

**February 19, 2026**

**Administrative Committee Meeting**

2100 Evergreen Park Dr SW, Olympia, WA 98502

The link to view the meeting virtually can be found at [www.sib.wa.gov/meetings.html](http://www.sib.wa.gov/meetings.html)

- 1. Call to Order/Roll Call (8:45 am)**
- 2. Adoption of Minutes (8:45-8:50)**
  - A. Adoption of the December 18, 2025, Meeting Minutes
- 3. Quarterly Budget Update (8:50-9:05)**
  - A. Quarterly Budget Update
- 4. Executive Session (9:05-9:20)**
  - A. Chief Executive Officer Evaluation and Compensation Discussion
- 5. Other Items (9:20-9:25)**
- 6. Adjourn (9:25 am)**

# QUARTERLY BUDGET UPDATE

**FEBRUARY 19, 2026**

**Cliff Hicks**  
**Budget Officer**



# FISCAL YEAR (FY) 2026 QUARTERLY BUDGET UPDATE

## QUARTER ENDED DECEMBER 31, 2025



### Appropriated Budget

	FY 2026					FY 2025				
	Budgeted Amount	Expenditures Through December 31, 2025		PROJECTED EXPENDITURES		Budgeted Amount*	Expenditures Through December 31, 2024		ACTUAL EXPENDITURES	
	FY 2026	Expenditures	% of Budget Expended	Expenditures	% of Budget Expended	FY 2025	Expenditures	% of Budget Expended	Expenditures	% of Budget Expended
Salaries	\$29,394,140	\$11,979,840	40.8%	\$24,897,847	84.7%	\$29,278,301	\$11,370,325	38.8%	\$23,023,691	78.6%
Benefits	5,974,039	2,253,976	37.7%	4,649,172	77.8%	5,448,001	2,421,547	44.4%	5,212,028	95.7%
Professional Service Contracts	1,194,293	238,131	19.9%	713,131	59.7%	1,509,293	263,950	17.5%	427,927	28.4%
Goods and Services	6,335,598	2,698,761	42.6%	6,099,908	96.3%	5,838,271	2,459,632	42.1%	4,790,786	82.1%
Travel	1,168,345	650,678	55.7%	633,355	54.2%	1,214,759	677,137	55.7%	501,065	41.2%
Equipment	177,985	28,380	15.9%	103,380	58.1%	185,985	103,215	55.5%	764,802	411.2%
Debt Service (Treasury Note)	85,461	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
<b>Total</b>	<b>\$44,329,861</b>	<b>\$17,849,766</b>	<b>40.3%</b>	<b>\$37,096,793</b>	<b>83.7%</b>	<b>\$43,474,610</b>	<b>\$17,295,806</b>	<b>39.8%</b>	<b>\$34,720,299</b>	<b>79.9%</b>

\* Please note that the annual budgeted amount for FY 2025 does not include the \$5.5M balance that carried over from FY 2024.

# FY 2026 QUARTERLY BUDGET UPDATE

## QUARTER ENDED DECEMBER 31, 2025



### Non-Appropriated Budget – Fluctuating Costs

	FY 2026				
	Budgeted Amount	Expenditures Through December 31, 2025		PROJECTED EXPENDITURES	
	FY 2026	Expenditures	% of Budget Expended	Expenditures	% of Budget Expended
Public Equity	\$90,257,000	\$36,558,266	40.5%	\$78,015,116	86.4%
Private Equity	521,000,000	237,855,557	45.7%	492,381,496	94.5%
Real Estate	20,875,000	1,656,207	7.9%	3,606,155	17.3%
Tangible Assets	120,910,000	47,799,940	39.5%	102,766,071	85.0%
Innovation Portfolio	25,500,000	9,902,279	38.8%	22,280,128	87.4%
Securities Lending	4,500,000	1,734,730	38.5%	3,816,407	84.8%
Cash Management	5,500,000	1,625,811	29.6%	3,576,785	65.0%
Cash Overlay	1,000,000	322,194	32.2%	660,294	66.0%
<b>Subtotal</b>	<b>\$789,542,000</b>	<b>\$337,454,984</b>	<b>42.7%</b>	<b>\$707,102,452</b>	<b>89.6%</b>

	FY 2025				
	Budgeted Amount	Expenditures Through December 31, 2024		ACTUAL EXPENDITURES	
	FY 2025	Expenditures	% of Budget Expended	Expenditures	% of Budget Expended
Public Equity	\$90,507,000	\$36,136,823	39.9%	\$72,306,598	79.9%
Private Equity	521,000,000	246,505,654	47.3%	475,613,699	91.3%
Real Estate	20,875,000	6,630,946	31.8%	11,322,329	54.2%
Tangible Assets	120,910,000	52,854,520	43.7%	102,075,127	84.4%
Innovation Portfolio	20,500,000	10,440,480	50.9%	21,329,264	104.0%
Securities Lending	4,500,000	1,219,534	27.1%	2,499,884	55.6%
Cash Management	5,500,000	1,920,211	34.9%	3,707,664	67.4%
Cash Overlay	1,000,000	297,776	29.8%	602,654	60.3%
<b>Subtotal</b>	<b>\$784,792,000</b>	<b>\$356,005,944</b>	<b>45.4%</b>	<b>\$689,457,219</b>	<b>87.9%</b>

# FY 2026 QUARTERLY BUDGET UPDATE

## QUARTER ENDED DECEMBER 31, 2025



### Non-Appropriated Budget – Non-Fluctuating Costs

	FY 2026				
	Budgeted Amount	Expenditures Through December 31, 2025		PROJECTED EXPENDITURES	
	FY 2026	Expenditures	% of Budget Expended	Expenditures	% of Budget Expended
General Consultants	\$1,265,000	\$287,330	22.7%	\$659,005	52.1%
Staff Consultants and Contractual Services	4,264,000	884,177	20.7%	2,574,195	60.4%
Legal Fees	3,000,000	349,501	11.7%	810,621	27.0%
Custodian Bank Fees	3,105,000	1,552,500	50.0%	3,105,000	100.0%
Portfolio Verification	2,060,000	345,388	16.8%	1,695,388	82.3%
Memberships	252,000	84,237	33.4%	228,771	90.8%
Research Services and Analytical Tools	4,634,000	2,555,220	55.1%	4,436,967	95.7%
<b>Subtotal</b>	<b>\$18,580,000</b>	<b>\$6,058,353</b>	<b>32.6%</b>	<b>\$13,509,947</b>	<b>72.7%</b>

	FY 2025				
	Budgeted Amount	Expenditures Through December 31, 2024		ACTUAL EXPENDITURES	
	FY 2025	Expenditures	% of Budget Expended	Expenditures	% of Budget Expended
General Consultants	\$1,015,000	\$182,225	18.0%	\$421,300	41.5%
Staff Consultants and Contractual Services	4,264,000	973,502	22.8%	2,155,940	50.6%
Legal Fees	3,000,000	327,080	10.9%	498,860	16.6%
Custodian Bank Fees	3,020,000	1,252,500	41.5%	2,930,000	97.0%
Portfolio Verification	693,000	345,344	49.8%	696,186	100.5%
Memberships	252,000	74,606	29.6%	199,647	79.2%
Research Services and Analytical Tools	4,442,000	2,664,487	60.0%	4,096,254	92.2%
<b>Subtotal</b>	<b>\$16,686,000</b>	<b>\$5,819,744</b>	<b>34.9%</b>	<b>\$10,998,187</b>	<b>65.9%</b>

# FY 2026 QUARTERLY BUDGET UPDATE

## QUARTER ENDED DECEMBER 31, 2025



### Total Budget

	FY 2026				
	Budgeted Amount	Expenditures Through December 31, 2025		PROJECTED EXPENDITURES	
	FY 2026	Expenditures	% of Budget Expended	Expenditures	% of Budget Expended
Appropriated	\$44,329,861	\$17,849,766	40.3%	\$37,096,793	83.7%
Non-Appropriated	\$808,122,000	\$343,513,337	42.5%	\$720,612,399	89.2%
<b>Total</b>	<b>\$852,451,861</b>	<b>\$361,363,103</b>	<b>42.4%</b>	<b>\$757,709,192</b>	<b>88.9%</b>

	FY 2025				
	Budgeted Amount	Expenditures Through December 31, 2024		ACTUAL EXPENDITURES	
	FY 2025	Expenditures	% of Budget Expended	Expenditures	% of Budget Expended
	\$43,474,610	\$17,295,806	39.8%	\$34,720,299	79.9%
	801,478,000	361,825,688	45.1%	700,455,406	87.4%
<b>Total</b>	<b>\$844,952,610</b>	<b>\$379,121,494</b>	<b>44.9%</b>	<b>\$735,175,705</b>	<b>87.0%</b>

**Total Assets Under  
Management (AUM)**  
**\$234.1 Billion**

**FY 2026 Projected Expenditures \$757.7 Million (0.32%)**

**Fluctuating Cost**  
**93.4%**

**Non-Fluctuating Cost 1.8%**  
**Appropriated Budget 4.8%**

# FY 2026 QUARTERLY BUDGET UPDATE

## QUARTER ENDED DECEMBER 31, 2025



### Appropriated Budget

Salaries	Projected balance of \$4,496,293. Due to savings from staff vacancies.
Benefits	Projected balance of \$1,324,867. Due to benefit savings associated with staff vacancies.
Professional Service Contracts	Projected balance of \$481,162. Due to savings in information technology (IT) consulting services.
Goods and Services	Projected balance of \$235,690. Due to savings in office supplies, employee development, subscriptions, as well as deferral of non-essential expenditures in response to the current fiscal climate.
Travel	Projected balance of \$534,990. Due to less Investment Officer (IO) travel in part due to IO vacancies and the deferral of non-essential travel in response to the current fiscal climate.
Equipment	Projected balance of \$74,605. Due to management's decision to defer equipment purchases in response to the current fiscal climate.
Debt Service (Treasury Note)	Projected balance of \$85,461. No financing of IT equipment is anticipated for this fiscal year.



### Non-Appropriated Budget – Fluctuating Costs

Public Equity	Projected balance of \$12,241,884. Balance is expected to vary depending on growth of assets. Growth of assets yields higher fee amounts.
Private Equity	Projected balance of \$28,618,504. Final results are contingent upon the number of commitments, investment fees, and timing of distribution and calls.
Real Estate	Projected balance of \$17,268,845. Balance is expected to vary depending on consulting engagements and investment fees.
Tangible Assets	Projected balance of \$18,143,929. Balance is expected to vary depending on consulting engagements and investment fees.
Innovation Portfolio	Projected balance of \$3,219,872. Balance is expected to vary depending on consulting engagements and investment fees.
Securities Lending	Projected balance of \$683,593. Balance is expected to vary depending on market conditions.
Cash Management	Projected balance of \$1,923,215. Balance is expected to vary depending on cash balance growth and cash availability needs.
Cash Overlay	Projected balance of \$339,706. Balance is expected to vary depending on cash balance growth and cash availability needs.

Investment management fee structures for private markets are established when contracts and agreements are signed. The variability in cost is a function of asset values, investment contribution, and distribution pace, none of which can be controlled by the WSIB budget.



### Non-Appropriated Budget – Non-Fluctuating Costs

<b>General Consultants</b>	Projected balance of \$605,995. Projected balance is based on existing agreements and contract work orders. Further costs from consulting engagements are expected.
<b>Staff Consultants and Contractual Services</b>	Projected balance of \$1,689,805. Projected balance is based on existing agreements and contract work orders. Further costs from consulting engagements are expected.
<b>Legal Fees</b>	Projected balance of \$2,189,379. Projected balance is expected to vary depending on the number and complexity of investments.
<b>Custodian Bank Fees</b>	Projected to spend total budgeted amount.
<b>Portfolio Verification</b>	Projected balance of \$364,612. Expenditures are tracking in line with original annual projections.
<b>Memberships</b>	Projected balance of \$23,229. Balance is expected to vary depending on agency's needs.
<b>Research Services and Analytical Tools</b>	Projected balance of \$197,033. Balance is expected to vary depending on agency's needs.



## Appropriated Budget

Staff are projecting an FY 2026 balance of \$7,233,068. The final balance equates to a 16.3 percent savings.

The projected balance of \$7.2 million, or 16.3 percent, is expected to vary depending on the hire dates for filling vacant positions, goods and services needs, travel expenses, and other factors.

## Non-Appropriated Budget

Staff are projecting an FY 2026 balance of \$87,509,601. The final balance equates to a 10.8 percent savings.

The projected balance of \$87.5 million, or 10.8 percent, is expected to vary depending on market volatility, asset values, investment contribution, distribution pace, consulting needs, fees, and other factors.