

INVESTMENT ADVISORY COUNCIL

Wednesday, May 13, 2020

MEETING NO. 475

Members present:

Thomas Fiore, representing Secretary Melissa McCaw
Joshua Hall
Michael Knight
Michael LeClair
Steven Muench
William Murray
Patrick Sampson
D. Ellen Shuman, Chair
Carol Thomas
State Treasurer Shawn T. Wooden, Secretary

Others present:

Laurie Martin, Chief Investment Officer
Kevin Cullinan, Chief Risk Officer
Mark Evans, Principal Investment Officer
Katrina Farquhar, Executive Assistant
Lyndsey Farris, Principal Investment Officer
John Flores, General Counsel
Karen Grenon, Legal Counsel
Darrell Hill, Deputy Treasurer
Barbara Housen, Chief Compliance Officer, Deputy General Counsel
Danita Johnson, Principal Investment Officer
Harvey Kelly, Analyst
Casi Kroth, Investment Officer
Raynald Lévêque, Deputy Chief Investment Officer
Steve Meier, Senior Principal Investment Officer
Paul Osinloye, Principal Investment Officer
Olivia Wall, Investment Officer

Guests:

Kevin Alcala, Goldman Sachs
Tim Atkinson, Meketa Investment Group
Drienne Benner, Appomattox
LaRoy Brantley, Meketa Investment Group
Judy Chambers, Meketa Investment Group
Brandon Colon, Meketa Investment Group
Clare Connolly, Cohen & Steers
Mike Elio, StepStone
Marilyn Freeman, Capital Prospects
Will Greene, Loop Capital
Deirdre Guice Minor, T. Rowe Price
Mary Mustard, Meketa Investment Group
Fran Peters, HarbourVest
William Rejeski, Goldman Sachs
Matt Ritter, NEPC
Richard Ross, CT Resident
Lisa Rotenberg, Goldman Sachs

Liz Smith, AllianceBernstein
Chad Treadway, CT Resident
Ann Parker Weeden, AllianceBernstein
Ryan Wagner, T. Rowe Price
Peter Woolley, Meketa Investment Group

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

Comments by the Chair

Newly appointed chair, Ms. Shuman gave a brief introduction, which included her background and investment experience.

Approval of Minutes of the April 23, 2020 IAC Meeting

Chair Shuman called for a motion to accept the minutes of the April 23, 2020 IAC meeting. **William Murray moved to approve the minutes of the April 23, 2020 IAC meeting. The motion was seconded by Joshua Hall. There was one correction from Thomas Fiore and one abstention from the newly appointed Chair. The IAC members took a moment to recognize and thank Carol Thomas for her role as interim IAC chair.** Chair Shuman called for a motion to accept the minutes as amended of the April 23, 2020 IAC meeting. **There being no further discussion, the Chair called for a vote and the motion passed.**

Comments by the Treasurer

Treasurer Wooden welcomed IAC members and the new Chair noting that Ms. Shuman is joining the IAC at a crucial time in the markets and that her investment experience will be very valuable in the months and years ahead. He stated that the month of May is a time to celebrate the front line heroes and teachers that make a difference in our lives each day and thanked them for their service. He reviewed current corporate governance initiatives and stated that on April 23rd, we co-filed a resolution calling on Johnson & Johnson’s board of directors to investigate and report to investors on opioid-related risks to the company. He stated that after given consideration to the feedback from the IAC following the extensive due diligence conducted by our in house staff and external consultants, he has decided to proceed with commitments to Altaris Health Partners V, L.P., Hg Genesis 9, L.P., Hg Saturn 2, L.P., Homestead Capital USA Farmland Fund III, L.P. and Rockpoint Real Estate Fund VI, L.P. Finally, he announced that two investments were under consideration at the meeting today for the Private Investment Fund (“PIF”).

Economic and Market Update

Meketa Investment Group provided an update on the market and economy and led a discussion on endpoint bias relative to investment performance.

Private Market Pacing Plans

Mark Evans, Principal Investment Officer (“PIO”), and Danita Johnson, PIO, reviewed the pacing plans for our private market investments.

Watch List Process Update

Kevin Cullinan, Chief Risk Officer, provided an update on the Watch List process.

Presentation by and Consideration of Stellex Capital Partners II, L.P.

Mr. Evans provided opening remarks and introduced Stellex Capital Partners II, L.P. (“Stellex”), a PIF opportunity.

Stellex, represented by Raymond Whiteman, Managing Partner along with Michael Stewart, Managing Partner, made a presentation to the IAC.

Roll Call of Reactions for the Stellex Capital Partners II, L.P. PIF opportunity.

Messrs. Murray, Hall, Knight, Fiore, Michael LeCLair, Steven Muench, Patrick Sampson, Ms. Thomas and Chair Shuman provided feedback on Stellex. Chair Shuman called for a motion to waive the 45-day comment period. **A motion was made by Mr. Murray, seconded by Mr. Hall, to waive the 45-day comment period for Stellex. There being no discussion, the Chair called for a vote and the motion passed.**

Presentation by and Consideration of Leeds Equity Partners VII, L.P.

Mr. Evans provided opening remarks and introduced Leeds Equity Partners VII, L.P. (“Leeds VII”), a PIF opportunity.

Leeds VII, represented by Jeffrey Leeds, Managing Partner and Jacques Galante, Partner, made a presentation to the IAC.

Roll Call of Reactions for the Leeds Equity Partners VII, L.P. PIF opportunity.

Messrs. Murray, Muench, Knight, Fiore, Hall, Sampson, LeClair, Ms. Thomas and Chair Shuman provided feedback on Leeds VII. Chair Shuman called for a motion to waive the 45-day comment period. **A motion was made by Mr. Hall, seconded by Ms. Thomas, to waive the 45-day comment period for Leeds VII. There being no discussion, the Chair called for a vote and the motion passed.**

Other Business

Chair Shuman noted the next meeting will be held on June 10, 2020. She invited the council members to submit agenda items. There being no further business, the Chair called for a motion to adjourn the meeting. **Mr. Murray moved to adjourn the meeting and the motion was seconded by Ms. Thomas. There being no discussion, the meeting was adjourned at 1:23 p.m.**

Respectfully submitted,



SHAWN T. WOODEN
SECRETARY

Reviewed by,



ELLEN SHUMAN
CHAIR