

COMMISSIONERS OF THE LAND OFFICE

Regular Investment Meeting Minutes June 9, 2021, at 1:00 p.m. Large Conference Room Commissioners of the Land Office–Ninth Floor Oklahoma City, Oklahoma

Notice was posted online with the Secretary of State on December 10, 2020. Public notice was also posted at the Commissioners of the Land Office on Tuesday June 8, 2021 by 12:00 noon.

Investment Committee Members:

Billy Swindell, Investment Committee Member
Mathangi Shankar, Investment Committee Member
Bob Mareburger, Investment Committee Member

CLO Staff Present:

Elliot Chambers, Secretary
Bennett Abbott, General Counsel
Karen Johnson, Chief Financial Officer
John Fischer, Director of Commercial Real Estate
Mike Lyons, Assistant Director of Financial Services
Andrea Bair, Assistant General Counsel
Emma Thomas, Financial Manager
Julie Tenopir, Internal Auditor
Edward Romero, Financial Manager

Visitors Present:

Ellen Fleming, BOK
Evan Walter, BOK
Robert Kindt, BOK
Mark Beffort, by telephone
Victorum Capital

Karen Johnson called the meeting to order at 1:03 p.m., confirmed proper posting of the meeting notice, ensured the presence of a quorum, and called the roll.

Billy Swindell: Present
Mathangi Shankar: Present
Bob Mareburger: Present

1. Request Approval of Minutes for Regular Meeting held May 12, 2021

- a. *Presented by Karen Johnson, CFO*
- b. *Discussion*
- c. *Action in which the Committee may approve or disapprove the matter and/or direct staff to take further action.*

Mathangi Shankar made a motion to approve the minutes from the May 12, 2021 meeting. Bob Mareburger seconded the motion.

Shankar:	Aye	
Swindell:	Aye	
Mareburger:	Aye	Motion Carried

2. Presentation of Performance Review by Robinson Park (informational purposes only)

Presented by Mark Beffort, Robinson Park

As of May 31, 2021, the total value of the Commercial Real Estate portfolio managed by Robinson Park was \$100.1 million. The one-year return for the CRE portfolio was 9.86%.

3. Presentation of Performance Review by RVK (informational purposes only)

Presented by Mark Higgins, RVK

As of April 30, 2021, the total value of the CLO Permanent Trust reached approximately \$2.66 billion, which is a new high-water mark. For the year-to-date, the Trust returned 5.92% net of fees, outperforming the target allocation index by 126 basis points.

4. Request Approval to Renew the Following Investment Manager Contracts for the Fiscal Year Beginning July 1, 2021:

- Allianz Global Investors
- BlackRock (Russell 1000 Index Fund)
- Boston Partners Investment Management (Robeco)
- CenterSquare Investment Management, LLC
- Cohen & Steers Capital Management, Inc
- Dodge & Cox
- FortWashington Investment Advisors
- Guggenheim Partners, LLC
 - Bonds - BBB
 - Bonds - CMBS
- Harvest Fund Advisors
- Insight Investment (Cutwater)
- J.P. Morgan Asset Management
- Silvercrest Asset Management Group

- Vanguard Institutional Investor Group
 - International Stock
 - High Dividend Yield Index
 - International High Dividend Yield Index
- Robinson Park LLC

Recommendation: The CFO recommends approval of the listed investment manager contracts for the fiscal year beginning July 1, 2021.

1. *Presented by Karen Johnson, CFO*
2. *Discussion*
3. *Action in which the Committee may approve, disapprove, or table the matter and/or direct staff to take further action.*

Bob Mareburger made a motion to recommend the Commissioners approve the Investment Manager contract renewals for FY 2022. Mathangi Shankar seconded the motion.

Mareburger:	Aye
Swindell:	Aye
Shankar:	Aye Motion Carried

5. Consideration and Possible Action to Approve Contracts or Purchases in Excess of \$100,000 beginning July 1, 2021

- Bank of Oklahoma
- RVK

Recommendation: The CFO recommends approval of the listed contract more than \$100,000 for the fiscal year beginning July 1, 2021.

- a. *Presented by Karen Johnson, CFO*
- b. *Discussion*
- c. *Action in which the Committee may approve, disapprove, or table the matter and/or direct staff to take further action*

Bob Mareburger made a motion to recommend the Commissioners approve the Bank of Oklahoma contract renewal for FY 2022. Mathangi Shankar seconded the motion.

Mareburger:	Aye
Swindell:	Aye
Shankar:	Aye Motion Carried

6. Consideration and Possible Action for Approval of Operational and Capital Budgets for Management of Commercial Investment Property

The following commercial investment properties with the associated operating expenses and capital budgets and reserve funds are presented for FY 2022 approval:

<u>Building Address</u>	<u>Operating Expenses</u>	<u>Capital Budget</u>
3017 N. Stiles Ave, OKC	\$171,384.00	\$ 270,000.00
119 N. Robinson, OKC	\$843,878.00	\$ 679,486.00
5005 N. Lincoln, OKC	\$174,436.00	\$ 263,141.00
5050 N. Lincoln, OKC	\$ 9,000.00	\$ 0.00
204 N. Robinson Floors 4,8,9&10, OKC	\$337,845.00	\$ 10,000.00
921 NE 23 rd St, OKC	\$ 0.00	\$ 0.00
400 NE 50 th St, OKC	\$ 0.00	\$ 0.00
5727 S. Lewis Ave, Tulsa	\$705,561.00	\$ 559,970.00
Lincoln Blvd Land Tracts, OKC	\$ 8,000.00	\$ 0.00
4734 Kickapoo, Shawnee	\$ 3,044.00	\$ 10,000.00
10625/30 NW 4 th St, Yukon	\$ 8,923.00	\$ 22,140.00
15024 W. Hwy 66, Yukon	\$ 21,977.00	\$ 32,850.00
NW 122 nd & Western, OKC	\$ 7,500.00	\$ 0.00
9201 N I-35 Service Rd, OKC	\$ 72,049.00	\$ 10,000.00
123 Robert S Kerr Floors 5-8&29, OKC	\$603,515.00	\$ 90,590.00
1 Robert S Kerr, OKC	\$516,016.00	\$ 172,000.00
201 W 5 th Street, Tulsa	\$497,176.00	\$6,000,000.00

Capital Reserve Fund for seven (7) Trusts - \$1,155,987.00

Expected total net income for the commercial investment properties is \$6,134,941.00.

Recommendation: Director of Commercial Real Estate recommends approval of the operational and capital budgets and reserve funds for FY 2022 for the listed commercial investment properties.

- a. Presented by John Fischer, Director of Commercial Real Estate
- b. Discussion
- c. Action in which the Committee may approve, disapprove, or table the matter and/or direct staff to take further action.

Bob Mareburger made a recommendation the Commissioners approve the operational and capital budgets and reserve funds for FY 2022 for the listed commercial investment properties. Billy Swindell seconded the motion.

Mareburger: Aye
 Shankar: Aye
 Swindell: Aye Motion Carried

7. Consideration and Possible Action to Recommend Approval of Commercial Real Estate Property Manager Selection

Recommendation: Director of Commercial Real Estate recommends the selection of Price Edwards & Company as a commercial property manager.

- a. Presented by John Fischer, Director of Commercial Real Estate
- b. Discussion
- c. Action in which the Committee may approve, disapprove, or table the matter and/or direct staff to take further action.

Bob Mareburger made a motion to recommend the Commissioners approve the selection of Price Edwards & Company as a commercial real estate property manager. Mathangi Shankar seconded the motion.

Mareburger: Aye
 Shankar: Aye
 Swindell: Aye Motion Carried

8. Consideration and Possible Action to Recommend Approval of the Appraised Value of Commercial Real Estate for Sale or Exchange

<u>Lease No.</u>	<u>Legal Description</u>
909506 Oklahoma County	Unit 700 of Oklahoma Commons, a unit ownership estate created by the Declaration of Unit Ownership Estate for Oklahoma Commons dated August 31, 2020, filed September 1, 2020 and recorded in Book 14461, beginning at Page 1010, in the Office of the County Clerk of Oklahoma County, State of Oklahoma, together with the undivided interest in the common elements appertaining thereto; located in NE/4 of the SE/4 of Section 33-12N-03WIM.

Recommendation: The Director of Commercial Real Estate recommends the appraised value of the property be approved.

- a. Presented by John Fischer, Director of Commercial Real Estate
- b. Discussion
- c. Commission Action in which the Board may approve, disapprove, or table the matter and/or direct staff to take further action.

Bob Mareburger made a motion to recommend the Commissioners approve the Commercial Real Estate appraisal. Billy Swindell seconded the motion.

Mareburger: Aye
 Shankar: Aye
 Swindell: Aye Motion Carried

9. Announcement of the hiring of Victorium Capital

Presented by Karen Johnson, CFO

10. Discussion and possible action to recommend to the Commissioners an investment by the permanent school fund.

- a. Presented by Elliot Chambers, Secretary*
- b. Discussion*
- c. Commission Action in which the Board may approve, disapprove, or table the matter and/or direct staff to take further action.*

Bob Mareburger made a motion to recommend the Commissioners approve the investment by the permanent school fund. Mathangi Shankar seconded the motion.

Mareburger:	Aye
Shankar:	Aye
Swindell:	Aye Motion Carried

11. Executive Session

No Executive Session was held

13. New Business

There was no new business.

14. Adjourn

A MOTION was made by Bob Mareburger seconded by Mathangi Shankar to adjourn the meeting.

Mareburger:	Aye
Shankar:	Aye
Swindell:	Aye Motion Carried

The meeting was adjourned at 2:08 p.m.