



## Meeting minutes | Board of Directors

Thursday, December 04, 2025 | 1 p.m.

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

Minutes approved March 4, 2026

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

**Board members present for all or a portion of the meeting via virtual means:** Sheriff Steve Mueller

**Board members absent:** Mr. Alex Shissias and Mr. John Sowards

**Others present for all or a portion of the meeting:** Lee Allen, Bob Avery, Ashley Brindle, Peggy Boykin, Robby Brown, Phyllis Buie, Heather Muller, Tammy Nichols, Danielle Quattlebaum, Breta Rheney, Rob Tester, Travis Turner, Justin Werner, Faith Wright, and Heather Young from the South Carolina Public Employee Benefit Authority (PEBA); Danny White from Gabriel, Roeder, Smith & Company; and Sam Griswold from the State Retirees Association of South Carolina.

**Others present for all or a portion of the meeting via virtual means:** Jessica Moak from PEBA

### I. Call to order

Chairman Rocky Pearce called the PEBA Board of Director’s (Board) meeting to order at 1 p.m. and stated that the public meeting notice was posted in compliance with the Freedom of Information Act.

### II. Approval of meeting minutes (October 22, 2025)

Ms. Paige Lewis made a motion, which was seconded by Ms. Jennifer Blumenthal, and passed unanimously, to approve the minutes from the October 22, 2025 meeting.

### III. Presentation of the 2025 Actuarial Valuations by the external actuary

Mr. Danny White, Senior Consultant from Gabriel, Roeder, Smith & Company (GRS), presented the 2025 Retirement Systems Actuarial Valuations to the Board. Mr. White noted that the investment return for the South Carolina Retirement Systems fiscal year 2025 was 11.34 percent.

Mr. White discussed the summary results of the 2025 valuation for both the South Carolina Retirement System (SCRS) and the Police Officer’s Retirement System (PORS), and pointed out that the actuarial accrued liability for both SCRS and PORS decreased. Mr. White added that the calculated funding period for SCRS decreased from 14 years to 12 years, and from 13 years to 11 years for PORS in 2025, due to additional employee contributions, and higher than expected asset returns.

Mr. White also provided the Valuation results for the Judges and Solicitors Retirement System (JSRS); the General Assembly Retirement System (GARS); the South Carolina National Guard Retirement (SCNG) System, specifically noting that the unfunded liability decreased for each of these systems as well.

Mr. White reviewed historical and projected liability and assets for both SCRS and PORS, and provided a history of the Unfunded Actuarial Accrued Liability (UAAL) for SCRS. It was noted that the employer contribution rates for both SCRS and PORS are statutorily scheduled and are fully phased in accordance with the 2017 Act. Mr. White stated that full 100 percent funding will be met for SCRS by the year 2036 based on the current contribution rate of 9.00 percent remaining in effect, and meeting actuarial assumptions, including a 7.0 percent annual return. Mr. White added that 85 percent funding for SCRS should occur in 2032, and the PEBA Board may want to evaluate a policy to lower the contribution rates for employers and members once the system becomes 85 percent funded. It was noted that 85 percent funding for PORS should occur in 2030, based on the current contribution rate of 9.75 percent remaining in effect.

Mr. Steve Heisler made a motion, which was seconded by Ms. Lewis, and passed unanimously, that the PEBA Board receive as information the actuarial valuations of SCRS, PORS, JSRS, GARS, and SCNG as of July 1, 2025; and adopt the employer contributions for JSRS, GARS, and SCNG recommended therein, to be effective July 1, 2026.

#### **IV. Financial Statements Audit review by the external auditor**

Mr. Kevin Smith, Audit Partner, CPA, from Crowe, PEBA's External Auditor, provided the findings from the 2025 Audit Reports.

Mr. Smith reviewed the audit findings for the South Carolina Deferred Compensation Program (Deferred Comp) for the year ending December 31, 2024, the South Carolina Retirement Systems Financial Statements for the year ending June 30, 2025, and the Insurance Financial Statements for the year ending June 30, 2025. Mr. Smith state all three audit reports were an unmodified "clean" opinion, and there were no material weaknesses, significant deficiencies, or findings to report.

Mr. Smith stated that Crowe performed the audit in accordance with the American Institute of Certified Public Accountants (AICPA), and additional Government Auditing Standards. Mr. Smith added that there were no corrected or uncorrected misstatements found in the financial statements.

Mr. Smith thanked the PEBA staff and management team for all their tremendous efforts in producing the financial statements. Mr. Smith also thanked PEBA management and staff for their cooperation and professionalism during the audits.

#### **V. 2026 Board meeting schedule review and approval**

Ms. Peggy Boykin, Executive Director, reviewed the proposed 2026 quarterly Board and Committee meeting dates. Mrs. Boykin advised that the PEBA Board Retreat date will be November 5-6, 2026.

Chairman Pearce made a motion, which was seconded by Mr. Heisler, and passed unanimously, to adopt the schedule of board and committee meeting dates for 2026, as presented.

#### **VI. Committee reports**

##### **A. Health Care Policy Committee**

Mr. Heisler reported that the Health Care Policy Committee met in the morning, and received an open enrollment update which included changes for 2025 effective January 1, 2026.

The Committee also received PEBA's annual Health Initiatives and Value-Based Benefits report, which now includes benchmarking in the national Healthcare Effectiveness Data and Information Set (HEDIS) performance measures.

**B. Finance, Administration, Audit and Compliance (FAAC) Committee**

Committee Chairman Blumenthal reported that the FAAC Committee met that afternoon, and Ms. Lee Allen, Director of Internal Audit, presented internal audit reports related to the Annual Conflict of Interest Certification, System and Organization Controls (SOC) Reports, Internal Audit Report No. 2025-02 - Adoption Assistance Program, and the December 2025 Internal Audit Plan update.

**C. Retirement Policy Committee**

Committee Chairman 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 September 30, 2025.

Chairman Lewis advised that Ms. Nancy Ornduff, from Empower, presented the third quarter of 2025 Deferred Comp quarterly plan summary to the Committee,

Chairman Lewis added that Mr. Austin Morris, Mr. Ron Barthel, and Ms. Rhonda Rodriguez from TIAA presented an overview of the State ORP administered through TIAA. It was noted that TIAA is one of four service providers for the State ORP.

**VII. Old business**

**Director's report**

Ms. Boykin provided the Director's report and stated that PEBA's budget with the House Ways and Means Committee is scheduled for January 20, 2026.

Ms. Boykin reminded the Board that the current Pharmacy Benefit Manager (PBM) contract with Express Scripts expires at the end of 2025, and CVS Caremark will become PEBA's new PBM beginning January 1, 2026. Ms. Boykin thanked staff for their tremendous efforts to ensure a seamless transition.

**VIII. Adjournment**

There being no further business, and upon a motion by Mr. Heisler, which was seconded by Mr. Steve Matthews and approved unanimously, the Board meeting adjourned at 1:55 p.m.