

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

Wednesday, May 18, 2016 | 3:15 p.m.  
200 Arbor Lake Dr., Columbia, SC 29223 | Second Floor Conference Room

Minutes approved July 20, 2016

**Board Members Present:** Chairman Steve Matthews

**Board Members Present Via Telephone:** Ms. Stacy Kubu and Mr. Steve Osborne

**Others Present for All or a Portion of the Meeting:** Peggy Boykin, Sarah Corbett, Joe Greene, Doug Hislop, Heather Muller, Tammy Nichols, Travis Turner, 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- March 16, 2016**

Mr. Osborne made a motion, which was seconded by Ms. Kubu, and passed unanimously, to approve the minutes from the March 16, 2016, Committee meeting.

### **IV. 2016 Bylaw Revisions**

Chairman Matthews reviewed several modifications to the PEBA Board of Directors Bylaws related to the Committee assignment process. Mr. Matthews explained that the revisions would adjust the appointment of Committee members to occur during the month of July, rather than during the month of May as currently required. The Chairman of the Board will continue to make the appointments that will expire on June 30<sup>th</sup> of each year, or until a successor is appointed.

Mr. Osborne made a motion, which was seconded by Ms. Kubu, and passed unanimously, to approve the proposed modifications to the PEBA Board of Directors Bylaws, and recommend the modifications to the full Board for approval.

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

Ms. Peggy Boykin, Executive Director, provided the Director's report, and stated that the Board retreat was tentatively scheduled for June 23, 2016, but due to scheduling conflicts, PEBA staff will search for an alternate date.

Ms. Boykin stated that PEBA recently completed a disaster recovery test in which all production systems were recovered within 72 hours. Ms. Boykin extended her appreciation to PEBA's information technology and operations staff that were involved with the testing and recovery.

Ms. Boykin reported that as of May 13, 2016, the fiscal year-to-date investment return was - 3.12 percent, and projections on necessary contribution increases will be presented at the full Board meeting on May 19, 2016.

Ms. Boykin stated that all versions of the budget have provisions for a one-half percent increase in employee and employer contribution rates for the South Carolina Retirement System (SCRS) and the Police Officer's Retirement System (PORS). Ms. Boykin advised that the Retirement Policy Committee approved the Experience Study assumption recommendations including the corresponding increase in the SCRS and PORS employee and employer contribution rates in the amount of one-half percent effective July 1, 2016, and will submit the recommendation to the full Board for approval.

Ms. Boykin informed the Committee that the next State Fiscal Accountability Authority (SFAA), meeting is scheduled for June 7, 2016, and PEBA will present the 2016 Experience Study recommendations, pending the full Board approval.

**VI. Adjournment**

There being no further business, and upon motion by Mr. Osborne, which was seconded by Ms. Kubu, and passed unanimously, the Committee meeting adjourned at 3:25 p.m.