Meeting Minutes | Finance, Administration, Audit and Compliance (FAAC) Committee

Wednesday, August 17, 2016 | 3:15 p.m.
200 Arbor Lake Dr., Columbia, SC 29223 | Second Floor Conference Room

Meeting Minutes Approved October 19, 2016

Board Members Present: Frank Fusco, Chairman Steve Matthews, and Mr. Steve Osborne

Board Members Present Via Telephone: Ms. Stacy Kubu

Others Present for All or a Portion of the Meeting: Melissa Alexander**,** Peggy Boykin**,** Sarah Corbett, Doug Hislop, Heather Muller, James Manning, Darry Oliver, Tammy Nichols, Stephen Van Camp, Justin Werner, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); and Wayne Pruitt from the State Retirees Association of South Carolina.

I. Call to Order

Chairman Steve Matthews called the PEBA Finance, Administration, Audit and Compliance (FAAC) Committee meeting to order at 3:15 p.m., and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

II. Adoption of Proposed Agenda

Mr. Steve Osborne made a motion, which was seconded by Ms. Stacy Kubu, and passed unanimously, to adopt the proposed meeting agenda.

III. Approval of Meeting Minutes- July 20, 2016

Mr. Osborne made a motion, which was seconded by Ms. Kubu, and passed unanimously, to approve the minutes from the July 20, 2016, Committee meeting.

IV. Election of Committee Vice-Chairman

Mr. Osborne made a motion, which was approved by acclamation, to elect Ms. Kubu to serve as the FAAC Committee Vice-Chairman.

V. FY 2018 PEBA Agency Budget Request

Ms. Peggy Boykin, Executive Director, presented the annual agency budget report to the Committee, and provided a brief history of PEBA's approved budget authorizations. Ms. Boykin reminded the Committee that PEBA's operating budget is funded by the insurance and retirement Trust Funds, not from the General Fund. Ms. Boykin added that there has not been an increase in basic approved fund authorization since fiscal year 2012, except for an additional $700,000 that was added in fiscal year 2015 for the fiduciary audit, and when administrative items were transferred to PEBA after the Department of Administration was created.

Ms. Boykin reported that the cost estimate for completing the Operational Assessment is $50 million ($10 million dedicated annually for five years). Additionally, $1.9 to $2.5 million in informational technology operating cost will be required. Ms. Boykin pointed out that PEBA will also request authorization for an additional 10 FTEs for the duration of the project. The total budget amount requested for FY 2018 is $49,525,111.

Mr. Osborne made a motion, which was seconded by Ms. Kubu, and passed unanimously, to approve the fiscal year 2018 PEBA agency budget and submit to the full Board for approval.

VI. Conference Event Attendance Policy Approval

Mr. Justin Werner, Legal Counsel, reviewed the Conference Event Attendance Policy which outlines the instances where PEBA Board members, directors, and employees attending an educational conference or seminar as a representative of PEBA may attend a meal, coffee break, reception or other similar networking event sponsored by a current or potential PEBA vendor without paying the full cost of attendance.

Mr. Osborne made a motion, which was seconded by Ms. Kubu, and passed unanimously, to approve the Conference Event Attendance Policy as presented, and submit to the full Board for approval.

VII. Old Business/Director's Report

Ms. Boykin stated that she did not have any additional information to report.

VIII. Adjournment

There being no further business, the Committee meeting adjourned at 3:40 p.m.