

ANNUAL MEETING AGENDA

**Texas Automobile Insurance Plan Association
March 25, 2022 - 8:45 AM
Zoom Meeting Call Only**

Given the continuing concerns related to the COVID-19 virus, TAIPA will be holding both the TAIPA Annual Meeting and the Regular TAIPA Governing Committee Meeting on March 25, 2022 as a Zoom Meeting.

The Zoom Meeting Address is:

Topic: TAIPA Governing Committee Meeting March 25th, 2022
Time: Mar 25, 2022 08:45 AM Central Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/83263379769?pwd=WHJsR20vRGdGZHVqTlY1dGZWblozQT09>

Meeting ID: 832 6337 9769

Passcode: 683041

One tap mobile

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Meeting ID: 832 6337 9769

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Find your local number: <https://us02web.zoom.us/j/kcXyrLWiEQ>

Join Zoom Meeting

1. Call to Order
2. Reading of the Anti-Trust Statement
3. Determination of Quorum
4. Governing Committee Member Positions: Trade Association and Non-Affiliated Insurers
5. Governing Committee Member Positions: Election of Four At-Large Insurers*
6. Chair and Manager's Reports are attached (Exhibit 1 and 2)
7. Adjournment

The Governing Committee may take action on any matter of business identified in this notice. Portions of the meeting will be conducted as a closed meeting, if permitted under Chapter 551, Government Code

*Indicates item on which the Manager believes the Governing Committee will take action.

Please contact: Stacy Dutton at sdutton@taipa.org or Mimi Leece at mleece@taipa.org for additional information and/or dial in number.

For anyone who would like to participate in person, the Governing Committee location will be 807 Las Cimas Parkway, Building Management Conference Room, Austin, TX 78746. For anyone who wishes to attend in person, please contact TAIPA at 512-444-4441 to let us know. Note that we will follow appropriate COVID protocol.

Exhibit 1

TEXAS AUTOMOBILE INSURANCE PLAN ASSOCIATION (TAIPA) CHAIR'S REPORT MARCH 25, 2022 TAIPA ANNUAL MEETING

I'm Corise Morrison with USAA, and I am an At-Large Member. I had the privilege to serve as the Chair of the TAIPA Governing Committee again in 2021.

In 2021, the TAIPA Governing Committee continued to work through the various issues that came up with the ongoing COVID pandemic. Therefore, we continued to hold all of our meetings via zoom. The Governing Committee and its subcommittees continued to work on various projects.

The Strategic Planning Committee started meeting again in 2021. The subcommittee recommended and the Governing Committee approved:

- TAIPA's current Staffing level,
- A Revised Enterprise Risk Management Plan
- In response to TDI's Letter sent to Governing Committee Members, it was decided:
 - To Revise the Welcome Letter to New Governing Committee Members
 - To Create a Handbook for New Governing Committee Members
 - Require Open Meetings Act Training every two years for Governing Committee Members
 - To reiterate TAIPA Governing Committee Members' Access and Control of Counsel
 - To Revise Vendor Selection Process for TAIPA's 3rd Party relationships and to request an addendum to any contract being extended into the following year.

The Operation Sub Committee recommended and the Governing Committee approved:

- Deleting the \$1 fee that is added for the first motor vehicle or dealer's plate for an individual, husband and wife with each designated person. This will be deleted the next time TAIPA makes a rate filing.

The Sub Committee continues to research and review ideas about what to recommend with regard to:

- what companies leaving the market should do
- what TAIPA would do if LAD carriers leave the market
- ensuring the Commercial application is where it needs to be.

The Officer group reviewed and made recommendations to change TAIPA's Conflict of Interest Policy. This recommendation was approved by the TAIPA Governing Committee and will be used going forward.

In 2022 we said goodbye to 3 long standing members of our Governing Committee including, Pete Hamel with nearly 30 years of service, Bill Brooks with 10 years and Stephen Hylka with 7 years. On the bright side we welcomed Mike Hass and welcomed back Kit Morris to the Governing Committee.

I'd like to offer thanks to all of the members of the Governing Committee. Thank you to Becky Jackson, Anh Vo, Matthew Snyder and David Weber for serving in officer roles over the past year. I'd also like to thank Bill Brooks, Mike Schalk, Ryan Shapiro, Carmelita Hogan, Mary Carol Awalt, Laura Hausman, Leslie Hurley, Pete Hamel, Adam Payton, Ramon Montalvo, David Nardechia, Stephen Hylka, Mike Hass and Kit Morris for their service on the TAIPA Governing Committee in 2021.

I want to recognize and thank the TAIPA staff, Stacy Dutton, Mimi Leece, Ruth Wise and Amanda Reynolds for continuing to build the TAIPA team in 2021 and continue to meet the needs of the insureds, producers, and insurance companies that rely on TAIPA services.

I would like to thank you all for your support and direction. And, thanks to TAIPA's legal counsel, Mike Jones for his contributions.

It has been a pleasure serving as chair this past 2 years.

Exhibit 2

ASSOCIATION MANAGER'S REPORT

Texas Automobile Insurance Plan Association (TAIPA) Annual Meeting – March 25, 2022

The following are the number of applications TAIPA assigned in 2021, 2020, 2019, and 2018:

2021	1,381	(1115 private passenger apps and 266 commercial)
2020	1,629	
2019	2,606	
2018	3,338	

The number of applications assigned in 2021 was 248 less than assigned in 2020, which is a 15.22% decrease.

The TAIPA budget for 2022 is \$873,250 which is \$39,150 less than the 2021 budget of \$912,400. This is a 4.29% decrease.

The TAIPA assessment to the insurance companies for 2022 is \$743,000 which is \$107,000 less than our 2021 assessment of \$850,000. This is 12.58% decrease.

The TAIPA Governing Committee elected not to ask for a rate change to TAIPA rates for 2021. Instead the Governing Committee asked that TAIPA's actuary and legal counsel present rates at the March 25, 2022 meeting. It was also requested that they eliminate the \$1 fee that is added "for the first auto dealer's plate for an individual or husband and wife and for each designated person" when they file the next rate change.

In 2021, TAIPA staff worked with:

- Strategic Planning Subcommittee to revise TAIPA's Enterprise Risk Management Plan into a formal document, revised the welcome letter to new Governing Committee Members, created a hand book for New Governing Committee Members, prepared an open meetings refresher training for Governing Committee Members, and revised the Vendor Selection Process for 3rd Party relationships.
- Operation Subcommittee to research and review possible solutions if our LAD providers opted to leave the market, what to do when companies leave the Texas market,

language in our Rules and Rating manual, and whether the TAIPA policies are where they need to be.

- Audit and Finance Subcommittee and auditors to complete a successful audit of our 2020 financials and propose a 2022 budget.
- Producers to provide training to the producers and their staff to avoid future errors in the applications they submit and thus avoiding the need for the Producer Review Subcommittee to meet.

TAIPA operated with 4 full time employees in 2021 with 1 of the employees being new to TAIPA in 2021. The Manager of Operations/Financial Management continued to spend a considerable amount of her time training new employees while she continued to transition from her previous position as a Customer Service and Administrative Support Level II position. I want to sincerely thank Mimi Leece for all of her efforts to train staff, ensure that they had what they needed to perform the customer service duties and staying with me through another very trying year. I would like to thank Ruth Wise for stepping up and assisting Mimi Leece in training Amanda Reynolds in the basic customer service duties when she joined TAIPA. In addition, I'd like to thank both Ruth and Amanda for continuing to learn and take on additional duties to reduce the workload of both Mimi Leece and myself.

I would again like to thank you all for the support and encouragement that I received from the TAIPA Governing Committee, the TAIPA officers, and the TAIPA sub-committees as well as TAIPA counsel this year. I especially want to thank Corise Morrison for her continued guidance, as well as her care and concern for the TAIPA employees.

Through the combined efforts of all of the TAIPA staff, TAIPA continued to provide excellent service to TAIPA applicants, producers, vendors, regulators and members of the TAIPA Governing Committee in 2021.