

Minutes
Meeting of the Board of Directors
Louisiana Insurance Guaranty Association

June 25, 2020

The quarterly meeting of the LIGA Board of Directors was held on June 25, 2020 at the completion of the annual meeting, via Zoom video conference call. The meeting was publicly noticed in accordance with the Open Meetings Law.

Members present constituting a quorum:

Michael T. Gray (Chairman)
Stephen C. Schrempp (Secretary)
John Hawie (Treasurer)
Cindy Betz
Noel J. Bunol, IV
Denis Husers
Thomas McCormick

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

Others Present:

Stewart Guerin
John Wells
Diedre Arceneaux
Stephanie Laborde
Edward Dittmar
Andrew DeGraw
Mac Twiner
Ray Waugh

Louisiana Department of Insurance
Executive Director, LIGA
Claims Manager, LIGA
LIGA General Counsel, Milling Benson Woodward, LLP
Wells Fargo Advisors, LLC
The Surplus Lines Reporter
LIGA Claims Examiner
Nationwide Insurance

Call to Order by the Chairman of LIGA Board of Directors

The meeting was called to order by Chairman Gray at 10:14 a.m.

Quorum

Mr. Gray confirmed that a quorum was present.

Election of Officers for the 2020-2021 Term

Mr. Wells explained the current officers were, Mr. Gray, Chairman; Mr. Schrempp, Secretary and Mr. Hawie, Treasurer. Mr. Gray called for a motion to re-elect the current officers for another one-year term.

A motion was made by Ms. Betz and seconded by Mr. Bunol to re-elect the current officers for a one-year term. Objections were called for. There being none, a vote was taken, and the motion carried.

Approval of the Minutes of the December 5, 2019, Meeting of the Board of Directors

A motion was made by Mr. Schrempp and seconded by Mr. Hawie to accept the Minutes of the December 5, 2019, Meeting of the Board of Directors and waive the reading thereof. 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 that LIGA had a new liquidation coming in, which was a commercial auto company without many claims. He added he did not think it would be a big effect on LIGA financially or operationally.

He added with the COVID-19 pandemic staff has been ensuring the continuity of all essential payments and processes in a manner that is also protective of the health of LIGA's employees.

Mr. Wells stated another significant matter was the 2020 Louisiana Legislative Session. He discussed the need for LIGA to develop a strategy for future legislative sessions.

He also provided an update on LIGA's software vendor and their hiring of new management and staff.

He then reported on the budget and fielded questions from the Board members regarding the budget.

Report on Claims and Litigation

Claims Manager, Deidre Arceneaux

Ms. Arceneaux summarized her written report to the Board. She reported on Gateway, the commercial auto insurer liquidation. She said they had not seen the claims yet but planned to set the claims up in the next couple of days. She then reported on claim counts.

She added the claims audit that was scheduled for March 30th had been postponed. She had hoped to present the findings from that audit at the meeting, but they will be rescheduling the audit soon.

Report of General Counsel

General Counsel, Stephanie Laborde

Ms. Laborde stated she had submitted her written report to the Board. She added her report included the annual legislative report and reported on some legislature involving LIGA.

Report of Insurance Commissioner's Office

Mr. Stewart Guerin reported earlier in the year the Department underwent the NAIC Accreditation Review, which looks at their examination and analysis and licensing functions. He stated the NAIC voted unanimously to approve the Louisiana Department's accreditation for another five years and the report indicated no areas for improvement. He hoped the accreditation would lead to fewer insolvencies coming into LIGA.

Committee Reports and Recommendations, if necessary

Mr. Wells reported that the only committee that had met since their last meeting was the Legal Committee. He stated they met to discuss legislative issues, bills that were in the legislature and they discussed one lawsuit that the Board would be addressing in Executive Session.

Executive Session

Executive Session

Old Business

Mr. Gray called for any Old Business. Hearing none, he moved to New Business.

New Business

Mr. Gray called for any new business. He asked for the Board to review the dates of the upcoming Board meetings.

Mr. McCormick asked for a moment of personal privilege as this was his last Board Meeting. He thanked and praised the Board, Chair, staff, and Insurance Department. He stated he was proud of the noble work LIGA performs and was pleased to be a part of it.


Adjournment

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

The meeting was adjourned.

APPROVED:

These minutes were presented and approved at a meeting of the Board of Directors of the Louisiana Insurance Guaranty Association, held September 24, 2020.


Stephen C. Schrempp, Secretary


Michael T. Gray, Chairman

These Minutes were written by Lacey Anderson, Administrative Assistant, LIGA, from a recording of the Zoom video conference call.