



PEBASM
SC Retirement Systems
and State Health Plan

Popular Annual Financial Report

South Carolina Retirement Systems
Pension trust funds of the state of South Carolina

**Fiscal year ended
June 30, 2022**

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Awards

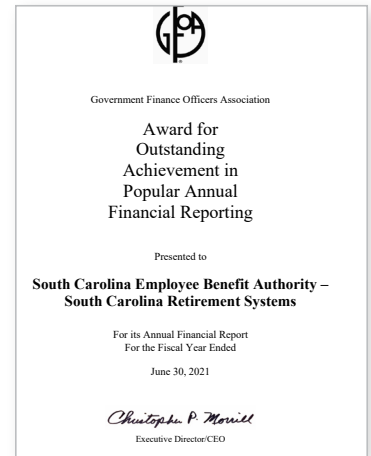
Fiscal Year 2021 GFOA Award

The South Carolina Retirement Systems' *Popular Annual Financial Report* for the fiscal year ended June 30, 2021, received an Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada.

This is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

To receive this award, a government unit must publish a *Popular Annual Financial Report* in which the content conforms to program standards of creativity, presentation, understandability and reader appeal.

This award is valid for one year only. The Systems have received the Award for Outstanding Achievement for each of the past 18 consecutive years (fiscal years ended 2004-2021). We believe our current report continues to conform to the GFOA's requirements and are submitting it for consideration.



2022 PPCC Award

The South Carolina Retirement Systems received the Public Pension Coordinating Council's Public Pension Standards 2022 Award.

It is the 19th consecutive year during which the S.C. Public Employee Benefit Authority applied for and received the Council's award in recognition of meeting professional plan design and administration standards.

The Public Pension Coordinating Council is a confederation of the National Association of State Retirement Administrators, the National Conference on Public Employee Retirement Systems and the National Council on Teacher Retirement.



A message from leadership

Dear members:

We are pleased to present the South Carolina Public Employee Benefit Authority's (PEBA) *Popular Annual Financial Report* (PAFR) for the South Carolina Retirement Systems for the fiscal year ended June 30, 2022. This is the Systems' 19th consecutive annual popular report and it is intended to provide a summary of the Systems' annual financial information in an easily understandable format to supplement the more thorough [Annual Comprehensive Financial Report](#).

Data presented in this report was derived from the fiscal year 2022 *Annual Comprehensive Financial Report*, which was prepared in accordance with Generally Accepted Accounting Principles. To learn more about the Systems' financial activities, the *Annual Comprehensive Financial Report*, which contains more detailed information, is available on the Facts and figures page of our website at peba.sc.gov. For any other questions, contact Customer Service at 803.737.6800 or 888.260.9430.



Peggy G. Boykin, CPA
Executive Director



Travis J. Turner, CPA, CISA
Deputy Director/Chief Financial Officer



Tammy B. Nichols, CPA
Director of Retirement Operations

Our vision

Serving those who serve
South Carolina

Our mission

PEBA's mission is to provide competitive retirement and insurance benefit programs for South Carolina public employers, employees and retirees.

Our core values

Solutions oriented
Communication
Credibility
Collaboration
Responsive
Emotional intelligence
Ethical behavior

THIS REPORT CONTAINS AN ABBREVIATED DESCRIPTION OF THE RETIREMENT BENEFITS OFFERED BY THE SOUTH CAROLINA PUBLIC EMPLOYEE BENEFIT AUTHORITY (PEBA). THE INFORMATION IN THIS REPORT IS MEANT TO SERVE AS A GUIDE FOR OUR MEMBERS AND DOES NOT CONSTITUTE A BINDING REPRESENTATION OF PEBA. TITLE 9 OF THE SOUTH CAROLINA CODE OF LAWS CONTAINS A COMPLETE DESCRIPTION OF THE RETIREMENT BENEFITS, THEIR TERMS AND CONDITIONS, AND GOVERNS ALL RETIREMENT BENEFITS OFFERED BY THE STATE. STATE STATUTES ARE SUBJECT TO CHANGE BY THE GENERAL ASSEMBLY. PLEASE CONTACT PEBA FOR THE MOST CURRENT INFORMATION.

THE LANGUAGE USED IN THIS REPORT DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS AND DOES NOT CREATE A CONTRACT BETWEEN THE MEMBER AND PEBA. PEBA RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS REPORT.



Profile of the Systems

PEBA, created July 1, 2012, and governed by an 11-member Board, is the state agency responsible for providing retirement and insurance benefits to participants and beneficiaries of the state's employee benefit plans. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. The Retirement System Investment Commission, created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets.

A defined benefit plan is a retirement plan in which contributions are made to fund a level of retirement income at a future retirement date. Monthly service retirement benefits, as well as disability benefits and death benefits are provided to eligible members and/or their surviving beneficiaries. The plans' terms specify the amount of pension benefits to be provided at a future date or after a certain period of time. Monthly benefits are calculated

using a formula that includes the member's average final compensation, years of service and a multiplier.

PEBA also sponsors the State Optional Retirement Program (State ORP), which is a defined contribution plan administered by four third-party service providers. State ORP is an alternative plan available to newly hired employees of state agencies, public higher education institutions, public and charter school districts, as well as first-term individuals elected to the General Assembly. In addition, PEBA is responsible for the South Carolina Deferred Compensation Program, which offers 401(k) and 457 plans, and is administered by a third-party record keeper. Finally, PEBA administers and manages the state's employee insurance programs. State ORP, Deferred Compensation and the employee insurance programs are not considered part of the Retirement Systems for financial statement purposes.

Defined benefit pension trust funds included in the PAFR

1

South Carolina Retirement System

The South Carolina Retirement System (SCRS) was established July 1, 1945, to provide retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government, as well as first-term individuals elected to the General Assembly.

2

Police Officers Retirement System

The South Carolina Police Officers Retirement System (PORS) was established July 1, 1962, to provide retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

3

General Assembly Retirement System

The Retirement System for Members of the General Assembly of the State of South Carolina (GARS) was established January 1, 1966, to provide retirement and other benefits to members of the General Assembly. Retirement reform legislation closed the GARS plan to individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

4

Judges and Solicitors Retirement System

The Retirement System for Judges and Solicitors of the State of South Carolina (JSRS) was established July 1, 1979, to provide retirement and other benefits to state judges and solicitors. JSRS also covers circuit public defenders.

5

South Carolina National Guard Plan

The South Carolina National Guard Supplemental Retirement Plan (SCNG) was established July 1, 1975, to provide supplemental retirement benefits to members who served in the South Carolina National Guard. The Retirement Systems assumed administrative responsibility for this fund in 2006.

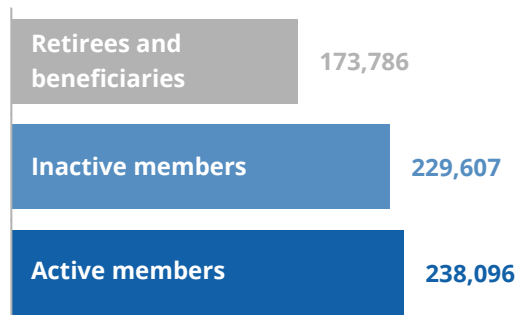
Membership and annuitant composition

The membership and annuitant data provided below is based on the July 1, 2021, actuarial valuations and the data provided to the Systems' actuary for preparation of the July 1, 2021, valuations.

	Active	Inactive	Retirees and beneficiaries ¹
SCRS	199,162	207,341	148,008
PORS	26,555	20,589	20,181
GARS	73	37	341
JSRS	160	5	229
SCNG	12,146	1,635	5,027

¹Represents all annuitants, including retired members who returned to covered employment as a working retiree and surviving beneficiaries of former members.

Total membership



	SCRS	PORS	GARS	JSRS	SCNG
Active members					
Average age	46	40	60	57	32
Average years of service	10	10	19	15	10
Average annual salary	\$47,641	\$50,175	\$22,702	\$194,403	N/A ²
Annuitants and beneficiaries					
Average current age of service retirees	72	66	76	73	72
Average current age at retirement of service retirees	59	55	61	60	60
Average years of service at retirement (all retirees)	22	18	20	25	26
Average AFC ³ at retirement (all retirees)	\$46,345	\$48,511	\$22,220	\$130,138	N/A
Average current annual benefit (all retirees) ⁴	\$21,147	\$21,688	\$18,432	\$116,323	\$905

²The South Carolina National Guard Supplemental Retirement Plan (SCNG) is non-contributory; therefore, active member salaries are not reported to the Systems.

³Average final compensation (AFC) is a component used in the formula for calculating annuity benefits.

⁴Includes benefit adjustments applied since retirement.

Fiscal year 2022 operational activities

PEBA's vision is serving those who serve South Carolina and our mission is to provide competitive retirement and insurance benefit programs for South Carolina public employers, employees and retirees. The agency accomplishes this by focusing goals in areas that promote financially sound programs, enhance the customer service experience and responsibly manage risk. Initiatives during fiscal year 2022 included the following.

Benefits administration

- PEBA processed and paid the following benefit claims:
 - 7,493 service retirement applications.
 - 13,874 refund requests.
 - 142 disability applications.
 - 6,853 death claims.

Telecommuting

- PEBA developed and implemented formal telecommuting policies and procedures for the majority of staff.
- The majority of staff may work up to 50% of their work schedule remotely.

Legislative

- The General Assembly provided nonemployer contribution funding to SCRS and PORS again to help offset a portion of the contribution requirements for some employers.
- The General Assembly also provided additional funding to stabilize JSRS.
- The General Assembly included a proviso in the fiscal year 2023 Appropriations Bill creating a new exception to the \$10,000 earnings limitation for SCRS and PORS members who have had a period of at least 12 consecutive months after retirement during which the member did not work for any covered employer in any capacity.

Risk management

- PEBA enhanced the agency's business continuity testing.
- PEBA engaged with its security services provider to perform security assessments on its public website, employer and member portals, external network, and Microsoft 365 environment.

PEBA:Connect

- One of the most significant operational challenges the agency faces is the pending replacement of its legacy information systems. PEBA's core operational system was built in the early 1990s. The typical system life expectancy is 15-20 years. The agency went through an extensive process to assess the market and evaluate options.
 - The project is now in the implementation phase.
 - The PEBA:Connect team includes staff from all areas of the agency, as well and individuals from the three vendors working on the project.
 - Staff are reviewing the actual system, performing limited testing for the first time and providing input.

Summary of financial condition

Funding period

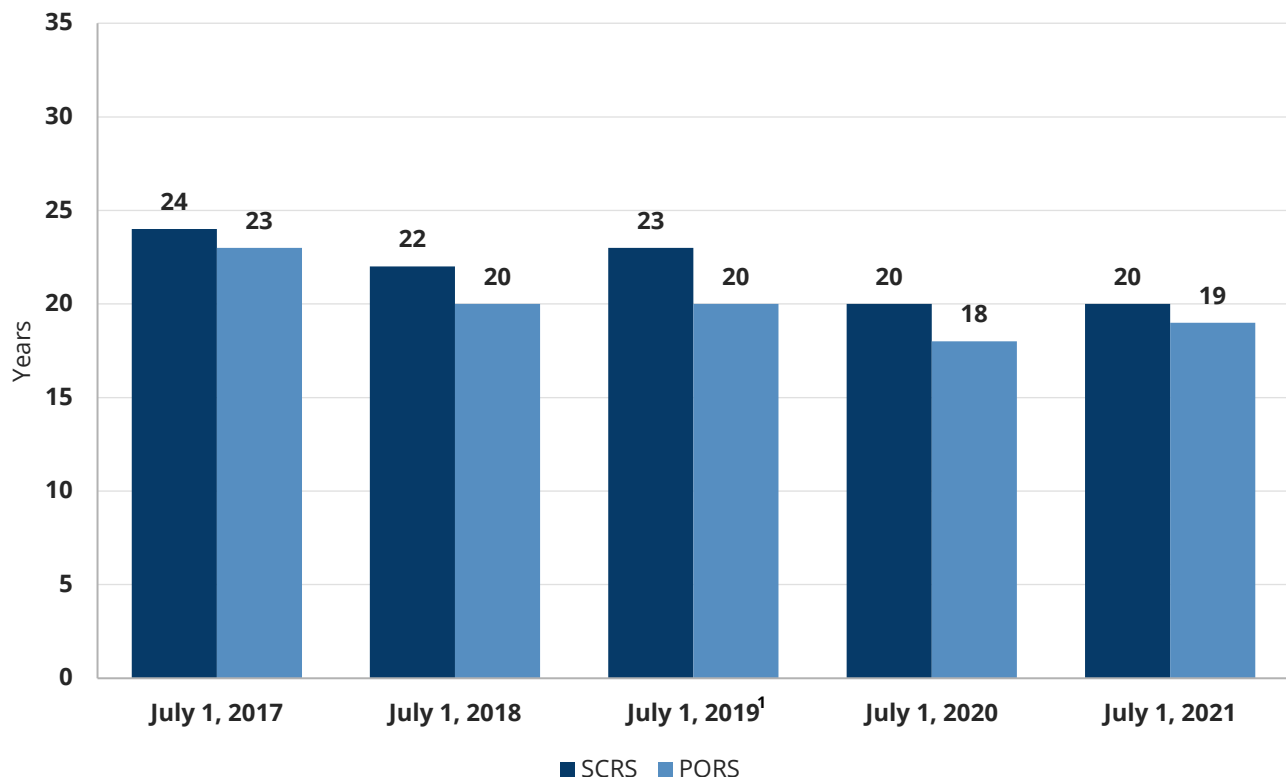
The main funding objective of the pension trust funds is to meet future benefit obligations of retirees and beneficiaries through employee and employer contributions and investment earnings. Each year, the external consulting actuaries determine the actuarial soundness of the plans based on long term obligations and the sufficiency of current contribution levels to fund the liabilities of each plan over a reasonable time frame. In addition to contribution requirements, there are numerous measures used to monitor a plan's funding status including the funding period, the dollar amount of the unfunded actuarial accrued liability (UAAL) and the funded ratio.

The annual actuarial valuations dated July 1, 2021, determined the actuarial status of each plan and were

adopted by PEBA's Board of Directors in December 2021.

The UAAL of each plan is paid down or amortized over a period of years, similar to a home mortgage, after which time the plan is expected to be fully funded. Pension funding reform legislation enacted in 2017 included a schedule for the funding period of SCRS and PORS to be reduced over a 10-year time period beginning in fiscal year 2018 to a maximum of 20 years by fiscal year 2028. The funding period for SCRS, which represents the largest membership of the five plans, remained at 20 years as of July 1, 2021. The funding period for PORS is 19 years for the same time period. The chart below illustrates the funding period over the past five fiscal years for SCRS and PORS.

Funding Period in Years



¹The July 1, 2019, funding period is based on the contribution rate schedule as modified by Act 135 of 2020.

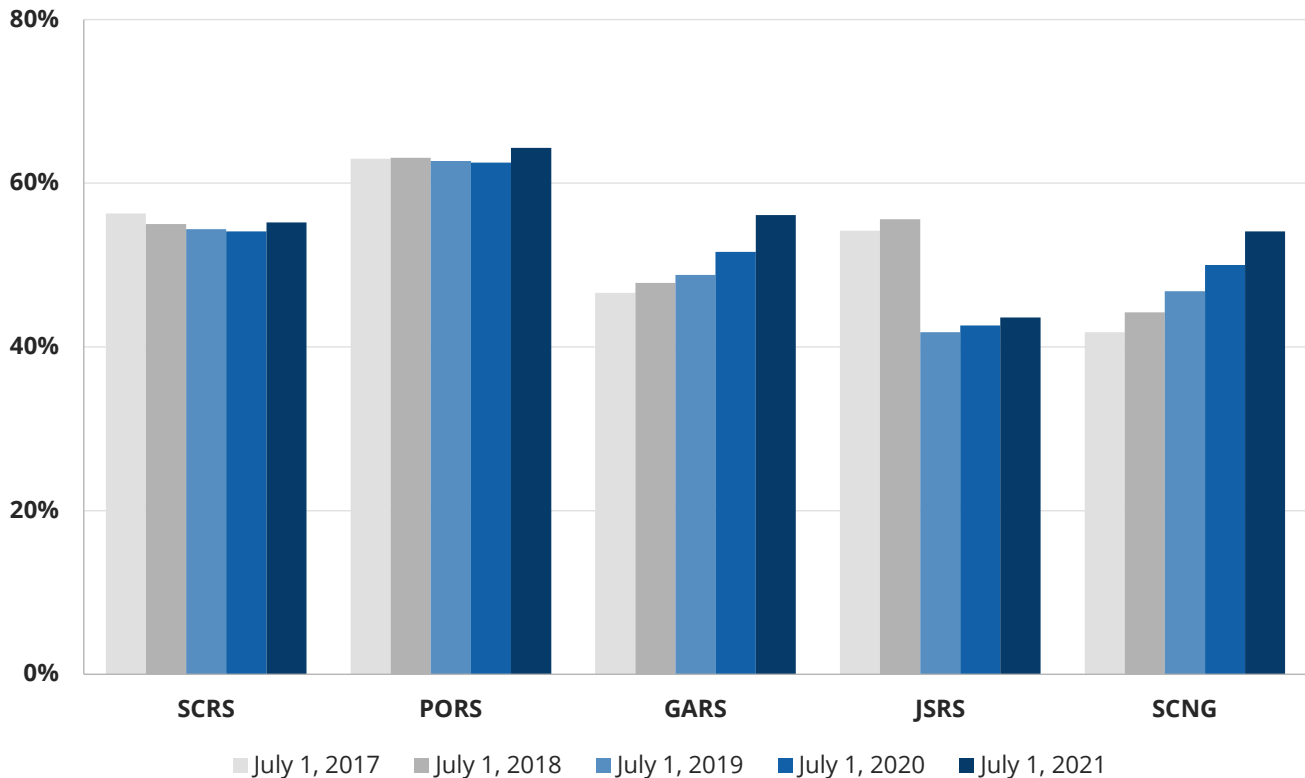
Funded ratio

As of July 1, 2021, the dollar amount of the UAAL for SCRS increased from \$23.9 billion in the prior year to \$24.7 billion, and PORS increased from \$3 billion to \$3.1 billion. The largest source of increase was due to updated actuarial assumptions. Actuarial smoothing techniques, which defer investment gains and losses, help to dampen the short-term volatility inherent in investment markets by using a systematic approach that allows only a portion of investment gains and losses to be recognized each year. Adjusting for a five-year smoothing phase, each plan recognized a net actuarial gain on investment returns for the valuation year.

The funded ratio is a measurement of a plan's funded status, and it is calculated as the ratio of the actuarial value of assets to the actuarial accrued liability. The funded ratios of the five plans as of July 1, 2021, range from a high of 64.3% for PORS to a low of 43.6% for JSRS. The funded ratio for SCRS increased from 54.1% in fiscal year 2020 to 55.2% in 2021. The increase resulted from the recognition of strong investment performance that occurred in 2021.

Actuarial Funded Ratios

Actuarial assets as a percentage of actuarial accrued liabilities

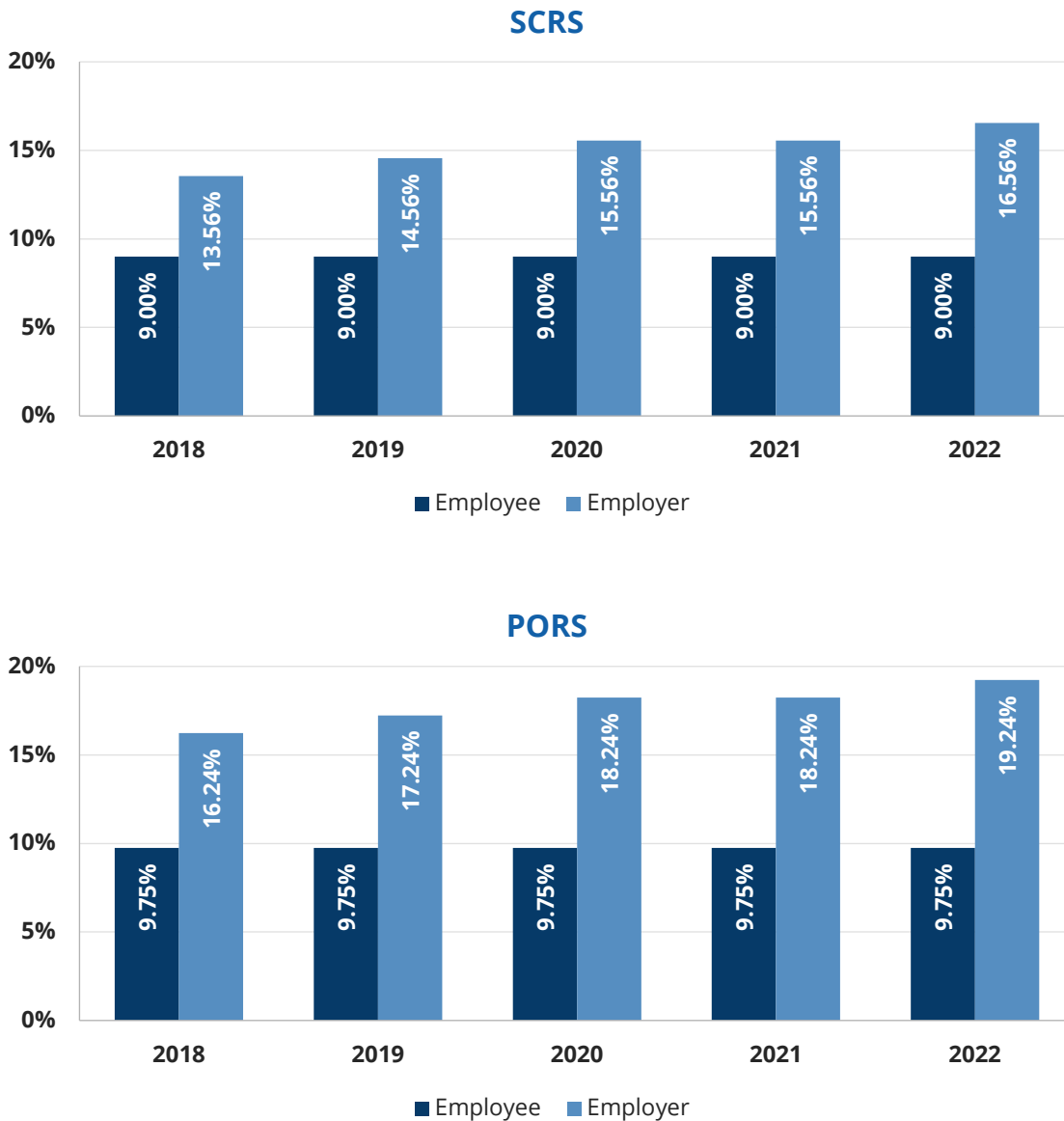


Contribution rates

The 2017 legislation also set in statute a schedule of contribution increases to help lessen the impact if actual investment returns do not meet the assumed rate of return. Effective July 1, 2017, the legislation increased and established a ceiling for SCRS and PORS employee contribution rates. The employee rates increased to and were capped at 9% for SCRS and 9.75% for PORS. The legislation also increased employer contribution rates

for both SCRS and PORS by 2% effective July 1, 2017, and scheduled employer contribution rates to increase by 1% each year until reaching the scheduled employer rate of 18.56% for SCRS and 21.24% for PORS. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the PEBA Board of Directors can increase the employer contribution rates as necessary.

Contribution rates by fiscal year¹



¹Rates are inclusive of incidental death contributions and Accidental Death Program contributions where applicable.

Statement of fiduciary net position

The Statement of Fiduciary Net Position below presents the Systems' assets and liabilities and the resulting net position restricted for pensions for the most recent three fiscal years. This statement reflects a year-end snapshot of the Systems' investments, at fair value, along with cash and short-term investments, receivables and other assets and liabilities.

Total fiduciary net position for all five defined benefit plans of the Systems combined, decreased from \$39.9 billion to \$38.4 billion, which is a decrease of more than 3% from the prior fiscal year ended June 30, 2021. The decrease in the fiduciary net position was primarily due to lower performance of plan investments.

It is important to note that growth in fiduciary net position depends on both investment performance and contributions from employers and employees. The plans are in a net cash outflow position with benefit payments exceeding contributions; therefore, investment

performance must first make up this gap before fiduciary net position can grow.

The Systems' investment portfolio participates in a securities lending program, managed by BNY Mellon, whereby securities are loaned for the purpose of generating additional income. Securities lending revenue net of borrower rebates was \$1.5 million, a decrease from \$1.8 million in the prior year. As reported by BNY Mellon, at June 30, 2022, the fair value of securities on loan was \$51.31 million, the fair value of the invested cash collateral was \$9.34 million, and the securities lending obligations were \$53.53 million. The reported difference in the value of the invested cash collateral and the securities lending obligations in the securities lending program, is reflected within "Other liabilities" on the Systems' Statement of Fiduciary Net Position, consistent with information reported on accounting statements provided by BNY Mellon as both the custodial bank and securities lending agent.

South Carolina Retirement Systems Fiduciary Net Position as of June 30

Amounts expressed in thousands

	2022	% Increase/ (Decrease)	2021	% Increase/ (Decrease)	2020
Assets					
Cash/cash equivalents, receivables and prepaid expenses	\$2,277,245	(50.46%)	\$4,596,950	(12.44%)	\$5,249,820
Investments, at fair value	36,907,526	(3.32%)	38,173,987	32.20%	28,875,414
Securities lending cash collateral invested	9,336	(56.27%)	21,348	4.38%	20,452
Capital assets, net of accumulated depreciation	1,907	(8.49%)	2,084	(3.34%)	2,156
Total assets	39,196,014	(8.41)%	42,794,369	25.32%	34,147,842
Liabilities					
Obligations under securities lending	9,336	(56.27%)	21,348	4.38%	20,452
Other liabilities	746,626	(74.03%)	2,874,921	0.03%	2,874,001
Total liabilities	755,962	(73.90)%	2,896,269	0.06%	2,894,453
Net position restricted for pensions	\$38,440,052	(3.65)%	\$39,898,100	27.66%	\$31,253,389

Statement of changes in fiduciary net position

The Statement of Changes in Fiduciary Net Position on Page 11 presents information showing how the Systems' net position restricted for pensions changed during the year for the most recent three fiscal years. This statement includes additions for employee, employer, nonemployer and state appropriated contributions and net investment income. It also includes deductions for retirement benefit payments for annuities, refunded contributions and death benefit payments, and administrative expenses.

The dollar amount of employee and employer contributions collected increased compared to the prior year, and the increase is primarily attributable to increased employer contribution rates and payroll growth. For fiscal year 2022, employee rates remained capped at 9% for SCRS and 9.75% for PORS; however, employer contribution rates for both SCRS and PORS increased by 1% of pay to 16.56% and 19.24%, respectively.

For the fiscal year ended June 30, 2022, the net of fee investment performance return on a time-weighted basis as reported by the custodial bank, BNY Mellon, was negative 0.97%. This return reflects performance of the Systems, at the aggregate for the pooled investments of the consolidated pension trust funds, after the deduction for manager fees and/or expenses. The Plan outperformed the policy benchmark, which returned negative 5.19%, by 422 basis points. Additionally, the Plan fell short of the actuarial assumed rate of return of 7% by 797 basis points.

Annuity benefits for the five defined benefit plans, taken as a whole, increased more than 3% from the prior fiscal year. The increase resulted from the required annual benefit adjustment equal to the lesser of 1% or \$500 granted to eligible SCRS and PORS annuity benefit recipients effective July 1, 2021, as well as a slight increase in the number of annuitants.



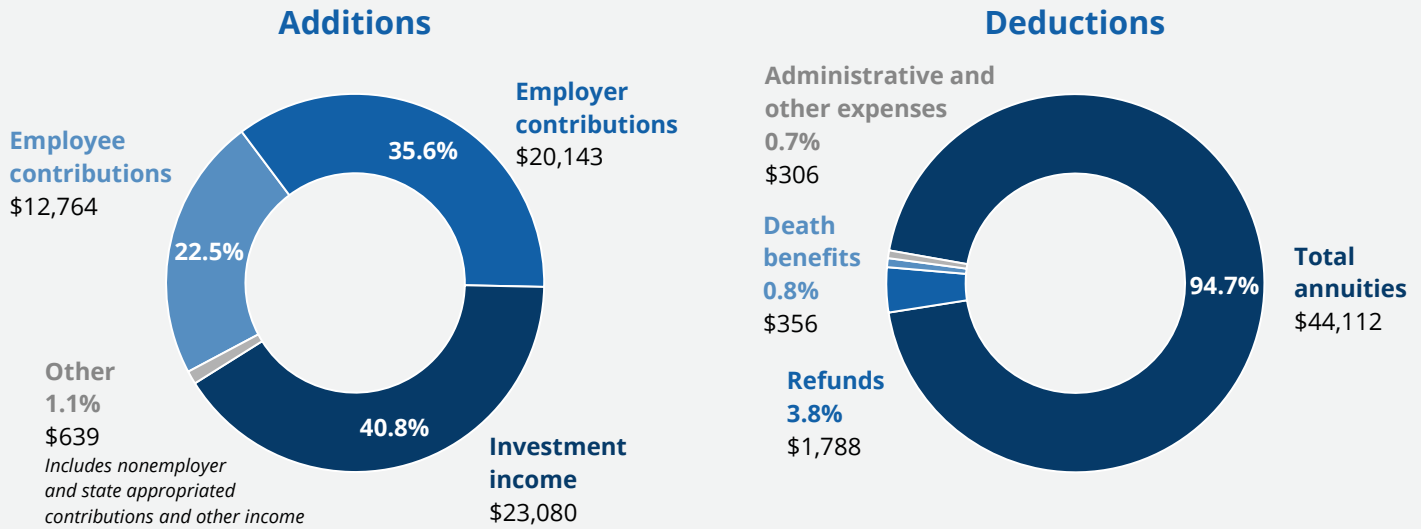
South Carolina Retirement Systems Changes in Fiduciary Net Position as of June 30

Amounts expressed in thousands

	2022	% Increase/ (Decrease)	2021	% Increase/ (Decrease)	2020
Additions					
Employee contributions	\$1,150,248	5.73%	\$1,087,933	0.78%	\$1,079,562
Employer contributions	2,202,429	12.31%	1,960,953	1.27%	1,936,319
Nonemployer contributions	104,076	0.00%	104,076	0.00%	104,076
State appropriate contributions	5,290	0.00%	5,290	0.00%	5,290
Net investment income (loss)	(995,127)	(110.77)%	9,243,637	1864.58%	(523,842)
Other income	3,436	67.61%	2,050	10.10%	1,862
Total additions	2,470,352	(80.08)%	12,403,939	376.48%	2,603,267
Deductions					
Annuity benefits	3,676,477	3.44%	3,554,269	2.97%	3,451,616
Refunds	193,258	29.96%	148,709	5.82%	140,534
Death benefits	34,066	0.87%	33,771	33.36%	25,324
Administrative and other expenses	24,599	9.43%	22,479	22.39%	18,367
Total deductions	3,928,400	4.50%	3,759,228	3.39%	3,635,841
Net increase (decrease) in net position	(1,458,048)	(116.87)%	8,644,711	937.20%	(1,032,574)
Net position restricted for pensions					
Beginning of year	39,898,100	27.66%	31,253,389	(3.20%)	32,285,963
End of year	\$38,440,052	(3.65)%	\$39,898,100	27.66%	\$31,253,389

Additions and deductions to pension trust funds | 2008-2022

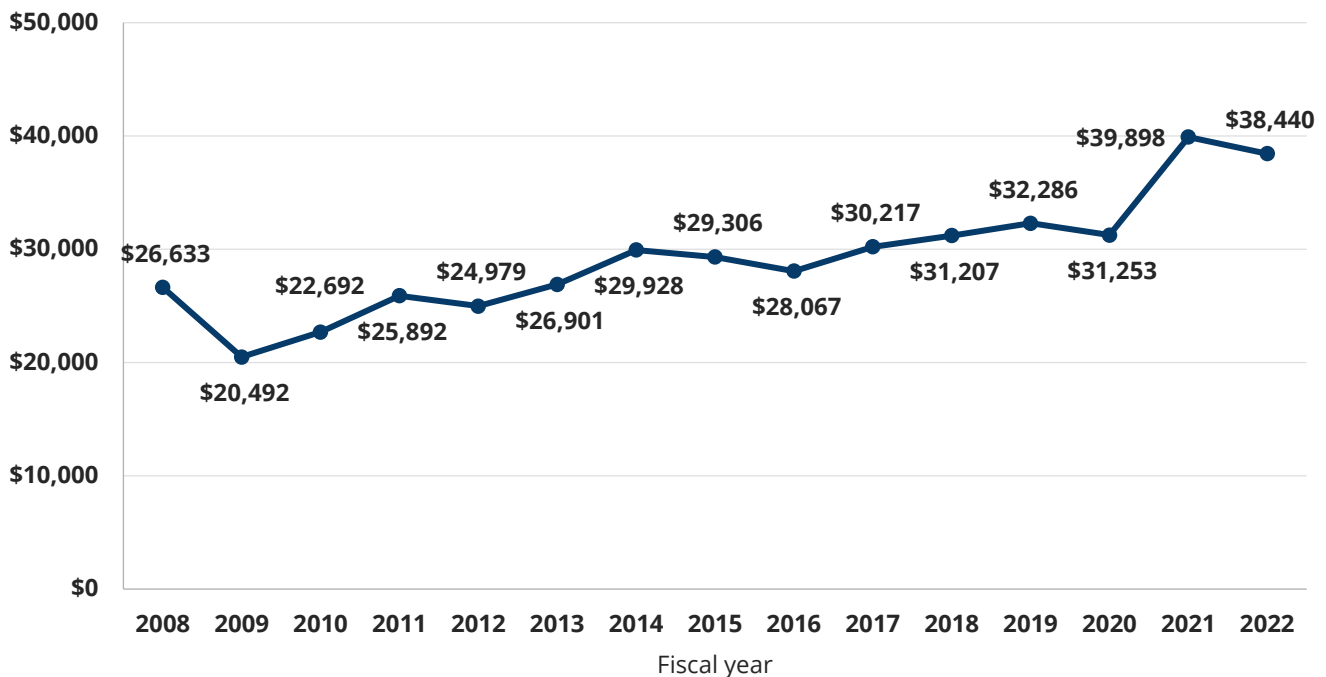
Includes SCRS, PORS, GARS, JSRS and SCNG | Amounts expressed in thousands



The following graph reflects Fiduciary Net Position restricted for pensions for the five consolidated defined benefit plans over the past 15 fiscal years.

South Carolina Retirement Systems Fiduciary Net Position for Past 15 Fiscal Years as of June 30

Amounts expressed in millions



Additions and deductions to pension trust funds in fiscal year 2022

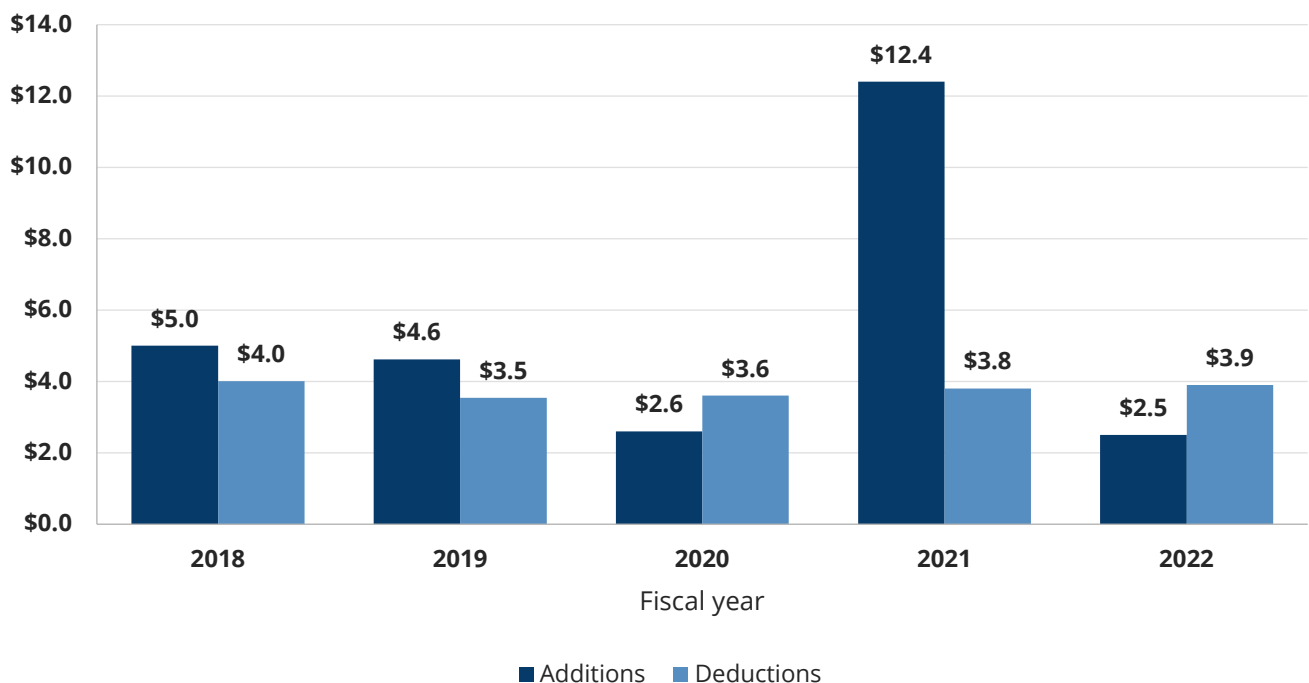
Includes SCRS, PORS, GARS, JSRS and SCNG



The following graph represents additions from all sources (employee contributions, employer contributions and investment gains and losses) and deductions (annuities, refunds, death benefits, administrative expense and depreciation) from Fiduciary Net Position over the past five fiscal years.

South Carolina Retirement Systems Summary of Additions and Deductions for Past Five Fiscal Years as of June 30

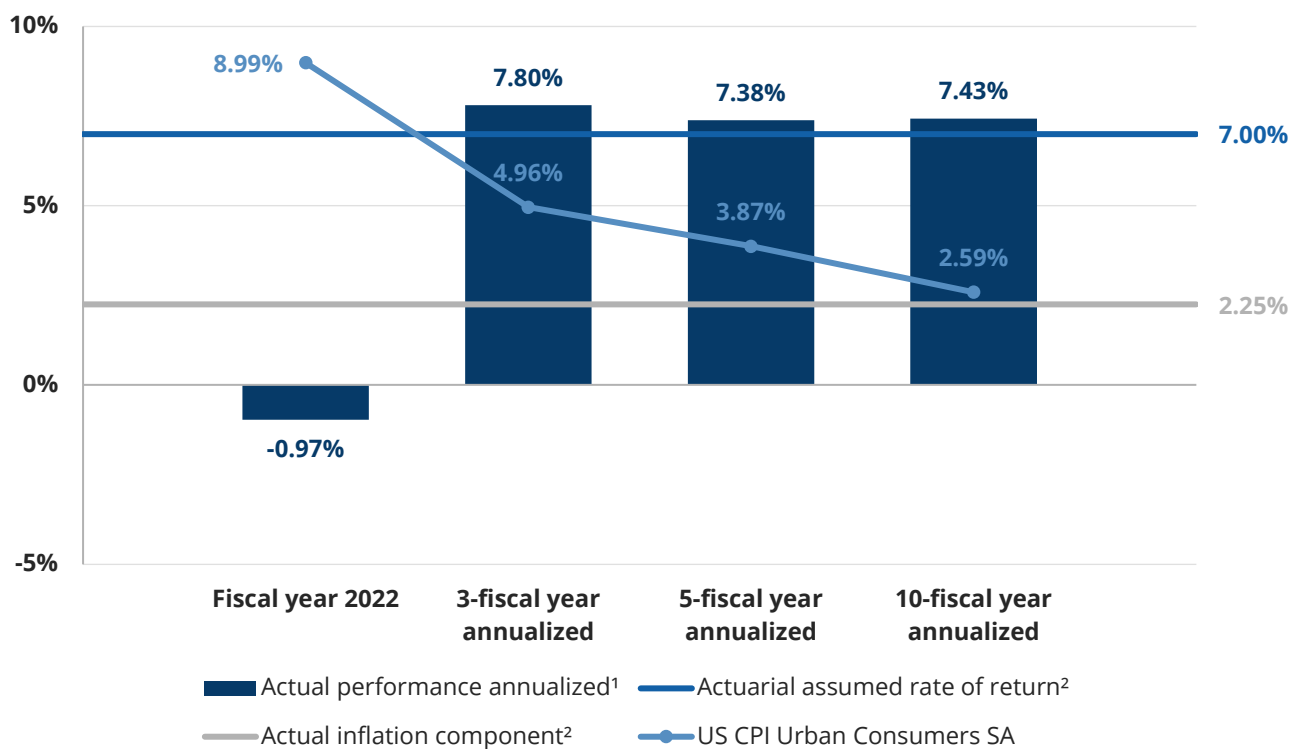
Amounts expressed in millions



Investments overview

As of June 30, 2022, the custodial bank reported that the net asset value of the pension trust funds had a fair value of \$38 billion. This represents an \$1 billion decrease, after payment of benefits, over the previous fiscal year end's fair value. The Retirement System Investment Commission (RSIC) is responsible for investing and managing the pension trust funds. The Systems' investment policies and strategies are available on RSIC's website at www.rsic.sc.gov.

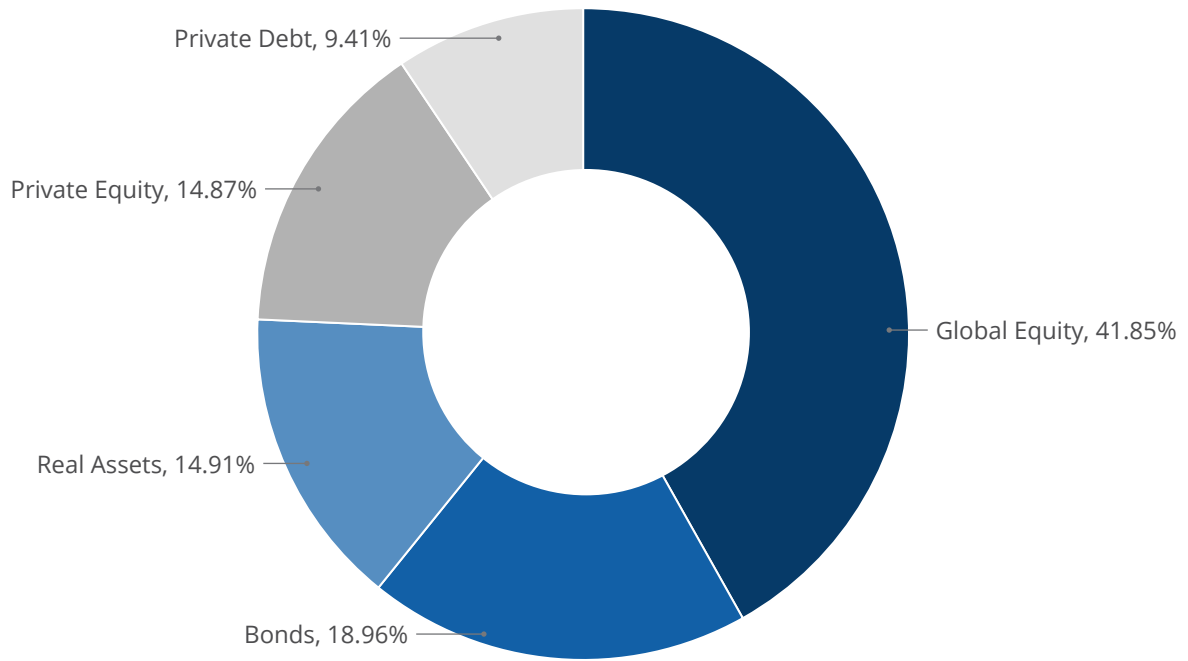
Summary of Investment Performance as of June 30, 2022



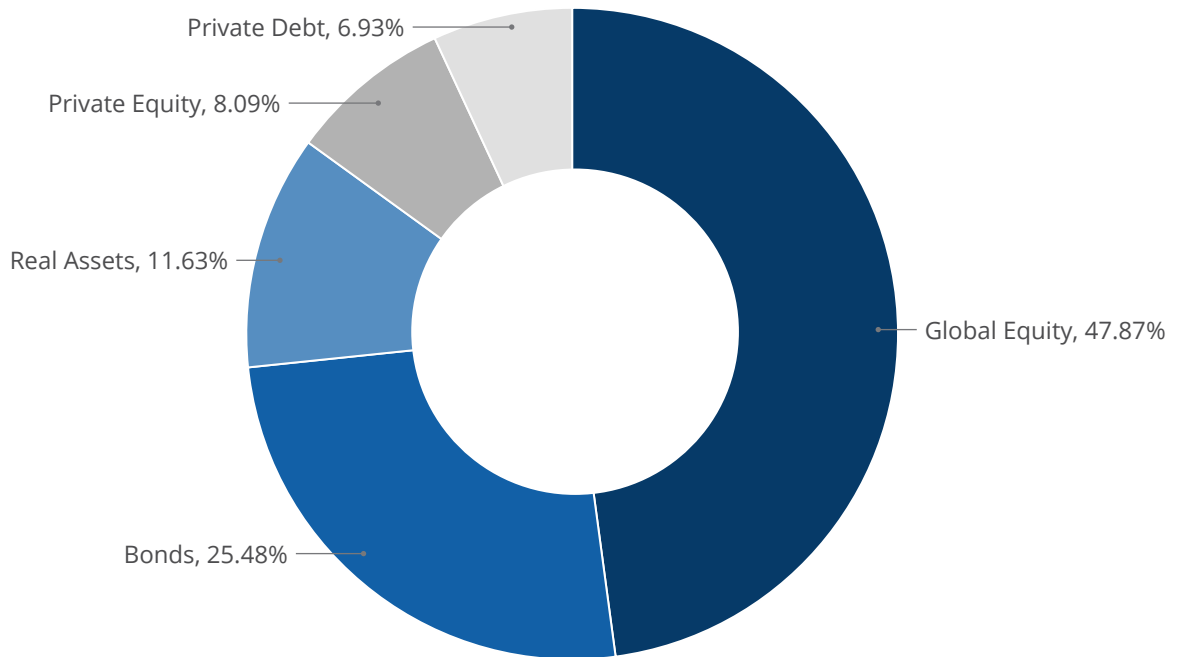
¹Plan returns are provided by BNY Mellon and are presented on a time-weighted calculation basis, net of fees. All returns are expressed in U.S. dollars. Periods greater than one year are annualized. Total Plan trailing periods reflect a performance correction that affected the time period March 31, 2015, through June 30, 2022.

²The actuarial assumed rate of return was set at 7.50%, net of investment expense, for fiscal years 2011 through 2017, 7.25% for fiscal years 2018 through 2021, then 7% beginning with fiscal year 2021. The rate was composed of 2.75% inflation and 4.75% real rate of return through fiscal year 2016; 2.25% inflation and 5.25% real return for fiscal year 2017; 2.25% inflation and 5% real return for fiscal years 2018 through 2021; and 2.25% inflation and 4.75% real return beginning with fiscal year 2021.

Portfolio Exposure as of June 30, 2022¹



Portfolio Exposure as of June 30, 2021¹



¹Asset class exposures include exposure from RSIC's derivative overlay program. Portable Alpha Hedge Funds, as collateral supporting the Overlay program, net to zero when calculating total Plan exposure.

South Carolina Retirement Systems List of Largest Assets Held as of June 30, 2022

Index fund holdings

Units	Description	SCRS	PORS	GARS	JSRS	SCNG	Fair value
14,609,377	Blackrock Emerging Equity Small Cap	\$178,974,774	\$33,099,039	\$222,521	\$1,121,112	\$188,414	\$213,605,859
3,747,694	Blackrock MSCI Canada Small Cap Equity Index Fund	54,334,372	10,048,430	67,554	340,355	57,200	64,847,911
34,481,713	Blackrock MSCI EAFE Small Cap Equity Index Fund	485,447,131	89,777,085	603,561	3,040,878	511,049	579,379,702
339,198,758	Blackrock MSCI ACWI Equity Index Fund	7,308,594,514	1,351,628,770	9,086,840	45,781,589	7,694,035	8,722,785,748
310,657	Blackrock MSCI Equity Index Fund Russia	989	183	1	6	1	1,180
12,066,850	State Street MSCI United States Index SL CTF	2,081,711,304	384,985,223	2,588,210	13,039,997	2,191,496	2,484,516,231
90,199,581	State Street MSCI ACWI Ex USA SL Fund	1,353,563,922	250,323,908	1,682,898	8,478,827	1,424,948	1,615,474,503
Total of index fund holdings							\$13,680,611,134

Top 10 equity holdings

Units	Description	SCRS	PORS	GARS	JSRS	SCNG	Fair value
283,270	Prologis Inc	\$27,923,586	\$5,164,101	\$34,718	\$174,915	\$29,396	\$33,326,716
624,630	Invitation Homes Inc	18,621,190	3,443,745	23,152	116,645	19,603	22,224,335
33,660	Equinix Inc	18,529,827	3,426,849	23,038	116,072	19,507	22,115,293
195,905	Life Storage Inc	18,328,283	3,389,576	22,788	114,810	19,295	21,874,752
84,458	American Tower Corp	18,086,865	3,344,929	22,488	113,297	19,041	21,586,620
468,460	UDR Inc	18,071,179	3,342,028	22,468	113,199	19,024	21,567,898
937,330	Brixmor Property Group Inc	15,872,213	2,935,358	19,734	99,425	16,709	18,943,439
111,481	Crown Castle Inc	15,727,874	2,908,664	19,555	98,521	16,557	18,771,171
59,710	Public Storage	15,642,708	2,892,914	19,449	97,987	16,468	18,669,526
257,140	Equity Residential	15,559,864	2,877,593	19,346	97,468	16,380	18,570,651
Total of top 10 equity holdings							\$217,650,401

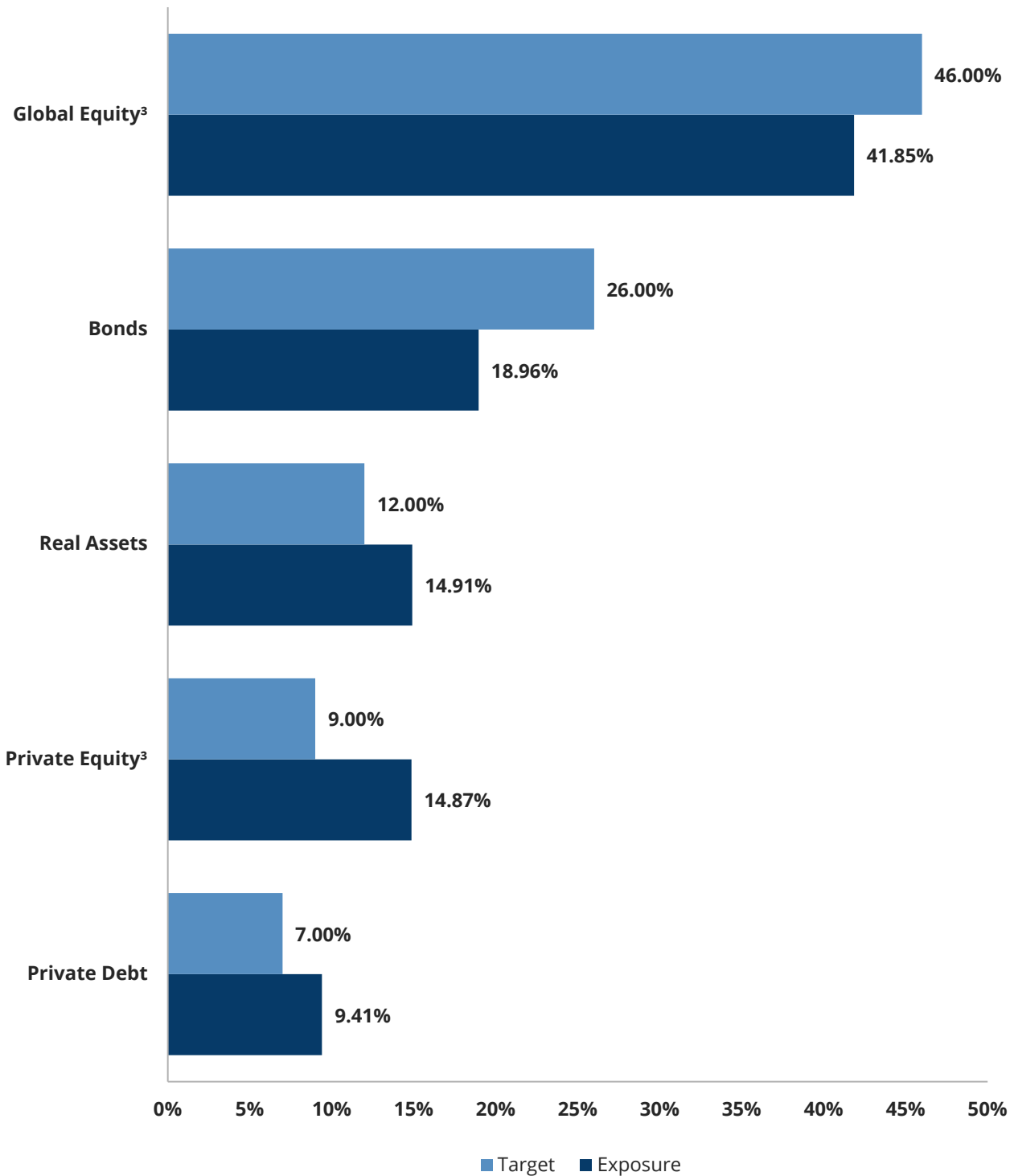
South Carolina Retirement Systems List of Largest Assets Held as of June 30, 2022 (cont.)

Top 10 fixed income holdings

Par value	Description	SCRS	PORS	GARS	JSRS	SCNG	Fair Value
82,200,000	Commit to Purchase FNMA SF Mtg 3.00% due 08/01/2052	\$64,142,332	\$11,862,284	\$79,749	\$401,792	\$67,525	\$76,553,682
31,800,000	Commit to Purchase FNMA SF Mtg 3.50% due 08/01/2052	25,629,506	4,739,841	31,865	160,545	26,981	30,588,738
29,800,000	US Treasury Bond 2.50% due 02/15/2045	21,316,978	3,942,296	26,504	133,531	22,441	25,441,750
20,600,000	Vicof III Trust 0.00% due 12/31/2024	17,098,929	3,162,223	21,259	107,109	18,001	20,407,521
20,000,000	Commit to Purchase FNMA SF Mtg 4.00% due 08/01/2052	16,513,322	3,053,922	20,531	103,441	17,384	19,708,600
15,467,886	Gores Pipe LLC 8.00% due 11/30/2024	12,960,138	2,396,808	16,113	81,183	13,644	15,467,886
(13,900,000)	Commit to Purchase FNMA SF Mtg 2.00% due 08/01/2052	(10,117,618)	(1,871,121)	(12,579)	(63,378)	(10,651)	(12,075,347)
10,158,479	GNMA GTD REMIC P/T 15-H09 FA Var Rate due 04/20/2065	8,419,685	1,557,110	10,468	52,742	8,864	10,048,869
9,800,000	US Treasury Note 2.125% due 09/30/2024	8,065,251	1,491,563	10,028	50,521	8,491	9,625,854
6,349,000	Unique Pub Finance CO PLC REGS 6.464% due 03/30/2032	7,569,037	1,399,794	9,411	47,413	7,968	9,033,623
Total of top 10 fixed income holdings							\$204,801,176

A complete list of portfolio holdings is available upon request.

Portfolio Exposure and Target Asset Allocation as of June 30, 2022^{1, 2}



¹Target Asset Allocation reflects the policy targets that were adopted by the Commission and in effect at the end of fiscal year 2022.

²Asset class exposures include exposure from RSIC's derivative overlay program. Portable Alpha Hedge Funds, as collateral supporting the Overlay program, net to zero when calculating total Plan exposure.

³The target weight to Private Equity is equal to its actual weight, reported by the custodial bank, as of the prior month end. The target weight to Public Equity floats in relation to Private Equity such that the combined target weight of both asset classes equals 55% of the Plan.



PEBASM
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