

Louisiana Citizens Property Insurance  
Corporation Board Meeting  
Thursday, January 12, 2023 1:00 PM Central

Poydras Building - Hearing Room first floor  
1702 N. Third Street  
Baton Rouge, Louisiana 70802

Jeff Albright:	Present
Eric Berger:	Present
Brian Chambley:	Absent
William Chauvin:	Present
Gene Galligan:	Present
Mike Huval:	Present
Shannon Johnson:	Absent
Tony Ligi:	Present
Eugene Montgomery:	Absent
Kevin Reinke:	Present
Bill Starr:	Present
Kirk Talbot:	Present
Steven Werner:	Present

Present: 10, Absent: 3.

#### I. Call To Order

Chairman Lorusso called the meeting to order at 1:06 p.m.

#### II. Roll Call

Chairman Lorusso asked Ms. Harper to take roll call. With ten (10) Board members in attendance, a quorum was present.

#### III. Chairman's Report

Chairman Lorusso had nothing to report and moved on to the next item on the agenda, the approval of the minutes of the prior meeting.

#### IV. Minutes

Approval of Minutes of the prior meeting held on November 10, 2022. This motion, made by Jeff Albright and seconded by Gene Galligan, Carried.

Brian Chambley: Absent, Shannon Johnson: Absent, Eugene Montgomery: Absent, Jeff Albright: Yea, Eric Berger: Yea, William Chauvin: Yea, Gene Galligan: Yea, Mike Huval: Yea, Tony Ligi: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Kirk Talbot: Yea, Steven Werner: Yea  
Yea: 10, Nay: 0, Absent: 3

#### V. CEO Report

##### V.A. Overview

##### V.B. 2023 LCPIC Reinsurance Market and Strategy Update

Mr. Newberry began his report by discussing the continuing hardening of the reinsurance market; noting, however, that LCPIC anticipated higher renewal rates when budgeting for

reinsurance and budgeted for a percentage increase in the high 30's to low 40's. Trends for the January 1 renewals in the reinsurance market are at 42%.

#### V.C. Catastrophe Vendor RFP Update

With a current policy count north of 130,000, LCPIC management felt it prudent to take the Claim TPA vendor selection back through an RFP process in order to insure the best vendors at the best terms.

#### V.D. Round 17 Depopulation (Voteable)

LCPIC is in the midst of Round 17 and at the point in the process where the Board must consider for approval the companies who have applied to participate in this round of depopulation. The three applicants are SafePoint, Cajun Underwriters and Ocean Harbor. After a lengthy, in-depth discussion, the Board members voted on the three companies.

To approve the three companies, Ocean Harbor, Safepoint and Cajun Underwriters, who have applied for Round 17. This motion, made by Kirk Talbot and seconded by Bill Starr, Carried. Brian Chambley: Absent, Shannon Johnson: Absent, Eugene Montgomery: Absent, Jeff Albright: Yea, Eric Berger: Yea, William Chauvin: Yea, Gene Galligan: Yea, Mike Huval: Yea, Tony Ligi: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Kirk Talbot: Yea, Steven Werner: Yea

Yea: 10, Nay: 0, Absent: 3

#### V.E. Financials and Management Report

Mr. Sciortino introduced the November financials and management report to the Board. He noted that as of November, LCPIC had a total operating cash position of \$246,410,000 and municipal bond investments of \$82,532,000. With regard to the income statement, as of November the year to date was a net loss of \$140,000; however, Mr. Sciortino stated that he is optimistic that LCPIC would end the year with positive net income. Surplus as of November was \$137,619,000. Operating expenses are over budget due to the significant growth experienced in 2022.

#### V.F. Complaints

Ms. Harper updated the Board that in November and December 2022, LCPIC received six complaints in total. Four were policy related and two were claim related. Mr. Berger pointed out that LCPIC's complaint ratio related to the storms over the past two years has been very low compared to earlier storms and complimented the Claim Department for their claim handling.

#### V.G. Executive Session

With the CEO report concluded, Chairman Lorusso moved on to the Executive Session. He asked if anyone from the public first wished to address the Board. With no speakers from the public, Chairman Lorusso stated that he would entertain a motion to go into Executive Session to discuss potential and pending litigation.

Approval of the Board moving out of the public forum and into Executive Session to discuss potential and pending litigation and other allowed items. This motion, made by Tony Ligi and seconded by Gene Galligan, Carried.

Brian Chambley: Absent, Shannon Johnson: Absent, Eugene Montgomery: Absent, Jeff Albright: Yea, Eric Berger: Yea, William Chauvin: Yea, Gene Galligan: Yea, Mike Huval: Yea, Tony Ligi: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Kirk Talbot: Yea, Steven Werner: Yea  
Yea: 10, Nay: 0, Absent: 3

At the conclusion of the Executive Session, Chairman Lorusso asked for a motion to exit Executive Session and re-enter the public forum. Chairman Lorusso noted that the Board had re-entered the public forum. He asked that the record reflect that the Board did not take any formal action while in Executive Session.

Approval of the Board moving out of Executive Session and back into the public forum. This motion, made by Eric Berger and seconded by Steven Werner, Carried.

Brian Chambley: Absent, Shannon Johnson: Absent, Eugene Montgomery: Absent, Jeff Albright: Yea, Eric Berger: Yea, William Chauvin: Yea, Gene Galligan: Yea, Mike Huval: Yea, Tony Ligi: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Kirk Talbot: Yea, Steven Werner: Yea  
Yea: 10, Nay: 0, Absent: 3

#### V.G.1. HR Complaints

#### V.G.2. Litigation Update

#### V.G.3. Lease Negotiations

#### V.H. Lease Contract Approval (Voteable)

Following reentry into the formal Board meeting, a proposed renewal contract with the Galleria was considered by the Board.

To approve the execution of a lease with the Galleria for LCPIC office space at \$21.00 a square foot with a 2% annual escalation. This motion, made by Jeff Albright and seconded by Steven Werner, Carried.

Brian Chambley: Absent, Shannon Johnson: Absent, Eugene Montgomery: Absent, Jeff Albright: Yea, Eric Berger: Yea, William Chauvin: Yea, Gene Galligan: Yea, Mike Huval: Yea, Tony Ligi: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Kirk Talbot: Yea, Steven Werner: Yea  
Yea: 10, Nay: 0, Absent: 3

#### VI. Adjournment

With the conclusion of the agenda, and no further business to discuss, Chairman Lorusso asked for a motion to adjourn.

Approval of Adjourning the meeting at 1:49 pm. This motion, made by Jeff Albright and seconded by Kirk Talbot, Carried.

Brian Chambley: Absent, Shannon Johnson: Absent, Eugene Montgomery: Absent, Jeff Albright: Yea, Eric Berger: Yea, William Chauvin: Yea, Gene Galligan: Yea, Mike Huval: Yea, Tony Ligi: Yea, Kevin Reinke: Yea, Bill Starr: Yea, Kirk Talbot: Yea, Steven Werner: Yea  
Yea: 10, Nay: 0, Absent: 3