

## Meeting Minutes | Retirement Policy Committee

Wednesday, March 6, 2019 | 1:00 p.m.  
202 Arbor Lake Dr., Columbia, SC 29223 | First Floor Conference Room

Minutes Approved July 24, 2019

**Board Members Present:** Ms. Jennifer Blumenthal, Chairman Steve Heisler, Ms. Paige Lewis, and Mr. Audie Penn

**Board Members Present Via Telephone:** Sheriff Leon Lott

**Board Members Absent:** Mr. Ed Walton

**Others Present for All or a Portion of the Meeting:** Ashley Brindle, Amber Carter, Sarah Corbett, Joe Greene, Jessica Moak, Heather Muller, Tammy Nichols, Sheila Pinckney, Travis Turner, Stephen Van Camp, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Sam Griswold and Wayne Pruitt from the State Retirees Association of South Carolina; Dan Morrison and Nancy Ornduff from Empower Retirement; Mike Wright and Joe Ferguson from Segal Marco Advisors; Bruce Sheinhaus from TIAA; Natalie Daniels and Denise Fortune from Voya Financial; Billy Peebles and Jamie Robinson with AIG; and David Johnson with MetLife.

### I. Call to Order

Chairman Steve Heisler called the PEBA Retirement Policy Committee (Committee) meeting to order at 1:00 p.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act. Chairman Heisler advised that there are several Board members attending the Retirement Policy Committee meeting that are not Committee members. He reminded the additional Board members that they are not permitted to participate in discussions during the Committee meeting, and must reserve comments or questions until after the meeting adjourns.

### II. Approval of Meeting Minutes-December 5, 2018

Sheriff Leon Lott made a motion, which was seconded by Ms. Paige Lewis, and passed unanimously, to adopt the December 5, 2018, meeting minutes as presented.

### III. Defined Contribution Quarterly Reports

Mr. Mike Wright and Mr. Joe Ferguson from Segal Marco Advisors presented the South Carolina Defined Contribution Plan (SCDCP) report for the quarter ending December 31, 2018. Mr. Wright provided a market overview, and stated that U.S. and international equities declined during the fourth quarter of 2018, while U.S. and international fixed income slightly increased in the quarter.

Mr. Ferguson reviewed the SCDCP asset allocation and fund line-up performance for the quarter, and advised that there are no investment options in the SCDCP that require further review at this time. Mr. Ferguson advised that in December 2018, Fidelity streamlined the number of share classes for many of its mutual funds.

Mr. Ferguson turned the discussion to the State Optional Retirement Program (State ORP) investment performance for the fourth quarter of 2018, and reported that the Mass Mutual INVESCO Small Cap Discovery fund outperformed the index, yet fell in the bottom half of its peer group universe for the three-year period. For the five-year period, the fund fell below the index yet placed in the top half of its peer group. Mr. Ferguson stated that Segal Marco will continue to monitor performance returns.

Mr. Ferguson advised that the Mass Mutual Oppenheimer International Growth fund fell below its index and peer group median for both the three and five year periods, and Segal Marco will continue to monitor this fund on an informal basis. Mr. Ferguson stated that in October 2018, the Board approved the removal of the Mass Mutual Thornburg Developing World fund, and the subsequent addition of the JP Morgan Emerging Markets as a replacement, which occurred in December 2018.

Mr. Ferguson reported that the Mass Mutual Ivy Science and Technology fund fell below its index and peer group median for both the three and five year periods, and Segal Marco will continue to monitor this fund on an informal basis.

Mr. Ferguson also noted that the TIAA CREF Inflation Linked Bond fund fell below its index for both the three and five year periods, yet placed in the top half of the peer group universe. Segal Marco will continue to monitor this fund on an informal basis as well.

#### **IV. Deferred Compensation Program Plan Summary**

Ms. Nancy Ornduff, from Empower Retirement, presented the fourth quarter plan activity summary to the Committee. Ms. Ornduff also reviewed a Plan statistics summary, historical trends analysis, a review of completed communications projects, fourth quarter website statistics, and educational campaigns.

#### **V. Old Business/Director's Report**

Ms. Peggy Boykin, Executive Director, stated that she will present the Director's Report at the full Board meeting.

#### **VI. Adjournment**

There being no further business, and upon motion by Ms. Lewis, which was seconded by Sheriff Lott, and approved unanimously, the Committee meeting adjourned at 2:00 p.m.