

**DRAFT VERSION – MINUTES OF THE INVESTMENT ADVISORY COUNCIL MEETING
WEDNESDAY, MARCH 9, 2016– SUBJECT TO REVIEW AND APPROVAL
FINAL VERSION OF THESE MINUTES WILL BE POSTED AFTER APPROVAL OF THE INVESTMENT
ADVISORY COUNCIL AT THE NEXT MONTHLY MEETING, WHICH WILL BE HELD ON
WEDNESDAY, APRIL 13, 2016**

MEETING NO. 430

Members present:

Joshua Hall
David (Duke) Himmelreich
Michael LeClair
William Murray
Carol Thomas, Interim Chair
Peter Thor*

Absent:

Thomas Fiore, representing Benjamin Barnes
Michael Kramer
Steven Muench
Denise L. Nappier, Treasurer

Others present:

Richard Gray, Deputy Treasurer
Deborah Spalding, Chief Investment Officer
David Barrett, Director of Communications
Joanne Dombrosky, Principal Investment Officer
Mary Phil Guinan, Assistant Treasurer-Policy
Linda Hershman, Chief of Staff
Catherine E. LaMarr, General Counsel
Christina McGinnis, Executive Secretary
Christine Shaw, Chief Compliance Officer
Linda Tudan, Executive Assistant

*Arrival 9:09a.m.

Guests:

Tyler Christian, StepStone Group, LP
MariLu Cleary, Morgan Stanley
Michael Elio, StepStone Group, LP
Will Greene, Loop Capital Markets
Mark Johnson, Cliffwater LLC
Robin Kaplan-Cho, Connecticut Education Association
Pete Keliuotis, Cliffwater LLC
Aditya Raina, StepStone Group, LP
Matt Redeker, StepStone Group, LP
Justin Rico Oyola, SEIU (Capital Stewardship Program)
Claire Shaugnessy, AonHewitt Investment Consulting
Liz Smith, Alliance Bernstein
Diane Smola, AonHewitt Investment Consulting
Michael Stark, The Townsend Group

With a quorum present, Interim Chair Carol Thomas called the Investment Advisory Council (“IAC”) meeting to order at 9:02 a.m.

Approval of Minutes of the January 13, 2016 IAC Meeting

Chair Thomas called for a motion to approve the minutes of the January 13, 2016 IAC meeting.

Mr. Murray moved to approve the minutes of the January 13, 2016 IAC meeting as drafted. The motion was seconded by Mr. Himmelreich. There being no further discussion, the Chair called for the vote. The motion passed unanimously.

Comments by the Treasurer

Richard Gray, Deputy Treasurer, provided the opening remarks in Treasurer Denise L. Nappier’s absence and welcomed new IAC member Michael LeClair.

Update on the Market, the Connecticut Retirement Plans and Trust Funds Final Performance for Month Ended December 31, 2015 and January 31, 2016

Ms. Spalding, Chief Investment Officer (“CIO”), provided an update on the capital market environment, its impact on the Connecticut Retirement Plans and Trust Funds (“CRPTF”) performance and the economic outlook. Ms. Spalding then reported on the investment performance for the months ended December 31, 2015 and January 31, 2016 and then commented on the Watch List. Ms. Spalding announced that after giving consideration to the feedback from the IAC and to the due diligence process conducted by the investment staff and our general investment consultant, AonHewitt, Treasurer Nappier has decided to hire Ashmore Investment Management Ltd; Fidelity Institutional Asset Management; Payden & Rygel and Prudential Fixed Income, pending successful contract negotiations.

Next, Claire Shaughnessy, Partner, and Diane Smola, Senior Consultant, of AonHewitt

Investment Consulting, reported on the Combined Investment Funds for the quarter ended December 31, 2015 and the Connecticut Horizon Fund for the quarter ended December 31, 2015.

Consideration for the Search Process for Legal Counsel and Services

Catherine LaMarr, General Counsel, provided a project plan timeline and screening/selection criteria for legal counsel and services search.

Alternative Investment Fund Review as of December 31, 2015

Ms. Spalding reported on the Alternative Investment Fund (“AIF”) for the quarter ended December 31, 2015. She introduced the AIF consultant to the CRPTF, Pete Keliuotis, Senior Managing Director of Cliffwater LLC, who assisted in presenting the quarterly report.

Private Investment Fund Review as of September 30, 2015

Ms. Spalding reported on the Private Investment Fund (“PIF”) for the quarter ending September 30, 2015. She introduced the PIF consultant to the CRPTF, Michael Elio, Partner, who assisted in presenting the quarterly report.

Real Estate Fund Review as of September 30, 2015

Ms. Spalding reported on the performance of the Real Estate Fund (“REF”) for the quarter ended September 30, 2015. She introduced the REF consultant to the CRPTF, Michael Stark, Associate of The Townsend Group, who assisted in presenting the quarterly report.

Securities Lending Review of December 31, 2015

Michael Sweeney, Vice President and Gustave Christakos, Assistant Vice President for Deutsche Bank, provided a review of Securities Lending activity for the quarter ended December 31, 2015.

Short-Term Investment Fund Review as of December 31, 2015

Michael Terry, Principal Investment Officer, reported on the performance of the Short-Term Investment Fund for the quarter ending December 31, 2015.

Other Business

Chair Thomas invited the IAC members to submit agenda items for the April 13, 2016 IAC meeting.

Comments by the Chair

There being no further business, Chair Thomas called for a motion to adjourn the meeting. **Mr. Himmelreich moved to adjourn the meeting and the motion was seconded by Peter Thor. There being no discussion, the meeting was adjourned at 11:08 a.m.**

This meeting was electronically recorded.