

**DRAFT VERSION – MINUTES OF THE INVESTMENT ADVISORY COUNCIL REGULAR MEETING
WEDNESDAY, JUNE 14, 2023 – 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, SEPTEMBER 13, 2023**

MEETING NO. 518

Members present: D. Ellen Shuman, Chair
Treasurer Russell, Secretary
Thomas Fiore, representing Secretary Jeffrey Beckham
William Murray
Michael Knight
William Myers
Myra Drucker
Patrick Sampson

Members absent: Michael LeClair

Others present: 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
Michael Terry, Principal Investment Officer
Nishant Upadhyay, Principal Investment Officer
Olivia Wall, Senior Investment Officer
Pamela Moody, Investment Officer
Kan Zuo, Investment Officer
Philip Conner, Investment Officer
Carmen Melaragno, Investment Officer
Jan Hong, Pension Fund Accountant
Jeffrey McBride, Investment Technician
Gregory Picard, Pension Fund Accountant
Yvonne Welsh, Administrative Assistant
Harvey Kelly, Pension Fund Analyst
Raymond Tuohey, Executive Secretary
Olivia Reynolds, OTT Intern
Max Stein, OTT Intern
Jenny Horne, Schroders
Robyn Kaplan-Cho, Connecticut Education Association
Liz Smith, Alliance Bernstein
Chloe Kelley, PIMCO
Kwad Acheampong, PIMCO
Mary Mustard, Meketa

Guests: Public Line

With a quorum present, Chair D. Ellen Shuman called the Investment Advisory Council (“IAC”) regular meeting to order at 9:03 a.m.

Approval of the Minutes of the May 10, 2023, IAC Meeting

Chair Shuman noted that Ginny Kim should be added to the list of “Others Present,” and Ms. Drucker noted a misspelling of Tom Fiore’s name. Chair Shuman called for a motion to accept the minutes of the May 10, 2023, IAC Meeting, as amended to reflect the noted changes. **Mr. Myers moved to approve the minutes. The motion was seconded by Mr. Murray. There being no further discussion, the Chair called for a vote to accept the minutes of the meeting, and the motion passed unanimously.**

Comments by the Treasurer

Treasurer Russell welcomed the IAC members and shared recent updates at the Office of the Treasurer (OTT), including recently passed legislation allowing greater flexibility in compensation and position title in the PFM division. He thanked several of them for their advocacy and support for these changes. In the Private Investment Portfolio, Treasurer Russell announced his decision to commit \$150 million to Grain Communications Opportunity Fund IV; \$150 million to Hg Titan 2; \$75 million to Hg CT1 Co-Investment; \$175 million to Dover Street XI; and, \$175 million to Secondary Overflow Fund V. Lastly, Treasurer Russell provided an overview of the agenda.

Update on PFM Division

Ted Wright, Chief Investment Officer, stated that he appreciated and shared the IAC’s support in ensuring that their members are the best talent available, an area the recent legislative bill aids in. He also highlighted new staff in the Office of the Treasurer (OTT).

Presentation and Consideration of Real Estate Opportunity

Denise Stake, Principal Investment Officer, and Philip Conner, Investment Officer, provided an

overview of the Real Estate Fund and presented Penwood Select Industrial Partners VII, L.P., a Real Estate Fund opportunity.

Roll Call of Reactions for the Real Estate Opportunity

Members Patrick Sampson, William Murray, Myra Drucker, William Myers, Michael Knight, Thomas Fiore, and Chair Shuman provided feedback on the Real Estate investment opportunity. **There being no further discussion, Chair Shuman called for a motion to waive the 45-day comment period. A motion was made by Mr. Murray, seconded by Mr. Fiore, to waive the 45-day comment period for the Penwood Select Industrial Partners VII real estate investment opportunity. The Chair called for a vote, and the motion passed unanimously.**

Presentation and Consideration of Private Equity Opportunities

Mark Evans, Principal Investment Officer, provided opening remarks and Kan Zuo, Investment Officer, presented two Private Investment Fund opportunities: (1) Altaris Health Partners VI and (2) CT-Top Tier Venture.

Roll Call of Reactions for the Private Equity Opportunities

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

Presentation and Consideration of Private Credit Opportunities

Carmen Melaragno presented two Private Credit Fund opportunities: (1) OSP Value Fund IV and (2) OSP Value Fund IV-B.

Roll Call of Reactions for the Private Credit Opportunities

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

Presentation and Consideration of CBO Investment Opportunity

Nishant Upadhyay, Principal Investment Officer, Global Fixed Income and Risk Mitigation Strategies, presented an investment opportunity in the Shenkman CBO Fund.

Roll Call of Reactions for the CBO Investment Opportunity

Messrs. Tom Fiore, Michael Knight, William Myers, Myra Drucker, William Murray, Patrick Sampson and Chair Shuman provided feedback on the CBO investment opportunity. **There being no further discussion, Chair Shuman called for a motion to waive the 45-day comment period. A motion was made by Ms. Drucker, seconded by Mr. Myers, to waive the 45-day comment period for the Shenkman CBO investment opportunity. The Chair called for a vote, and the motion passed unanimously.**

Other Business

None.

Update from the Talent Resources Committee

Myra Drucker, Chair of the Talent Resources Committee, reported that, with the help of Gary Hudepohl of Hudepohl & Associates, Inc. and the support of Treasurer Russell, the Committee will be evaluating compensation philosophies and benchmarking salaries for investment professionals against comparable peer groups. The Committee intends to bring recommendations based on such reviews to the Treasurer and the IAC. Ms. Drucker stated that the goal is to best position PFM to recruit and retain the best talent to manage the CRPTF, which will benefit state retirees and save taxpayer dollars.

Comments by the Chair

Chair Shuman briefly thanked Treasurer Russell for his help with the recent changes in legislation that were discussed earlier in the meeting.

Meeting Adjourned

There being no further business, Chair Shuman called for a motion to adjourn the meeting. **Ms. Drucker moved to adjourn the meeting, and the motion was seconded by Mr. Sampson. There being no discussion, the motion passed unanimously, and the meeting was adjourned at 11:28 a.m.**