

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

- 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)**

**WASHINGTON STATE INVESTMENT BOARD
Administrative Committee Meeting Minutes
February 19, 2026**

The Administrative Committee met in an open public session at the office of the Washington State Investment Board (WSIB) at 2100 Evergreen Park Drive SW, Olympia, Washington, and via Microsoft Teams video conferencing available to participants and members of the public at <https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting?rtc=1;meeting> Meeting ID: 238 416 224 053 48. Passcode: Kv6o6Mw2. Dial in +1 564-999-2000, phone conference ID: 248 458 453#.

Members Present: Yona Makowski, Chair
 Sara Ketelsen
 Liz Lewis
 Joel Sacks
 Tracy Stanley

Other Board Members
Present: David Nierenberg

Also Present: Allyson Tucker, Chief Executive Officer
 Chris Hanak, Chief Investment Officer
 Curt Gavigan, Chief Operating Officer
 Cliff Hicks, Budget Officer
 Jessica Carter, Confidential Secretary

 Dan Jensen, Attorney General's Office

CALL TO ORDER

Chair Makowski called the meeting to order at 8:50 a.m. and took roll call. All Committee members listed as present were able to participate fully in the meeting while in attendance.

[Liz Lewis joined the meeting at 8:50 am.]

ADOPTION OF MINUTES

Chair Makowski moved to approve the December 18, 2025, meeting minutes. Sara Ketelsen seconded, and the motion carried unanimously.

QUARTERLY BUDGET UPDATE

Presenter: Cliff Hicks, Budget Officer

Cliff Hicks reported for the period ending on December 31, 2025, that the appropriated budget has a projected balance of \$7.2 million and the non-appropriated budget has a projected balance of approximately \$87.5 million. This is the first year of the biennium, so any appropriated balance at the end of the fiscal year will carry over into fiscal year 2027.

Combined projected expenditure for the fiscal year is an estimated \$757.7 million, which is 0.32 percent of the SIB's total assets under management.

Executive Session

Chair Makowski announced that the Committee would go into executive session to discuss the performance of public employees. The executive session was expected to last until approximately 9:20 a.m., after which time the Committee would reconvene in open session.

[The Committee went into executive session at 8:54 a.m.]

[David Nierenberg joined the meeting at 9:01 a.m.]

[The executive session was extended to 9:26 a.m. Notice was provided to those waiting to rejoin the meeting.]

CHIEF EXECUTIVE OFFICER (CEO) EVALUATION AND COMPENSATION

Presenter: Yona Makowski, Administrative Committee Chair

[The Committee reconvened in open session at 9:26 a.m.]

On behalf of the Administrative Committee, Chair Makowski moved to recommend that the Board take the action discussed in executive session relative to the CEO compensation. Sara Ketelsen seconded, and the motion carried unanimously.

ADJOURNMENT

There was no further business to come before the Administrative Committee, and the meeting adjourned at 9:28 a.m.

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% |
| Total | \$44,329,861 | \$17,849,766 | 40.3% | \$37,096,793 | 83.7% | \$43,474,610 | \$17,295,806 | 39.8% | \$34,720,299 | 79.9% |

* 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% |
| Subtotal | \$789,542,000 | \$337,454,984 | 42.7% | \$707,102,452 | 89.6% |

| | 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% |
| Subtotal | \$784,792,000 | \$356,005,944 | 45.4% | \$689,457,219 | 87.9% |

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% |
| Subtotal | \$18,580,000 | \$6,058,353 | 32.6% | \$13,509,947 | 72.7% |

| | 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% |
| Subtotal | \$16,686,000 | \$5,819,744 | 34.9% | \$10,998,187 | 65.9% |

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% |
| Total | \$852,451,861 | \$361,363,103 | 42.4% | \$757,709,192 | 88.9% |

| | 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% |
| Total | \$844,952,610 | \$379,121,494 | 44.9% | \$735,175,705 | 87.0% |

**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

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