



**MINUTES FROM THE INVESTMENT SUBCOMMITTEE
OF THE CASH MANAGEMENT POLICY BOARD
May 7, 2025**

A meeting of the Investment Subcommittee (the “Subcommittee”) of the Cash Management Policy Board (the “Board”) was held on May 7, 2025, 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. Stephen Marvin, Vice Chair
Mr. Michael Smith, Secretary of Finance
Ms. Colleen Davis, State Treasurer
Mr. Warren Engle, Board Chair
Ms. Regina Mitchell, Deputy Secretary of State, Secretary of State Designee

Others in Attendance:

Mr. Brennon Fountain, Deputy Treasurer, OST
Mr. Jason Staib, Deputy Attorney General, Delaware Department of Justice
Ms. Fiah Kwessey, Director of Operations and Fund Management, OST
Ms. Khairat Makanjuola, Chief Operating Officer, OST
Ms. Ninna Vaughn, Executive Assistant, OST
Mr. Jonovan Sackey, NEPC
Mr. Kevin Leonard, NEPC
Ms. Jennifer Appel, NEPC

CALLED TO ORDER

The meeting was called to order at 10:01 a.m. A quorum was established.

INTRODUCTIONS

Mr. Fountain updated the Subcommittee on OST staff developments and commenced roll call.

APPROVAL OF THE MINUTES

A MOTION to approve the February 5, 2025, minutes was made by Mr. Marvin and seconded by Mr. Engle.

MOTION ADOPTED UNANIMOUSLY

PRESENTATION AND DISCUSSION OF THE 1st QUARTER PERFORMANCE REPORT

NEPC provided a review of the 1st Quarter Performance Report. Ms. Appel and Mr. Leonard presented the Subcommittee with an overview of the State’s portfolio performance for the 1st Quarter 2025.

ANNUAL INVESTMENT MANAGER REVIEW MEETINGS UPDATE

Ms. Kwesseu provided an update explaining that the annual investment manager review meetings will begin next month. OST will follow up with the subcommittee and the board with updates after the meetings are concluded.

RESOLUTION NO. 2025-1 FURTHER AMENDING INVESTMENT ARCHITECTURE FOR THE STATE'S CASH ACCOUNTS DISCUSSION AND POTENTIAL VOTE

Ms. Makanjuola provided the following updates on Resolution No. 2025-1 Further Amending Investment Architecture for the State's Cash Accounts:

- **INVESTMENT PORTFOLIO ALLOCATION REBALANCE TIMEFRAME**

Ms. Makanjuola reported that OST is no longer requesting a change to the investment architecture for this agenda item. OST believes that it can accomplish necessary rebalancing transactions within a 30-day time frame and will communicate these actions to the Subcommittee and the Board.

- **REBALANCE OF LIQUIDITY VS. RESERVE PORTFOLIOS**

Ms. Makanjuola reported that OST expects the target allocation of the liquidity portion of the consolidation to organically trend back to 25% by the end of June 2025.

- **BUDGET STABILIZATION FUND LOCATION**

Ms. Makanjuola recommended that the statutory Budget Stabilization Fund be moved from the Liquidity Accounts to the Tier 2 Reserve Account. The action to relocate the fund is appropriate given the shift back to a 25%/75% liquidity vs reserve allocation. The current balance of the fund is \$469.2 million as of July 1, 2024, per the FY 2025 Budget Stabilization memo provided by the State's Department of Finance.

There was a discussion about the reason for relocating the fund to the Tier 2 Reserve Accounts.

MOTION to approve restoring the BSF back to a Tier 2 Reserve Manager Account was made by Mr. Karia and seconded by Mr. Marvin.

MOTION ADOPTED UNANIMOUSLY

DELAWARE AGRICULTURE LANDS PRESERVATION FOUNDATION FUNDS UPDATE

Treasurer Davis and Ms. Makanjuola provided an update regarding the status of the Memorandum of Understanding (MOU) between the Department of Agriculture and OST concerning the investment of Delaware Agriculture Lands Preservation Foundation money in the endowment portfolio. \$10-12 million is expected to be invested. OST will continue to provide further updates.

OTHER MATTERS OF THE SUBCOMMITTEE

None

PUBLIC COMMENT

No public comment issued by an attending member of the public.

EXECUTIVE SESSION

No executive session was held.

NEXT MEETING

- The next full Board meeting is scheduled for June 4, 2025, at Tatnall Building - 150 Martin Luther King Blvd, Dover, DE 19901.
- The next Investment Subcommittee meeting is on August 6, 2025.

ADJOURNMENT

The meeting concluded at 10:49 am.

Respectfully submitted,

Mike Karia
Chair for the Investment Subcommittee