

Texas Automobile Insurance Plan Association Governing Committee
Meeting Agenda
Friday, November 19, 2021 - 9:00 A.M.

Given the continuing concerns related to the COVID-19 virus, TAIPA will be holding the TAIPA Governing Committee Meeting on November 19, 2021 as a Zoom Meeting.

The Zoom Meeting Address is:

Join Zoom Meeting

<https://us02web.zoom.us/j/88901544096>

Meeting ID: 889 0154 4096

One tap mobile

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+12532158782,,88901544096# US (Tacoma)

Dial by your location

+1 346 248 7799 US (Houston)

+1 253 215 8782 US (Tacoma)

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Meeting ID: 889 0154 4096

Find your local number: <https://us02web.zoom.us/j/88901544096>

Please contact: Stacy Dutton at sdutton@taipa.org or Mimi Leece at mleece@taipa.org
for the passcode 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.

Texas Automobile Insurance Plan Association Governing Committee
Meeting Agenda
Friday, November 19, 2021 - 9:00 A.M.

1. Call to Order
2. Introductions
3. Reading of the Anti-Trust Statement
4. Review and Approval of the Minutes of the August 20, 2021 Meeting (Exhibit 1)*
5. Chair's Report
 - A. Bill Brooks, Texas Farm Bureau leaving the Governing Committee
 - B. Welcome Marti Luparello – Texas Farm Bureau, AFACT Representative
 - C. Welcome back Kit Morris – Alternate Producer Member
 - D. Officers Meeting regarding Conflict of Interest (Exhibit 2)*
 - E. Next Meeting – March 25, 2022 via Zoom
 - F. Discussion about Zoom Meeting Effectiveness*
6. Manager's Report
 - A. Application Count Update as of October, 2021 (Exhibit 3)
 - B. Financial Update as of September 2021 (Exhibit 4)*
 - C. 2021 Review of Vendor Agreements & TAIPA Recommendations (Exhibit 5)*
 - D. 2022 Budget (Exhibit 6)*
 - E. Line of Credit Update
 - F. 2022 Meeting Dates (Exhibit 7)
7. Operations Subcommittee Report
 - A. Over/Under Report (Exhibit 8)
8. Report of Counsel
 - A. TAIPA Rates
9. Personnel Matters*
10. 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.

Exhibit 1

**Texas Automobile Insurance Plan Association Governing Committee Meeting Notes
Friday, August 20, 2021 - 9:00 A.M.**

Join Zoom Meeting

<https://us02web.zoom.us/j/81426062139?pwd=a2FsdkxDMXBTZ3ptOWFDQWthYkd0QT09>

Meeting ID: 814 2606 2139

Passcode: 131204

One tap mobile

+13462487799,,81426062139# US (Houston)

+16699006833,,81426062139# US (San Jose)

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+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 929 436 2866 US (New York)

Meeting ID: 814 2606 2139

Find your local number: <https://us02web.zoom.us/j/81426062139>

Attendees:

TAIPA Governing Committee Members

Michael Hass

Adam Payton

Leslie Hurley

Ramon Montalvo

Carmelita Hogan

David Nardecchia

Laura Hausman

Becky Jackson

Bill Brooks

Corise Morrison

Matt Snyder

Anh Vo

Mike Schalk

David Weber

Mary Carol Awalt

Atchley & Associates

Tyler Mosley

Attorney

Mike Jones

TAIPA STAFF

Stacy Dutton

Mimi Leece

Other Company Members

Carol Berthold

John Lusardi

Todd Feltman

OPIC

Kim Donovan

Talia Bright

TDI

John Mooney

1. Call to Order

Corise Morrison called the meeting to order at 9:04 AM.

Mimi Leece explained how the zoom meeting would work.

2. Introductions

Stacy Dutton called roll.

3. Reading of the Anti-Trust Statement

Stacy Dutton read the Anti-Trust Statement:

“The creation and operation of the Texas Automobile Insurance Plan Association is set forth in Chapter 2151 of the Texas Insurance Code. The Association is a non-profit corporate body composed of all authorized insurers. The organization was created to provide a means by which insurance may be assigned to an authorized insurer for a person required by the Texas Motor Vehicle Safety-Responsibility Act to show proof of financial responsibility for the future. Members of the Association and of its Governing Committee, when involved in meetings or other activities of the Association, are bound to limit their discussions and actions to matters relating to the business of the Association, and shall not discuss or pursue the business interest of individual insurers or others.”

4. Audit/Finance Committee Report

A. Report on 2020 Audit (Exhibit 1)

Corise Morrison introduced Tyler Mosley from Atchley and Associates to go over the 2020 Audit.

Tyler noted that Joy Qi was the senior on the audit. She was unavailable to be at the Governing Board Meeting. He noted that nothing had changed significantly since last year.

Audit Committee Letter (Exhibit 1, pages 1-3):

The auditing process was explained and stated that he found no issues of internal control findings or suggestions. Internal controls are properly in place. Tyler also stated that Stacy Dutton and Mimi Leece are communicative throughout the year and give updates to insure that changes that are made are still in compliance. Atchley & Associates opinion is that everything presents fairly in regards to the Independent Auditors report.

Statement of financial position (Exhibit 1, page 12):

Tyler Mosley explained that this report outlines the liabilities and assets. Tyler pointed out that cash was up from the previous year and the pension liability is down from the previous year.

Statement of activities (Exhibit 1, Page 13):

Tyler Mosby stated that this report outlines revenues and expenses. He also stated that revenues were down this year and expenses came down as well. He also noted that the pension liability adjustment is actually positive.

Statement of functional expenses (Exhibit 1, Page 14&15):

This statement provides more information on expenses natural classification. Mr. Mosley stated that the fact that expenses are down only thing of note.

Statement of Cash Flows (Exhibit 1, page 16):

This statement provides information on the cash inflow/out flow.

Tyler noted that TAIPA's overall cash flow was positive from operating activities and that overall cash went up for the year.

Notes to Financial Statements (Exhibit 1, page 17-24):

Note A-Organization and Significant Accounting Policies:

Mr. Mosley noted that the notes to the financial statement are the same as the notes from last year.

Note B-Employee Benefit Plans:

Tyler said that investment performance was good therefore liability went down.

Notes C-F

Tyler noted that nothing has changed from last year in regards to these reports.

Note G-Liquidity and Availability:

Tyler stated that TAIPA is in a good position with liquid assets.

Supplemental Information (Exhibit 1, page 26):

Tyler explained that this report details revenues and expenses versus the budget. He also noted that this report was something extra that management wanted to provide.

After Tyler Mosley finished the presentation, Corise Morrison asked if there were any questions or comments about the audit report. There were no questions or comments stated.

Corise asked for a motions to accept the 2020 audit. The motion was made by Matt Snyder and seconded by Leslie Hurley. The motion passed unanimously.

5. Review and Approval of the Minutes of the March 26,2021 Meeting (Exhibit 2)

Corise Morrison asked Matt Snyder to go over the meeting minutes.

Matt Snyder noted that other than the nominations of the new officers, movement of the nominating committee, and the procedural error that Stacy Dutton gave information on, it

was a straight forward meeting. Mr. Snyder then asked if anyone had any changes or concerns. Mike Jones pointed out that on page 10 item 13 that “the motion carried unanimously” should be added to the last sentence. Mary Carol Awalt stated that on page 10 item 14 “she” needs to be deleted from the last paragraph. There were no more edits or comments.

Mrs. Morrison asked for a motion to accept the meeting notes with the edits. Ahn Vo made the motion and Bill Brooks seconded the motion. The motion passed unanimously.

6. Chair’s Report

A. Future 2022 TAIPA Governing Committee Meetings

Corise Morrison stated that since we are entering into another phase of COVID, we need to discuss whether the 2022 Governing Board Meetings will be held in person or via Zoom. The officers discussed what we should do for the 2022 meetings and thought that it would be best to hold at least the March meeting via Zoom. Ms. Morrison added that were many of Governing Board members on the call whose companies still have a travel ban in place and it is unclear as to when these will be lifted. Corise also noted that TAIPA is still operating under the Governor’s orders that allow TAIPA meetings to be held via Zoom. She noted that Mike Jones is monitoring the situation. Corise then asked Mr. Jones to update the Governing Board of the changes.

Mike Jones discussed that TAIPA is allowed to hold their meetings by Zoom at any time. Regarding the Open Meetings act he stated that the Attorney General’s website reports that the Governor has lifted the suspension of the requirement to comply with the Open Meetings Act effective for meetings held on and after September 1, 2021. However, Mike has not been able to find a copy of the Governor’s approval. Mike also noted that he sent an email to Attorney General’s office to obtain a copy of the document. He then received a phone call from the Attorney General’s office and was told that there was not a formal document. He will keep monitoring the situation and will keep Governing Board posted on whether we have to have a public space with a member present for the November 19, 2021 meeting.

TAIPA staff has reserved the building management’s conference room for the meeting on November 19, 2021 and will make reservations for the March 2022 meeting in the same conference room. One member of the Governing Committee will need to be present in the conference room for these meetings. Corise asked if there was anyone willing to be at the meeting in person if that is a requirement. Bill Brooks, Matt Snyder, and David Weber all stated that they were available to be in Austin for the November 19, 2021 meeting if needed.

Corise Morrison asked for a motion to hold the March 2022 meeting via Zoom. The motion was made by David Weber and seconded by Bill Brooks. The motion passed unanimously.

B. Pete Hamel retiring from TAIPA

Pete let us know a month or so ago that he planned to retire from TAIPA after this meeting. It was Pete's plan to attend this meeting with us today, however, he was unable to do so due to some medical issues.

Pete sent an email stating that:

“It has been a great experience for me as an Insurance Producer, as I had the unusual opportunity to meet Company people I never would have met, and Public Members I never would have had the opportunity to meet”

In Pete's normal style, he worked with IIAT to ensure that Ramon would take his place on the Governing Committee and made recommendations to IIAT to fill the alternate position as well.

Pete started with TAIPA when it was still TAIP. Pete attended his first TAIP meeting on

- November 9, 1992 –as the Professional Insurance Agents of Texas Representative The Texas Legislature passed legislation to change TAIP to TAIPA in 1993.
- Texas Association of Independent Agents selected Pete to be its temporary ad hoc member of the Governing Committee.
 - In this role, Pete worked on creating the Plan of Operation for TAIPA. The Plan of Operation was completed 1995 Texas Automobile Insurance Plan became Texas Automobile Insurance Plan Association.

Since that time, Pete has served on various sub committees including:

- Operations Sub Committee (Not sure Pete ever didn't serve on the Operations Subcommittee)
- Nominating Committee which he has chaired for many years
- Producer Review which he chaired for many years
- Management Transition Committee
- 2020 COVID-19 TAIPA Relief Program

Pete was always willing to volunteer, give feedback, share his wisdom, and looked out for the Texas producers he represented. He represented TAIPA well whether making presentations about TAIPA to the Independent Insurance Agents of Texas, attending the funeral of a colleague. We will miss the amount of knowledge Pete accumulated about TAIPA and the industry, but we will miss the story teller and guy who never met a stranger even more.

As you know, TAIPA typically has a Texas Flag flown over the Capitol and has it framed for the Chairs that serve on TAIPA's Governing Committee. I asked them to make an exception and do the same for Pete Hamel as TAIPA's longest serving

volunteer. Therefore, TAIPA staff will be presenting a framed Texas flag to Pete Hamel for his almost 30 years of dedicated service to TAIPA.

In addition, if anyone wants to contact Pete directly, he has authorized TAIPA staff to give you his personal cell number.

Governing Committee Member comments on Pete and his time with TAIPA: In gratitude for his years of service.

Corise Morrison- Pete was always willing to volunteer, give feedback, share his wisdom, and looked out the for Texas producers he represented. He represented TAIPA well throughout his service whether making presentations about TAIPA to the Independent Insurance Agents of Texas, attending the funeral of a colleague where he made a presentation. We are certainly going to miss the knowledge that Pete brought to our association from the industry. We will miss his story telling, his friendliness and his fellowship. He has just been a really great person to work for and work with over the years. Y'all know that TAIPA typically has a Texas flag flown over the Capitol and has it framed for Chairs that serve on the TAIPA Governing Committee. I asked for an exception to be made for Pete because he has been the longest serving volunteer Governing Board Member for TAIPA.

Carol Berthold- I just want to say that I was Chair of Ops back in the 90s and Pete was on that committee then. He was just invaluable. His contributions helped us tremendously during that time.

Bill Brooks-I want to add a comment, too. I was in the gallery, I guess you would call it, in the early 90s and whenever I think of TAIPA I think of Pete Hamel. It has been a blessing to serve with him. He's always been such a gentleman in the way he approaches everything as well. Thank you, Pete. Thanks for your service, buddy.

Ramon Montalvo-I have mighty big shoes to fill. Pete's been a mentor all of these years to me, so I just wanted to mention that. He's going to be missed.

Stacy Dutton-I'd like to say that I utilized Pete as our historian because anytime we had any research to do he'll tell me about how far back it is, and he's always pretty close on how far back I need to look back on the records. I would give him a ride to the Governing Committee dinners and I think he thought it was a favor to him but it was actually really great for me because he'd catch me up on everything that was going on in the market that he was seeing, tell me where everybody have moved to. So I will definitely miss having Pete on the committee.

Corise Morrison-I appreciate everyone's comments and we will, again, make sure that we've got proper information in the minutes that recognize Pete and what a friendly individual he is, what a great colleague he has been, and what a contributor

he's been for TAIPA. So, thanks to Pete. Everyone should reach out to him via email or telephone if needed. I think that would be a great thing, too.

C. Ramon Montalvo moving from Alternate to Producer Member

Corise Morrison welcomed Ramon Montalvo to the Governing Committee and detailed his history with TAIPA. Corise also explained that with Pete Hamel retiring, TAIPA needed to fill his subcommittee roles with producer members. Ramon Montalvo has agreed to sit on the Operations Subcommittee, Adam Payton will sit on the Nominating Committee, and Carmelita Hogan will chair the Nominating Committee. There was no further discussion on this matter.

7. Manager's Report

Corise Morrison turned the meeting over to Stacy Dutton for the manager's report.

A. Application Count Update as of July (Exhibit 3)

A new exhibit was sent on August 19, 2021 to show the corrections for the July 2020 as well as the July 2021 numbers. In July 2021, TAIPA received 106 applications. Year-to-date through July 2021, TAIPA has received 813 applications. Stacy noted that right now TAIPA is expecting to receive about 1400 applications in 2021. This would put the 2021 volume at the lowest number of applications and it would be about 200 less than TAIPA received last year. Mrs. Dutton asked if anyone had any questions or comments on the application count. There were no questions or comments.

B. Financial Update as of June (Exhibit 4)

Mrs. Dutton noted that TAIPA ended June at 39.64% of budget so we are about 10.0% under budget. The line items that are currently over-budget are the taxes because we paid our property tax in April. It looks over budget but it will end on budget.

We are under budget on computer expenses, governing meetings, subcommittee meetings, audit expenses, consultants, and actuary. There were no questions or comments.

C. Line of Credit Renewal

Stacy Dutton explained that TAIPA retains a \$300,000 line of credit that has never been used but is kept as a contingency. Corise Morrison asked if there was a reason why \$300,000 was the amount that was given. Stacy Dutton did not know how the amount was originally chosen or by whom. Stacy will look at the budget for next year and compare that to the line of credit and determine how long TAIPA could get by. Corise asked for a motion to renew the line of credit and authorize Stacy Dutton and Mimi Leece as approved signers. David Weber made the motion and Mike Schaulk seconded the motion. The motion passed unanimously.

D. COVID-19

a. TAIPA's work procedural changes due to COVID-19.

TAIPA had originally divided the staff into two teams and each team would come in every other day. There was one employee that left in May so everyone came back into the office full time. This was a great help while training Amanda Reynolds. The TAIPA office as well as the office building has continued with the protocols that were set in place at the beginning of the pandemic. Corise asked if TAIPA staff is documenting the training for future use. It was explained that TAIPA staff is working

on the Standard Operating Procedures and putting them all in one place. Matt Snyder asked if the operating procedures documents are available to everyone if the office has to shut down again. Stacy assured him that they are in a shared folder on the computer and everyone has access to them. Stacy explained that TAIPA also updated the phone system so if we had to make phone calls from home we would not have to use our personal numbers. There were no other questions or comments.

E. Stacy Dutton 2022 Meeting Dates (Exhibit 5)

The proposed dates for 2022 meeting dates are March 25, 2022, August 19, 2022, and November 18, 2022. Ms. Morrison asked for a motion to accept these dates. Leslie Hurley made the motion and David Weber seconded the motion. The motion passed unanimously.

8. Conflict of Interest (Exhibit 6)

Corise turned the meeting over to David Weber. He discussed updating TAIPA's current conflict of interest policy. It was discussed that Governing Committee members will look through the policy and give their feedback to Stacy Dutton. These changes will be taken into consideration at the November 2021 officers meeting and distributed at the March 2022 meeting.

Corise asked for a motion to accept that the officer committee can review the conflict of interest policy and will come back to the Governing Committee with suggestions. David Weber made this motion. Mary Carol Awalt seconded. There was no further discussion and the motion passed unanimously.

9. Strategic Planning Subcommittee Report

Corise Morrison turned the meeting over to Mary Carol Awalt. Mary Carol discussed that subcommittee had been working on recommendations related to the letter from James Person (Exhibit 7) and the welcome letter and handbook for new governing committee members (Exhibit 8).

- A. Mary Carol updated everyone on the new welcome letter and handbook for governing committee member. There was no further discussion.
- B. It was recommended by Mary Carol Awalt that all Governing Committee members review the Open Meetings Act Training every two years. Two options for training were proposed: Members can listen to the online training provided by the Attorney General's office or Members can go through the Open Meetings Refresher training that TAIPA staff will provide (Exhibit 9). It was asked by a member if this training would be required for subcommittee members. It was discussed that this training is not required for subcommittee members but information about the training will be added to subcommittee information.

Corise asked for a motion to require all Governing Committee members to go through updated/refresher Open Meetings Act training every two years effective January 2022. David Weber made the motion and Matt Snyder seconded the motion. There was no further discussion and the motion passed unanimously.

C. Access and control of counsel (Exhibit 10)

Mary Carol turned the meeting over to Mike Jones.

Mike Jones went over Thompson Coe Representation of TAIPA document (Exhibit 10). He also noted that Thompson Coe has an ethics board which will advise him on any ethics questions that may come up. Mr. Jones reiterated that he is always available to anyone on the board. There were no questions or comments and the meeting was turned back over to Mary Carol Awalt.

D. TAIPA 3rd Party Relationships

1. Draft of Revised Vendor Selection Process (Exhibit 11)

The draft of the Revised Vendor Selection Process document was discussed. The revised process would allow TAIPA to make changes to their vendors more readily. It was noted that TAIPA has also asked the current vendors to provide addendums to contracts/agreements with any changes to the agreements on an annual basis. This process will begin with the upcoming budget process.

Corise Morrison asked for a motion to accept the Revised Vendor Selection Process. Becky Jackson made the motion and Ramon Montalvo seconded the motion. The motion passed unanimously.

E. Summary of changes since February 25, 2016 to present with regard to staffing, volume, expenses.

February 25, 2016 was the last time that the Strategic Planning Subcommittee met prior to this year.

Staffing: The current TAIPA staff consists of four full time employees which is the staffing level that the Management Transition Subcommittee approved in 2017. TAIPA found that, as the Management Consultant indicated, it was difficult to fill the Customer Service & Administrative Support Specialist position. TAIPA has filled this position ten times, with most of the employees staying only a short time. Three employees have stayed for a year or more including Ruth Wise who is presently in this position.

In March 2019, the previous Manager of Operations/Financial Management left TAIPA and Mimi Leece was promoted to this position. Due to COVID, turnover of the team member that was trained, the turnaround required of the time of projects, Mimi's most difficult part of her transition has been that she's was unable to train the customer service & administrative support specialist on some of the more complicated duties. In 2018, TAIPA had three tenured employees and only one new staff member. Since October of 2019, there have been one or two new employees and two tenured employees.

TAIPA is currently using an Atchley & Associates accountant to assist Mimi with the accounting until she can turn over all of the Customer Service/Admin Support Specialist Level 2 duties. TAIPA management reports that they are confident that both Ruth Wise and Amanda Reynolds will be able to learn these duties in the next year.

Application count: The application count since 2016 moved up in 2017 and consistently down since then. Assignments per year are as follows:

2016-3089
 2017-3508 up 419
 2018-3338 down 170
 2019-2606 down 732
 2020-1629 down 977

While the volume has declined, the Association Manager does not consider TAIPA to be over staffed. The following reasons were noted:

- Certain functions need to be performed regardless of volume.
- TAIPA is still training employees so that they can be adequately staffed when employees are out of the office.
- TAIPA is currently working to update all Standard Operating Procedures put into one format and in one accessible space.
- If the volume were to increase, staff would be able to absorb the additional volume.

F. Enterprise Risk Management Update (Exhibit 12)

TAIPA staff has put the Enterprise Risk Management Plan in a manual form. In addition, the plan has been updated to include a pandemic, the accounting risks that the auditors asked about as well as the risks associated with having a defined benefit program. There was no questions or comments regarding this.

Mary Carol Awalt asked for a motion to accept the revised enterprise risk management plan. Ahn Vo made the motion. Adam Payton seconded the motion. The motion passed unanimously.

10. Operations Subcommittee Report

Corise turned the meeting over to Bill Brooks.

A. Over/Under Report (Exhibit 13)

Everyone on the Governing Committee and everyone who writes TAIPA policies received an email from TAIPA regarding the fact that there was an error during the 1st and 2nd quarter of 2021. Companies that currently write the private passenger policies for TAIPA all experienced a large change in their quota for 2021. This occurred when AIPSO's system only used the first quarter of 2021 data to calculate one of the numbers on the quota report. This was corrected in the 3rd quarter. AIPSO has implemented an additional review process that will prevent the process from moving forward if the basic quarters are not in alignment. There were no questions or comments regarding this topic.

B. Update on recommendation for Plan of Operation change on what companies leaving the market must do.

Mike Jones prepared language for the Plan of Operation change, but it was later determined that TAIPA staff may be able to utilize a formula similar to what Pennsylvania uses. TAIPA will be able to run the calculations of what each company should pay when they leave the market if they do not group or LAD out. TAIPA staff was tasked with contacting TAIPA's actuary to find out if they can provide the number that would be needed for the calculations. As of August 20, 2021 this process is still ongoing.

C. Update on the review of the TAIPA policies by staff and counsel

Mike Jones, Stacy Dutton and Mimi Leece have started the process of reviewing the private passenger policies against the TDI's checklist. This has not been completed, but Mike Jones believe that TAIPA is in compliance given that TDI has approved the policy with the temporary vehicle amendment. Mike Jones and TAIPA staff will continue this project. There were no questions or comments regarding this topic.

D. Update on the review of TAIPA procedures to determine where it can be more efficient. After previous discussion on this topic the major changes TAIPA has implemented so far in regards to this are:

- TAIPA is now sending out bulletins via email. This is in effort to save the expense of copying, envelopes, staff time, and mailing costs.
 - TAIPA has updated the phone system so that in the future, if staff has to work from home, employees will be able to make calls without giving out their personal numbers.
- E. Recommendation regarding the \$1 fee for the first vehicle or dealer's plate for an individual, husband and wife with each designated person. (Exhibit 14)
- TAIPA staff researched the fee and could not find any documentation regarding it. They contacted several sources including TDI, long term Governing Committee members, company members, and Mike Miller, to find out information on where it came from. Nothing concrete was discovered while researching this, therefore, the operations subcommittee recommends that TAIPA eliminate this rule from the Rules and Ratings Manual. This needs to be done through the rate filing so it is recommended that Mike Miller and Mike Jones add this to TAIPA's next rate filing.

Corise Morrison asked for a motion to remove the \$1 fee for the first vehicle or dealer's plate for an individual, husband and wife with each designated person and have Mike Jones/Mike Miller add this to the next rate filing. The motion was made by Becky Jackson and seconded by Matt Snyder. The motion passed unanimously.

- F. Update on the discussion of what to do if LAD carrier leave the Texas Market
- Operations subcommittee discussed the following regarding this topic:
- The situation in Texas with LAD carriers
 - How LADs currently work in Texas
 - The risk of LADs leave the Texas market today is low
 - TAIPA's relationship with the LADs
 - Companies relationship with the LADs
 - How TAIPA could incentivize carriers to stay in the market and what TAIPA could do to ensure that carriers give extended notice if they do decide to leave
 - Dynamics in which any solution TAIPA would need to take into consideration

Bill Brooks noted that the Operations Subcommittee will be meeting again before the November 2021 Governing Committee meeting so this topic will continue on that meeting's agenda. He also asked other members to consider solutions to discuss at the next meeting as well as contact TAIPA staff with any suggestions.

11. Report of Counsel

A. TAIPA Rates

Mike Jones has been working with Mike Miller on the TAIPA rates. Mike Miller has been using the quarterly trend reports through the end of 2020. The overall rate he has come up with is -1% for private passenger. Mr. Miller suggested delaying the rate filing until TAIPA has at least 2021's first quarter data to assess. He suggested that we wait until the November 2021 Governing Committee meeting to readdress this. He also recommended that moving forward that the timing of the rate filing be reviewed at the November meeting instead of the August meeting. John Lusardi questioned whether Mike Miller will be making any adjustments on the data due to COVID. Mike Jones was unsure of this. There was no motion needed on this topic.

B. Legislative Update (Exhibit 15)

Mike Jones stated that no new bills affected either TAIPA statutes or TAIPA's Open Meetings Act. He did note, however, that HB 19 while not directly affecting TAIPA, it could affect the commercial carriers in general. HB 113 regarding peer to peer car sharing could affect TAIPA. The bill states that the car must have primary coverage that is met by the owner, driver, or peer to peer car sharing program. TAIPA policy indicates that this is excluded, but it is Mike Jones's recommendation that TAIPA refer this to the Operations Subcommittee to look into this and see if we need to make a specific exclusion for peer to peer car sharing programs as well as look into what other companies are doing in response to this.

Corise Morrison ask for a motion to refer HB 113 to the Operation Subcommittee to study this and determine how companies are addressing this as well as how TAIPA should move forward on the matter. David Weber made the motion and Carmelita Hogan seconded the motion. There was no further discussion and the motion passed unanimously.

12. Next Meeting-November 19,2021

There was discussion regarding the next meeting and if anyone needed to be present. TAIPA staff was asked to work with Mike Jones on this.

13. Personnel Matters

There were no personnel matters to discuss

14. Adjournment

Corise thanked everyone for their time and participation. A motion was requested to adjourn the meeting. Ramon Montalvo made the motion and Leslie Hurley seconded the motion. This motion passed unanimously.

X *Matthew Snyder*

Matthew Snyder
Secretary

Exhibit 2

OLD VERSION	NEW VERSION	COMMENTS
<p>Purpose</p> <p>The purpose of the conflict of interest policy is to protect the Texas Automobile Insurance Plan Association’s (TAIPA) interest when a transaction or arrangement might directly or indirectly benefit the private interest of a Governing Committee member or employee of TAIPA or might result in a possible excess benefit transaction. A contemporaneous benefit is maintaining public confidence in the efficient, economical, fair and non-discriminatory administration of TAIPA. It is the intent of this policy to prevent not only a conflict from occurring but the appearance of a conflict from occurring. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit organizations. The pertinent Texas statutes governing the operations of a Texas non-profit corporation are to be found in subchapter A of Title 1 and Chapter 22, Business Organizations Code.</p> <p>A. Interested Person Any Governing Committee member, employee or member of a committee with Governing Committee delegated powers, who has a direct or indirect financial (ten percent or more of the voting stock of or a general partnership interest in) or other beneficial interest, as defined below, is an Interested Person.</p>	<p>Purpose</p> <p>The purpose of this conflict-of-interest policy is to prevent the institutional, business or personal interests of members of the Governing Committee or other committees, officers, and staff (“Interested Persons”) of the Texas Automobile Insurance Plan Association (TAIPA) from influencing them when making decisions for TAIPA that may benefit or gives the appearance of benefitting an Interested Person, or their relative, or any other relationship they have with a third party.</p> <p>This policy is intended to supplement but not replace any applicable laws governing conflict of interest including the provisions of the Texas Business Organizations Code applicable to nonprofit corporations.</p> <p>A conflict of interest may exist when the interests or potential interests of any Interested Person or that person’s close relative, or any individual, group, or organization they are associated with (including, as to a committee member, the company they represent), may be seen as competing with the interests of TAIPA, or may impair such person’s independence or loyalty to TAIPA. A conflict of interest is defined as an interest that might affect, or might reasonably appear to affect, the judgment, conduct or vote in a manner that is adverse to the interests of TAIPA.</p>	<p>In general, the new policy has been revised to shorten and simplify it. This section clarifies that it applies to individual persons as well as company members of the Governing Committee. It also makes it clear that it applies to all committees.</p>

OLD VERSION	NEW VERSION	COMMENTS
<p data-bbox="205 207 478 235">B. Financial Interest</p> <p data-bbox="107 277 699 415">An Interested Person has a financial or other beneficial interest if the Interested Person has, directly or indirectly, through their business, employment, investment, or family:</p> <ul style="list-style-type: none"> <li data-bbox="289 456 751 594">a. an ownership or investment interest in any entity with which TAIPA has or proposes to have a transaction or arrangement; <li data-bbox="289 634 764 808">b. a compensation arrangement with TAIPA or with any entity or individual with which TAIPA has or proposes to have a transaction or arrangement; <li data-bbox="289 849 789 1060">c. serves as a board member of the entity which has or proposes to have a transaction or arrangement with TAIPA or a member of a committee which has board-delegated powers concerning the contract; or, <li data-bbox="289 1101 793 1451">d. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which TAIPA is negotiating a transaction or arrangement. Compensation includes but is not limited to direct and indirect remuneration or financial gain or benefit as well as gifts or favors that are not insubstantial. Compensation 	<p data-bbox="821 277 953 305">Examples</p> <p data-bbox="821 345 1415 410">A conflict of interest may exist if an Interested Person or the company they represent:</p> <ul style="list-style-type: none"> <li data-bbox="926 451 1430 589">a. has a material ownership or investment interest in any entity with which TAIPA has or proposes to have a transaction or arrangement; <li data-bbox="926 630 1430 803">b. has a compensation arrangement with TAIPA or with any entity or individual with which TAIPA has or proposes to have a transaction or arrangement; <li data-bbox="926 844 1436 982">c. serves as a board member of the entity which has or proposes to have a transaction or arrangement with TAIPA; and, <li data-bbox="926 1023 1440 1161">d. has a compensation arrangement with any entity or individual with which TAIPA is negotiating a transaction or arrangement. 	<p data-bbox="1499 277 1976 597">The examples have been simplified, and shortened, but generally are similar. It again clarifies that a conflict policy may arise through the committee member's representation of their company. As to the insurance companies on the Governing Committee, it is the company that is the member.</p>

OLD VERSION	NEW VERSION	COMMENTS
<p>does not include incidental items, such as occasional meals.</p> <p style="text-align: center;">Article III</p> <p>I. Procedures</p> <p style="padding-left: 20px;">A. 1. Duty to Disclose</p> <p>In connection with any actual or possible conflict of interest, all Interested Persons must disclose the existence of the financial or beneficial interest and shall disclose all material facts to the Governing Committee members and members of committees with Governing Committee delegated powers considering the proposed transaction or arrangement.</p> <p>An employee must identify any conflict of interest and disclose all material facts to the Association Manager. The Association Manager will report to the Governing Committee any employee conflicts of interest, including those of the Association Manager.</p>	<p>Duty to Disclose</p> <p>In connection with any actual or possible conflict of interest of a Governing Committee or other committee member the Interested Person must disclose the conflict along with all material facts to the committee or Governing Committee when considering the matter for which the conflict exists.</p> <p>An employee must identify any conflict of interest and disclose all material facts to the Association Manager. The Association Manager will report to the Governing Committee any employee conflicts of interest, including those of the Association Manager.</p>	<p>This new language has been simplified and shortened, but essentially remains the same. It continues the concept that “committees” include the Governing Committee as well as any other committee.</p> <p>The employee disclosure requirement is the same.</p>

OLD VERSION	NEW VERSION	COMMENTS
<p>2. Determining Whether a Conflict of Interest Exists</p> <p>After disclosure of the financial or beneficial interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall leave the Governing Committee or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining members of the Governing Committee or committee members shall decide if a conflict of interest exists.</p> <p>3. Procedures for Addressing the Conflict of Interest</p> <p>An Interested Person may make a presentation to the Governing Committee or committee meeting, but after the presentation, the Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.</p> <p>4. Violations of the Conflicts of Interest Policy</p> <p>a. if the Governing Committee has reasonable cause to believe a member has failed to disclose actual or perceived conflicts of interest, it shall inform the member of the basis for such belief and afford the member an</p>	<p>Conduct of Meeting</p> <p>After disclosure of a conflict at a meeting, the Interested Person may be present at and participate in the meeting; however, they cannot vote on the matter. The matter may be authorized by the majority vote of the remaining members of the committee, regardless of whether the remaining committee members constitute a quorum. If requested by a majority of the committee, the Interested Person is to leave the meeting for the vote on the matter. Then, if desired, additional discussion may be had prior to the vote.</p>	<p>The procedure has been simplified. Consistent with the nonprofit corporation laws regarding conflicts, the conflicted interested person can be present and participate in the meeting. However, they cannot vote. The committee can require the Interested Person to leave during the vote on the matter. This is optional.</p> <p>Consistent with the nonprofit act, the vote is to be approved by a majority of the remaining committee members.</p>

OLD VERSION	NEW VERSION	COMMENTS
<p>opportunity to explain the alleged failure to disclose; and,</p> <p>b. if, after hearing the member’s response and after making further investigation as warranted by the circumstances, the Governing Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action.</p> <p>Article IV</p> <p>II. Records of Proceedings</p> <p>The minutes of the Governing Committee and all committees with Governing Committee delegated powers shall contain:</p> <p>a. the names of the persons who disclosed or otherwise were found to have a financial or beneficial interest in connection with an actual or possible conflict of interest, the nature of the financial or beneficial interest, any action taken to determine whether a conflict of interest was present, and the Governing Committee’s or committee’s decision as to whether a conflict of interest in fact existed; and,</p> <p>b. the names of the persons who were present for discussions and votes relating to</p>	<p>Meeting Minutes</p> <p>The minutes of a meeting shall reflect that the conflict of interest was disclosed; that the Interested Person did not vote on the matter; and, whether they left the meeting during the vote.</p> <p>Violations of the Conflicts of Interest Policy</p> <p>If the Governing Committee has reasonable cause to believe an Interested Person has failed to disclose actual or perceived conflicts of interest, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose; and,</p>	<p>The meeting minutes requirement has been simplified.</p> <p>The violations provision has been updated to reflect the new language for an Interested Person, but otherwise remains the same, it has only been reformatted.</p>

OLD VERSION	NEW VERSION	COMMENTS
<p>the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.</p> <p style="text-align: center;">Article V</p> <p>III. Annual Statements</p> <p>Each Governing Committee member, each employee of TAIPA and each member of a committee with Governing Committee delegated powers shall annually sign a statement which affirms such person:</p> <ul style="list-style-type: none"> a. has received a copy of this conflict of interest policy; b. has read and understands this policy; and, c. has agreed to comply with this policy. <p style="text-align: center;">Article VI</p> <p>IV. Periodic Reviews</p> <p>To ensure TAIPA operates in a manner consistent with its statutory and not for profit purposes and does not engage in activities that could violate state or federal laws, periodic reviews shall be conducted that shall, at a minimum, include the following subjects:</p> <p>Whether partnerships, joint ventures, and arrangements with management organizations conform to TAIPA's written policies, are properly</p>	<p>If, after hearing the Interested Person's response and after making further investigation as warranted by the circumstances, the Governing Committee determines the Interested Person has failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action.</p> <p>Annual Statements</p> <p>Each Governing Committee member, each employee of TAIPA and each member of a committee shall annually sign a statement which affirms such person:</p> <ul style="list-style-type: none"> a. has received a copy of this conflict-of-interest policy; b. has read and understands this policy; and, c. has agreed to comply with this policy. <p>Supplemental Statements</p> <p>When an Interested Person becomes aware of a new conflict of interest after submitting the annual statement, the Interested Person shall provide an updated disclosure.</p>	<p>The annual statement requirement remains the same.</p> <p>The supplemental statement is a new requirement for Interested Persons. The periodic review in the old version has been eliminated to reduce burden on staff and the Governing Committee, recognizing that committee members as well as staff</p>

OLD VERSION	NEW VERSION	COMMENTS
recorded, reflect reasonable investment or payments for goods and services, further TAIPA's purposes and do not result in real or perceived inurement, impermissible private benefit or in an excess benefit transaction.		are required to bring up and disclose conflicts.

Texas Automobile Insurance Plan Association Conflict of Interest Policy

Purpose

The purpose of this conflict-of-interest policy is to prevent the institutional, business or personal interests of members of the Governing Committee or other committees, officers, and staff (“Interested Persons”) of the Texas Automobile Insurance Plan Association (TAIPA) from influencing them when making decisions for TAIPA that may benefit or gives the appearance of benefitting an Interested Person, or their relative, or any other relationship they have with a third party.

This policy is intended to supplement but not replace any applicable laws governing conflict of interest including the provisions of the Texas Business Organizations Code applicable to nonprofit corporations.

A conflict of interest may exist when the interests or potential interests of any Interested Person or that person’s close relative, or any individual, group, or organization they are associated with (including, as to a committee member, the company they represent), may be seen as competing with the interests of TAIPA, or may impair such person’s independence or loyalty to TAIPA. A conflict of interest is defined as an interest that might affect, or might reasonably appear to affect, the judgment, conduct or vote in a manner that is adverse to the interests of TAIPA.

Examples

A conflict of interest may exist if an Interested Person or the company they represent:

- a. has a material ownership or investment interest in any entity with which TAIPA has or proposes to have a transaction or arrangement;
- b. has a compensation arrangement with TAIPA or with any entity or individual with which TAIPA has or proposes to have a transaction or arrangement;
- c. serves as a board member of the entity which has or proposes to have a transaction or arrangement with TAIPA; and,
- d. has a compensation arrangement with any entity or individual with which TAIPA is negotiating a transaction or arrangement.

Duty to Disclose

In connection with any actual or possible conflict of interest of a Governing Committee or other committee member, the Interested Person must disclose the conflict along with all material facts to the committee or Governing Committee when considering the matter for which the conflict exists.

An employee must identify any conflict of interest and disclose all material facts to the Association Manager. The Association Manager will report to the Governing Committee any employee conflicts of interest, including those of the Association Manager.

Conduct of Meeting

After disclosure of a conflict at a meeting, the Interested Person may be present at and participate in the meeting; however, they cannot vote on the matter. The matter may be authorized by the majority vote of the remaining members of the committee, regardless of whether the remaining committee members constitute a quorum. If requested by a majority of the committee, the Interested Person is to leave the meeting for the vote on the matter. Then, if desired, additional discussion may be had prior to the vote.

Meeting Minutes

The minutes of a meeting shall reflect that the conflict of interest was disclosed; that the Interested Person did not vote on the matter; and, whether they left the meeting during the vote.

Violations of the Conflicts of Interest Policy

If the Governing Committee has reasonable cause to believe an Interested Person has failed to disclose actual or perceived conflicts of interest, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

If, after hearing the Interested Person's response and after making further investigation as warranted by the circumstances, the Governing Committee determines the Interested Person has failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action.

Annual Statements

Each Governing Committee member, each employee of TAIPA and each member of a committee shall annually sign a statement which affirms such person:

- a. has received a copy of this conflict-of-interest policy;
- b. has read and understands this policy; and,
- c. has agreed to comply with this policy.

Supplemental Statements

When an Interested Person becomes aware of a new conflict of interest after submitting the annual statement, the Interested Person shall provide an updated disclosure.

CERTIFICATION

I have read the foregoing conflict of interest policy of TAIPA and agree to abide by its terms. I know of no possible conflict of interest except as described below:

Signature

Printed name

Date

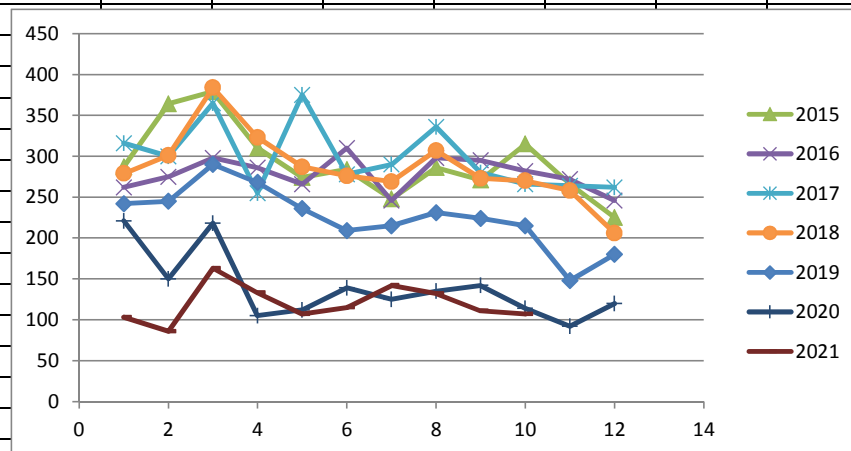
Exhibit 3

Monthly Total (October 2021)		
	Private Passenger	Commercial
EASi Applications	82	25
Paper Applications	0	0
Total Applications Received	82	25
Applications Assigned	82	24
Apps Returned for Correction	0	1
Applications Deficient	6	0
Applications with SR-22s	1	0
Total Applications Received in October 2020:	114	114
Total Applications Received in October 2021:	107	107
Year to Date Total (as of October 2021)		
	Private Passenger	Commercial
EASi Applications	937	226
Paper Applications	0	0
Total Applications Received	937	226
Applications Assigned	920	218
Apps Returned for Correction	16	6
Applications Deficient	58	8
Applications with SR-22s	23	0
Total Applications Received YTD (as of October 2020):	1,461	1,461
Total Applications Received YTD (as of October 2021):	1,163	1,163
YTD Percent Change from October 2020 to October 2021:	-20.40%	-20.40%
Application Assignment History*		
1995: 461,059	2004: 47,434	2013: 4,708
1996: 214,744	2005: 31,517	2014: 3,628
1997: 95,461	2006: 23,634	2015: 3,217
1998: 55,041	2007: 16,780	2016: 3,089
1999: 47,108	2008: 12,896	2017: 3,508
2000: 44,945	2009: 10,299	2018: 3,338
2001: 53,477	2010: 8,725	2019: 2,606
2002: 66,153	2011: 7,364	2020: 1,629
2003: 74,506	2012: 5,898	

*Application Assignment History based on applications assigned, not received.

Trend of Applications Received from 2015 to 2021

	2015	2016	2017	2018	2019	2020	2021
January	287	262	316	279	242	221	103
February	364	275	300	301	245	150	86
March	379	298	365	384	290	218	163
April	310	286	255	323	268	105	133
May	274	266	375	287	236	112	107
June	284	310	278	276	209	139	115
July	248	246	290	269	215	125	142
August	286	298	336	307	231	135	132
September	271	295	280	273	224	142	111
October	315	282	266	270	215	114	107
November	266	272	264	258	148	92	
December	225	246	262	206	180	120	
Total	3,509	3,336	3,587	3,433	2,703	1,673	1,199
Estimate of Applications to be Received in 2021:							



Percent Change in Applications Received from 2015 to 2021

	2015	2016	2017	2018	2019	2020	2021
January	-17.77%	-8.71%	20.61%	-11.71%	-13.26%	-8.68%	-53.39%
February	-3.45%	-24.66%	9.09%	0.33%	-18.60%	-38.78%	-42.67%
March	-6.88%	-21.37%	22.48%	5.21%	-24.48%	-24.20%	-25.23%
April	-2.21%	-7.74%	-10.84%	26.67%	-17.03%	-33.59%	26.67%
May	-21.04%	-2.92%	40.98%	-23.47%	-17.77%	-52.54%	-4.46%
June	-10.13%	9.15%	-10.32%	-0.72%	-24.28%	-33.49%	-17.27%
July	-24.16%	-0.81%	17.89%	-7.24%	-20.07%	-41.86%	-14.88%
August	-0.69%	4.20%	12.75%	-8.63%	-24.76%	-41.56%	-21.58%
September	-23.01%	8.86%	-5.08%	-2.50%	-17.95%	-36.61%	-21.60%
October	-12.26%	-10.48%	-5.67%	1.50%	-20.37%	-46.98%	-20.40%
November	9.47%	2.26%	-2.94%	-2.27%	-21.82%	-37.84%	
December	-18.77%	9.33%	6.50%	-21.37%	-21.26%	-33.33%	
Total YTD	-11.37%	-4.96%	7.52%	-4.29%	-20.01%	-35.79%	-19.48%

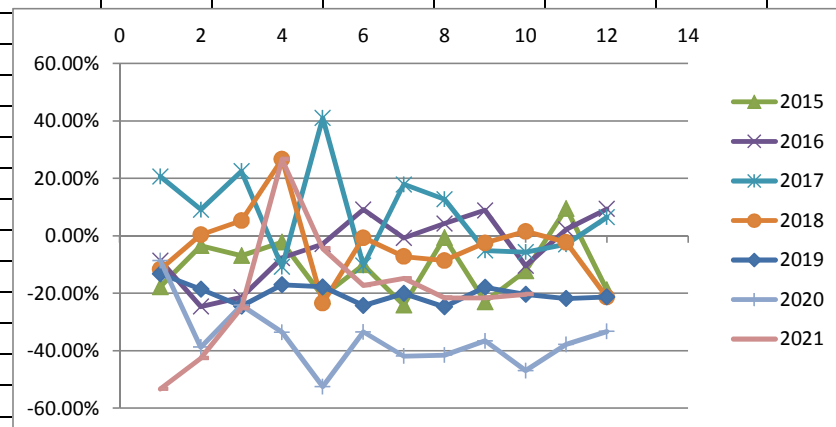


Exhibit 4

Texas Auto Ins. Plan Assoc.**ACTUAL VS. BUDGET**

For the period ended September 30, 2021

75.00%

	Actual	2021 Year To Date Budget	Variance	2021 Annual Budget	% Used	Reason for Variance
<u>REVENUE</u>						
Assessments & Penalties	649,399	637,500	11,899	850,000	76.40%	80.00%
Other Revenue	395	0	395	0	0.00%	70.00%
TOTAL	649,794	637,500	12,294	850,000	76.45%	Within range.
<u>EXPENDITURES</u>						
Salaries	231,445	248,025	16,580	330,700	69.99%	Within range.
Emp. Benefits & Other Ins. Exp.	137,093	162,675	25,582	216,900	63.21%	We are slightly under budget due to turnover and renewals coming in lower than anticipated. We expect to end under budget.
Office Equipment Expense	7,076	9,075	1,999	12,100	58.48%	TAIPA is currently using items that we have on hand before we order new supplies. We expect to end on budget.
Printing & Stationary Exp.	0	3,075	3,075	4,100	0.00%	TAIPA is currently using items that we have on hand before we order new supplies. We expect to end on budget.
Computer Expenses	-870	6,225	7,095	8,300	-10.48%	We are under budget because we received a refund from our Sage software vendor as the payment was process twice (check & credit card). The expense was done as a prepay and the entire refund was credited to this GL. The balance will be corrected once a refund is reconciled as a prepay. We expect to end on budget.
Postage & Shipping Exp.	15,470	17,250	1,780	23,000	67.26%	We expect to end on budget
Telephone Expense	8,070	8,475	405	11,300	71.42%	Within range.
Rent Expense	52,013	50,325	-1,687	67,100	77.51%	Within range.
Moving Expense	0	0	0	0	0.00%	Within range.
Taxes	647	825	178	1,100	58.78%	We are waiting for one additional tax bill but expect to end under budget

Texas Auto Ins. Plan Assoc.**ACTUAL VS. BUDGET**

For the period ended September 30, 2021

75.00%

	Actual	2021 Year To Date Budget	Variance	2021 Annual Budget	% Used	Reason for Variance
Other Office Expenses	2,402	5,325	2,923	7,100	33.83%	TAIPA has not written off any Assessment or Penalty fees to date, most service awards happen later in the year, and all staff was not in the office consistently until May, so some office expenses were lower than budget. We expect to end on budget.
Governing Committee	5,250	20,475	15,225	27,300	19.23%	TAIPA Governing Board Meetings have been held by teleconference, thus travel expenses have been reduced. We expect to end under budget.
Subcommittee Meetings	1,500	3,375	1,875	4,500	33.33%	We had anticipated holding another Ops-Sub meeting prior to the end of the year. We expect to end under budget.
Producer Review Panel	0	0	0	0	0.00%	Within range.
Employee Meetings, Seminars & Staff Travel	1,066	19,125	18,059	25,500	4.18%	To date only 1 employee has enrolled in an online course, some seminars have been cancelled due to continued COVID concerns. We expect to end under budget.
Legal Expenses	49,143	39,675	-9,468	52,900	92.90%	More time spent on Operation Subcommittee & Strategic Planning Subcommittee, as well as more hours spent on Governing Committee research.
Audit Expense	18,414	19,125	711	25,500	72.21%	Within range.
Dues, Subscriptions & Publications	289	450	161	600	48.15%	Annual renewal for SHRM happens later in the year. We expect to end on budget.
TAIPA Tradition, Visitor Meals & Gifts	1,291	2,100	809	2,800	46.10%	Typically these events happen later in the year. Expect to end on budget.
System Consultants	35,465	39,975	4,510	53,300	66.54%	We expect to end on budget.
Consultants - Other	8,354	14,475	6,120	19,300	43.29%	TAIPA did not utilize our accounting system and accounting consultants as we had expected at the beginning of the year. We expect to end on budget.

Texas Auto Ins. Plan Assoc.**ACTUAL VS. BUDGET**

For the period ended September 30, 2021

75.00%

	Actual	2021 Year To Date Budget	Variance	2021 Annual Budget	% Used	Reason for Variance
Actuary	0	6,375	6,375	8,500	0.00%	TAIPA has not been billed for actuarial services yet, the rate filing work has begun but will probably be extended. We expect to end under budget/
Other	0	0	0	0	0.00%	Within range.
SUBTOTAL	574,118	676,425	102,307	901,900	63.66%	
Depreciation	1,898	2,400	502	3,200	59.32%	
Amortization	833	3,750	2,917	5,000	16.67%	
Gain (Loss) on Disposition of Fixed Assets	0	0	0	0	0.00%	
SUBTOTAL	2,731	6,150	3,419	8,200	33.31%	The amortization of Customization on New APS has been fully amortized. We expect to end under budget.
TOTAL OPERATING EXPENSE	576,849	682,575	105,726	910,100	63.38%	Currently we are at 63.38% which is slightly under by 11.62% of our budget. Expenses are incurred later in the year (actuary, consultants, other office expenses, purchase office supplies, governing board meetings held via zoom). We expect to end slightly under budget since we are holding all meetings via Zoom instead of in person and expect no additional education expense,.
NET FROM OPERATIONS	72,945	-45,075	118,020	-60,100		
Non-Operating Pension Costs	0	0	0	0	0.00%	
NET	72,945	-45,075	118,020	-60,100		
<u>CAPITAL BUDGET</u>						
Software Development in Progress	0	0	0	0	0.00%	
Office Furniture & Equipment	0	0	0	0	0.00%	
Computer Equipment	1,830	1,725	-105	2,300	79.55%	
Computer Software	0	0	0	0	0.00%	

Texas Auto Ins. Plan Assoc.

ACTUAL VS. BUDGET

For the period ended September 30, 2021

75.00%

	Actual	2021 Year To Date Budget	Variance	2021 Annual Budget	% Used	Reason for Variance
Leasehold Improvements	0	0	0	0	0.00%	
TOTAL	1,830	1,725	-105	2,300	79.55%	

NOTE: Items that are considered "within range" are within 5% or \$5,000 of the expected year-to-date budget.

Texas Auto Ins. Plan Assoc.

Statement of Financial Position

As Of September 30, 2021

Unaudited

ASSETS

Current Assets	
Cash and cash equivalents	\$ 578,030
Accounts receivable	13,730
Prepaid expenses	25,053
Total current assets	616,813
Security Deposits	5,379
Property and Equipment	
Furniture and equipment	26,653
Computer equipment	15,105
Leasehold improvements	2,222
Computer software	25,000
	68,980
Less accumulated depreciation	63,632
	5,348
Total assets	627,541

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts payable	7,746
Accrued vacation	35,835
Accrued payroll liabilities	11,102
Deferred revenue	212,736
Total current liabilities	267,419
Other Liabilities	
Accrued pension benefit costs	135,148
Deferred lease benefit	5,352
Total other liabilities	140,500
Net (Deficiency) Assets	
Without donor restrictions	219,622
Total net assets	219,622
Total liabilities and net assets	\$ 627,541

Texas Auto Ins. Plan Assoc.

Statement of Activities

For the period ended September 30, 2021

Unaudited

Changes in unrestricted net assets

	Current YTD
Revenues	
Member assessments	\$ 637,300
Interest income	395
Assessment penalties	12,099
Total revenues	649,794
Expenses	
Salaries and related expenses	368,538
Occupancy expenses	60,729
Professional Services	111,376
Depreciation & amortization	2,731
Postage and delivery	15,470
Office supplies and expense	7,076
Governing committee	5,250
Computer supplies & expenses	(870)
Subcommittee meetings	1,500
Staff education & seminars	1,066
Miscellaneous	2,402
Staff expense	1,291
Dues and subscriptions	289
Total operating expenses	576,849
Other revenues (expenses)	
Total other revenue (expenses)	-
<i>Increase (decrease) in unrestricted net assets</i>	72,945
<i>Net assets (deficiency) at beginning of year</i>	146,678
<i>Net assets (deficiency) as of September 30, 2021</i>	\$ 219,623

Exhibit 5

TAIPA - 2021 3rd Party Relationships

Category	Name of Organization	Services Provided	2021 Rate and Expected Expenses	2022 Rate and Expected Expenses	Change
Legal	Thompson Coe	Legal services for all business matters except HR & Benefits	<ul style="list-style-type: none"> • \$330 per hour • \$52,900 budgeted • \$8250 added <p>Due to additional work approved at Nov meeting</p> <ul style="list-style-type: none"> • \$61,150 Total 	<ul style="list-style-type: none"> • \$340 per hour • \$54,400 budgeted 	<ul style="list-style-type: none"> • \$10 per hour • \$1,500 budgeted <ul style="list-style-type: none"> • Last change was from \$320 to \$330 in 2019 • New agreement provided in 2021 for 2022 • In place prior to 2007 • Last RFP 2009
Actuary	Epic Consulting	Actuary services related to TAIPA's private passenger & Commercial Rates	<ul style="list-style-type: none"> • \$8500 per rate filing project. • 2021 we will pay for hours worked given that we didn't have a rate filing as the preliminary work performed did not support a substantial change 	<ul style="list-style-type: none"> • \$8500 per rate filing project. 	<ul style="list-style-type: none"> • No Change • New agreement provided in 2021 for 2022 • In place prior to 2007 • Last RFP 2017
Auditor	Atchley & Associates	Financial Audit and completion of TAIPA's form 990 and now consulting for accounting	<ul style="list-style-type: none"> • \$350 per hour for Sr. Auditor (Tyler) • \$25,500 budgeted 	<ul style="list-style-type: none"> • \$375 per hour for Sr. Auditor (Tyler) • \$25,700 budgeted 	<ul style="list-style-type: none"> • \$25 per hour for Sr. Auditor (Tyler) • \$200 budgeted

					<ul style="list-style-type: none"> • New agreement every year. • In place after 2006 audit
System Consultant	AIPSO	<ul style="list-style-type: none"> • Data Services provides quota calculations for TAIPA's member companies. • Programing - Provides APS changes requested by TAIPA • EASi Maintenance \$7,900 per year, and • EASi Enhancements \$7,900 per year 	<ul style="list-style-type: none"> • Data Services \$107/hr. – Expect 198 hours for total of \$21,186. • Programing - \$123/hr. • EASi Maintenance \$7,900 per year • EASi Enhancements \$7,900 per year • Total \$36986 	<ul style="list-style-type: none"> • Data Services \$109/hr. – Expect 198 hours for total of \$21,582. • Programing - \$128/hr. • EASi Maintenance \$7,900 per year • EASi Enhancements \$7,900 per year • Total \$37,382 	<ul style="list-style-type: none"> • Data Services \$2/hr. – Expect 198 hours for total of \$396. • Programing – \$5/hr • EASi Maintenance No Change • EASi Enhancements No Change • Total \$396 • Send updated cost sheet every year. Agreement signed 2015 • In place prior to 2007

Exhibit 6

(Revised w/ Mid year salary changes)

2022 TAIPA Budget Considerations:

Major Assumptions Used For Developing 2022 Budget

-Currently it appears that application volume will remain around 1500 per year.

-Includes salaries and benefits for four employees (all current staff--Stacy, Mimi, Ruth, and Amanda), plus merit-based salary increases (current market values shows **3.3%** average salary increases in Austin), Also included is a **2.5% increase to take place mid year which amounts to a \$5600 increase over the last six months of the year**, a possible increase for 1 Customer Service & Admin Support Spec to become a level II sometime during the year as well as the amount needed to pay the temp agency fee in case of turnover of one position.

-Employee benefit and other insurance costs - The largest single item decrease in our budget for 2022 is for our minimum contribution for our pension plan moving to zero. This is a decrease of \$97,000 for 2022. The medical, dental, vision, and LTD costs were less than we expected in 2021 and this is reflected in the 2022 budget even with an expected increase of 10% for medical coverage and 5% for dental and vision. TAIPA is still on a grandfathered medical plan. If we are not allowed to continue our grandfathered plan after April of 2022, we could experience a substantial increase for medical insurance next year. Because our plans are so small, each employee's medical and life insurance premium is dependent on their age and dependent covered. Any change in an employee's dependent coverage or change in employee could change our budget substantially. Our 401(K) plan and Noncontributory plans changed from being administered by Prudential to Voya and this is expected to save TAIPA money in 2022. Turnover in 2021 also reduced the costs of TAIPA's benefit plans in 2021 and 2022. For 2022 we only have three employees eligible for the the match on the 401(K) and one employee eligible for the noncontributory plan until November 2022. **With the midyear increase of 2.5%, our costs for the 401(K) and Non-contributory plan will go up \$950 over the last 6 months of the year.** We expect a 5% increase in our commercial insurance policies (workers compensation, business owner/umbrella and EPLI).

-Computer Supplies budget increased due to the need to replace some of our older equipment that is 3+ years old or older. TAIPA updated our firewall in 2021. Budget includes the purchase 1 new computer, 36 port Power over Ethernet switch, extending current laptop warranties, moving to M365, and running a vulnerability scan on TAIPA's system 2 times per year.

-Slight increase in costs for phone/internet service due to our fax lines. We are currently researching ways to reduce this cost once we move to M365 in 2022. We are continuing to work on plans to move to fiber since it is already available in our building and we have had some outages which now affect both our computers and phones.

Postage and Delivery increased due to increased cost of postage, courier service, and cost of sending electronic mail through mail chimp.

-Increase of 4% in operating expenses for building lease

- Stable costs for property taxes -

-Three Governing Committee meetings (two held in-person)

-Four Operations Subcommittee meetings (held via zoom)

-Other office expenses include the chair gift and two employees hitting their 15 year anniversary triggering the \$25 per year of service policy

-One Nominating Subcommittee meeting (held via teleconference)

-One Strategic Planning Subcommittee meeting to review TAIPA's Enterprise Risk Plan (held via zoom)

-No Producer Review Panel meetings

-No new subcommittees

-Budget includes \$5000 for each employee to pursue education

-Budgeted 160 hours for legal at new rate and included \$1200 for HR attorney

-No rate hearing

-No RFPs in 2020 for any vendors; would continue existing arrangements with legal counsel, actuary, auditors, AIPSO, etc.

The biggest addition to this budget is in Consultants Other - it includes a salary study/survey for TAIPA of \$11,000. TAIPA had a salary study completed in 2013 and then it was updated in 2017 when TAIPA made a transition to its current staffing level. Since 2017, we have experienced considerable turnover in our front office personnel and our Manager of Operations/Financial Management turned over as well in 2019. This has required us to move several duties to different positions. Due to the number of changes and the complexity of these duties, I feel that the positions need to be reevaluated.

Note that there would be changes to the requested budget if we decided to:

Move forward on some of the proposals the Operations Sub Committee is studying.

***Note: Bolded Items are what changed from the initial budget request previously sent**

TAIPA's 2022 Annual Budget vs. 2021 Budget					
Budget Category	2021 Requested Budget	2022 Requested Budget	Amount of Incr. (Decr.) in 2022 Budget vs. 2021 Budget	% Change	Explanation of Difference*
Salaries	\$ 330,700	\$ 362,700	\$ 32,000	9.68%	Increased budget by 3.5% for performance based increases as well as additional funds for an increase if an employee reaches the Level II position, and fees or temporary agency if we have turnover in 2022
Emp. Benefits & Other Ins. Exp.	\$ 216,900	\$ 126,550	\$ (90,350)	-41.66%	No required contribution to pension, reduced admin fees for 401 plan and noncontributory plan due to changing vendors and some cost reductions due to turnover
Office Equipment Expense	\$ 12,100	\$ 12,600	\$ 500	4.13%	within range
Printing	\$ 4,100	\$ 4,300	\$ 200	4.88%	within range
Computer Supplies & Exp	\$ 8,300	\$ 12,100	\$ 3,800	45.78%	Increase is due to TAIPA's IT equipment being over 3 years old. This budget includes extending warranties and moving to M365 and purchasing new equip.
Postage & Delivery	\$ 23,000	\$ 24,900	\$ 1,900	8.26%	Increase due to increased cost of postage, courier service, and cost of sending electronic mail through mail chimp.
Telephone & Internet	\$ 11,300	\$ 12,200	\$ 900	7.96%	Slight increase due to our fax lines on traditional lines.
Rent	\$ 67,100	\$ 67,800	\$ 700	1.04%	within range
Moving Expenses	\$-	\$ -	\$ -	0.00%	within range
Property Taxes	\$ 1,100	\$ 1,100	\$ -	0.00%	within range
Governing Committee	\$ 27,300	\$ 22,400	\$ (4,900)	-17.95%	Plan to only hold two meetings in person
Operations Subcommittee	\$ 4,500	\$ 4,500	\$ -	0.00%	within range
Producer Review Panel	\$-	\$ -	\$ -	0.00%	within range
Employee Meetings, Seminars, & Staff Travel	\$ 25,500	\$ 25,900	\$ 400	1.57%	within range
Legal Expenses	\$ 52,900	\$ 55,600	\$ 2,700	5.10%	Budgeted 160 hours at \$340 per hour plus 1200 for HR Attorney
Audit	\$ 25,500	\$ 25,700	\$ 200	0.78%	Within range.
Dues, Subscrip, Pub.	\$ 600	\$ 600	\$ -	0.00%	Within range.
Other Office Expenses	\$ 9,900	\$ 10,800	\$ 900	9.09%	Added Chair's gift and 2 employees hitting 15 year anniversary
System Consultants	\$ 53,300	\$ 53,700	\$ 400	0.75%	Within range
Consultants-Other	\$ 19,300	\$ 34,800	\$ 15,500	80.31%	The biggest change to this category is the proposed \$11,000 salary study. The other changes are increased hours for Adv Applications to upgrade the Sage software and inc hours for Atchley & Assoc to work with Mimi
Actuary	\$ 8,500	\$ 8,500	\$ -	0.00%	Within range. - No change

Budget Category	2021 Requested Budget	2022 Requested Budget	Amount of Incr. (Decr.) in 2022 Budget vs. 2021 Budget	% Change	Explanation of Difference*
SUBTOTAL	\$ 901,900	\$ 866,750	\$ (35,150)	-3.90%	
Depreciation	\$ 3,200	\$ 3,300	\$ 100	3.13%	within range
Amortization	\$ 5,000	\$ 400	\$ (4,600)	-92.00%	APS is now fully depreciated.
Total	\$ 910,100	\$ 870,450	\$ (39,650)	-4.36%	
CAPITAL BUDGET TOTAL	\$ 2,300	\$ 2,800	\$ 500	21.74%	
GRAND TOTAL	\$ 912,400	\$ 873,250	\$ (39,150)	-4.29%	Total 2022 budget is 5.01% lower than 2021 budget. Most of the change is due to not making any contributions to the pension plan in 2022.

(Revised w/ Mid year salary changes)					
Recommended 2022 Assessment					
		Total 2022 Budget		\$ 870,450.00	
		Total 2022 Capital Budget	+	\$ 2,800.00	
		2022 Depreciation & Amortization	-	\$ 3,700.00	
Cash Needed for 2022			=	\$ 869,550.00	
		Cash Expected at Yearend 2021		\$ 343,946.38	
		Mid year salary change and benefit change		\$ 6,550.00	
		Amount of 2021 Carryover to be Used to Reduce 2022 Assessment	-	\$ 120,000.00	
Remaining Amount of Cash to Carryover to 2022*			=	\$ 217,396.38	
Recommended 2022 Assessment Amount			=	\$ 743,000.00	
		<i>*Note: 2022 carryover is equivalent to a little less than three full months of 2022 budget; this carryover ensures TAIPA can pay bills while we are collecting assessment payments, and also provides assurance in case of any unbudgeted expenses. Note that TAIPA had some difficulty collecting the assessments in 2021 due to employees not working in the office and not receiving the invoices and paying them timely.</i>			
2021/2022 Comparison					
		2022	2021	Difference	Incr./ (Decr.)
Operating Budget Amount	\$	870,450.00	\$ 909,900.00	\$ (39,450.00)	-4.34%
Capital Budget Amount	\$	2,800.00	\$ 2,500.00	\$ 300.00	12.00%
-Depr./Amort	\$	3,700.00	\$ 6,300.00	\$ (2,600.00)	-41.27%
-Carryover Used	\$	120,000.00	\$ 79,200.00	\$ 40,800.00	51.52%
Assessment Amount	\$	743,000.00	\$ 760,000.00	\$ (17,000.00)	-2.24%

Exhibit 7

2022 TAIPA Governing Committee Meeting Dates

Friday, March 25, 2022

Friday, August 19, 2022

Friday, November 18, 2022

Exhibit 8

TAIPA PP Over/Under Report

COMPANY

Year End 2017

Year End 2018

Year End 2019

2nd QTR 2020

3rd QTR 2020

4th QTR 2020

Year End 2020

1st QTR 2021

2nd QTR 2021

PRIVATE PASSENGER	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR
21ST CENTURY CENTENNIAL INS CO (SC)		315,137		266,162		269,040		473,529		9,244	90,920			82,479		91,068		132,949
ACE AMERICA	236,537		Entered LAD															
AFFIRMATIVE INS CO (co is in liquidation)		2,831		2,831		2,831		2,831		2,831		2,831		2,831		2,831		2,831
ALLSTATE INS CO	Entered LAD																	
AMER FAMILY MUT INS CO SI			New to quota	6		12		12		12		12		12		12		12
AMER MERCURY INS CO		7,174		4,047	Entered LAD								Entered LAD		Entered LAD		Entered LAD	
ASSURANCEAMERICA INS CO	Entered LAD																	
AXA INS CO					New to quota	3		11		13		16		21		30		38
BERKLEY INS CO							New to quota	1		2		2	Became grouped		Became grouped		Became grouped	
CLEARCOVER INS CO																	New to quota	40
CRESTBROOK INS CO	Became grouped																	
DIRECT GEN INS CO								5		9		17	Became grouped		Became grouped		Became grouped	
FALCON INS CO	Entered LAD																	
FIRST CHICAGO INS CO																New to quota	5	21
FREESTONE INS CO		443		443		443		443		443		443	Went into storage		Went into storage		Went into storage	
GENERAL CAS CO OF WISCONSIN	Entered LAD																	

TAIPA PP Over/Under Report

COMPANY

Year End 2017

Year End 2018

Year End 2019

2nd QTR 2020

3rd QTR 2020

4th QTR 2020

Year End 2020

1st QTR 2021

2nd QTR 2021

PRIVATE PASSENGER	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	
GENERAL SECURITY NATL INS CO																		New to quota	1
GOVERNMENT EMPLOYEES INS CO		96,915		63,079		55,194		30,966		13,303	36,244			28,150			50,508		84,073
HALLMARK COUNTY MUT INS CO	441,819		440,802		440,404		440,343		440,357		440,363		440,269		440,243		440,215		
HOMEOWNERS OF AMER INS CO		4,639		4,639	Went into storage								Went into storage		Went into storage		Went into storage		
HOUSTON GENERAL INS EXCH (this is a new company that has generated this quota)					New to quota	26		110		136		104	New to quota	190		224			236
ICM INS CO		13	Went into storage																
IMPERIAL FIRE & CAS	Became grouped																		
INTEGON NATIONAL INS CO		322,579		201,462		249,885		157,513		676,694		864,851		185,414		136,542			12,644
MAIDSTONE INSURANCE COMPANY (prev AUTOONE INS CO)	330,040		330,038		330,038		330,038		330,038		330,038		Went into Storage						
MIDVALE IND CO			New to quota	1															
NOBLR RECIPROCAL EXCHANGE								New to quota--AIPSO Error +2	1			8			Entered LAD-TAIPA Error	19	Entered LAD		
OLD AMER COUNTY MUT FIRE INS		Entered LAD																	
PHARMACISTS MUT INS CO	Entered LAD																		
RIVERPORT INS CO			New to quota	51	Entered LAD								Entered LAD		Entered LAD		Entered LAD		
STARR INDEMNITY & LIABILITY CO		955	Went into storage																
STATE FARM MUT AUTO INS CO		193,430		170,618		147,124		64,170		46,171		24,752		104,343		111,872			144,856

COMPANY Year End 2017 Year End 2018 Year End 2019 2nd QTR 2020 3rd QTR 2020 4th QTR 2020 Year End 2020 1st QTR 2021 2nd QTR 2021

PRIVATE PASSENGER	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR
SUSSEX INS CO (prior Companion Pro & Cas Ins Co) Effective 12/31/2017, Sussex Ins Co merged into CLARENDON NATIONAL INS CO		324	CO / Inactive Merged															
TEXAS FARM BUREAU CAS INS CO		63,251		57,078		44,783		40,230		20,997		4,011		36,078		46,399		61,984
TREXIS ONE INS CORP (prev co ALFA SPECIALTY INS CORP)		352		138		659		518		503		494		663		725		518
UNIVERSAL NORTH AMERICA		89	Went into storage															
VAULT RECIPROCAL EXCHANGE																	New to quota	2
WINDHAVEN NATIONAL INS. CO (10348 ATX PREMIER INS CO) Co is in receivership as of 03/05/2020		264		285		442		42		34		23		88		8		10
TOTALS	1,008,396	1,008,396	770,840	770,840	770,442	770,442	770,381	770,381	770,395	770,393	897,565	897,564	440,269	440,269	440,243	440,243	440,215	440,215

PREMIUMS WRITTEN	2,424,419	2,346,137	1,785,296	364,677 2nd qtr	240,357 3rd qtr	238,815 4th qtr	1,262,528	288,482 1st qtr	258,829 2nd qtr
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TAIPA OTPP Over/Under Report

COMPANY	Year End 2017		Year End 2018		Year End 2019		2nd QTR 2020		3rd QTR 2020		4th QTR 2020		Year End 2020		1st QTR 2021		2nd QTR 2021	
	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR
ACCIDENT INS CO		132		154		243		243					Entered CLAD					
ALASKA NATL	Entered CLAD																	
AMALGAMATED CAS INS CO	New to quota	531	Entered CLAD															
AMER BANKERS INS CO OF FLORIDA	Became ungrouped co has no Vol Premium (co w/ quota moved to Diamond StateCo is in a CLAD)																	
AMER CONTRACTORS INS RISK RET. GRP		16,743	Went into storage										Started writing again-16,743 out of storage in 2020			746		1,569
AMER COUNTRY INS CO						767		1,199		1,394		1,536		1,535		1,535		1,535
AMER MERCURY INS CO		13,859		12,787	Entered CLAD													
AMER NATIONAL PROP & CAS CO	Entered CLAD																	
AMER NATL COUNTY MUT INS CO	Became grouped																	
AMER ROAD INS CO	Entered CLAD																	
AMERICAN BUILDERS INS CO (prev Association Ins Co)	Entered CLAD																	
BRITISH AMERICAN INS CO	3,696		1,489		1,067		929		867		821		822		770		712	
GATEWAY INS CO							1,538	New to quota	2,236		2,740		2,739		2,739		2,739	
GLOBAL LIBERTY INS CO OF NY	Entered CLAD																	
GOVERNMENT EMPLOYEES INS CO Out of Storage \$514,977 start 2010 less \$5K per year. Current balance as of 2018: \$469,977	25,871		24,233		485,639		481,884		480,182		467,280		478,955		475,198		471,048	
GRAMERCY INS CO	Went into storage																	

TAIPA OTPP Over/Under Report

COMPANY

Year End 2017

Year End 2018

Year End 2019

2nd QTR 2020

3rd QTR 2020

4th QTR 2020

Year End 2020

1st QTR 2021

2nd QTR 2021

	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR		
HARLEYSVILLE INS CO	Became grouped Nationwide in a CLAD																			
HISCOX INS CO INC	Entered CLAD																			
HOUSING ENTERPRISE INS CO INC	Entered CLAD 1st QTR 2017 *Cancelled CLAD 4th QTR 2017			6		12		12		12		12		12		12		12	12	
HOUSTON GENERAL INS EXCHANGE																		New to quota	92	193
INTEGON NATIONAL INS CO		1,695,119		1,715,041		1,764,552		1,760,045		1,759,037		1,742,837		1,775,103		1,769,494		1,747,976		
INTREPID INS CO					New to quota	1		2		3		3	Became grouped							
MAIDSTONE INSURANCE COMPANY (prev AUTOONE INS CO & Penn General)	414,900		414,900		Went into storage															
MID-CONTINENT CAS CO	746,849		746,030		744,560		743,813		743,474		743,229		743,230		742,983		742,709			
MOTORISTS COMM MUT INS CO (prev Amer Hardware Mut Ins Co)	27,288		27,086		27,086		27,086		27,086		27,086		27,086		27,086		27,086			
NATIONAL BUILDERS INS CO	Became grouped																			
NEXT INS US CO										New to quota				0	New to quota	12		25		
NORTH AMER SPECIALTY INS CO	Entered CLAD																			
OKLAHOMA SURETY CO	681,118		679,207		677,660		677,012		676,719		676,506		676,507		676,308		676,088			
PREFERRED PROFESSIONAL INS CO	Entered CLAD																			
QUALITAS INS CO	Entered CLAD																			
RIVERPORT INS CO		83		83	their adj zeroed them out	0		171		248		304	Became grouped							

TAIPA OTPP Over/Under Report

COMPANY Year End 2017 Year End 2018 Year End 2019 2nd QTR 2020 3rd QTR 2020 4th QTR 2020 Year End 2020 1st QTR 2021 2nd QTR 2021

	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	OVER	UNDR	
RURAL TRUST INS CO	Entered CLAD																		
SENECA INS CO	Entered CLAD																		
STARNET											New to quota	20,254			Entered CLAD				
STATE FARM MUT AUTO INS CO		129,892		123,853		127,745		121,860		122,715		104,951		104,930		103,743		119,313	
TEXAS FARM BUREAU CAS INS CO (prev Southern Farm Bur)		29,894		28,473		29,789		32,603		29,564		29,118		29,114		30,756		31,011	
TEXAS HOSPITAL INS EXCH		12,178		12,469		12,824		12,971		13,038		13,086		13,086		13,134		13,187	
TIG INS CO			New to quota	79		79		80		81		81		81		82		82	
TNUS INS CO	Became grouped																		
TRISTATE INS CO OF MN	Became grouped																		
ULLICO CAS CO		1,291	Went into storage																
WESTPORT INS CORP																		New to quota	1
TOTALS	1,899,722	1,899,722	1,892,945	1,892,945	1,936,012	1,936,012	1,930,724	1,930,724	1,928,328	1,928,328	1,914,922	1,914,922	1,926,600	1,926,600	1,922,345	1,922,345	1,917,643	1,917,643	

PREMIUMS CREDITED	1,942,623	1,679,205	1,953,284	434,842 2nd qtr	442,344 3rd qtr	319,868 4th qtr	1,737,041	413,926 1st qtr	458,499 2nd qtr
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