

MINUTES
SERS Board Meeting

Tuesday, July 28, 2026 ~ Scheduled Start: 2:00 p.m. ~ Actual Start: 2:00 p.m.

ATTENDANCE AT BOARD MEETING:

Board Members:

- | | |
|---|--|
| ☐ Donald Enders, Jr. | ☒ Rep. Brett Miller |
| ☒ W. Russell Faber | ☒ Michael Heckmann, Designee |
| ☒ Rep. Dan Frankel | ☒ Jill Vecchio, Designee |
| ☐ Anne Baloga, Designee | ☒ Exec. Dep. Sec. Brenda Warburton |
| ☒ Matthew McCarry, Designee | ☒ Sen. Devlin Robinson |
| ☐ John Galuska | ☐ Kevin Battle, Designee |
| ☒ Tr. Stacy Garrity | ☐ Stephanie Buchanan, Designee |
| ☐ Christopher Craig, Designee | ☐ Allison Dutrey, Designee |
| ☐ Lloyd Ebright, Designee | ☒ Sec. Wendy Spicher |
| ☒ Tom Waters, Designee | ☒ Seamus Dubbs, Designee |
| ☐ Sen. Vincent Hughes | ☒ Veronica Hoof, Designee |
| ☒ Matthew Lindsay, Designee | ☐ Eric Pistilli, Designee |
| ☐ Antoinette Marchowsky, Designee | ☒ Gregory Thall (Board Chair) |

SERS Leadership:

- | | |
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| ☒ Chief Compliance Officer
<i>Jo Ann Collins</i> | ☒ Deputy Chief Counsel (Benefits)
<i>Catherine Nolan</i> |
| ☒ Chief Counsel
<i>N. Joseph Marcucci</i> | ☐ Deputy Chief Counsel (Business)
<i>Steven Skoff</i> |
| ☐ Chief Financial Officer
<i>Sara McSurdy</i> | ☒ Deputy Chief Financial Officer
<i>Michael McGeoy</i> |
| ☒ Chief Information Officer
<i>Daniel Krautheim</i> | ☒ Deputy Chief Investment Officer
<i>William Truong</i> |
| ☒ Chief Investment Officer
<i>James Nolan</i> | ☐ Deputy Executive Director for Admin.
<i>Beth Christian</i> |
| ☒ Comm. Director & Press Secretary
<i>Pamela Hile</i> | ☒ Deputy Executive Director for OMPS
<i>Brenda Cunard</i> |

- ☒ Director of Gov. & Strategic Initiatives

Cynthia Collins

- ☒ Operations Director

Richard Gaul

- ☒ Executive Director

Joseph Torta

- ☒ HR Director

Michele Shaner

- ☒ Internal Audit Director

Ryan McCoy

- ☒ Legislative Affairs & Policy Director

Thomas Derr

SERS Board Committee Support:

- ☒ Administrative Assistant, OA

Kelly Bernhard

- ☒ Executive Assistant, OA

Shannon Zimmerman

- ☒ Executive Assistant, Board Ed.

Sheila Willrich

- ☒ Executive Secretary

Courtney Yurovich

- ☒ IT Administrator

Mark Walter

- ☒ IT Generalist

Jonathan Ryan

- ☒ IT Generalist

Brett Shaffer

- ☒ IT Generalist

Matthew Soule

- ☐ Technical Support Director

Randy Gilson

Other SERS Staff:

- Joseph Auchey, Internal Audit Office
- Mark Farina, Chief Counsel's Office
- Jonathan Ferrar, Investment Office
- Cathy Gusler, Operations Office
- Robert Necciai, Chief Counsel's Office
- Kyle Reinfeld, Investment Office
- Jared Snyder, Investment Office

Other Attendees:

- Brian Kimmett, Rock the Capital

MINUTES OF THE SERS BOARD MEETING TUESDAY, JULY 28, 2026:**1. Call to Order**

The meeting was called to order at 2:00 p.m. by Gregory Thall, Board Chair.

Welcome and Roll Call

Executive Director Joseph Torta conducted a roll call of board members and designees. A quorum was met.

2. Public Comments

NONE

3. Adoption of the Agenda**MOTION: 2026-27**

By motion that was moved, seconded, and approved unanimously by the board members present, it was

RESOLVED: that the board adopt the agenda for the July 28, 2026, board meeting.

4. Approval of Consent Calendar**MOTION: 2026-28**

By motion that was moved, seconded, and approved unanimously by the board members present, it was

RESOLVED: that the board approves the Consent Calendar items for the July 28, 2026, board meeting.

A. Approving Board Meeting Minutes – June 16, 2026, regular board meeting

B. Defined Benefit Plan Statement of Changes in Fiduciary Net Position for the Periods Ending: March 2026, April 2026

C. Deferred Compensation Plan Statement of Changes in Fiduciary Net Position for the Periods Ending: March 2026, April 2026

D. Defined Contribution Plan Statement of Changes in Fiduciary Net Position for the Periods Ending: March 2026, April 2026

5. Committee Reports/Action Items**A. Investment Committee**

Committee Chair Wendy Spicher presented a report of the Investment Committee meeting of July 28, 2026, to the board. The following action was taken:

Private Equity Opportunity: TJC Resolute Fund VII**MOTION: 2026-29**

By motion that was moved, seconded, and approved by the board members present, it was **RESOLVED:** that the State Employees' Retirement Board commit up to \$150 million to The Resolute Fund VII, L.P., plus investment expenses and pro rata share of partnership operating expenses, consistent with executed partnership documents, as a new investment within the Private Equity asset class, subject to successful completion of contract negotiations and execution and delivery of closing documents by all parties, including required Commonwealth legal approvals, within 12 months?

Donald Enders, Jr.		Absent
W. Russell Faber		Yes
Dan B. Frankel	Designee: Matt McCarry	Yes
John Galuska		Yes
Stacy Garrity		Yes
Vincent J. Hughes	Designee Matt Lindsay	Yes
Brett R. Miller		Yes
Devlin Robinson		Yes
Wendy Spicher		Yes
Gregory C. Thall		Yes
Brenda Warburton		Abstain

Internation Small Cap Manager Discussion**MOTION: 2026-30**

By motion that was moved, seconded, and approved by the board members present, it was

RESOLVED: that the State Employees' Retirement Board

- (i) amend the existing investment agreement and guidelines with Xponance, a Pennsylvania based firm, and transition the strategy from the existing active International Small Cap strategy to a passive U.S. Equity strategy benchmarked against the Russell 3000 index;
- (ii) liquidate the existing Xponance International Small Cap strategy;
- (iii) invest \$2 billion in the Xponance Russell 3000 strategy, as an investment within the U.S. Equity asset class, subject to successful completion of contract negotiations and execution and delivery of closing documents by all parties, including required Commonwealth legal approvals, within 12 months?

Donald Enders, Jr.		Absent
W. Russell Faber		Yes
Dan B. Frankel	Designee: Matt McCarry	Yes
John Galuska		Yes
Stacy Garrity		Yes
Vincent J. Hughes	Designee Matt Lindsay	Yes
Brett R. Miller		Yes
Devlin Robinson		Yes
Wendy Spicher		Yes

Gregory C. Thall
Brenda Warburton

Yes
Abstain

B. Audit, Risk and Compliance Committee

Committee Chair Don Enders presented a report of the Audit, Risk and Compliance Committee meeting of July 28, 2026, to the board. No action were taken:

C. Board Governance and Personnel Committee

Committee Chair Gregory Thall presented a report of the Board Governance and Personnel Committee meeting of July 28, 2026, to the board. No actions were taken.

6. Old Business

NONE

7. New Business

NONE

8. Special Presentation

NONE

9. Reports of Executive Director and Agency Staff

A. Executive Director Joseph Torta provided the following updates:

i. Executive Verbal Update:

Executive Director Torta started the with the members and the staff that we provide over the course of the first 6 month of this year, we paid 2,492 new retirements accounts, 2421 death benefit payments, and 2,606 refunds of contributions for non-vested separated Commonwealth services. Totaling 7,519 payments processed and paid by staff almost all of which were paid within the 60 day time frame.

Executive Director Torta reported that SERS' received as usual thank you Sara and your staff for a clean audit opinions. SERS' also received an unmodified and clean audit opinion for the Defined Benefit Plan, Defined contribution Plan, and Deferred Compensations Plans 2025 financial statements, annual Comprehensive Financial Report (ACFR) and GASB 68 Employer Pension Reporting package.

Executive Director Torta reported on PAS(Pension Administration System) the process for this project is moving forward. The first 6 months of the year the RFP was issued. We received multiple bids, which are being reviewed by the committees accordance with the

Commonwealths guidelines. SERS' hopes to have a recommendation made to the full board later this year.

Executive Director Torta reported on the financial status of the plan. Our employer rate, our funded status and the plan assets. The employer rate went down slightly. The board certified an employer contribution rate of 32.36 for fiscal year 26-27, which is a slight decrease from 32.38 for fiscal year 25-26. As far as the funded status goes, the plan was 70.3 funded at the end of 2024. According to key results, the plan ratio increased to 71.4 as of December 31st 2025. The unfunded liability decreased by more than 530 million dollars at the end of 2025.

Executive Director Torta reported on the assets of the plans, the Defined Benefit Plan as of December 31, 2025, assets increased to 42.6 billion dollars. And for the Defined Contribution and Deferred Compensations plans, under Empower we have been reporting up to June 1st 2026, which was just launched on January 1st, 2019 has assets of approximately 546 million up 196 million from a year ago. Deferred Composition Plan Assets were approximately 5.8 billion up 800 million over that same timeframe.

Executive Director Torta spoke about the Shared Gain Implementation, since Shared Risk/Shared gain was implanted in Act 2010-120 and Act 2017-5, the shared gain provision was triggered. This resulted in the lowering of contribution rate for approximately 60,000 members in Class A3, A4, A5 and A6 effective July 1, 2026. The independent fiscal office produced a white paper outlining the members savings for both SERS and PSERS.

ii. Legislative Update:

Executive Director Torta touched basic on the cost of living increase that was passed as a part of the Budget agreement on July 12th 2026. General assembly agreed to grant a cost of living to some of our annuitants. High level overview it was passed on July 12th and its effective date is July 1st. retroactive back to the 1st of the month. The cost of living increase was for all annuitants who retired on or before July 1st 2001, whom reached their normal retirement age as of July 1st 2026. It excludes Class AA and Class D4. As of July 1st it impacted just under 20,000 of our annuitants. The average increase is approximately 200 per month per annuitant. We are targeting September payment as the first increased payment. There going to be two separate payments. First in September addition to the regular monthly annuity at the end of the month, which will have the increase. The retroactive increases for July and August will come out in mid-September.

- iii. Dismissals, Orders and Adjudications:
No dismissal, orders or adjudications currently.

- B. SERS Deputy Executive Director of Administration – NONE
- C. Chief Investment Officer – NONE
- D. Chief Financial Officer – NONE

10. EXECUTIVE SESSION

- A. Chief Compliance Officer's Report on Board Referrals (Informational Item Only)
- B. Benefits Administration and Appellate Litigation Update

At 2:23 p.m. the board recessed and entered executive session to receive reports and legal advice on executive session agenda items. Public session resumed at 2:25 p.m.

11. Board Comments/Announcements/Dates to Remember

- September 29, 2026 – Next regular scheduled committee meetings
- October 6, 2026 – Next regular scheduled board meeting

12. MOTION TO ADJOURN

MOTION: 2026-30

By motion of Chair Thall, the board unanimously agreed to adjourn the meeting at 2:25 p.m.

Respectfully Submitted,

Name: Joseph A. Torta

Job Title: Executive Director