# Q&A

**June 23**  
**Did you**  
**save the**  
**date?**



## Update of the Month: Garbage Disposals



How long have you lived in your home? It may be time to inspect your garbage disposal.

When garbage disposals start to breakdown and leak, the damage is often incredibly significant. In many cases the owner does not discover the leak until the cabinet is saturated and ruined. The life expectancy of a garbage disposal is seven to 10 years depending on usage. If your garbage disposal has inexplorable clogs, abnormal noises, persistent odors, or starts to run poorly, it may be time to replace it.

Garbage disposals can cost \$150-\$950 or more depending on the brand and horsepower. To preserve the machine's life, it is good to know what not to feed the disposal. Some of these items include:

- grease or fats
- seafood
- eggshells
- rice
- pasta
- corn husks
- paint
- pits and seeds

Remember to always run cold water while using the garbage disposal. Treat your disposal well and you will help extend its life.

## We Want Your Input!

Have a question or want to see a specific topic highlighted in next month's newsletter?

Email me today: [association-news@abipdx.com](mailto:association-news@abipdx.com)

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