

**South Carolina Retirement System Investment Commission
Meeting Minutes**

June 13, 2024 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 (via telephone)

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

Mr. William J. Condon, Jr.

Mr. Kenneth F. Deon (via telephone)

Mr. Edward Giobbe (via telephone)

Dr. Holley H. Ulbrich (via telephone)

Mr. Reynolds Williams (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”) to order at 9:30 a.m. Mr. William J. Condon, Jr., made a motion to adopt the agenda as presented. Mr. Edward Giobbe seconded the motion, which was unanimously approved.

Ms. Peggy Boykin made a motion to approve the minutes of the Commission’s April 18-19, 2024, meeting. Ms. Melissa Schumpert seconded the motion, which was approved unanimously.

A link to the entire meeting is below:

[2024 06 13 Commission Meeting \(youtube.com\)](https://www.youtube.com/watch?v=2024_06_13_Commission_Meeting)

II. Chair’s Report

Chair Hancock stated that he had nothing to report.

III. Committee Reports

Chair Hancock noted that both the Human Resources and Compensation Committee (“HRCC”) and Audit and Enterprise Risk Management Committees (“AERMC”) had met since the last Commission meeting, and each Committee had provided a report that was made available to the Commissioners for review prior to the meeting. Hearing no questions, he concluded the reports.

IV. CEO's Report

Chair Hancock recognized Mr. Michael R. Hitchcock, Chief Executive Officer ("CEO"), for his report. Mr. Hitchcock began by stating that elections for the positions of Chair and Vice Chair of the Commission will be held in September of 2024. He reminded the Commissioners that the 2022 Chair and Vice Chair elections were carried over from June of 2022 to September of 2022, and for that reason, those two-year terms would not expire until September of 2024. He recommended that the Commission conduct the elections in September of 2024 but date the commencement of the terms back to July 1, 2024, so that moving forward the elections would be on a normal cycle. Mr. Hitchcock also mentioned that, if any Commissioners would like to request a change in their committee assignment, they should notify him or the Chair Hancock so that they can compile a proposed slate for the committee elections, as required by the Commission's Governance Policy.

Mr. Hitchcock then gave a brief legislative update, including an update on the process for RSIC's budget being approved. After a brief discussion with the Commissioners, he concluded his report.

A link to the CEO's Report is below:

<https://www.youtube.com/watch?v=tIZcfrQcCQM&t=127s>

V. CIO's Report

Next, Chair Hancock recognized Mr. Geoffrey Berg, Chief Investment Officer ("CIO"), for the fiscal year-to-date investment performance review as of March 31, 2024. Mr. Berg reported that the Plan was outperforming the policy benchmark for all trailing time periods, and noted that net benefit payments had decreased from a high of \$1.3 billion to less than \$100 million in the year ended March 31, 2024. Mr. Berg then reviewed performance with the Commissioners. He noted that the rally in public equities had propelled the Reference Portfolio to recent outperformance. The Reference Portfolio exceeded the Plan's returns for the fiscal year to date (11.65 percent) and trailing one-year (almost 16 percent), while Plan returns out-performed the Reference Portfolio over a three-year period.

Mr. Berg then reviewed the performance of individual asset classes. He stated that public equity, real assets, and hedge funds were outperforming their benchmarks fiscal year-to-date, but private equity underperformed. Mr. Berg also noted that private debt underperformed relative to its public debt benchmark, but the returns fiscal year-to-date were quite strong at 8.19 percent. Bonds were slightly underperforming with a return two basis points below the benchmark. Mr. Berg reviewed performance attribution, as well as compliance with the Consolidated Annual Investment Plan and Statement of Investment Objectives and Policies ("AIP/SIOP"). He reported that the private equity portfolio is back within its allowable range, but that the total private markets allocation continues to exceed the notification threshold. Mr. Berg reviewed the latest risk estimates and noted that no category had changed more than 0.1 percent recently. After a brief discussion with the Commissioners, he concluded his report.

A link to the CIO's Report is below:

<https://www.youtube.com/watch?v=tlZcfrQcCQM&t=534s>

VI. Delegated Investment Report

Chair Hancock then recognized Mr. Berg for the delegated investment report. The following delegated investments were closed by Staff following the April 18-19, 2024, Commission meeting.

Delegated Investments (April 18, 2024 to June 12, 2024)			
Asset Class	Investment	Investment Amount	RSIC Commitment Date
Infrastructure	Peppertree Capital Fund X	\$40 M	April 23, 2024
Private Equity	HighVista Private Equity X	\$50 M	April 25, 2024
Private Equity	Paceline Equity Partners Opportunity Fund	\$50 M	May 1, 2025

VII. 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 AIP/SIOP, 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). Dr. Holley H. Ulbrich seconded the motion, which was approved unanimously. The Commission receded into executive session at 9:58 a.m.

VIII. 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.

IX. Adjournment

There being no further business, the Commissioners adjourned by acclamation at 11:39 a.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 9:11 a.m., on June 11, 2024.]