



HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING

HELEN W. LANG MEMORIAL BOARDROOM, BUILDING B
4100 TOURO STREET, NEW ORLEANS, LA 70122

JANUARY 31, 2017 at 4:00 P.M.

BOARD OF COMMISSIONERS

PRESIDENT

DWAYNE G. BERNAL

VICE PRESIDENT

ALICE RIENER

COMMISSIONERS

TONI HACKETT ANTRUM

DONNA JOHNIGAN

DEBRA JOSEPH

ANDREANE CIA M. MORRIS

VONDA RICE

CANTRESE WILSON

COMMITTEE APPOINTMENTS

DEVELOPMENT,

ASSET MANAGEMENT & OPERATIONS

CHAIR

DWAYNE G. BERNAL

COMMISSIONERS

DEBRA JOSEPH

CANTRESE WILSON

VONDA RICE (Alternate)

FINANCE & AUDIT

CHAIR

TONI HACKETT ANTRUM

COMMISSIONERS

DWAYNE G. BERNAL

ALICE RIENER

DEBRA JOSEPH (Alternate)

AGENDA

- I. STATEMENT BY GENERAL COUNSEL
 - II. CALL TO ORDER
 - III. ROLL CALL
 - IV. APPROVAL OF THE AGENDA
 - V. APPROVAL OF THE MINUTES OF THE MEETING HELD ON DECEMBER 13, 2016
 - VI. EXECUTIVE DIRECTOR'S REPORT
 - VII. ELECTION OF OFFICERS
 - VIII. COMMITTEE REPORT(S)
 - IX. ITEMS FOR APPROVAL
- AUTHORIZATIONS
- Resolution #2017-01 - Annual Renewal of Property, and Liability Insurance Policies
- X. COMMENTS
 - Public Comment(s)
 - Board of Commissioners Comment(s)
 - XI. ADJOURNMENT



January 31, 2017

MEMORANDUM

To: Board of Commissioners
President Dwayne G. Bernal, Vice President Alice Riener,
Commissioner Toni Hackett Antrum, Commissioner Donna Johnigan,
Commissioner Debra Joseph, Commissioner Andreanecia M. Morris,
Commissioner Vonda Rice and Commissioner Cantrese Wilson

Through Gregg Fortner
Executive Director

From: Robert Barbor
General Counsel

Kelly Loisel
Staff Attorney/Insurance General Manager

Re: Annual Renewal of Property and Liability Insurance Policies

The Housing Authority of New Orleans (HANO) carries a variety of insurance policies related to our property portfolio and operations. Our policies are renewed on an annual basis. HANO staff and our Insurance Agent (Marsh, USA, Inc.) began the process of renewal last year.

Submissions were sent to more than 30 carriers in the insurance marketplace requesting proposals on the various lines of insurance. Due to the unique nature of HANO's operations, we generally do not receive responses from all carriers. After responses were received, the top proposals were evaluated and presented to HANO staff. Staff met with the Executive Director and finalized its recommendations. The recommended coverage package was presented to the Development Committee for review and discussion on January 24, 2017.

The recommended proposal provides the following premiums for the lines of insurance and shows reductions and/or increases (as a percentage) from last year:

<u>Policy</u>	<u>Premium</u>
<u>Property/Boiler, Machinery</u>	\$ 910,606 (+22%) (increase in property portfolio)
<u>Liability</u>	
General Liability (CAHC)	\$ 28,241 (-7%)
Umbrella Liability	\$ 11,582 (-4%)
Worker's Compensation	\$ 96,719 (-1%)
<u>FINPRO</u>	
Management Liability/D&O, EPL	\$ 119,371 (+4%)
Fiduciary Liability	\$ 5,729 (0%)

Crime	\$ 12,333 (0%)
Professional Law Enforcement Liability	\$38,360 (+10%)
Total	\$1,222,941.00 (+14%)

The largest portion of the insurance package is our property coverage. The current quote is based on a property portfolio valued at \$167,148,704. This is an increase of 22% from last year's valuation due mainly to the addition of Lafitte Senior and increasing values at Guste III.

All policies are required to be renewed no later than January 28, 2017 to avoid any lapse in coverage. The Development Committee authorized the Executive Director to orally bind the coverage through Marsh USA, Inc. prior to the expiration date.

CERTIFICATIONS

Finance

The Finance Department has certified that this procurement is budgeted and available in the HANO FY 2017 budget.

HANO requests that the Board of Commissioners of the Housing Authority of New Orleans ratify the action of the Executive Director in binding the insurance coverage prior to the expiration date and approve the insurance renewal coverage and authorize the Executive Director to execute any and all documents necessary for the procurement of insurance coverage in the total amount of \$1,222,941.00.

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
JANUARY 26, 2017**

RESOLUTION NO. 2017-01

WHEREAS, the Housing Authority of New Orleans (HANO) annually obtains insurance coverage to protect its assets and operations from loss, and to comply with HUD guidelines; and

WHEREAS, HANO's policies for these coverages are in effect for the period January 28, 2017 to January 28, 2018; and

WHEREAS, pursuant to HANO instructions, marketing efforts were begun Marsh USA, Inc. to obtain quotes from various insurers for the required coverages prior to the policies expiration dates; and

WHEREAS, the solicitation process was completed and quotes were submitted to HANO staff for review and recommendation to the Executive Director; and

WHEREAS, on January 24, 2017 the recommendations were presented to the Development, Asset Management, and Operations Committee (Development Committee) for review and discussion; and

WHEREAS, HANO staff reviewed the highest ranking proposals and recommended the following policy package to the Executive Director and Development Committee:

<u>Coverage</u>	<u>Premium</u>
<u>Property</u>	\$910,606
<u>Liability</u>	
General Liability	\$ 28,241
Umbrella Liability	\$ 11,582
Worker's Compensation	\$ 96,719
<u>FINPRO</u>	
Management Liability (\$5M limit)	\$ 119,371
Fiduciary Liability	\$ 5,729
Crime	\$ 12,333
Professional Law Enforcement Liability	\$ 38,360
Total	\$ 1,222,941

Resolution No. 2017-01
January 31, 2017
Page 2

WHEREAS, at the January 24, 2017 meeting of the Development Committee the Executive Director was authorized to orally bind the policy renewals before the expiration date of January 28, 2017.

THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans ratifies the action of the Executive Director in orally binding the policy renewals prior to the expiration on January 28, 2017 and approves the insurance renewal coverage for 2017 and hereby authorizes the Executive Director to execute any and all documents necessary for the procurement of insurance coverage in the total amount of \$1,222,941.

Executed this 31st day of January, 2017

APPROVAL:

DWAYNE G. BERNAL
PRESIDENT, BOARD OF COMMISSIONERS