COMMISSIONERS OF THE LAND OFFICE
REGULAR INVESTMENT COMMITTEE MEETING MINUTES
WEDNESDAY, September 10, 2025, AT 8:30 A.M.

29TH FLOOR CONFERENCE ROOM
STRATA TOWER, 29TH FLOOR
OKLAHOMA CITY, OKLAHOMA

The agenda was posted online on the Commissioners of the Land Office website and at the Commissioners of the Land Office physical location on September 5th, 2025, before 4:30 p.m.

PRESENT

Bob Mareburger, Governor's appointee
Billy Swindell, State Auditor and Inspector's appointee
Shawn Richmond, Superintendent of Public Instruction's appointee

LAND OFFICE STAFF PRESENT

Dan Whitmarsh, Secretary
John Fischer, Assistant Secretary
Karen Johnson, Chief Financial Officer
Perry Tirrell, General Counsel
Tristan Newbold, Director of Communications
Alva Brockus, Director of Commercial Real Estate
Edward Romero, Investment Accountant
Phillip Chandler, Financial Accountant
Matt Clarkson, Assistant Director FSD
Amy Heath, CRE Accountant
Sabrina Cabral, Executive Assistant/Recording Secretary

VISITORS

Jason Hinton, RVK
Jason Samansky, RVK
Josh Kevan, RVK

Karen Johnson, CFO/Sr. Director, called the meeting to order at 8:31 AM. Roll was called and quorum was confirmed.

CFO/Sr. Director Johnson took a moment to introduce and welcome State Superintendent's Appointee Mr. Shawn Richmond.

1. Request Approval of Minutes for Special Meeting held July 30, 2025

CFO/Sr. Director, Johnson asked the Committee to approve the minutes for the special meeting of the Commissioners of the Land Office Investment Committee held on July 30th, 2025.

Committee Member Mareburger made a motion to approve the minutes from the July 30, 2025, meeting. Committee Member Swindell seconded the motion.

Gov. Appointee, Mareburger:	Aye
St. Auditor Appointee, Swindell:	Aye
St. Supt Appointee, Richmond:	Aye

Motion Carried.

2. Presentation of Performance Review by RVK (informational only)

Jason Samansky, RVK greeted the committee and introduced Josh Kevan, president of RVK, as well as a formal introduction to Committee Member Shawn Richmond. RVK presented two reports for the meeting. The first report was the monthly performance report. It is comprised of economic and capital market reviews and commentary including the high-level numbers and in the back is the CLO direct performance.

Josh Kevan, RVK walked the committee through the new layout of their report. His summary included a review of recent Fed actions and anticipated future actions, status of inflation, recent history of GDP performance, trends in the treasury yield curve, trends in returns of the bond markets and equity markets, a breakdown of bond markets into various sectors including asset backed and CMBS, a breakdown of equity markets into large cap, mid cap, and small cap, recent S&P 500 and Russell 3000 performance, opinions on economic growth in the manufacturing and service sectors and conditions based on the performance of those various markets, the recent weakening of the U.S. Dollar and how that impacts returns on investments held in foreign currencies. The new format of the report is to make it more useful for their clients in helping them understand economic conditions in general, and input on how this information is reported is always welcome.

The discussion was then handed over to Jason Samansky, RVK, who focused on the part of the report that summarized CLO's performance in the last quarter. At the time of the report, the value of the portfolio was around $2.9 Billion and since then has crossed the $3 Billion mark, which is a new high for the CLO. He provided a summary of how the various asset classes are performing and how the CLO's investment managers are performing relative to their assigned benchmarks in those asset classes. He also discussed how the current asset allocation is meeting the CLO's dual mandate of a rate of growth consistent with inflation and distributions of 4% of the portfolio's value. The portfolio is meeting both objectives, both in the short term, and has done so when looking back over the last 10 years as well. He described which asset classes are currently outperforming and which asset classes need to be carefully observed in the current economic climate. The CLO's conservative tilt in its investments has allowed it to not experience the full impact of declines in the various markets, however that also means that it lags behind when the market is going through its highs.

Brief discussion between committee members and RVK with specific questions on the performance of managers and different asset classes that the CLO may look to invest in. RVK responded that a key factor is overlapping mandates. Later in the meeting there will be a discussion on the balance of the equity structure within the portfolio and various recommendations to ensure balance among all asset classes if any changes are made. There was also discussion on the performance of some of the managers where the benchmark takes into consideration asset classes the CLO is prohibited from investing in, so having the manager outperform the benchmark

in those areas can be challenging and that is taken into consideration when RVK is reviewing performance. There was also discussion on yield based investments and how higher risk securities are currently returning really well, but these investments are also at the highest level of risk if economic conditions decline and at the end of the day, current return may not be important if there is a risk of the underlying assets not being able to pay in the future.

Jason summarized that when looking at performance, they always look at those high-level numbers and with every single portfolio you always think about potential changes. Reasons for changes would be to either strengthen the path of performance or potentially lessen the risk. There are always opportunities and again RVK is constantly reviewing those opportunities. In summary, RVK is pleased with the high level results the CLO is receiving from this mix of managers.
Informational only, no vote was taken.

3. Consideration and Possible Action for Approval of Operating Expense Budget Revisions for Management of Commercial Investment Property

Assistant Secretary Fischer presented this agenda item regarding the BOK Place Building, 5727 S. Lewis Ave, Tulsa, OK. On the approved budget reports from the property manager, the monthly amounts are correct, but an error was discovered when they didn't total properly when entered into a spreadsheet. The total discrepancy is $33,500. The specific line items were separately pointed out: repairs, contracted cleaning expense, and administrative costs.

Once the totals were corrected there was a $33,500 increase to operating expenses, from $959,129 to $992,629. The property will still generate $293,000 before leasing costs. The net revenue after leasing costs is a negative number due to the property being a high vacancy building. When new three- to five-year leases are negotiated, there are up front Tenant Improvement expenses with that that are reimbursed over the lease term. This brings the net revenue negative in the short term, but much brings in more long-term cash flow.

Assistant Secretary Fischer requests the Investment Committee recommends to the Commission approval of this revision to the operating expense budget for FY 2026 for the listed commercial investment property.

Committee Member Mareburger made a motion to recommend to the Commission the approval of the revision of the operating expense budget for FY2026 for the listed commercial investment property. Committee Member Swindell seconded the motion.

Gov. Appointee, Mareburger:	Aye
St. Auditor Appointee, Swindell:	Aye
St. Supt Appointee, Richmond:	Aye

Motion Carried.

At 9:30 a.m. Karen Johnson, CFO introduced Matt Clarkston, Assistant Director, FSD to take over the meeting as she had to leave.

4. Presentation of U.S. Equity Structure Review (informational only)

Josh, Jason and Jason of RVK walked through the report provided to the committee summarizing the current U.S. Equity Structure of the portfolio that ended with some recommendations in reallocating some assets within that space. The discussion started with a summary of the equity markets and how the various classes of large cap, mid cap, and small cap are measured in certain indexes such as the Russell 3000 and how they perform relative to each other over the past 10 to 20 years. The discussion summarized the CLO's current portfolio balance and how it is structured heavily toward value (vs. growth) to meet the CLO's dual mandate.

In presenting options, RVK looked at the current investment manager mandates and where they are weighted compared to various benchmarks. Because of the value tilt of the portfolio, the CLO tends to be underweighted in mid cap and small cap. When looking over long periods of time, mid and small cap tend to outperform large cap. Another analysis used in presenting options was determining how expanding heavier into mid and small caps would impact both the yield of the portfolio and the standard deviation of the returns. Sharpe ratios were examined, which compares the amount of return to level of risk, and over long periods mid cap have demonstrated a rate of return that would exceed the additional level of risk incurred.

Two proposed structures are presented on the recommendation pages of the handout. One option is adding another manager to focus on the mid cap segment. This would be a passive manager such as Fidelity, Vanguard, or Northern Trust. RVK would solicit proposals and bring them to this committee and then the Commission for consideration. This is a prevalent market so there are several high-quality managers in this space. The other option would be to use our existing managers and work with them to redefine their mandates within the parts of the portfolio they manage to increase their weights in the mid cap market. Various expected impacts of both options were explained in the handout, to include potential impacts to returns and fee structures as well as timing.

RVK summarized that this was put on the agenda as a discussion only item today because there is a lot of information here. They want the committee to have time to digest it, discuss it with the Commission members they represent, and the come back with additional questions and concerns based on having this time. This will require some minor changes to the investment plan in both asset allocation and defining the asset class and its benchmarks. The committee members indicated that they appreciated having this time as it is at times difficult to properly consider investment plan changes. Discussion about the importantance of still hitting the 4% yield mandate if the investment plan does tilt a little more toward growth. RVK feels this is just a small adjustment to capture "alpha" the CLO is currently missing but their projections indicate that we are high enough in yield above the benchmark, this shouldn't be an issue.

Informational only, no vote was taken.

5. Agency Updates (informational purposes only)

No agency updates presented at this time by CLO Staff.

6. New Business

No new business.

Adjourn

Motion by Committee Member Swindell to adjourn. Motion seconded by Committee Member Mareburger.

Gov. Appointee, Mareburger:	Aye
St. Auditor Appointee, Swindell:	Aye
St. Supt. Appointee, Richmond:	Aye

Motion Carried.

Meeting adjourned at 11:32 a.m.