

South Carolina Retirement System Investment Commission Meeting Minutes

June 5, 2025 9:30 a.m.

Capitol Center

1201 Main Street, 15th Floor

Columbia, South Carolina 29201

**Meeting Location: 1201 Main Street, 15th Floor, Ste. 1510 & Streaming Online at
www.rsic.sc.gov**

Commissioners Present:

Mr. William Hancock, Chair

Ms. Melissa Schumpert, Vice Chair (absent)

Mr. William J. Condon, Jr.

Mr. Kenneth F. Deon (via telephone)

Dr. Holley H. Ulbrich (via telephone)

Mr. Reynolds Williams (via telephone)

Ms. Peggy Boykin, PEBA Executive Director (via telephone)

I. Call to Order and Consent Agenda

Chair William H. Hancock called the meeting of the South Carolina Retirement System Investment Commission ("Commission" or "RSIC") to order at 9:35 a.m. Mr. William J. Condon, Jr. made a motion to adopt the agenda as presented. Mr. Reynolds Williams seconded the motion, which was unanimously approved.

Dr. Holley H. Ulbrich made a motion to approve the minutes of the Commission's April 10, 2025, meeting. Mr. Williams seconded the motion, which was unanimously approved.

A link to the entire meeting below:

[2025 06 05 Commission Meeting](#)

II. CEO's Report

Chair Hancock recognized Mr. Michael R. Hitchcock, Chief Executive Officer ("CEO") for his report. Mr. Hitchcock began by providing a brief overview of the Investment Authority Delegation Policy (the "Policy"). He noted that in 2014 Funston Advisory Services ("Funston") suggested that the Commission consider delegating day-to-day investment decision making to the Chief Investment Officer as part of the Funston fiduciary audit report. That suggestion was included in the 2017 Pension Reform Bill passed by the General Assembly and incorporated into the statutes governing the Commission. After passage of the Pension Reform Bill, the Commission adopted the Policy in September 2017 and added additional constraints beyond the statutory requirements. Mr. Hitchcock added that Funston conducted a Fiduciary Performance Audit again in 2018 and commended the Commission for implementing the Policy and noted that it was a leading practice. Mr. Hitchcock then went over the additional constraints that the Commission implemented in the Policy, as well as how the Policy had been implemented since 2017 and the overall growth of both the investment program and the assets under management. Mr. Hitchcock proposed an amendment to the Policy to increase the limits on illiquid investments in the Consolidated Annual Investment Plan and Statement of Investment Objectives and Policies ("AIP/SIOP") from 0.75 percent to 1 percent of the total value of Plan assets, to align with the statutory limits. He offered several reasons for the

amendment, including that the Plan's value was expected to increase significantly over time and additional sizing flexibility would be helpful for certain investment strategies. Additionally, Staff would have a stronger negotiating position with the increased limits and greater flexibility.

After a brief discussion, Mr. Condon made a motion to approve the recommendation of the CEO to amend the limitation listed in Section C(3) of the Investment Delegation Policy and in Sections V.C.4 and VI.C.3 of the Consolidated Annual Investment Plan and Statement of Investment Objectives and Policies ("AIP/SIOP") for Private Markets from 75 bps to 1% of the total value of Plan assets, and authorize Staff to make the technical and formatting revisions to the Investment Delegation Policy and AIP/SIOP consistent with the action taken by the Commission, and authorize Staff to make the technical and formatting revisions to the Investment Delegation Policy and AIP/SIOP consistent with the action taken by the Commission. Dr. Ulbrich seconded the motion, which was unanimously approved.

A link to the discussion is below:

<https://www.youtube.com/watch?v=49JvKWvcAbY&t=94s>

III. CIO's Report

Mr. Geoffrey Berg, Chief Investment Officer ("CIO"), introduced Mr. Bryan Moore, Deputy Chief Investment Officer, for the investment performance review for the period ending March 31, 2025. Mr. Moore noted preparations were underway for implementing the new five-year Strategic Asset Allocation ("SAA") beginning July 1, 2025.

Mr. Moore reported that, for the fiscal year to date, the Portfolio outperformed the Benchmark by 34 basis points, with a market value of \$47.2 billion on March 31, 2025. The Plan's ten-year return was 7.02 percent compared to 6.36 percent for the Benchmark, while five-year returns improved to 11.65 percent compared to 8.97 percent for the Benchmark, generating \$5.5 billion in excess value. Mr. Moore also reviewed asset class performance, RSIC's portfolio performance framework, FYTD and 3-year performance attribution and a portfolio risk assessment.

Mr. Moore reviewed compliance with the Consolidated AIP/SIOP and asset allocation. He notified the Commission that Private Equity and Total Private Markets exposures remain above the upper range but noted that when the new SAA went into effect on July 1, 2025, these exposures would be in full compliance. Discussion ensued with the Commissioners, Mr. Moore, Mr. Berg and the consultant, after which Mr. Moore concluded his report.

<https://www.youtube.com/watch?v=49JvKWvcAbY&t=881s>

IV. Fiduciary Training - Verus

Chair Hancock then introduced Mr. Mark Brubaker and Mr. Mike Patalsky from Verus Advisory, Inc. ("Verus") to provide an educational presentation regarding fiduciary responsibilities as part of the Commission's ongoing training. They provided the Commissioners with a brief educational presentation on RSIC's governance structure, fiduciary obligations, standards for discharge of Commission duties, responsibilities of individual Commission members, and a discussion of pecuniary factors. Mr. Patalsky concluded his presentation by overviewing best practices for fiduciaries.

A link to the presentation given by Verus is below:

<https://www.youtube.com/watch?v=49JvKWvcAbY&t=2394s>

V. Delegated Investment Report

Chair Hancock then recognized Mr. Berg for the delegated investment report. Mr. Berg reported that no delegated investments were closed by Staff since the April 10, 2025, Commission meeting.

VI. Executive Session

Mr. Condon made a motion to recede into Executive Session to discuss investment matters, including specific co-investments and private equity investments, and certain portions of the Consolidated Annual Investment Plan and Statement of Investment Objectives and Policies, pursuant to S.C. Code Sections 9-16-80 and 9-16-320; to discuss personnel matters, and to receive advice from legal counsel pursuant to S.C. Code Ann. Section 30-4-70(a)(1)-(2). Mr. Kenneth Deon seconded the motion, which was approved unanimously. The Commission receded into Executive Session at 10:37 a.m.

VII. Potential Actions Resulting from Executive Session

Upon returning to open session, Mr. Hitchcock noted that the Commission did not take any action while in executive session.

VIII. Adjourn

There being no further business, the Commissioners adjourned by acclamation at 12:05 p.m.

[Staff Note: In compliance with S.C. Code Section 30-4-80, public notice of and the agenda for this meeting were delivered to the press and to parties who requested notice and were posted at the entrance, in the lobbies, and near the 15th Floor Presentation Center at 1201 Main Street, Columbia, S.C., by 9:13 a.m., on June 3, 2025.]