

Meeting of Board of Directors
Texas Windstorm Insurance Association
Teleconference
May 10, 2016
Hilton Garden Inn
500 North Interstate 35
Austin, Texas 78701
8:00 a.m.



TEXAS WINDSTORM
INSURANCE ASSOCIATION

Interested parties can listen to the meeting live by going to www.twia.org.
Go to “About Us/Board Meetings” and click on the audio link.

1. Call to Order – Reminder of the Anti-Trust Statement *5 minutes*
– *Georgia Neblett*
2. Introductions – *Georgia Neblett* *5 minutes*
3. Consideration and Action to:
Approve the Minutes from Prior Board of Directors’ Meetings *5 minutes*
– *Georgia Neblett**
4. Public Comment *15 minutes*
5. TWIA Operational Highlights – *John Polak* *5 minutes*
6. Financial *45 minutes*
Consideration and Possible Action on the Following Financial Topics:
 - A. Report of the Secretary/Treasurer – *Debbie King**
 1. Income Statement
 2. Management Discussion and Analysis
 - B. Financial Statement Review by Staff – *Pete Gise*
 1. Income Statement and Expense Statement
 2. Balance Sheet
 3. Cash & Short Term Investments
 4. Cash Flow Statement
 5. Historical Data
 - C. Investment Plan Review – *Pete Gise*
 - D. Financial Audit by Calhoun, Thomson + Matza – *Clark Thomson/Pete Gise*
 1. Audit Wrap-Up Report
 2. Statutory Report*
 3. GASB*
 4. Internal Control Letter
7. Internal Audit *20 minutes*
Consideration and Possible Action on the Following Audit Topics:
 - A. Internal Audit Status & Update – *Darrell Rupert*
 - B. Management Report on Internal Controls Over Financial Reporting – *Pete Gise*
 - C. Consider Executive Committee Recommendations Regarding Internal Audit Function– *John Polak/Georgia Neblett**

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| 8. Actuarial – <i>Jim Murphy</i> | <i>20 minutes</i> |
| Consideration and Possible Action on the Following Actuarial Topics: | |
| A. Reserve Adequacy | |
| B. Policy Count/Exposures | |
| C. 2016 Funding, Including Reinsurance Placement* | |
| D. Reinsurance Broker Selection Process | |
| 9. Underwriting – <i>Lou Cusano</i> | <i>10 minutes</i> |
| A. Underwriting Operations – Overview | |
| B. Amendatory Endorsement – Storm Door | |
| C. TDI Forms Filing – Loss Funding Premium Surcharge | |
| D. TWIA Windstorm Inspections – Completed Construction | |
| 10. Claims | <i>20 minutes</i> |
| Consideration and Possible Action on the Following Claims Topics: | |
| A. Claims Operations – Overview – <i>Dave Williams</i> | |
| B. Claims Litigation – <i>David Durden</i> | |
| 11. TWIA Operations | <i>30 minutes</i> |
| Consideration and Possible Action on the Following Operations Topics: | |
| A. TDI Oversight Update – <i>John Polak</i> | |
| B. IT – <i>John Polak</i> | |
| C. Depopulation – <i>John Polak</i> | |
| D. TWIA Expert Panel – <i>Dave Williams</i> | |
| E. Communications Update – <i>Jennifer Armstrong</i> | |
| Lunch break, 11:00 | <i>30 minutes</i> |
| 12. Closed Session (Board Only) | <i>60 minutes</i> |
| A. Personnel Issues | |
| B. Legal Advice | |
| C. Executive Committee Report Regarding Legal Counsel Performance Review | |
| 13. Consideration of Issues Related to Matters Deliberated in Closed Session That May Require Action, if any, of the Board of Directors | <i>5 minutes</i> |
| 14. Committees – <i>Georgia Neblett</i> | <i>5 minutes</i> |
| 15. Future Meetings – <i>John Polak</i> | <i>5 minutes</i> |
| <ul style="list-style-type: none"> • August 2, 2016 – Tremont House, Galveston • December 6, 2016 – Omni Hotel, Corpus Christi | |
| 16. Adjourn | |

Estimated Total Length of Meeting

4 hours 45 minutes

*Indicates item on which General Manager believes the Board of Directors may take action