

# SOUTH CAROLINA'S STATE PENSION BOARD

*How the South Carolina Retirement System Investment Commission puts retirees and taxpayers at risk*



Curtis M. Loftis, Jr., State Treasurer

May 2015



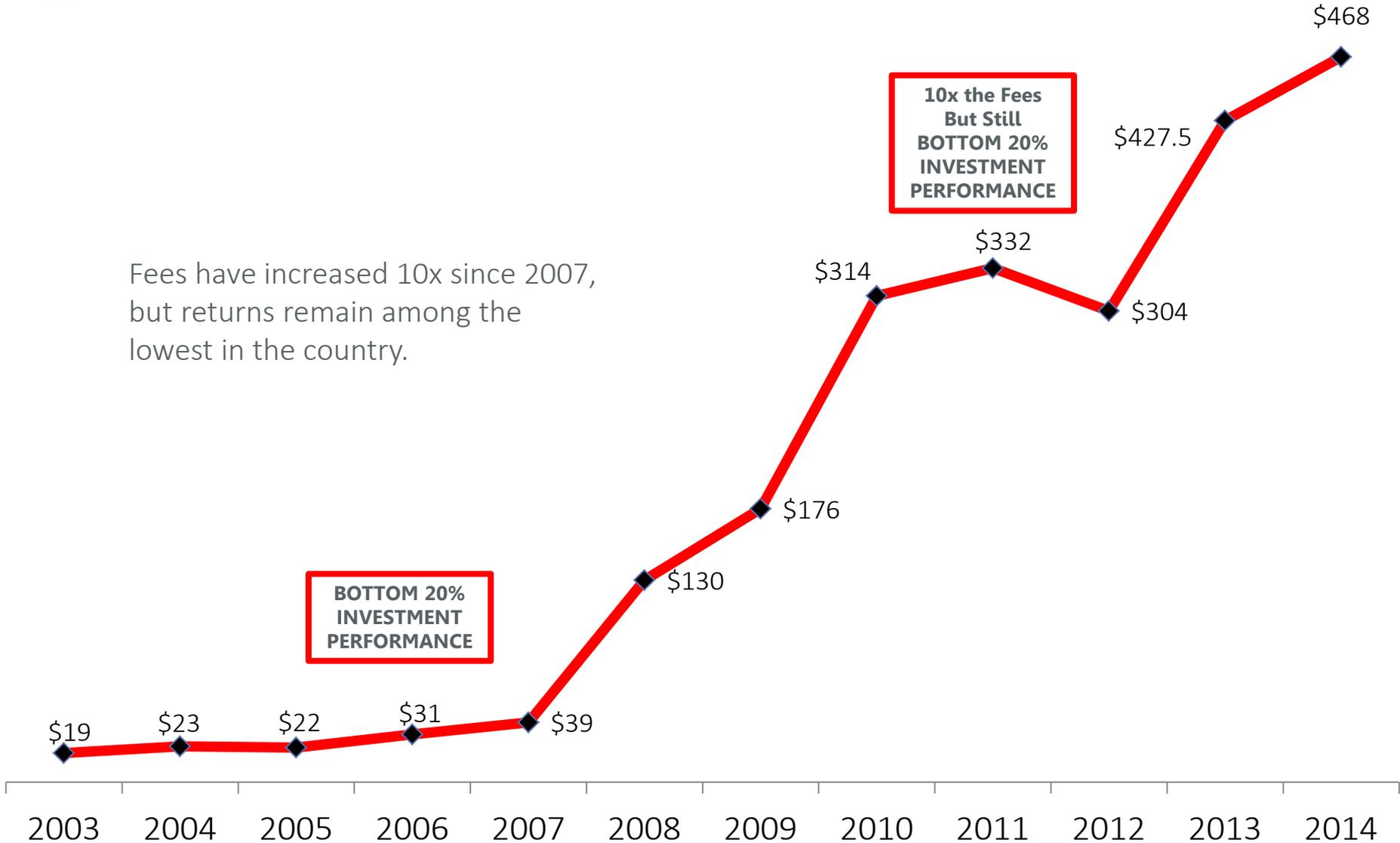
# The South Carolina Retirement System Investment Commission:

- 1.** We pay too much.
- 2.** We earn too little.
- 3.** Our portfolio is overly expensive and complex.
- 4.** Puts retirees and taxpayers at risk.



# SC PENSION FUND FEES & EXPENSES

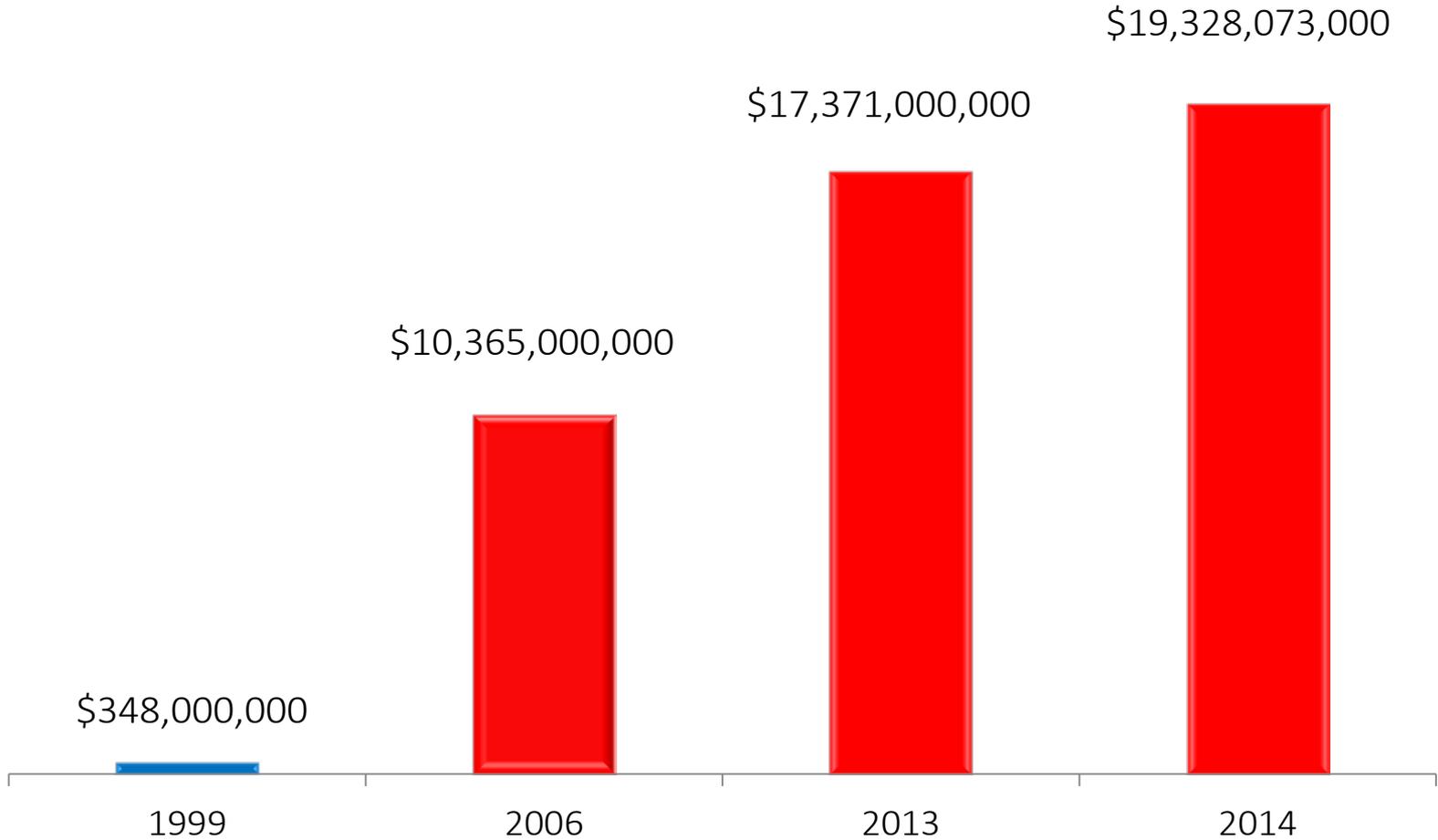
Fees have increased 10x since 2007, but returns remain among the lowest in the country.





# UNFUNDED ACTUARIAL LIABILITY

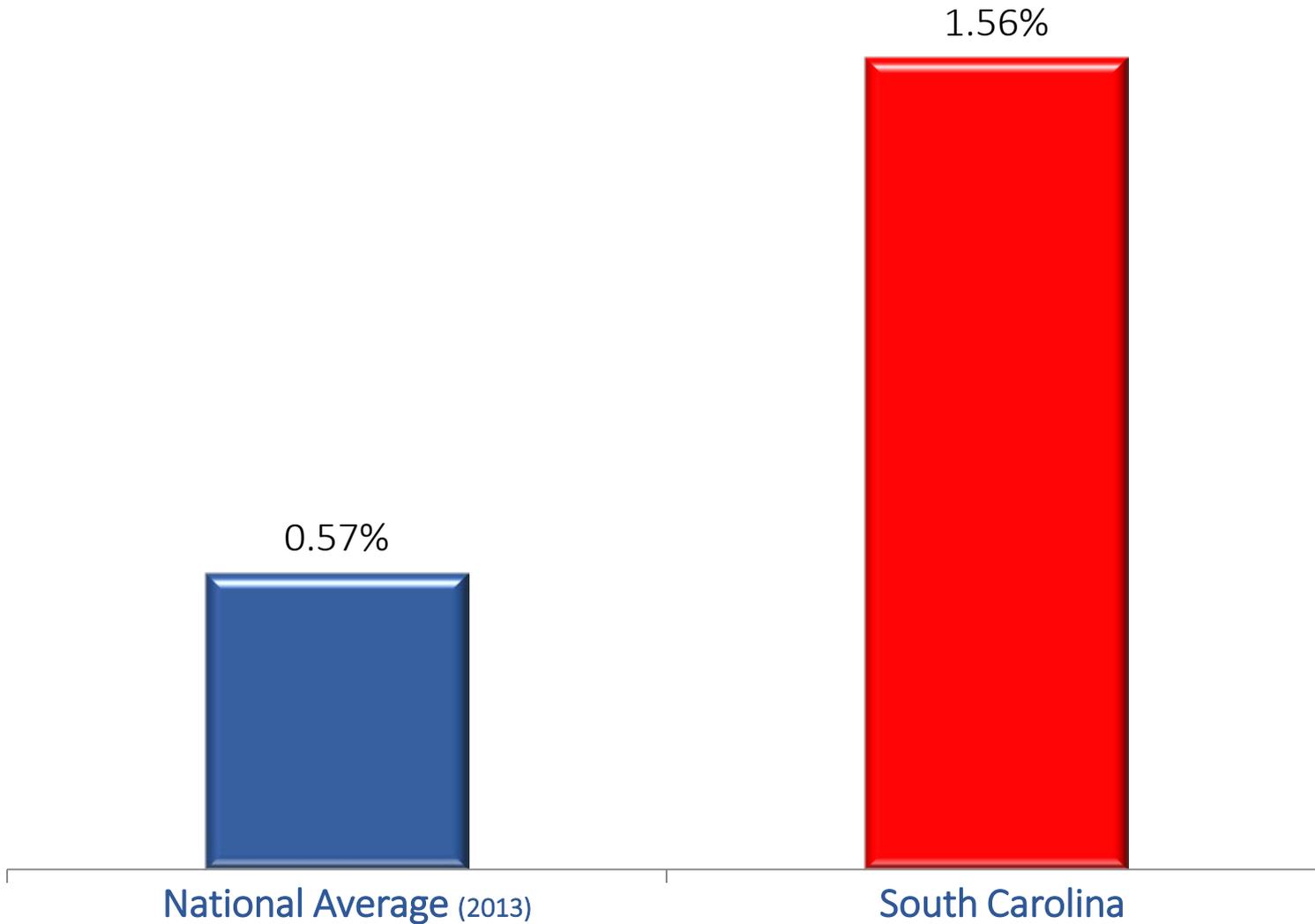
1999 to 2014 Accrued





# 2014 INVESTMENT FEES & EXPENSES

(% of Ending Assets)

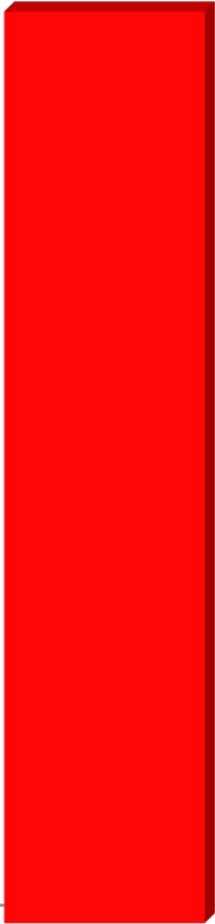




# TRANSFER OF WEALTH

## SC's WORKING CLASS TO WEALTHY MONEY MANAGERS

\$468



Actual SC Fees for  
FY2014

\$171



SC Fees at the  
National Average

\$468 million paid in 2014  
*minus*

\$171 million had we paid  
national average of .57%

*equals*

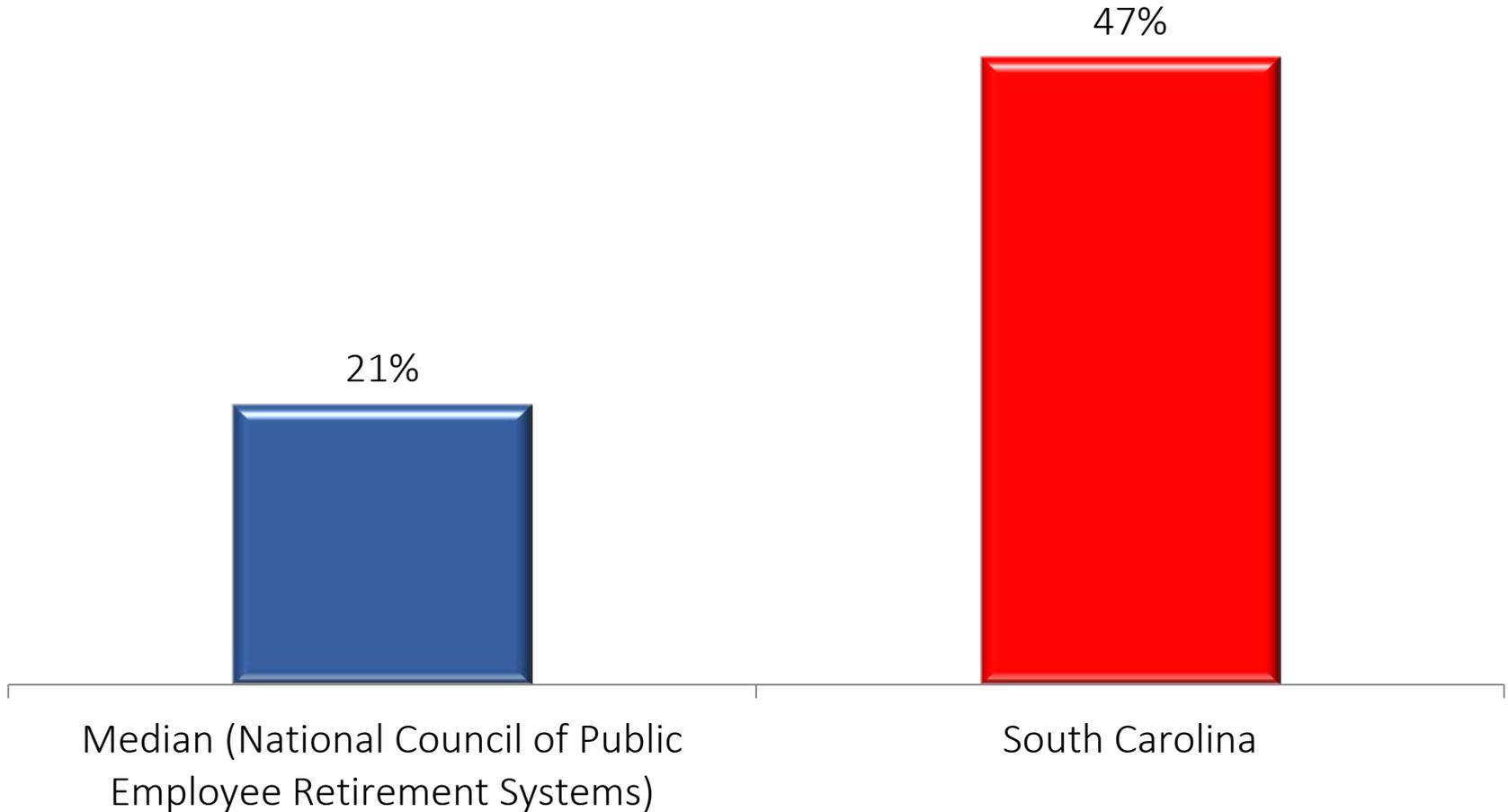
**\$297,000,000**

TRANSFER OF WEALTH  
TO WALL STREET  
MONEY MANAGERS

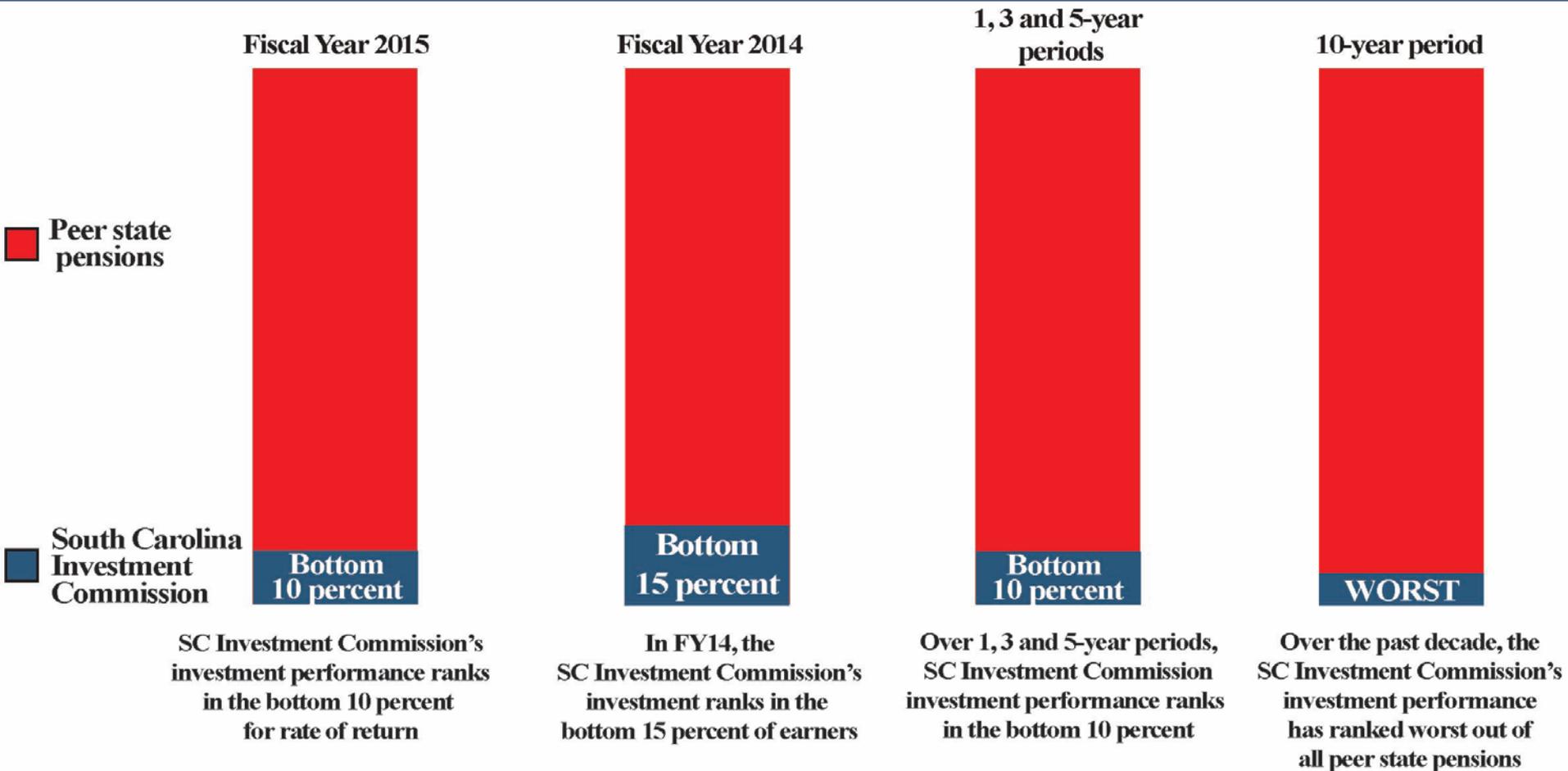


# SC'S RETIREMENT FUND ALTERNATIVE INVESTMENTS

South Carolina's Share of Alternative Investments to Total Assets versus the National Median



# What kind of performance should South Carolinians expect for \$468,145,232?



State employees and retirees paid over \$468 million in management fees last year for some of the worst investment performance in the country.  
**South Carolina deserves better.**