

**Minutes
Meeting of the Board of Directors
Louisiana Insurance Guaranty Association**

November 20, 2014

The quarterly meeting of the Board of Directors was held on November 20, 2014 at 10:00 a.m., at the Louisiana Insurance Guaranty Association, located at 2142 Quail Run, Baton Rouge, Louisiana 70808. The meeting was publicly noticed in accordance with the Open Meetings Law.

Members present constituting a quorum:

Michael T. Gray (Chairman)
Markham R. McKinght (Treasurer)
David A. Ross
Keith D. Thompson
William D. Hughs, III
J.E. Brignac, Jr.
Denis Husers

The Gray Insurance Company
Appointee of the Commissioner of Insurance
State Farm Insurance Companies
Liberty Mutual Insurance Companies
Appointee of the Speaker of the House
Imperial Fire and Casualty Insurance Company
Appointee of the Commissioner of Insurance

Others Present:

Jill Breard
John Wells
Stephanie Laborde
Edward Dittmar
Andrew DeGraw
Keri Dupont
Lacey Anderson

Assistant VP of Claims Operations, LWCC
Director of Operations, LIGA
LIGA General Counsel, Milling Benson Woodward, LLP
LIGA Investment Advisor, Wells Fargo Advisors, LLC
Reporter, *The Surplus Lines Reporter*
Administrative Assistant, Milling Benson Woodward, LLP
Administrative Assistant, LIGA

Members Absent:

Wayne T. Roussel (Secretary)
Kristin Wall

Appointee of the President of the Senate
Louisiana Workers' Compensation Corporation

Call to Order by the Chairman of LIGA Board of Directors

The meeting was called to order by Chairman Gray at 10:00 a.m.

Quorum

Mr. Gray advised a quorum was present.

Approval of the Minutes of the September 25, 2014 Meeting of the Board of Directors

Mr. Gray called for a motion to approve the Minutes of the September 25, 2014 Meeting of the Board of Directors.

A motion was made by Mr. Ross and seconded by Mr. Thompson to approve the Minutes of the September 25, 2014 Meeting of the Board of Directors. Objections were called for. There being none, a vote was taken and the motion carried.

Report on Operations

Director of Operations, John Wells

Mr. Wells addressed the written report which had previously been distributed to the Board Members regarding the existing corporate structure of the Louisiana Insurance Guaranty Association. Mr. Wells mentioned that due to the previous vote to change structure from two Directors to one Executive Director, the Plan of Operations needed to be changed. Mr. Wells informed the Board that Ms. Laborde has been working on changing the Plan of Operations.

Mr. Gray asked Ms. Laborde about the changes that were being made to the Plan of Operations, and asked if the changes being made were in line with the instructions of the Board.

Ms. Laborde informed Mr. Gray that all of the changes made to the Plan of Operations support the structure change from the two Directors to one Executive Director. Ms. Laborde also informed the Board that the Plan of Operations would need to be submitted Commissioner of Insurance once the Board approved the changes that were made.

A motion was made by Mr. McKnight and seconded by Mr. Brignac to approve the changes made to the Plan of Operations. Objections were called for. There being none, a vote was taken and the motion carried.

Mr. Wells spoke regarding the current claims systems that are being used by LIGA and how this affects the claims processing internally. Mr. Wells said he has been speaking with other states and gathering information on other claims systems.

Mr. Wells then presented the Board with the proposed 2015 Budget and asked for any questions.

Mr. Hughs asked Mr. Wells if LIGA currently carries D&O. Mr. Wells stated that LIGA does not carry D&O.

Mr. Thompson asked about the proposed plan to purchase a backup generator and the expenses associated with such. Mr. Wells informed the Board that he was currently obtaining bids and would present the Board with the bids once he received all of them.

A motion was made by Mr. Hughs and seconded by Mr. Husers to accept the Report on Operations. Objections were called for. There being none, a vote was taken and the motion carried.

Report on Claims & Litigation

Director of Claims & Litigation, Norman Reese

Mr. Wells presented the Board with the Claims and Litigation Report.

A motion was made by Mr. Hughs and seconded by Mr. Husers to accept the Report on Claims & Litigation. Objections were called for. There being none, a vote was taken and the motion carried.

Report of General Counsel

General Counsel, Stephanie Laborde

Ms. Laborde spoke generally regarding a previously discussed environmental case that had some risk to LIGA. Ms. Laborde informed the Board that the case has settled, and although the case has settled, the potential risk is still in existence.

A motion was made by Mr. Hughs and seconded by Mr. Ross to accept the Report of General Counsel. Objections were called for. There being none, a vote was taken and the motion carried.

Report of Insurance Commissioner's Office

Caroline Brock, Rep. of Insurance Commissioner, Department of Insurance

In the absence of Mrs. Brock, no report was given.

Committee Reports and Recommendations

Legal Committee

Chairperson, William D. Hughs, III

No committee report was given.

Finance Committee

Chairperson, Markham R. McKnight

No committee report was given.

Claims Committee

Chairperson, Keith D. Thompson

No committee report was given.

Nominating Committee
Chairperson, David A. Ross

No committee report was given.

Personnel Committee
Chairperson, William D. Hughs, III

No committee report was given.

Audit Committee
Chairperson, Kristin Wall

No committee report was given.

A motion was made by Mr. Ross and seconded by Mr. Husers to enter into Executive Session. Objections were called for. There being none, a vote was taken and the motion carried.

The Board went into Executive Session at 10:35 a.m.

******Executive Session******

A motion was made by Mr. Ross and seconded by Mr. Thompson to come out of Executive Session. Objections were called for. There being none, a vote was taken and the motion carried.

The Board came out of Executive Session at 10:40 a.m. and returned to the open session of the agenda.

Old Business

There was none.

New Business

The Board discussed the proposed Board Meeting Dates.

Adjournment

A motion was made by Mr. Hughs and seconded by Mr. Husers to adjourn the meeting. Objections were called for. There being none, a vote was taken and the motion carried.

The meeting was adjourned at 10:53a.m.

APPROVED:

These minutes were presented and approved at a meeting of the Board of Directors of the Louisiana Insurance Guaranty Association, held April 7, 2015.


Wayne T. Roussel, Secretary


Michael T. Gray, Chairman

These Minutes were written by Kerri Dupont, Administrative Assistant, Milling Benson Woodward, LLP, from notes taken during the Board meeting. Changes and additions to the Minutes were made by Lacey Anderson, Administrative Assistant, LIGA, from a recording on the FTS Reporter and notes during the Board Meeting.