

**DRAFT VERSION – MINUTES OF THE INVESTMENT ADVISORY COUNCIL SPECIAL MEETING
WEDNESDAY, DECEMBER 14, 2022 – SUBJECT TO REVIEW AND APPROVAL
FINAL VERSION OF THESE MINUTES WILL BE POSTED AFTER APPROVAL OF THE INVESTMENT
ADVISORY COUNCIL AT THE NEXT MEETING, WHICH WILL BE HELD ON
WEDNESDAY, FEBRUARY 8, 2023**

MEETING NO. 513

Members present: D. Ellen Shuman, Chair
Treasurer Wooden, Secretary
Thomas Fiore, representing Secretary Jeffrey Beckham
William Murray
Michael Knight
Steven Muench
Myra Drucker

Members absent: Patrick Sampson
Michael LeClair

Others present: Erick Russell, Treasurer-Elect
Darrell Hill, Deputy Treasurer
Alex Marcellino, Assistant Treasurer
Ted Wright, Chief Investment Officer
Karen Grenon, Assistant General Counsel
Ginny Kim, Assistant General Counsel, Chief Compliance and
Diversity Officer
Mark Evans, Principal Investment Officer
Peter Gajowiak, Principal Investment Officer
Denise Stake, Principal Investment Officer
Michael Terry, Principal Investment Officer
Christine Shaw, Principal Investment Officer
Nishant Upadhyay, Principal Investment Officer
Olivia Wall, Senior Investment Officer
Kan Zuo, Investment Officer
Jessica Weaver, Corporate Governance Analyst
Raymond Tuohey, Executive Secretary
Gary Hudepohl, Hudepohl Associates

Guests: Public Line

With a quorum present, Chair D. Ellen Shuman called the Investment Advisory Council (“IAC”) special meeting to order at 9:05 a.m.

**Approval of the Minutes of the November 16, 2022, IAC Meeting and Minutes of the
November 16, 2022, IAC Audit Sub-Committee Meeting**

Chair Shuman called for a motion to accept the minutes of the November 16, 2022, IAC Meeting and minutes of the November 16, 2022, IAC Audit Sub-Committee Meeting. **Mr. Fiore moved to approve the minutes. The motion was seconded by Mr. Murray. There being no further discussion, the Chair called for a vote to accept the minutes of the meeting, and the motion passed. Steven Muench abstained.**

Comments by the Treasurer

Treasurer Wooden welcomed the IAC members and began by sharing recent updates at the Office of the Treasurer (OTT). Treasurer Wooden announced a \$200 million commitment to Vista Equity Partners Fund VIII in the Private Investment Fund portfolio. Treasurer Wooden provided a brief overview of the agenda. The Treasurer then introduced Nishant Upadhyay, Principal Investment Officer, Fixed Income, as the newest member of the PFM staff. Lastly, he concluded his remarks by thanking the IAC members for their support during his term in office, and thanked PFM and the legal team staff members for their hard work on behalf of the Office of the Treasurer.

Executive Session

Chair Shuman asked for a motion to move into Executive Session. **A motion was made by Mr. Muench, seconded by Ms. Drucker that the IAC enter into Executive Session to consider personnel matters at 9:14 a.m. The motion passed unanimously.** Treasurer-Elect Russell, Darrell Hill, Deputy Treasurer, John Flores, General Counsel, Alex Marcelino, Assistant Treasurer, and Gary Hudepohl, Hudepohl Associates, were invited to attend the Executive Session.

Chair Shuman reconvened the regular session at 10:08 a.m. **Chair Shuman noted that no substantive votes or actions were taken during the Executive Session.**

Consideration of Personnel Matters

Chair Shuman asked John Flores, General Counsel, to read the resolution of the Investment Advisory Council.

RESOLUTION OF THE INVESTMENT ADVISORY COUNCIL

WHEREAS, Connecticut General Statutes Section 3-13a provides for the Treasurer to determine the compensation of investment officers within salary ranges established by the Treasurer in consultation with the Investment Advisory Council;

WHEREAS, the departure of key PFM staff would result in a negative impact on the investment performance of the Connecticut Retirement Plans and Trust Funds (CRPTF);

WHEREAS, in order to reduce the potential of losing key staff, the Treasurer and the Investment Advisory Council have taken steps including the establishment of a compensation scale reflective of the competitive market for investment officers;

WHEREAS, on April 25, 2022 the Commissioner of the Department of Administrative Services and the Secretary of the Office of Policy and Management issued a memorandum authorizing annual increment salary and cost of living adjustments for certain State of Connecticut Executive Branch employees;

WHEREAS, in recognition of the need to keep pace with inflation and market salary increases;

WHEREAS, the Investment Advisory Council will review the compensation structure to remain market competitive;

NOW THEREFORE, in consideration of the factors outlined above, the Investment Advisory Council:

- (i) adopts and incorporates the COLA and annual salary increment adjustments (starting from January 1, 2022) contained in the April 25, 2022 memorandum into the salary ranges for PFM investment officers and such other PFM employees as appropriate; and*
- (ii) authorizes corresponding increases to the salary ranges to allow such adjustments without the need for additional votes.*

Adopted by majority vote of the Investment Advisory Council on this 14th day of December, 2022

D. Ellen Shuman

Chair, Investment Advisory Council

Chair Shuman asked for a motion to approve the resolution. **A motion was made by Mr. Muench, seconded by Ms. Drucker, to approve the compensation of investment officers within salary ranges established by the Treasurer in consultation with the Investment Advisory Council, as outlined in the resolution.** There being no further discussion, the Chair called for a vote, and the motion passed. Michael Knight opposed.

Private Asset Classes Pacing Plan Overviews

Mark Evans, Principal Investment Officer and Denise Stake, Principal Investment Officer provided an overview of the recommended pacing plans for the Private Investment Fund, the Private Credit Fund, Real Estate, and Infrastructure/Natural Resources Asset Classes.

Presentation and Consideration of Private Credit and Private Equity Opportunities

Presentation and Consideration of HarbourVest CT Co-Investment Fund L.P. and HarbourVest CT Private Debt Fund L.P.

Mark Evans, Principal Investment Officer, provided opening remarks and presented HarbourVest CT Co-Investment Fund L.P. and HarbourVest CT Private Debt Fund L.P., Private Investment Fund and Private Credit Fund opportunities.

Roll Call of Reactions for the Private Credit and Private Equity Opportunities

Messrs. Myra Drucker, Thomas Fiore, Steven Muench, William Murray, Michael Knight, and Chair Shuman provided feedback on the investment opportunities. **There being no further discussion, Chair Shuman called for a motion to waive the 45-day comment period. A motion was made by Ms. Drucker, seconded by Mr. Muench, to waive the 45-day comment period for the Private Credit and Private Equity investment opportunities. The Chair called for a vote, and the motion passed.**

Presentation and Consideration of Infrastructure and Natural Resources Opportunities

Presentation and Consideration of Morgan Stanley - CT Real Assets Co-Investment Fund

LP

Olivia Wall, Senior Investment Officer, provided opening remarks and presented Morgan Stanley - CT Real Assets Co-Investment Fund LP, an Infrastructure Fund opportunity.

Presentation and Consideration of BlackRock Global Infrastructure Fund IV, L.P.

Denise Stake, Principal Investment Officer, and Olivia Wall, Senior Investment Officer, provided opening remarks and presented BlackRock Global Infra Fund IV, an Infrastructure Fund opportunity.

Roll Call of Reactions for the Infrastructure and Natural Resources Opportunities

Messrs. Myra Drucker, Thomas Fiore, William Murray, Michael Knight, Steven Muench and Chair Shuman provided feedback on the investment opportunities. **There being no further discussion, Chair Shuman called for a motion to waive the 45-day comment period. A motion was made by Mr. Fiore, seconded by Mr. Murray, to waive the 45-day comment period for the Infrastructure and Natural Resources opportunities. The Chair called for a vote, and the motion passed.**

Other Business

- Review and Approval of the IAC Meeting Schedules for the 2023/2024 Calendar Years.

Chair Shuman asked for a motion to approve the IAC Meeting Schedules for the 2023/2024 Calendar Years. **Mr. Fiore moved to approve the Schedules and the motion was seconded by Mr. Murray. There being no discussion, the motion passed to approve the IAC Meeting Schedules for the 2023/2024.**

Comments by the Chair

Chair Shuman acknowledged and thanked John Flores, General Counsel, and IAC member Steven Muench, for their years of service.

Meeting Adjourned

There being no further business, Chair Shuman called for a motion to adjourn the meeting. **Mr. Fiore moved to adjourn the meeting, and the motion was seconded by Mr. Muench. There being no discussion, the motion passed, and the meeting was adjourned at 11:29 a.m.**

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