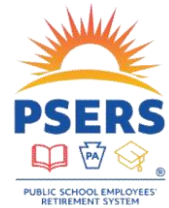


June 9, 2023 PSERB Board Meeting

PSERS Board Room 5 North 5th Street, Harrisburg PA 17101 and via MS Teams [Sunshine], June 9, 2023



Chairperson Christopher Santa Maria
Interim Vice Chairperson Susan Lemmo
Board Secretary Terrill Sanchez

1. **Call to Order**

The Board met on June 9, 2023 virtually and in-person at 5 North 5th Street in Harrisburg and called the meeting to order at 9:45 A.M. Terrill Sanchez took roll and confirmed Board quorum.

Board Member Attendance:

Eric Dice for Rep. Matt Bradford In Person
Jason Davis In Person
Eric DiTullio In Person
Jill Vecchio for Rep. Torren Ecker Virtual
Treas. Stacy Garrity In Person
Susan Lemmo In Person
Kevin Busher for Nathan Mains Virtual
Ann Monaghan In Person

Patrick Lord for Sec. Khalid Mumin In Person
Sen. Katie Muth Virtual (in @ 10:12)
Brian Reiser In Person
Sen. Greg Rothman In Person (out @ 10:54)
Christopher Santa Maria In Person
Eric Pistilli for Sec. Wendy Spicher In Person
Vacancy Senate Majority Seat

Board Designee Attendance:

Susan Boyle Virtual
Jeffrey Cavanaugh Virtual
Christopher Craig In Person

Lloyd Ebright In Person
Veronica Hoof Virtual
Morgan Wagner Virtual

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

Susan Lemmo moved to approve the published agenda with Eric DiTullio seconding. The motion passed unanimously.

3. **Approval of March 31 and May 24, 2023 Minutes**

Eric DiTullio moved to approve the minutes with Ann Monaghan seconding. The motion passed with one (1) abstention being Sen. Greg Rothman.

4. **Public Comment**

Terrill Sanchez introduced Ms. Eileen O'Grady from Private Equity Stakeholders, who provided public comment regarding NGP Energy Capital. Ms. Sanchez noted that Mr. Brian Kimmet, from Rock the Capitol, was present and recording but did not request public comment.

5. **Unfinished Business**

Terrill Sanchez reported a notational ballot process for SOC1 Type 2 Audit Readiness and Audit Services was commenced on 04/19/23, and ran through 04/26/23, upon which the votes were tabulated, by the Board Liaison and verified by herself, as Executive Director.

Ms. Sanchez confirmed that the votes were twelve (12) in favor, and one (1) abstention being Sen. Katie Muth.

Resolution 2023-17

RESOLVED, that the Public School Employees' Retirement Board (the "Board"), in accordance with the recommendation of the Audit, Compliance, and Risk Committee hereby retains the accounting firm, CliftonLarsonAllen, LLP for RFP #2023-01, Service Organization Controls (SOC) 1 Type 2 Audit Readiness and Audit Services. The final terms and conditions of the contract are subject to legal due diligence and must be satisfactory to the Internal Audit 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.

6. **New Business**

There was no new business.

7. **Committee Reports**

7.1 **Audit, Compliance, and Risk Committee**

Committee Chair Treas. Stacy Garrity presented a report of the Audit, Compliance, and Risk Committee meeting held on May 31, 2023. The following action was taken by the Board:

Resolution 2023-20

RESOLVED, that the Public School Employees' Retirement Board hereby adopts the Audit Plan for Fiscal Year 2023/2024, as presented by Mei Gentry, Chief Audit Officer, on May 31, 2023.

Treas. Stacy Garrity moved with Eric Dice seconding.

The motion passed unanimously.

7.2 **Governance and Administration Committee**

Committee Chair Designee Eric Dice for Rep. Matt Bradford presented a report of the Governance and Administration Committee meeting held on June 8, 2023. No action was taken by the Board.

7.3 **Health Care Committee**

Committee Chair Susan Lemmo presented a report of the Health Care Committee meeting held on June 8, 2023. The following action was taken by the Board:

RESOLUTION 2023-21

RESOLVED, that the Public School Employees' Retirement Board (the "Board") hereby adopts the monthly premium rates listed in the attached charts under Tab 5.2.3 in Diligent for the HOP Medical Plan, HOP Value Medical Plan, the Pre-65 HOP Medical Plan, the HOP Enhanced Medicare Part D Rx Plan, the HOP Basic Medicare Part D Plan, and the HOP Value Medicare Part D Rx Plan effective January 1, 2024 for plan year 2024.

Susan Lemmo moved with Jason Davis seconding.

The motion passed with one (1) abstention being Jeffrey Cavanaugh for Sen. Katie Muth.

7.4 **Defined Contribution Committee**

Committee Chair Designee Jill Vecchio for Rep. Torren Ecker presented a report of the Defined Contribution Committee meeting held on June 8, 2023. No action was taken by the Board.

7.5 **Benefits and Appeals Committee**

Committee Chair Ann Monaghan presented a report of the Benefits and Appeals Committee meeting held on June 8, 2023. The following actions were taken by the Board:

RESOLUTION 2023-22

RESOLVED, that the Public School Employees' Retirement Board hereby authorizes staff to take the appropriate actions as necessary to request an increase to the complement of the Member Service Center and Regional Offices of the Bureau of Communications and Counseling, not to exceed twenty (20) full-time positions.

Ann Monaghan moved with Susan Lemmo seconding.

The motion passed with one (1) abstention being Sen. Greg Rothman.

RESOLUTION 2023-23

RESOLVED, that, in the matter of Susan D. Barton, Docket No. 2021-09, the Public School Employees' Retirement Board hereby adopts the Opinion and Recommendation of the Hearing Examiner as modified and dismisses Claimant's appeal with prejudice.

Ann Monaghan moved with Eric DiTullio seconding.

The motion passed unanimously.

RESOLUTION TABLED

RESOLVED, that, in the matter of Brett A. Musser, Docket No. 2021-03, the Public School Employees' Retirement Board hereby adopts the Opinion and Recommendation of the Hearing Examiner and dismisses Claimant's appeal with prejudice.

Ann Monaghan moved with Eric DiTullio seconding.

Brian Reiser moved to amend by substitution that the Board table the resolution to be discussed at the next Board meeting, with Jason Davis seconding. A discussion followed.

At 10:12 A.M., Brian Reiser moved to enter Executive Session with Jason Davis seconding, to receive counsel from PSERS Chief Counsel. The Board resumed public session at 10:41 A.M.

Brian Reiser moved to table the resolution until the next Board meeting scheduled for August 11, 2023, with Jason Davis seconding.

The motion passed with three opposed (3) being Ann Monaghan, Jill Vecchio for Rep. Torren Ecker, and Christopher Santa Maria.

7.6 **Investment Committee**

Committee Chair Jason Davis presented a report of the Investment Committee meeting held on June 8, 2023. The following actions were taken by the Board:

RESOLUTION 2023-24

RESOLVED, that the Public School Employees' Retirement Board hereby accepts the recommendation of the Investment Committee to approve the Investment Committee Work Plan, as set forth in the attachment, to be used as a guide in the development of agendas.

Jason Davis moved with Sen. Greg Rothman seconding.

The motion passed with one (1) abstention being Jeffrey Cavanaugh for Sen. Katie Muth.

RESOLUTION 2023-25

RESOLVED, that the Public School Employees' Retirement Board (the "Board") hereby commits an amount not to exceed \$130 million plus reasonable normal investment expenses, to Insight Partners Fund XIII, L.P., and/or related investment vehicles, in accordance with the recommendation of G. Anthony Meadows, Portfolio Manager and Aksia. The final terms and conditions of the investment 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.

Jason Davis moved with Ann Monaghan seconding.

The motion passed with six (6) opposed being Christopher Santa Maria, Jill Vecchio for Rep. Torren Ecker, Treas. Stacy Garrity, Kevin Busher for Nathan Mains, Sen. Katie Muth, and Sen. Greg Rothman.

RESOLUTION 2023-26

RESOLVED, that the Public School Employees' Retirement Board (the "Board") hereby commits an amount not to exceed \$200 million, plus reasonable and normal investment expenses, to PIMCO Commercial Real Estate Debt II and/or related investment vehicles, in accordance with the recommendation of Sean T. Sarraf, Senior Investment Professional, James F. Del Gaudio, Director and Aksia. The final terms and conditions of the investment 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.

Jason Davis moved with Sen. Greg Rothman seconding.

The motion passed with one (1) opposed being Sen. Katie Muth.

RESOLUTION 2023-27

RESOLVED, that the Public School Employees' Retirement Board (the "Board") hereby commits an amount not to exceed \$200,000,000, plus reasonable and normal investment expenses, to LS Power Equity Partners V, L.P., and/or related investment vehicles, in accordance with the recommendation of Cody Steele, Senior Investment Professional, William P. Stalter, Senior Portfolio Manager and Aksia. The final terms and conditions of the investment 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.

Jason Davis moved with Treas. Stacy Garrity seconding.

The motion passed with one (1) opposed being Sen. Katie Muth.

RESOLUTION 2023-28

RESOLVED, that the Public School Employees' Retirement Board hereby authorizes the disposition of Parcel A held by Keystone-Florida Property Holding Corp., in accordance with the recommendation of Melissa A. Quackenbush, Senior Portfolio Manager. The final terms and conditions of the disposition 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.

Jason Davis moved with Eric DiTullio seconding.

The motion passed with five (5) opposed being Treas. Stacy Garrity, Kevin Busher for Nathan Mains, Sen. Katie Muth, Brian Reiser, and Sen. Greg Rothman.

7.7 Finance and Actuarial Committee

Committee Chair Eric DiTullio presented a report of the Finance and Actuarial Committee meeting held on June 9, 2023. No action was taken by the Board.

8. Office of Chief Counsel Report with Executive Session Updates on Pending and Potential Litigation

Joseph Indelicato, Chief Counsel, presented the following for Board action:

RESOLUTION 2023-29

RESOLVED, that the Public School Employees' Retirement Board authorizes any two or more of the persons occupying the following positions, namely, the Executive Director; Deputy Executive Director and Director of Defined Contribution Investments; Deputy Executive Director of Administration; Chief Financial Officer; Chief Investment Officer; Deputy Chief Investment Officer; Deputy Chief Investment and Operations Officer; Director, Investment Operations; and Director of Investment Accounting and Budget to execute and deliver any and all contracts, instruments, or documents that require written signatures in the name of the Public School Employees' Retirement System (the "System") or the School Employees' Defined Contribution Plan (the "Plan"), as applicable, and to endorse, assign, or guarantee all such contracts, instruments, or documents in the name of the System or the Plan, as applicable.

RESOLVED FURTHER, that (i) in the case of investment contracts, the Chief Investment Officer; Deputy Chief Investment Officer; Deputy Chief Investment and Operations Officer; or Director, Investment Operations must be one of the two signatories, and the Executive Director; Deputy Executive Director, Director of Defined Contribution Investments; Deputy Executive Director of Administration; Chief Financial Officer; or Director of Investment Accounting and Budget must be one of the two signatories, except in exigent circumstances when the only authorized signatories who are available hold Investment Office positions; and (ii) in the case of all other contracts, the Executive Director; Deputy Executive Director, Director of Defined Contribution Investments; Deputy Executive Director of Administration; Chief Financial Officer; or Director of Investment Accounting and Budget must be one of the two signatories, except in exigent circumstances when none of the designated individuals is available.

RESOLVED FURTHER, that the members of System staff shall be authorized to execute and deliver forms and other non-contractual documents relating to either investment or benefit matters in the course of their assigned ministerial duties (e.g., tax forms, confirmations of the System's and/or Plan's tax exempt status, verifications of account information, workers' compensation and unemployment compensation forms, and other documents that do not require the exercise of discretion or judgment on the part of the staff member who executes the document). At 9:35 A.M., Brian Reiser moved to enter Executive Session with Treas. Stacy Garrity seconding, for updates on pending and potential litigation. The Board resumed public session at 10:15 A.M.

Eric DiTullio moved as presented with Ann Monaghan seconding.

The motion passed with one (1) abstention being Sen. Katie Muth.

At 10:58 A.M., Ann Monaghan moved to enter Executive Session with Eric DiTullio seconding, to consult with counsel with respect to pending or expected litigation. The Board resumed public session at 11:10 A.M.

9. **Executive Director Report**

Terrill Sanchez welcomed new employees and interns, and recognized retiring employees, provided highlights on the PSERS Staff Appreciation Day, outlined some Legislative updates, and provided information on the August Board meeting.


At 11:18 A.M., Jason Davis moved to enter Executive Session with seconding, to discuss personnel matters, namely a planned staff retirement. The Board resumed public session at 11:31 A.M.

10. **Next Meeting Agenda Items**

The Board had no recommendations for agenda items to add to the next Board Meeting.

11. **Motion to Adjourn**

At 11:32 A.M., Eric DiTullio moved to adjourn with Jason Davis seconding. The motion passed unanimously.

DocuSigned by:

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8/7/2023