STATE OF DELAWARE
STATE BOARD OF PENSION TRUSTEES
AND
OFFICE OF PENSIONS
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Board of Pension Trustees
Public Meeting Minutes

Date: May 29, 2026
Time: 9:01 a.m.
Location: 860 Silver Lake Blvd., Suite 1, Dover, Delaware 19904.

Attendance:

Trustees Present:

- Suzanne Grant, Chair
- Art Agra
- Nancy Shevock
- Jeffrey Reeves
- Ken Simpler
- Brian Maxwell
- Michael R. Smith

Absent: None

Others Present:

- Joanna Adams, Pension Administrator
- Stephenie Tatman, Deputy Pension Administrator
- Tammy LeCates, Pension Office
- Cindy Starr, Pension Office
- Josh Hitchens, Pension Office
- Antonia Kramer, Pension Office
- Julye Covel, Pension Office
- Kari Overington, Pension Office

- William Tate, Attorney General's Office
- Rob Gooderham, Windmark Investment Partners
- Garry Musto, Windmark Investment Partners
- Melysa Montano, Windmark Investment Partners
- Bert Scoglietti, Controller General's Office
- Kamlesh Sheth, Computer Aid, Inc.
- Daniel Gallery, Computer Aid, Inc.
- Cyril Espanol, *with Intelligence*
- Anson Gock, Member of the Public

AGENDA ITEMS

1. OPENING COMMENTS

S. Grant welcomed everyone to the meeting.

2. PUBLIC COMMENT

No public comment.

3. APPROVAL OF THE MINUTES OF THE BOARD OF PENSION TRUSTEES MEETING OF APRIL 24, 2026.

J. Adams shared our agenda and minutes may look different due to the new ADA Accessibility requirements.

- ❖ Discussion**:** The Public Minutes of the April 24, 2026, meeting were reviewed.
  - ❖ Decisions Made**:** Motion was made by N. Shevock and seconded by K. Simpler to approve the Public Minutes of the April 24, 2026, Board of Pension Trustees meeting as amended. Motion adopted.
- ❖ Discussion**:** The Executive Minutes of the April 24, 2026, meeting were reviewed in Executive Session.
  - ❖ Decisions Made**:** Motion was made by N. Shevock and seconded by J. Reeves to approve the Executive Minutes of the April 24, 2026, Board of Pension Trustees meeting. Motion adopted.

4. AUDIT COMMITTEE REPORT

S. Tatman shared the Audit Committee met in May. A large part of the discussion was how to fill the Internal Auditor position. KPMG will focus on the risk assessment and present insight at the July meeting. The Audit Committee will review the information presented by KPMG and decide the best plan forward.

- ❖ Discussion: The External Audit Update was reviewed in Executive Session for the GASB 68 and 75 audits by BDO.
  - ❖ Decisions Made: Motion was made by A. Agra and seconded by N. Shevock to approve the GASB 68 and 75 audits as presented. Motion adopted.

The next Audit Committee meeting is scheduled for July 24, 2026.

5. PENSION ADVISORY COUNCIL REPORT

The Pension Advisory Council is scheduled to meet on June 9, 2026. A quorum was not present at the May meeting; therefore, no business was discussed.

6. STATE PENSION ADMINISTRATOR'S REPORT

- **Employee Recognition**:

  J. Adams shared The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DPERS for its annual comprehensive financial report (ACFR) for the Fiscal Year ended June 30, 2025. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. This is the 30th consecutive year that DPERS has received a Certificate of Achievement. J. Adams gave recognition to the Investment and Accounting teams.

  J. Adams recognized Jerome "J.R." Passon, one of our three IT professionals, for ensuring continuous coverage and support during a challenging week. Due to the holiday schedule, J.R. was the sole IT staff member on site this week when we experienced what we believe was a lightning strike to the building. As a result, we encountered several major issues, including a clogged roof drain, failures with the fire security system, an elevator outage, failing backup power supplies, and multiple door access malfunctions. Thanks to J.R.'s calm demeanor, quick response, and willingness to jump in wherever needed, we were able to avoid anyone becoming locked inside the building and maintain operations as safely as possible. J.R. coordinated after-hours support with Advantech to implement a temporary fix until power could be fully restored. The incident served as an important reminder of the value of disaster recovery planning and preparedness. Kudos and sincere appreciation to J.R. for his professionalism, dedication and steady leadership during a very stressful situation.

- **Legislative Update**:
  J. Adams shared it has been a quiet legislative season. B. Maxwell PRI for retirees this year to fund post-retirement increase also put money at 2.5% to start building that back up.
- **ERP Modernization**:
  J. Adams introduced Kamlesh Sheth, Project Director, and Daniel Gallery, Project Manager, for Computer Aid, Inc. who gave a presentation on the Enterprise Resource Planning (ERP) Modernization Project for the Board of Pensions Trustees. Director Sheth acknowledged the Office of Pensions is ahead of the game, gave kudos to the entire team, and shared that Mariah Krass has been a champion for this project. Director Sheth focused on “One Delaware,” the new identity for Delaware’s ERP Modernization Project including:
  - Mission
  - Executive Summary
  - Project Goals
  - Benefits
  - Focus Areas
  - Key Dates
  - Key Stakeholders
  - Implementation Timeline

  Project Manager Gallery touched on the selection of TELUS Health as the software (vendor partner) including:
  - Key Milestone
  - Why Modernization Matters
  - Delivery Approach
  - Business Process
  - Organizational Change Management (“OCM”)
  - Risk Management

  Project Manager Gallery shared that the project is being implemented using a multiphase approach. By dividing the functionality into phases, the team can better manage quality assurance, testing, data review, and overall project delivery. This approach helps minimize risk, streamline processes, maintain stakeholder engagement, and keep the project moving forward efficiently. Phase 2 is currently wrapping up, and the final workshops are scheduled to conclude next week.

S. Grant thanked Director Sheth and Project Manager Gallery for providing a deeper dive in this project. The Board asked what could interfere with the goal of completion by the end of 2028. Project Manager Gallery responded that many projects failed due to data and conversion issues. The project team is working hard to mitigate these risks.

- **Board of Pension Trustees Handbook**:
  - Chapter 2: Board Operating Policy
    J. Adams presented the Board Operating Policy with proposed redlined edits for a first reading. The following edits were discussed:
    - The Governance Committee is currently disbanded:
      - Paragraph (7) remove "The Governance Committee."
      - Paragraph (8)(e) "The Governance Committee shall meet at least four (4) times per year and shall be comprised of at least five (5) members."
    - The Investment Committee meets monthly and more often as needed. A. Agra, Chair of the Investment Committee suggested replacing "15-20 times a year" in paragraph (8)(c).
    - Under §202 Areas of Responsibility, (6)(b) remove Risk Manager as a consultant and all related references.
    - Under §203 Board Administration, (e) Attendance the Board proposed removing "in person".

Discussion ensued about the history of the pension system, what a state-of-the-art handbook would look like, would there be a need for a third party to guide the Board. A call has been set up with Jarvis Hollingsworth to see if he can fill the role. W. Tate agreed that he is not in a position to do this as it requires years of experience, but W. Tate agreed to participate in the call with Jarvis Hollingworth.

J. Adams will make edits to the Board Operating Policy and bring back to the next Board meeting for approval. Our goal is to make sure that we have a handbook that is readable.

- **Resolution to join County & Municipal Pension Plan**:
  S. Tatman presented a Resolution to permit the Bridgeville Fire Company (d/b/a) Bridgeville Volunteer Fire Company, Inc. to enter into a contract with the State Board of Pension Trustees to allow the town to participate in the State of Delaware County and Municipal Pension Plan.
  - ❖ Decisions Made**:** Motion was made by K. Simpler and seconded by A. Agra to approve the Resolution. Motion adopted.
- **Resolution to join County & Municipal Police and Firefighters's Plan**:
  S. Tatman presented a Resolution to permit the Delmar Fire Department Inc. to enter into a contract with the State Board of Pension Trustees, allowing the Delmar Fire Department Inc. to participate in the State of Delaware County and Municipal Police and Firefighters' Pension Plan.
  - ❖ Decisions Made**:** Motion was made by J. Reeves and seconded by N. Shevock to approve the Resolution. Motion adopted.

The Board asked if we have an idea of how many other municipalities could join our plans and if there is an initiative to share the benefits of joining a plan? J. Adams shared we have every police agency, except one. All volunteer fire companies have been participants, but now the transition from volunteer to paid is occuring. It is competitive when applicants are considering employment and comparing Company A and Company B because of different compensation, benefits, retirement, and more. Due to the successful performance of our investments the employer rate is cheaper to join our plan than to join any other.

7. DEPUTY ATTORNEY GENERAL REPORT

- **DPERS Education Policy:**
  W. Tate presented the Board Education Policy in final form and asked for a motion to approve it.
- **DPERS Fraud Policy and Annual Certification:**
  W. Tate presented a revised draft Fraud Policy and Procedures and asked for a motion to approve it.
  - ❖ Decisions Made**:** Motion was made by K. Simpler and seconded by A. Agra to approve the Board Education Policy and the DPERS Fraud Policy and Procedures. Motion adopted.

J. Adams shared the Reporting Schedule has been revised so it is in an easier to use format. The Certification is that you have reviewed the policy to ensure that you are in compliance. The

Reporting Schedule will trigger the review for potential revisions. This Certification puts it all in one place and eases the burden and doesn't have anything to do with the Reporting Schedule that we develop. If we do this during the January Board meeting then W. Tate would do a highlight to the Trustees to remind them of the importance of why we do the Certification annually. Windmark already does that with the Investment Committee.

- **Master Trust: Certificate of Trust and Trust Agreement:**
  W. Tate presented the Certificate of Amendment of Statutory Trust of the State of Delaware OPEB Fund Trust. W. Tate also presented the Certificate of Trust and Trust Agreement of the Delaware Public Employees' Retirement System Group Trust.
- **Update on Northern Trust Custody Agreement:**
  W. Tate provided an update on the Northern Trust Custody Agreement in executive session.
- **Update on Securities Litigation:**
  W. Tate provided an update on the Securities Litigation in executive session.

8. INVESTMENT COMMITTEE REPORT

R. Gooderham touched briefly on the markets, noting that global equity markets rallied sharply in April 2026, rebounding from March's selloff as investor risk appetite improved and markets looked through risks tied to the US-Iran conflict. He said that corporate earnings exceeded expectations across the board with AI-related optimism boosting market sentiment. R. Gooderham advised that developed international markets did not see as large an increase in expected earnings, but emerging markets did and rose significantly, led by AI-related strength in Korea and Taiwan. In fixed income, he noted concerns over inflation, energy prices, and the federal deficit had led to increases in long term interest rates. He added that the CME futures market was now discounting a potential increase by the Federal Reserve in short rates this year, a reverse from previous expectations of as many as two to three cuts. R. Gooderham said the economic outlook continues to be strong.

Board members noted that earnings were likely to remain strong if the positive macro environment continued. R. Gooderham said that the data Windmark was reviewing including new orders in manufacturing, the service economy, and overall employment data remained quite positive.

DPERS Fund assets are estimated to be $16,814.2 million at April 30, 2026, representing a net increase of $741.1 million during the month. Estimated Gross returns through April 30, 2026, are as follows:

	Month Ended 04-30-26	Calendar YTD 04-30-26	Fiscal YTD 04-30-26	1 Year Ended 04-30-26
Total Fund	**4.9**	**2.5**	**9.0**	**15.6**
DPERS Policy Benchmark**	7.1	5.1	14.3	23.1
S&P 500 Index	10.5	5.7	17.3	31.1

** Benchmark mix: 46% Russell 3000 Index, 24% MSCI ACWI ex US IMI (Net), 27.0% BB Universal Bond Index, 3% T-bills

R. Gooderham reported that the Committee had met once since the April Board meeting, on Tuesday May 19th, where the primary topic was performance and asset allocation, about which the Windmark team would elaborate more in Executive Session. The Committee's report noted that, in addition to the approved items below, the Committee had reviewed and discussed:

- The Quarterly Private Investments Review
- The First Quarter 2026 Investment Review
  - Securities Lending
  - Derivatives
  - Volunteer Firemen's Fund
- Other Business:
  - Constituent Plan Update
  - Foreign Exchange and Equity Transaction Cost Analysis
  - Annual Flow Chart Review
  - Private Investment Items

The Committee's report also noted the following items were approved under their authority:

- An amendment to the Limited Partnership Agreement for Carlyle Partners VI, L.P., subject to legal review.
- The liquidation of the Cantillon Account by a staged redemption process, with proceeds to be allocated to the BlackRock S&P 500 and BlackRock MSCI ACWI ex-U.S. index fund accounts at the Cantillon account's proportional U.S. and non-U.S. weightings.

- The raising of cash by redeeming $50 million each from GQG Global Equity and Orbis International.

The next meeting of the Committee is scheduled for Tuesday, June 16th, 2026.

- ❖ Decisions Made**:** Motion was made at 10:22 a.m. by B. Maxwell and seconded by N. Shevock to enter into Executive Session to consider pension personnel matters, confidential medical records, legal matters, sensitive commercial trade secrets, and confidential financial information. Motion adopted.
- ❖ Decisions Made: Motion was made at 11:22 a.m. by A. Agra and seconded by N. Shevock to return to Public Session. Motion adopted.

9. ADJOURNMENT

At 11:25 a.m., there being no further business.

- ❖ Decisions made: Motion was made by B. Maxwell and seconded by A. Agra to adjourn the meeting. Motion adopted.

Respectfully submitted,

Joanna M Adams
Joanna Adams (Aug 5, 2026 16:12:46 EDT)

Joanna M. Adams
Pension Administrator

Suzanne Grant
Suzanne Grant (Aug 11, 2026 13:01:44 EDT)

Suzanne Grant, Chair
Board of Pension Trustees