

**Texas Automobile Insurance Plan Association Governing Committee Meeting**  
**Friday, April 5, 2024 – 9:00 A.M.**  
**Austin Marriott South**  
**4415 S I-35 Frontage Rd, Austin, TX 78744 & Via Zoom Meeting**

Topic: TAIPA Annual Meeting & Governing Committee Meeting - Friday, April 5th, 2024

Time: Apr 5, 2024 08:30 AM Central Time (US and Canada)

Join Zoom Meeting

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**Texas Automobile Insurance Plan Association Governing Committee Meeting**  
**Meeting Agenda**  
**Friday, April 5, 2024 – 9:00 A.M.**  
**Austin Marriott South**  
**4415 S I-35 Frontage Rd, Austin, TX 78744**

1. Call to Order
2. Introductions
3. Reading of the Anti-Trust Statement
4. Conflict of Interest Disclosures
5. Election of Officers\*
6. Chair's Report
  - A. Thank you to Becky Jackson for serving as Chair for the previous 2 years.
  - B. Welcome Melissa Herman from TDI
  - C. Thank you to John Mooney from TDI
  - D. Strategic Planning Subcommittee opening for a company member
7. Review and Approval of the Minutes of the November 17, 2023, Meeting (Exhibit 1)
8. Review and Approval of the Minutes of the March 6, 2024, Special Meeting (Exhibit 2)
9. Manager's Report
  - A. Application Count Update
    - I. For Yearend 2023 (Exhibit 3)
    - II. As of February 2024 (Exhibit 4)
  - B. Financial Update –
    - I. For Yearend 2023 (Exhibit 5)
  - C. LAD Verification Completed
  - D. Update on List of Active Producers on TAIPA's website
  - E. Administrative Rules (Exhibit 6)
  - F. Reminder that all Governing Committee Members must take the Open Meetings Act training every 2 years
  - G. Reminder that all Governing Committee members must sign the Conflict of Interest Policy annually (Exhibit 7).
10. Audit/Finance Committee Report
  - A. Audit Engagement Letter (Exhibit 8)
11. Operation Subcommittee Report
  - A. Over/Under Report (Exhibit 9)
  - B. Study of Future Method of Determining TAIPA Rates, including legislative changes
12. Report of Counsel
  - A. Discussion of Rate Filing
13. Next Meeting: August 16, 2024
14. Personnel Matters\* Closed session
  - A. Manager's Review\*
15. Adjournment

The Governing Committee may act 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 act.

**Attendees:**

**Governing Committee Members**

Keith Wechsler  
Matthew Snyder  
Brian Ferguson  
Doug Queenin  
John Lusardi  
Adam Hall  
Becky Jackson  
Carmelita Hogan  
Mary Carol Awalt  
Laura Hausman  
Betsy Blair  
Janet Dewey  
Ramon Montalvo III, C.I.C.  
Adam Payton  
Kit Morris

**TAIPA Staff**

Stacy Dutton  
Mimi Leece  
Amanda Reynolds  
Ruth Wise

**TAIPA Legal Counsel**

Michael W. Jones

**TDI**

Melissa Herman  
Katelyn Boehm  
Jessica O'Connor  
Marianne Baker  
Drew Beglau

**OPIC**

Melissa Heggen  
Kim Donovan

**Other**

Ron Wiest  
Anne O'Ryan  
Brent McGill  
Carol Berthold  
Regan Ellmer

1. Call to Order

Chair Jackson called the meeting to order at 9:00 AM.

Mimi Leece explained the way the Zoom meeting would proceed.

2. Introductions

Chair Jackson turned the meeting over to Stacy Dutton to call the roll.

3. Reading of the Anti-Trust Statement

Stacy Dutton read the Anti-Trust Statement:

TAIPA 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 activities of the Association, and shall not discuss or pursue the business interests of individual insurers or others.

4. Conflict of Interest Policy/Disclosures

Chair Jackson turned the meeting over to Mike Jones to go over TAIPA's Conflict of Interest policy and disclosures. Mr. Jones reminded everyone of TAIPA's conflict of interest policy and that disclosures would need to be made if anyone felt they would be in conflict. There were no comments.

5. Election of Officers

Chair Jackson turned the meeting over to Adam Payton for the Nominating Subcommittee report. The nominating subcommittee members are Carmelita Hogan, Matthew Snyder, and Adam Payton. Mr. Payton presented the proposed 2024 officers for the TAIPA Governing Committee. The nominees were as follows:

Chair- Matt Snyder  
1<sup>st</sup> Vice Chair-David Weber  
2<sup>nd</sup> Vice Chair-John Lusardi  
Secretary-Betsy Blair  
Immediate Past Chair-Becky Jackson

Chair Jackson asked for a motion to accept the nominees presented by the Nominating Subcommittee. Ramon Montalvo made the motion. Adam Payton seconded the motion. The motion carried. No other nominations were made. Chair Jackson asked for a motion to close

nominations. Matt Snyder made the motion. Adam Payton seconded the motion. The motion carried. There was no further discussion regarding the nominees. Chair Jackson asked for a motion to elect the presented nominees. Mary Carol Awalt made the motion. Janet Dewey seconded the motion. The motion carried.

Chair Jackson turned the meeting over to the newly elected Chair, Matt Snyder. Chair Snyder thanked Ms. Jackson for her dedication while serving as TAIPA's Chair for 2022 and 2023. Ms. Jackson was presented with a framed Texas flag which had been flown over the Texas State Capitol on February 14, 2024. Ms. Jackson shared her appreciation for the gift.

6. Chair's Report

A. Thank you to Becky Jackson for serving as Chair for the previous two years.

B. Welcome to Melissa Herman from TDI

Chair Snyder welcomed Melissa Herman, who will be serving as TDI's representative.

C. Thank you to John Mooney from TDI

Chair Snyder thanked John Mooney for his hard work while serving as TDI's representative.

D. Strategic Planning Subcommittee Opening for Company Member

Chair Snyder reminded everyone that there was one open position on the Strategic Planning Subcommittee that needed to be filled by a company member. He stated that any interested party could reach out to him or Stacy Dutton.

7. Review and Approval of the Minutes of the November 17, 2023 Meeting

Chair Snyder turned the meeting over to John Lusardi to review the meeting minutes. There were no changes needed and Chair Snyder asked for a motion to approve the minutes. Becky Jackson made the motion. Betsy Blair seconded the motion. The motion carried.

8. Review and Approval of the Minutes of the March 6, 2024 Special Meeting

Mike Jones noted that on page 3, subsection B, of the meeting minutes the word "insignificant" should be edited to read "significant." There were no other changes. Chair Snyder asked for a motion to approve the minutes with the stated correction. Ramon Montalvo made the motion. Becky Jackson seconded the motion. The motion carried.

9. Manager's Report

Chair Snyder turned the meeting over to Stacy Dutton for the Manager's Report.

A. Application Count Update

Ms. Dutton gave an update on the application counts for Yearend 2023 and as of February 2024. Ms. Dutton stated that in 2023 TAIPA assigned 1,758 applications compared to 1,352 applications that were assigned in 2022. This was 406 more applications assigned in 2023 or a 29.73% increase.

In February 2024 TAIPA received 144 applications compared to 129 applications received in February of 2023. This is 15 more applications, or an 11.62% increase. Year-to-date for 2024, TAIPA has received 281 applications compared with 252 applications received year-to-date in 2023. This is 29 more applications, or an 11.51% increase. Ms. Dutton stated that TAIPA expects to receive about 1,950 applications in 2024, which would be 192 more than 2023. There were no comments.

B. Financial Update- For Yearend 2023

Ms. Dutton explained that TAIPA used 92.46% of its 2023 budget. She noted that two categories show as over-budget at the end of December 2023: employee benefits and computer equipment. She stated that the employee benefits category was over due to a non-cash expense of \$98,927 for pension benefit costs. She noted that because this is not controlled by TAIPA it is not a budgeted item. Computer equipment was over budget because to cover costs involved in TAIPA's previous depreciations, money was moved from computer supplies to computer equipment.. This left computer supplies under budget and computer equipment over budget. Ms. Dutton also noted that TAIPA did make eight non-cash adjustments to the 2023 budget, which she worked on with Tyler Mosley from Atchley and Associates. Chair Snyder asked for a motion to accept the variances to the budget as stated. Becky Jackson made the motion. Adam Payton seconded the motion. The motion carried.

C. LAD/CLAD Verification Completed

Ms. Dutton reminded everyone of TAIPA's policy to recertify the LAD/CLAD carriers every five years. This was done in 2023 and it was noted that all TAIPA's LAD/CLAD carriers have an A and A+ rating according to AM Best.

D. Update on List of Active Producers on TAIPA's Website

Ms. Dutton reported on where TAIPA was regarding updating the website with a search option for potential applicants to find TAIPA certified agents in their area. She noted that TAIPA had been in contact with a company that would make this website adjustment for \$3,150. Chair Snyder asked for a motion to approve the \$3,150 expense to automate TAIPA's website with this new feature and approve adding \$3,150 to the budget. Betsy Blair made the motion. Janet Dewey seconded the motion. The motion carried.

E. Administrative Rules

The administrative rules were distributed. It is TAIPA's policy to distribute these at the first Governing Committee meeting of the year as a reminder to all members. There were no questions or concerns regarding this.

F. Open Meetings Act Training

Mrs. Dutton reminded the Governing Board members that they must complete the online Open Meetings Act training once every two years. She noted that if a member's two-year training was coming up, TAIPA staff would reach out to them with a reminder.

G. Conflict of Interest Policy Reminder

Ms. Dutton reminded everyone that they must sign TAIPA's Conflict of Interest Policy document every year and noted that one had been provided to everyone at the meeting. She asked that everyone sign that policy and return it by April 15, 2024.

The meeting was turned back over to Chair Snyder.

10. Audit/Finance Committee Report

As chair of the Audit Finance Committee, Matthew Snyder went over the Audit/Finance Subcommittee Report. Chair Snyder went over the Audit Engagement Letter from Atchley and Associates. He noted that it is the same letter that Atchley provides each year stipulating their responsibilities, TAIPA's responsibilities, and what they will do and provide in the financial audit. The estimated cost for the audit is between \$16,000 and \$17,500. Mr. Snyder asked for a motion to approve the financial audit to be performed by Atchley and Associates. Ramon Montalvo made the motion. Brian Ferguson seconded the motion. The motion carried.

11. Operation Subcommittee Report

David Weber, who is chair of the Operation Subcommittee, was unable to attend the meeting, so Ms. Dutton went over the Operation Subcommittee Report.

A. Over/Under Report

Ms. Dutton noted that there was nothing of significance to report regarding the Over/Under Report.

B. Study on Method to Use to Calculate Future TAIPA Rates

Ms. Dutton reminded everyone that the Operation Subcommittee was tasked with developing a new method for the actuary to calculate TAIPA rates at the March 6, 2024 Special Meeting. She noted that David Weber would like feedback from any source regarding this subject. She stated that TAIPA will be sending out an email to all Governing Committee members as well as any interested parties with potential dates for the first exploratory meeting.

12. Report of Counsel

Chair Snyder turned the meeting over to Mike Jones for the Report of Counsel. Mr. Jones updated everyone on the rate filing that was made on March 12th, 2024 and the Commissioners hearing scheduled for April 16th, 2024.

13. Next Meeting- August 16, 2024

Chair Snyder announced that the next meeting of the TAIPA Governing Committee will be August 16, 2024.

14. Personnel Matters-Closed Meeting

Chair Snyder announced that a closed meeting will be held pursuant to Texas Government Code Sec. 551.074 relating to personnel matters. He stated that all members of the Governing Committee were welcome to stay in the meeting and everyone else could wait in the Zoom waiting room or would need to leave the conference room. The closed session ended at 10:20 AM.

Chair Snyder asked for a motion to meet with the Association Manager and give her performance review. The motion was made by Adam Payton. The motion was seconded by Kit Morris. The motion carried.

15. Adjournment

Chair Snyder asked for a motion to adjourn the meeting. John Lusardi made the motion. Becky Jackson seconded the motion. The motion carried. The meeting was adjourned at 10:21 AM.



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Betsy Blair, Secretary