**Minutes of the**

**Housing Authorities Risk Retention Pool**

**Board of Directors Meeting**

**Via Zoom, Vancouver, WA**

**Wednesday December 16, 2020**

A Special Meeting of the Board of Directors of the Housing Authorities Risk Retention Pool (“HARRP”) was held at 3:00 p.m. on December 16, 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 Kauss Housing Authority of the County of Stanislaus

Director Madsen Columbia Cascade & Mid-Columbia Housing Authority

Others Present

Mary Wray Willis Watson

Courtney Giesseman Willis Watson

Dana Winkler Bickmore Actuarial

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 3:02 p.m.

1. **AGENDA APPROVAL**

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

1. **CONSENT AGENDA APPROVAL**

A motion was made by Director Leonard and seconded by Director Havlicek 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, Willis Towers Watson.

Ms. Wray started her presentation, noting that there has been no change in the liability rates since the last meeting. The property structure will be: Fidelis at 85% and Hannover at 15%. In addition, Hannover is interested in being the primary layer insurer, which could be utilized in the event Munich pulls out.

Munich will provide the $10M x $2M layer, a $15K Risk Management Grant, an unlimited aggregate and disease exclusion.

Fidelis will provide an aggregate of 3X occurrence limit with a communicative disease and cyber exclusion. Their wildfire definition includes a 150-mile radius of the point of first loss. The quote is subject to no loss deterioration and offers no underwriting reporting requirements.

Hannover’s coverage will be the same as Fidelis. The only difference is they are subjected to sanction wording as mandated by German Law.

Great American will carry the Excess Casualty. The terms and conditions will be as expiring except for a communicative disease exclusion.

Excess property has seen a 355.97% increase while excess liability has increased by 5%. Other pools have experienced dramatic increases as well.

5.2 HARRP Actuarial Study Presentation & Acceptance Dana Winkler, Bickmore Risk Services.

The study projects high property losses for 2021 and liability losses have become more stable. Tier 6 for both property and liability has softened. The rate increases are as follows:

 Auto: .5%

 General Liability: 7.8 %

 E&O: 14.3%

 Section 8: 9.6%

Property: 65.2%

EPL: 13.9%

A motion was made by Director Leonard and seconded by Director Madsen to approve the HARRP Actuarial Study. Motion passed by unanimous vote.

**6.0 DISCUSSION and ACTION ITEMS**

6.1 Consider Acceptance of Property/Casualty Reinsurance Quotes

A motion was made by Director Leonard and seconded by Director Havlicek to approve the Property/Casualty Reinsurance Quotes and to bind the coverage as early as the evening of December 16, 2020. Motion passed by unanimous vote.

6.2 Consider Approving Rates for 2021

A motion was made by Director Leonard and seconded by Director Kauss to accept the indicated rates for 2021. The Board discussed rates.

Property rates will remain high until reinsurers are able to achieve profitability. Since this cycle is profit driven, it is undetermined when the rates will start to go down. Discussions concerning the HARRP reserve will continue at the January/February Special Board Meeting.

Motion passed by unanimous vote.

6.3 Consider Approving Budget, 2021

A motion was made by Director Madsen and seconded by Director Havlicek to approve the 2021 budget as presented.

Clarifications on the $150,000 Special Circumstances Loss Control Grants were received.

Motion passed by unanimous vote.

**7.0 MATTERS FROM THOSE PRESENT**

None

**8.0 PRESIDENT’S REPORT**

None

**9.0 ADJOURNMENT**

A motion was made by Director Havlicek and seconded by Director Fox to adjourn the meeting. Motion passed by unanimous vote.

There being no further business, the meeting adjourned at 3:53 p.m.

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Renee Rooker, President