

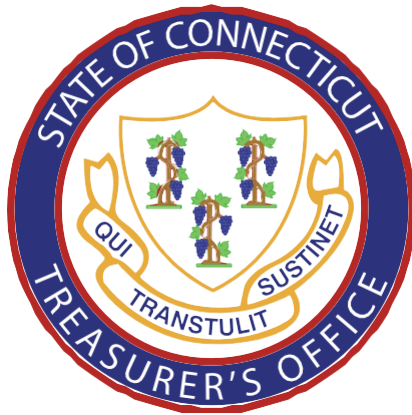


# STATE OF CONNECTICUT

2020 ANNUAL REPORT OF THE TREASURER

The Office of  
Treasurer Shawn T. Wooden





The State Motto,  
“Qui Transtulit Sustinet”  
(He Who Transplanted Still Sustains)

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# Introduction

## MISSION STATEMENT

The Connecticut State Treasurer's Office's mission is to perform in the highest professional and ethical manner to safeguard the state's public resources.

Our office policy, investment, and borrowing decisions encourage greater financial literacy, education, job and economic growth, and equal opportunity for all who call Connecticut home, a place to do business, and invest.

### Duties of the Office of the Treasurer

The duties and authority of the Office of the Treasurer are set out in Article Four, Section 22 of the Connecticut State Constitution and in Title 3 of the Connecticut General Statutes. In general, the Treasurer is responsible for the safe custody of the property and money belonging to the State.

The Treasurer receives all money belonging to the State, makes disbursements as directed by statute, and manages, borrows, and invests all funds for the State.

The Treasurer, as chief elected financial officer for the State, oversees the prudent preservation and management of State funds, including the investment of a \$36.1 billion portfolio of pension and trust fund net assets, \$11.5 billion in total state and local short-term investments, and \$4.2 billion of assets in the Connecticut Higher Education Trust as well as management of a \$26.3 billion State debt portfolio. The Treasurer maintains an accurate account of all funds through sophisticated security measures and procedures.

### Boards, Committees, and Commissions

Connecticut state statutes provide that the State Treasurer serves as a member, ex-officio member, or can designate a representative, on several State boards and commissions. The Treasurer serves on the following boards, commissions and legislatively-mandated committees: Banking Commission, State Bond Commission, Connecticut Airport Authority, Connecticut Data Analysis Technology Advisory Board, Connecticut Green Bank, Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Higher Education Trust Advisory Committee, Connecticut Housing Finance Authority, Connecticut Innovations, Connecticut Lottery Corporation, Connecticut Port Authority, Connecticut Retirement Security Authority, Family and Medical Leave Insurance Trust Fund, Finance Advisory Committee, Investment Advisory Council, Municipal Accountability Review Board, Nitrogen Credit Advisory Board, Standardization Committee, State Employees' Retirement Commission, and

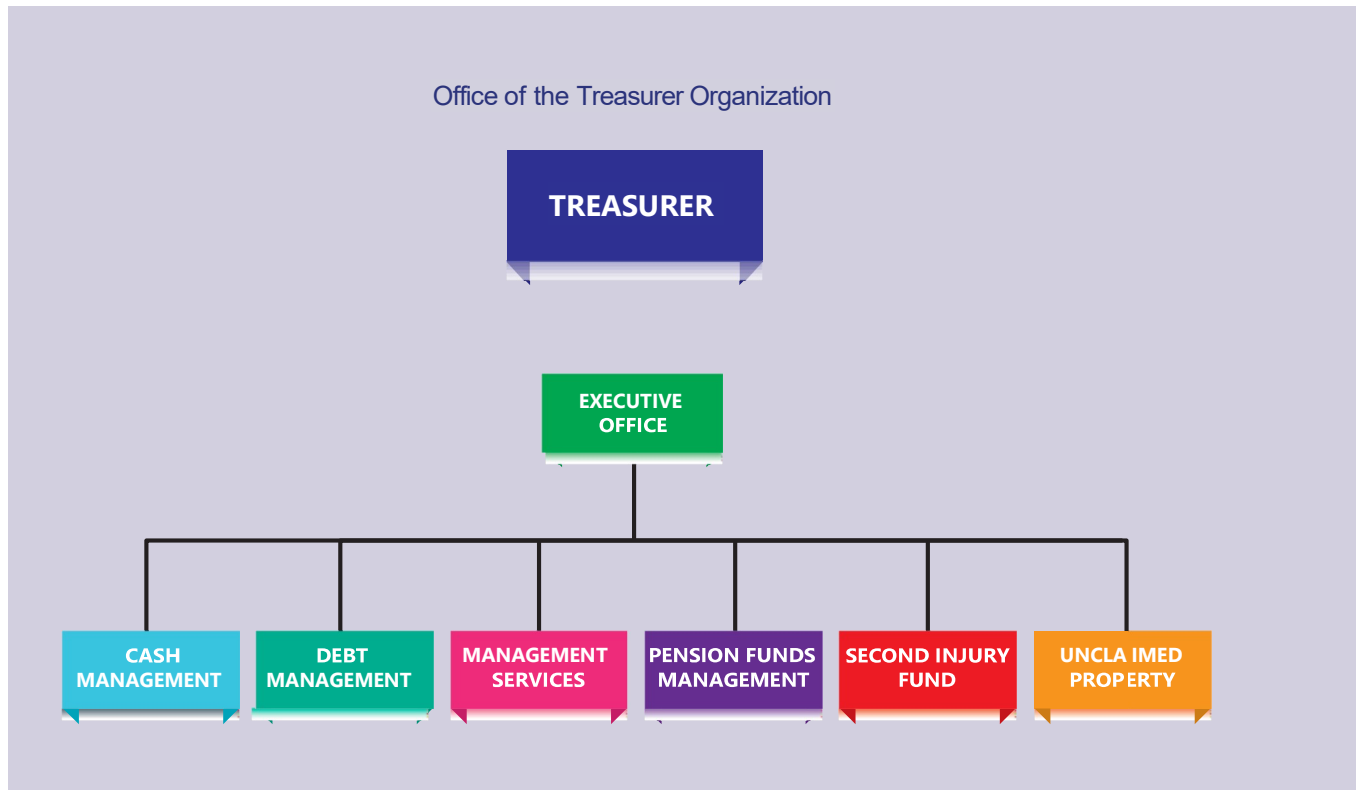
Teachers' Retirement Board. Newly established during Fiscal Year 20 (FY20), is the Governor's Council on Women and Girls. Additional information on the responsibilities of each is provided on Supplemental pages.

## Office of the Treasurer Organization

The Treasurer is the chief elected financial officer of the State. The Office of the Treasurer includes an Executive Office and six divisions, each with specific responsibilities: Cash Management, Debt Management, Management Services, Pension Funds Management, Second Injury Fund, and Unclaimed Property. The Treasurer is responsible for the safe custody of the property and money belonging to the State by receiving all money, making disbursements as directed by statute, and managing, borrowing, and investing funds. The Treasurer is principal fiduciary of each of the Connecticut Retirement Plans and Trust Funds ("CRPTF") and, as such, is responsible for prudently investing the State's pension and trust fund assets. The Cash Management Division manages the Short-Term Investment Fund, which serves as an investment vehicle for the operating cash of the State Treasury, state agencies and authorities, municipalities, and other political subdivisions of the State. As the public finance arm of state government, the Treasury is responsible

for issuing and managing the State's debt in a vigilant and cost-effective manner.

The Executive Office is responsible for overall policy, planning and general administration to enhance the financial integrity and soundness of Treasury operations within each division, providing direction and leadership in carrying out Treasury functions and fostering economic well-being of the State and its citizens and businesses within the confines of fiduciary standards. The Executive Office also administers the Treasury's corporate governance program, which was developed in accordance with its fiduciary duty to protect and grow the value of the State's pension and trust fund investments; promotes, in accordance with state law, environmental, social and governance best practices among the companies in which it invests and with its financial service providers; and serves as a catalyst and advocate for the financial fitness of residents across the State. Other specific activities include legislative affairs, public information and community outreach, legal services, compliance, and financial reporting. The Treasurer is Trustee of the Connecticut Higher Education Trust, the State's 529 college savings program. The Executive Office provides overall supervision of this savings program as managed by financial service providers.



## A Record of Accomplishments

During FY20 achievements by the Office of the Treasurer that will benefit state residents and businesses included:

### Short-Term Investment Fund Outperforms Benchmark —

The Short-Term Investment Fund (“STIF”) earned 1.53 percent in FY 20, while its benchmark returned 1.36 percent. Consequently, STIF investors earned an additional \$15.3 million in interest income. The Fund’s superior performance has earned the State and local governments and their taxpayers an additional \$80 million over the last ten years.

### Connecticut’s Funds Hit All-Time High in Market Value —

The CRPTF posted a net asset value of \$36.1 billion as of June 30, 2020, an all-time fiscal year-end record. Accounting for fees and expenses, including \$1.1 billion of benefit payments in excess of total contribution receipts, the value was unchanged during the fiscal year. Connecticut’s three largest pension plans; Teachers’ Retirement System, State Employees’ Retirement System and Municipal Employees’ Retirement System had assets of \$18.3 billion, \$13.2 billion, and \$2.7 billion respectively.

### Unclaimed Property Division Added \$36 Million to General Fund, Returned \$66 Million to Rightful Owners —

Unclaimed property receipts totaled \$121 million during FY20.

Of the total, the Office deposited \$36 million into the State’s General Fund — \$12.1 million was transferred to the Citizens’ Election Fund. The Office returned \$66 million in unclaimed assets to 11,120 rightful owners, representing an increase of \$10 million, or 18% over the prior year.

### Second Injury Fund Assessment Rates Remain Unchanged —

The Second Injury Fund continues to maintain the assessment rates for Connecticut businesses at the lowest levels in the history of the Fund. As a result, Connecticut businesses have realized an estimated \$5.9 million in savings during FY20 and \$5.96 million in projected savings for FY20.

### Unfunded Liabilities for Injured Workers Continue to Decline —

Unfunded liabilities in the Second Injury Fund for injured workers during FY20 decreased 10 percent from \$283 million to \$254 million. The Fund’s open claim inventory dropped from 2,578 to 2,402 as of June 30, 2020.

### Assets Recovered from Claims and Litigation —

During FY 20, the Treasury recovered \$5.9 million in class action lawsuits. The Office has regained \$62.1 million since 2000 by closely monitoring and participating in class action settlements.

### Maintained Credit Ratings, Record Setting Bond Sales, and Refunding Savings —

Following the outbreak of COVID, Treasurer Wooden and others met with the major bond rating agencies resulting in all of the credit rating agencies affirmed the State’s credit ratings with Stable outlooks when several other states were experiencing negative credit rating actions. Subsequently, the Treasurer completed three successful bonds sales totaling \$1.75 billion that attracted significant levels of investor demand and achieved a low overall interest cost under 3%, including the last of the sale that achieved the lowest interest cost on any comparable bond sale on record, at 2.31%. In addition, Treasurer Wooden refunded bonds during the year, saving taxpayers \$58.6 million over the life of the bonds.

### Connecticut’s College Savings Plan surpassed \$4.18 Billion in Assets —

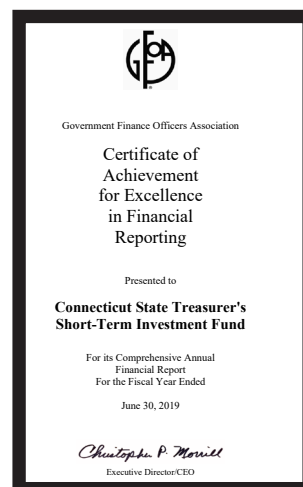
The Connecticut Higher Education Trust (“CHET”) continued its steady growth, surpassing \$4.18 billion in assets under management and more than 164,000 accounts. Since CHET’s inception, more than \$2.3 billion in qualified withdrawals have been used to cover college costs for over 59,000 students attending nearly every public and private college in Connecticut and several out-of-state schools.

### College Scholarships Awarded —

During FY20, 224 high school freshmen won scholarships of up to \$2,523 in the sixth year of the CHET Advance Scholarship program. The winners hail from all eight counties in Connecticut. Since 2013, the Treasury has awarded \$3.5 million in scholarships to 1,424 students through the CHET Advance Scholarship program, at no cost to the State.

### Financial Reports Receive Excellence Awards —

The Government Finance Officers Association (“GFOA”) of the United States and Canada awarded the Treasury Certificates of Achievement for Excellence in Financial Reporting for the comprehensive annual financial report for the fiscal year that ended June 30, 2019. The Treasury received the GFOA’s annual award each year for its financial reports for STIF. The FY19 certificate marks the 20th consecutive year of this distinction.



# A RECORD OF ACCOMPLISHMENTS

## Connecticut's Funds Hit All-Time High in Market Value

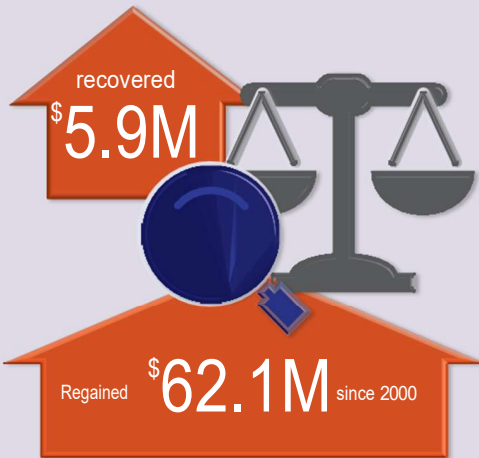
Total Assets Managed  
(as of June 30, 2020)

**\$47.6B**

CRPTF Net Asset Value  
(as of June 30, 2020)

**\$36.1B**

Assets Recovered from Claims  
and Litigation During FY20



Unclaimed Property Division  
Added \$36 Million to General Fund



Short-Term Investment Fund Outperforms Benchmark



STIF earnings in FY20

**1.53%**

STIF investors earned

**\$15.3M**

State, local governments and taxpayers earned an additional \$80 million

Treasury Sets Record GO Bond Sale in FY20



Record Low Borrowing Cost on GO Bond Sale

**2.31%**

Record Retail Orders on STO Bond Sale

**\$480M**

Connecticut's Higher Education Trust (CHET)  
Surpasses \$4 Billion in Assets

Total Assets Managed

**\$4.18B**

Qualified Withdrawals

**\$2.3B**

Student's College Costs Covered

**59K**





SHAWN T. WOODEN  
TREASURER

**State of Connecticut**  
Office of the Treasurer

DARRELL V. HILL  
DEPUTY TREASURER

December 31, 2020

The Honorable Ned L. Lamont  
Governor  
State of Connecticut  
210 Capitol Avenue  
Hartford, Connecticut 06106

Dear Governor Lamont:

In accordance with Section 3-37 of the Connecticut General Statutes, it is an honor to submit this annual report for the fiscal year ended June 30, 2020. As you are well aware, our state has seen dramatic changes since March due to the COVID-19 pandemic, and our office has gone to great lengths to accommodate these unforeseen developments. Thus, this report will include the measures our office has taken to navigate COVID-19 as well as a more general summary of the Treasury's activities during fiscal year 2020.

From a logistical perspective, COVID-19 presented a litany of new challenges for the Treasury. As the severity of the pandemic was revealed, my office immediately moved to a hybrid work model in which everyone that could work from home was advised to do so, while our employees in Second Injury Fund, Unclaimed Property, Business Services, and Information Technology who needed to maintain a physical presence in the office were provided with the proper personal protective equipment to ensure their safety when in the office. Despite the changes, my office continued to execute on all essential functions. We continue to exercise the utmost caution and prioritize the safety of our employees.

Top priorities of my office continue to be focused on being a strong fiscal steward for our state and to protect taxpayer dollars. We have worked hard to maintain investor confidence in Connecticut by faithfully executing on all of the responsibilities of the office. As you know, the health pandemic put the nation into an economic recession. However, from a financial perspective, we were much better positioned at the onset of the pandemic than we were headed into the 2009 global economic crisis due to our historically high Budget Reserve Fund (BRF). For the first time in the history of our state, we were able to make an additional contribution to the **Connecticut Retirement Plans and Trust Funds (CRPTF)** to help pay down more of the unfunded pension liability. I was proud to stand with you to announce my decision to contribute the excess amount in the BRF, estimated to be approximately \$61.6 million, to the State Employees' Retirement Fund (SERF). The strength of our BRF also played a crucial role in allowing Connecticut to maintain its strong investment grade ratings with all four major rating agencies. My office was also able to bring to market and close three bond issuances in a short 45-day period toward the end of the fiscal year as the pandemic

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AN EQUAL OPPORTUNITY EMPLOYER



continued to spread across Connecticut, the country, and the world. The three bond sales, totaling \$1.75 billion, each attracted significant investor demand and achieved low overall interest costs under 3%. The all-in 2.31% interest rate garnered by our tax-exempt General Obligation bond issuance is the lowest of any Connecticut 20-year sale on record. Transactions like these are a major accomplishment for our state and our residents as it demonstrates confidence in the future of Connecticut.

Building on the structural adjustments initiated during fiscal year 2019, my office took additional steps to adjust our investment strategy during this health and economic crisis. Once it became clear that COVID-19 would be a long-term issue, we knew that mitigating risk and capturing new investment opportunities was key to maintaining and enhancing the CRPTF's investment returns. These steps, led by our team in the Pension Fund Management division, allowed the CRPTF to maintain a net asset value of \$36 billion as of the end of the fiscal year, despite the significant economic downturn.

In addition to navigating the uncertainty created by the pandemic, my office has also continued to engage in numerous important initiatives. In September we launched, in partnership with the Ford Foundation, our Corporate Call to Action borne out of the post-George Floyd racial reckoning in America. In this initiative we are working with the chief executive officers of over two dozen major financial institutions to expand on and develop new models and practices that enhance shareholder value while creating long-term, sustainable change to address racial economic disparities.

In October, our office also launched the Connecticut Inclusive Investment Initiative, a new emerging and diverse manager program that will increase allocations to diverse managers across all asset classes, provide a pathway for growth within the program and host an annual conference to identify the best emerging diverse talent in the industry. Most notably, the target percentage of allocated capital to diverse managers will double and the range of investment strategies will be broadened for the CRPTF to capture additional opportunities to improve risk adjusted returns with emerging and diverse managers.

Despite the challenges we are currently facing as a state, I know that we will get through this together and continue to make Connecticut a great place to call home. I look forward to continuing our work together.

Respectfully submitted,



Shawn T. Wooden  
State Treasurer



## State of Connecticut Office of the Treasurer

SHAWN T. WOODEN  
Treasurer

December 29, 2020

The Honorable Ned Lamont  
Governor of Connecticut  
State Capitol  
210 Capitol Avenue  
Hartford, Connecticut

Dear Governor Lamont:

As Chair of the Investment Advisory Council (IAC), I am pleased to present this report on the activities of the IAC for the fiscal year ending June 30, 2020. I began my IAC service at our meeting on May 13, 2020, and therefore want to thank Interim Chair Carol Thomas for her guidance and leadership for the vast majority of the fiscal year, as well as for her decades of service. She and many other IAC members have long tenures, providing significant institutional knowledge and perspective as we consider new managers and strategies for the portfolio. I also want to thank former IAC member Rick Ross, who stepped down during the fiscal year and who was an active contributor.

Due to the COVID-19 pandemic, the IAC began meeting virtually in April of 2020 and has continued to operate smoothly and effectively online. I want to thank Treasurer Wooden, Chief Investment Officer Laurie Martin, and the entire PFM team for a superb effort to invest and actively monitor the portfolio on behalf of our approximately 296,000 beneficiaries, working from home beginning in mid-March.

The portfolio experienced extreme market volatility in March due to the economic uncertainty created by the COVID-19 pandemic. Global equities declined by 30 percent in 20 days and credit markets ceased to function effectively. The response from global central banks was swift and significant, providing much needed liquidity, resulting in the fastest recovery for markets on record during the second quarter. The PFM and the Treasurer used this volatility to rebalance the portfolio, buying public equity during the downturn to maintain the integrity and structure of the portfolio's asset allocation, and adding significant value. "Staying the course" and remaining calm during periods of capital markets dislocations is a hallmark of investment professionalism. It was gratifying to join the IAC knowing that the CRPTF portfolio was so thoughtfully managed during a period of significant volatility.

During the fiscal year, the IAC worked alongside the Treasurer to review and revise the long-term asset allocation for the Connecticut Retirement Plans and Trust Funds (CRPTF). The focus of the changes was to ensure that the allocation provided the opportunity for the CRPTF to invest across the entire spectrum of investment strategies, including the establishment of a new Private Credit Fund with a target allocation of 5 percent. The Alternative Investment Fund allocation target was reduced from 7 percent to 3 percent and refocused on more defensive or counter-cyclical strategies to mitigate risk across the broad portfolio.

In response to the economic downturn caused by the COVID-19 pandemic, the Federal Reserve Bank in the U.S., as well as central banks in the U.K. and Europe, lowered interest rates sharply. In addition to short-term rates being held close to zero percent by the Fed, the 30-year Treasury bond yield hit 0.6 percent at its nadir on March 9, and as of this writing is approximately 1.6 percent, relative to 2.3 percent at the beginning of the calendar year. With just over a 20 percent target to public fixed income strategies, a significant decline in interest rates decreases the probability of meeting the 6.9 percent long-term target return for CRPTF over the next decade. This new challenge is being discussed and evaluated by the Asset Allocation committee, despite the recent review and approval of the updated Investment Policy Statement during the 2020 fiscal year.

Throughout the fiscal year, the IAC reviewed and rendered advice on a number of market opportunities. Within the developed international equity allocation, three new investment managers were reviewed and \$4.0 billion in assets were transitioned to a newly established structure to take advantage of inefficiencies inherent in the asset class. Additionally, a passive investment panel of six investment managers, was created to manage index strategies and to provide flexibility in managing the CRPTF.

In the private market asset classes, approximately \$2 billion was committed to several managers and funds. Within the Real Asset Fund, the Treasurer committed \$475 million to strategies across infrastructure, natural resources, as well as the first investment to a farmland fund. An additional \$500 million was committed to core plus and opportunistic real estate, and. Within the Private Investment Fund, \$985 million was committed to buyout, growth equity and venture capital strategies.

The IAC continued its practice of reviewing fund performance at each meeting and conducted extensive reviews of fund performance on a quarterly basis. Furthermore, the IAC maintained its review of corporate governance activities, updated the CRPTF Brokerage Program and approved the Responsible Gun Policy. Under the direction of Treasurer Wooden, the fund's shareholder engagement activities resulted in important commitments by a number of the CRPTF's portfolio companies to enhanced transparency of material issues to investors, such as clawback disclosure, gender pay equity and board diversity.

It is a great privilege to serve the State of Connecticut and work with my fellow council members, Treasurer Wooden, and Chief Investment Officer Laurie Martin and her team, to provide oversight of Connecticut's pension and trust assets. We can only hope that in the coming year the pandemic will ease, which will allow the IAC to meet in person for its monthly meetings. Investing is as much an art as a science, where close collaboration, deliberation and debate leads to better decision-making and oversight. The pandemic has taken a toll on the finances of states and municipalities across the country, making our work ever more important to the plan beneficiaries and the taxpayers of Connecticut. It is with this sense of duty that I submit this summary on behalf of the IAC.

Sincerely,



D. Ellen Shuman, Chair  
Investment Advisory Council

## Investment Advisory Council

The Investment Advisory Council (IAC) consists of the State Treasurer and the Secretary of the Office of Policy and Management (as ex-officio members of the Council); five public members, all of whom shall be experienced in matters relating to investments, appointed by the Governor and legislative leadership; three representatives of the State teachers' unions and two representatives of the State employees' unions (CGS Sec.3-13b).

Pursuant to CGS Sec.3-13b, the IAC annually reviews the Investment Policy Statement (IPS) recommended by the Treasurer, which outlines the standards governing investment of the Connecticut Retirement Plans and Trust Funds (CRPTF) assets by the Treasurer. The IPS includes, with respect to each plan and trust fund, (A) investment objectives; (B) asset allocation policies and risk tolerances; (C) asset class definitions, including specific types of permissible investments within each asset class and any specific limitations or other considerations governing the investment of any funds; (D) investment performance evaluation guidelines; (E) guidelines for the selection and termination of providers of investment related services, which shall include, but not be limited to, external investment and money managers, investment consultants, custodians, broker-dealers, legal counsel, and similar investment industry professionals; and (F) proxy voting guidelines. The Treasurer shall thereafter adopt the IPS, including any such changes recommended by the IAC the Treasurer deems appropriate, with the approval of a majority of the

members appointed to the IAC. The latest IPS was adopted by the Treasurer and approved by the IAC in August 2012, and amended four times, reflecting revisions including the projected capital market returns, the liquidity needs of each plan and trust fund and other financial scenarios for the CRPTF, emanating from the 2012 Asset Liability Study that the Treasurer led, with the assistance of IAC members.

All plan and trust fund investments by the State Treasurer shall be reviewed by the IAC along with all information regarding such investments provided to the IAC which the Treasurer deems relevant to the Council's review and such other information as may be requested by the Council. The IAC shall also review the report provided by the Treasurer at each regularly scheduled meeting of the IAC as to the status of the plan and trust funds and any significant changes which may have occurred or which may be pending with regard to the funds. The Council shall promptly notify the Auditors of Public Accounts and the Comptroller of any unauthorized, illegal, irregular or unsafe handling or expenditure of plan and trust funds or breakdown in the safekeeping of plan and trust fund assets or contemplated action to do the same within their knowledge.

At the close of the fiscal year, the IAC shall make a complete examination of the security investments of the State and determine the value of such investments in the custody of the Treasurer and report thereon to the Governor, the General Assembly and beneficiaries of plan and trust fund assets administered, held or invested by the Treasurer (CGS Sec. 3-13b(c) (2)).

### Council members who contributed their time and knowledge to the IAC during Fiscal Year 2020 include:

IAC Chair - D. Ellen Shuman	Representative, State Governor
Honorable Shawn T. Wooden	State Treasurer (Ex Officio member)
Honorable Melissa McCaw	Secretary, Office of Policy and Management
Joshua M. Hall	Representative, State Teachers' Unions; Hartford Federation of Teachers
Michael Knight	Representative, State House Minority Leader
Michael LeClair	Representative, State Senate Minority Leader
Steven Muench	Representative, State Teachers' Unions; Connecticut Education Association
William Murray	Representative, State Teachers' Unions; National Education Association
Patrick Sampson	Representative, State Employees Bargaining Agent Coalition; AFSCME, Council 4
Carol M. Thomas	Representative, State Department of Developmental Services

## 2020 Annual Report Year at a Glance, as of June 30

### COMBINED INVESTMENT FUNDS

Investments in Securities, at Fair Value	\$	36,589,495,669
Net Position Held in Trust for Participants	\$	36,138,105,681
Total Net Return		1.89%
Total Investment Returns for the Fiscal Year	\$	826,742,026
Total Management Fees for the Fiscal Year	\$	152,445,349
Total Numbers of Advisors		112

### CONNECTICUT HIGHER EDUCATION TRUST

Direct Plan Number of Participant Accounts		135,277
Direct Plan Net Position	\$	3,498,024,603
Advisor Plan Number of Participant Accounts		29,575
Advisor Plan Net Position	\$	684,714,387

### DEBT MANAGEMENT

Total Debt Outstanding	\$	26,269,747,942
General Obligation Debt included above	\$	16,910,857,942
General Obligation Debt issued included above	\$	2,034,495,000
Total Debt Retired and Defeased During the Fiscal Year	\$	2,485,395,614
General Obligation Debt Retired and Defeased included above	\$	1,846,785,614
Total Debt Service Paid on Outstanding Debt During the Fiscal Year	\$	3,094,012,256
General Obligation Debt Service Paid included above	\$	2,094,703,696

### CASH MANAGEMENT

Total Cash Inflows During the Fiscal Year	\$	121,458,998,967
Total Cash Outflows During the Fiscal Year	\$	121,536,366,447

### SHORT-TERM INVESTMENT FUND

Total Net Position of the Fund	\$	9,521,664,976
One-Year Total Return		1.53%
Five Year Compounded Annual Total Return		1.2219%
Ten Year Compounded Annual Total Return		0.6934%
Weighted Average Maturity		16
Number of Participant Accounts		960

### SECOND INJURY FUND

Second Injury Fund Estimated Unfunded Liability (expressed as reserves)	\$	254,285,862
Number of Claims Outstanding		2,402
Number of Claims Settled During the Fiscal Year		150
Total Cost of Claims Settled and Paid	\$	4,114,734

### UNCLAIMED PROPERTY

Dollar Value of Gross Unclaimed Property Receipts	\$	120,533,241
Dollar Value of Claims Paid	\$	66,419,686
Number of Property Claims Paid		11,120

## Steady Habits: State Treasurer Shawn Wooden Wants To Turn Tragedy Into Purpose On Wall Street

"This is the America I know," State Treasurer Shawn Wooden says, reflecting on a lifetime spent facing systemic racism. "And this America continues to scare me."



## LISTEN: CT Treasurer Shawn Wooden On Exerting Financial Pressure To Create A More Just Society

By JOHN HENRY SMITH • JUNE 14, 2020

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### Connecticut transfers budget reserve fund excess to the state employees' retirement fund

The governor and State Treasurer Wooden will speak outside on the north steps of the State Capitol.



**SHAWN WOODEN**  
CONNECTICUT STATE TREASURER

- The only African-American elected State Treasurer in the United States



**the CT mirror**  
10 YEARS of trusted journalism.

COVID-19 MONEY ELECTION 2020 POLITICS EDUCATION HEALTH JUSTICE

## 5 Questions With Connecticut Treasurer Shawn T. Wooden



Shawn Wooden is the 83rd Treasurer of Connecticut, and among his many responsibilities, he oversees the \$37 billion State of Connecticut Retirement Plans & Trust Funds.

## Wooden: CT's cash pool is twice as strong as early days of last recession

### Shawn Wooden: Corporate America, it's time to stand up against racism

By SHAWN T. WOODEN  
SPECIAL TO HARTFORD COURANT | MAY 30, 2020 AT 6:00 AM



I am a proud American, and I am having trouble breathing in the country I love.

Even though the Declaration of Independence stated that Americans have the unalienable rights to life, liberty and the pursuit of happiness, these are realities for some yet remain out of reach for far too many.

Connecticut Jumps on the Private-Credit Bandwagon  
State Treasurer Shawn Wooden seeks to change the pension investment mix as market conditions shift.

## Treasurer Wooden Completes Major Bond Sales In One Day

The latest bond sale achieved record low 2.31 percent.

## Shawn Wooden's gun control proposal draws praise, criticism from Connecticut lawmakers

By DANIELA ALTAMARI  
HARTFORD COURANT | DEC 05, 2019 AT 12:19 PM

Treasurer Wooden Launches CHET Advance Scholarship Program Rolls Out For Connecticut's High School Freshman



On Oct. 14, State Treasurer Shawn T. Wooden announced that Connecticut residents with disabilities, or their legal guardians, can now open accounts under the ABLE Act.

"I think we should maximize every opportunity available to help people in our state," Wooden said. "Given the pandemic and everything that has happened, that only brightens the need to provide some relief."



## An investment lesson with good returns

The state treasurer's divestment of firearms stocks is prudent and justifiable

CT VIEWPOINTS :: by JAN HOCHADEL | JANUARY 3, 2020 | VIEW AS "CLEAN READ"

# Treasurer Biography



Shawn T. Wooden was sworn-in as Connecticut's 83rd State Treasurer on January 9, 2019, following a successful 21-year career as an investment attorney and service as City Council President of Hartford, Connecticut.

Born and raised in Hartford as the youngest of six children, his passion for public service began at home. From a young age, his parents instilled in him the importance of a good education, hard work and giving back to the community.

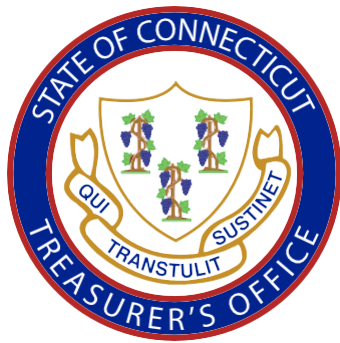
Starting in third grade, Treasurer Wooden participated in a desegregation busing program and attended Manchester Public Schools. After graduating with honors, he earned a four-year academic scholarship to Trinity College. He later attended New York University School of Law before moving back to his hometown of Hartford to begin his career at Day Pitney, LLP (formerly Day, Berry & Howard LLP), where he would go on to become a Partner and lead its public pension plan investment practice.

He has been recognized as a Connecticut Super Lawyer for Securities and Corporate Finance, Business/Corporate. Pensions and Investments named him one of the "25 Investment Professionals to Watch" and Savoy Magazine identified him as one of the most influential Black lawyers in the country.

Treasurer Wooden is the sole trustee of the \$36.1 billion Connecticut Retirement Plans and Trust Funds, administers a \$26 billion debt management program, manages over \$25 billion in annual cash transactions and has a seat on 25 quasi-governmental authorities, boards and commissions related to housing, finance, student loans, air and water ports, venture capital, the lottery, private sector retirement security and a hosts of other areas.

He is the only Black elected State Treasurer in the country and the only Black elected official serving statewide in New England. He serves as Secretary-Treasurer of the bi-partisan National Association of State Treasurers.

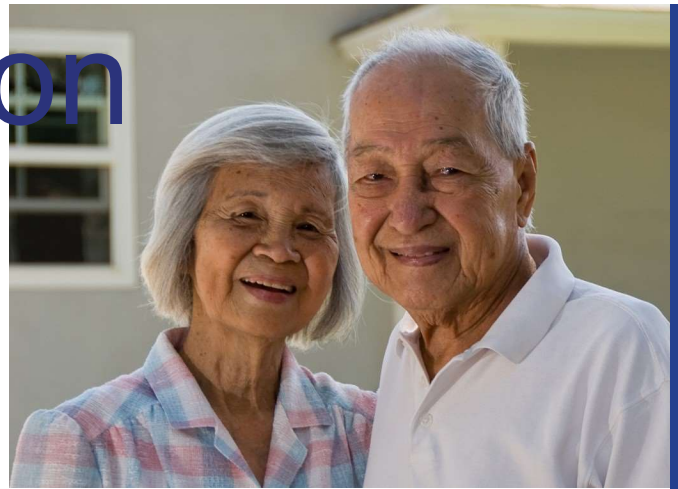
He is also the proud father of two teenage boys.





# 2020 Pension Funds

## MANAGEMENT DIVISION OVERVIEW



### Introduction

As principal fiduciary of six state pension funds and nine trust funds (known collectively as the Connecticut Retirement Plans and Trust Funds (CRPTF)), the Treasurer is responsible for managing investment assets for retirement plans serving approximately 296,000 state and municipal employees, teachers, retirees and survivor, as well as trust funds that support academic programs, grants, and initiatives throughout the state.

Prudent investment management requires the proper safeguarding of the CRPTF assets to ensure the retirement security of the beneficiaries and to support the spending policies of the trust funds. Funding of the pension benefit liability is dependent upon state contributions, investment returns and the contribution requirements of eligible retirement plan participants. The spending requirements of the trust funds are met through the generation of investment income and capital gains with a focus on the preservation of capital.

The Combined Investment Funds (CIF) were established pursuant to Connecticut General Statutes Section 3-31b as a means to invest pension and other trust fund assets in a variety of investment asset classes. The CIF's are comprised of the following separate pooled investment funds: Liquidity Fund; Domestic Equity Fund; Core Fixed Income Fund; Emerging Markets Debt Fund; High Yield Debt Fund; Developed Markets International Stock Fund; Emerging Markets International Stock Fund; Real Assets Fund; Private Investment Fund; Private Credit Fund and Alternative Investment Fund.

At the end of the fiscal year, the net asset value of the CRPTF investments under the management of the Office of the Treasurer has been mostly unchanged at approximately \$36.1 billion. The Teachers' Retirement Fund, with approximately \$18.3 billion of assets under management at June 30, 2020 is the largest

participating plan. The State Employees' Retirement Fund and the Connecticut Municipal Employees' Retirement Fund have approximately \$13.2 billion and \$2.7 billion of assets, respectively. For the fiscal year ended June 30, 2020, total investment income (comprised of interest income, dividends, securities lending income, and net realized and unrealized capital gains, net of operating expenses) before allocation of administrative expenses, was approximately \$832 million.

### Fund Management

Under the supervision of a Chief Investment Officer, appointed by the Treasurer with the approval of the Investment Advisory Council (IAC), the Pension Funds Management Division (PFM) executes and manages the investment programs of the pension and trust funds with a 13-member professional staff. Internal resources are augmented by several outside consulting firms that provide research and analytical expertise to the Treasurer, the Chief Investment Officer and PFM professionals. During Fiscal Year 2020, The Bank of New York Mellon (BNY Mellon) served as the custodian of record for the CRPTF, maintaining physical custody of and safeguarding plan assets. BNY Mellon also provided recordkeeping services under the supervision of PFM, and Deutsche Bank was the provider of securities lending services.

The Treasurer employs external investment managers to manage the portfolios underlying each CIF. Investment managers are selected based upon asset class expertise, investment performance and style. Investment managers are expected to comply with the parameters, guidelines, and restrictions set forth in the CRPTF Investment Policy Statement (IPS). As of June 30, 2020, 112 external investment managers were employed by the Office of the Treasurer to invest the pension and trust assets (See Figure 1-5).

FIG 1-4

<b>SUMMARY OF THE TOTAL INVESTMENT IN THE CIF AS OF JUNE 30, 2020</b>		
	Fair Value (1)(3)	% of Total Fund Fair Value
Liquidity Fund (LF)(2)	\$ 602,110,350	1.65%
Domestic Equity Fund (DEF)	7,257,236,555	19.83%
Developed Markets International Stock Fund (DMISF)	4,048,419,457	11.06%
Emerging Markets International Stock Fund (EMISF)	3,417,822,506	9.34%
Real Assets Fund (RAF)	4,344,309,183	11.87%
Core Fixed Income Fund (CFIF)	7,137,048,919	19.51%
Inflation Linked Bond Fund (ILBF)	15,059,045	0.04%
Emerging Market Debt Fund (EMDF)	1,877,876,100	5.13%
High Yield Debt Fund (HYDF)	2,219,682,946	6.07%
Alternative Investment Fund (AIF)	2,537,631,225	6.94%
Private Credit Fund (PCF)	149,457,511	0.41%
Private Investment Fund (PIF)	2,982,841,872	8.15%
<b>Total Fund</b>	<b>\$ 36,589,495,669</b>	<b>100.00%</b>

(1) "Fair value" includes securities and cash invested in the Liquidity Fund (LF), and excludes receivables (FX contracts, interest, dividends due from brokers, foreign tax, securities lending receivables, reserve for doubtful accounts, invested securities lending collateral and prepaid expenses), payables (FX contracts, due to brokers, income distribution, securities lending collateral and accrued expenses), and cash not invested in the LF.

(2) The fair value of the LF represents the pension and trust assets allocated to the LF (excluding receivables and payables); the LF balances of the other combined investment funds are shown in the fair value of each fund.

(3) Fair Value (\$36.6 billion) differs slightly from net assets (\$36.2 billion) as net assets include additional balance sheet items.

All operating overhead is allocated directly to the earnings of the pension and trust fund assets under management. The Office of the Treasurer manages assets in a cost-effective manner, consistent with the maximization of long-term returns.

## Investment Policy

One of the immutable principles of investment management is that asset allocation decisions are responsible for as much as 90 percent of investment returns. In September 2012, the IAC approved the Treasurer's adopted IPS, including the asset allocation plan, which governs the CRPTF investment portfolios and each of the CIFs. Subsequently, in December 2012, January 2013, April 2013, July 2013, December 2017, May 2019 and February 2020 the IAC approved the Treasurer's adopted modifications.

The asset allocation plan is customized for each plan and trust with the main objective being the maximization of investment returns over the long term at an acceptable level of risk, primarily through diversification. Risk, in this context, is defined as volatility of investment returns. (See Understanding Investment Performance under Supplemental Information.)

Diversification across asset classes is a critical component in structuring portfolios to maximize return at a given level of risk. In developing an asset allocation strategy, there is thorough analysis of the expected risk/return tradeoffs under different economic scenarios predicated on established correlations of investment returns and the diversification benefits of the available asset classes (i.e., those not restricted by statute).

As shown in Figure 1-4, the number and complexity of asset classes comprising the asset allocation policy have fluctuated during the last ten years. As of June 30, 2020, multiple asset classes were integrated in the IPS, including global public market equities and fixed income, as well as alternative investments such as real estate, private equity, hedge fund private credit and real asset investment strategies. At fiscal year-end, domestic, international developed and emerging- markets equities (stocks) comprised the largest percentage of the- total CRPTF, at approximately 41 percent. Publicly traded equities have an established record of maximizing investment returns over the long term. Fixed income, real estate and alternative investments were also included to enhance portfolio returns during highly inflationary or deflationary environments, to mitigate the effects of volatility in the stock market and to provide current income.

FIG 1-5

<b>PENSION AND TRUST FUNDS (Advisor Breakdown)</b>		
Fund	June 30, 2020	June 30, 2019
DEF	5	5
DMISF	5	10
EMISF	5	5
PIF	46	43
PCF	2	-
CFIF	7	7
ILBF	-	3
EMDF	2	4
HYDF	6	6
RAF	29	22
LF	1	1
AIF	4	10
<b>Total(1)</b>	<b>112</b>	<b>116</b>

(1) Actual total advisors was 165 and 150, respectively when factoring in advisors across multiple funds. Private Investment Partnerships with nonmaterial balances are not included.

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# ASSET CLASSES

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## Asset Classes

To realize the asset allocations set forth in the IPS for each plan and trust, the Treasurer administers the CIFs as a series of combined investment funds in which the various retirement plans and trusts may invest through the purchase of ownership interests. The asset mix for each of the 15 plans and trusts is established by the Treasurer, with approval of the independent IAC, based upon (1) capital market theory, (2) financial and fiduciary requirements and (3) liquidity needs. However, there are instances in which the asset mix for a trust is set by the trust's governing document.

## The Asset Classes That Make Up The CRPTF Portfolio Include:

### Domestic Equity

The Domestic Equity Fund (DEF) assets are allocated across the broad U.S. stock market to ensure diversification by market capitalization and investment style, such as value and growth. The DEF may opportunistically invest up to 30 percent of assets to take advantage of shifts in the investment landscape or opportunities that offer diversification and/or risk-return benefits, and may include investments in any market capitalization and/or investment style as well as an allocation to stocks outside the US. As of June 30, 2020, the DEF structure was approximately 89.4 percent invested in large-cap stocks, 4.5 percent in small/ mid-cap stocks, 5.9 percent in all-cap, and 0.20 percent in cash equivalents and other net assets. The DEF's ten largest holdings, aggregating 24.23 percent of Fund investments, included a variety of blue chip companies and were broadly diversified, with the largest holding of 5.36 percent in Microsoft Corp. Performance of the DEF is measured against the Russell 3000 Index (R3000).

Management of the DEF includes the use of pure indexing, enhanced indexing, active management, and opportunistic strategies executed by external investment managers. Index and enhanced index strategies are referred to as passive strategies since their investment portfolios are similar to the index. The goal of enhanced indexing is to generate a return slightly in excess of the selected index. Indexing is particularly appropriate for the "large-cap" segment of the equity markets, which is defined as the securities of the largest capitalized public companies. Given the overall efficiency of the domestic equity market, approximately 89 percent of the portfolio is invested in passive strategies. The balance of the portfolio is actively managed, primarily in the less efficient small and mid-capitalization sectors of the equity markets. These securities are issued by companies that

are smaller and not as closely monitored, researched or analyzed as the larger capitalization companies. As a result of this relative inefficiency, active investment managers have the potential to outperform these markets over the long term, while earning an acceptable level of return per unit of risk. Based on returns over the last five years, DEF has exhibited a similar degree of risk as that of its benchmark, the Russell 3000 Index. The relative volatility of the CRPTF domestic equity portfolio is approximately the same as the market.

### International Equity

Exposure to international equities is provided through two CIFs: the Developed Markets International Stock Fund (DMISF) and the Emerging Markets International Stock Fund (EMISF), each of which has distinct risk/return profiles. Stocks from developed market countries tend to offer lower risk and return potential compared to emerging market securities as a result of generally more stable economic and political environments and the depth and liquidity of their financial markets. DMISF and EMISF assets are allocated across foreign markets so that there is diversification by country, sector, capitalization and style, in a mix that is structured to replicate the characteristics of the comparable non-U.S. developed and emerging stock market indices to which each combined investment fund is benchmarked.

External investment managers invest DMISF assets primarily in common stocks issued by companies in developed market countries domiciled outside of the U.S. The benchmark for DMISF is the Morgan Stanley Capital International Europe Australasia and Far East Investable Market Index (MSCI EAFE IMI). The DMISF is comprised of passive indexing, core developed markets and opportunistic strategies. As of June 30, 2020, the DMISF structure was approximately 91 percent invested in large-cap stocks, 8 percent in small-cap stocks, and a remainder in cash equivalents and other net assets. Mandates for active growth, small cap and value developed market strategies represent roughly 13 percent, 8 percent and 14 percent of the DMISF, respectively. Given the DMISF's investment policies and objectives, the Fund is exposed to several forms of risk. These include, but are not limited to, political and economic risk, currency risk, market risk, and individual company risk. The Fund's volatility over rolling 12-month periods is only slightly lower than the market at 0.98.

The EMISF invests primarily in the common stocks of non-U.S. corporations domiciled in countries included in the EMISF benchmark, which is the Morgan Stanley Capital International Emerging Markets Investable Market Index (MSCI EM IMI). EMISF investments are made through portfolios managed by external investment managers. The EMISF is invested 100 percent in active, unhedged emerging markets strategies. Given the EMISF's investment policies and objectives, the Fund is exposed to several forms of risk. These include, but are not limited to, political and economic risk, currency risk, market risk, and individual company risk. Based on returns over the last five years, the Fund's risk profile closely resembles that of the benchmark as evidenced by a relative volatility of 0.92.

### Fixed Income

Fixed income assets are diversified across four funds: the Core Fixed Income Fund (CFIF), the Emerging Markets Debt Fund (EMDF), and the High Yield Debt Fund (HYDF). Investments in the various fixed income CIFs serve to reduce the overall volatility of CRPTF returns under numerous economic scenarios. Further, the fixed income CIFs provide cash flow to the CRPTF in the form of interest and principal payments.

The CFIF consists of externally managed, primarily investment grade, fixed income portfolios that include debt instruments issued by the U.S. Government and its agencies, quasi-government agencies, U.S. corporations and any other public or private U.S. corporation whose debt security is regulated by the Securities and Exchange Commission (including Eurobonds and quasi or sovereign debt). Assets are diversified across sectors, industries, credit quality and duration, and up to 30 percent may be opportunistically invested based on changes in the investment landscape that may improve diversification, reduce risk or enhance return. As of June 30, 2020, the CFIF structure approximated 32 percent invested in Treasury and Government related agency securities, 33 percent in corporate securities, 27 percent in mortgage-backed securities, 4 percent in asset-backed securities, and 4 percent in commercial mortgage backed securities with small allocation to cash equivalents and other assets. The benchmark for CFIF is the Barclays U.S. Aggregate Bond Index. Given the CFIF's investment policies and objectives, the Fund is exposed to several forms of risk, such as credit default risk, interest rate risk, liquidity risk, inflation risk, reinvestment risk, counter party risk and geopolitical risk. These risks are monitored on an ongoing basis, and actions are taken to mitigate identified risks. External rating agencies assign credit ratings to individual securities reflecting their views of the underlying firm's credit worthiness or the underlying assets in the case of securitized debt. As of fiscal year end, over half of the CFIF exposure was rated AAA.

The EMDF consists of externally managed fixed income portfolios that contain debt instruments issued by governments

and companies located in emerging countries as defined by the benchmark and The World Bank. The benchmark for EMDF is the J.P. Morgan Emerging Markets Bond Index Global Diversified/ J.P. Morgan Government Bond Index - Emerging Markets Global Diversified (50 percent/50 percent). As of June 30, 2020, the EMDF structure approximated 41 percent invested in Latin America, 23 percent in Europe, 17 percent in Asia, 18 percent in Africa and the Middle East with remainder invested in cash equivalents, foreign currency, and other net assets. The benchmark accounts for U.S. dollar-denominated debt and for debt issued in local currencies. The local currency debt is not hedged as the foreign currency is considered an additional source of alpha, or return in excess of that predicted by its benchmark. Given the EMDF's investment policies and objectives, the Fund is exposed to multiple types of risk. These risks include, but are not limited to, credit risk, currency risk, interest rate risk, liquidity risk, inflation risk and geopolitical risk. Based on returns over the last five years, the Fund's risk profile closely resembles that of the benchmark.

The HYDF consists of externally managed fixed income portfolios that include debt instruments rated below investment grade by a nationally recognized rating agency service. The assets are diversified by sector, industry, credit quality and duration. The majority of the bonds are U.S. dollar-denominated. As of June 30, 2020, the HYDF structure approximated 90 percent investment in corporate securities, 6 percent of holdings represented iShares High Yield ETF, and a remainder in cash equivalents and other assets. The benchmark for HYDF is the Bloomberg Barclays U.S. High Yield 2% Issuer Capped Index. Given the HYDF's investment policies and objective, the Fund is exposed to several forms of risk. These risks include, but are not limited to, credit default risk, interest rate risk, liquidity risk, pre-payment risk, reinvestment risk and inflation risk. In addition, the Fund is occasionally exposed to political, economic and currency risk resulting from investments in international high yield securities. The average quality of the Fund is B-1, which matches the benchmark. Funds beta or measure of volatility stands at 0.97 for the rolling 12-month periods.

### Liquidity Fund

The Liquidity Fund (LF) is an internally managed fixed income portfolio intended to provide a liquid source of funds for investment operations and earn a return greater than money market funds, with minimal exposure to risk of principal. As of June 30, 2020, nearly 100 percent of the LF assets are invested in money market instruments. The benchmark for the LF is the 50% U.S. 3-Month Treasury Bills and 50% Bloomberg Barclays U.S. Government Treasury 1 to 3 Year Index

## Real Assets

The Real Assets Fund (RAF) consists of a number of different investment strategies and investment vehicles, including externally managed commingled funds, open-end funds, separate accounts, publicly traded real estate securities and U.S. Treasury Inflation Protection Securities (TIPS). The RAF invests in real estate properties and mortgages and is designed to dampen the volatility of overall returns through diversification and to generate attractive risk-adjusted rates of return. The RAF will invest in the following: core strategies; value added strategies (investments involving efforts to increase property value through repositioning, development and redevelopment); opportunistic strategies (strategies that target niche opportunities, market inefficiencies, or special purpose markets); and publicly traded securities (primarily Real Estate Investment Trusts and Real Estate Operating Companies and U.S. TIPS). Leverage at the aggregate of the RAF is limited to 60 percent of RAF's total valuation. These investments also adhere to the Responsible Contractor Policy. As of June 30, 2020, the RAF structure was approximately 66 percent invested in core, 23 percent in value-added, 11 percent in opportunistic. The benchmark for RAF is the market weighted Real Estate: Open End Diversified Core Equity (NFI-ODCE Index) lagged by one quarter, Infrastructure and Natural Resources: CPI + 400 basis points, and TIPS – S&P US TIPS Index.

The RAF takes both a total portfolio and asset class specific approach to risk management. Risk is managed at the portfolio level through diversification and strategic asset allocation and the implementation of strategy. Risks attendant to private real asset investments, such as management, operations, local/regional property markets, and liquidity risk, are managed at the asset class level with additional risk management focused on financing, geography, and property type risks specific to a fund manager's portfolio investments.

The RAF has lower volatility largely due to allocations to core funds, which generally have lower leverage than value-add and opportunistic strategies and have reduced risk. The RAF volatility is typical and not excessive relative to a benchmark comprised of unlevered core properties.

## Private Investments

The Private Investment Fund (PIF) is the vehicle used to invest in private equity and venture capital. PIF investments generally are made in externally managed limited partnerships or through separate accounts that focus on private investments. These vehicles include investments in both venture capital and corporate finance investment strategies. Venture capital typically involves equity capital invested in young or development stage companies, and may include start-up, early, mid or late-stage companies.

Corporate finance typically involves equity and debt capital invested in growth, mature or distressed stage companies, often through the financing of acquisitions, spin-offs, mergers or changes in capitalization. As of June 30, 2020, the PIF structure was approximately 78 percent invested in Corporate Finance and 22 percent in Venture Capital. The benchmark for PIF is the Russell 3000 Index plus 250 basis points, lagged by one quarter. PIF's risk profile is complex given the valuation judgments and liquidity constraints placed on it consistent with an alternative investment strategy. Longer term (e.g., 10 years) returns are more meaningful in evaluating private equity portfolio risk adjusted performance. Long term horizons better reflect the illiquid nature of PIF's holdings and the time it takes for investments to realize their potential.

## Alternative Investments

The Alternative Investment Fund (AIF) invests in strategies that offer the potential to enhance return and/or reduce risk. The AIF provides a vehicle for investment in portfolio strategies which are not easily classified, categorized, or described in other CIFs. Hybrid strategies which contain multiple asset classes are also considered part of the opportunity set. As of June 30, 2020, the AIF structure was approximately 97 percent invested in hedge funds, 2 percent in opportunistic strategies, and the remainder in cash equivalents and other net assets. AIF's blended benchmark is comprised of the weightings of each of the investments utilized in the portfolio multiplied by their respective benchmarks. Given the AIF's investment policy and objectives, the Fund is exposed to several forms of risk. These include, but are not limited to, risks attendant with alternative investments, such as management, operations and product risk, overall liquidity risk, leverage, short selling, derivative use, and transparency. Assuming these risks as part of a prudent, total portfolio strategy assists the AIF in achieving its investment objectives.

## Private Credit

The Private Credit Fund (PCF) is the vehicle used by CRPTF to invest in private credit opportunities. The PCF investments are made either through externally managed limited partnerships or through separate accounts that focus on private credit strategies.

This may include credit-related strategies not available through other CIFs and may include direct lending, mezzanine, distressed debt, special situations funds and co-investments. As of June 30, 2020, the PCF structure was approximately 91 percent opportunistic credit and 9 percent cash equivalents. The benchmark for PCF is the S&P / LSTA Leveraged Loan Index plus 150 basis points, lagged by one quarter. Given the PCF's investment policy and objectives, the Fund is exposed to several forms of risk: product risk, overall liquidity risk and leverage. The PCF portfolio will seek to be diversified by investment strategy, risk and liquidity profile, manager, and underlying asset or sector-level exposures to mitigate risk.

## Securities Lending

The CRPTF maintains a securities lending program designed to provide incremental risk adjusted returns. This program involves the lending of portfolio securities to broker/dealers in return for payment. Each loan is secured by collateral valued slightly in excess of the market value of the loaned securities. To further mitigate the risks of securities lending transactions, the CRPTF's securities lending bank carefully monitors the credit ratings of each counter-party and overall collateral levels.

Deutsche Bank was responsible for marketing the program, lending the securities, and obtaining adequate collateral during Fiscal Year 2020. As of June 30, 2020, securities with a market value of approximately \$2.4 billion had been loaned against collateral of approximately \$2.4 billion. Income generated by securities lending totaled \$8.6 million for the fiscal year.

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# THE YEAR IN REVIEW

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## Total Fund Performance

For the fiscal year ending June 30, 2020, the CRPTF achieved an annual total return of 1.89 percent, net of all fees and expenses. The three largest pension plans, the Teachers' Retirement Fund, the State Employees' Retirement Fund, and the Connecticut Municipal Employees' Retirement Fund -- which represent approximately 95 percent of total assets -- returned 1.85 percent, 1.86 percent and 2.03 percent respectively.

After paying fees and expenses, including \$1.1 billion of benefit payments in excess of contribution, the CRPTF ended the fiscal year with assets of \$36.1 billion.

The DMISF returned -4.78 percent versus its benchmark return of -3.86 percent. Overall performance was challenging for developed international markets, attributed to COVID-related economic shock and geopolitical risks which drove changes in sentiment on a quarterly basis. Developed international markets experienced a COVID-driven decline in February and March, followed by a partial recovery through year-end with global stimulus and partial re-opening drivers. For the trailing three-, five- and seven-year periods, the DMISF compounded returns, net of all fees and expenses, were 0.59 percent, 3.37 percent and 5.48 percent, respectively.

The EMISF returned 0.08 percent, significantly outperforming its benchmark return of -3.97 percent. Emerging market equities experienced increased volatility during the year driven by the impact of COVID-19 and escalating global trade tensions. Following the decline in February and March, emerging markets partially recovered through year-end, a beneficiary of unprecedented economic stimulus and partial economic reopening. For the trailing three-, five- and seven-year periods, the EMISF compounded returns, net of all fees and expenses, were 2.53 percent, 4.24 percent and 3.55 percent, respectively.

The DEF returned 6.73 percent, slightly outperforming its benchmark return of 6.53 percent. Domestic equity was a strong performance contributor for the year, in a historic market environment. Prior to the COVID-driven major market decline in February and March that dropped the market by 33%, the market had been rising largely due to economic strength and a new U.S./China trade pact. The market decline was followed by a partial recovery through year-end, driven by swift, unprecedented economic stimulus and partial economic reopening. For the trailing three-, five- and seven-year periods, the DEF compounded

returns, net of all fees and expenses, were 9.90 percent, 10.01 percent and 11.67 percent, respectively.

The HYDF returned -0.91 percent, in line with its benchmark return of -0.90 percent. The portfolio ended the year relatively neutral to the benchmark primarily due to diversified active management. For the trailing three-, five- and seven-year periods, the HYDF compounded returns, net of all fees and expenses, were 2.47 percent, 3.85 percent and 4.24 percent, respectively.

The PIF returned 3.94 percent, outperforming its benchmark return of -6.63 percent. Despite economic challenges brought on by the COVID-19 pandemic during the second half of fiscal year 2020, the PIF portfolio performed relatively well during the year. Utilizing the institutional standard for measuring private equity performance, Internal Rate of Return (IRR), PIF generated a net IRR of 10.2 percent. Due to lower exit activity during the second half of the year and an increased capital calls from recent fund commitments, the PIF portfolio generated net negative cash flow of approximately \$40.5 million for the year. For the trailing three-, five- and seven-year periods, the PIF compounded returns, net of all fees and expenses, were 11.52 percent, 10.87 percent and 12.05 percent, respectively.

The EMDF returned -5.12 percent, underperforming its blended benchmark return of -1.10 percent. US dollar strength was evident throughout the fiscal year in a world of trade tensions, response to COVID-19 and geopolitical risks. For the trailing three-, five- and seven- year periods, the EMDF compounded returns, net of all fees and expenses, were 0.87 percent, 3.49 percent and 2.32 percent, respectively.

The AIF, which primarily invests in hedge funds returned -3.81 percent, underperforming its benchmark return of 5.34 percent. For the trailing three- five- and seven-year periods, the AIF compounded returns, net of all fees and expenses, were 1.46 percent, 1.42 percent and 2.51 percent, respectively.

The RAF which invests in a variety of real estate sectors returned 2.11 percent, outperforming its benchmark return of -3.48 percent. Industrial and apartment sectors showed resilience throughout the ongoing COVID-19 crisis, office space sector was relatively stable while other sectors were more negatively impacted. Within infrastructure and natural resources, the portfolio's diversification across sectors helped to mitigate the effects of disruption in the energy markets. Overall, US TIPS showed strong performance for the year, offsetting declines in other sectors. For the trailing

three-, five- and seven-year periods, the RAF compounded returns, net of all fees and expenses, were 5.69 percent, 7.17 percent and 8.47 percent, respectively.

The CFIF returned 8.69 percent, in line with its benchmark return of 8.74 percent. The portfolio closely mirrored its benchmark up until start of COVID-19 in March. When the economic shutdown occurred, Treasuries rallied, the yield curve dropped, and consumer and state debt-related sectors widened suddenly creating temporary dislocation. For the trailing three-, five- and seven-year periods, the CFIF compounded returns, net of all fees and expenses, were 4.75 percent, 3.91 percent and 3.67 percent, respectively.

The LF returned 1.63 percent, underperforming its benchmark return of 2.47 percent, reacting to Federal Reserves' rate cuts in response to COVID-19 economic slowdown. For the trailing three-, five- and seven-year periods, the LF compounded returns, net of all fees and expenses, were 1.89 percent, 1.46 percent and 0.96 percent, respectively.

The PCF was established at the end of fiscal year 2020 and commitments to this CIF are underway. There is no meaningful performance results for this time period.

## 2020 Management Initiatives

The two largest pension funds in the Connecticut Retirement Plans and Trust Funds ("CRPTF"), the Teachers' Retirement Fund ("TERF") and the State Employees' Retirement Fund ("SERF"), generated net investment results of 1.85 and 1.86 percent respectively for Fiscal Year 2020. For the longer-term period of twenty years, ending June 30, 2020, TERF and SERF generated net investment results of 5.38 percent and 5.31 percent, slightly above the plans' composite benchmark returns of 5.24 percent.

CRPTF asset classes performance results were mixed for Fiscal Year 2020 as a result of unprecedented volatility resulting from the COVID-19 pandemic. The strongest investment performances at the asset class level were realized in fixed income, the public and private equity investment portfolios, and the real assets portfolios. For Fiscal Year 2020, returns were: Core Fixed Income Fund, 8.69, Domestic Equity Fund, 6.73 percent Private Investment Fund, 3.94 percent, while the Real Assets Fund returned 2.11 percent.

Over the course of the fiscal year, the CRPTF made significant new investment commitments to private markets totaling nearly \$2 billion and representing 19 opportunities: 12 in the Private

Investment Fund totaling \$985 million, and seven in the Real Assets Fund totaling \$975 million.

## Corporate Governance

The Treasury's corporate governance activities are guided by the core principle that the exercise of shareholder rights, either through the voting of proxies or the filing of shareholder resolutions, is central to the fiduciary obligation to enhance the value of the CRPTF's investments.

The CRPTF's domestic and global proxy voting policies, as approved by the Investment Advisory Council, are set forth in the Investment Policy Statement. They include guidelines for how proxies are to be voted on an array of issues, including election of directors, executive compensation, labor standards and other environmental, social and governance issues. The CRPTF's domestic and international proxy votes are posted on the Treasury's website at [http://www.otf.ct.gov/pension\\_votingsummary.html](http://www.otf.ct.gov/pension_votingsummary.html)

In addition to the voting of proxies, the Treasury also actively engages directly with companies on corporate governance best practices in an effort to positively impact shareholder value. Toward these ends, during Fiscal Year 2020 the Treasury focused on a number of corporate governance issues, including board diversity, gender pay equity, misconduct clawback disclosure, climate risks, and deferral of bonuses for pharma executives. The CRPTF filed shareholder resolutions with eight portfolio companies; of these, six proposals were withdrawn following successful engagement with companies; one resolution received the support of a majority of votes cast, and one did not, as described more fully below:

- At Johnson & Johnson, the CRPTF joined lead filer Illinois State Treasurer's Office and other institutional investors on a resolution that called on the company to produce a board report on the company's exposures related to opioids, as well as the governance measures implemented to monitor and manage the associated financial risks. That resolution received a majority of votes cast.
- At Facebook, the CRPTF joined lead filer Trillium Assert Management and others in calling for an independent board chair resolution, and separation of the positions of board chairman and chief executive officer. That resolution did not receive a majority vote because of the company's dual class



structure and concentration of control by the company's founder.

During Fiscal Year 2020, the Treasury also worked with other public pension plans and institutional investors in advocating for best practices in corporate governance and risk oversight. On the issue of board diversity, in October of 2019, Treasurer Wooden launched the Northeast Investors' Diversity Initiative ("NIDI"), a regional partnership dedicated to increasing corporate board diversity inclusive of gender, race and ethnicity at companies headquartered in the Northeast. The 12-member alliance of institutional investors, with more than \$283 billion in assets under management, engaged with 20 companies -- nine of which made changes to their board of directors by adding women and people of color, and three of which made changes to their corporate governance charters and/or nominating committee process to reflect their company's commitment to diverse pools of candidates for board service.

In March of 2020, Treasurer Wooden joined nearly 300 global institutional investors, with roughly \$7.7 trillion in assets under management, in signing on to an Investor Statement on Coronavirus Response that highlighted the impact of the COVID-19 disruption on workers, and the long-term profitability of companies. Treasurer Wooden also directed letters to more than 100 companies within the CRPTF portfolio, primarily in the consumer services and consumer goods industries, as well as companies based in Connecticut, urging them to take steps to protect their workforces so that companies can resume operations following the COVID-19 disruption.

## Investment Restrictions

The Treasury is charged with administering three laws that authorize investment restrictions on companies doing business in Northern Ireland, Sudan and Iran. Connecticut's MacBride law, set forth in Section 3-13h of the Connecticut General Statutes, is based on the MacBride Principles, which are a corporate code of conduct for companies doing business in Northern Ireland designed to address religious discrimination in the workplace. The provisions of Section 3-13h expired on January 1, 2020, thereby allowing managers to purchase the securities of two companies that had previously been restricted (i.e. Domino's Pizza, Inc. and Yum Brands, Inc.).

The Treasury monitored companies doing business in Sudan pursuant to Section 3-21e of the Connecticut General Statutes. The Sudan law, adopted in 2006, authorizes the Treasurer to

engage companies doing business in Sudan and potentially divest holdings in those companies if their business contributes to the government's perpetuation of genocide in Sudan. As of the conclusion of FY 2020, the Treasury prohibited direct investment in 18 companies: Bharat Heavy Electricals Ltd.; China North Industries Group; China North Industries Corporation a.k.a. NORINCO; NORINCO International Cooperation Ltd.; North Huajin Chemical Industries Co. Ltd.; North Navigation Control Technology Co. Ltd.; China Petroleum and Chemical Corp.; CNPC (Hong Kong); Dongfeng Motor Corporation; Jiangxi Hongdu Aviation Industry Ltd.; Oil and Natural Gas Corp.; Mangalore Refinery and Petrochemicals Ltd.; ONGC Nile Ganga BV, Amsterdam; ONGC Videsh Limited; ONGC Videsh Vankorneft; PetroChina Co. Ltd.; Petronas Capital Ltd.; and Sinopec Shanghai Petrochemical Corp.

Connecticut's Iran law, set forth in Connecticut General Statutes Section 3-13g, authorizes the Treasurer to engage with companies doing business in Iran, and potentially divest holdings in such companies if such companies, by their business activities, may be contributing to the Iranian government's development of its nuclear program and its support of global terrorism. As of the conclusion of FY 2020, the Treasury prohibited direct investment in 13 companies: Bongaigaon Refinery & Petrochemicals; Ca La Electricidad de Caracas; Chennai Petroleum Corp.; China Bluechemical; China National Offshore Oil Corporation; China Oilfield Services Ltd.; CNOOC; IBP Co. Ltd.; Indian Oil Corporation Ltd.; Lanka Ioc Plc; Offshore Oil Engineering Co.; Oil India Ltd.; and Petroleos de Venezuela S.A.

## Asset Recovery and Loss Prevention

The Treasurer's Legal Unit works to manage risk by limiting opportunities for loss due to the malfeasance of others. Extensive pre-contracting due diligence helps the Office of the Treasurer select the best available vendors and suitable products to meet the needs of the Office. Careful contract negotiation, coupled with periodic review, development and implementation of best practice contract language, helps to ensure clarity with respect to the obligations of the Office of the Treasurer and its vendors and investment partners. The Office maintains regular contact with other similar governmental offices and institutional investors, sharing ideas for enhancement of contract language, frequently sharing advice with counterparts in other states. The Office of the Treasurer believes most disputes can be resolved

through dialogue designed to enforce contract terms or clarify a misunderstanding. The Office is prepared, when necessary, to pursue judicial solutions where negotiation is unsuccessful. Although very limited as a percentage of all investments, the Office, like all other investors, experiences losses due to corporate malfeasance. In these instances, the Office believes litigation managed by investors is more effectively negotiated, efficiently litigated and achieves larger settlements for the benefit of all investors. As such, the Office will consider making application to serve as lead plaintiff in class action litigation where appropriate. From time to time, the Office has used litigation to encourage corporate governance enhancements. The Office has filed individual and group actions to pursue specific rights where disputing parties are unwilling or unable to reach an extrajudicial conclusion. Since the U.S. Supreme Court's 2010 decision in Morrison v. National Australia Bank, the Office has experienced an increase in its participation in group actions as a means of seeking recovery of lost assets. The Office works with other institutional investors to collaborate and monitor Morrison related matters.

### Class Action Securities Litigation

The Combined Investment Funds recovered \$5.9 million from class action settlements in the fiscal year ended June 30, 2020. The Office continues to closely monitor opportunities to recover lost assets through participation in class action litigation. As of the close of the fiscal year, the class action filing portion of the asset recovery program has exceeded \$62.1 million since inception.

The Office of the Treasurer, as the Trustee for the CRPTF, served as lead plaintiff in the matter known as In Re Amgen, Inc. Securities Litigation, filed in the federal district court for the Southern District of California. The class settlement was for \$95 million. The court approved the terms of the settlement and the claims filing process is underway.

### Other Litigation

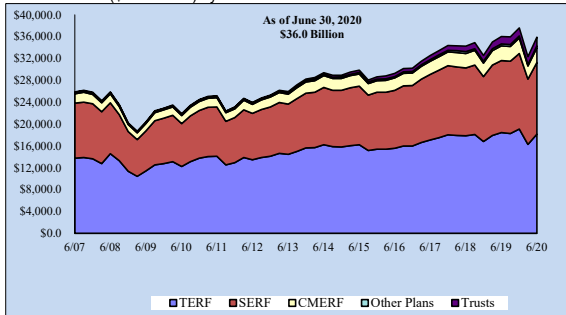
In appropriate circumstances, the OTT will participate in foreign litigation on a group basis. Examples are the following cases: Novo Nordisk, Steinhoff, OW Bunker, and Volkswagen. Further, the OTT may opt out of U.S. related class actions and file separate litigation in these cases where the likelihood of recovery is greater than remaining as a passive class member.

Figure 1-1

PENSION AND TRUST FUNDS ASSET ALLOCATION (Actual vs. Policy at June 30, 2020)	TERF				SERF				CMERF				
	Target		Lower	Upper	Target		Lower	Upper	Target		Lower	Upper	
	Actual	Policy	Range	Range	Actual	Policy	Range	Range	Actual	Policy	Range	Range	
<b>U.S. EQUITY</b>													
Domestic Equity Fund (DEF)	20.2%	20.0%	15.0%	25.0%	20.2%	20.0%	15.0%	25.0%	20.1%	20.0%	15.0%	25.0%	
<b>INTERNATIONAL EQUITY</b>													
Developed Market International Stock Fund (DMISF)	11.3%	11.0%	6.0%	16.0%	11.3%	11.0%	6.0%	16.0%	11.2%	11.0%	6.0%	16.0%	
Emerging Market International Stock Fund (EMISF)	9.5%	9.0%	4.0%	14.0%	9.5%	9.0%	4.0%	14.0%	9.4%	9.0%	4.0%	14.0%	
<b>REAL ASSETS</b>													
Real Assets Fund (RAF)	12.0%	19.0%	10.0%	25.0%	12.1%	19.0%	10.0%	25.0%	11.9%	19.0%	10.0%	25.0%	
<b>FIXED INCOME</b>													
Core Fixed Income Fund (CFIF)	18.3%	13.0%	8.0%	18.0%	18.3%	13.0%	8.0%	18.0%	18.1%	13.0%	8.0%	18.0%	
Emerging Market Debt Fund (EMDF)	5.3%	5.0%	0.0%	10.0%	5.3%	5.0%	0.0%	10.0%	5.2%	5.0%	0.0%	10.0%	
High Yield Debt Fund (HYDF)	6.2%	3.0%	0.0%	8.0%	6.2%	3.0%	0.0%	8.0%	6.1%	3.0%	0.0%	8.0%	
Liquidity Fund (LF)	2.3%	2.0%	0.0%	3.0%	2.0%	2.0%	0.0%	3.0%	3.2%	2.0%	0.0%	3.0%	
<b>PRIVATE CREDIT</b>													
Private Credit Fund (PCF)	0.4%	5.0%	0.0%	10.0%	0.4%	5.0%	0.0%	10.0%	0.4%	5.0%	0.0%	10.0%	
<b>PRIVATE EQUITY</b>													
Private Investment Fund (PIF)	7.5%	10.0%	5.0%	15.0%	7.6%	10.0%	5.0%	15.0%	7.5%	10.0%	5.0%	15.0%	
<b>Alternative Investment</b>													
Alternative Investment Fund (AIF)	7.0%	3.0%	0.0%	10.0%	7.1%	3.0%	0.0%	10.0%	6.9%	3.0%	0.0%	10.0%	
<b>TOTAL</b>	100.0%	100.0%			100.0%	100.0%			100.0%	100.0%			

Figure 1-2  
**PENSION AND TRUST FUNDS**

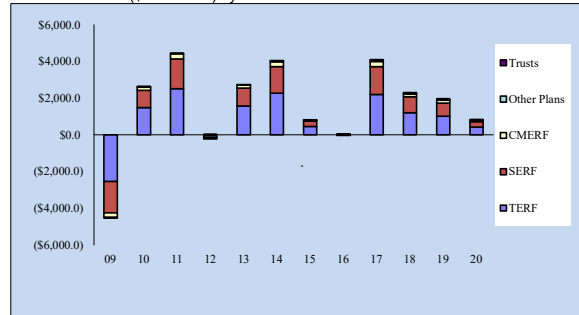
Growth in Assets (\$ in millions) by Fiscal Year



TERF - Teachers' Retirement Fund  
 SERF - State Employees' Retirement Fund  
 CMERF - Connecticut Municipal Employees' Retirement Fund

Figure 1-3  
**PENSION AND TRUST FUNDS**

Investment returns (\$ in millions) by Fiscal Year



TERF - Teachers' Retirement Fund  
 SERF - State Employees' Retirement Fund  
 CMERF - Connecticut Municipal Employees' Retirement Fund

Figure 1-4

**Pension and Trust Funds**  
 Asset Class Diversification  
 Fiscal Years Ended June 30,

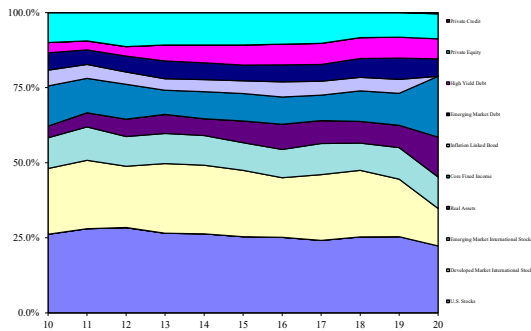


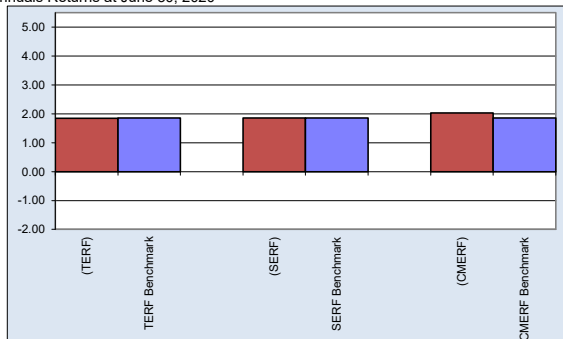
Figure 1-5

**PENSION AND TRUST FUNDS**  
 Advisor Breakdown

Fund	June 30, 2020	June 30, 2019
DEF	5	5
DMISF	5	10
EMISF	5	5
PIF	46	43
PCF	2	0
CFIF	7	7
ILBF	0	3
EMDF	2	4
HYDF	6	6
RAF	29	22
LF	1	1
AIF	4	10
<b>Total<sup>(1)</sup></b>	<b>112</b>	<b>116</b>

Figure 1-6

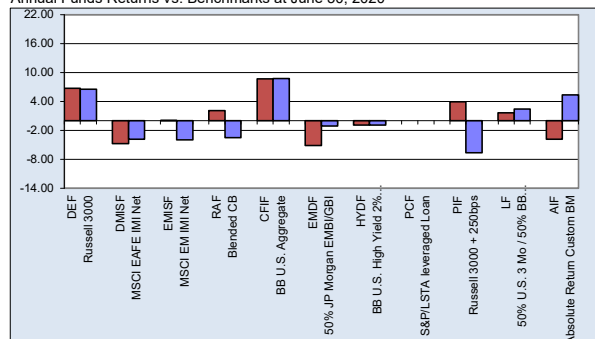
**PENSION AND TRUST FUNDS**  
 Annuals Returns at June 30, 2020<sup>(1)</sup>

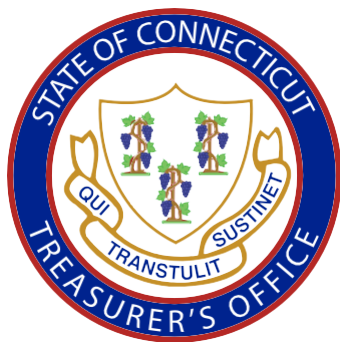


<sup>(1)</sup> Each Plan benchmark composite represents the Plan's policy allocation weights times each investment Fund's return

Figure 1-7

**PENSION AND TRUST FUNDS**  
 Annual Funds Returns vs. Benchmarks at June 30, 2020





# Debt Management Division



## Division Overview

The Office of the Treasurer, through its Debt Management Division, is responsible for the cost-effective issuance and management of the State of Connecticut's bonded debt. The State's strategic investments in local school construction, roads, bridges, airports, higher education, clean water, and economic development are the foundation of Connecticut's physical and social infrastructure.

Key to obtaining the lowest cost of funds for the State is continual contact with the investment community and credit rating agencies: Moody's Investors Service, S&P Global Ratings, Fitch Ratings, and Kroll Bond Ratings. The latest financial instruments available in the public financing market are utilized when issuing new debt in order to attain the lowest interest rates possible. Relationships are maintained and expanded with institutional and retail investors who have demonstrated confidence in the State's economy by purchasing bonds and notes at attractive interest rates.

The Office of the Treasurer is also a critical resource in the drafting of new laws, working with the executive and legislative branches on proposed legislative initiatives. This has resulted in the design of new bonding programs that have been well received in the financial markets, while maintaining exemption from federal and State taxes where appropriate. Specific examples include: the authorization of bonding backed by future federal transportation funds; a program

to eliminate the State's accumulated GAAP deficit; a transportation lockbox; legislation to allow the State to access certain federal loans; a new alternative tax secured bonding program to fund projects and purposes authorized for funding with general obligation bonds; and most recently, approval of a plan to restructure the funding of the Teachers' Retirement Fund to make it more sustainable over time and a proposal to provide municipalities access to cash flow borrowing for needs related to the COVID pandemic.

The Debt Management Division manages the State's four public financing programs: General Obligation Bonds, Special Tax Obligation Bonds (Transportation Infrastructure), University of Connecticut Bonds, and State Revolving Fund (Clean Water and Drinking Water Funds) Bonds, and coordinates the issuance of bonds with State quasi-public authorities including Capital Region Development Authority, Connecticut Airport Authority, Connecticut Green Bank, Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Innovations, and Materials Innovation and Recycling Authority.

The Debt Management Division consists of 11 professionals under the direction of an Assistant Treasurer.

# THE YEAR IN REVIEW

During Fiscal Year 2020, the Debt Management Division actively managed the State's \$26.3 billion debt portfolio, and significant accomplishments included:

- **New Money Bonds** - A total of \$2.7 billion of new money bonds were issued to continue funding of the State's capital programs including local school construction grants, economic development initiatives, transportation infrastructure, improvements at the state universities and colleges, and Clean Water and Drinking Water grants and loans. These projects help bolster the local economy and improve the lives of Connecticut citizens.
- **Refunding Bonds** - As interest rates continue to remain low, bonds were refunded through the issuance of \$464.3 million of General Obligation and State Revolving Fund refunding bonds to capture the lower interest rates in the current marketplace which will provide aggregate debt service savings of \$58.6 million over the life of the bonds. In addition, the State redeemed \$38.0 million of Special Tax Obligation, Transportation Infrastructure bonds with available funds, thereby retiring the remaining second lien bonds which will provide future flexibility.
- **Maintained Credit Ratings and Stable Outlooks, Despite COVID** - Following the outbreak of COVID, the municipal markets were significantly disrupted and marked by reduced liquidity and weak investor demand. In addition, the fiscal impact of COVID on the State's revenues and economy became a major area of focus for rating agencies and investors. In May 2020, Treasurer Wooden and the Office of Policy and Management's Secretary McCaw and staff met with the major bond rating agencies through video conferences. They detailed the expected impact and planned response to the COVID crisis, including highlighting the State's large Budget Reserve Fund as a key tool to manage through the economic recession. All of the credit rating agencies affirmed the State's credit ratings and Stable outlooks on the General Obligation and the Special Tax Obligation bond programs.
- **General Obligation Bond Sales** – The Division's first General Obligation bond sale of the fiscal year occurred in December 2019 with a \$700 million new money offering coupled with a \$194 million refunding. This sale was significant as it marked a continual trend of narrower bond pricing spreads, which indicates investor confidence in the State's bonds. General Obligation bond spreads had widened in recent years due to investor concerns over the State's long-term pensions and low

budget reserves but have been moving back to more historic levels as pension reform measures were adopted and reserve levels reached an all-time high. The December sale achieved the lowest bond pricing spreads since 2016, resulting in an overall interest cost of 2.57% on the 20-year new money bonds and was the second highest level of retail orders in Connecticut history, totaling \$512 million.,.

Carefully monitoring market conditions in the wake of market disruption due to COVID and tracking the resultant low-interest rates, the Division successfully brought the sale of two General Obligation bond sales at the end of the fiscal year. The \$500 million taxable sale in May attracted \$4.4 billion in orders, and an overall interest cost on the ten-year taxable bond issue was 2.43%. The \$400 million tax-exempt General Obligation bond sale in June attracted orders in excess of \$4 billion and achieved the lowest interest cost, 2.31%, on any Connecticut 20-year, tax-exempt General Obligation bond sale on record.

- **Transportation Bonding Program** – In May 2020, the Division managed the issuance of \$850 million of new Special Tax Obligation bonds to fund new and ongoing transportation infrastructure improvements. Given the difficult market due to the COVID-19 pandemic, especially in the transportation sector, extensive pre-sale marketing was undertaken to provide investors with key financial updates on the Special Transportation Fund just ahead of the bond sale. The sale attracted record participation by both institutional and retail investors. Institutional orders of \$7.2 billion were placed by more than 100 institutional investors. Total retail orders were \$507 million, including a record \$480 million during the first-day retail order period, breaking the previous one-day retail record for the STO program established back in 2018. The bond sale provided total funding of \$941 million for statewide transportation infrastructure investments at a low overall interest cost of 2.97%. Throughout the year, the Division continued to consult with the State's Department of Transportation and the Office of Policy and Management on bonding matters including various funding sources and alternative financing strategies related to the transportation bonding program

- **State Revolving Fund (SRF) (Clean Water and Drinking Water Fund) Green Bonds** - The Division worked closely with the State's Department of Energy and Environmental Protection and the Department of Public Health to successfully commit low-cost funding for program participants throughout the State. The SRF program closed on \$280 million of bonds. The sale generated

\$240 million of orders from retail investors, the highest number on any bond sale in the 28-year history of the program. The bonds, issued to fund new loans were sold at a 2.69% yield, the lowest of any such bond sale for the program. Continuing its market leadership, Connecticut sold these as Green Bonds. The sale generated \$57 million in bond orders from Green investors.

- Quasi-Public Agencies – Interfaces with the State's quasi-public agencies continued as the Division worked with the Connecticut Green Bank on their first public bond issue and with the Connecticut Airport Authority on their bond financing matters.
- The Division also took steps to complete vendor

searches and enhance staffing. A financial advisor Request for Proposal was completed that resulted in the hiring of three new firms. A bond underwriter Request for Proposal was developed and issued, and bond counsel contracts were extended for 18 months. In addition, two new Debt Managers and an Accounting Specialist were hired, in part, to refill positions vacated due to retirement.

### Active Public Financing programs for the State of Connecticut, as of June 30, 2020, include:

Amount  
Outstanding  
June 30, 2020

GENERAL OBLIGATION BONDS	\$ 16,910,857,942
--------------------------	-------------------

General Obligation bonds are paid out of the revenues of the State General Fund and are supported by the full faith and credit of the State of Connecticut. General Obligation bonds are issued for construction of State buildings, municipal grants, local school construction, economic development, State parks, and open space. Outstanding amount includes \$2,208,066,524 of Teachers' Retirement Fund bonds issued in April 2008 pursuant to Public Act 07-186 and \$385,040,000 of GAAP Conversion bonds issued in October 2013, which were used to fund half of the State's accumulated General Fund GAAP Deficit at the time.

UCONN 2000 BONDS	1,568,905,000
------------------	---------------

The University of Connecticut pays debt service on UConn 2000 bonds from a debt service commitment appropriated from the State General Fund originally established under Public Act 95-230 and extended in 2010, 2013, and 2018. Up to \$4.3 billion of Debt Service Commitment bonds will be issued under a 32-year \$4.6 billion capital program to rebuild and refurbish the University of Connecticut.

OTHER GENERAL FUND APPROPRIATION DEBT	150,585,000
---------------------------------------	-------------

The State has committed to pay interest and principal on these bonds by appropriation from the State's General Fund. This debt consists of the following programs: Connecticut Health and Educational Facilities Authority (CHEFA) Revenue Bonds, Child Care Facilities Program for a childcare facilities program assumed by the State in July 1999 (\$45,955,000), Connecticut Housing Finance Authority (CHFA) Special Needs Housing Mortgage Finance Program bonds that funded a supportive housing program (\$44,240,000), and CHFA Emergency Mortgage Assistance Program bonds that were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program (\$31,440,000). The State is required to make all debt service payments on these bonds pursuant to a contract assistance agreement between CHFA, the State Treasurer, and the Office of Policy and Management. Other appropriation debt includes Connecticut Innovations, Inc. (CI) Tax Increment Financing (\$18,560,000) and a Certificate of Participation issue for the Connecticut Juvenile Training School Energy Center Project (\$10,390,000). This figure does not include \$487,655,000 in outstanding City of Hartford General Obligation debt that the State is obligated to pay under a contract assistance agreement entered into in April 2018.

SPECIAL TAX OBLIGATION BONDS	6,424,705,000
------------------------------	---------------

Special Tax Obligation Bonds are special obligations of the State payable solely from the revenues of the State pledged in the State's Special Transportation Fund. The bonds are issued for the construction and maintenance of the State's highway and bridge system and mass transportation and transit facilities. The bonds are secured by transportation-related taxes, fees and charges, and a portion of the State's general retail sales tax. Additional security for the bonds is provided by a debt service reserve fund that totaled \$634.1 million on June 30, 2020.

STATE REVOLVING FUND (SRF) (CLEAN WATER AND DRINKING WATER FUND) BONDS	1,030,235,000
--	---------------

The Clean Water Fund and the Drinking Water Fund constitute the SRF program. Revenue bonds provide below-market-rate loans to Connecticut municipalities for the planning, design, and construction of wastewater treatment projects and to Connecticut municipalities and private water companies for drinking water quality improvement projects. The bonds are secured by loan repayments from Connecticut municipalities, private borrowers, and general revenues of the program. The State also provides grants and some loans for the program through its General Obligation bond program.

CAPITAL REGION DEVELOPMENT AUTHORITY BONDS	70,670,000
--	------------

Capital Region Development Authority (CRDA) bonds were issued to provide funding for the Adriaen's Landing Development project in Hartford. The State is required to make all debt service payments on the bonds up to a maximum annual amount of \$9 million pursuant to a contract assistance agreement between CRDA, the State Treasurer, and the Office of Policy and Management. CRDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues

BRADLEY INTERNATIONAL AIRPORT GENERALAIRPORT REVENUE BONDS	94,595,000
--	------------

Airport revenue bonds are payable solely from gross operating revenues of Bradley International Airport, and proceeds are used for capital improvements at the airport.

BRADLEY INTERNATIONAL AIRPORT PARKING GARAGE REVENUE BONDS	19,195,000
--	------------

Parking garage bonds are payable from parking garage revenues and by a guarantee from the project developer/ lessee. The bonds financed the design and construction of a parking garage at Bradley International Airport.

<b>TOTAL DEBT OUTSTANDING AT JUNE 30, 2020</b>	<b>\$26,269,747,942</b>
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### Bonds issued during Fiscal Year 2020 include:

Bond Type	Par Amount	True Interest Cost <sup>(1)</sup>	Average Life (Years)	Issue Date
<b>NEW MONEY BONDS:</b>				
<b>GENERAL OBLIGATION</b>				
2020 Series A	\$ 700,000,000	2.57%	10.52	01/07/2020
2020 Series A Taxable	500,000,000	2.43%	5.56	06/11/2020
2020 Series C	400,000,000	2.31%	10.43	06/25/2020
<b>SPECIAL TAX OBLIGATION</b>				
2020 Series A	850,000,000	2.97%	12.26	05/29/2020
<b>STATE REVOLVING FUND (CW and DW Funds)</b>				
2019 Series A	250,000,000	2.69%	11.87	07/09/2019
<b>Fiscal Year 2020 Subtotal New Money Issues</b>	<b><u>\$2,700,000,000</u></b>			
<b>REFUNDING BONDS:</b>				
General Obligation 2019 Series B Refunding	\$ 239,855,000	1.67%	4.96	08/07/2019
General Obligation 2020 Series B Refunding	194,640,000	1.41%	2.78	01/07/2020
State Revolving Fund 2019 Series B Refunding	<u>29,845,000</u>	1.44%	2.25	07/09/2019
<b>Fiscal Year 2020 Subtotal Refunding Issues</b>	<b><u>\$ 464,340,000</u></b>			
<b>TOTAL</b>	<b><u>\$3,164,340,000</u></b>			

(1) An industry-defined term representing a composite overall present-value based interest rate for an entire bond issue excluding cost of issuance and other costs.



# Debt Management Division

Figure 14-1

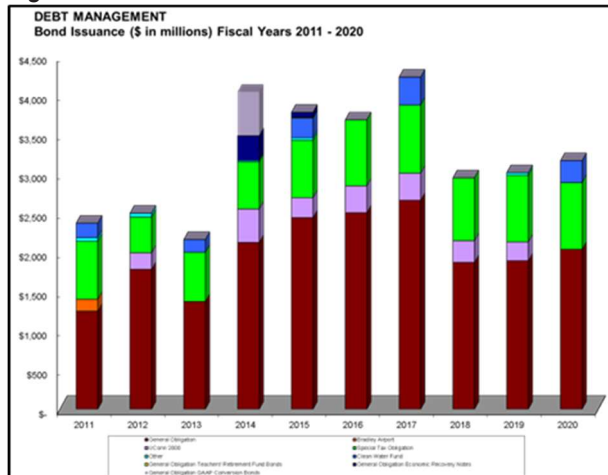


Figure 14-2

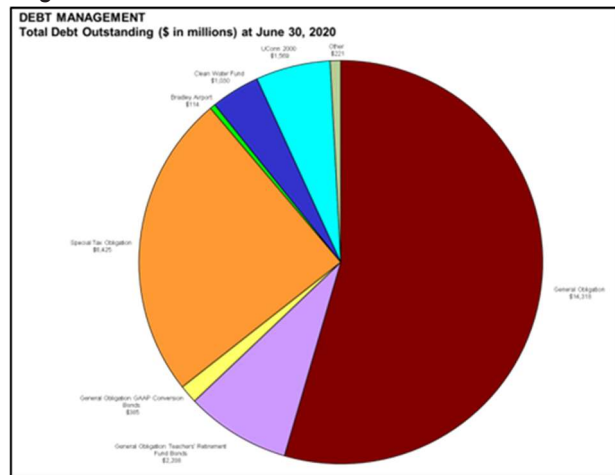
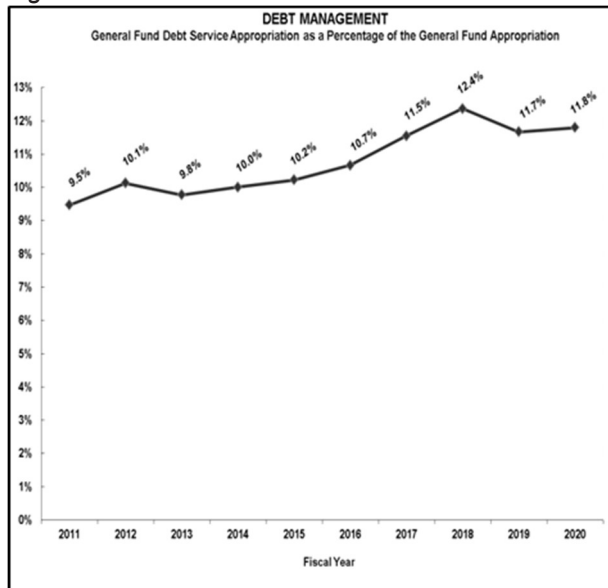
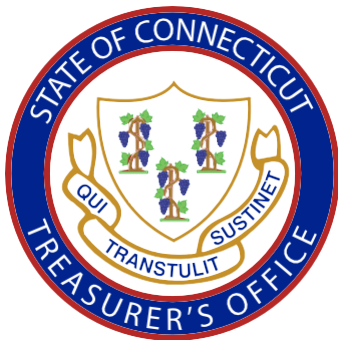


Figure 14-3







## Division Overview

The Office of the Treasurer, through its Cash Management Division, is responsible for managing the state's cash movements, banking relationships and short-term investments, including:

- Maintaining maximum investment balances by ensuring more timely deposits, controlling disbursements, minimizing bank balances and banking costs, and providing accurate cash forecasts;
- Earning the highest current income level in the Short-Term Investment Fund (STIF), providing for the safety of principal, first, and the provision of liquidity, second;
- Providing responsive services to STIF investors;
- Prudently investing more stable fund balances for longer periods and higher yields, including banks that meet standards for financial strength and community support;
- Protecting State deposits through well-controlled internal operations and use of banks that meet standards for financial strength;
- Improving operating efficiency by increased use of electronic data communication and funds processing; and
- Providing State agencies with technical assistance on cash management and banking issues.

The Cash Management Division consists of 18 employees under the direction of an Assistant Treasurer, organized into three areas of specific responsibility:

The Bank Control and Reconciliation unit maintains accountability for the State's internal and external cash flow. The unit tracks the flow of funds through 18 Treasury bank accounts and authorizes the release of State payroll, retirement and vendor checks. More than three million transactions are accounted for and reconciled

annually. The unit also processes stop payments and check reissues. In addition, the unit works with state agencies to speed the deposit of funds and identify mechanisms to reduce banking costs, reviews state agencies' requests to open new bank accounts, maintains records of the State's bank accounts held by individual banks, reviews bank invoices and compensation, and manages the Division's procurement efforts for new bank services. The unit also manages the insurance collateral program in conjunction with the Department of Insurance, which requires companies writing insurance policies in the State to deposit securities and funds totaling a fixed percentage of the policies' value. At June 30, 2020, approximately \$ 359 million in securities were pledged to the program.

The Cash Control unit, on a daily basis, forecasts available cash, funds disbursement accounts, concentrates cash from depository banks, sweeps available cash into short-term investment vehicles to maximize investment balances, and executes electronic transfers. The unit also prepares annual cash flow projections for various State and bond rating credit agencies, monitors actual cash receipts and disbursements, and prepares the monthly cash report for the legislature. During Fiscal Year 2020, the unit controlled the movement of \$35.1 billion to and from state bank accounts and investment vehicles. The Short-Term Investments unit invests STIF assets, monitors custodian activity, and prepares quarterly and annual performance reports on the Fund. During Fiscal Year 2020, the unit managed an average of \$8.6 billion in short-term money market instruments. As of June 30, 2020, the unit administered 960 active STIF accounts for 72 State agencies and authorities and 234 municipalities and local entities. In addition, the unit manages the Grant Express program that enables municipalities to deposit certain grant payments directly into their STIF accounts, and the Debt Express and Clean Water Fund Express programs that allow towns to make debt payments automatically from their STIF accounts.

The unit makes longer-term investments for balances that are expected to be available on a more stable basis in the Extended Investment Portfolio program, and, pursuant to CGS 3-24k, the Community Bank and Credit Union Initiative, in which the Office of the Treasurer supports Connecticut-based banks and credit unions with assets not exceeding \$1 billion by allowing them

to compete for the investment of State funds in certificates of deposit at the qualifying institution.

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## THE YEAR IN REVIEW

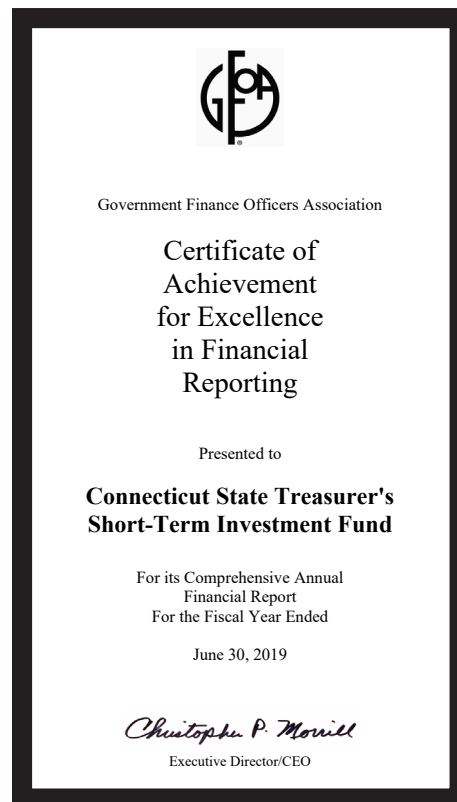
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During Fiscal Year 2020, the Cash Management Division's noteworthy accomplishments included:

- Total annual return of 1.53 percent in STIF exceeded its primary benchmark by 0.17 percent, resulting in \$15.3 million in additional interest income for Connecticut governments and their taxpayers, while adding \$8.6 million to its reserves. During the past 10 years, STIF has earned an additional \$80 million, while increasing the designated surplus reserve by \$38.4 million
- STIF's credit rating of AAAM, the highest available, was reaffirmed by S & P Global Ratings.
- Municipalities had 545 active accounts, an increase of 8 accounts from the prior fiscal year. STIF's Comprehensive Annual Financial Report (CAFR) was awarded the Certificate of Achievement for Excellence in Financial Reporting for 2019 by the Government Finance Officers Association.
- Investments of \$27.7 million were made with community financial institutions under the Connecticut Community Bank and Credit Union initiative at an average annualized interest rate of 1.31 percent. Since inception, program investments have totaled \$579.1 million.
- A total of \$ 156,000 in annualized bank overcharges was identified and recaptured during 2020.
- The Division expanded electronic payments to municipalities and vendors, working in collaboration with the Office of the State Comptroller, with payments totaling \$ 14.6 billion during the year.
- 
- The division worked with state agencies to speed the

receipt of funds through remote deposits and online credit card, electronic check, and Automated Clearing House payments, and to expand the use of payee positive pay services to protect against check fraud.

- The division has performed its critical functions at a high level throughout the Covid-19 pandemic through a combination of in-office and remote work protocols.



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# SHORT-TERM INVESTMENT FUND

Fund facts at June 30, 2020

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**DATE OF INCEPTION: 1972**

**TOTAL NET POSITION: \$ 9.5 BILLION**

**INTERNALLY MANAGED**

**EXTERNAL MANAGEMENT FEES: NONE**

**INVESTMENT STRATEGY/GOALS:**

To provide a safe, liquid and effective investment vehicle for the operating cash of the State, municipalities and other Connecticut political subdivisions.

**PERFORMANCE OBJECTIVE:**

As high a level of current income as is consistent with, first, the safety of principal and, second, the provision of liquidity.

**BENCHMARKS:**

iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index, Three-Month Treasury Bills.

**EXPENSE RATIO:**

Approximately 1-4 basis points (includes all costs associated with the management and operations of the fund)

**Basis of presentation: amortized cost**

## Description of the Fund

The Treasurer's Short-Term Investment Fund (STIF or the Fund) is an AAAM rated investment pool of high-quality, short-term money market instruments managed by the Treasurer's Cash Management Division. Created in 1972, it serves as an investment vehicle for the operating cash of the State Treasury, State agencies and authorities, municipalities, and other political subdivisions of the State (See Figure 1-1). STIF's objective is to provide as high a level of current income as is consistent with, first, the safety of principal and, second, the provision of liquidity to meet participants' daily cash flow requirements. During the 2020 fiscal year, STIF's portfolio averaged \$8.7 billion.

STIF employs a top-down approach to developing its investment strategy for the management of its assets. Starting with the objectives of the Fund, STIF considers constraints outlined in its investment policy, which include among other parameters: liquidity management, limitations on the portfolio's weighted average maturity and permissible investment types. Next, an asset allocation is developed to identify securities that are expected to perform well in the current market environment. Over the long-term, STIF continually analyzes expectations of future interest rate movements and changes in the shape of the yield curve to ensure the most prudent and effective short-term money management for its clients. Ongoing credit analysis enables STIF to enhance its yield by identifying high-quality credits in undervalued sectors of the economy.

STIF pays interest monthly based on the daily earnings of the Fund less Fund expenses and an allocation to the Fund's designated surplus reserve. The daily reserve allocations equal one-tenth of one percent of the Fund's daily balances divided by the number of days in the year, until the reserve totals one percent of the Fund's daily balance. The reserve on June 30, 2020, totaled \$76.9 million.

To help the Fund and its investors evaluate performance, STIF compares its returns to various benchmarks. The primary benchmark is the iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index. This index represents an average of institutional money market mutual funds rated AAAM that invest primarily in first-tier (securities rated A-1, P-1) taxable securities. While STIF's investment policy allows for somewhat greater flexibility than these SEC-registered funds, the MFR Index is the most appropriate benchmark against which to judge STIF's performance. During the past year, STIF's actual investment strategy has been considerably more conservative than most private money funds and its own investment policy would permit. (See Figure 1-3)

STIF's yields also are compared to the average three-month

Treasury Bills rate. The Treasury Bill rate is used to measure STIF's effectiveness in achieving yields in excess of a "risk-free" investment. It is important to note that the 90-day benchmark exceeds STIF's shorter average maturity. In order to maintain its AAAM rating, the STIF cannot exceed a 60-day weighted average maturity (WAM) limit. Furthermore, these benchmarks are "unmanaged" and are not affected by management fees or operating expenses.

Among the Fund's several achievements during the 2020 fiscal year was the reaffirmation and continuation of its AAAM rating by S&P Global Ratings (S&P). In S&P's view, "a fund rated 'AAAM' demonstrates extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk."

## Portfolio Characteristics

During Fiscal Year 2020, the STIF portfolio continued its conservative investment approach of balancing liquidity and stability while maximizing yield for investors. STIF's conservative investment practices include maintaining abundant liquidity, a well-diversified portfolio, and significant holdings of securities issued, guaranteed or insured by the U.S. government and federal agencies.

Accordingly, at year-end STIF held 45 percent of Fund assets in overnight investments or investments that are available on a same-day basis. During the fiscal year, the Fund's WAM fluctuated between a low of 16 days and a high of 48 days and ended the year at 16 days. Seventy-three percent of the Fund's assets were invested in securities with maturities, or interest rate reset dates for adjustable rate securities, of less than 30 days. (See Figure 1-2)

The Fund ended the year with a 48% percent concentration in securities issued, guaranteed or insured by the U.S. government or federal agencies (including deposit instruments backed by irrevocable Federal Home Loan Bank letters of credit) or in repurchase agreements backed by such securities. In total, 90 percent of STIF's assets are rated A-1+ or have some form of government support. The Fund's three largest security weightings included bank deposits (34 percent), government agency securities (34 percent), and money market funds (9 percent). (See Figure 1-5)

## Market Review

Fiscal 2020 was one for the record books. During the first two quarters of the year, we saw a continuation of fiscal year 2019's modest economic growth and benign inflation. This lackluster growth, coupled with inflation below the Fed's two percent target, prompted the Fed to further support economic growth through a series of three 25 basis point interest rate cuts during the second

half of calendar year 2019, reducing the targeted Federal Funds rate range by 100 basis points to 1.50-1.75%. Unfortunately, during the second half of 2020, the US and global economy, along with our traditional way of life, was extraordinarily disrupted by a worldwide pandemic the likes of which had not been experienced in over 100 years. The economic toll here in the US and other parts of the world was without precedence in terms of the speed of spread and extent of damage to local, national, and global economies and economic growth. Not to mention the incredible loss of life and pain and suffering of afflicted individuals, families and communities. As whole economies locked-down to curtail the spread of COVID-19 and the normal functioning operations of our society was suspended, businesses across most sectors of commerce ceased, as global supply chains broke-down impacting supply while demand for most goods and services plunged.

At the outset of the pandemic crisis, the response from official institutions was swift, coordinated, and meaningful. Monetary policy was quickly made incredibly accommodative, and the Fed reduced official interest rates by a total of 150 basis points in March, to a range of .00-.25%. March also experienced extraordinary levels of market volatility, driven by a flight-to-quality/safety during incredibly uncertain times. In the US, US Treasuries appreciated in price due to surging demand, pushing yields in the 10-year note down 138 basis points to all-time lows of 0.54%. Meanwhile, the S&P 500 index declined 20% from the start of the calendar year, and investment grade and high yield credit spreads widened by 177 and 550 basis points, respectively. In order to ensure the normal functioning of our financial markets, the Fed, in coordination with US Treasury Department, quickly enacted several facilities to support market liquidity, a measure which benefited primary and secondary market trading and price discovery. Similarly, the White House and Congress quickly passed legislation to support specific industries, small businesses, families, and employment generally with passage of the \$2 trillion CARES Act. These combined actions helped stabilize both the economy and financial markets through the second half of fiscal 2020, with economic numbers reflecting significant improvement and financial markets rallying back to pre-pandemic levels through the end of June.

As stated, the pandemic that dominated the second half of fiscal year 2020 was global, impacting countries, economies and families around the world without regard to national borders. While the spread of the corona virus was worldwide, the actual impact on nations varied based on official actions taken to reduce and manage the spread of the virus. Lockdowns of all non-essential activities seemed to work best early on, with social isolation followed by social distancing, mask wearing, remote working, telecommuting, and diligent hand washing. Coordinated fiscal spending programs to address the economic damage associated with the pandemic coupled with loosening monetary policy was the standard response around the world. Robust and coordinated

actions taken based on scientific facts and medical disciplines within and among countries appeared to yield the best outcomes, with lesser results experienced with poorly coordinated policies and protocols for addressing the pandemic, such as in the United States. As we ended fiscal year 2020, the world was still in the grips of the pandemic despite showing some signs of containment and a return to normalcy at different phases throughout the world. Fears of a resurgence of the virus in fiscal year 2021 were also top of mind for the northern hemisphere's winter months based on even optimistic timeframe's for development and wide distribution of vaccinations through the world.

The negative impact of the pandemic on businesses was widespread and nearly universal, although some industries benefited from the shifting demand for new capabilities and products. Technology businesses (and stocks) seemed to thrive as lockdowns and remote working accelerated the adoption of networking, communications and on-line shopping services, while other sectors of the economy such as airlines, cruise operators, hotels, cinemas, restaurants, sports entertainment, and traditional energy (oil) suffered tremendously. The pace of repair in stock prices was also very uneven as we approached fiscal year end in June 2020, with a handful of large tech stocks such as Apple, Microsoft, Alphabet (Google), Facebook, and Amazon moving significantly higher in price and pulling-up stock indices such as the S&P 500, while the majority of company stock prices in the index were still lower than at the start of calendar year 2020. As fiscal year 2020 came to an end, there appeared to be a developing and growing disconnect between stock prices and the economic realities of the health crisis.

Fiscal year 2020 ended dramatically differently from how it started in many ways, not least of which from an economic growth perspective. While the United States began the year with lackluster growth of just under 2.00% that prompted the Fed to cut official interest rates in order to support a higher expected outcome, the year ended with the largest economic contraction ever recorded in the second quarter of calendar year 2020. Economic growth here in the States plunged by almost a third (-33% quarter-to-quarter annualized), with many headline economic statistics testing Depression Era lows. As stated earlier, fiscal 2020 was truly one for the record books!

## Performance Summary

For the one-year period ending June 30, 2020 STIF reported an annual total return of 1.53 percent, net of all expenses and \$8.5 million in allocations to Fund reserves. Annual total return measures the total investment income a participant would earn with monthly compounding at the Fund's monthly net earned rate during the year. This figure exceeded that achieved by its benchmark, the MFR Index, which equaled 1.36 percent, by 17 basis points. STIF's performance bested that of three-month T-Bills by three basis points, which yielded 1.17 percent. STIF's

relative performance was limited by the Fund's more cautious investment strategy that is focused on safety and liquidity.

The principal reasons for STIF's continued strong performance, despite its cautious strategy, was the selective addition of more bank deposit instruments and the active management of maturities within the portfolio, as well as the low overall expense rate.

Over the long-term, STIF has performed exceptionally well. For the trailing three-, five-, seven-, and ten-year periods, STIF's compounded annual total return was 1.74 percent, 1.22 percent, 0.91 percent, and 0.69 percent, net of all expenses and contributions to reserves, exceeding returns of its primary benchmark for all time periods. Viewed on a dollar-for-dollar basis, had one invested \$10 million in STIF ten years ago, that investment would have been worth \$10.7 million on June 30, 2020, versus \$10.57 million for a hypothetical investment in the MFR Index (See Figure 1-6). During the past ten years, STIF has earned \$89 million above its benchmark while adding \$38 million to its reserves

### Risk Profile

STIF is considered extremely low risk for several reasons. First, its portfolio is comprised of high-quality, highly liquid securities, which insulate the Fund from default and liquidity risk. (See Figure 1-4) Second, its relatively short average maturity reduces the Fund's price sensitivity to changes in market interest rates. Third, STIF has a strong degree of asset diversification by security type

and issuer, as required by its investment policy, strengthening its overall risk profile. And finally, STIF's reserves are available to protect against security defaults or the erosion of security values due to dramatic and unforeseen market changes. As the primary short-term investment vehicle for the operating cash of the State, STIF has the ultimate confidence of the State government.

While STIF is managed diligently to protect against losses from credit and market changes, the Fund is not insured or guaranteed by any government. Therefore, the maintenance of capital cannot be fully assured.

FIG 1-1 SHORT-TERM INVESTMENT FUND (STIF) OWNERSHIP ANALYSIS AT JUNE 30, 2020

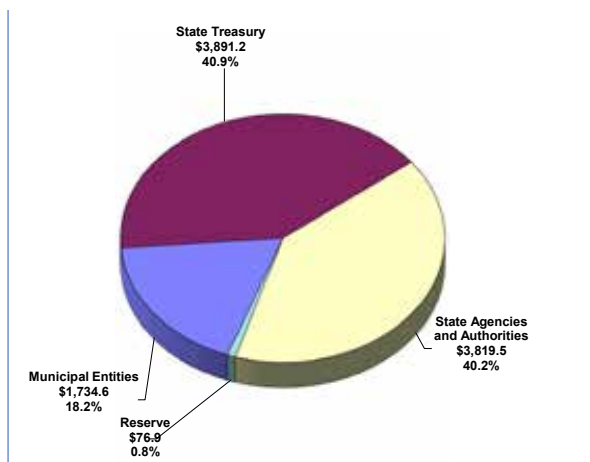


FIG 1-2 SHORT-TERM INVESTMENT FUND (STIF) MATURITY ANALYSIS AT JUNE 30, 2020

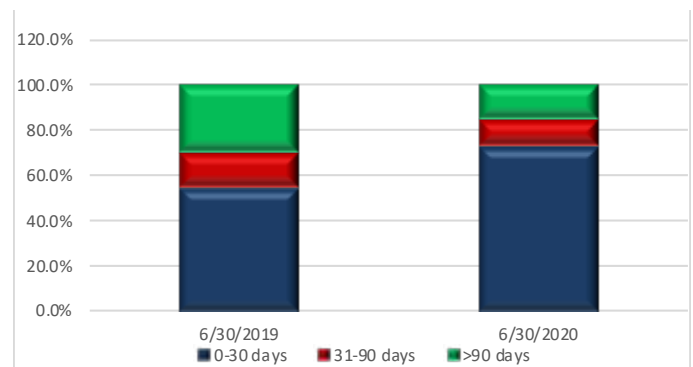




FIG 1-3 SHORT-TERM INVESTMENT  
QUARTERLY YIELD VS BENCHMARK JUNE 30, 2020

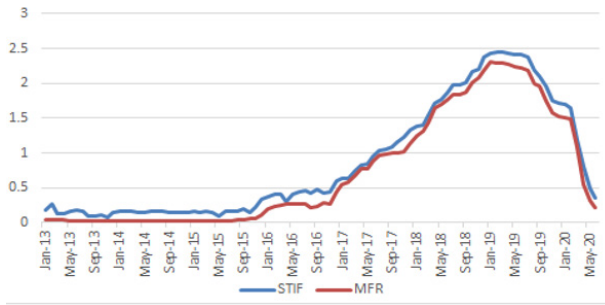


FIG 1-4 SHORT-TERM INVESTMENT FUND (STIF)  
DISTRIBUTION BY QUALITY RATING AT JUNE 30, 2020

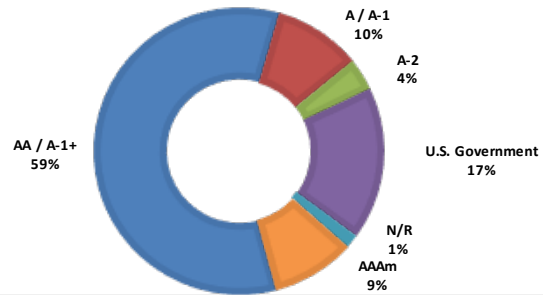


FIG 1-5 SHORT-TERM INVESTMENT FUND (STIF)  
SECTOR ALLOCATION AT JUNE 30, 2020

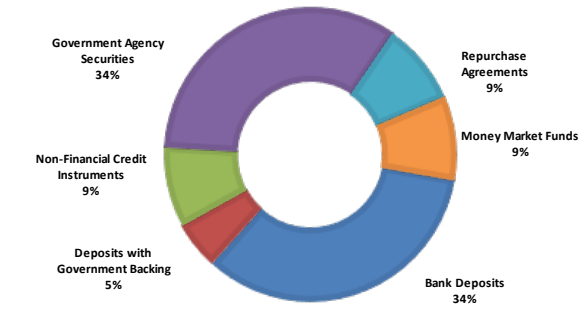
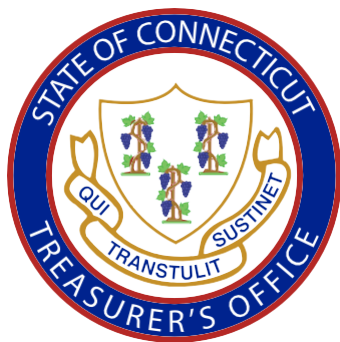


FIG 1-6 SHORT-TERM INVESTMENT FUND (STIF)  
vs MFR INDEX AT JUNE 30, 2020

Short-Term Investment Fund vs MFR Index at June 30, 2020					
	Compounded Annual Total Return (%)				
	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
STIF	1.53	1.74	1.22	0.91	0.69
MFR Index*	1.36	1.59	1.08	0.78	0.56
Fed. Three-Month T-Bill	1.17	1.64	1.13	0.82	0.60
	Cumulative Total Return (%)				
	1 YR	3 YRS	5 YRS	7 YRS	10 YRS
STIF	1.53	5.31	6.26	6.57	7.15
MFR Index*	1.36	4.86	5.53	5.58	5.77
Fed. Three-Month T-Bill	1.17	4.99	5.79	5.86	6.13

STIF uses a time-weighted linked rate of return formula to calculate rates of return.  
\* Represents iMoneyNet Money Fund Average TM - Rated first Tier Institutional Average (MFR) Index.



# Unclaimed Property



## Division Overview

The Office of the Treasurer's Unclaimed Property Division is responsible for safeguarding assets turned over to the Office in accordance with state law, until the rightful owners are located. The primary objective of the unclaimed property program is to reunite rightful owners or heirs with their unclaimed property, which is remitted to the Office of the Treasurer by business entities after the business loses contact with a customer for a period of three to five years. Unclaimed assets include but are not limited to: deposits in savings or checking accounts, uncashed checks, matured certificates of deposit, stocks, bonds or mutual funds, travelers' checks or money orders and proceeds of life insurance policies.

A permanent record of reports of unclaimed property filed annually by holders of such property is maintained by the Division. Unclaimed property holders include banks, credit unions, insurance companies, brokerage firms, utility companies, and businesses. The Division prescribes holder report forms and monitors reporting by holders.

Assets must be reported and remitted within 90 days following the close of each calendar year. These assets are held in the custody of the Treasurer until claimants come forward to claim the property. Rightful owners or their heirs always have the right to claim funds held by the Treasury. There is no time limit to claim funds.

To determine whether a holder is complying with its duties under the law, the Division is permitted to conduct examinations of company records. Upon receipt of unclaimed securities (stocks and mutual funds), the Treasurer may proceed with the sale of the securities and retains the proceeds for the benefit of the owner of the property.

Efforts to locate the owners of unclaimed property include the biannual publication of abandoned property reported and transferred to the Treasurer. The Division also maintains a user friendly website that is updated with new names weekly, called CT Big List at [www.ctbiglist.com](http://www.ctbiglist.com).

All unclaimed property receipts are deposited into the General Fund until rightful owners come forward to claim the property.

The Unclaimed Property Division consists of twenty-one employees under the direction of an Assistant Treasurer.

# THE YEAR IN REVIEW

- As of June 30, 2020 the unclaimed property website contained \$872 million in escheated property held for 1,593,707 owners.
- There are 4.3 million shares (estimated value of \$9.7 million) (Figure 16-1) in the custodian account as of June 30, 2020.
- Holder reports received through June 30, 2020 were loaded to the database.

## 2020 Division Performance

During Fiscal Year 2020, the Unclaimed Property Division:

- Returned \$66 million (Figure 16-2) to 11,120 rightful owners (Figure 16-3).
- Received \$121 million in unclaimed property (Figure 16-4) of which \$95 million was voluntarily reported by businesses,

\$9 million came from examinations of company records and \$17 million from the sale of 8.4 million shares of securities.

- Over the past 10 years, the Unclaimed Property Division has received a total of \$804 million in unclaimed property voluntarily reported by holders, an additional \$114 million from examinations, and \$307 million from the sale of stocks, bonds or mutual funds, or \$1.2 billion in total. During the same period, it returned \$606 million to rightful owners.
- In accordance with Connecticut General Statute section 3-69a (a) (2), \$12,151,894 of unclaimed property receipts was deposited into the Citizen's Election Fund and the balance into the General Fund for Fiscal Year 2020.

Figure 16-1

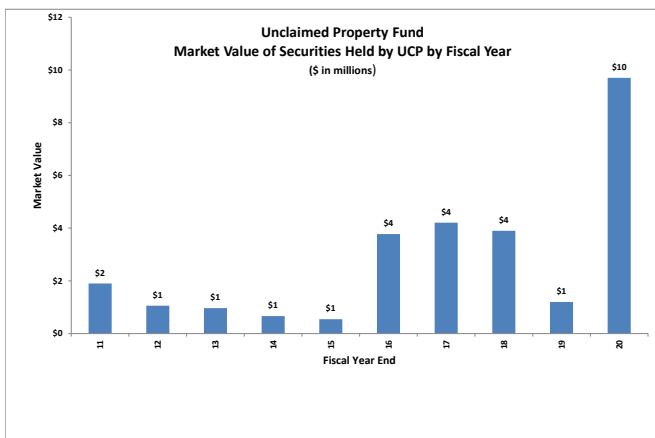


Figure 16-2

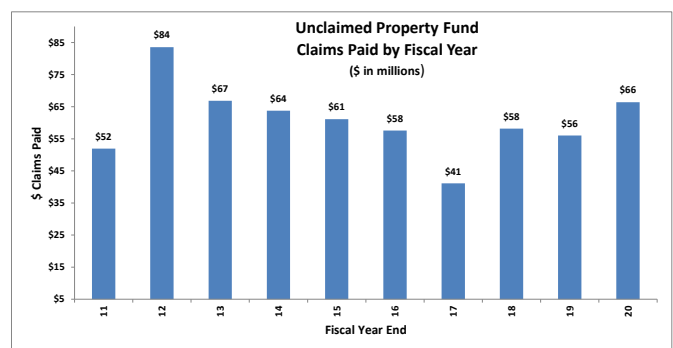


Figure 16-3

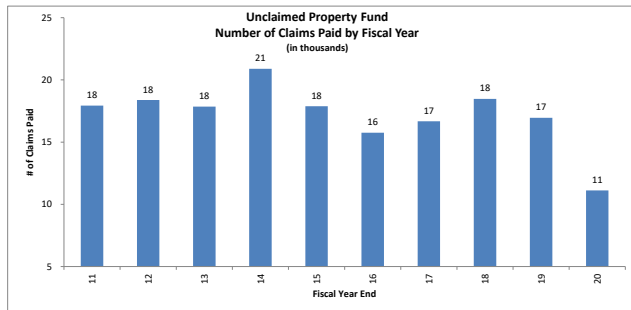
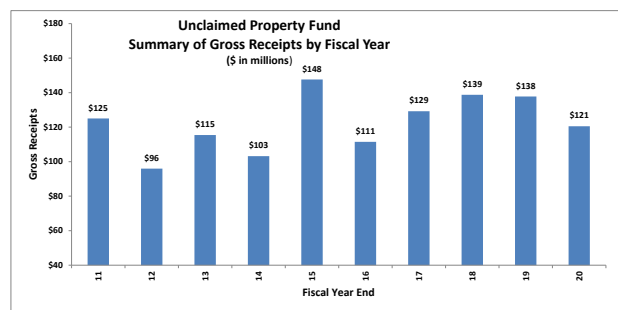
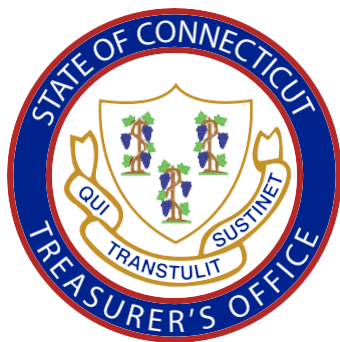


Figure 16-4





# Second Injury Fund



## Division Overview

The Second Injury Fund (SIF or the Fund) is a state operated workers' compensation insurance fund established in 1945 to discourage discrimination against veterans and encourage the assimilation of workers with a pre-existing injury into the workforce. Public Act 95-277 closed the Fund to new "second injury" claims for injuries sustained on or after July 1, 1995 and expanded enforcement, fines and penalties against employers who fail to provide workers' compensation coverage. Prior to July 1, 1995, the Fund provided relief to employers where a worker, who already had a pre-existing injury or condition, was hurt on the job and that second injury was made "materially and substantially" worse by the first injury. Such employers transferred liability for these workers' compensation claims to the Fund if certain criteria were met under the Connecticut Workers' Compensation Act (thus the term "Second Injury Fund").

Today the Fund continues to be liable for those claims transferred prior to the closing of the Fund as well as claims involving uninsured employers, reimbursement of cost of living adjustments for certain injuries involving payment of benefits or dependent spouse's benefits and, on a pro rata basis, reimbursement claims to employers of any worker who had more than one employer at the time of the injury.

The Fund is responsible for adjudicating qualifying workers' compensation claims fairly and in accordance with applicable law, indus-

try standards and best practices. Where possible, the Fund seeks to return injured workers to gainful employment or seeks settlement of claims, which will ultimately reduce the burden of Fund liabilities on Connecticut businesses.

The Second Injury Fund is financed by assessments on all Connecticut employers. The State Treasurer, as Custodian of the Fund, establishes the assessment rate on or before May 1st of each year.

Insured employers pay a surcharge on their workers' compensation insurance policies based on "standard premiums" calculated and issued by insurance companies who also collect and remit this assessment to the Fund. The assessment for self-insured employers is based on "paid losses" for medical and indemnity benefits incurred in the prior calendar year.

Under the administration of an Assistant Treasurer, the division employed 33 employees.

# THE YEAR IN REVIEW

- There were four assessments made on insured employers totaling \$20.3 million and self-insured employers were assessed four times totaling \$4.9 million, for a combined assessment on all Connecticut employers of \$25.2 million for Fiscal Year 2020. The assessment rate for insured employers is 2.25 percent and 2.75 percent for self-insured employers in Fiscal Year 2020.
- Reserves (estimated unfunded liability) for all open claims total \$254 million, a decrease of \$29 million from a year ago. The Fund expects the unfunded liabilities will continue to decline in Fiscal Year 2021. (See Figure 17-1).

## 2020 Division Performance

During fiscal year 2020 the Second Injury Fund:

- Maintained assessment rates at historic low levels for Connecticut;
- Provided \$20.6 million in indemnity, medical and settlement payments to injured workers;
- Saw the number of injured workers receiving bi-weekly benefits (indemnity payments only) increased from 202 a year ago to 204;
- Participated in 150 settlements at a cost of \$4.1 million. The Fund's caseload is at a low of 2,402 as of June 30, 2020 (See Figure 17-2);
- Realized a total savings of \$2.6 million in medical costs

using a Preferred Provider Organization Network offered by contracted medical vendors;

- Worked with the Second Injury Fund Advisory Board to help the Fund carry out its mission.

## Second Injury Fund Advisory Board

Two meetings were held during Fiscal Year 2020 – and October 17, 2019 and June 10, 2020.

As of July 1, 2020 the Advisory Board members were:

- **State Senator Julie Kushner, Chair**, Labor & Public Employees Committee of the General Assembly
- **State Representative Robyn Porter, Chair**, Labor & Public Employees Committee of the General Assembly
- **Sal Luciano, Connecticut AFL-CIO, Chair**, Advisory Board
- **Clifford G. Leach**, The Hartford Financial Services Group, Inc.
- **Brian Corvo**, Connecticut Business and Industry Association
- **Marko Kaar**, Connecticut Construction Industries Association
- **Brian Anderson**, Council 4 AFSCME
- **Kimberly Harrison**, Hartford Healthcare

Figure 17-1

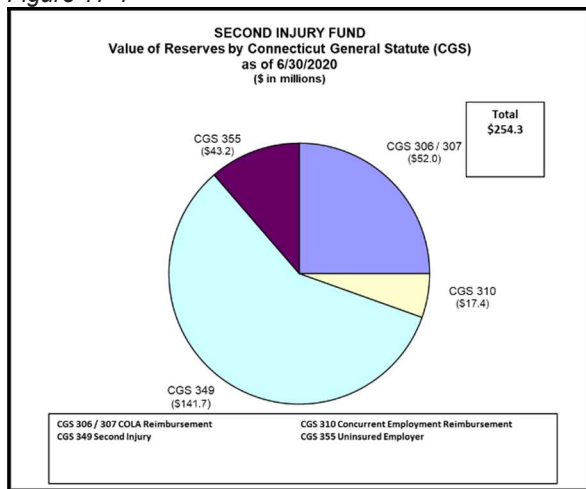
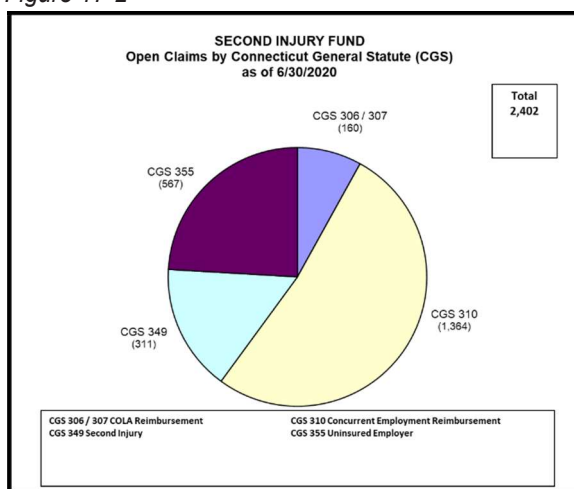


Figure 17-2





# Connecticut Higher Education Trust



## TRUST OVERVIEW

### Establishment of the Trust

The Connecticut Higher Education Trust (CHET or Trust) is a Qualified State Tuition Program established pursuant to Section 529 of the Internal Revenue Code. CHET was unanimously approved by the Connecticut General Assembly in Public Act No. 97-224 (the Act) and signed into law by the Governor in July 1997. The program began operating on January 1, 1998. While the Trust is considered an instrumentality of the State, the assets of the Trust do not constitute property of the State, and the Trust is not a department, institution or agency of the State.

CHET is a trust, available for families to save and invest for higher education expenses. It is privately managed under the supervision of the State Treasurer as Trustee. Current Internal Revenue Service regulations provide that total contributions to an individual account may not exceed the amount determined by actuarial estimates as necessary to pay qualified higher-education expenses of the designated beneficiary for five years of undergraduate enrollment at the highest cost institution allowed by the program. CHET's account balance limit for contributions is \$300,000 per beneficiary, whether held in CHET Direct, CHET Advisor, or both.

While money is invested in CHET, there are no federal or state taxes on investment earnings. Amounts may be withdrawn to pay for tuition, room and board, fees, books, supplies, and equipment required by the beneficiary for enrollment or attendance at any eligible public or private educational institution. Investment earnings withdrawn for qualified education expenses are exempt from federal and Connecticut State income taxes. Earnings withdrawn for non-qualified expenses are taxable income to the account owner and incur an additional federal tax penalty of 10 percent.

In December 2019, the Setting Every Community Up for Retirement Enhancement (SECURE) Act was signed into law and featured important changes to the CHET program. The SECURE Act expands the definition of Qualified Higher Education Expenses to include the expense for fees, books, supplies, loan payments, and expenses for participation in apprenticeship programs. The definition of Qualified Higher Education Expenses also includes amounts of repaid principal and interest on any qualified education loan of either a CHET beneficiary or a sibling of a designated beneficiary, where the loan repayment amount is subject to a lifetime limit of \$10,000. These changes became effective for plan distributions beginning January 1, 2019.

### State Income Tax Deduction

The state income tax deduction for CHET, which became effective July 1, 2006, provides Connecticut taxpayers with the ability to deduct program contributions of up to \$5,000 for single filers or \$10,000 for joint filers per year from their Connecticut adjusted gross income.

### Direct-Sold Program

Since 1999, TIAA-CREF Tuition Financing, Inc. (TFI), a wholly-owned subsidiary of Teachers Insurance and Annuity Association of America (TIAA), has served as program manager for CHET Direct. Under CHET Direct, an individual opens the account directly, names a beneficiary (e.g., a child), and selects the investment option(s) in which the individual wants to invest contributions. Contributions may be allocated among fourteen investment options: the Conservative Managed Allocation Option, the Moderate Managed Allocation Option, the Aggressive Managed Allocation Option, the High Equity Balanced Option, the International Equity Index Option, the Global Equity Index

Option, the U.S. Equity Index Option, the Index Fixed-Income Option, the Social Choice Option, the Active Fixed-Income Option, the Money Market Option, the Principal Plus Interest Option, the Active Global Equity Option, and the Global Tactical Asset Allocation Option. These options provide Connecticut families the opportunity to save for future college expenses, with the flexibility to choose investment vehicles that meet their particular risk tolerances and financial need. Program features of CHET Direct include a low minimum account opening balance of \$25, and the convenience of automated payroll and bank Electronic Funds Transfers (EFT) for contributions, which can be as low as \$15 a pay period using payroll deduction. The program allows for transferability of account funds to other eligible members of the original beneficiary's family without penalty.

### Advisor-Sold Program

Since 2010, Hartford Life has served as program manager for CHET Advisor. Due to the sale of Hartford Life, the contract was assigned to Hartford Funds Management Company (HFMC), a division of The Hartford in 2018. The program is operated in a manner such that it is exempt from registration as an investment company under the Investment Company Act of 1940. CHET Advisor is not marketed directly to individuals. The HFMC has

developed a network of financial advisors through the State that now offers CHET Advisor to clients as an investment option.

Under CHET Advisor, there are eighteen investment options, including one age-based option, five static portfolios, and twelve individual portfolios. The static portfolios are CHET Advisor Aggressive Growth, Growth, Balanced, Conservative, and a Checks & Balances Portfolio. The twelve Individual Portfolios are Hartford Small Cap Growth, Growth Opportunities, International Opportunities, Core Equity, MidCap, Dividend & Growth, Balanced Income, Equity Income, Inflation Plus, Total Return Bond, World Bond and the CHET Advisor Stable Value 529 Portfolio. The Advisor-Sold plan has three investment classes: A, C, and E. Class A have an up-front sales charge, Class C has no up-front sales charge but has a contingent deferred sales charge for withdrawals made within one year of deposit, and Class E, which is only available to certain groups associated with the HFMC, has no sales charge or deferred sales charge.

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## THE YEAR IN REVIEW

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CHET continued initiatives aimed at increasing public education and awareness of the importance of saving for college and the advantages of the official state-sponsored 529 college plan for Connecticut families. In the first half of 2020, the outbreak of the novel coronavirus (COVID-19) and subsequent global pandemic impacted the global financial markets. The enrollment and age-based 529 portfolios in the CHET Direct and CHET Advisor programs weathered the short-term market swings as they are constructed with the goal of asset diversification.

Both the CHET Direct program and the CHET Advisor program provide means of accumulating assets to pay for educational opportunities. Each program works to increase the number of new accounts and beneficiaries, even as existing CHET account holders begin to use accumulated savings to pay for the costs of higher education.

In the first quarter of 2020, the Treasurer issued a "Request for Proposal" for a program manager for both the CHET Direct and Advisor programs. As a result, the Treasurer has extended the contract with TFI and HFMC through December 31, 2020.

### CHET Direct

During Fiscal Year 2020, the number of accounts in the CHET

Direct program grew from 128,837 to 135,277, up by 5% from the last year. During the same period, total assets grew from \$3.3 billion to \$3.5 billion, while supporting over \$1.67 billion in qualified withdrawals. Since Treasurer Wooden came into office in January 2019, CHET Direct program assets have grown 19%, and 9,325 new accounts were established.

In addition, the CHET Baby Scholars partnership with the Connecticut Department of Public Health continued to generate new accounts. Connecticut's birth certificate applications include information about CHET Baby Scholars, and resulted in 2,653 new accounts opened during Fiscal Year 2020. Since the program's inception in 2014, over 13,969 CHET Baby Scholars accounts have been opened by Connecticut families who have started saving early for future college costs.

Over the past fiscal year, CHET continued the annual Dream Big! essay and drawing competition for elementary and middle school students. Also, the CHET Advance scholarship awarded over \$500,000 to Connecticut students to prepare for college costs, rounding out CHET's major initiatives and ensuring that the programs reach families with children of all ages from birth to college-age. Integrated advertising and direct marketing campaigns ran throughout the year, focusing on tax time,

graduation time, back-to-school, and year-end contributions. CHET's advertising and direct marketing efforts served to increase CHET's brand awareness among state residents. The campaigns focused on the value of saving for college and the specific benefits of Connecticut's 529 college savings program.

### CHET Advisor

As of June 30, 2020, there were 29,575 accounts. Total assets grew from \$635 million to \$685 million during the year, an increase of \$50 million, or 7.9% since June 30, 2019. The CHET Advisor plan had contributions of \$91.7 million and qualified withdrawals of \$55.5 million during the year.

### CHET Advisory Committee

State law created the CHET Advisory Committee, which meets annually pursuant to section 3-22e of the Connecticut General Statutes. The Committee consists of the State Treasurer; the Executive Director of the Office of Higher Education; the Secretary of the Office of Policy and Management; the co-chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to education and finance, revenue and bonding (or their designees); one student financial aid officer and one finance officer at a public institution of higher education in the State, each appointed by the Board of Regents for Higher Education; and one student financial aid officer and one finance officer at an independent institution of higher education in the State, each appointed by the Connecticut Conference of Independent Colleges.

The Advisory Committee was postponed until the fourth quarter of 2020 due to the COVID-19 pandemic and the subsequent executive order to shutdown non-essential businesses to slow the spread of the coronavirus across Connecticut.

Members of the Advisory Committee are as follows:

STATE TREASURER, SHAWN T. WOODEN, Chairperson

TIMOTHY D LARSON, Executive Director, Office of Higher Education

STATE REP. ROBERT SANCHEZ, House Chair, Education Committee

STATE SEN. DOUGLAS MCCRORY, Senate Co-Chair, Education Committee

STATE SEN. ERIC C. BERTHEL, Senate Co-Chair, Education Committee

STATE REP. KATHLEEN M. MCCARTY, Ranking Member, Education Committee

STATE SEN. JOHN FONFARA, Senate Co-Chair, Finance, Revenue and Bonding Committee

STATE REP. JASON ROJAS, House Chair, Finance, Revenue and Bonding Committee

STATE SEN. KEVIN D. WITKOS, Ranking Member, Finance, Revenue, and Bonding Committee

STATE REP. CHRISTOPHER DAVIS, Ranking Member, Finance, Revenue and Bonding Committee

HOLLY WILLIAMS, Fiscal and Program Policy Section Director, Office of Policy and Management

PATRICK TORRE, Vice President of Finance, University of New Haven

STEVEN MCDOWELL JR., Associate Vice President for Financial Aid Services and Title IX Services, Connecticut State Community College

JULIE SAVINO, Executive Director, University Financial Assistance, Sacred Heart University

KERRY KELLY, Interim CFO, Connecticut State Community College

# ABLE Program



## Achieving A Better Life Experience (ABLE) Trust

In 2014, the U.S. Congress passed the ABLE Act. This framework would allow persons with disabilities who are on Supplemental Security Income (SSI) to amass assets without putting benefits at risk. The Act created 529(a) accounts as a subset of the 529 college savings program. Many of the tax advantages offered through 529 accounts are available in ABLE 529(a) accounts, including exempting investment earnings from federal and state income taxes. This federal legislation required states to enact their statutory frameworks for establishing programs for their respective state residents.

Accordingly, in 2015 Connecticut passed Public Act 15-80, An Act Implementing the Recommendations of the Program Review and Investigations Committee Concerning the Federal Achieving a Better Life Experience Act. Mirroring the federal legislation allows families to accumulate assets for expenses without affecting state and federally mandated maximums to qualify for governmental services. The Public Act designated the State Treasurer as a Trustee of the ABLE program with the responsibility to establish a federally qualified ABLE program and administer individual ABLE accounts.

To implement an ABLE program in Connecticut that meets the objectives of the federal mandate, the Office of the Treasurer formed an advisory committee comprised of twenty individuals with relevant experience, including those who have served as

disability advocates, representatives of key constituencies and organizations for persons with disabilities, and leaders of state agencies with purview over disability issues.

## Establishing Connecticut's ABLE Program

The Treasurer is currently in the process of establishing Connecticut's ABLE program. The Office of the Treasurer issued a Request for Proposal in December 2019 to select a partner to implement the state's ABLE program. In April 2020, Treasurer Wooden decided to join the National ABLE Alliance, a consortium of states, working together with the goal to offer individual ABLE programs to persons with disabilities in their respective states. The National ABLE Alliance has total assets of \$77.3M in ABLE programs across the seventeen member states. The National ABLE Alliance's plan manager is Ascensus College Savings Recordkeeping Services, LLC, the largest independent recordkeeping services firm with \$327 billion in total assets under administration. The Connecticut ABLE program will be officially launched in October of 2020.

# STATE OF CONNECTICUT



## AUDITORS OF PUBLIC ACCOUNTS

State Capitol  
210 Capitol Avenue  
Hartford, Connecticut 06106-1559

JOHN C. GERAGOSIAN

ROBERT J. KANE

### INDEPENDENT AUDITORS' REPORT AND STATUTORY CERTIFICATION

Governor Ned Lamont  
Members of the General Assembly:

#### **Report on the Financial Statements and Schedules included in the Treasurer's Annual Report**

We have audited the accompanying financial statements of the Combined Investment Funds, which comprise the statement of net position as of June 30, 2020, the statement of changes in net position for the fiscal year ended June 30, 2020, and the related notes to the financial statements. We have audited the accompanying financial statements of the Short-Term Investment Fund, which comprise the statement of net position, including the list of investments as of June 30, 2020, the statement of changes in net position for the fiscal year ended June 30, 2020, and the related notes to the financial statements. We have audited the accompanying financial statements of the Second Injury Fund, which comprise the statement of net position as of June 30, 2020, and the related statement of revenues, expenses and changes in net position and the statement of cash flows for the fiscal year ended June 30, 2020, and the related notes to the financial statements. We have audited the accompanying statement of net position of the other Non-Civil List Trust Funds as of June 30, 2020, together with the related statement of revenue and expenditures, and statement of changes in net position and the statement of cash flows for the other Non-Civil List Trust Funds and the related notes to the financial statements for the fiscal year ended June 30, 2020. We have audited the accompanying schedule of Civil List Funds investments and the summary schedule of cash receipts and disbursements of the Civil List Funds for the fiscal year ended June 30, 2020. We have audited the accompanying schedule of debt outstanding and the changes in debt outstanding for the fiscal year ended June 30, 2020.

#### ***Management's Responsibility***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial

statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

As described in the notes to the financial schedules, management has prepared the schedules of Civil List Funds investments and the summary schedule of cash receipts and disbursements of the Civil List Funds as well as the schedule of debt outstanding and the changes in debt outstanding using accounting practices prescribed by the State Comptroller, which practices differ from accounting principles generally accepted in the United States of America. Management has not included accrued interest earned in the presentation of the Civil List Funds. Management has not presented the current portion of long-term debt obligations in accordance with Generally Accepted Accounting Principles. The effects on the financial schedules of the variances between these statutory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### ***Opinion***

#### ***Debt Outstanding and Changes in Debt Outstanding and Civil List Funds***

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the schedule of the Civil List Fund investments, the summary schedule of cash receipts and disbursements of the Civil List Funds, the schedule of debt outstanding, and the changes in debt outstanding as of and for the fiscal year ended June 30, 2020, do not present fairly in conformity with accounting principles generally accepted in the United States of America the financial position or changes in financial position for the fiscal year ended June 30, 2020. In our opinion, the schedule of the Civil List Fund investments, the summary schedule of cash receipts and disbursements of the Civil List Funds, the schedule of debt outstanding and the changes in debt outstanding as of and for the fiscal year ended June 30, 2020, are presented fairly in all material respects, in accordance with the financial and budgetary requirements referred to as the statutory basis of accounting and described within the related notes to those schedules.

#### ***Combined Investment, Short-Term Investment Funds, Second Injury Fund and the Other Non-Civil List Trust Funds***

In our opinion, the financial statements the statement of net position of the Combined Investment Funds as of June 30, 2020, and the related statement of changes in net position for the fiscal year ended June 30, 2020, the statement of net position of the Short-Term Investment Fund, including the list of investments, as of June 30, 2020, and the related statement of changes in net position for the fiscal year ended June 30, 2020, the statement of net position of the Second Injury Fund as of June 30, 2020, and the related statement of revenues, expenses and changes in net position and the statement of cash flows for the fiscal year then ended, and the statement of net position of other Non-Civil List Trust Funds as of June 30, 2020, and the related statement of revenue and expenditures, statement of changes in net position and the statement of cash flows for the fiscal year then ended, are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles.

### ***Emphasis of Matter***

As explained in Note 1B to the financial statements of the Combined Investment Funds, the Real Asset, Private Credit, Private Investment, and Alternative Investment Funds include investments that are carried at the investment advisors' June 30, 2020 fair value, or net asset value equivalent. The Treasurer's staff reviews the estimated fair values provided by the investment advisors for reasonableness. In instances in which an advisor's value appears to be overstated, the Treasurer's staff adjusts this estimated fair value accordingly. We reviewed the Treasury's documentation and procedures used to determine the fair values, and found them to be appropriate and reasonable; however, because of the inherent uncertainty in valuing these investments, determination of the estimated fair value market values may differ from the actual values had a ready market existed for these investments. Our opinion is not modified with respect to this matter.

As discussed in the notes to the financial statements and schedules, the financial statements or schedules of the Combined Investment Funds, Short-Term Investment Fund, Second Injury Fund, Non-Civil List Trust Funds, and Civil List Funds referred to in the first paragraph are intended to present only the funds and accounts administered by the Office of the State Treasurer. They do not purport to, and do not, present fairly the financial position of the State of Connecticut as of June 30, 2020, and the changes in financial position for the fiscal year end June 30, 2020, or where applicable, its cash flows for the fiscal year ended June 30, 2020, in conformity with generally accepted accounting principles in the United States of America. Our opinion is not modified with respect to this matter.

### ***Report of Other Auditors***

We did not audit the accompanying financial statements of the Connecticut Higher Education Trust. These financial statements were audited by other auditors whose reports thereon have been included with the accompanying financial statements.

### ***Other Matters***

#### ***Required Supplementary Information***

Management's Discussion and Analysis, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary Information***

Our audit was made for the purpose of forming an opinion on the financial statements of the Combined Investment Funds as a whole. Certain other financial information, which includes the Schedule of Net Position by Investment Fund, Schedules of Changes in Net Position by Investment Fund, Total Net Position Value by Pension Plans and Trust Funds and the Schedules of Investment Activity by Pension Plan and by Trust contained within the supplemental section of this document, is presented for purposes of additional analysis and is not a required part of the financial statements of the combined investment funds. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements of the combined investment funds and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

#### ***Other Information***

The introduction, division operations, supplemental information and the statutory appendix sections include information presented for purposes of additional analysis that is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, except as specifically noted in this audit opinion. Accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2020,

on our consideration of the State Treasury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office of the State Treasurer's internal control over financial reporting or on compliance. That report will be issued under separate cover in the *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and other matters based on an audit of Financial Statements Performed in Accordance with Government Auditing Standards for the fiscal year ended June 30, 2020*, and is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit. This particular certification is issued by the Auditors of Public Accounts and the State Comptroller in accordance with Section 2-90 of the Connecticut General Statutes.



John C. Geragosian  
State Auditor



Robert J. Kane  
State Auditor



Kevin Lembo  
State Comptroller

December 31, 2020  
State Capitol  
Hartford, Connecticut



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# MANAGEMENT'S DISCUSSION AND ANALYSIS

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The following Management's Discussion and Analysis (MD&A) provides an overview of the Annual Report of the Office of the Treasurer's financial performance for the fiscal year ended June 30, 2020.

## FINANCIAL STATEMENTS PRESENTED IN THIS REPORT

The State Treasurer is the chief elected financial officer of the State of Connecticut, overseeing a wide variety of activities regarding the prudent conservation and management of State funds. These include as of June 30, 2020 the asset investment administration of a \$36.1 billion portfolio for the Connecticut Retirement Plans and Trust Funds, the \$9.5 billion Short-Term Investment Fund, and the \$4.18 billion Connecticut Higher Education Trust (Direct Plan and Advisor Plan), a qualified state tuition program designed to promote and enhance affordability and accessibility of higher education to State residents.

The organizational structure of the Treasury comprises an Executive Office, which coordinates all financial reporting, administration and support functions within the Treasury, and oversees administration of the Connecticut Higher Education Trust, and six divisions including: Pension Funds Management, responsible for managing the assets of active and retired teachers, state, and municipal employees as well as trust funds financing academic programs, grants, and initiatives throughout the state; Debt Management, the public finance department for the State, responsible for issuing and managing the State's debt including issuing bonds to finance State capital projects and managing debt service payments and cash flow borrowing, administering the Clean Water Fund and maintaining the State's rating agency relationships; Management Services, responsible for the central management and operations of the Office of the Treasurer including financial reporting, administrative, and support functions. Cash Management, responsible for all the State's cash inflows and outflows and managing the State's cash transactions, banking relationships and short-term investments; Unclaimed Property responsible for returning unclaimed property to rightful owners or heirs; and the Second Injury Fund, responsible for managing the workers' compensation claim operation in Connecticut, serving injured workers whose claims are paid by the Fund.

The financial statements include: the Combined Investment Funds

(which includes Civil and Non-Civil List Trust Funds), Short-Term Investment Fund, Connecticut Higher Education Trust, Unclaimed Property, and the Second Injury Fund.

## Combined Investment Funds and Short-Term Investment Funds:

The Statement of Net Position and the Statement of Changes in Net Position are two financial statements that report information about the Funds as a whole, and about its activities that should help explain how the Funds are performing as a result of this year's activities. These statements include all assets and liabilities using the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents assets and liabilities, with the difference between the two reported as "net position held in trust for participants."

The Statement of Changes in Net Position presents information showing how the net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

## Civil and Non-Civil List Trust Funds:

The Civil List Pension and Trust Funds schedule includes all cash and investment balances, and activity for the fiscal year. The Non-Civil List Trust Funds Financial Statements include all assets and liabilities, revenues and expenditures, and changes in fund balances using the accrual basis of accounting. The Notes to the Civil and Non-Civil List Trust Funds Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

## Connecticut Higher Education Trust (Direct Plan and Advisor Plan):

The Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position are two financial statements that report information about the Connecticut Higher Education Trust Program.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Connecticut Higher Education Trust Program financial statements.

## The Second Injury Fund:

The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position are financial statements that report information about the Second Injury Fund.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Second Injury Fund's financial statements.

## FINANCIAL HIGHLIGHTS OF FISCAL YEAR 2020

On June 30, 2020, the Combined Investment Funds reported net position of \$36.1 billion. The Short-Term Investment Fund reported a fund balance of \$9.5 billion. These two funds account for 99 percent of the investments in the fiduciary funds managed by the Office of the Treasurer.

The Connecticut Retirement Plans and Trust Funds (CRPTF) Fiscal Year 2020 performance resulted in a net position of \$36.1 billion on June 30, 2020 unchanged from \$36.1 billion on June 30, 2019. The two largest pension funds among the CRPTF, the Teachers' Retirement Fund and the State Employees' Retirement Fund, both generated a net investment result of 1.85 and 1.86 percent respectively for Fiscal Year 2020. Total returns are calculated after reflecting management fees, other pension fund operating expenses and distributions primarily for benefit payments.

The Short-Term Investment Fund, on June 30, 2020, achieved an annual return of 1.53 percent, exceeding its primary benchmark by 17 basis points, thereby earning an additional \$15.3 million in

inter-est income for the state, state agencies and municipalities and their taxpayers while also adding \$8.6 million to its reserves. At the end of the 2020 Fiscal Year, the Short-Term Investment Fund had \$9.5 billion in assets under management.

The Treasury refunded outstanding debt through the issuance of \$464.3 million of refunding bonds across several of the State's bond programs to capture the lower interest rates in the current market- place thereby providing aggregate debt service savings of \$58.6 million over the life of the bonds.

The Connecticut Higher Education Trust (CHET) Direct Plan held 135,277 accounts with total assets of \$3.50 billion at the end of the 2020 Fiscal Year compared to over 128,837 accounts and \$3.35 billion in assets in the prior fiscal year. The Connecticut Higher Education Trust (CHET) Advisor plan held 29,575 accounts with total assets of \$685 million at the end of the 2020 Fiscal Year compared to 28,174 accounts and \$635 million in assets in the prior fiscal year.

The Office of the Treasurer recovered \$5.9 million in the fiscal year from class action lawsuits and \$62.1 million since 2000 when the Treasury asset recovery and loss prevention program was initiated.

## Condensed Financial Information

Combined Investment Funds represent investments available to the pension funds of the State employees and teachers, municipal employees, as well as academic programs, grants and initiatives throughout the State.

## Net Position and Changes in Net Position

The net position of the Combined Investment Funds at the close of the 2020 Fiscal Year was \$36.1 billion, a slight increase of \$23.4 million from the previous year. The change in net position resulted from a \$800 million increase from operations (realized and unrealized gains and investment income) partly offset by net redemptions from the Combined Investment Funds.

**Table 1 – Net Position**

	2020	Increase/(Decrease)	2019
Assets			
Investments in Securities, at Fair Value	\$ 36,589,495,669	\$ 231,945,079	\$ 36,357,550,590
Cash, Receivables and Other	3,635,399,794	(7,320,260,372)	10,955,660,166
Total Assets	40,224,895,463	(7,088,315,293)	47,313,210,756
Liabilities	(4,086,789,782)	7,111,742,302	(11,198,532,084)
Net Position	\$ 36,138,105,681	\$ 23,427,009	\$ 36,114,678,672

Table 2 – Changes in Net Position

	2020	Increase/(Decrease)	2019
<b>Additions</b>			
Dividends	\$ 488,487,700	\$ (74,058,257)	\$ 562,545,957
Interest	435,233,580	24,452,317	410,781,263
Securities Lending & Other Income	49,254,467	(25,450,393)	74,704,860
Total Investment Income	972,975,747	(75,056,333)	1,048,032,080
Total Investment Expenses	(140,691,943)	45,490,279	(186,182,222)
Net Investment Income	\$ 832,283,804	\$ (29,566,054)	\$ 861,849,858
<b>Net Increase (Decrease) in Fair Value of Investments and Foreign Currency</b>	\$ (14,457,677)	\$ (1,131,532,643)	\$ 1,117,074,966
<b>Net Increase (Decrease) in Net Position resulting from Operations</b>	817,826,127	(1,161,098,697)	1,978,924,824
<b>Purchase of Units by Participants</b>	10,820,910,147	4,904,476,420	5,916,433,727
Total Additions	\$ 11,638,736,274	\$ 3,743,377,723	\$ 7,895,358,551
<b>Deductions</b>			
Administrative Expense	\$ (6,223,590)	\$ (1,479,044)	\$ (4,744,546)
Distributions of Income to Unit Owners	(13,269,769)	7,249,051	(20,518,820)
Redemption of Units by Participants	(11,595,815,905)	(5,448,341,596)	(6,147,474,309)
Total Deductions	\$ (11,615,309,264)	\$ (5,442,571,589)	\$ (6,172,737,675)
Change in Net Position	23,427,010	(1,699,193,866)	1,722,620,876
Net Position-Beginning of year	36,114,678,671	1,722,620,876	34,392,057,795
Net Position-End of year	\$ 36,138,105,681	\$ 23,427,010	\$ 36,114,678,671

Short-Term Investment Fund represents an investment pool of short-term money market instruments serving the State and State agencies, authorities, municipalities and other public subdivisions of the State.

### Net Position and Change in Net Position

The net position in the Short-Term Investment Fund at the close of the 2020 Fiscal Year was \$9.5 billion, versus \$8.1 billion the previous

year. General financial market conditions produced an annual total return of 1.36 percent, net of operating expenses and allocations to Fund reserves. The annual total return exceeded that achieved by its benchmark by 17 basis points, resulting in \$15.3 million in additional interest income for Connecticut governments and their taxpayers while also adding \$8.6 million to its reserves.

Table 3 – Net Position

Assets	2020	Increase/(Decrease)	2019
Investments in Securities at Amortized Cost	\$ 9,519,133,511	\$ 1,421,655,305	\$ 8,097,478,206
Receivables and Other	5,027,713	(9,823,982)	14,851,695
Total Assets	9,524,161,224	1,411,831,323	8,112,329,901
Liabilities	(2,496,248)	14,076,618	(16,572,866)
Net Position	\$ 9,521,664,976	\$ 1,425,907,941	\$ 8,095,757,035

**Table 4 – Changes in Net Position**

	2020	Increase/(Decrease)	2019
<b>Additions</b>			
Interest Income	\$ 141,011,918	\$ (37,315,964)	\$ 178,327,882
Net Realized Gains	70,786	57,773	13,013
Total Increase from Operations	141,082,704	(37,258,191)	178,340,895
Purchase of Units by Participants	20,954,196,388	641,087,108	20,313,109,280
Total Additions	\$ 21,095,279,092	\$ 603,828,917	\$ 20,491,450,175
<b>Deductions</b>			
Distributions of Income to Participants	\$ (130,924,688)	\$ 38,421,497	\$ (169,346,185)
Redemption of Units by Participants	(19,536,859,871)	(515,866,666)	(19,020,993,205)
Operating Expenses	(1,586,592)	420,533	(2,007,125)
Total Deductions	\$ (19,669,371,151)	\$ (477,024,636)	\$ (19,192,346,515)
Change in Net Position	1,425,907,941	126,804,281	1,299,103,660
Net Position-Beginning of year	8,095,757,035	1,299,103,660	6,796,653,375
Net Position-End of year	\$ 9,521,664,976	\$ 1,425,907,941	\$ 8,095,757,035

## Connecticut Higher Education Trust

### Fiduciary Net Position and Changes in Fiduciary Net Position (Direct Plan)

Fiduciary Net Position of the Direct Plan at the close of the current fiscal year was \$3.5 billion, an increase of \$152 million from

the previous year. Change in Fiduciary Net Position in Fiscal Year 2020 resulted from \$87.5 million of contributions to active accounts, net of redemptions, in addition to net investment income of \$84.9 million and by an decrease in the fair value of assets by \$20 million.

**Table 5 – Fiduciary Net Position**

	2020	Increase/(Decrease)	2019
<b>Assets</b>			
Investments	\$ 3,498,303,161	\$ 150,523,933	\$ 3,347,779,228
Cash, Receivables and Other	5,588,847	(467,658)	6,056,505
Total Assets	3,503,892,008	150,056,275	3,353,835,733
Liabilities	(5,867,405)	2,232,714	(8,100,119)
Net Position	\$ 3,498,024,603	\$ 152,288,989	\$ 3,345,735,614

**Table 6 – Fiduciary Changes in Net Position**

	2020	Increase/(Decrease)	2019
<b>Additions</b>			
Subscriptions	\$ 1,755,208,686	\$ 210,387,516	\$ 1,544,821,170
Total Investment Income	88,230,434	6,638,353	81,592,081
Net Increase (Decrease) in Fair Value of investments	(20,066,283)	(108,452,453)	88,386,170
<b>Total Additions (Deductions)</b>	<b>\$ 1,823,372,837</b>	<b>\$ 108,573,416</b>	<b>\$ 1,714,799,421</b>
<b>Redemptions</b>	<b>\$ (1,667,729,150)</b>	<b>\$ (198,473,346)</b>	<b>\$ (1,469,255,804)</b>
Plan manager fee	(3,049,726)	220,665	(3,270,391)
Administration fee	(304,972)	(21,158)	(283,814)
<b>Total Deductions</b>	<b>\$ (1,671,083,848)</b>	<b>\$ (198,273,839)</b>	<b>\$ (1,472,810,009)</b>
<b>Change in Net Position</b>	<b>\$ 152,288,989</b>	<b>(89,700,423)</b>	<b>\$ 241,989,412</b>
Net Position-Beginning of year	3,345,735,614	241,989,412	3,103,746,202
<b>Net Position-End of year</b>	<b>\$ 3,498,024,603</b>	<b>\$ 152,288,989</b>	<b>\$ 3,345,735,614</b>

**Fiduciary Net Position and Changes in Fiduciary Net Position (Advisor Plan)**

Fiduciary Net Position of the Advisor Plan at the close of the current fiscal year was \$684.7 million, an increase of \$50 million from the

previous year. Change in Fiduciary Net Position in Fiscal Year 2020 resulted from \$36.2 million of contributions to active accounts, net of redemptions, in addition to net investment income of \$17.6 million and by a decrease in the fair value of assets by \$3.9 million.

**Table 7 – Fiduciary Net Position**

	2020	Increase/(Decrease)	2019
<b>Assets</b>			
Investments	\$ 684,778,539	\$ 49,878,331	\$ 634,900,208
Cash, Receivables and Other	578,293	(321,800)	900,093
<b>Total Assets</b>	<b>685,356,832</b>	<b>49,556,531</b>	<b>635,800,301</b>
<b>Liabilities</b>	<b>(642,445)</b>	<b>344,394</b>	<b>(986,839)</b>
<b>Net Position</b>	<b>\$ 684,714,387</b>	<b>\$ 49,900,925</b>	<b>\$ 634,813,462</b>

**Table 8 – Changes in Fiduciary Net Position**

	2020	Increase/(Decrease)	2019
<b>Additions</b>			
Contributions	\$ 91,687,934	\$ 2,339,998	\$ 89,347,936
Transfers	238,950,546	17,351,622	221,598,924
Total Investment Income	20,808,233	(15,314,563)	36,122,796
Net Increase (Decrease) in Fair Value of investments	(3,892,250)	(4,744,965)	852,715
<b>Total additions</b>	<b>\$ 347,554,463</b>	<b>\$ (367,908)</b>	<b>\$ 347,922,371</b>
<b>Deductions</b>			
Withdrawals	\$ (55,489,284)	\$ (2,184,831)	\$ (53,304,453)
Transfers	(238,964,180)	(17,354,217)	(221,609,963)
Plan manager fees	(1,036,883)	(106,910)	(929,973)
Administrative fees	(64,808)	(6,687)	(58,121)
Distribution fees	(2,098,383)	(69,747)	(2,028,636)
Total waivers	-	-	-
<b>Total deductions</b>	<b>\$ (297,653,538)</b>	<b>\$ (19,722,392)</b>	<b>\$ (277,931,146)</b>
<b>Change in Net Position</b>	<b>\$ 49,900,925</b>	<b>\$ (20,090,300)</b>	<b>\$ 69,991,225</b>
Net Position-Beginning of year	634,813,462	69,991,225	564,822,237
<b>Net Position-End of year</b>	<b>\$ 684,714,387</b>	<b>\$ 49,900,925</b>	<b>\$ 634,813,462</b>

## Fiduciary Net Position and Change in Fiduciary Net Position (Consolidated)

Fiduciary Net Position of the CHET Direct and Advisor Plans at the close of the current fiscal year was \$4.2 billion, an increase of \$202 million from the previous year. Change in Fiduciary Net Position in

Fiscal Year 2020 resulted from \$123.7 million of contributions to active accounts, net of redemptions, in addition to net investment income of \$102.5 million and by a decrease in the fair value of assets by \$24 million.

**Table 9 - Fiduciary Net Position**

Assets	2020	Increase/(Decrease)	2019
Investments	\$ 4,183,081,700	200,402,264	\$ 3,982,679,436
Cash, Receivables and Other	6,167,140	(789,458)	6,956,598
<b>Total Assets</b>	<b>\$ 4,189,248,840</b>	<b>199,612,806</b>	<b>\$ 3,989,636,034</b>
Liabilities	(6,509,850)	2,577,108	(9,086,958)
<b>Net Position</b>	<b>\$ 4,182,738,990</b>	<b>202,189,914</b>	<b>\$ 3,980,549,076</b>

**Table 10 - Change in Fiduciary Net Position**

Additions	2020	Increase/(Decrease)	2019
Contributions	\$ 1,846,896,620	212,727,514	\$ 1,634,169,106
Transfers	238,950,546	17,351,622	221,598,924
Total Investment Income	109,038,667	(8,676,210)	117,714,877
Net Increase (Decrease) in Fair Value of investments	(23,958,533)	(113,197,418)	89,238,885
<b>Total additions</b>	<b>\$ 2,170,927,300</b>	<b>108,205,508</b>	<b>\$ 2,062,721,792</b>
<b>Deductions</b>			
Withdrawals	\$ (1,723,218,434)	(200,658,177)	\$ (1,522,560,257)
Transfers	(238,964,180)	(17,354,217)	(221,609,963)
Plan manager fees	(4,086,609)	113,755	(4,200,364)
Administrative fees	(369,780)	(27,845)	(341,935)
Distribution fees	(2,098,383)	(69,747)	(2,028,636)
Total waivers		-	
<b>Total deductions</b>	<b>\$ (1,968,737,386)</b>	<b>(217,996,231)</b>	<b>\$ (1,750,741,155)</b>
<b>Change in Net Position</b>	<b>\$ 202,189,914</b>	<b>(109,790,723)</b>	<b>\$ 311,980,637</b>
Net Position-Beginning of year	3,980,549,076	311,980,637	3,668,568,439
<b>Net Position-End of year</b>	<b>\$ 4,182,738,990</b>	<b>202,189,914</b>	<b>\$ 3,980,549,076</b>

## Second Injury Fund

The Net Position of the Second Injury Fund (SIF) at the close of Fiscal Year 2020 was \$47.3 million, a decrease of \$1.4 million from the previous year net position balance of \$48.7 million. The Change in Net Position was a decrease of \$1.4 million mainly due to lower operating income.

## Required Supplementary Information

Following the Financial Statements section of this annual report is a Supplemental Information section that further explains and supports the financial information and includes additional schedules for the Combined Investment Funds, debt schedules, cash management activities including Civil List Funds, and information on Unclaimed Property and fiscal year division expenses for the Office of

the Treasurer.

## Debt Administration

Long-term debt obligations of the State consist of General Obligation bonds and revenue dedicated bonded debt. General obligation bonds, issued by the State, are backed by the full faith and credit of the State. Dedicated revenue debt payments are made from legally restricted revenues.

At June 30, 2020, the State had \$26.3 billion in bonds outstanding, approximately \$0.68 billion greater than the end of June 30, 2019, issued to fund local school construction projects, state grants and economic development initiatives, Clean Water and Drinking Water Fund loans and grants, improvements to state universities and transportation projects.

**Table 11 - Outstanding Debt as of June 30, 2020**

Bond Type	2020	Increase/(Decrease)	2019
General Obligation -			
Tax Supported	\$ 14,317,751,418	\$ 225,929,386	\$ 14,091,822,032
Teachers Retirement Fund	2,208,066,524	-	2,208,066,524
GAAP Conversion Bonds	385,040,000	(38,220,000)	423,260,000
Special Tax Obligation	6,424,705,000	467,065,000	5,957,640,000
Bradley International Airport	94,595,000	(7,510,000)	102,105,000
Clean Water Fund	1,030,235,000	181,765,000	848,470,000
Uconn 2000	1,568,905,000	(131,275,000)	1,700,180,000
CI Incremental Financing	18,560,000	(2,070,000)	20,630,000
CHEFA Childcare Facilities Program	45,955,000	(2,645,000)	48,600,000
CT Juvenile Training School	10,390,000	(705,000)	11,095,000
Bradley International			
Parking Operations	19,195,000	(3,135,000)	22,330,000
CHFA Special Needs Housing Bonds	44,240,000	(4,325,000)	48,565,000
CHFA Emergency Mortgage			
Assistance Program	31,440,000	(2,305,000)	33,745,000
CRDA Bonds	70,670,000	(3,625,000)	74,295,000
<b>Total</b>	<b>\$ 26,269,747,942</b>	<b>\$ 678,944,386</b>	<b>\$ 25,590,803,556</b>

During Fiscal Year 2020, the State issued \$3.2 billion of bonds for capital projects, refundings and other purposes. The issued bonds were offset by bonds retired of \$1.9 billion and bonds refunded of \$0.6 billion, resulting in a net increase of \$0.7 billion in bonds outstanding. Since 1999, debt refunding and defeasances have produced \$1.3 billion in debt savings to taxpayers.

More detailed information about outstanding bonds and other long-term debt can be found in the Supplemental and Statistical Sections of this report.

### Economic Conditions and Outlook

Economic growth in the United States, as measured by Gross Domestic Product (GDP), averaged -6.3 percent during the fiscal year, down significantly from the prior fiscal year average of 2.7 percent. Until COVID-19, the economy averaged a growth of 2.2 percent, but since the pandemic, the economy has shrunk by an average of 11.8 percent, falling 33 percent in the final quarter of 2020. During the same period, the Eurozone GDP has averaged -3 percent, with the last two fiscal quarters shrinking by 5.23 percent, falling 12.1 percent in the final fiscal quarter. Due to the ongoing global economic impact of COVID-19, it is expected that domestic growth will shrink by over five percent during this calendar year and not recover until first or second calendar quarter of 2021.

Domestic inflation during the fiscal year, as measured by the year-over-year change in the consumer price index, averaged 1.6 percent during the fiscal year, which was lower than the 2.1 percent recorded during fiscal 2019. Digging a little deeper into propped up in the first half of the fiscal year and receded in the second half. Inflation in the first half of fiscal 2020 averaged 1.9 percent and in the second half of the fiscal year, inflation only averaged 1.4 percent while the fourth fiscal quarter averaged a

mere 0.7 percent – all of which are below the Fed’s target of two percent. Using a market based inflation expectation, specifically the two year breakeven inflation rate (the difference between two year real yields and nominal yields in the US Treasury market), the expectations for inflation over the next two years is approximately 1.4 percent, which is remarkably low given the amount of liquidity being injected into the economy via monetary and fiscal policies. Similarly, Eurozone inflation was below the European Central Bank’s (ECB) target of two percent as well. Eurozone inflation averaged 0.9 percent for fiscal 2020, which was also stronger in the first half (1 percent) and weaker in the second half (0.8 percent) and markedly lower in the final quarter of the fiscal year (0.3 percent).

### Contacting the Office of the Treasurer

This financial report is designed to provide a general overview of the Office of the Treasurer’s finances and to show the Office’s accountability for the money it receives.

Questions about this report or request for additional information should be address to :

### Connecticut Office of the Treasurer

**165 Capitol Avenue, Suite 2000**

**Hartford, CT 06106-1666**

**Telephone (860) 702-3000**

**[www.ott.ct.gov/ott](http://www.ott.ct.gov/ott)**



SHAWN T. WOODEN  
TREASURER

**State of Connecticut**  
Office of the Treasurer

DARRELL V. HILL  
DEPUTY TREASURER

December 31, 2020

The Honorable Ned L. Lamont, Governor of Connecticut  
The Honorable Shawn T. Wooden, Treasurer of Connecticut  
The Honorable Members of the Connecticut General Assembly  
Residents of the State of Connecticut

This Annual Report was prepared by the Office of the Treasurer, which is responsible for the accuracy of the data contained herein, the completeness and fairness of the presentation, and all disclosures. We present the financial statements and data as accurate in all material respects and prepared in conformity with generally accepted accounting principles. The financial statements are audited annually by the State's independent Auditors of Public Accounts.

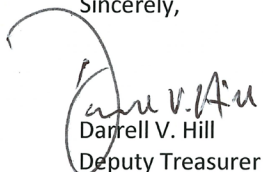
To successfully meet our responsibilities, the Office of the Treasurer maintains financial policies, procedures, accounting systems, and internal controls that management believes provide reasonable, but not absolute, assurance that accurate financial records are maintained and investments and other assets are safeguarded.

It is our belief that the contents of this Annual Report, including Management's Discussion & Analysis, make evident the Office of the Treasurer's commitment to its fiduciary responsibility for the safe custody and conscientious stewardship of the State's property and money, including Trusts and Custodial accounts held by the State Treasurer. In addition, the Office of the Treasurer has sought to maximize earnings on the assets held by the State Treasurer within the boundaries of the reasonable and prudent investment guidelines authorized by Article Fourth, Section 22 of the Connecticut Constitution and by Title 3 of the Connecticut General Statutes. The Connecticut Treasurer's work contributes to the stabilization of taxpayer costs and secures the safety of benefit commitments established by various General Statutes covering the State retirement systems and other retirement systems administered by the State.

The State of Connecticut also issues a Comprehensive Annual Financial Report ("CAFR") available from the State Comptroller's Office. The information presented herein is intended to complement and expand on the State's CAFR.

It is management's opinion that the internal control structure of the Office of the Treasurer is adequate to ensure that the financial information in this Annual Report fairly presents the financial condition and results of operations of the funds for the reporting period.

Sincerely,

  
Darrell V. Hill  
Deputy Treasurer

165 CAPITOL AVENUE, HARTFORD, CONNECTICUT 06106, TELEPHONE: (860) 702-3000  
AN EQUAL OPPORTUNITY EMPLOYER



# Financial Statements



**COMBINED INVESTMENT FUNDS  
STATEMENT OF NET POSITION  
JUNE 30, 2020**

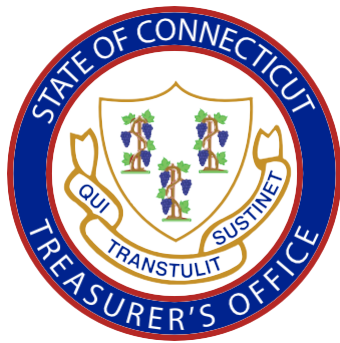
	<u>TOTAL</u>
<b>ASSETS</b>	
Investments in Securities , at Fair Value	
Cash Equivalents	\$ 670,025,170
Asset Backed Securities	164,485,225
Government Securities	5,353,502,027
Government Agency Securities	2,091,899,684
Mortgage Backed Securities	494,172,234
Corporate Debt	4,992,313,523
Convertible Securities	273,728
Common Stock	14,047,188,004
Preferred Stock	92,882,206
Real Estate Investment Trust	370,969,820
Mutual Fund	314,634,897
Limited Liability Corporation	71,636
Limited Partnerships	7,997,077,515
Total Investments in Securities, at Fair Value	<u>36,589,495,669</u>
Cash	21,426,413
Receivables	
Foreign Exchange Contracts	781,168,742
Interest Receivable	102,939,250
Dividends Receivable	24,729,107
Due from Brokers	284,080,052
Foreign Taxes	18,729,474
Securities Lending Receivable	839,079
Reserve for Doubtful Receivables	(4,971,316)
Total Receivables	<u>1,207,514,388</u>
Invested Securities Lending Collateral	2,406,063,993
Prepaid Expenses	395,000
<b>Total Assets</b>	<u><u>40,224,895,463</u></u>
<b>LIABILITIES</b>	
Payables	
Foreign Exchange Contracts	778,908,156
Due to Brokers	886,062,871
Income Distribution	271,741
Other Payable	67,771
Total Payables	<u>1,665,310,539</u>
Securities Lending Collateral	2,406,063,993
Accrued Expenses	15,415,250
<b>Total Liabilities</b>	<u>4,086,789,782</u>
<b>NET POSITION HELD IN TRUST FOR PARTICIPANTS</b>	<u><u>\$ 36,138,105,681</u></u>

**The accompanying notes are an integral part of these financial statements**

**COMBINED INVESTMENT FUNDS  
STATEMENT OF CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>TOTAL</u>
<b>ADDITIONS</b>	
<b>OPERATIONS</b>	
Dividends	\$ 488,487,700
Interest	435,233,580
Other Income	9,310,779
Securities Lending	39,943,688
<b>Total Income</b>	<u>972,975,747</u>
<b>Expenses</b>	
Investment Advisory Fees	69,538,500
Custody and Transfer Agent Fees	3,457,815
Professional Fees	3,022,481
Security Lending Fees	953,706
Security Lending Rebates	30,406,636
Investment Expenses	33,312,805
<b>Total Expenses</b>	<u>140,691,943</u>
<b>Net Investment Income</b>	832,283,804
<b>Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency</b>	<u>(14,457,677)</u>
<b>Net Increase (Decrease) in Net Position Resulting from Operations</b>	817,826,127
<b>Unit Transactions</b>	
Purchase of Units by Participants	<u>10,820,910,147</u>
<b>TOTAL ADDITIONS</b>	<u>11,638,736,274</u>
<b>DEDUCTIONS</b>	
<b>Administrative Expenses:</b>	
Salary and Fringe Benefits	(6,223,590)
<b>Distributions to Unit Owners:</b>	
Income Distributed	(13,269,769)
<b>Unit Transactions</b>	
Redemption of Units by Participants	<u>(11,595,815,905)</u>
<b>TOTAL DEDUCTIONS</b>	<u>(11,615,309,264)</u>
<b>Change in Net Position Held in Trust for Participants</b>	23,427,010
<b>Net Position- Beginning of Period</b>	36,114,678,671
<b>Net Position- End of Period</b>	<u>\$ 36,138,105,681</u>

The accompanying notes are an integral part of these financial statements



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# COMBINED INVESTMENT FUNDS NOTES TO FINANCIAL STATEMENTS

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## **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Combined Investment Funds (CIF) are separate legally defined funds, which have been created by the Treasurer of the State of Connecticut (the "Treasurer") under the authority of the Connecticut General Statutes (CGS) Section 3-31b. The CIF are open-end, unitized portfolios consisting of the Liquidity Fund, Alternative Investment Fund, Domestic Equity Fund, Core Fixed Income Fund, Inflation Linked Bond Fund, Emerging Market Debt Fund, High Yield Debt Fund, Developed Market International Stock Fund, Emerging Market International Stock Fund, Real Assets Fund, Private Credit Fund and the Private Investment Fund. The CIF were established to provide a means for investing pension and other trust fund assets entrusted to the Treasurer in a variety of investment classes. The units of the CIF are owned by these pension and trust funds. For financial reporting purposes of the State of Connecticut, the CIF are considered to be external investment pools and are not reported in the State's combined financial statements. Instead, each fund type's investment in the CIF is reported as "equity in combined investment funds" in the State's combined balance sheet.

The Treasurer, as sole fiduciary of the CIF, is authorized to invest in a broad range of fixed income and equity securities, as well as real estate properties, mortgages and private equity. This authority is restricted only by statute. Such limitations include prohibitions against investment in companies doing business in Iran. Connecticut's MacBride Law (CGS Section 3-13h) expired on January 1, 2020. Other legislation restricts the maximum aggregate investment in equity securities to 60% of the fair value of the Trust Funds.

The CIF are not subject to regulatory oversight and are not registered with the Securities and Exchange Commission as an investment company.

The following is a summary of significant accounting policies consistently followed by the CIF in the preparation of their financial statements.

### **A. NEW PRONOUNCEMENTS**

There were no new pronouncements for the fiscal year ending June 30, 2020.

### **B. SECURITY VALUATION**

Investments are stated at fair value for each of the CIF as

described below. For the Alternative Investment, Real Assets, Private Credit and Private Investment Funds substantially all of the investments, other than those in the Liquidity Fund, are shown at values that are carried at the general partner's June 30, 2020 fair value, or net asset value ("NAV") equivalent. The CIF's assets are fair valued quarterly by the General Partner and at such other times as determined by the General Partner and are based on Accounting Standards Codification ("ASC") 820 "Fair Value Measurements and Disclosures". The fair value the General Partner assigned to these investments is based upon available information and does not represent necessarily the amount that ultimately might be realized upon sale or maturity. Because of the inherent uncertainty of the fair valuation process, this estimated fair value presented by the General Partner may differ significantly from the fair value that would have been used had a ready market for the security existed, and the difference could be material. The General Partner is responsible for coordination and oversight of all investment valuations.

The Treasurer's staff reviews the valuations for all investments in these alternative asset classes to see that they are reasonable and consistent. Due to the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed and the differences could be material.

**Liquidity Fund** – The Liquidity portfolio is valued at amortized cost, which approximates fair value. A standard price hierarchy is utilized in the daily valuation of the Liquidity Fund.

Repurchase agreements held in the fund are collateralized at 100 percent of the securities' value. Such transactions are only entered into with primary government securities dealers who report directly to the Federal Reserve Bank of New York. When-issued" securities held in the fund are fully collateralized by U.S. Government securities and such collateral is in the possession of the CIF's custodial bank. The collateral is evaluated daily to ensure its fair value exceeds the current fair value of the repurchase agreements including accrued interest.

**Alternative Investment Fund** - Investments in securities not listed on security exchanges and investments in limited partnerships, which comprise substantially all of the CIF's investments, are carried at the general partner's June 30, 2020 fair value, or net asset value ("NAV") equivalent. The Treasurer's staff reviews the estimated fair values provided by

## Notes to Financial Statements (Continued)

the investment advisors for reasonableness. In those instances where an advisor's value appears to be overstated, this estimated fair value is adjusted accordingly. The Alternative Investment Fund invests in hedge fund strategies that offer the potential to enhance return and/or reduce risk. Limited Partnerships in the CIF are considered long-term holdings often taking many years to realize their potential.

**Domestic Equity Fund** - Securities traded on securities exchanges are valued at the last reported sales price on the last business day of the fiscal year. Corporate bonds and certain over-the-counter stocks are valued at the mean of bid and asked prices as furnished by broker-dealers.

**Core Fixed Income Fund Investments** - are valued based on quoted market prices when available. For securities that have no quoted market value, fair value is estimated based on yields currently available on comparable securities of issuers with similar credit ratings and maturities.

"When-issued" securities held in the CIF are fully collateralized by U.S. Government securities and such collateral is in the possession of the CIF's custodial bank. The collateral is evaluated daily to ensure its market value exceeds the current market value of the instruments including accrued interest.

The Core Fixed Income Fund invests in Mortgage Backed Securities (MBSs) and Asset Backed Securities (ABSs), which are included in the Statement of Net Position. These are bonds issued by a special purpose trust that collects payments on an underlying collateral pool of mortgage or other loans and remits payments to bondholders. The bonds are structured in a series of classes or tranches, each with a different coupon rate and stated maturity date. Interest payments to the bondholders are made in accordance with the trust indentures and amounts received from borrowers in excess of interest payments and expenses are used to amortize the principal on the bonds. Such principal payments are made to retire the tranches of bonds in order of their stated maturity. Because mortgage prepayments are largely dependent on market interest rates, the ultimate maturity date of the bonds is unpredictable and is sensitive to changes in market interest rates but is generally prior to the stated maturity date. At June 30, 2020, the CIF held MBSs of \$493,398,641 and ABSs of \$159,300,019.

Interest-only stripped mortgage backed securities (IOs), a specialized type of Collateralized Mortgage Obligation (CMO), are included as Mortgage Backed Securities on the Statement of Net Position. The cash flow on these investments is derived from the interest payments on the underlying mortgage loans. Prepayments on the underlying loans curtail these interest payments, reducing the value of the IOs and, as such, these instruments are sensitive to changes in interest rates, which encourage or discourage such prepayments. At June 30, 2020 the CIF's holdings had a fair value of \$10,365,887. The valuations

were provided by the custodian.

Investments in non-U. S.. fixed income securities are utilized on an opportunistic basis. Certain advisors within the Core Fixed Income Fund are authorized to invest in global fixed income securities.

**Inflation Linked Bond Fund** - Investments are valued based on quoted market prices when available. For securities that have no quoted market value, fair value is estimated based on yields currently available on comparable securities of issuers with similar credit ratings and maturities.

"When-issued" securities held in the CIF are fully collateralized by U.S. Government securities and such collateral is in the possession of the CIF's custodial bank. The collateral is evaluated daily to ensure its market value exceeds the current market value of the instruments including accrued interest.

Investments in non-U.S. fixed income securities are utilized on an opportunistic basis. Certain advisors within the Inflation Linked Bond Fund are authorized to invest in global fixed income securities.

The Inflation Linked Bond Fund sometimes invests in Asset Backed Securities (ABSs), which are included in the Statement of Net Position. These are bonds issued by a special purpose trust that collects payments on an underlying collateral pool of mortgage or other loans and remits payments to bondholders. The bonds are structured in a series of classes or tranches, each with a different coupon rate and stated maturity date. Interest payments to the bondholders are made in accordance with the trust indentures and amounts received from borrowers in excess of interest payments and expenses are used to amortize the principal on the bonds. Such principal payments are made to retire the tranches of bonds in order of their stated maturity. Because mortgage prepayments are largely dependent on market interest rates, the ultimate maturity date of the bonds is unpredictable and is sensitive to changes in market interest rates but is generally prior to the stated maturity date. During the Fiscal Year 2020, the Inflation Linked Bond Fund CIF was restructured and the assets were transitioned into a U.S. Treasury Inflation Protection Securities (TIPS) within the Real Assets Fund CIF.

**Emerging Market Debt Fund** - Investments are valued based on quoted market prices when available. For securities that have no quoted market value, fair value is estimated based on yields currently available on comparable securities of issuers with similar credit ratings.

The Emerging Market Debt Fund invests in securities in emerging market countries that are either U.S. dollar-denominated or issued in the local currency of the country. In addition to bond interest rate sensitivity, the local currency bonds' values will fluctuate with exchange rates.

"When-issued" securities held in the CIF are fully collateralized by U.S. Government securities and such collateral is in the

## Notes to Financial Statements (Continued)

possession of the CIF's custodian. The collateral is evaluated daily to ensure its market value exceeds the current market value of the instruments including accrued interest.

The Emerging Market Debt Fund sometimes invests in Asset Backed Securities (ABSs), which are included in the Statement of Net Position. These are bonds issued by a special purpose trust that collects payments on an underlying collateral pool of mortgage or other loans and remits payments to bondholders. The bonds are structured in a series of classes or tranches, each with a different coupon rate and stated maturity date. Interest payments to the bondholders are made in accordance with the trust indentures and amounts received from borrowers in excess of interest payments and expenses are used to amortize the principal on the bonds. Such principal payments are made to retire the tranches of bonds in order of their stated maturity. Because mortgage prepayments are largely dependent on market interest rates, the ultimate maturity date of the bonds is unpredictable and is sensitive to changes in market interest rates but is generally prior to the stated maturity date. At June 30, 2020, the CIF held ABSs, consisting of swaps and resulting in a fair value of \$5,064,848.

**High Yield Debt Fund** - Investments are valued based on quoted market prices when available. For securities that have no quoted market value, fair value is estimated based on yields currently available on comparable securities of issuers with similar credit ratings and maturities.

"When-issued" securities held in the fund are fully collateralized by U.S. Government securities and such collateral is in the possession of the CIF's custodial bank. The collateral is evaluated daily to ensure its market value exceeds the current market value of the instruments including accrued interest.

Investments in non-U.S. fixed income securities are utilized on an opportunistic basis. Certain advisors within the High Yield Debt Fund are authorized to invest in global fixed income securities.

The High Yield Debt Fund invests in Mortgage Backed Securities (MBSs) and Asset Backed Securities (ABSs), which are included in the Statement of Net Position. These are bonds issued by a special purpose trust that collects payments on an underlying collateral pool of mortgage or other loans and remits payments to bondholders. The bonds are structured in a series of classes or tranches, each with a different coupon rate and stated maturity date. Interest payments to the bondholders are made in accordance with the trust indentures and amounts received from borrowers in excess of interest payments and expenses are used to amortize the principal on the bonds. Such principal payments are made to retire the tranches of bonds in order of their stated maturity. Because mortgage prepayments are largely dependent on market interest rates, the ultimate maturity date of the bonds is unpredictable and is sensitive to changes in market interest rates but is generally prior to the stated maturity date.

At June 30, 2020, the CIF held MBSs of \$773,593 and ABSs, consisting of swaps and resulting in a fair value of \$120,358.

**Developed Market International Stock Fund** - The Developed Market International Stock Fund at times may utilize foreign currency contracts to facilitate transactions in foreign securities and to manage the CIF's currency exposure. Contracts to buy are used to acquire exposure to foreign currencies, while contracts to sell are used to hedge the CIF's investments against currency fluctuations. Also, a contract to buy or sell can offset a previous contract. Losses may arise from changes in the value of the foreign currency or failure of the counterparties to perform under the contracts' terms.

Investing in forward currency contracts may increase the volatility of the CIF's performance. Price movements of currency contracts are influenced by, among other things, international trade, fiscal, monetary, and exchange control programs and policies; national and international political and economic events; and changes in worldwide interest rates. Governments from time to time intervene in the currency markets with the specific intent of influencing currency prices. Such intervention may cause certain currency prices to move rapidly. Additionally, the currency markets may be particularly sensitive to interest rate fluctuations.

The U. S. dollar value of forward foreign currency contracts is determined using forward currency exchange rates supplied by a quotation service

Investments in securities listed on security exchanges are valued at the last reported sales price on the last business day of the fiscal year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean of the last reported bid and asked prices.

Certain cash held in non-U.S. dollar denominated trading accounts is non-interest bearing.

**Emerging Market International Stock Fund** - The Emerging Market International Stock Fund at times may utilize foreign currency contracts to facilitate transactions in foreign securities and to manage the CIF's currency exposure. Contracts to buy are used to acquire exposure to foreign currencies, while contracts to sell are used to hedge the CIF's investments against currency fluctuations. Also, a contract to buy or sell can offset a previous contract. Losses may arise from changes in the value of the foreign currency or failure of the counterparties to perform under the contracts' terms.

Investing in forward currency contracts may increase the volatility of the CIF's performance. Price movements of currency contracts are influenced by, among other things, international trade, fiscal, monetary, and exchange control programs and policies; national and international political and economic events; and changes in worldwide interest rates. Governments from time to time intervene in the currency markets with the specific intent of influencing

## Notes to Financial Statements (Continued)

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Investments in securities listed on security exchanges are valued at the last reported sales price on the last business day of the fiscal year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean of the last reported bid and asked prices.

Certain cash held in non-U.S. dollar denominated trading accounts is non-interest bearing.

**Real Assets Fund** - Investments in securities not listed on security exchanges and investments in trusts, limited partnerships, and annuities, which comprise substantially all of the CIF's investments, are carried at the general partner's June 30, 2020 fair value, or net asset value ("NAV") equivalent. The Treasurer's staff reviews estimated fair values provided by the investment advisors for reasonableness. In those instances where an advisor's value appears to be overstated, this estimated fair value is adjusted accordingly. The Real Assets Fund invests in core strategies, value added strategies, opportunistic strategies, a U.S. Treasury Inflation Protection Securities (TIPSs) and publicly traded securities (REITs). Limited Partnerships in the CIF are considered long-term holdings often taking many years to realize their potential.

**Private Credit Fund** - Investments in securities not listed on security exchanges and investments in limited liability, limited partnerships, or co-investments, which comprise substantially all of the CIF's investments, are carried at the general partner's June 30, 2020 fair value, or net asset value ("NAV") equivalent. The Treasurer's staff reviews estimated fair values provided by the investment advisors for reasonableness. In those instances where an advisor's value appears to be overstated, this estimated fair value is adjusted accordingly. The Private Credit Fund invests in, but are not limited to, senior or direct lending, mezzanine or subordinated debt, distressed debt and special situations funds. Limited Partnerships in the CIF are considered long-term holdings often taking many years to realize their potential.

**Private Investment Fund** - Investments in securities not listed on security exchanges and investments in limited partnerships and limited liability corporations, which comprise substantially all of the CIF's investments, are carried at the general partner's June 30, 2020 fair value, or net asset value ("NAV") equivalent. The Treasurer's staff reviews estimated fair values provided by the investment advisors for reasonableness. In those instances where an advisor's value appears to be overstated, this estimated fair value is adjusted accordingly. The Private Investment Fund invests in both venture capital and corporate finance investment

strategies. Limited Partnerships in the CIF are considered long-term holdings often taking many years to realize their potential.

## C. INVESTMENT TRANSACTIONS AND RELATED INCOME

Investment transactions are accounted for on a trade date basis. Dividend income is recognized as earned on the ex-dividend date. Interest income is recorded on the accrual basis as earned. Realized gains and losses are computed on the basis of the average cost of investments sold. Such amounts are calculated independent of and are presented as part of the Net Increase (Decrease) in Fair value of Investments on the Statement of Changes in Net Position. Realized gains and losses on investments held more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior year(s) and the current year. Unrealized gains and losses represent the difference between the fair value and the cost of investments. The increase (decrease) in such difference is also accounted for in the Net Increase (Decrease) in Fair Value of Investments. In the CIF's' cost basis records, premiums are amortized using the straight-line method that approximates the interest method.

Dividends earned by the Private Investment, Real Assets, Private Credit and Alternative Investment Funds relate to investments that are not listed on security exchanges. Such dividends are recognized as income when earned, generally net of advisory fees.

## D. FOREIGN CURRENCY TRANSLATION

The value of investments, assets and liabilities denominated in currencies other than U.S. dollars are translated into U.S. dollars based upon appropriate fiscal year end foreign exchange rates. Purchases and sales of foreign investments and income and expenses are converted into U.S. dollars based on currency exchange rates prevailing on the respective dates of such transactions. The CIF do not isolate that portion of the results of operations arising from changes in the exchange rates from that portion arising from changes in the market prices of securities.

## E. SHARE TRANSACTIONS AND PRICING

All unit prices are determined at the end of each month based on the net asset value of each CIF divided by the number of units outstanding. Purchases and redemptions of units are based on the prior month end price and are generally processed on the first business day of the month.

## F. EXPENSES

Expenses of the CIF, excluding certain management fees as discussed in more detail in note 1J, are recognized on the accrual basis and are deducted in calculating net investment income and net asset value on a monthly basis. Each of the CIF bears its direct expenses, such as investment advisory fees, and, in addition, each of the CIF is allocated a portion of the overhead expenses of the Pension Funds Management Division of the Office



## Notes to Financial Statements (Continued)

of the State Treasurer, which services the CIF. These expenses include salary and fringe benefit costs and other administrative expenses. Certain of these costs are allocated among the CIF based on relative net asset values. Other costs are charged directly based on the specific duties of personnel.

### G. DISTRIBUTIONS

Distributions to unit holders of the CIF were discontinued after September 30, 2013.

### H. DERIVATIVE FINANCIAL INSTRUMENTS

GASB Statement Number 53 Accounting and Financial Reporting for Derivative Instruments, requires that the fair value of financial arrangements called derivatives or derivative instruments be reported in the financial statements. GASB defines a derivative instrument as a financial instrument or other contract with all of the following characteristics: a) It has (1) one or more reference rates and (2) one or more notional amounts or payment provisions or both. b) It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors. c) Its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of an asset that puts the recipient in a position not substantially different from net settlement.

For the fiscal year ended June 30, 2020, the CIF maintained positions in a variety of such securities that are all reported at fair value on the Statement of Net Position. The following is a listing of such securities:

The Core Fixed Income Fund held futures with a negative notional cost of \$(182,916,835) and an unrealized loss of (\$1,086,820) reported in the Due from Brokers in the Statement of Net Position. The High Yield Debt Fund held futures with a notional cost of \$38,146,974 and an unrealized gain of \$41,980 reported in the Due from Brokers in the Statement of Net Position. The Developed Market International Stock also held futures with a notional cost of \$23,365,280 and an unrealized gain of \$198,520 reported in the Due from Brokers in the Statement of Net Position.

The Core Fixed Income, Inflation Linked, Emerging Market Debt,

High Yield Debt, Developed Market International Stock and Emerging Market International Stock Funds were invested in foreign exchange contracts. The specific nature of these investments is discussed more fully in the foreign exchange contract note for each

#### Adjustable Rate Securities:

CIF	Cost	Fair Value
Liquidity	\$20,830,925	\$20,828,794
Core Fixed Income	494,279,772	507,335,193
Emerging Market Debt	3,016,127	3,073,218
High Yield Debt	44,433,074	43,352,611

#### Asset Backed Securities:

CIF	Cost	Fair Value
Core Fixed Income	\$158,066,912	\$159,300,019
Emerging Market Debt	1,930,240	1,729,073

#### Mortgage Backed Securities, Net of CMO's:

CIF	Cost	Fair Value
Core Fixed Income	\$335,738,882	\$336,103,607
High Yield Debt	747,840	773,593

#### CMO's:

CIF	Cost	Fair Value
Core Fixed Income	\$151,436,241	\$157,295,034

#### TBA's:

CIF	Cost	Fair Value
Core Fixed Income	\$471,628,441	\$471,954,297

#### Interest Only:

CIF	Cost	Fair Value
Core Fixed Income	\$12,145,275	\$10,365,887

## Notes to Financial Statements (Continued)

respective fund, where appropriate. These financial instruments are utilized for trading and other purposes. Those that are used for other than trading purposes are foreign exchange contracts, which can be used to facilitate trade settlements, and may serve as foreign currency hedges. The credit exposure resulting from such contracts is limited to the recorded fair value of the contracts on the Statement of Net Position.

The remaining such securities are utilized for trading purposes and are intended to enhance investment returns. All positions are reported at fair value and changes in fair value are reflected in income as they occur. The CIF's' credit exposure resulting from such investments is limited to the recorded fair value of the derivative financial instruments.

The Domestic Equity, Emerging Market Debt, and the Emerging Market International Stock Funds also utilize derivatives indirectly through participation in mutual funds. These mutual funds may hold derivatives from time to time. Such derivatives may be used for hedging, investment and risk management purposes. These transactions subject the investor to credit and market risk.

### I. COMBINATION/ELIMINATION ENTRY

The financial statements depict a full presentation of each of the CIF. However, one of these funds, the Liquidity Fund, is owned both directly by the pension plans and trust funds which have

accounts in the Liquidity Fund, and also indirectly because each of the other CIF has an account with the Liquidity Fund. As a result, elimination entries are presented for the purpose of netting out balances and transactions relating to the ownership of the Liquidity Fund by the other CIF. The combined presentation totals to the overall net assets owned by the pension plans and trust funds.

### J. FEES

Investment advisory fees incurred for certain investments in the Alternative Investment, Real Asset, Private Credit and Private Investment Funds are generally charged to the entity in which the CIF has been invested. In such cases, these amounts are either capitalized in the cost basis of the investment on a cash basis and become a component of unrealized gain (loss) or are netted against the corresponding income generated. Certain other fees are incurred directly by the CIF and are expensed. These expensed amounts are accrued, and the expense is reflected as Investment Advisory Fees on the Statement of Changes in Net Position. The appropriate treatment is determined depending on the terms of the investment agreement. Capitalized fees are not separately presented on the Statement of Changes in Net Position. These fees are borne by the partners in their respective shares. The following is a listing of the Funds total fees for the fiscal year ended June 30, 2020:

<b>CIF</b>	<b>Netted</b>	<b>Capitalized</b>	<b>Expensed</b>	<b>Total</b>
Alternative Investment	\$8,791,210	\$ -	\$ -	\$8,791,210
Real Asset	11,151,524	21,423,021	2,086,410	34,660,956
Private Credit	1,628,629	-	-	1,628,629
Private Investment	15,368,728	24,543,736	769,765	40,682,229

## Notes to Financial Statements (Continued)

Periodically the Private Investment and Real Asset Funds may receive security distributions in lieu of cash. These securities are included as Common Stock and Real Estate Investment Trust, respectively on the Statement of Net Position. When one of these individual securities is sold the realized gain or loss is included in the Net Increase (Decrease) in the Fair Value of Investments presented on the Statement of Changes in Net Position.

Fees incurred from investments in mutual funds are deducted from the operations and are not separately presented on the Statement of Changes in Net Position.

Investment advisory fees for the Liquidity, Domestic Equity, Core Fixed Income, Inflation Linked Bond, Emerging Market Debt, High Yield Debt, Developed Market International Stock, Emerging Market International Stock Funds and Real Assets Fund's U.S. Treasury Inflation Protection Securities (TIPS), except those noted above are estimated monthly based on periodic reviews of asset values. Accordingly, the amounts listed as Investment Advisory Fees on the Statement of Changes in Net Position represent estimates of annual management fee expenses.

### K. RELATED PARTY AND OTHER TRANSACTIONS

There were no related party transactions during the fiscal year. Additionally, there were no "soft dollar" transactions. Soft dollar transactions result from arrangements whereby firms doing business with organizations such as the Treasury arrange for third parties to provide other services in lieu of cash payment. These arrangements tend to obscure the true cost of operations and can result in potential overpayment for services. Such transactions have been prohibited by the Treasurer.

### L. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and

liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **NOTE 2: DEPOSITS, INVESTMENTS AND SECURITIES LENDING PROGRAM**

**Deposits:** The CIF minimize custodial credit risk by maintaining certain restrictions set forth in the Investment Policy Statement. Custodial credit risk is risk associated with the failure of a depository financial institution. In the event of a depository financial institution's failure the CIF would not be able to recover its deposits or collateralized securities that are in the possession of the outside parties. The CIF utilize a Liquidity Account that is a cash management pool investing primarily in highly liquid money market securities such as commercial paper, certificates of deposit, bank notes and other cash equivalents, asset backed securities, and floating rate corporate bonds. Deposits shall consist of cash instruments generally maturing in less than one year and having a quality rating, by at least one widely recognized rating agency, of A-1 or P-1 and earn interest at a rate equal to or better than the International Business Communications ("IBC") First Tier Institutions-Only Rated Money Fund Report Index.

At June 30, 2020, the reported amount of Funds deposits was \$21,426,413 and the bank balance was \$21,426,413. Of the bank amount, \$21,426,413 was uncollateralized and uninsured. Through the Securities Lending Program, \$2,406,642,364 was collateralized with securities held by the counterparty's trust department or agent in the State's name.

**Investments:** The CIF measure and record their investments using fair value measurement guidelines established by GAAP. The guidelines recognize a three tiered fair value hierarchy, as follows: Level 1: Quoted prices for identical investments in active market; Level 2: Observable inputs other than quoted market price; and, Level 3 Unobservable inputs. At June 30, 2020 the CIF have the following recurring fair value measurements.

## Notes to Financial Statements (Continued)

Investments by Fair Value Level	Fair Value Measurements			
	Total	Level 1	Level 2	Level 3
Liquidity Fund	-	-	-	-
Cash Equivalents	\$670,025,170	\$580,592,967	\$89,432,203	-
Asset Backed Securities	164,485,225	-	164,485,225	-
Government Securities	5,353,502,027	3,594,455,634	1,759,046,393	-
Government Agency Securities	2,091,899,684	-	2,091,899,684	-
Mortgage Backed Securities	494,172,234	-	494,172,234	-
Corporate Debt	4,992,313,523	-	4,837,942,922	154,370,601
Convertible Securities	273,728	-	273,728	-
Common Stock	14,047,188,004	14,047,188,004	-	-
Preferred Stock	92,882,206	73,669,557	19,212,649	-
Real Estate Investment Trust	370,969,820	241,053,843	129,915,977	-
Mutual Fund	314,634,897	314,634,897	-	-
Limited Partnerships (publicly traded)	262,851	262,851	-	-
<b>Total</b>	<b>\$28,592,609,369</b>	<b>\$18,851,857,753</b>	<b>\$9,586,381,015</b>	<b>\$154,370,601</b>
<b>Investments Measured at the Net Asset value (NAV)</b>		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited Liability Corporation	71,636	-	Illiquid	N/A
Limited Partnerships	7,996,814,664	3,775,922,220	Illiquid	N/A
<b>Total</b>	<b>7,996,886,300</b>	<b>3,775,922,220</b>		
<b>Total Investments in Securities at Fair Value</b>	<b>\$36,589,495,669</b>			

Pursuant to the Connecticut General Statutes, the Treasurer is the principal fiduciary of the plans and trusts, authorized to invest in a broad range of equity and fixed income securities, as well as real estate properties, mortgages and private equity. The CIF minimize credit risk, the risk of loss due to the failure of the security issuer or backer, in accordance with a comprehensive Investment Policy Statement (IPS), as developed by The Office of the Treasurer and the State's Investment Advisory Council (IAC), that provides policy guidelines for the plans and trusts and the CIF and includes an asset allocation plan. The asset allocation plan's main objective is to maximize investment returns over the long term at an acceptable level of risk. There have been no violations of these investment restrictions during the 2020 fiscal year.

The CIF's concentration of credit risk is the risk attributed to the magnitude of an investment in a single issuer. There are no restrictions in the amount that can be invested in Government Securities and Government Agency Securities.

The following table provides average credit quality and exposure levels information on the credit ratings associated with Funds' investments in debt securities.

## Notes to Financial Statements (Continued)

	Fair Value	Percentage of Fair Value
Aaa	\$6,134,670,266	44.56%
Aa	347,236,438	2.52
A	999,609,114	7.26
Baa	1,593,911,962	11.58
Ba	1,026,930,639	7.46
B	1,009,849,519	7.34
Caa	394,703,242	2.87
Ca	43,307,269	0.31
C	2,658,625	0.02
Prime 1	429,127,337	3.12
Prime 2	13,276,983	0.10
Not Prime	2,980,544	0.02
U.S. Government fixed income securities (not rated)	522,082,259	3.79
Non US Government fixed income securities (not rated)	381,612,884	2.77
Not Rated	864,714,510	6.28
	\$13,766,671,591	100%

The investments in the Private Equity, Private Credit, Real Asset and Alternative Investment Funds generally utilize investment vehicles such as annuity contracts, common stocks, limited partnerships and trusts to comply with investment guidelines.

The investments of the Domestic Equity, Core Fixed Income, Inflation Linked Bond, Emerging Market Debt, High Yield Debt, Developed Market International Stock and the Emerging Market International Stock Funds have securities registered under the Bank of New York Mellon's nominee name MAC & Co. and held by a designated agency of the Pension Plans and Trust Funds of the State of Connecticut, or bearer and held by a designated agency of the Pension Plans and Trust Funds of the State of Connecticut.

Investments of cash collateral received and invested under securities lending arrangements are registered and maintained by a third-party administrator exclusively for the CIF. In circumstances where securities or letters of credit are received as collateral under securities lending arrangements, the collateral is held by the master custodian in a commingled pool in the third-party administrator's name as trustee. Securities Lending

collateral of \$2,406,642,364 is invested in various short term repurchase agreements classified which is classified as cash equivalents.

The following table provides information about the interest rate risks associated with the CIF investments. Interest rate risk is the risk that the value of fixed income securities will decline because of rising interest rates. The prices of fixed income securities with a longer time to maturity tend to be more sensitive to changes in interest rates and therefore, more volatile than those with shorter maturities. Investment Managers that manage the CRPTF portfolio are given full discretion to manage their portion of CRPTF assets within their respective guidelines and constraints. The guidelines and constraints require each manager to maintain a diversified portfolio at all times. In addition, each core manager is required to maintain a target duration that is similar to its respective benchmark which is typically the Barclay's Aggregate – an intermediate duration index.

The investments include certain short-term cash equivalents which include certificate of deposits and collateral, various long-term items, and restricted assets by maturity in years.

## Notes to Financial Statements (Continued)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More Than 10</u>
Cash Equivalents	\$670,025,170	\$670,025,170	\$ -	\$ -	\$ -
Asset Backed Securities	164,485,225	87,338	79,260,337	56,915,050	28,222,500
Government Securities	5,353,502,027	200,867,894	2,042,481,794	1,530,090,482	1,580,061,857
Government Agency Securities	2,091,899,684	100,505,684	49,821,091	102,697,211	1,838,875,698
Mortgage Backed Securities	494,172,234	-	27,176,388	23,781,441	443,214,405
Corporate Debt	4,992,313,523	600,832,938	2,028,063,103	1,459,733,265	903,684,217
Convertible Debt	273,728	-	19,300	208,483	45,945
	<u>\$13,766,671,591</u>	<u>\$1,572,319,024</u>	<u>\$4,226,822,013</u>	<u>\$3,173,425,932</u>	<u>\$4,794,104,622</u>

Exposure to foreign currency risk results from investments in foreign currency-denominated equity or fixed income securities. While managers within the fixed income portion of the portfolio are allowed to invest in non-U.S. dollar denominated securities, managers are required to limit that investment to a portion of their

respective portfolios. The following table provides information on deposits and investments held in various foreign currencies, which are stated in U.S. dollars. Negative amounts are reflective of short positions.

## Notes to Financial Statements (Continued)

Foreign Currency	Total	Cash	Cash Equiv. Collateral	Fixed Income Securities				Equities		
				Government Securities	Corporate Debt	Asset Backed	Mortgage Backed	Common Stock	Preferred Stock	Real Estate Investment Trust
Argentine Peso	\$2,665,151	\$20,804	-	\$2,452,446	\$191,901	\$	\$	\$	\$	\$
Australian Dollar	205,016,681	458,742	-	2,748,220	5,486,672	-	-	185,926,911	-	10,396,136
Brazilian Real	217,340,989	28,362	-	89,018,458	-	81,543.00	-	123,542,705	4,669,921	-
Canadian Dollar	43,901,055	250,026	1,486,488	1,286,755	3,194,497	-	-	37,287,648	-	395,641
Chilean Peso	22,586,895	-	-	22,586,895	-	-	-	-	-	-
Chinese Yuan Renmin	624,520	-	474,876	-	-	149,644.00	-	-	-	-
Colombian Peso	63,681,777	459,927	-	57,923,017	5,298,833	-	-	-	-	-
Czech Koruna	19,105,939	838	-	18,081,902	-	-	-	1,023,199	-	-
Danish Krone	99,100,733	20,465	-	-	-	-	-	99,080,268	-	-
Dominican Rep Peso	8,126,536	-	-	8,126,536	-	-	-	-	-	-
Egyptian Pound	5,135,581	-	-	-	-	-	-	5,135,581	-	-
Euro Currecny	1,393,266,155	146,144	14,474	29,400,590	38,286,328	176,125	-	1,274,438,832	45,195,856	5,607,806
Hong Hong Dollar	819,173,065	534,342	-	-	-	-	-	816,044,576	-	2,594,147
Hungarian Forint	52,967,355	267,656	-	26,901,833	-	-	-	25,797,866	-	-
Indonesian Rupiah	142,721,517	78,534	-	53,755,443	62,628,140	-	-	26,259,400	-	-
Israilei Shekel	26,523,699	312,197	-	-	-	-	-	26,211,502	-	-
Japanese Yen	839,021,044	3,043,681	-	-	-	-	-	828,625,301	-	7,352,062
Kazakhstan Tenge	4,844,601	-	-	-	4,844,601	-	-	-	-	-
Malaysian Ringgit	45,816,555	-	-	39,888,564	-	69,328.00	-	5,858,663	-	-
Mexican Peso	96,147,148	-	1,473,860	70,444,263	4,520,415	273,246.00	-	19,435,364	-	-
New Zealand Dollar	13,076,957	149,927	-	-	-	-	-	12,731,814	-	195,216
Norwegian Krone	12,884,013	116,486	-	-	-	-	-	12,767,527	-	-
Peruvian Nouveau Sol	51,938,944	-	-	43,963,966	7,974,978	-	-	-	-	-
Philippine Peso	5,142,584	-	-	5,142,584	-	-	-	-	-	-
Polish Zloty	55,156,782	4	(15,223)	28,460,461	-	223,806.00	-	26,487,734	-	-
Pound Sterling	772,367,631	388,999	-	-	639,497	-	-	767,273,207	-	4,065,928
Romanian Leu	17,789,329	-	-	17,789,329	-	-	-	-	-	-
Russian Ruble	80,554,141	53	-	73,770,419	-	-	-	6,783,669	-	-
Singapore Dollar	54,541,385	418,992	-	-	-	-	-	40,912,426	-	13,209,967
South African Rand	150,543,762	308,589	-	68,657,534	-	-	-	81,577,639	-	-
South Korean Won	442,405,845	251,073	-	-	-	-	-	420,764,094	21,390,678	-
Swedish Krona	118,627,788	260,834	-	-	-	-	-	118,366,954	-	-
Swiss Franc	448,005,091	210,938	-	-	-	-	-	447,794,153	-	-
Thailand Baht	72,676,494	(11)	-	47,162,654	-	-	-	25,513,851	-	-
Turkish Lira	34,257,101	17,095	-	20,728,589	-	-	-	13,511,417	-	-
Ukraine Hryvana	12,408,551	-	-	2,800,945	9,607,606	-	-	-	-	-
Uruguayan Peso	15,751,519	-	-	15,751,519	-	-	-	-	-	-
	<b>\$6,465,894,913</b>	<b>\$7,744,697</b>	<b>\$3,434,475</b>	<b>\$746,842,922</b>	<b>\$142,673,468</b>	<b>\$973,692</b>		<b>\$5,449,152,301</b>	<b>\$71,256,455</b>	<b>\$43,816,903</b>

**Securities Lending** - Certain of the CIF engage in securities lending transactions to provide incremental returns. The CIF are permitted to enter into securities lending transactions pursuant to Section 3-13d of the Connecticut General Statutes. The CIF's third-party securities lending administrator is authorized to lend available securities in designated accounts to authorized broker-dealers and banks subject to a formal loan agreement.

During the period ended June 30, 2020, the Agent lent certain securities and received cash or other collateral as indicated on the Agency Securities Lending Agreement. The Agent did not have the ability to pledge or sell collateral securities delivered therefore absent a borrower default. Borrowers were required to deliver collateral for each loan equal to at least 102% of the

fair value of domestic loaned securities or 105% of the fair value of foreign loaned securities.

Pursuant to the Agency Securities Lending Agreement, the Agent has an obligation to indemnify the CIFs in the event any borrower failed to return the loaned securities or pay distributions thereon. There were no such failures by any borrowers to return loaned securities or pay distributions thereon during the fiscal year that resulted in a declaration or notice of default by a borrower. During the fiscal year, the CIF and the borrowers maintained the right to terminate all securities lending transactions upon notice. The cash collateral received on each loan is eligible for investment in cash, securities guaranteed by the U. S. government or any agency of the U. S. government, securities guaranteed

## Notes to Financial Statements (Continued)

by a sovereign government that participates in the General Arrangements to Borrow (Group of 10 or G10) and rated AA or better, or reverse transactions on an overnight or term basis. On June 30, 2020, the CIF had no credit risk exposure to borrowers. The fair value of collateral held for the CIF as of June 30, 2020 was \$2,406,063,992 as cash. The fair value of securities on loan for the CIF as of June 30, 2020 was \$2,356,345,877 as cash.

Under ordinary circumstances, the net weighted average maturity

(weighted average maturity of assets less the weighted average maturities of liabilities) will not exceed 60 days. As of June 30, 2020, the cash collateral investment pool had an average duration of 6.50 days and an average weighted final maturity 42.06 days.

The fair value of collateral held and the fair value of securities on loan including loans pending within DMISF and EMISF (to be collateralized) are as follows for the CIF as of June 30, 2020:

<b>CIF</b>	<b>Fair Value of Collateral</b>	<b>Fair Value of Securities Lent</b>
Domestic Equity	\$668,430,057	\$653,320,792
Core Fixed Income	797,016,767	783,822,028
Emerging Market Debt	34,617,935	34,202,218
High Yield Debt	422,363,014	413,036,981
Developed Market International Stock	99,875,080	95,395,700
Emerging Market International Stock	211,853,801	205,483,544
Real Asset Fund	202,498,043	199,989,256
	<u>\$2,436,654,697</u>	<u>\$2,385,250,519</u>

Investments made using the cash collateral received from security loans were included in the Statement of Net Position. The fair value of these amounts is as follows:

<b>CIF</b>	<b>Cash Equivalents</b>
Domestic Equity	\$668,590,731
Core Fixed Income	797,208,359
High Yield Debt	422,464,530
Developed Market International Stock	73,565,567
Emerging Market Debt Fund	34,626,254
Emerging Market International Stock	207,640,207
Real Asset	202,546,716
Total	<u>\$2,406,642,364</u>

### NOTE 3: FOREIGN EXCHANGE CONTRACTS

From time to time the Inflation Linked Bond Fund, Emerging Market Debt, High Yield Debt Fund, Developed Market International Stock, Emerging Market International Funds utilize foreign currency contracts to facilitate transactions in foreign securities and to manage the CIF's currency exposure. Contracts to buy are used to acquire exposure to foreign currencies, while contracts to sell are used to hedge the CIF's investments against currency fluctuations. Also, a contract to buy or sell can offset a previous contract. Losses may arise from changes in the value of the foreign currency or failure of the counterparties to perform under the contracts' terms.

The U. S. dollar value of forward foreign currency contracts is determined using forward currency exchange rates supplied by a quotation service.

Investing in forward currency contracts may increase the volatility of the CIF's performance. Price movements of currency contracts are influenced by, among other things, international trade, fiscal, monetary, and exchange control programs and policies; national and international political and economic events; and changes in worldwide interest rates. Governments from time to time intervene in the currency markets with the specific intent of influencing currency prices. Such intervention may cause certain currency prices to move rapidly. Additionally, the currency markets may be particularly sensitive to interest rate fluctuations.



## Notes to Financial Statements (Continued)

At June 30, 2020, the CIF had recorded unrealized gains (losses) from open forward currency contracts as follows:

### Core Fixed Income Fund

Local Currency Proper Name	Value	Unrealized Gain/Loss
<b>Contracts to Buy:</b>		
Euro Currency Unit	\$ 24,904,474	\$ 15,736
	<u>24,904,474</u>	<u>15,736</u>
<b>Contracts to Sell:</b>		
Australian Dollar	7,698,921	(312,230)
Canadian Dollar	6,165,777	210,527
Euro Currency Unit	<u>49,567,392</u>	<u>(220,646)</u>
	<u>63,432,090</u>	<u>(322,349)</u>
Grand total	<u>\$ 88,336,564</u>	<u>\$(306,613)</u>

### Financial Statement Amounts:

	Receivable	Payable	Net
FX Value	\$ 88,336,564	\$ 88,336,564	\$ -
Unrealized Gain/Loss	15,736	(322,349)	(306,613)
Net	<u>\$ 88,352,300</u>	<u>\$ 88,658,913</u>	<u>\$ (306,613)</u>

### Inflation Linked Bond Fund:

Local Currency Proper Name	Value	Unrealized Gain/Loss
<b>Contracts to Buy:</b>		
Canadian Dollar	\$ 5,270,000	\$ 139,586
Euro Currency Unit	3,876,870	135,736
Pound Sterling	<u>4,724,159</u>	<u>43,529</u>
	<u>13,871,029</u>	<u>318,851</u>

### Contracts to Sell:

## COMBINED INVESTMENT FUNDS

### Notes to Financial Statements (Continued)

Canadian Dollar	5,285,638	(123,948)
Euro Currency Unit	-	(231,434)
Pound Sterling	700,983	(60,088)
	<u>5,986,621</u>	<u>(415,470)</u>
Grand total	<u>\$ 19,857,650</u>	<u>\$ (96,619)</u>

#### Financial Statement Amounts:

	Receivable		Payable		Net
FX Value	\$ 19,857,650	\$	19,857,650	\$	-
Unrealized Gain/Loss	318,851		(415,470)		(96,619)
Net	<u>\$ 20,176,501</u>	<u>\$</u>	<u>20,273,120</u>	<u>\$</u>	<u>(96,619)</u>

#### Emerging Market Debt Fund:

Local Currency Proper Name	Value	Unrealized Gain/Loss
<b>Contracts to Buy:</b>		
Brazil Real	\$ 46,598,118	\$ (1,341,758)
Chilean Peso	787,143	31,111
Chinese R Yuan Hk	30,978,540	217,156
Colombian Peso	24,435,991	62,596
Czech Koruna	33,882,188	2,080,324
Euro Currency Unit	3,117,088	3,136
Hungarian Forint	25,217,406	245,360
Indonesian Rupiah	1,592,515	(26,422)
Mexican Peso	53,994,809	1,327,874
Peruvian Sol	23,174,397	(514,451)
Philippines Peso	6,213,474	165,211
Polish Zloty	53,497,647	232,182
Romanian Leu	8,812,932	67,837
Russian Ruble (New)	16,980,028	591,223
South African Rand	5,838,931	89,916
South Korean Won	8,332,000	(22)
Thailand Baht	17,761,305	655,031
Turkish Lira	623,261	306
	<u>361,837,773</u>	<u>3,886,610</u>

#### Contracts to Sell:

Brazil Real	39,701,437	926,993
Chilean Peso	2,599,768	23,941
Chinese R Yuan Hk	1,897,000	(23,691)
Colombian Peso	34,934,062	(1,841,093)
Czech Koruna	7,210,900	(59,758)
Euro Currency Unit	32,289,159	121,732
Hungarian Forint	29,639,890	(1,330,612)
Indonesian Rupiah	12,608,680	(110,153)
Malaysian Ringgit	9,384,929	(146,539)
Mexican Peso	20,720,346	249,390
Peruvian Sol	34,956,985	1,106,934
Philippines Peso	3,905,331	(95,609)

## COMBINED INVESTMENT FUNDS

### Notes to Financial Statements (Continued)

Polish Zloty	5,322,440	(136,573)
Romanian Leu	5,306,860	(222,075)
South African Rand	18,880,433	(680,055)
Thailand Baht	1,896,000	(60,717)
Turkish Lira	8,059,584	(215,435)
Ukraine Hryvana	199,000	(2,613)
	<u>269,512,804</u>	<u>(2,495,933)</u>
Grand total	<u>\$ 631,350,577</u>	<u>\$ 1,390,677</u>

#### Financial Statement Amounts:

	Receivable		Payable		Net
FX Value	\$ 631,350,577	\$	631,350,577	\$	-
Unrealized Gain/Loss	3,886,610		(2,495,933)		1,390,677
Net	<u>\$ 635,237,187</u>	\$	<u>633,846,510</u>	\$	<u>1,390,677</u>

#### High Yield Debt Fund:

Local Currency Proper Name	Value	Unrealized Gain/Loss
<b>Contracts to Buy:</b>		
Euro Currency Unit	\$ 1,080,076	\$ (623)
	<u>1,080,076</u>	<u>(623)</u>
<b>Contracts to Sell:</b>		
Euro Currency Unit	14,488,364	94,635
	<u>14,488,364</u>	<u>94,635</u>
Grand total	<u>\$ 15,568,440</u>	<u>\$ 94,012</u>

#### Financial Statement Amounts:

	Receivable		Payable		Net
FX Value	\$ 15,568,440	\$	15,568,440	\$	-
Unrealized Gain/Loss	(623)		94,635		94,012
Net	<u>\$ 15,567,817</u>	\$	<u>15,473,805</u>	\$	<u>94,012</u>

#### Developed Market International Stock Fund:

Local Currency Proper Name	Value	Unrealized Gain/Loss
<b>Contracts to Buy:</b>		
Euro Currency Unit	\$ 564,891	\$ (294)
	<u>564,891</u>	<u>(294)</u>
<b>Contracts to Sell:</b>		
Canadian Dollar	638,233	(2,291)
Euro Currency Unit	77,552	(179)
Japanese Yen	1,391,927	(86)
Norwegian Krone	100,000	8
Pound Sterling	337,178	(360)
Singapore Dollar	23,691	16
Swedish Krona	155,322	(64)
	<u>2,723,903</u>	<u>(2,956)</u>

## COMBINED INVESTMENT FUNDS

### Notes to Financial Statements (Continued)

Grand total	\$	3,288,794	\$	(3,250)
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**Financial Statement Amounts:**

	Receivable		Payable	Net
FX Value	\$ 3,288,794	\$	3,288,794	\$ -
Unrealized Gain/Loss	(294)		(2,956)	(3,250)
Net	\$ 3,288,500	\$	3,291,750	\$ (3,250)

**Emerging Market International Stock Fund:**

Local Currency Proper Name	Value		Unrealized Gain/Loss
<b>Contracts to Buy:</b>			
Brazil Real	\$ 599,692	\$	(4,991)
Czech Koruna	100,006		84
Hong Kong Dollar	7,933,657		(79)
South African Rand	5,243,166		(24,968)
	13,876,521		(29,954)
<b>Contracts to Sell:</b>			
Brazil Real	82,728		(26)
Hong Kong Dollar	2,715,705		(33)
Mexican Peso	489,548		768
Polish Zloty	200,113		(152)
	3,488,094		557
Grand total	\$ 17,364,615	\$	(29,397)

**Financial Statement Amounts:**

	Receivable		Payable	Net
FX Value	\$ 17,364,615	\$	17,364,615	\$ -
Unrealized Gain/Loss	(29,954)		557	(29,397)
Net	\$ 17,334,661	\$	17,364,058	\$ (29,397)

The net unrealized gain has been included in the Statement of Changes in Net Position as a component of Net Change in Unrealized Gain (Loss) on Investments and Foreign Currency.

**NOTE 4: COMMITMENTS**

In accordance with the terms of the individual investment agreements, the Private Investment, Real Assets, and Private

Credit Fund have outstanding commitments to make additional investments. These commitments will be fulfilled as suitable investment opportunities become available. Commitments at June 30, 2020 were as follows

## COMBINED INVESTMENT FUNDS

### Notes to Financial Statements (Continued)

Fund	Total Commitment	Cumulative Amounts Funded	Unfunded Commitment
Real Assets	\$4,626,874,150	\$3,245,841,074	\$1,381,033,076
Private Investment	7,530,091,277	5,158,465,318	2,371,625,959
Private Credit	150,000,000	126,736,815	23,263,185

Certain Private Investment Funds allow the General Partner to recycle distributions without a reduction in unfunded commitments and accordingly have no impact upon the above amounts. Capital recycling is a tool frequently used by investment managers to fully invest the committed capital in portfolio investments. Since fees and expenses are a component of a General Partner's total capital commitments, capital recycling generally allows managers to: (i) mitigate the impact of fees and expenses and (ii) increase the possibility that limited partner capital is invested in portfolio companies. Recycling provisions allow managers to recall capital distributions if certain criteria are met. The use of recycling provisions varies by manager but generally limits capital

recycling to a range between 0% and 20% of total commitments. As a result, the actual commitment could be as much as 120% of the stated commitment amount.

#### **NOTE 5: SUBSEQUENT EVENT**

The CRPTF has performed an evaluation of subsequent events through December 31, 2020, the date the basic financial statements were available to be issued. No material events were identified.

**COMBINED INVESTMENT FUNDS  
SUPPLEMENTAL SCHEDULE OF FINANCIAL HIGHLIGHTS**

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	LIQUIDITY FUND					ALTERNATIVE INVESTMENT FUND				
	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
Net Position- Beginning of Period	\$ 1.00	\$ 0.99	\$ 0.98	\$ 0.98	\$ 0.98	\$ 1.31	\$ 1.27	\$ 1.21	\$ 1.12	\$ 1.19
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.01	\$ 0.01	\$ -	\$ 0.01	\$ -	\$ -
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ 0.01	\$ 0.01	\$ 0.01	\$ -	\$ -	\$ (0.06)	\$ 0.04	\$ 0.05	\$ 0.09	\$ (0.07)
Total from Investment Operations	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.02	\$ 0.01	\$ (0.05)	\$ 0.04	\$ 0.06	\$ 0.09	\$ (0.07)
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	\$ (0.02)	\$ (0.02)	\$ (0.02)	\$ (0.02)	\$ (0.01)	\$ -	\$ -	\$ -	\$ -	\$ -
Net Position - End of Period	\$ 1.01	\$ 1.00	\$ 0.99	\$ 0.98	\$ 0.98	\$ 1.26	\$ 1.31	\$ 1.27	\$ 1.21	\$ 1.12
<b>TOTAL RETURN</b>	<b>1.63%</b>	<b>2.46%</b>	<b>1.63%</b>	<b>0.96%</b>	<b>0.68%</b>	<b>-3.78%</b>	<b>3.73%</b>	<b>4.69%</b>	<b>8.51%</b>	<b>-5.32%</b>
RATIOS										
Net Position - End of Period (\$000,000 Omitted)	\$ 879	\$ 1,794	\$ 2,003	\$ 2,919	\$ 1,980	\$ 2,539	\$ 2,903	\$ 2,423	\$ 2,028	\$ 1,804
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.04%	0.03%	0.13%	0.12%	0.09%	0.04%	0.07%	0.06%	0.05%	0.06%
Ratio of Expenses to Average Net Position	0.04%	0.03%	0.13%	0.12%	0.09%	0.04%	0.07%	0.06%	0.05%	0.06%
Ratio of Net Investment Income ( Loss) to Average Net Position	1.65%	2.32%	2.05%	1.81%	1.18%	0.50%	0.35%	0.41%	0.29%	0.24%

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	DOMESTIC FUND					CORE FIXED INCOME				
	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
Net Position- Beginning of Period	\$ 2,301.15	\$ 2,122.89	\$ 1,849.99	\$ 1,551.24	\$ 1,524.55	\$ 139.18	\$ 130.45	\$ 131.77	\$ 129.52	\$ 125.17
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	\$ 43.40	\$ 37.52	\$ 31.14	\$ 30.79	\$ 28.23	\$ 3.74	\$ 3.82	\$ 3.02	\$ 2.80	\$ 2.86
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ 111.43	\$ 140.74	\$ 241.76	\$ 267.96	\$ (1.54)	\$ 8.35	\$ 4.91	\$ (4.34)	\$ (0.55)	\$ 1.49
Total from Investment Operations	\$ 154.83	\$ 178.26	\$ 272.90	\$ 298.75	\$ 26.69	\$ 12.09	\$ 8.73	\$ (1.32)	\$ 2.25	\$ 4.35
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	-	-	-	-	-	-	-	-	-	-
Net Position - End of Period	\$ 2,455.98	\$ 2,301.15	\$ 2,122.89	\$ 1,849.99	\$ 1,551.24	\$ 151.27	\$ 139.18	\$ 130.45	\$ 131.77	\$ 129.52
<b>TOTAL RETURN</b>	<b>6.77%</b>	<b>8.40%</b>	<b>14.74%</b>	<b>19.26%</b>	<b>1.75%</b>	<b>8.72%</b>	<b>6.69%</b>	<b>-0.89%</b>	<b>1.89%</b>	<b>3.46%</b>
RATIOS										
Net Position - End of Period (\$000,000 Omitted)	\$ 7,263	\$ 8,268	\$ 7,755	\$ 7,022	\$ 6,642	\$ 6,626	\$ 3,363	\$ 3,118	\$ 2,452	\$ 2,407
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.18%	0.22%	0.24%	0.22%	0.23%	0.12%	0.16%	0.14%	0.13%	0.14%
Ratio of Expenses to Average Net Position	0.27%	0.46%	0.39%	0.31%	0.29%	0.32%	0.37%	0.27%	0.17%	0.16%
Ratio of Net Investment Income ( Loss) to Average Net Position	1.83%	1.70%	1.57%	1.82%	1.84%	2.54%	2.84%	2.30%	2.14%	2.25%

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	INFLATION LINKED BOND					EMERGING MARKET DEBT				
	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
Net Position- Beginning of Period	\$ 166.63	\$ 161.03	\$ 156.02	\$ 155.00	\$ 151.53	\$ 188.46	\$ 171.13	\$ 174.23	\$ 159.68	\$ 150.63
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income (Loss)	\$ (0.19)	\$ 0.08	\$ 0.13	\$ (0.17)	\$ (0.11)	\$ 11.29	\$ 11.16	\$ 11.21	\$ 11.96	\$ 15.30
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ 0.81	\$ 5.52	\$ 4.88	\$ 1.19	\$ 3.58	\$ (20.93)	\$ 6.17	\$ (14.31)	\$ 2.59	\$ (6.25)
Total from Investment Operations	\$ 0.62	\$ 5.60	\$ 5.01	\$ 1.02	\$ 3.47	\$ (9.64)	\$ 17.33	\$ (3.10)	\$ 14.55	\$ 9.05
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	-	-	-	-	-	-	-	-	-	-
Net Position - End of Period	\$ 167.25	\$ 166.63	\$ 161.03	\$ 156.02	\$ 155.00	\$ 178.82	\$ 188.46	\$ 171.13	\$ 174.23	\$ 159.68
<b>TOTAL RETURN</b>	<b>0.52%</b>	<b>3.48%</b>	<b>3.21%</b>	<b>0.66%</b>	<b>2.29%</b>	<b>-5.13%</b>	<b>10.13%</b>	<b>-1.78%</b>	<b>9.11%</b>	<b>6.01%</b>
RATIOS										
Net Position - End of Period (\$000,000 Omitted)	\$ 15	\$ 1,481	\$ 1,399	\$ 1,344	\$ 1,322	\$ 1,894	\$ 2,107	\$ 1,902	\$ 1,637	\$ 1,498
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.67%	0.25%	0.26%	0.23%	0.27%	0.51%	0.43%	0.46%	0.39%	0.30%
Ratio of Expenses to Average Net Position	1.32%	0.69%	0.56%	0.39%	0.36%	0.54%	0.47%	0.49%	0.39%	0.30%
Ratio of Net Investment Income ( Loss) to Average Net Position	-0.12%	0.05%	0.08%	-0.11%	-0.07%	6.14%	6.20%	6.50%	7.16%	9.86%

Source: Amounts were derived from custodial records.

**COMBINED INVESTMENT FUNDS  
SUPPLEMENTAL SCHEDULE OF FINANCIAL HIGHLIGHTS (Continued)**

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	HIGH YIELD INVESTMENT					DEVELOPED MARKET INTERNATIONAL STOCK				
	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
Net Position- Beginning of Period	\$ 168.15	\$ 158.88	\$ 154.86	\$ 137.81	\$ 138.05	\$ 574.15	\$ 572.25	\$ 537.14	\$ 430.35	\$ 463.22
<b>INCOME FROM INVESTMENT OPERATIONS</b>										
Net Investment Income (Loss)	\$ 11.33	\$ 11.13	\$ 10.09	\$ 9.35	\$ 8.72	\$ 10.71	\$ 14.95	\$ 13.96	\$ 13.00	\$ 11.50
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ (12.87)	\$ (1.86)	\$ (6.07)	\$ 7.70	\$ (8.96)	\$ (38.16)	\$ (13.05)	\$ 21.15	\$ 93.79	\$ (44.37)
Total from Investment Operations	\$ (1.54)	\$ 9.27	\$ 4.02	\$ 17.05	\$ (0.24)	\$ (27.45)	\$ 1.90	\$ 35.11	\$ 106.79	\$ (32.87)
<b>LESS DISTRIBUTIONS</b>										
Dividends from Net Investment Income	-	-	-	-	-	-	-	-	-	-
Net Position - End of Period	\$ 166.61	\$ 168.15	\$ 158.88	\$ 154.86	\$ 137.81	\$ 546.70	\$ 574.15	\$ 572.25	\$ 537.14	\$ 430.35
<b>TOTAL RETURN</b>	<u>-0.87%</u>	<u>5.82%</u>	<u>2.58%</u>	<u>12.59%</u>	<u>-0.31%</u>	<u>-4.85%</u>	<u>0.33%</u>	<u>6.53%</u>	<u>24.81%</u>	<u>-7.09%</u>
<b>RATIOS</b>										
Net Position - End of Period (\$000,000 Omitted)	\$ 2,224	\$ 2,206	\$ 2,132	\$ 2,044	\$ 1,823	\$ 4,073	\$ 6,999	\$ 7,153	\$ 6,381	\$ 5,224
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.37%	0.36%	0.38%	0.29%	0.35%	0.28%	0.37%	0.38%	0.40%	0.43%
Ratio of Expenses to Average Net Position	0.68%	0.89%	0.65%	0.41%	0.39%	0.30%	0.41%	0.42%	0.41%	0.43%
Ratio of Net Investment Income ( Loss) to Average Net Position	6.77%	6.81%	6.43%	6.39%	6.32%	1.90%	2.61%	2.52%	2.69%	2.57%

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	EMERGING MARKET INTERNATIONAL STOCK					REAL ASSET FUND				
	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
Net Position- Beginning of Period	\$ 454.45	\$ 441.68	\$ 422.00	\$ 343.19	\$ 369.61	\$ 62.39	\$ 58.02	\$ 53.40	\$ 50.62	\$ 46.27
<b>INCOME FROM INVESTMENT OPERATIONS</b>										
Net Investment Income (Loss)	\$ 9.69	\$ 9.63	\$ 8.60	\$ 6.16	\$ 6.59	\$ 1.34	\$ 1.94	\$ 2.10	\$ 1.79	\$ 1.66
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ (9.32)	\$ 3.14	\$ 11.08	\$ 72.65	\$ (33.01)	\$ (1.05)	\$ 2.43	\$ 2.52	\$ 0.99	\$ 2.69
Total from Investment Operations	\$ 0.37	\$ 12.77	\$ 19.68	\$ 78.81	\$ (26.42)	\$ 0.29	\$ 4.37	\$ 4.62	\$ 2.78	\$ 4.35
<b>LESS DISTRIBUTIONS</b>										
Dividends from Net Investment Income	-	-	-	-	-	-	-	-	-	-
Net Position - End of Period	\$ 454.82	\$ 454.45	\$ 441.68	\$ 422.00	\$ 343.19	\$ 62.68	\$ 62.39	\$ 58.02	\$ 53.40	\$ 50.62
<b>TOTAL RETURN</b>	<u>0.01%</u>	<u>2.90%</u>	<u>4.66%</u>	<u>23.00%</u>	<u>-7.15%</u>	<u>2.11%</u>	<u>6.38%</u>	<u>8.69%</u>	<u>7.38%</u>	<u>11.51%</u>
<b>RATIOS</b>										
Net Position - End of Period (\$000,000 Omitted)	\$ 3,418	\$ 3,303	\$ 2,791	\$ 3,015	\$ 2,483	\$ 4,351	\$ 2,438	\$ 2,285	\$ 2,248	\$ 2,207
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	0.60%	0.42%	0.50%	0.59%	0.64%	0.16%	0.38%	0.38%	0.47%	0.42%
Ratio of Expenses to Average Net Position	0.64%	0.68%	0.60%	0.63%	0.66%	0.16%	0.38%	0.38%	0.47%	0.42%
Ratio of Net Investment Income ( Loss) to Average Net Position	2.13%	2.15%	2.00%	1.61%	1.85%	2.14%	3.20%	3.76%	3.44%	3.42%

FISCAL YEAR ENDED JUNE 30, PER SHARE DATA	PRIVATE INVESTMENT					PRIVATE CREDIT FUND				
	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
Net Position- Beginning of Period	\$ 103.38	\$ 87.07	\$ 78.60	\$ 69.80	\$ 65.13	\$ -	\$ -	\$ -	\$ -	\$ -
<b>INCOME FROM INVESTMENT OPERATIONS</b>										
Net Investment Income (Loss)	\$ 0.35	\$ 0.04	\$ 1.36	\$ 1.18	\$ 0.46	\$ -	\$ -	\$ -	\$ -	\$ -
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	\$ 10.34	\$ 16.27	\$ 7.11	\$ 7.62	\$ 4.21	\$ 10.39	\$ -	\$ -	\$ -	\$ -
Total from Investment Operations	\$ 10.69	\$ 16.31	\$ 8.47	\$ 8.80	\$ 4.67	\$ 10.39	\$ -	\$ -	\$ -	\$ -
<b>LESS DISTRIBUTIONS</b>										
Dividends from Net Investment Income	-	-	-	-	-	-	-	-	-	-
Net Position - End of Period	\$ 113.73	\$ 103.38	\$ 87.07	\$ 78.60	\$ 69.80	\$ 10.39	\$ -	\$ -	\$ -	\$ -
<b>TOTAL RETURN</b>	<u>3.94%</u>	<u>15.53%</u>	<u>15.50%</u>	<u>10.97%</u>	<u>8.87%</u>	<u>N/A</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
<b>RATIOS</b>										
Net Position - End of Period (\$000,000 Omitted)	\$ 2,983	\$ 2,711	\$ 2,726	\$ 2,990	\$ 2,770	\$ 149	\$ -	\$ -	\$ -	\$ -
Ratio of Expenses to Average Net Position (excl. sec. lending fees & rebates)	1.02%	1.57%	0.30%	0.17%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%
Ratio of Expenses to Average Net Position	1.02%	1.57%	0.30%	0.17%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%
Ratio of Net Investment Income ( Loss) to Average Net Position	0.32%	0.05%	1.61%	1.60%	0.68%	0.01%	0.00%	0.00%	0.00%	0.00%

Source: Amounts were derived from custodial records.

**SHORT-TERM INVESTMENT FUND**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

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	<u>2020</u>
<b>ASSETS</b>	
Investment in Securities, at Amortized Cost (Note 7)	\$ 9,519,133,511
Accrued Interest and Other Receivables	4,702,008
Prepaid Assets	<u>325,705</u>
<b>Total Assets</b>	<u>\$ 9,524,161,224</u>
<b>LIABILITIES</b>	
Distribution Payable	<u>2,496,248</u>
<b>Total Liabilities</b>	<u>\$ 2,496,248</u>
<b>NET POSITION - Held in Trust for Participants (includes reserves)</b>	<u><u>\$ 9,521,664,976</u></u>

The accompanying notes are an integral part of the financial statements



**SHORT-TERM INVESTMENT FUND  
STATEMENT OF CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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	<u>2020</u>
<b>ADDITIONS</b>	
<b>Operations</b>	
Interest Income	\$ 141,011,918
Net Investment Income	141,011,918
Net Realized Gains	70,786
<b>Net Increase in Net Position Resulting from Operations</b>	<u>141,082,704</u>
<b>Share Transactions at Net Position Value of \$1.00 per Share</b>	
Purchase of Units	20,954,196,388
<b>TOTAL ADDITIONS</b>	<u><b>21,095,279,092</b></u>
<b>DEDUCTIONS</b>	
<b>Distribution to Participants (Notes 2 &amp; 6)</b>	
Distributions to Participants	<u>(130,924,688)</u>
Total Distributions Paid and Payable	(130,924,688)
<b>Share Transactions at Net Position Value of \$1.00 per Share</b>	
Redemption of Units	(19,536,859,871)
<b>Operations</b>	
Operating Expenses	<u>(1,586,592)</u>
<b>TOTAL DEDUCTIONS</b>	<u><b>(19,669,371,151)</b></u>
<b>CHANGE IN NET POSITON</b>	1,425,907,941
<b>Net Position Held in Trust for Participants</b>	
Beginning of Year	\$ 8,095,757,035
End of Year	<u><u>\$ 9,521,664,976</u></u>

The accompanying notes are an integral part of the financial statements

# NOTES TO FINANCIAL STATEMENTS

## **Note 1: Introduction and Basis of Presentation**

The Short-Term Investment Fund (STIF or the Fund) is a money market investment pool managed by the Treasurer of the State of Connecticut. Section 3-27 of the Connecticut General Statutes (CGS) created STIF. Pursuant to CGS 3-27a - 3-27f, the State, municipal entities, and political subdivisions of the State are eligible to invest in the Fund. Securities in which the State Treasurer is authorized to invest monies of STIF include United States government and agency obligations, certificates of deposit, commercial paper, corporate bonds, saving accounts, bankers' acceptances, repurchase agreements, and asset-backed securities. STIF is authorized to issue an unlimited number of units.

For State of Connecticut financial reporting purposes, STIF is considered to be a mixed investment pool – a pool having external and internal portions. The internal portion (i.e., the portion that belongs to investors that are part of the State's financial reporting entity) is not displayed in the State's basic financial statements. Instead, each fund type's investment in STIF is reported as "cash equivalents" in the Statement of Net Position. The external portion (i.e., the portion that belongs to investors which are not part of the State's financial reporting entity) is recorded in an investment trust fund in the basic financial statements.

The fund is considered a "2a7-like" pool and reports the investments at amortized cost (which approximates fair value). A 2a7-like pool is not necessarily registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that is similar to the SEC's requirements of rule 2a7 of the Investment Company Act of 1940. The Fund reports net assets at amortized cost for financial reporting purposes and the determination of net asset value, consistent with Government Accounting Standards Board (GASB) financial reporting standards, while SEC rule 2a7 requires a floating rate, market price-based valuation for institutional prime money market funds.

## **Related Party Transactions**

STIF had no related party transactions during the fiscal year with the State of Connecticut and its component units including leasing arrangements, the performance of administrative services and the execution of securities transactions.

## **Note 2: Summary of Significant Accounting Policies**

### **Financial Reporting Entity**

The Fund is a Fiduciary Investment Trust Fund. A fiduciary fund is used to account for governmental activities that are similar to

those found in the private sector where the determination of net income is necessary or useful to sound financial administration. The generally accepted accounting principles (GAAP) used for fiduciary funds are generally those applicable to similar businesses in the private sector. The Fund uses the accrual basis of accounting.

### **Security Valuation of Financial Instruments**

The assets of the Fund are carried at amortized cost (which approximates fair value). All premiums and discounts on securities are amortized or accreted on a straight-line basis. The Fund's custodian calculates the fair value of investments daily and the Fund calculates a fair value shadow price once a month (at a minimum) in compliance with GASB 79.

As of June 30, 2020 the shadow price of the Fund was \$1.0081, the NAV at amortized cost was \$1.0079 and the ratio of fair value to amortized cost was 1.0002.

### **Security Transactions**

Purchases and sales of investments are recorded on a trade date basis. Gains and losses on investments are realized at the time of the sales and are calculated on the basis of an identified block or blocks of securities having an identified amortized cost. Bond cost is determined by identified lot.

### **Interest Income**

Interest income, which includes amortization of premiums and accretion of discounts, is accrued as earned.

### **Expenses**

Operating and interest expenses are accounted for on an accrual basis.

### **Fiscal Year**

The fiscal year of STIF ends on June 30, 2020.

### **Distributions to Investors**

Distributions to investors are earned on units outstanding from date of purchase to date of redemption. Income is calculated daily based upon the actual earnings of the Fund net of administrative expenses and, if applicable, an allocation to the designated surplus reserve. Distributions are paid monthly within two business days of the end of the month, and are based upon actual number of days in a year. Shares are sold and redeemed at a constant \$1.00 net asset value per share, which is consistent with the per share net asset value of the Fund, excluding the designated surplus reserve.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### Designated Surplus Reserve

While STIF is managed prudently to protect against losses from credit and market changes, the Fund is not insured or guaranteed by any government. Therefore, the maintenance of capital cannot be fully assured. In order to provide some protection to the share- holders of STIF from potential credit and market risks, the Treasurer has designated that a portion of each day's net earnings be transferred to the designated surplus reserve (reserve). Such amounts are restricted in nature and are not available for current distribution to shareholders. The amount transferred daily to the designated surplus reserve is equal to 0.1 percent of end-of-day investment balance divided by the actual number of days in the year until the reserve account is equal to or greater than 1.0 percent of the daily investment balance. If net losses significant to the aggregate port- folio are realized, the Treasurer is authorized to transfer funds from the reserve to Participants with Units Outstanding.

As of June 30, 2020, the balance in the designated surplus reserve was \$76,902,702, which reflects \$8.6 million in contributions during the year.

### Uninsured Bank Accounts

Bank	Amortized Cost	Uninsured/Uncollateralized
ANZ Bank	\$ 400,000,000	\$ 400,000,000
Bank of New York Mellon	945	0
Berkshire Bank	50,025,423	0
Citizens Bank	200,000,000	0
Cooperatieve Rabobank U.A	299,999,667	299,999,667
DZ Bank	375,000,000	375,000,000
FICA	100,000,000	0
National Bank of Canada	300,000,000	300,000,000
Nordea Bank Abp/New York NY	285,000,000	285,000,000
NRW Bank	24,950,958	24,950,958
Royal Bank of Canada/New York NY	117,932,437	117,932,437
Santander Bank	150,000,000	0
ScotiaBank	325,000,000	325,000,000
Svenska Handelsbanken/New York NY	400,000,000	400,000,000
Toronto-Dominion Bank	300,000,000	269,775,000
US Bank NA/Minneapolis MN	400,000,000	400,000,000
<b>TOTAL</b>	<b>\$ 3,727,909,430</b>	<b>\$ 3,197,658,062</b>

### Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities in the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Note 3: Deposit And Investment Disclosures

A formal investment policy (as adopted August 21, 1996 and revised June 16, 2008, April 17, 2009, and November 19, 2019) specifies policies and guidelines that provide for the systematic management of STIF and prudent and productive investment

of funds. All securities of STIF are registered under the Bank of New York Mellon nominee name, MAC & Co.

### Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of a bank failure, the STIF's deposits may not be recovered. The STIF follows policy parameters that limit deposits in any one entity to a maximum of ten percent of total assets with a ten-business-day cure period. Further, the certificates of deposits must be issued from commercial banks whose short-term debt is rated at least A-1 by S&P Global Ratings and whose long-term debt is rated at least A- by S&P, or backed by a letter of credit issued by a Federal Home Loan Bank.

Deposits in FDIC insured banks are insured up to \$250,000 (as of June 30, 2020); any amount above this limit is considered uninsured. Additionally, state banking regulation requires all Connecticut public depositories to segregate collateral against public deposits in an amount equal to at least ten percent of the outstanding deposit. As of fiscal year-end, deposit instruments in STIF totaled \$3,727,909,430. Of that amount, \$3,197,658,062 was exposed to custodial credit risk representing the portion that was uninsured, uncollateralized or not backed by a letter of credit.

### Interest Rate Risk – Investments

Interest rate risk is the risk that changes in the general level of interest rates will adversely affect the fair value of an investment. The STIF's policy for managing interest rate risk is to limit investments to a very short weighted average maturity, not to exceed 90 days, and to comply with S&P Global Ratings' requirement that the weighted average maturity not exceed 60 days. The weighted-average maturity is calculated daily and reported to S&P Global Ratings weekly to ensure compliance. As of June 30, 2020 the weighted average maturity of STIF was 16 days. The breakdown of STIF's maturity profile is outlined below.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### Investment Maturity in Years

Investment Type	Amortized Cost	Less than one	One - five
<b>Bank Deposit Instruments</b>			
Fixed	\$ 3,627,909,430	\$ 3,627,909,430	\$ -
Floaters	100,000,000	100,000,000	-
<b>Treasury Securities</b>			
Fixed	1,614,886,234	1,614,886,234	-
Floaters	19,997,244	-	19,997,244
<b>Federal Agency Securities</b>			
Fixed	594,435,546	594,435,546	-
Floaters	971,650,437	561,640,380	410,010,057
<b>Corporate &amp; Bank Commercial Paper</b>			
Fixed	747,271,598	747,271,598	-
Floaters	110,000,000	110,000,000	-
<b>Repurchase Agreements</b>	856,153,000	856,153,000	-
<b>Money Market Funds</b>	876,830,022	876,830,022	-
<b>TOTAL</b>	<u>\$ 9,519,133,511</u>	<u>\$ 9,089,126,211</u>	<u>\$ 430,007,301</u>

Additionally, STIF is allowed by policy to invest in floating-rate debt securities. Further, investment in floating rate securities with maturities greater than two years is limited to no more than 20 percent of the overall portfolio. For purposes of the weighted average maturity calculation and classification in the chart above, variable-rate securities are calculated using their interest rate reset dates. Because these securities reset frequently to prevailing market rates, interest rate risk is substantially reduced. As of fiscal year-end, the STIF portfolio held \$1.2 billion in variable rate securities.

### Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer.

Investment credit risk and concentration of credit risk of debt securities will be managed as follows:

- The STIF will purchase short-term, high-quality

Rating Organizations ("NRSRO").

- STIF will perform a fundamental credit analysis to develop and approve a database of issuers that meet the Fund's standard for minimal credit risk. STIF will monitor the credit risks of all portfolio securities on an ongoing basis by reviewing the financial data, issuer news and developments, and ratings of designated NRSROs.
- STIF generally will comply with the following diversification limitations that are additional to those set forth in SEC Rule 2a-7, GASB Statement Number 79 and S&P Global Ratings' AAAM Principal Stability Fund Guidelines. First, at least 60 percent of fund assets will be invested in securities rated "A-1+" or equivalent. Second, exposure to any single non-governmental issuer's securities will not exceed 5 percent (at the time a security is purchased), exposure to any single money market mutual fund (rated AAAM) will not exceed 5 percent of fund assets and exposure to money market mutual funds in total will not exceed 15 percent.

### STIF's Credit Quality were as follows at June 30, 2020:

Credit Quality Rating	Amortized Cost	Percentage of Amortized Cost
AA / A-1+	\$ 5,582,393,977	58.6%
A / A-1	925,000,612	9.7%
A-2	350,000,000	3.7%
U.S. Government Securities	1,634,883,478	17.2%
N/R	150,025,423	1.6%
AAAm	876,830,022	9.2%
<b>Total</b>	<u>\$ 9,519,133,511</u>	<u>100.0%</u>

\*A-2 and N/R investments are backed by irrevocable standby letters of credit provided by Federal Home Loan Banks or 100% FDIC Insured. \*\*Investments with implicit government guarantees such as government sponsored enterprises and repurchase agreements backed by the collateral and carried under their respective credit rating of AA/A 1+. Investments with explicit government guarantees are carried under U.S. Government Securities.

fixed income securities as allowed by CGS 3-27c - 3-27e and further defined within Connecticut State Treasurer's Short-Term Investment Fund Investment Policy, S&P Global Ratings' AAAM Principal Stability Fund Guidelines and the Governmental Accounting Standards Board Statement Number 79. To be considered high-quality, a security must be rated in the highest short-term rating category by one or more Nationally Recognized Statistical

### Investments, Fair Value Hierarchy

STIF investments are carried at amortized cost, but fair value is reported in certain note disclosures as required by GAAP. STIF investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

## NOTES TO FINANCIAL STATEMENTS (Continued)

As of June 30, 2020, the table below list issuers with concentrations of greater than 5%:

Issuer	Fair Value	Percent of Total Portfolio
FEDERAL FARM CREDIT	\$ 763,162,541	8.0%
FEDERAL HOME LOAN BANK	700,791,429	7.4%
ROYAL BANK CANADA	718,071,625	7.5%

\*Royal Bank of Canada includes investments in RBC and repurchase agreements with RBC.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs for an asset.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a pricing methodology that uses evaluation models, such as matrix pricing, to value securities based on a security's relationship to benchmark quoted prices. Debt securities classified in Level 3 of the fair value hierarchy are subject to being priced by an alternative pricing source utilizing discounted cash flow

models and broker bids, or may have an estimated fair value equal to cost, due to the absence of an independent pricing source.

Certain investments, such as bank deposit instruments, money market funds and repurchase agreements, are not included in the following tables because they are not negotiable instruments and are valued at cost.

### Note 4: Custodian

BNY Mellon was appointed as custodian for STIF effective December 9, 2013. STIF pays an approximately \$282,000 annual custodial fee for the Short-Term Investment Unit.

### Note 5: Administration

STIF is managed and administered by employees of the State of Connecticut Treasury. Salaries and fringe benefit costs as well as operating expenses are charged directly to the Fund.

Fair Value by Input Level	6/30/2020	Quoted Prices in Active Market for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
<b>Investments by fair value level:</b>				
Federal Agency Securities	\$ 1,566,313,985	--	\$ 1,566,313,985	--
US Treasury Securities	1,635,662,267	1,635,662,267	--	--
Corporate & Bank Commercial Paper	857,739,067	--	857,739,067	--
<b>Total debt securities measured at fair value</b>	<b>\$ 4,059,715,319</b>	<b>\$ 1,635,662,267</b>	<b>\$ 2,424,053,052</b>	<b>--</b>

Certain investments, such as bank deposit instruments, money market funds and repurchase agreements, are not included in the following tables because they are not negotiable instruments and are valued at cost.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### Note 6: Distributions to Investors

The components of the distributions to investors are as follows for the income earned during the twelve months ended:

<b>Distributions:</b>	<b>2020</b>	<b>2019</b>
July	\$ 16,926,801	\$ 10,982,199
August	17,968,727	12,104,100
September	15,919,057	11,599,059
October	14,161,568	12,616,522
November	11,294,077	12,274,971
December	10,908,861	12,680,419
January	11,863,524	14,272,953
February	12,021,912	14,538,418
March	8,712,351	15,864,106
April	5,229,300	16,883,025
May	3,422,261	18,957,547
June (Payable at June 30)	2,496,248	16,572,865
<b>Total Distribution Paid &amp; Payable</b>	<b>\$ 130,924,688</b>	<b>\$ 169,346,185</b>

### Note 7: Investments in Securities

Repurchase agreements are agreements to purchase securities from an entity for a specified amount of cash and to resell the securities to the entity at an agreed upon price and time. They are used to enhance returns with minimal risk on overnight investments of the Fund. Such transactions are only entered into with counterparties who report directly to the Federal Reserve Bank of New York and commercial banks that meet certain quality standards. All repurchase agreements are collateralized at between 100 percent and 102 percent of the securities' value. As of fiscal year end, STIF held \$856 million in repurchase agreements.

In response to changes to SEC rule 2a-7 and in an effort to enhance comparability of financial statements among governments the Government Accounting Standards Board (GASB) issued GASB Statement No. 79, Certain External Investment Pools and Pool Participants, effective December 15, 2015. Statement 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow

price. Significant noncompliance would prevent the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. If an external investment pool meets the criteria in this Statement and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes. STIF is in compliance with GASB Statement No. 79 and has elected to measure its investments on an amortized cost basis.

In an effort to improve disclosures associated with derivative contracts, the Government Accounting Standards Board (GASB) issued GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, effective for the fiscal years beginning after June 15, 2009. Statement No. 53 requires that all derivatives be reported on the Statement of Net Position and defines a derivative instrument as a financial instrument or other contract that has all of the following characteristics: a) Settlement factors. It has (1) one or more reference rates and (2) one or more notional amounts or payment provisions or both, b) Leverage. It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors, and c) Net settlement. Its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of

## NOTES TO FINANCIAL STATEMENTS (Continued)

an asset that puts the recipient in a position not substantially different from net settlement.

For the fiscal year ended June 30, 2020 STIF held adjustable-rate securities whose interest rates vary directly with short-term money market indices and are reset either daily, weekly, monthly or quarterly. Such securities allow the Fund to earn higher interest

rates as market rates increase, thereby increasing fund yields and protecting against the erosion of market values from rising interest rates. These adjustable rate securities have similar risks as fixed-rate securities from the same issuers. The following is a summary of investments in securities, at amortized cost and fair value as of June 30, 2020:

Investment Type	Amortized Cost	Fair Value
Bank Deposits	\$ 3,227,884,007	\$ 3,228,227,128
Deposits with Government Backing	500,025,423	500,025,423
Non-Financial Credit Instruments	857,271,598	857,739,067
Government Agency Securities	3,200,969,461	3,201,976,252
Repurchase Agreements	856,153,000	856,153,000
Money Market Funds	876,830,022	876,830,022
<b>Total</b>	<b>\$ 9,519,133,511</b>	<b>\$ 9,520,950,892</b>

### Note 8: Credit Rating of the Fund

Throughout the year ended June 30, 2020 STIF was rated AAAm, its highest rating, by S&P Global Ratings (S&P). In September 2019, following a review of the portfolio and STIF's investment policies, management and procedures, S&P reaffirmed STIF's AAAm rating and has continued to maintain this high rating throughout the current fiscal year. In order to maintain an AAAm rating, STIF adheres to the following guidelines:

- Weekly portfolio and market value calculations;
- Maintenance of credit quality standards for portfolio securities with at least 50% of such securities rated A-1+ or invested in overnight repurchase agreements with dealers or banks rated A-1;
- Ensuring adequate portfolio diversification standards with no more than 5% of the portfolio invested in an individual security and no more than 10% invested in an individual issuer, with a ten-business day cure period,

excluding one and two day repurchase agreements and U.S. government agency securities; and

- A limit on the overall portfolio weighted average maturity (currently no more than 60 days).

It is the Treasurer's intention to take any and all such actions as are needed from time to time to maintain the AAAm rating.

### Note 9: Subsequent Events

The Fund management has evaluated the events and transactions that have occurred through December 31, 2020 the date the basic financial statements were available to be issued. There were no subsequent events identified related to STIF that could have a material impact on STIF's financial statements.

CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND  
LIST OF INVESTMENTS AS OF June 30, 2020

	Par	Issuer	YTM	Reset / Maturity	Amortized Cost	Fair Market Value	Rating
<b>Bank Deposit Instruments</b>							<b>33.9%</b>
\$	200,000,000	ANZ Bank	0.15%	7/1/2020	\$ 200,000,000	\$ 200,000,000	A-1+
	50,000,000	ANZ Bank	0.12%	7/6/2020	50,000,000	50,000,000	A-1+
	50,000,000	ANZ Bank	1.92%	7/1/2020	50,000,000	50,000,000	A-1+
	50,000,000	ANZ Bank	0.28%	10/1/2020	50,000,000	50,000,000	A-1+
	50,000,000	ANZ Bank	0.33%	9/1/2020	50,000,000	50,000,000	A-1+
	25,000,000	DZ BANK	0.22%	9/14/2020	25,000,000	25,000,000	A-1+
	50,000,000	DZ BANK	0.22%	9/29/2020	50,000,000	50,000,000	A-1+
	300,000,000	DZ BANK	0.06%	7/1/2020	300,000,000	300,000,000	A-1+
	945	BANK OF NEW YORK	0.01%	7/1/2020	945	945	A-1+
	150,000,000	NATIONAL BANK OF CANADA (2)	0.38%	7/1/2020	150,000,000	150,000,000	A-1
	50,000,000	NATIONAL BANK OF CANADA (2)	0.38%	7/1/2020	50,000,000	50,000,000	A-1
	50,000,000	NATIONAL BANK OF CANADA (2)	0.38%	7/1/2020	50,000,000	50,000,000	A-1
	50,000,000	NATIONAL BANK OF CANADA (2)	0.38%	7/1/2020	50,000,000	50,000,000	A-1
	25,000,000	NORDEA BANK ABP NEW YORK	1.61%	8/17/2020	25,000,000	25,050,250	A-1+
	35,000,000	NORDEA BANK ABP NEW YORK	0.24%	12/14/2020	35,000,000	35,002,100	A-1+
	50,000,000	NORDEA BANK ABP NEW YORK	1.67%	7/27/2020	50,000,000	50,059,000	A-1+
	50,000,000	NORDEA BANK ABP NEW YORK	0.27%	10/8/2020	50,000,000	50,000,000	A-1+
	125,000,000	NORDEA BANK ABP NEW YORK	0.05%	7/1/2020	125,000,000	125,000,000	A-1+
	25,000,000	NRW.BANK	1.64%	8/14/2020	24,950,958	24,995,750	A-1+
	150,000,000	COOPERATIEVE RABOBANK UA/NY	0.09%	7/1/2020	150,000,000	150,000,000	A-1
	150,000,000	COOPERATIEVE RABOBANK UA/NY	0.08%	7/2/2020	149,999,667	150,000,000	A-1
	50,000,000	ROYAL BANK OF CANADA NY	1.02%	9/10/2020	49,901,389	49,987,500	A-1+
	25,000,000	ROYAL BANK OF CANADA NY	0.75%	10/20/2020	25,000,000	25,049,000	A-1+
	25,000,000	ROYAL BANK OF CANADA NY	0.25%	12/9/2020	25,109,358	25,116,000	A-1+
	17,800,000	ROYAL BANK OF CANADA NY	0.28%	10/30/2020	17,921,690	17,919,125	A-1+
	250,000,000	SCOTIA BANK (2)	0.35%	7/1/2020	250,000,000	250,000,000	A-1
	50,000,000	SCOTIA BANK (2)	0.35%	7/1/2020	50,000,000	50,000,000	A-1
	25,000,000	SCOTIA BANK (2)	0.36%	7/1/2020	25,000,000	25,000,000	A-1
	50,000,000	SVENSKA HANDELSBANKEN NY	1.74%	7/20/2020	50,000,000	50,045,500	A-1+
	50,000,000	SVENSKA HANDELSBANKEN NY	0.35%	7/1/2020	50,000,000	50,000,000	A-1+
	50,000,000	SVENSKA HANDELSBANKEN NY	0.26%	12/15/2020	50,000,000	50,000,000	A-1+
	200,000,000	SVENSKA HANDELSBANKEN NY	0.07%	7/1/2020	200,000,000	200,000,000	A-1+
	50,000,000	SVENSKA HANDELSBANKEN NY	0.23%	7/27/2020	50,000,000	50,001,958	A-1+
	100,000,000	TORONTO DOMINION BANK(2)	0.40%	7/1/2020	100,000,000	100,000,000	A-1+
	25,000,000	TORONTO DOMINION BANK(2)	0.40%	7/1/2020	25,000,000	25,000,000	A-1+
	50,000,000	TORONTO DOMINION BANK(2)	0.40%	7/1/2020	50,000,000	50,000,000	A-1+
	25,000,000	TORONTO DOMINION BANK(2)	0.40%	7/1/2020	25,000,000	25,000,000	A-1+
	100,000,000	TORONTO DOMINION BANK(2)	0.40%	7/1/2020	100,000,000	100,000,000	A-1+
	400,000,000	US BANK(2)	0.10%	7/30/2020	400,000,000	400,000,000	A-1+
\$	<u>3,227,800,945</u>				\$ <u>3,227,884,007</u>	\$ <u>3,228,227,128</u>	
<b>Bank Deposit Instruments with Government Backing</b>							<b>5.3%</b>
\$	50,025,423	BERKSHIRE BANK (2,3)	0.30%	7/1/2020	\$ 50,025,423	\$ 50,025,423	N/A
	200,000,000	CITIZENS BANK (2,3)	0.30%	7/1/2020	200,000,000	200,000,000	A-2
	50,000,000	FICA C/D (2)	0.17%	7/1/2020	50,000,000	50,000,000	N/A
	50,000,000	FICA C/D (2)	0.17%	7/1/2020	50,000,000	50,000,000	N/A
	150,000,000	SANTANDER BANK (2,3)	0.25%	7/1/2020	150,000,000	150,000,000	A-2
\$	<u>500,025,423</u>				\$ <u>500,025,423</u>	\$ <u>500,025,423</u>	
<b>Commercial Paper and Corporate Notes</b>							<b>9.0%</b>
\$	10,000,000	APPLE INC	1.67%	7/1/2020	\$ 10,000,000	\$ 10,000,000	A-1+
	23,410,000	APPLE INC	1.65%	7/20/2020	23,390,108	23,409,532	A-1+
	25,000,000	EXXON MOBIL CORP	0.23%	10/6/2020	24,984,507	24,986,750	A-1+
	25,000,000	EXXON MOBIL CORP	0.22%	8/10/2020	24,993,889	24,995,750	A-1+
	50,000,000	EXXON MOBIL CORP	1.61%	7/14/2020	49,971,653	49,997,500	A-1+
	50,000,000	EXXON MOBIL CORP	0.92%	7/14/2020	49,983,750	49,997,500	A-1+
	100,000,000	NATL SEC CLEARING CORP	0.14%	7/13/2020	99,995,333	99,997,000	A-1+
	25,000,000	NATL SEC CLEARING CORP	1.74%	7/8/2020	24,991,736	24,999,500	A-1+



**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND**  
**LIST OF INVESTMENTS AS OF June 30, 2020**

Par	Issuer	YTM	Reset / Maturity	Amortized Cost	Fair Market Value	Rating
25,000,000	NATL SEC CLEARING CORP	1.73%	7/14/2020	24,984,743	24,999,250	A-1+
23,550,000	NATL SEC CLEARING CORP	1.73%	7/15/2020	23,534,525	23,549,294	A-1+
25,000,000	NATL SEC CLEARING CORP	1.67%	8/4/2020	24,961,514	24,997,500	A-1+
50,000,000	NATL SEC CLEARING CORP	0.15%	7/24/2020	49,995,208	49,997,000	A-1+
25,000,000	NATL SEC CLEARING CORP	1.66%	8/21/2020	24,942,625	24,995,500	A-1+
15,850,000	NATL SEC CLEARING CORP	1.79%	7/10/2020	15,843,066	15,849,683	A-1+
25,000,000	NATL SEC CLEARING CORP	1.66%	8/20/2020	24,943,750	24,995,500	A-1+
85,000,000	NATL SEC CLEARING CORP	0.14%	7/17/2020	84,994,711	84,996,600	A-1+
15,000,000	TOYOTA MOTOR CREDIT CORP	1.68%	8/7/2020	14,974,717	14,997,750	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	0.82%	9/4/2020	24,963,889	24,991,500	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	1.38%	9/9/2020	49,868,750	49,981,500	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	1.71%	8/5/2020	24,959,410	24,996,500	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	1.86%	7/6/2020	24,993,715	24,999,500	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	1.42%	7/2/2020	50,000,000	50,003,500	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	0.38%	7/1/2020	25,000,000	25,000,000	A-1+
10,000,000	TOYOTA MOTOR CREDIT CORP	0.26%	8/7/2020	10,000,000	10,001,200	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	0.24%	7/27/2020	25,000,000	25,002,000	A-1+
25,000,000	TOYOTA MOTOR CREDIT CORP	0.26%	8/3/2020	25,000,000	25,001,759	A-1+
<b>\$ 857,810,000</b>				<b>\$ 857,271,598</b>	<b>\$ 857,739,067</b>	

**Government Securities**

<b>\$</b>				<b>\$</b>		<b>33.6%</b>
25,000,000	FANNIE MAE	0.19%	7/1/2020	25,000,000	24,970,215	AA+
6,456,000	FANNIE MAE	2.01%	7/30/2020	6,453,440	6,463,147	AA+
5,600,000	FEDERAL FARM CREDIT BANK	0.28%	7/1/2020	5,604,810	5,605,741	AA+
7,500,000	FEDERAL FARM CREDIT BANK	0.17%	7/1/2020	7,499,741	7,491,809	AA+
8,000,000	FEDERAL FARM CREDIT BANK	0.21%	7/1/2020	8,000,000	7,992,815	AA+
10,000,000	FEDERAL FARM CREDIT BANK	0.20%	7/1/2020	9,967,522	9,970,243	AA+
10,000,000	FEDERAL FARM CREDIT BANK	0.29%	7/1/2020	9,999,313	9,990,799	AA+
10,000,000	FEDERAL FARM CREDIT BANK	0.18%	7/1/2020	10,000,000	9,996,502	AA+
10,000,000	FEDERAL FARM CREDIT BANK	0.15%	7/1/2020	10,000,000	9,989,383	AA+
10,000,000	FEDERAL FARM CREDIT BANK	0.24%	7/1/2020	10,001,819	9,997,151	AA+
20,000,000	FEDERAL FARM CREDIT BANK	0.30%	7/1/2020	20,000,000	19,995,503	AA+
20,000,000	FEDERAL FARM CREDIT BANK	0.16%	7/1/2020	20,000,000	19,979,052	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.20%	7/1/2020	24,972,141	24,951,864	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.17%	7/1/2020	24,977,694	24,974,731	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.20%	7/1/2020	24,978,869	24,925,608	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.28%	7/1/2020	24,995,187	24,983,253	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.17%	7/1/2020	24,997,537	24,974,731	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.17%	7/1/2020	24,997,540	24,974,731	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.28%	7/1/2020	24,997,549	24,985,402	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.25%	7/1/2020	24,998,175	24,998,190	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.31%	7/1/2020	24,998,633	25,009,726	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.28%	7/1/2020	24,998,883	25,001,177	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.32%	7/1/2020	24,999,613	25,006,601	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.29%	7/1/2020	25,000,000	25,014,032	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.29%	7/1/2020	25,000,000	24,995,561	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.20%	7/1/2020	25,000,000	24,925,608	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.28%	7/1/2020	25,000,000	24,983,253	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.18%	7/1/2020	25,000,000	24,974,521	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.45%	7/1/2020	25,104,307	25,017,759	AA+
50,000,000	FEDERAL FARM CREDIT BANK	0.20%	7/1/2020	49,994,482	49,903,727	AA+
25,000,000	FEDERAL FARM CREDIT BANK	0.17%	7/16/2020	24,999,948	24,999,547	AA+
10,000,000	FEDERAL FARM CREDIT BANK	0.19%	7/28/2020	9,995,667	10,001,212	AA+
21,000,000	FEDERAL FARM CREDIT BANK	0.23%	8/10/2020	21,000,000	20,999,207	AA+
9,475,000	FEDERAL FARM CREDIT BANK	0.22%	8/13/2020	9,474,238	9,478,828	AA+
15,000,000	FEDERAL FARM CREDIT BANK	1.83%	8/13/2020	14,968,288	14,997,312	AA+
19,000,000	FEDERAL FARM CREDIT BANK	1.82%	8/19/2020	18,998,326	19,055,124	AA+
15,000,000	FEDERAL FARM CREDIT BANK	1.77%	8/26/2020	14,999,621	15,050,651	AA+
25,000,000	FEDERAL FARM CREDIT BANK	1.01%	10/19/2020	24,999,582	24,994,425	AA+
13,000,000	FEDERAL FARM CREDIT BANK	0.20%	5/25/2021	12,976,311	12,981,049	AA+

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND**  
**LIST OF INVESTMENTS AS OF June 30, 2020**

Par	Issuer	YTM	Reset / Maturity	Amortized Cost	Fair Market Value	Rating
25,000,000	FEDERAL FARM CREDIT BANK	0.20%	6/23/2021	24,994,449	24,995,719	AA+
5,000,000	FEDERAL HOME LOAN BANK	0.16%	7/1/2020	5,000,000	4,996,881	AA+
6,100,000	FEDERAL HOME LOAN BANK	0.15%	7/1/2020	6,097,188	6,097,336	AA+
13,000,000	FEDERAL HOME LOAN BANK	0.16%	7/1/2020	13,000,000	12,991,890	AA+
14,000,000	FEDERAL HOME LOAN BANK	0.20%	7/1/2020	14,000,000	14,000,537	AA+
20,000,000	FEDERAL HOME LOAN BANK	0.13%	7/1/2020	20,000,000	19,991,499	AA+
22,000,000	FEDERAL HOME LOAN BANK	0.20%	7/1/2020	22,000,000	21,970,900	AA+
25,000,000	FEDERAL HOME LOAN BANK	0.21%	7/1/2020	25,000,000	25,004,259	AA+
25,000,000	FEDERAL HOME LOAN BANK	0.12%	7/1/2020	25,000,000	24,986,403	AA+
25,000,000	FEDERAL HOME LOAN BANK	0.15%	7/1/2020	25,000,000	24,989,082	AA+
25,000,000	FEDERAL HOME LOAN BANK	0.11%	7/1/2020	25,000,000	25,000,012	AA+
50,000,000	FEDERAL HOME LOAN BANK	0.18%	7/1/2020	50,000,000	50,003,645	AA+
100,000,000	FEDERAL HOME LOAN BANK	1.53%	7/9/2020	99,966,667	99,997,333	AA+
25,000,000	FEDERAL HOME LOAN BANK	1.60%	7/22/2020	24,977,250	24,998,250	AA+
25,000,000	FEDERAL HOME LOAN BANK	0.18%	7/26/2020	25,000,000	24,997,579	AA+
15,750,000	FEDERAL HOME LOAN BANK	1.75%	8/6/2020	15,751,840	15,777,285	AA+
20,000,000	FEDERAL HOME LOAN BANK	1.81%	8/6/2020	20,001,202	20,034,648	AA+
20,000,000	FEDERAL HOME LOAN BANK	1.81%	8/12/2020	19,999,727	20,038,831	AA+
50,000,000	FEDERAL HOME LOAN BANK	0.13%	8/12/2020	49,992,708	49,991,250	AA+
10,000,000	FEDERAL HOME LOAN BANK	1.75%	8/19/2020	9,999,967	10,020,255	AA+
17,000,000	FEDERAL HOME LOAN BANK	1.75%	8/26/2020	16,999,959	17,039,356	AA+
10,000,000	FEDERAL HOME LOAN BANK	1.80%	9/16/2020	9,999,032	10,033,032	AA+
50,000,000	FEDERAL HOME LOAN BANK	0.17%	9/18/2020	49,981,896	49,984,639	AA+
37,000,000	FEDERAL HOME LOAN BANK	1.61%	9/28/2020	36,978,730	37,108,441	AA+
50,000,000	FEDERAL HOME LOAN BANK	0.17%	9/30/2020	49,978,514	49,982,306	AA+
10,000,000	FEDERAL HOME LOAN BANK	1.82%	10/1/2020	10,019,981	10,061,198	AA+
5,000,000	FEDERAL HOME LOAN BANK	1.65%	10/28/2020	4,999,675	5,023,164	AA+
8,500,000	FEDERAL HOME LOAN BANK	1.65%	10/28/2020	8,499,309	8,539,378	AA+
2,000,000	FEDERAL HOME LOAN BANK	1.63%	12/11/2020	2,002,157	2,015,377	AA+
15,000,000	FEDERAL HOME LOAN BANK	1.56%	2/3/2021	14,995,055	15,116,665	AA+
15,000,000	FREDDIE MAC	0.23%	7/1/2020	15,000,000	14,992,365	AA+
5,900,000	FREDDIE MAC	1.66%	11/17/2020	5,904,805	5,937,954	AA+
50,000,000	FREDDIE MAC	0.11%	7/23/2020	49,996,639	49,996,334	AA+
300,000,000	TREASURY BILL	0.07%	7/2/2020	299,999,417	299,999,229	A-1+
50,000,000	TREASURY BILL	0.11%	7/7/2020	49,999,083	49,999,011	A-1+
250,000,000	TREASURY BILL	0.09%	7/7/2020	249,996,250	249,995,053	A-1+
300,000,000	TREASURY BILL	0.08%	7/7/2020	299,996,250	299,994,063	A-1+
50,000,000	TREASURY BILL	0.11%	7/14/2020	49,998,014	49,998,014	A-1+
100,000,000	TREASURY BILL	0.10%	7/21/2020	99,994,444	99,993,472	A-1+
100,000,000	TREASURY BILL	0.15%	7/23/2020	99,991,139	99,992,514	A-1+
50,000,000	TREASURY BILL	0.12%	7/28/2020	49,995,687	49,995,031	A-1+
100,000,000	TREASURY BILL	0.16%	8/11/2020	99,982,347	99,985,194	A-1+
20,000,000	TREASURY BILL	1.76%	8/13/2020	19,959,389	19,996,775	A-1+
20,000,000	TREASURY BILL	1.73%	8/13/2020	19,959,926	19,996,775	A-1+
50,000,000	TREASURY BILL	0.15%	9/8/2020	49,985,625	49,987,542	A-1+
25,000,000	TREASURY BILL	1.84%	9/10/2020	24,912,345	24,993,344	A-1+
25,000,000	TREASURY BILL	0.18%	11/10/2020	24,983,500	24,983,958	A-1+
20,000,000	US TREASURY FRN	0.37%	7/1/2020	19,997,244	20,038,360	A-1+
25,000,000	US TREASURY N/B	1.87%	7/31/2020	25,002,653	25,037,672	A-1+
50,000,000	US TREASURY N/B	1.81%	7/31/2020	49,992,427	50,059,903	A-1+
25,000,000	US TREASURY N/B	1.78%	9/30/2020	24,975,122	25,074,208	A-1+
25,000,000	US TREASURY N/B	1.88%	9/30/2020	25,007,053	25,113,022	A-1+
25,000,000	US TREASURY N/B	1.63%	9/30/2020	25,068,708	25,159,599	A-1+
25,000,000	US TREASURY N/B	1.67%	12/31/2020	25,086,854	25,269,531	A-1+
<u>\$ 3,201,281,000</u>				<u>\$ 3,200,969,461</u>	<u>\$ 3,201,976,252</u>	
<b>Money Market Funds</b>						<b>9.2%</b>
\$ 438,353,628	FEDERATED MONEY MARKET FUN	0.07%	7/1/2020	\$ 438,353,628	\$ 438,353,628	AAAm
438,746,394	WESTERN ASSET MANAGEMENT	0.05%	7/1/2020	438,476,394	438,476,394	AAAm
<u>\$ 877,100,022</u>				<u>\$ 876,830,022</u>	<u>\$ 876,830,022</u>	

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND**  
**LIST OF INVESTMENTS AS OF June 30, 2020**

	<b>Par</b>	<b>Issuer</b>	<b>YTM</b>	<b>Reset / Maturity</b>	<b>Amortized Cost</b>	<b>Fair Market Value</b>	<b>Rating</b>
<b>Repurchase Agreements</b>							<b>9.0%</b>
\$	256,153,000	BANK OF AMERICA SECURITIES RE	0.07%	7/1/2020	\$ 256,153,000	\$ 256,153,000	A-1
	600,000,000	RBC SECURITIES REPO	0.06%	7/1/2020	600,000,000	600,000,000	A-1+
\$	<u>856,153,000</u>				<u>\$ 856,153,000</u>	<u>\$ 856,153,000</u>	
\$	<u><b>9,520,170,390</b></u>				<u><b>\$ 9,519,133,512</b></u>	<u><b>\$ 9,520,950,892</b></u>	

**Fund Summary Statistics and Notes**

Amortized Cost	\$9,519,133,512	
Fair market value	\$9,520,950,892	
Shares Outstanding	\$9,444,762,275	
Fund Net Asset Value (4)	\$1.0079	
Effective 7-Day Net Yield (5)	0.29%	
Effective 7-Day Gross Yield	0.41%	
WAM(R) (6)	16	Days
WAM(F) (7)	54	Days
Ratio of Amortized Cost to Fair Market Value	1.0002	

(1) Securities rounded to the nearest dollar.

(2) Issues have a daily put option, and thus is calculated as 1 day for WAL and WAM purposes.

(3) Santander Bank, Berkshire Bank, and Citizens Bank N.A. deposits are backed by irrevocable standby letter of credit provided by the Federal Home Loan Bank of Pittsburgh and Boston guaranteeing principal amount.

(4) Includes designated surplus reserve. NAV is calculated as the total amortized cost / participant shares.

(5) Includes approximately 1-4 basis points of expenses and a 10 basis point contribution to the designated surplus reserve each day the size of the reserve is less than one percent of the size of the Short-Term Investment Fund. Gross Yield is prior to reserve transfers, after operating expenses.

(6) Weighted average maturity to the next reset date.

(7) Weighted average maturity to final maturity date.

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND  
SCHEDULE OF ANNUAL RATES OF RETURN**

	Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
STIF Total Rate of Return (%)	1.53	2.30	1.39	0.61	0.29	0.15	0.14	0.16	0.16	0.23
First Tier Institutional-only Rated Money Fund Report Averages™ (MFR) Index (%) (1)	1.36	2.15	1.27	0.49	0.15	0.03	0.02	0.05	0.05	0.08
Total Assets in STIF, End of Period (\$ - Millions)	9,522	8,096	6,797	6,470	4,903	5,037	4,211	4,427	4,894	4,495
Percent of State Assets in Fund	82%	82%	81%	82%	82%	84%	83%	83%	83%	84%
Number of Participant Accounts in Composite, End of Year (2)										
State Treasury	54	55	55	54	52	53	58	67	52	52
Municipal and Local Entities	545	537	523	546	541	551	475	685	671	660
State Agencies and Authorities	361	361	342	329	330	335	341	428	429	417
Total	960	953	920	929	923	939	874	1180	1155	1129

(1) Represents iMoneyNet Money Fund Report Average ^TM - Rated First Tier Institutional Average (MFR) Index.

(2) As of January 2014 and going forward, inactive accounts were closed and only active accounts containing balances were included in the total number of participant accounts.

**See Notes to Schedules of Rates of Return.**

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND  
SCHEDULE OF QUARTERLY RATES OF RETURN**

FISCAL YEAR	Rate of Return(%)	(MFR) Index%(1)
<b>2020</b>		
Sep-19	0.56	0.51
Dec-19	0.46	0.41
Mar-20	0.37	0.34
Jun-20	0.14	0.09
<b>YEAR</b>	<b>1.53</b>	<b>1.36</b>
<b>2019</b>		
Sep-18	0.50	0.47
Dec-18	0.57	0.53
Mar-19	0.60	0.58
Jun-19	0.61	0.56
<b>YEAR</b>	<b>2.30</b>	<b>2.15</b>
<b>2018</b>		
Sep-17	0.27	0.25
Dec-17	0.31	0.26
Mar-18	0.36	0.33
Jun-18	0.45	0.43
<b>YEAR</b>	<b>1.39</b>	<b>1.27</b>
<b>2017</b>		
Sep-16	0.11	0.06
Dec-16	0.12	0.08
Mar-17	0.16	0.15
Jun-17	0.22	0.20
<b>YEAR</b>	<b>0.61</b>	<b>0.49</b>
<b>2016</b>		
Sep-15	0.04	0.01
Dec-15	0.05	0.02
Mar-16	0.10	0.06
Jun-16	0.09	0.06
<b>YEAR</b>	<b>0.29</b>	<b>0.15</b>

FISCAL YEAR	Rate of Return(%)	(MFR) Index%(1)
<b>2015</b>		
Sep-14	0.04	0.005
Dec-14	0.04	0.005
Mar-15	0.04	0.01
Jun-15	0.03	0.01
<b>YEAR</b>	<b>0.15</b>	<b>0.03</b>
<b>2014</b>		
Sep-13	0.03	0.01
Dec-13	0.03	0.01
Mar-14	0.04	0.01
Jun-14	0.04	0.01
<b>YEAR</b>	<b>0.14</b>	<b>0.02</b>
<b>2013</b>		
Sep-12	0.05	0.02
Dec-12	0.05	0.02
Mar-13	0.03	0.01
Jun-13	0.03	0.01
<b>YEAR</b>	<b>0.16</b>	<b>0.05</b>
<b>2012</b>		
Sep-11	0.04	0.03
Dec-11	0.06	0.05
Mar-12	0.03	0.07
Jun-12	0.03	0.07
<b>YEAR</b>	<b>0.16</b>	<b>0.05</b>
<b>2011</b>		
Sep-10	0.06	0.03
Dec-10	0.06	0.02
Mar-11	0.06	0.02
Jun-11	0.05	0.01
<b>YEAR</b>	<b>0.23</b>	<b>0.08</b>

(1) Represents iMoneyNet Money Fund Report Average ^TM - Rated First Tier Institutional Average (MFR) Index. These Index rates have been taken from published sources

See the accompanying Notes to the Schedules of Rates of Return

**CIVIL LIST PENSION AND TRUST FUNDS  
SCHEDULE OF CASH AND INVESTMENTS, BALANCES AND ACTIVITY (At Fair Value)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Teachers' Retirement	State Employees' Retirement	Municipal Employees' Retirement	Probate Court Retirement	Judges' Retirement	State's Attorneys' Retirement	Soldiers & Marines Fund	Arts Endowment Fund	Police & Firemen's Survivor's Fund
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income Receivable	139,761	97,135	22,755	903	1,913	18	589	181	322
Interest in Investment Funds	18,275,160,210	13,199,314,765	2,710,889,986	110,654,726	239,672,829	2,137,630	82,735,375	19,919,494	37,916,070
Total Cash and Investments	\$ 18,275,299,971	\$ 13,199,411,900	\$ 2,710,912,741	\$ 110,655,629	\$ 239,674,742	\$ 2,137,648	\$ 82,735,964	\$ 19,919,675	\$ 37,916,392
Schedule of Activity:									
Cash and Investments at July 1, 2019	\$ 18,483,170,406	\$ 13,251,185,698	\$ 2,709,913,241	\$ 109,628,649	\$ 235,912,262	\$ 2,064,764	\$ 79,057,807	\$ 20,258,881	\$ 36,666,079
Shares Purchased (Excluding Liquidity Fund)	3,549,261,294	2,707,523,840	914,366,325	31,827,696	58,054,328	529,364	2,300,000	1,195,000	9,554,091
Shares Redeemed (Excluding Liquidity Fund)	(4,296,604,294)	(3,118,718,840)	(1,018,716,325)	(30,132,696)	(64,264,328)	(545,365)	(4,200,000)	(2,665,612)	(9,870,091)
Net Purchase and Redemptions of Liquidity Fund	127,530,851	75,226,321	42,773,708	(3,172,813)	4,556,446	41,543	500,127	669,456	724,886
Net Investment Income	8,368,952	4,031,321	723,708	35,789	46,445	544	27,143	2,285	8,836
Net Increase (Decrease) in Fair Value of Investments and Foreign Currency	402,436,346	284,444,712	62,609,927	2,507,320	5,417,145	47,349	5,080,895	462,013	842,047
Increase (Decrease) in Receivables - Net (1)	(494,732)	(249,831)	(34,135)	(2,527)	(1,111)	(7)	(2,865)	(63)	(570)
Distributions	(8,368,952)	(4,031,321)	(723,708)	(35,789)	(46,445)	(544)	(27,143)	(2,285)	(8,836)
Cash and Investments at June 30, 2020	\$ 18,275,299,971	\$ 13,199,411,900	\$ 2,710,912,741	\$ 110,655,629	\$ 239,674,742	\$ 2,137,648	\$ 82,735,964	\$ 19,919,675	\$ 37,916,392

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.  
(1) Reflects timing differences in the recognition of income by the Plans

**NON-CIVIL LIST TRUST FUNDS  
FINANCIAL STATEMENTS  
JUNE 30, 2020**

**STATEMENT OF NET POSITION, at Fair Value**

	SCHOOL FUND	AGRICULTURAL COLLEGE FUND	IDA EATON COTTON FUND	ANDREW C. CLARK FUND	HOPEMEAD STATE PARK TRUST FUND	OPEB FUND
<b>ASSETS</b>						
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest & Dividends Receivable	86	-	22	-	32	8,015
Investments in Combined Investment Funds, at Fair Value	12,624,065	709,359	2,810,174	1,322,016	4,407,958	1,437,831,024
Total Assets	<u>12,624,151</u>	<u>709,359</u>	<u>2,810,196</u>	<u>1,322,016</u>	<u>4,407,990</u>	<u>1,437,839,039</u>
<b>LIABILITIES &amp; NET POSITION</b>						
Due to Other Funds	\$ 94,068	\$ 16,188	\$ 62,993	\$ 29,669	\$ -	\$ -
Fund Balance	12,530,083	693,171	2,747,203	1,292,347	4,407,990	1,437,839,039
Total Liabilities & Fund Balance	<u>12,624,151</u>	<u>709,359</u>	<u>2,810,196</u>	<u>1,322,016</u>	<u>4,407,990</u>	<u>1,437,839,039</u>

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

**STATEMENT OF REVENUE AND EXPENDITURES**

<b>REVENUE</b>						
Net Investment Income	\$ 4,632	\$ 13	\$ 887	\$ 342	\$ 1,664	\$ 251,246
Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency	771,481	57,056	172,339	81,593	268,199	33,134,344
Increase (Decrease) in Liquidity Fund Income Receivables - (1)	(500)	(2)	(108)	(61)	(169)	(12,741)
Total Revenue	<u>775,613</u>	<u>57,067</u>	<u>173,118</u>	<u>81,874</u>	<u>269,694</u>	<u>33,372,849</u>
<b>EXPENDITURES</b>						
Excess of Revenue over Expenditures	\$ 775,613	\$ 57,067	\$ 173,118	\$ 81,874	\$ 269,694	\$ 33,372,849

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

(1) Reflects timing differences in the recognition of income by the Plans and Trusts

**STATEMENT OF CHANGES IN NET POSITION**

<b>Net Position at July 1, 2019</b>	\$ 12,041,091	\$ 652,292	\$ 2,637,078	\$ 1,240,142	\$ 4,138,296	\$ 1,156,995,362
Excess of Revenue over Expenditures	775,613	57,067	173,118	81,874	269,694	33,372,849
Net Cash Transactions	-	-	-	-	-	-
Transfer from Other Funds	27,677	-	-	-	-	247,470,828
Transfer to Other Funds	(306,390)	(15,090)	(58,854)	(27,677)	-	-
Increase in Due to Other Funds	(7,908)	(1,098)	(4,139)	(1,992)	-	-
<b>Net Position at June 30, 2020</b>	<u>12,530,083</u>	<u>693,171</u>	<u>2,747,203</u>	<u>1,292,347</u>	<u>4,407,990</u>	<u>1,437,839,039</u>

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.

**NON-CIVIL LIST TRUST FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	SCHOOL FUND	AGRICULTURAL COLLEGE FUND	IDA EATON COTTON FUND	ANDREW C. CLARK FUND	HOPEMEAD STATE PARK TRUST FUND	OPEB FUND
<b>Cash Flows from Operating Activities:</b>						
Excess of Revenues over Expenditures	\$ 775,613	\$ 57,067	\$ 173,118	\$ 81,874	\$ 269,694	\$ 33,372,849
Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency	(771,481)	(57,056)	(172,339)	(81,593)	(268,199)	(33,134,344)
(Increase) Decrease in Liquidity Fund Income Receivables	500	2	108	61	168	12,741
Net Cash Provided by Operations	4,632	13	887	342	1,664	251,246
<b>Cash Flows from Non Capital Financing Activities:</b>						
Operating Transfers - Out to Other Funds	(306,390)	(15,090)	(58,854)	(27,677)	-	-
Operating Transfers - In from Other Funds	27,677	-	-	-	-	247,470,828
Net Cash Used for Non-Capital Financing Activities	(278,713)	(15,090)	(58,854)	(27,677)	-	247,470,828
<b>Cash Flows from Investing Activities:</b>						
Net Purchase and Redemptions of Liquidity Fund	22,081	77	(4,033)	17,336	(11,664)	(17,722,074)
Purchase of Investments	(548,000)	-	(73,000)	(40,000)	(139,000)	(529,986,688)
Proceeds from Sale of Investment	800,000	15,000	135,000	50,000	149,000	299,986,688
Net Cash Provided by (Used for) Investing Activities	274,081	15,077	57,967	27,336	(1,664)	(247,722,074)
<b>Net Increase (Decrease) In Cash</b>	-	-	-	-	-	-
Cash June 30, 2019	-	-	-	-	-	-
Cash June 30, 2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See Notes to Civil and Non-Civil List Trust Fund Financial Statements.



# CIVIL AND NON-CIVIL LIST TRUST FUND

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## Note 1. Summary of Significant Accounting Policies

Civil List and Non-Civil list trust funds (the “trust funds”) are entrusted to the Treasurer for investment purposes. Civil List trust funds are mandated by the State Legislature and are administered by the Office of the State Comptroller. Accordingly, the presentation of the Civil List funds in the Treasurer’s Annual Report (see Civil List trust funds cash and investments schedules in the Supplemental Information section of these documents) is intended to present only the cash and investments under the Treasurer’s care and does not depict a full financial statement presentation. The Non-Civil List Trust funds are not administered by the Office of the Comptroller.

Accordingly, the financial statements presented for the Non-Civil List funds are designed to provide a full set of financial statements for the trusts’ investment assets and provide the necessary detail for the respective Boards that administer these trust funds.

Significant account policies of the trust funds are as follows:

**Basis of Presentation:** The foregoing Non-Civil List trust fund financial statements represent the financial position, results of operations and cash flows of the investment trust assets of the funds in accordance with generally accepted accounting principles. These financial statements present all of the financial statements of the Non-Civil List funds except for the Second Injury Fund which, due to the unique nature of its operation, is presented separately in this Annual Report. The financial statements do not include a Statement of Revenue and Expenditures for the Miscellaneous Agency and Trust Funds because agency funds do not report operations. These statements were prepared on the fair value basis. A Statement of Condi-

tion on a cost basis is also presented for informational purposes.

**Valuation of Combined Investment Fund Shares:** All unit prices are determined at the end of each month based on the fair value of the applicable investment fund.

**Expenses:** The Non-Civil List trust funds are not charged with any expenses for administration of the trust funds.

**Investment expenses of the Combined Investment Funds** are deducted in calculating net investment income. **Purchases and Redemptions of Units:** Purchases and redemptions of units are generally processed on the first day of the month based on the prior month end price. Purchases represent cash that has been allocated to a particular investment fund in accordance with directions from the Treasurer’s office. Redemptions represent the return of principal back to the plan. In the case of certain funds, a portion of the redemption can also include a distribution of income.

## Note 2. Statement of Cash Flows

A statement of cash flows is presented for the non-expendable Non-Civil List trust funds. This presentation is in accordance with Governmental Accounting Standards Board (GASB) Statement No. 9. No such statement of cash flows is presented for the Miscellaneous Agency and Trust Funds as none is required.

## Note 3. Miscellaneous Agency and Trust Fund Transfers

These transactions comprise principal and income transfers to trustees as well as transfers and expenditure payments made on their behalf. Certain of these transfers are made to the General Fund and other Civil List funds as well as various state agencies.

**SECOND INJURY FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2020**

	<u>2020</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 50,618,092
Receivables, net of allowance for uncollectible accounts - \$9,848,929	4,050,565
Other assets	5,789
Total current assets	<u>54,674,446</u>
<b>LIABILITIES</b>	
Current liabilities:	
Claims benefits payable	3,702,151
Settlement payable	1,258,536
Accounts payable and other accrued liabilities	895,029
Compensated absences	527,520
Total current liabilities	<u>6,383,236</u>
Noncurrent liabilities:	
Accounts payable and accrued expenses	603,400
Compensated absences	353,102
Total noncurrent liabilities	<u>956,502</u>
Total liabilities	<u>7,339,738</u>
<b>NET POSITION</b>	
Unrestricted	<u>47,334,708</u>
Total Net Position	<u>\$ 47,334,708</u>

The accompanying notes are an integral part of the financial statements

**SECOND INJURY FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2020**

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	<b>2020</b>
<b>OPERATING REVENUES</b>	
Assessment revenues	\$ 25,249,441
Fund recoveries	557,388
Other income	101,900
Total operating revenues	<u>25,908,729</u>
<b>OPERATING EXPENSES</b>	
Injured worker benefits:	
Settlements	4,698,278
Indemnity claims benefits	11,664,470
Medical claims benefits	4,222,351
Total injured worker benefits	<u>20,585,099</u>
Administrative expenses	7,506,849
Total operating expenses	<u>28,091,948</u>
Operating Income	(2,183,219)
<b>NON-OPERATING INCOME</b>	
Interest income	<u>770,281</u>
Change in Net Position	(1,412,938)
Net Position - Beginning of Year	<u>48,747,646</u>
Net Position - End of Year	<u>\$ 47,334,708</u>

The accompanying notes are an integral part of the financial statements

**SECOND INJURY FUND  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Assessment revenues	\$ 27,588,077
Fund recoveries	557,388
Other income	101,900
Other assets	2,627
Payments for injured worker benefits	(21,269,037)
Payments for administrative expenses	(7,380,882)
Net Cash Provided by (Used in) Operating Activities	<u>(399,927)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest income	<u>789,006</u>
Net Increase (Decrease) in Cash and Cash Equivalents	389,079
Cash and Cash Equivalents, Beginning of Year	<u>50,229,013</u>
Cash and Cash Equivalents, End of Year	<u>\$ 50,618,092</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>	
Operating income (loss)	\$ (2,183,219)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Change in assets and liabilities:	
Decrease (increase) in receivables, net	2,495,371
Decrease (increase) in other assets	2,627
Increase (decrease) in accounts payable & accrued expenses	(726,054)
Increase (decrease) in compensated absences	11,348
Total adjustments	<u>1,783,292</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (399,927)</u>

The accompanying notes are an integral part of the financial statements

# SECOND INJURY FUND

## NOTES TO FINANCIAL STATEMENTS

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### Note 1: Introduction and Basis of Presentation

The Second Injury Fund (“SIF” or the “Fund”) is an extension of the Workers’ Compensation Act managed by the Treasurer of the State of Connecticut and operates under Chapter 568, of the Connecticut General Statutes (C.G.S.). Prior to July 1, 1995, the Fund provided relief to employers where a worker, who already had a preexisting injury or medical condition, was hurt on the job and that second injury was made “materially and substantially” worse by the pre-existing injury or medical condition.

In 1995 the Connecticut General Assembly closed the Fund to new “second injury” claims sustained on or after July 1, 1995. However, the Fund continues to be liable for payment of claims which involve an uninsured or bankrupt employer and, on a pro rata basis, be liable for reimbursement claims to employers of any worker who had more than one employer at the time of the injury.

In addition, the Fund will continue to be liable for and make payments with respect to:

- Widow and dependent death benefits
- Reimbursement for cost of living adjustments on certain claims
- Second injury claims transferred to the Fund prior to July 1999 with a date of injury prior to July 1, 1995.

For State of Connecticut financial reporting purposes, SIF is reported as an Enterprise Fund. (See Note 2)

### Note 2: Summary of Significant Accounting Policies

#### Financial Reporting Entity

The accompanying financial statements of SIF have been prepared in conformity with generally accepted accounting principles as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB).

The Fund utilizes the enterprise fund form of reporting. The reporting focuses on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The full accrual form of accounting is employed, and revenues are recognized when earned, and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash. GASB No. 34 has defined an enterprise fund as a governmental unit in which the pricing policies of the

activity establish fees and charges designed to recover its costs.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund’s principal ongoing operations. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal operating revenues of the Fund are the monies assessed to Connecticut employers for their share of the Fund’s expenses for managing workers’ compensation claims assigned to the Fund by statute.

#### Cash and Cash Equivalents

Cash consists of funds in bank checking accounts and deposits held by the State General Fund in the Treasury Business Office account. Cash equivalents include investments in the State of Connecticut Short-Term Investment Fund (STIF). Custodial Credit Risk for Cash and Cash Equivalents is the risk that in the event of a bank failure, the SIF deposits may not be returned to them. Deposits in FDIC insured banks are insured up to \$250,000. Cash balances, excluding STIF accounts, as of June 30, 2020 totaled \$905,443 of which \$655,443 was uninsured, but collateralized as set forth in Conn. Gen. Statute section 36a-333; and, therefore, not subject to custodial credit risk. STIF Investment Policy ensures strong asset diversification by security type and issuer, comprised of high quality, very liquid securities with a relatively short average maturity. SIF has 98.6% of its cash invested in STIF which is rated AAAM by Standard & Poor’s Corporation (“S&P”). Deposits are presented in the basic financial statements at cost plus accrued interest which is also the market or fair value.

#### Receivables, Net of Allowance for Uncollectible Accounts

The receivables balance is composed of assessment receivables and other receivables. Assessment receivables are recorded inclusive of interest due and result from amounts billed in accordance with C.G.S. 31-354 Assessments: SIF’s primary source of revenue is from the levying of assessments against self-insured and insured Connecticut employers. Insurance carriers who insure Connecticut employers are responsible to collect the assessments from employers and submit the revenue to SIF. (see Note 3)

Other receivables are recorded inclusive of interest due and result from amounts billed in accordance with either statute C.G.S. 31-301 or C.G.S.355.

## SECOND INJURY FUND

### NOTES TO FINANCIAL STATEMENTS (Continued)

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C.G.S. 31-301, Appeal Cases, provides for the payment of indemnity (lost wages) and medical benefits to an injured worker while their claims are under appeal. Upon a decision in the appeal, the injured worker (in cases of denial of compensation), or insurer (in cases of award of compensation), must reimburse the SIF for monies expended during the appeal process. This statute was repealed with passage of P.A. 95-277 for appeals filed on injuries occurring after July 1, 1995. During fiscal year 2020, there were no benefits paid for appeals cases.

C.G.S. 31-355, Non Compliance, mandates that SIF pay indemnity and medical benefits for injured workers whose employers fail to or are unable to pay the compensation. The most common examples of these cases involve employers who did not carry worker's compensation insurance or are bankrupt.

Appeal Cases and Non Compliance transactions are recorded as injured worker benefits when paid by the Fund.

Concurrently, the Fund seeks recovery of the amounts paid from the party statutorily responsible and a receivable is established. The receivable is offset by a credit to Allowance for Uncollectible Accounts. Recoveries are recorded as revenue when cash is received.

The Fund records other receivables for penalties and citations and certain other payments made under other statutes where the Fund has a right to seek reimbursement. The receivable is offset by a credit to Allowance for Uncollectible Accounts. Recoveries are recorded as revenue when cash is received. Revenue is recorded for these receivables when cash is received.

The allowance for uncollectible account represents those amounts estimated to be uncollectible as of the balance sheet date. The Fund fully reserves for the other receivable balances. (see Note 4)

### Capital Assets

The category of capital assets consists of computers and office equipment. The Fund is recording these capital assets at cost with a useful life of 5 years on a straight-line method. In the year of acquisition of the capital asset, the Fund has elected to take a half a year depreciation expense.

### Claims Benefits Payable

This category of liability includes various unpaid reimbursement, indemnity and medical benefit claims incurred as of the balance sheet date and will be paid during the subsequent fiscal year. The long-term portion of claims benefits payable represents an estimate of the amount of liability of as June 30, 2020 of the concurrent

employment until a year or more for reimbursement. (see Note 5)

### Settlements Payable

Settlements are negotiated agreements for resolving the Fund's future exposure on injured worker claims. An accrual is made for all settlements committed as of the balance sheet date. (see Note 5)

### Accounts Payable and Other Accrued Liabilities

Accounts payable and other accrued liabilities represent administrative expenses of the Fund outstanding as of June 30, 2020 as well as assessments owed to Connecticut Workers' Compensation and other Connecticut employers. (see Note 5)

### Compensated Absences

Vacation and sick policy is as follows: Employees hired on or before June 30, 1977 can accumulate up to a maximum of 120 vacation days. Employees hired after that date can accumulate up to a maximum of 60 days.

Upon termination or death, the employee is entitled to be paid for the full amount of vacation days owed. No limit is placed on the number of sick days that an employee can accumulate. However, the employee is entitled to payment for accumulated sick time only upon retirement, or after ten years of service upon death, for an amount equal to one-fourth of his/her accrued sick leave up to a maximum payment equivalent of sixty days. (see Note 5)

### Note 3: Assessments

The assessment method for carriers paying on behalf of insured employers is on an actual premium basis. The premium surcharge, which is paid by insured employers through their worker's compensation insurance carrier within 45 days of the close of a quarter, is the premium surcharge rate multiplied by the employer's "SIF's surcharge base" premium on all policies with an effective date for that quarter. "SIF's surcharge base" means direct written premium on policies prior to application of any deductible policy premium credits. The premium surcharge is set yearly based on the Fund's budgetary needs prior to the start of the fiscal year. The annual insured employers' assessment rate for the fiscal years ending June 30, 2020 was 2.25%.

The method of assessment for self-insured employers is a quarterly billing based on the previous calendar year's paid losses. The annual assessment rate for self-insured employers for the fiscal year ending June 30, 2020 was 2.75%.

## SECOND INJURY FUND NOTES TO FINANCIAL STATEMENTS (Continued)

### Note 4: Receivables

The following is an analysis of the changes in the Fund receivable balances as of June 30, 2020:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Cash Receipts</u>	<u>Write-offs</u>	<u>Ending Balance</u>	<u>Due within one year</u>	<u>Allowance for Uncollectible</u>
Assessments	\$ 6,563,442	\$ 51,208,458	\$ 53,703,746	\$ -	\$ 4,068,154	\$ 4,050,565	\$ 17,589
Non-Compliance 355	8,282,856	3,493,518	455,057	1,911,927	9,409,390	-	9,409,390
Other Receivables	426,260	126,778	131,088	-	421,950	-	421,950
Total Receivables	<u>\$ 15,272,558</u>	<u>\$ 54,828,754</u>	<u>\$ 54,289,891</u>	<u>\$ 1,911,927</u>	<u>\$ 13,899,494</u>	<u>\$ 4,050,565</u>	<u>\$ 9,848,929</u>

### Note 5: Liabilities and Compensated Absences

The following is an analysis of the changes in the Fund liabilities and compensated absence balances as of June 30, 2020.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Cash Disbursements</u>	<u>Ending Balance</u>	<u>Due within one year</u>
Claims and Benefits Payable	\$ 5,572,900	\$ 15,661,020	\$ 16,928,369	\$ 4,305,551	\$ 3,702,151
Settlements Payable	675,125	4,698,278	4,114,867	1,258,536	1,258,536
Accounts Payable & Accrued Expenses	937,145	7,506,850	7,548,966	895,029	895,029
Compensated Absences	869,274	11,348	-	880,622	527,520
Total Liabilities & Compensated Absences	<u>\$ 8,054,444</u>	<u>\$ 27,877,496</u>	<u>\$ 28,592,202</u>	<u>\$ 7,339,738</u>	<u>\$ 6,383,236</u>

### Note 6: Settlements

Negotiations were at various stages of completion for settlements valued and accrued. As of June 30, 2020 they were \$1,259,000.

### Note 7: Subsequent Events

The Fund management has evaluated the events and transactions that have occurred through December 31, 2020, the date the financial statements were available for issuance, and identified no events or transactions that have occurred requiring recognition or disclosure in the financial statements.



## Report of Independent Auditors

To the Trustee of the Connecticut Higher Education Trust - Direct Plan

### Report on the Financial Statements

We have audited the accompanying financial statements of the Connecticut Higher Education Trust - Direct Plan, which comprise the statement of fiduciary net position as of June 30, 2020, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Connecticut Higher Education Trust - Direct Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Connecticut Higher Education Trust - Direct Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Connecticut Higher Education Trust – Direct Plan as of June 30, 2020, and the changes in its fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP, 100 East Pratt Street, Suite 2600, Baltimore, Maryland 21202  
T: (410) 783-7600, F: (410) 783-7680, [www.pwc.com/us](http://www.pwc.com/us)





#### ***Other Matters***

##### *Required supplementary information*

The accompanying management's discussion and analysis on pages 4 through 6 are required by accounting principles generally accepted in the United States of America to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

##### *Other information*

Our audit was conducted for the purpose of forming an opinion on the Connecticut Higher Education Trust - Direct Plan's basic financial statements taken as a whole. The supplemental information on pages 14 through 37 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2020 on our consideration of the Connecticut Higher Education Trust - Direct Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Connecticut Higher Education Trust - Direct Plan's internal control over financial reporting and compliance.

*PricewaterhouseCoopers LLP*

Baltimore, Maryland  
August 26, 2020

# CONNECTICUT HIGHER EDUCATION TRUST – DIRECT PLAN MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

As Plan manager of the Connecticut Higher Education Trust – Direct Plan (the “Direct Plan”), TIAA-CREF Tuition Financing, Inc. (“TFI”) offers readers of the Direct Plan’s financial statements this discussion and analysis of the financial performance for the year ended June 30, 2020. Readers should consider the information presented in this section in conjunction with the Direct Plan’s financial statements and notes to financial statements. The Direct Plan is comprised of 14 investment options (the “Options”) in which account owners (“Account Owners”) may invest.

The Direct Plan received \$87.5 million in net subscriptions from Account Owners during the year ended June 30, 2020.

The Direct Plan earned \$88.2 million from investment income, incurred \$3.4 million for operating expenses and had a net decrease in fair value of investments of \$20.1 million during the year ended June 30, 2020.

## **Overview of the Financial Statements**

The Direct Plan’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board.

This report consists of two parts: Management’s Discussion and Analysis (this section) and the basic financial statements. The basic financial statements are comprised of a Statement of Fiduciary Net Position, a Statement of Changes in Fiduciary Net Position and Notes to Financial Statements that explain the information in the financial statements and provide more detailed information. The measurement focus of economic resources is where a set of financial statements report all inflows, outflows and balances effecting an entity’s net position.

The Statement of Fiduciary Net Position presents information on the Direct Plan’s assets and liabilities, with the difference between the two reported as net position as of June 30, 2020. This statement, along with all of the Direct Plan’s financial statements, is prepared using the accrual basis of accounting. Subscriptions are recognized when enrollment in the Direct Plan is finalized; subsequent subscriptions and redemptions are recognized on trade date; expenses and liabilities are recognized when services are provided, regardless of when cash is disbursed.

The Statement of Changes in Fiduciary Net Position presents information showing how the Direct Plan’s assets changed during the year. Changes in net position are reported as soon

## **Financial Highlights**

During the year ended June 30, 2020, the Options within the Direct Plan posted returns as follows:

### Conservative Managed Allocation Option

Ages 0-4	1.73%
Ages 5-8	1.92
Ages 9-10	2.30
Ages 11-12	2.50
Ages 13-14	2.51
Ages 15	2.53
Ages 16	2.64
Ages 17	2.75
Ages 18 & Over	2.78

### Moderate Managed Allocation Option

Ages 0-4	0.00%
Ages 5-8	0.90
Ages 9-10	1.27
Ages 11-12	2.10
Ages 13-14	3.04
Ages 15	2.77
Ages 16	2.78
Ages 17	2.52
Ages 18 & Over	2.17

### Aggressive Managed Allocation Option

Ages 0-4	0.09%
Ages 5-8	0.54
Ages 9-10	0.72
Ages 11-12	1.17
Ages 13-14	1.72
Ages 15	2.09
Ages 16	2.65
Ages 17	3.31
Ages 18 & Over	2.60

### Multi-Fund Investment Options

Global Equity Index Option	0.34%
Global Tactical Asset Allocation Option	(2.40)
International Equity Index Option	(4.75)
Active Global Equity Option	0.74
U.S. Equity Index Option	6.37
High Equity Balanced Option	1.09
Active Fixed-Income Option	4.54
Social Choice Option	7.98
Index Fixed-Income Option	8.57
Money Market Option	1.24
Principal Plus Interest Option	2.26

## Financial Analysis

**Net position** - The following are condensed Statements of Fiduciary Net Position as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Investments	\$ 3,498,303,161	\$ 3,347,779,228
Cash	93,612	4,523
Receivables	5,495,235	6,051,982
<b>Total Assets</b>	<b><u>3,503,892,008</u></b>	<b><u>3,353,835,733</u></b>
Payables	5,867,405	8,100,119
<b>Total Liabilities</b>	<b><u>5,867,405</u></b>	<b><u>8,100,119</u></b>
<b>Total Net Position</b>	<b><u>\$ 3,498,024,603</u></b>	<b><u>\$ 3,345,735,614</u></b>

as the underlying event giving rise to the current change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal years.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

This report presents the operating results and financial status of the Direct Plan, which the State of Connecticut reports as a fiduciary fund. Fiduciary fund reporting is used to account for resources held for the benefit of parties outside the governmental entity.

Net position represents total subscriptions from Account Owners, plus the net increases (decreases) from operations, less redemptions and expenses.

Investments are approximately 100% of total net position, and consist of the Options, each of which invests in varying percentages in multiple TIAA-CREF Funds and/or other third-party mutual funds, or a funding agreement ("Funding Agreement") issued by TIAA-CREF Life Insurance Company to the Connecticut

Higher Education Trust. Receivables consist of securities sold, subscriptions, and accrued income. Liabilities consist mainly of payables for securities purchased, redemptions, and accrued expenses.

Changes in net position - The following are Statements of Changes in Fiduciary Net Position for the years ended June 30, 2020 and 2019

As economies and financial markets across the globe struggled with the impact of the COVID-19 pandemic and measures taken to limit its spread, most domestic and international stock markets declined for the six months. The U.S. economy contracted at an annualized rate of 5.0% during the first quarter of 2020, leading to a sharp rise in unemployment in the latter months of the period. Likewise, most other global economies also contracted during the first quarter, and central banks responded with stimulus measures. The U.S. Federal Reserve cut the federal funds target rate in March to 0.00%-0.25%; the European Central Bank created a large bond-buying program to support their economies; and the Bank of England reduced its benchmark interest rate.

**Changes in net position** - The following are Statements of Changes in Fiduciary Net Position for the years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Additions:</b>		
Subscriptions	\$ 1,755,208,686	\$ 1,544,821,170
Investment income	88,230,434	81,592,081
Net increase in fair value of investments	-	88,386,170
<b>Total Additions</b>	<b><u>1,843,439,120</u></b>	<b><u>1,714,799,421</u></b>
<b>Deduction:</b>		
Redemptions	(1,667,729,150)	(1,469,255,804)
Direct Plan manager fee	(3,049,726)	(3,270,391)
Administrative fee	(304,972)	(283,814)
Net decrease in fair value of investments	(20,066,283)	-
<b>Total Deductions</b>	<b><u>(1,691,150,131)</u></b>	<b><u>(1,472,810,009)</u></b>
<b>Changes in Net Position</b>	<b><u>152,288,989</u></b>	<b><u>241,989,412</u></b>
Net position - beginning of year	3,345,735,614	3,103,746,202
<b>Net position - end of year</b>	<b><u>\$3,498,024,603</u></b>	<b><u>\$3,345,735,614</u></b>

**CONNECTICUT HIGHER EDUCATION TRUST - DIRECT PLAN**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2020**

	<u>2020</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 93,612
Investments, at value (Cost: \$3,221,865,582)	3,498,303,161
Dividends and interest receivable	2,932,719
Receivable from security transactions	831,149
Receivable from Direct Plan units sold	1,731,367
<b>TOTAL ASSETS</b>	<u>3,503,892,008</u>
<b>LIABILITIES</b>	
Overdraft payable	6,202
Accrued direct plan manager fee	510,256
Accrued administrative fee	51,031
Payable for securities transactions	4,055,293
Payable for Direct plan units redeemed	1,244,623
<b>TOTAL LIABILITIES</b>	<u>5,867,405</u>
<b>NET POSITION</b>	
Held in trust for Account Owners in the Direct Plan	\$ <u>3,498,024,603</u>

See notes to financial statements

**CONNECTICUT HIGHER EDUCATION TRUST - DIRECT PLAN**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<u>2020</u>
<b>ADDITIONS</b>	
Subscriptions	\$ 1,755,208,686
Investment income:	
Interest	12,430,658
Dividends	75,799,776
Total investment income	<u>88,230,434</u>
Total additions	<u>1,843,439,120</u>
<b>DEDUCTIONS</b>	
Redemptions	(1,667,729,150)
Direct plan manager fee	(3,049,726)
Administrative fee	(304,972)
Net decrease in fair value of investments	<u>(20,066,283)</u>
Total deductions	<u>(1,691,150,131)</u>
Change in Net Position	152,288,989
Net Position - Beginning of Year	<u>3,345,735,614</u>
Net Position - End of Year	<u>\$ <u>3,498,024,603</u></u>

See notes to financial statements

## **Note 1 – Organization and Significant Accounting Policies**

The Connecticut Higher Education Trust - Direct Plan (the "Direct Plan") is designed to help people save for the costs of qualified education expenses. The Direct Plan is administered by the Treasurer of the State of Connecticut, as the trustee (the "Trustee") of the Connecticut Higher Education Trust (the "Trust"). The Trustee has the authority to establish, develop, implement and maintain the Direct Plan and to make and enter into contracts to service the Direct Plan. TIAA-CREF Tuition Financing, Inc. ("TFI"), a wholly owned, direct subsidiary of Teachers Insurance and Annuity Association of America ("TIAA"), and the Trustee have entered into a management agreement ("Management Agreement") under which TFI serves as Direct Plan manager. The Direct Plan is intended to meet the requirements of a qualified tuition program under Section 529 of the Internal Revenue Code ("Code"). Investment options (the "Options" or individually "Option"), allocations and fees, as approved by the Trustee, are described in the current Disclosure Booklet for the Direct Plan.

The assets in the Principal Plus Interest Option are allocated to a funding agreement ("Funding Agreement") issued by TIAA-CREF Life Insurance Company ("TIAA Life"), an affiliate of TFI, to the Trust, as policyholder. The Funding Agreement provides for a return of principal plus a guaranteed rate of interest and allows for the possibility that additional interest may be credited as declared periodically by TIAA Life.

Teachers Advisors, LLC ("Advisors"), an affiliate of TFI, is registered with the Securities and Exchange Commission as an investment adviser and provides investment advisory services to the TIAA-CREF Funds (the "Funds"). TIAA-CREF Individual & Institutional Services, LLC ("Services"), a wholly owned, direct subsidiary of TIAA, serves as the primary distributor and underwriter for the Direct Plan and provides certain underwriting and distribution services in furtherance of TFI's marketing plan for the Direct Plan. Services is registered as a broker-dealer under the Securities Exchange Act of 1934, as amended and is a member of the Financial Industry Regulatory Authority.

The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board ("GASB") which may require the use of estimates made by management and the evaluation of subsequent events. Actual results may differ from those estimates. The following is a summary of the significant accounting policies consistently followed by the Direct Plan.

**Other matters:** The outbreak of the novel coronavirus ("COVID-19") and subsequent global pandemic began significantly impacting the U.S. and global financial markets and economies during the calendar quarter ended March 31, 2020. The worldwide spread of COVID-19 has created significant uncertainty in the

global economy. The duration and extent of COVID-19 over the long-term cannot be reasonably estimated at this time. The ultimate impact of COVID-19 and the extent to which COVID-19 impacts the Direct Plans' normal course of business, results of operations, investments, and cash flows will depend on future developments, which are highly uncertain and difficult to predict. Management continues to monitor and evaluate this situation.

**Investment income:** Securities transactions are accounted for as of the trade date for financial reporting purposes. Interest income is recorded as earned. Dividend income and capital gain distributions from the underlying mutual funds are recorded on the ex-dividend date. Income distributions from underlying mutual funds are included in total investment income and gain distributions are included in net increase in fair value of investments. Realized gains and losses are based upon the specific identification method.

**Income tax:** No provision for federal income tax has been recorded. The Direct Plan is designed to constitute a qualified tuition program under Section 529 of the Code and does not expect to have any unrelated business income subject to tax.

**Units:** The beneficial interests for each account owner ("Account Owner") in the Options are represented by Direct Plan units. Subscriptions and redemptions are recorded upon receipt of Account Owner's instructions in good order, based on the next determined net position value per unit ("Unit Value"). Unit Values for each Option are determined at the close of business of the New York Stock Exchange. The Unit Value for financial reporting purposes may differ from the Unit Value for processing transactions. The Unit Value for financial reporting purposes includes security and shareholder transactions through the date of this report. There are no distributions of net investment gains or net investment income to the Option's Account Owners or beneficiaries.

**Subscriptions and redemptions:** Subscriptions on the Statement of Changes in Fiduciary Net Position include any subscriptions to the Direct Plan made by Account Owners and any exchanges within the Direct Plan that result in a reinvestment of assets. Redemptions on the Statement of Changes in Fiduciary Net Position include any redemptions from the Direct Plan made by Account Owners and any exchanges within the Direct Plan that result in a withdrawal and subsequent reinvestment of assets.

## **Note 2 – Valuation of Investments**

Fair value measurements are grouped categorically into three levels, as defined by the GASB. The levels are defined as follows:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, credit spreads, etc.)
- Level 3 – significant unobservable inputs (including the Direct Plan's own assumptions in determining the fair value of

investments)

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

A description of the valuation techniques applied to the Direct Plan's major categories of investments follows:

**Investments in registered investment companies:** These investments are valued at their published net asset value on the valuation date. These investments are categorized in Level 1 of the fair value hierarchy.

**Funding Agreement:** The Funding Agreement, to which the Principal Plus Interest Option allocates assets, is considered a nonparticipating interest-earning investment contract and is accounted for at cost. Because the Funding Agreement is valued at cost, it is not included in the fair value hierarchy.

### Note 3 – Direct Plan Fees

Each Option (with the exception of the Principal Plus Interest Option) pays TFI a Direct Plan manager fee of 0.10% of the average daily net assets of the Option. The Direct Plan manager

fee is subject to reductions if total assets in the Direct Plan reach certain levels. In addition, Advisors is paid investment management fees on the underlying investments in the Funds.

The Principal Plus Interest Option does not pay a Direct Plan manager fee or an administrative fee to the Trustee. TIAA Life, the issuer of the funding agreement in which this Option invests and an affiliate of TFI, makes payments to TFI. As a result, the participant does not incur any expense related to this option.

For its services in administering the Direct Plan, each Option (with the exception of the Principal Plus Interest Option) pays to the Trustee an administrative fee at an annual rate of 0.01% of the average daily net assets of the Option. TIAA Life also pays the Trustee a fee equal to 0.01% of the average daily net assets held by the Principal Plus Interest Option. The fee is deposited in an administrative fund held by the Trustee and then used to pay certain administrative expenses. These amounts are reflected in the expenses on the Statement of Changes in Fiduciary Net Position.

### Note 4 – Investments

Cash deposits: Cash deposits at June 30, 2020 were covered by federal depository insurance coverage.

Investments: As of June 30, 2020, net unrealized appreciation (depreciation) of portfolio investments was \$276,437,579 consisting of gross unrealized appreciation of \$330,460,305 and gross unrealized depreciation of \$54,022,726.

### Note 5 – Investment Risks

Certain investments are subject to a variety of investment risks based on the amount of risk in the underlying funds. GASB

At June 30, 2020, the Direct Plan's investments consist of the following:

	<u>Units</u>	<u>Cost</u>	<u>Value</u>
TIAA-CREF Funds (Institutional Class):			
Bond Index Fund	30,049,182	\$ 324,697,815	\$ 350,373,468
Emerging Markets Equity Index Fund	2,556,078	24,907,512	26,685,454
Equity Index Fund	33,068,112	566,280,079	745,024,556
Growth & Income Fund	997,133	11,739,484	14,039,638
High-Yield Fund	12,401,089	119,156,001	110,989,749
Inflation-Linked Bond Fund	22,629,476	257,127,300	269,969,651
International Equity Index Fund	28,391,287	506,759,353	506,784,479
Money Market Fund	73,510,790	73,510,790	73,510,790
S&P 500 Index Fund	2,802,219	32,776,521	96,088,090
Social Choice Equity Fund	3,214,484	48,754,587	64,803,993
BlackRock Strategic Income Opportunities Fund (Institutional Class)	24,567,561	242,530,857	242,481,828
DFA Emerging Markets Core Equity Portfolio (Institutional Class)	5,454,582	110,032,260	101,837,048
DFA World ex U.S. Core Equity Portfolio (Institutional Class)	1,065,486	11,479,313	10,633,555
Harding Loevner International Equity Portfolio (Institutional Class)	745,417	17,171,460	16,913,503
MetWest Total Return Bond Fund (Institutional Class)	2,767,337	27,807,450	29,997,938
PIMCO All Asset Fund (Institutional Class)	598,234	6,801,701	6,634,411
State Street Institutional Small Cap Equity Fund (Institutional Class)	1,092,090	20,144,088	16,228,460
T. Rowe Price Inst. Large-Cap Growth Fund (Institutional Class)	159,384	3,934,865	7,776,368
T. Rowe Price Inst. Large-Cap Value Fund (Institutional Class)	285,664	5,879,812	5,519,028
Templeton Global Bond Fund (Advisor Class)	4,011,698	46,205,214	39,956,515
Vanguard Mid Cap Index Fund (Institutional Class)	455,385	17,961,579	20,419,457
Vanguard Real Estate Index Fund (Institutional Class)	6,895,274	123,377,938	118,805,579
TIAA-CREF Life Insurance Company:			
Funding Agreements	290,858,900	622,829,603	622,829,603
		<u>\$ 3,221,865,582</u>	<u>\$ 3,498,303,161</u>

requires that entities disclose certain essential risk information about deposits and investments. All of the Direct Plan's Options are uninsured, unregistered and are held by a custodian in the Direct Plan's name.

Investment policy: The Direct Plan does not have specific investment policies which address credit, interest rate, foreign currency or custodial credit risk. The Direct Plan's Options are managed based on specific investment objectives and strategies which are disclosed in the current Direct Plan Disclosure Booklet.

Custodial credit risk: Custodial credit risk represents the potential inability of a custodian to return Direct Plan deposits and investments in the event of a failure. An Account Owner has an investment in an Option and not a direct investment in any underlying mutual fund or other investment vehicle to which funds in that Option may be allocated. Because of this ownership structure, the custodial credit risk is mitigated.

Credit risk: The mutual funds investing primarily in fixed income securities are subject to credit risk. Credit risk refers to the ability of the issuer to make timely payments of interest and principal. The mutual funds do not carry a formal credit quality rating. The

Funding Agreement is a guaranteed insurance product issued by TIAA Life. TIAA Life had a Standard & Poor's credit rating of AA+ at June 30,2020.

Interest rate risk: Interest rate risk represents exposure to changes in the fair value of investments due to volatility in interest rates. At June 30, 2020, the average maturities for the fixed income mutual funds are as follows

Foreign currency risk: Foreign currency risk represents exposure to changes in the fair value of investments due to volatility in exchange rates. The Direct Plan does not have any direct investment in foreign securities. Certain Direct Plan Options allocate assets to mutual funds that are exposed to foreign currency risk. At June 30, 2020, the value of investments in mutual funds that significantly invest in foreign denominated contracts are as follows::

**Note 6 – Guarantees and Indemnifications**

Under the Direct Plan's organizational documents, each officer, employee or other agent of the Direct Plan (including TFI) is indemnified against certain liabilities that may arise out of

**Investment**

	<b><u>Value</u></b>	<b><u>Weighted Average Maturity</u></b>
TIAA-CREF Funds (Institutional Class):		
Bond Index Fund	\$ 350,373,468	8.16 years
High-Yield Fund	110,989,749	6.16 years
Inflation-Linked Bond Fund	269,969,651	5.28 years
BlackRock Strategic Income Opportunities Fund (Institutional Class)	242,481,828	3.26 years
MetWest Total Return Bond Fund (Institutional Class)	29,997,938	7.59 years
PIMCO All Asset Fund (Institutional Class)	6,634,411	8.77 years
Templeton Global Bond Fund (Advisor Class)	39,956,515	2.76 years

**Investment**

	<b><u>Value</u></b>
TIAA-CREF Funds (Institutional Class):	
Emerging Markets Equity Index Fund	\$ 26,685,454
International Equity Index Fund	506,784,479
DFA Emerging Markets Core Equity Portfolio (Institutional Class)	101,837,048
DFA World ex U.S. Core Equity Fund (Institutional Class)	10,633,555
Harding Loevner International Equity Portfolio (Institutional Class)	16,913,503
PIMCO All Asset Fund (Institutional Class)	6,634,411
Templeton Global Bond Fund (Advisor Class)	39,956,515

performance of their duties to the Direct Plan. Additionally, in the normal course of business, the Direct Plan enters into contracts that contain a variety of indemnification clauses. The Direct Plan's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Direct Plan that have not yet occurred. However, the Direct Plan has not had prior claims or losses pursuant to these contracts, and management expects the risk of loss to be remote.

**CONNECTICUT HIGHER EDUCATION TRUST - DIRECT PLAN  
FINANCIAL HIGHLIGHTS  
FOR THE YEAR ENDED JUNE 30, 2020**

	Conservative Managed Allocation Option								
	Age Band within the Conservative Managed Allocation Option								
	Ages 0-4	Ages 5-8	Ages 9-10	Ages 11-12	Ages 13-14	Age 15	Age 16	Age 17	Age 18 & Over
FOR A UNIT OUTSTANDING THROUGHOUT THE YEAR									
Net position value, beginning of year	\$ 10.96	\$ 10.93	\$ 10.87	\$ 10.79	\$ 10.74	\$ 10.66	\$ 10.59	\$ 10.53	\$ 10.45
Gain (loss) from investment operations:									
Net investment income <sup>(a)</sup>	0.30	0.30	0.29	0.30	0.30	0.28	0.27	0.26	0.24
Net realized and unrealized loss on investments	(0.11)	(0.09)	(0.04)	(0.03)	(0.03)	(0.01)	0.01	0.03	0.05
Total gain (loss) from investment operations	0.19	0.21	0.25	0.27	0.27	0.27	0.28	0.29	0.29
Net position value, end of year	\$ 11.15	\$ 11.14	\$ 11.12	\$ 11.06	\$ 11.01	\$ 10.93	\$ 10.87	\$ 10.82	\$ 10.74
TOTAL RETURN	1.73%	1.92%	2.30%	2.50%	2.51%	2.53%	2.64%	2.75%	2.78%
RATIOS AND SUPPLEMENTAL DATA									
Net position at end of year (in thousands)	\$ 11,365	\$ 22,038	\$ 13,774	\$ 14,930	\$ 17,654	\$ 10,222	\$ 14,544	\$ 16,462	\$ 42,488
Ratio of expenses to average net position <sup>(b)</sup>	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%
Ratio of net investment income to average net position	2.69%	2.69%	2.67%	2.77%	2.78%	2.63%	2.49%	2.40%	2.24%

	Moderate Managed Allocation Option								
	Age Band within the Moderate Managed Allocation Option								
	Ages 0-4	Ages 5-8	Ages 9-10	Ages 11-12	Ages 13-14	Age 15	Age 16	Age 17	Age 18 & Over
FOR A UNIT OUTSTANDING THROUGHOUT THE YEAR									
Net position value, beginning of year	\$ 11.17	\$ 11.08	\$ 10.99	\$ 10.93	\$ 10.86	\$ 10.82	\$ 10.78	\$ 10.72	\$ 10.61
Gain (loss) from investment operations:									
Net investment income <sup>(a)</sup>	0.30	0.30	0.30	0.29	0.29	0.29	0.28	0.28	0.26
Net realized and unrealized loss on investments	(0.30)	(0.20)	(0.16)	(0.06)	0.04	0.01	0.02	(0.01)	(0.03)
Total gain (loss) from investment operations	0.00	0.10	0.14	0.23	0.33	0.30	0.30	0.27	0.23
Net position value, end of year	\$ 11.17	\$ 11.18	\$ 11.13	\$ 11.16	\$ 11.19	\$ 11.12	\$ 11.08	\$ 10.99	\$ 10.84
TOTAL RETURN	0.00%	0.90%	1.27%	2.10%	3.04%	2.77%	2.78%	2.52%	2.17%
RATIOS AND SUPPLEMENTAL DATA									
Net position at end of year (in thousands)	\$ 49,069	\$ 113,329	\$ 95,493	\$ 127,058	\$ 175,741	\$ 97,779	\$ 108,046	\$ 116,325	\$ 356,882
Ratio of expenses to average net position <sup>(b)</sup>	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%
Ratio of net investment income to average net position	2.70%	2.66%	2.74%	2.63%	2.62%	2.64%	2.61%	2.60%	2.46%

(a) Based on average units outstanding

(b) Does not include expenses on Direct Plan investments in the TIAA-CREF Funds and other third-party mutual funds



**CONNECTICUT HIGHER EDUCATION TRUST - DIRECT PLAN  
FINANCIAL HIGHLIGHTS  
FOR THE YEAR ENDED JUNE 30, 2020**

	Aggressive Managed Allocation Option								
	Age Band within the Aggressive Managed Allocation Option								
	Ages 0-4	Ages 5-8	Ages 9-10	Ages 11-12	Ages 13-14	Age 15	Age 16	Age 17	Age 18 & Over
FOR A UNIT OUTSTANDING THROUGHOUT THE YEAR									
Net position value, beginning of year	\$ 11.23	\$ 11.19	\$ 11.16	\$ 11.10	\$ 11.04	\$ 10.98	\$ 10.93	\$ 10.88	\$ 10.75
Gain (loss) from investment operations:									
Net investment income(a)	0.29	0.29	0.29	0.29	0.28	0.28	0.28	0.27	0.27
Net realized and unrealized loss on investments	(0.28)	(0.23)	(0.21)	(0.16)	(0.09)	(0.05)	0.01	0.09	0.01
Total gain (loss) from investment operations	0.01	0.06	0.08	0.13	0.19	0.23	0.29	0.36	0.28
Net position value, end of year	\$ 11.24	\$ 11.25	\$ 11.24	\$ 11.23	\$ 11.23	\$ 11.21	\$ 11.22	\$ 11.24	\$ 11.03
TOTAL RETURN	0.09%	0.54%	0.72%	1.17%	1.72%	2.09%	2.65%	3.31%	2.60%

**RATIOS AND SUPPLEMENTAL DATA**

Net position at end of year (in thousands)	\$ 80,309	\$137,679	\$91,850	\$ 106,380	\$ 97,644	\$45,344	\$40,248	\$37,404	\$82,382
Ratio of expenses to average net position(b)	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%
Ratio of net investment income to average net position	2.59%	2.58%	2.59%	2.57%	2.50%	2.55%	2.53%	2.46%	2.47%

	Multi-Fund Investment Option										
	Global Equity Index Option	Global Tactical Asset Allocation Option	International Equity Index Option	Active Global Equity Option	U.S. Equity Index Option	High Equity Balanced Option	Active Fixed-Income Option	Social Choice Option	Index Fixed-Income Option	Money Market Option	Principal Plus Interest Option
FOR A UNIT OUTSTANDING THROUGHOUT THE YEAR											
Net position value, beginning of year	\$ 20.74	\$ 11.23	\$ 11.78	\$ 20.36	\$ 15.07	\$ 24.82	\$ 17.41	\$ 25.31	\$ 12.72	\$ 10.48	\$ 16.35
Gain (loss) from investment operations:											
Net investment income(a)	0.51	0.36	0.35	0.76	0.26	0.58	0.53	1.26	0.32	0.12	0.37
Net realized and unrealized loss on investments	(0.44)	(0.63)	(0.91)	(0.61)	0.70	(0.31)	0.27	0.76	0.77	0.01	0.01
Total gain (loss) from investment operations	0.07	(0.27)	(0.56)	0.15	0.96	0.27	0.80	2.02	1.09	0.13	0.38
Net position value, end of year	\$ 20.81	\$ 10.96	\$ 11.22	\$ 20.51	\$ 16.03	\$ 25.09	\$ 18.21	\$ 27.33	\$ 13.81	\$ 10.61	\$ 16.73
TOTAL RETURN	0.34%	(2.40)%	(4.75)%	0.74%	6.37%	1.09%	4.54%	7.98%	8.57%	1.24%	2.26%

**RATIOS AND SUPPLEMENTAL DATA**

Net position at end of year (in thousands)	\$ 222,685	\$ 6,634	\$17,986	\$ 58,995	\$ 188,303	\$ 293,256	\$ 58,848	\$ 64,798	\$ 37,497	\$ 73,504	\$ 353,079
Ratio of expenses to average net position(b)	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	- %
Ratio of net investment income to average net position	2.49%	3.26%	3.05%	3.79%	1.70%	2.35%	2.99%	4.82%	2.38%	1.16%	2.23%

(a) Based on average units outstanding

(b) Does not include expenses on Direct Plan investments in the TIAA-CREF Funds and other third-party mutual funds

## Connecticut Higher Education Trust Program Advisor Plan

### *Independent Auditors' Report*

To the State Treasurer as Trustee of the Connecticut Higher Education Trust

#### **Report on Financial Statements**

We have audited the accompanying statement of fiduciary net position of the Connecticut Higher Education Trust Program Advisor Plan (the "Plan"), a Plan of the State of Connecticut, as of and for the year ended June 30, 2020, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan, as of June 30, 2020, and the respective changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Other Matters**

##### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 and 4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial

## Connecticut Higher Education Trust Program Advisor Plan

### *Independent Auditors' Report*

statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statements of fiduciary net position, the combining statements of changes in fiduciary net position, and financial highlights, as listed in the table of contents, on pages 13 through 31 are supplemental schedules presented for purposes of additional analysis and are not a required part of the basic financial statements.

These supplemental schedules are the responsibility of the Plan's management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2020 on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Plan's internal control over financial reporting and compliance.

The logo for Deloitte + Touche LLP, featuring the company name in a stylized, handwritten-style font.

Philadelphia, Pennsylvania  
September 25, 2020

# CONNECTICUT HIGHER EDUCATION TRUST – ADVISOR PLAN MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)

The Connecticut Higher Education Trust (“CHET” or the “Trust”) Program (the “Program”) was formed on July 1, 1997, by Connecticut law, to help people save for the costs of education after high school. The Program is administered by the Treasurer of the State of Connecticut, as trustee (the “Trustee”) of the Trust. The Trustee has the authority to enter into contracts for program management services, adopt regulations for the administration of the Program, and establish investment policies for the Program. The Program consists of two components – CHET Direct Plan, which is offered directly by the State of Connecticut, and an advisor plan which began on September 30, 2010 (“CHET Advisor Plan” or “Plan”). Hartford Funds Management Company, LLC (“HFMC”) serves as plan manager to the CHET Advisor Plan (the “Plan Manager”). The Hartford Financial Services Group, Inc. (“The Hartford”), HFMC’s ultimate parent company, has provided insurance and other financial management services for its clients since 1810. As Plan Manager, HFMC provides readers of the financial statements of the CHET Advisor Plan this discussion and analysis of the financial performance as of and for the fiscal year ended June 30, 2020. The following should be considered in conjunction with the Plan’s financial statements and notes to financial statements, which follow this section.

These financial statements are intended for use in connection with an account opened in the CHET Advisor Plan only, and are not intended to include information relevant to the CHET Direct Plan, which is described in a separate report, and offers investment options different from those offered under the CHET Advisor Plan. For more information on the CHET Direct Plan, you may call 1-888-799-2438 or go to [www.aboutchet.com](http://www.aboutchet.com).

On December 20, 2019, the Setting Every Community Up for Retirement Enhancement (SECURE) Act, expanded the expenses treated as Qualified Higher Education Expenses to include certain student loan payments and costs of apprenticeship programs. Effective for distributions taken beginning January 1, 2019, the earnings portion of a distribution from an account in a 529 plan used for student loans and apprenticeship programs expenses, subject to the requirements in the SECURE Act, will not be subject to federal income tax.

## Financial Highlights

The following financial highlights occurred during the year ended June 30, 2020:

- The Plan had contributions of \$91.7 million and withdrawals of \$55.5 million during the year;
- At June 30, 2020, the Plan’s Fiduciary Net Position totaled \$684.7 million, an increase of \$50 million, or 7.9%, since June 30, 2019;
- The Plan had \$11.0 million from investment income, \$9.8 million from capital gain distributions received from underlying funds, \$0.4 million from net change in unrealized depreciation on underlying fund shares, and net realized loss on sale of underlying fund shares of \$3.5 million during the year. The Plan incurred \$3.2 million for operating expenses during the year.

## Overview of the Financial Statements

The Plan’s financial statements are prepared in accordance with Governmental Accounting Standards Board (“GASB”) No. 34, Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments.

This annual report consists of two sections: Management’s discussion and analysis (this section) and the basic financial statements. The basic financial statements include the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position and the Notes to Financial Statements. The statements are prepared using the accrual basis of accounting. Contributions and withdrawals are recognized on trade date; expenses and liabilities are recognized when services are provided, regardless of when cash is disbursed.

The Statement of Fiduciary Net Position presents information on all of the Plan’s assets and liabilities, with the difference reported as net position.

The Statement of Changes in Fiduciary Net Position reports the additions and deductions to the Plan for the fiscal year.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

This report presents the operating results and financial status of the Plan and represents assets held for benefit of parties outside the governmental entity.

## FINANCIAL ANALYSIS

Fiduciary Net Position: The following is a condensed Statement

of Fiduciary Net Position for the Plan as of June 30, 2020 and June 30, 2019, respectively.

Total Fiduciary Net Position represents cumulative contributions from participants since the Plan's inception, plus net increases and decreases from investment operations less withdrawals and expenses.

	<b>2020</b>	<b>2019</b>
<b>Assets:</b>		
Investments	\$ 684,778,539	\$ 634,900,208
Receivables	578,293	900,093
<b>Total Assets</b>	<b>685,356,832</b>	<b>635,800,301</b>
<b>Liabilities:</b>		
Payables and other liabilities	518,074	870,793
Accrued expenses	124,371	116,046
<b>Total liabilities</b>	<b>642,445</b>	<b>986,839</b>
<b>Fiduciary Net Position</b>	<b>\$ 684,714,387</b>	<b>\$ 634,813,462</b>

Investments make up 100% of total Fiduciary Net Position, and consist of 25 investment options, each of which is invested in underlying mutual funds, except the CHET Advisor Stable Value 529 Portfolio which is invested in a separate account. Receivables include receivables for investments sold, receivables for units sold and dividends receivable. Liabilities consist of payables for investments purchased, payables for units redeemed, and payables for accrued distribution fees, plan manager fees and administrative fees.

Changes in Net Position: The following is a condensed Statement of Changes in Fiduciary Net Position for the Plan for the years ended June 30, 2020 and June 30, 2019.

	<b>2020</b>	<b>2019</b>
<b>Additions:</b>		
Contributions	\$ 91,687,934	\$ 89,347,936
Transfers in*	238,950,546	221,598,924
Increase from investments operations	16,915,983	36,975,511
<b>Total Additions</b>	<b>347,554,463</b>	<b>347,922,371</b>
<b>Deduction:</b>		
Withdrawals	55,489,284	53,304,453
Transfers out *	238,964,180	221,609,963
Expenses after fees waived	3,200,074	3,016,730
<b>Total Deductions</b>	<b>297,653,538</b>	<b>277,931,146</b>
<b>Changes in Net Position</b>	<b>49,900,925</b>	<b>69,991,225</b>
<b>Fiduciary Net position - beginning of year</b>	<b>634,813,462</b>	<b>564,822,237</b>
<b>Fiduciary Net position - end of year</b>	<b>\$ 684,714,387</b>	<b>\$ 634,813,462</b>

\* Transfers in may not offset transfers out as a transfer out of CHET Advisor Stable Value 529 Portfolio into another investment option will incur the sales charge of the new investment option.

**CONNECTICUT HIGHER EDUCATION TRUST - ADVISOR PLAN**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2020**

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**Assets:**

Investments in underlying mutual funds at fair value (cost \$551,598,657)	\$557,447,411
Fully benefit-responsive investment contracts at contract value (cost \$123,495,820) (See Note 7)	127,331,128
Receivables:	
Investments sold	140,798
Units sold	239,362
Dividends and capital gain distribution received from underlying funds	198,133
Total assets	<u>685,356,832</u>

**Liabilities:**

Payables:	
Investments purchased	295,584
Units redeemed	222,490
Accrued distribution fees	29,194
Accrued plan manager fees	89,578
Accrued administrative fees	5,599
Total liabilities	<u>642,445</u>
<b>Fiduciary Net Position</b>	<u><b>\$684,714,387</b></u>

See Notes to Financial Statements.

**CONNECTICUT HIGHER EDUCATION TRUST - ADVISOR PLAN  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2020**

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**ADDITIONS**

Contribution from account holders	\$ 91,687,934
Transfer in *	238,950,546
Increase from investment operations:	
Investment Income	10,998,346
Capital gain distribution received from underlying funds	9,809,887
Net realized loss on sale of underlying fund shares	(3,511,405)
Net change in unrealized appreciation on underlying fund shares	(380,845)
Net increase from investment operations	<u>16,915,983</u>
Total additions	<u>347,554,463</u>

**DEDUCTIONS**

Withdrawals by account holders	55,489,284
Transfer out *	238,964,180
Expenses:	
Administrative fees	64,808
Plan manager fees	1,036,883
Distribution fees	2,098,383
Total expenses	<u>3,200,074</u>
Total deductions	<u>297,653,538</u>
Net increase in fiduciary net position	<u>49,900,925</u>
Beginning of year	<u>634,813,462</u>
End of year	<u>\$ 684,714,387</u>

\* Transfers in may not offset transfers out as a transfer out of CHET Advisor Stable Value 529 Portfolio into another investment option will incur the sales charge of the new investment option.

See Notes to Financial Statements.

## **Note 1 - Organization**

The CHET Advisor Plan is a qualified tuition program. The Treasurer of the State of Connecticut serves as Trustee of the Trust. HFMC serves as Plan Manager and manages the Plan under the direction of the Trustee. The Plan is intended to meet the requirements of the qualified tuition program under Section 529 of the Internal Revenue Code and was established pursuant to the Connecticut General Statutes Section 3-22f to 3-22o. Investment options and allocations, as adopted by the Trustee, are described in the current Disclosure Booklet for the Program.

The Plan offers Age-Based Investment Options tailored to the length of time until the designated beneficiary reaches college age, Static Investment Options that allow investing in fixed allocations of underlying investments or Individual Investment

Options (collectively, "Investment Options" or "Portfolios") that each invest in an underlying individual portfolio. As of June 30, 2020, the CHET Advisor Plan consists of 25 portfolios that make up the Investment Options in which plan participants can direct their contributions. These Investment Options are as follows:

### **Age-Based Investment Options**

CHET Advisor Age-Based Portfolio 0-3  
CHET Advisor Age-Based Portfolio 4-6  
CHET Advisor Age-Based Portfolio 7-9  
CHET Advisor Age-Based Portfolio 10-11  
CHET Advisor Age-Based Portfolio 12-13  
CHET Advisor Age-Based Portfolio 14-15  
CHET Advisor Age-Based Portfolio 16  
CHET Advisor Age-Based Portfolio 17  
CHET Advisor Age-Based Portfolio 18+

### **Static Investment Options**

CHET Advisor Aggressive Growth Portfolio  
CHET Advisor Balanced Portfolio  
CHET Advisor Conservative Portfolio  
CHET Advisor Growth Portfolio

### **Individual Investment Options**

Hartford Balanced Income 529 Portfolio  
Hartford Core Equity 529 Portfolio  
Hartford Dividend and Growth 529 Portfolio  
Hartford Equity Income 529 Portfolio  
Hartford Growth Opportunities 529 Portfolio  
Hartford Inflation Plus 529 Portfolio  
Hartford International Opportunities 529 Portfolio  
Hartford MidCap 529 Portfolio  
Hartford Small Cap Growth 529 Portfolio  
Hartford Total Return Bond 529 Portfolio  
Hartford World Bond 529 Portfolio  
CHET Advisor Stable Value 529 Portfolio



The Investment Options are not mutual funds and have not been registered with the U.S. Securities and Exchange Commission. The Investment Options invest their assets in Class F shares of underlying mutual funds of HFMC, Institutional shares of the iShares Russell Mid-Cap Index Fund and iShares Russell 1000 Large-Cap Index Fund, mutual funds unaffiliated with Hartford Funds (together, the “Underlying Mutual Funds”). BlackRock Advisors, LLC serves as the investment adviser for iShares Russell Mid-Cap Index Fund. The iShares Russell 1000 Large-Cap Index Fund is a “feeder” fund that invests all of its assets in Large Cap Index Master Portfolio, which has the same investment objective, strategies and policies as the iShares Russell 1000 Large-Cap Index Fund. BlackRock Fund Advisors serves as investment adviser to the Large Cap Index Master Portfolio. In addition, certain Investment Options invest in a stable value fund, which is a separate account and not a mutual fund, managed by Invesco Advisers, Inc. (“Invesco”) (the “CHET Advisor Stable Value Account”, and together with the Underlying Mutual Funds, the “Underlying Funds”).

Financial statements of the Underlying Mutual Funds contain additional information about the expenses and investments of the Underlying Mutual Funds and are available from the EDGAR database on the Securities and Exchange Commission website at <http://www.sec.gov>.

The Investment Options offer Class A Units, Class C Units and Class E Units. Each Class of Units has a different fee structure determined by the sales charge. The following Class A front-end sales charge schedule is for all Investment Options except the CHET Advisor Stable Value 529 Portfolio\* for which there is no front-end sales charge:

Contribution and Value of Accounts	Sales Charge as a Percentage of Contribution	Dealer Concession
Less than \$99,999.99	2.50%	2.50%
\$100,000 - \$249,999.99	2.25%	2.25%
\$250,000-\$499,999.99	1.75%	1.75%
\$500,000 - \$999,999.99	1.25%	1.25%
\$1,000,000 and greater	0.00%**	1.00%

\* A transfer into another investment option at a later date will result in your Account being charged the sales charge of the new investment option.

\*\* There is a contingent deferred sales charge of 1.00% for shares sold within 18 months unless a dealer waives its right to an up-front commission

Class C units are sold with a contingent deferred sales charge of up to 1.00% on units redeemed within 12 months for all 529 portfolios other than CHET Advisor Stable Value 529 Portfolio for which there is no contingent deferred sales charge. Class C units convert to Class A units after four years. Class E units

are sold without sales charges to certain eligible investors. All classes of units have identical withdrawal, dividend, liquidation, and other rights and the same terms and conditions, with the exception that each class may have different expenses, which may affect performance.

## **Note 2 - Significant Accounting Policies**

The following is a summary of significant accounting policies of the CHET Advisor Plan in the preparation of its financial statements, which are in accordance with United States Generally Accepted Accounting Principles (“U.S. GAAP”), as defined by the GASB. The preparation of financial statements in accordance with U.S. GAAP may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of increases and decreases in fiduciary net position from operations during the reporting period. Actual results could differ from those estimates.

**Determination of Net Position Value (“NPV”) –** The NPV of each class of the Investment Option’s units is based on the value of all underlying investment holdings, determined as of the close of regular trading (normally 4:00 p.m. Eastern Time) (the “NYSE Close”) on each day that the New York Stock Exchange is open (“Valuation Date”). Information that becomes known to the Investment Option after the NPV has been calculated on a particular day will not generally be used to retroactively adjust the NPV determined earlier that day.

**Investment Valuation –** Investments in open-end mutual funds are valued at the Net Asset Value per share as determined as of the NYSE closing daily. The underlying assets in the CHET Advisor Stable Value Account are marked to market daily and reported to the Plan. In addition, wrap contracts with respect to

the underlying assets in the CHET Advisor Stable Value Account seek to provide for minimal fluctuation in principal values. The wrap contracts are valued by Invesco and reported to the Plan Manager monthly at contract value (also known as book value).

**Fair Value Measurements –** The Investment Options’ investments valuation process is based on several considerations and may use multiple inputs to determine the fair value of the investments held by the Investment Option. In conformity with U.S. GAAP, the inputs used to determine a valuation are classified into three broad levels.

- Level 1 valuation inputs consist of unadjusted quoted prices in an active market for identical assets and liabilities.

• Level 2 valuation inputs consist of direct or indirect observable market data (including quoted prices for comparable investments, evaluations of subsequent market events, interest rates, prepayment speeds, credit risk, etc.).

• Level 3 valuation inputs consist of unobservable data (including the Plan Manager's own assumptions).

The level classification is based on the lowest level input that is significant to the fair valuation measurement. The valuation inputs are not necessarily an indication of the risks associated with investing in these Underlying Funds or other financial instruments. There were no significant transfers between levels during the year.

At year end, the Investment Options' Underlying Mutual Funds were classified as Level 1.

At year end, CHET Advisor Stable Value Account investments are held at contract value and are excluded from the fair value hierarchy.

### **Security Transactions and Investment Income –**

Underlying Fund transactions are recorded as of the trade date (the date the order to buy or sell is executed) for financial reporting purposes. Realized gains and losses are determined on the basis of specific identified cost. Income and realized and unrealized gains and losses of each class are allocated daily based on the relative fiduciary net position of each class of units of the Investment Option.

Income and capital gain distributions from Underlying Funds are recorded on the ex-dividend date.

**Units –** Contributions by a participant are evidenced through the issuance of units in the particular Investment Option according to the investment elections made by the participant. Contributions and withdrawals are subject to terms and limitations defined in the participation agreement between the participant and the CHET Advisor Plan. Contributions are invested in units of the assigned Investment Option on the same day as the credit of the contribution to the participant's account. Withdrawals are based on the unit value calculated for such Investment Option on the day that the withdrawal request is accepted. The earnings portion of non-qualified withdrawals, in addition to applicable federal and state income taxes, may be subject to a 10% non-qualified withdrawal penalty to be withheld from the amount withdrawn.

Transfers of participant assets between Investment Options and classes within those Investment Options are referred to as transfers on the Statements of Changes in Fiduciary Net Position. Subject to certain limitations and restrictions, participants may

generally direct their assets to be reinvested in one or more Investment Options twice each calendar year. For each Age-Based Investment Option, account balances are automatically transferred when a beneficiary reaches the next age band.

**Receivables –** Receivables for Underlying Funds sold and receivables from units sold to participants of the CHET Advisor Plan represent the sales of the Underlying Funds held by the Investment Options and the contributions of the participants that have not settled as of the reporting date, respectively. Receivables for dividends and capital gain distributions represent the dividends and capital gain distributions earned but not settled as of the reporting date.

**Payables –** Payables for Underlying Funds purchased and payables from units redeemed from participants of the CHET Advisor Plan represent the purchases of the Underlying Funds held by the Investment Options and the withdrawals of the participants that have not settled as of the reporting date, respectively.

**Expenses –** Expenses are recorded on the accrual basis of accounting. Under this method of accounting, expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

### **Note 3 - Investment Risks**

The CHET Advisor Plan's investments represent shares of the Underlying Funds, rather than individual securities and therefore, are not subject to classification by custodial credit risk or disclosure of concentration of credit risk under GASB Statement No. 40, Deposit and Investment Risk Disclosures. The Underlying Funds are not rated by any nationally recognized statistical rating organization.

An Investment Option is exposed to the risks of the Underlying Funds in direct proportion to the amount of assets the Investment Option allocates to each Underlying Fund.

**Interest Rate Risks –** Certain Underlying Funds invest in debt securities, including bonds, and are subject to interest rate risk. Declining interest rates generally increase the value of existing debt instruments, and rising interest rates generally decrease the value of existing debt instruments. The exposure to interest rate risk is greater with Underlying Funds with longer average effective maturity and average effective duration.

Certain Underlying Funds listed below have investments with exposure to interest rate risk. As of June 30, 2020, the average effective maturity and the average effective duration measured in years are as follows:

	<u>Average Effective Maturity</u>	<u>Average Effective Duration</u>
The Hartford Balanced Income Fund	11.78	8.07
The Hartford Inflation Plus Fund	5.96	5.00
The Hartford Strategic Income Fund	9.34	4.92
The Hartford Total Return Bond Fund	8.69	5.88
The Hartford World Bond Fund	3.78	2.60
CHET Advisor Stable Value Account	7.39	2.82

**Market Risks –** In the normal course of business, the Underlying Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk). The market values of Underlying Funds may decline due to general market conditions, which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The market value of equity securities may also decline due to factors, which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

A widespread health crisis, such as a global pandemic, could cause substantial market volatility, exchange trading suspensions or restrictions and closures of securities exchanges and businesses, impact the ability to complete redemptions, and adversely impact 529 Portfolio underlying investments performance. A recent outbreak of COVID-19, a respiratory disease caused by a novel coronavirus, has negatively affected the worldwide economy, the financial health of individual companies and the market in significant and unforeseen ways. The future impact of COVID-19 is currently unknown. The effects to public health, business and market conditions resulting from COVID-19 pandemic may have a significant negative impact on the performance of a 529 Portfolio underlying investments, including exacerbating other pre-existing political, social and economic risks.

**Foreign Currency Risks –** Certain Underlying Funds invest in foreign securities. Certain additional risks are involved when investing in foreign securities that are not inherent with investments in domestic securities. These risks may involve foreign exchange rate fluctuations, adverse political and economic developments and the possible prevention of currency exchange or other foreign governmental laws or restrictions. In addition, the liquidity of foreign securities may be more limited than that

of domestic securities.

**Credit Risks –** Certain Underlying Funds invest in fixed-income securities and are subject to credit risks. Generally credit risk is the risk that an issuer (issuer credit risk) or other counterparty (counterparty credit risk) to an investment will not fulfill its obligation to the holder of the investment. Financial assets, which potentially expose the Underlying Funds to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Underlying Funds' exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value as recorded in the Underlying Funds' Statements of Assets and Liabilities. Refer to the prospectuses and financial statements of the Underlying Funds for information on the respective Underlying Fund's investment strategies.

**Note 4 - Federal and State Income Tax**

The Program has been designated to comply with the requirements for treatment as a qualified state tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax. Therefore, no provision for income tax is required.

**Note 5 - Plan Management and Other Fees**

Allocable expenses incurred by the CHET Advisor Plan are allocated to each Investment Option and allocated to classes within the Investment Option in proportion to the average daily fiduciary net position of the Investment Option and each class, except where otherwise noted.

**Plan Manager Fee –** The Plan Manager has entered into a Plan Management Agreement with the Trust which provides for the payment of a Plan Manager Fee for services performed on behalf of the Trust. Currently, the Plan Manager Fee is 0.16%

<u>Class of Units</u>	<u>Annual</u>
Class A	0.25%
Class C	1.00% *

\* All portfolios other than CHET Advisor Stable Value 529 Portfolio, which the fee is 0.25%.

and is accrued daily and paid monthly to HFMC. In addition, HFMC receives investment management fees from the underlying Hartford mutual funds. The Plan Manager also receives fees from the unaffiliated investment products.

**Portfolio Fee** – The CHET Advisor Stable Value Account, the underlying account, incurs a fee of 0.22% which includes an investment management fee and other expenses, but does not include wrap fees. This is an indirect fee charged on the underlying account and not a direct fee incurred by Account Owners.

**Administrative Fee** – The Administrative Fee of 0.01% is charged to pay the Trust's expenses related to the overall operation of the Connecticut Higher Education Trust. This fee is accrued and deducted daily as a percentage of average daily fiduciary net position of the Investment Options and paid monthly.

**Annual Distribution Fee** – The CHET Advisor Plan is authorized to charge an annual distribution fee to compensate Hartford Funds Distributors, LLC ("HFD"), an affiliate of HFMC, for activities intended to result in the sale and distribution of Classes A and C units and for providing services for account owners. This fee is accrued and deducted daily as a percentage of average fiduciary net position in the Investment Options and paid monthly. From its receipt of the annual distribution fee, HFD

may compensate other entities for distributing units of the CHET Advisor Plan. As of June 30, 2020, the amount of distribution fees paid was \$2,098,383. The schedule below reflects the distribution fee effective rate at June 30, 2020:\* All portfolios other than CHET Advisor Stable Value 529 Portfolio, which the fee is 0.25%.

#### **Note 6 - Affiliate Holdings**

As of June 30, 2020, affiliates of the Plan Manager had ownership in certain Investment Options in order to create startup capital. As of June 30, 2020, affiliates of The Hartford owned 0.54% of the units outstanding of Hartford Balanced Income 529 Portfolio.

#### **Note 7 - Investments**

HFMC manages the Plan's investments in 25 different portfolios. Each portfolio invests in underlying mutual funds, other than the CHET Advisor Stable Value Account which is not a mutual fund. The CHET Advisor Stable Value 529 Portfolio investment objectives are to preserve principal and interest income, to maintain liquidity for inter-fund transfers and withdrawals, and to provide for a portfolio book value crediting rate that moves generally in the direction of prevailing market rates. The CHET Advisor Stable Value 529 Portfolio seeks to maximize current income while preserving principal and delivering stable investment returns. Except for the CHET Advisor Stable Value Account, investments

are reported at fair value, which is the same as the value of the pool shares, and are accounted for by the Plan accordingly, with changes in the fair value included in investment earnings. The CHET Advisor Stable Value Account is a synthetic guaranteed investment contract, which is a form of derivative instrument as

defined by GASB, and accordingly is reported at contract value in accordance with GASB standards. Changes in contract value are included in investment earnings. The fair value and the contract value of the CHET Advisor Stable Value Account as of June 30, 2020 are as follows:

	<u>Fair Value</u>	<u>Contract Value</u>
Underlying Investments	\$ 132,012,106	\$ 127,331,128
Wrap Contract	-	-
Total CHET Advisor Stable Value Account	<u>\$ 132,012,106</u>	<u>\$ 127,331,128</u>

The following table represents a calculation of the net change in investments during the year ended June 30, 2020:

Investments at fair value, end of year*	\$ 634,778,539
Less cost of investments purchased during year	(181,793,598)
Plus, cost relieved from investments sold during year	131,534,422
Less investments at fair value, beginning of year*	(634,900,208)
Net appreciation of investments during year	<u>\$ (380,845)</u>

\* Includes Contract Value of CHET Advisor Stable Value Account

Investments on the Combining Statements of Fiduciary Net Position consist of the following as of June 30, 2020:

<u>CHET Advisor Plan</u>	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
CHET Advisor Stable Value Account*	12,049,730	\$123,495,820	\$127,331,128
iShares Russell 1000 Large-Cap Index Fund, Institutional Class	735,525	12,814,048.00	\$14,938,506
iShares Russell Mid-Cap Index Fund, Institutional Class	1,096,261	11,213,804.00	\$11,159,933
Hartford Core Equity Fund, Class F	2,089,453	60,221,767.00	\$70,184,718
Hartford Schroders Emerging Markets Equity Fund, Class F	1,092,087	16,829,457.00	\$16,599,718
The Hartford Balanced Income Fund, Class F	220,699	3,133,288.00	\$3,167,036
The Hartford Dividend and Growth Fund, Class F	3,080,409	75,595,943.00	\$71,650,324
The Hartford Equity Income Fund, Class F	3,465,621	65,136,683.00	\$58,465,032
The Hartford Growth Opportunities Fund, Class F	482,130	19,873,138.00	\$24,588,652
The Hartford Inflation Plus Fund, Class F	4,259,378	45,719,466.00	\$46,895,757
The Hartford International Opportunities Fund, Class F	3,658,992	55,562,085.00	\$56,202,110
The Hartford International Value Fund, Class F	2,834,664	39,907,244.00	\$32,286,821
The Hartford MidCap Fund, Class F	461,577	13,138,674.00	\$13,939,622
The Hartford Small Cap Growth Fund, Class F	455,719	21,422,213.00	\$22,571,765
The Hartford Strategic Income Fund, Class F	4,414,799	38,327,725.00	\$39,026,826
The Hartford Total Return Bond Fund, Class F	4,975,648	51,622,506.00	\$54,682,371
The Hartford World Bond Fund, Class F	1,996,990	21,080,616.00	\$21,088,220
		<u>\$675,094,477</u>	<u>\$684,778,539</u>

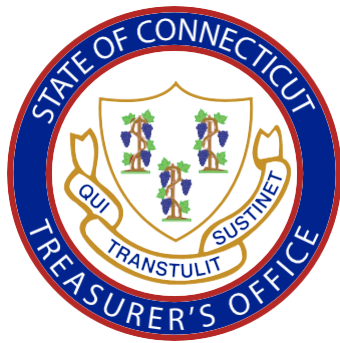
\* Contract Value

### **Note 8 – Subsequent Event**

Subsequent events have been evaluated through September 25, 2020, which is the date the financial statements were available to be issued. Other than identified below, there were no subsequent events identified related to the CHET Advisor Plan that could have a material impact on the CHET Advisor Plan's financial statements.

HFMC's management agreement with the Connecticut Higher Education Trust to serve as plan manager, which had an initial

term from August 31, 2010 through August 30, 2017, and which was extended most recently through August 30, 2020, has been further extended through the beginning of 2021 ("Extension Period"). In the first quarter of 2020, the State of Connecticut (the "State") issued a "Request for Proposal" for a program manager for the CHET Advisor Plan, as well as the CHET Direct Plan, and HFMC submitted such a bid. The State has not issued a press release on the selection of the CHET Advisor Plan Manager. HFMC will continue to act as plan manager through the Extension Period of the current management agreement.



**CONNECTICUT HIGHER EDUCATION TRUST - ADVISOR PLAN  
SUPPLEMENTAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2020**

— Selected Per-Share Data <sup>(1)</sup> —						— Ratios and Supplemental Data —				
Class	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return Based on Net Position Value per Unit	Net Position at End of Period (000's)	Ratio of Net Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Positions	Portfolio Turnover <sup>(2)</sup>
<b>CHET Advisor Age-Based Portfolio 0-3</b>										
Class A \$	11.14	\$ 0.17	\$ (0.39)	\$ (0.22)	10.92	(1.97)%	14,913	0.42%	1.54%	47%
Class C	10.99	0.09	(0.38)	(0.29)	10.70	(2.64)	1,842	1.17	0.79	47
Class E	11.19	0.19	(0.39)	(0.20)	10.99	(1.79)	1,321	0.17	1.74	47
<b>CHET Advisor Age-Based Portfolio 4-6</b>										
Class A \$	20.31	\$ 0.34	\$ (0.34)	\$ 0.00	20.31	0.00%	30,244	0.42%	1.66%	24%
Class C	19.03	0.17	(0.32)	(0.15)	18.88	(0.79)	3,674	1.17	0.89	24
Class E	20.76	0.40	(0.35)	0.05	20.81	0.24	3,940	0.17	1.94	24
<b>CHET Advisor Age-Based Portfolio 7-9</b>										
Class A \$	11.03	\$ 0.20	\$ (0.04)	\$ 0.16	11.19	1.45%	52,980	0.42%	1.83%	19%
Class C	10.89	0.11	(0.04)	0.07	10.96	0.64	5,223	1.17	1.05	19
Class E	11.08	0.23	(0.05)	0.18	11.26	1.62	4,851	0.17	2.08	19
<b>CHET Advisor Age-Based Portfolio 10-11</b>										
Class A \$	18.02	\$ 0.31	\$ 0.06	\$ 0.37	18.39	2.05%	39,194	0.42%	1.69%	17%
Class C	16.88	0.17	0.05	0.22	17.10	1.30	3,322	1.17	1.00	17
Class E	18.41	0.36	0.07	0.43	18.84	2.34	4,517	0.17	1.92	17
<b>CHET Advisor Age-Based Portfolio 12-13</b>										
Class A \$	10.81	\$ 0.20	\$ 0.09	\$ 0.29	11.10	2.68%	43,852	0.42%	1.81%	24%
Class C	10.67	0.11	0.09	0.20	10.87	1.87	4,435	1.17	0.99	24
Class E	10.86	0.22	0.10	0.32	11.18	2.95	4,419	0.17	2.05	24
<b>CHET Advisor Age-Based Portfolio 14-15</b>										
Class A \$	16.51	\$ 0.31	\$ 0.22	\$ 0.53	17.04	3.21%	47,879	0.42%	1.83%	19%
Class C	15.47	0.17	0.21	0.38	15.85	2.46	7,013	1.17	1.11	19
Class E	16.89	0.36	0.22	0.58	17.47	3.43	5,423	0.17	2.11	19
<b>CHET Advisor Age-Based Portfolio 16</b>										
Class A \$	14.03	\$ 0.13	\$ 0.28	\$ 0.41	14.44	2.92%	25,635	0.42%	0.91%	21%
Class C	13.13	0.02	0.26	0.28	13.41	2.13	4,081	1.17	0.16	21
Class E	14.34	0.17	0.29	0.46	14.80	3.21	2,562	0.17	1.16	21
<b>CHET Advisor Age-Based Portfolio 17</b>										
Class A \$	10.53	\$ 0.07	\$ 0.28	\$ 0.35	10.88	3.32%	21,451	0.42%	0.69%	18%
Class C	10.39	(0.01)	0.27	0.26	10.65	2.50	4,465	1.17	(0.09)	18
Class E	10.58	0.10	0.28	0.38	10.96	3.59	2,472	0.17	0.96	18
<b>CHET Advisor Age-Based Portfolio 18+</b>										
Class A \$	12.11	\$ 0.06	\$ 0.32	\$ 0.38	12.49	3.14%	47,311	0.42%	0.51%	34%
Class C	11.34	(0.03)	0.30	0.27	11.61	2.38	11,421	1.17	(0.24)	34
Class E	12.37	0.10	0.32	0.42	12.79	3.40	6,205	0.17	0.76	34

**CONNECTICUT HIGHER EDUCATION TRUST - ADVISOR PLAN  
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— Selected Per-Share Data <sup>(1)</sup> —						— Ratios and Supplemental Data —				
Class	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return Based on Net Position Value per Unit	Net Position at End of Period (000's)	Ratio of Net Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Positions	Portfolio Turnover <sup>(2)</sup>
<b>CHET Advisor Aggressive Growth Portfolio</b>										
Class A \$	22.63	\$ 0.34	\$ (0.78)	\$ (0.44)	22.19	(1.94)%	18,475	0.42%	1.51%	9%
Class C	21.20	0.17	(0.74)	(0.57)	20.63	(2.69)	3,807	1.17	0.79	9
Class E	23.13	0.40	(0.80)	(0.40)	22.73	(1.73)	7,718	0.17	1.76	9
<b>CHET Advisor Balanced Portfolio</b>										
Class A \$	17.36	\$ 0.30	\$ 0.06	\$ 0.36	17.72	2.07%	26,031	0.42%	1.70%	21%
Class C	16.26	0.15	0.07	0.22	16.48	1.35	6,162	1.17	0.92	21
Class E	17.74	0.34	0.08	0.42	18.16	2.37	3,252	0.17	1.93	21
<b>CHET Advisor Conservative Portfolio</b>										
Class A \$	14.06	\$ 0.13	\$ 0.29	\$ 0.42	14.48	2.99%	6,311	0.42%	0.90%	29%
Class C	13.18	0.02	0.26	0.28	13.46	2.12	1,412	1.17	0.14	29
Class E	14.37	0.17	0.29	0.46	14.83	3.20	548	0.17	1.16	29
<b>CHET Advisor Growth Portfolio</b>										
Class A \$	20.30	\$ 0.33	\$ (0.32)	\$ 0.01	20.31	0.05%	29,884	0.42%	1.64%	15%
Class C	19.02	0.17	(0.30)	(0.13)	18.89	(0.68)	5,307	1.17	0.90	15
Class E	20.75	0.39	(0.32)	0.07	20.82	0.34	3,202	0.17	1.86	15
<b>CHET Advisor Stable Value 529 Portfolio</b>										
Class A \$	10.27	\$ (0.04)	\$ 0.22	\$ 0.18	10.45	1.75%	20,120	0.42%	(0.42)%	21%
Class C	10.16	(0.04)	0.22	0.18	10.34	1.77	5,365	0.42	(0.42)	21
Class E	10.31	(0.02)	0.23	0.21	10.52	2.04	6,103	0.17	(0.17)	21
<b>Hartford Balanced Income 529 Portfolio</b>										
Class A \$	11.08	\$ 0.29	\$ 0.03	\$ 0.32	11.40	2.89%	2,007	0.42%	2.54%	4%
Class C	10.94	0.23	(0.01)	0.22	11.16	2.01	212	1.17	2.13	4
Class E	11.13	0.31	0.03	0.34	11.47	3.05	947	0.17	2.73	4
<b>Hartford Core Equity 529 Portfolio</b>										
Class A \$	12.67	\$ 0.07	\$ 0.80	\$ 0.87	13.54	6.87%	11,400	0.42%	0.56%	12%
Class C	12.50	(0.01)	0.77	0.76	13.26	6.08	1,773	1.17	(0.07)	12
Class E	12.73	0.11	0.79	0.90	13.63	7.07	3,344	0.17	0.86	12
<b>Hartford Dividend and Growth 529 Portfolio</b>										
Class A \$	26.27	\$ 0.41	\$ (0.73)	\$ (0.32)	25.95	(1.22)%	18,161	0.42%	1.52%	10%
Class C	24.60	0.17	(0.65)	(0.48)	24.12	(1.95)	6,015	1.17	0.68	10
Class E	26.83	0.48	(0.74)	(0.26)	26.57	(0.97)	3,500	0.17	1.76	10
<b>Hartford Equity Income 529 Portfolio</b>										
Class A \$	25.58	\$ 0.44	\$ (1.75)	\$ (1.31)	24.27	(5.12)%	7,098	0.42%	1.75%	10%
Class C	23.96	0.23	(1.62)	(1.39)	22.57	(5.80)	2,139	1.17	0.96	10
Class E	26.14	0.53	(1.80)	(1.27)	24.87	(4.86)	1,454	0.17	2.04	10

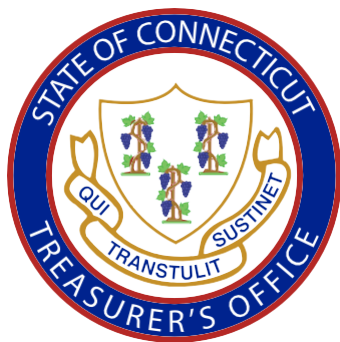


**CONNECTICUT HIGHER EDUCATION TRUST - ADVISOR PLAN  
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FOR THE YEAR ENDED JUNE 30, 2020**

— Selected Per-Share Data <sup>(1)</sup> —						— Ratios and Supplemental Data —				
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<b>Hartford Growth Opportunities 529 Portfolio</b>										
Class A S	35.86 \$	(0.15) \$	8.24 \$	8.09 \$	43.95	22.56% \$	17,689	0.42%	(0.42)%	9%
Class C	33.59	(0.39)	7.66	7.27	40.86	21.64	3,155	1.17	(1.17)	9
Class E	36.66	(0.06)	8.44	8.38	45.04	22.86	3,741	0.17	(0.17)	9
<b>Hartford Inflation Plus 529 Portfolio</b>										
Class A S	11.56 \$	0.18 \$	0.39 \$	0.57 \$	12.13	4.93% \$	3,358	0.42%	1.51%	19%
Class C	10.83	0.09	0.36	0.45	11.28	4.16	2,153	1.17	0.85	19
Class E	11.81	0.20	0.41	0.61	12.42	5.17	475	0.17	1.64	19
<b>Hartford International Opportunities 529 Portfolio</b>										
Class A S	15.27 \$	0.21 \$	(0.21) \$	0.00 \$	15.27	0.00% \$	7,456	0.42%	1.39%	10%
Class C	14.30	0.10	(0.22)	(0.12)	14.18	(0.84)	1,287	1.17	0.71	10
Class E	15.61	0.26	(0.23)	0.03	15.64	0.19	1,861	0.17	1.70	10
<b>Hartford MidCap 529 Portfolio</b>										
Class A S	30.49 \$	(0.13) \$	0.00 \$	(0.13) \$	30.36	(0.43)% \$	9,735	0.42%	(0.42)%	11%
Class C	28.56	(0.33)	0.00	(0.33)	28.23	(1.16)	1,619	1.17	(1.17)	11
Class E	31.15	(0.05)	0.00	(0.05)	31.10	(0.16)	2,582	0.17	(0.17)	11
<b>Hartford Small Cap Growth 529 Portfolio</b>										
Class A S	27.45 \$	(0.11) \$	1.04 \$	0.93 \$	28.38	3.39% \$	6,961	0.42%	(0.42)%	10%
Class C	25.70	(0.30)	0.97	0.67	26.37	2.61	961	1.17	(1.17)	10
Class E	28.05	(0.05)	1.07	1.02	29.07	3.64	1,874	0.17	(0.17)	10
<b>Hartford Total Return Bond 529 Portfolio</b>										
Class A S	13.16 \$	0.39 \$	0.73 \$	1.12 \$	14.28	8.51% \$	7,015	0.42%	2.83%	13%
Class C	12.32	0.27	0.67	0.94	13.26	7.63	1,679	1.17	2.10	13
Class E	13.45	0.43	0.75	1.18	14.63	8.77	1,337	0.17	3.10	13
<b>Hartford World Bond 529 Portfolio</b>										
Class A S	11.46 \$	0.23 \$	(0.22) \$	0.01 \$	11.47	0.09% \$	1,639	0.42%	1.96%	13%
Class C	10.96	0.13	(0.20)	(0.07)	10.89	(0.64)	1,176	1.17	1.16	13
Class E	11.62	0.25	(0.20)	0.05	11.67	0.43	568	0.17	2.18	13

(1) Information presented relates to a unit outstanding throughout the indicated period.

(2) Portfolio turnover rate is calculated on the basis of the portfolio as a whole without distinguishing between the class of shares issued.



# Supplemental Information



# PENSION FUND MANAGEMENT DIVISION

## COMBINED INVESTMENT FUNDS

### TOTAL NET POSITION VALUE BY PENSION PLANS AND TRUST FUNDS

JUNE 30, 2020

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#### Retirement Funds

	<u>Net Position Value</u>
Teachers' Retirement Fund	\$ 18,275,160,210
State Employees' Retirement Fund	13,199,314,765
Municipal Employees' Retirement Fund	2,710,889,986
State Judges' Retirement Fund	239,672,829
The Probate Court Retirement Fund	110,654,726
State's Attorneys Retirement Fund	2,137,630

#### Non-retirement Trust Funds

Soldiers' Sailors' & Marines' Fund	82,735,375
Police & Firemans' Survivors' Benefit Fund	37,916,070
Connecticut Arts Endowment Fund	19,919,494
School Fund	12,624,065
Ida Eaton Cotton Fund	2,810,174
Hopemead State Park Fund	4,407,958
Andrew C. Clark Fund	1,322,016
Agricultural College Fund	709,359
OPEB Fund	1,437,831,024
<b>TOTAL</b>	<b>\$ 36,138,105,681</b>

**COMBINED INVESTMENT FUNDS**  
**SCHEDULE OF NET POSITION BY INVESTMENT FUND**  
**JUNE 30, 2020**

	<u>LIQUIDITY FUND</u>	<u>ALTERNATIVE INVESTMENT FUND</u>	<u>DOMESTIC EQUITY FUND</u>	<u>CORE FIXED INCOME FUND</u>	<u>INFLATION LINKED BOND FUND</u>	<u>EMERGING MARKET DEBT FUND</u>
<b>ASSETS</b>						
Investments in Securities , at Fair Value						
Liquidity Fund	\$ -	\$ 17,133,629	\$ 11,276,238	\$ 21,508,098	\$ 15,058,006	\$ 15,338,068
Cash Equivalents	182,439,677	-	35,263,462	208,403,904	1,039	27,196,206
Asset Backed Securities	-	-	-	159,300,019	-	5,064,848
Government Securities	100,794,495	-	-	2,037,280,122	-	1,417,439,966
Government Agency Securities	100,491,492	-	-	1,991,408,192	-	-
Mortgage Backed Securities	-	-	-	493,398,641	-	-
Corporate Debt	494,419,396	-	-	2,135,136,533	-	412,793,501
Convertible Securities	-	-	-	-	-	43,511
Common Stock	-	43,846,072	7,008,517,323	-	-	-
Preferred Stock	-	-	-	3,567,820	-	-
Real Estate Investment Trust	-	-	197,711,003	86,686,590	-	-
Business Development Corporation	-	-	-	-	-	-
Mutual Fund	-	-	4,205,678	-	-	-
Limited Liability Corporation	-	-	-	-	-	-
Trusts	-	-	-	-	-	-
Limited Partnerships	-	2,476,651,524	262,851	359,000	-	-
Total Investments in Securities, at Fair Value	878,145,060	2,537,631,225	7,257,236,555	7,137,048,919	15,059,045	1,877,876,100
Cash	2	-	14,845	3,532,520	45,205	3,563,446
Receivables						
Foreign Exchange Contracts	-	-	-	88,352,300	20,176,501	635,237,187
Interest Receivable	1,295,403	5,530	6,542	33,730,457	8,109	31,989,838
Dividends Receivable	5,558	1,386,859	6,234,136	-	-	-
Due from Brokers	-	-	15,142,520	194,898,352	-	7,041,065
Foreign Taxes	-	-	-	-	226,552	1,139,828
Securities Lending Receivable	-	-	206,991	234,614	-	17,579
Reserve for Doubtful Receivables	-	-	(423,357)	(492)	-	(830,371)
Total Receivables	1,300,961	1,392,389	21,166,832	317,215,231	20,411,162	674,595,126
Invested Securities Lending Collateral	-	-	668,430,057	797,016,767	-	34,617,935
Prepaid Expenses	-	-	-	-	-	-
<b>Total Assets</b>	<b>879,446,023</b>	<b>2,539,023,614</b>	<b>7,946,848,289</b>	<b>8,254,813,437</b>	<b>35,515,412</b>	<b>2,590,652,607</b>
<b>LIABILITIES</b>						
Payables						
Foreign Exchange Contracts	-	-	-	88,658,913	20,273,120	633,846,510
Due to Brokers	-	-	12,856,353	741,802,049	-	26,576,752
Income Distribution	368,559	-	-	-	-	-
Other Payable	-	-	-	-	-	-
Total Payables	368,559	-	12,856,353	830,460,962	20,273,120	660,423,262
Securities Lending Collateral	-	-	668,430,057	797,016,767	-	34,617,935
Accrued Expenses	(24,280)	68,707	2,814,452	1,595,906	60,081	1,589,356
<b>Total Liabilities</b>	<b>344,279</b>	<b>68,707</b>	<b>684,100,862</b>	<b>1,629,073,635</b>	<b>20,333,201</b>	<b>696,630,553</b>
<b>NET POSITION HELD IN TRUST FOR PARTICIPANTS</b>	<b>\$ 879,101,744</b>	<b>\$ 2,538,954,907</b>	<b>\$ 7,262,747,427</b>	<b>\$ 6,625,739,802</b>	<b>\$ 15,182,211</b>	<b>\$ 1,894,022,054</b>
Units Outstanding	879,101,744	2,007,209,751	2,957,171	43,799,487	90,774	10,591,680
Net Position Value and Redemption Price per Unit	\$ 1.00	\$ 1.26	\$ 2,455.98	\$ 151.27	\$ 167.25	\$ 178.82

**COMBINED INVESTMENT FUNDS**  
**SCHEDULE OF NET POSITION BY INVESTMENT FUND (Continued)**  
**JUNE 30, 2020**

	HIGH YIELD DEBT FUND	DEVELOPED MARKET INTERNATIONAL STOCK FUND	EMERGING MARKET INTERNATIONAL STOCK FUND	REAL ASSETS FUND	PRIVATE CREDIT FUND	PRIVATE INVESTMENT FUND	ELIMINATION ENTRY	TOTAL
\$	24,374,974	\$ 22,772,642	\$ 16,435,318	\$ 71,735,113	\$ 12,475,982	\$ 47,926,642	\$ (276,034,710)	\$ -
	41,898,055	42,049,861	122,296,548	10,476,418	-	-	-	670,025,170
	120,358	-	-	-	-	-	-	164,485,225
	41,980	-	-	1,797,945,464	-	-	-	5,353,502,027
	-	-	-	-	-	-	-	2,091,899,684
	773,593	-	-	-	-	-	-	494,172,234
	1,949,964,093	-	-	-	-	-	-	4,992,313,523
	230,217	-	-	-	-	-	-	273,728
	3,443,484	3,885,060,265	3,090,147,689	-	-	16,173,171	-	14,047,188,004
	15,644,829	48,361,284	25,308,273	-	-	-	-	92,882,206
	43,229,387	33,660,416	9,682,424	-	-	-	-	370,969,820
	-	-	-	-	-	-	-	-
	139,961,976	16,514,989	153,952,254	-	-	-	-	314,634,897
	-	-	-	-	-	71,636	-	71,636
	-	-	-	-	-	-	-	-
	-	-	-	2,464,152,188	136,981,529	2,918,670,423	-	7,997,077,515
	2,219,682,946	4,048,419,457	3,417,822,506	4,344,309,183	149,457,511	2,982,841,872	(276,034,710)	36,589,495,669
	2,388,130	8,520,462	532,124	2,829,681	-	-	(2)	21,426,413
	-	-	-	-	-	-	-	-
	15,567,817	3,288,500	17,334,661	-	-	-	1,211,776	781,168,742
	32,849,852	9,223	16,239	4,296,892	4,026	22,542	(1,295,403)	102,939,250
	-	5,196,555	11,911,557	-	-	-	(5,558)	24,729,107
	16,776,703	1,223,528	16,794,066	32,203,818	-	-	-	284,080,052
	-	17,089,956	273,138	-	-	-	-	18,729,474
	164,168	88,553	103,221	23,953	-	-	-	839,079
	(2,957)	(3,419,608)	(112,964)	(181,567)	-	-	-	(4,971,316)
	65,355,583	23,476,707	46,319,918	36,343,096	4,026	22,542	(89,185)	1,207,514,388
	-	-	-	-	-	-	-	-
	422,363,014	73,547,866	207,590,311	202,498,043	-	-	-	2,406,063,993
	-	-	-	-	-	395,000	-	395,000
	2,709,789,673	4,153,964,492	3,672,264,859	4,585,980,003	149,461,537	2,983,259,414	(276,123,897)	40,224,895,463
	-	-	-	-	-	-	-	-
	15,473,805	3,291,750	17,364,058	-	-	-	-	778,908,156
	46,153,859	1,780,201	24,789,272	32,104,385	-	-	-	886,062,871
	-	-	-	-	-	-	(96,818)	271,741
	-	-	-	-	-	67,771	-	67,771
	61,627,664	5,071,951	42,153,330	32,104,385	-	67,771	(96,818)	1,665,310,539
	422,363,014	73,547,866	207,590,311	202,498,043	-	-	-	2,406,063,993
	1,819,253	2,179,557	4,369,335	384,053	-	551,198	7,632	15,415,250
	485,809,931	80,799,374	254,112,976	234,986,481	-	618,969	(89,186)	4,086,789,782
\$	<u>2,223,979,742</u>	<u>\$ 4,073,165,118</u>	<u>\$ 3,418,151,883</u>	<u>\$ 4,350,993,522</u>	<u>\$ 149,461,537</u>	<u>\$ 2,982,640,445</u>	<u>\$ (276,034,711)</u>	<u>\$ 36,138,105,681</u>
	<u>13,348,071</u>	<u>7,450,492</u>	<u>7,515,371</u>	<u>69,414,806</u>	<u>14,384,944</u>	<u>26,225,628</u>		
\$	<u>166.61</u>	<u>\$ 546.70</u>	<u>\$ 454.82</u>	<u>\$ 62.68</u>	<u>\$ 10.39</u>	<u>\$ 113.73</u>		

COMBINED INVESTMENT FUNDS  
SCHEDULE OF CHANGES IN NET POSITION BY INVESTMENT FUND  
FOR THE YEAR ENDED JUNE 30, 2020

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND	EMERGING MARKET DEBT FUND
<b>ADDITIONS</b>						
<b>OPERATIONS</b>						
<b>Investment Income</b>						
Dividends	\$ 26,095	\$ 14,313,100	\$ 152,547,225	\$ -	\$ 114	\$ -
Interest	22,533,836	508,022	1,384,842	130,812,064	3,615,218	132,610,439
Other Income	-	-	472,553	477,868	-	331,122
Securities Lending	-	-	8,955,093	11,620,006	5,426,683	681,553
<b>Total Income</b>	<b>22,559,931</b>	<b>14,821,122</b>	<b>163,359,713</b>	<b>142,909,938</b>	<b>9,042,015</b>	<b>133,623,114</b>
<b>Expenses</b>						
Investment Advisory Fees	165,515	-	12,145,985	4,923,525	2,343,247	7,538,911
Custody and Transfer Agent Fees	258,203	249,514	634,624	356,025	125,964	168,190
Professional Fees	26,439	472,493	258,769	100,892	39,694	45,724
Security Lending Fees	-	-	228,558	215,368	59,811	20,931
Security Lending Rebates	-	-	6,669,516	9,466,323	4,828,575	472,241
Investment Expenses	7,521	32,000	35,622	70,686	2,231,262	2,167,639
<b>Total Expenses</b>	<b>457,678</b>	<b>754,007</b>	<b>19,973,074</b>	<b>15,132,819</b>	<b>9,628,553</b>	<b>10,413,636</b>
<b>Net Investment Income</b>	<b>22,102,253</b>	<b>14,067,115</b>	<b>143,386,639</b>	<b>127,777,119</b>	<b>(586,538)</b>	<b>123,209,478</b>
<b>Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency</b>						
	<b>980,486</b>	<b>(131,894,713)</b>	<b>387,998,558</b>	<b>304,310,289</b>	<b>35,323,899</b>	<b>(239,105,902)</b>
<b>Net Increase (Decrease) in Net Position Resulting from Operations</b>						
	<b>23,082,739</b>	<b>(117,827,598)</b>	<b>531,385,197</b>	<b>432,087,408</b>	<b>34,737,361</b>	<b>(115,896,424)</b>
<b>Unit Transactions</b>						
Purchase of Units by Participants	10,686,087,397	119,155,000	506,977,000	3,034,230,000	351,353,000	288,742,000
<b>TOTAL ADDITIONS</b>	<b>10,709,170,136</b>	<b>1,327,402</b>	<b>1,038,362,197</b>	<b>3,466,317,408</b>	<b>386,090,361</b>	<b>172,845,576</b>
<b>DEDUCTIONS</b>						
<b>Administrative Expenses:</b>						
Salary and Fringe Benefits	(70,189)	(452,516)	(1,249,945)	(770,933)	(282,646)	(325,730)
<b>Distributions to Unit Owners:</b>						
Income Distributed	(23,012,545)	-	-	-	-	-
<b>Unit Transactions</b>						
Redemption of Units by Participants	(11,601,070,217)	(364,820,100)	(2,042,640,000)	(202,820,000)	(1,851,910,138)	(385,442,000)
<b>TOTAL DEDUCTIONS</b>	<b>(11,624,152,951)</b>	<b>(365,272,616)</b>	<b>(2,043,889,945)</b>	<b>(203,590,933)</b>	<b>(1,852,192,784)</b>	<b>(385,767,730)</b>
<b>Change in Net Position Held in Trust for Participants</b>						
	<b>(914,982,815)</b>	<b>(363,945,214)</b>	<b>(1,005,527,748)</b>	<b>3,262,726,475</b>	<b>(1,466,102,423)</b>	<b>(212,922,154)</b>
<b>Net Position- Beginning of Period</b>	<b>1,794,084,559</b>	<b>2,902,900,121</b>	<b>8,268,275,175</b>	<b>3,363,013,327</b>	<b>1,481,284,634</b>	<b>2,106,944,208</b>
<b>Net Position- End of Period</b>	<b>\$ 879,101,744</b>	<b>\$ 2,538,954,907</b>	<b>\$ 7,262,747,427</b>	<b>\$ 6,625,739,802</b>	<b>\$ 15,182,211</b>	<b>\$ 1,894,022,054</b>
<b>Other Information:</b>						
<b>Units</b>						
Purchased	10,686,087,397	91,555,015	216,111	21,047,547	2,105,922	1,532,822
Redeemed	(11,601,070,217)	(292,301,841)	(852,052)	(1,410,695)	(10,904,964)	(2,120,762)
<b>Net Increase (Decrease)</b>	<b>(914,982,820)</b>	<b>(200,746,826)</b>	<b>(635,941)</b>	<b>19,636,852</b>	<b>(8,799,042)</b>	<b>(587,940)</b>

**COMBINED INVESTMENT FUNDS**  
**SCHEDULE OF CHANGES IN NET POSITION BY INVESTMENT FUND (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

HIGH YIELD INVESTMENT FUND	DEVELOPED MARKET INTERNATIONAL STOCK FUND	EMERGING MARKET INTERNATIONAL STOCK FUND	REAL ASSETS FUND	PRIVATE CREDIT FUND	PRIVATE INVESTMENT FUND	ELIMINATION ENTRY	TOTAL
\$ 3,980,049	\$ 115,006,265	\$ 87,869,913	\$ 77,631,517	\$ -	\$ 37,124,470	\$ (11,048)	\$ 488,487,700
146,566,567	3,216,567	1,851,440	592,324	10,008	1,072,361	(9,540,108)	435,233,580
5,217,341	1,432,315	1,379,538	42	-	-	-	9,310,779
9,160,580	2,108,359	1,953,463	37,951	-	-	-	39,943,688
<u>164,924,537</u>	<u>121,763,506</u>	<u>93,054,354</u>	<u>78,261,834</u>	<u>10,008</u>	<u>38,196,831</u>	<u>(9,551,156)</u>	<u>972,975,747</u>
7,589,283	13,995,020	18,124,192	2,088,163	-	694,733	(70,074)	69,538,500
177,760	507,364	517,453	273,200	-	298,833	(109,315)	3,457,815
49,800	131,346	88,985	401,366	-	1,418,166	(11,193)	3,022,481
257,164	99,106	70,107	2,661	-	-	-	953,706
6,588,945	1,117,302	1,252,397	11,337	-	-	-	30,406,636
39,406	111,810	913,536	1,881,286	-	25,825,221	(3,184)	33,312,805
<u>14,702,358</u>	<u>15,961,948</u>	<u>20,966,670</u>	<u>4,658,013</u>	<u>-</u>	<u>28,236,953</u>	<u>(193,766)</u>	<u>140,691,943</u>
150,222,179	105,801,558	72,087,684	73,603,821	10,008	9,959,878	(9,357,390)	832,283,804
<u>(171,079,394)</u>	<u>(309,669,128)</u>	<u>(102,902,888)</u>	<u>(59,919,180)</u>	<u>5,603,048</u>	<u>266,312,355</u>	<u>(415,107)</u>	<u>(14,457,677)</u>
(20,857,215)	(203,867,570)	(30,815,204)	13,684,641	5,613,056	276,272,233	(9,772,497)	817,826,127
<u>408,805,000</u>	<u>229,339,000</u>	<u>494,367,000</u>	<u>2,073,529,144</u>	<u>143,848,481</u>	<u>155,053,000</u>	<u>(7,670,575,875)</u>	<u>10,820,910,147</u>
387,947,785	25,471,430	463,551,796	2,087,213,785	149,461,537	431,325,233	(7,680,348,372)	11,638,736,274
(340,714)	(624,854)	(447,016)	(824,851)	-	(863,912)	29,716	(6,223,590)
-	-	-	-	-	-	9,742,776	(13,269,769)
<u>(369,150,000)</u>	<u>(2,950,188,000)</u>	<u>(347,974,000)</u>	<u>(173,275,000)</u>	<u>-</u>	<u>(158,634,000)</u>	<u>8,852,107,550</u>	<u>(11,595,815,905)</u>
(369,490,714)	(2,950,812,854)	(348,421,016)	(174,099,851)	-	(159,497,912)	8,861,880,042	(11,615,309,264)
<u>18,457,071</u>	<u>(2,925,341,424)</u>	<u>115,130,780</u>	<u>1,913,113,934</u>	<u>149,461,537</u>	<u>271,827,321</u>	<u>1,181,531,670</u>	<u>23,427,010</u>
<u>2,205,522,671</u>	<u>6,998,506,542</u>	<u>3,303,021,103</u>	<u>2,437,879,588</u>	<u>-</u>	<u>2,710,813,124</u>	<u>(1,457,566,381)</u>	<u>36,114,678,671</u>
<u>\$ 2,223,979,742</u>	<u>\$ 4,073,165,118</u>	<u>\$ 3,418,151,883</u>	<u>\$ 4,350,993,522</u>	<u>\$ 149,461,537</u>	<u>\$ 2,982,640,445</u>	<u>\$ (276,034,711)</u>	<u>\$ 36,138,105,681</u>
2,424,182	398,081	1,066,510	33,100,769	14,384,944	1,544,147	-	-
(2,192,600)	(5,136,828)	(819,362)	(2,763,469)	-	(1,540,208)	-	-
<u>231,582</u>	<u>(4,738,747)</u>	<u>247,148</u>	<u>30,337,300</u>	<u>14,384,944</u>	<u>3,939</u>	<u>-</u>	<u>-</u>



**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENT FUNDS  
SCHEDULE OF INVESTMENT ACTIVITY BY PENSION PLAN  
FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

	<b>LIQUIDITY FUND</b>	<b>ALTERNATIVE INVESTMENT FUND</b>	<b>DOMESTIC EQUITY FUND</b>	<b>CORE FIXED INCOME FUND</b>	<b>INFLATION LINKED BOND FUND</b>	<b>EMERGING MARKET DEBT FUND</b>
<b>Teachers' Retirement Fund</b>						
Book Value at June 30, 2019	\$ 178,353,865	\$ 1,318,794,664	\$ 500,466,202	\$ 1,248,850,783	\$ 488,617,115	\$ 795,247,137
Market Value at June 30, 2019	\$ 178,353,876	\$ 1,514,825,062	\$ 4,338,730,854	\$ 1,433,639,082	\$ 616,554,837	\$ 1,129,915,930
Shares Purchased	2,005,884,165	19,000,000	15,000,000	1,712,157,000	308,000,000	22,000,000
Shares Redeemed	(1,878,353,214)	(185,351,316)	(947,000,000)	(33,000,000)	(934,752,978)	(132,000,000)
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	15,147,708	840,131,831	3,701,541	144,723,964	33,543,925
Net Investment Income Earned	8,368,952	-	-	-	-	-
Net Investment Income Distributed	(8,368,952)	-	-	-	-	-
Changes in Market Value of Fund Shares	(1)	(75,110,452)	(571,300,823)	210,283,751	(126,849,220)	(92,245,524)
Market Value at Jun. 30, 2020	\$ 305,884,826	\$ 1,288,511,002	\$ 3,675,561,862	\$ 3,326,781,374	\$ 7,676,603	\$ 961,214,331
Book Value/Cost at Jun 30, 2020	\$ 305,884,816	\$ 1,167,591,056	\$ 408,598,033	\$ 2,931,709,324	\$ 6,588,101	\$ 718,791,062
Shares Outstanding	305,884,820	1,018,651,893	1,496,578	21,991,705	45,898	5,375,267
Market Value per Share	\$ 1.00	\$ 1.26	\$ 2,455.98	\$ 151.27	\$ 167.25	\$ 178.82
<b>State Employees' Retirement Fund</b>						
Book Value at June 30, 2019	\$ 101,345,306	\$ 931,967,715	\$ 432,001,868	\$ 1,110,165,194	\$ 533,911,818	\$ 456,733,917
Market Value at June 30, 2019	\$ 101,345,298	\$ 1,063,946,913	\$ 3,128,753,512	\$ 1,273,544,583	\$ 643,609,502	\$ 663,866,169
Shares Purchased	622,894,197	50,000,000	110,000,000	1,000,000,000	25,000,000	220,000,000
Shares Redeemed	(547,667,876)	(135,370,957)	(772,500,000)	(20,000,000)	(675,402,883)	(144,000,000)
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	9,801,922	655,912,471	2,594,886	121,143,234	28,881,587
Net Investment Income Earned	4,031,321	-	-	-	-	-
Net Investment Income Distributed	(4,031,321)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	(53,420,584)	(462,613,001)	152,967,699	(108,767,326)	(73,443,490)
Market Value at Jun. 30, 2020	\$ 176,571,619	\$ 934,957,294	\$ 2,659,552,982	\$ 2,409,107,168	\$ 5,582,527	\$ 695,304,266
Book Value/Cost at Jun 30, 2020	\$ 176,571,627	\$ 856,398,680	\$ 425,414,339	\$ 2,092,760,080	\$ 4,652,169	\$ 561,615,504
Shares Outstanding	176,571,624	739,145,016	1,082,890	15,925,415	33,378	3,888,255
Market Value per Share	\$ 1.00	\$ 1.26	\$ 2,455.98	\$ 151.27	\$ 167.25	\$ 178.82
<b>Municipal Employees' Retirement Fund</b>						
Book Value at June 30, 2019	\$ 23,126,880	\$ 183,823,787	\$ 93,515,932	\$ 303,859,397	\$ 118,814,093	\$ 180,606,318
Market Value at June 30, 2019	\$ 23,126,876	\$ 217,724,050	\$ 483,660,173	\$ 337,140,444	\$ 142,593,760	\$ 233,536,108
Shares Purchased	118,904,457	9,000,000	288,000,000	183,000,000	2,000,000	17,000,000
Shares Redeemed	(76,130,749)	(29,797,499)	(271,500,000)	(64,000,000)	(146,068,826)	(101,000,000)
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	3,255,213	146,861,925	7,093,362	26,199,868	22,169,508
Net Investment Income Earned	723,708	-	-	-	-	-
Net Investment Income Distributed	(723,708)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	(12,126,486)	(105,593,200)	26,252,404	(23,589,772)	(30,009,093)
Market Value at Jun. 30, 2020	\$ 65,900,584	\$ 188,055,278	\$ 541,428,898	\$ 489,486,210	\$ 1,135,030	\$ 141,696,523
Book Value/Cost at Jun 30, 2020	\$ 65,900,588	\$ 166,281,501	\$ 256,877,857	\$ 429,952,759	\$ 945,135	\$ 118,775,826
Shares Outstanding	65,900,593	148,670,020	220,454	3,235,751	6,786	792,390
Market Value per Share	\$ 1.00	\$ 1.26	\$ 2,455.98	\$ 151.27	\$ 167.25	\$ 178.82

**PENSION FUNDS MANAGEMENT DIVISION  
 COMBINED INVESTMENT FUNDS  
 SCHEDULE OF INVESTMENT ACTIVITY BY PENSION PLAN (Continued)  
 FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

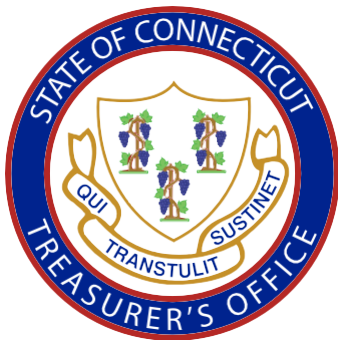
HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ASSET FUND	PRIVATE CREDIT FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ 804,417,410	\$ 1,805,442,638	\$ 961,658,641	\$ 905,064,072	\$ -	\$ 910,178,236	\$ 9,917,090,763
\$ 1,115,574,224	\$ 3,803,880,207	\$ 1,751,286,677	\$ 1,233,557,683	\$ -	\$ 1,376,217,481	\$ 18,492,535,913
45,000,000	73,000,000	175,000,000	1,031,323,468	72,780,826	76,000,000	5,555,145,459
(18,000,000)	(1,713,000,000)	(179,500,000)	(69,000,000)	-	(85,000,000)	(6,174,957,508)
-	-	-	-	-	-	-
4,707,708	897,674,618	68,169,318	18,837,776	-	28,678,892	2,055,317,281
-	-	-	-	-	-	8,368,952
-	-	-	-	-	-	(8,368,952)
(15,630,197)	(1,001,435,863)	(84,118,308)	(11,771,135)	2,839,452	112,457,385	(1,652,880,935)
\$ 1,131,651,735	\$ 2,060,118,962	\$ 1,730,837,687	\$ 2,202,947,792	\$ 75,620,278	\$ 1,508,353,758	\$ 18,275,160,210
\$ 836,125,118	\$ 1,063,117,256	\$ 1,025,327,959	\$ 1,886,225,316	\$ 72,780,826	\$ 929,857,128	\$ 11,352,595,995
6,792,044	3,768,298	3,805,532	35,145,351	7,278,083	13,262,586	1,423,498,056
\$ 166.61	\$ 546.70	\$ 454.82	\$ 62.68	\$ 10.39	\$ 113.73	\$
\$ 513,157,059	\$ 1,178,840,328	\$ 668,874,663	\$ 642,798,508	\$ -	\$ 646,123,737	\$ 7,215,920,113
\$ 710,090,421	\$ 2,618,746,191	\$ 1,200,437,785	\$ 872,693,981	\$ -	\$ 973,804,377	\$ 13,250,838,732
210,000,000	40,000,000	180,000,000	770,316,938	53,206,902	49,000,000	3,330,418,037
(96,000,000)	(1,091,445,000)	(116,000,000)	(45,000,000)	-	(23,000,000)	(3,666,386,716)
-	-	-	-	-	-	-
20,875,943	598,678,506	39,394,662	11,902,758	-	7,567,029	1,496,752,998
-	-	-	-	-	-	4,031,321
-	-	-	-	-	-	(4,031,321)
(28,588,782)	(675,348,456)	(50,823,134)	(7,305,139)	2,075,794	92,958,133	(1,212,308,286)
\$ 816,377,582	\$ 1,490,631,241	\$ 1,253,009,313	\$ 1,602,608,538	\$ 55,282,696	\$ 1,100,329,539	\$ 13,199,314,765
\$ 648,033,002	\$ 726,073,834	\$ 772,269,325	\$ 1,380,018,204	\$ 53,206,902	\$ 679,690,766	\$ 8,376,704,432
4,899,804	2,726,611	2,754,948	25,567,669	5,320,690	9,674,929	987,591,228
\$ 166.61	\$ 546.70	\$ 454.82	\$ 62.68	\$ 10.39	\$ 113.73	\$
\$ 218,865,273	\$ 201,327,348	\$ 132,571,112	\$ 124,037,510	\$ -	\$ 122,013,936	\$ 1,702,561,586
\$ 286,866,773	\$ 399,499,397	\$ 208,093,481	\$ 178,497,917	\$ -	\$ 199,117,372	\$ 2,709,856,351
135,000,000	15,000,000	93,000,000	152,619,809	10,746,516	9,000,000	1,033,270,782
(255,000,000)	(96,000,000)	(42,350,000)	(8,000,000)	-	(5,000,000)	(1,094,847,074)
-	-	-	-	-	-	-
55,944,144	46,581,109	9,164,528	2,466,426	-	1,907,324	321,643,407
-	-	-	-	-	-	723,708
-	-	-	-	-	-	(723,708)
(57,647,648)	(61,479,428)	(12,281,399)	(1,582,441)	419,261	18,604,322	(259,033,480)
\$ 165,163,269	\$ 303,601,078	\$ 255,626,610	\$ 324,001,711	\$ 11,165,777	\$ 223,629,018	\$ 2,710,889,986
\$ 154,809,417	\$ 166,908,457	\$ 192,385,640	\$ 271,123,745	\$ 10,746,516	\$ 127,921,260	\$ 1,962,628,701
991,291	555,337	562,037	5,169,053	1,074,652	1,966,315	229,144,679
\$ 166.61	\$ 546.70	\$ 454.82	\$ 62.68	\$ 10.39	\$ 113.73	\$

**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENT FUNDS  
SCHEDULE OF INVESTMENT ACTIVITY BY PENSION PLAN  
FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND	EMERGING MARKET DEBT FUND
<b>Probate Court Retirement Fund</b>						
Book Value at June 30, 2019	\$ 5,555,915	\$ 6,340,477	\$ 5,155,542	\$ 14,978,934	\$ 4,348,705	\$ 4,115,508
Market Value at June 30, 2019	\$ 5,555,919	\$ 7,255,551	\$ 20,787,327	\$ 16,532,650	\$ 5,359,392	\$ 5,453,718
Shares Purchased	7,299,185	1,900,000	4,500,000	8,150,000	400,000	1,300,000
Shares Redeemed	(10,471,998)	(911,587)	(4,750,000)	(6,100,000)	(5,821,109)	(600,000)
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	32,361	3,027,069	640,917	1,110,835	88,360
Net Investment Income Earned	35,789	-	-	-	-	-
Net Investment Income Distributed	(35,789)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	(411,723)	(1,434,451)	816,652	(1,002,376)	(421,756)
Market Value at Jun. 30, 2020	\$ 2,383,106	\$ 7,864,602	\$ 22,129,945	\$ 20,040,219	\$ 46,742	\$ 5,820,322
Book Value/Cost at Jun 30, 2020	\$ 2,383,102	\$ 7,361,251	\$ 7,932,611	\$ 17,669,851	\$ 38,431	\$ 4,903,868
Shares Outstanding	2,383,106	6,217,484	9,011	132,476	279	32,548
Market Value per Share	\$ 1.00	\$ 1.26	\$ 2,455.98	\$ 151.27	\$ 167.26	\$ 178.82
<b>Judges' Retirement Fund</b>						
Book Value at June 30, 2019	\$ 1,278,660	\$ 13,837,869	\$ 12,632,192	\$ 34,708,677	\$ 9,822,987	\$ 9,319,404
Market Value at June 30, 2019	\$ 1,278,657	\$ 16,414,965	\$ 46,690,503	\$ 37,594,058	\$ 12,026,867	\$ 12,243,493
Shares Purchased	7,892,958	3,200,000	7,400,000	15,200,000	350,000	2,550,000
Shares Redeemed	(3,336,512)	(1,953,047)	(9,800,000)	(12,500,000)	(12,511,281)	(1,550,000)
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	135,174	6,378,375	1,173,661	2,422,290	203,879
Net Investment Income Earned	46,445	-	-	-	-	-
Net Investment Income Distributed	(46,445)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	(947,417)	(2,891,236)	1,967,449	(2,185,341)	(972,187)
Market Value at Jun. 30, 2020	\$ 5,835,103	\$ 16,849,675	\$ 47,777,642	\$ 43,435,168	\$ 102,535	\$ 12,475,185
Book Value/Cost at Jun 30, 2020	\$ 5,835,106	\$ 15,219,996	\$ 16,610,567	\$ 38,582,338	\$ 83,996	\$ 10,523,283
Shares Outstanding	5,835,104	13,320,774	19,454	287,128	613	69,763
Market Value per Share	\$ 1.00	\$ 1.26	\$ 2,455.98	\$ 151.27	\$ 167.25	\$ 178.82
<b>State's Attorneys' Retirement Fund</b>						
Book Value at June 30, 2019	\$ 19,726	\$ 143,283	\$ 116,012	\$ 293,379	\$ 93,877	\$ 74,454
Market Value at June 30, 2019	\$ 19,725	\$ 144,873	\$ 393,612	\$ 341,239	\$ 104,860	\$ 107,728
Shares Purchased	68,333	30,000	80,000	128,000	3,000	22,000
Shares Redeemed	(26,790)	(17,405)	(80,000)	(111,000)	(108,960)	(12,000)
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	(1,084)	48,785	17,594	12,904	2,390
Net Investment Income Earned	544	-	-	-	-	-
Net Investment Income Distributed	(544)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	(6,225)	(18,421)	10,134	(10,890)	(9,024)
Market Value at Jun. 30, 2020	\$ 61,268	\$ 150,159	\$ 423,976	\$ 385,967	\$ 914	\$ 111,094
Book Value/Cost at Jun 30, 2020	\$ 61,269	\$ 154,794	\$ 164,797	\$ 327,973	\$ 821	\$ 86,844
Shares Outstanding	61,265	118,710	173	2,551	5	621
Market Value per Share	\$ 1.00	\$ 1.26	\$ 2,455.98	\$ 151.28	\$ 167.40	\$ 178.82

**PENSION FUNDS MANAGEMENT DIVISION  
 COMBINED INVESTMENT FUNDS  
 SCHEDULE OF INVESTMENT ACTIVITY BY PENSION PLAN (Continued)  
 FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ASSET FUND	PRIVATE CREDIT FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ 4,730,895	\$ 5,039,928	\$ 6,369,549	\$ 8,458,283	\$ -	\$ 7,727,989	\$ 72,821,725
\$ 6,272,415	\$ 11,208,457	\$ 9,491,639	\$ 10,549,153	\$ -	\$ 11,158,998	\$ 109,625,219
600,000	5,750,000	1,950,000	6,525,090	452,606	300,000	39,126,881
(100,000)	(3,975,000)	(925,000)	(3,825,000)	-	(3,125,000)	(40,604,694)
-	-	-	-	-	-	-
23,795	1,485,865	197,938	726,509	-	884,611	8,218,260
-	-	-	-	-	-	35,789
-	-	-	-	-	-	(35,789)
(87,458)	(2,029,815)	(301,100)	(713,634)	17,658	(142,937)	(5,710,940)
\$ 6,708,752	\$ 12,439,507	\$ 10,413,477	\$ 13,262,118	\$ 470,264	\$ 9,075,672	\$ 110,654,726
\$ 5,254,690	\$ 8,300,793	\$ 7,592,487	\$ 11,884,882	\$ 452,606	\$ 5,787,600	\$ 79,562,172
40,265	22,754	22,896	211,581	45,261	79,800	9,197,460
\$ 166.61	\$ 546.70	\$ 454.82	\$ 62.68	\$ 10.39	\$ 113.73	\$ -
\$ 10,768,684	\$ 11,841,073	\$ 14,426,313	\$ 19,325,067	\$ -	\$ 18,268,298	\$ 156,229,224
\$ 14,084,277	\$ 25,299,244	\$ 21,311,980	\$ 23,804,634	\$ -	\$ 25,160,560	\$ 235,909,238
600,000	11,100,000	3,100,000	13,391,044	963,284	200,000	65,947,286
-	(8,350,000)	(1,800,000)	(8,500,000)	-	(7,300,000)	(67,600,840)
-	-	-	-	-	-	-
-	3,197,614	400,569	1,557,740	-	1,850,388	17,319,690
-	-	-	-	-	-	46,445
-	-	-	-	-	-	(46,445)
(137,825)	(4,372,204)	(588,142)	(1,537,289)	37,581	(275,934)	(11,902,545)
\$ 14,546,452	\$ 26,874,654	\$ 22,424,407	\$ 28,716,129	\$ 1,000,865	\$ 19,635,014	\$ 239,672,829
\$ 11,368,684	\$ 17,788,687	\$ 16,126,882	\$ 25,773,851	\$ 963,284	\$ 13,018,686	\$ 171,895,360
87,306	49,158	49,304	458,131	96,328	172,646	20,445,709
\$ 166.61	\$ 546.70	\$ 454.82	\$ 62.68	\$ 10.39	\$ 113.73	\$ -
\$ 91,945	\$ 157,768	\$ 156,243	\$ 204,689	\$ -	\$ 204,689	\$ 1,556,065
\$ 124,655	\$ 216,269	\$ 188,510	\$ 208,626	\$ -	\$ 214,642	\$ 2,064,739
5,000	101,000	27,000	121,582	8,782	3,000	597,697
-	(68,000)	(14,000)	(75,000)	-	(59,000)	(572,155)
-	-	-	-	-	-	-
-	13,572	1,098	948	-	1,162	97,369
-	-	-	-	-	-	544
-	-	-	-	-	-	(544)
(1,229)	(23,895)	(2,796)	(809)	342	12,793	(50,020)
\$ 128,426	\$ 238,946	\$ 199,812	\$ 255,347	\$ 9,124	\$ 172,597	\$ 2,137,630
\$ 96,945	\$ 204,340	\$ 170,341	\$ 252,219	\$ 8,782	\$ 149,851	\$ 1,678,976
771	437	439	4,074	878	1,518	191,442
\$ 166.62	\$ 546.69	\$ 454.82	\$ 62.68	\$ 10.39	\$ 113.73	\$ -



**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENT FUNDS  
SCHEDULE OF INVESTMENT ACTIVITY BY TRUST  
FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND	EMERGING MARKET DEBT FUND
<b>Soldiers' Sailors' &amp; Marines' Fund</b>						
Book Value at June 30, 2019	\$ 1,391,469	\$ -	\$ 3,801,181	\$ 44,259,622	\$ -	\$ -
Market Value at June 30, 2019	\$ 1,391,475	\$ -	\$ 11,670,529	\$ 54,191,961	\$ -	\$ -
Shares Purchased	1,923,568	-	750,000	-	-	-
Shares Redeemed	(1,423,441)	-	(150,000)	(4,050,000)	-	-
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	101,931	943,756	-	-
Net Investment Income Earned	27,143	-	-	-	-	-
Net Investment Income Distributed	(27,143)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	-	692,480	3,680,622	-	-
Market Value at Jun. 30, 2020	\$ 1,891,602	\$ -	\$ 13,064,940	\$ 54,766,339	\$ -	\$ -
Book Value(Cost at Jun 30, 2020)	\$ 1,891,596	\$ -	\$ 4,503,112	\$ 41,153,378	\$ -	\$ -
Shares Outstanding	1,891,602	-	5,320	362,033	-	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,455.98	\$ 151.27	\$ -	\$ -
<b>Endowment for the Arts</b>						
Book Value at June 30, 2019	\$ 112,626	\$ -	\$ 3,613,253	\$ 3,060,119	\$ 1,807,862	\$ 1,620,130
Market Value at June 30, 2019	\$ 112,621	\$ -	\$ 5,595,598	\$ 3,308,541	\$ 1,865,290	\$ 1,696,553
Shares Purchased	1,655,761	-	275,000	-	-	-
Shares Redeemed	(986,305)	-	(300,000)	(150,000)	(1,900,612)	(90,000)
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	105,300	15,013	92,750	2,190
Net Investment Income Earned	2,285	-	-	-	-	-
Net Investment Income Distributed	(2,285)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	-	255,506	263,804	(57,428)	(86,230)
Market Value at Jun. 30, 2020	\$ 782,077	\$ -	\$ 5,931,404	\$ 3,437,358	\$ -	\$ 1,522,513
Book Value(Cost at Jun 30, 2020)	\$ 782,082	\$ -	\$ 3,693,553	\$ 2,925,132	\$ -	\$ 1,532,320
Shares Outstanding	782,075	-	2,415	22,723	-	8,514
Market Value per Share	\$ 1.00	\$ -	\$ 2,455.98	\$ 151.27	\$ -	\$ 178.82
<b>Agricultural College Fund</b>						
Book Value at June 30, 2019	\$ 720	\$ -	\$ -	\$ 568,638	\$ -	\$ -
Market Value at June 30, 2019	\$ 721	\$ -	\$ -	\$ 666,659	\$ -	\$ -
Shares Purchased	15,013	-	-	-	-	-
Shares Redeemed	(15,090)	-	-	(15,000)	-	-
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	2,551	-	-
Net Investment Income Earned	13	-	-	-	-	-
Net Investment Income Distributed	(13)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	-	-	54,505	-	-
Market Value at Jun. 30, 2020	\$ 644	\$ -	\$ -	\$ 708,715	\$ -	\$ -
Book Value(Cost at Jun 30, 2020)	\$ 643	\$ -	\$ -	\$ 556,189	\$ -	\$ -
Shares Outstanding	646	-	-	4,685	-	-
Market Value per Share	\$ 1.00	\$ -	\$ -	\$ 151.27	\$ -	\$ -

**PENSION FUNDS MANAGEMENT DIVISION  
 COMBINED INVESTMENT FUNDS  
 SCHEDULE OF INVESTMENT ACTIVITY BY TRUST (Continued)  
 FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ASSET FUND	PRIVATE CREDIT FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ -	\$ 5,756,503	\$ 2,546,578	\$ -	\$ -	\$ -	\$ 57,755,353
\$ -	\$ 8,647,590	\$ 3,152,798	\$ -	\$ -	\$ -	\$ 79,054,353
-	1,200,000	350,000	-	-	-	4,223,568
-	-	-	-	-	-	(5,623,441)
-	-	-	-	-	-	-
-	-	-	-	-	-	1,045,687
-	-	-	-	-	-	27,143
-	-	-	-	-	-	(27,143)
-	(368,863)	30,969	-	-	-	4,035,208
\$ -	\$ 9,478,727	\$ 3,533,767	\$ -	\$ -	\$ -	\$ 82,735,375
\$ -	\$ 6,956,503	\$ 2,896,578	\$ -	\$ -	\$ -	\$ 57,401,167
-	17,338	7,770	-	-	-	2,284,062
\$ -	\$ 546.70	\$ 454.82	\$ -	\$ -	\$ -	\$ -
\$ 1,745,364	\$ 2,799,823	\$ 2,265,827	\$ -	\$ -	\$ -	\$ 17,025,004
\$ 1,847,275	\$ 3,329,843	\$ 2,502,916	\$ -	\$ -	\$ -	\$ 20,258,637
-	600,000	250,000	-	70,000	-	2,850,761
(50,000)	(100,000)	(75,000)	-	-	-	(3,651,917)
-	-	-	-	-	-	-
2,895	12,933	4,272	-	-	-	235,353
-	-	-	-	-	-	2,285
-	-	-	-	-	-	(2,285)
(19,154)	(148,429)	14,862	-	3,729	-	226,660
\$ 1,781,016	\$ 3,694,347	\$ 2,697,050	\$ -	\$ 73,729	\$ -	\$ 19,919,494
\$ 1,698,259	\$ 3,312,756	\$ 2,445,099	\$ -	\$ 70,000	\$ -	\$ 16,459,201
10,689	6,758	5,930	-	7,096	-	846,199
\$ 166.61	\$ 546.70	\$ 454.82	\$ -	\$ 10.39	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 569,358
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 667,380
-	-	-	-	-	-	15,013
-	-	-	-	-	-	(30,090)
-	-	-	-	-	-	-
-	-	-	-	-	-	2,551
-	-	-	-	-	-	13
-	-	-	-	-	-	(13)
-	-	-	-	-	-	54,505
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 709,359
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 556,832
-	-	-	-	-	-	5,331
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**PENSION FUNDS MANAGEMENT DIVISION  
 COMBINED INVESTMENT FUNDS  
 SCHEDULE OF INVESTMENT ACTIVITY BY TRUST  
 FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND	EMERGING MARKET DEBT FUND
<b>Ida Eaton Cotton Fund</b>						
Book Value at June 30, 2019	\$ 64,199	\$ -	\$ 78,600	\$ 1,562,953	\$ -	\$ -
Market Value at June 30, 2019	\$ 64,202	\$ -	\$ 394,310	\$ 1,837,686	\$ -	\$ -
Shares Purchased	62,887	-	17,000	-	-	-
Shares Redeemed	(58,854)	-	-	(135,000)	-	-
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	27,046	-	-
Net Investment Income Earned	887	-	-	-	-	-
Net Investment Income Distributed	(887)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	-	26,909	129,652	-	-
Market Value at Jun. 30, 2020	\$ 68,235	\$ -	\$ 438,219	\$ 1,859,384	\$ -	\$ -
Book Value/Cost at Jun 30, 2020	\$ 68,232	\$ -	\$ 95,600	\$ 1,454,999	\$ -	\$ -
Shares Outstanding	68,234	-	178	12,291	-	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,455.96	\$ 151.27	\$ -	\$ -
<b>Andrew Clark Fund</b>						
Book Value at June 30, 2019	\$ 30,194	\$ -	\$ 36,546	\$ 744,856	\$ -	\$ -
Market Value at June 30, 2019	\$ 30,198	\$ -	\$ 185,377	\$ 864,199	\$ -	\$ -
Shares Purchased	10,342	-	14,000	-	-	-
Shares Redeemed	(27,677)	-	-	(50,000)	-	-
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	9,594	-	-
Net Investment Income Earned	342	-	-	-	-	-
Net Investment Income Distributed	(342)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	-	12,784	64,533	-	-
Market Value at Jun. 30, 2020	\$ 12,863	\$ -	\$ 212,161	\$ 888,326	\$ -	\$ -
Book Value/Cost at Jun 30, 2020	\$ 12,859	\$ -	\$ 50,546	\$ 704,450	\$ -	\$ -
Shares Outstanding	12,861	-	86	5,872	-	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,455.99	\$ 151.27	\$ -	\$ -
<b>School Fund</b>						
Book Value at June 30, 2019	\$ 287,969	\$ -	\$ 376,340	\$ 6,974,209	\$ -	\$ -
Market Value at June 30, 2019	\$ 287,966	\$ -	\$ 1,779,497	\$ 8,261,879	\$ -	\$ -
Shares Purchased	433,802	-	200,000	-	-	-
Shares Redeemed	(455,883)	-	(100,000)	(610,000)	-	-
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	77,029	130,479	-	-
Net Investment Income Earned	4,632	-	-	-	-	-
Net Investment Income Distributed	(4,632)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	-	40,786	579,894	-	-
Market Value at Jun. 30, 2020	\$ 265,885	\$ -	\$ 1,997,312	\$ 8,362,252	\$ -	\$ -
Book Value/Cost at Jun 30, 2020	\$ 265,888	\$ -	\$ 553,369	\$ 6,494,688	\$ -	\$ -
Shares Outstanding	265,890	-	813	55,279	-	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,455.98	\$ 151.27	\$ -	\$ -



**PENSION FUNDS MANAGEMENT DIVISION**  
**C COMBINED INVESTMENT FUNDS**  
**SCHEDULE OF INVESTMENT ACTIVITY BY TRUST (Continued)**  
**FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ASSET FUND	PRIVATE CREDIT FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ -	\$ 195,290	\$ 86,052	\$ -	\$ -	\$ -	\$ 1,987,094
\$ -	\$ 292,992	\$ 106,612	\$ -	\$ -	\$ -	\$ 2,695,802
-	43,000	13,000	-	-	-	135,887
-	-	-	-	-	-	(193,854)
-	-	-	-	-	-	-
-	-	-	-	-	-	27,046
-	-	-	-	-	-	887
-	-	-	-	-	-	(887)
-	(12,410)	1,142	-	-	-	145,293
\$ -	\$ 323,582	\$ 120,754	\$ -	\$ -	\$ -	\$ 2,810,174
\$ -	\$ 238,290	\$ 99,052	\$ -	\$ -	\$ -	\$ 1,956,173
-	592	265	-	-	-	81,562
\$ -	\$ 546.70	\$ 454.82	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 91,725	\$ 40,469	\$ -	\$ -	\$ -	\$ 943,790
\$ -	\$ 137,801	\$ 50,183	\$ -	\$ -	\$ -	\$ 1,267,758
-	20,000	6,000	-	-	-	50,342
-	-	-	-	-	-	(77,677)
-	-	-	-	-	-	-
-	-	-	-	-	-	9,594
-	-	-	-	-	-	342
-	-	-	-	-	-	(342)
-	(5,846)	528	-	-	-	71,999
\$ -	\$ 151,955	\$ 56,711	\$ -	\$ -	\$ -	\$ 1,322,016
\$ -	\$ 111,725	\$ 46,469	\$ -	\$ -	\$ -	\$ 926,049
-	278	125	-	-	-	19,222
\$ -	\$ 546.70	\$ 454.84	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 878,991	\$ 386,943	\$ -	\$ -	\$ -	\$ 8,904,452
\$ -	\$ 1,317,669	\$ 479,654	\$ -	\$ -	\$ -	\$ 12,126,665
-	250,000	98,000	-	-	-	981,802
-	(50,000)	(40,000)	-	-	-	(1,255,883)
-	-	-	-	-	-	-
-	14,187	6,216	-	-	-	227,911
-	-	-	-	-	-	4,632
-	-	-	-	-	-	(4,632)
-	(73,735)	(3,375)	-	-	-	543,570
\$ -	\$ 1,458,121	\$ 540,495	\$ -	\$ -	\$ -	\$ 12,624,065
\$ -	\$ 1,093,178	\$ 451,159	\$ -	\$ -	\$ -	\$ 8,858,282
-	2,667	1,188	-	-	-	325,838
\$ -	\$ 546.70	\$ 454.82	\$ -	\$ -	\$ -	\$ -

**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENT FUNDS  
SCHEDULE OF INVESTMENT ACTIVITY BY TRUST  
FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

	LIQUIDITY FUND	ALTERNATIVE INVESTMENT FUND	DOMESTIC EQUITY FUND	CORE FIXED INCOME FUND	INFLATION LINKED BOND FUND	EMERGING MARKET DEBT FUND
<b>Hopmead Fund</b>						
Book Value at June 30, 2019	\$ 98,587	\$ -	\$ 152,377	\$ 2,439,275	\$ -	\$ -
Market Value at June 30, 2019	\$ 98,589	\$ -	\$ 605,086	\$ 2,820,920	\$ -	\$ -
Shares Purchased	21,474	-	41,000	-	-	-
Shares Redeemed	(9,810)	-	-	(149,000)	-	-
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	-	-	28,382	-	-
Net Investment Income Earned	1,664	-	-	-	-	-
Net Investment Income Distributed	(1,664)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	-	42,887	214,087	-	-
Market Value at Jun. 30, 2020	\$ 110,253	\$ -	\$ 688,973	\$ 2,914,389	\$ -	\$ -
Book Value/Cost at Jun 30, 2020	\$ 110,251	\$ -	\$ 193,377	\$ 2,318,657	\$ -	\$ -
Shares Outstanding	110,251	-	281	19,266	-	-
Market Value per Share	\$ 1.00	\$ -	\$ 2,455.98	\$ 151.27	\$ -	\$ -
<b>Police &amp; Fireman's Survivors' Benefit Fund</b>						
Book Value at June 30, 2019	\$ 412,568	\$ 2,224,506	\$ 3,108,175	\$ 5,291,320	\$ 1,598,484	\$ 1,364,273
Market Value at June 30, 2019	\$ 412,558	\$ 2,574,889	\$ 7,226,392	\$ 5,652,617	\$ 1,847,747	\$ 1,902,721
Shares Purchased	964,869	525,000	1,200,000	2,595,000	100,000	370,000
Shares Redeemed	(240,033)	(308,543)	(1,460,000)	(1,950,000)	(1,966,548)	(190,000)
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	15,181	758,591	155,005	282,538	33,822
Net Investment Income Earned	8,836	-	-	-	-	-
Net Investment Income Distributed	(8,836)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	(144,614)	(210,833)	335,189	(247,090)	(149,619)
Market Value at Jun. 30, 2020	\$ 1,137,394	\$ 2,661,913	\$ 7,514,150	\$ 6,787,811	\$ 16,647	\$ 1,966,924
Book Value/Cost at Jun 30, 2020	\$ 1,137,404	\$ 2,456,144	\$ 3,606,766	\$ 6,091,325	\$ 14,474	\$ 1,578,095
Shares Outstanding	1,137,394	2,104,418	3,060	44,871	100	10,999
Market Value per Share	\$ 1.00	\$ 1.26	\$ 2,455.98	\$ 151.27	\$ 167.24	\$ 178.82
<b>OPEB Fund</b>						
Book Value at June 30, 2019	\$ 24,439,497	\$ 73,981,131	\$ 164,069,471	\$ 172,979,941	\$ 55,402,687	\$ 53,144,330
Market Value at June 30, 2019	\$ 24,439,497	\$ 80,013,818	\$ 221,802,405	\$ 186,616,809	\$ 57,322,378	\$ 58,221,790
Shares Purchased	247,480,511	35,500,000	79,500,000	113,000,000	15,500,000	25,500,000
Shares Redeemed	(229,758,434)	(11,109,746)	(35,000,000)	(60,000,000)	(73,376,942)	(6,000,000)
Returns of Capital	-	-	-	-	-	-
Gain/(Loss) on Shares Redeemed	-	(144,672)	8,611,494	5,305,402	3,078,422	(38,564)
Net Investment Income Earned	251,246	-	-	-	-	-
Net Investment Income Distributed	(251,246)	-	-	-	-	-
Changes in Market Value of Fund Shares	-	(4,354,416)	11,111,064	11,856,911	(1,902,645)	(3,772,330)
Market Value at Jun. 30, 2020	\$ 42,161,574	\$ 99,904,984	\$ 286,024,963	\$ 256,779,122	\$ 621,213	\$ 73,910,896
Book Value/Cost at Jun 30, 2020	\$ 42,161,574	\$ 98,226,713	\$ 217,180,965	\$ 231,285,343	\$ 604,167	\$ 72,605,766
Shares Outstanding	42,161,569	78,981,437	116,461	1,697,440	3,714	413,322
Market Value per Share	\$ 1.00	\$ 1.26	\$ 2,455.98	\$ 151.27	\$ 167.25	\$ 178.82

**PENSION FUNDS MANAGEMENT DIVISION  
 COMBINED INVESTMENT FUNDS  
 SCHEDULE OF INVESTMENT ACTIVITY BY TRUST (Continued)  
 FOR THE FISCAL YEAR ENDING JUNE 30, 2020**

HIGH YIELD DEBT FUND	DEVELOPED MKT INTERN'L STOCK FUND	EMERGING MKT INTN'L STOCK FUND	REAL ASSET FUND	PRIVATE CREDIT FUND	PRIVATE INVESTMENT FUND	TOTALS
\$ -	\$ 302,285	\$ 132,827	\$ -	\$ -	\$ -	3,125,351
\$ -	\$ 449,592	\$ 163,908	\$ -	\$ -	\$ -	4,138,095
-	75,000	23,000	-	-	-	160,474
-	-	-	-	-	-	(158,810)
-	-	-	-	-	-	-
-	-	-	-	-	-	28,382
-	-	-	-	-	-	1,664
-	-	-	-	-	-	(1,664)
-	(18,964)	1,807	-	-	-	239,817
\$ -	\$ 505,628	\$ 188,715	\$ -	\$ -	\$ -	4,407,958
\$ -	\$ 377,285	\$ 155,827	\$ -	\$ -	\$ -	3,155,397
-	925	415	-	-	-	131,137
\$ -	\$ 546.70	\$ 454.82	\$ -	\$ -	\$ -	
\$ 1,646,243	\$ 2,895,458	\$ 2,658,150	\$ 2,977,939	\$ -	\$ 2,429,470	26,606,586
\$ 2,194,611	\$ 3,917,069	\$ 3,288,258	\$ 3,732,037	\$ -	\$ 3,916,288	36,665,187
100,000	1,700,000	550,000	2,212,129	151,962	50,000	10,518,960
-	(1,200,000)	(270,000)	(1,375,000)	-	(1,150,000)	(10,110,124)
-	-	-	-	-	-	-
-	232,839	25,346	270,964	-	416,692	2,190,978
-	-	-	-	-	-	8,836
-	-	-	-	-	-	(8,836)
(21,562)	(417,798)	(57,984)	(268,656)	5,928	(171,892)	(1,348,931)
\$ 2,273,049	\$ 4,232,110	\$ 3,535,620	\$ 4,571,474	\$ 157,890	\$ 3,061,088	37,916,070
\$ 1,746,243	\$ 3,628,297	\$ 2,963,496	\$ 4,086,032	\$ 151,962	\$ 1,746,162	29,206,400
13,643	7,741	7,774	72,932	15,196	26,915	3,445,042
\$ 166.61	\$ 546.70	\$ 454.82	\$ 62.68	\$ 10.39	\$ 113.73	
\$ 59,887,686	\$ 104,831,286	\$ 93,554,443	\$ 98,558,869	\$ -	\$ 91,652,948	992,502,289
\$ 68,468,019	\$ 121,564,222	\$ 102,466,703	\$ 114,835,557	\$ -	\$ 121,223,405	1,156,974,603
17,500,000	80,500,000	40,000,000	97,019,085	5,467,603	20,500,000	777,467,199
-	(36,000,000)	(7,000,000)	(37,500,000)	-	(34,000,000)	(529,745,122)
-	-	-	-	-	-	-
-	3,524,036	(90,626)	5,100,873	-	7,593,660	32,940,025
-	-	-	-	-	-	251,246
-	-	-	-	-	-	(251,246)
(618,558)	(10,171,998)	(408,612)	(4,825,102)	213,311	3,066,694	194,319
\$ 85,349,461	\$ 159,416,260	\$ 134,967,465	\$ 174,630,413	\$ 5,680,914	\$ 118,383,759	1,437,831,024
\$ 77,387,686	\$ 152,855,322	\$ 126,463,817	\$ 163,178,827	\$ 5,467,603	\$ 85,746,608	1,273,164,391
512,258	291,599	296,748	2,786,016	546,760	1,040,919	128,848,243
\$ 166.61	\$ 546.70	\$ 454.82	\$ 62.68	\$ 10.39	\$ 113.73	11.16

**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENT FUNDS  
SUMMARY OF OPERATIONS (Dollars in Thousands)  
FISCAL YEARS ENDED JUNE 30**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Investment Income <sup>(1)</sup>	\$ 941,615	\$ 992,354	\$ 926,400	\$ 854,237	\$ 819,246	\$ 785,305	\$ 759,442	\$ 954,708	\$ 888,007	\$ 1,010,079
Expenses <sup>(2)</sup>	115,555	135,249	101,985	90,593	88,347	89,745	87,227	82,759	83,105	86,671
Net Investment Income	\$ 826,060	\$ 857,105	\$ 824,415	\$ 763,644	\$ 730,899	\$ 695,560	\$ 672,215	\$ 871,949	\$ 804,902	\$ 923,408
Net Increase (Decrease) in the Fair Value of Investments and Foreign Currency	(14,458)	1,117,075	1,484,659	3,332,743	(720,277)	339,140	3,329,796	1,905,837	(1,023,840)	3,525,575
Total	\$ 811,602	\$ 1,974,180	\$ 2,309,074	\$ 4,096,387	\$ 10,622	\$ 1,034,700	\$ 4,002,011	\$ 2,777,786	\$ (218,938)	\$ 4,448,983

<sup>(1)</sup> Securities lending income and expenses are shown net in the Investment Income line above for all periods presented.  
<sup>(2)</sup> Expenses shown above include salary and fringe benefits.

Source: Amounts were derived from Custodial Records.

**COMBINED INVESTMENT FUNDS  
PENSION AND TRUST FUNDS  
BALANCES <sup>(1)</sup> IN COMBINED INVESTMENT FUNDS (Dollars in Thousands)  
AT JUNE 30, 2020**

Fund Name	Teachers' Retirement Fund		State Employees' Retirement Fund		Municipal Employees' Retirement Fund		Probate Court Retirement Fund		Judges Retirement Fund		State's Attorneys' Retirement Fund		Trust Funds	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
LF	\$ 305,885	1.67	\$ 176,572	1.34	\$ 65,901	2.43	\$ 2,383	2.15	\$ 5,835	2.43	\$ 61	2.85	\$ 46,430	2.90
AIF	1,288,511	7.05	934,957	7.08	188,055	6.93	7,865	7.12	16,850	7.03	150	7.01	102,567	6.40
DEF	3,675,562	20.11	2,659,553	20.14	541,429	19.97	22,130	19.99	47,778	19.93	424	19.85	315,871	19.73
CFIF	3,326,781	18.20	2,409,107	18.25	489,486	18.05	20,040	18.11	43,435	18.12	386	18.05	336,505	21.02
ILBF	7,677	0.04	5,582	0.04	1,135	0.04	47	0.04	103	0.04	1	0.05	637	0.04
EMDF	961,214	5.26	695,304	5.27	141,696	5.23	5,820	5.26	12,475	5.20	111	5.19	77,402	4.84
HYBD	1,131,652	6.19	816,378	6.18	165,163	6.09	6,709	6.06	14,546	6.07	129	6.03	89,403	5.59
DMISF	2,060,119	11.27	1,490,631	11.29	303,601	11.20	12,439	11.24	26,875	11.21	239	11.18	179,261	11.20
EMISF	1,730,838	9.47	1,253,009	9.49	255,627	9.43	10,413	9.41	22,424	9.35	200	9.35	145,641	9.10
RAF	2,202,948	12.05	1,602,609	12.14	324,002	11.95	13,262	11.98	28,716	11.98	255	11.93	179,202	11.20
PCF	75,620	0.41	55,283	0.42	11,166	0.41	470	0.42	1,001	0.42	9	0.42	5,913	0.37
PIF	1,508,354	8.25	1,100,329	8.34	223,629	8.25	9,076	8.20	19,635	8.19	173	8.09	121,444	7.59
Total	\$ 18,275,161	100.00	\$ 13,199,314	100.00	\$ 2,710,890	100.00	\$ 110,654	100.00	\$ 239,673	100.00	\$ 2,138	100.00	\$ 1,600,276	100.00

<sup>(1)</sup> Based on Net Asset Value  
Source: Amounts were derived from custodial records

**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENT FUNDS  
INVESTMENT SUMMARY AT JUNE 30, 2020 <sup>(1)</sup>**

	Liquidity Fund <sup>(2)</sup>			Domestic Equity Fund		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2020	\$602,110,350	1.65%	1.63%	\$7,257,236,555	19.83%	6.77%
2019	336,518,178	0.93%	2.46%	8,269,411,950	22.74%	8.40%
2018	709,844,344	2.07%	1.63%	7,760,012,682	22.58%	14.74%
2017	1,387,328,362	4.26%	0.96%	7,026,486,865	21.57%	19.26%
2016	1,018,293,290	3.49%	0.68%	6,647,482,185	22.76%	1.75%
2015	1,282,270,968	4.31%	-1.07%	6,784,028,571	22.80%	7.32%
2014	1,158,961,835	3.93%	0.54%	7,055,012,881	23.93%	25.28%
2013	1,041,232,312	4.01%	0.66%	6,236,082,798	24.07%	21.15%
2012	770,217,574	3.20%	-0.14%	6,417,508,518	26.65%	3.38%
2011	775,433,903	3.07%	1.20%	6,634,922,151	26.28%	31.92%

	Core Fixed Income Fund			Inflation Linked Bond Fund		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2020	\$7,137,048,919	19.51%	8.72%	\$15,059,045	0.04%	0.52%
2019	3,685,679,215	10.14%	6.69%	1,468,543,197	4.04%	3.48%
2018	3,292,563,253	9.58%	-0.89%	1,382,416,735	4.02%	3.21%
2017	2,601,453,937	7.99%	1.89%	1,332,942,016	4.09%	0.66%
2016	2,490,655,941	8.53%	3.46%	1,321,779,931	4.52%	2.29%
2015	2,627,250,626	8.83%	1.85%	1,120,365,183	3.77%	-2.85%
2014	2,573,846,130	8.73%	4.28%	1,075,489,795	3.65%	4.17%
2013	2,056,321,868	7.94%	-0.24%	879,482,495	3.39%	-4.33%
2012	2,859,134,784	11.88%	7.63%	932,982,728	3.88%	11.91%
2011	3,001,125,667	11.89%	4.49%	1,115,148,171	4.42%	7.23%

	Emerging Market Debt Fund			High Yield Debt Fund		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2020	\$1,877,876,100	5.13%	-5.13%	\$2,219,682,946	6.07%	-0.87%
2019	2,108,797,847	5.80%	10.13%	2,190,692,080	6.03%	5.82%
2018	1,844,542,809	5.37%	-1.78%	2,109,564,213	6.14%	2.58%
2017	1,598,180,952	4.91%	9.11%	2,034,712,429	6.25%	12.59%
2016	1,483,772,612	5.08%	6.01%	1,808,188,496	6.19%	-0.31%
2015	1,399,864,819	4.70%	-7.57%	1,772,254,243	5.96%	-1.31%
2014	1,500,069,627	5.09%	6.99%	1,592,980,848	5.40%	12.24%
2013	1,388,070,525	5.36%	1.69%	1,267,238,204	4.89%	8.46%
2012	1,176,095,315	4.88%	4.78%	706,123,033	2.93%	6.23%
2011	1,141,817,330	4.52%	16.06%	710,362,023	2.81%	15.96%

**PENSION FUNDS MANAGEMENT DIVISION**  
**COMBINED INVESTMENT FUNDS (Continued)**  
**INVESTMENT SUMMARY AT JUNE 30, 2020 <sup>(1)</sup>**

	<b>Developed Market International Stock Fund</b>			<b>Emerging Market International Stock Fund</b>		
	<b>Fair Value</b>	<b>% of Total Fund FV</b>	<b>Rate of Return</b>	<b>Fair Value</b>	<b>% of Total Fund FV</b>	<b>Rate of Return</b>
2020	\$4,048,419,457	11.06%	-4.85%	\$3,417,822,506	9.34%	0.01%
2019	6,967,711,311	19.16%	0.33%	3,283,464,289	9.03%	2.89%
2018	7,071,927,935	20.58%	6.53%	2,779,562,524	8.09%	4.66%
2017	6,344,307,953	19.48%	24.81%	3,002,786,523	9.22%	23.00%
2016	5,187,629,818	17.76%	-7.09%	2,467,083,187	8.45%	-7.15%
2015	5,879,680,883	19.76%	0.67%	2,463,358,430	8.28%	-6.93%
2014	6,101,761,491	20.70%	22.31%	2,645,431,257	8.97%	11.50%
2013	5,393,071,695	20.81%	22.56%	2,367,182,053	9.14%	3.29%
2012	4,550,036,799	18.90%	-12.48%	2,216,901,370	9.21%	-14.16%
2011	5,391,257,095	21.35%	26.30%	2,629,250,556	10.41%	28.55%

	<b>Real Assets Fund <sup>(3)</sup></b>			<b>Commercial Mortgage Fund <sup>(3) (6)</sup></b>		
	<b>Fair Value</b>	<b>% of Total Fund FV</b>	<b>Rate of Return</b>	<b>Fair Value</b>	<b>% of Total Fund FV</b>	<b>Rate of Return</b>
2020	\$4,344,309,183	11.87%	2.11%	\$0	0.00%	0.00%
2019	2,436,096,320	6.70%	6.38%	0	0.00%	0.00%
2018	2,283,139,537	6.64%	8.69%	0	0.00%	0.00%
2017	2,242,658,118	6.89%	7.38%	0	0.00%	0.00%
2016	2,207,396,472	7.56%	11.51%	83	0.00%	0.00%
2015	1,848,291,148	6.21%	12.93%	29,799	0.00%	0.25%
2014	1,509,757,272	5.12%	10.66%	67,609	0.00%	10.17%
2013	1,471,299,222	5.68%	10.26%	70,099	0.00%	0.88%
2012	1,328,560,229	5.52%	7.19%	765,779	0.00%	-6.48%
2011	1,097,203,255	4.35%	16.12%	2,386,359	0.01%	4.61%

	<b>Private Investment Fund <sup>(3)</sup></b>			<b>Private Credit Fund <sup>(7)</sup></b>		
	<b>Fair Value</b>	<b>% of Total Fund FV</b>	<b>Rate of Return</b>	<b>Fair Value</b>	<b>% of Total Fund FV</b>	<b>Rate of Return</b>
2020	\$2,982,841,872	8.15%	3.94%	\$149,457,511	0.41%	0.00%
2019	2,707,814,987	7.45%	15.53%			
2018	2,712,365,156	7.89%	15.50%			
2017	2,970,729,926	9.12%	10.97%			
2016	2,769,435,919	9.48%	8.87%			
2015	2,773,374,435	9.32%	14.04%			
2014	2,918,978,182	9.90%	16.06%			
2013	2,564,877,605	9.90%	9.50%			
2012	2,569,809,038	10.67%	5.92%			
2011	2,229,679,980	8.83%	19.89%			

**PENSION FUNDS MANAGEMENT DIVISION  
 COMBINED INVESTMENT FUNDS (Continued)  
 INVESTMENT SUMMARY AT JUNE 30, 2020 <sup>(1)</sup>**

	Alternative Investment Fund <sup>(5)</sup>			Total Fund <sup>(4)</sup>		
	Fair Value	% of Total Fund FV	Rate of Return	Fair Value	% of Total Fund FV	Rate of Return
2020	\$2,537,631,225	6.94%	-3.78%	\$36,589,495,669	100.00%	1.89%
2019	2,902,985,114	7.98%	3.73%	36,357,550,590	100.00%	5.92%
2018	2,422,737,099	7.05%	4.69%	34,368,676,287	100.00%	7.03%
2017	2,026,788,085	6.22%	8.51%	32,568,375,166	100.00%	14.18%
2016	1,804,337,067	6.18%	-5.32%	29,206,055,001	100.00%	0.35%
2015	1,804,487,746	6.06%	3.98%	29,755,256,851	100.00%	2.79%
2014	1,349,977,450	4.58%	6.63%	29,482,334,377	100.00%	15.43%
2013	1,247,574,910	4.81%	6.39%	25,912,503,786	100.00%	11.64%
2012	549,205,302	2.28%	-1.62%	24,077,340,469	100.00%	-0.90%
2011	519,007,742	2.06%	0.00%	25,247,594,232	100.00%	20.75%

(1) All rates of return are net of management fees and division operating expenses.

(2) The fair value of the Liquidity Fund for the periods presented represents the fair value of the pension and trust balances in the Liquidity Fund only (excluding receivables and payables); the Liquidity Fund balances of the other combined investment funds are shown in the fair value of each fund.

(3) Investment returns published for prior years were net of management fees, but were restated in 2008 net of all expenses.

(4) Represents a composite return of the total pension and trust funds.

(5) Inception of the Alternative Investment Fund during Fiscal 2011.

(6) Investments in Commercial Mortgage Fund were redeemed by plan participants. Ending Net Asset Value at June 30, 2016 was less than \$100. No percentages were calculated due to the immaterial amounts.

(7) Inception of the Private Credit Fund during Fiscal 2020.

**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENTS FUNDS  
TOP TEN HOLDINGS\* BY FUND AT JUNE 30, 2020**

**LIQUIDITY FUND**

Security Name	Maturity Date	Market Value	%
FEDERATED GOV'T MONEY FUND	7/1/2020	\$ 55,000,000	6.26%
US BANK NA	7/30/2020	50,000,000	5.69%
U S TREASURY BILL	7/28/2020	49,989,889	5.69%
U S TREASURY BILL	9/08/2020	49,979,583	5.69%
FEDEREL HOME LN BK CONS DISC	7/9/2020	49,718,750	5.66%
WSTRN ASST INST US TRS-INST	10/9/2020	43,130,476	4.91%
TD BANK NA C/D	10/9/2020	40,000,252	4.56%
NATIONAL SEC CORP DISC	7/13/2020	34,997,278	3.99%
FEDERAL HOME LN MTG CORP DISC	7/23/2020	29,994,775	3.42%
WESTPAC BANKING IB NT	10/23/2020	25,000,040	2.85%
<b>Top Ten</b>		<b>\$ 427,811,043</b>	<b>48.72%</b>

**Fair Value LF**

**\$ 878,145,060**

**ALTERNATIVE INVESTMENT FUND**

Partnership Name	Partnership Type	Market Value	%
PRUDENCE CRANDALL III, L.P.	Hedge Fund-of-Funds	\$ 1,251,733,304	49.33%
PRUDENCE CRANDALL IV, L.P.	Hedge Fund-of-Funds	636,574,927	25.09%
PRUDENCE CRANDALL IV-D, LIQUID STRATEGY, L.P.	Hedge Fund-of-Funds	396,328,440	15.62%
THOMAS WELLES FUND	Hedge Fund-of-Funds	167,162,009	6.59%
OWL ROCK	Opportunistic	43,846,072	1.73%
PRUDENCE CRANDALL II PRISMA, L.P.	Hedge Fund-of-Funds	24,354,655	0.96%
LIQUIDITY FUND	Liquidity Fund	17,133,630	0.68%
PRUDENCE CRANDALL I, L.P.	Hedge Fund-of-Funds	498,188	0.02%
<b>Top Ten</b>		<b>\$ 2,537,631,225</b>	<b>100.00%</b>

**FAIR VALUE AIF**

**\$ 2,537,631,225**

**DOMESTIC EQUITY FUND**

Security Name	Industry Sector	Market Value	%
MICROSOFT CORP	TECHNOLOGY	\$ 389,362,048	5.37%
APPLE INC	TECHNOLOGY	370,184,448	5.10%
AMAZON.COM INC	CONSUMER DISCRETI	305,619,321	4.21%
FACEBOOK INC	TECHNOLOGY	148,675,899	2.05%
ALPHABET INC-CL C	TECHNOLOGY	125,049,354	1.72%
ALPHABET INC-CL A	TECHNOLOGY	103,557,355	1.43%
VISA INC	FINANCIAL SERVICES	89,422,256	1.23%
JOHNSON & JOHNSON	HEALTH CARE	79,001,012	1.09%
BERKSHIRE HATHAWAY INC	FINANCIAL SERVICES	77,307,683	1.07%
JPMORGAN CHASE & CO	FINANCIAL SERVICES	71,937,652	0.99%
<b>Top Ten</b>		<b>\$ 1,760,117,029</b>	<b>24.25%</b>

**FAIR VALUE DEF**

**\$ 7,257,236,555**



**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENTS FUNDS  
TOP TEN HOLDINGS\* BY FUND AT JUNE 30, 2020 (Continued)**

**DEVELOPED MARKET INTERNATIONAL STOCK FUND**

<b>Security Name</b>	<b>Country</b>	<b>Market Value</b>	<b>%</b>
ROCHE HOLDING AG	Switzerland	\$ 99,818,331	2.47%
NESTLE SA	Switzerland	91,403,958	2.26%
NOVARTIS AG	Switzerland	66,608,112	1.65%
SAP SE	Germany	59,195,444	1.46%
KEYENCE CORP	Japan	52,173,610	1.29%
NOVO NORDISK A/S	Denmark	42,755,582	1.06%
LVMH MOET HENNESSY LOUIS VUITT	France	41,663,864	1.03%
SIEMENS AG	Germany	32,936,310	0.81%
UNILEVER NV	Netherlands	32,516,710	0.80%
FANUC CORP	Japan	31,759,317	0.78%
<b>Top Ten</b>		<b>\$ 550,831,236</b>	<b>13.61%</b>

**FAIR VALUE DMISF** **\$ 4,048,419,457**

**EMERGING MARKET INTERNATIONAL STOCK FUND**

<b>Security Name</b>	<b>Country</b>	<b>Market Value</b>	<b>%</b>
TENCENT HOLDINGS LTD	China	240,266,986	7.03%
ALIBABA GROUP HOLDING LTD	China	209,086,854	6.12%
TAIWAN SEMICONDUCTOR MANUFACTU	Taiwan	189,916,768	5.56%
SAMSUNG ELECTRONICS CO LTD	South Korea	155,948,888	4.56%
NASPERS LTD	South Africa	57,078,525	1.67%
JD.COM INC	China	52,649,316	1.54%
MERCADOLIBRE INC	United States	52,648,990	1.54%
RELIANCE INDUSTRIES LTD	India	48,520,256	1.42%
INFOSYS LTD	India	42,931,436	1.26%
PING AN INSURANCE GROUP CO OF	China	37,738,449	1.10%
<b>Top Ten</b>		<b>\$ 1,086,786,467</b>	<b>31.80%</b>

**FAIR VALUE EMISF** **\$ 3,417,822,506**

**REAL ASSETS FUND**

<b>Partnership Name</b>	<b>Partnership Type</b>	<b>Market Value</b>	<b>%</b>
PRIME PROPERTY FUND LLC	Core	\$ 277,061,466	6.38%
BARINGS CORE PROPERTY FUND L.P.	Core	262,944,095	6.05%
PRISA	Core	212,299,169	4.89%
USAA EAGLE REAL ESTATE FEEDER	Core	194,641,247	4.48%
CLARION LION INDUSTRIAL TRUST	Value Added	155,759,788	3.59%
BLACKSTONE RE PARTNERS VIII L.P.	Core	99,475,012	2.29%
US TREAS-CPI INFLAT	U.S. TIPS	89,481,798	2.06%
US TREAS-CPI INFLAT	U.S. TIPS	86,554,456	1.99%
US TREAS-CPI INFLAT	U.S. TIPS	85,548,966	1.97%
UBS US TRUMBULL PROPERTY FUND	Core	76,640,930	1.76%
<b>Top Ten</b>		<b>\$ 1,540,406,928</b>	<b>35.46%</b>

**FAIR VALUE RAF** **\$ 4,344,309,183**

**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENTS FUNDS  
TOP TEN HOLDINGS\* BY FUND AT JUNE 30, 2020 (Continued)**

**CORE FIXED INCOME FUND**

<b>Security Name</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Security Type</b>	<b>Market Value</b>	<b>%</b>
FNMA SF MTG	2.50%	8/1/2050	U.S. Govt/Agency	\$ 77,400,878	1.08%
U S TREASURY NOTE	1.63%	10/31/2026	U.S. Govt/Agency	65,412,690	0.92%
FNMA SF MTG	2.500%	7/1/2050	U.S. Govt/Agency	59,957,303	0.84%
U S TREASURY NOTE	2.375%	5/15/2029	U.S. Govt/Agency	58,395,436	0.82%
U S TREASURY NOTE	0.13%	5/15/2023	U.S. Govt/Agency	55,153,252	0.77%
U S TREASURY NOTE	1.625%	8/15/2029	U.S. Govt/Agency	52,472,442	0.74%
U S TREASURY BOND	3.125%	2/15/2043	U.S. Govt/Agency	47,644,920	0.67%
FNMA SF MTG	4.000%	7/1/2050	U.S. Govt/Agency	42,199,772	0.59%
U S TREASURY NOTE	0.625%	5/15/2030	U.S. Govt/Agency	32,479,781	0.46%
FNMA SF MTG	3.000%	7/1/2050	U.S. Govt/Agency	31,500,878	0.44%
<b>Top Ten</b>				<b>\$ 522,617,351</b>	<b>7.32%</b>

**FAIR VALUE CFIF**

**\$ 7,137,048,919**

**EMERGING MARKET DEBT FUND**

<b>Security Name</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Market Value</b>	<b>%</b>
BRAZIL NOTAS DO TESOURO NACION	10.00%	1/1/2027	\$ 22,122,420	1.18%
JPMORGAN CHASE BANK NA 144A	8.38%	9/17/2026	19,201,042	1.02%
MEXICAN BONOS	8.50%	5/31/2029	18,972,426	1.01%
BRAZIL NOTAS DO TESOURO NACION	10.00%	1/1/2023	18,209,839	0.97%
REPUBLIC OF SOUTH AFRICA GOVER	7.00%	2/28/2031	17,078,573	0.91%
MEXICAN BONOS	8.50%	11/18/2038	16,050,382	0.85%
JPMORGAN CHASE BANK NA 144A	8.375%	3/17/2034	15,643,806	0.83%
COLOMBIAN TES	10.00%	7/24/2024	15,276,697	0.81%
<b>Top Ten</b>			<b>\$ 172,467,973</b>	<b>9.18%</b>

**FAIR VALUE EMDF**

**\$ 1,877,876,100**

**HIGH YIELD DEBT FUND**

<b>Security Name</b>	<b>Coupon</b>	<b>Maturity</b>	<b>Market Value</b>	<b>%</b>
ISHARES IBOX HIGH YLD CORP ETF	n/a	n/a	\$ 139,961,976	6.31%
AVANTOR INC 144A	9.000%	10/1/2025	12,678,550	0.57%
ONE CALL CORP 144A	11.500%	7/1/2024	11,203,035	0.50%
ALTICE FRANCE SA/FRANCE 144A	7.375%	5/1/2026	10,664,716	0.48%
CCO HOLDINGS LLC / CCO HO 144A	4.750%	3/1/2030	10,481,558	0.47%
ASURION 2ND LIEN TLB2	6.810%	8/4/2025	10,302,150	0.46%
TRANSDIGM INC 144A	6.250%	3/15/2026	8,571,689	0.39%
TRANSDIGM INC	5.500%	11/15/2027	8,552,460	0.39%
SPRINT CAPITAL CORP	8.750%	3/15/2032	8,495,900	0.38%
NEW STAR METALS INC	0.000%	1/1/2024	7,894,472	0.36%
<b>Top Ten</b>			<b>\$ 228,806,507</b>	<b>10.31%</b>

**FAIR VALUE HYDF**

**\$ 2,219,682,946**

**PENSION FUNDS MANAGEMENT DIVISION  
 COMBINED INVESTMENTS FUNDS  
 TOP TEN HOLDINGS\* BY FUND AT JUNE 30, 2020 (Continued)**

**PRIVATE INVESTMENT FUND**

<b>Partnership Name</b>	<b>Partnership Type</b>	<b>Market Value</b>	<b>%</b>
FAIRVIEW CONSTITUTION III L.P.	Fund of Funds	\$ 230,144,359	7.72%
FAIRVIEW CONSTITUTION IV L.P.	Fund of Funds	197,151,062	6.61%
CONSTITUTION FUND V LLC	Fund of Funds	159,910,992	5.36%
VISTA EQUITY PTNRS FD VI L.P.	Buyout	148,017,887	4.96%
WELSH CARSON ANDERSON & STOWE XII L.P.	Buyout	98,634,365	3.31%
APOLLO INVESTMENT FUND VIII L.P.	Special Situations	92,673,812	3.11%
TA XI, L.P.	Buyout	89,458,537	3.00%
BC EUROPEAN CAPITAL X L.P.	Buyout - International	87,197,888	2.92%
JFL EQUITY INVESTORS IV L.P.	Buyout	86,075,335	2.89%
NUTMEG OPPORTUNITIES FUND L.P.	Fund of Funds	74,648,502	2.50%
<b>Top Ten</b>		<b>\$ 1,263,912,739</b>	<b>42.37%</b>
<b>FAIR VALUE PIF</b>		<b>\$ 2,982,841,872</b>	

**PRIVATE CREDIT FUND**

<b>Partnership Name</b>	<b>Strategy</b>	<b>Market Value</b>	<b>%</b>
ANCHORAGE ILLIQUID OPP FD VI	Opportunistic - Distressed	\$ 73,146,389	48.94%
CRESCENT DIRECT LENDING II L.P.	Opportunistic - Direct Lending	63,835,140	42.71%
LIQUIDITY FUND		12,475,982	8.35%
<b>Top Ten</b>		<b>\$ 149,457,511</b>	<b>100.00%</b>
<b>FAIR VALUE PCF</b>		<b>\$ 149,457,511</b>	

Ten Largest Securities Holdings\* at June 30, 2020

\* A complete list of portfolio holdings is available upon request from the Office of the Treasurer, in accordance with the Connecticut Freedom of Information Act.

**PENSION FUNDS MANAGEMENT DIVISION**  
**SCHEDULE OF EXPENSES IN EXCESS OF \$5,000<sup>(1)</sup>**  
**FISCAL YEAR ENDED JUNE 30, 2020**

<b>Name of Firm</b>	<b>Description of Services</b>	<b>Contract Date</b>	<b>Aggregate Comp. Paid in FY 2020</b>	<b>Status at June 30, 2020</b>
<b>INVESTMENT ADVISORY SERVICES</b>				
<b>Domestic Equity Investment Advisory Services -315</b>				
Bivium Capital Partners, LLC	Equity Advisor	Jul-05	\$ 3,116,763	Active
Capital Prospects LLC	Equity Advisor	Jul-05	2,409,526	Active
Frontier Capital Management Co.LLC	Equity Advisor	Oct-10	627,116	Terminated
State Street Global Advisors	Equity Advisor	Mar-96	288,082	Terminated
T. Rowe Price Associates, Inc.	Equity Advisor	Nov-08	7,011,359	Active
<b>Total Domestic Equity Advisor Compensation</b>			<b>\$ 13,452,844</b>	
<b>Core Fixed Income Investment Advisory Services -321</b>				
Bivium	Core Income Advisor	Feb-20	\$ 27,965	Active
Blackrock Financial Management	Core Income Advisor	Mar-96	843,005	Active
Colchester Global Investors Limited	Core Income Advisor	May-09	96,779	Terminated
Goodwin Capital Advisors(Phoenix)	Core Income Advisor	Nov-97	992,904	Active
Longfellow Investment Management	Core Income Advisor	Dec-18	560,325	Active
Pacific Investment Management Co. LLC	Core Income Advisor	Mar-09	85,136	Terminated
Payden & Rygel	Core Income Advisor	Mar-09	68,687	Terminated
Progress Investment Management	Core Income Advisor	Jul-05	307,029	Terminated
Pugh Capital Management	Core Income Advisor	Dec-18	527,694	Active
State Street Global Advisors	Core Income Advisor	Mar-96	142,596	Active
Wellington Asset Management	Core Income Advisor	Nov-97	1,147,592	Active
<b>Total Core Fixed Income Advisor Compensation</b>			<b>\$ 4,799,712</b>	
<b>Inflation Linked Bond Investment Advisory Services -322</b>				
BlackRock Financial Management, Inc	Inflation Income Advisor	Sep-14	\$ 1,033,867	Terminated
Colchester Global Investors Limited	Inflation Income Advisor	Nov-14	1,326,758	Terminated
New Century Advisors, LLC	Inflation Income Advisor	Sep-14	527,550	Terminated
<b>Total Inflation Linked Bond Advisor Compensation</b>			<b>\$ 2,888,174</b>	
<b>Emerging Market Debt Investment Advisory Services-323</b>				
Ashmore Investment Management Limited	Emerging Market Income Advisor	Sep-16	\$ 3,038,036	Active
FIAM LLC	Emerging Market Income Advisor	Sep-11	1,403,701	Terminated
Lazard Asset Management LLC	Emerging Market Income Advisor	Aug-09	145,261	Terminated
Payden & Rygel	Emerging Market Income Advisor	Jul-18	3,140,979	Active
<b>Total Emerging Market Debt Advisor Compensation</b>			<b>\$ 7,727,977</b>	
<b>High Yield Debt Advisory Services-324</b>				
AllianceBernstein	High Yield Income Advisor	Nov-18	\$ 1,201,427	Active
Columbia Management Investment Advisers LLC	High Yield Income Advisor	Feb-17	1,658,896	Active
DDJ Capital Management LLC	High Yield Income Advisor	Nov-16	1,355,010	Active
Loomis Sayles & Co., Inc.	High Yield Income Advisor	Mar-96	616,668	Terminated
Nomura Corporate Research & Asset Management	High Yield Income Advisor	Feb-17	1,915,577	Active
Shenkman Capital Management	High Yield Income Advisor	Dec-07	994,761	Active
<b>Total High Yield Debt Advisor Compensation</b>			<b>\$ 7,742,339</b>	
<b>Liquidity Fund Advisory Services-330</b>				
State Street Global Advisors	Liquidity Fund Advisor	Mar-96	\$ 244,960	Terminated
<b>Total Liquidity Fund Advisor Compensation</b>			<b>\$ 244,960</b>	
<b>Developed Market International Equity Investment Advisory Services-341</b>				
Acadian Asset Management	International Equity Advisor	Sep-06	\$ 2,443,343	Active
AQR Capital Management, LLC	International Equity Advisor	Sep-06	1,929,525	Terminated
Causeway	International Equity Advisor	Nov-19	1,126,429	Active
Dimensional Fund Advisors LP	International Equity Advisor	Mar-09	1,403,819	Terminated
Fierra	International Equity Advisor	Nov-19	904,927	Active
First Quadrant	International Equity Advisor	Jul-14	1,415,262	Terminated
Xpounce, Inc. (Formerly FIS Group, Inc.)	International Equity Advisor	Mar-20	887,522	Active
MFS Institutional Advisors	International Equity Advisor	Aug-03	2,143,713	Terminated
Progress Investment Management	International Equity Advisor	Jul-05	926,405	Terminated
Schroder Investment Management	International Equity Advisor	Sep-03	1,160,337	Terminated
State Street Global Advisors	International Equity Advisor	Mar-96	609,673	Active
William Blair Investment Management	International Equity Advisor	Mar-09	1,737,291	Terminated
Xpounce, Inc.	International Equity Advisor	May-20	365,778	Active
<b>Total Developed Market International Equity Advisor Compensation</b>			<b>\$ 17,054,021</b>	
<b>Emerging Market International Equity Investment Advisory Services-342</b>				
Arga Investment Management	International Equity Advisor	Apr-19	\$ 1,514,232	Active
Driehaus Capital Management	International Equity Advisor	Mar-19	3,384,385	Active
QQG Partners	International Equity Advisor	Apr-19	3,371,215	Active
Lazard Asset Management	International Equity Advisor	Apr-19	2,016,129	Active
Schroder Investment Management	International Equity Advisor	Jan-10	7,662,395	Active
<b>Total Emerging Market International Equity Advisor Compensation</b>			<b>\$ 17,948,357</b>	

**PENSION FUNDS MANAGEMENT DIVISION**  
**SCHEDULE OF EXPENSES IN EXCESS OF \$5,000<sup>(1)</sup> (Continued)**  
**FISCAL YEAR ENDED JUNE 30, 2020**

Name of Firm	Description of Services	Contract Date	Aggregate Comp. Paid in FY 2020	Status at June 30, 2020
<b>Real Estate Investment Advisory Services (2)-325</b>				
Artemis Real Estate Partners Income & Growth Fund, L.P.	Real Estate Advisor	Jan-19	\$ 849,836	Active
American Realty Advisors	Real Estate Advisor	Mar-12	1,199,600	Active
Barings Core Property Fund LP	Real Estate Advisor	Oct-12	1,510,049	Active
Blackstone Real Estate Partners Europe III L.P.	Real Estate Advisor	Nov-08	168,363	Active
Blackstone Real Estate Partners Europe V LP	Real Estate Advisor	May-17	652,542	Active
Blackstone Real Estate Partners VIII	Real Estate Advisor	Mar-15	1,156,316	Active
Clarion LIT Industrial LP	Real Estate Advisor	Mar-03	1,605,836	Active
Crow Holdings Realty Partners VII, L.P.	Real Estate Advisor	Dec-15	622,040	Active
Crow Holdings Realty Partners VIII, L.P.	Real Estate Advisor	Feb-18	1,568,338	Active
Cypress Retail Fund LP	Real Estate Advisor	May-13	980,296	Active
EIG Energy Fund XV, L.P.	Real Estate Advisor	Apr-11	433,613	Active
Gerding Edlen Green Cities III, L.P.	Real Estate Advisor	Feb-17	168,108	Active
Gerding Edlen Green Cities IV, L.P.	Real Estate Advisor	Jan-19	646,495	Active
Global Infrastructure Partners IV, L.P.	Real Estate Advisor	Jul-19	4,649,079	Active
Hart Realty Advisors, Inc. (CORE)	Real Estate Advisor	Nov-11	2,907,070	Active
Homestead Capital USA Farmland Fund III, L.P.	Real Estate Advisor	Jun-20	1,400,216	Active
ISQ Global Infrastructure Fund II (UST), L.P.	Real Estate Advisor	Apr-18	1,400,163	Active
JP Morgan Investment Mgmt.	Real Estate Advisor	May-14	294,439	Terminated
UBS Trumbull Property Growth & Income Fund LP	Real Estate Advisor	Nov-13	812,581	Active
UBS Trumbull Property Fund LP	Real Estate Advisor	Nov-13	620,718	Active
UBS Trumbull Property Income Fund, LP	Real Estate Advisor	Nov-13	502,950	Active
<b>Total Real Estate Advisor Compensation</b>			<b>\$ 24,148,647</b>	
<b>Private Investment Advisory Services (2)-345</b>				
AIG Altaris Constellation Partners IV, L.P.	Private Investment Advisor	Jun-17	\$ 146,707	Active
AIG Altaris Healthcare Partners III, LP	Private Investment Advisor	Oct-07	320,559	Active
AIG Altaris Health Partners, IV LP	Private Investment Advisor	Jun-17	1,201,156	Active
Apollo Investment Fund IX	Private Investment Advisor	Jun-17	1,498,068	Active
Apollo Investment Fund VIII, L.P.	Private Investment Advisor	Dec-13	258,634	Active
Audax Mezzanine Fund III, LP	Private Investment Advisor	May-10	176,248	Active
Balance Point Capital Partners III, LP	Private Investment Advisor	Aug-17	201,980	Active
BC European Capital X	Private Investment Advisor	May-17	1,538,872	Active
Clearlake Capital Partners III, LP	Private Investment Advisor	Nov-12	289,817	Active
Clearlake Capital Partners IV, LP	Private Investment Advisor	Jun-15	747,417	Active
Clearlake Capital Partners V, LP	Private Investment Advisor	Jan-18	996,183	Active
Clearlake Capital Partners VI, LP	Private Investment Advisor	Feb-20	326,332	Active
Clearlake Opportunities Partners II, L.P.	Private Investment Advisor	Jun-19	614,370	Active
Constitution Fund V, LLC - Series A & B	Private Investment Advisor	Dec-16	636,632	Active
Constitution Fund V, LLC - Series C	Private Investment Advisor	Dec-18	487,500	Active
Constitution Fund V, LLC - Series D	Private Investment Advisor	Dec-18	90,965	Active
Court Square Capital Partners III, LP	Private Investment Advisor	May-13	450,828	Active
CT Horizon Legacy Fund LP Total	Private Investment Advisor	Jun-08	50,000	Active
EQT VIII	Private Investment Advisor	Dec-17	1,194,002	Active
Fairview Constitution II, LP	Private Investment Advisor	May-05	78,557	Active
Fairview Constitution III, LP	Private Investment Advisor	Jun-07	516,322	Active
Fairview Constitution IV, LP	Private Investment Advisor	Dec-11	262,500	Active
Freeman CT Horizon, LLC	Private Investment Advisor	Dec-18	373,506	Active
FS Equity Partners VI, LP	Private Investment Advisor	Mar-04	152,085	Active
GenNx360 Capital Partners II, LP	Private Investment Advisor	Mar-14	156,657	Active
Georgian Partners Growth Fund (International) V, LP	Private Investment Advisor	Dec-19	1,289,674	Active
Hollyport Secondary Opportunities Fund VII LP	Private Investment Advisor	Dec-19	281,250	Active
ICG Europe Fund VII	Private Investment Advisor	Nov-18	290,235	Active
JFL Investors III, LP	Private Investment Advisor	Sep-11	17,890	Active
JFL Investors IV, LP	Private Investment Advisor	Aug-11	405,097	Active
KKR Associates 2006 Fund, LP	Private Investment Advisor	May-07	104,946	Active
Leeds Equity Partners VI, LP	Private Investment Advisor	May-18	1,072,112	Active
Levine Leichtman Capital Partners V, LP	Private Investment Advisor	Aug-12	817,924	Active
M2 - Connecticut Emerging Private Equity Fund-of-Funds, L.P.	Private Investment Advisor	Nov-07	147,514	Active
Nutmeg Opportunities Fund LP	Private Investment Advisor	Nov-06	648,105	Active
Nutmeg Opportunities Fund II, LLC	Private Investment Advisor	Jun-17	900,000	Active
Pegasus Investors V, LP	Private Investment Advisor	May-12	372,851	Active
RFE Investment Partners VIII, L.P.	Private Investment Advisor	Apr-12	446,455	Active
Siris Capital Group, LLC	Private Investment Advisor	Apr-18	981,443	Active
THL Equity Advisors VI, LLC	Private Investment Advisor	Aug-07	23,749	Active
Vista Equity Partners III, LP	Private Investment Advisor	Sep-07	34,656	Active
Vista Equity Partners IV, LP	Private Investment Advisor	May-12	489,972	Active
Vista Equity Partners VI, LP	Private Investment Advisor	May-16	1,459,382	Active
Vista Equity Partners VII, LP	Private Investment Advisor	Nov-18	1,427,848	Active
Vistria Fund III, L.P.	Private Investment Advisor	Aug-19	750,000	Active
Wellspring Capital Partners VI, LP	Private Investment Advisor	Jan-18	87,720	Active
Yuciapa American Alliance Fund II, LP	Private Investment Advisor	Jul-08	505,346	Active
Yuciapa American Alliance Fund III, LP	Private Investment Advisor	Jul-15	490,624	Active
<b>Total Private Equity Advisor Compensation</b>			<b>\$ 25,810,690</b>	
<b>TOTAL COMPENSATION TO INVESTMENT ADVISORS</b>			<b>\$ 121,817,721</b>	

**PENSION FUNDS MANAGEMENT DIVISION**  
**SCHEDULE OF EXPENSES IN EXCESS OF \$5,000<sup>(1)</sup> (Continued)**  
**FISCAL YEAR ENDED JUNE 30, 2020**

Name of Firm	Description of Services	Contract Date	Aggregate Comp. Paid in FY 2020	Status at June 30, 2020
<b>CUSTODY SERVICES</b>				
Bank of New York Mellon	Master Custodian	Oct-13	\$ 2,530,338	
<b>TOTAL CUSTODY SERVICES COMPENSATION</b>			<u>\$ 2,530,338</u>	
<b>CONSULTING SERVICES (336)</b>				
Korn/Ferry International	Consultant -Executive Search	Jun-17	\$ 6,334	Terminated
Meketa Investment Group INC	Consultant - Investment Funds	Jul-17	817,742	Active
NECP, LLC	Consultant- REF	N/A	318,159	Active
Stepstone Group LP	Consultant -Private Investment	Oct-15	1,450,000	Active
<b>TOTAL CONSULTING SERVICES COMPENSATION</b>			<u>\$ 2,592,235</u>	

**Pension Funds Management Division**  
**Schedule of Expenses in Excess of \$5,000 (1)**  
**Fiscal Year Ended June 30, 2020**

Name of Firm	Description of Services	Contract Date	Comp. Paid in FY 2020	June 30, 2020
<b>MISCELLANEOUS SERVICES</b>				
DLA Piper	Legal Services	Sep-10	\$ 40,000	Active
Finn Dixon & Herling	Legal Services	Jun-08	10,301	Active
McCarter & English	Legal Services	Dec-11	67,476	Active
Nossaman	Legal Services	Jun-03	164,703	Active
Pullman & Comley	Legal Services	Jun-08	13,558	Active
Reinhart Boerner Van Deuren, SC	Legal Services	Dec-11	119,080	Active
Robinson,Bradshaw & Hinson	Legal Services	Jun-17	132,165	Active
Schiff Hardin	Legal Services	Dec-16	75,809	Active
A & A Office Systems.	Photocopier Lease	N/A	8,326	Active
Adtech Systems LLC	Audio Visual Equipment & Insta	N/A	26,824	Active
Bloomberg Finance LP	On-Line Information service	N/A	45,289	Active
Blum Shapiro & CO PC	Legal Services	N/A	48,555	Terminated
Council of Institutional Investors	Dues	N/A	22,684	Active
CERES Incorporated	Membership Dues	N/A	11,500	Active
Department of Public Safety	Premises Security Services	N/A	6,890	Active
Hallmark Totaltech INC	Temporary Services	N/A	11,544	Active
Institutional Shareholder Services	Proxy Voting	Nov-99	90,140	Active
JP Morgan Chase Bank	Purchasing Card Expenditures	Mar-10	18,421	Active
Murphy Security Services LLC	Premises Security Services	May-10	10,485	Active
Office of Policy & Management	Subscription	N/A	19,088	Active
<b>TOTAL MISCELLANEOUS SERVICES COMPENSATION</b>			<u>\$ 942,836</u>	
<b>GRAND TOTAL</b>			<u>\$ 127,883,131</u>	

(1) Expenses are presented on a cash basis.

(2) Investment Management fees for the Private Investment Fund and the Real Estate Fund include capitalized fees including carried interest and expensed fees. The appropriate treatment is determined depending on the terms of the investment agreement. Capitalized fees are part of the cost of the investment and become a component of unrealized gain (loss). Capitalized fees are disclosed in Note 1 of the Combined Investment Funds Financial Statements. Expensed fees which are not part of the cost of the investment are recorded in the Statement of Operations.

**COMBINED INVESTMENT FUNDS  
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT  
JUNE 30, 2020**

<b>Name of Fund</b>	<b>Investment Strategy</b>	<b>Net Assets Under Management</b>	<b>Percents of Total Fund</b>
<b>LIQUIDITY FUND (LF)</b>			
Liquidity Fund	Active	\$ 879,101,744	100.00%
<b>SUBTOTAL LF</b>		<b>\$ 879,101,744</b>	<b>100.00%</b>
<b>DOMESTIC EQUITY FUND (DEF)</b>			
<b>Large Cap</b>		<b>\$ 6,492,785,237</b>	<b>89.40%</b>
T. Rowe Price Associates	Enhanced - Index	3,141,168,395	43.25%
RhumbLine Advisers	Passive - Indexed	2,832,188,851	39.00%
Xponance Inc.	Passive - Indexed	519,427,991	7.15%
<b>All Cap</b>		<b>427,632,640</b>	<b>5.89%</b>
Capital Prospects	Active	427,632,640	5.89%
<b>Small/Mid Cap</b>		<b>330,011,293</b>	<b>4.54%</b>
Bivium	Active	330,011,293	4.54%
<b>Other <sup>(1)</sup></b>		<b>12,318,257</b>	<b>0.17%</b>
<b>SUBTOTAL DEF</b>		<b>\$ 7,262,747,427</b>	<b>100.00%</b>
<b>DEVELOPED MARKET INTERNATIONAL STOCK FUND (DMISF)</b>			
<b>Index</b>		<b>\$ 2,020,363,963</b>	<b>49.60%</b>
State Street Global Advisors	Index-Passive	2,020,363,963	49.60%
<b>Core</b>		<b>572,271,294</b>	<b>14.05%</b>
Acadian Asset Management	Active	572,271,294	14.05%
<b>Active-Growth</b>		<b>875,543,398</b>	<b>21.50%</b>
Fiera Capital	Active	546,386,180	13.41%
Xponance Inc.	Active	329,157,218	8.08%
<b>Value</b>		<b>569,931,882</b>	<b>13.99%</b>
Causeway Capital	Active	569,931,882	13.99%
<b>Other <sup>(1)</sup></b>		<b>35,054,581</b>	<b>0.86%</b>
<b>SUBTOTAL DMISF</b>		<b>\$ 4,073,165,118</b>	<b>100.00%</b>
<b>EMERGING MARKET INTERNATIONAL STOCK FUND (EMISF)</b>			
Schroders Investment Mgt.	Active	\$ 1,369,441,846	40.06%
Arga Investment Mgt.	Active	216,237,519	6.33%
Driehaus Capital Mgt.	Active	776,577,361	22.72%
Lazard Asset Mgt.	Active	370,982,002	10.85%
GQG Partners	Active	667,566,251	19.53%
<b>Other <sup>(1)</sup></b>		<b>17,346,903</b>	<b>0.51%</b>
<b>SUBTOTAL EMISF</b>		<b>\$ 3,418,151,883</b>	<b>100.00%</b>
<b>CORE FIXED INCOME FUND (CFIF)</b>			
State Street Global Advisors	Passive	\$ 2,348,120,118	35.44%
BlackRock Financial Management, Inc.	Active	601,102,355	9.07%
Wellington	Active	1,296,863,209	19.57%
Conning-Goodwin Capital	Active	1,398,806,343	21.11%
Longfellow	Active	435,920,028	6.58%
Pugh Capital	Active	439,960,432	6.64%
Bivium	Active	83,534,549	1.26%
<b>Other <sup>(1)</sup></b>		<b>21,432,768</b>	<b>0.32%</b>
<b>SUBTOTAL CFIF</b>		<b>\$ 6,625,739,802</b>	<b>100.00%</b>

**COMBINED INVESTMENT FUNDS**  
**LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT**  
**JUNE 30, 2020**

<b>Name of Fund</b>	<b>Investment Strategy</b>	<b>Net Assets Under Management</b>	<b>Percents of Total Fund</b>
<b>HIGH YIELD DEBT FUND (HYDF)</b>			
iShares High Yield Corporate Bond ETF (HYG) Account	Passive	\$ 145,020,337	6.52%
Shenkman Capital Management, Inc.	Active	259,410,737	11.66%
AllianceBernstein, LP	Active	347,629,923	15.63%
DDJ Capital Management, LLC	Active	257,718,053	11.59%
Columbia Management Investment Advisers, LLC	Active	626,969,597	28.19%
Nomura Corporation Research & Asset Management, Inc.	Active	557,180,304	25.05%
<b>Other <sup>(1)</sup></b>		<b>30,050,791</b>	<b>1.35%</b>
<b>SUBTOTAL HYDF</b>		<b>\$ 2,223,979,742</b>	<b>100.00%</b>
<b>EMERGING MARKET DEBT FUND (EMDF)</b>			
Ashmore Investment Mgt. Ltd.	Active	\$ 663,935,382	35.05%
Payden & Rygel	Active	1,196,373,033	63.17%
<b>Other <sup>(1)</sup></b>		<b>33,713,638</b>	<b>1.78%</b>
<b>SUBTOTAL EMDF</b>		<b>\$ 1,894,022,054</b>	<b>100.00%</b>
<b>INFLATION LINKED BOND FUND (ILBF)</b>			
<b>Other <sup>(1)</sup></b>		<b>\$ 15,182,211</b>	<b>100.00%</b>
<b>SUBTOTAL ILBF</b>		<b>\$ 15,182,211</b>	<b>100.00%</b>
<b>REAL ASSETS FUND (RAF)</b>			
State Street Global Advisors	Passive - Indexed	\$ 1,812,697,807	41.66%
American Realty Advisors	Core	177,986,167	4.09%
Artemis Real Estate Partners Income & Growth Fund, L.P.	Value Add	26,344,143	0.61%
Basis, L.P.	Value Add	39,043,154	0.90%
Blackstone Real Estate Partner Europe III, L.P.	Opportunistic	6,064,411	0.14%
Blackstone Real Estate Spec Sit II, L.P.	Value Add	1,269,732	0.03%
Blackstone Real Estate VI, L.P.	Opportunistic	5,005,956	0.12%
Blackstone Real Estate Partners VIII, L.P.	Opportunistic	99,475,012	2.29%
Blackstone Real Estate Partners EURO V, L.P.	Opportunistic	44,998,444	1.03%
Clarion Lion Industrial Trust	Value Add	155,759,788	3.58%
Cornerstone Patriot Fund, L.P.	Core	262,944,095	6.04%
Covenant Apartment Fund VIII, L.P.	Value Add	17,692,978	0.41%
Covenant IX, L.P.	Value Add	39,615,273	0.91%
Crow Hldgs Realty Partners VII, L.P.	Value Add	37,488,957	0.86%
Crow Hldgs Realty Partners VIII, L.P.	Value Add	62,153,195	1.43%
Cypress Acquisition Prtnrs Retail Fund, L.P.	Value Add	12,493,974	0.29%
Gerding Edlen Green Cities II, L.P.	Value Add	13,182,500	0.30%
Gerding REF III, L.P.	Value Add	53,952,869	1.24%
Gerding IV, L.P.	Value Add	14,145,364	0.33%
Hart Realty Advisors	Core	194,519,981	4.47%
Homestead Capital USA Farmland Fund III, L.P.	Opportunistic	8,615,226	0.20%
IL & FS India Realty Fund II, LLC	Opportunistic	2,024,699	0.05%
Landmark RE Partners VII, L.P.	Opportunistic	14,534,194	0.33%
Landmark VIII REF, L.P.	Opportunistic	20,198,150	0.46%
Lone Star Real Estate Part II, L.P.	Opportunistic	2,007,489	0.05%



**COMBINED INVESTMENT FUNDS  
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT  
JUNE 30, 2020**

<b>Name of Fund</b>	<b>Investment Strategy</b>	<b>Net Assets Under Management</b>	<b>Percents of Total Fund</b>
Oak Street RE Net Lease Fund, L.P.	Core-plus	33,379,050	0.77%
Prime Property Fund, LLC	Core	277,061,466	6.37%
PRISA	Core	212,299,169	4.88%
Rockwood Capital VI Limited Partnership	Value Add	76,543	0.00%
Rockwood Capital VII Limited Partnership	Value Add	598,138	0.01%
Starwood Opportunity Fund VII, L.P.	Opportunistic	1,285,839	0.03%
Starwood Opportunity Fund VIII, L.P.	Opportunistic	4,755,019	0.11%
Starwood Opportunity Fund IX, L.P.	Opportunistic	14,162,339	0.33%
Starwood XI REF, L.P.	Opportunistic	15,686,890	0.36%
Starwood Opportunity Fund X, L.P.	Opportunistic	35,645,894	0.82%
UBS-Trumbull Property Income, L.P.	Core	61,145,680	1.41%
UBS-Trumbull Property G&I (TPG)	Value Add	73,837,601	1.70%
UBS-Trumbull Property Fund L.P.	Core	76,640,930	1.76%
Urban Strategy America Fund L.P.	Value Add	431,497	0.01%
USAA Eagle RE Fund, L.P.	Core	194,641,247	4.47%
WLR IV PPIP Co Invest L.P.	Opportunistic	4,792,758	0.11%
<b>Infrastructure / Real Assets</b>		<b>144,408,522</b>	<b>3.32%</b>
Arclight Energy Partners V, L.P.	Opportunistic	23,713,313	0.55%
Arclight VI, L.P.	Opportunistic	56,441,636	1.30%
Energy Fund XV, L.P.	Opportunistic	14,478,174	0.33%
Global Infrastructure Partners V, L.P.	Opportunistic	(87,300)	0.00%
ISQ II, L.P.	Opportunistic	49,862,699	1.15%
<b>Other <sup>(1)(2)</sup></b>		<b>75,931,382</b>	<b>1.75%</b>
<b>SUBTOTAL RAF</b>		<b>\$ 4,350,993,522</b>	<b>100.00%</b>
<b>PRIVATE INVESTMENT FUND (PIF)</b>			
<b>Buyout</b>		<b>\$ 1,194,410,140</b>	<b>40.05%</b>
Altaris Health Partners II, L.P.	Active	4,407,413	0.15%
Altaris Health Partners III, L.P.	Active	66,543,476	2.23%
Altaris Constellation Partners IV, L.P.	Active	5,983,116	0.20%
Altaris Health Partners IV, L.P.	Active	27,206,264	0.91%
Boston Ventures VII, L.P.	Active	7,968,521	0.27%
Court Square Capital Partners II, L.P.	Active	6,317,080	0.21%
Court Square Capital Partners III, L.P.	Active	50,054,304	1.68%
Dover Street X, L.P.	Active	14,487,378	0.49%
Ethos Private Equity Fund V, L.P.	Active	2,473,518	0.08%
FS Equity Partners V, L.P.	Active	6,435,591	0.22%
FS Equity Partners VI, L.P.	Active	37,337,087	1.25%
GENN360 Capital Partners II, L.P.	Active	29,028,785	0.97%
Hollyport Secondary VII	Active	23,386,576	0.78%
ICV Partners II, L.P.	Active	799,300	0.03%
JFL Equity Investors III, L.P.	Active	16,382,987	0.55%
JFL IV, L.P.	Active	86,075,335	2.89%
KKR 2006 Fund, L.P.	Active	36,162,732	1.21%
KKR Millennium Fund, L.P.	Active	80,946	0.00%
Leeds Equity Partners V, L.P.	Active	26,834,834	0.90%
Leeds Equity Partners VI, L.P.	Active	69,608,349	2.33%

**COMBINED INVESTMENT FUNDS**  
**LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT**  
**JUNE 30, 2020**

<b>Name of Fund</b>	<b>Investment Strategy</b>	<b>Net Assets Under Management</b>	<b>Percents of Total Fund</b>
RFE Investment Partners VII, L.P.	Active	6,689,320	0.22%
RFE Investments Partners VIII, L.P.	Active	37,477,184	1.26%
Secondary Overflow Fund IV, L.P.	Active	7,064,497	0.24%
Siris IV, L.P.	Active	23,789,294	0.80%
TA XI, L.P.	Active	89,458,537	3.00%
Thomas H. Lee Equity Fund VI, L.P.	Active	3,682,076	0.12%
Vista Equity Partners Fund III, L.P.	Active	4,267,610	0.14%
Vista Equity Partners Fund IV, L.P.	Active	47,381,446	1.59%
Vista Equity Partners Fund VI, L.P.	Active	148,017,887	4.96%
Vista Equity Partners Fund VII, L.P.	Active	25,072,915	0.84%
Vistria Fund III, L.P.	Active	-25,479	0.00%
Wellspring Capital Partners V, L.P.	Active	31,138,296	1.04%
Wellspring Capital Partners VI, L.P.	Active	23,379,461	0.78%
Welsh Carson Anderson & Stowe XI, L.P.	Active	30,092,916	1.01%
Welsh Carson Anderson & Stowe XII, L.P.	Active	98,634,365	3.31%
Welsh Carson Anderson & Stowe XIII, L.P.	Active	3,071,780	0.10%
Yucaipa American Alliance Fund II, L.P.	Active	65,021,165	2.18%
Yucaipa American Alliance Fund III, L.P.	Active	32,623,278	1.09%
<b>Growth</b>		<b>47,557,753</b>	<b>1.59%</b>
Aldrich I, L.P.	Active	32,279,136	1.08%
Georgian Partners Growth Fund V L.P.	Active	15,278,617	0.51%
<b>Venture Capital</b>		<b>776,203</b>	<b>0.03%</b>
Crescendo III, L.P.	Active	71,637	0.00%
Syndicated Communications V, L.P.	Active	704,566	0.02%
<b>Mezzanine</b>		<b>86,541,834</b>	<b>2.90%</b>
Audax Mezzanine III, L.P.	Active	12,189,326	0.41%
Balance Point III, L.P.		31,613,219	1.06%
Connecticut Growth Capital, L.P.	Active	23,561,326	0.79%
GarMark Partners II, L.P.	Active	2,610,299	0.09%
Ironwood Mezzanine Fund IV, L.P.	Active	16,567,664	0.56%
<b>International</b>		<b>178,590,843</b>	<b>5.99%</b>
BC European Capital X, L.P.	Active	87,197,888	2.92%
EQT VIII, L.P.	Active	50,834,406	1.70%
GGEP/CPM Holdings, Gilbert Global Equity Partners, L.P.	Active	281,069	0.01%
ICG Europe Fund VII, L.P.	Active	40,277,481	1.35%
<b>Fund of Funds</b>		<b>949,549,297</b>	<b>31.84%</b>
Connecticut Horizon Legacy, L.P.	Active	1,659,380	0.06%
Freeman CT Horizon, L.P.	Active	9,016,967	0.30%
CS/CT Cleantech Opp Fund, L.P.	Active	3,056,743	0.10%
CT Emerging M-2 Private Equity, L.P.	Active	66,643,289	2.23%
Fairview Constitution II, L.P.	Active	36,256,213	1.22%
Fairview Constitution III, L.P.	Active	230,144,359	7.72%
Fairview Constitution IV, L.P.	Active	197,151,062	6.61%
Nutmeg Opportunities Fund II, L.P.	Active	57,533,595	1.93%
Nutmeg Opportunities Fund I, L.P.	Active	74,648,502	2.50%
Pinebridge Global Emerging Markets Fund, L.P.	Active	1,693,667	0.06%
Landmark Equity Partners XIV, L.P.	Active	13,853,149	0.46%

**COMBINED INVESTMENT FUNDS  
LIST OF INVESTMENT ADVISORS AND NET ASSETS UNDER MANAGEMENT  
JUNE 30, 2020**

<b>Name of Fund</b>	<b>Investment Strategy</b>	<b>Net Assets Under Management</b>	<b>Percents of Total Fund</b>
Landmark Equity Partners XV, L.P.	Active	35,240,629	1.18%
Landmark Equity Partners XVI, L.P.	Active	37,238,375	1.25%
Stepstone Pioneer Capital II, L.P.	Active	4,332,476	0.15%
Constitution Fund V, L.P.	Active	159,910,992	5.36%
Constitution Fund V - C, L.P.	Active	10,019,670	0.34%
Constitution Fund V - D, L.P.	Active	6,547,017	0.22%
The Constitution Liquidating Fund, L.P.	Active	4,603,212	0.15%
<b>Special Situations</b>	<b>Active</b>	<b>460,384,943</b>	<b>15.44%</b>
Apollo Investment Fund VIII, L.P.	Active	92,673,812	3.11%
Apollo IX, L.P.	Active	28,748,574	0.96%
Castlelake II, L.P.	Active	22,661,119	0.76%
Clearlake Capital Partners III, L.P.	Active	27,968,259	0.94%
Clearlake Capital Partners IV, L.P.	Active	59,690,864	2.00%
Clearlake Capital Partners V, L.P.	Active	66,660,809	2.23%
Clearlake Capital Partners VI, L.P.	Active	7,313,167	0.25%
Clearlake Opportunity Partners II L.P.	Active	20,236,235	0.68%
Levine Leichtman Capital Partners IV, L.P.	Active	7,156,188	0.24%
Levine Leichtman Capital Partners V, L.P.	Active	68,004,185	2.28%
Pegasus Partners IV, L.P.	Active	13,998,634	0.47%
Pegasus Partners V, L.P.	Active	41,731,542	1.40%
WLR Recovery Fund IV, L.P.	Active	3,541,555	0.12%
<b>Other <sup>(1)(2)</sup></b>		<b>64,829,432</b>	<b>2.17%</b>
<b>SUBTOTAL PIF</b>		<b>\$ 2,982,640,445</b>	<b>100.00%</b>
<b>PRIVATE CREDIT FUND (PCF)</b>			
Anchorage	Opportunistic	\$ 73,146,389	48.94%
Cresent II	Opportunistic	63,835,140	42.71%
<b>Other <sup>(1)(2)</sup></b>		<b>12,480,008</b>	<b>8.35%</b>
<b>SUBTOTAL PCF</b>		<b>\$ 149,461,537</b>	<b>100.00%</b>
<b>ALTERNATIVE INVESTMENT FUND (AIF)</b>			
Owl Rock	Opportunistic	\$ 45,232,931	1.78%
Prudence Crandall I Permal Limited Partnership	Absolute Return	498,188	0.02%
Prudence Crandall II Prisma Limited Partnership	Absolute Return	24,354,655	0.96%
Prudence Crandall III Rock Creek Limited Partnership	Absolute Return	1,251,733,304	49.30%
Prudence Crandall IV-D Liquid, K2 Limited Partnership	Absolute Return	396,328,440	15.61%
Prudence Crandall IV, K2 Limited Partnership	Absolute Return	636,574,927	25.07%
Thomas Welles Fund I	Absolute Return	167,162,009	6.58%
<b>Other <sup>(1)(2)</sup></b>		<b>17,070,453</b>	<b>0.67%</b>
<b>SUBTOTAL AIF</b>		<b>\$ 2,538,954,907</b>	<b>100.00%</b>
<b>TOTAL</b>		<b>\$ 36,414,140,392</b>	
Adjustments <sup>(3)</sup>		<b>(276,034,711)</b>	
<b>GRAND TOTAL</b>		<b>\$ 36,138,105,681</b>	

(1) Other represents cash equivalents, receivables, other net assets and terminated advisor balances.

(2) Other includes partnerships with nonmaterial balances, as well as, cash equivalents and other net assets

(3) Represents Elimination Entry to account for investment of Combined Investment Funds in the Liquidity Fund.

\* Totals may not foot due to rounding

**PENSION FUNDS MANAGEMENT DIVISION  
COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Broker Name	\$ Commission	Shares/ Par Value	Avg Comm	Broker Name	\$ Commission	Shares/ Par Value	Avg Comm
ABG SECS, OSLO	975	366,701	0.00	COMPASS POINT RESEARCH & TR, JERSEY CITY	55	1,290	0.04
ABN AMRO CLEARING BANK N.V., AMSTERDAM	958	53,350	0.02	CONVERGEX EXECUTION SOLUTION, NEW YORK	91	3,020	0.03
ABN AMRO CLEARING BANK N.V., AMSTERDAM	9	6,254	0.00	CORNERSTONE MACRO LLC, NEW YORK	1,575	96,045	0.02
ABN AMRO CRAIGS LTD, AUCKLAND	8	5,145	0.00	COWEN AND CO LLC, NEW YORK	38,140	2,624,227	0.01
ACADEMY SECURITIES, INC, NEW YORK	237	9,464	0.03	COWEN AND COMPANY, LLC, JERSEY CITY	2,563	87,040	0.03
ALLEN & COMPANY LLC, JERSEY CITY	932	37,276	0.03	COWEN AND COMPANY, LLC, NEW YORK	2,083	94,067	0.02
ALMUZAINI EXCHANGE CO KSC, KUWAIT	495	3,895	0.13	COWEN EXECUTION SERVICES LLC, ORLANDO	195	4,880	0.04
AVIATE GLOBAL LLP, LONDON	124	10,000	0.01	CRAIG HALLUM, NEW YORK	197	5,670	0.03
B RILEY AND CO LLC, NEW YORK	5,271	146,203	0.04	CREDICORP CAPITAL COLOMBIA S.A,BOGOTA	629	698,586	0.00
BAIRD, ROBERT W & CO INC, MILWAUKEE	28,710	927,959	0.03	CREDIT LYONNAIS SEC, SEOUL	10,901	216,758	0.05
BANCO BTG PACTUAL SA, RIO DE JANEIRO	74,049	5,532,430	0.01	CREDIT LYONNAIS SECS (ASIA), HONG KONG	70,412	42,907,736	0.00
BANCO DE INVESTIMENTUS GARATIA	911	231,447	0.00	CREDIT LYONNAIS SECS, SINGAPORE	106,886	25,633,381	0.00
BANCO ITAU S.A., NEW YORK	6,315	960,439	0.01	CREDIT SUISSE (EUROPE), LONDON	103,603	26,880,657	0.00
BANCO ITAU, SAO PAULO	51,034	4,171,619	0.01	CREDIT SUISSE (EUROPE), SEOUL	15,790	235,185	0.07
BANCO SANTANDER (BRASIL) S.A. SAO PAULO	2,021	205,600	0.01	CREDIT SUISSE (HK) LIMITED, HONG KONG	49,694	23,223,600	0.00
BANCO SANTANDER MEXICANO, MEXICIO	2,469	1,397,723	0.00	CREDIT SUISSE AUSTRALIA EQ, MELBOURNE	1,928	924,053	0.00
BANCO SANTANDER, NEW YORK	37,488	3,479,947	0.01	CREDIT SUISSE UK LTD, LONDON	488	5,015,041	0.00
BANK OF NEW YORK JAMES CAPEL ADR, NY	5,077	136,031	0.04	CREDIT SUISSE, NEW YORK (CSUS)	348,724	90,688,957	0.00
BANK OF NEW YORK MELLON, NEW YORK	1,959	909,709	0.00	CREDIT SUISSE, SAO PAULO	5,367	757,436	0.01
BANK OF NEW YORK MELLON, NEW YORK	567	55,832	0.01	CSL STOCKBROKERS LIMITED, LAGOS	1,730	6,322,794	0.00
BANQUE PARIBAS, PARIS	9,061	1,193,272	0.01	D CARNEGIE AB, STOCKHOLM	5,882	692,568	0.01
BANQUE PICTET AND CIE, GENEVA	567	5,799	0.10	DAIWA SEC, SEOUL	1,128	31,589	0.04
BARCLAYS BANK, NEW YORK	27,987	6,375	4.39	DAIWA SECS (HK) LTD, HONG KONG	36,215	11,951,086	0.00
BARCLAYS BK BCI PROP AC, BRUSSELS	63	4,765	0.01	DAIWA SECS AMER INC, NEW YORK	10,762	2,963,179	0.00
BARCLAYS CAPITAL INC./LE, NEW JERSEY	2,384	287,331	0.01	DAVIDSON(D) A) & CO INC, NEW YORK	2,489	92,524	0.03
BARCLAYS CAPITAL LE, NEW YORK	44,015	5,485,778	0.01	DAVY STOCKBROKERS, DUBLIN	2,826	796,930	0.00
BARCLAYS CAPITAL, LONDON (BARCGB33)	17,489	2,626,097	0.01	DBS VICKERS SEC PTE LTD, SINGAPORE	675	2,791,900	0.00
BARRINGTON RESEARCH ASSOC INC, NEW YORK	42	1,250	0.03	DEN DANSKE BANK, COPENHAGEN	403	147,449	0.00
BCS PRIME BROKERAGE LTD, LONDON	2,384	70,231	0.03	DEN NORSK CREDITBANK, OSLO	767	72,807	0.01
BELTONE SEC BROKERAGE S.A.E. CAIRO	4,722	375,554	0.01	DEUTSCHE BK SECS INC, NY (NWSCUS33)	7,207	3,856,049	0.00
BERENBERG GOSSLER & CIE, HAMBURG	27,064	2,140,952	0.01	DNB NOR MARKETS CUSTODY, OSLO	88	9,926	0.01
BERNSTEIN SANFORD C & CO, NEW YORK	83,256	67,304,972	0.00	DOUGHERTY & COMPANY LLC, MINNEAPOLIS	606	17,110	0.04
BLAYLOCK & CO INC, JERSEY CITY	10,281	304,735	0.03	DOWLING AND PARTNERS, NEW YORK	32,220	1,354,627	0.02
BMO CAPITAL MARKETS CORP, NEW YORK	13,485	1,209,499	0.01	ELECTRONIC BROKERAGE SYSTEMS, CHICAGO	1,731	121,925	0.01
BNP PARIBAS SEC SRVS SA, SINGAPORE	31,530	27,018,877	0.00	EQUITA SIM SPA, MILAN	82	25,992	0.00
BNP PARIBAS SEC SVCS, LONDON (PARBGB2L)	23,483	2,533,744	0.01	ERB EUROBANK SECURITIES S.A., ATHENS	1,642	47,267	0.03
BNP PARIBAS SECS SRVS, SYDNEY	1,337	636,290	0.00	ERSTE BK BEFEKTETESI RT, BUDAPEST	4,095	45,201	0.09
BNP PARIBAS SECURITIES SERVICES, MILANO	307	1,831,520	0.00	EUROCLEAR BANK SA NV, BRUSSELS	7,381	552,462	0.01
BNP PARIBAS SECURITIES SVCS, HONG KONG	38,034	9,360,184	0.00	EUROCLEAR BANK SA NV, BRUSSELS	590	94,450	0.01
BNP PARIBAS U.S.A - NEW YORK BRANCH,NJ	3,953	1,358,177	0.00	EUROCLEAR BANK SANV, BRUSSELS	9,532	419,149	0.02
BNY CONVERGEX EXECUTION SOL, NEW YORK	256,309	56,701,908	0.00	EVERCORE GROUP L.L.C., NEW YORK	1,385	64,359	0.02
BNY CONVERGEX, NEW YORK	15,376	719,841	0.02	EXANE, PARIS (EXANFRPP)	15,992	975,671	0.02
BOE STOCKBROKERS LTD (INT), JOHANNESBURG	2,583	787,480	0.00	FIDELITY CAPITAL MARKETS, NEW YORK	1,009	74,368	0.01
BOFA SECURITIES, INC, NEW YORK	34,998	7,906,522	0.00	FIG PARTNERS LLC, ATLANTA	618	14,375	0.04
BRADESCO S.A. CTVM, SAO PAULO	35,462	3,236,271	0.01	FINANCIAL BROKERAGE GROUP (FBG), CAIRO	483	120,829	0.00
BRADESCO S/A CTVM, SAO PAULO	23,023	882,366	0.03	FIRST NZ CAP SECS, WELLINGTON	3,762	1,229,074	0.00
BRADESCO SECURITIES,NEW YORK	1,265	42,182	0.03	FOX RIVER EXECUTION TECH,LLC,JERSEY CITY	503	80,340	0.01
BRASIL PLURAL CCTVM SA, SAO PAULO	5,207	835,641	0.01	FUJI SECURITIES INC, JERSEY CITY	694	27,758	0.03
BTG CAPITAL CORP, JERSEY CITY	11,953	398,440	0.03	G K GOH OMETRACO, JAKARTA	241	2,327,719	0.00
BTIG LLC, NEW YORK	3,824	193,945	0.02	GK GOH SECURITIES	2,214	6,000,439	0.00
CABRERA CAPITAL MARKETS, CHICAGO	37,074	1,464,052	0.03	GOLDMAN SACHS & CO, NY	401,314	68,971,571	0.01
CANACCORD ADAMS INC, BOSTON	129	24,200	0.01	GOLDMAN SACHS ASIA SEC LTD, HONG KONG	52	883,018	0.00
CANACCORD GENUITY LTD, LONDON	463	210,408	0.00	GOLDMAN SACHS AUSTRALIA PTY LTD,MELBOURN	3,149	1,642,461	0.00
CANTOR CLEARING SERVICE, NEW YORK	1,656	58,960	0.03	GOLDMAN SACHS DO BRASIL, SAO PAULO	6,647	535,558	0.01
CANTOR FITZGERALD & CO INC, NEW YORK	9,078	432,310	0.02	GOLDMAN SACHS INTERNATIONAL, LONDON	1,806	40,315	0.04
CANTOR FITZGERALD EUROPE, LONDON	2,868	908,805	0.00	GOLDMAN SACHS INTL, LONDON (GSLGB2X)	106,674	38,151,513	0.00
CAP INSTL SVCS INC - EQUITIES, NEW YORK	10,071	1,057,631	0.01	GOLDMAN SACHS INTL, NY	4,033	186,631	0.02
CARNEGIE ASA, OSLO	159	33,587	0.00	GOLDMAN SACHS INTL, TORONTO (GSCI)	1,071	286,850	0.00
CARNEGIE SECS LTD, HELSINKI (CASFFIH1)	438	71,157	0.01	GOODBODY STOCKBROKERS, DUBLIN	873	85,883	0.01
CASTLEOAK SECURITIES LP, JERSEY CITY	957	95,700	0.01	GREAT PACIFIC SECS INC, CALIFORNIA	304	30,400	0.01
CENKOS SECURITIES LIMITED, LONDON	2,048	731,497	0.00	GUGGENHEIM CAPITAL MARKETS LLC, NEW YORK	508	16,942	0.03
CENKOS SECURITIES LTD, LONDON	1,534	322,286	0.00	GUGGENHEIM CAPITAL MARKETS LLC, NEW YORK	1,655	78,726	0.02
CHINA INTL CAP CORP HK SECS, HONG KONG	7,328	6,676,285	0.00	GUMMAN AND COMPANY, NEW YORK	861	34,450	0.03
CIBC MELLON GSS, TORONTO (COMO)	449	232,924	0.00	HAITONG INTL SEC CO LTD, HONG KONG	8,988	4,998,912	0.00
CIBC WORLD MARKETS CORP, NEW YORK	1,340	53,600	0.03	HANWHA SECS CO LTD, SEOUL	4,904	183,529	0.03
CIMB GK SECURITIES HK LTD, HONG KONG	27	196,000	0.00	HAUCK UND AUHAEUSER PRIVATE, FRANKFURT	48	3,254	0.01
CIMB GK SECURITIES PTE LTD, SINGAPORE	892	3,101,565	0.00	HILLTOP SECURITIES INC, DALLAS	11,785	496,433	0.02
CIMB INVESTMENT BK BERHAD, KUALA LUMPUR	3,445	2,036,634	0.00	HONG KONG & SHANGHAI BKG CORP, HONG KONG	716	414,300	0.00
CIMB SECURITIES (USA), INC, NEW YORK	282	1,654,459	0.00	HSBC BANK PLC (ALD GATE BRH)(05E), LONDON	387	139,439	0.00
CIMB SECURITIES (USA), INC, NEW YORK	14,049	2,996,912	0.00	HSBC BANK PLC (MIDLAND BK)(JAC), LONDON	194,405	27,376,612	0.01
CIMB SECURITIES LTD., KOREA BRANCH	2,791	128,060	0.02	HSBC BANK PLC (MIDLAND BK)(XXX), LONDON	16,498	569,813	0.03
CITATION GROUP BCC CLRG, NEW YORK	788	23,395	0.03	HSBC BANK PLC, LONDON	477	2,713,409,271	0.00
CITIBANK EUROPE PLC AUSTRIA BR, VIENNA	1,232	56,597	0.02	HSBC BROKERAGE (USA) INC., NEW YORK	44,276	1,492,964	0.03
CITIBANK INTL P.L.C, LONDON	22,289	1,592,753	0.01	HSBC SECS INC, NEW YORK	71,895	38,098,724	0.00
CITIBANK LTD, MELBOURNE	79	15,738	0.01	HSBC SECURITIES (USA) INC, NEW YORK	3,131	157,283	0.02
CITIBANK NA, JAKARTA	371	1,738,269	0.00	HYUNDAI SECURITIES, SEOUL	5,637	19,631	0.29
CITIBANK NA, LONDON	5,042	2,104,776	0.00	ICBC FINCL SVCS, NEW YORK	752	49,849	0.02
CITIBANK NY (MER)	3,149	671,140	0.00	IMPERIAL CAPITAL LLC, NEW YORK	1	130	0.01
CITIBANK, FRANKFURT	9,755	814,280	0.01	INSTINET AUSTRALIA CLEARING SERV, SYDNEY	9,731	4,563,168	0.00
CITIBANK, NY	98,800	40,188,351	0.00	INSTINET CLEARING SER INC, NEW YORK	85,797	8,680,263	0.01
CITIGROUP GBL MKTS AUSTRALIA PTY, SYDNEY	880	1,147,925	0.00	INSTINET CORP, NEW YORK	6,212	1,349,646	0.00
CITIGROUP GBL MKTS CCTVM SA, BRAZIL	31,585	2,732,145	0.01	INSTINET CORP, NY	448	44,762	0.01
CITIGROUP GBL MKTS INC, NEW YORK	16,909	1,227,746	0.01	INSTINET EUROPE LIMITED, LONDON	73,996	14,051,717	0.01
CITIGROUP GBL MKTS SINGAPORE SEC PVT LTD	354	402,000	0.00	INSTINET PACIFIC LTD, HONG KONG	75,035	64,825,744	0.00
CITIGROUP GBL MKTS/SALOMON, NEW YORK	47,123	29,752,623	0.00	INSTINET, SINGAPORE	896	1,253,867	0.00
CITIGROUP GLOBAL MARKETS LTD, LONDON	159,827	56,624,664	0.00	INVESTEC HENDERSON CROTHWAITE,LONDON	928	36,080	0.03
CITIGROUP GLOBAL MARKETS, INC., NEW YORK	118,685	5,975,583	0.02	INVESTEC MARKETS(PROPRIETARY)LI, SANDTON	202	1,774	0.11
CITIGROUP GLOBAL MARKETS, INC., NEW YORK	13,985	10,812,356	0.00	INVESTEC SECURITIES (331), LONDON	1,597	261,190	0.01
CJS SECURITIES INC, JERSEY CITY	179	9,663	0.02	INVESTEC SECURITIES LTD, JOHANNESBURG	6,378	245,675	0.03
CLSA AMERICAS, NEW YORK	31,936	798,405	0.04	INVESTMENT TECH GROUP INC, NEW YORK	37,616	1,936,801	0.02
CLSA AUSTRALIA PTY LTD, SYDNEY	10,021	6,783,753	0.00	INVESTMENT TECHNOLOGY GR INC	23	10,938	0.00
CLSA CAPITAL LIMITED, HONG KONG	372	5,709,554	0.00	INVESTMENT TECHNOLOGY GROUP LTD,DUBLIN	98,200	39,407,580	0.00
CLSA LTD, HONG KONG	151	3,460,000	0.00	INVESTMENT TECHNOLOGY GROUP, NEW YORK	5	5,265	0.00
CLSA SINGAPORE PTE LTD (CHV), SINGAPORE	5,324	822,120	0.01	IPOPEMA SECURITIES S.A., WARSZAWA	2,925	52,852	0.06

**PENSION FUNDS MANAGEMENT DIVISION  
 COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS (Continued)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Broker Name	\$ Commission	Shares/ Par Value	Avg Comm	Broker Name	\$ Commission	Shares/ Par Value	Avg Comm
IS YATIRIM MENKUL DEGERLER AS, ISTANBUL	1,771	56,496	0.03	NOMURA SECS INTL, LONDON	24	6,700	0.00
ISI GROUP INC, NEW YORK	29,007	2,205,228	0.01	NORDEA BK PLC, HELSINKI (NDEAFIH030)	6,808	1,091,482	0.01
ITAU USA SECURITIES INC, NEW YORK	859	28,647	0.03	NORTH SOUTH CAPITAL LLC, CHICAGO,IL	2,394	311,700	0.01
ITG AUSTRALIA LTD, MELBOURNE	13,074	6,801,633	0.00	NORTH SOUTH CAPITAL LLC, JERSEY CITY	4,121	96,837	0.04
ITG CANADA CORP, TORONTO	4,087	364,382	0.01	NORTHLAND SECURITIES INC., NEW YORK	866	27,569	0.03
ITG HONG KONG LIMITED, HONG KONG	17,405	3,032,058	0.01	NUMIS SECURITIES INC., NEW YORK	218	25,087	0.01
ITG INC, NEW YORK	912	97,862	0.01	NUMIS SECURITIES LTD, LONDON	10,602	2,119,892	0.01
IVY SECURITIES INC, GREAT NECK	467	46,700	0.01	O NEIL WILLIAM CO INC BCC CLRG, NEW YORK	1,562	47,179	0.03
J & E DAVY, DUBLIN	1,287	137,444	0.01	OPPENHEIMER & CO INC, NEW YORK	7,759	241,566	0.03
J AND E DAVY, LONDON	825	24,806	0.03	PANMURE GORDON & CO LTD, LONDON	972	304,000	0.00
J P MORGAN SEC LTD/STOCK LENDING, LONDON	23,120	1,062,316	0.02	PARCEL, PARIS	9,143	1,500,809	0.01
J P MORGAN SEC, SYDNEY	9,191	3,993,106	0.00	PARIBAS, ATHENS	4,424	305,979	0.01
J P MORGAN SECS LTD, LONDON	289,980	79,136,811	0.00	PEEL HUNT LLP, LONDON	10,320	4,594,140	0.00
J P MORGAN SECURITIES INC, BROOKLYN	1,433	62,800	0.03	PENSERRA SECURITIES, NEW YORK	54,831	4,332,670	0.01
J P MORGAN SECURITIES INC, NEW YORK	120,773	13,875,696	0.01	PERSHING DIV OF DONALDSON, JERSEY CITY	174	17,370	0.01
J.P. MORGAN SECURITIES LLC, NEW YORK	46,609	2,794,540	0.02	PERSHING LIMITED, LONDON	963	164,131	0.01
J.P. MORGAN SECURITIES, HONG KONG	219,718	240,324,391	0.00	PERSHING LLC, JERSEY CITY	111,077	152,003,020	0.00
JANNEY MONTGOMERY SCOTT, PHILADELPHIA	4,176	114,347	0.04	PERSHING LLC, JERSEY CITY	694	35,000	0.02
JEFFERIES & CO INC, NEW YORK	223,628	31,934,056	0.01	PERSHING SECURITIES LIMITED, LIVERPOOL	315	15,633	0.02
JEFFERIES & CO LTD, LONDON	44,676	12,001,553	0.00	PERSHING SECURITIES LIMITED, LIVERPOOL	2	160	0.01
JEFFERIES HONG KONG LIMITED, HONG KONG	17,954	21,174,939	0.00	PERSHING SECURITIES LTD, LONDON	33,485	7,963,595	0.00
JEFFERIES INTERNATIONAL LTD, LONDON	1	5,000	0.00	PIPER JAFFRAY & CO., JERSEY CITY	56,605	2,544,191	0.02
JMP SECURITIES, SAN FRANCISCO	2,505	84,217	0.03	PIPER JAFFRAY INC, MINNEAPOLIS	1,550	166,908	0.01
JOH BERENBERG GOSSLER AND CO, COPENHAGEN	30	1,700	0.02	RAYMOND JAMES & ASSOC INC, ST PETERSBURG	78,211	3,056,304	0.03
JONESTRADING INST SVCS LLC, NEW YORK	24,651	1,015,001	0.02	RAYMOND JAMES LTD, TORONTO (MSLT)	5,796	193,200	0.03
JONESTRADING INSTL SVCS LLC, WESTLAKE	1,881	506,700	0.00	RBC CAPITAL MARKETS LLC, NEW YORK	157,836	8,917,313	0.02
JP MORGAN SECS (FAR EAST) LTD, SEOUL	20,095	745,768	0.03	RBC DOMINION SECS INC, TORONTO	50	1,669	0.03
JP MORGAN SECS, SINGAPORE	9,023	10,114,466	0.00	RBC DOMINION SECS INC, TORONTO (DOMA)	43,072	2,981,128	0.01
JPMORGAN SECURITIES INC, NEW YORK	26,090	7,938,406	0.00	REDBURN PARTNERS LLP, LONDON	12,468	672,535	0.02
JUPITER SECURITIES SDN BHD, KUALA LUMPUR	441	611,600	0.00	REGION BROKER COMPANY LLC, MOSCOW	108	45,320	0.00
KAS BANK NV, AMSTERDAM	1,802	167,978	0.01	RENAISSANCE CAPITAL BANK, KIEV	201	63,269	0.00
KEB SALOMON SMITH BARNEYS SECS, SEOUL	2,780	71,235	0.04	RENAISSANCE CAPITAL LTD, LONDON	15,028	2,768,481	0.01
KEEFE BRUYETTE + WOODS INC, NEW YORK	3,135	132,964	0.02	RENAISSANCE SECS (CYPRUS) LTD, NICOSIA	2,871	1,160,194	0.00
KEPLER EQUITIES, PARIS	22,712	1,043,623	0.02	ROTH CAPITAL PARTNERS LLC, NEW YORK	850	55,810	0.02
KEYBANC CAPITAL MARKETS INC, NEW YORK	7,598	292,924	0.03	ROYAL BANK OF CANADA EUROPE LTD, LONDON	35,826	3,594,418	0.01
KIM ENG SEC LTD, HONG KONG	5,320	1,961,747	0.00	ROYAL TR CORP OF CDA/GBL CUSTODY, LONDON	97	311,395	0.00
KIM ENG SEC USA INC, NY	4,315	2,225,707	0.00	S G WARBURG, SEOUL	30,432	673,394	0.05
KIM ENG SECS PT, JAKARTA	2,953	3,050,276	0.00	SAMSUNG SECS, SEOUL	16,253	259,020	0.06
KING (CL) & ASSOCIATES, ALBANY	275	11,000	0.03	SAMUEL A. RAMIREZ & COMPANY INC, JERSEY	1,456	58,250	0.03
KNIGHT EQUITY MARKETS LP, NEW YORK	65,702	3,167,003	0.02	SANDLER ONEILL & PARTNERS LP, NEW YORK	-242	-24,164	0.01
KOREA INVESTMENT AND SEC CO.LTD,SEOUL	3,034	92,286	0.03	SANDLER ONEILL AND PARTNER LP, NEW YORK	2,003	189,455	0.01
LEERINK SWANN AND COMPANY, NEW YORK	3,865	106,944	0.04	SANFORD C BERNSTEIN & CO INC, LONDON	50,380	13,691,231	0.00
LIBERUM CAPITAL INC, NEW YORK	377	51,299	0.01	SANTANDER INVESTMENT SECS, JERSEY CITY	13,821	738,797	0.02
LIBERUM CAPITAL LIMITED, LONDON	1,247	134,210	0.01	SCOTIA CAPITAL (USA) INC, NEW YORK	7,690	650,419	0.01
LIQUIDNET CANADA INC, TORONTO	1,466	110,456	0.01	SCOTIA CAPITAL INC, NEW YORK	5,053	566,715	0.01
LIQUIDNET EUROPE LIMITED, LONDON	3,657	259,555	0.01	SCOTIA CAPITAL MKTS, TORONTO	15,811	2,756,971	0.01
LIQUIDNET INC, NEW YORK	59,037	2,465,107	0.02	SEAPORT GROUP SECURITIES, LLC, NEW YORK	3,401	230,121	0.01
LOOP CAPITAL MARKETS, JERSEY CITY	126,219	8,015,897	0.02	SECURITIES SERVICES NOMINEES LTD, LONDON	380	13,275	0.03
LUMINEX TRADING AND ANALYTICS, BOSTON	5,258	668,910	0.01	SG AMERICAS SECURITIES LLC, NEW YORK	306	44,900	0.01
MACQUARIE BANK LIMITED, SYDNEY	3,329	3,876,714	0.00	SG SEC (LONDON) LTD, LONDON	3,834	531,068	0.01
MACQUARIE BANK LTD, HONG KONG	127,030	140,900,898	0.00	SG SECURITIES, HONG KONG	8,162	4,852,151	0.00
MACQUARIE BANK LTD, SYDNEY	18	14,448	0.00	SHORE CAPITAL STOCKBROKERS, LONDON	184	352,351	0.00
MACQUARIE CAPITAL (USA) INC., NEW YORK	58,261	3,902,289	0.01	SIDOTI AND COMPANY LLC, NEW YORK	3,050	96,410	0.03
MACQUARIE CAPITAL LTD, LONDON	1,548	411,202	0.00	SINGER CAPITAL MARKETS LTD, LONDON	1,739	226,343	0.01
MACQUARIE SECS (SINGAPORE), SINGAPORE	513	1,220,216	0.00	SKANDINAVISKA ENSKILDA BANKEN, STOCKHOLM	1,976	148,619	0.01
MACQUARIE SECS USA INC, NEW YORK	8,536	1,088,669	0.01	SMBG NIKKO SECURITIES LTD, WAN CHAI	134	17,600	0.01
MACQUARIE SECURITIES LIMITED, HONG KONG	2,654	995,965	0.00	SMBG SECURITIES, INC NEW YORK	29,160	1,949,720	0.01
MACQUARIE SECURITIES LTD, AUCKLAND	740	515,689	0.00	SOC GEN/ISGLB GBDS CL ACC, LONDON	732	37,075	0.02
MACQUARIE SECURITIES LTD, SEOUL	31,210	1,069,833	0.03	SOCIETE GENERALE EQUITY INT LONDON	69	75,000	0.00
MAINFIRST BANK AG,FRANKFURT AM MAIN	2,558	7,228	0.35	SOCIETE GENERALE LONDON BRANCH, LONDON	69	5,290	0.01
MAXIM GROUP, JERSEY CITY	275	6,530	0.04	SOCIETE GENERALE LONDON BRANCH, LONDON	35,983	8,619,898	0.00
MAYBANK KIM ENG SECURITIES, SINGAPORE	547	874,255	0.00	SOCIETE GENERALE(TTT), NANTES	1,080	1,851,128	0.00
MEDIOBANCA SPA, MILANO	89	19,715	0.00	SOCIETE GENERALE, PARIS	5,595	1,503,881	0.00
MERRILL LYNCH & CO INC ATLAS GLOBAL, NY	4,686	1,352,988	0.00	STANDARD BANK, LONDON	532	142,733	0.00
MERRILL LYNCH GILTS LTD, LONDON	30,733	6,817,919	0.00	STANDARD BK OF SOUTH AFRICA, JOHANNESBUR	3,103	17,671	0.18
MERRILL LYNCH INTERNATIONAL, DUBAI	507	918	0.55	STEPHENS INC, LITTLE ROCK	1,956	61,997	0.03
MERRILL LYNCH INTERNATIONAL LONDON	285	2,404	0.12	STERN BROTHERS & CO, JERSEY CITY	233	9,300	0.03
MERRILL LYNCH INTL LONDON EQUITIES	427,894	91,851,490	0.00	STERNE AEGEE & LEACH INC	3,342	81,270	0.04
MERRILL LYNCH PIERCE FENNER SMITH INC NY	137,176	9,099,743	0.02	STIFEL NICOLAUS	21,942	838,698	0.03
MERRILL LYNCH PIERCE FENNER, WILMINGTON	4,327	87,620	0.05	STIFEL NICOLAUS EUROPE LIMITED, LONDON	829	165,434	0.01
MERRILL LYNCH PROFESSIONAL CLRG, PURCHAS	609	15,560	0.04	STURDIVANT AND CO INC, NEW YORK	776	54,522	0.01
MERRILL LYNCH, LONDON (MLLGB3L)	52	120,200	0.00	SUNTRUST CAPITAL MARKETS INC, NEW YORK	6,186	216,946	0.03
MERRILL LYNCH, SYDNEY	1,053	3,074,520	0.00	SVENSKA HANDELSBANKEN, STOCKHOLM	3,267	135,367	0.02
MIRABAUD SECURITIES LLP, LONDON	21,375	161,578	0.13	TB SECURITIES (USA) LLC, NEW YORK	3,465	138,582	0.03
MIRAE ASSET SEC USA, NEW YORK	3,803	125,421	0.03	TB WATERHOUSE SEC, TORONTO (GIST)	198	25,900	0.01
MIRAE ASSET SECURITIES, SEOUL	2,881	63,144	0.05	TELSEY ADVISORY GROUP LLC, DALLAS	967	38,693	0.03
MISCHLER FINANCIAL GROUP INC, NEW YORK	13,130	1,155,457	0.01	THE BENCHMARK CO LLC, NEW YORK	318	8,559	0.04
MITSUBISHI UFJ SECS INTL PLC, LONDON	38	3,300	0.01	THE FIG GROUP LLC, DALLAS	558	96,100	0.01
MITSUBISHI UFJ SECURITIES, NEW YORK	360	20,900	0.02	TROIKA DIALOG USA, NEW YORK	5,853	335,540	0.02
MIZUHO SECURITIES ASIA, HONG KONG	6,869	2,924,400	0.00	UBS AG LONDON BRANCH, LONDON	18,283	1,703,362	0.01
MIZUHO SECURITIES USA INC, NEW YORK	16,664	3,842,155	0.00	UBS AG LONDON BRANCH, LONDON	2	269	0.01
MIZUHO SECURITIES USA, INC., NEW YORK	6,578	172,699	0.04	UBS AG LONDON INTL GILTS, LONDON	377	8,425	0.04
MKM PARTNERS LLC, GREENWICH	8,837	360,872	0.02	UBS EQUITIES, LONDON	200,009	73,832,670	0.00
MORGAN OLMSTEAD	477	144,735	0.00	UBS SECS SINGAPORE PTE LTD	1,616	3,955,392	0.00
MORGAN STANLEY & CO INC, NY	807,228	125,352,514	0.01	UBS SECURITIES CANADA, TORONTO (BWIT)	12,329	4,790,695	0.00
MORGAN STANLEY & CO INTL LTD, SEOUL	24,455	538,471	0.05	UBS SECURITIES EAST ASIA, SEOUL	790	20,994,962	0.00
MORGAN STANLEY & CO, LONDON (MSLNGB2X)	24,646	19,825,604	0.00	UBS SECURITIES EAST ASIA, TAIPEI	168	9,852,606	0.00
MORGAN STANLEY DEAN WITTER, SYDNEY	5,100	2,767,841	0.00	UBS SECURITIES LLC, STAMFORD	182,898	15,852,807	0.01
NATIONAL FINANCIAL SERVICES LLC, BOSTON	10,594	5,533,828	0.00	UBS WARBURG ASIA LTD, HONG KONG	184,854	146,721,466	0.00
NATIONAL FINL SVCS CORP, NEW YORK	138,927	16,592,720	0.01	UBS WARBURG AUSTRALIA EQUITIES, SYDNEY	2,555	1,245,845	0.00
NBCN CLEARING INC, MONTREAL	127	5,066	0.03	UBS WARBURG LLC, STAMFORD	13,290	546,336	0.02
NBCN INC, TORONTO (NBCS)	2,203	280,209	0.01	UNION BANK OF SWITZERLAND, ZURICH	4,175	595,196	0.01
NEEDHAM AND CO LLC, NEW YORK	5,159	159,355	0.03	UNION BANK SWITZERLAND SECS, LONDON	5,145	37,545	0.14
NESSBITT BURNS, TORONTO (NTDT)	4,758	355,110	0.01	UNTERBERG HARRIS, SAN FRANCISCO	134	13,431	0.01

**PENSION FUNDS MANAGEMENT DIVISION  
 COMBINED INVESTMENT FUNDS SCHEDULE OF BROKERAGE COMMISSIONS (Continued)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<b>Broker Name</b>	<b>\$ Commission</b>	<b>Shares/ Par Value</b>	<b>Avg Comm</b>
UOB KAY HIAN PTE LTD, HONG KONG	140	172,000	0.00
VIRTU AMERICAS LLC, JERSEY CITY	766	57,115	0.01
VIRTU AMERICAS LLC, NEW YORK	82	2,678	0.03
VTB BANK EUROPE PLC, LONDON	1,693	1,294,405	0.00
WALL STREET ACCESS, JERSEY CITY	5,571	557,104	0.01
WEDBUSH MORGAN SECS INC, LOS ANGELES	3,284	130,666	0.03
WEDBUSH MORGAN SECURITIES, LOS ANGELES	40	1,600	0.03
WEDBUSH SECURITIES INC./P3, LOS ANGELES	1,645	144,600	0.01
WEEDEN & CO, GREENWICH	2	567	0.00
WEEDEN & CO, NEW YORK	3,471	262,790	0.01
WELLS FARGO SECURITIES LLC, CHARLOTTE	587	37,145	0.02
WELLS FARGO SECURITIES, LLC, NEW YORK	11,808	444,444	0.03
WILLIAM BLAIR & CO, CHICAGO	14,336	412,666	0.03
WILLIAMS CAPITAL GROUP LP, JERSEY CITY	63,060	5,319,262	0.01
WINTERFLOOD SECS, LONDON	8,850	2,977,877	0.00
WOLFE TRAHAN SECURITIES, NEW YORK	478	19,100	0.03
WOLFE TRAHAN SECURITIES, NEW YORK	1,578	63,114	0.03
WOOD & COMPANY, PRAGUE	19,439	437,387	0.04
WOORI INVESTMENT & SECURITIES, SEOUL	1,296	28,494	0.05
XP INVESTIMENTOS CCTVM SA,RIO DE JANEIRO	17,373	1,823,380	0.01
<b>TOTAL:</b>	<b>9,004,499</b>		

# Glossary of Terms

**Active extension** - Active extension is defined as an investment strategy that allows for both long and short positions in an investment portfolio with a gross exposure above 100% of total portfolio value on an absolute basis, while maintaining a beta of one.

**Agency Securities** - Securities, usually bonds, issued by U.S. Government agencies. These securities have high credit ratings but are not backed by the full faith and credit of the U.S. Government.

**All-cap** - An investment approach that disregards market capitalization (i.e. small, medium, or large cap) in its security selection process.

**Alpha** - A coefficient which measures risk-adjusted performance, factoring in the risk due to the specific security, rather than the overall market. A high value for alpha implies that the stock or mutual fund has performed better than would have been expected given its beta (volatility).

**Asset** - Anything owned that has economic value; any interest in property, tangible or intangible, that can be used for payment of debts.

**Asset Backed Security** - Bonds or notes collateralized by one or more types of assets including real property, mortgages, and receivables.

**At Value** - A term used to denote the current value of an asset at a point in time. Generally used in presentations containing a mix of assets some of which are traded on an exchange and some that are valued on an appraisal or similar basis.

**Banker's Acceptance (BA)** - A high-quality, short-term negotiable discount note, drawn on and accepted by banks which are obligated to pay the face amount at maturity.

**Basis Point (bp)** - The smallest measure used in quoting yields or returns. One basis point is 0.01% of yield, 100 basis points equals 1%. For example, a yield that changed from 8.75% to 9.50% has increased by 75 basis points.

**Benchmark** - A standard unit used as the basis of comparison; a universal unit that is identified with sufficient detail so that other similar classifications can be compared as being above, below, or comparable to the benchmark.

**Benchmark composite** - A term used when reporting on a portfolio containing multiple asset classes. The composite is generally calculated as a weighted average of the benchmarks of the underlying portfolios.

**Beta** - A quantitative measure of the volatility of a given stock, mutual fund or portfolio relative to the overall market.

**Book Value (BV)** - The value of individual assets, calculated as actual cost minus accumulated depreciation. Book value may be more or less than current market value.

**Buyout** - See "Leveraged Buyout"

**Capital Gain (Loss)** - Also known as capital appreciation (depreciation), capital gain (loss) measures the increase (decrease) in valuation of an asset over time.

**Capitalized Fees** - Fees (and expenses) that increase the cost basis of an investment.

**Certificates of Deposit (CDs)** - A debt instrument issued by banks, usually paying interest, with maturities ranging from 3 months to six years.

**Citigroup Broad Investment-Grade Bond Index (CBIG)** - A market value-weighted index composed of over 4,000 individually priced securities with a quality rating of at least BBB. Each issue has a minimum maturity of one year with an outstanding par amount of at least \$25 million.

**Citigroup World Government Bond Index Non-U.S. (CWGBI)** - An unhedged index measuring government issues of 12 major industrialized countries.

**Close-End fund** - Funds that have set limits on the life of the fund and/or the total amount to be invested.

**Coefficient of Determination (R2)** - A measurement of how closely the returns of an investment portfolio and its benchmark match. An R2 of 1.0 indicates that portfolio returns perfectly match the returns of the benchmark, while a value less than 1.0 indicates that the returns of the portfolio do not match the benchmark return. The closer the value is to 1 the closer the return of the portfolio is to the benchmark.

**Collateral** - Assets pledged by a borrower to secure a loan or other credit, and subject to seizure in the event of default.

**Collateralized Mortgage Obligation (CMO)** - A mortgage-backed, investment-grade bond that separates mortgage pools into different maturity classes. CMO payment obligations are backed by mortgage-backed securities with a fixed maturity.

**Commercial Paper** - Short-term obligations with maturities ranging from 2 to 270 days. An unsecured obligation issued by a corporation or bank to finance its short-term credit needs.

**Commingled fund** - A fund consisting of assets from multiple investors that are blended together. A mutual fund is a common example of a commingled fund.

**Committed capital** - Money that is committed by limited partners to a private investment fund. **Company risk** - The risk of investing in any single company's stock or bonds.

**Compounded Annual Total Return** - Compounded annual total return measures the implicit annual percentage change in value of an investment, assuming reinvestment of dividends, interest, and realized capital gains, including those attributable to currency fluctuations. In effect, compounded annual total return "smooths" fluctuations in long-term investment returns to derive an implied year-to-year annual return.

**Consumer Price Index (CPI)** - A measure of change in the cost of a fixed basket of products and services as determined by a monthly survey of the U.S. Bureau of Labor Statistics. Components of the CPI include housing costs, food, transportation, and electricity.

**Core real estate strategy** - Lower risk, low leverage, vehicles that invest in stabilized income-producing properties that provide steady net operating income or cash flow. Properties are usually located in major regional markets, have investment grade tenants, at-market rents, and high occupancy levels.

**Cost basis** - The original price paid for an investment.

**Counter-party risk** - The risk to each party of a contract that the counterparty will not live up to its contractual obligations. **Credit default risk** - The risk that a debtor will not make payments in accordance with the terms of the debt.

**Credit risk** - The risk that a borrower will fail to make payments in a timely manner.

**Cumulative Rate of Return** - A measure of the total return earned for a particular time period. This calculation measures the absolute percentage change in value of an investment over a specified period, assuming reinvestment of dividends, interest income, and realized capital gains. For example, if a \$100 investment grew to \$120 in a two-year period, the cumulative rate of return would be 20%.

**Currency exchange risk** - The risk that a foreign country's currency may appreciate or depreciate relative to the U. S. dollar, thus impacting the value of foreign investments.

**Currency hedging** - Transactions intended to manage the foreign exchange rate risk associated with investing in foreign securities.

**Currency spot** - A contract for the purchase or sale of a commodity, security or currency for settlement (payment and delivery) on the spot date, which is normally two business days after the trade date.

**Current Yield** - The relationship between the stated annual interest or dividend rate and the market price of a security. In calculating current yield, only income payments are considered; no consideration is given to capital gain/loss.

**Default risk** - The chance that an issuer will not make the required coupon payments or principal repayments to its debt holders.

**Derivative** - Derivatives are generally defined as contracts whose value depend on, or are derived from, the value of an underlying asset, reference rate, or index. For example, an option is a derivative instrument because its value derives from an underlying stock, stock index, commodity.

**Discount Rate** - The interest rate that the Federal Reserve charges banks for loans, using government securities or eligible paper as collateral.



**Diversification** - A portfolio strategy designed to reduce exposure to risk by putting assets in several different securities or categories of investments.

**Drawdown** - (a) A request for cash charged against capital committed to a limited partnership, limited liability corporation, or other like entity; (b) a decline in the current value of an investment or other asset. **Duration** - Duration is a measure of the price sensitivity of a fixed-income investment to a change in interest rates. (See Modified and Macaulay Duration).

**Economic risk** - The risk that economic activities will negatively impact an investment.

**Enhanced indexing** - Refers to the application of strategies to an index fund designed to generate higher rates of returns.

**Equity** - The ownership interest possessed by shareholders in a corporation in the form of common stock or preferred stock.

**ERISA (Employee Retirement Income Security Act)** - The 1974 federal law which established legal guidelines for private pension plan administration and investment practices.

**Expense Ratio** - Operating costs (including management fees) expressed as a percentage of the fund's average net assets for a given time period.

**Fair Value** - The amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Federal Funds Rate** - The interest rate that banks charge each other for the use of Federal Funds. This rate changes daily and is a sensitive indicator of general interest rate trends.

**Federal Reserve Board** - The seven member Board of Governors that oversees Federal Reserve Banks, establishes monetary policy and monitors the economic health of the economy.

**Fiduciary** - A person, company, or association holding assets in trust for a beneficiary. The fiduciary is charged with the responsibility to invest the assets prudently and solely for the beneficiary's benefit.

**Fitch Investor Services** - A financial services rating agency.

**Floating Rate Note** - A fixed principal instrument which has a long or even indefinite life and whose yield is periodically reset relative to a reference index rate to reflect changes in short- or intermediate-term interest rates.

**Forward contract** - A contract between two parties that requires the parties to sell or purchase an asset at a price set when the contract is entered into for settlement at a specified future date.

**Funded Capital** - Amount of cash invested.

**Geopolitical risk** - See "Political risk".

**Gross Domestic Product** - Total market value of goods and services produced in a country over a particular period of time, usually one year. The GDP growth rate is the primary indicator of the health of the economy.

**Hedge** - An investment in assets which serves to reduce the risk of adverse price movements in a security, by taking an offsetting position in a related security, such as an option or short sale.

**Index** - A benchmark of securities used as an independent representation of market performance. Example: S&P 500 index.

**Index Fund** - A passively managed fund constructed to mirror the performance of a specific index, such as the S&P 500. **Individual company risk** - The risk associated with investment in the securities of any single company.

**Inflation** - The overall general upward price movement of goods and services in an economy, usually as measured by the Consumer Price Index and the Producer Price Index.

**Inflation risk** - The risk that the value of an investment will erode as a result of inflationary pressures.

**Interest rate risk** - The risk that changes in the general level of interest rates will adversely affect the fair value of an investment.

**Investment Income** - The equity dividends, bond interest, and/or cash interest paid on an investment.

**J-Curve** - An economic theory stating that a policy designed to have one effect will initially have the opposite effect. With regard to closed end commingled fund investments, this generally refers to a trend whereby a fund's return tends to be negative in the early years of a fund's existence until income and valuations increase in the later periods as investments mature and as the relative size of fees and other costs diminish relative to the value of invested capital.

**JP Morgan Emerging Markets Bond Index Plus (EMBI+)** - An index which tracks total returns for traded external debt instruments in the emerging markets. The instruments include external-currency-denominated Brady bonds, loans and Eurobonds, as well as U.S. dollar denominated local market instruments. The EMBI+ expands upon JP Morgan's original Emerging Markets Bond Index, which was introduced in 1992 and covers only Bradybonds.

**Letter of Credit** - An instrument or document issued by a bank, guaranteeing the payment of a customer's drafts up to a stated amount for a specified period. It substitutes the bank's credit for the buyer's and reduces the seller's risk.

**Leverage** - The use of borrowed funds to increase purchasing power and, ideally, to increase profitability of an investment transaction or business.

**Leveraged buyout** - A leveraged buyout (LBO) is an acquisition (usually of a company) financed through a combination of equity and debt and in which the cash flows or assets of the target are used to secure and repay the debt used to finance the acquisition.

**Liability** - The claim on the assets of a company or individual - excluding ownership equity. An obligation that legally binds an individual or company to settle a debt.

**Limited Partnership** - A partnership formed by two or more entities with at least one limited partner and one general partner. Limited partner responsibility for debts and losses is limited to the amount of their investment in the partnership. In addition, the limited partner does not participate in the activities of the partnership. The general partner has control over the management of the partnership and has unlimited liability for partnership debt and losses.

**Liquidity risk** - The risk that an investment cannot be immediately liquidated unless discounted in value.

**Macaulay Duration** - The weighted-average term to maturity of a bond's cash flows. The weighting is based on the present value of each cash flow divided by price.

**Management risk** - The risks associated with ineffective, destructive or underperforming management.

**Marked-to-market pricing** - An accounting practice in which the price of an investment recorded within the accounting records is the market value at the end of the month.

**Market Risk** - The risk that fluctuations in the overall market for securities will impact an investment portfolio.

**Market Value** - A security's last reported sale price or its current bid and ask prices. The price as determined dynamically by buyers and sellers in an open market.

**Master Custodian** - An entity, usually a bank, used for safekeeping of securities and other assets. May be responsible for other functions including accounting, performance measurement and securities lending.

**Maturity Date** - The date on which the principal amount of a bond or other debt instrument becomes payable or due.

**Mezzanine Debt** - Debt that incorporates equity-based options, such as warrants, and is subordinated debt.

**MFR Index** (iMoneyNet's First Tier Institutional-only Rated Money Fund Report Averages™ Index) - An index which represents an average of the returns of institutional money market mutual funds that invest primarily in first tier (securities rated A-1, P-1) taxable securities.

**Modified Duration** - A measure of the price sensitivity of a bond to interest rate movements. It is the primary basis for comparing the effect of interest rate changes on prices of fixed income securities.

**Money Market Fund** - An open-ended mutual fund that invests in commercial paper, bankers' acceptances, repurchase agreements, government securities, certificates of deposit, and other highly liquid and safe securities and pays money market rates of interest. The fund's net asset value remains a constant \$1 per share - only the interest rate goes up or down.

**Moody's (Moody's Investors Service)** - A financial services rating agency.

**MSCI EAFE** - Morgan Stanley Europe Australasia Far East foreign equity index. An arithmetic value weighted average of the performance of over 900 securities on the stock exchanges of 23 countries on three continents. NCREIF (National Council of Real Estate Investment Fiduciaries) - National Council of Real Estate Investment Fiduciaries, a non-profit organization established to serve the institutional real estate investment community as a non-partisan collector, processor, validator and disseminator of real estate performance information.

**Net Asset Value (NAV)** - The total assets (including any valuation gains or losses on investments or currencies) minus total liabilities divided by shares outstanding.

**Netted Fees** - Refers to instances in which investment management fees/expenses are offset against income normally distributed to investors. May also refer to practices whereby investment management fees/expenses are added to the cost basis of an investment.

**NPI** - NCREIF Property Index. The NCREIF Property Index is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only. Properties comprising this benchmark, which include wholly owned and joint venture investments, are held on an all-cash, non-leveraged basis, and is restricted to investment-grade, nonagricultural, and income-producing properties.

**Open-End fund** - A fund operated by an investment company in accordance with a stated set of objectives. Open-end funds raise money by periodically selling shares of the fund to the public.

**Operations risk** - The risk associated with negative operating events (net operating losses, inventory write-downs, breakdown in internal procedures, etc).

**Par Value** - The stated or face value of a stock or bond. While it has little significance for common stocks, for bonds, it specifies the payment amount at maturity.

**Pension Fund** - A fund set up by a corporation, labor union, governmental entity, or other organization to provide retirement income.

**Percentile** - A description of the percentage rank of a portfolio's performance, relative to a larger universe of portfolios.

**Political Risk** - The risk resulting from political changes or instability in a country's system of government, laws or regulation. **Prepayment risk** - The risk associated with the prepayment of fixed income investments in a declining rate environment.

**Present Value** - The current value of a future cash flow or series of cash flows discounted at an appropriate interest rate or rates. For example, at a 12% interest rate, the value of one dollar a year from now has a present value of \$0.89286.

**Price/Book (P/B)** - A ratio showing the price of a stock divided by its book value per share. The P/B measures the multiple at which the market is capitalizing the net asset value per share of a company at any given time.

**Price/Earnings (P/E)** - A ratio showing the price of a stock divided by its earnings per share. The P/E measures the multiple at which the market is capitalizing the earnings per share of a company at any given time.

**Principal** - Face value of an obligation, such as a bond or a loan, that must be repaid at maturity. **Product risk** - The risk associated with the introduction of a new product or process.

**Prudent Person Rule** - The standard adopted by some states to guide those fiduciaries with responsibility for investing the money of others. Such fiduciaries must act as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

**Purchasing power risk** - See "Inflation risk"

**Pure indexing** - Refers to the application of strategies to an index fund designed to exactly match the returns of the portfolio benchmark.

**R2** - See "Coefficient of Determination"

**Real interest rate** - An interest rate that has been adjusted to remove the effects of inflation.

**Real rate of return** - The return realized on an investment adjusted for changes due to inflation or other external effects.

**Realized Gain (Loss)** - A gain (loss) that has occurred financially.

The difference between the principal amount received and the cost basis of an asset realized at sale.

**Reinvestment risk** - The risk that cash flows received from a security will be reinvested at lower rates due to declining interest rates.

**Relative Volatility** - The standard deviation of the Fund divided by the standard deviation of its selected benchmark. A relative volatility greater than 1.0 suggests comparatively more volatility in Fund returns than those of the benchmark.

**Repurchase Agreements ("Repos")** - A contract in which the seller of securities, such as Treasury Bills, agrees to buy them back at a specified time and price. Repos are widely used as a money market instrument.

**Return on Equity (ROE)** - Net income of a company (after payment of preferred stock dividends but before payment of common stock dividends) divided by common shareholder equity. **Reverse Repurchase Agreements ("Reverse Repos")** - A purchase of securities with an agreement to resell them at a higher price at a specific future date.

**Risk Adjusted Return** - A measure of investment return which accounts for the amount of risk taken over a specified period.

**Russell 3000** - An equity index comprised of the securities of the 3,000 largest public U.S. companies as determined by total market capitalization. This index represents approximately 98% of the U.S. equity market's capitalization.

**Securities Lending** - A collateralized process of loaning portfolio positions to custodians, dealers, and short sellers who must make physical delivery of positions. Securities lending may reduce custody costs or enhance annual returns by a full percentage point or more in certain market environments.

**Senior debt securities** - Debt that must be paid off before other liabilities in the event of a business failure or bankruptcy.

**Separate accounts** - An investment portfolio managed by a third party investment manager in which the investor directly owns the securities within the portfolio.

**Soft Dollars** - The value of research or other services that brokerage houses and other service entities provide to a client "free of charge" in exchange for the client's brokerage.

**S&P 500 (Standard & Poor's)** - A basket of 500 stocks chosen for market size, liquidity and industry grouping, among other factors, designed to represent a US equity universe of large capitalization stocks.

**S&P Credit Ratings Service** - A financial services rating agency.

**Special situations** - Private equity investments in a variety of securities (Debt, Preferred Equity and/or Common Equity) in portfolio companies at a variety of stages of development (Seed, Early Stage, Later Stage).

**Standard Deviation** - A measure of the dispersion of a set of data from its mean. Often used as a measure of investment volatility or risk, it measures how much an investment return may vary from its average return.

**Tail risk** - The risk that a loss (or gain) would be three standard deviations from the mean or current price.

**Treasury Bill (T-Bill)** - Short-term, highly liquid government securities issued at a discount from the face value and returning the face amount at maturity.

**Treasury Bond or Note** - Debt obligations of the Federal government that make semiannual coupon payments and are sold at or near par value in denominations of \$1,000 or more.

**Trust** - A fiduciary relationship in which a person, called a trustee, holds title to property for the benefit of another person, called a beneficiary.

**TUCS** - Trust Universe Comparison Service. TUCS is a universe based upon a pooling of quarterly trust accounting data from participating banks and other organizations that provide custody for trust assets.

**Turnover** - Security purchases and sales divided by the fiscal year's average market value  $\{(P+S)/[(BMV+EMV)/2]\}$  for a given portfolio.

**Unhedged** - Not protected from market actions.

**Un-levered** - Investments made without the use of debt or debt like securities.

**Unrealized Gain (Loss)** - A profit (loss) that has not been realized through the sale of a security. The gain (loss) is realized when a security or futures contract is actually sold or settled.

**Variable Rate Note** - Floating rate notes with a coupon rate adjusted at set intervals, such as daily, weekly, or monthly, based on different interest rate indices, such as LIBOR, Fed Funds, and Treasury Bills.

**Vintage year** - The year in which a capital commitment is made to an investment, most often applied to real estate and private equity investments.

**Volatility** - A statistical measure of the tendency of a market price or yield to vary over time. Volatility is said to be high if the price, yield, or return typically changes dramatically in a short period of time.

**Warrant** - A security that entitles the holder to buy a specific security at a specified price within a specified time frame.

**Yield** - The income return on an investment.

**Yield Curve** - A graph showing the term structure of interest rates by plotting the yields of all bonds of the same quality with maturities ranging from the shortest to the longest. The Y-axis represents the interest rate and the X-axis represents time, generally with a normal curve that is convex in shape.

**Zero Coupon Bond** - A bond paying no interest that sells at a discount and returns principal only at maturity.

# UNDERSTANDING INVESTMENT PERFORMANCE

## Introduction

This section discusses the Treasury's approach to measuring performance, including risk and return of the Connecticut Retirement Plans and Trust Funds (CRPTF).

## Understanding Performance

To measure success in achieving the primary objective of the Asset Allocation Plan, the Fund's performance is evaluated in two principal areas: risk and return. The results of these reviews, coupled with information on portfolio characteristics, are used to monitor and improve the performance of the Fund's external investment managers.

To monitor and evaluate Fund performance and measurements of risk and return, CRPTF performance is compared to those of similarly structured peer groups and indices. In addition, the performance of the Combined Investment Funds (CIF) invested in by the various plans and trusts is compared to the performance of their respective benchmarks. Each CIF's benchmark is selected on the basis of portfolio composition, investment style, and objectives. The benchmark comparisons enable plan participants, the Treasurer and the Investment Advisory Council, to determine whether and by how much CIF returns exceeded or fell short of their respective benchmarks. The comparisons provide an understanding of the reason for the CIF's performance relative to their benchmarks.

Comparative performance is reviewed over both the near-term and the long-term for two reasons. First, pension management is, by its very nature, a long-term process. While both young and old employees comprise the pool of plan beneficiaries, the increasing life span of plan participants makes it important that plan assets be managed for the long term. Second, as experience has shown, results attained in the short term are not necessarily an indicator of results to be achieved over the long term. Performance must be viewed in a broad context.

Overall performance is measured by calculating monthly returns and linking them to provide one-, three-, five- and ten-year histories of overall investment performance. Short-term performance is measured by total return over one-month, quarter-end, and trailing one-year time periods. Risk is also measured over both short- and long-term periods.

## Risk

The measurement of risk is a critical component in investment management. It is the basis for both strategic decision-making and investment evaluation. Investors assume risk to enhance portfolio returns. The primary objective is to generate returns in excess of those available in "risk-free" investments, such as Treasury Bills. The amount of excess returns varies in magnitude according to the degree of risk assumed. Many investors focus on the negative aspects of risk and in doing so forego substantial upside potential, which can significantly enhance long-term returns. Thus, while risk can never be completely eliminated from a portfolio, the prudent management of risk can maximize investment returns at acceptable levels of risk. Risk can take several forms and include: market risk, the risk of fluctuations in the overall market for securities; company risk, the risk of investing in any single company's stock or bonds; currency-exchange risk, the risk that a foreign country's currency may appreciate or depreciate relative to the U.S. dollar, thus impacting the value of foreign investments; and political risk, risk incurred through investing in foreign countries with volatile economies and political systems. With respect to fixed income investments, investors also assume: reinvestment risk, the risk that cash flows received from a security will be reinvested at lower rates due to declining interest rates; credit or default risk, the risk that the issuer of a fixed income security may fail to make principal and interest payments on the security; interest rate risk, the risk that the market value of fixed coupon bonds will decline in the event of rising market interest rates; and inflation or purchasing power risk, the risk that the real value of a security and its cash flows may be reduced by inflation. The level of risk incurred in fixed income investing increases as the investment time horizon is lengthened. This is demonstrated by the comparatively higher yields available on "long bonds," or bonds maturing in 20 to 30 years, versus those available on short-term fixed income securities.

In the alternative investment category, risks are significantly greater than those of publicly traded investments. Assessment of progress is more tenuous and valuation judgments are more complex. The investor assumes not only management, product, market, and operations risk, similar to equity investing, but also assumes liquidity

risk, the risk that one's investment cannot be immediately liquidated at other than a substantially discounted value. An additional risk to this category is transparency risk, the risk associated with not knowing the underlying investments within a portfolio.

## Volatility

To measure the effects of risk on the portfolio, the volatility of returns is calculated over time. Volatility, viewed as the deviation of returns from an average of these returns over some period of time, is measured statistically by standard deviation. Funds with high standard deviations are considered riskier than those with low standard deviations.

To evaluate the significance of the CIF's standard deviation, each CIF's relative volatility, or the ratio of the CIF's standard deviation to that of the benchmark is calculated. A relative volatility greater than 1.0 indicates that the CIF is more volatile than the benchmark while a measure less than 1.0 indicates less volatility. A relative volatility of 1.0 indicates that the volatility of the CIF is the same as the benchmark.

As an extension of standard deviation, each CIF's beta, (a measure of the relative price fluctuation of the CIF to its benchmark) is also calculated. The measurement of beta allows one to evaluate the sensitivity of Fund returns to given movements in the market and/or its benchmark. A beta greater than 1.0 compared to the selected market benchmark signifies greater price sensitivity while a beta less than 1.0 indicates less sensitivity.

To measure the degree of correlation between CIF returns and the benchmark, the Division calculates the coefficient of determination, or R<sup>2</sup>. This calculation, which is used in conjunction with beta, allows one to evaluate how much of the volatility in CIF returns is explained by returns in the selected market benchmark. An R<sup>2</sup> of 1.0 indicates that CIF returns are perfectly explained by returns of the benchmark, while a value less than 1.0 indicates that the returns

of the benchmark explain only a portion of the fund return. Finally, to evaluate how well each of the above measures actually predicted returns of the CIF, a calculation is performed on the CIF's alpha. This calculation measures the absolute difference between the CIF's monthly return and that predicted by its beta. Used together, these measures provide a comprehensive view of a CIF's relative risk profile.

## Return

The Pension and Trust Funds are managed to maximize return and minimize risk. Return, viewed in this context, includes realized and unrealized gains in the market value of a security, including those attributable to currency fluctuations, as well as income distributed by a security such as dividends and interest. Return is measured through two calculations: compounded annual total return and cumulative total return.

**Compounded Annual Total Return** - This return measure evaluates performance over the short and long term. Compounded annual total return measures the implicit annual percentage change in value of an investment, assuming reinvestment of dividends, interest, and realized and unrealized capital gains, including gains attributable to currency fluctuations. In effect, compounded annual total return "smooths" fluctuations in long-term investment returns to derive an implied year-to-year annual return.

**Cumulative Total Return** - This calculation measures the absolute percentage change in value of an investment over a specified period, assuming reinvestment of dividends, interest income, and realized capital gains. While this calculation does not "smooth" year-to-year fluctuations in long-term returns to derive implied annual performance, cumulative total return allows one to see on an absolute basis the percentage increase in the total Fund's value over a specified time. Viewed graphically, cumulative total return shows one what a \$10 million investment in the CRPTF a set number of years ago would be worth today.

**DEBT MANAGEMENT DIVISION  
CHANGES IN DEBT OUTSTANDING - STATUTORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Bond Finance Type	Outstanding June 30, 2019	FY 2020			Outstanding June 30, 2020	FY 2020 <sup>(1)</sup> Interest Paid
		Issued	Retired	Refunded or Defeased		
General Obligation - Tax Supported	\$ 14,091,822,032	\$ 2,034,495,000	\$ 1,325,860,614	\$ 482,705,000	\$ 14,317,751,418	\$ 592,068,286
General Obligation - Teachers' Retirement Fund Bonds <sup>(2)</sup>	2,208,066,524	-	-	-	2,208,066,524	118,400,521
General Obligation - GAAP Conversion Bonds <sup>(3)</sup>	423,260,000	-	38,220,000	-	385,040,000	20,154,275
Special Tax Obligation	5,957,640,000	850,000,000	344,975,000	37,960,000	6,424,705,000	288,863,486
Bradley International Airport	102,105,000	-	7,510,000	-	94,595,000	4,040,701
Clean Water Fund	848,470,000	279,845,000	65,950,000	32,130,000	1,030,235,000	46,703,026
UConn 2000 <sup>(4)</sup>	1,700,180,000	-	131,275,000	-	1,568,905,000	80,792,180
CI Increment Financing <sup>(5)</sup>	20,630,000	-	2,070,000	-	18,560,000	951,667
CHEFA Childcare Facilities Program <sup>(6)</sup>	48,600,000	-	2,645,000	-	45,955,000	2,130,631
Juvenile Training School <sup>(7)</sup>	11,095,000	-	705,000	-	10,390,000	526,475
Bradley International Parking Operations <sup>(8)</sup>	22,330,000	-	3,135,000	-	19,195,000	1,370,325
CHFA Special Needs Housing Bonds <sup>(9)</sup>	48,565,000	-	4,325,000	-	44,240,000	1,901,896
CHFA Emergency Mortgage Assistance Program <sup>(10)</sup>	33,745,000	-	2,305,000	-	31,440,000	1,666,126
CRDA Bonds <sup>(11)</sup>	74,295,000	-	3,625,000	-	70,670,000	1,842,047
<b>TOTAL</b>	<b>\$ 25,590,803,556</b>	<b>\$ 3,164,340,000</b>	<b>\$ 1,932,600,614</b>	<b>\$ 552,795,000</b>	<b>\$ 26,269,747,942</b>	<b>\$ 1,161,411,642</b>

- (1) Includes interest rate swap payments and variable rate bond fees.
- (2) General Obligation Teachers' Retirement Fund Bonds were issued as taxable bonds pursuant to Public Act 07-186 to fund \$2 billion of the unfunded liability of the Connecticut Teachers' Retirement Fund, capitalized interest and cost of issuance.
- (3) General Obligation GAAP Conversion Bonds were issued in fiscal year 2014 to fund half of the General Fund GAAP deficit at that time and commit the State to funding the balance over time through budget appropriation as part of a bond covenant.
- (4) UConn 2000 Bonds were authorized in three stages in a total amount of \$4.3 billion over a 32 year period to be paid by the University of Connecticut from a State debt service commitment. As each series is issued, the debt service is appropriated from the State's General Fund.
- (5) Connecticut Innovations (CI) has issued tax increment bonds for certain economic development projects. The debt service on the bonds is deemed appropriated from the State's General Fund.
- (6) On July 1, 1999, the Treasurer's Office assumed the responsibility for the Connecticut Health and Educational Facilities Authority (CHEFA) Childcare debt service appropriation per Public Act 97-259.
- (7) A lease purchase financing of the heating and cooling plant at the Juvenile Training School in Middletown.
- (8) On August 3, 2020, all outstanding Bradley International Airport Special Obligation Parking Revenue Bonds, Series 2000 A were fully redeemed from available funds.
- (9) Connecticut Housing Finance Authority (CHFA) Special Needs Housing bonds were issued pursuant to Public Act 05-280 and Public Act 05-3 for the purpose of financing costs of the Next Steps Initiative. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer and the Secretary of the Office of Policy and Management.
- (10) Connecticut Housing Finance Authority (CHFA) Emergency Mortgage Assistance Program bonds were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer and the Secretary of the Office of Policy and Management.
- (11) Capital Region Development Authority (CRDA) Bonds were issued to provide funding for the Adriaen's Landing development project in Hartford. The bonds, issued in a combination of fixed rate and variable rate securities, have a final maturity of 2034. The State is required to make debt service payments on the bonds up to a maximum amount of \$9 million pursuant to a contract for financial assistance agreement between CRDA, the State Treasurer, and the Secretary of the Office of Policy and Management. CRDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.

**Note 1:** In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appears in the Budget Act enacted by the General Assembly. The accounting standards that were applied in this legislation and Budget Act enacted for the 2020 fiscal year is a basis of accounting other than Generally Accepted Accounting Principles. In order to be consistent with the Comptroller's statements and the Budgetary Act, the State Treasurer has employed the same statutory basis of accounting for the presentation of this schedule.

**Note 2:** GAAP accounting requires that Long-Term debt obligations be segregated into the portion payable within the next fiscal year (the current portion) and the remaining portion that is not due until after the next fiscal year. This manner of presentation is not used for the statutory basis presentation.

For a detailed listing of debt outstanding for the fiscal year ended June 30, 2020, please see Statutory Appendix.

**DEBT MANAGEMENT DIVISION**  
**SCHEDULE OF EXPENSES IN EXCESS OF \$5,000 <sup>(1)</sup>**  
**FISCAL YEAR ENDED JUNE 30, 2020**

<b>Name of Firm</b>	<b>Description of Services</b>	<b>Aggregate Compensation Paid in FY 2020</b>	<b>Status as of 6/30/2020</b>
Acacia Financial Group, Inc.	Financial Advisor	\$ 59,914	Active
AMTEC	Arbitrage Calculation/Verification Agent Fees	10,500	Active
Citigroup, Inc.	Management Fees	36,850	Active
Day Pitney, LLP	Bond/Disclosure Counsel	420,772	Active
Dornenburg Kallenbach Advertising	Web Site Improvements	10,938	Active
Fitch Ratings	Rating Agency	210,000	N/A
Hardwick Law Firm LLC	Bond Counsel	209,003	Active
Hawkins, Delafield & Wood, LLP	Arbitrage Calculation Fees/Bond Counsel	114,026	Active
Hilltop Securities	Financial Advisor	48,210	Active
ImageMaster	Financial Printer	8,250	Active
Kroll Bond Rating Agency, Inc.	Rating Agency	70,000	N/A
Lamont Financial Services	Financial Advisor	37,829	Inactive
Law Offices of Joseph C Reid, PA	Bond Counsel	26,259	Active
Lewis & Munday	Bond Counsel	70,909	Active
Mahoney Sabol & Co., LLP	Auditor	69,950	Active
Moody's Investors Service	Rating Agency	254,500	N/A
Morgan Stanley & Co., LLC	Management Fees	130,000	Active
Orrick, Herrington & Sutcliffe, LLP (BondLogistix)	Arbitrage Calculation Fees	16,000	Active
Public Financial Management	Financial Advisor	228,370	Active
Public Resources Advisory Group	Financial Advisor	6,155	Inactive
Pullman & Comley, LLC	Bond Counsel	93,445	Active
RBC Capital Markets, LLC	Management Fees	100,000	Active
Rice Securities	Management Fees	18,150	Active
Robinson & Cole	Bond/Tax Counsel	171,415	Active
SHI Internation Corp.	Software Consultant	378,194	Active
Seward and Monde	Auditor	51,640	Active
Shipman & Goodwin, LLP	Bond Counsel	60,583	Active
Siebert Williams Shank & Co., LLC	Management Fees	55,000	Active
Soeder & Associates	Tax/Disclosure Counsel	159,159	Active
Squire, Patton, Boggs (US) LLP	Bond Counsel	34,248	Active
S&P Global Ratings	Rating Agency	262,667	N/A
Sustainalytics	Green Bond Program Review	5,000	N/A
U. S. Bank, NA	Administrative/Escrow/Trustee Fees	189,411	Active
<b>Total</b>		<b>\$ <u>3,617,345</u></b>	

(1) Expenses are presented on a cash basis. Debt Management expenses are comprised of payments to vendors made through the Treasury Business Office, fees netted at bond closings, and fees and expenses paid from Cost of Issuance accounts. The amounts shown do not include bond issuance expenses paid on behalf of the State and counsel fees for firms representing the underwriter's, banks or trustees. Also excluded are bond sales charges which are paid to the Senior Manager and distributed by agreement of the underwriters, whether netted from bond proceeds or funded from the Treasury Business Office, as well as bond remarketing and liquidity fees which are accounted for as part of interest cost paid during the fiscal year. Also not included are amounts paid to the IRS for arbitrage rebate payments in accordance with IRS regulations.



**CASH MANAGEMENT DIVISION  
ACTIVITY STATEMENT  
FISCAL YEAR ENDED JUNE 30, 2020**

	<u>2020</u>	
<b>INFLOWS</b>		
Receipts:		
Deposits	\$ 35,526,677,856.99	(1)
Bad Checks	(4,169,350.45)	(2)
Treasury Initiated Transfers	3,033,665,989.66	(3)
<b>Total Receipts</b>	<u>\$ 38,556,174,496.20</u>	
Transfers:	<u>14,956,559,049.82</u>	(4)
Other Inflows:		
Internal Bank Transfers	\$ 44,597,673,370.42	(5)
Interbank Transfers	23,348,592,050.96	(6)
Total Other Inflows	<u>\$ 67,946,265,421.38</u>	
<b>TOTAL INFLOWS</b>	<u>\$ 121,458,998,967.40</u>	
<b>OUTFLOWS</b>		
Disbursements:		
Vendor	\$ 32,608,756,281.84	(7)
Payroll	4,744,487,391.60	(8)
<b>Total Disbursements</b>	<u>\$ 37,353,243,673.44</u>	
Transfers:	<u>16,236,857,352.14</u>	(4)
Other Outflows:		
Internal Bank Transfers	\$ 44,597,673,370.42	(5)
Interbank Transfers	23,348,592,050.96	(6)
Total Other Outflows	<u>\$ 67,946,265,421.38</u>	
<b>TOTAL OUTFLOWS</b>	<u>\$ 121,536,366,446.96</u>	

- (1) Deposits - revenue received from taxes, licenses, lottery fees, federal grants and other sources.
- (2) Bad Checks - checks issued with insufficient funds in the originator's bank account.
- (3) Treasury Initiated Transfers - To record debt service payments to the proper bank account and transfer investment income to the proper fund.
- (4) Transfers - income earned from short and long-term investments, transfers of cash from one fund to the other, investment activity, and Certificates of Deposit purchased and sold with Connecticut banks under the Treasurer's Community Bank and Credit Union Initiative.
- (5) Internal Bank Transfers - transfers of money from concentration accounts to zero balance accounts with the same depository institution to provide funds to cover authorized disbursements and invest excess cash.
- (6) Interbank Transfers - transfers of state moneys between banks to invest excess cash or to cover authorized disbursements.
- (7) Vendor - expenditures for goods and services provided to the State by vendors, along with other payments, such as refunds of payments made to State agencies, restitution payments directed by the courts, and State grant payments.
- (8) Payroll - expenditures for the State's personnel and retirement payrolls.

**CASH MANAGEMENT DIVISION  
 CIVIL LIST FUNDS  
 SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS <sup>(1)</sup>  
 FISCAL YEAR ENDED JUNE 30, 2020  
 PRESENTED UNDER STATUTORY BASIS OF ACCOUNTING <sup>(3) (4)</sup>**

	<u>2020</u>
Cash Balance July 1, 2019	\$ (268,893,543.80)
Receipts	38,556,174,496.20
Disbursements	(37,353,243,673.44)
Transfers	<u>(1,280,298,302.31)</u>
Cash Balance June 30, 2020	(346,261,023.35)
Other Net Adjustments <sup>(2)</sup>	<u>220,472,450.15</u>
Adjusted Cash Balance June 30, 2020	<u><u>\$ (125,788,573.20)</u></u>

- (1) Detailed information on activity within each individual fund (formerly provided in the Statutory Appendix) can be obtained from the Comptroller's Annual Report.
- (2) Other Net Adjustments have been included to bring the Treasurer's cash balance presentation into conformance with the Comptroller's cash balance presentation. These adjustments include the following:
- Cash held in agency checking accounts.
  - Petty cash balance.
- (3) In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appears in the Budget Act enacted by the General Assembly. The Budget Act enacted for the 2020 fiscal year is presented on a comprehensive basis of accounting other than General Accepted Accounting Principals. In order to be consistent with the Comptroller's statements and the Budgetary Act, the State Treasurer has employed the same comprehensive basis of accounting for the presentation of the Civil List Funds Summary Schedule of Cash Receipts and Disbursements.
- (4) GAAP accounting requires that investment balances be presented to include the accrued interest earned. This manner of presentation is not used for the statutory basis presentation.

**CASH MANAGEMENT DIVISION  
 CIVIL LIST FUNDS  
 SUMMARY SCHEDULE OF CASH AND INVESTMENTS <sup>(1)</sup>  
 FISCAL YEAR ENDING JUNE 30, 2020  
 PRESENTED UNDER STATUTORY BASIS OF ACCOUNTING <sup>(2) (3)</sup>**

Description	Total All Funds
<b>General Investments</b>	
Cash	\$ (125,788,573.20)
STIF	6,080,238,179.21
<b>Investments with Treasurer as Trustee</b>	
Short-Term	2,584,366,001.66
Long-Term	35,513,622,953.36
<b>Investments with Others as Trustee</b>	
Short-Term	272,845,851.63
Long-Term	57,457,492.52
<b>Total</b>	<b><u><u>\$ 44,382,741,905.18</u></u></b>

Reconciliation Between Treasurer & Comptroller <sup>(4)</sup>

<b>Office of the Comptroller</b>	
Cash and STIF June 30, 2020 (Annual Statutory Report)	\$ 6,302,730,955.28
Cash and Investments with Trustee Fund #14002	\$ 11,696.09
Cash and Investments with Trustee Fund #14005	1,004,411,176.75
Cash and Investments with Trustee Fund #21008	13,463,073.32
Cash and Investments with Trustee Fund #21009	173,016,612.90
Cash and Investments with Trustee Fund #21015	511,012,604.34
Cash and Investments with Trustee Fund #21018	147,312,947.36
Cash and Investments with Trustee Fund #31010	(0.10)
Cash and Investments with Trustee Fund #35010	(0.06)
Cash and Investments with Treasurer Fund #35017	386,856,541.79
<b>Total</b>	<b><u><u>\$ 8,538,815,607.67</u></u></b>

<b>Office of the Treasurer</b>	
Cash	\$ (125,788,573.20)
STIF	6,080,238,179.21
STIF/Investment with Treasurer as Trustee	2,584,366,001.66
<b>Total</b>	<b><u><u>\$ 8,538,815,607.67</u></u></b>

- (1) For a detailed listing of the Civil List Investments for the Fiscal Year Ending June 30, 2020, please see Statutory Appendix.
- (2) In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statement relating to the financial condition of the State as a whole in the same form and in the same categories as appears in the budget act enacted by the General Assembly. The Budget Act enacted for the 2020 fiscal year is presented on a comprehensive basis of accounting other than general accepted accounting principals. In order to be consistent with the Comptroller's statements and the budgetary act, the State Treasurer has employed the same comprehensive basis of accounting for the presentation of the Summary Schedule of Cash and Investments.
- (3) GAAP accounting requires that investment balances be presented to include the accrued investment earnings. This manner of presentation is not used for the statutory basis presentation.
- (4) Reconciliation of Cash Equivalents Per Comptroller's Books to Cash and General Investments and Short-Term Investments per Treasury Books.

**CASH MANAGEMENT DIVISION  
CIVIL LIST FUNDS  
INTEREST CREDIT PROGRAM <sup>(1)</sup>  
FISCAL YEAR ENDING JUNE 30, 2020**

<b>Fund</b>	<b>Participant</b>	<b>Agency</b>	<b>SID</b>	<b>Interest Earned</b>
<b>12004</b>	<b>Insurance A Fund</b> INSURANCE FUND	DOI37500		\$ 4,048,480.76
<b>12007</b>	<b>Workers Compensation</b> ADMINISTRATION FUND	WCC42000		475,430.24
<b>12014</b>	<b>Criminal Injuries Compensation Fund</b> VICTIM SERVICES	JUD95000		64,182.07
<b>12015</b>	<b>Vending Facilities Operators Fringe Benefits</b> VENDING FACILITY PROGRAM - FEDERAL INCOME	SDR63500	40012	142.88
<b>12017</b>	<b>University of Connecticut Operating Fund</b> UNIVERSITY OF CONNECTICUT OPERATING FUND	UOC67000		5,648,967.35
<b>12018</b>	<b>University Health Center Operating Fund</b> STUDENT SCHOLARSHIPS AND LOANS UNIVERSITY HEALTH CENTER OPERATING FUND	UHC72000 UHC72000	40014	\$ 94,898.49 230,262.30 \$ 325,160.79
<b>12019</b>	<b>State University Operating Fund</b> STATE UNIVERSITIES CENTRAL CONNECTICUT STATE UNIVERSITY EASTERN CONNECTICUT STATE UNIVERSITY	BOR77700 BOR84000 BOR85500		\$ 4,289,045.27 37,442.79 69,570.95 \$ 4,396,059.01
<b>12020</b>	<b>Regional Community/Technical Colleges Operating Fund (Tuition Account)</b> BOARD FOR REGIONAL COMM-TECH COLLEGE	BOR77700		1,241,003.98
<b>12022</b>	<b>University of Connecticut Research Foundation</b> UNIVERSITY OF CONNECTICUT RESEARCH FOUNDATION	UOC67000		776,805.59
<b>12031</b>	<b>Employment Security - Administration</b> EMPLOYMENT SECURITY PENALTY & INTEREST TITLE XII EXCESS FUNDS	DOL40000 DOL40000	40213 40214	\$ 149,047.30 - \$ 149,047.30
<b>12037</b>	<b>Tobacco Settlement Fund</b> TOBACCO SETTLEMENT FUND	OPM20000		351,725.40
<b>12060</b>	<b>General Fund</b> ADMINISTRATION OF GRANTS RESEARCH IN PLANT SCIENCE GEAR UP SCHOLARSHIP BOARD FOR STATE ACADEMIC AWARD CT DISTANCE LEARNING CONSORTIUM GEARUP SCHOLARSHIP TRUST CONN STATE LIBRARY ACCOUNT CT LIBRARY & MUSEUM FUND HISTORIC DOCUMENTS PRESERVATION ACCOUNT RICHARD A. FORSTER MEMORIAL FUND NUCLEAR SAFETY EMERGENCY PREPAREDNESS STRIPPER WELL OVERCHARGE CONNECTICUT FUTURES ACCOUNT FINANCIAL LITERACY INITIATIVES GEARUP SCHOLARSHIP TRUST PRIVATE OCCUPATIONAL STUDENT PROTECTION FUND WEISMAN TEACHER SCHOLARSHIP FUND BOARD OF PAROLES ASSET FOREITURE ACCOUNT CORRECTION GENERAL WELFARE FUND	AES48000 AES48000 BOA77000 BOR77700 BOR77700 BOR77700 CSL66000 CSL66000 CSL66000 DCF91000 DEP43000 DEP43000 DHE66500 DHE66500 DHE66500 DHE66500 DHE66500 DHE66500 DHE66500 DOC88000 DOC88000	30116 30099 26444 35186 35289 26247 30082 30093 35150 30084 35411 20492 35151 30432 22133 35135 30405 20127 35137	\$ 3,639.02 14,970.11 - 97,784.72 7,331.30 169,749.59 52.45 19,662.47 19,024.79 80.53 8,935.15 5.50 53.49 9,491.71 30,614.23 12,898.14 361.91 1,708.94 5,461.07

**CASH MANAGEMENT DIVISION  
 CIVIL LIST FUNDS  
 INTEREST CREDIT PROGRAM <sup>(1)</sup> (Continued)  
 FISCAL YEAR ENDING JUNE 30, 2020**

<b>Fund</b>	<b>Participant</b>	<b>Agency</b>	<b>SID</b>	<b>Interest Earned</b>
	CORRECTIONAL MEMORIAL FUND	DOC88000	30015	259.99
	ENHANCED 911 TELECOMMUNICATIONS FUND	DPS32000	35190	782,955.55
	FEDERAL ASSET FORFEITURE	DPS32000	20493	7,591.07
	BRAIN INJURY PROVENTION AND SERVICE ACCT.	DSS60000	35308	846.66
	OFFICE OF TOURISM	ECD46000	30207	763.29
	CITIZEN'S ELECTION FUND GRANT	ELE13500	35339	331,050.11
	CITIZEN'S ELECTION FUND RESERVE ACCT.	ELE13500	30422	1,432.01
	CLIENT SECURITY FUND	JUD95000	35205	183,041.32
	CRIMINAL VIOLENCE VICTIMS ESCROW ACCT.	JUD95000	35203	-
	DMHAS - Community Mental Health Strategic Investment	MHA53000	35160	1,448.83
	DMHAS-COMMISSIONERS OFFICE PRE-TRIAL ACCOUNT	MHA53000	35166	1,501.65
	DRUG ASSET FORFEITURE PROGRAM	MIL36000	35112	770.01
	CHILDREN'S WELFARE FUND	OEC64800	30219	282.36
	JUSTICE ASSISTANCE GRANT 21921	OPM20000	21921	37,776.90
	JUVENILE ACCOUNTABILITY INCENTIVE BLOCK GRANT	OPM20000	21672	-
	CARE FOR CEMETARY LOTS	OTT14000	35577	4,264.68
	INVESTMENT FUND	OTT14000	35101	57,602.32
	MUNICIPAL PARTICAPATION FUND	OTT14000	35269	25.28
	SECOND INJURY	OTT14000	35105	46,509.95
	SECOND INJURY STIPULATION & REIMBURSEMENT	OTT14000	35111	46,925.20
	FINANCIAL LITERACY - MDI	SDE64000	35380	1,656.38
	FINANCIAL LITERACY - UBS	SDE64000	35358	82.60
	FINANCIAL LITERACY INITIATIVES	SDE64000	35351	0.28
	Wallace Foundation Grant	SDE64000	30256	1,977.02
	ANN COROTEAU MEMORIAL FUND	SDR63500	30113	73.35
	CHARLES PRECOURT MEMORIAL FUND	SDR63500	30104	65.77
	FAUCHTSWANGER FUND	SDR63500	30030	137.75
	FRAUENHOFER FUND	SDR63500	30042	332.21
	MISCELLANEOUS GRANTS	SDR63500	30070	217.72
	SARA BROWN FUND	SDR63500	30092	3,928.32
	VENDING FACILITIES PROGRAM-STATE AND LOCAL INCOM	SDR63500	35149	17,169.16
	HELP AMERICA VOTE	SOS12500	21465	72,032.38
				<u>\$ 2,004,545.24</u>
<b>21005</b>	<b>Auto Emissions Inspection Fund</b>			
	Department of Motor Vehicles	DMV35000		101,248.79
<b>21009</b>	<b>Bradley International Airport Operations</b>			
	BRADLEY ENTERPRISE FUND	APT59000		69,292.70
<b>21019</b>	<b>Stadium Facility Enterprise Fund</b>			
	STADIUM ENTERPRISE FUND	OPM20000		2,997.24
<b>21021</b>	<b>General Aviation Airport Enterprise FD</b>			
	Connecticut Airport Authority	APT59000		12,452.59
<b>22001</b>	<b>Correction Industries</b>			
	CORRECTIONAL COMMISSARY FUND	DOC88000	42304	64,850.52
<b>31001</b>	<b>State Employees Retirement System</b>			
	STATE EMPLOYEE RETIREMENT FUND	OSC15000		882,035.51
<b>31003</b>	<b>General Assembly Retirement</b>			
	GENERAL ASSEMBLY RETIREMENT	OSC15000		380.30
<b>31005</b>	<b>Public Defenders Retirement</b>			
	PUBLIC DEFENDER RETIREMENT	OSC15000		6,066.38
<b>31006</b>	<b>Teachers Retirement System</b>			
	TEACHERS RETIREMENT BOARD OPERATING FUND	TRB77500		60,722.06

**CASH MANAGEMENT DIVISION  
CIVIL LIST FUNDS  
INTEREST CREDIT PROGRAM <sup>(1)</sup> (Continued)  
FISCAL YEAR ENDING JUNE 30, 2020**

<b>Fund</b>	<b>Participant</b>	<b>Agency</b>	<b>SID</b>	<b>Interest Earned</b>
<b>31008</b>	<b>Municipal Employees Retirement - Fund B</b> MUNICIPAL EMPLOYEE RETIREMENT FUND	OSC15000		131,686.20
<b>31011</b>	<b>OPEB Fund</b> OPEB - EMPLOYEE CONTRIBUTION OPEB - OPERATING APPROPRIATIONS OPEB - RETIREE MED. EMPL. SHARE OPEB - RETIREE PHARMANCY	OSC15000 OSC15000 OSC15000 OSC15000	43440 40001 43426 43427	\$ 94,287.64 140,045.50 (67,979.47) 1,054,703.14 <u>\$ 1,221,056.81</u>
<b>31012</b>	<b>Teachers Retirement System</b> TEACHERS RETIREMENT OPEB	TRB77500	42358	92,633.77
<b>34003</b>	<b>Funds Awaiting Distribution</b> EARLY RETIREE RECOVERIES	OSC15000	43483	-
<b>35001</b>	<b>Connecticut Health Club Guaranty Fund</b> HEALTH CLUB GUARANTY	DCP39500		5,462.52
<b>35002</b>	<b>Real Estate Guaranty</b> REAL ESTATE GUARANTY	DCP39500		5,817.91
<b>35003</b>	<b>Home Improvement Guaranty Fund</b> HOME IMPROVEMENT GUARANTY	DCP39500		12,695.48
<b>35006</b>	<b>New Home Construction Guaranty Fund</b> NEW HOME CONSTRUCTION GUARANTY	DCP39500		12,335.74
<b>35007</b>	<b>Tobacco and Health Trust Fund</b> TOBACCO HEALTH TRUST FUND	OPM20000		17,197.64
<b>35008</b>	<b>Biomedical Research Trust Fund</b> BIOMEDICAL RESEARCH FUND	DPH48500		10,744.18
<b>35009</b>	<b>Endowed Chair Investment Fund</b> ENDOWED CHAIRS	DHE66500		47,045.12
<b>35012</b>	<b>Various Treasurers Trust Funds</b> IRWIN LEPOW TRUST FUND R. GRAEME SMITH POSTHUMOUS FITCH JOHN H. KING	CME49500 DPS32000 DVA21000 JUD95000	42354 42353 42356 42355	\$ 413.11 111.69 548.55 2,051.92 <u>\$ 3,125.27</u>
		<b>Grand Total</b>		<u><u>22,241,397.34</u></u>

(1) Interest is earned at the monthly simple interest rate of the Treasurer's Short-Term Investment Fund. Interest is calculated on the average monthly balance of the fund or account, and credited to the fund or account on a quarterly basis.

(2) Interest is earned by the participant and allocated to the constituent units

**CASH MANAGEMENT DIVISION  
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000<sup>(1)</sup>  
FISCAL YEAR ENDED JUNE 30, 2020**

<b>Name of Firm</b>	<b>Description of Services</b>	<b>Contact Date</b>	<b>Aggregate Compensation Paid in FY20</b>	<b>Status As of 6/30/2020</b>
Bank of America	Banking Services	Dec-17	\$ 1,532,222 <sup>(2)</sup>	Active
People's United Bank	Banking Services	Apr-16	580,156 <sup>(2)</sup>	Active
Bank Of New York Mellon	Master Custody	Oct-16	261,075	Active
Webster Bank	Banking Services	Jun-98	234,787 <sup>(2)</sup>	Active
Standard & Poor Financial Services LLC	Subscription & Rating	N/A	47,000	Active
US Bank National Assn	Bond Trustee & Paying Agent	Jul-06	35,500	Active
Bloomberg Financial LP	Subscription & Research	N/A	89,733	Active
Key Bank	Banking Services	Jan-18	86,265 <sup>(2)</sup>	Active
Moody's Investors Services	Credit Research	N/A	29,365	Active
Adtech Tech System	Telecomm Equipment/System	N/A	6,259	Active
<b>TOTAL</b>			<b>\$ 2,902,361</b>	

(1) Expenses are presented on a cash basis.

(2) Includes compensation realized through bank balances and fees.

**UNCLAIMED PROPERTY DIVISION  
SCHEDULE OF EXPENSES IN EXCESS OF \$5,000 <sup>(1)</sup>  
FISCAL YEAR ENDED JUNE 30, 2020**

<b>Name of Firm</b>	<b>Description of Services</b>	<b>Contract Date</b>	<b>Aggregate Compensation Paid in FY 2020</b>	<b>Status as of 6/30/2020</b>
A & A Office Systems, Inc.	Photocopier Lease	N/A	\$ 6,776	Active
Adtech	Audio Visual Equipment & Installation	N/A	22,528	Active
Advance Corporate Networking	Computer Equipment	N/A	12,029	Active
Avenu SLS Holdings LLC	Claims Processing & Database Management	June-19	1,073,266	Active
Avenu SLS Holdings LLC	Securities Custodian	June-19	104,167	Active
Kelmar Associates LLC	Identification & Collection of Property	Jul-14	650,598	Active
Insalco Corp	High Density Storage	N/A	24,670	Active
Murphy Security Services LLC	Security Services	N/A	9,437	Active
National Association of State Treasurers	Membership Dues	N/A	7,612	Active
Russell Implementation Services, Inc.	Security Commission Expense	May-09	22,672	Not Active
Verus Analytics LLC	Identification & Collection of Property	Jun-19	319,110	Active
William B Meyer Inc	Record Storage	N/A	7,609	Active
<b>Total</b>			<b>\$ 2,260,474</b>	

(1) Expenses are presented on a cash basis.



**UNCLAIMED PROPERTY DIVISION  
FIVE YEAR SELECTED FINANCIAL INFORMATION  
FISCAL YEAR ENDED JUNE 30,**

	2020	2019	2018	2017	2016
<b>Gross Receipts (1)</b>	<b>\$ 120,533,241</b>	<b>\$ 137,783,574</b>	<b>\$ 138,725,122</b>	<b>\$ 129,187,512</b>	<b>\$ 111,446,654</b>
Claims paid (1)	66,419,686	56,005,570	58,182,884	41,105,448	57,568,310
Transfer to citizens election fund (2)	12,151,894	11,901,953	11,634,363	11,428,647	11,349,203
Administrative expenses:					
Salaries & fringe benefits	3,694,934	3,921,196	3,584,769	3,692,758	3,786,288
Data processing & hardware	2,152,653	2,614,602	1,770,305	2,329,983	1,837,988
All other	162,469	101,940	136,104	112,478	68,760
<b>Total Disbursements</b>	<b>84,581,636</b>	<b>74,545,261</b>	<b>75,308,425</b>	<b>58,669,314</b>	<b>74,610,549</b>
Excess (deficiency) of receipts over disbursements (3)	<b>\$ 35,951,605</b>	<b>\$ 63,238,313</b>	<b>\$ 63,416,697</b>	<b>\$ 70,518,198</b>	<b>\$ 36,836,105</b>
Approximate market value of securities at fiscal year end:					
Total securities inventory (1)	\$ 9,749,828	\$ 1,193,918	\$ 3,906,687	\$ 4,208,673	\$ 3,773,812
Securities liquidated	\$ 16,723,918	\$ 39,588,509	\$ 44,034,620	\$ 28,946,243	\$ 17,632,827
Number of claims paid	11,120	16,954	18,472	16,670	15,758

(1) The amounts disclosed above as "gross receipts" and "claims paid" represent actual cash flows and do not include the value of marketable securities received by the Unclaimed Property Division, nor the value of the securities returned to owners. However, the amounts disclosed above as fiscal year end market values of securities help provide a general indication of the relative net activity in such assets over time. Receipts include the proceeds from securities liquidated in a given year.

(2) P.A. 05-5, October 25, 2005 special session required Unclaimed Property Division to deposit certain funds into the Citizens' Election Fund and the balance is deposited into the General Fund.

(3) Deficiency of receipts over disbursements are covered by transfers from the General Fund, whereas excess of receipts over disbursements are remitted to the General Fund. Regardless, all amounts collected remain liabilities of the State until returned to rightful owners.

**SUMMARY OF GROSS RECEIPTS  
FISCAL YEAR ENDED JUNE 30, 2020**

Financial institutions	\$ 20,667,842
Other corporations	62,898,480
Insurance companies	8,459,228
Govern agency/ public authorities	9,267,399
Dividends on securities held	675,554
Securities tendered	54,295
Securities sold	16,723,918
Sale of property lists, copying and other charges	5,000
Reciprocal exchange program with other states	1,781,525
<b>Total Gross Receipts</b>	<b>\$ 120,533,241</b>

**SECOND INJURY FUND  
 SCHEDULE OF EXPENSES IN EXCESS OF \$5,000 <sup>(1)</sup>  
 FISCAL YEAR ENDED JUNE 30, 2020**

<b>Name of Firm</b>	<b>Description of Services</b>	<b>Contract Date</b>	<b>Aggregate Compensation Paid in FY 2020</b>	<b>Status as of 6/30/2020</b>
A & A Office Systems Inc.	Photocopier Lease	N/A	\$ 10,966	Active
Adtech	Audio Visual Equipment & Installation	N/A	35,046	Active
Advance Corporate Networking	Computer Equipment	N/A	12,029	Active
Automatic Data Processing Inc.	Check Processing	Apr-06	10,593	Active
CareWorks	IME/Case Mgmt/Job Placement	Jan-06	18,675	Active
Coventry Healthcare Workers Compensation Inc.	Provider Bill Audit Services	Feb-06	75,549	Active
Covendis	Maintenance & Support	N/A	51,757	Active
Insalco Corp	High Density Storage	N/A	24,655	Active
Murphy Security Service, LLC	Security Services	N/A	14,679	Active
PCC Technology Group	Maintenance & Support	N/A	5,120	Not Active
PCC Technology Group	Hosting Service & Managed Srvs	N/A	119,200	Active
Security Services of Connecticut Inc.	Surveillance Services	Dec-13	6,824	Active
West Group	Subscription Services	Jul-16	11,276	Active
<b>Total</b>			<b>\$ 396,369</b>	

(1) Expenses are presented on a cash basis. This schedule only includes services that were retained directly by the Fund and does not include medical services ordered by Workers Compensation Commissioners, claimants or their treating physicians.

# Executive Office

## DUTIES OF THE STATE TREASURER BOARDS, COMMITTEES AND COMMISSIONS

Connecticut state statutes provide that the State Treasurer serves as a member, ex-officio member or can designate a representative on a number of State boards, commissions and legislatively-man- dated committees. The Treasurer served on the following boards, commissions and committees during Fiscal Year 2020, listed in alphabetical order.

### **Banking Commission (§ 36A-70(H)(1) Cgs)**

The Banking Commission approves all applications for the creation of state banks or trust companies. As part of this process, the Commission holds public hearings on applications prior to granting approval. The Commission members are the Treasurer, Comptroller and Banking Commissioner.

### **State Bond Commission (§ 3-20(C) Cgs)**

As authorized by the General Assembly, all projects and grants funded from State bonds, as well as the issuance of the bonds, must be authorized by the State Bond Commission. The members of the Commission include the Governor, Treasurer, Comptroller, At- torney General, Secretary of the Office of Policy and Management (OPM), Commissioner of Public Works, and the Co-chairpersons and the ranking minority members of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding.

### **Connecticut Airport Authority (§ 15-120Bb Cgs)**

The CAA was established to develop, improve and operate Bradley International Airport and the five stateowned general aviation airports (Danielson, Groton/New London, Hartford Brainard, Waterbury-Oxford, and Windham Airports) and for the subsequent purchase of other general aviation airports. An eleven member board

governs the authority including the Treasurer, the Commissioner of Transportation, the Commissioner of Economic and Community Development, four members appointed by the Governor, and four members appointed by legislative leaders.

### **Connecticut Data Analysis Technology Advisory Board (Cgs 18-175, Particularly § 3)**

The Connecticut Data Analysis Technology Advisory Board advises various governmental agencies, departments and offices on data policy. The Board has 16 members, eight who have expertise in data analysis, management, policy or related fields, and the Treasurer, the Commissioner of Administrative Services, the Executive Director of the Freedom of Information Commission, the Attorney General, the Chief Court Administrator, the State Librarian, the Comptroller, and the Chief Data Officer, serving as board chairper- son.

### **Connecticut Green Bank (§ 16-245N Cgs)**

The Connecticut Green Bank leverages public and private funds to accelerate the growth of green energy in Connecticut. The members of its Board consist of 11 members as follows: The Treasurer, the Commissioner of Energy and Environmental Protection, the Commissioner of Economic and Community Development, four members appointed by the Legislature, and four members appointed by the Governor.

### **Connecticut Health And Educational Facilities Authority (Chefa) Board Of Directors (§ 10A-179 Cgs)**

CHEFA is a conduit bond issuer for hospitals, nursing homes, private universities, private secondary schools and day care facilities. The board members include the Treasurer, Secretary of OPM, and eight members appointed by the Governor.

## Connecticut Higher Education Supplemental Loan Authority (Chesla) Board Of Directors (§ 10A-179(A) Cgs)

CHESLA finances supplemental student loans and issues bonds every two years. The Board consists of eight members including the Treasurer, Commissioner of Higher Education, Secretary of OPM, and five members appointed by the Governor.

## Connecticut Higher Education Trust (Chet) Advisory Committee (§ 3-22E(A) Cgs)

This committee advises the Treasurer on policies concerning CHET. The Connecticut Higher Education Trust allows families to make tax deferred investments for higher education costs. The Commissioner of Higher Education, the Secretary of OPM, the Co-chairpersons and ranking members of the Legislature's education and finance, revenue and bonding committees, and four representatives of private and public higher education serve with the Treasurer on this board.

## Connecticut Housing Finance Authority (Chfa) (§ 8-244(A) Cgs)

CHFA was created to increase the supply of, and encourage and assist in the purchase, development and construction of, housing for low and moderate-income families and persons throughout the State. It provides mortgages for single family homeowners at below market rates, mortgages for multi-family developers, and construction financing. The members of the board include the Treasurer, Commissioner of Economic and Community Development, Secretary of OPM, Banking Commissioner, seven members appointed by the Governor, and four members appointed by legislative leaders.

## Connecticut Innovations, Incorporated (Ci) (§32-35 Cgs)

CI is a quasi-public organization dedicated to driving an entrepreneurial, technology-based economy in Connecticut. CI stimulates high-tech growth by investing in early-stage Connecticut technology companies, university/industry research collaborations and technology transfer and collaborating with government, business, nonprofit and academic organizations to advance technology growth and promote public policies consistent with CI's mission. The members of the board include the Treasurer, Commissioner of Economic and Community Development, Secretary of OPM, the president of the Board of Regents for Higher Education, nine members appointed by the Governor and four members appointed by legislative leaders.

## Connecticut lottery corporation board of directors (§ 12-802(b) cgs)

The Connecticut Lottery Corporation manages the State lottery and is responsible for maximizing the efficiency of operations in order to provide a greater return to the general fund. The thirteen member Board of Directors includes the Treasurer, the Secretary of OPM, as well as appointees by the Governor and legislative leaders.

## Connecticut Port Authority (§ 32-435 Cgs)

The purposes of the Connecticut Port Authority shall be to coordinate the development of Connecticut's ports and harbors, work with the Department of Economic and Community Development and establish maritime policy for the State. The powers of the authority shall be exercised by board members including the Treasurer, the Commissioner of Energy and Environmental Protection, the Commissioner of Transportation, the Commissioner of Economic and Community Development, the Secretary of OPM, four appointed by the Governor and six appointed by legislative leaders.

## Connecticut Retirement Security Authority (§ 31-410 Cgs)

The Authority is charged with designing and implementing a program to provide private-sector employees with retirement savings accounts if their employer does not offer one. The Authority is governed by a fifteen member Board of Directors consisting of the Treasurer, the Comptroller, the Secretary of OPM, the Banking Commissioner, the Labor Commissioner, four appointments by the Governor and six appointments by legislative leaders.

## Connecticut Student Loan Foundation (§ 10A-203(A)(B)(1)Cgs)

The Student Loan Foundation is a non-profit corporation created to improve educational opportunity and promote repayment of loans. The corporation is governed by a board of directors consisting of fourteen members including the chairperson of the Board of Governors of Higher Education and the Commissioner of Higher Education; six public members appointed by the Governor; four members with knowledge of business or finance appointed by the legislature leadership; and the Treasurer.

## Finance Advisory Committee (§ 4-93 Cgs)

The Finance Advisory Committee approves budget transfers recommended by the Governor and has other such powers over the State budget when the General Assembly is not in session. The Committee members are the Governor, Lieutenant Governor, Treasurer, Comptroller, two Senate members who are members of the legislature's Appropriations Committee and three House members who are members of the legislature's Appropriations Committee.

## Governor's Council On Women And Girls

The purpose of the Council is to provide a coordinated state response to issues that impact the lives of women and, their families, and the State of Connecticut. The Council is charged with focusing on four areas of impact: education and STEAM; economic opportunity and workforce equity; leadership; and health and safety.

## Investment Advisory Council (§ 3-13B(A) Cgs)

The Investment Advisory Council advises on investment policy and guidelines, and also reviews the assets and performance of the pension funds. Additionally, the Council advises the Treasurer with respect to the hiring of outside investment advisors and on the appointment of the Chief Investment Officer. The Investment Advisory Council consists of the Treasurer, the Secretary of OPM and ten appointees of the Governor and legislative leaders.

## Municipal Accountability Review Board (Marb) (Section 367 Of Public Act 17-2)

The MARB provides technical, financial and other assistance and related accountability for municipalities experiencing various levels of fiscal distress. Its members include the Treasurer and Secretary of the OPM as co-chairs, five members appointed by the governor, and four members appointed by legislative leaders.

## Nitrogen Credit Advisory Board (§ 22A-523 Cgs)

The Nitrogen Credit Advisory Board assists and advises the Commissioner of Energy and Environmental Protection in administering the nitrogen credit exchange program. The board consists of the Commissioner, the Treasurer, the Secretary of OPM, eight public members to be appointed by legislative leaders, and one to be appointed by the Governor.

## The Standardization Committee (§ 4A-58(A) Cgs)

The standardization committee approves or grants waivers to existing purchasing regulations when it is in the best interests of the State to do so. The members of this committee include the Treasurer, Comptroller, Commissioner of Administrative Services, and such administrative heads of State departments as are designated for that duty by the Governor.

## State Employees' Retirement Commission (§5-155A)

The Connecticut State Employees Retirement Commission administers the provisions of the State Employees Retirement System, the Municipal Employees Retirement System, and all other state retirement and pension plans except the Teachers' Retirement System. The Commission consists of the Treasurer, the Comptroller, six members representing employees who are appointed by the bargaining agents, six management members who are members of the State Employees Retirement System two actuarial members who are enrolled actuaries and Fellows of the Society of Actuaries and one neutral trustee who is chairman of the Commission and is enrolled in the National Academy of Arbitrators.

## Teachers' Retirement Board (§10-183L)

The Teachers' Retirement Board administers the Connecticut Teachers' Retirement System. The Board consists of 14 members: four active teacher members, two retired teacher members, the State Treasurer, the Secretary of OPM, the Commissioner of the State Board of Education, and five public members appointed by the Governor.

## Teachers' Retirement System Viability Commission (Section 59 Of Public Act 17-2)

The commission, comprised of the members of the Teachers' Retirement Board, was established to develop a plan to maintain the financial viability of the Connecticut Teachers' Retirement System.

## Transportation Policy Advisory Council (Public Act No.17-192)

The Transportation Policy Advisory Council has various responsibilities related to transportation policy, including reviewing the five-year transportation capital plan developed annually by the Department of Transportation (DOT). The council has 18 members, consisting of the Treasurer, the Secretary of OPM, the Commissioner of Economic and Community Development, the Commissioner of Energy and Environmental Protection, the Housing Commissioner, the Commissioner of Transportation, the chairpersons and ranking members of the legislature's Transportation Committee, two appointments of the Governor, and six appointments of legislative leaders.

**EXECUTIVE OFFICE  
TOTAL ADMINISTRATIVE EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2020**

	<u>2020</u>	<u>%</u>
<b>GENERAL FUND</b>		
Personal Services	\$ 2,755,933	6.68%
Other Expenses	183,519	0.45%
Capital Equipment	-	0.00%
TOTAL	<u>2,939,451</u>	<u>7.13%</u>
<b>PENSION FUNDS</b>		
Personal Services	5,870,459	14.24%
Other Expenses	16,767,478	40.67%
Capital Equipment	28,630	0.07%
TOTAL <sup>(2)</sup>	<u>22,666,568</u>	<u>54.97%</u>
<b>SECOND INJURY FUND</b>		
Personal Services	6,842,570	16.60%
Other Expenses	470,124	1.14%
Capital Equipment	58,873	0.14%
TOTAL	<u>7,371,567</u>	<u>17.88%</u>
<b>UNCLAIMED PROPERTY FUND</b>		
Personal Services	3,692,373	8.96%
Other Expenses	2,272,460	5.51%
Capital Equipment	45,222	0.11%
TOTAL	<u>6,010,056</u>	<u>14.58%</u>
<b>SHORT-TERM INVESTMENT FUND</b>		
Personal Services	1,327,404	3.22%
Other Expenses	460,560	1.12%
Capital Equipment	6,825	0.02%
TOTAL	<u>1,794,790</u>	<u>4.35%</u>
Other Financing Sources <sup>(1)</sup>	<u>448,564</u>	<u>1.09%</u>
<b>TOTAL AGENCY</b>	<u>\$ 41,230,996</u>	<u>100.00%</u>

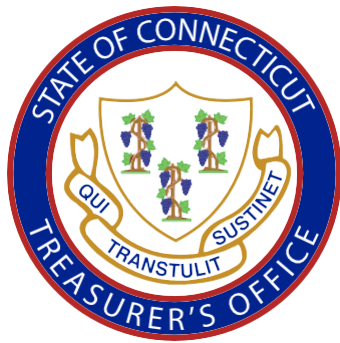
<sup>(1)</sup> Other Financing Sources include: Clean Water Fund and the Capital Equipment Fund.

<sup>(2)</sup> This total doesn't include lending fees and some advisory fees.

**EXECUTIVE OFFICE**  
**SCHEDULE OF EXPENSES IN EXCESS OF \$5,000 <sup>(1)</sup>**  
**FISCAL YEAR ENDED JUNE 30, 2020**

<b>Name of Firm</b>	<b>Description of Services</b>	<b>Contract Date</b>	<b>Aggregate Compensation Paid in FY 20</b>	<b>Status as of 6/30/2020</b>
A&A Office	Office Equipment	N/A	\$ 12,383	Active
Adtech System LLC	Telecomm Equipment	N/A	41,173	Active
Aon Hewitt Investing Consulting	Consultant Services	Sep-17	128,925	Active
Council of Institutional Investors	Dues	N/A	22,684	Active
CREC	Subscription	N/A	5,750	Active
Hallmark TotalTech, Inc	Temporary Executive Secretary	N/A	15,392	Active
Lexus-Nexis	Subscription	N/A	6,361	Active
Lowes & Associates	Consultant Services	N/A	34,500	Active
JP Morgan Chase Bank	P-Card Purchase	N/A	42,030	Active
Microsoft Corp	Office Equipment	N/A	15,551	Active
Murphy Security Service LLC	Premises Security Services	May-10	15,204	Active
National Association of State Auditors	Dues	N/A	10,400	Active
National Association Of State Treasurers	Dues	N/A	27,424	Active
PRI Association	Subscription	N/A	10,830	Active
Practising Law Institute	Subscription	N/A	10,830	Active
Webster Bank	Litigation Cost	N/A	26,029	Active
<b>TOTAL</b>			<b>\$ 425,464</b>	

<sup>(1)</sup> Expenses are presented on a cash basis.





# Statutory Appendix



DEBT MANAGEMENT DIVISION  
 SCHEDULE OF DEBT OUTSTANDING<sup>(1)</sup> - STATUTORY BASIS  
 JUNE 30, 2020

Issue Date	Outstanding June 30, 2019	Issued	FY 2020		Outstanding June 30, 2020	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accrued Through FY 2020 <sup>(2)</sup>	Interest Paid During FY 2020 <sup>(3)</sup>
			Retired	Refunded or Defeased							
<b>BOND TYPE: GENERAL OBLIGATION - TAX SUPPORTED</b>											
09/01/1987	\$ 1,006,126	\$ -	\$ 1,006,126	\$ -	\$ -	-	-	-	03/01/2020	\$ -	\$ 51,121
09/30/1997	135,000	-	135,000	-	-	-	-	-	03/01/2020	-	6,859
05/01/1999	3,881,520	-	941,760	-	2,939,760	4.633	4.633	09/01/2020	09/01/2022	-	188,015
05/06/1999	345,000	-	135,000	-	210,000	4.633	4.633	09/01/2020	09/01/2022	-	12,857
06/12/2001	250,000	-	115,000	-	135,000	4.650	4.650	10/01/2020	10/01/2022	-	10,114
06/12/2001	2,449,386	-	592,728	-	1,856,658	4.652	4.652	10/01/2020	10/01/2022	-	100,154
03/16/2005	10,000,000	-	-	-	10,000,000	1.700	1.700	03/01/2023	03/01/2023	-	307,446
04/27/2005	82,380,000	-	82,380,000	-	-	-	-	06/01/2020	06/01/2020	-	4,324,950
02/27/2009	20,000,000	-	20,000,000	-	-	-	-	02/15/2019	02/15/2019	-	1,040,000
03/26/2009	246,000,000	-	-	246,000,000	-	-	-	03/01/2019	03/01/2019	-	-
12/23/2009	450,000,000	-	-	24,000,000	450,000,000	4.950	5.632	12/01/2020	12/01/2029	-	24,355,000
04/28/2010	146,750,000	-	15,250,000	131,500,000	-	-	-	04/01/2020	04/01/2020	-	7,224,353
06/23/2010	113,670,000	-	32,485,000	81,205,000	-	-	-	12/01/2019	12/01/2019	-	3,036,193
10/19/2010	37,255,000	-	685,000	-	36,570,000	3.000	5.000	10/01/2022	10/01/2022	-	1,739,125
10/19/2010	203,400,000	-	-	-	203,400,000	5.295	5.295	10/01/2029	10/01/2029	-	10,770,030
10/19/2010	22,205,000	-	-	-	22,205,000	5.305	5.305	10/01/2030	10/01/2030	-	1,177,975
10/19/2010	294,395,000	-	-	-	294,395,000	5.090	5.090	10/01/2025	10/01/2025	-	14,984,706
05/31/2011	152,935,000	-	15,065,000	-	137,870,000	2.500	5.000	05/15/2021	05/15/2021	-	7,029,338
11/14/2011	2,610,000	-	2,610,000	-	-	-	-	11/01/2019	11/01/2019	-	65,250
11/14/2011	365,200,000	-	52,200,000	-	313,000,000	2.250	5.000	11/01/2020	11/01/2020	-	16,257,244
04/26/2012	299,600,000	-	-	-	299,600,000	2.000	5.000	04/15/2021	04/15/2021	-	12,340,744
04/26/2012	24,900,000	-	8,300,000	-	16,600,000	2.534	2.934	04/15/2022	04/15/2022	-	689,066
04/26/2012	47,200,000	-	47,200,000	-	-	-	-	04/15/2020	04/15/2020	-	1,103,283
06/29/2012	348,695,000	-	348,695,000	-	310,045,000	2.250	5.000	06/01/2021	06/01/2021	-	17,155,288
10/04/2012	280,135,000	-	38,650,000	-	280,135,000	2.000	5.000	09/15/2020	09/15/2020	-	12,057,875
10/04/2012	25,000,000	-	25,000,000	-	-	-	-	09/15/2019	09/15/2019	-	168,521
11/16/2012	99,785,000	-	25,000,000	-	74,785,000	2.201	2.551	10/15/2022	10/15/2022	-	2,019,765
11/28/2012	150,215,000	-	25,000,000	-	125,215,000	3.000	5.000	10/15/2022	10/15/2022	-	6,587,850
03/28/2013	153,380,000	-	875,000	-	152,505,000	2.000	5.000	03/01/2021	03/01/2021	-	6,216,719
03/28/2013	126,620,000	-	39,125,000	-	87,495,000	2.750	2.750	03/01/2021	03/01/2021	-	2,457,227
08/07/2013	150,000,000	-	15,000,000	-	135,000,000	4.000	5.000	07/15/2020	07/15/2020	-	6,962,500
08/29/2013	40,000,000	-	25,000,000	-	15,000,000	2.480	2.480	08/15/2020	08/15/2020	-	463,314
08/29/2013	250,000,000	-	10,000,000	-	240,000,000	3.500	5.000	08/15/2020	08/15/2020	-	11,808,800
08/29/2013	60,000,000	-	10,000,000	-	50,000,000	2.971	3.817	08/15/2020	08/15/2020	-	1,940,210
03/26/2014	278,000,000	-	8,000,000	-	270,000,000	2.500	5.000	03/01/2021	03/01/2021	-	12,462,500
03/26/2014	22,000,000	-	12,000,000	-	10,000,000	2.450	2.870	03/01/2023	03/01/2023	-	403,665
06/04/2014	180,480,000	-	52,800,000	-	127,680,000	2.500	5.000	12/15/2025	12/15/2025	-	8,399,400
06/26/2014	150,000,000	-	10,000,000	-	140,000,000	3.000	5.000	06/15/2021	06/15/2021	-	7,169,950
08/28/2014	240,000,000	-	15,000,000	-	225,000,000	4.000	5.000	09/01/2020	09/01/2020	-	10,425,000
08/28/2014	120,000,000	-	20,000,000	-	100,000,000	2.250	3.100	09/01/2020	09/01/2020	-	2,920,000
12/10/2014	135,320,000	-	19,535,000	-	115,785,000	5.000	5.000	11/15/2020	11/15/2020	-	6,277,625
12/10/2014	180,000,000	-	15,000,000	-	165,000,000	2.000	5.000	11/15/2020	11/15/2020	-	7,942,775
12/10/2014	60,000,000	-	-	-	60,000,000	3.250	5.000	11/15/2028	11/15/2028	-	2,765,563
03/25/2015	320,000,000	-	10,000,000	-	310,000,000	3.250	5.000	03/15/2021	03/15/2021	-	14,652,700
03/25/2015	60,000,000	-	20,000,000	-	40,000,000	2.543	3.127	03/15/2021	03/15/2021	-	1,577,800
05/28/2015	449,340,000	-	4,545,000	-	444,795,000	2.000	5.000	06/15/2021	06/15/2021	-	21,040,700
05/28/2015	158,310,000	-	15,000,000	-	143,310,000	2.250	2.600	06/15/2024	06/15/2024	-	3,682,567
05/28/2015	64,525,000	-	-	-	64,525,000	2.450	2.600	06/15/2021	06/15/2021	-	1,434,711
08/19/2015	164,850,000	-	27,350,000	-	137,500,000	4.000	5.000	08/01/2025	08/01/2025	-	7,058,750
08/19/2015	175,000,000	-	25,000,000	-	150,000,000	2.500	3.330	09/01/2020	09/01/2020	-	4,569,134
12/01/2015	487,500,000	-	-	-	487,500,000	2.000	5.000	11/15/2020	11/15/2020	-	22,177,006
12/01/2015	65,000,000	-	32,500,000	-	32,500,000	4.000	5.000	11/15/2035	11/15/2035	-	2,330,075
03/30/2016	434,265,000	-	22,270,000	-	411,995,000	2.250	5.000	03/15/2021	03/15/2021	-	19,752,288
06/14/2016	412,695,000	-	39,610,000	-	373,085,000	2.000	5.000	05/15/2021	05/15/2021	-	19,854,350
06/14/2016	288,235,000	-	20,230,000	-	268,005,000	3.500	5.000	05/15/2021	05/15/2021	-	5,453,398
08/17/2016	225,000,000	-	12,500,000	-	212,500,000	3.000	5.000	08/15/2020	08/15/2020	-	9,437,500
08/17/2016	200,000,000	-	25,000,000	-	175,000,000	1.550	2.600	08/15/2026	08/15/2026	-	3,910,000
10/26/2016	520,000,000	-	32,500,000	-	487,500,000	2.000	5.000	10/15/2036	10/15/2036	-	23,292,475
10/26/2016	65,000,000	-	65,000,000	-	65,000,000	4.000	5.000	10/15/2030	10/15/2030	-	3,161,650
12/21/2016	192,350,000	-	35,390,000	-	156,960,000	3.000	5.000	11/01/2020	11/01/2020	-	8,332,400
04/19/2017	152,035,000	-	14,270,000	-	137,765,000	3.000	5.000	04/15/2021	04/15/2021	-	6,759,350
04/19/2017	480,785,000	-	42,500,000	-	438,285,000	3.000	5.000	04/15/2021	04/15/2021	-	22,399,975

**DEBT MANAGEMENT DIVISION  
SCHEDULE OF DEBT OUTSTANDING<sup>(1)</sup> - STATUTORY BASIS  
JUNE 30, 2020**

Issue Date	Outstanding June 30, 2019	FY 2020		Outstanding June 30, 2020	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accrued Through FY 2020 <sup>(2)</sup>	Interest Paid During FY 2020 <sup>(3)</sup>
		Retired	Refunded or Defeased							
06/28/2017	284,215,000	-	-	284,215,000	2.450	3.450	06/01/2021	06/01/2037	-	6,614,720
06/28/2017	89,865,000	45,000,000	-	44,865,000	3.500	3.500	09/15/2024	09/15/2024	-	1,948,236
12/21/2017	405,000,000	45,000,000	-	360,000,000	2.670	3.750	01/15/2021	01/15/2028	-	12,681,000
04/11/2018	238,850,000	37,885,000	-	200,965,000	4.000	5.000	04/15/2021	04/15/2028	-	11,847,850
04/11/2018	237,500,000	12,500,000	-	225,000,000	3.750	5.000	04/15/2021	04/15/2038	-	11,580,000
06/20/2018	380,000,000	20,000,000	-	360,000,000	3.500	5.000	06/15/2021	06/15/2038	-	18,169,350
06/20/2018	92,105,000	-	-	92,105,000	5.000	5.000	04/15/2022	04/15/2027	-	4,605,250
09/13/2018	400,000,000	25,995,000	-	374,005,000	4.000	5.000	09/15/2020	09/15/2037	-	19,046,800
09/13/2018	239,200,000	25,995,000	-	213,205,000	5.000	5.000	09/15/2020	09/15/2028	-	11,180,150
09/13/2018	250,000,000	25,000,000	-	225,000,000	3.471	4.000	09/15/2020	09/15/2028	-	8,910,125
04/11/2019	750,000,000	37,500,000	-	712,500,000	3.000	5.000	04/15/2021	04/15/2039	-	36,689,633
04/11/2019	250,000,000	25,000,000	-	225,000,000	2.921	3.500	04/15/2021	04/15/2029	-	8,267,097
08/07/2019	239,855,000	28,250,000	-	211,605,000	5.000	5.000	02/15/2021	02/15/2029	-	6,262,881
01/07/2020	194,640,000	-	-	194,640,000	3.000	5.000	01/15/2021	01/15/2026	-	-
01/07/2020	700,000,000	-	-	700,000,000	3.000	5.000	01/15/2021	01/15/2040	-	-
06/11/2020	500,000,000	-	-	500,000,000	1.988	3.000	07/01/2021	07/01/2030	-	-
06/25/2020	400,000,000	-	-	400,000,000	2.000	5.000	06/01/2021	06/01/2040	-	-
<b>SUBTOTAL</b>	<b>\$ 14,091,822,932</b>	<b>\$ 2,034,495,000</b>	<b>\$ 482,705,000</b>	<b>\$ 14,317,511,418</b>					<b>\$ -</b>	<b>\$ 592,068,286</b>
<b>BOND TYPE: GENERAL OBLIGATION - TEACHERS' RETIREMENT FUNDS BONDS<sup>(4)</sup></b>										
04/30/2008	\$ 2,026,530,000	-	-	\$ 2,026,530,000	5.690	5.850	03/15/2023	03/15/2032	\$ -	\$ 118,029,871
04/30/2008	170,946,524	-	-	170,946,524	6.158	6.270	03/15/2022	03/15/2025	189,339,765	-
08/28/2014	10,590,000	-	-	10,590,000	3.500	3.500	09/01/2027	09/01/2027	-	370,650
<b>SUBTOTAL</b>	<b>\$ 2,208,066,524</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,208,066,524</b>					<b>\$ 189,339,765</b>	<b>\$ 118,400,521</b>
<b>BOND TYPE: GENERAL OBLIGATION - GAAP CONVERSION BONDS<sup>(5)</sup></b>										
10/24/2013	\$ 423,260,000	-	-	\$ 423,260,000	4.000	5.000	10/15/2020	10/15/2027	\$ -	\$ 20,154,275
<b>SUBTOTAL</b>	<b>\$ 423,260,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 423,260,000</b>					<b>\$ -</b>	<b>\$ 20,154,275</b>
<b>BOND TYPE: SPECIAL TAX OBLIGATION</b>										
11/15/2004	\$ 6,300,000	-	-	\$ 6,300,000	-	-	-	-	\$ -	\$ 165,375
10/01/2008	7,080,000	7,080,000	-	-	-	-	-	-	-	285,444
01/29/2009	67,830,000	36,950,000	30,880,000	-	-	-	-	-	-	2,753,450
11/10/2009	25,665,000	23,135,000	-	-	-	-	-	-	-	571,200
11/10/2010	304,030,000	26,825,000	-	2,450,000	4.125	4.125	12/01/2029	12/01/2029	-	16,663,351
11/10/2010	400,430,000	28,825,000	-	304,030,000	4.855	5.740	12/01/2020	11/01/2019	-	670,625
11/10/2010	68,270,000	14,260,000	-	400,430,000	4.126	5.459	11/01/2020	11/01/2030	-	20,678,185
12/15/2011	172,315,000	9,680,000	-	162,635,000	3.375	5.000	12/01/2020	11/01/2022	-	2,916,025
12/15/2011	65,755,000	12,415,000	-	53,340,000	3.000	5.000	12/01/2022	12/01/2021	-	2,339,300
12/21/2012	389,735,000	20,010,000	-	369,725,000	3.000	5.000	01/01/2021	01/01/2033	-	18,894,800
12/21/2012	87,315,000	10,640,000	-	76,675,000	5.000	5.000	01/01/2021	01/01/2025	-	4,365,750
11/21/2013	489,495,000	23,035,000	-	476,460,000	3.000	5.000	10/01/2020	10/01/2033	-	24,186,600
10/16/2014	105,300,000	12,990,000	-	92,310,000	4.000	5.000	09/01/2020	09/01/2025	-	4,846,400
10/16/2014	528,860,000	22,950,000	-	505,910,000	3.000	5.000	09/01/2020	09/01/2034	-	25,824,050
10/15/2015	633,595,000	24,255,000	-	609,340,000	4.000	5.000	08/01/2020	08/01/2035	-	30,796,975
10/15/2015	128,615,000	11,675,000	-	116,940,000	3.000	5.000	08/01/2020	08/01/2027	-	6,010,660
09/28/2016	750,215,000	26,430,000	-	723,785,000	4.000	5.000	09/01/2020	09/01/2036	-	35,469,800
09/28/2016	68,265,000	12,270,000	-	55,995,000	3.000	5.000	09/01/2020	09/01/2028	-	3,021,500
02/08/2018	771,720,000	25,335,000	-	746,385,000	4.000	5.000	01/01/2021	01/01/2038	-	38,510,850
10/25/2018	750,000,000	25,820,000	-	724,180,000	5.000	5.000	10/01/2020	10/01/2038	-	36,854,500
10/25/2018	100,105,000	-	-	100,105,000	3.000	5.000	10/01/2020	10/01/2026	-	4,872,494
05/29/2020	850,000,000	-	-	850,000,000	3.000	5.000	05/01/2021	05/01/2040	-	-
<b>SUBTOTAL</b>	<b>\$ 5,957,640,000</b>	<b>\$ 344,975,000</b>	<b>\$ 37,960,000</b>	<b>\$ 6,424,705,000</b>					<b>\$ -</b>	<b>\$ 288,863,486</b>
<b>BOND TYPE: BRADLEY INTERNATIONAL AIRPORT</b>										
03/31/2011	\$ 61,265,000	-	-	\$ 61,265,000	4.393	4.393	10/01/2020	10/01/2031	\$ -	\$ 2,484,762
03/31/2011	40,840,000	3,005,000	-	37,835,000	4.463	4.463	10/01/2020	10/01/2031	-	1,555,940
<b>SUBTOTAL</b>	<b>\$ 102,105,000</b>	<b>\$ 7,510,000</b>	<b>\$ -</b>	<b>\$ 94,595,000</b>					<b>\$ -</b>	<b>\$ 4,040,701</b>

**DEBT MANAGEMENT DIVISION  
SCHEDULE OF DEBT OUTSTANDING<sup>(1)</sup> - STATUTORY BASIS  
JUNE 30, 2020**

Issue Date	Outstanding June 30, 2019	FY 2020		Outstanding June 30, 2020	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accreted Through FY 2020 <sup>(2)</sup>	Interest Paid During FY 2020 <sup>(3)</sup>
		Retired	Refunded or Defeased							
<b>BOND TYPE: CLEAN WATER FUND</b>										
07/30/2009	\$ 41,850,000	\$ -	\$ 32,130,000	\$ -	5.000	5.000	01/01/2021	10/01/2019	\$ -	\$ 1,024,575
03/24/2011	82,105,000	23,825,000	-	58,280,000	3.300	5.000	01/01/2021	01/01/2028	-	3,808,104
02/21/2013	103,630,000	4,505,000	-	99,125,000	5.000	5.000	03/01/2021	03/01/2031	-	5,046,350
02/12/2013	37,235,000	7,570,000	-	29,665,000	2.000	5.000	07/01/2020	07/01/2037	-	1,370,813
05/06/2015	231,310,000	2,585,000	-	228,725,000	3.125	5.000	03/01/2021	03/01/2035	-	10,555,584
06/15/2017	247,115,000	2,270,000	-	244,845,000	3.000	5.000	05/01/2021	05/01/2037	-	12,011,250
06/15/2017	105,125,000	15,375,000	-	89,750,000	5.000	5.000	06/01/2021	06/01/2027	-	5,256,250
07/09/2019	29,845,000	-	-	250,000,000	2.375	5.000	02/01/2021	02/01/2039	-	6,613,676
07/09/2019	29,845,000	-	-	29,845,000	4.000	5.000	10/01/2020	10/01/2022	-	1,016,414
<b>SUBTOTAL</b>	<b>\$ 848,470,000</b>	<b>\$ 279,845,000</b>	<b>\$ 32,130,000</b>	<b>\$ 1,030,235,000</b>					<b>\$ -</b>	<b>\$ 46,703,026</b>
<b>BOND TYPE: UCONN 2009<sup>(6)</sup></b>										
05/25/2010	\$ 53,400,000	\$ -	\$ -	\$ 48,550,000	3.125	5.000	02/15/2021	02/15/2030	\$ -	\$ 2,486,521
05/25/2010	6,095,000	1,255,000	-	4,840,000	3.125	5.000	02/15/2021	02/15/2023	-	271,588
12/06/2011	14,520,000	5,015,000	-	9,505,000	4.000	5.000	02/15/2021	02/15/2031	-	724,500
12/08/2011	107,820,000	8,985,000	-	98,835,000	3.000	5.000	02/15/2021	02/15/2031	-	5,142,175
07/31/2013	129,490,000	8,635,000	-	120,855,000	4.000	5.000	08/15/2020	08/15/2033	-	6,064,025
07/31/2013	34,295,000	4,625,000	-	29,670,000	5.000	5.000	02/15/2021	02/15/2024	-	1,714,750
04/22/2014	81,780,000	5,465,000	-	76,325,000	2.500	5.000	02/15/2021	02/15/2034	-	3,718,350
04/22/2014	9,675,000	5,600,000	-	4,075,000	3.000	5.000	02/15/2022	02/15/2025	-	481,850
04/16/2015	176,135,000	11,010,000	-	165,125,000	2.125	5.000	02/15/2021	02/15/2035	-	8,388,956
04/16/2015	24,135,000	3,470,000	-	20,665,000	5.000	5.000	02/15/2021	02/15/2026	-	1,206,750
04/21/2016	222,275,000	13,075,000	-	209,200,000	3.000	5.000	03/15/2021	03/15/2036	-	10,152,150
04/21/2016	31,855,000	5,945,000	-	25,910,000	5.000	5.000	03/15/2021	03/15/2027	-	1,582,750
01/19/2017	280,080,000	15,560,000	-	264,520,000	3.000	5.000	01/15/2021	01/15/2037	-	13,831,400
01/19/2017	26,885,000	8,835,000	-	18,050,000	4.000	5.000	01/15/2021	01/15/2028	-	1,290,850
05/03/2018	262,275,000	13,805,000	-	248,470,000	3.000	5.000	04/15/2021	04/15/2038	-	12,557,075
05/08/2019	174,785,000	8,740,000	-	166,045,000	3.000	5.000	11/01/2020	11/01/2038	-	8,157,749
05/08/2019	64,680,000	6,415,000	-	58,265,000	5.000	5.000	11/01/2020	11/01/2028	-	3,010,742
<b>SUBTOTAL</b>	<b>\$ 1,700,180,000</b>	<b>\$ 131,275,000</b>	<b>\$ -</b>	<b>\$ 1,568,905,000</b>					<b>\$ -</b>	<b>\$ 80,792,180</b>
<b>BOND TYPE: CINCREMENT FINANCING<sup>(7)</sup></b>										
10/05/2004	\$ 3,240,000	\$ 485,000	\$ -	\$ 2,755,000	4.000	5.000	10/15/2020	10/15/2024	\$ -	\$ 138,037
12/20/2006	1,755,000	860,000	-	895,000	4.000	4.000	12/15/2020	12/15/2020	-	52,355
05/22/2014	15,635,000	725,000	-	14,910,000	3.500	5.000	04/15/2021	04/15/2034	-	761,275
<b>SUBTOTAL</b>	<b>\$ 20,630,000</b>	<b>\$ 2,070,000</b>	<b>\$ -</b>	<b>\$ 18,560,000</b>					<b>\$ -</b>	<b>\$ 911,667</b>
<b>BOND TYPE: CHEFA CHILDCARE FACILITIES PROGRAM<sup>(8)</sup></b>										
08/19/2011	\$ 18,990,000	\$ 1,605,000	\$ -	\$ 17,385,000	4.500	5.000	07/01/2020	07/01/2031	\$ -	\$ 897,800
04/01/2015	29,610,000	1,040,000	-	28,570,000	3.000	5.000	07/01/2020	07/01/2038	-	1,232,831
<b>SUBTOTAL</b>	<b>\$ 48,600,000</b>	<b>\$ 2,645,000</b>	<b>\$ -</b>	<b>\$ 45,955,000</b>					<b>\$ -</b>	<b>\$ 2,130,631</b>
<b>BOND TYPE: JUVENILE TRAINING SCHOOL<sup>(9)</sup></b>										
02/15/2001	\$ 11,095,000	\$ 705,000	\$ -	\$ 10,390,000	4.750	5.000	12/15/2020	12/15/2030	\$ -	\$ 526,475
<b>SUBTOTAL</b>	<b>\$ 11,095,000</b>	<b>\$ 705,000</b>	<b>\$ -</b>	<b>\$ 10,390,000</b>					<b>\$ -</b>	<b>\$ 526,475</b>
<b>BOND TYPE: BRADLEY INTERNATIONAL PARKING OPERATIONS<sup>(10)</sup></b>										
03/15/2000	\$ 22,330,000	\$ 3,135,000	\$ -	\$ 19,195,000	6.600	6.600	07/01/2020	07/01/2024	\$ -	\$ 1,370,325
<b>SUBTOTAL</b>	<b>\$ 22,330,000</b>	<b>\$ 3,135,000</b>	<b>\$ -</b>	<b>\$ 19,195,000</b>					<b>\$ -</b>	<b>\$ 1,370,325</b>
<b>BOND TYPE: CHFA SPECIAL NEEDS HOUSING BONDS<sup>(11)</sup></b>										
05/19/2009	\$ 23,235,000	\$ 1,935,000	\$ -	\$ 21,300,000	3.625	5.000	06/15/2021	06/15/2029	\$ -	\$ 982,069
10/19/2010	11,710,000	835,000	-	10,875,000	4.000	5.000	06/15/2021	06/15/2031	-	530,200
08/28/2018	13,620,000	1,555,000	-	12,065,000	2.300	3.500	06/15/2021	06/15/2027	-	389,628
<b>SUBTOTAL</b>	<b>\$ 48,565,000</b>	<b>\$ 4,325,000</b>	<b>\$ -</b>	<b>\$ 44,240,000</b>					<b>\$ -</b>	<b>\$ 1,901,896</b>
<b>BOND TYPE: CHFA EMERGENCY MORTGAGE ASSISTANCE PROGRAM<sup>(12)</sup></b>										
10/19/2010	\$ 19,495,000	\$ 1,390,000	\$ -	\$ 18,105,000	4.650	5.350	06/15/2021	06/15/2030	\$ -	\$ 977,498
11/14/2011	14,250,000	915,000	-	13,335,000	3.720	5.000	06/15/2021	06/15/2031	-	688,628
<b>SUBTOTAL</b>	<b>\$ 33,745,000</b>	<b>\$ 2,305,000</b>	<b>\$ -</b>	<b>\$ 31,440,000</b>					<b>\$ -</b>	<b>\$ 1,666,126</b>

**DEBT MANAGEMENT DIVISION  
SCHEDULE OF DEBT OUTSTANDING<sup>(1)</sup> - STATUTORY BASIS  
JUNE 30, 2020**

Issue Date	Outstanding		FY 2020		Outstanding June 30, 2020	Low Rate (%)	High Rate (%)	Next Maturity Date	Last Maturity Date	Interest Accrued Through FY 2020 <sup>(2)</sup>	Interest Paid During FY 2020 <sup>(3)</sup>
	June 30, 2019	Issued	Retired	Refunded or Defeased							
<b>BOND TYPE: CRDA BONDS<sup>(3)</sup></b>											
07/21/2004	\$ 51,350,000	\$ -	\$ 2,245,000	\$ -	\$ 49,105,000	3.960	3.960	06/15/2021	06/15/2034	\$ -	\$ 701,147
08/04/2005	7,445,000	-	745,000	-	6,700,000	5.000	5.000	06/15/2021	06/15/2029	-	372,250
9/13/2018	15,500,000	-	635,000	-	14,865,000	5.000	5.000	06/15/2021	06/15/2034	-	768,650
<b>SUBTOTAL</b>	<b>\$ 74,295,000</b>	<b>\$ -</b>	<b>\$ 3,625,000</b>	<b>\$ -</b>	<b>\$ 70,670,000</b>					<b>\$ -</b>	<b>\$ 1,842,047</b>
<b>GRAND TOTAL</b>	<b>\$ 25,590,803,556</b>	<b>\$ 3,164,340,000</b>	<b>\$ 1,932,600,614</b>	<b>\$ 552,795,000</b>	<b>\$ 26,269,747,942</b>					<b>\$ 189,339,765</b>	<b>\$ 1,161,411,642</b>

- (1) Includes all outstanding debt issued by the State of Connecticut as of June 30, 2020.
- (2) Includes interest accrued on Capital Appreciation Bonds (CABs) only. Interest on CABs accrues over the life of the bond and is paid at maturity. This amount is not included in the column shown as outstanding June 30, 2020.
- (3) Includes interest rate swap payments and variable rate bond fees.
- (4) General Obligation Teachers' Retirement Fund Bonds were issued as taxable bonds pursuant to Public Act 07-186 to fund \$2 billion of the unfunded liability of the Connecticut Teachers' Retirement Fund, capitalized interest and cost of issuance.
- (5) General Obligation GAAP Conversion Bonds were issued in fiscal year 2014 to fund half of the General Fund GAAP deficit at that time and commit the State to funding the balance over time through budget appropriation as part of a bond covenant.
- (6) UConn 2000 Bonds were authorized in three stages, in a total amount of \$4.3 billion over a 28 year period to be paid by the University of Connecticut from a State debt service commitment. As each series is issued, the debt service is appropriated from the State's General Fund.
- (7) Connecticut Innovations (CI) has issued tax increment bonds for certain economic development projects. The debt service on the bonds is deemed appropriated from the State's General Fund.
- (8) On July 1, 1998, the Treasurer's Office assumed the responsibility for the Connecticut Health and Educational Facilities Authority (CHEFA) Childcare debt service appropriation per Public Act 97-259.
- (9) A lease purchase financing of the heating and cooling plant at the Juvenile Training School in Middletown.
- (10) On August 3, 2020, all outstanding Bradley International Airport Special Obligation Parking Revenue Bonds, Series 2000 A, were fully redeemed from available funds.
- (11) Connecticut Housing Finance Authority (CHFA) Special Needs Housing bonds were issued pursuant to Public Act 05-280 and Public Act 05-3 for the purpose of financing costs of the Next Step Initiative. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer and the Secretary of the Office of Policy and Management.
- (12) Connecticut Housing Finance Authority (CHFA) Emergency Mortgage Assistance Program bonds were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer and the Secretary of the Office of Policy and Management.
- (13) Capital Region Development Authority (CRDA) Bonds were issued to provide funding for the Adriaan's landing development project in Hartford. The bonds, issued in a combination of fixed and variable rate securities, have a final maturity of 2034. The State is required to make debt service payments on the bonds up to a maximum annual amount of \$9 million pursuant to a contract for financial assistance agreement between CRDA, the State Treasurer, and the Secretary of the Office of Policy and Management. CRDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.

**NOTE 1:** In accordance with Section 3-15 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole in the same form and in the same categories as appear in the budget enacted by the General Assembly. The accounting standards that were applied in this legislation and the Budget Act enacted for the 2020 fiscal year is a basis of accounting other than Generally Accepted Accounting Principles. In order to be consistent with the Comptroller's statements and the Budgetary Act, the State Treasurer has employed the same statutory basis of accounting for the presentation of this schedule.

**NOTE 2:** GAAP accounting requires that Long-Term debt obligations be segregated into the portion payable within the next fiscal year (the current portion) and the remaining portion that is not due until after the next fiscal year. This manner of presentation is not used for the statutory basis presentation.

**DEBT MANAGEMENT DIVISION**  
**SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING<sup>(1)</sup>**  
**JUNE 30, 2020**

CORE Fund No.	Name	Inception to Date		Amount Issued	Principal Outstanding June 30, 2020	Interest Accreted Through Fiscal Year 2020 <sup>(2)</sup>	Outstanding Incl. Accreted Interest June 30, 2020
		Amount Authorized	Amount				
<b>BOND TYPE: GENERAL OBLIGATION - TAX SUPPORTED</b>							
12033	ECONOMIC DEVELOPMENT FUND		\$ 145,930,000	\$ 140,430,000	8,000,000	-	8,000,000
12034	ECONOMIC DEVELOPMENT ASSISTANCE		1,876,800,000	1,637,138,342	703,527,482	-	703,527,482
12036	ECONOMIC STABILIZATION FUND		95,000,000	95,000,000	8,537,294	-	8,537,294
12050	LOCAL CAPITAL IMPROVEMENT FUND		980,000,000	915,000,000	257,600,000	-	257,600,000
12051	CAPITAL EQUIPMENT PURCHASE FUND		517,540,000	493,408,375	43,500,947	-	43,500,947
12052	GRANTS TO LOCAL GOVTS. & OTHERS		5,246,244,165	4,117,749,892	1,310,525,413	-	1,310,525,413
12055	HOUSING HOMELESS PERSONS		28,386,280	7,488,825	393,129	-	393,129
12059	HARTFORD REDEVELOPMENT		491,880,000	491,880,000	16,070,000	-	16,070,000
12063	HOUSING BONDS		1,459,382,689	1,226,512,968	521,796,216	-	521,796,216
12066	DECD - HOUSING TRUST FUND		345,000,000	240,709,788	90,440,392	-	90,440,392
12067	CT BIOSCIENCE COLLABORATION PROGRAM		280,115,000	266,043,537	106,204,537	-	106,204,537
12068	CT BIOSCIENCE INNOVATION FUND		105,000,000	72,773,035	72,773,035	-	72,773,035
13009	SCHOOL CONSTRUCTION		1,857,139,500	1,854,139,500	5,100,000	-	5,100,000
13010	MAGNET SCHOOLS		10,787,130,770	10,350,127,476	4,370,854,586	-	4,370,854,586
13015	AGRICULTURAL LAND PRESERVATION		165,250,000	130,248,716	45,750,000	-	45,750,000
13019	GRANTS FOR URBAN ACTION		1,884,487,544	1,490,611,210	362,875,988	-	362,875,988
13048	CSUS 2020 FUND INFRASTRUCTURE PROGRAM		1,023,500,000	847,476,959	648,024,157	-	648,024,157
17011	GENERAL STATE PURPOSES		564,328,029	551,032,612	40,000,000	-	40,000,000
17021	GENERAL STATE PURPOSES		443,943,095	445,038,198	5,903,752	-	5,903,752
17041	GENERAL STATE PURPOSES		249,581,385	249,332,976	46,137,893	-	46,137,893
17051	GENERAL STATE PURPOSES		175,929,116	175,929,116	3,429,116	-	3,429,116
17061	GENERAL STATE PURPOSES		168,994,995	168,636,646	29,571,258	-	29,571,258
17071	GENERAL STATE PURPOSES		341,194,304	335,665,798	81,698,286	-	81,698,286
17081	GENERAL STATE PURPOSES		217,535,361	204,285,444	159,245,765	-	159,245,765
17091	GENERAL STATE PURPOSES		11,600,000	11,600,000	11,600,000	-	11,600,000
17101	GENERAL STATE PURPOSES		19,138,454	16,138,454	12,528,005	-	12,528,005
17111	GENERAL STATE PURPOSES		67,878,234	63,098,403	38,154,150	-	38,154,150
17121	GENERAL STATE PURPOSES		315,011,406	293,453,884	227,339,043	-	227,339,043
17131	GENERAL STATE PURPOSES		600,120,338	585,244,719	486,436,446	-	486,436,446
17141	GENERAL STATE PURPOSES		306,702,986	275,437,760	154,015,550	-	154,015,550
17151	GENERAL STATE PURPOSES		374,113,098	273,137,001	248,783,273	-	248,783,273
17161	GENERAL STATE PURPOSES		349,413,300	256,696,042	149,043,885	-	149,043,885
17171	GENERAL STATE PURPOSES		524,872,176	351,231,921	248,998,858	-	248,998,858
17181	GENERAL STATE PURPOSES		240,836,905	101,500,000	101,500,000	-	101,500,000
17191	GENERAL STATE PURPOSES		185,896,250	9,290,000	9,290,000	-	9,290,000
17861	GENERAL STATE PURPOSES		119,859,926	119,463,359	8,100,000	-	8,100,000
17891	GENERAL STATE PURPOSES		416,558,089	414,478,686	2,000,000	-	2,000,000
17931	GENERAL STATE PURPOSES		628,254,036	626,235,971	10,500,000	-	10,500,000
17961	GENERAL STATE PURPOSES		262,574,910	260,374,910	4,703,097	-	4,703,097
17971	GENERAL STATE PURPOSES		195,280,711	191,057,040	9,480	-	9,480
17981	GENERAL STATE PURPOSES		208,069,445	208,049,656	1,205,000	-	1,205,000
17991	GENERAL STATE PURPOSES		291,703,004	290,897,814	44,773,966	-	44,773,966
21014	CLEAN WATER FUND - STATE		1,718,132,510	1,375,426,884	509,834,418	-	509,834,418
21017	DRINKING WATER FUND - STATE		20,000,000	18,017,000	18,017,000	-	18,017,000
59999	GENERAL OBLIGATION BOND ANTICIPATION NOTES ROLLOVER FUND <sup>(3)(4)</sup>		-	1,734,330,000	813,160,000	-	813,160,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2010 D <sup>(4)</sup>		-	47,035,000	36,570,000	-	36,570,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2012 C <sup>(4)</sup>		-	523,245,000	310,045,000	-	310,045,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2014 C <sup>(4)</sup>		-	822,225,000	127,680,000	-	127,680,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2014 H <sup>(4)</sup>		-	256,620,000	115,785,000	-	115,785,000
	GENERAL OBLIGATION SIFMA REFUNDING BONDS SERIES 2015 D <sup>(4)</sup>		-	180,745,000	64,525,000	-	64,525,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2016 B <sup>(4)</sup>		-	501,440,000	373,085,000	-	373,085,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2016 G <sup>(4)</sup>		-	327,440,000	156,960,000	-	156,960,000
	GENERAL OBLIGATION REFUNDING BONDS SERIES 2017 B <sup>(4)</sup>		-	197,025,000	137,765,000	-	137,765,000
	GENERAL OBLIGATION SIFMA REFUNDING BONDS SERIES 2017 B <sup>(4)</sup>		-	134,865,000	44,865,000	-	44,865,000
	GENERAL OBLIGATION REFUNDING BONDS 2018 SERIES B <sup>(4)</sup>		-	276,440,000	200,965,000	-	200,965,000

**DEBT MANAGEMENT DIVISION  
SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING<sup>(1)</sup> (Continued)  
JUNE 30, 2020**

CORE Fund No.	Name	Inception to Date		Principal Outstanding June 30, 2020	Interest Accreted Through Fiscal Year 2020 <sup>(2)</sup>	Outstanding Incl. Accreted Interest June 30, 2020
		Amount Authorized	Amount Issued			
	GENERAL OBLIGATION REFUNDING BONDS 2018 SERIES D <sup>(4)</sup>	-	92,105,000	92,105,000	-	92,105,000
	GENERAL OBLIGATION REFUNDING BONDS 2018 SERIES F <sup>(4)</sup>	-	239,200,000	213,205,000	-	213,205,000
	GENERAL OBLIGATION REFUNDING BONDS 2019 SERIES B <sup>(4)</sup>	-	239,855,000	211,605,000	-	211,605,000
	GENERAL OBLIGATION REFUNDING BONDS 2020 SERIES B <sup>(4)</sup>	-	194,640,000	194,640,000	-	194,640,000
	<b>SUBTOTAL</b>	<b>\$ 36,306,306,011</b>	<b>\$ 38,014,698,919</b>	<b>\$ 14,317,751,418</b>	<b>\$ -</b>	<b>\$ 14,317,751,418</b>
	<b>BOND TYPE: GENERAL OBLIGATION - TEACHERS' RETIREMENT FUND BONDS<sup>(6)</sup></b>					
31006	TEACHER'S RETIREMENT FUND GO BONDS TAXABLE SERIES 2008	\$ 2,276,578,271	\$ 2,276,578,271	\$ 2,197,476,524	\$ 189,339,765	\$ 2,386,816,289
	TAXABLE GO TEACHER'S RETIREMENT REFUNDING BONDS <sup>(4)</sup>	-	10,590,000	10,590,000	-	10,590,000
	<b>SUBTOTAL</b>	<b>\$ 2,276,578,271</b>	<b>\$ 2,287,168,271</b>	<b>\$ 2,208,066,524</b>	<b>\$ 189,339,765</b>	<b>\$ 2,397,406,289</b>
	<b>BOND TYPE: GENERAL OBLIGATION - GAAP CONVERSION BONDS<sup>(6)</sup></b>					
50001	GAAP CONVERSION BONDS	\$ 560,430,000	\$ 560,430,000	\$ 385,040,000	\$ -	\$ 385,040,000
	<b>SUBTOTAL</b>	<b>\$ 560,430,000</b>	<b>\$ 560,430,000</b>	<b>\$ 385,040,000</b>	<b>\$ -</b>	<b>\$ 385,040,000</b>
	<b>BOND TYPE: SPECIAL TAX OBLIGATION</b>					
13033	INFRASTRUCTURE IMPROVEMENT	\$ 19,134,247,852	\$ 13,120,170,752	\$ 5,875,330,000	\$ -	\$ 5,875,330,000
14005	SPECIAL TAX OBLIGATION REFUNDING BONDS <sup>(4)</sup>	-	1,324,690,000	549,375,000	-	549,375,000
	<b>SUBTOTAL</b>	<b>\$ 19,134,247,852</b>	<b>\$ 14,444,860,752</b>	<b>\$ 6,424,705,000</b>	<b>\$ -</b>	<b>\$ 6,424,705,000</b>
	<b>BOND TYPE: BRADLEY INTERNATIONAL AIRPORT</b>					
	BRADLEY AIRPORT GENERAL REVENUE REFUNDING BONDS <sup>(4)</sup>	\$ -	\$ 183,020,000	\$ 94,595,000	\$ -	\$ 94,595,000
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ 183,020,000</b>	<b>\$ 94,595,000</b>	<b>\$ -</b>	<b>\$ 94,595,000</b>
	<b>BOND TYPE: CLEAN WATER FUND</b>					
21015	CLEAN WATER FUND - FEDERAL ACCOUNT	\$ 3,490,467,442	\$ 2,210,507,408	\$ 737,629,800	\$ -	\$ 737,629,800
21018	DRINKING WATER FUND - FEDERAL REVOLVING	393,612,558	256,082,592	143,345,200	-	143,345,200
	CLEAN WATER REFUNDING BONDS <sup>(4)</sup>	-	648,275,000	149,260,000	-	149,260,000
	<b>SUBTOTAL</b>	<b>\$ 3,884,080,000</b>	<b>\$ 3,114,865,000</b>	<b>\$ 1,030,235,000</b>	<b>\$ -</b>	<b>\$ 1,030,235,000</b>
	<b>BOND TYPE: UCONN 2000<sup>(7)</sup></b>					
13045	UCONN 2000	\$ 3,323,837,147	\$ 3,124,237,147	\$ 1,397,925,000	\$ -	\$ 1,397,925,000
	UCONN 2000 REFUNDING BONDS <sup>(4)</sup>	-	749,870,000	170,980,000	-	170,980,000
	<b>SUBTOTAL</b>	<b>\$ 3,323,837,147</b>	<b>\$ 3,874,107,147</b>	<b>\$ 1,568,905,000</b>	<b>\$ -</b>	<b>\$ 1,568,905,000</b>
	<b>BOND TYPE: CI INCREMENT FINANCING<sup>(8)</sup></b>					
	CI CABELAS INC. TAX INCREMENTAL FINANCING	\$ 9,950,000	\$ 9,825,000	\$ 895,000	\$ -	\$ 895,000
	CI BASS PRO SHOPS TAX INCREMENTAL FINANCING	22,000,000	18,885,000	14,910,000	-	14,910,000
	CI REFUNDING BONDS SERIES A, B & C <sup>(4)</sup>	-	22,435,000	2,755,000	-	2,755,000
	<b>SUBTOTAL</b>	<b>\$ 31,950,000</b>	<b>\$ 51,145,000</b>	<b>\$ 18,560,000</b>	<b>\$ -</b>	<b>\$ 18,560,000</b>
	<b>BOND TYPE: CHEFA CHILDCARE FACILITIES PROGRAM<sup>(9)</sup></b>					
	CHEFA CHILDCARE REFUNDING BONDS SERIES 2011 <sup>(4)</sup>	\$ -	\$ 28,840,000	\$ 17,385,000	\$ -	\$ 17,385,000
	CHEFA CHILDCARE REFUNDING BONDS SERIES 2015 <sup>(4)</sup>	-	33,475,000	28,570,000	-	28,570,000
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ 62,315,000</b>	<b>\$ 45,955,000</b>	<b>\$ -</b>	<b>\$ 45,955,000</b>
	<b>BOND TYPE: JUVENILE TRAINING SCHOOL<sup>(10)</sup></b>					
88800	CT JUVENILE TRAINING SCHOOL ENERGY CENTER PROJECT	\$ -	\$ 19,165,000	\$ 10,390,000	\$ -	\$ 10,390,000
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ 19,165,000</b>	<b>\$ 10,390,000</b>	<b>\$ -</b>	<b>\$ 10,390,000</b>

**DEBT MANAGEMENT DIVISION  
SCHEDULE OF AUTHORIZED AND ISSUED DEBT OUTSTANDING<sup>(1)</sup> (Continued)  
JUNE 30, 2020**

CORE Fund No.	Name	Inception to Date		Principal Outstanding June 30, 2020	Interest Accreted Through Fiscal Year 2020 <sup>(2)</sup>	Outstanding Incl. Accreted Interest June 30, 2020
		Amount Authorized	Amount Issued			
<b>BOND TYPE: BRADLEY INTERNATIONAL PARKING OPERATIONS<sup>(11)</sup></b>						
21008	BRADLEY INTERNATIONAL PARKING OPERATIONS	\$ 55,000,000	\$ 53,800,000	\$ 19,195,000	\$ -	\$ 19,195,000
<b>SUBTOTAL</b>		<b>\$ 55,000,000</b>	<b>\$ 53,800,000</b>	<b>\$ 19,195,000</b>	<b>\$ -</b>	<b>\$ 19,195,000</b>
<b>BOND TYPE: CHFA SPECIAL NEEDS HOUSING BONDS<sup>(12)</sup></b>						
12060	CHFA SUPPORTIVE HOUSING BONDS CHFA 2018 REFUNDING BONDS <sup>(6)</sup>	\$ 85,000,000	\$ 83,540,000	\$ 32,175,000	\$ -	\$ 32,175,000
<b>SUBTOTAL</b>		<b>\$ 85,000,000</b>	<b>\$ 83,540,000</b>	<b>\$ 32,175,000</b>	<b>\$ -</b>	<b>\$ 32,175,000</b>
<b>BOND TYPE: CHFA EMERGENCY MORTGAGE ASSISTANCE PROGRAM<sup>(13)</sup></b>						
15999	CHFA EMERGENCY MORTGAGE ASSISTANCE PROGRAM	\$ 50,000,000	\$ 50,000,000	\$ 31,440,000	\$ -	\$ 31,440,000
<b>SUBTOTAL</b>		<b>\$ 50,000,000</b>	<b>\$ 50,000,000</b>	<b>\$ 31,440,000</b>	<b>\$ -</b>	<b>\$ 31,440,000</b>
<b>BOND TYPE: CRDA BONDS<sup>(14)</sup></b>						
12060	CAPITAL REGION DEVELOPMENT AUTHORITY CRDA 2018 REFUNDING BONDS <sup>(4)</sup>	\$ -	\$ 110,000,000	\$ 55,805,000	\$ -	\$ 55,805,000
<b>SUBTOTAL</b>		<b>\$ -</b>	<b>\$ 110,000,000</b>	<b>\$ 55,805,000</b>	<b>\$ -</b>	<b>\$ 55,805,000</b>
<b>GRAND TOTAL</b>		<b>\$ 65,707,429,280</b>	<b>\$ 62,940,570,089</b>	<b>\$ 26,269,747,942</b>	<b>\$ 189,339,765</b>	<b>\$ 26,459,087,707</b>

- (1) Includes all outstanding debt issued by the State of Connecticut as of June 30, 2020. All debt except refunding issues are authorized by the General Assembly and the State Bond Commission prior to issuance. Total amount issued includes refunding issues for which no additional authorization is required. Does not include authorizations that are fully issued and bonds are no longer outstanding.
- (2) Includes interest accreted on Capital Appreciation Bonds (CABs) only. Interest on CABs accretes over the life of the bond and is paid at maturity. This amount is not included in the principal outstanding as of June 30, 2020.
- (3) On April 28, 2009, the State issued \$581,245,000 Bond Anticipation Notes (BANs) Series A and Series B. On April 28, 2010, \$353,085,000 BANs were issued to pay down the 2009 Series A BANs maturing on April 28, 2010. The 2009 B and 2010 A BANs were refunded with General Obligation Bonds on May 19, 2011 and May 31, 2011. On February 25, 2015 \$400,000,000 BANs Series A were issued. On March 25, 2015 \$600,000,000 General Obligation Bonds 2015 A and 2015 A Taxable were issued and used to retire the 2015 A BANs. On December 21, 2017, the State issued \$400,000,000 Bond Anticipation Notes (BANs) Series A and Series B. On September 13, 2018, \$400,000,000 General Obligation Bonds, 2018 Series E were issued to retire the 2017 BANs.
- (4) Refunding issues. Proceeds were used to refund other bonds reducing overall debt service expense.
- (5) General Obligation Teachers' Retirement Fund Bonds were issued as taxable bonds pursuant to Public Act 07-186 to fund \$2 billion of the unfunded liability of the Connecticut Teachers' Retirement Fund, capitalized interest and costs of issuance.
- (6) General Obligation GAAP Conversion Bonds were issued in fiscal year 2014 to fund half of the General Fund GAAP deficit at that time and commit the State to funding the balance over time through budget appropriation as part of a bond covenant.
- (7) UConn 2000 Bonds were authorized in three stages in a total amount of \$4.3 billion over a 32 year period to be paid by the University of Connecticut from a State debt service commitment. As each series is issued, the debt service is appropriated from the State's General Fund.
- (8) Connecticut Innovations (CI), has issued tax increment bonds for certain economic development projects. The debt service on the bonds is deemed appropriated from the State's General Fund.
- (9) On July 1, 1999, the State Treasurer's Office assumed the responsibility for the Connecticut Health and Educational Facilities Authority (CHEFA) Childcare debt service appropriation per Public Act 97-259.
- (10) A lease purchase financing of the heating and cooling plant at the Juvenile Training School in Middletown.
- (11) On August 3, 2020, all outstanding Bradley International Airport Special Obligation Parking Revenue Bonds, Series 2000 A, were fully redeemed from available funds.
- (12) Connecticut Housing Finance Authority (CHFA) Special Needs Housing bonds were issued pursuant to Public Act 05-280 and Public Act 05-3 for the purpose of financing costs of the Next Step initiative. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer, and the Secretary of the Office of Policy and Management.
- (13) Connecticut Housing Finance Authority (CHFA) Emergency Mortgage Assistance Program bonds were issued pursuant to Public Act 08-176 to fund the Emergency Mortgage Assistance Program. The State is required to make debt service payments on the bonds under a contract for state assistance agreement between CHFA, the State Treasurer, and the Secretary of the Office of Policy and Management.
- (14) Capital Region Development Authority (CRDA) Bonds were issued to provide funding for the Adriaen's Landing development project in Hartford. The bonds, issued in a combination of fixed rate and variable rate securities, have a final maturity of 2034. The State is required to make debt service payments on the bonds up to a maximum amount of \$9 million pursuant to a contract for financial assistance agreement between CRDA, the State Treasurer, and the Secretary of the Office of Policy and Management. CRDA is required to reimburse the State for the debt service payments from net parking and central utility plant revenues.



**CASH MANAGEMENT DIVISION**  
**CIVIL LIST FUNDS**  
**SCHEDULE OF INVESTMENTS <sup>(1)(2)</sup>**  
**FISCAL YEAR ENDING JUNE 30, 2020**  
**PRESENTED UNDER STATUTORY BASIS OF ACCOUNTING <sup>(6)(19)</sup>**

Legal No.	Type	GAAP No.	Type	Fund Name	STIF Investments 6/30/2020	Investments with Treasurer as Trustee Short-Term 6/30/20	Long-Term 6/30/20	Investments with Others as Trustee Short-Term 6/30/20	Long-Term 6/30/20	Total
<b>GENERAL FUND<sup>(3)</sup></b>					\$ 2,276,471,108.95 <sup>(3)</sup>	\$ 1,981,756,945.02 <sup>(12)</sup>	\$ -	\$ -	\$ -	\$ 4,258,227,954.97
11000	Gen. Fund	1100	Gen. Fund	General Fund	\$ 2,276,471,108.95	\$ 1,981,756,945.02	\$ -	\$ -	\$ -	\$ 4,258,227,954.97
<b>SUBTOTAL GENERAL FUND</b>					\$ 2,276,471,108.95	\$ 1,981,756,945.02	\$ -	\$ -	\$ -	\$ 4,258,227,954.97
<b>SPECIAL REVENUE FUNDS</b>					\$ 151,618,825.18	\$ -	\$ -	\$ -	\$ -	\$ 151,618,825.18
12001	Spec. Rev.	1201	Spec. Rev.	Transportation	14,551,976.79					14,551,976.79
12005	Spec. Rev.	1215	Spec. Rev.	Probate Court Administration	1,563,765.88					1,563,765.88
12012	Spec. Rev.	1213	Spec. Rev.	Municipal Employees Retirement Administration	1,649,630.53					1,649,630.53
12016	Spec. Rev.	1213	Spec. Rev.	Recreation and Natural Heritage Trust Fund	71,646.48					71,646.48
12018	Spec. Rev.	2107	Enterprise	University Health Center Operating Fund	3,455,525.11					3,455,525.11
12021	Spec. Rev.	1215	Spec. Rev.	Grants - Tax Exempt Proceeds	28,431,792.95					28,431,792.95
12023	Spec. Rev.	2107	Enterprise	University Health Center Research Foundation	62,386.45					62,386.45
12032	Spec. Rev.	1210	Spec. Rev.	Employment Security - Special Administration	300,000.00					300,000.00
12034	Spec. Rev.	1210	Spec. Rev.	Economic Assistance Bond Fund	28,835,964.81					28,835,964.81
12035	Spec. Rev.	1212	Spec. Rev.	Economic Assistance Revolving Fund	224,132.18					224,132.18
12047	Spec. Rev.	1212	Spec. Rev.	Child Care Facilities	31,092,286.62					31,092,286.62
12050	Spec. Rev.	1212	Spec. Rev.	Local Capital Improvements Fund	11,772,829.98					11,772,829.98
12051	Spec. Rev.	1215	Spec. Rev.	Capital Equipment Purchase Fund	759,824.61					759,824.61
12053	Spec. Rev.	1213	Spec. Rev.	Economic Development and Other Grants	519,982.81					519,982.81
12060	Spec. Rev.	1211	Spec. Rev.	Federal And Other Restricted Accounts	429,451.70					429,451.70
12062	Spec. Rev.	1211	Spec. Rev.	Transportation Grants And Restricted Accounts	50,264,050.52					50,264,050.52
12065	Spec. Rev.	1214	Spec. Rev.	Housing Assistance Bond Fund - Tax Exempt	656,796.23					656,796.23
12066	Spec. Rev.	1214	Spec. Rev.	Housing Trust Fund - Taxable						
<b>SUBTOTAL SPECIAL REVENUE FUNDS</b>					\$ 326,260,880.83	\$ -	\$ -	\$ -	\$ -	\$ 326,260,880.83
<b>CAPITAL PROJECTS FUNDS</b>					\$ 1,013,658.37	\$ -	\$ -	\$ -	\$ -	\$ 1,013,658.37
13009	Cap. Proj.	1212	Spec. Rev.	School Construction	65,074,676.39					65,074,676.39
13010	Cap. Proj.	1212	Spec. Rev.	School Construction - Magnet Schools	913,003.77					913,003.77
13015	Cap. Proj.	1212	Spec. Rev.	Agricultural Land Preservation	58,619,790.41					58,619,790.41
13019	Cap. Proj.	1212	Spec. Rev.	Community Conservation and Development	560,403,612.13					560,403,612.13
13033	Cap. Proj.	1302	Cap. Proj.	Infrastructure Improvement Fund	1,447,786.22					1,447,786.22
13042	Cap. Proj.	1301	Cap. Proj.	University and State University Facilities	56,913,420.83					56,913,420.83
13048	Cap. Proj.	1301	Cap. Proj.	CSUS 2020	1,518,455.81					1,518,455.81
17001	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	7,875,296.61					7,875,296.61
17011	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	1,233,591.27					1,233,591.27
17021	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	6,101,284.96					6,101,284.96
17041	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	1,046,776.74					1,046,776.74
17051	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	3,134,959.93					3,134,959.93
17061	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	17,503,644.16					17,503,644.16
17071	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	6,351.22					6,351.22
17091	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	2,044,067.63					2,044,067.63
17101	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	4,526,434.17					4,526,434.17
17111	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	9,947,828.58					9,947,828.58
17121	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	16,097,486.00					16,097,486.00
17131	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	17,397,895.60					17,397,895.60
17141	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	18,391,552.43					18,391,552.43
17151	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	39,722,366.69					39,722,366.69
17161	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	46,353,085.84					46,353,085.84
17171	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	32,087,137.58					32,087,137.58
17181	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	3,021,978.87					3,021,978.87
17831	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	2,594,200.63					2,594,200.63
17851	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	8,061,559.47					8,061,559.47
17861	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	368,250.42					368,250.42
17891	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	969,704.27					969,704.27
17901	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	1,499,411.19					1,499,411.19
17921	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	1,182,247.57					1,182,247.57
17951	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	171,976.89					171,976.89
17961	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	1,883,281.59					1,883,281.59
17971	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	6,884,737.74					6,884,737.74
17991	Cap. Proj.	1301	Cap. Proj.	Capital Improvements and Other Purposes	\$ 986,011,511.98	\$ -	\$ -	\$ -	\$ -	\$ 986,011,511.98
<b>SUBTOTAL CAPITAL PROJECTS FUNDS</b>					\$ 986,011,511.98	\$ -	\$ -	\$ -	\$ -	\$ 986,011,511.98

CASH MANAGEMENT DIVISION  
 CIVIL LIST FUNDS  
 SCHEDULE OF INVESTMENTS <sup>(1)(2)</sup> (Continued)  
 FISCAL YEAR ENDING JUNE 30, 2020  
 PRESENTED UNDER STATUTORY BASIS OF ACCOUNTING <sup>(4)(14)</sup>

Legal No.	Type	GAAP No.	Type	Fund Name	STIF Investments 6/30/2020	Investments with Treasurer as Trustee		Investments with Others as Trustee		Total
						Short-Term 6/30/20	Long-Term 6/30/20	Short-Term 6/30/20	Long-Term 6/30/20	
14005	Debt Service	1401	Debt Service	State University Dormitory	\$ 79,892,677.07					79,892,677.07
14006	Debt Service	1401	Debt Service	Transportation Fund Reserve	1,004,411,176.75 <sup>(6)</sup>					1,004,411,176.75
	<b>SUBTOTAL DEBT SERVICE FUNDS</b>				\$ 1,084,303,853.82	\$ -	\$ -	\$ -	\$ 19,989,500.00 <sup>(6)</sup>	\$ 1,104,293,353.82
<b>ENTERPRISE FUNDS</b>										
21008	Enterprise	2110	Enterprise	Bradley International Parking Operations	\$ 13,463,073.32 <sup>(6)</sup>					13,463,073.32
21009	Enterprise	2101	Enterprise	Bradley International Airport Operations	173,016,612.90 <sup>(6)</sup>					173,016,612.90
21014	Enterprise	1213	Spec. Rev.	Clean Water Fund - State	87,991,993.85 <sup>(7)</sup>			180,000.00 <sup>(7)</sup>	165,000.00 <sup>(7)</sup>	88,336,993.85
21015	Enterprise	2105	Non-Exp.	Clean Water Fund - Federal	511,013,732.31 <sup>(8)</sup>			63,399,868.89 <sup>(8)</sup>	25,344,965.15 <sup>(8)</sup>	598,758,566.35
21016	Enterprise	1213	Spec. Rev.	Clean Water Fund - Long Island Sound	2,643,329.74					2,643,329.74
21017	Enterprise	1213	Spec. Rev.	Drinking Water Fund - State	3,383,320.00					3,383,320.00
21018	Enterprise	2111	Spec. Rev.	Drinking Water Fund - Federal Revolving Loan	147,313,863.89 <sup>(8)</sup>			2,776,645.07 <sup>(8)</sup>	11,958,007.37 <sup>(8)</sup>	162,048,516.33
	<b>SUBTOTAL ENTERPRISE FUNDS</b>				\$ 938,825,926.01	\$ -	\$ -	\$ 66,356,513.96 <sup>(8)</sup>	\$ 37,467,992.52 <sup>(8)</sup>	\$ 1,042,650,432.49
<b>FIDUCIARY FUNDS</b>										
31001	Pension	3103	Pension	State Employees' Retirement Fund		\$ 176,571,623.75	\$ 13,022,743,141.25 <sup>(6)</sup>			\$ 13,199,314,765.00
31002	Pension	3105	Pension	State Attorneys' Retirement Fund		61,264.78	2,076,365.22 <sup>(6)</sup>			2,137,630.00
31004	Pension	3106	Pension	Judges and Compensation Commissioners' Retirement Fund		5,835,103.58	233,837,725.42 <sup>(6)</sup>			239,672,829.00
31006	Pension	3104	Pension	Teachers' Retirement Fund		305,884,820.01	17,969,275,389.99 <sup>(6)</sup>			18,275,160,210.00
31008	Pension	3107	Pension	Municipal Employees' Retirement Fund		65,900,593.20	2,644,989,392.80 <sup>(6)</sup>			2,710,889,986.00
31009	Other Em. Benef	3102	Agency	Police and Firemen Survivors' Benefit Fund		1,137,398.73	36,778,671.27 <sup>(6)</sup>			37,916,070.00
31010	Pension	3108	Pension	Probate Judges and Employees Retirement Fund		2,383,105.82	108,271,820.18 <sup>(6)</sup>			110,654,926.00
31011	Other Em. Benef	3109	Agency	State Employee OPEB Fund		42,161,569.36	1,395,669,454.04 <sup>(6)</sup>			1,437,831,024.00
31012	Other Em. Benef	3101	Agency	OPEB Teachers' Fund			68,042,013.13			68,042,013.13
35010	Fiduciary	1502	Permanent	Connecticut Arts Endowment Fund		782,074.84	19,137,419.16 <sup>(6)</sup>			19,919,494.00
35011	Fiduciary	1501	Non-Exp.	Soldiers, Sailors and Marines Trust Fund		1,891,601.57	80,843,773.43 <sup>(6)</sup>			82,735,375.00
35014	Fiduciary	2103	Exp. Trust	Unemployment Compensation Fund				\$ 206,489,337.67 <sup>(11)</sup>		206,489,337.67
35015	Fiduciary	2107	Enterprise	John Dempsey Hospital Malpractice Trust Fund						3,020,005.20
35016	Fiduciary	2103	Exp. Trust	CHET Administrative Fund						446,337.50
35017	Fiduciary	2103	Exp. Trust	CT TRF Spec. Cap. Res Fund						386,856,541.79
	<b>SUBTOTAL FIDUCIARY FUNDS</b>				\$ 488,594,897.62	\$ 602,609,155.64	\$ 35,513,622,953.36	\$ 206,489,337.67	\$ -	\$ 36,781,066,344.29
	<b>TOTAL CIVIL LIST FUNDS</b>				\$ 6,080,238,179.21	\$ 2,584,366,001.66	\$ 35,513,622,953.36	\$ 272,846,851.63	\$ 57,457,492.52	\$ 44,508,530,478.38 <sup>(13)</sup>

(1) Detailed information on the adjusted cash balances and total STIF balances within each individual fund can be obtained from the Comptroller's Annual Report.  
 (2) Short-term investments shown at amortized cost which, due to their short-term nature, approximates market.  
 (3) Represents assets of the Common Cash Pool which is not a component of the General Fund. The Common Cash Pool is comprised of the investable balances of a number of individual funds and, for purposes of administration only, is shown as an investment of the General Fund. The General Fund is commonly in a net borrowing position from the resources of the other funds within the pool.  
 (4) In accordance with Section 3-115 of the General Statutes, the State Comptroller shall provide accounting statements relating to the financial condition of the State as a whole, in the same form and in the same categories as appears in the budget act enacted by the General Assembly. The Budget Act enacted for the 2020 fiscal year is presented on a comprehensive basis of accounting other than general accepted principals. In order to be consistent with the Comptroller's statements and the Budgetary Act, the State Treasurer has employed the same comprehensive basis of accounting for the presentation of the Civil List Funds Schedule of Investments  
 (5) GAAP accounting requires that investment balances be presented to include the accrued interest earned. This manner of presentation is not used for the statutory basis presentation.  
 (6) Short-term investments consist of STIF Accounts held by US Bank as Trustee. Long term investments consist of US Agencies. Investments are held by US Bank as Trustee. For description of the program, see Debt Management Division.  
 (7) Short-term and Long-term investments consist of State of Connecticut General Obligation Bonds which are shown at par. Investments are held by US Bank as Trustee. For description of the program, see Debt Management Division.  
 (8) Short-term and Long-term investments consist of Money Market Funds, State of Connecticut General Obligation Bonds and GICs. Both short-term and long-term investments are held by US Bank as Trustee. For description of program, see Debt Management Division.  
 (9) STIF Investments consist of both Treasury directed and trustee directed accounts.  
 (10) Represents market or fair value of shares held by various retirement plans in the Treasurer's Combined Investment Funds.  
 (11) Cash on deposit with Federal Government.  
 (12) Investments in bank deposits instruments.  
 (13) Information on cash balances can be obtained from the Comptroller's Annual Report.  
 (14) STIF Investment consists of STIF account held by US Bank as Trustee.

**CASH MANAGEMENT DIVISION  
SECURITIES HELD IN TRUST FOR POLICYHOLDERS  
JUNE 30, 2020**

Name of Insurance Company	Par Amount of Collateral	Market Value
The following securities are on deposit with the State Treasurer for the Insurance Department under Sec 38a-83:		
Ace Life Insurance Co	\$ 2,650,000.00	\$ 2,779,235.36
Aetna Better Health	500,000.00	523,617.53
Aetna Health Inc Ct	525,000.00	574,385.44
Aetna Hlth & Life Ins	3,075,000.00	3,288,925.84
Aetna Ins Co Of Conn	2,550,000.00	2,620,263.59
Aetna Life Ins Co	1,600,000.00	1,647,265.87
Aim Mutual	50,000.00	54,460.61
Allianz Reins America Inc	6,000,000.00	7,336,800.00
American Equity Spec	2,600,000.00	2,954,332.70
American Maturity Lif	6,550,000.00	6,715,674.28
Anthem Health Pl	500,000.00	515,832.80
Arbella Indemnity Ins	50,000.00	70,724.48
Arbella Protection	50,000.00	70,724.48
Associated Employer	50,000.00	53,854.07
Atlantic Charter Ins Co Pri	50,000.00	58,841.51
Auto Ins Of Htfd	4,050,000.00	4,434,711.90
Axis Specialty Ins	3,000,000.00	3,213,466.81
Beazley America Insurance Company, Inc. PRIN	2,500,000.00	2,593,663.46
Beazley Ins Co	2,500,000.00	2,523,800.00
C M Life Ins	1,600,000.00	1,619,450.52
California Co	21,420,000.00	21,952,284.25
Carepartners Of Conn Inc	521,000.00	532,670.46
Carolina Cas Ins	200,000.00	214,210.67
Charter Oak Fire	4,525,000.00	5,200,770.75
Cigna Health & Life	2,600,000.00	2,826,223.94
Cigna Healthcarect	525,000.00	524,701.67
Connecticare Inc	2,500,000.00	2,785,793.32
Covenant Ins Company	600,000.00	848,693.77
CT Dental Practice Organiz-Pri	502,000.00	511,186.16
Ct Gen Life Ins	1,735,000.00	1,857,537.88
Discover Prop & Cas	3,120,000.00	3,315,712.30
Discover Specialty	2,750,000.00	3,062,721.80
Electric Ins Co	60,000.00	64,548.60
Employers Compensation Ins Co Pri	650,000.00	719,091.79
Exec Risk Spec Ins Co	3,115,000.00	3,173,810.63
Explorer Ins Co	100,000.00	110,424.33
Farmers Insurance Exchange Pri	100,000.00	107,713.32
Farmington Cas	3,000,000.00	3,538,547.00
Finial Reinsurance Co	3,550,000.00	3,694,065.66
Fire Insurance Exchange Pri	101,375.00	109,088.32
Firemans Fd Ins	16,615,000.00	18,960,559.01
First State Ins	2,200,000.00	2,324,083.87
Fitchburg Mutual	50,000.00	52,361.75
General Re Life Corp	1,505,000.00	1,541,628.23
General Star Ind	429,000.00	437,687.46
Genworth Mtg Ins Nc	60,000.00	60,627.54
Greystone Insurance Company	3,000,000.00	3,022,706.15

**CASH MANAGEMENT DIVISION**  
**SECURITIES HELD IN TRUST FOR POLICYHOLDERS (Continued)**  
**JUNE 30, 2020**

Name of Insurance Company	Par Amount of Collateral	Market Value
Gulf Underwriters Ins	3,000,000.00	3,324,902.08
Hartford Fire Ins	3,300,000.00	3,931,538.33
Hne Of Connecticut Inc	499,000.00	536,199.13
Hphc-Ct	500,000.00	719,166.91
Hsb Specialty Ins Co	2,575,000.00	2,687,058.26
Htfd A & I Co	3,810,000.00	4,484,676.26
Htfd Ins Co Of The Se	2,710,000.00	2,914,266.37
Htfd Life & Acc	1,915,000.00	2,671,355.35
Htfd Steam Boiler	4,000,000.00	4,118,130.00
Htfd Steam Of Ct	4,000,000.00	4,387,635.49
Htfd Underwriters	3,270,080.00	3,904,963.17
Idealife Ins Co	1,612,000.00	1,644,273.03
Ins Co Of The West	100,000.00	107,955.70
Knight Of Columbus	4,000,000.00	4,461,613.33
Liberty Mutual	50,000.00	54,509.07
Ma Mut Life Ins	1,600,000.00	1,723,791.08
Maxum Casualty Ins Co. Pri	2,750,000.00	2,796,955.53
Maxum Indemnity Company Pri	2,750,000.00	2,790,425.52
Members Life Ins Co	350,000.00	452,333.10
Mid-Century Ins Co-Prin	100,000.00	112,933.38
Mml Bay State Life	1,500,000.00	1,518,234.86
Nassau Life And Annuity Company	1,540,000.00	1,738,850.41
National Liab & Fire	2,750,000.00	2,783,914.60
New Eng Reinsur	3,225,000.00	4,607,766.33
New England Ins Co	2,995,000.00	3,215,069.67
New London Cnty	125,000.00	137,575.54
Northland Casualty	2,560,000.00	2,748,421.53
Northland Insurance	2,675,000.00	2,781,478.38
Nutmeg Ins Co	3,282,000.00	4,626,994.60
Odyssey Reinsurance	5,000,000.00	5,066,275.00
Oxford Health PI Ct	520,000.00	526,707.90
Pacific Insurance Co	2,820,000.00	3,829,479.49
Patrons Mutual Ins Co	131,888.40	139,281.76
Phl Variable Ins Co	1,500,000.00	1,921,927.02
Phoenix Ins Co	4,645,000.00	5,298,300.57
Preferred Employers Inc Co	100,000.00	114,934.00
Prudential Ann Life	1,500,000.00	2,231,211.02
Prudential Ret & Annu	5,015,000.00	5,265,741.34
Rvi America Ins	2,550,000.00	2,805,486.34
Safeco Surplus Lines	100,000.00	117,783.71
Seneca Ins Co	260,000.00	261,891.66
Sentinel Ins Co	3,610,000.00	4,152,018.29
Sequoia Insurance Co	125,000.00	128,125.00
Sparta Insurance Co	3,070,000.00	3,079,630.05
St Paul Fire & Marine	3,250,000.00	3,948,912.50
St Paul Guardian Ins	2,675,000.00	2,776,099.62
St Paul Mercury Ins	2,550,000.00	2,778,333.94
St Paul Protective	4,100,000.00	4,492,901.21
Standard Fire Ins	4,000,000.00	4,999,560.00

**CASH MANAGEMENT DIVISION  
SECURITIES HELD IN TRUST FOR POLICYHOLDERS (Continued)  
JUNE 30, 2020**

Name of Insurance Company	Par Amount of Collateral	Market Value
Starstone Natl Ins Co	100,000.00	110,060.43
Talcott Res Intl Life Re	5,645,000.00	7,850,578.13
Talcott Res Life &Ann Ins	2,860,000.00	3,645,895.62
Talcott Res Life Ins Co	2,350,000.00	2,380,314.55
Thames Ins Co	125,000.00	137,575.54
The Ins Co	300,000.00	306,038.93
Tig Insurance Co	2,615,000.00	2,670,532.51
Trav Cas & Sur Of Am	3,200,000.00	3,295,097.41
Travco Ins Co	4,875,000.00	5,434,769.77
Traveler Pro Cas Ofam	3,005,000.00	3,144,176.90
Travelers Cas & Sure	3,000,000.00	3,328,402.01
Travelers Cas Of Ct	2,500,000.00	2,604,981.96
Travelers Casualty Am	3,400,000.00	3,451,026.53
Travelers Casualty Co	2,940,000.00	3,108,908.98
Travelers Commer Cas	3,500,000.00	3,534,035.02
Travelers Commercial	2,150,000.00	2,181,605.41
Travelers Constitutio	3,000,000.00	3,018,739.73
Travelers Excess/Surp	3,000,000.00	3,018,739.73
Travelers Home & Mar	5,125,000.00	5,648,673.79
Travelers Ind Co Amer	3,565,000.00	3,634,154.08
Travelers Ind Co Of C	3,000,000.00	3,433,809.98
Travelers Indem Co	6,630,000.00	7,127,194.86
Travelers Personal In	5,500,000.00	5,905,988.30
Travelers Prop Cas In	2,050,000.00	2,350,282.50
Travelers Psnl Sec	4,200,000.00	4,454,789.84
Trenwick Amer Reins Corp	1,580,000.00	1,636,251.94
Truck Ins Exchge	370,000.00	384,452.30
Trumbull Ins Co	2,680,000.00	3,623,651.05
Unitedhealthcare Ins	1,610,000.00	1,753,631.69
Us Fidelity Guaranty	6,000,000.00	6,947,480.00
Vantis Life Ins Co	2,325,000.00	2,874,586.87
Voya Retirement Ins Annuit	3,750,000.00	3,773,424.66
Wellcare Of Ct	535,000.00	538,545.07
Zenith Ins Co	1,111,000.00	1,121,488.47
<b>TOTAL</b>	<b>\$ 325,644,343.40</b>	<b>\$ 359,546,953.87</b>

**CASH MANAGEMENT DIVISION  
UNEMPLOYMENT COMPENSATION FUND  
JUNE 30, 2020**

On Account with the Secretary of the Treasury of the United States as Trustee of the Unemployment Compensation Fund

<b>BALANCE at JUNE 30, 2019</b>		<b>\$ 737,429,548.01</b>
Deposits	\$ 1,025,315,891.00	
EUISAA 2020 Emergency UI	26,535,587.00	
Pandemic Assistance	155,500,000.00	
Combined Wage Transfers to Connecticut	10,707,937.51	
Interest on Deposits	15,276,670.90	
Federal Employee & Ex-Servicemen Contributions	3,690,000.00	
FUTA Credit Reductions	374,861.34	<u>1,237,400,947.75</u>
<b>TOTAL CASH AVAILABLE</b>		<b>\$ 1,974,830,495.76</b>
Withdrawals for Benefits	1,601,710,000.00	
Withdrawals for Benefits - Pandemic Assistance	155,500,000.00	
Combined Wage Withdrawals	5,839,235.39	
Federal Employee & Ex-Servicemen Withdrawals	3,690,000.00	
Returned Excess Federal Funds	540,194.70	
Refund of Reduced FUTA Tax Credits	969,582.44	
Social Security Act Title IX	92,145.56	<u>1,768,341,158.09</u>
<b>BALANCE at JUNE 30, 2020</b>		<b>\$ <u>206,489,337.67</u></b>

The Act which established Unemployment Compensation provides that contributions from employers be collected by the Labor Commissioner as Administrator of the Act and be deposited with the State Treasurer. (Chapter 2, Public Act, Special Session 1936). These funds are then sent to the Secretary of the Treasury of the United States. The Administrator requests withdrawals as needed to pay benefits to employees.





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