

LAI
GOVERNING COMMITTEE MEETING

Held at The Department of Insurance
1702 North 3rd Street
First Floor Conference Room
September 14, 2017
Beginning at 9:32 a.m.

REPORTED BY:
BETTY D. GLISSMAN, CCR

- 1 APPEARANCES:
- 2
- 3 CHAIRPERSON:
- 4 Ms. S. Denise Gardner
- 5 BOARD MEMBERS:
- 6 Mr. Aaron Angel (State Farm Auto Insurance)
- 7 (Present by Telephone)
- 8 Mr. Noel Bunol, IV (President of
- 9 the Senate Designee)
- 10 Mr. Bobby Dupre (LAFAC)
- 11 Ms. Rana Reinholtz (Louisiana Farm Bureau)
- 12 Mr. Christopher Howell (Department of
- 13 Insurance Appointee)
- 14 Ms. Caren Kerman (Progressive)
- 15 (Present by Telephone)
- 16 ALSO PRESENT:
- 17 Ms. Suzy Sheriff (AIPSO)
- 18 Mr. Robert Myers - General Counsel
- 19 AIPSO REPRESENTATIVES PRESENT BY PHONE:
- 20 Mr. Timothy Messier
- 21 Mr. Colin O'Rourke
- 22 Ms. Jennifer DeOliveira
- 23 Mr. Robert Powers
- 24 Ms. Kimberly Cochran
- 25 Ms. Sherri Palermo
- Ms. Tom Assad

MS. GARDNER:

All right. At this time, I would like to call to order the Governing Committee meeting for the Louisiana Automobile Insurance Plan. It's Thursday, September 14, 2017, at 9:32 a.m. I'm Denise Gardner, Chairperson, presiding over the meeting.

Agenda Item #1 is the antitrust preamble. I won't make y'all suffer through my reading of that again. We'll just enter a copy into the official record in the minutes.

Antitrust Preamble

We are here to discuss and act on matters relating to the business of the Louisiana Automobile Insurance Plan and not to discuss or pursue the business interests of our individual companies. We should proceed with caution and alertness towards the requirements and prohibitions of federal and state antitrust laws. We should not engage in discussion - either at this meeting or in private conversations - of our individual company's plans or contemplated activities. We should concern ourselves only with the business of the Louisiana Automobile Insurance Plan as set

forth in the agenda for this meeting. Only residual market matters may be discussed at residual market meetings and each company's voluntary market plans cannot be discussed.

We may not discuss the circumstances, conditions or actions under which our individual companies will withdraw from particular lines of coverage in this state, or will withdraw as servicing carriers for the Plan. We may not discuss or agree to refuse to supply servicing carrier services to the Plan or agree to withdraw other services, products, or lines of business. We also may not discuss or agree to refuse to do business with individual or classes of insurers, producers, brokers or insureds, unless clearly authorized and actively supervised by the state.

Second agenda item is the minutes from the September 22, 2016, meeting, which is under Exhibit #2. Oh, you know what, sorry, guys, I'm kind of off balance today. We need to go on the record of who's here, what Governing Committee members are here. And we'll just start to my right and you can state your name and who you represent.

1 MR. DUPRE:
 2 Bobby Dupre, LAFAC.
 3 MR. BUNOL:
 4 Noel Bunol, president of the senate.
 5 MR. HOWELL:
 6 Chris Howell, appointee.
 7 MR. MYERS:
 8 Robert Myers, general counsel.
 9 MS. REINHOLTZ:
 10 Rana Reinholtz, Louisiana Farm
 11 Bureau.
 12 MS. GARDNER:
 13 All right. We have by phone Aaron
 14 Angel who represents State Farm. And myself
 15 who represents the Commissioner of Insurance.
 16 And then -- oh, Caren, sorry, Caren. Caren
 17 Kerman that represents Progressive.
 18 And then with us in the room, we have
 19 Suzy Sheriff with AIPSO. And then I will have
 20 Suzy go on the record of who else is
 21 participating by phone for AIPSO.
 22 MS. SHERIFF:
 23 We have Tim Messier, Robert Powers,
 24 Tom Assad, Kimberly Cochran, Sherri Palermo,
 25 Jenny DeOliveira, and Colin O'Rourke.

1 MS. GARDNER:
 2 Okay. Now, we'll go back to Agenda
 3 Item #2, which is the minutes from the
 4 September 22, 2016, Governing Committee meeting
 5 under Exhibit #2. I'll give you a few seconds
 6 to peruse those, and then I'll entertain a
 7 motion to approve unless there's any
 8 recommended changes.
 9 MR. HOWELL:
 10 I make a motion to approve.
 11 MS. GARDNER:
 12 I have a motion by Mr. Howell.
 13 MR. BUNOL:
 14 Second.
 15 MS. GARDNER:
 16 And a second by Mr. Bunol to approve
 17 the minutes.
 18 Is there any discussion on the
 19 motion?
 20 (No response.)
 21 MS. GARDNER:
 22 If not, those in favor say, "Aye."
 23 (All "Aye" responses.)
 24 MS. GARDNER:
 25 Any opposed?

1 (No response.)
 2 MS. GARDNER:
 3 All right. Agenda Item #3, report
 4 from the Chairperson, which I don't really have
 5 anything to report other than --
 6 MR. MYERS:
 7 It was an excellent fire drill.
 8 MS. GARDNER:
 9 It was an excellent fire drill. We
 10 have that down pat. But it's nice to have a
 11 heads up that it's coming. So most businesses
 12 don't get that.
 13 So I don't know if anybody has any
 14 questions for the Chairperson?
 15 (No response.)
 16 MS. GARDNER:
 17 If not, I'm going to move on to
 18 Agenda Item #4, which is report from general
 19 counsel.
 20 MR. MYERS:
 21 It's been very quiet, but the most
 22 activity has surrounded the D&O policy. I
 23 talked to Rana this morning, because she knew
 24 about it. Suzy and I have been discussing this
 25 issue and Mr. Bunol and Bobby Dupre are

1 familiar with the old days. And the reason we
 2 have that policy is because it was a problem
 3 many years ago and we want to protect those
 4 members that are serving on this Board. It's
 5 prohibitive expensive -- and it's not really.
 6 It's \$7,500 a year or 8,000. Suzy has always
 7 been of the position we're like one of two
 8 states that have this and she's almost
 9 convincing me, but I think we ought to wait a
 10 little bit longer on it and keep it here,
 11 because this is a service that y'all are
 12 providing on a voluntary basis and you should
 13 have that protection.
 14 And she pointed out to me this
 15 morning, Bob, the plan that AIPSO has covers
 16 you if there's any problems. Well, that's
 17 fine, except my business is I like to control
 18 everything and I can't control her insurance
 19 company that buys you coverage. So I would
 20 suggest that we keep it going. And it's going
 21 right now. It's out there and the policy has
 22 been renewed and Suzy just got on them, because
 23 they -- the way they break the policy up is
 24 creating problems for us, but that's now over.
 25 And I think the only other thing is

1 with the auditors, keep having problems getting
2 the audits straightened out. We send it to
3 them and they say, we didn't get it. We send
4 it back to them, but we have that straightened
5 out.

6 MS. GARDNER:

7 So, Bob, I chair the residual market
8 for homeowners, too, and in that specific
9 statute, they give the Board immunity, but I
10 guess we lack that here.

11 MR. MYERS:

12 We don't have that here.

13 MS. GARDNER:

14 Well, maybe we ought to look at that.

15 MR. MYERS:

16 Yes. That's right.

17 MS. GARDNER:

18 Okay.

19 MR. DUPRE:

20 Do we need a motion? I'll make a
21 motion.

22 MS. GARDNER:

23 No, no, we don't need any motion.

24 MR. MYERS:

25 I was just reporting. There's no

1 motion on the table.

2 MS. GARDNER:

3 Any questions for Bob on his report?
4 (No response.)

5 MS. GARDNER:

6 If not, we will move to Agenda Item
7 #5, which is the AIPSO operations report.
8 Suzy.

9 MS. SHERIFF:

10 Thank you. The first item, Exhibit
11 #3, there is a correction. That should be
12 December 31, 2016, for that period. For the
13 year, we had 3 private passenger applications,
14 22 commercial apps, for a total of 25.

15 And moving on to the year-to-date
16 reports through July, and as I mentioned
17 earlier, we have gotten August numbers as well.
18 So through August, we now have 12 private
19 passenger and 22 CAIP apps, so 34. And through
20 July last year, we had 22. So it is
21 increasing. We will watch that to see why
22 we're starting to get more private passenger.

23 For the May quota quarter, we had 13
24 as the commercial policy in force count.

25 MS. GARDNER:

1 Just to comment on the private
2 passenger, I guess from a Department
3 perspective, we're kind of seeing a hardening
4 of the market in the private passenger auto and
5 some rate filings coming in to increase rates.
6 And also an uptick in calls relative to
7 consumers that are having trouble finding
8 coverage and now seeking out information on the
9 residual market. So this is not a surprise to
10 me and I know it's not -- Noel and Bobby and I
11 discuss this all the time. So it was something
12 that I've been anticipating seeing probably
13 since the last year, so.

14 MS. SHERIFF:

15 All right. I'll move on to C, which
16 is the AIP and CAIP executive summaries and
17 budget variance report through December 31,
18 2000- -- again, that should be '16. And that's
19 Exhibit #5.

20 We ended the year \$2,339 under
21 budget. So there's a couple of accounts that I
22 would like to mention. Legal consultation was
23 under budget by \$3,049. As Bob mentioned, we
24 have fewer areas that are requiring his review
25 and there's really not been a lot going on.

1 Central processor was over budget by
2 2,216 and this is primarily due to plan
3 services hours. There was a proposal last
4 year, you may remember, the application
5 submission requirement that took a lot of time
6 to do that proposal, and there were some other
7 proposals as well. For year to date through
8 July, we are currently at a variance under
9 budget of \$16,086.

10 The largest portion of that is for
11 the D&O policy. As Bob mentioned, our renewal
12 date on the policy every year was an issue in
13 that we did not have audited financial
14 statements. So we would go back and forth with
15 the company with them saying they were going to
16 cancel us if we didn't have them. So we asked
17 them this year to extend that. We did a
18 three-month policy. And so we now have a
19 renewal date of September. So we won't have to
20 problem. However, that will have us end up
21 being over budget for the year.

22 The only other items I will quickly
23 mention, outside storage, we had budgeted
24 1,200. We're under budget by 613. We will be
25 under budget for the 1,200, because Denise did

1 close out that storage.
 2 Consultation, we're under budget by
 3 2,707. One of the reasons for that is we did
 4 not have the April meeting. There were no
 5 agenda items requiring that we meet, so we
 6 cancelled that meeting. And central processor
 7 is currently under budget by 5,691. I do
 8 expect that to be closer to budget by year end,
 9 but we will be under, because again that
 10 meeting.

11 Are there any questions about either
 12 of the budget reports?

13 (No response.)

14 MS. SHERIFF:

15 If not, I'll go quickly through the
 16 AIO update. For the third quarter of 2017, and
 17 that's the May quota quarter, they had written
 18 7.6 million in net written premium. There are
 19 326 assignments and 576 policies in force.
 20 They continue to write for four states, New
 21 Jersey, Georgia, New Hampshire, and D.C. and
 22 the funding company is National Specialty
 23 Insurance Company.

24 They are taking on a new role
 25 effective October 1st. We have a service

1 approved: For fiscal year 2019, 15,800,000;
 2 for fiscal year 2020, 16,800; for fiscal year
 3 2021, 17,200,000; and for fiscal year 2022,
 4 17,500,000. This does not require action.
 5 It's just for the Committee's information.

6 And the last item on the operations
 7 report is records retention and destruction
 8 schedule, which is Exhibit #7. In 2012, the
 9 Committee approved our schedule and there are a
 10 few changes in this schedule that Denise and
 11 Bob have both looked at and were comfortable
 12 with, but wanted the Committee to see them, so
 13 they could approve them.

14 The couple of changes, we increased
 15 the application retention from two years and
 16 one month to 13 months, which is what most
 17 other plans are retaining them. We increased
 18 rejected applications from two years to three
 19 years. The appeal files, we are decreasing it
 20 from 10 years to five years after final
 21 disposition. And we added EASi unmatched
 22 letters and EASi registrations, which were not
 23 on the prior schedule.

24 MS. GARDNER:

25 So we need a motion to approve the

1 provider agreement with the Florida JUA. So as
 2 of October 1st, we will be issuing all personal
 3 and commercial policies out of AIPSO for
 4 Florida. We will be doing the service provider
 5 for underwriting, policy issuance, premium
 6 collection, accounting, stat data collection,
 7 and recordkeeping. We will receive claim data,
 8 but we will not manage the claims function. So
 9 that would still be done out of Florida. And
 10 my area will be processing the apps, they will
 11 all be assigned to AIO.

12 So this is a new thing for AIPSO.
 13 We've never issued personal policies before and
 14 we will start that.

15 Are there any questions about the AIO
 16 update?

17 (No response.)

18 MS. SHERIFF:

19 If not, the CAIP servicing carrier
 20 selection, I just would like to read into the
 21 record the mail vote that was approved. The
 22 committee did select National Continental
 23 Insurance Company as its CAIP servicing carrier
 24 for a four-year term beginning September 1,
 25 2018. And the following minimum fees were also

1 updated record retention --

2 MS. SHERIFF:

3 Yes, please.

4 MS. GARDNER:

5 -- and destruction schedule. Motion,
 6 Mr. Dupre?

7 MR. DUPRE:

8 I make that motion.

9 MR. BUNOL:

10 Second.

11 MS. GARDNER:

12 I have a second by Mr. Bunol.

13 Any discussion on the motion?

14 (No response.)

15 MS. GARDNER:

16 All those in favor, say, "Aye."

17 (All "Aye" responses.)

18 MS. GARDNER:

19 Any opposed?

20 (No response.)

21 MS. GARDNER:

22 All right. That concludes the AIPSO
 23 operation report. Any questions for Suzy
 24 before we move on to Agenda Item #6?

25 (No response.)

1 MS. GARDNER:

2 All right. Agenda Item #6, which is
3 what? Okay. Item #6 under Exhibit #8,
4 limousine clarification.

5 MS. SHERIFF:

6 And Colin O'Rourke from AIPSO is
7 going to cover the next two proposals.

8 MR. O'ROURKE:

9 Good morning. Just a couple of
10 points on the limousine clarification proposal.
11 It is a proposal that is designed to provide
12 clarification between an E-Class for limousine
13 and D-Class for an airport limousine. So we've
14 amended Rule 94 of the manual to accomplish
15 this.

16 MS. GARDNER:

17 All right. Any questions?

18 (No response.)

19 MS. GARDNER:

20 If not, I'll entertain a motion to
21 approve the recommended proposed change to
22 Rule 94 of the manual.

23 MR. BUNOL:

24 I'll make a motion.

25 MS. GARDNER:

1 any questions at this time if you'd like.

2 (No response.)

3 MS. GARDNER:

4 And then when we approve this, you
5 would submit the changed policy or endorsement
6 to the Department for approval?

7 MR. O'ROURKE:

8 That's correct. And these changes
9 are also changes that ISO has already made --

10 MS. GARDNER:

11 Okay.

12 MR. O'ROURKE:

13 -- and approved, so.

14 MS. GARDNER:

15 All right. I will need a motion to
16 approve the proposed change for ride-sharing
17 exclusions.

18 MR. DUPRE:

19 (Makes motion.)

20 MS. GARDNER:

21 I have a motion by Mr. Dupre.

22 MR. BUNOL:

23 Second.

24 MS. GARDNER:

25 A second by Mr. Bunol.

1 I have a motion by Mr. Bunol.

2 MR. DUPRE:

3 Second.

4 MS. GARDNER:

5 A second by Mr. Dupre.

6 Any discussion on the motion?

7 (No response.)

8 MS. GARDNER:

9 All those in favor, say, "Aye."

10 (All "Aye" responses.)

11 MS. GARDNER:

12 Any opposed?

13 (No response.)

14 MS. GARDNER:

15 All right. Agenda Item #7, which is
16 ride-sharing exclusions, Exhibit #9.

17 MR. O'ROURKE:

18 Okay. That's me again. The
19 ride-sharing exclusions proposal is also a
20 countrywide proposal where we are proposing to
21 exclude the ride-sharing activity for private
22 passenger autos and we are also introducing
23 a -- also an exclusion for commercial autos.
24 So this proposal will provide you with the
25 forms that were being revised. And I'll take

1 Any discussion on the motion?

2 (No response.)

3 MS. GARDNER:

4 All those in favor, say, "Aye."

5 (All "Aye" responses.)

6 MS. GARDNER:

7 Any opposed?

8 (No response.)

9 MS. GARDNER:

10 Agenda Item #8, private passenger
11 rate review, Exhibit #10.

12 MR. MESSIER:

13 Thank you, Denise. This is Tim. So
14 our last rate change was an increase of 22.7
15 percent effective in March of 2016. Last year,
16 we used our loss cost ratio approach because of
17 the low volume of the plan and that resulted in
18 an indication of 2.5 percent. So we took no
19 action at that time.

20 As you just heard, we're experiencing
21 an increase in apps, but we're still about one
22 app per month. The new loss cost indication is
23 now 10.3 percent, because last year, as I said,
24 there was an increase of 8.3 percent. If we
25 were to cap the changes at plus or minus 25, it

1 would have an impact on individual insurance
2 and it would be a change of 9.4 percent with a
3 dollar impact of just about 1,200 annually.

4 So given the low dollar impact and
5 the fact that we're actually still only seeing
6 about one app per month, we are proposing to
7 take no change to rates at this time.

8 I'll be glad to take any questions
9 you may have.

10 MR. DUPRE:

11 I make a motion that we keep the
12 rates as written.

13 MS. GARDNER:

14 So Mr. Dupre has made a motion to
15 accept the recommended no rate change for 2017.

16 MS. REINHOLTZ:

17 I second.

18 MS. GARDNER:

19 I have a second by Rana.

20 Any discussion on the motion?

21 (No response.)

22 MS. GARDNER:

23 All those in favor, say, "Aye."

24 (All "Aye" responses.)

25 MS. GARDNER:

1 what the market is doing. We're scheduled to
2 bring those two items together. The result is
3 a change of 16.8 percent. Because we're using
4 this financial data, it doesn't have the
5 sub-line detail that we need to make a proposed
6 change, but we do reproduce the indication in
7 our loss cost template for the changes in our
8 sub-line coverage. If we were to take that,
9 and then cap the changes at 10 percent, it
10 would result in a proposed change of 9.6
11 percent with a dollar impact of about \$14,000
12 annually. We are proposing to take this cap
13 change for the upcoming year.

14 Are there any questions on this?

15 MS. GARDNER:

16 Does anybody have any questions for
17 Tim?

18 (No response.)

19 MS. GARDNER:

20 If not, I need a motion.

21 MS. REINHOLTZ:

22 (Makes motion.)

23 MS. GARDNER:

24 I have a motion by Rana to approve
25 the recommended rate change of 9.6 percent

1 Any opposed?

2 (No response.)

3 MS. GARDNER:

4 Okay. Agenda Item #9, which is
5 commercial rate review, Exhibit #11.

6 MR. MESSIER:

7 Okay. So the last rate change was a
8 decrease of 7.6 percent back in 2015. We've
9 actually had a little bit of a shift the last
10 couple of years in our book of business. It's
11 actually been continuing quite a bit. The
12 sugarcane haulers have disappeared. And for
13 the last two years, we have had zero dollars of
14 sugarcane hauler premiums. The book is
15 basically about 50 percent employers
16 nonownership and 25 percent in hired autos.

17 We do have a new rate indication
18 methodology on the commercial side. What we
19 are doing is trying to use the state data to
20 the greatest extent possible and to no longer
21 rely on that relationship between the
22 countrywide benchmark of ISO and AIP rates. So
23 if we look at 10 years of financial data, we
24 know that it is not fully credible. So we use
25 the ISO rate changes taken inside the market as

1 increase for commercial business.

2 Do I have a second?

3 MR. DUPRE:

4 Second.

5 MS. GARDNER:

6 I have a second by Mr. Dupre.

7 Any discussion on the motion?

8 (No response.)

9 MS. GARDNER:

10 All those in favor, say, "Aye."

11 (All "Aye" responses.)

12 MS. GARDNER:

13 Any opposed?

14 (No response.)

15 MS. KERMAN:

16 This is Caren. Can I abstain?

17 MS. GARDNER:

18 Caren, you faded out?

19 MS. KERMAN:

20 I'm sorry. I would like to abstain
21 from the vote, please.

22 MS. GARDNER:

23 Okay. Please mark that Caren has
24 abstained from the vote.

25 MS. KERMAN:

1 Thank you.
 2 MS. GARDNER:
 3 All right. Moving on to Agenda Item
 4 #10, which is our proposed budget for 2018
 5 under Exhibit #12.
 6 MS. SHERIFF:
 7 Thank you. On Page 1 of Exhibit #12
 8 is the AIP multi-year budget comparison report,
 9 the variances. So as you can see, the 2017
 10 budget was \$61,088. We are projecting that
 11 we're going to come in for the year at around
 12 \$57,000. And the 2018 budget is proposed at
 13 \$55,774.
 14 A couple of items I'll go over
 15 quickly. The insurance, we left it at 7,500.
 16 That 1,500 variance is what I had mentioned
 17 earlier that we paid for three months
 18 additional this year.
 19 The legal, we have decreased that
 20 from 7,500 to 5,000. We have continually come
 21 in under budget. You may remember years ago,
 22 we had a 100,000 budget in legal and now we're
 23 down to 5,000. The court reporter variance,
 24 there again, is because of the meeting that was
 25 cancelled in April. And we are projecting that

1 rates.
 2 Are there any questions about either
 3 one of those budgets?
 4 (No response.)
 5 MS. GARDNER:
 6 Okay. If there are no questions for
 7 Suzy, we need a motion to approve the 2018
 8 budget of 55,774 per the AIP and 17,980 for the
 9 CAIP.
 10 MS. REINHOLTZ:
 11 (Makes motion.)
 12 MS. GARDNER:
 13 I have a motion by Rana.
 14 MR. BUNOL:
 15 Second.
 16 MS. GARDNER:
 17 A second by Mr. Bunol.
 18 Any discussion on the motion?
 19 (No response.)
 20 MS. GARDNER:
 21 All those in favor, say, "Aye."
 22 (All "Aye" responses.)
 23 MS. GARDNER:
 24 Any opposed?
 25 (No response.)

1 central processor will be 1,591 less than the
 2 2017 budget.
 3 On Page 2, you can see by department
 4 where the changes are. Primarily field
 5 operations, which is my area, we have decreased
 6 1,000. And policy products and plan services
 7 has increased -- I'm sorry, has decreased there
 8 1,000 as well, because we had proposals that
 9 we're hoping to not replicate next year. And
 10 then there's a minor change in data services.
 11 So, again, we're looking at 1,591 as a
 12 decrease.
 13 And I'll move on to the CAIP budget
 14 on Page 3. The 2017 budget is 17,015. We did
 15 not change our projections. And the 2018
 16 budget is 17,980, a difference of 965.
 17 One of the things that will be
 18 happening or that did happen in 2017 that will
 19 not in 2018 was the audit of National
 20 Continental.
 21 And, again, on Page 4, you can see by
 22 department where those changes are. Data
 23 services increased. Financial services
 24 increased. And this does include a 3 percent,
 25 I believe, increase in AIPSO, the department

1 MS. GARDNER:
 2 Okay.
 3 MS. SHERIFF:
 4 Denise, one comment. We would need
 5 to have the assessment this year. We do have
 6 still some extra cash, but with the 2017
 7 expenses, we don't have that completed. So we
 8 were estimating it could leave us a little
 9 close if we did another year without the
 10 assessment. So we would need an assessment
 11 approval.
 12 MS. GARDNER:
 13 Okay. So you just need the authority
 14 to do the assessment?
 15 MS. SHERIFF:
 16 For the amount of the AIP budget.
 17 MS. GARDNER:
 18 Okay. So I also need a motion to --
 19 by Mr. Dupre to approve the assessment in the
 20 amount of the AIP budget.
 21 Do I have a second?
 22 MR. BUNOL:
 23 Second.
 24 MS. GARDNER:
 25 I have a second by Mr. Bunol.

1 Any discussion on the motion?
 2 (No response.)
 3 MS. GARDNER:
 4 All those in favor, say, "Aye."
 5 (All "Aye" responses.)
 6 MS. GARDNER:
 7 Any opposed?
 8 (No response.)
 9 MS. GARDNER:
 10 Okay. Agenda Item #11, conflict of
 11 interest policy and statement under Exhibit
 12 #13. Members will need to -- only Governing
 13 Committee members will need to complete this
 14 and get them back to Suzy. And if you have any
 15 questions, ask Suzy.
 16 All right. That brings us to Agenda
 17 Item #12, which is Executive Session. I will
 18 entertain a motion to go into Executive Session
 19 to discuss the National Continental CAIP
 20 compliance and audit.
 21 MR. BUNOL:
 22 (Makes motion.)
 23 MS. GARDNER:
 24 Mr. Bunol makes that motion.
 25 MR. HOWELL:

1 Second.
 2 MS. GARDNER:
 3 Mr. Howell seconds.
 4 Since this is a public meeting, we
 5 will do a roll call vote, please.
 6 Isn't that right, Robert?
 7 MR. MYERS:
 8 Yes.
 9 MS. GARDNER:
 10 Okay. So those in favor of going
 11 into Executive Session please indicate your
 12 affirmative.
 13 So Mr. Dupre?
 14 MR. DUPRE:
 15 Yes.
 16 MS. GARDNER:
 17 Yes. Mr. Bunol?
 18 MR. BUNOL:
 19 Yes.
 20 MS. GARDNER:
 21 Mr. Howell?
 22 MR. HOWELL:
 23 Yes.
 24 MS. GARDNER:
 25 Ms. Reinholtz?

1 MS. REINHOLTZ:
 2 Yes.
 3 MS. GARDNER:
 4 Mr. Angel?
 5 MR. ANGEL:
 6 Yes.
 7 MS. GARDNER:
 8 And Ms. Kerman?
 9 MS. KERMAN:
 10 Yes.
 11 MS. GARDNER:
 12 Thank you. So we are now in
 13 Executive Session. We will ask everyone that
 14 is a non-plan person to leave the room.
 15 (Executive Session.)
 16 MS. GARDNER:
 17 All right. At this time, I'll
 18 entertain a motion to come out of Executive
 19 Session. It's kind of odd, but we have to do a
 20 roll call vote as well.
 21 MR. HOWELL:
 22 (Makes motion.)
 23 MS. GARDNER:
 24 So I have a motion by Mr. Howell to
 25 come out of Executive Session.

1 MR. DUPRE:
 2 Second.
 3 MS. GARDNER:
 4 A second by Mr. Dupre.
 5 And at this time, I will do a roll
 6 call vote.
 7 Mr. Dupre?
 8 MR. DUPRE:
 9 Yes.
 10 MS. GARDNER:
 11 Mr. Bunol?
 12 MR. BUNOL:
 13 Yes.
 14 MS. GARDNER:
 15 Mr. Howell?
 16 MR. HOWELL:
 17 Yes.
 18 MS. GARDNER:
 19 Ms. Reinholtz?
 20 MS. REINHOLTZ:
 21 Yes.
 22 MS. GARDNER:
 23 Mr. Angel?
 24 MR. ANGEL:
 25 Yes.

1 MS. GARDNER:
 2 And Ms. Kerman?
 3 MS. KERMAN:
 4 Yes.
 5 MS. GARDNER:
 6 All right. We are out of Executive
 7 Session. Please let the record reflect that
 8 the Governing Committee did not take any formal
 9 action while in Executive Session.
 10 Do we need a vote on anything on
 11 this? We need to approve the audit.
 12 MS. SHERIFF:
 13 We need to accept the audit.
 14 MS. GARDNER:
 15 Okay. So at this time, I'll
 16 entertain a motion to accept the National
 17 Continental Insurance Company 2017 CAIP
 18 compliance audit.
 19 MR. DUPRE:
 20 (Makes motion.)
 21 MS. GARDNER:
 22 I have a motion by Mr. Dupre.
 23 MR. BUNOL:
 24 Second.
 25 MS. GARDNER:

1 Agenda Item #14, date of the next
 2 meeting is April 12, 2018, currently set for
 3 that, but I may be in Panama on that date.
 4 Anyway, so just mark your calendars for April
 5 12, 2018. And that concludes our agenda. At
 6 this time, I will entertain a motion to
 7 adjourn.
 8 MR. HOWELL:
 9 (Makes motion.)
 10 MS. GARDNER:
 11 Mr. Howell makes the motion.
 12 MR. BUNOL:
 13 Mr. Bunol seconds.
 14 Is anyone opposed to adjourning?
 15 (No response.)
 16 MS. GARDNER:
 17 Thank you.
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1 A second by Mr. Bunol.
 2 Any discussion on the motion?
 3 (No response.)
 4 MS. GARDNER:
 5 All those in favor, say, "Aye."
 6 (All "Aye" responses.)
 7 MS. GARDNER:
 8 Any opposed?
 9 (No response.)
 10 MS. KERMAN:
 11 This is Caren. I'd like to abstain,
 12 please.
 13 MS. GARDNER:
 14 All right. We've got you noted.
 15 MS. KERMAN:
 16 Thank you.
 17 MS. GARDNER:
 18 All those in favor, say -- did I do
 19 that? I did. Okay. That concludes our
 20 regular agenda.
 21 We're down to Agenda Item #13, which
 22 is any other business?
 23 (No response.)
 24 MS. GARDNER:
 25 Going once, going twice. No.

1 REPORTER'S CERTIFICATE
 2
 3 I, BETTY D. GLISSMAN, Certified Court
 4 Reporter, Certificate No. 86150, in and for the
 5 State of Louisiana, do hereby certify that the
 6 Louisiana Automobile Insurance Plan Governing
 7 September 14, 2017, meeting was reported by me
 8 in the stenotype reporting method, was prepared
 9 and transcribed by me or under my personal
 10 direction and supervision, and is a true and
 11 correct transcript to the best of my ability
 12 and understanding.
 13
 14 September 25, Baton Rouge, Louisiana.
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 22 BETTY D. GLISSMAN, CCR
 23 CERTIFIED COURT REPORTER
 24
 25