

**DRAFT VERSION – MINUTES OF THE INVESTMENT ADVISORY COUNCIL MEETING  
WEDNESDAY, DECEMBER 10, 2015– 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, JANUARY 13, 2015**

**MEETING NO. 428**

**Members present:**

Janice (Jan) Carpenter  
Thomas Fiore, representing Benjamin Barnes  
Laurence Hale  
Joshua Hall  
David (Duke) Himmelreich  
Michael Kramer  
Steven Muench  
William Murray  
Denise L. Nappier, Treasurer  
Carol Thomas, Interim Chair  
Peter Thor

**Others present:**

Richard Gray, Deputy Treasurer  
Deborah Spalding, Chief Investment Officer  
David Barrett, Director of Communications  
Joanne Dombrosky, Principal Investment Officer  
Marianne Dziedzic, Executive Secretary  
Gregory Franklin, Assistant Treasurer  
Kwame Gibbs, IT  
Mary Phil Guinan, Assistant Treasurer-Policy  
Linda Hershman, Chief of Staff  
Wayne Hypolite, Executive Assistant  
Catherine E. LaMarr, General Counsel  
Christina McGinnis, Executive Secretary  
Sarah Sanders, Assistant Treasurer-Debt  
Christine Shaw, Chief Compliance Officer  
Linda Tudan, Executive Assistant  
Lawrence Wilson, Assistant Treasurer-Cash Management

**Guests:**

Jeffrey Alt, Prudential Fixed Income  
Justin Bullion, Payden & Rygel  
Kristin Johnson Ceva, Payden & Rygel  
MariLu Cleary, Morgan Stanley  
Jan Dehn, Ashmore Investment Management Limited  
Brian Drainville, Fidelity Institutional Asset Management  
Art Greenwood, Fidelity Institutional Asset Management  
George Grunebaum, Ashmore Investment Management  
Limited  
Cathy Hepworth, Prudential Fixed Income

Christoph Hofmann, Ashmore Investment Management Limited  
Arthur Hovsepian, Payden & Rygel  
Robin Kaplan-Cho, Connecticut Education Association  
Pete Keliuotis, Cliffwater LLC  
Jonathan Kelly, Fidelity Institutional Asset Management  
Keith Phaneuf, CT Mirror  
Claire Shaugnessy, AonHewitt Investment Consulting  
Liz Smith, Alliance Bernstein  
Diane Smola, AonHewitt Investment Consulting  
Arnold West, GIA  
Elizabeth M. Westvold, Payden & Rygel

With a quorum present, Interim Chair Carol Thomas called the Investment Advisory Council (“IAC”) meeting to order at 9.00 a.m.

**Approval of Minutes of the November 10, 2015 IAC Meeting**

Chair Thomas called for a motion to approve the minutes of the November 10, 2015 IAC meeting. **Peter Thor moved to approve the minutes of the November 10, 2015 IAC meeting as drafted. The motion was seconded by Jan Carpenter. There was one abstention, Steven Muench. There being no further discussion, the Chair called for the vote. The motion passed unanimously.**

**Comments by the Treasurer**

Treasurer Denise L. Nappier began by introducing the discussion entitled Funding Connecticut’s Pension Liabilities: Analysis of Proposals. She reviewed the Governor’s proposal to shore up the underfunded pension plans and delivered her fundamental principles and analysis regarding the proposal. Also participating in the discussion were Christine Shaw, Chief Compliance Officer; Deborah Spalding, Chief Investment Officer, Catherine LaMarr, General Counsel and Richard Gray, Deputy Treasurer.

Next, Treasurer Nappier commented on the agenda and stated that four semi-finalist firms were being presented to the IAC for the Emerging Markets Debt Fund Manager Search: Ashmore Investment Management Limited (“Ashmore”), Fidelity Institutional Asset Management (f/k/a Pyramis Global Advisors) (“Fidelity”), Payden & Rygel and Prudential Fixed Income (“Prudential”).

**Update on the Market, the Connecticut Retirement Plans and Trust Funds Final Performance for Months Ended October 31, 2015**

Ms. Spalding provided an update on the capital market environment, its impact on the Connecticut Retirement Plans and Trust Funds performance and the economic outlook. Ms. Spalding then reported on the investment performance for the month ended October 31, 2015.

**Presentation by and Consideration of the Semi-Finalists for the Emerging Markets Debt Fund Manager Search**

Joanne Dombrosky, Principal Investment Officer, provided opening remarks and introduced semi-finalists Ashmore, Fidelity, Payden & Rygel and Prudential, for the Emerging Markets Debt Fund Manager Search.

Ashmore, represented by Jan Dehn, Head of Research, Christoph Hofmann, Head of Distribution, and George Grunebaum, Business Development Executive; Fidelity, represented by Jonathan Kelly, Portfolio Manager, Brian Drainville, Institutional Portfolio Manager, and Art Greenwood, SVP & Relationship Manager; Payden & Rygel, represented by Kristin Johnson Ceva, Managing Principal, Justin G. Bullion, Managing Principal, Arthur Hovsepian, Principal and Elizabeth M. Westvold, Sr. Vice President; and Prudential, represented by Cathy Hepworth, Managing Director & Sr. Portfolio Manager, and Jeffrey Alt, Managing Director, each made a presentation to the IAC.

**Roll Call of Reactions to the Emerging Markets Debt Fund Manager Search**

Laurence Hale, Joshua Hall, Thomas Fiore, Duke Himmelreich, William Murray, Michael Kramer, Ms. Carpenter, Messrs Thor and Muench and Chair Thomas provided feedback to the Treasurer.

**Other Business**

Chair Thomas invited the IAC members to submit agenda items for the January 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 Mr. Hale. There being no discussion, the meeting was adjourned at 12:46 p.m.**

**This meeting was electronically recorded.**