

**STAYING
AHEAD
OF THE
CURVE**



Housing Authority
Insurance Group

ANNUAL REPORT 2006

Harry R. House served as a member of HAI Group's Board of Directors and Committees from 1988-2006.



CAPTIVE INSURANCE PIONEER LEAVES BEHIND INFLUENTIAL LEGACY

Housing Authority Insurance Group is proud to dedicate the 2006 Annual Report to Harry Reginald House, Jr. After 18 years as a member of HAI Group's Board of Directors, Mr. House has retired from his post, having left behind a legacy as a pioneer in the captive insurance industry. The following retrospective recognizes his career, accomplishments, and plans for life after retirement.

If you had told Harry House early in his career that he was going to be a pioneer in the captive insurance industry, he probably would have told you that he didn't have a clue about insurance and that he was studying to be a doctor.

But at 6-feet, 6-inches tall, the 79-year-old Clemson, SC resident became every bit the industry giant – physically and intellectually – that his stature suggests.

Getting Started

Although he was born in Port Allegany, PA, Mr. House spent most of his youth in Indiana, PA, about 60 miles east of Pittsburgh. He moved to Washington, D.C. at age 15, where he lived with his grandparents throughout his college years before graduating from Columbia Union College in Takoma Park, MD. After three years of premed study, Mr. House decided that medicine wasn't the path for him, and with the influence of his new bride

and father, decided to go back to school, where he earned a degree in business economics and secondary education.

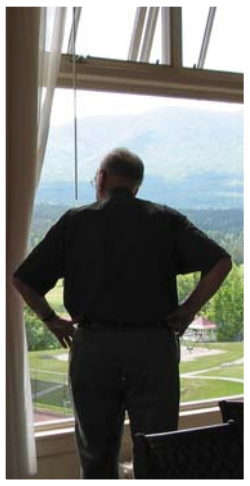
After serving as a guidance counselor and teaching business classes in the Prince George's County school system for three years, Mr. House got a knock on his door from a friend who asked if he might be interested in getting into the insurance business. Though he didn't realize the significance of his decision at the time, Mr. House would go on to spend the next 13 years at the International Insurance Company of Takoma Park. In his time there, he watched as the organization grew from a six-man operation to a 100-plus employee corporation with offices in Singapore, Hong Kong, and Australia.

Captive Era Begins

In 1968, he joined the National Paint and Coatings Association in Bermuda, where he was asked to oversee its development as a captive. The organization would later be known as Verlan Limited.

"At the time there were no other captives in the United States, other than a couple in North Carolina," Mr. House said. "At that point we started calling them captives and it was the first one I was a part of. Later, it [Verlan] became one of the very first Vermont captives."

Armed with a wealth of experience, Mr. House headed up the National



Telcom Corporation in 1983. Headquartered in Washington, D.C., and owned by the National Telephone Cooperative Association, it was an organization comprised of 2,200 small telephone cooperatives. Mr. House's tenure with National Telcom spanned nearly 15 years, until he retired in December 1997 at age 70.

HAI Group Calls

Having settled into his role at National Telcom, Mr. House was approached by colleague, acquaintance, and then HAI Group CEO John Salisbury in 1988 to join the upstart organization's Board of Directors.

"To this day I don't know why," Mr. House said of Mr. Salisbury's request. "His board wanted somebody from the outside that was an insurance person. They wanted somebody to double check on what John was telling them and it was my job to offer insight and alternatives, and to make sure they were headed in a certain direction."

Having sensed the company's potential, Mr. House and the rest of the Board came to a conclusion.

"Why not start a captive agency?" he said. "We started out doing just property, but we needed liability, workers comp, etc. We were having a terrible time with product liability, so the agency filled a real need."

A Blossoming Organization

Over the next 18 years, Mr. House bore witness to the company's growth, which included the arrival of a new CEO; the expansion of HAI Group's Board of Directors and Committees; the economic success of Housing Authority Risk Retention Group; the transformation of Housing Authority Property Insurance into a licensed mutual company; and the earning of an A.M. Best "A- g" (Excellent) Group rating.

"To see how HAI Group has grown is one of the greatest stories in the captive world," Mr. House said. "The reasons are the people who have helped make HAI

Group what it is. This remarkable staff has given much of themselves. No matter how many budget cuts have taken place, we have found options and done an incredible job in working with our members. Nobody else could have done what we do. That's what a captive company is all about."

Saying Goodbye

While he admits he could have continued on in his role as a director for a few more years, Mr. House decided to retire.

"Dan [Labrie] still sends me stuff to read from A.M. Best," he admits. "Just to keep me in the loop."

After an emotional sendoff at the 2006 Annual Meetings in Stowe, VT, Mr. House now spends time with his wife, travels, and works with a local Christian school youth group.

"The group is designed to help families having a difficult time," Mr. House said. "Being an old educator, I have an interest in that. But my primary concern, of course, is my bride of 57 years."

Dear Members,

Looking back over the past few years, particularly in 2006, we have experienced dramatic changes in the public housing landscape, most notably in the areas of operating subsidies, mixed-income housing, accounting, and Project Based Management. These changes have provoked new ways of thinking to address our industry's fluctuating environment.

In 2006, steps were taken to stay ahead of the curve. One of the key components in dealing with the challenges ahead was to remain innovative and change the way we do business to ensure that we provide a high level of customer service.

This was accomplished through the implementation of various operational enhancements, including:

- ▶ The Housing TeleVideo Network's transition from satellite to Web-based programming;
- ▶ The expansion of Agency Operations to offer additional products and services;
- ▶ The dedication of time and resources to advocate for public housing and insurance related interests;
- ▶ A systems upgrade to handle project-based accounting requirements; and
- ▶ The continued expansion of HERS' mixed-income membership affiliated with your housing authorities.

2006 was an outstanding year in terms of financial performance. Dividend distribution reached an all-time high, while A.M. Best reaffirmed our "A- g" group rating with a positive outlook.

While 2006 was another positive year for the companies, much still remains to be accomplished. A more centralized focus on the industry's transition to Project Based Management, further anticipation of units shifting to a mixed-income platform, and the potential for greater diversity in the outreach of public and affordable housing led to a mindset of continued learning and vigilance as HAI Group moves towards an era of sustainability.



Dan Labrie
Chief Executive Officer



L. Glen Redding, Jr.
Chairman of the Board

Dear Members:

It is with great pride that we present Housing Authority Insurance Group's Annual Report for 2006.

Staying Ahead of the Curve is exactly what HAI Group has done for almost 20 years. When you need insurance, no matter what kind, we can get it for you. Insurance is our business, and we know what matters most to public housing authorities.

Over the last 10 years we have provided training on your insurance and housing authority needs. Today, that training is provided through Internet technology via the Housing TeleVideo Network. All members of the HARRG and HAPI family obtain free insurance and risk control training through this network.

Financially, 2006 was a great year for our companies. We lowered premium cost per unit and had high member retentions. We continue to provide scholarships for residents of public and assisted housing, as well as programs that emphasize safety for our youth and children.

In public housing the curve changes constantly. No one knows public housing and your needs better. We continue to pledge our loyalty to the public housing industry and stay ahead of the curve for all your insurance needs.



2006

Two-thousand six presented Housing Authority Insurance Group with a number of pressing, industry-related challenges. But the anticipation, diligence, and forward-thinking approach of our members, staff, and management proved that HAI Group is once again *Staying Ahead of the Curve*. Research and anticipation of the changes in our fluctuating market led to the development of programs and procedures to address those shifts and provide our members with solutions to their needs.

A CHANGE IN FORECAST

Over the past year, the landscape of public housing has shifted dramatically. With economic restraints and budget cuts continuing to take a toll, the public and affordable housing industry was forced to reexamine its approach in every aspect of its business operations.

Sensing that change was in the air, the staff of Housing Authority Insurance Group worked closely with the membership to address its pressing needs. Whether it was helping members prepare for and understand the intricacies of Project Based Management; saving them premium dollars through our direct business program; or offering representation on Capitol Hill, HAI Group anticipated the issues facing our customers and helped them meet the demands of our cyclical industry.

INDUSTRY IN TRANSITION

In 2006, the public and affordable housing industry faced a series of issues that will reshape the foundation of our niche market for years to come. One such item was the introduction of Project Based Management (PBM). With funding expected to be cut to nearly 80% of what is needed in 2007, the Department of Housing and Urban Development (HUD) began scripting rules for PHAs to operate under a new

system where funds will be dispersed by sets of buildings or units, known as projects. Asset Management Project (AMP) numbers are used to designate a group of these buildings into a new operating entity.

break down the processes associated with transforming the organizational structure of housing authorities. After months of research and gaining awareness of the PBM system, HAI Group staff reached out to HUD and the membership who support public housing to learn the best methods to extract Public and Indian Housing Information Center (PIC) data on behalf of the members.

With knowledge in hand, HAI Group promptly began to distribute information through a variety of mediums. The Housing TeleVideo Network produced programs dealing with PBM that would take place over the coming months and years. Various training series on mitigation issues, accounting transition, and other pertinent topics were streamed online, with a full lineup of additional programming planned for 2007. The company further utilized the Web by posting a PBM section on HousingCenter.com complete with PIC data samples, resource links, and contact information.

With the industry in a state of transformation, the organization recognized the need to review its operations from within. In July 2002, the Sarbanes-Oxley Act was signed into law. With it came a stringent focus on internal controls over financial reporting and corporate governance regulation. In an effort to maintain transparency with

HEAD OF THE CLASS

For the third consecutive year, A.M. Best Company reaffirmed HAI Group's "A- g" (Excellent) HARRG-HAPI group rating for 2006 with a positive outlook. The rating reflects the companies' excellent capitalization, very strong operating results, leading position, and proven expertise in our niche market.

A.M. Best is a worldwide insurance-rating and information agency with more than 100 years of history. The company was founded in 1899 by Alfred M. Best. It is the largest and longest-established company devoted to issuing in-depth reports and financial-strength ratings about insurance organizations.

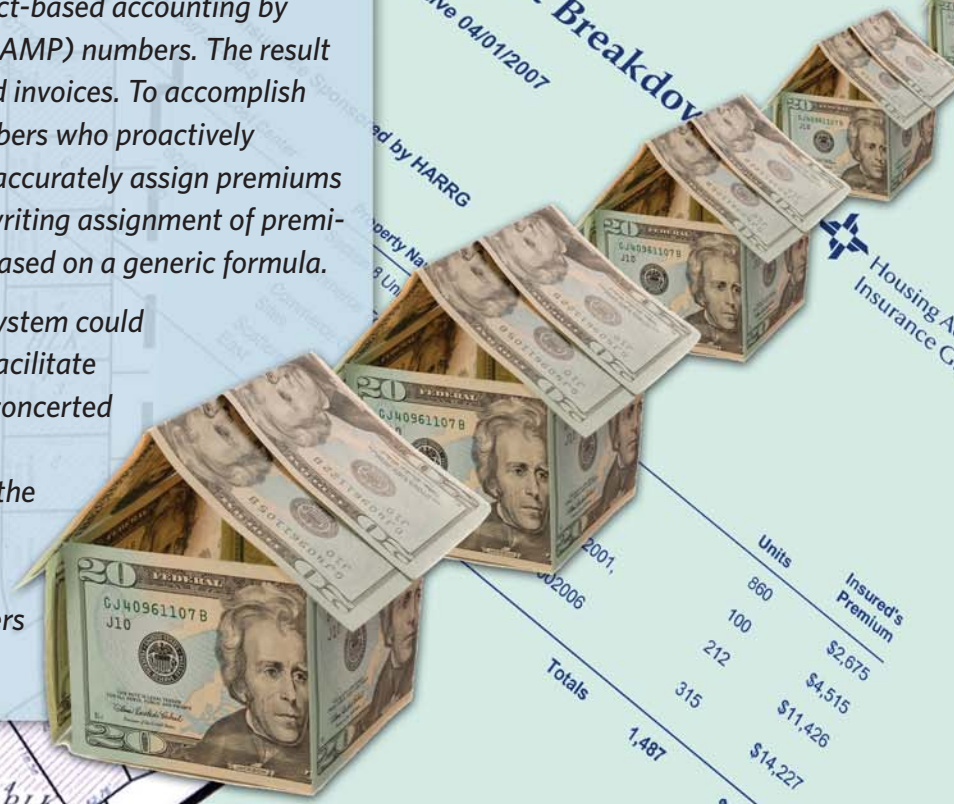
Source: www.ambest.com

AMPED UP

One advantage HAI Group has in anticipating our members' needs is the interaction with them through the governance structure. The planning for the impact of asset management and project-based accounting began with employee and committee member discussions of HUD's intentions on asset management, which in late 2005 became a subcommittee of HAI Group's Finance Committee.

Our most immediate need was to assist members in project-based accounting by producing premium costs by Asset Management Project (AMP) numbers. The result is a statement that accompanies our insurance quotes and invoices. To accomplish this, staff worked with the subcommittee, as well as members who proactively embraced asset management, to determine how to most accurately assign premiums and other costs. The end product embodies actual underwriting assignment of premiums to specific buildings, as opposed to allocating costs based on a generic formula.

During this process, we also determined that HUD's PIC system could efficiently provide us with members' AMP numbers, and facilitate more detailed building premium breakdowns. Through a concerted company effort, we are collecting building data from our members before their insurance renewals, and producing the renewal quotes accompanied by AMP-based premium breakdowns. The result is an accurate cost assignment and a competitive advantage we will broadcast to members and potential members in the coming year.



the membership, the Audit Committee recommended the hiring of an Internal Auditor to ensure that company controls and processes are carried out in an accurate and compliant manner.

ALL FOR ONE

Project Based Management and the internal audit function required an unparalleled level of interdepartmental cooperation and served as a springboard for companywide synergy. Staff members from Executive Services, HTVN, Information Technologies (IT),

Marketing, and Underwriting teamed up to gather information and ultimately provide customers with PBM resource outlets.

IT automated a number of standard forms to give Underwriting staff more time to address PBM without having to hire additional staff. IT assisted in cutting down on redundant data by automating operations and improving time schedules, which allowed Risk Control staff to combine trips and spend more time in front of the customer. IT also worked with Claims to identify areas of efficiency and produc-

tivity going forward. As a result, auto loss run reports were improved to ensure accuracy.

HTVN's transition from satellite-based programming to Web streaming paid immediate dividends throughout the organization. Risk Control staff worked with HTVN, Claims, and Underwriting to develop risk management certification training. HTVN also joined hands with Marketing to renew and retain its subscriber base, as well as market the medium to prospective customers.

The growth and development of Agency Operations remained a significant Marketing goal in 2006. A collaborative effort between Finance and Marketing took place to meet the compliance demands of the excess and surplus lines division of Agency Operations. Significant research was done to ensure Agency Operations met state requirements on a monthly, quarterly, and annual basis.

Finance employed the assistance of IT, outside vendors, and banking and investment partners to develop electronic vouchers, eliminating the need for paper and putting staff in a better position to conduct business outside the office.

In recent years, the development of internal committees has spurred tremendous partnership among departments. In 2005, a Web site Committee was formed, bringing together representatives from each department to offer input, critiques, and suggestions for the makeup and content of our growing member Web site, HousingCenter.com. The creation of the HAI University Committee in 2006, however, spurred perhaps the most significant increase in company unity in years. Comprised of employees from all departments, the committee outlined a schedule of educational presentations to promote interdepartmental learning and knowledge sharing. HAI University courses were conducted by staff and covered topics ranging from departmental functions to a breakdown of Project Based Management. The monthly presenta-

tions proved to be informative, while raising awareness of individual roles and responsibilities throughout the company.

TECHNOLOGICALLY SOUND

HAI Group's ability to stay ahead of its members and anticipate their needs could only be achieved through its continued investment in technology. With

lawsuit), an e-mail archiving system was instituted for easy storage and retrieval of all incoming and outgoing communications.

Archiving served as the impetus for incorporating the Agency Management System (AMS) in the Marketing Department. This automated system allows HAI Group to streamline procedures to follow industry standards and state laws when issuing insurance throughout the country. The system protects the company from errors and omissions through the creation of archived diary pages, while allowing the company to tie into commercial insurance companies to view policies.

Limitations in our voicemail and telephone setup provided the influence to incorporate a new, more flexible Voice over Internet Protocol (VoIP) system. The VoIP system allows different devices to communicate with each other, which

will lead to enhanced customer support and ultimately result in lower maintenance costs.

Customer support was also at the heart of the Claims Department's efforts to increase its technological capacity. The department consulted with members of the Claims Committee regarding online reporting of claims. As a result, claims forms are now posted online allowing members and staff to avoid the more time-consuming paper process. A productivity and efficiency study was completed to identify system upgrades for 2007 and improvements to search

OUT AND ABOUT

Face-to-face interaction with our members is a crucial component of HAI Group's member-driven culture. Here's how Marketing & Agency Operations has reached out to our members since 2003.

	2003	2004	2005	2006
Member Visits	200	236	348	447
Tradeshows/conferences	30	50	47	29
Reach out calls	579	727	682	754
Hand-delivered dividends	150	110	149	166
Total dividends declared	372	382	403	1,393

so many changes taking place in the industry, attention to technology played an even greater role in how the company conducted its business in 2006.

With an exponential growth of incoming data and the desire to comply with Sarbanes-Oxley, IT examined and updated the company's infrastructure. A storage area network was implemented to accommodate a complex file system, which reorganized all the company's data into one central repository. With an eye towards record retention and e-discovery (collection of electronic documents during the legal process or in the event of a

LEGISLATIVE PRESENCE

By 2003 it had become evident to the HAI Board that the public housing industry would be facing a much less favorable economic and political environment going forward. This was manifesting itself in the federal budget and in the early discussions concerning the future of Project Based Management. Therefore, the Board decided to become engaged in housing regulatory and legislative affairs. This early initiative resulted in HAI providing funding in 2006 for consultative and legal research to aid the public housing interest groups in efforts to ensure a more favorable implementation of Project Based Management. It also resulted in the funding of the Economic Impact Study that demonstrated the positive economic impact of public housing on their communities. This study is now being used by public housing interest groups in their discussions with Congress on the current budgeting process.

Assessing the Economic Benefits of Public Housing

by both the initial level of spending and the size of the regional multiplier.¹⁴ The San Diego Housing Commission's operating expenditures generate an estimated \$4.9 million of total spending in the region and support 186 jobs. By comparison, the Boston Housing Authority's operating expenses generate an estimated total regional economic impact of \$86.2 million, including 2,173 jobs.

Table 8: Estimated Regional Economic Impacts from 2005 PHA Operating Expenditures (in Millions)

PHA Location	PHA Operating Expenditures, 2005	Regional Multiplier	Indirect & Induced Expenditures	Total Economic Impact	Total Related Jobs
Akron	\$14.0	1.66	\$9.3	\$23.3	788
Boston	\$44.7	1.93	\$41.6	\$86.2	2,173
Las Vegas	\$16.7	2.22	\$20.3	\$37.0	1,055
Las Vegas City	\$6.9	2.11	\$7.7	\$14.6	502
San Diego	\$39.7	1.99	\$39.4	\$79.1	2,676
San Diego State	\$5.1	1.44	\$2.2	\$7.3	196
San Diego State	\$23.4	1.89	\$20.8	\$44.2	1,181
San Diego State	\$3.4	2.04	\$3.5	\$6.9	186
San Diego State	\$30.1	2.08	\$32.5	\$62.7	1,930
San Diego State	\$183.9	1.93	\$177.3	\$361.3	10,686
San Diego State	\$20.4	1.97	\$19.7	\$40.1	1,187

Source: Data for the Charlotte PHA were unavailable. Data for the San Diego PHA were rounded.

...generates \$2.12 in total regional spending. Each dollar a PHA spends on capital and operations generates a total of \$1.93 worth of spending in its region. These multiplier effects result in over \$643 million in additional economic activity resulting from public housing. The study sparks over 12,600 jobs annually in the nine cities. PHAs' full economic impact is \$75 million in the nine cities. PHAs' full economic impact is \$75 million in the nine cities.

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to ensure members continue to visit the site on a regular basis.

Paperless operations remained a companywide goal as Underwriting beefed up its data analysis capabilities on the product side. Improved analysis features translated into lower and more fairly applied rates for members.

KEEPING PACE

Simplifying our practices, giving back to the membership, and encouraging a proactive commitment to excellence greatly contributed to the organization’s success in 2006.

This was no more evident than in the Underwriting Department, where revising quote packages, expanding the dividend program, and developing an independent product offered proof that HAI Group’s customer service outreach is at an all-time high. Shortening the consolidated quote package cut down on the application process by 30%, making it easier for underwriters to provide members with quotes. Maintaining a high member retention rate among Housing Authority Risk Retention Group (HARRG) and Housing Authority Property Insurance, A Mutual Company (HAPI) members remained a top priority. Earning a third consecutive “A- g” Group rating from ratings provider A.M. Best and increasing dividend payouts to a second tier of customers allowed the companies’ membership base to hold strong at 95%. The rollout of an inde-

**It's
IN THE
NUMBERS**

HAI Group's Underwriting Department stepped up in 2006 as staff representatives made 195 member visits. The department issued 695 liability policies and 762 property policies for HARRG and HAPI, while HERS wrote a combined 644 property/liability coverage lines.

Overall, premium volume grew to \$115.5 million, with HERS approaching the \$10.1 million mark. Our membership base held strong with a 95% retention rate.

pendent property product was a major development as it allowed the company to write policies in states without having to file rates and forms, while saving members 8% on fronting fees.

Internal fiscal responsibility led to tremendous cost savings across the board, resulting in greater returns for the membership. Greater efficiency and

cost cutting awareness throughout the company yielded nearly \$25,000 in savings on postage, supplies, and overnight shipping costs alone.

Enhanced safety and engineering measures increased savings on building expenses, while employees were trained and advised to exercise more stringent spending practices.

HTVN’s official transition to Web-based programming offered subscribers access to more training opportunities at half the cost of satellite classes. With Internet business and reliance at an unparalleled level, HTVN knew the time was right to change the dynamics for transmitting its content. In addition to offering training on various aspects of PBM, HTVN designed a 13-part basic curriculum series for property managers. The series enabled PHA employees to become oriented and comfortable with this new role.

Human Resources spearheaded an effort to research the possibility of providing health insurance for customers, which could potentially help them save on current rates. Investment in human capital was reinforced in 2006 by designing and implementing an enhanced performance management system. Emphasis was placed on reflecting our values and bolstering operational effectiveness, productivity, and individual accountability. The consolidation of all the benefits programs under HR has streamlined processing and improved efficiency. Substantial training activities in support of operations occurred with our

MOVING SAFELY AHEAD

Risk Control participated in 61 on-site standardized training sessions, reaching 1,259 students. Site surveys increased from 2005, with 183 locations visited, resulting in 986 recommendations for improvement. Between new and outstanding recommendations, nearly 830 were implemented.

Here's how Risk Control has extended its training delivery since 2003:

Year	Sessions	Students
2003	47	906
2004	28	619
2005	44	1,029
2006	61	1,259

LEGISLATION PROMPTS HAI GROUP TO RAISE REPORTING STANDARDS

During July 2002, President George W. Bush signed the Sarbanes-Oxley Act into law. The most dramatic change to federal securities laws since the 1930s, the Act radically redesigns federal regulation of public company corporate governance and reporting obligations. It also significantly tightens accountability standards for directors and officers, auditors, securities analysts, and legal counsel. While compliance with the Act is currently mandated only for publicly-traded companies, HAI Group's Board of Directors made the decision in 2004 to voluntarily comply with the spirit of the Sarbanes-Oxley legislation. This proactive move will provide management, the Board of Directors, and members with greater assurance that appropriate internal controls are in place with respect to the financial statements, and that the financial position of the company is being accurately represented.

licensed producers, front line managers, and senior staff.

Reaching out to residents through contests, award programs, and scholarship benefits has always been a source of pride for HAI Group. Those efforts were unprecedented in 2006 as the company increased funds for its Resident Scholarship Program to \$25,000, while creating an honorary Harry House Scholarship for minorities seeking a future in the captive insurance industry.

That emphasis on education was reflected by HAI Group's Board of Directors, who participated in a certification program sponsored by the National Association of Corporate Directors. Directors earned certificates on topics such as finance, audit committee responsibilities, and corporate governance, while attending courses in Chicago, Kansas City, San Francisco, and Washington, D.C.

Sarbanes-Oxley standards influenced Risk Control to place greater emphasis on fraud control education.

As a result, the department formed a partnership with the Fraud Prevention Network, which will offer members access to a tip line and additional information via HousingCenter.com.

The need to comply with changing state regulations prompted the Claims Department to update all of its forms to include appropriate state-specific fraud language. These measures assure that compliance issues are addressed to the satisfaction of reinsurers outside of agencies and the members.

HOLDING STRONG

HARRG: In 2006 HARRG members filed 941 general liability claims. During that period, 1,274 were closed, while 1,686 remained open at yearend. HARRG's total paid and reserved losses since inception of the program are \$294 million, up from \$274 million at yearend 2005.

HAPI: HAPI members filed 479 property claims. In that time, 622 were closed, while 222 remained open. HAPI's total paid and reserved losses since inception are \$143 million, up from \$125 million at yearend 2005.

HERS: HERS members filed 84 liability claims. During that period, 73 were closed, while 120 remained open. HERS total (liability) paid and reserved losses since inception are \$8.4 million up from \$4.4 million at yearend 2005.

HERS members also filed 33 property claims in 2005. During that period, 36 were closed, while 29 remained open. HERS total (property) paid and reserved losses since inception are \$7.5 million, up from \$5.4 million at yearend 2005.

AUTO DIRECT: Auto Direct members filed 221 claims in 2006. During that period, 199 were closed, while 160 remained open. Auto Direct total paid and reserved losses since the program's inception was \$9.3 million, up from \$2.7 million at yearend 2005.

Summary of Findings - HARRG and HAPI

"We continue to find that claims are well handled and in compliance with HARRG and HAI Group internal claims handling standards, as well as generally accepted claims handling standards within HARRG and HAPI peer group organizations in the insurance industry."

"We found that claims are generally reported promptly by HARRG and HAPI members, and that claims are promptly assigned to claims technicians, who properly review coverage and promptly begin claims handling activities."

"We found the claims, in most cases, are thoroughly investigated by the independent adjusters assigned by HARRG/HAPI in order to properly evaluate liability, verify damages, and determine the exposure."

"We found HARRG and HAPI systems and procedures to be efficient and appropriate."

Source: Northshore International Insurance Services, Inc.

Summary of Findings - HERS

"American Re-Insurance has enjoyed a good relationship with HAI Group and the various programs in which we participate and the Housing Enterprise Risk Services (HERS) program is no exception. HAI Group has the luxury of a competent and stable claim staff and continues to perform very well."

Source: American Alternative Insurance Corporation (AAIC)

ADVOCACY, REPRESENTATION, AND CELEBRATION

Increasing the company's position, recognition, and integrity in its niche market proved to be as much a necessity as an aspiration in 2006. Whether it was hosting and planning the most successful HADA seminar since its inception, representing the membership on Capitol Hill, or preparing for the company's 20th anniversary campaign, HAI Group continued to be a champion for the future of the industry, while remaining mindful of its own place in history.

HAI Group sponsored the most prolific and well attended HADA seminar since the group first convened in 2002. With 85 attorneys, general counsel, and members present, HADA once again served as a forum for attendees to network, share ideas, and build trust. This year's seminar also included a number of firsts as a sitting judge was invited to participate in a panel discussion. There were also a number of new topics, including employment practice issues facing PHAs as a result of significant budget cuts. A representative from the Housing and Development

Law Institute gave an overview presentation on recent notable cases across the country, including one HARRG case that could have a major impact on creating favorable case law for public housing.

Over the last six years, the public housing industry has lost nearly \$7 billion to federal budget cuts, which have led to understaffing, lower maintenance, and greater liability consequences at PHAs. The decline in financing, coupled with the introduction of PBM, prompted HAI Group to become an even greater advocate for its members and their residents.

WEB STREAMING

The transition from a satellite-based distribution network to a streaming video/e-learning system has increased the Housing TeleVideo Network's level of service to the membership exponentially. Not only does it have more subscribers now than at any other time in its history, but HTVN also provides the companies with the ability to reach the entire membership. That's an increase of about 10 fold from previous satellite capabilities. The ability to deliver the companies' message to all members is very powerful. We live in an on-demand world. It's all around us. By moving to streaming, HTVN can satisfy that demand. Our courses are available 24/7, 365 days a year. And we have just begun to realize e-learning's potential. It's exciting to know that HAI Group is one of the early adopters of this kind of technology. As a result, we are way ahead of most companies.

The HTVN logo is a blue oval with the letters "HTVN" in white, bold, sans-serif font. It is positioned in the lower right quadrant of the page, overlapping a background image of a laptop and a tablet displaying the HTVN website. The background is a deep blue with faint, glowing white lines and binary code (0s and 1s) scattered throughout.

The company contributed \$50,000 to support the industry in its dialogue with HUD concerning the transition to PBM and to ensure that the implementation of property management and accounting is more practical for PHAs. HAI Group offered support to the Public Housing Authorities and Directors Association, the Council for Large Public Housing Authorities, and the National Association of Housing and Redevelopment Officials in their communication efforts with HUD. The company also contributed

\$100,000 to conduct and complete an impact study to demonstrate the industry's value to the local economy.

These uncertain times served as an appropriate backdrop for a company whose members and residents have persevered through an unpredictable market for nearly two decades. Yes, change was in the air in 2006. But so too was a sense of pride and accomplishment. In 2007, Housing Authority Insurance Group and its members will celebrate 20 years of partnership in the public and affordable housing industry.

The preparation for the company's 20th anniversary campaign will serve as an opportunity for HAI Group and its members to revel in its history and embrace the challenges ahead.

Anticipating change.

Working together.

Investing in technology.

Enhancing production.

Supporting the industry.

*Proof positive that HAI Group is
Staying Ahead of the Curve.*

BOARD OF DIRECTORS & COMMITTEES

Board of Directors (Left to Right) Top Row: Dan Labrie; Edwin Lowndes; Richard Collins; Douglas Dzema; James DiPaolo; L. Glen Redding, Jr., *Chair*; Middle Row: C.R. Neill; John Johnson; Harry House; Barry Romano, *Vice Chair*; Terri Hamilton Brown; Bottom Row: J. Len Williams; Linnie Willis; Stephen Falek; Not in Photo: John Primmer; Domenic Schiano



Corporate Officers (Left to Right) Top Row: Dave Sagers, *Vice President*; Dominic Mazzoccoli, *Vice President*; Mark Wilson, *Treasurer*; Ed Malaspina, *Vice President*; Bob Sullivan, *Vice President*; Barry Romano, *Vice Chair*; Bottom Row: Brian Braley, *Vice President*; Bill Lewellyn, *Vice President*; Leslie Whitlock, *Corporate Secretary*; Dan Labrie, *President*; L. Glen Redding, Jr., *Chair*

(Left to Right) Dan Labrie, *President and Chief Executive Officer*; Lee Reno, *General Counsel*; L. Glen Redding, Jr., *Chair*



Governance Committee (Left to Right) Top Row: Richard Collins, *Chair*; Douglas Dzema; Barry Romano, *Vice Chair*; Bottom Row: J. Len Williams; L. Glen Redding, Jr.; Linnie Willis; Not in Photo: John Primmer



Audit Committee (Left to Right) Top Row: Richard Collins; Douglas Dzema; Barry Romano, *Chair*; Bottom Row: L. Glen Redding, Jr.; Edwin Lowndes, *Vice Chair*



Claims Committee: (Left to Right) Top Row: Jim Inglis; Lee Eastman; Marva Leonard-Dent; Jacquelyn Roberson; Barry Romano, *Vice Chair*; Douglas Dzema, *Chair*; Bottom Row: Keith Pamperin; Tony Love; Marilyn Allen; Sharon Scudder; Kathleen Sulsky; Donald Emerson; Not in Photo: Caster Binion; Gillian Brown; Michael Lundy; Terry Madigan; Bill Morlock; William Smith; Liane Ward



Finance Committee: (Left to Right) Top Row: James DiPaolo, *Vice Chair*; Lemuel Boggs; Edwin Lowndes; Alan Katz; Bottom Row: David Brown; Laura Hinchey; Terri Hamilton Brown; Helen Kipplen; James Borgstadt; Not in Photo: John Primmer, *Chair*; Ed Hinojosa; Edward Mauk; June Parker; George Phillips; Maynard Scales; Gary Wasson

Learning Technologies Committee: (Left to Right) Top Row: Lee Eastman; C.R. Neill, *Chair*; Roger Fleetwood; David Brown; Terri Hamilton Brown; Bottom Row: Helen Kipplen; Tina-Marie Sullivan; L. Glen Redding, Jr.; Kathleen Sulsky; Christine Hart; Not in Photo: Maynard Scales, *Vice Chair*; Caster Binion; Kevin Loso; Joe Macaluso; Terry Madigan





Marketing Committee: (Left to Right) Top Row: Barry Romano; James DiPaolo; Roger Fleetwood; Douglas Dzema; Alan Katz; Philip Allen; David Brown; Bottom Row: Tony Love; Sharon Scudder; Bonnie Latting; Marilyn Allen; L. Glen Redding, Jr.; Linnie Willis, *Vice Chair*; Stephen Falek; Terri Hamilton Brown, *Chair*; Not in Photo: Scott Bertrand; J.D. Foster; Kevin Loso; Terry Madigan; Bill Morlock; Karl Opheim; George Phillips; Domenic Schiano; Liane Ward

Legislative Affairs Committee: (Left to Right) J. Len Williams, *Vice Chair*; Dan Labrie; John Johnson; Richard Collins; Stephen Falek, *Chair*



Risk Control Committee: (Left to Right) Top Row: Boyd Fetterolf; Jay Cunningham; Martin Williams; Bottom Row: Roger Fleetwood; Bonnie Latting; Stephen Falek, *Vice Chair*; Mark Holmes; Not in Photo: Domenic Schiano, *Chair*; Philip Allen; Tracy Barlow; Scott Bertrand; Lee Black; Gary Evangelista; J.D. Foster; Veronica Guevara; Bernice Jones; Carolyn Nichter; Sanford Riggs; Rosa Torres

Underwriting Committee: (Left to Right) Top Row: Tyrone Garrett; Richard Collins; Harry House, *Chair*; John Johnson, *Vice Chair*; C.R. Neill; William Woods; Bottom Row: J. Len Williams; Sam Brunson; Linnie Willis; L. Glen Redding, Jr.; Russell Sciandra; Not in Photo: Richard Baker; Sharon Carlson; Hans Froelicher; Frances Haywood; Thomas Hickey; Robert Lambert; Bennie Lawson; Karl Opheim



HOUSING AUTHORITY INSURANCE GROUP MEMBERSHIP 2006

ALABAMA

ARD, Inc.
HA of the City of Auburn
Bonita Terrace Ltd
HA of the City of Bridgeport
HA of the City of Decatur
Huntsville HA
HA of the City of Lafayette
HA of the City of Montgomery
Morrow Realty Co, Inc.
Prichard Hsg Corp II Chancery Square, LP
Sheffield HA
York HA

ARIZONA

HA of Cochise County
HA of the City of Olay
HA of the City of Flagstaff
Flagstaff Hsg Corp
HA of Maricopa County
HA of the City of Nogales
Pinal County HA
City of South Tucson HA
Urban League Manor
Williams HA
Winslow HA

ARKANSAS

HA of the City of Amity
Archwood Properties
HA of the City of Fort Smith
Granite Mtn Dev
HAs of Hot Springs & Garland County
HA of the City of Little Rock
HA of the City of Magnolia
Malcolm Manor LP
North Little Rock HA
HA of the City of Paragould
HA of the City of Trumann

CALIFORNIA

City of Alameda HA
Aliso Village Hsg Corp
Area HA of the County of Ventura
California Commercial Investment Group
California HA Risk Mgmt Agcy
Contra Costa County HA
HAs of the City & County of Fresno
Livermore HA
HA of the City of Los Angeles
Los Angeles LOMOD Corp
HA of the City of Madera
Marin County HA
HA of the County of Monterey
Oakland HA

Oxnard HA
HA of the City of Paso Robles
HA of the City of Port Hueneme
HA of the City of Richmond
Riverview Plaza Assoc
Downtown Sacramento Revitalization Corp
Sacramento HRA
HA of the County of San Bernardino
HA of the City of San Buenaventura
San Diego Hsg Comm
HA of the County of San Diego
Hsg Dev Ptnrs of San Diego
San Francisco HA
HA of the County of San Mateo
HA of the County of Santa Clara
Senior Chateau Investors, LLC c/o GH Capital LLC
K.B. Portfolio, LLC
HA of the City of Soledad
Triad Properties
Villa Calleguas, Inc.
HA of the City of Wasco
Yolo County HA

COLORADO

HA of the City of Aurora
HA of the City of Boulder
Colorado Hsg and Finance Auth
HA of the City of Colorado Springs
Corona Residence Apts dba Robert A. Colaizzi
HA of the City and County of Denver
HA of the City of Englewood
Garfield County HA
Jefferson County HA
HA of the City of Lakewood
HA of the Town of Limon
Littleton HA
Montrose County HA
HA of the City of Pueblo
Rocky Ford HA
Summit Combined HA

CONNECTICUT

Ansonia HA
HA of the Town of Ashford
Berlin HA
Bethel HA
HA of the Town of Bloomfield
Branford HA
HA of the City of Bristol
Brookfield HA
HA of the Town of Brooklyn
Canton HA
Cheshire HA
Clinton HA
Colchester HA
Coventry HA

CPS Properties, Inc.
HA of the City of Danbury
Darien HA
HA of the Town of Deep River
Derby HA
East Hampton HA
East Hartford HA
East Windsor HA
Ellington HA
Enfield HA
Essex HA
Fairfield HA
Farmington HA
Glastonbury HA
Glenbrook Road Elderly Hsg Corp
Greater Bristol Realty Corp
HA of the Town of Greenwich
HA of the Town of Griswold
Groton HA
Guilford HA
HA of the Town of Hamden
HA of the City of Hartford
Hebron HA
HOPE Ptnr, Inc.
Killingly HA
Ledyard HA
Litchfield HA
Manchester HA
Mansfield HA
Meadow Landing I LP
HA of the City of Meriden
Middlefield HA
HA of the City of Middletown
Milford Redev & Hsg Ptnr
Monroe HA
Montville HA
Morris HA
HA of the Borough of Naugatuck
Neighborhood Hsg Svcs of Stamford, Inc.
HA of the City of New Britain
HA of the Town of New Canaan
HA of the City of New Haven
HA of the City of New London
Newington HA
North Canaan HA
North Haven HA
HA of the City of Norwalk
Norwich HA
Oxford HA
Plainfield HA
Plymouth HA
HA of the Town of Portland
HA of the City of Preston
Putnam HA
Ridgefield HA

Rocky Hill HA
HA of the Town of Seymour
Sharon HA
Shelton HA
HA of the Town of Simsbury
Somers HA
HA of South Windsor
Southington HA
HA of the Town of Sprague
HA of the Town of Stafford
HA of the City of Stamford
Stonington HA
Stratford HA
Suffield HA
Taylor Street Hsg Corp
HA of the Town of Thomaston
HA of the Town of Thompson
Tolland HA
Torrington Comm Hsg Corp
HA of the City of Torrington
HA of the Town of Trumbull
HA of the Town of Vernon
HA of the Town of Voluntown
Wallingford HA
HA of the City of Waterbury
Watertown HA
HA of the Town of West Hartford
HA of the City of West Haven
HA of the Town of Westbrook
Westport HA
HA of Wethersfield
HA of the City of Willimantic
HA of the Town of Winchester
HA of the Town of Windsor
HA of the Town of Windsor Locks
Woodstock HA

DELAWARE

Dover HA
New Street LP
Newark HA
Phoenix Properties, LLC
Wilmington HA

DISTRICT OF COLUMBIA

District of Columbia HA
Williston LP

FLORIDA

Area Hsg Comm
Clearwater HA
Crestview HA
Deerfield Beach HA
Delray Beach HA
HA of the City of Eustis
HA of the City of Fort Lauderdale

HA of the City of Fort Pierce
Gainesville HA
Hialeah HA
Holmes County HA
Indian River County HA
HA of the City of Key West
Miami Beach HA
Monroe County HA
HA of the City of Orlando
Pahokee HA
Palm Beach County HA
Panama City HA
Pinellas County HA
Riviera Beach HA
HA of St. Petersburg
Sanford City HA
HA of the City of Sarasota
Tallahassee HA
HA of the City of Tampa
HA of the City of Titusville
Union County HA
Venice HA
West Palm Beach HA
Winter Haven HA

GEORGIA

HA of the City of Acworth
American Safety Ins Svcs, Inc.
AmWINS
Arcadia Commons, Inc.
Ashcroft Group
HA of the City of Athens
Atlanta HA
HA of the City of Barnesville
HA of the City of Bremen
HA of the City of Cairo
HA of the City of Chatsworth
HA of Columbus
Columbus Villas HA
HA of the City of Cordele
HA of the City of Dalton
HA of the City of East Point
Fairburn HA
HA of the City of Gibson
Greensboro HA
HA of the City of Greenville
HA of the City of Griffin
HA of the City of Hampton
HA of the County of Harris
HA of Hartwell
In-Fill Housing Corp
Innovative Hsg Initiatives dba Albany Gardens
HA of the City of Jackson
HA of the City of Lavonia
HA of the City of Macon
HA of the City of Monroe
Newnan HA

HA of the City of Quitman
Royston HA
St. John Baptist Church Hsg & Dev Corp dba
St. John's Villa Apts
HA of the City of Sandersville
HA of Savannah
Standley-Oxford LP
Swett & Crawford
Thomaston HA
Thomson HA
Tifton HA-City of Tifton
HA of the City of Unadilla
HA of the City of Union Point
HA of the City of Vienna
HA of the City of Winder

ILLINOIS

Chicago HA
HA of the City of East St. Louis
Japanese American Srvc Committee Hsg Corp dba
Heiwa Terrace
HA of Joliet
Peoria HA
Peoria Opps Hsg Corp
Springfield HA

INDIANA

AHEPA National Hsg Corp; AHEPA 343, Inc.; AHEPA
410, Inc.; AHEPA 100, Inc.; AHEPA Buffalo Hsg
Dev, Inc.; dba AHEPA 67 II Apts; AHEPA 28 IV,
Inc.; AHEPA 58 II, Inc.; AHEPA 78 V, Inc.; AHEPA
192 III, Inc.; AHEPA 296, Inc.
HA of the Town of Bloomfield
HA of the City of Bloomington
HA of the City of Brazil
Charlestown HA
HA of the County of Delaware
HA of the City of East Chicago
HA of the City of Elkhart
HA of the City of Evansville
Fort Wayne HA
Fulton County HA
HA of the City of Gary
HA of the City of Hammond
Indianapolis Hsg Agcy
Jeffersonville HA
Kokomo HA
Marion HA
HA of the City of Michigan City
Mishawaka HA
HA of the City of Muncie
HA of the City of Richmond
HA of the City of South Bend
Springhill of Marion, LP
Sullivan HA
HA of the City of Tell City
United Neighborhoods, Inc.

IOWA

Apts of River Trace
Comm Hsg Dev Corp dba Forest Avenue Townhomes
Des Moines Municipal HA
Oakridge Neighborhood and Homes of Oakridge
Human Svcs

KANSAS

Argonia HA
HA of the City of Atchison
HA of the City of Atwood
HA of the City of Beloit
HA of the City of Bird City
HA of Blue Rapids
HA of the City of Burrton
HA of the City of Chanute
Chapman HA
HA of the City of Clay Center
HA of the City of Colby
Columbus HA
Dodge City HA
HA of the City of Downs
Fort Scott HA
HA of the City of Galena
HA of Garden City
HA of Girard
HA of the City of Great Bend
HA of Greenleaf
Halstead HA
Howard HA
HA of the City of Hoxie
Jetmore City HA
HA of the City of Kansas City
HA of the City of Kinsley
Lawrence-Douglas County HA
Liberal HA
HA of the City of Lindsborg
HA of the City of Linn
Manhattan HA
HA of the City of Medicine Lodge
Morton County HA
Neodesha HA
PHA of the City of Newton
HA of the City of Oakley
HA of Olathe City
Paola HA
City of Parsons PH Dep
HA of the City of Saint Francis
Salina HA
HA of the City of Seneca
Solomon HA
PHA of the City of South Hutchinson
HA of Stafford
Sterling HA
HA of the City of Strong City
Topeka HA
Ulysses HA

HA of the City of Wellington
Wichita HA

KENTUCKY

CH6, Ltd
New Directions Hsg Corp, New Vision Residential
Svcs, Inc.
HA of Owensboro

LOUISIANA

Holy Family Apts Inc., etal
Houma-Terrebonne HA
HA of New Orleans
Proctor Point Realty, LLC
HA of St. James Parish

MAINE

City of Biddeford HA
HA of the City of Brewer
Fort Fairfield HA
Lewiston HA
HA of the City of Old Town
Portland HA
Presque Isle HA
Waterville HA

MARYLAND

HA of Allegany County
Amina LP
HA of the City of Annapolis
Hsg Comm of Anne Arundel County
HA of Baltimore City
HA of Cambridge
HA of Crisfield
HA of the City of Cumberland
HA of the Town of Easton
Elkton HA
HA of the City of Frederick
Glenarden HA
Hagerstown HA
HA of the City of Havre De Grace
HA of Prince George's County
Redev Auth of Prince George's County
St. Mary's County HA
St. Michael's HA
Wicomico County HA

MASSACHUSETTS

Adams HA
Amherst HA
Andover HA
Auburn HA
Barnstable HA
Belmont HA
Beverly HA
Boston HA
Bourne HA

Brockton HA
 Brookline HA
 Burlington HA
 Cambridge HA
 Chicopee HA
 Clinton HA
 Concord HA
 Danvers HA
 Dedham HA
 Dennis HA
 Dracut HA
 Dukes County Regional HA
 Fall River HA
 Falmouth HA
 Fitchburg HA
 Framingham HA
 Gloucester HA
 Groveland HA
 Hanson HA
 Haverhill HA
 Holyoke HA
 Hudson HA
 Lawrence HA
 Lowell HA
 Lynn HA
 Malden HA
 Mansfield HA
 Marlborough Comm Dev Auth
 Maynard HA
 Medford HA
 Medway HA
 Melrose HA
 Memorial Parish House, LP
 Methuen HA
 Milford HA
 Milton HA
 Needham HA
 New Bedford HA
 Newburyport HA
 Newton HA
 North Adams HA
 North Andover HA
 North Attleboro HA
 North Reading HA
 Northampton HA
 Norwood HA
 Pembroke HA
 Pittsfield HA
 Plymouth HA
 PMC Ins Group
 Quincy HA
 Reading HA
 Revere HA
 Rockland HA
 Rockport HA
 Sandwich HA
 Saugus HA
 Shrewsbury HA

Somerville HA
 Spear Mgmt Group
 Springfield HA
 Stoughton HA
 Taunton HA
 Tewksbury HA
 Wakefield HA
 Wakefield Senior Hsg Corp
 Waltham HA
 Watertown HA
 Wayland HA
 Webster HA
 West Broadway Redev
 Weymouth HA
 Winchendon HA
 Wingate Mgmt Co, LLC
 Woburn HA
 Worcester HA

MICHIGAN

Alma Hsg Comm
 Ann Arbor Hsg Comm
 Bangor Hsg Comm
 Bath Charter Township Hsg Comm
 Battle Creek Hsg Comm
 Bay City Hsg Comm
 Bay County Hsg Dept
 Belding Hsg Comm
 Benton Harbor Hsg Comm
 Benton Township Hsg Comm
 Big Rapids Hsg Comm
 Bronson Hsg Comm
 Cadillac Hsg Comm
 Cheboygan Hsg Comm
 Clinton Township Hsg Comm
 Coldwater Hsg Comm
 Covert Public Hsg Comm
 Detroit Hsg Comm
 Dowagiac Hsg Comm
 Eastpointe Hsg Comm
 City of Ecorse Hsg Comm
 Elk Rapids Hsg Comm
 Flint Hsg Comm
 Gladwin City Hsg Comm
 Grand Rapids Hsg Comm
 Greenville Hsg Comm
 Hamtramck Hsg Comm
 Highland Park Hsg Comm
 Hope Woods Ltd Dividend Hsg Assoc, LP
 Inkster Hsg Comm
 Jackson Hsg Comm
 Lansing Hsg Comm
 Laurel Park Elderly Hsg
 Livonia Michigan Hsg Comm
 Mackinac County Hsg Comm
 City of Manistee Hsg Comm
 Melvindale HA
 Montcalm County Hsg Comm

Muskegon Heights Hsg Comm
 Muskegon Hsg Comm
 New Haven Hsg Comm
 Niles Hsg Comm
 Pontiac Hsg Comm
 Port Huron Hsg Comm
 Pottersville Hsg Comm
 Reed City Hsg Comm
 Romulus Hsg Comm
 Royal Oak Township Hsg Comm
 Saginaw Hsg Comm
 St. Clair Shores Hsg Comm
 St. Joseph Hsg Comm
 South Haven Hsg Comm
 Taylor Hsg Comm
 Ypsilanti Hsg Comm

MINNESOTA

HRA of the City of Barnesville
 HRA of Baudette
 Brainerd HRA
 HRA of Cass Lake
 HRA of Clarkfield
 HRA of Crosby
 Duluth HRA of Duluth
 HRA of Eveleth
 HRA of Gilbert
 Hutchinson HRA
 HRA of Melrose
 HRA of Montevideo
 Moorhead PH Agcy
 HRA of Moose Lake
 Mower County HRA
 HRA of North Mankato
 HRA of Park Rapids
 Red Wing HRA
 Hsg & Economic Dev of the County of Renville
 PH Agcy of the City of St. Paul
 HRA of the City of South St. Paul
 Todd County HRA
 Tracy HRA
 HRA of Two Harbors
 Washington County HRA
 Winona Redev & Hsg Auth

MISSISSIPPI

Cheshire Manor Inc. and MS Cheshire Homes of
 Harrison County, Inc.
 Glenn Miller Et. AL
 J&A Mgmt, Inc.
 Mississippi Hsg Dev
 Natchez HA
 NCBA Estates
 Providence Mgmt, Inc.; Providence Crossing, LLC;
 Cocke Estates, LLC
 Southland Mgmt Corp
 Tupelo II Apts Homes LP

MISSOURI

HA of Kansas City
 St. Louis HA

MONTANA

Glasgow HA

NEBRASKA

Albion HA
 Auburn HA
 HA of the City of Crete
 Hall County HA
 HA of Hayes Center
 Lincoln HA
 HA of the City of Omaha
 HA of Oshkosh
 Strehlow Hsg Ptrrs, LP c/o Hsg in Omaha, Inc.

NEVADA

Affordable Hsg Program, Inc.
 HA of the City of Las Vegas
 HA of the City of North Las Vegas
 Yorkshire Terrace LP

NEW HAMPSHIRE

Berlin HA
 Claremont HA
 Concord HA
 Derry HRA
 Dover HA
 HA of the Town of Exeter
 Franklin HA
 Keene HA
 Laconia HRA
 Lancaster HA
 Lebanon HA
 Manchester HRA
 Nashua HA
 Northumberland HA
 Portsmouth HA
 HA of the Town of Salem
 Somersworth HA

NEW JERSEY

Atlantic City Improvement Corp
 HA and Urban Redev Agcy of the City of Atlantic City
 Battery View Senior Citizens
 HA of the Borough of Belmar
 HA of the Township of Berkeley
 HA of the Town of Boonton
 Brunswick Village Urban Renewal LP
 HA of the City of Camden
 HA of the Borough of Clementon
 HA of the Borough of Collingswood
 HA of the Town of Dover
 HA of the City of East Orange
 HA of the City of Elizabeth

Grandview Terrace, Inc.
 Hightstown HA
 HA of the Township of Irvington
 HA of the City of Jersey City
 HA of the City of Long Branch
 Hsg & Urban Dev Auth of the City of New Brunswick
 HA of the City of Newark
 HA of the City of Passaic
 Penns Grove Hsg & Redev Auth
 HA of the City of Perth Amboy
 HA of the Town of Phillipsburg
 Presbyterian Homes of New Jersey Foundation, Inc.
 Trent Center West Apts
 HA of the City of Trenton
 HA of the City of Union City
 Westwood Senior Hsg Corp & Thomas J. Reilly
 Senior Corp

NEW MEXICO

HA of the City of Alamogordo
 HA of the City of Artesia
 HA of the City of Bayard
 Town of Bernalillo HA
 Village of Chama HA
 Cimarron HA
 Clovis HR Agcy, Inc.
 HA of the City of Espanola
 City of Eunice HA
 HA of the Village of Fort Sumner
 Gallup HA
 HA of the City of Las Cruces
 HA of the City of Lovington
 Rio Arriba County HA
 HA of the Village of Santa Clara
 Santa Fe Civic HA
 Socorro County HA
 HA of the City of Truth or Consequences
 HA of the Village of Wagon Mound

NEW YORK

Admiral William F. Halsey Senior Village, Inc.
 Albany HA
 AME ZION Trinity HDFC
 Amsterdam HA
 Assoc for Neighborhood Rehabilitation
 Auburn HA
 Batavia HA
 City of Beacon HA
 Binghamton HA
 Birches at Saugerties, LP; The Birches at Saugerties
 Hsg Dev Co, Inc.
 Birchwood Village Assoc, LP
 Brigham Senior Hsg, LP
 Buffalo Municipal HA
 Burton Towers HDFC
 Village of Catskill HA
 Chambers Senior Hsg LP

Cohoes HA
 Hsg Resources of Columbia County, Inc.;
 Hsg Resources Real Estate Holding Corp
 Cortland HA
 Courtyard Hsg LLC
 Dunkirk HA
 Village of Ellenville HA
 Elmira HA
 Freeport HA
 Geneva HA
 Glen Cove HA
 City of Glens Falls HA
 Gloversville HA
 Village of Great Neck HA
 Greenburgh HA
 Town of Harrietstown HA
 HA of the Village of Hempstead
 Town of Hoosick HA
 City of Hornell HA
 City of Hudson HA
 Ilion HA
 Ithaca HA
 Kingston HA
 L.B.S.H. Hsg Corp
 Lackawanna Municipal HA
 City of Lockport HA
 Town of Mamaroneck HA
 Massena HA
 Mechanicville HA
 Village of Monticello HA
 Mount Kisco HA
 New Rochelle Municipal HA
 New Rochelle Neighborhood Revitalization Corp &
 New Rochelle Comm Hsg Dev Corp
 Newark New York HA
 Niagara Falls HA
 Niagara Falls Neighborhood Hsg Svcs, Inc.
 North Tarrytown HA
 Norwich HA
 Village of Nyack HA
 Olean HA
 Peekskill HA
 Plattsburgh HA
 Port Chester HA
 Port Jervis HA
 Potsdam Sandstone Senior Citizens Club, Inc.
 Poughkeepsie HA
 Town of Ramapo HA
 Rensselaer HA
 Rivercrest Commons Hsg Dev Fund Co, Inc.
 Rochester HA
 Rockville Centre HA
 Rural Ulster Preservation Co
 Schenectady Municipal HA
 Village of Spring Valley HA
 Syracuse HA
 Tarrytown Municipal HA

Tonawanda HA
 Troy HA
 Two Hundred Seventy-Two to Two Hundred Eighty
 Linwood Avenue, Inc. dba Baptist Manor, Inc.
 Watertown HA
 Watervliet HA
 HA of the City of White Plains
 Town of Wilna HA
 Village of Woodridge HA
 Municipal HA for the City of Yonkers

NORTH CAROLINA

HA of the City of High Point
 HA of the City of Kinston
 Raleigh HA
 Washington HA
 Wilmington Hooper School Apts, LLC

NORTH DAKOTA

Fargo HA

OHIO

Austintown Assoc a Ptnrshp Compass West Apts
 Columbus Metro HA
 Cuyahoga Metro HA
 Doan LP
 Erie Metro HA
 Gallia Metro HA
 Jefferson Metro HA
 Lorain Metro HA
 Lucas Metro HA
 Morgan Metro HA
 Parma PHA
 Sandusky Bay Kiwanis
 Stark Metro HA
 Trumbull Metro HA
 Zanesville Metro HA

OKLAHOMA

HA of the City of Ada
 Afton HA
 HA of the City of Anadarko
 HA of the City of Antlers
 Apache HA
 HA of the City of Atoka
 HA of the City of Beggs
 Boley HA
 HA of the Town of Boswell
 Broken Bow HA
 HA of the City of Cache
 Caddo Electric Coop HA
 Cement HA
 HA of the Town of Cheyenne
 Clayton HA
 HA of the City of Coalgate
 HA City of Comanche
 HA of the City of Commerce

Cookson Hills Electric Co-op
 Curtis Plaza, Inc.
 Cyril Public HA
 HA of the City of Del City
 HA of the City of Drumright
 HA of the City of Elk City
 HA of the Town of Fort Gibson
 Frederick HA
 HA of the City of Geary
 HA of the City of Grandfield
 Granite HA
 HA of the City of Guthrie
 Haileyville HA
 HA of the City of Hartshorne
 HA of the City of Heavener
 HA of the City of Henryetta
 Hobart HA
 HA of the City of Holdenville
 Hugo HA
 HA of the City of Hydro
 HA of the City of Idabel
 Independent Living Svcs for Youth
 HA of the City of Keota
 Kiamichi Electric Coop HA
 HA of the City of Krebs
 HA of the City of Lawton
 Lawton Support Services
 HA of the Town of Lone Wolf
 Madill HA
 Maud HA
 HA of the City of McAlester
 HA of the City of Miami
 Minco HA
 Mtn Park HA
 Mtn View PHA
 MSPP, LLC
 HA of the City of Muskogee
 HA of the City of Newkirk
 HA of the City of Norman
 Oilton HA
 Oklahoma City HA
 HA of Osage County
 HA of the City of Pawnee
 Picher HA
 HA of the City of Ponca City
 Prague HA
 Roosevelt HA
 HA of the City of Ryan
 HA of the City of Sayre
 HA of the Town of Seiling
 Seminole HA
 HA of the City of Shawnee
 HA of the City of Snyder
 HA of the City of Stigler
 Stillwater HA
 Stratford HA
 HA of the City of Stroud

Talihina HA
 Tecumseh HA
 Temple HA
 HA of the Town of Terral
 Texas County HA
 HA of the City of Tulsa
 Tulsa Hsg Assistance Corp
 Tuttle HA
 Valliant HA
 HA of the City of Walters
 HA of the City of Watonga
 Waurika HA
 HA of Waynoka
 HA of the City of Weleetka
 HA of the City of Wetumka
 Wewoka HA
 HA of the City of Wilburton
 HA of the Town of Wister
 HA of the City of Yale

OREGON

JWV Properties, LLC
 Rogue River Estates Retirement Center Ptnrs dba
 Rogue River Estates

PENNSYLVANIA

Allegheny County HA
 Alliance for Building Communities Eagle Valley
 Senior Hsg, Inc.
 Blair RHAs
 HA of the City of Bradford
 Bucks County Redev Auth
 Cambridge Plaza I LP, Cambridge HDC
 Chester HA
 Clinton County HA
 Columbia County HRA
 Delaware County Redev Auth
 Redev Auth of the City of Erie
 Gross & Quade Mgmt Co
 Harrisburg HA
 Lackawanna County HA
 Lancaster City HA
 HA of the City of Meadville
 HA of Monroe County
 Redev Auth of the County of Monroe
 Nanticoke HA
 Northeast Pennsylvania Lead Consortium
 Philadelphia HA
 HA of the City of Pittsburgh
 HA of Somerset County
 Tioga County HRA
 Titusville HA
 Wyoming County HRAs

RHODE ISLAND

Bristol HA
 HA of the Town of Burrillville
 Central Falls HA
 Cranston HA
 Town of Cumberland HA
 East Providence HA
 Jamestown HA
 Town of Lincoln HA
 HA of the City of Newport
 North Providence HA
 HA of the City of Pawtucket
 Town of Portsmouth HA
 Providence HA
 Town of Smithfield HA
 HA of the City of South Kingstown
 Tiverton HA
 Valley Affordable Hsg Corp
 HA of the Town of Warren
 Warwick HA
 Town of Westerly HA
 HA of the City of Woonsocket

SOUTH CAROLINA

HA of Cheraw
 Farmington Assoc
 HA of Florence

SOUTH DAKOTA

Butte County HA

TENNESSEE

Greater Bethlehem Plaza
 Hartsville HA
 Rogersville HA
 Smyrna HA
 Tennessee Hsg Dev Corp
 Tivoli II LP

TEXAS

Austin Affordable Hsg Corp
 HA of the City of Austin
 Beaumont HA
 Billy W. Bell, Jr & Sr
 HA of the City of El Paso
 El Paso Las Puertas Abiertas, Inc.
 HA of the City of Galveston
 HA of the City of Garrison
 Gladwin Mgmt, Inc.; Hunsicker Mgmt, Inc.;
 Hunsicker Appraisal Co, Inc.
 Harris County HA
 Houston HA
 HA of the City of Laredo
 Liberty County HA
 Los Fresnos HA
 Peace Lake Towers, Inc.
 HA of the City of Pharr

HA of the City of San Antonio
 San Antonio Homeownership Opps Corp
 Southwest Hsg Compliance Corp

UTAH

HA of Carbon County
 HA of Salt Lake City

VERMONT

Abenaki Acres
 Barre HA
 Brattleboro HA
 Burlington HA
 Town of Hartford HA
 Parson Hill Ptnrs
 Rutland HA
 Springfield HA
 Vermont State HA
 Winooski HA

VIRGIN ISLANDS

Virgin Islands HA

VIRGINIA

1368 Euclid Street
 Alexandria RHA
 Bristol RHA
 Charlottesville RHA
 Chesapeake RHA
 Danville RHA
 Emporia RHA
 Fairfax County RHA/HCDC One LP
 Fairfax County RHA/HCDC Two LP
 Franklin RHA
 Hampton RHA
 Harrisonburg RHA
 Hopewell RHA
 Lee County RHA
 Lincoln Square, LP
 Louisa Methodist Hsg Dev
 Lynchburg RHA
 Newport News RHA
 Norfolk RHA
 Norton RHA
 Orcutt Townhomes I LP
 Petersburg RHA
 Portsmouth RHA
 Richmond RHA
 City of Roanoke RHA
 Shenandoah Hsg Corp
 Staunton RHA
 Suffolk RHA
 Williamsburg RHA
 Wise County RHA

WASHINGTON

HA of the City of Bremerton
 HA of Grant County
 King County HA
 Pierce County HA
 Salishan One, LLC
 HA of the City of Seattle
 Thurston County HA

WEST VIRGINIA

HA of the City of Bluefield
 Clarksburg HA
 HA of the City of Elkins
 HA of the City of Fairmont
 HA of the City of St. Albans

WISCONSIN

Algoma HA
 Appleton HA
 Baraboo Comm Dev Auth
 HA of the Village of Bruce
 Corps House LP
 De Pere HA
 Village of DeForest HA
 City of Eau Claire HA
 HA of the City of Edgerton
 HA of the City of Fond Du Lac
 The HA of the City of Green Bay
 Highland Park Comm, LLC
 Hsg Dev Corp
 City of Hudson HA
 La Crosse County Hsg
 Ladysmith HA
 Comm Dev Auth of the City of Madison
 HA of the City of Milwaukee
 HA of the City of Monroe
 City of Oshkosh HA
 HA of the Village of Pulaski
 HA of Racine County
 Rodney Scheel House Foundation
 St. Johns Elderly Hsg Corp
 HA of Walworth County
 Wausaukee HA
 Wisconsin Hsg Preservation Corp; WHPC Rockwell
 CT, LLC; WHPC River Oaks, LLC; McGregor Valley
 View Apts, LLC

WYOMING

HA of the City of Buffalo
 HA of the City of Casper
 Cheyenne HA
 Lusk HA
 Wyoming Hsg Opps

HAI GROUP STAFF

(As of May 18, 2007)

Executive Services

Dan Labrie, *Chief Executive Officer*
 Leslie Whitlock, *Director, Executive Services*
 Brian Christina, *Communications Specialist*
 Lisa Krasnow, *Graphic Designer*
 Megan Johnson, *Executive Assistant*
 Dixie Finn, *Receptionist*

Claims Management

Bob Sullivan, *Vice President, Claims*
 John Weber, *HARRG Regional Claims Manager*
 Stefanie Warner, *Multi-Lines Claims Manager*
 Ernie Burgeson, *Senior Claims Examiner*
 Laura Franco, *Senior Claims Examiner*
 Michael Pepe, *Senior Claims Examiner*
 Kimberly Clifford, *Senior Claims Examiner*
 Jeff Lynes, *Claims Examiner*
 Janelle Howard, *Claims Examiner*
 Bill O'Connor, *Claims Examiner*
 Joyce Coleman, *Senior Administrative Assistant - Claims*
 Sharon Sciascia, *Administrative Assistant*
 Patty Emmons, *Part-time Administrative Assistant*

Finance

Mark Wilson, *Chief Financial Officer*
 Janine Lehr, *Controller*
 Amy Galvin, *Financial Compliance and Planning Manager*
 Sarah Rodriguez, *Assistant Controller*
 Paulette Achilli, *Senior Staff Accountant*
 John Darin, *Staff Accountant*
 Lise Holiday, *Research and Compliance Analyst*
 Gladys Roman, *Insurance Compliance Associate*
 Ying Xu, *Accounting Assistant*
 Jo-Mel McPhail, *Accounts Payable/Payroll*

Human Resources

Bill Lewellyn, *Vice President, Human Resources and Training*
 Glenn Jurgen, *Human Resources Representative*

Information Technology

Dave Sagers, *Vice President, Information and Learning Technologies*
 Jeff Bischoff, *Manager, Application Development*
 Mark Kirkendall, *Senior Developer/Analyst*
 April Parsons, *Senior Developer/Analyst*
 Holly Danowski, *Senior Developer/Analyst*
 Lori Harris, *Developer*
 David Kinney, *Business Analyst*
 Lucille Tortora, *Network Engineer*
 Jill McNamee, *Network Administrator*
 Kathleen Casey, *Desktop Support Specialist*



Senior Staff (Left to Right) Top Row: Jeff Weslow; Dominic Mazzoccoli; Mark Wilson; Ed Malaspina; Dave Sagers; Bottom Row: Brian Braley; Bill Lewellyn; Bob Sullivan; Dan Labrie; Leslie Whitlock

Internal Audit

Valerie Bashura, *Internal Auditor*

Learning Technologies

Patrick Sullivan, *Studio Director*
 Jackie Festa-Biega, *Director of Programming*
 Jay Dantscher, *Assistant Studio Director*
 Jeanne Long, *Senior Programming Assistant*
 Paula Shemchuk, *Programming Assistant*

Legislative Affairs

Brian Braley, *Vice President, Legislative Affairs*

Marketing and Agency Operations

Ed Malaspina, *Vice President, Marketing and Agency Operations*
 Sherry Sullivan, *Marketing Manager*
 Kimberly Tompkins, *Assistant Manager*
 Michael Patenaude, *Marketing Representative*
 Estelle Cote, *Marketing Representative*
 Greg Shpak, *Marketing Representative*
 Nancy Quiles, *Program Coordinator*
 Joan Dunican, *Program Coordinator*
 Kelly Wilcher, *Program Coordinator*
 Marissa Sylvester, *Licensing and Program Coordinator*
 Lori Luponio, *Marketing Coordinator*

Risk Control and Consulting

Jeff Weslow, *Director, Risk Control and Consulting*
 Keith Root, *Risk Control Supervisor*
 Brian Whalen, *Senior Risk Control Associate*
 Joseph Noel, *Senior Risk Control Associate*
 Jeff Briggs, *Senior Risk Control Associate*
 Jim O'Reilly, *Senior Risk Control Associate*
 Stan Gornicz, *E-Commerce Communications Coordinator*
 Debbie Bower, *Program Assistant*
 Nancy Swistak, *Administrative Assistant*

Underwriting

Dominic Mazzoccoli, *Vice President, Underwriting*
 Judy Tripp, *Policy and Administration Support Manager*
 Ken Merrifield, *Line Manager, Underwriting*
 Gibriel Cham, *Underwriting and Corporate Risk Manager*
 George Bartholomay, *Program Manager*
 Dave Prosser, *Product Development Manager*
 Ellen Kisiel, *Assistant Manager, Product Development*
 Paul Carrier, *Assistant Manager, Product Development*
 Linda Blanc, *Senior Underwriter*
 Jodi Neubaum, *Senior Underwriter*
 Bob Miller, *Senior Underwriter*
 Jean Solla, *Underwriter*
 Robert Stanczykiewicz, *Underwriter*
 Kathy Lewis, *Underwriter*
 Brandi Feero, *Assistant Manager, Policy Administration and Support*
 Robert Alexander, *Commercial Lines Rater*
 Donna Vreeland, *Commercial Lines Rater*
 Maria Diaz, *Collection Specialist*
 Laurie Davidson, *Assistant Underwriter*
 Jeanne Aransky, *Assistant Underwriter*
 Jane Renauld, *Assistant Underwriter*
 Julius Whitehead, *Assistant Underwriter*
 Esther Lerner, *Insurance Services Representative*
 Carmen MacArthur, *Insurance Services Representative*
 Lori Jentzen, *Insurance Services Representative*
 Katherine Wallace, *Insurance Services Representative*
 Pauline Tavares, *Insurance Services Representative*
 Liz Graham, *Insurance Services Representative*
 Sandee Foster, *Insurance Services Representative*