

**STATE COMPENSATION INSURANCE FUND
BOARD OF DIRECTORS**

MINUTES OF OPEN SESSION MEETING

August 25, 2021

The Board of Directors of the State Compensation Insurance Fund met on August 25, 2021 via telephone/video conference using Zoom webinar.

August 25, 2021

AGENDA ITEM 1: CALL TO ORDER AND ROLL CALL

Board Liaison Hilda Padua welcomed everyone who joined the meeting via telephone/video conference. Ms. Padua went over the Housekeeping rules for the meeting, including how to submit Public Comments by sending an email to BoardofDirectors@scif.com. Ms. Padua noted that the information was also posted on the State Fund website.

The meeting was called to order on August 25, 2021 at 9:02 a.m.

Mr. Lanier requested Ms. Padua to call roll. The following were present: David M. Lanier (Chair); Daniel M. Curtin; Richard J. Guggenlime; Senator Michael J. Machado (Ret.); Jack L. Neureuter; Alexis A. Podesta; Arthur H. Pulaski; Thomas E. Rankin; Angela D. Tate; William M. Zachry; and Katrina S. Hagen (Ex-officio).

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 via telephone/video conference.

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

- 3a. Approval of May 20-21, 2021 Open Meeting Minutes
- 3b. Board Member Educational Opportunities and Approval of Planned Board Member Education and Expense Reimbursement
- 3c. Approval of Investment Policy Statement and Guidelines Resolution
- 3d. 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. Zachry

SECOND: Mr. Neureuter

To approve the Consent Calendar as presented.

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

YES: 10

NO: 0

Abstain: 0

Motion carried.

AGENDA ITEM 4: FINANCIAL AND PRESIDENT'S REPORT: 2Q 2021

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 on August 23, 2021 through Zoom online meeting. During the Open Session under Consent Calendar, the Committee reviewed and approved the following: May 17, 2021 Open Meeting Minutes and Board Members' Upcoming Speeches, Articles, or Webinars.

During the Closed session, the Committee heard a report on update on Safety and Loss Prevention Strategic Plan and Enterprise Procurement Strategic Plan.

5b: AUDIT COMMITTEE

Mr. Zachry reported that the Audit Committee met on August 24, 2021 through Zoom online meeting. During the Open Session, the Committee reviewed and approved the May 18, 2021 Open Meeting Minutes. During the Closed Session, the Committee heard an update from staff on Personnel Investigations, and Internal Audit activities. The Committee approved the revised 2021 Internal Audit Plan.

5c: INVESTMENT and RISK COMMITTEE

Investment and Risk Committee Chair Senator Machado reported that the Investment and Risk Committee met on August 24, 2021 through Zoom online meeting. During the Open Session under the Consent calendar, the Investment and Risk Committee reviewed and approved the following: investment transactions and compliance reports, for the period of April 1, 2021 to June 30, 2021, pursuant to its delegated authority; and May 19, 2021 Open meeting minutes.

During the Closed Session, the Investment and Risk Committee heard reports from staff on portfolio performance; strategic asset allocation; investment strategic roadmap; update on Enterprise Risk Management program; and update on State Fund's Information Security Program. The Committee also had a strategic discussion regarding the proposed changes to the Investment Policy Statement and Guidelines, which will be presented for approval at the November 2021 meeting.

AGENDA ITEM 6: CHAIRPERSON'S REPORT

Mr. Lanier expressed his disappointment of not meeting in person but he noted that everyone's safety is the utmost importance. Mr. Lanier thanked the Committee Chairs and staff for their patience and flexibility, considering the unique challenges of running a virtual meeting through Zoom. Mr. Lanier also thanked the staff for the great job they have done during this trying times.

AGENDA ITEM 7: BOARD MEMBER REPORTS

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

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 confirmed that no public comment was received.

ADJOURNMENT

There being no further business, Mr. Lanier adjourned the meeting at 9:10 a.m. to immediately reconvene in Closed session.

August 25, 2021

AGENDA ITEM 19: CALL TO ORDER AND ROLL CALL

The Open Session meeting reconvened at 4:08 p.m. via telephone/video conference (Zoom webinar) and the following Members were present: David M. Lanier (Chair); Daniel M. Curtin (joined during item 22); Richard J. Guggenhime; Jack L. Neureuter; Alexis A. Podesta; Arthur H. Pulaski; Thomas E. Rankin; Angela D. Tate; William M. Zachry; and Katrina S. Hagen (Ex-officio).

Absent by prior arrangement: Senator Michael J. Machado (Ret.)

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: PROPOSALS AND SUGGESTIONS FOR NOVEMBER 2021 AGENDA

Mr. Lanier requested suggestions for agenda items for the November 2021 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 15-19, 2021, location to be determined, unless noticed for a new date and time.

ADJOURNMENT

Mr. Lanier adjourned the meeting at 4:10 p.m.

Respectfully submitted,

Hilda B. Padua
Board Liaison and Assistant Corporate Secretary