**Minutes of the**

**Housing Authorities Risk Retention Pool**

**Board of Directors Meeting**

**Via Teleconference, Vancouver, WA**

**Thursday, March 26, 2020, 8:00 am**

A meeting of the Board of Directors of the Housing Authorities Risk Retention Pool (“HARRP”) was held at 8:00 am on March 26, 2020, in Vancouver, Washington.

1.0 Call to Order and Roll Call

Directors Present

Director Fox Homes for Good

Director Havlicek Housing Authority of the County of Santa Barbara

Director Kauss Housing Authority of the County of Stanislaus

Director Kugler Housing Authority of the County of Tulare

Director Leonard Housing Authority of Snohomish County

Director Madsen Mid-Columbia Housing Authority

Director Rooker Housing Authority of the City of Walla Walla

Director Turner Coos-Curry Housing Authority

Director Tietz Spokane Housing Authority

Others Present

Tony Andrade Moss Adams

Robin Cox Policy & Claims Administrator, HARRP

Jodi Erickson DevNW

Michelle Frye Director of Finance, HARRP

Rick Gehlhaar Director of Claims, HARRP

Bill Gregory Executive Director, HARRP

Adiah Mattern Risk Control & Underwriting Specialist, HARRP

Rachel O’Neil Administrator, HARRP

President Rooker called the meeting to order at 8:00 am.

2.0 Agenda Approval

Executive Director Gregory indicated that the insert for item #6.8 is a mistaken duplicate of #6.6.

A motion was made by Director Kugler and seconded by Director Turner to approve the agenda with the removal of item 6.8. Motion passed by unanimous vote.

3.0 Consent Agenda

Director Madsen questioned page 5 of the December minutes, indicating that the changes to the personnel policy should have been on March agenda but is not. President Rooker said that item will now be addressed at the June meeting. Since this is a telephonic meeting, a few items were tabled.

A motion was made by Director Tietz and seconded by Director Kugler to approve the consent agenda. Motion passed by unanimous vote.

4.0 Comments from the Public

None.

5.0 Presentations

5.1 Tony Andrade - Moss Adams

Tony Andrade of Moss Adams presented the 2019 financial audit results.

2019 was the first year for Moss Adams to perform the audit. Moss Adams issued an unmodified opinion and the financial statements were reported accurately and fairly. No audit adjustments were necessary. No management disagreements were present. There were no other audit findings or issues. No deficiencies or weaknesses were present.

Overall, Moss Adams was impressed with HARRP!

Director Madsen commended HARRP staff for the clean audit and then asked what items were undertaken during the internal control review. Mr. Andrade stated that five cycles were reviewed, premiums, disbursements, claims payments, payroll and information technology.

Director Madsen moved and Director Kugler seconded a motion to accept and approve the 2019 financial audit results. Motion passed by unanimous vote.

Director Rooker thanked Mr. Andrade for his presentation and he departed the meeting at 8:40 am.

6.0 Discussion and Actions Items

 6.1 Consider Approving Final Actuarial Report

Executive Director Gregory indicated that the final actuarial report was sent to the Board the week of March 16. The actuarial report previously provided was through September 30, the final report factors in claims through December 31, 2019.

Director Kugler moved and Director Havlicek seconded a motion to accept final actuarial report as presented. Motion passed by unanimous vote.

 6.2. Consider Approving 2019 Annual Report

Executive Director Gregory presented the 2019 annual report for the Board.

President Rooker thanked Director Fox for reviewing the annual report.

Director Turner moved and Director Madsen seconded a motion to approve the 2019 annual report with minor corrections as presented. The motion passed by unanimous vote.

 6.3 Consider Approving Claims Satisfaction Report

Executive Director Gregory outlined the claims satisfaction report for the Board. Surveys are sent to members at the conclusion of each claim. There were 74% very satisfied and 26% satisfied members with HARRP’s claims handling, with 0% dissatisfied.

Director Kugler stated the new hire at Tulare has had nothing but positive remarks about HARRP staff and claims handling.

Director Tietz moved and Director Kugler seconded to approve the claims satisfaction report as presented. The motion passed by unanimous vote.

 6.4 Request from Member, Regional Housing Authority

Executive Director Gregory informed the Board that the Regional Housing Authority has requested that HARRP provide separate policies for each of their property locations.

Director Fox asked why the housing authority is making the request. Staff assumes that it is for allocation purposes. Director Kauss stated that the Regional Housing Authority has assumed other properties and there are a lot of politics between different regions.

Director Leonard provided that he has no interest in undertaking the request as it defeats the purpose of being in a pool.

Director Madsen asked Executive Director Gregory’s opinion. Executive Director Gregory stated that staff is against the idea. He suggested reaching out to the housing authority and asking if there is anything else we can do to accommodate or assist in any other way.

President Rooker requested and Director Kauss agreed to reach out to the housing authority after HARRP provides a report with premium breakouts.

 6.5 Renewal Date Reduction

Executive Director Gregory informed the Board of the challenges HARRP faces with the January 1 renewal date when rates are not set by the Board until each December Board meeting.

President Rooker stated that more communication to the January 1 members would be helpful.

The board discussed that the HARRP rates are pretty stable year to year.

Director Kauss suggested a dual edge communication, providing assistance as needed but that the members also need to be held accountable for being good managers.

Executive Director Gregory suggested reaching out to the January 1 members and asking what hardship would be endured by removing that renewal date. The Board agreed to this suggestion.

 6.6 Consider Appointment of New Board Members, HARRP

Executive Director Gregory reminded the Board that the terms of Directors Leonard, Kugler and Fox have been reelected with terms expiring in 2023. The Board just needs to ratify the election.

A motion was made by Director Tietz and seconded by Director Madsen to ratify the elections of Directors Leonard, Kugler and Fox. The motion passed by unanimous vote.

6.7 Consider Appointment of Member Affiliated Directors

Executive Director Gregory reminded the Board that Directors Fox, Leonard and Kugler need to be reappointed to serve on the AHRP Board.

Director Kauss made and Director Madsen seconded a motion to appoint Directors Fox, Leonard and Kugler to the AHRP Board with terms expiring in 2023. The motion passed by unanimous vote.

President Rooker asked Executive Director Gregory regarding the appointment of a new AHRP Board Member, Brad McDonald, from RHCDC. He stated that he was planning to address it at the June meeting. The Board expressed discomfort in having Director McDonald present at the June meeting before taking action to appoint him.

 6.8 Consider Election of Officers, 2020

Executive Director Gregory stated that the current officers of the HARRP board are:

 Renee Rooker – President

Ken Kugler – Vice President

Duane Leonard – Treasurer

Director Kauss made and Director Madsen seconded a motion to reelect the current slate of officers of the HARRP Board. The motion passed by unanimous vote.

 6.9 Consider Claims Auditing Consultant

Executive Director Gregory overviewed the RFP for the claims auditing consultant and recommended Praxis of the two written responses that were received. Praxis’ quote was quite a bit lower than the other respondent.

Director Leonard made and Director Kugler seconded a motion to accept the Praxis proposal for the 2020 claims audit. The motion passed by unanimous vote.

 6.10 Consider Acceptance of Executive Director’s Report

Executive Director Gregory provided a synopsis of items he has undertaken in the previous quarter. These include:

Financial Audits

Annual Reports

Reinsurance, Excess Insurance

New Risk Management Information System

New Branding

Brad McDonald

Cyber Security through Covenant

California Inspections (HARRP will utilize Sedgwick going forward)

Meeting with CHIP, Tier 6 rates

AHRP rating

Audits due in summer of 2020 for Washington SAO, Division of Enterprise Services, Munich underwriting and the claims audit.

Executive Director Gregory thanked the Board for sending well wishes and the plant for his hospital stay and leg surgery.

7.0 Risk Management / Loss Control Activities

Adiah Mattern discussed the risk management/loss control activities that have been addressed in the last quarter.

Ms. Mattern informed the board that water losses have been the biggest property losses in the recent past. As such, HARRP is discussing the HSB water sensors, toilet overflow prevention

valves and checklists for water heater inspections. The master services agreement is currently being reviewed by HARRP legal counsel.

New cybersecurity testing, response planning and assessment tools are now available to all HARRP members.

8.0 Treasurer’s Report

The February 29, 2020 financial statements for HARRP were provided to the Board prior the meeting.

A motion was made by Director Leonard and seconded by Director Kauss to accept the financial statements as presented. Motion passed by unanimous vote.

9.0 Future Direction Update

Executive Director Gregory discussed the three opportunities that HARRP staff is currently undertaking, member focus, renewal process and training.

Executive Director Gregory informed the board that HARRP is sending eblasts an average of two times per month.

The rebranding presentation of HARRP/AHRP/ORWACA has been tabled until the June Board meeting; however, work has begun on the updated website.

HARRP is in discussions with HSB to purchase cyber liability coverage for its members.

Work has begun on the new risk management information system that will allow for a member portal for HARRP members.

Ms. Mattern informed the Board that In2Vate was discontinued and switched to Enquiron for online training. Since switching to Enquiron for online training, engagement has increased 35%.

10.0 President’s Report

President Rooker requested that everyone stay healthy during this Covid-19 crisis.

11.0 Matters from those Present

None

12.0 Adjournment

There being no further business, Director Kugler and Director Madsen seconded a motion to adjourn. Motion passed by unanimous vote and the meeting adjourned at 9:50 a.m.

 Renee Rooker, President