

## **Meeting Minutes | Retirement Policy Committee**

Thursday, September 21, 2017 | 1:00 p.m.  
200 Arbor Lake Dr., Columbia, SC 29223 | Second Floor Conference Room

Minutes Approved December 13, 2017

**Board Members Present:** Chairman Steve Heisler, Mr. Audie Penn, and Mr. Ed Walton

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

**Board Members Absent:** Mr. David Tigges

**Others Present for All or a Portion of the Meeting:** Peggy Boykin, Ashley Brindle, Amber Carter, Sarah Corbett, Megan Lightle, Heather Muller, Tammy Nichols, Sheila Pinckney, Travis Turner, Stephen Van Camp, and Justin Werner from the South Carolina Public Employee Benefit Authority (PEBA); Wayne Pruitt from the State Retirees Association of South Carolina; Nancy Ornduff from Empower Retirement, and Mike Wright and Joe Ferguson from Segal Marco Advisors.

### **I. Call to Order**

Chairman Steve Heisler called the PEBA Retirement Policy Committee (Committee) meeting to order at 1:02 p.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

### **II. Approval of Meeting Minutes- July 19, 2017**

Sheriff Leon Lott made a motion, which was seconded by Mr. Ed Walton, and passed unanimously, to adopt the July 19, 2017, meeting minutes as presented.

### **III. Election of Committee Vice-Chairman**

Chairman Heisler made a motion, which was seconded by Mr. Walton, and passed unanimously, to nominate Mr. David Tigges as the Retirement Policy Committee Vice-Chairman.

### **IV. Segal Marco Advisors**

Mr. Travis Turner, Chief Financial Officer, introduced Mr. Mike Wright and Mr. Joe Ferguson from Segal Marco Advisors, the new investment consultants for PEBA's Defined Contribution programs. Mr. Wright and Mr. Ferguson will be presenting the quarterly investment performance reports going forward.

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

Ms. Nancy Ornduff, from Empower Retirement, presented the second quarter plan activity summary. Ms. Ornduff stated that as of June 30, 2017, Plan assets increased by \$101.31 million,

or 2.5 percent. Incoming rollovers to the Program have increased year over year from \$15.8 million to \$33.4 million, and outgoing rollovers increased year over year from \$16.6 million to \$20.9 million. Ms. Ornduff stated that the South Carolina Stable Value Fund remains healthy with a market to book ratio of 100 percent.

Ms. Ornduff reported that the number of participants utilizing Managed Accounts or advice Services increased from 16,877 in the first quarter of 2017, to 17,724 in the second quarter of 2017.

Ms. Ornduff advised that contributions increased year over year from \$53.64 million as of June 30, 2016, to \$74.15 million as of June 30, 2017, and the total number of participants investing 100 percent in Target Date Funds increased from 6,535 to 6,684.

Ms. Ornduff reported that there are 733 total participating employers in the Program, and concluded her presentation by stating that as of June 30, 2017, 99.53 percent of employers are 100 percent compliant with the Business Transformation Project.

#### **VI. Committee Charter Review**

Sheriff Lott made a motion, which was seconded by Mr. Walton, and passed unanimously, to approve the Retirement Policy Committee Charter as revised, and to recommend the revised Committee Charter to the Board for approval.

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

Ms. Peggy Boykin, Executive Director, stated that the PEBA Board Retreat will be October 18-19, 2017. The regular business meeting will be on the first day, and the second day will be reserved for educational training to meet the Board's educational requirements. Ms. Boykin stated that the Board will consider a preliminary State Health Plan budget proposal at the Retreat.

Ms. Boykin reported that the Joint Committee on Pension Systems Review last met on August 29, 2017, and they have not announced the next hearing date. Ms. Boykin advised that PEBA will continue to work collaboratively with the Joint Committee on Pension Systems Review to provide any actuarial analysis that may be needed.

#### **VIII. Adjournment**

There being no further business, and upon motion by Sheriff Lott, which was seconded by Mr. Walton, and approved unanimously, the Committee meeting adjourned at 1:30 p.m.