

**STATE COMPENSATION INSURANCE FUND
BOARD OF DIRECTORS**

MINUTES OF OPEN SESSION MEETING

September 13, 2022

The Board of Directors of the State Compensation Insurance Fund met on September 13, 2022 at the State Fund Pleasanton Office, 5890 Owens Drive, (Atlantic/Pacific Conference Rooms), Pleasanton, California.

AGENDA ITEM 1: CALL TO ORDER AND ROLL CALL

The meeting was called to order on September 13, 2022 at 2:30 p.m.

Mr. Lanier requested Ms. Padua to call roll. The following were present: David M. Lanier (Chair); Daniel M. Curtin; Regina Evans; Richard J. Guggenheim; Senator Michael J. Machado (Ret.); Thomas E. Rankin; Angela S. Wei; William M. Zachry; and Katrina S. Hagen (Ex-officio).

Absent by prior arrangement: Alexis A. Podesta; Arthur H. Pulaski; and Angela D. Tate.

There was a quorum.

Also present: President and CEO Vernon L. Steiner; General Counsel and Corporate Secretary Margie R. Lariviere; Chief Financial Officer Peter Guastamachio; and Board Liaison and Assistant Corporate Secretary Hilda B. Padua.

Board Chair David Lanier welcomed everyone who joined the meeting and noted that it was good to see everyone again in-person.

AGENDA ITEM 2: ANTITRUST ADMONITION

Mr. Lanier called attention to and requested confirmation that the Board members read State Fund's Antitrust Admonition, which is included in each Board member's meeting materials.

AGENDA ITEM 3: CONSENT CALENDAR

- a. Approval of May 19, 2022 Open Meeting Minutes
- b. Board Member Educational Opportunities and Approval of Planned Board Member Education and Expense Reimbursement
- c. Approval of Board Committee Assignments
- d. Selection and Retention of Appointed Actuary
- e. Authorization to Secure Renewal of the Expiring Insurance Programs at Terms Most Favorable to State Fund
- f. Approval of Retirement Resolutions

Mr. Lanier asked whether any Board member had comments on the items on the Consent Calendar of which there were none.

Mr. Lanier called for a Motion.

MOTION: Mr. Rankin

SECOND: Mr. Curtin

To approve the Consent Calendar as presented.

Mr. Lanier requested public comment of which there was none. Mr. Lanier called for the vote.

YES: 8

NO: 0

Abstain: 0

Motion carried.

Senator Machado left the meeting.

AGENDA ITEM 4: FINANCIAL AND PRESIDENT'S REPORT: 2Q 2022

Mr. Lanier noted that this item is read only, unless there are questions, of which there were none.

AGENDA ITEM 5: REPORTS BY THE CHAIRS OF COMMITTEE ACTIVITIES

5a: GOVERNANCE COMMITTEE

Governance Chair Mr. Rankin reported that the Governance Committee met in-person on September 13, 2022. During the Open Session under Consent Calendar, the Committee reviewed and approved the following: May 19, 2022 Open Meeting Minutes; Board Members' Upcoming Speeches, Articles, or Webinars; and Board Committee Assignments

During the Closed session, the Committee heard a report and had discussion on Board Continuing Education and Enterprise Procurement update.

5b: AUDIT COMMITTEE

Audit Chair Mr. Zachry reported that the Audit Committee met in-person on September 13, 2022. Due to the absence of a quorum, no action was taken on agenda items requiring Committee action. The approval of the May 18, 2022 Open Meeting Minutes was deferred to the November 2022 meeting.

During the Closed session, the Committee heard an update from staff on Personnel Investigations and Internal Audit 2Q 2022 Report. Due to the absence of a quorum, approval of the May 18, 2022 Closed Meeting Minutes and approval of the Revised 2022 Internal Audit plan were deferred to the November 2022 meeting.

AGENDA ITEM 6: CHAIRPERSON'S REPORT (Taken Out of Order)

Mr. Lanier noted that he has nothing to report.

AGENDA ITEM 7: BOARD MEMBER REPORTS (Taken Out of Order)

Mr. Lanier asked if there were any Board member reports, of which there were none.

Senator Machado rejoined the meeting.

AGENDA ITEM 5: REPORTS BY THE CHAIRS OF COMMITTEE ACTIVITIES (Taken Out of Order)

5c: INVESTMENT AND RISK COMMITTEE

Investment and Risk Chair Senator Machado reported that the Investment and Risk Committee met in-person on September 13, 2022. During the Open Session, the Committee reviewed and approved under the Consent calendar the following items: May 18, 2022 Open Meeting Minutes; Investment transactions and compliance reports for the period of April 1, 2022 to June 30, 2022, pursuant to its delegated authority; and Authorization to Secure Renewal of the Expiring Insurance Programs at Terms Most Favorable to State Fund. During the Closed Session, the Committee heard reports from staff on portfolio performance; Committee Evaluation Effectiveness; alternative and COIN Investment strategy; Enterprise Risk Management program; Reinsurance strategy; and update on State Fund's Information Security Program.

AGENDA ITEM 8: PUBLIC COMMENT ON APPROPRIATENESS OF CLOSED SESSION FOR ITEMS 11 THROUGH 18

Mr. Lanier requested public comment on the appropriateness of Closed session agenda items 11 through 18, of which there was none.

AGENDA ITEM 9: PUBLIC COMMENT

Mr. Lanier requested other public comment, of which there was none.

ADJOURNMENT

There being no further business, Mr. Lanier adjourned the meeting at 2:36 p.m. to immediately reconvene in Closed session.

AGENDA ITEM 19: CALL TO ORDER AND ROLL CALL

The Open Session meeting reconvened on September 15, 2022 at 11:38 a.m., following the conclusion of the Closed session and the following Members were present: David M. Lanier (Chair); Daniel M. Curtin; Regina V. Evans; Richard J. Guggenlime; Senator Michael J. Machado (Ret.); Thomas E. Rankin; Angela Wei; William M. Zachry; and Katrina S. Hagen (Ex-officio).

Absent by prior arrangement: Alexis A. Podesta; Arthur H. Pulaski; and Angela D. Tate.

There was a quorum.

Also present: President and CEO Vernon L. Steiner; General Counsel and Corporate Secretary Margie R. Lariviere; Chief Financial Officer Peter Guastamachio; and Board Liaison and Assistant Corporate Secretary Hilda B. Padua.

AGENDA ITEM 20: APPOINTMENT OF CHIEF OF INTERNAL AFFAIRS

Mr. Lanier noted that Insurance Code section 11785(a) authorizes the Board of Directors of State Compensation Insurance Fund to appoint and set the salary for certain exempt officer positions including Chief of Internal Affairs and Executive Vice President of Corporate Claims; and has delegated to the President, subject to

conditions that the Board of Directors may from time to time prescribe, the powers, functions, and duties conferred by law on the Board of Directors in connection with the administration, management, and conduct of the business and affairs of the State Compensation Insurance Fund.

The Board concurred with the President's recommendation to appoint Dante Robinson as Chief of Internal Affairs effective October 1, 2022.

Mr. Lanier noted that Resolution No. 2400, Appointment of Dante Robinson as Chief of Internal Affairs was displayed on the screen for public viewing.

Mr. Lanier requested a Motion and Second.

MOTION: Mr. Zachry SECOND: Mr. Rankin

To approve the Appointment of Dante Robinson as Chief of Internal Affairs, Resolution No. 2400, as presented.

Mr. Lanier asked for public comment, of which there was none. Mr. Lanier called for the vote.

YES: 8 NO: 0 Abstain: 0 Resolution carried.

The certified Resolution No. 2400 is attached hereto.

AGENDA ITEM 21: RATIFICATION OF APPOINTMENT OF EXECUTIVE VICE PRESIDENT OF CORPORATE CLAIMS

The Board ratifies the appointment of Carla Anene to Executive Vice President of Corporate Claims effective August 1, 2022.

Mr. Lanier noted that Resolution No. 2401, Ratification of Appointment of Carla Anene to Executive Vice President of Corporate Claims was displayed on the screen for public viewing.

Mr. Lanier requested a Motion and Second.

MOTION: Mr. Rankin SECOND: Ms. Wei

To approve the Ratification of Appointment of Carla Anene to Executive Vice President of Corporate Claims, Resolution No. 2401, as presented.

Mr. Lanier asked for public comment, of which there was none. Mr. Lanier called for the vote.

YES: 8 NO: 0 Abstain: 0 Resolution carried.

The certified Resolution No. 2401 is attached hereto.

AGENDA ITEM 22: PROPOSALS AND SUGGESTIONS FOR NOVEMBER 2022 AGENDA

Mr. Lanier requested suggestions for agenda items for the August 2022 Board meeting. Ms. Padua noted that all agenda items identified were for Closed session.

Mr. Lanier requested public comment, of which there was none. He noted that the next Board meeting is scheduled sometime the week of November 14-18, 2022, location to be determined, unless noticed for a new date and time.

ADJOURNMENT

Mr. Lanier adjourned the meeting at 11:42 a.m.

Respectfully submitted,



Hilda B. Padua
Board Liaison and Assistant Corporate Secretary



Resolution No. 2400
Appointment of Chief of Internal Affairs

**STATE COMPENSATION INSURANCE FUND
BOARD OF DIRECTORS**

**RESOLUTION OF THE BOARD OF DIRECTORS OF STATE COMPENSATION INSURANCE FUND
AUTHORIZING APPOINTMENT OF THE CHIEF OF INTERNAL AFFAIRS**

WHEREAS, Insurance Code section 11785(a) authorizes the Board of Directors of State Compensation Insurance Fund to appoint and set the salary for certain exempt officer positions including a Chief of Internal Affairs; and

WHEREAS, the Board of Directors of the State Compensation Insurance Fund has delegated to the President of the State Compensation Insurance Fund, subject to conditions that the Board of Directors may from time to time prescribe, the powers, functions, and duties conferred by law on the Board of Directors in connection with the administration, management, and conduct of the business and affairs of the State Compensation Insurance Fund; and

WHEREAS, the President of State Fund seeks to appoint Dante W. Robinson as Chief of Internal Affairs effective October 1, 2022.

NOW, THEREFORE,

IT IS RESOLVED, that the Board of Directors hereby appoints Dante W. Robinson to serve as the Chief of Internal Affairs, effective as of October 1, 2022, at a base annual salary of \$367,500; a potential at-risk compensation differential of up to 30% of annual salary and eligibility for a potential long-term incentive award, contingent on both State Fund and individual performance and subject to approval by the Board and based upon factors including but not limited to, the overall performance of State Fund as determined by the Board of Directors, and on the Chief of Internal Affairs' achievement of specifically defined metrics and performance goals; and

IT IS FURTHER RESOLVED, that the President of State Fund has the authority to enter into an employment agreement with Dante W. Robinson and any amendments that may be necessary from time to time except that any change in compensation must be presented to the Board of Directors for approval; and

IT IS FURTHER RESOLVED, that the Board of Directors hereby ratifies and approves all actions taken by the President of the State Compensation Insurance Fund as were necessary to appoint Dante W. Robinson to serve as the Chief of Internal Affairs of the State Compensation Insurance Fund.



Resolution No. 2400

Appointment of Chief of Internal Affairs

PASSED AND ADOPTED at the meeting of the Board of Directors of the State Compensation Insurance Fund held on the 13th day of September 15, 2022 by the following vote:

<u>MEMBER</u>	<u>VOTE</u>
David M. Lanier, Chair	Yes
Daniel M. Curtin	Yes
Regina V. Evans	Yes
Richard J. Guggenhime	Yes
Sen. Michael J. Machado (Ret.)	Yes
Alexis A. Podesta	Absent
Arthur H. Pulaski	Absent
Thomas E. Rankin	Yes
Angela D. Tate	Absent
Angie S. Wei	Yes
William M. Zachry	Yes

BOARD of DIRECTORS of the STATE COMPENSATION INSURANCE FUND

I, Hilda B. Padua, Assistant Corporate Secretary for the State Compensation Insurance Fund Board of Directors, hereby certify that the foregoing resolution was adopted by the Board of Directors at their regular meeting held September 15, 2022.

Hilda B. Padua
Assistant Corporate Secretary

9/15/22

Date



Resolution No. 2401

Ratification of Appointment of Executive Vice
President of Corporate Claims

**STATE COMPENSATION INSURANCE FUND
BOARD OF DIRECTORS**

**RESOLUTION OF THE BOARD OF DIRECTORS OF STATE COMPENSATION INSURANCE FUND RATIFYING
AND AUTHORIZING APPOINTMENT OF THE EXECUTIVE VICE PRESIDENT OF CORPORATE CLAIMS**

WHEREAS, Insurance Code section 11785(a) authorizes the Board of Directors of State Compensation Insurance Fund to appoint and set the salary for certain exempt officer positions including an Executive Vice President of Corporate Claims; and

WHEREAS, the Board of Directors of the State Compensation Insurance Fund has delegated to the President of the State Compensation Insurance Fund, subject to conditions that the Board of Directors may from time to time prescribe, the powers, functions, and duties conferred by law on the Board of Directors in connection with the administration, management, and conduct of the business and affairs of the State Compensation Insurance Fund; and

WHEREAS, the President of State Fund seeks to ratify the appointment of Carla R. Anene to Executive Vice President of Corporate Claims effective August 1, 2022.

NOW, THEREFORE,

IT IS RESOLVED, that the Board of Directors hereby ratifies the appointment of Carla R. Anene as the Executive Vice President of Corporate Claims effective as of August 1, 2022, at a base annual salary of \$260,000; a retention and recruitment differential of \$90,000.00; a potential at-risk compensation differential of up to 30% of combined annual salary and retention and recruitment differential; and eligibility for a potential long-term incentive award, contingent on both State Fund and individual performance and subject to approval by the Board and based upon factors including but not limited to, the overall performance of State Fund as determined by the Board of Directors, and on the Executive Vice President of Corporate Claim's achievement of specifically defined metrics and performance goals; and

IT IS FURTHER RESOLVED, that the President of State Fund has the authority to enter into an employment agreement with Carla R. Anene and any amendments that may be necessary from time to time except that any change in compensation must be presented to the Board of Directors for approval; and



Resolution No. 2401

Ratification of Appointment of Executive Vice President of Corporate Claims

IT IS FURTHER RESOLVED, that the Board of Directors hereby ratifies and approves all actions taken by the President of the State Compensation Insurance Fund as were necessary to appoint Carla R. Anene to serve as the Executive Vice President of Corporate Claims of the State Compensation Insurance Fund.

PASSED AND ADOPTED at the meeting of the Board of Directors of the State Compensation Insurance Fund held on the 15th day of September, 2022 by the following vote:

<u>MEMBER</u>	<u>VOTE</u>
David M. Lanier, Chair	Yes
Daniel M. Curtin	Yes
Regina V. Evans	Yes
Richard J. Guggenhime	Yes
Sen. Michael J. Machado (Ret.)	Yes
Alexis A. Podesta	Absent
Arthur H. Pulaski	Absent
Thomas E. Rankin	Yes
Angela D. Tate	Absent
Angie S. Wei	Yes
William M. Zachry	Yes

BOARD of DIRECTORS of the STATE COMPENSATION INSURANCE FUND

I, Hilda B. Padua, Assistant Corporate Secretary for the State Compensation Insurance Fund Board of Directors, hereby certify that the foregoing resolution was adopted by the Board of Directors at their regular meeting held September 15, 2022.

Hilda B. Padua
Assistant Corporate Secretary

9/15/22

Date