

Minutes of January 28, 2026, Comptroller's Investment Advisory Board Meeting

The Comptroller's Investment Advisory Board met on Wednesday, January 28, 2026, at the LBJ State Office Building, 111 E. 17th Street, Room 113, Austin, Texas, 78701.

Board Members present:

Laurie Dotter, Jim Hille, Adolpho Telles, and Sam Vinson

Board Members absent: Ben Wall and Katie Hubbard

Comptroller of Public Accounts Staff Presiding:

Deputy Comptroller Lisa Craven

Texas Treasury Safekeeping Trust Company ("Trust Company") Executive Staff, Presenters & Facilitators:

Mike Reissig, CEO; Anca Ion, CIO, Deputy CEO; Gena Minjares, CFO; Whitney Blanton, General Counsel; Laura Montoya, COO; Spencer Brown, Deputy General Counsel; Nicole Wang, Sr. Portfolio Manager; Emil Boehm, Sr. Portfolio Manager; Mat Williams, Portfolio Manager; Matt Connolly, Sr. Portfolio Manager; and Nora Arredondo, Program Specialist.

Additional Participants:

Roger Willis and Joe Nugent, Asset Consulting Group ("ACG") and Tino Robledo and Heath Jackson, RSM US LLP

Call to Order

Deputy Comptroller Lisa Craven declared that a quorum was not present and called the meeting to order at 10:00 a.m.

Agenda Items:

- 1. A quorum was not present; therefore, approval of the Minutes from October 15, 2025, and August 14, 2025, meetings will be deferred until the next meeting.**
- 2. Chief Executive Officer Update (handout)**

Mr. Mike Reissig reviewed a budget summary handout for the period ending November 30, 2025. Financially, the organization's budget is on track for the first quarter, with revenues and expenses aligning closely with expectations and no concerns identified. He reported that key projects were moving forward successfully, including the implementation of Clearwater Analytics and preparations for relocating to the Bush Building, both currently on schedule. He also noted that hiring has been gradual with minimal turnover.
- 3 Presentation of Independent Auditor's Report for the Trust Company**

Mr. Tino Robledo and Mr. Heath Jackson summarized the audit reports and reported that RSM issued an unmodified financial audit opinion with respect to the Trust Company for the fiscal year ending August 31, 2025. They reported that no audit adjustments were recorded during the audit engagement that would indicate deficiencies in the accounting process, nor were any management letter comments issued.

Board members, led by Mr. Adolpho Telles, talked about significant growth in AUM, appropriate staffing, and asked whether operational, accounting, and/or audit practices had changed. Mr. Jim Hille suggested adding private executive sessions with auditors as a best practice. Ms. Gena Minjares clarified that no major operational or accounting changes occurred, emphasizing strong, repeatable processes, close monitoring of asset valuations, and ongoing audits to ensure control effectiveness. Auditors confirmed their approach remained consistent despite the firm growth, with expanded testing but no control issues or management override concerns identified. Leadership acknowledged the board's questions, affirmed transparency, and agreed to consider process improvements like future private executive sessions.

4 Investment Policies Update

For the Texas Economic Stabilization Investment Fund (TESTIF), the key revision adds natural resources to expand investment flexibility without changing benchmarks.

Due to a lack of a quorum, a formal recommendation and vote could not be made.

5 CIO Update: Market Outlook and Portfolio Reviews

Ms. Ion provided a macroeconomic update and reviewed the information behind Tab 2. She highlighted strong 2025 performance led by gold and equities, with real estate lagging due to high rates. She remains cautiously optimistic for 2026, citing steady growth and earnings but noting risks like inflation and high valuations. She stresses maintaining liquidity to take advantage of potential market opportunities.

Ms. Ion reported that total assets under management were approximately \$105 billion, with recent declines mainly due to seasonal outflows from the Treasury Pool, which still maintains a stable yield near 4%. Across major portfolios—including the Endowment, TUF, State Water Implementation Fund for Texas (SWIFT), and TESTIF—performance was strong, with returns exceeding benchmarks over one-, three-, and five-year periods and generating over \$1 billion in added value. She attributes higher returns largely to strong public equity markets, while noting some underperformance in private equity. Portfolios are positioned with ample liquidity and a tilt toward equities, supporting solid results while maintaining flexibility for future opportunities.

Mr. Matt Connolly reported that the Treasury Pool balance was approximately \$66 billion, with recent outflows largely in line with expectations due to seasonal school payments. The portfolio yield was slightly down from the previous quarter and despite two Federal Reserve Fed rate cuts over the same period, the Pool held up well to the benchmark. The Pool is expected to yield approximately \$2.4 billion in interest income over the next year. Asset allocation and duration remain stable, though treasury bill holdings are expected to rise again after recent drawdowns. He also noted that market spreads are currently very tight across sectors, reflecting strong market conditions and influencing investment positioning.

6 Capital Markets Overview and Investment Performance Review for Quarter Ending September 30, 2025, and Related Matters (Asset Consulting Group)

Mr. Roger Willis highlighted key market themes including the continued growth of AI, rising government debt, and the strong role of U.S. household wealth in supporting economic resilience.

He noted that while global growth is expected to remain stable, future returns, especially for equities—may be slightly lower after recent strong performance. He also emphasized risks such as high valuations, inflation surprises, and interest rate uncertainty, alongside opportunities in equities, diversification, and higher fixed-income yields. Overall, the outlook remains constructive, with balanced risks and opportunities shaping portfolio expectations.

Mr. Nugent reported that private markets have lagged public equities recently but remain strong long-term performers. He noted that 2025 saw stronger deal-making and exit activity, but growth was largely driven by AI with relatively narrow market participation. Overall, the Endowment, SWIFT, and TESTIF portfolios have delivered solid multi-year outperformance versus benchmarks with lower volatility.

7 Private Equity Portfolio Review

Ms. Nicole Wang outlined the private equity portfolio strategy, focusing on balanced diversification, high-conviction manager selection, and steady vintage-year exposure, supported by tactical tools like co-investments and secondaries. She reviewed progress across the Endowment, TUF, and TESTIF portfolios, noting current private equity allocations are below long-term targets but are expected to reach them by 2030 as capital is deployed. Overall, she reported strong progress in building and scaling the private equity platform.

Mr. Emil Boehm described a venture portfolio transitioning toward higher-conviction managers while maintaining a balanced approach across sectors, fund sizes, and geographies. The portfolio remains primarily North America-focused, with smaller funds targeted for greater alpha potential. While exits have been slow, early AI-related investments are beginning to show positive results.

Mr. Mat Williams reported that 2025 saw strong private market activity, largely driven by AI, with many investments concentrated in venture. He stated that older portfolio companies are stable but offer limited additional upside, and firms are staying private longer. The portfolio includes diversified AI exposure and continues to target top managers and secondary opportunities to enhance returns.

Board members discussed the private equity mix, noting venture is still dominated by older vintages while newer capital is still being deployed. Staff explained AI exposure is broad across venture and that buyout entry multiples vary but are generally mid-teens.

8 Next Meeting and Agenda Items

Next meeting is scheduled for April 2026. No new agenda items discussed.

9 Public Comment

No public comments.

Deputy Comptroller Lisa Craven adjourned the meeting at 12:02 p.m.