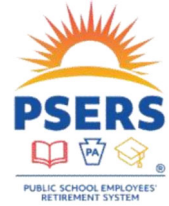


October 23, 2025 PSERB Board Meeting

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



Chairperson Mr. Richard Vague
Vice Chairperson Ms. Susan Lemmo
Acting Board Secretary Benjamin Cotton

1. **Call to Order**

The Board met on October 23, 2025, virtually and in person at PSERS located at 5 North 5th Street in Harrisburg, PA. Chairperson Richard Vague called the meeting to order at 2:43 P.M. Benjamin Cotton, Acting Executive Director and Board Secretary, took roll call and confirmed Committee quorum.

Board Member Attendance:

Chairperson Richard Vague, In Person
Vice Chairperson Susan Lemmo, In person
Jordan Laslett, Designee for Rep. Matthew Bradford, In Person
Dr. Pamela Brown, Virtual
Leo Knepper, Designee for Sen. Jarrett Coleman, Virtual
Eric DiTullio, Virtual
Jill Vecchio, Designee for Rep. Torren Ecker, Virtual
Christopher Craig, Designee for Treas. Stacy Garrity, In Person
Kevin Busher, Designee for Nathan Mains, Virtual
Ann Monaghan, In Person
Jason Moore, In Person
Jeffrey Cavanaugh, Designee for Sen. Katie Muth, Virtual
Brian Reiser, In Person
Patrick Lord, Designee for Acting Sec. Carrie Rowe, Virtual
Sec. Wendy Spicher, In Person

Additional Board Designee Attendance:

Charles Erdman, Virtual
Michael Heckmann, Virtual
Veronica Hoof, Virtual
Matt McCarry, Virtual

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

Brian Reiser moved to approve the published agenda with Ann Monaghan seconding. The motion passed unanimously.

3. **Approval of August 21, 2025, Minutes**

Ann Monaghan moved to approve the minutes with Brian Reiser seconding. The motion passed unanimously.

4. **Public Comment**

Benjamin Cotton confirmed there was no request for public comment.

5. **Unfinished Business**

5.1 **Notational Ballot Keystone-Florida holding Corporation Parcel A**

Benjamin Cotton announced the results of the following notational ballot:

A notational ballot process for Keystone-Florida Holding Corporation Parcel A was commenced on September 17, 2025, and ran through end of business 5:00 P.M., on September 23, 2025, upon which the votes were tabulated by the Board Liaison and verified by me, as Acting Executive Director. I confirm that the votes were twelve (12) in favor, and three (3) abstentions being Nathan Mains, Jason Moore, and Sen. Katie

Muth.

The motion for Keystone-Florida Holding Corporation Parcel A passed as **PSERB Resolution 2025-65**.

6. **New Business**

6.1 **Committee Reports**

6.1.1 **Audit, Compliance and Risk Committee Report**

Christopher Craig reported on the activities, findings, recommendations, and other relevant issues from the Audit, Compliance and Risk Committee meeting held on October 15, 2025.

Under New Business, the Committee:

- Received an update from Joseph Sheva, Director of Risk, Compliance and Performance, on the Investment Compliance Program, and
- Held an Executive Session to discuss agency business, namely SB & Co Independence Verification, Investment Compliance Review Report, Member Authentication Report Out, Audit, Compliance and Risk Committee Vital Signs, Internal Audit Plan Update, Internal Trade Audit Results, HOP/PDP Compliance Update, and Compliance Plan Update.

Eric DiTullio moved the following:

RESOLVED, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Audit, Compliance and Risk Committee and approves the attached SB & Company Independent Auditor's Report for the audited financial statements.

Ann Monaghan seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-66**.

6.1.2 **Investment Committee Report**

Christopher Craig reported on the activities, findings, recommendations, and other relevant issues from the Investment Committee meetings held on October 16, 2025, and October 23, 2025.

At the October 16, 2025, meeting under New Business, the Committee:

- Received a presentation from Ryan Rathman, Senior Portfolio Manager, on Oak HC/FT Partners VI, L.P.,
- Received a presentation from Melissa Quackenbush, Senior Portfolio Manager, on Graceada Fund IV, L.P., and
- Heard from James Del Gaudio on the closing of the disposition activity associated with Keystone-Florida Property Holding Corporation Parcel A.
- Held an Executive Session to discuss Confidential Provisions of the Discussion Items and Confidential Real Estate Matter.

At the October 23, 2025, meeting under New Business, the Committee:

- Received a presentation from Robert Devine, Deputy Chief Investment Officer, on the Investment Office Vital Signs,
- Received a presentation from Mark Brubaker, Verus Advisory Inc., on the Capital market Update and the 2nd Q 2025 Performance,
- Heard from Benjamin Cotton with the Chief Investment Officer Update,
- Heard from Joseph Sheva with Investment Policy Statement Updates,
- Heard from Chris Jones, Director, on the Public and Private Fixed Income and Investment Operations Asset Class Reviews,
- Heard from Steven Heuer, Senior Manager, on the Public Market Watchlist,
- Heard from Cody Steele, Senior Portfolio Manager, on the Private Markets Use of Continuing Delegation,
- Heard from Sean Sarraf, Senior Portfolio Manager, on the Private Market

- Fees,
- Heard from Patrick Adelsbach, Aksia LLC., on the Aksia Annual Consultant Review,
- Fielded questions related to the discussion items presented at the October 16, 2025, and October 23, 2025, Committee meetings,
- Held an Executive Session to discuss confidential provisions of the proposed discussion items, confidential discussion with Aksia in relation to its services as the Boards' consultant on Private Markets related matters.

Eric DiTullio moved the following be approved as read in Committee, with Ann Monaghan seconding. The motion passed with one (1) abstention being Jeffrey Cavanaugh.

Christopher Craig moved the following:

RESOLVED, that Public School Employees' Retirement Board accepts the recommendation of the Investment Committee and adopts the changes to the Investment Policy Statement, the Derivatives and Leverage Policy, and the Placement Agent Policy, attached:

- Investment Policy Statement
- Derivatives and Leverage Policy
- Placement Agent Policy.

Brian Reiser seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-67**.

Christopher Craig moved the following:

RESOLVED, that the Public School Employees' Retirement Board accepts the recommendation of the Investment Committee and adopts the changes to the Premium Assistance Guidelines, attached:

- Premium Assistance Guidelines

Ann Monaghan seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-68**.

Christopher Craig moved the following:

RESOLVED, that Public School Employees' Retirement Board accepts the recommendation of the Investment Committee and commits an amount not to exceed \$100 million, plus reasonable and normal investment expenses, in Oak HC/FT Partners VI, 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.

Brian Reiser seconded.

The motion passed with one (1) opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-69**.

Christopher Craig moved the following:

RESOLVED, that the Public School Employees' Retirement Board accepts the recommendation of the Investment Committee and commits an amount not to exceed \$90 million, plus reasonable and normal investment expenses, in Graceada Partners Fund IV-QP LP, and/or related investment vehicles in accordance with the recommendation of Melissa Quackenbush, 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.
Sec. Wendy Spicher seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-70.**

Christopher Craig moved the following:

RESOLVED, that the Public School Employees' Retirement Board accepts the recommendation of the Investment Committee and authorizes the engagement of Brookfield Asset Management ("Brookfield") and/or their affiliates, to manage PSERS' ongoing indirect interest in an investment in accordance with the confidential recommendation of the Investment Office.

The final terms and conditions of the engagement 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.

Sec, Wendy Spicher seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-71.**

6.1.3 Governance and Administration Committee Report

Jordan Laslett reported on the activities, findings, recommendations, and other relevant issues from the Governance and Administration Committee meeting held on October 23, 2025.

Under Unfinished Business, the Committee:

- Received an update from Jordan Laslett related to the Funston Governance Review Close out, and an Elections Update.

Under New Business, the Committee:

- Received an update from Jordan Laslett on the Automation Policy, and
- Received from Beverly Hudson the Deputy Executive Director of Administration's Report including Governance and Administration Committee vital signs, strategic initiatives, and management action plans.

Jordan Laslett moved the following:

RESOLVED, that pursuant to PSERB Resolution 2021-71, the Public School Employees' Retirement Board accepts the recommendation of the Governance and Administration Committee and adopts the final implementation of the recommendations from the Funston Governance Review, as documented in the attached.

Eric DiTullio seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-72.**

Jordan Laslett moved the following:

RESOLVED, that the Public School Employees' Retirement Board accepts the recommendation of the Governance and Administration Committee and rescinds the Board Automation Policy.

Sec. Wendy Spicher seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-73.**

6.1.4 Finance and Actuarial Committee Report

Eric DiTullio reported on the activities, findings, recommendations, and other relevant issues from the Finance and Actuarial Committee meeting held on October 23, 2025.

Under New Business, the Committee:

- Received updates from Brian Lyman, Chief Finance officer, on the Withdrawal Collections Policy,
- Heard from Adrew Fiscus, Director of Investment Reporting and Budget, on the Fiscal Year 2026-27 Budget Request, and
- Received a presentation from Brian Lyman on the June 30, 2025, and 2024 Financial Statements.

Eric DiTullio moved the following:

RESOLVED, that the Public School Employees' Retirement Board accepts the recommendation of the Finance and Actuarial Committee and adopt the changes to the Withdrawal Liability Collections Policy, attached.

Brian Reiser seconded.

The motion passed unanimously as **PSERB Resolution 2025-74**.

Eric DiTullio moved the following:

RESOLVED, that the Public School Employees' Retirement Board adopts the recommendation of the Finance and Actuarial Committee and approves the following Budget requests for Fiscal Year 2026-27, subject to adjustments by the Governor's Budget Office or the General Assembly:

1. The 2026-27 Administrative Budget, not to exceed \$65,915,000.
2. The 2026-27 Investment Related Expenses Budget, not to exceed \$38,074,000.
3. The 2026-27 Defined Contribution Budget, not to exceed \$1,507,000.
4. The 2026-27 Health Insurance Account (Premium Assistance) – Administrative Budget, not to exceed \$1,091,000.
5. The 2026-27 Health Options Program – Administrative Budget, not to exceed \$1,403,000.
6. The 2026-27 Directed Commissions Recapture Program Budget, not to exceed \$2,000,000 for the Public School Employees' Retirement System.

Brian Reiser seconded.

The motion passed with one (1) abstention being Jeffrey Cavanaugh, as **PSERB Resolution 2025-75**.

Eric DiTullio moved the following:

RESOLVED, that the Public School Employees' Retirement Board accepts the recommendation of the Finance and Actuarial Committee and adopts the attached June 30, 2025, and 2024 Financial Statements and ratifies all payments that are reflected within.

Brian Reiser seconded.

The motion passed unanimously as **PSERB Resolution 2025-76**.

6.1.5 **Benefits and Appeals Committee Report**

Ann Monaghan reported on the activities, findings, recommendations, and other relevant issues from the Benefits and Appeals Committee meeting held on October 23, 2025.

Under New Business, the Committee:

- Reviewed the Executive Staff Review Committee (ESRC) report for September 22, 2025,
- Received a presentation from Jennifer Mills, Deputy Executive Director and Director of Defined Contribution Investments, related to Death Match Services,

- and
- Held and Executive Session to discuss adjudication for the Account of Baez-Vizcaino, Docket No. 2021-08.

Ann Monaghan moved the following:

RESOLVED, that the Public School Employees' Retirement Board accepts the recommendation of the Benefits and Appeals Committee and authorizes PSERS staff to initiate the request for proposal process for death match services.

Dr. Pamela Brown seconded.

The motion passed with one (opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-77**).

Ann Monaghan moved the following:

RESOLVED, that in the matter of Baez-Vizcaino, Docket No. 2021-08, the Public School Employees' Retirement Board (the "Board") hereby accepts the recommendation of the Benefits and Appeals Committee and adopts the proposed Opinion and Order of the Board and dismisses Claimant's appeal with prejudice.

Brian Reiser seconded.

The motion passed with one (opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-78**).

6.1.6 **Defined Contribution Committee Report**

Jill Vecchio presented on the activities, findings, recommendations, and other relevant issues from the Defined Contribution Committee meeting held on October 23, 2025.

Under New Business, the Committee:

- Received a the CEM Benchmarking Report from Christopher Doll, CEM,
- Received a presentation from Jennifer Mills on the Q2 2025 Review, and
- Reviewed the Investment Policy Statement, Objectives, and Guidelines of the School Employees' Retirement Plan.

Jill Vecchio moved the following:

RESOLVED, that the Public School Employees' Retirement Board accepts the recommendation of the Defined Contribution Committee and Adopts the revisions to the Investment Policy Statement, Objectives, and Guidelines of the School Employees' Retirement Plan, attached.

Ann Monaghan seconded.

The motion passed with one (opposed being Jeffrey Cavanaugh, as **PSERB Resolution 2025-79**).

7. **Office of Chief Counsel Report**

At 3:10 P.M., the Committee entered Executive Session to consult with counsel on the Adjudication. Jeffrey Cavanaugh was excused at 3:25 P.M.

The Committee resumed public session at 3:28 P.M. Jeffrey Cavanaugh rejoined the meeting.

8. **Office of Executive Director Report**

Benjamin Cotton welcomed new employees and interns, announced Laura Vitale-Piconi's graduation from the Commonwealth's Leadership Development Institute, PSERS' award from the Government Finance Officers Associations in Outstanding Achievement in Popular Annual Financial Reporting, PSERS' was one of seven program to receive 4.5 Stars for the Health Options Program from the Centers for Medicare & Medicaid Services (CMS), and introduced Mark Fetzko, Director of Government Affairs and Stakeholder Engagement.

9. **Next Meeting Agenda Items**

The Board had no recommendations for the agenda items to the next Committee meeting scheduled for December 12, 2025.

10. **Adjournment**

Without objection, Richard Vague adjourned the Board meeting at 3:36 P.M.

DocuSigned by:

Benjamin L Cotton

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