**Minutes of the**

**Housing Authorities Risk Retention Pool**

**Board of Directors Meeting**

**Via Zoom, Vancouver, WA**

**Thursday December 3, 2020**

A meeting of the Board of Directors of the Housing Authorities Risk Retention Pool (“HARRP”) was held at 8:00 a.m. on December 3, 2020, and originated from Vancouver, Washington.

1. **Call to Order and Roll Call**

Directors Present

Director Fox Homes for Good

Director Havlicek Housing Authority of the County of Santa Barbara

Director Leonard Housing Authority of Snohomish County

Director Rooker Housing Authority of the City of Walla Walla

Director Turner Coos-Curry Housing Authority

Director Tietz Spokane Housing Authority

Director Kauss Housing Authority of the County of Stanislaus

Director Kugler Housing Authority of the County of Tulare

Director Madsen Columbia Cascade & Mid-Columbia Housing Authority

Others Present

Mary Wray Willis Watson

Courtney Giesseman Willis Watson

Michelle Frye Director of Finance, HARRP

Rick Gehlhaar Director of Claims, HARRP

Bill Gregory Executive Director, HARRP

Rebecca Plummer AHRP Senior Policy Administrator

Robin Cox Policy and Claims Administrator, HARRP

Rachel O’Neil Public Entities Policy Administrator, HARRP

President Rooker called the meeting to order at 8:02 a.m.

1. **AGENDA APPROVAL**

A motion was made by Director Kauss and seconded by Director Turner to approve the Agenda, with the removal of Item #: 5.2, Item #: 6.3, Item #: 6.5, and Item #: 6.8. Motion passed by unanimous vote.

1. **CONSENT AGENDA APPROVAL**

A motion was made by Director Leonard and seconded by Director Kauss to approve the Consent Agenda. Motion passed by unanimous vote.

**4.0 COMMENTS FROM THE PUBLIC**

***This time is reserved for members of the public to address the Board with matters relative to Board business***

None

**5.0 PRESENTATIONS**

5.1 Willis Watson Towers, Reinsurance and Excess Renewal Presentation Mary Wray & Courtney Giesseman.

Ms. Wray started her presentation reflecting HARRP’s current status and the state of the market. The state of the market is officially hard due to the large amount of jury liability verdicts, wildfire losses and the Covid-19 pandemic. Due to the CHIP and Talent wildfire losses, the market response has been dim. In addition, the exit of King County did affect the wildfire profile to a higher risk hazard. Munich was going to reduce its capacity from $45M to $25M, then in response to this past wildfire season, they have further reduced their capacity to $10M.

Ms. Wray then introduced the 2021 HARRP team and covered their marketing approach and the market response. They did receive firm quotes for the entire program, but they do not have the rates yet. They did receive a $35M reinsurance quote from Fidelis, which included three reinstatements per year, so it is not unlimited. HARRP can purchase additional limits but it will be expensive. In addition, Fidelis is in Bermuda so there is a federal tax as well. A German Company in Hanover bid 15% over the $35M which could potentially put Fidelis back to 85%. They will provide a full report in two weeks.

A question was asked concerning claims reporting. The response was that they do not have the terms yet but Willis will likely handle the reporting.

Ms. Giesseman continued the presentation by presenting historical values, which will drop in 2021 due to King County’s exit. Liability pricing has stabilized.

Willis Watson concluded their presentation at 8:42 a.m.

**6.0 DISCUSSION and ACTION ITEMS**

6.1 Consider Management Agreement Renewal

A motion was made by Director Madsen and seconded by Director Leonard to approve the Management Agreement Renewal. Motion passed by unanimous vote.

6.2 Consider Acceptance of the Equipment Breakdown Coverage Quote

A motion was made by Director Fox and seconded by Director Tietz to approve the Equipment Breakdown Coverage Quote. Motion passed by unanimous vote.

6.4 Consider Approving Broker/Consultant Contract Addendum

A motion was made by Director Fox and seconded by Director Kauss to approve the Broker/Consult Contract Addendum. Motion passed by unanimous vote.

6.6 Consider Annual Report Publishing Proposal

A motion was made by Director Kugler and seconded by Director Tietz to approve the Annual Reporting Publishing Proposal, combining HARRP and AHRP’s report into one. Motion passed by unanimous vote.

6.7 Consider Investment Transfer, Regulation 114 Trust

There will be a special board meeting in January or February of 2021 concerning AHRP.

A motion was made by Director Leonard and seconded by Director Kugler to approve the Investment Transfer. Motion passed by unanimous vote.

6.9 Consider Sale of the Building

Discussions included selling both buildings, keep one as a training center, rent out space from VHA or move the location to Oregon. This topic will be included in a special board meeting in January/February.

6.10 Consider AHRP Surplus

Discussions included AHRP’s large loses to include: fire damage, affiliated vs non-affiliated, tenant profile, and property management issues. More data is needed for the special January/February board meeting.

A motion was made by Director Leonard and seconded by Director Tietz to approve the AHRP Surplus. Motion passed by unanimous vote.

6.11 Initiation of Nomination Process

A motion was made by Director Madsen and seconded by Director Leonard to approve the Initiation of Nomination Process. Motion passed by unanimous vote.

6.12 Consider Acceptance of Executive Director’s Report

The Executive Director’s report included work on reinsurance renewals, self-insured retention levels, the new software, branding, risk control, performance evaluations of staff, the Washington audit, job description changes and budgets.

A motion was made by Director Leonard and seconded by Director Turner to approve the Executive Director’s Report. Motion passed by unanimous vote.

**7.0 TREASURER’S REPORT**

A motion was made by Director Kugler and seconded by Director Kauss to approve the Treasurer’s Report. Motion passed by unanimous vote.

**8.0 EXECUTIVE SESSION**

All staff members were dismissed at 9:40 a.m. and the Directors moved to the Executive Session.

Staff returned at 10:34 a.m.

The Directors exited the Executive Session at 10:34 a.m.

**9.0 PRESIDENT’S REPORT**

None

**10.0 ADJOURNMENT**

There being no further business, the meeting adjourned at 10:35 a.m.

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Renee Rooker, President