

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

**June 28, 2018**

The quarterly meeting of the Board of Directors was held on June 28, 2018 upon the adjournment of the Annual Meeting, 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)  
Wayne T. Roussel (Secretary)  
Markham R. McKnight (Treasurer)  
Noel J. Bunol, IV  
John Hawie  
William D. Hughs, III  
Tom McCormick

The Gray Insurance Company  
Appointee of the President of the Senate  
Appointee of the Commissioner of Insurance  
Gulf States Insurance Company, LAFAC Representative  
Louisiana Workers' Compensation Corporation  
Appointee of the Speaker of the House  
LAMMICO

Others Present:

Stephen C. Schrempp  
John Wells  
Gerry Coryell  
Stephanie Laborde  
Edward Dittmar  
Andrew DeGraw  
Keri Dupont

(New) Appointee of the President of the Senate  
Executive Director, LIGA  
Claims Manager, LIGA  
LIGA General Counsel, Milling Benson Woodward, LLP  
LIGA Investment Advisor, Wells Fargo Advisors, LLC  
Reporter, *The Surplus Lines Reporter*  
Executive Assistant, Milling Benson Woodward

Members absent from meeting:

Denis Husers

Appointee of the Commissioner of Insurance

*Call to Order by the Chairperson of LIGA Board of Directors*

The meeting was called to order by Chairperson Gray at 10:09 a.m.

***Quorum***

Mr. Gray advised that a quorum was present.

***Election of Officers for the 2018-2019 Term***

The Board discussed re-electing Mr. Gray as their Chairman officer and Mr. McKnight as their Treasurer officer. As Mr. Roussel, the current Secretary, was leaving the Board, the Board discussed electing his replacement, Mr. Stephen Schrempp, who was also present at the meeting.

**It was moved by Mr. Hughs and seconded by Mr. Bunol to elect Board officers going forward; Mr. Michael Gray as Chairperson, Mr. Markham McKnight as Treasurer and to Mr. Stephen Schrempp as Secretary and those officers to be effective at their next Board meeting on September 27, 2018.**

Mr. Wells added that committee assignments would be amended before the next Board meeting to reflect the recent changes to the Board. He suggested that anyone having strong opinions on which committee they would like to serve should contact him or Mr. Gray before the September meetings.

*Approval of the Minutes of the March 29, 2018 Meeting of the Board of Directors*

Mr. Gray asked for a motion to waive the reading of and approve the Minutes of the March 29, 2018 Meeting of the Board of Directors.

**A motion was made by Mr. Hughs and seconded by Mr. McCormick to approve the Minutes of the March 29, 2018, Meeting of the Board of Directors. Objections were called for. There being none, a vote was taken, and the motion carried.**

*Report on Operations*

*Executive Director, John Wells*

Mr. Wells summarized his written report to the Board. He reported the NCIGF had chosen New Orleans as the site of their fall conference in October 2019 and hoped some of the Board members would be able to attend and meet some of the employees of the guaranty funds in other states.

He reported he was entertaining the idea of changing LIGA's banking vendor, currently Capital One, N.A. He stated Capital One had gone through some changes lately and that Hancock/Whitney had presented a proposal which would reduce LIGA's bank fees. Mr. Gray suggested a proposal from Iberia Bank as well.

He updated the Board on Mr. Coryell's retirement. He stated Gerry had been with LIGA for 14 years and had been instrumental since his announcement in assisting him with the search for a replacement. Out of the seven interviews that were conducted, they had 4 candidates that looked promising and he thought they would be successful with any of the four people. But he had to make a hard decision in the coming weeks as to which of those candidates would be the right fit for LIGA. He then spoke briefly about the 4 candidates.

Mr. Wells then called for any questions on his written report or the budget. Hearing none, Mr. Hughs offered a motion to accept his report.

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

*Report on Claims and Litigation*

*Claims Manager, Gerry Coryell*

Mr. Coryell summarized his written report to the Board. He stated that Castlepoint Insurance Company had become a small enough problem that he would cease reporting about. He stated that his reports would continue to update the Board on Affirmative because it remained the most active program LIGA had. The staff continues to close Affirmative claims but they continue to have significant litigation issues because plaintiff attorneys continue to question the credit. Additionally, there was one case in which the constitutionality aspects of the credit were being questioned.

Mr. Coryell then called for any questions regarding his report. Hearing none, Mr. Hughs called for a motion to accept the Report on Claims and Litigation.

**A motion was made by Mr. Hughs and seconded by Mr. McKnight to approve the Report on Claims and 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 summarized her written report to the Board. She reported on ongoing legislation concerning LIGA, most importantly, the ongoing efforts with the Luneau bill.

She added there were other less critical legislation summarized in her report as well for the Board's review and offered to provide copies of those bills to those who desired a copy.

**A motion was made by Mr. Hughs and seconded by Mr. McKnight 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***

No report from Insurance Commissioner's Office.

***Committee Reports and Recommendations***

Mr. McKnight reported the Finance Committee met before the Board meeting. He stated they continue to review the policies and parameters of LIGA's investment policy and when or if they have any recommendations for the Board they would bring them forth at the proper time.

Mr. Roussel reported the Nominating Committee met before the Board meeting. He stated they introduced Mr. Stephen Schrempp who was appointed by the President of the Senate and replacing his seat on the Board, and Ms. Cindy Betz with State Farm who would be taking Mr. Bill Gourgues seat. He added Mr. Schrempp's appointment was recognized and Ms. Betz nomination to the Board were approved earlier in the membership meeting.

***Executive Session***

**A motion was made by Mr. Hughs and seconded by Mr. Roussel to go into Executive Session. Objections were called for. There being none, a vote was taken, and the motion carried.**

**\*Executive Session\*  
10:25 a.m.-10:31 a.m.**

***Old Business***

Mr. Gray stated they did not have any Old Business.

He then requested the Board members to review the upcoming meeting dates under New Business.

***New Business***

Mr. Gray inquired about any new business and hearing none entertained a motion for adjournment.

***Adjournment***

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

The meeting was adjourned at 10:32 a.m.

**APPROVED:**

These minutes were presented and approved at a meeting of the Board of Directors of the Louisiana Insurance Guaranty Association, held September 27, 2018.



**Stephen C. Schrempp, Secretary**



**Michael T. Gray, Chairman**

*These Minutes were written by Lacey Anderson, Administrative Assistant, LIGA, from a recording on the FTS Reporter.*