



Meeting minutes | Board of Directors

Wednesday, October 22, 2025 | 2 p.m.

202 Arbor Lake Dr., Columbia, SC 29223 | First Floor Conference Room

Minutes approved December 4, 2025

Board members present for all or a portion of the meeting: Ms. Amanda Blankenship, Mr. Calvin Elam, Mr. Steve Heisler, Ms. Paige Lewis, Mr. Steve Matthews, Chairman Joe “Rocky” Pearce, Mr. Alex Shissias, and Mr. Ed Walton.

Board members present for all or a portion of the meeting via virtual means: Ms. Jennifer Blumenthal Sheriff Steve Mueller, and Mr. John Sowards.

Others present for all or a portion of the meeting: Lee Allen, Ashley Brindle, Peggy Boykin, Robby Brown, Amber Carter, Heather Muller, Heather Kirby, Laura Smoak, Rob Tester, Katie Turner, Travis Turner, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Andrew Chernick from the South Carolina Retirement System Investment Commission; James D’Alessio, Matt Shaffer, and Carmen Wilson from BlueCross BlueShield of South Carolina; Bill Tomes from Public Management Leadership Development Services, LLC.; and Noah Barker from The Mullikin Law Firm.

Others present for all or a portion of the meeting via virtual means: Jessica Moak and Angie Warren from PEBA; and Bryan Dingle from Federated Investors.

I. Call to order

Chairman Rocky Pearce called the PEBA Board of Director’s (Board) meeting to order at 2 p.m. and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Approval of meeting minutes (August 20, 2025) (August 21, 2025)

Mr. Steve Heisler made a motion, which was seconded by Ms. Paige Lewis, and passed unanimously, to approve the minutes from the August 20-21, 2025, Board retreat.

III. OPEB investment performance update

Ms. Peggy Boykin, Executive Director, introduced Mr. Bryan Dingle, Vice President, and Senior Portfolio Manager for Federated Investment Counseling, to present an Other Post-Employment Benefits (OPEB) portfolio overview.

Mr. Dingle reviewed a performance summary and portfolio composition for the Retiree Health Insurance Trust Fund and the Long-Term Disability Insurance Trust Fund. It was noted that the PEBA Board is the Trustee of the Funds, the South Carolina Treasurer is the Custodian of the Funds, and Federated Investment Counseling invests the Funds on behalf of the Treasurer. Mr. Dingle stated

that as of September 30, 2025, the Long-Term Disability Insurance Trust Fund has \$33,594,602 in assets, and the Retiree Health Insurance Trust Fund has \$1,850,285,237 in assets.

Mr. Dingle concluded his presentation by reviewing an economic outlook, including CPI change year-over-year, and a U.S. Gross Domestic Product (GDP) quarter-over-quarter annualized.

IV. State and federal policy update

Mr. James D'Alessio, Vice-president, Governmental Affairs with BlueCross BlueShield of South Carolina, discussed the current national and state political and policy landscape. Mr. D'Alessio stated that healthcare policy is one of the major reasons of the current government shutdown, specifically the potential extension of the enhanced premium tax credits under the Affordable Care Act (ACA). Mr. D'Alessio reported that this policy was extended in the Inflation Reduction Act, and is set to expire at the end of December 2025, which could leave an additional 142,000 people in South Carolina uninsured at the beginning of 2026, and could cause South Carolina to lose approximately 900 million dollars in uncompensated care by provider and hospitals.

Mr. D'Alessio added that if the government shutdown is still in existence on November 1, 2025, the Supplemental Nutrition Assistance Program (SNAP) benefits will not be funded, and new pricing on healthcare.gov will be reflected without the additional subsidies, resulting in tremendous premium increases.

V. Committee reports

A. Health Care Policy Committee

Committee Chairman Shissias reported that when the Health Care Policy Committee met in the morning, they received an annual review of the Medical University of South Carolina (MUSC) Health Plan, and an update on Wondr Health, which is a behavioral change health program focusing on improving weight and overall health for members.

Chairman Shissias advised that Mr. Rob Tester, Insurance Policy Director, reviewed the 2027 State Health Plan Budget Requirements that will become effective January 1, 2027, and noted that there will be no increase required for 2027 to sustain the current State Health Plan.

Chairman Shissias stated that the Health Care Policy Committee made a motion that the PEBA Board approve the 2027 State Health Plan budget requirements as presented. PEBA Board Chairman Rocky Pearce reminded the Board that a Committee motion does not require a second. The motion passed unanimously.

B. Retirement Policy Committee

Committee Chairman Paige Lewis reported that the Retirement Policy Committee met that morning, and CAPTRUST presented the South Carolina Defined Contribution Plans Quarterly Investment Performance Report for the quarter ended June 30, 2025.

Chairman Lewis advised that Ms. Nancy Ornduff, from Empower, presented the second quarter of 2025 Deferred Comp quarterly plan summary to the Committee, and Ms. Marybeth Daubenspeck, Vice President Government Markets, discussed cybersecurity and artificial intelligence (AI) and how customer data is protected through AI.

Chairman Lewis added that Mr. Wayne Veal, Jr., from Voya Financial, presented an overview of the State ORP administered through Voya. It was noted that Voya is one of four service providers for the State ORP.

C. Finance, Administration, Audit and Compliance (FAAC) Committee

Committee Chairman Jennifer Blumenthal reported that the FAAC Committee met that afternoon, and Ms. Lee Allen, Director of Internal Audit, presented internal audit reports related to Office of Foreign Assets Control (OFAC) compliance testing, Proviso 104.10 Purchasing Card Audit Report, Internal Audit Report 2025-01 – Mail Services and Postage, and the October 2025 Internal Audit Plan update.

VI. Old business

Director's report

Ms. Peggy Boykin, Executive Director, provided the Director's report and stated that the financial statement audits for the Retirement Systems and the State Health Insurance Trust funds have been completed by Crowe and are posted to PEBA's Website. Ms. Boykin stated that Crowe will present the financial statements at the December 4, 2025, Board meeting. Ms. Boykin also noted that PEBA's actuaries, Gabriel, Roeder, Smith & Company (GRS), will present the 2025 Retirement Systems Actuarial Valuations to the Board at the December Board meeting.

Ms. Boykin reminded the Board that the Retirement System Investment Commission (RSIC) reported a 11.34 percent return for the fiscal year ending June 30, 2025.

Ms. Boykin added that PEBA's budget hearing with the Governor's office is scheduled for Thursday, October 30, 2025, with formal hearings after the beginning of 2026.

Ms. Boykin stated that the next Board meeting is Thursday, December 4, 2025.

VII. Executive Session for the purpose of discussing personnel matters and legal advice pursuant to S.C. Code of Laws § 30-4-70(a)(1)(2)

At 2:42 p.m., Mr. Calvin Elam made a motion, which was seconded by Mr. Heisler, and passed unanimously, to recede into executive session to discuss contractual matters and receive legal advice.

At 2:50 p.m., the meeting reconvened in open session. Chairman Pearce announced that no action was taken by the Board while in executive session.

VIII. Adjournment

There being no further business, and upon a motion by Mr. Elam, which was seconded by Mr. Shissias, and approved unanimously, the Board meeting adjourned at 2:52 p.m.