

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

**November 29, 2018**

The quarterly meeting of the LIGA Board of Directors was held on November 29, 2018 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:

**Stephen C. Schrempp (Secretary)**  
**Noel J. Bunol, IV**  
**John Hawie**  
**Denis Husers**  
**Thomas McCormick**

**Appointee of the President of the Senate**  
**Gulf States Insurance Company, LAFAC Representative**  
**Louisiana Workers' Compensation Corporation**  
**Appointee of the Commissioner of Insurance**  
**LAMMICO**

Others Present:

**Melissa Gibson**  
**John Wells**  
**Diedre Arceneaux**  
**Roger Schmelzer**  
**Stephanie Laborde**  
**Edward Dittmar**  
**Andrew DeGraw**  
**Lacey Anderson**

**Compliance Chief Examiner, Department of Insurance**  
**Executive Director, LIGA**  
**Claims Manager, LIGA**  
**President & CEO, NCIGF**  
**LIGA General Counsel, Milling Benson Woodward, LLP**  
**LIGA Investment Advisor, Wells Fargo Advisors, LLC**  
**Reporter, *The Surplus Lines Reporter***  
**Administrative Assistant, LIGA**

Members absent from meeting:

**Cindy Betz**  
**Michael T. Gray (Chairman)**  
**William D. Hughs, III**  
**Markham R. McKnight (Treasurer)**

**State Farm Insurance Companies**  
**The Gray Insurance Company**  
**Appointee of the Speaker of the House**  
**Appointee of the Commissioner of Insurance**

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

The meeting was called to order by Mr. Schrempp at 10:12 a.m.

*Quorum*

Mr. Schrempp confirmed that a quorum was present.

*Approval of the Minutes of the September 27, 2018, Meeting of the Board of Directors*

A motion was made by and seconded by Mr. Husers and seconded by Mr. Bunol to approve the Minutes of the September 27, 2018, Meeting of the Board of Directors. Objections were called for. There being none, a vote was taken, and the motion carried.

Mr. Wells introduced Roger Schmelzer, President & CEO of the NCIGF. Mr. Schmelzer gave a brief presentation regarding guaranty funds and the NCIGF.

### ***Report on Operations***

*Executive Director, John Wells*

Mr. Wells summarized his written report to the Board. He stated he also provided to the 2019 Proposed Budget. He asked for questions regarding either.

Mr. Wells answered questions regarding different areas of the budget; including investments, recoveries, distributions, attorney fees and the development of LIGA's new claim system.

The Board also discussed the reduction of the approved attorney list with Ms. Arceneaux. She and the staff were currently reviewing the voluminous approved attorney list to reduce the number of attorneys.

Mr. Wells continued his report by updating the Board with regards to staffing and insolvent company information. The Board also discussed the need for a backup generator for the LIGA building. Mr. Husers stated now was the time to start looking into getting the generator and maybe the generator would be working by May. He added it was something LIGA needed.

**A motion was made by Mr. Husers and seconded by Mr. Bunol to adopt the 2019 Budget. Objections were called for. There being none, a vote was taken, and the motion carried.**

### ***Report on Claims and Litigation***

*Claims Manager, Deidre Arceneaux*

Ms. Arceneaux summarized her written report to the Board. She stated some things in her report had been covered previously in Mr. Wells report; such as, the reduction of the attorney list and reports on staffing. She reported they planned to continue the cross-training efforts they were currently practicing while they were not as busy. She added they planned to pursue an expert in Medical Malpractice to come and speak and have a refresher course on Medicare reporting and other continuing education.

Ms. Arceneaux reported on LIGA's current claim count.

### ***Report of General Counsel***

*General Counsel, Stephanie Laborde*

Ms. Laborde stated she had nothing to add to her written report. She requested the Board elect a new Treasurer, since there were some duties in the Plan of Operation that were delegated to the Treasurer.

**A motion was made by Mr. McCormick and seconded by Mr. Bunol to make Mr. Hawie the Treasurer of the Board. 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, if necessary***

Mr. Hawie stated the Finance Committee had met prior to the meeting and had approved a recommendation of a new investment policy to the Board.

**A motion was made by Mr. Bunol and seconded by Mr. to approve LIGA 's new Investment Policy recommended by the Finance Committee. Objections were called for. There being none, a vote was taken, and the motion carried.**

Mr. Husers stated the Personnel Committee had met prior to the meeting and reviewed some survey information. He added Mr. Wells's responsibility was to administer salary changes and increases for employees, but it is the Personnel Committee's responsibility to approve Mr. Wells's raise which they had done.

*Executive Session*

**\*Executive Session\***  
**11:14 a.m.-11:26 a.m.**

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

*Old Business*

Mr. Schrempp called for any Old Business.

*New Business*

Mr. Schrempp stated Mr. Wells may want to discuss the date of the June meeting. Mr. Wells stated he would send out a poll of when everyone would be available to maybe move the June meeting.


*Adjournment*


A motion was made by Mr. Husers 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 12:28 a.m.

**APPROVED:**

These minutes were presented and approved at a meeting of the Board of Directors of the Louisiana Insurance Guaranty Association, held March 28, 2019.

  
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 and notes taken during the board meeting.*