

DRAFT VERSION – MINUTES OF THE INVESTMENT ADVISORY COUNCIL REGULAR MEETING
WEDNESDAY, MARCH 13, 2024 – SUBJECT TO REVIEW AND APPROVAL
FINAL VERSION OF THESE MINUTES WILL BE POSTED AFTER APPROVAL OF THE INVESTMENT
ADVISORY COUNCIL AT THE NEXT MEETING, WHICH WILL BE HELD ON
WEDNESDAY, MAY 8, 2024

MEETING NO. 529

Members present:

Joined at 9:07 am
Via Zoom

D. Ellen Shuman, Chair
Treasurer Russell, Secretary
William Murray
Harry Arora
William Myers
Myra Drucker
Michael LeClair
Thomas Fiore, representing Secretary Jeffrey Beckham

Members absent:

Patrick Sampson

Others present:

Via Zoom

Sarah Sanders, Deputy Treasurer
Doug Dalena, General Counsel
Ginny Kim, Assistant General Counsel
Ted Wright, Chief Investment Officer
Mark Evans, Principal Investment Officer
Peter Gajowiak, Principal Investment Officer
Denise Stake, Principal Investment Officer
Nishant Upadhyay, Principal Investment Officer
Anastasia Rotheroe, Principal Investment Officer
Paul Coudert, Interim Principal Investment Officer
Olivia Wall, Senior Investment Officer
Pamela Moody, Investment Officer
Kan Zuo, Investment Officer
Philip Conner, Investment Officer
Carmen Melaragno, Investment Officer
Robert Scully, Investment Officer
Jorge Portugal, Investment Officer
Rosalind Nash, Investment Officer
Jessica Weaver, Deputy Director of Corporate Governance and Sustainable Investments
Raymond Tuohey, Investment Associate - Legal
Mary Mustard, Meketa
Robyn Kaplan-Cho, CEA
Deirdre Guice, T. Rowe Price
Matt Baland, Schroders
Gordon Nicholson, K2 Advisors
Dan Elsberry, K2 Advisors
Cloe Kelley, PIMCO
Chris Morgan, Franklin Templeton
Catherine Saunders, BSP

Guests: Gary Hudepohl, Hudepohl Associates
Public Line

With a quorum present, Chair D. Ellen Shuman called the Investment Advisory Council (“IAC”) regular meeting to order at 9:06 a.m.

Approval of the Minutes of the January 10, 2024, IAC Regular Meeting

Chair Shuman called for a motion to accept the minutes of the January 10, 2024, IAC Regular Meeting. **Mr. Murray moved to approve the minutes. The motion was seconded by Ms. Drucker. There being no further discussion, the Chair called for a vote to accept the minutes of the meeting, and the motion passed.**

Comments by the Treasurer

Treasurer Russell welcomed the IAC members and noted that because there had not been any investments presented for consideration during the last IAC meeting, he would not be announcing any investment decisions. The Treasurer opened the meeting by acknowledging the important work the IAC council is doing on behalf of the people of the State of Connecticut and noted that he has had several opportunities in the last few months to talk about the role the IAC plays as it relates to the Office of the Treasurer (OTT). After further brief comments, Treasurer Russell provided an overview of the agenda.

Update on the Market and CRPTF Performance

Ted Wright, Chief Investment Officer, Robert Scully, Investment Officer, and Meketa, General Investment Consultant, provided an update on the capital market environment and reported on the fourth quarter performance.

Connecticut Retirement Plans and Trust Funds Investment Policy Statement Revisions to Appendix G Presentation

Jessica Weaver, Deputy Director of Corporate Governance and Sustainable Investments, presented proposed revisions to Appendix G, of the Investment Policy Statement for the Connecticut Retirement Plans and Trust Funds.

Presentation and Consideration of Real Estate and Infrastructure and Natural Resource Asset Class Opportunities

Denise Stake, Principal Investment Officer, and Philip Conner, Investment Officer, presented Carlyle Realty Partners X, L.P., a Real Estate Fund opportunity.

Denise Stake, Principal Investment Officer, and Olivia Wall, Senior Investment Officer, presented Axium Infrastructure North America II LP, an Infrastructure and Natural Resources Fund opportunity.

Roll Call of Reactions for the Real Estate, Infrastructure and Natural Resources Opportunities

Messrs. Myra Drucker, William Myers, William Murray, Tom Fiore, Harry Arora, Michael LeClair and Chair Shuman provided feedback on the investment opportunities. **There being no further discussion, Chair Shuman called for a motion to waive the 45-day comment period for the respective investment opportunities and agree to allow the Treasurer to invest up to \$300 million in the Carlyle Realty Partners X, L.P real estate opportunity. A motion was made by Ms. Drucker, seconded by Mr. Myers, to waive the 45-day comment period for Carlyle Realty Partners X, L.P. and Axium Infrastructure North America II LP opportunities and agree to allow the Treasurer to invest up to \$300 million in Carlyle Realty Partners X, L.P. real estate opportunity. The Chair called for a vote, and the motion passed.**

Risk Mitigation Strategies Review

Nishant Upadhyay, Principal Investment Officer, and Jorge Portugal, Investment Officer, provided a Risk Mitigation Strategies Review.

Presentation of Asset Recovery/Securities Monitoring and Litigation Program

Karen Grenon, Principal Investment Counsel, provided a presentation on the process and procedures for Security Monitoring and Securities Litigation.

Approval of the Connecticut Retirement Plans and Trust Funds Investment Policy

Statement Revisions to Appendix G

Messrs. Myra Drucker, William Myers, William Murray, Tom Fiore, Harry Arora, Michael LeClair and Chair Shuman provided feedback on the revisions to Appendix G. **There being no further discussion, Chair Shuman called for a motion to approve the Investment Policy Statement revisions to Appendix G. A motion was made by Ms. Drucker, seconded by Mr. Myers, to approve the Investment Policy Statement revisions to Appendix G. The Chair called for a vote, and the motion passed.**

Presentation from Chief Investment Officer/Principal Investment Officer regarding an Updated Hiring Plan and Staff Professional Classification

Ted Wright, Chief Investment Officer, and Peter Gajowiak, Principal Investment Officer, presented a PFM Investment Staff Professional Classification level and salary range for the level, and presented an Updated Hiring Plan.

Other Business

Review and Approval of the IAC Meeting Schedule for 2025 Calendar Year

Approval of the IAC Meeting Schedule for 2025 Calendar Year

There being no further discussion, Chair Shuman called for a motion to approve the IAC Meeting Schedule for 2025 Calendar Year. A motion was made by Ms. Drucker, seconded by Mr. Murray, to approve the IAC Meeting Schedule for 2025 Calendar Year. The Chair called for a vote, and the motion passed.

Comments by the Chair

None.

Executive Session

Chair Shuman asked for a motion to move into Executive Session. A motion was made by Mr. Myers, seconded by Mr. Arora that the IAC enter into Executive Session to discuss the (i) impact of PFM investment staff classification levels and compensation plans on current personnel and (ii) appointment of Principal Investment Officer for the STIF & Liquidity Fund at 12:17 p.m. The motion passed unanimously. Deputy Treasurer, Sarah Sanders; Doug Dalena, General Counsel; and Ginny Kim, Assistant General Counsel, Chief Compliance and Diversity Officer, Ted Wright, Chief Investment Officer, and Gary Hudepohl, Hudepohl Associates, were invited to attend the Executive Session.

Chair Shuman reconvened the regular session at 12:37 p.m. Chair Shuman noted that no substantive votes or actions were taken during the Executive Session.

Consent to the appointment of the Principal Investment Officer, STIF & Liquidity Fund

Chair Shuman called for a motion to consent for Treasurer Russell to appoint the recommended candidate to the Principal Investment Officer, STIF & Liquidity Fund, position. A motion was made by Mr. Myers, seconded by Mr. Arora, to consent for Treasurer Russell to appoint the recommended candidate to the Principal Investment Officer, STIF & Liquidity Fund, position. The Chair called for a vote, and the motion passed.

Meeting Adjourned

There being no further business, Chair Shuman called for a motion to adjourn the meeting. **Mr. Murray moved to adjourn the meeting, and the motion was seconded by Mr. Myers.** There being no discussion, the motion passed, and the meeting was adjourned at 12:39 p.m.

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