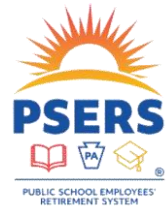


# June 12, 2025 PSERB Investment Committee Meeting



PSERS Board Room 5 North 5th Street, Harrisburg PA 17101 and via MS [Sunshine]

Chair Treas. Stacy Garrity  
Vice Chair Sec. Wendy Spicher  
Committee of the Whole  
Committee Liaison Benjamin Cotton  
Board Secretary Terrill Sanchez

## 1. **Call to Order**

The Committee met on June 12, 2025 virtually and in-person at 5 North 5<sup>th</sup> Street in Harrisburg, PA. Chair Treas. Stacy Garrity called the meeting to order at 1:55 P.M. Benjamin Cotton, Chief Investment Officer, took roll call and confirmed Investment Committee quorum.

### **Committee Member Attendance:**

Jordan Laslett, Designee for Rep. Matthew Bradford, In Person  
Dr. Pamela Brown, In Person  
Charles Erdman, Designee for Sen. Jarrett Coleman, Virtual  
Eric DiTullio, Virtual (In at 2:22)  
Michael Heckmann, Designee for Rep. Torren Ecker, Virtual  
Treas. Stacy Garrity, In Person  
Susan Lemmo, In Person  
Kevin Busher, Designee for Nathan Mains, Virtual  
Jason Moore, Virtual  
Jeffrey Cavanaugh, Designee for Sen. Katie Muth, Virtual  
Brian Reiser, In Person  
Patrick Lord for Acting Sec. Carrie Rowe, In Person  
Eric Pistilli, Designee for Sec. Wendy Spicher, In Person  
Richard Vague, In Person  
*Absent: Ann Monaghan*

### **Additional Board Designee Attendance:**

Christopher Craig, Virtual  
Lloyd Ebright, In-Person  
Veronica Hoof, Virtual  
Leo Knepper, Virtual  
Matt McCarry, Virtual (In at 2:04)  
Jill Vecchio, Virtual

## 2. **Approval of Published Agenda or Requested Amendments**

Patrick Lord moved to approve the published agenda with Susan Lemmo seconding. The motion passed.

## 3. **Approval of June 4, 2025 Minutes**

Patrick Lord moved to approve the minutes with Jordan Laslett seconding. The motion passed.

## 4. **Public Comment**

Benjamin Cotton confirmed there was no request for public comment.

5. **New Business:**

**5.1 Investment Committee Vital Signs**

Robert Devine, Deputy Chief Investment Officer, presented the Investment Office Vital Signs.

**5.2 Investment Committee Charter Review**

Robert Devine presented the Investment Committee Charter Review.

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board (the "Board") moves to recommend that the Board, following the 15-day required notice, adopts the changes to the Investment Committee Charter, located at Agenda Item 5.2 in Diligent.

Brian Reiser Seconded.

The motion passed with one (1) abstention being Sen. Katie Muth, and one (1) absent being Ann Monaghan.

**5.3 Investment Committee Contract Log**

Robert Devine presented the Investment Committee Contract Log.

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board moves to recommend that the Governance and Administration Committee accepts the recommendations in the attached Contract Log, located at Agenda Item 5.3 in Diligent.

Susan Lemmo seconded.

The motion passed with one (1) abstention being Sen. Katie Muth, and one (1) absent being Ann Monaghan.

**5.4 Update and Recommendation: Proxy Voting Service Provider RFP**

Robert Devine presented the Investment Committee Update and Recommendation: Proxy Voting Service Provider RFP.

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board (the "Board") moves to recommend that the Board engages ISS in accordance with the recommendation of the Technical Evaluation Committee for RFP # 2025-05, Proxy Research and Voting Services.

The final terms and conditions of the contract are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing contract.

Dr. Pamela Brown seconded.

The motion passed with one (1) abstention being Sen. Katie Muth, and one (1) absent being Ann Monaghan.

**5.5 Asset Class Reviews**

James Del Gaudio, Managing Director, presented the Private Equity. Jeffrey Burton, Director, presented the Public Equity, Internal and External.

**5.6 Verus Capital Asset Pricing Model (CAPM) and Capital Markets**

Mark Brubaker and Ian Toner, Verus Advisory, Inc., presented the Verus Capital Asset Pricing Model (CAPM) and Capital Markets.

### **5.7 Aksia Benchmark Review Update**

Patrick Adelsbach, Aksia, LLC., presented the Aksia Benchmark Review Update.

### **5.8 Chief Investment Officer Update**

Benjamin Cotton presented the Chief Investment Officer Update.

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board (the "Board") moves to recommend that the Board adopts the changes to the Investment Policy Statement and the Currency Hedging Policy, located at Agenda Item 5.8 in Diligent.

Jordan Laslett seconded.

The motion passed with one (1) abstention being Sen. Katie Muth, and one (1) absent being Ann Monaghan.

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board ("the Board") moves to recommend that the Board adopt the attached workplan, located at Agenda Item 5.7 in Diligent, as proposed by Benjamin Cotton, Chief Investment Officer, to begin compliance with the requirements of the 2020 edition of the Global Investment Performance Standards for Asset Owners, as amended, and promulgated by the Investment Council of the CFA Institute, targeting adherence for fiscal year 7/1/26 – 6/30/27. The Chief Investment Officer shall periodically report on the progress of the adopted workplan to the Investment Committee.

Susan Lemmo seconded.

The motion passed with one (1) abstention being Sen. Katie Muth, and one (1) absent being Ann Monaghan.

### **5.9 Private Equity: Hg Capital Saturn 4 A, L.P./Hg Mercury 5 A, L.P./Hg Genesis 11 A, L.P.**

James Del Gaudio, Managing Director, presented a proposal for Hg Capital Saturn 4 A, L.P./Hg Mercury 5 A, L.P./Hg Genesis 11 A, L.P.

### **5.10 Private Equity: Lindsay Goldberg VI, L.P.**

James Del Gaudio, Managing Director, presented a proposal for Lindsay Goldberg VI, L.P.

### **5.11 Update on Private Markets Delegated Authorizations**

James Del Gaudio, Managing Director, presented the Update on Private Markets Delegated Authorizations.

### **5.12 Executive Session**

At 3:16 PM, the Committee entered Executive Session to discuss Confidential Provisions of Proposed Discussion Items.

**The Committee resumed public session at 3:23 P.M.**

### **5.13 Motions**

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board (the "Board") moves to recommend that the Board invests an amount not to exceed:

- \$100 million, plus reasonable and normal investment expenses, in Hg Saturn 4, L.P. and/or related investment vehicles,
- €75 million, plus reasonable and normal investment expenses, in Hg Genesis 11, L.P. and/or related investment vehicles; and

- €50 million, plus reasonable and normal investment expenses, in Hg Mercury 5, L.P. and/or related investment vehicles, in accordance with the recommendation of Ryan Rathman, Senior Portfolio Manager, and Aksia, LLC.

The final terms and conditions of the investment are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract. Ann Monaghan seconded.

Patrick Lord seconded.

The motion passed with one (1) abstention being Sen. Katie Muth, and one (1) absent being Ann Monaghan.

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board (the "Board") moves to recommend that the Board commit an amount not to exceed \$100 million, plus reasonable and normal investment expenses, to Lindsay Goldberg VI LP, and/or related investment vehicles in accordance with the recommendation of Luke M. Jacobs, Portfolio Manager and Aksia, LLC.

The final terms and conditions of the investment are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

Brian Reiser seconded.

The motion passed with one (1) abstention being Susan Lemmo, one (1) no vote being Sen. Katie Muth, and (1) absent being Ann Monaghan.

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board (the "Board") moves to recommend that the Board delegates the authority to the Chief Investment Officer in his discretion to commit new or additional sums to private markets investment vehicles managed by Hg LLP ("**Hg**") and/or their affiliates, subject to each of the following constraints:

- a. Any new or additional commitments must be compliant with the External Manager exposure risk limits outlined in the Private Markets Asset Class Policy.
- b. For any new or additional commitments, PSERS total Private Markets Exposure ("NAV and unfunded") to **Hg** shall not represent more than 10% of PSERS Total Private Markets target allocation.
- c. Each individual new or additional commitment to **Hg** shall not exceed 1.5% of PSERS Total Private Markets target allocation.

Utilization of this delegated authority is subject to the notification and periodic reporting as prescribed within the External Manager Due Diligence and Monitoring Policy and this delegation prospectively supersedes and nullifies any prior grants of discretion by way of board resolutions related to **Hg**.

The final terms and conditions of new or additional commitments authorized under this delegation are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contracts.

Eric Pistilli seconded.

The motion passed with one (1) no vote being Sen. Katie Muth, and one (1) absent being Ann Monaghan.

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board (the "Board") moves to recommend that the Board delegates the authority to the Chief Investment Officer in his discretion to commit new or additional sums to private markets investment vehicles managed by Dawson Partners ("**Dawson**") and/or their affiliates, subject to each of the following constraints:

- a. Any new or additional commitments must be compliant with the External Manager exposure risk limits outlined in the Private Markets Asset Class Policy.
- b. For any new or additional commitments, PSERS total Private Markets Exposure ("NAV and unfunded") to **Dawson** shall not represent more than 10% of PSERS Total Private Markets target allocation.
- c. Each individual new or additional commitment to **Dawson** shall not exceed 1.5% of PSERS Total Private Markets target allocation.

Utilization of this delegated authority is subject to the notification and periodic reporting as prescribed within the External Manager Due Diligence and Monitoring Policy and this delegation prospectively supersedes and nullifies any prior grants of discretion by way of board resolutions related to **Dawson**.

The final terms and conditions of new or additional commitments authorized under this delegation are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contracts.

Patrick Lord seconded.

The motion passed with one (1) no vote being Sen. Katie Muth, and one (1) absent being Ann Monaghan.

Treasurer Stacy Garrity moved the following:

The Investment Committee of the Public School Employees' Retirement Board (the "Board") moves to recommend that the Board delegates the authority to the Chief Investment Officer in his discretion to commit new or additional sums to private markets investment vehicles managed by Sixth Street Partners ("**Sixth Street**") and/or their affiliates, subject to each of the following constraints:

- a. Any new or additional commitments must be compliant with the External Manager exposure risk limits outlined in the Private Markets Asset Class Policy.
- b. For any new or additional commitments, PSERS total Private Markets Exposure ("NAV and unfunded") to **Sixth Street** shall not represent more than 10% of PSERS Total Private Markets target allocation.
- c. Each individual new or additional commitment to **Sixth Street** shall not exceed 1.5% of PSERS Total Private Markets target allocation.

Utilization of this delegated authority is subject to the notification and periodic reporting as prescribed within the External Manager Due Diligence and Monitoring Policy and this delegation prospectively supersedes and nullifies any prior grants of discretion by way of board resolutions related to **Sixth Street**.

The final terms and conditions of new or additional commitments authorized under this delegation are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contracts.

Jordan Laslett seconded.

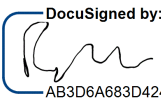
The motion passed with one (1) no vote being Sen. Katie Muth, and one (1) absent being Ann Monaghan.

6. **Next Meeting Agenda Items**


The Committee had no recommendations for agenda items to add to the next Committee Meeting scheduled for August 14, 2025.

7. **Adjournment**

Without objection, Treas. Stacy Garrity adjourned the Committee meeting at 3:34 PM.

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