HOUSING AUTHORITIES RISK RETENTION POOL (HARRP)
BOARD OF DIRECTORS' MEETING

Embassy Suites, 7900 NE 82nd AVE, Portland, OR 97220
Thursday, December 11, 2025

8:00 AM

MINUTES

A meeting of the Board of Directors of the Housing Authorities Risk Retention Pool ("HARRP") was held at 8:00 am on December 11, 2025 at Embassy Suites in Portland, OR.

I. CALL TO ORDER

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

II. ROLL CALL

<u>Directors Present</u>	
Director Rooker	Walla Walla Housing Authority (WA)
Director Kugler (virtual)	Housing Authority of the County of Tulare (CA)
Director Kohler	Housing Authority of Douglas County (OR)
Director Utz (virtual)	Salem Housing Authority (OR)
Director Kruse	Stanislaus Regional Housing Authority (CA)
Director Havlicek	Housing Authority of the County of Santa Barbara (CA)
Director Fox	Homes for Good (OR)
Director Parr	Spokane Housing Authority (WA)
Director Calkins (virtual)	Bellingham & Whatcom County Housing Authorities (WA)

<u>Others Present</u>	
Karen Thesing	Executive Director, HARRP
Cindy Steele	Director, Risk Management & Underwriting, HARRP
Tom Williams	Director, Claims & Underwriting, HARRP
Jesse Kinney	Director, Finance, HARRP
Karen Fallows	Operations Specialist, HARRP
Doug Alliston ESQ (virtual)	Legal Counsel, Alliston Law Office
Ryan Morrissey	Financial Advisor, Graystone
Tim Skelly (virtual)	Financial Advisor, Graystone
Gregg Manjerovic (virtual)	Portfolio Manager, Graystone
Robin Cox (virtual)	Policy & Claims Administrator, HARRP
Darla Cazares (virtual)	A/R and Administrative Specialist, HARRP
Pat Saldaña (virtual)	Claims Specialist, HARRP
Rachel O'Neil (virtual)	Public Entities Policy Administrator, HARRP
Meaghan Brown (virtual)	Policy Administrator, HARRP
Courtney Giesseman (virtual)	Insurance Services, Alliant

III. AGENDA APPROVAL

A motion was made by Director Havlicek and seconded by Director Kruse to approve the agenda; motion passed by unanimous vote.

IV. COMMENTS FROM THE PUBLIC - *This time is reserved for members of the public to address the Board with matters relative to Board business.*

None

V. CONSENT AGENDA

The consent calendar was reviewed by the Board of Directors. Staff recommended that the Board of Directors approve the Consent Calendar. A motion was made by Director Havlicek and seconded by Director Fox to approve the consent calendar; motion passed by unanimous vote.

VI. PRESENTATIONS

A. Jesse Kinney, Interim Financial Statements as of October 31, 2025

Jesse presented the Interim Financial Statements for Board review. Staff recommended the Board of Directors review and accept the October 31, 2025 financial statements. A motion was made by Director Fox and seconded by Director Parr; motion passed by unanimous vote.

B. Karen Thesing, 2026 Management Agreement Renewal

Karen Thesing presented the 2026 Management Agreement document noting that the only changes were updating dates and the management fees for AHRP and ORWACA. It was also noted that the term on this document is for two years despite annual review, future revisions will be for a one-year term reflecting the actual frequency of the agreement renewal cycle. Staff recommended the Board of Directors approve the Management Agreement between AHRP, including ORWACA, and HARRP, for an effective date of January 1, 2026 through December 31, 2026. A motion was made by Director Havlicek and seconded by Director Parr; motion passed by unanimous vote.

C. Karen Thesing, Staffing Additional Positions

Karen Thesing presented benchmarking and salary surveys indicating under-staffing relative to peer pools. Midpoint salaries/benefits were outlined: Risk Control Advisor ($100,365 salary; total comp approx. $137,516) and Liability Adjuster ($96,083 salary; total comp approx. $132,530). Staff recommended the Board of Directors approve the creation and recruitment of the Risk Control Advisor and Liability Adjuster positions. A motion was made by Director Havlicek and seconded by Director Kruse; motion passed by unanimous vote.

D. Jesse Kinney, 2026 HARRP Budget

Jesse Kinney presented the draft Fiscal Year 2026 administrative budget incorporating actuarial rate decisions, premium revenues, and finalized reinsurance costs. Minor administrative changes were noted and payroll adjustments explained. Staff recommended the Board of Directors review and approve the presented budget with a total operational expense of $21,833,255. A motion was made by Director Parr and seconded by Director Kohler; motion passed by unanimous vote.

E. Karen Thesing, 2026 Initiation of Nomination Process

It was explained that, consistent with standard procedures, HARRP is presenting a resolution to initiate the nomination process for renewing director positions. The resolution proposes that nominations will be held at individual state association meetings to fill or renew the expiring Director terms in accordance with organizational policy. Staff recommended the Board of Directors approve the attached resolution for holding separate state association meetings during January and February 2026, solely for the purpose of electing one California/Nevada Director and two Oregon Directors. A motion was made by Director Kruse and seconded by Director Parr; motion passed by unanimous vote.

F. Doug Alliston ESQ, Karen Thesing, Adoption of 2026 HARRP MOC

Doug Alliston and Karen Thesing presented substantive updates to Property, General Liability, Crime, Errors & Omissions (including EPL), and Auto coverage agreements. Highlights included: moving habitability claims to GL (increasing available limits and removing deductible), clarifying excess status relative to other insurance, non-accumulation of limits across multi-year losses, early defense involvement before suit filing, relocation of exclusions to relevant parts, updates for pollutants definitions (adding asbestos, lead, silica), and excluding PFAS/silica. Staff recommended that the Board approve the revised Memoranda of Coverage (i.e. Property, General Liability, Crime, E&O and Auto MOCs) for the 2026 policy year as presented. A motion was made by Director Kruse and seconded by Director Kohler; motion passed by unanimous vote.

G. Karen Thesing, Defense Counsel Selection

Karen Thesing introduced the topic of defense counsel selection. Staff recommended the Board of Directors approve and affirm that we have the exclusive right to select counsel. A motion was made by Director Kruse and seconded by Director Fox; motion passed by unanimous vote.

H. Karen Thesing, Property Management Agreement: Acceptable Indemnification Language

Karen Thesing presented recommended indemnity language for property management agreements and general discussion about the updated language was held. Staff recommended the Board of Directors approve and implement the revised indemnity language as written. A motion was made by Director Fox and seconded by Director Parr; motion passed by unanimous vote.

I. Karen Thesing, Retirement of the Synchrous Brand

Staff discussed retiring the Synchrous brand due to market, members, and peer/public entity confusion and revert back to HARRP/AHRP. Board discussion noted member familiarity with HARRP/AHRP and a preference for clarity. Multiple options for logo and color scheme were presented to the Board, some expressed interest using the house logo. Staff was instructed to make the final choice. The Board requested to see a mock-up of the website at the March meeting. Staff recommended the Board of Directors approve retiring the Synchrous brand and reverting to HARRP and AHRP as the entity names. A motion was made by Director Havlicek and seconded by Director Parr; five approved, two abstained, motion passed by majority vote.

J. Renee Rooker, Karen Thesing, Appointment of Treasurer

Director Kohler will be resigning from the HARRP Board effective January 1, 2026. Director Havlicek has offered to fill the vacant seat. Staff recommended the Board of Directors appoint Bob Havlicek as Treasurer of the HARRP Board of Directors, effective January 1st, 2026. A motion was made by Director Kugler and seconded by Director Kruse; motion passed by unanimous vote.

VII. MANAGEMENT REPORTS

A. Risk Management & Underwriting

No report.

B. Tom Williams, Claims Management

Tom Williams reported that the incident count has increased over the course of this year, which may be due to efforts to have our members report their incidents. Additionally, litigation activities have increased compared to previous years, despite this litigation expenses are trending down from ~$1.2M in prior year to under $1.0M YTD; strategy focused on early intervention, training, and tightening offers, with new claims software expected to improve analytics on counsel performance and severity trends. Ongoing challenges continue to be volume and length of litigation.

C. Jesse Kinney, Finance

Jesse Kinney reiterated statements shared during his overview of the Financial Statements and Budgeting discussion with no additional business to discuss.

D. Karen Thesing, Executive Director

Karen Thesing discussed overview of the Origami Risk Management Information System (RMIS) contract which had recently been finalized and signed. To ensure a smooth transition to the new RMIS, the organization has engaged Mary Upshaw, a retired Origami professional, as a consultant. Her expertise will be instrumental in supporting the staff throughout the implementation process. During the review of the Memoranda of Coverage (MOC), it was identified that uninsured motorist coverage is a mandatory requirement in the state of Oregon. As a result, the organization will need to adjudicate and potentially pay claims related to uninsured motorists within Oregon to maintain compliance with state regulations.

VIII. INFORMATIONAL ITEMS

A. Courtney Giesseman, 2026 HARRP Property Reinsurance Final Rates

Alliant's Courtney Giesseman reported final property reinsurance pricing improved from October's tentative figures, resulting in just under a 10% decrease overall, the American Agriculture premium collar increased from 5% to 10%. Director Fox asked if the updated 2026 premiums would initiate rerating of the 2026 HARRP premiums, Karen Thesing responded that the 2026 rates would not be adjusted, but noted that it will potentially cause a growth in surplus which may eventually financially benefit our members.

B. Jesse Kinney, Graystone Consulting's Investment Management Update and Review

Graystone Consulting provided an overview of their investment management for HARRP, noting that since 2021 their role has shifted from transactional to full fiduciary and advisory, managing a 100% fixed income portfolio across HARRP, AHRP, and AHRP Trust. The team discussed portfolio structure, performance, and compliance with conservative investment guidelines—primarily California's local agency standards—given HARRP's multi-state operations. They highlighted the portfolio's high quality, low volatility, and risk-averse approach, the ongoing evaluation of taxable versus tax-free bonds, and the positive impact of recent interest rate changes. The presentation also included introductions of key team members and emphasized Graystone's deep involvement in policy development and day-to-day management.

IX. CLOSED SESSION

It was announced by President Rooker that the Board will now enter executive session, expected last approximately 10 minutes potentially with additional action to take place once the open session reconvenes.

The Executive Session began at 10:15 am and ended at 10:26 am.

IX.1 REPORT FROM CLOSED SESSION

The Board of Directors reconvened into open session at 10:27 am.

X. PRESIDENT'S REPORT

Director Rooker thanked Director Kohler for her time and contributions to the Board of Directors during her tenure.

XI. ADJOURNMENT

There being no further business, Director Rooker adjourned the meeting. The meeting was adjourned at 10:34 am.

Renee Rooker

Renee Rooker, President