



**MINUTES FROM THE INVESTMENT SUBCOMMITTEE
OF THE CASH MANAGEMENT POLICY BOARD
May 1, 2024**

A meeting of the Investment Subcommittee (the “Subcommittee”) of the Cash Management Policy Board (the “Board”) was held on May 1, 2024, at 10:00 a.m. The meeting was conducted virtually, with public accommodations provided in the Large Conference Room of the Office of the State Treasurer (“OST”), 820 Silver Lake Blvd., Suite 100, Dover, DE 19904.

Subcommittee Members Represented or in Attendance:

Mr. Mike Karia, Subcommittee Chair
Mr. Steve Marvin, Vice Chair
The Honorable Rick Geisenberger, Secretary of Finance
The Honorable Colleen Davis, State Treasurer
Mr. Warren Engle, Board Chair

Not in Attendance:

Ms. Monai Roberts, Special Assistant to the Treasurer, OST

Others in Attendance:

Mr. Jordan Seemans, Deputy Treasurer, OST
Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice
Ms. Fiah Kwesseu, Director of Operations and Fund Management, OST
Ms. Khairat Makanjuola, Chief Operating Officer, OST
Mr. Brennon Fountain, Director of Reconciliations and Transaction Management, OST
Mr. Stephen McVay, Assistant Cash and Debt Manager, OST
Ms. Lindy Scott, Executive Assistant, OST
Ms. Priya Vaidya, Accounting Specialist, OST
Mr. Jonovan Sackey, NEPC
Mr. Kevin Leonard, NEPC
Ms. Jennifer Appel, NEPC

CALLED TO ORDER

The meeting was called to order at 10 a.m. A quorum was established.

INTRODUCTIONS

Ms. Kwesseu introduced Khairat Makanjuola, OST’s new Chief Operating Officer, to the Investment Subcommittee.

Ms. Kwesseu acknowledged Mr. McVay and the contributions he has made to the Board and the State. Mr. McVay has acknowledged his retirement, effective September 1, 2024. Ms. Kwesseu also shared

with the Investment Subcommittee that a dual incumbency is scheduled for Mr. McVay's position to allow for a seamless transition.

Ms. Kwesseu mentioned the transition of Ms. Scott from OST to DTI and that she will be replaced by Ms. Vaidya in the interim.

APPROVAL OF THE MINUTES

A MOTION to approve both the November 1, 2023, minutes and February 7, 2024, minutes was made by Secretary Geisenberger and seconded by Mr. Karia.

MOTION ADOPTED UNANIMOUSLY

Presentation and Discussion of the 1st Quarter Performance Report

NEPC provided a review of the 1st Quarter Performance Report. Mr. Leonard and Ms. Appel presented the Subcommittee with an overview of the State's portfolio performance for the 1st Quarter 2024. The State's consolidated balance is \$6,512,551,802 (including ARPA funds), with liquidity and reserve portfolio balances of \$ 5,897,630,034. The set goal of 25% liquidity, and 75% reserve is matched.

NEPC Benchmark Criteria Discussion and Potential Vote

NEPC's review of their benchmark criteria presentation concluded with a tentative recommendation to replace the ICE Bank of America benchmarks with Bloomberg benchmarks, as the latter are used by many peers in the industry, and because of slightly better duration and yield performance. The current lack of a liquidity benchmark was noted and discussed. The benchmarks will be discussed at a future meeting.

Following NEPC's discussion, the investment subcommittee discussed the need for a more thorough review of the endowment portfolio benchmarks and structure. Secretary Geisenberger requested OST staff to gather information about the specific State entities that have ownership of the endowment funds, along with historical data about contribution sources and withdrawals. In addition, Mr. Karia asked OST to provide this information to NEPC for the purpose of developing a proposed asset allocation strategy that could potentially include equity, fixed income, and alternative investment strategies for the Subcommittee's consideration at a future meeting.

No voting occurred during this discussion.

ARPA FUND UPDATE

Mr. McVay shared that as of March 29, 2024, the State ARPA funds totaled \$511.1 million with one draw for \$47.1 million occurring during the quarter.

OTHER MATTERS OF THE SUBCOMMITTEE

None

PUBLIC COMMENT

No public comment issued by attending member of the public.

EXECUTIVE SESSION

No executive session was held.

NEXT MEETING

The next Banking Subcommittee meeting will have State Code of Conduct (Ethics) Training which is scheduled for May 8, 2024. Investment Subcommittee is invited to participate in the training. The Ethics Training will begin at 10am with the Banking Subcommittee meeting expected to start around 10:30 am. This training is for all Board Members, committee members and designees.

The next full Board meeting will be held at Buena Vista on June 12, 2024
The next Investment Subcommittee meeting is scheduled for August 7, 2024

ADJOURNMENT

The meeting concluded at 11:04am.

Respectfully submitted,

Mike Karia
Chair for the Investment Subcommittee