



DATE: June 29, 2021

TO: Interstate Insurance Product Regulation Commission

FROM: Insurance Compact Finance Committee

RE: Report of Committee Activities for the June 29th Joint Meeting of the Management Committee and Commission

The Insurance Compact Finance Committee met on June 23rd and received an update on the financials through May 2021.

The actual revenues through May 2021 were 105% of budget; \$2.04 million was earned compared to the \$1.95 budgeted. The expenses continue to be under budget in large part due to the current COVID restrictions on travel and two open positions. One open position was filled on June 1st with the hiring of the Communications and Outreach Coordinator. The remaining open position will be filled later this summer. Actual expenses were approximately 15% under budget.

The Finance Committee reviewed the Compact Office request to reclassify the budget for a full-time reviewer position from Professional Services to Salaries/Taxes/Benefits and to hire this position in September in anticipation of an upcoming retirement of a consultant product reviewer.

The Finance Committee is currently reviewing documentation of the cost of services, systems, and resources the NAIC provides to the Compact. This was a recommendation from the independent business assessment conducted by Rector and Associates. The Compact Office has begun development on the 2022 annual budget and will be working closely with the Finance Committee and the Officers before presenting the budget later this summer.

Additionally, the Finance Committee, working with the Compact Office, will develop a comprehensive professional development program for the Compact Team to ensure training in current best practices and development in respective professional fields. This is a project that stems from the Insurance Compact Compass, the Compact's strategic plan, specifically Priority III, Action Item 5.

Please contact the West Virginia Commissioner James Dodrill, Chair of the Insurance Compact Finance Committee, or Karen Schutter, Executive Director for questions or further information.