

**STATE COMPENSATION INSURANCE FUND
INVESTMENT AND RISK COMMITTEE**

MINUTES OF OPEN SESSION MEETING

May 28, 2025

The Investment and Risk Committee met on May 28, 2025 at the State Fund Sacramento Office, 2860 Gateway Oaks Drive, Sacramento, CA (Executive Conference room, 3rd floor).

AGENDA ITEM 1: CALL TO ORDER AND ROLL CALL

The meeting was called to order on May 28, 2025 at 8:03 a.m. Committee Chair Senator Machado welcomed everyone joining the meeting.

Senator Machado asked Ms. Padua to call roll. The following Members were present: Chair Senator Michael J. Machado (Ret.); Christy Bouma; Richard J. Guggenhime; and David M. Lanier.

There was a quorum.

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

AGENDA ITEM 2: ANTITRUST ADMONITION

Senator Machado called attention to and requested acknowledgment that the Investment and Risk Committee members read State Fund's Antitrust Admonition included in each Committee member's meeting materials.

AGENDA ITEM 3: CONSENT CALENDAR

- a. Approval of February 25, 2025 Open Meeting Minutes
- b. Approval of Investment Transactions
 - i. Bond Transactions
 - ii. Compliance Report
- c. Annual Review and Approval of Investment and Risk Committee Charter
- d. Approval of Investment Guidelines and Procedures Resolution No. 2568

Senator Machado asked whether any Board member had comments on the items on the Consent Calendar. Ms. Bouma inquired about the proposed changes in the Investment Guidelines and Procedures Resolution No. 2568. Senator Machado noted that the Investment Policy Resolution No. 2568 will replace Investment Policy Resolution No. 2524, and it clarifies the allocation limits to private debt securities issued by limited liability companies and explains the levels at which Mortgage-Backed Securities (MBS) securities cannot be purchased or require Chief Investment Officer (CIO) approval prior to trading.

Senator Machado asked whether any Committee member had further comments on the items on the Consent Calendar, of which there were none.

Senator Machado called for a Motion.

MOTION: Mr. Lanier

SECOND: Ms. Bouma

To approve the Consent Calendar as presented.

Senator Machado requested public comment of which there was none. Senator Machado called for the vote.

YES: 4

NO: 0

Abstain: 0

Motion carried.

AGENDA ITEM 4: REPORT ON BANK ACCOUNTS, CASH MANAGEMENT HOLDINGS, AND LONG-TERM INVESTMENT HOLDINGS

Senator Machado noted that this item is “Read only, unless there are questions”. He asked Chief Investment Officer Stephanie Chan if there was any new information from the time the report was published. Ms. Chan noted that the report was current and there were no changes. Ms. Chan also confirmed that there were no concerns or comments from external auditor, EY regarding the bank account, cash management holdings, and long-term investment holdings.

Senator Machado requested public comment, of which there was none.

AGENDA ITEM 5: PUBLIC COMMENT ON APPROPRIATENESS OF CLOSED SESSION FOR ITEMS 8 THROUGH 13

Senator Machado requested public comment on the appropriateness of Closed Session Agenda Items 8 through 13, of which there was none.

AGENDA ITEM 6: PUBLIC COMMENT

Senator Machado requested other public comment, of which there was none.

Senator Machado noted that the Committee would now go into Closed Session. The Investment and Risk Committee immediately convened into Closed Session at 8:09 a.m.

AGENDA ITEM 14: CALL TO ORDER AND ROLL CALL

The meeting was called to order at 12:07 a.m. and the following Members were present: Chair Senator Michael J. Machado (Ret.); Christy Bouma; Richard J. Guggenhime; and David M. Lanier.

There was a quorum.

AGENDA ITEM 15: COMMITTEE MEMBER PRESENTATIONS

Senator Machado requested presentations from the Committee members, of which there were none.

AGENDA ITEM 16: PROPOSALS AND SUGGESTIONS FOR SEPTEMBER 2025 AGENDA

Senator Machado requested suggestions for agenda items for the September 2025 Investment and Risk Committee meeting other than the standing agenda items, of which there were none.

Senator Machado requested public comment, of which there was none. He noted that the next Investment and Risk Committee meeting is scheduled sometime the week of September 2-5, 2025, location to be determined, unless noticed for a new date and time.

ADJOURNMENT

There being no further business before the Investment and Risk Committee, Senator Machado adjourned the meeting at 12:09 p.m.

Respectfully submitted,



Hilda B. Padua

Vice President of Executive Operations and Assistant Corporate Secretary