

BOARD OF DIRECTORS (OPEN)

AGENDA ITEM 17a

ATTACHMENT 17a-IV

APPROVAL of OPEN MEETING MINUTES

- July 9-10, 2009
- July 20, 2009
- July 31, 2009
- August 25, 2009

PRESENTED BY:

September 11, 2009

**STATE COMPENSATION INSURANCE FUND
BOARD OF DIRECTORS**

**MINUTES OF OPEN SESSION
SPECIAL MEETING**

August 25, 2009

The Board of Directors of State Compensation Insurance Fund met by teleconference on August 25, 2009. Teleconference locations were:

Teleconference location: 1275 Market Street, 2 nd Floor "PAC" Room San Francisco, CA 94103	Teleconference location: 2275 Gateway Oaks Drive, Sacramento Room Sacramento, CA 95833
Teleconference location: 1750 E. 4 th Street, 1 st Floor Main Conference Room Santa Ana, CA 92705	Teleconference location: 10105 Pacific Heights Blvd, 1 st Floor Main Conference Room San Diego, CA 92121

The meeting was called to order at approximately 9:00 a.m.

AGENDA ITEM 1: CALL TO ORDER AND ROLL CALL

Chair Jeanne Cain called the meeting to order and requested the Secretary to call roll. The following members were present:

Sacramento: Jeanne L. Cain, Chair; Sheryl Chalupa, Daniel M. Curtin, Sen. Michael J. Machado (Ret); Thomas Rankin, Steven Rank and nonvoting member John C. Duncan.

San Francisco: No Board member present. Kathy Sealock was present to allow for any public comment.

Santa Ana: Frank E. Quinlan

San Diego: Vincent Mudd

Also present in Sacramento: President and CEO Janet D. Frank; Corporate Secretary and General Counsel Carol R. Newman; and Randy Keen; Esq., of Manatt, Phelps & Phillips, LLP.

AGENDA ITEM 2: ANTITRUST ADMONITION

Chair Cain called attention to State Fund's Antitrust Admonition which is included in each member's packet.

AGENDA ITEM 3: FINDING THAT 10-DAY NOTICE REQUIREMENT WOULD CAUSE SUBSTANTIAL HARDSHIP

Chair Cain noted that in order to hold a Special Meeting, the Board must find that the 10-day notice requirement under the Bagley-Keene Act would cause a substantial hardship. Chair Cain read a proposed resolution and finding:

WHEREAS, the Governor of California signed Assembly Bill 12 on July 28, 2009, which in part authorizes the Director of Finance to act as agent for the state to sell a portion of or otherwise obtain value for the State Compensation Insurance Fund assets and liabilities; and

WHEREAS, AB 12 requires the Board of Directors of State Fund to concur that the assets and liabilities identified by the Director of Finance are appropriate for disposition; and

WHEREAS, two parties have indicated an intent to initiate litigation challenging AB 12's provisions; and

WHEREAS, the Board of Directors has an immediate need to discuss legislation that may affect the State Compensation Insurance Fund; and

WHEREAS, the delay necessitated by providing notice 10 days prior to a meeting as required by Government Code Section 11125 would not allow the Board of Directors sufficient time to confer with staff and legal counsel;

NOW THEREFORE,

It is RESOLVED, that the Board of Directors finds that the delay necessitated by providing notice 10 days prior to a meeting as required by Government Code Section 11125 would cause a substantial hardship on the State Compensation Insurance Fund and its Board of Directors.

Ms. Cain requested Board comment from Sacramento, Santa Ana and San Diego. There were no Board comments.

Ms. Cain requested any speaker cards or public comments from Sacramento; San Francisco, Santa Ana or San Diego. Ms. Sealock indicated no public comment from San Francisco; Mr. Quinlan indicated no public comment from Santa Ana; Mr. Mudd indicated no public comment from San Diego and Ms. Cain noted there were no public comments from Sacramento.

MOTION: Ms. Chalupa SECOND: Mr. Rankin

To adopt the proposed resolution and finding.

Roll call vote:

Jeanne L. Cain:	Aye
Sheryl A. Chalupa:	Aye
Daniel M. Curtin:	Aye
Sen. Michael J. Machado:	Aye
Vincent E. Mudd:	Aye
Francis E. Quinlan:	Aye
Steven L. Rank:	Aye
Thomas Rankin:	Aye

The motion carried.

The meeting convened immediately into Closed Session at approximately 9:15 a.m. for a discussion on agenda Items 4 and 5.

The Board reconvened into Open Session at approximately 12:30 p.m. Ms. Cain confirmed through a roll call that all locations and all Board Members present during the 9:00 a.m. roll call were present.

AGENDA ITEM 4: POTENTIAL LITIGATION Closed session.

AGENDA ITEM 5: PROPOSED LEGISLATION Closed session.

AGENDA ITEM 6: REPORT OF ANY ACTION TAKEN IN CLOSED SESSION

Chair Cain stated that the Board received a briefing from legal staff and did not have any reportable action for the public at this time.

AGENDA ITEM 7: ADJOURNMENT

There being no further business, Chair Cain adjourned the meeting at approximately 12:35 p.m.

Respectfully submitted,

Carol R. Newman
Corporate Secretary